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Company Information / Capital Breakdown

Number of Shares (Thousand)	Last Fiscal Year 12/31/2024
Paid-up Capital	
Common Shares	15,527
Preferred Shares	23,044
Total	38,571
Treasury Shares	
Common Shares	0
Preferred Shares	0
Total	0

Individual Financial Statements / Statement of Financial Position Assets**(R\$ thousand)**

Account Code	Account Description	Last Fiscal Year 12/31/2024	Second-to-Last Fiscal Year 12/31/2023
1	Total Assets	3,938,110	3,200,839
1.01	Current Assets	400,340	343,407
1.01.01	Cash and Cash Equivalents	96,878	56,671
1.01.06	Taxes Recoverable	71,041	61,925
1.01.06.01	Current Taxes Recoverable	71,041	61,925
1.01.06.01.01	Corporate Tax and Social Contribution to Recover	71,041	61,925
1.01.08	Other Current Assets	232,421	224,811
1.01.08.03	Other	232,421	224,811
1.01.08.03.01	Dividends and Interest on Equity – JCP	231,959	224,298
1.01.08.03.03	Other	462	513
1.02	Noncurrent Assets	3,537,770	2,857,432
1.02.01	Long-term Assets	101,148	98,561
1.02.01.02	Financial Investments at Fair Value through Other Comprehensive Income	208	208
1.02.01.02.03	Marketable Securities	208	208
1.02.01.10	Other Noncurrent Assets	100,940	98,353
1.02.01.10.03	Court Deposits	100,940	98,353
1.02.02	Investments	3,433,492	2,755,000
1.02.02.01	Equity Interests	3,433,492	2,755,000
1.02.02.01.01	Holdings in Affiliates	101,514	126,741
1.02.02.01.02	Interest in Subsidiaries	3,167,330	2,477,114
1.02.02.01.03	Holdings in Jointly Controlled Companies	164,648	151,145
1.02.03	PP&E	197	436
1.02.03.01	Fixed Assets in Operation	0	4
1.02.03.02	Right of Use - Lease	197	432
1.02.04	Intangible Assets	2,933	3,435
1.02.04.01	Intangible Assets	2,933	3,435
1.02.04.01.01	Concession Contract	2,933	3,435

Parent Company Statements / Statement of Financial Position Liabilities**(R\$ thousand)**

Account Code	Account Description	Last Fiscal Year 12/31/2024	Second-to-Last Fiscal Year 12/31/2023
2	Total Liabilities	3,938,110	3,200,839
2.01	Current Liabilities	236,887	235,342
2.01.01	Social and Labor Obligations	2,165	1,820
2.01.01.01	Social Obligations	2,165	1,820
2.01.01.01.01	Social Security and Labor Obligations	2,165	1,820
2.01.02	Suppliers	1,502	1,438
2.01.02.01	Domestic Suppliers	1,502	1,438
2.01.03	Tax Obligations	18,934	19,152
2.01.03.01	Federal Tax Obligations	18,818	19,048
2.01.03.01.01	Income Tax and Social Contribution Payable	82	1,692
2.01.03.01.02	Other Federal Tax Obligations	8,256	7,494
2.01.03.01.03	PIS/COFINS	10,480	9,862
2.01.03.03	Municipal Tax Obligations	116	104
2.01.05.	Other Liabilities	214,286	212,932
2.01.05.02	Other	214,286	212,932
2.01.05.02.01	Dividends and Interest on Equity Payable	212,754	211,329
2.01.05.02.04	Other	1,324	1,370
2.01.05.02.08	Lease Liabilities	208	233
2.02	Noncurrent Liabilities	29,944	32,930
2.02.02	Other Liabilities	0	208
2.02.02.02	Other	0	208
2.02.02.02.05	Lease Liabilities	0	208
2.02.04	Provisions	29,944	32,722
2.02.04.01	Tax, Social Security, Labor, and Civil Provisions	22,674	24,217
2.02.04.01.01	Tax Provisions	20,397	23,545
2.02.04.01.02	Social Security and Labor Provisions	1,576	0
2.02.04.01.04	Civil Provisions	701	672
2.02.04.02	Other Provisions	7,270	8,505
2.02.04.02.04	Regulatory Provisions	7,270	8,505
2.03	Equity	3,671,279	2,932,567
2.03.01	Paid-up Share Capital	2,480,000	2,480,000
2.03.02	Capital Reserves	316	316
2.03.02.06.	Advance for Future Capital Increase	316	316
2.03.04	Profit Reserves	2,350,938	1,866,898
2.03.04.01	Legal Reserve	315,136	279,347
2.03.04.05.	Retained Earnings Reserve	1,958,512	1,586,298
2.03.04.10	Additional Dividends Available to the ASM	77,290	1,253
2.03.06.	Equity Valuation Adjustments	-1,159,975	-1,414,647

Parent Company Financial Statements / Income Statements**(R\$ thousand)**

Account	Account Description	Last Fiscal Year	Second-to-Last Fiscal Year
Code		01/01/2024 to 12/31/2024	01/01/2023 to 12/31/2023
3.04	Operating Expenses/Revenues	721,509	557,704
3.04.02	General and Administrative Expenses	-34,819	-29,529
3.04.04	Other Operating Income	12,562	16,915
3.04.05	Other Operating Expenses	-2,819	-9,911
3.04.06	Equity Pickup	746,585	580,229
3.05	Earnings Before Interest and Taxes	721,509	557,704
3.06	Financial Result	-6,203	1,145
3.06.01	Financial Income	-1,002	8,875
3.06.02	Financial Expenses	-5,201	-7,730
3.07	Earnings Before Income Taxes	715,306	558,849
3.08	Income Tax and Social Contribution on Profits	496	-1,815
3.08.01	Current	-422	-1,815
3.08.02	Deferred	918	0
3.09	Net Income from Continuing Operations	715,802	557,034
3.11	Profit/Loss for the Period	715,802	557,034
3.99	Earnings per Share - (R\$/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common Shares	17.5115	13.6274
3.99.01.02	Preferred Shares	19.2627	14.9901
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common Shares	17.5115	13.6274
3.99.02.02	Preferred Shares	19.2627	14.9901

Individual Financial Statements / Statement of Comprehensive Income

(R\$ thousand)

Account Code	Account Description	Last Fiscal Year 01/01/2024 to 12/31/2024	Second-to-Last Fiscal Year 01/01/2023 to 12/31/2023
4.01	Net Income for the Period	715,802	557,034
4.02	Other Comprehensive Income	255,227	-255,232
4.02.01	Remeasurement of Defined Benefit Plan Obligations, Net of Taxes	255,227	-255,232
4.03	Comprehensive Income for the Period	971,029	301,802

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

Account Code	Account Description	Last Fiscal Year 01/01/2024 to 12/31/2024	Second-to-Last Fiscal Year 01/01/2023 to 12/31/2023
6.01	Net Cash from Operating Activities	-62,381	-86,155
6.01.01	Cash Generated from Operations	-38,639	-37,904
6.01.01.01	Net Income for the Year	715,802	557,034
6.01.01.02	Depreciation and Amortization	2,210	2,223
6.01.01.03	Equity Pickup of investees, Net of Taxes	-746,585	-580,229
6.01.01.04	Interest and Monetary Variations	-3,604	-15,558
6.01.01.05	Interest Paid	-26	-23
6.01.01.06	Constitution (Reversal) Provision for Contingencies Liabilities	-5,872	-157
6.01.01.08	Income Tax and Social Contribution Paid	-68	-3,009
6.01.01.09	Income Tax and Social Contribution Expense	-496	1,815
6.01.02	Variations in Assets and Liabilities	-23,742	-48,251
6.01.02.01	Taxes Recoverable	-9,116	-17,594
6.01.02.02	Court Deposits	4,137	2,056
6.01.02.03	Other Accounts - Assets	51	160
6.01.02.04	Suppliers	64	538
6.01.02.05	Social Security and Labor Obligations	345	282
6.01.02.06	Taxes Payables	-19,177	-33,668
6.01.02.20	Other Accounts - Liabilities	-46	-25
6.02	Net Cash from Investing Activities	314,190	274,340
6.02.04	Dividends and Interest on Equity Received	314,190	274,340
6.03	Net Cash from Financing Activities	-211,602	-179,719
6.03.01	Lease payment liabilities	-233	-250
6.03.02	Payment of IoE and Dividends	-211,369	-179,469
6.05	Increase (Decrease) in Cash and Cash Equivalents	40,207	8,466
6.05.01	Opening Balance of Cash and Cash Equivalents	56,671	48,205
6.05.02	Closing Balance of Cash and Cash Equivalents	96,878	56,671

Parent Company Financial Statements / Statement of Changes in Equity / DMPL - 01/01/2024 to 12/31/2024**(R\$ thousands)**

Account Code	Account Description	Paid-up Share Capital	Capital Options Granted, and Treasury Shares	Reserves, and	Profit Reserves	Profit or Loss Accumulated	Other Comprehensive Income	Equity
5.01	Opening Balances	2,480,000		316	1,866,898	0	-1,414,647	2,932,567
5.02	Prior Year Adjustments	0		0	0	0	0	0
5.03	Adjusted Opening Balances	2,480,000		316	1,866,898	0	-1,414,647	2,932,567
5.04	Capital transactions with Partners	0		0	-1,078	-231,239	0	-232,317
5.04.06	Dividends	0		0	-1,253	0	0	-1,253
5.04.07	Interest on Equity	0		0	0	-231,239	0	-231,239
5.04.08	Reversal of Prescribed Dividends	0		0	175	0	0	175
5.05	Total Comprehensive Income	0		0	0	716,357	254,672	971,029
5.05.01	Net Income for the Period	0		0	0	715,802	0	715,802
5.05.03	Reclassifications to the Result	0		0	0	555	254,672	255,227
5.05.03.02	Realization of Assigned Cost	0		0	0	555	-555	0
5.05.03.03	Valuation Adjustment Employee Benefits	0		0	0	0	255,227	255,227
5.06	Internal Equity Changes	0		0	485,118	-485,118	0	0
5.06.01	Constitution of Reserves	0		0	485,118	-485,118	0	0
5.07	Closing Balances	2,480,000		316	2,350,938	0	-1,159,975	3,671,279

Parent Company Financial Statements / Statement of Changes in Equity / DMPL - 01/01/2023 to 12/31/2023**(R\$ thousands)**

Account Code	Account Description	Paid-up Share Capital	Capital Options Granted, and Treasury Shares	Reserves, Granted, and	Profit Reserves	Profit or Loss Accumulated	Other Comprehensive Income	Equity
5.01	Opening Balances	2,480,000		316	1,561,699	0	-1,158,839	2,883,176
5.02	Prior Year Adjustments	0		0	0	0	0	0
5.03	Adjusted Opening Balances	2,480,000		316	1,561,699	0	-1,158,839	2,883,176
5.04	Capital transactions with Partners	0		0	-22,776	-229,635	0	-252,411
5.04.06	Dividends	0		0	-22,874	0	0	-22,874
5.04.07	Interest on Equity	0		0	0	-229,635	0	-229,635
5.04.08	Reversal of Prescribed Dividends	0		0	98	0	0	98
5.05	Total Comprehensive Income	0		0	0	557,610	-255,808	301,802
5.05.01	Net Income for the Period	0		0	0	557,034	0	557,034
5.05.03	Reclassifications to the Result	0		0	0	576	-255,808	-255,232
5.05.03.02	Realization of Assigned Cost	0		0	0	576	-576	0
5.05.03.03	Valuation Adjustment Employee Benefits	0		0	0	0	-255,232	-255,232
5.06	Internal Equity Changes	0		0	327,975	-327,975	0	0
5.06.01	Constitution of Reserves	0		0	327,975	-327,975	0	0
5.07	Closing Balances	2,480,000		316	1,866,898	0	-1,414,647	2,932,567

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

Account Code	Account Description	Last Fiscal Year	Second-to-Last Fiscal Year
		01/01/2024 to 12/31/2024	01/01/2023 to 12/31/2023
7.01	Revenue	22,403	22,689
7.01.02	Other Revenue	22,403	22,689
7.02	Inputs Acquired from Third Parties	-16,220	-18,443
7.02.02	Materials, Energy, Outsourced Services, and Others	-16,220	-18,443
7.03	Gross Value Added	6,183	4,246
7.04	Retentions	-2,210	-2,223
7.04.01	Depreciation, Amortization, and Exhaustion	-2,210	-2,223
7.05	Net Value Added Produced	3,973	2,023
7.06	Value Added Received in Transfer	770,800	614,110
7.06.01	Equity Pickup	746,585	580,229
7.06.02	Financial Income	17,775	31,217
7.06.03	Other	6,440	2,664
7.07	Total Value Added to be Distributed	774,773	616,133
7.08	Distribution of Value Added	774,773	616,133
7.08.01	Personnel	20,660	19,189
7.08.01.01	Direct Compensation	18,865	17,556
7.08.01.02	Benefits	818	700
7.08.01.03	F.G.T.S.	977	933
7.08.02	Taxes, Fees, and Contributions	33,170	32,348
7.08.02.01	Federal	31,819	30,978
7.08.02.03	Municipal	1,351	1,370
7.08.03	Return on Third-Party Capital	5,141	7,562
7.08.03.01	Interest	5,115	7,539
7.08.03.02	Rental	26	23
7.08.04	Return on Equity	231,239	557,034
7.08.04.01	Interest on Equity	231,239	229,635
7.08.04.03	Retained Earnings/Accumulated Losses for the Period	0	327,399
7.08.05	Others	484,563	0

Consolidated Financial Statements / Balance Sheet Assets**(R\$ thousand)**

Account Code	Account Description	Last Fiscal Year 12/31/2024	Second-to-Last Fiscal Year 12/31/2023
1	Total Assets	13,037,758	12,302,261
1.01	Current Assets	3,898,270	3,409,987
1.01.01	Cash and Cash Equivalents	1,019,482	906,196
1.01.03	Accounts Receivable	2,238,333	1,952,160
1.01.03.01	Clients	2,042,983	1,757,103
1.01.03.01.01	Trade Accounts Receivable	2,525,706	2,108,622
1.01.03.01.02	Estimated Loss on Doubtful Accounts - ECL	-482,723	-351,519
1.01.03.02	Other Accounts Receivable	195,350	195,057
1.01.04	Inventories	21,432	23,270
1.01.06	Taxes Recoverable	306,698	267,584
1.01.06.01	Current Taxes Recoverable	306,698	267,584
1.01.06.01.01	Income Tax and Social Contribution to be Recovered	110,766	94,572
1.01.06.01.02	Other Taxes Recoverable	195,932	173,012
1.01.08	Other Current Assets	312,325	260,777
1.01.08.03	Others	312,325	260,777
1.01.08.03.01	Financial Assets Indemnification Basic Project Us Pery	19,039	18,215
1.01.08.03.02	Water Scarcity Bonus	1,138	1,138
1.01.08.03.03	Dividends Receivable	14,807	9,667
1.01.08.03.04	Other Credits	184,422	130,939
1.01.08.03.06	Financial Assets – Concession Bonus	43,449	41,569
1.01.08.03.07	CDE Funds to Cover CVA	49,470	51,093
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1.01.08.03.08	Regulatory Fees to be Compensated	0	8,156
1.02	Noncurrent Assets	9,139,488	8,892,274
1.02.01	Long-term Assets	3,684,457	3,600,036
1.02.01.02	Financial Investments at Fair Value through Other Comprehensive Income	208	208
1.02.01.02.03	Marketable Securities	208	208
1.02.01.04	Accounts Receivable	17,406	28,383
1.02.01.04.01	Clients	4,491	25,307
1.02.01.04.03	Other Accounts Receivable	12,915	3,076
1.02.01.07	Deferred Taxes	659,034	854,645
1.02.01.07.01	Deferred IR and CSLL	659,034	854,645
1.02.01.10	Other Noncurrent Assets	3,007,809	2,716,800
1.02.01.10.03	Taxes Recoverable	368,709	473,524
1.02.01.10.04	Court Deposits	439,879	421,346
1.02.01.10.05	Financial Assets Indemnification - Concession	948,715	778,341
1.02.01.10.06	Sectoral Financial Assets	0	94,538
1.02.01.10.07	Financial Assets - Grant Bonus	329,418	317,792
1.02.01.10.09	Financial Assets Indemnification Basic Project Us Pery	149,731	144,366
1.02.01.10.11	Contract Assets	771,357	486,893
1.02.02	Investments	382,859	388,828
1.02.02.01	Equity Interests	382,859	388,828
1.02.02.01.01	Holdings in Affiliates	218,211	237,683
1.02.02.01.04	Holdings in Jointly Controlled Companies	164,648	151,145
1.02.03	PP&E	210,394	193,249

Consolidated Financial Statements / Balance Sheet Assets

(R\$ thousand)

Account	Account Description	Last Fiscal Year	Second-to-Last Fiscal
Code		12/31/2024	Year 12/31/2023
1.02.03.01	Fixed Assets in Operation	102,085	34,390
1.02.03.02	Right of Use - Lease	5,303	16,055
1.02.03.03.	Fixed Assets in Progress	103,006	142,804
1.02.04	Intangible Assets	4,861,778	4,710,161
1.02.04.01	Intangible Assets	4,861,778	4,710,161
1.02.04.01.01	Concession Contract	4,816,147	4,662,285
1.02.04.01.02	Hydrological Risk Renegotiation – GSF	42,698	44,441
1.02.04.01.03	Other Intangible Assets	2,933	3,435

Consolidated Financial Statements / Balance Sheet Liabilities**(R\$ thousand)**

Account	Account Description	Last Fiscal Year	Second-to-Last Fiscal Year
Code		12/31/2024	12/31/2023
2	Total Liabilities	13,037,758	12,302,261
2.01	Current Liabilities	3,049,785	3,730,676
2.01.01	Social and Labor Obligations	217,785	224,899
2.01.01.01	Social Obligations	217,785	224,899
2.01.02	Suppliers	992,713	1,089,092
2.01.02.01	Domestic Suppliers	992,713	1,089,092
2.01.03	Tax Obligations	277,397	306,747
2.01.03.01	Federal Tax Obligations	94,409	104,339
2.01.03.01.01	Income Tax and Social Contribution Payable	2,818	26,676
2.01.03.01.02	PIS/COFINS	54,756	51,870
2.01.03.01.03	Others	36,835	25,793
2.01.03.02	State Tax Obligations	180,497	199,357
2.01.03.03	Municipal Tax Obligations	2,491	3,051
2.01.04	Loans and Financing	416,104	522,329
2.01.04.01	Loans and Financing	213,853	356,136
2.01.04.01.01	In Domestic Currency	114,891	258,631
2.01.04.01.02	In Foreign Currency	98,962	97,505
2.01.04.02.	Debentures	202,251	166,193
2.01.05.	Other Liabilities	978,125	1,315,012
2.01.05.02	Others	978,125	1,315,012
2.01.05.02.01	Dividends and Interest on Equity Payable	212,754	211,329
2.01.05.02.04	Regulatory Fees	23,278	73,509
2.01.05.02.06	Derivative Financial Instruments	70,230	0
2.01.05.02.07	Sectoral Financial Liabilities	388,599	903,863
2.01.05.02.08	Lease Liabilities	2,140	10,836
2.01.05.02.09	Water Shortage Bonus	1,149	1,146
2.01.05.02.10	PIS/COFINS to be Refunded to Consumers	46,811	7,596
2.01.05.02.20	Others	233,164	106,733
2.01.06.	Provisions	167,661	272,597
2.01.06.01	Tax, Social Security, Labor, and Civil Provisions	167,661	272,597
2.01.06.01.03	Provisions for Employee Benefits	167,661	272,597
2.02	Noncurrent Liabilities	6,316,694	5,639,018
2.02.01	Loans and Financing	3,786,903	2,648,942
2.02.01.01	Loans and Financing	1,765,532	1,618,529
2.02.01.01.01	In Domestic Currency	555,694	412,863
2.02.01.01.02	In Foreign Currency	1,209,838	1,205,666
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2.02.01.02	Debentures	2,021,371	1,030,413
2.02.02	Other Liabilities	455,996	451,291
2.02.02.02	Others	455,996	451,291
2.02.02.02.03	Social Security and Labor Obligations	8,969	27,899
2.02.02.02.04	Regulatory Fees	78,661	84,045
2.02.02.02.06	Sectoral Financial Liabilities	21,400	0
2.02.02.02.09	PIS/COFINS to be Refunded to Consumers	326,032	333,152
2.02.02.02.10	Lease Liabilities	3,838	6,195
2.02.02.02.11	Taxes Payable	17,096	0

Consolidated Financial Statements / Balance Sheet Liabilities**(R\$ thousand)**

Account Code	Account Description	Last Fiscal Year 12/31/2024	Second-to-Last Fiscal Year 12/31/2023
2.02.03	Deferred Taxes	108,460	98,092
2.02.03.01	Deferred Income Tax and Social Contribution	108,460	98,092
2.02.04	Provisions	1,965,335	2,440,693
2.02.04.01	Tax, Social Security, Labor, and Civil Provisions	1,828,733	2,229,779
2.02.04.01.01	Tax Provisions	48,935	44,936
2.02.04.01.02	Social Security and Labor Provisions	69,732	57,052
2.02.04.01.03	Provisions for Employee Benefits	1,508,838	1,923,225
2.02.04.01.04	Civil Provisions	201,228	204,566
2.02.04.02	Other Provisions	136,602	210,914
2.02.04.02.04	Regulatory Provisions	64,129	77,767
2.02.04.02.05	Environmental Provisions	72,473	133,147
2.03	Consolidated Equity	3,671,279	2,932,567
2.03.01	Paid-up Share Capital	2,480,000	2,480,000
2.03.02	Capital Reserves	316	316
2.03.02.06	Advance for Future Capital Increase	316	316
2.03.04	Profit Reserves	2,350,938	1,866,898
2.03.04.01	Legal Reserve	315,136	279,347
2.03.04.05	Retained Earnings Reserve	1,958,512	1,586,298
2.03.04.08	Additional Dividend Proposed	77,290	1,253
2.03.06.	Equity Valuation Adjustments	-1,159,975	-1,414,647

Consolidated Financial Statements / Income Statement**(R\$ thousand)**

Account Code	Account Description	Last Fiscal Year	Second-to-Last Fiscal Year
		01/01/2024 to 12/31/2024	01/01/2023 to 12/31/2023
3.01	Revenue from the Sale of Goods and/or Services	10,658,858	10,402,608
3.01.01	Sales and Services Revenue	9,364,698	8,682,889
3.01.02	Construction Revenue	985,735	997,355
3.01.03	Sector Revenue	278,405	701,778
3.01.04.	Financial Asset Restatement NRV	30,020	20,586
3.02	Cost of Goods and/or Services	-8,852,978	-8,745,056
3.02.01	Cost of Goods Sold	-6,908,642	-6,839,008
3.02.02	Cost of Goods Sold	-20,595	-14,925
3.02.03	Cost of Services	-938,006	-893,768
3.02.04	Construction Costs	-985,735	-997,355
3.03	Gross Profit	1,805,880	1,657,552
3.04	Operating Expenses/Revenues	-586,089	-832,449
3.04.01	Selling Expenses	-120,983	-124,492
3.04.02	General and Administrative Expenses	-640,273	-650,898
3.04.03	Losses on Non-Recoverability of Assets	-194,010	-93,920
3.04.04	Other Operating Income	395,725	321,032
3.04.05	Other Operating Expenses	-92,113	-341,292
3.04.06	Equity Pickup	65,565	57,121
3.05	Earnings Before Interest and Taxes	1,219,791	825,103
3.06	Financial Result	-287,364	-141,788
3.06.01	Financial Income	410,698	680,604
3.06.02	Financial Expenses	-698,062	-822,392
3.07	Earnings Before Income Taxes	932,427	683,315
3.08	Income Tax and Social Contribution on Profits	-216,625	-126,281
3.08.01	Current	-169,150	-131,541
3.08.02	Deferred	-47,475	5,260
3.09	Net Income from Continuing Operations	715,802	557,034
3.11	Consolidated Profit/Loss for the Period	715,802	557,034
3.11.01	Attributed to the Parent Company's Shareholders	715,802	557,034
3.99	Earnings per Share - (R\$/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common Shares	17.5115	13.6274
3.99.01.02	Preferred Shares	19.2627	14.9901
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common Shares	17.5115	13.6274
3.99.02.02	Preferred Shares	19.2627	14.9901

Consolidated Financial Statements / Statement of Comprehensive Income

(R\$ thousand)

Account Code	Account Description	Last Fiscal Year 01/01/2024 to 12/31/2024	Second-to-Last Fiscal Year 01/01/2023 to 12/31/2023
4.01	Consolidated Net Income for the Period	715,802	557,034
4.02	Other Comprehensive Income	255,227	-255,232
4.02.01	Remeasurement of Defined Benefit Liabilities, Net of Taxes	255,227	-255,232
4.03	Consolidated Comprehensive Income for the Period	971,029	301,802
4.03.01	Attributed to the Parent Company's Shareholders	971,029	301,802

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

Account Code	Account Description	Last Fiscal Year 01/01/2024 to 12/31/2024	Second-to-Last Fiscal Year 01/01/2023 to 12/31/2023
6.01	Net Cash from Operating Activities	281,690	450,294
6.01.01	Cash Generated from Operations	1,389,450	1,239,961
6.01.01.01	Net Income for the Year	715,802	557,034
6.01.01.02	Depreciation and Amortization	347,416	314,601
6.01.01.04	Equity Pickup of investees, Net of Taxes	-65,565	-57,121
6.01.01.05	Update/Interest Return/Bonus Pery Plant Grant/ Ind.	-84,040	-80,338
6.01.01.06	IR and CSLL Paid	-180,373	-41,470
6.01.01.07	Interest and Monetary Variations	503,397	443,974
6.01.01.08	Derivative Financial Instruments/Mark to Market	9,384	0
6.01.01.09	Interest Paid	-356,279	-335,933
6.01.01.10	Disposal of Right of Use Leases	-48	-14
6.01.01.11	Actuarial Expenses	143,173	145,446
6.01.01.12	Constitution (Reversal) Provision for Contingent Liabilities	-104,743	34,990
6.01.01.13	Constitution (Reversal) of Impairment Recognition	-1,742	332
6.01.01.14	Loss on disposal of PP&E/Intangible Assets	79,952	56,721
6.01.01.15	Financial Assets Adjustment – VNR	-30,020	-20,586
6.01.01.17	Allowance for Doubtful Accounts	194,010	93,920
6.01.01.18	Write-off of Indemnifying Financial Assets - Concession	1,849	1,111
6.01.01.19	PIS/COFINS Credit Depreciation Right to Use Assets	652	1,013
6.01.01.20	Income tax and social contribution expenses	216,625	126,281
6.01.02	Variations in Assets and Liabilities	-1,107,760	-789,667
6.01.02.02	Financial Assets - (Sectorial, Grant Bonus, Pery Plant Basic Project Indenture)	112,563	390,317
6.01.02.03	Accounts Receivable	-453,043	-278,563
6.01.02.04	CDE Subsidy (Decree No. 7,891/2013)	1,623	-4,007
6.01.02.05	Taxes Recoverable	63,221	482,910
6.01.02.06	Court Deposits	9,925	43,054
6.01.02.07	Inventories	1,838	-3,251
6.01.02.10	Other Changes in Assets	-61,490	-23,239
6.01.02.11	Bonus Liabilities Water Scarcity	3	2
6.01.02.13	PIS/COFINS to be Refunded to Consumers	1,153	-848,880
6.01.02.14	Suppliers	-96,379	72,579
6.01.02.15	Taxes Payable	8,951	-92,336
6.01.02.16	Labor And Social Security Obligations	-26,044	-25,282
6.01.02.17	Regulatory Fees	-65,340	-17,824
6.01.02.18	Sectoral Financial Liabilities	-447,544	-196,062
6.01.02.19	Employee Benefits	-283,628	-259,252
6.01.02.20	Other Changes in Liabilities	126,431	-29,833
6.02	Net Cash from Investing Activities	-955,054	-1,009,682
6.02.01	Additions to Fixed Assets	-34,244	-53,162
6.02.03	Capital Increase (Decrease) of Investees	0	-152
6.02.04	Dividends And Interest on Capital Received	64,925	41,011
6.02.05	Additions to Intangible Assets	0	-24

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

Account Code	Account Description	Last Fiscal Year 01/01/2024 to 12/31/2024	Second-to-Last Fiscal Year 01/01/2023 to 12/31/2023
6.02.11	Additions to Contract Assets	-985,735	-997,355
6.03	Net Cash Financing Activities	786,650	524,900
6.03.02	Payment of Dividends and IoE	-211,369	-179,469
6.03.03	Payment of Loans and Financing	-67,966	-203,259
6.03.04	Income from Loans and Financing	72,809	337,655
6.03.06	Debenture Income	1,165,608	787,094
6.03.07	Payment of Debentures	-159,767	-206,510
6.03.08	Amortization of Derivatives	-1,401	0
6.03.09	Lease Payment Liabilities	-11,264	-10,611
6.05	Increase (Decrease) in Cash and Cash Equivalents	113,286	-34,488
6.05.01	Opening Balance of Cash and Cash Equivalents	906,196	940,684
6.05.02	Closing Balance of Cash and Cash Equivalents	1,019,482	906,196

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2024 to**12/31/2024 (R\$ thousands)**

Account Code	Account Description	Paid-up Share Capital	Capital Options Granted, and Treasury Shares	Reserves, Granted, and	Profit Reserves	Profit or Loss Accumulated	Other Comprehensive Income	Equity	Participation of Non Controllers	Equity Consolidated
5.01	Opening Balances	2,480,000		316	1,866,898	0	-1,414,647	2,932,567	0	2,932,567
5.02	Prior Year Adjustments	0		0	0	0	0	0	0	0
5.03	Adjusted Opening Balances	2,480,000		316	1,866,898	0	-1,414,647	2,932,567	0	2,932,567
5.04	Capital transactions with Partners	0		0	-1,078	-231,239	0	-232,317	0	-232,317
5.04.06	Dividends	0		0	-1,253	0	0	-1,253	0	-1,253
5.04.07	Interest on Equity	0		0	0	-231,239	0	-231,239	0	-231,239
5.04.08	Reversal of Prescribed Dividends	0		0	175	0	0	175	0	175
5.05	Total Comprehensive Income	0		0	0	716,357	254,672	971,029	0	971,029
5.05.01	Net Income for the Period	0		0	0	715,802	0	715,802	0	715,802
5.05.03	Reclassifications to the Result	0		0	0	555	254,672	255,227	0	255,227
5.05.03.02	Realization of Assigned Cost	0		0	0	555	-555	0	0	0
5.05.03.03	Asset Valuation Adjustment in Subsidiary	0		0	0	0	255,227	255,227	0	255,227
5.06	Internal Equity Changes	0		0	485,118	-485,118	0	0	0	0
5.06.01	Constitution of Reserves	0		0	485,118	-485,118	0	0	0	0
5.07	Closing Balances	2,480,000		316	2,350,938	0	-1,159,975	3,671,279	0	3,671,279

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2023 to**12/31/2023 (R\$ thousands)**

Account Code	Account Description	Paid-up Share Capital	Capital Options Granted, and Treasury Shares	Reserves, Granted, and	Profit Reserves	Profit or Loss Accumulated	Other Comprehensive Income	Equity	Participation of Non Controllers	Equity Consolidated
5.01	Opening Balances	2,480,000		316	1,561,699	0	-1,158,839	2,883,176	0	2,883,176
5.02	Prior Year Adjustments	0		0	0	0	0	0	0	0
5.03	Adjusted Opening Balances	2,480,000		316	1,561,699	0	-1,158,839	2,883,176	0	2,883,176
5.04	Capital transactions with Partners	0		0	-22,776	-229,635	0	-252,411	0	-252,411
5.04.06	Dividends	0		0	-22,874	0	0	-22,874	0	-22,874
5.04.07	Interest on Equity	0		0	0	-229,635	0	-229,635	0	-229,635
5.04.08	Reversal of Prescribed Dividends	0		0	98	0	0	98	0	98
5.05	Total Comprehensive Income	0		0	0	557,610	-255,808	301,802	0	301,802
5.05.01	Net Income for the Period	0		0	0	557,034	0	557,034	0	557,034
5.05.03	Reclassifications to the Result	0		0	0	576	-255,808	-255,232	0	-255,232
5.05.03.02	Realization of Assigned Cost	0		0	0	576	-576	0	0	0
5.05.03.03	Asset Valuation Adjustment in Subsidiary	0		0	0	0	-255,232	-255,232	0	-255,232
5.06	Internal Equity Changes	0		0	327,975	-327,975	0	0	0	0
5.06.01	Constitution of Reserves	0		0	327,975	-327,975	0	0	0	0
5.07	Closing Balances	2,480,000		316	1,866,898	0	-1,414,647	2,932,567	0	2,932,567

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

Account Code	Account Description	Last Fiscal Year 01/01/2024 to 12/31/2024	Second-to-Last Fiscal Year 01/01/2023 to 12/31/2023
7.01	Revenue	16,675,384	16,110,892
7.01.01	Sales of Goods, Products and Services	15,421,505	14,795,825
7.01.02	Other Revenue	427,910	358,446
7.01.03	Revenues from Construction of Company Assets	1,019,979	1,050,541
7.01.04	Provision/Reversal of Doubtful Accounts Doubtful Settlement	-194,010	-93,920
7.02	Inputs Acquired from Third Parties	-9,053,030	-9,318,797
7.02.01	Cost of Goods and Services Sold	-7,572,022	-7,527,519
7.02.02	Materials, Energy, Third Party Services and Others	-1,482,750	-1,790,946
7.02.03	Loss/Recovery of Assets	1,742	-332
7.03	Gross Value Added	7,622,354	6,792,095
7.04	Retentions	-348,071	-315,613
7.04.01	Depreciation, Amortization, and Exhaustion	-348,071	-315,613
7.05	Net Value Added Produced	7,274,283	6,476,482
7.06	Added Value Received in Transfer	519,263	795,390
7.06.01	Equity Pickup	65,565	57,121
7.06.02	Financial Income	446,845	735,161
7.06.03	Others	6,853	3,108
7.07	Total Value Added to be Distributed	7,793,546	7,271,872
7.08	Distribution of Value Added	7,793,546	7,271,872
7.08.01	Personnel	887,738	867,582
7.08.01.01	Direct Compensation	560,278	549,123
7.08.01.02	Benefits	292,598	283,348
7.08.01.03	F.G.T.S.	34,862	35,111
7.08.02	Taxes, Fees, and Contributions	5,450,550	5,009,732
7.08.02.01	Federal	3,272,346	3,006,182
7.08.02.02	State	2,172,166	1,997,735
7.08.02.03	Municipal	6,038	5,815
7.08.03	Remuneration of Third Party Capital	739,456	837,524
7.08.03.01	Interest	730,769	829,111
7.08.03.02	Rental	8,687	8,413
7.08.04	Return on Equity	715,802	557,034
7.08.04.01	Interest on Equity	231,239	229,635
7.08.04.03	Retained Earnings/Accumulated Losses for the Period	484,563	327,399

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MESSAGE FROM THE CEO

For the Celesc Group, 2024 was a year marked by the structuring of essential projects to maintain the pioneering and innovative DNA of a company that, for almost 70 years, has ensured the strength of its brand and the good relationship built with its more than 3.5 million customers. The past year has been marked by important achievements and by facing significant challenges.

The significant volume of investments made and the dedication of its professionals have been essential to the achievement of milestones such as the authorization to operate in the Free Energy Market, which represents a new focus for the company; the development of a business model for electromobility, with an increase in the number of charging stations for electric and hybrid vehicles; the updating of its commercial system, an innovation among distributors throughout Latin America; and the winning of important awards, including international ones.

These actions have had an impact on its economic and financial performance. The Group's EBITDA for the year was R\$1.57 billion, a result approximately 37.51% higher than that achieved in 2023 (R\$1.14 billion). In 2024, the Celesc Group's profit was R\$715.8 million, an increase of 28.5% on the previous year (R\$557 million) and Net Operating Revenue (NOR) was R\$10.6 billion, approximately 2.46% higher than in 2023.

The positive impact of the investments made was reflected in the achievement of important milestones, such as the record volume of investments of R\$2.2 billion over a two-year period, in strategic infrastructure works for the electricity system, in order to meet the growing demand for quality energy in Santa Catarina. By the end of 2026, this will amount to R\$4.5 billion in improvements to Santa Catarina's electricity system.

In addition to the results achieved, one of Celesc's major highlights in the first half of 2024 was the launch, together with the Government of Santa Catarina, of the state's largest initiative to encourage renewable energy sources: the Good Energy Program. The initiative aims to expand the generation of clean energy in the state, promote economic development, especially in low HDI regions, create jobs, preserve the environment and improve the quality of energy in rural areas. To this end, the Government of Santa Catarina will grant around R\$570.0 million in presumed ICMS credit to Celesc Distribuição for the execution of works, which will enable investments of around R\$3.0 billion from the private sector.

In terms of investments last year, Celesc Distribuição spent R\$1.2 billion on expanding, improving and automating the electricity system. Among the main ones is the application of almost R\$70.0 million in the expansion of 500 kilometers of the three-phase network in rural areas, with a construction standard that uses protected cables, which increases the reliability of the network by around 80%, preventing the interruption of the power supply due to contact with vegetation. The initiative especially favors the development of agribusiness, which now has a real opportunity for expansion, creating a reality of opportunities for those who live and work in the countryside.

Another highlight is the investment of almost R\$90.0 million in the inauguration and expansion of substations and the construction of power distribution lines in various regions of the state, especially the West, Midwest, Alto Vale, Vale do Itajaí, North Coast and Greater Florianópolis.

These investments have been made using studies and technical criteria, in order to maintain quality and reliable service in all regions of the state, providing opportunities and improving the lives of Santa Catarina residents.

These and other important projects have made Santa Catarina's electricity system more robust. The use of these resources has led to an improvement in the indicators that measure the quality of the electricity supply, EDC (Equivalent Interruption Duration per Consumer Unit) and EFC (Equivalent Interruption Frequency per Consumer Unit). In 2024, the EDC achieved was 8.63 (8% better than the limit set by ANEEL), while the EFC was 5.73 (21% better than the limit set by ANEEL).

Training the professionals who work on the front line was also a priority for Celesc. The inauguration of its Training Center in Florianópolis, with around 1,200 m² and state-of-the-art infrastructure, brought a new reality to the teams. With an investment of R\$5.0 million, the plan is

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to train 250 professionals a month, focusing on technical training and retraining, so that the teams have constant training and updating.

The search for a service in line with the latest market developments has also led Celesc to invest in updating its systems. In 2024, following a market study, the Company adopted the SAP S/4 Hanna commercial system - backed by the support of the multinational Accenture, which offers technology and operations solutions to various business sectors - in what was the biggest commercial transformation ever made by an energy distributor in Latin America. The project, called Conecte, brought with it the challenges implicit in an initiative and a pioneering move of this magnitude, but the expectation is that by 2025 more than 80 of the Company's services will be available to customers on its virtual channels, making it easier for customers to access them and reducing the flow of customers into stores.

Also with regard to the implementation of new systems, it is worth highlighting the continued development of the new platforms for the Operation Center, which controls the medium to high voltage sets. The new ADMS (Advanced Distribution Management System) and WFM (Workforce Management) systems, acquired in December 2023, are being implemented with the aim of reducing costs, optimizing the response to occurrences on the electricity network, improving cybersecurity and supporting strategic decisions. This stage of the project is expected to last 30 months.

As far as Celesc Geração is concerned, great achievements were made in 2024: the historical records of its hydroelectric plants stand out, with the highest instantaneous generation peak ever recorded (109MW, at 95% of installed capacity), the highest volume of energy generated in one year (647.5 GWh) and the highest machine availability (92%). The park's production exceeded the volume of energy generated forecast for the period by the National Electricity Agency (ANEEL) by 3%. This was achieved without any accidents among employees or contractors.

With regard to hydroelectric plants, one long-awaited delivery was the reactivation of the historic Maruim Plant, in the municipality of São José. The structure began operating in 1910 and was deactivated for 52 years. After careful updating and restoration work, the plant now has an installed capacity of 1MW, enough to supply approximately 2,000 homes, combining the modernization of its infrastructure with the preservation of its historical identity.

The reactivation of this plant was celebrated with an edition of the "Celesc Open Doors" event, which offered guided tours of the plant's facilities and a series of cultural and educational attractions for the community. Another historic power station that received visitors last year was the Salto Weissbach Power Station, located in Blumenau. There, around 2,500 visitors enjoyed citizenship activities, folklore and cultural performances, art exhibitions and local handicrafts.

With regard to Celesc Geração's photovoltaic plants, three new plants were inaugurated. In the mountainous region, PPP Lages II and PPP Campos Novos represented an investment of almost R\$10.0 million and together have the capacity to generate 2 MW of energy. PPP São José do Cedro, on the other hand, invested R\$13.2 million and has an installed capacity of 2.5 MW, corresponding to the average consumption of two thousand homes.

In the New Business area, two important fronts for the Company's future were developed: operations in the Free Energy Market and the expansion of the Catarinense Electricity Corridor. In January, the Electricity Trading Chamber authorized Celesc to operate in the Free Energy Market. Throughout 2024, Celesc's strategy was built with the support of a leading consultancy in the sector, covering essential aspects for its operation in this environment, including products, types of contracts, commercial and marketing actions, corporate governance, risks, as well as the structure and flow of processes. In December, the Business Plan was approved by Celesc's Board of Directors.

Announced in November, the expansion of the Catarinense Electric Corridor to 100 municipalities by 2025 - with a maximum distance of 50 kilometers between the electric stations - is a bold project that aims to serve all regions of the state with reliable infrastructure for the circulation of electric and hybrid vehicles. R\$5.0 million will be invested in this project. For 15 years, Celesc has been a pioneer in promoting the electric vehicle market by creating an electric vehicle charging infrastructure in Santa Catarina. This was an initiative of the Research, Development and Innovation (RDI) area that made it possible to install the 35 current recharging units, forming one of the largest

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infrastructures of its kind in the country. It is now part of the New Businesses area, led by Celesc Geração.

However, in 2024, Celesc's highlight was not just the indices achieved or the consolidated investments, but something of great value to the company: human capital. The increase in extreme weather events in Brazil has confirmed the need for the electricity sector to be prepared to mitigate the consequences, both in the regulatory sphere and in the development of a protocol of conduct.

The experience Celesc has accumulated in dealing with such occasions in its concession area enabled the Company to help neighboring Rio Grande do Sul, after the biggest environmental disaster ever in that state, in May 2024. On that occasion, in addition to collecting donations for the Rio Grande do Sul Civil Defense, more than 100 professionals, 10 trucks, 12 4X4 vans and three cars were sent to carry out around 60 services - including the installation of 230 poles and the reconstruction of almost 60 kilometers of conductors - in more than 40 communities in Porto Alegre and the region.

Also, in relation to its commitment to the social area, the Catarinense Public Prosecutor's Office awarded the Citizen Company certificate to several of Celesc's Regional Agencies between October and December, in recognition of the actions of the Young Apprentice Program to include young people in the job market.

The increasing investment in actions to promote continuous improvement in the quality of the services provided has brought visibility beyond the direct scope of Celesc's operations. Evidence of this was the public recognition that rewarded various efforts undertaken by the Company.

In March, the National Electricity Agency (Aneel) chose the company as the 2nd best distributor in the South and 5th in the national ranking among large companies. In June, an unprecedented award: Celesc's Ombudsman's Office was considered the 2nd best in Brazil by the entity, excelling in handling consumer complaints. The area also maintained its ISO 9001 certification, after an external audit confirmed that a quality management system in line with international requirements had been implemented and maintained.

The Company was also recognized as the 2nd best energy distributor in Brazil in the "Customer Evaluation" category by the Brazilian Association of Electricity Distributors (Abradee) in August. The category takes into account the Perceived Quality Satisfaction Index (ISQP), which assesses urban residential consumers' perceptions of energy supply, information and communication, electricity bills, customer service and the Company's image.

In relation to large customers, such as industries and larger businesses, the organization awarded Celesc 2nd place in the ranking that measures the satisfaction of medium and high voltage consumers, among 22 companies operating in the national electricity sector. The result was announced in May, during the Abradee Best Practices Seminar (SAMP) in Campinas, São Paulo. The main items evaluated were: energy supply, consumer information, billing, general service and image.

The Regional Energy Integration Commission (CIER), for example, recognized Celesc's work on different fronts. At the international level, in September, during an awards ceremony held in Costa Rica, the Company was honored in three CIER Customer Satisfaction categories: 2nd place in the Customer Satisfaction Index with Perceived Quality (ISCAL) among distributors with more than 500,000 consumers, and two honorable mentions for "Greatest Progress in the Customer Satisfaction Index with Perceived Quality" and "Best Progress in Social and Environmental Responsibility".

In October of the same year, Celesc won two categories of the CIER Innovation Award with projects from ANEEL's Research, Development and Innovation Program: Digitalization (AI to identify clandestine connections) and Decarbonization (intelligent equipment for measuring and monitoring energy consumption). Celesc's Energy Efficiency program was recognized in three categories: Industrial, Residential and Public Power, Commerce and Services. The certified programs achieved evaluation levels of 87% (Industrial), 90% (Residential) and 92% (Public Power, Commerce and Services). The trophies were awarded at a ceremony in Uruguay in December.

ISO 9001 certification was also upheld for data collection and calculation of electricity supply quality indicators (EDC, EFC, DIC, FIC, DMIC and DICRI) and permanent

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voltage indicators. The Quality Management System (QMS), which calculates this data, was audited in July by the National Certification Body (NCB).

Regarding innovation, in September the Company received the silver seal in three categories of the Innovative Practices Award, promoted by the Santa Catarina State Comptroller General's Office (CGE-SC). It also came second in Correctional Management, Integrity and Compliance, and Ombudsman. In the GT Innovation Disruption Award 2024, awarded by the GT Group consultancy, Celesc was the winner in the Energy category. The highlight was the Research, Development and Innovation (RDI) projects under the "Lei do Bem" (Good Law).

In terms of energy efficiency, the highlight was winning two categories at the 20th Brazilian Energy Efficiency Congress (BEEC) in September: 1st place in the "Products and Services" category, with the Photovoltaic Bonus Project, and 2nd place in the "Teaching and Research Institutions Project" category, with the work on energy efficiency in the industrial sector.

The challenge of building an even better Celesc for all our stakeholders is a daily one in this complex and very dynamic sector. We continue to move forward, focusing on an increasingly efficient Celesc, complying with regulatory determinations and rules and delivering quality electricity, this strategic input that is a factor of competitiveness for companies, and of development and quality of life for all Santa Catarina residents and those who choose to live and work in our state.

Tarcísio Estefano Rosa

CEO

Management Report/Performance Report

ANNUAL MANAGEMENT REPORT

PRESENTATION

Ladies and Gentlemen Shareholders,

We present the Annual Management Report and the Financial Statements of Centrais Elétricas de Santa Catarina S.A. (Celesc), for the fiscal year ended December 31, 2024, accompanied by the Opinion of the Fiscal Council, the Report of the Statutory Audit Committee (SAC), the Statement of the Board of Directors (BD) and the Report of the Independent Auditors.

This Report is primarily intended for the Company's shareholders, but is available for public access on the websites of Celesc, the Brazilian Securities and Exchange Commission (CVM) and B3, and is also published in a reduced form in printed media and in full on the website of a widely circulated newspaper in the municipality where the Company's head office is located, in accordance with Brazilian law.

1. CELESC GROUP

Centrais Elétricas de Santa Catarina S.A. (Celesc) is a company in the Brazilian electricity sector, with a strong presence in the areas of energy distribution and generation. Structured as a holding company in 2006, the company has two wholly-owned subsidiaries: Celesc Geração S.A. (Celesc G) and Celesc Distribuição S.A. (Celesc D).

Celesc also has joint control of Companhia de Gás de Santa Catarina - SCGÁS and participates in the companies Dona Francisca Energética S.A. - DFESA, Empresa Catarinense de Transmissão de Energia S.A. - ECTE and Companhia Catarinense de Água e Saneamento - CASAN.

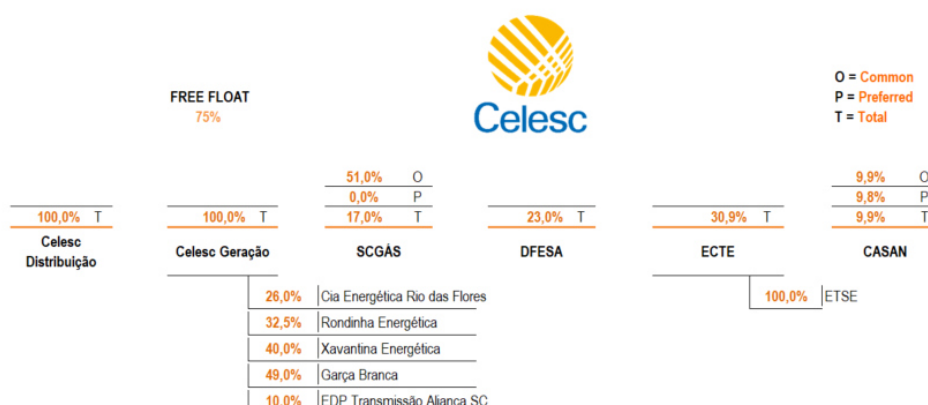
Celesc's controlling shareholder is the State of Santa Catarina, which holds 50.18% of the ordinary shares. The remaining common shares are distributed as follows on December 31, 2024: Energias do Brasil S.A. - EDP 33.11%, Fundação Celesc de Seguridade Social - CELOS 8.63%, Geração L Par Fundos de Investimentos 2.88%, Eletrobras 0.03% and other investors 5.18%.

The total shareholding in the Company is distributed as follows: State Government with 20.20%, Energias do Brasil S.A. (EDP) with 29.90%, Fundação Celesc de Seguridade Social (CELOS) with 4.07%, Geração L Par Fundos de Investimentos with 8.39%, Eletrobras with 10.75%, Alaska Poland with 9.16% and other investors with 17.52%.

CELESC'S SHAREHOLDER AND SOCIAL STRUCTURE

December/2024

ESTADO SC	EDP ENERGIAS	CELOS	GF LPPAR FIA	ELETROBRAS	ALASKA POLAND FIA	OUTROS
50,18% ON	33,11% ON	8,63% ON	2,88% ON	0,03% ON	0,00% ON	5,18% ON
0,00% PN	27,73% PN	1,00% PN	12,11% PN	17,98% PN	15,34% PN	25,84% PN
20,20% T	29,90% T	4,07% T	8,39% T	10,75% T	9,16% T	17,52% T



Source: Celesc.

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1.1. Awards, Certifications and Recognition

1.1.1. CIER Customer Satisfaction

Celesc received three international recognitions from the Regional Energy Integration Commission (CIER) at an event held in San Juan, the capital of Costa Rica, in September. Celesc D came second among distributors with more than 500,000 consumers in the Customer Satisfaction Index for Perceived Quality (ISCAL), behind only UTE, from Uruguay.

More than 30 distributors from 11 countries competed for the award. The initiative aims to recognize the quality of the work done by Latin American companies in the energy distribution sector.

Celesc D was also awarded with two honorable mentions in the categories "Greatest Improvement in the Customer Satisfaction Index with Perceived Quality" and "Best Improvement in Social and Environmental Responsibility".

1.1.2. CIER Innovation

In October, Celesc D won two categories of the CIER Innovation Award with projects that are part of the Research, Development and Innovation Program of the National Electric Energy Agency (ANEEL). The Company won first place in the Digitalization and Decarbonization themes, as well as being one of the finalists in Decentralization.

In the Digitalization category, the winning project was "Artificial intelligence for identifying clandestine connections in the distribution network using satellite images". In the Decarbonization category, the prize went to "Intelligent equipment for sectorized measurement and monitoring of energy consumption - applications for white tariff, measurement campaign, measurement and verification of energy efficiency program". Both projects are part of ANEEL's Research, Development and Innovation Program.

1.1.3. CIER Energy Efficiency

Celesc D had its Energy Efficiency Program recognized by CIER in three categories: Industrial, Residential, Public Power, Commerce and Services. As defined in the rules for participation, certificates were awarded to programs that achieved an evaluation level of 80% or more. In Celesc's case, the three certified categories reached the following levels: 87% in Industrial, 90% in Residential and 92% in Public Power, Commerce and Services.

1.1.4. Abradee Award

In the biggest national award in the energy distribution sector, Celesc D was recognized as the second-best energy distributor in Brazil in the "Customer Evaluation" category, in an award held by the Brazilian Association of Electricity Distributors - Abradee, in August.

The category takes into account the Perceived Quality Satisfaction Index (ISQP), which assesses the perception of urban residential consumers in relation to energy supply, information and communication, electricity bills, customer service and the Company's image.

1.1.5. Abradee's Large Electricity Customer Satisfaction Survey

Celesc D came second in the ranking of Abradee's Large Electricity Customer Satisfaction Survey, which assesses the level of satisfaction of medium and high voltage consumers, such as industries and large businesses. The result was announced in May, during an awards ceremony at Abradee's Best Practices Seminar (SAMP), held in Campinas, São Paulo.

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The main items evaluated were: energy supply, consumer information, billing, general service and image. The Company competed for the award with 22 companies in the energy distribution sector from all over the country.

1.1.6. ANEEL Consumer Satisfaction Award

In March, ANEEL recognized Celesc D as the second-best distributor in the southern region. The event took place in Brasilia and rewarded companies that serve more than 400,000 consumer units.

In the national ranking, in the large company category, the Company came fifth out of the 33 competing distributors.

1.1.7. ANEEL Ombudsman Award

Celesc D's Ombudsman's Office was considered by ANEEL to be the second-best ombudsman's office in Brazil, in an award ceremony held in June. The award is given to distributors with the best performance in dealing with complaints registered by consumers with the Regulatory Agency.

Celesc D competed in the category of large distributors - which serve more than 1 million consumer units. Among the criteria evaluated were the time taken by the distributors to deal with complaints, the origin of the complaints, the clarity of the information provided and the timeliness of responses.

1.1.8. ISO 9001

Celesc D's Ombudsman maintained its ISO 9001 certification in 2024. An external audit validated that the sector's team has implemented and maintains a quality management system that meets international certification requirements.

A In addition, the Company preserved the certificate related to data collection and the calculation of electricity supply quality indicators (EDC, EFC, DIC, FIC, DMIC and DICRI), as well as permanent voltage. The Quality Management System (QMS) responsible for this calculation was audited in July by the National Certification Body (NCB).

1.1.9. CGE-SC Innovative Practices Award

In September, Celesc received the silver seal in three categories of the Innovative Practices award, promoted by the Comptroller General of the State of Santa Catarina (CGE-SC). The award recognized the best public management control practices in the state executive branch and assessed the criteria of creativity and innovation, simplicity and potential for dissemination, efficient use of resources, among others.

The Company came second in Correctional Management, with the practice "Conducting investigations on a digital platform"; Integrity and Compliance, through "Integrity Analysis of Economic Agents and Partners"; and Ombudsman, with the theme "Transforming the Ombudsman into a national benchmark".

1.1.10. GT Innovation Disruption Award

Celesc D won the GT Innovation Disruption Award 2024 in the Energy category. Awarded by the GT Group consultancy, the prize recognizes the Company's performance in Research, Development and Innovation (RDI) projects, with emphasis on the initiatives developed within the scope of the Good Law (Lei do Bem) - a tax incentive mechanism aimed at technological innovation.

The projects include:

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- Intelligent equipment for sectorized measurement and control of energy consumption;
- Robot drones for high-voltage maintenance;
- Obtaining new organic materials for making Organic Light Emitting Diodes (OLEDs) and solar cells;
- Self-propelled, reconfigurable robotic platform for transporting transformers in hard-to-reach places;
- Artificial intelligence platform for pruning and mowing services in transmission line easements;
- Artificial intelligence to identify clandestine connections in the distribution network using satellite images.

1.1.11. BEEC

Celesc D was awarded in two categories during the 20th Brazilian Energy Efficiency Congress (BEEC), held in São Paulo in September.

In the "Products and Services" category, the Company took first place for its measurement and verification (M&V) work on the results of the Photovoltaic Bonus Project, which subsidized the installation of 1,250 photovoltaic generation systems in Santa Catarina between 2016 and 2017.

In the "Teaching and Research Institutions Project" category, Celesc won second place with its work "Energy Efficiency in the Brazilian Industrial Sector: Impacts on the National System and on the Goals Defined by the National Energy Plan".

1.1.12. Citizen Company

In 2024, the Santa Catarina Public Prosecutor's Office once again certified Celesc D as a Citizen Company because of the work it does to include young people in the job market, contributing to their education and opening up opportunities to build a better future. The cycle of certification by Regional Agency began in October, in the South region, and ended on December 4, with the award to the Alto Vale do Rio Itajaí region, based in Rio do Sul.

The New Paths Program is an initiative of the State Coordination for Children and Youth (SCCY) of the Santa Catarina Court of Justice, together with the Santa Catarina Magistrates' Association (SCMA) and the Federation of Industries of the State of Santa Catarina (FIESC).

1.2. 2024 Highlights

1.2.1. Expansion of Santa Catarina's electric corridor

In November, Celesc D announced the project to expand the Catarinense Electric Corridor, with the goal of reaching 100 municipalities with electric stations by 2025 and leaving all regions of the state with reliable infrastructure for the circulation of electric and hybrid vehicles.

The planned investment is just over R\$5.0 million. The company currently has 35 electro-posts, one of the largest in the country.

1.2.2. Three-phase network

In 2024, Celesc D completed the replacement of 500 kilometers of single-phase network with three-phase and there is already a project to implement another 500 kilometers, allowing rural producers in Santa Catarina to have more availability and quality of electricity. The West, Serrano Plateau, North Plateau and Alto Vale regions were the most targeted due to their natural vocation for agribusiness.

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More than 50,000 consumer units are expected to benefit from the new investment of around R\$76.0 million. The improvement will make it possible to expand factories and automate operations that require a greater supply of energy. The three-phase network reduces the number of power outages, which causes losses in production.

