

# INTERIM FINANCIAL INFORMATION

## 3Q2023



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## FINANCIAL RESULTS

**(Figures in R\$ '000 unless otherwise indicated)**  
**(Information not reviewed by the independent auditors)**

### Net income for the period

For 3Q23, the Company reports an increase of 95.04% in its net income, which was R\$490,014 compared to R\$251,242 in 3Q22.

The main variations in revenue, costs, expenses and net finance income (expenses) are presented in the sequence of this report.

### Ebitda (Earnings before interest, tax, depreciation and amortization) consolidated

The consolidated Ebitda, measured according to CVM Instruction n. 156/2022, increased in 57.79% in 3Q23, compared to 3Q22. The Ebitda margin increased from 26.12% in 3Q22 to 48.79% for 3Q23.

The Ebitda, adjusted including the removal of non-recurrent items, increased in 122.47% in 3Q23, compared to 3Q22. The Ebitda margin increased from 17.45% in 3Q22 to 45.96% for 3Q23.

More details on the specific items of this Comment.

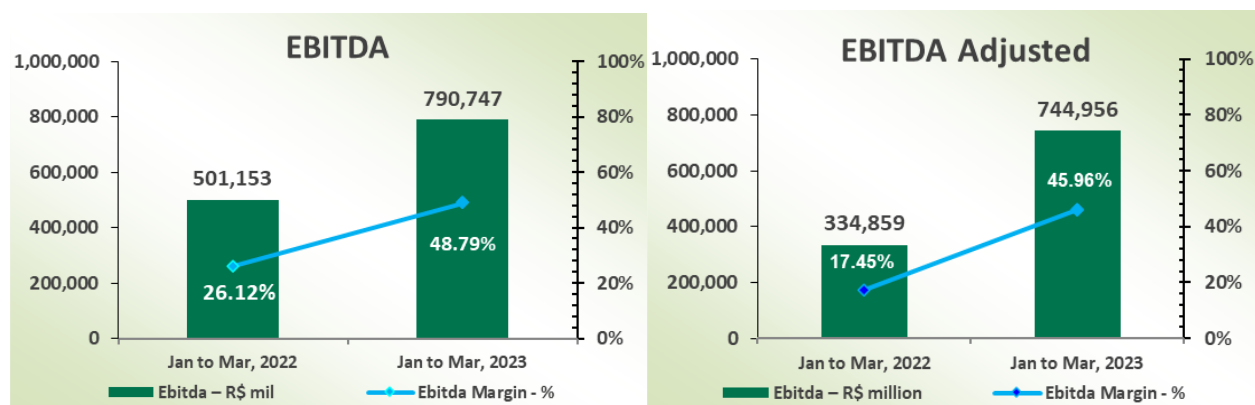
<b>Ebitda 3Q23</b>	<b>Generation</b>	<b>Transmission</b>	<b>Trading</b>	<b>Investee</b>	<b>Total</b>
Net income for the period	340,291	85,786	86,237	(22,300)	490,014
+ Current and deferred income tax and social contribution tax	93,508	15,023	31,259	(27,154)	112,636
+/- Net financial revenue (expenses)	28,977	36,518	(9,524)	51,296	107,267
+ Depreciation and amortization	80,825	-	5	-	80,830
<b>= Ebitda according to "CVM Instruction n. 156" (1)</b>	<b>543,601</b>	<b>137,327</b>	<b>107,977</b>	<b>1,842</b>	<b>790,747</b>
<b>Non-recurring and non-cash effects</b>					
- Reversal of impairment of assets – Small Hydro Plants held for sale (note 29)	(45,791)	-	-	-	(45,791)
<b>= Ebitda Adjusted (2)</b>	<b>497,810</b>	<b>137,327</b>	<b>107,977</b>	<b>1,842</b>	<b>744,956</b>

<b>Ebitda 3Q22</b>	<b>Generation</b>	<b>Transmission</b>	<b>Trading</b>	<b>Investee</b>	<b>Total</b>
Net income for the period	12,954	83,332	(61,807)	216,763	251,242
+ Current and deferred income tax and social contribution tax	64,662	55,555	(57,791)	(41,878)	20,548
+/- Net financial revenue (expenses)	46,242	29,014	(6,414)	78,233	147,075
+ Depreciation and amortization	82,283	-	5	-	82,288
<b>= Ebitda according to "CVM Instruction n. 156" (1)</b>	<b>206,141</b>	<b>167,901</b>	<b>(126,007)</b>	<b>253,118</b>	<b>501,153</b>
<b>Non-recurring and non-cash effects</b>					
- Reversal of tax provisions - Social security contributions on profit sharing	(28,874)	(29,494)	(5,068)	(4,016)	(67,451)
+ Impairment	-	-	37,182	-	37,182
+ Tax provisions - Indemnity of employees' future benefit (the 'Anuênio')	13,503	13,793	2,370	1,878	31,544
- Put option - SAAG	-	-	-	(34,748)	(34,748)
- Result of the agreement between FIP Melbourne and AGPar	-	-	-	(132,821)	(132,821)
<b>= Ebitda Adjusted (2)</b>	<b>190,770</b>	<b>152,200</b>	<b>(91,523)</b>	<b>83,411</b>	<b>334,859</b>

(1) Ebitda is a non-accounting measure prepared by the Company, reconciled with the consolidated interim financial information in accordance with CVM Circular SNC/SEP n. 1/2007 and CVM Resolution n. 156 of June 23, 2022. It comprises Net income adjusted by the effects of net financial revenue (expenses), Depreciation and amortization, and Income and Social Contribution taxes. 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. The Company publishes Ebitda because it uses it to

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

- (2) In accordance with CVM Instruction 156/2022, the Company adjusts Ebitda 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.



## Revenue

### Revenue from supply of energy

Revenue from supply of electricity was 18.43% lower, at R\$1,527,154 in 3Q23, compared to R\$1,872,105 in 3Q22. This variation was basically due to the 22.57% reduction in the volume of energy sold, mainly associated with continuing transfers of the Cemig Group's activity in Trading from Cemig GT to the Cemig holding.

	Jul. to Sep., 2023			Jul. to Sep., 2022		
	MWh <sup>3</sup>	R\$	Average price/MWh billed - R\$/MWh <sup>1</sup>	MWh <sup>3</sup>	R\$	Average price/MWh billed - R\$/MWh <sup>1</sup>
Industrial	2,325,940	702,716	302.12	3,627,964	1,094,518	301.69
Commercial	967,754	252,759	261.18	997,490	254,045	254.68
Rural	5,027	1,469	292.22	4,032	1,204	298.61
<b>Subtotal</b>	<b>3,298,721</b>	<b>956,944</b>	<b>290.10</b>	<b>4,629,486</b>	<b>1,349,767</b>	<b>291.56</b>
Net unbilled retail supply	-	22,133	-	-	(30,124)	-
	<b>3,298,721</b>	<b>979,077</b>	<b>290.10</b>	<b>4,629,486</b>	<b>1,319,643</b>	<b>291.56</b>
Wholesale supply to other concession holders (2)	2,500,000	495,239	198.10	2,859,640	535,183	187.15
Wholesale supply unbilled, net	-	52,838	-	-	17,279	-
	<b>5,798,721</b>	<b>1,527,154</b>	<b>250.43</b>	<b>7,489,126</b>	<b>1,872,105</b>	<b>251.69</b>

- (1) The calculation of the average price does not include revenue from supply not yet billed.  
(2) This revenue includes sales contracts in the Regulated Market to distribution companies, sales on the Free Market to traders and generation companies, 'bilateral contracts' with other agents, and the revenues from management of generation assets (GAG) for the 18 hydroelectric plants of Lot D of Auction no 12/2015.  
(3) Information not reviewed by the independent auditors.

### Transmission concession revenue

The main variations in revenue are presented below:

- This infrastructure operation and maintenance revenue was R\$197,614 in 3Q23, compared to R\$191,022 in 3Q22, 3.45% higher.

- The revenues posted for construction, strengthening and enhancement of infrastructure totaled R\$35,769 in 3Q23, compared to R\$100,472 in 3Q22, 64.41% lower. This difference reflects expectation for the projects that are in the final phase of execution, resulting in lower amounts of investment in 3Q23 than in 3Q22. Also, the new projects are at the initial phase, with disbursements associated with the planning and decision phases, which have lower costs.
- Revenues from financial remuneration of transmission contract assets were 174.68% higher, at R\$114,364 in 3Q23, compared to R\$41,635 in 3Q22. This variation mainly reflects the lower value of the IPCA inflation index - the indexor used for remuneration of the contract - which was 0,61% in 3Q23, compared to -1.32% in 3Q22.

More details in Note 11.

#### Revenue from transactions on the Power Trading Exchange (CCEE)

Revenue from transactions in energy on the Power Exchange (CCEE) in 3Q23 totaled R\$372 thousand, which compares with R\$95,918 in 3Q22 – a reduction of 99.61%. The reduction mainly reflects a lower volume of available excess supply – which is sold on the CCEE – in this period.

#### Taxes and regulatory charges reported as deductions from revenue

Taxes and charges applied to operating revenue in 3Q23 were R\$389,494, compared to R\$488,366 in 3Q22. This variation is mainly associated with the taxes calculated as a percentage of sales revenue. Hence, their variations are substantially proportional to the changes in revenue.

### ***Costs and expenses***

The costs and expenses in 3Q23 totaled R\$923,257, compared to R\$1,674,957 in 3Q22. The main variations were as follows:

#### Energy purchased for resale

The expense on energy bought for resale in 3Q23 was R\$573,944, compared to R\$1,255,370 in 3Q22, representing an reduction of 54.28%. This variation is mainly due from the reduction of 57.05% in the costs of the electricity bought in the Free Market, which was R\$588,468 in 3Q23, compared to R\$1,369,996 in the same period of 2022. This is mainly due from the transfer of the Trading activities of the Cemig Group from Cemig GT to the Cemig holding.

#### Construction cost

The cost of construction in 3Q23 was R\$26,587, compared to R\$72,112 in 3Q22, or 63,13% lower. The difference reflects the estimate for the projects that are in final phase of execution, resulting in lower amounts invested in 3Q23 than in 3Q22. Further, the new projects are at the initial phase, with disbursements associated with the stages of planning and decision, which have lower costs.

## **Provisions**

The provisions made in 3Q23 are in the following categories: (i) provisions for contingencies; (ii) provisions for client default; and (iii) impairments. The net total of these provisions in 3Q23 is a reversal of provisions of R\$32,638, which compares to net new provisions totaling R\$4,699 in 3Q22. The following are the factors in the most significant variations:

### ■ Provisions for contingencies

Net provisions for contingencies in 3Q23 totaled an expense of R\$12,381, compared to a net reversal of R\$18,643 in 3Q22. This variation is mainly associated with events recorded in the third quarter of 2022.

In 3Q22 there was a net reversal in tax provisions, related to social security contributions on payment of profit shares, in the amount of R\$67,541, due to the assessment of the chances of loss in this legal action being adjusted from 'probable' to 'possible'. This effect was partially offset by recognition of a tax provision, of R\$31,544, for the legal action disputing charging of the Social Security contribution on payments recognizing time of service ('Anuênios'), due to the assessment of the chances of loss in this legal action being adjusted from 'possible' to 'probable'.

### ■ Impairments

An impairment of R\$45,791, previously recognized for the sale of 12 generation plants of Cemig GT, was reversed in the third quarter of 2023 after the plants were sold at public auction, on August 10, 2023. More details in note 29.

An impairment was recognized in 3Q22 for an amount billed to the client White Martins, which has become the subject of arbitration proceedings. More details in note 25.

## ***Share of (loss) profit of associates and joint ventures, net***

Net gains on equity interests in non-consolidated investees in 3Q23 were R\$12,353, 92.95% lower than in 3Q22 (gains of R\$175,118). A significant element in the result for 2022 is recognition of a receivable in the amount of R\$132.8 million, following the payment made by AGPar to FIP Melbourne under an agreement arising from Arbitration Judgment 86/2016 by the Brazil-Canada Chamber of Commerce (CCBC).

Note 12 gives the breakdown of equity method gains/losses, by investee.

## **Net Financial Result**

The Company reports net financial expense of R\$107,267 in 3Q23, compared to net financial expense of R\$147,075 in 3Q22. This variation is mainly due to the following factors:

- Appreciation of the dollar against the Real in 3Q23 of 3.91%, compared to appreciation, of 3.22%, in 3Q22 - generating a posting of expenses of R\$142,451 in 3Q23 vs. expenses of R\$168,600, in 3Q22; and
- The fair value of the financial instrument contracted to hedge the risks connected with the Eurobonds resulted in a positive item of R\$102,428 in 3Q23, compared with a negative item of R\$100,087 in 3Q22, arising basically from a rise in the yield curve related to expectation of increase in the US\$/R\$ exchange rate.

For a breakdown of financial income/expenses see Note 25.

### **Income tax and social contribution tax**

For 3Q23, the expense on income tax and social contribution tax was R\$112,636, on pre-tax gain of R\$602,650 - an effective rate of 18.23%. For 3Q22, the revenue on income tax and social contribution tax was R\$20,548, or an effective rate of 7.56% on the pre-tax gain of R\$271,790.

These effective rates are reconciled with the nominal rates in Note 8d.

## INTERIM FINANCIAL INFORMATION

### STATEMENTS OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2023 AND DECEMBER 31, 2022

#### ASSETS

(In thousands of Brazilian Reais)

	Note	Consolidated		Parent Company	
		Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>CURRENT</b>					
Cash and cash equivalents	4	530,682	292,980	453,820	194,482
Marketable securities	5	1,205,707	1,352,359	885,850	788,368
Receivables from customers and traders	6	567,903	982,643	486,020	812,592
Concession holders - transmission service	6	130,018	112,706	127,264	110,007
Recoverable taxes	7	39,308	51,896	34,438	28,375
Income tax and social contribution tax recoverable	8a	629,107	774,649	626,237	772,564
Dividends receivables	26	68,464	140,250	162,391	259,106
Concession financial assets	10	318,949	309,347	226,349	-
Contract assets	11	822,987	720,032	795,295	691,153
Other		359,581	260,733	350,926	255,951
		<b>4,672,706</b>	<b>4,997,595</b>	<b>4,148,590</b>	<b>3,912,598</b>
Assets classified as held for sale	29	408,422	-	396,272	-
<b>TOTAL CURRENT</b>		<b>5,081,128</b>	<b>4,997,595</b>	<b>4,544,862</b>	<b>3,912,598</b>
<b>NON-CURRENT</b>					
Marketable securities	5	-	5,105	-	2,976
Receivables from customers and traders	6	2,493	63	2,477	47
Recoverable taxes	7	42,341	47,280	36,126	28,545
Income tax and social contribution tax recoverable	8a	52,336	-	51,872	-
Escrow deposits	9	177,734	174,461	171,361	168,183
Derivative financial instruments	27	378,531	702,734	378,531	702,734
Other		56,072	61,895	52,898	69,556
Concession financial assets	10	3,460,375	3,332,528	2,779,775	691,460
Contract assets	11	3,822,258	3,924,195	3,748,734	3,842,796
Investments	12	3,054,484	3,355,051	5,134,453	7,845,778
Property, plant and equipment	13	2,789,560	2,356,699	1,973,302	1,556,915
Intangible	14	874,657	974,169	723,004	660,093
Right of use	15a	75,244	57,219	71,968	55,493
<b>TOTAL NON-CURRENT</b>		<b>14,786,085</b>	<b>14,991,399</b>	<b>15,124,501</b>	<b>15,624,576</b>
<b>TOTAL ASSETS</b>		<b>19,867,213</b>	<b>19,988,994</b>	<b>19,669,363</b>	<b>19,537,174</b>

