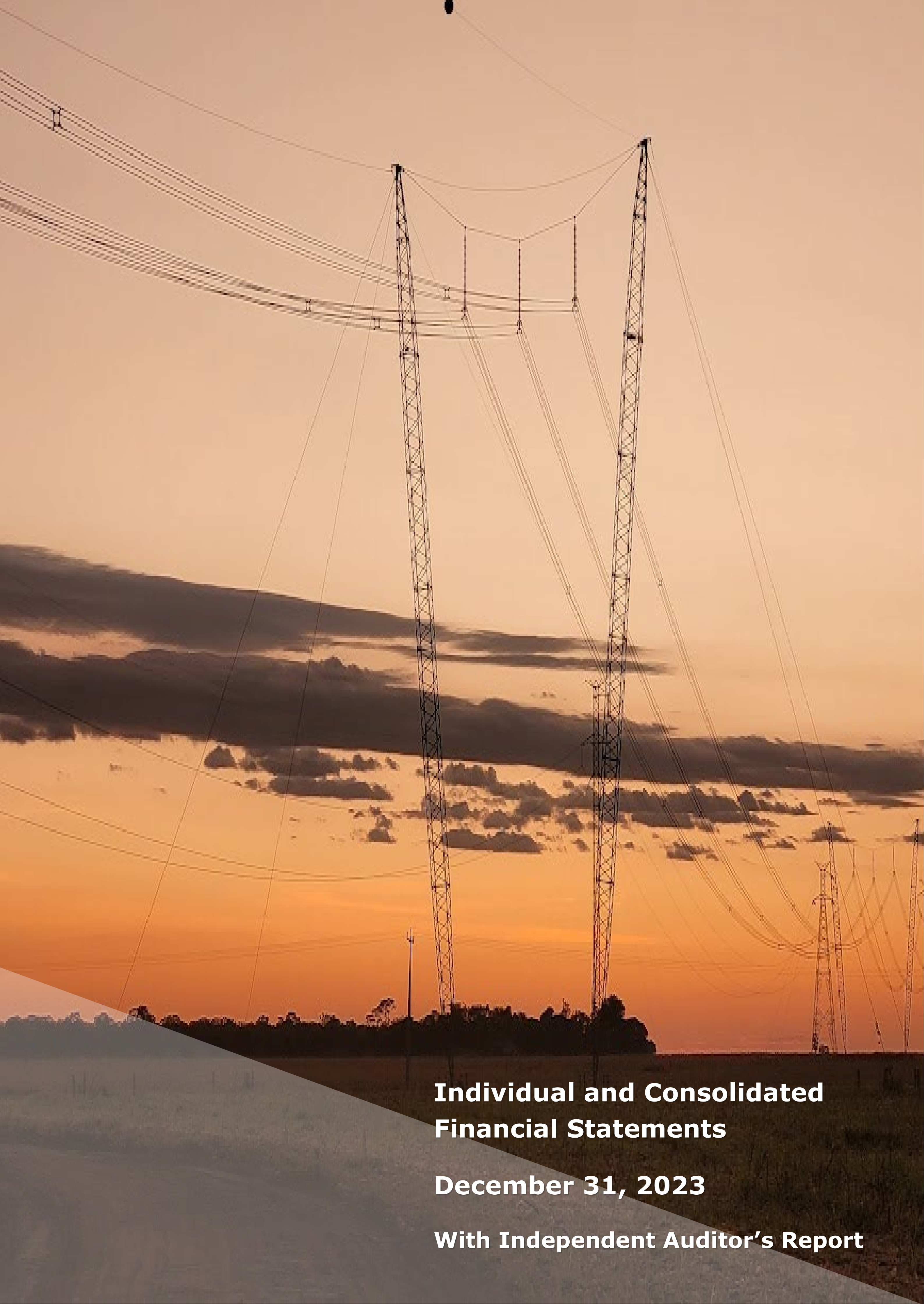


Individual and Consolidated Financial Statements

December 31, 2023

With Independent Auditor's Report

Transmissora Aliança de Energia Elétrica S.A. - TAESA

Individual and consolidated financial statements
December 31, 2023

CONTENTS

MANAGEMENT REPORT

(In thousands of Brazilian reais, unless otherwise stated)

The Management of Transmissora Aliança de Energia Elétrica S.A. - TAESA ("Taesa" or "Company") – B3: TAEE11, one of the largest concessionaire groups of electric power transmission in the country, submits to your analysis its Management Report and the Individual and Consolidated Financial Statements, together with the Independent Auditor's Report and the opinion of its Supervisory Board for the year ended December 31, 2023.

MESSAGE FROM THE MANAGEMENT

2023: A YEAR OF IMPORTANT ACHIEVEMENTS AND HISTORICAL MILESTONES

Year 2023 was a year of major challenges and achievements for Taesa, which showed its management quality, wisdom and experience to deliver complex projects throughout the year.

Security is an unnegotiable value and an essential pillar that deserves constant attention and care. In 2023, the Company strengthened its commitment to this value, by performing several actions. Besides the ISO 45001 (Occupational Health and Safety Management) certification, Taesa has increased the number of representatives at the CIPA+A (Internal Accident and Harassment Prevention Commission), offering greater coverage and representativeness of the Occupational Safety at the company. Several awareness-raising initiatives were developed, including the Weekly Safety Dialogue. The Company has gained the firm commitment of its partners in terms of safety, including strict Occupational Safety criteria with cluses on bonuses and contractual penalties. Consequently, 2023 was the best year in terms of Safety for the Company, which reported zero accidents with serious injury.

Taesa continues to be dedicated to executing and delivering its new projects under construction (Ananaí, Pitiguari, Saíra and Tangará), besides the new enhancements at Novatrans, TSN, São Pedro and ATE, which will together add nearly R$420 million of RAP when they start to operate. Tangará and Pitiguari obtained environmental licenses, thus allowing the early beginning of the construction works in these projects, which however does not ensure the early completion owing to the complexity of each project. We ended an investment cycle in 2022, and in 2023 we started a new cycle, with a volume of approximately R$3 billion to be invested within the next two years in these projects. It is worth mentioning the volume of investments of more than R$2 billion made in the past year – a historical year in terms of Capex.

We also celebrated the beginning of operation of lot 5 won at ANEEL Transmission Auction 02/2022 (Saíra) in only three months after the auction date. Taesa has assumed Saíra's operation upon execution of the concession contract, on March, 2023, even though the public notice provides for 12 months of operation by the former concessionaire, after the execution. The advanced integration has allowed less disbursements of almost R$50 million. There was a coordinated effort involving all Company's areas, ensuring the total receipt of 72% of the project RAP (approximately R$126 million) – the remaining RAP is subject to the completion of the renovation works.

Another important delivery was the concurrent certification process of the ISO 9001 (Quality Management), 14001 (Environmental Management), 45001 (Occupational Health and Safety Management) and 55001 (Asset Management) standards, through Taesa Integrated Management System ("SGIT"), granted to Taesa by ABS-QE, internationally accredited certification company, and by ANAB, mutually recognized by CGCRE/INMETRO. The ISO certification is an international recognition, attested by an external, accredited and independent agency, where the Company's processes are aligned with the requirements prescribed in the standards. The purpose is to progress even further in the continuing improvement of the processes, seek excellence in activities, by respecting people and environment and adding value to stakeholders. The SGIT works in the standardization and continuing improvement of the processes aiming at achieving productivity, efficiency and competitiveness, in addition to reducing and mitigating risks and maintaining the respective certifications.

From the operational standpoint, the Company maintained its level of excellence by presenting in 2023 a transmission line availability rate of 99.9% and Variable Portion of R$3.6 MM, which corresponds to 0.1% of the consolidated RAP, stressing its consistency in the operational excellence and management of its transmission assets. The exceptional performance of the PV in 2023 was affected by reversals of external events beyond the Company's control occurred in prior years. It is important to mention that, given the extent and complexity of our network, it is not possible to ensure that this performance will be delivered again in future years.

In August 2023, Taesa inaugurated its new System Operation Center ("COS"), investing in modernization, security and operational quality, aiming at the sustainable growth of the business. The COS is ready to increase the operational capacity and support Taesa' growth in the transmission sector, in addition to offering more reliability and operational security for the development of the energy sector in Brazil. The COS has cutting-edge technology and infrastructure, with capacity to control and monitor, on real time, all Taesa's assets and is a facility with energy self-sufficiency, equipped with systems that ensure the reduction of the annual water and power consumption, in conformity with best ESG practices.

The senior management presented Taesa's long-term strategic plan review, preserving the strategic objective of maintaining its relevance in the transmission sector and its consolidator position in this segment, in reliance upon the basic assumption of value generation with attractive returns to shareholders.

As part of our incessant focus on financial efficiency, we completed two debenture issues this year: (i) the 13th issue of debentures in the amount of R$1 billion at CDI during an extremely challenging period in the market (beginning of 2023); and (ii) the 14th issue of debentures in the amount of R$800 million for the public in general, in three series of 10, 12 and 15 years, with very efficient premiums on the IPCA, under favorable conditions when compared to other issues in the market so far. This last issue was carried out in accordance with Law 12.431 on infrastructure debentures and was granted the green seal certification, an even more important differential for fundings.

At the end of the year, Taesa reached cash position of R$1.6 billion and net debt of R$10.6 billion – considering the Company's interest in the joint ventures and associates –, with a 3.7x net debt-to-EBITDA ratio, in line with the level reported in the previous quarter and the past twelve months. Such level is compatible with a growing transmission company and the leverage stability shows the strength of our cash generation, in a year of high investments and maintenance of the dividend payout.

The Sustainability agenda continued to progress in 2023 and our sustainability report will reflect the progress of the Company's various lines of operation. From the People standpoint, we joined the "Raça é Prioridade" movement, an initiative from the UN Global Compact, in partnership with CEERT and UN Women, which seeks to promote the ethnic-racial equality in Brazilian companies. Upon joining the movement, our started was set at 30% of black persons in leadership positions by 2025 and 50% by 2030. Also, Taesa was certified with the Great Place to Work award for the 5th consecutive year, being ranked among the Great Place to Work in Rio de Janeiro, and ranked 1st in the GPTW Energy Highlight for the 3rd consecutive year among 69 companies in the energy sector. Another important achievement that we celebrate!

And the result of all these achievements and accomplishments is evident in the financial statements in another year of sustainable growth of Taesa's revenues, operating margins and regulatory profit.

Net operating revenue and regulatory EBITDA reached the historical volume of R$3.3 billion and R$2.8 billion, respectively, from the proportional consolidation viewpoint, a growth of 15.1% and 14.4% when compared to 2022. And, EBITDA margin reached 85.3% in the year. This strong performance results from the successful implementation of the Company's strategic planning based on sustainable growth, competitiveness, regulatory management, sustainability and governance. With that, regulatory profit reached R$1.1 billion in 2023, posting growth for the fourth consecutive year, even in view of the reduction by 50% of the RAP of some concessions and IGP-M of -4.5%, which adversely affected all RAPs in the 2023-2024 cycle of our concession contracts of category 2, equivalent to approximately 65% of the Company's operating RAP.

In terms of the IFRS, the Company posted profit of R$1.4 billion in 2023, a 5.6% drop when compared to the previous year, basically due to the lower inflation rates recorded between the comparative periods, mainly the IGP-M, which considerably affected the revenue from inflation adjustment, and due to the increase in net finance costs. These effects were partially offset by the new projects and lower Variable Portion recorded in the year.

Even maintaining a very solid operational generation of cash, the Company has been strengthening its efficiency and cost control actions to mitigate the IGP-M impact on this RAP cycle (2023-2024). For example, in December 2023, aiming at streamlining the corporate structure and optimizing costs, we incorporated 3 concessions – Sant'Ana, Saíra and ATE III – into Taesa. These incorporations will maximize synergies, allowing the reduction of operating and administrative expenses, optimizing the operation and generating benefits for the performance of its obligations within the scope of the concession contracts.

Finally, the Company's Board of Directors approved the proposal for profit allocation for FY2023, which will be then submitted to the approval of the General Shareholders' Meeting, as follows: (i) -R$1.4 million to the tax incentive reserve; (ii) R$232.9 million to the unrealized earnings reserve; (iii) R$746.0 million as earnings paid during 2023 and beginning of 2024, of which R$329.3 million as interim dividends and R$416.7 million as interest on capital; and (iv) R$390.3 million as additional dividends to be paid on May 16, 2024. If approved at the Meeting, the total earnings paid for the FY2023 will be R$1.1 billion, corresponding to R$3.30 / Unit and payout of 83% of the IFRS profit and 104% of the regulatory profit for the past fiscal year.

As part of the market communication and investor relations strategy, at the end of the year, Taesa held the Investor Day in hybrid format and personally in São Paulo. The event has gathered investors and analysts to discuss important topics for the electric sector, such as energy transition and its challenges for the sector, in addition to the Company's strategic differentials in this environment, promoting important discussions and debates with the Company. The event was attended by all officers in direct contact with the market. It was Taesa's another important achievement to end a year of many deliveries.

We continue working with commitment and dedication, aligned with our mission to connect Brazil with safe, reliable energy, and strengthen our focus on the strategic sustainable growth, value generation, financial discipline and operational efficiency pillars, ratifying our commitment to the society and respecting the environment and all stakeholders.

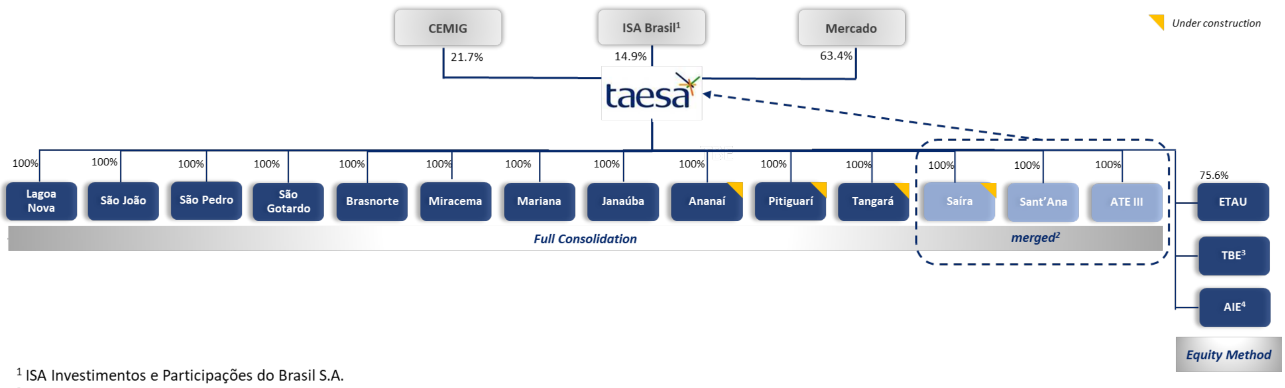
THE COMPANY

Taesa is a power transmission concessionaire, which is engaged in implementing, operating and maintaining power transmission lines in Brazil and performing other activities related to the power transmission sector. It is one of the largest private power transmission groups in Brazil in terms of Annual Permitted Revenue (RAP), with 14,420 km of transmission lines in operation and 735 km under construction, totaling 15,155 Km length. It has assets in 110 substations with voltage between 69 and 525kV and one System Operation Center (COS) located in Rio de Janeiro.

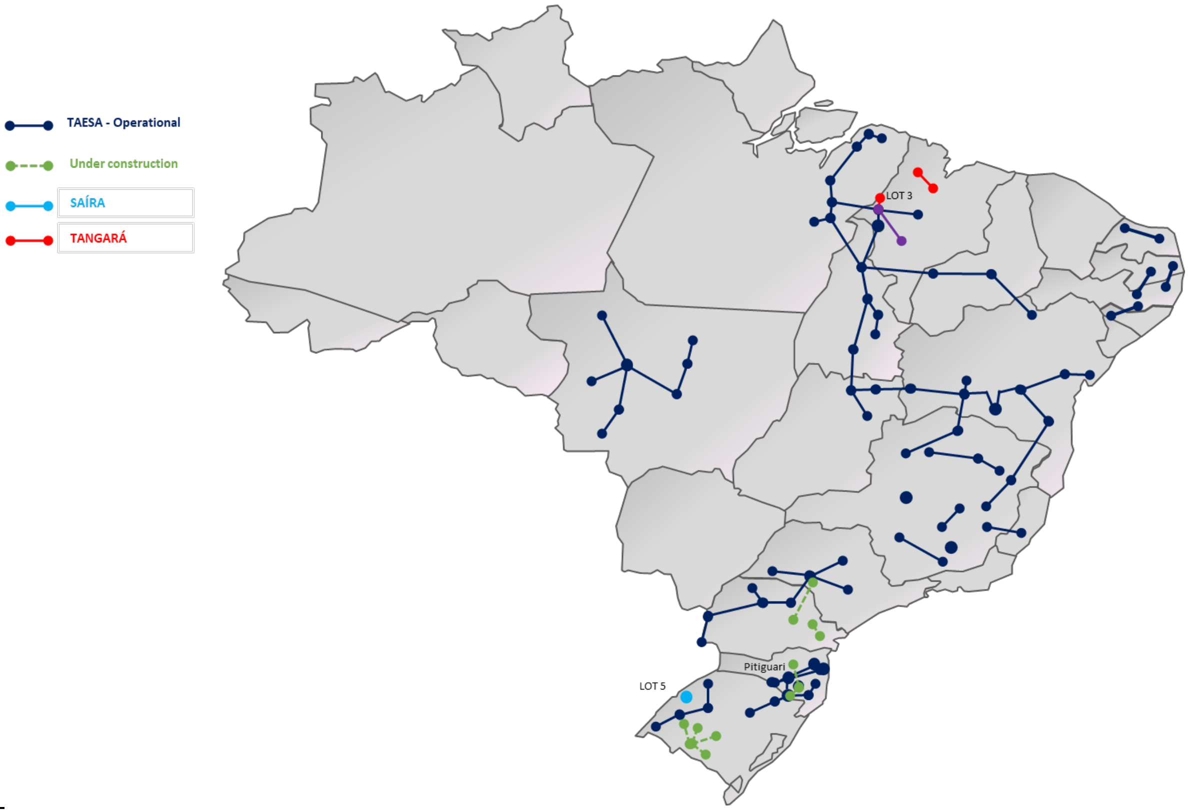
Taesa holds interest in forty-three transmission concessions: thirteen concessions in the holding (TSN, NVT, ETEO, GTESA, PATESA, Munirah, NTE, STE, ATE, ATE II, ATE III, Sant'Ana and Saíra), eleven subsidiaries (São Gotardo, Mariana, Miracema, Janaúba, Brasnorte, São João, São Pedro, Lagoa Nova, Ananaí, Pitiguari and Tangará), four joint ventures (ETAU, Paraguaçu, Aimorés and Ivaí) and fifteen associates, of which four direct (EATE, ENTE, ETEP and ECTE), five indirect (STC, ESDE, Lumitrans, ETSE and ESTE) and six with direct and indirect interests (EBTE, EDTE, ERTE, Transudeste, Transleste and Transirapé).

On December 29, 2023, Taesa merged subsidiaries ATE III, Sant'Ana and Saíra to optimize its processes and administrative and operational procedures, as well as to streamline the corporate structure, which will result in the reduction of operating and administrative expenses.

ORGANIZATIONAL STRUCTURE AND CONCESSION LOCATION



[1] ISA Investimentos e Participações do Brasil S.A.
[2] Saíra, Sant'Ana and ATE III concessions were merged into Taesa on December 29, 2023.
[3] TBE – Transmissora Brasileira de Energia is an economic is a group resulting from the partnership of majority shareholders Taesa and Alupar. The operational management of concessions Transirapé (54.0%), Transleste (54.0%) and Transudeste (collectively referred to as "Transmineiras") started to be carried out by TBE group.
[4] AIE – Aliança Interligação Elétrica is an economic group holding 50% in TAESA and 50% in ISA CTEEP, currently responsible for implementing and operating three projects. Aimorés and Paraguaçu are in operation and Ivaí is partially in operation.



MISSION, VISION AND VALUES

Mission: Connect Brasil to safe, reliable energy.

Vision: Be the more valuable electric power transmission company for the Company.

Values: Truly take care of people; act with integrity by building relationships of trust; seek the excellence in anything we do.

CODES AND POLICIES

The corporate codes and policies adopted by Taesa express its values and organizational culture, delimiting the conduction of business, as well as the relationship with the different public with whom the Company interacts. These documents are periodically prepared, reviewed and updated, in order to ensure their compatibility with the foreign and domestic scenarios.

Taesa has an external reporting channel, operated by an independent company on a 24/7 basis, with anonymity option and guarantee of confidentiality of the information and non-retaliation against the good faith accuser, allowing all employees and external public to file complaints relating to topics discussed in the Code of Ethical Conduct and Compliance and other policies of the Integrity Program. Th channel is available at the intranet, the institutional website and the investor relations website and all complaints filed are investigated and answered by Taesa's Ethics Commission within up to 30 days.

INTEGRATED MANAGEMENT SYSTEM

Taesa Group companies, supported by the Senior Management and its employees, express their commitment to the Integrated Management System, which contemplates Quality, Occupational Health and Safety, Environment and Asset Management. They declare as global corporate guidelines the fulfillment of the legal, regulatory and stakeholders requirements, the commitment to the excellence and continuous improvement of processes, focused on the performance of implementation, operation and maintenance services for its assets.

Taesa, through its Integrated Management System, has obtained at once the certification of its processes under four ISO standards. These are: ABNT NBR ISO 9001: 2015 – Quality Management, ABNT NBR ISSO 14001: 2015 – Environmental Management, ISO 45001:2018 – Occupational Health and Safety Management and ABNT NBR ISO 55001:2014 – Asset Management. The certifications were granted to the Company by ABS-QE, an internationally accredited certification company, the National Accreditation Board (ANAB), mutually recognized by the General Accreditation Coordination (CGCRE)/INMETRO.

The Company made a major effort over the past months to progress even further in the continuing improvement of its processes and ensure the excellence of its activities. The certifications bring new challenges and each standard introduces a distinct focus in its essence: focus on customers to improve the trust and credibility of the services provided; environment and community, with the management of sustainable practices that aim at mitigating environmental impacts caused by our activities; workers, with the occupational safety and health management through the identification of the threats and establishment of controls to mitigate or eliminate the risks of activities; and the Company’s assets to generate value through the sustainable management of the assets in the search for the balance between cost, risk and performance.

SUSTAINABILITY, INNOVATION AND CORPORATE RESPONSIBILITY

Sustainability is considered a value for TAESA, being one of the strategic pillars, and integrated with the business strategy and decisions. Accordingly, TAESA guarantees profitability through the sustainable growth, with financial discipline and operating efficiency and strengthens the value shared with the society, by improving the population life quality, with respect for the environment and sustainable development, mindful of the needs of the future generations.

In line with our goal of being a reference company in terms of sustainability in the Electric Power Transmission sector in Brazil, we have been working since 2019 on Sustainability (ESG) topics, in order to create initiatives for continuing improvement and innovation, besides improving the social and environmental reports. We signed the Global Compact, contributing to the 2030 agenda - Sustainable Development Goals (SDGs). In 2021 we inquired all stakeholders for the preparation of the materiality matrix, according to the Global Reporting Initiative (GRI) methodology, where we identified the six priority sustainability topics to focus on the continuous improvement of our management, performance and communication of progress.

Highlights and ESG commitments:

- Preparation of the Annual Greenhouse Gas (GHG) Emission Inventory, according to the GHG Protocol.
- Overcoming the goals to reduce the consumption of fossil fuel in the fleet and their adjustment.
- Enhancement of environmental and social clauses/assumptions in agreements with suppliers.
- Performance of the Materiality Process and definition of the Material Topics based on the GRI assumptions
- Preparation of this social and environmental report based on the GRI and ODS guidelines of the UN Global Compact.
- Consolidation of the Diversity Program through the creation of a Committee and the Diversity and Inclusion Policy.
- Great Place to Work Certification.
- Joining the Seven Women Empowerment Principles, of UN Women.
- Association with the "+Mulher 360" movement.
- Joining the "Raça é Prioridade" movement.
- Joining the "Transparência 100%" movement.
- Availability of ESG indicator panel at the Investor Relations website.

Since 2019, the Company carried out green debenture issue transactions, which correspond to debt securities, issued by the Company to raise investments in projects related to sustainability issues, in total carrying out seven issues until the end of 2023.

It is worth stressing that the Green Bond Principles (GBP) recognize that power transmission is a category eligible to the issue of green bonds, as they note that the segment in Brazil contributes to the supply and transmission of renewable energy in the National Interconnected System (SIN). A few conclusions about the issues of green debentures are as follows:

- TAESA's assets under implementation offer environmental benefits, as their construction contributes to increasing the SIN availability for renewable energy.
- The projects are aligned with the Company's strategy and offer tangible environmental benefits.
- The procedures to manage the funds raised through the debenture were clearly defined by the issuer, through a documented, transparent process.
- The Company shows stable performance in the three dimensions analyzed: Environmental, Social and Corporate Governance (ESG).
- The Company has reliable ESG practices and technical know-how regarding its activities.
- The Company has no history of significant ESG controversies;
- The Company has full capacity to measure, prevent, mitigate and offset any negative impacts arising from its projects and support the conditions that confer the characteristic of Green Bond to the debenture.

Creation of the Diversity Program: Designed during 2020, the Diversity and Inclusion Program was implemented in 2021, focused on the Company's ethical principles. The biggest goal of the initiative is to establish guidelines for the respect for and appreciation of the differences, either cultural, social, religious, ethnical, etc. The combination of different perspectives helps solving problems, promotes innovation, increases engagement and contributes to sustainability and the society as a whole. The Diversity Policy was approved in 2021, which is applicable to all employees of TAESA and other subsidiaries. In 2022 bi-monthly meetings of the affinity groups were held to discuss topics, expand and disseminate the culture of respect and appreciation of the differences.

Great Place to Work Certification: The Company has the conviction that people are its greatest assets. In 2023 the Company was recognized for the 3rd consecutive year, ranking 1st in the GPTW Energy Highlight relating to the survey conducted in 2022 and disclosed in 2023 – Cut: Generation, Distribution and Transmission of electric power. Annually, the Company conducts the organizational climate survey in partnership with GPTW to measure the team engagement and satisfaction level. In 2023, we were awarded the "Best Company to Work for" certification for the 5th consecutive year, reaffirming our position as a benchmark in the sector.

Gender Equality: a commitment of us all: Since 2021, TAESA has joined the "*Women's Empowerment Principles* (WEPs), known as the seven women's empowerment principles, an initiative of the UN women compact. Becoming a signatory of the movement stresses TAESA's importance and commitment to support and promote gender equality and women's empowerment in the workplace, market and community. The seven principles are: high-level corporate leadership; treat all women and men fairly at work and without discrimination; health, safety and well-being of all women and men workers; education and training for professional development; enterprise development, supply chain and marketing practices; promote community initiatives and advocacy; measurement and reports.

As a result of the progresses in the sustainability agenda and in line with the Company's strategic planning, for the third consecutive year, TAESA started to comprise the portfolios of the Carbon Efficient Index ("ICO2"), demonstrating the commitment to the transparency of its emissions, and anticipates the view on how it is getting ready for a low-carbon economy and, the IGPTW ("IGPTW") index, which follows up the companies certified or ranked by the Great Place to Work, both from B3, for 2024.

Corporate Responsibility

- People management

TAESA has a Human Resources Policy applied to the entire Company. The employee development process must be understood as a business strategy and as an integral part of the Company's management model. The strategic purpose of all investments related to this matter is to ensure, in the present and in the future, the availability of the skills required to provide business leadership. By continuously investing in the growth and development of our employees, Taesa prepares them to create and offer the best results.

The Company offers to all employees, on ethical and transparent manner, equal chances, respect for diversity, possibility of building a solid career, receiving compensation compatible with the market and attractive benefits in an inspiring and challenging environment. It acts as facilitator of the information flow, promoting objective, direct, two-way, respectful and transparent communication.

Talent Attraction and Retention – People are a company's driving elements, indispensable to its constant renewal in an environment of changes and challenges. Taesa adopts the practice of Internal Recruitment, aiming at offering the job openings to its employees before searching for new professionals in the market, which promotes real opportunities for growth and development, offers professional future expectation, retains talents and appreciates its human capital.

Qualification – Taesa's Training and Development Policy is designed to promote and provide for learning actions and strategies, which allow employees to acquire and enhance competences, abilities and knowledge that contribute to their professional development, reflecting the appreciation of the individual and complying with quality and productivity standards necessary for the business strategy and maintenance.

Compensation – The purpose of the compensation policy is to define and maintain equitable appreciation and development criteria, aiming at the internal and external balance of the job and salary structures, as well as the benefit package. Employees receive variable compensation, subject to and in line with the results of the global goals, per Department and Unit, based on the fulfillment of the responsibilities designed for the respective positions.

Communication processes – The Company believes that the integrated communication is an important pillar in its structure. In order to even further strengthen the relationship between its employees, the Company seeks to maintain the communication processes up-to-date, adding technology and innovation, through structured dialogue mechanisms and channels, that enable determining the needs and expectations, in addition to exchanging information in all levels, on transparent, efficient, quick and objective manner, aligned with the best business practices and strategies.

Occupational Health and Safety – In the electric power transmission assets implementation, operation and maintenance activities, the Company considers Security, Environmental and Health Management a value to be nurtured and maintained as part of its culture, in order to contribute to the health and security of its employees and subcontractors, as well as to improve the population life quality, with respect for the environment and sustainable development. The Company adopts the following security, environmental and health management principles:

- Occupational risk prevention;
- Health and environmental protection;
- Compliance with the three sustainability pillars: economic; social and environmental;
- Fulfill the Company's obligations with security, continuity and quality;
- Perform actions respecting the environment and interest of the parties;
- Minimize, to the extent possible, the impact arising from the construction works and for the co-existence of the transmission line with the social and environmental surroundings in the operation of the transmission lines.

Social Responsibility

In 2023 the Company, through concessions ATE III, Miracema and Janaúba, invested R$1,145 in projects in projects that contribute to the social development and citizenship promotion:

- Culture Incentive Law: "A Cidade da Gente" and "Enquanto a Linha Toca"
- Sports Law – "Educ Esporte V Edição"
- FIA – "Geração Futuro" and "Virando o Jogo"
- Elderly Law – "Bem Viver Agreste"

Corporate Governance

TAESA is a company listed in the Level 2 segment of Corporate Governance at B3 S.A. – Brasil, Bolsa, Balcão ("B3"), which grants to its preferred shares the right of sale for 100% of the amount paid on the transfer of control (Tag Along) and is aligned with the best management and corporate governance practices in the market.

The Company's corporate governance structure is comprised of the General Shareholders' Meeting, the Board of Directors, supported by four non-statutory committees (Audit Committee, Finance Committee, Strategy, Governance and Human Resources Committee and Operations and Business Committee), the Supervisory Board and the Statutory Executive Board, supported by four non-statutory committees (People Committee, Business Committee, Innovation and Technology Committee and Safety and environment Committee).

Board of Directors (BoD) – Comprised of 13 effective members, either residing in Brazil or not, elected by the General Meeting, with joint term of office of one year, reelection being permitted. In conformity with the agreement for adoption of differentiated corporate governance practices – Level 2, the BoD must have at least 20% of independent directors, identified as such in the minutes that elected them. Shareholder ISA must appoint four members and shareholder CEMIG must appoint five members, the other members are elected in conformity with item 5.3 of the Level 2 Regulation of Corporation Governance of B3. In addition to the duties set forth in the law and in the Company's Bylaws the BoD is responsible for: (i) the general steering of the business, (ii) electing and removing the members of the Executive Board, besides supervising the performance of their duties, through specific committees, and (iii) deciding on the participation in public conferences organized by ANEEL or any representative of the Concession Grantor with authority to do so.

Supervisory Board – The Supervisory Board is permanent and comprised of no less than three and no more than five effective members, with equal number of alternates. Their responsibilities consist of inspecting Management's activities, reviewing the financial statements and reporting their conclusions to the shareholders.

Advisory Committees for the Board of Directors – The Committees have no executive role and decision power and are comprised of six members, mainly members of the BoD, so as to ensure objectivity, consistency and quality for the Company's decision-making process.

Advisory Committees for the Executive Board – The Committees thoroughly analyze the matters of its expertise and make suggestions and issue opinions to the Executive Board, so as to ensure objectivity, consistency and quality for the Company's decision-making process.

Executive Board – The Executive Board is comprised of six members, either shareholders or not, residing in Brazil, of whom one is the Chief Executive Officer, one the Chief Financial and Investor Relations Officer, one Chief Technical Officer, one Chief Legal and Regulatory Officer, one Implementation Officer and one Business and Interest Management Officer, all elected by the Board of Directors for a joint term of office of two years, removable at any time, the accumulation of positions and reelection of its members being permitted, wholly or partially, as decided by the Board of Directors. Officers are responsible for the day-to-day executive management of the business and implementation of the policies and general guidelines established by the Board of Directors.

The items highlighted in Sustainability, Innovation and Corporate Responsibility are not part of the independent auditor's scope.

Innovation through the Research, Development & Innovation Program (R,D&I) of the electric power segment:

Taesa's Research, Development & Innovation Program("R,D&I"), regulated by ANEEL, is designed to develop solutions that contribute to the national technological modernization, through relevant technical and scientific gains which, in turn, enhance the security, quality and efficiency of the electric power transmission service. The Program promotes the search for innovation by the electric power companies and encourages the continuing identification of opportunities faced with the technological challenges of the sector.

Within this context, the electric power distribution, transmission and generation concessionaires, assignees or dealers must annually apply a minimum percentage of their net operating revenue in the Research, Development & Innovation Program:

The mandatory investment of these funds is provided for in the law and the concession contracts, and ANEEL is responsible for regulating the investments in the program, monitoring the project implementation and assessing their results.

The Company operates in conformity with the Program regulation and in partnership with several technology institutions it implements Research, Development & Innovation projects, by publishing in its website (https://institucional.taesa.com.br/pesquisa-e-desenvolvimento/projetos/) all projects under development, as well as those completed. In 2023, TAESA has implemented 13 projects and, of these, it completed those described below:

- PD-07130-0053/2018 – Teleprotection in IEC-61850 – A high-performance communication solution was developed for substations based on IEC-61850 Standard, providing for the reduction of the recovery time of the communication network in case of failure, low latency and security using a low-cost SDN controller. With investments of up to R$4,393.

- PD-07130-0057/2019 – Multi-criterion Optimization Tool for analysis of investments in transmission line auctions using artificial intelligence techniques – An open-source computer tool was developed using artificial intelligence techniques to define the nest course and lower cost for a transmission line, based on a quality parameter defined by the electric power company. Thus, allowing the construction of the electric power transmission infrastructure based on the best offer to serve the population. The tool impact is also expected on the bids in future auctions, by resulting in fairer bids and preventing the performance of non-executable projects that can adversely affect the national interconnected system and, consequently, the electric power consumer. With investments of up to R$5,008.

- PD-07130-6060/2021 – Protection Relay with Active Monitoring of Oil and Gases and Smart System for Diagnosis and Monitoring of High Voltage Transformers and Reactors – Pioneer Lot Phase – Progress in ANEEL innovation chain and produce the pioneer lot of the smart gas relay, developed within the scope of the project PD-07130-0060/2019. With investments of up to R$2,501.

