A free translation of the original report in Portuguese containing financial statements prepared in accordance with accounting practices adopted in Brazil and international accounting Practices (IFRS).

Contents

Company Data / Capital Composition

Number of Shares (Mil)	Current Quarter 30/09/2023
Paid-in Capital	
Ordinary	15,527
Preferential	23,044
Total	38,571
In Treasury	
Ordinary	0
Preferential	0
Total	0

Individual Financial Statements / Balance

Sheet Assets (Reais Thousand)

Account Code	Account Description	Current Quarter 30/09/2023	Previous year 31/12/2022
1	Total Assets	3,456,440	3,105,004
1.01	Current Assets	333,549	302,455
1.01.01	Cash and Cash Equivalents	35,664	48,205
1.01.01.01	Available Cash	20	5
1.01.01.02	Financial Applications	35,644	48,200
1.01.06	Recoverable taxes	56,052	44,331
1.01.06.01	Recoverable Current Taxes	56,052	44,331
1.01.06.01.01	IRPJ/CSLL to be recovered	56,052	44,331
1.01.08	Other Current Assets	241,833	209,919
1.01.08.03	Others	241,833	209,919
1.01.08.03.01	Dividends Receivable	241,147	209,296
1.01.08.03.03	Other Credits	686	623
1.02	Non-current assets	3,122,891	2,802,549
1.02.01	Long-term Assets	86,985	77,660
1.02.01.02	Financial Investments at Fair Value through Other Comprehensive Income	208	217
1.02.01.02.02	Other titles	208	217
1.02.01.10	Other Non-Current Assets	86,777	77,443
1.02.01.10.03	Court deposits	86,771	77,402
1.02.01.10.04	Other Credits	6	41
1.02.02	Investments	3,031,850	2,720,813
1.02.02.01	Shareholdings	3,031,850	2,720,813
1.02.02.01.01	Holdings in Affiliates	128,290	116,358
1.02.02.01.02	Holdings in subsidiaries	2,755,297	2,468,490
1.02.02.01.03	Holdings in Jointly Controlled Companies	148,263	135,965
1.02.03	Fixed assets	495	138
1.02.03.01	Fixed assets in operation	4	6
1.02.03.02	Right of Use under Lease	491	132
1.02.04	Intangible	3,561	3,938
1.02.04.01	Intangibles	3,561	3,938
1.02.04.01.01	Concession Contract	3,561	3,938

Individual Financial Statements / Balance

Sheet Liabilities (Reais Thousand)

Code Account	Account Description	Current Quarter 30/09/2023	Previous year 31/12/2022
2	Total Liabilities	3,456,440	3,105,004
2.01	Current Liabilities	234,308	196,,375
2.01.01	Social and labor obligations	1,960	1,538
2.01.01.01	Social obligations	1,960	1,538
2.01.01.01.01	Social charges	1,960	1,538
2.01.02	Suppliers	569	900
2.01.02.01	National suppliers	569	900
2.01.03	Tax obligations	10,050	34,799
2.01.03.01	Federal Tax Obligations	9,944	34,705
2.01.03.01.01	Income Tax and Social Contribution Payable	524	2,863
2.01.03.01.02	Other Federal Tax Liabilities	4,134	22,183
2.01.03.01.03	PIS/COFINS	5,286	9,659
2.01.03.03	Municipal Tax Obligations	106	94
2.01.05	Other obligations	221,729	159,138
2.01.05.02	Others	221,729	159,138
2.01.05.02.01	Dividends and interest on capital payable	219,880	157,602
2.01.05.02.04	Other Current Liabilities	1,621	1,395
2.01.05.02.08	Lease liabilities	228	141
2.02	Non-current liabilities	34,652	25,453
2.02.02	Other obligations	268	0
2.02.02.02	Others	268	0
2.02.02.02.05	Lease liabilities	268	0
2.02.04	Provisions	34,384	25,453
2.02.04.01	Tax, social security, labor and civil provisions	25,966	22,095
2.02.04.01.01	Tax provisions	25,409	19,222
2.02.04.01.03	Provisions for Employee Benefits	0	2,298
2.02.04.01.04	Civil provisions	557	575
2.02.04.02	Other provisions	8,418	3,358
2.02.04.02.04	Regulatory provisions	8,418	3,358
2.03	Shareholders' equity	3,187,480	2,883,176
2.03.01	Paid-up Share Capital	2,480,000	2,480,000
2.03.02	Capital reserves	316	316
2.03.02.06	Advance for Future Capital Increase	316	316
2.03.04	Profit reserves	1,538,825	1,561,699
2.03.04.01	Legal reserve	251,495	251,495
2.03.04.05	Profit Retention Reserve	1,287,330	1,287,330
2.03.04.08	Proposed Additional Dividend	0	22,874
2.03.05	Accumulated Profits/Losses	327,613	0
2.03.06	Asset Valuation Adjustments	-1,159,274	-1,158,839

Individual Financial Statements / Income

Statements (Reais Thousand)

Code Account	Account Description	Current Quarter 01/07/2023 à 30/09/2023	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Same Quarter Previous year 01/07/2022 à 30/09/2022	Year-to-date Previous 01/01/2022 à 30/09/2022
3.04	Operating Expenses/Revenues	41,238	474,363	79,189	442,453
3.04.02	General and Administrative Expenses	-6,554	-21,570	-6,278	-20,940
3.04.04	Other Operating Income	3,014	5,020	4,752	8,451
3.04.06	Equity income	44,778	490,913	80,715	454,942
3.05	Earnings Before Interest and Taxes	41,238	474,363	79,189	442,453
3.06	Financial Results	-5,676	-5,768	-2,937	-5,176
3.06.01	Financial Income	95	149	0	0
3.06.02	Financial Expenses	-5,771	-5,917	-2,937	-5,176
3.07	Profit Before Income Taxes	35,562	468,595	76,252	437,277
3.08	Income Tax and Social Contribution on Profits	-523	-523	-87	-87
3.08.01	Current	-523	-523	-87	-87
3.09	Net Profit from Continuing Operations	35,039	468,072	76,165	437,190
3.11	Profit/Loss for the Period	35,039	468,072	76,165	437,190
3.99	Earnings per Share - (Reais / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	0.8572	11.451	1.8633	10.6955
3.99.01.02	PN	0.9429	12.5961	2.0497	11.7651
3.99.02	Diluted earnings per share				
3.99.02.01	ON	0.8572	11.451	1.8633	10.6955
3.99.02.02	PN	0.9429	12.5961	2.0497	11.7651

Individual Financial Statements / Statement of Comprehensive Income (Reais Thousand)

Code Account	Account Description	Current Quarter 01/07/2023 à 30/09/2023	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Same Quarter Previous year 01/07/2022 à 30/09/2022	Year-to-date Previous 01/01/2022 à 30/09/2022
4.01	Net Profit for the Period	35,039	468,072	76,165	437,190
4.02	Other Comprehensive Income	0	0	0	-6,614
4.03	Comprehensive Income for the Period	35,039	468,072	76,165	430,576

Individual Financial Statements / Cash Flow Statements (Indirect Method) (Reais Thousand)

Account Code	Account Description	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Year-to-date Previous 01/01/2022 à 30/09/2022
6.01	Net Cash Operating Activities	-70,344	-63,685
6.01.01	Cash Generated from Operations	-20,983	-13,923
6.01.01.01	Net Income before Income Tax and Social Contribution on Net Profits	468,595	437,277
6.01.01.02	Depreciation and Amortization	1,671	1,660
6.01.01.03	Equity results	-490,913	-454,942
6.01.01.04	Interest and Monetary Variations	-640	-141
6.01.01.06	Interest paid	-14	-17
6.01.01.07	Constitution (Reversal) Provision for Contingent Liabilities	3,229	2,800
6.01.01.08	Provision/Reversal for Doubtful Accounts	0	-560
6.01.01.09	IRPJ and CSLL Paid	-2,911	0
6.01.02	Changes in Assets and Liabilities	-49,361	-49,762
6.01.02.01	Recoverable taxes	-11,721	-8,269
6.01.02.02	Court deposits	-3,013	-24,448
6.01.02.03	Other Accounts - Assets	-19	-42
6.01.02.04	Suppliers	-331	565
6.01.02.05	Labor and social security obligations	422	443
6.01.02.06	Taxes to be collected	-34,925	-18,252
6.01.02.20	Other Accounts - Liabilities	226	241
6.02	Net Cash Investment Activities	146,924	136,701
6.02.01	Interest Received Celesc D Loan	0	409
6.02.02	Receipt of Main Loan Celesc D	0	15,000
6.02.04	Dividends and JSCP Received	146,924	121,292
6.03	Net Cash Financing Activities	-89,121	-73,225
6.03.01	Lease payment liabilities	-195	-180
6.03.02	Dividends Paid	-88,926	-73,045
6.05	Increase (Decrease) in Cash and Cash Equivalents	-12,541	-209
6.05.01	Opening Balance of Cash and Cash Equivalents	48,205	26,872
6.05.02	Closing Balance of Cash and Cash Equivalents	35,664	26,663

Individual Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2023 to 30/09/2023 (Reais Thousand)

Account Code	Account Description	Paid-in Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profit or Loss Accumulated	Other results Comprehensive	Shareholders' equity
5.01	Opening balances	2,480,000	316	1,561,699	0	-1,158,839	2,883,176
5.03	Adjusted Opening Balances	2,480,000	316	1,561,699	0	-1,158,839	2,883,176
5.04	Capital Transactions with Partners	0	0	-22,874	-140,894	0	-163,768
5.04.06	Dividends	0	0	-22,874	0	0	-22,874
5.04.07	Interest on Equity	0	0	0	-140,894	0	-140,894
5.05	Total Comprehensive Income	0	0	0	468,507	-435	468,072
5.05.01	Net Profit for the Period	0	0	0	468,072	0	468,072
5.05.03	Reclassifications to the Result	0	0	0	435	-435	0
5.05.03.02	Assigned Cost Realization	0	0	0	435	-435	0
5.07	Closing balances	2,480,000	316	1,538,825	327,613	-1,159,274	3,187,480

Individual Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2022 to 30/09/2022 (Reais Thousand)

Account Code	Account Description	Paid-in Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profit or Loss Accumulated	Other results Comprehensive	Equity
5.01	Opening balances	2,480,000	316	1,191,329	0	-1,050,276	2,621,369
5.03	Adjusted Opening Balances	2,480,000	316	1,191,329	0	-1,050,276	2,621,369
5.04	Capital Transactions with Partners	0	0	0	-118,604	0	-118,604
5.04.07	Interest on Equity	0	0	0	-118,604	0	-118,604
5.05	Total Comprehensive Income	0	0	0	437,665	-7,089	430,576
5.05.01	Net Profit for the Period	0	0	0	437,190	0	437,190
5.05.02	Other Comprehensive Income	0	0	0	0	-6,614	-6,614
5.05.02.01	Adjustments to Financial Instruments	0	0	0	0	-6,614	-6,614
5.05.03	Reclassifications to the Result	0	0	0	475	-475	0
5.05.03.02	Assigned Cost Realization	0	0	0	475	-475	0
5.07	Closing balances	2,480,000	316	1,191,329	319,061	-1,057,365	2,933,341

Individual Financial Statements / Statement of Value Added (Thousand Reais)

Account Code	Account Description	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Year-to-date Previous 01/01/2022 à 30/09/2022
7.01	Recipes	17,127	16,949
7.01.02	Other income	17,127	16,949
7.02	Inputs Purchased from Third Parties	-13,385	-9,300
7.02.02	Materials, Energy, Third Party Services and Others	-13,385	-9,300
7.03	Gross Value Added	3,742	7,649
7.04	Withholdings	-1,671	-1,660
7.04.01	Depreciation, Amortization and Exhaustion	-1,671	-1,660
7.05	Net Added Value Produced	2,071	5,989
7.06	Added Value Received in Transfer	506,285	462,786
7.06.01	Equity income	490,913	454,943
7.06.02	Financial Income	12,710	3,844
7.06.03	Others	2,662	3,999
7.07	Total Value Added to be Distributed	508,356	468,775
7.08	Distribution of Value Added	508,356	468,775
7.08.01	Staff	14,595	14,465
7.08.01.01	Direct Remuneration	13,462	13,391
7.08.01.02	Benefits	485	469
7.08.01.03	F.G.T.S.	648	605
7.08.02	Taxes, Fees and Contributions	19,749	16,548
7.08.02.01	Federal	18,758	15,605
7.08.02.03	Municipalities	991	943
7.08.03	Remuneration of Third Party Capital	5,940	572
7.08.03.01	Interest	5,917	379
7.08.03.02	Rentals	23	193
7.08.04	Return on Equity	468,072	437,190
7.08.04.01	Interest on Equity	140,894	118,604
7.08.04.03	Retained Earnings / Loss for the Period	327,178	318,586

Consolidated Financial Statements / Balance

Sheet Assets (Reais Thousand)

Account Code	Account Description	Current Quarter 30/09/2023	Previous year 31/12/2022
1	Total Assets	11,598,679	11,628,067
1.01	Current Assets	3,488,054	3,678,616
1.01.01	Cash and Cash Equivalents	660,895	940,684
1.01.03	Accounts Receivable	1,694,414	1,758,933
1.01.03.01	Clients	1,511,915	1,584,123
1.01.03.01.01	Trade accounts receivable	1,870,470	1,908,703
1.01.03.01.02	Estimated Loss on Doubtful Accounts - PECLD	-358,555	-324,580
1.01.03.02	Other Accounts Receivable	182,499	174,810
1.01.04	Stocks	27,243	20,019
1.01.06	Recoverable taxes	838,347	699,238
1.01.06.01	Recoverable Current Taxes	838,347	699,238
1.01.06.01.01	Income Tax and CSLL to be Recovered	91,549	64,134
1.01.06.01.02	Recoverable Current Taxes	746,798	635,104
1.01.08	Other Current Assets	267,155	259,742
1.01.08.03	Others	267,155	259,742
1.01.08.03.01	Financial Assets Indemnification Basic Project US Pery	18,092	17,536
1.01.08.03.02	Water Scarcity Bonus	1,138	1,138
1.01.08.03.03	Dividends Receivable	6,625	20,422
1.01.08.03.04	Other Credits	148,919	133,541
1.01.08.03.06	Financial Assets - Grant Bonus	41,288	40,019
1.01.08.03.07	CDE Resources to Cover CVA	51,093	47,086
1.02	Non-current assets	8,110,625	7,949,451
1.02.01	Long-term Assets	2,932,667	3,143,744
1.02.01.02	Financial Investments at Fair Value through Other Comprehensive Income	208	217
1.02.01.02.02	Other titles	208	217
1.02.01.04	Accounts Receivable	16,825	19,273
1.02.01.04.01	Clients	14,489	16,775
1.02.01.04.03	Other Accounts Receivable	2,336	2,498
1.02.01.07	Deferred Taxes	677,111	709,023
1.02.01.07.01	Deferred Income Tax and Social Contribution	677,111	709,023
1.02.01.10	Other Non-Current Assets	2,238,523	2,415,231
1.02.01.10.03	Recoverable taxes	29,703	524,780
1.02.01.10.04	Court deposits	389,105	359,870
1.02.01.10.05	Indemnity Financial Assets - Concession	725,849	599,069
1.02.01.10.06	Financial Assets - Tranche A - CVA	199,093	76,448
1.02.01.10.07	Financial Assets Grant bonus	315,204	306,791
1.02.01.10.09	Contract Assets	436,396	408,969
1.02.01.10.10	Financial Assets Indemnification Basic Project US Pery	143,173	139,304
1.02.02	Investments	388,932	363,279
1.02.02.01	Shareholdings	388,932	363,279
1.02.02.01.01	Holdings in Affiliates	240,669	227,314
1.02.02.01.04	Holdings in Jointly Controlled Companies	148,263	135,965
1.02.03	Fixed assets	183,511	133,865
1.02.03.01	Fixed assets in operation	35,151	35,945
1.02.03.02	Right of Use under Lease	18,825	7,765

Consolidated Financial Statements / Balance

Sheet Assets (Reais Thousand)

Code Account	Account Description	Current Quarter 30/09/2023	Previous year 31/12/2022
1.02.03.03	Fixed Assets in Progress	129,535	90,155
1.02.04	Intangible	4,605,515	4,308,563
1.02.04.01	Intangibles	4,605,515	4,308.,563
1.02.04.01.01	Concession Contract	4,557,077	4,258,464
1.02.04.01.02	Renegotiation of Hydrological Risk GSF	44,877	46,161
1.02.04.01.03	Other Intangibles	3,561	3.,938

Consolidated Financial Statements / Balance

Sheet Liabilities (Reais Thousand)

Code Account	Account Description	Current Quarter 30/09/2023	Previous year 31/12/2022
2	Total Liabilities	11,598,679	11,628,067
2.01	Current Liabilities	4,211,835	3,757,419
2.01.01	Social and labor obligations	236,948	227,670
2.01.01.01	Social obligations	236,948	227,670
2.01.02	Suppliers	975,944	1,016,513
2.01.02.01	National suppliers	975,944	1,016,513
2.01.03	Tax obligations	241,324	289,797
2.01.03.01	Federal Tax Obligations	70,943	118,891
2.01.03.01.01	Income Tax and Social Contribution Payable	19,191	30,996
2.01.03.01.02	PIS/COFINS	36,599	49,419
2.01.03.01.03	Others	15,153	38,476
2.01.03.02	State Tax Obligations	168,354	168,346
2.01.03.03	Municipal Tax Obligations	2,027	2,560
2.01.04	Loans and Financing	421,488	507,699
2.01.04.01	Loans and Financing	259,922	297,229
2.01.04.01.01	In local currency	147,697	262,833
2.01.04.01.02	In Foreign Currency	112,225	34,396
2.01.04.02	Debentures	161,566	210,470
2.01.05	Other obligations	2,087,269	1,473,502
2.01.05.02	Others	2,087,269	1,473,502
2.01.05.02.01	Dividends and interest on capital payable	219,880	157,602
2.01.05.02.04	Regulatory Fees	74,818	56,066
2.01.05.02.07	Financial Liabilities - Parcel A - CVA	1,313,463	753,564
2.01.05.02.08	Lease liabilities	10,353	1,579
2.01.05.02.09	Water Scarcity Bonus	1,133	1,144
2.01.05.02.10	PIS/COFINS to be Refunded to Consumers	332,561	366,981
2.01.05.02.20	Other Current Liabilities	135,061	136,566
2.01.06	Provisions	248,862	242,238
2.01.06.01	Tax, social security, labor and civil provisions	248,862	242,238
2.01.06.01.03	Provisions for Employee Benefits	248,862	242,238
2.02	Non-current liabilities	4,199,364	4,987,472
2.02.01	Loans and Financing	2,023,411	1,941,569
2.02.01.01	Loans and Financing	1,743,531	1,545,926
2.02.01.01.01	In local currency	506,137	414,003
2.02.01.01.02	In Foreign Currency	1,237,394	1,131,923
2.02.01.02	Debentures	279,880	395,643
2.02.02	Other obligations	134,383	897,732
2.02.02.02	Others	134,383	897,732
2.02.02.02.03	Social and labor obligations	27,474	50,410
2.02.02.02.04	Regulatory Fees	97,521	106,643
2.02.02.02.09	PIS/COFINS to be Refunded to Consumers	0	733,963
2.02.02.02.10	Lease liabilities	9,388	6,716
2.02.03	Deferred Taxes	96,096	89,214
2.02.03.01	Deferred Income Tax and Social Contribution	96,096	89,214
2.02.04	Provisions	1,945,474	2,058,957
2.02.04.01	Tax, social security, labor and civil provisions	1,864,990	1,935,507

Consolidated Financial Statements / Balance

Sheet Liabilities (Reais Thousand)

Code Account	Account Description	Current Quarter 30/09/2023	Previous year 31/12/2022
2.02.04.01.01	Tax provisions	44,162	30,847
2.02.04.01.02	Social Security and Labor Provisions	60,824	45,704
2.02.04.01.03	Provisions for Employee Benefits	1,580,697	1,659,937
2.02.04.01.04	Civil provisions	179,307	199,019
2.02.04.02	Other provisions	80,484	123,450
2.02.04.02.04	Regulatory provisions	76,816	121,027
2.02.04.02.05	Environmental provisions	3,668	2,423
2.03	Consolidated Shareholders' Equity	3,187,480	2,883,176
2.03.01	Paid-up Share Capital	2,480,000	2,480,000
2.03.02	Capital reserves	316	316
2.03.02.06	Advance for Future Capital Increase	316	316
2.03.04	Profit reserves	1,538,825	1,561,699
2.03.04.01	Legal reserve	251,495	251,495
2.03.04.05	Profit Retention Reserve	1,287,330	1,287,330
2.03.04.08	Proposed Additional Dividend	0	22,874
2.03.05	Accumulated Profits/Losses	327,613	0
2.03.06	Asset Valuation Adjustments	-1,159,274	-1,158,839

Consolidated Financial Statements / Income

Statements (Reais Thousand)

Code Account	Account Description	Current Quarter 01/07/2023 à 30/09/2023	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Same Quarter Previous year 01/07/2022 à 30/09/2022	Year-to-date Previous 01/01/2022 à 30/09/2022
3.01	Revenue from the Sale of Goods and/or Services	2,606,496	7,813,312	2,458,743	7,501,571
3.01.01	Sales and Services Revenue	1,942,106	6,496,266	1,719,649	6,424,011
3.01.02	Construction Revenue - CPC 47	246,816	831,356	345,133	904,287
3.01.03	Parcel A Revenue - CVA	414,835	470,084	397,031	162,047
3.01.04	Updating Financial Assets NRV	2,739	15,606	-3,070	11,226
3.02	Cost of Goods and/or Services Sold	-2,337,141	-6,575,768	-2,212,867	-6,400,234
3.02.01	Cost of Sales and Services	-1,865,705	-5,084,492	-1,649,939	-4,873,346
3.02.02	Cost of Goods Sold	-3,460	-11,209	-3,446	-10,046
3.02.03	Cost of Services Rendered	-221,160	-648,711	-214,349	-612,555
3.02.04	Construction Cost - CPC 47	-246,816	-831,356	-345,133	-904,287
3.03	Gross Profit	269,355	1,237,544	245,876	1,101,337
3.04	Operating Expenses/Revenues	-147,263	-450,070	-138,550	-451,461
3.04.01	Selling expenses	-55,457	-171,282	-49,584	-171,106
3.04.02	General and Administrative Expenses	-160,172	-462,107	-138,910	-388,556
3.04.04	Other Operating Income	55,222	141,632	14,926	39,914
3.04.06	Equity income	13,144	41,687	35,018	68,287
3.05	Earnings Before Interest and Taxes	122,092	787,474	107,326	649,876
3.06	Financial Results	-96,092	-169,184	-28,964	-57,732
3.06.01	Financial Income	107,728	529,676	133,334	362,432
3.06.02	Financial Expenses	-203,820	-698,860	-162,298	-420,164
3.07	Profit Before Income Taxes	26,000	618,290	78,362	592,144
3.08	Income Tax and Social Contribution on Profits	9,039	-150,218	-2,197	-154,954
3.08.01	Current	-834	-111,423	-10,401	-162,901
3.08.02	Deferred	9,873	-38,795	8,204	7,947
3.09	Net Profit from Continuing Operations	35,039	468,072	76,165	437,190
3.11	Consolidated Profit/Loss for the Period	35,039	468,072	76,165	437,190
3.11.01	Attributed to Shareholders of the Parent Company	35,039	468,072	76,165	437,190
3.99	Earnings per Share - (Reais / Share)				

Consolidated Financial Statements / Income

Statements (Reais Thousand)

Code Account	Account Description	Current Quarter 01/07/2023 à 30/09/2023	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Same Quarter Previous year 01/07/2022 à 30/09/2022	Year-to-date Previous 01/01/2022 à 30/09/2022
3.99.01	Basic earnings per share				
3.99.01.01	ON	0.8572	11.451	1.8633	10.6955
3.99.01.02	PN	0.9429	12.5961	2.0497	11.7651
3.99.02	Diluted earnings per share				
3.99.02.01	ON	0.8572	11.451	1.8633	10.6955
3.99.02.02	PN	0.9429	12.5961	2.0497	11.7651

Consolidated Financial Statements / Statement of Comprehensive Income (Reais Thousand)

Code Account	Account Description	Current Quarter 01/07/2023 à 30/09/2023	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Same Quarter Previous year 01/07/2022 à 30/09/2022	Year-to-date Previous 01/01/2022 à 30/09/2022
4.01	Consolidated Net Profit for the Period	35,039	468,072	76,165	437,190
4.02	Other Comprehensive Income	0	0	0	-6,614
4.03	Consolidated Comprehensive Income for the Period	35,039	468,072	76,165	430,576
4.03.01	Attributed to Shareholders of the Parent Company	35,039	468,072	76,165	430,576

Consolidated Financial Statements / Cash Flow Statement (Indirect Method) (Reais Thousand)

Account Code	Account Description	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Year-to-date Previous 01/01/2022 à 30/09/2022
6.01	Net Cash Operating Activities	559,729	942,558
6.01.01	Cash Generated from Operations	998,518	1,006,144
6.01.01.01	Profit before income tax and social contribution	618,290	592,144
6.01.01.02	Depreciation and Amortization	232,893	205,717
6.01.01.04	Equity results	-41,687	-68,287
6.01.01.05	Update/interest Return/grant bonus	-60,.402	-62,131
6.01.01.06	Interest and Monetary Variations	415,746	386,742
6.01.01.07	PIS/COFINS credit Depreciation Right to use assets	822	447
6.01.01.08	IR and CSLL Paid	-38,942	-8,287
6.01.01.09	Interest paid	-232,667	-180,072
6.01.01.10	Disposals of Right of Use Assets and Lease Liabilities	-14	-45
6.01.01.11	Provision for Actuarial Liabilities	107,229	90,494
6.01.01.12	Constitution (Reversal) Provision for Contingent Liabilities	-110,171	-53,376
6.01.01.14	Write-off of Fixed Assets/Intangible Assets	41,789	48,640
6.01.01.15	Financial Assets Update - NRV	-15,606	-11,226
6.01.01.17	Estimated Losses on Doubtful Loans	80,213	63,870
6.01.01.18	Write-off of Indemnity Financial Assets - Concession	1,025	1,514
6.01.02	Changes in Assets and Liabilities	-438,789	-63,586
6.01.02.01	Asset Bonus Water Scarcity	0	101,723
6.01.02.02	Financial Assets - (CVA, Grant Bonus, Pery Plant Basic Project Indenture)	369,982	713,530
6.01.02.03	Accounts Receivable	-1,583	252,716
6.01.02.04	Subsidy Decree 7.891/2013	-4,007	2,145
6.01.02.05	Recoverable taxes	355,968	391,729
6.01.02.06	Court deposits	-3,677	3,454
6.01.02.07	Stocks	-7,224	-7,668
6.01.02.08	Advance for Future Capital Increase	0	-2,600
6.01.02.10	Other Accounts - Assets	-27,033	4,977
6.01.02.11	Bonus Liabilities Water Scarcity	-11	-101,672
6.01.02.13	PIS/Cofins to be Refunded to Consumers	-848,172	-778,357
6.01.02.14	Suppliers	-40,569	-149,666
6.01.02.15	Taxes to be paid	-133,518	-820,261
6.01.02.16	Labor and social security obligations	-13,658	-12,814
6.01.02.17	Regulatory Fees	-96	-204,355
6.01.02.18	Financial Liabilities - CVA	113,567	694,144
6.01.02.19	Actuarial Liabilities	-197,253	-173,722
6.01.02.20	Other Accounts - Liabilities	-1,505	23,111
6.02	Net Cash Investment Activities	-712,536	-741,715
6.02.01	Additions Fixed Assets/Intangible Assets	-741,266	-766,379
6.02.03	Capital Increase (Decrease) Invested	-152	-779
6.02.05	Dividends Received	28,882	25,443
6.03	Net Cash Financing Activities	-126,982	391,174
6.03.01	Principal repayments of lease liabilities	-7,901	-5,621
6.03.03	Repayment of Loans and Financing	-2,694	-63,688

Consolidated Financial Statements / Cash Flow Statement (Indirect Method) (Reais Thousand)

Account Code	Account Description	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Year-to-date Previous 01/01/2022 à 30/09/2022
6.03.04	Additions to Loans and Financing	137,655	610,000
6.03.05	Payment of Dividends	-88,926	-73,045
6.03.07	Payment of Debentures	-165,116	-76,472
6.05	Increase (Decrease) in Cash and Cash Equivalents	-279,789	592,017
6.05.01	Opening Balance of Cash and Cash Equivalents	940,684	844,088
6.05.02	Closing Balance of Cash and Cash Equivalents	660,895	1,436,105

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2023 to 30/09/2023 (Reais Thousand)

Account Code	Account Description	Paid-in Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profit or Loss Accumulated	Other results Comprehensive	Shareholders' equity	Participation of Non Controllers	Shareholders' equity Consolidated
5.01	Opening balances	2,480,000	316	1,561,699	0	-1,158,839	2,883,176	0	2,883,176
5.03	Adjusted Opening Balances	2,480,000	316	1,561,699	0	-1,158,839	2,883,176	0	2,883,176
5.04	Capital Transactions with Partners	0	0	-22,874	-140,894	0	-163,768	0	-163,768
5.04.06	Dividends	0	0	-22,874	0	0	-22,874	0	-22,874
5.04.07	Interest on Equity	0	0	0	-140,894	0	-140,894	0	-140.894
5.05	Total Comprehensive Income	0	0	0	468,507	-435	468,072	0	468,072
5.05.01	Net Profit for the Period	0	0	0	468,072	0	468,072	0	468,072
5.05.03	Reclassifications to the Result	0	0	0	435	-435	0	0	0
5.05.03.02	Assigned Cost Realization	0	0	0	435	-435	0	0	0
5.07	Closing balances	2,480,000	316	1,538,825	327,613	-1,159,274	3,187,480	0	3,187,480

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2022 to 30/09/2022 (Reais Thousand)

Account Code	Account Description	Paid-in Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profit or Loss Accumulated	Other results Comprehensive	Equity	Participation of Non Controllers	Equity Consolidated
5.01	Opening balances	2,480,000	316	1,191,329	0	-1,050,276	2,621,369	0	2,621,369
5.03	Adjusted Opening Balances	2,480,000	316	1,191,329	0	-1,050,276	2,621,369	0	2,621,369
5.04	Capital Transactions with Partners	0	0	0	-118,604	0	-118,604	0	-118,604
5.04.07	Interest on Equity	0	0	0	-118,604	0	-118,604	0	-118,604
5.05	Total Comprehensive Income	0	0	0	437,665	-7,089	430,576	0	430,576
5.05.01	Net Profit for the Period	0	0	0	437,190	0	437,190	0	437,190
5.05.02	Other Comprehensive Income	0	0	0	0	-6,614	-6,614	0	-6,614
5.05.03	Reclassifications to the Result	0	0	0	475	-475	0	0	0
5.05.03.02	Realization of the Allocated Cost	0	0	0	475	-475	0	0	0
5.07	Closing balances	2,480,000	316	1,191,.329	319,061	-1,057,365	2,933,341	0	2,933,341

Consolidated Financial Statements / Statement of Value Added (Reais Thousand)

Account Code	Account Description	Cumulative Current Exercise 01/01/2023 à 30/09/2023	Year-to-date Previous 01/01/2022 à 30/09/2022
7.01	Recipes	11,998,111	12,185,393
7.01.01	Sales of Goods, Products and Services	10,979,621	11,120,928
7.01.02	Other income	267,347	224,609
7.01.03	Revenue from the Construction of Own Assets	831,356	904,287
7.01.04	Provision/Reversal of Doubtful Accounts Doubtful Settlement	-80,213	-64,431
7.02	Inputs Purchased from Third Parties	-6,888,146	-6,756,933
7.02.01	Cost of Goods and Services Sold	-5,597,694	-5,377,290
7.02.02	Materials, Energy, Third Party Services and Others	-459,096	-475,356
7.02.04	Others	-831,356	-904,287
7.02.04.01	Costs related to the Construction of Own Assets	-831,356	-904,287
7.03	Gross Value Added	5,109,965	5,428,460
7.04	Withholdings	-233,715	-206,163
7.04.01	Depreciation, Amortization and Exhaustion	-233,715	-206,163
7.05	Net Added Value Produced	4.876,250	5,.222,297
7.06	Added Value Received in Transfer	613,070	461,960
7.06.01	Equity income	41,,687	68,287
7.06.02	Financial Income	568,376	389,311
7.06.03	Others	3,007	4,362
7.07	Total Value Added to be Distributed	5,489,320	5,684,257
7.08	Distribution of Value Added	5,489,320	5,684,257
7.08.01	Staff	557,866	534,423
7.08.01.01	Direct Remuneration	329,616	327,051
7.08.01.02	Benefits	201,833	182,575
7.08.01.03	F.G.T.S.	26,417	24,797
7.08.02	Taxes, Fees and Contributions	3,764,354	4,295,144
7.08.02.01	Federal	2,253,.465	2,286,343
7.08.02.02	State	1,506,122	2,004,551
7.08.02.03	Municipalities	4,767	4,250
7.08.03	Remuneration of Third Party Capital	699,028	417,500
7.08.03.01	Interest	692,553	409,621
7.08.03.02	Rentals	6,475	7,879
7.08.04	Return on Equity	468,072	437,190
7.08.04.01	Interest on Equity	140,894	118,604
7.08.04.03	Retained Earnings / Loss for the Period	327,178	318,586

1. INVESTMENTS

The funds invested by the company in property, plant and equipment, intangible assets and stakes in small hydroelectric plants in the first nine months of 2023 amounted to R$922 million, down 4.69% on the R$967.4 million invested in the same period of 2022, as shown in the table below:

Description	30.09.2023		30.09.2022		Consolidated Horizontal Analysis
	R$ thousand	%	R$ thousand	%	
Electricity Distribution	**881,935**	**95.65%**	**959,399**	**99.17%**	**-8.07%**
Own resources	701,349	-	759,160	-	-
Consumer Financial Participation	180,586	-	200,239	-	-
Electricity Generation	**40,069**	**4.35%**	**7,999**	**0.83%**	**400.93%**
Shareholdings	152	-	779	-	-
Own Generator Park	39,917	-	7,220	-	-
Total	**922,004**	**100%**	**967,398**	**100%**	**-4.69%**

Electricity Distribution

Of the total invested, R$881.9 million went towards expanding and improving the system, operational efficiency and modernizing Celesc D's management. Of this amount, R$701.3 million came from own resources (R$644.9 million in materials and services, R$56.4 million in own labor) and R$180.6 million came from third-party resources, from Consumer Financial Participation in Celesc D's works. The rules of Consumer Financial Participation are established in ANEEL's Normative Resolution No. 1,000, of December 7, 2021.