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2023 AND DECEMBER 31, 2022

### LIABILITIES (In thousands of Brazilian Reais)

	Note	Consolidated		Parent Company	
		Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>CURRENT</b>					
Loans and debentures	18	167,981	33,707	167,981	33,707
Suppliers	16	342,487	503,110	318,364	448,621
Income tax and social contribution tax	8b	18,016	109,881	-	-
Taxes payable	17	174,277	176,252	160,040	131,435
Regulatory charges	19	113,302	116,248	104,924	104,357
Post-employment obligations	20	81,559	84,377	81,559	84,377
Interest on equity, and dividends, payable	26	1,079,062	1,406,958	1,079,062	1,406,958
Payroll and related charges		62,079	68,283	61,036	67,301
Derivative financial instruments	27	41,742	90,526	41,742	90,526
Financial instruments - Option SAAG	27	-	672,416	-	672,416
Lease liabilities	15b	15,502	9,893	14,790	9,592
Other		180,157	179,448	177,609	177,552
<b>TOTAL CURRENT</b>		<b>2,276,164</b>	<b>3,451,099</b>	<b>2,207,107</b>	<b>3,226,842</b>
<b>NON-CURRENT</b>					
Loans and debentures	18	4,786,709	4,925,359	4,786,709	4,925,359
Deferred income tax and social contribution tax	8c	791,368	646,368	753,191	557,634
Taxes payable	17	352,409	361,301	341,512	348,573
Regulatory charges	19	3,982	5,299	-	-
Post-employment obligations	20	1,102,333	1,112,069	1,102,333	1,112,069
Provisions	21	413,618	397,040	412,339	396,537
Lease liabilities	15b	66,789	52,474	64,036	50,909
Other		101,431	145,175	29,726	26,441
<b>TOTAL NON-CURRENT</b>		<b>7,618,639</b>	<b>7,645,085</b>	<b>7,489,846</b>	<b>7,417,522</b>
<b>TOTAL LIABILITIES</b>		<b>9,894,803</b>	<b>11,096,184</b>	<b>9,696,953</b>	<b>10,644,364</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>22</b>				
Share capital		5,473,724	5,473,724	5,473,724	5,473,724
Profit reserves		3,630,532	3,628,085	3,630,532	3,628,085
Valuation adjustments		(198,921)	(208,999)	(198,921)	(208,999)
Retained earnings		1,067,075	-	1,067,075	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>9,972,410</b>	<b>8,892,810</b>	<b>9,972,410</b>	<b>8,892,810</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>19,867,213</b>	<b>19,988,994</b>	<b>19,669,363</b>	<b>19,537,174</b>

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF INCOME

### FOR THE NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais - except earnings per share)

	Note	Consolidated		Parent Company	
		Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
NET REVENUE	23	5,009,129	6,092,581	4,300,410	5,230,692
<b>COSTS</b>	<b>24</b>				
Cost of energy		(2,137,413)	(3,277,102)	(2,090,785)	(3,216,529)
Transmission infrastructure construction cost		(100,604)	(197,998)	(94,325)	(197,998)
Operating costs		(639,741)	(594,623)	(512,309)	(463,788)
		<b>(2,877,758)</b>	<b>(4,069,723)</b>	<b>(2,697,419)</b>	<b>(3,878,315)</b>
<b>GROSS PROFIT</b>		<b>2,131,371</b>	<b>2,022,858</b>	<b>1,602,991</b>	<b>1,352,377</b>
<b>EXPENSES</b>	<b>24</b>				
Expected credit losses		(476)	(579)	(1,390)	(1,111)
General and administrative expenses		(92,552)	(98,210)	(92,551)	(98,484)
Other expenses, net		(149,079)	(311,180)	(145,519)	(310,562)
		<b>(242,107)</b>	<b>(409,969)</b>	<b>(239,460)</b>	<b>(410,157)</b>
Share of profit (loss), net, of affiliates and jointly controlled entities	12	107,391	449,138	563,071	982,738
<b>Income before financial revenue (expenses) and taxes</b>		<b>1,996,655</b>	<b>2,062,027</b>	<b>1,926,602</b>	<b>1,924,958</b>
Finance income	25	418,547	365,934	351,122	306,413
Finance expenses	25	(505,233)	(750,884)	(499,530)	(735,595)
<b>Income before income tax and social contribution tax</b>		<b>1,909,969</b>	<b>1,677,077</b>	<b>1,778,194</b>	<b>1,495,776</b>
Current income tax and social contribution tax	8d	(208,146)	(178,247)	(72,260)	1,699
Deferred income tax and social contribution tax	8d	(142,820)	155,816	(146,931)	157,171
		<b>(350,966)</b>	<b>(22,431)</b>	<b>(219,191)</b>	<b>158,870</b>
<b>NET INCOME FOR THE PERIOD</b>		<b>1,559,003</b>	<b>1,654,646</b>	<b>1,559,003</b>	<b>1,654,646</b>
Basic and diluted earnings per share - R\$	22	0.54	0.57	-	-

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF INCOME

### FOR THE THREE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais - except earnings per share)

	Note	Consolidated		Parent Company	
		Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
<b>NET REVENUE</b>	<b>23</b>	<b>1,620,821</b>	<b>1,918,704</b>	<b>1,465,642</b>	<b>1,675,711</b>
<b>COSTS</b>	<b>24</b>				
Cost of energy		(643,945)	(1,319,068)	(631,879)	(1,299,101)
Transmission infrastructure construction cost		(26,587)	(72,112)	(21,176)	(72,112)
Operating costs		(212,305)	(184,001)	(176,152)	(137,023)
		<b>(882,837)</b>	<b>(1,575,181)</b>	<b>(829,207)</b>	<b>(1,508,236)</b>
<b>GROSS PROFIT</b>		<b>737,984</b>	<b>343,523</b>	<b>636,435</b>	<b>167,475</b>
<b>EXPENSES</b>	<b>24</b>				
Expected credit losses		(772)	(884)	(980)	(983)
General and administrative expenses		(31,390)	(24,884)	(31,389)	(25,331)
Other expenses, net		(8,258)	(74,008)	(5,467)	(74,020)
		<b>(40,420)</b>	<b>(99,776)</b>	<b>(37,836)</b>	<b>(100,334)</b>
Share of profit (loss), net, of affiliates and jointly controlled entities		12,353	175,118	110,850	323,288
<b>Income before financial revenue (expenses) and taxes</b>		<b>709,917</b>	<b>418,865</b>	<b>709,449</b>	<b>390,429</b>
Finance income	25	179,780	178,240	160,556	152,511
Finance expenses	25	(287,047)	(325,315)	(285,061)	(321,076)
<b>Income before income tax and social contribution tax</b>		<b>602,650</b>	<b>271,790</b>	<b>584,944</b>	<b>221,864</b>
Current income tax and social contribution tax	8d	(70,619)	(49,665)	(47,341)	1,699
Deferred income tax and social contribution tax	8d	(42,017)	29,117	(47,589)	27,679
		<b>(112,636)</b>	<b>(20,548)</b>	<b>(94,930)</b>	<b>29,378</b>
<b>NET INCOME FOR THE PERIOD</b>		<b>490,014</b>	<b>251,242</b>	<b>490,014</b>	<b>251,242</b>
<b>Basic and diluted earnings per share - R\$</b>	<b>22</b>	<b>0.17</b>	<b>0.09</b>	<b>-</b>	<b>-</b>

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF COMPREHENSIVE INCOME

### FOR THE NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais)

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
NET INCOME FOR THE PERIOD	1,559,003	1,654,646	1,559,003	1,654,646
Items not to be reclassified to profit or loss in subsequent years				
Re-measurement of defined-benefit plan obligations (Note 20)	13,083	-	13,083	-
Income tax and social contribution tax on remeasurement of defined benefit plans (Note 8c)	(4,448)	-	(4,448)	-
	8,635	-	8,635	-
COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	1,567,638	1,654,646	1,567,638	1,654,646

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF COMPREHENSIVE INCOME

### FOR THE THREE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais)

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
NET INCOME FOR THE PERIOD	490,014	251,242	490,014	251,242
COMPREHENSIVE INCOME FOR THE PERIOD	490,014	251,242	490,014	251,242

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais - except where otherwise stated)

	Share capital	Advance for future capital increase	Profit reserves	Equity valuation adjustments	Retained earnings	Total equity
<b>Balances on December 31, 2021</b>	<b>4,123,724</b>	<b>1,350,000</b>	<b>2,464,672</b>	<b>(182,942)</b>	<b>-</b>	<b>7,755,454</b>
Net income for the period	-	-	-	-	1,654,646	1,654,646
Realization of deemed cost	-	-	-	(118,819)	118,819	-
<b>Balances on September 30, 2022</b>	<b>4,123,724</b>	<b>1,350,000</b>	<b>2,464,672</b>	<b>(301,761)</b>	<b>1,773,465</b>	<b>9,410,100</b>
<b>Balances on December 31, 2022</b>	<b>5,473,724</b>	<b>-</b>	<b>3,628,085</b>	<b>(208,999)</b>	<b>-</b>	<b>8,892,810</b>
Net income for the period	-	-	-	-	1,559,003	1,559,003
<b>Other comprehensive income</b>						
Adjustment of actuarial liabilities - restatement of obligations of the defined benefit plans, net of taxes	-	-	-	8,635	-	8,635
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,635</b>	<b>1,559,003</b>	<b>1,567,638</b>
Tax incentive reserves (note 22c)	-	-	2,447	-	(2,447)	-
Realization of deemed cost	-	-	-	1,443	(1,443)	-
Interest on equity (note 22c)	-	-	-	-	(488,038)	(488,038)
<b>Balances on September 30, 2023</b>	<b>5,473,724</b>	<b>-</b>	<b>3,630,532</b>	<b>(198,921)</b>	<b>1,067,075</b>	<b>9,972,410</b>

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF CASH FLOWS

### FOR THE NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais)

	Note	Consolidated		Parent Company	
		Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>CASH FLOW FROM OPERATIONS</b>					
Net income for the period		1,559,003	1,654,646	1,559,003	1,654,646
<b>ADJUSTMENTS:</b>					
Depreciation and amortization	24	242,057	246,471	188,211	190,515
Write-down of net residual value of PP&E, intangible assets, concession financial and contract assets		4,359	180,439	3,635	171,828
Adjustment to expectation of cash flow from the concession financial and contract assets	10 e 11	(821,280)	(883,910)	(571,535)	(510,937)
Share of profit (loss), net, of affiliates and jointly controlled entities	12b	(107,391)	(449,138)	(563,071)	(982,738)
Impairment on investments	12b	30,086	-	30,086	-
Interest and monetary variation		398,877	409,338	398,807	409,238
Exchange variation on loans and debentures	18	(158,859)	(173,900)	(158,859)	(173,900)
Gains arising from the sale of investment	29	(30,487)	(6,644)	(30,487)	(6,644)
Amortization of transaction cost of loans	18	4,056	1,843	4,056	1,843
Deferred income tax and social contribution tax	8c	142,820	(155,816)	146,931	(157,171)
Provisions and expected credit losses	24c	35,956	10,156	35,589	10,470
Variation in fair value of derivative financial instruments	27	60,307	301,940	60,307	301,940
Variation in fair value of financial instruments - Put option	27	57,801	17,675	57,801	17,675
Post-employment obligations	20	85,126	106,225	85,126	106,225
Other		4,091	134,697	4,091	136,800
		<b>1,506,522</b>	<b>1,394,022</b>	<b>1,249,691</b>	<b>1,169,790</b>
<b>(Increase) decrease in assets</b>					
Receivables from customers and traders		411,834	(225,295)	363,252	(233,496)
Recoverable taxes		(982)	(5,569)	(1,831)	(2,019)
Income tax and social contribution tax recoverable		126,891	206,419	148,687	216,987
Power transport concession holders		(17,312)	(914)	(17,257)	(351)
Escrow deposits		5,245	(39,597)	5,245	(42,470)
Dividends received		99,773	187,151	366,854	344,394
Concession financial assets and Contract assets	10 e 11	682,813	461,990	499,132	214,471
Other		(26,365)	(107,024)	(11,628)	(109,898)
		<b>1,281,897</b>	<b>477,161</b>	<b>1,352,454</b>	<b>387,618</b>
<b>Increase (decrease) in liabilities</b>					
Suppliers		(160,623)	145,695	(139,218)	155,754
Taxes		(79,512)	(14,175)	(59,802)	(17,290)
Income tax and social contribution tax		208,146	178,247	72,260	(1,699)
Payroll and related charges		(6,204)	7,191	(7,942)	7,130
Regulatory charges		(4,263)	16,410	(3,209)	14,790
Post-employment obligations	20	(84,597)	(77,962)	(84,597)	(77,962)
Provisions	21	(18,902)	(7,691)	(18,784)	(7,689)
Other		(35,909)	44,782	(15,843)	28,343
		<b>(181,864)</b>	<b>292,497</b>	<b>(257,135)</b>	<b>101,377</b>
<b>Cash from operations activities</b>		<b>2,606,555</b>	<b>2,163,680</b>	<b>2,345,010</b>	<b>1,658,785</b>
Income tax and social contribution tax paid		(291,253)	(503,880)	(148,611)	(304,609)
Interest paid on loans and debentures	18	(267,435)	(285,043)	(267,435)	(285,043)
Cash inflows from settlement of derivatives instruments	27	172,669	156,184	172,669	156,184
Interest paid on lease contracts	15	(527)	(420)	(295)	(395)
<b>NET CASH GENERATED OPERATING ACTIVITIES</b>		<b>2,220,009</b>	<b>1,530,521</b>	<b>2,101,338</b>	<b>1,224,922</b>

	Note	Consolidated		Parent Company	
		Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
CASH FLOW IN INVESTMENT ACTIVITIES					
Funding of investments	12b	(540)	(384)	(32,937)	(20,384)
Gains arising from the sale of investment	28	30,487	6,644	30,487	6,644
Capital reduction in investee	12	-	-	188,544	-
In property, plant and equipment	13	(614,592)	(76,763)	(525,305)	(23,738)
In intangible assets	14	(16,890)	(4,195)	(14,802)	(4,193)
In marketable securities		151,757	(446,991)	(94,506)	(193,502)
Cash from merger	12	-	-	138,723	-
Settlement of the put option - SAAG	27	(780,348)	-	(780,348)	-
NET CASH GENERATED (USED) IN INVESTMENT ACTIVITIES		(1,230,126)	(521,689)	(1,090,144)	(235,173)
CASH FLOW IN FINANCING ACTIVITIES					
Interest on equity, and dividends		(742,728)	(114,865)	(742,728)	(114,865)
Payments of loans and debentures	18	-	(409,512)	-	(409,512)
Lease payments	15	(9,453)	(8,638)	(9,128)	(8,080)
NET CASH (USED) IN FINANCIAL ACTIVITIES		(752,181)	(533,015)	(751,856)	(532,457)
NET CHANGE IN CASH AND CASH EQUIVALENTS					
Cash and cash equivalents at start of year	4	292,980	123,071	194,482	86,064
CASH AND CASH EQUIVALENTS AT END OF PERIOD		530,682	598,888	453,820	543,356

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## STATEMENTS OF ADDED VALUE FOR THE NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022 (In thousands of Brazilian Reais)

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>REVENUES</b>				
Sales of energy and services	5,302,474	6,528,963	4,723,439	5,892,346
Construction revenue	142,971	269,760	136,311	269,760
Interest revenue arising from the financing component in the transmission contract asset	394,424	434,779	388,617	414,391
Income related to the construction of own assets	615,792	66,417	615,792	66,417
Expected credit losses (reversals) of accounts receivable	(476)	(579)	(1,390)	(1,111)
Gains arising from the sale of investment	30,487	6,644	30,487	6,644
	<b>6,485,672</b>	<b>7,305,984</b>	<b>5,893,256</b>	<b>6,648,447</b>
<b>INPUTS ACQUIRED FROM THIRD PARTIES</b>				
Energy purchase for resale	(2,137,693)	(3,409,639)	(2,131,193)	(3,399,658)
Charges for use of national grid	(215,527)	(197,242)	(172,222)	(142,717)
Outsourced services	(322,313)	(219,204)	(265,050)	(173,819)
Materials	(568,419)	(204,410)	(563,871)	(198,132)
Paid concession	(3,225)	(3,034)	(3,217)	(3,027)
Other costs	(116,230)	(202,821)	(109,727)	(201,127)
	<b>(3,363,407)</b>	<b>(4,236,350)</b>	<b>(3,245,280)</b>	<b>(4,118,480)</b>
<b>GROSS VALUE ADDED</b>	<b>3,122,265</b>	<b>3,069,634</b>	<b>2,647,976</b>	<b>2,529,967</b>
<b>RETENTIONS</b>				
Depreciation and amortization	(242,057)	(246,471)	(188,211)	(190,515)
<b>NET VALUE ADDED</b>	<b>2,880,208</b>	<b>2,823,163</b>	<b>2,459,765</b>	<b>2,339,452</b>
<b>ADDED VALUE RECEIVED BY TRANSFER</b>				
Share of profit (loss), net, of affiliates and jointly controlled entities	107,391	449,138	563,071	982,738
Finance income	429,006	376,631	360,381	316,105
Generation indemnity revenue	69,813	24,784	69,813	24,784
Interest revenue arising from the financing component in the transmission contract asset	314,676	352,585	71,119	-
	<b>920,886</b>	<b>1,203,138</b>	<b>1,064,384</b>	<b>1,323,627</b>
<b>ADDED VALUE TO BE DISTRIBUTED</b>	<b>3,801,094</b>	<b>4,026,301</b>	<b>3,524,149</b>	<b>3,663,079</b>
<b>DISTRIBUTION OF ADDED VALUE</b>				
<b>Employees</b>	<b>325,178</b>	<b>352,844</b>	<b>314,467</b>	<b>335,043</b>
Direct remuneration	199,024	197,868	188,906	180,721
Post-employment and other Benefits	113,323	131,449	112,858	130,929
FGTS fund	12,831	12,689	12,703	12,555
Programmed voluntary retirement plan	-	10,838	-	10,838
<b>Taxes</b>	<b>1,407,557</b>	<b>1,263,568</b>	<b>1,149,068</b>	<b>936,220</b>
Federal	1,034,812	762,813	828,342	488,609
State	368,753	496,481	317,583	443,836
Municipal	3,992	4,274	3,143	3,775
<b>Remuneration of external capital</b>	<b>509,356</b>	<b>755,243</b>	<b>501,611</b>	<b>737,170</b>
Interest	505,233	750,884	499,530	735,595
Rentals	4,123	4,359	2,081	1,575
<b>Remuneration of own capital</b>	<b>1,559,003</b>	<b>1,654,646</b>	<b>1,559,003</b>	<b>1,654,646</b>
Interest on equity	488,038	-	488,038	-
Retained earnings	1,070,965	1,654,646	1,070,965	1,654,646
	<b>3,801,094</b>	<b>4,026,301</b>	<b>3,524,149</b>	<b>3,663,079</b>

The Explanatory Notes are an integral part of the individual and consolidated Interim Financial Information.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION

### FOR THE NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2023 AND 2022

(In thousands of Brazilian Reais, except where otherwise indicated)

#### 1. OPERATING CONTEXT

##### a) The Company

Cemig Geração e Transmissão S.A. ('Cemig GT', 'the Company' or 'Cemig Geração e Transmissão') is a listed corporation registered in the Brazilian Registry of Corporate Taxpayers (CNPJ) under number 06.981.176/0001-58 and a wholly-owned subsidiary of Companhia Energética de Minas Gerais ('Cemig'). It was incorporated on September 8, 2004, and began operating on January 1, 2005, pursuant to the process of separation of activities ('unbundling') of Cemig. Its shares are not traded on any exchange. It is domiciled in Brazil, with head office in Belo Horizonte, Minas Gerais.