The list containing all projects in progress, completed and approved by ANEEL is available at the Company's institutional website https://institucional.taesa.com.br/pesquisa-e-desenvolvimento

CONSOLIDATED OPERATING AND ECONOMIC AND FINANCIAL PERFORMANCE

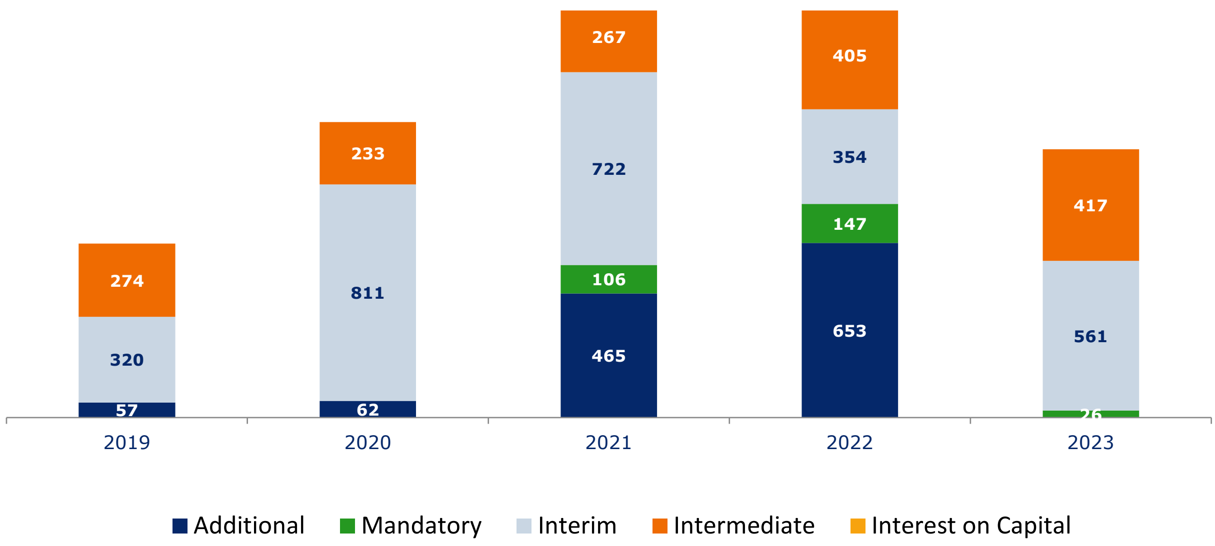
Dividends and interest on capital paid

Pursuant to its bylaws, Taesa must distribute at least 50% of its profit, after the recognition of the tax incentive reserve.

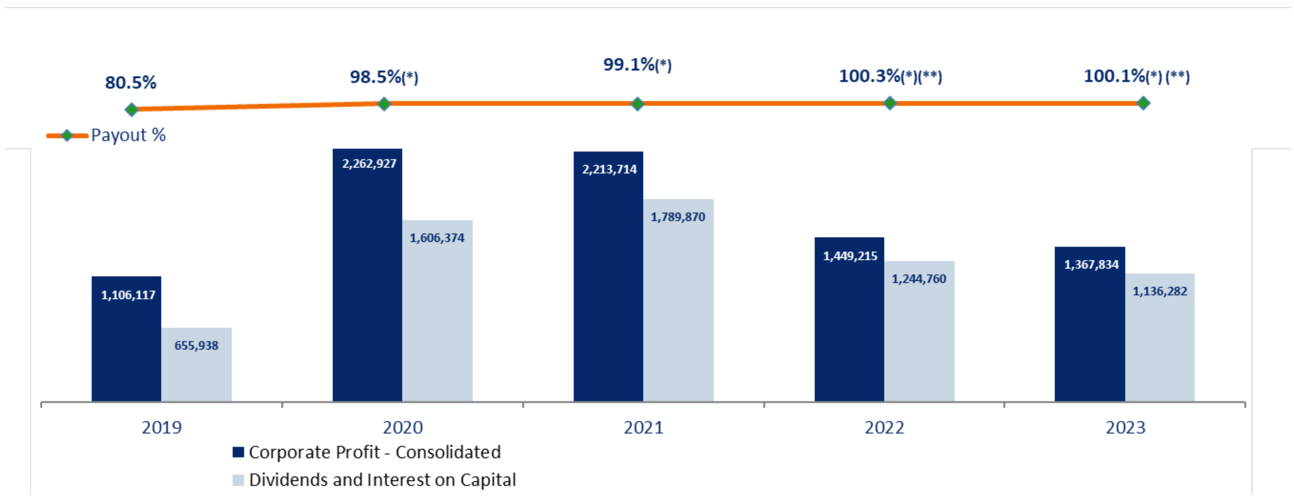
In 2023, payments in the amount of R$1,004,043 as dividends and interest on capital were approved, as follows:

- R$460,000 – interim dividends for 2022;
- R$26,048 – minimum mandatory payments for 2022;
- R$101,267 – interim dividends for 2023; and
- R$416,728 – interest on capital for 2023.

Historical series of dividends and interest on capital paid (R$ MM)



Dividends and interest on capital distributed - Payout



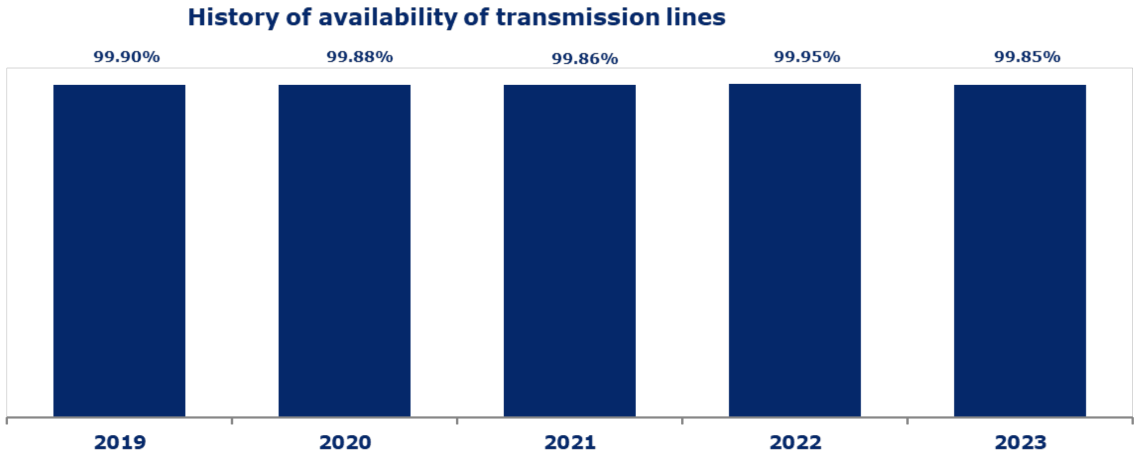
(*) For the calculation of the Payout, profit was adjusted excluding the impacts arising from CPC 47. The impacts amounted to R$232,904, R$207,632, R$408,098, R$631,470 and R$291,323 in 2023, 2022, 2021, 2020 and 2019, respectively. Similarly to the impacts arising from CPC 47 determined in 2023, 2022, 2021, 2020 and 2019, Management's proposal is to distribute the impacts determined in 2023 to the earnings reserves and pay dividends to shareholders in future periods in order not to adversely affect the Company's cash and leverage. (**) For the calculation of the payout, the amounts of R$1,352 for 2023 and R$3,177 for 2022 relating to the tax incentive reversal were excluded.

Technical management and availability of transmission lines

Specialized maintenance of all transmission assets makes Taesa's technical team to be a competitive differential in its operational processes, which has been continuously investing in the training of its maintenance and operational teams, as well as in methodologies to improve the results of the interventions at facilities. The "Linha Viva" special services that enable an effective intervention in the equipment without the need for facility shutdown are also a highlight, contributing to an increased availability of the substations and transmission lines.

Routine maintenance plans ensure the consistent operational availability of the transmission lines at the highest performance levels, thus contributing to increased reliability of the National Interconnected Electric System.

The Company demonstrated technical capability and capacity to keep the availability of the transmission lines at high levels, reaching 99.95% of availability. Below is the history of availability of the transmission lines:



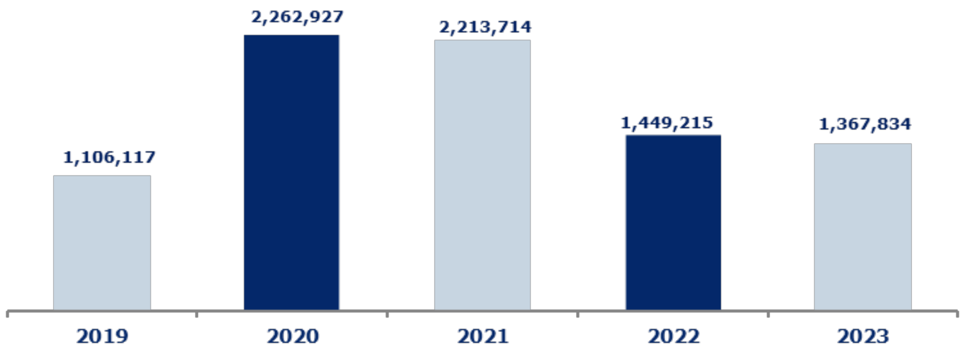
Natural hedge against inflation

As revenues are annually adjusted by the IGP-M or IPCA, Taesa's business is naturally hedged against inflation. The RAP is annually adjusted every July 1, by the 12-month inflation rate, from June of the previous year to May of the current year.

Cycle	IPCA	IGPM-M
2019 / 2020	4.70%	7.60%
2020 / 2021	1.80%	6.50%
2021 / 2022	8.00%	37.00%
2022 / 2023	11.73%	10.72%
2023 / 2024	3.94%	-4.47%

Consolidated profit

Taesa keeps its management focused on maximizing returns to shareholders.



The main factors that affected profit for 2023 when compared to 2022 are as follows:

- Revenues

Operation & maintenance – The growth in 2023 refers basically to (i) the inflation adjustment of the 2022-2023 cycle, in accordance with ANEEL Approving Resolution 3.067/22, which adjusted the RAPs with an accumulated IGP-M: 10.72% and IPCA: 11.73%, (ii) (i) the inflation adjustment of the cycle, in accordance with ANEEL Approving Resolution , which adjusted the RAPs with an accumulated IGP-M: and IPCA: % (iii) the operations of concession the start-up of activities of two sections of concession .

Compensation for concession contract asset – The 7.97% growth in 2023 was basically due to the operations of concession Saíra and another two sections of concession Sant'Ana. Such variation was offset by the amortization of receipts and reduction of assets due to the 2023-2024 tariff adjustment, which determined a deflation rate (IGP-M -4.47%).

Inflation adjustment to the concession contract asset – The 63.29% drop in 2023 refers basically to the reduction of macroeconomic indices registered (IGP-M -3.46% x 5.89% and IPCA 4.68% x 5.90%). Such variation was offset by the operations of concession Saíra and two sections of concession Sant'Ana.

Infrastructure implementation – The 368% growth in 2023 refers to higher investments in 2023 in projects under construction, the investments in projects Ananaí, Tangará, Saíra, Sant'Ana and Pitiguari, in addition to the investments in enhancements of concessions Novatrans, TSN and ATE III, impacting the infrastructure revenue.

Variable portion – The 94.08% drop in 2023 refers basically to the reversals of the events occurred in 2022 in concessions Novatrans and ATE, which were offset (i) by the unavailability events arising from the transmission of one of the ETEO concession terminals and (ii) the automatic shutdown of TL Nova Mutum, due to the crash of the agricultural machinery at the circuit tower in concession Brasnorte.

Other operating income – The 26.63% growth in 2023 refers basically to the Notices of Additional Credits in 2023, offset by the discounts in the RAP of concession Sant'Ana relating to the technical pending items that are being reconciled with ANEEL and, once resolved, it will start to receive 100% of its RAP.

- Gross revenue deductions

The 31.48% growth in 2023 was due to the increase in gross revenue, thus impacting taxes on income.

- Costs and Expenses

Personnel - The 14.69% growth in 2023 refers basically to (i) the employee salary adjustment pursuant to the collective bargaining agreement, and (ii) the new hires due to the startup of activities of new projects.

Material – The 210.11% growth in 2023 refers (i) to higher investments (Capex), mainly in concessions Ananaí, Tangará, Saíra and Pitiguari, in addition to the investments made in enhancements of concessions Novatrans and TSN, (ii) the increase in the costs of materials of concessions São Pedro, São João, ATE III and Saíra, which were offset by receipts, through secured account, established upon acquisition of companies São Pedro and São João, in the Parent.

Part of the variation was offset by the reduction in O&M investments in concessions TSN and Novatrans.

Outside services – The 40.98% growth in 2023 refers basically to (i) the expenses on technical/administrative consulting, (ii) the increase in the costs on cleaning/upkeep and cleaning of the right-of-way in concessions SJT, Sant'Ana and Saíra, (iii) the costs on maintenance services of concessions SJT and SPT, which were offset by receipts, through secured account, established upon acquisition of these companies, in the Parent, and (iv) the increase in costs on environmental studies in concession SJT.

Other costs and expenses – The 74.62% drop in 2023 refers basically to (i) the receipt of indemnity relating to the acquisition of companies SPT and SJT, (ii) the lower costs due to the net effect between the periods analyzed for the provision for onerous contract of projects Sant'Ana and Saíra, and (iii) the reversal of provision for tax risks in the Parent.

- Share of profit (loss) of subsidiaries

The 24.32% drop in 2023 refers basically to (i) the lower investments due to the startup of operation of ESTE, Ivaí, Aimorés and Paraguaçu; (ii) the reduction in revenue from inflation adjustment, impacted by the macroeconomic indices, mainly the IGP-M deflation, with significant impact on TBE and ETAU; (iii) the effects from the tariff review on Ivaí. These effects were offset by the tax benefit utilization (SUDENE) in Aimorés and Paraguaçu, as from 2023.

- Finance income (costs)

Finance income – The 10.30% drop in finance income is due to the lower volume of average cash invested in 2023, mainly impacted by higher payment of interest and principal of debts, earnings and higher investments (Capex) in construction projects.

Finance costs – The 16.54% growth is mainly due to (i) the increase in interest due to the increase in debt after funds raised through the 13th and 14th issues of debentures, in February and September 2023, respectively; (ii) the increase of inflation adjustment as a result of the higher debt volume, due to the funds raised through the 14th issue of debentures, offset by the IPCA decrease; (iii) the adjustment to the provisions for risk; (iv) banking expenses and IOF; offset by (i) a decrease in interest on escrow deposits; (ii) higher Selic rate as a result of the adjustment to tax credits; and (iii) the early settlement of the 4.131 debt and the financial instrument corresponding to this debt in 2022.

- Taxes and social contributions

The decrease in taxes and contributions by 75.08% was due to (i) the change in the tax regime of subsidiary Miracema, (ii) the decrease in revenue from inflation adjustment (deflation IGP-M -3.46%), (iii) the payments of interest on capital and (iv) the obtainment of tax benefit by subsidiary Miracema. Part of these effects were offset by the provision for taxes payable on deficit due to the merger of subsidiary ATE III.

Adjusted EBITDA x standard EBITDA

	2023	2022	Var	Var (%)
Net operating revenue	3,362,116	2,616,517	745,599	28.50%
EBITDA	1,925,489	1,901,379	24,109	1.27%
EBITDA margin - adjusted[1]	**57.27%**	**72.67%**	**- 15.40 pp**	
EBITDA reconciliation - adjusted				
Profit for the year	1,367,834	1,449,215	(81,381)	-5.62%
Share of profit (loss) of subsidiaries	(427,518)	(564,887)	137,370	-24.32%
Finance income (costs)	903,824	737,557	166,265	22.54%
Income tax and social contribution	63,425	254,516	(191,091)	-75.08%
Depreciation	17,924	24,978	(7,054)	-28.24%
EBITDA - adjusted	**1,925,489**	**1,901,379**	**24,109**	**1.27%**

	2023	2022	Var	Var (%)
Net operating revenue	3,362,116	2,616,517	745,599	28.50%
EBITDA	2,353,007	2,466,266	(113,261)	-4.59%
EBITDA margin – standard	**69.99%**	**94.26%**	**- 24.27pp**	
EBITDA reconciliation				
Profit for the year	1.367.834	1,449,215	(81,381)	-5.62%
Finance income (costs)	903,824	737,557	166,265	22.54%
Income tax and social contribution	63,425	254,516	(191,091)	-75.08%
Depreciation	17,924	24,978	(7,054)	-28.24%
EBITDA - standard	**2,353,007**	**2,466,266**	**(113,261)**	**-4.59%**

[1] The EBITDA margin for 2023 was impacted by higher investments in projects Ananaí, Tangará, Saíra (2nd phase) and enhancements in Novatrans and TSN. Investments are recorded at cost, while revenue receives the investments plus interest, margin and taxes. Accordingly, while EBITDA is impacted by the net effect of the matching of revenue and infrastructure implementation cost, net operating revenue is impacted only by the revenue from infrastructure implementation.

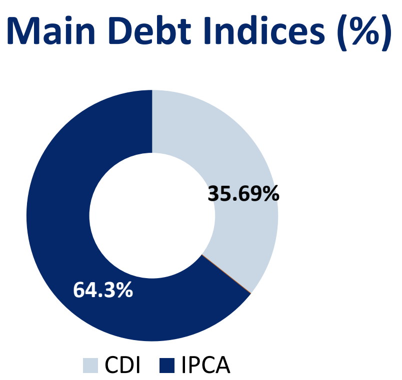
Standard EBITDA – Corresponds to profit before taxes, finance costs, net and depreciation and amortization expenses. Standard EBITDA is not recognized by the accounting practices adopted in Brazil and the IFRSs and does not represent a cash flow for the reporting periods, should not be considered as an alternative profit and is not a performance indicator. Standard EBITDA presented is used by the Company to measure its own performance. CVM Resolution 156, of June 24, 2022, establishes the voluntary disclosure of the standard EBITDA calculation.

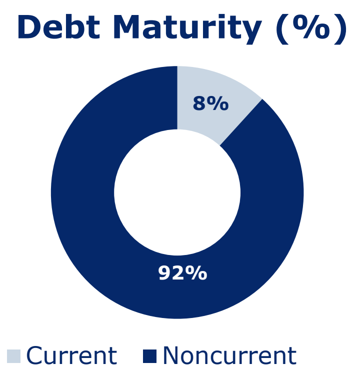
Adjusted EBITDA – Corresponds to the standard EBITDA added to the amount of share of profit (loss) of subsidiaries. The Company's Management understands that adjusted EBITDA is conservative in relation to standard EBITDA, as it does not consider the share of profit (loss) of its investees.

Indebtedness

	2023	2022
Current	1,153,762	634,734
Noncurrent	8,681,614	7,560,266
Gross debt	9,835,376	8,195,000
(-) Cash and cash equivalents and securities	(1,317,655)	(1,093,471)
Net debt	8,517,721	7,101,529
Net debt/standard EBITDA	**3.83**	**2.88**
Net debt / adjusted EBITDA	**4.74**	**3.73**

Net debt - Net debt is not recognized by the accounting practices adopted in Brazil and the IFRSs and does not have a standard meaning and cannot be comparable to similar measures provided by other companies and, also, is not a measurement of cash flow, liquidity or debt payment capacity. Net debt represents the sum of borrowings and financing, derivative financial instruments and debentures in current liabilities and noncurrent liabilities, less cash and cash equivalents and securities. Net debt presented is used by the Company to measure its own performance. The Company understands that some investors and financial analysts use net debt as an indicator of its performance.

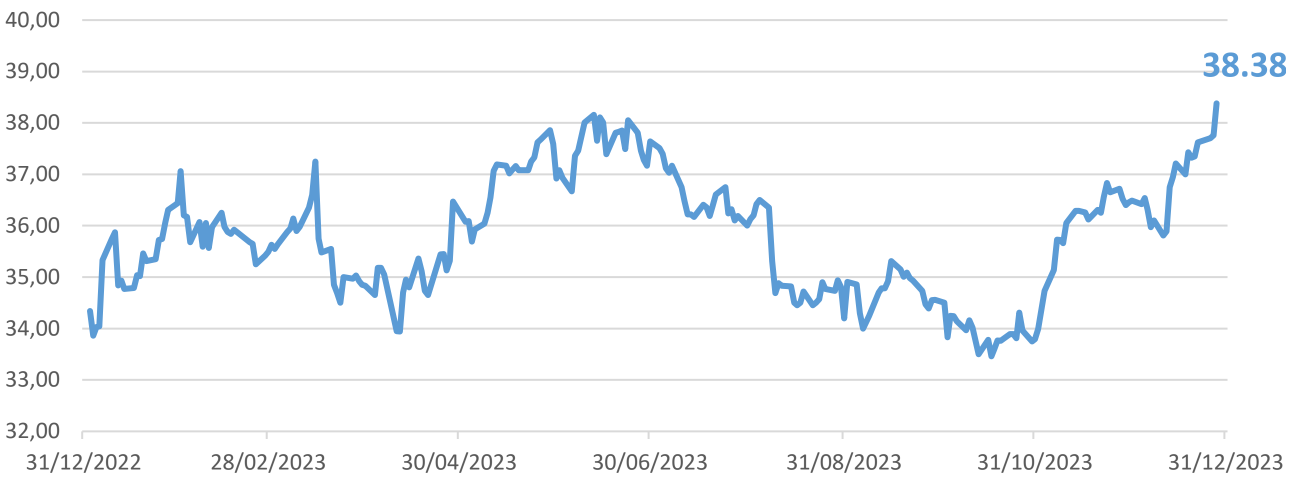




CAPITAL MARKET

As at December 31, 2023, the Company's market value was R$13.2 billion (R$11.9 billion as at December 31, 2022).

Unit Performance (TAEE11)



Rating

In 2023, the Company's ratings were assigned in national scale by Fitch Ratings ("Fitch") and Moody's Local Brasil ("Moody's"), with change in the rating to the local currency by Fitch. On July 19, 2023, Moody's assigned again the ratings in national scale at 'AAA.br', with change in the perspective from stable to negative. In December 2023, Fitch assigned again Taesa's ratings in national scale, without change in the perspective, which remains stable and downgraded the global rating to the local currency from BBB- to BB+ with stable perspective. Moody's and Fitch monitor Taesa's credit risk, keeping the highest grade in the rating classification in the National Scale for the Company, reflecting a perception of healthy profitability and strong cash generation corroborated by solid credit and liquidity indicators.

Fitch	**Rating**	**Perspective**
Rating for the local currency	BB+	Stable
Rating for the foreign currency	BB	Stable
Rating in national scale	AAA(bra)	Stable
Moody's	**Rating**	**Perspective**
Ratings – Brazilian National Scale	AAA.br	Negative

RELATIONSHIP WITH THE INDEPENDENT AUDITORS

Deloitte Touche Tohmatsu Auditores Independentes LTDA provides independent audit services in connection with the financial statements of the Company and its subsidiaries since April 2022. The Company has engaged Deloitte to provide independent audit services over a period of three consecutive years, adjusted based on the IPCA. Additionally, Deloitte was engaged to issue a comfort letter relating to the 14th issue of debentures and issue valuation reports at book value on the net assets at carrying amount (merger of subsidiaries ATE III, Sant'Ana and Saíra). The amount relating to the independent audit services, issuance of comfort letter in connection with the 14th issue of the Company's debentures and issue of reports for purposes of merger for 2023 was R$3,476.

TAESA's policies when engaging independent auditors to provide non-audit services are intended to ensure the lack of conflict of interests, loss of independence or objectivity and rely on principles that preserve the auditor's independence.

CVM - B3

The Company is subject to arbitration at the Market Arbitration Chamber as set forth in the arbitration clause included in its bylaws.

Annual Social Table - 2023 and 2022 - Consolidated Information Transmissora Aliança de Energia Elétrica S.A.						
1 - Calculation Basis	**2023**			**2022**		
Net revenue (NR)	3,362,116			2,616,517		
Operating income and expenses (OI&E)	1,907,564			1,876,401		
Gross payroll (GP)	241,129			210,244		
2 - Internal Social Indicators	**Amount**	**% on GP**	**% on NR**	**Amount**	**% on GP**	**% on NR**
Meals	10,226	4.24%	0.30%	8,328	3.96%	0.32%
Compulsory social charges	47,538	19.71%	1.41%	41,695	19.83%	1.59%
Private pension	4,113	1.71%	0.12%	3,702	1.76%	0.14%
Health	13,520	5.61%	0.40%	12,611	6.00%	0.48%
Occupational safety and health	461	0.19%	0.01%	404	0.19%	0.02%
Education	109	0.05%	0.00%	101	0.05%	0.00%
Professional qualification and development	2,244	0.93%	0.07%	1,313	0.62%	0.05%
Daycare centers or daycare allowance	1,052	0.44%	0.03%	936	0.45%	0.04%
Special care allowance	93	0.04%	0.00%	27	0.01%	0.00%
Profit sharing	38,707	16.05%	1.15%	32,649	15.53%	1.25%
Other	544	0.23%	0.02%	16	0.01%	0.00%
Total - internal social indicators	118,607	49.19%	3.53%	101,782	48.64%	3.91%
3 - External Social Indicators	**Amount**	**% on OI&E**	**% on NR**	**Amount**	**% on OI&E**	**% on NR**
Culture	572	0.03%	0.02%	810	0.04%	0.03%
Health and sanitation	-	0.00%	0.00%	114	0.01%	0.00%
Sports	191	0.01%	0.01%	203	0.01%	0.01%
Other	382	0.02%	0.01%	405	0.02%	0.02%
Total contributions to the society	1,145	0.06%	0.03%	1,532	0.08%	0.06%
Taxes (excluding payroll charges)	435,796	22.85%	12.96%	435,712	23.22%	16.65%
Total - external social indicators	436,941	22.91%	13.00%	437,244	23.30%	16.71%
4 - Environmental Indicators	**Amount**	**% on OI&E**	**% on NR**	**Amount**	**% on OI&E**	**% on NR**
Investments related to the company's production / operation	1,734	0.09%	0.05%	2,222	0.12%	0.08%
Total investments in environment	1,734	0.09%	0.05%	2,222	0.12%	0.08%
With respect to the establishment of "annual goals" to minimize waste, the consumption in general in the production / operation and increase the efficiency in the use of natural resources, the company:	( ) does not have goals ( ) meets from 0 to 50% ( ) meets from 51 to 75% (x) meets from 76 to 100%			( ) does not have goals ( ) meets from 0 to 50% ( ) meets from 51 to 75% (x) meets from 76 to 100%		
5 - Staff Indicators	**2023**			**2022**		
Number of employees at the end of the period	851			732		
Number of hires during the period	182			96		
Number of outsourced employees	279			1,564		
Number of interns	59			37		
Number of employees above 45 years old	199			161		
Number of women working at the company	172			143		
% of leadership positions occupied by women	25.55%			22.97%		
Number of black employees working at the company	387			327		
% of leadership positions occupied by black employees	28.89%			28.38%		
Number of disables individuals or with special needs	34			22		
6 - Significant information on the exercise of the corporate citizenship	**2023**			**2022**		
Ratio between the highest and lowest compensation at the company	9510%			9747%		
Total number of work accidents	1			-		
The social and environmental projects developed by the company were defined by:	( ) Management	(x) Management and departments	( ) all employees	( ) Management	(x) Management and departments	( ) all employees
The security and health hazard standards in the work environment were defined by:	(x) Management and departments	( ) all employees	( ) all + Cipa	(x) Management and departments	( ) all employees	( ) all + Cipa
With respect to union freedom, the right to collective bargaining and the internal representation of workers, the company:	( ) does not get involved	(x) follows the OIT rules	( ) encourages and follows OIT	( ) does not get involved	(x) follows the OIT rules	( ) encourages and follows OIT
Private pension contemplates:	( ) Management	( ) Management and departments	(x) all employees	( ) Management	( ) Management and departments	(x) all employees
Profit sharing contemplates:	( ) Management	( ) Management and departments	(x) all employees	( ) Management	( ) Management and departments	(x) all employees
When selecting suppliers, the same ethical and social and environmental responsibility standards adopted by the company:	( ) are not considered	( ) are suggested	(x) are required	( ) are not considered	( ) are suggested	(x) are required
With respect to the participation of employees in volunteering programs, the company:	(x) does not get involved	(x) supports	( ) organizes and encourages	(x) does not get involved	(x) supports	( ) organizes and encourages
Total number of complaints and criticisms from consumers:	at the company	at Procon -	at the courts	at the company	at Procon -	at the courts
% of complaints and criticisms answered or solved:	at the company 0%	at Procon 0%	at the courts 0%	at the company 0%	at Procon 0%	at the courts 0%
Total wealth for distribution (in thousands of R$):	**In 2023: 3,059,004**			**In 2022: 3,070,848**		
Wealth distributed (SVA):	14.25% government / 37.15 % shareholders / 34.38% third parties / 6.65% employees / 7.57% retained			17.62% government / 40.53 % shareholders / 6.66% retained / 29.39% third parties / 5.80% employees		

* The number of accidents takes into consideration only the occurrences involving own employees. Accident without serious injury.
The Social table is not part of the independent auditor's work scope.

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S REPORT ON THE
INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, Directors and Management of
Transmissora Aliança de Energia Elétrica S.A.

Opinion

We have audited the accompanying individual and consolidated financial statements of Transmissora Aliança de Energia Elétrica S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2023 and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including the material accounting policies.

In our opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Transmissora Aliança de Energia Elétrica S.A. as at December 31, 2023 and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRSs, issued by the International Accounting Standards Board - IASB.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council (CFC), and we have fulfilled our other 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 audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and, therefore, we do not provide a separate opinion on these matters.

Deloitte.

Public service concession - contract asset

As disclosed in notes 3 and 7 to the financial statements, the Company operates as an electric power transmission service provider, under a concession contract, and is compensated for the construction and implementation of the electric power transmission infrastructure, as well as for the maintenance and operation of such infrastructure. The recognition of the contract asset in accordance with technical pronouncement CPC 47/IFRS 15 - Revenue from Contracts with Customers requires the exercise of significant judgment when the customer obtains the asset control. Additionally, the measurement of the Company's progress in relation to the fulfillment of the performance obligation satisfied over time also requires the use of estimates and significant judgment by the Executive Board to estimate the necessary efforts or inputs to fulfill the performance obligation, such as materials and labor, expected profit margins in each performance obligation identified and expected revenue projections. Finally, as it is a long-term contract, the identification of the discount rate that represents the financial component embedded in the flow of future receipts also requires the use of judgment by the Executive Board.

Due to the materiality of the amounts and significant judgment involved in measuring the Company's progress in relation to the fulfillment of the performance obligation satisfied over time, the profit margins and expected revenue projections, we consider the measurement of the contract asset and revenue from contracts a key audit matter.

Our audit procedures included, among others: (i) understanding the flow of recognition of the contract asset and respective revenue, by nature; (ii) assessing the design and implementation of significant internal controls over the recognition of the contract asset and respective revenue; (iii) understanding the criteria and assumptions used in the determination of the construction and operation & maintenance margins, as well as the implicit rates applied to the flows of future receipt; (iv) conducting substantive tests relating to the supporting documents of the additions to the contract asset, recalculation of the flows of future receipt of the infrastructure projects, recalculation of the inflation adjustments and financial compensation of the contract assets, on a sample basis, based on the contractual conditions established and other assumptions used by the Company, retrospective analysis of the expenditures incurred with each project in relation to the initially budgeted amounts, including the corresponding analysis and discussion on the nature of the variations and discrepancies, and obtaining corroborating evidence of these variations and; (v) assessing the disclosures in the financial statements in light of technical pronouncement CPC 47/IFRS 15 - Revenue from Contracts with Customers.

Based on the audit procedures described above and the audit evidence obtained, we consider that the contract asset recognition policies, the respective revenue and related disclosures are acceptable in the context of the financial statements taken as whole.

Other matters

Statement of value added

The individual and consolidated statement of value added (DVA) for the year ended December 31, 2023, prepared under the responsibility of the Company's Executive Board and presented as supplemental information for purposes of international standard IAS 34, was subject to audit procedures performed together with the audit of the Company's financial statements. In forming our opinion, we assess whether this statement is reconciled with the financial statements and the accounting records, as applicable, and whether its form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. In our opinion, this statement of value added was appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and is consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

The Executive Board is responsible for the other information. Such other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report 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 we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Board and those charged with governance for the individual and consolidated financial statements

The Executive Board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and the IFRS, issued by the IASB, and for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the Executive Board 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 the Executive Board either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual 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 control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.

- Conclude on the appropriateness of the Executive Board'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, we are required to draw attention in our auditor's report to the related disclosures in the individual 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 auditor's 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 and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

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 auditor's 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.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, March 6, 2024

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Marcelo Salvador
Engagement Partner

2024RJ029694

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Balance sheet as at December 31, 2023 and 2022
(In thousands of Brazilian reais - R$)

		Consolidated		Parent	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Assets					
Current assets					
Cash and cash equivalents	4	1,306,121	1,083,174	1,143,367	759,628
Receivables from concessionaires and assignees	6	282,010	202,942	221,191	131,587
Concession contract asset	7	1,469,741	1,373,209	996,485	828,059
Current taxes and social contributions	8	295,557	244,886	268,090	224,266
Dividends receivable	12	81,810	128,081	207,358	227,643
Other receivables		67,998	57,376	55,267	41,258
Total current assets		**3,503,237**	**3,089,668**	**2,891,758**	**2,212,441**
Noncurrent assets					
Securities	5	11,534	10,297	6,233	5,508
Receivables from concessionaires and assignees	6	44,832	32,606	37,040	27,181
Concession contract asset	7	11,844,837	10,119,266	6,213,715	4,521,653
Other receivables		28,720	47,833	24,539	24,754
Escrow deposits		125,876	56,301	51,257	41,405
Derivative financial instruments	18	-	1,149	-	1,149
Investments	11	3,491,441	3,611,309	7,506,246	7,848,205
Right of use		2,252	4,788	2,173	4,184
Property, plant and equipment		229,990	198,924	228,513	197,522
Intangible assets		165,937	136,940	165,922	136,920
Total noncurrent assets		**15,945,419**	**14,219,413**	**14,235,638**	**12,808,481**
Total assets		**19,448,656**	**17,309,081**	**17,127,396**	**15,020,922**

The accompanying notes are an integral part of these financial statements.