Electricity Generation

Of the main investments made in Celesc G's own generator park in the period from January to September 2023, R$2 million was used to purchase a 4x4 double cab pick-up truck, wan ethernet router, access switch, software development service and preventive maintenance service; R$1.6 million was spent on the purchase of a turbine, mechanical executive project, plastic container and drone with accessories for US Salto; R$4.9 million was spent on the purchase and assembly of the 1MW photovoltaic generator for UFV Campos Novos; R$11.6 million was spent on the photovoltaic generator, implementation and electrical assembly of UFV III Oeste; R$12.4 million was spent on the photovoltaic generator, implementation and electrical assembly of UFV IV Oeste and R$3.8 million was spent on the turbine, penstock, forced conduit and mobilization of the construction site at US Maruim.

2. STOCK MARKET

ºThe BOVESPA index closed the 3rd quarter of 2023 down 1.29%. The Electricity Index - IEE, an indicator of the electricity sector, fell 6.20% in the quarter.

In the same period, the company's preferred shares (PN) rose by 14.01%, while its ordinary shares (ON) rose by 5.88%.

The following table shows the closing prices on September 30, 2023 and the respective percentage changes in the Company's shares and the main market indicators:

Description	Closing	Variation %	
	30.09.2023	3º TRI 2023	In 12 months
Celesc PN	64.53	14.01%	23.81%
Celesc ON	59.97	5.88%	35.34%
IBOVESPA	116,565	-1.29%	5.93%
IEE	85,443	-6.20%	8.86%

Percentage changes adjusted for earnings

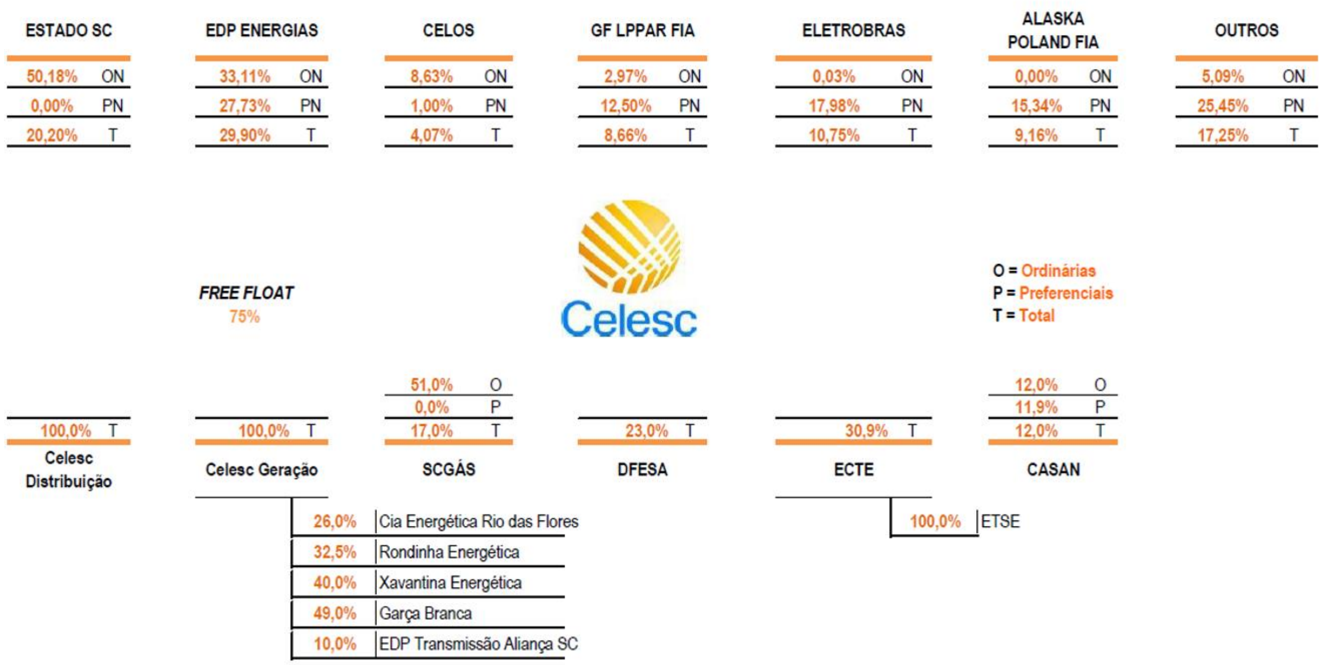
3. MARKET VALUE OF THE SHARE

The market values of the Company's shares on September 30, 2023, as shown above, are: R$64.53 (sixty-four reais and fifty-three cents) for each preferred share - PN (CLSC4) and R$59.97 (fifty-nine reais and ninety-seven cents) for each common share - ON (CLSC3).

Its majority shareholder is the State of Santa Catarina, which holds 50.2% of the company's ordinary shares, corresponding to 20.2% of the total capital. The shareholder and corporate structure on September 30, 2023 is shown in the following organizational chart:

ESTRUTURA ACIONÁRIA E SOCIETÁRIA DA CELESC

Setembro/2023



4. HUMAN RESOURCES

Celesc ended the third quarter of 2023 with a workforce of 3,816 employees. The total number of employees represents a reduction of 3.4% compared to the same period last year (3,950 employees).

5. ECONOMIC AND FINANCIAL PERFORMANCE

The table below shows the main economic and financial indicators for the period, compared to the previous year:

			Consolidated
Description	**30.09.2023**	**30.09.2022**	**Variation**
Gross Operating Revenue - ROB	11,810,977	12,096,133	-2.36%
Net Operating Revenue - NOR	7,813,312	7,501,571	4.16%
Operating Result	787,474	649,876	21.17%
EBITDA	1,020,367	855,593	19.26%
EBITDA margin (EBITDA/ROL)	13.06%	11.41%	1.65 p.p.
Net Margin (LL/ROL)	5.99%	5.83%	0.16 p.p.
Financial Results	(169,184)	(57,732)	193.05%
Total Assets	11,598,679	12,018,322	-3.49%
Fixed assets	183,511	128,986	42.27%
Shareholders' equity	3,187,480	2,933,341	8.66%
Net Profit	468,072	437,190	7.06%

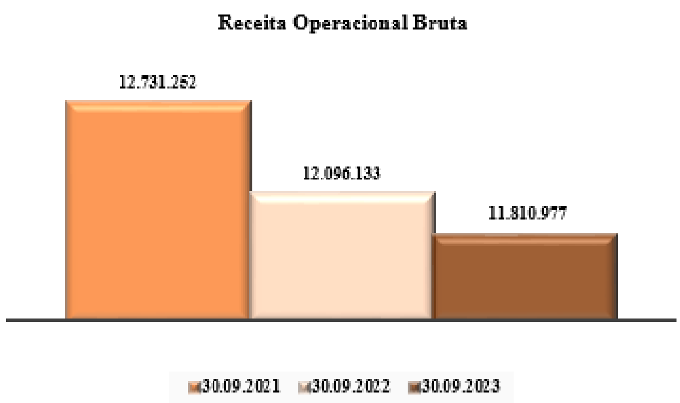
5.1 Gross Revenue and Net Operating Revenue

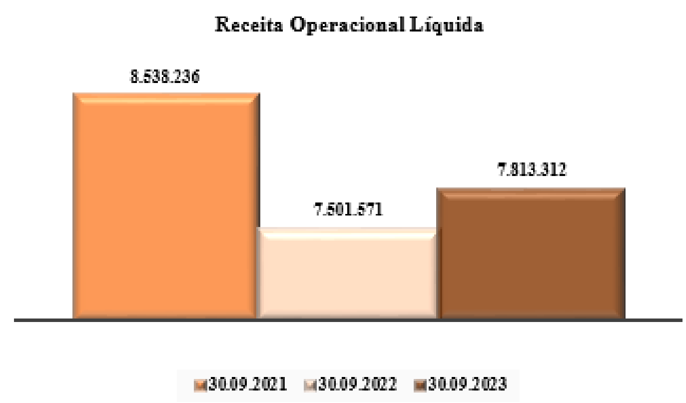
Gross Operating Revenue - ROB, in the period from January to September 2023, was R$11.8 billion, 2.4% lower than the realization in the same period of 2022, which was R$12.1 billion.

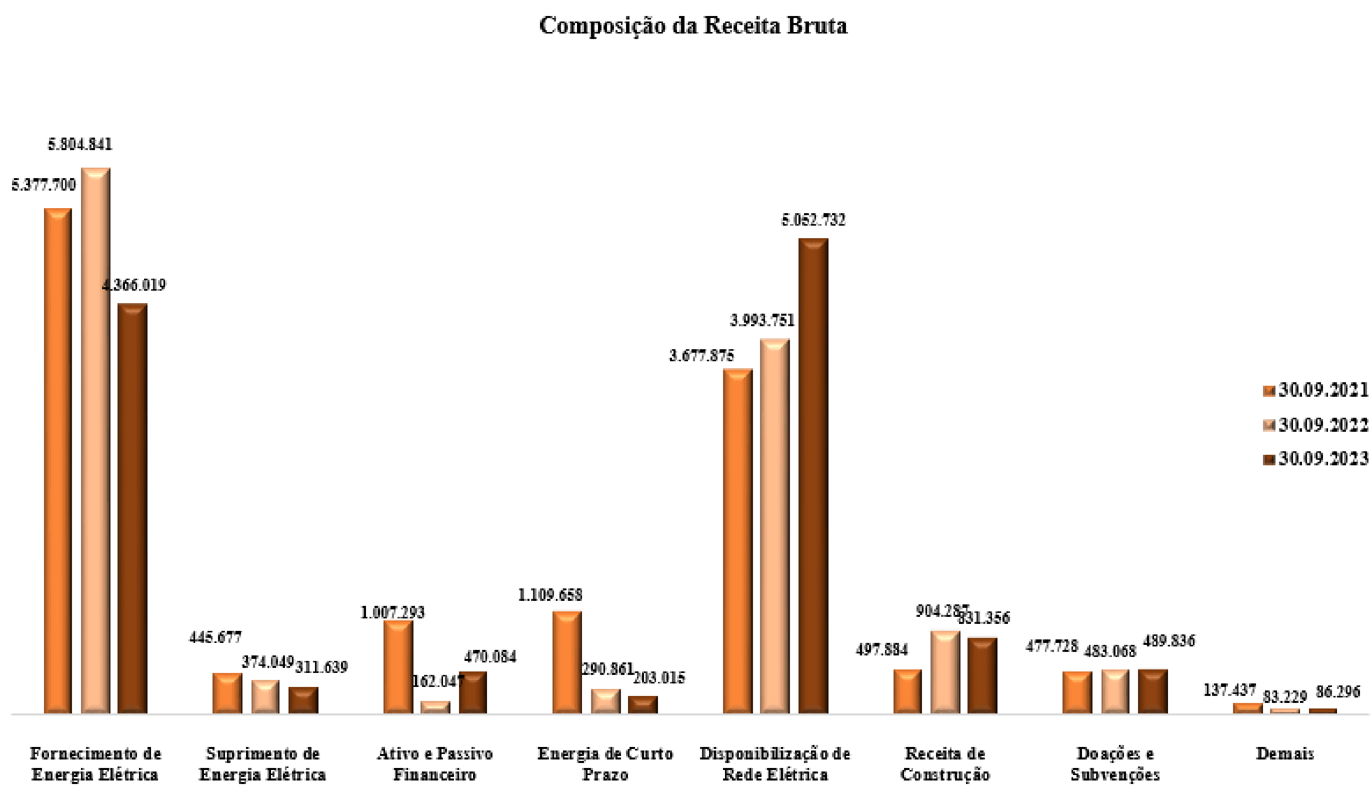
At Celesc D, the lower ROB performance was determined, among other factors, by the revocation of Resolution 03, issued by the MME on August 31, 2021, which established the creation of the Water Scarcity Tariff Flag, in the amount of R$142.00/Mwh. This resolution was in force from September 2021 to April 2022 and had an impact on ROB from January to April 2022. Another relevant factor for the reduction in ROB was the Complementary Law - LC 194, of June 23, 2022, effective as of July 1, 2022, which limited the ICMS rates in the states, a tax that is taken into account when billing distributors for electricity. In Santa Catarina, LC 194/2022 was regulated by Ordinary Law 18,521 of November 3, 2022, which also took effect retroactively to July 1, 2022.

At Celesc G, the effect on the reduction in ROB is related to the decrease in the sale of energy on the short-term market and, mainly, to the recognition of interest and monetary updates on Financial Assets, which are updated by the IPCA and recorded in this group. These interest and monetary restatement revenues went from R$62.1 million in the period from January to September 2022 to R$60.4 million in the same period in 2023, representing a reduction of approximately 2.78%.

In the same period of 2023, Net Operating Revenue (NOI) was R$7.8 billion, resulting in an increase of approximately 4.16% compared to 2022, which was R$7.5 billion.

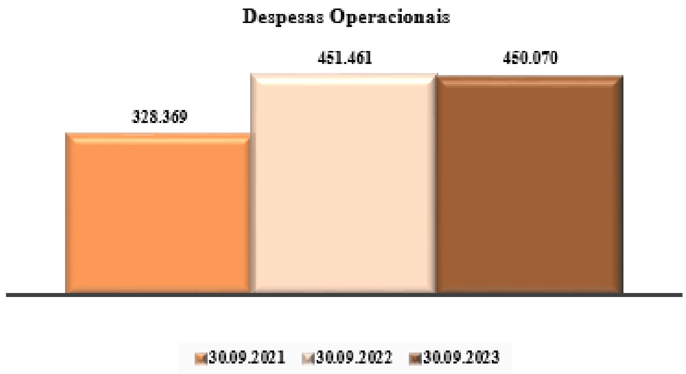


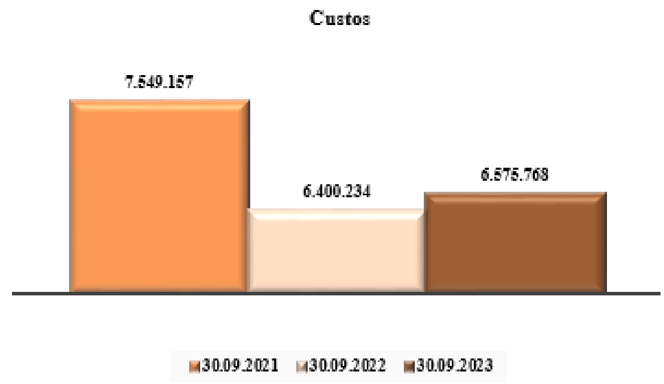




5.2 Costs and expenses

Operating costs and expenses increased by approximately 2.54% when comparing the period from January to September 2023 and 2022. Energy costs increased by 2.74% and operating expenses decreased by 0.31% in the periods analyzed.





At Celesc D, there was an increase of approximately R$110.5 million in operating costs and expenses. The main reason for this is the 12.12% increase in the cost of system usage charges.

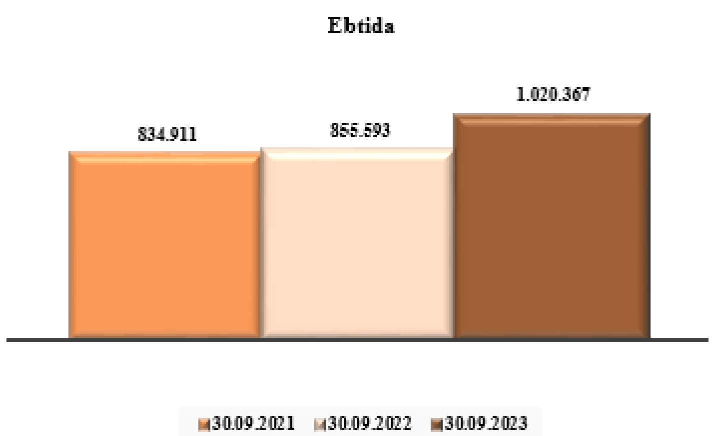
At Celesc G, operating costs and expenses increased by R$32 million in the period from January to September 2023, when compared to the same period in 2022. The main reason for this was the recognition of the cost of short-term electricity, in the amount of R$28.1 million, due to the return to the CCEE of the amount received as a result of the effect of the GSF injunction, which was revoked on July 31, 2023.

5.3 EBITDA

The movement in Net Income before Interest, Taxes, Financial Results and Depreciation/Amortization - EBITDA is detailed below:

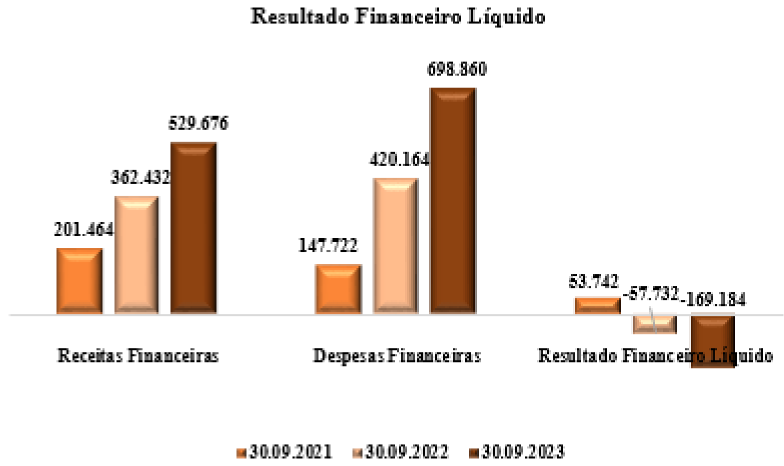
		Consolidated
Reconciliation of EBITDA (R$/mil)	**30.09.2023**	**30.09.2022**
Net Profit	468,072	437,190
Current and Deferred IRPJ and CSLL	150,218	154,954
Financial Results	169,184	57,732
Depreciation and Amortization	232,893	205,717
EBITDA	**1,020,367**	**855,593**

EBITDA in the period from January to September 2023 amounted to R$1.02 billion, approximately 19.26% higher than in the same period in 2022, which was R$855.6 million.



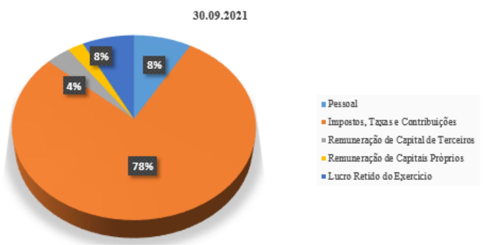
5.4 Financial Results

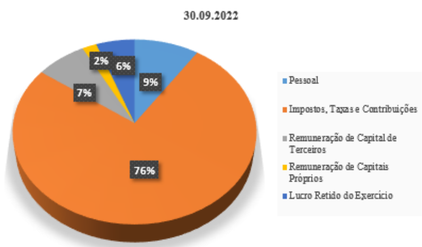
The Financial Result in the period from January to September 2023 was negative by R$169.2 million. Considering the negative result of R$57.7 million in the same period of 2022, the reduction of R$111.5 million in this group was mainly due to the significant increase in interest and monetary updates on the debts of subsidiaries Celesc D and Celesc G, especially those remunerated by the Interbank Deposit Certificate (CDI) rate. Another factor that contributed to the reduction in the financial result was the recognition of monetary updates on provisioned litigation in the amount of R$75.9 million.

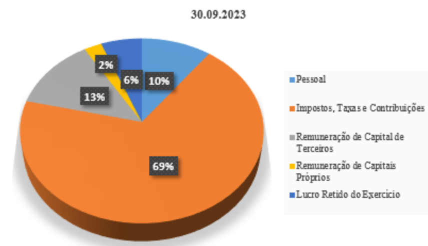


5.5 Added value

All the wealth generated by the Company was distributed to the components "Personnel", "Taxes, Fees and Contributions", "Remuneration of Third Party Capital" and "Remuneration of Own Capital", with a portion remaining as "Retained Profit for the Year", in the following proportions:







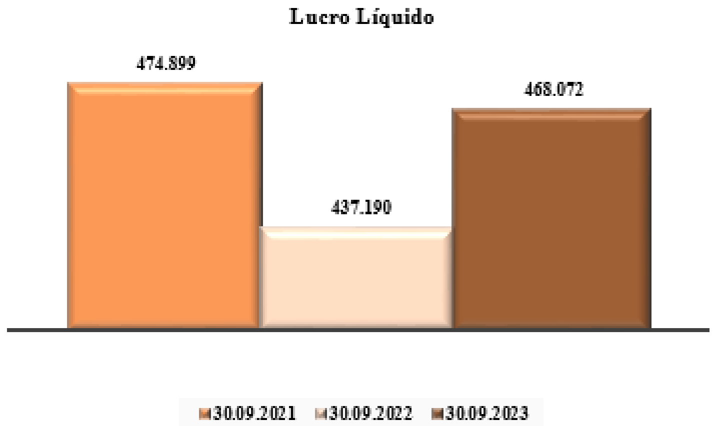
5.6 Economic and financial ratios

Below are some more indices of economic and financial performance:

			Consolidated
Indexes	**30.09.2023**	**30.09.2022**	**30.09.2021**
General Liquidity	0.76	0.82	0.82
Current Liquidity	0.83	0.95	1.04
Return on Equity	15.42%	15.74%	21.37%
General indebtedness	72.52%	75.59%	79.74%

5.7 Net profit

In the period from January to September 2023, Celesc presented a Net Profit of R$468.1 million, representing an increase of 7.06% compared to the same period in 2022, when the figure was R$437.2 million. The increase is mainly due to Net Operating Revenue - NOR, which increased by 4.16%, despite the reduction in Gross Operating Revenue - ROB.



6. DEFAULT MANAGEMENT

Default corresponds to the amount of revenue billed but not received. ANEEL, through sub-module 2.2 of PRORET - Operating Costs and Regulatory Delinquency, establishes the concepts related to Regulatory Delinquency, an amount covered by tariffs, which considers the sum of invoices not received between 49 and 60 months.

To calculate delinquency, it is necessary to divide it by the Gross Operating Revenue from Electricity Supply, Electricity Supply, Electricity Network Availability and Charged Service and check the percentage changes.

In the third quarter of 2023, short-term defaults of up to 90 days (the period in which most collection actions are concentrated) fell by 0.39 percentage points compared to the previous quarter and defaults of over 90 days increased by 0.08 percentage points, from 3.73% to 3.81%. Total delinquency, compared to the previous quarter, showed a reduction of 0.20 percentage points, approximately 5.87% of Gross Operating Revenue.

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

Default up to 90 days											
	3T22		4T22		1T23		2T23		3T23		
Classes	**R$ Thousand**	**% ROB**	**R$ Thousand**	**% ROB**	**R$ Thousand**	**% ROB**	**R$ Thousand**	**% ROB**	**R$ Thousand**	**% ROB**	**Variation 3T23**
Residential	139,713	1.02%	149,515	1.14%	200,119	1.61%	176,968	1.42%	147,414	**1.16%**	-0.26 p.p
Industrial	24,935	0.18%	29,481	0.22%	30,672	0.25%	29,643	0.24%	26,306	**0.21%**	-0.03 p.p
Commercial	52,387	0.38%	45,524	0.35%	57,102	0.46%	49,934	0.40%	40,570	**0.32%**	-0.08 p.p
Rural	10,514	0.08%	13,232	0.10%	16,567	0.13%	13,338	0.11%	11,479	**0.09%**	-0.02 p.p
Public authorities	308	0.00%	3,716	0.03%	370	0.00%	422	0.00%	1,736	**0.01%**	+0.01 p.p
Public lighting	69	0.00%	7	0.00%	45	0.00%	2	0.00%	4	**0.00%**	0.00 p.p
Public Service	43	0.00%	37	0.00%	117	0.00%	87	0.00%	153	**0.00%**	0.00 p.p
Supplies	929	0.01%	1,355	0.01%	1,509	0.01%	1,077	0.01%	1,186	**0.01%**	0.00 p.p
Mains Usage Charge	1,018	0.01%	2,245	0.02%	2,900	0.02%	2,653	0.02%	3,530	**0.03%**	+0.01 p.p
Various Credits	1,333	0.01%	8,069	0.06%	10,416	0.08%	13,529	0.11%	12,496	**0.10%**	-0.01 p.p
Taxed Service	10,927	0.08%	1,029	0.01%	1,006	0.01%	1,207	0.01%	1,073	**0.01%**	0.00 p.p
Financial Participation	1,194	0.01%	1,140	0.01%	747	0.01%	2,242	0.02%	1,238	**0.01%**	-0.01 p.p
Total	**243,370**	**1.78%**	**255,349**	**1.94%**	**321,570**	**2.58%**	**291,101**	**2.34%**	**247,185**	**1.95%**	**-0.39 p.p**
Accumulated ROB for the last 12 months in R$ Thousand		**13,660,528**		**13,141,773**		**12,452,993**		**12,459,105**		**12,706,504**	

Classes	3T22 R$ Thousand	3T22 % ROB	4T22 R$ Thousand	4T22 % ROB	1T23 R$ Thousand	1T23 % ROB	2T23 R$ Thousand	2T23 % ROB	3T23 R$ Thousand	3T23 % ROB	Variation 3T23
Default over 90 days											
Residential	207,423	1.52%	211,208	1.61%	216,812	1.74%	227,208	1.82%	237,078	**1.87%**	+0.05 p.p
Industrial	74,803	0.55%	72,113	0.55%	73,654	0.59%	76,056	0.61%	77,847	**0.61%**	0.00 p.p
Commercial	103,605	0.76%	106,683	0.81%	110,874	0.89%	116,326	0.93%	122,080	**0.96%**	+0.03 p.p
Rural	10,331	0.08%	10,722	0.08%	10,959	0.09%	11,370	0.09%	12,529	**0.10%**	+0.01 p.p
Public authorities	301	0.00%	302	0.00%	284	0.00%	259	0.00%	268	**0.00%**	0.00 p.p
Public lighting	1,717	0.01%	1,418	0.01%	1,148	0.01%	896	0.01%	607	**0.00%**	-0.01 p.p
Public Service	13	0.00%	24	0.00%	21	0.00%	22	0.00%	20	**0.00%**	0.00 p.p
Supplies	1,248	0.01%	1,248	0.01%	1,248	0.01%	35	0.00%	35	**0.00%**	0.00 p.p
Mains Usage Charge	3,848	0.03%	1,445	0.01%	1,488	0.01%	1,481	0.01%	1,436	**0.01%**	0.00 p.p
Various Credits	933	0.01%	25,430	0.19%	25,639	0.21%	26,072	0.21%	25,298	**0.20%**	-0.01 p.p
Taxed Service	26,207	0.19%	3,899	0.03%	4,000	0.03%	4,105	0.03%	4,138	**0.03%**	0.00 p.p
Financial Participation	2,100	0.02%	902	0.01%	1,010	0.01%	1,041	0.01%	2,239	**0.02%**	+0.01 p.p
Total	**432,529**	**3.17%**	**435,394**	**3.31%**	**447,138**	**3.59%**	**464,871**	**3.73%**	**483,575**	**3.81%**	**+0.08 p.p**
Accumulated ROB last 12 months in R$ Thousand		**13,660,528**		**13,141,773**		**12,452,993**		**12,459,105**		**12,706,504**	

Classes	3T22 R$ Thousand	3T22 % ROB	4T22 R$ Thousand	4T22 % ROB	1T23 R$ Thousand	1T23 % ROB	2T23 R$ Thousand	2T23 % ROB	3T23 R$ Thousand	3T23 % ROB	Variation 3T23
Total Default											
Residential	347,136	2.54%	360,723	2.74%	416,931	3.35%	404,176	3.24%	384,492	**3.09%**	**-0.15 p.p**
Industrial	99,738	0.73%	101,594	0.77%	104,326	0.84%	105,698	0.85%	104,153	**0.84%**	**-0.01 p.p**
Commercial	155,992	1.14%	152,208	1.16%	167,976	1.35%	166,259	1.33%	162,650	**1.31%**	**-0.02 p.p**
Rural	20,845	0.15%	23,954	0.18%	27,526	0.22%	24,708	0.20%	24,009	**0.19%**	**-0.01 p.p**
Public authorities	609	0.00%	4,018	0.03%	654	0.01%	681	0.01%	2,004	**0.02%**	**+0.01 p.p**
Public lighting	1,786	0.01%	1,424	0.01%	1,193	0.01%	898	0.01%	611	**0.00%**	**-0.01 p.p**
Public Service	56	0.00%	60	0.00%	138	0.00%	110	0.00%	173	**0.00%**	**0.00 p.p**
Supplies	2,177	0.02%	2,603	0.02%	2,757	0.02%	1,113	0.01%	1,222	**0.01%**	**0.00 p.p**
Mains Usage Charge	4,866	0.04%	3,689	0.03%	4,388	0.04%	4,133	0.03%	4,966	**0.04%**	**+0.01 p.p**
Various Credits	2,266	0.02%	33,500	0.25%	36,055	0.29%	39,601	0.32%	37,795	**0.30%**	**-0.02 p.p**
Taxed Service	37,134	0.27%	4,928	0.04%	5,006	0.04%	5,312	0.04%	5,211	**0.04%**	**0.00 p.p**
Financial Participation	3,294	0.02%	2,042	0.02%	1,757	0.01%	3,283	0.03%	3,477	**0.03%**	**0.00 p.p**
Total	**675,899**	**4.95%**	**690,742**	**5.26%**	**768,708**	**6.17%**	**755,972**	**6.07%**	**730,763**	**5.87%**	**-0.20 p.p**
Accumulated ROB last 12 months in R$ Thousand		**13,660,528**		**13,141,773**		**12,452,993**		**12,459,105**		**12,706,504**	

7. SHAREHOLDER COMPOSITION

The shareholding structure, in terms of the number of shares held by shareholders with more than 5% of any type or class, is shown in the table below:

Shareholder base as at 30.09.2023

Shareholder	Ordinary Shares Quantity	Ordinary Shares %	Preference shares Quantity	Preference shares %	Total Quantity	Total %
State of Santa Catarina	7,791,010	50.18	191	0.00	7,791,201	20.20
EDP Energias do Brasil S.A.	5,140,868	33.11	6,390,720	27.73	11,531,588	29.90
Celesc Social Security Foundation - Celos	1,340,474	8.63	230,800	1.00	1,571,274	4.07
Geração LPar Investment Fund	460,600	2.96	2,880,000	12.50	3,340,600	8.66
Centrais Elétricas Brasileiras - Eletrobras*	4,233	0.03	4,142,774	17.98	4,147,007	10.75
Alaska Poland FIA	-	0.00	3,534,800	15.34	3,534,800	9.16
Others	789,952	5.09	5,865,169	25.45	6,655,121	17.25
Total	**15,527,137**	**100.00**	**23,044,454**	**100.00**	**38,571,591**	**100.00**
Grand Total	**15,527,137**	**40.26**	**23,044,454**	**59.74**	**38,571,591**	**100.00**

Share Capital: R$2,480,000,000.00 and Authorized Capital: R$2,600,000,000.00
* Publicly traded company

8. FOREIGN OWNERSHIP

Foreign investors ended the third quarter of 2023 representing 0.61% of the company's total share capital, holding a total of 237,154 shares, the vast majority of which were preferred shares.

Investor Participation by Residence	Number of Shares	%
Foreign Investors	237,154	0.61%
National Investors	38,334,437	99.39%
Total	**38,571,591**	**100.00**

9. ACTIONS OF THE CONTROLLING SHAREHOLDER, DIRECTORS AND MEMBERS OF THE SUPERVISORY BOARD

The Company is bound to arbitration at the Market Arbitration Chamber, in accordance with the arbitration clause in its Bylaws.

Shareholder	Shares ON		PN shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Controller	9,229,460	59.44%	234,305	1.02%	9,463,765	24.54%
Board of Directors	-	-	-	0.00%	-	0.00%
Executive Board	-	-	22	0.00%	22	0.00%
Supervisory Board	-	-	-	0.00%	-	0.00%
Other Shareholders	6,297,677	40.56%	22,810,127	98.98%	29,107,804	75.46%
Total	**15,527,137**	**100.00%**	**23,044,454**	**100.00%**	**38,571.,591**	**100.00%**
Shares in circulation	**6,297,677**	**40.56%**	**22,810,127**	**98.98%**	**29,107,604**	**75.46%**

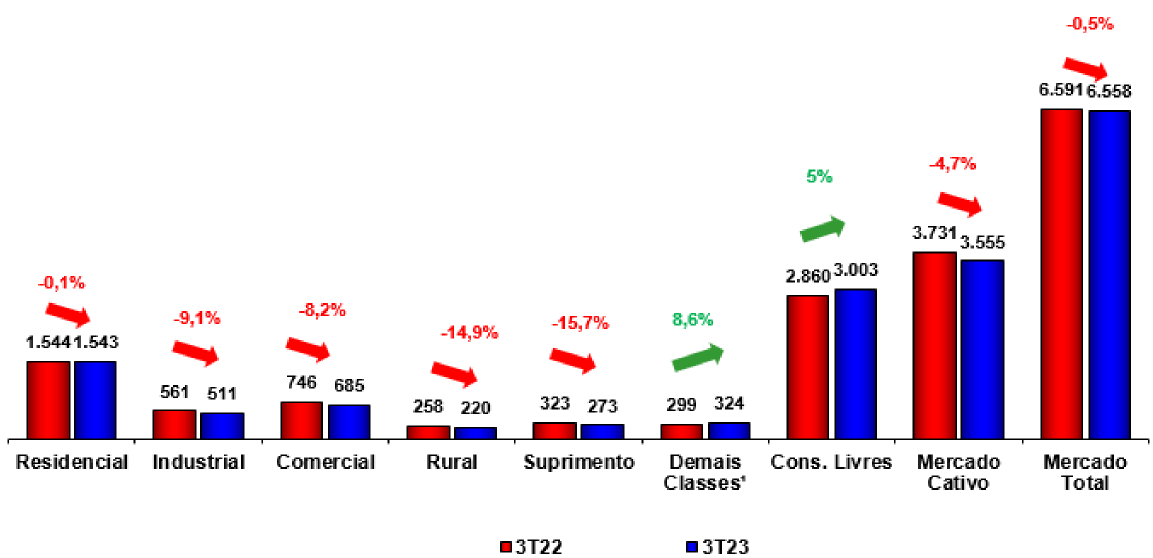
10. OUTSTANDING SHARES

Description	Shares ON - CLSC3		PN Shares - CLSC4		Total	
	Quantity	%	Quantity	%	Quantity	%
Total Capital	15,527,137	100.0	23,044,454	100.0	38,571,591	100.00
Shares in circulation	6,297,677	40.56	22,810,127	98.98	29,107,804	75.46

11. ENERGY BALANCE

Celesc D's captive market fell by 4.7% between January and September 2023, compared to the same period last year, reaching 3,555 GWh. In relation to the total market, including free consumers, the reduction in electricity consumption was 0.5%, reaching 6,558 GWh.

The following graph shows the consumption figures for each class in the captive market, as well as the total market:



Other Classes¹ = Public Power + Public Lighting + Public Service. Does not include own consumption.

