



Celesc

3Q22 | EARNINGS RELEASE



Índice de
Ações com Top Ativos
Diferenciado **ITAG**

Índice de
Ações com Governança
Corporativa Diferenciada **IGC**

DISCLAIMER

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The information contained in this document related to business prospects, projected operating and financial results, and Celesc's growth outlooks are merely projections and, as such, are exclusively based on the Executive Board's expectations. These expectations crucially depend on market conditions, Brazil's economic performance, the industry, and international markets and, therefore, are subject to change.


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OPERATING AND FINANCIAL HIGHLIGHTS


 **EBITDA**
 R\$177.3M (3Q22)
R\$855.6M (9M22)


 **Net Operating Income**
R\$2.5B (3Q22)
R\$7.5B (9M22)


 **Net Income**
R\$76.2M (3Q22)
R\$437.2M (9M22)

 **Consolidated Investment**
R\$371.4M (3Q22)
R\$967.4 M(9M22)

 **Annual Tariff**
 **Readjustment**
Average effect of
11.32%
(2022/2023 cycle)

 **Consolidated Net Debt**
R\$1,129.1M

 **PMOO**
R\$274.5M (3Q22)
R\$750.0M (9M22)

 **Company Shares**
3.08% (3Q22)
-9.31% (12 months)

RESULTS SUMMARY

Main Results	3Q			9M		
	2021	2022	Δ	2021	2022	Δ
Operational Indicators						
Celesc Distribuição – Total Billed Energy (GWh)	6,586	6,594	0.1%	20,244	20,558	1.5%
Celesc Geração - Billed Energy (GWh)	156	168	7.9%	492	519	5.6%
Financial Indicators – Consolidated (R\$ Million)						
Gross Operating Income	5,072	3,717	-26.7%	12,731	12,096	-5.0%
Net Operating Income	3,603	2,459	-31.8%	8,538	7,502	-12.1%
Net Operating Revenue (Excluding Construction Revenue)	3,383	2,114	-37.5%	8,040	6,597	-17.9%
Operating Costs and Expenses	(3,396)	(2,386)	-29.7%	(7,939)	(6,920)	-12.8%
Operating Costs and Expenses (excluding Construction Costs)	(3,175)	(2,041)	-35.7%	(7,441)	(6,016)	-19.2%
EBITDA (IFRS)	286.5	177.3	-38.1%	834.9	855.6	2.5%
EBITDA Margin (IFRS)	7.9%	7.2%		9.8%	11.4%	
EBITDA margin - ex-construction revenue	8.5%	8.4%		10.4%	13.0%	
Adjusted EBITDA (non-recurring)	265.3	178.7	-32.6%	813.7	857.0	5.3%
Adjusted EBITDA Margin, excluding Construction Revenue (%)	7.8%	8.5%		10.1%	13.0%	
Net Income (IFRS)	175.6	76.2	-56.6%	474.9	437.2	-7.9%
Net Margin (IFRS)	4.9%	3.1%		5.6%	5.8%	
Net margin - ex-construction revenue	5.2%	3.6%		5.9%	6.6%	
Adjusted net profit (non-recurring)	151.3	77.1	-49.0%	450.6	438.1	-2.8%
Adjusted Net Margin, excluding Construction Revenue (%)	4.5%	3.6%		5.6%	6.6%	
Investments in Generation and Power Distribution	235.0	371.4	58.0%	545.6	967.4	77.3%

6.41 hours

EDC 3Q22 – below Aneel's limit, of 10.18 hours - 2022

4.44 interruptions

EFC 3Q22– below Aneel's limit, of 7.99 interruptions - 2022

20,558 GWh

total electricity consumption in Celesc's concession area - 2022

↑ 0.1%

compared to 3Q21
Celesc D's billed energy

7.32%

Total losses - value lower than the 8.14% reported in 3Q21

1. RELEVANT EVENTS¹

- **Celesc achieves certification in the Great Place to Work**
- **Celesc and ESG**
- **Celesc is elected the best distributor of the South region**
- **Annual Tariff Adjustment – Celesc D**
- **Digital Transformation Week encourages a new culture at the Company**
- **Inauguration of the Itapema Meia Praia Substation (SE)**
- **Celesc activates LD Ratoes 138 kV**
- **Energy Efficiency Project approved by ANEEL will benefit seven hospitals in Santa Catarina**
- **Distribution of Interest on Equity (IoE)**

¹ Further information on the main events of the period can be found in the Exhibits section in the end of this document.
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2 CELESC GROUP

2.1 Corporate Profile

Centrais Elétricas de Santa Catarina S.A. – CELESC is one of the largest companies in the Brazilian electricity industry, especially in the power distribution and generation areas. Structured as a holding company in 2006, it has two wholly-owned subsidiaries: Celesc Distribuição S.A. and Celesc Geração S.A. It also controls Companhia de Gás de Santa Catarina (SCGÁS) and is a partner of Dona Francisca Energética S.A. (DFESA), Empresa Catarinense de Transmissão de Energia S.A. (ECTE), Companhia Catarinense de Água e Saneamento (CASAN), and the Usina Hidrelétrica Cubatão S.A. project.

Its controlling shareholder is the State of Santa Catarina, holder of 50.18% of the Company's common shares, corresponding to 20.2% of the total capital.

Figure 01 – Ownership and Corporate Structure in September/2022

SC STATE		EDP ENERGIAS		ELETROBRAS		CELOS		GF LPAR FIA		ALASKA POLAND FIA		OTHERS	
50.18%	O	33.11%	O	0.03%	O	8.63%	O	2.97%	O	0.00%	O	5.09%	O
0.00%	P	27.73%	P	17.98%	P	1.00%	P	13.67%	P	15.34%	P	24.28%	P
20.20%	T	29.90%	T	10.75%	T	4.07%	T	9.36%	T	9.16%	T	16.56%	T

FREE FLOAT
75.5%



O = COMMON SHARES
P = PREFERRED SHARES
T = TOTAL SHARES

		51.00%	O					11.97%	O				
		0.00%	P					11.93%	P				
100.00%	T	100.00%	T	17.00%	T	30.88%	T	23.03%	T	40.00%	T	11.95%	T
CELESC DISTRIBUIÇÃO		CELESC GERAÇÃO		SCGÁS	ECTE	DFESA	CUBATÃO²	CASAN					

² Under a divestment process.



Celesc
Distribuição S.A.

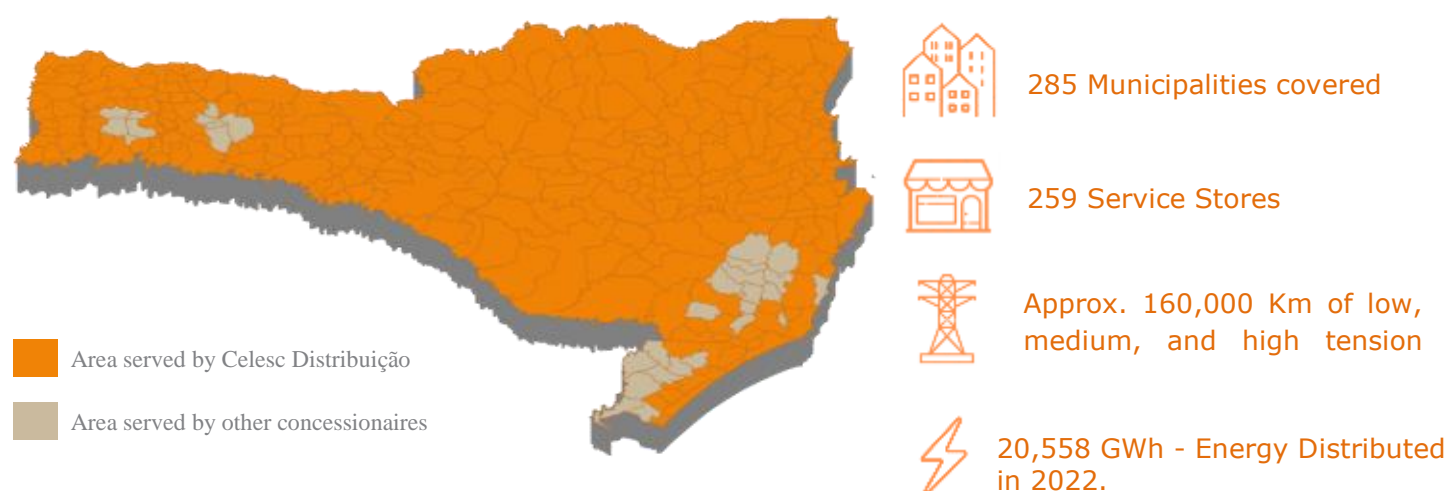
3. PERFORMANCE BY SEGMENT

3.1. CELESC DISTRIBUIÇÃO S.A.

3.1.1. Company's Profile

Operating Area

Celesc Distribuição S.A. stands out in the power distribution segment. It is headquartered in the city of Florianópolis. Below is CELESC's area of operation:



3.1.2. Economic and Financial Performance

3.1.2.1. Gross Operating Income, Net Operating Income, EBITDA, and Net Income

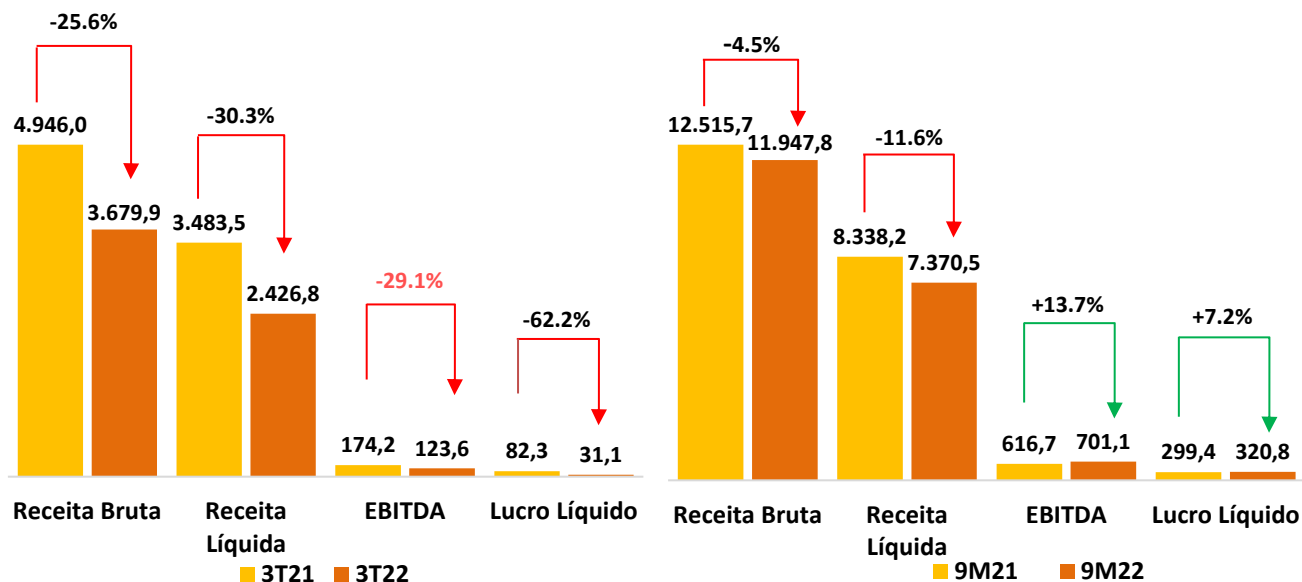
The table below shows Celesc Distribuição's main indicators in 3Q22 and 9M22.

Celesc Distribuição S.A. | Main Financial Indicators (IFRS)

R\$ million	3Q			9M		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Gross Operating Income	4,946.0	3,679.9	-25.6%	12,515.7	11,947.8	-4.5%
Deductions from Operating Income	(1,462.6)	(1,253.0)	-14.3%	(4,177.6)	(4,577.3)	9.6%
Net Operating Income	3,483.5	2,426.8	-30.3%	8,338.2	7,370.5	-11.6%
Net Operating Income (Excluding Construction Revenue)	3,262.9	2,081.7	-36.2%	7,840.3	6,466.2	-17.5%
Operating Costs and Expenses	(3,370.8)	(2,371.8)	-29.6%	(7,904.6)	(6,871.0)	-13.1%
<i>Electricity Costs</i>	(2,810.5)	(1,645.5)	-41.5%	(6,484.2)	(4,862.2)	-25.0%
<i>Operating Expenses</i>	(560.3)	(726.3)	29.6%	(1,420.4)	(2,008.7)	41.4%
Operating Costs and Expenses (excluding Construction Costs)	(3,150.3)	(2,026.7)	-35.7%	(7,406.7)	(5,966.7)	-19.4%
Earnings from Activities	112.6	55.0	-51.1%	433.6	499.5	15.2%
EBITDA	174.2	123.6	-29.1%	616.7	701.1	13.7%
<i>EBITDA margin - IFRS</i>	5.0%	5.1%		7.4%	9.5%	
<i>EBITDA margin (ex- construction costs)</i>	5.3%	5.9%		7.9%	10.8%	
Financial Result	18.5	(29.7)	-261.1%	47.9	(58.1)	-221.4%
Earnings Before Income Tax	131.1	25.3	-80.7%	481.4	441.4	-8.3%
IR/CSLL	(48.8)	5.8	111.9%	(182.1)	(120.6)	33.8%
Net Income/Loss	82.3	31.1	-62.2%	299.4	320.8	7.2%
<i>Net Margin - IFRS</i>	2.4%	1.3%		3.6%	4.4%	
<i>Net margin (ex-construction costs)</i>	2.5%	1.8%		3.8%	5.0%	

Chart 01 shows the performance of **Gross Operating Income, Net Operating Income, EBITDA, and Net Income**.

Chart 01 - Gross Revenue, Net Revenue, EBITDA, and Net Income (R\$ million) - 3Q21/3Q22 and 9M21/9M22



Energy consumption increased by 0.1% in 3Q22 and by 1.5% in 9M22.



The Company's Net Operating Income (ROL) fell by 30.3% in 3Q22 and by 11.6% in 9M22.



Average tariff adjustment of 11.32% (2022/2023 cycle) and 5.65% (2021/2022 cycle).



Operating costs and expenses fell by 29.6% in 3Q22 and by 13.1% in 9M22.



Lower loss level and higher regulatory coverage in the 5th Tariff Revision allowed reducing the financial value without tariff coverage from 2020/2021 to 2021/2022.



EBITDA and Net Income of R\$123.6 million in 3Q22 (R\$701.1 million in 9M22) and R\$31.1 million in 3Q22 (R\$320.8 million in 9M22), respectively.



Investments of R\$368.6 million, up by 61.6% over 3Q21. Investments totaled R\$959.4 million in 9M22, up by 82.3% over 9M21.

3.1.2.3. Revenue

Charts 02 and 03 show the quarterly and annual variations in the main **Gross Revenue** lines.

Chart 02 - Variation in the main Gross Revenue lines (R\$ million) - 3Q21/3Q22

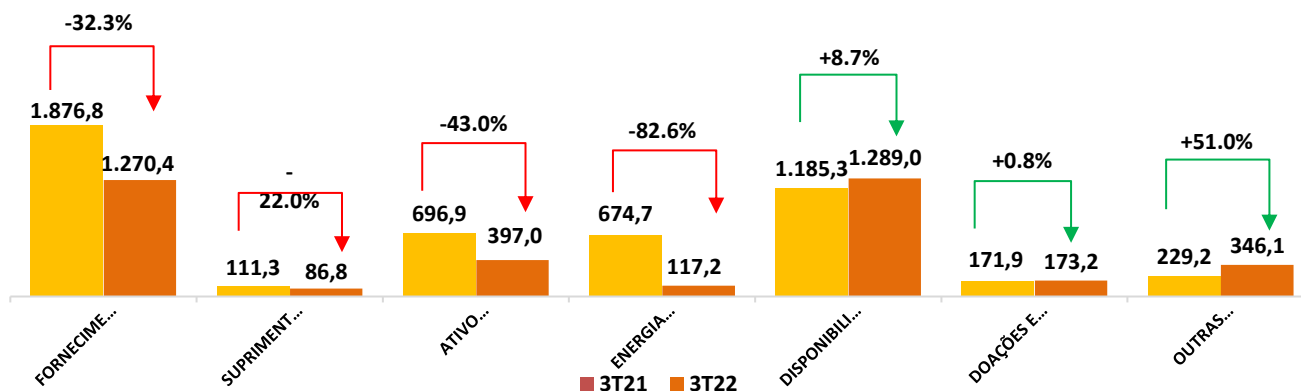
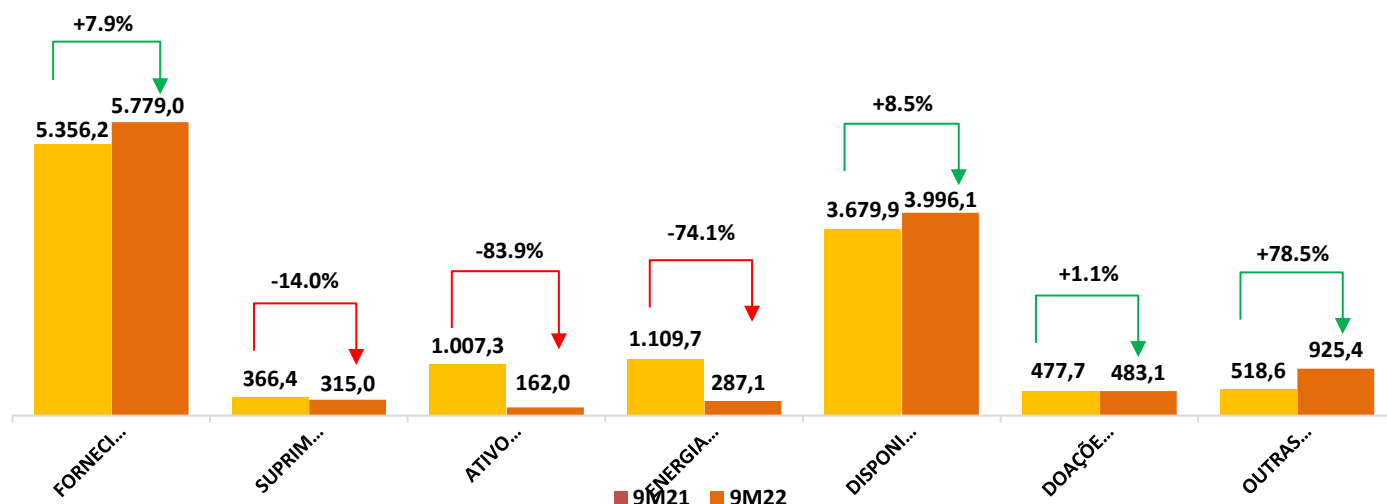


Chart 03 - Variation in the main Gross Revenue lines (R\$ million) - 9M21/9M22



* INCLUDES Income from Services Rendered, Taxed Service, Other Income, and Construction Revenue

The main factors influencing **Gross Operating Income** were:

- The **Electricity Supply** line fell by 32.3% (**-R\$606.4 million**) in 3Q22 (up by 7.9% in 9M22), **totaling R\$1,270.4 million (R\$5,779.0 million in 9M22)**, notably the Revenue Reduction with a tariff flag that totaled R\$1.0 million in 3Q22 (R\$807.4 million in 9M22) compared to the R\$323.4 million reported in 3Q21 (R\$510.8 million in 9M21);
- **Regulatory Assets of R\$397.0 million in 3Q22 and R\$162.0 million in 9M22**, due to the lower YoY net result of CVA in the period. The decrease is related to the lessening of the water crisis recorded in 2021, which increased non-manageable costs, especially energy costs and charges (Portion A) above the expected in the tariff due to the annual tariff adjustment of the 2020/2021 period;

- **Short-Term Energy Short-Term Electricity** of **R\$117.2 million in 3Q22 (R\$287.1 million in 9M22)**, down by 82.6% in the quarter (74.1% in 9M22), due to the **decrease in Difference Settlement Price (“PLD”)** in the Electricity Trading Chamber (CCEE) that led to lower revenue in the Energy Surplus Sales Mechanism (MVE);
- Increase of **8.7% in 3Q22 (8.6% in 9M22) in Revenue from Electricity Network Availability (TUSD)** compared to 3Q21, **totaling R\$1.29 billion (R\$3.97 billion in 9M22)**, which was positively impacted by the average annual adjustment of 11.32% as of August, and by the average adjustment of 5.65% in the 5th Tariff Revision cycle in 2021.
- In Other Revenues, we highlight the **recognition of R\$3.0 million in Expenses with VNR in 3Q22 (due to the deflation in the quarter)**, and the recognition of **R\$11.2 million in Revenue with VNR in 9M22**. It is worth noting that VNR is adjusted based on the adjustment of the IPCA in the period, which came to a negative variation of 1.32% in 3Q22 and a positive LTM variation of 7.17%.
- We also emphasize the effects of Supplementary Law 194, of June 23, 2022, which limited ICMS rates in the States (this tax is included in electricity revenue at the distribution companies).

The **Gross Operating Income (ROB)** had a negative variation of 25.6% in 3Q22 (-4.5% in 9M22) and the **Net Operating Income (ROL)** had a negative variation of 30.3% in 3Q22 (-11.6% in 9M22). The higher reduction in ROL was mainly due to the nature of the revenue impacted in the period. In this case, the effects from the creation of Financial Assets and Liabilities to offset the variation in the costs of Portion A (CVA) in the year led to a reduction in ROB in the analyzed periods, without, however, reducing by the same proportion taxes deducted to calculate ROL, given that such revenue is not subject to ICMS. Accordingly, revenue was reduced but the deductions did not follow in the same proportion, leading to poorer performance of ROL compared to ROB.

3.1.2.2. Operating Costs and Expenses.

Charts 04 and 05 below show the breakdown and evolution of the Company’s Operating Costs and Expenses in 3Q22 and 9M22.

Chart 04 - Operating Costs and Expenses (R\$ million) - 3Q21/3Q22

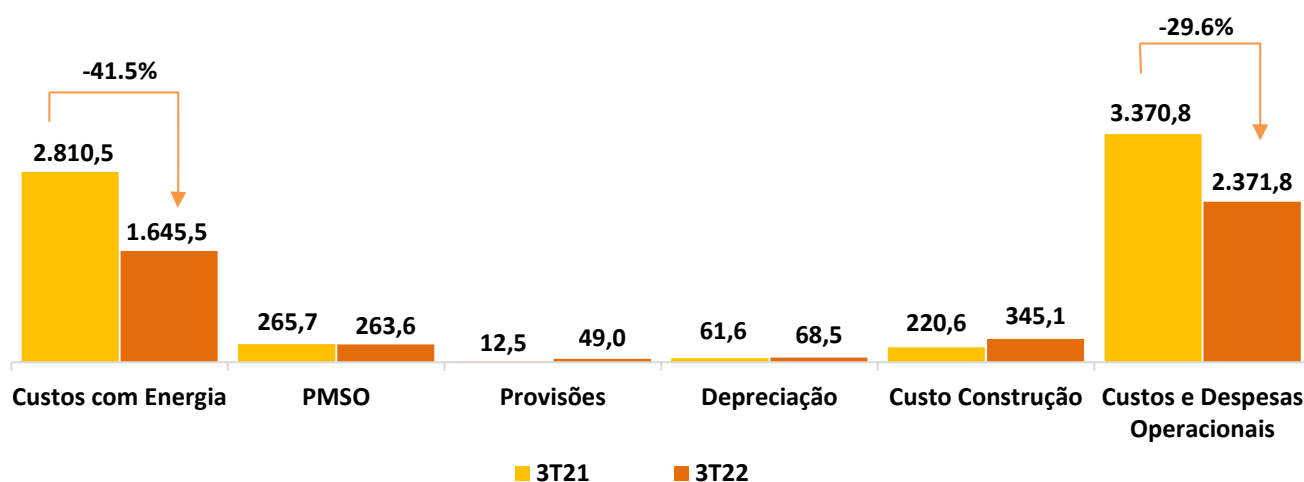


Chart 05 - Operating Costs and Expenses (R\$ Million) – 9M21/9M22

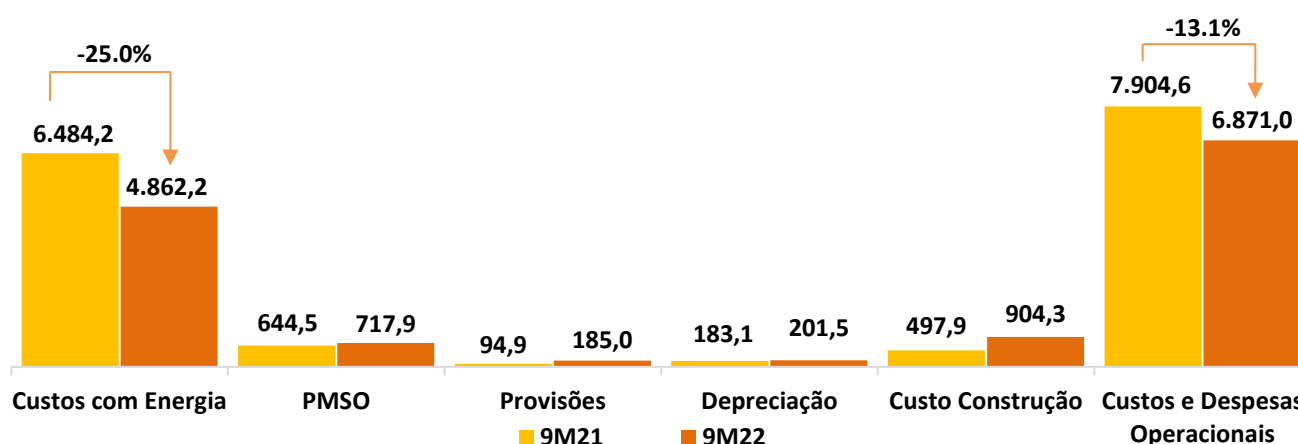
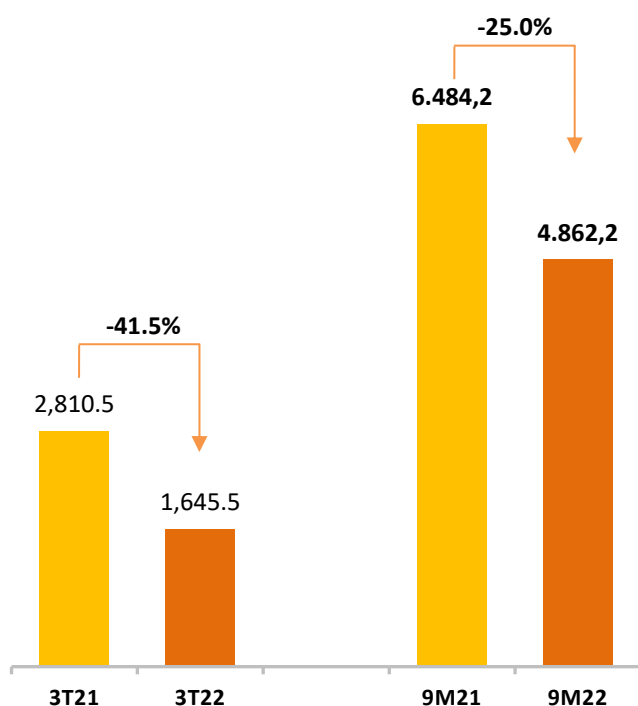


Chart 06, below, shows energy costs in 3Q22 and 9M22:

Chart 06 - Energy Costs (R\$ Million) 3Q22/9M22



The main variations in Energy Costs in 3Q22/9M22:

- i) Reduction of 66.2% in average costs from contracting thermal energy in 3Q22 and a decrease of 13.1% in energy from Itaipu. The Company zeroed energy costs arising from Bilateral Contracts;
- ii) Decrease of 46.8% in 3Q22 (29.1% in 9M22) in Electricity Purchased for Resale;
- iii) PROINFA totaled R\$85.8 million in 3Q22 (R\$257.3 million in 9M22) compared to R\$47.7 million in 3Q21 (R\$143.0 million in 9M21). This line is now included in Electricity Purchased for Resale;
- iv) Decrease of 6.6% in 3Q22 (increase of 0.9% in 9M22) in Charges for the Use of the System.

