

(A free translation of the original in Portuguese)

**Centrais Elétricas
Brasileiras S.A. - Eletrobras**
**Quarterly Information (ITR) at
March 31, 2023
and report on review of
quarterly information**



(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Stockholders
Centrais Elétricas Brasileiras S.A. - Eletrobras

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Centrais Elétricas Brasileiras S.A. - Eletrobras ("Company" or "Eletrobras"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2023, comprising the balance sheet at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and explanatory notes.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

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

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.



Centrais Elétricas Brasileiras S.A. - Eletrobras

Emphasis of matter

Operating situation of the subsidiaries and jointly controlled entities

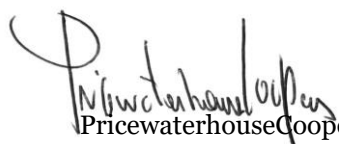
As mentioned in Note 16.3 to the parent company and consolidated financial information, the subsidiary Brasil Ventos and the jointly controlled subsidiaries Norte Energia S.A., Teles Pires Participações S.A., Paulista Lajeado S.A., Enerpeixe S.A., Tijoá Participações e Vamcruz I Participações S.A. present negative working capital at March 31, 2023. The financial position of these subsidiaries and jointly controlled subsidiaries demonstrates the need for continued funding from third parties and the financial support from the Company and/or other stockholders. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the quarter ended March 31, 2023. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Rio de Janeiro, May 4, 2023


PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

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Guilherme Naves Valle
Signed By: GUILHERME NAVES VALLE 54199158534
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Signing Time: 11 de agosto de 2023 | 18:34 BRT


Guilherme Naves Valle
Contador CRC 1MG070614/O-5

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
BALANCE SHEET AT MARCH 31, 2023 AND DECEMBER 31, 2022

(in thousands of Brazilian Reais)

		PARENT COMPANY		CONSOLIDATED	
ASSET	NOTE	03/31/2023	12/31/2022	03/31/2023	12/31/2022
CURRENT					
Cash and cash equivalents	5	5,559,808	4,927,871	11,617,870	10,739,126
Restricted cash	6	2,976,305	2,917,849	3,162,308	3,098,401
Securities and bonds	7	1,654,823	3,611,904	8,526,822	12,193,654
Customers	8	455,706	462,628	5,001,319	4,794,924
Contractual asset transmission	15	-	-	9,634,812	9,349,126
Financing and loans	9	1,475,412	1,524,088	669,292	692,839
Remuneration of equity interests	11	2,588,179	3,028,085	693,573	707,875
Taxes recoverable	13	462,650	857,466	674,963	1,135,913
Income tax and social security contribution	12	789,186	261,321	2,190,684	1,749,225
Right to Reimbursement	14	1,117,185	1,186,214	1,157,080	1,216,928
Warehouse		241	262	447,028	429,310
Amounts Receivable - ENBPAR	10	918,673	40,743	918,673	40,743
Derivative financial instruments		-	-	437,191	501,355
Others		1,359,839	926,061	2,779,373	2,285,349
		19,358,007	19,744,492	47,910,988	48,934,768
Assets held for sale	31	320,691	320,691	608,652	688,359
		19,678,698	20,065,183	48,519,640	49,623,127
NON-CURRENT					
LONG-TERM RECEIVABLES					
Restricted cash	6	-	-	1,456,447	1,300,583
Right to Reimbursement	14	1,881,525	2,048,517	2,020,286	2,124,907
Financing and loans	9	3,127,376	3,366,460	198,134	328,806
Customers	8	-	-	696,681	703,055
Amounts Receivable - ENBPAR	10	-	1,223,316	-	1,223,316
Securities and bonds	7	415,817	411,705	437,694	417,648
Taxes recoverable	13	3,705	3,705	443,450	439,196
Deferred income tax and social contribution	12	-	-	3,525,722	3,541,162
Bonds and earmarked deposits		6,364,398	6,402,122	8,640,279	8,558,013
Contractual asset transmission	15	-	-	51,704,600	51,703,084
Derivative financial instruments		-	-	316,755	485,507
Advances for future capital increase		20,596,028	20,596,029	-	-
Others		1,696,328	1,755,305	1,045,469	1,063,250
		34,085,177	35,807,159	70,485,517	71,888,527
INVESTMENTS	16				
Assessed by equity method		113,532,285	112,079,558	32,736,744	32,224,264
Held at fair value		1,606,232	1,657,261	1,710,918	1,761,258
		115,138,517	113,736,819	34,447,662	33,985,522
FIXED ASSETS	17	231,526	231,883	34,754,442	34,739,705
INTANGIBLE ASSETS	18	76,831	67,857	79,623,616	79,980,581
		149,532,051	149,843,718	219,311,237	220,594,335
TOTAL ASSETS		169,210,749	169,908,901	267,830,877	270,217,462

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
BALANCE SHEET AT MARCH 31, 2023 AND DECEMBER 31, 2022

(in thousands of Brazilian Reais)

		PARENT COMPANY		CONSOLIDATED	
		03/31/2023	12/31/2022	03/31/2023	12/31/2022
LIABILITIES AND SHAREHOLDERS' EQUITY	NOTE				
CURRENT					
Loans, financing and debentures	20	3,855,542	3,682,702	7,148,039	7,524,770
Compulsory loan		1,320,486	1,289,602	1,320,486	1,289,602
Suppliers	19	758,406	994,922	2,457,181	3,517,173
Advances		1,471,321	1,486,222	1,628,041	1,653,122
Taxes to be collected	13	33,649	370,739	536,297	1,271,700
Remuneration to shareholders	21	900,355	913,018	911,935	924,644
Obligations with personnel		164,665	166,337	1,792,815	2,318,554
Reimbursement obligations	14	1,939,862	1,912,423	1,939,862	1,912,423
Post-employment benefit		-	-	293,872	246,437
Provisions for litigation	22	2,255,488	2,646,711	2,495,248	2,709,161
Sectoral charges		-	-	990,565	996,610
Obligations of Law 14.182/2021	23	-	-	1,471,844	1,472,662
Leases		10,360	8,710	223,061	224,319
Others		75,131	74,919	431,199	209,251
		12,785,265	13,546,305	23,640,445	26,270,428
Liabilities associated with assets held for sale	31	-	-	-	170,448
		12,785,265	13,546,305	23,640,445	26,440,876
NON-CURRENT					
Loans, financing and debentures	20	21,682,192	22,269,941	50,889,773	51,581,752
Advances		-	-	179,024	213,921
Provisions for litigation	22	22,377,869	22,084,048	31,093,640	30,623,558
Post-employment benefit		676,423	680,399	4,820,715	4,947,234
Obligations of Law 14.182/2021	23	-	-	35,676,755	35,186,792
Onerous contracts		-	-	209,099	209,099
Leases		31,243	32,571	480,927	528,849
Concessions payable - Use of the public good		-	-	375,873	372,420
Advances for future capital increase		89,744	86,919	89,744	86,919
Sectoral charges		-	-	474,240	464,358
Taxes to be collected	13	-	-	691,358	723,716
Deferred income tax and social contribution	12	409,441	427,390	6,301,829	6,294,347
Others		274,456	276,532	1,890,114	1,514,985
		45,541,368	45,857,800	133,173,091	132,747,950
SHAREHOLDERS' EQUITY	24				
Share capital	24	69,991,640	69,705,554	69,991,640	69,705,554
Capital Reserves		13,867,170	13,867,170	13,867,170	13,867,170
Treasury shares		(316,062)	-	(316,062)	-
Revenue reserves		33,910,233	33,910,233	33,910,233	33,910,233
Retained earnings		498,193	-	498,193	-
Accumulated other comprehensive income		(7,067,058)	(6,978,161)	(7,067,058)	(6,978,161)
Participation of controlling shareholders		110,884,116	110,504,796	110,884,116	110,504,796
Participation of non-controlling shareholders		-	-	133,225	523,840
TOTAL SHAREHOLDERS' EQUITY		110,884,116	110,504,796	111,017,341	111,028,636
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		169,210,749	169,908,901	267,830,877	270,217,462

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
INCOME STATEMENT FOR THE PERIODS ENDED MARCH 31, 2023 AND 2022
(in thousands of Brazilian Reais)

		PARENT COMPANY		CONSOLIDATED	
	NOTE	03/31/2023	03/31/2022 Reclassified	03/31/2023	03/31/2022 Reclassified
CONTINUED OPERATIONS					
Net operating revenue	26.1	13,294	19,206	9,209,833	8,167,609
Operating costs	27	(25)	(15,967)	(4,014,975)	(3,203,510)
GROSS INCOME		13,269	3,239	5,194,858	4,964,099
Operating expenses	27	(277,469)	(844,044)	(1,705,350)	(2,897,124)
OPERATING INCOME (COSTS) BEFORE FINANCIAL INCOME		(264,200)	(840,805)	3,489,508	2,066,975
FINANCIAL INCOME (COSTS)	28	(589,279)	782,292	(3,132,821)	588,734
INCOME BEFORE EQUITY INVESTMENTS		(853,479)	(58,513)	356,687	2,655,709
Income from equity investments		1,354,188	2,636,665	508,826	626,051
Other income and expenses		(12,699)	121,033	(11,457)	121,033
OPERATING INCOME BEFORE TAXES		488,010	2,699,185	854,056	3,402,793
Current income tax and social contribution	12	608	-	(398,413)	(693,769)
Deferred income tax and social contribution	12	-	(78,443)	(49,680)	(80,302)
NET PROFIT FROM CONTINUED OPERATIONS		488,618	2,620,742	405,963	2,628,722
Portion attributed to the controllers		488,618	2,620,742	488,618	2,620,742
Portion attributed to non-controlling shareholders		-	-	(82,655)	7,980
DISCONTINUED OPERATIONS					
NET PROFIT FROM DISCONTINUED OPERATION	32	-	87,600	-	87,654
Portion attributed to the controllers		-	87,600	-	87,600
Portion attributed to Non-controlling Shareholders		-	-	-	54
NET PROFIT FOR THE PERIOD		488,618	2,708,342	405,963	2,716,375
Portion attributed to the controllers		488,618	2,708,342	488,618	2,708,342
Portion attributed to Non-controlling Shareholders		-	-	(82,655)	8,033
EARNINGS PER SHARE	25				
Earnings per share - basic (ON)		R\$0.21	R\$1.70	R\$0.21	R\$1.70
Earnings per share - basic (PN)		R\$0.23	R\$1.87	R\$0.23	R\$1.87
Earnings per share - diluted (ON)		R\$0.21	R\$1.67	R\$0.21	R\$1.67
Earnings per share - diluted (PN)		R\$0.23	R\$1.84	R\$0.23	R\$1.84
Continued Operations					
Earnings per share - basic (ON)		R\$0.21	R\$1.64	R\$0.21	R\$1.64
Earnings per share - basic (PN)		R\$0.23	R\$1.81	R\$0.23	R\$1.81
Earnings per share - diluted (ON)		R\$0.21	R\$1.61	R\$0.21	R\$1.61
Earnings per share - diluted (PN)		R\$0.23	R\$1.78	R\$0.23	R\$1.78

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED MARCH 31, 2023 AND 2022
(in thousands of Brazilian Reais)

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Net profit for the period	488,618	2,708,342	405,963	2,716,375
Other components of comprehensive income				
Items that will not be reclassified to profit or loss				
Financial instruments at fair value through ORA	(52,791)	(172,609)	(53,146)	(182,222)
Deferred IR / CSLL	17,949	58,687	18,814	57,754
Participation in the comprehensive income of subsidiaries, affiliates and shared control companies	(6,410)	(39,182)	19,639	-
Adjustment of actuarial gains and losses	-	-	(26,559)	(28,635)
	(41,252)	(153,104)	(41,252)	(153,103)
Items that may be reclassified to profit or loss				
Accumulated conversion adjustments	-	(42,135)	3,632	(63,491)
Cash flow hedge adjustment	-	-	522	(2,795)
Participation in the comprehensive income of subsidiaries, affiliates and shared control companies	(12,989)	(24,430)	(17,143)	(280)
Changes in interest in subsidiaries	(34,656)	-	(34,656)	-
	(47,645)	(66,565)	(47,645)	(66,566)
Other components of comprehensive income for the period	(88,897)	(219,669)	(88,897)	(219,669)
Total comprehensive income for the period	399,721	2,488,673	317,066	2,496,706
Installment attributed to controllers			399,721	2,488,673
Portion attributed to non-controlling shareholders			(82,655)	8,033



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY AT MARCH 31, 2023 AND DECEMBER 31, 2022
(in thousands of Brazilian Reais)

	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	REVENUE RESERVES				RETAINED EARNINGS	OTHER COMPREHENSIVE INCOME	CONTROLLER SHAREHOLDERS' EQUITY	NON-CONTROLLING SHAREHOLDERS' EQUITY	CONSOLIDATED SHAREHOLDERS' EQUITY
				LEGAL	RETENTION OF PROFITS	STATUTORY	STATUTORY - INVESTMENTS					
On December 31, 2022	69,705,554	13,867,170	-	2,150,281	10,787,755	409,825	20,562,372	-	(6,978,161)	110,504,796	523,840	111,028,636
Financial instruments at fair value through ORA	-	-	-	-	-	-	-	-	(52,791)	(52,791)	-	(52,791)
Deferred IR/CS on other comprehensive income	-	-	-	-	-	-	-	-	17,949	17,949	-	17,949
Adjustment of subsidiaries / affiliates	-	-	-	-	-	-	-	-	(19,399)	(19,399)	(21,874)	(41,273)
Net profit (loss) for the period	-	-	-	-	-	-	-	488,618	-	488,618	(82,655)	405,963
Transactions with shareholders:												
Treasury Shares - Issued Shares	-	-	(168,168)							(168,168)	-	(168,168)
Treasury Shares - Repurchase of shares	-	-	(147,894)	-	-	-	-	-	-	(147,894)	-	(147,894)
Capital Increase - Incorporation of shares	286,086	-	-	-	-	-	-	-	-	286,086	(286,086)	-
Changes in Interest in Subsidiary	-	-	-	-	-	-	-	-	(34,656)	(34,656)	-	(34,656)
Prescription of dividends	-	-	-	-	-	-	-	9,575	-	9,575	-	9,575
On March 31, 2023	69,991,640	13,867,170	(316,062)	2,150,281	10,787,755	409,825	20,562,372	498,193	(7,067,058)	110,884,116	133,225	111,017,341

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY AT MARCH 31, 2022 AND DECEMBER 31, 2021

(in thousands of Brazilian Reais)

	SHARE CAPITAL	CAPITAL RESERVES	REVENUE RESERVES			ACCUMULATED PROFIT / LOSS	OTHER COMPREHENSIVE INCOME	CONTROLLER SHAREHOLDERS' EQUITY	NON-CONTROLLING SHAREHOLDERS' EQUITY	CONSOLIDATED SHAREHOLDERS' EQUITY	
			LEGAL	RETENTION OF PROFITS	STATUTORY						STATUTORY - INVESTMENTS
On December 31, 2021	39,057,271	13,867,170	1,968,511	10,539,663	409,825	17,972,166	-	(7,693,402)	76,121,204	295,560	76,416,764
Accumulated conversion adjustments	-	-	-	-	-	-	-	(42,135)	(42,135)	-	(42,135)
Financial instruments at fair value through ORA	-	-	-	-	-	-	206,222	(172,609)	33,613	-	33,613
Deferred IR/CS on other comprehensive income	-	-	-	-	-	-	-	58,687	58,687	-	58,687
Adjustment of Subsidiaries / Affiliates	-	-	-	-	-	-	-	(63,612)	(63,612)	1,023	(62,589)
Net profit for the period	-	-	-	-	-	-	2,708,342	-	2,708,342	8,033	2,716,375
On March 31, 2022	39,057,271	13,867,170	1,968,511	10,539,663	409,825	17,972,166	2,914,564	(7,913,071)	78,816,099	304,616	79,120,715