12. CAPTIVE ELECTRICITY MARKET

CAPTIVE ELECTRICITY MARKET

Description	2023		2022		Vertical Variation				Variation Horizontal	
	3rd Quarter	Cumulative	3rd Quarter	Cumulative	3rd Quarter 2023	Cumulative 2023	3rd Quarter 2022	Cumulative 2022	3rd Quarter 23-22	Cumulative 23-22
Sales Revenue by Consumption Class in R$ thousand										
Residential	1,174,660	3,800,794	963,798	3,833,134	45.6%	46.6%	44.4%	44.2%	21.9%	-0.8%
Industrial	376,683	1,121,244	354,514	1,293,565	14.6%	13.7%	16.3%	14.9%	6.3%	-13.3%
Commercial	593,435	1,891,319	467,706	2,019,339	23.1%	23.2%	21.5%	23.3%	26.9%	-6.3%
Rural	153,961	503,795	137,163	553,321	6.0%	6.2%	6.3%	6.4%	12.2%	-9.0%
Public authorities	85,424	258,033	61,171	249,946	3.3%	3.2%	2.8%	2.9%	39.6%	3.2%
Public lighting	58,454	174,612	53,619	217,791	2.3%	2.1%	2.5%	2.5%	9.0%	-19.8%
Public Service	49,698	151,654	47,566	190,677	1.9%	1.9%	2.2%	2.2%	4.5%	-20.5%
Subtotal	**2,492,315**	**7,901,451**	**2,085,537**	**8,357,773**	**96.8%**	**96.8%**	**96.0%**	**96.4%**	**19.5%**	**-5.5%**
Supply	81,743	258,078	86,831	315,027	3.2%	3.2%	4.0%	3.6%	-5.9%	-18.1%
TOTAL	**2,574,058**	**8,159,529**	**2,172,368**	**8,672,800**	**100%**	**100%**	**100%**	**100%**	**18.5%**	**-5.9%**
Consumption by Class in MWh										
Residential	1,542,735	5,360,095	1,544,334	5,108,254	43.4%	44.5%	41.4%	42.2%	-0.1%	4.9%
Industrial	510,530	1,557,680	561,342	1,619,142	14.4%	12.9%	15.0%	13.4%	-9.1%	-3.8%
Commercial	685,149	2,477,238	745,961	2,458,868	19.3%	20.5%	20.0%	20.3%	-8.2%	0.7%
Rural	219,698	740,922	258,187	788,927	6.2%	6.1%	6.9%	6.5%	-14.9%	-6.1%
Public authorities	101,148	352,569	94,052	326,279	2.8%	2.9%	2.5%	2.7%	7.5%	8.1%
Public lighting	149,470	443,356	120,943	438,937	4.2%	3.7%	3.2%	3.6%	23.6%	1.0%
Public Service	73,632	237,098	83,545	257,771	2.1%	2.0%	2.2%	2.1%	-11.9%	-8.0%
Subtotal	**3.,282,362**	**11,168,958**	**3,408,364**	**10,998,178**	**92.3%**	**92.6%**	**91.3%**	**90.8%**	**-3.7%**	**1.6%**
Supply	272,550	888,740	323,126	1,118,903	7.7%	7.4%	8.7%	9.2%	-15.7%	-20.6%
TOTAL	**3,554,912**	**12,057,698**	**3,731,490**	**12,117,081**	**100%**	**100%**	**100%**	**100%**	**-4.7%**	**-0.5%**

13. ARBITRATION CLAUSE

The Company informs that it is bound to arbitration in the Market Arbitration Chamber - CAM, according to the Commitment Clause contained in its Bylaws, in its article 73: "The Company, its shareholders, managers and the members of the Fiscal Council undertake to resolve, through arbitration, before the Market Arbitration Chamber - CAM, any and all disputes or controversies that may arise between them, related to or arising, in particular, from the application, validity, effectiveness, interpretation, violation and its effects, of the provisions contained in the Corporate Law, the Company's Bylaws, the rules issued by the National Monetary Council, the Central Bank of Brazil and the Securities and Exchange Commission, as well as other rules applicable to the operation of the capital market in general, in addition to those contained in the Level 2 Regulations, the Level 2 Participation Agreement, the Sanctions Regulations and the Arbitration Regulations of the Market Arbitration Chamber".

14. INDEPENDENT AUDITORS

In accordance with the provisions of CVM Resolution 162 of July 13, 2022, Celesc informs that the Independent Auditor did not provide any services other than those strictly related to the external audit activity.

Florianópolis, November 9, 2023.

Administration

INTERIM FINANCIAL STATEMENTS
INDIVIDUAL AND CONSOLIDATED IFRS

According to accounting practices adopted in Brazil

BALANCE SHEETS - ASSETS

On September 30, 2023 and December 31, 2022
(Amounts expressed in thousands of reais)

		Controller		Consolidated (Reclassified)	
Active	**NE**	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Current		**333,549**	**302,455**	**3,488,054**	**3,678,616**
Cash and Cash Equivalents	8	35,664	48,205	660,895	940,684
Trade Accounts Receivable	9	-	-	1,694,414	1,758,933
Stocks	10	-	-	27,243	20,019
Income Tax and CSLL to be Recovered	11	56,052	44,331	91,549	64,134
Other Recoverable Taxes	11	-	-	746,798	635,104
Dividends and Interest on Equity - JCP	12.1	241,147	209,296	6,625	20,422
Financial Assets - Grant Bonus	13.2	-	-	41,288	40,019
Financial Assets - Ind. Us. Pery	14.3			18,092	17,536
Subsidy Decree nº 7891/2013	12.2	-	-	51,093	47,086
Water Scarcity Bonus	-	-	-	1,138	1,138
Others	12.2	686	623	148,919	133,541
Non-current		**3,122,891**	**2,802,549**	**8,110.625**	**7,949,451**
Long-term assets		**86,985**	**77,660**	**2,932,667**	**3,143,744**
Securities	16	208	217	208	217
Trade Accounts Receivable	9	-	-	14,489	16,775
Deferred Taxes	18	-	-	677,111	709,023
Other Recoverable Taxes	11	-	-	29,703	524,780
Court deposits	28	86,771	77,402	389,105	359,870
Indemnifiable Financial Assets - Concession	14	-	-	725,849	599,069
Financial Assets - Tranche A	13.1	-	-	199,093	76,448
Financial Assets - Grant Bonus	13.2	-	-	315,204	306,791
Financial Assets - Ind. Us. Pery	14.3	-	-	143,173	139,304
Contract Assets	15		-	436,396	408,969
Others	12.2	6	41	2,336	2,498
Investments	**19**	**3,031,850**	**2,720.813**	**388,932**	**363,279**
Fixed assets	**20**	**495**	**138**	**183,511**	**133,865**
Intangible	**21**	**3,561**	**3,938**	**4,605,515**	**4,308,563**
Total Assets		**3,456,440**	**3,105,004**	**11,598,679**	**11,628,067**

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

BALANCE SHEETS - LIABILITIES

On September 30, 2023 and December 31, 2022
(Amounts expressed in thousands of reais)

		Controller		Consolidated	
Liability	**NE**	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Current		**234,308**	**196,375**	**4,211,835**	**3,757,419**
Suppliers	22	569	900	975,944	1,016,513
Loans and Financing - National Currency	23	-	-	147,697	262,833
Loans and Financing - Foreign Currency	23	-	-	112,225	34,396
Debentures	24	-	-	161,566	210,470
Labor and social security obligations	25	1,960	1,538	236,948	227,670
IR and CSLL payable	26	524	2,863	19,191	30,996
Other taxes payable	26	9,526	31,936	222,133	258,801
Dividends and interest on capital declared	31	219,880	157,602	219,880	157,602
Regulatory Fees	27	-	-	74,818	56,066
Lease liabilities	20.3	228	141	10,353	1,579
Actuarial Liabilities	29	-	-	248,862	242,238
Financial Liabilities - Tranche A	13	-	-	1,313,463	753,564
Water Scarcity Bonus	-	-	-	1,133	1,144
PIS/COFINS to be Refunded to Consumers	30	-	-	332,561	366,981
Others	-	1,621	1,395	135,061	136,566
Non-current		**34,652**	**25,453**	**4,199,364**	**4,987,472**
Loans and Financing - National Currency	23	-	-	506,137	414,003
Loans and Financing - Foreign Currency	23	-	-	1,237.,394	1,131,923
Debentures	24	-	-	279,880	395,643
Labor and social security obligations	25		-	27,474	50,410
Deferred Taxes	18		-	96,096	89,214
Regulatory Fees	27		-	97,521	106,643
Lease liabilities	20.3		-	9,388	6,716
Provision for Contingencies	28	34,384	25,453	364,777	399,020
Actuarial Liabilities	29	-	-	1,580,697	1,659,937
PIS/COFINS to be Refunded to Consumers	30	-	-	-	733,963
Others	-	268	-	-	-
Shareholders' equity	**31**	**3,187,480**	**2,883,176**	**3,187,480**	**2,883,176**
Share Capital	31.1	2,480,000	2,480,000	2,480,000	2,480,000
Capital reserves	31.2	316	316	316	316
Profit reserves	31.2	1,538,825	1,538,825	1,538,825	1,538,825
Asset Valuation Adjustment	31.6	(1,159,274)	(1,158,839)	(1,159,274)	(1.,158,839)
Additional Dividends Available to the AGM	-	-	22,874	-	22,874
Retained earnings	-	327,613	-	327,613	-
Total Liabilities and Equity		**3,456,440**	**3,105,004**	**11,598,679**	**11,628,067**

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

INCOME STATEMENTS

Periods ended September 30, 2023 and September 30, 2022
(Amounts expressed in thousands of reais)

					Controller				Consolidated
Description	**NE**	**01.07.2023 a 30.09.2023**	**01.01.2023 a 30.09.2023**	**01.07.2022 a 30.09.2022**	**01.01.2022 a 30.09.2022**	**01.07.2023 a 30.09.2023**	**01.01.2023 a 30.09.2023**	**01.07.2022 a 30.09.2022**	**01.01.2022 a 30.09.2022**
Net Operating Revenue - NOR	**32**	**-**	**-**	**-**	**-**	**2,606,496**	**7,813,312**	**2,458,743**	**7,501,571**
Cost of Sales / Services Rendered	**32**	**-**	**-**	**-**	**-**	**(2,337,141)**	**(6,575,768)**	**(2,212,867)**	**(6,400,234)**
Gross Profit		**-**	**-**	**-**	**-**	**269,355**	**1,237,544**	**245,876**	**1,101,337**
Operating Expenses		**41,238**	**474,363**	**79,189**	**442,453**	**(147,263)**	**(450,070)**	**(138,550)**	**451,461)**
Selling expenses	32	-	-	-	-	(55,457)	(171,282)	(49,584)	(171,106)
General and Administrative Expenses	32	(6,554)	(21,570)	(6,278)	(20,940)	(160,172)	(462,107)	(138,910)	(388,556)
Other Income and Expenses (Net)	32	3,014	5,020	4,752	8,451	55,222	141,632	14,926	39,914
Equity income	19	44,778	490,913	80,715	454,942	13,144	41,687	35,018	68,287
Operating Result Before Financial Result		**41,238**	**474,363**	**79,189**	**442,453**	**122,092**	**787,474**	**107,326**	**649,876**
Financial Results	**32**	**(5,676)**	**(5,768)**	**(2,937)**	**(5,176)**	**(96,092)**	**(169.184)**	**(28.964)**	**(57,732)**
Income Before Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL)		**35,562**	**468,595**	**76,252**	**437,277**	**26,000**	**618,290**	**78,362**	**592,144**
IRPJ and CSLL		**(523)**	**(523)**	**(87)**	**(87)**	**9,039**	**(150,218)**	**(2,197)**	**(154,954)**
Current		(523)	(523)	(87)	(87)	(834)	(111,423)	(10,401)	(162,901)
Deferred		-	-	-	-	9,873	(38,795)	8,204	(7,947)
Net Profit for the Period		**35,039**	**468,072**	**76,165**	**437,190**	**35,039**	**468,072**	**76,165**	**437,90**
Earnings per Share Attributable to the Company's Shareholders During the Period (expressed in R$ per share)									
Basic earnings per share	**31**								
Registered Ordinary Shares		0,8572	11,451	1,8633	10,6955	0,8572	11,451	1,8633	10,6955
Registered Preferred Shares		0,9429	12,5961	2,0497	11,7651	0,9429	12,5961	2,0497	11,7651
Diluted earnings per share	**31**								
Registered Ordinary Shares		0,8572	11,451	1,8633	10,6955	0,8572	11,451	1,8633	10,6955
Registered Preferred Shares		0,9429	12,5961	2,0497	11,7651	0,9429	12,5961	2,0497	11,7651

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

STATEMENTS OF COMPREHENSIVE INCOME

Periods ended September 30, 2023 and September 30, 2022
(Amounts expressed in thousands of reais)

		Controller				Consolidated			
Description	**NE**	**01.07.2023 a 30.09.2023**	**01.01.2023 a 30.09.2023**	**01.07.2022 a 30.09.2022**	**01.01.2022 a 30.09.2022**	**01.07.2023 a 30.09.2023**	**01.01.2023 a 30.09.2023**	**01.07.2022 a 30.09.2022**	**01.01.2022 a 30.09.2022**
Net Profit for the Period		**35,039**	**468,072**	**76,165**	**437,190**	**35,039**	**468,072**	**76,165**	**437,190**
Other Comprehensive Income not subsequently reclassified to profit or loss for the period	**18.4**								
Fair Value Adjustment - Casan		-	-	-	(6,614)	-	-	-	(6,614)
Comprehensive Income for the Period		**35,039**	**468,072**	**76,165**	**430,576**	**35,039**	**468,072**	**76,165**	**430,576**

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

Periods ended September 30, 2023 and December 31, 2022
(Amounts expressed in thousands of reais)

Description	Share Capital	Capital Reserve	Legal reserve	Profit Retention Reserve	Additional Dividends Available at AGM	Asset Valuation Adjustment Attributed Cost	Asset Valuation Adjustment Actuarial Liabilities	Other Comprehensive Income	Profit Cumulative	Total
Balances as of December 31, 2022	**2,480,000**	**316**	**251,495**	**1,287,330**	**22,874**	**13,470**	**(1,035,048)**	**(137,261)**	**-**	**2,883,176**
Capital Transactions with Partners										
Dividends (Note 30.3)	-	-	-	-	(22,874)	-	-	-	-	**(22,874)**
JCP (Note 30.3)	-	-	-	-		-	-	-	(140,894)	**(140,894)**
Total Comprehensive Income										
Net Profit for the Period (Note 32)	-	-	-	-	-	-	-	-	468,072	**468,072**
Realization of Attributed Cost (Note 30.6)	-	-	-	-	-	(435)			435	-
Balances as of September 30, 2023	**2,480,000**	**316**	**251,495**	**1,287,330**	**-**	**13,035**	**(1,035,048)**	**(137,261)**	**327,613**	**3,187,480**

Description	Share Capital	Capital Reserve	Legal reserve	Profit Retention Reserve	Additional Dividends Available at AGM	Asset Valuation Adjustment Attributed Cost	Asset Valuation Adjustment Actuarial Liabilities	Other Comprehensive Income	Profit Cumulative	Total
Balances as of December 31, 2021	**2,480,000**	**316**	**224,467**	**966,862**	**-**	**14,099**	**(1,064,375)**	**-**	**-**	**2,621,369**
Capital Transactions with Partners										
JCP (Note 30.3)	-	-	-	-	-	-	-	-	(118,604)	**(118,604)**
Total Comprehensive Income										
Net Profit for the Year (Note 32)	-	-	-	-	-	-	-	-	437,190	437,190
Fair Value Adjustment Other Comprehensive Income (Note 30.6)	-	-	-	-	-	-	-	(6,614)	-	(6,614)
Realization of Attributed Cost (Note 30.6)	-	-	-	-	-	(475)	-	-	475	-
Balances as of September 30, 2022	**2,480,000**	**316**	**224,467**	**966,862**	**-**	**13,624**	**(1,064,375)**	**(6,614)**	**319,061**	**2,933,341**

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

CASH FLOW STATEMENTS - INDIRECT METHOD

Periods ended September 30, 2023 and September 30, 2022

(Amounts expressed in thousands of reais)

			Controller		Consolidated (Reclassified)
Cash Flows from Operating Activities	**NE**	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**
Profit Before Income Tax and Social Contribution		**468,595**	**437,277**	**618,290**	**592,144**
Adjustments to reconcile profit with cash generated by (used in) operating activities		**(486,653)**	**(451,183)**	**651,837**	**602,359**
Depreciation and Amortization	20	1,671	1,660	232,893	205,717
Write-off of Fixed Assets/Intangible Assets	20	-	-	41,789	48,640
Equity results	19	(490,913)	(454,942)	(41,687)	(68,287)
Updating Financial Assets - NRV	14	-	-	(15,606)	(11,226)
Write-off of Indemnity Financial Assets - Concession	14	-	-	1,025	1,514
Interest and Monetary Variations		(640)	17	415,746	386,742
Constitution (Reversal) Provision for Contingent Liabilities		3,229	2,800	(110,171)	(53,376)
Actuarial Expenses	29	-	-	107,229	90,494
PIS/COFINS Credit on Depreciation Right to Use Assets	20	-	-	822	447
Write-off of Right of Use Leases Assets and Liabilities		-	-	(14)	(45)
Estimated Losses on Doubtful Accounts		-	(560)	80,213	63,870
Celesc D Mutual Financial Income	17	-	(158)	-	-
Update/Interest Return/Bonus Pery Plant Grant/Ind.	32.3	-	-	(60,402)	(62,131)
(Increase) Decrease in Assets		**(14,753)**	**-**	**682,426**	**1,460,006**
Accounts Receivable		-	-	(1,583)	252,716
Recoverable taxes		(11,721)	(8,269)	355,968	391,729
Court deposits		(3.013)	(24,448)	(3,677)	3,454
Stocks		-	-	(7,224)	(7,668)
Financial Assets (CVA, Grant Bonus)		-	-	369,982	713,530
CDE subsidy (Decree nº 7.891/2013)		-	-	(4,007)	2,145
Asset Bonus Water Scarcity		-	-	-	101,723
Advance for Future Capital Increase		-	-	-	(2,600)
Other Changes in Assets		(19)	(42)	(27,033)	4,977
Increase (Decrease) in Liabilities		**(34,608)**	**(17,003)**	**(1,121,215)**	**(1,523,592)**
Suppliers		(331)	565	(40,569)	(149,666)
Labor and social security obligations		422	443	(13,658)	(12,814)
Taxes to be collected		(34,925)	(18,252)	(133,518)	(820,261)
Financial Liabilities (CVA)		-	-	113,567	694,144
Regulatory Fees		-	-	(96)	(204,355)
PIS/COFINS to be Refunded to Consumers		-	-	(848,172)	(778,357)
Actuarial Liabilities		-	-	(197,253)	(173,722)
Bonus Liabilities Water Scarcity		-	-	(11)	(101,672)
Other Changes in Liabilities		226	241	(1,505)	23,111
Cash Generated from (Used in) Operating Activities		**(67,419)**	**(63,668)**	**831,338**	**1,130,917**
Interest paid	23	(14)	(17)	(232,667)	(180,072)
IR and CSLL Paid		(2,911)	-	(38,942)	(8,287)
Net Cash Generated by (Used in) Operating Activities		**(70,344)**	**(63,685)**	**559,729**	**942,558**
Cash Flows from Investing Activities					
Additions Financial Assets/Fixed Assets/Intangible Assets		-	-	(741,266)	(766,379)
Capitalization/Reduction	19	-	-	(152)	(779)
Receipt Principal Loan D		-	15,000	-	-
Interest Received Celesc D Loan		-	409	-	-
Dividends and interest on capital received		146,924	121,292	28,882	25,443
Net Cash Generated by (Used in) Investing Activities		**146,924**	**136,701**	**(712,536)**	**(741,715)**
Cash Flows from Financing Activities					
Payment of Loans and Financing	23	-	-	(2,694)	(63,688)
Income from Loans and Financing	23	-	-	137,655	610,000
Payment of Debentures	24	-	-	(165,116)	(76,472)
Payment of JCP and Dividends	23	(88,926)	(73,045)	(88,926)	(73,045)
Lease payment liabilities	20	(195)	(180)	(7,901)	(5,621)
Net Cash Generated by (Used in) Financing Activities		**(89,121)**	**(73,225)**	**(126,982)**	**391,174**
Net Increase (Decrease) in Cash and Cash Equivalents		**(12,541)**	**(209)**	**(279,789)**	**592,017**
Opening Balance of Cash and Cash Equivalents	8	**48,205**	**26,872**	**940,684**	**844,088**
Closing Balance of Cash and Cash Equivalents	8	**35,664**	**26,663**	**660,895**	**1,436,105**
Change in Cash and Cash Equivalents		**(12,541)**	**(209)**	**(279,789)**	**592,017**

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

VALUE ADDED STATEMENTS

Periods ended September 30, 2023 and September 30, 2022

(Amounts expressed in thousands of reais)

			Controller		Consolidated
Description	**NE**	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**
Recipes	**32**	**17,127**	**16,949**	**11,998,111**	**12,185,393**
Gross Sales of Products and Services		-	-	10,979,621	11,120,928
Revenue from the Construction of Own Assets		-	-	831,356	904,287
Other income		17,127	16,949	267,347	224,609
Estimated Losses on Doubtful Accounts - PECLD		-	-	(80,213)	(64,431)
Inputs Purchased from Third Parties	32	**(13,385)**	**(9,300)**	**(6,888,146)**	**(6,756,933)**
Cost of Goods and Services Sold		-	-	(5,597,694)	(5,377,290)
Materials, Energy, Third Party Services		(13,385)	(9,300)	(459,096)	(475,356)
Costs relating to the Construction of Own Assets		-	-	(831,356)	(904,287)
Gross Value Added		**3,742**	**7,649**	**5,109,965**	**5,428,460**
Depreciation, Amortization		(1,671)	(1,660)	(233,715)	(206,163)
Net Added Value Produced		**2,071**	**5,989**	**4,876,250**	**5,222,297**
Value Added Received in Transfer		**506,285**	**462,786**	**613,070**	**461,960**
Equity income	19	490,913	454,943	41,687	68,287
Financial Income	32	12,710	3,844	568,376	389,311
Other income		2,662	3,999	3,007	4,362
Total Value Added to be Distributed		**508,356**	**468,775**	**5,489,320**	**5,684,257**
Distribution of Value Added					
Staff	**25**	**(14,595)**	**(14,465)**	**(557,866)**	**(534,423)**
Direct Remuneration		(13,462)	(13,391)	(329,616)	(327,051)
Benefits		(485)	(469)	(201,833)	(182,575)
FGTS		(648)	(605)	(26,417)	(24,797)
Taxes, Fees and Contributions	**26**	**(19,749)**	**(16,548)**	**(3,764,354)**	**(4,295,144)**
Federal		(18,758)	(15,605)	(2,253,465)	(2,286,343)
State		-	-	(1,506,122)	(2,004,551)
Municipalities		(991)	(943)	(4,767)	(4,250)
Remuneration of Third Party Capital	**32**	**(5,940)**	**(572)**	**(699,028)**	**(417,500)**
Interest		(5,917)	(379)	(692,553)	(409,621)
Rentals		(23)	(193)	(6,475)	(7,879)
Return on Equity	**31**	**(468,072)**	**(437,190)**	**(468,072)**	**(437,190)**
Interest on Equity - JCP		(140,894)	(118,604)	(140,894)	(118,604)
Dividends		-	-	-	-
Retained Earnings for the Period		**(327,178)**	**(318,586)**	**(327,178)**	**(318,586)**
Value Added Distributed		**(508,356)**	**(468,775)**	**(5,489,320)**	**(5,684,257)**

The Notes are an integral part of the Individual and Consolidated Interim Financial Statements.

1. OPERATIONAL CONTEXT

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

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

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

The Company's main activities, together with those of its subsidiaries and affiliates, are the distribution, generation and transmission of electricity. In addition, its jointly-owned subsidiary, Companhia de Gás de Santa Catarina S.A. - SCGÁS, operates in the piped natural gas distribution segment.

In the consolidated balance sheet for September 30, 2023, the company presented a net working capital calculation result of 0.83. This ratio was below 1.00, mainly due to a significant portion of the amount to be returned to consumers relating to the credit for the removal of ICMS from the PIS/COFINS calculation base, which is being returned to consumers as of the August 2023 Annual Tariff Adjustment. Another factor increasing obligations over the next twelve months is the increase in the dividend distribution *payout* in 2022, from 25% in the previous year to 35%, in addition to the interest on own capital for the three quarters of 2023.

As a reduction in current assets, which also contributes to the result below the limit considered satisfactory for this index, we highlight the significant volume of investments made by the company in recent months. The investments made in the nine months of 2023 at Celesc D, according to their nature, are Land / Civil Works and Improvements; Electricity Distribution - Network / Telecommunications / Line / Substation; Meters and branches; Information Technology; machinery and equipment.

Management does not see any risk related to the discontinuation of activities and as a cash reinforcement it expects to issue the 6th Debentures of Celesc D (Note 34).

2. BUSINESS PROFILE

2.1 Wholly-owned subsidiaries

2.1.1 Celesc Distribuição S.A. - Celesc D

On July 22, 1999, Centrais Elétricas de Santa Catarina S.A. - Celesc signed Concession Contract No. 56 for electricity distribution, which regulates the operation of public electricity distribution services, and which was valid until July 7, 2015.

On September 29, 2006, Celesc D, a privately-held corporation, was set up, as authorized by State Law No. 13,570/2005. With the de-verticalization process in 2006, the distribution activity was transferred to Celesc D.

On December 9, 2015, in a process conducted by the Ministry of Mines and Energy (MME), Celesc D signed the 5th Amendment to Concession Contract 56/99, extending the concession for another 30 years, until 2045. The Concession Contract, as well as the 5th Amendment that extended the concession, are within the scope of ICPC01/IFRIC 12 - Concession Contracts.

Celesc D is a wholly-owned subsidiary of Centrais Elétricas de Santa Catarina S.A. - Celesc, which operates in the electricity distribution segment and serves, in whole or in part, 285 municipalities, accounting for 3,376,003 consumer units. Of the total served, 264 municipalities are included in the distributor's concession contract (263 in Santa Catarina and 1 in Paraná) and 21 municipalities are precariously served, located in the concession areas of other distributors (17 in Santa Catarina and 4 in Paraná). According to ANEEL regulations, precarious service is provided for reasons of technical and economic convenience, due to the lack of a network from the concession holder. In addition, Celesc D is responsible for supplying electricity to 4 distribution concessionaires and 20 permissionaires, which operate in municipalities in Santa Catarina not served by Celesc D.

2.1.1.1 Regulatory environment

The electricity sector in Brazil is regulated by the Federal Government, acting through the MME, which has exclusive authority over the electricity sector. The regulatory policy for the sector is defined by the National Electric Energy Agency - ANEEL.

a) Concession extension

On December 9, 2015, Celesc D signed the 5th Amendment to the 30-year Concession Contract No. 56/1999 for electricity distribution, which stipulates that in the first five (5) years there would be targets to be achieved for technical quality indicators and economic and financial sustainability, which are conditions for confirming the extension of the concession. In addition to the indicators of continuity and quality of energy supply, Celesc needs to pay attention to the economic indicators, which assess the quality and payment potential of the debt in relation to the EBITDA generated by the company.

From the sixth year following the signing of the contract, non-compliance with the quality criteria for 3 consecutive years, or with economic and financial management for 2 consecutive years, will lead to the opening of the concession forfeiture process. In December 2022, ANEEL published Order No. 3,478/2022, recognizing compliance with the technical continuity indicators and efficiency in relation to the company's economic and financial management in 2021.

The company has calculated its indicators within the regulatory limits and has shown a positive trend over the period.

b) Annual Tariff Adjustment - RTA for 2023

ANEEL, through Homologatory Resolution No. 3,244 and Technical Note No. 78/2023-STR/ANEEL, authorized the amount of the tariff adjustment to be practiced by Celesc D, as of August 22, 2023.

In this year's tariff adjustment, the average effect perceived by consumers was around 2.30%. Parcel A (non-manageable costs) accounted for 3.16%, of which: 1.31% was sector charges; 3.15% was transmission costs; -1.20% was energy costs and 0.09% was stranded revenue. Parcel B (manageable costs) accounted for 0.69% of the tariff adjustment. The effect on consumers was minimized due to financial items, which produced a reduction of 1.55%.

c) Tariff flags

The Tariff Flags system, implemented in 2015, makes it possible to dynamically adapt the passing on of extra energy generation costs to consumers. Previously, all these costs were passed on via the tariff in the annual readjustment or extraordinary reviews. The government also believes that correct price signaling can make society and consumers aware of their responsibility for the rational use of limited natural resources and the environmental and economic impacts resulting from the inefficient use of energy.

The green flag will be used from January to September 2023, due to favorable energy generation conditions, with no increase in the energy bill. The monthly amounts of the Centralization Account for Tariff Flag Resources - CCRBT, passed on to Celesc D until the third quarter of 2023, were R$35.3 million.

d) 2014 Contractual Exposure - ANEEL Orders No. 2,642/2015 and 2,078/2016

Celesc D filed a lawsuit seeking to challenge ANEEL Order No. 2,078/2016 and thus obtain full recognition of contractual energy exposures as involuntary, while at the same time requesting an injunction to suspend the application of a tariff reduction in the order of R$256.6 million, scheduled to be applied together with the approval of the Periodic Tariff Review (RTP) process, which took place on August 22, 2016.

In 2019, before the 2019 Annual Tariff Adjustment (RTA) process took place, a decision was handed down on the merits that was contrary to Celesc D's claim. In light of this decision, Celesc D was left to appeal to discuss the matter in the second instance, and a decision on the merits is still awaited from the judges.

Before ANEEL, Celesc D requested deferral of the amount (which would be deducted from its tariff coverage) in 5 tariff processes. ANEEL then partially accepted the request and approved the deferral of the financial effect of Concession Exposure No. 56/99, thus extending the concession for another 30 years, until 2045. The Concession Contract, as well as the 5th Amendment that extended the concession, are within the scope of ICPC01/IFRIC 12 - Concession Contracts.

Celesc D is a wholly-owned subsidiary of Centrais Elétricas de Santa Catarina S.A. - Celesc, which operates in the electricity distribution segment and serves, in whole or in part, 285 municipalities, accounting for 3,376,003 consumer units. Of the total served, 264 municipalities are included in the distributor's concession contract (263 in Santa Catarina and 1 in Paraná) and 21 municipalities are precariously served, located in the concession areas of other distributors (17 in Santa Catarina and 4 in Paraná). According to ANEEL regulations, precarious service is provided for reasons of technical and economic convenience, due to the lack of a network from the concession holder. In addition, Celesc D is responsible for supplying electricity to 4 distribution concessionaires and 20 permissionaires, which operate in municipalities in Santa Catarina that are not served by Celesc D.

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From the sixth year following the signing of the contract, failure to comply with the quality criteria for 3 consecutive years, or economic and financial management for 2 consecutive years, will lead to the opening of the concession forfeiture process. In December 2022, ANEEL published Order No. 3,478/2022, recognizing compliance with the technical continuity indicators and efficiency in relation to the company's economic and financial management in 2021.

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The Tariff Flags system, implemented in 2015, makes it possible to dynamically adapt the passing on of extra energy generation costs to consumers. Previously, all these costs were passed on via the tariff in the annual readjustment or extraordinary reviews. The government also believes that correct price signaling can make society and consumers aware of their responsibility for the rational use of limited natural resources and the environmental and economic impacts resulting from the inefficient use of energy.

The green flag will be used from January to September 2023, due to favorable energy generation conditions, with no increase in the energy bill. The monthly amounts of the Centralization Account for Tariff Flag Resources - CCRBT, passed on to Celesc D until the third quarter of 2023, were R$35.3 million.

d) 2014 Contractual Exposure - ANEEL Orders No. 2,642/2015 and 2,078/2016

Celesc D filed a lawsuit seeking to challenge ANEEL Order No. 2,078/2016 and thus obtain full recognition of contractual energy exposures as involuntary, while at the same time requesting an injunction to suspend the application of a tariff reduction in the order of R$256.6 million, scheduled to be applied together with the approval of the Periodic Tariff Review (RTP) process, which took place on August 22, 2016.

In 2019, before the 2019 Annual Tariff Adjustment (RTA) process took place, a decision was handed down on the merits that was contrary to Celesc D's claim. In light of this decision, Celesc D was left to appeal to discuss the matter in the second instance, and a decision on the merits is still awaited from the judges.

Before ANEEL, Celesc D requested deferral of the amount (which would be deducted from its tariff coverage) in 5 tariff processes, and ANEEL then partially accepted the request and approved the deferral of the financial effect of the exposure contract for one fifth of the amount in the 2019 tariff readjustment, in the amount of R$65.8 million, leaving the remaining balance to be discussed in the subsequent tariff process.

In the 2020 RTA, the same method was adopted considering the formal request made to the Regulatory Agency for a deferral in 5 processes and this time treating the amount of R$68.5 million as a reducer, corresponding to the second installment.

In the 2021 RTP, the reduction amount was R$70.2 million, corresponding to the third installment (3/5). The Agency was asked to assess the possibility of maintaining the deferral or taking the remaining amount into account in full.

In the 2022 RTA process, the amount was deferred again, and the fourth installment of a total of five was then considered as a reducing component. The amount was considered as a financial component of R$76.8 million, bringing a reduction effect of -0.79% to consumers.

The remaining balance, corresponding to the fifth and final installment, was then passed on to consumers in the 2023 RTA process. The amount was R$87.3 million, with a tariff reduction effect of -0.76%, according to item 56 of Technical Note 7/2023-STR/ANEEL, of August 14, 2023: with an average impact of -0.76% on consumers.

It is reiterated that the discussion in the judicial sphere remains in the second instance.

e) Itaipu bonus

By means of Homologatory Resolution (REH) No. 3,093, of August 16, 2022, ANEEL approved the deferral of payments from distributors to ENBpar relating to the transfer of Itaipu's contracted power, for the purposes of tariff modicity, under the terms of Decree No. 11,027/2022. The amounts were transferred from Itaipu's Electricity Trading Account to the concessionaires to supplement the payments for the expense of passing on Itaipu's contracted power. The Celesc D concession received R$239.5 million. This amount was included in the August 2022 RTA as a CVA financial liability and amortized over 12 months (Note 13.1), as a reducer of the consumer tariff.

The amounts passed on would be repaid to the Itaipu Energy Trading Account as of the respective tariff processes of the concessionaires that received the resource. In the 2023 RTA process, the financial value of the reversal of the Bonus as a regulatory asset was included, corresponding to a 2.36% share in the readjustment. In this way, the commercialization account will be replenished with the updated amount of R$ 271.23 million.

According to §1 of Art. 3 of REH 3.093/2022, the recomposition of the amounts associated with Decree 11.027/2022 would only be carried out from the 2024 tariff process, however, Celesc D in agreement with the rapporteur of the process and following the example of other tariff processes already approved this year, considered the anticipation of the return of the corresponding amount in the 2023 tariff process.