1.2.3. Investment in substations

In June, Celesc D inaugurated the new Abelardo Luz Substation, benefiting more than 10,500 consumer units in the municipalities of Abelardo Luz, Ipuçu, São Domingos, and Ouro Verde in Santa Catarina. The unit, which had an investment of around R\$50.0 million, has a 26 MVA transformer, four feeders and a capacitor bank, and can be expanded to accommodate up to 12 feeders with 120 MVA.

In October, the Company delivered the expansion of the São Cristóvão do Sul substation, which increased the power transformation and distribution capacity to 138 kV. The work benefited the Santa Catarina municipalities of São Cristóvão do Sul, Santa Cecília, Ponte Alta do Norte and Otacílio Costa and involved an investment of around R\$19.0 million. The project also included a power distribution line 9.3 kilometers long and an investment of R\$4.1 million, benefiting 30,000 consumer units.

The Taió substation was also expanded. The work, which was part of the Five-Year Construction Plan for the expansion of the Electric Power System, was delivered in November. The project involved an investment of R\$14.3 million and involved replacing the 7.5/10 MVA 69/23 kV transformer with a new 20/26.67 MVA unit. In addition, new circuit breakers, transformers, lightning arresters and a 4,800 Kvar capacitor bank were installed.

1.2.4. Retail Business Plan

In December, Celesc's Board of Directors approved the Business Plan for the Company's operations in the free energy market. The business strategy includes essential aspects for the operation of Celesc Varejista, including types of contracts, commercial and marketing actions, corporate governance, and the way of working and flow of information. In January, the Electricity Trading Chamber (CCEE) had already authorized Celesc to operate in this market.

1.2.5. New systems

In 2024, Celesc D continued to invest in the implementation of new commercial, management and logistics systems. In May, the company definitively adopted the SAP S/4 Hana commercial system, replacing the SIGA billing system. The transition marked the launch of Conecte, a new application and a new Web Agency that now centralizes more than 80 services offered in the face-to-face stores.

This was the biggest transformation of its kind ever carried out by a distributor in Latin America and put the Company at the forefront of the electricity sector in terms of commercial service.

Another major step forward is the preparations for the implementation of the Workforce Management (WFM) and Advanced Distribution Management System (ADMS) systems, which were acquired by the Company in December 2023 and have an implementation deadline of 30 months. The software promises to minimize operating costs, optimize customer service, help size teams, improve cybersecurity, as well as providing more efficient restoration of distribution services and support for strategic decision-making.

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1.2.6. Reactivation of the Maruim Plant

Celesc G has reactivated the historic Maruim Power Station, in the municipality of São José/SC. The structure, which began operating in 1910, had been deactivated for 52 years.

The Maruim Plant now has an installed capacity of 1MW, enough to supply approximately 2,000 homes, combining the modernization of its infrastructure with the preservation of its historical identity.

The reactivation was celebrated with an edition of "Celesc Portas Abertas" (Celesc Open Doors) in October, offering the community guided tours of the plant's facilities and a series of cultural and educational attractions.

Another historic plant that received visitors this year was Salto Weissbach, in Blumenau/SC. The Open Doors event took place in April and attracted around 2,500 visitors. Among the attractions were citizenship actions, folklore and cultural presentations and exhibitions of local art and crafts.

1.2.7. New photovoltaic plants

In June, Celesc G inaugurated two new photovoltaic plants in the mountainous region of the state of Santa Catarina: PPP Lages II and PPP Campos Novos. Together, the units have the capacity to generate 2 MW of energy. The investment amounted to almost R\$10.0 million.

In September, the Company inaugurated the PPP São José do Cedro. With investments of R\$13.2 million, the unit has an installed capacity of 2.5 MW, which corresponds to the average consumption of two thousand homes.

1.2.8. Inauguration of the Training Center

Celesc's new Training Center was inaugurated in December and promises to be a milestone in professional training. With an area of approximately 1,200 m², it has state-of-the-art infrastructure, comprising eight classrooms, two computer rooms, a 72-seat auditorium, two state-of-the-art laboratories, as well as meeting spaces and a coworking space.

The total investment was approximately R\$5.0 million. It is expected that around 250 professionals will be trained at the site each month, with emphasis on technical training, such as the Distribution Electrician Course (DEC), training related to the Regulatory Standards (RSs) and mandatory retraining.

1.2.9. Help for Rio Grande do Sul

Celesc gained national prominence in 2024 for its solidarity in rebuilding the electricity system in Rio Grande do Sul, destroyed by the heavy rains that hit the neighboring state in April and May.

More than 100 professionals were sent, concentrated in Porto Alegre and the Taquari Valley. In addition to the teams from Santa Catarina, 10 trucks, 12 4x4 vans and three cars were sent.

The first support team worked in the municipalities of the Taquari Valley, one of the regions most devastated by the floods and landslides. This team completed more than 60 field services in 38 communities. Around 230 poles were installed, replaced or reinstalled, and more than 56 kilometers of conductors were rebuilt.

Celesc's second task force focused on the city of Porto Alegre. The teams worked in partnership with professionals from Equatorial, the local energy distributor. The main activity was to

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restore power in flooded areas, restoring feeders and re-energizing transformers, as well as dealing with emergencies.

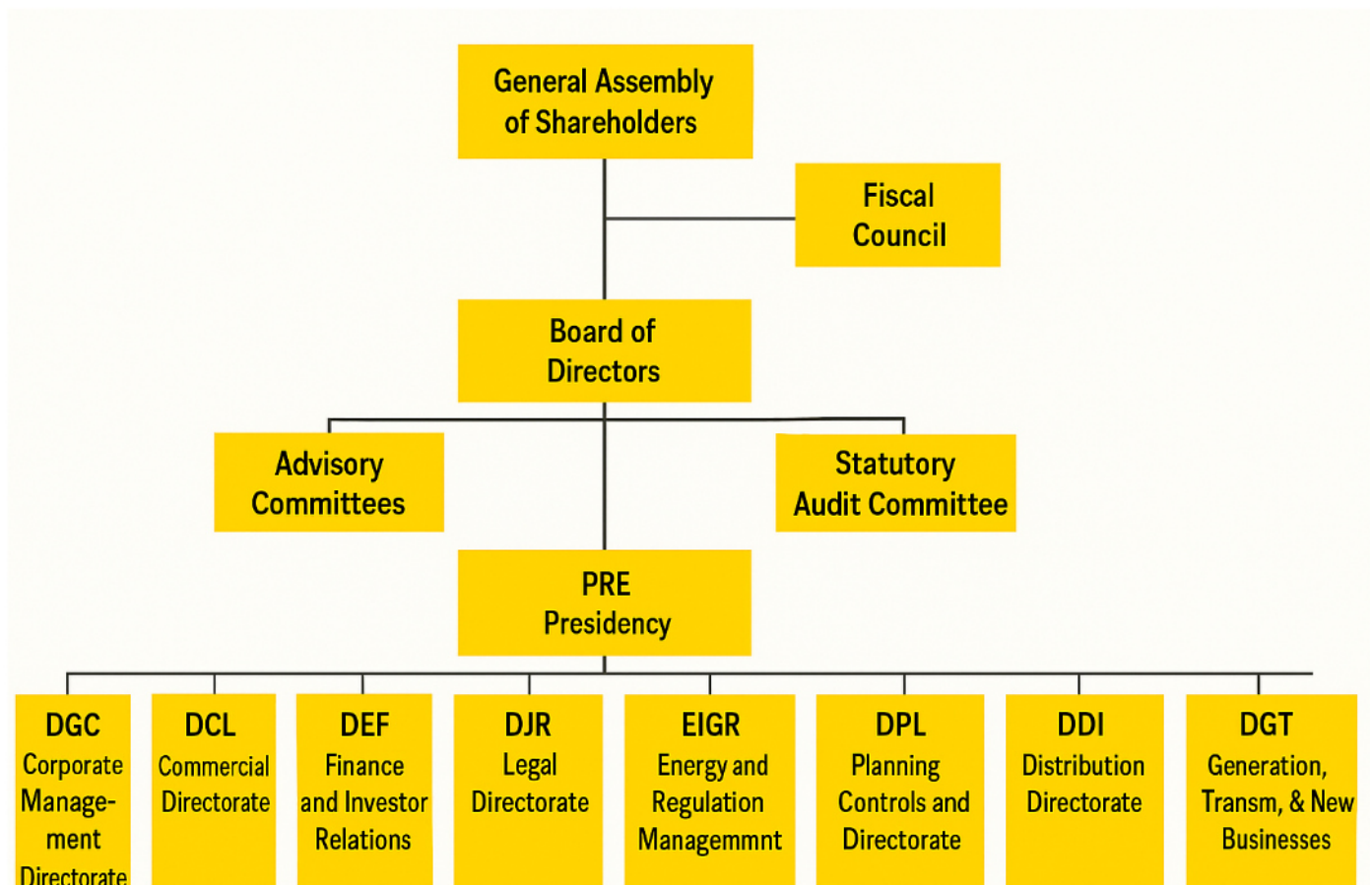
2. ENVIRONMENTAL, SOCIAL AND GOVERNANCE – ESG

Inserted in a highly dynamic sector, Celesc's performance is marked by its commitment to quality, continuous improvement and the sustainability of its operations, processes and services provided to society.

2.1. Corporate Governance

Celesc joined B3's Corporate Governance Level 2 on June 26, 2002, and follows the best practices to ensure transparency, fairness, accountability and corporate responsibility.

2.1.1. Governance Structure



- **General Shareholders' Meeting**

Sovereign body, convened, installed and with attributions provided for in the Brazilian Corporation Law and the Company's Bylaws in force. It has the power to decide on all business related to Celesc's corporate purpose and to take the necessary and convenient resolutions for its defense and development, including verification of the actions taken by management.

- **Board of Directors**

In addition to the duties reserved to it by law, the Board of Directors is responsible for setting the general direction and controlling the business of the Company, its subsidiaries, affiliates and consortia of which it is a part. The Board of Directors is the top level of management and its mission is to care for and value the assets and maximize the return on investments made.



The Rules of Procedure of the Board of Directors regulate its functioning, in compliance with the composition and powers established in the Company's Articles of Association, Good Corporate Governance Practices and current legal rules. The Board of Directors meets ordinarily on a monthly basis according to the corporate calendar, or extraordinarily when called by its Chairman or by a majority of its members.

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The Board of Directors is a collegiate body with deliberative functions, in accordance with its Bylaws, and is made up of 11 members, including 6 representatives of the majority shareholder, 3 of the minority shareholders, 1 of the preferred shareholders and 1 representative (elected) of the employees.

The members of the Board are elected by the General Shareholders' Meeting, for a term of 2 years, with up to 3 consecutive reappointments allowed, and at least 25% of the directors must be independent directors, as defined in Federal Law 13,303/2016.

The Company guarantees one of the vacancies to a representative chosen by direct vote in an internal election process.

Once the limit of reappointments has been reached, the member of the Board of Directors may only return after a period equivalent to one term of office has elapsed. The Chairman and Vice-Chairman of the Board of Directors are elected from among its members by the members of the Board of Directors.

Further information on the composition of the Board of Directors, bylaws, duties, CVs of its members and minutes of meetings is available on our website: <https://ri.celesc.com.br/>.

• Statutory Audit Committee - SAC

The Statutory Audit Committee (SAC) is an independent and statutory advisory body directly linked to the Company's Board of Directors, and is of a permanent nature. Its main duties are to supervise the activities of the Independent Auditors and the areas of internal control, Internal Audit and preparation of the Financial Statements.

It is made up of 5 members, 3 of whom are representatives of the Majority Shareholder, 1 of the Preference Shareholders and 1 of the Ordinary Minority Shareholders.

Among the mandatory requirements, at least one of the members of the Audit Committee must have recognized experience in corporate accounting matters, under the terms of the applicable legislation and other regulatory standards.

Every year, the Audit Committee draws up a report describing its activities, the results, conclusions and recommendations, recording any significant disagreements between management, the Independent Audit and the Audit Committee in relation to the financial statements. This report is published together with the financial statements and kept at the head office at the disposal of the regulatory bodies for a period of 5 years.

Further information on the composition of the Statutory Audit Committee, the bylaws, the CVs of its members and the minutes of the meetings is available on our website: <https://ri.celesc.com.br/>.

• Executive Board

The Executive Board is responsible for the strategic management of the Company's business, including all controls over the operational management of subsidiaries, affiliates or consortia of which the Company is a part, in compliance with the Company's Master Plan and the Management and Results Agreements.

The Company's Board of Executive Officers is made up of 9 directorates, and the Directors are appointed and approved by the Board of Directors.

On December 31, 2024, it was made up of the following portfolios: the Presidency, the Finance and Investor Relations Board, the Distribution Board, the Commercial Board, the Legal Board, the Corporate Management Board, the Generation, Transmission and New Business Board, the Planning, Controls and Compliance Board and the Energy Management and Regulation Board.

Meetings of the Board of Executive Officers are held on a weekly basis and the resolutions adopted are recorded in the minutes and drawn up in the appropriate book, and are considered valid for the company when adopted by a majority of those present.

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The Board's term of office will be 2 years, with a maximum of 3 consecutive reappointments. The Company will be jointly represented by the Chief Executive Officer and another Officer, or by two Officers, for the execution of the acts set out in its Bylaws.

The composition of the Executive Board and the Curriculum Vitae of the directors can be found on our website: <https://ri.celesc.com.br/>.

- **Fiscal Council**

The Fiscal Council's powers are set out in the Brazilian Corporations Law, and include overseeing the actions of the directors; examining and issuing opinions on the accuracy of the financial statements; calling general meetings for shareholders' resolutions; and issuing reports and opinions on management accounts, which will be presented to shareholders at general meetings.

The Fiscal Council is made up of 5 members, 3 of whom are representatives of the Majority Shareholder, 1 representative of the Preferred Shareholders and 1 representative of the Ordinary Minority Shareholders, elected annually by the Ordinary General Meeting, and may be re-elected for up to 2 consecutive terms.

The structure and composition of the Fiscal Council of the wholly-owned subsidiaries must be made up of the members and alternates elected to the Company's Audit Board.

The composition of the Fiscal Council and the Curriculum Vitae of the board members can be found on our website: <https://ri.celesc.com.br/>.

- **Advisory Committees to the Board of Directors**

The Company has Advisory Committees that debate the issues related to them and advise the Board of Directors, reporting back and helping with decision-making.

The Eligibility Committee assists the Board of Directors, to which it reports directly, in analyzing and verifying the eligibility requirements for members of the Company's management bodies.

In addition to the Eligibility Committee, the Company also has a Strategic, Regulatory and Sustainability Committee, a Finance and Commercialization Committee, a Human Resources Committee and an Ethics Committee.

2.1.2. Strategic Guidelines and Value Creation

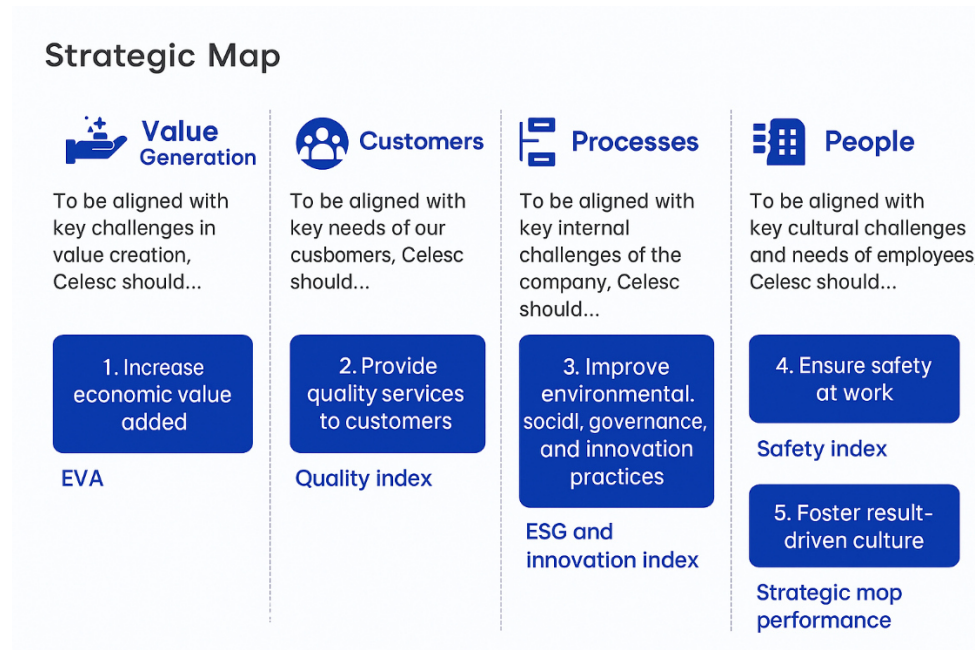
Celesc Group's strategic premises are part of its Master Plan, a broad, long-term plan, currently called Celesc 2025-2035. The Master Plan was restructured in 2019 (based on what was then called Celesc 2030) based on exhaustive scenario studies, stakeholder ambitions and legal guidelines linked to strategic management, with the aim of indicating the path to be followed by the Company for sustainability and the continuous improvement of the services provided to society. Since then, the Plan has undergone several annual reviews, taking into account the vision of those involved, as well as aspects of the internal and external environment.

The Master Plan defines the Basis of Corporate Strategy, Positioning, Strategic Objectives and macro-goals up to 2029 and the horizon up to 2035. The short- and medium-term goals are reflected in the 5-year Strategic Plan, which also includes detailed Strategic Initiatives in Projects.

The Corporate Identity was maintained in its last revision, carried out in 2024, in all aspects - purpose, mission, vision and values - due to its relevance and adherence to the organizational objectives. These guidelines aim to align the company's various areas and processes, promoting collaboration and ensuring that each sector, within its competence, makes a strategic contribution to meeting the corporate objectives and achieving the organization's vision of the future.

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The 2025-2029 strategic map, which defines the strategic objectives that drive the results the company wants to achieve and guides the main financial and sustainability indicators and physical targets, was restructured in line with the company's wishes, as shown below:



Source: Celesc Strategic Master Plan 2025-2035.

In terms of strategic positioning, the Company's main priorities reflect maximizing results and quality levels in the core distribution business; focusing on retail sales; making selective investments in businesses with synergies with the company's core business, as well as promoting safety, a culture of results, ESG and innovation.

It is also important to note that, based on the Company's Master Plan, strategic projects will be developed for 2025 - initiatives designed to contribute directly to achieving organizational objectives, prioritizing the generation of sustainable value, strengthening competitiveness and promoting innovation.

In 2024, 17 strategic projects were carried out, related to energy losses, investment prioritization, budget effectiveness, field team management, process-oriented organization, default losses, administrative processes, network management, warehouse management, work safety, structuring and implementation of the retail sales company, proactive regulatory strategy, new telecom business, improving Celesc's bankability, evaluating investments in subsidiaries, R&D and innovation policies and high-performance culture.

2.1.3. Risk Management and Internal Controls

It is worth noting that Celesc and its wholly-owned subsidiaries adopt the Three Lines model. In this model, management control is the first line of defense in risk management. The various risk control and compliance supervision functions established by management are the second line of defense and independent assessment is the third.

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

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The Company has a Compliance and Risks Department, which is responsible for establishing a methodology for the Strategic Risk Management and Internal Control process, coordinating its implementation and execution, and applying specific methodologies used worldwide.

The main actions carried out in 2024 include: assessing and reviewing the most critical corporate risks, reviewing the mapped processes, selected according to the materiality of the Financial Statements, as well as the financial reporting risks and existing controls, and testing the effectiveness of these internal controls. All of this work is duly reported to the Executive Board and the SAC.

The basic concepts of Corporate Risks are:

STRATEGIC CLASS:

Governance Category:

- **Image**

Risk of a drop in the Group's reputation with its main stakeholders.

Strategy Category:

- **Innovation and Digital Transformation**

Risk of losing competitive advantage due to the difficulty of developing and/or implementing new technologies, compromising various aspects such as access to new markets, maximizing revenues, acquiring new knowledge, brand valuation and corporate sustainability.

- **Modernizing the Electricity Sector**

Risk of not adapting in time to the new regulatory framework for the electricity sector, which could have significant negative impacts on the Celesc Group's business model, involving revenue, economic and financial sustainability, operations and market share, as well as the loss of opportunities for new business brought about by changes in the sector.

- **Climate Change**

Risk of compromised operations and/or financial losses due to extreme weather events, as well as damage to image, loss of market value and restrictions on access to third-party capital according to the level of the group's performance in the process of decarbonizing its value chain.

FINANCIAL CLASS:

Credit Category:

- **Third Party Capital**

Risk of the impossibility or unavailability of obtaining third-party capital from the market or of impacts due to the early maturity of debts with the financial market or the untimely and unplanned variation in interest or exchange rates.

Liquidity Category:

- **Cash Flow**

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

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- **Actuarial**

Risk of financial losses due to joint and several liability of Celesc, as sponsor of its employees' pension fund (CELOS), by definition of premise or also by unexpected fluctuations in market variables.

OPERATIONAL CLASS:

Management Category:

- **Investments**

Risk of financial and operational losses due to weaknesses in requirements, analysis and mapping of investments and efficiency in project execution.

- **Distributed Generation**

Risk of compromising the operations of the Distribution Network due to the generalized and uncontrolled increase in Distributed Generation connections on the network, compromising the quality of the electricity supply to clients/consumers and leading to substantial costs in service and investment without proper regulatory/tariff recognition, affecting the image and technical and economic-financial sustainability of the distributor.

Personal Category:

- **Health And Safety**

Risk of labor liabilities, interdiction of activities and dismissal or death of workers caused by non-compliance with legal standards, lack of training and lack of adequate protective equipment.

- **People Management and Development**

Risk of losses due to the limitations of the mechanisms for hiring and retaining employees or the inability to promote the development of the group's professionals, making the available workforce outdated and incapable of developing the challenges of the strategy.

Process Category:

- **Asset Protection**

Risk of compromising the company's operation(s) due to the lack of protection mechanisms against intrusions at substations, power stations and central warehouses.

- **Contracting Energy from the Distributor**

Risk of the cost of contracted energy not being passed on in full and penalties due to contracting outside the regulatory limits.

- **Losses**

Risk of reduced revenue due to technical and/or non-technical losses exceeding the limits recognized in the tariff by ANEEL.

Information and Technology Category:

- **Cyber and IT Infrastructure**

Risk of loss or damage arising from unavailability or unauthorized access to critical data and information due to interruption of critical systems and/or information security failures.

COMPLIANCE CLASS:

Regulatory/Legal Category:

- **Socio-environmental**

Risk of losses arising from environmental and social policies and practices, exposing the company to fines from inspection bodies, failure to obtain licenses and damage to its image.

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- **Tariff Review**

Risk of losses in the remuneration contained in the so-called Parcel B, which represents the company's manageable costs, as well as the risk of losses in the remuneration contained in Parcel A for Irrecoverable Revenues and electricity losses, caused by non-compliance with the regulatory requirements established by ANEEL or by changes in the methodology applied in the tariff review process, resulting in lower tariffs than expected and leading to a reduction in the distributors' margin.

- **Termination of the Distribution Concession**

Risk of termination of the Concession Contract for the Operation of the Public Electricity Distribution Service due to non-compliance with the limits established in the addendum to the Distributor's Concession Contract and in ANEEL's regulations for the collective continuity and economic-financial sustainability indicators.

- **Electricity Sector Regulation**

Risk of administrative sanctions applied by the Regulatory Agency due to regulatory non-compliance in the company's operations, loss of value due to changes in legislation that are not in line with the company's strategic interests and exposure to government policies defined for the sector, as well as interference from external bodies.

- **Fraud**

Risk of financial loss, damage to image, drop in quality of services and legal sanctions due to internal or external fraud caused by employees or third parties due to control failures or collusion.

- **Lawsuits**

Risk of loss caused by practices or deficiencies that make it difficult or impossible to build defenses.

- **Privacy**

Risk of penalties for non-compliance with legal precepts relating to the security and privacy of data of clients, employees, suppliers and other agents who have dealings with the Company, due to weaknesses in policies and/or processes, whether administrative or technological, aimed at protecting data stored by the Company.

2.1.4. Compliance Program and Rules of Conduct

Celesc has a governance structure based on best practices to coordinate, manage and make decisions on compliance issues. Its Integrity and Compliance Program is structured around 6 pillars, which can be found on our website <https://www.celesc.com.br/compliance-na-celesc-pilares>.

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• Actions Developed in 2024

With regard to the **Tom Pillar of Leadership**, the commitment of the Company's Board of Directors to sponsor Compliance actions was formally established in a letter informing about the implementation of Celesc's Compliance Program, thus strengthening the Management's commitment to ethics, integrity policies, anti-corruption practices and governance. In this letter, the Board of Directors undertakes to comply with and enforce all the pillars of the Compliance Program that form a system of integrity, concatenated with the unswerving mission of sponsoring Compliance actions and practices.

At an event held in November 2024, this commitment was renewed through the signing of a public letter by the Company's Board of Directors, which was disclosed to the internal and external public, reinforcing the commitment of the top leadership to anti-corruption practices, ethics, governance and integrity policies, available on our website <https://www.celesc.com.br/compliance-na-celesc-pilares>.

In the **Guidelines Pillar**, Celesc maintained its commitment to continually updating the regulations that guide the actions of employees and professionals who work on behalf of the Company. Throughout 2024, the Policies and other internal rules linked to the Compliance Program were revised in accordance with updated legislation and best corporate governance practices.

In the **Communication and Training Pillar**, management and employees received communications throughout 2024 on the following topics: guidelines for the 2024 elections and rules applicable to the electoral period; ethics in relations with clients; prevention of acts of fraud and corruption; moral harassment and sexual harassment in the workplace. It is worth highlighting the following end-of-year communications: reminder for the International Anti-Corruption Day and the guidelines for the Gifts, Presents and Hospitality Policy.

As far as training is concerned, the company once again promoted the annual training on Celesc's Code of Ethical Conduct for its Employees and Senior Management, which was well attended. Ethical conduct training was also developed for suppliers and contractors, with a specific approach for this audience. Finally, courses were held for the members of the Company's Ethics Committee, as well as courses and lectures to introduce new employees and sales assistants.

Following on from this, in the **Monitoring Pillar**, in addition to managing integrity risks, the Integrity and Compliance Program establishes an analysis of the integrity of economic agents that operate in the company's supply chain (Due Diligence). The Program also assists the Eligibility Committee in carrying out background checks on candidates for positions in the Group's Management. Celesc also adopts mechanisms to ensure that internal rules comply with legislation and good governance practices. Another action consists of supporting the business areas in identifying transactions with related parties and adopting control measures when carrying out these deals.

In the **Investigation Pillar**, the area that coordinates the Compliance Program has a permanent seat on Celesc's Ethics Committee, acting as support as defined in the internal regulations of this collegiate body.

Finally, in the **Corrective Measures Pillar**, the Program is constantly subjected to independent evaluations in accordance with the objectives set out in the Company's Master Plan, making it possible to continuously improve processes. A noteworthy action for 2024 is Celesc's participation in the State Integrity Forum promoted by the Santa Catarina State Comptroller General (CGE/SC), which made it possible to update the company's integrity practices within the scope of state-owned companies and share experiences with other organizations.

2.1.5. Internal Policies

The company manages and controls its Compliance Policy; Spokesperson Policy; Dividend Distribution Policy; Related Party Transactions Policy; Social and Environmental Responsibility Policy; Celesc Communication Policy; Anti-Corruption Policy; Information Disclosure and Stock Trading Policy; Strategic

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Risk Management and Internal Controls Policy; Supplier Relations Policy; Occupational Health and Safety Policy; Commercial Relations Policy; Nomination Policy; Diversity and Inclusion Policy; and Provisions, Contingent Liabilities and Contingent Assets Policy. These Policies are available for consultation, in their entirety, on our website <https://ri.celesc.com.br/governanca-corporativa/politicas/>.

2.2. Environmental Dimension

With regard to the environmental compliance of its projects, the company strictly follows the procedures for obtaining, maintaining and renewing the necessary environmental licenses.

This commitment applies to all substations, regardless of voltage, and to distribution lines with voltage equal to or greater than 69 kV, always in strict compliance with the environmental legislation in force in the state of Santa Catarina.

When planning new developments, fundamental environmental guidelines are adopted to minimize social and environmental impacts. The definition of routes and the location of structures prioritize alternatives that avoid the suppression of forest fragments of native vegetation, the interception of Conservation Units and the overlapping of protected areas, such as Quilombola Territories and Indigenous Lands.

After defining the routes and location of the substations, detailed environmental studies are carried out, covering an in-depth diagnosis of the physical, biotic and social environments of the region where they will be located. In addition, the potential impacts of the project's design, construction and operation phases are identified and assessed. Based on these studies, specific plans and programs are drawn up and implemented to mitigate and/or compensate for negative impacts, ensuring a sustainable approach in line with the requirements of the competent environmental agencies.

In 2024, all of the construction projects carried out by Celesc had their respective environmental plans and programs implemented and inspected on site by a specialized environmental supervision team. This continuous monitoring ensures compliance with the established guidelines, adherence to environmental performance indicators and compliance with the conditions imposed in the licensing processes, reinforcing the company's commitment to sustainability and social and environmental responsibility.

In addition to actions related to the environmental licensing of projects - substations and distribution lines above 69 kV - programs, plans, projects and actions were also carried out to prevent and mitigate negative impacts from the company's other activities, such as the management of solid waste generated in the administrative sphere and that resulting from the operation and maintenance of the Electric Power System (ESP), in particular the analysis of the Polychlorinated Biphenyl (PCB) content in scrap containing (or operated on the basis of) mineral oil and the subsequent proper final disposal of contaminated waste. The company also responded to sustainability reports and questionnaires from the National Quality Foundation (NQF), ABRADÉE and ANEEL, as well as some aimed at raising debentures.

Also in 2024, guidelines and opinions were issued for the technical qualification of suppliers in bidding processes, as demanded by various areas, and environmental education and awareness actions for employees were carried out with the support of internal communication.

Finally, considering the global issue of climate change, we have drawn up a greenhouse gas (GHG) inventory and published the information in the Public Emissions Register, as well as reporting on the Carbon Disclosure Project (CDP) platform, which aggregates data from companies all over the world. Further details of our actions are presented below.

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2.2.1. Environmental Actions

- **Distribution**

a) Conscious Consumption Plan - CCP

Structured in three specific programs: the Sustainable Water Consumption Program, the Sustainable Use of Natural Resources Program and the Administrative Waste Recovery Program, the CCP establishes indicators and targets for the management of natural resources aimed at the rational use of water, the elimination of the internal use of disposable cups, the reduction of printing and the management of solid administrative waste.

In 2023, the targets for 2024 were defined with the managers and those responsible for managing the consumption of materials at the Regional Agencies.

Throughout 2024, the Regional Agencies were informed of the performance of the targets, which at the end of the year showed progress in reducing the use of disposable cups. As for the reduction in printing, the target set was met, but it is clear that this indicator could still be improved.

The Administrative Waste Recovery Program, which is part of the CCP, takes into account compliance with the National Solid Waste Policy (Law No. 12.030/2010), with the definition of two goals for 2024: the expansion of management to all Regional Agencies, since only two were managing it, and a 10% reduction in the generation of waste/day from the Central Administration.

b) Solid Waste Management

In 2024, Celesc D disposed of more than 7,389 tons of waste generated in the warehouse areas, originating in the operation and maintenance processes of the electric power system. Of this total, 96%, made up of scrap metal cables, concrete and wooden poles/crosses, electrical equipment, insulating mineral oil, among others, was sent for recycling and reuse (wooden poles), via disposal notices.

The company also manages the waste generated as a result of administrative activities on the premises of the Central Administration building and the Videira and Lages Regional Branches.

In 2024, according to the management carried out at these sites, 55.20 tons were weighed. Of this amount, 17.54 tons of organic waste generated in the pantries, cafeteria and restaurant located in the Central Administration were sent to composting processes, as recommended by Florianópolis municipal legislation (Municipal Law No. 10501/2019). 13.6 tons of dry recyclables (paper, cardboard, plastic, metal and glass) were sent to recycling cooperatives. 24.04 tons of waste were sent to landfills.

Also with regard to sending administrative waste for recycling, in 2024 the company sent 4.7 tons of shredded documents, including paper and cardboard, to the Itapema Recyclable Materials Collectors' Cooperative (Cooperitapema).

C) Inventory and Disposal of Polychlorinated Biphenyl (PCB)

In November 2024, Celesc Distribuição's PCB inventory was filed on the federal SINIR/PCB platform (<https://sinir.gov.br/sistemas/inventario-nacional-de-pcb>), in accordance with the deadline set by the "PCB Responsible" project, managed by the Ministry of the Environment with the aim of monitoring the deadlines for meeting the milestones of the Stockholm Convention on POPs (Persistent Organic Pollutants), to which Brazil is a signatory. The platform aggregates data on PCB holders and disposal companies at a national level.

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Celesc D's inventory was drawn up based on the methodologies recommended in the PCB Management Manual for Electrical Equipment and consolidated the results of the investigations and analyses in relation to the potential presence of PCBs in large equipment (EGP), in the subpopulations of small-scale equipment (EPPs): overhead network transformers, regulators, reclosers, underground network transformers, current transformers and potential transformers, among others, and also in sealed equipment: capacitors (capacitive cells).

Based on the results obtained from the PCB inventory, an Action Plan was drawn up for the subpopulation classified as "suspected of type II PCB contamination", namely non-retired distribution transformers manufactured up to 1988. The plan will be implemented throughout 2025.

In parallel with the activities of collecting samples of unserviceable equipment (scrap) and chromatographic analysis of the PCB content for inventory purposes, the final disposal of those in which PCB contamination was detected (content equal to or greater than 50 mg/kg) was carried out.

The following table shows the final disposal (chemical decontamination followed by recycling) carried out over the last 5 years by Celesc D.

Year	2020	2021	2022	2023	2024	Total
Tons	39.90	215.51	325.25	171.79	280.17	1,032.62

In 2024, PCB management continued in the outsourced workshops that recover overhead transformers. All recovered equipment is filled with new, PCB-free mineral oil and individually analyzed to ensure that it is not contaminated before being returned to Celesc D and reintegrated into the Electric Power System (ESP). The mineral oil drained from the used equipment is analyzed in batches and given an appropriate environmental destination: the uncontaminated batches are sent for re-refining, while the contaminated ones are treated by licensed companies. In 2024, no batches of PCB-contaminated used oil were found in the workshops.

d) Climate Change

Every year, the company carries out a Greenhouse Gas (GHG) Inventory using the methodology of the Brazilian GHG Protocol Program. This process involves mapping and quantifying the sources of carbon emissions from the activities of Celesc and its subsidiaries, Celesc D and Celesc G, allowing for a detailed diagnosis of internal processes. The inventories cover the three scopes of direct and indirect emissions and are verified by a Verification Body (OVV) accredited by Inmetro, receiving the Gold Seal of the GHG Protocol Program. The data from the inventories is available on the Public Emissions Register (<https://registropublicodeemissoes.fgv.br/>).

Scope 1 refers to direct emissions under the company's control, including the combustion of fleet vehicles, the use of SF₆ gas in substations, LPG in stoves and forklifts, refrigeration gases and carbon dioxide from fire extinguishers. The fleet is the main source of emissions, and the company plans to develop actions to reduce or offset these emissions in the future.

The greenhouse gas emissions generated by Celesc's activities in 2024 will be included in the inventory to be concluded at the end of the first quarter of 2025. In terms of the emissions reported in the previous cycle, the company emitted more than 7,403 tons of CO₂ equivalent in Scope 1, more than 6,586 tons in Scope 2 (which includes the purchase of energy and technical losses), and 900.5 tons in Scope 3.

To promote engagement and awareness of climate change among suppliers and employees, Celesc has improved data collection to quantify indirect scope 3 emissions, including information from the supply chain. This includes data on the transportation of new equipment, such as poles, distribution transformers and reclosers, as well as services related to electricity cuts and new connections. Employees' commuting was also included, using a voluntary questionnaire distributed among them.

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Celesc D has implemented various actions and projects in recent years with the aim of reducing its direct emissions, demonstrating a significant commitment to sustainability and energy efficiency. Among the initiatives highlighted are:

- **Program to Reduce Unproductive Travel:** This program aims to improve emergency response, resulting in a reduction in direct emissions (scope 1) associated with the use of vehicles.
- **Internal Commission for Energy Conservation (ICEC):** The ICEC works to raise employee awareness of the importance of reducing internal energy consumption, contributing to the reduction of indirect emissions (scope 2).
- **Smart Meters Project:** The implementation of smart meters makes it possible to reduce the need to travel for driving, cutting off and reconnecting electricity, which also helps to reduce emissions.
- **Energy Efficiency and Innovation Projects:** Although they do not directly impact the company's emissions inventory, these projects aim to promote the efficient use of energy by society and develop new technologies in the electricity sector.

In addition, in 2024, Celesc D presented the importance of climate change by including it as a relevant factor in the company's strategic risk management. This reflects a concern about the impacts that extreme weather events can have on the quality of supply, as well as the potential costs associated with adaptation and resilience of the electricity infrastructure.

These initiatives not only demonstrate Celesc D's commitment to reducing emissions, but also its social responsibility to offer sustainable solutions to society.

e) Mitigation of environmental impacts in the operational phase of projects

Celesc D demonstrates a strong commitment to social and environmental responsibility, aligning its actions with the Group's Social and Environmental Responsibility Policy. In 2024, the company faced challenges related to nine incidents of mineral oil leakage, which occurred due to collisions, thefts and faults, eight of which occurred in substations.

Celesc D's response to these incidents was quick and effective, with new emergency services provided. The agility of the interventions was crucial in mitigating the negative environmental impacts associated with the leaks. These actions reflect Celesc D's dedication to preventing and minimizing damage to the environment, as well as ensuring the safety and integrity of operations. The focus on restoring impacted environments demonstrates a proactive and responsible approach to environmental management, contributing to the sustainability and protection of natural resources in the area covered by the ESP.

f) Protection of biodiversity

Celesc D's Program for the Protection of Birds on the Grid (PPBG) seeks to promote greater harmony between the distribution of electricity and the nesting of individuals of the barn owl (*Furnarius rufus*), a species of bird considered one of the most popular in Brazilian fauna. PPBG takes place annually and consists of the removal of inactive nests that are at risk and the subsequent installation of removal devices, which inhibit the building of nests at the most dangerous points in the distribution networks, avoiding possible accidents.

In compliance with the requirements of the Environmental Authorization (AuA 3296/2020), issued by the Environment Institute - IMA/SC, the program's actions are carried out between May and August each year, outside the birds' reproductive period. This reduces the possibility of interactions or accidents with eggs, nestlings, young individuals or adult birds.

In 2024, the program reported the removal of 5,951 nests at risk and the installation of 20,019 spacers in Celesc D's distribution networks.

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• Generation

a) Solid Waste Management

In 2024, Celesc G sent 56.84 tons of waste for proper disposal, including lubricating oils, batteries, fluorescent and mixed light bulbs, ferrous scrap, contaminated solids, septic tank sludge and other recyclables (wood, paper and plastic).

Appropriate final disposal was carried out through recycling, landfill, re-refining and effluent treatment processes. Celesc G has also disposed of mineral insulating oils with a PCB (Ascarel) content of more than 50 parts per million/ppm in the transformers associated with the substations of the power plants.

b) Maintenance of the Bracinho Ecological Station

Since 2019, Celesc G and the IMA/SC have signed a Protocol of Intent to create the Bracinho Ecological Station Conservation Unit (UC). This Conservation Unit covers the accumulation basin of the Bracinho and Piraí power plants, in the municipalities of Schroeder and Joinville. A technical team from both institutions was set up to coordinate and monitor the processes needed to make the conservation unit a reality. Celesc G is currently defining the appropriate management of the area, according to priority uses. The UC covers an area of 4,780 hectares, preserving a significant part of the Atlantic Rain Forest in the Serra do Mar.

c) Hydrological Monitoring

Celesc G has 23 hydrological monitoring telemetry stations in operation, distributed across five hydrographic regions in the state of Santa Catarina. These stations also provide redundancy support to the Generation Operation Center (GOC), including in situations of critical hydrological events.

d) Environmental Monitoring

In 2024, Celesc G continued to comply with the environmental licensing requirements for the company's generating plant by developing 120 environmental programs, divided into different themes, such as the disposal of liquid effluents and solid waste, monitoring of surface and underground water, surveying and conservation of terrestrial fauna, ichthyofauna and aquatic macroinvertebrates, aquatic macrophytes, sediment control, recovery of degraded areas, maintenance of ecological flows, environmental education and social communication. These programs covered the 13 generation plants in operation.

e) Flora Conservation

In order to help protect the endangered species of fauna found around the Celso Ramos power plant, the company has a plan of priority actions to guarantee the maintenance and conservation of the species in these environments.

f) Recovery of Aquatic Environments

In 2024, Celesc G continued to seek approval from the environmental agency for the recovery of the aquatic environments in the reservoirs of the Bracinho, Palmeiras, Celso Ramos, Ivo Silveira and Garcia power plants. The activities involve surveying and monitoring the associated aquatic fauna and flora, as well as removing excess sediment to improve the bottom substrate, the complexity of the environments, the quality of the backwaters, the protection of the ravines and the vegetation cover on the banks of these sites.

g) Integrated Management System (Quality, Environment and Occupational Safety)

After being assessed by the external audit ABS Quality Evaluations in 2024, Celesc G received the maintenance of the certificates of compliance with the Integrated Management System (IMS), comprising the Quality Management System (ABNT NBR ISO 9001:2015), the Environmental Management System (ABNT NBR ISO 14001:2015) and the Occupational Health and Safety System (ISO 45001:2018) for the Garcia Hydroelectric Power Plant, located in the municipality of Angelina/SC, and for the Generation

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Operation Center (GOC), at the Central Administration in Florianópolis/SC. These certifications demonstrate the company's commitment to environmental protection and sustainability. In addition to the environmental aspect, certification of the environmental management system contributes to enhancing the company's image, demonstrating its concern with environmental preservation, an increasingly important issue.

For the other projects, the system is under study and will be developed over the next few years.

2.3. Social Dimension

2.3.1. Commitment to Society

The company's social commitment is also supported by its Strategic Planning, its Social Responsibility Policy and its various Energy Efficiency (EEP), Research, Development and Innovation (RDI) programs and its Climate Change Declaration, in which it establishes actions to promote sustainability throughout the production chain. Promoting the efficient use of electricity, diversifying the energy matrix with renewable sources and reducing greenhouse gas emissions and polluting waste, for example, are among the commitments made.

In 2024, Celesc D invested R\$32.2 million in projects under the Energy Efficiency program, with emphasis on projects that benefit families in conditions of social vulnerability and projects responsible for the modernization and efficiency of public lighting in municipalities in Santa Catarina.

In its search for innovations to meet the technological and market challenges in the electricity segment, Celesc D's RDI Program has directed its investments predominantly towards its main focus: electricity distribution. The performance of this area is the result of a policy aimed at developing projects to add value to corporate business, concentrating on operational optimization and promoting these projects within the innovation chain of the electricity sector.

Celesc D also invested around R\$24.3 million in innovative projects related to Electric Mobility, Robotics, Intelligent Networks, Green Hydrogen, Smart Grid, Energy Market, Workplace Safety and Virtual Reality, among others.

Celesc G, in turn, invested R\$1.17 million in a project related to Green Hydrogen entitled "Energy Management of Autonomous Microgrids Based on Green Hydrogen Production and Storage Systems", developed in partnership with the Itaipu-PTI Technology Park. Celesc D also invested R\$2.3 million in this project.

Also in 2024, two new PDI projects were contracted for execution over the next three years, making up Celesc D's "Strategic Innovation Plan - R&D Portfolio", in accordance with ANEEL's new RDI regulations.

Electric mobility continues to be in the spotlight at Celesc D, with the continuation of the third stage of the Celesc Eletropostos Project, in which approximately R\$5.8 million will be invested with the aim of expanding and modernizing the electric vehicle charging infrastructure in the state of Santa Catarina, as well as providing the study and implementation of new business models for the company.

Celesc strives to integrate the concept of sustainable development into its corporate strategy, incorporating this concept when planning and implementing social and environmental plans and programs, with the aim of eliminating or mitigating the possible impacts of its projects and activities.

With regard to social actions, in 2024, Celesc's initiatives directly benefited more than 150,000 Santa Catarina residents through various social responsibility actions. For Celesc, this action stems from its responsibility for the impact of its decisions and activities on society. Thus, through its Social and Environmental Policy, Celesc shows its commitment to the population of Santa Catarina, mobilizing for the community and local sustainability, with a focus on improving the quality of life and social well-being,

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thus contributing to the reduction of social inequalities, the conservation of the environment and the improvement of working conditions and income.

One of the highlights was the Celesc in Schools Program, which promotes a culture of safety in the school environment and encourages the efficient use of electricity, as well as raising awareness about irregular practices such as the theft of wires and cables and energy fraud. It is currently the program with the largest number of activities throughout the state, with more than 120 lectures, serving more than 7,000 children from the Planalto Norte to the Sul, from the Vale do Itajaí to the Serra Catarinense, from the Litoral to the Oeste of the State of Santa Catarina. To improve its structure, in 2024 the role of "ambassador" was created in each Regional Agency and in the Central Administration, guaranteeing independent coordination, but standardized with the Program's guidelines throughout Celesc's concession area.

Celesc encourages volunteering through the Celesc Volunteer Program, allowing employees to develop actions in their areas of affinity, whether in support of educational activities, professional training, production or revitalization of public spaces. A great example was in the municipality of Itajaí, where together with volunteers from other companies, more than 13 tons of waste were removed from the Itajaí river and its banks to also remove possible dengue mosquito outbreaks.

Another important initiative is the Celesc Solidária Program, which organizes campaigns among employees to collect donations for social institutions. One of the highlights of the year was the support given to the reconstruction of cities hit by the floods in Rio Grande do Sul. Through six trucks, 42 tons of donations collected from employees were delivered. In partnership with the Civil Defense of Santa Catarina, the action delivered food, water, clothing, hygiene products, blankets, cleaning materials and animal feed to the municipalities of Lajeado, Charqueadas and Eldorado do Sul.

Christmas Solidarity, a corporate tradition for 19 years, also had a significant impact. In this edition, more than 3,100 children, teenagers and the elderly were given toys, clothes or school kits. In addition, 165 food baskets were distributed in communities and 500 kilos of non-perishable food were sent to charitable associations.

The commitment to diversity and inclusion is strengthened by the Celesc Diversity and Inclusion Program, which defines guidelines and criteria for people management, ensuring equal opportunities and promoting diversity in leadership positions. As part of this effort, the company offers all employees, on its online course platform, the course Practical Training in Diversity and Inclusion and Untying Knots and Myths about Violence Against Women, which contributes to expanding knowledge and raising awareness on the subject.

In the cultural area, Grupo Celesc fosters art and sport through its Tax Incentive Program, encouraging cultural, sports and health projects. In 2024, 29 music, literature and sports projects were supported. In addition to sports sponsorships, the company allocated R\$5.5 million in tax incentives. In addition, R\$1.2 million was transferred to the Childhood and Adolescence Fund (CAF) and the Elderly Fund (EF), guaranteeing the continuity of its welfare activities. In total, social investments amounted to more than R\$6.7 million in the year.

Celesc reaffirms its commitment to social responsibility through various initiatives, in particular the Young Apprentice Program, which has been operating since 2009 and prioritizes young people in vulnerable situations. In May 2024, a new class was received for the 2024-2026 Apprenticeship Cycle, totaling 169 young people and teenagers hired throughout the state, a percentage of 7% of the Apprenticeship Law hiring compared to its workforce. We strengthened our partnership with the Catarinense Foundation for Special Education, promoting the integration of young people with disabilities into the job market.

We would also like to highlight the partnership established between Celesc, the Santa Catarina Court of Justice (TJSC) and the Novos Caminhos (New Paths) Program, which has brought about a significant transformation in the lives of 54 young people in foster care, under the tutelage of the state. In 2024, Celesc achieved a rate of 32% for hiring apprentices in relation to its total number of young people hired in the program.

In addition to professional experience, young people are given opportunities for personal and professional development through courses and training aimed at the job market. By providing the first job, Celesc is committed to creating conditions for the development of

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young people, preparing them for the market and emphasizing the importance of both behavioral factors and insertion into the corporate environment as an essential experience for the start of a solid career. As part of this social commitment, Celesc held a meeting with childcare and support institutions for children and young people, bringing together representatives from various shelters that offer educational, psychological, welfare and sports support during the school day.

Finally, the "Colors of Hope" project, which is part of the Celesc Solidarity Program, brought art and color to hospitals in Santa Catarina. With illustrations provided free of charge by renowned artist Luciano Martins, the initiative transformed children's hospital environments into more humanized spaces. In 2024, work was completed at the Catarinense Rehabilitation Center in Florianópolis, Seara do Bem Children's Hospital in Lages, São Miguel do Oeste Regional Hospital and Santa Terezinha University Hospital in Joaçaba.

Executed with funds from the Inter-American Development Bank (IDB), allocated to the Celesc +Energia Program, Celesc D invested more than R\$5.9 million in the project's 2024-2026 Cycle. At the beginning of September, Celesc signed a partnership with the Extension School of the School of Administration and Management (ESAG) - linked to the Santa Catarina State University (UDESC) - with a project to provide citizen training for young people in different subject areas completely free of charge. Closing at the beginning of October, the partnership enabled the development of a series of new skills through theoretical and practical workshops taught by teachers from the ESAG Extension Program. Important partners in this program are the Santa Catarina Public Prosecutor's Office - MPSC, the Federation of Industries of Santa Catarina - FIESC, through the New Paths Program, and the Santa Catarina Court of Justice - TJSC.

2.3.2. Commitment to Employees

Promoting safety and being responsible and ethical when dealing with people are among the Celesc Group's main corporate values. With this in mind, various programs and projects have been developed in the area of People Management, with the aim of making the Celesc of tomorrow better than the Celesc of today. These programs include: a commitment to developing and motivating people; promoting inclusion and valuing diversity; fostering a meritocratic environment and a culture of safety at work, health and well-being.

The guidelines and decisions taken are aimed at building a working environment in which people feel satisfied and committed to delivering results. The tool used to monitor and seek improvements in this area is the Pulse Climate Survey. Through this mechanism, managers have access to continuous and relevant information about their teams, such as: feelings about their leadership, feedback and recognition, and health and well-being. In this survey, the climate is assessed based on a total of 12 aspects: in addition to those already mentioned, alignment with the company, professional development, fairness, ambassadorship, happiness, career, structure, innovation and interpersonal relationships are also monitored. Still on the subject of organizational climate, it is worth highlighting the excellent score achieved by Celesc in the ambassadorism and alignment with the company aspects, which shows how proud and engaged employees feel about their work and the company's image.

Noteworthy practices include the manager selection process and the work of the Business Partner area, an in-house people management consultancy focused on developing leaders to align the company's strategies and activities and promoting quality of life at work. The work of the internal consultants includes 1:1 meetings with leaders, as well as planning activities and proposing and developing events to improve performance, productivity and the organizational climate.

Another item worth mentioning is the sharing of information within the company, which is largely favored by the existence of various internal communication channels. Through the Intranet (CELNET), every employee also has access to normative instructions, relevant news and company guidelines.

The Employee Portal is another interaction channel that provides employees with relevant information about their careers and benefits. In addition, the Management Portal is another achievement that aims to connect managers, concentrating important guidance on leadership, feedback and important

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tools for day-to-day management. In this way, the transformation of tacit knowledge into explicit knowledge is constantly being improved, always with the aim of disseminating knowledge and good practices and the broad dissemination of facts of interest to the internal public.

Employee participation in the company's management is guaranteed on the Board of Directors and the Executive Board, with representatives elected by direct vote. Likewise, Management and Results Committees are set up, which formulate and monitor the Performance Agreements for each area, which are contracts signed with the Executive Board to achieve results. Another highlight is participatory management, with decisions taken after studies in Working Groups - WGs, Commissions and Committees, always relying on multidisciplinary teams.

Celesc encourages and promotes healthy relationships between colleagues and leaders. Respect for people is a priority commitment, which must be maintained in relationships and is documented in the Code of Ethical Conduct, the Consequence Policy and the Anti-Corruption Policy. To encourage knowledge of and adherence to these fundamentals, Celesc promotes specific and mandatory training for all employees.

A good environment to work in also means offering people benefits. With this in mind, special licenses such as the extension of maternity and paternity leave, granted for being a citizen company, and other advantages such as, for example, childcare and babysitting assistance, post-graduate assistance, student assistance, food vouchers, profit sharing, advance payment of the first installment of the 13th salary, nutritional monitoring, flexible working hours. There is also a private pension plan, a medical and dental health plan.

The quest to value the potential of its employees also takes the form of human development actions. The organizational processes that add value to consumers are sustained by the competence and commitment of the company's employees. Generating value for the population is one of the guidelines of the Training and Development Policy. This policy is managed and improved annually by a highly trained internal team. Development solutions related to business processes are prioritized by the Policy's management area.

In this way, the training of new electricians, Celesc D's largest workforce, is planned and carried out by in-house instructors, i.e. professionals who excel in their activities and share their knowledge with those entering their careers. Our way of doing things is our core competence and our competitive advantage. In addition to many other training courses, the company offers training to improve its workforce, whether in more operational activities, with process updates, or in more strategic areas that need to develop critical skills for the organization.

In recent years, Celesc has relied on partners to develop the company's leaders. Within the Management Development Program (MDP) and emerging from the Core Competencies, the Celesc Way of Leading was developed. As of 2024, the program has been transformed into an online course, available to all managers on Celesc's training platform, expanding the program's reach. This initiative aims to enable Celesc's leaders to face the challenges of today's business environment, promoting more effective and inspiring leadership, with the opportunity to improve the following skills: Leadership today, Individual Purpose, Communication, *Feedback*, Conflict Management, Balance and Emotional Agility, Time Management and Delegation.

Also in 2024, the Women's Management Development Program was developed in partnership with the FIESC Academy. In two days of development, topics such as diversity and inclusion, self-knowledge, psychological safety for high performance management, time management, assertive communication and negotiation, and adaptive leadership were worked on.

In an effort to build an innovative company, in line with the master plan, various actions were carried out in 2024. Sixteen of Celesc's Innovation Commissions played a crucial role in stimulating an internal culture of innovation. One of the main focuses was to motivate employees to get actively involved in innovative initiatives. The quest to develop and share experiences with other innovative entities and companies was carried out especially by connecting with the local innovation ecosystem. This included sponsoring events such as Empreende SC in Criciúma, Fersul in Rio do Sul, Reuni Challenge in Lages, ExpoInovação in Joinville and HJ24 in

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Concórdia. In addition, 55 Innovation Dialogues were held, seeking to disseminate the culture of innovation in all areas.

The participation of 2,500 employees at the regional branches in the Innovation course - Copilot - was the result of the work of the committees, whose theme was the use of Artificial Intelligence tools in employees' daily lives. In addition, in order to encourage the creation and implementation of innovative ideas, 218 improvements were implemented using automation tools such as Power BI and Microsoft's Copilot. 35 innovative ideas were also implemented in various areas of the regional offices, including commercial, technical and administrative. These actions demonstrate Celesc's commitment to creating an environment conducive to innovation, promoting the active participation of employees and strengthening the connection with the regional innovation ecosystem.

2.3.3. Workforce, Health and Safety

Celesc's corporate strategy is a permanent commitment to improving working conditions and minimizing occupational risks, with the aim of establishing a safe and healthy environment for workers, strengthening the integration of the Culture of Safety, Health and Well-Being. This commitment is reflected in the Celesc Master Plan (2025-2035).

Occupational Health and Safety Policy

Celesc's Health and Safety Policy states that the practice of health and safety at work will be considered inherent to any services performed, where all work must be protected by the indispensable preventive measures, with a view to eliminating or controlling risks and emphasizing that "neither urgency, nor importance, nor the alleged unavailability of means or resources, nor any other reasons can be invoked to justify a lack of safety. "

The Health and Safety Policy also covers contractors, emphasizing the need to comply with the contractual and legal health and safety requirements set out in their contracts, and it is up to them to ensure broad access to their services for the purpose of fully exercising specialized supervision.

Celesc Segura Program

The Celesc Segura Program encompasses a set of actions aimed at preventing accidents and illnesses. It is coordinated by a committee whose objective is to plan, implement and monitor the progress of the actions, the most important of which are the Safety Diagnosis, which is made up of the application of safety assessments aimed at verifying compliance with pre-defined criteria, and the Safety Plan, which uses what was found in the Diagnosis to plan new measures that will make up the Annual Work Plan (AWP).

As a result of the Annual Work Plan in 2024, it is worth noting that more than 4,500 Safety Behavioral Observations (SB) were carried out, with a focus on teams working in the Electric Power System (EPS), as well as more than 6,000 Safety Dialogues (SDD) with more than 51,000 attendance records, thus inserting the topic of work safety into the routine of employees. Added to the other actions carried out during the year, we reached more than 11,000 actions registered with the Safety, Health and Welfare Department.

Cultural Transformation Project in Workplace Safety

The Cultural Transformation Project is based on five main pillars, derived from the best market practices: Governance, Effective Leadership, Prevention Tools, Critical Risk Management and Contractor Management.

In 2024, the project focused on a task force set up in 4 Regional Branches, with field support from specialized consultants and safety professionals from Celesc D. The actions included monthly monitoring of behavioral observations by managers at all levels in these Branches, in order to create a routine for identifying deviations, corrections and raising awareness among workers with the aim of effectively implementing a culture of prevention.

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The safety committees in the Technical Directorates and Regional Branches continued to operate, with the aim of involving the company's top management in prevention, by discussing relevant issues and deciding on actions. Over the course of the year, more than 1,800 people registered for Celesc's 21 active committees and more than 400 leaders were trained.

Health Care and Wellness Programs

In line with its values, Celesc develops a series of programs and actions focused on health promotion, prevention and care, characterization of health conditions and epidemiological profile and interdisciplinary work, such as: Occupational Health Medical Control Program (OHMCP), Chemical Dependency Prevention and Treatment Program (ReAja), Nutritional Program (Nutricelesc), Living and Valuing Retirement Program (VIVA), Workplace Gymnastics, Sports Practice Incentive Program which provides financial support and release of attendance records for employee participation in competitive sporting events, Health and Wellness Portal (Intranet), Flu vaccination campaign offered annually to employees, young apprentices and trainees, Colorful months campaigns, Study of sick leave, Study of working conditions and health of sales assistants.