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
STATEMENTS OF VALUE ADDED FOR THE PERIODS ENDED AT MARCH 31, 2023 AND 2022

(in thousands of Brazilian Reais)

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
REVENUES (EXPENSES)				
Sale of goods, products and services	13,179	46,885	10,713,363	10,828,713
Construction revenue	-	-	283,861	150,860
PECLD - Consumers and Resellers	-	-	(57,429)	(896,391)
Other operating income and expenses	(12,699)	121,033	(11,457)	121,033
	480	167,918	10,928,338	10,204,215
INPUTS PURCHASED FROM THIRD PARTIES				
Materials, services and others	(134,198)	(76,986)	(875,357)	(711,495)
Energy purchased for resale	(25)	(15,967)	(638,505)	(482,958)
Charges on the use of the power grid	-	-	(810,081)	(621,119)
Construction Cost	-	-	(398,199)	(195,256)
Fuel for electric power production	-	-	(442,021)	(768,250)
Provisions/Operational reversals	(34,242)	(648,111)	(518,770)	(1,174,051)
	(168,465)	(741,064)	(3,682,933)	(3,953,129)
GROSS ADDED VALUE (LOSS)	(167,985)	(573,146)	7,245,405	6,251,086
WITHHOLDINGS				
Depreciation, amortization and depletion	(3,217)	(2,823)	(903,383)	(645,145)
NET ADDED VALUE (CONSUMED) PRODUCED BY THE ENTITY	(171,202)	(575,969)	6,342,022	5,605,941
ADDED VALUE RECEIVED IN TRANSFER				
Equity method result	1,354,188	2,671,385	508,826	552,441
Financial Revenues	790,370	1,535,102	1,234,317	2,055,951
	2,144,558	4,206,487	1,743,143	2,608,392
TOTAL ADDED VALUE TO BE DISTRIBUTED	1,973,356	3,630,518	8,085,165	8,214,333
DISTRIBUTION OF ADDED VALUE				
PERSONNEL				
Direct remuneration	75,055	61,982	703,468	842,577
Benefits:	18,226	17,614	138,956	193,773
FGTS	5,730	3,251	67,841	94,634
Others	-	-	115,527	51,697
	99,011	82,847	1,025,792	1,182,681
TAXES				
Federal	(723)	106,122	1,358,185	1,748,631
State	-	-	255,765	299,537
Municipal	-	-	2,536	2,872
	(723)	106,122	1,616,486	2,051,040
SECTORAL CHARGES	-	-	618,998	616,081
REMUNERATION OF THIRD-PARTY CAPITAL				
Interest	1,379,649	699,930	4,367,138	1,577,763
Rentals	4,267	-	4,267	23,325
Others	2,534	33,277	46,521	47,068
	1,386,450	733,207	4,417,926	1,648,156
REMUNERATION OF SHAREHOLDERS' EQUITY				
Retained earnings	488,618	2,708,342	488,618	2,708,342
Non-controlling interest	-	-	(82,655)	8,033
	488,618	2,708,342	405,963	2,716,375
	1,973,356	3,630,518	8,085,165	8,214,333



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CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
STATEMENT OF CASH FLOW FOR THE PERIODS ENDED MARCH 31, 2023 AND 2022

(In thousands of Brazilian Reais)

NOTE	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	03/31/2022 Reclassified	03/31/2023	03/31/2022 Reclassified
OPERATIONAL ACTIVITIES				
Income for the period before income tax and social contribution	488,010	2,786,785	854,056	3,490,446
Adjustments to reconcile profit with cash generated by operations:				
Depreciation and amortization	27	3,217	2,822	903,383
Net exchange and monetary variations	28	192,440	(654,851)	961,756
Financial charges	28	416,806	(38,534)	1,897,406
Income from the equity method		(1,354,188)	(2,636,666)	(508,826)
Other income and expenses		12,699	(121,033)	11,457
Transmission revenues	26	-	-	(4,216,172)
Construction cost - transmission		-	-	398,199
Operating provisions (reversals)	27	34,242	648,111	576,199
Financial instruments - derivatives	29	-	-	232,916
Others		43,113	(154,913)	333,119
		(651,671)	(2,955,063)	589,437
(Accruals)/decreases in operating assets				
Customers		20	-	(166,707)
Right to Reimbursement	14	236,021	434,401	164,469
Others		262,110	91,206	121,765
		498,151	525,607	119,527
Accruals/(decreases) in operating liabilities				
Suppliers		(69,746)	(3,633)	(1,000,137)
Advances		-	-	(22,874)
Obligations with personnel		(1,672)	1,589	(525,209)
Sectoral charges		-	-	(2,537)
Others		(338,954)	(53,237)	(262,362)
		(410,372)	(55,281)	(1,813,119)
Payment of financial charges		(292,140)	(252,448)	(1,001,820)
Receipt of the permitted annual revenue - RAP		-	-	3,928,970
Receipt of financial charges		193,777	186,700	55,780
Receipt of compensation for investments in equity investments		8,890	67,541	8,890
Payment of disputes	22	(452,591)	(760,725)	(503,587)
Bonds and earmarked deposits		(110,249)	(268,619)	(344,706)
Payment of income tax and social contribution		(140,274)	(28,195)	(601,886)
Payment of supplementary pension plan		(3,976)	(17,789)	(189,697)
Net cash from (used in) operating activities of continuing operations		(872,446)	(771,488)	1,101,845
Net cash from operating activities of discontinued operations	32	-	-	239,805
Net cash from (used in) operating activities		(872,446)	(771,488)	1,101,845
FINANCING ACTIVITIES				
Loans and financing obtained and debentures obtained	20	-	-	14,604
Payment of loans and financing and debentures - principal	20	(664,101)	(836,102)	(1,794,963)
Payment of remuneration to shareholders		(3,070)	(108)	(3,070)
Payment to dissenting shareholders - incorporation of shares	24	(212)	-	(226,057)
Repurchase of shares	24	(147,683)	-	(147,683)
Payment of obligations with revitalization of basins - principal	23	-	-	(850,113)
Payment of leases - principal		-	-	(190,934)
Other		-	-	(56,377)
Net cash (used in) financing activities of continuing operations		(815,065)	(836,210)	(3,198,216)
Net cash (used in) financing activities of discontinued operations	32	-	-	(87,284)
Net cash (used in) financing activities		(815,065)	(836,210)	(3,198,216)
INVESTMENT ACTIVITIES				
Receipt of loans and financing		376,307	846,812	183,353
Acquisition of fixed assets		(2,856)	-	(688,470)
Acquisition of intangible assets		(8,977)	-	(21,374)
Net financial investments (securities)		1,957,082	771,485	3,947,534
Transmission infrastructure - contractual asset		-	-	(398,199)
Acquisition/Capital Contribution in Equity Interests		(2,108)	-	(71,759)
Others		-	-	24,030
Net cash from investment activities of continuing operations		2,319,447	1,618,297	2,975,115
Net cash (used in) investment activities of discontinued operations	32	-	-	(155,194)
Net cash from (used in) investing activities		2,319,447	1,618,297	2,975,115
Increase (decrease) in cash and cash equivalents		631,937	10,599	878,744
Cash and cash equivalents at the beginning of the period	5	4,927,871	7,384	10,739,126
Cash and cash equivalents at the end of the period	5	5,559,808	17,983	11,617,870
(Decrease) in cash and cash equivalents from discontinued operations	32	-	-	(2,673)
		631,937	10,599	878,744

CENTRAIS ELÉTRICAS BRASILEIRAS S.A.**Explanatory notes to the financial statements for the period ended March 31, 2023****(In thousands of Brazilian Reais)****NOTE 1 – OPERATIONAL CONTEXT**

Centrais Elétricas Brasileiras S.A. (“Eletrobras” or “Parent Company”) is a publicly traded corporation, headquartered in Rio de Janeiro (RJ), registered with the Brazilian Securities and Exchange Commission (CVM) and the *Securities and Exchange Commission* (SEC), with shares traded on the São Paulo (B3), Madrid (LATIBEX) and New York (NYSE) stock exchanges.

Eletrobras exercises the function of *holding company*, participating in the capital of other companies directly and indirectly, dedicated primarily to the generation and transmission of electricity, and also holds the shareholding control of Eletrobras Participações S.A. – Eletropar (collectively, “Company”) and direct interest in Rouar S.A., in addition to direct and indirect interests in 73 Special Purpose Entities (SPE).

Eletrobras is authorized, directly or through its subsidiaries, jointly controlled companies and affiliates, to associate, with or without contribution of funds, for the constitution of business consortia or participation in companies, with or without controlling power, in Brazil or abroad, which are intended directly or indirectly for the exploration of the production, transmission, commercialization or distribution of electricity.

The issuance of these financial statements was approved by the Company's executive board on May 4, 2023.

NOTE 2 – HIGHLIGHTS OF THE 1st QUARTER OF 2023**2.1 – Incorporation of shares**

In January 2023, Eletrobras' shareholders, meeting at the 185th Extraordinary General Meeting, approved the merger of all shares issued by subsidiaries Chesf, CGT Eletrosul, Furnas and Eletronorte. Further information, see Note 24.2.1.

2.2 – Acquisition of equity interests in subsidiaries – MESA and SPE Livramento Holding S.A.

In March 2023, the Company acquired: (i) the direct and indirect interests by the subsidiary Furnas that Cemig Geração e Transmissão S/A (CEMIG GT) held in Madeira Energia S/A (MESA) for the amount of R\$61,867; and (ii) the direct interests by the subsidiary CGT Eletrosul that Brasil Energia Renovável – Fundo de Investimento em Participações Multiestratégia (FIP) had in SPE Livramento S.A. for the amount of R\$28,845. See Note 4.2.

2.3 – Share Repurchase Program

In the first quarter of 2023, within the Share Repurchase program launched by the Company, 4,535,300 common shares were acquired. Further information, see Note 24.2.2.

2.4 - New top structure of the Company

In March 2023, Eletrobras' Board of Directors appointed the executives who came to occupy the statutory positions of the new structure of Eletrobras' Executive Board.

NOTE 3 – ELECTRIC ENERGY CONCESSIONS AND AUTHORIZATIONS

Eletrobras holds directly or through its subsidiaries, jointly controlled and affiliated companies, electricity concessions in the generation and transmission segments. These concessions did not change significantly compared to the position disclosed in the financial statements for the year ended December 31, 2022.

NOTE 4 – BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

The interim, individual and consolidated financial statements were prepared to update users on the relevant events and transactions that occurred in the period and must be analyzed in conjunction with the financial statements for the year ended December 31, 2022. The accounting policies, estimates and accounting judgments and measurement methods are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2022.

4.1 – Declaration of conformity

The Company's interim financial statements comprise the parent company's individual interim financial statements, identified as parent company, and the consolidated interim financial statements, identified as consolidated, prepared in accordance with accounting pronouncement CPC 21 (R1) Interim Statement, issued by the Accounting Pronouncements Committee (CPC) and IAS 34 *Interim Financial Reporting*, issued by the *International Accounting Standards Board* (IASB), applicable to the preparation of interim financial statements (ITR). The accounting practices adopted in Brazil comprise the pronouncements, interpretations and guidelines issued by the CPC, approved by the Federal Accounting Council (CFC) and the CVM, and the provisions contained in Brazilian corporate law.

The Company chose to present these individual and consolidated interim financial statements in a single set, side by side, since there is no difference between the equity and income attributable to the shareholders of the parent company in the consolidated financial statements and the equity and income of the parent company in the individual financial statements.

4.2 – Basis of preparation and measurement

The preparation of the interim, individual and consolidated accounting statements requires the use of critical accounting estimates and also the exercise of judgment by the Company's Management in the process of applying its accounting policies.

These consolidated interim financial statements include information from Eletrobras and the following subsidiaries and joint operations:

	03/31/2023		12/31/2022	
	Participation		Participation	
	Direct	Indirect	Direct	Indirect
Subsidiaries				
Electropar	83.71%	-	83.71%	-
Chesf	100.00%	-	99.58%	-
Elettronorte	100.00%	-	99.69%	-
Furnas	100.00%	-	99.67%	-
Madeira Energia S.A. ¹	-	80.77%	-	72.12%
Santo Antônio Energia S.A.	-	80.77%	-	72.12%
Brasil Ventos Energia S.A.	-	100.00%	-	99.67%
Energia dos Ventos V S.A.	-	100.00%	-	99.67%
Energia dos Ventos VI S.A.	-	100.00%	-	99.67%
Energia dos Ventos VII S.A.	-	100.00%	-	99.67%
Energia dos Ventos VIII S.A.	-	100.00%	-	99.67%
Energia dos Ventos IX S.A.	-	100.00%	-	99.67%
Geradora Eólica Ventos de Angelim S.A.	-	-	-	89.70%
Itaguaçu da Bahia Energias Renováveis S.A.	-	98.00%	-	97.68%
CGT Eletrosul	100.00%	-	99.96%	-
Livramento Holding S.A. ²	-	100.00%	-	77.97%
Eólica Cerro Chato IV S.A.	-	100.00%	-	77.97%
Eólica Cerro Chato V S.A.	-	100.00%	-	77.97%
Eólica Cerro Chato VI S.A.	-	100.00%	-	77.97%
Eólica Cerro dos Trindade S.A.	-	100.00%	-	77.97%
Eólica Ibirapuitã S.A.	-	100.00%	-	77.97%
Joint operations (consortia)				
Consórcio Energético Cruzeiro do Sul	-	49.00%	-	49.00%
HPP Baguari Consortium	-	15.00%	-	15.00%

¹ Currently, Eletrobras indirectly holds 80.77% and will now hold 95.25% of the interest in the share capital of MESA, after the completion of the acquisitions of the remaining shares.

² In January 2023 CGT Eletrosul signed the Instrument of Onerous Assignment of Rights and Obligations of the Share Purchase Agreement (CCVA) and Other Covenants, with Brasil Energia Renovável - Fundo de Investimento em Participações Multiestratégia (FIP) committing to acquire a 22.00% interest in the capital of SPE, if the transaction was not completed.

4.3 - Functional currency and presentation of financial statements

These financial statements are presented in Brazilian Real, which is Eletrobras' functional currency. The financial statements are presented in thousands of reais, rounded to the nearest number, unless otherwise stated.

4.4 - Adoption of new standards and interpretations

The Company did not identify impacts regarding the applications of normative changes issued by the IASB and CPC:

Revision of Technical Pronouncement	Revised standards	Applicable from
CPC 26/ IAS 1	<p>This review deals with non-current liabilities with <i>Covenants</i>, modifying the requirements for classification as current or non-current liabilities.</p> <p>Only covenants that an entity is required to comply with on or before the reporting date affect the classification of a liability as current or non-current. Furthermore, an entity shall disclose in the explanatory notes information identifying risks that non-current liabilities with <i>covenants</i> may be repaid within twelve months.</p>	01/01/2024

4.5 – Reclassification of financial statements

The Company reclassified the income statement for the period and the cash flow for the comparative period, resulting from the classification of Eletronuclear and Itaipu operations as discontinued operations in accordance with accounting pronouncement CPC 31/IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operation. See Note 32.