The monthly quotas were set for the twelve months following the respective 2023 tariff process, and must be paid directly to ENBpar by the 10th of the month following the month in which they fall due. The amounts to be paid back will be remunerated at the Selic rate for the period.

2.1.2 Celesc Geração S.A. - Celesc G

On September 29, 2006, Celesc G, a privately-held corporation, was set up, as authorized by State Law No. 13,570/2005, as a result of the process of de-verticalization of the electricity sector.

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

2.1.2.1 Generator Park

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

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

Celesc G's total generation capacity in commercial operation is 128.51 MW average, of which 117.27 MW average refers to its own park and 11.24 MW average refers to the generator park established with partners, already proportionalized to Celesc G's shareholding in these projects. The hydroelectric generating plant in the process of being reactivated will add 1MW of installed capacity to Celesc G's own generating park.

All the plants in our own generating park and in partnership participate in the Energy Reallocation Mechanism (MRE), a system for sharing hydrological risks in which the participating plants transfer surplus energy to the plants that have generated less than their physical guarantee.

2.1.2.1.1 Hydro Source Generating Park - 100% Celesc G

Power plants	Location	End of Concession	Power Installed (MW)	Physical Guarantee (MW)	Physical Guarantee in Quotas
Pery HPP	Curitibanos/SC	07/07/2054	30.00	14.08	100%
HPP Palmeiras	Rio dos Cedros/SC	06/11/2053	24.60	16.70	70%
Bracinho HPP	Schroeder/SC	06/11/2053	15..00	8.80	70%
Garcia HPP	Angelina/SC	03/01/2053	8.92	7.10	70%
Cedros HPP	Rio dos Cedros/SC	06/11/2053	8.40	6.75	70%
HPP Salto Weissbach	Blumenau/SC	06/11/2053	6.28	3.99	70%
Celso Ramos SHPP	Faxinal dos Guedes/SC	31/05/2039	13.92	6.77	(**)
CGH Caveiras	Lages/SC	(*)	3.83	2.77	(**)
CGH Ivo Silveira	Campos Novos/SC	(*)	2.60	2.03	(**)
CGH Rio do Peixe	Videira/SC	(*)	0.52	0.50	(**)
CGH Piraí	Joinville/SC	(*)	0.78	0.45	(**)
CGH São Lourenço	Mafra/SC	(*)	0.42	0.22	(**)
Total			**115.27**	**70.16**	

(*) Plants with a capacity of less than 5 MW are exempt from the concession act (Federal Law No. 13,360/2016).
(**) Not applicable.

2.1.2.1.2 Photovoltaic Solar Generating Park - 100% Celesc G

UFV GD Remote	Location	End of Concession	Installed Power (MW)
V Lages I	Lages/SC	N/A	1.00
UFV Campos Novos	Campos Novos/SC	N/A	1.00
Total			**2.00**

2.1.2.1.3 Water Source Generating Park with Minority Participation

Power plants	Location	End of Concession	Power Installed (MW)	Physical Guarantee (MW)	Partic. Celesc G	Power Equiv. Inst. (MW)	Physical Guarantee Equivalent (MW)
Rondinha SHPP	Passos Maia/SC	04/06//2044	9.60	5.48	32.5%	3.12	1.78
CGH Prata (CRF)*	Bandeirante/SC	(**)	3.00	1.68	26.07%	0.78	0.44
CGH Belmonte (CRF)*	Belmonte/SC	(**)	3.60	1.84	26.07%	0.94	0.48
CGH Bandeirante (CRF)*	Bandeirante/SC	(**)	3.00	1.76	26.07%	0.78	0.46
Xavantina SHPP	Xanxerê/SC	04/09/2045	6.08	3.54	40.0%	2.43	1.42
Garça Branca SHPP	Anchieta/SC	17/07/2048	6.50	3.44	49.0%	3.19	1.69
Total			**31.78**	**17.74**		**11.24**	**6.27**

(*) The Rio das Flores Energy Complex (CRF) is made up of the Prata, Belmonte and Bandeirante CGHs.

(**) Plants with power equal to or less than 5 MW are exempt from the concession act.

2.1.2.1.4 Own Generating Park - Expansion Projects

The Distributed Generation Business Plan foresees the implementation of up to 14.6 MW in solar photovoltaic projects, to be installed in the concession area of the Celesc Group distributor.

The projects under implementation, with an installed capacity of 10.0 Mw, are listed below:

UFV GD Remote	Location	Installed power (MW)	Prev. Operation	Status
UFV São José do Cedro	São José do Cedro/SC	2.50	Nov/2023	Under construction
UFV Model	Model/SC	2.50	Dec/2023	Under construction
UFV Videira	Videira/SC	1.00	Mar/2024	Under construction
UFV Capivari	Capivari de Baixo/SC	3.00	Mar/2024	Under construction
UFV Lages II	Lages/SC	1.00	Mar/2024	Under construction
Total		**10.0**		

All the projects fall within the regulatory window provided for in the law, which maintains the current rules of the energy compensation system until December 31, 2045. This factor makes it possible to achieve greater profitability in the solar farm model practiced by Celesc G.

It should also be noted that the additional 2.6 MW will be prospected in the course of 2023. This portfolio expansion will also be linked, above all, to the projects falling within the regulatory window of Law 14.300/2022.

As for hydro projects, the table below shows the expansion/reactivation projects for the company's own plants and the respective stages of development. As for the physical guarantee (new or incremental), the company aims to obtain an average of 50% of the plant's total capacity factor after expansion/reactivation, a standard observed for other projects in operation with similar characteristics.

Power plants	Location	End of Concession	Installed power (MW)	Power increase (MW)	Final Final (MW)	Prev. Operation	Status
HPP Salto Weissbach	Blumenau/SC	06/11/2053	6.28	23.00	29.28	(**)	MME/ANEEL analysis
Cedros HPP Stages 1 and 2	Rio dos Cedros/SC	06/11/2053	8.40	4.50	12.90	(**)	Basic Project Review
HPP Palmeiras	Rio dos Cedros/SC	06/11/2053	24.60	0.75	25.35	(**)	Basic Project Review
CGH Maruim	São José/SC	(*)	0.00	1,00	1.00	2024	Under construction
CGH Caveiras	Lages/SC	(*)	3.83	5.57	9.40	(**)	Environmental licensing
Total			**43.11**	**34.82**	**77.93**		

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

2.1.2.2 EDP Transmissão Aliança SC

Celesc G has a shareholding 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:

Enterprise	Location	End of Concession	Transformer power (MVA)	Transmission Lines (km)	Participation Celesc G
EDP - Transmissão Aliança SC	SC	11/08/2047	1.344	433	10.0%

According to the Notice to the Market published by Celesc on February 18, 2022, the SPE obtained authorization from ONS - Operador Nacional do Sistema (National System Operator) for the commercial operation of the facilities, six months ahead of the regulatory schedule, and a first stage of the project went into partial operation on June 14, 2021, 14 months ahead of the schedule established by ANEEL.

The Annual Permitted Revenue (RAP), under the terms of Homologatory Resolution No. 3,205/2023 for the 2023/2024 cycle, was set at R$ 234.7 million.

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

2.1.2.3 Regulatory environment

a) Readjustment of the Annual Generation Revenue - RAG 2023/2024

On July 18, 2023, ANEEL, through Homologatory Resolution No. 3,225, approved the Annual Generation Revenues (RAGs) of the hydroelectric plants under the quota regime for the 2023/2024 cycle, under the terms of Federal Law No. 12,783/2013. The new RAG is effective from July 1, 2023 to June 30, 2024.

In the RAG to be received by HPP Pery, R$19.2 million refers to compensation for the portion of investments in non-depreciated reversible assets.

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

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

2.1.2.3.1 Expansion Projects for Own Park Plants

a) Expansion of CGH Caveiras

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

Year	Legal Act	Action
2018	Order No. 3.005/2018	It granted the inventory registration to Celesc G, for a period of 630 days, counting from its publication
Sep/2020	Order no. 2.752/2020	Approved the revision of the Inventory Studies for the Caveiras River and guaranteed Celesc G the right of first refusal for the hydroelectric project
Dec/2020	Order No. 3.592/2020	Granted Celesc G the Order for Registration of Intention to Grant Authorization - DRI PCH.
Apr/2022	Order No. 1.102/2022	ANEEL decided to register the compatibility of the Executive Summary with the Hydroelectric Inventory Studies and with the use of the hydraulic potential by issuing an Order to Register the Suitability of the Executive Summary - DRS-PCH of the Caveiras SHPP, with 9,400 kW of Installed Power.

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

b) Expansion of HPP Salto Weissbach

The project to expand the Salto Weissbach HPP was approved by ANEEL through Order No. 117 of May 21, 2018. Taking advantage of the same reservoir, the project includes the construction of a new generation circuit, with an adduction channel, water intake and powerhouse with two new generating units with a capacity of 11.5 MW each, totaling an expansion of 23.0 average MW, which added to the power of the four existing units in the current powerhouse, will result in a total capacity of 29.28 average MW.

On June 23, 2022, the Environmental Installation License - LAI No. 3454/2022 was obtained by the IMA of Santa Catarina and on May 12, 2023, the Declaration of Water Availability Reserve - DRDH was issued by means of Ordinance No. 12 of the State Secretariat for the Environment and Green Economy - SEMAE.

The plant operates under the quota regime, so the energy from the expansion will be fully allocated to this regime. After obtaining the environmental authorizations, the project received ANEEL Order No. 2,079 of June 27, 2023, which approved the parameters for calculating the revision of the physical guarantee of the Salto Weissbach Plant. The project was then returned to EPE for analysis, which carried out a technical and economic assessment of the project.

At the moment, the MME and ANEEL are analyzing the aspects for calculating the expansion tariff and then issuing the Grant.

c) Reactivation of CGH Maruim

The Maruim Power Station, owned by Celesc G and located in São José/SC, began operating in 1910 with an installed capacity of 600 kW and, after 62 years of operation, was shut down in 1972. The powerhouse has English architecture characteristic of the early 20th century and was listed as a cultural and natural heritage site in 2005 by São José/SC Municipal Decree No. 18.707.

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

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

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

2.2 Other shareholdings

Investments	Classification	Description	Recognition
Companhia de Gás de Santa Catarina S.A. - SCGÁS	Controlled in Set	A mixed-capital company created on February 25, 1994, it has the concession to operate natural gas distribution services in 100% of Santa Catarina's territory and its piped gas distribution concession contract, signed on March 28, 1994, is valid for 50 years (2044). Celesc holds 51% of the ordinary shares and 17% of the company's total share capital.	Equity equivalence
Empresa Catarinense de Transmissão de Energia S.A. - ECTE	Related	Set up in August 2000, with the specific purpose of integrating the electricity transmission system in the state of Santa Catarina, with the operation of electricity transmission lines in the eastern and coastal regions of Santa Catarina, the company is the concessionaire for the SE Campos Novos/SC - SE Blumenau/SC C2 transmission line, 252.5 km long. This is the second project to be put into operation under the new model for the electricity sector. After winning Lot D of Auction 006/2011, ECTE set up its subsidiary Empresa de Transmissão Serrana S.A. in December 2011. - ETSE , which holds the concession for the Abdon Batista substation (525/230 kV) and the Gaspar substation (230/138 kV), both in the state of Santa Catarina, and aims to integrate the power generation plants into the SIN, as well as providing access to Celesc's distribution system, in addition to expanding the electricity supply to the Vale do Itajaí region. The subsidiary ECTE has an electricity transmission concession contract No. 088/2000, dated November 1, 2000, with a term of 30 years. For its subsidiary ETSE, electricity transmission concession contract 006/2012, dated May 10, 2012, has a term of 30 years. Celesc holds 30.88% of the company's total share capital.	Equity equivalence
Dona Francisca Energética S.A - DFESA	Related	DFESA, an independent electricity producer, holds an 85% stake in the Dona Francisca Hydroelectric Power Plant, built on the Jacuí River in Rio Grande do Sul. The plant has an installed capacity of 125 MW and assured energy of 80 MW. The project was inaugurated in May 2001. DFESA holds Concession Contract No. 188/98 dated August 28, 1998. In 2021, the term of the concession was extended from 35 to 39 years from the date the contract was signed. The extension was granted after adherence to Law 14.052/2020. Celesc holds 23.03% of the company's share capital.	Equity equivalence
Water and Sanitation Company of Santa Catarina - Casan	Asset Instrument	Casan's function is to coordinate the planning, execution, operation and exploitation of public sewage and drinking water supply services, as well as to carry out basic sanitation works, in agreement with municipalities in the state of Santa Catarina. Celesc holds 11.95% of the company's total share capital.	Fair Value Through Other Comprehensiv e Income - VJORA.

3. BASIS OF PREPARATION

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

3.1 Declaration of Conformity

The *Interim Financial* Information has been prepared in accordance with Technical Pronouncement CPC 21 (R1) - *Interim Financial Reporting* and in accordance with international standard *IAS 34 - Interim Financial Reporting*, issued by the *International Accounting Standards Board - IASB*, and should be read in conjunction with the Group's latest individual and consolidated Annual Financial Statements for the year ended December 31, 2022, previously disclosed. The rules issued by the Brazilian Securities and Exchange Commission (CVM) also apply to the preparation of these financial statements.

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

Management affirms that all the relevant information contained in the individual and consolidated Interim Financial Information in IFRS, and only this information, is being disclosed, and that it corresponds to the information used by management.

This Interim Accounting Information was approved by the Company's Board of Directors on November 9, 2023, in accordance with article 17 of CVM Resolution 105 of May 20, 2022.

3.2 Functional Currency and Presentation Currency

The individual and consolidated Interim Financial Information in accordance with Brazilian accounting practices and IFRS is presented in Brazilian reais, which is the functional currency, and all amounts are rounded to thousands of reais, unless otherwise indicated.

3.3 Critical Accounting Estimates and Judgments

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

a) Fair Value of Financial Instruments (Note 5.4);
b) Estimated Losses on Doubtful Accounts - PECLD (Note 9.2);
c) Parcel A Financial Assets/Liabilities - CVA (Note 13.1);
d) Financial Assets - Grant Bonus (Note 13.2);
e) Financial Assets - Indemnification for the Pery Power Plant Basic Project (Note 14.3);
f) Contract assets (Note 15);
g) Realization of deferred IRPJ and CSLL (Note 18.2);
h) *Impairment* of Non-Financial Assets (Notes 19, 20 and 21);
i) Depreciation (Note 20.2);
j) Indemnifiable Intangible Assets - Celesc D (Note 21);
k) Intangible asset Hydrological risk renegotiation - Celesc G (Note 21);
l) Contingencies (Note 28);
m) Actuarial Liabilities - CPC 33/IAS 19 (Note 29);
n) Unbilled Revenue - Celesc D (Note 9 and 33.1).

4. ACCOUNTING POLICIES

The basis of preparation and accounting policies are the same as those used in the preparation of the individual and consolidated Annual Financial Statements for the year ended December 31, 2022, published on March 29, 2023, contemplating the adoption of accounting pronouncements effective as of January 1, 2023.

4.1 Basis of measurement

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

4.2 Accounting policies, changes in estimates and rectification of errors

Technical pronouncement CPC 23/IAS 8, which deals with accounting policies, changes in estimates and rectification of errors, establishes that adjustments can occur in the recording, measurement, presentation or disclosure of elements of the financial statements.

The Company continually reviews the way in which its statements are presented and disclosed, with the aim of constructing them in an appropriate manner and in line with the applicable standards in force.

4.2.1 Reclassification of Comparative Balance Sheet Figures

The Company has revised its accounting policies in order to better present its operating and financial results. For comparability purposes, reclassifications were made to the corresponding amounts in the Consolidated Balance Sheet and Cash Flow Statement for the period ended September 30, 2023. These reclassifications had no impact on the Company's results. The effects of these reclassifications are shown below:

				Consolidated
Active	**Note**	**2022**	**Reclassification**	**2022 (Reclassified)**
Current		**3,678,616**	**-**	**3,678,616**
Cash and Cash Equivalents		940,684	-	940,684
Trade Accounts Receivable		1,758,933	-	1,758,933
Stocks		20,019	-	20,019
Recoverable taxes		699,238	-	699,238
Dividends and Interest on Equity - JCP		20,422	-	20,422
Financial Assets - Grant Bonus and Ind. Us. Pery		57,555	-	57,555
Subsidy Decree no. 7891/2013		47,086		47,086
Water Scarcity Bonus		1,138	-	1,138
Others		133,541	-	133,541
Non-current		**7,949,451**	**-**	**7,949,451**
Long-term assets		**3,143,744**	**-**	**3,143,744**
Securities		217	-	217
Trade Accounts Receivable		16,775	-	16,775
Deferred Taxes		709,023	-	709,023
Recoverable taxes		524,780	-	524,780
Court deposits		359,870	-	359,870
Indemnifiable Financial Assets - Concession	14.1	1,008,038	(408,969)	599,069
Contract Assets	15	-	408,969	408,969
Financial Assets - Tranche A		76,448	-	76,448
Financial Assets - Grant Bonus and Ind. Us. Pery		446,095	-	446,095
Others		2,498	-	2,498
Investments		**363,279**	**-**	**363,279**
Fixed assets		**133,865**		**133,865**
Intangible		**4,308,563**		**4,308,563**
Total Assets		**11,628,067**		**11,628,067**

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

4.2.2 Reclassification of the Comparative Figures of the Cash Flow Statement

			Consolidated
Cash Flows from Operating Activities	**30.09.2022**	**Reclassification**	**30.09.2022 (Reclassification)**
Profit Before Income Tax and Social Contribution	**592,144**		**592,144**
Adjustments to Reconcile the Profit for the Year with Resources from Operating Activities	**612,983**		**602,359**
Depreciation and Amortization	205,717		205,717
Write-off of Fixed Assets/Intangible Assets	48,640		48,640
Equity results	(68,287)		(68,287)
Financial Assets Update - NRV	(11,226)		(11,226)
Write-off of Indemnity Financial Assets - Concession	1,514		1,514
Interest and Monetary Variations	397,366	(10.624)	386,742
Constitution (Reversal) Provision for Contingent Liabilities	(53,376)		(53,376)
Actuarial Expenses	90,494		90,494
PIS/COFINS Credit Depreciation Right to Use Assets	447		447
Write-off of Right of Use Leases Assets and Liabilities	-45		-45
Estimated Losses on Doubtful Accounts	63,870		63,870
Update/Interest Return/Bonus Grant	(62,131)		(62,131)
Increase (Decrease) in Assets	**1,449,382**		**1,460,006**
Accounts Receivable	252,716		252,716
Recoverable taxes	391,729		391,729
Court deposits	(7,170)	10.624	3,454
Stocks	(7,668)		(7,668)
Financial Assets (CVA, Grant Bonus)	713,530		713,530
Asset Bonus Water Scarcity	101,723		101,723
CDE subsidy (Decree No. 7.891/2013)	2,145		2,145
Advance for Future Capital Increase	-2,600		-2,600
Other Changes in Assets	4,977		4,977
Increase (Decrease) in Liabilities	**(1,523,592)**		**(1,523,592)**
Suppliers	(149,666)		(149,666)
Labor and social security obligations	(12,814)		(12,814)
Taxes to be collected	(820,261)		(820,261)
Financial Liabilities	694,144		694,144
PIS/COFINS to be Refunded to Consumers	(778,357)		(778,357)
Regulatory Fees	(204,355)		(204,355)
Actuarial Liabilities	(173,722)		(173,722)
Bonus Liabilities Water Scarcity	(101,672)		(101,672)
Other Changes in Liabilities	23,111		23,111
Cash Generated by (Used in) Operations	**1,130,917**		**1,130,917**
Interest paid	(180,072)		(180,072)
IR and CSLL Paid	(8,287)		(8,287)
Net Cash Generated by (Used in) Operating Activities	**942,558**		**942,558**
Cash Flows from Investing Activities			
Additions Financial Assets/Fixed Assets/Intangible Assets	(766,379)		(766,379)
Capitalization/Reduction	(779)		(779)
Dividends and interest on capital received	25,443		25,443
Net Cash Generated by (Used in) Investing Activities	**(741,715)**		**(741,715)**
Cash Flows from Financing Activities			
Payment of Loans and Financing	(63,688)		(63,688)
Income from Loans and Financing	610,000		610,000
Payment of Debentures	(76,472)		(76,472)
Payment of JCP and Dividends	(73,045)		(73,045)
Lease payment liabilities	(5,621)		(5,621)
Net Cash Generated by (Used in) Financing Activities	**391,174**		**391,174**
Net Increase (Decrease) in Cash and Cash Equivalents	**592,017**		**592,017**
Opening Balance of Cash and Cash Equivalents	**844,088**		**844,088**
Closing Balance of Cash and Cash Equivalents	**1,436,105**		**1,436,105**
Change in Cash and Cash Equivalents	**592,017**		**592,017**

Based on technical pronouncement CPC 03 (R2)/IAS 7, in order to better present the financial updates of judicial deposits in the cash flows from operating activities, the company has segregated interest and monetary variations from the movements in judicial cash flows from operating activities, the company has segregated interest and monetary variations from the movements in judicial deposits in assets. Reclassifications were made in the amounts corresponding to the 3rd quarter of 2022, for comparability purposes.

4.3 New Standards and Interpretations

The following changes to standards were issued by the IASB and came into force in the 2023 financial year. The early adoption of standards, although encouraged by the IASB, is not permitted by the Accounting Pronouncements Committee (CPC) in Brazil.

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

The Group carried out an analysis of the matter and did not identify any significant impacts on its Interim Financial Statements as a result of the application of the changes to the standards.

There are no other *IFRS* standards or *IFRIC* interpretations which have not yet come into force and which could have a significant impact on the Company's Interim Financial Statements.

5. RISK MANAGEMENT

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

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

- The Board of Directors, the highest body in the company's organizational structure and strategic risk management body, has the specific responsibility of implementing and supervising the risk management and internal control systems established to prevent and mitigate the main risks to which the company is exposed (Federal Law No. 13,303/2016 - State-Owned Companies Law).
- As an advisory body to the Board of Directors, to integrate the organizational structure of risk management, the company has since 2018, also in compliance with Law No. 13,303/2016, the Statutory Audit Committee - CAE, whose duties include supervising, evaluating and monitoring the quality and integrity of internal control mechanisms and monitoring exposure to risks of Celesc and its wholly-owned subsidiaries Celesc D and Celesc G.
- As an integral part of the risk management process, the Board of Executive Officers plays a fundamental role in identifying, evaluating, controlling, mitigating, monitoring, proposing limits, developing action plans to mitigate risks and monitoring their execution.

The company's Planning, Controls and *Compliance Department* (DPL) carries out strategic risk management and internal controls, drawing up the corporate risk map, assessing and monitoring these risks in order to mitigate them through action plans, thus aiming to achieve the company's long-term strategies.

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

5.1 Financial risk

5.1.1 Liquidity risk

a) Cash flow

Risk of low financial liquidity, whether due to low revenue, inability to raise funds, defaults, excess expenses and/or investments, in order to meet financial commitments and the business strategy.

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

Consolidated

Description	Rates %	Less than a month	One to three months	From three months to one year	Between one and five years	Over five years old	Total
Accounts Receivable (net of PECLD)		1,589,799	61,452	43,163	13,889	600	1,708,903
Cash and Cash Equivalents		660,895	-	-	-	-	660,895
Court deposits		-	-	-	389,105	-	389,105
CDE subsidy (Decree No. 7.891/2013)		51,093	-	-	-	-	51,093
Financial Assets - CVA		-	-	-	258,559	-	258,559
Financial Assets - Grant Bonus	IPCA	3,627	7,165	31,118	142,579	244,063	428,552
Financial Assets - Basic Project Pery Plant	IPCA	1,586	3,135	13,643	63,090	112,757	194,211
Total Assets		**2,307,000**	**71,752**	**87,924**	**867,222**	**357,420**	**3,691,318**
Bank Loans CDI	CDI + 0.8% to 1.65% p.a.	8,745	-	143,007	656,851	-	808,603
Energy Development Account - CDE		32,130	-	-	-	-	32,130
Eletrobras	5% p.a.	74	146	666	658	-	1,544
Finame	2.5% to 9.5% p.a.	118	233	272	-	-	623
Debentures - Celesc D	CDI + 1.9% to 2.6% p.a.	15,325	25,665	119,314	319,310	-	479,614
Debentures - Celesc G	IPCA + 4.3% p.a.	-	3,570	2,983	27,884	20,711	55,148
Private Pension Entity		28,482	17,209	77,438	413,000	1,086,000	1,622,129
Suppliers		712,025	262,144	1,775	-	-	975,944
Financial Liabilities - CVA	Selic	109,933	220,826	1,024,483	-	-	1,355,242
Mathematical Reserve to be Amortized	IPCA + 6% p.a.	21,234	20,680	97,828	39,755	-	179,497
IDB	CDI + 0.76% to 1.93% p.a.	80,947	-	33,360	354,605	1,919,667	2,388,579
Total Liabilities		**1,009,013**	**550,473**	**1,501,126**	**1,812,063**	**3,026,378**	**7,899,053**

5.2 Market risk

5.2.1 Sensitivity analysis

The table below shows the sensitivity analysis of the financial instruments, which describes the interest rate risks that could have a material effect on the Company, with the most likely scenario (scenario I) according to the assessment made by Management, considering a twelve-month horizon, when the next financial information containing this analysis should be published.

In addition, four other scenarios are shown in order to present 25% and 50% increases and decreases in the risk variable considered. The values are given in absolute terms and not in relation to the probable scenario presented. The scenarios were defined based on macroeconomic assumptions drawn up by specialized consultants.

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

								Consolidated
Assumptions	**Effects of Accounts on Results**	**NE**	**Balance**	**(Scenario I)**	**25% increase (Scenario II)**	**50% increase (Scenario III)**	**Reduction of 25% (Scenario IV)**	**50% reduction (Scenario V)**
CDI								
	Financial Applications	8	584,044	68,158	85,212	102,266	(51,104)	(34,108)
	Loans	23	(2,001,381)	(233,561)	(292,001)	(350,442)	175,121	116,881
	Debentures	24	(396,714)	(46,297)	(57,881)	(69,465)	34,712	23,168
Selic								
	CVA - Liabilities	13.1	(1,114,370)	(122,804)	(153,560)	(184,205)	(92,158)	61,402
IPCA								
	Indemnifiable Financial Assets - Concession	14	723,428	37,546	46,878	56,283	(28,141)	(18,737)
	Debentures	24	(44,732)	(2,322)	(2,899)	(3,480)	1,740	1,159
	Financial Assets - Grant Bonus	13.2	356,492	18,502	23,101	27,735	(13,868)	(9,233)
	Financial Assets - Basic Project Pery Plant	14.3	161,265	8,370	10,450	12,546	(6,273)	(4,177)
	Mathematical Reserve to be Amortized	29	(169,245)	(8,784)	(10,967)	(13,167)	6,584	4,383

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

5.3 Capital management

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

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

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

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

The table below shows the Financial Leverage Ratio:

			Consolidated
Description	**NE no.**	**30.09.2023**	**31.12.2022**
Loans and Financing - National Currency	23	653,834	676,836
Loans and Financing - Foreign Currency	23	1,349,619	1,166,319
Debentures	24	441,446	606,113
(-) Cash and Cash Equivalents	8	(660,895)	(940,684)
Net Debt		**1,784,004**	**1,508,584**
Total Equity		**3,187,480**	**2,883,176**
Total Capital		**4,971,484**	**4,391,760**
Financial Leverage Ratio (%)		**35.88%**	**34.35%**

5.4 Estimating Fair Value

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

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

For financial instruments measured in the balance sheet at fair value, the Company applies CPC 46/IFRS 13 - Measurement at Fair Value, which requires disclosure, by level, in the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities to which the Company may have access on the measurement date (Level 1);
- Information, other than quoted prices, included in Level 1 that is observable for the Asset or Liability, either directly, as prices, or indirectly, as derived from prices (Level 2);
- Inputs for assets or liabilities that are not based on data adopted by the market, i.e. unobservable inputs (Level 3).

The following table shows the Group's assets measured at fair value at September 30, 2023, comprising only level 3 estimates:

			Controller
Description - Level 3	**NE**	**30.09.2023**	**31.12.2022**
Fair Value Through Other Comprehensive Income - FVTOCI			
Securities - Other	16	208	217
Total Assets		**208**	**217**

			Consolidated
Description - Level 3	**NE**	**30.09.2023**	**31.12.2022**
Fair Value Through Other Comprehensive Income - FVTOCI			
Securities - Other	16	208	217
Fair Value Through Profit or Loss - FVTPL			
Indemnifiable Assets - Concession	14	725,849	599,069
Total Assets		**726,057**	**599,286**

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

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

Other techniques, such as discounted cash flow analysis, were used for the assets accounted for as Securities, valued at FVTOCI. For the Other account, the technique applied was the cost approach.

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

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

6. FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial instruments by category on September 30, 2023:

Controller

Description	Cost Amortized	Fair Value per Mid-Result	Fair Value Through Other Comprehensive Income	Total
Cash and Cash Equivalents	35,664	-	-	35,664
Others	-	-	208	208
Total Assets	**35,664**	**-**	**208**	**35,872**
Suppliers	569	-	-	569
Dividends and JSCP	219,880	-	-	219,880
Total Liabilities	**220,449**	**-**	**-**	**220,449**

Consolidated

Description	Cost Amortized	Fair Value per Mid-Result	Fair Value Through Other Comprehensive Income	Total
Cash and Cash Equivalents	660,895	-	-	660,895
Trade Accounts Receivable	1,708,903	-	-	1,708,903
CDE - Subsidy Decree 7.891/2013	51,093	-	-	51,093
Indemnifiable Financial Assets - Concession	-	725,849	-	725,849
Financial Assets - CVA	199,093	-	-	199,093
Financial Assets - Grant Bonus	356,492	-	-	356,492
Financial Assets - Indemnification Basic Project Pery Power Plant	161,265	-	-	161,265
Others	-	-	208	208
Total Assets	**3,137,741**	**725.849**	**208**	**3.863.798**
Suppliers	975,944	-	-	975,944
Dividends and JSCP	219,880	-	-	219,880
National Currency Loans	653,834	-	-	653,834
Foreign Currency Loan	1,349,619	-	-	1,349,619
Debentures	441,446	-	-	441,446
Mathematical Reserve to be Amortized	169,245	-	-	169,245
Sector Charges - CDE	32,130	-	-	32,130
Financial Liabilities - CVA	1,313,463	-	-	1,313,463
Total Liabilities	**5,155,561**	**-**	**-**	**5,155,561**

The following tables show the financial instruments by category on December 31, 2022:

Controller

Description	Cost Amortized	Fair Value per Mid-Result	Fair Value Through Other Comprehensive Income	Total
Cash and Cash Equivalents	48,205	-	-	48,205
Others	-	-	217	217
Total Assets	**48,205**	**-**	**217**	**48,422**
Suppliers	900	-	-	900
Dividends and JSCP	157,602	-	-	157,602
Total Liabilities	**158,502**	**-**	**-**	**158,502**

Consolidated (Reclassified)

Description	Cost Amortized	Fair Value per Mid-Result	Fair Value Through Other Comprehensive	Total

			Income	
Cash and Cash Equivalents	940,684	-	-	940,684
Trade Accounts Receivable	1,775,708	-	-	1,775,708
CDE - Subsidy Decree No. 7.891/2013	47,086	-	-	47,086
Indemnifiable Financial Assets - Concession	-	599,069	-	599,069
Financial Assets - CVA	76,448	-	-	76,448
Financial Assets - Grant Bonus	346,810	-	-	346,810
Financial Assets - Indemnification Basic Project Pery Plant	156,840	-	-	156,840
Others	-	-	217	217
Total Assets	**3,343,576**	**599,069**	**217**	**3,942,862**
Suppliers	1,016,513	-	-	1,016,513
Dividends and JSCP	157,602	-	-	157,602
National Currency Loans	676,836	-	-	676,836
Foreign Currency Loan	1,166,319	-	-	1,166,319
Debentures	606,113	-	-	606,113
Mathematical Reserve to be Amortized	248,978	-	-	248,978
Sector Charges - CDE	19,472	-	-	19,472
Financial Liabilities - CVA	753,564	-	-	753,564
Total Liabilities	**4,645,397**	**-**	**-**	**4,645,397**

7. CREDIT QUALITY OF FINANCIAL ASSETS

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

		Consolidated
Trade Accounts Receivable	**30.09.2023**	**31.12.2022**
Group 1 - Customers with Due Date Collection	844,832	906,658
Group 2 - Customers with average arrears of between 01 and 90 days	617,832	631,435
Group 3 - Customers with average arrears of more than 90 days	604,794	562,195
Total	**2,067,458**	**2,100,288**
PECLD with customers	(358,555)	(324,580)
Total	**1,708,903**	**1,775,708**

All other financial assets held by the Company, mainly current accounts and short-term investments, are considered to be of high quality and show no signs of loss.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are held for the purpose of meeting short-term commitments and not for other purposes.

		Controller		**Consolidated**
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Bank and cash resources	20	5	76.851	44,725
Financial Applications	35,644	48,200	584,044	895,959
Total	**35,664**	**48,205**	**660,895**	**940,684**

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

9. ACCOUNTS RECEIVABLE FROM CLIENTS

9.1 Consumers, Concessionaires and Permissionaires

					Consolidated
Description	**Vincendas**	**Overdue Up to 90 days**	**Overdue More than 90 days ago**	**30.09.2023**	**31.12.2022**
Consumers	**1,059,486**	**227,662**	**456,814**	**1,743,962**	**1,787,728**
Residential	305,021	147,414	237,078	689,513	682,653
Industrial	72,367	26,306	84,232	182,905	182,744
Trade	122,982	40,570	122,080	285,632	296,732
Rural	40,388	11,479	12,529	64,396	69,928

Public authorities	38,054	1,736	268	40,058	40,860
Public lighting	16,874	4	607	17,485	17,313
Public Service	15,615	153	20	15,788	16,015
Unbilled supply	448,185	-	-	448,185	481,483
Supply to Other Concessionaires	**267,914**	**19,207**	**36,375**	**323,496**	**312,560**
Concessionaires and Permissionaires	255,966	5,066	1,471	262,503	244,268
Transactions within the scope of the CCEE	463	-	-	463	22,711
Other Credits	1,070	14,141	34,904	50,115	35,769
Concessionaires and Permissionaires Not Billed	10,415	-	-	10,415	9,812
Total	**1,327,400**	**246,869**	**493,189**	**2,067,458**	**2,100,288**
PECLD with Customers	(6,877)	(5,893)	(345,785)	(358,555)	(324,580)
Total Trade Receivables - Net	**1,320,523**	**240,976**	**147,404**	**1,708,903**	**1,775,708**
Current				**1,694,414**	**1,758,933**
Non-current				**14,489**	**16,775**

9.2 Estimated Losses on Doubtful Accounts - PECLD

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

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

The breakdown by consumption class is shown below:

		Consolidated
Consumers	**30.09.2023**	**31.12.2022**
Residential	159,712	142,191
Industrial	69,137	65,574
Trade, Services and Other	94,632	81,957
Rural	5,821	5,144
Public authorities	249	276
Public lighting	610	1,421
Public Service	25	23
Concessionaires and Permissionaires	202	960
Free Consumers	2,156	2,043
Others	26,011	24,991
Total Current	**358,555**	**324,580**

Below is a statement of the changes that occurred:

	Consolidated
Description	**Total**
Balance at 31.12.2022	**324,580**
Provision/Reversal made in the period	68,388
Reversal of Accounts Receivable	(34,413)
Balance as at 30.09.2023	**358,555**

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

The default matrix was drawn up using a report extracted and sent monthly to ANEEL with the amounts billed and not received. The purpose of the report is to show the amounts not received (due and falling due) for each billing up to the chosen date and to define the stabilization point of the invoice aging curve, the *Aging*.