In addition to specific programs and actions, Celesc also offers social and psychological assistance to employees, carried out by social workers and psychologists, through qualified listening, welcoming, guidance and referrals. This assistance can be related to various reasons, such as maladaptation to work, interpersonal relationship difficulties, social and family difficulties, physical and mental health problems, requests for guidance or benefits.

Specific Safety, Health And Well-Being Actions

In addition to the programs mentioned above, Celesc promotes a series of actions every year aimed at promoting Safety, Health and Well-Being at work, including the Integrated Internal Week for the Prevention of Accidents at Work (SIPAT), Health and Safety at Work Events and Campaigns, the Safety at Work Seminar, Rules that Save Lives, and the Promotion of the "Safety Circle": a process that indicates the step-by-step process for Safe Work in the EPS in de-energized services. The tool aims to enable employees to carry out their work in a safe and standardized manner.

Considering the legal aspects linked to compliance with the Regulatory Norms (RNs), Occupational Health and Safety issues permeate all of the company's sectors, people and organizational processes. Examples include specific safety activities (inspections, formulation and monitoring of safety indicators, analysis of accidents and safety deviations, management of CIPAs, issuing of reports, specification of protective equipment, compliance with legislation and training), health (occupational examinations, care, management of sick leave) and well-being (programs and psychosocial care).

In this context, various control measures attempt to mitigate these risks through a variety of actions:

- Training carried out with in-house and outsourced teams;
- Development of appropriate working techniques;
- Specific and dedicated safety procedures;
- Internal regulations governing processes and procedures;
- Analysis and selection of PPE and CPE for employees;
- Contractual requirements with your service providers;
- Monitoring safety indicators with the workforce;
- Critical analysis of events, treatment and validation of actions by the Safety Committees;
- Permanent supervision of teams in the field;
- Promotion of actions to raise awareness among the workforce on the subject of security.

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In addition to these activities, the company also works with contractors, for whom it is jointly and severally liable and whose main tool, apart from analyzing and controlling legal documents, is monitoring through safety inspections.

In 2024, electricians were retrained in NR 33, NR 35 for substations and distribution lines, NR 35 specifically for working on telecommunications towers, and retraining in crane operation and chainsaw operation. The training reached more than 500 professionals. Added to the other training provided by Celesc, around R\$4.3 million was invested in training. In addition, Celesc inaugurated the new Training Center in 2024, which promises to be a milestone in the training of its employees. With a total investment of approximately R\$5.0 million, the modern structure aims to meet the growing demand for technical training, with a focus on safety and technological updating.

The new Training Center has an area of approximately 1,200 m² and a state-of-the-art infrastructure, comprising classrooms, computer rooms, an auditorium, state-of-the-art laboratories, as well as meeting and coworking spaces. One of the new center's biggest differentials will be the first classroom in Brazil dedicated to a virtual reality studio, which simulates the real activities of electricians, technicians and engineers. This virtual environment allows employees to safely prepare for training in energized environments.



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2.3.4. Consolidated Social Balance Sheet

1 - BASE DE CÁLCULO				2024		2023			
				Valor (R\$ mil)		Valor (R\$ mil)			
- Receita Líquida (RL)				10.658.858		10.411.434			
- Resultado Operacional (RO)				1.219.791		1.360.916			
- Folha de Pagamento Bruta (FPB)				896.286		868.296			
2 - INDICADORES SOCIAIS INTERNOS				Valor (mil reais)	% sobre FPB	% sobre RL	Valor (mil reais)	% sobre FPB	% sobre RL
- Alimentação				82.156	9,17	0,77	72.489	8,35	0,70
- Encargos Sociais Compulsórios				182.900	20,41	1,72	150.362	17,32	1,44
- Previdência Privada				34.467	3,85	0,32	32.100	3,70	0,31
- Saúde				112.018	12,50	1,05	91.891	10,58	0,88
- Segurança e saúde no trabalho				1.914	0,21	0,02	7.773	0,90	0,07
- Educação				746	0,08	0,01	771	0,09	0,01
- Cultura				0	0,00	0,00	-	0,00	0,00
- Capacitação e Desenv. Profissional				3.868	0,43	0,04	4.050	0,47	0,04
- Creches ou Auxílio-creche				4.388	0,49	0,04	3.733	0,43	0,04
- Participação nos Lucros ou Resultados				41.862	4,67	0,39	44.397	5,11	0,43
- Outros				10.620	1,18	0,10	10.534	1,21	0,10
Total - Indicadores Sociais Internos				474.940	52,99	4,46	418.100	48,15	4,02
3 - INDICADORES SOCIAIS EXTERNOS				Valor (mil reais)	% sobre RO	% sobre RL	Valor (mil reais)	% sobre RO	% sobre RL
- Educação				3.006	0,25	0,03	3.773	0,28	0,04
- Cultura				4.313	0,35	0,04	23.431	1,72	0,23
- Saúde e Saneamento				0	0,00	0,00	6	0,00	0,00
- Esporte				1.230	0,10	0,01	559	0,04	0,01
- Combate à Fome e Segurança Alimentar				0	0,00	0,00	0	0,00	0,00
- Outros				1.230	0,10	0,01	667	0,05	0,01
Total das Contribuições p/ a Sociedade				9.779	0,80	0,09	28.436	2,09	0,27
- Tributos (excluídos os encargos sociais)				2.946.524	241,56	27,64	2.681.686	197	26
Total - Indicadores Sociais Externos				2.956.303	242,36	27,74	2.710.122	199,14	26,03
4 - INDICADORES AMBIENTAIS				Valor (mil reais)	% sobre RO	% sobre RL	Valor (mil reais)	% sobre RO	% sobre RL
- Investimentos Relac.c/ a Produção/Operação da Empresa				91.491	7,50	0,86	36.411	2,68	0,35
- Investimentos em Programas e/ou Projetos Externos				32.021	2,63	0,30	27.761	2,04	0,27
Total dos Investimentos em Meio Ambiente				123.512	10,13	1,16	64.172	4,72	0,62
- Quanto ao estabelecimento de "metas anuais" para minimizar resíduos, o consumo em geral na produção/ operação e aumentar a eficácia na utilização de recursos naturais, a empresa:				(x) não possui metas () cumpre de 51 a 75 % () cumpre de 0 a 50 % () cumpre de 76 a 100 %			() não possui metas () cumpre de 51 a 75 % (x) cumpre de 0 a 50 % () cumpre de 76 a 100 %		
5 - INDICADORES DO CORPO FUNCIONAL									
- Nº de empregados(as) ao final do período				3.766			3.798		
- Nº de admissões durante o período				102			24		
- Nº de empregados(as) terceirizados				3.803			3.811		
- Nº de estagiários(as)				199			215		
- Nº de empregados(as) acima de 45 anos				1.204			1.138		
- Nº de mulheres que trabalham na empresa				898			907		
- % de cargos de chefia ocupados por mulheres				29,46			27,00		
- Nº de negros(as) que trabalham na empresa				89			93		
- % de cargos de chefia ocupados por negros(as)				2,06			2,00		
- Nº de pessoas com deficiência ou neces. especiais				117			115		
6 - INFORMAÇÕES RELEVANTES QUANTO AO EXERCÍCIO DA CIDADANIA EMPRESARIAL				2024			Metas 2025		
- Os projetos sociais e ambientais desenvolvidos pela empresa foram definidos por:				[] direção	[x] direção e gerências	[] todos os empregados	[] direção	[x] direção e gerências	[] todos os empregados
- Os padrões de segurança e salubridade no ambiente de trabalho foram definidos por:				[x] direção e gerências	[] todos os empregados	[] todos+ Cipa	[x] direção e gerências	[] todos os empregados	[] todos+ Cipa
- Quanto à liberdade sindical, ao direito de negociação coletiva e à representação interna dos(as) trabalhadores(as), a empresa:				[] não se envolve	[] segue as normas da OIT	[x] incentiva e segue a OIT	[] não se envolverá	[] seguirá as normas da OIT	[x] incentivará e seguirá a OIT
- A previdência privada contempla:				[] direção	[] direção e gerências	[x] todos os empregados	[] direção	[] direção e gerências	[x] todos os empregados
- A participação nos lucros ou resultados contempla:				[] direção	[] direção e gerências	[x] todos os empregados	[] direção	[] direção e gerências	[x] todos os empregados
- Na seleção dos fornecedores, os mesmos padrões éticos e de responsabilidade social e ambiental adotados pela empresa:				[] não são considerados	[] são sugeridos	[x] são exigidos	[] não serão considerados	[] serão sugeridos	[x] serão exigidos
- Quanto à participação de empregados(as) em programas de trabalho voluntário, a empresa:				[] não se envolve	[] apoia	[x] organiza e incentiva	[] não se envolverá	[] apoiará	[x] organizará e incentivará
				2024			2023		
- Relação entre a maior e a menor remuneração na Empresa				35			32		
- Número total de acidentes de trabalho				116			118		
- Número total de reclamações e críticas de consumidores(as):				na Empresa 276.591	no Procon 243	na Justiça 5.108	na Empresa 671.752	no Procon 154	na Justiça 5.305
- % de reclamações e críticas solucionadas:				na Empresa 39%	no Procon 55%	na Justiça 3%	na Empresa 99,50%	no Procon 59,10%	na Justiça -
- Valor Adicionado total a distribuir (em mil R\$):				Em 2024: 7.793.546			Em 2023: 7.174.472		
- Distribuição do Valor Adicionado (DVA):				70,03% governo 9,49% terceiros	11,39% colaboradores 2,97% acionistas	6,22% retido	69,83% governo 11,42% terceiros	10,99% colaboradores 3,20% acionistas	4,56% retido
7 - OUTRAS INFORMAÇÕES									
CNPJ: 83.8789.892/0001-55 UF: SC		Coordenação: Regiane Marlene Dias - Fone: (48) 3231-5521 E-mail: regianemd@celesc.com.br							
Setor Econômico: Holding de Capital Aberto		Contadora: Rogéria Rodrigues Machado - Fone: (48) 3231-6151 E-mail: rogeriarm@celesc.com.br CRC/ SC - 024.797/O-0							
"ESTA EMPRESA NÃO UTILIZA MÃO-DE-OBRA INFANTIL OU TRABALHO ESCRAVO, NÃO TEM ENVOLVIMENTO COM PROSTITUIÇÃO OU EXPLORAÇÃO SEXUAL DE CRIANÇA OU ADOLESCENTE E NÃO ESTÁ ENVOLVIDA COM CORRUPÇÃO"									
"NOSSA EMPRESA VALORIZA E RESPEITA A DIVERSIDADE INTERNA E EXTERNAMENTE"									

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3. OPERATING PERFORMANCE

3.1. Distribution

3.1.1. System expansion

The electricity system under Celesc D's responsibility has approximately 180 substations, 345 power transformers, more than 220,000 distribution transformers, 155,000 km of medium-voltage networks and 5,700 km of high-voltage networks. In 2024, the maximum demand recorded in the system was 6,132.12 MW. This year, there were extensions, improvements and the completion of works of varying sizes at approximately 20 substations (SEs), with three new substations completed, seven substations with increased capacity and medium-sized improvements such as the installation of reactors and line entrances at other substations.

Among the highlights of the year was the completion of the construction of new substations (SE) in Guaramirim (SE Guaramirim Loteamento Industrial), Santo Amaro da Imperatriz (SE Santo Amaro da Imperatriz Vila Becker) and Imbituba (SE Imbituba Araçatuba). In addition, the substations of Pomerode (Pomerode substation), Taió (Taió substation), São Cristóvão do Sul (São Cristóvão do Sul substation), Otacílio Costa (Otacílio Costa substation), Brusque (Brusque Rio Branco substation), Luiz Alves (Luiz Alves substation) and Florianópolis (Florianópolis Ilha Sul substation) were also expanded, all with a significant impact on increasing the energy available to their respective areas of operation and, especially, on improving the reliability of the electricity system to better serve consumers.

In 2024, more than 502 kilometers of single-phase rural networks were replaced with three-phase networks and more than 521 kilometers of compact networks were installed. 82 structuring works were carried out on feeders and more than 11,300 works were carried out to extend and improve distribution networks. 153 new single-phase reclosers and 157 three-phase reclosers were installed for network automation, as well as 50 voltage regulators and 9 capacitor banks aimed at improving voltage and reducing losses in the electrical system. Also with a preventive focus, R\$18.76 million was spent on pruning and mowing vegetation near the electricity grid.

Five of Celesc D's 138,000 and 69,000 volt distribution lines have been completed. They are: LD 69 kV FORQUILHINHA RB - TURVO CIRCUIT 3, LD 138 kV PALHOÇA CAMINHO NOVO - SANTO AMARO DA IMPERATRIZ VILA BECKER, LD 138 kV VIDEIRA REDE BÁSICA - VIDEIRA (2nd CIRCUIT), LD 138 kV VARGEÃO LINHA SÃO PASCOAL - BRAGAGNOLO and LD 138 kV BIGUAÇU REDE BÁSICA - TIJUCAS (2nd CIRCUIT).

3.1.2. Network Resilience Indicators

3.1.2.1. EDC and EFC

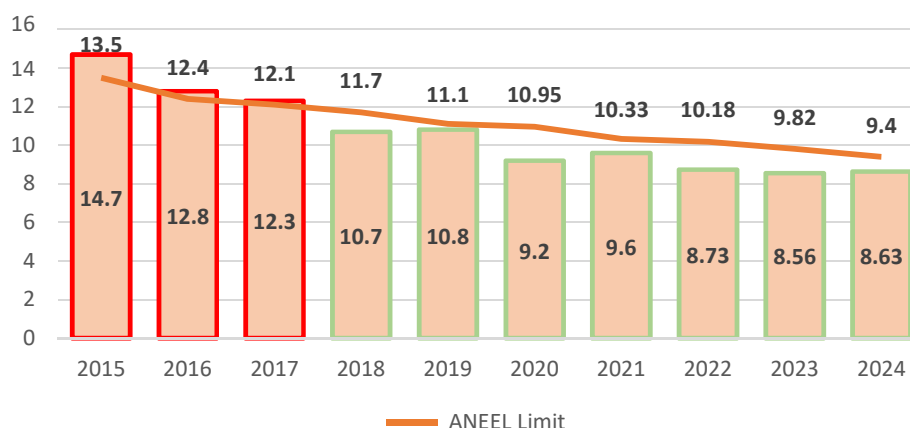
Celesc D's Equivalent Interruption Duration per Consumer Unit (DEC) indicator was 8.63 hours in 2024, which is 91.81% of the limit set by ANEEL for the regulatory cycle. In the year, the Equivalent Interruption Frequency per Consumer Unit (FEC) indicator stood at 5.73 interruptions, which represented 78.60% of the regulatory limit established.

The indicators Equivalent Duration of Interruption per Consumer Unit caused by an occurrence in the internal system, i.e. the distributor's own (EDCi), and Equivalent Frequency of Interruption per Consumer Unit caused by an occurrence in the internal system (EFCi) are represented by the same values and targets as EDC and EFC.

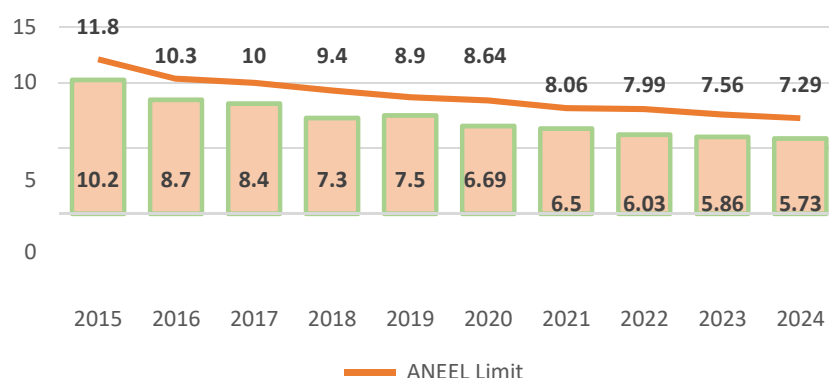
The following graphs show the evolution of Celesc D's efficiency indicators over the last ten years:

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EDC - Equivalent Interruption Duration per Consumer Unit (weighted hours)



EFC - Equivalent Interruption Frequency per Consumer Unit (weighted hours)



3.1.3. Electricity Distribution

The total billed consumption of electricity in Celesc D's concession area reached 29,317 GWh in 2024, an increase of 5.3% in the total energy distributed (captive + free market). The performance was mainly impacted by the residential and commercial classes, with year-on-year growth of 9.6% and 5.6%, respectively.

The number of consumer units served by Celesc D was 3,465,509 in December 2024, representing an increase of 2.1% compared to December of the previous year. The continued migration of consumers to the free market led to a consumption of 16,230 GWh in the captive market, an increase of 1.5% on the previous year. The following table gives more details:

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Consumption Class	No. of Consumer Units			Billed Consumption (GWh)		
	Dec/24	Dec/23	Δ	2024	2023	Δ
Captive Market	3,461,920	3,390,042	2.12%	16,230	15,989	1.51%
Residential	2,745,937	2,680,287	2.45%	7,788	7,099	9.71%
Industrial	140,885	136,985	2.85%	1,909	2,081	-8.27%
Commercial	323,887	317,251	2.09%	3,265	3,282	-0.52%
Rural	218,737	222,865	-1.85%	968	1,000	-3.20%
Other Classes *	32,474	32,654	-0.72%	2,300	2,527	-8.98%
Public Authorities	26,923	27,101	-0.66%	508	474	7.17%
Public Lighting	1,303	1245	4.66%	578	589	-1.87%
Public Service	4,248	4308	-2.69%	315	312	0.96%
Energy Supply	10	5	100.00%	899	1,152	-21.96%
Free Consumers *	3,190	2123	49.41%	13,241	11,963	10.68%
Industrial	1,630	1039	56.88%	9,669	9,055	6.78%
Commercial	1,466	1024	43.16%	1,866	1,580	18.10%
Rural	20	12	66.67%	55	43	27.91%
Supply	56	48	16.67%	151	120	25.83%
Public Service	74	48	54.17%	1,500	1,165	28.76%
Total Market *	3,465,110	3,392,165	2.15%	29,487	27,967	5.43%
Residential	2,745,937	2,680,287	2.45%	7,788	7,099	9.71%
Industrial	142,515	138,024	3.25%	11,578	11,136	3.97%
Commercial	325,353	318,275	2.22%	5,131	4,862	5.53%
Rural	218,757	222,877	-1.85%	1,023	1,043	-1.92%
Other Classes	32,548	32,702	-0.70%	1,552	1,495	3.81%
Supply	66	53	58.49%	2,399	2,317	3.54%
Own Consumption	333	457	-27.13%	16	15	6.67%

* Excluding supplies and own consumption.

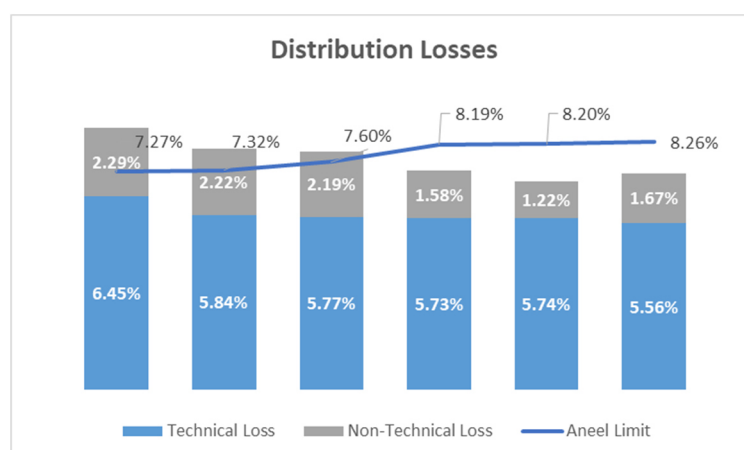
3.1.4. Distribution Losses

Energy losses correspond to total losses, comprising technical losses, which are the amount of electrical energy dissipated in the energy transportation process between the supply and the point of delivery, and non-technical losses, which correspond to the difference between overall losses and technical losses. This portion of non-technical losses therefore includes: energy theft, defects in metering equipment, errors in the billing process, consumer units without metering equipment, among others.

Energy losses are monitored using the percentage index, which calculates the ratio between billed losses and the energy injected (measured) over 12 months. Based on this methodology, the evolution of the indicator and the comparison with tariff coverage in recent years are presented.

At the end of 2024, the Consolidated Index of Regulatory Losses on Injected Energy was 8.26%. The company's actual Total Losses were 7.23%, of which 5.56% were technical losses and 1.67% were non-technical losses, thus below the regulatory limit.

The following graph shows the evolution of distribution losses in Celesc D's concession area.



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3.1.5. Energy balance in GWh

The following table shows the evolution of the energy required, distribution losses (technical and non-technical losses), losses in the basic network and total losses in GWh over the last five years:

Required energy - GWh	2020	2021	2022	2023	2024
Market Served	25,139	26,886	27,183	27,952	29,471
Energy Sales	16,050	16,488	15,925	15,989	16,230
- Delivery	14,116	14,438	14,484	14,837	15,331
Supply to distribution agents	1,934	2,050	1,441	1,152	899
Free Consumers/Dist./Ger.	9,089	10,398	11,258	11,963	13,241
Losses In The Basic Network	433	406	381	348	319
Legs in Distribution	2,237	2,336	2,161	2,119	2,312
Technical Losses	1,620	1,694	1,695	1,749	1,778
Non-Technical Losses - NTL	617	642	467	370	535
NTL /Required energy %	2.45%	2.39%	1.72%	1.32%	1.81%
Total Losses	2,670	2,742	2,542	2,467	2,631
Total Losses / Required Energy %	10.61%	10.20%	9.36%	8.83%	8.93%
Total	27,809	29,628	29,725	30,419	32,102

3.1.6. Electricity Market

In 2024, the load required in Celesc D's concession area was 5% higher than the previous year. The total load served by the concessionaire includes the load of the captive and free markets, self-producers and independent producers connected to the concessionaire's network, as well as losses in the electricity system. The following table shows the performance of the load in Celesc D's concession area, compared to the South region and the country.

Description	2024	2023	Δ
Brazil Load (GWh)*	702,683	666,940	5.7%
Southern load (GWh)	120,336	114,281	5.3%
Celesc D Load (GWh)**	31,960	30,452	5.0%

**Energy Injected into the Concessionaire's Distribution System

3.1.7. Customer Service

In 2024, Celesc D concentrated its efforts on improving the customer experience on digital channels, with a focus on optimizing service processes.

One of the main milestones of the year was the transition to the SAP S/4 Hana Utilities commercial system, an integrated and modern platform that brings together commercial management, the Web Agency and other service channels. This is the biggest transformation of its kind ever carried out by an energy distributor in Latin America, in order to improve the relationship with more than 3.5 million customers, expand digital services and provide greater efficiency for Celesc's face-to-face employees.

More than 1,000 applications and 20 integrations with other Celesc systems were developed for this work, as well as the migration of all information and services from the old system to the new platform, which is the most modern in the world when it comes to commercial management in the electricity sector. This effort involved the full dedication of 250 professionals: 150 Celesc employees, from practically all areas of the company, and 100 from a specialized multinational consultancy.

Among the improvements already available with this migration, we highlight bill payment via PIX, access to 25 services via the new app (already downloaded by more than 1 million customers) and access to different consumer units of the same ownership via the same login, on an easier and more user-friendly platform. To date, more than 5.4 million payments have been made via PIX; 10 million second copies of energy bills have been requested through digital channels, via the Celesc app, WhatsApp or the new Web Agency - where you can access all the company's services wherever you are - which has seen 38 million accesses since May 2024, 4.3 million

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of which in February 2025 alone. In a project of this magnitude and pioneering spirit, many of the challenges mapped out have already been overcome and the teams remain mobilized to correct any situation as it arises.

In parallel, Celesc D began installing 104 new Self-Service Totems in the main stores in the state of Santa Catarina and in some public bodies, through partnerships. The initiative makes access easier and more convenient for customers, who can access the company's services while carrying out other activities in places with a large number of people, even if they are not connected to the Internet.

In face-to-face service, the hiring of 35 Commercial Attendants, working in 13 Regional Agencies, was a reinforcement to the assistance of those who still seek out Celesc's stores. The professionals underwent an intense 120-hour training course at the Company's Central Administration, which covered both theoretical and practical aspects, to ensure that quality is also maintained for those who seek Celesc in person.

3.1.8. Default Management

The default indicator reflects the portion of invoiced revenue that has not been received in a given period. It is calculated using the ratio between the amount of delinquency for the period and the accumulated Gross Operating Revenue for electricity supply, energy supply, electricity network provision and taxed services for the same period. This methodology provides a precise analysis of the percentage variations in default in relation to operating revenue.

In December 2024, short-term defaults of up to 90 days (the period in which most collection actions are concentrated) fell by 3.67 percentage points compared to the previous quarter and defaults of over 90 days increased by 0.21 percentage points, from 1.14% to 1.35%. Total delinquency, compared to the previous quarter, showed an increase of 0.09 percentage points, approximately 2.11% of Gross Operating Revenue.

In May 2024, Celesc carried out a significant upgrade to its billing and collection system, replacing the previous commercial system with the aim of improving the efficiency and accuracy of operations. However, as is common in major technological transitions, instabilities and variations arose which affected various processes. As a result, actions to combat default were suspended from April 2024.

The following table shows Celesc D's defaults:

Classes	Default up to 90 days										Variation
	4Q23		1Q24		2Q24		3Q24		4Q24		
	R\$ thousand	% GOI	R\$ thousand	% GOI	R\$ thousand	% GOI	R\$ thousand	% GOI	R\$ thousand	% GOI	
Residential	163,481	4.93%	234,452	6.15%	276,873	7.92%	289,907	9.29%	268,851	7.67%	-1.62 p.p.
Industrial	30,089	0.91%	35,454	0.93%	37,983	1.09%	52,200	1.67%	55,467	1.58%	-0.09 p.p.
Commercial	48,897	1.47%	66,453	1.74%	99,691	2.85%	95,331	3.05%	93,584	2.67%	-0.38 p.p.
Rural	16,098	0.49%	19,183	0.50%	24,295	0.70%	25,292	0.81%	27,842	0.79%	-0.02 p.p.
Public Authorities	5,218	0.16%	2,577	0.07%	25,045	0.72%	30,085	0.96%	23,840	0.68%	-0.28 p.p.
Public Lighting	24	0.00%	18	0.00%	19,477	0.56%	34,362	1.10%	9,155	0.26%	-0.84 p.p.
Public Service	92	0.00%	44	0.00%	16,423	0.47%	13,142	0.42%	21,415	0.61%	+0.19 p.p.
Supplies	261	0.01%	29	0.00%	3,944	0.11%	85	0.00%	2,867	0.08%	+0.08 p.p.
Mains Usage Charge	2,425	0.07%	3,437	0.09%	25,896	0.74%	28,833	0.92%	13,786	0.39%	-0.53 p.p.
Various Credits	8,788	0.26%	10,934	0.29%	11,243	0.32%	13,462	0.43%	10,984	0.31%	-0.12 p.p.
Taxed Service	974	0.03%	1,009	0.03%	941	0.03%	138	0.00%	147	0.00%	0.00 p.p.
Financial Participation	1,090	0.03%	4,465	0.12%	3,223	0.09%	5,164	0.17%	3,644	0.10%	-0.07 p.p.
Total	277,436	8.37%	378,056	9.92%	545,035	15.60%	588,001	18.84%	531,583	15.17%	-3.67 p.p.
Accumulated GOI from the 1st to the 3rd month in R\$ Thousand	3,316,457		3,811,825		3,493,968		3,121,175		3,504,522		

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Default over 90 days											
Classes	4Q23		1Q24		2Q24		3Q24		4Q24		Variation 3Q24
	R\$ thousand	%	R\$ thousand	%	R\$ thousand	%	R\$ thousand	%	R\$ thousand	%	
		GOI		GOI		GOI		GOI		GOI	
Residential	240,776	0.42%	244,518	0.42%	267,445	0.45%	333,352	0.56%	394,759	0.65%	+0.09 p.p.
Industrial	78,757	0.14%	80,992	0.14%	83,613	0.14%	91,813	0.15%	105,149	0.17%	+0.02 p.p.
Commercial	123,793	0.21%	126,623	0.22%	134,462	0.23%	170,521	0.28%	189,433	0.31%	+0.03 p.p.
Rural	12,861	0.02%	12,935	0.02%	14,588	0.02%	20,127	0.03%	25,641	0.04%	+0.01 p.p.
Public Authorities	1,386	0.00%	5,406	0.01%	447	0.00%	8,926	0.01%	23,654	0.04%	+0.03 p.p.
Public Lighting	284	0.00%	106	0.00%	5	0.00%	4,179	0.01%	8,681	0.01%	0.00 p.p.
Public Service	19	0.00%	21	0.00%	29	0.00%	2,497	0.00%	11,465	0.02%	+0.02 p.p.
Supplies	35	0.00%	35	0.00%	0	0.00%	0	0.00%	1,185	0.00%	0.00 p.p.
Mains Usage Charge	1,577	0.00%	1,600	0.00%	1,942	0.00%	11,247	0.02%	9,542	0.02%	0.00 p.p.
Various Credits	25,783	0.04%	24,503	0.04%	26,109	0.04%	31,371	0.05%	33,255	0.06%	+0.01 p.p.
Taxed Service	4,171	0.01%	4,255	0.01%	4,389	0.01%	4,733	0.01%	4,418	0.01%	0.00 p.p.
Financial Share	2,633	0.00%	2,825	0.00%	3,523	0.01%	6,210	0.01%	8,784	0.01%	0.00 p.p.
Total	492,075	0.85%	503,820	0.87%	536,551	0.91%	684,976	1.14%	815,967	1.35%	+0.21 p.p.
Accumulated GOI from 4th month to 60th month in R\$ Thousand	57,684,549		57,827,057		58,970,799		59,873,560		60,320,677		

Classes	Total Defau It										Variation 3Q24
	4Q23		1Q24		2Q24		3Q24		4Q24		
	R\$ thousand	% GOI	R\$ thousa nd	% GOI	R\$ thousa nd	% GOI	R\$ thousa nd	% GOI	R\$ thousan d	% GOI	
Residential	404,257	0.66%	478,970	0.78%	544,318	0.87%	623,259	0.99%	663,610	1.04%	+0.05 p.p.
Industrial	108,846	0.18%	116,447	0.19%	121,596	0.20%	144,013	0.23%	160,616	0.25%	+0.02 p.p.
Commercial	172,690	0.28%	193,076	0.31%	234,153	0.38%	265,852	0.42%	283,016	0.44%	+0.02 p.p.
Rural	28,959	0.05%	32,118	0.05%	38,883	0.06%	45,420	0.07%	53,483	0.08%	+0.01 p.p.
Public Authorities	6,604	0.01%	7,983	0.01%	25,493	0.04%	39,011	0.06%	47,495	0.07%	+0.01 p.p.
Public Lighting	307	0.00%	123	0.00%	19,482	0.03%	38,540	0.06%	17,837	0.03%	-0.03 p.p.
Public Service	111	0.00%	65	0.00%	16,452	0.03%	15,639	0.02%	32,881	0.05%	+0.03 p.p.
Supplies	297	0.00%	65	0.00%	3,944	0.01%	85	0.00%	4,052	0.01%	+0.01 p.p.
Mains Usage Charge	4,003	0.01%	5,037	0.01%	27,837	0.05%	4,871	0.06%	23,328	0.04%	-0.02 p.p.
Various Credits	34,571	0.06%	35,436	0.06%	37,353	0.06%	11,374	0.07%	44,239	0.07%	0.00 p.p.
Taxed Service	5,145	0.01%	5,264	0.01%	5,330	0.01%	44,833	0.01%	4,565	0.01%	0.00 p.p.
Financial Share	3,722	0.01%	7,291	0.01%	6,746	0.01%	40,079	0.02%	12,428	0.02%	0.00 p.p.
Total	769,511	1.26%	881,876	1.43%	1,081,586	1.75%	1,272,977	2.02%	1,347,550	2.11%	+0.09 p.p.
Accumulated GOI from 1st month to 60th month in R\$ Thousand	61,001,006		61,638,882		62,464,767		62,994,735		63,825,199		

3.1.9. Consumer Connection

The net balance (opening and closing) of UCs opened was 72,919 in 2024, totaling 3,465,110 consumers served by Celesc D, excluding supply (resale) and own consumption, a figure 2.2% higher than the previous year.

The following table shows the evolution of the number of consumer units over the last five years:

Consumers	2020	2021	2022	2023	2024
Residential	2,468,904	2,543,070	2,616,084	2,680,287	2,745,937
Industrial	117,264	126,818	133,658	138,024	142,515
Commercial	287,505	299,127	309,699	318,275	325,353
Rural	232,645	230,672	227,350	222,877	218,757
Public Authorities	23,735	24,221	24,943	27,101	26,923
Public Lighting	910	961	1090	1245	1303
Public Service	3,753	3,942	4,129	4,308	4,322
Total	3,134,716	3,228,811	3,316,953	3,392,117	3,465,110
Variation	2.8%	3.0%	2.7%	2.3%	2.2%

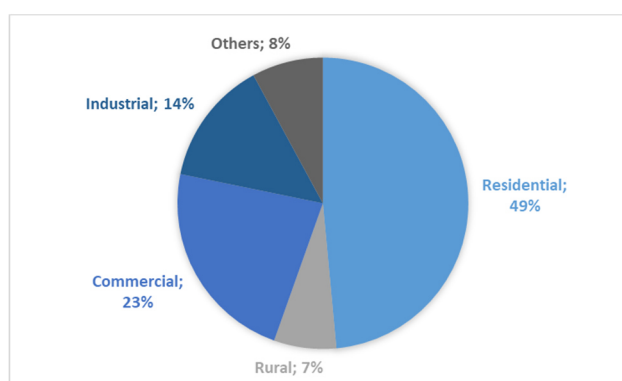
3.1.10. Revenue

Celesc D's revenue from electricity supply to captive consumers for the year, net of ICMS, amounted to R\$9.5 billion, as shown in the table below:

Consumption Class	2024	2023	Δ
Residential	4,863,393	4,204,697	15.67%
Industrial	1,212,729	1,238,142	-2.05%
Commercial	2,100,870	1,973,515	6.45%
Rural	620,413	576,976	7.53%
Others	710,322	651,297	9.06%
Total Captive	9,507,728	8,644,628	10.0%

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The following graph shows the share of consumption classes of captive consumers in relation to net ICMS revenue:



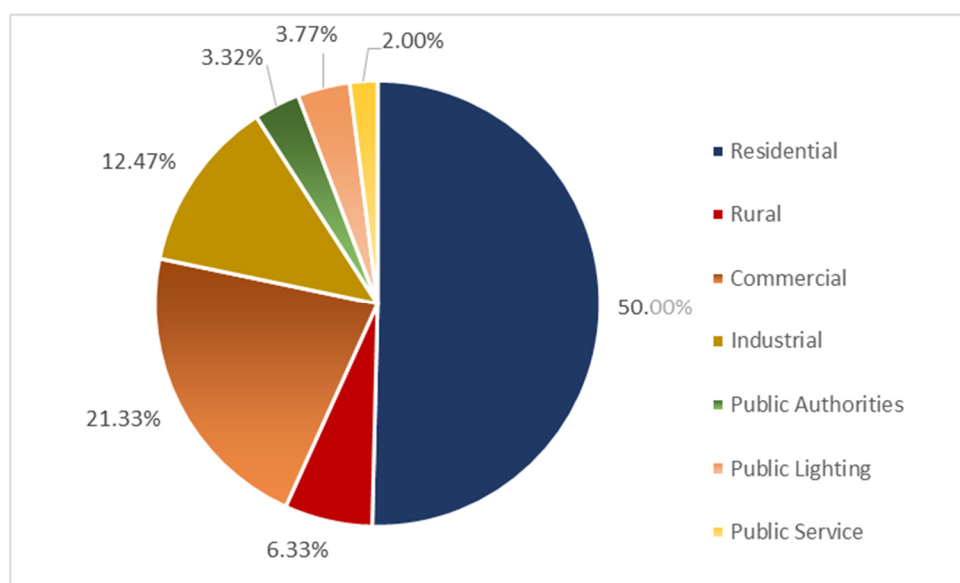
3.1.11. Market Performance in GWh in the Concession Area

The following table shows the growth in energy billed in GWh over the last five years:

Market Served - GWh	2020	2021	2022	2023	2024
Billed Energy	16,051	16,488	15,925	15,989	15,312
Delivery	14,117	14,438	14,484	14,837	14,837
Residential	6,293	6,483	6,724	7,098	7,777
Industrial	2,264	2,334	2,154	2,081	1,909
Commercial	3,031	3,122	3,216	3,282	3,266
Rural	1,160	1,121	1,037	1,000	969
Public Authorities	350	379	431	474	508
Public Lighting	637	615	586	589	578
Public Service	382	384	336	312	306
Supply to distribution agents	1,934	2,050	1,441	1,152	899
Use of the Distribution Network	9,089	10,401	11,258	11,963	13,241
Free Consumers/Dist./Ger.	9,089	10,401	11,258	11,963	13,241
Total	25,139	26,886	27,182	27,952	28,553
Variation	-1.3%	7.0%	1.1%	2.8%	2.2%

*Does not consider Own Consumption

The following graph shows the energy billed by consumption class in GWh in 2024.



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3.1.12. Celesc D in Numbers

Service	2024	2023	Variation (%)
Number of consumers	3,465,509	3,392,675	2.15%
Number of employees	3,766	3,857	-2.36%
Number of consumers per employees	920	879	4.62%
Number of locations served	285	285	0.00%
Service			Variation (%)
Number of branches	16	16	0.00%
Number of service points	258	258	0.00%
Market			Variation (%)
Concession area (Km²)	82,747.68	82,747.68	0.00%
Maximum demand (MWh/h)	5,655.43	5,591.02	1.15%
Direct distribution (GWh)	30,863.55	28,924.43	6.70%
Average residential consumption (KWh/year)	2,836.29	2,648.36	7.10%
Average supply tariffs (R\$ per MWh)			Variation (%)
Residential	735.14	695.30	5.73%
Industrial	760.94	708.61	7.38%
Commercial	778.36	729.60	6.68%
Rural	754.89	685.89	10.06%
Public Authorities	600.53	554.02	8.40%
Others	736.68	691.02	6.61%
EDC and EFC indicators			Variation (%)
EDC (hours)	8.63	8.56	0.82%
FEC (number of interruptions)	5.73	5.86	-2.22%
Number of complaints per 10,000 consumers	1,448.01	1,428.38	1.37%
Operational Information			Variation (%)
Number of substations	184	179	2.79%
Distribution Lines (Km)	5,747.68	5,566.37	3.26%
Performance indicators			Variation (%)
Average Employee Salary:	R\$5,788.55	R\$5,305.01	9.11%
Energy Generated / Purchased in MW per Employee:	5,008.23	4,785.07	4.66%
Energy Generated / Purchased in MW per Consumer:	5.44	5.44	0.04%

3.1.13. Concession extension

In Celesc D's 5th Amendment, signed in 2015, it was established that, in the first five years, the distributor would have to meet targets related to technical quality indicators and economic and financial sustainability. Meeting these targets was a condition for confirming the extension of the concession, and the distributor fully met these requirements

The economic and financial management efficiency criterion is measured by calculating the inequality each calendar year and will be considered breached when there is non-compliance or when the EBTIDA is less than the Regulatory Reintegration Quota (QRR). The quality targets are the EDC- Equivalent Interruption Duration per Consumer and EFC - Equivalent Interruption Frequency per Consumer indicators.

In addition to the indicators of continuity and quality of energy supply, Celesc D needs to pay attention to the economic indicators, which assess the quality and payment potential of the debt in relation to the EBITDA generated by the company.

ANEEL Normative Resolution No. 896/2020, amended by Normative Resolution No. 948/2021, regulated the parameterization and calculation methodology for the concession indicators, which were established for the years 2021 to 2045:

Year	Indicator	Criteria	Penalties
From 2021	Economic and financial efficiency	1 year	Capital contribution Limitation on the distribution of dividends and Interest on Equity Restrictive regime for contracts with related parties
		2 consecutive years	Termination of the concession
	Quality indicators	1 year	Results plan
		2 consecutive years	Limitation on the distribution of dividends and Interest on Equity
		3 consecutive years	Termination of the concession

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- The economic and financial management efficiency criterion is measured by calculating the inequality each calendar year and will be considered breached when there is non-compliance or when the EBTIDA is less than the Regulatory Reintegration Quota (QRR).
- According to Aneel Technical Note No. 068/2021 and Authorizing Resolution No. 10,231/2021, from 2022 the quality targets became the EDC - Equivalent Interruption Duration per Consumer and EFC - Equivalent Interruption Frequency per Consumer indicators.

YEAR	ECONOMIC AND FINANCIAL MANAGEMENT	QUALITY INDICATOR (ESTABLISHED LIMIT)		QUALITY INDICATOR (REALIZED LIMIT)		VERIFICATION
		EDCi ¹	EFCi ¹	EDCi	EFCi	
2021	NET DEBT/ {NET (-) QRR} <1/1.11*SELIC	10.33	8.06	9.6	6.5	Attended
		EDC ³	EFC ³	EDC	EFC	
2022	NET DEBT/ {NET (-) QRR} <1/1.11*SELIC	10.18	7.99	8.73	6.03	Attended
2023	NET DEBT/ {NET (-) QRR} <1/1.11*SELIC	9.78	7.55	8.56	5.86	Attended
2024	NET DEBT/ {NET (-) QRR} <1/1.11*SELIC	9.40	7.29	8.71	5.85	Attended

¹ EDCi-Equivalent Duration of Interruption of Internal Origin per Consumer Unit; and EFCi-Equivalent Frequency of Interruption of Internal Origin per Consumer Unit;

² QRR: Regulatory Reintegration Quota or Regulatory Depreciation Expense. This will be the amount defined in the last Periodic Tariff Review (RTP), plus the IGP-M between the month prior to the RTP and the month prior to the twelve (12) month period for measuring economic and financial sustainability;

³ EDC - Equivalent Duration of Interruption per Consumer and EFC - Equivalent Interruption Frequency per Consumer indicators.

3.2. Generation

3.2.1. Hydrological Scenario

In 2024, Celesc G closed the Power Availability indicator for its Generating Park on a positive note. In the sum of the maintenance unavailability indicators, Celesc G closed 2024 with 92.96% availability, higher than the 91.52% of 2023.

In addition to maintaining the high availability of the machines, the result of hydroelectric generation for the year was higher than 2024, and a historical annual record for the company, also due to the improvement in hydrological conditions in the state of Santa Catarina, resulting in its generators being stopped due to lack of water for less time than in 2023 (10.36% compared to 11.46%).

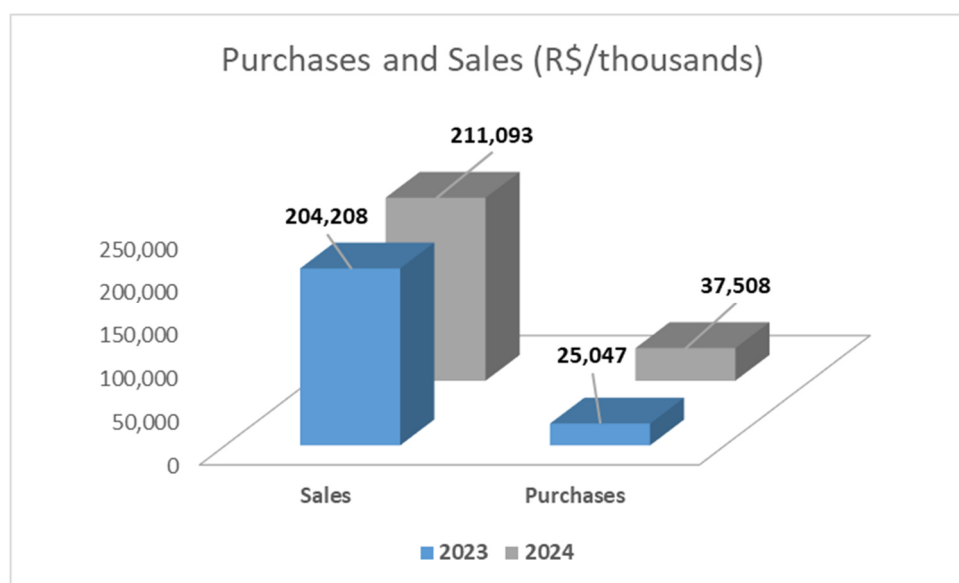
Operating Performance	2024	2023	Variation
Unavailability Maintenance:	7.04%	8.47%	-17%
Investment Unavailability:	1.77%	6.23%	-72%
Distributor Unavailability:	0.61%	0.48%	27%
Water Unavailability:	10.36%	11.46%	-10%

3.2.2. Energy Trading

In 2024, Celesc G had overall revenues of R\$211.1 million, 3.4% more than in 2023, when it had revenues of R\$204.2 million.

In 2024, R\$37.5 million was spent on the purchase of electricity from third parties, an increase of 50.0% compared to 2023, which was R\$25.0 million. This increase can be credited to the greater volume of energy purchased, which jumped from 195.5 GWh in 2023 to 231.6 GWh in 2024.

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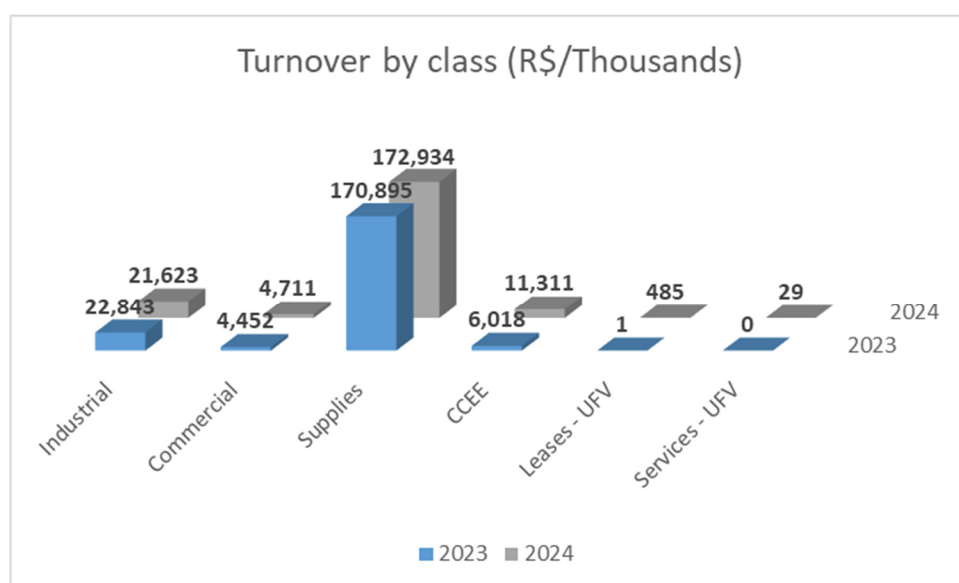


The electricity surplus, sold on the short-term market through sales contracts with a term of less than six months, resulted in R\$2.4 million in 2024 compared to R\$15.5 million in 2023.

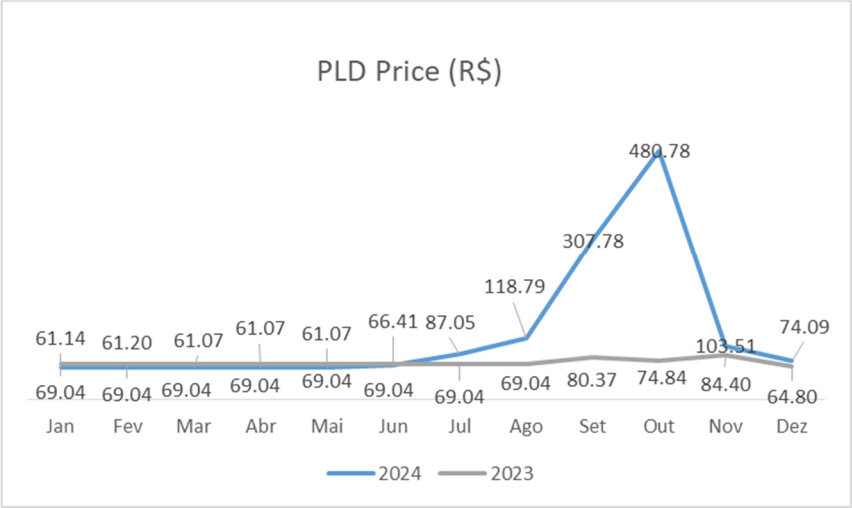
The result in the CCEE's Short-Term Market was a negative R\$0.2 million, compared to a positive R\$2.5 million in 2023.

Electricity sold in 2024 amounted to 785,991 MWh, 4.6% more than the 751,192 MWh sold in 2023.

Turnover by class in 2024 and 2023 showed the following performance:



The average annual DSP (R\$128.36/MWh) was higher than that seen in 2023 (R\$72.16/MWh). The main reason for this was the increase in the months of September and October, after a period of record low hydrology in the main basins of the SIN, a situation that was reversed after the start of the wet season.



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3.2.2.1 International Renewable Energy Certification

Celesc G has authorized its seven largest plants to issue Renewable Energy Certificates with the I-REC seal - bonds that prove the origin and production of clean, renewable energy - for a period of five years, from January 2023 to December 2027.

The certificates also allow customers to track their energy consumption in Greenhouse Gas (GHG) Emissions Inventories, making it possible to offset their scope 2 CO₂ emissions (from electricity purchased for their own use).

The inclusion of these certificates in the portfolio of energy solutions strengthens Celesc's position in the market as a catalyst for sustainability. By acquiring I-RECs, companies and consumers have the guarantee that they are supporting the generation of energy through renewable sources.

4. ECONOMIC AND FINANCIAL PERFORMANCE

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

Description	Consolidated		
	12.31.2024	12.31.2023	Variation
Gross Operating Income – GOI	16,407,239	15,793,180	3.89%
Net Operating Revenue – NOR	10,658,858	10,402,608	2.46%
Operational Result	1,219,791	825,103	47.83%
EBITDA	1,567,207	1,139,704	37.51%
EBITDA margin (EBITDA/NOR)	14.70%	10.96%	3.75 p.p.
Net Margin (LL/NOR)	6.72%	5.35%	1.36 p.p.
Financial Result	(287,364)	(141,788)	102.67%
Total Assets	13,037,758	12,302,261	5.98%
Fixed Aseets	210,394	193,249	8.87%
Shareholders' Equity	3,671,279	2,932,567	25.19%
Net Income	715,802	557,034	28.50%

4.1 Gross Revenue and Net Operating Revenue

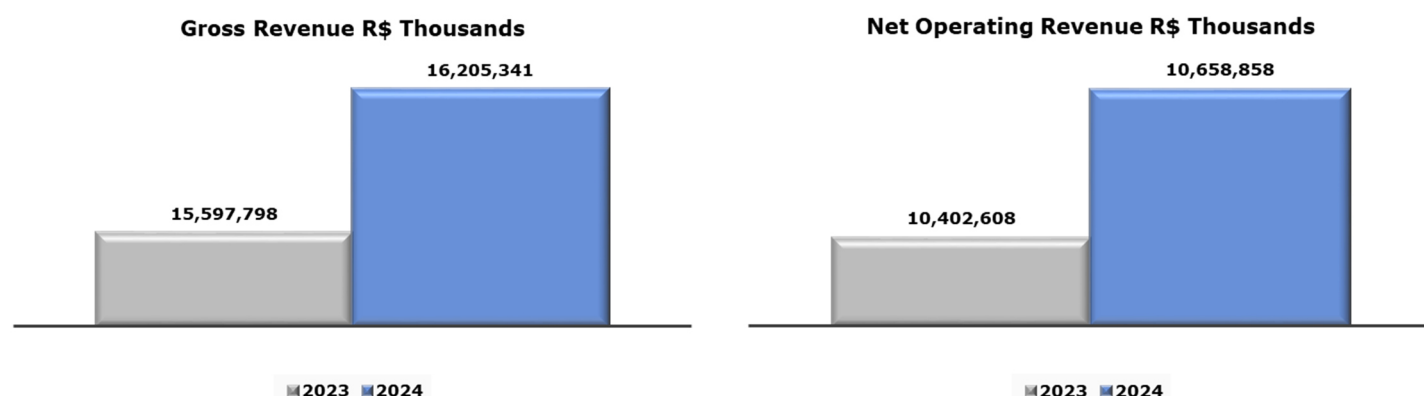
Consolidated Gross Operating Income (GOI) in 2024 was R\$16.4 billion, of which 3.89% higher than in the same period in 2023, which was R\$15.8 billion.

Celesc D had a positive performance in ROB, driven by tariff adjustments of 2.30% in August 2023 and 3.02% in 2024, as well as a 5.40% increase in total energy consumption in its concession area. This combination resulted in an 11.3% increase in energy supply revenue. At the same time, the revenue generated by making the network available also grew, from R\$6.7 billion to R\$7.0 billion, which corresponds to an increase of approximately 5.7%. In addition, there was a 9.7% increase in donations and subsidies, driven mainly by the subsidy reimbursable by the Energy Development Account (EDA) and by the revenue from updating the concession's financial assets, adjusted by the Broad Consumer Price Index (IPCA).

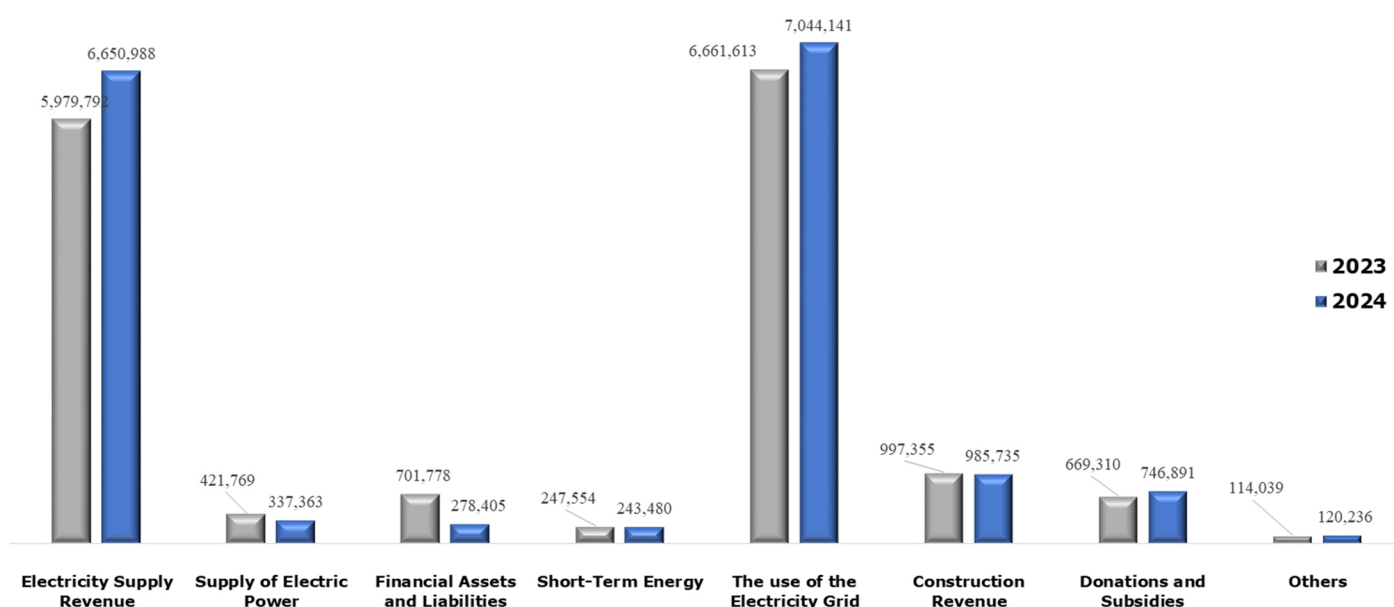
At Celesc G, Gross Operating Income (GOI) grew by 3.4% compared to 2023. This increase is mainly associated with the recognition of interest and monetary updates of Financial Assets, which include interest on the grant bonus for power plants and the indemnity for power plants, both updated by the IPCA and recorded in this group. These revenues increased from R\$80.3 million in 2023 to R\$84.0 million in the same period of 2024, resulting in an increase of 4.61%. The 88.0% growth in short-term electricity revenue, from R\$6.0 million in 2023 to R\$11.3 million in 2024, stands out when comparing the periods analyzed.

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Consolidated Net Operating Revenue was R\$10.7 billion, resulting in an increase of approximately 2.46% compared to 2023, which in that year was R\$10.4 billion.

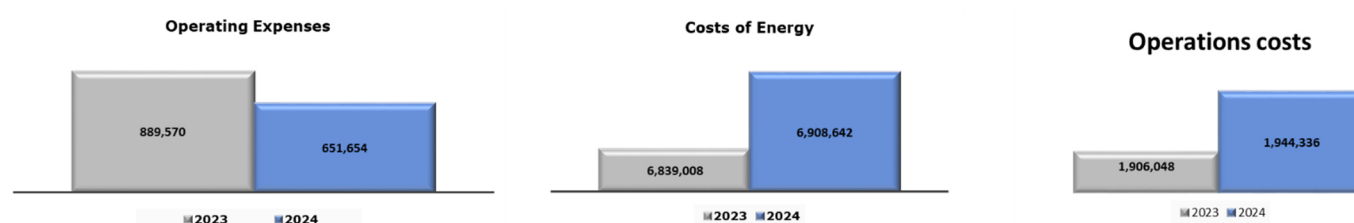


The Breakdown of Gross Revenue



4.2. Costs and Expenses

Operating costs and expenses fell by approximately 1.35% when comparing 2024 and 2023. Energy costs remained at practically the same level as the previous year with a slight increase of 1.02%, operating costs were perceived to have increased by 2.01%, while operating expenses fell by 26.75% in the periods analyzed.