The reflections of these reclassifications are presented below:

INCOME STATEMENT FOR THE PERIOD	PARENT COMPANY			CONSOLIDATED		
	03/31/2022	Adjustment	03/31/2022	03/31/2022	Adjustment	03/31/2022
	Disclosed		Reclassified	Disclosed		Reclassified
Net operating revenue	19,206	-	19,206	9,181,318	(1,013,709)	8,167,609
Operating costs	(15,967)	-	(15,967)	(3,694,877)	491,366	(3,203,511)
Gross income	3,239	-	3,239	5,486,441	(522,343)	4,964,098
Operating expenses	(844,044)	-	(844,044)	(3,052,862)	155,739	(2,897,123)
Operating income before financial income	(840,805)	-	(840,805)	2,433,579	(366,604)	2,066,975
Financial income	835,172	(52,880)	782,292	478,188	110,546	588,734
Income before equity investments	(5,633)	(52,880)	(58,513)	2,911,767	(256,058)	2,655,709
Income from equity investments	2,671,385	(34,720)	2,636,665	552,441	73,610	626,051
Other income and expenses	121,033	-	121,033	121,033	-	121,033
Operating income before taxes	2,786,785	(87,600)	2,699,185	3,585,241	(182,448)	3,402,793
Current and deferred income tax and social contribution	(78,443)	-	(78,443)	(868,866)	94,795	(774,071)
Net profit from continued operations	2,708,342	(87,600)	2,620,742	2,716,375	(87,653)	2,628,722
Net profit from discontinued operations	-	87,600	87,600	-	87,654	87,654
Net profit for the period	2,708,342	-	2,708,342	2,716,375	-	2,716,375

STATEMENT OF CASH FLOWS	CONSOLIDATED		
	03/31/2022	Adjustment	03/31/2022
	Disclosed		Reclassified
Operational Activities			
Net cash from operating activities of continuing operations	1,683,814	(218,562)	1,465,252
Net cash from operating activities of discontinued operations	-	239,805	239,805
Net cash from operating activities	1,683,814	21,243	1,705,057
Financing Activities			
Net cash used in financing activities of continuing operations	(1,635,866)	87,284	(1,548,582)
Net cash used in financing activities of discontinued operations	-	(87,284)	(87,284)
Net cash used in financing activities	(1,635,866)	-	(1,635,866)
Investment Activities			
Net cash from (used in) investment activities of continuing operations	(91,363)	133,951	42,588
Net cash used in investment activities of discontinued operations	-	(155,194)	(155,194)
Net cash used in investment activities	(91,363)	(21,243)	(112,606)
Decrease in cash and cash equivalents	(43,415)	-	(43,415)

NOTE 5 – CASH AND CASH EQUIVALENTS

The balance of cash and cash equivalents includes funds held by the Company. The balances of this item, as recorded in the statement of cash flows, can be reconciled with the respective items of the balance sheet, as shown below:

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	12/31/2022	31/03/2023	12/31/2022
Cash and Banks	5,249	3,814	14,466	59,439
Financial Investments	5,554,559	4,924,057	11,603,404	10,679,687
	5,559,808	4,927,871	11,617,870	10,739,126

Financial investments are composed of Bank Deposit Certificate (CDB) securities and fixed income funds, substantially remunerated by the CDI, readily convertible into known amounts of cash and the resources are invested with daily liquidity.

NOTE 6 – RESTRICTED CASH

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/12/2022	31/03/2023	31/12/2022
Current				
Commercialization - PROINFA	2,203,512	2,157,166	2,203,512	2,157,166
PROCEL	737,073	726,107	737,073	726,107
Itaipu Agreement	-	-	186,003	180,552
RGR Resources	35,720	34,576	35,720	34,576
	2,976,305	2,917,849	3,162,308	3,098,401
Non-current				
Fundo de Energia do Sudeste e Centro-Oeste	-	-	987,571	897,225
Fundo de Energia do Nordeste	-	-	468,876	403,358
	-	-	1,456,447	1,300,583
	2,976,305	2,917,849	4,618,755	4,398,984

The Company will maintain for a period of up to twelve months, counted from June 2022, the continuity of the management of commercialization contracts under PROINFA, RGR and the administration of the PROCEL account, which will later be transferred to ENBpar.

NOTE 7 – SECURITIES AND BONDS

Securities	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/12/2022	31/03/2023	31/12/2022
Current				
Fixed Income Securities	-	-	6,456,201	7,928,308
National Treasury Financial Note	840,040	2,072,392	960,043	2,216,621
Repurchase agreements	538,358	1,257,849	649,056	1,272,316
National Treasury Note	235,532	221,763	267,772	468,267
Investments in Fund Quotas	-	-	92,852	210,950
National Treasury Note - F series	834	4,245	12,160	15,986
Other	40,059	55,655	88,738	81,206
	1,654,823	3,611,904	8,526,822	12,193,654
Non-current				
Beneficiary Parties	412,467	407,556	412,467	407,556
Others	3,350	4,149	25,227	10,092
	415,817	411,705	437,694	417,648
	2,070,640	4,023,609	8,964,516	12,611,302

The reduction occurred in the first quarter of 2023 comes mainly from the amortization of debts, payments of legal proceedings and obligations related to the revitalization of river basins assumed as a result of law 14,182/2021.

NOTE 8 – CUSTOMERS

	CONSOLIDATED				
	31/03/2023				12/31/2022
	Due	Overdue up to 90 days	Overdue 90 + days	Renegotiated credits	Total
Current					
Power Supply/Provision	2,356,985	478,353	735,390	44,551	3,615,279
Short-term Electricity (CCEE)	300,946	211,862	39,250	-	552,058
Use of the Power Grid	945,819	47,519	63,494	-	1,056,832
Connection/Availability to the Transmission System	407,167	15,342	149,405	-	571,914
PROINFA	455,706	-	-	-	455,706
Installment plan	592,621	165,584	301,507	-	1,059,712
(-) PECLD	(951,342)	(423,507)	(909,375)	(25,958)	(2,310,182)
	4,107,902	495,153	379,671	18,593	5,001,319
Non-current					
Power Supply/Provision	-	-	9,548	1,446,757	1,456,305
Short-term Electricity (CCEE)	-	-	280,138	-	280,138
Use of the Power Grid	-	-	4,348	-	4,348
(-) PECLD	-	-	(294,034)	(750,076)	(1,044,110)
	-	-	-	696,681	696,681
	4,107,902	495,153	379,671	715,274	5,698,000
					5,497,979

Estimated Losses in Doubtful Accounts – PECLD

The changes in the periods ended March 31, 2023 and 2022 are as follows:

CONSOLIDATED

Opening balance at December 31, 2022 and 2021	3,296,863	1,668,710
(+) Constitution	57,872	929,640
(-) Reversal	(443)	(33,249)
(-) Write-off	-	(22,760)
Final balance at March 31, 2023 and 2022	3,354,292	2,542,341

The constitution and reversal of PECLD were recorded and presented in the result of the period as net operating expenses, see Note 27.1.

NOTE 9 – FINANCING AND LOANS RECEIVABLE

	Annual rates on 03/31/2023		PARENT COMPANY		CONSOLIDATED	
	Minimum	Maximum	31/03/2023	31/12/2022	31/03/2023	31/12/2022
Eletronorte	2.48%	16.06%	2,077,389	2,140,388	-	-
CGT Eletrosul	2.00%	14.15%	1,237,099	1,273,880	-	-
Furnas	6.00%	16.06%	420,874	454,635	-	-
Amazonas Energia S.A.	5.00%	5.00%	4,595,259	4,596,971	4,595,259	4,596,971
Eletropaulo Metropolitana Eletricidade de São Paulo S.A.	14.65%	14.65%	367,218	354,779	367,218	354,779
Equatorial Alagoas Distribuidora de Energia S.A.	15.15%	16.82%	321,773	389,979	321,773	389,979
Boa Vista S.A.	9.71%	16.06%	148,763	148,219	148,763	148,219
Itaipu Binacional	-	-	-	84,133	-	84,133
Others	4.66%	15.15%	174,790	183,653	174,790	183,653
(-) PECLD			(4,740,377)	(4,736,089)	(4,740,377)	(4,736,089)
Total			4,602,788	4,890,548	867,426	1,021,645
Principal			1,369,048	1,456,681	657,929	671,236
Charges			106,364	67,407	11,363	21,603
Current			1,475,412	1,524,088	669,292	692,839
Non-current			3,127,376	3,366,460	198,134	328,806
			4,602,788	4,890,548	867,426	1,021,645

The profile of financing and loans receivable is shown in Note 29.3.

In the period ended March 31, 2023, the Company received all funds owed by Itaipu Binacional, as provided for in Annex C of the Itaipu Treaty, in the updated amount of R\$84,133.

9.1 – Transactions of loans receivable

The changes presented below comprise the periods ended on March 31, 2023 and 2022:

	PARENT COMPANY		CONSOLIDATED	
Opening balance at December 31, 2022 and 2021	4,890,548	10,455,906	1,021,645	5,843,527
Effect on cash flow:				
Receipt of principal	(330,445)	(796,214)	(183,353)	(317,368)
Interest received	(145,257)	(143,893)	(55,780)	(65,896)
Non-cash effect:				
PECLD	(4,288)	(363,583)	(4,288)	(363,583)
Derecognition RGR	20,175	1,782	20,175	1,782
Interest, charges, monetary and exchange variations incurred	172,055	101,641	69,027	96,816
Final balance at March 31, 2023 and 2022	4,602,788	9,255,639	867,426	5,195,278

9.2 – Estimated losses on doubtful accounts (PECLD) of loans receivable

As of March 31, 2023, the estimated expected loss recorded is R\$4,740,377 (R\$4,736,089 as of December 31, 2022). Of this amount, R\$4,596,971 refers to Amazonas Energia (R\$4,596,971 at December 31, 2022), which had the full provisioning of its credits recorded at December 31, 2022.

Eletrobras has been monitoring the economic, financial and operational situation of the distributor Amazonas Energia taking into account the information reported by the distributor in the profit and loss plan to the regulatory agency in which an operational balance was initially demonstrated only from 2025. For the period ended March 31, 2023, Amazonas Energia's receivables remain fully accrued.

NOTE 10 – AMOUNTS RECEIVABLE – ENBpar

Pursuant to the corporate restructuring established by Law No. 14.182/2021, the Company constituted accounts receivable from ENBpar, which presented the transaction below:

	PARENT COMPANY CONSOLIDATED
Opening balance at December 31, 2022	1,264,059
Effect on cash flow	
Receipts	(25,047)
Non-cash effect:	
Financial discount	(335,377)
Updates	14,694
Exchange variation	344
Closing balance at March 31, 2023	918,673

In March 2023, the Boards of Directors of Eletrobras and ENBpar approved the early receipt, at a discount, of the amounts receivable using assumptions negotiated between the parties.

In April 2023, Eletrobras received in advance the amount of R\$918,673. This receipt represents the anticipation of 231 monthly installments that would be updated at remuneration interest of 4.76% per year, in addition to exchange variation.

NOTE 11 – REMUNERATION OF EQUITY INTERESTS

The amounts presented refer to dividends and interest on shareholders' equity receivable, net of Withholding Income Tax (IRRF), when applicable, arising from permanent investments held by the Company.

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	12/31/2022	31/03/2023	12/31/2022
Current				
Subsidiaries				
Furnas	740,346	870,995	-	-
Eletronorte	736,976	867,031	-	-
Chesf	588,954	692,887	-	-
CGT Eletrosul	96,638	96,638	-	-
Affiliates				
Companhia de Transmissão de Energia Elétrica Paulista S.A. - CTEEP	208,429	245,211	216,267	250,310
Lajeado Energia S.A.	107,721	22,000	107,721	22,000
Interligação Elétrica do Madeira S.A. - IE Madeira	-	-	50,116	50,116
Goiás Transmissão S.A.	-	-	43,005	19,783
Belo Monte Transmissora de Energia S.A. - BMTE	-	-	41,899	41,898
Equatorial Maranhão Distribuidora de Energia S.A.	38,147	92,229	38,147	92,229
CEB Lajeado S.A.	26,980	28,163	26,980	28,163
Interligação Elétrica Garanhuns S.A. - IE Garanhuns	-	-	21,867	21,867
Transenergia São Paulo S.A.	-	-	20,484	8,275
Tijoa Participações e Investimentos S.A.	-	-	19,858	-
Energética Águas da Pedra S.A. - EAPSA	-	-	14,705	14,708
Mata de Santa Geneva Transmissão S.A.	-	-	13,280	13,280
Paulista Lajeado Energia S.A.	11,786	11,786	11,786	11,786
Paranaíba Transmissora de Energia S.A.	-	-	9,668	9,668
MGE Transmissão S.A.	-	-	9,631	9,631
Other	32,202	101,145	48,159	114,161
	2,588,179	3,028,085	693,573	707,875

NOTE 12 – INCOME TAX AND SOCIAL CONTRIBUTION

12.1 - Current income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Current assets				
Current Income Tax	-	-	289,472	1,096,658
Current Social Contribution	-	-	145,041	391,246
Negative balance IRPJ	580,285	192,149	1,287,743	192,149
Negative balance CSLL	208,901	69,172	468,428	69,172
	<u>789,186</u>	<u>261,321</u>	<u>2,190,684</u>	<u>1,749,225</u>

Current income tax and social contribution items represent payments made in the period related to tax advances. The negative balances correspond to the tax credits constituted after the definitive tax calculation, showing that the tax advances exceeded the amount to be collected.

12.2 - Deferred income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Non-current assets				
Income Tax	-	-	1,607,533	2,605,645
Social Security Contribution Tax	-	-	1,918,189	935,517
	<u>-</u>	<u>-</u>	<u>3,525,722</u>	<u>3,541,162</u>
Non-current liabilities				
Income Tax	301,060	314,257	4,254,520	4,282,233
Social Security Contribution Tax	108,381	113,133	2,047,309	2,012,114
	<u>409,441</u>	<u>427,390</u>	<u>6,301,829</u>	<u>6,294,347</u>

12.3 - Composition of deferred income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/12/2022	31/03/2023	31/12/2022
Deferred tax assets				
Operating Provisions	-	-	193,880	353,284
Cred. Tax w/o Tax Loss and Negative Basis	-	-	3,637,548	3,646,840
Tax Credits on Actuarial Losses	-	-	840,125	840,125
Provision for Litigation	-	-	3,160,652	3,040,603
Estimated Loss on Doubtful Accounts	-	-	611,281	625,897
Provisions for non-operating losses	-	-	470,641	474,198
Estimated losses on investments	-	-	163,691	166,027
CPC Adjustments 47	-	-	819,065	770,561
Impairment ¹	-	-	676,721	676,721
Others	-	-	528,331	421,652
Total Assets	-	-	11,101,935	11,015,908
Deferred tax liabilities				
Contractual assets	-	-	9,817,092	9,770,896
CPC Adjustments 47	-	-	1,774,517	1,640,037
Renegotiation of Hydrological Risk	-	-	866,511	873,629
VJORA Financial Instruments	409,441	427,390	409,441	427,390
Accelerated depreciation	-	-	298,115	293,257
Others	-	-	712,366	763,884
Total Liabilities	409,441	427,390	13,878,042	13,769,093
Deferred tax liabilities, net	409,441	427,390	2,776,107	2,753,185

¹ Impairment - Estimated loss due to non-recoverability of assets

The amounts recognized in the financial statements are the result of our best estimate of future taxable profits, and the basis of the recorded value is formed by the temporary differences, tax loss and negative basis of social contribution of each entity, whose expected realization is as follows:

	PARENT COMPANY	CONSOLIDATED
2023	-	(471,071)
2024	-	(721,601)
2025	-	(743,392)
2026	-	(892,700)
After 2026	(409,441)	52,657
	(409,441)	(2,776,107)

In addition, Eletrobras has no prospect of future taxable income and, thus, tax credits deferred from tax losses and negative basis of social contribution not recorded in the financial statements add up to the amount of R\$2,963,013 at March 31, 2023 (R\$2,714,529 at December 31, 2022).

