

OUR ENERGY
TRANSFORMS.



CEMIG

2Q23 RESULTS



Conference call
Friday, August 4
3 p.m. Brasília time



IBRX100 B3



IEE B3



ISE B3



ICO2 B3

[Link to CEMIG WEBCAST](#)



2Q23 HIGHLIGHTS



Robust cash generation

2Q23 Ebitda: R\$ 1.88 billion – up 430.5% YoY
Adjusted Ebitda: R\$ 1.81 billion – up 3.8% YoY

Adjusted Net profit : R\$ 1.21 bn (+6.6% YoY)



Energy distributed: up 0.7% vs. 2Q22

Captive clients: –1.7% YoY; Transmission for Free Clients: +3.3%; Residential: up 6.4%

Success in reducing energy losses: 10.78% – vs. regulatory parameter 11.16%



Energy trading: Ebitda up 40% YoY

Strong result due to: Differentiated sales strategy, higher margins



Largest issue of sustainable bonds in the Brazilian power sector

Cemig D (Distribution) raised R\$ 2 billion in June, at CDI +2.05%



5-year tariff review: positive for Cemig D

Full recognition of investments made:

– Net Remuneration Base increased from R\$ 8.9 bn to R\$ 15.2 bn



Growth in distributed generation

Cemig Sim expands total generation capacity to 52MWp

– with acquisition of 13MWp, for R\$ 47 million.



Gasmig Ebitda: up 59% YoY

Higher volume contracted, higher margins



Interest on Equity: R\$ 427 million – declared June 2023

– part of mandatory minimum dividend for full-year 2023



2Q23 Highlights

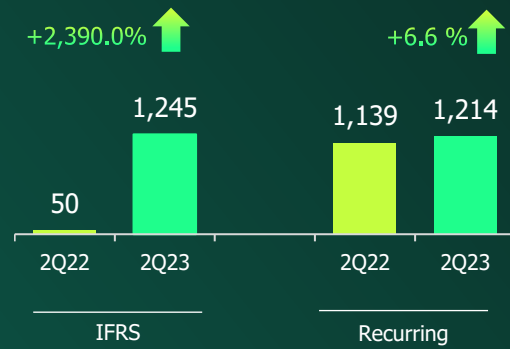


SOLID AND CONSISTENT RESULTS

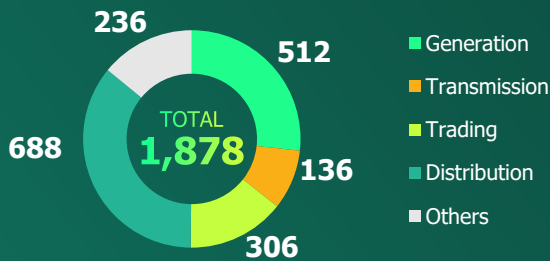
Consolidated Ebitda



Consolidated Net profit

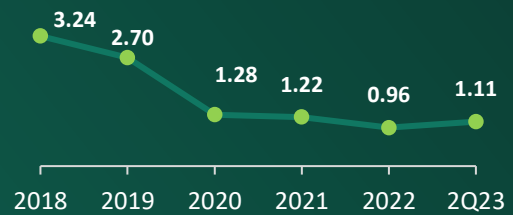


Ebitda per segment



Leverage

(Total Net Debt / Adj. Ebitda)



Renewable Energy Certificates

1H23

1MWh = 1 REC

2,047,000

CEMIG REC

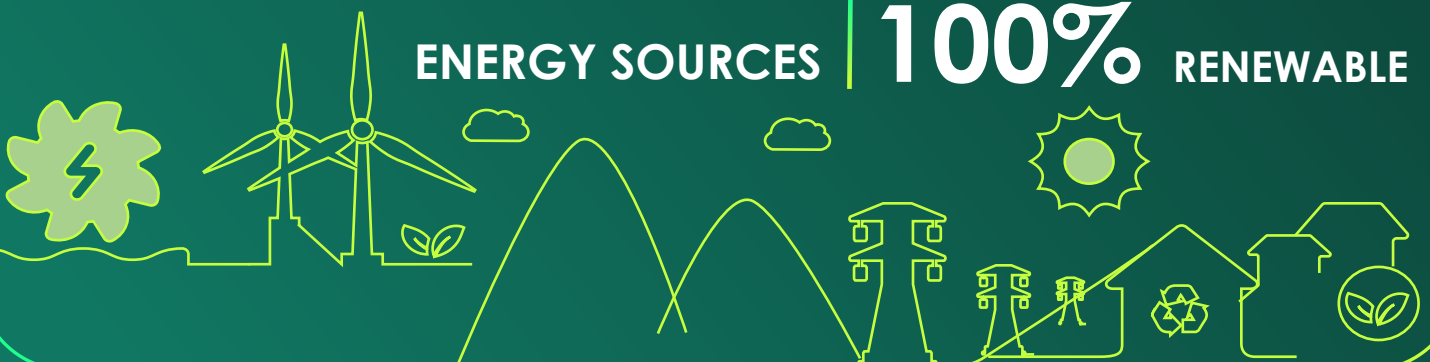
1,456,000

I-REC

ENERGY SOURCES

100%

RENEWABLE



CONTENTS

2Q23 HIGHLIGHTS	1
CONSOLIDATED RESULTS	5
INCOME STATEMENT	6
Results by business segment	7
CEMIG'S ELECTRICITY MARKET	8
Consolidated.....	8
PERFORMANCE BY COMPANY	8
Cemig D	9
Billed electricity market	9
Sources and uses of electricity – MWh	10
Client base.....	10
Distribution by sector	10
Annual Tariff Adjustment, and 5-year Tariff Review	11
Quality indicators – DEC and FEC.....	12
Combating default.....	12
Energy losses	13
Electricity volume sold – Cemig GT and holding company	14
Gasmig	15
Financial results	16
Consolidated operational revenue.....	16
Operational costs and expenses	19
Consolidated Ebitda (IFRS and Adjusted)	22
Ebitda of Cemig D.....	23
Ebitda of Cemig GT	24
2Q23 Net profit	26
Equity income	26
Debt.....	28
Covenants – Eurobonds	29
Cemig's long-term ratings	30
ESG Report	31
RAP – July 2023-June 2024 cycle	36
Regulatory transmission revenue – 2Q23	36
Complementary information	37
Cemig D.....	37
Cemig GT	38
Cemig, Consolidated.....	39
Disclaimer	45

2Q23 CONSOLIDATED RESULTS

Consolidated results – 2Q23

	2Q23	2Q22	Change, %
Ebitda by company, IFRS			
	(R\$ '000)		
Cemig D (IFRS)	688,323	-913,416	-
Cemig GT (IFRS)	629,067	862,801	-27.1%
Gasmig (IFRS)	254,754	160,254	59.0%
Consolidated (IFRS)	1,878,934	353,694	431.2%

	2Q23	2Q22	Change, %
Adjusted Ebitda by company			
	(R\$ '000)		
Cemig D	688,323	601,447	14.4%
Cemig GT	629,067	803,655	-21.7%
Consolidated	1,878,235	1,809,055	3.8%

- ““
- Focus on efficient operational management
 - Operations within regulatory parameters
 - Diversified portfolio of businesses
 - Differentiated energy trading strategy and higher margins
- All these produced robust results in 2Q23

INCOME STATEMENT

	2Q23	2Q22	Change, %
Profit and loss accounts			
Net Revenues	8,820	8,213	7.4%
Operating Expenses - consolidated	7,314	8,484	-13.8%
Energy purchased for resale	3,468	3,446	0.7%
Charges for use of the national grid	705	560	25.8%
Gas bought for resale	572	692	-17.3%
Construction costs	964	771	25.0%
Personnel	321	371	-13.3%
Employees' and managers' profit sharing	37	37	-0.1%
Forluz – Post-Retirement Employee Benefits	158	151	4.3%
Materials	31	33	-6.7%
Outsourced services	457	393	16.2%
Depreciation and Amortization	303	288	5.3%
Operating Provisions	133	1,420	-90.7%
Expected credit losses of accounts receivable	21	90	-76.5%
Financial asset - reimbursements receivable - written off	0	172	0.0%
Net gain on disposal of asset held for sale	0	-7	0.0%
Other Expenses	144	66	118.6%
Equity gain (loss) in subsidiaries	69	336	-79.4%
OPERATIONAL PRE-TAX PROFIT	1,574	66	2297.3%
Net Finance Income (Expenses)	40	-871	-104.6%
Corporate income tax	-370	855	-143.2%
Net profit for the period	1,245	50	2394.4%

RESULTS BY BUSINESS SEGMENT

INFORMATION BY SEGMENT – 2Q23							
	Electricity				Equity holdings	Inter-segment transactions and Reconciliation	Total
	Generation	Transmission	Trading	Distribution			
NET REVENUE	629,246	256,400	1,908,694	5,549,456	942,225	(466,504)	8,819,517
COST OF ELECTRICITY AND GAS	2,706	(81)	(1,588,122)	(3,038,650)	(574,830)	453,292	(4,745,685)
OPERATIONAL COSTS AND EXPENSES						-	
People	(37,252)	(30,928)	(7,349)	(217,072)	(28,632)	-	(321,233)
Employees' and managers' profit shares	(4,233)	(3,573)	(823)	(25,514)	(2,502)	-	(36,645)
Post-retirement obligations	(16,804)	(10,385)	(2,380)	(106,017)	(22,255)	-	(157,841)
Materials, outsourced services and other expenses (revenues)	(50,412)	(23,742)	(4,338)	(508,438)	(57,068)	13,212	(630,786)
Depreciation and amortization	(80,078)	121	(3)	(196,873)	(26,430)	-	(303,263)
Operational provisions / adjustments	(9,975)	(3,242)	188	(105,643)	(34,762)	-	(153,434)
Infrastructure construction costs	-	(48,418)	-	(859,802)	(56,020)	-	(964,240)
Total cost of operation	(198,754)	(120,167)	(14,705)	(2,019,359)	(227,669)	13,212	(2,567,442)
OPERATIONAL COSTS AND EXPENSES	(196,048)	(120,248)	(1,602,827)	(5,058,009)	(772,012)	466,504	(7,779,631)
Share of profit (loss) in non-consolidated investees	(625)	-	-	-	69,906	-	69,281
OPERATIONAL PROFIT	432,573	136,152	305,867	491,447	209,632	-	1,575,671
Finance income (expenses)	10,055	(1,359)	28,664	11,565	(9,115)		39,810
Income tax and	(79,933)	(35,403)	(121,145)	(137,575)	3,957		(370,099)
NET PROFIT FOR THE PERIOD	362,695	99,390	213,386	365,437	204,474	-	1,245,382

CEMIG'S ELECTRICITY MARKET

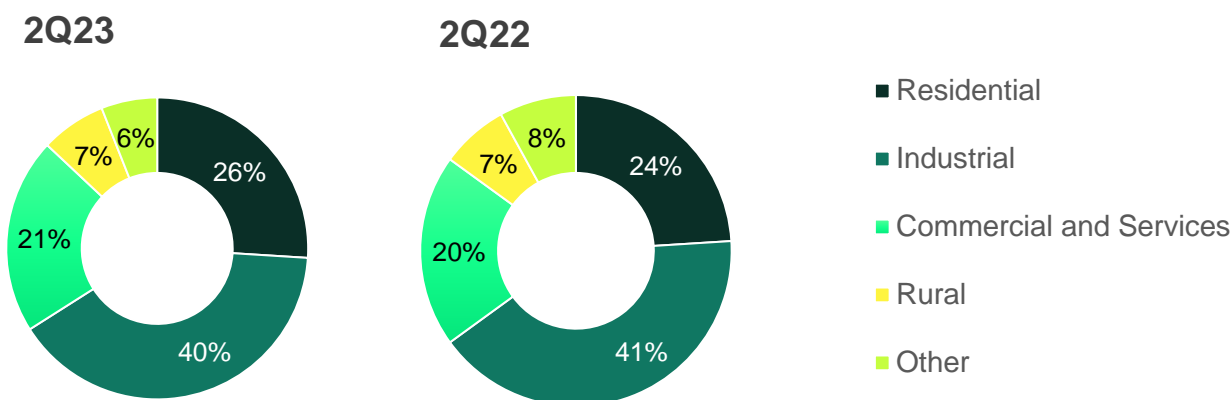
Consolidated

In **June 2023** the Cemig Group invoiced over **9.1 million clients** – adding **206,000** clients, or 2.3%, to its number of consumers since the end of June 2022.

Of this total number, **9,134,160** are final consumers, and/or represent Cemig's own consumption; and **512** are other agents in the Brazilian power sector.