The objects of the Company are: (i) to study, plan, design, build and commercially operate systems of generation, transmission and sale of energy and related services for which concessions are granted, under any form of law, to it or to subsidiaries; (ii) to operate in the various fields of energy, from any source, for the purpose of economic and commercial operation; (iii) to provide consultancy services within its field of operation to companies in Brazil and abroad; and (iv) to carry out activities directly or indirectly related to its objects.

The Company has interests in 69 power plants – of these 59 are hydroelectric, 9 are wind power plants, and one is solar – and 73 transmission lines associated of the Brazilian national generation and transmission grid system, with installed capacity for 5,265 MW.

The Company has shareholding interests in subsidiaries, jointly-controlled entities and affiliated companies, the principal objects of which are construction and operation of systems for production and sale of energy, as described in note 12.

##### b) Auction 02/2022

The Company won the auction for Lot 1 of Aneel Transmission Auction 2/2022, held on December 16, 2022: the contract for the new 165-kilometer 230kV Governador Valadares 6 - Verona high voltage transmission line. The Company's bid was for RAP of approximately R\$17 million. The deadline for start of operation is March 30, 2028, and the concession is for 30 years.

On April 13, 2023 the Board of Directors approved transfer of funds totaling R\$221,519 by the Company into the investee Centroeste in the period between 2023 and 2026, depending on the needs and cash generation of Centroeste. The objective is construction of the 230 kV Governador Valadares 6 – Verona transmission line, which will be operated by Centroeste. The expected start date for construction is January 2025.

### c) Statement of interest in extension of concession

To guarantee its right to request a new grant of concessions for plants whose current concessions terminate in 2026 and 2027, Cemig GT filed Statements of Interest in relation to extension of the concession of the Sá Carvalho hydroelectric plant: (a) through transfer of stockholding control of its wholly-owned subsidiary Sá Carvalho, as per Decree 9,271/2018, in February 2023; and (b) in July 2023, under the regime of Physical Guarantee Quotas as per Law 12,783/2013.

The Company reiterates that the sole objective of these statements of interest is to ensure its right to a potential extension of Concession Contract 01/2004, for up to 30 years, at the option of the concession-granting power, in accordance with the legislation – which still contains some matters of condition yet to be decided by the Mining and Energy Ministry.

Additionally, in the correspondence sent to the Mining and Energy Ministry and to Aneel in July 2023, the Company reaffirmed its interest in extension, under the Physical Guarantee Quotas regime, of the concessions of the *Emborcação* and *Nova Ponte* hydroelectric plants (Concession Contract 07/1997).

The Company emphasizes that this statement of interest is of a non-binding nature, its objective being to ensure that it has the right to any extension of Concession Contract 01/2004, and to reaffirm the same interest in Concession Contract 07/1997. Any decision on the subject will only take place after publication by the Brazilian Mining and Energy Ministry and by the Brazilian electricity regulator, Aneel, of all the conditions for extension of the concessions, which will be submitted to decision by Cemig's governance bodies.

The Company further clarifies that this statement of interest will not suspend analysis of any legal alternatives which may be in progress for the extension of the concessions in question.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

The individual and consolidated interim financial information has been prepared in accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), 'CPC 21 (R1)'/IAS 34 - Interim Financial Reporting, which applies to interim financial information, and the rules issued by the Brazilian Securities Commission (Comissão de Valores Mobiliários, or CVM), applicable to preparation of Quarterly Information (Informações Trimestrais, or ITR).

Presentation of the Added Value Statements (Demonstrações do Valor Adicionado - DVA) is required by the Brazilian corporate law, and by the accounting practices adopted in Brazil for listed companies (CPC 09 - Added Value Statements). IFRS does not require presentation of this statement. As a result, under IFRS this statement is presented as supplementary information, without prejudice to the financial statements as a whole.

Except for new rules, or amendments, effective from January 1, 2023, this interim financial information has been prepared according to principles, practices and criteria consistent with those adopted in the preparation of the annual financial statements, of December 31, 2022.

Thus, this interim financial information should be read in conjunction with the said financial statements, approved by the Company's management on March 25, 2023.

Management certifies that all the material information in the interim financial information is being disclosed herein, and is the same information used by management in its administration of the Company.

The Company's Board of Directors authorized the issuance of this interim financial information on November 9, 2023.

## 2.2 Correlation between the explanatory notes published in the Financial Statements and those in the Interim Financial Information

Number of the note		Title of the note
Dec. 31, 2022	Sep. 30, 2023	
1	1	Operational context
2	2	Basis of preparation
3	3	Consolidation principles
5	28	Operational segments
6	4	Cash and cash equivalents
7	5	Marketable securities
8	6	Customers and traders
9	7	Recoverable taxes
10	8	Income tax and social contribution tax
11	9	Escrow deposits
12	10	Concession financial assets
13	11	Contract assets
14	12	Investments
15	13	Property, plant and equipment
16	14	Intangible assets
17	15	Leasing
18	16	Suppliers
19	17	Taxes
22	18	Loans, financings and debentures
21	19	Regulatory charges
22	20	Post-employment obligations
23	21	Provisions
24	22	Equity and remuneration to shareholders
25	23	Net Revenue
26	24	Costs and expenses
27	25	Financial revenue and expenses
28	26	Related party transactions
29	27	Financial instruments and risk management
30	29	Assets classified as held for sale
33	30	Parliamentary Committee of Inquiry ('CPI')
34	-	Subsequent events

The explanatory notes of financial statements ended December 31, 2022 that have not been included in this consolidated interim financial information because they had no material changes, and/or were not applicable to the interim financial information, are as follows:

Number of the note	Title of the note
4	Concessions and authorizations
31	Insurance
32	Commitments

## 2.3 New pronouncements, or revisions of pronouncements, applied for the first time in 2023

In relation to the alterations to CPC 23 / IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, CPC 26 / IAS 1– Presentation of Financial Statements, and CPC 32 / IAS 12 – Income taxes, and the application of CPC 50/ IFRS 17 – Insurance Contracts, which come into effect for years starting on or after January 1, 2023, the Company is following the discussions and, until the moment, was not identified the possibility of significant impacts on the Company's individual and consolidated interim financial information.

## 3. PRINCIPLES OF CONSOLIDATION

The reporting dates of financial information of the subsidiaries, used for the consolidation and jointly controlled entities and affiliates used for equity method, are prepared in the same reporting date of the Company. Accounting practices are applied in line with those used by the parent company.

The direct equity investments of the Company are as follows:

Subsidiaries	Valuation method	Sep. 30, 2023	Dec. 31, 2022
		Direct stake, %	Direct stake, %
Cemig Baguari Energia S.A. ("Cemig Baguari")	Consolidation	100	100
Cemig Geração Três Marias S.A. ("Cemig Geração Três Marias") (1)	Consolidation	-	100
Cemig Geração Salto Grande S.A. ("Cemig Geração Salto Grande") (1)	Consolidation	-	100
Cemig Geração Itutinga S.A. ("Cemig Geração Itutinga")	Consolidation	100	100
Cemig Geração Camargos S.A. ("Cemig Geração Camargos")	Consolidation	100	100
Cemig Geração Sul S.A. ("Cemig Geração Sul")	Consolidation	100	100
Cemig Geração Leste S.A. ("Cemig Geração Leste")	Consolidation	100	100
Cemig Geração Oeste S.A. ("Cemig Geração Oeste")	Consolidation	100	100
Sá Carvalho S.A. ("Sá Carvalho")	Consolidation	100	100
Horizontes Energia S.A. ("Horizontes")	Consolidation	100	100
Rosal Energia S.A. ("Rosal Energia")	Consolidation	100	100
Cemig PCH S.A. ("Cemig PCH")	Consolidation	100	100
Empresa de Serviços de Comercialização de Energia Elétrica S.A. ("ESCEE")	Consolidation	100	100
Cemig Geração Poço Fundo S.A. ("Poço Fundo")	Consolidation	100	100
Cemig Trading S.A. ("Cemig Trading")	Consolidation	100	100
Central Eólica Praias de Parajuru S.A. ("Parajuru")	Consolidation	100	100
Central Eólica Volta do Rio S.A. ("Volta do Rio")	Consolidation	100	100
Companhia de Transmissão Centroeste de Minas S.A. ("Centroeste")	Consolidation	100	100
UFV Três Marias S.A. ("UFV Três Marias")	Consolidation	100	100

(1) These subsidiaries were merged into Cemig GT on May 31, 2023, at book value. More details in note 13.

## 4. CASH AND CASH EQUIVALENTS

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
Bank accounts	4,164	5,773	1,061	3,749
Cash equivalents:				
Bank certificates of deposit (CDBs) (1)	253,313	57,079	252,075	55,662
Automatic applications - Overnight (2)	273,205	227,884	200,684	132,827
Others	-	2,244	-	2,244
	<b>526,518</b>	<b>287,207</b>	<b>452,759</b>	<b>190,733</b>
	<b>530,682</b>	<b>292,980</b>	<b>453,820</b>	<b>194,482</b>

- (1) Bank Certificates of Deposit (Certificados de Depósito Bancário or CDBs), accrued interest at between 50% to 108.5% of the CDI Rate on September 30, 2023 (Interbank Rate for Interbank Certificates of Deposit (or Certificados de Depósito Inter-bancário - CDIs) published by the Custody and Settlement Chamber (Câmara de Custódia e Liquidação, or Cetip) (97.5% to 105% on December 31, 2022). For these CDBs, the Company and its subsidiaries have repo transactions which state, on their trading notes, the bank's commitment to repurchase the security, on demand, on the maturity date of the transaction, or earlier.
- (2) Overnight transactions are repos available for redemption on the following day. They are usually backed by Treasury Bills, Notes or Bonds and referenced to a pre-fixed rate that varies between 12.40% a.a. p.a. to 12.64% p.a. on September 30, 2023 (13.62% p.a. to 13.64% p.a. on December 31, 2022). Their purpose is to settle the short-term obligations of the Company, or to be used in the acquisition of other assets with better return to replenish the portfolio.

Note 27 provides information in relation to the exposure of the Company and its subsidiaries to interest rate risks, and a sensitivity analysis of their effects on financial assets and liabilities.

## 5. MARKETABLE SECURITIES

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Current</b>				
Bank certificates of deposit (CDBs) (1)	371,371	148,466	272,792	86,537
Financial Notes (LFs) - Banks (2)	563,143	884,202	413,659	515,375
Treasury Financial Notes (LFTs) (3)	263,163	311,663	193,307	181,659
Debentures (4)	7,300	7,744	5,362	4,514
Others	730	284	730	283
	<b>1,205,707</b>	<b>1,352,359</b>	<b>885,850</b>	<b>788,368</b>
<b>Non-current</b>				
Debentures (4)	-	5,105	-	2,976
	-	<b>5,105</b>	-	<b>2,976</b>
	<b>1,205,707</b>	<b>1,357,464</b>	<b>885,850</b>	<b>791,344</b>

- (1) Bank Certificates of Deposit (Certificados de Depósito Bancário or CDBs), accrued interest which 103% to 105.3% on September 30, 2023 (range of 103% to 104.4% on December 31, 2022) (Interbank Rate for Interbank Certificates of Deposit (or Certificados de Depósito Inter-bancário - CDIs) published by the Custody and Settlement Chamber (Câmara de Custódia e Liquidação, or Cetip).
- (2) *Bank Financial Notes (Letras Financeiras, or LFs)* are fixed-rate fixed-income securities, issued by banks and that accrued interest a percentage of the CDI rate published by Cetip. The LFs had remuneration at rates between 105.1% and 110.59% of the CDI rate on September 30, 2023 (103.3% and 110.26% on December 31, 2022).
- (3) Treasury Financial Notes (LFTs) are fixed-rate securities, their yield follows the daily changes in the Selic rate between the date of purchase and the date of maturity. The LFTs had remuneration at rates between 12.88% to 12.97% p.a. on September 30, 2023 (13.65% to 13.88% p.a. on December 31, 2022).
- (4) *Debentures* are medium and long term debt securities, which give their holders a right of credit against the issuing company. The debentures have remuneration varying from TR + 1,00% to 115.29% of the CDI rate on September 30, 2023 (TR + 1,00% to 114.29% of the CDI rate on December 31, 2022).

The classification of these bonds and securities are shown in explanatory note 27. Cash investments in securities of related parties are shown in Note 26.

The Company and its subsidiaries consistently classify the income related to these securities as part of the cash flow of the investment activity, because they believe that this is the most appropriate method of reporting this income, in accordance with its activities.

## 6. CUSTOMERS, TRADERS AND POWER TRANSPORT CONCESSION HOLDERS

	Balances not yet due		Past due			Consolidated	
	Billed	Unbilled	Until 90 days	91 to 360 days	More than 360 days	Sep. 30, 2023	Dec. 31, 2022
Industrial	73	236,270	1,053	4,776	22,518	264,690	550,253
Commercial, services and others	3,190	78,118	1,060	366	8,973	91,707	100,358
Wholesale supply to other concession holders	38,268	169,903	30,256	-	47	238,474	269,601
Concession holders - transmission service	4,628	112,802	3,466	413	8,698	130,007	112,706
CCEE (Power Trading Chamber)	73	22	6,331	-	-	6,426	92,908
Expected credit losses	-	-	(932)	(406)	(29,552)	(30,890)	(30,414)
	<b>46,232</b>	<b>597,115</b>	<b>41,234</b>	<b>5,149</b>	<b>10,684</b>	<b>700,414</b>	<b>1,095,412</b>
<b>Current assets</b>						<b>697,921</b>	<b>1,095,349</b>
Customers and traders						567,903	982,643
Concession holders - transmission service						130,018	112,706
<b>Non-current assets</b>						<b>2,493</b>	<b>63</b>
Customers and traders						2,493	63

	Balances not yet due		Past due			Parent Company	
	Billed	Unbilled	Until 90 days	91 to 360 days	More than 360 days	Sep. 30, 2023	Dec. 31, 2022
Industrial	73	214,421	363	40	22,272	237,169	496,188
Commercial, services and others	3,190	78,118	1,060	366	8,973	91,707	100,358
Wholesale supply to other concession holders	25,493	137,671	21,102	-	46	184,312	153,084
Concession holders - transmission service	4,530	110,561	3,229	413	8,531	127,264	110,007
CCEE (Power Trading Chamber)	-	-	6,129	-	-	6,129	90,768
Expected credit losses	-	-	(888)	(406)	(29,526)	(30,820)	(27,759)
	<b>33,286</b>	<b>540,771</b>	<b>30,995</b>	<b>413</b>	<b>10,296</b>	<b>615,761</b>	<b>922,646</b>
<b>Current assets</b>						<b>613,284</b>	<b>922,599</b>
Customers and traders						486,020	812,592
Concession holders - transmission service						127,264	110,007
<b>Non-current assets</b>						<b>2,477</b>	<b>47</b>
Customers and traders						2,477	47

The exposure of the Company and its subsidiaries to credit risk related to Customers and traders is provided in Note 27.

