
REVIEW OF THE PERFORMANCE OF THE COMPANY IN THE QUARTER

Comments on the performance are expressed in thousands of Reais, unless otherwise noted.

Analysis of results**CPFL Energia (Parent Company)**

In this quarter, the increase in net profit was R\$ 63,237, when compared to the same period of the previous year (R\$ 1,188,887 in 2023 and R\$ 1,252,125 in 2022), mainly due to increases in: (i) results of equity, R\$ 25,408, (ii) net financial result, R\$ 21,163; partially offset by the increase in income tax and social contribution expenses by R\$ 14,774.

COMMENTS ON THE CONSOLIDATED PERFORMANCE

Empresa: CPFL Energia S.A.

	Consolidated					
	2nd Quarter			1st Semester		
	2023	2022	Variation	2023	2022	Variation
Gross operating revenue	13,646,275	13,952,179	-2.2%	27,056,752	27,377,029	-1.2%
Electricity sales to final consumers (*)	7,814,789	8,660,025	-9.8%	16,163,650	18,933,212	-14.6%
Electricity sales to wholesaler's (*)	1,262,805	1,063,917	18.7%	2,552,819	2,108,944	21.0%
Concession's infrastructure construction revenue	1,146,774	1,266,641	-9.5%	2,071,777	2,308,861	-10.3%
Other operating revenues (*)	2,956,469	2,873,328	2.9%	5,833,950	5,286,238	10.4%
Sector financial assets and liabilities	465,438	88,269	427.3%	434,557	(1,260,226)	-134.5%
Deductions from operating revenue	(4,257,358)	(4,627,862)	-8.0%	(7,828,595)	(8,765,256)	-10.7%
Net operating revenue	9,388,917	9,324,318	0.7%	19,228,157	18,611,773	3.3%
Cost of electricity energy services	(4,176,941)	(4,177,109)	0.0%	(8,553,156)	(8,854,040)	-3.4%
Electricity purchased for resale	(3,006,835)	(3,339,594)	-10.0%	(6,144,274)	(6,705,344)	-8.4%
Electricity network usage charges	(1,170,106)	(837,514)	39.7%	(2,408,882)	(2,148,696)	12.1%
Operating costs and expenses	(2,797,603)	(2,900,367)	-3.5%	(5,349,505)	(5,453,537)	-1.9%
Personnel	(531,778)	(499,079)	6.6%	(1,022,960)	(1,002,592)	2.0%
Private pension entity	(48,728)	(73,568)	-33.8%	(92,659)	(147,115)	-37.0%
Materials	(113,447)	(124,612)	-9.0%	(238,269)	(231,583)	2.9%
Third-party services	(247,871)	(161,894)	53.1%	(463,533)	(307,056)	51.0%
Depreciation/amortization	(475,835)	(392,056)	21.4%	(935,135)	(781,442)	19.7%
Amortization of concession intangibles	(80,164)	(81,470)	-1.6%	(160,410)	(162,939)	-1.6%
Concession infrastructure construction cost	(1,090,781)	(1,264,277)	-13.7%	(2,005,002)	(2,304,449)	-13.0%
Other expenses	(209,000)	(303,411)	-31.1%	(431,538)	(516,361)	-16.4%
Income from electric energy service	2,414,373	2,246,842	7.5%	5,325,495	4,304,197	23.7%
Financial result	(685,329)	(648,915)	5.6%	(1,236,424)	(1,080,653)	14.4%
Financial income	490,196	572,941	-14.4%	1,019,636	1,136,631	-10.3%
Financial expenses	(1,175,526)	(1,221,855)	-3.8%	(2,256,059)	(2,217,284)	1.7%
Equity interest in subsidiaries, associates and joint ventures	83,544	127,344	-34.4%	163,058	242,260	-32.7%
Result before taxes	1,812,588	1,725,272	5.1%	4,252,129	3,465,805	22.7%
Social contribution	(150,851)	(124,432)	21.2%	(362,055)	(279,827)	29.4%
Income tax	(414,783)	(338,262)	22.6%	(992,445)	(761,418)	30.3%
Net income for the period	1,246,954	1,262,578	-1.2%	2,897,629	2,424,559	19.5%
Net income attributed to controlling shareholders	1,188,887	1,252,125	-5.1%	2,782,907	2,354,588	18.2%
Net income attributed to non-controlling shareholders	58,067	10,453	455.5%	114,722	69,971	64.0%
EBITDA	3,054,060	2,847,857	7.2%	6,584,389	5,491,128	19.9%

Reconciliation of Net Income and EBITDA

Net income	1,246,954	1,262,578	2,897,629	2,424,559
Depreciation and amortization	555,998	473,525	1,095,545	944,381
Amortization of asset value	145	145	290	290
Financial result	685,329	648,915	1,236,424	1,080,653
Social contribution	150,851	124,432	362,055	279,827
Income tax	414,783	338,262	992,445	761,418
EBITDA	3,054,060	2,847,857	6,584,388	5,491,128

(*) For the purpose of presenting the performance comment, the reclassification of revenue from network availability to captive consumers was not carried out
- TUSD

Gross operating revenue:

Gross operating revenue in the 2nd quarter of 2023, was R\$ 13,646,275, representing a decrease of 2.2% (R\$ 305,904) when compared to the same period of the previous year.

The main factors for this variation were:

- Decrease of 9.8% (R\$ 845,236) in the supply of electricity, due to decreases of (i) 6% in average tariffs (R\$ 500,446), mainly due to the application of the tariff flag and reduction of the ICMS rate for the state of São Paulo from 25% to 18% for the residential class and (ii) 4% in the volume of energy sold (R\$ 344,790);
- Decrease of 9.5% (R\$ 119,867) in revenue from construction of concession infrastructure;
- Increase of 427.3% (R\$377,170) in sectoral financial assets and liabilities, due to the increase in the constitution of assets in the 2nd quarter of 2023 (R\$408,755); partially offset by the reduction in the realization of assets in the 2nd quarter of 2023 (R\$ 31,585);
- Increase of 18.7% (R\$ 198,888) in the supply of electricity, mainly due to the increase in average tariffs of 22.4% (R\$ 231,208) mainly due to the increase in the settlement price of differences – PLD; partially offset by the 3% reduction in quantity sold (R\$ 32,320); It is
- Increase of 2.9% (R\$ 83,141) in other operating income, mainly due to the increase in TUSD free consumers R\$ 228,299, partially offset by the decrease in: (i) restatement of the financial asset of the concession R\$ 105,723 and (ii) other income and income R\$ 18,187.

➤ Volume of energy sold

In the 2nd quarter of 2023, the volume of energy billed to captive consumers in the period, including other permissionaires, decreased by -1.6%, when compared to the same quarter of the previous year. This drop was more pronounced in the commercial, permissionaire and industrial classes.

Residential class consumption represents 52.9% of the total captive market supplied by the distributor and showed an increase of 2.2% in the 2nd quarter of 2023, when compared to the same period of the previous year. This performance reflects the increase in household income and consumption. Additionally, reflects the effect of the increase in the number of consumer units (on average, +170,000 units compared to the 2nd quarter of 2022).

Commercial class consumption, represented by 17.9% of the total captive market supplied by the distributor, showed a -5.2% drop in the 2nd quarter of 2023, when compared to the same period of the previous year. This performance is basically due to the increase in consumer units with distributed generation, temperatures below the same period of the previous year and migration of customers to the free market.

Consumption by the industrial class, which represents 9.3% of the total captive market supplied by the distributor, fell by -11.3% in the 2nd quarter of 2023 compared to the same period of the previous year. Like the commercial class, this drop in the industrial class also reflects the increase in consumer units with distributed generation and customer migrations to the free market.

The other consumption classes (rural, public power, public lighting, public service and permissionaires) account for 19.9% of the total captive market supplied by the distributor. These classes showed a decrease of -2.9% in the 2nd quarter of 2023 compared to the same period of the previous year. This performance reflects the increase in the number of customers with distributed generation.

Regarding the volume of energy sold and transported in the concession area, which impacts both the billed supply (captive market) and the TUSD charge (free market), there was an increase of +0.2% when compared to the same period of the previous year. The variation by class was +2.2% in residential, +1.6% in commercial, -1.2% in industrial and -2.4% in other consumer classes.

➤ Rates

In the 2nd quarter of 2023, the energy supply tariffs charged by distribution subsidiaries are as follows:

Distributor	Month	2023		2022	
		RTA / RTP	Effect perceived by consumers (a)	RTA / RTP	Effect perceived by consumers (a)
CPFL Paulista	April	3.36%	4.89%	12.77%	14.97%
CPFL Piratininga	October	(b)	(b)	21.07%	14.72%
RGE	June	1.67%	1.10%	8.72%	10.98%
CPFL Santa Cruz	March	5.65%	9.02%	7.82%	8.83%

- (a) It represents the average effect perceived by the consumer, as a result of the withdrawal from the tariff base of financial components that had been added in the previous tariff adjustment.
- (b) The respective readjustments for 2023 have not yet occurred.

Deductions from operating income

Deductions from operating revenue in the 2nd quarter of 2023 were R\$ 4,257,358, showing a decrease of 8% (R\$ 370,504), when compared to the same quarter of 2022, which was mainly due to:

- Decrease of 17.4% (R\$ 335,495) in ICMS on energy sales and services;
- Reduction due to alteration of Tariff Flags – CCRBT subsidy at Distributors R\$ 166,776
- Increase of R\$ 63,835 in transfers from Itaipú in the distributors;
- Increase of 2.1% (R\$ 30,278) in the Energy Development Account – CDE;
- Increase of 2.7% (R\$ 25,032) in PIS/COFINS on energy sales and services;

Cost of electricity

The cost of electricity in this quarter totaled R\$ 4,176,941, representing a decrease of 0.004% (R\$ 168), when compared to the same period of the previous year, mainly explained by:

- Decrease of 10% (R\$ 332,759) in electricity purchased for resale, justified by the decrease of: (i) 13.8% (R\$ 481,398) in the average price, mainly by reducing the purchase cost of Itaipu; partially offset by the increase in (ii) 4.5% (R\$ 148,639) in the amount of energy purchased; and
- Increase of 39.7% (R\$ 332,592) in charges for the use of the transmission and distribution system, mainly due to the increases in: (i) charges for the basic network (R\$ 243,635) and (ii) charges for reserve energy (R\$ 102,799).

Operating costs and expenses

Disregarding the cost of building the concession infrastructure, operating costs and expenses for this quarter were R\$ 1,706,822, an increase of 4.3% (R\$ 70,733) when compared to the same period of the previous year. This variation is mainly due to:

- **Third party services:** increase of 53.1% (R\$ 85,977), basically due to: (i) maintenance, conservation and surveillance of electrical systems, lines, networks, machines, equipment, buildings and substations, R\$ 35,843, (ii) hardware/software maintenance R\$ 22,042, (iii) audit, consultancy, legal services and official publications R\$ 11,434 and (iv) travel and transport R\$ 5,769;

- **Depreciation and amortization:** increase of 21.4% (R\$ 83,779), due to (i) effect of the acquisition of control of Enercan R\$ 36,256 and (ii) machinery, equipment and concession intangible assets in the distributors R\$ 34,268;
- **Personnel:** increase of 6.6% (R\$ 32,699), basically due to collective bargaining agreements, partially offset by efficiency gains from restructuring;
- **Other expenses:** reduction of 31.1% (R\$ 94,412), mainly due to the decreases due to: (i) legal, judicial and indemnity expenses R\$ 35,737, (ii) provision for doubtful accounts R\$ 32,447, (iii) rents and leasing R\$ 5,197, (iv) provision for recovering the recoverable value of assets R\$5,943 at CPFL Transmissão and (v) collection fees R\$ 1,698;
- **Private pension entity:** reduction of 33.8% (R\$ 24,840), basically due to the recording of the impacts of the actuarial report of the Group's companies; It is
- **Materials:** reduction of 9% (R\$ 11,165), basically due to a decrease related to the replacement, conservation and maintenance of lines, networks, buildings, fleets, machinery and equipment.

Financial result

The net financial result in this quarter showed a net expense of R\$ 685,329, compared to R\$ 648,915 in the same period of 2022, representing an increase of 5.6% (R\$ 36,415). This variation is mainly due to:

- Decrease in financial income of 14.4% (R\$ 82,745), mainly due to decreases in (i) updates of sector financial assets R\$ 117,681, (ii) monetary and exchange rate updates R\$ 27,918; partially offset by increases in (iii) income from financial investments R\$ 72,419; and
- Decrease in financial expenses of 3.8% (R\$46,330), mainly due to the decrease of: (i) debt charges R\$ 18,251, (ii) exclusion of ICMS from the PIS/COFINS base R\$ 14,832; and (iii) monetary and exchange rate updates, net of derivatives R\$ 13,264.

Equity

The decrease of 34.4% (R\$ 43,800) in the consolidated equity income refers to the result of equity interests in joint ventures, as shown below:

	2nd Quarter 2023	2nd Quarter 2022
Epasa	19,608	21,991
Baesa	871	(1,752)
Enercan	-	56,333
Chapecoense	63,176	49,771
CPFL Transmissão investments	34	1,146
Amortization of fair value adjustment of asset	(145)	(145)
Total	83,544	127,344

Social Contribution and Income Tax

Expenses with income taxes in the 2nd quarter of 2023 was R\$ 565,634 and showed an increase of 22.2% (R\$ 102,940) in relation to the same quarter of 2022.

Net Profit and EBITDA

Due to the factors set forth above, net profit for this quarter was R\$ 1,246,954, being 1.2% (R\$ 15,624) higher, in relation to the same quarter of 2022.

EBITDA (Net income excluding the effects of depreciation, amortization, financial result, social contribution and income tax) for the 2nd quarter of 2023 was R\$ 3,054,060, being 7.2% (R\$ 206,204) higher, in relation to the same quarter of 2022.

COMMENTS ON THE PERFORMANCE OF SUBSIDIARIES/AFFILIATES

Subsidiary/Affiliate: Companhia Paulista de Força e Luz - CPFL

The subsidiary Companhia Paulista de Força e Luz - CPFL is a publicly-held company, and its performance commentary is contained in its Quarterly Information - ITR, dated June 30, 2023, filed with the CVM - Brazilian Securities and Exchange Commission.