This chart shows the breakdown of the Cemig Group's sales to final consumers in the year:

Sales by segment, %



PERFORMANCE BY COMPANY

Cemig D

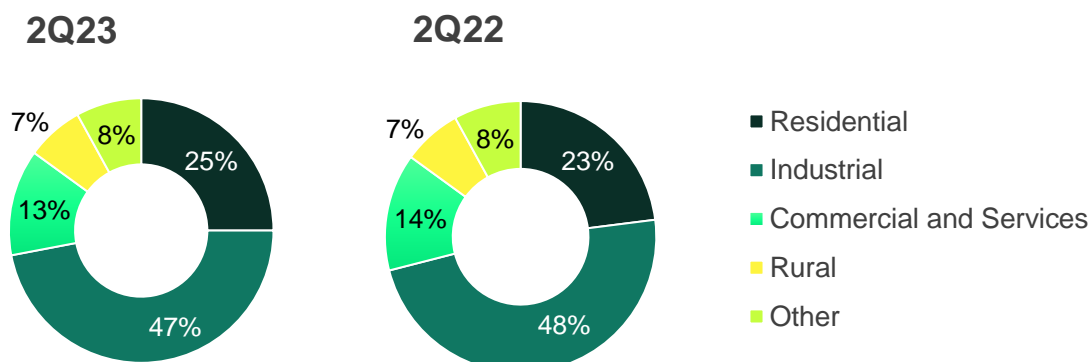
Billed electricity market

	2Q23	2Q22	Change, %
Captive clients + Transmission service (MWh)			
Residential	2,944,206	2,768,128	6.4%
Industrial	5,613,226	5,635,347	-0.4%
Captive market	340,970	399,303	-14.6%
Transport of energy	5,272,256	5,236,044	0.7%
Commercial, services and Others	1,565,792	1,595,950	-1.9%
Captive market	1,101,140	1,173,445	-6.2%
Transport of energy	464,652	422,505	10.0%
Rural	805,322	850,539	-5.3%
Captive market	796,071	841,411	-5.4%
Transport of energy	9,251	9,128	1.3%
Public services	866,177	861,636	0.5%
Captive market	759,544	860,970	-11.8%
Transport of energy	106,633	666	15,911.0%
Concession holders	78,183	73,729	6.0%
Transport of energy	78,183	73,729	6.0%
Own consumption	7,370	6,857	7.5%
Total	11,880,276	11,792,186	0.7%
Total, captive market	5,949,301	6,050,114	-1.7%
Total, energy transported for Free Clients	5,930,975	5,742,072	3.3%

In 2Q23, energy supplied to **captive clients plus energy transported for Free Clients and distributors** totaled 11,880 GWh, or 0.7% more than in 2Q22, mainly reflecting higher consumption by residential consumers (increase of +176.1 GWh, or +6.4%), reflecting a 3.3% increase in the number of clients and 3.0% increase in average consumption.

The **growth of 0.7% in total energy distributed** comprises: an increase of 3.3% (+188.9 GWh) in use of the network by Free Clients, and a decrease of 1.7% (100.8 GWh) in consumption by the captive market. The lower consumption by the captive market is mainly due to one major water and sewerage utility client migrating to the Free Market.

Energy distributed, by segment



Sources and uses of electricity – MWh

	2Q23	2Q22	Change, %
Metered market – MWh			
Transported for distributors	78,704	75,717	3.9%
Transported for Free Clients	5,846,035	5,650,193	3.5%
Own load + Distributed Generation	8,179,347	8,208,864	-0.4%
Consumption by captive market	5,793,844	6,040,351	-4.1%
Distributed Generation market	1,101,458	714,820	54.1%
Losses in distribution network	1,284,045	1,453,693	-11.7%
Total volume carried	14,104,086	13,934,774	1.2%

Client base

In June 2023 Cemig billed **9.13 million consumers**, 2.3% more than in June 2022.

Of this total, **2,750** were **Free Clients** using the distribution network of Cemig D.

	2Q23	2Q22	Change, %
NUMBER OF CAPTIVE CLIENTS			
Residential	7,619,544	7,376,730	3.3%
Industrial	28,784	29,582	-2.7%
Commercial, services and Others	944,880	942,424	0.3%
Rural	444,232	485,313	-8.5%
Public authorities	70,442	68,664	2.6%
Public lighting	7,344	7,031	4.5%
Public services	13,632	13,555	0.6%
Own consumption	762	762	0.0%
Total, captive clients	9,129,620	8,924,061	2.3%
NUMBER OF FREE CLIENTS			
Industrial	1,139	1019	11.8%
Commercial	1,566	1,367	14.6%
Rural	14	15	-6.7%
Concession holders	8	8	0.0%
Other	23	7	228.6%
Total, Free Clients	2,750	2,416	13.8%
Total, Captive market + Free Clients	9,132,370	8,926,477	2.3%

Distribution by sector

Industrial: Energy distributed to **Industrial** clients totaled 0.4% less in 2Q23 than 2Q22, and comprised **47.2%** of Cemig D's total distribution. The greater part was energy transported for industrial Free Clients (44.4%), which was 0.7% higher in volume than in 2Q22. Energy billed to captive clients was 2.9% by volume of the total distributed, and 14.6% less in total than in 2Q22 – mainly due to migration of clients to the Free Market.

Residential consumption was **24.8%** of the total of energy distributed by Cemig D, and 6.4% higher than in 2Q22. Average monthly consumption per consumer in the quarter was 3.0% higher than in 2Q22, while the number of clients grew 204,900 YoY – an increase of 3.3% – partly due to migration of consumers from the **Rural** category in compliance with Aneel Resolution 1000/2020.

Commercial and services: Energy distributed to these consumers was **13.2%** of the total distributed by Cemig D in 2Q23, and by volume 1.9% more than in 2Q22. The increase is the combination of a 6.2% reduction in energy billed to captive clients, and an increase of +10.0% in the volume of energy transported for Free Clients. The reduction in captive clients' consumption is principally related to their changing their supply source to **Distributed Generation**, and also migration of consumers to the Free Market.

Rural clients consumed **6.8%** of the total energy distributed in 2Q23, by volume 5.3% less than in 2Q22, as a result of the number of consumers in the category being 8.5% (41,100) lower – reflecting reclassification to other categories as required by Aneel Normative Resolutions 901/2020 and 1000/2020.

Public services consumed **7.3%** of the energy distributed in 2Q23, a total of 0.5% higher by volume than in 2Q22. Captive consumption by public services in 2Q23 was 101.4 GWh less than in 2Q22, while their consumption in the Free Market increased by 105.9 GWh: this was mainly due to one major client, a water and sewerage utility, migrating to the Free Market.

Annual Tariff Adjustment, and 5-year Tariff Review

The tariffs of **Cemig D** are adjusted in May of each year; and every five years there is the Periodic Tariff Review, also in May.

The aim of the Tariff Adjustment is to pass on changes in non-manageable costs in full to the client, and to provide inflation adjustment for the manageable costs that are specified in the Tariff Review. Manageable costs are adjusted by the IPCA inflation index, less a deduction factor known as the 'X Factor', under a system using the price-cap regulatory model.

On **May 22, 2023** Aneel ratified the result of the Annual Tariff Adjustment for Cemig D, effective from May 28, 2023 to May 27, 2024, the result of which was an average **increase** for consumers of **13.27%**. The average effect for low-voltage clients was an increase of 15.55%, and for residential consumers 14.91%. The component of adjustment corresponding to the Company's management costs (referred to as 'Portion B') was 0.66%. The ratified increase in non-manageable costs ('Portion A') was 5.09%, and the increase in the financial components of the tariff was 7.52%. The effect in the financial component was mainly because, in contrast to the 2022 adjustment process – when R\$ 2.81 billion was repaid to consumers comprising credits of PIS, Pasep and Cofins taxes – the amount of repayment incorporated in the 2023 Tariff Review was R\$ 1.27 billion.

Average effects of the Tariff Adjustment	
High voltage – average	8.94%
Low voltage – average	15.55%
Average effect	13.27%

Tariff Reviews of 2023 and 2018: main points compared

Cemig D – Five-year Tariff Reviews	2018	2023
Gross remuneration base – R\$ million	20,490	25,587
Net Remuneration Base – R\$ million	8,906	15,200
Average depreciation rate	3.84%	3.95%
WACC (after taxes)	8.09%	7.43%
Remuneration of 'Special Obligations' – R\$ million	149	272
CAIMI* – R\$ million	333	484
QRR*, R\$ = Annual Depreciation	787	1,007

* CAIMI: (Cobertura Anual de Instalações Móveis e Imóveis) – Annual support for facilities.

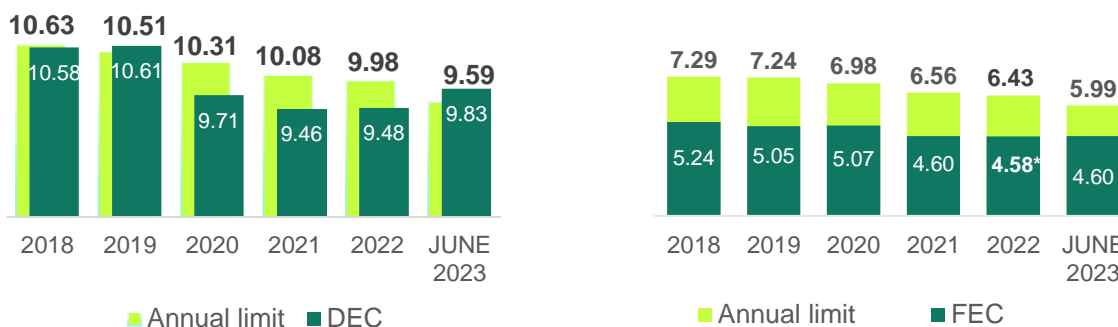
** QRR: 'Regulatory Reintegration Quota': Gross value x annual depreciation rate.

See more details at this link:

<https://www2.aneel.gov.br/aplicacoes/tarifa/arquivo/NT%2012%202023%20RTP%20Cemig.pdf>

Quality indicators – DEC and FEC

The DEC indicator, of average outage time per consumer (*Duração Equivalente de Interrupção por Consumidor*), was **9.83** hours in the moving window up to June 2023. Despite the more challenging target for 2023 (9.59 hours): the Company is working and investing heavily in the distribution business to provide quality service to our customers and meet the regulatory parameter.



Combating default

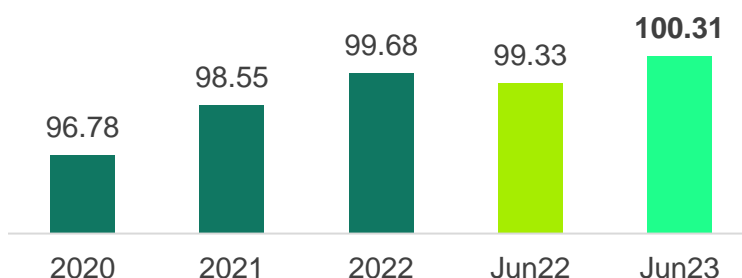
Cemig has maintained its high level of collection efforts, achieving greater efficiency in combating default.

A good indication is the Receivables Collection Index, which reached a record of 100.31% in June 2023. This was particularly enabled by migration of receipt of payments from clients to digital systems, and by collection of receivables totaling R\$ 12 million from medium voltage clients, hospitals and public services.

Activities to combat default included the following:

- New payment channels, and online negotiation, made available in recent quarters (PIX instant payments, automatic debits, payments by card and app, etc.) have contributed to an increase in collection via digital channels to 59.62% of the total collected – compared with 54.72% in the first half of 2022.
- Payments by PIX, for example, were 14.0% of the total collected. The change in the collection mix reduced costs by 8.4% – a saving of R\$ 3.4 million.
- Increased collection efforts.
- Selection of targets for machine learning.

Receivables Collection Index ('ARFA') – % (Collection / Billing) – 12 month moving average



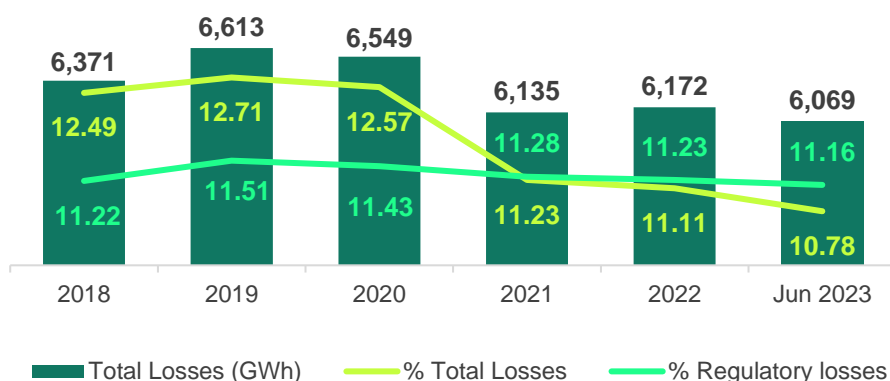
Energy losses

Energy losses in the 12-month period, at **10.78%**, were compliant with the regulatory limit (11.16%). Highlights of our measures to combat energy losses in the first half of 2023 included:

- 210,000 inspections (55% of the total planned for 2023), and
- replacement of 312,000 obsolete meters (600,000 replacements are planned for 2023).

As well as these measures, Cemig plans to regularize supply for 49,000 families in low-rental communities in 2023, using the *BT Zero* method and 'bulletproofing' of electricity panels, and replacement of 100,000 standard meters by smart meters (so far we have 252,000 smart meters installed).

Total energy losses



Technical and non-technical losses, %



Regulatory losses



Electricity volume sold – Cemig GT and holding company

Aggregate electricity sales of **Cemig GT** and the holding company ('**Cemig H**') in 2Q23, excluding sales on the wholesale power exchange (CCEE) were 4.3% higher than in 2Q22.

Cemig GT sold 6,398 GWh (including quota sales) in the quarter, 18.1% less than in 2Q22. This reflects transfer of contracts for sales of electricity to the holding company, which were 1,815 GWh more than in 2Q22.

Cemig H sold 3,403 GWh in 2Q23. Migration of contracts from Cemig GT to the holding company began in 3Q21, and have been gradually increasing since then.