The expected credit losses are considered sufficient to cover any potential losses in the realization of accounts receivables as follows:

	Consolidated	Parent Company
Balance on December 31, 2022	30,414	27,759
Additions, net (Note 24c)	476	1,390
Balance arising from merger	-	1,671
Balance on September 30, 2023	<b>30,890</b>	<b>30,820</b>

## 7. RECOVERABLE TAXES

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Current</b>				
ICMS tax recoverable	17,166	10,037	15,521	9,271
Cofins	2,832	18,936	185	195
PIS/Pasep	594	4,032	20	23
Social security contributions	18,591	18,764	18,591	18,764
Others	125	127	121	122
	<b>39,308</b>	<b>51,896</b>	<b>34,438</b>	<b>28,375</b>
<b>Non-current</b>				
ICMS tax recoverable	26,589	29,754	25,380	28,545
Cofins	12,938	14,402	8,829	-
PIS/Pasep	2,814	3,124	1,917	-
	<b>42,341</b>	<b>47,280</b>	<b>36,126</b>	<b>28,545</b>
	<b>81,649</b>	<b>99,176</b>	<b>70,564</b>	<b>56,920</b>

## 8. INCOME AND SOCIAL CONTRIBUTION TAXES

### a) Income tax and social contribution tax recoverable

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Current</b>				
Income tax	433,098	546,961	430,989	544,657
Social contribution tax	196,009	227,688	195,248	227,907
	<b>629,107</b>	<b>774,649</b>	<b>626,237</b>	<b>772,564</b>
<b>Non-current</b>				
Income tax	52,336	-	51,872	-
	<b>52,336</b>	<b>-</b>	<b>51,872</b>	<b>-</b>

### b) Income tax and social contribution tax payable

	Consolidated	
	Sep. 30, 2023	Dec. 31, 2022
<b>Current</b>		
Income tax	12,000	79,909
Social contribution tax	6,016	29,972
	<b>18,016</b>	<b>109,881</b>

The Company has some uncertainties relating to the treatments of certain taxes on profit, and management has concluded that it is more probable than not that the tax authority will accept the Company's conclusions. The effects of the contingencies are stated in Note 21.

### c) Deferred income tax and social contribution tax

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Deferred tax assets</b>				
Tax loss carryforwards	169,074	209,041	169,074	209,041
Post-employment obligations	392,385	387,576	392,385	387,576
Expected credit losses	10,479	10,006	10,479	9,438
Provisions	115,428	111,081	115,189	111,077
Provision for SAAG put option	-	228,621	-	228,621
Provisions for losses on investments	56,746	56,398	56,746	56,398
Other provisions	48,921	48,620	49,354	48,620
Paid concession	11,700	11,579	11,700	11,579
Other	17,407	24,256	17,041	17,387
	<b>822,140</b>	<b>1,087,178</b>	<b>821,968</b>	<b>1,079,737</b>
<b>Deferred tax liabilities</b>				
Fair value as deemed cost upon initial adoption of international standards	(155,866)	(155,882)	(140,450)	(139,706)
Adjustment of contract assets	(935,320)	(940,026)	(932,399)	(936,629)
Fair value of equity holdings	(114,582)	(121,036)	(114,582)	(121,036)
Adjustment of financial assets	(39,726)	(8,426)	(39,726)	(8,426)
Derivative financial instruments	(115,577)	(209,600)	(114,508)	(208,151)
Reimbursement of costs - GSF	(240,156)	(274,036)	(231,616)	(213,008)
Other	(12,281)	(24,540)	(1,878)	(10,415)
	<b>(1,613,508)</b>	<b>(1,733,546)</b>	<b>(1,575,159)</b>	<b>(1,637,371)</b>
<b>Net total</b>	<b>(791,368)</b>	<b>(646,368)</b>	<b>(753,191)</b>	<b>(557,634)</b>
<b>Total liabilities</b>	<b>(791,368)</b>	<b>(646,368)</b>	<b>(753,191)</b>	<b>(557,634)</b>

The changes in deferred income tax and social contribution tax were as follows:

	Consolidated	Parent Company
<b>Balance on December 31, 2022</b>	<b>(646,368)</b>	<b>(557,634)</b>
Effects allocated to income statement	(142,820)	(146,931)
Effects allocated to comprehensive income	(4,448)	(4,448)
Deferred taxes arising from the merger	-	(44,178)
Other	2,268	-
<b>Balance on September 30, 2023</b>	<b>(791,368)</b>	<b>(753,191)</b>

### d) Reconciliation of income tax and social contribution tax effective rate

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>Profit before income tax and social contribution tax</b>	<b>1,909,969</b>	<b>1,677,077</b>	<b>1,778,194</b>	<b>1,495,776</b>
Income tax and social contribution tax - nominal expense (34%)	(649,389)	(570,206)	(604,586)	(508,564)
<b>Tax effects applicable to:</b>				
Interest on equity	165,933	-	165,933	-
Tax incentives	19,057	289	18,196	-
Share of profit (loss) of affiliate and joint controlled entities, net	39,751	104,883	197,476	289,121
Non-deductible penalties	(1,327)	(1,103)	(1,261)	(1,103)
Difference between presumed profit and real profit methods	67,820	64,251	-	-
Disposal of goodwill - Renova	-	108,416	-	108,416
Estimated losses on doubtful accounts receivable from related parties - Renova	-	233,931	-	233,931
Others	7,189	37,108	5,051	37,069
<b>Income tax and social contribution tax - effective revenue (expense)</b>	<b>(350,966)</b>	<b>(22,431)</b>	<b>(219,191)</b>	<b>158,870</b>
Current income tax and social contribution tax	(208,146)	(178,247)	(72,260)	1,699
Deferred income tax and social contribution tax	(142,820)	155,816	(146,931)	157,171
	<b>(350,966)</b>	<b>(22,431)</b>	<b>(219,191)</b>	<b>158,870</b>
<b>Effective rate</b>	<b>18.38%</b>	<b>1.34%</b>	<b>12.33%</b>	<b>(10.62%)</b>

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
Profit before income tax and social contribution tax	602,650	271,790	584,944	221,864
Income tax and social contribution tax - nominal expense (34%)	(204,901)	(92,409)	(198,881)	(75,434)
<b>Tax effects applicable to:</b>				
Interest on equity	54,633	-	54,633	-
Tax incentives	9,852	277	9,590	-
Share of profit (loss) of affiliate and joint controlled entities, net	5,341	15,077	39,798	66,410
Non-deductible penalties	(366)	13	(366)	13
Difference between presumed profit and real profit methods	21,613	18,239	-	-
Others	1,192	38,255	296	38,389
<b>Income tax and social contribution tax - effective revenue (expense)</b>	<b>(112,636)</b>	<b>(20,548)</b>	<b>(94,930)</b>	<b>29,378</b>
Current income tax and social contribution tax	(70,619)	(49,665)	(47,341)	1,699
Deferred income tax and social contribution tax	(42,017)	29,117	(47,589)	27,679
	<b>(112,636)</b>	<b>(20,548)</b>	<b>(94,930)</b>	<b>29,378</b>
Effective rate	18.69%	7.56%	16.23%	(13.24%)

## 9. ESCROW DEPOSITS

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Labor claims</b>	<b>20,422</b>	<b>24,115</b>	<b>19,819</b>	<b>23,453</b>
Tax issues				
Income tax on interest on equity	19,446	18,762	18,130	17,446
Pasep and Cofins taxes (1)	3,629	3,475	-	-
Income tax and social security contribution on indemnity for employees' 'Anuênio' benefit (2)	74,577	71,988	74,577	71,988
Urban property tax (IPTU)	16,132	15,265	16,130	15,263
Social contribution tax (3)	26,127	19,706	26,127	19,706
Others	2,779	7,373	2,101	6,695
	<b>142,690</b>	<b>136,569</b>	<b>137,065</b>	<b>131,098</b>
Others				
Court embargo	1,818	1,790	1,786	1,757
Regulatory	5,378	4,903	5,378	4,903
Others	7,426	7,084	7,313	6,972
	<b>14,622</b>	<b>13,777</b>	<b>14,477</b>	<b>13,632</b>
	<b>177,734</b>	<b>174,461</b>	<b>171,361</b>	<b>168,183</b>

(1) This refers to escrow deposits in the action challenging the unconstitutionality of inclusion of ICMS tax within the amount to which PIS/Pasep and Cofins taxes are applied.

(2) More details in Note 21 - Provisions (*Indemnity of employees' future benefit - the 'Anuênio'*).

(3) Escrow deposit in the legal action challenging an infringement claim relating to application of Social Contribution tax to amounts of cultural and artistic donations and sponsorship, expenses on punitive fines, and taxes with liability suspended.

## 10. CONCESSION FINANCIAL ASSETS

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
Generation - Indemnity receivable (10.1)	761,273	691,460	761,273	691,460
Generation - Concession grant fee (10.2)	3,018,051	2,950,415	2,244,851	-
	<b>3,779,324</b>	<b>3,641,875</b>	<b>3,006,124</b>	<b>691,460</b>
Current	318,949	309,347	226,349	-
Non-current	3,460,375	3,332,528	2,779,775	691,460

The changes in concession financial assets related to infrastructure are as follows:

	Consolidated	Parent Company
Balance on December 31, 2022	3,641,875	691,460
Assets arising from the merger	-	2,252,341
Inflation adjustment	384,489	140,932
Amounts received	(247,040)	(78,609)
Balance on September 30, 2023	3,779,324	3,006,124

## 10.1 Generation - Indemnity receivable

These balances were recognized in financial assets, at fair value through profit or loss.

On July 28, 2022 Aneel revoked Normative Resolution (ReN) 942, by publication of ReN 1027, establishing the general methodology and criteria for calculation - to be based on New Replacement Value, which is calculated, as first priority, based on the reference database of prices - then as second priority by the concession holder's own prices database, then, as the last alternative, by the updated inspected accounting cost.

The Valuation Report was concluded, with the following results:

Generation plant	Concession expiration date	Installed capacity (MW) (1)	Net balance of assets on December 31, 2022	Financial Update	Net balance of assets on September 30, 2023
<b>Lot D</b>					
UHE Três Marias	July 2015	396.00	179,083	18,081	197,164
UHE Salto Grande	July 2015	102.00	91,874	9,275	101,149
UHE Itutinga	July 2015	52.00	10,825	1,093	11,918
UHE Camargos	July 2015	46.00	21,042	2,125	23,167
PCH Piau	July 2015	18.01	4,695	474	5,169
PCH Gafanhoto	July 2015	14.00	5,630	568	6,198
PCH Peti	July 2015	9.40	6,498	656	7,154
PCH Dona Rita	Sep. 2013	2.41	1,683	170	1,853
PCH Tronqueiras	July 2015	8.50	9,063	821	9,884
PCH Joasal	July 2015	8.40	6,727	679	7,406
PCH Martins	July 2015	7.70	4,776	482	5,258
PCH Cajuru	July 2015	7.20	20,238	2,044	22,282
PCH Paciência	July 2015	4.08	4,449	449	4,898
PCH Marmelos	July 2015	4.00	2,585	261	2,846
<b>Others</b>					
UHE Volta Grande	Feb. 2017	380.00	387	39	426
UHE Miranda	Dec. 2016	408.00	97,493	9,843	107,336
UHE Jaguará	Aug. 2013	424.00	147,788	15,015	162,803
UHE São Simão	Jan. 2015	1,710.00	76,624	7,738	84,362
		<b>3,601.70</b>	<b>691,460</b>	<b>69,813</b>	<b>761,273</b>

(1) Information not reviewed by independent auditors.

The remaining balance of R\$761,273 represents management's best estimate for the plants reimbursement, based on the evaluation criteria set by Aneel and the financial update.

The Valuation Report on the assets is subject to inspection by Aneel, which may request complementary documentation. As a result there may be adjustments to the amounts resulting from the valuation process - in which case the concession holder has the right defense and reply.

The due date and form of payment of the investments made after entry into operation of the basic plant plans, which have not yet been amortized or depreciated, will be decided by the Grantor after inspection and ratification of the reimbursements amounts.

## 10.2 Generation - Concession grant fee

The concession grant fee paid for a 30 year concession contracts N° 08 to 16/2016, related to 18 hydroelectric plants of Auction 12/2015, won by the Company, was an amount of R\$2,216,353. The amount of the concession fee was recognized as a financial asset measured at amortized cost, as the Company has an unconditional right to receive the amount paid, updated by the IPCA Index and remuneratory interest (the total amount of which is equal to the internal rate of return on the project), during the period of the concession.

The changes in concession financial assets are as follows:

	Plants	Dec. 31, 2022	Monetary updating	Amounts received	Sep. 30, 2023
Cemig Geração e Transmissão S.A.	Três Marias (1)	1,671,515	169,657	(132,735)	1,708,437
Cemig Geração e Transmissão S.A.	Salto Grande (1)	524,778	53,498	(41,860)	536,416
Cemig Geração Itutinga S.A.	Itutinga	197,983	22,613	(17,797)	202,799
Cemig Geração Camargos S.A.	Camargos	148,407	16,841	(13,249)	151,999
Cemig Geração Sul S.A.	Coronel Domiciano, Joasal, Marmelos, Paciência and Piauí	194,694	23,575	(18,641)	199,628
Cemig Geração Leste S.A.	Dona Rita, Ervália, Neblina, Peti, Sinceridade and Tronqueiras	133,014	17,727	(14,153)	136,588
Cemig Geração Oeste S.A.	Cajurú, Gafanhoto and Martins	80,024	10,765	(8,605)	82,184
		<b>2,950,415</b>	<b>314,676</b>	<b>(247,040)</b>	<b>3,018,051</b>

(1) On May 31, 2023, the wholly-owned subsidiaries Cemig Geração Três Marias S.A. and Cemig Geração Salto Grande S.A. were absorbed by the Company.

## 11. CONCESSION CONTRACT ASSETS

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
National Grid ('BNES' - Basic Network of the Existing System) - Law 12,783/13	1,792,904	1,927,040	1,792,904	1,927,040
Transmission - Assets remunerated by tariff	2,852,341	2,717,187	2,751,125	2,606,909
	<b>4,645,245</b>	<b>4,644,227</b>	<b>4,544,029</b>	<b>4,533,949</b>
Current	822,987	720,032	795,295	691,153
Non-current	3,822,258	3,924,195	3,748,734	3,842,796

The changes in contract assets are as follows:

	Consolidated	Parent Company
Balance on December 31, 2022	4,644,227	4,533,949
Additions	142,971	136,311
Inflation adjustment	394,424	388,617
Amounts received	(536,377)	(514,848)
Balance on September 30, 2023	<b>4,645,245</b>	<b>4,544,029</b>

The consideration to be paid to the Company arises from the concession contracts as follows:

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Current</b>				
Concession contract - 006/97				
National Grid ('BNES' - Basic Network of the Existing System)	462,198	408,395	462,198	408,395
National Grid - new facilities (RBNI)	287,961	236,073	287,961	236,073
Concession contract - 079/00	45,136	46,685	45,136	46,685
Concession contract - 004/05	27,692	28,879	-	-
	<b>822,987</b>	<b>720,032</b>	<b>795,295</b>	<b>691,153</b>
<b>Non-current</b>				
Concession contract - 006/97				
National Grid ('BNES' - Basic Network of the Existing System)	1,330,706	1,518,645	1,330,706	1,518,645
National Grid - new facilities (RBNI)	2,297,030	2,181,638	2,297,029	2,181,638
Concession contract - 079/00	120,999	142,513	120,999	142,513
Concession contract - 004/05	73,523	81,399	-	-
	<b>3,822,258</b>	<b>3,924,195</b>	<b>3,748,734</b>	<b>3,842,796</b>
	<b>4,645,245</b>	<b>4,644,227</b>	<b>4,544,029</b>	<b>4,533,949</b>

### Concession contract 006/1997

Aneel Dispatch 402 of February 14, 2023 postponed the Periodic Tariff Review (Revisão Tarifária Periódica – RTP) of the Permitted Annual Revenue (Receita Anual Permitida – RAP) of the transmission concessions that had been extended under Law 12,783/2013. The Report on Physical and Accounting Assessment and Reconciliation is to be delivered by the later of the following two dates: (a) December 29, 2023; or (b) up to 30 days after closing of the Public Consultation on the revision of Sub-modules 9.1 and 9.2 of the Tariff Regulation Procedures (Procedimentos de Regulação Tarifária – PRORET). The time limit for ratification of the RAP in its entirety is July 1, 2024. As specified in the Dispatch, the adjustment for the 2023–24 period was processed through Ratifying Resolution (Resolução Homologatória) 3,216 of July 4, 2023.

The financial consequences of the new RAPs are being analyzed. No significant impacts are expected for the Company, since there were no significant changes in the assumptions used.