The variation in Energy Costs was mainly due to **lower dispatches of energy from thermoelectric plants, lower energy from Itaipu, and lower PLD in the period.**

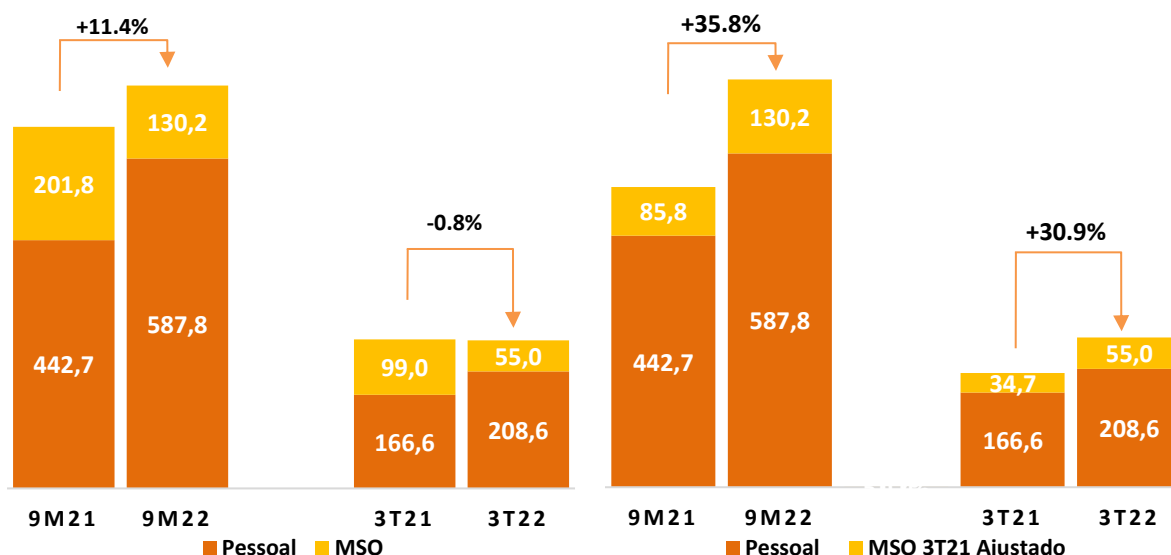
We emphasize that the variations in energy costs are captured by Portion A Revenue.

PMOO and Provisions

To comply with the Accounting Manual of the Electricity Sector, in 2022, the lines related to the payment of civil, labor, tax, and environmental indemnifications, and mass lawsuits are now directly recorded under Provisions. Until 2021, the Company reversed the provision upon recognition of the indemnification, recording an entry in Other Revenues/Expenses. Further information on the change mentioned above can be found in Note 33.3.2 of ITR 3Q22.

Accordingly, **chart 07**, below, **shows the evolution of PMOO (Personnel + MOO)** in line with the Company's financial statements and the version with MOO 2021 adjusted by the new accounting practice. Both charts consider the net provisions created in the period.

Chart 07 –PMOO (Personnel + MOO) and PMOO (Personnel + MOO 3Q21 Adjusted) - (R\$ million)



The main factors influencing the performance of PMOO expenses in 3Q22 were:

- **25.2% increase in Personnel expenses** in 3Q22 (32.8% in 9M22), due to higher actuarial expenses arising from the rise in the discount rate (Actuarial Report), the Collective Bargaining Agreements in October 2021, and the staff.
- **Decrease of 44.5% in MOO expenses (35.5% in 9M22) and, when adjusted, an increase of 58.5% (51.7% in 9M22).** The main variations are as follows:
 - In 3Q22, the Company recorded higher expenses with Materials (+91.5% in 3Q22 and +110.6% in 9M22) and Third-Party Services (+22.2% in 3Q22 and +13.6 in 9M22), negatively impacting expenses. We highlight the following lines: (i) LIES (R\$12.9 million/-13.3%); (ii) vegetation clearing (R\$6.0 million/ +13.7%); (iii) network maintenance (R\$18.3 million/+15.4%); (iv) vehicles (R\$3.8 million/+36.0%); (v) consulting services (R\$6.9 million/+98.0%); and (vi) call center (R\$5.5 million/+72.4%). The increase in these items was due to the resumption of the Company's in-person activities in 2022, the adjustments of contracts impacted by inflation rates, and the re-mobilization of services and contracts in progress in 2021, due to contingency made in 2020.
 - The Other Revenue/ Expenses line was positively impacted by higher net revenue of R\$40.5 million in 3Q22 (R\$134.2 million in 9M22), especially (i) Revenue from Infrastructure Sharing Contracts of R\$58.7 million in 3Q22 (+26.2%) and R\$164.4 million in 9M22 (+22.6%); and (ii) Collection Fee of R\$8.9 million in 3Q22 (+6.2%) and R\$25.6 million in 9M22 (+4.4). As previously informed, this line was impacted by the change in the recognition of indemnifications.

The table below describes **Personnel expenses** in the periods, reflecting the **25.2% increase in 3Q22 (32.8% in 9M22)**, as a result of the factors detailed above.

Celesc Distribuição S.A. | Total Personnel Expenses

R\$ million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Total Personnel	(166.6)	(208.6)	25.2%	(442.7)	(587.8)	32.8%
Personnel and Management	(167.5)	(173.9)	3.8%	(446.5)	(497.3)	11.4%
<i>Personnel and Charges</i>	(161.8)	(167.0)	3.2%	(429.1)	(476.7)	11.1%
<i>Private Pension Plan</i>	(5.7)	(6.8)	19.7%	(17.4)	(20.6)	18.2%
Actuarial Expenses	0.9	(34.8)	-4010.3%	3.7	(90.5)	-2520.9%
PDI	(21.3)	(1.4)		(21.9)	(1.4)	
Personnel Expenses w/o PDI	(145.3)	(207.2)	42.6%	(420.8)	(586.3)	39.3%

Celesc Distribuição is the sponsor of Fundação Celesc de Seguridade Social - CELOS, a non-profit closed private pension fund entity, which manages the pension benefit plans and the healthcare plan offered to its employees. Expected Expenses/Income are calculated by projecting the variations of actuarial obligations and the fair value of the plan's assets, and are recognized in the Income Statement, according to the Annual Actuarial Evaluation of Post-Employment Benefits, carried out by independent actuaries.

The chart below presents the balance of **Actuarial Liabilities as of September 30, 2022, compared to the closing of 2021**, showing a 2.5% reduction in Celesc Distribuição's estimated obligations in 9M22.

CELESC DISTRIBUIÇÃO S.A. | Actuarial Liabilities

R\$ million	On December 31, 2021	On September 30, 2022	Var. %	
Pension Benefit Plans	880.7	819.7	-6.9%	
Transition/Mixed Plan	880.7	819.7	-6.9%	
Other Post-Employment Benefits	1,137.6	1,147.3	0.9%	
Healthcare Plan	1,078.7	1,088.1	0.9%	
Other Benefits	58.9	59.2	0.5%	
Total	2,018.3	1,967.0	-2.5%	
	<i>Short Term</i>	219.5	228.0	3.9%
	<i>Long-Term</i>	1,798.7	1,739.0	-3.3%

Net provisions totaled R\$49.0 million in 3Q22 (R\$185.0 million in 9M22), a QoQ increase of 291.9% (94.9% in 9M22). This line was also impacted by the change in the accounting recognition previously mentioned. Considering the new methodology, net provisions would have dropped by 36.2% in 3Q22 and by 12.3% in 9M22.

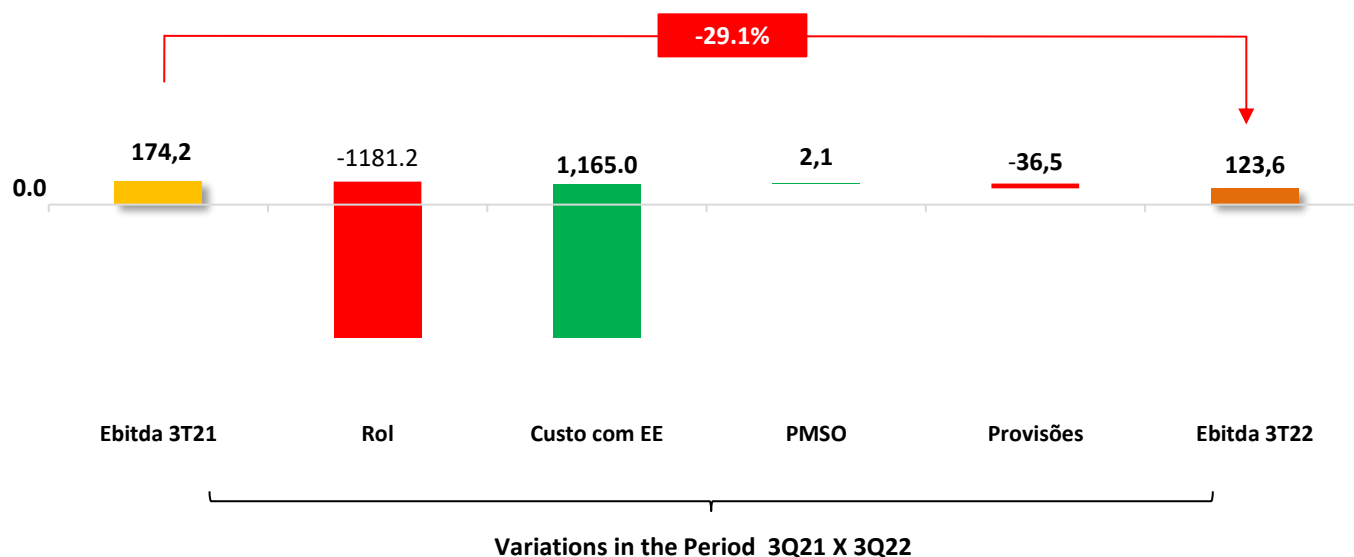
- **The Allowance for Doubtful Accounts totaled R\$17.1 million** in 3Q22 (R\$65 million in 9M22), down by 30.7% in 3Q22 (28.8% in 9M22) compared to the R\$24.7 million reported in 3Q21 (R\$91.3 million in 9M21).
- The **Other Provisions (Labor, Civil, Tax, and Environmental) totaled R\$45.1 million** (compared to the R\$64.1 million reported in 3Q21), a YoY decrease of 29.6%. The decrease came to 12.9% in 9M22, to R\$142.6 million, compared to the R\$163.7 million reported in 9M21. Considering only the Reversal of Other Provisions line, the decrease was 82.7% in 3Q22 (84.5% in 9M22) to R\$13.2 million in 3Q22 (R\$22.6 million in 9M22). This line was also impacted by the

change in the accounting recognition previously mentioned. Considering the new methodology, the Reversal of Other Provisions line would have increased by 10.2% in 3Q22 (- 25.4% in 9M22).

3.1.2.3. EBITDA and Net Income

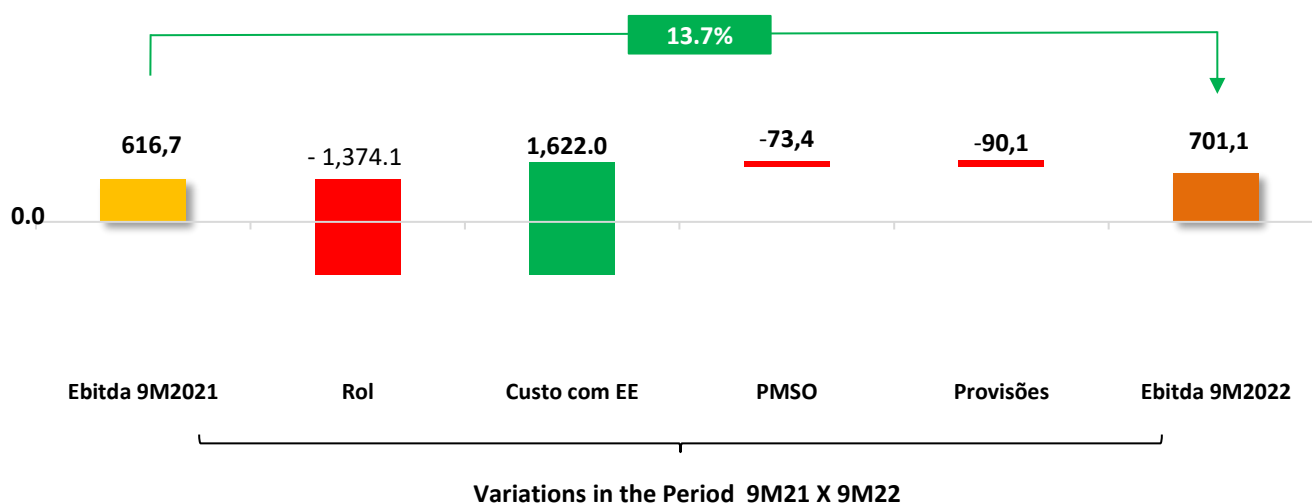
Charts 08 and 09 below show the breakdown of the **EBITDA conversion into Net Income**:

Chart 08 – EBITDA Formation 3Q22 (R\$ million)



In 3Q22, **Celesc Distribuição's EBITDA decreased by 29.1%, to R\$123.6 million**. In 9M22, growth was 13.7% (+R\$84.4 million), **totaling R\$701.1 million**.

Chart 09 – EBITDA Formation 9M22 (R\$ million)



The main factors that contributed to EBITDA performance were (i) **Generation of Portion B** lower than in 3Q21, due to market stabilization in 3Q22 (-R\$39.2 million), in 9M22 the contribution was positive (R\$162.0 million); (ii) positive impact with **Reduction of Losses** compared to 3Q21, representing an increase of R\$21.6 million in 3Q22 (R\$77.5 million in 9M22); (iii) **Higher manageable expenses**, of R\$33,2 million in 3Q22 (-R\$160.7 million in 9M22), mainly impacted by higher accounting of actuarial expenses because of the rise in the discount rate of the Actuarial Report.

The **Financial Result** was **negative by R\$29.7 million in 3Q22 (R\$58.1 million in 9M22)**, arising from the **R\$133.7 million in Financial Revenue (R\$361.2 million in 9M22)** and **R\$163.5 million in Financial Expenses (R\$419.3 million in 9M22)**.

Financial revenue was 101.3% higher (+R\$67.3 million) than in 3Q21 (R\$66.4 million), especially due to (i) increase of 437.8% (+R\$30.2 million in Gains from Financial Investments because of the rise in the Selic rate in the period; (ii) increase of 332.0% (+R\$44.2 million) in Regulatory Asset/Regulatory Fees; and (iii) reduction of 33.9% (-R\$6.5 million) in Monetary Variations. The 89.8% increase in 9M22 (+R\$170.9 million) was R\$361.2 million, compared to the R\$190.3 million reported in 9M21.

Financial Expenses increased by 240.8% in 3Q22 (+R\$115.5 million), to **R\$163.5 million**, especially due to (i) increase of 146.3% (+R\$43.0 million) in Debt Charges; (ii) R\$52.3 million in Regulatory Liability/Regulatory Fees in 3Q22 (R\$107.4 million in 9M22); and increase of 93.1% (+R\$11.9 million) in Interest on Debentures. It is worth mentioning that the Company's indebtedness is mostly post-fixed and indexed to the CDI, which rose substantially between the analyzed periods. The 194.4% increase in 9M22 (+R\$276.9 million) was R\$419.3 million, compared to the R\$142.4 million reported in 9M21.

The Company's Financial Result has been affected by the policy to increase interest rates implemented by the Monetary Authority. In addition, the balance of the Financial Liabilities line was higher in 2022 compared to 2021, negatively impacting the financial result. It is worth noting that the balances of Financial Assets and Liabilities are adjusted by the Selic rate, impacting the financial revenue/expenses line of Regulatory Asset.

The table below shows the breakdown of the main lines covered in our explanation:

Celesc Distribuição S.A. | Main Financial Indicators (IFRS)

R\$ million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Earnings from Activities - EBIT	112.6	55.0	-51.1%	433.6	499.5	15.2%
Activities Margin (%)	3.2%	2.3%		5.2%	6.8%	
EBITDA	174.2	123.6	-29.1%	616.7	701.1	13.7%
EBITDA Margin (%)	5.0%	5.1%		7.4%	9.5%	
Financial Result	18.5	(29.7)	-261.1%	47.9	(58.1)	-221.4%
Financial Revenue	66.4	133.7	101.3%	190.3	361.2	89.8%
Financial Expense	(48.0)	(163.5)	240.8%	(142.4)	(419.3)	194.4%
Earnings Before Income Tax	131.1	25.3	-80.7%	481.4	441.4	-8.3%
IR and CSLL	(15.2)	(1.1)	-92.9%	(138.0)	(132.4)	-4.0%
Deferred Income Tax and Social Contribution	(33.6)	6.9	120.5%	(44.1)	11.8	126.9%
Net Income	82.3	31.1	-62.2%	299.4	320.8	7.2%
Net Margin (%)	2.4%	1.3%		3.6%	4.4%	

Finally, Net Income totaled R\$31.1 million in 3Q22 (R\$320.8 million in 9M22), 62.2% lower than in 3Q21. In 9M22, the increase was 7.2% (+R\$21.5 million), totaling R\$320.8 million, compared to the R\$299.4 million reported in 9M21. The factors determining the profit variation in 3Q22 were the same as those outlined in the EBITDA analysis, in addition to the financial result (negative by R\$29.7 million in 3Q22 and R\$58.1 million in 9M22).

Chart 10 – Net Income Formation 3Q22 (R\$ million)

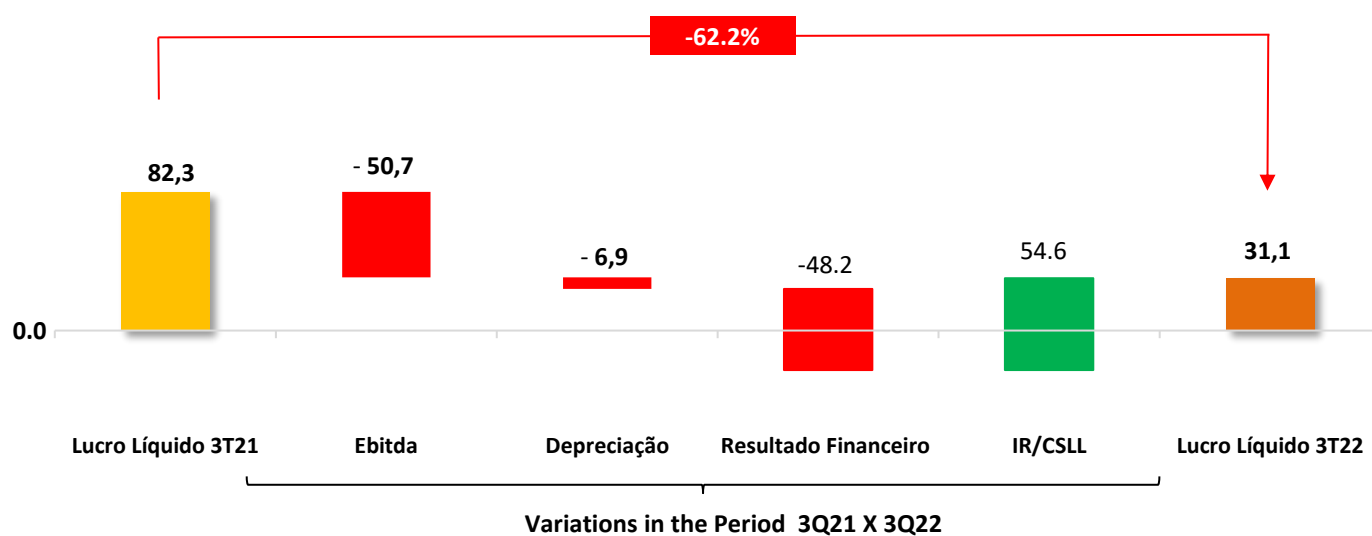
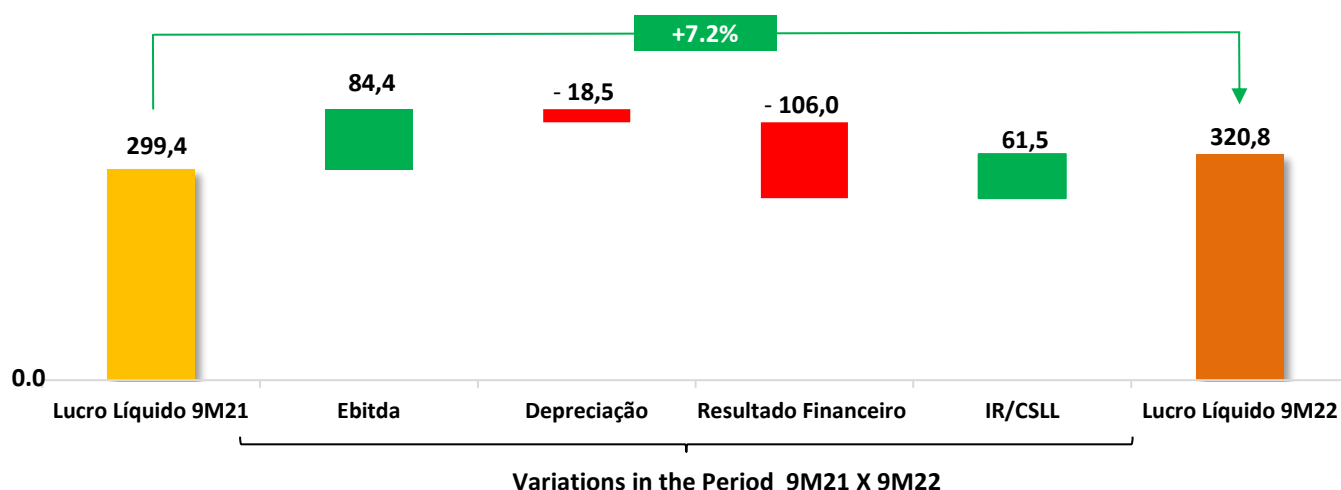


Chart 11 – Net Income Formation 9M22 (R\$ million)



The tables below show the reconciliation of EBITDA and Adjusted Income, considering the non-recurring effects of 2021 and 2022.

Celesc Distribuição S.A. | EBITDA (IFRS) - Non-Recurring

R\$ Million	3rd quarter			Accumulated 9 Months		
	2021	2022	Δ	9M21	9M22	Δ
EBITDA	174.2	123.6	-29.1%	616.7	701.1	13.7%
(-) Non-Recurring Effects	(21.3)	(1.4)		(21.3)	(1.4)	
(-) Voluntary Separation Program - PDI	(21.3)	(1.4)		(21.3)	(1.4)	
(=) Adjusted EBITDA	195.5	125.0	-36.1%	638.0	702.5	10.1%
<i>EBITDA Margin - IFRS (%)</i>	5.0%	5.1%		7.4%	9.5%	
<i>Adjusted EBITDA Margin, excluding Construction Revenue (%)</i>	6.0%	6.0%		8.1%	10.9%	

Celesc Distribuição S.A. | NET INCOME (IFRS) - Non-Recurring

R\$ Million	3Q			Accumulated 9 Months		
	2021	2022	Δ	2021	2022	Δ
Net Income/Loss (Reported IFRS)	82.3	31.1	-62.2%	299.4	320.8	7.2%
(-) Non-Recurring Effects	(14.1)	(0.9)		(14.1)	(0.9)	
(-) Voluntary Separation Program - PDI	(14.1)	(0.9)		(14.1)	(0.9)	
(=) Adjusted Net Income	96.4	32.0	-66.8%	313.4	321.8	2.7%
Net Margin - IFRS (%)	2.4%	1.3%		3.6%	4.4%	
Adjusted Net Margin, excluding Construction Revenue (%)	3.0%	1.5%		4.0%	5.0%	

3.1.2.4. Indebtedness

In September 2022, Celesc Distribuição's Gross Financial Debt totaled **R\$2,575.1 million**, up by **27.7%** (**R\$559.3 million**) over the R\$2,015.7 million reported at the end of 2021 (4Q21).

The variation is explained by the Company's transaction with Banco Safra in 1Q22, which consists of a **Bank Credit Note ("CCB")**, of **R\$550 million**, raised to strengthen cash. The transaction has a total term of 36 months, the first 18 months of which correspond to the amortization grace period. Amortization will be made on a six-month basis. The contracted rate was CDI+1.65% p.a.

The Company maintains most of its indebtedness concentrated in the long term, as shown in the table below. It can also be seen that the Company's leverage is at low and preserved levels, as represented by the "Net Debt/EBITDA" ratio.

Net Financial Debt totaled **R\$1,257.5 million** in September 2022, a decrease of 0.4% compared to December 2021. The variation was mainly because the "cash effect" in the Cash and Cash Equivalents line in 3Q22 was higher than in 4Q21 (R\$1,317.6 million in 3Q22 compared to R\$753.8 million in 4Q21).