	2Q23	2Q22	Change, %
Cemig GT – MWh			
Free Clients	3,736,779	4,943,794	-24.4%
Industrial	2,723,027	3,873,013	-29.7%
Commercial	1,009,531	1,067,459	-5.4%
Rural	4,221	3,322	27.1%
Free Market – traders and cooperatives	1,524,251	1,786,251	-14.7%
Quota supply	557,934	587,482	-5.0%
Regulated Market	546,854	461,247	18.6%
Regulated Market – Cemig D	32,174	32,098	0.2%
Total, Cemig GT	6,397,993	7,810,872	-18.1%
Cemig H – MWh			
Free Clients	1,849,940	392,046	371.9%
Industrial	1,531,475	325,560	370.4%
Commercial	313,433	63,368	394.6%
Rural	5,032	3,119	61.3%
Free Market – Traders	1,553,365	1,195,479	29.9%
Total Cemig H	3,403,306	1,587,525	114.4%
Cemig GT + H	9,801,298	9,398,397	4.3%



Gasmig

Gasmig, 99.57% owned by Cemig, is the exclusive distributor of piped natural gas for the whole of the state of Minas Gerais. It serves industrial, commercial and residential users, and users of compressed natural gas and vehicle natural gas, and supplies gas as fuel for thermoelectric generation plants. Its concession expires in January 2053.

Gasmig's **tariff review** process was completed in April 2022. Highlights:

- The WACC used (real, after taxes) was reduced from 10.02% p.a. to 8.71% p.a.
- The Net Remuneration Base was increased significantly, to R\$ 3.48 billion.
- The regulator recognized the cost of PMSO (Personnel, Materials, Services and Other expenses) in full.

Market – '000 m ³ /day	2019	2020	2021	2022	1H22	1H23	Change, 1H22–1H23
Residential	21.28	25.52	29.69	31.21	29.84	33.28	11.6%
Commercial	47.7	49.14	56.24	63.34	58.24	58.48	0.4%
Industrial (including Free Market)	2,085.32	2,007.45	2,398.47	2,422.69	2,596.67	2,601.67	0.2%
Other	148.44	116.32	129.55	149.17	161.12	126.41	-21.5%
Total excluding thermal generation	2,302.74	2,198.43	2,613.95	2,666.41	2,845.86	2,819.85	-0.9%
Thermal generation	793.94	385.52	1,177.06	104.08	209.86	0.00	–
Thermal generation, Free Market (contracted)	0.00	0.00	0.00	0.00	0.00	1,318.19	–
Total	3,096.69	2,583.95	3,791.01	2,770.50	3,055.73	4,138.04	35.4%

Total volume, '000 m ³	2Q23	2Q22	Change, %
Residential	3,296	2,987	10.4%
Commercial	5,755	5,376	7.0%
Industrial (including Free Market)	233,734	245,806	-4.9%
Other	12,582	15,130	-16.8%
Total excluding thermal generation	255,367	269,300	-5.2%
Thermal generation	0	1	–
Thermal generation, Free Market (distribution contracted)	109,235	0	–
Total	364,603	269,300	35.4%

In 2Q23 Gasmig sold 35.4% more gas than in 2Q22 (including contracted Free Market volume), reflecting the volume contracted by the thermoelectric generation market, while residential consumption was 10.4% higher, and commercial consumption was 7.0% higher, YoY. Excluding the thermoelectric generation market, total volume was 5.2% lower.

The number of Gasmig's clients increased by 18.4% from 2Q22, to a total of 88,828 consumers in 2Q23. This growth reflects expansion of the residential client base (addition of 13,700 clients)



Financial results

Consolidated operational revenue

	2Q23	2Q22	Change, %
R\$ '000			
Revenue from supply of electricity	7,528,639	7,844,552	-4.0%
Revenue from use of distribution systems (TUSD charge)	1,118,367	912,976	22.5%
CVA and <i>Other financial components</i> in tariff adjustments	-164,649	-271,933	-39.5%
Reimbursement, paid to consumers, of credits of PIS, Pasep and Cofins taxes – Realized	561,518	498,773	12.6%
Transmission operation and maintenance revenue	95,764	126,485	-24.3%
Transmission construction revenue	69,802	100,873	-30.8%
Financial remuneration of transmission contractual assets	107,485	204,563	-47.5%
Generation indemnity revenue	23,469	-	-
Distribution construction revenue	915,822	695,971	31.6%
Adjustment to expected cash flow from indemnifiable financial assets of the distribution concession	46,731	19,030	145.6%
Gain on financial updating of Concession Grant Fee	94,837	161,268	-41.2%
Settlement on CCEE	14,002	16,889	-17.1%
Transactions in the Surpluses Sales Mechanism (MVE)	-	66,855	-
Retail supply of gas	1,073,563	1,113,427	-3.6%
Fine for continuity indicator shortfall	-32,910	-19,305	70.5%
Other operational revenues	599,075	783,716	-23.6%
Taxes and charges reported as deductions from revenue	-3,231,998	-4,040,760	-20.0%
Net operational revenue	8,819,517	8,213,380	7.4%

Revenue from supply of electricity

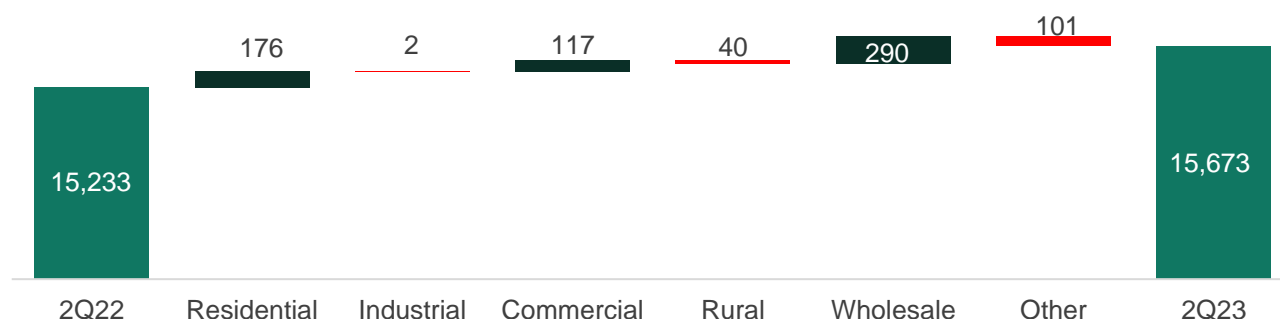
	2Q23			2Q22			Change, %	
	MWh (2)	R\$ '000	Average price billed – R\$/MWh (1)	MWh (2)	R\$ '000	Average price billed – R\$/MWh	MWh	R\$ '000
Residential	2,944,206	2,531,656	859.88	2,768,128	2,724,030	984.07	6.36%	-7.06%
Industrial	4,595,472	1,475,346	321.04	4,597,875	1,520,467	330.69	-0.05%	-2.97%
Commercial, services and others	2,424,104	1,597,321	658.93	2,307,390	1,655,806	717.61	5.06%	-3.53%
Rural	805,325	538,750	668.98	844,733	541,861	641.46	-4.67%	-0.57%
Public authorities	239,549	186,873	780.1	223,437	176,026	787.81	7.21%	6.16%
Public lighting	267,837	126,351	471.75	285,585	136,207	476.94	-6.21%	-7.24%
Public services	252,158	167,976	666.15	351,948	220,138	625.48	-28.35%	-23.70%
Subtotal	11,528,651	6,624,273	574.59	11,379,096	6,974,535	612.93	1.31%	-5.02%
Own consumption	7,370	–	–	6,857	–	–	7.48%	–
Retail supply not yet invoiced, net	–	-47,525	–	–	-26,837	–	–	77.09%
	11,536,021	6,576,748	574.59	11,385,953	6,947,698	612.93	1.32%	-5.34%
Wholesale supply to other concession holders (3)	4,136,944	969,884	234.44	3,847,121	884,910	230.02	7.53%	9.60%
Wholesale supply not yet invoiced, net	–	-17,993	–	–	11,944	–	–	250.64%
Total	15,672,965	7,528,639	484.77	15,233,074	7,844,552	516.18	2.89%	-4.03%

(1) Calculation excludes revenue from supply not yet billed.

(2) Information in MWh has not been reviewed by external auditors.

(3) Includes Regulated Market Electricity Sale Contracts (CCEARs) and 'bilateral contracts' with other agents.

Consolidated volume of energy sold (GWh): +2.9%



Energy sold to final consumers

Gross revenue from sales to final consumers in 2Q23 was R\$ 6,576.7 million, compared to R\$ 6,947.7 million in 2Q22. This was a reduction of 5.3% YoY, in spite of volume being 1.3% higher. The lower figure mainly reflects the lower rate of ICMS tax, which was limited to 18% as from the second half of 2022, by Law 194/2022.

Wholesale

Revenue from wholesale supply in 2Q23 was R\$ 951.9 million, compared to R\$ 896.9 million in 2Q22. This increase in volume (6.1%) is due to differences in the seasonalization profiles of distributors in each of the years and higher sales to traders in 2Q23.

Transmission

	2Q23	2Q22	Change, %
Transmission Revenue (R\$ '000)			
Operation and maintenance	95,764	126,485	-24.3%
Construction, upgrades and improvement of infrastructure	69,802	100,873	-30.8%
Financial remuneration of transmission contractual assets	107,485	204,563	-47.5%
Total	273,051	431,921	-36.8%

Transmission revenue was 36.8% lower, mainly due to financial remuneration of the transmission contractual assets being 47.5% (R\$ 97.1 mn) lower, due to (i) the different IPCA inflation rate – the basis for the remuneration of the contract – which was +0.76% in 2Q23, compared to +2.2% in 1Q23; (ii) Construction Revenue was R\$ 31.1 million lower, due to lower realization of investments in strengthening and improvement in the period; and (iii) operation and maintenance revenue 24.3% lower.

Gas

	2Q23	2Q22	Change, %
Revenue from supply of gas (R\$ '000)			
Industrial	956,052	1,010,482	-5.4%
Automotive	33,652	46,194	-27.2%
Commercial	28,744	26,864	7.0%
Residential	24,928	22,442	11.1%
Thermoelectric generation*	18,819	60	-
Other	11,368	7,385	53.9%
Total	1,073,563	1,113,427	-3.6%

* Includes revenue from the Free Market.

Gross revenue from supply of gas in 2Q23 was R\$ 1,073.6 million, compared to R\$ 1,113.4 million in 2Q22. This reduction results from (i) passthrough to consumers of the price adjustments made to the cost of gas acquired (reduction in average price), in the last 12 months; (ii) lower volume in industrial and automotive markets; and (iii) increase in the volume of gas contracted Thermoelectric in the Free Market.

Revenue from Use of Distribution Systems – The TUSD charge

	2Q23	2Q22	Change, %
TUSD (R\$ '000)			
Use of the Electricity Distribution System	1,118,367	912,976	22.5%

Revenue from the TUSD in 2Q23 – charged to Free Consumers on their distribution of energy – was 22.5% higher than in 2Q22. This reflects volume of energy transported for Free Clients 3.3% higher, and an increase of 22.8% in the average tariff for Free Clients – partially offset by the lower ICMS tax rate.

	2Q23	2Q22	Change, %
Power transported – MWh			
Industrial	5,272,256	5,236,044	0.7%
Commercial	464,652	422,505	10.0%
Rural	9,251	9,128	1.3%
Public services	106,633	0	–
Concession holders	78,183	73,729	6.0%
Total energy transported	5,930,975	5,741,406	3.3%

Operational costs and expenses

Operational costs and expenses in 2Q23 totaled R\$ 7.13 billion, compared to R\$ 8.48 billion in 2Q22, mainly reflecting the constitution of an operating provision of R\$1.4 bn in 2Q22, resulting from the accounting effects of the enactment of Law 14.385/22. There are more details on costs and expenses in the pages below.

	2Q23	2Q22	Change, %
R\$ '000			
Electricity bought for resale	3,468,393	3,445,961	0.7%
Charges for use of national grid	704,850	560,170	25.8%
Gas purchased for resale	572,442	692,063	-17.3%
Construction cost	964,240	771,160	25.0%
People	321,233	370,647	-13.3%
Employees' and managers' profit shares	36,645	36,700	-0.1%
Post-retirement obligations	157,841	151,285	4.3%
Materials	30,826	33,047	-6.7%
Outsourced services	456,909	393,367	16.2%
Depreciation and amortization	303,263	288,020	5.3%
Provisions / adjustments for operational losses	132,503	1,420,370	-90.7%
Impairment	-335	-	-
Estimated loss on client default	21,266	90,366	-76.5%
Write-off of financial assets	-	171,774	-
Gain on disposal of investments	-	-6,644	-
Other operational costs and expenses	143,051	65,888	117.1%
Total	7,313,127	8,484,174	-13.8%

Electricity purchased for resale

	2Q23	2Q22	Change, %
CONSOLIDATED (R\$ '000)			
Electricity acquired in Free Market	1,265,440	1,302,375	-2.8%
Electricity acquired in Regulated Market auctions	980,749	828,069	18.4%
Distributed generation	491,669	472,641	4.0%
Supply from <i>Itaipu Binacional</i>	310,711	409,856	-24.2%
Physical guarantee quota contracts	228,692	221,471	3.3%
Proinfa	141,020	136,051	3.7%
Individual ('bilateral') contracts	127,895	151,413	-15.5%
Spot market	127,295	126,663	0.5%
Quotas for <i>Angra I</i> and <i>II</i> nuclear plants	89,918	89,298	0.7%
Credits of PIS, Pasep and Cofins taxes	-294,996	-291,876	1.1%
	3,468,393	3,445,961	0.7%

The consolidated expense on electricity bought for resale in 2Q23 was R\$ 3.47 billion, or R\$ 22.4 million (0.7%) higher than in 2Q22. This arises mainly from the following factors:

- Expenses on energy acquired in the Regulated Market R\$ 152.3 million (18.4%) higher than in 2Q22. The increase reflects the annual adjustments to contracts by the IPCA inflation index, and entry of a new auction result.
- Expenses on Distributed Generation were 4.0% higher, due to the increase in the number of generation plants installed, and the higher quantity of energy injected into the grid (1,101 GWh in 2Q23, vs. 714 GWh in 2Q22).