## 12. INVESTMENTS

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Affiliated companies</b>				
Madeira Energia S.A. ("MESA") (2)	-	9,500	-	9,500
Fundo de Investimento em Participações Melbourne	-	-	-	-
Multiestratégia ("FIP Melbourne") (2)	-	7,760	-	7,760
<b>Jointly controlled entities</b>				
Hidrelétrica Cachoeirão S.A. ("Hidrelétrica Cachoeirão")	56,567	47,096	56,567	47,096
Guanhães Energia S.A. ("Guanhães Energia")	203,748	182,579	203,748	182,579
Hidrelétrica Pipoca S.A. ("Hidrelétrica Pipoca")	60,051	46,744	60,051	46,744
Paracambi Energética S.A. ("Paracambi") (formerly Lightger)	55,989	60,438	55,989	60,438
Baguari Energia S.A. ("Baguari Energia") (4)	-	160,324	-	160,324
Aliança Norte Participações S.A. ("Aliança Norte")	548,285	575,745	548,285	575,745
Amazônia Energia Participações S.A. ("Amazônia Energia")	838,026	885,529	838,026	885,529
Aliança Geração de Energia S.A. ("Aliança Geração")	1,291,818	1,193,841	1,291,818	1,193,841
Retiro Baixo Energética S.A. ("Retiro Baixo") (4)	-	185,495	-	185,495
<b>Subsidiaries</b>				
Cemig Baguari Energia S.A.	-	-	51	67
Cemig Geração Três Marias S.A. (1)	-	-	-	1,727,594
Cemig Geração Salto Grande S.A. (1)	-	-	-	562,308
Cemig Geração Itutinga S.A.	-	-	218,812	231,057
Cemig Geração Camargos S.A.	-	-	194,648	182,960
Cemig Geração Sul S.A.	-	-	246,078	251,765
Cemig Geração Leste S.A.	-	-	161,149	167,959
Cemig Geração Oeste S.A.	-	-	140,241	125,521
Rosal Energia S.A.	-	-	119,366	123,305
Sá Carvalho S.A.	-	-	124,598	138,259
Horizontes Energia S.A.	-	-	29,229	60,535
Cemig PCH S.A.	-	-	49,876	98,917
Cemig Geração Poço Fundo S.A.	-	-	194,239	171,954
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	-	-	23,661	11,004
Cemig Trading S.A.	-	-	7,806	5,639
Central Eólica Praias de Parajuru S.A.	-	-	159,399	203,107
Central Eólica Volta do Rio S.A.	-	-	245,179	308,603
Companhia de Transmissão Centroeste de Minas	-	-	125,911	120,173
UFV Três Marias (3)	-	-	39,726	-
<b>Total</b>	<b>3,054,484</b>	<b>3,355,051</b>	<b>5,134,453</b>	<b>7,845,778</b>

- These subsidiaries were merged into Cemig GT on May 31, 2023, at book value. More details in this note.
- On March 20, 2023 Cemig completed sale of its direct and indirect stockholding interests in the share capital of Mesa to Furnas Centrais Elétricas S.A. (Furnas). There are more details in this note.
- In the first half of 2023 the Company injected R\$39,216 into this investee as an Advance Against Future Capital Increase ('AFAC'), R\$32,397 in cash for construction of the 78 MW Três Marias Floating Photovoltaic Distributed Generation complex; and R\$6,819 in fixed assets for construction and operation of the Três Marias Photovoltaic Plant, with installed capacity of 1.5 MW.
- In accordance with CPC 31/IFRS 5, in the second quarter of 2023 the interests held by the Company in these investees were classified as non-current assets held for sale. The sale of Baguari Energia was completed on October 6, 2023; the sale of Retiro Baixo is pending consent by the BNDES (Brazilian Development Bank). More details in note 29.

For the period ended September 30, 2023, the Company concluded that there were no indications of possible impairment of its investments, as required by CPC 01/IAS 36 - Impairment of Assets.

### Changes in the right to exploitation of the regulated activity

Consolidated	Balance on Dec. 31, 2022	Amortization	Other (1)	Balance on Sep. 30, 2023
Retiro Baixo (1)	26,407	(463)	(25,944)	-
Aliança Geração	276,296	(18,982)	-	257,314
Aliança Norte	44,688	(1,478)	-	43,210
	<b>347,391</b>	<b>(20,923)</b>	<b>(25,944)</b>	<b>300,524</b>

- In accordance with CPC 31/IFRS 5, in the second quarter of 2023 the Company's interest in this investee was reported in non-current assets held for sale. Its disposal is pending the approval of the BNDES. More details in note 29.

Parent Company	Balance on Dec. 31, 2022	Amortization	Other (1)	Balance on Sep. 30, 2023
Retiro Baixo (1)	26,407	(463)	(25,944)	-
Parajuru	44,625	(3,462)	-	41,163
Volta do Rio	60,430	(5,084)	-	55,346
Aliança Geração	276,296	(18,982)	-	257,314
Aliança Norte	44,688	(1,478)	-	43,210
	<b>452,446</b>	<b>(29,469)</b>	<b>(25,944)</b>	<b>397,033</b>

- (1) In accordance with CPC 31/IFRS 5, in the second quarter of 2023 the Company's interest in this investee was reported in non-current assets held for sale. Its disposal is pending the approval of the BNDES. More details in note 29.

## Changes in investments in affiliates, subsidiaries and jointly-controlled entities:

Consolidated	Balance on Dec. 31, 2022	Gain (loss) by equity method	Addition	Dividends	Settled	Balance on Sep. 30, 2023
Hidrelétrica Cachoeirão	47,096	9,471	-	-	-	56,567
Guanhães Energia	182,579	21,169	-	-	-	203,748
Hidrelétrica Pipoca	46,744	13,307	-	-	-	60,051
MESA (Santo Antônio Plant) (1)	9,500	(9,500)	-	-	-	-
FIP Melbourne (Santo Antônio Plant) (1)	7,760	22,326	-	-	(30,086)	-
Baguari Energia (2)	160,324	11,133	-	(11,579)	(159,878)	-
Paracambi (formerly Lightger)	60,438	11,959	-	(16,408)	-	55,989
Amazônia Energia (Belo Monte Plant)	885,529	(47,711)	208	-	-	838,026
Aliança Norte (Belo Monte Plant)	575,745	(27,792)	332	-	-	548,285
Aliança Geração	1,193,841	97,977	-	-	-	1,291,818
Retiro Baixo (2)	185,495	5,052	-	-	(190,547)	-
<b>Total</b>	<b>3,355,051</b>	<b>107,391</b>	<b>540</b>	<b>(27,987)</b>	<b>(380,511)</b>	<b>3,054,484</b>

- (1) On March 20, 2023 the Company completed sale of its direct and indirect stockholding interests in the share capital of MESA to Furnas Centrais Elétricas S.A. (Furnas). There is more information below in this note.
- (2) In accordance with CPC 31/IFRS 5, in the second quarter of 2023 the interests held by the Company in these investees were classified as non-current assets held for sale. The sale of Baguari Energia was completed on October 6, 2023; the sale of Retiro Baixo is pending consent by the BNDES (Brazilian Development Bank). More details in note 29.

Parent Company	Balance on Dec. 31, 2022	Gain (loss) by equity method	Addition	Dividends	Settled	Balance on Sep. 30, 2023
Hidrelétrica Cachoeirão	47,096	9,471	-	-	-	56,567
Guanhães Energia	182,579	21,169	-	-	-	203,748
Hidrelétrica Pipoca	46,744	13,307	-	-	-	60,051
MESA (Santo Antônio Plant) (1)	9,500	(9,500)	-	-	-	-
FIP Melbourne (Santo Antônio Plant) (1)	7,760	22,326	-	-	(30,086)	-
Baguari Energia (2)	160,324	11,133	-	(11,579)	(159,878)	-
Central Eólica Praias Parajuru S.A. (5)	203,107	15,432	-	(8,305)	(50,835)	159,399
Central Eólica Volta do Rio S.A. (5)	308,603	5,075	-	-	(68,499)	245,179
Paracambi (formerly Lightger)	60,438	11,959	-	(16,408)	-	55,989
Amazônia Energia (Belo Monte Plant)	885,529	(47,711)	208	-	-	838,026
Aliança Norte (Belo Monte Plant)	575,745	(27,792)	332	-	-	548,285
Aliança Geração	1,193,841	97,977	-	-	-	1,291,818
Retiro Baixo Energia S.A. (2)	185,495	5,052	-	-	(190,547)	-
Cemig Baguari Energia S.A.	67	(16)	-	-	-	51
Cemig Geração Três Marias S.A. (3)	1,727,594	113,348	-	(54,593)	(1,786,349)	-
Cemig Geração Salto Grande S.A. (3)	562,308	35,192	-	(34,897)	(562,603)	-
Cemig Geração Itutinga S.A.	231,057	33,055	-	(45,300)	-	218,812
Cemig Geração Camargos S.A.	182,960	32,869	-	(21,181)	-	194,648
Cemig Geração Sul S.A.	251,765	31,661	-	(37,348)	-	246,078
Cemig Geração Leste S.A.	167,959	31,325	-	(38,135)	-	161,149
Cemig Geração Oeste S.A.	125,521	14,720	-	-	-	140,241
Rosal Energia S.A.	123,305	21,620	-	(25,559)	-	119,366
Sá Carvalho S.A.	138,259	48,998	-	(62,659)	-	124,598
Horizontes Energia S.A. (6)	60,535	11,378	-	(13,426)	(29,258)	29,229
Cemig PCH S.A. (6)	98,917	14,058	-	(23,147)	(39,952)	49,876
Cemig Geração Poço Fundo S.A.	171,954	22,285	-	-	-	194,239
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	11,004	14,285	-	(1,628)	-	23,661
Cemig Trading S.A.	5,639	4,147	-	(1,980)	-	7,806
Companhia de Transmissão Centroeste de Minas	120,173	5,738	-	-	-	125,911
UFV Três Marias (4)	-	510	39,216	-	-	39,726
<b>Total</b>	<b>7,845,778</b>	<b>563,071</b>	<b>39,756</b>	<b>(396,145)</b>	<b>(2,918,007)</b>	<b>5,134,453</b>

- (1) On March 20, 2023 the Company completed sale of its direct and indirect stockholding interests in the share capital of MESA to Furnas Centrais Elétricas S.A. (Furnas). There is more information below in this note.
- (2) In accordance with CPC 31/IFRS 5, in the second quarter of 2023 the interests held by the Company in these investees were classified as non-current assets held for sale. The sale of Baguari Energia was completed on October 6, 2023 and the sale of Retiro Baixo is pending consent by the BNDES (Brazilian Development Bank). More details in note 29.
- (3) These subsidiaries were merged into Cemig GT on May 31, 2023, at book value. More details in note 13.
- (4) In the first half of 2023 the Company injected R\$39,216 into this investee as an Advance Against Future Capital Increase ('AFAC'), R\$32,397 in cash for construction of the 78 MW Três Marias Floating Photovoltaic Distributed Generation complex; and R\$6,819 in fixed assets for construction and operation of the Três Marias Photovoltaic Plant, with installed capacity of 1.5 MW.
- (5) Reduction of the share capital of these investees, approved by the Extraordinary General Meetings of Stockholders (EGMs) held on June 1, 2023, in accordance with the terms of Law 6,404/1,976.
- (6) Reduction of the share capital of these investees, approved by the EGMs held on June 6, 2023, in accordance with the terms of Law 6,404/1,976.

## Disposal of stockholding interest - Mesa

On March 20, 2023 the Company completed sale to Furnas Centrais Elétricas S.A of the whole of its direct and indirect stockholding interests in Mesa, equivalent to 7.53% of the share capital of that investee, which is the controlling stockholder of Santo Antônio Energia S.A. (SAE), for R\$55,390.

With the conclusion of the sale, Furnas undertook to assume the guarantees given by Cemig and Cemig GT to the Brazilian Development Bank (BNDES) and other creditors, under agreements for financing of SAE, and to hold Cemig and Cemig GT harmless from any obligation relating to these guarantees, up to the time when these obligations are effectively assumed by Furnas.

As a result of the sale a capital gain was recognized in March 2023, as follows:

Parent Company and Consolidated	
Direct stake, %	4.1422%
Indirect stake, %	3.3837%
Sale price:	736,000
Direct stake, %	30,487
Indirect stake, %	24,904
	<b>55,391</b>
Cost of the investment (1):	-

- (1) In the calculation the balance of the investment on February 28, 2023 was used, from the last interim balance sheet raised for the investee before the sale (the same as is used for accounting via the equity method). The balance of the investment is zero, so that writing it down did not generate any effects in net profit, for the purposes of calculation of capital gain on the sale.

The capital gain relating to the direct stockholding was recognized in the income statement for the period, with counterpart in Cash and cash equivalents. The taxes on this amount were R\$10,365, representing 34% (25% corporate income tax and 9% Social Contribution tax on Net Profit).

The capital gain on the indirect stockholding was recognized by the equity method, because of its origin in realization of the equity interest held by Fundo Melbourne in SAAG. Due to the sale of the equity interest by the investment fund, which subsists only for operational reasons necessary for its liquidation, the balance receivable from the funds was recognized in the Statement of financial position as a financial instrument in the 'Other assets' group, considering the imminence of receipt of the proceeds.

This disposal is part of the execution of Cemig's disinvestment program, with the aim of redirecting management efforts and allocation of capital to the State of Minas Gerais.

*The agreement between FIP Melbourne and AGPar - CCBC Arbitration Judgment 86/2016*

The share purchase agreement that governed the transaction for acquisition of the shares of SAAG by the Company specifies payment of indemnity to FIP Melbourne by AGPar in the event of any excess cost in Mesa as a result of any causative factor prior to the signature of that agreement. From the conclusion of the transaction in 2014, up to the year 2016, there were extraordinary expenditures, which had to be borne by FIP Melbourne, and which, in FIP Melbourne's understanding, were within the scope of the provision of the share purchase agreement. Since agreement was not reached with AGPar on these questions, FIP Melbourne filed arbitration proceedings with the Brazil-Canada Chamber of Commerce.

The final arbitration judgment was given in January 2021, in favor of FIP Melbourne, and in August 2022 an agreement was signed between the parties to terminate litigation, establishing the updated amount of compensation at R\$200 million, which was paid on September 12, 2022.

Considering Cemig GT's participation in FIP Melbourne, the Company had, on September 30, 2023, a receivable recorded in the amount of R\$255,918, in the statement of financial position under "Other Assets". In October 23, 2023, the Cemig GT received the updated amount of R\$257,273.

**d) Amazônia Energia S.A. and Aliança Norte Energia S.A.**

Amazônia Energia and Aliança Norte are shareholders of Norte Energia S.A. ('NESA'), which holds the concession to operate the *Belo Monte* Hydroelectric Plant, on the Xingu River, located in the State of Pará. Through the jointly controlled entities referred to above, the Company owns an indirect equity interest in NESA of 11.69%.

On September 30, 2023 NESA presents negative net working capital of R\$440,070 (R\$494,493 on December 31, 2022). According to the estimates and projections, the negative net working capital, and the future demands for investments in the hydroelectric plant, will be supported by revenues from future operations and/or raising of bank loans.

On September 21, 2015, NESA was awarded a preliminary injunction ordering the grantor to abstain, until hearing of the application for an injunction made in the original case, from applying to Appellant any penalties or sanctions in relation to the Belo Monte Hydroelectric Plant not starting operations on the date established in the original timetable for the project, including those specified in the grantor (Aneel) Normative Resolution 595/2013 and in the Concession Contract 01/2010-MME for the Belo Monte Hydroelectric Plant'. The legal advisors of NESA have classified the probability of loss as 'possible' and estimated the potential loss on September 30, 2023 to R\$2,820 million (R\$2,972 million on December 31, 2022). The potential impact to the Company is limited to its NESA investment.

## e) Risks related to compliance with law and regulations

*Norte Energia S.A. ('NESA') - through Amazônia Energia and Aliança Norte*

Investigations and other legal measures are in progress, conducted by the Federal Public Attorney's Office, which involve other stockholders of Nesa and certain executives of those other stockholders. In this context, the Federal Public Attorney's Office have started investigations into irregularities involving contractors and suppliers of Nesa and of its other stockholders, which are still in progress. Taking into account the results of the independent internal investigation conducted by it and by the other shareholders, in 2015 the investee made a provision in the amount of R\$183,000.

Based on how the subject has developed, the management of Norte Energia concluded that the possibility of future loss or punishment for Nesa is remote, and with this conclusion it reversed the provision in the 2022 business year.

## f) Absorption of the wholly-owned subsidiaries Cemig Geração Três Marias S.A. and Cemig Geração Salto Grande S.A.

On January 24, 2023 Aneel approved transfer of the concessions of the Três Marias and Salto Grande hydroelectric plants to Cemig GT. On May 31, 2023 this absorption was approved by an Extraordinary General Meeting of Stockholders, at book value, with consequent extinction of the investees from that date, the Company becoming its successor in all its assets, rights and obligations, as per Article 277 of Law 6,404/1976.

Since this is an absorption of a wholly-owned subsidiary, there was no capital increase nor need for issue of new shares by Cemig.