The Company also has active temporary differences in its tax books, which if the assumptions for accounting recognition existed, would generate deferred tax assets in the amount of R\$12,062,367, at March 31, 2023, whose composition is presented below:

Deferred tax assets on unrecognized temporary differences	03/31/2023
Provision for Litigation	9,541,271
Actuarial provision	244,336
PECLD	1,714,338
Exchange variation liabilities	120,204
Other	442,218
	12,062,367

12.4 - Reconciliation of expenses with income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Operating income before taxes	488,010	2,699,185	854,056	3,402,793
Corporate Income Tax (IRPJ) and Social Security Contribution Tax on Net profit (CSLL) calculated as nominal quotas	(165,923)	(917,723)	(290,379)	(1,156,949)
Effects of additions and exclusions:				
Deferred taxes not recognized/written-off	(324,503)	(467,224)	(352,284)	(192,323)
Exchange variation	20,005	207,298	20,005	207,298
Equity method	460,424	908,271	48,008	274,882
Provisions	11,642	220,358	72,401	14,008
Financial income - Contract Assets	-	-	43,143	131,186
Monetary restatement	2,549	6,201	2,549	6,202
Constitution of deferred tax on tax loss/negative basis	-	-	13,103	40,629
Constitution/Reversal of Tax Credits	-	-	(64,431)	(84,548)
Tax Incentives (a)	-	-	74,910	116,797
Donations	(853)	(702)	(853)	(702)
Renegotiation of Hydrological Risk	-	-	5,172	51,842
Other permanent additions and exclusions	(2,733)	(34,922)	(19,437)	(182,393)
Total IRPJ and CSLL expense	608	(78,443)	(448,093)	(774,071)
Effective tax rate	0.12%	2.91%	52.47%	22.75%

(a) Tax Incentives

The Northeast Development Superintendence (SUDENE) and the Amazon Development Superintendence (SUDAM), through constitutive reports, recognized the right to a 75% reduction in income tax and non-refundable premiums, calculated on the operating profit in electricity generation and transmission activities, whose benefit amount calculated until March 31, 2023 was R\$74,910 (R\$116,797 on December 31, 2022). Subsidiaries Chesf (SUDENE) and Eletronorte (SUDAM) enjoy these tax benefits.

NOTE 13 – TAXES AND CONTRIBUTIONS

	PARENT COMPANY				CONSOLIDATED			
	03/31/2023	12/31/2022	03/31/2023	12/31/2022	03/31/2023	12/31/2022	03/31/2023	12/31/2022
	Current assets		Current liabilities		Current assets		Current liabilities	
IRRF/CSRF	461,552	856,483	8,244	16,314	623,393	989,112	58,115	489,883
PIS/COFINS	1,098	983	10,319	334,229	5,257	101,677	335,245	538,341
INSS/FGTS	-	-	7,106	7,719	-	-	62,020	150,734
PAES/REFIS	-	-	-	-	-	-	18,221	35,064
(-) ICMS	-	-	-	-	21,512	18,420	33,460	24,453
ISS	-	-	-	-	-	-	9,812	17,054
Others	-	-	7,980	12,477	24,801	26,704	19,424	16,171
	462,650	857,466	33,649	370,739	674,963	1,135,913	536,297	1,271,700
	Non-current assets		Non-current liabilities		Non-current assets		Non-current liabilities	
PIS/COFINS	-	-	-	-	194,968	192,505	564,405	592,894
Income Tax/Social Security Contribution Tax	3,705	3,705	-	-	144,160	152,427	-	-
(-) ICMS	-	-	-	-	82,402	72,621	-	-
PAES/REFIS	-	-	-	-	-	-	126,953	130,822
Others	-	-	-	-	21,920	21,643	-	-
	3,705	3,705	-	-	443,450	439,196	691,358	723,716

NOTE 14 – RIGHTS AND OBLIGATIONS OF REIMBURSEMENT

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Current assets				
Fuel consumption account - CCC	596,539	584,826	636,434	615,540
Reimbursement of fixed assets in progress - AIC	211,950	211,950	211,950	211,950
Itaipu Adjustment Factor	308,696	389,438	308,696	389,438
	<u>1,117,185</u>	<u>1,186,214</u>	<u>1,157,080</u>	<u>1,216,928</u>
Non-current Assets				
Fuel consumption account - CCC	1,980,544	2,094,538	2,119,305	2,170,928
Estimated losses CCC - PECLD	(340,063)	(340,063)	(340,063)	(340,063)
Reimbursement of fixed assets in progress - AIC	241,044	294,042	241,044	294,042
	<u>1,881,525</u>	<u>2,048,517</u>	<u>2,020,286</u>	<u>2,124,907</u>
Total right of reimbursement	<u>2,998,710</u>	<u>3,234,731</u>	<u>3,177,366</u>	<u>3,341,835</u>
Current liabilities				
PROINFA	1,939,862	1,912,423	1,939,862	1,912,423
	<u>1,939,862</u>	<u>1,912,423</u>	<u>1,939,862</u>	<u>1,912,423</u>
Total reimbursement obligation	<u>1,939,862</u>	<u>1,912,423</u>	<u>1,939,862</u>	<u>1,912,423</u>

NOTE 15 – CONTRACTUAL TRANSMISSION ASSETS

The Company records the right to the consideration arising from the construction of the transmission projects, within the scope of the concession agreements, under the heading Contractual Transmission Assets. The movement of these assets, in the periods ended March 31, 2023 and 2022, is shown in the table below:

	Furnas	Chesf	Eletronorte	CGT Eletrosul	Total
Balance at December 31, 2021	24,494,418	18,128,156	10,607,255	6,285,139	59,514,968
Construction revenue	15,638	88,230	10,651	32,923	147,442
Financial income	1,067,724	777,596	448,295	277,333	2,570,948
Amortization	(768,245)	(552,702)	(312,882)	(191,832)	(1,825,661)
Balance at March 31, 2022	24,809,535	18,441,280	10,753,319	6,403,563	60,407,697
	Furnas	Chesf	Eletronorte	CGT Eletrosul	Total
Balance at December 31, 2022	24,763,617	18,860,799	10,773,184	6,654,610	61,052,210
Construction revenue	35,964	153,736	39,156	55,005	283,861
Financial income	947,571	706,034	408,730	236,460	2,298,795
Amortization	(973,400)	(699,492)	(385,954)	(236,608)	(2,295,454)
Balance at March 31, 2023	24,773,752	19,021,077	10,835,116	6,709,467	61,339,412

Of the current balance of the contractual assets of the transmission, R\$35,739,802 correspond to the right to the consideration originated by the non-depreciated infrastructure of RBSE – Rede Básica do Sistema Existente, when the concessions were renewed in 2012, pursuant to Law No. 12,783/2013.

In April 2023, ANEEL issued Technical Note No. 085/2023, which deals with the manifestations about the calculations presented within the scope of the payment of the financial component of RBSE in Technical Note No. 085/2022-SGT/ANEEL and in Circular Letter No. 23/2022-SGT/ANEEL, of August 2022. See Note 33.4.

16.1 - Change in investments

Equity interests and other investments	Shareholdings	PARENT COMPANY					
		Balance at 12/31/2022	Other Comprehensive Income	Capital Increase / Decrease	Dividends and Interest on shareholders' equity	Equity method	Balance at 03/31/2023
Subsidiaries							
Furnas	100.00%	45,128,153	(52,299)	38,169	-	371,167	45,485,190
Chesf	100.00%	21,366,866	(12,780)	6,505	-	328,641	21,689,232
Eletronorte	100.00%	22,641,853	(436)	69,524	-	251,335	22,962,276
CGT Eletrosul	100.00%	8,835,454	(12,199)	3,720	-	68,752	8,895,727
Electropar	83.71%	181,410	3,444	-	651	6,220	191,725
		98,153,736	(74,270)	117,918	651	1,026,115	99,224,150
Jointly controlled companies							
Rouar S.A.	50.00%	133,828	(3,631)	-	(12,560)	4,906	122,543
Luziania-Niquelandia Transmissora S.A.	49.00%	47,750	-	-	-	1,797	49,547
		181,578	(3,631)	-	(12,560)	6,703	172,090
Affiliates							
Eletronuclear ¹	67.95%	7,188,028	26,559	-	-	(30,534)	7,184,053
Companhia de Transmissão de Energia Elétrica Paulista S.A. - CTEEP	35.03%	4,902,846	(2,189)	-	-	262,608	5,163,265
Lajeado Energia S.A.	40.07%	96,037	-	-	-	28,243	124,280
Others	33.28% to 49.00%	1,557,333	(522)	-	54,082	53,554	1,664,447
		13,744,244	23,848	-	54,082	313,871	14,136,045
		112,079,558	(54,053)	117,918	42,173	1,346,689	113,532,285

¹ The 67.95% equity interest in Eletronuclear is composed of 35.90% ON and 99.99% PN, which is classified as an affiliate.



Equity interests and other investments	Shareholdings	PARENT COMPANY					
		Balance at 12/31/2021	Transfer to assets held for sale	Other Comprehensive Income	Dividends and Interest on shareholders' equity	Equity method	Balance at 03/31/2022
Subsidiaries							
Furnas	99.56%	26,703,790	-	-	-	911,758	27,615,548
Chesf	99.58%	20,562,574	-	-	-	872,038	21,434,612
Eletronorte	99.66%	19,536,381	-	-	-	49,140	19,585,521
CGT Eletrosul	99.89%	8,132,619	-	-	-	319,178	8,451,797
Eletronuclear	99.95%	2,568,797	-	-	-	108,329	2,677,126
Electropar	83.71%	178,047	-	5,251	-	3,052	186,350
		77,682,208	-	5,251	-	2,263,495	79,950,954
Jointly controlled companies							
Rouar S.A.	50.00%	134,264	-	(21,356)	-	6,168	119,076
Norte Energia S.A. - NESA	15.00%	1,916,058	-	-	-	(24,868)	1,891,190
Luziania-Niquelandia Transmissora S.A.	49.00%	38,320	-	-	-	-	38,320
		2,088,642	-	(21,356)	-	(18,700)	2,048,586
Affiliates							
Companhia de Transmissão de Energia Elétrica Paulista S.A. - CTEEP	35.10%	4,357,895	-	(16,077)	-	174,603	4,516,421
Lajeado Energia S.A.	40.07%	99,516	-	-	-	23,753	123,269
Companhia Estadual de Transmissao de Energia Eletrica - CEEE-T	32.59%	644,208	(648,271)	-	4,063	-	-
Others	29.40% to 50.00%	2,093,614	-	(73,565)	(64,591)	78,382	2,033,840
		7,195,233	(648,271)	(89,642)	(60,528)	276,738	6,673,530
		86,966,083	(648,271)	(105,747)	(60,528)	2,521,533	88,673,070

Equity interests and other investments	Shareholdings	CONSOLIDATED					
		Balance at 12/31/2022	Other Comprehensive Income	Capital Increase / Decrease	Dividends and Interest on shareholders' equity	Equity method	Balance at 03/31/2023
Jointly controlled companies							
Norte Energia S.A. - NESA	49.98%	6,060,822	-	-	-	(61,162)	5,999,660
Energia Sustentável do Brasil S.A. - ESBR	40.00%	3,563,552	-	-	-	11,809	3,575,361
Belo Monte Transmissora de Energia S.A. - BMTE	49.00%	2,005,808	-	-	-	44,453	2,050,261
Interligação Elétrica do Madeira S.A. - IE Madeira	49.00%	1,735,667	-	-	-	59,722	1,795,389
Empresa de Energia São Manoel S.A.	33.33%	588,913	-	-	-	(718)	588,195
Mata de Santa Geneva Transmissão S.A.	49.90%	548,104	-	-	-	22,218	570,322
Companhia Energética Sinop S.A. - SINOP	49.00%	526,442	-	-	-	1,474	527,916
Interligação Elétrica Garanhuns S.A. - IE Garanhuns	49.00%	502,090	-	-	-	16,686	518,776
Teles Pires Participações S.A. - TPP	49.44%	315,385	-	-	-	(10,028)	305,357
Chapecoense Geração S.A.	40.00%	253,633	-	-	-	43,832	297,465
Transmission System Nordeste S.A. - STN	49.00%	269,217	-	-	-	11,635	280,852
Enerpeixe S.A.	40.00%	261,789	-	-	-	(355)	261,434
Paranaíba Transmissora de Energia S.A.	24.50%	222,169	-	-	-	4,421	226,590
Triângulo Mineiro Transmissora de Energia S.A.	49.00%	199,746	-	-	-	3,831	203,577
MGE Transmissão S.A.	49.00%	196,954	-	-	-	2,102	199,056
Goiás Transmissão S.A.	49.00%	206,773	-	-	(23,222)	(96)	183,455
Retiro Baixo Energética S.A.	49.00%	155,470	-	-	-	3,008	158,478
Rouar S.A.	50.00%	133,828	(3,631)	-	(12,560)	4,906	122,543
Vamcruz I Participações S.A.	24.50%	130,332	-	-	-	171	130,503
Transenergia Renovável S.A.	49.00%	96,112	-	-	-	(366)	95,746
Vale do São Bartolomeu Transmissora de Energia S.A.	39.00%	89,860	-	-	-	2,861	92,721
Others ¹	30.61% to 54.01%	298,855	-	7,784	(37,259)	21,598	290,978
		18,361,521	(3,631)	7,784	(73,041)	182,002	18,474,635
Affiliates							
Eletronuclear ¹	67.95%	7,188,028	26,559	-	-	(30,534)	7,184,053
Companhia de Transmissão de Energia Elétrica Paulista S.A. - CTEEP	35.76%	5,007,916	(2,554)	-	-	266,300	5,271,662
Lajeado Energia S.A.	40.07%	96,037	-	-	-	28,243	124,280
Others	33.28% to 40.07%	1,570,762	(522)	-	54,082	57,792	1,682,114
		13,862,743	23,483	-	54,082	321,801	14,262,109
		32,224,264	19,852	7,784	(18,959)	503,803	32,736,744

¹ The 54.01% equity interest refers to Serra do Falcão Energia S.A., which is composed of 43.03% ON and 100.00% PN, which is classified as an affiliate; and

² The 67.95% equity interest in Eletronuclear is composed of 35.90% ON and 99.99% PN, which is classified as an affiliate.