At Celesc D, the reduction in expenses is mainly due to a reduction in provisioning and an increase in reversals of contingent liabilities.

We would highlight the reversal in 2024 of a provision that had been recorded in 2023, relating to an

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environmental fine imposed by Ibama for an administrative infraction. On December 30, 2024, the Company petitioned to withdraw the Appeal in Special Appeal, a prerogative for adherence to the extraordinary transaction of the active debt of federal public entities and foundations, called the "Desenrola Program" of the Federal Government, in accordance with AGU Normative Ordinance No. 150, of October 3, 2024, and Adhesion Transaction Notice No. 1/2024/PGF/AGU. The provisioned amount, updated in December 2024, was approximately R\$135.0 million. The cash effect for payment, in a single installment in January 2025, was R\$68.7 million and, for accounting purposes, the economic effect recorded in December 2024 was the reversal of the remaining balance of R\$66.3 million.

In addition, at Celesc D, there was a reversal in a decision favorable to the Company related to a claim for loss of profit and expropriation for the construction of an easement, in the amount of approximately R\$25.7 million. The company's legal department was successful in strategic cases with favorable decisions, which reduced the value of the lawsuits by approximately R\$55.3 million, including those of the tobacco farmers in the north of the state of Santa Catarina.

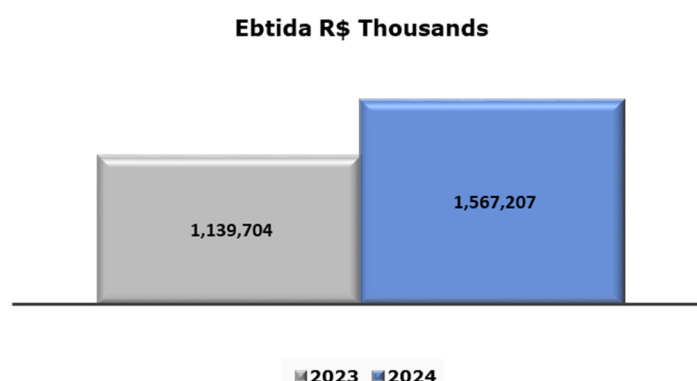
At Celesc G, there was an increase of 21.6% in the cost of energy purchased for resale (conventional) in 2024, when compared to 2023, and an increase of 208.4% in the costs of energy purchased for resale traded on the CCEE, due to the increase in the DSP, mainly in the months of August to November 2024. The increase in the amount of energy purchased was due to greater seasonalization of some sales contracts, which forced the company to buy energy in the short term to honour these contracts. However, total energy costs fell by 27.4% compared to the same period in 2023, due to the renegotiation of the hydrological risk of the HGP Power Plants. Celesc G had a favorable preliminary injunction until July 2023, when an unfavorable ruling revoked the injunction and dismissed the claims, recognizing a cost of R\$28.1 million for that period.

4.3. EBITDA

The movement in net income for the year before Interest, Taxes, Financial Results and Depreciation/Amortization - EBITDA is detailed below:

Reconciliation of EBITDA (R\$/thousand)	Consolidated	
	12.31.2024	12.31.2023
Net Income	715,802	557,034
Current and Deferred IRPJ and CSLL	216,625	126,281
Financial Result	287,364	141,788
Depreciation and Amortization	347,416	314,601
EBITDA	1,567,207	1,139,704

EBITDA in 2024 amounted to R\$1.57 billion, approximately 37.51% higher than the same period in 2023, which was R\$1.14 billion.



4.4. Financial Result

The Financial Result in 2024 was negative by R\$287.4 million, while in 2023 it was negative by R\$141.8 million. This increase of R\$145.6 million, representing an increase of 102.7% in the deficit result, is mainly due to the increase in interest and monetary restatement of the debts of the subsidiary Celesc D, the costs of issuing the Institutional and Infrastructure debentures in 2024, and the increase in expenses

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with monetary restatement (SELIC) of sectoral liabilities.

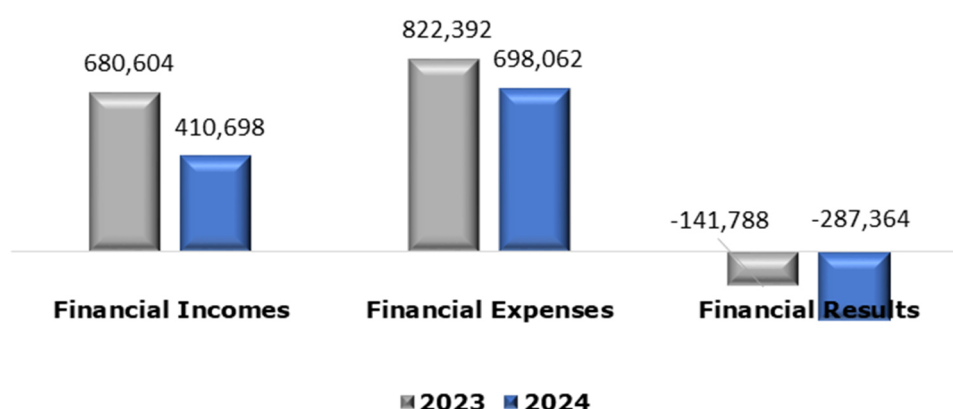
Also in financial expenses, Celesc D saw a positive reduction in interest and monetary restatement of the mathematical reserve (debt with Celos).

In 2024, Celesc D updated the ICMS tax credit in the PIS and Cofins calculation base, generating financial income of R\$297.1 million. The company recognized PIS/Cofins taxes on this amount. The counterpart of this financial income was practically annulled in the result, with the exception of the taxes, being recognized as other financial expenses due to the obligation to return it to the consumer via the tariff.

With regard to financial income, there was a slight reduction in income from financial investments and an increase in taxes on financial income from updating tax credits. In addition, there was a significant reduction in revenue from monetary restatement (SELIC) of sector assets and monetary variations on overdue charges on energy bills.

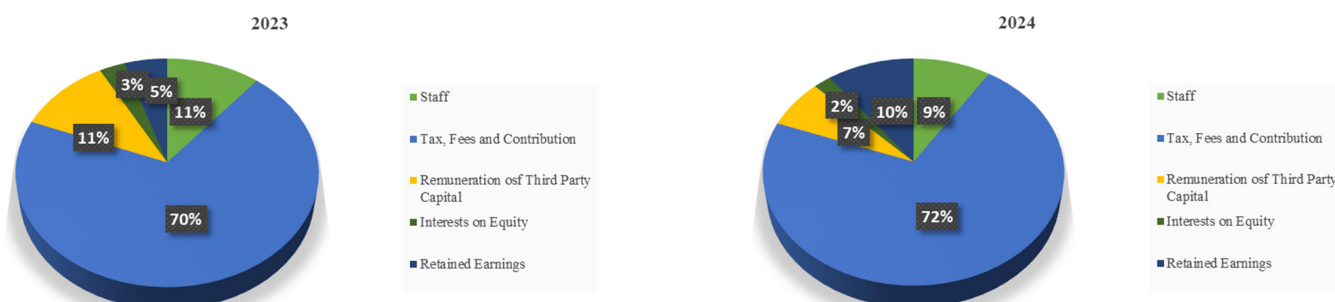
In October 2024, Celesc D contracted a swap operation to hedge the 6th and 7th Debenture Issues. The net effect between the mark-to-market financial income of R\$62.2 million and the financial expense with derivatives of R\$71.6 million resulted in an expense of R\$9.4 million.

Financial Results



4.5. Added Value

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



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4.6. Economic and Financial Ratios

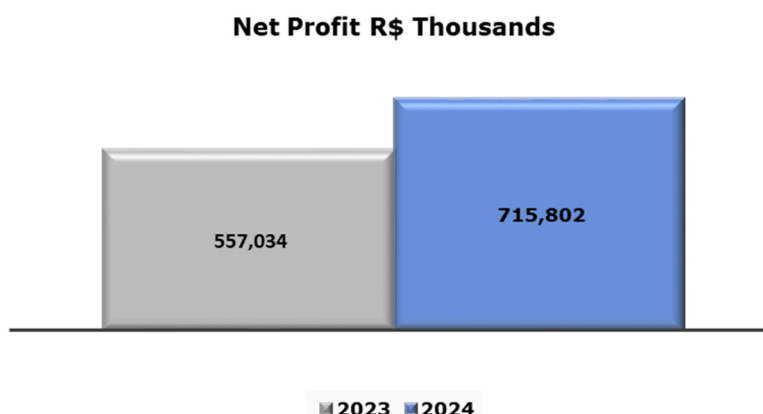
Below are some more indices of economic and financial performance:

Indexes	Consolidated	
	12.31.2024	12.31.2023
General Liquidity	0.81	0.75
Current Liquidity	1.28	0.91
Return on Equity	21.68%	19.16%
General Indebtedness	69.79%	76.16%

4.7. Net Income

Celesc recorded a Net Profit of R\$715.8 million in 2024, an increase of 28.5% compared to the R\$557.0 million obtained in 2023.

This growth is mainly due to the 5.4% increase in energy consumption and the improved performance of tranche B, resulting in a 53.3% increase in operating income compared to 2023. In addition, there were significant reversals of provisions for litigation and an increase in other operating revenues related to the sharing of Celesc D's infrastructure.



4.8. Investments

Description	12.31.2024		12.31.2023		Horizontal Analysis
	R\$ thousand	%	R\$ thousand	%	
Electricity Distribution	1,230,450	97.29%	1,263,745	95.95%	-2.63%
Own Resources	985,735	-	997,355	-	-
Consumer Financial Participation	244,715	-	266,390	-	-
Electricity Generation	34,244	2.71%	53,338	4.05%	-35.80%
Equity Interests	-	-	152	-	-
Own Generator Park	34,244	-	53,186	-	-
Total	1,264,694	100%	1,317,083	100%	-3.98%

4.8.1. Celesc D

Of the total invested, the largest volume of R\$1,230.4 million was earmarked for system expansion and improvement, operational efficiency and modernization of Celesc D's management.

Of this amount, R\$985.7 million came from own resources (R\$914.4 million in materials and services and R\$71.3 million in own labor) and R\$244.7 million came from third-party resources, from Consumer Financial Participation in Celesc D works.

The rules for Consumer Financial Participation are set out in ANEEL's Normative Resolution No. 1,000 of December 7, 2021.

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4.8.2. Celesc G

Of the main investments made in Celesc G.'s own generating plant in the 2024 financial year:

- R\$12.2 million was used for the photovoltaic generator and electrical assemblies for PPP Capivari de Baixo;
- R\$4.7 million was spent on a photovoltaic generator and electrical assemblies for PPP Videira;
- R\$4.5 million was allocated to the photovoltaic generator and electrical assemblies for PPP Lages;
- R\$3.8 million was spent on mechanical and electrical assembly, executive design and mobilization of the construction site at US Maruim;
- R\$2.5 million was spent on mobilization and the civil works site at US Garcia;
- R\$1.6 million was invested in optical cable, automation, maintenance services and electrical assembly at the Celso Ramos Power Station;
- R\$1.2 million was allocated to electrical assemblies for PPP IX; and
- R\$748,000 was spent on the refurbishment of the turbine at UG-03 and the mechanical executive project at the Salto Power Station.

4.8.2.1. Expansion Projects for Own Park Plants

a) Expansion of HGP Caveiras

HGP Caveiras, which has been in operation since 1949, is located in the municipality of Lages/SC and has an installed capacity of 3.83 MW. The expansion project includes a new generation circuit, including an approach channel, water intake, penstock and powerhouse with two new single Francis turbine generating units. With the extension, the plant will reach an installed capacity of 9.4 MW.

The project, which was already approved by ANEEL in 2022 by means of Executive Summary Adequacy Registration Order (DRS-PCH) No. 1.102, made an important breakthrough in 2024 with the issuance of the Installation Environmental License by the Santa Catarina Environmental Institute (IMA).

Throughout 2025, the company intends to obtain the construction authorization from ANEEL, with a view to carrying out the bidding process to start construction. The schedule calls for 24 months of work with an investment of approximately R\$70.0 million.

The energy resulting from the expansion project will be destined for the free trade environment and may, at Celesc's discretion, be traded in an auction environment regulated by ANEEL.

b) Expansion of HPP Salto Weissbach

The Salto Weissbach plant, located in the municipality of Blumenau/SC, has 6.28 MW of installed power and has been in operation since 1914. The expansion project includes a new adductor circuit, parallel to the existing one, and the construction of a new powerhouse with two generating units of 11.5 MW each, which will increase the current power by 23 MW, bringing the total installed capacity to 29.28 MW.

As it is a plant that operates under the quota regime, the regulatory procedures for approving the Expansion Project follow PRORET 12.4 Expansions in Generation Facilities and Ordinance No. 418/2013 of the Ministry of Mines and Energy (MME). At the moment, the project is in the final stages of approval, awaiting only the issuance of the Grant by the MME.

The work is estimated to take 30 months with an investment of around R\$240.0 million. Part of the funds for this investment will be raised from the BNDES in 2025.

c) Reactivation of HGP Maruim

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

In 2023, work began on reactivating the plant, and this new construction envisages an installed capacity of 1 MW, using the existing powerhouse and adapting the other civil and electromechanical structures.

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On August 30, 2024, by means of Order No. 2,584, ANEEL released the generating units for test operation as of August 31 of the same year. The inauguration took place in October and it is estimated that commercial operation will be authorized in the first months of 2025.

The investment, financed by the BNDES, is in the order of R\$9.0 million and the energy resulting from the project was sold on the regulated market, through the 2022/A-4 New Energy Auction, at a tariff of R\$264.99/MWh at the time.

d) Expansion of the Cedros Power Plant and Construction of the Pinhal HGP

The Cedros plant, located in the municipality of Rio dos Cedros/SC, with an installed capacity of 8.4MW, has been in operation since 1949. Studies carried out in 2010 identified the potential to expand power generation at the Cedros plant by installing a new generating unit in the existing powerhouse. Taking these studies into account, the project to expand the plant was drawn up.

In addition to identifying the possibility of expanding generation at the existing powerhouse, the same studies identified the possibility of generation at the Pinhal dam.

The Pinhal dam is part of the Cedros Power Station complex. It was built to regulate the flow of the Cedros River, providing better use for the generation of the Cedros SHPP, located downstream at the waterfall.

The results of the studies carried out at the time made no progress, given that the concessions for the power plants were coming to an end and were undefined.

In order to resume the project, in 2023 a revision of the hydrological studies and hydro-energy analyses of the complex was contracted, considering the expansion of the Cedros plant and the construction of the Pinhal HGP in accordance with current legislation and regulations and with a view to optimizing the use of water resources.

The new studies identified the feasibility of building a HGP at the Pinhal dam, with an installed capacity of 400 kW, a Kaplan-type generating unit, as well as installing a new 10.2 MW generating unit at the Cedros power station.

For 2025, the consolidation of the Basic Project is underway. The PBC will consist of drawings, calculation memoranda, hydrological studies, hydro-energy studies, descriptive memoranda, specifications and charges booklet, budget spreadsheet with cost compositions, physical-financial schedule, executive summary and project text report, among others, prepared in accordance with Eletrobras' hydroelectric plant design guidelines and other current ANEEL legislation on the subject, resulting in the approval of this new consolidated project.

e) Expansion of the Palmeiras Power Station, through the construction of the Rio Bonito HGP

The Palmeiras plant, located in the municipality of Rio dos Cedros/SC, with an installed capacity of 24.6MW, has been in operation since 1963. The Rio Bonito dam is part of the Palmeiras plant complex. It was built in 1959 to regulate the flow of the Palmeiras river, providing better use for the generation of the Palmeiras SHP, located downstream at the waterfall.

Studies carried out in 2010 identified the potential for generating energy by motorizing the flows from the dam's bottom dike. To this end, the project to expand the complex was drawn up in 2010, considering the construction of a new HGP at the Rio Bonito dam.

The results of the studies carried out at the time, considering a new plant classified as a HGP, were not satisfactory, since this model would negatively affect the operational aspects of the existing complex and would not make optimum use of the available flows.

In order to resume the project, a revision of the hydrological studies and hydro-energy analyses was contracted in 2023, taking into account the Palmeiras expansions in accordance with current legislation and regulations and with a view to optimizing the use of water resources.

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With the contracting of the consolidation of the basic project carried out in 2024, the studies carried out, detailing the project including a motorization study and the general arrangement of the project, resulted in the project having an installed capacity of 0.50 MW.

For 2025, we intend to make progress in environmental and regulatory negotiations to make the construction of the plant's expansion feasible.

4.8.2.2. New Business

a) Distributed Generation through Solar Farms

The Distributed Generation Business Plan provides for the implementation of solar photovoltaic projects to be installed in the concession area of the Celesc Group distributor.

Remote PPP DG	Location	Installed Power (MW)	Start-up
PPP Lages I	Lages/SC	1.00	02.2023
PPP Campos Novos I	Campos Novos/SC	1.00	09.2023
PPP São José do Cedro I	São José do Cedro/SC	2.50	12.2023
PPP Lages II	Lages/SC	1.00	06.2024
PPP Modelo I	Modelo/SC	2.50	09.2024
PPP Videira I	Videira/SC	1.00	10.2024
Total		9.00	

Another 5.0 MW of projects are under implementation, as shown in the table below:

Remote PPP DG	Location	Installed Capacity (MW)	Expected Start-Up	Status
PPP Capivari I	Capivari de Baixo/SC	3.00	Jun.2024	Being implemented
Modelo II and III PPP	Modelo/SC	2.00	Apr.2025	Being implemented
Total		5.00		

The priority for all the projects is to fall within the regulatory window provided for by Law No. 14.300/22, known as GD I under the terms of the regulation, which maintains the rules of the energy compensation system (one energy credit for each kWh injected into the grid) until December 31, 2045. This factor makes it possible to achieve greater profitability in the solar farm model practiced by Celesc G.

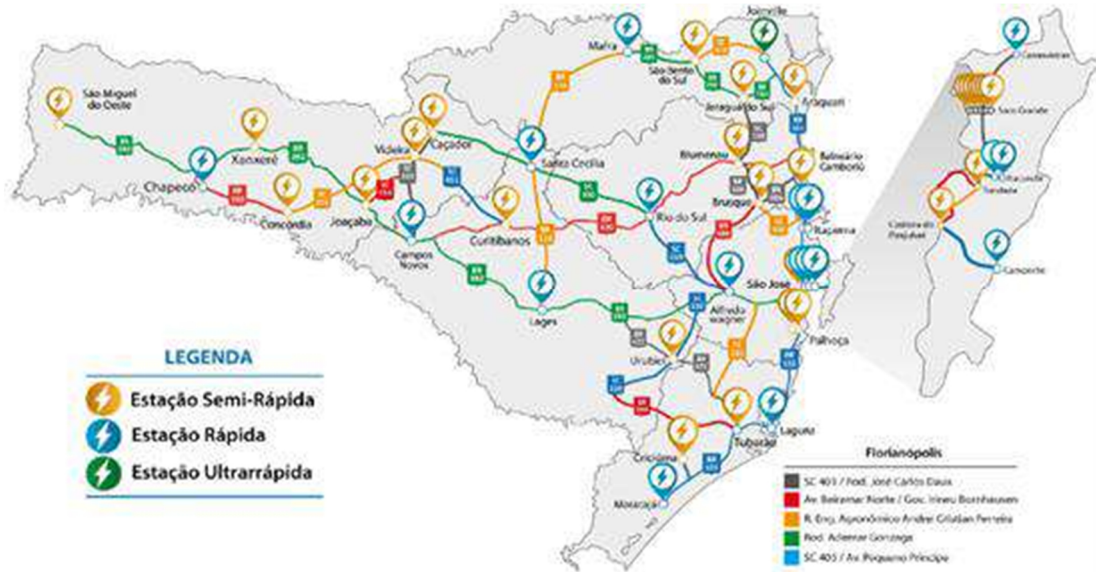
b) Expansion of the Eletroposto network

The Eletroposto Celesc project, developed by Celesc D as part of ANEEL's Research and Development (R&D) Program, represents the largest initiative to offer public recharging for electric vehicles in the state of Santa Catarina. The main results of the project, which began in 2015, were the creation of the Santa Catarina Electric Corridor, which covers more than 1,500 km of Santa Catarina's territory with electric vehicle charging stations, as well as the creation of a strategy for managing the demand for charging stations, incorporating the use of renewable energy and a business model for offering electric vehicle charging services.

The electric corridor implemented in the first phases of the project has 35 stations and should reach more than 50 stations by the end of the third stage, as shown in the figure below.

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Projection of consolidation of the Santa Catarina Electric Corridor at the end of the Celesc D R&D Project



From 2025, Celesc G will implement the expansion of the Catarinense Electric Corridor, which aims to expand the charging infrastructure for electric or hybrid vehicles in the state of Santa Catarina.

The aim of the project is to make recharging stations available in 100 different municipalities in Santa Catarina, not only along the main roads in the state, but also in areas of tourist interest. Whenever technically feasible, the aim is for the charging stations to be within 50km of each other, in order to provide safety and comfort for users of hybrid and electric vehicles in our state.

This project will have two main stages:

- 1 - Prospecting and selection of sites for the installation of recharging stations; and
- 2 - Tendering of works for the installation, operation and maintenance of recharging stations.

The investment is estimated at just over R\$5 million. The insertion of electric charging stations in the state of Santa Catarina reinforces the company's commitment to the energy transition and highlights it as a protagonist in the promotion of ecological solutions. As well as meeting the growing demand for electric vehicle charging infrastructure, the company is promoting a brand initiative as a benchmark in cutting-edge technology, strengthening its experience with consumers, investors and local partners.

4.9. Economic Environment

4.9.1. Financial Market Performance

Celesc continuously monitors changes in the economic scenario and the main indicators, such as GDP, inflation, exchange rates and interest rates, analyzing the impact of these variables on the electricity market. The exchange rate, for example, directly influences the cost of energy purchased from Itaipu. GDP is related to investments and the expansion of the energy market, while interest rates affect the cost of capital for financing and projects. Inflation affects supply costs and PMSO expenses.

The performance of the global economy in 2024 was marked by a moderation in the pace of growth, although with signs of resilience in a challenging scenario. High public indebtedness and fiscal deficits, especially in developing countries, had a significant impact on economies, with debt service costs accounting for a significant share of GDP. In addition, geopolitical tensions, such as the war in Ukraine and trade disputes between major economies, have amplified global uncertainty, affecting the appetite for long-term investments.

The industrial sector, meanwhile, showed a slow recovery, reflecting both the effects of structural changes in the economy and the still fragile global demand in areas such as manufacturing and logistics.

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The energy transition and investments in sustainable technologies have gained relevance, especially in Europe and North America, becoming pillars for creating jobs and increasing productivity. Despite the risks associated with fiscal and geopolitical instability, the scenario points to an adaptable global economy with the potential to overcome challenges and find new growth opportunities.

Brazil's GDP performance in 2024 is being projected with a more optimistic outlook, with expectations of growth close to 3.5%. This recovery reflects the upturn in economic activity, driven mainly by the services sector, which has shown resilience, as well as moderate growth in industry and the agricultural sector. The more favorable macroeconomic scenario, with inflation under control and a more balanced fiscal policy, has contributed to this positive revision of forecasts. The recovery in employment and the increase in exports are also factors that support the projections, especially with the good results in trade with important markets such as China.

However, Brazil still faces challenges that could have an impact on the economic scenario. The high interest rate, although necessary to control inflation, continues to represent an obstacle to consumption and private investment. Fiscal sustainability also remains a crucial issue, as the government needs to balance growth with control of public accounts. Continuing with reforms and maintaining a stable macroeconomic environment are essential if growth is to be consistent and translate into a more solid and lasting recovery for the Brazilian economy.

The agricultural sector performed strongly in 2024, consolidating its position as one of the main drivers of the Brazilian economy. With another record grain harvest, especially soybeans and corn, agribusiness was boosted by technological advances and investments in logistics infrastructure, which improved the flow of production. External demand, with markets such as China and the European Union standing out as the main destinations for Brazilian exports. In addition, the increase in the production of animal proteins and agro-industrialized products is helping to diversify the export agenda.

In 2024, the Broad Consumer Price Index (IPCA), the official indicator of inflation in Brazil, recorded an accumulated variation of 4.83% over the year, according to the Brazilian Institute of Geography and Statistics (IBGE). In December, the IPCA rose by 0.52%, reflecting pressure on food and drink, transportation and clothing prices, although housing costs fell. The General Market Price Index (IGP-M), calculated by the Getulio Vargas Foundation (FGV), ended 2024 with an accumulated rise of 6.54%. In December, the IGP-M registered an increase of 0.94%, slowing down compared to the previous month, when it had risen by 1.30%. This slowdown was influenced by a reduction in the wholesale prices of agricultural goods, which make up a significant part of the index.

The Selic rate ended 2024 at 12.25% per year, after a series of adjustments by the Central Bank's Monetary Policy Committee (Copom). During the first half of the year, the rate remained stable at 10.50% per year, but in the second half, Copom began a cycle of increases to contain inflationary pressures. In September, the rate was adjusted to 10.75%, followed by an increase to 11.25% in November, and finally to 12.25% in December. These changes reflect the Central Bank's strategy to balance inflation and stimulate the economy while maintaining stability.

The Regional Economic Activity Index (IBCR-SC), calculated by the Central Bank, recorded growth of 5.6% in Santa Catarina's economy between January and November 2024, surpassing the national average. This positive performance reflects the strengthening of strategic sectors such as manufacturing, retail trade and services, driven by booming industrial production and a heated labor market, with significant generation of formal jobs. The state's economic diversity and investments in infrastructure were also determining factors for this growth.

4.9.2. Capital Market Performance

Celesc's updated capital stock, subscribed and paid up on December 31, 2024, is R\$2.480 billion, represented by 38,571,591 registered shares, with no par value, of which 15,527,137 are common shares (40.26%) with voting rights and 23,044,454 are preferred shares (59.74%), also registered, with no voting rights. The preferred shares have priority in receiving dividends at a minimum rate of 25%,

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non-cumulative. The authorized capital in the Bylaws is R\$2.600 billion.

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

Shareholder	Shareholder base at 12.31.2023					
	Common Shares		Preference shares		Total	
	Quantity	%	Quantity	%	Quantity	%
State of Santa Catarina	7,791,010	50.18	191	0.00	7,791,201	20.20
EDP Energias do Brasil S.A.	5,140,868	33.11	6,390,720	27.73	11,531,588	29.90
Celesc Social Security Foundation – CELOS	1,340,474	8.63	230,800	1.00	1,571,274	4.07
Geração LPar Investment Fund	447,000	2.88	2,790,201	12.11	3,237,201	8.39
Centrais Elétricas Brasileiras – Eletrobras	4,233	0.03	4,142,774	17.98	4,147,007	10.75
Alaska Poland FIA	-	0.00	3,534,800	15.34	3,534,800	9.16
Others	803,552	5.18	5,954,968	25.84	6,758,520	17.52
Total	15,527,137	100.00	23,044,454	100.00	38,571,591	100.00
Grand Total	15,527,137	40.26	23,044,454	59.74	38,571,591	100.00

Foreign investors ended 2024 representing 0.66% of the company's total share capital, holding a total of 255,247 shares, the vast majority of which were preferred shares.

Investor Participation by Residence	Number of Shares	%
Foreign Investors	255,247	0.66%
National Investors	38,316,344	99.34%
Total	38,571,591	100.00

4.9.3. Stock Market Performance

The BOVESPA Index closed the fourth quarter of 2024 down 2.92%. The Electricity Sector Index (IEE) fell by 12.45% over the same period.

In the same period, the company's preferred shares (PN) fell by 4.89%, while its common shares (ON) rose by 3.69%.

The following table shows the closing prices on December 31, 2024 and the respective percentage changes in the Company's shares and the main market indicators:

Description	Closing		Variation %	
	12.31.2024	4TH QUA 2024	In 12 Months	
Celesc PN	79.89	-4.89%	22.25%	
Celesc ON	77.90	3.69%	26.56%	
IBOVESPA	120,283	-2.92%	-7.93%	
IEE	77,293	-12.45%	-18.60%	

Percentage changes adjusted for earnings

The market values of the Company's shares on December 31, 2024, as shown above, are: R\$ 79.89 (seventy-nine reais and eighty-nine cents) for each preferred share - PN (CLSC4) and R\$ 77.90 (seventy-seven reais and ninety cents) for each common share - ON (CLSC3).

The shares held by the controlling shareholder, directors and members of the Audit Board on December 31, 2024 are shown in the table below:

Shareholder	ON Shares		PN Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Controller*	9,229,660	59.44	234,305	1.02	9,463,965	24.54
Executive Board	0	0.00	22	0.00	22	0.00
Other Shareholders	6,297,477	40.56	22,810,127	98.98	29,107,604	75.46
Total	15,527,137	100.00	23,044,454	100.00	38,571,591	100.00

* Government of the State of Santa Catarina, CELOS, INVESC and the Planning and General Coordination Office.

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4.10. Investor Relations

In 2024, Celesc's Investor Relations team maintained its positive agenda of presentations to the capital markets by holding public and private meetings with shareholders, investors, market analysts and the specialized press.

Meetings were held with analysts and representatives of some of the country's main investment banks, as well as a presentation to the Association of Capital Market Investment Analysts and Professionals - APIMEC, held on September 3 in São Paulo - SP.

On Celesc's IR website (www.celesc.com.br/ri), all the documents filed with the regulatory bodies (CVM, B3 and ANEEL) are available for consultation, as well as other financial information, earnings releases, operating performance, dividend history, presentations made, the agenda and calendar of corporate events, material facts and announcements to the market, as well as sustainability reports in the GRI standard, the company's Social Balance Sheet, among other information.

5. INDEPENDENT AUDITORS

In accordance with the provisions of CVM Resolution No. 162 of July 13, 2022, Celesc informs that the Independent Auditor did not provide any services other than those strictly related to the external audit activity.

6. ACKNOWLEDGMENTS

We would like to thank the members of the Board of Directors, the Statutory Audit Committee and the Audit Board for their support in debating and dealing with the most important issues. We would also like to acknowledge the dedication and commitment of the staff, as well as all the others who, directly or indirectly, contributed to the fulfillment of Celesc's mission.

Florianópolis, March 28, 2025.

Management

Explanatory Notes

PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

Comentado [BA1]: Formatação dos quadros

STATEMENT OF FINANCIAL POSITION - ASSETS

Fiscal years ended December 31, 2024 and 2023 (in thousands of Brazilian reais)

Assets	NE	Parent Company		Consolidated	
		12.31.2024	12.31.2023	12.31.2024	12.31.2023
Current		400,340	343,407	3,898,270	3,409,987
Cash and Cash Equivalents	8	96,878	56,671	1,019,482	906,196
Trade Receivables	9	-	-	2,238,333	1,952,160
Inventory	10	-	-	21,432	23,270
Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) to be recovered	11	71,041	61,925	110,766	94,572
Other Taxes Recoverable	11	-	-	195,932	173,012
Dividends and Interest on Equity - IOE	12.1	231,959	224,298	14,807	9,667
Financial Assets - Grant Bonus	13.2	-	-	43,449	41,569
Financial Assets - Pery Power Plant	14.3	-	-	19,039	18,215
Indemnification					
Other	12.2	462	513	235,030	191,326
Non-current		3,537,770	2,857,432	9,139,488	8,892,274
Long-term assets		101,148	98,561	3,684,457	3,600,036
Marketable Securities		208	208	208	208
Trade Receivables	9	-	-	4,491	25,307
Deferred Taxes	17	-	-	659,034	854,645
Taxes Recoverable	11	-	-	368,709	473,524
Court Deposits	27	100,940	98,353	439,879	421,346
Indemnifiable Financial Assets - Concession	14	-	-	948,715	778,341
Sectoral Financial Assets	13.1	-	-	-	94,538
Financial Assets - Grant Bonus	13.2	-	-	329,418	317,792
Financial Assets - Pery Power Plant	14.3	-	-	149,731	144,366
Indemnification					
Contract Assets	15	-	-	771,357	486,893
Other	12.2	-	-	12,915	3,076
Investments	18	3,433,492	2,755,000	382,859	388,828
PP&E	19	197	436	210,394	193,249
Intangible Assets	20	2,933	3,435	4,861,778	4,710,161
Total Assets		3,938,110	3,200,839	13,037,758	12,302,261

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

Explanatory Notes

STATEMENT OF FINANCIAL POSITION -
LIABILITIES

Fiscal years ended December 31, 2024 and 2023 (in
thousands of Brazilian reais)

Liability	NE	12.31.2024	Parent Company 12.31.2023	12.31.2024	Consolidated 12.31.2023
Current		236,887	235,342	3,049,785	3,730,676
Suppliers	21	1,502	1,438	992,713	1,089,092
Loans and Financing	22	-	-	213,853	356,136
Debentures	23	-	-	202,251	166,193
Derivative Financial Instruments	24	-	-	70,230	-
Labor and Social Security Obligations	25	2,165	1,820	217,785	224,899
IRPJ and CSLL Payable	26	82	1,692	2,818	26,676
Other Taxes Payable	26	18,852	17,460	274,579	280,071
Dividends and interest on equity declared	31.3	212,754	211,329	212,754	211,329
Regulatory Fees	27	-	-	23,278	73,509
Lease liabilities	19	208	233	2,140	10,836
Employee Benefits	29	-	-	167,661	272,597
Sectoral Financial Liabilities	13	-	-	388,599	903,863
PIS/COFINS to be Refunded to Consumers	30	-	-	46,811	7,596
Other	12.2	1,324	1,370	234,313	107,879
Non-current		29,944	32,930	6,316,694	5,639,018
Taxes Payable	26	-	-	17,096	-
Loans and Financing	22	-	-	1,765,532	1,618,529
Debentures	23	-	-	2,021,371	1,030,413
Labor and Social Security Obligations	25	-	-	8,969	27,899
Deferred Taxes	17	-	-	108,460	98,092
Regulatory Fees	27	-	-	78,661	84,045
Lease liabilities	19	-	208	3,838	6,195
Provision for Contingencies	28	29,944	32,722	456,497	517,468
Employee Benefits	29	-	-	1,508,838	1,923,225
PIS/COFINS to be Refunded to Consumers	30	-	-	326,032	333,152
Sectoral Financial Liabilities	13	-	-	21,400	-
Equity	31	3,671,279	2,932,567	3,671,279	2,932,567
Share Capital	31.1	2,480,000	2,480,000	2,480,000	2,480,000
Capital reserves	31.2	316	316	316	316
Profit Reserves	31.2	2,273,648	1,865,645	2,273,648	1,865,645
Asset Valuation Adjustment	31.4	(1,159,975)	(1,414,647)	(1,159,975)	(1,414,647)
Additional Dividends Available to the AGM	31.3	77,290	1,253	77,290	1,253
Total Liabilities		3,938,110	3,200,839	13,037,758	12,302,261

Comentado [BA2]: Ajustar a casa de milhares:
2,273,648

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

Explanatory Notes

INCOME STATEMENTS

Fiscal years ended December 31, 2024 and 2023 (in thousands of Brazilian reais)

Description	NE	12.31.2024	Parent Company 12.31.2023	12.31.2024	Consolidated 12.31.2023
Net Operating Income - NOI	32	-	-	10,658,858	10,402,608
Cost of Sales / Services Rendered	32	-	-	(8,852,978)	(8,745,056)
Gross Profit		-	-	1,805,880	1,657,552
Operational Expenses		721,509	557,704	(586,089)	(832,449)
Selling Expenses	32	-	-	(120,983)	(124,492)
Estimated Loss on Doubtful Accounts	32	-	-	(194,010)	(93,920)
General and Administrative Expenses	32	(34,819)	(29,529)	(640,273)	(650,898)
Other Revenues	32	12,562	16,915	395,725	321,032
Other Expenses	32	(2,819)	(9,911)	(92,113)	(341,292)
Equity Pickup of investees, Net of Taxes	18	746,585	580,229	65,565	57,121
Result Before Financial Result		721,509	557,704	1,219,791	825,103
Financial Result	32	(6,203)	1,145	(287,364)	(141,788)
Income Before IRPJ and CSLL		715,306	558,849	932,427	683,315
IRPJ and CSLL	17	496	(1,815)	(216,625)	(126,281)
Current		(422)	(1,815)	(169,150)	(131,541)
Deferred		918	-	(47,475)	5,260
Net Income for the Year		715,802	557,034	715,802	557,034
Earnings per Share Attributable to the Company's Shareholders During the Year (expressed in R\$ per share)					
Basic earnings per share	31				
Registered Common Shares		17.5115	13.6274		
Registered Preferred Shares		19.2627	14.9901		
Diluted earnings per share	31				
Registered Common Shares		17.5115	13.6274		
Registered Preferred Shares		19.2627	14.9901		

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

Explanatory Notes

STATEMENTS OF COMPREHENSIVE INCOME

Fiscal years ended December 31, 2024 and 2023 (in thousands of Brazilian reais)

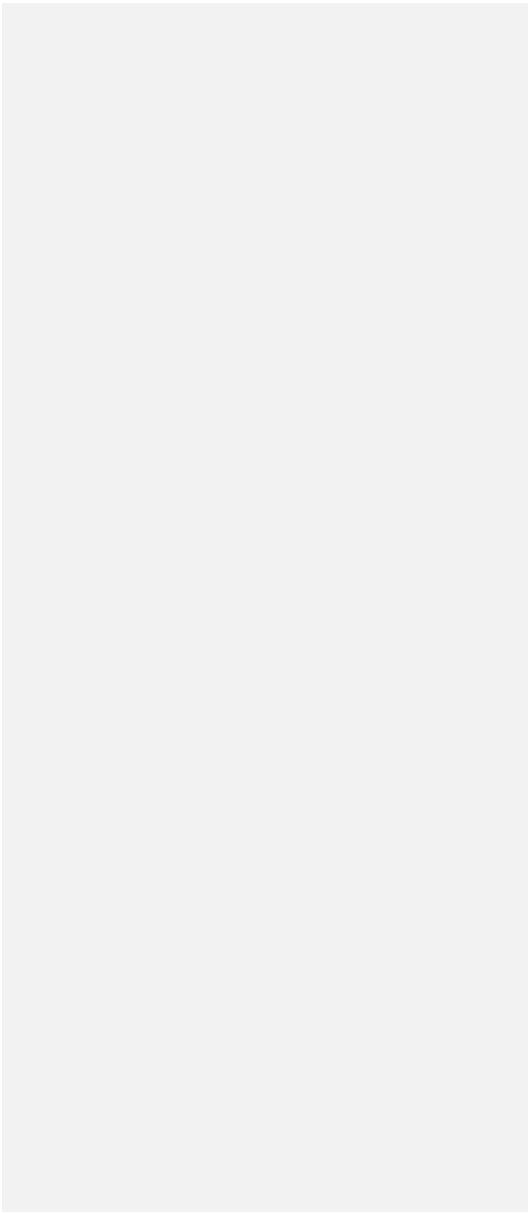
Description	NE	Parent Company		Consolidated	
		12.31.2024	12.31.2023	12.31.2024	12.31.2023
Net Income for the Year	30	715,802	557,034	715,802	557,034
Other Comprehensive Income (OCI)		255,227	(255,232)	255,227	(255,232)
Items that will not be reclassified to the income statement					
Remeasurement of Defined Benefit Liabilities, Net of Taxes		255,227	(255,232)	255,227	(255,232)
Comprehensive Income for the Year		971,029	301,802	971,029	301,802

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

STATEMENTS OF CHANGES IN EQUITY
Fiscal years ended December 31, 2024 and 2023 (in
thousands of Brazilian reais)

		Reserves		Dividends		Asset Valuation Adjustment					
Description		Share Capital	Capital Reserve	Legal Reserve	Profit Retention	Additional Available at AGM	Allocated Cost	Employee Benefits	Fair Amount Adjustment	Retained Earnings	Total
12.31.2022	NE	2,480,000	316	251,495	1,287,330	22,874	13,470	(1,035,048)	(137,261)	-	2,883,176
Capital Transactions with Shareholders											
Reversal of Prescribed Dividends and Interest on Equity		-	-	-	98	-	-	-	-	-	98
Dividends	30.3	-	-	-	-	(22,874)	-	-	-	-	(22,874)
Interest on Equity	30.3	-	-	-	-	-	-	-	-	(229,635)	(229,635)
Comprehensive Income											
Total											
Net Income for the Year	32	-	-	-	-	-	-	-	-	557,034	557,034
Realization or the Allocated Cost	30.4	-	-	-	-	-	(576)	-	-	576	-
Valuation Adjustment											
Employee Benefits											
Net of Taxes	30.4	-	-	-	-	-	-	(255,232)	-	-	(255,232)
Internal changes in equity											
Creation of Reserves	30.3	-	-	27,852	298,870	1,253	-	-	-	(327,975)	-
12.31.2023		2,480,000	316	279,347	1,586,298	1,253	12,894	(1,290,280)	(137,261)	-	2,932,567
Capital Transactions with Shareholders											
Reversal of Prescribed Dividends and Interest on Equity		-	-	-	175	-	-	-	-	-	175
Dividends	30.3	-	-	-	-	(1,253)	-	-	-	-	(1,253)
Interest on Equity	30.3	-	-	-	-	-	-	-	-	(231,239)	(231,239)
Comprehensive Income											
Total											
Net Income for the Year	32	-	-	-	-	-	-	-	-	715,802	715,802
Realization or the Allocated Cost	30.4	-	-	-	-	-	(555)	-	-	555	-
Valuation Adjustment											
Employee Benefits											
Net of Taxes	30.4	-	-	-	-	-	-	255,227	-	-	255,227
Internal changes in equity											
Creation of Reserves	30.3	-	-	35,789	372,039	77,290	-	-	-	(485,118)	-
12.31.2024		2,480,000	316	315,136	1,928,512	77,290	12,339	(1,035,053)	(137,261)	-	3,671,279

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



Explanatory Notes

CASH FLOW STATEMENTS - INDIRECT METHOD

Fiscal years ended December 31, 2024 and 2023 (in thousands of Brazilian reais)

		Parent Company		Consolidated	
Cash Flows from Operating Activities	NE	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Net Income for the Year		715,802	557,034	715,802	557,034
Adjustments to reconcile profit with cash (Used in)					
Generated by operating activities		(754,347)	(591,906)	1,210,300	1,060,330
Depreciation and Amortization	19	2,210	2,223	347,416	314,601
Loss on disposal of PP&E/Intangible Assets	19	-	-	79,952	56,721
Equity Pickup of investees, Net of Taxes	18	(746,585)	(580,229)	(65,565)	(57,121)
Updating Financial Assets - NRV	14	-	-	(30,020)	(20,586)
Write-off of Indemnification Financial Assets - Concession	14	-	-	1,849	1,111
Interest and Monetary Variations		(3,604)	(15,558)	503,397	443,974
Constitution (Reversal) Provision for Contingencies		(5,872)	(157)	(104,743)	34,990
Constitution (Reversal) of Recognition of Impairment	19	-	-	(1,742)	332
Actuarial Expenses	29	-	-	143,173	145,446
PIS/COFINS Credit Depreciation Right-of-Use Assets		-	-	-	-
Disposals of Right of Use Assets and Lease Liabilities	19	-	-	652	1,013
Net		-	-	-	-
Derivative Financial Instruments/Mark-to-Market		-	-	(48)	(14)
Estimated Losses on Doubtful Accounts		-	-	-	-
Update/Interest Return/Grant Bonus/Ind. Pery Power Plant	24	-	-	9,384	-
Income Tax and Social Contribution Expenses		(496)	1,815	216,625	126,281
(Increase)/ Decrease in Assets		(4,928)	(15,378)	(325,363)	607,221
Accounts Receivable		-	-	(453,043)	(278,563)
Taxes Recoverable		(9,116)	(17,594)	63,221	482,910
Court Deposits		4,137	2,056	9,925	43,054
Inventory		-	-	1,838	(3,251)
Financial Assets (Sectorial, Grant Bonus)		-	-	112,563	390,317
CDE subsidy (Decree 7,891/2013)		-	-	1,623	(4,007)
Other Changes in Assets		51	160	(61,490)	(23,239)
Increase / (Decrease) in Liabilities		(18,814)	(32,873)	(782,397)	(1,396,888)
Suppliers		64	538	(96,379)	72,579
Labor and Social Security Obligations		345	282	(26,044)	(25,282)
Taxes Payable		(19,177)	(33,668)	8,951	(92,336)
Sectorial Financial Liabilities		-	-	(447,544)	(196,062)
Regulatory Fees		-	-	(65,340)	(17,824)
PIS/COFINS to be Refunded to Consumers		-	-	1,153	(848,880)
Employee Benefits		-	-	(283,628)	(259,252)
Other Changes in Liabilities		(46)	(25)	126,434	(29,831)
Interest Paid	23.7	(26)	(23)	(356,279)	(335,933)
IR and CSLL Paid		(68)	(3,009)	(180,373)	(41,470)
Net Cash Flow from (Used in) Operating Activities		(62,381)	(86,155)	281,690	450,294
Net Cash Flow from (Used in) Investing Activities					
PP&E Additions	19	-	-	(34,244)	(53,162)
Contract Asset Additions	15	-	-	(985,735)	(997,355)
Intangible Assets Additions	20	-	-	-	(24)
Capital Payment	18.2	-	-	-	(152)
Dividends and interest on equity received		314,190	274,340	64,925	41,011
Net Cash Flow from (Used in) Investing Activities		314,190	274,340	(955,054)	(1,009,682)
Cash Flows from Financing Activities					
Payment of Loans and Financing	23	-	-	(67,966)	(203,259)
Income from Loans and Financing	23	-	-	72,809	337,655
Inflow of Debentures	23	-	-	1,165,608	787,094
Payment of Debentures	23	-	-	(159,767)	(206,510)
Payment of Derivatives	24	-	-	(1,401)	-
Payment of IOE and Dividends		(211,369)	(179,469)	(211,369)	(179,469)
Lease Payment Liabilities	19	(233)	(250)	(11,264)	(10,611)
Net Cash Provided by (Used in) Financing Activities		(211,602)	(179,719)	786,650	524,900
Net Increase (Decrease) in Cash and Cash Equivalents		40,207	8,466	113,286	(34,488)
Opening Balance of Cash and Cash Equivalents	8	56,671	48,205	906,196	940,684
Closing Balance of Cash and Cash Equivalents	8	96,878	56,671	1,019,482	906,196
Change in Cash and Cash Equivalents		40,207	8,466	113,286	(34,488)

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

Explanatory Notes

AMOUNT ADDED STATEMENTS

Fiscal years ended December 31, 2024 and 2023 (in thousands of Brazilian reais)

Description	NE	Parent Company		Consolidated	
		12.31.2024	12.31.2023	12.31.2024	12.31.2023 Reclassified
Revenues	32	22,403	22,689	16,675,384	16,110,892
Revenue from Customer Contracts		-	-	15,421,505	14,795,825
Revenues from the Construction of Own Assets		-	-	1,019,979	1,050,541
Other Revenues		22,403	22,689	427,910	358,446
Estimated Losses on Doubtful Accounts - ECL		-	-	(194,010)	(93,920)
Inputs Purchased from Third Parties	32	(16,220)	(18,443)	(9,053,030)	(9,318,797)
Cost of Products, Goods and of Services Sold		-	-	(7,572,022)	(7,527,519)
Materials, Energy, Third Party Services		(16,220)	(18,443)	(1,482,750)	(1,790,946)
Losses/Recovery of Assets		-	-	1,742	(332)
Gross Amount Added		6,183	4,246	7,622,354	6,792,095
Depreciation, Amortization		(2,210)	(2,223)	(348,071)	(315,613)
Net amount added produced		(3,973)	(2,023)	(7,274,283)	(6,476,482)
Amount Added Received in Transfer		770,800	614,110	519,263	795,390
Equity Pickup	18	746,585	580,229	65,565	57,121
Financial Revenues	32	17,775	31,217	446,845	735,161
Other Revenues		6,440	2,664	6,853	3,108
Total Amount Added to be Distributed		774,773	616,133	7,793,546	7,271,872
Distribution of Amount Added					
Personnel	25	(20,660)	(19,189)	(887,738)	(867,582)
Direct Compensation		(18,865)	(17,556)	(560,278)	(549,123)
Benefits		(818)	(700)	(292,598)	(283,348)
FGTS		(977)	(933)	(34,862)	(35,111)
Taxes, Fees, and Contributions	26	(33,170)	(32,348)	(5,450,550)	(5,009,732)
Federal		(31,819)	(30,978)	(3,272,346)	(3,006,182)
State		-	-	(2,172,166)	(1,997,735)
Municipalities		(1,351)	(1,370)	(6,038)	(5,815)
Capital Remuneration of Third	32	(5,141)	(7,562)	(739,456)	(837,524)
Interest		(5,115)	(7,539)	(730,769)	(829,111)
Rentals		(26)	(23)	(8,687)	(8,413)
Return of Equity	31	(715,802)	(557,034)	(715,802)	(557,034)
Interest on Equity - IOE		(231,239)	(229,635)	(231,239)	(229,635)
Retained Earnings for the Year		(484,563)	(327,399)	(484,563)	(327,399)
Amount Added Distributed		(774,773)	(616,133)	(7,793,546)	(7,271,872)

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

Explanatory Notes

EXPLANATORY NOTES TO THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

Fiscal years ended December 31, 2024 and 2023
(Amounts expressed in thousands of reais, unless otherwise indicated)

1. OPERATIONAL CONTEXT

Centrais Elétricas de Santa Catarina S.A. (Celesc, Company or Parent Company, and together with its wholly-owned subsidiaries, the Group) is a publicly-held, mixed-capital company with its head office at Avenida Itamarati, nº 160, bairro Itacorubi, CEP: 88.034-900, Florianópolis/SC, Brazil.

It was founded by the State Decree 22 on December 9, 1955. On July 22, 1999, Concession Contract 56 was signed for the distribution of electricity, which regulated the operation of public electricity distribution services and was valid until July 7, 2015.

On September 29, 2006, with the process of de-verticalization, the activities of energy distribution and generation were passed on to its subsidiaries Celesc Distribuição Celesc Geração, respectively, which were set up as private limited companies, as authorized by Santa Catarina State Law 13,570/2005.

Its shares are traded on Level 2 of Corporate Governance at B3 S.A. - Brasil, Bolsa, Balcão, in São Paulo.

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

Celesc's main activities, together with those of its subsidiaries and affiliates, are the distribution, generation, transmission and retail and wholesale sale of electricity.

2. EQUITY INTERESTS

2.1. Wholly-Owned Subsidiaries

2.1.1. Celesc Distribuição S.A. – Celesc D

On December 9, 2015, Celesc D signed the 5th Amendment to Concession Contract 56/99, extending the concession for another 30 years, until 2045.

Celesc D, a wholly-owned subsidiary of the Company, operates in the electricity distribution segment, serving all or part of 285 municipalities, with a total of 3,465,509 consumer units. Of these, 264 municipalities are included in the distributor's concession contract (263 in Santa Catarina and 1 in Paraná), while 21 municipalities are served on a precarious basis, located in the concession areas of other distributors (17 in Santa Catarina and 4 in Paraná). Precarious service is provided, according to ANEEL regulations, for reasons of technical and economic convenience, due to the lack of a network from the incumbent concessionaire.

In addition, Celesc D is responsible for supplying electricity to 4 distribution concessionaires and 20 permissionaires, which operate in municipalities in Santa Catarina not served by Celesc D.

2.1.1.1. Celesc D's Regulatory Environment

The electricity sector in Brazil is regulated by the Federal Government, acting through the Ministry of Mines and Energy - MME, which has exclusive authority over the electricity sector. The regulatory policy for the sector is defined by the Brazilian Electricity Regulatory Agency - ANEEL.

Explanatory Notes

a) Annual Tariff Adjustment - RTA for 2023

ANEEL, through Homologatory Resolution 3,244 and Technical Note 78/2023-STR/ANEEL, authorized the amount of the tariff adjustment to be practiced by the subsidiary Celesc D, from August 22, 2023 until August 21, 2024. In the 2023 tariff adjustment, the average effect perceived by consumers was 2.30%.

b) Annual Tariff Adjustment - RTA for 2024

ANEEL, through Homologatory Resolution 3,374/2024 and Technical Note 126/2024 -STR/ANEEL, authorized the amount of the tariff adjustment to be practiced by the subsidiary Celesc D, from August 22, 2024 until August 21, 2025.

In the Tariff Adjustment process, ANEEL considers the costs associated with providing the service, energy transmission costs and sector charges. These items in the adjustment are part of Parcel A, which the company does not manage and only passes on the costs already incurred and projected by the Regulatory Agency. Parcel B, on the other hand, reflects the amount available to fund its operations and make the necessary investments in its distribution network.

Celesc D's 2024 RTA leads to an average effect on tariffs to be perceived by consumers of 3.02%, with an average of 0.75% for consumers connected to High Voltage and 4.19% for consumers connected to Low Voltage.

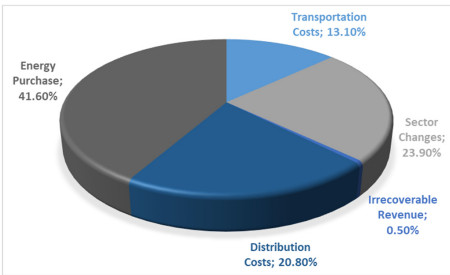
The average effect is 3.02% results from:
(i) the readjustment of Parcel A and B cost items, calculated as established in PRORET, for the formation of the Required Revenue;
(ii) the inclusion of the financial components calculated in the current tariff adjustment for compensation in the following 12 months; and
(iii) the withdrawal of the financial components established in the previous tariff process, which were in force until the date of the readjustment in process.

In the composition of Net Revenue, Parcel A (Non-Manageable Costs) accounts for 79.20% and Parcel B (Manageable Costs) for 20.8%.

The following table details the composition of the tariff adjustment items.

Participation in the 2024 Tariff Adjustment (ANEEL Homologatory Resolution 3,374/2024)		
Parcel A	Sector Charges	-1.21%
	Transmission Costs	-2.72%
	Energy Purchase	0.78%
	Irrecoverable Revenue	0.03%
	Total Parcel A	-3.12%
Parcel B	Total Parcel B	0.55%
Economic Readjustment (IRT), considering tariff variation from RTE		-2.57%
Financial Components of the Current Process		-1.07%
Removal of Financial Components from the Previous Process		6.66%
Average effect to be perceived by consumers		3.02%

The following graph shows the participation of items from Parcels A and B in the composition of Celesc D's new Annual Revenue.



Explanatory Notes

c) Tariff flags

The tariff flag system, established by Aneel Regulatory Resolution 547/2013 and in force since 2015, signals possible increases in the energy bill according to the conditions of electricity generation, making it possible to adjust the costs of energy generation dynamically, unlike previously, when these costs were only passed on in annual adjustments. The aim is to make consumers aware of the rational use of natural resources.

In 2024, the green flag was activated from January to June, followed by the yellow flag in July, returning to green in August and activating red level 1 in September. The amounts passed on to Celesc D totaled R\$76.9 million. In March 2024, ANEEL approved significant reductions in flag tariffs, due to a favorable hydrological scenario and the supply of renewable energy, with the yellow flag reduced by almost 37% and red level 1 by 31.3%.

d) Itaipu Bonus

ANEEL approved, by means of Homologatory Resolution 3,093 of 2022, the deferral of payments from distributors to ENBpar related to Itaipu's contracted power, with a view to tariff modicity. In 2021, the Itaipu Commercialization Account had a positive balance of R\$947.8 million, used to reduce tariffs in 2022. Celesc D received R\$239.5 million of this balance, resulting in a tariff reduction of 2.47%. The recomposition of the amounts to the Commercialization Account, initially scheduled for 2024, was brought forward to 2023, with an updated sectoral financial liability of R\$271.23 million, whose monthly quotas were set for the 12 months after the August 2023 tariff process, ending in August 2024.

e) 2014 Contractual Exposure - ANEEL Orders 2,642/2015 and 2,078/2016

Celesc D filed a lawsuit to challenge ANEEL Order 2,078/2016, seeking full recognition of contractual energy exposures as involuntary and, at the same time, requested the granting of a preliminary injunction requesting the suspension of a tariff reduction of R\$256.6 million, scheduled for the August 2016 Periodic Tariff Review. In 2019, the ruling was unfavorable to Celesc D, which appealed to the lower court.

The legal dispute is still ongoing, awaiting a decision on the merits by the judges. However, Celesc D has already deferred the return of the amounts in the annual tariff adjustment processes from 2019 to 2023.

2.1.2. Celesc Geração S.A. – Celesc G

Celesc G is a wholly-owned subsidiary of the company and operates in the electricity generation and transmission segments, through the operation, maintenance, sale and expansion of its own generation facilities and participation in generation and transmission projects in partnerships with private investors.

2.1.2.1. Celesc G's Regulatory Environment

a) Readjustment of the Annual Generation Revenue - RAG

On July 23, 2024, ANEEL, by means of Homologatory Resolution 3,353, approved the Annual Generation Revenues - RAGs of the hydroelectric plants under the quota regime for the 2024/2025 cycle, under the terms of Federal Law 12,783/2013. The new RAG is effective from July 1, 2024 to June 30, 2025.

In the RAG to be received by HPP Pery, R\$19.98 million refers to compensation for the portion of investments in non-depreciated reversible assets.

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

Explanatory Notes

Plants	Annual Revenue R\$ Thousand		Monthly Revenue R\$ Thousand	
	Cycle 2024/2025	Cycle 2023/2024	Cycle 2024/2025	Cycle 2023/2024
Pery HPP	28,643	27,779	2,387	2,315
Garcia HPP	13,512	12,773	1,126	1,064
Bracinho HPP	17,446	16,405	1,454	1,367
Cedros HPP	12,264	11,766	1,022	980
Palmeiras HPP	26,121	25,010	2,177	2,084
Salto HPP	8,884	8,343	740	695

2.1.2.2. Celesc G Generating Park

On December 31, 2024, Celesc G has its own generating park made up of thirteen hydroelectric plants, twelve of which are in commercial operation and one in test operation. It also has six solar photovoltaic projects in commercial operation under the Remote Distributed Generation model. All are located in the state of Santa Catarina. All are located in the state of Santa Catarina.