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

Aging Months	**General**	**Residential**	**Industrial**	**Commercial**	**Rural**	**Public authorities**	**Public lighting**	**Public Service**

Winning	0,52%	0,67%	0,38%	0,63%	0,18%	0,01%	0,01%	0,02%
0 to 3 months	2,53%	2,15%	2,90%	3,39%	0,97%	0,19%	1,23%	0,56%
3 to 6 months	24,84%	19,62%	48,39%	33,08%	7,69%	5,88%	100,00%	50,00%
6 to 12 months	49,38%	42,28%	71,43%	51,81%	20,59%	16,67%	100,00%	100,00%
12 to 18 months	61,54%	56,52%	73,17%	66,15%	37,84%	33,33%	100,00%	100,00%
18 to 24 months	66,67%	66,67%	75,00%	74,14%	51,85%	100,00%	100,00%	100,00%
24 to 36 months	72,73%	73,24%	76,92%	84,31%	66,67%	100,00%	100,00%	100,00%
36 to 48 months	80,00%	85,25%	78,95%	95,56%	82,35%	100,00%	100,00%	100,00%
48 to 60 months	97,56%	98,11%	96,77%	97,73%	93,33%	100,00%	100,00%	100,00%
+ 60 months	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%

9.2.1 Judicial decision on the Generation Scaling Factor - GSF

On September 27, 2021, Celesc G informed the CCEE that it had withdrawn the lawsuit against the Garcia, Bracinho, Cedros, Palmeiras, Salto, Pery and PCH Celso Ramos HPPs. The value of the PECLD for these plants was fully reversed by October 2021.

Until July 31, 2023, Celesc G maintained a favorable injunction regarding the Caveiras, Ivo Silveira, Rio do Peixe, Piraí and São Louenço CGHs, which had not been renegotiated for hydrological risk, when an unfavorable ruling was handed down, revoking the injunction and dismissing the claims. As a result, the following lawsuits were filed, which have yet to be heard:

a) Appeal, for the purpose of reforming the sentence; and
b) Request for suspensive effect to the appeal

In the CCEE Summary for July 2023, the amount to be paid by Celesc G was R$28.1 million, referring to the principal of the effect of the injunction and its monetary restatement. In the same report, the amount Celesc G was entitled to receive was R$1.5 million. After the accounts were settled, the financial guarantee was paid in the amount of R$26.6 million, which was effectively settled on September 5, 2023.

As a result, the PECLD balance existing in September 2023, in the amount of R$464,000, was fully reversed. In the nine months of 2023, the amount reversed was R$7.9 million, referring to the CGHs for which Celesc G was still pursuing legal action.

	Consolidated
Description	**Total**
Balance at 31.12.2022	**172**
Net Provision for the Period	7,734
Reversal of Accounts Receivable	(7,906)
Balance at 30.09.2023	**-**

10. STOCKS

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

		Consolidated
Description	**30.09.2023**	**31.12.2022**
Generation Warehouse	70	73
Warehouse Distribution	27,173	19,946
Total	**27,243**	**20,019**

11. TAXES TO BE RECOVERED

		Controller		Consolidated
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
PIS/COFINS (Exclusion of ICMS Calculation Basis)	-	-	716,838	1,100,944
ICMS	-	-	58,663	57,941
PIS/COFINS	-	-	7	6
Others	-	-	993	993
Total	**-**	**-**	**776,501**	**1,159,884**
Current	**-**	**-**	**746,798**	**635,104**
Non-current	**-**	**-**	**29,703**	**524,780**

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

		Controller		Consolidated
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
IRPJ and CSLL to be offset	56,052	44,331	91,549	64,134

Total	**56,052**	**44,331**	**91,549**	**64,134**

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

	Controller	Consolidated
Description		
Balance at 31.12.2022	-	**1,100,944**
PIS/COFINS (Exclusion of ICMS Calculation Basis) 2nd action		
Financial update	-	73,429
Write-off for credit utilization	-	(457,535)
Balance as at 30.09.2023	-	**716,838**
Current	-	**716,838**
Non-current	-	-

On July 9, 2019, Celesc D filed a second lawsuit under 5016157-78.2019.4.04.7200, claiming the return of the amounts for the period from January 2015 onwards. The lawsuit was upheld at first instance, recognizing the concessionaire's right to exclude ICMS from the PIS and Cofins calculation base, as of January 1, 2015, a decision confirmed by the Federal Regional Court of the 4th Region when it analyzed the Appeal filed by the Federal Government - National Treasury.

However, as a result of the modulation of the effects of the decision handed down in *Leading Case* No. 574.706 - Theme 69 - there was, in a retraction judgment, a limitation on the right to repeat the debt, as of March 15, 2017, the date of the judgment on the merits of Extraordinary Appeal No. 574.706 by the Federal Supreme Court. The case became final on May 26, 2022, and the credits were cleared by the Federal Revenue Service on December 27, 2022, and in February 2023 the processes for offsetting outstanding taxes against the cleared credit began.

As a result of the future offsetting of this balance, Celesc D classified the PIS and Cofins credit as a current asset based on projections of the amounts to be offset over the next twelve months.

12. DIVIDENDS/JCP RECEIVABLE AND OTHER ASSETS

12.1 Dividends and interest on capital receivable

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Rondinha Dividends	-	-	-	-
Celesc G Dividends	7,659	-	-	-
SCGÁS Dividends	-	4,374	-	4,374
ECTE dividends	-	8,256	-	8,256
Casan dividends	2,610	-	2.610	-
DFESA Dividends	461	909	461	909
Dividends EDP Transmissão Aliança	-	-	2,326	1,078
JCP Celesc G	19,362	38,724	-	-
JCP Celesc D	209,827	154,806	-	-
JCP SCGÁS	1,228	2,227	1,228	2,227
JCP EDP Transmissão Aliança	-	-	-	3,578
Total Current	**241,147**	**209,296**	**6,625**	**20,422**

12.2 Other assets - current and non-current

Controller	Consolidated

Description	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Subsidy Decree 7.891/2013	-	-	51,093	47,086
ICMS ST (i)	-	-	38,333	35,043
Infrastructure Sharing (ii)	-	-	53,421	44,089
Proinfa advance (iii)	-	-	24,578	24,578
Difference CDE reimbursement	-	-	-	3,424
Low Income Program	-	-	5,094	5,621
Expenses paid in advance (iv)	624	487	1,223	2,128
Flags Account	-	-	3,665	3,453
For Sale	-	-	2,330	2,457
Staff available	-	-	872	794
Miscellaneous advances (v)	67	177	19,970	9,443
Other Credits (vi)	1	-	1,769	5,009
Total	**692**	**664**	**202,348**	**183,125**
Current	**686**	**623**	**200,012**	**180,627**
Non-current	**6**	**41**	**2,336**	**2,498**

The consolidated figures mainly refer to:

(i) ICMS Tax Substitution (ST)

Amounts receivable from Free Consumers arising from the collection of taxes on electricity bills linked to Agreement/CONFAZ No. 77 of August 5, 2011.

(ii) Infrastructure Sharing

This refers to the use of fixing points on Celesc D's poles by third parties to provide telecommunications services of collective interest, such as telephony, internet, cable TV and others.

(iii) Advances from the Incentive Program for Alternative Sources of Electricity - PROINFA

This refers to the advance on the charge regulated by Decree 5.025/2004 at Celesc D, which aims to increase the participation of alternative renewable sources in electricity production.

(iv) Expenses paid in advance

These correspond mainly to insurance premiums of R$1.2 million.

(v) Sundry advances

The main anticipated expenses are advances for the thirteenth salary (R$11.2 million), vacations (R$1.6 million) and food vouchers (R$6.2 million).

(vi) Other Credits

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

13. FINANCIAL ASSETS/LIABILITIES

13.1 Tranche A - CVA

CVA - Tranche A, is made up of the difference between the costs forecast by ANEEL and those actually incurred during the term of the tariff. This portion must be neutral in relation to the company's performance, whether it is a financial asset or liability, and is fully passed on to the consumer as an addition or reduction to the tariff.

Liabilities are recorded at best estimate.

Description	31.12.2022	Addition	Amorti-zation	Remunera tion feed	Transfers (iv)	30.09.2023	Balance in amortization	Balance in Constitution	Current	Non-current
Active CVA (iii)	**898,170**	**216,991**	**(562,614)**	**49,834**	**(27,898)**	**574,483**	**202,605**	**371,878**	**241,858**	**332,625**
Energy	137,397	147,817	(85,393)	3,400	-	203,221	23,209	180,012	42,210	161,011

Proinfa	59,745	-	(63,840)	4,095	-	-	-	-	-	-
Basic Network Transportation	134,783	113,942	(57,297)	13,457	-	204,885	123,573	81,312	132,156	72,729
Energy Transportation	23,707	13,825	(15,001)	2,085	-	24,616	14,893	9,723	15,919	8,697
ESS	70,811	42,972	(73,389)	12,634	-	53,028	25,168	27,860	28,109	24,919
CDE	277,536	(26,963)	(264,794)	18,030	-	3,809	-	3,809	402	3,407
Neutrality Tranche A	45,881	(16,212)	-	1,076	-	30,745	-	30,745	3,245	27,500
Overcontracting Energy	119,373	(60,548)	(1,665)	(4,951)	-	52,209	14,101	38,108	18,123	34,086
Others	28,937	2,158	(1,235)	8	(27,898)	1,970	1,661	309	1,694	276
CVA Liabilities	**(1,575,286)**	**(637,482)**	**1,475,792**	**(45,366)**	**(906,511)**	**(1,688,853)**	**(1,541,226)**	**(147,627)**	**(1,555,321)**	**(133,532)**
Energy	-	(2,712)	-	2,712	-	-	-	-		-
Itaipu Energy Cost	(74,702)	(207,481)	35,790	(10,945)	-	(257,338)	(207,907)	(49,431)	(213,125)	(44,213)
Proinfa	(3,800)	(27,231)	3,626	(1,590)	-	(28,995)	(28,995)	-	(28,995)	-
CDE	-	(14,060)	1,602	(349)	-	(12,807)	(12,807)	-	(12,807)	-
Overcontracting Energy	(52,302)	-	61,514	-	(87,270)	(78,058)	(78,058)	-	(78,058)	-
Neutrality Tranche A	(14,851)	(78,337)	23,722	(5,704)	-	(75,170)	(75,170)	-	(75,170)	-
Tariff refunds (i)	(586,535)	(31,985)	639,991	(1,505)	(807,619)	(787,653)	(765,476)	(22,177)	(766,185)	(21,468)
Tariff flags	(216)	56	-	-	-	(160)	-	(160)	(160)	-
Other (ii)	(842,880)	(275,732)	709,547	(27,985)	(11,622)	(448,672)	(372,813)	(75,859)	(380,.821)	(67,851)
Balance Assets/(Liabilities)	**(677,116)**	**(420,491)**	**913,178**	**4,468**	**(934,409)**	**(1,114,370)**	**(1,338,621)**	**224,251**	**(1,313,463)**	**199,093**

(i) Tariff refunds correspond, among other items, to PIS/COFINS on the ICMS calculation base that has been refunded to the consumer. (Note 30)

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

(iii) Parcel A assets - CVA, reduced due to the tariff coverage being more in line with the costs incurred, so there is no mismatch in the constitution of assets for economic rebalancing

CVA assets and liabilities have zero impact on the result. Financially, the expectation is positive, considering that when there are no more assets to receive than liabilities to return, it means that there has been no cash mismatch since the last annual tariff adjustment for these items from a tariff perspective.

(iv) Transfers are made from other assets and liabilities to Tranche A.

		Consolidated
Description	**30.09.2023**	**31.12.2022**
CVA 2021 - Period from 23.08.2021 to 22.08.2022	-	487,.164
CVA 2022 - Period from 23.08.2022 to 22.08.2023	(62,866)	138,313
CVA 2022 - Period from 23.08.2023 to 22.08.2024	253,285	-
Total - CVA	**190,419**	**625,477**
Other Items - Period from 23.08.2021 to 22.08.2022	-	(1,281,318)
Other Items - Period from 23.08.2022 to 22.08.2023	(1,275,755)	(21,275)
Other Items - Period from 23.08.2023 to 22.08.2024	(29,034)	-
Total - Other Items - CVA	**(1,304,789)**	**(1,302,593)**
Total	**(1,114,370)**	**(677,116)**

13.2 Financial Assets - Grant Bonus

In 2016, Celesc G paid R$228.6 million as a Grant Bonus (BO) for the new concessions for the Garcia, Bracinho, Palmeiras, Cedros and Salto plants.

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

						Consolidated
Description	**Plant Garcia**	**Plant Bracinho**	**Plant Cedars**	**Plant Jump**	**Plant Palmeiras**	**Total**
Balance at 31.12.2022	**50,530**	**72,634**	**55,400**	**33,571**	**134,.675**	**346,810**
Monetary Update	1,682	2,419	1,847	1,113	4,504	11,565
Interest	4,570	6,662	4,912	3,453	10,732	30,329
Amortization/Cancellation	(4,848)	(7,001)	(5,194)	(3,563)	(11,606)	(32,212)
Balance as at 30.09.2023	**51,934**	**74,714**	**56,965**	**34,574**	**138,305**	**356,492**
Current						**41,288**
Non-current						**315,204**

14. INDEMNIFIABLE FINANCIAL ASSET - CONCESSION

		Consolidated
Description	**30.09.2023**	**31.12.2022**

		(Reclassified)
Concession Assets - Energy Distribution	**723,428**	**596,648**
In Service	723,428	596,648
Concession Assets - Power Generation	**163,686**	**159,261**
Indemnifiable Assets	2,421	2,421
Indemnifiable Assets - Basic Project Pery Plant	161,265	156,840
Total	**887,114**	**755,909**
Current	**18,092**	**17,536**
Non-current	**869,022**	**738,373**

14.1 Indemnifiable Financial Assets - Energy Distribution

As a result of the extension of the 5th Amendment to Concession Contract 56/1999, Celesc D bifurcated its assets linked to the concession into Intangible Assets and Indemnifiable Assets.

This is the fair value of the financial assets linked to the concession recorded in Corporate Accounting. The effect is due to the recording of the fair value of the financial asset corresponding to the right established in the concession contract to receive cash via indemnification when the assets revert to the granting authority at the end of the concession.

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

	Consolidated
Description	**Total (Reclassified)**
Balance at 31.12.2022	**596,648**
(+) New Applications	112,199
(+) Change in Fixed Assets in Progress - AIC	-
(+) Restatement of Indemnifiable Financial Assets - Concession (i)	15,606
(-) Redemption	(1,025)
Balance as at 30.09.2023	**723,428**

(i) IPCA

14.2. Indemnifiable Financial Assets - Power Generation

The process of indemnifying the concessions began in 2013, when the Granting Authority, through Decrees 7.805 and 7.850, established, among other things, the rules for indemnifying the residual value of the linked assets. Subsequently, ANEEL, through Normative Resolution - REN No. 596, of December 19, 2013, defined the details of the indemnification rules.

At the end of the concessions for the Bracinho, Cedros, Salto and Palmeiras power plants, Celesc G requested compensation from the granting authority, in accordance with the criteria and calculation procedures established by REN 596/2013, for the investments made in infrastructure that were not depreciated during the concession period, as it has an unconditional right to compensation, as provided for in the contract.

In 2018, in an attempt to define the amounts to be passed on to concessionaires as compensation, the Granting Authority and the Regulatory Agency found that the rule was inapplicable. Therefore, in 2019, ANEEL held a Public Hearing to discuss with the agents the particularities associated with the indemnification of improvements. This process materialized in REN 942/2021. It is worth highlighting two important aspects of this rule: a) agents who had not yet requested compensation could do so within 30 days of the rule coming into force (Celesc G, which had already requested compensation, reinforced its request); and b) the supporting documentation for the improvements had to be filed within one year of the rule coming into force. With regard to this point, Celesc G hired a company accredited by ANEEL and filed a Valuation Report prepared in accordance with REN 942/2021.

The process of indemnifying these concessions is still underway at the Regulatory Agency, whose infra-legal aspects do not discuss the right defined in Decree 7,850. It is worth noting that in January and, more recently, in October of this year, ANEEL requested additional data in order to validate the report submitted and define the amount of compensation.

The balances of the assets required in the indemnity are shown in the following table:

		Consolidated
Power plants	**30.09.2023**	**31.12.2022**
Bracinho HPP	85	85
Cedros HPP	195	195

HPP Salto	1,906	1,906
HPP Palmeiras	235	235
Total	**2,421**	**2,421**

14.3 Indemnifiable Financial Assets - Pery Power Station Basic Project

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

The balance of R$161.3 million as of September 30, 2023, refers to the amount recognized as compensation for the Pery Plant Basic Project in the amount of R$114.5 million, approved by Order No. 2,018 of July 6, 2021, issued by ANEEL, restated by the IPCA and monthly interest calculated based on the IRR.

The balance is amortized monthly until the end of the concession period, which will occur in July 2047, according to the amounts approved in the RAG each year, of which R$19.2 million refers to the indemnity for the 2023/2024 cycle. Accounting recognition is based on CPC 48/IFRS 9 - Financial Instruments.

	Consolidated
Description	**Pery Mill**
Balance at 31.12.2022	**156,840**
Monetary Update	5,239
Interest	13,269
Amortization/Cancellation	(14,083)
Balance at 30.09.2023	**161,265**
Current	**18,092**
Non-current	**143,173**

15. CONTRACT ASSETS

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

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

	Consolidated
Description	**Total**
Balance at 31.12.2022	**408,969**
(-) Transfers to Intangible Assets	(561,723)
(-) Transfers to Financial Assets	(112,199)
(+) Fixed Assets in Progress - AIC	881,935
(-) Special Obligations in Progress - OE	(180,586)
Balance at 30.09.2023	**436,396**

16. SECURITIES

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

	Controller		**Consolidated**	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Other Investments (i)	208	217	208	217
Current	-	-	-	-
Non-current	**208**	**217**	**208**	**217**

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

16.1. Companhia Catarinense de Águas e Saneamento - Casan

On September 30, 2023, the Company held 56,713,251 Common Shares - ON, and 56,778,178 Preferred Shares - PN, representing 11.95% of Casan's share capital.

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

To calculate the *valuation*, projections were made of revenue, costs and expenses, by municipality, up to the expiration date of each service contract. Since there is uncertainty as to whether or not these contracts will be renewed and, if they are, under what conditions, the premise of optimizing observable data to determine fair value was followed, disregarding the perpetuity of cash flows.

The evaluation refers to the Company individually, considering a normal operation, according to the same parameters observed on the base date of the calculation and adjusted to the network expansion plan, disclosed by Casan to the market on March 15, 2022, and built based on the Technical Certification Opinion of the Foundation for Research and Development of Administration, Accounting and Economics - Fundace, which aims to achieve the goals of universalization of water supply and sanitary sewage established in Federal Laws No. 11.445, of January 5, 2007, and No. 14.026, of July 15, 2020.

To obtain the revenue and cost assumptions, the information extracted by municipality from the National Sanitation Information System (SNIS) was compared with the information obtained from Casan's own audited Financial Statements and Quarterly Reports.

Tariff adjustments for the period from 2023 to 2065, the last year of the concession, were based on the monthly IPCA (Broad Consumer Price Index), published by Bacen, accumulated over the 12 months prior to June of each year. For 2022, an adjustment of 16.01% was considered, to be applied in July of that year, per municipality, on the average tariffs charged in 2021.

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

There was a reduction in the stake in Casan's share capital, as the company did not accept the proposal to pay in dividends for a capital increase.

The calculations were carried out by an external consultancy and, considering the assumptions for evaluating the fair value of this investment, the value of this asset was reduced to zero on December 31, 2022, with the adjustment being recognized as a debit in shareholders' equity in the equity valuation adjustment sub-group, which is the current situation.

17. RELATED PARTIES

The Company's policy on transactions with related parties follows market practices and the balances in current and non-current assets and liabilities are shown in the table below:

	Controller			Consolidated		
	Assets Liabilities			Assets Liabilities		
Description	**Trade Accounts Receivable**	**Dividends and JCP a Pay**	**Others Debits**	**Accounts Receive from Clients**	**Dividends and JCP a Pay**	**Others Debits**
Controlling Shareholder						
Government of the State of Santa Catarina						
Declared dividends and interest on capital	-	32,571	-	-	32,571	-
Energy billing	-	-	-	8,831	-	-
Staff available	-	-	-	256	-	-
Security Foundation						
CELOS						
Contrib. Health Plan and Others	-	-	83	-	-	1,862,612
Electricity Billing	-	-	-	6	-	-
Associates and Jointly Controlled Companies						
DFESA						
Energy Purchase	-	-	-	-	-	1,356
Dividends and interest on capital	908	-	-	908	-	-
SC Gas						
Dividends and interest on capital	6,602	-	-	6,602	-	-
ECTE						
Dividends and interest on capital	8,256	-	-	8,256	-	-
Controlled						
Celesc G						

Dividends and interest on capital	38,724	-	-	-	-	-
Celesc D						
Agreement Collection Fee	-	-	102	-	-	-
Staff available	-	-	838	-	-	-
Dividends and interest on capital	154,806	-	-	-	-	-
Balance at 31.12.2022	**209,296**	**32,571**	**1,023**	**24,859**	**32,571**	**1,863,968**
Controlling Shareholder						
Government of the State of Santa Catarina						
Declared dividends and interest on capital	-	45,321	-	-	45,321	-
Energy billing	-	-	-	8,086	-	-
Staff available	-	-	-	256	-	-
Security Foundation						
CELOS						
Contrib. Health Plan and Others	-	-	76	-	-	1,791,374
Energy billing	-	-	-	5	-	-
Affiliates and Jointly Controlled Companies						
DFESA						
Energy Purchase	-	-	-	-	-	1,312
Dividends and interest on capital	461	-	-	461	-	-
SC Gas						
Dividends and interest on capital	1,228	-	-	1,228	-	-
ECTE						
Dividends and interest on capital	-	-	-	-	-	-
Controlled						
Celesc G						
Dividends and interest on capital	27,021	-	-	-	-	-
Celesc D						
Agreement Collection Fee	-	-	166	-	-	-
Staff available	-	-	757	-	-	-
Dividends and interest on capital	209,827	-	-	-	-	-
Balance as at 30.09.2023	**238,537**	**45,321**	**999**	**10,036**	**45,321**	**1,792,686**

			Controller			**Consolidated**
Description	**Expenses Operational**	**Other Expenses**	**Recipes Financial**	**Expenses Operational**	**Revenue from Sales**	**Cost Resale Conventional**
Controlling Shareholder						
Government of the State of Santa Catarina						
Electricity Billing	-	-	-	-	76,506	-
Security Foundation						
CELOS						
Pension and Assistance Plans	(6)	-	-	(117,869)	-	-
Electricity Billing	-	-	-	-	74	-
Related						
DFESA						
Energy Purchase	-	-	-	-	-	(10,836)
Controlled						
Celesc D						
Agreement Collection Fee	-	(1,332)	-	-	-	-
Staff available	(6,624)	-	-	-	-	-
Celesc D Mutual	-	-	158	-	-	-
Balance as at 30.09.2022	**(6,630)**	**(1,332)**	**158**	**(117,869)**	**76,580**	**(10,836)**
Controlling Shareholder						
Government of the State of Santa Catarina:						
Sales Revenue	-	-	-	-	74,758	-
Security Foundation						
CELOS						
Pension and Assistance Plans	(5)	-	-	(119,958)	-	-
Energy billing	-	-	-	-	66	-
Related						
DFESA						
Energy Purchase	-	-	-	-	-	(10,836)
Controlled						
Celesc D						
Agreement Collection Fee	-	(1,386)	-	-	-	-

Staff available	(6,139)	-	-	-	-	-
Balance at 30.09.2023	**(6,144)**	**(1,386)**	**-**	**(119,958)**	**74,824**	**(10,836)**

17.1 Remuneration of Key Management Personnel

The remuneration of directors (Board of Directors, Fiscal Council, Statutory Audit Committee and Executive Board) is shown elow:

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Fees	4,814	5.,987	4,814	5,987
Profit Sharing	1,882	1,752	1,882	1,752
Social charges	1,274	1,717	1,274	1,717
Others	966	1,111	966	1,111
Total	**8,936**	**10,567**	**8,936**	**10,567**

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

18. RESULT WITH CORPORATE INCOME TAX - IRPJ AND WITH SOCIAL CONTRIBUTION ON NET PROFIT - CSLL

18.1 Breakdown of Net Deferred IRPJ and CSLL

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

	Parent company (i)		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Active	-	-	677,111	709,023
Liability	-	-	(96,096)	(89,214)
Net Deferred Tax	**-**	**-**	**581,015**	**619,809**

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

Of the total of R$581.0 million in net deferred taxes, the amount of R$677.1 in deferred assets comes from Celesc D's temporary differences, while the deferred liability of R$96.1 million refers to Celesc G.

						Consolidated
Temporary Differences	**Deferred Assets**		**Deferred Liabilities**		**Net Deferred Charges**	
	30.09.2023	**31.12.2022**	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Provision for Contingencies	116,334	134,256	-	-	116,334	134,256
Provision for Losses on Assets	25,145	18,510	-	-	25,145	18,510
Post-employment benefits	586,050	596,621	-	-	586,050	596,621
Leasing - CPC 06	310	176	-	-	310	176
Allocated Cost	-	-	6,715	6,939	(6,715)	(6,939)
Deferred Income Tax and Social Security on Tax Losses	58,089	72,278	-	-	58,089	72,278
Effects ICPC 01 - Concession Contracts	-	-	46,091	47,681	(46,091)	(47,681)
Effects of CPC 39 - Financial Instruments	-	-	56,791	58,749	(56,791)	(58,749)
Grant bonus	-	-	59,048	54,139	(59,048)	(54,139)
Financial Assets Usina Pery	-	-	21,515	19,123	(21,515)	(19,123)
Renegotiation of Hydrological Risk GSF	-	-	14,542	14,938	(14,542)	(14,938)
Other provisions	-	-	211	463	(211)	(463)
Total	**785,928**	**821,841**	**204,913**	**202,032**	**581,015**	**619,809**

18.2 Realization of Deferred Assets

The IRPJ and CSLL tax base derives not only from the profit generated, but also from the existence of non-taxable income, non-deductible expenses, tax incentives and other variables, with no immediate correlation between the Company's net profit and the income tax and social contribution result. In this way, the expected use of tax credits should not be taken as the only indication of the company's future results.

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

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

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

The amounts arising from the process of initial recognition of the 2014 contractual exposure, by the regulatory body, is in court with the federal courts and had their IRPJ and CSLL amounts deferred until a final judgment is handed down on the ongoing process.

In August 2019, ANEEL, through Homologatory Resolution No. 2,593, approved the deferral of the financial effect of the 2014 contractual exposure, reflected in five subsequent annual tariff processes, with the last installment being returned to the consumer through the RTA of August 22, 2023. As a result, the 2019, 2020, 2021, 2022 and 2023 tariff adjustments had a financial realization of R$65.8 million, R$68.5 million, R$70.2 million, R$76.8 million and R$87.2 million, respectively, and the consequent realization of deferred IRPJ and CSLL on this base.

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

		Consolidated
Year	**30.09.2023**	**31.12.2022**
2023	76,491	117,194
2024	128,535	115,770
2025	34,689	34,687
2026	25,607	25,606
Above 2027	520,606	528,584
Total	**785,928**	**821,841**

18.3 Reconciliation of IRPJ and CSLL Recognized in Equity

The movement in attributed cost and the amounts of IRPJ and CSLL, recognized directly in equity, is shown below:

	Consolidated
Description	**Total**
Balance at 31.12.2022	**24,547**
(-) Write-off of Assigned Cost	(659)
(+) Taxes (IRPJ/CSLL)	224
Balance at 30.09.2023	**24,112**

18.4 Reconciliation of IRPJ and CSLL recognized in other comprehensive income

The movement of CASAN's actuarial liability and fair value with the amounts of IRPJ and CSLL, recognized directly in other comprehensive income, is shown below:

	Consolidated
Description	**Total**
Balance at 31.12.2021	**1,064,375**
(+) Addition of Actuarial Liabilities	(44,435)
(+) Casan's fair value	137,261
(-) Taxes (IRPJ/CSLL)	15,108
Balance at 31.12.2022	**1,172,309**
(+) Addition of Actuarial Liabilities	-
(+) Casan's fair value	-
(-) Taxes (IRPJ/CSLL)	-
Balance as at 30.09.2023	**1,172,309**

The non-recording and disclosure of deferred IRPJ and CSLL related to the fair value of Casan in the Parent Company is due to the lack of expectation of future taxable profits against which the tax credits can be used in future years, in accordance with the criteria set out in CPC 32 - Income Taxes. However, the company will continue to re-evaluate the expectation of generating future taxable income on an annual basis, so that it can record the deferred IRPJ and CSLL amounts when the time comes.

18.5 Reconciliation of Current and Deferred IRPJ and CSLL

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

	Controller		Consolidated	
Description	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**
Profit/(Loss) before IRPJ and CSLL	**468,595**	**437,277**	**618,.290**	**592,144**
Combined Nominal Rate of IRPJ and CSLL	34%	34%	34%	34%
IRPJ and CSLL	**(159,322)**	**(148,674)**	**(210,219)**	**(201,329)**
Permanent Additions and Exclusions				
Equity equivalence	166,910	154,681	14,174	23,218
Tax Benefit	-	-	(678)	(676)
Tax Incentives	-	-	3,600	2,189
Interest on Equity	(6,583)	(5,481)	46,387	39,665
Deductible Provisions	(3,538)	(1,455)	(3,538)	(1,455)
Indeductible fines	-	-	(3,330)	(4,783)
IRPJ/CSLL on unrecognized tax losses	232	45	232	45
Directors' participation	(343)	(298)	(392)	(338)
Good Law	-	-	1,602	-
Other Additions (Exclusions)	2,120	1,096	1,944	(11,490)
Total IRPJ and CSLL Current and Deferred	**(524)**	**(86)**	**(150,218)**	**(154,954)**
Current	(524)	**(86)**	(111,423)	(162,901)
Deferred	-	-	(38,795)	7,947
Effective Rate	**0,11%**	**0,02%**	**24,30%**	**26,17%**

18.6 Uncertainty over the treatment of IRPJ and CSLL

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

On September 24, 2018, the Special Secretariat of the Federal Revenue Service of Brazil (SERFB) initiated tax action procedure No. 0900100-2018-00117-1. This procedure resulted, on January 8, 2019, in the issuance of notice of infraction No. 10980.727742/2018-81 in the amount of R$306.8 million. This infraction notice is related to the calculation of taxable income and the CSLL calculation base, thus charging the concessionaire:

a) Undue adjustments attributed to the Compensation Account for Variations in the Values of Items in Parcel A - CVA;

b) Non-compliance with the remaining term of the concession contract for the purposes of the determinations set out in article 69 of Federal Law No. 12,973/2014.

After analysis by Management, it was found that the amounts calculated by the tax authority are dissociated from tax rules, doctrine and court decisions in similar cases. Management, supported by the position of its legal advisors, believes that the procedures adopted will probably be accepted in decisions by higher courts of last instance (probability of acceptance >50%), for their total value and, for this reason, has not recorded any IRPJ/CSLL liability in relation to these lawsuits.

In 2020, the Administrative Council for Tax Appeals (CARF), in judgment of the Voluntary Appeal filed by the Company, partially granted the request, in order to cancel the requirements regarding the adjustments (additions) referred to in art. 69 of Law No. 12,973/2014, and the application of isolated fines for failure to pay estimates, maintaining the requirement to tax the positive adjustments related to CVA on an accrual basis.

Once the administrative tax process was finalized, the amount consolidated by the Brazilian Federal Revenue Service was R$196.8 million. The Company, notified of the administrative decision on August 10, 2023, is taking the necessary legal measures to resolve the dispute.

19. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**

Controlled	**2,755,297**	**2,468,490**	**-**	**-**
Celesc D	1,965,225	1,716,726	-	-
Celesc G	790,072	751,764	-	-
Jointly Controlled Companies	**148,263**	**135,965**	**148,263**	**135,965**
SCGÁS	148,263	135,965	148,263	135,965
Affiliates	**128,290**	**116,358**	**240,669**	**227,314**
ECTE	96,514	88,313	96,514	88,313
DFESA	31,776	28,045	31,776	28,045
SPEs	-	-	112,379	110,956
Total	**3,031,850**	**2,720,813**	**388,932**	**363,279**

19.1 Information on Investments

Controller

Description	Shares Company	Participation of Company		Active Current	Active No Current	Liabilities Current	Liabilities Not Current	Assets Liquid	Recipes	Profit
	Ordinary	Capital Social	Capital Voting							
Balance at 31.12.2022										
Celesc D	630,000	100,00%	100,00%	3,432,655	6,881,685	3,765,969	4,831,645	1,716,726	9,908,754	403,099
Celesc G	43,209	100,00%	100,00%	140,062	815,408	73,332	130,374	751,764	183,022	113,774
ECTE	13,001	30,88%	30,88%	114,041	584,334	60,762	351,671	285,942	72,276	106,921
SCGÁS	1,827	17,00%	51,00%	422,334	618,331	290,833	133,562	616,270	2,579,155	169,638
DFESA	153,381	23,03%	23,03%	10,149	165,266	22,374	31,266	121,776	66,786	24,522
Balance as at 30.09.2023										
Celesc D	630,000	100,00%	100,00%	3,283,539	6,959,301	4,247,862	4,029,753	1,965,225	7,685,918	404,292
Celesc G	43,209	100,00%	100,00%	110,856	874,942	60,767	134,959	790,072	133,883	53,627
ECTE	13,001	30,88%	30,88%	120,829	563,278	87,096	284,515	312,496	24,535	26,554
SCGÁS	1,827	17,00%	51,00%	651,173	430,771	246,822	140,033	695,089	1,637,757	121,188
DFESA	153,381	23,03%	23,03%	20,715	157,840	19,883	20,699	137,974	51,845	18,198

Consolidated

Description	Shares Company	Participation of Company		Active Current	Active No Current	Liabilities Current	Liabilities Not Current	Assets Liquid	Recipes	Profit or Losses
	Ordinary	Capital Social	Capital Voting							
Balance at 31.12.2022										
ECTE	13,001	30,88%	30,88%	114,041	584,334	60,762	351,671	285,942	72,276	106,921
SCGÁS	1,827	17,00%	51,00%	422,334	618,331	290,833	133,562	616,270	2,579,155	169,638
DFESA	153,381	23,03%	23,03%	10,149	165,266	22,374	31,266	121,776	66,786	24,522
Rondinha Energética S.A.	13,332	32,50%	32,50%	2,598	43,138	2,651	650	42,435	8,289	1,270
Cia Energética Rio das Flores S.A.	8,035	26,07%	26,07%	18,548	52,927	27,120	4,141	40,214	17,772	12,739
Xavantina Energética S.A.	271	40,00%	40,00%	3,301	31,703	3,406	4,058	27,540	11,984	1,767
Garça Branca Energética S.A.	24,669	49,00%	49,00%	1,289	57,276	4,008	15,164	39,393	5,149	(353)
EDP Transmissão Aliança SC	16,450	10,00%	10,00%	313,215	2,209,251	124,123	1,806,912	591,431	319,381	72,259
Balance as at 30.09.2023										
ECTE	13,001	30,88%	30,88%	120,829	563,278	87,096	284,515	312,496	24,535	26,554
SCGÁS	1.827	17,00%	51,00%	651,173	430,771	246,822	140,033	695,089	1,637,757	121,188
DFESA	153,381	23,03%	23,03%	20,715	157,840	19,883	20,699	137,974	51,845	18,198
Rondinha Energética S.A.	13,332	32,50%	32,50%	2,621	42,125	1,120	-	43,626	6,148	2,424
Cia Energética Rio das Flores S.A.	8,035	26,07%	26,07%	25,765	51,597	25,109	1,769	50,484	13,683	13,517
Xavantina Energética S.A.	271	40,00%	40,00%	2,570	30,471	3,615	2,138	27,288	9,191	1,866
Garça Branca Energética S.A.	24,669	49,00%	49,00%	1,433	55,149	2,770	14,206	39,606	3,864	(315)
EDP Transmissão Aliança SC	16,450	10,00%	10,00%	315,240	2,250,709	159,634	1,859,950	546,365	252,967	37,881

19.2 Summary Financial Information of Subsidiaries

19.2.1 Celesc D

19.2.1.1 Balance sheet - Assets

Active	30.09.2023	31.12.2022 (Reclassified)
Current	**3,283,539**	**3,432,655**
Cash and Cash Equivalents	602,529	835,653
Trade Accounts Receivable	1,680,073	1,743,436

Stock	27,173	19,946
IRPJ and CSLL to be recovered	25,240	18,749
Other Recoverable Taxes	745,377	633,858
CDE - Subsidy Decree nº 7.891/2013	51,093	47,086
Water Scarcity Bonus	1,138	1,138
Others	150,916	132,789
Non-current	**6,959,301**	**6,881,685**
Long-term assets	**2,383,890**	**2,615,588**
Trade Accounts Receivable	14,489	16,775
Deferred Taxes	677,111	709,023
Recoverable taxes	29,116	524,012
Court deposits	301,927	281,256
Indemnifiable Financial Assets - Concession	723,428	596,648
Contract Assets	436,396	408,969
Financial Assets - CVA	199,093	76,448
Others	2,330	2,457
Fixed assets	**18,334**	**7,633**
Intangible	**4,557,077**	**4,258,464**
Total Assets	**10,242,840**	**10,314,340**

19.2.1.2 Balance Sheet - Liabilities

Liability	**30.09.2023**	**31.12.2022**
Current	**4,247,862**	**3,765,969**
Suppliers	970,865	1,008,600
National Currency Loans	147,697	262,833
Foreign Currency Loans	112,225	34,396
Debentures	155,108	207,621
Labor and social security obligations	234,988	226,132
IRPJ and CSLL Payable	1,647	15,366
Other taxes payable	211,089	218,393
Dividends and Interest on Equity - JCP Declared	209,827	154,806
Regulatory Fees	72,923	55,568
Mutuals - Affiliates, Subsidiaries or Controlling Companies (i)	91,212	81,701
Lease liabilities	10,125	1,438
Actuarial Liabilities (CPC 33)	248,862	242,238
Financial Liabilities - CVA	1,313,463	753,564
Water Scarcity Bonus	1,133	1,144
PIS/COFINS to be Refunded to Consumers	332,561	366,981
Others	134,137	135,188
Non-current	**4,029,753**	**4,831,645**
National Currency Loans	506,137	414,003
Foreign Currency Loans	1,237,394	1,131,923
Debentures	241,606	356,032
Labor and social security obligations	27,474	50,410
Regulatory Fees	96,958	105,094
Lease liabilities	9,120	6,716
Actuarial Liabilities (CPC 33)	1,580,697	1,659,937
Provision for Contingencies	330,367	373,567
PIS/COFINS to be Refunded to Consumers	-	733,963
Equity	**1,965,225**	**1,716,726**
Share Capital	1,580,000	1,580,000
Profit reserves	1,171,774	1,171,774
Asset Valuation Adjustment	(1,035,048)	(1,035,048)
Retained earnings	248,499	-
Total Liabilities	**10,242,840**	**10,314,340**

(i) Loan between Celesc D and Celesc G

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

The purpose of the funds transferred was to mitigate cash outflows, especially given the challenges of complying with the concession contract and all the regulatory requirements for achieving quality indicators.

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

By September 30, 2023, R$21.2 million (R$1.2 million for 2021, R$10.5 million for 2022 and R$9.5 million for 2023) in interest had already been recognized. On November 1, 2023, the loan was fully settled in the amount of R$92.3 million.

19.2.1.3 Profit and Loss Account

Description	30.09.2023	30.09.2022
Net Operating Revenue - NOR	**7,685,918**	**7,370,474**
Net Electricity Sales and Service Revenue	6,368,872	6,292,914
Revenue from Financial Assets (Liabilities) - CVA	470,084	162,047
Construction Revenue - CPC 47	831,356	904,287
Updating of Indemnifiable Financial Assets - Concession	15,606	11,226
Cost of Sales/Services Rendered	**(6,521,950)**	**(6,379,126)**
Cost of Goods Sold	(5,041,801)	(4,862,218)
Cost of Services Rendered	(648,793)	(612,621)
Construction Cost - CPC 47	(831,356)	(904,287)
Gross Operating Profit	**1,163,968**	**991,348**
Operating Expenses	**(459,508)**	**(491,830)**
Selling expenses	(171,092)	(170,926)
General and Administrative Expenses	(426,953)	(352,363)
Other Operating Expenses and Income	138,537	31,459
Operating Result before Financial Result	**704,460**	**499,518**
Financial Results	**(173,498)**	**(58,125)**
Financial Income	525,462	361,188
Financial Expenses	(698,960)	(419,313)
Profit Before IRPJ and CSLL	**530,962**	**441,393**
IRPJ and CSLL	**(126,670)**	**(120,571)**
Current	(94,758)	(132,409)
Deferred	(31,912)	11,838
Net Profit for the Year	**404,292**	**320,822**

19.2.1.4 Operating revenue

Description	30.09.2023	30.09.2022
Gross Operating Revenue - ROB	**11,668,134**	**11,947,776**
Electricity Supply (a)	4,378,824	5,847,532
Unbilled Supply (a)	(32,873)	(68,493)
Electricity Supply (a)	252,042	315,028
Financial Assets and (Liabilities) - CVA	470,084	162,047
Availability of the electricity grid	5,055,351	3,996,083
Short-Term Energy	197,621	287,126
Income from services rendered	741	1,862
Donations and grants	489,836	483,068
Construction Revenue	831,356	904,287
Updating of Indemnifiable Financial Assets - Concession	15,606	11,226
Other Operating Income	9,546	8,010
Deductions from Gross Operating Revenue	**(3,982,216)**	**(4,577,302)**
ICMS	(1,504,673)	(2,003,511)
PIS	(150,136)	(148,614)
COFINS	(691,538)	(684,526)
Energy Development Account - CDE	(1,560,419)	(1,598,875)
Research and Development - R&D	(45,571)	(32,345)
Energy Efficiency Program - PEE	(22,915)	(32,345)
Inspection Fee - ANEEL	(6,958)	(6,168)
Other Charges	(6)	(70,918)
Net Operating Revenue - NOR	**7,685,918**	**7,370,474**

Supply: the decrease is mainly due to the reduction in the ICMS rate imposed by Complementary Law No. 194/2022, as well as the reduction in Tariff Flag billing, due to the revocation of Resolution No. 03, issued by the MME on August 31, 2021, which established the creation of the Water Scarcity Tariff Flag, in the amount of R$142,00/MWh, due to the extreme situation that was signaling the precariousness of the SIN reservoirs in 2021. It was originally in force from September 2021 to April 2022, and did not apply to consumers enrolled in the Social Electricity Tariff - TSEE (low income), who followed the current triggering methodology.

Availability of use of the network: the increase is justified by the application of the average tariff adjustment of 2.3%, as of August 22, 2023 (2023/2024 cycle) and by the increase in average consumption of 5.0% in MWh (free consumers). There is also the segregation of TUSD revenue for Captive Consumers from Electricity Supply to Electricity Network Availability.

Revenue from regulatory financial assets (liabilities): This had a positive impact due to the amortization of financial liabilities from the tariff adjustment applied in 2022 and the last RTA of August 22, 2023.

Other charges: These are amounts passed on to the Centralizing Account for Tariff Flag Resources - CCRB, when the Tariff Flags are triggered, for the purposes of settling short-term market operations with the Electricity Trading Chamber - CCEE.

a) Electricity Supply and Sourcing

The breakdown of Gross Revenue from the supply of electricity by consumer class is as follows:

Description		Number of Consumers (i)		MWh (i)		Gross Revenue
	30.09.2023	**30.09.2022**	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**
Residential	2,665,983	2,598,383	5,360,096	5,108,254	2,057,616	2,573,649
Industrial	137,148	132,075	8,290,037	8,274,893	649,513	931,256
Commercial	315,915	307,047	3,651,677	3,520,570	1,034,036	1,427,305
Rural	224,116	228,201	772,572	820,911	281,583	379,862
Public authorities	26,821	24,712	352,569	326,280	132,654	167,700
Public lighting	1,187	1,048	443,356	438,937	99,871	156,888
Public Service	4,276	4,106	324,110	299,793	90,678	142,379
Total Supply	**3,375,446**	**3,295,572**	**19,194,417**	**18,789,638**	**4,345,951**	**5,779,039**
Energy Supply	54	54	1,746,495	1,756,489	252,042	315,028
Total	**3,375,500**	**3,295,626**	**20,940,912**	**20,546,127**	**4,597,993**	**6,094,067**

(i) Unrevised information

The reduction in ROB in the period from January to September 2023 was determined, among other factors, by the revocation of Resolution No. 03, issued by the MME on August 31, 2021, which established the creation of the Water Scarcity Tariff Flag, in the amount of R$142,00/Mwh. This resolution was in force from September 2021 to April 2022 and had an impact on ROB in the first four months of 2022. Another relevant factor for the reduction in ROB was the enactment of Complementary Law - LC No. 194, of June 23, 2022, with effect from July 1, 2022, which limited the ICMS rates in the states, a tax considered in the billing of electricity at distributors. In Santa Catarina, LC 194/2022 was regulated by Ordinary Law 18,521 of November 3, 2022, which also took effect retroactively to July 1, 2022.

19.2.1.5 Operating costs and expenses

					30.09.2023
Description	**Costs of Goods and/or Services**	**General and Administrative Expenses**	**Selling expenses**	**Other Net Expenses/Revenues**	**Total**
Electricity Purchased for Resale	5,041,801	-	-	-	5,041,801
Staff	265,562	197,731	21,266	989	485,548
Actuarial Expenses	-	107,229	-	-	107,229
Private Pension Entity	12,386	8,783	774	-	21,943
Material	28,363	6,655	-	13,847	48,865
Construction costs	831,356	-	-	-	831,356
Third Party Costs and Services	123,976	85,302	46,367	1,202	256,847
Depreciation and Amortization	202,936	25,526	227	-	228,689
Net Provisions	-	-	80,385	75,050	155,435
Others	15,570	(4,273)	22,073	(229,625)	(196,255)
Total	**6,521,950**	**426,953**	**171,092**	**(138,537)**	**6,981.458**

					30.09.2022
Description	**Costs of Goods and/or Services**	**General and Administrative Expenses**	**Selling expenses**	**Other Net Expenses/Revenues**	**Total**
Electricity Purchased for Resale	4,862,218	-	-	-	4,862,218

Staff (c)	270,225	165,107	40,677	678	476,687
Actuarial Expenses	-	90,494	-	-	90,494
Private Pension Entity (c)	12,460	6,700	1,413	-	20,573
Material	23,580	6,750	-	12,272	42,602
Construction costs	904,287	-	-	-	904,287
Third Party Costs and Services	112,440	70,846	37,434	1,080	221,800
Depreciation and Amortization	181,802	19,396	348	-	201,546
Net Provisions	-	-	64,993	119,980	184,973
Other Income/Expenses	12,114	(6,930)	26,061	(165,469)	(134,224)
Total	**6,379,126**	**352,363**	**170,926**	**(31,459)**	**6,870,956**

19.2.1.6. Financial Results

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

Most of the variation in debt charges refers to the interest charges and interest on the loan agreement with Banco Safra, in the amount of R$550.0 million in February 2022, for working capital. The debt was due to start being paid in August 2023 and, through an amendment, its start date was extended to August 2024 and end in February 2026.

Debt charges: Charges on loans in national currency, from the IDB and debentures, are updated by the CDI. In the period from January to September 2023, the accumulated CDI was 9.9%, while in the same period in 2022 it was 8.9%.

Tax Update Recup. ICMS PIS/COFINS: Refers to the update of the 2nd lawsuit for the Exclusion of ICMS from the PIS/COFINS Calculation Basis, for which Celesc D started the tax compensation processes in February 2023.

Description	30.09.2023	30.09.2022 (Reclassified)
Financial Income	**525,462**	**361,188**
Income from Financial Applications	68,963	90,242
Monetary changes	30,852	41,136
Monetary restatement of regulatory assets	66,580	132,361
Interest and late payments on energy sold	87,310	86,925
Tax Update Recovery Excess ICMS PIS/COFINS	272,158	-
Interest on Linked Deposits	19,132	-
Other Financial Income	5,953	28,093
(-) Taxes on Financial Income	(25,486)	(17,569)
Financial Expenses	**(698,960)**	**(419,313)**
Debt charges	(190,303)	(166,783)
Interest and Monetary Restatement Mathematical Reserve	(17,408)	(31,952)
IOF - Tax on Financial Operations	(2,191)	(3,995)
Loan Charges	(9,511)	(7,704)
R&D and Energy Efficiency Update	(9,726)	(8,745)
Cost of Issuing Debentures	(1,019)	(1,153)
Monetary Variations Debentures	(54,012)	(66,907)
Other Monetary Changes	(49)	(225)
Monetary restatement of regulatory assets	(61,827)	(107,433)
Interest on Rentals Payable (CPC 06)	(1,325)	(701)
Update Amount to be returned Consum. Excess ICMS PIS/COFINS	(278,519)	(18,032)
Monetary restatement Litigation	(70,226)	-
Other Financial Expenses	(2,844)	(5,683)
Financial Results	**(173,498)**	**(58,125)**

19.2.2 Celesc G
19.2.2.1 Balance Sheet - Assets

Active	30.09.2023	31.12.2022
Current	**110,856**	**140,062**

Cash and Cash Equivalents	22,702	56,826
Trade Accounts Receivable	14,698	15,800
Stock	70	73
IRPJ and CSLL to be recovered	10,257	1,054
Other Recoverable Taxes	1,421	1,246
Advances to suppliers	-	1,805
Anticipated Expenses	-	1,043
Dividends and interest on capital receivable	2,326	4,656
Financial Assets - Grant Bonus	41,288	40,019
Financial Assets - Indemnification Basic Project Pery Power Plant	18,092	17,536
Others	2	4
Non-current	**874,942**	**815,408**
Long-term assets	**553,004**	**532,197**
Loans (Note 34.2)	91,212	81,701
Court deposits	407	1,212
Other Recoverable Taxes	587	768
Indemnifiable Financial Assets - Concession	2,421	2,421
Financial Assets - Grant Bonus	315,204	306,791
Financial Assets - Indemnification Basic Project Pery Power Plant	143,173	139,304
Investments	**112,379**	**110,956**
Fixed assets	**164,682**	**126,094**
Intangible	**44,877**	**46,161**
Total Assets	**985,798**	**955,470**

9.2.2.2 Balance Sheet - Liabilities

Liability	30.09.2023	31.12.2022
Current	**60,767**	**73,332**
Suppliers	5,033	7,316
Debentures	6,458	2,849
IRPJ and CSLL Payable	17,020	12,767
Other taxes payable	1,518	8,472
Regulatory Fees	1,895	498
Dividends and Interest on Equity	27,021	38,724
Others	1,822	2,706
Non-current	**134,959**	**130,374**
Debentures	38,274	39,611
Deferred Taxes	96,096	89,214
Regulatory Fees	563	1,549
Provisions for contingencies	26	-
Equity	**790,072**	**751,764**
Share Capital	450,000	450,000
Profit reserves	272,975	272,975
Dividends available for the AGM	-	15,319
Asset Valuation Adjustment	13,035	13,470
Retained earnings	54,062	-
Total Liabilities	**985,798**	**955,470**

19.2.2.3 Profit and Loss Account

Description	30.09.2023	30.09.2022
Net Operating Revenue - NOR	**133,883**	**137,908**
Net Electricity Sales Revenue	133,883	137,908
Cost of sales	**(60,307)**	**(27.919)**
Operating costs	(60,307)	(27,919)
Gross Profit	**73,576**	**109.989**
Operating Expenses	**(7,006)**	**(7.381)**
With Sales	(190)	(180)
General and Administrative	(13,584)	(15,253)
Other Operating Expenses and Income	(1,925)	4
Equity income	8,693	8,048
Operating Result before Financial Result	**66,570**	**102,608**
Financial Results	**10,082**	**5,569**
Financial Income	13,576	13,743
Financial Expenses	(3,494)	(8,174)
Profit Before IRPJ and CSLL	**76,652**	**108,177**
IRPJ and CSLL	**(23,025)**	**(34,296)**
Current	(16,142)	(30,405)
Deferred	(6,883)	(3,891)
Net Profit for the Year	**53,627**	**73,881**

19.2.2.4 Operating revenue

Description	30.09.2023	30.09.2022
Gross Operating Revenue - ROB (a)		
Electricity Supply - Industrial	17,244	21,294
Electricity Supply - Industrial - Unbilled	(424)	856
Electricity Supply - Commercial	3,330	3,718
Electricity Supply	62,782	67,054
Electricity Supply - Unbilled	603	(3,620)
Short-Term Electricity	5,394	3,735
Financial Revenue Grant bonus (i)	41,894	42,678
Financial Revenue Pery Plant (i)	18,508	19,453
UFV Leases and Rentals	1	-
Deductions from Operating Revenue	**(15,449)**	**(17,260)**
PIS	(2,207)	(2,516)
COFINS	(10,166)	(11,588)
Inspection fee	(504)	(634)
Research and development - R&D	(1,657)	(1,476)
Financial Compensation for the Use of Water Resources	(915)	(1,046)
Net Operating Revenue - NOR	**133,883**	**137,908**

(i) Financial Revenue - The reduction in financial revenue, when comparing the period from January to September 2022 and 2023, is justified by the reduction in the IPCA. In the first nine months of 2022, the accumulated IPCA was 4.09%, while in the same period of 2023, the IPCA was 3.50%.

a) Electricity Supply and Sourcing

Description		Number of Consumers (i)		MWh (i)		Gross Revenue
	30.09.2023	30.09.2022	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Industrial	15	11	72,278	90,557	16,820	22,150
Commercial, Services and Other	1	1	15,726	17,424	3,330	3,718
Energy Supply	89	84	459,418	405,101	63,385	63,434
Short-Term Electricity (CCEE)	-	-	4,060	6,410	5,394	3,735
Total	**105**	**96**	**551,482**	**519,492**	**88,929**	**93,037**

(i) Unrevised information

19.2.2.5 Operating costs and expenses

30.09.2023

Description	Costs of Goods and/or Services	General and Administrative Expenses	Selling expenses	Other Net Expenses/Revenues	Total
Electricity Purchased for Resale	15,461	-	-		15,461
Electricity Purchased for Resale CP	2,883	-	-		2,883
Renegotiation of Hydrological Risk - GSF	28,135	-	-		28,135
Electricity Grid Usage Charges	2,619	-	-		2,619
Staff	2,244	10,869	8		13,121
Material	248	80	-	463	791
Third Party Costs and Services	5,420	2,102	296		7,818
Depreciation and Amortization	2,210	323	-		2,533
Insurance	1,043	-	-		1,043
Net Provisions	-	-	(172)	26	(146)
Taxes	73	93	58		224
Rentals	-	93	-		93
Others	(29)	24	-	1.436	1,431
Total	**60,307**	**13,584**	**190**	**1.925**	**76,006**

30.09.2022

Description	Costs of Goods and/or Services	General and Administrative Expenses	Selling expenses	Other Expenses/Net Income	Total
Electricity Purchased for Resale	13,223	-	-	-	13,223
Electricity Purchased for Resale CP	2,318	-	-	-	2,318
Electricity Grid Usage Charges	2,332	-	-	-	2,332
Staff	2,082	11,224	451	-	13,757

Material	733	108	-	-	841
Third Party Costs and Services	4,861	2,827	246	-	7,934
Depreciation and Amortization	2,257	254	-	-	2,511
Insurance	125	220	-	-	345
Net Provisions	-	-	(563)	-	(563)
Taxes	(7)	102	46	-	141
Rentals	-	90	-	(5)	85
Others	(5)	428	-	1	424
Total	**27,919**	**15,253**	**180**	**(4)**	**43,348**

Amortization: With the renegotiation of the hydrological risk in September 2021, the Intangible Asset relating to the new concession term of the HPPs that were renegotiated was recognized. This Intangible Asset is amortized on a straight-line basis until the end of the new concession term.

19.2.2.6 Financial result

The financial income of R$9.5 million is due to the recognition of interest on the loan agreement with Celesc D. The reduction in debenture interest is justified by the repayment of the 2018 debentures in November 2022.

Description	**30.09.2023**	**30.09.2022**
Financial Income	**13,576**	**13,743**
Income from financial investments	4,578	6,751
Late Payments on Energy Bills	1	2
Interest on Loan Contracts	9,511	7,545
Contractual fine	28	-
Interest on Linked Deposits	70	-
Other Financial Income	41	(555)
(-) PIS/COFINS on Financial Revenue	(653)	-
Financial Expenses	**(3,494)**	**(8,174)**
Interest on Debentures	(3,111)	(7.578)
Costs of Issuing Debentures	(100)	(468)
Updating R&D	(162)	(102)
Other Financial Expenses	(121)	(26)
Financial Results	**10,082**	**5,569**

19.3 Movement in Investments

						Controller
Description	**Celesc D**	**Celesc G**	**ECTE**	**SCGÁS (i)**	**DFESA**	**Total**
Investments	**1,716,726**	**751,764**	**88,313**	**104,766**	**28,045**	**2,689,614**
Added value	**-**	**-**	**-**	**31,199**	**-**	**31,199**
Balance at 31.12.2022	**1,716,726**	**751,764**	**88,313**	**135,965**	**28,045**	**2,720,813**
Dividends and Interest Credited	(155,793)	(15,319)	-	(7,203)	(460)	(178,775)
Amortization of Concession Right of Use				(1,101)		(1,101)
Equity income	404,292	53,627	8,201	20,602	4,191	490,913
Balance at 30.09.2023	**1,965,225**	**790,072**	**96,514**	**148,263**	**31,776**	**3,031,850**
Investments	**1,965,225**	**790,072**	**96,514**	**118,165**	**31,776**	**3,001,752**
Added value	**-**	**-**	**-**	**30,098**	**-**	**30,098**

					Consolidated
Description	**ECTE**	**SCGÁS (i)**	**DFESA**	**SPEs (ii)**	**Total**
Investments	**88,313**	**104,766**	**28,045**	**110,674**	**331,798**
Added value	**-**	**31,199**	**-**	**282**	**31,481**
Balance at 31.12.2022	**88,313**	**135,965**	**28,045**	**110,956**	**363,279**
Integralizations	-	-	-	152	152
Dividends and Interest on Equity - JCP Credited	-	(7,203)	(460)	(7,422)	(15,085)
Amortization of Concession Right of Use	-	(1,101)	-	-	(1,101)
Equity income	8,201	20,602	4,191	8,693	41,687
Balance at 30.09.2023	**96,514**	**148,263**	**31,776**	**112,379**	**388,932**
Investments	**96,514**	**118,165**	**31,776**	**112,097**	**358,552**
Added value	**-**	**30,098**	**-**	**282**	**30,380**

19.4 Acquisition of the Right of Use Concession

The balance of the right to use the concession generated by the acquisition of SCGÁS, on September 30, 2023, is R$30.1 million and, on December 31, 2022, it was R$31.2 million. The right to use the concession is amortized over the term of the company's public service concession, i.e. until 2044.

19.5 *Impairment Test of* Paid Goodwill

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

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

20. FIXED ASSETS

20.1 Composition of the Balance

Description	Machinery and equipment	Others	Right of Use Assets	Total
				Controller
Balance at 31.12.2022	**6**	**-**	**132**	**138**
Cost of fixed assets	50	1	596	647
Accumulated depreciation	(44)	(1)	(464)	(509)
Balance at 31.12.2022	**6**	**-**	**132**	**138**
Additions	-	-	550	550
Depreciation	(2)	-	(191)	(193)
Cost of fixed assets	50	1	1,146	1,197
Accumulated depreciation	(46)	(1)	(655)	(702)
Balance as at 30.09.2023	**4**	**-**	**491**	**495**
Average Depreciation Rate	**5,33%**	**-**	**50%**	

Description	Land	Reservoirs Dams and Pipelines	Buildings and constructions	Machinery and equipment	Others	Works in progress	Right of Use Assets	Total
								Consolidated
Balance at 31.12.2022	**7,441**	**8,813**	**77**	**18,918**	**696**	**90,155**	**7,765**	**133,865**
Cost of fixed assets	19,209	155,381	13,024	85,183	2,394	90,155	22,260	387,606
Provision for Losses	(4,440)	(23,231)	(553)	(3,042)	7	-	-	(31,259)
Accumulated depreciation	(7,328)	(123,337)	(12,394)	(63,223)	(1,705)	-	(13,737)	(221,724)
(-) PIS/Cofins credit Depreciation Right to Use Assets	-	-	-	-	-	-	(758)	(758)
Balance at 31.12.2022	**7,441**	**8,813**	**77**	**18,918**	**696**	**90,155**	**7,765**	**133,865**
Additions	-	-	-	-	-	39,893	19,508	59,401
Disposals Gross balance	-	-	-	-	(35)	-	(147)	(182)
Write-offs Depreciation	-	-	-	-	35	-	-	35
Depreciation	-	(258)	(26)	(857)	(166)	-	(7,559)	(8,866)
(+/-) Transfers	-	-	-	-	513	(513)	-	-
(-) PIS/Cofins Credit Depreciation Right to Use Assets	-	-	-	-	-	-	(742)	(742)
Cost of fixed assets	19,209	155,381	13,024	85,183	2,872	129,535	41,621	446,825
Provision for Losses	(4,440)	(23,231)	(553)	(3,042)	7	-	-	(31,259)
Accumulated depreciation	(7,328)	(123,595)	(12,420)	(64,080)	(1,836)	-	(21,296)	(230,555)
(-) PIS/Cofins Credit Depreciation Right to Use Assets	-	-	-	-	-	-	(1,500)	(1,500)
Balance at 30.09.2023	**7,441**	**8,555**	**51**	**18,061**	**1,043**	**129,535**	**18,825**	**183,511**
Average Depreciation Rate	**-**	**3.39%**	**3.14%**	**3.14%**	**11.71%**	**-**	**8.33%**	

20.2 Depreciation

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

Administration	Percentages (%)
	Consolidated
Buildings and constructions	6.3
Machinery and equipment	8.9
Vehicles	13.9

Furniture and Utensils	6.6

Operation	**Percentages (%)**
Buildings and constructions	3.0
Machinery and equipment	3.1
Reservoirs, Dams and Pipelines	3.4
Vehicles	12.5
Furniture and Utensils	4.8

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

The assets of the Pery, Celso Ramos, Garcia, Palmeiras, Salto Weissbach, Cedros and Bracinho plants are depreciated at the rates established in ANEEL Resolution 674 of August 11, 2015. The Caveiras, Ivo Silveira, Piraí, São Lourenço and Rio do Peixe CGHs are also depreciated under the same Resolution, as they have a registration contract.

The Central Administration's assets (buildings and constructions, machinery and equipment, vehicles and furniture and fixtures) are also depreciated at the rates established in Resolution No. 674/2015.

20.3 Right-of-use assets - CPC 06 / IFRS 16 - Leases

In compliance with CPC 06 (R2), the Company records the amounts payable under lease and rental agreements against the item Property, plant and equipment as Right-of-use assets.

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

ACTIVE	**Controller**	**Consolidated**
Balance at 31.12.2022	**132**	**7,765**
Current	**-**	**-**
Non-current	**132**	**7,765**
(+) Additions	550	19,508
(-) Depreciation	(191)	(7,559)
(-) PIS/COFINS Credit Depreciation Right to Use Assets	-	(742)
(-) Low	-	(147)
Balance as at 30.09.2023	**491**	**18,825**
Current	**-**	**-**
Non-current	**491**	**18,825**

LIABILITIES	**Controller**	**Consolidated**
Balance at 31.12.2022	**141**	**8,295**
Current	**141**	**1,579**
Non-current	**-**	**6,716**
(+) Additions	550	**19,508**
(-) Write-offs	-	(161)
(+) Interest incurred	14	1,339
(-) Principal payment	(195)	(7,901)
(-) Interest paid	(14)	(1,339)
Balance at 30.09.2023	**496**	**19,741**
Current	**228**	**10,353**
Non-current	**268**	**9,388**

20.3.1 Long-term installment maturities

	Consolidated	
Years	**30.09.2023**	**31.12.2022**
2024	4,466	1,194
2025	756	1,135
2026	808	1,112

2027	874	1,112
2027+	2,484	2,163
Total	**9,388**	**6,716**

The assets recognized have the following specialties:

a) Buildings: refer to the rental contracts for the face-to-face stores located in the distribution company's concession area;
b) Land: refers to the land on which telecommunication towers, substations and warehouses are installed;
c) Vehicles: refers to the rental contract for fleet vehicles used in the provision of services and vehicles used by the Executive Board.

21. INTANGIBLE

	Controller
Description	**Goodwill**
Balance at 31.12.2022	**3,938**
Depreciation	(377)
Balance as at 30.09.2023	**3,561**
Total Cost	14,248
Accumulated amortization	(10,687)
Balance at 30.09.2023	**3,561**
Average amortization rate	**1.3%**

						Consolidated
Description	**Concession Assets Celesc D (i)**	**Acquired *software***	**Renegotiation of Hydrological Risk *GSF* (ii)**	**Goodwill (iii)**	**Items in Progress**	**Total**
Balance at 31.12.2022	**4,258,464**	**506**	**43,937**	**3,938**	**1,718**	**4,308,563**
Total Cost	6,916,773	7,445	45,879	14,248	1,718	6,986,063
Accumulated amortization	(2,658,309)	(6,939)	(1,942)	(10,310)	-	(2,677,500)
Balance at 31.12.2022	**4,258,464**	**506**	**43,937**	**3,938**	**1,718**	**4,308,563**
Additions **(iv)**	-	-	-	-	24	24
Low	(41,789)	-	-	-	-	(41,789)
Depreciation	(221,321)	(143)	(1,165)	(377)	-	(223,006)
Transfers	561,723	-	-	-	-	561,723
Balance as at 30.09.2023	**4,557,077**	**363**	**42,772**	**3,561**	**1,742**	**4,605,515**
Total Cost	7,436,707	7,445	45,879	14,248	1,742	7,506,021
Accumulated amortization	(2,879,630)	(7,082)	(3,107)	(10,687)		(2,900,506)
Balance as at 30.09.2023	**4,557,077**	**363**	**42,772**	**3,561**	**1,742**	**4,605,515**
Average amortization rate	**4.5%**	**2.6%**	**3.4%**	**1.3%**		

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

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

Aneel, by means of Homologatory Resolution No. 3,242, of August 15, 2023, changed the term of the extension of the grant of hydroelectric plants participating in the Energy Reallocation Mechanism (MRE). According to Article 19 of Law No. 13.360/2016, in the event of a delay in the start of commercial operation due to situations characterized by ANEEL as excluding liability, the term of the electricity generation grant is recomposed by extending the grant for the same period as the excluding liability. The extension period for Celesc G's plants, which were renegotiated for hydrological risk in 2021, has not changed.

(iii) The goodwill generated on the acquisition of ECTE is amortized over the term of the concession to provide public services to that company, i.e. until 2042.

(iv) These refer to investments made by Celesc D in the period from January to September 2023, bifurcated between intangible and financial assets.

22. SUPPLIERS

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Electricity	-	-	613,294	594,114
Electricity Grid Usage Charges	-	-	218,386	195,642
Materials and Services	569	900	100,336	174,135
Electric Energy Trading Chamber - CCEE (i)	-	-	43,928	52,622
Total	**569**	**900**	**975,944**	**1,016,513**

(i) One of the CCEE's duties is to determine the value of the agents' accounts. In the case of distributors, this figure includes, in addition to sales and purchases in the short term, charges, the effect of dispatching thermal power plants and also the various impacts of hydrological risk. Hydrological risk is associated with energy contracts (CCEAR-QT) that have been renegotiated, physical guarantee quota contracts and the contract with Itaipu, in which the buyer assumes this condition.

23. LOANS AND FINANCING

Loans and Financing have four distinct classifications: (i) Bank Loans, (ii) Eletrobras Loans, (iii) Finame Loans and (iv) IDB Loans, some of which are guaranteed by receivables and the Company's guarantee, in accordance with contractual provisions.

The company believes that the loans are already at fair value and indexed to market indices.

		Consolidated	
Description		**30.09.2023**	**31.12.2022**
Total National Currency		**653,834**	**676,836**
Bank loans (i)	CDI+1.65% p.a.	558,523	578,809
Bank loans (i)	CDI + 0.8% p.a.	93,239	93,253
Eletrobras loans (ii)	5% p.a.	1,455	2,110
Finame loans (iii)	6% to 9.5% p.a.	617	2,664
Total Foreign Currency		**1,349,619**	**1,166,319**
Loans - IDB (iv)	CDI + 0.76% to 1.93% p.a.	1,349,619	1,166,319
Total		**2,003,453**	**1,843,155**
Current		**259,922**	**297,229**
Non-current		**1,743,531**	**1,545,926**

i) Bank loans

The balances of Bank Loans refer to contracts whose funds were used exclusively to reinforce the Company's cash position.