Subsidiary/Affiliate: CPFL Geração de Energia S.A.

The subsidiary CPFL Geração de Energia S.A. is a publicly-held company, and its individual and consolidated performance commentary is contained in its Quarterly Information – ITR, dated June 30, 2023, filed with the CVM – Brazilian Securities and Exchange Commission.

Subsidiary/Affiliate: CPFL Transmissão S.A.

The subsidiary CPFL Transmissão S.A. is a publicly-held company, and its individual and consolidated performance commentary is contained in its Quarterly Information – ITR, dated June 30, 2023, filed with the CVM – Brazilian Securities and Exchange Commission.

Subsidiary/Affiliate: CPFL Energias Renováveis S.A.

The subsidiary CPFL Energias Renováveis S.A. is a publicly-held company, and its consolidated performance commentary is contained in its Quarterly Information – ITR, dated June 30, 2023, filed with the CVM – Brazilian Securities and Exchange Commission.

Subsidiary/Affiliate: Companhia Piratininga de Força e Luz

The subsidiary Companhia Piratininga de Força e Luz is a publicly-held company, and its performance commentary is contained in its Quarterly Information - ITR, dated June 30, 2023, filed with the CVM - Brazilian Securities and Exchange Commission.

Subsidiary/Affiliate: RGE Sul Distribuidora de Energia S.A.

The subsidiary RGE Sul Distribuidora de Energia S.A. is a publicly-held company, and its performance commentary is contained in its Quarterly Information – ITR, dated June 30, 2023, filed with the CVM – Brazilian Securities and Exchange Commission.

	Consolidated					
	2nd Quarter			1st Semester		
	2023	2022	Variation	2023	2022	Variation
Gross operating revenue	1,092,028	1,075,747	1.5%	2,126,017	2,008,169	5.9%
Electricity sales to final consumers	323,692	392,485	-17.5%	644,381	757,564	-14.9%
Electricity sales to wholesaler's	281,131	255,583	10.0%	574,004	492,128	16.6%
Concession's infrastructure construction revenue	158,448	66,630	137.8%	239,334	84,129	184.5%
Other operating revenues	328,757	361,049	-8.9%	668,297	674,348	-0.9%
Deductions from operating revenue	(162,167)	(167,268)	-3.0%	(323,813)	(300,472)	7.8%
Net operating revenue	929,861	908,478	2.4%	1,802,204	1,707,697	5.5%
Cost of electricity energy services	(484,097)	(538,962)	-10.2%	(989,663)	(1,113,884)	-11.2%
Electricity purchased for resale	(483,303)	(538,530)	-10.3%	(988,129)	(1,111,720)	-11.1%
Electricity network usage charges	(793)	(432)	83.8%	(1,533)	(2,164)	-29.2%
Operating costs and expenses	(229,938)	(208,477)	10.3%	(419,282)	(382,276)	9.7%
Personnel	(41,923)	(44,383)	-5.5%	(85,029)	(158,068)	-46.2%
Private pension entity	(17,802)	(29,195)	-39.0%	(31,295)	(29,195)	7.2%
Materials	(1,407)	(874)	61.1%	(2,322)	(2,536)	-8.4%
Third-party services	(22,648)	(19,039)	19.0%	(43,707)	(38,448)	13.7%
Depreciation/amortization	(6,948)	(2,642)	163.0%	(14,468)	(7,496)	93.0%
Amortization of concession intangibles	(8,473)	(9,779)	-13.4%	(16,947)	(19,559)	-13.4%
Concession infrastructure construction cost	(102,910)	(68,507)	50.2%	(173,395)	(88,035)	97.0%
Other expenses	(27,827)	(34,059)	-18.3%	(52,119)	(38,938)	33.9%
Income from electric energy service	215,826	161,039	34.0%	393,260	211,537	85.9%
Financial result	(67,985)	(157,797)	-56.9%	(141,547)	(97,105)	45.8%
Financial income	36,437	38,593	-5.6%	62,451	168,506	-62.9%
Financial expenses	(104,422)	(196,390)	-46.8%	(203,998)	(265,611)	-23.2%
Equity interest in subsidiaries, associates and joint ventures	30,554	30,010	1.8%	74,328	63,669	16.7%
Result before taxes	178,395	33,252	436.5%	326,041	178,101	83.1%
Social contribution	(13,311)	14,348	-192.8%	(25,751)	(2,936)	777.2%
Income tax	(36,701)	39,661	-192.5%	(70,921)	(8,482)	736.1%
Net income for the period	128,383	87,262	47.1%	229,368	166,684	37.6%
Net income attributed to controlling shareholders	128,205	86,141	48.8%	228,836	119,422	91.6%
Net income attributed to non-controlling shareholders	178	1,121	-84.1%	532	47,261	-98.9%
EBITDA	262,678	204,380	28.5%	500,724	304,267	64.6%

Reconciliation of Net Income and EBITDA

Net income	128,383	87,262	229,368	166,684
Depreciation and amortization	15,422	12,421	31,415	27,055
Amortization of asset value	877	910	1,722	2,006
Financial result	67,985	157,797	141,547	97,105
Social contribution	13,311	(14,348)	25,751	2,936
Income tax	36,701	(39,661)	70,921	8,482
EBITDA	262,678	204,380	500,724	304,267

Gross Operating Revenue

Gross Operating Revenue for the 2nd quarter of 2023 was R\$ 1,092,028, showing an increase of R\$ 16,281 (1.5%) over the same quarter of 2022.

The main factors for this variation were:

- Increase of R\$ 91,819 (137.8%) in the subsidiary CPFL Transmissão, in revenue from construction of concession infrastructure related to the effect of constituting the build margin, mainly on concession agreement 55/2001 of R\$ 55,539 and of R\$ 35,719, referring to the original investment amount, which has a construction cost of the same amount);
- Reduction of R\$ 68,793 (17.5%) in electricity supply, basically due to the reduction in volume of R\$ 274,899 (47%), offset by the increase in the average price of R\$ 206,106 (49%);
- Increase in energy supply operations of R\$ 25,548 (10%), referring to the increase in the average price of R\$ 89,095 (64%), offset by the reduction in energy volume of R\$ 63,547 (26%);
- Decrease in other operating income at the subsidiary CPFL Transmissão of R\$ 32,796 (9.1%), mainly explained by the reduction in the remuneration of the contractual asset of R\$ 115,454 due to the change in the measurement of cash flow for the current RAP, together with the reduction in the index compared to the previous year, offset by the increase in O&M revenue of R\$ 76,150, a reflection of the tariff adjustment in 2022.

Cost of Electric Energy

The cost of electricity for the 2nd quarter of 2023 was R\$ 484,097, decrease of R\$ 54,865 (10.2%), when compared to the same quarter of 2022, basically explained by the decrease in the average price of 8.66% (R\$ 46,204), offset by the increase in the volume of purchased energy of 0.81% (R\$ 3,939).

Operating Costs and Expenses

Operating cost and expenses for the 2nd quarter of 2023 was R\$ 229,938, increase of R\$ 21,461 (10.3%) when compared to the same quarter of 2022.

- **Cost of construction of concession infrastructure:** Increase of R\$ 34,403 (50.2%), due to the works of RBNI expansions and improvements and construction of Lot 6 (SE Cachoeirinha);
- **Personnel and private pension fund:** Decrease of R\$ 13,853 (18.8%), mainly explained by the restructuring effects in 2022.

Financial Results

Financial results for the 2nd quarter of 2023 were a financial expense of R\$ 67,985, representing a decrease of 56.9% (R\$ 89,812), when compared to the same quarter of 2022.

Financial Revenue: Reduction of 5.6% (R\$ 2,156), basically explained by the:

- Reduction of R\$ 3,686 in CPFL Transmissão, mainly due to the impact of revenue on loans (R\$ 4,645), partially offset by the increase in income from financial investments (R\$ 1,107);
- Increase of R\$ 1,887 in the updating of tax credits in the parent company CPFL Brasil).

Financial Expenses: Reduction of 46.8% (R\$ 91,968), explained mainly:

- Decrease of (R\$ 60,871) with charges on debenture debts, in the parent company CPFL Brasil (R\$ 30,093) and in the subsidiary CPFL Cone Sul (R\$ 30,778);
- Decrease of (R\$ 31,070), mainly: i) reflection of the exchange variation and settlement of foreign currency financing BID and AFD (R\$ 35,914) in the 2nd quarter of 2022; ii) other expenses resulting from the settlement of the BID and AFD loan (R\$ 40,753), in 2022; partially offset by iii) debt charges on loans and debentures (R\$ 28,644); Expenses with derivatives (R\$ 13,402); and iv) Updates of legal contingencies (R\$ 3,551).

The equity result calculated in the 2nd quarter of 2023, was positive by R\$ 30,554, mainly explained by the accounting of the equity interest in the investee RGE Sul.

Net profit for the Period and EBITDA

The results for the 2nd quarter of 2023 was a profit of R\$ 128,383, showing an increase of R\$ 41,121 (47.1%), when compared to the same quarter of 2022.

EBITDA (Net income before financial result, income tax and social contribution, depreciation, amortization) for the 2nd quarter of 2023 was R\$ 262,678, an increase of 28.5% when compared to the same quarter of 2022, which was R\$ 204,380 (information not reviewed by the Independent Auditors).

GLOSSARY OF TERMS IN THE ELECTRICITY SECTOR

ACL: Free Contracting Environment. Segment of the market comprising the purchase of electric power by deregulated agents (such as Free Consumers and electric power traders).

ACR: Regulated Contracting Environment. Segment of the market comprising the purchase by distributing companies, by means of bids and other mechanisms provided by Aneel.

ANEEL: National Electric Energy Agency.

Annual General Meeting (AGM): mandatory annual meeting of the Company's shareholders called by the Board of Directors, in order to: (a) acknowledge the management accounts; (b) analyze and vote on the Company's financial statements; (c) decide on the allocation of net profit; (d) distribution of dividends; and (e) elect the Board of Directors and the Fiscal Council.

B3 – B3 S.A. - Brasil, Bolsa, Balcão: São Paulo Stock Exchange.

BNDES: National Bank of Economic and Social Development.

Installed Capacity: Maximum amount of energy that can be delivered by a particular generating unit on a full continuous charge basis under specific conditions as designated by the manufacturer.

CCEE: Energy Trading Chamber.

CDE: Energy Development Account, instituted by Law No. 10,438 of April 26, 2002, and subsequent amendments thereto. A fund managed by CCEE to foster electricity development in general and its production from alternative energy sources in particular, as well as the universalization of energy services in Brazil. All concessionaires contribute to this fund.

Company or CPFL Energia: CPFL Energia S.A. or the group of companies comprising CPFL Energia and its subsidiaries.

Consumer: An individual or legal entity that requests power supply from a concessionaire, assuming the responsibility of paying the bills and complying with other obligations determined by ANEEL.

Captive Consumer: Consumer who can only buy energy from the utility that operates in the network to which it is connected.

Final Consumer: Consumer who uses electricity to meet their own needs.

Free Consumer: Consumers, with contracted demand equal or higher than 2 MW, who are supplied by generators or traders through bilateral contracts signed within the ACL (Free Contracting Environment). These consumers still have to pay the distributor where it is located for the use of the distribution system.

Special Free Consumer: Special category of free consumers, with contracted demand between 0.5 MW and 2 MW (or a set of high voltage units in the same submarket that together total demand greater than 0.5 MW), who are entitled to purchase energy in the free market only from incentivized sources (solar, wind, biomass or SPH).

CVA: Graphic account to which the variations between realized values and the values considered in the pass-through of costs to final consumers in revisions and tariff adjustments of distributors are attributed. The expenses considered in the CVA are: Purchase of energy, transport from Itaipu, Basic Network contract and sector charges.

CVM: Brazilian Securities and Exchange Commission.

DEC / SAIDI: System Average Interruption Duration Index, measured by the average duration of power interruptions in hours per consumer in a given period, normally a month or last 12 months. Equivalent Duration of Interruption per Consumer Unit. Indicates the number of hours on average that a consumer is without power during a period, usually monthly or in the last 12 months.

Distribution: Electricity system that delivers energy to final consumers within a concession area.

Dividend Yield: The amount of dividends paid by the company divided by the current share price.

EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization) or (Earnings Before Interest, Taxes, Depreciation and Amortization of Deferred Assets): A evaluation element that measures a company's operating cash flow before it is impacted by financial charges, depreciation and taxes.

Assured Energy or Physical Guarantee: Fixed amount of energy of a power plant, established by the granting power in the concession agreements. It represents the amount of energy available for sale in that enterprise.

Bylaws: Bylaws of the Company.

FEC / SAIFI: System Average Interruption Frequency Index, measured by the average number of power interruptions in hours per consumer in a given period.

Free Float: The shares of a company that are traded in the organized stock markets.

Holding: (1) (1) A company whose main activity is to retain a controlling stake in one or more other companies; (2) A company which retains a controlling stake in one or more other companies and also controls these companies' managerial and business policies.

IBrX-100: Brazil Index is an index that measures the return on a theoretical portfolio composed by 100 stocks selected among B3's most actively traded securities, in terms of number of trades and financial value. The component stocks are weighted according to the outstanding shares' market value.

IBOV- Bovespa Index: The main indicator of the Brazilian stock market's average performance. IBOV's relevance comes from the fact that it reflects the variation of B3's most traded stocks.

ICO2 – Carbon Efficient Index: Comprises the shares of companies participating in the IBrX-100 index that have agreed to join this initiative, by adopting transparent practices with respect to their greenhouse gas emissions (GHGs). It takes into account, for weighting the shares of the component companies, their degree of efficiency in GHG emissions, in addition to the free float of each one.

IDIV – Dividend Index: It is a total return index and is intended to be the indicator of the average performance of the quotations of the assets that stood out in terms of investor remuneration, in the form of dividends and interest on equity.

IEE - Electric Power Index: It was launched in August 1996 to measure the performance of the electric power sector. In this sense, the index is an instrument that makes possible the performance analysis of portfolios specialized in the electric power sector.