- The expense on energy bought from *Itaipu* was 24.2% lower, due to reduction of its price from U\$24.73/kW to U\$16.19/kW.
- The costs of energy acquired in the Free Market, which are the Company's highest costs of purchase of energy, were R\$ 1.26 billion, R\$ 36.9 million lower year-on-year, in spite of the higher volume of energy purchased for resale.

Note that for **Cemig D**, purchased energy is a non-manageable cost: the difference between the amounts used as a reference for calculation of tariffs and the costs actually incurred is compensated for in the next tariff adjustment.

	2Q23	2Q22	Change, %
Cemig D (R\$ '000)			
Supply acquired in auctions on the Regulated Market	995,113	835,650	19.1%
Distributed generation	491,670	472,642	4.0%
Supply from <i>Itaipu Binacional</i>	310,711	409,856	-24.2%
Physical guarantee quota contracts	238,435	233,089	2.3%
Proinfra	127,895	151,413	-15.5%
Individual ('bilateral') contracts	127,295	126,663	0.5%
Spot market – CCEE	99,298	108,330	-8.3%
Quotas for <i>Angra I</i> and <i>II</i> nuclear plants	89,918	89,298	0.7%
Credits of PIS, Pasep and Cofins taxes	-174,303	-169,732	2.7%
	2,306,032	2,257,209	2.2%

Charges for use of the transmission network and other system charges

Charges for use of the transmission network in 2Q23 totaled R\$ 704.8 million, a YoY increase of 25.8%. This primarily reflects entry into operation of reserve energy contracts under the Simplified Competitive Procedure (*Procedimento Competitivo Simplificado* – PCS) of 2021, with a consequent increase in the reserve energy charges in the period. This is a non-manageable cost in the distribution business: the difference between the amounts used as a reference for calculation of tariffs and the costs actually incurred is compensated for in the next tariff adjustment.

Gas purchased for resale

The expense on acquisition of gas in 2Q23 was R\$ 572.4 million, or 17.3% less than in 2Q22. This reflects the change in the value of the gas purchased, and the lower volume of gas purchased for resale.

Outsourced services

The expense on outsourced services was 16.2% higher than in 2Q22, mainly due to (i) expenses on maintenance and conservation of facilities and equipment R\$ 34.0 million (25.7%) higher (most importantly, an increase of approximately 20% in the price of service contracts, plus higher volume of corrective maintenance services in 2023 due to a longer rainy season; (ii) communication expenses R\$ 13.2 million (47.0%) higher; and (iii) expenses on inspection of consumer units R\$ 2.8 million (29.8%) higher.

Provisions for client default

The provision for expected losses due to client default in 2Q23 was R\$ 21.3 million, compared to R\$ 90.4 million in 2Q22, mainly reflecting: (i) changes in the measurement of these losses, put in place in the second half of 2022 (but still with impact in 2Q23), to be more compatible with actual performance of default by the Company's clients in practice; and (ii) an increase in settlement of regular debts by clients.

Operating provisions

Operating provisions amounted to R\$132.5 million in 2Q23, compared to R\$1,420.4 million in the same period of 2022. This variation is mainly due to the constitution of an operating provision in the updated amount of R\$1,405.1 million in 2Q22, resulting from the accounting effects of Law no. 14,385/22, which determines the full destination, for the benefit of consumers, of the amounts subject to repetition of debt by the distributors, related to the exclusion of ICMS from the PIS/Pasep and Cofins calculation basis, in contrast to an increase of R\$49.6 million in provisions for contingencies, mainly relating to employment-law and third-party liability.

Adjustment to fair value of financial assets

The balance of indemnities receivable in the generation business was written down by R\$ 171.8 million in 2Q22.

Post-retirement obligations

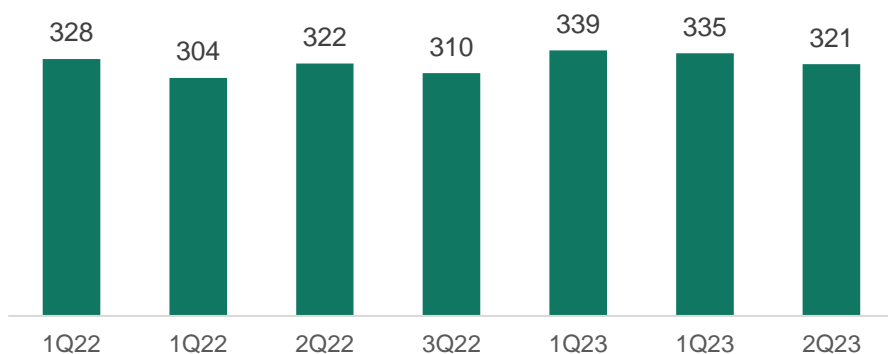
The impact of the Company’s post-retirement obligations on operational profit in 2Q23 was an expense of R\$ 157.8 million, compared to an expense of R\$ 151.3 million in 2Q22.

Personnel expenses

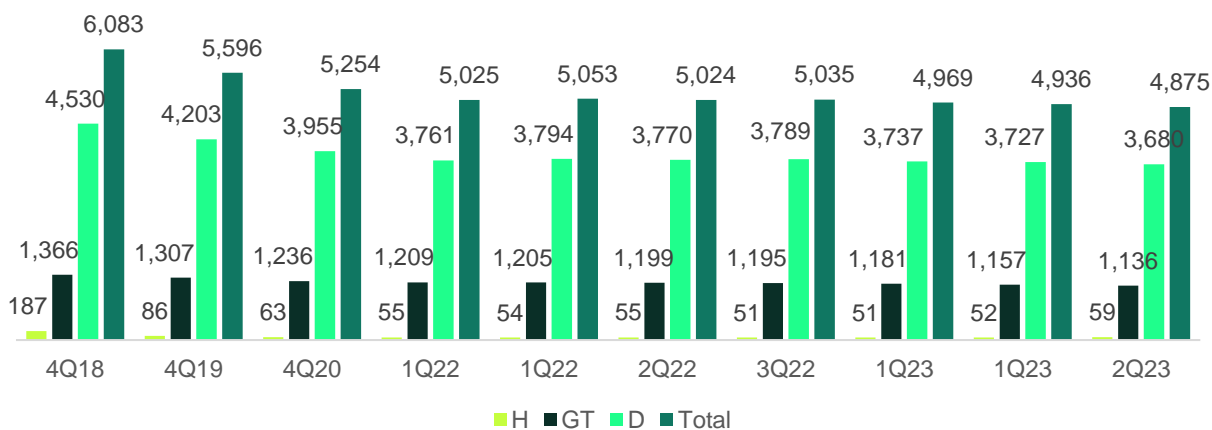
Expense on personnel in 2Q23 was R\$ 321.2 million, 13.3% lower than in 2Q22, correlating with the voluntary severance program of 2Q22, for which the total expense recorded was R\$ 48.6 million. Excluding this effect, the expense on personnel was flat, YoY (– 0.2%), even after the collective salary increase of 6.46% in place from November 2022.

Cost of personnel

R\$ million, excluding voluntary severance agreements



Number of employees – by company



Consolidated Ebitda (IFRS and Adjusted)

Ebitda is a non-accounting measure prepared by the Company, reconciled with its consolidated financial statements in accordance with the specifications in CVM Circular SNC/SEP 01/2007 and CVM Resolution 156 of June 23, 2022.

It comprises: Net profit adjusted for the effects of: (i) Net financial revenue (expenses), (ii) Depreciation and amortization, and (iii) Income tax and the Social Contribution tax.

Ebitda is not a measure recognized by Brazilian GAAP nor by IFRS; it does not have a standard meaning; and it may be non-comparable with measures with similar titles provided by other companies. Cemig publishes Ebitda because it uses it to measure its own performance.

Ebitda should not be considered in isolation or as a substitute for net profit or operational profit, nor as an indicator of operational performance or cash flow, nor to measure liquidity nor the capacity for payment of debt.

The Company adjusts the Ebitda calculated in accordance with CVM Instruction 156/2022, to exclude items which, by their nature, do not contribute to information on the potential for gross cash flow generation since they are extraordinary items.

Consolidated 2Q23 Ebitda						
2Q23 Ebitda – R\$ '000	Generation	Transmissi on	Trading	Distributi on	Holding co. and equity interests	Total
Profit (loss) for the period	362,695	99,390	213,386	365,437	204,474	1,245,382
Income tax and the Social Contribution tax	79,933	35,403	121,145	137,575	-3,957	370,099
Financial revenue (expenses)	-10,055	1,359	-28,664	-11,565	9,115	-39,810
Depreciation and amortization	80,078	-121	3	196,873	26,430	303,263
Ebitda per CVM Resolution 156	512,651	136,031	305,870	688,320	236,062	1,878,934
Net profit attributed to non-controlling stockholders	-	-	-	-	-699	-699
Adjusted Ebitda	512,651	136,031	305,870	688,320	235,363	1,878,235

Consolidated Ebitda – 2Q22						
2Q22 Ebitda – R\$ '000	Generation	Transmissi on	Trading	Distributi on	Holding co. and equity interests	Total
Profit (loss) for the period	148,733	8,567	153,703	-900,279	639,152	49,876
Income tax and the Social Contribution tax	32,704	-18,803	68,982	-524,405	-413,629	-855,151
Financial revenue (expenses)	200,088	122,465	-4,441	332,388	220,449	870,949
Depreciation and amortization	82,301	1	3	178,881	26,834	288,020
Ebitda per CVM Resolution 156	463,826	112,230	218,247	-913,415	472,806	353,694
Net profit attributed to non-controlling stockholders	-	-	-	-	-356	-356
Gain on disposal of investments	-	-	-	-	-60,000	-60,000
Reimbursement of credits of PIS, Pasep and Cofins taxes wrongly charged on amounts of ICMS tax	-	-	-	1,660,356	-	1,660,356
Adjustment to fair value of financial assets	171,770	-	-	-	-	171,770
Debt recognition agreement related to infrastructure	-	-	-	-145,493	-	-145,493
Reversal of provision for losses	-	-	-	-	-170,916	-170,916
Adjusted Ebitda	635,596	112,230	218,247	601,448	241,534	1,809,055

Ebitda of Cemig D

	2Q23	2Q22	Change, %
Cemig D Ebitda – R\$ '000			
Net profit for the period	365,439	-900,278	-
Income tax and Social Contribution tax	137,575	-524,406	-
Net financial revenue (expenses)	-11,565	332,387	-
Amortization	196,874	178,881	10.1%
= Ebitda ⁽¹⁾	688,323	-913,416	-
Reimbursement to clients of credits of PIS, Pasep and Cofins taxes on amounts of ICMS tax	-	1,660,356	-
Debt recognition agreement related to use of infrastructure	-	-145,493	-
= Adjusted Ebitda ⁽²⁾	688,323	601,447	14.4%

Cemig D posted Adjusted Ebitda of R\$ 688.3 million, 14.4% more than the adjusted Ebitda of 2Q22. The main effects on Ebitda in the quarter were:

- The total volume of energy distributed was 0.7% higher year-on-year (result of distribution to the captive market 1.7% lower, and distribution to the Free Market +3.3% higher).
- Energy losses, at 10.78%, were lower than the regulatory threshold (11.16%), and better than in 2Q22.
- The provision for default on customer receivables was lower, at R\$ 21.3 million in 2Q23, compared to R\$ 89.4 million in 2Q22, due to: (i) an improved ratio of collection to total receivables; and (ii) a change in the method of measurement, put in place in 2H22, but still with effects in 2Q23.
- Cost of personnel were \$39.9 million lower, correlating with the expense of R\$ 36.9 million on the voluntary severance program of 2Q22.
- New Replacement Value (*Valor Novo de Reposição – VNR*) was R\$ 27.7 million higher, at R\$ 46.7 million in 2Q23, compared to R\$ 19.0 million in 2Q22. R\$ 39.5 million was added to financial assets, from base date November 30, 2022, due to the ratification of the result of the 5th Periodic Tariff Review (RTP). The increase arises from the difference between the estimate of updating of the assets used by the Company and the New Replacement Value for these assets ratified in the RTP process.
- The contingency provision was R\$ 41.0 million higher (relates to employment-law, third-party liability and tax litigation).
- Penalty payments totaling R\$ 10.7 million were applied by Aneel, for non-compliance with the deadline for issuance of reports on access to Distributed Generation.
- There was an expense of R\$ 28.3 million in financial compensations for delay of commercial services arising from alterations in Aneel Normative Resolution 1,000.

There were non-recurring effects in 2Q22:

- Impact of R\$1.66 billion (revenue and taxes on revenue) resulting from recognition of the effects of the enactment of Law No. 14,385/22, which determined the full allocation of PIS / Pasep and Cofins credits on ICMS to consumers of distributors.
- A positive item in revenue of R\$ 145.5 million, due to the Debt Recognition Agreement (TARD) signed with a major client relating to past amounts receivable for use of infrastructure.