(continued)

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Balance sheet as at December 31, 2023 and 2022
(In thousands of Brazilian reais - R$)

		Consolidated		Parent	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Liabilities					
Current liabilities					
Trade payables		170,505	133,728	113,493	72,161
Borrowings and financing	13.1	11,578	11,970	6,197	6,446
Debentures	13.2	1,142,184	622,764	1,122,333	607,452
Lease liability		1,602	3,187	1,542	2,472
Current taxes and social contributions	8	49,200	38,967	32,512	18,027
Regulatory charges		51,079	62,068	45,248	52,800
Dividends and interest on capital payable	12	228,083	26,105	228,083	26,105
Derivative financial instruments		160	-	160	-
Other payables		95,883	122,728	87,556	70,741
Total current liabilities		**1,750,274**	**1,021,517**	**1,637,124**	**856,204**
Noncurrent liabilities					
Borrowings and financing	13.1	391,387	420,289	346,697	372,293
Debentures	13.2	8,154,649	7,094,889	7,124,873	6,100,129
Derivative financial instruments	18	135,579	46,237	135,579	46,237
Lease liability		1,240	3,089	1,209	3,014
Deferred taxes and social contribution	9	1,377,223	1,385,697	744,399	769,022
Deferred taxes	10	747,522	666,225	358,902	260,866
Provision for labor, tax, and civil risks	14	138,333	59,429	50,585	35,261
Other payables		73,139	41,233	48,718	7,420
Total noncurrent liabilities		**11,019,072**	**9,717,088**	**8,810,962**	**7,594,242**
Total liabilities		**12,769,346**	**10,738,605**	**10,448,086**	**8,450,446**
Equity					
Capital		3,067,535	3,067,535	3,067,535	3,067,535
Share issuance costs		(25,500)	(25,500)	(25,500)	(25,500)
Capital reserve		598,736	598,736	598,736	598,736
Earnings reserve		2,690,847	2,459,295	2,690,847	2,459,295
Additional dividends proposed		390,283	460,000	390,283	460,000
Other comprehensive income		(42,591)	10,410	(42,591)	10,410
Total equity	15	**6,679,310**	**6,570,476**	**6,679,310**	**6,570,476**
Total liabilities and equity		**19,448,656**	**17,309,081**	**17,127,396**	**15,020,922**

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Statement of income
for the years ended December 31, 2023 and 2022
(In thousands of Brazilian reais - R$, except earnings per share)

		Consolidated		Parent	
	Note	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Revenue from infrastructure implementation, inflation adjustment to concession contract asset, operation and maintenance and other, net		2,230,765	1,568,637	774,595	1,012,968
Compensation for concession contract asset		1,131,351	1,047,880	570,124	608,415
Net operating revenue	20	**3,362,116**	**2,616,517**	**1,344,719**	**1,621,383**
Operating costs					
Personnel		(99,054)	(88,478)	(52,525)	(58,210)
Material		(1,049,660)	(338,483)	(123,795)	(92,297)
Outside services		(76,899)	(51,222)	(35,512)	(34,875)
Depreciation and amortization		(6,060)	(10,660)	(5,576)	(8,878)
Other operating costs		(9,047)	(9,605)	(3,453)	(6,739)
	21	(1,240,720)	(498,448)	(220,861)	(200,999)
Gross profit		**2,121,396**	**2,118,069**	**1,123,858**	**1,420,384**
General and administrative expenses					
Personnel and management		(142,075)	(121,767)	(124,216)	(111,803)
Outside services		(49,450)	(38,402)	(43,857)	(32,513)
Depreciation and amortization		(11,864)	(14,318)	(11,843)	(14,308)
Other operating expenses		(10,439)	(67,181)	25,588	(13,350)
	21	(213,828)	(241,668)	(154,328)	(171,974)
Profit before finance income (costs), net, share of profit (loss) of subsidiaries and taxes and contributions		**1,907,568**	**1,876,401**	**969,530**	**1,248,410**
Share of profit (loss) of subsidiaries	11	427,513	564,887	1,180,561	924,708
Finance income		148,008	164,995	99,842	130,627
Finance costs		(1,051,830)	(902,552)	(935,726)	(774,045)
Finance income (costs), net	22	**(903,822)**	**(737,557)**	**(835,884)**	**(643,418)**
Profit before taxes and contributions		**1,431,259**	**1,703,731**	**1,314,207**	**1,529,700**
Current income tax and social contribution		(44,595)	(39,480)	(2,844)	(12,401)
Deferred income tax and social contribution		(18,830)	(215,036)	56,471	(68,084)
Income tax and social contribution	16	**(63,425)**	**(254,516)**	**53,627**	**(80,485)**
Profit for the year		**1,367,834**	**1,449,215**	**1,367,834**	**1,449,215**
Earnings per share					
Common share - basic and diluted (in R$)	19	1.32350	1.40224	1.32350	1.40224
Preferred share - basic and diluted (in R$)	19	1.32350	1.40224	1.32350	1.40224

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Statement of comprehensive income
for the years ended December 31, 2023 and 2022
(In thousands of Brazilian reais - R$)

		Consolidated		Parent	
	Note	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Profit for the year		**1,367,834**	**1,449,215**	**1,367,834**	**1,449,215**
Valuation adjustments to equity of derivative financial instruments	18	(53,295)	(12,053)	(53,295)	(12,053)
Total comprehensive income for the year		**1,314,539**	**1,437,162**	**1,314,539**	**1,437,162**

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Statement of changes in equity (parent and consolidated) for the years ended December 31, 2023 and 2022 (In thousands of Brazilian reais - R$)

		Capital			Earnings reserve							
	Note	Capital	Share issuance costs	Capital reserve, capital transactions	Legal	Tax incentive	Special reserve	Unrealized earnings reserve	Additional dividends proposed	Retained earnings	Valuation adjustments to equity	Total
Balances as at December 31, 2021		**3,067,535**	**(25,500)**	**598,736**	**433,057**	**330,799**	**1,604,384**	**-**	**653,282**	**-**	**22,463**	**6,684,756**
Additional dividends approved		-	-	-	-	-	-	-	(653,282)	-	-	(653,282)
Intermediate dividends paid		-	-	-	-	-	(113,400)	-	-	-	-	(113,400)
Interim dividends paid		-	-	-	-	-	-	-	-	(353,959)	-	(353,959)
Interest on capital paid		-	-	-	-	-	-	-	-	(404,753)	-	(404,753)
Valuation adjustments to equity of derivative financial instruments	18	-	-	-	-	-	-	-	-	-	(12,053)	(12,053)
Profit for the year		-	-	-	-	-	-	-	-	1,449,215	-	1,449,215
Allocation of profit for the year:			-					-				-
Tax incentive reserve		-	-	-	-	(3,177)	-	-	-	3,177	-	-
Special reserve		-	-	-	-	-	207,632	-	-	(207,632)	-	-
Remaining mandatory minimum dividends		-	-	-	-	-	-	-	-	(26,048)	-	(26,048)
Additional dividends proposed		-	-	-	-	-	-	-	460,000	(460,000)	-	-
Balances as at December 31, 2022		**3,067,535**	**(25,500)**	**598,736**	**433,057**	**327,622**	**1,698,616**	**-**	**460,000**	**-**	**10,410**	**6,570,476**
Transfer between reserves		-	-	-	-	-	(1,698,616)	1,698,616	-	-	-	-
Additional dividends approved		-	-	-	-	-	-	-	(460,000)	-	-	(460,000)
Interim dividends paid		-	-	-	-	-	-	-	-	(329,271)	-	(329,271)
Interest on capital paid		-	-	-	-	-	-	-	-	(416,728)	-	(416,728)

	Note	Capital		Capital reserve, capital transactions	Earnings reserve				Additional dividends proposed	Retained earnings	Valuation adjustments to equity	Total
		Capital	Share issuance costs		Legal	Tax incentive	Special reserve	Unrealized earnings reserve				
Valuation adjustments to equity of derivative financial instruments	18	-	-	-	-	-	-	-	-	-	(53,001)	(53,001)
Profit for the year		-	-	-	-	-	-	-	-	1,367,834	-	1,367,834
Allocation of profit for the year:			-									
Tax incentive reserve		-	-	-	-	(1,352)	-	-	-	1,352	-	-
Unrealized earnings reserve		-	-	-	-	-	-	232,904	-	(232,904)	-	-
Additional dividends proposed		-	-	-	-	-	-	-	390,283	(390,283)	-	-
Balances as at December 31, 2023	15	**3,067,535**	**(25,500)**	**598,736**	**433,057**	**326,270**	**-**	**1,931,520**	**390,283**	**-**	**(42,591)**	**6,679,310**

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Statement of cash flows
for the years ended December 31, 2023 and 2022
(In thousands of Brazilian reais - R$)

	Note	Consolidated		Parent	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash flows from operating activities					
Profit for the year		1,367,834	1,449,215	1,367,834	1,449,215
Adjustments to:					-
Share of profit (loss) of subsidiaries	11	(427,513)	(564,887)	(1,180,561)	(924,708)
Depreciation and amortization		15,248	15,341	15,200	15,332
Depreciation of right of use		2,676	9,637	2,219	7,854
Provision for (reversal of) tax, labor and civil risks, net	14	3,905	11,424	(3,666)	9,486
Interest, exchange rate changes and adjustment to fair value on borrowings and financing	13.1 and 22	1,258	(24,177)	(2,610)	(29,262)
Interest and inflation adjustment on debentures	13.2 and 22	1,006,064	852,479	903,808	742,786
Losses on derivative financial instruments		3,140	49,069	2,410	49,070
Interest on lease liabilities		335	943	317	841
Current income tax and social contribution	16	44,595	39,480	2,844	12,401
Deferred income tax and social contribution	16	18,830	215,036	(56,471)	68,084
Deferred taxes	20	81,297	28,016	(14,460)	(8,394)
Infrastructure implementation cost		949,593	232,068	76,861	2,111
Compensation for concession contract asset	7 and 20	(1,131,351)	(1,047,880)	(570,124)	(608,415)
Inflation adjustment to concession contract asset	7 and 20	(207,585)	(565,457)	151,450	(289,581)
Revenue from infrastructure implementation	7 and 20	(1,223,674)	(261,469)	(113,540)	(4,951)
Income from short-term investments		(1,252)	(1,153)	(725)	(602)
Revenue from inflation adjustment to escrow deposits		(6,697)	(6,287)	(5,986)	(7,541)
Expense on inflation adjustment to contingencies	14	16,298	6,609	12,235	3,496
Provision for onerous contract	7	23,177	47,864	-	-
(Reversal of) provision for variable portion	6	(23,828)	26,587	(24,709)	26,590
		512,350	512,458	562,326	513,812
Changes in assets and liabilities:					
Decrease in receivables from concessionaires and assignees and concession contract asset		610,795	1,471,947	842,063	912,964
Increase in taxes and social contribution assets, net of liabilities		(8,043)	(66,052)	(2,188)	(54,882)
Decrease in other receivables		9,719	1,897	10,455	9,579
(Decrease) increase in trade payables		(926,777)	(229,203)	(81,495)	26,350
Decrease (increase) in regulatory fees		(10,989)	10,389	(12,412)	8,592
Increase (decrease) in other payables		52,684	(9,104)	28,417	(9,808)
Dividends received from subsidiaries	12	-	-	428,083	286,943
Dividends received from joint ventures and associates	12	593,653	395,883	593,652	395,883
		321,042	1,575,757	1,806,575	1,575,621
Cash generated by operating activities		**833,392**	**2,088,215**	**2,368,901**	**2,089,433**
Income tax and social contribution paid		(76,990)	(77,344)	(35,402)	(56,461)
Net cash generated by operating activities		**756,402**	**2,010,871**	**2,333,499**	**2,032,972**
Cash flows from investing activities					
Decrease in securities		15	804	-	-
Merged net cash		-	-	90,755	-
Additions to property, plant and equipment and intangible assets		(75,312)	(178,512)	(73,834)	(178,367)
Capital increase in subsidiaries	11	-	-	(1,579,731)	(244,700)
Capital increase in joint ventures	11	-	(133,500)	-	(133,500)
Net cash (used in) investing activities		**(75,297)**	**(311,208)**	**(1,562,810)**	**(556,567)**
Cash flows from financing activities					
Raising of borrowings and financing		-	362,600	-	362,600
Payment of borrowings and financing - principal	13.1	(5,500)	(523,146)	(1,957)	(517,157)
Payment of borrowings and financing - interest	13.1	(25,052)	(12,763)	(21,278)	(7,163)
Issuance of debentures, net of transaction costs	13.2	1,755,679	1,999,496	1,755,679	1,999,496
Payment of debentures - principal	13.2	(533,767)	(797,242)	(521,291)	(767,011)
Payment of debentures - interest	13.2	(648,796)	(496,430)	(598,571)	(435,363)
Payment of lease liability		(3,909)	(12,789)	(3,260)	(10,911)
Payment of dividends and interest on capital	12	(1,004,020)	(1,672,384)	(1,004,021)	(1,672,384)
Receipt of derivative financial instruments	18	7,207	151,345	7,749	151,345
Net cash (used in) financing activities		**(458,158)**	**(1,001,313)**	**(386,950)**	**(896,548)**
Increase in cash and cash equivalents		**222,947**	**698,350**	**383,739**	**579,857**
Opening balance of cash and cash equivalents	4	1,083,174	384,824	759,628	179,771
Closing balance of cash and cash equivalents	4	1,306,121	1,083,174	1,143,367	759,628
Increase in cash and cash equivalents		**222,947**	**698,350**	**383,739**	**579,857**

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Statement of value added
for the years ended December 31, 2023 and 2022
(In thousands of Brazilian reais - R$)

	Note	Consolidated 12/31/2023	Consolidated 12/31/2022	Parent 12/31/2023	Parent 12/31/2022
Revenues					
Compensation for concession contract asset		1,131,351	1,047,880	570,124	608,415
Inflation adjustment to concession contract asset	7 and 20	207,585	565,457	(151,450)	289,581
Operation & maintenance	20	1,077,062	1,008,548	924,093	898,641
Infrastructure implementation		1,223,674	261,469	113,540	4,951
Variable portion	20	(3,562)	(60,156)	6,105	(58,524)
Other revenue	20	58,513	46,210	42,907	31,624
		3,694,623	2,869,408	1,505,319	1,774,688
Inputs purchased from third parties					
(include taxes - ICMS, IPI, PIS, and COFINS)					
Materials, power, outside services and other	21	(1,176,009)	(428,107)	(203,164)	(159,685)
General, administrative and other expenses		(17,207)	(75,357)	23,752	(19,182)
		(1,193,216)	(503,464)	(179,412)	(178,867)
Gross value added		**2,501,407**	**2,365,944**	**1,325,907**	**1,595,821**
Depreciation and amortization		(17,924)	(24,978)	(17,425)	(23,186)
Wealth created by the Company		**2,483,483**	**2,340,966**	**1,308,482**	**1,572,635**
Wealth received in transfer					
Share of profit (loss) of subsidiaries	11	427,513	564,887	1,180,561	924,708
Finance income	22	148,008	164,995	99,842	130,627
		575,521	729,882	1,280,403	1,055,335
Total wealth for distribution		**3,059,004**	**3,070,848**	**2,588,885**	**2,627,970**
Wealth distributed					
Personnel					
Salaries and wages	21	122,522	107,983	75,708	79,175
Benefits	21	71,069	60,087	60,842	53,240
Severance pay fund (FGTS)		9,953	9,960	8,461	8,886
		203,544	178,030	145,011	141,301
Taxes, fees and contributions					
Federal (including ANEEL's regulatory charges)		433,851	539,845	138,735	262,517
State		213	346	103	122
Municipal		1,732	860	1,476	770
		435,796	541,051	140,314	263,409
Lenders and lessors					
Debt charges, inflation adjustment and exchange rate changes, net	22	1,007,322	828,301	901,198	713,524
Derivative financial instruments	22	3,140	49,070	2,410	49,070
Leases	22	335	943	317	841
Other	22	41,033	24,238	31,801	10,610
		1,051,830	902,552	935,726	774,045
Shareholders					
Interim dividends paid	12	329,271	353,959	329,271	353,959
Interest on capital paid	12	416,728	404,753	416,728	404,753
Mandatory dividends	12	-	26,048	-	26,048
Unrealized earnings reserve	12	232,904	-	232,904	-
Additional dividends proposed	12	390,283	460,000	390,283	460,000
Special reserve	12	-	207,632	-	207,632
Tax incentive reserve	12	(1,352)	(3,177)	(1,352)	(3,177)
		1,367,834	1,449,215	1,367,834	1,449,215
Total wealth distributed		**3,059,004**	**3,070,848**	**2,588,885**	**2,627,970**

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023
(In thousands of Brazilian reais - R$, unless otherwise stated)

1. GENERAL INFORMATION

Transmissora Aliança de Energia Elétrica S.A. ("Taesa" or "Company") is a publicly-held company domiciled in Brazil and headquartered at Av. das Américas, 2,480, bloco 6, sala 201, Barra da Tijuca, City of Rio de Janeiro, State of Rio de Janeiro, engaged in the following:

• Operating and exploiting the power transmission public utility concession for implementation, operation and maintenance of the transmission lines comprising the Basic Grid of the National Interconnected System (SIN);
• Performing other activities concerning the power transmission industry, such as: (a) planning studies and activities and construction of project-related facilities; (b) chemical analysis of materials and equipment; (c) basic and detailed engineering services, search and procurement process, performance of construction work, commissioning, operation and maintenance of systems; (d) lease, loan or onerous assignment of equipment, infrastructure and facilities; and (e) technical support;
• Performing any other activities that enable the better use and appreciation of the aggregate grids, structures, resources and capabilities;
• Operating both in Brazil and abroad, individually or in partnership with other entities, participating in auctions and performing any other related, similar, complementary activity or that is somehow useful for the achievement of the corporate purpose;
• Holding interest in other companies, either Brazilian or foreign, operating in the power transmission sector, as a partner or shareholder; and
• Implementing a project associated with the public utility concession that it is exploiting, in particular the provision of telecommunication and data transmission services, operation and maintenance of facilities owned by other concessionaires, in addition to supplementary services related to engineering, trials and research activities.

Controlling shareholders – Companhia Energética de Minas Gerais - CEMIG and ISA Investimentos e Participações do Brasil S.A. hold the Company's shared control, under a shareholders' agreement.

Subsidiaries, joint ventures and associates

Subsidiaries: SGT, MAR, MIR, JAN, BRAS, SJT, SPT, LNT, ANT, PTG and TNG.
Joint ventures: ETAU, Aimorés, Paraguaçu and Ivaí.
Associates: (a) with direct interest: EATE, ECTE, ENTE and ETEP; (b) with indirect interest: STC, ESDE, Lumitrans, ETSE and ESTE; and (c) with direct and indirect interest: EBTE, ERTE, EDTE, Transleste, Transirapé and Transudeste. The associates are collectively referred to as "TBE Group".

The subsidiaries, joint ventures and associates (herein referred to as "Taesa Group" or "Group", when referred to together with the Company) are privately-held companies, whose shares are not traded on stock exchanges, domiciled in Brazil and headquartered in the following States: Rio de Janeiro (SGT, MAR, MIR, JAN, ETAU, BRAS, SJT, SPT, LNT, ANT, PTG, TNG, Aimorés and Paraguaçu), Santa Catarina (Lumitrans, STC and ECTE), São Paulo (Ivaí, ERTE, EBTE, ETEP, ETSE, EATE, ENTE, ESDE and ESTE), Minas Gerais (Transleste, Transudeste and Transirapé) and Bahia (EDTE).

The core activity of the companies in which the Company holds equity interests is electric power transmission. They are responsible for implementing, operating and maintaining the National Interconnected System (SIN) basic network facilities for a 30-year period.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Taesa Group's concessions with direct or indirect interest

Concession	Acquisition (*) Establishment (**_	Start	Equity interest	Location	Periodic tariff revision		Km (a)	SE (b)
	Concession contract	End			Term (years)	Next	(unaudited)	
Taesa								
Transmissora Sudeste Nordeste S.A. ("TSN")	06/06/2006 (*) 097/2000	12/20/2000 12/20/2030	100%	BA and GO	5 (c)	07/01/2024	1,139	8
Novatrans Energia S.A. ("NVT")	06/06/2006 (*) 095/2000	12/20/2000 12/20/2030	100%	DF, GO, MA and TO	5 (c)	07/01/2024	1,278	6
Munirah Transmissora de Energia S.A. ("MUN")	06/06/2006 (*) 006/2004	02/18/2004 02/18/2034	100%	BA	5 (c)	07/01/2024	106	2
Goiânia Transmissora de Energia S.A. ("GTE")	11/30/2007 (*) 001/2002	01/21/2002 01/21/2032	100%	PB and PE	5 (c)	07/01/2024	52	3
Paraíso-Açu Transmissora de Energia S.A. ("PAT")	11/30/2007 (*) 087/2002	12/11/2002 12/11/2032	100%	RN	5 (c)	07/01/2024	146	4
Empresa de Transmissão de Energia do Oeste Ltda. ("ETEO")	05/30/2008 (*) 040/2000	05/12/2000 05/12/2030	100%	SP	5 (c)	07/01/2024	505	3
Sul Transmissora de Energia S.A. ("STE") (d)	11/30/2011 (*) 081/2002	12/19/2002 12/19/2032	100%	RJ	5 (c)	07/01/2024	392	5
ATE Transmissora de Energia S.A. ("ATE")	11/30/2011 (*) 003/2004	02/18/2004 02/18/2034	100%	PR and SP	5 (c)	07/01/2024	370	3
ATE II Transmissora de Energia S.A. ("ATE II")	11/30/2011 (*) 011/2005	03/15/2005 03/15/2035	100%	BA, PI and TO	5 (c)	07/01/2024	942	4
Nordeste Transmissora de Energia S.A. ("NTE")	11/30/2011 (*) 002/2002	01/21/2002 01/21/2032	100%	PB, PE and AL	5 (c)	07/01/2024	383	4
ATE III Transmissora de Energia S.A. ("ATE III") (n)	11/30/2011 (*) 001/2006	04/27/2006 04/27/2036	100%	PA and TO	5	07/01/2024	454	4
Sant'Ana Transmissora de Energia Elétrica S.A ("SAN") (e) (n)	01/11/2019 (**) 012/2019	03/22/2019 03/22/2049	100%	RS	5	07/01/2024	606	6
Saíra Transmissora de Energia Elétrica S.A. ("SIT") (f) (n)	02/21/2022 (**) 05/2023	03/30/2023 03/30/2053	100%	SC and RS	5	07/01/2028	743	4
Subsidiaries								
São Gotardo Transmissora de Energia S.A. ("SGT")	06/12/2012 (**) 024/2012	08/27/2012 08/27/2042	100%	MG	5	07/01/2028	n/a	1
Mariana Transmissora de Energia Elétrica S.A. ("MAR") (g)	12/18/2013 (**) 011/2014	05/02/2014 10/02/2046	100%	MG	5	07/01/2024	82	2
Miracema Transmissora de Energia Elétrica S.A ("MIR")	04/26/2016 (**) 017/2016	06/27/2016 06/27/2046	100%	TO	5	07/01/2026	90	3
Janaúba Transmissora de Energia Elétrica S.A. ("JAN")	11/09/2016 (**) 015/2017	02/10/2017 02/10/2047	100%	MG and BA	5	07/01/2027	545	3
Brasnorte Transmissora de Energia S.A. ("BRAS")	12/07/2007 (**) 003/2008	03/17/2008 03/17/2038	100%	MT	5	07/01/2028	402	4
São João Transmissora de Energia S.A. ("SJT")	02/14/2020 (*) 008/2013	08/01/2013 08/01/2043	100%	PI	5	07/01/2024	413	2
São Pedro Transmissora de Energia S.A. ("SPT")	02/14/2020 (*) 015/2013	10/09/2013 10/09/2043	100%	BA and PI	5	07/01/2024	494	6
Lagoa Nova Transmissora de Energia Elétrica S.A. ("LNT")	03/13/2020 (*) 030/2017	08/11/2017 08/11/2047	100%	RN	5	07/01/2028	28	2
Ananaí Transmissora de Energia Elétrica S.A. ("ANT") (h)	05/12/2021 (**) 001/2022	03/31/2022 03/31/2052	100%	SP and PR	5	07/01/2027	363	4
Pitiguari Transmissora de Energia Elétrica S.A. ("PTG") (i)	02/21/2022 (**) 015/2022	09/30/2022 09/30/2052	100%	SC	5	07/01/2027	93	3
Tangará Transmissora de Energia Elétrica S.A. ("TNG") (f)	05/12/2021 (**) 03/2023	03/30/2023 03/30/2053	100%	MA and PR	5	07/01/2028	279	4
Joint ventures								
Empresa de Transmissão do Alto Uruguai S.A. ("ETAU")	12/28/2007 (*) 082/2002	12/18/2002 12/18/2032	75.62%	RS and SC	5 (c)	07/01/2024	188	4
Interligação Elétrica Aimorés S.A. ("Aimorés") (j)	11/18/2016 (**) 004/2017	02/10/2017 02/10/2047	50%	MG	5	07/01/2027	208	2

(In thousands of Brazilian reais - R$, unless otherwise stated)

Taesa Group's concessions with direct or indirect interest								
Interligação Elétrica Paraguaçu S.A. ("Paraguaçu") (k)	11/18/2016 (**) 003/2017	02/10/2017 02/10/2047	50%	MG and BA	5	07/01/2027	338	2
Interligação Elétrica Ivaí S.A. ("Ivaí") (l)	05/17/2017 (**) 022/2017	08/11/2017 08/11/2047	50%	PR	5	07/01/2028	600	5
Associates								
Empresa Amazonense de Transmissão de Energia S.A. ("EATE")	05/31/2013 (*) 042/2001	06/12/2001 06/12/2031	49.98%	PA and MA	5 (c)	07/01/2024	927	5
Empresa Paraense de Transmissão de Energia S.A. ("ETEP")	05/31/2013 (*) 043/2001	06/12/2001 06/12/2031	49.98%	PA	5 (c)	07/01/2024	328	2
Empresa Catarinense Transmissão de Energia S.A. ("ECTE")	05/31/2013 (*) 088/2000	11/01/2000 11/01/2030	19.09%	SC	5 (c)	07/01/2024	253	2
Empresa Norte de Transmissão de Energia S.A. ("ENTE")	05/31/2013 (*) 085/2002	12/11/2002 12/11/2032	49.99%	PA and MA	5 (c)	07/01/2024	459	3
Empresa Regional de Transmissão de Energia S.A. ("ERTE")	05/31/2013 (*) 083/2002	12/11/2002 12/11/2032	49.99%	PA	5 (c)	07/01/2024	155	3
Sistema de Transmissão Catarinense S.A. ("STC")	05/31/2013 (*) 006/2006	04/27/2006 04/27/2036	39.99%	SC	5 (c)	07/01/2024	230	4
Lumitrans Companhia Transmissora de Energia Elétrica S.A. ("Lumitrans")	05/31/2013 (*) 007/2004	02/18/2004 02/18/2034	39.99%	SC	5 (c)	07/01/2024	40	2
EBTE Empresa Brasileira de Transmissão de Energia S.A. ("EBTE")	05/31/2013 (*) 011/2008	10/16/2008 10/16/2038	74.49%	MT	5	07/01/2024	782	7
ESDE Empresa Santos Dumont de Energia S.A. ("ESDE")	05/31/2013 (*) 025/2009	11/19/2009 11/19/2039	49.98%	MG	5	07/01/2025	n/a	1
ETSE Empresa de Transmissão Serrana S.A. ("ETSE")	05/31/2013 (*) 006/2012	05/10/2012 05/10/2042	19.09%	SC	5	07/01/2027	n/a	2
Empresa Sudeste de Transmissão de Energia S.A. ("ESTE") (m)	11/11/2016 (*) 19/2017	02/10/2017 02/10/2047	49.98%	MG e ES	5	07/01/2027	237	2
Empresa Diamantina de Transmissão de Energia S.A. ("EDTE")	03/26/2018 (*) 015/2016	12/01/2016 12/01/2046	49.99%	BA	5	07/01/2027	165	3
Companhia Transleste de Transmissão S.A ("Transleste")	10/17/2013 (*) 009/2004	02/18/2004 02/18/2034	54.00%	MG	5 (c)	07/01/2024	139	2
Companhia Transudeste de Transmissão S.A. ("Transudeste")	10/17/2013 (*) 005/2005	03/04/2005 03/04/2035	54.00%	MG	5 (c)	07/01/2024	140	2
Companhia Transirapé de Transmissão S.A. ("Transirapé")	10/17/2013 (*) 012/2005	03/15/2005 03/15/2035	54.00%	MG	5 (c)	07/01/2024	61	2
Grand total							**15,155**	**110**

(a) Kilometers ("km") arising from the auction to the concessions under construction and arising from the Transmission Service provision Agreement (CPST) entered into with the National Electric System Operator (ONS) for the concession already in operation. (b) The total amount relating to the substations does not correspond to the sum of the substations in the table, as repeated substations were not considered.
(c) The tariff revision refers only to revenue arising from authorization processes (enhancements and improvements).
(d) Adjustments and modifications in the 4-km section, relating to the line sectioning, under SAN Concession Contract, which is owned by the STE.
(e) Project SAN has partially started to operate, as detailed in note 24.
(f) Projects Tangará and Saíra - On December 16, 2022, Taesa won lots 3 and 5 of transmission auction 002/2022-ANEEL, as detailed in note 24.
(g) Pursuant to the 2nd Addendum to the Concession Contract 011/2014, signed on February 2, 2022, the end of MAR concession was extended by 883 days.
(h) Project Ananaí - On December 17, 2022, Taesa won lot 1 of transmission auction 002/2021-ANEEL.
(i) Project Pitiguari - On June 30, 2022, Taesa won lot 10 of transmission auction 001/2022-ANEEL.
(j) On May 6, 2022, the project Aimorés started to operate.
(k) On July 27, 2022, the project Paraguaçu started to operate.
(l) Project completed, as detailed in note 24.
(m) ONS authorized concession ESTE to receive revenue as from February 9, 2022, as detailed in note 24.
(n) Company merged on December 29, 2023.

Merger of subsidiaries

Under Approving Resolution No. 15.017, of December 12, 2023, the Company received consent from the National Electric Energy Agency (ANEEL) to transfer the ownership, through merger, of concessionaires ATE III, SAN and SIT by Taesa.

(In thousands of Brazilian reais - R$, unless otherwise stated)

On December 29, 2023, the Company completed the mergers of subsidiaries ATE III, SAN and SIT, for the purpose of optimizing their processes, administrative and operating procedures, as well as of streamlining the corporate structure, which will result in the reduction of operating and administrative expenses.

The balance sheet balances merged into Taesa are as follows:

Balance sheet as at December 29, 2023			
	ATE III	SAN	SIT
Assets			
Current	85,887	114,088	150,868
Noncurrent	420,773	704,313	899,421
Total assets	**506,660**	**818,401**	**1,050,289**
Liabilities			
Current	19,225	44,129	17,754
Noncurrent	101,778	78,138	13,525
Equity	385,657	696,134	1,019,010
Total liabilities and equity	**506,660**	**818,401**	**1,050,289**

2. BASIS OF PREPARATION

2.1. Statement of compliance

The individual and consolidated financial statements, referred to as Parent and Consolidated, respectively, have been prepared in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB). The accounting practices adopted in Brazil comprise the rules set out in Brazilian Corporate Law, as well as the technical pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Federal Accounting Council (CFC) and the Brazilian Securities and Exchange Commission (CVM). The Company elected to present these individual and consolidated financial statements in a single set, side by side.

Management has considered the guidance in Guidance OCPC 07, issued by the CPC in November 2014, when preparing its financial statements so that all significant information specific to the financial statements is being disclosed and correspond to that used in the Company's management.

The individual and consolidated financial statements were approved by the Company's Executive Board, Supervisory Board and Board of Directors on March 6, 2024.

2.2. Basis of measurement

The individual and consolidated financial statements have been prepared based on the historical cost, except for certain financial instruments measured at fair value, when prescribed in the standards, as detailed in note 18.

2.3. Functional and presentation currency

The individual and consolidated financial statements are presented in Brazilian reais (R$), the Company's functional currency, and have been rounded to the nearest thousand, unless otherwise stated.

2.4. Use of estimates and judgments

The preparation of the financial statements in accordance with the standards issued by the CPC requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognized in the year in which estimates are revised. The main matters involving estimates and assumptions are as follows:

a) Concession contract asset - The Company conducts analyses that involve Management's judgment, mainly with respect to the applicability of the interpretation of concession contracts, determination and classification of revenues by performance obligation (implement, operate and maintain transmission infrastructures).

The Company's Management assesses the concession asset recognition timing based on the economic characteristics of each concession contract. The contract asset originates as the concessionaire satisfies the obligation of implementing the transmission infrastructure, and revenue is recognized over the project period. The concession contract asset is recorded as a contra entry to revenue from infrastructure implementation, which is recognized based on the costs incurred, plus construction margin.

The portion of final indemnifiable concession contract asset is identified when the infrastructure implementation is completed.

The profit margin attributable to the infrastructure implementation performance obligation is defined based on Management's best estimates and expectations in the projects implemented by the Company, which take into consideration numerous factors, such as (i) project characteristics and complexity, (ii) macroeconomic scenario and (iii) expectations on investments and receipts.

The profit margin for the transmission infrastructure maintenance and operation is determined based on the individual sales price of the service. This calculation considers available information on the costs and expenses that the Company expects to incur with the provision of the services. This is applicable to those cases where the Company is exclusively entitled to compensation for the operation and maintenance of the electric power transmission assets.

The rate applied to the concession contract asset reflects the implicit rate of the financial flow of each project and represents the Company's best estimate of the financial compensation of the investments in the transmission infrastructure because it considers the business-specific risks and rewards. The rate used to determine the amount of the financial component of the concession contract asset is established on the auction date, except for the concessions acquired under operation, which considered the discount rate used at the acquisition date.

When the Concession Grantor reviews or adjusts the revenue the Company is entitled to receive, the carrying amount of the concession contract asset is adjusted to reflect the revised flows of receivables, and the adjustment is recognized as income or expense in profit or loss.

When the concessionaire provides infrastructure implementation services, infrastructure revenue is recognized 'at fair value and the respective costs relating to the infrastructure implementation services are recognized as incurred, plus the estimated margin for each project, considering the estimated consideration with variable portion.

When the concessionaire provides operation and maintenance services, the revenue is recognized at the fair value previously established, which considers the costs incurred, as well as estimated profit margin, as services are provided. The operation and maintenance revenue will be subject to inflation adjustment, based on the adjustment index set forth in the concession contract (IPCA or IGP-M).

b) Assessment of financial instruments - Valuation assumptions and techniques that include information not based on observable market inputs are used to estimate the fair value of certain financial instruments, as well as the sensitivity analysis of these assumptions.

c) Taxes, contributions and fees - There are uncertainties surrounding the interpretation of complex tax regulations and the amount and timing of future taxable income. In view of the long-term nature, differences between actual results and the assumptions adopted, or future changes in these assumptions, could require future adjustments to tax income and expenses, already recorded. Provisions are recognized, when applicable, based on reasonable estimates, for potential effects of tax audits by the tax authorities in the respective jurisdictions where it operates. The amount of these provisions is based on various factors, such as the experience of past tax audits and different interpretations of tax regulations by the taxable entity and the competent tax authority.

d) Deferred and recoverable income tax and social contribution assets - Assets relating to deferred taxes arising from temporary differences between the accounting basis of assets and liabilities and the tax basis are accounted for. Deferred tax assets are recognized to the extent that the Company expects to generate sufficient future taxable income based on projections prepared by Management. These projections include events relating to the Company's performance and factors that could differ from current estimates. Deferred income tax and social contribution assets are reviewed at each reporting period and will be reduced to the extent their realization is no longer probable.

e) Leases – In conformity with IFRS 16 (CPC 06 – R2), the Company applies the lease accounting model for all leases, except for short-term leases (contracts with term equal to or lower than 12 months) and leases whose underlying assets are low-value assets. The Company remeasures its lease liability in view of lease revaluations or modifications, so as to reflect fixed payments revised in the essence. These adjustments are directly recorded in "right-of-use asset".

f) Provisions for labor, tax, and civil risks - The Company is a party to various lawsuits and administrative proceedings. Provisions are recognized for all risks involving lawsuits that represent probable losses and that can be reliably estimated. The likelihood of loss is assessed based on available evidence, the hierarchy of laws, available case rulings, most recent court decisions and their relevance within the legal system, and the assessment made by the outside legal counsel.

g) Onerous contracts - Present obligations resulting from onerous contracts are recognized and measured as provisions. An onerous contract exists when the unavoidable costs to discharge the contractual obligations exceed the economic benefits expected to be received over the contract period.