Celesc Distribuição S.A. | Indebtedness

R\$ Million	3Q22 Financial Debt		
	On December 31, 2021	On September 30, 2022	Δ
Short-Term Debt	227.7	634.4	178.6%
Long-Term Debt	1,788.0	1,940.7	8.5%
Total Financial Debt	2,015.7	2,575.1	27.7%
(-) Cash and Cash Equivalents	753.8	1,317.6	74.8%
Net Financial Debt	1,261.9	1,257.5	-0.4%
EBITDA (LTM)	783.2	867.5	10.8%
Fin. Debt Net / EBITDA 12M	1.6x	1.4x	
ADJUSTED EBITDA (LTM)	847.0	910.9	7.5%
Fin. Debt Net / Adjusted EBITDA 12M	1.5x	1.4x	
Equity	1,483.5	1,654.5	11.5%
Fin. Debt Total / Equity	1.4x	1.6x	
Fin. Debt Net / Equity	0.9x	0.8x	

In September 2022, the Net Actuarial Liabilities item fell by **3.8%**. When we include it in the Company's total debt and deduct Cash and Cash Equivalents, the **Adjusted Net Financial Debt** amounts to **R\$2,650.0 million**, down by **2.2%** from December 2021.

Celesc Distribuição S.A. | Indebtedness + Actuarial Liabilities

Financial Debt + Post-Employment Benefits - 3Q22			
R\$ Million	On December 31, 2021	On September 30, 2022	Δ
Short-Term Debt	227.7	634.4	178.6%
Long-Term Debt	1,788.0	1,940.7	8.5%
Total Financial Debt	2,015.7	2,575.1	27.7%
(+) Net Actuarial Liabilities	1,447.8	1,392.6	-3.8%
Social Security Obligations	880.7	819.7	-6.9%
Other employee benefits	1,137.6	1,147.3	0.9%
(-) Income taxes deferred	570.4	574.4	0.7%
(-) Cash and Cash Equivalents	753.8	1,317.6	74.8%
Adjusted Net Debt	2,709.7	2,650.0	-2.2%
EBITDA (LTM)	783.2	867.5	10.8%
Adjusted Net Debt/12M EBITDA	3.5x	3.1x	
ADJUSTED EBITDA (LTM)	847.0	910.9	7.5%
Adjusted Net Debt/Adjusted EBITDA 12M	3.2x	2.9x	
Equity	1,483.5	1,654.5	11.5%
Total Adj. Debt / Equity	2.3x	2.4x	
Adjusted Net Debt / Equity	1.8x	1.6x	

The table³ below breaks down the Company's indebtedness in 3Q22.

Celesc Distribuição - 3Q22 Debt Breakdown (R\$ thousand)												
Description				Annual Amortization							From 2027 to 2043	Outstanding Balance Total
Company	Contracts	Issue Date	Rate (p.a.)	2022	2023	2024	2025	2026	2027			
Celesc D	Eletróbrás - D	Jan/13	5.00%	218	872	872	363	-	-	-	2,326	
Celesc D	Finame - D	Jul/12 to Dec/15	8.56%	2,797	615	0	-	-	-	-	3,411	
Celesc D	Working capital - D	Apr/19	CDI + 0.80%	-	93,056	-	-	-	-	-	93,056	
Celesc D	Working capital - D	Feb/22	CDI + 1.65%	-	137,500	275,000	137,500	-	-	-	550,000	
Celesc D	3 rd Debenture Issue	Aug/18	CDI + 1.90%	16,667	49,999	-	-	-	-	-	66,666	
Celesc D	4 th Debenture Issue	Apr/21	CDI + 2.60%	38,372	153,488	153,488	153,488	51,163	-	-	550,000	
Celesc D	IDB - D	Oct/18	CDI + 1.35%	-	-	56,596	56,596	56,596	56,596	905,538	1,131,923	
Celesc D	Loan 5 th G - D	Nov/21	CDI + 2.10%	70,000	-	-	-	-	-	-	70,000	
Celesc D - Total				128,054	435,530	485,957	347,948	107,759	56,596	905,538	2,467,382	

³ Excluding charges on debt.

Charts 12 and 13 outline the estimated maturity schedule of loans and financing and the average indebtedness term, with a position in September 2022.

Chart 12 – Amortization Schedule – September/2022
(R\$ Million)

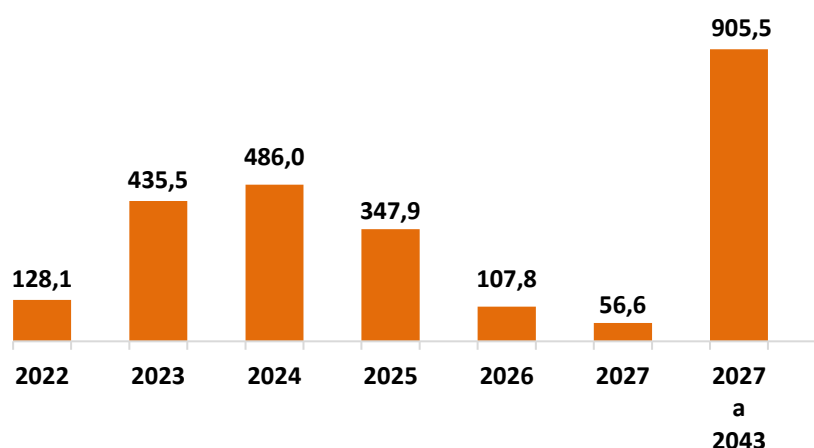
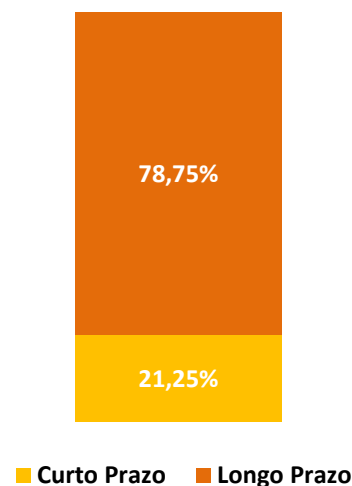


Chart 13 – Average Indebtedness Term – September/2022



In the last few years, the Company has been extending its debt profile by concentrating it on the long term. **78.75% of the debt is in the long term while 21.25% is in the short term**, as reported at the end of 3Q22.

It is worth noting that the **Company's Average Cost of Debt was 15.56%** and the **Average Term was 11.60 years (139 months)**.

3.1.2.5. Investments

Charts 14 and 15 show Celesc Distribuição's **investments** in capital goods (CAPEX) from 2017 to 2021, as well as the CAPEX breakdown in 2Q22.

In 3Q22, the Company made investments to expand and improve the system, increase operating efficiency, and streamline management, totaling R\$368.6 million, up by 61.6% (+R\$140.5 million), compared to the R\$228.1 million recorded in 3Q21.

Investments made in the same lines mentioned in the paragraph above totaled R\$959.4 million in 9M22, 82.3% (+R\$433.2 million) higher than the R\$526.2 million reported in 9M21.

The highlights were the investments in the Distribution segment in 9M22, to compose the Company's Regulatory Asset Base (RAB), which totaled **R\$901.0 million – 93.9% of total CAPEX, as shown below:**

- Distribution Lines and Substations, totaling **R\$362.8 million** – 40.3% of RAB CAPEX;
- Distribution and Telecommunication Networks, totaling **R\$471.2 million** – 52.3% of RAB CAPEX;
- Trading and Measurement, totaling **R\$57,4 million** – 6.4% of RAB CAPEX;
- Other Investments, totaling **R\$9.5 million** – 1.1% of RAB CAPEX.

Moreover, until September 2022, Celesc Distribuição made mandatory investments of **R\$10.73 million in Research and Development (R&D)** and **R\$6.31 million in Energy Efficiency**.

Chart 14 - CAPEX Celesc Distribuição (R\$ million)

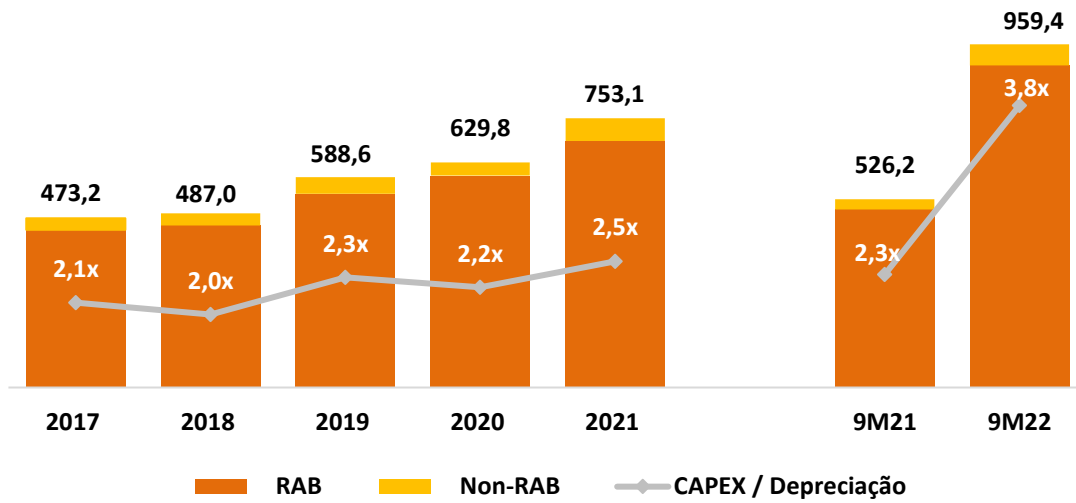
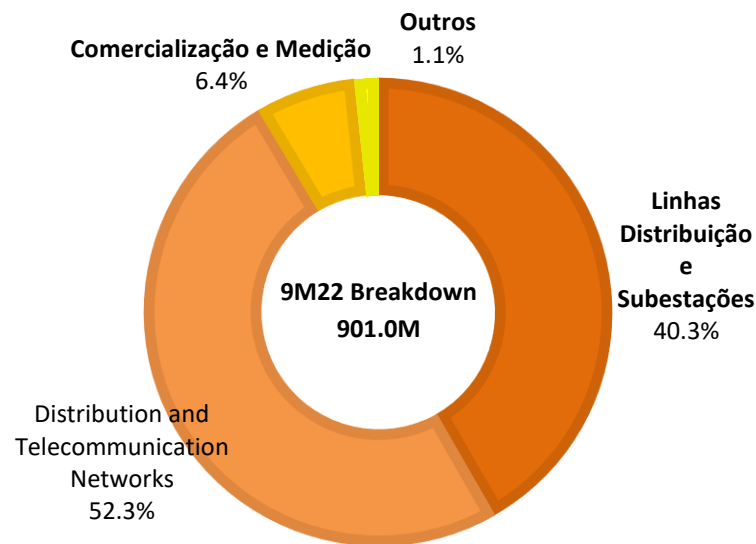


Chart 15 - Investment Breakdown RAB CAPEX



Celesc + Energia Program

The *CELESC + Energia* Program corresponds to several interventions proposed to expand and improve the quality of power distribution in Celesc-D's concession area.

Designed to last five years, the Program started on October 31, 2018, and is currently operating with expected investments of US\$377,280,500.00, of which the Interamerican Development Bank (IDB) and US\$101,229,500.00 by Celesc-D. fund US\$276,051,000.00

Until 3Q22, the Program's investments totaled US\$285.8 million, invested in new distribution lines and substations, implementation of new substations, and expansion of existing substations, among others.

Some goals already achieved in the Program are worth mentioning: (i) 222.74 MVA increase in the network through new substations implemented; (ii) 366.90 MVA increase in the network through expansions in existing substations; (iii) 85.19 km increase of new high tension lines installed; (iv)

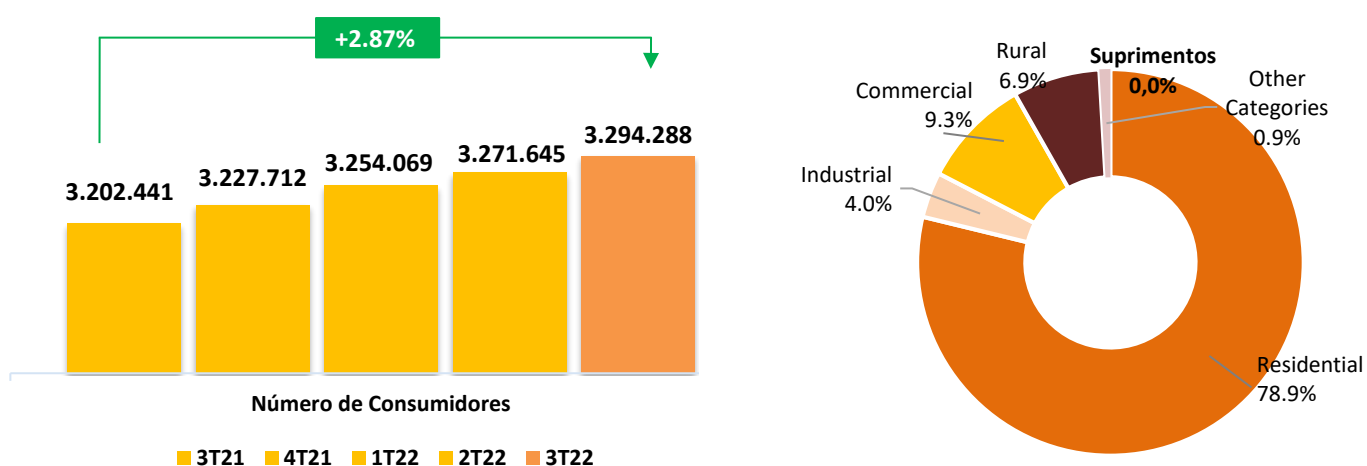
addition of 211 installed equipment in existing substations; (v) 820.17 MVA increase arising from the expansion of the transformation power of the medium tension distribution network; (vi) 340 new feeders installed; (vii) 1,492.00 km of distribution network improved; (viii) 916,68 electricity meters installed/replaced, and (ix) 3,197.00 distribution equipment replaced.

3.1.3. Operational Performance

3.1.3.1. Number of Consumers⁴

Charts 16 and 17 below show the evolution of the number of Celesc’s captive consumers and the share by type of consumption category, respectively.

Charts 16 and 17 – Number of Captive Consumers and share by type of category



In September 2022, Celesc had **3,294,288** captive consumers, **a growth of 2.87%**, an addition of **91,847 new customers** over September 2021.

3.1.3.2. Market

Charts 18 and 19 below show the evolution of the electricity market by Consumer Category in 3Q22 and 9M22:

⁴ Includes Own Consumption and Supplies subcategories.

Chart 18: Billed Market (GWh) – Quarterly Comparison

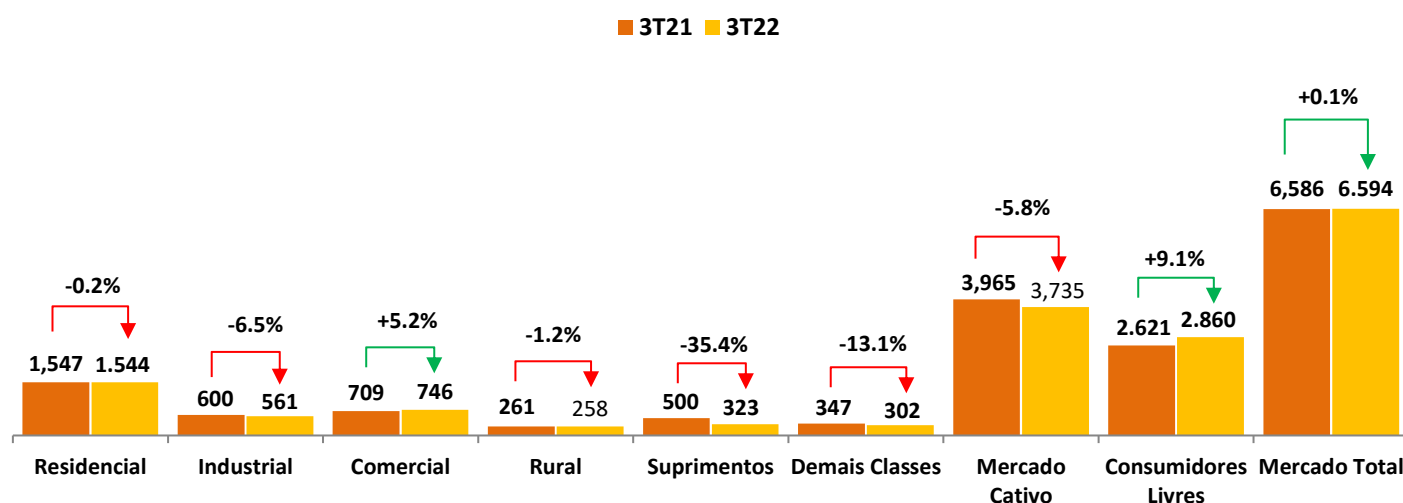
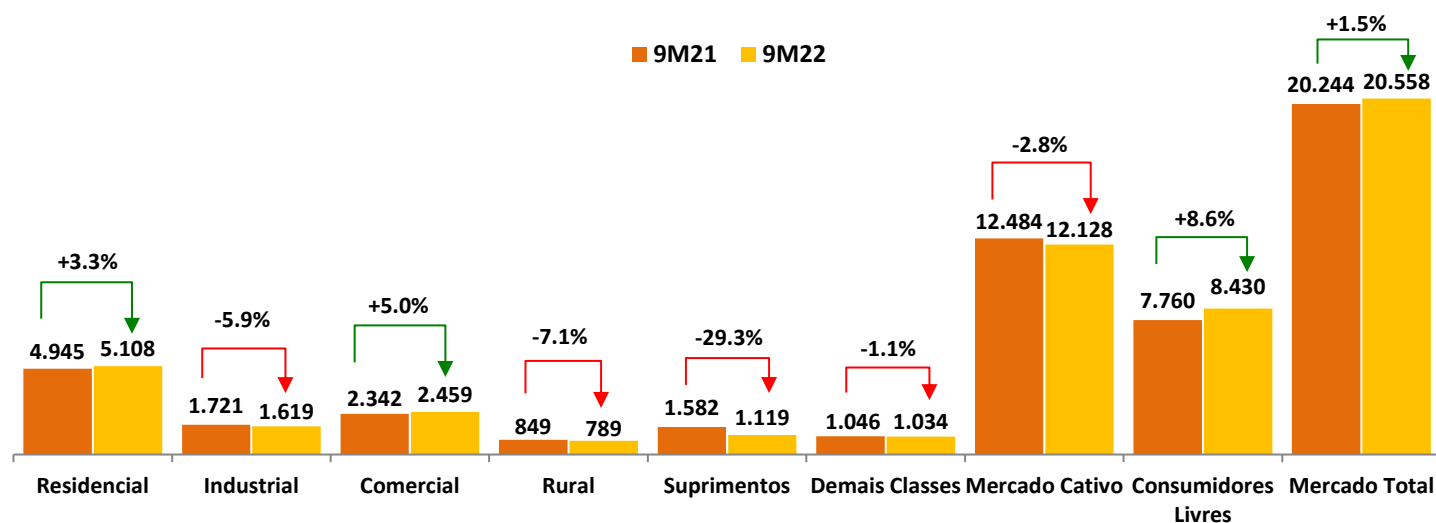


Chart 19: Billed Market (GWh) – 9M Comparison



Celesc Distribuição's Captive Market fell by 5.8% in 3Q22 and by 2.8% in 9M22, to 3,735 GWh and 12,128 GWh, respectively. We highlight the Industrial Category (reductions of 6.5% in 3Q22 and 5.9% in 9M22) and the Supply Category (reductions of 35.4% in 3Q22 and 29.3% in 9M22).

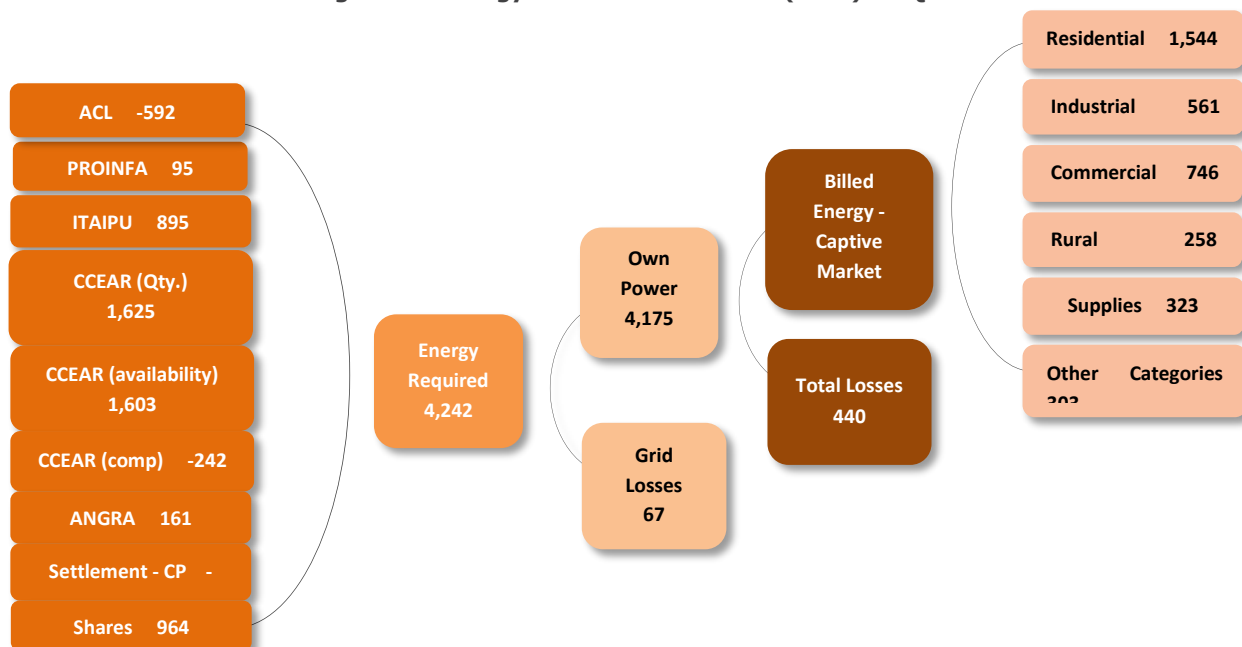
The **5.8% decrease in 3Q22 (2.8% in 9M22)** was due to the significant **number of consumers who migrated to the Free Market Tariff – ACL**, 83 of whom were from the industrial category and 171 from the commercial category, and the permissionaires' option to fully or partially purchase energy in the free market as they were previously fully supplied by the distributor, throughout 2022.

The Free Market rose 9.1% in the quarter and 8.6% in 9M22, accounting for 41.0% of the Total Market, due to the migration of the Captive Market's consumers. Captive customer migration is a consumer choice that does not affect Celesc, as power continues to be supplied by the concessionaire and remunerated by the TUSD (Distribution System Use Tax), which does not change as consumers continue to pay the concessionaire for the service. Celesc carefully monitors the behavior of its consumption categories, reaffirming the Company's commitment to its customers, and seeking to create value for its stakeholders through its business.

The **Total Market (Captive + Free)** was flat in 3Q22 (+0.1%) and the reduction in the **Captive Market (-5.8%)** was mitigated by the increase in the **Free Market (+9.1%)**. In 9M22, the **1.5% increase** was due to the excellent performance of 1Q22 (+4.5%).

3.1.3.3. Energy Balance

Figure 1 – Energy Distribution Balance (GWh) – 3Q22



3.1.3.4. Energy Losses

Energy Losses correspond to total losses including **technical losses**, which consist of electricity dissipated during the power transmission process from the supply to the point of delivery, and **non-technical losses**, which consist of the difference between global and technical losses. Therefore, this portion of non-technical losses considers energy theft, malfunction of measurement equipment, errors in the billing process, and consumer units without measurement equipment, among others.

Losses in Distribution (%) - Injected Energy (Last 12 months)

Description	3Q21	4Q21	1Q22	2Q22	3Q22	ANEEL Limit (LTM)*
	%	%	%	%	%	%
Losses in Distribution	8.14%	7.96%	7.67%	7.46%	7.32%	8.17%
Technical Losses	5.69%	5.77%	5.88%	5.77%	5.78%	5.76%
Non-Technical Losses	2.45%	2.19%	1.79%	1.69%	1.54%	2.41%

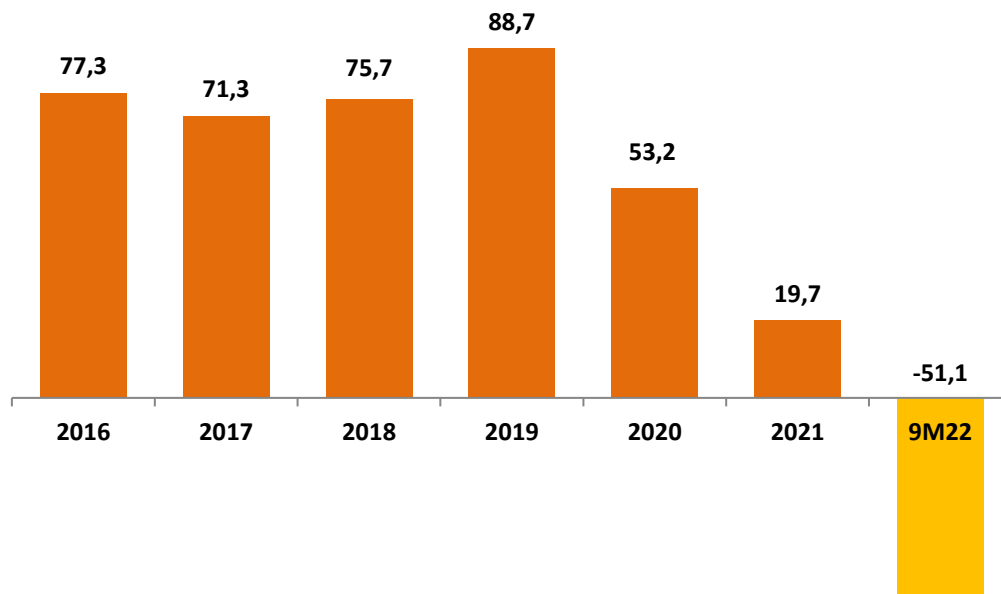
*Last 12 months of the Regulatory Limit.