Ebitda of Cemig GT

Cemig GT 2Q23 Ebitda					
Ebitda (R\$ '000)	Generation Transmission		Trading	Equity interests	Total
Profit (loss) for the period	363,181	97,811	9,384	-10,890	459,486
Income tax and the Social Contribution tax	79,932	34,400	16,052	-26,115	104,269
Net financial revenue (expenses)	-10,055	1,632	-28,664	22,318	-14,769
Depreciation and amortization	80,078	-	3	-	80,081
Ebitda as per CVM Resolution 156	513,136	133,843	-3,225	-14,687	629,067

Cemig GT 2Q22 Ebitda					
Ebitda (R\$ '000)	Generation Transmission		Trading	Equity interests	Total
Profit (loss) for the period	149,362	5,981	51,735	382,812	589,890
Income tax and the Social Contribution tax	32,705	-18,740	16,453	-374,570	-344,152
Net financial revenue (expenses)	200,087	122,725	-4,441	216,385	534,756
Depreciation and amortization	82,303	1	3	-	82,307
Ebitda as per CVM Resolution 156	464,457	109,967	63,750	224,627	862,801
- Gain on disposal of investments	-	-	-	-60,000	-60,000
+ Adjustment to fair value of financial assets	171,770	-	-	-	171,770
- Reversal of provision for loss – Mesa	-	-	-	-170,916	-170,916
Adjusted Ebitda	636,227	109,967	63,750	-6,289	803,655

2Q23 Ebitda of **Cemig GT** was R\$ 629.1 million, 27.1% lower than in 2Q22. Adjusted Ebitda was 21.7% lower.

Factors in the lower Ebitda include:

- Transfer of energy contracts to the Cemig holding company – representing total Ebitda of R\$ 309 million (+R\$154 million compared to 2Q22).
- Gain on updating of the concession grant fee R\$ 66.4 million lower; and financial remuneration of the transmission contract R\$ 97.1 million lower – both as a result of lower IPCA inflation: 0.76% in 2Q23, vs. 2.22% in 2Q22.
- Lower equity income (share of gain/loss in non-consolidated investees) in 2Q23, of R\$ 25.5 million in 2Q23, compared to R\$ 217.9 million in 2Q22. The main component in this lower figure was a reversal of R\$ 170.9 million in 2Q22 in the provision for losses in **Santo Antônio**, related to the obligations assumed by Cemig GT towards the investee Madeira Energia, as a result of the capital increase in the investee.

Other effects in 2Q22

- A gain of R\$ 60 million from the sale of the equity interest in, and credits of, **Renova** (the value of which had been written down to zero).
- Write-off of financial assets (reimbursements receivable, in generation) in the amount of R\$ 171.7 million.

Finance income and expenses

	2Q23	2Q22	Change, %
(R\$ '000)			
Finance income	512,131	362,931	41.1%
Finance expenses	-472,321	-1,233,880	-61.7%
Net finance income (expenses)	39,810	-870,949	-

For 2Q23 Cemig reports **Net financial revenue** of R\$ 39.8 million, which compares to Net financial **expenses** of R\$ 870.9 million in 2Q22. The main factors are:

- Financial updating of the amounts of PIS, Pasep and Cofins tax credits to be restituted to consumers, of R\$ 79,4 million in 2Q23, compared to R\$ 356.2 million in 2Q22. The largest financial expense in 2Q22 is due to the complement of the financial update of the liability related to the portion of tax credits corresponding to the period of the last 10 years, in compliance with the legal determination of full destination by the distributors, for the benefit of consumers.
- Negative variation of 7.6% in the US dollar/Real exchange rate in 2Q23, which compares to a positive variation of 10.6% in 2Q22 – resulting in posting of a gain of R\$ 197.5 million in 2Q23, compared to an expense of R\$ 500 million in 2Q22.
- The fair value of the financial instrument contracted to protect risks related to the Eurobonds was reduced by R\$ 150.0 million in 2Q23, vs. an increase of R\$ 54.6 million in 2Q22 – reflecting a rise in the interest rate curve compared to expectation of an increase in the Real/US\$ exchange rate.

Eurobonds – Effect in the quarter (R\$ '000)

	2Q23	2Q22
Effect of FX variation on the debt	197,496	-500,200
Effect on the hedge	-150,010	54,620
Net effect in Financial revenue (expenses)	47,486	-445,580

2Q23 Net profit

Cemig reports **net profit** of R\$ 1,245 million in 2Q23, compared to net profit of R\$ 49.9 million in 2Q22.

Adjusted net profit in 2Q23 is R\$ 1,214 million, compared to R\$ 1,139 million in 2Q22.

Main factors in this result:

- A higher result from trading in energy by **Cemig GT** and the **holding company**, resulting from (a) a differentiated strategy, (b) higher margin, and (c) higher volume (up 4.3% YoY).
- Total energy distributed by Cemig D 0.7% higher, and an improved result in energy losses in relation to the regulatory threshold.
- Profit of **Gasmig** 96% higher than in 2Q22, due to higher volume contracted, and higher margin.
- Lower equity income (share of gain/loss in non-consolidated investees) in 2Q23, reflecting: (i) the reversal in 2Q22 of the provision of R\$ 170.9 million for obligations assumed under support and guarantee agreements with the investee **Mesa** (*Santo Antônio* power plant); and (ii) a lower result in Taesa, influenced by the decrease in the revenue from monetary adjustment of the contractual asset (motivated by the lower macroeconomic indices, in particular, the IGP-M, which presented deflation in 2Q22).
- Positive effect (combined) of the dollar debt and hedge instrument on the net profit of R\$31.3 million in 2Q23, while the 2Q22 result was negative by R\$294.1 million.

Other effects in 2Q22

- In **2Q22** the effects of Law 14385/22 – which regulates passthrough of credits of PIS, Pasep and Cofins taxes to consumers – resulted in a negative impact on Net profit of R\$ 1.33 billion.
- Gain of R\$ 377 million from the sale of the equity interest in, and credits of, Renova
- Write-off of financial assets (reimbursement, in generation) with a negative effect of R\$ 113.4 million on profit

Equity income

	2Q23	2Q22	Change, R\$ '000
Gain/loss on equity in non-consolidated investees (Equity income)			
	(R\$ '000)		
Taesa	41,221	120,226	-79,005
Aliança Geração	29,191	30,156	-965
Paracambi	6,486	4,151	2,335
Hidrelétrica Cachoeirão	3,261	4,337	-1,076
Cemig Sim (Equity method)	3,151	3,571	-420
Hidrelétrica Pipoca	2,813	3,295	-482
Guanhães Energia	2,183	-3,812	5,995
Baguari Energia	1,707	5,283	-3,576
Retiro Baixo	949	12,197	-11,248
Mesa and FIP Melbourne (<i>Santo Antônio</i>)	0	6,369	-6,369
Madeira Energia (<i>Santo Antônio</i> plant): reversal of provision for losses	0	170,685	-170,685
Axxiom Soluções Tecnológicas	0	-4,153	4,153
Itaocara	0	6,599	-6,599
<i>Belo Monte</i> (Aliança Norte and Amazônia Energia)	-21,681	-21,946	265
Total	69,281	336,958	-267,677

Investments

Investments in the first half of 2023 totaled **R\$ 1.7 billion**, 42.9% more than in 1H22. Investments in 2Q23 contributed R\$ 960 million to this total.

Works on the *Boa Esperança* and *Jusante* solar generation plants are on schedule, with expenditure of R\$ 360 million realized (investment, and advances to suppliers), underlining Cemig’s intention to expand generation capacity from renewable sources.

The *Centro-Oeste* project of **Gasmig** has scheduled capex of R\$ 780 million. R\$ 73 million was spent by the end of June 2023; out of R\$367 million projected by December 2023 (R\$ 220 million already contracted).

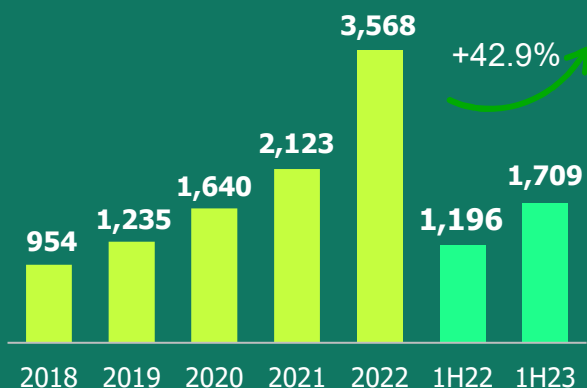
Execution of the largest investment program in Cemig’s history will result in modernization and improved reliability of Cemig’s electricity system – in line with its strategic planning of focusing on Minas Gerais and the Company’s strategic businesses, and providing ever-improving service to the client.

Capex

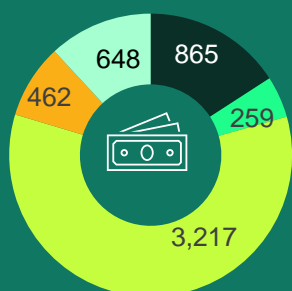
Cemig’s **largest ever** investment program will ensure **modernization** and **reliability** of the Company’s electricity system



R\$ 1.7 bn in 1h23, with focus on investments in Minas Gerais



Planned, 2023
R\$ 5.45 bn



- Generation
- Transmission
- Distribution
- Gasmig
- Cemig Sim



Generation **R\$ 93 million**

Expansion and modernization of generation plants



Distribution **R\$ 1,429 million**

Investments in maintenance and modernization of the electricity system



Transmission **R\$ 86 million**

Strengthening and upgrading – with increase in RAP



CEMIG SIM **R\$ 28 million**

Infrastructure and other



GASMIG **R\$ 73 million**

Infrastructure and other

Debt

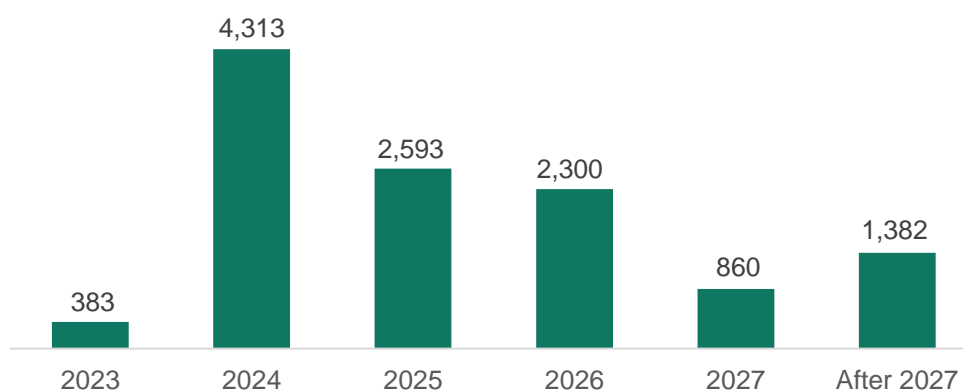
CONSOLIDATED (R\$ '000)	June 30, 2023	2022	Change, %
Gross debt	11,831,046	10,579,498	11.8%
Cash and equivalents + Securities	3,864,604	3,318,838	16.4%
Net debt	7,966,442	7,260,660	9.7%
<i>Debt in foreign currency</i>	<i>3,662,763</i>	<i>3,959,805</i>	<i>-7.5%</i>

CEMIG GT – R\$ '000	June 30, 2023	2022	Change, %
Gross debt	4,672,506	4,959,066	-5.8%
Cash and equivalents + Securities	1,297,784	1,650,444	-21.4%
Net debt	3,374,722	3,308,622	2.0%
<i>Debt in foreign currency</i>	<i>3,662,763</i>	<i>3,959,805</i>	<i>-7.5%</i>

CEMIG D (R\$ '000)	June 30, 2023	2022	Change, %
Gross debt	6,079,600	4,575,998	32.9%
Cash and equivalents + Securities	1,571,936	721,469	117.9%
Net debt	4,507,664	3,854,529	16.9%
<i>Debt in foreign currency</i>	<i>0</i>	<i>0</i>	<i>-</i>

Debt amortization timetable

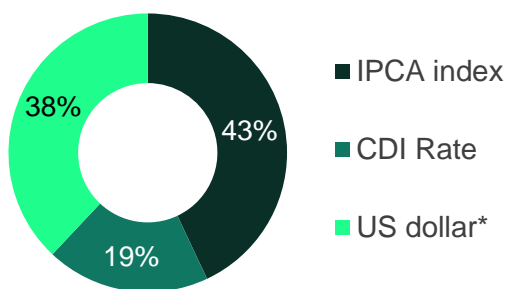
R\$ mn



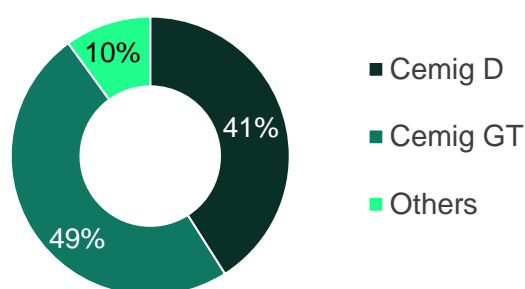
In the first semester of 2023, Cemig amortized R\$564.3 million of debt in Cemig D, which concluded in June, its 9th issue of debentures in the amount of R\$2 billion at a remuneration rate of CDI + 2.05%, which will be paid in two installments, the first (50%) in May 2025 and the second in May 2026.