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

Celesc G's total installed capacity, in commercial operation, is 136.51MW, of which 124.27MW is its own, of which 116.27MW is from hydroelectric sources and 9MW from solar sources, and 11.24MW is from the generator park established with partners, already proportionalized to Celesc G's shareholding in these ventures.

Celesc G also has a Generation Operation Centre - COG, which is responsible for the supervision, monitoring and centralized and remote operation of Celesc G's generating plants. The COG operates and supervises the entire generating plant, in shifts that cover 24 hours a day, seven days a week.

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

(a) Own Generating Park in Commercial Operation - 100% Celesc G

Plants	Location	End of Concession	Power Installed	Physical	Physical Guarantee in Quotas
			(MW)	(MW)	
Pery HPP	Curitibanos/SC	07/07/2054	30.00	14.08	100%
Palmeiras HPP	Rio dos Cedros/SC	11/06/2053	24.60	16.70	70%
Bracinho HPP	Schroeder/SC	11/06/2053	15.00	8.80	70%
Garcia HPP	Angelina/SC	01/03/2053	8.92	7.10	70%
Cedros HPP	Rio dos Cedros/SC	11/06/2053	8.40	6.75	70%
Salto Weissbach HPP	Blumenau/SC	11/06/2053	6.28	3.99	70%
Celso Ramos SHPP	Faxinal dos Guedes/SC	05/31/2039	13.92	6.77	(**)
Caveiras HGP	Lages/SC	(*)	3.83	2.77	(**)
Ivo Silveira HGP	Campos Novos/SC	(*)	2.60	2.03	(**)
Rio do Peixe HGP	Videira/SC	(*)	0.52	0.50	(**)
Pirai HGP	Joinville/SC	(*)	0.78	0.45	(**)
São Lourenço HGP	Mafrá/SC	(*)	0.42	0.22	(**)
Maruim HGP	São José/SC	(*)	1.00	0.65	(**)

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

Explanatory Notes

b) Photovoltaic Solar Generating Park - 100% Celesc G

Remote PPP DG	Location	Entry into Commercial Operation	Installed Capacity (MW)
Lages I PPP	Lages/SC	Feb/2023	1.00
Campos Novos PPP	Campos Novos/SC	Sep/2023	1.00
São José do Cedro PPP	São José do Cedro/SC	Dec/2023	2.50
Lages II PPP	Lages/SC	Jun/2024	1.00
Modelo PPP	Modelo/SC	Sep/2024	2.50
Videira PPP	Videira/SC	Oct/2024	1.00
Total			9.00

c) Water Source Generating Park with Minority Participation

The results of Celesc G's stakes in other ventures are accounted for in the Group through equity accounting.

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

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

d) Transmission

Celesc G has an equity stake in an electricity transmission project, accounted for in the Group through equity accounting.

EDP Transmissão Aliança SC is a partnership between Celesc G (10%) and EDP Energias do Brasil (90%), formed following the success of Transmission Auction 05/2016, held in April 2017, containing five stretches of 230 and 525kV transmission lines and a 525/230kV substation, as shown in the table below:

Enterprise	Location	End of Concession	Transformer Power (MVA)	Transmission Lines (km)	Participation Celesc G
EDP - Transmissão Aliança SC	SC	08/11/2047	1,344	433	10.0%

The Annual Permitted Revenue (RAP) for this concession for the 2024/2025 cycle, as of June 1, 2024, under the terms of Homologatory Resolution 3,348/2024, was set at R\$256.65 million.

Explanatory Notes

2.2. Other Stakes in the Parent Company

Investments	Classification	Description	Recognition	Participation
Companhia de Gás de Santa Catarina S.A. – SCGÁS	Joint Venture	Concession to operate natural gas distribution services. It has a contract signed on March 28, 1994 with	17% Equity.	
		50-year term (2044).		
Empresa Catarinense de Transmissão de Energia S.A. – ECTE	Affiliates	Concession to operate transmission lines. It has an electricity transmission Concession Agreement 088/2000, with a	Equity Pickup	30.88%
		30-year term (2030).		
Dona Francisca Energética S.A – DFESA	Affiliate	Independent electricity producer. It has Concession Agreement 188/98, with a	Equity Pickup	23.03%
		39-year term (2037).		
Companhia Catarinense de Água e Saneamento – Casan	Asset Instrument	Joint-stock company, controlled by the Government of the State of Santa Catarina, for the operation of supply services of sanitary sewage and	Fair Value Through Other Comprehensive Income – FVTOCI.	9.86%
		drinking water.		

3. PREPARATION BASE

The bases of preparation applied in these Individual and Consolidated Financial Statements in accordance with Brazilian accounting practices and IFRS are described below:

3.1. Declaration of Conformity

The Individual and Consolidated Financial Statements have been prepared and are being presented in accordance with the accounting practices adopted in Brazil and with the international accounting standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

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

Management affirms that all relevant information specific to the Financial Statements, and only this information, is being disclosed, and that it corresponds to the information used by management.

This Financial Statement was approved by the Company's Board of Directors on March 27, 2025. This information complies with the requirement of item 17 of Technical Pronouncement CPC 24, which deals with subsequent events and is in Exhibit "A" of CVM Resolution 105 of May 20, 2022.

3.2. Functional Currency and Presentation Currency

The Individual and Consolidated Financial Statements in IFRS and BRGAAP are presented in Brazilian reais, which is the functional currency of all the Group's entities, and all amounts are rounded to thousands of reais, unless otherwise indicated.

3.3. Critical Accounting Estimates and Judgments

In preparing these individual and consolidated financial statements, management used judgments, estimates and assumptions that influence the application of the accounting policies of Celesc and its subsidiaries. Actual results may differ from these estimates, which are continually revised. Revisions to estimates are recognized prospectively. Accounting estimates and judgments are based on historical experience and other factors, including expectations of future events, considered reasonable in the circumstances.

Explanatory Notes

Information on judgments made in applying accounting policies that have a significant effect on the amounts recognized in the financial statements is included in the following notes:

- NE 4.3 – Basis of consolidation: determining whether you have control and significant influence over an investee;
- NE 6 – Financial instruments: definition of the category of financial instruments;
- NE 19 – PP&E: forecasting the useful life of assets;
- NE 19.4 – Lease term: whether the Group is reasonably certain to exercise extension options;
- NE 20 – Intangible Assets: forecasting the useful life of assets;
- NE 27 – Contingencies: defining the degree of risk.

Accounting estimates are re-evaluated on an ongoing basis and changed when there is evidence of best practice impacting on measurements, and are recognized on a prospective basis. Information on uncertainties related to assumptions and estimates at the reporting date that have a significant risk of resulting in a material adjustment to the accounting balances of assets and liabilities in the next fiscal year is included in the following notes:

- NE 6 – Financial instruments: forecasting inflows and outflows in the cash flow;
- NE 9.2 – Estimated Losses on Doubtful Accounts – ECL: estimate of amounts that will not be received and the main assumptions in determining the weighted average loss rate;
- NE 13.1 – Sectoral Financial Assets/Liabilities: forecast of amounts to be included in the tariff adjustment/revision processes;
- NE 13.2 – Financial Assets – Grant Bonus: cash flow forecast for the next cycles based on the Annual Generation Revenue – RAG;
- NE 14.1 – Indemnifiable Financial Assets – Celesc D: forecast of cash flows and the indemnifiable balance at the end of the Concession Agreement;
- NE 14.3 – Indemnifiable Financial Assets – Celesc G: forecast of cash flows and the indemnifiable balance of assets not fully depreciated at the end of the Concession Agreements;
- NE 15 – Contract Assets: allocation of costs, performance obligations and cash flow forecasts;
- NE 17.2 – Realization of Deferred Tax Assets: availability of future taxable income against which deductible temporary differences and tax losses can be used;
- NE 17.7 – Uncertainty over the Treatment of Taxes on Profit – uncertainty over tax treatment and the determination of taxable profit;
- NE 19 – Fixed assets: depreciation rate and useful life of assets;
- NEs 19.2 – Impairment of Non-Financial Assets: definition of assumptions, discount rate and cash flow forecast;
- NE 19.4 – Lease term: definition of discount rates and reasonable certainty of exercising extension options;
- NE 20 – Intangible Assets: cash flow projections, useful life forecasts and amortization rates;
- NE 24 – Derivative financial instruments: the assumptions are based on the mark-to-market conditions existing on the balance sheet date to calculate the fair value;
- NE 28 – Provisions for Contingencies: recognition and measurement of provisions, also considering the main assumptions about the probability and magnitude of outflows of resources and case law;
- NE 29 – Employee Benefits: definition of the main actuarial assumptions for evaluating the social security and assistance plans;
- NEs 9 e 32.1 – Unbilled Revenue – Celesc D: estimated consumption and class tariff;
- NE 30 – PIS/COFINS Credit to be Refunded to Consumers: forecast of the amounts to be refunded in the tariff processes, impact on cash flows and methodology for updating liabilities;
- NE 32.2 – Operating Costs and Expenses: forecast of the amounts invoiced by the CCEE.

4. ACCOUNTING POLICIES MATERIAL

The accounting policies described below have been applied consistently to all the years presented in these Individual and Consolidated Financial Statements.

4.1. Basis of Measurement

The Financial Statements have been prepared on a historical cost basis, with the exception of:

Explanatory Notes

- derivative financial instruments measured at fair value;
- non-derivative financial instruments designated at fair value through profit or loss measured at fair value;
- net assets or liabilities of a defined benefit plan recognized in other comprehensive income (VJORA).

4.2. Accounting Policies, Changes in Estimates and Error Correction

The technical pronouncement CPC 23/IAS 8, which deals with accounting policies, changes in estimates and rectification of errors, establishes that adjustments or errors can occur in the recording, measurement, presentation or disclosure of elements of the financial statements. It also establishes that the entity must correct material errors from previous periods retrospectively in the first set of financial statements authorized for publication after the discovery of such errors, defining as one of the alternatives the restatement of comparative figures for the previous period presented in which the error occurred.

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

4.2.1. Reclassification of the Comparative Figures of the Statement of Amount Added

The Company continually reviews the way in which its statements are presented and disclosed, with the aim of constructing them in an appropriate manner and in line with the applicable standards in force. In a more careful analysis, specifically for the preparation of the Statement of Added Value, based on technical pronouncement CPC 09, the reclassification of capitalized interest, in the corresponding amounts for the year ending December 31, 2023, was observed for the purposes of better disclosure, and this reclassification had an immaterial effect.

4.3. Consolidation Basis

a) Main Consolidation Procedures

The main elimination procedures in consolidation are: asset and liability account balances between the consolidated companies, interests of controlled entities in the parent company's equity; and income and expense balances, as well as unrealized profits, arising from business between the companies.

The subsidiaries Celesc D and Celesc G are consolidated in the Group's Financial Statements and the financial information is recognized using the equity method in the parent company's statements. Consolidation is interrupted from the date on which the Parent Company ceases to have control. Any interest retained in the Company is remeasured at fair value, with the change in book value recognized in profit or loss.

b) Subsidiaries

Subsidiaries are all entities of which the Group has control or when it is exposed to, or has a right over, the variable returns arising from its involvement with the entity and has the ability to affect those returns by exercising its power over the entity.

c) Associates and Jointly Controlled Companies

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The Group's investment in associates and joint ventures includes the goodwill identified on acquisition, net of any accumulated impairment loss.

d) Equity Method

Investments are initially recorded at cost and their book value is subsequently increased or decreased by recognizing the investor's share of profit or loss or other comprehensive income generated by the investees.

Explanatory Notes

The distribution of dividends reduces the book value of the investment.

4.4. Foreign Currency Conversion

Transactions with foreign currencies are translated into the functional currency using the exchange rates in force on the dates of the transactions or valuation, at which the items are remeasured. The related exchange gains and losses are recognized in the financial result.

4.5. Contract Assets

Contract assets correspond to infrastructure assets in progress, related to the energy distribution concession contract, subject to the performance obligation to meet the needs of the concession, accounted for at cost and plus financial charges for the linked loans.

Part of the investments made by the concessionaire is paid for by the users of the public service and the other part is indemnified by the Granting Authority at the end of the concession. When these assets come into operation, they are bifurcated into Indemnifiable Financial Assets and Intangible Assets, and remunerated by the tariff.

The concessionaire is guaranteed the right to remuneration of the Intangible Asset by the users of the public service in the inclusion of the amounts in the energy tariff.

The part of the investment recognized as an Indemnifiable Financial Asset is the indemnity provided for in the electricity distribution concession contract which ensures the unconditional right to receive cash at the end of the concession, to be paid by the Granting Authority.

4.5.1. Special Obligations in Contract Assets

The special obligations linked to the public electricity service concession include payments made by third parties to help carry out expansion projects necessary to meet power supply requests and are recorded in the Financial Statements as a reduction in contract assets.

4.6. Intangible Assets

Intangible assets are measured at acquisition cost, less accumulated amortization and accumulated impairment losses, if any.

Amortization is calculated using the straight-line method based on the estimated useful life of the items or the concession period, whichever is the shorter, and recognized in the income statement. The effect of any changes in estimates is accounted for prospectively.

4.7. Financial Instruments

4.7.1. Classification

Financial assets are classified in the categories of amortized cost, fair value through profit or loss and fair value through other comprehensive income. This classification stems from the purpose for which the financial assets were acquired. The Group determines the classification of its financial assets on initial recognition and evaluates them periodically.

a) Amortized Cost

This category includes financial assets held to obtain contractual cash flows and their contractual terms give rise to payment flows of principal and interest only.

Explanatory Notes

b) Fair Value Through Profit or Loss (FVTPL)

The Group classifies as VJR the investments in infrastructure originated in the concession contracts for public generation services subject to indemnification, since the change in the fair value of this asset will be recognized in the income statement.

c) Fair Value Through Other Comprehensive Income - VJORA.

The standard requires that the financial asset valued at VJORA meets the following criteria: it is held within a business model whose objective is achieved both by the receipt of contractual cash flows and by the sale of financial assets and it gives rise, on specified dates, to cash flows that constitute exclusively payments of principal and interest on the principal amount outstanding. Gains and losses are not reclassified to profit or loss in the future. Investments to which the equity method does not apply are classified.

4.7.2. Recognition and Measurement

Financial assets are initially recognized at fair amount plus the costs incurred to obtain them. A financial asset must after its initial recognition be measured at: (a) amortized cost; (b) fair value through other comprehensive income; or (c) fair value through profit or loss.

4.7.3. Compensation of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously. (NE 13.1)

4.7.4. Derivative Financial Instrument

Derivatives are initially measured at fair value. Gains or losses on the hedging instrument are recognized in the income statement for the period. At the same time, changes in the fair value of the hedged item attributable to the hedged risk are also adjusted in the income statement.

4.8. Indemnifiable Financial Assets - Concession

This refers to a financial asset as it is an unconditional right to receive compensation directly from the Granting Authority, resulting from the application of Technical Interpretation ICPC 01 - Concession Contracts and Technical Guidance OCPC 05 - Concession Contracts.

Concession assets refer to credits receivable from the Federal Government, when the Group has an unconditional right to be indemnified at the end of the concession, as provided for in the contract, as compensation arising from the concession contracts for public energy distribution services, for investments made in infrastructure and not recovered during the concession period. These financial assets are classified at fair value through profit or loss.

It is important to note that this is not an asset like other comparable assets available on the market, but an asset that is derived from and intrinsically linked to the Group's existing infrastructure, susceptible to variations arising from changes in the regulatory environment and related to infrastructure.

The indemnifiable financial asset is adjusted: (i) by updating the IPCA in accordance with Regulatory Resolution 686/15; and (ii) by transferring contract assets (additions) and write-offs of infrastructure items in accordance with ANEEL regulations.

The contract asset corresponds to the counterpart of the revenue from the construction of distribution infrastructure over the course of the work. The recognition of revenue from infrastructure construction takes into account the costs actually incurred in the work. The consideration linked to the contract asset is received in the tariff, every five years, in the Periodic Tariff Review.

Explanatory Notes

4.9. Sectoral Financial Assets and Liabilities

The Sectorial Financial Asset is made up of the Compensation for the Variation in the Costs of "Parcel A" - CVA and financial items (NE 13), intended to account for non-manageable costs, as defined by ANEEL, referring to the difference between the costs forecast in the annual tariff readjustment and the costs actually incurred over the period in which the tariff is in force. If the costs incurred are higher, the Granting Authority approves the unconditional right to receive cash from the consumer.

These costs form part of the basis for tariff adjustments and are appropriated to the result as the corresponding revenue is billed to consumers.

The sector's financial assets and liabilities (Parcel A - CVA and other financial items) are offset and reported in the balance sheet at net value. The account balances are updated based on the Selic interest rate until the subsequent tariff adjustment, in the financial result, as income when it is a sector financial asset and expense when it is a sector financial liability. When the tariff adjustment takes place, the sector's financial assets/liabilities are amortized on a straight-line basis over the next 12 months, as an offset to Gross Revenue.

The sector's financial liability is created when the costs forecast by the Granting Authority and included in the tariff in the annual tariff readjustment are effectively lower than those incurred over the period of the tariff, generating an obligation to repay the consumer in the next readjustment.

When the costs approved in the tariffs are lower than the costs incurred, the measurement is positive and there is a credit in revenue arising from a receivable (debit in the sector's financial assets). When these costs are higher, an obligation is recorded as a debit to revenue and a credit to sectoral financial liabilities.

Financial assets and liabilities have zero impact on the income statement. Financially, considering that when there are more assets to receive than liabilities to return, it means that there has been a cash mismatch since the last annual tariff adjustment for these items from a tariff perspective.

4.10. Financial Assets - Grant Bonus

As this is a public service concession contract for generation under a quota system, with the provision for payment of a grant bonus under the terms of Federal Law 12,783/2013, it was accounted for as a financial asset, initially estimated based on the respective fair value and subsequently measured at amortized cost, calculated using the effective interest rate method, not having an active market, with a fixed and determinable cash flow.

The balance is updated monthly by the effective interest rate (TIR) and monetarily by the IPCA, recorded as a Financial Asset in Gross Operating Revenue and amortized in billing through Annual Generation Revenue (RAG).

4.11. Financial Assets - Indemnification Basic Project Pery Plant

The accounting recognition of investments made in infrastructure and not depreciated over the concession period is considered a Financial Asset because it has the unconditional right, provided for in the contract, to receive cash or another financial asset directly from the Granting Authority or whoever it delegates this task to.

In 2017, the Pery Plant concession was extended under the terms of Federal Law 12,783, of January 11, 2013, under the physical energy and power guarantee quota regime, on which occasion the 4th Amendment to Concession Agreement 006/2013 - ANEEL was signed with the Ministry of Mines and Energy (MME) on July 7, 2017. The concession was extended for a period of 30 years, ending on July 9, 2047.

However, during the processes for approving the Annual Generation Revenues (RAG) for the years 2018 to 2020, ANEEL opted to readjust the Cost of Improvements to the Management of Generation Assets (GAG Improvements), without defining the remuneration for investments in reversible assets that have not been amortized, depreciated or indemnified, based on Article 15 of Law 12,783/2013, under the terms of Article 3 of MME Ordinance 257, of July 5, 2017.

Explanatory Notes

The balance of the financial asset for the indemnification of the Basic Project for the expansion of the Pery Power Plant, approved by Order 2,018/2021, issued by ANEEL, is updated by monthly interest calculated based on the effective interest rate (IRR) and monetized by the IPCA, being recorded as a Financial Asset in Gross Operating Revenue and amortized in billing through Annual Generation Revenue - RAG. (NE 14.3)

4.12. Impairment of Financial Assets

Provisions for losses on financial assets are based on assumptions about default risks and expected loss rates. The Group applies judgment to establish the assumptions and select the data for the impairment calculation based on the Group's history, existing market conditions and future estimates.

When there is evidence of a loss, i.e. the recoverable amount is less than the asset's book value, the loss will be recognized as an expense in the income statement, up to the asset's book value. If, in a subsequent period, the amount of the impairment loss decreases because of an event occurring after the impairment was recognized, the reversal of the loss is recognized as income in the income statement.

4.13. Impairment of Non-Financial Assets

Non-financial assets are reviewed annually to identify evidence of non-recoverable losses, or when events or changes indicate that the book amount may not be recoverable.

If there is an impairment loss, it is recognized in the income statement for the amount by which the asset's book value exceeds its recoverable amount. For valuation purposes, assets are grouped into the smallest group of assets for which there are separately identifiable cash flows (Cash Generating Units - CGUs).

The impairment loss is reversed only to the extent that the carrying amount of the asset, net of depreciation or amortization, does not exceed the carrying amount that would have been determined if the impairment loss had not been recognized. In the case of goodwill, the recoverable value is tested annually.

4.14. Inventory

Inventories are measured at cost or net realizable value, whichever is the lower.

4.15. Current and Deferred Income Tax and Social Contribution

Current income tax and social contribution expenses on profit for the year are recognized in the income statement and calculated based on the tax laws enacted. The amount of current income tax and social contribution payable or receivable is presented net in the Balance Sheet, as a tax asset or liability, by contributing entity.

Deferred income tax and social contribution expenses are recognized using temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Temporary differences are recognized in assets only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are shown in net income in the balance sheet, with the legal right and intention to offset them when calculating current taxes, related to the same entities and taxable authorities.

Explanatory Notes

4.16. PP&E

They are measured at their historical cost, adjusted by the assigned cost, less accumulated depreciation and impairment losses. The historical cost includes the expenses directly attributable to the acquisition of the items.

The cost of constructed assets includes: (i) the cost of materials; (ii) any other costs to place the asset in the location and condition necessary for it to be able to operate; and (iii) borrowing costs on qualifying assets.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset only when it is probable that future economic benefits will arise and the cost of the item can be measured reliably. The book value of replaced items or parts will be reversed. In the case of repairs and maintenance, the costs incurred are recorded against the income statement for the year.

Gains and losses on the disposal of an item of property, plant and equipment (calculated as the difference between the proceeds from the disposal and the book value of the asset) are recognized in the income statement.

The straight-line depreciation method, useful lives and residual values are reviewed at each financial year end and any adjustments are recognized as changes in accounting estimates. They are depreciated at the rates established in ANEEL Resolution 674/2015.

4.17. Right of Use Assets and Lease Liabilities

Corresponding to the lessee's right to use the leased asset throughout the lease term.

Initial recognition is at cost, brought to present value, against lease liabilities and depreciated using the straight-line method over the lease term defined in the contract. Short-term, low-value lease assets or those that provide for variable remuneration are exempt from the adoption of the accounting pronouncement.

Lease liabilities represent the lessee's obligation to pay installments to the lessor during the lease term, according to the degree to which they are due. Initial recognition is calculated at present value and the financial charge is recognized in profit or loss as a financial expense. The nominal rate is set by the Group.

4.18. Energy Distribution Concession Contract

The rights to infrastructure operated under concession arrangements are accounted for as an intangible asset when the Group has the right to charge for the use of the infrastructure assets and the users (consumers) have the responsibility to pay for the services provided. This right, according to ICPC 01 (R1), does not constitute an unconditional right to receive cash because the amounts are conditional on the use of the service by the public.

In the 5th Amendment to Concession Contract 56/1999, there is a contractual clause which states that in the event of the concession being terminated, the assets and facilities will revert to the granting authority, taking into account the amount of compensation due to the energy distributor, considering the following procedures: carrying out an inventory of the reversible assets; valuing these assets at their new replacement value - NRV; taking into account the accumulated depreciation observed on the dates of incorporation of the asset into the electricity system, obtaining the net value; and deducting the special obligations - SO from the calculation of the amount to be indemnified.

The special obligations linked to the concession of the public electricity service include payments made by third parties to help carry out expansion projects necessary to meet power supply orders and are recorded in the Financial Statements as a reduction of intangible and financial assets (in service) and contract assets (in progress), since the concessionaire does not have the right to be remunerated for these investments made by third parties who expand the distribution network.

Explanatory Notes

4.19. Financial Liabilities

Financial liabilities are initially recognized at fair value plus any attributable transaction costs. After initial recognition, they are measured at amortized cost using the effective interest method. They are written off when their contractual obligations are settled, withdrawn or canceled.

Any difference between the amounts raised, net of transaction costs, and the redemption value is recognized in the income statement using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily requires a substantial period of time to be ready for its intended use or sale are capitalized as part of the cost of the asset when it is probable that they will result in future economic benefits for the Group, and such costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

4.21. Employee and Retiree Benefits

The liability related to pension plans is the present value of the obligation at the balance sheet date less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using interest rates consistent with market yields, which are denominated in the currency in which the benefits will be paid and which have maturities close to those of the respective pension plan obligation.

To calculate the present amount of the economic benefits, any applicable minimum funding requirements are taken into account. Remeasurements of the net obligation, which include: actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income.

The actuary determines the net interest on the net value of the defined benefit liability (asset) in the period by multiplying the net value of the defined benefit liability (asset) by the discount rate used in measuring the defined benefit obligation, both as determined at the beginning of the period to which the financial statements refer, taking into account any changes in the net value of the defined benefit liability (asset) during the period due to payments of contributions and benefits. Net interest and other expenses related to defined benefit plans are recognized in the income statement.

4.22. PIS/COFINS TO BE REFUNDED TO CONSUMERS

Recognition of the amounts overpaid as PIS/COFINS due to the inclusion of ICMS in the calculation basis of the taxes paid, which will be reimbursed to consumers. The reduction has been occurring in the transfers to consumers through Celesc D's tariff, as a provisional financial component of the tariff, while there are no return mechanisms defined by ANEEL. The amounts were initially recognized at cost and adjusted by the SELIC rate.

4.23. Revenue Recognition

Revenue is measured based on the consideration specified in the contract with the customer. The Group recognizes revenue when it transfers control of the product or service to the customer.

Revenue comprises the fair value of the consideration received or receivable, mainly for the supply and supply of billed energy, estimated energy supplied and unbilled, short-term energy and network availability. It is presented net of taxes, returns, rebates and discounts, as well as after eliminating sales between Group companies.

Revenue is recognized in accordance with the following steps: (i) identification of the rights and commitments of the contract with the client; (ii) identification of the contracted performance obligations; (iii) determination of the transaction price; (iv) allocation of the price to the performance obligations; and (v) recognition when (or to the extent that) the performance obligations are satisfied.

Explanatory Notes

Revenue is only recognized when there is no significant uncertainty as to its realization.

The services provided by the Group meet the satisfaction of the performance obligation, as they are routine, have a delivery standard and are priced according to contracts for the sale of energy, the provision of services and are also regulated by ANEEL.

The Company recognizes its revenue net of any discounts and rebates. The main recognition

and measurement criteria are presented below:

4.23.1. Supply - Billed

Based on the current tariff approved by ANEEL, the delivery of electricity to the consumer is measured, according to the reading schedule, and billing is recorded as the invoices are issued.

4.23.2. Distribution System Usage Tariff - Billed

Based on the current tariff approved by ANEEL, wire usage revenue is recognized for making the infrastructure of the electricity distribution network available to its consumers (free and captive).

4.23.3. Unbilled

Electricity distribution revenue is recognized at the time the energy is supplied. The Company reads its customers' consumption based on a billing calendar that does not coincide with the calendar month. As a result, part of the energy actually distributed is unbilled at the end of each month, making it necessary to estimate this amount.

For the calculation, the estimate considers the difference between the actual total load of energy distributed in the month, less the volume of energy billed, less the estimated technical and non-technical loss index. The quantitative result of the expression totals the amount of unbilled energy which is multiplied by the tariffs in force by consumption class, thus calculating the total provision for Unbilled Revenue.

4.23.4. Sectoral financial assets

The electricity tariff is made up of two parts that reflect the composition of its revenue: Parcel A (non-manageable costs) and Parcel B (manageable costs). The items in the Compensation Account for Variations in the Amounts of "Parcel A" Items - CVA, are variations in energy purchases, sector charges and others, to be included in future tariffs as a result of tariff adjustments. It is recognized on a monthly basis by the difference between the costs belonging to Parcel "A" actually incurred in the result, and those recognized in the revenue from electricity operations, as set out in the tariff in force by ANEEL.

4.23.5. Supply - Billed

It is used to account for revenue from the supply of electricity to resellers in the Regulated Contracting Environment (ACR), where electricity is sold to distributors and the price is set by ANEEL in energy auctions; and sold in the Free Contracting Environment (ACL), where electricity is sold through free negotiation of prices and conditions between the parties, through bilateral contracts; as well as specific adjustments and add-ons. Revenue is based on the amount of energy delivered multiplied by the tariff established in the contract.

4.23.6. Short-Term Energy

Short-term energy is a segment of the Electricity Trading Chamber - CCEE where the differences between the amounts of electricity contracted by the agents and the amounts of generation and consumption actually verified and attributed to the respective agents are recorded. The differences calculated, whether positive or negative, are recorded for subsequent financial settlement on the short-term market and valued at the Difference Settlement Price (DSP).

Explanatory Notes

4.23.7. Construction Revenue

The construction revenue applied by Celesc D is offset by the costs related to the construction services or improvement of the infrastructure used in the provision of electricity distribution services. This construction activity is classified as such according to the application of ICPC 01 (R1) - Concession Contracts. The construction margin adopted is set at zero, considering that: (i) the company's core business is the distribution of electricity; (ii) all construction revenue is related to the construction of infrastructure to achieve its core business, i.e. the distribution of electricity; and (iii) the company outsources the construction of infrastructure to unrelated parties. The formation of construction revenue results from the allocation of hours worked by technical teams, the materials used, the measurement of outsourced services and other costs directly allocated using the input method.

4.23.8. Donations and Grants

Income from donations and grants is recognized on an accrual basis in accordance with the essence of the applicable contracts and/or agreements. They are recognized in the income statement when there is certainty that:

(a) the entity has complied with all the conditions established; and (b) the grant will be received. The accounting will be the same regardless of whether the grant is received in cash or as a reduction in liabilities.

4.24. New Standards and Interpretations

The following changes to the standards issued by the IASB will be effective for fiscal years beginning after January 1, 2025. Early adoption of standards, although encouraged by the IASB, is not permitted by the Accounting Pronouncements Committee (CPC) in Brazil.

Standard	Corresponding CPC	Change	Application
IAS 21	CPC 02	Lack of convertibility	01/01/2025
IAS 28	CPC 18	Investment in Affiliates and Jointly Controlled Companies	01/01/2025
IFRS 9 and IFRS 7	CPC 48 and CPC 40	Classification and measurement of financial instruments	01/01/2026
IFRS 18	It will replace CPC 26	Presentation and Disclosure of Financial Statements	01/01/2027
IFRS 19	-	Subsidiaries without Public Liability: Disclosures	01/01/2027
IFRS 10	CPC 36	Sale or contribution of assets between an Investor and its associate or Joint Venture	Not yet defined by IASB

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

5. RISK MANAGEMENT

The Group's businesses are exposed to the following risks arising from financial instruments:

5.1. Financial Risk

5.1.1. Credit Risk

Credit risk is the risk that the Group will incur financial losses if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. This risk arises mainly from trade receivables and financial instruments and jeopardizes management's economic and financial planning. This risk arises mainly from trade receivables and financial instruments and jeopardizes management's economic and financial planning.

A provisions matrix is used as a practical expedient to estimate expected credit losses, taking into account historical reality, current conditions and reasonable forecasts for the future, without disregarding market issues (NE 9.2).

Explanatory Notes

The Group adopts the rule of recognizing as a definitive loss due to impairment of accounts receivable, amounts overdue for more than 5 years, considering that the possibility of successful collection is remote, even though the collection process has been initiated by administrative and/or judicial means.

Description	NE	12.31.2024	Parent Company	Consolidated	
			12.31.2023	12.31.2043	12.31.2023
Cash and Cash Equivalents (a)	8	96,878	56,671	1,019,482	906,196
Trade Accounts Receivable (b)	9	-	-	2,242,824	1,977,467
Financial Assets - Grant Bonus (c)	13.2	-	-	372,867	359,361
Financial Assets - Pery Power Plant	14.3	-	-	168,770	162,581
Indemnification (d)					
Securities (e)	16	208	208	208	208
Indemnifiable Financial Assets - Concession (f)	14	-	-	948,715	778,341
Sectoral Financial Assets (f)	13.1	-	-	-	94,538
Total		97,086	56,879	4,752,866	4,278,692

a) The Group manages credit risk by investing most of its funds in federal banking institutions. Banco do Brasil and Caixa Econômica Federal are rated AAA.

b) The Group manages accounts receivable, implementing collection policies, suspension of supply, conditions for installment payments of debts, as established in contracts and regulations. (NE 9.2)

c) Management considers the risk of this credit at Celesc G to be low, since the contract signed for the sale of energy through quotas guarantees reimbursement of the amount paid through the Annual Generation Revenue (RAG), updated over the term of the concession.

d) Management considers this risk to be reduced at Celesc G, given that the updated amount of the reimbursement for the assets not fully depreciated at the Power Plant at the end of the concession in 2017 has been included in the Annual Generation Revenue - RAG 2021, until the end of the term of the new concession.

e) The Company considers this to be a credit risk arising from the possibility of incurring losses resulting from the valuation and receipt of dividends from these temporary investments. This type of risk involves external factors and management periodically monitors the variations that occur.

f) Management considers the risk of this credit to be low, since Celesc D's concession agreement ensures the unconditional right to receive cash at the end of the concession to be paid by the Granting Authority, corresponding to the costs and investments not recovered through the tariff.

Tax legislation presumes that the definitive loss of the credit occurs when the deadlines have passed and the legal requirements have been met, after which the taxpayer can deduct the respective amount from the revenue tax and social contribution payable.

The effective losses on financial assets and contracts recognized in the revenue statement were as follows:

Description	NE	12.31.2024	Consolidated
			12.31.2023
Effective loss on receivables	9.2	(56,482)	(49,865)
Total		(56,482)	(49,865)

5.1.2. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled with cash or another financial asset. The Group's objective in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when they fall due, under both normal and stressful conditions, without causing unacceptable losses or risking damage to the Group's reputation.

The Group also manages liquidity risk by continuously monitoring forecasts and actual cash flows, as well as by analyzing the maturity of its financial liabilities. Investments are financed through medium and long-term debt with financial institutions. Short-, medium- and long-term economic and financial projections are developed and submitted to management for appraisal.

Explanatory Notes

In addition, the operating and capital budgets for the coming year are approved annually by the Board of Directors.

By controlling cash flow, the Group monitors the funds to be liquidated, with the aim of reducing the cost of funding and the risk of renewing loans. Financial investments are readily convertible into immediate liquidity and adherence to the policy of maintaining a minimum cash level.

Liquidity risk takes into account the reduction in customer collections, the impossibility of raising funds, defaults, excess expenses and/or investments in order to meet financial commitments and the business strategy.

The amounts disclosed in the table are the estimates of the undiscounted Financial Liabilities as of December 31, 2024.

December 31, 2024.								
Description	Rates % (I)	Consolidated						
		Less than one month	From one to three months	From three months to one year	Between one and five years	More than five years	Total Future Amount	Total Book Amount
	to 1.65% p.a.							
Bank Loans CDI	CDI + 0.8%	27,298	-	91,286	744,803	-	863,387	670,221
Energy – CDE								
Development Account		9,497	-	-	-	-	9,497	9,497
Eletrobras	5.24% p.a.	73	146	149	-	-	368	364
Debentures – Celesc D	CDI + 0.95% to 6.95% p.a.	28,687	25,685	119,642	605,119	359,175	1,138,308	816,044
Debentures - Celesc D Private	IPCA + 6.53 0.29 p.a.	27,690	-	-	360,396	1,834,165	2,222,251	1,370,175
Financial Instrument Derivative	CDI –0.16 a	-	-	73,053	-	-	73,053	70,230
Pension Entity s	p.a.	17,194	24,057	108,257	577,369	882,671	1,609,548	1,609,548
Debentures – Celesc G	IPCA + 4.3%	-	-	6,495	30,962	9,643	47,100	37,403
Suppliers		714,703	277,794	216	-	-	992,713	992,713
Sectoral Financial Liabilities	SELIC	32,567	65,504	306,690	30,061	-	434,822	409,999
Mathematical Reserve at Amortize	IPCA +6% p.a.	11,644	-	-	-	-	11,644	11,594
IDB	CDI + 0.71% to 1.88% p.a.	31,900	-	70,136	357,070	1,659,818	2,118,924	1,308,800
Lease Liabilities		184	447	1,509	3,525	313	5,978	5,978
Total		901,437	393,633	777,433	2,709,305	4,745,785	9,527,593	7,312,566

(i) Sources <https://www.portaldefinancas.com> and LCA Consultoria Econômica

5.1.3. Market Risk

Market risk is the risk that changes in market prices, such as exchange rates and interest rates, will affect the Group's earnings or the Amount of its financial instruments. The aim of market risk management is to manage and control exposures to market risks within acceptable parameters while optimizing returns.

The loans (domestic and foreign) raised by Celesc D and the debentures raised by Celesc G have contractual rules for financial liabilities, fundamentally linked to these exposures.

For the debentures raised at Celesc D, derivatives are used to manage market risks, applying hedge accounting to manage the volatility of rates in the company's results.

On December 31, 2024, the Group has market risk associated with the CDI, IPCA and SELIC. The fluctuating inflation rate must also be taken into account, which can lead to higher costs when carrying out operations.

The risk of exchange rate variations, linked to changes in the American currency, related to payments for energy purchased from Itaipu, is passed on in full to the consumer in the tariff, through the sectoral assets/liabilities mechanism.

Explanatory Notes

5.1.4. Sensitivity Analysis

The Company is exposed to the risk of variations in interest rates due to fluctuations in the domestic market, especially in its net financial result, which is made up of income linked to financial investments and sectoral financial assets, among other components, and financial expenses arising from loans, financing, debentures and derivatives, as well as sectoral financial liabilities and other factors.

In addition, it is also exposed to variations in inflation rates, which update other components, which also have an effect on the net financial result.

Based on this, the company consulted estimates and projections prepared by specialized consultants and estimated a variation in interest rates of 9.50% and inflation rates of 3.95% for the next 12 months, in a benign scenario, considered probable. In an adverse but possible scenario, he estimated these variations at 16.25% and 8.00%, respectively. The two exposure scenarios, probable and possible, are shown in the table below:

					Consolidated
Indexes	Effects of Accounts on Results	NE	Balance	Likely Scenario	Possible Scenario
CDI / Selic				9.50%	16.25%
	Financial Applications	8	933,512	1,022,196	1,085,208
	Loans	22	(1,979,021)	(2,167,028)	(2,300,612)
	Debentures	23	(816,044)	(893,568)	(948,651)
	Derivative Financial Instruments	24	(70,230)	(76,902)	(81,642)
	Sectoral Financial Liabilities	13.1	(409,999)	(970,630)	(998,305)
Total			(2,341,782)	(3,085,932)	(3,244,002)
IPCA				3.95%	8.00%
	Indemnifiable Financial Assets - Concession	14	946,294	983,673	1,021,998
	Debentures	23	(1,407,578)	(1,463,177)	(1,520,184)
	Financial Assets - Grant Bonus	13.2	372,867	387,595	402,696
	Financial Assets - Indemnification Basic Project	14.3	168,770	175,436	182,272
	Pery Power Plant				
	Mathematical Reserve to be Amortized	28	(11,594)	(12,052)	(12,522)
Total			68,759	71,475	74,260

Source of Rates Used: LCA Consultoria Econômica

5.2. Capital Management

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

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

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

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

The table below shows the Financial Leverage Ratio:

Description	NE	Consolidated	
		12.31.2024	12.31.2023
Loans and Financing - National Currency	22	670,585	671,494
Loans and Financing - Foreign Currency	22	1,308,800	1,303,171
Debentures	23	2,223,622	1,196,606
Derivative Financial Instruments	24	70,230	-
(-) Cash and Cash Equivalents	8	(1,019,482)	(906,196)
Net Debt		3,253,755	2,265,075
Total Equity		3,671,279	2,932,567
Total Capital		6,925,034	5,197,642
Financial Leverage Ratio (%)		46.99%	43.58%

Explanatory Notes

6. FINANCIAL INSTRUMENTS BY CATEGORY

6.1. Estimated Fair Amount

For financial instruments measured in the balance sheet at fair Amount, the Company discloses, by level, in the following hierarchy:

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

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

- Market approach;
- Cost Approach;
- Revenue approach.

The following table shows the financial instruments by category on December 31, 2024:

	NE	Level	Consolidated			
			12.31.2024		12.31.2023	
			Book Amount	Fair Amount	Book Amount	Fair Amount
Financial Assets:						
Fair value through profit or loss			948,715	948,715	778,341	778,341
Indemnity assets (distribution concession) (d)	14	3	946,294	946,294	775,920	775,920
Indemnity assets (generation concession)(d)	14	3	2,421	2,421	2,421	2,421
Amortized cost			3,853,413	3,853,413	3,551,236	3,551,236
Cash and Cash Equivalents (e)	8		1,019,482	1,019,482	906,196	906,196
CDE subsidy (Decree 7,891/13) (e)			49,470	49,470	51,093	51,093
Trade Accounts Receivable (a)	9		2,242,824	2,242,824	1,977,467	1,977,467
Sectoral Financial Assets (e)	13		-	-	94,538	94,538
Financial Asset Grant bonus (e)	13.2		372,867	372,867	359,361	359,361
Financial Assets Indemnification Basic Project Pery Plant (e)	14		168,770	168,770	162,581	162,581
Fair value through comprehensive income			208	208	208	208
Securities (c)	16	1	208	208	208	208
Total financial assets			4,802,336	4,802,336	4,329,785	4,329,785
Financial Liabilities:						
Fair value through profit or loss			1,440,406	1,477,319	-	-
Debentures	23	2	1,370,176	1,407,089	-	-
Derivative Financial Instruments (f)	24	2	70,230	70,230	-	-
Amortized cost			4,457,794	4,470,049	5,407,685	5,391,457
Sectoral Financial Liabilities (e)	13		409,999	409,999	903,863	903,863
Suppliers (e)	21		992,713	992,713	1,089,092	1,089,092
Loans and financing (b)	22	2	1,979,385	1,979,903	1,974,665	1,932,416
Debentures (b)	23	2	853,446	865,183	1,196,606	1,222,627
Dividends and interest on equity (e)	12		212,754	212,754	211,329	211,329
Sector Charges - CDE (e)	26		9,497	9,497	32,130	32,130
Total financial liabilities			5,898,200	5,947,368	5,407,685	5,391,457

Determination of fair amounts:

- a) It is assumed that the balances of accounts receivable from customers at book Amount, less the provision for impairment, are close to their fair Amounts.

**Explanatory Notes**

- b) The fair Amount of financial liabilities, for disclosure purposes, is estimated by discounting the future contractual cash flow at the prevailing market interest rate, which is available to the Company for similar financial instruments.
- c) Securities are temporary investments amounting to VJORA, calculated according to price quotations published on an active market.
- d) For indemnifiable financial assets, Amountd at VJR, the fair Amounts are similar to the book Amounts. Celesc G is awaiting ANEEL's decision on a request to indemnify power plant assets that were not fully depreciated.
- e) The fair amount of other financial assets and liabilities is estimated to be close to their book amount.
- f) The fair amount of the derivative financial instrument is the difference between the present amount of the cash flows received and the present value of the cash flows paid.

7. CREDIT QUALITY OF FINANCIAL ASSETS

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

	Consolidated	
Trade Accounts Receivable	12.31.2024	12.31.2023
Group 1 - Customers with Due Date Collection	889,689	983,213
Group 2 - Customers between 01 and 90 days in arrears	906,067	718,165
Group 3 - Customers more than 90 days in arrears	929,791	627,608
Subtotal	2,725,547	2,328,986
ECL with customers (NE 9.2)	(482,723)	(351,519)
Total	2,242,824	1,977,467

All other financial assets held by the Company, mainly current accounts and short-term investments, show no signs of loss.

8. CASH AND CASH EQUIVALENTS

It includes cash, bank deposits, other short-term highly liquid investments with original maturities of three months or less, readily convertible into a known amount of cash and which are subject to an insignificant risk of change in Amount. Cash and cash equivalents are held for the purpose of meeting short-term commitments and not for other purposes.

	Parent		Consolidated	
Company	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Description				
Bank and cash resources	6	6	85,970	115,183
Financial Applications	26,162	56,665	128,362	791,013
Investment Funds	70,710	-	805,150	-
Total	96,878	56,671	1,019,482	906,196

Financial investments are highly liquid, readily convertible into a known amount of cash and are not subject to significant risk of change in amount.

Part of these securities refer to Bank Deposit Certificates (CDBs), remunerated at an average rate of 96% of the variation in the Interbank Deposit Certificate (CDI).

Another portion of the investments is allocated to Banco do Brasil's Exclusive Fund, the "BB Vis Celesc Fixed Income Long-Term Financial Investment Fund Shares - Limited Liability." These financial investments are stated at cost, plus net income (less income tax). In 2023, the securities were also CDBs, remunerated at an average rate of 96% of the CDI variation.

Explanatory Notes

9. TRADE ACCOUNTS RECEIVABLE

9.1. Consumers, Concessionaires and Permissionaires

Accounts receivable from customers correspond mainly to amounts receivable from customers for the supply of billed energy and estimated unbilled energy supplied in the normal course of the Group's activities.

Accounts receivable from customers are recognized at the invoiced Amount and deducted from the Estimated Losses on Doubtful Accounts - ECL.

Consolidated				
Description	Dues	Overdue Up to 90 days	Overdue for More Than 90 Days	12.31.2024
Consumers (i)	693,839	500,847	758,782	1,953,468
Residential	369,762	268,851	394,759	1,033,372
Industrial	66,511	56,160	105,149	227,820
Trade	140,068	93,584	189,433	423,085
Rural	46,522	27,842	25,641	100,005
Public Authorities	37,100	23,840	23,654	84,594
Public Lighting	18,998	9,155	8,681	36,834
Public Service	14,878	21,415	11,465	47,758
Supply to Other Concessionaires	202,530	20,812	18,924	242,266
Concessionaires and Permissionaires	222,565	16,808	10,812	250,185
Transactions within the CCEE (ii)	211	-	-	211
Other Credits (iii)	10,425	4,004	8,112	22,541
Collection in the process of being classified (iv)	(30,671)	-	-	(30,671)
Total	896,369	521,659	777,706	2,195,734
Unbilled Revenue	529,813	-	-	529,813
ECL with Customers	(7,850)	(12,202)	(462,671)	(482,723)
Total Trade Receivables - Net	1,418,332	509,457	315,035	2,242,824
Current				2,238,333
Non-current				4,491

Consolidated				
Description	Dues	Dues Up to 90 days	Dues More than 90 days	12.31.2023
Consumers (i)	760,343	263,898	459,245	1,483,486
Residential	385,461	163,481	240,776	789,718
Industrial	83,756	30,089	80,127	193,972
Trade	159,743	48,897	123,793	332,433
Rural	53,162	16,098	12,861	82,121
Public Authorities	44,658	5,218	1,386	51,262
Public Lighting	17,294	23	283	17,600
Public Service	16,269	92	19	16,380
Supply to Other Concessionaires	237,319	13,448	26,805	277,572
Concessionaires and Permissionaires	232,398	3,070	1,613	237,081
Transactions within the CCEE (ii)	152	-	-	152
Other Credits (iii)	27,954	10,378	25,192	63,524
Collection in the process of being classified (iv)	(23,185)	-	-	(23,185)
Total	997,662	277,346	486,050	1,761,058
Unbilled Revenue	567,928	-	-	567,928
ECL with Customers	(8,414)	(6,989)	(336,116)	(351,519)
Total Trade Receivables - Net	1,557,176	270,357	149,934	1,977,467
Current				1,952,167
Non-current				25,300

(i) The balances by consumer class are the sum of billing and debt installments. The installments are at present amount, considering the amount and the interest rate of 1.0% p.m.



Celesc

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GOVSC

- (ii) Balance receivable originating from the monthly settlement of the short-term market centralized by the CCEE.
- (iii) The amounts refer mainly to the chargeable service (taxed), consumer financial participation and credit card bill installments.

Explanatory Notes

(iv) The amounts received from legal proceedings in which the company was successful will be immediately written off from the outstanding amounts recorded in the company's assets as soon as the proceedings are identified.

9.2. Estimated Losses on Doubtful Accounts – ECL

At Celesc D, expected credit losses are determined by applying a provisioning matrix that considers all reasonable and sustainable information, including forward-looking information.

The breakdown of the ECL balance by consumption class is shown below:

Consumers	Consolidated	
	12.31.2024	12.31.2023
Residential	228,167	166,340
Industrial	94,224	75,914
Trade, Services and Other	103,163	73,810
Rural	8,212	5,542
Public Authorities	1,779	222
Public Lighting	3,931	284
Public Service	5,841	19
Concessionaires and Permissionaires	244	195
Free Consumers	5,830	2,365
Other	31,332	26,828
Total Current	482,723	351,519

The following is a statement of the changes in the ECL balance:

Description	Consolidated
	Total
Balance at 12.31.2022	324,580
Provision/Reversal made during the year	76,804
Effective loss on accounts receivable (NE 9)	(49,865)
Balance at 12.31.2023	351,519
Provision/Reversal made during the year	187,686
Effective loss on accounts receivable (NE 9)	(56,482)
Balance at 12.31.2024	482,723

Celesc D uses the provisions matrix as a practical expedient to estimate its expected credit losses over the next twelve months, considering its historical experience and adjusting it to better reflect information on current conditions and reasonable and bearable forecasts of future economic conditions, without disregarding market information on credit risk.

Every year, at the end of the year, the Company reviews and updates the credit risk matrix, reassessing whether there has been an increase or decrease in risk. Exceptionally, the matrix of estimated credit losses used at the end of the 2023 financial year was maintained, as it is considered to be more in line with the historical evolution of Celesc D's consumer defaults, given that the company has chosen to suspend cutting off consumers who are in arrears until the implementation of the new commercial system, scheduled for 2025, is completed.

In this way, we have maintained historical data, based on current observable data previously available to reflect the effects of current conditions and their forecasts of future conditions, which have not affected the period on which the historical data is based.

The amounts and percentages of expected losses by consumption class, applied to Celesc D's recognition, are presented below:

Explanatory Notes

Balance of Receivables		Concessionaires and Permissionaires*						
Aging / Months		Residential	Industrial	Commercial	Rural	Public Authorities	Public Lighting	Public Service
To be due	222,297	369,762	66,907	140,068	46,522	37,100	18,998	14,878
Overdue from 0 to 3 months	16,807	268,851	55,467	93,584	27,842	23,840	9,155	21,415
Overdue from 3 to 6 months	4,697	100,189	16,850	34,697	8,597	16,963	5,600	9,455
Overdue from 6 to 12 months	4,458	85,785	16,861	40,314	6,696	6,489	3,077	1,994
Overdue from 12 to 18 months	224	32,878	8,342	14,082	1,779	14	-	3
Overdue from 18 to 24 months	121	35,142	9,768	16,637	2,701	13	1	2
Overdue from 24 to 36 months	131	57,852	11,092	30,194	3,068	2	-	10
Overdue from 36 to 48 months	406	48,472	24,851	27,190	1,578	105	-	1
Overdue from 48 to 60 months	774	30,486	9,162	18,023	1,127	28	-	-
Overdue more than 60 months	-	3,955	8,223	8,296	95	40	3	-
Total	249,915	1,033,372	227,523	423,085	100,005	84,594	36,834	47,758

Expectation of Loss								
Aging / Months	General	Residential	Industrial	Commercial	Rural	Public Authorities	Public Lighting	Public Service
To be due	0.55%	0.73%	0.39%	0.57%	0.17%	0.01%	0.00%	0.01%
Overdue from 0 to 3 months	2.76%	2.37%	3.45%	3.17%	0.94%	0.11%	0.07%	0.32%
Overdue from 3 to 6 months	26.02%	22.05%	54.01%	26.57%	7.53%	4.71%	15.06%	45.78%
Overdue from 6 to 12 months	45.75%	39.96%	76.32%	37.49%	18.46%	12.08%	100.00%	71.62%
Overdue from 12 to 18 months	60.54%	54.79%	91.37%	46.53%	34.64%	18.03%	100.00%	86.98%
Overdue from 18 to 24 months	70.42%	68.75%	96.42%	52.89%	45.54%	46.42%	100.00%	86.98%
Overdue from 24 to 36 months	76.72%	77.56%	96.51%	57.81%	58.80%	56.74%	100.00%	90.11%
Overdue from 36 to 48 months	84.98%	86.20%	99.62%	68.92%	73.83%	85.34%	100.00%	90.11%
Overdue from 48 to 60 months	90.61%	92.64%	99.89%	81.63%	87.12%	100.00%	100.00%	90.11%
Overdue more than 60 months	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The application of the matrix to other accounts receivable, other than energy bills, are the percentages called General Class.

10. INVENTORY

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

Description	Consolidated	
	12.31.2024	12.31.2023
Warehouse Distribution	21,369	23,202
Generation Warehouse	63	68
Total	21,432	23,270

11. TAXES RECOVERABLE

The IRPJ and CSLL balances to be offset in the Parent Company result from the recognition of the negative balance from previous years and its financial updates, in addition to the IRRF levied on the IOE credited by its subsidiaries and on financial investments. In the subsidiaries, the balances are due to the negative balance of previous years and their financial updates, IRPJ credit related to Law 11,196/2005 (*Lei do Bem* tax incentives), financial investments and the payment of IRPJ and CSLL by estimate made during the 2024 financial year.

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
IRPJ and CSLL to be offset	71,041	61,925	110,766	94,572
Total	71,041	61,925	110,766	94,572

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

Explanatory Notes

Parent Company

Description	12.31.2024	12.31.2023	Consolidated	12.31.2024	12.31.2023
PIS/COFINS (Exclusion of ICMS Calculation Basis)	-	-	483,691	584,061	
ICMS	-	-	58,404	61,482	
PIS/COFINS (i)	-	-	21,807	-	
Other	-	-	739	993	
Total	-	-	564,641	646,536	
Current	-	-	195,932	173,012	
Non-current	-	-	368,709	473,524	

(i) The amount to be recovered from PIS/COFINS is due to a review of the processes for calculating these taxes at Celesc D, starting in 2023.

11.1. PIS/COFINS (Exclusion of ICMS from the calculation base) - 2nd lawsuit

Description	Parent Company	Consolidated
Balance at 12.31.2023	-	584,061
Financial update	-	41,831
Write-off for credit utilization	-	(142,201)
Balance at 12.31.2024	-	483,691
Current	-	142,201
Non-current	-	341,490

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

However, as a result of the modulation of the effects of the decision, there was a retraction judgment limiting the right to repeat the debt, as of March 15, 2017, the date on which the Federal Supreme Court ruled on the merits of Extraordinary Appeal 574,706. The case became final on May 26, 2022, and the credits were cleared by the Federal Revenue Service on December 27, 2022, and in February 2023 the processes of offsetting outstanding taxes against the cleared credit began.

On January 5, 2024, the Ministry of Finance published Regulatory Ordinance 14, limiting the use of credits whose total Amount is equal to or greater than R\$500.0 million, arising from a final and unappealable court decision for offsetting own debts, for a minimum period of sixty months.

12. DIVIDENDS/IOE RECEIVABLE, OTHER ASSETS AND LIABILITIES

12.1. Dividends and IOE receivable

Description	12.31.2024	12.31.2023	Consolidated	12.31.2024	12.31.2023
Dividends SCGAS	1,397	1,367	1,397	1,367	
Dividends ECTE	4,378	3,123	4,378	3,123	
Dividends DFESA	54	514	54	514	
IOE Celesc G	45,072	43,616	-	-	
IOE Celesc D	175,302	174,528	-	-	
IOE SCGAS	1,400	1,150	1,400	1,150	
IOE EDP Transmissão Aliança	-	-	3,222	3,513	
IOE Casan	4,356	-	4,356	-	
Total Current	231,959	224,298	14,807	9,667	

Explanatory Notes

12.2. Other Assets and Liabilities - Current and Non-Current

12.2.1 Other Assets

Description	Parent Company		12.31.2024	Consolidated 12.31.2023
	12.31.2024	12.31.2023		
Subsidy Decree 7,891/2013	-	-	49,470	51,093
ICMS ST (i)	-	-	56,420	37,537
Infrastructure Sharing (ii)	-	-	46,679	44,301
Proinfa advance (iii)	-	-	28,916	24,873
Difference CDE reimbursement	-	-	21,726	-
Low Income Program	-	-	7,372	6,645
Expenses paid in advance (iv)	381	442	5,299	3,114
Flags Account	-	-	4,253	3,684
Intended for Disposal	-	-	3,168	3,075
Personnel Available	-	-	748	794
Miscellaneous advances (v)	81	71	9,878	7,795
Water Scarcity Bonus	-	-	1,138	1,138
Regulatory Fees to be Compensated	-	-	-	8,156
Disposal of Assets and Rights (vii)	-	-	10,559	-
Other Credits (vii)	-	-	2,319	2,197
Total	462	513	247,945	194,402
Current	462	513	235,030	191,326
Non-current	-	-	12,915	3,076

(i) ICMS Tax Substitution - ST

Amounts receivable from Free Consumers arising from the collection of taxes on electricity bills linked to Agreement/CONFAZ 77 of August 5, 2011, net of estimated losses on receipt.

(ii) Infrastructure Sharing

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

(iii) Advances from the Program to Encourage Alternative Sources of Electricity - PROINFA

This refers to the advance on the charge regulated by Decree 5,025/2004 at Celesc D, which aims to increase the participation of alternative renewable sources in electricity production.

(iv) Expenses Paid in Advance

These correspond mainly to insurance premiums of R\$3.9 million.

(v) Sundry Advances

The main anticipated expenses are salary advances (R\$620.400), vacations (R\$1.6 million) and food vouchers (R\$7.2 million).

(vi) Disposal of Assets and Rights

Sale of a plot of land, in June 2024, to the Criciúma City Hall, the total value of the contract was R\$10.3 million, paid in 180 monthly installments, updated by SELIC.