In 9M22, the **financial gain came to R\$51.1 million** regarding tariff coverage, R\$2.86 million of which below coverage with technical losses, R\$50.9 million below tariff coverage with non-technical losses, and R\$2.5 million above the coverage with the basic network.

It is worth noting that basic network losses are not managed by the Distributor since these are transmission losses and mainly depend on the generation at the origin sub-system and energy exchange from other sub-systems. It is also worth noting that basic network losses are annually analyzed by ANEEL and coincide with the Distributor's tariff adjustment.

Chart 20 below describes the financial value without tariff coverage from 2016 to 6M22. It is worth noting that the value recorded in 6M was **negative by R\$51.1 million** (total loss below regulatory loss):

Chart 20: Losses in Distribution (Financial Amount in R\$ million)



The Company has been constantly working to reduce loss levels, especially with the **Loss Reduction and Recovery Plan**, whose main actions are described below:

- i) Identifying suspected cases of irregularity through an algorithm (online verification);
- ii) Procedures to identify fraud and/or technical deficiency;
- iii) Reviewing the contractors' labor lawsuits (targets and inspection);
- iv) Integrating corporate systems;
- v) Implementing antitheft systems and regularizing clandestine connections;
- vi) Reviewing the work process (inspection targets);
- vii) Investment in the high tension system: new substations, new distribution lines, and expansion of the transformation capacity of some existing substations; and
- viii) Investment in the medium tension system: new power suppliers, reconnections, and installation of capacitor banks.

3.1.3.6. Operational Quality (EDU and EFU)

The quality of the electricity supply is mainly verified by the **EDC** (Equivalent Duration of Interruption per Consumer) and **EFC** (Equivalent Frequency of Interruption per Consumer) indicators, which respectively measure the average duration of interruptions and the average number of interruptions per consumer (Charts 21 and 22).

Chart 21: Historical Data and EDC Limits

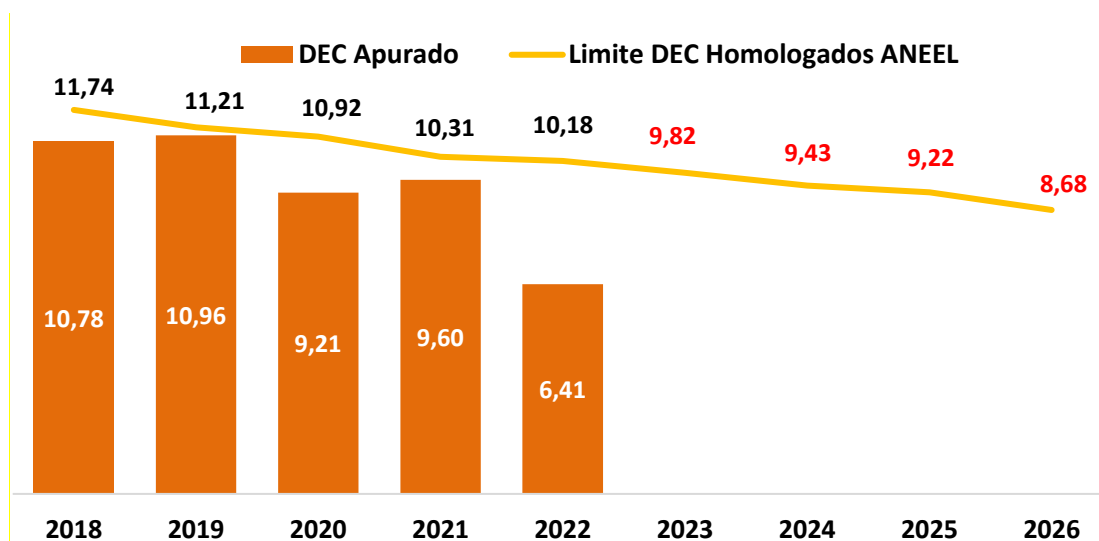
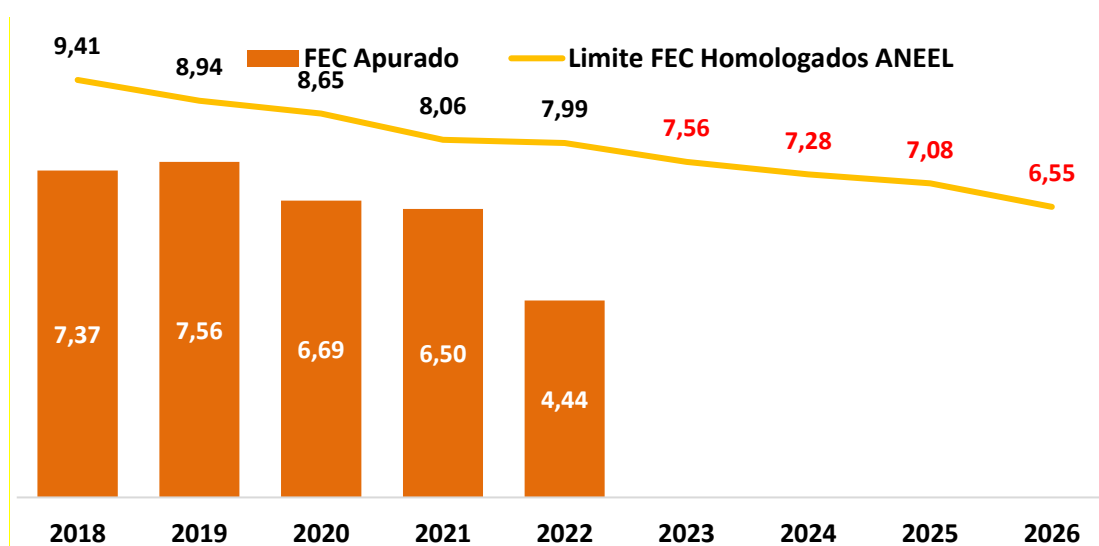


Chart 22: Historical Data and EFC Limits



In 9M21, CELESC recorded 6.41 hours in the EDC indicator, down by 8.69% from 9M21, when it recorded 7.02 hours. In the same period, the Company recorded 4.44 interruptions in the EFC indicator, an 8.26% decrease from the 4.84 interruptions recorded in 9M21.

The violation of quality indicators individually generated consumer credits of R\$14.0 million for Celesc Distribuição in 9M22, below the R\$19.6 million reported in 9M21.

Celesc reinforces its commitment to the continuous improvement of its operational activity by increasingly investing in actions to reduce EDC and EFC.

3.1.3.6. Delinquency Management

Delinquency corresponds to billed revenue not received. At the end of September 2022, short-term delinquency of up to 90 days (the period concentrating most collections), considered as a proportion of ROB (LTM Gross Operating Income), fell by approximately 0.16 percentage points from 2Q22.

Delinquency above 90 days **increased by 0.16 percentage points** and total delinquency remained flat in the period, as shown in the table below.

CELESC DISTRIBUIÇÃO S.A. | Delinquency

Delinquency	Delinquency up to 90 days										
	3Q21		4Q21		1Q22		2Q22		3Q22		
	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	Variation
Total	269,177	2.17%	298,609	2.30%	372,779	2.67%	275,467	1.94%	243,371	1.78%	-0.16 p.p.
Gross Operating Income	12,408,532		12,971,057		13,953,982		14,187,254		13,660,528		

Delinquency	Delinquency over 90 days										
	3Q21		4Q21		1Q22		2Q22		3Q22		
	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	Variation
Total	663,225	5.34%	631,285	4.87%	652,821	4.68%	426,409	3.00%	432,529	3.17%	+0.17 p.p.
Gross Operating Income	12,408,532		12,971,057		13,953,982		14,187,254		13,660,258		

Delinquency	Total Delinquency										
	3Q21		4Q21		1Q22		2Q22		3Q22		
	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	R\$ / thousand	% of ROB	Variation
Total	932,402	7.51%	929,893	7.17%	1,025,600	7.35%	701,877	4.95%	675,900	4.95%	0.00 p.p.
Gross Operating Income	12,408,532		12,971,057		13,953,982		14,187,254		13,660,528		

We emphasize that in the analysis above we used the **inventory of delinquency up to 90 days/above 90 days/Total in relation to LTM ROB**.

Differently from the analysis above, **regulatory delinquency** uses the concept of **Irrecoverable Revenue**.

Irrecoverable Revenue corresponds to the amounts of billings not received by the concessionaire between **49 and 60 months** concerning the reference month. Regulatory Irrecoverable Revenues are calculated based on a benchmarking model, in which each distributor is compared to others that have similar concession characteristics. Based on this comparison, the regulatory percentages of Irrecoverable Revenues are defined, i.e. the portion of the amount in default that each company will be able to transfer to the tariffs. These percentages are multiplied by the required revenue, which also considers flag revenues and financial items less taxes, thus obtaining the distributor's Irrecoverable Revenue amounts.



Celesc
Geração S.A.

3.2. CELESC GERAÇÃO

3.2.1. Company's Profile

Operating Area

Celesc Geração is a subsidiary of Grupo Celesc that generates electricity by operating, maintaining, selling, and expanding its generation complex, and holding interests in energy projects through partnerships with private investors.

The Company has its own generation complex made up of 12 plants, of which one Small Hydroelectric Plant (SHP), five Hydroelectric Generation Plants (HGP), and six Hydroelectric Power Plants (HPPs). Also in the generation segment, the company holds a minority interest in another six generation projects, developed in a partnership with private investors, as Special Purpose Entity (SPE), all of them already in operation. In the transmission segment, the company holds a minority interest in an SPC in a partnership with SPE - Energias do Brasil.

Celesc G's total generation capacity in operation on September 30, 2022, was **126.51 MW**, of which **115.27 MW** was from its complex and 11.24 MW from the generation complex set up with partners - already proportional to Celesc G's shareholding interest in these projects.

Celesc's Plants



The table below shows the main features of Celesc Geração's wholly-owned plants:

Own Generation Complex | 100% of Celesc Geração S.A.

PLANTS	Location	Final Concession Term	Installed Capacity (MW)	Physical Guarantee (MW)	Physical Guarantee in Shares
1 Pery HPP	Curitibanos/SC	07/07/2054*	30.00	14.08	100%
2 Palmeiras HPP	Rio dos Cedros/SC	11/06/2053*	24.60	16.70	70%
3 Bracinho HPP	Schroeder/SC	11/06/2053*	15.00	8.80	70%
4 Garcia HPP	Angelina/SC	03/01/2053*	8.92	7.10	70%
5 Cedros HPP	Rio dos Cedros/SC	11/06/2053*	8.40	6.75	70%
6 Salto Weissbach HPP	Blumenau/SC	11/06/2053*	6.28	3.99	70%
7 Celso Ramos SHP	Faxinal dos Guedes/SC	5/31/2039*	13.92	6.77	N/A
8 Caveiras HGP	Lages/SC	**	3.83	2.77	N/A
9 Ivo Silveira HGP	Campos Novos/SC	**	2.60	2.03	N/A
10 Rio do Peixe HGP	Videira/SC	**	0.52	0.50	N/A

11	Piraí HGP	Joinville/SC	**	0.78	0.45	N/A
12	São Lourenço HGP	Mafra/SC	**	0.42	0.22	N/A
Total MW				115.27	70.16	

* Plants that adhered to the renegotiation of the hydrological risk under Law 14052/2020, according to ANEEL's Authorizing Resolution 11,998/2022, received an extension in the concession term, being 7 years for the Pery, Palmeira, Bracinho, Garcia, Cedro, and Salto Weisbach Plants, and 4.2 years for the Celso Ramos Plant.

** Plants with a power of less than 5 MW are exempt from the concession act (Federal Law 13,360/16).

The table below shows the main features of the generation projects developed in partnership with private investors:

Projects in operation | minority interest held by Celesc Geração S.A.

PLANTS	Location	Final Concession Term	Installed Capacity (MW)	Physical Guarantee (MW)	Part. Celesc G	Equivalent Installed Power (MW)	Eq. Physical Guarantee (MW)	
13	SHP Rondinha	Passos Maia/SC	09/06/2041*	9.60	5.48	32.5%	3.12	1.78
14	HGP Prata	Bandeirante/SC	**	3.00	1.68	26.1%	0.78	0.44
15	HGP Belmonte	Belmonte/SC	**	3.60	1.84	26.1%	0.94	0.48
16	HGP Bandeirante	Bandeirante/SC	**	3.00	1.76	26.1%	0.78	0.46
17	SHP Xavantina	Xanxerê/SC	04/07/2040	6.08	3.54	40.0%	2.43	1.42
18	SHP Garça Branca	Anchieta/SC	03/13/2043	6.50	3.44	49.0%	3.19	1.69
Total MW			31.78	17.74	11.24	6.26		

* Plant that adhered to the renegotiation of the hydrological risk under Law 14052/2020, according to ratification Resolution 2.931/2021, thereby its concession will be extended for another 336 days.

** Plants with a power of less than 5 MW are exempt from the concession act (Federal Law 13,360/16).

All the plants of the proprietary generation complex and all the plants in partnership participate in the Electric Power Reallocation Mechanism (MRE or ERM), a shared system of hydrological risks, in which the participating plants transfer the generated energy exceeding their physical guarantee to the plants that generated levels lower than their physical guarantee limits.

In addition to the aforementioned projects, Celesc Geração holds shares in an electricity transmission project containing five stretches of 230 and 525kV transmission lines and a 525/230kV substation, as shown in the table below:

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

EDP Transmissão Aliança SC is a partnership between Celesc Geração (10%) and EDP Energias do Brasil (90%), formed from the success of the Transmission Auction 05/2016 held in April 2017.

According to the Notice to the Market released by Celesc on February 18, 2022, the SPE obtained authorization from the ONS – National Operator of the System for the commercial operation of the facilities, six months in advance of the regulatory schedule, and a first stage of the project entered into partial operation on June 14, 2021, 14 months ahead of schedule established by ANEEL.

Under the terms of Homologation Resolution 3067/2022 for the 2022/2023 cycle, RAP was R\$232.4 million.

Seeking to diversify its activities in renewable sources, in 2022, Celesc started to operate new businesses in remote distributed generation through solar farms. The company's strategic direction points to the opening of new business models that can increase extra-distribution revenues, including DG, given the segment's growth prospects. Accordingly, at the end of 3Q22, a 1 MW project was under construction and other projects totaling 5 MW were under bidding processes. Other 5 MW in projects will start to be developed by the end of 2022 to guarantee the current regulatory benefits until the beginning of 2023.

The Company also has a portfolio with projects to expand/reactivate its plants.

3.2.2. Economic and Financial Performance

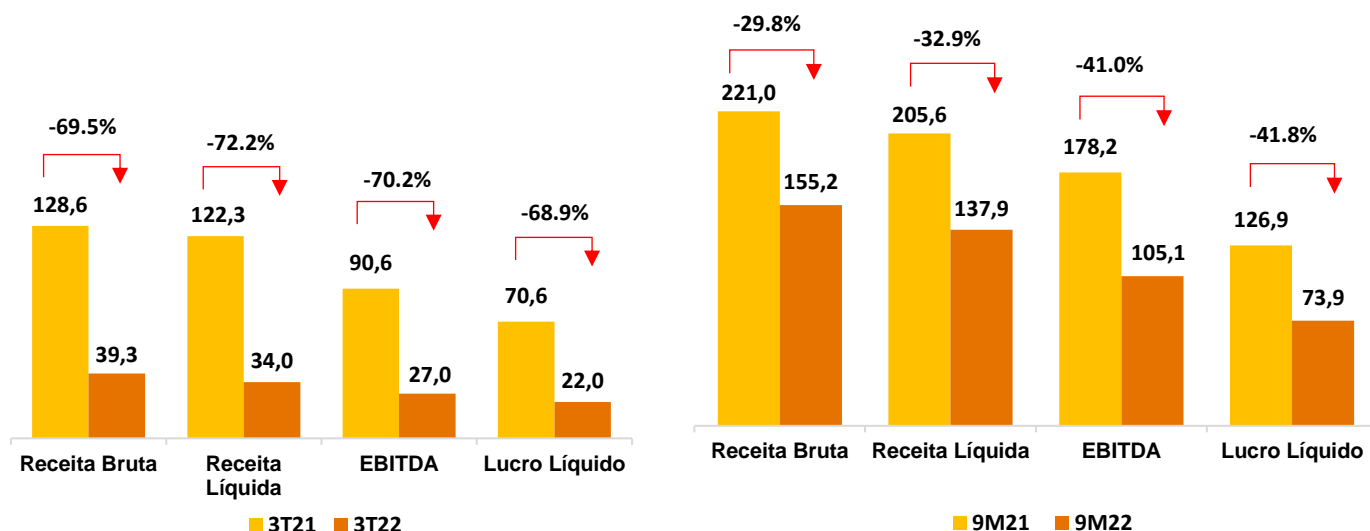
3.2.2.1. Gross Operating Income, Net Operating Income, and Net Income.

The table below shows Celesc Geração's main indicators in 3Q22 and 9M22.

Celesc Geração S.A. | Main Financial Indicators

R\$ Million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Gross Operating Income	128.6	39.3	-69.5%	221.0	155.2	-29.8%
Deductions from Operating Income	(6.2)	(5.3)	-15.2%	(15.4)	(17.3)	11.8%
Net Operating Income	122.3	34.0	-72.2%	205.6	137.9	-32.9%
Operating Costs and Expenses	(23.1)	(15.2)	-34.2%	(23.5)	(43.3)	84.3%
<i>Electricity Costs</i>	(33.2)	(6.5)	-80.4%	(43.5)	(17.9)	-58.9%
<i>Operating Expenses</i>	10.1	(8.7)	-186.1%	20.0	(25.5)	-227.7%
Equity Pickup	4.6	7.4	61.1%	6.5	8.0	23.6%
Earnings from Activities	103.8	26.2	-74.8%	188.5	102.6	-45.6%
EBITDA	90.6	27.0	-70.2%	178.2	105.1	-41.0%
Adjusted EBITDA	48.1	27.0	-43.8%	135.7	105.1	-22.5%
<i>EBITDA Margin (%)</i>	74.1%	79.6%		86.7%	76.2%	
<i>EBITDA Margin (%) - Adjusted</i>	93.0%	79.6%		100.5%	76.2%	
Financial Result	0.8	3.7	393.0%	0.3	5.6	1781.4%
Earnings Before Income Tax	104.6	29.9	-71.4%	188.8	108.2	-42.7%
IR/CSLL	(34.0)	(7.9)	-76.7%	(62.0)	(34.3)	-44.7%
Net Income / Loss	70.6	22.0	-68.9%	126.9	73.9	-41.8%
Adjusted Net Income / Loss	32.20	22.0	-31.8%	88.5	73.9	-17.5%
<i>Net Margin (%)</i>	57.7%	64.7%		61.7%	53.6%	
<i>Net Margin (%) - Adjusted</i>	62.3%	64.7%		43.1%	53.6%	

Chart 23 - Gross and Net Revenue, EBITDA, and Net Income (Million) - 3Q21/3Q22 and 9M21/9M22

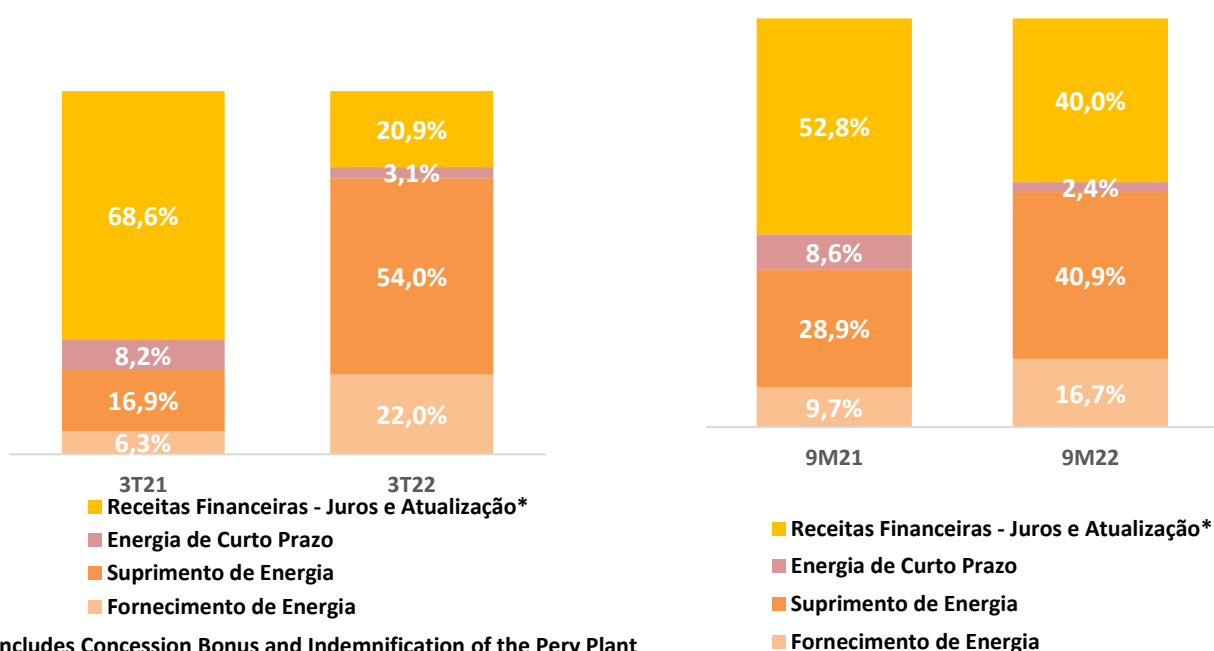


The main factors affecting the quarter's EBITDA and Income were:

- Decrease of 72.2% in the Net Operating Income in 3Q22 (32.9% in 9M22) due to:
 - **Recognition of R\$70.6 million (adjustment + interest) in 3Q21** from the indemnification of the Pery Plant, significantly increasing the comparison base;
 - **The Financial Revenue from Concession Bonus** totaled **R\$17.6 million in 3Q21** (R\$46.2 million in 9M21), due to the adjustment of the Financial Assets by the IPCA, compared to the **R\$5.7 million** reported in 3Q22 (R\$42.7 million in 9M22), a decrease of 62.7% (-R\$11.8 million);
 - **Decreases of 21.8% and 23.6% in the Average Sale Price excluding and including CCEE**, respectively, in the energy sales contracts;
 - **Lower PLD** in the period, due to the improved hydric scenario. In 3Q22, the **average PLD was R\$66.43/MWh**, down by 86.7% from 3Q21, when the **average PLD was R\$499.40/MWh**.
- In September 2021, Celesc G partially withdrew the lawsuit and renegotiated the hydrological risk – GSF under Law 14,052/2020 for its Plants, except for the HGPs. The effect of the Hydrological Risk Renegotiation was mitigated by the reversal of the allowance for doubtful accounts (GSF) in the period.
- The positive depreciation in 3Q21 was mainly due to the reversal of the depreciation of the Pery Plant and benefitted the result of the period.

3.2.2.2. Gross Operating Income - Revenue Breakdown

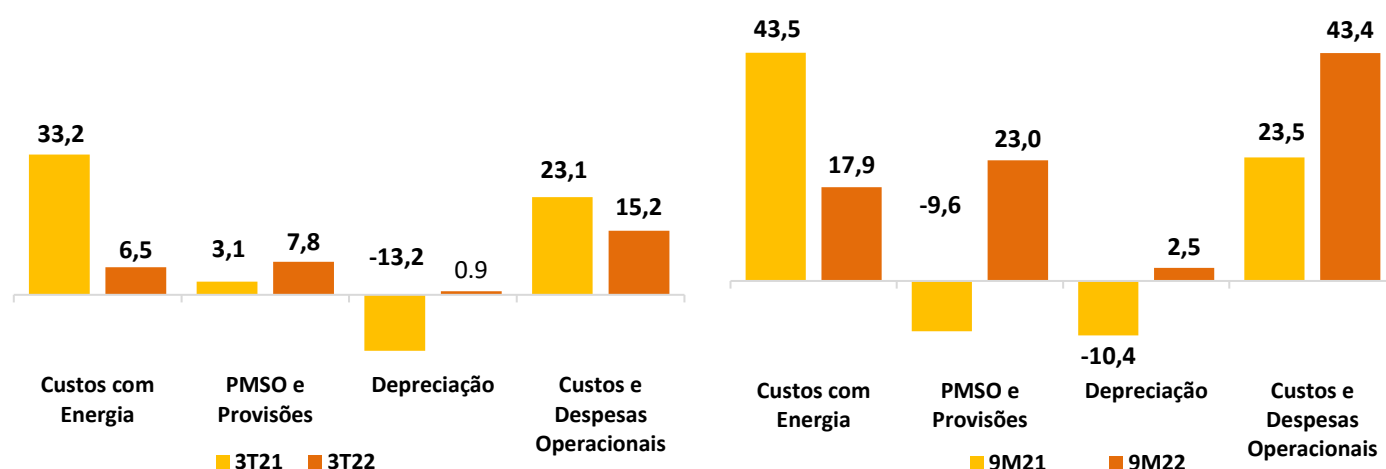
Chart 24 - Breakdown of Gross Operating Income 3Q21/3Q22 and 9M21/9M22



3.2.2.3. Operating Costs and Expenses.

The following charts show the breakdown of Operating Costs and Expenses.

Chart 25 - Breakdown of Operating Costs and Expenses (R\$ million) - 3Q21/2Q22 and 9M21/9M22



Operating Costs and Expenses **totaled R\$15.2 million** in 3Q22 (**R\$43.4 million in 9M22**), down by **34.2% (up by 84.5% in 9M22)**, showing:

- i) Recognition of **6.5 million in 3Q22 (R\$17.9 million in 9M22)** in Energy Costs. It is worth noting that 3Q21 was impacted by the recognition of **R\$28.1 million referring to the net effect of the Hydrological Risk Renegotiation (GSF)** increasing the comparison base of the quarter;
- ii) **Expenses with PMOO and Provisions totaled R\$7.8 million (R\$23.0 million in 9M22)**, 151% higher than in 3Q21. It is worth noting that **R\$12.8 million** was recorded that quarter (**R\$39.1 million in 9M21**) referring to the **reversal of the allowance for doubtful accounts (GSF)**, with a positive effect on the PMOO and, consequently, in the Company's Operating Costs and Expenses (reducing) of the period.
- iii) The Company recorded a **depreciation of R\$0.9 million in 3Q22 (R\$2.5 million in 9M22)** compared to the positive R\$13.2 million recorded in 3Q21 (R\$10.4 million in 9M22). The positive depreciation of 3Q21 was mainly due to the reversal of the depreciation because of the recognition of the indemnification of the Pery Plant basic project in the quarter.