	2Q23	2023
DEBT AMORTIZED – R\$ '000		
Cemig D	135,808	564,339

Debt by indexor %



Gross debt by company %



* Debt in USD is protected by a hedge instrument, within an FX variation band, with payment of interest converted to % of the Brazilian CDI rate.

Covenants – Eurobonds

Last 12 months R\$ mn	jun/23		2022	
	GT	H	GT	H
net income (loss)	1,751	5,233	2,085	4,094
financial results net	219	1,076	477	1,567
income tax and social contribution	354	1,115	118	26
depreciation and amortization	325	1,216	328	1,182
minority interest result	-340	-544	-519	-843
provisions for the variation in value of put option obligations	62	62	36	36
non-operating result (which includes any gains on asset sales and any asset write-off or impairments)	23	-126	119	83
any non-cash expenses and non-cash charges, to the extent that they are nonrecurring	-56	-888	-35	830
any non-cash credits and gains increasing net income, to the extent that they are non-recurring	0	-330	0	-209
non-cash revenues related to transmission and generation indemnification	-448	-464	-561	-575
cash dividends received from minority investments (as measured in the statement of cash flows)	349	730	258	708
monetary updating of concession grant fees	-404	-404	-467	-467
cash inflows related to concession grant fees	326	326	309	309
cash inflows related to transmission revenue for cost of capital coverage	670	678	601	607
Covenant EBITDA	2,831	7,680	2,749	7,348

Last 12 months	Mar 23		2022	
	GT	H	GT	H
Last 12 months - R\$ mn				
consolidated Indebtedness	4,672	11,831	4,959	10,579
Derivative financial instruments	-234	-234	-612	-612
Debt contracts with Forluz	163	718	181	799
The carrying liability of any put option obligation	0	0	720	720
Consolidated cash and cash equivalents and consolidated marketable securities recorded as current assets.	-1,298	-3,865	-1,650	-3,319
Covenant Net Debt	3,303	8,450	3,598	8,167

Covenant Net Debt to Covenant EBITDA Ratio	1.17	1.10	1.31	1.11
Limit Covenant Net Debt to Covenant EBITDA Ratio	2.50	3.00	2.50	3.00
Total Secured Debt (R\$ mn)	-	0	-	74
Total Secured Debt to Covenant EBITDA Ratio	-	0.00	-	0.01
Limit Covenant Net Debt to Covenant EBITDA Ratio	-	1.75	-	1.75

Cemig's long-term ratings

Over recent years Cemig's ratings have improved significantly, and are currently at their highest-ever levels.

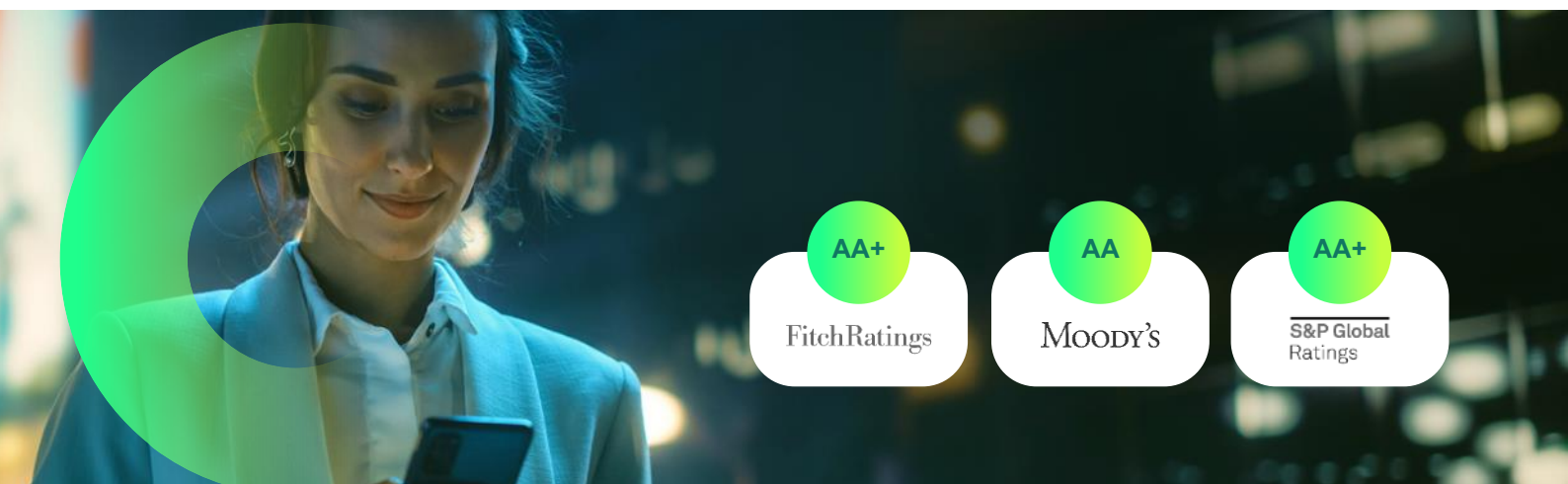
In 2021 the three principal rating agencies upgraded their ratings for Cemig. In April 2022, Moody's again upgraded its rating for Cemig, this time by one notch. More details in this table:

Fitch	Investment Grade										Speculative grade							
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC	CC
2009																		
2018																		
2023																		

S&P	Investment Grade										Speculative grade							
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC+	CCC
2009																		
2018																		
2023																		

Moody's	Investment Grade										Speculative grade							
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	Ba1	Ba2	Ba3	B1	B2	B3	Caa1	Caa2
2009																		
2018																		
2023																		

Brazilian
Global



ESG Report

Highlights

- In 2Q23 Cemig D (Distribution) completed the largest debenture issue in its history, for R\$ 2 billion. This was also the largest issue of Sustainable Debentures ever made in the Brazilian electricity sector.
- A contract was signed with Arena MRV for supply of clean and renewable energy in the Free Market, up to December 2028, guaranteed by a Cemig REC – Renewable Energy Certificate.
- In the Perceived Quality Satisfaction Index (ISQP) survey for 2023, Cemig scored 76.2 points – higher than the established target of 72.4 points. This is a significant improvement on Cemig's score of 67.7 points in the previous year.
- Delays in works have been reduced to zero at 6 centers: Belo Horizonte (above- and below-ground networks), Betim, Sete Lagoas, Varginha, Juiz de Fora and Ipatinga – improving the quality of service provided to consumers, and reducing the effects of outages.

Environment

- In 1H23 Cemig issued Renewable Energy Certificates (RECs) for 2,047,000 MWh of supply, and I-RECs (recognized internationally) for 1,456,000 MWh.
- Removal of 10,156 tons of CO₂, through planting and re-establishment of vegetation in the areas of Brazil's Cerrado and Atlantic Forest (Mata Atlântica) biomes.

Social

- Cemig's Diversity Census was sent to all Cemig employees, to map the profile of respondents and to collect information on each individual's perception about diversity and inclusion within the Company. The Company's first Training Session on Diversity was held, addressing people in leadership positions, and all employees.
- Energy efficiency actions were concluded at 40 Prisoners' Support Associations (APACs). For investment of R\$ 9 million, obsolete equipment – such as lamps, electric showers, refrigerators and freezers – was replaced by more sustainable devices, and 36 photovoltaic solar generation plants were installed.

Governance

- An audit was held of the requirements in the process of issuance of Cemig Renewable Energy Certificates (Cemig RECs), to ensure total transparency of the process all the way through from energy generation to management and control of transactions with the certificates.
- The Instruction on Disposal and Transfer of Waste and Material no Longer Suitable for Use was updated, to regulate accounting of Inventory, and final environmentally correct disposal of waste.

Cemig in the leading sustainability indices



Cemig has been in this index for **23 consecutive years:**
– the only electricity company in the Americas included in this index

ISE B3

Cemig has been in this index for **18 consecutive years**











Leader in climate change practices in Latin America



Best score in the Brazilian power industry

Indicators

Climate change and renewable energyx		1Q23	2Q23
Indicators			
	% of generation from renewable sources	100%	100%
	Electricity consumption per employee (MWh)	1.68	1.69
	Consumption of renewable fuels (GJ)	5,361.38	5,280.32
	Consumption of non-renewable fuels (GJ)	814,529.48	854,008.49
	Index of energy losses in the National Grid (Cemig GT) (%)	2.78	2.21
	Commercialized I-RECs from renewable sour	118,565	1,420,465
	Cemig RECs commercialized from renewable sources[2]	1,795,939	235,620
	Number of smart meters installed	5,991	10,307
Impact and environmental protection			
	Cemig total reforestation, hectares	142.63	50.88
	Number of transformers refurbished	124	101
	Percentage of waste sent for reuse	90.3	100
	Biomass affected (kg)	293.37	344.94
Water resources			
	Water consumption (m³)	38,046.70	42,871.77
	Surface Water Monitoring Management Indicator (%)	100	100
Sustainable social development			
	Allocation to the Children's and Adolescents' Fund (FIA) (R\$)	741,732	41,597
	Allocated to the Fund for the Aged (R\$)	741,732	41,597
	Allocated via the Sports Incentive Law (R\$)	7,418,674	83,195
Health and safety			
	Accident frequency rate – own plus outsourced employees	3.21	3.78
	Number of fatal or non-fatal accidents with the population	9	10
Transparency			
	% of shares held by members of Boards	0.01	0.01
	Number of independent members of the Board of Directors	10	10
Ethics and Integrity			
	Total accusations received	99	110
	Total valid or partially-valid accusation processes completed	13	24
Client satisfaction			
	DEC = Consumer Average Outage Duration (hours)	3.04	2.16
	FEC = Consumer Average Outage Frequency (number)	1.27	1.05



Diversity and Equity		
Number of registered employees	4,936	4,875
Employees of white origin, %	58.8%	58.2%
Employees of African-Brazilian origin, %	36.7%	37.2%
Employees of mixed-race origin, %	0.4%	0.4%
Employees of indigenous origin, %	0.1%	0.1%
Employees not declaring race, %	4.0%	4.1%
% of women in Cemig workforce (%)	14.5%	14.4%
Women in leadership positions	16.8%	17.7%
African-Brazilians in leadership positions	17.4%	17.2%
Employees below age 30	9.2%	8.5%
Employees aged 30 to 50	62.7%	63.4%
Employees aged over 50	28.1%	28.1%

Share performance

Security	June 30, 2023	Dec. 31, 2022	Change, %
Share prices ⁽²⁾			
CMIG4 (PN) at the close (R\$/share)	12.86	10.68	20.4%
CMIG3 (ON) at the close (R\$/share)	19.32	15.7	23.0%
CIG (ADR for PN shares), at close (US\$/share)	2.63	1.93	36.3%
CIG.C (ADR for ON shares) at close (US\$/share)	3.97	3.04	30.6%
XCMIG (Cemig PN shares on Latibex), close (€/share)	2.36	1.98	19.2%
Trading volume			
CMIG4 (PN) (R\$ mn)	126.77	120.66	5.1%
CMIG3 (ON) (R\$ mn)	5.65	9.36	-39.6%
CIG (ADR for PN shares) (US\$ mn)	9.64	14.99	-35.7%
CIG.C (ADR for ON shares) (US\$ mn)	0.19	0.25	-25.4%
Indices			
IEE	91,090	78,679	15.8%
IBOV	118,087	109,735	7.6%
DJIA	34,408	33,147	3.8%
Market valuation			
Market valuation at end of period, R\$ mn	33,052	28,200	17.2%
Enterprise value (EV), R\$ mn (1)	40,381	35,601	13.4%
Dividend yield of CMIG4 (PN) (%) (3)	8.78	12.22	-3,44 p.p
Dividend yield of CMIG3 (ON) (%) (3)	5.85	8.43	-2,58 pp

(1) EV = Market valuation (R\$/share x number of shares) + Consolidated net debt.

(2) Share prices adjusted for corporate action payments, including dividends.

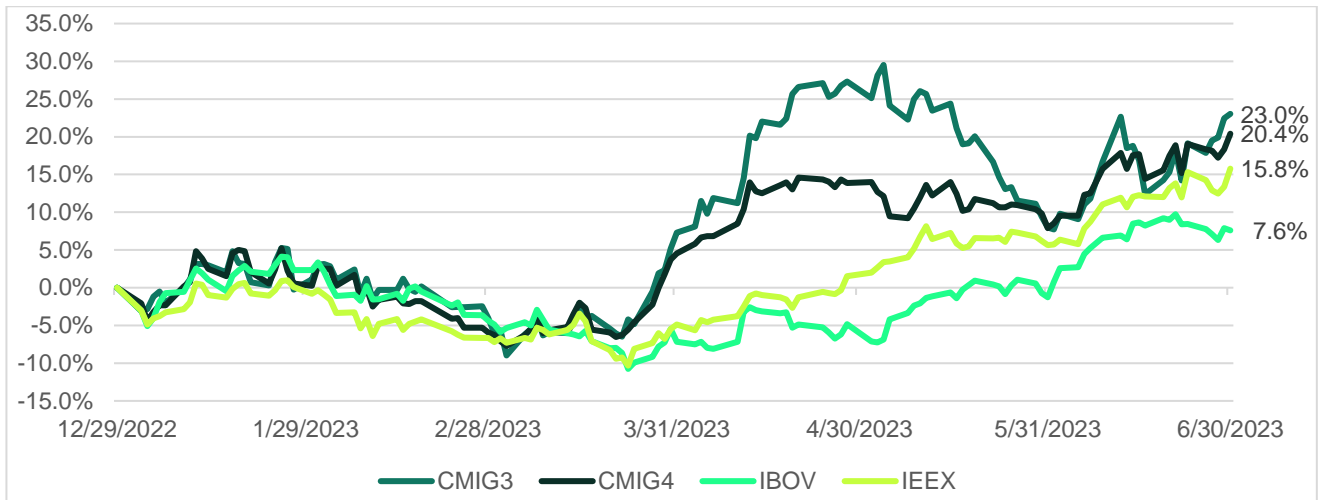
(3) Dividend yield = (Dividends distributed in last four quarters) / (Share price at end of the period).