The diagram below shows the book value balances of the absorbed companies:

	May 31, 2023
<b>CURRENT</b>	<b>405,630</b>
Cash and cash equivalents	138,723
Concession financial assets	226,049
Other Assets	40,858
<b>NON-CURRENT</b>	<b>2,216,484</b>
Concession financial assets	2,026,292
Property, plant and equipment	31,192
Intangible	146,628
Other Assets	12,372
<b>CURRENT</b>	<b>209,965</b>
Income tax and social contribution tax	64,562
Other liabilities	145,403
<b>NON-CURRENT</b>	<b>63,197</b>
Deferred income tax and social contribution tax	44,178
Other liabilities	19,019
<b>TOTAL</b>	<b>2,348,952</b>

### 13. PROPERTY, PLANT AND EQUIPMENT

Consolidated	September 30, 2023			December 31, 2022		
	Historic cost	Accumulated depreciation	Net value	Historic cost	Accumulated depreciation	Net value
<b>In service</b>	<b>7,280,502</b>	<b>(5,417,087)</b>	<b>1,863,415</b>	<b>7,393,963</b>	<b>(5,398,094)</b>	<b>1,995,869</b>
Land	247,353	(31,230)	216,123	246,946	(29,140)	217,806
Reservoirs, dams and watercourses	3,239,409	(2,449,376)	790,033	3,302,646	(2,432,974)	869,672
Buildings, works and improvements	1,094,330	(863,381)	230,949	1,092,172	(858,980)	233,192
Machinery and equipment	2,667,496	(2,048,467)	619,029	2,724,327	(2,053,238)	671,089
Vehicles	19,054	(13,763)	5,291	14,970	(13,050)	1,920
Furniture and utensils	12,860	(10,870)	1,990	12,902	(10,712)	2,190
<b>Under construction</b>	<b>926,145</b>	<b>-</b>	<b>926,145</b>	<b>360,830</b>	<b>-</b>	<b>360,830</b>
Assets in progress	926,145	-	926,145	360,830	-	360,830
<b>Net PP&amp;E</b>	<b>8,206,647</b>	<b>(5,417,087)</b>	<b>2,789,560</b>	<b>7,754,793</b>	<b>(5,398,094)</b>	<b>2,356,699</b>

Parent Company	September 30, 2023			December 31, 2022		
	Historic cost	Accumulated depreciation	Net value	Historic cost	Accumulated depreciation	Net value
<b>In service</b>	<b>6,105,087</b>	<b>(4,740,010)</b>	<b>1,365,077</b>	<b>6,194,255</b>	<b>(4,743,558)</b>	<b>1,450,697</b>
Land	242,848	(30,820)	212,028	242,323	(28,696)	213,627
Reservoirs, dams, watercourses	2,962,659	(2,291,270)	671,389	3,019,053	(2,277,133)	741,920
Buildings, works and improvements	1,004,445	(816,853)	187,592	1,002,659	(814,033)	188,626
Machinery and equipment	1,863,682	(1,576,856)	286,826	1,902,809	(1,600,347)	302,462
Vehicles	18,836	(13,545)	5,291	14,752	(12,832)	1,920
Furniture and utensils	12,617	(10,666)	1,951	12,659	(10,517)	2,142
<b>Under construction</b>	<b>608,225</b>	<b>-</b>	<b>608,225</b>	<b>106,218</b>	<b>-</b>	<b>106,218</b>
Assets in progress	608,225	-	608,225	106,218	-	106,218
<b>Net PP&amp;E</b>	<b>6,713,312</b>	<b>(4,740,010)</b>	<b>1,973,302</b>	<b>6,300,473</b>	<b>(4,743,558)</b>	<b>1,556,915</b>

Changes in Property, plant and equipment were as follows:

Consolidated	Balance on Dec. 31, 2022	Addition (2)	Transfer (3)	Settled	Held for sale	Depreciation	Balance on Sep. 30, 2023
<b>In service</b>	<b>1,995,869</b>	<b>-</b>	<b>48,927</b>	<b>(935)</b>	<b>(56,697)</b>	<b>(123,749)</b>	<b>1,863,415</b>
Land (1)	217,806	-	1,648	(207)	(653)	(2,471)	216,123
Reservoirs, dams, watercourses	869,672	-	729	(1)	(22,300)	(58,067)	790,033
Buildings, works and improvements	233,192	-	15,407	-	(4,663)	(12,987)	230,949
Machinery and equipment	671,089	-	27,040	(727)	(29,081)	(49,292)	619,029
Vehicles	1,920	-	4,084	-	-	(713)	5,291
Furniture and utensils	2,190	-	19	-	-	(219)	1,990
<b>Under construction</b>	<b>360,830</b>	<b>614,592</b>	<b>(48,927)</b>	<b>-</b>	<b>(350)</b>	<b>-</b>	<b>926,145</b>
<b>Net PP&amp;E</b>	<b>2,356,699</b>	<b>614,592</b>	<b>-</b>	<b>(935)</b>	<b>(57,047)</b>	<b>(123,749)</b>	<b>2,789,560</b>

- (1) Certain land sites linked to concession contracts and not having provision for reimbursement are amortized in accordance with the period of the concession.  
(2) This includes investments in the Boa Esperança and Jusante photovoltaic solar plants – respectively of R\$246,841 and R\$210,866.  
(3) Balance relating to transfers from Assets in progress to Assets in service.

Parent Company	Balance on Dec. 31, 2022	Addition (2)	Assets arising from the merger	Transfer (3)	Settled	Held for sale	Depreciation	Balance on Sep. 30, 2023
<b>In service</b>	<b>1,450,697</b>	<b>-</b>	<b>29,852</b>	<b>24,593</b>	<b>(7,030)</b>	<b>(45,187)</b>	<b>(87,848)</b>	<b>1,365,077</b>
Land (1)	213,627	-	-	1,647	(207)	(596)	(2,443)	212,028
Reservoirs, dams, watercourses	741,920	-	867	729	-	(20,027)	(52,100)	671,389
Buildings, works and improvements	188,626	-	412	13,959	(842)	(3,754)	(10,809)	187,592
Machinery and equipment	302,462	-	28,573	4,155	(5,981)	(20,810)	(21,573)	286,826
Vehicles	1,920	-	-	4,084	-	-	(713)	5,291
Furniture and utensils	2,142	-	-	19	-	-	(210)	1,951
<b>Under construction</b>	<b>106,218</b>	<b>525,305</b>	<b>1,340</b>	<b>(24,593)</b>	<b>-</b>	<b>(45)</b>	<b>-</b>	<b>608,225</b>
<b>Net PP&amp;E</b>	<b>1,556,915</b>	<b>525,305</b>	<b>31,192</b>	<b>-</b>	<b>(7,030)</b>	<b>(45,232)</b>	<b>(87,848)</b>	<b>1,973,302</b>

- (1) Certain land sites linked to concession contracts and not having provision for reimbursement are amortized in accordance with the period of the concession.

- (2) This includes investments in the Boa Esperança and Jusante photovoltaic solar plants – respectively of R\$246,841 and R\$210,866.  
(3) Balance relating to transfers from Assets in progress to Assets in service.

## 14. INTANGIBLE ASSETS

Consolidated	September 30, 2023			December 31, 2022		
	Historic cost	Accumulated amortization	Residual value	Historic cost	Accumulated amortization	Residual value
<b>In service</b>	<b>1,338,336</b>	<b>(486,938)</b>	<b>851,398</b>	<b>1,327,508</b>	<b>(375,092)</b>	<b>952,416</b>
Temporary easements	14,689	(5,915)	8,774	14,692	(5,405)	9,287
Paid concession	13,599	(9,569)	4,030	13,599	(9,116)	4,483
Assets of the concession (1)	202,337	(105,828)	96,509	202,337	(97,283)	105,054
Assets of the concession - GSF	1,031,161	(300,121)	731,040	1,031,810	(199,809)	832,001
Others	76,550	(65,505)	11,045	65,070	(63,479)	1,591
<b>Under construction</b>	<b>23,259</b>	<b>-</b>	<b>23,259</b>	<b>21,753</b>	<b>-</b>	<b>21,753</b>
Assets in progress	23,259	-	23,259	21,753	-	21,753
<b>Net intangible assets</b>	<b>1,361,595</b>	<b>(486,938)</b>	<b>874,657</b>	<b>1,349,261</b>	<b>(375,092)</b>	<b>974,169</b>

- (1) The rights of authorization to generate wind energy granted to the Parajuru and Volta do Rio, in the amount of R\$99,357, are recognized as investments in the interim financial information of the parent company and are classified under intangible assets in the statement of financial position, as per Technical Interpretation ICPC 09. These concession assets are amortized by the straight-line method, during the period of the concession.

Parent Company	September 30, 2023			December 31, 2022		
	Historic cost	Accumulated amortization	Residual value	Historic cost	Accumulated amortization	Residual value
<b>In service</b>	<b>1,058,488</b>	<b>(358,623)</b>	<b>699,865</b>	<b>893,415</b>	<b>(254,972)</b>	<b>638,443</b>
Temporary easements	11,448	(5,456)	5,992	11,451	(5,038)	6,413
Paid concession	11,720	(7,981)	3,739	11,720	(7,642)	4,078
Assets of the concession - GSF	960,874	(280,058)	680,816	805,613	(179,120)	626,493
Others	74,446	(65,128)	9,318	64,631	(63,172)	1,459
<b>Under construction</b>	<b>23,139</b>	<b>-</b>	<b>23,139</b>	<b>21,650</b>	<b>-</b>	<b>21,650</b>
Assets in progress	23,139	-	23,139	21,650	-	21,650
<b>Net intangible assets</b>	<b>1,081,627</b>	<b>(358,623)</b>	<b>723,004</b>	<b>915,065</b>	<b>(254,972)</b>	<b>660,093</b>

Changes in intangible assets are as follow:

Consolidated	Balance on Dec. 31, 2022	Addition	Capitalization / Transfer (1)	Settled	Held for sale	Amortization	Balance on Sep. 30, 2023
<b>In service</b>	<b>952,416</b>	<b>1,681</b>	<b>9,804</b>	-	(474)	(112,029)	<b>851,398</b>
Temporary easements	9,287	-	-	-	(3)	(510)	8,774
Paid concessions	4,483	-	-	-	-	(453)	4,030
Assets of the concession	105,054	-	-	-	-	(8,545)	96,509
Assets of the concession - GSF	832,001	-	-	-	(471)	(100,490)	731,040
Others	1,591	1,681	9,804	-	-	(2,031)	11,045
<b>Under construction</b>	<b>21,753</b>	<b>15,209</b>	<b>(9,804)</b>	<b>(3,424)</b>	<b>(475)</b>	-	<b>23,259</b>
Assets in progress	21,753	15,209	(9,804)	(3,424)	(475)	-	23,259
<b>Total</b>	<b>974,169</b>	<b>16,890</b>	<b>-</b>	<b>(3,424)</b>	<b>(949)</b>	<b>(112,029)</b>	<b>874,657</b>

(1) Balance relating to transfers from Assets in progress to Assets in service.

Parent Company	Balance on Dec. 31, 2022	Addition	Assets arising from the merger	Capitalization / Transfer (1)	Settled	Held for sale	Amortization	Balance on Sep. 30, 2023
<b>In service</b>	<b>638,443</b>	-	<b>146,572</b>	<b>9,804</b>	-	(474)	(94,480)	<b>699,865</b>
Temporary easements	6,413	-	-	-	-	(3)	(418)	5,992
Paid concessions	4,078	-	-	-	-	-	(339)	3,739
Assets of the concession - GSF	626,493	-	146,563	-	-	(471)	(91,769)	680,816
Others	1,459	-	9	9,804	-	-	(1,954)	9,318
<b>Under construction</b>	<b>21,650</b>	<b>14,802</b>	<b>56</b>	<b>(9,804)</b>	<b>(3,424)</b>	<b>(141)</b>	-	<b>23,139</b>
Assets in progress	21,650	14,802	56	(9,804)	(3,424)	(141)	-	23,139
<b>Total</b>	<b>660,093</b>	<b>14,802</b>	<b>146,628</b>	<b>-</b>	<b>(3,424)</b>	<b>(615)</b>	<b>(94,480)</b>	<b>723,004</b>

(1) Balance relating to transfers from Assets in progress to Assets in service.

## 15. LEASING

### a) Changes in right of use

Consolidated	Real estate property	Vehicles	Total
<b>Balances at December 31, 2022</b>	<b>38,941</b>	<b>18,278</b>	<b>57,219</b>
Addition	139	18,396	18,535
Amortization (1)	(1,294)	(5,080)	(6,374)
Remeasurement (2)	-	5,864	5,864
<b>Balances at September 30, 2023</b>	<b>37,786</b>	<b>37,458</b>	<b>75,244</b>

Parent Company	Real estate property	Vehicles	Total
<b>Balances at December 31, 2022</b>	<b>37,438</b>	<b>18,055</b>	<b>55,493</b>
Assets arising from the merger	162	662	824
Addition	-	15,904	15,904
Amortization (1)	(1,243)	(4,732)	(5,975)
Remeasurement (2)	-	5,722	5,722
<b>Balances at September 30, 2023</b>	<b>36,357</b>	<b>35,611</b>	<b>71,968</b>

- (1) Amortization of the Right of Use recognized in the Income Statement is net of use of the credits of PIS/Pasep and Cofins taxes on payments of rentals, in the amounts of R\$95, for the consolidated and R\$92 for the individual interim financial information, for the period from January to september of 2023 (R\$86 for the consolidated and R\$84 for the individual interim financial information, for the period from January to september of 2022). The weighted average annual amortization rates are: in the Consolidated reporting, 4.58% for real estate property and 23.79% for vehicles; and in the Parent Company reporting, 4.57% for real estate and 23.73% for vehicles.
- (2) The Company and its subsidiaries have identified events giving rise to revaluation and modifications of their principal contracts. The lease liabilities are restated with adjustment to the asset of Right of Use.

## b) Changes in lease liabilities

	Consolidated	Parent Company
<b>Balances on December 31, 2022</b>	<b>62,367</b>	<b>60,501</b>
Liabilities arising from the merger	-	847
Addition	18,535	15,904
Accrued interest (1)	5,506	5,275
Payment of principal portion of lease liability	(9,453)	(9,128)
Payment of interest	(527)	(295)
Remeasurement (2)	5,863	5,722
<b>Balances on September 30, 2023</b>	<b>82,291</b>	<b>78,826</b>
<b>Current liabilities</b>	<b>15,502</b>	<b>14,790</b>
<b>Non-current liabilities</b>	<b>66,789</b>	<b>64,036</b>

- (1) Financial revenues recognized in the financial statements are net of incorporation of the credits for PIS/Pasep and Cofins taxes on payments of rentals, in the amounts of R\$298 and R\$296, for the period from January to September of 2023, for the consolidated and individual interim financial information, respectively (R\$277 and R\$274 for the period from January to September of 2022, for the consolidated and individual interim financial information respectively).
- (2) The Company and its subsidiaries have identified events giving rise to revaluation and modifications of their principal contracts. The lease liabilities are restated with adjustment to the asset of Right of Use.

Additions, settled and remeasurements in leasing agreements are non-cash transactions, and consequently are not reflected in the Statements of cash flow.

The potential right to recovery of PIS/Pasep and Cofins taxes embedded in the leasing consideration, according to the periods specified for payment, is as follows:

Cash flow	Consolidated		Parent Company	
	Nominal	Adjustments to present value	Nominal	Adjustments to present value
Consideration for the leasing	172,886	82,291	166,230	78,826
Potential PIS/Pasep and Cofins (9.25%)	11,556	3,900	11,532	3,891

For lease liability and right of use measuring and remeasuring, the Company used the technique of discounted cash flow, without considering projected future inflation in the flows to be discounted, as per the prohibition imposed by CPC 06 (R2) / IFRS 16.

The cash flows of the contracts containing a lease are, in their majority, updated by the IPCA inflation index on an annual basis. Below is an analysis of maturity of lease contracts:

	Consolidated (Nominal)	Parent Company (Nominal)
2024	4,057	3,871
2025	16,213	15,470
2026	16,205	15,462
2027	16,205	15,462
2028	14,141	13,572
2029 a 2045	106,065	102,393
<b>Undiscounted values</b>	<b>172,886</b>	<b>166,230</b>
Embedded interest	(90,595)	(87,404)
<b>Lease liabilities</b>	<b>82,291</b>	<b>78,826</b>

## 16. SUPPLIERS

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
Wholesale supply, and transport of supply (1)	257,767	387,125	251,218	378,857
Materials and services	84,720	115,985	67,146	69,764
	<b>342,487</b>	<b>503,110</b>	<b>318,364</b>	<b>448,621</b>

- (1) This includes an estimate for purchase of energy in the Free Market which reduced significantly in the period due to the lower volume of energy purchases

## 17. TAXES PAYABLE

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Current</b>				
ICMS (value added) tax	15,076	18,939	11,590	13,890
Pasep tax (1)	19,400	20,122	18,629	17,992
Cofins tax (1)	89,763	91,834	85,991	82,938
Social security contributions	14,132	13,417	10,588	8,212
ISS tax on services	5,446	4,254	3,575	2,596
Others (2)	30,460	27,686	29,667	5,807
	<b>174,277</b>	<b>176,252</b>	<b>160,040</b>	<b>131,435</b>
<b>Non-current</b>				
Pasep tax (1)	62,857	64,476	60,917	62,176
Cofins tax (1)	289,552	296,825	280,595	286,397
	<b>352,409</b>	<b>361,301</b>	<b>341,512</b>	<b>348,573</b>
	<b>526,686</b>	<b>537,553</b>	<b>501,552</b>	<b>480,008</b>

- (1) Includes PIS/Pasep and Cofins recognized in current liability includes the deferred taxes related to the interest revenue arising from the financing component in contract asset and to the revenue of construction and upgrade associated with the transmission concession contract. More information in Note 11.
- (2) This includes the retention, at source, of income tax on the Interest on Equity declared. This tax was paid in the subsequent month, in accordance with the tax legislation. More details in note 22.