IFRS – International Financial Reporting Standards: the International Accounting Standards, which seek for a standard accepted in many countries in order to facilitate the comparability of information between companies in different countries. In Brazil, IFRS was implemented in 2010.

IGC - Special Corporate Governance Stock Index: is designed to measure the return of a theoretical portfolio composed of shares of companies with a good level of corporate governance. Such companies must be traded on the Novo Mercado or be classified in Levels 1 or 2 of B3.

IGP-M: General Market Price Index, released by Fundação Getúlio Vargas.

Quarterly Information (ITR): Accounting report that companies must periodically submit to the CVM - Brazilian Securities and Exchange Commission.

IPCA: Extended Consumer Price Index, calculated by IBGE.

ISE - Corporate Sustainability Index: Designed to measure the return on a portfolio composed of shares of companies highly committed to social responsibility and corporate sustainability, and also to promote good practices in the Brazilian corporate environment.

ITAG: Special Tag Along Stock Index, designed to measure the return of a theoretical portfolio composed of shares of companies which offer, in case of control sale, better conditions to minority shareholders than those required by law.

Itaipu: Itaipu Binacional, a hydroelectric power plant owned in equal parts by Brazil and Paraguay.

Brazilian Corporate Law: Federal Law No. 6,404, promulgated on December 15, 1976, which

governs, among other things, corporations and the rights and duties of their shareholders, directors and officers.

Regulated Market: Market segment in which distribution companies purchase all the electricity needed to supply customers through public auctions. The auction process is administered by ANEEL, either directly or through CCEE, under certain guidelines provided by the MME. Regulated Market is generally considered to be more stable in terms of supply of electricity.

MME: Brazilian Ministry of Mines and Energy.

Novo Mercado: A B3 (São Paulo Stock Exchange) listing segment comprising companies committed to adopting the highest level of corporate governance and disclosing information over and above that which is determined by the regulations.

SDGs: United Nations Sustainable Development Goals, 17 sustainable development goals established by the United Nations and 169 specific targets that apply to all countries and cover a broad range of sustainability issues, including poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, environment and social justice.

ONS: National Electric System Operator. A private law corporate entity authorized to carry out coordination and control activities of the electric energy generation and transmission operations in the interconnected systems.

Parcel A: Distributors' non-manageable costs, including the cost of electricity purchased for resale, connection and use of transmission system charges and sector charges.

Small Hydroelectric Power Plants (SHPs): Hydroelectric plants with an installed capacity of between 3 MW and 30 MW.

Granting Power: The Federal Government.

Proinfa: Incentive Program for Alternative Electric Energy Sources, under Law 10,438 of April 26, 2002, and subsequent amendments thereto.

RAP (Allowed Annual Revenue - AAR): Revenue authorized by ANEEL, by Resolution, for making the transmission system facilities available. Annual revenue to which the concessionaire is entitled from the start of commercial operation of the transmission facilities.

Basic Network: Transmission installations of the National Interconnected System - SIN, owned by public transmission service concessionaires, with voltage equal or higher than 230 kV, according to Normative Resolution No. 67, of June 8, 2004.

Distribution Network: The electricity system that delivers energy to final customers within a concession area.

Transmission Network: Network or system for the transmission of electric energy between areas or countries to supply the distribution networks.

RTA / ATA: annual tariff adjustment.

RTE / ETA: extraordinary tariff adjustment.

RTP / PTR: periodic tariff review.

SIN: National Interconnected System. Comprises the Basic Network and other transmission installations connecting generators and distributors in Brazil.

Substation: A set of equipment that connects, alters and/or controls the voltage in a transmission and distribution system.

Tag along: The right of minority shareholders to sell their shares, at the same price of the controlling shareholders, in the event of the disposal of control.

Transmission: High-voltage lines conducting electricity over long distances with a voltage equal to or higher than 69 kV, connecting substations.

TUSD: Tariff for the Use of the Distribution Grid, adjusted annually by ANEEL.

Hydroelectric Power Plant or HPP: Generating unit that transforms potential energy from the water accumulated in the reservoir into electricity.

Thermoelectric Power Plant or TPP: Generation unit that uses thermal energy from the burning of fuel, such as: coal, oil, natural gas, diesel and other hydro carbon as a source of energy to boost the electricity generator.

Biomass Thermoelectric Power Plant: thermoelectric generator that uses the combustion of organic material for energy production.

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CPFL Energia S.A.
Statement of financial position at June 30, 2023 and December 31, 2022
(in thousands of Brazilian Reais)

ASSETS	Note	Parent company		Consolidated	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Current assets					
Cash and cash equivalents	5	28,820	189,100	5,010,217	3,746,158
Securities	6	-	-	265,397	856,244
Consumers, concessionaires and licensees	7	-	-	5,078,312	5,071,130
Inventories		-	-	165,750	190,310
Dividends and interest on capital	11	495,322	866,863	14,641	5,114
Income tax and social contribution recoverable	8	-	35,291	495,373	525,532
Other taxes recoverable	8	29,307	36,902	571,512	751,353
PIS/COFINS recoverable over ICMS	8	-	-	2,820,969	1,685,643
Derivatives	24	-	-	57,480	201,698
Sector financial asset	9	-	-	67,172	230,816
Contract assets		-	-	738,168	709,222
Other assets		536	74	1,344,032	1,206,817
Total current assets		553,984	1,128,231	16,629,022	15,180,037
Non-current assets					
Consumers, concessionaires and licensees		-	-	172,813	205,659
Intragroup loans		46,457	52,859	-	-
Escrow Deposits		540	537	752,228	716,921
Income tax and social contribution recoverable	8	411	411	95,319	121,381
Other taxes recoverable	8	-	-	526,799	528,493
PIS/COFINS recoverable over ICMS	8	-	-	4,753,028	6,794,863
Sector financial assets	9	-	-	271,766	214,133
Derivatives	24	-	-	278,902	305,862
Deferred tax assets		-	2,566	237,198	247,816
Concession financial asset	10	-	-	20,265,782	18,202,007
Investments at cost		-	-	89,041	89,041
Other assets		5,542	9,330	302,536	287,039
Investments	11	18,124,761	16,402,651	529,593	622,508
Property, plant and equipment		3,573	2,573	10,477,056	10,614,068
Intangible assets		119	141	9,570,088	9,907,344
Contract asset		-	-	7,493,785	7,108,910
Total non-current assets		18,181,404	16,471,067	55,815,933	55,966,044
Total assets		18,735,388	17,599,298	72,444,954	71,146,081

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



CPFL Energia S.A.

Statement of financial position at June 30, 2023 and December 31, 2022

(in thousands of Brazilian Reais)

LIABILITIES AND EQUITY	Note	Parent company		Consolidated	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Current liabilities					
Trade payables	12	1,767	2,068	2,909,200	3,227,768
Borrowings	13	-	-	2,984,504	3,362,615
Debentures		-	-	697,825	1,323,011
Private pension plan		-	-	581,040	699,336
Regulatory liabilities		-	-	121,448	78,228
Income tax and social contribution payable	14	12,845	25,471	588,850	455,493
Other taxes, fees and contributions	14	6,081	18,494	708,063	440,270
Intragroup loans	23	-	-	2,970,933	-
Dividends		836,852	1,243,106	1,101,197	1,421,994
Estimated payroll		-	-	246,806	182,768
Derivatives	24	-	-	168,585	76,759
Non-current assets	9	-	-	1,643,715	281,398
Use of public asset		-	-	24,234	23,884
Provisions for demobilization and environmental expenses		-	-	7,582	5,687
PIS/COFINS consumer reimbursement	8	-	-	714,482	945,091
Other payables	16	20,573	28,873	2,751,284	2,354,869
Total current liabilities		878,118	1,318,012	18,219,747	14,879,172
Non-current liabilities					
Trade payables	12	-	-	390,878	424,945
Borrowings	13	-	-	10,642,534	10,405,052
Debentures		-	-	10,348,250	10,291,747
Private pension plan		-	-	1,422,912	1,586,390
Income tax and social contribution payable	14	-	-	267,219	255,017
Other taxes, fees and contributions	14	-	-	1,001,273	1,012,970
Deferred tax liabilities		11,791	-	2,376,920	2,126,655
Provision for tax, civil and labor risks	15	263	166	1,292,929	1,345,236
Total non-current assets	23	-	-	-	2,803,121
Derivatives	24	-	-	634,336	265,858
Sector financial liability	9	-	-	317,701	262,806
Provisions for demobilization and environmental expenses		-	-	142,580	138,613
Use of public asset		-	-	177,834	184,802
PIS/COFINS consumer reimbursement	8	-	-	5,483,236	6,917,491
Other payables	16	13,857	24,521	669,311	706,263
Total non-current liabilities		25,911	24,687	35,167,913	38,726,965
Equity					
Issued capital		9,388,071	9,388,071	9,388,071	9,388,071
Capital reserves		(1,396,727)	(1,396,339)	(1,396,727)	(1,396,339)
Legal reserve		1,710,665	1,710,665	1,710,665	1,710,665
Statutory reserve - working capital improvement		4,840,094	4,840,094	4,840,094	4,840,094
Reserve for unrealized profits		1,683,741	1,683,741	1,683,741	1,683,741
Dividend		-	1,211,152	-	1,211,152
Accumulated comprehensive income		(1,190,848)	(1,180,784)	(1,190,848)	(1,180,784)
Retained earnings		2,796,364	-	2,796,364	-
		17,831,359	16,256,599	17,831,359	16,256,599
Equity attributable to noncontrolling interests		-	-	1,225,935	1,283,345
Total equity		17,831,359	16,256,599	19,057,295	17,539,944
Total liabilities and equity		18,735,388	17,599,298	72,444,954	71,146,081

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



CPFL Energia S.A.

Statement of financial position at June 30, 2023 and December 31, 2022
(in thousands of Brazilian Reals, except for Earnings per share)

Note	Parent company				Consolidated			
	2023		2022		2023		2022	
	2nd quarter	6 months	2nd quarter	6 months	2nd quarter	6 months	2nd quarter	6 months
Net operating revenue	48	96	15	27	9,388,917	19,228,157	9,324,318	18,611,773
Cost of services								
Cost of electric energy	-	-	-	-	(4,176,941)	(8,553,156)	(4,177,109)	(8,854,040)
Cost of operation	-	-	-	-	(1,087,509)	(2,110,430)	(988,009)	(1,953,496)
Depreciation and amortization	-	-	-	-	(436,926)	(859,504)	(360,178)	(718,553)
Other cost of operation	-	-	-	-	(650,583)	(1,250,926)	(627,831)	(1,234,943)
Cost of services rendered to third parties	-	-	-	-	(1,091,994)	(2,007,451)	(1,265,455)	(2,306,763)
Gross profit	48	96	15	27	3,032,473	6,557,120	2,893,745	5,497,474
Operating expenses								
Selling expenses	-	-	-	-	(189,405)	(386,149)	(214,636)	(421,290)
Depreciation and amortization	-	-	-	-	(2,304)	(4,617)	(2,338)	(4,690)
Non-current assets	-	-	-	-	(59,037)	(127,916)	(91,484)	(181,962)
Other selling expenses	-	-	-	-	(120,065)	(253,616)	(120,814)	(234,738)
General and administrative expenses	(11,442)	(21,593)	(9,528)	(19,236)	(306,763)	(609,323)	(308,473)	(645,101)
Depreciation and amortization	(1,469)	(3,705)	(96)	(191)	(36,605)	(71,014)	(29,540)	(58,199)
Other general and administrative expenses	(9,973)	(17,888)	(9,432)	(19,045)	(270,158)	(538,309)	(278,933)	(486,902)
Other operating expenses	(10)	(10)	-	-	(121,931)	(236,153)	(123,794)	(226,886)
Amortization of concession intangible asset	-	-	-	-	(80,164)	(160,410)	(81,470)	(162,939)
Other operating expenses	(10)	(10)	-	-	(41,767)	(75,743)	(42,324)	(63,947)
Income from electric energy services	(11,404)	(21,507)	(9,513)	(19,209)	2,414,373	5,325,495	2,246,842	4,304,197
Equity interests in subsidiaries, associates and joint ventures	11							
	1,221,600	2,840,159	1,247,008	2,401,513	83,544	163,058	127,344	242,260
	1,210,196	2,818,652	1,237,495	2,382,304	2,497,917	5,488,553	2,374,186	4,546,457
Financial income (expenses)	21							
Financial income	1,030	5,217	10,673	16,541	490,196	1,019,636	572,941	1,136,631
Financial expenses	(189)	(14)	11,331	(61,943)	(1,175,526)	(2,256,059)	(1,221,855)	(2,217,284)
	841	5,203	22,004	(45,403)	(685,329)	(1,236,424)	(648,915)	(1,080,653)
Total non-current assets	1,211,036	2,823,855	1,259,500	2,336,901	1,812,588	4,252,129	1,725,272	3,465,805
Social contribution	(5,444)	(10,122)	(1,583)	5,344	(150,851)	(362,055)	(124,432)	(279,827)
Income tax	(16,705)	(30,826)	(5,792)	12,343	(414,783)	(992,445)	(338,262)	(761,418)
	(22,149)	(40,948)	(7,375)	17,687	(565,634)	(1,354,500)	(462,694)	(1,041,245)
Profit for the period	1,188,887	2,782,907	1,252,125	2,354,588	1,246,954	2,897,629	1,262,578	2,424,559
Profit (loss) for the period attributable to owners of the Company					1,188,887	2,782,907	1,252,125	2,354,588
Profit (loss) for the period attributable to noncontrolling interests					58,067	114,722	10,453	69,971
Earnings per share attributable to owners of the Company (R\$):	17				1.03	2.42	1.09	2.04

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



CPFL Energia S.A.