The table below describes Celesc Geração's operational costs and expenses.

Celesc Geração S.A. | Operating Costs and Expenses

R\$ Million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
OPERATING COSTS AND EXPENSES	(23.1)	(15.2)	-34.2%	(23.5)	(43.4)	84.5%
Electricity Costs	(33.2)	(6.5)	-80.4%	(43.5)	(17.9)	-58.9%
Hydrological Risk Renegotiation	(28.1)	0.0	-100.0%	(28.1)	0.0	-100.0%
Electricity Purchased for Resale	(4.3)	(5.7)	31.0%	(13.4)	(15.5)	16.1%
Charge for the Use of the System	(0.7)	(0.8)	13.2%	(2.0)	(2.3)	17.8%
PMOO and Provisions	(3.1)	(7.8)	150.8%	9.6	(23.0)	339.6%
Personnel and Management	(4.2)	(4.7)	12.4%	(11.7)	(13.8)	17.8%
Supplies	(0.2)	(0.4)	68.4%	(0.6)	(0.9)	38.1%
Outsourced Services	(2.2)	(2.6)	21.2%	(6.1)	(7.9)	30.9%
Net Provisions	5.3	0.1	-98.3%	29.9	0.6	-98.1%
Write-offs of Fixed Assets	(1.7)	0.0	-100.0%	(1.7)	0.0	-100.0%

Other Revenues / Expenses	(0.1)	(0.2)	58.2%	(0.2)	(1.0)	385.6%
Depreciation / Amortization	13.2	(0.9)	-106.5%	10.4	(2.5)	-124.2%

3.2.2.4. EBITDA and Net Income

EBITDA totaled **R\$27.0 million in 3Q22** and **R\$105.1 million in 9M22**, compared to **R\$90.6 million in 3Q21** and **R\$178.2 million in 9M21**.

The charts below show the breakdown of the EBITDA conversion into Net Income.

Chart 26 – EBITDA Formation 3Q22 (R\$ million)

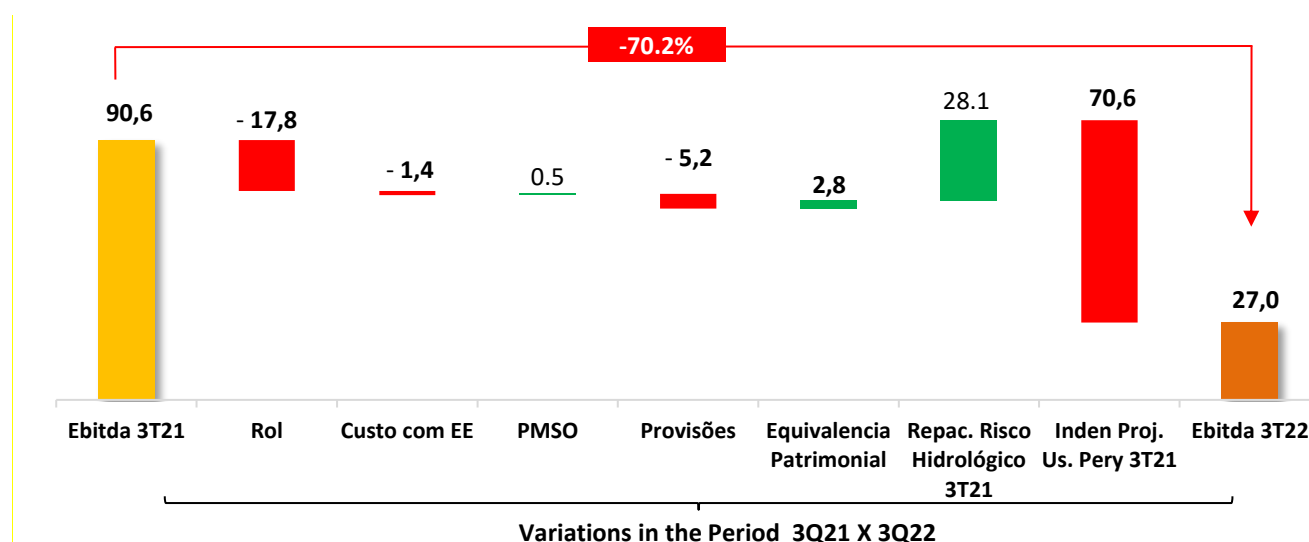
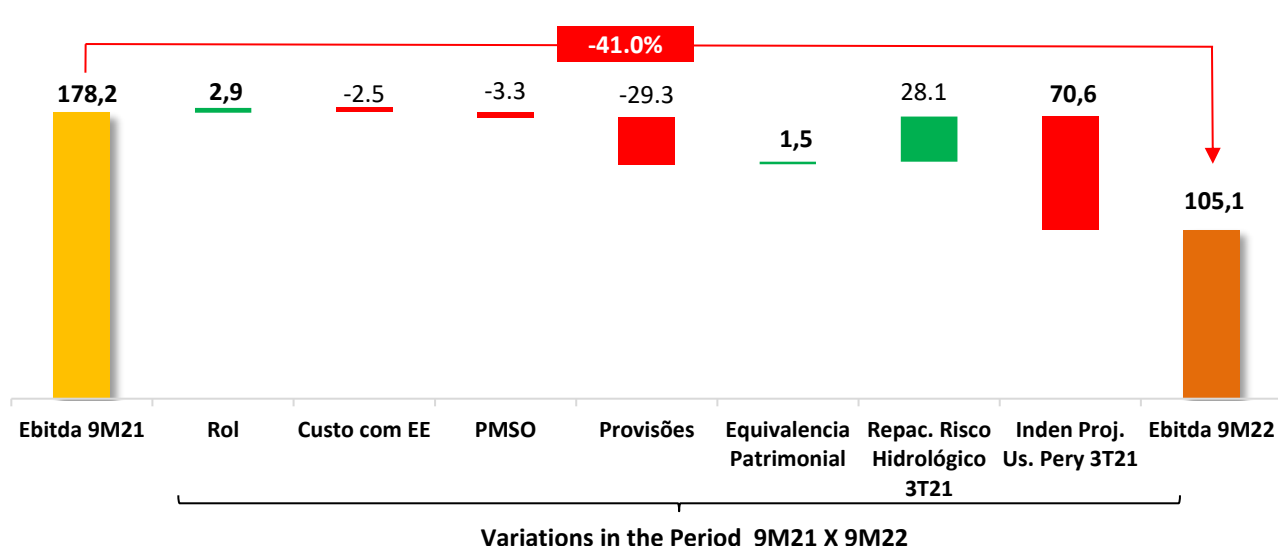


Chart 27 – EBITDA Formation 9M22 (R\$ million)

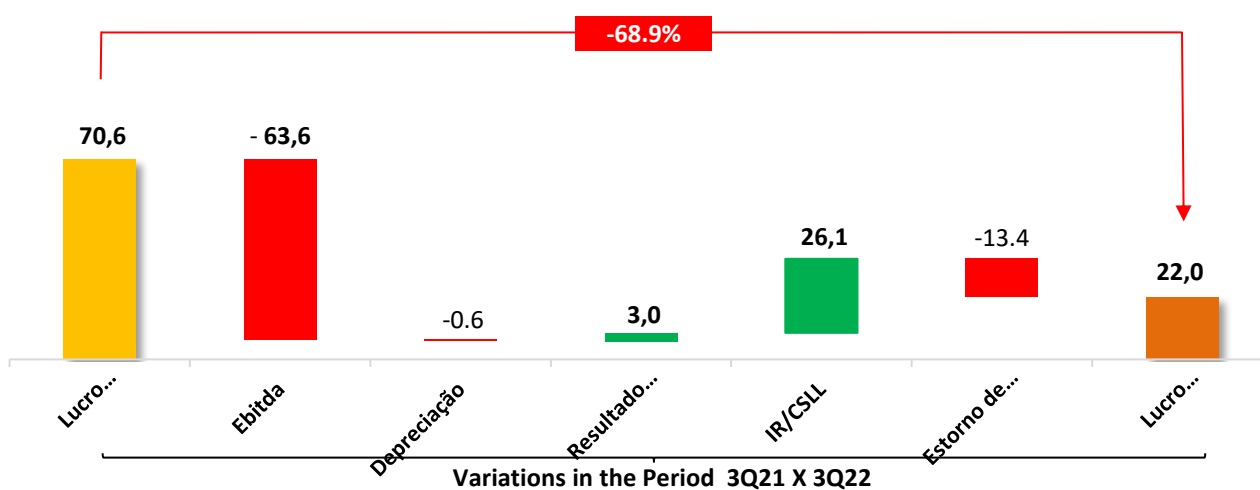


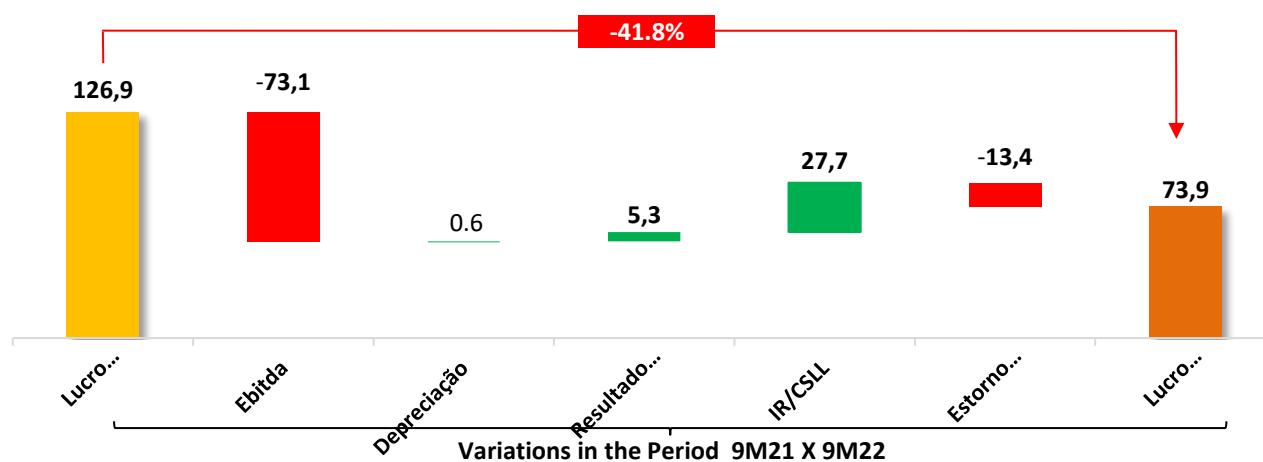
Among the factors that influenced the EBITDA of the subsidiary Celesc Geração in the quarter we emphasize the (i) recognition of **R\$70.6 million of the indemnification of the Pery Plant in 3Q21**, increasing the comparison base; (ii) reduction of 34.2% in Operating Costs and Expenses, as a result of the **Hydrological Risk Renegotiation (R\$28.1 million) that was mitigated by the reversal of R\$12.8 million of the allowance for doubtful accounts (GSF)**; (iii) equity pick-up (R\$7.4 million in 3Q22 compared to R\$4.6 million in 3Q21); and (iv) decrease of PLD in the analyzed periods.

Celesc Geração S.A. | Main Financial Indicators (IFRS)

R\$ Million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Earnings from Activities - EBIT	103.8	26.2	-74.8%	188.5	102.6	-45.6%
Activities Margin (%)	84.9%	77.0%		91.7%	74.4%	
EBITDA	90.6	27.0	-70.2%	178.2	105.1	-41.0%
EBITDA Margin (%)	74.1%	79.6%		86.7%	76.2%	
Financial Result	0.8	3.7	393.0%	0.3	5.6	1781.4%
Financial Revenue	3.7	5.3	44.2%	5.5	13.7	148.6%
Financial Expenses	(2.9)	(1.6)	-45.2%	(5.2)	(8.2)	56.2%
Earnings Before Income Tax	104.6	29.9	-71.4%	188.8	108.2	-42.7%
IR and CSLL	6.1	(9.2)	-251.8%	(8.9)	(30.4)	240.0%
Deferred Income Tax and Social Contribution	(40.1)	1.3	103.3%	(53.0)	(3.9)	-92.7%
Net Income	70.6	22.0	-68.9%	126.9	73.9	-41.8%
Net Margin (%)	57.7%	64.7%		61.7%	53.6%	

In 3Q22, the Financial Result was a positive R\$3.7 million (R\$5.6 in 9M22). The Financial Revenue totaled R\$5.3 million in 3Q22 (R\$13.7 million in 9M22), as a result of earnings from financial investments (R\$2.6 million) and interest from the loan with Celesc Distribuição (R\$3.0 million). The Financial Expenses came to R\$1.6 million in 3Q22 (R\$8.2 million in 9M22), due to interest (R\$1.4 million) and debenture costs (R\$0.2 million).

Chart 28 – Net Income Formation 3Q22 (R\$ million)

Chart 29 – Net Income Formation 9M22 (R\$ million)



Net Income fell by 68.9% YoY in 3Q22 (41.8% in 9M22). The Company closed 3Q22 with a **profit of R\$22.0 million, compared to the R\$70.6 million reported in 3Q21. Net Income was R\$73.9 million in 9M22, versus R\$126.9 million in 9M21.**

The tables below show the reconciliation of EBITDA and Adjusted Income, considering the non-recurring effects of the year (indemnification of the Pery Plant and hydrological risk).

Celesc Geração S.A | EBITDA (IFRS) - Adjustments

R\$ Million	3rd quarter			Accumulated 9 Months		
	2021	2022	Δ	9M21	9M22	Δ
EBITDA	90.6	27.0	-70.2%	178.2	105.1	-41.0%
(-) Non-Recurring Effects	42.5	0.00		42.5	0.0	
(-) Effects from the Indemnification of the Pery Plant	70.6	0.0		70.6	0.0	
(-) Effects of the Hydrological Risk Renegotiation	(28.1)	0.0		(28.1)	0.0	
(=) Adjusted EBITDA	48.1	27.0	-43.8%	135.7	105.1	-22.5%
EBITDA Margin - IFRS (%)	74.1%	79.6%		86.7%	76.2%	
Adjusted EBITDA Margin (%)	93.0%	79.6%		100.5%	76.2%	

Celesc Geração S.A | Net Income/Loss - Adjustments

R\$ Million	3Q3rd quarter			Accumulated 9 Months		
	2021	2022	Δ	2021	2022	Δ
Net Income/Loss (Reported IFRS)	70.6	22.0	-68.9%	126.9	73.9	-41.8%
(-) Non-Recurring Effects	38.3	0.0		38.3	0.0	
(-) Effects from the Indemnification of the Pery Plant	56.9	0.0		56.9	0.0	
(-) Effects from the Hydrological Risk Renegotiation	(18.6)	0.0		(18.6)	0.0	
(=) Adjusted Net Income	32.2	22.0	-31.8%	88.5	73.9	-17%
Net Margin - IFRS (%)	57.7%	64.7%		61.7%	53.6%	
Adjusted Net Margin (%)	62.3%	64.7%		43.1%	53.6%	

3.2.2.5. Indebtedness

In 3Q22, **Celesc Geração's Gross Financial Debt totaled R\$68.9 million**, down by 25.7% from the **R\$92.7 million** recorded in December 2021. Net Financial Debt totaled a negative R\$23.0 million in 3Q22 (cash effect, of which R\$91.8 million in 3Q22 compared to R\$63.4 million in 4Q21), reducing by R\$52.2 million. The decrease corresponds to amortization payments in the period (R\$23.8 million), including the regular course of debt contracts and the cash effect (R\$28.5 million) between the periods.

Currently, Celesc Geração has only two debenture issues in effect: the 2nd and the 3rd Issue, whose characteristics are highlighted below.

**Celesc Geração S.A. |
Indebtedness**

3Q22 Financial Debt			
R\$ Million	On December 31, 2021	On September 30, 2022	Δ
Short-Term Debt	35.3	26.9	-23.8%
Long-Term Debt	57.4	42.0	-26.8%
Total Financial Debt	92.7	68.9	-25.7%
(-) Cash and Cash Equivalents	63.4	91.8	44.9%
Net Financial Debt	29.3	(23.0)	-178.5%
EBITDA (LTM)	226.6	153.6	-32.2%
Fin. Debt Net / EBITDA 12M	0.1x	-0.1x	
ADJUSTED EBITDA (LTM)	184.2	153.6	-16.6%
Fin. Debt Net / Adjusted EBITDA 12M	0.2x	-0.1x	
Equity	691.4	757.4	9.5%
Fin. Debt Total / Equity	0.1x	0.1x	
Fin. Debt Net / Equity	0.04x	-0.03x	

The table⁵ below breaks down the Company's indebtedness (amortization) in 2022.

Celesc Geração- 3Q22 Debt Breakdown (R\$ thousand)												
Description				Annual Amortization							From 2027 to 2043	Outstanding Balance Total
Company	Contracts	Issue Date	Rate (p.a.)	2022	2023	2024	2025	2026	2027			
Celesc G	2 nd Debenture Issue	May 2018	CDI + 2.50%	8,824	17,647	-	-	-	-	-	26,471	
Celesc G	3 rd Debenture Issue	Dec 2020	IPCA + 4.30%	-	2,864	5,728	5,728	5,728	5,728	17,183	42,958	
Celesc G - Total				8,824	20,511	5,798	5,798	5,798	5,798	17,183	69,429	

Regarding the debt profile, as shown in the chart below, debt is mainly concentrated in the long term.

Chart 30 – Amortization Schedule (million)

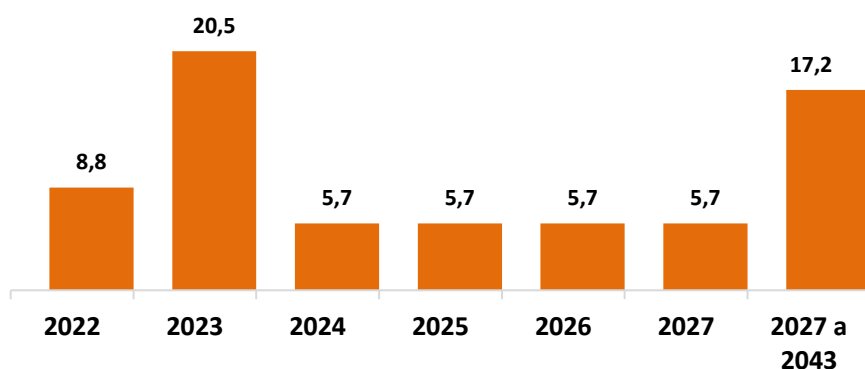
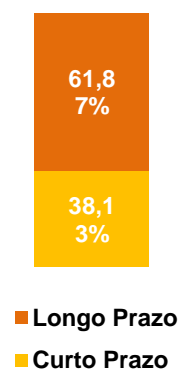


Chart 31 – Indebtedness Term Celesc Geração – September/2022



In the last few years, the Company has been extending the debt profile, with **61.87% of the debt in the long term and 38.13% in the short term**, as reported at the end of 3Q22.

3.2.2.6. Investments

The table below shows Celesc Geração's investments in **3Q22/9M22**.

⁵ Excluding charges on debt.

Celesc Geração S.A. | CAPEX

R\$ Million	3Q3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Celesc Geração Investments	6.9	2.8	-59.3%	19.3	8.0	-58.6%
Investment in SPEs	4.0	0.3	-93.0%	4.5	0.8	-82.7%
Own Generation Complex Plants	2.9	2.5	-12.5%	14.8	7.2	-51.3%

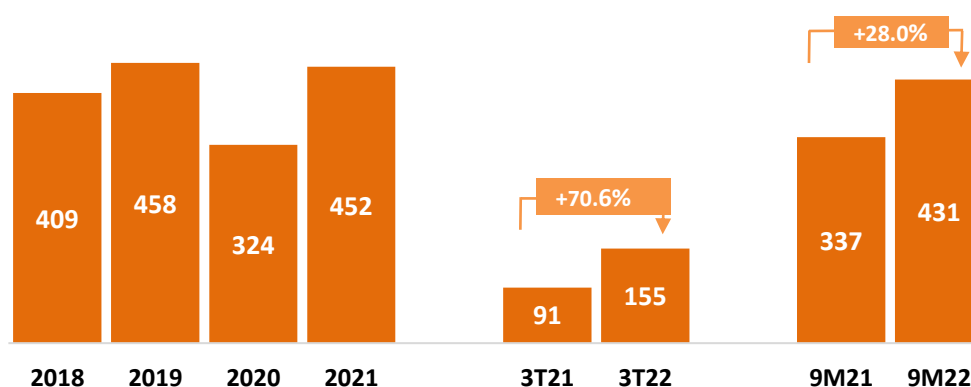
R\$7.2 million were invested in the Company's complex in 2022, of which R\$3.3 million in HGP Caveiras, R\$1.1 million in HPP Palmeiras, R\$1.1 million in HGP Piraí, and R\$0.4 million in HPP Pery. R\$0.8 million was invested in SHP Garça Branca in 2022.

3.2.3. Operational Performance

3.2.3.1. Power Production

In 3Q22, the power generated by Celesc's plants was **155.0 GWh (431.0 GWh in 9M22), up by 70.6% (28.0% in 9M22)** over 3Q21. **Chart 32** below shows the performance of generated power production of Celesc's complex from 2018 to 2021 and in the comparative periods of 3Q21/3Q22 and 9M21/9M22.

Chart 32 – Production of Celesc's Generation Complex (GWh)

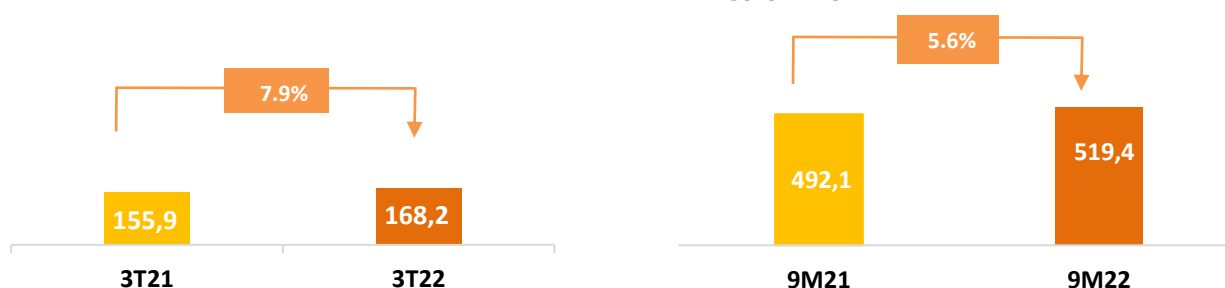


Among the factors that impacted the increase in the operational performance of the generation complex in the quarter we can highlight i) good rainfall indexes, contributing to good affluence in the power plants' reservoirs; and (ii) an increase in the availability of the generation units. We can highlight the performance of the Palmeiras HPP (+28.0 GWh), Pery HPP (+13.0 GWh), and Celso Ramos HPP (+10.5 GWh).

3.2.3.2. Billed Energy.

Chart 33 below shows the performance of Billed Energy at Celesc Geração (quarter and annual comparisons).

Chart 33 - Billed Energy (GWh)



The volume of billed energy grew by 7.9% in 3Q22, mainly due to higher GSF (from 51% to 75%), and higher energy purchase operations, led by higher trade activities.



Celesc

Centrais Elétricas de Santa Catarina S.A.

3.3. CONSOLIDATED

3.3.1. Economic and Financial Performance

3.3.1.1. Gross Operating Income, Net Operating Income, and Consolidated Income.

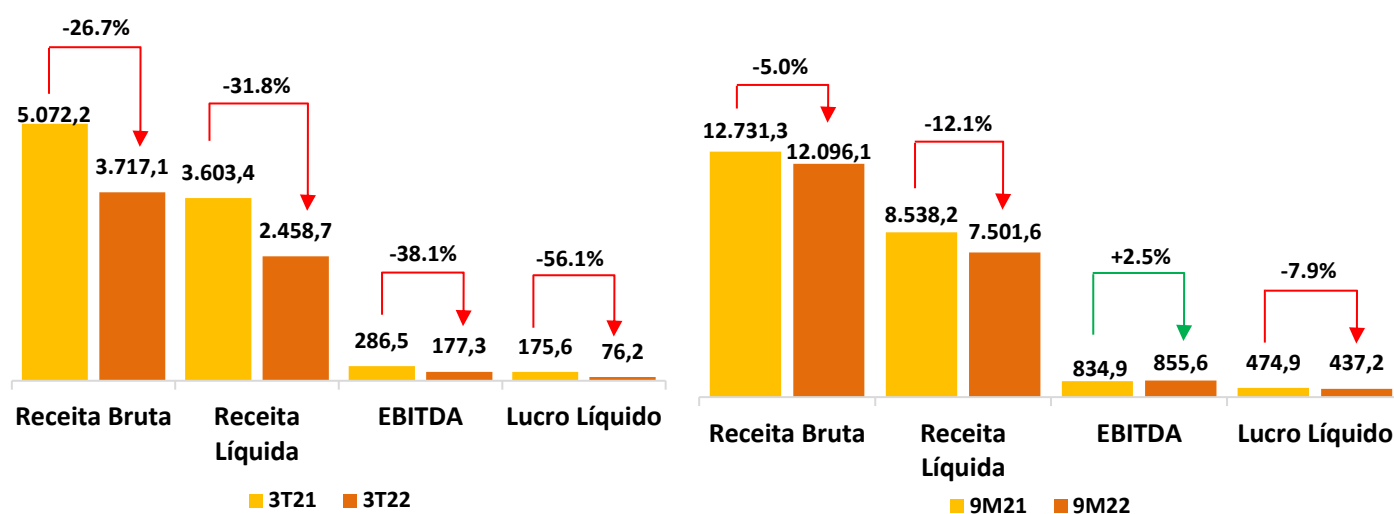
The table below shows Celesc's main consolidated indicators in 3Q22 and 9M22.