CONSOLIDATED									
Equity interests and other investments	Shareholdings	Balance at 12/31/2021	Transfer to assets held for sale/Write-off	Other Comprehensive Income	Capitalization of AFAC	Adjustments of investees	Dividends and Interest on shareholders' equity	Equity method	Balance at 03/31/2022
Jointly controlled companies									
Norte Energia S.A. - NESA	49.98%	6,384,303	-	-	-	-	-	(82,860)	6,301,443
Energia Sustentável do Brasil S.A. - ESBR	40.00%	3,295,627	-	-	-	-	-	(16,170)	3,279,457
Belo Monte Transmissora de Energia S.A. - BMTE	49.00%	1,895,036	-	-	-	134	(12,250)	38,744	1,921,664
Interligação Elétrica do Madeira S.A. - IE Madeira	49.00%	1,409,983	-	-	-	-	-	79,412	1,489,395
Teles Pires Participações S.A. - TPP	49.44%	789,994	-	-	-	-	-	(12,856)	777,138
Mata de Santa Geneva Transmissão S.A.	49.90%	634,284	-	-	-	-	(61,290)	23,478	596,472
Chapecoense Geração S.A.	40.00%	454,259	-	-	-	-	-	30,714	484,973
Empresa de Energia São Manoel S.A.	33.33%	428,168	-	-	-	-	-	(4,798)	423,370
Interligação Elétrica Garanhuns S.A. - IE Garanhuns	49.00%	413,106	-	-	-	-	-	16,149	429,255
Companhia Energética Sinop S.A. - SINOP	49.00%	349,256	-	-	-	-	-	(3,806)	345,450
Energética Águas da Pedra S.A. - EAPSA	49.00%	291,327	-	-	-	-	-	18,235	309,562
Enerpeixe S.A.	40.00%	266,309	-	-	-	-	-	(1,414)	264,895
Transmission System Nordeste S.A. - STN	49.00%	258,272	-	-	-	-	-	15,041	273,313
Paranaíba Transmissora de Energia S.A.	24.50%	188,675	-	-	-	-	-	4,363	193,038
Triângulo Mineiro Transmissora de Energia S.A.	49.00%	182,828	-	-	-	1,169	-	3,296	187,293
Goiás Transmissão S.A.	49.00%	177,274	-	-	-	-	-	(191)	177,083
Retiro Baixo Energética S.A.	49.00%	168,726	-	-	-	-	-	2,391	171,117
MGE Transmissão S.A.	49.00%	168,273	-	-	-	-	-	1,952	170,225
Vamcruz I Participações S.A.	24.50%	131,625	-	-	-	-	-	33	131,658
Rouar S.A.	50.00%	134,264	-	(21,356)	-	-	-	6,168	119,076
Transenergia Renovável S.A.	49.00%	97,461	-	-	-	-	-	145	97,606
Vale do São Bartolomeu Transmissora de Energia S.A.	39.00%	79,406	-	-	-	-	-	2,559	81,965
Others	19.60% to 54.01%	270,855	(21,880)	-	396	-	-	1,362	250,733
		18,469,311	(21,880)	(21,356)	396	1,303	(73,540)	121,947	18,476,181
Affiliates									
Companhia de Transmissão de Energia Elétrica Paulista S.A. - CTEEP	35.83%	4,451,016	-	(16,410)	-	-	-	178,708	4,613,314
Companhia Estadual de Transmissão de Energia Elétrica - CEEE-T	32.59%	644,208	(648,271)	-	-	-	4,063	-	-
Lajeado Energia S.A.	40.07%	99,516	-	-	-	-	-	23,753	123,269
Others	33.55% to 50%	2,105,121	-	(73,565)	-	-	(64,591)	77,716	2,044,681
		7,299,861	(648,271)	(89,975)	-	-	(60,528)	280,177	6,781,264
		25,769,172	(670,151)	(111,331)	396	1,303	(134,068)	402,124	25,257,445

16.2 - Shares in guarantee

Considering that the Company has several lawsuits within the scope of the Judiciary, where it appears as a defendant, equity interests are offered as collateral in the appeals of these lawsuits, as follows:

PARENT COMPANY			
31/03/2023			
Shareholdings	Value of the Investment	Percentage of block	Investment blocked
Companhia de Transmissão de Energia Elétrica Paulista S.A. - CTEEP	5,271,662	73.00%	3,848,090
AES Tietê Energia S.A	406,966	71.50%	290,986
Energisa Holding	337,561	56.08%	189,305
Centrais Elétricas de Santa Catarina S.A - CELESC	208,591	42.02%	87,645
Companhia Energética do Ceará - COELCE	198,527	7.22%	14,324
Auren Energia S.A.	151,805	34.86%	52,919
Others	1,407,455	62.48% to 100%	965,847
	<u>7,982,567</u>		<u>5,449,116</u>

16.3 – Negative net working capital

(a) Indirect subsidiaries

Brasil Ventos, the Company's indirect subsidiary, reported negative net working capital of R\$3,813 in the period ended March 31, 2023.

(b) Affiliates and jointly controlled companies

The Company and its subsidiaries hold interests in the companies Norte Energia S.A., Teles Pires Participações S.A., Paulista Lajeado S.A., Enerpeixe S.A., Tijoá Participações and Vamcruz I Participações S.A., which presented in the period ended March 31, 2023 negative net working capital of R\$199,301, R\$123,882, R\$19,744, R\$261,007, R\$7,185 and R\$49,008, respectively.

NOTE 17 – FIXED ASSETS

Property, plant and equipment items refer substantially to infrastructure for electricity generation and corporate assets.

The following shows the changes in property, plant and equipment:

	CONSOLIDATED							
	Dams, reservoirs and pipelines	Buildings, civil works and improvements	Machinery and equipment	Impairment ¹	Fixed assets in progress	Right of Use	Others	Total
Average depreciation rate per year	3.67%	3.62%	5.13%	-	-	5.33%	4.93%	
Cost	22,752,509	10,977,908	43,366,209	-	2,716,242	2,052,882	499,472	82,365,222
Accumulated Depreciation and Impairment	(11,286,218)	(5,620,539)	(26,900,143)	(2,536,835)	-	(1,097,733)	(184,049)	(47,625,517)
Balance at December 31, 2022	11,466,291	5,357,369	16,466,066	(2,536,835)	2,716,242	955,149	315,423	34,739,705
Addition /Incorporation	-	840	46,922	-	471,997	2,840	957	523,556
Write-offs	-	(545)	(39,470)	-	(4,316)	(5)	(7,804)	(52,140)
Depreciation	(143,264)	(69,920)	(246,406)	-	-	(25,788)	(9,326)	(494,705)
Transfers of assets held for sale ²	-	18,560	113,930	(157,790)	106,827	-	-	81,527
Transfers	156	378	(52,795)	-	(59,806)	-	68,566	(43,501)
Balance at March 31, 2023	11,323,183	5,306,682	16,288,247	(2,694,625)	3,230,944	932,196	367,816	34,754,442
Cost	22,752,671	11,003,389	43,481,399	-	3,230,944	2,053,361	513,311	83,035,073
Accumulated Depreciation and Impairment	(11,429,488)	(5,696,707)	(27,193,152)	(2,694,625)	-	(1,121,165)	(145,495)	(48,280,631)

¹Impairment - Estimated loss due to non-recoverability of assets; and

²Livramento Holding S.A. See Note 31.

	CONSOLIDATED							
	Dams, reservoirs and pipelines	Buildings, civil works and improvements	Machinery and equipment	Impairment ¹	Fixed assets in progress	Right of Use	Others	Total
Average depreciation rate per year	2.18%	2.53%	3.74%	-	-	3.24%	4.79%	
Cost	15,418,627	8,214,167	42,054,751	-	17,484,344	2,112,362	742,900	86,027,151
Accumulated Depreciation and Impairment	(9,005,632)	(5,329,002)	(29,828,945)	(6,963,604)	-	(1,068,058)	(463,929)	(52,659,170)
Balance at December 31, 2021	6,412,995	2,885,165	12,225,806	(6,963,604)	17,484,344	1,044,304	278,971	33,367,981
Addition /Incorporation	-	85	36,002	-	245,783	-	6,695	288,565
Write-offs/ Reversals	-	-	(7,396)	-	(4,451)	-	(212)	(12,059)
Depreciation	(76,196)	(46,867)	(277,217)	-	-	(27,101)	(5,568)	(432,949)
Transfers	50	779	5,758	-	(18,314)	(1)	51	(11,677)
Balance at March 31, 2022	6,336,849	2,839,162	11,982,953	(6,963,604)	17,707,362	1,017,202	279,937	33,199,861
Cost	15,418,678	8,215,032	42,087,928	-	17,707,362	2,112,338	407,645	85,948,983
Accumulated Depreciation and Impairment	(9,081,829)	(5,375,870)	(30,104,975)	(6,963,604)	-	(1,095,136)	(127,708)	(52,749,122)

¹ Impairment - Estimated loss due to non-recoverability of assets.



The variations in *impairment* and fixed assets in progress, when compared to March 2022, are related to the effect of the deconsolidation of Eletronuclear (TPP Angra 3) occurred in June 2022.

NOTE 18 – INTANGIBLE ASSETS

	CONSOLIDATED						
	Right of Exploitation	Software	Goodwill	Use of the Public Good	Intangible assets in progress	Impairment ¹	Others
Average amortization rate p.a.	3.58%	16.13%	5.44%	2.68%	0.00%	-	10.53%
Cost	80,484,396	473,331	241,527	306,888	505,533	-	322,737
Accumulated Amortization and <i>Impairment</i>	(1,427,707)	(360,798)	(148,888)	(89,084)	-	(152,988)	(174,366)
Balance at December 31, 2022	79,056,689	112,533	92,639	217,804	505,533	(152,988)	148,371
Additions	-	-	-	-	21,597	-	-
Write-offs	-	-	-	-	(32,093)	31,914	-
Depreciation	(392,941)	(3,414)	(4,116)	(1,915)	-	-	(6,275)
Transfers of Assets Held for Sale ²	-	-	-	-	227	-	474
Transfers	(103,105)	(122)	136,324	-	29,697	-	(33,217)
Balance at March 31, 2023	78,560,643	108,997	224,847	215,889	524,961	(121,074)	109,353
Cost	80,383,553	473,205	441,625	306,888	524,961	-	223,527
Accumulated Amortization and <i>Impairment</i>	(1,822,910)	(364,208)	(216,778)	(90,999)	-	(121,074)	(114,174)

¹ *Impairment* - Estimated loss due to non-recoverability of assets

² Livramento Holding S.A. See Note 31.

	CONSOLIDATED						
	Right of exploitation	Software	Goodwill	Use of the Public Good	Intangible assets in progress	Impairment ¹	Others
Average amortization rate p.a.	4.47%	17.55%	5.22%	2.01%	-	-	10.93%
Cost	4,557,859	585,584	300,515	107,547	456,897	-	169,660
Accumulated Amortization and <i>Impairment</i>	(388,119)	(465,487)	(140,693)	(19,479)	-	(71,451)	(100,657)
Balance at December 31, 2021	4,169,740	120,097	159,822	88,068	456,897	(71,451)	69,003
Additions/Constitutions	(903)	(365)	-	(249)	8,308	-	-
Depreciation	(199,140)	(6,524)	(4,116)	(337)	839	-	(320)
Transfers	(82,508)	22,248	144,594	-	(10,405)	-	(62,086)
Balance at March 31, 2022	3,887,189	135,456	300,300	87,482	455,639	(71,451)	6,597
Cost	4,469,531	658,508	443,747	107,549	455,639	-	107,574
Accumulated Amortization and <i>Impairment</i>	(582,342)	(523,052)	(143,447)	(20,067)	-	(71,451)	(100,977)

¹ *Impairment* - Estimated loss due to non-recoverability of assets

NOTE 19 – SUPPLIERS

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/12/2022	31/03/2023	31/12/2022
Current				
Goods, Materials and Services	81,571	151,311	1,084,316	1,870,754
Energy purchased for resale	676,835	843,611	1,324,137	1,632,529
CCEE - Short-term energy	-	-	48,728	13,890
	<u>758,406</u>	<u>994,922</u>	<u>2,457,181</u>	<u>3,517,173</u>

NOTE 20 – LOANS, FINANCING AND DEBENTURES

The composition of loans, financing and debentures owed by Eletrobras and its subsidiaries is disclosed at present value, as follows:

	Annual rates on 03/31/2023		PARENT COMPANY		CONSOLIDATED	
	Minimum	Maximum	03/31/2023	12/31/2022	03/31/2023	12/31/2022
National Currency						
Capital market ¹	4.08%	16.62%	13,560,046	13,092,485	22,609,183	21,990,407
Banking market ²	2.48%	18.40%	-	17,914	13,666,260	13,013,465
Development banks ³	3.14%	13.18%	-	-	8,329,713	8,110,793
Sectoral funds ⁴	5.00%	5.00%	966,539	1,035,421	966,539	1,035,420
Other institutions ⁵	10.00%	14.82%	4,391,494	4,879,402	5,231,575	7,414,629
			<u>18,918,079</u>	<u>19,025,222</u>	<u>50,803,270</u>	<u>51,564,714</u>
Foreign currency						
Capital market ¹	3.63%	4.63%	6,317,933	6,553,516	6,317,933	6,553,517
Development banks ³	2.00%	6.96%	301,723	373,906	916,610	988,291
			<u>6,619,656</u>	<u>6,927,422</u>	<u>7,234,543</u>	<u>7,541,808</u>
			<u>25,537,735</u>	<u>25,952,644</u>	<u>58,037,813</u>	<u>59,106,522</u>
Charges			1,484,489	1,148,797	2,134,750	1,664,942
Principal			<u>2,371,053</u>	<u>2,533,905</u>	<u>5,013,289</u>	<u>5,859,828</u>
Current			<u>3,855,542</u>	<u>3,682,702</u>	<u>7,148,039</u>	<u>7,524,770</u>
Non-current			21,682,192	22,269,941	50,889,773	51,581,752
			<u>25,537,734</u>	<u>25,952,643</u>	<u>58,037,812</u>	<u>59,106,522</u>

¹ The balance refers to bonuses, debentures and commercial notes;

² The balance refers to loans and financing with financial institutions;

³ The balance refers to operations with Basa FNO, BNDES and FINEP;

⁴ The balance refers to the Global Reversal Reserve (RGR); and

⁵ The balance refers, substantially, to the debt with Petrobras.

The profile of loans, financing and debentures is shown in Note 29.3.

20.1 - Movement of loans, financing and debentures

The changes presented below comprise the periods ended March 31, 2023 and 2022:

	PARENT COMPANY		CONSOLIDATED	
Opening balance at December 31, 2022 and 2021	25,952,643	24,605,138	59,106,522	44,015,645
Effect on cash flow:				
Fundraising	-	-	14,604	-
Interest Paid	(291,733)	(251,120)	(968,175)	(612,625)
Amortization of Principal	(664,101)	(836,102)	(1,794,963)	(1,397,057)
Non-cash effect:				
Interest, charges, monetary and exchange variations incurred	520,750	(616,784)	1,631,425	(368,947)
Transfers of assets held for sale	-	-	28,224	-
Derecognition RGR	20,175	1,782	20,175	1,782
Final balance at March 31, 2023 and 2022	25,537,734	22,902,914	58,037,812	41,638,798

The installments of loans, financing and debentures recorded in the Company's non-current liabilities have their maturities scheduled as follows:

	2024	2025	2026	2027	2028 to 2042	Total
PARENT COMPANY	10,016,604	2,934,537	2,221,302	316,675	6,193,074	21,682,192
Consolidated	13,313,898	4,753,457	4,559,945	2,459,701	25,802,772	50,889,773

20.2 – Warranties

The Company participates, as intervening guarantor, in several ventures of its controlled and uncontrolled investees. The total exposure to guarantees consists of the guarantees provided to affiliates and joint ventures in the amount of R\$28,683,974 at March 31, 2023, presented in the table below:

NON-CONTROLLED COMPANIES			
Guarantor	Undertaking	Guaranteed Debt Balance at 03/31/2023	Termination of the Collateral
Eletrobras	HPP Belo Monte - Norte Energia	14,157,980	2042
Eletrobras	HPP Jirau - ESBR	3,274,710	2034
Eletrobras	Angra III	3,230,505	2036
Eletrobras	Angra III	2,880,411	2038
Eletrobras	Teles Pires	1,119,794	2036
Eletrobras	HPP Jirau - ESBR	901,012	2035
Eletrobras	Mata de Santa Genebra	792,679	2041
Eletrobras	HPP Sinop	580,588	2038
Eletrobras	Empresa de Energia São Manoel	542,452	2038
Eletrobras	Amazonas Energia	347,678	2026
Eletrobras	Teles Pires	251,467	2032
Furnas	Mata de Santa Genebra	109,803	2030
Furnas	Empresa de Energia São Manoel	105,780	2033
Eletrobras	Angra I	91,812	2027
Chesf	HPP Sinop	78,483	2032
Eletronorte	HPP Sinop	78,482	2032
Eletrobras	Chapada do Piauí II	70,416	2032
Eletrobras	Chapada do Piauí I	67,518	2032
Eletrobras	Caldas Novas Transmissão	2,404	2028
Guarantees - non-controlled companies		28,683,974	

The guarantees provided to the controlled investees are presented in a segregated manner because their balances are already recorded in financing and loans payable.