Statement of comprehensive income for the periods ended June 30, 2023 and 2022
(in thousands of Brazilian Reais)

	Parent company			
	2023		2022	
	2nd quarter	6 months	2nd quarter	6 months
Profit for the period	1,188,887	2,782,907	1,252,125	2,354,588
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
-Comprehensive income for the period of subsidiaries	2,545	3,392	(4,320)	(8,316)
Total comprehensive income for the period	1,191,432	2,786,299	1,247,805	2,346,272

	Consolidated			
	2023		2022	
	2nd quarter	6 months	2nd quarter	6 months
Profit for the period	1,246,954	2,897,629	1,262,578	2,424,559
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
- Credit risk in fair value measurement of financial liabilities	2,545	3,392	(4,336)	(8,803)
Total comprehensive income for the period	1,249,499	2,901,021	1,258,242	2,415,756
Attributable to owners of the Company	1,191,432	2,786,299	1,247,805	2,346,272
Attributable to non-controlling interests	58,067	114,722	10,438	69,485

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



CPFL Energia S.A.
Statement of changes in the shareholder equity for the periods ended June 30, 2023 and 2022
(in thousands of Brazilian Reals)

	Earnings reserves					Accumulated comprehensive income					Non-controlling interests		
	Issued capital	Capital reserve	Legal reserve	Statutory reserve / Working capital improvement	Reserve for unrealized profits	Dividend	Deemed cost	Private pension plan / Credit risk in fair value measurement	Retained earnings	Total	Accumulated comprehensive income	Other equity components	Total equity
Balance at December 31, 2021	9,388,071	(1,646,145)	1,455,685	4,072,689	-	3,735,932	301,237	(2,161,267)	-	15,146,202	4,724	1,654,954	16,805,879
Total comprehensive income	-	-	-	-	-	-	-	(8,316)	2,354,588	2,346,273	-	69,485	2,415,756
Profit for the period	-	-	-	-	-	-	-	-	2,354,588	2,354,588	-	69,971	2,424,559
Other comprehensive income - credit risk in fair value measurement	-	-	-	-	-	-	-	(8,316)	-	(8,316)	-	(486)	(8,803)
Internal changes in equity	-	-	-	-	-	-	(13,655)	-	13,655	-	(889)	882	(7)
Realization of deemed cost of property, plant and equipment	-	-	-	-	-	-	(20,690)	-	20,690	-	(1,347)	1,347	-
Tax effect on realization of deemed cost	-	-	-	-	-	-	7,034	-	(7,034)	-	458	(458)	-
Other changes in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	(7)	(7)
Capital transactions with owners	-	250,245	-	-	-	(3,735,932)	-	-	-	(3,485,688)	-	(1,431,970)	(4,917,655)
Business combination	-	250,347	-	-	-	-	-	-	-	250,347	-	(1,369,719)	(1,119,412)
Gain (loss) on interest in subsidiaries with no change in control	-	(102)	-	-	-	-	-	-	-	(102)	-	517	415
Dividend proposal approved	-	-	-	-	-	(3,735,932)	-	-	-	(3,735,932)	-	(62,726)	(3,798,658)
Total non-current assets	9,388,071	(1,395,901)	1,455,685	4,072,689	-	-	287,582	(2,169,583)	2,368,243	14,066,787	3,835	293,351	14,363,973
Balance at December 31, 2022	9,388,071	(1,396,339)	1,710,665	4,840,094	1,683,741	1,215,152	274,113	(1,454,897)	-	16,296,599	2,946	1,280,399	17,539,944
Total comprehensive income	-	-	-	-	-	-	-	3,392	2,782,907	2,786,299	-	114,722	2,901,021
Profit for the period	-	-	-	-	-	-	-	-	2,782,907	2,782,907	-	114,722	2,897,629
Other comprehensive income - credit risk in fair value measurement	-	-	-	-	-	-	-	3,392	-	3,392	-	-	3,392
Internal changes in equity	-	-	-	-	-	-	(13,457)	-	13,457	-	(889)	1,051	162
Realization of deemed cost of property, plant and equipment	-	-	-	-	-	-	(20,389)	-	20,389	-	(1,347)	1,347	-
Tax effect on realization of deemed cost	-	-	-	-	-	-	6,532	-	(6,532)	-	458	(458)	-
Other changes in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	162	162
Capital transactions with owners	-	(388)	-	-	-	(1,211,152)	-	-	-	(1,211,540)	-	(172,293)	(1,383,833)
Gain (loss) on interest in subsidiaries with no change in control	-	(388)	-	-	-	-	-	-	-	(388)	-	(3,215)	(3,603)
Dividend proposal approved	-	-	-	-	-	(1,211,152)	-	-	-	(1,211,152)	-	(169,078)	(1,380,230)
Balance at June 30, 2023	9,388,071	(1,396,727)	1,710,665	4,840,094	1,683,741	-	260,657	(1,451,505)	2,796,364	17,831,359	2,056	1,223,879	19,057,295

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



CPFL Energia S.A.

Statement of cash flow for the periods ended June 30, 2023 and 2022

(in thousands of Brazilian Reais)

	Parent company		Consolidated	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Profit before taxes	2,823,855	2,336,901	4,252,129	3,465,805
Adjustment to reconcile profit to cash from operating activities				
Depreciation and amortization	3,705	191	1,095,545	944,381
Provision for tax, civil and labor risks	925	545	50,336	95,011
Allowance for doubtful accounts	-	-	127,916	181,862
Interest on debts, monetary adjustment and exchange rate changes	(3,415)	45,689	905,207	652,429
Pension plan expense (income)	-	-	92,659	147,115
Equity interests in subsidiaries, associates and joint ventures	(2,840,159)	(2,401,513)	(163,058)	(242,260)
Loss (gain) on disposal of noncurrent assets	10	-	68,189	56,582
Others	-	-	(268,269)	(76,681)
	(15,079)	(18,187)	6,160,654	5,224,244
Decrease (increase) in operating assets				
Consumers, concessionaires and licensees	-	-	(98,211)	(34,542)
Dividend and interest on capital received	1,474,393	2,971,200	196,239	318,254
Taxes recoverable	61,460	(21,790)	1,489,153	343,792
Escrow deposits	12	65	(16,084)	(8,469)
Sector financial asset	-	-	(716,738)	1,545,980
Receivables - CDE	-	-	(8,748)	(60,403)
Transmission asset additions	-	-	(242,942)	(318,082)
Other operating assets	47	327	211,174	531,691
Increase (decrease) in operating liabilities				
Trade payables	(301)	(23)	(406,955)	(1,175,841)
Other taxes and social contributions	(12,413)	(4,239)	176,401	(180,384)
Other liabilities with private pension plan	-	-	(374,432)	(337,215)
Regulatory charges	-	-	43,219	(475,695)
Tax, civil and labor risks paid	(833)	(458)	(145,448)	(93,529)
Sector financial liability	-	-	363,183	526,827
Payables - CDE	-	-	(6,805)	(5,538)
Other operating liabilities	(18,964)	(7,176)	350,960	332,321
Cash flows provided (used) by operations	1,488,322	2,919,719	6,974,620	6,133,409
Interest paid on debts and debentures	-	-	(991,333)	(747,377)
Income tax and social contribution paid	(39,058)	(10,364)	(968,288)	(1,101,961)
Cash flows provided (used) by operations activities	1,449,264	2,909,355	5,015,000	4,284,070
Investing activities				
Capital increase of shareholders	-	-	53,344	32,006
Business combinations net of cash acquired	-	-	-	(1,119,412)
Purchases of property, plant and equipment	(1,414)	(743)	(228,394)	(119,962)
Purchases of contract asset	-	-	(1,805,730)	(2,112,481)
Purchases and construction of intangible assets	-	(37)	(5,780)	(7,405)
Securities, pledges and restricted deposits - investment	-	-	(272,455)	(225,400)
Securities, pledges and restricted deposits - redemption	-	-	870,813	326,407
Advances for future capital increases	-	(1,029,620)	-	-
Intragroup loans to subsidiaries	-	(6,009)	-	-
Receiving of intragroup loans from subsidiaries	9,275	59,500	-	-
Net cash generated by (used) in investing activities	7,861	(976,909)	(1,388,202)	(3,226,246)
Financing activities				
Borrowings and debentures raised	-	-	2,929,802	6,840,382
Repayment of principal of borrowings and debentures	-	-	(3,393,391)	(4,492,560)
Repayment of derivatives	-	(57,695)	(195,821)	(98,854)
Dividend and interest on capital paid	(1,617,405)	(1,862,269)	(1,703,327)	(1,895,490)
Net cash generated by (used in) financing activities	(1,617,405)	(1,919,964)	(2,362,738)	353,478
Net increase (decrease) in cash and cash equivalents	(160,280)	12,481	1,264,060	1,411,299
Cash and cash equivalents at the beginning of the period	189,100	8,287	3,746,158	2,199,952
Cash and cash equivalents at the end of the period	28,820	20,768	5,010,217	3,611,251

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



CPFL Energia S.A.
Statement of value added for the periods ended June 30, 2023 and 2022
(in thousands of Brazilian Reais)

	Parent company		Consolidated	
	2023 6 months	2022 6 months	2023 6 months	2022 6 months
1. Revenues	1,520	506	27,122,264	27,308,204
1.1 Operating revenues	106	30	24,989,343	25,068,168
1.2 Revenues related to the construction of own assets	1,414	476	189,061	113,255
1.3 Revenue from infrastructure construction of the concession	-	-	2,071,777	2,308,861
1.4 Allowance for doubtful accounts	-	-	(127,916)	(182,080)
2. (-) Inputs	(8,602)	(6,434)	(12,900,881)	(13,205,260)
2.1 Electricity Purchased for Resale	-	-	(9,571,429)	(9,881,629)
2.2 Material	(1,522)	(879)	(1,405,035)	(1,571,523)
2.3 Outsourced Services	(4,854)	(3,768)	(1,193,831)	(1,170,484)
2.4 Other	(2,226)	(1,788)	(730,586)	(581,625)
3. Gross added value (1 + 2)	(7,082)	(5,929)	14,221,383	14,102,944
4. Retentions	(3,705)	(191)	(1,097,281)	(947,794)
4.1 Depreciation and amortization	(3,705)	(191)	(936,871)	(784,855)
4.2 Amortization of intangible assets of the concession	-	-	(160,410)	(162,939)
5. Net added value generated (3 + 4)	(10,786)	(6,120)	13,124,103	13,155,150
6. Added value received in transfer	2,857,402	2,418,664	1,209,123	1,425,019
6.1 Financial Income	17,243	17,151	1,046,066	1,182,759
6.2 Equity interests in subsidiaries, associates and joint ventures	2,840,159	2,401,513	163,058	242,260
7. Added value to be distributed (5 + 6)	2,846,615	2,412,544	14,333,226	14,580,169
8. Distribution of added value				
8.1 Personnel and Charges	12,424	11,089	1,044,324	1,086,024
8.1.1 Direct Remuneration	6,287	5,493	592,044	587,843
8.1.2 Benefits	5,550	5,011	405,918	435,072
8.1.3 Government severance indemnity fund for employees - F.G.T.S.	587	585	46,362	63,110
8.2 Taxes, Fees and Contributions	55,079	(15,235)	8,083,721	8,782,427
8.2.1 Federal	55,034	(15,276)	5,425,445	4,671,403
8.2.2 Estate	45	41	2,635,624	4,087,500
8.2.3 Municipal	-	-	22,651	23,524
8.3 Interest and Rentals	(3,795)	62,101	2,307,552	2,287,158
8.3.1 Interest	14	61,942	2,272,874	2,238,007
8.3.2 Rental	(3,809)	159	34,677	49,151
8.4 Interest on capital	2,782,907	2,354,588	2,897,629	2,424,559
8.4.1 Dividend (including additional proposed)	-	-	169,078	62,726
8.4.2 Retained Earnings	2,782,907	2,354,588	2,728,551	2,361,833
	2,846,615	2,412,544	14,333,226	14,580,169

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

CPFL ENERGIA S.A.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
AT JUNE 30, 2023

(Amounts in thousands of Brazilian reais – R\$, unless otherwise stated)

(1) OPERATIONS

CPFL Energia S.A. (“CPFL Energia” or the Company”) is a publicly-held corporation incorporated for the principal purpose of operating as a holding company, with equity interests in other companies primarily engaged in electric energy distribution, generation, commercialization and transmission activities in Brazil.

The Company’s registered office is located at Rua Jorge Figueiredo Corrêa, nº 1,632, Jardim Professora Tarcília, CEP 13087-397 – Campinas - SP - Brazil.

The Company has direct and indirect interests in subsidiaries and jointly controlled ventures, including four distributors, 115 power generation undertakings, seven transmitters, four energy trading and 11 service providers and five holding companies/other ventures.

For more information about the operational context, including the Company's actions in relation to Climate Change, please refer to Note 1 of the financial statements for the year ended December 31, 2022.

1.1 Negative net working capital

As of June 30, 2023, the consolidated interim financial information showed a negative net working capital in the amount of R\$ 1,590,725 mainly due to the maturity of contractual loans with companies of the Group, which are under evaluation for eventual renewal. The Group monitors, in a timely manner, the net working capital and its cash generation to pay off its debts, including dividends, as well as cash flow projections, that support and enable the plan to reduce or reverse this net working capital.

(2) PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation

The individual (parent company) and consolidated tax information was prepared and is being presented in accordance with the International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and also based on the rules issued by the Brazilian Securities Commission - (CVM), applicable to the preparation of Quarterly Information (ITR), in accordance with Technical Pronouncement CPC 21 (R1) – Interim Statement.

The Company and its subsidiaries (“The Group”) also follows the guidelines of the Accounting Manual of the Brazilian Electricity Sector and the standards laid down by the Brazilian Electricity Regulatory Agency (Agência Nacional de Energia Elétrica – ANEEL), when these do not conflict with the accounting practices adopted in Brazil and/or International Financial Reporting Standards (IFRS).

Management states that all material information in the interim financial statements has been disclosed and corresponds to what is used in the Group's management.

The interim financial statements were authorized for issue by the Company’s Management on August 7, 2023.

2.2 Basis of measurement

The interim financial statements have been prepared on a historical costs basis, except for the following material items which are measured at each reporting date and recorded in the statements of financial position: i) derivative financial instruments measured at fair value; and ii) non-derivative financial instruments measured at fair value through profit or loss. The classification of the fair value measurement in the level 1, 2 or 3 categories (depending on the degree of observance of the variables used) is presented in Note 24 – Financial Instruments.