In April 2019, R$335.0 million was contracted from Banco Safra through a Bank Credit Note (CCB), with remuneration at a rate equivalent to CDI + 0.80% p.a. and monthly callability. The term was 36 months, with an 18-month grace period for the principal to be repaid. Amortization began in November 2020 and was due to end in April 2022, but on December 2, 2021, the contract was amended and the deadline for paying off the principal was May 2023. In May 2023, the contract was renegotiated and the payment period was extended by 18 months, while the settlement was maintained in a single installment at the end of the contract (*bullet*), which became November 2024. The interest rate was kept at the same percentage as the original contract, with monthly payment due.

In February 2022, also through a Bank Credit Note (CCB), a further R$550.0 million was contracted from Banco Safra, with remuneration at a rate equivalent to the CDI + 1.65% p.a. and payable every six months. The term was 36 months, with an 18-month grace period for the principal repayment to begin, which will be settled in 4 half-yearly installments, starting in August 2023 and ending in February 2025. In August 2023, the contract was amended to extend the start of repayment to August 2024 and the end to February 2026. The interest rate was maintained at CDI + 1.65% p.a., payable every six months. There are no covenants related to these loans.

ii) Eletrobras

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

iii) Finame

The funds from these contracts were used to cover part of Celesc D's funding shortfall and were used to buy machinery and equipment. Each purchase constitutes a contract, which was negotiated at interest rates ranging from 6% to 9.5% p.a. There are 96 monthly repayments for Finame from Banco do Brasil and 72 monthly repayments for Finame from Caixa Econômica Federal. All contracts have ANEEL's approval. There are no covenants related to these loans.

iv) Inter-American Development Bank - IDB

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

The total value of the operation is US$276.1 million and the repayment period is 234 (two hundred and thirty-four) months, with a grace period of up to 66 (sixty-six) months, giving a total period of 300 (three hundred) months.

Amortization is every six months using the constant system, plus a spread, with monetary restatement calculated by the exchange rate variation. In addition, there is a requirement for a commitment fee of up to 0.5% per year on the undisbursed US dollar balance and a supervision fee of up to 1% of the loan amount, divided by the number of semesters included in the original disbursement period of 5 (five) years.

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

The first releases took place on December 10, 2018 and January 28, 2019, for an amount of US$80.1 million. After that, on May 2, 2019, it was decided to convert the amounts released into national currency and to change the interest rate applied to the contract, already taking into account the IDB's costs, so there was no longer any incidence of exchange rate variation.

Releases continued to take place and both the option to convert into national currency and the change in the contract's interest rate mentioned above were maintained.

All releases up to September 30, 2023 are shown below, with dates, amounts and interest rates currently applied:

Dates	Values in US$	Interest Rate
10.12.2018	70,374,302.95	CDI + 0.94 p.a.
28.01.2018	9,704,328.10	CDI + 0.94 p.a.
07.10.2019	26,210,755.00	CDI + 0.99 p.a.
10.12.2019	9,767,891.73	CDI + 0.82 p.a.
09.06.2020	7,273,169.76	CDI + 1.19 p.a.
13.10.2020	35,000,000.00	CDI + 1.85 p.a.
19.03.2021	25,000,000.00	CDI + 1.93 p.a.
14.12.2021	50,000,000.00	CDI + 1.25 p.a.
28.06.2023	28,500,000.00	CDI + 0.76 p.a.

All interest rates already take into account the IDB's costs and may vary somewhat because one of the components of the *spread* is variable and defined by the IDB itself on a quarterly basis.

It should be noted that the disbursements of the contracted financing are processed in accordance with the provisions of Loan Agreement No. 4404/OC-BR (BR-L1491), under the terms of Chapter IV of the General Rules.

The Program's financial statements are subject to an independent audit by the Santa Catarina State Court of Auditors (TCE/SC), under the terms of Clause 5.02 of the Special Provisions of the aforementioned Contract.

23.1 Composition of salaries

The amounts classified as non-current liabilities are broken down by year of maturity as follows:

Description	National		Foreign		Consolidated Total	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Year 2024	93,274	276,139	31,728	56,596	125,002	332,735
Year 2025	275,363	137,864	63,456	56,596	338,819	194,460
Year 2026	137,500	-	63,456	56,596	200,956	56,596
Year 2027	-	-	63,456	56,596	63,456	56,596
Year 2028 +	-	-	1,015,298	905,539	1,015,298	905,539
Total	**506,137**	**414,003**	**1,237,394**	**1,.131,923**	**1,743,531**	**1,545,926**

23.2 Movements in Loans and Financing - National

Description	Current	No Current	Consolidated Total
Balances as of December 31, 2022	**262,833**	**414,003**	**676,836**
Provisioned Charges	72,666	-	72,666
Transfers	(92,134)	92,134	-
Principal repayments	(2,694)	-	(2,694)
Payment of charges	(92,974)		(92,974)
Balances as of September 30, 2023	**147,697**	**506,137**	**653,834**

23.3 Movement in Loans and Financing - Foreign - IDB

Description	Current	No Current	Consolidated Total
Balances as of December 31, 2022	**34,396**	**1,131,923**	**1,166,319**
Tickets	-	137,655	137,655
Monetary Update	(2,038)	(456)	(2,494)
Provisioned Charges	128,700	-	128,700
Transfers	31,728	(31,728)	-
Payment of Charges	(80,561)	-	(80,561)
Balances as of September 30, 2023	**112,225**	**1,237,394**	**1,349,619**

24. DEBENTURES

24.1 Debentures 2018 - Celesc D

On July 13, 2018, Celesc D issued 250,000 (two hundred and fifty thousand) debentures with a nominal unit value of R$1.0 thousand, totaling R$250.0 million, maturing on July 13, 2023, non-convertible into shares. The funds from this issue were used to reinforce the issuer's cash flow for the ordinary management of its business.

The real guarantee is the fiduciary assignment of credit rights, present and/or future, arising from the gross supply of electricity to Celesc D's clients and the Company (Celesc Holding) will provide a guarantee in favor of the holders of the debentures, obliging itself as guarantor and principal responsible for the payment of all amounts due under the terms of the Deed of Issue.

The debentures will have a term of 5 years from the date of issue, so that they will mature on July 13, 2023, with remunerative interest corresponding to 100% of the accumulated variation of the average daily rates of the one-day Interbank Deposits (DI), plus a surcharge or spread of 1.9% per year.

Repayment was scheduled in 15 consecutive quarterly installments, always on the 13th of January, April, July and October, starting on January 13, 2020, and the last on the maturity date. Remuneration will take place in consecutive quarterly installments, with no grace period, starting on October 13, 2018. As of September 30, 2023, R$58.3 million had been paid in remuneration and R$250 million in principal.
Each year, the company, as guarantor, has a contractual commitment (*covenants*) linked to the issue of debentures not to have a Net Debt/EBITDA ratio of more than 2.5. Failure to comply with this financial indicator may result in the early maturity of the total debt. In the year ended December 31, 2022, the result of calculating this ratio was 1.51, thus fulfilling this obligation.

24.2 Debentures 2021 - Celesc D

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

The debentures are unsecured, without preference, and therefore do not confer any special or general privileges on their holders. They also have a fiduciary guarantee. The Company will provide a guarantee in favor of the holders of the debentures, binding itself as guarantor and principal responsible for the payment of all amounts due under the terms of the Deed of Issue.

The remunerative interest corresponds to 100% of the accumulated variation of the average daily rates of Interbank Deposits - DI Over (Extra-Group), expressed as a percentage per year, based on 252 working days, calculated and published daily by B3, plus a surcharge or spread of 2.6% per year.

Remuneration is scheduled to be paid in two ways: firstly, quarterly from the date of issue, with payment due on the 15th of January, April, July and October, starting on July 15, 2021 and ending on October 15, 2022, and secondly, monthly from November 15, 2022, with the remaining payments always due on the 15th of the following months until the end of the term. By September 30, 2023, R$157.5 million had been paid in remuneration and R$153.5 million in principal.

Repayment is scheduled in 43 (forty-three) consecutive monthly installments, always due on the 15th of each month, with the first due on October 15, 2022.

Annually, from the fiscal year to be ended on December 31, 2021 until the maturity date, the Company, as guarantor, has a contractual commitment (*Covenants*) linked to the issuance of the debentures not to have a Net Debt/EBITDA ratio of more than 3. Failure to comply with this financial indicator may result in the early maturity of the total debt. In the year ended December 31, 2022, the result of calculating this ratio was 1.51, thus fulfilling this obligation.

24.3 Debentures 2020 - Celesc G

On December 10, 2020, Celesc G issued 37,000 debentures with a nominal unit value of R$1,000, totaling R$37.0 million. Monetary restatement was established by the accumulated variation of the IPCA, published monthly by the Brazilian Institute of Geography and Statistics - IBGE. The issue was made in a single series, of the simple type and not convertible into shares. The fiduciary guarantee was established by the guarantee of the debentures in favor of the holders, in which it assumes the role of guarantor and principal responsible for the payment of all amounts due under the terms of the Deed of Issue. The debentures have a term of ten years from the date of issue and bear interest of 4.30% p.a. until the date of actual payment.

Interest payments began in June 2021 and amortization will begin in December 2023, both on a six-monthly and consecutive basis. As of September 30, 2023, R$4.4 million had been paid in remuneration.

Annually, Celesc G, as the issuer, has a contractual commitment (*covenant*) linked to the issue of debentures not to have a Net Debt/EBITDA ratio of more than 3.50. Failure to comply with this financial indicator could result in the early maturity of the total debt. In the year ended December 31, 2022, cash and cash equivalents were higher than loan and financing debts by R$14.4 million, making the Net Debt result null for the ratio. Celesc G continuously monitors the indexes related to the annual *covenants of* the contract.

24.4 Movement of Debentures

	Consolidated
Description	**Total**
Balance at 31.12.2022	**606,113**
Provisioned Charges	57,123
Payments Charges	(57,793)
Principal payments	(165,116)
Costs of Issuing Debentures Celesc D	1,019
Costs of Issuing Debentures Celesc G	100
Balance at 30.09.2023	**441,446**
Current	**161,566**
Non-current	**279,880**

24.5 Debenture Borrowing Costs to be Appropriated

		Consolidated
Description	**30.09.2023**	**31.12.2022**
Year 2023	266	1,384

Year 2024	1,056	1,056
Year 2025	1,054	1,054
Year 2026+	927	927
Total	**3,303**	**4,421**

24.6 Reconciliation of Liabilities Resulting from Financing Activities

Controller

Description	**31.12.2022**	**Payments**	**Total changes in financing flows**	**Interest payments (i)**	**Variations that do not affect o Cash (ii)**	**30.09.2023**
Dividends and interest on capital payable	157,602	(88,926)	(88,926)	-	151,204	219,880
Lease Liabilities - CPC 06 (Note 20.3)	141	(195)	(195)	(14)	564	496
Total	**157,743**	**(89,121)**	**(89,121)**	**(14)**	**151,768**	**220,376**

Consolidated

Description	**31.12.2022**	**Income**	**Principal payments**	**Total changes in financing flows**	**Interest payments (i)**	**Variations that do not affect o Cash(ii)**	**30.09.2023**
Loans and Financing	1,843,155	137,655	(2,694)	134,961	(173,535)	198,872	2,003,453
Debentures	606,113	-	(165,116)	(165,116)	(57,793)	58,242	441,446
Dividends and interest on capital	157,602	-	(88,926)	(88,926)	-	151,204	219,880
Lease Liabilities - CPC 06 (Note 20.3)	8,295	-	(7,901)	(7,901)	(1,339)	20,686	19,741
Total	**2,615,165**	**137,655**	**(264,637)**	**(126,982)**	**(232,667)**	**429,004**	**2,684,520**

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

(ii) Accrued interest and monetary variations on Loans and Financing totaled R$201.4 million. Debentures totaled R$57.1 million.

25. LABOR AND SOCIAL SECURITY OBLIGATIONS

	Controller		**Consolidated**	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Payroll Social Provisions and Charges	1,662	1,241	144,799	115,144
Incentive Severance Plan - PDI	-	-	66,903	108,854
Consignment in Favor of Third Parties	-	-	4,750	10,197
Provision for Profit Sharing - PLR	-	-	33,148	27,070
Net Payroll	298	297	14,822	16,815
Total	**1,960**	**1,538**	**264,422**	**278,080**
Current	**1,960**	**1,538**	236,948	**227,670**
Non-current	**-**	**-**	27,474	**50,410**

25.1 Incentive Severance Plan - PDI

The program is part of the company's strategy to adjust its operating costs, optimize processes and improve indicators, with a view to adding value to shareholders.

On February 22, 2016, Celesc D approved the regulations for the Incentive Severance Plan - PDI. This program was implemented for the first time in December 2016. In the following years, new editions were carried out with the same criteria and regulations, with only a change in the minimum length of time with the company as the eligibility rule.

On April 23, 2020, Celesc D obtained approval for an Emergency Incentive Dismissal Plan, called PDI-E, for employees with more than 33 years of service. 86 employees left Celesc D.

The last IDP (IDP 2021) was extended until May 2023 and had a total of 197 departures. The current edition (PDI 2023) was approved in September 2023 and departures are scheduled to begin in November 2023.
Since the implementation of the program until September 30, 2023, there have been 1,225 layoffs, totaling expenses of R$488.5 million.

The table below shows the number of employees terminated and the amount spent on the program per year.

Years	Number of Employees Dismissed	IDP expenditure (R$/Mil)
2016	61	16,183
2017	125	79,531
2018	181	68,737
2019	273	87,250
2020	303	112,847
2021	93	63,896
2022	141	60,084
2023	48	-
Total	**1,225**	**488,528**

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

26. TAXES

26.1 Federal taxes

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
IRRF S/ JCP	4,095	4,305	12,102	17,173
PIS and COFINS	5,286	9,659	36,599	49,419
Others	39	17,865	3,051	21,290
Total payable	**9,420**	**31,829**	**51,752**	**87,882**
(-) Taxes to be offset	-	-	(716,844)	(1,100,950)
Total	**9,420**	**31,829**	**(665.092)**	**(1.013.068)**

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
IRPJ and CSLL	524	2,863	19,191	30,996
(-) IRPJ and CSLL to be offset	(56,052)	(44,331)	(91,549)	(64,134)
Total	**(55,528)**	**(41,468)**	**(72,358)**	**(33,139)**

26.2 State taxes

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
ICMS	-	-	168,354	168,346
Total payable	**-**	**-**	**168,354**	**168,346**
(-) Taxes to be offset	-	-	(58,663)	(57,941)
Total	**-**	**-**	**109,691**	**110,405**

26.3 Municipal taxes

	Controller		Consolidated	
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
ISS	106	107	2,001	2,566
IPTU	-	-	26	7
Total payable	**106**	**107**	**2,027**	**2,573**
(-) Taxes to be offset	-	-	(993)	(992)
Total	**106**	**107**	**1,034**	**1,.581**

27. REGULATORY FEES

		Consolidated
Description	**30.09.2023**	**31.12.2022**

Energy Efficiency Program - PEE (i)	67,155	61,094
Research & Development - R&D (i)	57,721	54,759
Energy Development Account - CDE	32,130	19,472
ECE installment plan (ii)	14,175	26,254
ANEEL Inspection Fee	860	824
Others	298	306
Total	**172,339**	**162,709**
Current	**74,818**	**56,066**
Non-current	**97,521**	**106,643**

i) R&D and PEE - In accordance with Law No. 9.991, of July 24, 2000, public electricity distribution service concessionaires, generation concessionaires and companies authorized to produce independent electricity, with the exception of some modalities, must annually invest a minimum percentage of their net operating revenues (ROL) in Research and Technological Development projects in the Electricity Sector (P&D). Distributors must also invest in Energy Efficiency Programs - PEE, according to regulations established by ANEEL.

On March 30, 2021, ANEEL published Normative Resolution No. 229 and Order No. 904, defining the form and amounts to be transferred to the Energy Development Account - CDE. The payments to the CDE correspond to the balances not committed to the liabilities of the R&D and PEE programs on the base date of August 31, 2020 and 30% of the current amounts for the period from September 1, 2020 to December 31, 2025. Until December 2025, the calculated amounts will be transferred monthly, on the 10th day of the second month following.

ii) Emergency Capacity Charge - ECE, was instituted by Law No. 10.438, of April 26, 2002, with the aim of covering the cost of contracting emergency thermoelectric plants installed in the country, available to generate energy in the event of a risk of shortages. This cost was paid by all consumers in the National Interconnected System, with the exception of those classified as low-income.

28. PROVISION FOR CONTINGENCIES AND JUDICIAL DEPOSITS

As of the third quarter of 2023, the company revised its procedures for estimating losses from contingencies, whether judicial, administrative or of any other nature, from the perspective of CPC 25 - Provisions, Contingent Liabilities and Contingent Assets.

The main aspects in relation to previous practice are the recognition of losses for all probable estimates of disbursement, not limited to lawsuits that have been judged in the first instance, and the updating of litigation by applying the correction index of the process.

On September 30, 2023, the Company had the following liabilities and their corresponding judicial deposits related to contingencies:

28.1 Probable contingencies

							Controller
Description	**31.12.2022**	**New provisions**	**Adjustments to Provisions**	**Payments**	**Reversals**	**Update Financial**	**30.09.2023**
Tax	19,222	7,148	-	(66)	(1,508)	613	25,409
Labor	2,298	-	-	-	(2,298)	-	-
Civil	575	-	-	(11)	(36)	29	557
Regulatory	3,358	-	-	-	-	5,060	8,418
Total	**25,453**	**7,148**	**-**	**(77)**	**(3,842)**	**5,702**	**34,384**

							Consolidated
Description	**31.12.2022**	**New provisions**	**Adjustments to Provisions**	**Payments**	**Reversals**	**Update Financial**	**30.09.2023**
Tax	30,847	7,703	1,472	(290)	(2,220)	6,650	44,162
Labor	45,704	1,983	29,363	(10,335)	(9,143)	3,252	60,824
Civil	199,019	25,137	92,354	(100,002)	(55,484)	18,283	179,307
Regulatory	121,027	28,379	6,160	(87,270)	(39,092)	47,612	76,816
Environmental	2,423	-	2,124	(194)	(816)	131	3,668
Total	**399,020**	**63,202**	**131,473**	**(198,091)**	**(106,755)**	**75,928**	**364,777**

28.2 Judicial deposits

		Controller		**Consolidated**
Description	**30.09.2023**	**31.12.2022**	**30.09.2023**	**31.12.2022**
Tax	51,760	47,578	54,897	48,849
Labor	4,816	4,686	17,117	22,757

Civil	6,468	3,027	122,402	108,513
Regulatory	23,727	22,111	193,279	179,751
Environmental	-	-	1,410	-
Balance at 30.09.2023	**86,771**	**77,402**	**389,105**	**359,870**

Movements in judicial deposits are shown below:

	Controller	**Consolidated**
Balance at 31.12.2022	**77,402**	**359,870**
Constitution	6,200	130,456
Financial Update	6,356	25,558
Low	(3,187)	(126,779)
Balance at 30.09.2023	**86,771**	**389,105**

At the Parent Company, the most relevant judicial deposit refers to Tax Enforcement No. 5000685-32.2022.404.7200, to which it is a party, in the amount of R$28.0 million, as a form of guarantee for the tax credit. The company has filed an opposition to the tax execution, arguing that the debt is unenforceable due to the existence of a credit that can be offset. The process is awaiting investigation by a court expert.

Another judicial deposit, also relevant to the Company, refers to the Declaratory Action of Unenforceability of Tax Credit No. 5012891-49.2020.4.04.7200, in the amount of R$15.1 million, filed by Celesc seeking to declare unenforceable CDA's No. 91.2.18.003117-26, 91.2.18.003118-07, 91.6.18. 017006-01, 91.6.18.017009-46 and 91.7.18.002962-43, arising from the remaining balance of the REFIS and PAES programs, which were included in the installment payment under Law 11941/2009. The case was dismissed at first instance and the appeal is awaiting analysis at a higher court.

At Celesc D, the most relevant judicial deposit refers to case no. 1005589- 77.2017.4.01.3400, in the amount of R$119.1 million. The discussion, at the judicial level, is about the 2014 subcontracting process, where there are two impacts: the first on the issue of the tariff not being passed on as determined by ANEEL and the second on the penalty determined by the CCEE. It should be noted that the subcontracting penalty has a specific and multilateral rite, which should also include *ex-post* discussions.

In 2020, the 6th Federal Civil Court of the Federal District dismissed the case at first level. In the lawsuit, Celesc D sought to annul the penalty imposed by the CCEE due to the lack of contractual ballast in 2014. Celesc D filed a civil appeal and maintains the dispute, considering that the decision did not take into account various aspects of the penalty calculation. In order to obtain a suspensive effect and not be considered in default, the distributor offered a court deposit of the full amount of the penalty. Considering the peculiarity of the case and the assessment of the specific fact, there is a reasonable possibility of overturning the sentence and, therefore, the process was classified with an estimate of possible loss.

At Celesc D, there was also a deposit of R$15.9 million on May 5, 2023 and a deposit of R$1.7 million on June 13, 2023, both in case 5029579-87.2023.8.24.0023 relating to the financial rebalancing of the contract with EMEPLAN. In addition, on June 2, 2023, there was a deposit of R$14.7 million in case 5036528-30.2023.8.24.0023 referring to the FLORINFO fire, which case has been closed since August 31, 2023; however, in another case under No. 5071146-69.2021.8.24.0023 there is a provision of R$6.8 million.

The most significant losses on judicial deposits relate to compensation for tobacco growers in the north of the state, environmental damage caused by the transformer oil spill, insurance reimbursements, severance pay, intra-work and inter-work breaks, exploitation of domain strips, non-existence of debt, damages for late payment, termination of contracts, changes in consumption class and material damage.

The movement in the constitution of judicial deposits in the period is due to payments made for new lawsuits and also for existing lawsuits.

The company is involved in ongoing labor, civil, tax, regulatory and environmental proceedings and is discussing these issues in both the administrative and judicial spheres.

These lawsuits, when applicable, are supported by judicial deposits. Provisions for possible losses arising from these processes are estimated and updated by management, supported by the opinion of its internal and external legal advisors.
The nature of the probable contingencies can be summarized as follows:

i) Tax contingencies

These are related to tax contingencies at the federal level, relating to the payment of COFINS and Social Security Contributions, and at the municipal level, associated with tax notices issued by the Florianópolis City Hall demanding ISS.

The most significant case, at the federal level, has an estimated loss of R$15.1 million and refers to debts registered as active debt and the subject of Tax Enforcement No. 5029049-48.2021.4.04.7200, originating from PIS, IRPJ, IRRF, COFINS and CSLL, which were excluded from an extraordinary installment payment program. Celesc filed a motion to stay the tax execution, arguing that the tax debt was unenforceable. The motions were dismissed and an appeal was lodged. The Court dismissed the company's appeal. The Special Appeal was not heard by the STJ. The case was dropped and is awaiting conversion of the amounts into income in favor of the Federal Government.

ii) Labor contingencies

These relate to claims brought by employees and ex-employees of the Group and its outsourced service providers regarding overtime payments, especially those arising from violations of intra- and inter-workday breaks, as well as review of the basis for calculating salaries, bonuses, severance pay, among other labor rights.

iii) Civil contingencies

These relate to civil lawsuits in general, aimed at compensating damages (material and/or moral) arising from: undue suspension of the electricity supply, registration of consumers' names with credit protection agencies, electrical damage, poultry production, accidents involving third parties.

There are also other types of claims that generate payment of amounts by Celesc D, such as: damages involving loss of production by tobacco growers in the region of R$26.7 million, compensation actions for insurers in the region of R$10.14 million, tariff reclassification of R$3.2 million, revision of bidding contracts (economic-financial rebalancing) in the region of R$11.5 million, fires in the region of R$6.5 million, undue billing in the region of R$3.7 million, DNAEE Ordinances in the region of 10.3 million, CDI-OVER in the region of 11.13 million.

iv) Regulatory Contingencies

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

v) Environmental Contingencies

These are lawsuits relating to the payment of material and moral damages as a result of an environmental accident in Celesc D's concession area.

28.2 Possible contingencies

The Company also has tax, labor, civil, regulatory and environmental lawsuits, involving risks of loss classified by management as possible, based on the assessment of its legal advisors, for which no provision has been recorded, as shown below:

		Consolidated
Description	**30.09.2023**	**31.12.2022**
Taxes (i)	239,111	150,602
Labor (ii)	31,645	20,596
Civil (iii)	465,641	432,505
Regulatory (iv)	175,901	190,529
Environmental (v)	27,895	28,432
Total	**940,193**	**822,664**

The nature of the possible contingencies can be summarized as follows:

i) Tax contingencies

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

Celesc received Tax Enforcement No. 5032049-22.2022.4.04.7200, filed by the Federal Government to collect various taxes in the amount of R$40.7 million. The company opposed the execution by filing a motion to stay the execution with a judicial guarantee and made a partial payment of R$17.9 million.

ii) Labor contingencies

Most of these are related to claims brought by employees and ex-employees of the Group and service providers (outsourced companies) regarding issues of subsidiary/solidary liability, overtime, severance pay, among other labor rights.

iii) Civil contingencies

These are related to various civil lawsuits filed by individuals and companies, concerning issues of compensation for material damage, moral damage and loss of profits, accidents, bidding processes and others.

The most significant amounts include damages involving the loss of tobacco growers' production of around R$100 million, R$9.98 million related to the illegal use of the CDI-Over index as a means of correcting installment payments granted by Celesc D, R$61 million in moral/material damages, R$29.7 million in financial rebalancing of contracts, and actions to reimburse insurers of around R$35.9 million.

iv) Regulatory Contingencies

Regulatory contingencies are associated with notices issued by ANEEL, ARESC or CCEE in punitive administrative proceedings involving fines for breaches of contractual or regulatory provisions in the electricity sector, which the company has appealed against in the administrative and judicial spheres. At the same time, regulatory contingencies include lawsuits in which the company discusses matters relating to the application of electricity sector regulations with sector agents (other electricity generation, trading, transmission or distribution concessionaires, as well as institutional agents such as ANEEL, CCEE, ONS, EPE and MME).

v) Environmental Contingencies

These are related to administrative and judicial environmental contingencies filed by individuals and companies, most of which involve compensation for material damages, moral damages and loss of profits.

29. ACTUARIAL LIABILITIES

		Consolidated
Description	**30.09.2023**	**31.12.2022**
Pension Plans	**666,808**	**740,746**
Mixed Plan and Transitional Plan (a)	666,808	740,746
Assistance Plans	**1,162,751**	**1,161,429**
CELOS Health Plan (b)	1,108,221	1,106,999
Other Benefits (c)	54,530	54,430
Total	**1,829,559**	**1,902,175**
Current	**248,862**	**242,238**
Non-current	**1.580,697**	**1.659,937**

Celesc D is the sponsor of the Celesc Social Security Foundation - CELOS, a non-profit closed supplementary pension fund whose main objective is to administer pension benefit plans for its participants, basically represented by Celesc D employees.

a) Mixed Plan and Transitional Plan

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

Of this total, R$376.8 million refers to the balance of the debt agreed with CELOS on November 30, 2001, for the payment of 277 additional monthly contributions, bearing interest of 6% p.a. and updated by the IPCA, to cover the actuarial liability of the Mixed and Transitional Plan.

Since this debt will have to be paid even if the Foundation has a surplus, Celesc D has recorded the monetary restatement and interest as financial income since 2015, in accordance with CPC 33 (R1) - Employee Benefits.

b) CELOS Health Plan

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

c) Other Benefits

These are amounts relating to disability allowance, funeral allowance, indemnity for natural or accidental death and minimum benefit for pensioners.

29.1 Actuarial Valuation Results

29.1.1 Actuarial Obligations

Consolidated

Description	Plan Mixed	Transitional Plan	Plan CELOS Health	Plan Peculio	Other benefits	Total
Balance at 31.12.2021	**2,509,028**	**682,813**	**1,128,787**	**1,655**	**58,891**	**4,381,174**
Net Current Service Cost	1,503	-	(39,756)	136	-	(38,117)
Participant Contributions Made in the Year	26,.397	17,349	67,372	-	-	111,118
Interest on Actuarial Obligation	259,463	68,033	116,387	160	5,975	450,018
Benefits Paid in the Year	(217,539)	(90,657)	(112,544)	(310)	(5,071)	(426,121)
(Gains) Losses on Actuarial Obligations	(97,178)	(28,790)	(621)	36	(5,365)	(131,918)
Balance at 31.12.2022	**2,481,674**	**648,748**	**1,159.625**	**1,677**	**54,430**	**4,346,154**

29.1.2 Determination of Net Liabilities (Assets)

Consolidated

Description	Plan Mixed	TransitionalPlan	Plan CELOS Health	Plan Peculio	Others Benefits	Total
Liabilities (Assets) at 31.12.2021	**567,108**	**313,574**	**1.078,690**	**-**	**58,891**	**2,018,263**
Fair Value of Assets at the End of the Year	(1,998,714)	(390,962)	(52,626)	(13,529)	-	**(2,455,831)**
Actuarial Obligations at the End of the Year	2,481,674	648,748	1,159,625	1,677	54,430	4,346,154
Effect of the Ceiling on Additional Assets and Liabilities Year-End	-	-	-	11,852	-	11,852
Liabilities (Assets) at 31.12.2022	**482,960**	**257,786**	**1,106,999**	**-**	**54,430**	**1,902,175**

29.1.3 Reconciliation of the Fair Value of Assets

Consolidated

Description	Plan Mixed	Plan Transitional	Plan CELOS Health	Plan Peculio	Total
Balance at 31.12.2021	**1,941,920**	**369,239**	**50,097**	**12,800**	**2,374,056**
Benefits Paid in the Year Using Plan Assets	(217,539)	(90,657)	(112,544)	(310)	(421,050)
Participants' contributions made during the year	26,397	17,349	67,372	-	111,118
Employer contributions made during the year	87,566	78,562	65,669	-	231,797
Expected Returns on Assets	203,257	38,936	6,287	1,352	249,832
Gain (Loss) on Fair Value of Plan Assets	(42,887)	(22,467)	(24,255)	(313)	(89,922)
Balance at 31.12.2022	**1,998,714**	**390,962**	**52,626**	**13,529**	**2,455,831**

29.1.4 Costs Recognized in the Quarterly Income Statement

Consolidated

Description	30.09.2023	30.09..2022

Transitional Plan	19,297	21,823
Mixed Plan	39,977	43,282
Medical Plan	60,679	52,758
Other benefits	4,684	4,583
Total	**124,637**	**122,446**
Personal expenses	107,229	90,494
Financial Expenditure	17,408	31,952
Total	**124,637**	**122,446**

29.1.5 Estimated Expenditure for the Financial Year 2023

The estimated expenditure for 2023 is shown below:

	Consolidated
Plans	**Expenses to be Recognized in 2023**
Transitional Plan	25,730
Mixed Plan	53,303
Peculio Plan	153
Medical Plan	80,905
Others	6,093
Total	**166,184**

29.1.6. Changes in Actuarial Liabilities

Description	**Plan Mixed/Transitory**	**Plan CELOS Health**	**Others Benefits**	**Total**
Balance at 31.12.2022	**740,746**	**1,106,999**	**54,430**	**1,902,175**
Payment	(133,212)	(59,457)	(4,584)	(197,253)
Provision	59,274	60,679	4,684	124,637
Balance at 30.09.2023	**666,808**	**1,108,221**	**54,530**	**1,829,559**

30. PIS/COFINS TO BE REFUNDED TO CONSUMERS

30.1. Case 5006834-93.2012.4.04.7200 - 1st lawsuit to exclude ICMS from the PIS/COFINS calculation base

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

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

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

Celesc D highlighted its prerogative to claim future adjustments to equalize any financial differences between the amount mentioned above and the regulation issued by ANEEL, as well as financial adjustments in subsequent tariff processes, in the case of lawsuits filed by individual consumers who may not have benefited from the PIS/COFINS refund.

On June 28, 2022, Law No. 14.385/2022 was published in the Federal Official Gazette, referring to the return of credits due to the reduction of ICMS from the PIS/Cofins base to Distributors' customers.

This enactment amended Law No. 9.427, of December 26, 1996, which was then in force with item II, of article 3B, in which it was defined that the full amount of credits requested from the Special Secretariat of the Federal Revenue of Brazil to be offset until the subsequent tariff process should be considered in the tariff processes. In addition, paragraph 8 of article 3 also states that ANEEL will formulate fair criteria, taking into account the tariff procedures and the applicable contractual provisions.

Included in the 2022 Annual Tariff Adjustment (RTA) process was the return of the full amount of credits already offset by Celesc D, amounting to R$806.3 million, generating a negative effect of 8.32% for consumers.

In this way, the amounts to be refunded to consumers were updated under the terms of Law No. 14,385/2022, which equated the updates of the amounts to be refunded to consumers to the same rule applicable under tax legislation, linked to the Selic benchmark rate for federal bonds, accumulated monthly, calculated from the date of undue payment or overpayment until the month prior to the compensation or refund, and 1% for the month in which it is being made.

In line with the accounting policy adopted, Celesc D, in the same way that it updated tax credits until their effective use through PERDCOMP, also updated the credits to be returned to its consumers.

However, the amount included in the 2022 RTA was higher than the amount updated by Celesc D and, in this sense, the balance updated in August 2022, in the amount of R$778.4 million, was transferred from the Other Liabilities - PIS/Cofins to be Refunded to Consumers account under Non-Current Liabilities to the Financial Liabilities - CVA account under Current Liabilities.

Regarding the difference of R$27.9 million, Celesc D does not consider the risk of losing the case over the update to be probable, but possible, thus constituting a debit in the Other Liabilities - PIS/Cofins to be Refunded to Consumers account as a counterpart to the Financial Liability - CVA, both in Current Liabilities, since Celesc D understands that the amounts were unduly discounted in the last tariff process in a precarious manner, due to the fact that the update made by ANEEL was not in line with current tax legislation, as recommended by Law 14.385/2022.

Management sent a letter to ANEEL as part of the RTA process and also CP05/2021 expressing its disagreement with the provisional methodology adopted by the Agency to update the values, so that it is awaiting the establishment of equitable criteria that are under discussion in processes No. 48500.001747/2020-22 and No. 8500.004897/2021-79 and, additionally, expressed in Technical Note No. 161/2022-SGT/ANEEL, dated 12/8/2022:

> *56. By means of Letter CELESC S/N of August 11, 2022, the concessionaire commented on differences in the way PIS/COFINS credits are updated and accounted for. We emphasize that the issue is still under discussion within the scope of CP No. 05/2021 and CELESC's comments will be taken into account when the regulations are finalized. Once the regulatory methodology for handling the amounts has been defined and approved, any future adjustments to the amounts can be made.*

30.2 Proceeding 5006834-93.2012.4.04.7200 - 2nd lawsuit to exclude ICMS from the PIS/COFINS calculation base

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

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

In line with Law 14.385/2022, the amounts to be returned to consumers in the next RTA, which took place in August 2023, were taken into account. The transfer from the 2023 RTA amounted to R$807.6 million, with a reduction effect on consumers of -7.02%.