As of March 31, 2023, the amount of R\$19,354,754 guaranteed to subsidiaries is shown in the table below:

SUBSIDIARIES

Guarantor	Undertaking	Guaranteed Debt Balance at 03/31/2023	Termination of the Collateral
Eletrobras	HPP Santo Antônio	9,647,013	2040
Furnas	HPP Santo Antônio	3,908,875	2038
Eletrobras	Issuance of Debentures - Furnas	1,003,492	2029
Eletrobras	Belo Monte Energy Transmitter	624,447	2029
Eletrobras	HPP Santo Antônio	473,494	2024
Furnas	Modernization of HPP Furnas and HPP Luiz Carlos Barreto de Carvalho	351,000	2031
Eletrobras	HPP Santo Antônio	340,433	2030
Eletrobras	Issuance of Debentures - Furnas	317,509	2024
CGT Eletrosul	Transmissora Sul Litorânea de Energia	306,045	2029
Eletrobras	Complexo Eólico Livramento - Entorno II	265,951	2028
Eletrobras	HPP Simplicio	260,979	2026
Eletrobras	HPP Santo Antônio	227,488	2034
Eletrobras	Chesf Corporate Projects	190,320	2029
Eletrobras	Miscellaneous - Furnas	147,999	2023
Eletrobras	Transmitting Green Line	141,967	2033
Eletrobras	Wind farms Casa Nova II and III	139,642	2031
Eletrobras	HPP Mauá	131,190	2028
Eletrobras	Investment Plan 2012 - 2014	127,674	2029
Eletrobras	Transmissora Sul Brasileira de Energia	114,857	2028
Chesf	Delmiro Gouveia Transmitter	96,540	2032
Eletrobras	Strengthening the Working Capital Structure	93,227	2024
Eletrobras	HPP São Domingos	89,848	2028
Eletrobras	Chesf Corporate Projects	56,770	2029
Eletrobras	HPP Passo de São João	55,827	2026
Eletrobras	HPP Batalha	54,186	2025
Eletrobras	Corporate Financing	51,722	2023
Chesf	Delmiro Gouveia Transmitter	44,976	2031
Eletrobras	CGT Eletrosul Corporate Projects	27,973	2023
CGT Eletrosul	Expansion of the Southern Transmission System	15,574	2029
Eletrobras	HPP Baguari	14,571	2026
Eletrobras	RS Energia	14,064	2027
CGT Eletrosul	Brazil x Uruguay Interconnection	11,690	2029
Eletrobras	RS Energia	7,411	2027
Guarantees - subsidiaries		19,354,754	

In the period ended March 31, 2023, the Company held the amount of R\$174,056 recorded in its non-current liabilities related to provisions for guarantees.

20.3 – Assumed obligations - Covenants

The Company has restrictive clauses (*covenants*) in some of its loan, financing and debenture agreements. The main *covenants* refer to: (i) net debt on EBITDA, (ii) debt service coverage ratio (ICSD), (iii) corporate guarantees, (iv) requirements for changing corporate control and (v) limitation to the significant sale of assets. It should be noted that there was no breach of *covenants* in the period ended March 31, 2023.

NOTE 21 – REMUNERATION TO SHAREHOLDERS

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Dividends for the year 2022	863,402	863,402	874,087	875,008
Dividends from fiscal years prior to 2022	36,953	49,616	37,848	49,636
	900,355	913,018	911,935	924,644

NOTE 22 – PROVISIONS FOR LITIGATION AND CONTINGENT LIABILITIES

Eletrobras and its subsidiaries are parties involved in several ongoing lawsuits within the judiciary, mainly in the civil and labor spheres, which are in various stages of judgment:

22.1 – Provisions for litigation

Eletrobras and its subsidiaries establish provisions in an amount sufficient to cover losses considered probable and for which a reliable estimate can be made in the following amounts:

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Current				
Civil	2,249,654	2,639,850	2,489,414	2,702,135
Labor	5,834	6,861	5,834	7,026
	2,255,488	2,646,711	2,495,248	2,709,161
Non-current				
Civil	22,109,541	21,818,356	27,172,984	26,945,065
Labor	268,328	265,692	2,139,714	2,069,861
Taxes	-	-	594,965	586,489
Regulatory	-	-	1,122,703	945,790
Environmental	-	-	63,274	76,353
	22,377,869	22,084,048	31,093,640	30,623,558
	24,633,357	24,730,759	33,588,888	33,332,719

The provisions had, in the period ended March 31, 2023, the following evolution:

	PARENT COMPANY	CONSOLIDATED
Balance at December 31, 2022	24,730,759	33,332,719
Creation of provisions	574,543	1,072,706
Reversal of provisions	(603,542)	(789,140)
Monetary restatement	384,188	510,692
Judicial deposits	-	(34,502)
Payments	(452,591)	(503,587)
Balance at March 31, 2023	24,633,357	33,588,888

22.2 – Contingent liabilities

Additionally, Eletrobras and its subsidiaries have lawsuits assessed with possible loss in the following amounts:

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	31/12/2022	03/31/2023	31/12/2022
Civil	8,634,039	8,726,253	28,048,303	27,507,399
Labor	944,156	928,911	2,338,926	2,284,664
Taxes	932,081	-	11,649,526	10,400,731
Environmental	-	-	2,431,238	1,811,883
Regulatory	-	-	1,605,271	1,602,258
	10,510,276	9,655,164	46,073,264	43,606,935

Tax Deficiency Notice - IOF

Refers to the tax assessment notice received by Eletrobras, in the updated amount of R\$1,242,775, drawn up by the Federal Revenue of Brazil, aiming at the collection of alleged IOF debts. The Company challenged the notice of infraction listing material evidence that demonstrates that they were considered bases previously offered for IOF taxation, as well as Itaipu Binacional's receivables that are not covered by IOF taxation in addition to the inclusion of balances that do not form the tax base. The administrative proceeding was classified as risk of remote loss related to Itaipu credits, in the amount equivalent to R\$310,694 and risk of possible loss in the amount of R\$932,081, equivalent to the IOF on other credits. The other relevant processes in which the Company and its subsidiaries are parties had no material changes in the prognosis in relation to the information disclosed in Note 34 of the financial statements for the year ended December 31, 2022.

NOTE 23 – OBLIGATIONS OF LAW No. 14.182/2021

Law No. 14.182/2021 determined the conditions for obtaining the new concessions for the concession of electricity generation, establishing obligations to the subsidiaries Furnas, Eletronorte and Chesf: (i) payment to CDE and (ii) implementation of revitalization programs for river basins and projects in the Legal Amazon.

	CONSOLIDATED		
	Energy Development Account (CDE)	Revitalization of River Basins	Total
Opening balance on December 31, 2022	29,755,493	6,903,961	36,659,454
Effect on cash flow:			
Amortization of principal	-	(850,113)	(850,113)
Interest Paid	-	(33,238)	(33,238)
Non-cash effect:			
Monetary restatement	603,745	127,405	731,150
Charges	553,101	88,245	641,346
Closing balance on March 31, 2023	30,912,339	6,236,260	37,148,599
Current	616,579	855,265	1,471,844
Non-current	30,295,760	5,380,995	35,676,755

The installments of non-current obligations with CDE and Revitalization of River Basins have their maturities at present value, with annual rates of 7.60% and 5.67%, respectively, as follows:

	CONSOLIDATED		
	Energy Development Account ¹	River Basin Revitalization ²	Total
2024	1,146,070	-	1,146,070
2025	1,597,698	809,370	2,407,068
2026	1,979,821	765,938	2,745,759
2027	2,300,003	724,837	3,024,840
After 2027	23,272,168	3,080,850	26,353,018
	30,295,760	5,380,995	35,676,755

¹ Final in 2047; and

² Final in 2032.

The flow of payments (future amounts) of the obligations of Law 14.182/2021, determined by CNPE Resolution 015/2021, monetarily restated by the IPCA, is disclosed in Note 29.3.

NOTE 24 – SHAREHOLDERS' EQUITY

24.1 – Paid-in share capital

Eletrobras' share/capital, at March 31, 2023, is R\$69,991,640 (R\$69,705,554 at December 31, 2022) and its shares have no par value.

The share capital is distributed, by main shareholders and by the types of shares, as follows: ☐

SHAREHOLDER	31/03/2023											
	COMMON		PREFERRED						TOTAL CAPITAL			
	QUANTITY	%	Series A	%	Series B	%	Golden Share	%	QUANTITY	%	AMOUNT	%
Federal Government	667,888,884	32.95	-	-	493	-	1	100.00	667,889,378	28.95	20,800,087	29.67
BNDES	74,545,264	3.68	-	-	18,262,671	6.52	-	-	92,807,935	4.02	2,776,199	3.96
BNDESPAR	71,956,435	3.55	-	-	18,691,102	6.68	-	-	90,647,537	3.93	2,706,240	3.86
BlackRock	102,222,447	5.04	-	-	13,371,398	4.78	-	-	115,593,845	5.01	3,516,386	5.02
GIC Private	138,191,227	6.82	-	-	8,534,858	3.05	-	-	146,726,085	6.36	4,516,160	6.44
American Depositary Receipts – ADR's	52,891,337	2.61	-	-	4,976,848	1.78	-	-	57,868,185	2.51	1,771,090	2.53
3G Radar Funds	963,132	0.05	-	-	30,451,076	10.88	-	-	31,414,208	1.36	788,050	1.12
Others	918,352,772	45.30	146,920	100.00	185,652,947	66.31	-	-	1,104,152,639	47.86	33,225,614	47.40
Expenses with issue of shares	-	-	-	-	-	-	-	-	-	-	(108,186)	-
	2,027,011,498	100.00	146,920	100.00	279,941,393	100.00	1	100.00	2,307,099,812	100.0	69,991,640	100.00

SHAREHOLDER	31/12/2022											
	COMMON		PREFERRED						TOTAL CAPITAL			
	QUANTITY	%	Series A	%	Series B	%	Golden Share	%	QUANTITY	%	AMOUNT	%
Federal Government	667,888,884	33.05	-	-	493	-	1	100.00	667,889,378	29.02	20,765,980	29.74
BNDES	74,545,264	3.69	-	-	18,262,671	6.52	-	-	92,807,935	4.03	2,772,392	3.97
BNDESPAR	71,956,435	3.56	-	-	18,691,102	6.68	-	-	90,647,537	3.94	2,702,566	3.87
BlackRock	98,319,628	4.86	-	-	13,027,180	4.65	-	-	111,346,808	4.84	3,381,250	4.84
GIC Private	92,090,802	4.56	-	-	7,643,805	2.73	-	-	99,734,607	4.33	3,053,569	4.37
American Depositary Receipts – ADR's	50,903,042	2.52	-	-	4,846,843	1.73	-	-	55,749,885	2.42	1,703,333	2.44
3G Radar Funds	963,132	0.05	-	-	30,451,076	10.88	-	-	31,414,208	1.37	788,001	1.13
Others	964,472,277	47.71	146,920	100.00	187,018,223	66.81	-	-	1,151,637,420	50.05	34,646,649	49.64
Expenses with issue of shares	-	-	-	-	-	-	-	-	-	-	(108,186)	-
	2,021,139,464	100.00	146,920	100.00	279,941,393	100.00	1	100.00	2,301,227,778	100.00	69,705,554	100.00

Preferred shares are non-voting and non-convertible into common shares. However, they enjoy priority in the repayment of capital and in the distribution of dividends at the annual rates of 8% for class "A" shares (subscribed until June 23, 1969) and 6% for class "B" shares (subscribed as from June 24, 1969), calculated on the capital corresponding to each class of shares.

24.2 – Treasury shares

24.2.1 – Incorporation of shares

The objective of this transaction was to ensure that Eletrobras became the sole shareholder of the subsidiaries Furnas, Chesf, Eletronorte and CGT Eletrosul, providing minority shareholders of the subsidiaries with the option to migrate to Eletrobras' shareholding base or exercise the right of withdrawal. In the process of incorporating shares, Eletrobras issued 5,872,034 common shares, increasing the share capital by R\$286,086. The Company's treasury holds 3,451,692 common shares, in the amount of R\$168,168, resulting from the exercise of the right of withdrawal of shareholders who did not migrate to Eletrobras' shareholding structure (dissenting shareholders).

24.2.2 – Repurchase of shares

The share repurchase program aims to acquire common and preferred shares issued by the Company for subsequent cancellation, disposal or maintenance in treasury, without reduction of the share capital, to increase the value to shareholders by the efficient application of available cash resources, optimizing the Company's capital allocation. The maximum period for settlement of transactions is up to 18 months. In the first quarter of 2023, Eletrobras acquired 4,535,300 common shares, which are in treasury, in the amount of R\$147,683.

The following is a table covering all treasury shares:

	31/03/2023		
	CLASS	QUANTITY	AMOUNT
Incorporation of shares	ON	3,451,692	168,168
Repurchase of shares	ON	4,535,300	147,683
Dissenting shareholders	PNA	4,361	212
			<u>316,062</u>

NOTE 25 – EARNINGS PER SHARE

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to Eletrobras shareholders and their weighted average number of shares issued, excluding those purchased by the Company and held as treasury shares. Preferred shares have an assured right (per share) of superiority of at least 10% in the distribution of dividends and/or interest on equity (JCP) in respect of common shares.

31/03/2023				
Numerator	COMMON	Preferred A	Preferred B	Total
Profit attributable to each class of shares	423,983	34	64,601	488,618
Denominator	COMMON	Preferred A	Preferred B	
Weighted average number of shares	2,021,009	146	279,941	
% of shares in relation to the total	87.83%	0.01%	12.17%	
Basic earnings per share (R\$)	<u>0.21</u>	<u>0.23</u>	<u>0.23</u>	

31/03/2022				
Numerator	COMMON	Preferred A	Preferred B	Total
Profit attributable to each class of shares - Continued Operation	2,115,124	265	505,353	2,620,742
Profit attributable to each class of shares - Discontinued Operation	70,699	9	16,892	87,600
Profit for the Period	<u>2,185,823</u>	<u>274</u>	<u>522,245</u>	<u>2,708,342</u>
Denominator	COMMON	Preferred A	Preferred B	
Weighted average number of shares	1,288,843	147	279,941	
% of shares in relation to the total	82.15%	0.01%	17.84%	
Basic earnings per share of the continued operation (R\$)	1.64	1.81	1.81	
Basic earnings per share of the discontinued operation (R\$)	0.06	0.06	0.06	
Basic earnings per share (R\$)	<u>1.70</u>	<u>1.87</u>	<u>1.87</u>	

(b) Diluted

At March 31, 2023, based on the liability balance related to the compulsory loan, the dilution was simulated with an increase of 27,474,566 preferred shares B in earnings per share, as shown below.

31/03/2023					
Numerator	COMMON	Preferred A	Preferred B Converted	Preferred B	Total
Profit attributable to each class of shares	418,552	33	6,259	63,774	488,618
Denominator	COMMON	Preferred A	Preferred B Converted	Preferred B	
Weighted average number of shares in thousand	2,021,009	146	27,475	279,941	
% of shares in relation to the total	86.79%	0.01%	1.18%	12.02%	
Diluted earnings per share (R\$)	0.21	0.23	0.23	0.23	

31/03/2022					
Numerator	COMMON	Preferred A	Preferred B Converted	Preferred B	Total
Profit attributable to each class of shares - Continued Operation	2,079,808	261	43,757	496,916	2,620,742
Profit attributable to each class of shares - Discontinued Operation	69,519	9	1,462	16,610	87,600
Profit for the Period	2,149,327	270	45,219	513,526	2,708,342
Denominator	COMMON	Preferred A	Preferred B Converted	Preferred B	
Weighted average number of shares in thousand	1,288,843	147	24,651	279,941	
% of shares in relation to the total	80.88%	0.01%	1.55%	17.57%	
Diluted earnings per share from continued operation (R\$)	1.61	1.78	1.78	1.78	
Diluted earnings per share from discontinued operation (R\$)	0.06	0.06	0.06	0.06	
Diluted earnings per share (R\$)	1.67	1.84	1.84	1.84	

NOTE 26 – INFORMATION BY BUSINESS SEGMENT

The business segments of the Company disclosed separately are:

- Generation, whose activities consist of the generation of electricity and the sale of energy to distribution companies and to free consumers and commercialization;
- Transmission, whose activities consist of the transmission of electricity; and
- Management, whose activities mainly represent the Company's cash management, the management of the compulsory loan and the management of business in SPE, whose monitoring and management are done differently from corporate investments.