2.3 Use of estimates and judgments

The preparation of the interim financial statements requires the Group's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

By definition, the accounting estimates may differ from the actual results. Accordingly, the Group's management review the estimates and assumptions on an ongoing basis, based on previous experience and other relevant factors. Adjustments resulting from revisions to accounting estimates are recognized in the period in which the estimates are revised and applied on a prospective basis.

The main accounts that require the adoption of assumptions and estimates and which are subject to a greater degree of uncertainty and may result in a material adjustment should these assumptions and estimates change significantly in subsequent periods, are described in Note 2.3 to the financial statements as of December 31, 2022.

2.4 Functional currency and presentation currency

The Group's functional currency is the Brazilian Real, and the individual and interim financial statements are presented in thousands of reais. Figures are rounded only after sum-up of the amounts. Consequently, when summed up, the amounts stated in thousands of reais may not tally with the rounded totals.

2.5 Segment information

The Group's officers use reports to make strategic decisions, segmenting the business into activities of: (i) electric energy distribution ("Distribution"); (ii) electric energy generation ("Generation"); (iii) electric energy transmission ("Transmission"); (iv) energy commercialization ("Commercialization"); (v) service activities ("Services"); and (vi) other activities not listed in the previous items.

2.6 Information on equity interests

The Company's equity interests in direct and indirect subsidiaries and joint ventures are described in Note 1 of the financial statements as at December 31, 2022. Except for (i) the companies BAESA, Chapecoense, EPASA, TPAE and ETAU which use the equity method of accounting, and (ii) the non-controlling interest in the investment stated at cost by the subsidiary Paulista Lajeado (referring to the investment in Investco S.A.) and CPFL Transmissão (referring to the investment in Centrais Elétricas S.A. - Eletrosul), all other entities are fully consolidated.

At June 30, 2023 and December 31, 2022, the noncontrolling interests in the consolidated balances refer to interests held by third parties in subsidiaries CERAN, Paulista Lajeado and the not wholly-owned subsidiaries of CPFL Renováveis, CPFL Transmissão, TESB and ENERCAN.

2.7 Statement of value added

The Company has prepared the individual and consolidated statements of value added ("DVA") in conformity with technical pronouncement CPC 09 – Statement of Value Added, which are presented as an integral part of the interim financial statements in accordance with accounting practices adopted in Brazil and as supplementary information to the interim financial statements in accordance with IFRS, as this statement is neither provided for nor required by IFRS.

(3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Group's interim accounting information was prepared based on the same accounting policies described in Note 3 – Summary of the main accounting policies, disclosed in the financial statements for the year ended December 31, 2022, and has the objective of updating users on the relevant events and transactions that occurred in the period and must be analyzed in conjunction with the financial statements for the year ended December 31, 2022.

(4) FAIR VALUE MEASUREMENT

The determination of the fair value of the Group's interim accounting information was carried out as described in Note 4 – Fair Value Measurement, disclosed in the financial statements for the year ended December 31, 2022, and must be analyzed together.

(5) CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Bank balances	175	860	72,174	136,250
Short-term financial investments	28,645	188,240	4,938,044	3,609,908
Overnight investment (a)	-	-	2,451	878
Private credit notes (b)	28,645	188,240	4,782,633	3,508,134
Investment funds (c)	-	-	152,960	100,896
Total	28,820	189,100	5,010,217	3,746,158

- a) Bank account balances, which earn daily interest by investment in repurchase agreements secured on Bank Certificates of Deposit (CDBs) and interest of 15% of the variation in the Interbank Certificate of Deposit (CDI).
- b) Short-term investments in: (i) (CDBs) amounting to R\$ 4,709,323 (R\$ 2,899,482 in December 31, 2022), and (ii) secured debentures amounting to R\$ 73,310 (R\$ 608,651 on December 31, 2022), all with major financial institutions that operate in the Brazilian financial market, with daily liquidity, short term maturity, low credit risk and interest equivalent, on average, to 101,03 of the CDI (100,03% of the CDI on December 31, 2022).
- c) Represents amounts invested in funds with high liquidity and equivalent remuneration, on average 100,01 % of the CDI (101,09% of the CDI on December 31, 2022), having as characteristics post-fixed investments in CDI backed by federal government securities, CDB's, financial bills and committed debentures of large financial institutions with low credit risk and short-term maturity.

(6) MARKETABLE SECURITIES

	Consolidated	
	June 30, 2023	December 31, 2022
Through investment funds (a)	201,923	208,886
Direct investment (b)	63,474	647,358
Total	265,397	856,244

- (a) It represents amounts invested in government securities, Financial Bills ("LF") and Financial Treasury Bills ("LFT"), through investment fund quotas, yielding on average 100,14% (101,09% of CDI in December 31, 2022).
- (b) It represents mainly securities without immediate liquidity and which do not have the possibility of redemption in the short term without significant loss of value, with remuneration equivalent to 100% of the CDI.

(7) CONSUMERS, CONCESSIONAIRES AND LICENSEES

	Amounts not due	Consolidated		Total	
		Past due			
		until 90 days	> 90 days	June 30, 2023	December 31, 2022
Current					
Consumer classes					
Residential	890,880	652,804	115,623	1,659,307	1,651,639
Industrial	141,673	60,184	81,847	283,704	307,508
Commercial	210,878	91,885	46,604	349,367	363,294
Rural	89,239	34,648	16,401	140,288	147,068
Public administration	76,904	11,466	8,657	97,027	90,499
Public lighting	112,708	3,316	3,759	119,783	106,784
Public utilities	71,106	17,158	16,381	104,645	85,053
Billed	1,593,388	871,461	289,272	2,754,121	2,751,845
Unbilled	1,553,404	-	-	1,553,404	1,531,707
Financing of consumers' debts	155,953	42,237	41,995	240,185	289,264
CCEE transactions	165,628	5,794	17,007	188,429	172,166
Concessionaires and licensees	417,936	242,388	19,566	679,890	738,682
Incentive program for the voluntary reduction of electricity consumption	(8,741)	-	-	(8,741)	(9,567)
Others	52,056	-	-	52,054	27,751
	3,929,624	1,161,880	367,840	5,459,341	5,501,848
Allowance for doubtful accounts				(381,029)	(430,718)
Total				5,078,312	5,071,130
Non-current					
Financing of consumers' debts	110,525	-	-	110,525	140,383
Free energy	8,653	-	-	8,653	8,125
CCEE transactions	34,679	8,005	10,950	53,635	57,151
Total	153,857	8,005	10,950	172,813	205,659

(8) TAXES RECOVERABLE

	Consolidated	
	June 30, 2023	December 31, 2022
Current		
Prepayments of social contribution – CSLL	224	94,338
Prepayments of income tax - IRPJ	620	262,763
Income tax and social contribution to be offset	494,529	168,431
Income tax and social contribution to be offset	495,373	525,532
Withholding income tax - IRRF on interest on capital	29,488	43,468
Withholding income tax - IRRF	104,953	90,519
State VAT - ICMS to be offset	278,568	477,271
Social Integration Program - PIS	40,276	32,792
Contribution for Social Security Funding - COFINS	113,586	101,471
Others	4,641	5,833
Other taxes to be offset	571,512	751,353
Total current	1,066,885	1,276,885
Non-current		
Social contribution to be offset - CSLL	6,462	6,771
Income tax to be offset - IRPJ	88,857	114,610
Income tax and social contribution to be offset	95,319	121,381
State VAT - ICMS to be offset	422,772	407,150
Social Integration Program - PIS	96,560	112,611
Contribution for Social Security Funding - COFINS	6,715	7,980
Others	753	752
Other taxes to be offset	526,799	528,493
Total non-current	622,118	649,874

Exclusion of ICMS from PIS and COFINS calculation base

Assets	Consolidated	
	June 30, 2023	December 31, 2022
Current		
PIS over ICMS	503,200	296,009
COFINS over ICMS	2,317,769	1,389,634
Total current	2,820,969	1,685,643
Non-current		
PIS over ICMS	847,837	1,217,027
COFINS over ICMS	3,905,191	5,577,836
Total non-current	4,753,028	6,794,863
Liabilities - PIS/COFINS consumers return		
Current		
Current	(714,482)	(945,091)
Non-current		
Non-current	(5,483,236)	(6,917,491)

Details on the exclusion of ICMS from the PIS and COFINS calculation base are described in note 8 of the financial statements as at December 31, 2022.

(9) SECTOR FINANCIAL ASSETS AND LIABILITIES

The breakdown of the balances of sector financial asset and liability and the movement for the year period are as follows:

	At December 31, 2022			Operating revenue (note 18)		Financial Income (note 21)	PIS/COFINS credit refund	Receipt	June 30, 2023		
	Deferred	Approved	Total	Constitution	Through billing	Adjustment for inflation		CDE Eletrobrás	Deferred	Approved	Total
Parcel "A"	(24,850)	471,206	446,356	(118,226)	(351,539)	(4,245)	-	(84,292)	360,602	(472,547)	(111,945)
CVA (1)											
CDE (2)	(212,459)	138,784	(73,674)	(42,802)	(50,188)	4,862	-	(84,292)	(19,105)	(226,989)	(246,094)
Electric energy cost	(1,300,078)	(982,670)	(2,282,748)	(715,845)	1,055,961	(113,376)	-	-	(575,269)	(1,480,738)	(2,056,007)
ESS and EER (3)	(560,370)	321,176	(239,194)	195,807	(170,602)	(25,181)	-	-	89,790	(328,959)	(239,169)
Proinfra	3,491	91,114	94,605	(50,155)	(67,290)	954	-	-	(15,792)	(6,094)	(21,886)
Basic network charges	408,404	70,216	478,620	297,443	(137,147)	35,188	-	-	242,315	431,790	674,104
Pass-through from Itaipu	597,536	756,556	1,354,092	(299,520)	(831,700)	49,690	-	-	(181,725)	454,287	272,561
Transmission from Itaipu	31,388	2,971	34,359	26,607	(7,376)	2,753	-	-	21,971	34,373	56,343
Neutrality of sector charges	(127,901)	(29,354)	(157,255)	(75,186)	66,894	(9,400)	-	-	(25,455)	(149,492)	(174,947)
Overcontracting	1,135,535	102,413	1,237,948	545,442	(210,090)	50,265	-	-	824,287	799,277	1,623,564
Billed tariff flag	(397)	-	(397)	(19)	-	-	-	-	(415)	-	(415)
Other financial components	251,537	(797,149)	(545,612)	121,345	782,977	71,566	(1,944,099)	3,290	474,315	(1,984,848)	(1,510,533)
Total	226,688	(325,944)	(99,256)	3,119	431,438	67,322	(1,944,099)	(81,002)	834,916	(2,457,395)	(1,622,479)
Current assets			230,816								67,172
Non-current assets			214,133								271,766
Current liabilities			(281,398)								(1,643,715)
Non-current liabilities			(262,806)								(317,701)

(1) Deferred tariff costs and gains variations from Parcel "A"

(2) Energy Development Account – CDE

(3) System Service Charge (ESS) and Reserve Energy Charge (EER)

Reimbursement of the PIS / COFINS credit - in the 2023 annual tariff adjustment of the subsidiaries CPFL Santa Cruz, CPFL Paulista and RGE, the sector liability arising from PIS/COFINS credits was considered in connection with the exclusion of ICMS from the calculation basis of the PIS / COFINS, in the amount of R\$ 1,944,099, pursuant to Ratifying Resolutions ("REH") No 3,178, No. 3,183 and No. 3,206, respectively. This amount was recorded in other accounts payable - PIS/COFINS reimbursement to consumers and was transferred to sector financial assets and liabilities in this semester.

The details of the nature of each sector financial asset and liability are provided in Note 9 to the financial statements at December 31, 2022.

(10) CONCESSION FINANCIAL ASSET

	Consolidated
At December 31, 2022	18,202,007
Non-current	18,202,007
Fair value adjustment	853,766
Transfer - contract asset	1,298,854
Transfer - intangible asset	(34,264)
Disposals	(54,581)
At June 30, 2023	20,265,782
Non-current	20,265,782

In the first half of 2023, the balance of write-offs of R\$ 54,581 (R\$ 38,897 in the first half of 2022) refers to write-off of the adjustment related to the asset in the amount of R\$ 30,870 (R\$ 21,785 in the first half of 2022) and write-off of the asset of R\$ 23,710 (R\$ 17,112 in the first half of 2022).