2.5. Segment reporting

Taesa Group operates only in electric power transmission segment and perform the basic grid availability activity based on the agreement entered into with ONS, called as Transmission System Use Agreement (CUST).

2.6. Seasonality

Taesa Group is not subject to seasonality in its operations.

3. MATERIAL ACCOUNTING POLICIES

3.1. Basis of consolidation and investments in subsidiaries

The consolidated financial statements include the financial statements of Taesa and its subsidiaries, as detailed in notes 1 and 11. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to benefit from its activities.

In the Company's individual financial statements, the financial information on subsidiaries, joint ventures and associates is recognized under the equity method and in the Company's consolidated financial statements, the financial information on subsidiaries is consolidated on a line-by-line basis, whereas the financial information on joint ventures and associates is recognized under the equity method. When necessary, the financial statements of the subsidiaries are adjusted to conform their accounting policies to those established by the Group. All intragroup transactions, balances, income and expenses are fully eliminated in consolidation.

3.2. Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that neither qualifies as a subsidiary or a joint venture. Significant influence is the power to participate in the decisions of the investee's financial and operating policies but without exercising individual or joint control over those policies. Joint venture is a joint agreement whereby the parties holding the joint control have rights on the net assets under such agreement, which is applicable only when the decisions on the significant activities require the unanimous consent of the parties sharing control.

Profit or loss and assets and liabilities of associates or joint ventures were included in these individual and consolidated financial statements under the equity method, where an interest in an associate or joint venture is initially recognized in the balance sheet at cost and subsequently adjusted to recognize the Group's share of profit or loss and other comprehensive income of the associate or joint venture.

Upon acquisition of the investment in an associate or joint venture, the excess of the investment cost over the Group's share of the net fair value of the investee's identifiable assets and liabilities is recorded as goodwill, which is added to the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the investment cost, after revaluation, is immediately recognized in profit or loss for the year the investment is acquired.

The requirements of technical pronouncement CPC 01 (R1) are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate or joint venture. When necessary, the total carrying amount of the investment (including goodwill) is tested for impairment as one single asset, comparing its recoverable amount (which is the higher of the value in use and the fair value less selling cost) with its carrying amount. Any impairment loss recognized is part of the carrying amount of the investment. Any reversal of this impairment loss is recognized in accordance with CPC 01 (R1) to the extent that the recoverable amount of the investment subsequently increases.

3.3. Foreign currency

Assets and liabilities of foreign transactions are translated into Brazilian reais at the exchange rates prevailing on the reporting date. Revenues and expenses from foreign transactions are translated into Brazilian reais at the exchange rates prevailing on the transaction dates.

3.4. Revenue recognition

Concessionaires must account for and measure the revenue from the services provided in accordance with technical pronouncements CPC 47 – Revenue from Contracts with Customers and CPC 48 – Financial Instruments, even when provided under one single concession contract. Revenue is recognized (i) when or as the entity satisfies the performance obligations under the contract with the customer; (ii) when it is possible to identify the rights; and (iii) when there is commercial substance and it is probable that the entity will receive the consideration to which it will be entitled. The Company's revenues are classified as follows:

a) Infrastructure implementation revenue - Implementation, expansion, enhancement and improvement services at the electric power transmission facilities. The infrastructure implementation revenue is recognized as costs are incurred, plus margin.

The infrastructure implementation revenue is recognized as a contra entry to the contract asset, but the receipt of the cash flow is contingent on the satisfaction of the performance obligation to operate and maintain. On a monthly basis, as the Company operates and maintains the infrastructure, the portion of the contract asset equivalent to the monthly consideration for the satisfaction of the construction performance obligation becomes a financial asset (receivables from concessionaires and assignees), since only the passage of time will be required for the receipt of the amount.

b) Compensation for concession contract asset – Interest recognized on a straight-line basis based on the implicit rate applied on the amount of the investments in the transmission infrastructure, considering the specifications of each enhancement and improvement project and auctions. The purpose of the rate is to determine the price of the financial component of the concession contract asset at the beginning of the project and will not be subsequently changed. The implicit rates adopted by the Company and its subsidiaries levies on the amounts receivable of the future flow of cash receipts and range between 4.71% and 10.22% per year.

c) Revenue from inflation adjustment to the concession contract asset – Inflation adjustment recognized after the startup of the project based on the inflation rate and methodology defined in each concession contract.

d) Revenue from operation & maintenance – Operation and maintenance services at the electric power transmission facilities, which will be recognized after the startup of activities. This revenue is calculated taking into consideration the costs incurred with the performance obligation, plus margin.

3.5. Financial instruments

a) Financial assets

Classification and measurement - The financial instruments are classified under three categories: measured (i) at amortized cost, (ii) at fair value through other comprehensive income (FVTOCI) and (iii) at fair value through profit or loss (FVTPL). The classification of financial assets on initial recognition depends on the contractual cash flow characteristics and the business model for managing these financial assets. The Company discloses its financial instruments as follows:

• Financial assets at FVTPL - Financial assets at FVTPL comprise the financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss or financial assets required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL. The net changes in fair value are recognized in profit or loss.

• Amortized cost - A financial asset is classified and measured at amortized cost when it has the purpose of receiving contractual cash flows and generating cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is performed at the instrument level. The assets measured at amortized cost use the effective interest method, less any impairment loss. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(i) Impairment of financial assets - The expected loss model is applied to financial assets measured at amortized cost or at FVTOCI, except for investments in equity instruments. The Company did not identify any impairment losses to be recognized in the reporting periods.

(ii) Derecognition of financial assets – A financial asset is derecognized when the contractual rights to the asset's cash flows expire or when the rights to receiving contractual cash flows from a financial asset are transferred in a transaction that transfers substantially all the risks and rewards of ownership of the financial asset to a third party. Any interest in these transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities - Financial liabilities are measured at FVTPL when they are held for trading or designated at fair value through profit or loss. Other financial liabilities (including borrowings) are measured at amortized cost using the effective interest method.

A financial liability is derecognized when the obligation under the liability is extinguished, that is, when the obligation specified in the contract is settled, canceled or expires. When an existing financial liability is replaced for another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such replacement or modification is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

c) Derivative financial instruments and hedge accounting: The Company started to use derivative financial instruments, such as interest rate swaps to hedge against the impact from changes in interest rates on cash flows and designated them in hedge accounting structures. These derivative financial instruments are initially recognized at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are recorded as financial assets when the fair value is positive, and as financial liabilities when the fair value is negative. For hedge accounting purposes, the Company classified the instruments as cash flow hedge.

At the commencement of a hedge relationship, the Company formally designates and documents the hedge relationship to which the hedge accounting will be applied, as well as the Company's objective and risk management strategy for the hedge. Such documentation includes: identification of the hedging instrument, identification of the hedge items or hedged transactions, nature of the hedged risks and the risks excluded from hedge and analysis of the hedge effectiveness showing that there is economic relationship between the hedged item and hedging instrument, that the effect from the credit risk does not affect the changes in the fair value arising from the hedge relationship and how the hedge ratio is determined to assess the effectiveness prospectively, including possible sources of ineffectiveness, which can be both qualitative (provided that the terms of the hedged item are identical to those of the hedging instrument – nominal amount, maturities, indexes) and quantitative.

The cash flow hedge accounting is recognized as follows:

The effective portion of the gain or loss on the hedging instrument is directly recognized in equity in line item ‘other comprehensive income’, and, if the hedge fails to meet the hedge ratio, but the risk management objective remains unchanged, the Company must adjust (“rebalance”) the hedge ratio to meet the eligibility criteria. Any gain or loss remaining in the hedging instrument (including arising from the “rebalance” of the hedge ratio) is an ineffectiveness, and, therefore, must be recognized in profit or loss.

The amounts recognized in other comprehensive income are immediately transferred to the statement of income together with the hedged transactions when affecting profit or loss, for example, when the hedged finance income or cost is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts recognized in equity are transferred to the initial carrying amount of the non-financial asset or liability.

The Company must prospectively discontinue the hedge accounting only when the hedge relationship fails to meet the eligibility criteria (after taking into consideration any rebalance of the hedge relationship).

If the expected transaction is no longer expected to occur, the amounts previously recognized in equity are transferred to the statement of income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its classification as hedge is revoked, the gains or losses previously recognized in comprehensive income remain deferred in equity or in other comprehensive income until the expected transaction or the firm commitment affects profit or loss.

The Company uses swap contracts to offer alignment of the cash flow related to its debenture transactions and asset concession.

3.6. Property, plant and equipment (not related to the concession infrastructure)

a) Recognition and measurement - Property, plant and equipment items are measured at the historical acquisition or construction cost, less accumulated depreciation and accumulated impairment losses.

Gains and losses on disposal of a property, plant and equipment item (determined as the difference between the disposal proceeds and the carrying amount of the property, plant and equipment item) are recognized in other operating income and expenses in profit or loss.

b) Depreciation - Property, plant and equipment items are depreciated, as from the date they are installed and are available for use, on a straight-line basis in profit or loss for the year, based on the estimate useful life of each item. Land is not depreciated.

The weighted average depreciation rates used for property, plant and equipment items are as follows: machinery and equipment – 12%, buildings, construction works and improvements - 4%, furniture and fixtures – 6.25% and Company cars 14.29%. The depreciation methods, useful lives and residual values are reviewed at the end of each year.

3.7. Intangible assets (not linked to the concession infrastructure)

a) Recognition and measurement – Intangible assets comprise: (i) concession intangible asset relating to the goodwill arising on business combinations, net of the amount allocated to the concession contract asset, and the recognition of deferred taxes, measured at the total acquisition cost, less amortization expenses, (ii) Software – measured at the total acquisition cost, less amortization expenses, and (iii) Trademarks and patents – recorded at the acquisition cost.

b) Amortization - Calculated on the cost of an asset, or other substitute amount for cost, less the residual value, and is recognized in profit or loss on a straight-line basis based on the estimated useful lives of intangible assets, except for goodwill, from the date they are available for use, as this method is more representative of the time pattern in which future economic benefits from the asset are consumed.

The weighted average amortization rate used for intangible assets with finite useful life is as follows: software - 20% and concession intangible assets – 2%. Trademarks and patents have indefinite useful life and, therefore, are not subject to amortization.

3.8. Impairment

a) Financial assets (including receivables) - A financial asset not measured at fair value through profit or loss is assessed at each reporting date to determine whether there is any indication that it is impaired. An asset is considered to be impaired if there is indication that a loss event has occurred after the initial recognition of the asset and that such loss event had a negative effect on the projected future cash flows that can be estimated reliably.

Indication that a financial asset is impaired may include the default or delinquency on payment by the borrower, renegotiation of the amount payable to Taesa Group based on conditions that Taesa Group would not take into consideration in other transactions, indications that a borrower or issuer will file for bankruptcy, or the disappearance of an active market for a security. In addition, for an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

An impairment of a financial asset measured at amortized cost is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective original interest rate of the asset. Losses are recognized in profit or loss and are reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized. When a subsequent event indicates a reversal of the impairment, the decrease in the impairment loss is reversed and recognized in profit or loss.

The Company did not identify any impairment losses to be recognized in the reporting periods.

b) Non-financial assets - The carrying amounts of the Company’s non-financial assets, other than deferred income tax and social contribution, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable value is estimated. An impairment loss is recognized if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. When assessing the value in use, the estimated future cash flows are discounted to their present values using a pretax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset (or the CGU) for the which the estimated future cash flows has not been adjusted. For impairment testing purposes, assets that cannot be individually tested are grouped in the lowest group of assets that generates cash inflows from continuing use which are mainly independent from cash inflows from other assets or groups of assets (the CGU). Impairment losses are recognized in profit or loss.

Impairment losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized, except for goodwill.

The Company did not identify any impairment losses to be recognized in the reporting periods.

3.9. Provision for labor, tax and civil risks

A provision is recognized, as a result of a past event, if the Company has a present legal or constructive obligation that can be reliably estimated and it is probable that an economic resource will be required to settle the obligation. The expense related to any provision is disclosed in the statement of income, net of any reimbursement.

3.10 Capital

Common and preferred shares, if not redeemable or if redeemable only at the Company's discretion, are classified in equity. Additional costs directly attributable to the issuance of shares and stock options are recognized as a deduction from equity, net of any taxes.

3.11 Government grants and assistance

Intended to compensate the expenses incurred and are recognized in profit or loss on a systematic basis in the same period in which the related expenses are accounted for. Such tax reduction or exemption is recognized as investment grant by accounting for total taxes in profit or loss as if they were payable as a contra entry to the corresponding revenue from grant, to be stated reduced by the other. Amounts recorded in profit or loss are allocated to the tax incentive reserve in equity, when profit or loss is allocated.

3.12 Finance income and finance costs

Finance income includes interest income on short-term investments and changes in the fair value of financial assets measured at fair value through profit or loss and escrow deposits. Interest income is recognized in profit or loss under the effective interest method.

Finance costs include interest expenses and net inflation adjustments to borrowings and financing, debentures, net exchange rate changes in foreign currency-denominated liabilities and gain (loss) on hedging instruments and inflation adjustments to provisions for labor, tax and civil risks.

3.13 Income tax and social contribution

Current and deferred income tax and social contribution are calculated based on taxable income, at the rate of 15%, plus a 10% surtax on taxable income exceeding R$240 for income tax and 9% on taxable income for social contribution, considering the offset of tax loss carryforwards, limited to 30% of annual taxable income.

Current tax is the expected tax payable or receivable on taxable income or loss for the year at tax rates that have been enacted or substantially enacted by the end of the reporting period and any adjustment to taxes payable in relation to prior years.

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes. Deferred taxes are measured at the rates that are expected to be applied on temporary differences when they are reversed, based on tax rates effective at the balance sheet dare.

Current and deferred taxes are recognized in profit or loss unless they are related to the business combination or items directly recognized in equity.

A deferred income tax and social contribution asset is recognized for unutilized deductible tax losses, tax credits and temporary differences to the extent that it is probable that future taxable income will be available against which these tax losses, tax credits and temporary differences can be utilized. Deferred income tax and social contribution assets are reviewed at each reporting period and will be reduced to the extent their realization is no longer probable.

3.14 Leases

The Company determines whether the contract is or contains a lease at the lease contract commencement date. That is, if the contract transfers the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company, as lessee, applies one single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets that represent the right of use of the underlying assets.

a) Right-of-use assets

The Company recognizes right-of-use assets at the lease inception date (i.e., the date on which the underlying assets are available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized measured at present value, initial direct costs incurred and lease payments made up to the inception date, less any lease incentives received. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of assets.

b) Lease liabilities

The Company determines the non-cancelable term of a lease by assessing the lease contract extension and termination options, considering the reasonableness of exercising or not these options. At the lease inception date, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of fines for terminating a lease, if the lease term reflects the Company exercising the lease termination option.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the inception date, since the interest rate implicit in the lease is not readily determinable. After the inception date, the amount of lease liabilities is increased to reflect the interest incurred and decreased for lease payments made. In addition, the carrying amount of lease liabilities is measured if there is a modification, a change in the lease term, a change in lease payments (e.g., changes in future payments resulting from a change in an index or rate used to determine such lease payments) or a change in assessing a purchase option of the underlying asset.

c) Short-term leases and leases of underling low-value assets

The Company applies the exemption from recognition of short-term leases to its short-term leases (that is, leases whose lease term is equal to or less than 12 months from the inception date and which do not contain a purchase or renewal option). Short-term lease and underlying low-value asset lease payments are recognized as an expense using the straight-line method over the lease term.

3.15 Earnings per share

Basic and diluted earnings per share are calculated based on profit for the year attributable to the Company's owners and the weighted average number of shares outstanding in the related year. Diluted earnings per share are calculated considering the effect of dilutive instruments, when applicable.

3.16 Private pension plan (defined contribution)

Contributions to the private pension plan are recognized as expenses when the services that confer upon right to these contributions are provided, i.e., when Fundação Forluminas de Seguridade Social - Forluz provides management services to the social security benefit plan.

3.17 Statements of value added (DVA)

These statements are intended to disclose the wealth created by the Company and its distribution during a given period and are presented, as required by Brazilian corporate law, as part of its individual financial statements and as supplemental information to the consolidated financial statements, since it is not either provided for nor mandatory under the IFRSs.

The DVA has been prepared using information obtained in the accounting records used as a basis to prepare the financial statements and in accordance with the provisions of NBC TG09 - Statement of Value Added.

3.18 Statements of cash flows ("DFC")

The Company classifies interest paid as financing activity and dividends received as operating activity, because it understands that interest paid corresponds to costs to raise financial resources and dividends received correspond to an extension of its operating activities.

(In thousands of Brazilian reais - R$, unless otherwise stated)

3.19 New and revised standards and interpretations

a) Pronouncements effective beginning on or after January 1, 2023:

Standard	Description of the amendment
Presentation of Financial Statements – Materiality Judgments	Entities must disclose material information of the accounting policy.
IFRS 17 - Insurance Contracts (CPC 50)	IFRS 17 establishes the principles for recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 – Insurance Contracts (CPC 11).
Amendments to IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (CPC 23) - Definition of Accounting Estimates.
Amendments to IAS 12	Income Taxes (CPC 32) - Deferred Tax Related to Assets and Liabilities arising from a Single Transaction.

The standards listed in the table above did not impact these financial statements.

a) Amendments to pronouncements effective beginning on or after January 1, 2024:

Standard	Description of the amendment
IAS 1/ CPC 26 (R1): Presentation of Financial Statements	The amendments establish requirements for classification and disclosure of a liability with covenants clauses as current or non-current.
Leases	Issuance of additional requirements on the subsequent measurement for sale and leaseback transactions, which specifies that the seller-lessee must subsequently measure the lease liability arising from the asset transfer, that fulfills the requirements to be accounted for as sale and leaseback revenue.
IAS 7 / CPC 3: Statement of Cash Flows	Disclosure of forfait transactions (payor risk, confirming or securitization of trade payables); the amendments are intended to best fulfill the investors' needs, thus increasing the transparency of transactions and their impacts on the entity's liabilities and cash flows.

The Company does not expect the adoption of the standards listed above to have a material impact on the Group's financial statements in future periods.

4. CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash and banks	1,307	1,035	791	578
Short-term investments	1,304,814	1,082,139	1,142,576	759,050
	1,306,121	**1,083,174**	**1,143,367**	**759,628**

Annual accumulated yield rate of short-term investments	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
CDB and repurchase transactions	101.41% CDI	101.38% CDI	101.52% CDI	101.43% CDI

Cash and cash equivalents include cash, banks and short-term investments. These are highly liquid transactions, without restriction of use, readily convertible into a known amount of cash and are subject to an insignificant risk of change in value.

(In thousands of Brazilian reais - R$, unless otherwise stated)

5. SECURITIES

Investment fund and restricted deposits	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
BNB Fund – FI reserve account (a)	5,301	4,789	-	-
Reserve account (b)	6,233	5,508	6,233	5,508
Noncurrent assets	**11,534**	**10,297**	**6,233**	**5,508**

(a) BNB Fund – reserve account FI – Non-exclusive fund, managed and administered by Banco BNB, which invests in securities issued by the National Treasury with fixed-income characteristics and the purpose of trying to monitor the fluctuations in interest rates, exposed to credit risk. Fund established to meet the restrictive covenants of the financing agreement with BNB.
(b) Reserve account – Deposits held at Banco do Nordeste arising from tax benefit. The reinvestment is a product operated by said bank targeted at companies operating in the industrial, agro-industrial, infrastructure and tourism sectors, located in Sudene's operating area (Northeast region, north of Espírito Santo and north of Minas Gerais).

Average yield	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
BNB Fund – FI reserve account	92.71% CDI	92.41% CDI	-	-
Reserve account	95.50% CDI	95.50% CDI	95.50% CDI	95.50% CDI

6. RECEIVABLES FROM CONCESSIONAIRES AND ASSIGNEES

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Concessionaires and assignees	339,774	272,308	270,352	191,915
Variable portion (i)	(12,932)	(36,760)	(12,121)	(33,147)
	326,842	**235,548**	**258,231**	**158,768**
Current	**282,010**	**202,942**	**221,191**	**131,587**
Noncurrent (ii)	**44,832**	**32,606**	**37,040**	**27,181**

(i) Variable portion outstanding or under discussion (provision) with the National Electric Energy Agency (ANEEL), arising from automatic and scheduled disconnections, occurred in 2022 and 2021 which, due to the discount limit, established by ANEEL's regulation, will be deducted from the next collections. (ii) The balance refers to the users that challenged the collection of the amounts determined by the ONS at administrative and judicial levels, in the Credit Notices (AVC) supplementary to the CUST rescission. The Company monitors the progress of the administrative proceedings with ONS and ANEEL, also waiting for the decision on the legal proceedings.

Variation in the variable portion	12/31/2022	Addition [1]	Reversal	Incorporation [2]	12/31/2023
Consolidated	**(36,760)**	(32,725)	56,553	-	**(12,932)**
Parent	**(33,147)**	(23,005)	47,714	(3,683)	**(12,121)**

[1]Provisioned amount of the variable portion in the period, net of the amounts discounted, pursuant to the AVC.
[2]Companies merged on December 29, 2023, as shown in note 1.

Balance of trade receivables by maturity	Current amounts					12/31/2023	12/31/2022
	Current falling due	Current past due					
	Up to 60 days	Up to 90 days	91 to 180 days	181 to 360 days	More than 360 days		
Consolidated	252,487	38,713	11,401	4,197	32,976	339,774	272,308
Parent	199,375	29,557	9,005	2,888	29,527	270,352	191,915

The Company does not recognize an allowance for doubtful debts, as in case of failure to pay, the Company, as the transmission agent, can request to the ONS the centralized activation of the bank guarantee of the user related to the guarantee agreement or letter of bank guarantee.

• Main characteristics of concession contracts:

RAP - Public power transmission services will be provided upon the payment to the transmission company of the RAP to be earned, as from the start-up of activities of transmission facilities. The RAP is annually adjusted by the General Market Price Index (IGP-M) (TSN, Gtesa, Patesa, Munirah, Novatrans, ETEO, ETAU, ATE, ATE II, STE, EATE, ETEP, ENTE, ECTE, ERTE, Lumitrans, Transudeste, Transleste, Transirapé and NTE) and Expanded Consumer Price Index (IPCA) (ATE III, SGT, MAR, MIR, JAN, SAN, BRAS, SJT, SPT, LNT, ANT, PTG, SIT, TNG, Paraguaçu, Aimorés, STC, EBTE, ETSE, ESDE, ESTE, Ivaí, EDTE and SAN).

Invoicing of the infrastructure operation, maintenance and implementation revenue - In consideration for the availability of transmission facilities for operation, the transmission company will be entitled, in the first 15 years of operation, to annual infrastructure operation, maintenance and implementation revenue, adjusted and reviewed on an annual basis. On the 16^{th} year of operation, the annual infrastructure operation, maintenance and implementation revenue of the transmission company (TSN, NVT, GTESA, NTE, STE, PATESA, MUNIRAH, ETEO, ATE, ATE II, ATE III, ETEP, EATE, ERTE, ENTE, ETAU, STC, ECTE, LUMITRANS, TRANSLESTE, TRANSUDESTE and TRANSIRAPÉ) will be reduced by 50%, which reduction will be therefore extended until the end of concession.

In the case of concessions held by BRAS, SGT, MAR, MIR, JAN, SAN, SPT, SJT, LNT, ANT, PTG, TNG, Paraguaçu, Aimorés, Ivaí, ETSE, EBTE, ESDE, ESTE and EDTE, as well as the enhancements in the transmission lines carried out after 2008, there is no decrease of revenues in the 16^{th} year, and RAP will be received on a straight-line basis during the concession period.

For the SIT concession, considering that it refers to a project that involved the acquisition of assets in operation and, consequently, the implementation of new assets and revitalizations in Converters Garabi I and II, the RAP receipt was divided into quadrants over thirty (30) years of the concession contract term (1^{st} to the 5^{th} year 72.24% of the RAP, 6^{th} to the 15^{th} year 100% of the RAP and 16^{th} to the 30^{th} year 53.61% of the RAP).

Variable portion - The infrastructure operation, maintenance and implementation revenue will be subject to deduction, upon reduction on a monthly basis, reflecting the availability status of the transmission facilities, according to the methodology set out in the Transmission Service Agreement (CPST).

The portion relating to the annual discount due to unavailability cannot exceed 12.5% (in the case of ECTE, 25%) of the annual operation, maintenance and implementation revenue of the transmission company, relating to the ongoing period of 12 months prior to the unavailability month, including the current month. In the event the aforementioned limit is exceeded, the transmission company will be subject to a fine, applied by ANEEL under Resolution 318, of October 6, 1998, in the maximum amount per breach of 2% of the annual infrastructure operation, maintenance and implementation revenue for the 12 months prior to the issuance of the assessment notice.

Termination of concession and reversal of concession-related assets – The advent of the final term of the concession contract determines by operation of law the termination of the concession, ANEEL being permitted, on its sole discretion, to extend such contract until a new transmission company assumes. The termination of concession will give rise to the reversal, by operation of law, to the Concession Grantor of the service-related assets, subject to the necessary appraisals and valuations, as well as the determination of the indemnity amount payable to the transmission company, based on the related amounts and date of insertion in the electric system. The indemnity amount of the reversible assets will correspond to that resulting from the inventory made by ANEEL or a representative specifically designated, and its payment will be made using the funds from the Global Reversal Reserve (RGR). The Company is not required to compensate the Concession Grantor for the power transmission line concessions by means of additional investments upon the reversal of the assets related to the power public utility service. Management believes that the best estimate for the indemnity amount is the residual value of property, plant and equipment.

Renewal - At ANEEL's sole discretion and in order to ensure the continuity and quality of the public service, the concession term can be extended over no more than an equal period, as previously requested by the transmission company.

Environmental aspects – The transmission company must implement, operate and maintain the transmission facilities, in conformity with the applicable environmental law and requirements and adopting all measures required by the responsible agency for obtaining the licenses, on own account and risk, to fulfill all requirements.

Noncompliance with penalties - In the event of noncompliance with the penalties imposed per breach or notice or ANEEL's determination, and with the grid procedures, the concession may be declared as forfeited in order to regularize the provision of services, as prescribed by the law and in the concession contract, without prejudice to the determination of the transmission company's obligations to the Concession Grantor, ANEEL, users and third parties, and to the applicable indemnities. Alternatively, to the declaration of forfeiture, ANEEL can propose the expropriation of the group of controlling shares of the transmission company and offer it in a public auction. The minimum amount defined for the auction will correspond to the net indemnity amount that would be payable in case of forfeiture. The amount equivalent to the respective interests will be transferred to the controlling shareholders out of the amount calculated.

- RAP calculation framework - The power transmission line concessions are compensated based on the availability of transmission facilities, comprising the Basic Grid, the Basic Border Grid and the Other Transmission Facilities (DIT), and are not subject to the transmitted power load but rather to the amount approved by ANEEL when the concession contract is granted. The compensation for the DITs, not comprising the Basic Grid, is paid through a tariff set by ANEEL.

The table below show the amounts of the RAPs, including those of projects under construction. The amounts for concessions TNG and SIT are not provided for in Approving Resolution 3.216/2023 and were calculated according to the methodology set out in the concession contracts.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Concession	2023-2024 Cycle Resolution 3.216 of 07/04/2023 Period: from 07/01/2023 to 06/30/2024			2022-2023 Cycle Resolution 3.067 of 07/12/2022 Period: from 07/01/2022 to 06/30/2023			2021-2022 Cycle Resolution 2.959 of 10/05/2021 (i) Period: from 07/01/2021 to 06/30/2022		
	RAP	PA	Total	RAP	PA	Total	RAP	PA	Total
TSN (vi)	484,062	(485)	483,577	506,697	(5,618)	501,079	457,100	(4,399)	452,701
GTE	8,519	(185)	8,334	8,918	(268)	8,650	8,054	(268)	7,786
MUN	31,609	(486)	31,123	33,087	(1,032)	32,055	29,883	(1,091)	28,792
PAT	26,371	1,467	27,838	26,748	(679)	26,069	23,851	(650)	23,201
ETEO	152,742	(3,218)	149,524	159,885	(4,997)	154,888	144,400	(4,837)	139,563
NVT (ii) e (iii)	511,481	(11,548)	499,933	535,401	(16,732)	518,669	483,263	(16,925)	466,338
STE	73,623	(1,307)	72,316	77,165	(1,775)	75,390	69,531	(1,770)	67,761
NTE	133,625	(2,288)	131,337	139,874	(3,545)	136,329	126,085	(4,032)	122,053
ATE	129,218	(3,910)	125,308	135,261	(3,473)	131,788	122,078	(4,703)	117,375
ATE II	202,320	(5,546)	196,774	211,782	(10,559)	201,223	273,639	(15,172)	258,467
ATE III (ii)	86,182	(3,958)	82,224	144,196	(4,898)	139,298	138,241	(4,523)	133,718
SAN (v) and (vi)	77,899	(2,579)	75,320	74,446	(327)	74,119	67,080	-	67,080
SIT (viii)	158,223	20,135	178,358	152,232	-	152,232	-	-	-
SGT	6,924	(2)	6,922	6,662	(4)	6,658	5,963	(338)	5,625
BRAS (ii) and (iii)	35,611	(749)	34,862	34,262	(1,014)	33,248	30,788	321	31,109
MAR	20,618	(695)	19,923	19,837	(711)	19,126	17,754	(444)	17,310
MIR (ii) and (iii)	86,547	(1,749)	84,798	83,270	(2,987)	80,283	74,527	(1,822)	72,705
SPT (ii)	67,277	(2,271)	65,006	64,729	(1,684)	63,045	52,887	108	52,995
SJT (ii)	62,538	(1,401)	61,137	60,170	(882)	59,288	53,853	(5,189)	48,664
LNT	16,130	(624)	15,506	15,519	(574)	14,945	13,890	(350)	13,540
JAN (iv)	242,968	(8,152)	234,816	233,767	(6,678)	227,089	213,631	-	213,631
ANT (vii)	150,851	-	150,851	145,139	-	145,139	-	-	-
TNG (vii)	94,980	-	94,980	91,380	-	91,380	-	-	-
PTG (vii)	20,610	-	20,610	18,787	-	18,787	-	-	-
	2,880,928	**(29,551)**	**2,851,377**	**2,979,214**	**(68,437)**	**2,910,777**	**2,406,498**	**(66,084)**	**2,340,414**

(i) Approving Resolution 2.959 of October 05, 2021 changed Approving Resolution 2.895 of July 13, 2021. (ii) The RAP amounts of 2020-2021 cycle of concessions ATE III, MIR, BRA, NVT, SJT and SPT were adjusted according to Ordinance 1.698/2021, which judged the administrative appeals filed by the concessionaire against Approving Resolutions 2.725/2020 and 2.724/2020 and differences were received in the 2021-2022 cycle. (iii) The RAP amounts of 2020-2021 cycle of concessions BRA, MIR and NVT cycle were adjusted according to ANEEL Ordinance 3.219/2020 which rectified appendices I, II, III, IV, V and VI of Approving Resolution 2.725/2020. (iv) JAN started to operate on September 1, 2021 (v) SAN started to operate, as detailed in note 24 (vi) Approving Resolution 3.067, of July 12, 2022, was changed by Ordinance 848, of March 2023, which judged the administrative appeals filed by the transmission companies. Consequently, the RAPs for the 2022/2023 cycle of concessions TSN and SAN were reviewed pursuant to said ordinance. (vii) Projects under construction, as detailed in note 24. (viii) Project in operation, with a project for renovation in progress, as detailed in note 24.

7. CONCESSION CONTRACT ASSET

Variation in concession contract asset									
Concession	12/31/2022	Addition	Onerous contract	Acquisition	Merger	Compensation	Inflation adjustments	Receipts	12/31/2023
TSN	802.010	24.984	-	-	-	76.943	(18.634)	(119.917)	765.386
MUN	62.501	1.091	-	-	-	5.980	(1.485)	(7.545)	60.542
GTE	31.034	574	-	-	-	3.153	(925)	(5.106)	28.730
PAT	130.332	957	-	-	-	9.540	(3.606)	(16.836)	120.387
ETEO	441.299	1.411	-	-	-	41.529	(12.960)	(81.284)	389.995
NVT	1.636.172	68.243	-	-	-	220.834	(47.532)	(325.128)	1.552.589
NTE	410.827	2.523	-	-	-	55.444	(12.022)	(75.592)	381.180
STE	343.230	4	-	-	-	32.773	(10.206)	(51.321)	314.480
ATE	637.164	2.740	-	-	-	56.244	(18.939)	(85.377)	591.832
ATE II	855.143	11.013	-	-	-	67.684	(25.141)	(101.753)	806.946
ATE III [4]	-	-	-	-	448.536	-	-	-	448.536
SAN [1,4,5]	-	-	-	-	770.884	-	-	-	770.884
SIT [2,3,4]	-	-	-	-	978.713	-	-	-	978.713
Total Parent	**5.349.712**	**113.540**	**-**	**-**	**2.198.133**	**570.124**	**(151.450)**	**(869.859)**	**7.210.200**
Current	**828.059**								**996.485**
Noncurrent	**4.521.653**								**6.213.715**
MAR	255.689	-	-	-	-	14.706	11.110	(19.100)	262.405
ATE III[4]	466.345	6.747	-	-	(448.536)	29.877	22.454	(76.887)	-
SGT	72.630	-	-	-	-	3.817	3.214	(5.903)	73.758
MIR	679.090	-	-	-	-	62.042	32.544	(70.102)	703.574
JAN	2.253.255	-	-	-	-	214.741	100.988	(237.677)	2.331.307
BRAS	228.589	-	-	-	-	24.916	9.772	(29.981)	233.296
SAN [1,4,5]	612.874	149.513	(61.032)	-	(770.884)	51.800	74.452	(56.723)	-
SJT	656.280	-	-	-	-	40.332	28.384	(54.387)	670.609
SPT	619.722	145	-	-	-	40.779	26.549	(52.602)	634.593
LNT	139.043	-	-	-	-	12.612	8.780	(14.176)	146.259
ANT	153.415	745.526	-	-	-	-	-	-	898.941
PTG	5.831	35.381			-	-	-	-	41.212
SIT [2,3,4]	-	64.398	(1.215)	870.624	(978.713)	65.605	40.788	(61.487)	-
TNG [2]	-	108.424	-	-	-	-	-	-	108.424
Total consolidated	**11.492.475**	**1.223.674**	**(62.247)**	**870.624**	**-**	**1.131.351**	**207.585**	**(1.548.884)**	**13.314.578**
Current	**1.373.209**								**1.469.741**
Noncurrent	**10.119.266**								**11.844.837**

(In thousands of Brazilian reais - R$, unless otherwise stated)

[1] During SAN's project implementation, new needs for implementation will be identified, which will be subsequently discussed with the regulatory body. [2] Lots won in the auction held in December 2022, as detailed in note 24. [3]Part of the assets of concession Saíra are in operation and part refers to renovation. The onerous portion is concentrated in the renovation, but the concession, analyzed as a whole, does not represent an onerous contract. [4] Merger of subsidiaries ATE III, SAN and SIT on December 29, 2023, as shown in note 1. [5] The project was 100% completed, as shown in note 24.