The consolidated information by business segment, corresponding to March 31, 2023 and 2022, is as follows:

	31/03/2023				
	Administration	Generation	Transmission	Deletions	Total
Net operating revenue	13,866	5,549,343	3,786,432	(139,808)	9,209,833
Intersegments	-	63,348	76,460	(139,808)	-
Third parties	13,866	5,485,995	3,709,972	-	9,209,833
Operating costs	(25)	(3,257,054)	(892,249)	134,353	(4,014,975)
Operating expenses	(278,602)	(569,804)	(862,399)	5,455	(1,705,350)
Operating income before financial income	(264,761)	1,722,485	2,031,784	-	3,489,508
Financial income					(3,132,821)
Income from equity investments					508,826
Other income and expenses					(11,457)
Current and deferred income tax and social contribution					(448,093)
Net profit for the period					405,963

	31/03/2022				
	Administration	Generation	Transmission	Deletions	Total
Net operating revenue	19,298	4,454,739	3,815,831	(122,259)	8,167,609
Intersegments	-	56,664	65,595	(122,259)	-
Third parties	19,298	4,398,075	3,750,236	-	8,167,609
Operating costs	(16,942)	(2,625,193)	(680,559)	119,184	(3,203,510)
Operating expenses	(844,044)	(1,495,239)	(560,916)	3,075	(2,897,124)
Operating income before financial income	(841,688)	334,307	2,574,356	-	2,066,975
Financial income					588,734
Income from equity investments					626,051
Other income and expenses					121,033
Current and deferred income tax and social contribution					(774,071)
Net profit from continued operations					2,628,722
Net profit from discontinued operations					87,654
Net profit for the period					2,716,375



The elimination column presents the adjustments made between the Company's segments, reconciling the balances disclosed by each segment. There are no reconciliations arising from differences in accounting practice.

26.1 - Net operating revenue, after eliminations, by segment

	31/03/2023				31/03/2022			
	Administration	Generation	Transmission	Total	Administration	Generation	Transmission	Total
Procurement	-	4,020,713	-	4,020,713	-	2,864,813	-	2,864,813
Supply	-	1,074,252	-	1,074,252	-	937,006	-	937,006
CCEE	-	435,315	-	435,315	16,981	466,040	-	483,021
O&M Revenue	-	1,029,945	1,633,516	2,663,461	-	1,081,804	1,522,693	2,604,497
Construction revenue	-	-	283,861	283,861	-	3,418	147,442	150,860
Itaipu Transfer	-	-	-	-	3,931	-	-	3,931
Contractual revenue	-	-	2,298,795	2,298,795	-	-	2,570,948	2,570,948
Other operating income	13,751	32,036	175,040	220,827	26,065	125,102	50,742	201,909
Deductions Operating income	115	(1,106,266)	(681,240)	(1,787,391)	(27,679)	(1,080,108)	(541,589)	(1,649,376)
(-) ICMS	-	(254,520)	(1,245)	(255,765)	-	(296,835)	(2,702)	(299,537)
(-) PIS and COFINS	115	(537,556)	(372,651)	(910,092)	(27,679)	(420,264)	(317,985)	(765,928)
(-) Sector Charges	-	(313,178)	(305,820)	(618,998)	-	(362,187)	(218,852)	(581,039)
(-) Other deductions (including ISS)	-	(1,012)	(1,524)	(2,536)	-	(822)	(2,050)	(2,872)
	<u>13,866</u>	<u>5,485,995</u>	<u>3,709,972</u>	<u>9,209,833</u>	<u>19,298</u>	<u>4,398,075</u>	<u>3,750,236</u>	<u>8,167,609</u>

The increase in net operating revenue in the generation segment is mainly due to the acquisition of control of MESA in the third quarter of 2022, which represents, in March 2023, the amount of R\$1,016,481.

26.2 - Non-current assets by segment



	31/03/2023				31/12/2022			
	Administration	Generation	Transmission	Total	Administration	Generation	Transmission	Total
Intangible Assets	661,889	78,880,345	81,382	79,623,616	648,677	79,250,508	81,396	79,980,581
Contractual Assets	-	-	51,704,600	51,704,600	-	-	51,703,084	51,703,084
FIXED ASSETS	1,782,090	32,972,352	-	34,754,442	1,748,211	32,991,494	-	34,739,705
	<u>2,443,979</u>	<u>111,852,697</u>	<u>51,785,982</u>	<u>166,082,658</u>	<u>2,396,888</u>	<u>112,242,002</u>	<u>51,784,480</u>	<u>166,423,370</u>

NOTE 27 – OPERATING COSTS AND EXPENSES

	PARENT COMPANY					
	31/03/2023			31/03/2022		
	Costs	Expenses	Total	Costs	Expenses	Total
PERSONNEL	-	(99,011)	(99,011)	-	(82,847)	(82,847)
Material	-	(206)	(206)	-	(58)	(58)
Services	-	(82,529)	(82,529)	-	(47,419)	(47,419)
Energy purchased for resale	(25)	-	(25)	(15,967)	-	(15,967)
Depreciation and amortization	-	(3,217)	(3,217)	-	(2,822)	(2,822)
Donations and contributions	-	(2,534)	(2,534)	-	(33,277)	(33,277)
Estimated losses/Operating provisions (27.1)	-	(34,242)	(34,242)	-	(648,111)	(648,111)
Others	-	(55,730)	(55,730)	-	(29,510)	(29,510)
	(25)	(277,469)	(277,494)	(15,967)	(844,044)	(860,011)

	CONSOLIDATED					
	31/03/2023			31/03/2022		
	Costs	Expenses	Total	Costs	Expenses	Total
PERSONNEL	(549,442)	(476,350)	(1,025,792)	(556,377)	(494,978)	(1,051,355)
Material	(35,924)	(8,651)	(44,575)	(25,084)	(8,147)	(33,231)
Services	(258,697)	(236,602)	(495,299)	(213,421)	(155,002)	(368,423)
Energy purchased for resale	(638,505)	-	(638,505)	(482,958)	-	(482,958)
Charges on the use of the power grid	(810,081)	-	(810,081)	(560,135)	-	(560,135)
Fuel for electric power production	(442,021)	-	(442,021)	(648,271)	-	(648,271)
Construction	(398,199)	-	(398,199)	(195,256)	-	(195,256)
Depreciation and amortization	(851,275)	(52,108)	(903,383)	(448,063)	(53,253)	(501,316)
Donations and contributions	-	(46,521)	(46,521)	-	(47,068)	(47,068)
Estimated losses/Operating provisions (27.1)	-	(576,199)	(576,199)	-	(1,941,150)	(1,941,150)
Others	(30,831)	(308,919)	(339,750)	(73,945)	(197,526)	(271,471)
	(4,014,975)	(1,705,350)	(5,720,325)	(3,203,510)	(2,897,124)	(6,100,634)

27.1 - Estimated Losses/Operating Provisions

□

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Provision for Litigation	(31,625)	(285,929)	(550,164)	(655,400)
Estimated losses on investments	-	(16,013)	-	(15,904)
Provision for Implementation of Shares - Compulsory Loan	(21,900)	(10,854)	(21,900)	(10,854)
PECLD - Financing and loans	(4,288)	(363,582)	(4,288)	(363,582)
PECLD - Consumers and resellers	-	-	(57,429)	(896,391)
Provision for unsecured liabilities	-	-	-	(23,324)
Others	23,571	28,267	57,582	24,305
	(34,242)	(648,111)	(576,199)	(1,941,150)

- (a) In the first quarter of 2022, in order to reflect the increase in credit risk observed due to the increase in Amazonas Energia's default, the Company constituted a provision in the amount of R\$886,257, fully provisioning the four instruments of debt confession (ICD).

NOTE 28 – FINANCIAL RESULT

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	31/03/2022	03/31/2023	31/03/2022
Financial Revenues				
Interest income, fines, commissions and fees	260,951	320,681	145,499	214,926
Revenue from financial investments	291,690	86,862	785,665	328,983
Addition of moratorium on electricity	-	-	57,028	112,536
Revenue from Interest on Dividends	-	171,223	-	61,546
Other financial income	125,571	64,589	149,812	108,198
(-) Taxation on Financial Revenue	(38,584)	(40,050)	(66,637)	(60,125)
	639,628	603,305	1,071,367	766,064
Financial Costs				
Debt charges (a)	(634,071)	(453,370)	(1,851,848)	(855,617)
Charges from obligations with CDE	-	-	(553,101)	-
River Basin Revitalization Charges	-	-	(88,245)	-
Monetary updates - CDE	-	-	(603,745)	-
Monetary updates - river basins	-	-	(127,405)	-
Anticipated financial discount - ENBpar	(335,377)	-	(335,377)	-
Other financial costs	(67,019)	(22,494)	(180,945)	(110,083)
	(1,036,467)	(475,864)	(3,740,666)	(965,700)
Financial items, net				
Monetary updates	(343,182)	(184,016)	(393,556)	(181,499)
Exchange rate changes	150,742	838,867	162,950	1,049,235
Derivatives	-	-	(232,916)	(79,366)
	(192,440)	654,851	(463,522)	788,370
	(589,279)	782,292	(3,132,821)	588,734

- (a) The variation in the 1st quarter of 2023 is mainly due to the consolidation of MESA, whose control was acquired in the 3rd quarter of 2022.

NOTE 29 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

29.1- Capital risk management

The Company monitors capital based on the financial leverage ratio. This ratio corresponds to net debt divided by total capital. Financial leverage, in turn, corresponds to the total of loans, financing and short and long-term debentures, see Note 20, subtracted from the amount of cash and cash equivalents and securities - TVM (without considering restricted cash), see Notes 5 and 7. Total capital is calculated by adding net equity, as shown in the consolidated balance sheet, to net debt.

	CONSOLIDATED	
	03/31/2023	12/31/2022
Total loans, financing and debentures	58,037,812	59,106,522
(-) Securities	(8,964,516)	(12,611,302)
(-) Cash and cash equivalents	(11,617,870)	(10,739,126)
Net debt	37,455,426	35,756,094
(+) Total Shareholders' Equity	111,017,341	111,028,636
Total Capital	148,472,767	146,784,730
Financial Leverage Ratio	25%	24%

29.2 – Classification by category of financial instruments

The carrying balances of financial assets and liabilities represent a reasonable approximation of fair value. The Company uses the following classification to classify its financial instruments and their respective levels:

		CONSOLIDATED	
	Level	03/31/2023	12/31/2022
FINANCIAL ASSETS			
Amortized cost		22,304,562	21,874,736
Cash and cash equivalents		11,617,870	10,739,126
Customers		5,698,000	5,497,979
Reimbursement Rights		3,177,366	3,341,835
Amounts receivable - ENBPar		918,673	1,264,059
Financing and Loans		867,426	1,021,645
Securities and bonds		25,227	10,092
Fair value through profit or loss		9,693,235	13,588,072
Securities and bonds	2	8,939,289	12,601,210
Derivative Financial Instruments	2	753,946	986,862
Fair value through other comprehensive income		1,710,918	1,761,258
Investments (Equity Interests)	1	1,710,918	1,761,258
FINANCIAL LIABILITIES			
Amortized cost		101,609,304	103,279,464
Loans, financing and debentures		58,037,812	59,106,522
Obligations of Law No. 14.182/2021		37,148,599	36,659,454
Suppliers		2,457,181	3,517,173
Reimbursement obligations		1,939,862	1,912,423
Remuneration to shareholders		911,935	924,644
Leases		703,988	753,168
Concessions Payable UBP		409,927	406,080

29.3 - Financial risk management

There were no material changes in the handling of financial risk management, which are detailed in Note 43.3 of the financial statements at December 31, 2022.

The main financial risks identified in the risk management process are:

29.3.1 - Exchange rate risk

a) Composition of foreign currency balances and sensitivity analysis

Risk of appreciation of exchange rates

		CONSOLIDATED				
		Balance on 03/31/2023		Effect on income		
		Foreign Currency	Brazilian Reais	Scenario I - Probable 2023 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹
	Loans, Financing and Debentures ²	(1,377,952)	(7,000,546)	(302,600)	(2,128,386)	(3,954,172)
USD	Amounts receivable - ENBpar	180,827	918,673	39,710	279,306	518,901
	Right of Reimbursement - Itaipu	60,762	308,696	13,343	93,852	174,362
	Impact on profit or loss	(1,136,363)	(5,773,177)	(249,547)	(1,755,228)	(3,260,909)
EURO	Loans, Financing and Debentures	(42,357)	(233,996)	(15,189)	(77,485)	(139,782)
	Impact on profit or loss	(42,357)	(233,996)	(15,189)	(77,485)	(139,782)
	Impact on profit or loss in the event of an appreciation of exchange rates			(264,736)	(1,832,713)	(3,400,691)
(1) Assumptions adopted:			03/31/2023	Likely	+25%	+50%
	USD		5.08	5.30	6.63	7.95
	EURO		5.52	5.88	7.35	8.82

² In March 2021, the UK *Financial Conduct Authority* announced the discontinuation of the LIBOR rate. The Company carried out with financial institutions the replacement of the interest rate of its financial contracts from LIBOR to SOFR. At March 31, 2023, of the total loans, financing and debentures in dollars, R\$351,000 refers to those indexed to SFOR.

29.3.2 - Interest rate risk

a) National indexes

Risk of appreciation of interest rates

CONSOLIDATED					
		Effect on income			
		Balance on 03/31/2023	Scenario I - Probable 2023 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹
CDI	Loans, financing and debentures	(17,870,890)	(2,260,825)	(2,826,031)	(3,391,237)
	Impact on profit or loss	(17,870,890)	(2,260,825)	(2,826,031)	(3,391,237)
SELIC	Loans, financing and debentures	(3,850,702)	(490,965)	(613,706)	(736,447)
	AIC Reimbursement	452,994	57,757	72,196	86,635
	Impact on profit or loss	(3,397,708)	(433,208)	(541,510)	(649,812)
TJLP	Loans, financing and debentures	(1,445,814)	(103,506)	(129,383)	(155,260)
	Impact on profit or loss	(1,445,814)	(103,506)	(129,383)	(155,260)
IGPM	Leases	(703,988)	(28,612)	(35,765)	(42,918)
	Financing and loans receivable	274,446	11,154	13,943	16,731
	Impact on profit or loss	(429,542)	(17,458)	(21,822)	(26,187)
IPCA	Obligations of Law No. 14.182/2021	(37,148,599)	(2,080,800)	(2,601,000)	(3,121,200)
	Loans, financing and debentures	(24,587,749)	(1,377,230)	(1,721,538)	(2,065,846)
	Right to Reimbursement	2,415,676	135,309	169,136	202,963
	Financing and loans receivable	10,372	581	726	871
	Impact on profit or loss	(59,310,300)	(3,322,140)	(4,152,676)	(4,983,212)
Impact on profit or loss in case of assessment in national indexes			(6,137,137)	(7,671,422)	(9,205,708)
⁽¹⁾ Assumptions adopted:					
		03/31/2023	Likely	+25%	+50%
	CDI	13.65%	12.65%	15.81%	18.98%
	SELIC	13.75%	12.75%	15.94%	19.13%
	TJLP	7.37%	7.16%	8.95%	10.74%
	IGPM	0.57%	4.06%	5.08%	6.10%
	IPCA	2.01%	5.60%	7.00%	8.40%

29.3.3 - Liquidity risk

The table below analyzes, in nominal amounts, the Company's non-derivative financial liabilities by maturity ranges, corresponding to the period remaining in the balance sheet until the end of the contract. The contractual maturity is based on the most recent date on which the Company must settle obligations and includes the respective related contractual interest, when applicable.