Consolidated | Main Financial Indicators

R\$ Million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Gross Operating Income	5,072.2	3,717.1	-26.7%	12,731.3	12,096.1	-5.0%
Deductions from Operating Income	(1,468.8)	(1,258.3)	-14.3%	(4,193.0)	(4,594.6)	9.6%
Net Operating Income	3,603.4	2,458.7	-31.8%	8,538.2	7,501.6	-12.1%
Net Operating Income (Excluding Construction Revenue)	3,382.9	2,113.6	-37.5%	8,040.4	6,597.3	-17.9%
Operating Costs and Expenses	(3,395.7)	(2,386.4)	-29.7%	(7,939.2)	(6,920.0)	-12.8%
Equity Pickup	29.8	35.0	17.4%	61.7	68.3	10.6%
Earnings from Activities	237.6	107.3	-54.8%	660.7	649.9	-1.6%
EBITDA	286.5	177.3	-38.1%	834.9	855.6	2.5%
EBITDA margin - IFRS	7.9%	7.2%		9.8%	11.4%	
EBITDA margin (IFRS) - ex-Construction Revenue (%)	8.5%	8.4%		10.4%	13.0%	
Financial Result	19.8	(29.0)	-246.0%	53.7	(57.7)	-207.4%
Earnings Before Income Tax	257.4	78.4	-69.6%	714.5	592.1	-17.1%
IR/CSLL	(81.8)	(2.2)	-97.3%	(239.6)	(155.0)	35.3%
Net Income / Loss	175.6	76.2	-56.6%	474.9	437.2	-7.9%
Net Margin - IFRS (%)	4.9%	3.1%		5.6%	5.8%	
Net Margin - IFRS - ex-construction revenue (%)	5.2%	3.6%		5.9%	6.6%	

Chart 34 below shows the Company's Gross and Net Operating Revenue, EBITDA, and Consolidated Income for 3Q22 and 9M22, respectively.

Chart 34 - Gross and Net Revenue, EBITDA, and Net Income - Consolidated in 3Q21/3Q22 and 9M21/9M22



3.3.1.3. Consolidated Operating Costs and Expenses

The charts below show the performance of Operating Costs and Expenses, including Manageable and Non-Manageable Costs, and Amortization/Depreciation Expenses.

Chart 35 - Consolidated Operating Costs and Expenses 3Q21/3Q22 (R\$ million)

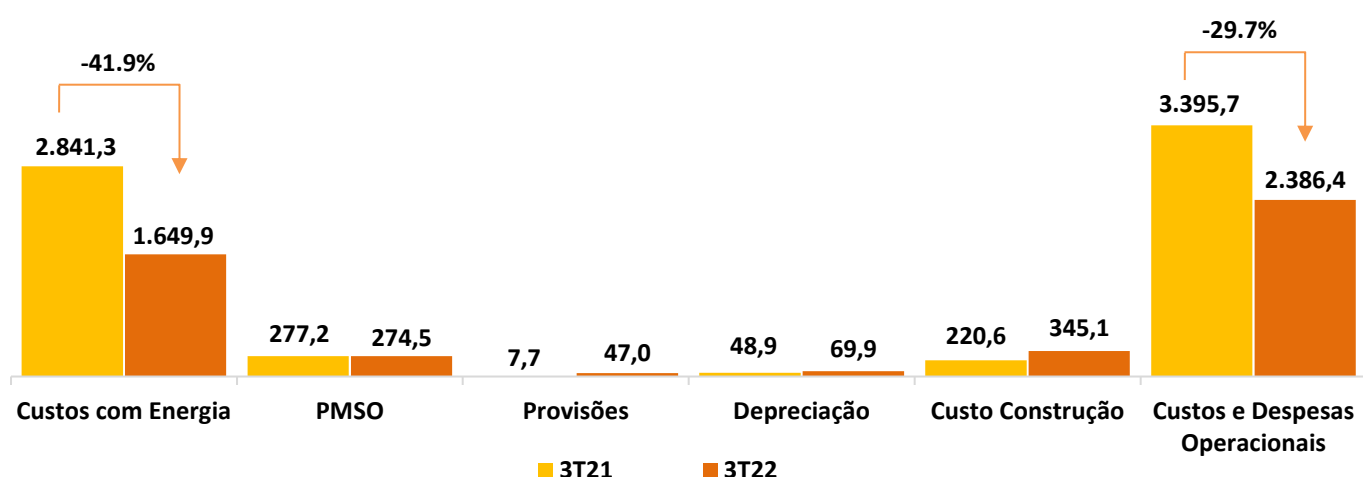
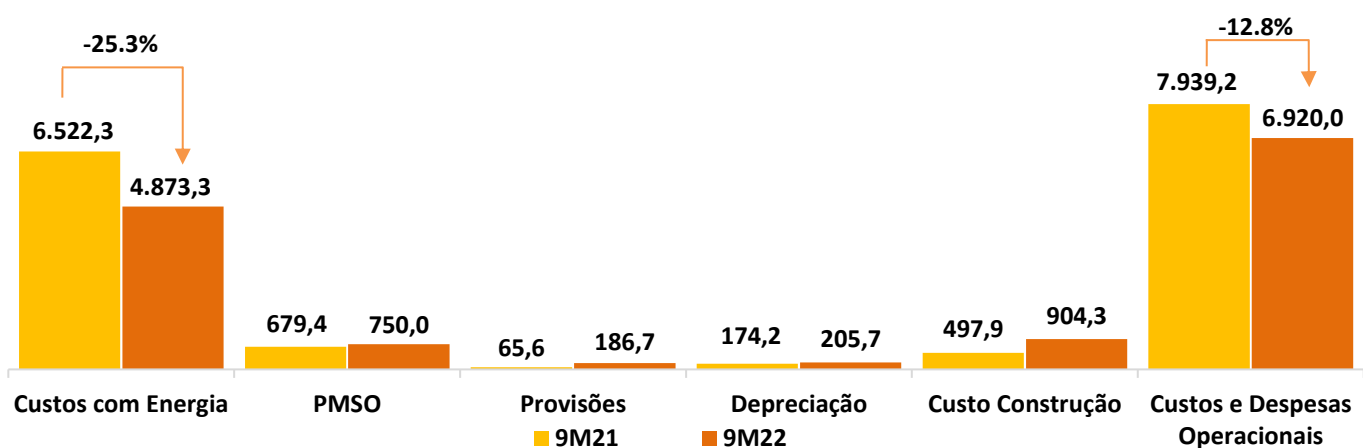


Chart 36 - Consolidated Operating Costs and Expenses 9M21/9M22 (R\$ million)



Operating Costs and Expenses fell by 29.7% in 3Q22 (12.8% in 9M22) to R\$2,386.4 million (R\$6,920.0 million in 9M22). The decrease in 3Q22 (9M22) mainly reflects the variations in the **subsidiaries Celesc Distribuição and Celesc Geração**, as shown below:

- **Reduction of 41.9% (25.3% in 9M22) in energy costs**, mainly due to lower **dispatch of the thermoelectric plants** at Celesc Distribuição, and the **Hydrological Risk Renegotiation** at Celesc Geração in 3Q21, increasing the 3Q22/3Q21 comparison base. Furthermore, the period PLD impacted Short-term energy revenue in both subsidiaries;
- **Reduction of 1% in the PMOO in 3Q22 (+10.5% in 9M22) and higher provisions in 3Q22 (R\$47 million) and 9M22 (R\$186.7 million)**, the variations being already described in the respective topics of the subsidiaries Celesc Distribuição and Celesc Geração. As already detailed in item 3.1.2.2., the lines related to the payment of civil, labor, tax, and environmental indemnifications, and mass lawsuits are now directly recorded under Provisions. Until 2021, the Company reversed the provision upon recognition of the indemnification, recording an entry in Other Revenues/Expenses. Considering the adjustment made in 2021, PMOO expenses would have increased by 28.9% in 3Q22 and by 33.1% in 9M22. In turn, net provisions fell by 34.8% in 3Q22 and increased by 2.8% in 9M22.

The table below shows Personnel expenses in 3Q22 and 9M22:

Consolidated | Personnel expenses

R\$ Million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Personnel - Total	(175.0)	(218.0)	24.6%	(467.2)	(617.1)	32.1%
Personnel and Management	(175.9)	(183.2)	4.2%	(470.9)	(526.6)	11.8%
Personnel and Charges	(170.1)	(176.3)	3.6%	(453.5)	(506.0)	11.6%
Private Pension Plan	(5.7)	(6.8)	19.7%	(17.4)	(20.6)	18.2%
Actuarial Expenses	0.9	(34.8)	-4010.3%	3.7	(90.5)	-2520.9%

3.3.1.4. EBITDA and Consolidated Net Income.

Charts 37 and 38 below show the formation of **Consolidated EBITDA** in the period.

Chart 37 – EBITDA Formation 3Q22 (R\$ million)

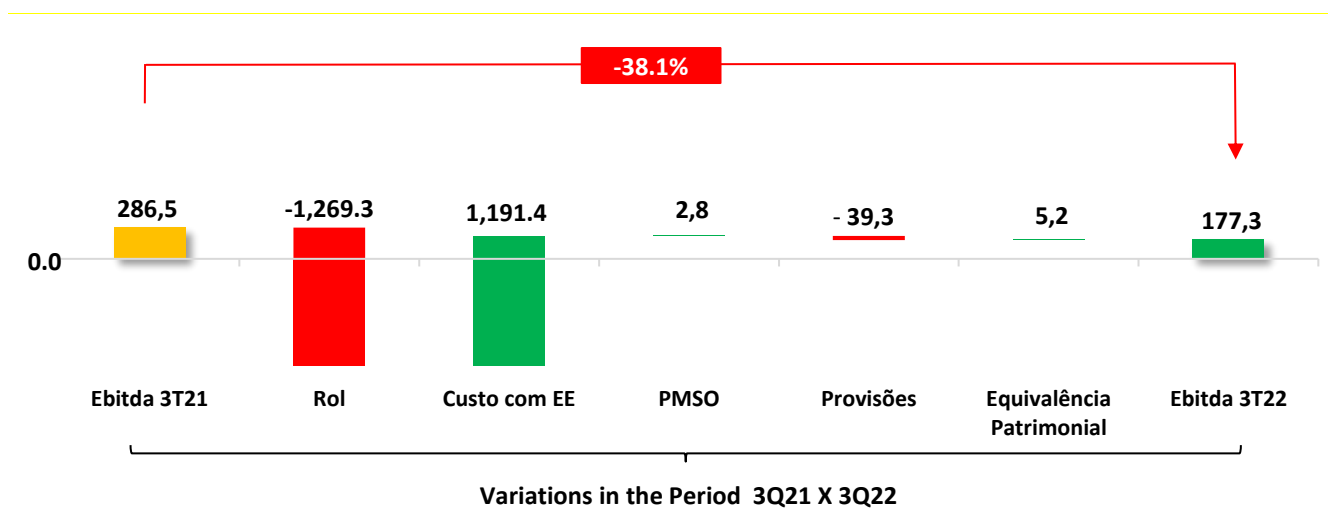
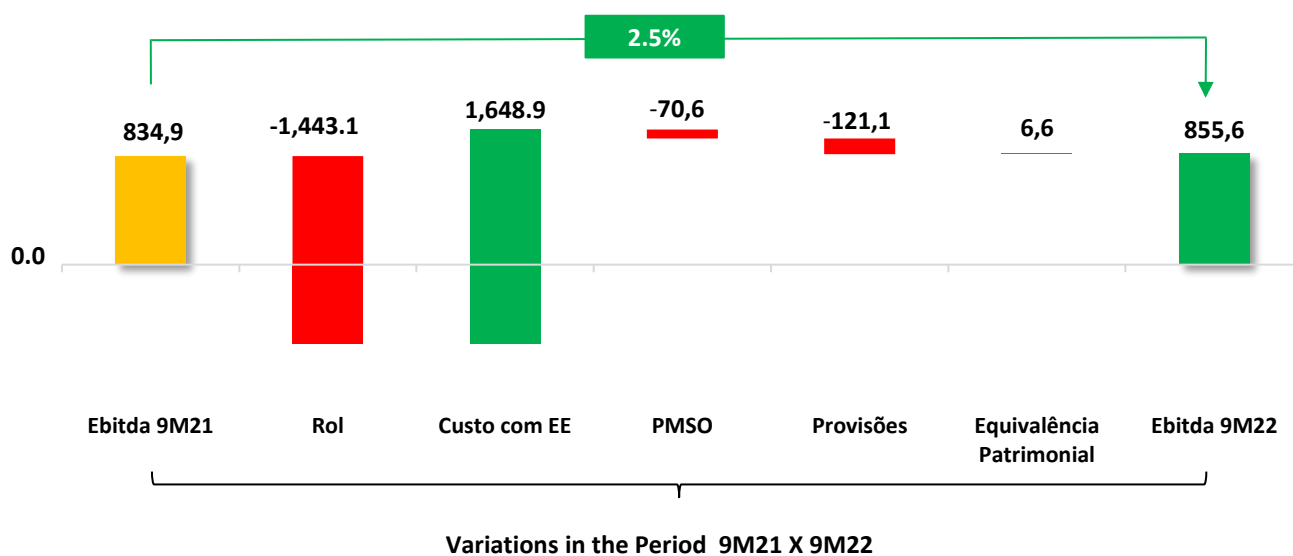


Chart 38 – EBITDA Formation 9M22 (R\$ million)



Consolidated EBITDA totaled **R\$177.3 million in 3Q22**, compared to the **R\$286.5 million** recorded in **3Q21**, a decrease of **38.1%**. In **9M22**, the increase was **2.5%**, totaling **R\$855.6 million**.

The lower EBITDA reflects the performance of the subsidiaries **Celesc Distribuição** and **Celesc Geração**, as follows:

- **Celesc Distribuição:** i) generation of Portion B lower than in 3Q21, due to market stabilization in the quarter; (ii) lower losses; (iii) higher manageable expenses, especially impacted by higher recognition of actuarial expenses due to the rise in the discount rate of the Actuarial Report;
- **Celesc Geração:** (i) distortion of the 3Q21 comparative period, due to the recognition of the indemnification of the Pery Plant; (ii) Hydrological Risk Renegotiation (GSF) and reversals of the allowance for doubtful accounts (GSF) in 2021 increasing the base of the 3Q22/3Q21 comparative period; (iii) lower PLD; and (iv) equity pick-up.

Consolidated | Main Financial Indicators

R\$ Million	3rd quarter			Accumulated 9 Months		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Earnings from Activities - EBIT	237.6	107.3	-54.8%	660.7	649.9	-1.6%
Activities Margin (%)	6.6%	4.4%		7.7%	8.7%	
EBITDA	286.5	177.3	-38.1%	834.9	855.6	2.5%
EBITDA Margin (%)	7.9%	7.2%		9.8%	11.4%	
Financial Result	19.8	(29.0)	-246.0%	53.7	(57.7)	-207.4%
Financial Revenue	70.5	133.3	89.0%	201.5	362.4	79.9%
Financial Expenses	(50.7)	(162.3)	220.2%	(147.7)	(420.2)	184.4%
Earnings Before Income Tax	257.4	78.4	-69.6%	714.5	592.1	-17.1%
IR and CSLL	(9.1)	(10.4)	14.6%	(146.9)	(162.9)	10.9%
Deferred Income Tax and Social Contribution	(72.8)	8.2	111.3%	(92.6)	7.9	108.6%
Net Income	175.6	76.2	-56.6%	474.9	437.2	-7.9%
Net Margin (%)	4.9%	3.1%		5.6%	5.8%	

The **Net Income** totaled **R\$76.2 million** in 3Q22, down by 56.6% from the R\$175.6 million recorded in 3Q21. Net Income came to **R\$437.2 million in 9M22**, down by 7.9% from 9M21. In addition to the factors that have already impacted EBITDA, the rise in the interest rate in the period impacted the Company's financial result contributing to the decrease in profitability.

Chart 39 – Net Income Formation 3Q22 (R\$ million)

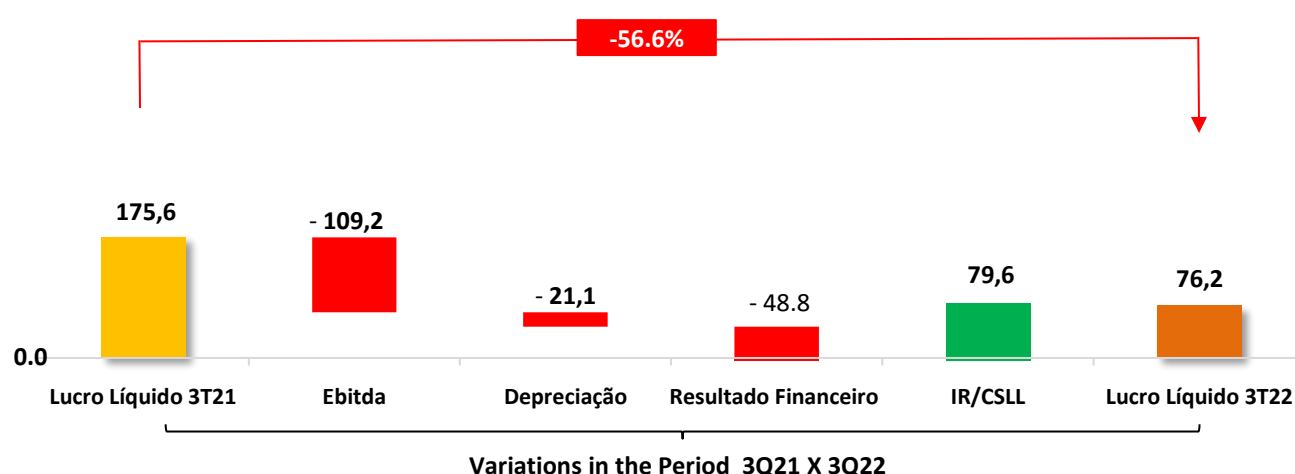
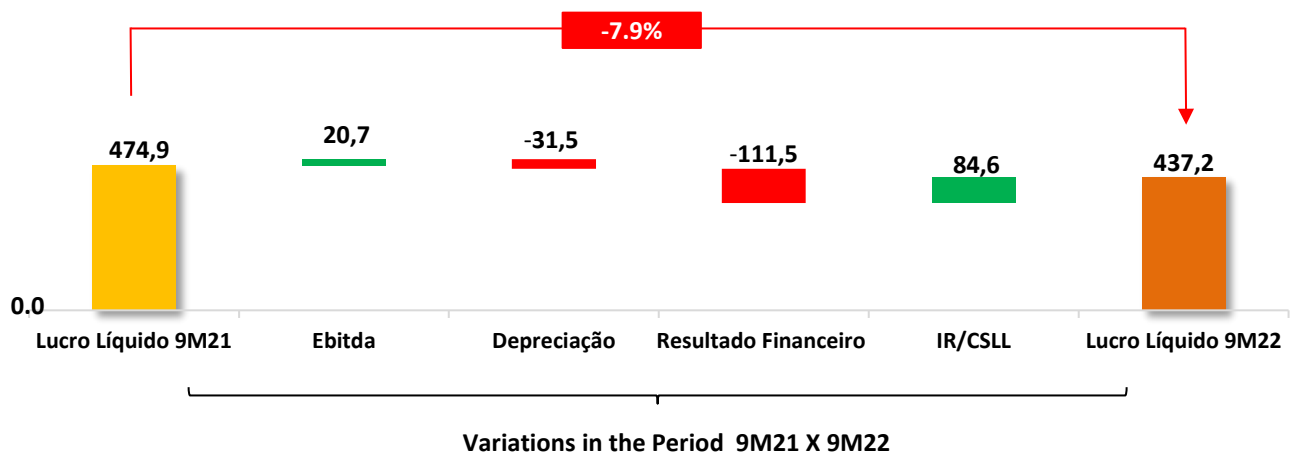


Chart 40 – Net Income Formation 9M22 (R\$ million)



The tables below show the reconciliation of EBITDA and Adjusted Income, considering the non-recurring effects of the quarter in the subsidiaries Celesc D and G.

Consolidated EBITDA (IFRS) - Adjustments

R\$ Million	3rd quarter			Accumulated 9 Months		
	2021	2022	Δ	9M21	9M22	Δ
EBITDA	286.5	177.3	-38.1%	834.9	855.6	2.5%
(-) Non-Recurring Effects	21.2	(1.4)		21.1	(1.4)	
(-) Celesc Distribuição Non-Recurring Effects	(21.3)	(1.4)		(21.3)	(1.4)	
(-) Celesc Geração Non-Recurring Effects	42.5	0.0		42.5	0.0	
(=) Adjusted EBITDA	265.3	178.7	-32.6%	813.7	857.0	5.3%
<i>EBITDA Margin - IFRS (%)</i>	7.9%	7.2%		9.8%	11.4%	
<i>Adjusted EBITDA Margin, excluding Construction Revenue (%)</i>	7.8%	8.3%		10.1%	13.0%	

Consolidated NET INCOME IFRS - Non-Recurring

R\$ Million	3rd quarter			Accumulated 9 Months		
	2021	2022	Δ	9M21	9M22	Δ
Net Income/Loss - Reported IFRS	175.6	76.2	-56.6%	474.9	437.2	-7.9%
(-) Non-Recurring Effects	24.3	(0.9)		24.3	(0.9)	
(-) Celesc Distribuição Non-Recurring Effects	(14.1)	(0.9)		(14.1)	(0.9)	
(-) Celesc Geração Non-Recurring Effects	38.3	0.0		38.3	0.0	
(=) Adjusted Net Income	151.3	77.1	-49.0%	450.6	438.1	-2.8%
<i>Net Margin - IFRS (%)</i>	4.9%	3.1%		5.6%	5.8%	
<i>Adjusted Net Margin, excluding Construction Revenue (%)</i>	4.5%	3.6%		5.6%	6.6%	

3.3.1.5. Indebtedness

The table below shows the Company's Gross and Net Debts, and the Debt breakdown between 2021 and 2022.

Consolidated Indebtedness			
3Q22 Financial Debt			
R\$ Million	on December 31, 2021	on September 30, 2022	Δ
Short-Term Debt	176.6	582.5	230.0%
Long-Term Debt	1,845.4	1,982.7	7.4%
Total Financial Debt	2,022.0	2,565.2	26.9%
(-) Cash and Cash Equivalents	844.1	1,436.1	70.1%

Net Financial Debt	1,177.9	1,129.1	-4.1%
EBITDA (LTM)	1,043.1	1,063.8	2.0%
Fin. Debt Net / EBITDA 12M	1.1x	1.1x	
ADJUSTED EBITDA (LTM)	1,130.6	1,107.2	-2.1%
Fin. Debt Net / Adjusted EBITDA 12M	1.0x	1.0x	
Equity	2,621.4	2,933.3	11.9%
Fin. Debt Total / Equity	0.8x	0.9x	
Fin. Debt Net / Equity	0.4x	0.4x	

On September 30, 2022, **Grupo Celesc's Financial Debt** totaled **R\$2,565.2** million, compared to **R\$2,022.0** million on **December 31, 2021**, up by 26.9% (**+R\$543.2 million**). The **Short-Term Debt** accounted for **22.71% of total Debt (8.73% on December 2021)**. The **Long-Term Debt** accounted for 77.29% of **total Debt (91.27% on December 2021)**, due to an improved debt profile, as a result of the already mentioned measures adopted in the subsidiaries.

The Group's consolidated net debt at the end of September 2022 totaled **R\$1,129.1 million**, a **decrease of 4.1%**, mainly due to the group's higher cash position (R\$1,436.1 million on September 30, 2022 compared to R\$844.1 on December 31, 2021) and the **Bank Credit Note ("CCB"), of R\$550 million**, taken by the subsidiary Celesc Distribuição in 1Q22.

The table⁶ below breaks down the Company's indebtedness on September 30, 2022, between subsidiaries Celesc Distribuição and Celesc Geração.

Celesc Consolidated - 3Q22 Debt Breakdown (in R\$ million)											
Description				Annual Amortization							
Company	Contracts	Issue Date	Rate (p.a.)	2022	2023	2024	2025	2026	2027	From 2027 to 2043	Outstanding Balance Total
Celesc D	Eletrobrás - D	Jan/13	5.00%	218.1	872	872	363.5	-	-	-	2,326
Celesc D	Finame - D	Jul/12 to Dec/15	8.56%	2,797	614	-	-	-	-	-	3,412
Celesc D	Working capital - D	Apr/19	CDI + 0.80%	-	93,056	-	-	-	-	-	93,056
Celesc D	Working capital - D	Feb/22	CDI + 1.65%	-	137,500	275,000	137,500	-	-	-	550,000
Celesc D	3rd Debentures - D	Aug/18	CDI + 1.90%	16,667	49,999	-	-	-	-	-	66,666
Celesc D	4th Debentures - D	Apr/21	CDI + 2.60%	38,372	153,488	153,489	153,488	51,163	-	-	550,000
Celesc D	IDB - D	Oct/18	CDI + 1.35%	-	-	56,596	56,596	56,596	56,596	905,538	1,131,923
Celesc D	Loan 5 th G - D	Nov/21	CDI + 2.10%	70,000	-	-	-	-	-	-	70,000
Celesc D	Loan 1st H - D	Nov/21	CDI + 2.10%	-	-	-	-	-	-	-	-
Celesc D - Total				128,054	435,530	485,957	347,948	107,759	56,596	905,538	2,467,382
Celesc G	2 nd Debenture Issue	May/18	CDI + 2.50%	8,824	17,647	-	-	-	-	-	26,471
Celesc G	3 rd Debenture Issue	Dec/20	IPCA + 4.30%	-	2,864	5,728	5,728	5,728	5,728	17,183	42,958
Celesc G - Total				8,824	20,511	5,728	5,728	5,728	5,728	17,183	78,619
Total Consolidated				136,878	456,041	491,685	353,675	113,486	62,324	922,721	2,536,811

⁶ Excluding charges on debt.

It is worth noting that the **Company's Average Cost of Debt was 15.54%** and the **Average Term was 11.10 years (133 months)**.

3.3.1.6. Investments

Celesc Group | Investments in the Period

R\$ Million	3Q			9M		
	3Q21	3Q22	Δ	9M21	9M22	Δ
Electricity Generation	6.9	2.8	-59.3%	19.3	8.0	-58.6%
Power Distribution	228.1	368.6	61.6%	526.2	959.4	82.3%
Total	235.0	371.4	58.0%	545.6	967.4	77.3%

The Group's investments totaled **R\$371.4 million in 3Q22 (R\$967.4 in 9M22)**, up by 58.0% over the **R\$235.0 million recorded in 3Q21**. In 9M22, the increase came to 77.3%, to **R\$967.4 million, compared to the R\$545.6 million** reported in 9M21. These amounts were allocated as follows: **R\$2.8 million (R\$8.0 million in 9M22)** at Geração de Energia, and **R\$368.6 million (R\$959.4 million in 9M22)** at Distribuição de Energia.