However, the amount included in the 2023 RTA was higher than the amount updated by Celesc D as a liability and, in this sense, the balance updated in August 2023, in the amount of R$782.1 million, was transferred from the Other Liabilities - PIS/Cofins to be Refunded to Consumers account under Non-Current Liabilities to the Financial Liabilities - CVA account under Current Liabilities. The same accounting practice was adopted for the difference, amounting to R$25.5 million, as for the first action.

Since the methodological discussion regarding the operationalization of the pass-through is still being discussed by ANEEL within the scope of CP05/2021, and given Celesc D's disagreement with the provisional methodology adopted by the Agency to update the values, the Agency once again registered the provisional treatment for the tariff pass-through in the 2023 RTA by means of Technical Note No. 7/2023-STR/ANEEL, of 14/08/2023:

> *50. Regarding the transfer of PIS/COFINS amounts, it should be noted that the issue is still under discussion within the scope of CP No. 05/2021, so that any adjustments will be taken into account when the normative act is finalized, so that*

any future adjustments to the amounts can be made.

Celesc D does not consider the risk of losing the case over the update to be probable, but possible, which is why there is a debit of 27 and 25 thousand in the aforementioned accounts, reducing liabilities.

31. NET WORTH

31.1 Share capital

The Company's authorized share capital is R$2.6 billion, represented by registered shares with no par value, divided into common and preferred shares.

Of the Authorized Capital, R$2.48 billion has been subscribed and paid in, represented by 38.571,591 registered shares with no par value, of which 15.527,137 are common shares with voting rights and 23,044,454 are preferred shares with no voting rights.

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

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

31.2 Legal and profit retention reserves

The Legal Reserve is set up annually as an allocation of 5% of the net profit for the year and may not exceed 20% of the share capital. The purpose of the Legal Reserve is to ensure the integrity of the Share Capital and it can only be used to offset losses and increase capital.

The Retained Earnings Reserve refers to the retention of the remaining balance of Retained Earnings, in order to meet the business growth project established in the Company's investment plan, in accordance with the Capital Budget proposed and approved by the directors, as decided at the General Shareholders' Meeting.

31.3 Basic and diluted earnings per share

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

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

As of September 30, 2023 and 2022, the number of the Company's shares remained unchanged. In this year, there were no transactions involving ordinary shares or potential ordinary shares between the balance sheet date and the date of completion of the Annual Financial Statements.

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

31.4 Breakdown of Basic and Diluted Results

Description	30.09.2023	30.09.2022
Weighted Average Number of Shares (thousands)		
Registered Ordinary Shares - ON	15,527	15,527
Registered Preferred Shares - PN	23,044	23,044
Basic and Diluted Earnings per Share Attributable to the Company's Shareholders (R$)		
Registered Ordinary Shares - ON	11,4510	10,6955
Registered Preferred Shares - PN	12,5961	11,7651

Basic and Diluted Earnings Attributed to the Company's Shareholders		
Registered Ordinary Shares - ON	177,801	166,071
Registered Preferred Shares - PN	290,271	271,119
Total Basic and Diluted Profit Attributed to the Company's Shareholders	**468,072**	**437,190**

31.5 Interest on equity

In 2023, the company decided to decide on interim interest on equity on a quarterly basis, the approval of which is shown in the table below:

			Consolidated
Description	**Approval in Council of Administration**	**Gross Value**	**Net Value of Income tax**
1st Quarter	16.03.2023	45,874	41,693
2nd Quarter	22.06.2023	46,270	42,790
3rd Quarter	21.09.2023	48,751	44,655
Total		**140,895**	**86,348**

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

31.6. Asset Valuation Adjustment

The effect of this group on shareholders' equity is R$1.16 billion on September 30, 2023, and R$1.16 billion on December 31, 2022, composed as follows:

		Consolidated
Description	**30.09.2023**	**31.12.2022**
Attributed Cost - Celesc G (a)	13,035	13,470
Actuarial Liability Adjustment - Celesc D (b)	(1,035,048)	(1,035,048)
Fair Value Adjustment Other Comprehensive Income (c)	(137,261)	(137,261)
Total	**(1,159,274)**	**(1,158,839)**

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

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

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

32. INCOME AND EXPENDITURE

32.1 Consolidated Net Operating Revenue

32.1.1 Reconciliation of Net Operating Revenue with Gross Operating Revenue

Description	30.09.2023	30.09.2022
Gross Operating Revenue - ROB	**11,810,977**	**12,096,133**
Electricity Supply (a)	4,399,316	5,872,478
Unbilled supply (a)	(33,297)	(67,637)
Electricity Supply (a)	311,036	377,669
Uninvoiced supply (a)	603	(3.620)
Availability of the electricity grid	5,052,732	3,993,751
Updating of Indemnifiable Financial Assets - Concession	15,606	11,226
Financial Income	60,402	62,131

Income from services rendered	741	1,862
Short-Term Electricity	203,015	290.861
Revenue from Financial Assets/(Liabilities) (Parcel A - CVA)	470,084	162.047
Other Operating Income	9,546	8.010
Donations and Subsidies (i)	489,836	483.068
Construction Revenue	831,356	904.287
UFV Leases and Rentals	1	-
Deductions from Gross Operating Revenue	**(3,997,665)**	**(4,594,562)**
ICMS	(1,504,673)	(2,003,511)
PIS	(152,343)	(151,130)
COFINS	(701,704)	(696,114)
Energy Development Account - CDE	(1,560,419)	(1,598,875)
Research and Development - R&D	(46,486)	(33,391)
Energy Efficiency Program - PEE	(22,915)	(32,345)
Inspection Fee - ANEEL	(7,462)	(6,802)
Financial Compensation for the Use of Water Resources - CFURH	(1,657)	(1,476)
Other Charges	(6)	(70,918)
Net Operating Revenue - NOR	**7,813,312**	**7,501,571**

(i) Amount passed on by Eletrobras, referring to the reimbursement of discounts on tariffs applicable to users of the public electricity distribution service. The amount of revenue recorded as CDE Subsidy (Decree 7.891/2013), in the period from January to September 2023, was R$431.8 million. The other amounts refer to the Low Income Program, in the amount of R$25.1 million, the supply of CCRBT Flags, in the amount of R$35.3 million and the difference owed on the CDE reimbursement, in the amount of R$2.4 million.

a) Electricity Supply and Sourcing

Description		**Number of Consumers (i)**		**MWh (i)**		**Gross Revenue**
	30.09.2023	**30.09.2022**	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**
Residential	2,665,983	2,598,383	5,360,096	5,108,254	2,057,616	3,833,134
Industrial	137,163	132,086	8,362,315	8,365,450	666,251	1,315,649
Commercial	315,916	307,048	3,667,403	3,537,994	1,037,366	2,023,056
Rural	224,116	228,201	772,572	820,911	281,583	553,321
Public authorities	26,821	24,712	352,569	326,280	132,654	249,946
Public lighting	1,187	1,048	443,356	438,937	99,871	217,790
Public Service	4,276	4,106	324,110	299,793	90,678	190,677
Reclassif. Rec. Disp. Mains Cat. Cons.	-	-	-	-	-	(2,578,732)
Total Supply	**3,375,462**	**3,295,584**	**19,282,421**	**18,897,619**	**4,366,019**	**5,804,841**
Energy Supply	143	138	2,205,913	2,161,590	311,639	374,049
Total	**3,375,605**	**3,295,722**	**21,488,334**	**21,059,209**	**4,677,658**	**6,178,890**

(i) Unaudited information

32.2 Consolidated operating costs and expenses

					30.09.2023
Description	**Costs of Goods and/or Services**	**General and Administrative Expenses**	**Selling expenses**	**Other Net Expenses/Revenues**	**Total**
Electricity Purchased for Resale (a)	3,613,802	-	-	-	3,613,802
Renegotiation of Hydrological Risk - GSF (Note 9.2.1)	28,135	-	-	-	28,135
Electricity Grid Usage Charges (b)	1,442,555	-	-	-	1,442,555
Staff (c)	267,806	215,372	21,274	989	505,441
Administrators	-	8,936	-	-	8,936
Actuarial Expenses	-	107,229	-	-	107,229
Private Pension Entity (c)	12,386	8,788	774	-	21,948
Material	28,611	6,735	-	14,310	49,656
Construction costs	831,356			-	831,356
Third Party Costs and Services	129,314	91,841	46,663	1,202	269,020
Depreciation and Amortization	205,146	26,042	227	1,478	232,893
Net Provisions	-	-	80,213	78,305	158,518
Leasing and Rentals	1,075	5,649	333	(345)	6,712
Infrastructure Sharing (d)	-	-	-	(197,335)	(197,335)
Other Income/Expenses	15,582	(8,485)	21,798	(40,236)	(11,341)
Total	**6,575,768**	**462,107**	**171,282**	**(141,632)**	**7,067,525**

					30.09.2022
Description	**Costs of Goods and/or Services**	**General and Administrative**	**Selling expenses**	**Other Net**	**Total**

		Expenses		Expenses/Revenues	
Electricity Purchased for Resale (a)	3,586,678	-	-	-	3,586,678
Electricity Grid Usage Charges (b)	1,286,668	-	-	-	1,286,668
Staff (c)	272,307	183,532	41,128	678	497,645
Administrators	-	8,336	-	-	8,336
Actuarial Expenses	-	90,494	-	-	90,494
Private Pension Entity (c)	12,460	6,706	1,413	-	20,579
Material	24,313	6,858	-	12,272	43,443
Construction costs	904,287	-	-	-	904,287
Third Party Costs and Services	117,235	78,050	37,680	1,080	234,045
Depreciation and Amortization	184,059	19,832	348	1,478	205,717
Net Provisions	-	-	63,870	122,781	186,651
Leasing and Rentals	510	7,499	143	(361)	7,791
Infrastructure Sharing (d)	-	-	-	(164,428)	(164,428)
Other Income/Expenses	11,717	(12,751)	26,524	(13,414)	12,076
Total	**6,400,234**	**388,556**	**171,106**	**(39,914)**	**6,919,982**

a) Electricity Purchased for Resale

		Consolidated
Description	**30.09.2023**	**30.09.2022**
Purchase of Energy in the Regulated Environment - CCEAR	2,575,626	2,262,177
Energy Trading Chamber - CCEE	42,198	8,198
Itaipu Binacional	541,830	787,765
Bilateral Contracts	45.720	60,839
Nuclear Energy Quotas	159,136	168,132
Physical Guarantee Quotas	386,099	402,914
Proinfa	221,208	257,321
PIS/COFINS	(358,015)	(360,68)
Total	**3,613,802**	**3,586,678**

b) Electricity Grid Usage Charges

		Consolidated
Description	**30.09.2023**	**30.09.2022**
System Use Charge	1,168,354	952,164
System Services Charges - ESS (i)	34,989	220,760
Itaipu Transportation Charges	88,929	72,017
Reserve Energy Charge - EER	297,320	172,875
PIS/COFINS	(147,037)	(131,148)
Total	**1,442,555**	**1,286,668**

(i) Until April 2022, there was an increase in these system service charges related to the activation of thermoelectric plants due to the hydrological shortage.

c) Personnel and Private Pension

		Controller		Consolidated
Description	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**
Staff	**6,772**	**7,201**	**505,441**	**497,645**
Remuneration	6,476	6,931	233,070	258,328
Social charges	157	161	104,119	96,502
Profit Sharing	-	-	33,518	36,005
Assistance Benefits	-	-	74,951	73,994
Provisions and indemnities	59	37	59,644	32,686
Others	80	72	139	130
Private Pension - CELOS	**5**	**6**	**21,948**	**20,579**
Total	**6,777**	**7,207**	**527,389**	**518,224**

d) Infrastructure sharing

This refers to the use of fixing points on Celesc D's poles by third parties to provide telecommunications services of collective interest, such as telephony, internet, cable TV and others.

32.3 Financial results

		Controller		Consolidated
Description	**30.09.2023**	**30.09.2022**	**30.09.2023**	**30.09.2022**

				(Reclassified)
Financial Income	**149**	**(4,796)**	**529,676**	**362,432**
Income from Financial Applications	3,424	1,587	76,965	98,580
Late Payments on Electricity Bills	-	-	87,311	86,927
Monetary changes	-	158	30,852	41,136
Monetary restatement of financial assets - CVA	-	-	66,580	132,361
Dividend Income	2,662	4,001	2,662	4,001
Interest on Linked Deposits	6,359	-	25,561	-
Tax Update Recovery Excess ICMS PIS/COFINS	-	-	272,186	-
Other Financial Income	2,927	2,099	8,921	30,307
(-) PIS/COFINS on Financial Revenue	(15,223)	(12,641)	(41,362)	(30,880)
Financial Expenses	**(5,917)**	**(380)**	**(698,860)**	**(420,164)**
Debt charges	-	-	(190,303)	(166,784)
Update Mathematical Reserve to be Amortized	-	-	(17,408)	(31,952)
Tax on Financial Transactions - IOF	-	-	(2,191)	(3,995)
Monetary changes	-	-	(54,061)	(67,132)
Monetary Update for Litigation	(5,702)	-	(75,928)	-
R&D and Energy Efficiency Update	-	-	(9,888)	(8,847)
Monetary restatement of financial liabilities - CVA	-	-	(61,827)	(107,433)
Interest and Debenture Costs	-	-	(4,230)	(9,199)
Interest on Leases Payable (CPC 06)	(14)	(17)	(1,339)	(718)
Update Amount to be returned Consum. Excess ICMS PIS/COFINS	-	-	(278,519)	-
Other Financial Expenses	(201)	(363)	(3,166)	(24,104)
Financial Results	**(5,768)**	**(5,176)**	**(169,184)**	**(57,732)**

33. INFORMATION BY BUSINESS SEGMENT

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

30.09.2023

Description	**Controller**	**Celesc D**	**Celesc G**	**Consolidation Consolidation**		**Total**
Net Operating Revenue - NOR	**-**	**7,685,918**	**133,883**	**(6,489)**		**7,813,312**
Cost of sales	-	(6,319,014)	(58,097)	6,489	(i)	(6,370,622)
Depreciation	-	(202,936)	(2,210)	-		(205,146)
Gross Operating Profit	**-**	**1,163,968**	**73,576**	**-**		**1,237,544**
Selling expenses	-	(171,092)	(190)	-		(171,282)
General and Administrative Expenses	(21,570)	(426,953)	(13,584)	-		(462,107)
Other Net Income/Expenses	5,020	138,537	(1,925)	-		141,632
Equity income	490,913	-	8,693	(457,919)	(ii)	41,687
Results of Activities	**474,363**	**704,460**	**66,570**	**(457,919)**		**787,474**
Financial Income	149	525,462	13,576	(9,511)	(iii)	529,676
Financial Expenses	(5,917)	(698,960)	(3,494)	9,511	(iii)	(698,860)
Financial Result, Net	**(5,768)**	**(173,498)**	**10,082**	**-**		**(169,184)**
Profit Before IRPJ and CSLL	**468,595**	**530,962**	**76,652**	**(457,919)**		**618,290**
IRPJ and CSLL	(523)	(126,670)	(23,025)	-		(150,218)
Net Profit for the Year	**468,072**	**404,292**	**53,627**	**(457,919)**		**468,072**
Total Assets	**3,456,440**	**10,242,840**	**985,798**			
Total Liabilities	**268,960**	**8,277,615**	**195,726**			

30.09.2022

Description	**Controller**	**Celesc D**	**Celesc G**	**Adjustments to Consolidation**		**Total**
Net Operating Revenue - NOR	**-**	**7,370,474**	**137,908**	**(6,811)**		**7,501,571**
Cost of sales	-	(6,197,324)	(25,662)	6,811	(i)	(6,216,175)
Depreciation		(181,802)	(2,257)			(184,059)
Gross Operating Profit	**-**	**991,348**	**109.,989**	**-**		**1,101,337**
Selling expenses	-	(170,926)	(180)	-		(171,106)
General and Administrative Expenses	(20,940)	(352,363)	(15,253)	-		(388,556)
Other Net Income/Expenses	8,451	31,459	4	-		39,914
Equity income	454,942	-	8,048	(394,703)	(ii)	68,287
Results of Activities	**442,453**	**499,518**	**102,608**	**(394,703)**		**649,876**
Financial Income	(4,796)	361,188	13,743	(7,703)	(iii)	362,432
Financial Expenses	(380)	(419,313)	(8,174)	7,703	(iii)	(420,164)
Financial Result, Net	**(5,176)**	**(58,125)**	**5,569**	**-**		**(57,732)**

Profit Before IRPJ and CSLL	**437,277**	**441,393**	**108,177**	**(394,703)**	**592,144**
IRPJ and CSLL	(87)	(120,571)	(34,296)	-	(154,954)
Net Profit for the Period	**437,190**	**320,822**	**73,881**	**(394,703)**	**437,190**
Total Assets	**3,146,392**	**10,576,508**	**980,261**		
Total Liabilities	**213,051**	**8,922,045**	**222,833**		

(i) Energy purchase and sale transactions between Celesc D and Celesc G
(ii) Equity in earnings of wholly-owned subsidiaries Celesc D and Celesc G
(iii) the loan agreement between Celesc D and Celesc G

34. SUBSEQUENT EVENTS

34.1 Sixth Issue of Simple Debentures by Celesc D

On October 19, 2023, the Board of Directors approved the 6th (sixth) issue of simple debentures not convertible into shares, of the unsecured type, with additional fiduciary guarantee, in two series, for public distribution, registered under the automatic rite, aimed at professional investors, of the wholly-owned subsidiary Celesc D.

The total value of the Issue will be R$800,000,000.00 (eight hundred million reais), of which (i) the value of the Debentures of the First Series (as defined below) will correspond to R$400,000,000.00 (four hundred million reais); and (ii) the value of the Debentures of the Second Series (as defined below) will correspond to R$400,000,000.00 (four hundred million reais) ("Total Value of the Issue").

The debentures are unsecured, simple and not convertible into shares. They also have an additional fiduciary guarantee. The Company will provide a guarantee in favor of the holders of the debentures, binding itself as guarantor and principal responsible for the payment of all amounts due under the terms of the deed of issue.

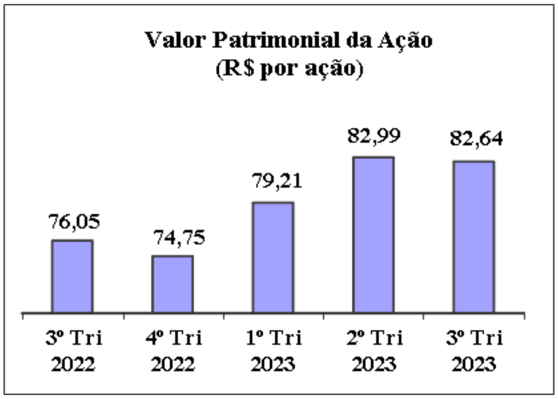
The First Series Debentures will have a maturity of 5 (five) years from the date of issue; and (ii) the Second Series Debentures will have a maturity of 7 (seven) years from the Date of Issue.

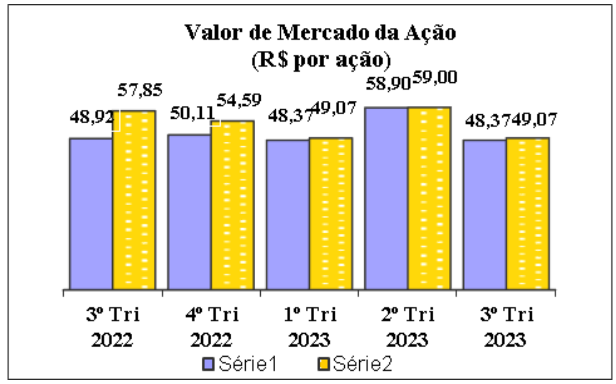
The net proceeds obtained by Celesc D from the First Series Debentures will be used for investments and cash reinforcement. The proceeds of the Second Series Debentures will be used exclusively and entirely to reimburse costs or expenses incurred in making future investments.

1. QUARTERLY FINANCIAL INDICATORS

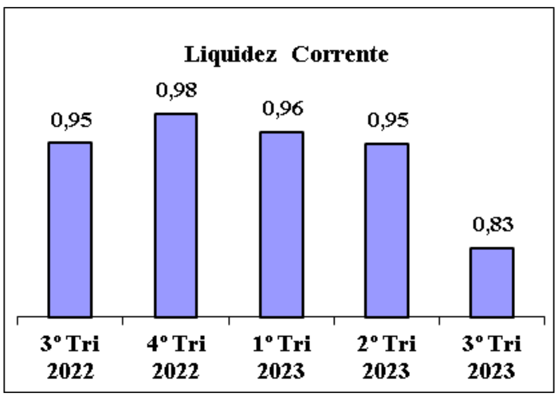
(Unrevised information)

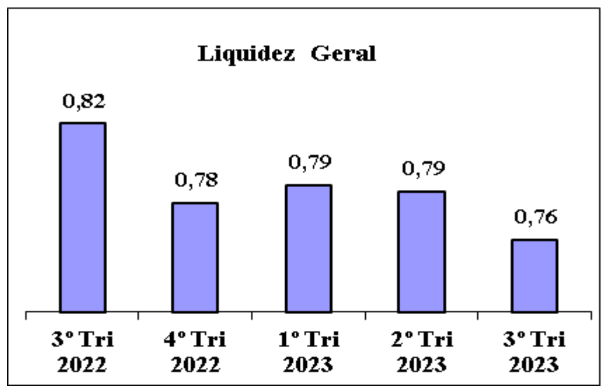
1.1 Assets



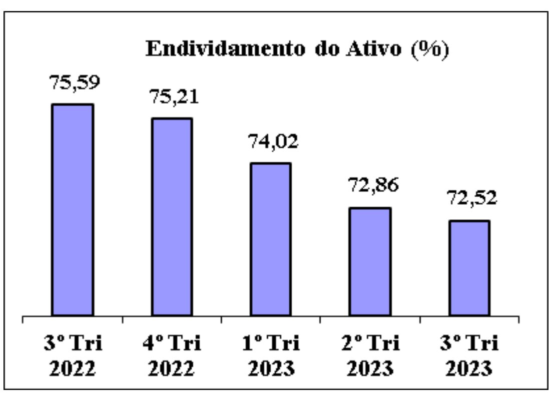


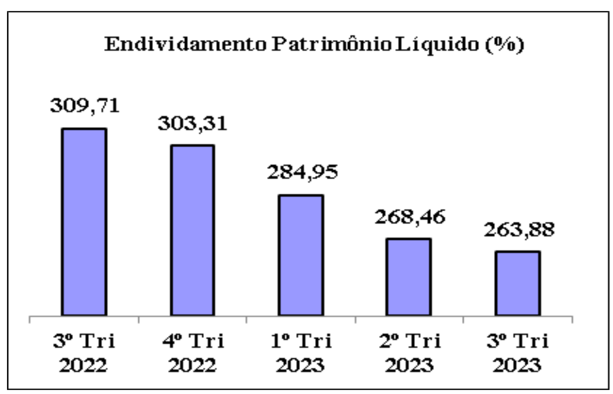
1.2 Liquidity



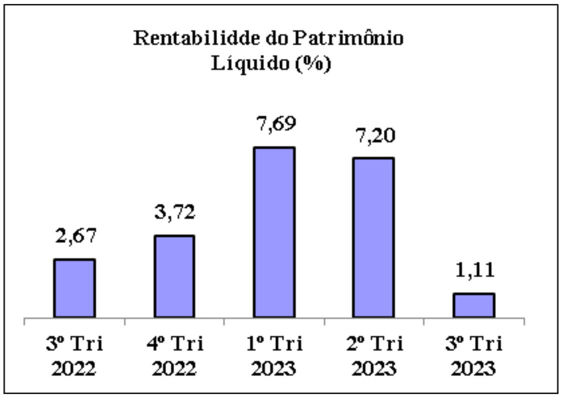


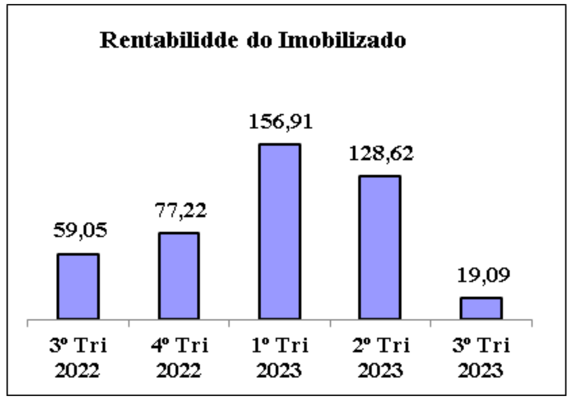
1.3 Indebtedness

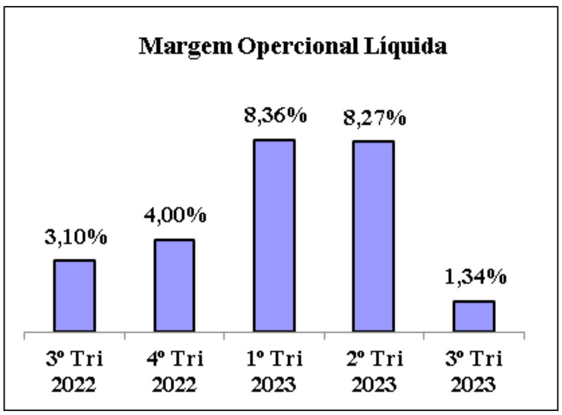


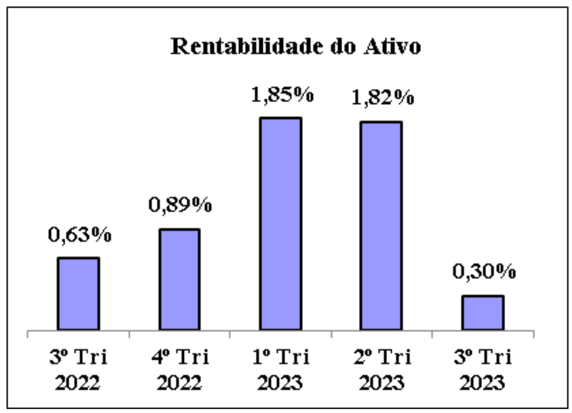


1.4 Profitability

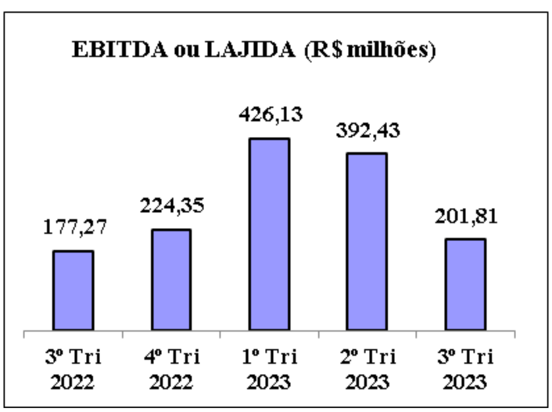


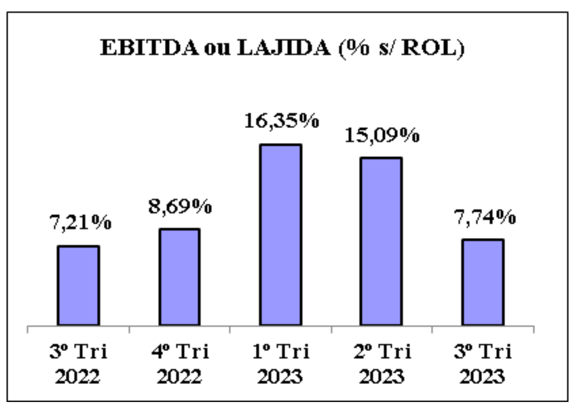




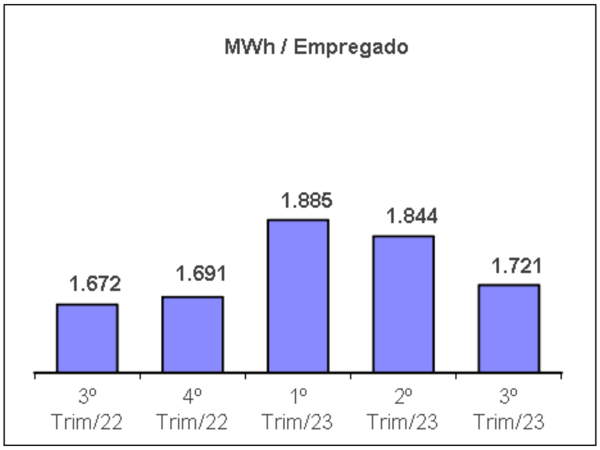


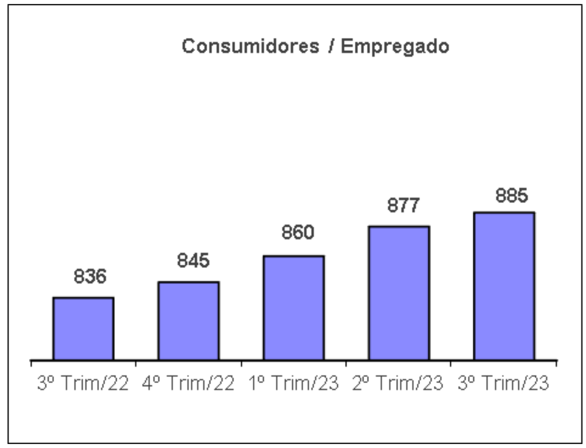
1.5 EBITDA or LAJIDA

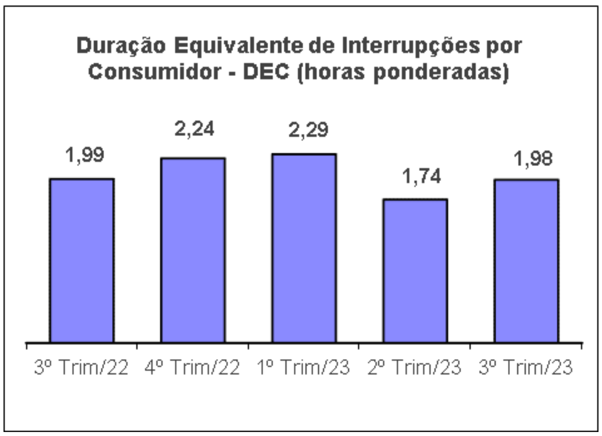


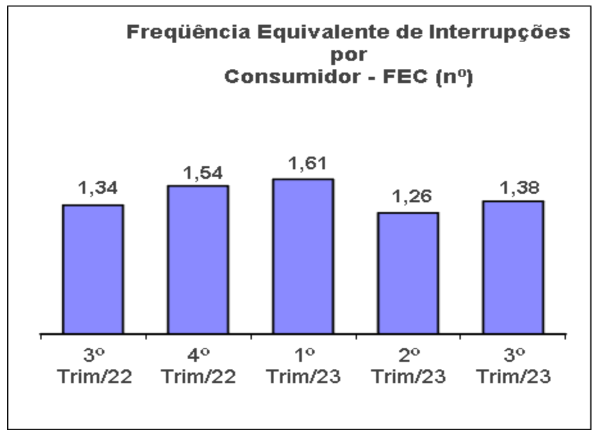


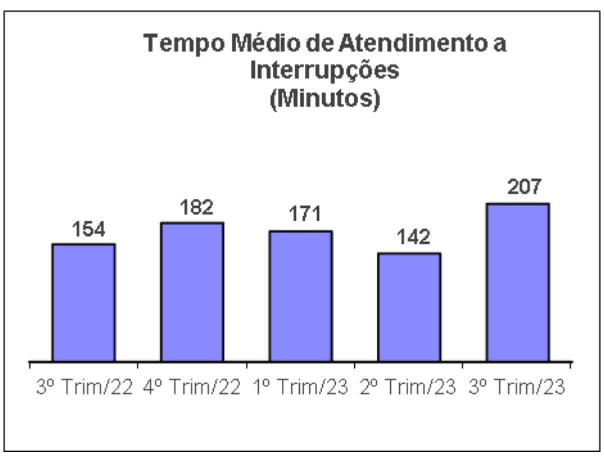
1.6. Efficiency











EXECUTIVE OFFICERS’ STATEMENT ON THE INTERIM FINANCIAL STATEMENTS

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

Tarcísio Estefano Rosa
Chief Executive Officer

Júlio Cesar Pungan
Chief Financial and Investor Relations Officer

Cláudio Varella do Nascimento
Distribution Officer

Elói Hoffelder
Generation, Transmission and New Business Officer

Lino Henrique Pedroni Junior
Planning, Control and Compliance Officer

Pedro Augusto Schmidt de Carvalho Júnior
Regulation and Energy Management Officer

Pilar Sabino da Silva
Corporate Management Officer

Vitor Lopes Guimarães
Chief Commercial Officer

Rogéria Rodrigues Machado
Accountant – CRC/SC 024.797/O-0

EXECUTIVE OFFICERS' STATEMENT ON THE INDEPENDENT AUDITORS' REPORT

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

Tarcísio Estefano Rosa
Chief Executive Officer

Júlio Cesar Pungan
Chief Financial and Investor Relations Officer

Cláudio Varella do Nascimento
Distribution Officer

Elói Hoffelder
Generation, Transmission and New Business Officer

Lino Henrique Pedroni Junior
Planning, Control and Compliance Officer

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Corporate Management Officer

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Chief Commercial Officer

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Curitiba/PR - Brazil
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Report on the review of quarterly information

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

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

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

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

Conclusion on the Parent Company and Consolidated Interim Financial Information

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

Other Matters

Value Added Statement

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

Corresponding amounts

The corresponding figures for the individual and consolidated balance sheets as of December 31, 2022 were previously audited by other independent auditors who issued an unmodified report dated March 29, 2023, and for the individual and consolidated statements of income and comprehensive income, for the three and nine month periods ended September 30, 2022 and the individual and consolidated statements of changes in equity and cash flows for the nine-month period ended September 30, 2022, were previously reviewed by other independent auditors who issued an unmodified report dated November 11, 2022.

The corresponding figures for the individual and consolidated statements of value added (DVA) for the nine-month period ended September 30, 2022, have been subjected to the same review procedures by those independent auditors and, based on their review, those auditors have issued a report stating that they are not aware of any facts that cause them to believe that the DVA has not been prepared, in all material respects, in a manner consistent with the individual and consolidated interim accounting information taken as a whole.

Curitiba, November 9, 2023

KPMG Auditores Independentes Ltda.
CRC SP-014428/O-6 F-PR

(Original report in Portuguese signed by)
Samuel Viero Ricken
CRC SC-030412/O-1