(11) INVESTMENTS

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Equity method				
By equity method of the subsidiary (and joint venture)	17,813,733	15,011,538	522,141	614,765
Advances for future capital increases	-	1,043,120	-	-
Subtotal	17,813,733	16,054,658	522,141	614,765
Fair value of assets, net	304,973	341,938	7,453	7,743
Goodwill	6,054	6,054	-	-
Total	18,124,761	16,402,651	529,593	622,508

The movement, in the parent company, in the balances of investment in subsidiaries is as follows:

Investment	Investment on December 31, 2022	Capital increase /payment of capital	Share of profit (loss) of investees	Other comprehensive income	Dividend and Interest on capital	Advances for future capital increases	Others	Investment on June 30, 2023
CPFL Paulista	1,193,678	-	796,784	(388)	(353,972)	-	-	1,636,103
CPFL Piratininga	366,553	-	318,768	(367)	(296,679)	-	-	388,275
CPFL Santa Cruz	442,243	-	49,630	-	(14,800)	-	-	477,072
RGE	3,517,956	-	590,170	(363)	(126,396)	-	-	3,981,367
CPFL Geração	4,044,252	-	593,045	-	-	-	198	4,637,495
CPFL Renováveis	2,830,016	-	228,495	-	(293,825)	-	191	2,764,879
CPFL Jaguari Geração	25,432	-	255	-	11,106	-	-	36,793
CPFL Brasil	3,091,351	1,029,620	228,836	4,511	-	(1,029,620)	(778)	3,323,920
CPFL Planalto	5,039	-	2,230	-	(4,409)	-	-	2,860
CPFL Serviços	188,900	-	1,838	-	-	-	-	190,738
CPFL Atende	14,335	-	1,947	-	-	-	-	16,282
CPFL Infra	6,547	-	4,054	-	(5,949)	-	-	4,652
CPFL Pessoas	12,834	-	7,278	-	(11,860)	-	-	8,251
CPFL Finanças	17,105	-	14,143	-	(16,643)	-	-	14,605
CPFL Supri	5,926	-	5,259	-	(4,935)	-	-	6,249
CPFL Telecom	3,613	-	160	-	(304)	-	-	3,469
CPFL Eficiência	155,650	13,500	4,376	-	(940)	(13,500)	-	159,086
AUTHI	14,096	-	1,814	-	(1,446)	-	-	14,464
Alesta	118,647	-	28,618	-	-	-	-	147,265
Clion	484	-	(578)	-	-	-	-	(94)
	16,054,658	1,043,120	2,877,124	3,392	(1,121,052)	(1,043,120)	(388)	17,813,733

Dividends and interest on capital receivable

Subsidiary	Parent Company				Total	
	Dividend		Interest on capital		June 30, 2023	December 31, 2022
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022		
CPFL Paulista	-	55,957	38,250	112,200	38,250	168,157
CPFL Piratininga	-	-	7,480	23,375	7,480	23,375
CPFL Santa Cruz	-	8,852	6,800	17,000	6,800	25,852
RGE	-	165,309	-	-	-	165,309
CPFL Geração	327,557	367,557	-	7,650	327,557	375,207
Jaguari de Geração	-	11,106	-	-	-	11,106
CPFL Brasil	57,624	57,624	-	-	57,624	57,624
CPFL Serviços	25,630	25,630	-	-	25,630	25,630
CPFL Atende	-	-	-	808	-	808
CPFL Infra	5,950	-	-	-	5,950	-
CPFL Eficiência	-	-	629	1,700	629	1,700
AUTHI	11,446	10,000	-	-	11,446	10,000
CPFL Pessoas	11,861	-	-	-	11,861	-
Alesta	2,095	2,095	-	-	2,095	2,095
	442,163	704,130	53,159	162,733	495,322	866,863

Business combination in 2022**Acquisition of Companhia Estadual de Transmissão de Energia Elétrica ("CPFL Transmissão") by Cone Sul (subsidiary of CPFL Brasil)**

As disclosed in Note 13.4.2 of the financial statements as at December 31, 2022, the subsidiary CPFL Geração acquired, on November 17, 2022, shares representing approximately 3.39% of the total share capital of Campos Novos Energia S.A. ("Enercan"), previously held by CEEE-G.

The acquisition of Enercan's control was carried out under the conditions disclosed in the aforementioned explanatory note, whose fair values were provisionally calculated for those financial statements based on analyses conducted by the independent evaluator, until the economic-financial evaluation report is finalized.

As provided in CPC 15, Management has 12 months from the date of acquisition to finalize the allocation of the purchase price. Accordingly, no adjustment to the fair values of assets and liabilities was recognized in the interim accounting information base period as of June 30, 2023.

Additionally, no other business combinations occurred in the first half of 2023.

(12) TRADE PAYABLES

	Consolidated	
	June 30, 2023	December 31, 2022
Current		
System service charges	2,961	1,574
Energy purchased	1,466,767	1,661,939
Electricity network usage charges	502,607	492,104
Materials and services	726,881	885,473
Free market energy	209,984	186,678
Total	2,909,200	3,227,768
Non-current		
Energy purchased	388,789	413,822
Materials and services	2,089	11,122
Total	390,878	424,945

(13) BORROWINGS

The movement in borrowings is as follows:

Category	Consolidated						At June 30, 2023
	At December 31, 2022	Raised	Repayment	Interest, monetary adjustment and fair value measurement	Exchange rates variation	Interest paid	
Local currency							
Measured at cost							
Pre fixed	1,808	-	(1,804)	13	-	(14)	2
Post fixed							
TJLP	402,853	-	(47,703)	18,118	-	(15,638)	357,631
IPCA	5,448,388	-	(137,759)	300,150	-	(120,123)	5,490,655
CDI	1,165,179	-	(52,801)	78,974	-	(3,675)	1,187,677
IGP-M	13,250	-	(8,733)	256	-	(450)	4,322
Borrowing costs	(39,628)	-	-	4,526	-	-	(35,102)
Subtotal	6,991,850	-	(248,800)	402,036	-	(139,901)	7,005,185
Measured at fair value							
Pre fixed	578,983	-	-	19,131	-	(19,179)	578,936
Mark to market	(36,288)	-	-	17,629	-	-	(18,659)
Subtotal	542,695	-	-	36,761	-	(19,179)	560,277
Total at local currency	7,534,545	-	(248,800)	438,797	-	(159,079)	7,565,462
Foreign currency							
Measured at fair value							
Dollar	4,898,615	1,448,291	(1,038,673)	66,332	(321,076)	(59,679)	4,993,809
Euro	1,614,653	81,564	(1,119,220)	3,169	(21,312)	(2,930)	555,924
Iene	-	1,101,000	-	4,033	(191,199)	-	913,834
Mark to market	(280,146)	-	-	(121,845)	-	-	(401,991)
Total at foreign currency	6,233,122	2,630,855	(2,157,893)	(48,310)	(533,587)	(62,609)	6,061,576
Total	13,767,666	2,630,855	(2,406,693)	390,487	(533,587)	(221,689)	13,627,038
Current	3,362,615						2,984,504
Non-current	10,405,052						10,642,534

Additions during the period:

Category Subsidiary	Released (R\$ thousand)		Interest payment	Repayment	Utilization	Annual rate and effective annual rate	Effective rate with derivative
	Total approved	Released in 2023					
Foreign currency - Law 4131							
CPFL Paulista	1,101,000	1,101,000	Semiannually	Single Installment in January of 2026	Working capital	YEN + 1.20%	CDI + 1.40%
CPFL Jaguarí	80,000	80,000	Semiannually	Single Installment in January of 2026	Working capital	USD + 5.91%	CDI + 1.33%
CPFL Brasil	129,408	129,408	Semiannually	Single Installment in January of 2023	Working capital	USD + 4.8025%	CDI + 0.58%
CPFL Jaguarí	152,049	152,049	Semiannually	Single Installment in December of 2025	Working capital	USD + 4.7090%	CDI + 1.20%
CPFL Piratininga	344,644	344,644	Semiannually	Single Installment in December of 2025	Working capital	USD + 4.7090%	CDI + 1.20%
CPFL Jaguarí	81,564	81,564	Semiannually	Single Installment in December of 2025	Working capital	Euro + : 4.9000%	CDI + 1.10%
RGE Sul	177,354	177,354	Semiannually	Single Installment in December of 2025	Working capital	USD + 4.732%	CDI + 1.25%
RGE Sul	148,641	148,641	Semiannually	Single Installment in December of 2025	Working capital	USD + 4.4906%	CDI + 1.25%
CEEE - T	416,195	416,195	Semiannually	Single Installment in December of 2025	Working capital	USD + 4.4906%	CDI + 1.25%
	2,630,855	2,630,855					

Restrictive covenants

Borrowing raised by Group companies require compliance with certain restrictive financial clauses, under penalty of restrictions on the distribution of dividends and/or the early maturity of the related debts. Furthermore, failure to comply with the obligations or restrictions may result in default in relation to other contractual obligations (cross default), depending on the terms of each borrowing agreement. The calculations are made annually or every six months, as the case may be.

For borrowing raised or for which funds were released in 2023, there were restrictive clauses related to financial ratios, as follow:

Ratios required for the consolidated financial statements of CPFL Energia

- Debt indebtedness divided by EBITDA smaller than or equal to 3.75
- EBITDA divided by the finance income/expense results greater than or equal of 2.25

For other borrowing, the details of the covenants are presented in Note 18 to the financial statements as at December 31, 2022.

The Group's Management monitors these ratios on a systematic and continuous basis, ensuring that all the covenants are met. At June 30, 2023, the Group's Management did not identify events or conditions of non-compliance with any financial or non-financial clauses.

(14) TAXES, FEES AND CONTRIBUTIONS

	Consolidated	
	June 30, 2023	December 31, 2022
Current		
IRPJ (corporate income tax)	439,229	341,363
CSLL (social contribution on net income)	149,622	114,131
Income tax and social contribution	588,850	455,493
ICMS (State VAT)	360,994	50,063
PIS (tax on revenue)	36,143	43,031
COFINS (tax on revenue)	167,916	201,018
Income tax withholding on interest on capital	9,381	26,925
Tax transaction related to litigation - private pension debt	54,791	18,055
Other taxes	78,837	101,177
Other taxes	708,063	440,270
Total current	1,296,913	895,763
Non-current		
IRPJ (corporate income tax)	242,346	231,653
Tax transaction related to litigation - private pension debt	24,873	23,364
Income tax and social contribution	267,219	255,017
ICMS (State VAT)	930	911
PIS (Tax on revenue)	70	-
COFINS (Tax on revenue)	68	-
IRPJ/CSLL installment	4,698	4,921
Tax transaction related to litigation - private pension debt	995,507	1,007,138
Other taxes	1,001,273	1,012,970
Total non-current	1,268,492	1,267,987

Tax on the circulation of goods and services - ICMS - On February 9, 2023, precautionary injunction No. 7,195 determined the suspension of the non-levy of ICMS on transmission, distribution and sector charges linked to operations with electricity, which then became taxable again.

Tax transaction related to legal litigation - private pension debt - There were no material changes during the first semester of 2023. Details of the transaction are described in Note 22 of the financial statements as of December 31, 2022.

(15) PROVISION FOR TAX, CIVIL AND LABOR RISKS AND ESCROW DEPOSITS

	Consolidated			
	June 30, 2023		December 31, 2022	
	Provision for tax, civil and labor risks	Escrow deposits	Provision for tax, civil and labor risks	Escrow deposits
Labor	546,104	204,499	510,853	190,486
Civil	316,429	35,170	417,121	33,127
Tax	306,480	510,750	295,984	491,290
Others	123,917	1,809	121,277	2,018
Total	1,292,929	752,228	1,345,236	716,921

Possible losses:

	Consolidated		Main causes
	June 30, 2023	December 31, 2022	
Labor	671,335	629,643	Work accidents, risk premium for dangerousness at workplace and overtime
Civil	2,957,093	2,533,637	Compensation claims, electrical damages, overfed tariffs, review of contracts and charges for occupation of the right-of-way.
Tax	3,447,763	3,767,887	Income tax and social contribution
Tax - Others	2,746,072	2,973,319	INSS, ICMS, FINSOCIAL, PIS and COFINS
Regulatory	172,946	162,080	Technical, commercial and economic-financial supervisions
Total	9,995,209	10,066,566	

Civil

In 2014, the subsidiaries CPFL Bio Pedra, CPFL Bio Buriti and CPFL Renováveis received a request for arbitration to declare the default in relation to the contractual obligations arising from the consortium constitution agreement, with a claim for compensation due to related losses, in addition to the obligation of the payment of fees, expenses with arbitrators and costs of arbitration.

In March 2023, Management became aware of the arbitration award unfavorable to the subsidiaries and, in June 2023, the subsidiaries filed a lawsuit for the annulment of the arbitration award, with the objective of contesting the final arbitrated amount of R\$ 450 million. In June 2023, the subsidiaries made a payment of R\$ 53 million, with no impact on the income statement, since the respective liabilities were already recorded.

The remaining amount remains under discussion in the lawsuit for the annulment of the arbitration award, in which the subsidiaries obtained an injunction suspending the effects of the arbitration award, evaluated by the Group's legal advisors as a possible risk of loss

Tax

In August 2016, the subsidiary CPFL Renováveis received a tax infringement notice in the updated amount of R\$ 403,536, relating to the collection of Withholding Income Tax (IRRF) on the remuneration of capital gain incurred with parties resident and/or domiciled abroad, resulting from the sale of Jantus SL, in December 2011, which the Group Management - supported by the opinion of its external legal advisors - classified the chances of loss of the processes as possible. In June 2023, there was a partially favorable CARF decision and the total amount of R\$ 190,823 remains under discussion.

(16) OTHER PAYABLES

	Consolidated			
	Current		Non-current	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Consumers and concessionaires	669,670	431,655	75,020	84,754
Energy efficiency program - PEE	361,130	400,715	737	6,344
Research & Development - P&D	229,958	210,868	70,637	69,492
EPE / FNDCT / PROCEL (*)	59,790	50,743	-	-
Reversion fund	1,712	1,712	6,625	7,481
Advances	1,005,489	766,939	130,092	126,579
Tariff discounts - CDE	22,448	29,253	-	-
Payroll	24,299	35,471	-	-
Profit sharing	76,284	128,318	26,674	47,200
Collection agreements	114,110	117,410	-	-
Others	186,395	181,784	359,526	364,413
Total	2,751,285	2,354,869	669,311	706,263

(*) EPE - Energy Research Company; FNDCT- National Fund for Scientific and Technological Development; PROCEL - National Electricity Conservation Program

Consumers and concessionaires: refer to liabilities with consumers in connection with overpayments and adjustments of billing to be offset or returned.

Advances: refer mainly to advances from customers in relation to advance billing by the subsidiary CPFL Renováveis before the energy or service has actually been provided or delivered.