Variation in concession contract asset							
Concession	**12/31/2021**	**Addition (write-off[1])**	**Onerous contract**	**Compensation**	**Inflation adjustments**	**Receipts and other**	**12/31/2022**
TSN	822,776	(25,008)	-	81,332	39,417	(116,507)	802,010
MUN	58,048	2,890	-	6,230	2,678	(7,345)	62,501
GTE	30,879	-	-	3,392	1,731	(4,968)	31,034
PAT	131,559	(98)	-	10,210	5,119	(16,458)	130,332
ETEO	449,143	-	-	45,847	25,425	(79,116)	441,299
NVT	1,638,588	(14,427)	-	236,065	92,236	(316,290)	1,636,172
NTE	403,351	(67)	-	58,675	22,327	(73,459)	410,827
STE	340,136	(695)	-	34,908	18,760	(49,879)	343,230
ATE	626,427	31	-	59,564	34,203	(83,061)	637,164
ATE II	875,512	118	-	72,192	47,685	(140,364)	855,143
Total Parent	**5,376,419**	**(37,256)**	**-**	**608,415**	**289,581**	**(887,447)**	**5,349,712**
Current	**804,492**						**828,059**
Noncurrent	**4,571,927**						**4,521,653**
MAR	219,797	-	-	16,187	38,538	(18,833)	255,689
ATE III	519,944	(20)	-	33,134	21,434	(108,147)	466,345
SGT	70,374	-	-	3,747	3,994	(5,485)	72,630
MIR	620,316	-	-	51,190	71,629	(64,045)	679,090
JAN	2,189,033	-	-	209,555	77,771	(223,104)	2,253,255
BRAS	234,084	-	-	25,836	(1,666)	(29,665)	228,589
SAN [2]	518,901	94,919	(2,067)	9,163	2,011	(10,053)	612,874
SJT	642,596	-	-	39,411	24,811	(50,538)	656,280
SPT	594,265	2,352	-	39,045	32,034	(47,974)	619,722
LNT	134,689	-	-	12,197	5,320	(13,163)	139,043
ANT	-	153,415	-	-	-	-	153,415
PTG	-	5,831	-	-	-	-	5,831
Total consolidated	**11,120,418**	**219,241**	**(2,067)**	**1,047,880**	**565,457**	**(1,458,454)**	**11,492,475**
Current	**1,320,728**						**1,373,209**
Noncurrent	**9,799,690**						**10,119,266**

[1]Refer to the write-off of enhancements that will not receive RAP, as construction works were reclassified by the ONS to minor improvement. [2]During SAN's project implementation, new needs for implementation will be identified, which will be subsequently discussed with the regulatory body.

(In thousands of Brazilian reais - R$, unless otherwise stated)

The main additions are related to the acquisition, enhancements and new constructions of substations and transmission lines:

Concession	Description	Legislative Act	Annual Permitted Revenue (RAP)	Estimated infrastructure implementation cost (Capex ANEEL)	Estimated completion	
Acquisition and new constructions						
TNG Encruzo Novo – Santa Luzia III Açailândia – Dom Eliseu II Sectioning of TL 500 kV – LT Açailândia – Miranda II at SE Santa Luzia III SE 500/230/69 kV – Açailândia SE 500/230/138 kV – Santa Luzia III SE 230/69 kV – Dom Eliseu II SE Encruzo Novo – synchronous compensator, Shunt capacitor bank and reactor bank of Barra	Supply to regions in Açailândia, Buriticupu, Vitorino Freire (MA), Dom Eliseu (PA) and the Northwestern region of the state of Maranhão.	ANEEL Concession Contract 003/2023	R$94,980[2]	R$1,117,077	March 2028	RFB ADE 192/2023[4]
SIT Facilities of Garabi I and II – Renovation of the Converter Command, Control and Teleprotection System, Operation of Facilities Garabi I and II and transmission lines	Continuity of public transmission service for the remaining useful life of the international interconnection with Argentina	ANEEL Concession Contract 005/2023	R$158,230[2]	R$1,175,720[3]	March 2028	In transfer[4]
PTG Abdon Batista – Barra Grande Abdon Batista – Videira	Implementation of transmission lines and expansion of associated substations	ANEEL Concession Contract 015/2022	R$20,610	R$243,153	March 2027	RFB ADE 10/2023[4]
ANT Ponta Grossa – Assis Bateias – Curitiba Leste	Implementation of transmission lines and expansion of associated substations	ANEEL Concession Contract 001/2022	R$150,851	R$1,750,054	March 2027	RFB ADE 102/2022[4]
SAN Livramento 3 – Alegrete 2 Livramento 3 – Cerro Chato Livramento 3 – Santa Maria 3 Livramento 3 – Maçambará 3 Sectioning – Santo Ângelo C1/C2 Substation Livramento 3 and synchronous compensator SE Maçambará 3	Implementation of transmission lines and construction of associated substations.	ANEEL Concession Contract 012/2019	R$77,899	R$610,364	December 2023[5]	RFB ADE 89/2019[4]
Enhancements						
TSN Bom Jesus da Lapa II	Enhancement of the 3rd ATR of Bom Jesus of Lapa II	REA 12.267/2022	R$10,598	R$70,761	January 2025	RFB ADE 143/20224
NVT Substation Imperatriz e SE Colinas	Replacement of the Capacitor Bank at the substation Imperatriz and replacement of the Capacitor Bank at the substation Colinas	ANEEL Authorization Resolution 12.823/2022	R$28,163	R$189,298	May 2025	RFB ADE 59/2023[4]
NVT Substation Colinas	Replacement of the Capacitor Bank at the substation Colinas	ANEEL Authorization Resolution 12.850/2022	R$10,880	R$73,265	April 2025	RFP ADE 60/2023[4]
SPT Sectioning of TL 230 kV – Rio Grande II – Barreiras II at Substation Barreiras	Installation of sectioning and modules at substation Barreiras	ANEEL Authorization Resolution 15.027/2024	R$5,447	R$40,889	November 2025	-
ATE Substation Assis	Installation of the auto-transformer bank	ANEEL Authorization Resolution 14.819/2023	R$11,803	R$80,860	February 2026	-

(In thousands of Brazilian reais - R$, unless otherwise stated)

[1] Special Incentive Regime for the Development of Infrastructure. [2]The RAP was adjusted according to the methodology set forth in the concession contract. [3]TIncludes the indemnification paid to the former concessionaire and the investment in renovation. [4]Executive Declaratory Act of the Brazilian Federal Revenue Service in process of transfer due to the merger. [5]The project started to operate, as shown in note 24. [6]Authorization Resolution 15.027/2024 replaced ANEEL Authorization Resolution 14.524/2023.

8. CURRENT TAXES AND SOCIAL CONTRIBUTIONS

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Prepaid / offsetable income tax (IRPJ) and social contribution (CSLL) / Withholding income tax (IRRF) on short-term investments	284,067	229,012	259,257	213,387
Taxes on revenue (PIS and COFINS) for offset	691	660	559	507
Withholding taxes and contributions	4,307	8,721	3,027	6,962
Other	6,492	6,493	5,247	3,410
Current assets	**295,557**	**244,886**	**268,090**	**224,266**
Current IRPJ and CSLL	18,117	11,313	10,681	-
Taxes on revenue (PIS/COFINS)	12,590	11,772	9,037	7,262
Social security contribution (INSS) and Severance Pay Fund (FGTS)	2,701	5,700	2,416	4,458
State VAT (ICMS)	6,434	1,754	2,227	583
Service tax (ISS)	3,021	3,731	2,637	2,380
Withholding income tax (IRRF)	5,785	3,901	5,121	3,020
Other	552	796	393	324
Current liabilities	**49,200**	**38,967**	**32,512**	**18,027**

9. DEFERRED TAXES AND SOCIAL CONTRIBUTION

The tax credits levied on tax loss carryforwards and other amounts recognized as temporary differences, which will be offset in the calculation of the future tax burden, were recognized based on the history of earnings and expected generation of taxable income over the next years. The tax credits relating to the economic use of the goodwill on merger were recorded under CVM Instructions CVM 319/99 and 349/01, replaced by CVM Resolution 78/22 and, as approved by ANEEL, the amounts are amortized based on the curve between expected future earnings and the concession terms of the Company and its subsidiaries.

Consolidated	12/31/2023			12/31/2022		
	Assets	Liabilities	Net effect on assets (liabilities)	Assets	Liabilities	Net effect on assets (liabilities)
TAESA (Parent)	393,379	(1,137,777)	(744,398)	361,965	(1,130,987)	(769,022)
JAN	62,339	(454,369)	(392,030)	68,396	(405,060)	(336,664)
ATE III	-	-	-	4,094	(61,967)	(57,873)
BRAS	-	(19,932)	(19,932)	-	(19,787)	(19,787)
SGT	-	(2,272)	(2,272)	-	(2,237)	(2,237)
SAN	-	-	-	-	(18,877)	(18,877)
MIR	1,986	(135,495)	(133,509)	-	(124,876)	(124,876)
MAR	-	(8,082)	(8,082)	-	(7,875)	(7,875)
SPT	-	(19,546)	(19,546)	-	(19,087)	(19,087)
SJT	-	(20,655)	(20,655)	-	(20,213)	(20,213)
LNT	-	(4,505)	(4,505)	-	(4,281)	(4,281)
ANT	-	(27,687)	(27,687)	-	(4,725)	(4,725)
PTG	-	(1,269)	(1,269)	-	(180)	(180)
TNG	-	(3,338)	(3,338)	-	-	-
Noncurrent liabilities	457,704	(1,834,927)	(1,377,223)	434,455	(1,820,152)	(1,385,697)
	457,704	**(1,834,927)**	**(1,377,223)**	**434,455**	**(1,820,152)**	**(1,385,697)**

(In thousands of Brazilian reais - R$, unless otherwise stated)

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Merged tax credit – goodwill (i)	230,680	251,034	230,680	251,034
Temporary differences (ii)	78,794	96,541	64,122	79,429
Tax loss carryforwards	148,230	86,880	98,577	31,502
Noncurrent assets	**457,704**	**434,455**	**393,379**	**361,965**
Temporary differences (ii)	(1,834,927)	(1,820,152)	(1,137,777)	(1,130,987)
Noncurrent liabilities	**(1,834,927)**	**(1,820,152)**	**(1,137,777)**	**(1,130,987)**
Net balance	**(1,377,223)**	**(1,385,697)**	**(744,398)**	**(769,022)**

(i) Deriving from the merger of the spun-off portion of Transmissora Atlântico de Energia S.A. in 2009 and the merger of Transmissora Alterosa de Energia S.A. in 2010.
(ii) The temporary differences contemplate the balances of the companies electing for the taxable income and are as follows:

	Tax basis	IRPJ and CSLL	
	12/31/2023	12/31/2023	12/31/2022
Consolidated			
Advanced apportionment and adjustment portion	98,250	33,405	21,505
Accrued profit sharing	23,652	8,042	8,441
Accrued trade payables	52,991	18,017	25,093
Provision for variable portion	11,676	3,970	12,271
Provision for labor, tax, and civil risks	54,645	18,579	14,830
Taxes with suspended payment	14	5	6,418
Derivative financial instruments	(7,398)	(2,515)	7,084
Adjustment to fair value – debt	21,623	7,352	899
Exchange rate changes - cash basis	(23,709)	(8,061)	-
Total assets		**78,794**	**96,541**
Technical pronouncement CPC 08 (R1) - Transaction Cost and Premiums on Issuance of Securities	(71,849)	(24,429)	(24,539)
Cash flow hedge	64,532	21,941	(5,363)
Technical pronouncement CPC 47 - Revenue from Contracts with Customers	(5,389,527)	(1,832,439)	(1,790,250)
Total liabilities		**(1,834,927)**	**(1,820,152)**
Parent			
Advanced apportionment and adjustment portion	89,928	30,576	17,935
Accrued profit sharing	23,085	7,849	8,114
Accrued trade payables	29,336	9,974	15,720
Provision for variable portion	11,121	3,781	11,270
Provision for labor, tax, and civil risks	44,606	15,166	11,989
Derivative financial instruments	(7,398)	(2,515)	6,418
Adjustment to fair value – debt	21,623	7,352	7,084
Exchange rate changes - cash basis	(23,709)	(8,061)	899
Total assets		**64,122**	**79,429**
Technical pronouncement CPC 08 (R1) - Transaction Cost and Premiums on Issuance of Securities	(67,870)	(23,076)	(23,148)
Cash flow hedge	64,532	21,941	(5,363)
Technical pronouncement CPC 47 - Revenue from Contracts with Customers	(3,343,064)	(1,136,642)	(1,102,476)
Total liabilities		**(1,137,777)**	**(1,130,987)**

(In thousands of Brazilian reais - R$, unless otherwise stated)

The Company's expectation for realization of deferred assets is as follows:

	Merged tax credit – goodwill	Temporary differences		Tax loss carryforwards		Total	
	Parent and Consolidated	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
2024	24,722	44,887	34,098	23,038	16,065	92,647	74,885
2025	24,913	30,938	28,192	24,121	17,200	79,972	70,305
2026	26,555	6,193	5,055	25,482	17,483	58,230	49,093
2027 - 2029	89,995	(3,224)	(3,223)	31,455	22,105	118,226	108,877
2030 - 2032	46,101	-	-	36,131	25,724	82,232	71,825
2033 - 2035	12,273	-	-	8,003	-	20,276	12,273
2036 - 2038	6,121	-	-	-	-	6,121	6,121
Total	**230,680**	**78,794**	**64,122**	**148,230**	**98,577**	**457,704**	**393,379**

Estimates are periodically reviewed so that any changes in the projected recovery of these credits can be recorded and disclosed on a timely basis. Under article 510 of the Income Tax Regulation (RIR/99), tax loss carryforwards are offsetable against future earnings, up to the limit of 30% of taxable income.

10. DEFERRED TAXES

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Deferred taxes on revenue (PIS and COFINS) - liabilities (i)	**747,522**	**666,225**	**358,902**	**260,866**

(i) Amount related to the temporary difference (cash basis) on the Company's and its subsidiaries' revenue, in applying CPC 47, which will be amortized up to the end of the concession.

11. INVESTMENTS (IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

Direct investments	Total number of shares	Direct interest	Consolidated		Parent	
			12/31/2023	12/31/2022	12/31/2023	12/31/2022
Subsidiaries						
ATE III [1]	-	-	-	-	-	484,172
SGT	10,457,000	100.00%	-	-	71,523	68,591
MAR	174,500,000	100.00%	-	-	237,617	230,969
MIR	277,940,000	100.00%	-	-	517,152	516,813
JAN	225,145,100	100.00%	-	-	718,717	751,583
SAN [1]	-	-	-	-	-	549,889
BRAS	191,052,000	100.00%	-	-	193,865	190,435
SJT	434,523,157	100.00%	-	-	633,424	617,386
SPT	537,235,007	100.00%	-	-	595,219	590,113
LNT	41,116,290	100.00%	-	-	96,437	85,262
ANT	675,001,000	100.00%	-	-	797,449	142,249
PTG	36,700,000	100.00%	-	-	41,678	9,434
TNG	93,001,000	100.00%	-	-	111,724	-
			-	**-**	**4,014,805**	**4,236,896**
Joint ventures						
ETAU	34,895,364	75.62%	139,326	139,151	139,326	139,151
Aimorés	395,400,000	50.00%	349,204	364,023	349,204	364,023
Paraguaçu	620,000,000	50.00%	560,096	551,304	560,096	551,304
Ivaí	315,000,000	50.00%	506,045	431,559	506,045	431,559
			1,554,671	**1,486,037**	**1,554,671**	**1,486,037**
Direct associates[2]						
EATE	180,000,010	49.98%	765,216	909,786	765,216	909,786
EBTE	263,058,339	49.00%	181,942	170,927	181,942	170,927
ECTE	42,095,000	19.09%	77,821	74,912	77,821	74,912
ENTE	100,840,000	49.99%	449,929	491,554	449,929	491,554
ETEP	45,000,010	49.98%	140,485	138,250	140,485	138,250
ERTE	84,133,970	21.95%	49,899	56,696	49,899	56,696
EDTE	1,218,126	24.95%	56,420	57,185	56,420	57,185
Transudeste	30,000,000	49.00%	62,214	65,987	62,214	65,987
Transleste	49,569,000	49.00%	87,882	93,471	87,882	93,471
Transirapé	22,340,490	49.00%	64,962	66,504	64,962	66,504
			1,936,770	**2,125,272**	**1,936,770**	**2,125,272**
Total investment			**3,491,441**	**3,611,309**	**7,506,246**	**7,848,205**

[1]Merger of subsidiaries ATE III, SAN and SIT on December 29, 2023, as shown in note 1.
[2]As at December 31, 2023, through its direct associates, the Company held indirect interests in the following associates: (i) STC – 39.99%; (ii) ESDE – 49.98%; (iii) Lumitrans – 39.99%; (iv) ETSE – 19.09%; (v) EBTE – 25.49%; (vi) ERTE – 28.04%; (vii) ESTE – 49.98%; (viii) EDTE – 25.04%; and (ix) Transudeste, Transleste and Transirapé - 5%.

NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023
(In thousands of Brazilian reais - R$, unless otherwise stated)

Variations in investments	12/31/2022	Capital increase/ decrease	Dividends	Share of profit (loss) of subsidiaries	Merger	12/31/2023
Subsidiaries						
ATE III [1] [2]	484,172	(103,269)	(61,377)	66,131	(385,657)	-
SGT	68,591	-	(3,536)	6,468	-	71,523
MAR	230,969	-	(4,693)	11,341	-	237,617
MIR	516,813	-	(83,827)	84,166	-	517,152
JAN	751,583	-	(175,887)	143,021	-	718,717
SAN [1]	549,889	73,000	-	73,245	(696,134)	-
BRAS	190,435	-	(11,596)	15,026	-	193,865
SJT	617,386	-	(25,039)	41,077	-	633,424
SPT	590,113	-	(50,573)	55,679	-	595,219
LNT	85,262	-	(3,540)	14,715	-	96,437
ANT	142,249	569,000	(26,849)	113,049	-	797,449
PTG	9,434	28,000	(1,322)	5,566	-	41,678
TNG	-	93,000	(5,830)	24,554	-	111,724
SIT [1]	-	920,000	-	99,010	(1,019,010)	-
	4,236,896	**1,579,731**	**(454,069)**	**753,048**	**(2,100,801)**	**4,014,805**
Joint ventures						
ETAU	139,151	-	(17,798)	17,973	-	139,326
Aimorés	364,023	-	(63,454)	48,635	-	349,204
Paraguaçu	551,304	-	(64,314)	73,106	-	560,096
Ivaí	431,559	-	(23,201)	97,687	-	506,045
	1,486,037	**-**	**(168,767)**	**237,401**	**-**	**1,554,671**
Direct associates						
EATE	909,786	-	(238,896)	94,326	-	765,216
EBTE	170,927	-	(4,502)	15,517	-	181,942
ECTE	74,912	-	(3,013)	5,922	-	77,821
ENTE	491,554	-	(79,322)	37,697	-	449,929
ETEP	138,250	-	(8,688)	10,923	-	140,485
ERTE	56,696	-	(3,175)	(3,622)	-	49,899
EDTE	57,185	-	(13,898)	13,133	-	56,420
Transudeste	65,987	-	(7,158)	3,385	-	62,214
Transleste	93,471	-	(11,660)	6,071	-	87,882
Transirapé	66,504	-	(8,302)	6,760	-	64,962
	2,125,272	**-**	**(378,614)**	**190,112**	**-**	**1,936,770**
	7,848,205	**1,579,731**	**(1,001,450)**	**1,180,561**	**(2,100,801)**	**7,506,246**

[1]Merger of subsidiaries ATE III, SAN and SIT on December 29, 2023, as shown in note 1.
[2] On February 7, 2023, the EGM of ATE III decided on the capital decrease by R$103,269, as authorized by ANEEL, pursuant to Ordinance 284 of February 1, 2023.

Variations in investments	12/31/2021	Capital increase	Dividends	Share of profit (loss) of subsidiaries	12/31/2022
Subsidiaries					
ATE III	452,695	-	(45,457)	76,934	484,172
SGT [1]	27,491	-	34,029	7,071	68,591
MAR	196,497	-	(13,752)	48,224	230,969
MIR	565,000	-	(30,862)	(17,325)	516,813
JAN [2]	390,972	32,000	215,570	113,041	751,583
SAN [2]	514,938	98,000	6,387	(69,436)	549,889
BRAS	185,652	-	(19,110)	23,893	190,435
SJT	604,027	-	(48,586)	61,945	617,386
SPT	565,040	-	(43,347)	68,420	590,113
LNT [1]	70,231	-	4,960	10,071	85,262
ANT	-	106,000	-	36,249	142,249
PTG	-	8,700	-	734	9,434
	3,572,543	**244,700**	**59,832**	**359,821**	**4,236,896**
Joint ventures					
ETAU	128,271	-	(14,603)	25,483	139,151
Aimorés	302,195	10,500	(15,987)	67,315	364,023
Paraguaçu	455,433	33,000	(19,583)	82,454	551,304
Ivaí	321,267	90,000	-	20,292	431,559
	1,207,166	**133,500**	**(50,173)**	**195,544**	**1,486,037**
Direct associates					
EATE	974,661	-	(249,247)	184,372	909,786
EBTE	176,000	-	(17,080)	12,007	170,927
ECTE	75,392	-	(18,974)	18,494	74,912
ENTE	520,025	-	(106,598)	78,127	491,554
ETEP	148,702	-	(34,886)	24,434	138,250
ERTE	57,662	-	(4,397)	3,431	56,696
EDTE	60,456	-	(14,668)	11,397	57,185
Transudeste	65,066	-	(7,223)	8,144	65,987
Transleste	86,681	-	(7,899)	14,689	93,471
Transirapé	64,867	-	(12,611)	14,248	66,504
	2,229,512	**-**	**(473,583)**	**369,343**	**2,125,272**
	7,009,221	**378,200**	**(463,924)**	**924,708**	**7,848,205**

[1] Reversal of dividends approved at the AGM held on May 11, 2022 of the subsidiary.
[2] Reversal of dividends approved at the AGM held on April 29, 2022 of the subsidiary.

(In thousands of Brazilian reais - R$, unless otherwise stated)

The variations in dividends receivable are shown in note 12 – Related parties.

The reporting date of such investees' financial statements is December 31 of each year.

Summarized financial statements

The financial statements based on the individual financial statements of the joint ventures and associates are shown below.

Balance sheet	12/31/2023			12/31/2022		
	Joint ventures	Associates	Total	Joint ventures	Associates	Total
Cash and cash equivalents	212,529	359,220	571,749	270,103	164,191	434,294
Concession contract asset (i)	581,944	729,922	1,311,866	242,261	744,756	987,017
Other current assets	56,354	120,648	177,002	362,193	212,180	574,373
Current assets	**850,827**	**1,209,790**	**2,060,617**	**874,557**	**1,121,127**	**1,995,684**
Concession contract asset (i)	6,308,892	4,294,804	10,603,696	5,813,922	4,628,530	10,442,452
Other noncurrent assets	122,694	1,662,368	1,785,062	24,044	1,615,060	1,639,104
Noncurrent assets	**6,431,586**	**5,957,172**	**12,388,758**	**5,837,966**	**6,243,590**	**12,081,556**
Borrowings, financing and debentures (ii)	91,100	568,897	659,997	91,811	144,655	236,466
Lease	129	4,313	4,442	233	5,217	5,450
Other current liabilities	447,891	256,065	703,956	230,498	422,906	653,404
Current liabilities	**539,120**	**829,275**	**1,368,395**	**322,542**	**572,778**	**895,320**
Borrowings, financing and debentures (ii)	2,176,816	1,495,357	3,672,173	2,170,480	1,643,756	3,814,236
Lease	542	18,266	18,808	944	21,213	22,157
Other noncurrent liabilities	1,604,763	1,410,972	3,015,735	1,404,241	1,400,440	2,804,681
Noncurrent liabilities	**3,782,121**	**2,924,595**	**6,706,716**	**3,575,665**	**3,065,409**	**6,641,074**
Individual equity	**2,961,172**	**3,413,092**	**6,374,264**	**2,814,316**	**3,726,530**	**6,540,846**
Individual equity – Taesa´s equity interest	**1,514,080**	**1,504,231**	**3,018,311**	**1,438,109**	**1,663,470**	**3,101,579**
Fair value allocated to the concession contract asset, net of taxes and other	40,591	432,539	473,130	47,928	461,802	509,730
Taesa's total investment	**1,554,671**	**1,936,770**	**3,491,441**	**1,486,037**	**2,125,272**	**3,611,309**

Statement of income	12/31/2023			12/31/2022		
	Joint ventures	Associates	Total	Joint ventures	Associates	Total
Net operating revenue	1,211,655	657,674	1,869,329	1,250,273	992,711	2,242,984
Costs and expenses	(389,636)	(122,948)	(512,584)	(465,483)	(126,730)	(592,213)
Finance income	42,731	29,815	72,546	23,213	24,135	47,348
Finance costs	(224,025)	(236,577)	(460,602)	(241,107)	(236,485)	(477,592)
Finance income (costs)	**(181,294)**	**(206,762)**	**(388,056)**	**(217,894)**	**(212,350)**	**(430,244)**
Share of profit (loss) of subsidiaries	-	232,017	232,017	-	394,107	394,107
Current and deferred IRPJ and CSLL	(168,247)	(68,900)	(237,147)	(183,808)	(117,825)	(301,633)
Profit or loss for the year	**472,478**	**491,081**	**963,559**	**383,088**	**929,913**	**1,313,001**
Profit for the year - Taesa's equity interest	**244,852**	**219,367**	**464,219**	**202,620**	**414,274**	**616,894**
Recognition of fair value allocated to the concession contract asset, net of taxes and other	(7,451)	(29,255)	(36,706)	(7,076)	(44,931)	(52,007)
Share of profit (loss) of subsidiaries - Taesa	**237,401**	**190,112**	**427,513**	**195,544**	**369,343**	**564,887**

(i) Infrastructure implementation in progress

Concession	Description	ANEEL Resolution	RAP	Estimated infrastructure implementation cost (Capex ANEEL)	Estimated completion	
New construction						
Ivaí Guaíra - Sarandi - CD, C1 and C2; LT Foz do Iguaçu - Guaíra - CD, C1 and C2; Londrina - Sarandi, CD, C1 e C2; Sarandi - Paranavaí Norte, CD; Guaíra; SE Sarandi; SE Paranavaí Norte	Implementation of transmission lines and substations and expansion of associated substations.	Concession contract 022/2017	R$375,853	R$1,936,474	March/ 2024[2]	MME Ordinance 355/2017. RFB ADE 10/2018

[1] Special Incentive Regime for the Development of Infrastructure. [2]Works relating to the project implementation were completed, as detailed in note 24.

(In thousands of Brazilian reais - R$, unless otherwise stated)

(ii) Borrowings, financing and debentures

Concession	Lender		Collaterals	Finance charges	12/31/2023	12/31/2022
IVAÍ	Itaú	Dec/43	(e)	IPC-A + 4.9982%	2,267,916	2,259,998
ETAU	BNDES Giro	Aug/23	(c)	TLP + 2.78%	-	2,293
Joint ventures					**2,267,916**	**2,262,291**
EATE	Bradesco	Jun/23	(a)	112% of CDI	-	9,286
EATE	Bradesco	Jul/24	(a)	108.6% of CDI	286,235	287,341
EATE	Itaú	Apr/26	(a)	CDI + 1.9%	205,779	206,461
EATE	Itaú	May/27	(a)	CDI + 1.8%	111,699	111,888
EATE	Votorantim	Dec/28	(a)	CDI + 1.65%	309,298	-
ECTE	Bradesco	Jul/24	(a)	108.6% of CDI	52,992	53,175
ECTE	Santander	Jul/25	(a)	CDI + 2.9%	60,144	68,226
ECTE	Itaú	Apr/26	(a)	CDI + 1.9%	51,413	51,568
ECTE	Itaú	May/27	(a)	CDI + 1.8%	60,894	60,988
EDTE	Santander	Dec/28	(d)	IPCA + 5.29%	402,623	393,142
ENTE	Bradesco	Jul/24	(a)	108.6% of CDI	52,991	53,171
ENTE	Santander	Jul/25	(a)	CDI + 2.9%	77,173	102,981
ENTE	Itaú	May/27	(a)	CDI + 1.8%	30,412	30,450
ENTE	Votorantim	Dec/28	(a)	CDI + 1.65%	49,817	-
ETEP	Bradesco	Jun/23	(a)	112% of CDI	-	5,519
ETEP	Santander	Jul/25	(a)	CDI + 2.9%	69,455	92,681
ETEP	Itaú	Apr/26	(a)	CDI + 1.9%	51,414	51,568
ETEP	Itaú	May/27	(a)	CDI + 1.8%	35,492	35,540
EBTE	Bradesco	Jun/23	(a)	112% of CDI	-	11,020
EBTE	Itaú	Apr/26	(a)	CDI + 1.9%	51,414	51,568
EBTE	Itaú	May/27	(a)	CDI + 1.8%	45,653	45,719
TRANSLESTE	BDMG	Feb/25	(f)	9.50%	2,887	5,361
TRANSLESTE	BNB	Mar/25	(f)	9.50%	883	1,648
TRANSIRAPÉ	Itaú	Apr/26	(a)	CDI + 1.9%	51,416	51,572
TRANSIRAPÉ	BDMG	Apr/26	(b)	TJLP + 6.5%	1,364	1,929
TRANSIRAPÉ	BDMG	Jan/24	(b)	3.50%	199	2,585
TRANSIRAPÉ	BDMG	Oct/29	(b)	TJLP + 3.5%	2,607	3,024
Direct and indirect associates					**2,064,254**	**1,788,411**
					4,332,170	**4,050,702**

(a) No collaterals; (b) Pledge of shares of the companies held by EATE and Transminas Holding S.A., creation of a reserve account and earmarking of the Company's revenue; (c) Letter of Guarantee issued by Taesa, on behalf of Banco Santander, formalized in a separate instrument, at the limit of 52.6%, of the amount of R$125, proportional to its equity interest; (d) Proportional pledge of Alupar of 50.01% and of Taesa of 49.99% of the total amount; (e) Proportional pledge of CTEEP of 50% and of Taesa of 50% of the total amount; (f) Pledge of shares by Transminas Holding SA, pledge of rights arising from the concession contract and creation of a liquidity fund for the interest on the falling due installments in the six-month period plus charges.

The borrowings and financing agreements and debentures contain restrictive annual financial and nonfinancial covenants triggering accelerated maturity (usually included in borrowing and financing agreements, such as, for example, merger, spin-off and consolidation, change in the controlling group, among others), including the required compliance with certain financial ratios while the related agreements are effective.

Debt	Description of the covenant	Ratio required	Required compliance
1st issue of debentures - Ivaí	Operating cash flow/Debt service	Equal to or higher than 1.2	Annual
2nd issue of debentures - EDTE	Activity cash generation/Debt service	Equal to or lower than 3.75	Annual
1st issue of debentures - ESTE	Activity cash generation/Debt service	Equal to or lower than 4.50	Annual
7th, 8th, 9th, 10th and 11th issue of debentures	Total debt less cash and cash equivalents limited to the amount of R$1,945,425 for the 7th issue, R$1,961,315 for the 8th issue, R$1,946,119 for the 9th, 10th and 11th issues	N/A	Semiannual
5th, 6th and 7th issues of debentures - ECTE	Total debt less cash and cash equivalents limited to the amount of R$338,256 for the 5th issue and R$338,302 for the 6th and 7th issues	N/A	Semiannual
4th, 5th and 6th issues of debentures - ENTE	Total debt less cash and cash equivalents limited to the amount of R$840,242 for the 4th, 5th and 6th issues	N/A	Semiannual

(In thousands of Brazilian reais - R$, unless otherwise stated)

Debt	Description of the covenant	Ratio required	Required compliance
4th and 5th issues of debentures - ETEP	Total debt less cash and cash equivalents limited to the amount of R$285,116 for the 4th and 5th issues	N/A	Semiannual
2nd and 3rd issues of debentures - EBTE	Total debt less cash and cash equivalents limited to the amount of R$225,416	N/A	Semiannual
3rd issue of debentures - Transirapé	Total debt less cash and cash equivalents limited to the amount of R$163,899	N/A	Semiannual
BDMG-FINEM - Transirapé Agreement	Capital ratio and debt service coverage ratio	CR above 25% and DSCR above 1.20x	Annual

As at December 31, 2023 all restrictive covenants established in the borrowing and financing agreements in force were complied with by Taesa Group's joint ventures and associates.

(iii) Provision for labor, tax and civil risks and contingent liabilities

	Provision for risks		Contingent liabilities	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Paraguaçu	3,409	2,626	22,791	1,938
Aimorés	1,877	1,732	11,270	231
ETAU	121	257	118	111
Joint ventures	**5,407**	**4,615**	**34,179**	**2,280**
EATE	226	234	5,771	5,100
EBTE	-	-	271	553
ENTE	600	600	222	196
Transleste	-	40	-	-
Transudeste	-	40	-	-
Transirapé	-	40	-	-
Direct associates	**826**	**954**	**6,264**	**5,849**
	6,233	**5,569**	**40,443**	**8,129**

(iv) Annual Permitted Revenue

Concession	2023-2024 Cycle Resolution 3.216 of 07/04/2023 Period: from 07/01/2023 to 06/30/2024			2022-2023 Cycle Resolution 3.067 of 07/12/2022 Period: from 07/01/2022 to 06/30/2023			2021-2022 Cycle Resolution 2.959 of 10/05/2021 (i) Period: from 07/01/2021 to 06/30/2022		
	RAP	PA	Total	RAP	PA	Total	RAP	PA	Total
ETAU (ii)	54,649	2,463	57,112	57,205	1,838	59,043	51,665	2,274	53,939
Aimorés (iii)	99,388	(3,492)	95,896	95,624	(123)	95,501	-	-	-
Paraguaçu (iv)	148,340	(14,815)	133,525	142,723	-	142,723	-	-	-
Ivaí (viii)	375,853	(13,242)	362,611	361,620	-	361,620	-	-	-
ENTE	195,118	(3,995)	191,123	204,243	(6,387)	197,856	184,456	(5,262)	179,194
EATE (v)	379,022	(7,483)	371,539	396,748	(11,503)	385,245	358,143	(11,526)	346,617
EBTE (vii)	63,000	(604)	62,396	59,063	(3,313)	55,750	54,250	(1,229)	53,021
ECTE	82,385	(1,645)	80,740	86,238	(2,628)	83,610	77,886	(2,587)	75,299
ETEP	85,221	(1,501)	83,720	89,207	(2,267)	86,940	80,563	(2,620)	77,943
ERTE	44,425	(17,471)	26,954	46,503	(18,685)	27,818	41,999	(17,292)	24,707
STC	36,318	(929)	35,389	43,268	(1,605)	41,663	52,396	(1,265)	51,131
Lumitrans	23,094	(663)	22,431	30,338	(1,521)	28,817	43,634	(1,487)	42,147
ESTE (vi)	140,527	(3,756)	136,771	17,520	(312)	17,208	15,680	(220)	15,460
ESDE	18,209	(465)	17,744	32,982	201	33,183	25,408	(214)	25,194
ETSE (vii)	34,491	222	34,713	135,205	(1,110)	134,095	-	-	-
EDTE (v)	86,938	(2,895)	84,043	83,645	(2,534)	81,111	76,120	(2,579)	73,541
Transirapé (vii)	42,670	2,003	44,673	44,665	1,564	46,229	54,365	(3,090)	51,275
Transleste	35,351	(878)	34,473	37,004	(1,280)	35,724	33,421	(1,626)	31,795
Transudeste	21,911	(444)	21,467	22,936	(1,167)	21,769	34,154	(1,387)	32,767
TOTAL	**1,966,910**	**(69,590)**	**1,897,320**	**1,986,737**	**(50,832)**	**1,935,905**	**1,184,140**	**(50,110)**	**1,134,030**

(i) Approving Resolution 2.959 of October 05, 2021 changed Approving Resolution 2.895 of July 13, 2021. (ii) The RAP amount of 2020-2021 cycle of concession ETAU was adjusted according to Ordinance 1.698/2021, which judged the administrative appeal filed by the concessionaire against Approving Resolutions 2.725/2020 and 2.724/2020 and differences will be received in the 2021-2022 cycle. (iii) Concession Aimorés started to operate on May 6, 2022. (iv) Concession Paraguaçu started to operate on July 27, 2022. (v) The RAP amounts of concessions EATE and EDTE for the 2020-2021 cycle were adjusted according to ANEEL Ordinance 3.219/2020 which rectified appendices I, II, III, IV, V and VI of Approving Resolution 2.725/2020. (vi) ONS authorized concession ESTE to receive revenue as from February 9, 2022. (vii) Approving Resolution 3.067, of July 12, 2022, was changed by Ordinance 848, of March 2023, which judged the administrative appeals filed by the transmission companies. As a result, the PAs of concessions EBTE, ETSE and TRANSIRAPÉ were adjusted. (viii) Ivaí project was fully completed, as detailed in note 24.