## 18. LOANS AND DEBENTURES

Financing source	Principal maturity	Annual financing cost	Currency	Consolidated and Parent Company - September 30, 2023			Consolidated and Parent Company - December 31, 2022
				Current	Non-current	Total	
<b>FOREIGN CURRENCY</b>							
Eurobonds	2024	9.25%	USD	131.623	3.786.297	3.917.920	3,974,971
(-) Transaction costs				-	(2.536)	(2.536)	(5,743)
(+/-) Funds advanced (1)				-	(4.245)	(4.245)	(9,423)
<b>Total of loans</b>				<b>131.623</b>	<b>3.779.516</b>	<b>3.911.139</b>	<b>3,959,805</b>
<b>Domestic Currency</b>							
Debentures - 9rd Issue, 1rd Series	2027	CDI + 1.33%	R\$	29.448	700.000	729.448	703,185
Debentures - 9rd Issue, 2rd Series	2029	IPCA + 7.6245%	R\$	6.910	312.521	319.431	302,216
(-) Transaction costs				-	(5.328)	(5.328)	(6,140)
<b>Total, debentures</b>				<b>36.358</b>	<b>1.007.193</b>	<b>1.043.551</b>	<b>999,261</b>
<b>Overall total</b>				<b>167.981</b>	<b>4.786.709</b>	<b>4.954.690</b>	<b>4,959,066</b>

- (1) Advance of funds to achieve the yield to maturity agreed in the Eurobonds contract.

The debentures issued by the Company are of the "simple" type, not convertible into shares, with no renegotiation clauses and no debentures in treasury.

### Guarantees

The Company's debtor balances on loans and debentures guaranteed by the parent company, Cemig on September 30, 2023 were as follows:

Consolidated	September 30, 2023
Surety guarantees	3,911,139
Fiança	1,043,551
<b>Total</b>	<b>4,954,690</b>

The composition of loans and debentures, by currency and index, with the respective amortization, is as follows:

Consolidated and Parent Company	2023	2024	2025	2026	2027	2028 onwards	Total
<b>Currency</b>							
US dollar (1)	131,623	3,786,297	-	-	-	-	3,917,920
<b>Total, currency-denominated</b>	<b>131,623</b>	<b>3,786,297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,917,920</b>
IPCA (2)	6,910	-	-	-	-	312,521	319,431
CDI (3)	29,448	-	233,334	233,333	233,333	-	729,448
<b>Total by indexers</b>	<b>36,358</b>	<b>-</b>	<b>233,334</b>	<b>233,333</b>	<b>233,333</b>	<b>312,521</b>	<b>1,048,879</b>
(-) Transaction costs	-	(2,536)	(1,224)	(1,224)	(1,224)	(1,656)	(7,864)
(+/-) Funds advanced	-	(4,245)	-	-	-	-	(4,245)
<b>Overall total</b>	<b>167,981</b>	<b>3,779,516</b>	<b>232,110</b>	<b>232,109</b>	<b>232,109</b>	<b>310,865</b>	<b>4,954,690</b>

(1) The company uses derivative financial instruments for protection against risks arising from exchange rate variation. More details in note 27.

(2) IPCA ("Expanded Consumer Price") Inflation Index.

(3) CDI: Interbank Rate for Certificates of Deposit

The principal currencies and index used for monetary updating of loans and debentures had the following variations:

Currency	Accumulated change from Jan to Sep of 2023 (%)	Accumulated change from Jan to Sep of 2022 (%)	Indexer	Accumulated change from Jan to Sep of 2023 (%)	Accumulated change from Jan to Sep of 2022 (%)
US dollar	(4.03)	(3.12)	IPCA	3.50	4.09
			CDI	9.92	8.85

Currency	Accumulated change on 3Q23 (%)	Accumulated change on 3Q22 (%)	Indexer	Accumulated change on 3Q23 (%)	Accumulated change on 3Q22 (%)
US dollar	3.91	3.22	IPCA	0.61	(1.32)
			CDI	3.22	3.26

The changes in loans and debentures are as follows:

	Consolidated and Parent Company
<b>Balances on December 31, 2022</b>	<b>4,959,066</b>
Monetary variation	11,012
Exchange rate variations	(158,859)
Financial charges provisioned	406,850
Amortization of transaction cost	4,056
Financial charges paid	(267,435)
<b>Balances on September 30, 2023</b>	<b>4,954,690</b>

## Restrictive covenants

There is an early maturity clause for cross-default in the event of non-compliance, by the Company or by its parent company Cemig, on any pecuniary obligation with individual or aggregate value greater than R\$50 million ("cross default").

The Company and its subsidiaries have contracts with financial covenants as follows:

Security	Covenant	Ratio required - Cemig GT	Ratio required --- Cemig (guarantor)	Compliance required
Eurobonds (1)	Net debt / (Ebitda adjusted for the Covenant) (2)	The following, or less: 2.5 on/after Dec. 31, 2021	Ratio to be the following, or less: 3.0 on/after December 31, 2021	Half-yearly and annual

9th Issue of debentures 1st and 2nd series (3)	Net debt / (Ebitda adjusted for the Covenant) (2)	The following, or less: 3.5 on/after December 31, 2022	Ratio to be the following, or less: 3.0 on/after December 31, 2022 up to June 30, 2026 3.5 on/after December 31, 2026	Half-yearly and annual
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- (1) In the event of overrun of the financial maintenance covenants, interest will automatically be increased by 2% p.a. during the period in which they remain exceeded. There is also an obligation to comply with a 'debt maintenance covenant', involving asset collateral of 2.0x Cemig's consolidated Ebitda (1.75x at Dec. 2017); and an 'incurrence' covenant comprising an asset guarantee in the Company of 1.5x Ebitda
- (2) Ebitda is defined as: (i) Profit before interest, income tax and Social Contribution tax on profit; depreciation; and amortization, less: (ii) non-operational profit; any non-recurring non-monetary credits or gains that increase net income; any payments in cash made on consolidated basis during the period relating to non-monetary charges that were newly added in the calculation of Ebitda in any prior period; and any non-recurring non-monetary expenses or charges.
- (3) Noncompliance with financial covenants leads to early maturity, creating immediate demandability of payment by the Company of the Nominal Unit Value or the Updated Nominal Unit Value (as the case may be) of the debentures, plus any other charges due, without the need for notification or any action through the courts or otherwise.

Management monitors these indices continuously.

The information on the derivative financial instruments (swaps, currency option and NDF) contracted to hedge the debt servicing of the Eurobonds (principal, in foreign currency, plus interest), and the Company's exposure to interest rate risks, are disclosed in Note 27.

## 19. REGULATORY CHARGES

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Liabilities</b>				
Global reversion reserve (RGR)	2,797	3,320	-	-
Royalties for use of water resources (CFURH)	10,165	10,424	9,118	6,698
Energy development account (CDE)	68,350	80,814	68,350	80,814
Electricity services inspection charge (TFSEE)	955	789	813	713
Alternative power source program (Proinfa)	10,807	10,291	10,807	10,291
National scientific and technological development fund (FNDCT)	2,138	1,367	1,850	751
Research and development (P&D)	20,067	13,179	12,210	4,193
Energy system expansion research	1,208	823	1,064	515
Energy development account (CDE) on Research and development (P&D)	797	540	712	382
	<b>117,284</b>	<b>121,547</b>	<b>104,924</b>	<b>104,357</b>
<b>Current liabilities</b>	<b>113,302</b>	<b>116,248</b>	<b>104,924</b>	<b>104,357</b>
<b>Non-current liabilities</b>	<b>3,982</b>	<b>5,299</b>	<b>-</b>	<b>-</b>

## 20. POST-EMPLOYMENT OBLIGATIONS

Changes in net liabilities were as follows:

Consolidated and Parent Company	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
<b>Net liabilities at December 31, 2022</b>	<b>469,060</b>	<b>714,248</b>	<b>13,138</b>	<b>1,196,446</b>
Expense recognized in Statement of income	43,482	61,331	1,136	105,949
Past service cost	-	(20,291)	(532)	(20,823)
Contributions paid	(50,703)	(33,264)	(630)	(84,597)
Actuarial gains (losses)	-	(12,890)	(193)	(13,083)
<b>Net liabilities at September 30, 2023</b>	<b>461,839</b>	<b>709,134</b>	<b>12,919</b>	<b>1,183,892</b>
			<b>Sep. 30, 2023</b>	<b>Dec. 31, 2022</b>
<b>Current liabilities</b>			81,559	84,377
<b>Non-current liabilities</b>			1,102,333	1,112,069

Actuarial losses and gains, net of income tax and social contribution tax, do not involve cash, and therefore are not reflected in the Statements of cash flows.

Amounts recorded as current liabilities refer to contributions to be made by the Company in the next 12 months, for the amortization of the actuarial liabilities.

The amounts reported as 'Expense recognized in the Statement of income' refer to the costs of post-employment obligations, totaling R\$81,236 from January to September of 2023 (R\$98,565 for the same period of 2022), plus the finance expenses and monetary updating on the debt with Forluz, in the amounts of R\$3,889 from January to September of 2023 (R\$7,660 for the same period of 2022).

## Health Plan and Dental Plan

As from December 2022, Cemig Saúde offered all active employees of Cemig an alternative, new, health plan, called the Premium Plan, in substitution of the Integrated Health Plan (PSI) that was in effect up to that date. The Premium Plan is financed entirely by the Company. In counterpart to the Company bearing the entire cost, those employees who accept the new plan will no longer receive the contribution from Cemig for payment for the health plan in their retirement. This was available to employees up to January 31, 2023, and migration of some of the employees to the Premium Plan reduced the number of employees covered by the PSI.

In light of CPC 33 (R1) this situation constitutes a curtailment event, requiring the Company to remeasure its post-employment liabilities for the base date March 31, 2023. The effects of the curtailment have been recognized, the first quarter of 2023, in the income statement as a cost of past service, in the amounts of R\$20,291 for the health plan and R\$532 for the dental plan.

The curtailment event that was recognized for the first quarter affected the actuarial assumptions, in that it altered the discount rates applicable to the plans. Since the new discount rate was higher, there was a reduction of the liability, and as a result an actuarial gain of R\$12,890 for the health plan, and R\$193 for the dental plan.

## 21. PROVISIONS

Consolidated	Dec. 31, 2022	Additions	Reversals	Settled	Sep. 30, 2023
Labor	70,412	12,996	-	(10,520)	72,888
Tax	312,001	21,890	-	(191)	333,700
Regulatory	4,737	1,784	(20)	(1,538)	4,963
Others	9,890	7,637	(8,807)	(6,653)	2,067
<b>Total</b>	<b>397,040</b>	<b>44,307</b>	<b>(8,827)</b>	<b>(18,902)</b>	<b>413,618</b>

Parent Company	Dec. 31, 2022	Additions	Reversals	Settled	Liabilities arising from the merger	Sep. 30, 2023
Labor	70,412	12,306	-	(10,520)	-	72,198
Tax	312,001	21,793	-	(94)	-	333,700
Regulatory	4,737	1,776	(20)	(1,530)	-	4,963
Others	9,387	7,151	(8,807)	(6,641)	388	1,478
<b>Total</b>	<b>396,537</b>	<b>43,026</b>	<b>(8,827)</b>	<b>(18,785)</b>	<b>388</b>	<b>412,339</b>

There are lawsuits for which expectation of loss with disbursement of cash is considered 'possible', based on the evaluation of the Company's Management, supported by the opinion of its legal advisors, who have assessed the chances of success in these actions as 'possible', and as a result no provision was made. They are:

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
Labor	70,156	82,580	69,633	80,727
Civil				
Customers relations	31,342	27,950	31,237	27,855
Other civil cases	65,155	56,520	63,377	55,636
	<b>96,497</b>	<b>84,470</b>	<b>94,614</b>	<b>83,491</b>
Tax	519,078	486,999	491,982	459,683
Regulatory	846,221	674,430	846,221	674,430
Other	586,491	401,424	503,826	381,803
<b>Total</b>	<b>2,118,443</b>	<b>1,729,903</b>	<b>2,006,276</b>	<b>1,680,134</b>

The Company and its subsidiaries, in view of the extended period and the Brazilian judiciary tax and regulatory systems, believes that it is not practical to provide information that would be useful to the users of this interim financial information in relation to the timing of any cash outflows, or any possibility of reimbursements.

The Company and its subsidiaries' believes that any disbursements in excess of the amounts provisioned, when the respective claims are completed, will not significantly affect the Company and its subsidiaries' result of operations or financial position.

The main provisions and contingent liabilities are provided below, with the best estimation of expected future disbursements for these contingencies:

## Tax

The Company are involved in numerous administrative and judicial claims relating to taxes, including, among other matters, subjects relating to the Social Integration Program (*Programa de Integração Social*, or PIS), the Contribution to Finance Social Security (*Contribuição para o Financiamento da Seguridade Social*, or Cofins), Corporate Income tax (*Imposto de Renda Pessoa Jurídica*, or IRPJ), the Social contribution tax on Net income (*Contribuição Social sobre o Lucro Líquido*, or CSLL), and motions to stay tax enforcement. The amount of the obligation is R\$133,173 (R\$128,731 at December 31, 2022), of which R\$2,404 has been provisioned (R\$2,288 at December 31, 2022).

### *Social Security contributions on profit sharing payments*

The Brazilian tax authority (*Receita Federal*) has filed administrative and court proceedings against the Company, relating to social security contributions on the payment of profit sharing to its employees over the period 1999 to 2016, alleging that the Company did not comply with the requirements of Law 10,101/2000 on the argument that it did not previously establish clear and objective rules for the distribution of these amounts. In August 2019, the Regional Federal Court of the First Region published a decision against the Company on this issue. As a result the Company, based on the opinion of its legal advisors, reassessed the chances of loss from 'possible' to 'probable' for some portions paid as profit-sharing amounts, maintaining the

classification of the probability of loss as 'possible' for the other portions, since it believes that it has arguments on the merit for defense and/or because it believes that the amounts questioned are already within the period of limitation. The amount of the obligation is approximately R\$447,957 (R\$416,212 at December 31, 2022), of which R\$296,838 has been provisioned (R\$276,406 at December 31, 2022).

#### *Indemnity of employees' future benefit (the 'Anuênio')*

In 2006 the Company paid an indemnity to its employees, totaling R\$41,860, in exchange for rights to future payments (referred to as the *Anuênio*) for time of service, which would otherwise be incorporated into salaries. The company did not pay income tax nor Social Security contributions in relation to these amounts because it considered that those obligations are not applicable to amounts paid as an indemnity. However, given the disagreement, and to avoid risk of a future penalty payment, the Company filed legal actions for recognition of the right not to be taxed on these *Anuênio* payments, making separate submissions and argument in relation to (a) income tax and (b) the social security contribution, and making escrow payments into court of the amount involved in each action, in the aggregate historic amount of R\$28,716. In the action relating to applicability of the Social Security contribution, a court judgment was given that impeded consideration of an appeal to the Federal Supreme Court - thus consideration by the Higher Appeal Court remains. In October 2022, a judgment was published refusing to recognize the Special Appeal filed by the Company, reducing the chances of success in the action.

As a result the assessment of the chances of loss in this action were altered from 'possible' to 'probable', and a provision made for the amount deposited in escrow. The chances of loss in the action relating to applicability of income tax on the amounts of the *anuênios*, due to its current phase of procedure, have been maintained as 'possible'. The amount of the obligation is R\$74,438 (R\$71,988 at December 31, 2022), of which R\$33,178 has been provisioned (R\$32,086 at December 31, 2022).

#### *Non-homologation of offsetting of tax credit*

The federal tax authority did not ratify the Company declared offsetting, in Corporate income tax returns, of carry-forwards and undue or excess payment of federal taxes - IRPJ, CSLL, PIS/Pasep and Cofins - identified by official tax deposit receipts ('DARFs' and 'DCTFs'). The Company is contesting the non-homologation of the amounts offset. The amount of the obligation is R\$69,026 (R\$63,255 at December 31, 2022), of which R\$1,280 (R\$1,221 at December 31, 2022) has been provisioned, due to the related legal requirements contained in the National Tax Code (CTN) having been met.