4. 2022 TARIFF ADJUSTMENT

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

In the Tariff Adjustment, ANEEL considers the costs related to service provision, energy transmission costs, and sector charges. These items are part of Portion A, in which the Company has no management, only passing on the costs already incurred and projected by the Regulatory Agency. Portion B, in turn, reflects the amount available to cover its operations and make necessary investments.

The average effect perceived by consumers in the 2022 tariff adjustment was 11.32%. **Portion A (Non-Manageable costs) accounted for 15.65% of the tariff adjustment, of which 8.23% was from Sector Charges, 3.09% from Transmission Costs, 4.13% from energy costs, and 0.21% from Irrecoverable Revenue. 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.

As a percentage of Net Revenue, Portion A (Non-Manageable Costs) accounts for 81.10%, and Portion B (Manageable Costs) for 18.9%.

See the breakdown of the tariff adjustment items below.

Percentage in the 2022 Tariff Revision (ANEEL 3,094/2022 Ratifying Resolution)		
	Sector Charges	8.23%
	Transmission Costs	3.09%
Portion A	Purchase of Energy	4.13%
	Irrecoverable Revenue	0.21%
	Total Portion A	15.65%
Portion B		1.92%
	Economic Adjustment (TAI), considering the tariff variation of RTE	17.57%
	Financial Items of the Current Process	-5.62%
	Exclusion of Financial Items from the Previous Process	-0.63%
	Average effect to be noticed by consumers	11.32%

For further information, visit <https://ri.celesc.com.br/informacoes-financeiras/revisao-e-reajustes-tarifarios/>

5. SUSTAINABLE DEVELOPMENT

Celesc has established a Socio-Environmental Responsibility Policy (PRSA) with 7 principles that guide the company's initiatives, as follows: Human Rights, Prevention, Integrity, Local Sustainability, Communication, Adequacy, and Evolution, to comply with issues related to the social area, such as respect for human rights, integrity, communication with stakeholders, local sustainability, and issues related to the environmental area, valuing the prevention of negative impacts on the environment.

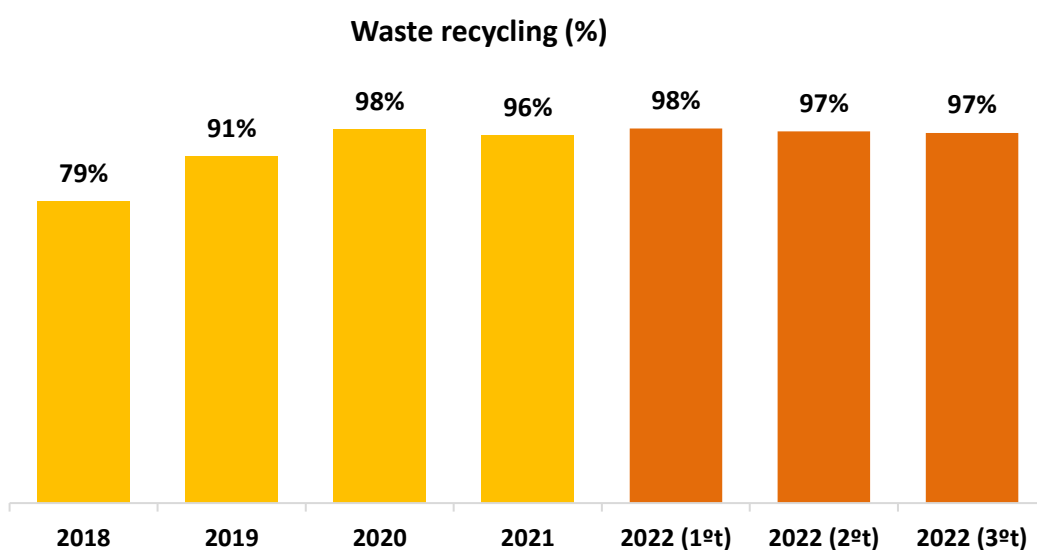
Celesc's PRSA principles also include matters that address corporate management progress, which ensure process improvement and goal achievement, and compliance with legislation, especially the respect for the rule of law, mainly the regulations of the electricity sector, health and occupational safety, and the environment.

The highlighted indicators reflect the commitment of the Company's actions to improve its performance in environmental, social, and governance matters.

5.1 Environmental

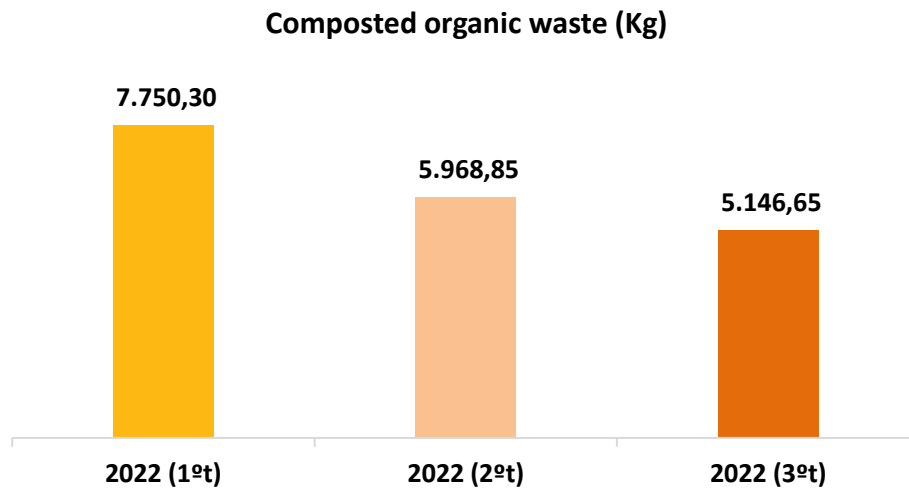
In 3Q22, among the environmental management requirements, the management of non-disposable solid waste generated in Celesc Distribuição's areas and storerooms received attention for the renegotiations to renew contracts for collection, transportation, and environmentally adequate final disposal services. These are class I waste (hazardous, such as PPEs contaminated with oil, light bulbs, batteries, workshop waste, and others), and class II waste (non-hazardous, such as sweeping, crate wood, non-contaminated PPEs, rubberized materials, and others). To meet these requirements, the Company maintains two contracts - one to provide services to the North, South, and coastal regions, and the other to provide services to the highland, Midwest, and West regions of the State. With the renewal of these contracts, services will be guaranteed until August 2023.

Regarding the management of all sources generating solid waste, the destination of potentially recyclable material remained at 97%, showing compliance with the objectives established by the National Solid Waste Policy of being committed to the use of materials, thus avoiding the extraction of new raw material. The chart below shows the waste recycling evolution from 2018 to 2022.

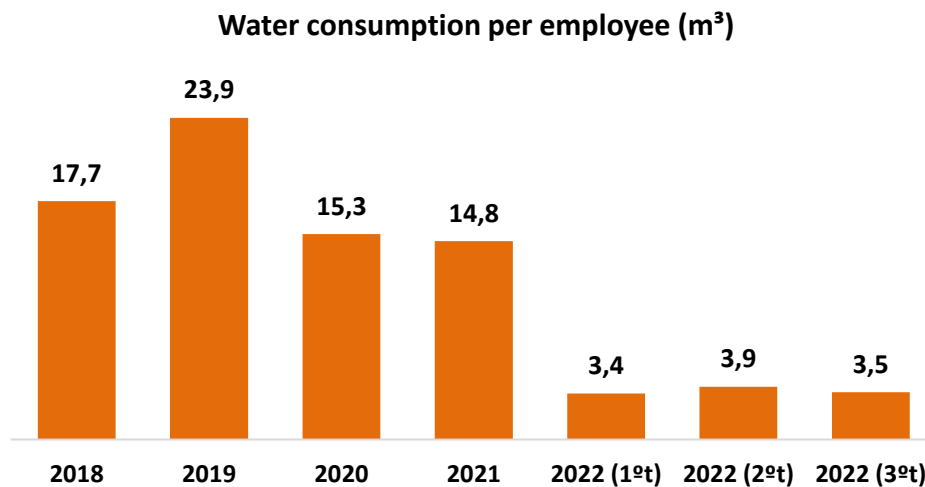


Regarding the administrative waste management area, the 3Q report brings a chart with the organic waste produced by the restaurant and cafeteria located in the facilities of Central Management and the

internal kitchens of the building used by employees that were sent for composting. Although this procedure is already being adopted in the Central Management’s administrative waste management process, it is worth noting that the destination of such waste was not specified in the previous reports. The Company decided to include data because of the importance given to the detour of waste from landfills, which are considerable sources of greenhouse gas (GHG) emissions. See the chart below:



Water consumption per employee has remained at the same level as in the previous quarters. The water consumption performance is shown in the chart below.



The proper environmental final disposal of Polychlorinated Biphenyls (PCBs), which is expected to occur by 2028, is a common challenge for all companies in the Electricity Sector, as established in the international treaty of the Stockholm Convention, ratified by Brazil in 2005 and recently regulated by Federal Law 14250/2021. In 3Q22, the Company continued with the process to recycle oil and equipment contaminated with this substance. The chart below shows the destination of 85.39 tons of waste in 3Q22.

5.2 Social

The company's performance is guided by the integration of the sustainable development concept into the corporate strategy, a concept embedded in the planning and execution of socio-environmental plans and programs, aimed at minimizing and/or mitigating the impacts of its projects and activities.

The commitment to our stakeholders is under the Celesc Group's Policy of Socio-Environmental Responsibility, which provides for constant dialogue between the company and its stakeholders. We are

part of the Business Pact against Sexual Exploitation of Children and Adolescents on Brazilian Highways, in partnership with Childhood Brasil, and the Business Pact for Integrity and Against Corruption, of the Ethos Institute. We are also a signatory of the Sustainable Development Goals (SDGs), Global Compact, Abrinq, and the InPacto Institute.

The Company also plays a key role in the Young Apprentice Program, a great tool for social inclusion that provides young people in situations of social vulnerability with their first job opportunities. The company recently included a complimentary training course on matters related to the electricity sector in the program's syllabus, presenting to boys and girls the possibilities of working in the area, using investments made by the company in its field of activity, providing young adults with technical training in the electricity sector, and bringing a gender perspective to the initiative.

Through a partnership with Celesc and the State Public Prosecutor's Office, the Program prioritizes the inclusion of young residents of shelters and foster homes, and currently has 53% girls and 47% boys on its staff.

Internally, the company has a Diversity and Inclusion Committee (D&I) sponsored by the Company's CEO, which objective is to build a more diverse and inclusive corporate environment. The company has invested in initiatives that promote greater symmetry between all employees since cultural and social issues are directly reflected in the work environment.

Quarterly Highlights

Young Apprentice

Several of Celesc's social commitments are especially focused on Human Rights and Childhood Protection. Since 2006, Celesc has been carrying out actions that comply with the Learning Act (10,097/2000) by offering first-job opportunities to young people in situations of risk and social vulnerability, in partnership with the Prosecution Office of Santa Catarina, to provide opportunities to young people, especially those living in foster homes.

The new 2022/2024 cycle, which started in February 2022, has 203 young apprentices at the Company. Through Celesc's broad organizational system, the new cycle has more dynamic actions to develop young people on a daily basis by identifying their skills and connecting them to the most diverse areas of the Company.

In 3Q22, the Company held a workshop for young people to better understand the Company and had the participation of the Social Responsibility, Compliance (Ethics and Integrity), Energy Efficiency/Research, Development, and Innovation (EE-RD&I), Commercial Board, and Institutional Communication areas, among others, that addressed topics related to the Energy industry; Corporate Mission, Vision, and Values; Environmental Management and Procedures of the Electricity System Work.

In addition, guided tours were conducted in the technical operation areas, such as the Measurement Operation Center (COM), where all high voltage consumer units are monitored, mostly commercial and industrial units; the Generation Operation Center (COG), where the main sources of electricity generation and the generating complex belonging to Celesc Geração were presented, and, finally, the Distribution System Operation Center (COSD), structured in two sectors - the Basic Grid Supervision, with its connection points with the transmission companies, and the Distribution Supervision, in which the emergency service of Celesc Distribuição is managed.

By providing the first job, Celesc accepts the challenge of promoting conditions for the training of young people, preparing them for the job market, bringing the importance not only of behavioral factors but the insertion in the corporate environment as an essential experience for the beginning of a solid career.

Public Call for Sponsorship

Cultural and sports projects from all over the State participated in the Public Call to receive a contribution from Celesc through a tax incentive. We received 140 proposals of projects approved by the Federal Law of Incentive to Culture (no. 8,313/1991) this quarter, in performing arts, music, audiovisual, and 87 projects approved by the Sports Law (no. 11,438/2006), in educational sports and performance sports.

Social Responsibility Actions

The new social responsibility management, in line with the provision of Celesc's new Master Plan 25-35, which aims at complying with the Strategic Goal of "Ensuring environmentally and socially sustainable ethics practices", has been structured, through cooperative planning with eight Centers and eight Units of the Company, concepts and guidelines of Social Responsibility Management so that social actions are dispersedly carried out in the entire Company, with a strong social commitment by Celesc to strengthen an impact asset for the Social item of the ESG. The planning provides for 160 social actions to be carried out by the end of the year. Until now, 98 actions were carried out on topics such as diversity, protection of children and adolescents, food insecurity, volunteerism, and dissemination of information on energy efficiency and security.

4.3 Governance

In the constant pursuit of improving management mechanisms with optimization of control processes, compliance, and transparency, Celesc S/A and its wholly-owned subsidiaries have been pioneering acting regarding new challenges. It is an item of the Level 2 segment of B3's corporate governance listing segment.

The Company's ESG (Environment, Social, and Corporate Governance) initiative boosts environmental, social, and corporate governance discussions, showing its engagement concerning actions, improving the fulfillment of the wishes of all stakeholders - shareholders, consumers, employees, governments, society, communities, and suppliers - using them as metrics for the company's management.

It is worth noting that in 3Q22, the Company's Board of Directors approved the first ESG Report, thus fulfilling adherence to the Corporate Governance principles and the organization's trends regarding the best practices, based on the five pillars: (1) ethics and integrity; (2) diversity and inclusion; (3) environmental and social; (4) innovation and transformation; (5) transparency and accountability.

Accordingly, by an initiative of the Investor Relations Department (DPRI) and the Finance and Investor Relations Office (DEF), the Executive Board approved a specific Work Group regarding the ESG matter. Therefore, in 2022 the Work Group members were in contact with several Companies, studied articles, reports, publications, calls, and other means to raise awareness and seek information that could support them towards the construction of ESG at Celesc.

Work Group and ESG Results

After the analyzes, benchmark studies, and exchange of ideas with the market in general (other companies and financial institutions), it was identified that the Company should continue in its path to allocate ESG at an increasingly strategic level to be able to design, measure, and disclose its goals (and results), submitting them for better identification of a structure within the Company that would implement these works.

Within this line, the Company structured the specific ESG area - at a strategic level – considering its commitment to the good practices of Corporate Governance that provides feedback to deepen the study and development of the theme in all of its actions to help the organization to focus resources on reducing risks and maximizing the opportunities that social and environmental matters present.

It is worth noting that IBGC (Brazilian Institute of Corporate Governance) already addresses ESG as a strategy of Sustainability and business, believing that the new strategic planning cycles are the best opportunity to include sustainability in the origin of the evolution of the organizations.

Accordingly, understanding the main important topics of ESG in line with the Company's strategy is a key factor for its integration with the best practices and its growth as a corporation.

Furthermore, considering the challenges of contemporary society as well, mainly related to the integration of the generation of economic value together with the concerns with environmental, social, and corporate governance matters, and to show responsibility and commitment to the market where it operates, the company has been contributing to building an organizational strategy that promotes gender equality by increasing the number on women in senior management positions.

It is worth noting that through permanent actions, the Company works to increase the number of women in the electricity sector. Accordingly, the Company recognizes the importance of its actions to minimize inequalities through sensitization through dialogues, constant awareness, and encouragement of cultural transformation, positively and sustainably impacting society and the entire energy market.

The Company also has an Ethics Committee and maintains several Policies that guide its initiatives and good practices, such as Anticorruption Policy, Related-Party Transaction Policy; Dividend Distribution Policy, and Social Responsibility Policy, among others. All these documents can be found on the Company's Transparency Portal, which also has a Whistleblowing Channel, available on its website.

Finally, it is worth noting that since 2004, with the creation of the Social Responsibility Program, the Company has been focusing on Sustainability. Therefore, the group's operations are based on integrating Sustainable Development into a corporate strategy to minimize the impacts of its enterprises, focusing on climate change.

6. CAPITAL MARKET PERFORMANCE

Celesc's shares are traded on the B3 under the codes CLSC3 (15,527,137 common shares - ON, 40.26%) and CLSC4 (23,044,454 preferred shares - PN, 59.74%). Since it joined Level 2 of Corporate Governance in 2002, the company has joined **IGC** and **ITAG**, indexes made up of companies that offer transparency and protection to minority shareholders.

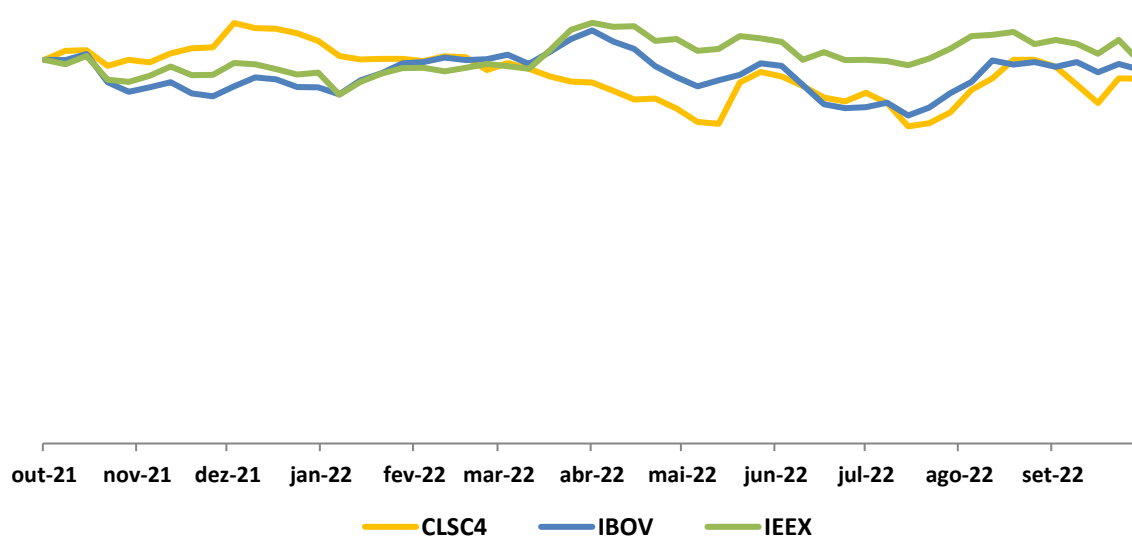
The Company's Preferred Shares (CLSC4) had a positive performance of **3.08% in 3Q22** but a negative performance of **4.95% LTM**. In the same period, the main index of Ibovespa, the Brazilian Stock Market, recorded a **return of +11.67% in 3Q22 and +0.85% LTM**, and the Electricity Index (IEE), which measures the behavior of the main shares of the Electricity Sector, **fell by 0.38% in 3Q22 and increased by 0.25% LTM**.

CLSC4 Follow-up	3Q21	4Q21	1Q21	2Q22	3Q22
Closing price adjusted to earnings (R\$/share)	68.02	67.99	60.98	57.22	57.85
Price / Earnings	4.3x	4.6x	3.8x	3.5x	4.2x
Price / Asset Value	1.1x	1.1x	0.9x	0.8x	0.8x
Average traded volume ('000 shares)	6	7	6	6	6
Average traded volume (R\$ '000)	450	514	412	332	323
Market Value (R\$ Million)	2,763	2,508	2,301	2,222	2,135
Market Value (US\$ Million)	511	449	483	424	395
Profitability (%)	0.02	4.81	8.93	-3.38	3.08
Profitability in the last 12 months (%)	36.70	34.10	12.01	-7.75	-4.95
Ibovespa Profitability (%)	-12.47	-5.55	14.48	-17.88	11.67
Ibovespa profitability in the last 12 months (%)	17.31	-11.93	4.12	-22.29	-0.85
IEE Profitability (%)	-2.67	-2.54	11.45	-7.35	-0.38
IEE Profitability in the last 12 months (%)	14.67	-7.89	5.10	-2.07	0.25

Source: Economática/Investor Relations.

Below is CLSC4 performance compared to Ibovespa and IEE in the last 12 months.

Chart 44 CLSC4 – IBOV - IEE – Evolution October/21 – September/22



7. CORPORATE RATING

Rating agencies, or risk assessment agencies, are independent and specialized companies that monitor the financial activities of several public and private institutions to evaluate their credit risk level.

On December 12, 2021, Fitch Ratings assigned the Long-Term National Ratings '**AA(bra)**' to CELESC, its wholly-owned subsidiary Celesc Geração S.A., and the second Debenture issue of Celesc Geração. The outlook of the corporate ratings is Stable.

On December 3, 2021, Fitch Ratings assigned the Long-Term National Ratings '**AA(bra)**' to CELESC Distribuição, the same rating assigned to its parent company Centrais Elétricas de Santa Catarina, and its affiliate Celesc Geração, both with a stable outlook.

7. EXHIBITS

7.1 Financial Statements

CELESC - CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A.

CONSOLIDATED BALANCE SHEET

Assets	09/30/2022	12/31/2021	Liabilities and Equity	09/30/2022	12/31/2021
Current			Current		
Cash and Cash Equivalents	1,436,105	844,088	Suppliers	938,520	1,088,186
Accounts Receivable	1,632,754	1,931,011	Loans	316,469	23,559
Inventories	21,224	13,556	Debentures	266,080	152,995
Taxes Recoverable	98,055	572,007	Salaries and Social Security Charges	227,520	214,708
Dividends	16,391	14,865	Taxes and Social Contributions	248,853	910,696
Financial Assets	57,294	70,886	Proposed Dividends	176,111	134,356
Other Receivables	199,926	216,294	Regulatory Fees	50,334	295,631
Water Shortage Bonus	1,138	102,861	Water Shortage Bonus	1,189	102,861
			Actuarial Liability	227,996	219,527
			Financial Liabilities - "Portion A" - CVA	1,083,124	39,826
			Other Liabilities	121,910	93,547
			PIS/COFINS to be Refunded to Consumers	-	-
			Leasing liabilities - CPC 06	1,991	6,216
	3,462,887	3,765,568		3,660,097	3,282,108
Noncurrent			Noncurrent		
Financial Investments	130,865	137,478	Loans	1,546,492	1,229,741
Accounts Receivable	19,280	27,212	Debentures	436,165	615,670
Advance for Future Capital Increase	17,600	15,000	Salaries and Social Security Charges	24,406	50,032
Deferred Taxes	719,840	708,001	Deferred Taxes	86,482	82,592
Taxes Recoverable	1,103,099	1,020,876	Regulatory Fees	120,432	70,745
Court Deposits	336,276	329,106	Provision for Contingencies	391,534	444,910
Indemnity Assets – Concession	1,018,390	757,193	Actuarial Liability	1,738,992	1,798,736
Financial Assets - Portion A – CVA	607,009	895,662	Leasing liabilities - CPC 06	7,070	8,620
Other Receivables	1,882	3,033	PIS/COFINS to be Refunded to Consumers	1,073,311	1,748,472
Investments	352,662	311,666	Other Liabilities	-	5,250
Property, Plant & Equipment	128,986	114,472			
Intangible Assets	4,119,546	3,858,637		5,424,884	6,054,768
Right-of-Use Asset - CPC 06	-	14,341		9,084,981	9,336,876
	8,555,435	8,192,677	Equity		
			Share Capital	2,480,000	2,480,000
			Capital Reserves	316	316
			Retained Earnings/Accumulated Losses	319,061	-
			Profit Reserves	1,191,329	1,191,329
			Equity Valuation Adjustments Retained Earnings/Accumulated Losses	(1,057,365)	(1,050,276)
				-	-
				2,933,341	2,621,369
Total Assets	12,018,322	11,958,245	Total Liabilities and Equity	12,018,322	11,958,245

CELESC - CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A.