(17) EARNINGS PER SHARE**Earnings per share – basic and diluted**

The calculation of basic and diluted earnings per share was based on net profit for the year attributable to controlling shareholders and the weighted average number of common shares outstanding during the reporting periods:

	2nd quarter 2023	Six months 2023	2nd quarter 2022	Six months 2022
Numerator				
Profit attributable to controlling shareholders	1,188,887	2,782,907	1,252,125	2,354,588
Denominator				
Weighted average number of shares held by sharehol	1,152,254,440	1,152,254,440	1,152,254,440	1,152,254,440
Earnings per share	1.03	2.42	1.09	2.04

(18) NET OPERATING REVENUE

	Consolidated			
	2023		2022	
	2nd quarter	Six months	2nd quarter	Six months
Revenue from Eletic Energy Operations				
Consumer class				
Residential	4,299,490	8,675,421	4,560,291	9,893,667
Industrial	933,458	1,788,865	1,112,764	2,194,454
Commercial	1,598,213	3,168,784	1,775,473	3,758,382
Rural	408,840	894,891	431,787	1,028,339
Public administration	282,413	545,354	288,625	582,970
Public lighting	240,518	462,995	250,330	544,830
Public services	318,965	610,764	334,355	686,244
Billed	8,081,896	16,147,074	8,753,625	18,688,885
Unbilled (net)	(267,107)	16,576	(93,600)	244,328
(-) Reclassification to Network Usage Charge - TUSD - Captive Consumers	(4,298,000)	(8,435,568)	(3,959,544)	(7,774,068)
Electricity sales to final consumers	3,516,789	7,728,082	4,700,481	11,159,144
Furnas Centrais Elétricas S.A.	224,821	514,781	304,105	507,682
Other concessionaires and licensees	859,762	1,740,407	626,026	1,360,420
(-) Reclassification to Network Usage Charge - TUSD - Captive Consumers	(48,525)	(101,093)	(38,935)	(82,129)
Spot market energy	178,222	297,631	133,786	240,842
Electricity sales to wholesalers	1,214,280	2,451,726	1,024,982	2,026,815
Revenue due to Network Usage Charge - TUSD - Captive Consumers	4,346,526	8,536,661	3,998,478	7,856,197
Revenue due to Network Usage Charge - TUSD - Free Consumers	1,648,563	3,072,807	1,420,264	2,652,125
(-) Compensation paid for failure to comply with the limits of continuity	(22,060)	(59,474)	(25,839)	(71,593)
Revenue from construction of concession infrastructure	1,146,774	2,071,777	1,266,641	2,308,861
Sector financial asset and liability (Note 9)	465,438	434,557	88,269	(1,260,226)
Concession financial asset - fair value adjustment (Note 10)	333,324	830,056	439,047	743,728
Energy development account - CDE - Low-income, Tariff discounts - judicial injunctions ,and other tariff discounts	463,126	952,367	524,527	995,372
Other revenues and income	533,516	1,038,194	515,329	966,606
Other operating revenues	8,915,207	16,876,945	8,226,716	14,191,070
Total gross operating revenue	13,646,275	27,056,752	13,952,179	27,377,029
Deductions from operating revenues				
ICMS	(1,595,598)	(2,605,440)	(1,931,093)	(4,083,465)
PIS	(168,727)	(345,561)	(164,521)	(318,198)
COFINS	(776,968)	(1,592,849)	(756,143)	(1,465,984)
ISS	(7,906)	(14,769)	(8,738)	(16,273)
Energy development account - CDE	(1,463,497)	(2,834,433)	(1,433,219)	(2,892,443)
Research and development and energy efficiency programs	(70,431)	(145,094)	(65,566)	(135,505)
PROINFA	(89,369)	(181,053)	(82,857)	(146,883)
Tariff flags and others	-	-	(166,777)	327,584
Financial compensation for the use of water resources - CFURH	(5,831)	(14,209)	(3,663)	(4,867)
Others	(79,029)	(95,187)	(15,284)	(29,222)
	(4,257,358)	(7,828,595)	(4,627,862)	(8,765,256)
Net operating revenue	9,388,917	19,228,157	9,324,318	18,611,773

	2023		2022	
	2nd quarter	Six months	2nd quarter	Six months
Revenue from Eletic Energy Operations - in GWh				
Consumer class				
Residential	5,156	10,801	5,043	10,646
Industrial	1,716	3,366	2,082	4,091
Commercial	2,114	4,354	2,298	4,789
Rural	586	1,415	634	1,569
Public administration	351	698	340	673
Public lighting	488	970	494	981
Public services	464	934	436	879
Billed	10,876	22,538	11,327	23,630
Own consumption	9	18	9	18
Electricity sales to final consumers	10,885	22,556	11,336	23,648
Furnas Centrais Elétricas S.A.	890	1,354	480	1,189
Other concessionaires and licensees	2,789	6,129	2,895	5,380
Spot market energy	2,544	4,207	3,044	4,620
Electricity sales to wholesalers	6,224	11,690	6,419	11,190

	Consolidated	
	June 30, 2023	June 30, 2022
Number of consumers		
Consumer class		
Residential	9,420,411	9,250,326
Industrial	51,928	52,464
Commercial	525,362	531,019
Rural	326,357	334,497
Public administration	66,652	64,518
Public lighting	10,673	10,326
Public services	11,358	11,171
Total	10,412,741	10,254,321

Other revenues and income: This line contains revenue from the Energy Transmission segment, arising from the operation and maintenance and remuneration of the contractual asset of R\$ 741,216 (R\$ 716,686 in the first half of 2022).

Revenue from construction of concession infrastructure: Refers to the revenue from construction of concessions in the Distribution segment, of R\$ 1,809,564 (R\$ 1,996,837 in the first half of 2022) and in the Transmission segment, of R\$ 262,213 (R\$ 312,024 in the first half of 2022).

Tax on the circulation of goods and services - ICMS - On February 9, 2023, precautionary injunction No. 7,195 determined the suspension of the non-levy of ICMS on transmission, distribution and sector charges linked to operations with electricity, which then became taxable again.

Periodic tariff review (“RTP”) and Annual tariff adjustment (“RTA”)

Distributor	Month	2023		2022	
		RTA / RTP	Effect perceived by consumers (a)	RTA / RTP	Effect perceived by consumers (a)
CPFL Paulista	April	3.36%	4.89%	12.77%	14.97%
CPFL Piratininga	October	(c)	(c)	21.07%	14.72%
RGE	June	(b) 1.67%	1.10%	8.72%	10.98%
CPFL Santa Cruz	March	5.65%	9.02%	7.82%	8.83%

(a) Represents the average effect perceived by the consumer, as a result of the elimination from the tariff base of financial components that had been added in the prior tariff adjustment.

(b) The adjustment for 2023 have not yet occurred.

(19) COST OF ELECTRIC ENERGY

	Consolidated			
	2023		2022	
	2nd quarter	Six months	2nd quarter	Six months
Electricity Purchased for Resale				
Itaipu Binacional	531,570	993,476	787,316	1,438,252
PROINFA	103,566	204,514	146,829	316,568
Energy purchased through auction in the regulated market, bilateral contracts and spot market	2,668,074	5,546,263	2,733,679	5,598,622
PIS and COFINS credit	(296,375)	(599,980)	(328,230)	(648,098)
Subtotal	3,006,835	6,144,274	3,339,594	6,705,344
Electricity network usage charge				
Basic network charges	911,366	1,834,350	667,731	1,354,445
Transmission from Itaipu	78,190	150,896	66,456	129,077
Connection charges	26,326	54,627	25,573	48,979
Charges for use of the distribution system	20,603	41,250	18,799	36,430
System service charges - ESS net of CONER pass through (*)	12,170	20,148	6,309	505,552
Reserve energy charges - EER	248,923	569,160	146,124	309,064
PIS and COFINS credit	(127,471)	(261,548)	(93,477)	(234,851)
Subtotal	1,170,106	2,408,882	837,514	2,148,696
Total	4,176,941	8,553,156	4,177,109	8,854,040

(*) Energy reserve account

	Consolidated			
	2023		2022	
	2nd quarter	Six months	2nd quarter	Six months
Electricity Purchased for Resale in GWh				
Itaipu Binacional	2,460	4,893	2,526	5,022
PROINFA	225	449	230	448
Energy purchased through auction in the regulated market, bilateral contracts and spot market	14,822	31,042	14,005	29,395
Total	17,507	36,384	16,761	34,865

(20) OTHER OPERATING COSTS AND EXPENSES

2nd quarter														
	Cost of operation		Cost of Services Rendered to Third Parties		Selling expenses		Operating expenses		General and administrative		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Personnel	364,004	358,246	-	-	-	-	52,698	45,582	115,076	95,251	-	-	531,778	499,079
Private Pension Plans	48,728	73,568	-	-	-	-	-	-	-	-	-	-	48,728	73,568
Materials	109,333	117,610	539	446	-	-	3,242	3,289	333	3,267	-	-	113,447	124,612
Third party services	90,660	42,300	670	709	-	-	52,094	49,216	104,447	69,669	-	-	247,871	161,894
Costs of infrastructure construction	-	-	1,090,781	1,264,277	-	-	-	-	-	-	-	-	1,090,781	1,264,277
Others	37,858	36,106	5	24	-	-	20,031	22,727	50,302	110,745	41,768	42,325	149,964	211,927
Collection fees	-	-	-	-	-	-	19,686	21,384	-	-	-	-	19,686	21,384
Leases and rentals	24,800	21,818	-	-	-	-	-	-	(3,451)	4,727	-	-	21,349	26,545
Publicity and advertising	7	1	-	-	-	-	-	-	7,973	6,649	-	-	7,980	6,650
Legal, judicial and indemnities	-	-	-	-	-	-	-	-	50,464	86,201	-	-	50,464	86,201
Gain (loss) on disposal, retirement and other non-current assets	-	-	-	-	-	-	-	-	-	-	38,976	35,717	38,976	35,717
Others	13,052	14,287	5	24	-	-	344	1,343	(4,684)	13,168	2,792	6,608	11,509	33,769
Total	650,583	627,831	1,091,994	1,265,455	128,065	120,814	270,158	278,933	41,767	42,324	2,182,567	2,335,357		

Six months														
	Cost of operation		Cost of Services Rendered to Third Parties		Selling expenses		Operating expenses		General and administrative		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Personnel	706,536	728,556	-	-	-	-	99,360	88,680	217,064	185,356	-	-	1,022,960	1,002,592
Private Pension Plans	92,659	147,115	-	-	-	-	-	-	-	-	-	-	92,659	147,115
Materials	218,009	218,462	1,036	844	-	-	12,037	6,224	7,187	6,053	-	-	238,269	231,583
Third party services	156,948	68,439	1,398	1,436	-	-	101,360	95,290	203,827	141,891	-	-	463,533	307,056
Costs of infrastructure construction	-	-	2,005,002	2,304,449	-	-	-	-	-	-	-	-	2,005,002	2,304,449
Others	76,775	72,372	16	34	-	-	40,860	44,543	110,231	153,603	75,743	63,947	303,625	334,499
Collection fees	-	-	-	-	-	-	40,376	42,916	-	-	-	-	40,376	42,916
Leases and rentals	47,590	43,825	-	-	-	-	-	-	(9,414)	5,915	-	-	38,176	49,740
Publicity and advertising	7	3	-	-	-	-	-	-	12,633	10,135	-	-	12,640	10,138
Legal, judicial and indemnities	-	-	-	-	-	-	-	-	109,542	126,130	-	-	109,542	126,130
Gain (loss) on disposal, retirement and other non-current assets	-	-	-	-	-	-	-	-	-	-	68,189	56,582	68,189	56,582
Others	29,178	28,544	16	34	-	-	484	1,627	(2,530)	11,423	7,554	7,365	34,702	48,993
Total	1,250,926	1,234,943	2,007,451	2,306,763	253,616	234,738	538,309	538,309	486,902	75,743	63,947	4,126,045	4,327,293	

(21) FINANCIAL INCOME (EXPENSES)

	Consolidated			
	2023		2022	
	2nd quarter	Six months	2nd quarter	Six months
Financial income				
Income from financial investments	185,053	343,289	112,634	191,102
Late payment interest and fines	84,912	155,339	96,770	189,617
Adjustment for inflation of tax credits	148,399	306,934	163,242	271,717
Adjustment for inflation of escrow deposits	12,687	25,751	16,080	34,823
Adjustment for inflation and exchange rate changes	24,165	48,007	52,083	184,793
Discount on purchase of ICMS credit	17,583	30,232	7,900	16,051
Adjustments to the sector financial asset (note 9)	11,656	101,181	129,337	257,306
PIS and COFINS on other financial income	(49)	(10,738)	(26,451)	(46,128)
Others	5,791	19,640	21,345	37,350
Total	490,196	1,019,636	572,941	1,136,631
Expenses				
Interest on debts	(448,915)	(917,107)	(467,166)	(805,456)
Adjustment for inflation and exchange rate changes	(417,039)	(765,618)	(430,303)	(848,147)
(-) Capitalized interest	10,003	20,185	13,237	24,086
Adjustments to the sector financial liability (note 9)	(25,551)	(33,860)	(22,904)	(33,234)
Exclusion of ICMS from the PIS/COFINS base (nota 8)	(135,113)	(296,494)	(149,945)	(257,338)
Intragroup loans (note 23)	(98,554)	(197,426)	(81,808)	(149,707)
Others	(60,357)	(65,739)	(82,968)	(147,487)
Total	(1,175,526)	(2,256,059)	(1,221,855)	(2,217,284)
Financial result	(685,329)	(1,236,424)	(648,915)	(1,080,653)

(22) SEGMENT INFORMATION

	Distribution	Generation	Transmission	Commercialization	Services	Subtotal	Other (*)	Elimination	Total
Six months 2023									
Net operating revenue	15,981,514	1,447,282	660,818	1,020,345	118,103	19,228,061	96	-	19,228,157
(-) Intersegment revenues	7,593	771,032	212,965	9,256	355,358	1,356,204	-	(1,356,204)	-
Cost of electric energy	(8,305,300)	(261,950)	-	(989,663)	-	(9,556,912)	-	1,003,756	(8,553,156)
Operating costs and expenses	(3,552,671)	(251,983)	(387,871)	(31,065)	(364,897)	(4,588,487)	(17,921)	352,448	(4,253,961)
Depreciation and amortization	(577,758)	(426,099)	(28,717)	(2,698)	(25,213)	(1,060,485)	(35,061)	-	(1,095,545)
Income from electric energy service	3,553,379	1,278,281	457,194	6,176	83,352	5,378,381	(52,886)	-	5,325,495
Equity interests in subsidiaries, associates and joint ventures	-	159,868	3,190	-	-	163,058	-	-	163,058
Financial income	842,295	97,336	47,179	20,166	12,078	1,019,054	5,472	(4,890)	1,019,636
Financial expenses	(1,649,538)	(397,548)	(134,209)	(74,079)	(5,533)	(2,260,907)	(43)	4,890	(2,256,059)
Profit (loss) before taxes	2,746,135	1,137,937	373,354	(47,737)	89,897	4,299,586	(47,457)	-	4,252,129
Income tax and social contribution	(925,253)	(265,930)	(101,330)	(426)	(20,569)	(1,313,509)	(40,991)	-	(1,354,500)
Profit (loss) for the period	1,820,882	872,006	272,024	(48,164)	69,328	2,986,076	(88,447)	-	2,897,629
Aquisições do ativo contratual, imobilizado e outros intangíveis	1,805,730	159,374	296,387	1,395	18,536	2,281,422	1,424	-	2,282,846
Six months 2022									
Net operating revenue	15,592,637	1,159,642	686,115	1,080,562	92,790	18,611,746	27	-	18,611,773
(-) Intersegment revenues	5,349	540,500	205,216	1,628	405,515	1,158,207	-	(1,158,207)	-
Cost of electric energy	(8,242,673)	(254,116)	(401)	(1,113,484)	-	(9,610,673)	-	756,633	(8,854,040)
Operating costs and expenses	(3,669,476)	(257,270)	(552,529)	(26,362)	(396,048)	(4,891,684)	(19,046)	401,574	(4,509,155)
Depreciation and amortization	(500,175)	(367,139)	(24,760)	(2,296)	(18,461)	(912,833)	(31,548)	-	(944,381)
Income from electric energy service	3,185,662	821,617	313,641	(59,951)	93,795	4,354,764	(50,566)	-	4,304,197
Equity interests in subsidiaries, associates and joint ventures	-	240,524	1,737	-	-	242,260	-	-	242,260
Financial income	882,789	70,270	158,638	13,309	5,295	1,130,300	16,726	(10,395)	1,136,631
Financial expenses	(1,537,774)	(354,701)	(152,535)	(116,792)	(3,920)	(2,165,722)	(61,956)	10,395	(2,217,284)
Profit (loss) before taxes	2,530,677	777,709	321,480	(163,434)	95,170	3,561,601	(95,797)	-	3,465,805
Income tax and social contribution	(895,603)	(118,439)	(37,943)	16,984	(23,898)	(1,058,900)	17,655	-	(1,041,245)
Profit (loss) for the period	1,635,074	659,270	283,537	(146,451)	71,272	2,502,701	(78,142)	-	2,424,559
Aquisições do ativo contratual, imobilizado e outros intangíveis	2,112,482	104,820	323,668	2,711	13,469	2,557,150	780	-	2,557,930

(*) Others – refer basically to assets and transactions which are not related to any of the identified segments.