CONSOLIDATED					
03/31/2023					
Nominal payment flow					
	Up to 1 Year	From 1 to 2 Years	From 2 to 5 Years	More than 5 Years	Total
FINANCIAL LIABILITIES (Current / Non-Current)	17,674,895	23,000,769	20,909,632	94,773,551	156,358,847
Obligations of Law No. 14.182/2021	1,515,845	1,240,707	10,130,718	66,512,810	79,400,080
Loans, financing and debentures	10,589,523	21,448,670	10,509,246	27,892,418	70,439,857
Suppliers	2,457,181	-	-	-	2,457,181
Reimbursement Obligations	1,939,862	-	-	-	1,939,862
Remuneration to shareholders	911,935	-	-	-	911,935
Leases	226,495	272,295	150,141	75,440	724,371
Concessions Payable UBP	34,054	39,097	119,527	292,883	485,561

CONSOLIDATED					
12/31/2022					
Nominal payment flow					
	Up to 1 Year	From 1 to 2 Years	From 2 to 5 Years	More than 5 Years	Total
FINANCIAL LIABILITIES (Current / Non-Current)	19,407,655	23,277,701	22,324,186	93,128,374	158,137,917
Obligations of Law No. 14.182/2021	1,486,080	2,094,252	9,931,788	65,206,735	78,718,856
Loans, financing and debentures	11,305,856	20,906,210	12,091,000	27,503,632	71,806,698
Suppliers	3,517,173	-	-	-	3,517,173
Reimbursement Obligations	1,912,423	-	-	-	1,912,423
Remuneration to shareholders	924,644	-	-	-	924,644
Leases	227,819	239,099	219,053	88,490	774,461
Concessions Payable UBP	33,660	38,140	82,345	329,517	483,662

NOTE 30 – TRANSACTIONS WITH RELATED PARTIES

Below are summarized the commercial transactions and respective balances with related parties of the Company:

30.1 – Main transaction occurred in the 1st Quarter of 2023

Related Parties	Date of Transaction	Purpose of the Contract	Transaction value
Companhia de Geração e Transmissão de Energia Elétrica do Sul do Brasil ("CGT Eletrosul") and Fundação Elos	03/20/2023	Transaction that provides for the transfer of amounts from CGT Eletrosul to Fundação Elos in order to maintain the economic balance of Plan BD Elos/Eletrosul.	65,761

30.2 - Transactions with government entities

NATURE OF THE TRANSACTION	CONSOLIDATED			
	31/03/2023		31/12/2022	31/03/2022
	LIABILITIES	INCOME	LIABILITIES	INCOME
Loans and Financing Payable				
BNDES	7,839,218	-	8,110,793	-
Remuneration to shareholders				
Federal Government	146,971	-	146,971	-
Reimbursement Obligations - Federal Government				
National Treasury - Itaipu	937,783	-	1,349,308	-
Financial Costs - Federal Government				
Banco do Brasil	-	-	-	(20,022)
Caixa Econômica Federal	-	-	-	(6,142)
BNDES	-	(26,080)	-	(11,749)
Petrobras	-	-	-	138,454
BASA	-	-	-	(5,914)
FINEP	-	-	-	(535)
Other Income /(Costs)				
Petrobras	-	-	-	(270,520)
Telecomunicações Brasileiras S.A. - TELEBRAS	-	-	-	2,861
Ministry of Mines and Energy - MME	-	-	-	310
BNDES	-	-	-	(147)
Banco do Brasil	-	-	-	(9)
National System Operator - ONS	-	-	-	(4,514)
	<u>8,923,972</u>	<u>(26,080)</u>	<u>9,607,072</u>	<u>(177,927)</u>

30.3 - Transactions with related parties - Parent Company

The commercial transactions and respective balances with related parties of the Parent Company are summarized below:

Equity	03/31/2023			12/31/2022		
	Subsidiaries	Affiliates	Post-employment benefit entities	Subsidiaries	Affiliates	Post-employment benefit entities
Assets						
ADVANCE PAYMENT FOR FUTURE CAPITAL INCREASE	20,596,029	-	-	20,596,029	-	-
Dividends / interest ON shareholders' equity receivable	2,162,914	410,250	-	2,527,551	508,803	-
Loans and financing receivable	3,735,362	562,931	-	3,868,903	587,067	-
Credits with Subsidiaries	2,258,517	-	-	1,894,051	-	-
Other assets	31,656	79,868	-	70,549	79,148	-
Total Assets	<u>28,784,478</u>	<u>1,053,049</u>	<u>-</u>	<u>28,957,083</u>	<u>1,175,018</u>	<u>-</u>
Liabilities						
Provisions ¹	-	-	616,715	-	-	620,691
Total Liabilities	<u>-</u>	<u>-</u>	<u>616,715</u>	<u>-</u>	<u>-</u>	<u>620,691</u>

¹ Fundação Eletrobras de Seguridade Social – Eletros: at March 31, 2023, the balance of employee benefit provisions totals R\$616,715 (R\$620,691 at December 31, 2022).

Income	03/31/2023			03/31/2022		
	Subsidiaries	Affiliates	Post-employment benefit entities	Subsidiaries	Affiliates	Post-employment benefit entities
Decommissioning Fund	-	-	-	-	(78,680)	-
Interest Income, Commissions, Fees and Exchange Variations	273,184	8,366	-	(94,140)	91,672	-
Other Income (Expenses)	377	-	(967)	399	-	(390)
	<u>273,561</u>	<u>8,366</u>	<u>(967)</u>	<u>(93,741)</u>	<u>12,992</u>	<u>(390)</u>

30.4 - Transactions with related parties – Consolidated

The commercial transactions and respective balances with related parties of the consolidated are summarized below:

□

Equity	31/03/2023			31/12/2022		
	Jointly controlled companies	Affiliates	Post-employment benefit entities	Jointly controlled companies	Affiliates	Post-employment benefit entities
Assets						
Customers	51,340	25,463	-	37,741	23,970	-
Trade receivables	10,157	16,966	964	14,725	17,064	932
Dividends / interest ON shareholders' equity receivable	225,907	463,586	-	180,213	615,740	-
Loans and financing receivable	-	562,931	-	-	587,067	-
Other assets	-	62,970	140,635	-	78,147	136,375
Total Assets	287,404	1,131,916	141,599	232,679	1,321,988	137,307
Liabilities						
Suppliers	57,199	8,732	2,268	17,268	9,273	231
Provisions	-	-	616,715	-	-	620,691
Social security contributions	-	-	26,982	-	-	32,991
Actuarial debt contracts	-	-	74,802	-	-	71,668
Miscellaneous obligations	-	-	10,781	-	-	11,079
Loans and financing	-	-	2,036	-	-	4,892
Purchase of Electricity	18,799	8,732	-	20,379	9,273	-
Trade Payables	414	-	169,851	39,400	-	137,718
Other liabilities	-	-	116,831	-	-	124,354
Total Liabilities	76,412	17,464	1,020,266	77,047	18,546	1,003,624

Income	31/03/2023			31/03/2022		
	Jointly controlled companies	Affiliates	Post-employment benefit entities	Jointly controlled companies	Affiliates	Post-employment benefit entities
Revenue from use of Electricity	39,237	37,934	-	41,071	33,319	-
Revenue from provision of services	23,558	10	-	41,607	115	-
Other income	469	-	337	554	-	538
Interest Income, Commissions and Fees and Exchange Variations	-	8,366	-	-	-	-
Purchase/Sale of Electricity	(141,756)	(13,152)	-	(170,862)	6,598	-
Network Usage Charges	(21,433)	-	-	(25,041)	(8,481)	-
Fees	-	-	(967)	-	-	(390)
Other expenses	59	-	(111,975)	(30,606)	-	(75,919)
Financial Expenses	-	-	(32,003)	-	-	(2,097)
	(99,866)	33,158	(144,608)	(143,277)	31,551	(77,868)

30.5 - Remuneration of key personnel

The remuneration of the Company's key personnel (members of the Executive Board, Board of Directors, Fiscal Council and Statutory Audit Committee) is as follows:

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Short-term Benefits	7,191	2,000	13,476	8,044
Post-employment benefits	559	92	1,155	92
	7,750	2,092	14,631	8,136

NOTE 31 – ASSETS AND LIABILITIES HELD FOR SALE

The table below shows investments classified as held for sale at March 31, 2023:

	PARENT COMPANY		CONSOLIDATED	
	31/03/2023	31/12/2022	31/03/2023	31/12/2022
Chapada Piauí I	144,574	144,574	144,574	144,574
Chapada Piauí II	176,117	176,117	176,117	176,117
Livramento Holding S.A. (a)	-	-	-	80,317
Energética Águas da Pedra S.A.	-	-	286,775	286,775
Neoenergia Coelba	-	-	468	468
Neoenergia Cosern	-	-	605	63
Neoenergia Affluente T	-	-	113	45
Total Assets	320,691	320,691	608,652	688,359
Livramento Holding S.A. (a)	-	-	-	170,448
Total Liabilities	-	-	-	170,448

(a) The transaction related to the sale of shares of SPE Livramento Holding S.A. was not carried out since certain previous factors were not met by the buyer. As of March 31, 2023, it no longer meets the criteria of CPC 31 – Non-current Assets Held for Sale and Discontinued Operation.

NOTE 32 – DISCONTINUED OPERATIONS

As provided for in Law No. 14.182/2021, the capitalization of Eletrobras was subject to corporate restructuring to keep under the direct or indirect control of the Federal Government, the Eletronuclear companies and the portion belonging to Brazil in the binational entity Itaipu Binacional, through the transfer of control to ENBpar.

As Eletronuclear and Brazil's stake in Itaipu Binacional represented an important separate line of business in the nuclear power generation and commercialization segments, respectively, the transactions of these segments began to be presented in these financial statements as discontinued operations. Thus, the comparative income and cash flow information for the period is being disclosed in accordance with accounting pronouncement CPC 31/IFRS 5, to present the transactions of the segments mentioned above separately from continuing operations.

Below we show the income and cash flows of discontinued operations:

- Result of discontinued operations:

	PARENT COMPANY		CONSOLIDATED	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Net operating revenue	-	-	-	1,025,347
Operating costs	-	-	-	(482,765)
Operating expenses	-	-	-	(170,189)
Operating income before financial income	-	-	-	372,393
Net financial income	-	52,880	-	(116,334)
Income from equity investments	-	34,720	-	(73,610)
Operating income before taxes	-	87,600	-	182,449
Income tax and social contribution expense	-	-	-	(94,795)
Profit from discontinued operations	-	87,600	-	87,654

- Effects on cash flow statement:

	CONSOLIDATED	
	03/31/2023	03/31/2022
Net cash from operating activities	-	239,805
Net cash used from financing activities	-	(87,284)
Net cash used from investment activities	-	(155,194)
Net used cash from discontinued operations	-	(2,673)

NOTE 33 – SUBSEQUENT EVENTS

33.1 – Acquisition of equity interest

In April 2023, Furnas acquired 49.90% of the equity interests of Cemig Geração e Transmissão S.A. over Retiro Baixo Energética S.A. and 69.38% over Baguari Energia S.A., for the amounts of R\$200,000 and R\$393,000, respectively. Thus, in this order, Eletrobras indirectly held 98.90% and 100.00% of the equity interest.

33.2 – New Organizational Structure

In April 2023, there was the occupation of new executives for the statutory positions of the new structure of the Company's Executive Board, with the purpose of ensuring gain in efficiency and dynamism, minimizing the risk of operational discontinuity during the restructuring process and positioning the Company as a leader in the ESG agenda.

33.3 – Payment of Dividends

In April 2023, the Company's 63rd Annual General Meeting approved the payment to shareholders holding the common and preferred classes of mandatory minimum dividend in the amount of R\$863,402, referring to the 2022 fiscal year.

The total amount of dividends to be paid to the shareholders are presented below:

Class	Amount per share	Amount
ON	0.22005	444,975
PNA	2.05246	293
GNP	1.49365	418,135
		<u>863,403</u>

The unit values of dividend per share are being disregarded the treasury shares. Further information, see Note 24.2.

The deadline for payment will be up to 60 days from the date of approval, as provided for in 3 of Article 205 of Law No. 6.404/76, as amended ("Brazilian Corporation Law").

33.4 – Presentation of RBSE payment calculations

In April 2023, ANEEL issued Technical Note No. 085/2023, which deals with the manifestations about the calculations presented within the scope of the payment of the financial component of RBSE in Technical Note No. 085/2022-SGT/ANEEL, of June 2022, which revisited the requests for reconsideration filed within the scope of the payment of the financial component and re-profiling of RBSE.



The issuance of Technical Note 085/2023 does not constitute ANEEL's decision, therefore, it does not produce practical effects, as it depends on adequate procedural instruction so that the merit, which involves choices of calculation alternatives, is analyzed by the Agency's collegiate board. The Company continues monitoring and acting in relation to the issue so that the assumptions, methodologies and calculations considered so far remain in force.

NOTE 34 – CORRELATION BETWEEN THE EXPLANATORY NOTES OF DECEMBER 31, 2022 AND MARCH 31, 2023

Titles of the explanatory notes	Numbers of the explanatory notes	
	Annual 2022	ITR 03/31/2023
Operational Context	1	1
Highlights	2	2
Electricity Concessions and Authorizations	3	3
Basis for Preparation and Presentation of the Financial Statements	4	4
Cash and Cash Equivalents	6	5
Restricted Cash	7	6
Securities	8	7
Customers	9	8
Financing and Loans Receivable	10	9
Amounts Receivable - ENBpar	11	10
Remuneration of Equity Interests	12	11
Income Tax and Social Contribution	14	12
Taxes and Contributions	13/29	13
Rights and Obligations of Reimbursement	15	14
Contractual Transmission Assets	16	15
Investments	20	16
Fixed Assets	21	17
Intangible Assets	22	18
Suppliers	24	19
Loans, Financing and Debentures	26	20
Remuneration to Shareholders	31	21
Provisions for Litigation and Contingent Liabilities	34	22
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Financial Instruments and Risk Management	43	29
Transactions with Related Parties	45	30
Assets and Liabilities Held for Sale	46	31
Discontinued Operations	47	32
Subsequent Events	49	33

The explanatory notes to the 2022 annual report that were deleted in the quarterly report for the period ended March 31, 2023, due to the fact that they do not present material changes and/or are not applicable to the interim financial statements, are listed below:

Titles of explanatory notes	Numbers of the explanatory notes
Estimates and Accounting Judgements	5
Financial Assets and Liabilities	17
Bonds and deposits	18
Advance for Future Capital Increase	19
Impairment of Long-term Assets	23
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Leases	27
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Wilson Ferreira Júnior
President

Elvira Cavalcanti Presta
Executive Vice President Financial and Investor Relations

José Renato Domingues
Executive Vice President of People, Management and Culture

Camila Gualda Sampaio Araújo
Executive Vice President of Governance, Risk and Compliance

Antônio Varejão de Godoy
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Ítalo Tadeu de Carvalho Freitas Filho
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João Carlos de Abreu Guimarães
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Elio Gil de Meirelles Wolff
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Renato Costa Santos Career
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Rodrigo Limp Nascimento
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