INCOME STATEMENT - CONSOLIDATED

	3Q22	3Q21	Var %	9M22	9M21	Var %
Gross Operating Income	3,717,067	5,072,226	-26.7%	12,096,133	12,731,252	-5.0%
Power Supply	1,279,048	1,884,930	-32.1%	5,804,841	5,377,700	7.9%
Power Supply	106,811	141,989	-24.8%	374,049	445,677	-16.1%
Regulatory Asset	397,031	696,864	-43.0%	162,047	1,007,293	-83.9%
Short-Term Power	118,425	674,656	-82.4%	290,861	1,109,658	-73.8%
Power Grid Availability	1,288,178	1,184,616	8.7%	3,993,751	3,677,875	8.6%
Donations and Subsidies	173,234	171,875	0.8%	483,068	477,728	1.1%
Income from Services	1,133	498	127.5%	1,862	1,011	84.2%
Service Fee	2,942	2,452	20.0%	8,010	6,199	29.2%
Financial Revenue	8,202	88,141	-90.7%	62,131	116,754	-46.8%
Other Revenues	(3,070)	5,648	-154.4%	11,226	13,473	-16.7%
Construction Revenue	345,133	220,557	56.5%	904,287	497,884	81.6%
Deductions from Operating Income	(1,258,324)	(1,468,801)	-14.3%	(4,594,562)	(4,193,016)	9.6%
ICMS	(437,320)	(642,671)	-32.0%	(2,003,511)	(1,952,575)	2.6%
PIS/COFINS	(271,516)	(400,962)	-32.3%	(847,244)	(1,081,466)	-21.7%
CDE	(525,384)	(318,273)	65.1%	(1,598,875)	(981,992)	62.8%
R&D	(10,745)	(16,696)	-35.6%	(33,391)	(40,152)	-16.8%
PEE	(10,437)	(16,301)	-36.0%	(32,345)	(39,232)	-17.6%
ANEEL Regulatory Inspection Fee	(2,376)	(2,198)	8.1%	(6,802)	(6,811)	-0.1%
Other Charges	(546)	(71,700)	-99.2%	(72,394)	(90,788)	-20.3%
Net Operating Income	2,458,743	3,603,425	-31.8%	7,501,571	8,538,236	-12.1%
Operating Costs and Expenses	(2,386,435)	(3,395,674)	-29.7%	(6,919,982)	(7,939,244)	-12.8%
Electricity Purchased for Resale and Charges	(1,649,939)	(2,841,315)	-41.9%	(4,873,346)	(6,522,253)	-25.3%
Personnel and Management	(183,190)	(175,858)	4.2%	(526,560)	(470,918)	11.8%
Actuarial Expenses	(34,763)	889	-4010.3%	(90,494)	3,738	-2520.9%
Supplies	(15,754)	(8,263)	90.7%	(43,443)	(20,852)	108.3%
Third-Party Services	(84,186)	(70,190)	19.9%	(234,045)	(205,644)	13.8%
Depreciation and Amortization	(69,942)	(48,881)	43.1%	(205,717)	(174,201)	18.1%
Net Provision	(62,347)	(97,075)	-35.8%	(212,010)	(265,470)	-20.1%
Reversal of Provision	15,379	89,371	-82.8%	25,359	199,916	-87.3%
Other Revenue/ Expenses	43,440	(23,795)	282.6%	144,561	14,324	909.2%
Construction Costs	(345,133)	(220,557)	56.5%	(904,287)	(497,884)	81.6%
Equity Pickup	35,018	29,838	17.4%	68,287	61,718	10.6%
Earnings from Activities - EBIT	107,326	237,589	-54.8%	649,876	660,710	-1.6%
Activities Margin (%)	4.4%	6.6%		8.7%	7.7%	
EBITDA (R\$ thousand)	177,268	286,470	-38.1%	855,593	834,911	2.5%
EBITDA Margin (%)	7.2%	7.9%		11.4%	9.8%	
Financial Result	(28,964)	19,836	-246.0%	(57,732)	53,742	-207.4%
Financial Revenue	133,334	70,530	89.0%	362,432	201,464	79.9%
Financial Expenses	(162,298)	(50,694)	220.2%	(420,164)	(147,722)	184.4%
Earnings Before Income Tax	78,362	257,425	-69.6%	592,144	714,452	-17.1%
IR and CSLL	(10,401)	(9,072)	14.6%	(162,901)	(146,931)	10.9%
Deferred Income Tax and Social Contribution	8,204	(72,760)	111.3%	7,947	(92,622)	108.6%
Net Income	76,165	175,593	-56.6%	437,190	474,899	-7.9%
Net Margin (%)	3.1%	4.9%		5.8%	5.6%	

CELESC - CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A.
CASH FLOW STATEMENT (DFC) - CONSOLIDATED

(R\$ thousand)

	9M22	9M21
Profit/Loss Before Income Tax and Social Contribution	592,144	714,452
Adjustments	612,983	282,012
Hydrological Risk Renegotiation – GSF	-	(45,879)
Depreciation and Amortization	205,717	174,201
Write-off of Indemnity Assets	1,514	417
Write-off of Property, Plant & Equipment and Intangible Assets	48,640	156,569
Equity Pickup	(68,287)	(61,718)
Financial Assets Adjustment – VNR	(11,226)	(13,473)
Constitution (Reversal) of Impairment Recognition	-	-
Equity Interest Gains (Losses) (Assets)	-	-
Interest and Monetary Variations	397,366	192,428
Monetary restatement Bonus Grant /Pery Plant	(62,131)	(116,754)
Other Investment Adjustments	-	-
Provision for Actuarial Liability	90,494	(3,738)
PIS/COFINS Credit Right-of-use asset depreciation	447	-
Asset and Lease Liability Write-offs - Net	(45)	-
Allowance for Doubtful Accounts	63,870	48,068
Realization of Provision for Losses	-	-
Contingencies	(53,376)	(48,109)
Changes in Assets and Liabilities	(74,210)	(741,612)
Accounts Receivable	252,716	(39,055)
Inventories	(7,668)	(4,884)
Taxes recoverable	391,729	(1,136,152)
Other Assets	4,977	2,420
Subsidy Decree 7,891/2013	2,145	(2,199)
Financial Assets	713,530	(617,956)
Court Deposits	(7,170)	(30,515)
Water Shortage Bonus Asset	101,723	-
Advance for Future Capital Increase	(2,600)	(10,000)
Suppliers	(149,666)	292,078
Social Security and Labor Obligations	(12,814)	(15,968)
Taxes Payable	(820,261)	(64,839)
Regulatory Fees	(204,355)	6,689
Financial Liabilities	694,144	381,782
PIS/COFINS to be Refunded to Consumers	(778,357)	579,802
Other Liabilities	23,111	75,238
Actuarial Liability	(173,722)	(158,053)
Water Shortage Bonus Liability	(101,672)	-
Cash From Operations	1,130,917	254,852
Income Tax and Social Contribution Paid	(8,287)	33,151
Interest Paid	(180,072)	(70,505)
Net Cash from Operating Activities	942,558	217,498
Cash Flows From Investing Activities	(741,715)	(427,630)
Purchase of Property, Plant & Equipment and Intangible Assets	(766,379)	(444,536)
Capital Increase (Decrease)	(779)	(4,497)
Dividends Received	25,443	21,403
Cash Flows From Financing Activities	391,174	(212,994)
Amortization of Loans	(63,688)	-
Loan Additions	610,000	(761,493)
Debentures Additions	(76,472)	-
Principal Amortization of Lease Liabilities	(5,621)	(76,471)
Dividends Paid	610,000	141,025
Total Effects of Cash and Cash Equivalents	592,017	(423,126)
Cash and Cash Equivalents at the Beginning of Period	844,088	1,166,205
Cash and Cash Equivalents at the End of the Period	1,436,105	743,079

CELESC DISTRIBUIÇÃO S.A.

BALANCE SHEET

(R\$ thousand)

Assets	09/30/2022	12/31/2021	Liabilities and Equity	09/30/2022	12/31/2021
Current			Current		
Cash and Cash Equivalents	1,317,605	753,816	Suppliers	929,539	1,078,658
Trade Receivables	1,617,366	1,912,314	Loans and Financing	316,469	23,559
Inventories	21,150	13,479	Debentures	239,206	117,739
Taxes Recoverable	41,089	552,179	Social Security and Labor Obligations	225,765	213,396
Subsidy Decree 7,891/13	47,086	49,231	Taxes and Social Contributions	207,548	901,233
Other Receivables	152,885	167,318	Proposed Dividends	167,757	92,687
Financial Assets			Loan - Affiliate and Subsidiary	78,719	86,425
Water Shortage Bonus	1,138	102,861	Regulatory Fees	49,781	295,233
			Actuarial Liability	227,996	219,527
			Financial Liabilities - "Portion A" - CVA	1,083,124	39,826
			PIS/COFINS to be Refunded to Consumers	-	
			Other Liabilities	121,464	93,274
			Leasing liabilities - CPC 06	1,781	5,993
			Water Shortage Bonus	1,189	102,861
	3,198,319	3,551,198		3,650,338	3,270,411
Noncurrent			Noncurrent		
Trade Receivables	19,280	27,212	Loans and Financing	1,546,492	1,229,741
Deferred Taxes	719,840	708,001	Debentures	394,172	558,269
Taxes to Compensate or Recover	1,102,219	1,019,951	Regulatory Fees	119,007	69,714
Court Deposits	274,683	292,261	Social Security and Labor Obligations	24,406	50,032
Indemnity Assets – Concession	1,015,969	754,772	Actuarial Liability	1,738,992	1,798,736
Financial Assets - Portion A – CVA	167,066	470,286	Provision for Contingencies	368,257	424,433
Other Receivables	1,882	3,033	PIS/COFINS to be Refunded to Consumers	1,073,311	1,748,472
Intangible Assets	4,068,885	3,806,354	Other Liabilities	-	5,250
Property, Plant & Equipment	8,365	14,013	Financial Liabilities - "Portion A" - CVA		
			Leasing liabilities - CPC 06	7,070	8,502
			Deferred Taxes		
				5,271,707	5,893,149
	7,378,189	7,095,883		8,922,045	9,163,560
			Equity		
			Paid-up Share Capital	1,580,000	1,250,000
			Profit Reserves	950,799	1,297,896
			Equity Valuation Adjustments	(1,064,375)	(1,064,375)
			Retained Earnings/Accumulated Losses	188,039	-
				1,654,463	1,483,521
Total Assets	10,576,508	10,647,081	Total Liabilities and Equity	10,576,508	10,647,081

CELESC DISTRIBUIÇÃO S.A.

INCOME STATEMENT

	3Q22	3Q21	Var %	9M22	9M21	Var %
Gross Operating Income	3,679,872	4,946,037	-25.6%	11,947,776	12,515,735	-4.5%
Power Supply	1,270,436	1,876,826	-32.3%	5,779,039	5,356,227	7.9%
Power Supply	86,832	111,316	-22.0%	315,028	366,408	-14.0%
Regulatory Asset	397,031	696,864	-43.0%	162,047	1,007,293	-83.9%
Short-Term Power	117,198	674,656	-82.6%	287,126	1,109,658	-74.1%
Power Grid Availability	1,289,003	1,185,345	8.7%	3,996,083	3,679,854	8.6%
Donations and Subsidies	173,234	171,875	0.8%	483,068	477,728	1.1%
Income from Services	1,133	498	127.5%	1,862	1,011	84.2%
Service Fee	2,942	2,452	20.0%	8,010	6,199	29.2%
Other Revenues	(3,070)	5,648	-154.4%	11,226	13,473	-16.7%
Construction Revenue	345,133	220,557	56.5%	904,287	497,884	81.6%
Deductions from Operating Income	(1,253,042)	(1,462,569)	-14.3%	(4,577,302)	(4,177,576)	9.6%
ICMS	(437,320)	(642,671)	-32.0%	(2,003,511)	(1,952,575)	2.6%
PIS/COFINS	(267,280)	(395,583)	-32.4%	(833,140)	(1,068,898)	-22.1%
CDE	(525,384)	(318,273)	65.1%	(1,598,875)	(981,992)	62.8%
R&D	(10,437)	(16,301)	-36.0%	(32,345)	(39,232)	-17.6%
PEE	(10,437)	(16,301)	-36.0%	(32,345)	(39,232)	-17.6%
ANEEL Regulatory Inspection Fee	(2,184)	(1,988)	9.9%	(6,168)	(5,950)	3.7%
Other Charges	-	(71,452)	-100.0%	(70,918)	(89,697)	-20.9%
Net Operating Income	2,426,830	3,483,468	-30.3%	7,370,474	8,338,159	-11.6%
Electricity Costs	(1,645,498)	(2,810,509)	-41.5%	(4,862,218)	(6,484,224)	-25.0%
Electricity Purchased for Resale	(1,234,958)	(2,323,363)	-46.8%	(3,575,550)	(5,043,141)	-29.1%
Transmission System Use Charge	(410,540)	(439,477)	-6.6%	(1,286,668)	(1,298,076)	-0.9%
PROINFA	-	(47,669)	-100.0%	-	(143,007)	-100.0%
Operating Costs and Expenses	(726,297)	(560,332)	29.6%	(2,008,738)	(1,420,368)	41.4%
Personnel and Management	(173,852)	(167,524)	3.8%	(497,260)	(446,459)	11.4%
Actuarial Expenses	(34,763)	889	-4010.3%	(90,494)	3,738	-2520.9%
Supplies	(15,358)	(8,019)	91.5%	(42,602)	(20,232)	110.6%
Third-Party Services	(80,170)	(65,624)	22.2%	(221,800)	(195,260)	13.6%
Depreciation and Amortization	(68,528)	(61,605)	11.2%	(201,546)	(183,090)	10.1%
Net Provision	(62,236)	(88,836)	-29.9%	(207,585)	(255,069)	-18.6%
Reversal of Provision	13,206	76,328	-82.7%	22,612	160,169	-85.9%
Other Revenue/ Expenses	40,537	(25,384)	259.7%	134,224	13,719	878.4%
Construction Costs	(345,133)	(220,557)	56.5%	(904,287)	(497,884)	81.6%
Earnings from Activities - EBIT	55,035	112,627	-51.1%	499,518	433,567	15.2%
Activities Margin (%)	2.3%	3.2%		6.8%	5.2%	30.3%
EBITDA	123,563	174,232	-29.1%	701,064	616,657	13.7%
EBITDA Margin (%)	5.1%	5.0%	1.8%	9.5%	7.4%	28.6%
Financial Result	(29,744)	18,461	-261.1%	(58,125)	47,868	-221.4%
Financial Revenue	133,729	66,430	101.3%	361,188	190,283	89.8%
Financial Expenses	(163,473)	(47,969)	240.8%	(419,313)	(142,415)	194.4%
Earnings Before Income Tax	25,291	131,088	-80.7%	441,393	481,435	-8.3%
IR and CSLL	(1,072)	(15,162)	-92.9%	(132,409)	(137,989)	-4.0%
Deferred Income Tax and Social Contribution	6,882	(33,599)	120.5%	11,838	(44,078)	126.9%
Net Income	31,101	82,327	-62.2%	320,822	299,368	7.2%
Net Margin (%)	1.3%	2.4%		4.4%	3.6%	

CELESC DISTRIBUIÇÃO S.A.

CASH FLOW STATEMENT (CFS)		(R\$ thousand)	
	9M22	9M21	
Profit/Loss Before Income Tax and Social Contribution	441,393	481,435	
Items not affecting cash:	737,194	421,003	
Amortization/Depreciation	201,546	183,090	
Financial Assets Adjustment – VNR	(11,226)	(13,473)	
Allowance for Doubtful Accounts	64,993	77,433	
Contingencies	(56,176)	(48,127)	
Interest and Monetary Variations - Net	397,007	185,053	
Provision for Post-Employment Benefits Plan	90,494	(3,738)	
Asset write-offs	50,154	40,765	
PIS/COFINS Credit Right-of-use asset depreciation	447	-	
Asset and Lease Liability Write-offs - Net	(45)	-	
Changes in Current and Noncurrent Assets	1,448,442	(1,757,698)	
Trade Receivables	248,284	(78,951)	
Inventories	(7,671)	(4,899)	
Taxes Recoverable	428,822	(1,115,085)	
Court Deposits	17,578	(15,584)	
Subsidy Decree 7,891/2013	2,145	(2,199)	
Financial Assets	652,374	(543,932)	
Water Shortage Bonus	101,723	-	
Other Receivables	5,187	2,952	
Changes in Current and Noncurrent Liabilities	(1,549,540)	1,208,354	
Suppliers	(149,119)	290,328	
Salaries and Social Security Charges	(13,257)	(16,588)	
Taxes and Social Contributions	(845,593)	121,385	
Regulatory Fees	(27,480)	8,415	
Actuarial Liability	(173,722)	(158,053)	
Financial Liabilities	516,720	381,782	
PIS/COFINS to be refunded to consumers	(778,357)	579,802	
Water Shortage Bonus	(101,672)	-	
Other Liabilities	22,940	1,283	
Cash From Operations	1,077,489	353,094	
Interest Paid	(173,990)	(68,610)	
Interest and charges paid to Related Parties	(410)	-	
Interest Paid on Lease Liabilities	(701)	-	
Income Tax and Social Contribution Paid	(419)	(137,433)	
Net Cash from Operating Activities	901,969	147,051	
Investing Activities	(759,159)	(429,705)	
Acquisition of Concession Assets	(759,159)	(429,705)	
Financing Activities	420,979	(263,592)	
Inflow of Loans and Financing	610,000	686,475	
Related Party Additions	(15,000)	(90,000)	
Amortization of Loans and Financings	(113,688)	(811,493)	
Dividends and Interest on Equity	(54,892)	(48,574)	
Principal Amortization of Lease Liabilities	(5,441)	-	
Total Effects of Cash and Cash Equivalents	563,789	(546,246)	
Cash and Cash Equivalents at the Beginning of the Period	753,816	1,061,116	
Cash and Cash Equivalents at the End of the Period	1,317,605	514,870	

CELESC GERAÇÃO S.A.

INCOME STATEMENT

	3Q22	3Q21	Var %	9M22	9M21	Var %
Gross Operating Revenue (R\$ thousand)	39,263	128,557	-69.5%	155,169	220,999	-29.8%
Power Supply	8,631	8,114	6.4%	25,868	21,506	20.3%
Power Supply	21,203	21,739	-2.5%	63,435	63,803	-0.6%
Short-Term Power	1,227	10,563	-88.4%	3,735	18,936	-80.3%
Financial Revenue - Interest and Adjustment BO	5,753	17,555	-67.2%	42,678	46,168	-7.6%
Financial Revenue - Interest Adjustment Indemn. Pery Plant	2,449	70,586	-96.5%	19,453	70,586	-72.4%
Deductions from Operating Income (R\$ thousand)	(5,282)	(6,232)	-15.2%	(17,260)	(15,440)	11.8%
PIS/COFINS	(4,236)	(5,379)	-21.2%	(14,104)	(12,568)	12.2%
Comp. Financing for Use of Water Resources	(546)	(248)	120.2%	(1,476)	(1,091)	35.3%
RGR and P&D	(308)	(395)	-22.0%	(1,046)	(920)	13.7%
ANEEL Regulatory Inspection Fee	(192)	(210)	-8.6%	(634)	(861)	-26.4%
Net Operating Income (R\$ thousand)	33,981	122,325	-72.2%	137,909	205,559	-32.9%
Electricity Costs (R\$ thousand)	(6,489)	(33,164)	-80.4%	(17,873)	(43,478)	-58.9%
Hydrological Risk Renegotiation – GSF	-	(28,110)	-	-	(28,110)	-100.0%
Electricity Purchased for Resale	(5,664)	(4,325)	31.0%	(15,541)	(13,389)	16.1%
Charge for the Use of the System	(825)	(729)	13.2%	(2,332)	(1,979)	17.8%
Operating Costs and Expenses (R\$ thousand)	(8,693)	10,093	-186.1%	(25,476)	19,956	-227.7%
Personnel, Management	(4,692)	(4,176)	12.4%	(13,757)	(11,680)	17.8%
Supplies	(411)	(244)	68.4%	(856)	(620)	38.1%
Third-Party Services	(2,633)	(2,173)	21.2%	(7,934)	(6,063)	30.9%
Depreciation / Amortization	(854)	13,218	-106.5%	(2,511)	10,370	-124.2%
Net Provisions	90	5,293	-98.3%	563	29,854	-98.1%
Write-offs of Fixed Assets	-	(1,703)	-100.0%	-	(1,703)	-100.0%
Other Revenues / Expenses	(193)	(122)	58.2%	(981)	(202)	385.6%
Equity Result (R\$ thousand)	7,383	4,582	61.1%	8,048	6,509	23.6%
Earnings from Activities - EBIT (thousand)	26,182	103,836	-74.8%	102,608	188,546	-45.6%
Activities Margin (%)	77.0%	84.9%	-9.2%	74.4%	91.7%	
EBITDA (R\$ thousand)	27,036	90,618	-70.2%	105,119	178,176	-41.0%
EBITDA Margin (%)	79.6%	74.1%	7.4%	76.2%	86.7%	
Financial Result (R\$ thousand)	3,717	754	393.0%	5,569	296	1781.4%
Financial Revenue	5,330	3,697	44.2%	13,743	5,528	148.6%
Financial Expenses	(1,613)	(2,943)	-45.2%	(8,174)	(5,232)	56.2%
EBIT (R\$ thousand)	29,899	104,590	-71.4%	108,177	188,842	-42.7%
IR and CSLL	(9,242)	6,090	-251.8%	(30,405)	(8,942)	240.0%
Deferred IR and CSLL	1,322	(40,094)	103.3%	(3,891)	(53,040)	-92.7%
Net Income (R\$ thousand)	21,979	70,586	-68.9%	73,881	126,860	-41.8%
Net Margin (%)	64.7%	57.7%		53.6%	61.7%	

CELESC GERAÇÃO S.A.

CASH FLOW STATEMENT (CFS)	(R\$ thousand)	
	9M22	9M21
Profit/Loss Before Income Tax and Social Contribution	108,177	188,842
Adjustments	(67,730)	(85,771)
Depreciation and Amortization	2,511	(10,370)
Write-off of Property, Plant & Equipment/Intangible Assets	-	116,221
Hydrological Risk Renegotiation – GSF	-	(45,879)
Equity Pickup	(8,048)	(6,509)
Provision for/Reversals of Contingencies	-	(490)
Monetary Variations	8,046	7,621
Financial Revenue from Loans	(7,545)	(246)
Allowance for Doubtful Accounts	(563)	(29,365)
Financial Assets Update - Ind. Pery Plant Basic Project	(19,453)	(70,586)
Financial Assets Update - Concession Bonus	(42,678)	(46,168)
Changes in Current and Noncurrent Assets	61,622	(48,498)
Trade Receivables	3,816	39,868
Taxes to Offset or Recover	(580)	(3,663)
Inventories	3	15
Advance to Suppliers	-	(887)
Court Deposits	(300)	243
Financial Assets	29,619	27,026
Financial Assets Update - Ind. Pery Plant Basic Project	31,537	(101,050)
Advance for Future Capital Increase	(2,600)	(10,000)
Other Assets	127	(50)
Changes in Current and Noncurrent Liabilities	(4,890)	70,132
Suppliers	(1,056)	838
Regulatory Fees	549	(1,726)
Taxes and Social Contributions	(4,578)	(3,199)
Other Liabilities	195	74,219
Cash From Operations	97,179	124,705
Interest Paid and Received	(5,364)	(3,973)
Income Tax and Social Contribution Paid	(7,868)	(19,566)
Net Cash from Operating Activities	83,947	101,166
Financing Activities	(50,099)	(36,744)
Dividends paid and Interest on Equity - IoE	(23,627)	(10,273)
Amortization of Loans/Debentures	(26,472)	(26,471)
Investing Activities	(5,411)	72,750
Capital Decrease in Investees	-	-
Investments Acquisition	(779)	(4,497)
Acquisition of Property, Plant & Equipment	(7,185)	(14,630)
Acquisition of Intangible Assets	(35)	(201)
Related Parties - Loan Agreement Receivables	-	90,000
Dividends received	2,588	-
Interest Received from Loans	-	2,078
Total Effects of Cash and Cash Equivalents	28,437	137,172
Cash and Cash Equivalents at the Beginning of Period	63,400	54,668
Cash and Cash Equivalents at the End of the Period	91,837	191,840

7.2 RELEVANT EVENTS

1.1 Celesc achieves certification in the Great Place to Work

In July, Celesc achieved the Great Place to Work (GPTW) certification, a seal recognized worldwide that strengthens the Company's brand in the market, increases its visibility, and attracts and retains more talent.

Great Place to Work is a global consulting firm that supports organizations to obtain better results through a culture of trust, high performance, and innovation. It certifies and recognizes the best work environments in over one hundred countries in the world in three main categories: large- and medium-sized Brazilian companies and average-sized multinationals.

1.2 Celesc is elected the best distributor of the South region

On August 04, Celesc was elected the best distributor of the South region and ranked third in Brazil among the companies that serve more than 400 thousand consumer units in ANEEL's 2021 Quality Premium.

Celesc has been standing out in the award, thus reinforcing its commitment to the quality supply of energy and provision of services to consumers - in the 2019 edition (disclosed in 2020), it was the best-evaluated distributor of Brazil by residential consumers and, in the 2020 award, it was ranked third in Brazil among the companies with more than 400 thousand consumer units (CUs).

To encourage the continuous improvement in the quality of the services provided by electricity distributors in Brazil, the award - previously named Consumer Satisfaction Index (Iasc) - shows consumers' satisfaction levels and has been annually disclosed by the Agency since 2002. The survey is extremely important in the electricity industry since it allows for evaluating customer satisfaction regarding the services provided by energy distributors.

1.3 Celesc and ESG

In August, Celesc published its first ESG report in which emphasized its main achievements in the Environmental, Social, and Governance areas. This action reinforces the Company's commitment to ESG.

The 2021 ESG Report is available on ri.celesc.com.br/relatorio-esg

1.4 Annual Tariff Adjustment - Celesc D

On August 16, ANEEL authorized the adjustment to the tariffs to be practiced by its wholly-owned subsidiary Celesc Distribuição S.A. as of August 22, 2022. 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%).

As a percentage of Net revenue for the 2022-2023 period, Portion A (non-manageable costs with charges, transmission, and energy) accounted for 81.10%. Portion B (manageable costs) accounts for 18.9%, totaling R\$2.153 billion.

1.5 Digital Transformation Week encourages a new culture at the Company

Between August 16 and 19, Celesc held the Digital Transformation Week. The event had lectures and webinars with the purpose of showing Celesc's initiatives in the digital area and the transforming

experiences of other companies that may positively impact daily work. At Celesc, digital transformation occurs through the use of technology that facilitates and automates tasks by optimizing corporate processes.

1.6 Inauguration of the Itapema Meia Praia Substation (SE)

On August 29, Celesc inaugurated the Itapema Meia Praia substation (SE). With investments of R\$32.6 million, the project will benefit 80.6 thousand consumer units and will lead to an increase of 40 MVA in energy availability, with the possibility of expanding its capacity to 120 MVA, which is sufficient to support the region's development for the next 30 years.

1.7 Celesc activates LD Ratoles 138 kV

To increase supply reliability and eliminate voltage cut risks in the supply of Santa Catarina, on September 02, Celesc inaugurated two distribution lines connected to the Ratoles substation (SE) in Northern Florianópolis.

The lines were built in a stretch of approximately 2.74 km in an overhead circuit, and another stretch of around 2.09 km in an isolated and underground circuit. Celesc's investment in the work totaled R\$68.2 million, already including the infrastructure installed for two new circuits to be installed in the future.

1.8 Energy Efficiency Project approved by ANEEL will benefit seven hospitals in Santa Catarina

Also in September, the Company had a project aimed at hospitals approved in a public call of the Brazilian Electricity Regulatory Agency (ANEEL). The proposal, which should benefit seven hospitals in Santa Catarina State, aim at promoting efficient and rational use of electricity by providing financial savings to the institutions involved.

The actions include the replacement and modernization of old equipment and inefficient lighting systems, air conditioning, and the use of collection systems for the solar heating of water and photovoltaic energy generation. Patients and employees will benefit from well-lit and properly ventilated spaces.

In the last 11 years, ANEEL's Energy Efficiency program supported over 90 hospitals in Santa Catarina through Celesc's projects.

1.9 Distribution of Interest on Equity (IoE)

On September 22, Celesc's Board of Directors approved the credit of Interest on Equity totaling R\$42 million, corresponding to R\$1.02 per common share and R\$1.13 per preferred share, related to 3Q22.