(In thousands of Brazilian reais - R$, unless otherwise stated)

12. RELATED PARTIES

I – Other receivables – OCR, Other payables – OCP and Receivables from concessionaires and assignees – CRCP:

a) Assets and revenues

REF	Main information on agreements and transactions with related parties				
	Accounting classification, nature of the agreement and counterparty	Original amount	Effective period	Interest rate/ Inflation adjustment	Main rescission or termination conditions, and other relevant information
	Transactions between TAESA and joint ventures				
1	OCR x Other revenue – O&M – ETAU (RS)	R$19 monthly amount	12/23/2021 to 12/23/2026	Annual adjustment by IPCA.	Noncompliance with any contractual clause, court-ordered reorganization, bankruptcy, court-ordered liquidation.
2	OCR x Other revenue – O&M – ETAU (SC)	R$14 monthly amount	12/01/2021 to 01/12/2026	Annual adjustment by IPCA.	Noncompliance with any contractual clause, court-ordered reorganization, bankruptcy, court-ordered liquidation.
3	OCR x Other revenue - Infrastructure and HR Sharing - ETAU	N/A	12/01/2021 to 12/01/2026	Annual adjustment by IGP-M.	The amounts are defined based on apportionment and allocation criteria which are based on the contracting party's property, plant and equipment. If the apportionment amount exceeds the annual amount of R$2,386, the contracting party may require the review. Previously agreed by ANEEL through Ordinance 2.320 of August 02, 2021.
4	OCR x Other revenue – Infrastructure and HR Sharing – Aimorés	N/A	02/10/2022 to 02/10/2027	Annual adjustment by IPCA.	The amounts are defined based on apportionment and allocation criteria which are based on the contracting party's property, plant and equipment. In case of considerable variations in the allocation criteria, the contracting party can request the review through formalization by way of an addendum. Previously agreed by ANEEL through Ordinance 2.320 of August 02, 2021.
5	OCR x Other revenue – O&M – Aimorés	R$24 monthly amount	02/16/2022 to 02/16/2027	Annual adjustment by IPCA.	Noncompliance with any contractual clause, court-ordered reorganization, bankruptcy, court-ordered liquidation.
6	OCR x Other revenue – Infrastructure and HR Sharing – Paraguaçu	N/A	02/10/2022 to 02/10/2027	Annual adjustment by IPCA.	The amounts are defined based on apportionment and allocation criteria which are based on the contracting party's property, plant and equipment. In case of considerable variations in the allocation criteria, the contracting party can request the review through formalization by way of an addendum. Previously agreed by ANEEL through Ordinance 2.320 of August 02, 2021.
7	OCR x Other revenue – O&M – Paraguaçu	R$24 monthly amount	02/16/2022 to 02/16/2027	Annual adjustment by IPCA.	Noncompliance with any contractual clause, court-ordered reorganization, bankruptcy, court-ordered liquidation.
8	OCR x available funds – Expense reimbursement - Paraguaçu	Not applicable.	Not applicable.	Not applicable.	Not applicable.
	Transactions between TAESA and its associates				
9	OCR x available funds – Infrastructure sharing agreement (CCI) – EDTE	Total amount: R$229	12/27/2018 until the concession end.	Fine of 2% p.m. / late payment interest of 12% p.a. / Annual inflation adjustment by the IPCA.	Not applicable.
	Transactions between TAESA Group and Cemig				
10	CRCP x Other revenue - Transmission System Connection Agreement - (CCT) - CEMIG D x SGT	R$57 monthly amount	03/18/2014 until the end of concession	Late payment interest of 12% p.a. and fine of 2% / annual inflation adjustment by IPCA, according to the RAP adjustment.	By any of the parties, filing for bankruptcy, judicial liquidation or any amendment to the bylaws of the parties that impairs the ability to perform contractual obligations, force majeure or act of God.
11	CRCP x revenue – Electric power transmission service agreement ("CPST") – Taesa Group x CEMIG	The amounts are defined by ONS at each AVC issuance	Until the end of concession.	Annual adjustment by the IPCA or IGP-M, according to the RAP adjustment.	Not applicable.

(In thousands of Brazilian reais - R$, unless otherwise stated)

There is no default in the outstanding balances requiring the recognition of an allowance for doubtful debts.

REF	Agreements and other transactions	Consolidated			
		Assets		Revenue	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
	Transactions with joint ventures				
1	O&M services - Taesa x ETAU (RS)	21	21	252	147
2	O&M services - Taesa x ETAU (SC)	31	16	188	188
3	Infrastructure and HR sharing - Taesa x ETAU	165	160	2,505	1,747
4	Infrastructure and HR sharing - Taesa x Aimorés	270	121	2,066	1,024
5	O&M services - Taesa x Aimorés	27	27	325	392
6	Infrastructure and HR sharing - Taesa x Paraguaçu	474	198	3,549	1,013
7	O&M services - Taesa x Paraguaçu	-	27	329	325
8	Expense reimbursement - Taesa x Paraguaçu	-	25	-	-
	Transactions with associates				
9	CCI - Taesa x EDTE	8	7	93	88
	Transactions between subsidiaries and associates				
10	CCT - SGT X CEMIG D	-	99	1,119	830
11	CPST - BRAS X CEMIG	-	154	1,541	1,376
11	CPST - ATE III X CEMIG	-	696	6,523	6,425
11	CPST - SGT X CEMIG	-	469	5,244	3,743
11	CPST - MAR X CEMIG	-	91	1,061	786
11	CPST - MIR X CEMIG	-	330	4,113	2,940
11	CPST - JAN X CEMIG	370	1,454	13,294	10,297
11	CPST - SAN X CEMIG	-	223	2,933	506
11	CPST - SJT X CEMIG	-	281	3,237	2,312
11	CPST - SPT X CEMIG	-	249	2,903	2,224
11	CPST - LNT X CEMIG	-	46	536	402
11	CPST - SIT X CEMIG	-	-	3,466	-
	Transactions between Taesa and Cemig				
11	CPST - TAESA X CEMIG	286	8,065	91,157	71,888
		1,652	**12,759**	**146,434**	**108,653**

b) Liabilities, costs and expenses

REF	Main information on agreements and transactions with related parties				
	Accounting classification, nature of the agreement and counterparty	Original amount	Effective period	Interest rate/ Inflation adjustment	Main rescission or termination conditions, and other relevant information
	Transactions between Taesa and associates				
1	OCP x Liabilities – Expense reimbursement - ETAU	Not applicable.	Not applicable.	Not applicable.	Not applicable.
2	OCP x Services provided - Ativas Data Center	R$35 monthly amount.	09/29/2020 to 09/29/2023	Interest of 1% p.m. and fine of 2%./annual inflation adjustment by IPCA.	Each of the parties will be entitled to rescind the agreement upon delivery of notice in writing to the other party within 90 days in advance, upon the occurrence of any events such as filing for bankruptcy, partial or full transfer of assets or properties and if one of the parties infringes any provision of the agreement. CEMIG publicly informed that it has completed, on 12/28/2022, the disposal of its total equity interest in the capital of Ativas Data Center S.A. ("Ativas").
3	OCP x Personnel cost and expense – private pension – Forluz	Investment according to employees´ option.	03/19/2012 – indefinite end.	Not applicable.	Management fee of 1% on total monthly contributions. As from April 1, 2022 the management fee was 0.30%. There is no inflation adjustment
4	OCP x Services provided - CCI - TAESA (ETEO) – CTEEP	Total contract value: R$2 monthly amount	07/20/2001 up to the end of any of the parties' concession	Interest of 12% p.a. / Fine of 2% Annual adjustment by IGP-M.	Can only be terminated in the event of end of concession of any of the parties, or by way of court order. On 08/20/2021, an addendum was entered into to discontinue the collection by CTEEP.

(In thousands of Brazilian reais - R$, unless otherwise stated)

REF	Main information on agreements and transactions with related parties				
	Accounting classification, nature of the agreement and counterparty	**Original amount**	**Effective period**	**Interest rate/ Inflation adjustment**	**Main rescission or termination conditions, and other relevant information**
5	OCP x Services provided - CCI - TAESA (ATE) – CTEEP	Total contract value: R$10 monthly amount	07/22/2004 up to the end of any of the parties' concession	Interest of 12% p.a. / Fine of 2% Adjustment by IGP-M.	Can only be terminated in the event of end of concession of any of the parties, or by way of court order. On 08/20/2021, an addendum was entered into to discontinue the collection by CTEEP.
	Transactions between TAESA's subsidiaries and associates				
6	OCP x Services provided - CCI - SGT x CEMIG GT	R$3 monthly amount	Beginning 02/17/2014 until end of concession.	Late payment interest of 1% p.m. and fine of 2%./annual inflation adjustment by IPCA.	Can only be terminated in the event of end of concession of any of the parties, or by way of court order.
7	OCP x O&M - SGT x CEMIG GT	R$49 monthly amount	07/10/2019 to 07/10/2024	Late payment interest of 1% p.m. and fine of 2%./annual inflation adjustment by IPCA.	Can be early and unilaterally terminated, on sole discretion, due to the noncompliance with any clause or condition, for a period agreed upon among the parties, cancelation of concession relating to the transmission facilities; and upon contracting party's decision 18 months after the execution of the CPSOM.
8	OCP x Services provided - CCI - MAR x CEMIG GT	R$205 single installment and R$50 monthly amount	11/12/2015 up to the end of any of the parties' concession	Annual adjustment by IPCA.	None.
9	OCP x Services provided - O&M - MAR x CEMIG GT	R$48 monthly amount	03/03/2020 to 03/02/2025	Annual adjustment by IPCA.	The agreement can be terminated at any time, unilaterally, upon notice in writing within at least 180 days in advance; as a result of the noncompliance with the conditions agreed; and in the event of act of God or force majeure.
10	OCP x Services provided - CCI - ANT X CTEEP	R$8 monthly amount as from the beginning of operation	11/01/2022 up to the end of any of the parties' concession	Fine of 2% p.m. + late payment interest of 12% p.a. / Annual inflation adjustment by the IPCA.	Can only be terminated in the event of end of concession of any of the parties, by way of court order or upon mutual agreement among the parties.
	Transactions between TAESA and Cemig				
11	OCP X Investment – acquisition Transmineiras – Additional amount –CEMIG	Single installment of R$11,786	Upon obtaining of favorable decision for Transmineiras in the lawsuits.	Accumulated variance of 100% CDI beginning 01/01/2017 until the business day prior to the payment.	Pursuant to the corporate restructuring instrument, CEMIG can receive the maximum amount of R$11,786. Adjusted amount of R$19,900.

REF	Agreements and other transactions	Consolidated			
		Liabilities		Cost/expense	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
	Transactions between Taesa and joint ventures				
1	Expense reimbursement - Taesa x ETAU	-	2	-	-
	Transactions between Taesa and associates				
2	Data Center - Taesa x Ativas	-	53	-	304
3	Private pension - Taesa x Forluz - cost	-	-	1,105	1,056
3	Private pension - Taesa x Forluz - expense	-	-	3,008	2,646
	Transactions between subsidiaries and associates				
6	CCI - SGT x CEMIG GT	5	5	59	56
7	O&M - SGT x CEMIG GT	64	-	753	702
8	CCI - MARIANA x CEMIG GT	19	19	232	240
9	O&M - MARIANA x CEMIG GT	-	-	769	668
	Transactions between TAESA and Cemig				

REF	Agreements and other transactions	Consolidated			
		Liabilities		Cost/expense	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
11	Acquisition Transmineiras – Additional amount TAESA X CEMIG	19,901	12,883	7,018	-
		19,989	**12,962**	**12,944**	**5,672**

II– Dividends and interest on capital payable

Dividends receivable	12/31/2022	Addition (a)	Receipt	12/31/2023
Joint ventures and associates				
ETAU	326	17,798	(18,124)	-
AIMORÉS	15,987	63,454	(69,799)	9,642
PARAGUAÇU	19,583	64,314	(69,500)	14,397
IVAÍ	-	23,201	-	23,201
EATE	49,817	238,896	(270,212)	18,501
EBTE	4,110	4,502	(4,600)	4,012
ECTE	5,105	3,013	(6,188)	1,930
ENTE	16,620	79,322	(95,942)	-
ERTE	1,215	3,175	(4,390)	-
ETEP	4,145	8,688	(10,396)	2,437
EDTE	2,194	13,898	(12,850)	3,242
TRANSLESTE	3,601	11,660	(13,034)	2,227
TRANSIRAPÉ	3,300	8,302	(10,779)	823
TRANSUDESTE	2,078	7,158	(7,838)	1,398
Consolidated	**128,081**	**547,381**	**(593,652)**	**81,810**
Subsidiaries				
ATE III	-	61,377	(61,377)	-
BRAS	19,111	11,596	(16,692)	14,015
SGT	1,678	3,536	(3,678)	1,536
MAR	11,453	4,693	(13,453)	2,693
MIR	-	83,827	(68,386)	15,441
JAN	25,787	175,887	(170,100)	31,574
SJT	22,790	25,039	(38,200)	9,629
SPT	16,343	50,573	(53,797)	13,119
LNT	2,400	3,540	(2,400)	3,540
ANT	-	26,849	-	26,849
PTG	-	1,322	-	1,322
TNG	-	5,830	-	5,830
Parent	**227,643**	**1,001,450**	**(1,021,735)**	**207,358**

Dividends receivable	12/31/2021	Addition (reversal) (a)	Receipt	12/31/2022
Joint ventures and associates				
ETAU	206	14,603	(14,483)	326
AIMORÉS	-	15,987	-	15,987
PARAGUAÇU	-	19,583	-	19,583
EATE	-	249,247	(199,430)	49,817
EBTE	-	17,080	(12,970)	4,110
ECTE	-	18,974	(13,869)	5,105
ENTE	2	106,598	(89,980)	16,620
ERTE	-	4,397	(3,182)	1,215
ETEP	-	34,886	(30,741)	4,145
EDTE	-	14,668	(12,474)	2,194
TRANSLESTE	-	7,899	(4,298)	3,601
TRANSIRAPÉ	-	12,611	(9,311)	3,300
TRANSUDESTE	-	7,223	(5,145)	2,078
Consolidated	**208**	**523,756**	**(395,883)**	**128,081**
Subsidiaries				
ATE III	-	45,457	(45,457)	-
BRAS	2,147	19,110	(2,146)	19,111
SGT (b)	37,421	(34,029)	(1,714)	1,678
MAR	11,400	13,752	(13,699)	11,453
MIR	21,161	30,862	(52,023)	-
JAN (c)	357,375	(215,570)	(116,018)	25,787
SAN (c)	6,387	(6,387)	-	-
SJT	3,086	48,586	(28,882)	22,790
SPT	-	43,347	(27,004)	16,343
LNT (b)	7,360	(4,960)	-	2,400
Parent	**446,545**	**463,924**	**(682,826)**	**227,643**

(a) Refers to mandatory, additional, proposed, approved and interim dividends. (b) Reversal of dividends approved at the AGM held on May 11, 2022 of the subsidiary. (c) Reversal of dividends approved at the AGM held on April 29, 2022 of the subsidiary.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Dividends and interest on capital payable	12/31/2022			Addition (a)		Payment		12/31/2023		
	Dividends	Interest on capital	Total	Dividends	Interest on capital	Dividends	Interest on capital	Dividends	Interest on capital	Total
Consolidated and Parent										
ISA	3,876	-	3,876	117,436	62,006	(87,387)	(62,006)	33,925	-	33,925
	5,646	-	5,646	171,079	90,328	(127,304)	(90,328)	49,421	-	49,421
Noncontrolling interests	16,565	18	16,583	500,755	264,394	(372,609)	(264,386)	144,711	26	144,737
	26,087	**18**	**26,105**	**789,270**	**416,728**	**(587,300)**	**(416,720)**	**228,057**	**26**	**228,083**

Dividends and interest on capital payable	12/31/2021			Addition (a)		Payment		12/31/2022		
	Dividends	Interest on capital	Total	Dividends	Interest on capital	Dividends	Interest on capital	Dividends	Interest on capital	Total
Consolidated and Parent										
ISA	21,874	-	21,874	170,618	60,224	(188,616)	(60,224)	3,876	-	3,876
	31,866	-	31,866	248,551	87,732	(274,771)	(87,732)	5,646	-	5,646
Noncontrolling interests	93,293	15	93,308	727,519	256,797	(804,247)	(256,794)	16,565	18	16,583
	147,033	**15**	**147,048**	**1,146,688**	**404,753**	**(1,267,634)**	**(404,750)**	**26,087**	**18**	**26,105**

(a) Refers to mandatory, additional, proposed, approved, interim dividends and interest on capital. Interest on capital payable is stated gross of withholding income tax.

Approval of dividends and interest on capital	Accrual year	Approval date	Approving body	Payment date	Approved amount	Amount per common share	Amount per preferred share
Interim dividends	2023	12/27/2023	Board of Directors	01/16/2024	228,003	0.66184	0.66184
Interim dividends	2023	11/08/2023	Board of Directors	12/15/2023	4,075	0.00394	0.00394
Interim dividends	2023	08/02/2023	Board of Directors	08/29/2023	97,192	0.09404	0.09404
Interim dividends	2022	01/05/2023	Board of Directors	01/23/2023	460,000	0.44509	0.44509
					789,270		
Interest on capital	2023	11/08/2023	Board of Directors	12/15/2023	200,480	0.19398	0.19398
Interest on capital	2023	08/02/2023	Board of Directors	08/29/2023	216,248	0.20924	0.20924
					416,728		
Remaining mandatory dividends	2022	04/27/2023	AGM	08/29/2023	26,048	0.02520	0.02520
					26,048		
Intermediate dividends	2017	11/09/2022	Board of Directors	12/05/2022	113,400	0.10972	0.10972
Interim dividends	2022	11/09/2022	Board of Directors	12/05/2022	45,159	0.04370	0.04370
Interim dividends	2022	08/10/2022	Board of Directors	08/26/2022	308,799	0.29879	0.29879
Additional dividends proposed	2021	04/28/2022	AGM	05/31/2022	653,282	0.63211	0.63211
					1,120,640		
Interest on capital	2022	11/09/2022	Board of Directors	12/05/2022	206,819	0.20012	0.20012
Interest on capital	2022	08/10/2022	Board of Directors	08/26/2022	197,934	0.19152	0.19152
					404,753		
Remaining mandatory dividends	2021	04/28/2022	AGM	05/31/2022	147,011	0.14225	0.14225
					147,011		

Interim dividends and interest on capital paid were attributed to mandatory minimum dividends set forth in Article 202 of the Brazilian Corporate Law.

III - Compensation to the Board of Directors, Executive Board, and Supervisory Board – classified in profit or loss – personnel expenses

Proportion of total compensation	12/31/2023		12/31/2022	
	Fixed	Variable	Fixed	Variable
Board of Directors	100%	-	100%	-
Supervisory Board	100%	-	100%	-
Statutory Executive Board (*)	68%	32%	58%	42%

(*) Fixed compensation breakdown: Management fees, charges, direct and indirect benefits (private pension, healthcare plan, dental care plan, life insurance and meal/food ticket), post-employment benefits (healthcare plan and dental care plan). Variable compensation breakdown: profit sharing, suspension of employment contract and indemnities.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Amounts recognized in profit or loss	Board of Directors		Statutory Executive Board		Supervisory Board	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Average of members compensated during the period (*)	10.42	11.17	5	5	4.92	4.92
Fixed compensation (**)	**2,893**	**2,880**	**9,078**	**8,460**	**786**	**745**
Payroll or management fees	2,572	2,525	6,780	6,252	655	621
Direct and indirect benefits	-	-	942	958	-	-
Charges	321	355	1,356	1,250	131	124
Variable compensation	**-**	**-**	**4,249**	**6,083**	**-**	**-**
Profit sharing	-	-	4,249	6,083	-	-
Total compensation	**2,893**	**2,880**	**13,327**	**14,543**	**786**	**745**

(*) Includes active members and alternates, and the alternate fiscal board members receive when replacing the active members. The average of compensated members was calculated on a monthly basis, excluding those members who relinquished compensation. (**) The cost of fixed compensation includes management fees and 20% of employer's INSS.

	Board of Directors		Statutory Executive Board		Supervisory Board	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Number of active members	10.42	11.17	5	5	4.92	4.92
Number of alternates	-	-	-	-	-	-
Highest individual compensation for the period (monthly)	25	23	319	364	14	13
Lowest individual compensation for the period (monthly)	20	18	186	203	12	9
Average individual compensation for the period (monthly) (*)	24	23	222	242	14	12

(*) The amount was calculated based on the average of compensated members.

(In thousands of Brazilian reais - R$, unless otherwise stated)

13. BORROWINGS, FINANCING AND DEBENTURES

13.1. Borrowings and financing

		Borrowings				Annual	12/31/2023				12/31/2022			
Lender	Concession	Execution date	Type	Contracted amount received	Final maturity	finance charges	Unrecognized costs	Principal	Interest	Total	Unrecognized costs	Principal	Interest	Total
Foreign currency-US$ [1]														
Citibank - Sep/22	Taesa	09/22/2022	Law 4.131/62	362.600	09/26/2025	Sofr + 0.44% p.a.	-	346,697	6,161	352,858	-	372,257	4,486	376,743
Local currency-R$ [2]														
BNDES FINAME	TSN	06/13/2013	CCB - tranche A	30.458	06/15/2023	Fixed rate of 3.5% p.a.	-	-	-	-	-	1,904	2	1,906
BNDES FINAME	Patesa	10/14/2014	CCB - tranche A	430	08/15/2024	Fixed rate of 6% p.a.	-	36,0	-	36,0	-	90,0	-	90
			Parent				-	**346,733**	**6,161**	**352,894**	-	**374,251**	**4,488**	**378,739**
			Current							**6,197**				**6,446**
			Noncurrent							**346,697**				**372,293**
BNB - FNE	LNT	04/27/2018	CCB-FNE	62,749	05/15/2038	Constitutional funds' rate (TFC) p.m. pro-rata basis	(4,163)	52,157	2,077	50,071	(4,453)	55,701	2,272	53,520
			Consolidated				**(4163,0)**	**398,890**	**8,238**	**402,965**	**(4,453)**	**429,952**	**6,760**	**432,259**
			Current							**11,578**				**11,970**
			Noncurrent							**391,387**				**420,289**

[1] Borrowing measured at fair value. [2] Borrowings measured at amortized cost.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Variations in borrowings and financing	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Opening balance	**432,259**	**629,745**	**378,739**	**569,721**
(+) New borrowing	-	362,600	-	362,600
(+) Interest and exchange rate changes	472	(26,794)	(3,397)	(31,879)
(-) Adjustment to fair value	786	2,617	787	2,617
(-) Repayment of principal	(5,500)	(523,146)	(1,957)	(517,157)
(-) Interest paid	(25,052)	(12,763)	(21,278)	(7,163)
Closing balance	**402,965**	**432,259**	**352,894**	**378,739**

Current installments by index							
Index	Current	Noncurrent					Total
		2025	2026	2027	After 2026	Subtotal	
Fixed rate	36	-	-	-	-	-	36
Sofr + Dollar	6,161	346,697	-	-	-	346,697	352,858
IPCA	5,671	3,632	3,632	3,632	37,667	48,563	54,234
(-) Unamortized cost	(290)	(277)	(277)	(277)	(3,042)	(3,873)	(4,163)
	11,578	**350,052**	**3,355**	**3,355**	**34,625**	**391,387**	**402,965**

Settlement and new borrowing with Citibank - On September 22, 2022, the Company settled in advance the Credit Agreement, signed on April 7, 2014, and amended on May 11, 2018, April 7, 2017 and March 29, 2016, with Citibank, N.A., subject to 3-month Libor interest rate + 0.34% p.a., with maturity on May 10, 2023. On the same date, the Company entered into a new Credit Agreement with maturity on September 26, 2025, subject to Sofr interest rate + 0.44% and a new foreign exchange swap with Citibank, as follows:

Citibank - Loan 4.131	Citibank Debt - 09/22/2022	Citibank's foreign exchange swap – 09/22/2022
Amount	USD70,000	R$362,000[2]
Maturity	09/26/2025	09/26/2025
Debt Cost	(Sofr + Spread: 0.44% p.a.)	Company's long-position:(Sofr + Spread: 0.44% p.a.) * 1.17647 [1] Citibank's short-position: CDI + 0.65% p.a.
Interest	Semiannual	Semiannual
Repayment[3]	Bullet	Bullet

[1] Factor 1.17647 represents the "gross up" of the income tax due on the payment of amortization and interest.
[2] Amounts translated into Brazilian real (R$) based on the Initial Parity of the Transaction R$/US$: 5.18.
[3] Bullet Amortization Regime - regime where the total balance of principal is amortized on the borrowing maturity date.

With this settlement and new borrowing, the Company extended the average term of its debt while maintaining the equivalent cost of 106% p.a. of the CDI, including the CDI rate + 0.65% p.a.

(In thousands of Brazilian reais - R$, unless otherwise stated)

The borrowings and financing agreements and debentures contain annual restrictive financial and nonfinancial covenants triggering accelerated maturity (usually included in borrowing and financing agreements, such as, for example, merger, spin-off and consolidation, change in the controlling group, among others) while the related agreements are effective. As at December 31, 2023, all restrictive covenants had been complied.

The information on derivative financial instruments (swap transactions) contracted to hedge the service associated with the debt with Citibank, as well as the Company's exposure to interest rate risks, is disclosed in note 18.

13.2. Debentures

Issues	Quantity	Payment events	Return	Issue maturity	12/31/2023				12/31/2022			
					Unrecognized costs	Principal	Interest	Total	Unrecognized costs	Principal	Interest	Total
Local currency-R$												
Itaú BBA – 3rd issue 3rd series (*) – Taesa	702.000	Interest on every October 15 and repayment in four annual installments, the first maturity on 10/15/2021.	IPCA + 5.10%	10/15/2012 10/15/2024	(159)	335,465	3,394	**338,700**	(371)	640,776	6,610	**647,015**
Itaú BBA/BB/Santander – 4th issue 1st series – Taesa	255.000	Interest on every September 15 and repayment in two annual installments, the first maturity on 09/15/2023.	IPCA + 4.41%	09/15/2017 09/15/2024	(131)	176,991	2,195	**179,055**	(674)	338,402	4,315	**342,043**
BB/Safra/Bradesco -5th issue – Single series – Taesa	525.772	Interest on every July 15 and repayment in two annual installments, the first maturity on 07/15/2024.	IPCA + 5.9526%	07/15/2018 07/15/2025	(1,616)	702,959	18,796	**720,139**	(3,981)	672,019	18,286	**686,324**
Santander-ABC-BB – 6th issue 1st series – Taesa	850.000	Interest on every November 15 and May 15 and single repayment on 05/15/2026.	108% of CDI (**)	05/15/2019 05/15/2026	(7,597)	850,000	12,458	**854,861**	(8,356)	850,000	15,047	**856,691**
Santander/ABC/BB – 6th issue 2nd series – Taesa	210.000	Interest on every November 15 and May 15 and semiannual repayment, the first maturity on 05/15/2023.	IPCA + 5.50%	05/15/2019 05/15/2044	(7,597)	270,893	1,790	**265,086**	(8,355)	259,999	1,829	**253,473**
BTG/Santander/XP Investimentos – 7th issue Single series – Taesa	508.960	Interest on every March 15 and September 15 and semiannual repayment, the first maturity on 09/15/2025.	IPCA + 4.50%	09/15/2019 09/15/2044	(22,939)	656,385	131,717	**765,163**	(24,977)	627,471	93,849	**696,343**
Santander – 8th issue Single series – Taesa	300.000	Interest on every June 15 and December 15 and semiannual repayment, the first maturity on 12/15/2022.	IPCA +4.7742%	12/15/2019 12/15/2039	(14,878)	394,100	730	**379,952**	(16,325)	387,515	861	**372,051**
Santander – 10th issue 1st series – Taesa	650.000	Interest on every November 15 and May 15	CDI + 1.70%	05/15/2021 05/15/2028	(3,963)	650,000	10,140	**656,177**	(4,435)	650,000	12,064	**657,629**

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NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023
(In thousands of Brazilian reais - R$, unless otherwise stated)

Issues	Quantity	Payment events	Return	Issue maturity	12/31/2023				12/31/2022			
					Unrecognized costs	Principal	Interest	Total	Unrecognized costs	Principal	Interest	Total
		and single repayment on 05/15/2028.										
Santander – 10th issue 2nd series – Taesa	100.000	Interest on every November 15 and May 15 and repayment on the 13th, 14th and 15th years, the first maturity on 05/15/2034.	IPCA + 4.7605%	05/15/2021 05/15/2036	(3,963)	118,491	680	**115,208**	(4,435)	113,158	691	**109,414**
Santander-Itaú-BTG-Bradesco-BB – 11th issue 1st series – Taesa	150.000	Interest on every July 15 and January 15 and repayment on the 2nd and 3rd years, the first maturity on 01/15/2024.	CDI +1.18%	01/15/2022 01/15/2025	(626)	150,000	9,180	**158,554**	(1,022)	150,000	9,923	**158,901**
Santander-Itaú-BTG-Bradesco-BB – 11th issue 2nd series – Taesa	650.000	Interest on every July 15 and January 15 and repayment on the 3rd, 4th and 5th years, the first maturity on 01/15/2025.	CDI + 1.36%	01/15/2022 01/15/2027	(626)	650,000	40,333	**689,707**	(1,022)	650,000	43,566	**692,544**
Santander-Itaú-XP-BB 12th issue 1st series - Taesa	630.783	Interest on every October 15 and April 15 and repayment on 04/15/2029.	IPCA + 5.60%	04/15/2022 01/15/2029	(13,511)	667,999	7,407	**661,895**	(14,947)	638,572	7,222	**630,847**
Santander-Itaú-XP-BB 12th issue 2nd series - Taesa	300.410	Interest on every October 15 and April 15 and repayment on the 8th, 9th and 10th years, the first maturity on 04/15/2030.	IPCA + 5.75%	04/15/2022 01/15/2032	(13,511)	318,134	3,620	**308,243**	(14,947)	304,119	3,529	**292,701**
Santander-Itaú-XP-BB 12th issue 3rd series - Taesa	318.807	Interest on every October 15 and April 15 and repayment on the 13th, 14th and 15th years, the first maturity on 04/15/2030.	IPCA + 5.85%	04/15/2022 01/15/2037	(13,511)	337,616	3,907	**328,012**	(14,947)	322,743	3,809	**311,605**
Santander-Itaú-XP - BB 13th issuance - Taesa	1.000.000	Interest on every August 17 and February 17 and bullet on 02/17/2025.	CDI + 1.50%	02/17/2023 02/17/2025	(2,913)	1,000,000	49,133	**1,046,220**	-	-	-	**-**
Santander-Itaú-XP-Safra 14th issue 1st series - Taesa	327.835	Interest on every March 15 and September 15 and repayment on 09/15/2033.	IPCA + 5.8741%	09/15/2023 09/15/2033	(12,751)	330,493	4,750	**322,492**	-	-	-	**-**
Santander-Itaú-XP-Safra 14th issue 2nd series - Taesa	86.261	Interest on every March 15 and September 15 and repayment on 09/15/2035.	IPCA + 6.0653%	09/15/2023 09/15/2035	(12,751)	86,960	1,290	**75,499**	-	-	-	**-**
Santander-Itaú-XP-Safra 14th issue 3rd series - Taesa	385.904	Interest on every March 15 and September 15 and repayment on the 13th, 14th and 15th years, the first maturity on 09/15/2036.	IPCA + 6.2709%	09/15/2023 09/15/2038	(12,751)	389,033	5,961	**382,243**	-	-	-	**-**
Parent					**(145,794)**	**8,085,519**	**307,481**	**8,247,206**	**(118,794)**	**6,604,774**	**221,601**	**6,707,581**
Current								**1,122,333**				**607,452**
Noncurrent								**7,124,873**				**6,100,129**

Local currency-R$

(In thousands of Brazilian reais - R$, unless otherwise stated)

Issues	Quantity	Payment events	Return	Issue maturity	12/31/2023				12/31/2022			
					Unrecognized costs	Principal	Interest	Total	Unrecognized costs	Principal	Interest	Total
BTG-Santander-XP – 1st issue 1st series – JAN	224.000	Interest and repayment on every January 15 and July 15 with interest beginning 12/15/2022	IPCA + 4.5%	15/01/2019 15/07/2033	(6,517)	249,835	5,069	**248,387**	(7,942)	251,089	5,183	**248,330**
Itaú - BTG – 2nd issue single series – JAN	575.000	Interest and repayment on every June 15 and December 15 with interest payment beginning 12/15/22 and repayment beginning 12/15/25.	IPCA + 4.8295%	15/12/2019 15/12/2044	(27,843)	827,532	1,551	**801,240**	(30,316)	790,282	1,776	**761,742**
Consolidated					**(180,154)**	**9,162,886**	**314,101**	**9,296,833**	**(157,052)**	**7,646,145**	**228,560**	**7,717,653**
Current								**1,142,184**				**622,764**
Noncurrent								**8,154,649**				**7,094,889**

(*) Instruments traded on the secondary market, which fair values were measured based on quotations and are shown in note 18.
(**) The derivatives contracted as hedging instruments in the amount of R$400.00 relating to the 1st series of the 6th issue of debentures, were swap that swap the risk of 108% of the CDI (debentures interest rate) for the IPCA plus fixed rates.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Changes in debentures	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Opening balance	**7,717,653**	**6,159,351**	**6,707,581**	**5,167,673**
(+) New issues	1,800,000	2,050,000	1,800,000	2,050,000
(+) Interest and inflation adjustment incurred	984,843	834,782	886,488	729,130
(-) Principal payment	(533,767)	(797,242)	(521,291)	(767,011)
(-) Interest payment	(648,796)	(496,430)	(598,571)	(435,363)
(-) Transaction costs (new issues)	(44,321)	(50,504)	(44,321)	(50,504)
(+) Amortization of issue costs	21,221	17,696	17,320	13,656
Closing balance	**9,296,833**	**7,717,653**	**8,247,206**	**6,707,581**

Current installments by index	Current	Noncurrent					Total
		2025	2026	2027	After 2026	Subtotal	
CDI	196,245	1,291,666	1,066,667	216,667	250,000	2,825,000	3,021,245
IPCA	965,771	541,118	78,258	82,246	4,788,349	5,489,971	6,455,742
(-) Unamortized issue costs	(19,832)	(19,841)	(16,418)	(15,746)	(108,317)	(160,322)	(180,154)
	1,142,184	**1,812,943**	**1,128,507**	**283,167**	**4,930,032**	**8,154,649**	**9,296,833**

Debentures are simple, non-convertible.