(vii) Other Credits

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

Explanatory Notes

12.2.2. Other Liabilities

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Employees Available	891	830	-	-
Related Parties/Celos	-	-	24	33
Related Parties/SC Government	-	-	-	5,846
Cosip	-	-	34,837	42,053
Contract Agreements	-	-	11,479	13,200
Difference CDE Subsidy	-	-	1,991	3,283
Employee Obligations	-	-	42	634
Energy Bills Paid in Duplicate	-	-	21,774	8,616
Itaipu Bonus	-	-	52,589	133
Credits to be offset with consumers	-	-	102,850	8,422
ICMS Credits in the Payment Process	-	-	3,770	5,264
DIC/FIC Penalty	-	-	802	1,838
Water Scarcity Bonus	-	-	1,149	1,146
Shareholders	205	205	205	205
Contract for collection of third-party services	124	120	124	120
Payment of Legal Expenses	-	14	-	14
Insurance Payable	-	-	783	404
Collateral	103	201	182	277
Other	1	-	1,712	16,391
Total Current	1,324	1,370	234,313	107,879

13. FINANCIAL ASSETS/LIABILITIES

13.1. Sectoral Financial Assets/Liabilities

The Sectoral Financial Asset/Liability is made up of amounts arising from the difference between the costs forecast by ANEEL and those actually incurred during the term of the tariff. This portion must be neutral in relation to the company's performance, whether it is a financial asset or liability, and is fully passed on to the consumer as an addition or reduction to the tariff.

With the operationalization of Provisional Measure 1,212/2024, which deals with the advance payment of Eletrobras' receivables for the full advance payment of the Covid and Water Scarcity accounts, the Energy Development Account (CDE) charge has seen a reduction in payments of R\$16.8 million per month, as of September 2024. This reduction is being captured by Parcel A and will be applied in the next tariff adjustment.

Breakdown of the balance for the year by RTA:

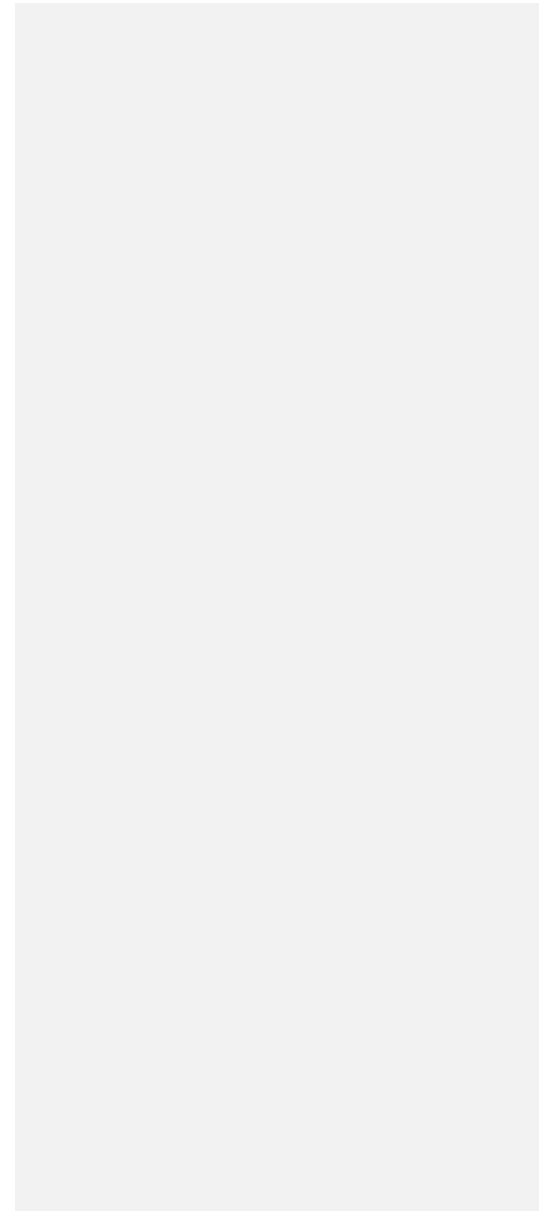
Description	Consolidated	
	12.31.2024	12.31.2023
CVA 2023 - Period from 08.22.2022 to 08.21.2023	-	(45,295)
CVA 2024 - Period from 08.22.2023 to 08.21.2024	85,797	327,955
CVA 2024 - Period from 08.22.2024 to 08.21.2025	113,525	-
Total - CVA	199,322	282,660
Other Items - Period from 08.22.2022 to 08.21.2023	-	(919,178)
Other Items - Period from 08.22.2023 to 08.21.2024	(447,331)	(172,807)
Other Items - Period from 08.22.2024 to 08.21.2025	(161,990)	-
Total - Other Items - CVA	(609,321)	(1,091,985)
Total	(409,999)	(809,325)

Consolidated

Description	12.31.2023	Appropriation	Amortization	Remuneration	Transfers	12.31.2024	Balance in Amortization (I)	Balance in Constitution (II)	Current	Non-current
Sectoral Financial Assets	569,899	185,436	(313,525)	33,159	46,712	521,681	277,061	244,620	364,037	157,644
Energy Purchase (a)	229,668	(117,061)	(17,725)	1,219	10,216	106,317	-	106,317	37,802	68,515
Basic Network Transport (b)	199,340	85,123	(156,841)	15,787	-	143,409	107,550	35,859	120,299	23,110
Energy Transportation	24,167	5,919	(18,931)	1,856	-	13,011	13,011	-	13,011	-
ESS (e)	52,214	102,007	(50,398)	9,468	-	113,291	53,680	59,611	74,875	38,416
CDE	3,374	77,484	(30,886)	3,209	-	53,181	53,181	-	53,181	-
Parcel A Neutrality	18,115	22,665	-	1,573	-	42,353	-	42,353	15,059	27,294
Energy Overcontracting	41,034	8,015	(23,974)	(36)	-	25,039	25,039	-	25,039	-
PIS/COFINS Credit	-	-	(12,977)	-	36,496	23,519	23,519	-	23,519	-
Other	1,987	1,284	(1,793)	83	-	1,561	1,081	480	1,252	309
Sectoral Financial Liabilities	(1,379,224)	(892,269)	1,479,588	(63,455)	(76,320)	(931,680)	(638,595)	(293,085)	(752,636)	(179,044)
Power Purchase	-	-	40,256	1,823	(107,969)	(65,890)	(65,890)	-	(65,890)	-
Itaipu Energy Cost (c)	(195,985)	(64,436)	196,375	(16,805)	(10,216)	(91,067)	(68,130)	(22,937)	(76,286)	(14,781)
Proinfa	(20,890)	(11,343)	26,561	(1,933)	-	(7,605)	(7,605)	-	(7,605)	-
Energy Transportation - Itaipu	-	12	-	(79)	-	(67)	-	(67)	(24)	(43)
CDE	(9,228)	(64,699)	9,781	(1,112)	-	(65,258)	-	(65,258)	(23,203)	(42,055)
Parcel A Neutrality (d)	(54,160)	(197,467)	127,910	(9,956)	-	(133,673)	(133,673)	-	(133,673)	-
Energy Overcontracting	(56,241)	(100,147)	56,241	(7,822)	107,969	-	-	-	-	-
Tariff Refunds	(589,070)	(58,885)	576,169	(2,060)	-	(73,846)	(44,671)	(29,175)	(52,130)	(21,716)
Tariff Flags	(174)	(19,605)	-	-	-	(19,779)	-	(19,779)	(19,779)	-
Hydrological Risk (f)	(406,468)	(370,384)	381,639	(17,146)	-	(412,359)	(269,708)	(142,651)	(320,428)	(91,931)
CDE Modicidade Eletrobrás	(31,876)	-	51,360	(5,006)	(60,045)	(45,567)	(39,992)	(5,575)	(41,974)	(3,593)
Other	(15,132)	(5,315)	13,296	(3,359)	-	(16,569)	(8,926)	(7,643)	(11,644)	(4,925)
Balance Assets / (Liabilities)	(809,325)	(706,833)	1,166,063	(30,296)	(29,608)	(409,999)	(361,534)	(48,465)	(288,600)	(21,400)

Consolidated

Description	12.31.2022	Appropriation	Amortization	Remuneration	Transfers	12.31.2023	Balance in Amortization	Balance under Constitution	Current	Non-current
Sectoral Financial Assets	898,170	252,899	(622,378)	69,106	(27,898)	569,899	145,976	423,923	296,704	273,195
Power Purchase	137,397	172,506	(92,269)	12,034	-	229,668	16,722	212,946	92,436	137,232
Proinfa	59,745	-	(63,840)	4,095	-	-	-	-	-	-
Basic Network Transport	134,783	139,279	(93,909)	19,187	-	199,340	89,034	110,306	128,254	71,086
Energy Transportation	23,707	17,091	(19,414)	2,783	-	24,167	10,731	13,436	15,508	8,659
ESS	70,811	48,349	(80,847)	13,901	-	52,214	18,133	34,081	30,251	21,963
CDE	277,536	(27,553)	(264,795)	18,186	-	3,374	-	3,374	1,199	2,175
Parcel A Neutrality	45,881	(29,940)	-	2,174	-	18,115	-	18,115	6,441	11,674
Energy Overcontracting	119,373	(69,446)	(5,605)	(3,288)	-	41,034	10,159	30,875	21,137	19,897
Other	28,937	2,613	(1,699)	34	(27,898)	1,987	1,197	790	1,478	509
Sectoral Financial Liabilities	(1,575,286)	(749,089)	1,910,759	(59,097)	(906,511)	(1,379,224)	(1,110,449)	(268,775)	(1,200,567)	(178,657)
Power Purchase	-	(2,712)	-	2,712	-	-	-	-	-	-
Itaipu Energy Cost	(74,702)	(202,396)	97,389	(16,276)	-	(195,985)	(149,797)	(46,188)	(166,219)	(29,766)
Proinfa	(3,800)	(27,230)	12,217	(2,077)	-	(20,890)	(20,890)	-	(20,890)	-
CDE	-	(14,061)	5,397	(564)	-	(9,228)	(9,228)	-	(9,228)	-
Parcel A Neutrality	(14,851)	(78,337)	44,732	(5,704)	-	(54,160)	(54,160)	-	(54,160)	-
Energy Overcontracting	(52,302)	-	83,331	-	(87,270)	(56,241)	(56,241)	-	(56,241)	-
Tariff Refunds	(586,535)	(46,959)	853,944	(1,901)	(807,619)	(589,070)	(551,522)	(37,548)	(559,314)	(29,756)
Tariff Flags	(216)	42	-	-	-	(174)	-	(174)	(174)	-
Hydrological Risk	(506,198)	(365,439)	487,963	(22,794)	-	(406,468)	(232,835)	(173,633)	(294,571)	(111,897)
CDE Modicidade Eletrobrás	(150,121)	-	150,121	-	-	-	-	-	-	-
Itaipu Bonus - Decree 11,027/2022	(154,362)	-	154,362	-	-	-	-	-	-	-
Other	(32,199)	(11,997)	21,303	(12,493)	(11,622)	(47,008)	(35,776)	(11,232)	(39,770)	(7,238)
Balance Assets/ (Liabilities)	(677,116)	(496,190)	1,288,381	10,009	(934,409)	(809,325)	(964,473)	155,148	(903,863)	94,538



Explanatory Notes

The balance of the sector's financial asset in constitution is due to the tariff coverage not being in line with the costs incurred, i.e. insufficient tariff coverage to cover all costs, generating an amount to be received in the 2025 RTA.

- (i) Balance in amortization - corresponds to the amortization over 12 months of the items included in the August 2024 RTA.
- (ii) Balance in constitution - corresponds to the constitution, active or passive, of the items that will be included in the next RTA that will take place in August 2025:
 - a) Energy Acquisition Costs - The significant amount of CVA energy is due to the increase in energy-related bills within Summary 001. Mainly the bills that reflect the effects of the plants, caused by the shortage of hydroelectric power in the SIN.
 - b) Transmission Basic Network: The constitution of regulatory assets in this account is in line with what we have seen in recent years. As Celesc's tariff adjustment is approved with the new transmission tariffs for the next 12 months, the Basic Network CVA includes the effects of the market and the new points of use.
 - c) Cost of Itaipu energy: reflects the variation in the account in relation to what was stipulated as the Pmix cover.
 - d) Parcel A Neutrality: The account captures the variation between the amounts billed and the amounts determined as coverage for Celesc's Parcel A, i.e. non-manageable costs. The significant figure was caused by lower than expected billing in September.
 - e) System Services Charges (ESS) - The charges account was pressured by costs related to the shortage of hydraulic energy.
 - f) Hydrological Risk - Anticipation: The amounts being recorded refer to the reversal of the tariff coverage of Hydrological Risk costs, provided for in the tariff process, which cover the costs of the HGP for hydroelectric plants.

With the operationalization of Provisional Measure 1,212/2024, which deals with the advance payment of Eletrobras' receivables for the full advance payment of the Covid and Water Scarcity accounts, the Energy Development Account (CDE) charge has seen a reduction in payments of R\$16.8 million per month, as of September 2024. This reduction is being captured by Parcel A and will be applied in the next tariff adjustment.

13.2. Financial Assets - Grant Bonus

In 2016, Celesc G paid R\$228.6 million as a Grant Bonus - BO, under the terms of Law 12,783/2013 and according to the rules of Aneel Auction Notice 12/2015, relating to the new concessions for the Garcia, Bracinho, Palmeiras, Cedros and Salto Plants. The return of this amount is included in the RAG of these plants and will be reimbursed by consumers over 30 years with an annual adjustment by the IPCA, as defined by ANEEL.

The balance of the financial asset for each of the plants is calculated by the amount paid for the Return on Grant Bonus - RBO, through the RAG approved annually by ANEEL; monthly interest calculated based on the Effective Interest Rate - TIR; and monetary restatement by the IPCA.

Explanatory Notes

Description Plant	Consolidated					Total
	Power Garcia	Power Plant Bracinho	Power Plant Cedros	Power Plant Salto	Power Plant Palmeiras	
Balance at 12.31.2022	50,530	72,634	55,400	33,571	134,675	346,810
Current						40,019
Non-current						306,791
Monetary Adjustment	2,206	3,172	2,422	1,459	5,907	15,166
Interest	6,111	8,909	6,569	4,619	14,349	40,557
Amortization	(6,497)	(9,383)	(6,962)	(4,776)	(15,554)	(43,172)
Balance at 12.31.2023	52,350	75,332	57,429	34,873	139,377	359,361
Current						41,569
Non-current						317,792
Monetary Adjustment	2,378	3,424	2,614	1,578	6,363	16,357
Interest	6,314	9,217	6,792	4,786	14,811	41,920
Amortization	(6,738)	(9,730)	(7,220)	(4,953)	(16,130)	(44,771)
Balance at 12.31.2024	54,304	78,243	59,615	36,284	144,421	372,867
Current						43,449
Non-current						329,418

The financial asset Grant Bonus is amortized against the recognition of electricity supply revenue.

14. INDEMNIFIABLE FINANCIAL ASSETS - CONCESSION

Description	Consolidated	
	12.31.2024	12.31.2023
Indemnifiable Financial Assets - Energy Distribution	946,294	775,920
In Service	946,294	775,920
Indemnifiable Financial Assets - Power Generation	171,191	165,002
Indemnifiable Assets	2,421	2,421
Indemnifiable Assets - Pery Plant Basic Project	168,770	162,581
Total	1,117,485	940,922
Current	19,039	18,215
Non-current	1,098,446	922,707

14.1. Indemnifiable Financial Assets - Energy Distribution

Work in progress related mainly to the construction and expansion of substations, distribution lines and networks and metering equipment, measured at historical cost, net of special obligations, are recorded as Contract Assets.

As these works are completed, due to the extension of the 5th Amendment to Concession Agreement 56/1999, Celesc D bifurcates its assets linked to the concession into Intangible Assets and Indemnifiable Financial Assets.

Based on Technical Interpretation ICPC 01/IFRIC 12 - Concession Agreements, the Indemnifiable Financial Asset refers to the fair amount of the investments made, linked to the concession, corresponding to the established right to receive cash via indemnification when the assets revert to the granting authority at the end of the concession.

The portion of the infrastructure that will be used during the concession is bifurcated into Intangible Assets and amortized until the end of the concession.

Description	Consolidated
	Total
Balance at 12.31.2022 (Reclassified)	596,648
(+) Transfer of Contract Assets	159,797
(+) Updating of Indemnifiable Financial Assets - Concession (i)	20,586
(-) Redemptions	(1,111)
Balance at 12.31.2023	775,920
(+) Transfer of Contract Assets	142,149
(+) Updating of Indemnifiable Financial Assets - Concession (i)	30,020
(-) Redemptions	(1,795)
Balance at 12.31.2024	946,294

(i) IPCA

Explanatory Notes

The recognition of the fair amount of the Indemnifiable Financial Asset of the distribution concession is accounted for as gross operating revenue.

14.2. Indemnifiable Financial Assets - Power Generation

ANEEL, through Regulatory Resolution REN 596/2013, defined the details of the rules for indemnification of the residual Amount of the assets linked to the concessions. At the end of the concessions for the Bracinho, Cedros, Salto and Palmeiras Power Plants, Celesc G requested compensation from the granting authority, in accordance with the criteria and calculation procedures established by the REN, for the investments made in infrastructure and not depreciated during the concession period, as it has an unconditional right to compensation, as provided for in the contract.

According to REN 942/2021, the supporting documentation for the improvements had to be filed within one (1) year of the standard coming into force. With regard to this point, Celesc G has hired a company accredited by ANEEL and filed an Evaluation Report.

The process of indemnifying these concessions is still underway at the Regulatory Agency, and the infra-legal aspects of the process do not dispute the defined right. It is worth noting that during the 2023-2024 biennium, ANEEL requested that additional data be sent in order to validate the report sent and define the amount of compensation.

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

	Consolidated	
Power Plants	12.31.2024	12.31.2023
Bracinho HPP	85	85
Cedros HPP	195	195
Salto HPP	1,906	1,906
Palmeiras HPP	235	235
Total	2,421	2,421

14.3. Indemnifiable Financial Assets - Pery Plant Basic Project Indenture

In 2017, the Pery Plant concession was extended under the terms of Federal Law 12,783, of January 11, 2013, under the physical energy and power guarantee quota regime, on which occasion the 4th Amendment to Concession Agreement 006/2013 - ANEEL was signed with the Ministry of Mines and Energy (MME) on July 7, 2017. The concession was extended for a period of 30 years, ending on July 9, 2047.

However, during the approval processes for the Annual Generation Revenues (RAG) in 2018, 2019, and 2020, ANEEL opted to readjust the Cost of Improvements to the Management of Generation Assets (GAG Melhorias), without defining the remuneration for the indemnification of investments in reversible assets that have not been amortized or depreciated from the previous concession, based on article 15 of Federal Law 12,783/2013, under the terms of article 3 of MME Ordinance 257, of July 5, 2017.

By means of Order 2,018, of July 6, 2021, ANEEL approved Celesc G's right to receive compensation for the Pery Power Plant Basic Project in the amount of R\$114.5 million incorporated into the RAG, retroactive to July 1, 2018, updated by the IPCA and monthly interest calculated based on the IRR.

On December 31, 2024, the updated balance is R\$168.8 million. The balance is amortized monthly, against the recognition of electricity supply revenue, until the end of the concession term, which will occur in July 2047, according to the amounts approved in the RAG each year, of which R\$19.9 million refers to the indemnity for the 2024/2025 cycle.

Explanatory Notes

Description	Consolidated
Balance at 12.31.2022	156,840
Monetary Adjustment	6,871
Interest	17,744
Amortization	(18,874)
Balance at 12.31.2023	162,581
Monetary Adjustment	7,416
Interest	18,347
Amortization	(19,574)
Balance at 12.31.2024	168,770
Current	19,039
Non-current	149,731

15. CONTRACT ASSETS

These refer to assets under construction and expansion of substations, distribution lines and networks and metering equipment, measured at historical cost and net of special obligations, related to the Energy Distribution Concession Agreement, and are classified as contract assets because they are subject to the satisfaction of performance obligations.

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

Description	Consolidated
Balance at 12.31.2022	408,969
(-) Transfers to Intangible Assets	(759,634)
(-) Transfers to Financial Assets	(159,797)
(+) Additions to Contract Assets - Distribution Infrastructure Assets	1,170,321
(+) Additions to Contract Assets - Administrative Assets	93,424
(-) Special Obligations in Progress - SO	(266,390)
Balance at 12.31.2023	486,893
(-) Transfers to Intangible Assets	(559,068)
(-) Transfers to Financial Assets	(142,149)
(+) Additions to Contract Assets - Distribution Infrastructure Assets	1,127,257
(+) Additions to Contract Assets - Administrative Assets	103,193
(-) Special Obligations in Progress - SO	(244,715)
(-) Write-off of Contract Assets to Profit or Loss	(54)
Balance at 12.31.2024	771,357

The special obligations represent the resources related to the financial participation of the consumer, the Federal Government, States and Municipalities, destined for investments in projects linked to the concession, and are not onerous liabilities or shareholder credits.

Of the R\$103.2 million invested in 2024, R\$85.3 million was invested in software. Of this amount, R\$40.0 million was for the new commercial system. These costs will be recovered in the 6th Cycle Periodic Tariff Review, which will take place in 2026, through the Regulatory Annuity Base - BAR, which is one of the mechanisms for remunerating a concessionaire's assets, along with the Regulatory Remuneration Base (RRB).

The BAR is made up of amounts equivalent to certain groups of accounts, such as:

- Software and other intangibles;
- Administration land;
- Buildings, civil works and administrative improvements;
- Administration machinery and equipment;
- Vehicles;
- Furniture and fixtures.

Explanatory Notes

16. RELATED PARTIES

The Company has a policy on transactions with related parties and the balances in assets and liabilities, current and non-current, are shown in the table below:

Description	Parent Company		Consolidated	
	Assets	Liabilities	Assets	Liability
	Accounts Receivable	Accounts payable Others Debits	Accounts Receivable	Other Debts
Insurance Foundation (i)				
CELOS				
Contribution Pension, Healthcare and Other Plans	-	-	-	2,132,977
Energy Billing	-	-	6	-
Associates and Jointly Controlled Companies				
DFESA (ii)				
Energy Purchase	-	-	-	1,356
Dividends and IOE	514	-	514	-
SC Gás				
Dividends and IOE	2,517	-	2,517	-
EDP				
Dividends and IOE	-	-	3,513	-
ECTE				
Dividends and IOE	3,123	-	3,123	-
Subsidiaries				
Cellesc G				
Dividends and IOE	43,616	-	-	-
Cellesc D (iii)				
Agreement Collection Fee	-	324	-	-
Personnel Available	-	830	-	-
Dividends and IOE	174,528	-	-	-
Balance at 12.31.2023	224,298	1,154	9,673	2,134,333
Security Foundation				
CELOS				
Contribution Pension, Healthcare and Other Plans	-	-	-	1,621,142
Energy Billing	-	-	7	-
Associates and Jointly Controlled Companies				
DFESA				
Energy Purchase	-	-	-	1,356
Dividends and IOE	54	-	54	-
SC Gás				
Dividends and IOE	2,798	-	2,798	-
EDP				
Dividends and IOE	-	-	3,222	-
ECTE				
Dividends and IOE	4,378	-	4,378	-
Subsidiaries				
Cellesc G				
Dividends and IOE	45,072	-	-	-
Cellesc D				
Personnel Available	-	891	-	-
Dividends and IOE	175,302	-	-	-
Balance at 12.31.2024	227,604	891	10,459	1,622,498

Explanatory Notes

Description	Operating Expenses	Other Expenses	Parent Company		Revenue from Sales	Consolidated Conventional Resale Cost
			Financial Revenues	Operating Expenses		
Security Foundation						
CELOS						
Pension and Assistance Plans	(38)	-	-	(159,976)	-	-
Energy Billing	-	-	-	-	84	-
Affiliate						
DFESA						
Energy Purchase	-	-	-	-	-	(14,487)
Subsidiary						
Celesc D						
Agreement Collection Fee	-	(1,849)	-	-	-	-
Personnel Available	(7,997)	-	-	-	-	-
Balance at 12.31.2023	(8,035)	(1,849)	-	(159,976)	84	(14,487)
Security Foundation						
CELOS						
Pension and Assistance Plans	(22)	-	-	(145,180)	-	-
Energy Billing	-	-	-	-	87	-
Affiliate						
DFESA						
Energy Purchase	-	-	-	-	-	(14,527)
Subsidiary						
Celesc D						
Agreement Collection Fee	-	(1,709)	-	-	-	-
Personnel Available	(9,137)	-	-	-	-	-
Balance at 12.31.2024	(9,159)	(1,709)	-	(145,180)	87	(14,527)

(i) Celesc D is the sponsor of the Celos Supplementary Pension Foundation, providing benefits to its employees in the form of Pension Contribution, Healthcare Plan and Other Benefits. Celos owns 8.63% of the Company's common shares.

(ii) DFESA, a subsidiary of the Company, has a short and long-term energy sales contract with Celesc G for resale. The contract signed between the parties is for a period of ten years (2015-2025), for the purchase of 15.1862 average MW, at a price of R\$120.00 (one hundred and twenty Reais) per average MW.

(iii) Celesc D charges the Company a percentage, corresponding to a fee, on the provision of the covenant collection service through the energy bill.

The Company has transactions with its majority shareholder, the Government of the State of Santa Catarina. Because the Government is a state entity and has control over the Group, the Company is exempt from disclosing transactions, balances and commitments, in accordance with CPC 05 (R1)/IAS 24 - Disclosure of Related Parties.

It should be noted that the transactions carried out are related to the payment of dividends and interest on equity by the Company, the collection of power supply and personnel available by Celesc D. There is also the obligation to pay the ICMS due, the ICMS tax substitution for free consumers, as well as the transaction to use presumed ICMS credit, related to the contracts called "Pacto Pelas Estradas" (Pact for the Roads), referring to the resources used to carry out works to move electricity distribution networks as a result of duplications, paving and changes to the layout of state highways.

16.1 Remuneration of Key Management Personnel

The remuneration of directors (Board of Directors, Supervisory Board and Executive Board) is shown below:

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Fees	7,167	6,433	7,167	6,433
Profit Sharing (i)	1,729	1,882	1,729	1,882
Payroll Charges	4,753	1,815	4,753	1,815
Other	1,322	1,290	1,322	1,290
Total	14,971	11,420	14,971	11,420

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

Explanatory Notes

(i) Only members of the Executive Board are entitled to profit sharing.

17. REVENUE FROM CORPORATE REVENUE TAX - IRPJ AND SOCIAL CONTRIBUTION ON NET REVENUE - CSLL

17.1. Breakdown of Net Deferred IRPJ and CSLL

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

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Assets	-	-	659,034	854,645
Liabilities	-	-	(108,460)	(98,092)
Net Deferred Taxes	-	-	550,574	756,553

Of the total of R\$550.6 million in net deferred taxes, the amount of R\$659 million in deferred assets comes from Celesc D's temporary differences, while the deferred liability of R\$108.4 million refers to Celesc G.

Temporary Differences	Deferred Assets		Deferred Liabilities		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Provision for Contingencies	146,346	166,543	-	-	146,346	166,543
Provision for Losses on Assets	37,426	23,185	-	-	37,426	23,185
Post-Employment Benefits	573,620	722,102	-	-	573,620	722,102
Leasing - CPC 06	226	329	-	-	226	329
Allocated Cost	-	-	6,356	6,643	(6,356)	(6,643)
Deferred income tax and social	-	50,694	43,442	45,561	(43,442)	50,694
ICPC 01 Effects - Concession Contracts	-	-	-	-	-	(45,561)
CPC 39 Effects - Instruments	-	-	53,527	56,138	(53,527)	(56,138)
Financial	-	-	67,242	60,567	(67,242)	(60,567)
Grant Bonus	-	-	25,497	22,258	(25,497)	(22,258)
Financial Assets - Pery Power Plant	-	-	13,882	14,410	(13,882)	(14,410)
Renegotiation of Hydrological Risk HGP	-	-	-	-	-	-
Hedge Operations	3,190	-	-	-	3,190	-
Other Provisions	-	-	288	723	(288)	(723)
Total	760,808	962,853	210,234	206,300	550,574	756,553

17.2. Constitution of Deferred Tax Assets on Tax Losses

In accordance with CPC 32/IAS12, the Parent Company did not record deferred tax assets on tax losses in the amount of R\$96.2 million, due to the unlikelihood of future taxable revenue being available against which the temporary differences can be utilized.

17.3. Realization of Deferred Assets

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

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

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

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

Explanatory Notes

The realization estimates for the balance of total assets as of December 31, 2024 are:

Year	12.31.2024	Consolidated 12.31.2023
2024	-	71,570
2025	34,472	13,854
2026	17,199	17,837
2027	15,122	16,046
2028	13,663	14,399
2029+	680,352	829,147
Total	760,808	962,853

17.4. Reconciliation of IRPJ and CSLL Recognized in Equity

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

Description	Consolidated Total
Balance at 12.31.2022	24,547
(-) Write-off of Assigned Cost	(873)
(+) Taxes (IRPJ/CSLL)	297
Balance at 12.31.2023	23,971
(-) Write-off of Assigned Cost	(841)
(+) Taxes (IRPJ/CSLL)	286
Balance at 12.31.2024	23,416

17.5. Reconciliation of IRPJ and CSLL Recognized in Other Comprehensive Income

The movement in employee benefits with the amounts of IRPJ and CSLL, recognized directly in other comprehensive revenue, is shown below:

Description	Consolidated Total
Balance at 12.31.2022	1,172,309
(+) Addition of employee benefits	386,716
(-) Taxes (IRPJ/CSLL)	(131,483)
Balance at 12.31.2023	1,427,541
(+) Addition of employee benefits	(386,707)
(-) Taxes (IRPJ/CSLL)	131,480
Balance at 12.31.2024	1,172,314

17.6. Reconciliation of Current and Deferred IRPJ and CSLL

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

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Profit/(Loss) before IRPJ and CSLL	715,306	558,849	932,427	683,315
Combined Nominal Rate of IRPJ and CSLL	34%	34%	34%	34%
IRPJ and CSLL	(243,204)	(190,009)	(317,025)	(232,327)
Permanent Additions and Exclusions				
Equity Equivalence	253,839	197,278	22,292	19,421
Tax Benefit	-	-	(1,649)	(1,116)
Tax Incentive	-	-	7,883	4,852
Interest on Equity	(11,769)	(11,159)	75,092	74,693
Non-deductible Provisions	273	(3,142)	272	(3,142)
Non-deductible Fines	-	-	(7,070)	(4,488)
IRPJ/CSLL on unrecognized tax losses	192	62	192	63
Management Interest	(1,020)	(463)	(1,098)	(530)
Lei do Bem	-	-	518	3,771
Other Additions (Exclusions)	2,185	5,618	3,968	12,522
Total Current and Deferred IRPJ and CSLL	496	(1,815)	(216,625)	(126,281)
Current	(422)	(1,815)	(169,150)	(131,541)
Deferred	918	-	(47,475)	5,260
Effective Rate	-0.07%	0.32%	23.23%	18.48%

Explanatory Notes

The amount of the Parent Company's Deferred IRPJ and CSLL, R\$918 thousand, comes from the recognition in the period of tax loss credits and negative calculation basis of Social Contribution on Net Revenue not recognized in deferred assets in previous periods, due to the unlikelihood of future taxable revenue being available against which the temporary differences can be used (NE 17.2).

This amount was used to pay 50% of the debt with adhesion to the incentivized Autorregularization program for taxes administered by the Special Secretariat of the Federal Revenue of Brazil (NE 26.1).

17.7. Uncertainty over IRPJ and CSLL treatment

17.7.1. Tax action procedure 0900100-2018-00117-1

On September 24, 2018, the Special Secretariat of the Federal Revenue Service of Brazil (SERFB) initiated tax action procedure 0900100-2018-00117-1. This procedure resulted, on January 8, 2019, in the issuance of notice of infraction 10980,727742/2018-81 in the amount of R\$306.8 million. This infraction notice is related to the calculation of the real profit and the CSLL calculation base, thus charging the concessionaire:

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

b) Non-compliance with the remaining term of the Concession Agreement for the purposes of the determinations set out in Article 69 of Federal Law 12,973/2014.

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

In 2020, the Administrative Council for Tax Appeals (CARF), in judgment of the Voluntary Appeal filed by the Company, partially granted the request, in order to cancel the requirements regarding the adjustments (additions) referred to in Article 69 of Law 12,973/2014, and the application of isolated fines for failure to pay estimates, maintaining the requirement to tax the positive adjustments related to CVA on an accrual basis. The administrative process is closed.

On October 20, 2023, Celesc filed a lawsuit to annul the tax credit held in the administrative sphere, offering an insurance policy as collateral, which was accepted by the federal tax authorities. The process is in its initial stages.

In turn, on December 7, 2023, the Federal Government - the National Treasury - filed for enforcement of the CDA relating to the tax, whose updated value is R\$259.56 million. The tax enforcement is suspended due to the attachment of the guarantee insurance rights from the previous annulment action.

17.7.2. Calculation of IRPJ and CSLL - Exclusion of ICMS from the PIS and COFINS calculation base

On July 16, 2024, SERFB initiated tax action procedure TIF 08.1.69.00-2024-00068-5. This procedure resulted, on November 25, 2024, in the issuance of a notice of infraction through PAF 17459-720.040/2024-71 in the amount of R\$746.6 million. The aforementioned infraction notice is related to the constitution of IRPJ and CSLL credits plus ex-officio fines, isolated fines and default interest, thus charging the concessionaire:

a) Absence of addition to net profit arising from tax debt, referring to the lawsuit regarding the exclusion of ICMS from the PIS and COFINS calculation base, in calendar years 2019 and 2020;

b) Isolated fine for failure to recognize monthly IRPJ and CSLL estimates in calendar years 2019 and 2020.

Explanatory Notes

After analysis by Management, it was found that the amounts calculated by the tax authorities are dissociated from the understanding expressed by the tax authorities themselves during the first stage of the inspection procedure, where they expressly agreed with the tax treatment adopted by the Company. Management, through legal and tax advice hired exclusively for this purpose, believes that the procedures adopted will probably be accepted in decisions by higher courts of last instance (probability of acceptance >50%), for their total value and, for this reason, has not recorded any IRPJ/CSLL liability in relation to these lawsuits.

On December 24, 2024, Celesc filed an appeal with the Judgment Office (DRJ) to demonstrate that the tax charges were unfounded and that the tax demands should be canceled in their entirety. The Company is monitoring the progress of the tax administrative process.

18. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Subsidiaries	3,167,330	2,477,114	-	-
Celesc D	2,336,421	1,696,328	-	-
Celesc G	830,909	780,786	-	-
Joint Ventures	164,648	151,145	164,648	151,145
SCGAS	164,648	151,145	164,648	151,145
Affiliates	101,514	126,741	218,211	237,683
ECTE	66,784	95,930	66,784	95,930
DFESA	34,730	30,811	34,730	30,811
SPES	-	-	116,697	110,942
Total	3,433,492	2,755,000	382,859	388,828

18.1. Investment Information

Parent Company											
Description	Shares of the Company		Participation of the Company		Assets		Liability		Equity	Revenues	Profit
	Common Shares	Share Capital	Voting Capital	Current Assets	Non-current	Current Liabilities	Non-current				
Balance at 12.31.2023											
Celesc D	630,000	100.00%	100.00%	3,098,324	7,713,074	3,643,345	5,471,725	1,696,328	10,401,34	440,160	
Celesc G	43,209	100.00%	100.00%	189,575	798,882	73,308	134,363	780,786	183,051	95,654	
ECTE	13,001	30.88%	30.88%	127,765	560,109	95,919	281,352	310,604	41,201	40,442	
SCGAS	1,827	17.00%	51.00%	672,633	456,543	270,907	144,067	714,200	2,144,261	156,299	
DFESA	153,381	23.03%	23.03%	19,951	155,525	19,951	17,189	133,787	66,786	23,243	
Balance at 12.31.2024											
Celesc D	630,000	100.00%	100.00%	3,527,841	7,921,476	2,965,847	6,147,049	2,336,421	10,478,617	591,104	
Celesc G	43,209	100.00%	100.00%	193,745	847,572	70,707	139,701	830,909	189,436	103,149	
ECTE	13,001	30.88%	30.88%	145,706	549,750	72,869	406,351	216,236	61,909	56,697	
SCGAS	1,827	17.00%	51.00%	582,922	553,179	241,614	92,220	802,267	1,934,008	173,340	
DFESA	153,381	23.03%	23.03%	18,939	152,987	17,967	3,158	150,801	66,969	23,247	
Consolidated											
Description	Company Shares		Company Participation		Assets		Liability		Equity	Revenue	Profit or Loss
	Common shares	Capital	Social	Voting	Current	No	Current	No			
Balance at 12.31.2023											
ECTE	13,001	30.88%	30.88%	127,765	560,109	95,919	281,352	310,604	41,201	40,442	
SCGAS	1,827	17.00%	51.00%	672,633	456,543	270,907	144,067	714,200	2,144,261	156,299	
DFESA	153,381	23.03%	23.03%	19,951	155,525	19,951	17,189	133,787	66,786	23,243	
Rondinha Energética	13,332	32.50%	32.50%	3,547	41,782	866		44,463	8,289	(1,236)	
Cia Energética Rio das Flores	8,035	26.07%	26.07%	31,258	50,912	25,562	1,756	54,852	20,354	17,885	
Xavantina Energética.	271	40.00%	40.00%	2,838	30,057	3,451	1,478	27,966	12,718	2,545	
Garça Branca Energética	24,669	49.00%	49.00%	884	54,728	2,141	13,884	39,587	5,393	(334)	
EDP Transmissão Aliança SC	16,450	10.00%	10.00%	290,527	2,263,026	132,319	1,851,460	569,774	330,534	61,290	
Balance at 12.31.2024											
ECTE	13,001	30.88%	30.880%	145,706	549,750	72,869	406,351	216,236	61,909	56,697	
SCGAS	1,827	17.00%	51.000%	582,922	553,179	241,614	92,220	802,267	1,934,008	173,340	
DFESA	153,381	23.03%	23.030%	18,939	152,987	17,967	3,158	150,801	66,969	23,247	
Rondinha Energética	13,332	32.50%	32.500%	1,894	40,454	71	600	41,677	4,898	(1,236)	
Cia Energética Rio das Flores	8,035	26.07%	26.070%	32,120	49,215	28,090	1,696	51,549	15,636	11,738	
Xavantina Energética	271	40.00%	40.000%	3,290	28,386	2,288	-	29,388	13,343	2,867	
Garça Branca Energética	24,669	49.00%	49.000%	1,326	53,347	1,795	12,708	40,170	5,885	586	
EDP Transmissão Aliança SC	16,450	10.00%	10.000%	342,659	2,303,406	810,904	1,215,318	619,843	300,936	91,399	

Explanatory Notes

18.2. Changes in Investments

Description	Parent Company				
	Celesc D	Celesc G	ECTE	SCGÁS	DFESA
Investments	1,716,726	751,764	88,313	104,766	28,045
Right of Concession	-	-	-	31,199	-
Balance at 12.31.2022	1,716,726	751,764	88,313	135,965	28,045
Dividends and IOE Credited	(205,326)	(66,632)	(4,874)	(9,923)	(2,587)
Amortization of Concession Right of Use	-	-	-	(1,468)	-
Equity Pickup	440,160	95,654	12,491	26,571	5,353
Asset Valuation Adjustment in Subsidiary	(255,232)	-	-	-	-
Investments	1,696,328	780,786	95,930	121,414	30,811
Right of Concession	-	-	-	29,731	-
Balance at 12.31.2023	1,696,328	780,786	95,930	151,145	30,811
Dividends and IOE Credited	(206,238)	(53,026)	(46,657)	(14,495)	(1,435)
Amortization of Concession Right of Use	-	-	-	(1,469)	-
Equity Pickup	591,104	103,149	17,511	29,467	5,354
Asset Valuation Adjustment in Subsidiary (i)	255,227	-	-	-	-
Investments	2,336,421	830,909	66,784	136,386	34,730
Right of Concession	-	-	-	28,262	-
Balance at 12.31.2024	2,336,421	830,909	66,784	164,648	34,730

(i) Equity Valuation Adjustment in Subsidiary

The amount refers to the Actuarial Valuation for the end of 2024, for the Transitional Plan, Mixed Plan, Peculio Plan, Celos Healthcare Plan, administered by the Celesc Social Security Foundation - CELOS, as well as the post-employment benefits related to the Minimum Benefit, Disability Aid and Funeral Aid, offered by Celesc D to its employees. The impact was mainly due to the increase in the real actuarial discount rate of the pension and assistance plans (NE 29).

Description	Consolidated				
	ECTE	SCGÁS (i)	DFESA	SPEs (ii)	Total
Investments	88,313	104,766	28,045	110,674	331,798
Right of Concession (i)	-	31,199	-	-	31,199
Goodwill (ii)	-	-	-	282	282
Balance at 12.31.2022	88,313	135,965	28,045	110,956	363,279
Integralizations	-	-	-	152	152
Dividends and IOE Credited	(4,874)	(9,923)	(2,587)	(12,872)	(30,256)
Amortization of Concession Right of Use	-	(1,468)	-	-	(1,468)
Equity Pickup	12,491	26,571	5,353	12,706	57,121
Investments	95,930	121,414	30,811	110,660	358,815
Right of Concession	-	29,731	-	-	29,731
Goodwill	-	-	-	282	282
Balance at 12.31.2023	95,930	151,145	30,811	110,942	388,828
Dividends and IOE Credited	(46,657)	(14,495)	(1,435)	(7,478)	(70,065)
Amortization of Concession Right of Use	-	(1,469)	-	-	(1,469)
Equity Pickup	17,511	29,467	5,354	13,233	65,565
Balance at 12.31.2024	66,784	164,648	34,730	116,697	382,859
Investments	66,784	136,386	34,730	116,415	354,315
Right of Concession	-	28,262	-	-	28,262
Goodwill	-	-	-	282	282

(i) Right of Use Concession

The right to use the concession was generated by the purchase of the stake in SCGÁS. It is not treated as goodwill because it is an investment in a company with a defined concession period. The balance of this asset, as of December 31, 2024, is R\$28.3 million and, as of December 31, 2023, it was R\$29.7 million. It is being amortized over the term of the investee's public service concession, which runs until 2044.

(ii) Goodwill

The goodwill was generated in the purchase of the stake in the SPE - Companhia Energética Rio das Flores - CRF by the subsidiary Celesc G. On December 31, 2024, based on the Discounted Cash Flow (DCF) methodology, the net present value of the 26.07% stake in future cash flows projected up to



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2047, the year its concession ends, discounted at a rate of 10.14%, is R\$18.9 million, which is higher than the book value of R\$13.5 million of this stake.

Explanatory Notes

As a result, no loss was recognized on the goodwill balance.

Description	Assumptions
Physical Guarantee	5.28 MWm.
Quantity of Energy Contracted for Sale	5.46 MWm.
Sales Price	ACL Sale R\$445.7 MW/h, at September 2024 values, adjusted by IGP-M.
Energy Purchase Costs	ACL purchase price: 273.00/MHh, at September 2024 amounts, adjusted by the IGP-M until December 2026.
Loans and Financing	Financing on the base date amounted to R\$60 thousand, with a financial cost of 8.18% p.a.
Investments	Replacement of assets within maintenance costs.
Pre Tax	10.14%

19. PP&E

19.1. Breakdown of the Balance

Description	Machinery and Equipment	Other	of Use Assets	Parent Company	
				Total	
		Ri			
		ght			
Balance at 12.31.2022	6	-	132	138	
Cost of PP&E	50	1	596	647	
Accumulated Depreciation	(44)	(1)	(464)	(509)	
Balance at 12.31.2022	6	-	132	138	
Additions	-	-	550	550	
Depreciation	(2)	-	(250)	(252)	
Cost of PP&E	50	1	1,146	1,197	
Accumulated Depreciation	(46)	(1)	(714)	(761)	
Balance at 12.31.2023	4	-	432	436	
Additions	-	-	-	-	
Depreciation	(4)	-	(235)	(239)	
Cost of PP&E	50	1	1,146	1,197	
Accumulated Depreciation	(50)	(1)	(949)	(1,000)	
Balance at 12.31.2024	-	-	197	197	
Average Depreciation Rate	0.00%		40.00%		T

Description	Land	Reservoirs Dams,	Buildings and Constructio ns	Machinery and Equipment	Other	Works in Progress	Right of Use Assets	total
		Pipelines						
Balance at 12.31.2022	7,441	8,813	77	18,918	696	90,155	7,765	133,865
Additions	-	-	-	-	-	53,162	19,508	72,670
Gross Balance Write-Offs	-	-	-	-	(35)	-	(147)	(182)
Write-offs Depreciation	-	-	-	-	35	-	-	35
Depreciation	-	(344)	(35)	(1,136)	(221)	(513)	(10,166)	(11,902)
(+/-) Transfers	-	-	-	-	513	-	-	-
PIS/COFINS Credit Depreciation	-	-	-	-	-	-	(905)	(905)
Right-of-Use Assets	-	-	-	-	-	-	-	-
Recoverability Loss (12)	-	(68)	(11)	(217)	(24)	-	-	(332)
Balance at 12.31.2023	7,429	8,401	31	17,565	964	142,804	16,055	193,249
Cost of PP&E	19,209	155,381	13,024	85,183	2,872	142,804	41,621	460,094
Provision for Losses	(4,452)	(23,299)	(564)	(3,259)	(17)	-	-	(31,591)
Accumulated Depreciation	(7,328)	(123,681)	(12,429)	(64,359)	(1,891)	-	(23,903)	(233,591)
PIS/COFINS Credit Depreciation	-	-	-	-	-	-	(1,663)	(1,663)
Right-of-Use Assets	-	-	-	-	-	-	-	-
Balance at 12.31.2023	7,429	8,401	31	17,565	964	142,804	16,055	193,249
Additions	-	-	-	-	-	34,244	637	34,881
Gross Balance Write-Offs	-	-	-	-	(30)	-	(378)	(408)
Write-offs Depreciation	-	-	-	-	30	-	-	30
Depreciation	-	(1,301)	(794)	(5,733)	(261)	-	(10,955)	(19,044)
(+/-) Transfers	279	10,414	8,688	53,397	1,264	(74,042)	-	-
PIS/COFINS Credit Depreciation	-	-	-	-	-	-	(56)	(56)
Right-of-Use Assets	-	-	-	-	-	-	-	-
Reversal of Loss for recoverability	1,372	2,149	75	677	18	-	-	4,291
Recoverability Loss	(69)	(627)	(351)	(1,485)	(17)	-	-	(2,549)
Balance at 12.31.2024	9,011	19,036	7,649	64,421	1,968	103,006	5,303	210,394
Cost of PP&E	19,488	165,795	21,712	138,580	4,106	103,006	41,880	494,567
Provision for Losses	(3,149)	(21,777)	(840)	(4,067)	(16)	-	-	(29,849)
Accumulated Depreciation	(7,328)	(124,982)	(13,223)	(70,092)	(2,122)	-	(34,858)	(252,605)
PIS/COFINS Credit Depreciation	-	-	-	-	-	-	(1,719)	(1,719)
Right-of-Use Assets	-	-	-	-	-	-	-	-
Balance at 12.31.2024	9,011	19,036	7,649	64,421	1,968	103,006	5,303	210,394
Average Depreciation Rate	-	3.39%	3.14%	3.14%	12.96%	-	46.53%	

Explanatory Notes

19.2. Impairment Test

The impairment test is carried out individually on each plant using the discounted cash flow (DCF) methodology, calculating the recoverable value of each one and then comparing this value with the respective net book value. For plants that have adhered to the hydrological risk of the HGP and constituted an intangible asset, the assessment of the recoverability test is based on the sum of the balance of property, plant and equipment and intangible assets, since this is a single cash-generating unit.

In 2024, Celesc G carried out the recoverability test and identified the need for a loss provision of R\$2.55 million, in addition to reversing previous provisions in the amount of R\$4.29 million, resulting in a positive effect of R\$1.74 million on the Income Statement for the year.

In order to analyze the Company's own generating plant, the cash flows for the various Cash Generating Units (CGUs) were collected individually, with the aim of channeling the operating flows of each unit. A CGU was considered to be each plant in the generation park, and the revenues, costs and expenses, maintenance investments and non-expansion investments from each business were projected for each one, as well as the variations in working capital pertaining to these units, before taxes and the effects of depreciation.

For Property, Plant and Equipment, the book value recorded in Net Property, Plant and Equipment for the plants, with a base date of December 2024, was considered.

For the recoverability test, projections up to the year 2054 were considered, as this is the end of the Pery Power Plant's concession, leaving only the HGPs in Celesc G's generator fleet, which have no end-of-operation date.

For the investment projection, the amounts approved in the capital budget for 2025 by the Board of Directors were taken into account, and only investments in improvements, maintenance and personnel were considered. Investments in shareholdings and plant expansions are not considered, since these effects should not impact the results of the recoverability test.

Due to the rules established in the Concession Contract, at the end of the Celso Ramos Power Plant concession, the residual value is calculated for the purposes of indemnification in relation to non-depreciated fixed assets. The other power plants do not have the right to compensation for investments in improvements at the end of the concession, according to the contract.

The following assumptions were used in the recoverability test:

Description	Assumptions
Economic index for projection	IPCA;
Period	2025 to 2054 (end of the Pery Power Plant concession);
Operating Revenue	Quota regime: Pery 100%, Salto, Garcia, Cedros, Palmeiras, and Bracinho 70%; Bilateral contracts and energy sold on the short-term market relating to surplus energy: Salto, Garcia, Cedros, Palmeiras and Bracinho 30% (until the concession period is extended); Salto, Garcia, Cedros, Palmeiras, and Bracinho 100% (from the concession extension); other plants 100%; Photovoltaic system rental and O&M services: Campos Novos, Lages I, and São José do Cedro.
Deductions from Operating Revenue	PIS/COFINS: Apportionment by the Gross Operating Revenue of each plant; Financial Compensation for the Use of Water Resources: The charge is based on energy generation x tariff x CFURH rate (7.00%). The tariff is adjusted in January each year by the IPCA (Bracinho, Palmeiras and Pery); ANEEL Inspection Fee: For the Bracinho, Garcia, Palmeiras, Pery, Rio dos Cedros and Salto plants, the value is set by ANEEL and adjusted in July each year by the IPCA. For the Celso Ramos plant, the calculation is based on Installed Power x TFSEE rate (0.40%) x Tariff. The tariff is adjusted in January each year by the IPCA; Research & Development - R&D The amount comes from 1% of NOR (Bracinho, Caveiras, Garcia, Palmeiras, Pery, Rio dos Cedros and Salto);
Electricity Grid Usage Charges	Refers to the Distribution System Use Tariff (TUSD). Specific calculation per plant and applied to all of them. The value is based on Installed Power x Tariff x % discount if it is an incentivized source. The tariff is adjusted by the IPCA in August of each year.
Provision and reversal	Allocation by the Gross Operating Revenue of each plant.
IRPJ/CSLL	Calculated by applying a rate of 25% Income Tax (IRPJ) and 9% Social Contribution (CSLL) to the EBIT of each plant.
Discount rate	Weighted Average Cost of Capital - WACC of 10.26%.

Explanatory Notes

The amounts of impairment of assets by CGU recorded in 2024 are shown below. There was no reversal of previous losses.

Power Plants	Cost of Fixed Assets and Intangible Assets	Accumulated depreciation and amortization	Accumulated Provision Losses	Net Balanc e	Cash Flow By Power Plant	Provision/ Reversal to be constituted	Book Balance
Bracinho HPP	51,408	(42,897)	-	8,511	99,562	-	8,511
Cedros HPP	45,892	(35,271)	-	10,621	73,601	-	10,621
Garcia HPP	15,859	(8,790)	-	7,069	73,837	-	7,069
Palmeiras HPP	73,383	(60,619)	-	12,764	146,129	-	12,764
Pery HPP	25,549	(6,650)	-	18,899	137,916	-	18,899
Salto HPP	13,773	(8,298)	-	5,475	43,025	-	5,475
Celso Ramos SHPP	83,912	(17,022)	(13,003)	53,887	51,338	(2,549)	51,338
Caveiras HGP	28,753	(21,662)	(7,091)	-	4,066	4,066	4,066
Ivo Silveira HGP	12,874	(12,649)	(225)	-	3,325	225	225
Pirai HGP	3,700	(681)	(3,019)	-	(4,744)	-	-
Rio do Peixe HGP	4,788	(1,080)	(3,708)	-	(1,704)	-	-
São Lourenço HGP	8,009	(1,698)	(6,311)	-	(3,110)	-	-
Maruim HGP	108	(44)	(64)	-	-	-	-
Campos Novos PPP	4,901	(284)	-	4,617	5,918	-	4,617
Lages I PPP	4,863	(393)	-	4,470	6,197	-	4,470
S. José Cedros PPP	13,290	(533)	-	12,757	19,065	-	12,757
Total	391,062	(218,571)	(33,421)	139,070	654,421	1,742	140,812

19.3. Depreciation

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

	Consolidated Percentages (%)
Management	
Buildings and Constructions	6.3
Machinery and Equipment	8.9
Vehicles	9.4
Furniture and Fixtures	7.3
Operation	
Buildings and Constructions	8.4
Machinery and Equipment	6.5
Reservoirs, Dams and Pipelines	5.9
Vehicles	11.8
Furniture and Fixtures	4.7

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

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

Central Administration assets (buildings and constructions, machinery and equipment, vehicles and furniture and fixtures) are also depreciated at the rates established in ANEEL Resolution 674/2015.

Explanatory Notes

19.4. Right of Use Assets and Lease Liabilities

The Group records the amounts payable under lease and rental contracts against Right-of-Use Assets.

ASSETS	Parent Company	Consolidated
Balance at 12.31.2022	132	7,765
Current	-	-
Non-current	132	7,765
(+) Additions	550	19,508
(-) Depreciation	(250)	(10,166)
(-) PIS/COFINS Credit Depreciation Right-of-Use Assets	-	(905)
(-) Write-offs	-	(147)
Balance at 12.31.2023	432	16,055
Current	-	-
Non-current	432	16,055
(+) Additions	-	637
(-) Depreciation	(235)	(10,955)
(-) PIS/COFINS Credit Depreciation Right-of-Use Assets	-	(56)
(-) Write-offs	-	(378)
Balance at 12.31.2024	197	5,303
Current	-	-
Non-current	197	5,303

LIABILITIES	Parent Company	Consolidated
Balance at 12.31.2022	141	8,295
Current	141	1,579
Non-current	-	6,716
(+) Additions	550	19,508
(-) Write-offs	-	(161)
(+) Interest Incurred	23	1,707
(-) Principal Payment	(250)	(10,611)
(-) Interest Paid	(23)	(1,707)
Balance at 12.31.2023	441	17,031
Current	233	10,836
Non-current	208	6,195
(+) Additions	-	637
(-) Write-offs	-	(426)
(+) Interest Incurred	26	943
(-) Principal Payment	(233)	(11,264)
(-) Interest Paid	(26)	(943)
Balance at 12.31.2024	208	5,978
Current	208	2,140
Non-current	-	3,838

19.4.1. Long-term Installment Maturities

Years	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
2024/2025	-	208	-	1,761
2025/2026	-	-	665	756
2026/2027	-	-	698	808
2027/2028	-	-	754	873
2028/2029	-	-	766	1,997
2029+	-	-	955	-
Total	-	208	3,838	6,195

The assets recognized have the following specialties:

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

20. INTANGIBLE ASSETS

Parent Company					
Description	Right of Concession (i)				
Balance at 12.31.2022	3,938				
Amortizations	(503)				
Balance at 12.31.2023	3,435				
Total Cost	14,248				
Accumulated Amortization	(10,813)				
Balance at 12.31.2023	3,435				
Amortizations	(502)				
Balance at 12.31.2024	2,933				
Total Cost	14,248				
Accumulated Amortization	(11,315)				
Balance at 12.31.2024	2,933				
Average Amortization Rate	1.8%				

Consolidated						
Description	Concessi on Assets	Software	Renegotiation of Hydrological Risk	Right of Concession	Items in Progress	Total
Balance at 12.31.2022	4,258,464	506	43,937	3,938	1,718	4,308,563
Total Cost	6,916,773	7,445	45,879	14,248	1,718	6,986,063
Accumulated Amortization	(2,658,309)	(6,939)	(1,942)	(10,310)	-	(2,677,500)
Balance at 12.31.2022	4,258,464	506	43,937	3,938	1,718	4,308,563
Additions	-	-	-	-	24	24
Write-offs	(56,721)	-	-	-	-	(56,721)
Amortization Transfers of Contract Assets (NE 15)	(299,092)	(190)	(1,554)	(503)	-	(301,339)
	759,634	-	-	-	-	759,634
Balance at 12.31.2023	4,662,285	316	42,383	3,435	1,742	4,710,161
Total Cost	7,619,686	7,445	45,879	14,248	1,742	7,689,000
Accumulated Amortization	(2,957,401)	(7,129)	(3,496)	(10,813)	-	(2,978,839)
Balance at 12.31.2023	4,662,285	316	42,383	3,435	1,742	4,710,161
Additions (iv)	-	-	-	-	-	-
Write-offs	(79,952)	-	-	-	-	(79,952)
Amortization Transfers of Contract Assets (NE 15)	(325,254)	(190)	(1,553)	(502)	-	(327,499)
	559,068	-	-	-	-	559,068
Balance at 12.31.2024	4,816,147	126	40,830	2,933	1,742	4,861,778
Total Cost	8,098,802	7,445	45,879	14,248	1,742	8,168,116
Accumulated Amortization	(3,282,655)	(7,319)	(5,049)	(11,315)	-	(3,306,338)
Balance at 12.31.2024	4,816,147	126	40,830	2,933	1,742	4,861,778
Average Amortization Rate	4.8%	20.0%	3.4%	1.8%		

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

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

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

Management did not identify any evidence that would justify the need to recognize impairment losses on intangible assets.

21. SUPPLIERS

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Electricity	-	-	507,567	622,213
Electricity Grid Usage Charges	-	-	206,964	219,218
Materials and Services	1,502	1,438	205,560	171,274
Electricity Trading Chamber - CCEE (i)	-	-	72,622	76,387



Total	1,502	1,438	992,713	1,089,092
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Explanatory Notes

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

22. LOANS AND FINANCING

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

The Group believes that the book amount of the loans is a reasonable approximation of fair Amount and are indexed to market indices.