In the first six months Cemig's shares (aggregate of the common (ON) and preferred (PN) shares), were the fourth most liquid in Brazil's electricity sector and among the most traded in the **Brazilian equity market**.

On the **NYSE** the volume traded in ADRs for Cemig's preferred shares (CIG) in 1H23 was US\$ 1.20 billion. We see this as recognition by the investor market that it continues to see Cemig as a global investment option.

The benchmark Brazilian **Ibovespa index** of the São Paulo Stock Exchange rose 7.6% in the period, while Cemig's preferred (PN) shares rose 20.4% and the common (ON) shares rose 23.0%.

In New York the **ADRs** for Cemig's preferred shares were up 36.3% in the first six months , and the ADRs for the common shares were up 30.6%.



Cemig's generation plants

Plant	Company	Cemig generation capacity (MW)	Cemig physical guarantee (MW)	End of concession	Type	Cemig interest
Emborcação	CEMIG GT	1,192	475	May-27	Hydroelectric	100.0%
Nova Ponte	CEMIG GT	510	257	Aug-27	Hydroelectric	100.0%
Irapé	CEMIG GT	399	198	Sep-37	Hydroelectric	100.0%
Três Marias	CEMIG G. TRÊS MARIAS	396	227	Jan-53	Hydroelectric	100.0%
Salto Grande	CEMIG G. SALTO GRANDE	102	74	Jan-53	Hydroelectric	100.0%
Queimado	CEMIG GT	87	53	Jul-34	Hydroelectric	82.5%
Sá Carvalho	Sá Carvalho S.A	78	54	Aug-26	Hydroelectric	100.0%
Rosal	Rosal Energia S. A	55	28	Dec-35	Hydroelectric	100.0%
Itutinga	CEMIG G. ITUTINGA	52	27	Jan-53	Hydroelectric	100.0%
Camargos	CEMIG G. CAMARGOS	46	22	Jan-53	Hydroelectric	100.0%
Volta do Rio	CEMIG GT	42	18	Dec-31	Wind Farm	100.0%
Poço Fundo	CEMIG GT	30	17	May-52	Hydroelectric	100.0%
Praias de Parajuru	CEMIG GT	29	8	Sep-32	Wind Farm	100.0%
Pai Joaquim	CEMIG PCH S.A	23	14	Sep-32	Hydroelectric	100.0%
Piau	CEMIG G. SUL	18	14	Jan-53	Hydroelectric	100.0%
Gafanhoto	CEMIG G. OESTE	14	7	Jan-53	Hydroelectric	100.0%
Peti	CEMIG G. LESTE	9	6	Jan-53	Hydroelectric	100.0%
Joasal	CEMIG G. SUL	8	5	Jan-53	Hydroelectric	100.0%
Salto Voltão	Horizontes Energia	8	7	Jun-33	Hydroelectric	100.0%
Belo Monte	Norte Energia	1,313	534	Jul-46	Hydroelectric	11.7%
Aimorés	ALIANÇA	149	78	Nov-39	Hydroelectric	45.0%
Amador Aguiar I	ALIANÇA	94	58	Nov-42	Hydroelectric	39.3%
Amador Aguiar II	ALIANÇA	83	49	Aug-36	Hydroelectric	39.3%
Funil	ALIANÇA	81	36	May-40	Hydroelectric	45.0%
Igarapava	ALIANÇA	50	30	Sep-31	Hydroelectric	23.7%
Porto Estrela	ALIANÇA	34	18	Jun-35	Hydroelectric	30.0%
Gravier	ALIANÇA	32	13	Aug-55	Wind Farm	45.0%
Candongá	ALIANÇA	32	14	Jul-40	Hydroelectric	22.5%
Santo Inácio III	ALIANÇA	13	6	Jun-46	Wind Farm	45.0%
Garrote	ALIANÇA	10	5	Jun-46	Wind Farm	45.0%
Santo Inácio IV	ALIANÇA	10	5	Jun-46	Wind Farm	45.0%
São Raimundo	ALIANÇA	10	5	Jun-46	Wind Farm	45.0%
Baguari	BAGUARI ENERGIA	48	28	Mar-46	Hydroelectric	34.0%
Cachoeirão	Hidrelétrica Cachoeirão	13	8	Sep-33	Hydroelectric	49.0%
Pipoca	Hidrelétrica Pipoca	10	6	Dec-34	Hydroelectric	49.0%
Paracambi	Lightger	12	10	Jan-34	Hydroelectric	49.0%
Retiro Baixo	Retiro Baixo	42	17	Mar-47	Hydroelectric	49.9%
Others		117	53			
Total		5,251	2,482			
Cemig Sim (MWp)		52				
Total		5,303				

RAP – July 2023-June 2024 cycle

Cemig's own Permitted Annual Transmission Revenue (RAP) has been increased by 23.5%, as from July 2023, incorporating the effects of:

- (i) inflation in the period,
- (ii) strengthening and improvement of the network, and
- (iii) reprofiling of its National Grid (RBSE) contribution.

Cemig already has approval (REA) for additional strengthening and improvements with CAPEX totaling R\$663 million.

Aneel Ratifying Resolution (REH) 3216/2023 (2023–2024 cycle)				
Company	RAP* (R\$ '000)	% Cemig	Cemig (R\$ '000)	Expiration
Cemig	1,143,036	100.00%	1,143,036	
Cemig GT	1,045,366	100.00%	1,045,366	Dec. 2042
Cemig Itajubá	59,266	100.00%	59,266	Oct. 2030
Centroeste	29,268	100.00%	29,268	Mar. 2035
Sete Lagoas	9,136	100.00%	9,136	Jun. 2041
Taesa	4,052,200	21.68%	878,517	
TOTAL RAP			2,021,553	

* RAP including amounts of the Adjustment Portion.

REIMBURSEMENT FOR ASSETS – NATIONAL GRID**					
R\$ '000 – per cycle	2020–2021	2021–2022	2022–2023	2023–2024	From 2024-2025 to 2027-2028
Economic	144,547	144,547	144,547	144,375	28,514
Financial	332,489	88,662	129,953	275,556	275,556
TOTAL	477,036	233,209	274,499	419,931	304,070

** The figures for indemnity of National Grid components are included in the RAP of Cemig (first table).

Regulatory transmission revenue – 2Q23

Regulatory Transmission revenue – 2Q23			
R\$ '000	GT	Centroeste	Sete Lagoas
REVENUE	355,568	7,655	2,413
Revenue from transactions in electricity	355,568	7,655	2,413
Taxes on revenue	-28,977	-279	-223
PIS and Pasep taxes	-5,169	-50	-39
Cofins tax	-23,808	-229	-184
ISS tax	-	-	-
Sector charges	-87,382	-142	-126
Research and Development (R&D)	-2,638	-81	-23
Global Reversion Reserve (RGR)	-	-41	-96
Energy Development Account (CDE)	-66,897	8	2
Electricity Services Inspection Charge (TFSEE)	-884	-28	-9
Others	-16,963	-	-
Net revenue	239,209	7,234	2,064

Complementary information

Cemig D

MARKET OF CEMIG D (GWh)				
QUARTER	CAPTIVE	TUSD – ENERGY ⁽¹⁾	E.T.D ⁽²⁾	TUSD – DEMAND ⁽³⁾
1Q21	6,147	5,350	11,497	34.5
2Q21	6,098	5,592	11,689	35.5
3Q21	6,116	5,629	11,746	35.2
4Q21	6,013	5,612	11,626	36.1
1Q22	5,738	5,397	11,136	36.2
2Q22	6,050	5,853	11,904	36.7
3Q22	5,942	5,790	11,733	34.7
4Q22	6,047	5,755	11,802	40.5
1Q23	5,723	5,566	11,289	38.0
2Q23	5,949	6,058	12,007	38.5

(1) This refers to the 'energy' portion for calculation of the regulatory charges to Free Clients ('Portion A').

(2) Total energy distributed.

(3) Sum of TUSD billed, according to demand contracted ('Portion B')

Cemig D	2Q23	1Q23	2Q22	chg. % 2Q/1Q	chg. % 2Q/2Q
Operating Revenues (R\$ million)					
Revenue from supply of energy	5,098	4,722	5,475	8.0%	-6.9%
Reimbursement of PIS/Pasep and Cofins credits to customers	562	696	499	-19.3%	12.6%
Revenue from Use of Distribution Systems (the TUSD charge)	1,126	988	921	14.0%	22.3%
CVA and Other financial components in tariff adjustment	-165	21	-272	-890.0%	-
Construction revenue	860	658	683	30.7%	25.8%
Adjustment to expectation of cash flow from indemnifiable financial assets of distribution concession	47	31	19	51.5%	145.6%
Others	525	395	810	32.9%	-35.2%
Subtotal	8,052	7,510	8,135	7.2%	-1.0%
Deductions	2,503	2,133	3,204	17.3%	-21.9%
Net Revenues	5,549	5,377	4,931	3.2%	12.5%

	2Q23	1Q23	2Q22	chg. % 2Q/1Q	chg. % 2Q/2Q
Cemig D - Expenses					
Personnel	217	225	257	-3.4%	-15.5%
Employees' and managers' profit sharing	26	25	27	3.7%	-6.7%
Forluz – Post-retirement obligations	106	73	101	44.7%	5.0%
Materials	25	25	25	-1.2%	-0.1%
Outsourced services	377	401	328	-6.0%	14.8%
Amortization	197	194	179	1.5%	10.1%
Operating provisions	106	67	139	58.2%	-23.7%
Charges for Use of Basic Transmission Network	733	729	579	0.5%	26.4%
Energy purchased for resale	2,306	2,324	2,257	-0.8%	2.2%
Construction Cost	860	658	683	30.7%	25.8%
Provision – Credits of PIS, Pasep, Cofins taxes on ICMS tax	0	0	1,405	-	-100.0%
Other Expenses	106	75	41	41.3%	158.5%
Total	5,058	4,796	6,023	5.5%	-16.0%

Cemig D	2Q23	1Q23	2Q22	chg. %	chg. %
Statement of Results				2Q/1Q	2Q/2Q
Net Revenue	5,549	5,377	4,931	3.2%	12.5%
Operating Expenses	5,058	4,796	6,023	5.5%	-16.0%
EBIT	491	581	-1,092	-15.5%	-
EBITDA	688	775	-913	-11.2%	-
Financial Result	12	-92	-332	-	-
Provision for Income Taxes, Social Cont & Deferred Income Tax	-138	-119	524	16.0%	-126.3%
Net Income	365	370	-900	-1.3%	-140.6%

Cemig GT

Cemig GT - Operating Revenues	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Sales to end consumers	1,008	1,105	1,370	-8.8%	-26.4%
Supply	521	475	515	9.7%	1.2%
Revenues from Trans. Network	182	174	197	4.6%	-7.6%
Gain on monetary updating of Concession Grant Fee	94	135	161	-30.4%	-41.6%
Transactions in the CCEE	9	23	18	-60.9%	-50.0%
Construction revenue	68	39	101	74.4%	-32.7%
Financial remuneration of transmission contractual assets	105	175	205	-40.0%	-48.8%
Others	51	49	19	4.1%	168.4%
Subtotal	2,038	2,175	2,586	-6.3%	-21.2%
Deductions	406	419	537	-3.1%	-24.4%
Net Revenues	1,632	1,756	2,049	-7.1%	-20.4%

Cemig GT - Operating Expenses	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Personnel	80	86	92	-7.0%	-13.0%
Employees' and managers' profit sharing	9	9	11	0.0%	-18.2%
Forluz – Post-retirement obligations	33	12	32	175.0%	3.1%
Materials	5	3	7	66.7%	-28.6%
Outsourced services	64	53	50	20.8%	28.0%
Depreciation and Amortization	80	81	82	-1.2%	-2.4%
Operating provisions	13	9	11	44.4%	18.2%
Charges for Use of Basic Transmission Network	64	63	59	1.6%	8.5%
Energy purchased for resale	683	682	934	0.1%	-26.9%
Construction Cost	47	27	75	74.1%	-37.3%
Gain in disposal of asset held for sale	0	-30	-6	-100.0%	-100.0%
Financial asset - reimbursements receivable - written off	0	0	172	-	-
SAAG - Put option	25	0	5	-	400.0%
Reversal of provision for doubtful with related party - Renova	0	0	-53	-	-
Other Expenses	5	93	16	-94.6%	-68.8%
Total	1,108	1,088	1,487	1.8%	-25.5%

Cemig GT - Statement of Results	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Net Revenue	1,632	1,756	2,049	-7.1%	-20.4%
Operating Expenses	1,108	1,088	1,487	1.8%	-25.5%
EBIT	524	668	562	-21.6%	-6.8%
Equity gain in subsidiaries	25	70	218	-64.3%	-88.5%
EBITDA	629	819	862	-23.2%	-27.0%
Financial Result	14	6	-535	133.3%	-
Provision for Income Taxes, Social Cont & Deferred Income Tax	-104	-134	344	-22.4%	-
Net Income	459	610	589	-24.8%	-22.1%