The agreements for the 3rd, 4th, 5th, 6th, 7th, 8th, 11th, 12th, 13th and 14th issues of Taesa's debentures and for the 1st issue of Janaúba's debentures have annual restrictive non-financial covenants on accelerated maturity (usually included in borrowing and financing agreements, such as, for example, merger, spin-off and consolidation, change in the controlling group, among others). The 2nd issue of Janaúba's debentures have the following annual restrictive financial and non-financial covenants on accelerated maturity:

Security	Description of the covenant	Ratio required	Required compliance
2nd issue - JAN	Activity cash generation/Debt service[1]	Equal to or higher than 1.2	Annual

[1]Calculated based on information included in the audited Regulatory Financial Statements.

The 2nd series of the 6th and 8th issues of Taesa's debentures have the following restrictive non-financial covenants and on accelerated maturity:

Creation on behalf of the debenture holders at Banco Santander of a "Debenture payment account" where a minimum balance must be maintained, corresponding to at least the amount of the next installment of the adjusted par value plus the amount of the next compensation installment.

As at December 31, 2023, all restrictive covenants had been complied.

The information on derivative financial instruments (swap transactions) contracted to hedge the service associated with the 1st series of the 6th issue of debentures, as well as the Company's exposure to interest rate risks, is disclosed in note 18.

14. PROVISION FOR LABOR, TAX AND CIVIL RISKS

The Company and its subsidiaries are parties to legal and administrative proceedings before various courts and governmental bodies, arising in the normal course of business and involving tax, civil, labor and other matters.

Management, based on the opinion of its outside legal advisors and analysis of ongoing lawsuits, recognized a provision for labor, tax and civil risks in amounts considered sufficient to cover estimated losses on ongoing lawsuits.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Legal and administrative proceedings provisioned as at December 31, 2023 are backed by escrow deposits in the adjusted amount of in the Parent (R$10,994 as at December 31, 2022) and in consolidated (R$25,877 as at December 31, 2022). The balances refer to civil, labor and tax proceedings involving discussions on administrative right of way, outsourcing, tax executions and objections relating to offsets of federal taxes and contributions (IRPJ, CSLL, PIS and COFINS) not approved by the RFB, respectively.

Variations in provisions	12/31/2022	Additions	Reversals (a)	Inflation adjustments	Write-off	Rights of way (b)	Mergers (c)	12/31/2023
Labor	9,739	592	(139)	857	(1,742)	-	18	9,325
Tax	17,033	327	(7,418)	5,396	-	-	-	15,338
Civil	8,489	2,974	(2)	5,983	(1,079)	-	9,557	25,922
Parent	**35,261**	**3,893**	**(7,559)**	**12,236**	**(2,821)**	**-**	**9,575**	**50,585**
Labor	20	45	-	12	-	-	(18)	59
Tax	2,896	1	-	16	-	-	-	2,913
Civil	21,252	7,570	(45)	3,933	(2,481)	64,104	(9,557)	84,776
Consolidated	**59,429**	**11,509**	**(7,604)**	**16,197**	**(5,302)**	**64,104**	**-**	**138,333**

Variations in provisions	12/31/2021	Additions	Reversals (a)	Inflation adjustments	Write-off	Rights of way (b)	12/31/2022
Labor	2,227	7,535	(1)	730	(752)	-	9,739
Tax	13,957	743	(60)	2,393	-	-	17,033
Civil	11,675	2,886	(133)	373	(6,315)	3	8,489
Other	1,484	-	(1,484)	-	-	-	-
Parent	**29,343**	**11,164**	**(1,678)**	**3,496**	**(7,067)**	**3**	**35,261**
Labor	1	34	-	2	(17)	-	20
Tax	2,609	207	(21)	101	-	-	2,896
Civil	17,173	1,884	(166)	3,010	(924)	275	21,252
Consolidated	**49,126**	**13,289**	**(1,865)**	**6,609**	**(8,008)**	**278**	**59,429**

(a) Reversals occurred basically as a result of the settlement of various labor, tax and civil proceedings, without the need to make any payment. Therefore, the amounts were reversed on the Company's and its subsidiaries' behalf. (b) Refers to provisions for civil risks relating to exclusion area for passage of transmission grids. Merger of subsidiaries ATE III, SAN and SIT on December 29, 2023, as shown in note 1.

Contingent liabilities

	12/31/2023				12/31/2022			
	Labor	Tax	Civil	Total	Labor	Tax	Civil	Total
Taesa	13,140	1,252,574	254,805	1,520,519	10,540	1,113,784	198,814	1,323,138
ATE III[1]	-	-	-	-	-	17,020	-	17,020
BRAS	1,482	8,070	-	9,552	-	12,958	-	12,958
MAR	262	184	134	580	250	88	131	469
JAN	774	3,973	1,434	6,181	714	3,546	364	4,624
SAN[1]	-	-	-	-	227	-	53	280
SPT	87	635	2,697	3,419	94	567	2,489	3,150
SGT	-	12	-	12	-	16	-	16
SJT	-	1,044	1,108	2,152	54	935	1,020	2,009
	15,745	**1,266,492**	**260,178**	**1,542,415**	**11,879**	**1,148,914**	**202,871**	**1,363,664**

[1] Merger of subsidiaries ATE III, SAN and SIT on December 29, 2023, as shown in note 1.

The main lawsuits classified as possible loss refer to tax risks through tax executions and objections, and civil risks through annulment actions and arbitration proceedings. These are:

Taesa-TSN - Alleged irregular offsets of federal taxes and contributions, namely COFINS, IRPJ and CSLL, in the adjusted amount of as at December 31, 2023 (as at December 31, 2022).

Taesa-NVT – Objections related to alleged irregular offsets of federal taxes and contributions, namely COFINS and IRPJ, in the adjusted total amount of R$7,137 as at December 31, 2023 (R$6,867 as at December R$6.867, 2022).

Taesa-ETEO – Lawsuit relating to the deductibility of amortization expenses on the goodwill paid by Lovina Participações S.A. ("Lovina") for the acquisition of ETEO, relating to the tax assessment notice issued in 2014, concerning calendar years 2009 and 2010, in the adjusted amount of R$128,042 as at December 31, 2023 (R$113,506 as at December 31, 2022). The lawsuit is pending judgment of the Voluntary Appeal filed against the unfavorable decision handed down by the Brazilian Federal Revenue Service Judgment Office in Ribeirão Preto.

Taesa-NTE – Objections related to alleged irregular offsets of federal taxes and contributions, namely PIS, COFINS and IRPJ, in the adjusted total amount of R$8,726 as at December 31, 2023 (R$7,696 as at December 31, 2022).

Taesa-ATE - Alleged irregular offsets of federal taxes and contributions, namely IRPJ, in the adjusted amount of R$8,821 as at December 31, 2023 (R$8,514 as at December 31, 2022), originated prior to the acquisition of UNISA Group companies by Taesa.

Taesa-STE – Objections related to alleged irregular offsets of federal taxes and contributions, namely PIS, COFINS, IRPJ, CSLL, CSRF and IRRF, in the adjusted amount of R$9,431 as at December 31, 2023 (R$7,735 as at December 31, 2022), relating to lawsuits originated prior to the acquisition of UNISA Group companies by Taesa.

Taesa-ATE II - Objections related to alleged irregular offsets of federal taxes and contributions, namely IRPJ, in the adjusted amount of R$2,006 as at December 31, 2023 (R$3,208 as at December 31, 2022), of which R$1,588 relating to lawsuits originated prior to the acquisition of UNISA Group companies by Taesa.

Taesa-ATE III - Tax lawsuits originated prior to the acquisition of UNISA Group companies by Taesa and tax executions for ICMS payment, in the adjusted amount of R$18,421 as at December 31, 2023 (R$16,352 as at December 31, 2022).

BRAS – Tax execution relating to the discussion with respect to the ICMS payment in the State of Mato Grosso, in the adjusted amount of R$3,767 as at December 31, 2023 (R$2,180 as at December 31, 2022).

Other relevant matters:

Goodwill Atlântico/Alterosa - Taesa received a letter from the RFB requesting clarifications and documentation about the exclusions recorded in code 152 (goodwill), declared in e-lalur and e-lacs of 2014/2015; 2016 and 2017/2018. The Company presented the information requested by the Tax Auditor. Taesa was summoned in the Instruments of Beginning of Tax Proceeding, relating to IRPJ and CSLL not paid in the calculation period from January 2014 to December 2015, in 2016, and for 2017/2018 in view of the deduction from the tax basis of the amounts relating to the goodwill arising on the acquisition of TERNA by CEMIG and FIP. The Company received the Instruments of Closing relating to the ongoing tax proceedings, which resulted in the drafting of the tax assessment notices in the adjusted amount of R$186,854 as at December 31, 2023 (R$165,477 as at December 31, 2022) for calendar year 2014/2015 and in the adjusted amount of R$114,053 as at December 31, 2023 (R$102,999 as at December 31, 2022) for calendar year 2016 and R$169,527 as at December 31, 2023 (R$151,981 as at December 31, 2022) for calendar years 2017 and 2018. The Company filed an objection against the tax assessment notices for calendar years 2014/2015 and 2016, which was denied by the Brazilian Federal Revenue Service Office. The Company filed a Voluntary Appeal against the decisions. The Company filed an objection against the tax assessment notice for calendar years 2017/2018. The Company was notified about the unfavorable decision handed down by the Brazilian Federal Revenue Service on June 19, 2023. As at December 31, 2023, the Company is preparing a Voluntary Appeal for filing against the decision on denial of the Objection.

PIS/COFINS calendar year 2015 – On November 11, 2019, the Company was informed about the Tax Assessment Notice issued in the adjusted amount of R$226,791 as at December 31, 2023 (R$200,592 as at December 31, 2022), arising from the closing of tax proceeding 07.1.85.00-2019-00012, filed to analyze the legal compliance of the calculation of taxes on revenue (PIS/Pasep and COFINS), in the period from January 1 to December 31, 2015. The reason for the assessment derives from an alleged error in the definition of the tax regime adopted by the Company where, according to the Instrument of Closing, all Company's concessions should have been taxed under the non-cumulative regime regarding PIS and COFINS. On December 11, 2019, the Company filed an objection against the tax assessment notice. In light of the lower court decision which maintained the assessment, a Voluntary Appeal was filed. As at December 31, 2023, the Company awaited for the judgment.

PIS/COFINS calendar year 2016 – On November 13, 2019, the Company was informed about the Tax Assessment Notice issued in the adjusted amount of R$183,596 as at December 31, 2023 (R$163,832 as at December 31, 2022), arising from the closing of tax proceeding 07.1.85.00-2019-00078-7, filed to analyze the legal compliance of the calculation of taxes on revenue (PIS/Pasep and COFINS), in the period from January 1 to December 31, 2016. The reason for the assessment derives from an alleged error in the definition of the tax regime adopted by the Company. As set forth in the Instrument of Closing, all Company's concessions should have been taxed under the non-cumulative regime regarding PIS and COFINS. On December 11, 2019, the Company filed an objection against the tax assessment notice. In light of the lower court decision which maintained the assessment, a Voluntary Appeal was filed. As at December 31, 2023, the Company awaited for the judgment.

CMT Arbitration - Taesa – The dispute involves the Requests for Arbitration filed with the Arbitration and Mediation Center of the Chamber of Commerce Brazil-Canada ("CAM-CCBC") registered under No. 71/2017/SEC6 and No. 72/2017/SEC6, by the Minas Transmissão Consortium and other consortium members, alleging that there was "tacit acceptance" of the MOU and subsequent arbitration clause included therein for the contracting of their services relating to Lots 17 and 4 of ANEEL Auction 13/2015. As at December 31, 2023, the amounts are R$131,000 and R$45,000, respectively. Recently, a partial award was handed down in proceeding No. 71/2017/SEC6 acknowledging the authority of the arbitration court, which was subject to an Annulment Action. As at December 31, 2023, the Annulment Action was judged groundless and is awaiting for the judgment of Appeal at the court.

15. EQUITY

a) Capital - As at December 31, 2023 and December 31, 2022, the Company's subscribed and paid-in capital amounted to R$3,067,535, represented by 590,714,069 common shares and 442,782,652 preferred shares, all registered, book-entry and without par value.

For purposes of capital payment, share issuance costs were incurred in the amount of R$25,500.

Under its bylaws, the Company is authorized to increase capital, based on a Board of Directors' resolution, regardless of any amendment to the bylaws, up to the limit of R$5,000,000, with or without the issuance of common or preferred shares, and the Board of Directors is responsible for setting the issuance terms, including price, deadline, and payment method.

Each common share entitles its holder the right to one vote at the General Meetings, which resolutions are made as set forth in the applicable law and in these Bylaws.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Preferred shares have the following preferences and advantages: (i) priority in capital refund, without premium; (ii) right to participate in profit distributed under conditions equal to each common share; and (iii) right to be included in a public offering as a result of the Company's transfer of control, at the same price and under the same conditions per common share of the controlling group.

Preferred shares confer upon their holders the right to vote the following matters at the General Shareholders' Meeting: (i) Company's transformation, consolidation, merger or spin-off; (ii) approval of the agreements between the Company and the controlling shareholder, directly or through third parties, as well as other companies in which the controlling shareholder is interested, whenever, as set forth in legal provisions or under the Bylaws, they are required to be approved at the General Meeting; (iii) appraisal of assets for the Company's capital increase; (iv) selection of a specialized company to determine the Company's market value; and (v) amendment to or revocation of the Bylaws provisions that change or modify any of the requirements set forth in item 4.1 of the level 2 differentiated corporate governance practices, provided that this voting right prevails over the effective period of the Agreement for the Adoption of Differentiated Corporate Governance Practices – Level 2.

Shareholding structure as at December 31, 2023 and 2022								
	Common shares		Preferred shares		Total		Controlling group	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%
CEMIG[1]	218,370,005	36.97	5,646,184	1.28	224,016,189	21.68	215,546,907	58.36
ISA	153,775,790	26.03	-	-	153,775,790	14.88	153,775,790	41.64
Free Float	218,568,274	37.00	437,136,468	98.72	655,704,742	63.44	-	-
	590,714,069	**100.00**	**442,782,652**	**100.00**	**1,033,496,721**	**100.00**	**369,322,697**	**100.00**

[1]There are 6 common shares and 2,823,092 units not comprising the controlling group. The Unit (TAEE11) is a share deposit certificate comprised of three shares; one common (TAEE3) and two preferred shares (TAEE4).

b) Legal reserve - Calculated as 5% of profit for the year before any other allocation, as set forth in article 193 of Law 6.404/76, limited to 20% of capital. The purpose of the legal reserve is to ensure the integrity of capital and can only be utilized to increase capital or offset losses. The Company may not recognize this legal reserve when its balance, plus the amount of the capital reserves, exceeds 30% of the capital, as prescribed in §1 of said law.

c) Tax incentive reserve - Income tax incentives on the proceeds from the exploration of electric power transmission public service concessions in the States of Pernambuco, Paraíba, Rio Grande do Norte, Piauí, Bahia, Maranhão, Tocantins, Goiás, and the Federal District, granted by SUDAM and SUDENE. The tax benefit was null as at December 31, 2023 and in 2022, as the Company recognized tax loss. Also, the Company recognized a reversal in the amount of R$1,352 in 2023, relating to prior years. Grants are recorded in a separate caption in the income statement and submitted to the Shareholders' Meeting for approval of their allocation, considering the restrictions set forth in the respective granting reports and the prevailing tax law.

d) Special goodwill reserve - As set forth in CVM Instruction 319, of December 3, 1999, article 6, replaced by CVM Resolution 78/2022, the goodwill reserve, in the amount of R$412,223, was recognized in December 2009 as a balancing item to the net assets of Transmissora do Atlântico de Energia Elétrica S.A. in connection with its merger into the Company. As at December 31, 2010, the amount of R$182,284 was added to the existing balance related to the merger of Transmissora Alterosa de Energia S.A., totaling R$594,507. The annual percentage rate of utilization of the tax benefit was defined by the goodwill amortization curve study, based on projected profit of each concession. The tax benefit utilized by the Company up to December 31, 2023 amounted to R$363,827 (R$343,472 up to December 31, 2022).

(In thousands of Brazilian reais - R$, unless otherwise stated)

e) Unrealized earnings reserve – Pursuant to article 197 of Law 6.404/76, the reserve was established based on the portion of profit arising from the construction margins of the projects in progress, as such revenue will be converted into cash after the start-up of the projects and during the concession term.

f) Other comprehensive income - The changes in the fair value of financial instruments designated as cash flow hedge are recognized in line item "Other comprehensive income". As at December 31, 2023, the Company recognized loss in the amount of R$80,304 (R$53,001, net of taxes) and as at December 31, 2022, it recognized loss in the amount of R$18,261 (R$12,053, net of taxes).

g) Shareholders' compensation – The Bylaws provides for the payment of annual minimum mandatory dividends of 50%, calculated on profit for the year as set forth in Law 6404/76. The Company may, at Management's discretion, pay interest on capital, whose net amount will be considered as minimum mandatory dividend, as set forth in article 9 of Law 9249/95. Interest on capital is calculated based on the balance of equity, limited to the fluctuation, on a pro rata basis, of the Long-term Interest Rate (TJLP). The effective payment or credit of interest on capital is contingent on the existence of profit (profit for the year after deducting social contribution and before deducting the provision for income tax), calculated before deducting interest on capital, or retained earnings and earnings reserve in amount equal to or above the amount of twice the interest to be paid or credited. Interest shall be subject to withholding income tax at the rate of 15%, levied on the date of payment or credit to the beneficiary.

The Company's common and preferred shares confer the right to participate in the profits of each year under equal conditions, it also being ensured to holders of each preferred share priority in the refund of capital, without premium, in case of the Company's liquidation and, in case of transfer of its control, both by means of a single transaction or a series of successive transactions, the right to sell shares under the same terms and conditions granted to the selling controlling shareholder (tag-along with 100% of the price).

Proposal for allocation of profit for the year	12/31/2023	12/31/2022[1]
Profit for the year	1,367,834	1,449,215
Tax incentive reserve	1,352	3,177
Adjusted profit for the year	1,369,186	1,452,392
Mandatory minimum dividends - 50% (R$0.66240 per common and preferred share in 2023 and R$0.70266 per common and preferred share in 2022 – in R$)	684,593	726,196
Interim dividends paid (R$0.31860 per common and preferred share in 2023 and R$0.34249 per common and preferred share in 2022 – in R$)[2]	(329,271)	(353,959)
Interest on capital paid (R$0.40322 per common and preferred share in 2023 and R$0.39163 per common and preferred share in 2022 - in R$)	(416,728)	(404,753)
	(745,999)	(758,712)
Effective withholding income tax on interest on capital	60,389	58,564
Interim dividends and interest on capital attributed to minimum mandatory dividends	(685,610)	(700,148)
Mandatory minimum dividends - 50% (R$0.per common and preferred share in 2022)	-	(26,048)
Proposed additional dividends (R$0.37763 per common and preferred share in 2023 and R$0.44509 per common and preferred share in 2022 – in R$)	(390,283)	(460,000)
Special reserve	-	(207,632)
Unrealized earnings reserve	(232,904)	-
Summarized allocations:		
Reserves	(231,552)	(204,455)
Dividends and interest on capital paid (R$1.per common and preferred share in 2023 and R$1.per common and preferred share in 2022 - in R$)	(1,136,282)	(1,244,760)
	(1,367,834)	**(1,449,215)**

[1] Proposal ratified by the AGM of April 27, 2023. [2] Part of this amount was paid in 2024, as shown in note 25 – Events After the Reporting Period.

(In thousands of Brazilian reais - R$, unless otherwise stated)

16. INCOME TAX AND SOCIAL CONTRIBUTION CREDIT (EXPENSE)

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current IRPJ and CSLL	(44,595)	(39,480)	(2,844)	(12,401)
Deferred IRPJ and CSLL	(18,830)	(215,036)	56,471	(68,084)
	(63,425)	**(254,516)**	**53,627**	**(80,485)**

Reconciliation of effective IRPJ and CSLL rate – taxable income	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Profit before taxes	1,431,259	1,703,731	1,314,207	1,529,700
IRPJ and CSLL expenses calculated at the rate of 34%	(486,628)	(579,269)	(446,830)	(520,098)
Share of profit (loss) of subsidiaries	145,356	192,061	401,391	314,400
Tax incentive - IRPJ - SUDAM/SUDENE	40,895	14,338	(1,352)	(3,177)
Tax incentive - IRPJ – Audio-visual sponsorships	1,145	-	-	-
Tax impact on the restructuring process	(37,957)	-	(37,957)	-
Interest on capital paid	141,688	137,616	141,688	137,616
Consolidated companies – deemed income	137,492	(33,185)	-	-
Other	(5,416)	13,923	(3,313)	(9,226)
IRPJ and CSLL expense	**(63,425)**	**(254,516)**	**53,627**	**(80,485)**
Effective rate	**4%**	**15%**	**-4%**	**5%**

Tax benefit - SUDAM/SUDENE

The Company and its subsidiaries BRAS and JAN are entitled to tax benefits conferred upon by the Amazon Development Superintendence (SUDAM) and/or the Northeast Development Superintendence (SUDENE), which correspond to a 75% decrease in income tax on the operation of transmission concessions. These benefits have the following obligations: (a) prohibition of distribution to shareholders of the unpaid tax amount as a result of such benefit; (b) recognition of tax incentive reserve using the amount resulting from such benefit, which can only be used to absorb losses or increase capital; and (c) application of the benefit in activities directly related to the production in the benefited region.

Concession	Authorizing Body	Incentive-Granting Report	Location	Term
Parent				
TSN	SUDENE	274/2022	BA	12/31/2031
NVT	SUDAM	207/2014	TO and MA	12/31/2023 (*)
GTE	SUDENE	353/2022	PB and PE	12/31/2031
MUN	SUDENE	218/2022	BA	12/31/2031
ATE II	SUDENE SUDAM	251/2022 -	PI, MA and BA TO	12/31/2031 (*)
PAT	SUDENE	327/2022	RN	12/31/2031
ATE III	SUDAM	222/2018	PA and TO	12/31/2027 (*)
Subsidiaries				
BRAS	SUDAM	239/2018	MT	12/31/2027 (**)
MIR	SUDAM	141/2023	TO	12/31/2032
JAN	SUDENE	046/2022	MG	12/31/2031

(*) Currently, the project filed is being analyzed for approval and/or renewal of the report before SUDAM. (**) Currently, the project for request of renewal before SUDAM is being prepared.

Considering all companies merged into Taesa over the past years, the total tax benefit in the Company as at December 31, 2023 was approximately 56.26% on the operating profit from benefited areas.

The Company and its subsidiaries did not fail to comply with the conditions relating to their tax benefits.

(In thousands of Brazilian reais - R$, unless otherwise stated)

17. INSURANCE COVERAGE

Taesa and its subsidiaries adopt the policy of taking insurance for assets subject to risks to cover probable losses, according to the nature of their activities and have insurance coverage against fire and sundry risks for concession-related tangible assets, except for the project transmission lines. This fact is because the coverage in the insurance policies is not compatible with the effective risks of the transmission lines and the premiums charged by insurance and reinsurance companies in the market are extremely high. The Company and its subsidiaries maintain insurance for their buildings, including contents, machinery and equipment, electronic equipment, and telecommunications equipment, warehouses and inventories and have civil liability insurance for Director and Officer (D&O) and fleet.

Insurance type	Insurance company	Validity	Maximum indemnity limit R$	DM - Value at risk (*)	Full indemnity	Premium
General civil liability	Fator	07/31/23 to 07/30/24	20,000	-	-	72
Operational risk	FAIRFAX		-	1,280,944	-	3,343
	Tokio Marine		-	80,921	-	168
Vehicles (**)	Tokio Marine		-	-	100% FIPE Table	400
D&O civil liability	EZZE		60,000	-	-	74

(*) The coverage amounts for property damages to third parties, bodily injuries to third parties, personal accidents and pain and suffering vary according to the insured item. (**) The insurance policy contemplates all operational vehicles and part of the administrative vehicles.

Performance bond

Concessions ANT, PGT, TNG and SIT took performance bond for the losses arising from its failure to perform the obligations under the concession contracts, exclusively with respect to the construction of facilities described in such contracts.

Concession	Auction	Insurance company	Validity	Insured amount
ANT	002/2021	Junto Seguros S.A.	01/05/2022 to 07/01/2027	87,503
PTG	001/2022	Junto Seguros S.A.	09/05/2022 to 07/28/2027	12,158
TNG	002/2022	Junto Seguros S.A.	02/24/2023 to 06/30/2028	55,854
SIT	002/2022	Junto Seguros S.A.	02/24/2023 to 06/30/2028	14,691

The Company's insurance is taken according to the respective effective risk management and insurance policies and, given their nature, they are not part of the independent auditor's scope.

(In thousands of Brazilian reais - R$, unless otherwise stated)

18. FINANCIAL INSTRUMENTS

18.1. Risk management framework

The Company has a structured risk management process, which is a continuing and multidisciplinary practice, based on best market practices, aimed at reducing the level of uncertainty in the attainment of the Company's strategic goals and ensuring the preservation of the enterprise value and business continuity, in addition to promoting the integrated management of the main risks to which the Company is exposed. The methodology adopted in risk management is defined in the Risk Management Standard, approved in 2016 by the Board of Directors and reviewed in 2022, and is based on internationally accepted standards, such as the Enterprise Risk Management model (COSO-ERM) and ISO 31.000.

The risk management of the Company and its subsidiaries aims at identifying and analyzing the risks considered as significant by Management, including market risks (including currency, interest rate and other operational risks), credit and liquidity risk. The Company and its subsidiaries do not contract or trade financial instruments, including derivative financial instruments for speculative purposes.

18.2. Capital risk management

The Company and its subsidiaries manage their capital to ensure that they can continue as going concern, while maximizing the return to all stakeholders by optimizing the balance of debt and equity. Capital structure is comprised of net debt, that is, borrowings and financing, derivative financial instruments, debentures and lease liability, less cash and cash equivalents and securities and equity.

18.3. Categories of financial instruments

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial assets				
Fair value through profit or loss:				
- Securities	11,534	10,297	6,233	5,508
- Cash equivalents - short-term investments	1,304,814	1,082,139	1,142,576	759,050
Amortized cost:				
- Cash and banks	1,307	1,035	791	578
- Receivables from concessionaires and assignees	326,842	235,548	258,231	158,768
- Advanced apportionment and adjustment portion	793	901	-	-
	1,645,290	**1,329,920**	**1,407,831**	**923,904**
Financial liabilities				
Fair value through profit or loss:				
- Borrowings and financing	352,858	376,743	352,858	376,743
- Derivative financial instruments	21,367	(1,149)	21,367	(1,149)
Fair value through other comprehensive income:				
- Derivative financial instruments	114,372	46,237	114,372	46,237
Other financial liabilities at amortized cost:				
- Trade payables	170,505	133,728	113,493	72,161
- Borrowings and financing	50,107	55,516	36	1,996
- Debentures	9,296,833	7,717,653	8,247,206	6,707,581
- Lease liability	2,842	6,276	2,751	5,486
- Advanced apportionment and adjustment portion	66,829	19,855	45,722	3,825
	10,075,713	**8,354,859**	**8,897,805**	**7,212,880**

18.4. Market risk

Foreign exchange rate risk management

The Company is exposed to the currency risk in borrowings indexed to a currency other than the Company's functional currency, i.e., the Brazilian real (R$).

As at December 31, 2023,) of the Company's total debt (borrowings and financing, debentures, financial instruments and lease liability) was indexed to the exchange rate. To mitigate such risk, the Company has entered into derivative financial instruments (swap) to hedge all future payments of principal and interest against fluctuations of the US dollar and interest rate (Sofr). The Company intends to settle both instruments on the same dates.

29.4.2. Interest rate risk management

The Company's and its subsidiaries' revenues are adjusted based on inflation rates on a monthly basis. In case of deflation, the concessionaires' revenues will be reduced. In the event of sudden inflation increase, the concessionaires could not have their revenues adjusted on timely basis and, therefore, their profit or loss could also be impacted.

To mitigate the risk of insufficient borrowings at costs and reimbursement terms considered appropriate, the Company permanently monitors the payment schedule of its obligations and its cash generation. There were no significant changes in the Company's exposure to market risks or in the way it manages and measures such risks.

The Company and its subsidiaries are exposed to fluctuations of floating interest rates on borrowings and financing, debentures and short-term investments. Such risk is managed by the monitoring of changes in interest rates and maintenance of an appropriate mix between assets and liabilities denominated in floating interest rates. Also, the Company contracts different interest rate swaps, in which the Company agrees to swap, in specific intervals, the difference between the amounts of the variable interest rates (CDI) for the IPCA variable interest rate, calculated based on the amount of the notional principal agreed among upon the parties. These swaps intend to align the cash flow from debenture obligations with the cash flow from concessions, both subject of the hedge relationship. As at December 31, 2023, after considering the effects of the interest rate swaps, approximately 67.67% of the debentures issued by the Group were subject to inflation + fixed rate.

The Company's debt is broken down by index in note 13.1 – Borrowings and financing and note 13.2 – Debentures and concessions are broken down in note 7.

18.5. Derivative financial instruments and hedge accounting activities

<u>Derivatives not designated as hedging instrument</u>

Foreign currency-denominated borrowing

The Company takes borrowings in foreign currency and enters into swap agreements to manage its exposures. These forward currency agreements are not designated as cash flow hedges, fair value hedges or net investment hedges, and are entered into for periods consistent with the transaction exposures to the currency.

(In thousands of Brazilian reais - R$, unless otherwise stated)

	Citibank's foreign exchange swap - Sep/22	Citibank's foreign exchange swap – renegotiation – May/18
Notional amount as at 12/31/2023	US$70,000	-
Notional amount as at 12/31/2022	US$70,000	-
Company's right to receive (short position)	(SOFR + Spread: 0.44%) - (1) 1.17647	(3-month Libor + Spread: 0.34%) - (1) 1.17647
Company's obligation to pay (long position)	CDI + 0.65% p.a.	106.0% of CDI
Maturity on	09/26/2025	05/10/2023
Short position as at 12/31/2023	352,858	-
Long position as at 12/31/2023	(374,037)	-
Swap short position (long position) as at 12/31/2023 (2)	(21,179)	-
Swap short position (long position) as at 12/31/2022 (2)	1,149	-
Amount receivable (payable) as at 12/31/2023	(21,179)	-
Amount receivable (payable) as at 12/31/2022	1,149	-
Fair value as at 12/31/2023	(21,179)	-
Fair value as at 12/31/2022	1,149	-
Gains (losses) 01/01/2023 to 12/31/2023	51,011	-
Gains (losses) 01/01/2022 to 12/31/2022	1,149	(86,489)

(1) Factor 1.17647 represents the "gross up" of the income tax due on the payment of amortization and interest.
(2) Unrealized gain, recorded in the Parent's balance sheet and in the Consolidated, arising from swaps.

Transactions are recorded at the clearance and custody chamber. There is no margin deposited as collateral and the transaction has no initial cost.

Acquisition of equipment abroad

For cash hedge purpose, the Company contracted for concession Saíra Non-Deliverable Forwards (NDF), to mitigate the foreign exchange exposure originated by disbursements made in foreign currency (Swedish Krona) with its suppliers, in the amount of , maturing between 2023 and 2026.

Derivatives designated as hedging instruments – cash flow hedges

Debentures

The Company designated as hedging instrument for a cash flow hedge framework derivatives in the amount of R$400,000 relating to part of the issue of its debentures. The derivatives contracted were swaps that swap the risk of 108% of the CDI (debentures interest rate) for the IPCA (concession adjustment rate) plus fixed rates.

Thus, the effect of the cash flow hedge on the income statement and other comprehensive income is as follows:

Hedge classification	Hedged item	Hedging instrument	Notional amount	Liability index	Maturity	Gain (loss) Other comprehensive income
						12/31/2023
Cash flow hedge	**Debenture indexed to 108% of the CDI Concession of assets indexed to the IPCA**	**Swaps**	50,000	IPCA + 3.94%	05/15/2026	9,879
			50,000	IPCA + 3.91%	05/15/2026	9,913
			100,000	IPCA + 4.00%	05/15/2026	19,743
			50,000	IPCA + 3.53%	05/15/2026	10,853
			50,000	IPCA + 3.66%	05/15/2026	10,166
			100,000	IPCA + 3.99%	05/15/2026	19,750
Parent and Consolidated						**80,304**

(In thousands of Brazilian reais - R$, unless otherwise stated)

Variations in derivative financial instruments

The effects of the financial instruments on the income statement are as follows:

Variations in derivative financial instruments	12/31/2022	Interest, inflation adjustments and exchange rate changes	Fair value adjustment (profit or loss)	Fair value adjustment (OCI)	(Payments) receipts	Merger	12/31/2023
SWAP agreement (Citibank 4131) – Sep/22	(1,149)	51,798	(787)	-	(28,683)	-	21,179
SWAP agreement (Santander)	15,960	(18,234)	-	29,916	13,667	-	41,309
SWAP agreement (BR Partners)	18,426	(17,901)	-	29,656	13,502	-	43,683
SWAP agreement (Itaú)	5,970	(6,010)	-	9,879	4,521	-	14,360
SWAP LP agreement (ABC Brasil)	5,881	(6,456)	-	10,853	4,742	-	15,020
NDF Agreement Saíra (*)	-	-	-	-	-	188	188
Parent	**45,088**	**3,197**	**(787)**	**80,304**	**7,749**	**188**	**135,739**
NDF Agreement Saíra (*)	-	730			(542)	(188)	-
Consolidated	**45,088**	**3,927**	**(787)**	**80,304**	**7,207**	**-**	**135,739**

(*) Merger of subsidiaries ATE III, SAN and SIT on December 29, 2023, as shown in note 1.

Variations in derivative financial instruments	12/31/2021	Interest, inflation adjustments and exchange rate changes	Fair value adjustment (profit or loss)	Fair value adjustment (OCI)	(Payments) receipts	12/31/2022
SWAP agreement (Citibank 4131) - Sep/22[1]	-	5,870	(7,019)	-	-	(1,149)
SWAP agreement (Citibank 4131) - May/18[1]	(207,267)	70,905	15,584	-	120,778	-
SWAP agreement (Santander) [2]	11,297	(13,609)	-	6,805	11,467	15,960
SWAP agreement (BR Partners) [2]	13,869	(13,286)	-	6,534	11,309	18,426
SWAP agreement (Itaú) [2]	4,482	(4,471)	-	2,170	3,789	5,970
SWAP LP agreement (ABC Brasil) [2]	4,031	(4,904)	-	2,752	4,002	5,881
Parent and Consolidated	**(173,588)**	**40,505**	**8,565**	**18,261**	**151,345**	**45,088**

[1] Derivative financial instrument and borrowing measured at fair value. [2] Financial instrument measured at fair value and debenture at amortized cost.

18.6. Sensitivity analysis on financial instruments and derivatives

The Company and its subsidiaries conducted sensitivity analysis tests as required by the accounting practices, prepared based on the net exposure to the variable rates of the financial assets and financial liabilities, derivative and non-derivative, significant and outstanding at the end of the reporting period, assuming that the amount of assets and liabilities below was outstanding during the entire period, adjusted based on the estimated rates for a probable scenario of the risk behavior that, if occurred, may give rise to adverse results.