(23) RELATED PARTY TRANSACTIONS

The total compensation for key management personnel in the first half of 2023, in accordance with CVM Decision 642/2010 and CPC 05(R1), was R\$ 34,005 (R\$ 32,441 in the first half of 2022). This amount comprised R\$ 33,217 related to short-term benefits (R\$ 31,956 in the first half of 2022) and R\$ R\$ 788 (R\$ 485 in the first half of 2022) of post-employment and long-term benefits and refers to the amount recorded on an accrual basis.

The balance of the parent company loan asset at June 30, 2023, in the amount of R\$ 46,457, refers substantially to the loan made to the subsidiary CPFL Serviços with maturity up to December 2023 and remunerated at 105.75% of the CDI (R\$ 52,859 at December 31, 2022).

The balance of the intercompany loan payable in the consolidated, in the amount of R\$ 2,970,933 (R\$ 2,803,121 at December 31, 2022), mainly refers to the loan between subsidiary CPFL Renováveis and the parent company State Grid Brazil Power – SGBP, maturing up to June 2024 and bearing interest corresponding to CDI + 1.1% p.a. spread.

Other Financial Operations mainly refers to the issuance of debentures by the subsidiary CPFL Paulista and RGE acquired by State Grid Brazil Power Participações S.A. The effective annual rate of these debentures is CDI + 1.20% maturing in December 2026

Transactions involving controlling shareholders, entities under common control or significant influence and joint ventures:

	ASSETS		Consolidated LIABILITIES		INCOME		EXPENSES	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	Six months 2023	Six months 2022	Six months 2023	Six months 2022
Other Financial Operations								
State Grid Brazil Power Participações S.A.	-	-	1,559,212	1,500,000				
Energy purchase and sales, and charges								
Entities under common control (State Grid Corporation of China subsidiaries)	-	6	-	-	137	19	204,717	166,752
Joint ventures (CPFL Energia consolidated)	-	3,915	65,181	152,944	301	23,204	476,856	707,144
Intangible assets, property, plant and equipment, materials and service rendered								
Entities under common control (State Grid Corporation of China subsidiaries)	-	-	11,642	20,363	51	-	7,171	23,897
Joint ventures (CPFL Energia consolidated)	166	230	-	-	1,388	2,457	-	-
Intragroup loans								
State Grid Brazil Power Participações S.A.	-	-	2,970,933	2,803,121	-	-	197,426	149,707
Dividends and interest on capital								
Joint ventures (CPFL Energia consolidated)	7,502	1,500	-	-	-	-	-	-
Others								
Instituto CPFL	-	-	-	-	-	-	2,445	2,226

(24) FINANCIAL INSTRUMENTS

The main financial instruments at fair value and/or the carrying amount if different from the respective fair value, classified in accordance with the group's accounting practices are:

	Note	Category / Measurement	Level (*)	Consolidated June 30, 2023	
				Carrying amount	Fair value
Assets					
Cash and cash equivalent	5	(a)	Level 1	5,010,217	5,010,217
Securities	6	(a)	Level 1	265,397	265,397
Derivatives		(a)	Level 2	336,381	336,381
Concession financial asset	10	(a)	Level 3	20,265,782	20,265,782
Total				25,877,777	25,877,777
Liabilities					
Borrowings - principal and interest	13	(b)	Level 2 (***)	7,005,185	6,695,397
Borrowings - principal and interest (**)	13	(a)	Level 2	6,621,853	6,621,853
Debentures - Principal and interest		(b)	Level 2 (***)	8,551,830	8,436,022
Debentures - Principal and interest (**)		(a)	Level 2	2,494,245	2,494,245
Derivatives		(a)	Level 2	802,921	802,921
Total				25,476,034	25,050,438

(*) Refers to the hierarchy for fair value measurement

(**) As a result of the initial designation of the financial liability, the consolidated balances reported a loss of R\$ 4,500 in six months of 2023 (a gain of R\$ 209,339 in six months of 2022).

(***) Only for disclosure purposes, in accordance with CPC 40 (R1) / IFRS 7

Key

Category / Measurement:

(a) - Measured at amortized cost

(b) - Measured at fair value

For more information on the classification of financial instruments, see Note 35 to the financial statements for the year ended 31 December 2022. Additionally, there were no transfers between fair value hierarchy levels in the first half of 2023.

a) Derivative Instruments

	Consolidated			
	At December 31, 2022	Monetary adjustment and exchange rate and fair value measurement	Repayment	At June 30, 2023
Derivatives				
To debts designated at fair value	668,320	(889,215)	195,821	(25,074)
Fair value measurement	(503,378)	61,913		(441,465)
Total	164,942	(827,302)	195,821	(466,540)
Assets - Current	201,698			57,480
Assets - Non-current	305,862			278,902
Liabilities - Current	(76,759)			(168,585)
Liabilities - Non-current	(265,858)			(634,336)

b) Sensitivity analysis

Exchange rates variation

Instruments	Exposure (a) R\$ thousand	Risk	Consolidated		
			Currency depreciation (b)	Income (expense) Currency appreciation of 25%(c)	Currency appreciation of 50%(c)
Financial liability instruments	(4,691,797)		(145,919)	1,063,510	2,272,939
Derivatives - Plain Vanilla Swap	4,779,212		148,637	(1,083,325)	(2,315,287)
	87,415	drop in the dolar	2,718	(19,815)	(42,348)
Financial liability instruments	(506,614)		(26,227)	106,983	240,193
Derivatives - Plain Vanilla Swap	517,963		26,815	(109,380)	(245,574)
	11,349	drop in the euro	588	(2,397)	(5,381)
Financial liability instruments	(893,198)		(85,066)	159,500	404,066
Derivatives - Plain Vanilla Swap	939,261		89,453	(167,725)	(424,904)
	46,063	drop in the yen	4,387	(8,225)	(20,838)
Total	144,827		7,693	(30,437)	(68,567)
Effects on the comprehensive income			5	(34)	(72)
Effects on the net profit			7,688	(30,403)	(68,495)

- (a) The exchange rates considered as of June 30, 2023 were R\$ 4.86 per US\$ 1.00, R\$ 5,.9 per euro and R\$ 0.03 per yen.
- (b) As per the exchange rate curves obtained from information made available by B3 S.A., with the exchange rate being considered at R\$ 5.01, R\$ 5.56 and R\$ 0.04 and the currency depreciation at 3.11%, 5.18% and 9.52%, for US\$, euro and yen on June 30, 2023.
- (c) As required by CVM instruction No. 475/2008, the percentage increases in the ratios applied refer to the information made available by B3 S.A.

Interest rates variation

Instruments	Exposure R\$ thousand	Risk	Rate in the period	scenario rate (a)	Consolidated		
					Likely scenario	Income (expense) Raising/Drop index by 25% (b)	Raising/Drop index by 50% (b)
Financial asset instruments	5,324,047				614,395	767,994	921,593
Financial liability instruments	(11,925,525)				(1,376,206)	(1,720,257)	(2,064,308)
Derivatives - Plain Vanilla Swap	(10,017,770)				(1,156,051)	(1,445,063)	(1,734,076)
Setorial financial assets and liabilities	(1,622,479)				(187,234)	(140,426)	(93,617)
	(18,241,727)	CDI apprec.	13.65%	11.54%	(2,105,096)	(2,537,752)	(2,970,408)
Financial liability instruments	(206,391)				(17,729)	(22,161)	(26,593)
	(206,391)	IGP-M apprec.	-6.86%	8.59%	(17,729)	(22,161)	(26,593)
Financial liability instruments	(357,630)				(25,034)	(31,293)	(37,551)
	(357,630)	TJLP apprec.	7.21%	7.00%	(25,034)	(31,293)	(37,551)
Financial liability instruments	(8,793,271)				(528,476)	(396,357)	(264,238)
Derivatives - Plain Vanilla Swap	2,749,944				165,272	123,954	82,636
Financial instruments - assets	20,328,400				1,221,737	916,303	610,868
	14,285,073	drop in the	3.16%	6.01%	858,533	643,900	429,266
Total	(4,520,675)				(1,289,326)	(1,947,306)	(2,605,286)
Effects on the comprehensive income					357	113	(130)
Effects on the net profit					(1,289,683)	(1,947,419)	(2,605,156)

- (a) The indexes considered in this analysis were obtained from information available in the market.
- (b) In compliance with CVM Instruction 475/08, the percentage of raising index are applied to the likely scenario.

BOARD OF DIRECTORS

Daobiao Chen
Chairman

Gustavo Estrella
Antonio Kandir
Marcelo Amaral Moraes

Zhao Yumeng
Liu Yanli
Yuehui Pan

Directors

EXECUTIVE BOARD

GUSTAVO ESTRELLA
Chief Executive Officer

FUTAO HUANG
Senior Executive Vice President
Strategy, Innovation and Business Excellence
Vice President

YUEHUI PAN
Chief Financial Executive Officer and Investor
Relations Officer

GUSTAVO PINTO GACHINEIRO
Legal and Institutional Relations Vice President

FLÁVIO HENRIQUE RIBEIRO
Business Management Vice President

LUIS HENRIQUE FERREIRA PINTO
Regulated Operations Vice President

KARIN REGINA LUCHESI
Market Operations Vice President

VITOR FAGALI
Business Development Vice President

ACCOUNTING DIVISION

SERGIO LUIS FELICE
Accounting Director
CT CRC 1SP192767/O-

Report on review of quarterly information

To the Board of Directors and Stockholders
CPFL Energia S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of CPFL Energia S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2023, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and six-month period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes.

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

Scope of review

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

Conclusion on the interim information

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

Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the six-month period ended June 30, 2023. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the interim accounting information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Campinas, August 07, 2023

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

Adriano Formosinho Correia
Contador CRC 1BA0299



DECLARAÇÃO	STATEMENT
<p>Em atendimento ao disposto nos incisos V e VI do artigo 25 da Instrução CVM nº 480, de 07 de dezembro de 2009, alterada pela Instrução CVM nº 586, de 8 de junho de 2017, o presidente e os diretores da CPFL Energia S.A., sociedade por ações de capital aberto, com sede na Rua Jorge de Figueiredo Corrêa, nº 1.632 – parte - Jardim Professora Tarcília – CEP: 13087-397, na Cidade de Campinas, Estado de São Paulo, inscrita no CNPJ sob nº 02.429.144/0001-93, declaram que:</p> <p>a) reviram, discutiram e concordam com as opiniões expressas no parecer da PwC Auditores Independentes, relativamente às demonstrações financeiras da CPFL Energia S.A. de 30 de junho de 2023;</p> <p>b) reviram, discutiram e concordam com as demonstrações financeiras da CPFL Energia S.A. de 30 de junho de 2023.</p> <p>Campinas, 07 de agosto de 2023.</p>	<p>In compliance with the provisions in items V and VI of article 25 of the Brazilian Securities & Exchange Commission (CVM) Instruction No. 480, of December 7, 2009, as amended by CVM Instruction No. 586, of June 8, 2017, the chief executive officers and the officers of CPFL Energia S.A., a publicly traded company, with its registered office at Rua Jorge de Figueiredo Corrêa, nº 1.632 – parte - Jardim Professora Tarcília – CEP: 13087-397, Campinas, Estado de São Paulo - Brazil, enrolled with the National Register of Legal Entities (CNPJ) under No. 02.429.144/0001-93, hereby stated that:</p> <p>a) they have reviewed and discussed, and agree with, the opinions expressed in the opinion of PwC Auditores Independentes on the financial statements of CPFL Energia S.A., of June 30, 2023;</p> <p>b) they have reviewed and discussed, and agree with, the financial statements of CPFL Energia S.A., of June 30, 2023.</p> <p>Campinas, August 7, 2023.</p>

Sergio Luis Felice

Diretor de
Contabilidade
Chief Accounting
Officer
CT CRC:
1SP192.767/O-6
CPF: 119.410.838-54

Yuehui Pan

Diretor Vice-
Presidente Financeiro
e de Relações com
Investidores
Chief Financial and
Investor Relations
Officer
CPF: 061.539.517-16

Gustavo Estrella
Diretor Presidente
Chief Executive
Officer