		Consolidated	
Description		12.31.2024	12.31.2023
Total National Currency		670,585	671,494
Bank Loans (i)	CDI+1.65% p.a.	577,028	576,760
Bank Loans (ii)	CDI + 0.8% p.a.	93,193	93,229
Eletrobras/ENBPar Loans (ii)	5% p.a.	364	1,237
Finame Loans (iii)	6.0% to 9.5% p.a.	-	268
Current		114,891	258,631
Non-current		555,694	412,863
Total Foreign Currency		1,308,800	1,303,171
IDB Loans (iv)	CDI+0.70% to 1.88% p.a.	1,308,800	1,303,171
Current		98,962	97,505
Non-current		1,209,838	1,205,666

p.a. – per year (per annum)

i) Bank Loans

The balances of Bank Loans refer to contracts whose resources were used exclusively to reinforce Celesc D's cash flow.

In April 2019, R\$335.0 million was contracted from Banco Safra by means of a Bank Credit Note (CCB), with remuneration at a rate equivalent to the CDI + 0.80% p.a. and monthly callability. The term was 36 months, with an 18-month grace period to start repaying the principal. The amortization began in November 2020 and would end in April 2022.

However, since December 2021, there have been amendments to the contract and the deadline for settlement has been postponed, according to the following schedule:

- December 2, 2021 amendment of the principal of R\$93.0 million, with the new deadline being May 2023.
- In May 2023, the contract was renegotiated and the payment period was extended by 18 months, while it was still to be settled in a single installment at the end of the contract (bullet), which became November 2024.
- A new amendment was made in November 2024, extending the start of amortization to June 2025. The remaining installments are now due every six months, and the end of the amortization is rescheduled for December 2029. The interest rate was maintained at the original percentage, with monthly payment due.

In February 2022, also through a Bank Credit Note (CCB), a further R\$550.0 million was contracted with Banco Safra, with remuneration at a rate equivalent to the CDI + 1.65% p.a. and payable every six months. The term was 36 months, with an 18-month grace period to start repaying the principal, which will be settled in 4 half-yearly installments, starting in August 2023 and ending in February 2025.

In August 2023, the contract was amended to extend the start of repayment to August 2024, while the remaining installments will continue to be paid every six months, and the end of repayment was rescheduled for February 2026.

Explanatory Notes

On August 7, 2024, the amendment was formalized and the final maturity was extended to February 7, 2029. The date of the first amortization was reset to August 7, 2025, with subsequent amortizations remaining semi-annual from this date onwards. The contractual remuneration remains the same.

There are no covenants related to these loans.

ii) Eletrobras/ENBPar

The funds from this contract were earmarked, among other things, for rural electrification programs and come from the Global Reversion Reserve (RGR) and the Eletrobrás Financing Fund. The current contract has monthly amortizations and is scheduled to expire on May 30, 2025.

There are no covenants related to these loans.

iii) Finame

The funds from the Finame contracts with Caixa Econômica Federal and Banco do Brasil were used to cover part of Celesc D's funding shortfall and were used to purchase machinery and equipment. Each Purchase constitutes a contract, which was negotiated at interest rates of 6% to 9.5% p.a. and were settled on their respective due dates.

iv) Inter-American Development Bank - IDB

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

The total value of the operation was US\$276.1 million, repayable in 234 months, with a grace period of up to 66 months, reaching a total term of 300 months. The amortization is semiannual using the constant system.

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

It was decided to convert the amounts released into national currency and to change the interest rate applied to the contract, already taking into account the IDB's costs, so there would be no exchange rate variation.

On April 30, 2024, the Company concluded the last release of funds, the last tranche of which amounted to US\$14.22 million, which was converted using the exchange rate of R\$5.152 per dollar, resulting in an amount of R\$73.3 million. In accordance with the contract, the company opted to adjust the interest rate applied to this tranche, which became CDI + 0.70% p.a.

All releases up to December 31, 2024 are shown below, with dates, amounts and interest rates currently applied:

Dates	Amounts in US\$	Interest Rate
12.10.2018	70,374	CDI + 0.89 p.a.
01.28.2018	9,704	CDI + 0.89 p.a.
10.07.2019	26,211	CDI + 0.94 p.a.
12.10.2019	9,768	CDI + 0.77 p.a.
06.09.2020	7,273	CDI + 1.14 p.a.
10.13.2020	35,000	CDI + 1.80 p.a.
03.19.2021	25,000	CDI + 1.88 p.a.
12.14.2021	50,000	CDI + 1.16 p.a.
06.28.2023	28,500	CDI + 0.71 p.a.
04.30.2024	14,221	CDI + 0.70 p.a.
Total	276,051	

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

Explanatory Notes

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

22.1. Breakdown of Maturities

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

Description	National		Foreign		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Year 2025	-	275,363	-	63,456	-	338,819
Year 2026	156,111	137,500	67,213	63,456	223,324	200,956
Year 2027	156,111	-	67,213	63,456	223,324	63,456
Year 2028+	243,472	-	1,075,412	1,015,298	1,318,884	1,015,298
Total	555,694	412,863	1,209,838	1,205,666	1,765,532	1,618,529

22.2. Movements in Loans and Financing - National

Description	Consolidated	
	Current	Non-current
Balances as of December 31, 2022	262,833	414,003
Inflows	-	200,000
Accrued Charges	94,371	-
Transfers	201,140	(201,140)
Principal Amortizations	(203,259)	-
Charges Payments	(96,454)	-
Balances as of December 31, 2023	258,631	412,863
Accrued Charges	83,637	-
Transfers	(142,831)	142,831
Principal Amortizations	(1,139)	-
Charges Payments	(83,407)	-
Balances as of December 31, 2024	114,891	555,694

22.3. Movement in Loans and Financing - Foreign - IDB

Description	Consolidated	
	Current	Non-current
Balances as of December 31, 2022	34,396	1,131,923
Inflows	-	137,655
Monetary Adjustment	(4,027)	(456)
Accrued Charges	169,110	-
Transfers	63,456	(63,456)
Charges Payments	(165,430)	-
Balances as of December 31, 2023	97,505	1,205,666
Inflows	-	72,809
Monetary Adjustment	5,074	455
Accrued Charges	152,537	-
Transfers	69,092	(69,092)
Charges Payment	(158,419)	-
Principal Payment	(66,827)	-
Balances as of December 31, 2024	98,962	1,209,838

Explanatory Notes

23. DEBENTURES

23.1. Debentures 2021 - Celesc D

Celesc D continuously monitors the indexes related to the contract's annual covenants.

Item - Debentures 2021	Details
Issue Date	April 15, 2021
Number of Debentures	550,000
Nominal Unit Amount	R\$1,000
Total Issue	R\$550 million
Maturity	April 15, 2026
Type of Debenture	Unsecured, without preference
Guarantee	Fiduciary Guarantee (Celesc Holding guarantee)
Remunerative Interest	100% of the variation in DI Over rates + spread 2.6% per year
Interest Payment	Monthly, every 15th
Amortization	43 consecutive monthly installments starting in October 2022
Payments until 12/31/2024	R\$208.1 million (remuneration) and R\$345.3 million (principal)
Covenants	Net Debt/EBITDA $\leq$ 3

23.2. 2023 Debentures - Celesc D

On November 15, 2023, Celesc D issued 800,000 (eight hundred thousand) debentures, 400,000 (four hundred thousand) of the first series and 400,000 (four hundred thousand) of the second series, with a nominal unit amount of R\$1.0 thousand, totaling R\$800.0 million.

Celesc D continuously monitors the indexes related to the contract's annual covenants.

23.2.1. First Series

Debentures 2023	Details
Series	First Series
Issue Date	November 15, 2023
Number of Debentures	First Series: 400,000 debentures
Nominal Unit Amount	R\$1,000
Total Issue	R\$400 million
Type of Debenture	Unsecured, without preference
Guarantee	Additional Fiduciary Guarantee (guarantee by Celesc Holding)
Maturity	5 years (November 15, 2028)
Remunerative Interest	100% of the DI Over rates + spread 1.65% per year
Interest Payment	Semiannual, starting from May 15, 2024
Amortization	Semiannual, starting from November 15, 2026
Payments until 12/31/2024	R\$48.4 million in remuneration
Covenants	Net Debt/EBITDA $\leq$ 3.5

23.2.2. Second Series

Debentures 2023	Details
Series	Second Series
Issue Date	November 15, 2023
Number of Debentures	Second Series: 400,000 debentures
Nominal Unit Amount	R\$1,000
Total Issue	R\$400 million
Type of Debenture	Unsecured, without preference
Guarantee	Additional Fiduciary Guarantee (guarantee by Celesc Holding)
Maturity	7 years (November 15, 2030)
Monetary Adjustment	IPCA Variation
Remunerative Interest	6.5279% per year
Interest Payment	Semiannual, starting from May 15, 2024
Amortization	Annual, starting from November 15, 2028
Payments until 12/31/2024	R\$26.2 million in remuneration
Covenants	Net Debt/EBITDA $\leq$ 3.5

Explanatory Notes

23.3. Debentures 2024 - Celesc D

On July 15, 2024, Celesc D issued 1,200,000 (one million, two hundred thousand) debentures, 200,000 (two hundred thousand) of them in the first series and 1,000,000 (one million) in the second series, with a nominal unit amount of R\$1.0 thousand, totaling R\$1.2 billion.

Celesc D continuously monitors the indexes related to the contract's annual covenants.

23.3.1 First Series (Institutional):

Debentures 2024	Details
Issue Date	July 15, 2024
Number of Debentures	First Series: 200,000 debentures
Nominal Unit Amount	R\$1,000
Maturity	7 years (July 15, 2031)
Type of Debenture	Unsecured, without preference
Guarantee	Additional Fiduciary Guarantee (guarantee by Celesc Holding)
Monetary Adjustment	No
Remunerative Interest	100% of the DI Over rates + 0.95% per year
Interest Payment	Semiannual, starting from January 15, 2025
Amortization	Semiannual, starting from January 15, 2030
Covenants	Net Debt/EBITDA $\leq$ 3.5

23.3.2 Second Series (Infrastructure/Incentivated):

Debentures 2024	Details
Issue Date	July 15, 2024
Number of Debentures	Second Series: 1,000,000 debentures
Nominal Unit Amount	R\$1,000
Maturity	10 years (July 15, 2034)
Type of Debenture	Unsecured, without preference
Guarantee	Additional Fiduciary Guarantee (guarantee by Celesc Holding)
Monetary Adjustment	IPCA Variation
Remunerative Interest	6.9534% per year
Interest Payment	Semiannual, starting from January 15, 2025
Amortization	Semiannual, starting from January 15, 2032
Covenants	Net Debt/EBITDA $\leq$ 3.5

23.4. Debentures 2020 - Celesc G

Celesc G continuously monitors the indexes related to the contract's annual covenants.

Debentures 2020	Details
Issue Date	December 10, 2020
Number of Debentures	37,000
Nominal Unit Amount	R\$1,000
Total Issue	R\$37 million
Monetary Adjustment	IPCA Variation
Type of Debenture	Simple, not convertible into shares
Guarantee	Fiduciary Guarantee (Celesc G guarantee)
Maturity	10 years
Remunerative Interest	4.30% per year
Interest Payment	Semiannual, starting from June 2021
Amortization	Semiannual, starting from December 2023
Payments until 12/31/2024	R\$7.21 million (remuneration) and R\$9.30 million (principal)
Covenants	Net Debt/EBITDA $\leq$ 3.50

Explanatory Notes

23.5. Changes in Debentures

		Consolidated
Description		Total
Balance at 12.31.2022		606,113
Inflows		787,094
Accrued Charges		80,659
Charges Payment		(72,342)
Principal Payment		(206,510)
Debenture Issue Costs		1,592
Balance at 12.31.2023		1,196,606
Inflows		1,165,608
Accrued Charges		192,382
Charges Payment		(113,510)
Principal Payment		(159,767)
Debenture Issue Costs		4,550
Mark-to-market (VJR)		(62,247)
Balance at 12.31.2024		2,223,622
Current		202,251
Non-current		2,021,371

23.6. Debenture Borrowing Costs to be Appropriated

		Consolidated
Description	12.31.2024	12.31.2023
Year 2024	-	2,918
Year 2025	6,595	3,044
Year 2026	5,939	2,388
Year 2027	5,675	2,652
Year 2028+	27,369	4,734
Total	45,578	15,736

23.7. Reconciliation of Liabilities Resulting from Financing Activities

						Parent Company
Description	12.31.2023	Payments in Financing	Payment Changes Interest Flow (I)	Total Variations Not Affecting Cash (ii)		12.31.2024
Dividends and IOE Payable	211,329	(211,369)	(211,369)	-	212,794	212,754
Canceled (100%) - CPC	441	(233)	(233)	(26)	26	208
Total	211,770	(211,602)	(211,602)	(26)	212,820	212,962

Description	12.31.2022	Payments	Payment Flow of Financing	Variations Interest (i)	Total Variations Not Affecting Cash (ii)	12.31.2023
Dividends and IOE Payable	157,602	(179,469)	(179,469)	-	233,196	211,329
Canceled (100%) - CPC	141	(250)	(250)	(23)	573	441
Total	157,743	(179,719)	(179,719)	(23)	233,769	211,770

									Consolidated
Description	12.31.2023	IncomeResources	Total Variation in Principal Payments	Interest Payments Affecting	Payments Value Cash (ii)	(i)Adjustment to Variations 12.31.2024	Market Not		
Derivative Financial Instruments	-	-	(1,401)	(1,401)	-	71,631	-	70,230	
Loans and Financing	1,974,665	72,809	(67,966)	4,843	(241,826)	-	241,703	1,979,385	
Debentures	1,196,606	1,165,608	(159,767)	1,005,841	(113,510)	(62,247)	196,932	2,223,622	
Dividends/IOE	211,329	-	(211,369)	(211,369)	-	-	212,794	212,754	
Lease Liabilities	17,031	-	(11,264)	(11,264)	(943)	-	1,154	5,978	

Explanatory Notes

Description	12.31.2022	Inflows of Resources	Principal Payment	Total Variation in Financial Flows	Interest Payment (i)	Variations not Affecting Cash (ii)	Consolidated 12.31.2023
Loans and Financing	1,843,155	337,655	(203,259)	134,396	(261,884)	258,998	1,974,665
Debentures	606,113	787,094	(206,510)	580,584	(72,342)	82,251	1,196,606
Dividends and IOE	157,602	-	(179,469)	(179,469)	-	233,196	211,329
Lease Liabilities	8,295	-	(10,611)	(10,611)	(1,707)	21,054	17,031
Total	2,615,165	1,124,749	(599,849)	524,900	(335,933)	595,499	3,399,631

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

(ii) Interest and monetary variations provisioned for Loans and Financing totaled R\$236.2 million. Debentures totaled R\$196.9 million, of which R\$4.6 million refers to debenture costs incurred in 2024.

24. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses derivative financial instruments for economic and financial protection against interest rate volatility. Derivatives are initially recognized at fair value on the contract date and subsequently periodically revalued to their fair value. The main instrument used for this purpose is the swap.

Swaps for hedging purposes were contracted for the 6th and 7th Debenture Issues at Celesc D.

The swap operation for hedging purposes aims to exchange Celesc D's IPCA-linked debt for a CDI-linked financial obligation, based mainly on the following assumptions:

- Celesc's investments are linked to the CDI, so there is a risk of a financial outflow if there are considerable changes in the macroeconomy in relation to an increase in the IPCA and/or a reduction in the CDI;
- IPCA is a macroeconomic indicator with greater volatility and, therefore, less predictability than the CDI rate, presenting greater risk for the Company.

Thus, contracting swaps for hedging purposes provides less volatility and greater predictability for cash flow projections, considering the return on financial investments linked to the CDI.

On October 15, 2024, Celesc D swapped the sixth issue with Banco Safra and the seventh issue with XP Investimentos. By contracting the swap, the Company will be able to mitigate the risk of financial outflows when the CDI variation does not keep pace with the IPCA variation. This exchange offers several important benefits, which justify its implementation:

- Volatility Reduction:** By exchanging a financial expense indexed to the IPCA for an expense indexed to the CDI, the company will reduce its exposure to the volatility of inflation. The coefficient of variation, a measure of relative risk, shows that the IPCA rate can fluctuate more sharply, which increases the unpredictability of financial expenses. By switching to CDI-indexed debt, the company reduces this volatility and, consequently, the risk associated with it, providing greater financial stability.
- Inflationary Risk Mitigation:** The IPCA, as an inflation index, can vary significantly due to economic shocks and changes in monetary policy. A debt linked to the IPCA exposes the company to risks associated with unexpected rises in inflation. By switching to a debt indexed to the CDI, the company protects itself against these risks, since the CDI reflects a short-term rate and tends to be less affected by fluctuations in inflation in the very short term.
- Adjustment to the Economic Environment:** In periods of economic uncertainty, where inflation can be volatile or unpredictable, the stability provided by the CDI rate is advantageous. CDI rates are less susceptible to large variations, allowing the company to manage its finances more predictably and less subject to adverse economic fluctuations.

Explanatory Notes

- **Alignment with Financial Applications:** The company's financial applications are indexed to the CDI. To avoid a cash flow mismatch, it is wise to align financial expenses with the same index. With financial expenses pegged to the CDI, the company guarantees a more direct correspondence between its assets and liabilities, facilitating cash flow management and minimizing the risk of financial mismatches.

Although the swap operation provides significant benefits, it is important to be aware that there is also associated market risk due to the unpredictability of the macroeconomic scenario, in which market rates can vary unexpectedly.

The derivative operations linked to the Company's hedge programs are presented in the following tables, containing detailed information on the type of instrument, reference value and maturity.

To ensure adherence between the hedged item and the hedging instrument, the Company adopts a prospective effectiveness test methodology, based on an analysis of the critical terms of the hedged item and the derivatives contracted. The purpose of this procedure is to check whether the variations in the cash flows of the hedged item and the hedging instrument are sufficiently correlated to ensure that the risks are mutually offset.

The contracts outstanding on December 31, 2024 are as follows:

Counterparty	Date of contract	Date of Maturity	Category	Indexer assets	Indexer liabilities	Nominal amount
XP	10/15/2024	07/17/2034	Fair Amount Hedge	IPCA	CDI	1,020,619
Safra	10/15/2024	11/18/2030	Fair Amount Hedge	IPCA	CDI	427,805
Total						1,448,424

Changes in derivative financial instruments are as follows:

Description	Total
Balances as of December 31, 2023	-
Mark-to-Market in Profit or Loss	71,631
Amortization	(1,401)
Balances as of December 31, 2024	70,230

The values of the asset and liability sides of the financial instrument (swap) on December 31, 2024, are as follows:

Counterparty	Fair Amount Assets	Fair Amount Liabilities	Financial Result
XP	1,004,900	1,058,234	(53,334)
Safra	402,189	419,085	(16,896)
Total	1407,089	1477,319	(70,230)

The aforementioned transactions qualify for hedge accounting and are classified as Fair Amount Hedges applicable to interest rate swaps. These financial instruments are recognized as financial assets when they have a positive fair amount and as financial liabilities when the fair amount is negative.

The fair value of swap transactions is measured using the discounted cash flow methodology, using the Interest Rate Term Structure (ETTJ), published by ANBIMA on the base date of December 31, 2024.

Changes in the fair amount of derivatives designated and qualified as fair value hedges are recognized directly in the income statement, together with changes in the fair amount of the hedged asset or liability, provided that they are attributable to the hedged risk.

The Company uses fair amount hedge accounting as a strategy to mitigate the risk of exposure to floating interest rates on credit operations. The resulting gains or losses are recorded in the financial expenses line of the income statement, in the same way as changes in the fair value of loans.

Explanatory Notes

In assessing the effectiveness of the hedge, the Company does not exclude the portion relating to the counterparty's credit risk, considering that the contracts are signed with financial institutions with high solvency, liquidity and low credit risk.

If the hedge no longer meets the criteria for hedge accounting, any adjustment to the carrying amount of the hedged item will be amortized in the income statement over the remaining period to maturity, according to the effective interest rate method.

25. LABOR AND SOCIAL SECURITY OBLIGATIONS

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Payroll Social Provisions and Charges	1,804	1,493	135,152	120,932
Incentive Severance Plan - PDI	-	-	27,362	67,602
Consignment in Favor of Third Parties	-	-	11,345	11,025
Provision for Profit Sharing - PLR	-	-	33,915	35,165
Net Payroll	361	327	18,980	18,074
Total	2,165	1,820	226,754	252,798
Current	2,165	1,820	217,785	224,899
Non-current	-	-	8,969	27,899

25.1. Incentive Severance Plan - PDI

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

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

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

The last PDI (PDI 2023) was approved in September 2023, had its dismissals start in November 2023, and had a total of 49 dismissals.

The PDI indemnity can be paid in full, in a single installment, as long as the employee enrolls in Celos' Defined Contribution Plan. If you want to receive it in installments, you can choose between 24, 36, 48 or 60 installments.

The calculation of the amount of the indemnity takes into account a base portion, which represents various items of the employee's remuneration, including habitual performance of a bonus, work in a hazardous area, habitual performance of work with additional duties, among others.

It also takes into account the food voucher benefit, the private pension contribution at its maximum percentage, time remaining to complete 35 years of effective service, limited to 60 months, thirteenth salary, vacations, as well as adjustment factors, which consider company time based on the number of annuities and the time of effective service in the last 60 months.

The amounts provisioned for payment of installments due are recorded under Labor and Social Security Obligations in Liabilities, the balances of which are shown below:

Description	Consolidated	
	12.31.2024	12.31.2023
Current	18,393	39,704
Non-current	8,969	27,899
Total	27,362	67,603

Since the implementation of the program until December 31, 2024, there have been 1,274 dismissals, totaling expenses of R\$500.6 million.

Explanatory Notes

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

Years	Number of Employees Dismissed	PDI Expenses (R\$/thousand)
2016	61	16,183
2017	125	79,531
2018	181	68,737
2019	273	87,250
2020	303	112,847
2021	93	63,896
2022	141	60,084
2023	63	11,208
2024	34	883
Totals	1,274	500,619

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

26. TAXES

The breakdown of taxes payable by federal entity is shown in the following notes.

26.1. Federal Taxes

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
IRRF on IOE	8,208	7,460	24,552	22,587
Social Integration Program	10,480	9,862	54,756	51,870
Tax on Revenue (PIS) and Social Security Financing				
Tax on Revenue (COFINS)				
Other	48	34	3,853	3,206
Total Payable	18,736	17,356	83,161	77,663
(-) Taxes to be offset	-	-	(505,499)	(584,061)
Total	18,736	17,356	(422,338)	(506,398)

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
IRPJ and CSLL	82	1,692	2,818	26,676
(-) IRPJ and CSLL to be offset	(71,041)	(61,925)	(110,766)	(94,572)
Total	(70,959)	(60,233)	(107,948)	(67,896)

26.1.1 Autorregularization

On November 29, 2023, Law 14,740 was published, creating the Incentive Authorization Program for taxes administered by the Special Secretariat of the Federal Revenue of Brazil. It applies to federal taxes that have not been assessed up to the date of publication of the Law, including those in the process of being inspected, as well as tax credits arising from notices of infraction, notices of assessment and decision orders that have not fully or partially ratified the declaration of offsetting.

The Company assessed the opportunity and the Board of Directors approved joining the program on March 18, 2024.

On this occasion, PIS, COFINS, IRPJ and CSLL debts were recorded for the Company and Celesc D, which had not been recorded before the adhesion deadline with the Brazilian Federal Revenue Service.

At the Company, the amount of the taxes was R\$1.8 million, 50% of which was settled using tax loss credits and the negative calculation basis of the Social Contribution on Net Revenue and the remainder by cash payment through a Federal Revenue Collection Document (DARF). The impact on the Company's revenue for the current period was the recognition of revenue of R\$918 thousand from deferred IRPJ and CSLL and R\$70 thousand from current IRPJ and CSLL.

Explanatory Notes

At Celesc D, the amount was R\$63.1 million, of which R\$26.1 million was paid using tax loss credits and the negative calculation basis of the Social Contribution on Net Revenue, R\$5.4 million was paid in cash through DARF and the remaining balance was paid in 48 installments, as provided for in the program. The impact on the result was a net expense of R\$1.49 million, distributed as follows:

Effect on the Revenue Statement	1,492
Reversal of IRPJ/CSLL update on judicial deposit	(4,500)
PIS/COFINS with the passing on of the tax overpayment update to the consumer	3,089
Financial Expenditure Recovery	(377)
Reversal of deferred tax losses	3,280
PIS/COFINS levied on revenue with update 1st Action	33,398
Passing on PIS/COFINS to the consumer - 1st Action	(33,398)

It should be clarified that the amount of R\$33.4 million refers to PIS/COFINS levied on Financial Revenue from the tax debt arising from the 1st action to exclude ICMS from the PIS/COFINS calculation base, in which there is legal provision for passing on this expense to the consumer via the energy tariff, in line with the provisions of item III, Paragraph 1, Article 3-B of Law 9,427/1996 amended by Article 1 of Law 14,385/2022, making the effect on the result null and void.

The tax debts were created by rectifying the declarations and bookkeeping, as required by the program.

26.2. State Taxes

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
ICMS	-	-	180,497	199,357
Total Payable	-	-	180,497	199,357
(-) Taxes to be offset	-	-	(58,404)	(61,482)
Total	-	-	122,093	137,875

26.3. Municipal Taxes

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
ISS	116	104	2,484	3,044
MUNICIPAL PROPERTY TAX (IPTU)	-	-	7	7
Total Payable	116	104	2,491	3,051
(-) Taxes to be offset	-	-	(738)	(993)
Total	116	104	1,753	2,058

27. REGULATORY FEES

Description	12.31.2023	Additions	Monetary Update	Payments	12.31.2024
Energy Efficiency Program - EEP	77,401	46,435	7,039	(66,907)	63,968
Research & Development - R&D	37,117	40,652	2,802	(53,485)	27,086
ECE Installment (i)	9,659	-	223	(9,882)	-
ANEEL Inspection Fee	860	10,686	-	(10,613)	933
Energy Development Account - CDE (ii)	32,130	2,248,423	-	(2,271,056)	9,497
Financial compensation for use of hydro resources - CFURH	387	2,644	-	(2,576)	455
Total	157,554	2,348,840	10,064	(2,414,519)	101,939
Current	73,509	-	-	-	23,278
Non-current	84,045	-	-	-	78,661

i) Emergency Capacity Charge - ECE, was instituted by Law 10,438, of April 26, 2002, with the aim of covering the cost of contracting emergency thermoelectric plants installed in the country, available to generate energy in the event of a risk of shortages. This cost was paid by all consumers in the National Interconnected System, with the exception of those classified as low-revenue.

ii) As of the annual tariff readjustment in August 2024, Celesc D has been paying the sectoral charge Energy Development Account (CDE) to the CDE Uso and CDE GD accounts on a monthly basis.

Explanatory Notes

27.1. Energy Efficiency Program - PEE and Research & Development - R&D

In accordance with Law 9,991, of July 24, 2000, public electricity distribution service concessionaires, generation concessionaires and companies authorized to produce independent electricity, with the exception of some modalities, must annually invest a minimum percentage of their net operating revenues (NOR) in Research and Technological Development (R&D) projects in the electricity sector. Distributors must also invest in Energy Efficiency Programs - PEE, according to regulations established by ANEEL.

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

28. PROVISION FOR CONTINGENCIES AND LEGAL DEPOSITS

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

The main aspects in relation to the previous practice, in which the risks were only assessed when the trial took place in the first instance, are: the contemplation of the recognition of losses for all probable estimates of disbursement and the updating of litigation by the application of the correction index of the process.

On December 31, 2024, the Company had the following liabilities and their corresponding judicial deposits related to contingencies:

28.1. Probable Contingencies

Parent Company							
Description	12.31.2023	New Provisions	Adjustments of Provisions	Payments	Financial Reversals	Update	Adjustment Current Financial 12.31.2024
Tax	23,545	707	-	(6,253)	-	2,398	-
Labor	-	1,063	-	-	-	513	-
Civil	672	-	-	-	-	31	(2)
Regulatory	8,505	-	(982)	-	(407)	2,611	(2,457)
Total	32,722	1,770	(982)	(6,253)	(407)	5,553	(2,459)

Consolidated							
Description	12.31.2023	New Provisions	Adjustments of Provisions	Payments	Financial Reversals	Update	Adjustment Current Financial Update
Tax	44,936	739	5,434	(6,393)	(369)	4,588	-
Labor	57,052	5,390	18,505	(10,436)	(5,751)	4,972	-
Civil	204,566	34,300	99,137	(101,995)	(37,746)	2,968	(2)
Regulatory	77,767	-	19,197	(11,460)	(46,942)	28,024	(2,457)
Environmental	133,147	7	90	(155)	(66,296)	5,680	-
Total	517,468	40,436	142,363	(130,439)	(157,104)	46,232	(2,459)

Explanatory Notes

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

i) Tax Contingencies

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

At the Parent Company, the most relevant federal lawsuit refers to debts registered as active debt and the subject of Tax Enforcement 5012874-76.2021.4.04.7200, originating from PIS, IRPJ, IRRF, COFINS and CSLL, which were excluded from an extraordinary installment payment program and is in the process of withdrawing the deposit. The updated amount of the deposit is approximately R\$20.08 million. The updated contingency amount is R\$20.24 million. PGFN has requested that this amount be withdrawn.

ii) Labor Contingencies

At Celesc D, the most important case concerns the engineers' salary difference, with a provision of R\$24.7 million. In addition, there are processes for the incorporation of function bonuses in the amount of R\$7.7 million and overtime in the amount of R\$8.3 million.

iii) Civil Contingencies

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

There are also other types of claims that generate payment by Celesc D, such as: damages involving loss of production by tobacco growers of around R\$9.48 million, compensation actions for insurers of around R\$5.75 million, tariff reclassification of R\$3.74 million, review of bidding contracts (economic-financial rebalancing) of approximately R\$34.68 million, lawsuit related to the blackout in the amount of R\$17.2 million, legal fees charged by an external firm in the amount of R\$8.2 million, undue collection in the amount of R\$9.61 million, Ordinances of the former regulatory agency DNAEE in the amount of R\$9.44 million, CDI-OVER in the amount of R\$13.7 million and administrative servitude in the amount of R\$12.86 million.

The amount indicated above on the subject of undue collection includes R\$9.02 million for reimbursement of amounts overcharged on company billing.

The relevant existing provision of R\$55 million was changed to R\$27.74 million as a result of the decision of a motion for clarification which ruled out the incidence of compensatory interest. The lawsuit was filed by a solid waste treatment and disposal company, in which the court upheld the claim for compensation for easements and loss of profits caused by the landfill's inability to expand.

iv) Regulatory Contingencies

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

There was a reversal of a regulatory provision relating to the imposition of a fine (within the scope of ANEEL) on Celesc D for not carrying out the necessary works to provide an adequate service, as well as failing to maintain and operate the corresponding facilities and equipment satisfactorily. The risk of loss classification was changed to possible, given that there was a clear nullity due to the curtailment of the defense, when the

Explanatory Notes

judge of first instance rejected the request to produce expert evidence. Furthermore, the discussion goes beyond eminently legal issues, and there is a need to analyze facts and evidence.

In October 2003, Celesc D faced a power outage that affected 135,432 consumers for a period of 53 hours, due to a fire in a gallery under a bridge. As a result of this event, the Brazilian Electricity Regulatory Agency (ANEEL) imposed a fine on Celesc D. The company sought to annul this fine, arguing that the fire was caused by force majeure or unforeseeable circumstances, which would exclude its liability, or that the fine be adjusted to a proportional amount, not exceeding 0.001% of its turnover, claiming that the penalty imposed violated the principle of proportionality.

However, ANEEL argued that the interruption of the power supply was the result of technical imprudence on the part of Celesc D, which did not follow the proper rules and procedures in the use of maintenance equipment, which led to the fire. ANEEL rejected the allegation of unforeseeable circumstances or force majeure and maintained the fine imposed at 0.35% of turnover, claiming that it was within the legal limits.

In December 2024, the Federal Regional Court - TRF (5th Panel), analyzed the case and considered the documentary evidence and the technical report drawn up by the Fire Department to be sufficient, ruling out the need for further expertise. Based on this decision, the TRF dismissed Celesc D's civil appeal. Consequently, the provisioning related to the fine was reclassified from possible to probable

v) Environmental Contingencies

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

The most relevant environmental lawsuit was related to the episode that took place on November 19, 2012, when the registers of two transformers were stolen from the teaching substation of Celesc's former Training and Improvement Center (CeFA) in Florianópolis, releasing 11,640 liters of oil onto the ground. This oil traveled through the drainage system and was retained in the drainage channels around the substation. Informed of what had happened, Celesc took steps to remove the supernatant oil and solid waste. Preventively, an area of approximately 730 hectares was embargoed in Tapera Bay, located in the south of the island of Florianópolis, affecting mariculture activity in the region. Celesc D has compensated those affected in the embargoed area, according to an official survey.

Celesc D received two notices, one from FATMA, now the Santa Catarina Environment Institute - IMA, a state body, and the other from the Brazilian Institute for the Environment and Renewable Natural Resources - IBAMA. The company paid the state agency's fine and appealed IBAMA's decision. In 2023, Celesc D was surprised by the reversal of the judgment of the appeal of the motion to stay execution 5004476-82.2017.4.04.7200, by the Federal Regional Court of the 4th Region, which determined the payment of the environmental fine to IBAMA, the updated value of the provision was R\$137.97 million, whose Tax Execution was guaranteed with the offering of assets.

In December 2024, there was a reversal of R\$66.28 million, due to Celesc D's adherence to the Extraordinary Transaction of non-tax active debts provided for in AGU Normative Ordinance 150, of November 3, 2024, thus leaving a provision of R\$68.68 million, which will be fully paid off on January 31, 2025.

28.2. Court deposits

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Tax	55,852	51,457	65,481	58,759
Labor	5,177	5,022	19,506	20,238
Civil	2,683	6,858	104,822	107,450
Regulatory	37,228	35,016	248,735	233,457
Environmental	-	-	1,335	1,442
Balance	100,940	98,353	439,879	421,346

Explanatory Notes

Movements in provisions and deposits are shown below:

	Parent Company	Consolidated
Balance at 12.31.2023	98,353	421,346
Constitution	1,150	128,125
Financial Update	6,724	28,458
Write-offs	(5,287)	(138,050)
Balance at 12.31.2024	100,940	439,879

At the Parent Company, the most relevant judicial deposit refers to Tax Enforcement 5000685-32.2022.4.04.7200, to which it is a party, in the amount of R\$37.0 million, as a form of guarantee for the tax credit. The company filed a motion to stay the tax execution, arguing that the debt was unenforceable due to the existence of a credit that could be offset. The motions were dismissed. The case is awaiting a statement from the Federal Government on the appeal. Updated deposit for Dec/2024: R\$37.8 million.

Another judicial deposit, also relevant to the Company, refers to the Declaratory Action of Unenforceability of Tax Credit 5012891-49.2020.4.04.7200, in the amount of R\$20.82 million, deposit updated to Dec/2024, filed by Celesc seeking to declare unenforceable CDA's 91.2.18.003117-26, 91.2.18.003118-07, 91.6.18. 017006-01, 91.6.18.017009-46 and 91.7.18.002962-43, arising from remaining balance of the REFIS and PAES programs, which were included in the installment payment under Law 11941/2009. The case was dismissed at first instance and the appeal is awaiting analysis at a higher court.

Also at Celesc D, there are two court deposits relating to the economic and financial rebalancing of a contract related to the simultaneous reading, printing and delivery of invoices. After being partially withdrawn, in case 5029579-87.2023.8.24.0023, the updated deposit is R\$1.1 million, referring to the succumbence fees. The deposit in case 5029535-68.2023.8.24.0023 has also been partially withdrawn, with an updated value of R\$9.5 million reais.

In the labor sphere, an initial deposit of R\$2.4 million was made in the case of a retired employee who was reinstated due to a decision that made his termination invalid. The amount refers to the remuneration due since the termination. Almost all of this amount has already been withdrawn, and there is still a residual balance of R\$40,000 to be redeemed.

The main write-offs in the twelve months to 2024 in judicial deposits refer to tobacco growers' indemnities and insurance reimbursements in the amount of R\$57.6 million, labor indemnities in the amount of R\$10.4 million, and civil indemnities in the amount of R\$41.2 million.

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

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

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

28.3. Possible Contingencies

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

	Parent Company		Consolidated	
Description	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Tax (i)	57,900	72,186	322,491	352,052
Labor (ii)	-	-	32,954	39,127
Civil (iii)	4,984	5,755	433,646	451,448
Regulatory (iv)	-	50	278,192	180,053
Environmental (v)	-	-	6,273	27,895
Total	62,884	77,991	1,073,556	1,050,575

Explanatory Notes

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

i) Tax Contingencies

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

Celesc received Tax Enforcement 5032049-22.2022.4.04.7200, filed by the Federal Government to collect various taxes in the amount of R\$40.7 million. The company opposed the execution by means of a motion to stay the execution with the presentation of a judicial guarantee insurance and made partial payment of the executed amount of R\$24.0 million. The process is awaiting an accounting expert's report.

ii) Labor Contingencies

They are mostly related to claims brought by employees and ex-employees of the Group and of the companies that provide services (outsourced) regarding issues of subsidiary/solidary liability, overtime, severance pay, among other labor rights.

iii) Civil Contingencies

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

The most significant amounts include damages involving the loss of production by tobacco farmers of around R\$93.6 million, R\$9.98 million related to the unlawful use of the CDI-Over index as a means of correcting installment payments granted by Celesc D, R\$84.8 million in moral/material damages, R\$3.7 million in financial rebalancing of contracts, and actions to reimburse insurers of around R\$61.7 million.

iv) Regulatory Contingencies

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

v) Environmental Contingencies

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

29. EMPLOYEE BENEFITS

Description	12.31.2024	Consolidated
		12.31.2023
Pension Plans	477,933	796,200
Mixed Plan and Transitional Plan (a)	477,933	796,200
Assistance Plans	1,198,566	1,399,622
CELOS Healthcare Plan (b)	1,143,185	1,336,745
Other Benefits (c)	55,381	62,877
Total	1,676,499	2,195,822
Current	167,661	272,597
Non-current	1,508,838	1,923,225

Explanatory Notes

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

a) Mixed Plan and Transitional Plan

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

The debt was agreed with CELOS for the payment of 277 additional monthly contributions, with interest of 6% p.a. and updated by the IPCA, to cover the Benefits to Employees of the Mixed and Transitional Plan, as of November 30, 2001. The debt balance on December 31, 2024 is R\$11.6 million.

Since this debt will have to be paid even if the Foundation has a surplus, Celesc D records the monetary restatement and interest in the financial result.

b) CELOS Healthcare Plan

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

c) Other Benefits

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

29.1. Actuarial Valuation Results

29.1.1. Actuarial Obligations

Description	Consolidated					
	Mixed Plan	Transitional Plan	CELOS Healthcare Plan	Savings Plan	Other Benefits	Total
Balance at 12.31.2022	2,481,674	648,748	1,159,625	1,677	54,430	4,346,154
Net Current Service Cost	1,584	-	(43,325)	153	-	(41,588)
Participant Contributions Made in the Year	30,262	17,459	67,963	-	-	115,684
Interest on Actuarial Obligation	281,338	71,650	130,607	176	6,093	489,864
Benefits Paid in the Year	(235,190)	(94,130)	(139,516)	(353)	(5,322)	(474,511)
(Gains) Losses on Actuarial Obligations	29,460	82,900	203,841	293	7,676	324,170
Balance at 12.31.2023	2,589,128	726,627	1,379,195	1,946	62,877	4,759,773
Net Current Service Cost	1,717	-	(45,152)	167	-	(43,268)
Participant Contributions Made in the Year	38,795	19,946	51,597	-	-	110,338
Interest on Actuarial Obligation	235,997	64,936	126,570	167	5,687	433,357
Benefits Paid in the Year	(247,138)	(95,923)	(149,492)	(313)	(5,723)	(498,589)
(Gains) Losses on Actuarial Obligations	(352,359)	(118,877)	(179,704)	(199)	(7,460)	(658,599)
Balance at 12.31.2024	2,266,140	596,709	1,183,014	1,768	55,381	4,103,012

Explanatory Notes

29.1.2. Determination of Net Liabilities (Assets)

Description	Mixed Plan	Transitional Plan	CELOS Healthcare Plan	Savings Plan	Other Benefits	Consolidated
						Total
Liabilities (Assets) at 12.31.2022	482,960	257,786	1,106,999	-	54,430	1,902,175
Fair Amount of Assets at the End of the Year	(2,077,203)	(442,352)	(42,450)	(14,057)	-	(2,576,062)
Actuarial Obligations at the End of the Year	2,589,128	726,627	1,379,195	1,946	62,877	4,759,773
Effect of the Asset and Liability Ceiling End of the	-	-	-	12,111	-	12,111
Liabilities (Assets) at 12.31.2023	511,925	284,275	1,336,745	-	62,877	2,195,822
Fair Amount of Assets at the End of the Year	(2,021,307)	(486,924)	(39,829)	(15,127)	-	(2,563,187)
Actuarial Obligations at the End of the Year	2,266,140	596,709	1,183,014	1,768	55,381	4,103,012
Effect of the Asset and Liability Ceiling End of the	59,115	64,200	-	13,359	-	136,674

29.1.3. Reconciliation of the Fair Amount of Assets

Description	Mixed Plan	Transitional Plan	CELOS Healthcare Plan	Savings Plan	Consolidated
					Total
Balance at 12.31.2022	1,998,714	390,962	52,626	13,529	2,455,831
Benefits Paid in the Year Using Assets	(235,190)	(94,130)	(139,516)	(353)	(469,189)
Participant Contributions Made in	30,261	17,458	67,962	-	115,681
Employer Contributions Made in	95,040	83,759	71,740	-	250,539
Expected Return on Assets	229,619	45,921	6,377	1,571	283,488
Gain (Loss) on Fair Amount of Plan Assets	(41,241)	(1,618)	(16,739)	(690)	(60,288)
Balance at 12.31.2023	2,077,203	442,352	42,450	14,057	2,576,062
Benefits Paid in the Year Using Assets	(247,138)	(95,923)	(149,492)	(313)	(492,866)
Participant Contributions Made in	38,795	19,946	51,597	-	110,338
Employer Contributions Made in	106,331	89,146	80,497	-	275,974
Expected Return on Assets	192,505	42,122	4,283	1,313	240,223
Gain (Loss) on Fair Amount of Plan Assets	(146,389)	(10,719)	10,494	70	(146,544)
Balance at 12.31.2024	2,021,307	486,924	39,829	15,127	2,563,187

29.1.4. Costs Recognized in the Revenue Statement for the Year

Description	Consolidated	
	12.31.2024	12.31.2023
Transitional Plan	22,814	25,729
Mixed Plan	45,209	53,303
Medical Plan	77,134	80,905
Other Benefits	5,855	6,246
Total	151,012	166,183
Personnel Expenses	143,173	145,446
Financial Expense	7,839	20,737
Total	151,012	166,183

29.1.5. Assumptions

Assumptions	Real Actuarial Discount Rate	HCCTR	Wage Growth Active Employees	General Mortality
Mixed	7.33%	N.U.	3.08%	HV-2000 by sex reduced by 5%
Transitional	7.66%	N.U.	N.U.	HV 2000 (smoothed by 10%) segregated by sex
Savings	7.35%	N.U.	4.96%	HV- 2000 by sex reduced by 5%
Disability Aid	7.34%	N.U.	N.A.	N.A.
Funeral Allowance	7.44%	N.U.	N.U.	HV- 2000 by sex reduced by 5%
Minimum Benefit	7.60%	N.U.	4.96%	HV- 2000 by sex reduced by 5%
Healthcare	7.44%	3.50%	N.A.	HV- 2000 by sex reduced by 5%



Centrais Elétricas de Santa Catarina S.A.

N.U. - Not Used

N.A. - Not Applicable



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Explanatory Notes

29.1.6. Sensitivity analysis

The sensitivity analysis shows the effect of significant changes in actuarial assumptions.

Assumptions	Real Actuarial Discount Rate		HCCTR		Wage Growth Active Employees		General Mortality	
	0.50%	-0.50%	0.50%	-0.50%	0.50%	-0.50%	+1 year	-1 year
Mixed	(95,469)	94,801	-	-	515	(470)	48,895	(50,438)
Transitional	(17,797)	18,865	-	-	-	-	17,238	(17,437)
Savings	(68)	73	-	-	-	-	(69)	75
Disability Aid	(175)	190	-	-	-	-	82	(83)
Funeral Allowance	(665)	725	-	-	-	-	(497)	507
Minimum Benefit	(1,200)	1,280	-	-	-	-	1,034	(1,208)
Healthcare	(66,477)	73,281	69,779	(63,796)	-	-	43,551	(43,127)

29.1.7. Estimated Expenditure for the Year 2025

The estimated expenditure for 2025 is shown below:

Plans	Consolidated Expense to be Recognized in 2025
Transitional Plan	21,379
Mixed Plan	37,251
Savings Plan	152
Medical Plan	80,751
Other	6,720
Total	146,253

29.1.8. Changes in Employee Benefits

Description	Mixed/Transitional Plan	CELOS Plan Healthcare	Plan Savings	Other Benefits	Consolidated
					Total
Balance at 12.31.2022	740,746	1,106,999	-	54,430	1,902,175
Expenses/(Revenue) Recognized in the Result for the Year	79,033	80,906	153	6,093	166,185
(Gains)/Losses Recognized in OCI	155,220	220,580	(153)	1,676	385,323
Employer Contributions	(178,799)	(71,740)	-	-	(250,539)
Benefits Paid Directly by Celesc D	-	-	-	(5,322)	(5,322)
Balance at 12.31.2023	796,200	1,336,745	-	62,877	2,195,822
Expenses/(Revenue) Recognized in the Result for the Year	68,023	77,134	167	5,687	151,011
(Gains)/Losses Recognized in OCI	(190,813)	(190,197)	(167)	(1,460)	(388,657)
Employer Contributions	(195,477)	(80,497)	-	-	(275,974)
Benefits Paid Directly by Celesc D	-	-	-	(5,723)	(5,723)
Balance at 12.31.2024	477,933	1,143,185	-	55,381	1,676,499

29.2. Celos Equalization Plan - Mixed Plan

The pension plans offered by Celesc D are managed by the Celesc Social Security Foundation - CELOS. As a result of their design, prior to version 13 inclusive, when there is a deficit above the limits defined in the legislation, especially CNPC Resolution 30 of October 10, 2018 and Previc Resolution 23 of August 14, 2023, the participants and the sponsor must balance the plan, making equal "contributions" to seek a balance between the assets and liabilities of the pension plan. For the participants, this "contribution" takes the form of a deduction from their benefits, and for the sponsor, through extra contributions.

On December 15, 2023, the CELOS Board of Directors approved for the Mixed Plan Scenario 2 - Adjusted Technical Balance, an updated amount to be equated of R\$252.7 million and a rate of 4.85%.

On January 17, 2024, CELOS filed correspondence under 2.241.268.942.705 informing about the Deficit Equalization Plan for 2022, together with the relevant documents for evaluation. On January 17, 2024, CELOS filed correspondence under 2.241.268.942.705 informing about the Deficit Equalization Plan for the year 2022, together with the relevant documents for evaluation. The sponsor Celesc D has a financial

Explanatory Notes

of R\$126.4 million, which represents 50% (fifty percent) of the settlement of the 2022 deficit of the Mixed Plan, to be paid in a number of monthly and successive installments until July 2039, the first of which is due on April 6, 2024 and the others on the 5th business day of the following months.

The legal provisions in force make it compulsory to settle the actuarial deficits of pension plans whose deficit exceeds the limits defined in CGPC Resolution 26 of September 2008, and subsequent amendments.

With regard to the amortization period, according to the normative provisions of CNPC Resolution 30/2018, the maximum period must be equivalent to one and a half times the duration of the benefit plan's liabilities. In the 2022 Actuarial Valuation, the duration of the liability, referring to the benefits structured in the BD modality, obtained through the Venturo system (Previc), was 10.3043 years. Therefore, for calculation purposes, Celos used the maximum period allowed by the regulations, equivalent to 185 months.

29.3. Celos Settlement Plan - Transitional Plan

On December 15, 2023, the CELOS Board of Directors approved for the Transitional Plan, Scenario 1 - Adjusted Technical Balance, updated to the amount to be equated of R\$30.98 million and a rate of 1.80%.

The deficit has contributory parity, i.e. the sponsor Celesc D has parity with the beneficiaries, and must therefore make an extraordinary contribution of 50% (fifty percent) of the settlement of the Transitional Plan's 2022 deficit, with an amortization period corresponding to the settlement of the actuarial liability (duration).

30. PIS/COFINS TO BE REFUNDED TO CONSUMERS

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

On April 1, 2019, according to the narrative already described in NE 11 of Taxes Recoverable, Celesc D obtained a final and unappealable decision in a lawsuit, in which the right to recover the amounts overpaid as PIS/COFINS due to the inclusion of ICMS in the calculation basis of the taxes paid was recognized. The decision limited the effects to the period from April 13, 2007 to December 31, 2014.

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

With regard to the Liability and the respective form of return, it should be noted that, in the Periodic Tariff Review

- RTP of Celesc D of August 22, 2021, the distributor provisionally anticipated, until ANEEL regulated the form of return to consumers in its concession area, the amount of R\$795.0 million as an extraordinary negative financial component based on part of the amount qualified and in the process of homologation with the Brazilian Federal Revenue Service.

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

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

This enactment altered Law 9.427/1996, which was then in force with Article 3B, item II, in which it was defined that the full amount of the credits requested from the Special Secretariat of the Federal Revenue of Brazil to be offset until the subsequent tariff process should be considered in the tariff processes. In addition, paragraph 8 of Article 3 also established that ANEEL will formulate fair criteria, taking into account the tariff procedures and the applicable contractual provisions.

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Included in the 2022 Annual Tariff Adjustment (RTA) process was the return of the full amount of the credits related to the first lawsuit by Celesc D to consumers, in the amount of R\$806.3 million, generating a negative effect of 8.32% on the tariff.

Thus, in the company's accounting, the amounts to be refunded to consumers were updated under the terms of Law 14,385/2022, which equated the updates of the amounts to be refunded to consumers to the same rule applicable under tax legislation, linked to the Selic benchmark rate for federal securities, accumulated monthly, calculated from the date of undue payment or overpayment until the month prior to the compensation or refund, and 1% for the month in which it is being made.

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

However, the methodology used by ANEEL to update the amounts differed from the tax rule in which Celesc, in line with current tax legislation and in accordance with Law 14,385/2022, updated the amounts to R\$778.4 million.

On the difference of R\$27.9 million, a debit was recorded in the Other Liabilities - PIS/COFINS to be Refunded to Consumers account against the Financial Liability - CVA, both in Current Liabilities, since Celesc D understands that the amounts were improperly updated and discounted in the 2022 RTA in a precarious manner.

The Administration sent a letter to ANEEL as part of the RTA process and also of Public Consultation - CP 05/2021, expressing its disagreement with the provisional methodology adopted by the Agency for updating the amounts, so that it is awaiting the establishment of the fair criteria that are under discussion.

Case 48500,001747/2020 is currently being processed by the Federal Prosecutor's Office.

30.2. Case 5006834-93.2012.4.04.7200 - 2nd lawsuit to Exclude ICMS from the PIS/COFINS Calculation Base

With regard to this process, referring to the 2nd lawsuit for the Exclusion of ICMS from the PIS/COFINS Calculation Basis, the request for authorization was indicated as the total amount of the credit updated to that date, equivalent to R\$1.08 billion.

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

To this end, in line with Law 14,385/2022, the amounts to be returned to the consumer were taken into account in the RTA that took place in August 2023. The transfer of the 2023 RTA amounted to R\$807.6 million, with a reduction effect on consumers of -7.02%.

Due to a divergence in the financial updating methodology, Celesc D updated the amounts to R\$778.4 million.

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

Since the methodology for operationalizing the transfer is still being discussed by ANEEL in the context of CP 05/2021, and given Celesc D's disagreement with the rules adopted by the regulator for updating the amounts, ANEEL again noted the provisional nature of the treatment for the tariff pass-through in the 2023 RTA in Technical Note 7/2023-STR/ANEEL, dated August 14, 2023, emphasizing that the issue is still under discussion, so that any adjustments will be taken into account when the normative act is finalized, and future adjustments to the amounts may occur.

Explanatory Notes

In 2024 there was a change in the rule for passing on PIS COFINS credits to distributors. This change affected the cash available to cover the amounts stipulated in the 2023 tariff process. As a result of this change, Celesc D passed on more funds to consumers than it should have, due to the frustration of the credit forecast. In this tariff process, ANEEL recomputed the amounts in the calculation, using the updated Amounts with the new amounts to be received and passed on by Celesc D. The calculation resulted in an amount of R\$36 million to be received by Celesc D over the next 12 months.

Celesc D considers the risk of losing the case over the update to be possible, and does not set up a provision for the values discussed.

31. EQUITY

31.1. Share Capital

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

Of the Authorized Capital, R\$2.48 billion has been subscribed and paid in, represented by 38,571,591 registered shares with no par value, of which 15,527,137 are common shares with voting rights and 23,044,454 are preferred shares with no voting rights.

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

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

31.2. Legal and Profit Retention Reserve

The Legal Reserve is created, on an annual basis, as an allocation of 5% of the Net Income for the Year and cannot exceed 20% of the Share Capital. The purpose of the Legal Reserve is to ensure the integrity of the Share Capital and can only be used to offset losses and increase capital.

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

31.3. Dividends and Interest on Equity

The dividend proposal for 2024 establishes a payout of 42.5%, above the minimum set out in the Company's Dividend Distribution Policy, which is 30%. For the 2023 financial year, the percentage was 40%.

Description	Consolidated	
	12.31.2024	12.31.2023
Net Income for the Year	715,802	557,034
(-) Creation of Legal Reserve	(35,789)	(27,852)
(=) Adjusted Net Income	680,013	529,182
Proposed Dividends(Payout 40%)	-	211,673
Proposed Dividends(Payout 42.5%)	289,006	-
Interest on Equity (Net of Income Tax)	211,716	210,420
Additional Dividends	77,290	1,253

Explanatory Notes

The amount of the 2024 benefit, by type of share, is shown below:

				Consolidated	
Financial Year	Typ	Earnings per Share*	Total Distributed by Type of Benefit	Total Value	
2024	DIV	ON	1.890826819	77,290	
		PN	2.079909501		
	IOE	ON	5.657077725	231,239	308,529
		PN	6,222785498		
		IR	(19,523)		
		IOE net of IR	211,716		

				Consolidated	
Financial Year	Typ	Actio n*	Type of Income	Total Amount	
2023	DIV	ON	0.030660525	1,253	
		PN	0.033726577		
	IOE	ON	5.617833166	229,365	230,888
		PN	6.179616483		
		IR	(19,215)		
		Net IOE after IR	210,420		

*Expressed in R\$.

31.3.1. Breakdown of Basic and Diluted Results

The calculation of basic and diluted earnings per share on December 31, 2024 and 2023 was based on net income for the year and the weighted average number of common and preferred shares outstanding during the years presented.

Dividends will be distributed in the following order:

- the minimum annual dividend guaranteed to preferred shares;
- the dividend to common shares, up to a percentage equal to that guaranteed to preferred shares.

Once the planned dividends have been distributed, the preferred shares will compete on an equal footing with the common shares in the eventual distribution of additional dividends. Preference shares receive at least 10% more than that attributed to each common share when receiving a dividend.

On December 31, 2024 and 2023, the number of shares in the Company remained unchanged and there were no instruments convertible into shares that had a dilutive impact on earnings per share.

Description	12.31.2024	12.31.2023
Weighted Average Number of Shares (thousands)		
Nominative Common Shares - ON	15,527	15,527
Registered Preferred Shares - PN	23,044	23,044
Basic and Diluted Profit Attributable to the Company's Shareholders		
Nominative Common Shares - ON	271,904	211,595
Registered Preferred Shares - PN	443,898	345,439
Total Basic and Diluted Profit Attributed to the Company's Shareholders	715,802	557,034
Diluted Earnings per Share		
Nominative Common Shares - ON	17.5115	13.6274
Registered Preferred Shares - PN	19.2627	14.9901

31.4. Asset Valuation Adjustment

The effect of this group on Equity is R\$1.16 billion on December 31, 2024 and R\$1.41 billion on December 31, 2023, made up as follows:

Consolidated

Description	12.31.2024	12.31.2023
Allocated Cost - Celesc G (a)	12,339	12,894
Employee Benefits Adjustment - Celesc D (b)	(1,035,053)	(1,290,280)
Fair Amount Adjustment Other Comprehensive Income (c)	(137,261)	(137,261)
Total	(1,159,975)	(1,414,647)

Explanatory Notes

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

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

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

32. REVENUES AND EXPENSES

32.1. Consolidated Net Operating Revenue

32.1.1. Reconciliation of Net Operating Revenue with Gross Operating Revenue

- Electricity Supply - This is used to account for billed and unbilled revenue corresponding to the Electricity Supply, as well as specific adjustments and bonuses.
- Electricity Supply - This is used to account for revenue from the supply of electricity to resellers in the Regulated Contracting Environment (ACR) and sold in the Free Contracting Environment (ACL), as well as specific adjustments and additions. In addition to selling energy through auctions to distributors in the captive market, Celesc G also sells energy to Free Consumers in the free market - ACL.
- Provision of the Electricity Network - The revenues derived from the provision of the distribution system by Celesc D through its activities are accounted for.
- Short-Term Energy - This is a segment of the Electricity Trading Chamber - CCEE, where the differences between the amounts of electricity contracted by the agents and the amounts of generation and consumption actually verified and attributed to the respective agents are recorded. The differences calculated, whether positive or negative, are recorded for subsequent financial settlement in the Short-Term Market and amounted at the Difference Settlement Price (DSP).
- Construction Revenue - Refers to the accounting of infrastructure construction revenue from Celesc D's Concession Agreement assets, which is recognized based on the proportion of the concessionaire's investment plan. In the revenue statement it is offset by the construction cost, and there is no construction margin.
- Donations and Subsidies - These are recognized according to the essence of the applicable contracts and/or agreements. The amount passed on by Eletrobras refers to the reimbursement of discounts on tariffs applicable to users of the public electricity distribution service. The amount of revenue accounted for as a CDE subsidy (Decree 7,891/2013) in 2024 was R\$605.0 million. The other amounts refer to the Low Revenue Program, in the amount of R\$41.4 million, the supply of CCRBT Flags, in the amount of R\$78.2 million and the CDE reimbursement difference, in the amount of R\$22.3 million.
- Other Operating Revenue - Proceeds from the updating of the indemnifiable financial asset by the IPCA.