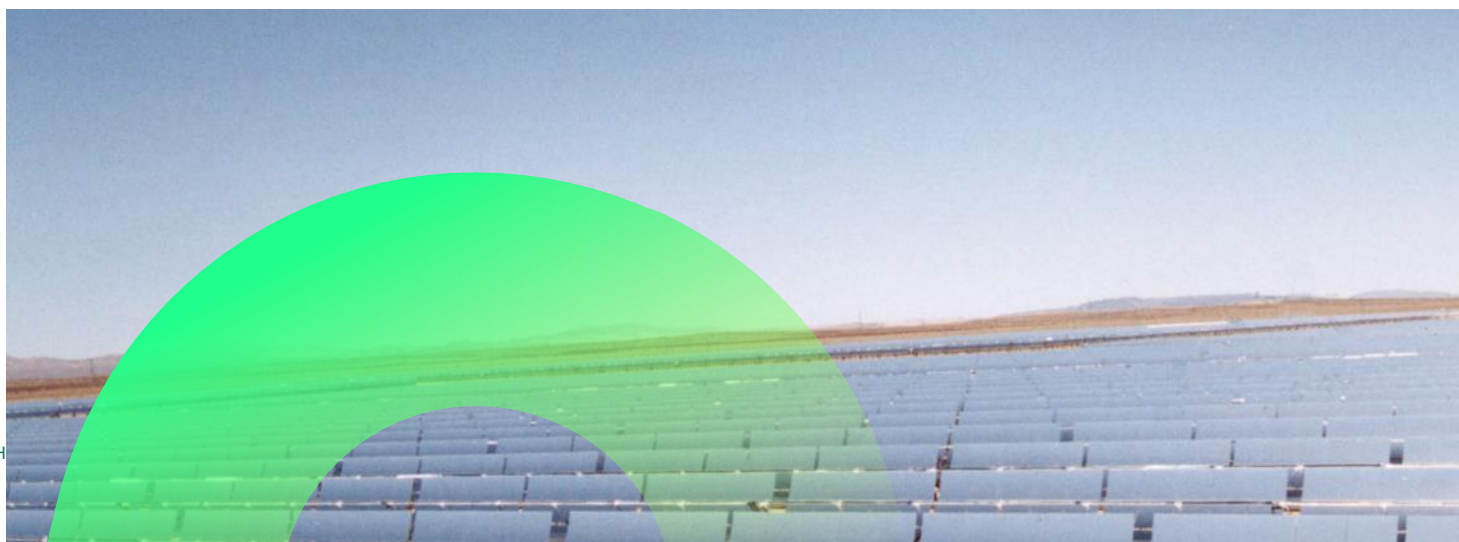
Cemig, Consolidated

Consolidated -Energy Sales	2Q23	1Q23	2Q22	chg. %	chg. %
(in GWh)				2Q/1Q	2Q/2Q
Residential	2,944	2,985	2,768	-1.4%	6.4%
Industrial	4,595	4,308	4,598	6.7%	-0.1%
Commercial	2,424	2,343	2,307	3.5%	5.1%
Rural	805	526	845	53.0%	-4.7%
Others	761	766	861	-0.7%	-11.6%
Subtotal	11,529	10,928	11,379	5.5%	1.3%
Own Consumption	7	7	7	0.0%	0.0%
Supply	4,137	4,039	3,847	2.4%	7.5%
TOTAL	15,673	14,974	15,233	4.7%	2.9%

Revenue from supply of electricity	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Residential	2,532	2,395	2,724	5.7%	-7.0%
Industrial	1,475	1,439	1,520	2.5%	-3.0%
Commercial	1,597	1,503	1,656	6.3%	-3.6%
Rural	539	393	542	37.2%	-0.6%
Others	481	446	532	7.8%	-9.6%
Subtotal	6,624	6,176	6,974	7.3%	-5.0%
Unbilled supply	-48	13	-27	-	77.8%
Supply	952	906	897	5.1%	6.1%
TOTAL	7,528	7,095	7,844	6.1%	-4.0%

Operating Revenues - consolidated	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Sales to end consumers	6,576	6,189	6,947	6.3%	-5.3%
Supply	952	906	897	5.1%	6.1%
TUSD	1,118	980	913	14.1%	22.5%
CVA and Other financial components in tariff adjustment	-165	20	-272	-	-39.3%
Reimbursement of PIS/Pasep and Cofins over ICMS credits to customers	562	696	499	-19.3%	12.6%
Transmission revenue plus RTP	96	88	126	9.1%	-23.8%
Financial remuneration of transmission contractual assets	107	177	205	-39.5%	-47.8%
Transactions in the CCEE	14	29	17	-51.7%	-17.6%
Gas supply	1,074	1,124	1,113	-4.4%	-3.5%
Construction revenue	986	715	797	37.9%	23.7%
Others	732	640	1,012	14.4%	-27.7%
Subtotal	12,052	11,564	12,254	4.2%	-1.6%
Deductions	3,232	2,917	4,041	10.8%	-20.0%
Net Revenues	8,820	8,647	8,213	2.0%	7.4%

Operating Expenses - consolidated	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Personnel	321	335	371	-4.2%	-13.5%
Employees' and managers' profit sharing	37	38	37	-2.6%	0.0%
Forluz – Post-Retirement Employee Benefits	158	103	151	53.4%	4.6%
Materials	31	29	33	6.9%	-6.1%
Outsourced services	456	467	393	-2.4%	16.0%
Energy purchased for resale	3,468	3,445	3,446	0.7%	0.6%
Depreciation and Amortization	303	303	288	0.0%	5.2%
Operating Provisions	132	121	1,420	9.1%	-90.7%
Charges for use of the national grid	705	700	560	0.7%	25.9%
Gas bought for resale	572	614	692	-6.8%	-17.3%
Construction costs	964	703	773	37.1%	24.7%
Expected credit losses of accounts receivable	21	-	90	-	-
Gain in disposal of asset held for sale	-	-30	-7	-	-
Financial asset - reimbursements receivable - written off			171		
Other Expenses	145	113	66	28.32%	119.70%
Total	7,313	6,941	8,484	5.36%	-13.80%



Financial Result Breakdown	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
FINANCE INCOME					
Income from cash investments	106	98	97	8.2%	9.3%
Arrears fees on sale of energy	80	69	103	15.9%	-22.3%
Monetary variations – CVA	65	27	59	140.7%	10.2%
Monetary updating on Court escrow deposits	22	15	19	46.7%	15.8%
Pasep and Cofins charged on finance income	-49	-43	-23	14.0%	113.0%
Exchange	197	104	0	89.4%	-
Others	91	60	108	51.7%	-15.7%
	512	330	363	55.2%	41.0%
FINANCE EXPENSES					
Costs of loans and financings	233	242	236	-3.7%	-1.3%
Foreign exchange variations	0	0	500	-	-
Monetary updating – loans and financings	22	72	78	-69.4%	-71.8%
Charges and monetary updating on post-retirement obligation	6	8	16	-25.0%	-62.5%
Negative effect on financial instruments - Hedge	150	13	0	1053.8%	-
	16	0	356		-95.5%
Others	45	101	48	-55.4%	-6.3%
	472	436	1,234	8.3%	-61.8%
NET FINANCE INCOME (EXPENSES)	40	-106	-871	-	-



Statement of Results	2Q23	1Q23	2Q22	chg. %	chg. %
(R\$ million)				2Q/1Q	2Q/2Q
Net Revenue	8,820	8,647	8,213	2.00%	7.39%
Operating Expenses	7,313	6,941	8,484	5.36%	-13.80%
EBIT	1,507	1,706	-271	-11.66%	-656.09%
Equity gain (loss) in subsidiaries	69	153	336	-54.90%	-79.46%
EBITDA	1,878	2,162	354	-13.14%	430.51%
Financial Result	40	-106	-871	-	-
Provision for Income Taxes, Social Cont & Deferred Income Tax	-371	-355	855	0.0450704	-
Net profit for the period	1,245	1,398	50	-10.94%	2390.00%

Cash Flow Statement	1H23	1H22
(R\$ million)		
Cash at beginning of period	1,441	825
Cash generated by operations	2735	3004
Net income for the period from going concern operations	2,644	1,505
Tributos compensáveis	359	514
Depreciation and amortization	67	572
CVA and other financial components	143	972
Equity gain (loss) in subsidiaries	-222	-520
Provisions (reversals) for operational losses	265	1674
Dividends receivable	204	181
Interest paid on loans and financings	-474	-476
Net gain on derivative instruments at fair value through profit or loss	162	402
PIS/Pasep and Cofins Credits	-1257	-935
Escrow deposits	29	-31
Others	815	-854
Investment activity	-2470	-1003
Securities - Financial Investment	196	153
Financial assets	24	6
Fixed and Intangible assets/distribution and gas infrastructure	-2690	-1162
Financing activities	477	-957
Lease payments	-35	-36
Payments of loans and financings	-564	-973
Interest on Equity, and dividends	-912	-936
Proceeds from Loans, financings and debentures	1988	988
Cash at end of period	2,183	1,869

BALANCE SHEETS - ASSETS	1H23	2022
(R\$ million)		
CURRENT		
Cash and cash equivalents	2,183	1,441
Marketable securities	1,543	1,745
Customers, traders, concession holders and Transport of energy	4,689	4,769
Concession financial assets	777	1,055
Concession contract assets	787	728
Tax offsetable	1,163	1,917
Income tax and Social Contribution tax recoverable	836	775
Dividends receivable	74	146
Public lighting contribution	233	207
Refund tariff subsidies	124	97
Other credits	769	585
TOTAL CURRENT	13,540	13,465
NON-CURRENT		
Securities	139	134
Consumers and traders	47	43
Tax offsetable	1,213	1,358
Income tax and Social Contribution tax recoverable	149	173
Deferred income tax and Social Contribution tax	2,983	3,120
Escrow deposits in legal actions	1,215	1,207
Derivative financial instruments – Swaps	339	703
Accounts receivable from the State of Minas Gerais	13	13
Financial assets of the concession	5,444	4,937
Contractual assets	6,948	5,976
Investments	4,822	5,106
Property, plant and equipment	2,608	2,409
Intangible assets	14,620	14,622
Leasing – rights of use	386	329
Other credits	77	76
TOTAL NON-CURRENT	41,003	40,206
TOTAL ASSETS	54,543	53,671

BALANCE SHEETS LIABILITIES AND SHAREHOLDERS' EQUITY	1S23	1S22
(R\$ million)		
CURRENT		
Suppliers	2,493	2,832
Regulatory charges	540	510
Profit sharing	80	105
Taxes	884	885
Income tax and Social Contribution tax	112	240
Interest on Equity, and dividends, payable	1723	1863
Loans and financings	952	955
Payroll and related charges	233	260
Public Lighting Contribution	372	312
Accounts payable related to energy generated by consumers	511	455
Post-retirement liabilities	408	388
PIS/Pasep and Cofins taxes to be reimbursed to customers	1164	1155
Derivative financial instruments	105	91
Derivative financial instruments - options	0	672
Leasing operations	75	58
Other obligations	475	424
TOTAL CURRENT	10,127	11,205
NON-CURRENT		
Regulatory charges	46	65
Loans and financings	10,879	9,624
Income tax and Social Contribution tax	370	370
Deferred Income tax and Social Contribution tax	975	932
Provisions	2111	2029
Post-retirement liabilities	5250	5303
PASEP / COFINS to be returned to consumers	608	1808
Leasing operations	341	297
Others	221	254
TOTAL NON-CURRENT	20,801	20,682
TOTAL LIABILITIES	30,928	31,887
TOTAL EQUITY		
Share capital	11,007	11,007
Capital reserves	2,250	2,250
Profit reserves	10,395	10,395
Equity valuation adjustments	-1,834	-1,874
Profit reserves	1,791	0
NON-CONTROLLING INTERESTS	23,609	21,778
Non-Controlling Interests	6	6
TOTAL EQUITY	23,615	21,784
TOTAL LIABILITIES AND EQUITY	54,543	53,671

Disclaimer

Certain statements and estimates in this material may represent expectations about future events or results which are subject to risks and uncertainties that may be known or unknown. There is no guarantee that events or results will occur as referred to in these expectations.

These expectations are based on the present assumptions and analyses from the point of view of our management, in accordance with their experience and other factors such as the macroeconomic environment, market conditions in the electricity sector, and expected future results, many of which are not under our control.

Important factors that could lead to significant differences between actual results and the projections about future events or results include Cemig's business strategy, Brazilian and international economic conditions, technology, our financial strategy, changes in the electricity sector, hydrological conditions, conditions in the financial and energy markets, uncertainty on our results from future operations, plans and objectives, and other factors. Due to these and other factors, our results may differ significantly from those indicated in or implied by such statements.

The information and opinions herein should not be understood as a recommendation to potential investors, and no investment decision should be based on the veracity, currentness or completeness of this information or these opinions. None of our staff nor any party related to any of them or their representatives shall have any responsibility for any losses that may arise as a result of use of the content of this presentation.

To evaluate the risks and uncertainties as they relate to Cemig, and to obtain additional information about factors that could give rise to different results from those estimated by Cemig, please consult the section *Risk Factors* included in the Reference Form filed with the Brazilian Securities Commission (CVM) – and in the 20-F Form filed with the U.S. Securities and Exchange Commission (SEC).

In this material, financial amounts are in **R\$ million** (R\$ mn) unless otherwise stated. Financial data reflect the adoption of IFRS.





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