The rates used to calculate the probable scenarios are referenced by an independent external source, and these scenarios are used as a basis to define the two additional scenarios with stresses of 25% and 50% in the risk variable considered (scenarios A and B, respectively) in the net exposure, when applicable, as shown below:

(In thousands of Brazilian reais - R$, unless otherwise stated)

	Probable scenario	Scenario A (25% stress)	Scenario B (50% stress)	Realized up to 12/31/2023 on annual basis
CDI (i)	9.00%	11.25%	13.50%	13.04%
IPCA (i)	3.80%	4.75%	5.70%	4.62%
Sofr (ii)	5.31%	6.64%	7.97%	5.40%
PTAX	4.93000	6.16250	7.39500	4.8413
Sek	0.4841	0.6051	0.7262	0.4826

(i) According to data disclosed by the Central Bank of Brazil (BACEN) (Focus Report – Aggregate Median), on February 23, 2024. (ii) According to rates disclosed at the Bloomberg's website on February 23, 2024.

Sensitivity analyses of the net exposure of financial instruments to the increases of interest and/or exchange rates	Balance as at 12/31/2023	Effect on profit before taxes – January to December 2023 – increase (decrease)		
		Probable	Scenario A	Scenario B
Non-hedged				
Consolidated				
Financial assets				
Cash equivalents and securities				
- CDI	1,316,348	(53,180)	(23,563)	6,055
Financial liabilities				
Financing and debentures				
- CDI	3,021,245	122,041	54,063	(13,915)
- IPCA	6,509,976	53,453	(8,391)	(70,236)
		122,314	**22,109**	**(78,096)**
Non-hedged				
Parent				
Financial assets				
Cash equivalents and securities				
- CDI	1,148,809	(46,412)	(20,564)	5,285
Financial liabilities				
Financing and debentures				
- CDI	3,021,245	122,041	54,063	(13,915)
- IPCA	5,371,756	44,107	(6,924)	(57,956)
		119,736	**26,575**	**(66,586)**
Hedged				
Parent and Consolidated				
Financial liabilities (hedged debt)				
Borrowings and financing				
- Sofr	352,858	318	(4,367)	(9,051)
- Dollar	352,858	(6,465)	(96,295)	(186,126)
Derivatives				
Short position - Sofr	(352,858)	(318)	4,367	9,051
Short position – Dollar	(352,858)	6,465	96,295	186,126
Long position– CDI	374,037	15,109	6,693	(1,723)
Net effect		**15,109**	**6,693**	**(1,723)**
Financial liabilities				
Debentures				
- CDI	405,862	16,395	7,263	(1,869)
- IPCA	520,234	4,272	(671)	(5,613)
Derivatives				
Short position - CDI	(405,862)	(16,395)	(7,263)	1,869
Long position– IPCA	(520,234)	(4,272)	671	5,613
Net effect		**-**	**-**	**-**
Total net effect - Parent		**15,109**	**6,693**	**(1,723)**
Consolidated				
Derivatives				
NDF – Sek currency	188	-	(2)	(5)
Total net effect - Consolidated		**15,109**	**6,691**	**(1,728)**

18.7. Credit risk management

The credit risk refers to the risk of a counterparty not performing its contractual obligations, which would result in financial losses for the Company. This risk basically arises from investments held with banks and financial institutions.

(In thousands of Brazilian reais - R$, unless otherwise stated)

The credit risk in funds and derivative financial instruments is limited because the counterparties are represented by banks and financial institutions with satisfactory risk ratings, which represents a high probability that no counterparty will fail to perform its obligations.

With respect to the credit risk arising from transactions with customers and the concession contract asset, Management understands that it is not necessary to account for an allowance for losses or credit analyses in relation to its customers, since the CUST entered into among ONS and the grid users ensures the receipt of the amounts due by users to the transmission companies for the services provided. Also, the CUST establishes protection mechanisms for the payment of charges by the users, through the execution of the Guarantee Establishment Agreement (CCG) or the Letter of Bank Guarantee (CFB). The CUST allows managing the collection and payment of the transmission use charges and of the guarantee system execution, where the ONS acts in the name of the transmission concessionaires. The main advantages of these types of protection mechanisms include: (i) widespread risks, since all users must make payments to all transmission companies; (ii) financial guarantees are provided individually by the users; and (iii) payment negotiations are made directly between transmission companies and users. In case of failure to pay, the Company, as the transmission agent, may request ONS to enforce the user's bank guarantee in connection with the CCG or the CFB.

18.8. Liquidity risk management

The Company and its subsidiaries manage the liquidity risk by maintaining adequate reserves, bank credit lines and credit facilities to raise new borrowings, based on the monitoring of cash flows and maturity profiles.

The table below: (a) shows in details the remaining contractual maturity of the non-derivative financial liabilities (and the Company's and its subsidiaries' contractual repayment terms), notably related to borrowings and financing, debentures and derivative instruments, as the other non-derivative financial liabilities, such as trade payables and other financial liabilities, mature within less than 12 months, as shown in the balance sheet; (b) has been prepared according to undiscounted cash flows of financial liabilities based on the closest date in which the Company and its subsidiaries must settle their relevant obligations; and (c) includes the interest and principal cash flows.

Borrowings, financing, debentures and derivative financial instruments	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Floating	581	90,668	1,544,071	5,125,865	13,380,961	20,142,146
Fixed	5	9	23	-	-	37
Derivative financial instruments	160	22,648	65,512	659,657	-	747,977
Consolidated	**746**	**113,325**	**1,609,606**	**5,785,522**	**13,380,961**	**20,890,160**
Floating	-	89,270	1,468,658	4,763,951	10,568,662	16,890,541
Fixed	5	9	23	-	-	37
Derivative financial instruments	-	22,648	65,512	659,628	-	747,788
Parent	**5**	**111,927**	**1,534,193**	**5,423,579**	**10,568,662**	**17,638,366**

18.9. Operational risk management

It is the risk of incurring direct or indirect losses due to a series of reasons associated to the Company's business processes, personnel, technology, and infrastructure, as well as external factors, except credit, market and liquidity risks, such as those arising from legal and regulatory requirements, and generally accepted corporate behavior standards. The main operational risks to which the Company and its subsidiaries are exposed are:

Regulatory risks – Extensive legislation and governmental regulation issued by the following bodies: Ministry of Mines and Energy (MME), ANEEL, ONS, Ministry of Environment and Brazilian Securities and Exchange Commission (CVM). If the Company infringes any provisions of the applicable law or regulation, such infringement may result in the imposition of penalties by the competent authorities.

Insurance risk – Insurance taken against operational risk and civil liability for its substations. Although the Company adopts insurance taking criteria for operational risk and civil liability in order to implement the best practices adopted by other recognized companies operating in the sector, damages to the transmission lines against losses arising from fire, lightning, explosion, short circuit and power interruption, are not covered, which could give rise to significant additional costs and investments.

Discontinued service risk - In case of discontinued services, the Company and its subsidiaries will reduce their revenues due to some penalties applied depending on the type, level and period of discontinued services, as determined by the regulatory agency. In case of discontinued services for a long period, the related effects can be relevant.

Infrastructure construction and development risk - Should the Company and its subsidiaries expand their businesses through the construction of new transmission facilities, they might be exposed to the risks inherent in the construction activity, works delays and potential environmental damages that could give rise to unexpected costs and/or penalties. In case of any delay or environmental damage within the scope of the infrastructure construction and development, these events may adversely affect the Company's and its subsidiaries' operating performance or delay its expansion programs, in which event the Company's and its subsidiaries' financial performance could be adversely impacted.

As the Company and its subsidiaries may rely on third parties to obtain the equipment used in their facilities, they are subject to price increases and failure by these suppliers, such as the delays in the delivery of equipment or delivery of damaged equipment. These failures may adversely affect activities and profit or loss.

In addition, in view of the technical specifications of the equipment used in their facilities, only a few suppliers and, in some cases only one supplier, are available.

If any supplier discontinues production or suspends the sale of any of the equipment acquired, such equipment may not be acquired from other suppliers. In this case, the provision of power transmission services may be affected, and the Company and its subsidiaries may be required to make unexpected investments to develop or finance the development of new technology to replace such unavailable equipment, which may adversely affect their financial condition and results of operations.

Technical risk – Any event of act of God or force majeure may cause economic and financial effects higher than those estimated in the original project. In these cases, the costs necessary for the recovery of facilities to operating conditions must be borne by the Company and its subsidiaries. If these risks materialize, the Company's financial and operating performance may be adversely impacted.

Litigation risk – The Company and its subsidiaries are parties to various legal and administrative proceedings, which are monitored by their legal counsel. The Company periodically analyzes the information released by its legal counsel to conclude on the likelihood of favorable outcome on the lawsuits, thus avoiding financial losses and damages to its reputation and seeking cost efficiency.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Senior Management is responsible for developing and implementing controls to mitigate operational risks: (i) requirements for appropriate segregation of duties, including independent authorization of transactions; (ii) requirements for transaction reconciliation and monitoring; (iii) compliance with regulatory and legal requirements; (iv) control and procedure documentation; (v) requirements for periodic assessment of operational risks faced and adjustment of controls and procedures to address the identified risks; (vi) operating loss and proposed corrective actions reporting requirements; (vii) development of contingency plans; (viii) professional training and development; (ix) ethical and business standards; and (x) risk mitigation, including insurance, where effective.

18.10. Fair value hierarchy of derivative and non-derivative financial instruments

The different levels were as follows: (a) Level 1 - prices quoted (unadjusted) in active markets for identical assets and liabilities; (b) Level 2 – inputs, other than quoted prices, included in Level 1, which are directly (prices) or indirectly (derived from prices) observable for an asset or liability; and (c) Level 3 - assumptions, for an asset or liability that are not based on observable market data (unobservable inputs). There was no level change for these financial instruments in the year ended December 31, 2023 and December 31, 2022.

18.10.1. Financial instruments measured at fair value through profit or loss

	Note	Consolidated		Parent		Fair value hierarchy
		12/31/2023	12/31/2022	12/31/2023	12/31/2022	
Securities	5	11,534	10,297	6,233	5,508	Level 2
Cash equivalents - short-term investments	4	1,304,814	1,082,139	1,142,576	759,050	Level 2
Financial assets		**1,316,348**	**1,092,436**	**1,148,809**	**764,558**	
Borrowings and financing	13.1	352,858	376,743	352,858	376,743	Level 2
Derivative financial instruments	18.5	21,367	(1,149)	21,367	(1,149)	Level 2
Financial liabilities		**374,225**	**375,594**	**374,225**	**375,594**	

Financial instruments not measured at fair value through profit or loss (however, fair value disclosures are required)

Except as detailed in the table below, Management understands that the carrying amounts of other financial assets and financial liabilities not measured at fair value, recognized in this financial information, approximate their fair values.

	Note	12/31/2023		12/31/2022		Fair value hierarchy
		Carrying amount	Fair value	Carrying amount	Fair value	
Consolidated						
Debentures – financial liabilities	13.2	9,296,833	9,164,328	7,717,653	7,514,929	Level 2
Parent						
Debentures – financial liabilities	13.2	8,247,206	8,159,558	6,707,581	6,676,647	Level 2

Debentures: Management considers that the carrying amounts of the debentures, classified as "other financial liabilities at amortized cost", approximate their fair values, except when these debentures have a Unit Price (UP) in the secondary market close to the reporting period, which fair values were measured based on quotations.

As for other financial assets and financial liabilities not measured at fair value, Management considers that the carrying amounts approximate their fair values, as: (i) they have average receipt/payment term below 60 days; (ii) they are concentrated on fixed-income securities, yielding interest at the CDI rate; and (iii) there are no similar instruments, with comparable maturities and interest rates.

(In thousands of Brazilian reais - R$, unless otherwise stated)

19. EARNINGS PER SHARE

	Parent	
	12/31/2023	12/31/2022
Profit for the year	1,367,834	1,449,215
Profit for the year proportional to the common shares (1)	781,811	828,326
Weighted average number of common shares (2) (*)	590,714	590,714
Profit for the year proportional to the preferred shares (3)	586,023	620,889
Weighted average number of preferred shares (4) (*)	442,783	442,783
Basic and diluted earnings per common share - R$ = (1) and (2) (**)	1.32350	1.40224
Basic and diluted earnings per preferred share - R$ = (3) and (4) (**)	1.32350	1.40224

(*) Number in lots of 1,000 shares. (**) The Company does not have dilutive instruments.

20. NET OPERATING REVENUE

Breakdown of net operating revenue	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Compensation for concession contract asset	1,131,351	1,047,880	570,124	608,415
Inflation adjustment to concession contract asset (a)	207,585	565,457	(151,450)	289,581
Operation & maintenance	1,077,062	1,008,548	924,093	898,641
Infrastructure implementation (b)	1,223,674	261,469	113,540	4,951
Variable portion (c)	(3,562)	(60,156)	6,105	(58,524)
Other revenue	58,513	46,210	42,907	31,624
Gross operating revenue	**3,694,623**	**2,869,408**	**1,505,319**	**1,774,688**
Current PIS and COFINS	(148,024)	(137,102)	(88,684)	(87,519)
Deferred PIS and COFINS	(81,297)	(28,016)	14,460	8,394
Service tax (ISS)	(467)	(446)	(467)	(446)
State VAT (ICMS)	-	(35)	-	(35)
Sector charges (d)	(102,719)	(87,292)	(85,909)	(73,699)
Revenue deductions	**(332,507)**	**(252,891)**	**(160,600)**	**(153,305)**
Net operating revenue	**3,362,116**	**2,616,517**	**1,344,719**	**1,621,383**

(a) The inflation adjustment loss refers basically to accumulated IGP-M in 2023, according to ANEEL's methodology (deflation of 3.46% for the twelve-month period). (b) Includes revenue from the lots won in the auction of December 2022, as detailed in note 24. (c) Portion to be deducted from the transmission company's revenue for failing to provide appropriate public transmission services. The variable portion can be classified as Unscheduled when the system becomes unavailable due to accident and as Scheduled when there is maintenance in equipment part of the transmission line. (d) Sector charges defined by ANEEL and set forth in the law, used in R&D incentives, establishment of RGR of public services, inspection fee, Energy Development Account and Alternative Power Sources Incentive Program.

Average performance obligation margins	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Infrastructure implementation				
- Revenue	1,223,673	261,469	113,539	4,951
- Costs	(949,593)	(232,068)	(76,861)	(2,111)
Margin (R$)	**274,080**	**29,401**	**36,678**	**2,840**
Perceived margin (%) (*)	**22.40%**	**11.24%**	**32.30%**	**57.36%**
Operation & Maintenance – O&M				
- Revenue	1,077,062	1,008,548	924,093	898,641
- Costs	(291,127)	(266,380)	(143,994)	(198,888)
Margin (R$)	**785,935**	**742,168**	**780,099**	**699,753**
Perceived margin (%) (**)	**72.97%**	**73.59%**	**84.42%**	**77.87%**

(*) The variations basically refer to the margins determined for concessions Tangará, Pitiguari and Sant'Ana, and for the enhancements of concessions Novatrans and TSN, in the compared periods. (**) The variation refers basically to the implementation of two sections of the Sant'Ana project and the startup of activities of Saíra (1st phase).

Reconciliation between gross revenue and the revenue recorded for IRPJ and CSLL taxable purposes	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Gross operating revenue	3,694,623	2,869,408	1,505,319	1,774,688
(+/-) Effects of corporate adjustments and taxes on cash basis	(54,392)	(305,418)	145,859	(220,857)
Taxable gross operating revenue	**3,640,231**	**2,563,990**	**1,651,178**	**1,553,831**

(In thousands of Brazilian reais - R$, unless otherwise stated)

21. NATURE OF COSTS AND EXPENSES

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
- Salaries and wages	(122,522)	(107,983)	(75,708)	(79,175)
- Benefits	(71,069)	(60,087)	(60,842)	(53,240)
- FGTS and INSS	(47,538)	(42,175)	(40,191)	(37,598)
Personnel	**(241,129)**	**(210,245)**	**(176,741)**	**(170,013)**
- Infrastructure cost	(949,593)	(232,068)	(76,861)	(2,111)
- O&M	(80,809)	(99,651)	(40,202)	(84,645)
- Other	(19,258)	(6,764)	(6,732)	(5,541)
Materials	**(1,049,660)**	**(338,483)**	**(123,795)**	**(92,297)**
Outside services	**(126,349)**	**(89,624)**	**(79,369)**	**(67,388)**
Depreciation and amortization	**(17,924)**	**(24,978)**	**(17,419)**	**(23,186)**
Other operating costs	**(19,486)**	**(76,786)**	**22,135**	**(20,089)**
Total costs and expenses	**(1,454,548)**	**(740,116)**	**(375,189)**	**(372,973)**

The income statement uses a classification of costs and expenses based on their function, which nature of the main amounts is as follows:

Costs and expenses on outside services: expenses on operation & maintenance, sharing of facilities, surveillance, cleaning and upkeep, software, transportation, property maintenance, electric power and audit.

Costs on materials: expenses on construction, operation & maintenance of the transmission lines and substations.

Other operating income, costs and expenses: indemnities relating to the acquisitions of SPT and SJT, provision for civil risks, fuel, expenses on rents, insurance, expenses on taxes and contributions, consumables.

22. FINANCE INCOME (COSTS)

	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Interest on short-term investments	148,008	164,995	99,842	130,627
Finance income	**148,008**	**164,995**	**99,842**	**130,627**
Borrowings and financing				
- Interest incurred	(26,819)	(16,294)	(22,951)	(11,209)
- Exchange rate changes	26,348	43,088	26,348	43,088
- Fair value adjustment	(787)	(2,617)	(787)	(2,617)
	(1,258)	**24,177**	**2,610**	**29,262**
Debentures				
- Interest incurred	(755,556)	(606,263)	(701,770)	(549,892)
- Inflation adjustments	(250,508)	(246,215)	(202,038)	(192,894)
	(1,006,064)	**(852,478)**	**(903,808)**	**(742,786)**
Derivative financial instruments				
- Interest incurred	23,151	2,584	23,151	2,584
- Exchange rate changes	(27,078)	(43,088)	(26,348)	(43,088)
- Fair value adjustment	787	(8,566)	787	(8,566)
	(3,140)	**(49,070)**	**(2,410)**	**(49,070)**
Total finance costs linked to debts	**(1,010,462)**	**(877,371)**	**(903,608)**	**(762,594)**
Leases	(335)	(943)	(317)	(841)
Other finance income (costs), net	(41,033)	(24,238)	(31,801)	(10,610)
Finance costs	**(1,051,830)**	**(902,552)**	**(935,726)**	**(774,045)**
Finance income (costs), net	**(903,822)**	**(737,557)**	**(835,884)**	**(643,418)**

(In thousands of Brazilian reais - R$, unless otherwise stated)

Finance costs linked to debts – per type	Consolidated		Parent	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Interest incurred	(759,224)	(619,973)	(701,570)	(558,517)
Inflation adjustments	(250,508)	(246,215)	(202,038)	(192,894)
Foreign exchange differences	(730)	-	-	-
Fair value adjustments	-	(11,183)	-	(11,183)
	(1,010,462)	**(877,371)**	**(903,608)**	**(762,594)**

23. PENSION PLAN - DEFINED CONTRIBUTION

The Taesaprev Plan was created at Forluz, a closed-end supplementary private pension entity, of which the Company and its subsidiaries ATE III, MIR, JAN, BRAS, SAN, SJT, SPT, LNT and ANT became the sponsors. The approvals at PREVIC were published at the Official Gazette on March 27, 2012 (Taesa, ATE III, MIR and JAN) and August 02, 2021 (BRAS SAN, SJT, SPT and LNT), August 30, 2022 (ANT). As at December 31, 2023, 71.45% of the Company’s and its subsidiaries’ workforce were beneficiaries of the Taesaprev Plan (71.16% as at December 31, 2022).

The Company’s sole obligation is to make contributions as determined by the private pension plan’s rules, which are settled up to the month subsequent to the recognition of these expenses. The plan assets are recorded separately from the other Company’s other assets, under Forluz’s control. The main sponsor of Forluz is CEMIG (sponsor-founder), one of the Company’s controlling shareholders.

The Company may, at any time, according to the law, request the withdrawal of the sponsorship, which will depend on the governmental authority’s approval, and will be subject to the prevailing law. In case of a hypothetical withdrawal of the plan sponsor, the sponsor’s commitment is fully covered by the plan assets. The amounts of liabilities, costs and expenses are shown in note 12.

24. OTHER INFORMATION

<u>Environmental aspects</u>

The obligations for execution of environmental compensation projects are in progress, based on the schedules established in the respective instruments, when applicable. The environmental compensations provisioned by the Company and its subsidiaries are recorded in line item “Other payables”.

The National Environmental Policy establishes that the regular operation of the effective or potentially pollutant activities or those that would somehow cause environmental damages is subject to the previous environmental license.

Licenses issued to the Company and its operating subsidiaries						
Company	**Section**	**Operating license #**	**Issuance date**	**Maturity**	**Issuing body**	
Taesa (NVT)	Samambaia/DF –Imperatriz/MA	384/2004	09/06/2011	09/06/2021	IBAMA	(a)
Taesa (TSN)	Serra da Mesa/GO - Sapeaçu/BA	287/2002	08/27/2018	08/27/2028	IBAMA	-
Taesa (MUN)	Camaçari II – Sapeaçu	2005-002212/TEC/LO-0044	07/24/2005	07/24/2010	IMA	(b)
Taesa (GTE)	Goianinha - Mussuré SE Norfil	339/2003 2671/2023	06/26/2015 11/23/2023	06/26/2025 11/23/2028	IBAMA SUDEMA	- -
Taesa (PAT)	Paraíso-Açu	2018-130625/TEC/RLO-1289	06/05/2020	06/05/2026	IDEMA	(d)
Taesa (ETEO)	Taquaraçu – Sumaré	00026/2008	06/13/2008	06/13/2014	CETESB	(c)
Taesa (NTE)	Angelim - Campina Grande Xingó – Angelim	349/2003 350/2003	12/23/2015 12/23/2015	12/23/2025 12/23/2025	IBAMA	- -
Taesa (ATE)	Londrina – Araraquara	492/2005	02/29/2012	03/01/2022	IBAMA	(a)
Taesa (STE)	Uruguaiana - Santa Rosa	00714/2022	03/08/2022	03/08/2027	FEPAM	-
Taesa (ATE II)	Colinas – Sobradinho	579/2006	02/01/2016	02/01/2026	IBAMA	-
ATE III	Itacaiunas – Colinas Marabá – Carajás	753/2008 13722/2022	06/17/2008 09/26/2022	06/17/2012 09/25/2027	IBAMA SEMAS/PA	(a) -
MIR	Substation Palmas	3359/2019	07/11/2019	07/11/2024	NATURATINS	-

(In thousands of Brazilian reais - R$, unless otherwise stated)

Licenses issued to the Company and its operating subsidiaries						
Company	**Section**	**Operating license #**	**Issuance date**	**Maturity**	**Issuing body**	
	Substation Miracema	3523/2019	07/16/2019	07/16/2024		-
	Lajeado – Palmas	4149/2019	08/07/2019	08/07/2029		-
	Substation Lajeado	4174/2019	08/08/2019	08/08/2024		-
	Miracema – Lajeado	5297/2019	09/02/2019	09/02/2029		-
MAR	Itabirito II – Vespasiano II	160/2018	01/24/2019	12/21/2028	COPAM	-
SPT	TL 230 Substation Barreira II, Substation Rio Grande II-Barreiras/São Desidério	10707/2017	11/06/2015	11/06/2020	INEMA	(b)
	TL 230 Substation Gilbués, Substation Bom Jesus, Substation Eliseu Martins – PI	382/2016	06/16/2016	06/16/2020	SEMAR-PI	(f)
SJT	TL 500 Substation Gilbués II - Substation São João do Piauí	381/2016	06/16/2016	06/16/2020	SEMAR-PI	(f)
LNT	TL Currais Novos II - Lagoa Nova II	111138/2017	12/08/2017	12/08/2023	IDEMA	(e)
	Substation Currais Novos II	129600/2018	12/28/2018	12/28/2024		-
BRA	Brasnorte – Nova Mutum	324072/2021	04/14/2021	04/13/2026	SEMAT/MT	-
	Juba – Jauru	312086/2015	10/07/2021	10/06/2026	SEMAT/MT	-
SIT	Garabi - Itá I and II	1293/2015	04/06/2015	04/06/2025	IBAMA	-
JAN	TL 500 KV Bom Jesus da Lapa 2 - Janaúba 3 - Pirapora 2	1623/2021	08/31/2021	08/31/2031	IBAMA	-
SAN	TL 230kV Livramento 3 / Santa Maria 3	01976/2023	07/03/2023	04/28/2028	FEPAM	-
	TL 230kV Livramento 3 / Alegrete 2	14134/2023	12/21/2023	01/12/2027	FEPAM	(g)
	Substation Maçambará 3	0335/2022	09/28/2022	09/29/2027	FEPAM	-
	Substation Livramento 3	954/2022	02/07/2022	02/07/2027	FEPAM	-

(a) Renewal requested to IBAMA and effective until its response (CONAMA Resolution 237/97);
(b) The Environmental Institute (IMA) of the Bahia State (Decree 11.235/08) exempts transmission or distribution lines from renewing the operating license;
(c) Renewal requested to CETESB and effective until its response;
(d) The former license 2014-072326 TEC/LS 0062 related to the Section Paraíso-Açu Lagoa Nova II, which was effective up to 08/19/2020 was unified in the recent license renewal of Paraíso-Açu;
(e) Renewal requested to INEMA/RN. Effective until the body's response;
(f) Renewal requested to SEMAR/PI and effective until its response (CONAMA Resolution 237/97);
(g) Rectification of the license number made by the body.

Licenses issued to subsidiaries under construction						
Company	**Section**	**Previous License No.**	**Installation license single No.**	**Issuance date**	**Maturity**	**Issuing body**
ANT	TL 525kV Bateias - Curitiba Leste	302297/23	-	08/07/2023	08/07/2028	SEDEST
	TL 500 kV Ponta Grossa - Assis	684/2023	-	09/18/2023	09/18/2028	IBAMA
PTG	TL 230 KV Abdon Batista - Videira C1 AND C2 - CD; TL 230 KV Abdon Batista - Barra Grande C3 – CS	-	267/2024	01/31/2024	01/31/2030	IMA
TNG	TL 230 kV Encruzo Novo - Santa Luzia III	1215406/2023	-	11/30/2023	11/30/2025	SEMA-MA
	TL 230 kV Açailândia - Dom Eliseu II (+ Substation Açailândia e SE Dom Eliseu II)	688/2023	-	12/27/2023	02/27/2027	IBAMA-MA
	Substation Encruzo Novo	-	1002952/2024	01/08/2024	01/08/2028	SEMA-MA
	TL 500 kV Santa Luiz III - Açailândia/Miranda II (Sectioning)	1018107/2024	-	02/01/2024	02/01/2026	SEMA-MA
	Substation Santa Luzia III	-	1019800/2024	02/05/2024	02/05/2026	SEMA-MA

Ivaí Project – On March 03, 2024, the Ivaí project implementation activities were completed, and the Instrument of Final Release was requested to the ONS.

Sant'Ana Project – The project started operations during 2023 and, currently, it receives 95.4% of its RAP. There are technical pending items that are being reconciled with the regulatory body and, once resolved, the Company will start to receive 100% of its RAP.

Inauguration of the System Operation Center (COS) – On August 24, 2023, the new System Operation Center was inaugurated at the Company's head office. The COS is ready to increase the operational capacity and support the Company's growth in the transmission sector, in addition to offering more reliability and operational security for the development of the energy sector in Brazil.

Instrument of Final Release ("TLD") of ESTE - On March 13, 2023, associate Empresa Sudeste de Transmissão de Energia S.A. obtained from the National Electric System Operator ("ONS") the

TLD authorizing the definitive startup of activities of the transmission facilities beginning March 3, 2023. The Company stresses that, pursuant to the notice to the market published on February 21, 2022, ESTE had already obtained from the ONS the Instrument of Release of Revenue ("TLR"), which authorized the receipt of revenue beginning February 9, 2022, due to the availability of the transmission facilities for the National Interconnected System ("SIN").

Tangará Project – On December 16, 2022, the Company won Lot 3 of Transmission Auction 002/2022-ANEEL, comprised of 279 Km of transmission lines with 230 and 500 Kv, in the states of Maranhão and Pará. The new project called Tangará Transmissora de Energia Elétrica S.A. ("TNG"), will have a RAP of R$94,980, CAPEX ANEEL of R$1,117,077, concession period of 30 years and ANEEL construction period of 60 months, both counted from the execution date of the concession contract on March 30, 2023.

Saíra Project – On December 16, 2022, the Company won lot 5 of the Transmission Auction 002/2022-ANEEL, which consists of continuing with the provision of the existing public transmission service and modernization of the control and tele-protection systems of converters Garabi I and Garabi II, in the states of Santa Catarina and Rio Grande do Sul. The new project called Saíra Transmissora de Energia Elétrica S.A. ("SIT"), will have a CAPEX ANEEL of R$1,175,720, concession period of 30 years and ANEEL construction period of 60 months, both counted from the execution date of the concession contract on March 30, 2023.

Since March 31, 2023 Saíra started to be entitled to a RAP of R$114,305, relating to the part that is in operation, which accounts for 72.24% of the total RAP, which is R$158,223 for the 2023/2024 cycle. The remaining 27.76% will be received after completion of the renovation

As part of the investment amount of lot 5, the Company paid the indemnification of R$870,624 to the previous concessionaire, and started to carry out the entire operation and maintenance of lot 5. As the indemnification is linked to part of the project that is already under operation, the Company treated the transaction as an acquisition of concession contract asset, recording the disbursed amount in its assets.

25. EVENTS AFTER THE REPORTING PERIOD

Change in the Executive Board – On February 21, 2024, Mr. André Augusto Telles Moreira submitted a letter of resignation from the position of the Company's Chief Executive Officer and Chief Legal and Regulatory Officer. The Chief Financial and Investor Relations Officer, Mr. Rinaldo Pecchio Junior, has temporarily assumed the position of Chief Executive Officer while the Company conducts the succession process.

Payment of interim dividends – On January 16, 2024, the Company paid the amount of R$228,003 relating to interim dividends for 2023.

Payment of interest and principal of the 1st and interest of the 2nd series of the 11th issue of debentures – On January 15, 2024, the Company paid to debenture holders the amount of R$128,682, of which R$9,952 as interest and R$75,000 as principal for the 1st series and R$43,730 as interest for the 2nd series.

Payment of interest and principal of the 1st issue of debentures of JAN – On January 15, 2024, JAN paid to debenture holders the amount of R$14,022, of which R$8,529 as interest and R$5,493 as principal.

(In thousands of Brazilian reais - R$, unless otherwise stated)

Capital increase in subsidiaries

	Payment date	Approval date	Approving body	Amount
Ananaí	01/05/2024	12/26/2023	EGM	146,000
Pitiguari	01/05/2024	12/26/2023	EGM	10,000
Tangará	01/05/2024	12/26/2023	EGM	10,000
Ananaí	02/08/2024	02/05/2024	EGM	60,000

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Executive Board	
Officers	**Title**
Rinaldo Pecchio Junior	Chief Executive Officer
Vacant	Chief Legal and Regulatory Officer
Rinaldo Pecchio Junior	Chief Financial and Investor Relations Officer
Marco Antonio Resende Faria	Chief Technical Officer
Fábio Antunes Fernandes	Chief Business and Equity Interest Management Officer
Luis Alessandro Alves	Chief Implementation Officer

Board of Directors
Active Members
Reynaldo Passanezi Filho (appointed by CEMIG)
José Reinaldo Magalhães (appointed by CEMIG)
Reinaldo Le Grazie (appointed by CEMIG)
Jaime Leôncio Singer (appointed by CEMIG)
Maurício Dall’Agnese (appointed by CEMIG)
Ana Milena López Rocha (appointed by ISA)
César Augusto Ramírez Rojas (appointed by ISA)
Gabriel Jaime Melguizo Posada (appointed by ISA)
Fernando Bunker Gentil (appointed by ISA)
Vacant (independent member)
Mario Engler Pinto Junior (independent member)
Celso Maia de Barros (independent member)
Hermes Jorge Chipp (independent member)

Supervisory Board	
Active Members	**Alternates**
Felipe José Fonseca Attiê (appointed by CEMIG)	Eduardo José de Souza (appointed by CEMIG)
Frederico Papatella Padovani (appointed by CEMIG)	Luiz Felipe da Silva Veloso (appointed by CEMIG)
Manuel Domingues de Jesus e Pinho (appointed by ISA)	Luciana dos Santos Uchôa (appointed by ISA)
Murici dos Santos (noncontrolling preferred shareholders)	Ana Patrícia Alves Costa Pacheco (noncontrolling preferred shareholders)
Marcello Joaquim Pacheco (noncontrolling common shareholders)	Rosangela Torres (noncontrolling common shareholders)

Marcelo Meira Trunquim Fernandez
Accountant CRC RJ-087299/O-7
CPF nº 009.111.247-80

SUPERVISORY BOARD'S OPINION

The undersigned members of the Supervisory Board of Transmissora Aliança de Energia Elétrica S.A. ("Company"), gathered at the Company's head office, in performing their legal and statutory duties, considering the statement of the Company's Executive Board dated March 6, 2024, have examined the management report and other documents comprising the Company's individual and consolidated financial statements for the year ended December 31, 2023, together with the independent auditor's opinion issued on that date, as well as management's proposal for allocation of profit for 2023. After verifying that the aforesaid documents reflect the Company's financial and management position and, also considering the clarifications provided by the representatives of management and its independent auditors - Deloitte Touche Tohmatsu Auditores Independentes Ltda., they are favorable to the approval of said documents to be submitted to the Annual General Meeting, pursuant to Law 6.404/76 and other applicable legislation.

Rio de Janeiro, March 6, 2024.

Manuel Domingues de Jesus e Pinho Active member	Felipe José Fonseca Attiê Active member
Frederico Papatella Padovani Active member	Murici dos Santos Active member

Marcello Joaquim Pacheco
Active member

STATEMENT OF THE EXECUTIVE BOARD

The undersigned members of the Executive Board of Transmissora Aliança de Energia Elétrica S.A. ("Company"), in performing their legal and statutory duties, declare that they have reviewed, discussed and agree with the Company's financial statements for the year ended December 31, 2023, and related additional documents.

Rio de Janeiro, March 6, 2024.

Rinaldo Pecchio Junior Chief Executive and Financial and Investor Relations Officer	Fábio Antunes Fernandes Chief Business and Equity Interest Management Officer
Marco Antônio Resende Faria Chief Technical Officer	Luis Alessandro Alves Chief Implementation Officer

STATEMENT OF THE EXECUTIVE BOARD

The undersigned members of the Executive Board of Transmissora Aliança de Energia Elétrica S.A. (“Company”), in performing their legal and statutory duties, declare that they have reviewed, discussed and agree with the opinion of the Company’s independent auditors expressed in the independent auditor’s report, related to the Company’s financial statements for the year ended December 31, 2023, and related additional documents.

Rio de Janeiro, March 6, 2024.

Rinaldo Pecchio Junior Chief Executive and Financial and Investor Relations Officer	Fábio Antunes Fernandes Chief Business and Equity Interest Management Officer
Marco Antônio Resende Faria Chief Technical Officer	Luis Alessandro Alves Chief Implementation Officer