Explanatory Notes

	Consolidated	
Description	12.31.2024	12.31.2023
Gross Operating Revenue (GOR)	16,407,239	15,793,180
Electricity Supply (a)	6,692,977	5,942,544
Unbilled Supply (a)	(41,989)	37,218
Electricity Supply (a)	336,059	420,357
Unbilled Supply (a)	1,304	1,412
Provision of Electricity Grid	7,044,141	6,661,613
Fair Amount of Indemnifiable Financial Asset - Concession	30,020	20,586
Financial Revenue	84,040	80,338
Revenue from Services Rendered	660	832
Short-Term Electricity	243,480	247,554
Sectoral Financial Assets/(Liabilities) Revenue	278,405	701,778
Other Operating Revenue	5,031	12,282
Donations and Subsidies (i)	746,891	669,310
Construction Revenue	985,735	997,355
PPP Leases and Rentals	485	1
Deductions from Gross Operating Revenue	(5,748,381)	(5,390,572)
ICMS	(2,170,426)	(1,996,139)
PIS	(217,652)	(210,368)
COFINS	(1,002,519)	(968,967)
ISS	(1)	-
Energy Development Account - CDE	(2,248,423)	(2,109,325)
Research and Development - R&D	(48,621)	(47,363)
Energy Efficiency Program - EEP	(47,409)	(46,117)
Inspection Fee - ANEEL	(10,686)	(10,040)
Financial Compensation for Use of Hydro Resources - CFURH	(2,644)	(2,247)
Other Charges	-	(6)
Net Operating Income - NOI	10,658,858	10,402,608

32.1.2. Electricity Supply by Type of Consumer

	Consolidated					
Descripti	Number of Consumers		MWh (i)		Gross Revenue	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Residential	2,745,937	2,680,287	7,788,282	7,098,372	3,252,098	2,832,142
Industrial	142,532	138,040	11,682,871	11,234,753	904,260	896,910
Commercial	325,359	318,276	5,159,804	4,882,628	1,522,219	1,411,158
Rural	218,757	222,877	1,022,862	1,042,807	457,108	396,516
Public Authorities	26,923	27,101	508,015	473,981	218,555	185,190
Public Lighting	1,303	1,245	578,029	589,183	164,561	136,035
Public Service	4,248	4,356	465,898	432,552	132,187	121,811
Total Supply	3,465,059	3,392,182	27,205,761	25,754,276	6,650,988	5,979,762
Energy Supply	159	150	3,048,718	2,948,875	337,363	421,769
Total	3,465,218	3,392,332	30,254,479	28,703,151	6,988,351	6,401,531

32.2. Consolidated Operating Costs and Expenses

	Consolidated					
Description	Cost of Assets and/or Services	General and Administrative Expenses	Selling Expenses	Estimated Losses on Credit Settlement	Other Expenses/Net (Revenues)	12.31.2024 Total
Electricity Purchased for Resale (c)	4,850,253	-	-	-	-	4,850,253
Renegotiation of Hydrological Risk	-	-	-	-	-	-
Electricity Grid Usage Charges (b)	2,058,389	-	-	-	-	2,058,389
Personnel (c)	415,267	303,177	27,683	-	1,772	747,899
Administrators	-	14,971	-	-	-	14,971
Actuarial Expenses	-	143,173	-	-	-	143,173
Private Pension Entity (c)	19,919	13,450	1,120	-	-	34,489
Material	36,545	9,454	-	-	18,132	64,131
Construction Cost	985,735	-	-	-	-	985,735
Third Party Costs and Services	166,240	125,641	69,259	-	1,098	362,238
Depreciation and Amortization	311,934	33,411	100	-	1,971	347,416
Net Provisions	-	-	-	194,010	13,960	207,970
Donations, Contributions and Infrastructure Grants (d)	-	-	-	-	253	253
Leases and Rentals	1,417	6,295	835	-	(414)	8,133
Sharing of	-	-	-	-	(289,768)	(289,768)
Agreement Collection Fee	-	-	-	-	(64,486)	(64,486)
Other (Revenues)/Expenses	7,279	(9,299)	21,986	-	13,870	33,836
Total	8,852,978	640,273	120,983	194,010	(303,612)	9,504,632

Explanatory Notes

Description	Cost of Assets and/or Services	General and Administrative Expenses	Selling Expenses Settlement	Consolidated	
				12.31.2023	Estimated Losses on Credit Other Revenues and Expenses (Net) Total
Electricity Purchased for Resale	4,828,059	-	-	-	4,828,059
Regulation of Hydrological Risk -	28,135	-	-	-	28,135
Electricity Grid Usage Charges	1,982,814	-	-	-	1,982,814
Personnel (c)	380,806	306,694	29,096	-	718,052
Administrators	-	11,420	-	-	11,420
Actuarial Expenses	-	145,446	-	-	145,446
Private Pension Entity	18,066	12,964	1,108	-	32,138
Material	39,439	10,037	-	-	68,654
Construction Cost	997,355	-	-	-	997,355
Third Party Costs and Services	170,911	134,464	64,258	-	371,212
Depreciation and Amortization	277,585	34,788	257	-	314,601
Net Provisions (d)	-	-	-	93,920	394,927
Grants, Contributions and	-	-	-	-	186
Leases and Rentals	1,404	7,246	464	-	8,670
Infrastructure (e)	-	-	-	-	(268,103)
Agreement Collection Fee	-	-	-	-	(62,205)
Other (Revenues)/Expenses	20,482	(12,161)	29,309	-	63,565
Total	8,748,866	558,909	124,403	93,920	9,526,107

a) Electricity Purchased for Resale

Description	Consolidated	
	12.31.2024	12.31.2023
Purchase of Energy in the Regulated Environment - CCEAR	3,234,309	3,420,815
Electricity Trading Chamber - CCEE	105,332	52,791
Itaipu Binacional	861,237	734,166
Bilateral Contracts	68,005	59,995
Nuclear Energy Quotas	222,326	218,810
Physical Guarantee Quotas	556,692	524,557
Proinfra	277,215	294,945
PIS/COFINS	(474,863)	(478,020)
Total	4,850,253	4,828,059

The purchase and sale of energy at the CCEE is recognized on an accrual basis, based on the data published by the CCEE, which is calculated by the product of the surplus or deficit of energy recorded in a given month, by the corresponding PLD - Difference Settlement Price, or, when this information is not available in a timely manner, by an estimate prepared by Management.

b) Electricity Grid Usage Charges

Description	Consolidated	
	12.31.2024	12.31.2023
System Use Charges	1,722,784	1,617,779
System Services Charges - ESS	63,221	65,891
Itaipu Transportation Charges	123,394	124,218
Reserve Energy Charge - EER	358,787	377,031
PIS/COFINS	(209,797)	(202,105)
Total	2,058,389	1,982,814

c) Personnel and Private Pension

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Personnel	10,239	9,332	747,899	718,052
Remuneration	9,730	8,919	347,664	314,268
Payroll Charges	323	234	147,794	150,787
Profit Sharing	-	-	39,943	49,967
Assistance Benefits	-	-	117,251	108,752
Provisions and Indemnities	53	70	94,995	94,060
Other	133	109	252	218
Private Pension - CELOS	22	38	34,489	32,138
Total	10,261	9,370	782,388	750,190

Explanatory Notes

d) Net Provisions

The variation from 2024 to 2023 is due to the provisioning, in 2023, of a civil lawsuit related to the lawsuit filed by the solid waste treatment and final disposal company, in which the judiciary upheld the request for compensation for easements and loss of profits caused by the landfill's inability to expand. Another relevant provision was the environmental fine to Ibama.

e) Infrastructure Sharing

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

32.3. Financial Result

Description	Parent Company		Consolidated	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Financial Revenues	(1,002)	8,875	410,698	680,604
Revenue from Financial Applications	6,825	4,557	97,779	94,492
Late Payments on Bills of Electricity Financial	-	-	112,762	108,573
Monetary Variations	-	-	8,404	40,910
Monetary Restatement on Assets Sector	-	-	67,337	85,852
Dividends Revenue	6,440	2,664	6,440	2,664
Interest on Court Deposits	6,726	23,011	28,460	104,534
Mark-to-market (MTM)	-	-	62,248	-
Tax Update Recup. Exc ICMS	-	-	41,926	287,431
PIS/COFINS	-	-	-	-
Other Financial Revenues	4,224	3,649	27,927	13,369
(-) IRRF on IOE	(24,591)	(24,808)	(24,591)	(24,808)
(-) PIS/COFINS on Financial Revenue	(626)	(198)	(17,994)	(32,413)
Financial Expenditure	(5,201)	(7,730)	(698,062)	(822,392)
Debt Charges	-	-	(226,102)	(248,025)
Update Mathematical Reserve to Amortize	-	-	(7,839)	(20,737)
Tax on Financial Operations - IOF	-	-	(7,668)	(5,337)
Monetary Variations	-	-	(189,030)	(76,809)
Monetary Update for Litigation	(3,094)	(7,426)	(43,773)	(83,458)
R&D and Efficiency Update	-	-	(9,725)	(12,886)
Energy	-	-	-	-
Expenses with Derivatives	-	-	(71,631)	-
Monetary Restatement on Assets Financial	-	-	(96,921)	(75,616)
Update Amount to Return Consum. Exc ICMS PIS/COFINS	-	-	(30,942)	(287,414)
Interest and Costs Related to Debentures	-	-	(7,674)	(5,467)
Rent Interest Payable (CPC 06)	(26)	(23)	(943)	(1,707)
Other Financial Expenditure	(2,081)	(281)	(5,814)	(4,936)
Financial Result	(6,203)	1,145	(287,364)	(141,788)

33. INFORMATION BY SEGMENT

Operating segments are the business activities that generate revenue and incur expenses. Operating results are reviewed monthly by the Management of the Company and its subsidiaries, who are responsible for allocating resources, assessing performance and adherence to the Group's master plan.

Monitoring the performance of each segment is based on information derived from accounting records.

Until December 31, 2024, sales were made exclusively in Brazilian territory and all assets are located in the country. No customer of the Company or its subsidiaries has been identified who is individually responsible for more than 10% of the total net revenue recorded.

Explanatory Notes

Celesc, the Parent Company, has the structure of a Holding Company, whose role is to control and manage its shareholdings in other companies. It also provides the service of collecting covenants on energy bills.

On December 31, 2024, the information by business segment, reviewed by Management, is as follows:

a) Energy distribution - Celesc D is responsible for providing a public electricity distribution service, operating and maintaining the infrastructure and providing related services;

b) Power generation - Celesc G is responsible for producing electricity from hydroelectric and solar projects.

Reportable Segments					12.31.2024
Description	Celesc D	Celesc G	Parent Company	Consolidation Adjustments	Total
Net Operating Income - NOI	10,478,617	189,436	-	(9,195)	10,658,858
Cost of Sales	(8,497,182)	(53,057)	-	9,195 (i)	(8,541,044)
Depreciation and Amortization	(303,175)	(8,759)	-	-	(311,934)
Gross Operating Profit	1,678,260	127,620	-	-	1,805,880
Selling Expenses	(315,132)	139	-	-	(314,993)
General and Administrative Expenses	(582,315)	(23,139)	(34,819)	-	(640,273)
Other Net Revenues/Expenses	293,923	(54)	9,743	-	303,612
Equity Pickup	-	13,233	746,585	(694,253) (ii)	65,565
Results of Activities	1,074,736	117,799	721,509	(694,253)	1,219,791
Financial Revenues	401,376	10,324	(1,002)	- (iii)	410,698
Financial Expenses	(688,698)	(4,163)	(5,201)	- (iii)	(698,062)
Financial Result, Net	(287,322)	6,161	(6,203)	-	(287,364)
Profit Before IRPJ and CSLL	787,414	123,960	715,306	(694,253)	932,427
IRPJ and CSLL	(196,310)	(20,811)	496	-	(216,625)
Net Income for the Year	591,104	103,149	715,802	(694,253)	715,802
Total Assets	11,449,317	1,041,317	3,938,110		
Total Liabilities	9,112,896	210,408	266,831		

					12.31.2023
Description	Celesc D	Celesc G	Parent Company	Consolidation Adjustments	Total
Net Operating Income - NOI	10,228,383	183,051	-	(8,826)	10,402,608
Cost of Sales	(8,407,519)	(68,778)	-	8,826 (i)	(8,467,471)
Depreciation and Amortization	(274,646)	(2,939)	-	-	(277,585)
Gross Operating Profit	1,546,218	111,334	-	-	1,657,552
Selling Expenses	(218,104)	(308)	-	-	(218,412)
General and Administrative Expenses	(602,261)	(19,108)	(29,529)	-	(650,898)
Other Net Revenues/Expenses	(24,619)	(2,645)	7,004	-	(20,260)
Equity Pickup	-	12,706	580,229	(535,814) (ii)	57,121
Results of Activities	701,234	101,979	557,704	(535,814)	825,103
Financial Revenues	665,929	16,381	8,875	(10,581) (iii)	680,604
Financial Expenses	(820,835)	(4,408)	(7,730)	10,581 (iii)	(822,392)
Financial Result, Net	(154,906)	11,973	1,145	-	(141,788)
Profit Before IRPJ and CSLL	546,328	113,952	558,849	(535,814)	683,315
IRPJ and CSLL	(106,168)	(18,298)	(1,815)	-	(126,281)
Net Income for the Year	440,160	95,654	557,034	(535,814)	557,034
Total Assets	4,662,285	988,457	3,200,839		
Total Liabilities	9,115,070	207,671	268,272		

- (i) Energy purchase and sale transactions between Celesc D and Celesc G.
(ii) Equity Pickup of the wholly-owned subsidiaries Celesc D and Celesc G.
(iii) Interest on the loan agreement signed between Celesc D and Celesc G.

Explanatory Notes

34. CONTRACTUAL COMMITMENTS

The main commitments related to long-term contracts not yet incurred, already signed on the basis of predetermined contract prices, and therefore not recognized in these financial statements, are shown below:

Description	Consolidated					
	2024	2025	2026	2027	2028	12.31.2024 2028+
Energy Purchase	4,305,114	4,300,219	4,291,463	4,288,145	4,278,270	4,182,402
Energy connection and transportation charges	1,864,062	1,929,914	1,995,670	2,063,322	2,135,816	32,329,886
Total	6,169,176	6,230,133	6,287,133	6,351,467	6,414,086	36,512,288

Description	Consolidated					
	2023	2024	2025	2026	2027	12.31.2023 2027+
Energy Purchase	4,072,617	4,053,814	4,195,257	4,105,495	4,237,205	44,312,952
Energy connection and transportation charges	1,981,577	2,056,410	2,129,058	2,201,598	2,276,232	35,885,972
Total	6,054,194	6,110,224	6,324,315	6,307,093	6,513,437	80,198,924

34.1. BNDES Financing - Celesc G

In April 2024, a financing agreement was signed, through the opening of a credit line, between Celesc Geração S.A. and the Brazilian Development Bank (BNDES), in the total amount of R\$214.4 million.

The contract is divided into five sub-credits for the implementation of three photovoltaic plants, the expansion and modernization of the Salto Weissbach Hydroelectric Power Plant (HPP) and the reactivation of the Maruim Hydroelectric Plant, all located in Santa Catarina.

The table below shows the terms of the financing, highlighting the rate and term for each of the sub-credits, and no funds were released in 2024.

Description	PPP Lages II	PPP Capivari	PPP Videira	HPP Salto	HPG Maruim
Value (R\$/thousand)	3,730	10,098	3,658	191,808	5,110
Rate (p.a.)	IPCA + 6.98 %	IPCA + 6.98%	IPCA + 6.98%	IPCA + 7.09%	IPCA + 7.08%
Total Term	129 months	129 months	129 months	202 months	202 months
Deadline for Use of Amortization and	Until 04/15/2025	Until 04/15/2025	Until 04/15/2025	Until 12/15/2026	Until 04/15/2025
Grace period interest resources	Until 04/15/2025	Until 04/15/2025	Until 04/15/2025	Until 12/15/2026	Until 04/15/2025
Amortization Term	Until 12/15/2034	Until 12/15/2034	Until 12/15/2034	Until 12/15/2040	Until 12/15/2040

Explanatory Notes

35. SUPPLEMENTARY INFORMATION ON SUBSIDIARIES

35.1. Celesc D

35.1.1. Balance sheet - Assets

Assets	12.31.2024	12.31.2023
Current	3,527,841	3,098,324
Cash and Cash Equivalents	816,882	749,697
Trade Receivables	2,222,207	1,935,736
Inventory	21,369	23,202
Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) to be recovered	36,723	25,809
Other Taxes Recoverable	194,251	171,322
Other	236,409	192,558
Non-current	7,921,476	7,713,074
Long-term assets	3,100,223	3,035,166
Trade Accounts Receivable	4,491	25,307
Deferred Taxes	659,034	854,645
Taxes Recoverable	367,663	472,243
Court Deposits	338,469	322,544
Indemnifiable Financial Assets - Concession	946,294	775,920
Contract Assets	771,357	486,893
Sectoral Financial Assets	-	94,538
Other	12,915	3,076
PP&E	5,106	15,623
Intangible Assets	4,816,147	4,662,285
Total Assets	11,449,317	10,811,398

35.1.2. Balance Sheet - Liabilities

Liability	12.31.2024	12.31.2023
Current	2,965,847	3,643,345
Suppliers	987,140	1,078,555
National Currency Loans	114,891	258,631
Foreign Currency Loans	98,962	97,505
Debentures	195,965	160,192
Labor and Social Security Obligations	215,620	223,079
IRPJ and CSLL Payable	1,821	24,984
Other Taxes Payable	245,890	252,864
Dividends and Interest on Equity	175,302	174,528
Regulatory Fees	22,020	71,489
Lease liabilities	1,932	10,603
Employee Benefits	167,661	272,597
Sectoral Financial Liabilities	388,599	903,863
PIS/COFINS to be Refunded to Consumers	46,811	7,596
Derivative Financial Instruments	70,230	-
Other	233,003	106,859
Non-current	6,147,049	5,471,725
National Currency Loans	555,694	412,863
Foreign Currency Loans	1,209,838	1,205,666
Debentures	1,990,254	994,826
Labor and Social Security Obligations	8,969	27,899
Regulatory Fees	78,569	83,387
Taxes Payable	17,096	-
Lease liabilities	3,838	5,987
Employee Benefits	1,508,838	1,923,225
Provision for Contingencies	426,521	484,720
Sectoral Financial Liabilities	21,400	-
PIS/COFINS to be Refunded to Consumers	326,032	333,152
Equity	2,336,421	1,696,328
Share Capital	2,000,000	1,580,000
Profit Reserves	1,371,474	1,406,608
Asset Valuation Adjustment	(1,035,053)	(1,290,280)
Total Liabilities	11,449,317	10,811,398

Explanatory Notes

35.1.3. Income Statement

Description	12.31.2024	12.31.2023
Net Operating Income - NOI	10,478,617	10,228,383
Net Electricity Sales Revenue	10,478,617	10,228,383
Cost of Sales	(8,800,357)	(8,682,165)
Operating Costs	(8,800,357)	(8,682,165)
Gross Profit	1,678,260	1,546,218
Operational Expenses	(603,524)	(844,984)
Selling Expenses	(120,437)	(124,012)
Loss Due to Impairment of Accounts Receivable	(194,695)	(94,092)
General and Administrative Expenses	(582,315)	(602,261)
Other Revenues	378,848	304,090
Other Expenses	(84,925)	(328,709)
Result before Financial Result	1,074,736	701,234
Financial Result	(287,322)	(154,906)
Financial Revenues	401,376	665,929
Financial Expenses	(688,698)	(820,835)
Profit Before IRPJ and CSLL	787,414	546,328
IRPJ and CSLL	(196,310)	(106,168)
Current	(158,286)	(120,306)
Deferred	(38,024)	14,138
Net Income for the Year	591,104	440,160

35.1.4. Operating Revenue

Description	12.31.2024	12.31.2023
Gross Operating Revenue (GOR)	16,205,341	15,597,798
Electricity Supply (a)	6,667,170	5,915,000
Unbilled Supply (a)	(42,443)	37,562
Electricity Supply (a)	253,878	336,334
Sectoral Financial Assets and (Liabilities)	278,405	701,778
Provision of Electricity Grid	7,047,854	6,665,223
Short-Term Energy	232,169	241,536
Revenue from Services Rendered	631	832
Donations and Grants	746,891	669,310
Construction Revenue	985,735	997,355
Fair Amount of Indemnifiable Financial Asset - Concession	30,020	20,586
Other Operating Revenue	5,031	12,282
Deductions from Gross Operating Revenue	(5,726,724)	(5,369,415)
ICMS	(2,170,426)	(1,996,139)
PIS	(214,567)	(207,329)
COFINS	(988,309)	(954,968)
Energy Development Account - CDE	(2,248,423)	(2,109,325)
Research and Development - R&D	(47,409)	(46,117)
Energy Efficiency Program - PEE	(47,409)	(46,117)
Inspection Fee - ANEEL	(10,181)	(9,414)
Other Charges	-	(6)
Net Operating Income - NOI	10,478,617	10,228,383

a) Electricity Supply Revenue by Type of Consumer

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

Description	Number of Consumers		MWh		Gross Revenue	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Residential	2,745,937	2,680,287	7,788,282	7,098,372	3,252,098	2,832,142
Industrial	142,515	138,024	11,578,065	11,135,836	882,710	874,162
Commercial	325,353	318,275	5,130,919	4,861,603	1,517,508	1,406,706
Rural	218,757	222,877	1,022,862	1,042,807	457,108	396,516
Public Authorities	26,923	27,101	508,015	473,981	218,555	185,190
Public Lighting	1,303	1,245	578,029	589,183	164,561	136,035
Public Service	4,322	4,356	465,898	432,552	132,187	121,811
Total Supply	3,465,110	3,392,165	27,072,070	25,634,334	6,624,727	5,952,562
Energy Supply	66	53	2,398,748	2,317,563	253,878	336,334
Total	3,465,176	3,392,218	29,470,818	27,951,897	6,878,605	6,288,896

Explanatory Notes

35.1.5. Operating Costs and Expenses

Description	Expense Goods and/or Administrative Services	Costs General	Estimated Loss Expenses Credit Sales	Other Expenses/ Net Income	12.31.2024 Total	
Electricity Purchased to Resale	6,876,543	-	-	-	6,876,543	
Personnel	412,184	277,026	27,683	1,772	718,665	
Actuarial Expenses	-	143,173	-	-	143,173	
Private Pension Entity	19,919	13,428	1,120	-	34,467	
Material	36,383	9,067	-	17,286	62,736	
Construction Costs	985,735	-	-	-	985,735	
Third Party Costs and Services	159,404	113,824	68,843	1,098	343,169	
Depreciation and Amortization	303,175	32,699	100	-	335,974	
Net Provisions	-	-	-	194,695	213,235	
Agreement Collection Fees	-	-	-	(42,083)	(42,083)	
Infrastructure Sharing	-	-	-	(289,768)	(289,768)	
Other	7,014	(6,902)	22,691	(768)	22,035	
Total	8,800,357	582,315	120,437	194,695	(293,923)	9,403,881

Description	Expense Goods and/or Administrative Services	Costs General	Estimated Loss Expenses Credit Sales	Other Expenses/ Net Income	12.31.2023 Total
Electricity Purchased to Resale	6,790,947	-	-	-	6,790,947
Personnel	377,776	282,430	29,088	1,456	690,750
Actuarial Expenses	-	145,446	-	-	145,446
Private Pension Entity	18,066	12,926	1,108	-	32,100
Material	39,092	9,937	-	18,520	67,549
Construction Costs	997,355	-	-	-	997,355
Third Party Costs and Services	164,027	124,915	63,860	1,579	354,381
Depreciation and Amortization	274,646	34,105	257	-	309,008
Net Provisions	-	-	-	94,092	394,897
Agreement Collection Fees	-	-	-	(39,925)	(39,925)
Infrastructure Sharing	-	-	-	(268,103)	(268,103)
Other	20,256	(7,498)	29,699	10,287	52,744
Total	8,682,165	602,261	124,012	94,092	24,619
					9,527,149

35.1.6. Financial Result

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

The largest part of the variation in debt charges refers to the charges and interest on the loan agreement with Banco Safra, in the amount of R\$550.0 million in February 2022, for working capital. The debt was due to start being paid in August 2023 and, through an amendment, its start date was extended to August 2025 and end in February 2029.

Debt charges: Charges on loans in national currency from the Inter-American Development Bank (IDB) and debentures are adjusted by the CDI. In 2024, the accumulated CDI was 10.83%, while in the same period in 2023 it was 13.04%.

Tax Update of Recoverable Credit for the Exclusion of ICMS from the PIS/COFINS calculation base: This refers to the financial update of the 2nd lawsuit, for which Celesc D began the tax compensation processes in February 2023.

Explanatory Notes

Description	12.31.2024	12.31.2023
Financial Revenues	401,376	665,929
Income from Financial Applications	80,653	83,131
Monetary Variations	8,404	40,910
Monetary Restatement on Regulatory Assets	67,337	85,852
Interest and Late Payments on Energy Sold	112,734	108,572
Tax Update Recov. Exc. ICMS PIS/COFINS	41,831	287,403
Interest on Court Deposits	21,699	81,413
Mark-to-Market (MTM)	62,248	-
Other Financial Revenues	22,961	9,673
(-) Taxes on Financial Revenue	(16,491)	(31,025)
Financial Expenses	(688,698)	(820,835)
Debt Charges	(226,102)	(248,025)
Interest and Monetary Restatement Mathematical Reserve	(7,839)	(20,737)
IOF - Tax on Financial Operations	(7,668)	(5,337)
Loan Charges	-	(10,581)
R&D and Energy Efficiency Update	(9,526)	(12,669)
Cost of Issuing Debentures	(3,780)	(1,406)
Monetary Variations Debentures	(188,622)	(76,732)
Other Monetary Variations	(404)	(77)
Monetary Restatement on Regulatory Assets	(96,921)	(75,616)
Interest on Leases	(917)	(1,684)
Update Value to be Refunded to Consumers Exc. ICMS PIS/COFINS	(30,942)	(287,414)
Monetary Updating of Litigation	(40,678)	(76,032)
Derivatives Expenses	(71,631)	-
Other Financial Expenses	(3,668)	(4,525)
Financial Result	(287,322)	(154,906)

35.2. Celesc G

35.2.1. Balance sheet - Assets

Assets	12.31.2024	12.31.2023
Current	193,745	189,575
Cash and Cash Equivalents	105,722	99,828
Trade Accounts Receivable	16,522	16,805
Inventory	63	68
Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) to be recovered	3,002	6,838
Other Taxes Recoverable	1,681	1,690
Prepaid Expenses	1,043	1,047
Dividends and IOE Receivable	3,222	3,513
Financial Assets - Grant Bonus	43,449	41,569
Financial Assets - Indemnification Basic Project Pery Power Plant	19,039	18,215
Other	2	2
Non-current	847,572	798,882
Long-term Assets	483,086	466,309
Court Deposits	470	449
Other Taxes Recoverable	1,046	1,281
Indemnifiable Financial Assets - Concession	2,421	2,421
Financial Assets - Grant Bonus	329,418	317,792
Financial Assets - Indemnification Basic Project Pery Power Plant	149,731	144,366
Investments	116,697	110,942
PP&E	205,091	177,190
Intangible Assets	42,698	44,441
Total Assets	1,041,317	888,457

Explanatory Notes

35.2.2. Balance Sheet - Liabilities

Liability	12.31.2024	12.31.2023
Current	70,707	73,308
Suppliers	4,624	9,804
Debentures	6,286	6,001
IRPJ and CSLL Payable	915	-
Other Taxes Payable	9,837	9,747
Regulatory Fees	1,258	2,020
Dividends and Interest on Equity	45,072	43,616
Other	2,715	2,120
Non-current	139,701	134,363
Debentures	31,117	35,587
Deferred Taxes	108,460	-
Regulatory Fees	92	658
Provisions for Contingencies	32	26
Equity	830,909	780,786
Share Capital	450,000	450,000
Profit Reserves	368,570	317,892
Asset Valuation Adjustment	12,339	12,894
Total Liabilities	1,041,317	988,457

35.2.3. Income Statement

Description	12.31.2024	12.31.2023
Net Operating Income - NOI	189,436	183,051
Net Electricity Sales Revenue	189,436	183,051
Cost of Sales	(61,816)	(71,717)
Operating Costs	(61,816)	(71,717)
Gross Profit	127,620	111,334
Operational Expenses	(9,821)	(9,355)
With Sales	(546)	(480)
Loss Due to Impairment of Accounts Receivable	685	172
General and Administrative	(23,139)	(19,108)
Other Revenues	4,315	27
Other Expenses	(4,369)	(2,672)
Share of profits of equity-accounted investees, net of tax	13,233	12,706
Result before Financial Result	117,799	101,979
Financial Result	6,161	11,973
Financial Revenues	10,324	16,381
Financial Expenses	(4,163)	(4,408)
Profit Before IRPJ and CSLL	123,960	113,952
IRPJ and CSLL	(20,811)	(18,298)
Current	(10,442)	(9,420)
Deferred	(10,369)	(8,878)
Net Income for the Year	103,149	95,654

35.2.4. Operating Revenue

Description	12.31.2024	12.31.2023
Gross Operating Revenue - GOR (a)	211,093	204,208
Electricity Supply - Industrial	21,169	23,187
Electricity Supply - Industrial - Unbilled	454	(344)
Electricity Supply - Commercial	4,711	4,452
Electricity Supply	87,590	89,144
Electricity Supply - Unbilled	1,304	1,412
Short-Term Electricity	11,311	6,018
Financial Revenue Interest Grant Bonus	41,920	40,557
Financial Revenue Monetary Update. Grant Bonus	16,357	15,166
Financial Revenue Interest Pery Power Plant	18,347	17,744
Financial Revenue Monetary Restatement Pery Power Plant	7,416	6,871
Revenue from Services Rendered	29	-
PPP Leases and Rentals	485	1
Deductions from Operating Revenue	(21,657)	(21,157)
PIS	(3,085)	(3,039)
COFINS	(14,210)	(13,999)
Inspection Fee	(505)	(626)
Research and Development - R&D	(1,212)	(1,246)
Financial Compensation for Use of Water Resources	(2,644)	(2,247)
ISS	(1)	-
Net Operating Income - NOI	189,436	183,051

Explanatory Notes

a) Electricity Supply and Sourcing

Descripti	Number of Consumers		MWh		Gross Revenue	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Industrial	17	16	104,806	98,917	21,623	22,843
Commercial, Services and Other	6	1	28,885	21,025	4,711	4,452
Energy Supply	93	97	649,970	631,312	88,894	90,556
Short-Term Electricity (CCEE)	-	-	2,330	4,292	11,311	6,018
Total	116	114	785,991	755,546	126,539	123,869

35.2.5. Operating Costs and Expenses

Description	Cost of Goods and/or Losses	Services General Other Expenses/Net	and Administrative Revenue	Expenses 12.31.2024	Selling Estimated Credit	Total
Electricity Purchased to Resale	25,864	-	-	-	-	25,864
Electricity Purchased for Resale CP	11,644	-	-	-	-	11,644
Electricity Grid Usage Charges	3,713	-	-	-	-	3,713
Personnel	3,083	15,912	-	-	-	18,995
Material	162	387	-	-	846	1,395
Third Party Costs and Services	6,909	5,396	416	-	-	12,721
Depreciation and Amortization	8,759	473	-	-	-	9,232
Insurance	1,597	1	-	-	-	1,598
Net Provisions	-	-	-	(685)	(1,736)	(2,421)
Taxes	77	194	130	-	-	401
Rentals	-	234	-	-	-	234
Donations	-	-	-	-	193	193

On September 9, 2020, Law 14,052/2020 was published, establishing new conditions for the renegotiation of the hydrological risk of electricity generation (HGP), establishing compensation for the hydroelectric plants participating in the MRE that were impacted, through the extension of the grant period.

On August 3, 2021, ANEEL Homologatory Resolution 2,919 was published, approving the extension of the concession period for the hydroelectric plants participating in the MRE, including 7 Celesc G plants.

On September 23, 2021, the Administration approved ANEEL's proposal regarding the renegotiation of the HGP and, consequently, the withdrawal of the existing lawsuit for the HPPs, maintaining the existing preliminary injunction for the HGPs Ivo Silveira, São Lourenço, Piraí, Rio do Peixe, and Caveiras, since ANEEL did not submit a renegotiation proposal for these plants.

However, on July 31, 2023, the preliminary injunction in favor of Celesc G was revoked and, consequently, the generator had to return the amount of approximately R\$28.0 million, which was paid in the August 2023 settlement to the CCEE.

Description	Cost of Goods and/or Losses	Services General Other Expenses/Net	and Administrative Revenue	Expenses 12.31.2023	Selling Estimated Credit	Total
Electricity Purchased to Resale	21,271	-	-	-	-	21,271
Electricity Purchased for Resale CP	3,776	-	-	-	-	3,776
Renegotiation of Hydrological Risk - HGP	28,135	-	-	-	-	28,135
Electricity Grid Usage Charges	3,610	-	-	-	-	3,610
Personnel	3,030	14,932	8	-	-	17,970
Material	347	100	-	-	658	1,105
Third Party Costs and Services	6,979	2,945	398	-	-	10,322
Depreciation and Amortization	2,939	431	-	-	-	3,370
Insurance	1,567	-	-	-	-	1,567
Net Provisions	-	-	-	(172)	358	186
Taxes	87	114	74	-	-	275
Rentals	-	139	-	-	-	139
Donations	-	-	-	-	186	186

Explanatory Notes

35.2.6. Financial Result

The financial revenue of R\$10.6 million is due to the recognition of interest on the loan agreement with Celesc D. The agreement was settled on November 1, 2023.

The reduction in financial expenses was mainly due to lower interest on debentures.

Description	12.31.2024	12.31.2023
Financial Revenues	10,324	16,381
Income from Financial Investments	10,301	6,804
Late Payments on Energy Bills	28	1
Interest on Loan Contracts	-	10,581
Contractual Fine	95	28
Interest on Court Deposits	35	110
Other Financial Revenues	742	47
(-) PIS/COFINS on Financial Revenue	(877)	(1,190)
Financial Expenses	(4,163)	(4,408)
Interest on Debentures	(3,760)	(3,927)
Monetary Updating of Litigation	(1)	-
Monetary Variations	(4)	-
Debenture Issue Costs	(134)	(134)
Updating R&D	(199)	(217)
Other Financial Expenses	(65)	(130)
Financial Result	6,161	11,973

36. SUBSEQUENT EVENTS

36.1. Joint Sale of Stake in Celesc Geração S.A.

On December 23, 2024, EDP Brasil informed the market that it had entered into a sale and purchase agreement with SKYLINE Fundo de Investimento em Participações, managed by Actis, for the sale of its entire stake (90%) in the transmission line EDP Transmissão Aliança SC S.A. (Lot 21), subject to regulatory suspensive conditions and other conditions customary for an operation of this nature.

In compliance with the right of joint sale provided for in the Shareholders' Agreement, on January 20, 2025, EDP Brasil notified Celesc Geração S.A., informing it of the possibility of exercising this right and describing the terms and conditions of the offer, and it had to express its intention within 30 days.

At an extraordinary meeting held on February 14, 2025, the Board of Directors of Centrais Elétricas de Santa Catarina S.A. analyzed the possibility of jointly selling (tag along) the 10% stake held by its wholly-owned subsidiary, Celesc Geração S.A., in this venture, approving the decision to exercise this right guaranteed to it and referring the matter to the appropriate legal and administrative procedures.

On February 21, 2025, Celesc Geração S.A. officially informed EDP Brasil of its intention to exercise the aforementioned tag-along right. It should be noted, however, that the completion of the deal is conditional on the conclusion of the necessary procedures, including regulatory approvals and compliance with legal formalities.

From the accounting point of view, Celesc G recorded the equity equivalence until January 2025 and, on February 14, 2025, the date on which the Board of Directors approved the joint disposal, it transferred the balance of this investment, reclassifying it as a non-current asset available for sale in the Current Assets group.

Capital Budget Proposal
CAPITAL BUDGET PROPOSAL

In compliance with the provisions of article 27, paragraph 1, item IV, of CVM Resolution 80 of March 29, 2022, below is the Capital Budget Proposal of Centrais Elétricas de Santa Catarina S.A. and its wholly-owned subsidiaries for the year 2025, approved by the Board of Directors on December 12, 2024, with its source of funds linked to financing, cash generation and retained earnings, as provided for in article 196 of Federal Law 6,404 of December 15, 1976.

Programs	Celesc D	Celesc G	Celesc H	Consolidated
Electrical Assets	1,077,117	-	-	1,077,117
Non-Electric Assets	151,279	1,556	-	152,835
Own Plants	-	11,941	-	11,941
Expansion of Power Plants	-	22,580	-	22,580
New Business	-	85,300	-	85,300
Appropriation of Labor	97,607	1,077	-	98,684
TOTAL	1,326,003	122,454	-	1,448,457

Origin	Celesc D	Celesc G	Celesc H	Consolidated
Third-Party Resources	10,016	30,450	-	40,466
Own Resources	1,315,987	92,004	-	1,407,991
TOTAL	1,326,003	122,454	-	1,448,457

Values in R\$ Thousand

CAPEX – Celesc Distribuição S.A.

In its budget, the company plans to allocate R\$1.326 billion to electricity distribution. Of this total, R\$933.8 million will be earmarked for works to expand and improve the electricity system, R\$97.5 million will be used by the commercial area, mainly for the installation and modernization of metering equipment and R\$45.8 million will be earmarked for the acquisition of machinery, equipment and vehicles for technical operations. In addition, the company plans to invest R\$147.9 million in the acquisition of hardware and software for the corporate network, R\$2.5 million in vehicles and R\$800,000 in equipment, tools, miscellaneous furniture and other items.

It is worth noting that part of the investments made by the company have the participation and/or counterpart of the consumer, in accordance with regulatory rules. In addition to the total amount of R\$1.326 billion, investments of R\$262.3 million are planned with funds from the ICMS Agreement.

CAPEX – Celesc Geração S.A.

Of the R\$122.5 million approved for 2025, R\$85.3 million will be invested in new businesses, R\$34.5 million in expanding and improving the plants and R\$1.6 in non-electric assets.

Thus, including the appropriation of labor in the amount of R\$98.7 million, the company's consolidated investment budget for 2025 totals R\$1.448 billion.



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Independent Auditors' report on the individual company and consolidated financial statements

To the Shareholders and Management
Centrais Elétricas de Santa Catarina S.A.
Florianópolis – Santa Catarina

Opinion

We have audited the individual company and consolidated financial statements of Centrais Elétricas de Santa Catarina S.A. ("Company"), referred to as individual company and consolidated financial statements, respectively, which comprise the balance sheet as of December 31, 2024, and the statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and related notes, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual company and consolidated financial position of Centrais Elétricas de Santa Catarina S.A. as of December 31, 2024, and its individual company and consolidated financial performance and cash flows for the year then ended, in accordance with Brazilian accounting policies and with International Financial Reporting Standards (IFRS Accounting Standards) issued by the *International Accounting Standards Board* (IASB).

Basis for Opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of Individual Company and Consolidated Financial Statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Professional Code of Ethics for Accountants and on the professional standards issued by the Regional Association of Accountants, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual company and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the individual company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue from distributed but not billed energy – CELESC Distribuição S.A.

See Notes 4.23.3, 9 and 32.1 to the individual company and consolidated financial statements

Key audit matter	How the audit addressed the issue
Part of the energy sales revenues earned by subsidiary Celesc Distribuição S.A. are calculated monthly by estimating the amounts of energy supplied to consumers that have not yet been billed, due to the difference between the date of the last meter reading and the reporting date. Recognizing that revenue involves significant judgment by the Company to estimate the consumption of the volume of energy supplied and allocate the consumption to different types of consumers, to estimated loss rates and to prevailing rates. This issue was considered to be a key audit matter due to the materiality of the amounts and significant judgments involved in estimating the volume of energy supplied and not yet billed, which can have an impact on the amounts of revenues and accounts receivable in the consolidated financial statements.	As part of our audit procedures applied to the recognition of revenue from energy distributed but not billed by subsidiary CELESC Distribuição S.A., we performed: • Evaluating the design of significant internal controls over the calculation of the revenue from the supply of unbilled energy; • Analyzing the data used for estimating the supply of unbilled energy, specifically the data about the total energy load distributed throughout the period and the energy load actually billed, segregated by type of consumer, and net of technical and commercial loss indexes, in order to calculate the portion of the volume of unbilled energy per type of consumption; • Recalculating the revenue earned from the sale of energy supplied and not billed by multiplying the volume of unbilled energy per type of consumption by the rates set by the regulatory agency for each class of consumer in its groups and types; • Checking the recognized amounts of unbilled revenue according to the expectations generated by historical averages of the amounts of energy supplied to consumers not yet billed from our audit tests; • Assessment whether disclosures in the consolidated financial statements are in accordance with applicable standards. During our audit we identified adjustments that would affect the recognition of revenue from energy distributed but not billed, which were not recognized by the Company because they were considered immaterial. According to the evidence obtained by applying the procedures summarized above, we considered that the recognition of revenue from energy distributed but not billed is

	acceptable in the context of the consolidated financial statements for the year ended December 31, 2024 taken as a whole.
Post-employment benefits - actuarial liabilities – CELESC Distribuição S.A.	
See Notes 4.21 and 29 to the individual company and consolidated financial statements	
Key audit matter	How the audit addressed the issue
Subsidiary Celesc Distribuição S.A. sponsors lifelong post-employment benefit plans granted to employees and former employees related to social security and health care. Plans classified as "defined benefit" and "variable contribution" give rise to material liabilities, which are calculated using actuarial assumptions that include discount rate, estimated inflation rate, mortality table, salary growth rate, medical cost estimates, as well as historical data on employee expenses and contributions. These liabilities may be offset in whole or in part against the fair values of the assets of the respective plans. Due to the significance of the amounts and the involvement of a high level of judgment by the Company in the determination of the assumptions involved in the measurement of the actuarial liabilities recorded in the defined benefit and variable contribution plans, we considered actuarial liabilities to be a key audit matter.	As part of our audit procedures regarding the post-employment benefits - actuarial liabilities of subsidiary CELESC Distribuição S.A., we performed: - Evaluating the significant accounting policies adopted for measuring the actuarial liabilities of defined benefit and variable contribution plans; - With the help of our actuarial experts: - We tested samples to check for the consistency of the participants' data that were used by the actuary in charge of the actuarial assessment; - Evaluate the main actuarial assumptions and assumptions adopted by the actuary, such as discount rate, estimated inflation rate, mortality table, salary growth rate, medical cost estimates, as well as historical data about employees' expenses and contributions in comparison with legislation and market practices; - we tested the mathematical accuracy of the calculations made by the Company's actuary; - We have applied procedures to confirm the existence and measurement of the fair values of the plans' assets. - Evaluating the disclosures made by the Company in the consolidated financial statements. According to the evidence obtained by applying the procedures summarized above, we considered that the balance of post-employment benefits, and the related disclosures in the notes to the financial statements, are reasonable in the context of the consolidated financial statements for the year ended December 31, 2024, taken as a whole.

Other issues

Statements of value added

The individual company and consolidated statements of value added for the year ended December 31, 2024, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS Accounting Standards purposes, were submitted to the same audit procedures followed simultaneously with the audit of the Company's individual company and consolidated financial statements. In order to form our opinion, we evaluated whether these statements are reconciled to the Company's financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added have been adequately prepared, in all material respects, according to the criteria set on this Technical Pronouncement and are consistent with the individual company and consolidated financial statements taken as a whole.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management Report.

Our opinion on the individual company and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual company and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work that we have performed, we conclude that there is material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Individual Company and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these individual company and consolidated financial statements in accordance with accounting policies adopted in Brazil and with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of individual company and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual company and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or have no realistic alternative to avoid shutting down operations.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Individual Company and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Brazilian and international standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the individual company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual company and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We have planned and performed the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to form an opinion on the individual company and consolidated financial statements. We are responsible for directing, supervising and reviewing the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and including, when applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Curitiba, March 28, 2025

KPMG Auditores Independentes Ltda.

CRC SP-014428/O-6 F-PR

(Original report in Portuguese signed by)

Samuel Viero Ricken

CRC SC-030412/O-1

Other Information Deemed Relevant by the Company

STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors of Centrais Elétricas de Santa Catarina S.A. - Celesc declares that it has examined, reviewed and agrees with all the information contained in the Financial Statements for the fiscal year ended December 31, 2024.

In line with the position of the auditors, KPMG Auditores Independentes Ltda. approves these documents and proposes their approval by the Shareholders.

Florianópolis, March 27, 2025.

Glauco José Côte
Chair **Cesar**

Souza Junior Fábio

William Loreti

Ivécio Pedro Felisbino Filho

José Valério Medeiros Junior

Marcelo de Oliveira Figueiredo

Marco Aurélio Quadros

Michel Nunes Itkes

Paulo Guilherme de Simas Horn

Romeu Donizete Rufino

Sílvia Regina da Silva Marafon

Opinions and Declarations / Opinion of the Fiscal Council or Equivalent Body

FISCAL COUNCIL'S OPINION

The Supervisory Board of Centrais Elétricas de Santa Catarina S.A. - Celesc, in the use of its legal and statutory attributions, in compliance with article 163 of Law 6,404/76 and its subsequent amendments, examined the Management Report, the Individual and Consolidated Financial Statements, all referring to the fiscal year ended December 31, 2024. Based on the work, interviews and monitoring carried out during the year, and also considering the content of the KPMG Independent Auditors' Report, it is its opinion that these documents are in a position to be submitted to the Shareholders.

Florianópolis SC, March 24, 2025.

Fábio Wagner Pinto
Chair

Cláudio Rocha

Cleber dos Santos Lima

João Paulo Gomes Vieira

Thiago Costa Jacinto

Opinions and Statements / Summary Report of the Audit Committee (statutory, provided for in specific CVM regulations)

SUMMARY ANNUAL REPORT OF THE STATUTORY AUDIT COMMITTEE - SAC Fiscal Year 2024

Directors

Centrais Elétricas de Santa Catarina S.A., Celesc Distribuição S.A. e Celesc Geração S.A.

1. Presentation

The Statutory Audit Committee ("SAC" or "Committee") is a statutory advisory body, directly linked to the Board of Directors of Centrais Elétricas de Santa Catarina S.A. - Celesc ("Company") and its wholly-owned subsidiaries, Celesc Distribuição S. A.A. - Celesc D and Celesc Geração S.A. - Celesc G, governed by CVM Resolution No. 23, of February 25, 2021, in addition to Law No. 13,303, of June 30, 2016, State Decree/SC No. 1484, of February 7, 2018 and the Internal Regulations of the Company's SAC ("Regulations").

Law No. 13.303/2016, Section VII, Article 24, Item VII, determines that the Statutory Audit Committee prepares an Annual Report with information on its activities, results, conclusions and recommendations, recording, if any, significant disagreements between Management, the Independent Audit and the Statutory Audit Committee in relation to the Financial Statements.

Pursuant to article 14 of the Bylaws of the Statutory Audit Committee (SAC), the Committee is responsible, among other matters, for drawing up a bimonthly and annual report containing a description of its activities, the Committee's results, conclusions and recommendations, recording any significant disagreements between Management, the Independent Audit and the Committee in relation to the Financial Statements.

The SAC was composed, during the first five months of 2024, by the Board of Directors and coordinator, Mr. Glauco José Côrte, and the independent members, Mr. Cleber dos Santos Lima, Mr. Fábio Fick, Mr. Fabrício Santos Debortoli and Mr. Manoel José da Cunha Júnior.

In May, SAC had a change in its composition, with Board Member Cleber dos Santos Lima's participation in the Committee being terminated and recognized by the other members, due to his contributions during his term of office.

At the June meeting, Board Member Sérgio Tadeu Nabas was welcomed and attended his first meeting as a member of the SAC.

Board member Manoel José da Cunha Júnior last attended a SAC meeting in September 2024. On that occasion, his contributions as a member of this Committee were recognized by the other members.

Board member Marcos Aurélio Pamplona da Silva began his work with the committee at the October 2024 meeting.

The members of the SAC meet the independence criteria established in article 22, paragraph 1, of Law 13.303/2016 and article 31-C, paragraph 2 of CVM Resolution 23/2021.

2. Summary of activities in 2024

In the period from January to December 2024, the SAC held 12 (twelve) ordinary meetings, involving the Company's Directors, Executive Officers and Managers, Internal Auditors and Independent Auditors, according to extracts from the SAC minutes available on Celesc's Investor Relations portal and the complete minutes available at the Company.

During this period, the Financial Statements of Centrais Elétricas de Santa Catarina and Consolidated, Celesc Distribuição and Celesc Geração for the year ended December 31, 2023 were examined and approved, as well as the Intermediate Financial Statements of the Company and its subsidiaries for the 1st (First), 2nd (Second) and 3rd (Third) Quarters of 2024 were approved and forwarded to the Board of Directors. The SAC followed the work and information presented by the Independent Audit - KPMG, as well as the opinions accompanying the Accounting and Financial Statements.

During the 2024 meetings, the Management Results of the Company and its subsidiaries were presented, showing their monthly accumulated projections and achievements by means of indicators. The SAC also periodically monitored the company's cash flow with the main highlights, impacts on the cash balance, key indicators, as well as possible economic and financial scenarios for the period.

The Committee appraised the Risk Management and Internal Controls Process, carried out by the Planning, Controls and Compliance Department, with its main attributions, legal and market requirements, methodology used, corporate risk management process and internal controls process for financial reporting risks.

Took note of the 2nd revision of the Strategic Risk Management and Internal Controls Policy, at the August 2024 meeting, and recommended establishing the definition and quantification of the company's risk appetite in the risk policy.

The SAC followed up the assessments of the internal controls that impact the Financial Statements, learning about the effectiveness and materiality tests carried out on the financial reporting risks, with the presentation of the mapped controls of the macro-processes of: accounting, information technology, marketing, supplies, commercial, R&D (Research and Development), EEP (Energy Efficiency Program), legal, financial, construction, maintenance, people management,

tax and, finally, the retrospective of the ELC (Entity Level Control). It also monitored the status of the action plans of the relevant topics related to internal controls.

He took part in the research that led to the updating of the Risk Tree and the 2024 Corporate Risk Map, consolidated with the company's strategic objectives, and learned about the context, the objectives, the stages of the review, the risks highlighted, the managers and the new positioning of the risks, according to the consolidated assessments of senior management in terms of their criticality.

It also monitored the results of corporate risk assessments: Loss Risk, Privacy, Actuarial Risk, Lawsuits, Health and Safety, Innovation and Digital Transformation, Modernization of the Electricity Sector, Regulation of the Electricity Sector, Climate Change, Cash Flow, Cyber and IT Infrastructure Risk. It also monitored the probability of the most critical risks, as well as the Action Plans to mitigate Corporate Risks. Although the Cash Flow and Actuarial risks were not among the 5 (five) risks considered to be the main ones, the SAC suggested including them as such for monitoring and follow-up purposes.

In addition to the corporate risks, he appreciated the presentation of the Tax Risks map, which highlighted the main points identified in relation to direct and indirect taxes, as well as the risks involved. He also learned about the opinions of consultancy firm EY (Ernst & Young) and independent auditor KPMG on the subject. He recommended that a detailed description of each point be made, with the definition of an action plan, indication of the areas responsible, deadlines and those responsible.

He also received a report on the status of the Compliance and Integrity Programs and was made aware of the changes proposed in the revision of the Anti-Corruption Policy, having requested additional studies, based on the applicable legislation with regard to the item provided for in the policy on the subject: conflict of interest. Learned about the general aspects, changes and adjustments to current legislation and regulations in the Review of the Compliance Policy and the Related Party Transactions Policy.

Followed up the reports of the Company's Ethics Committee, with the number of complaints investigated, procedures, complaints channel and measures adopted.

It recommended approval of the amendment to the Ethics Committee's Internal Regulations and changes to its composition.

On a monthly basis, the Committee monitored the work carried out by Celesc's Internal Audit in the execution of the Annual Internal Audit Plan - AIAP 2024. Throughout 2024, the Audit Reports were also presented: Power Plant Maintenance, Contracting Process and Management of LIES (Simultaneous Invoice Reading and Delivery), Construction and Maintenance of Networks, Lines and Substations, Judicial Blockages and Deposits, Power Plant Construction, Integrity Analysis, Occupational Health and Safety, Investments in R&D (Research and Development), Energy Efficiency and Innovation and Sharing of Structures.

As part of its duties, it approved the revision of the Annual Internal Audit Plan - AIAP 2024 and the preparation of the AIAP 2025, which defines the ordinary processes that will be audited in 2025.

In general, it considered the score obtained by calculating the risk/relevance indicators of the audit, the relationship of these processes with the 10 main risks to the strategic objectives. In addition, the perceptions of the SAC, the Executive Board, the President and the internal auditors were taken into account when identifying and prioritizing the critical and relevant processes to be audited.

At various times, the Committee assessed the progress of the Conecte Project, learning about the status of the work relating to the provision of implementation, configuration and parameterization services for the SAP S/4 HANA Utilities commercial solution. It also asked for clarification on situations related to the implementation of the system, especially with regard to billing, defaults, customer service and financial impact.

Other issues were on the agenda of the SAC meetings, such as: Approval of the Payouts for the Allocation of Profits for the 2023 fiscal year of Celesc Holding, Celesc D and Celesc G, Billing and Collection of TOI (Term of Occurrence and Inspection), Supplier Policy, Social and Environmental Responsibility Report and Economic-Financial Report for 2023 in the ANEEL standard, Presentation of the Ombudsman's Office Results, Study on Conflict of Interest, Presentation of Legal Deposits, Overview of Celesc Varejista's Implementation Actions, ICC (Internal Controls Charter), Celesc Distribuição's Debenture Issue, Cyber Security, Legal Provisions and Legal Requests System, Performance of the Strategic Indicators of the Concession Contract for the 1st half of 2024 and 3rd quarter of 2024, Cultural Transformation Project in Safety - DSS and Consequences Policy, Operational Procedures, Safety Program with the Population, Audit in the Occupational Health and Safety Process, Strategic Project Behavioral Safety, Consequences Policy, Proposal for "New Rules" that save lives (Golden Rules), Corporate Risk Project, Operating Procedures, Action Plan, DPSS Actions - Department of Safety, Health and Welfare, Safety Indicators, Main cases before the Court of Auditors of the State of Santa Catarina, Actuarial Liabilities, Fintech Presentation and Tax Reviews.

The issues dealt with can be found in the SAC minutes, available on Celesc's Investor Relations portal, and in the full minutes available from the company.

3. Conclusions and recommendation to the Board of Directors

As members of the SAC of Celesc and its wholly-owned subsidiaries, Celesc D and Celesc G, in the exercise of their legal duties and responsibilities, as provided for in the Internal Regulations of the Committee itself, they analyzed the Financial Statements, accompanied by the Independent Auditors' Report and the Annual Management Report for the fiscal year ending December 31, 2024, based on the documentation presented and forwarded, as well as taking into

consideration the information provided by the Company's Management and Independent Auditors, we are of the opinion that all material facts are adequately stated and disclosed in the Financial Statements ended December 31, 2024, with the respective explanatory notes, duly audited, and are therefore qualified for approval by the Board of Directors.

The matters, guidelines, discussions, recommendations and opinions of the SAC are not binding, and it is up to the Shareholders and the Board of Directors, as the case may be, to take decisions.

Florianópolis/SC, March 25, 2025.

Glauco José Côrte
Coordinator

Fábio Fick

Fabício Santos Debortoli

Marcos Aurélio Pamplona da Silva

Sérgio Tadeu Nabas

Opinions and Statements / Directors' Statement on the Financial Statements

DIRECTORS' STATEMENT ON THE FINANCIAL STATEMENTS

The Directors of Centrais Elétricas de Santa Catarina S.A. - Celesc, declare that they have examined, reviewed and agree with all the information contained in the Financial Statements and with the opinions contained in the Report of KPMG Auditores Independentes Ltda on the Financial Statements for the fiscal year ended December 31, 2024.

Florianópolis, March 27, 2025.

Tarcísio Estefano Rosa
CEO

Julio Cesar Pungan
Director of Finance and Investor Relations

Cláudio Varella do Nascimento
Distribution Director

Elói Hoffelder
Generation, Transmission and New Business Director

Lino Henrique Pedroni Junior
Director of Planning, Controls and Compliance

Pedro Augusto Schmidt de Carvalho Júnior
Legal Director

Pilar Sabino da Silva
Director of Energy Management and Regulation

Nelson Ronnie dos Santos
Director of Corporate Management

Vitor Lopes Guimarães
Commercial Director

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

Opinions and Statements / Statement by the Directors on the Independent Auditor's Report

STATEMENT BY THE DIRECTORS ON THE INDEPENDENT AUDITORS' REPORT

The Directors of Centrais Elétricas de Santa Catarina S.A. - Celesc declare that they have examined, reviewed and agree with all the information contained in the Independent Auditors' Report on the Financial Statements for the 4th quarter of 2024.

Tarcísio Estefano Rosa
CEO

Julio Cesar Pungan
Director of Finance and Investor Relations

Cláudio Varella do Nascimento
Distribution Director

Elói Hoffelder
Generation, Transmission and New Business Director

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