#### *Social Security contributions*

The Brazilian tax authority (*Receita Federal do Brasil*) has filed administrative proceedings related to various matters: the Workers' Food Program (*Programa de Alimentação do Trabalhador*, or PAT); education benefit; food benefit; Special Additional Retirement payment; overtime payments; hazardous occupation payments; matters related to Sest/Senat (transport workers' support programs); and fines for non-compliance with accessory obligations. The Company have presented defenses and await judgment. The amount of the contingency is R\$21,526 (R\$20,208

on December 31, 2022). Management has classified the chance of loss as 'possible', also taking into account assessment of the chance of loss in the judicial sphere, (the claims mentioned are in the administrative sphere), based on the evaluation of the claims and the related case law.

#### *The social contribution tax on net income (CSLL)*

The federal tax authority issued tax assessments against the Company for the years of 2012 and 2013, alleging undue non-addition, or deduction, of amounts relating to the following items in calculating the Social Contribution tax on net income: (i) taxes with liability suspended; (ii) donations and sponsorship (Law 8,313/91); and (iii) fines for various alleged infringements. The amount of this contingency is R\$106,658 (R\$98,606 on December 31, 2022).

#### **Labor claims**

The Company and its subsidiaries are involved in various legal claims filed by its employees and employees of third parties. Most of these claims relate to overtime and additional pay, severance payments, various benefits, salary adjustments, complementary additions to or re-calculation of retirement pension payments by Forluz, and salary adjustments. The amount of the obligation is R\$143,044 (R\$152,992 at December 31, 2022), of which R\$72,888 has been provisioned (R\$70,412 at December 31, 2022).

#### **Regulatory**

The Company and its subsidiaries are defendant in court and administrative proceedings challenging, especially: reduction of an energy supply contract, limitation on a procedure for operation of the sluice dam of a hydroelectric plant, a claim of infringement arising from an inspection by the grantor, and other matters. The amount of the obligation is R\$60,624 (R\$55,330 at December 31, 2022), of which R\$4,963 has been provisioned (R\$4,737 at December 31, 2022).

#### *Accounting of energy sale transactions in the Power Trading Chamber (CCEE)*

In a claim dating from August 2002, AES Sul Distribuidora challenged in the court the criteria for accounting of energy sale transactions in the wholesale energy market (*Mercado Atacadista de Energia*, or MAE), predecessor of the present Power Trading Chamber (*Câmara de Comercialização de Energia Elétrica*, or CCEE), during the period of rationing. It obtained a favorable interim judgment on February 2006, which ordered the grantor (Aneel), working with the CCEE, to comply with the claim by AES Sul and recalculate the settlement of the transactions during the rationing period, not considering the grantor (Aneel) Dispatch 288 of 2002.

This should take effect in the CCEE as from November 2008, resulting in an additional disbursement for the Company, related to the expense on purchase of energy in the spot market on the CCEE, in the approximate amount of R\$572,427 (R\$506,742 on December 31, 2022). On November 9, 2008 the Company obtained an interim decision in the Regional Federal Appeal Court (*Tribunal Regional Federal*, or TRF), suspending the obligatory nature of the requirement to pay into court the amount that would have been owed under the Special Financial Settlement made by the CCEE and has classified the chance of loss as 'possible', since this action deals with

the General Agreement for the Energy Sector, in which the Company has the full documentation to support its arguments.

#### Dispute on billing of electricity

During 2022 one of the Company's clients opened arbitration proceedings requesting alterations to contractual clauses and questioning the application of certain taxes to the amounts of their energy bills. In September 2022 the Company received regular service of notice of a court decision granting an injunction ordering the Company to effect billing of the electricity supply contract according to the plaintiff's demand. After the arbitration proceedings had been opened and the parties heard, in January 2023 the Tribunal revoked the prior decision and re-established the system of billing according to the contract, and payment of the amounts that had not been billed due to the injunction initially granted to this client.

The arbitration proceeding continues, in which this client challenges the points set out above. If the arbitration decision accepts this client's request, the Company will have to restate the difference between the amounts contracted and the adjustments demanded, which at September 30, 2023 totaled R\$218,133 (R\$117,095 at December 31, 2022). Based on the opinion of its legal advisors, management has classified the chances of loss as 'possible'.

#### Other legal actions

The Company is involved, as plaintiff or defendant, in other lesser claims, related to the normal course of its operations. The amount of the obligation is approximately R\$233,056 (R\$159,994 at December 31, 2022), of which R\$2,067 has been provisioned (R\$9,890 at December 31, 2022). Management believes that it has appropriate defense for these actions and does not expect these issues to give rise to significant losses that could have an adverse effect on the Company's financial position or profit. The main subjects related to these contingencies concern: (i) disputes on alleged losses suffered as a result of supposed breach of contract at the time of provision of services of cleaning of power line pathways and firebreaks; and (ii) customer relations.

#### *Impact arising from construction of power plants*

The Public Attorneys' Office of Minas Gerais State has filed class actions requiring the formation of a Permanent Preservation Area (APP) around the reservoir of the *Capim Branco* hydroelectric plant, suspension of the effects of the environmental licenses, and recovery of alleged environmental damage. Based on the opinion of its legal advisers in relation to the changes that have been made in the new Forest Code and in the case law on this subject, the Company has classified the chance of loss in this dispute as 'possible'. The estimated value of the contingency is R\$146,523 (R\$136,795 on December 31, 2022).

Additionally, the Company is involved in environmental matters, relating to protected areas, environmental licenses, recovery of environmental damage, and other matters, in the amount of R\$90,843 (R\$96,235 on December 31, 2022). No provision has been made, since based on the opinion of its legal advisers management has classified the chance of loss as 'possible'.

#### *Renova: Application to override corporate identity*

A receivables investment fund filed an application for Override of Legal Identity (Incidente de Desconsideração da Personalidade Jurídica - IDPJ) in relation to certain companies of the Renova group, aiming to include some shareholders of Renova, including the Company and its parent company (Cemig), as defendants jointly and severally liable. The amount of the contingent liability is estimated in the amount of R\$114,690 (R\$102,760 on December 31, 2022).

### *Clearance of residential occupation under high-voltage lines*

The class action brought by the Public Attorneys of Minas Gerais State requests that the Company remove and resettle the inhabitants currently living within the limits of the safety zone of the high-voltage lines in the region. The amount of the contingent liability in dispute has been estimated at R\$99,943 on September 30, 2023.

## 22. EQUITY AND REMUNERATION TO SHAREHOLDERS

### a) Share capital

On September 30, 2023 the Company's issued and outstanding share capital is R\$5,473,724 (R\$5,473,724 on December 31, 2022), represented by 2,896,785,358 (2,896,785,358 on December 31, 2022) nominal common shares, fully subscribed, without nominal value, wholly owned by Cemig (Companhia Energética de Minas Gerais).

### b) Earnings basic and diluted per share

Earnings (per share has been calculated based on the weighted average number of the company's shares (it has only common shares) in each of the periods referred to, as follows:

	Jan to Sep, 2023	Jan to Sep, 2022	Jul to Sep, 2023	Jul to Sep, 2022
Number of shares (A)	2,896,785,358	2,896,785,358	2,896,785,358	2,896,785,358
Earnings for the period (B)	1,559,003	1,654,646	490,014	251,242
Earnings per share - Basic and diluted - in R\$ (B/A)	0.54	0.57	0.17	0.09

### c) Remuneration to shareholders

On March 16, 2023 the Board of Directors authorized the periodic declaration by the Executive Board of Interest on Equity, on account of the minimum mandatory dividend for the 2023 business year, at the limit permitted by the legislation and by the Company's by-laws.

Declaration	Amount	Income tax withholding (1)
March 22, 2023	163,256	(24,488)
June 20, 2023	164,096	(24,614)
September 19, 2023	160,686	(24,103)
	<b>488,038</b>	<b>(73,205)</b>

(1) Withholding of 15% income tax at source in accordance with current legislation.

## d) Equity valuation adjustments

The curtailment event that was recognized for the first quarter of 2023 affected the actuarial assumptions, in that it altered the discount rates applicable to the plans. Since the new discount rate was higher, there was a reduction of the liability, and as a result an actuarial gain of R\$12,890 for the health plan, and R\$193 for the dental plan.

## 23. NET REVENUE

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
Total revenue from supply of energy - with taxes (a) (1)	4,637,106	5,774,556	4,053,616	5,118,698
Transmission revenue (b)				
Transmission operation and maintenance revenue	554,187	540,262	555,800	542,946
Transmission construction revenue (Note 11) (2)	142,971	269,760	136,311	269,760
Interest revenue arising from the financing component in the transmission contract asset (Note 11)	394,424	434,779	388,617	414,391
Revenue from updating of the concession grant fee	314,676	352,585	71,119	-
Transactions on CCEE	32,015	136,773	20,204	118,907
Generation indemnity revenue (Note 10.1)	69,813	24,784	69,813	24,784
Other revenues	79,166	77,372	93,819	111,795
Sector / regulatory charges - Deductions from revenue (c)	(1,215,229)	(1,518,290)	(1,088,889)	(1,370,589)
	<b>5,009,129</b>	<b>6,092,581</b>	<b>4,300,410</b>	<b>5,230,692</b>

- (1) The lower figure is due to a lower volume of energy sold, mainly due to continuing transfers of the Energy Trading activity from Cemig GT to the holding company (Companhia Energética de Minas Gerais – CEMIG).
- (2) The variation in construction revenue reflects the amounts planned for the projects that are in the final phase of execution, resulting in lower amounts invested in 2023. Also, the new projects are at the initial phase, with disbursements associated with the stages of planning and decision, which have lower costs.

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
Total revenue from supply of energy - with taxes (a)	1,527,154	1,872,105	1,379,128	1,634,027
Transmission revenue (b)	-	-	-	-
Transmission operation and maintenance revenue	197,614	191,022	197,472	192,053
Transmission construction revenue	35,769	100,492	29,977	100,492
Interest revenue arising from the financing component in the transmission contract asset	114,364	41,635	111,497	38,818
Revenue from updating of the concession grant fee (c)	85,073	59,722	59,582	-
Transactions on CCEE (d)	372	95,918	312	95,191
Generation indemnity revenue	23,867	24,784	23,867	24,784
Other operating revenues	26,102	21,392	27,674	32,428
Sector / regulatory charges - Deductions from revenue (e)	(389,494)	(488,366)	(363,867)	(442,082)
	<b>1,620,821</b>	<b>1,918,704</b>	<b>1,465,642</b>	<b>1,675,711</b>

## (a) Revenue from energy supply

	Consolidated				Parent Company			
	Jan to Sep/2023		Jan to Sep/2022		Jan to Sep/2023		Jan to Sep/2022	
	MWh <sup>2</sup>	R\$	MWh <sup>2</sup>	R\$	MWh <sup>2</sup>	R\$	MWh <sup>2</sup>	R\$
Industrial	7,932,681	2,385,557	11,062,705	3,209,095	7,445,704	2,131,993	10,325,036	2,924,201
Commercial	2,933,751	761,423	3,120,427	792,985	2,789,823	724,932	3,116,128	791,149
Rural	12,658	3,731	12,454	3,631	12,658	3,731	12,454	3,631
<b>Subtotal</b>	<b>10,879,090</b>	<b>3,150,711</b>	<b>14,195,586</b>	<b>4,005,711</b>	<b>10,248,185</b>	<b>2,860,656</b>	<b>13,453,618</b>	<b>3,718,981</b>
Net unbilled retail supply	-	(58,794)	-	49,694	-	(78,761)	-	30,523
	<b>10,879,090</b>	<b>3,091,917</b>	<b>14,195,586</b>	<b>4,055,405</b>	<b>10,248,185</b>	<b>2,781,895</b>	<b>13,453,618</b>	<b>3,749,504</b>
Wholesale supply to other concession holders (1)	7,649,478	1,534,735	8,594,661	1,723,811	5,721,047	1,261,315	6,152,463	1,370,877
Wholesale supply unbilled, net	-	10,454	-	(4,660)	-	10,406	-	(1,683)
	<b>18,528,568</b>	<b>4,637,106</b>	<b>22,790,247</b>	<b>5,774,556</b>	<b>15,969,232</b>	<b>4,053,616</b>	<b>19,606,081</b>	<b>5,118,698</b>

	Consolidated				Parent Company			
	Jul to Sep/2023		Jul to Sep/2022		Jul to Sep/2023		Jul to Sep/2022	
	MWh <sup>2</sup>	R\$	MWh <sup>2</sup>	R\$	MWh <sup>2</sup>	R\$	MWh <sup>2</sup>	R\$
Industrial	2,325,940	702,716	3,627,964	1,094,518	2,211,835	632,998	3,372,782	980,355
Commercial	967,754	252,759	997,490	254,045	959,830	251,441	996,126	253,491
Rural	5,027	1,469	4,032	1,204	5,027	1,469	4,032	1,204
<b>Subtotal</b>	<b>3,298,721</b>	<b>956,944</b>	<b>4,629,486</b>	<b>1,349,767</b>	<b>3,176,692</b>	<b>885,908</b>	<b>4,372,940</b>	<b>1,235,050</b>
Net unbilled retail supply	-	22,133	-	(30,124)	-	21,883	-	(31,924)
	<b>3,298,721</b>	<b>979,077</b>	<b>4,629,486</b>	<b>1,319,643</b>	<b>3,176,692</b>	<b>907,791</b>	<b>4,372,940</b>	<b>1,203,126</b>
Wholesale supply to other concession holders (1)	2,500,000	495,239	2,859,640	535,183	2,107,389	451,448	2,052,761	420,100
Wholesale supply unbilled, net	-	52,838	-	17,279	-	19,889	-	10,801
	<b>5,798,721</b>	<b>1,527,154</b>	<b>7,489,126</b>	<b>1,872,105</b>	<b>5,284,081</b>	<b>1,379,128</b>	<b>6,425,701</b>	<b>1,634,027</b>

- (1) This revenue includes sales contracts in the Regulated Market to distribution companies, sales on the Free Market to traders and generation companies, 'bilateral contracts' with other agents, and the revenues from management of generation assets (GAG) for the 18 hydroelectric plants of Lot D of Auction no 12/2015.
- (2) Information not revised by independent auditors.

## (b) Transmission concession revenue

The margin defined for each performance obligation from the transmission concession contract is as follows:

	Consolidated			
	Jan to Sep/2023	Jan to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
Construction and upgrades revenue	142,971	269,760	35,769	100,492
Construction and upgrades costs	(100,604)	(197,998)	(26,587)	(72,112)
<b>Margin</b>	<b>42,367</b>	<b>71,762</b>	<b>9,182</b>	<b>28,380</b>
<b>Mark-up (%)</b>	<b>42.11%</b>	<b>36.24%</b>	<b>34.54%</b>	<b>39.36%</b>
Operation and maintenance revenue	554,187	540,262	197,614	191,022
Operation and maintenance cost	(218,042)	(194,543)	(77,401)	(57,830)
<b>Margin</b>	<b>336,145</b>	<b>345,061</b>	<b>120,213</b>	<b>133,192</b>
<b>Mark-up (%)</b>	<b>154.17%</b>	<b>176.77%</b>	<b>155.31%</b>	<b>230.32%</b>

### (c) Deductions on revenue

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>Taxes on revenue</b>				
ICMS tax	366,752	495,180	316,579	442,860
Cofins tax	426,036	525,757	380,468	467,257
PIS and Pasep taxes	92,530	114,139	82,601	101,444
ISS tax on services	3,009	3,190	2,516	3,063
	<b>888,327</b>	<b>1,138,266</b>	<b>782,164</b>	<b>1,014,624</b>
<b>Charges to the customer</b>				
Global Reversion Reserve (RGR)	8,958	9,812	7,048	8,695
Energy Development Account (CDE)	198,687	238,375	198,687	238,375
CDE on P&D	3,244	2,918	2,638	2,233
Proinfa	48,932	60,623	48,932	60,623
Research and Development (P&D)	7,789	7,152	6,155	5,210
National Scientific and Technological Development Fund (FNDCT)	11,033	10,070	8,792	7,443
Energy System Expansion Research (EPE)	5,516	5,035	4,396	3,721
Electricity Services Inspection Charge (TFSEE)	7,765	6,701	6,813	6,005
Royalties for use of water resources (CFURH)	34,978	39,338	23,264	23,660
	<b>326,902</b>	<b>380,024</b>	<b>306,725</b>	<b>355,965</b>
	<b>1,215,229</b>	<b>1,518,290</b>	<b>1,088,889</b>	<b>1,370,589</b>

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
<b>Taxes on revenue</b>				
ICMS tax	113,884	152,954	101,190	133,750
Cofins tax	136,929	165,724	129,116	149,496
PIS and Pasep taxes	29,767	35,978	28,031	32,457
ISS tax on services	858	1,315	658	1,272
	<b>281,438</b>	<b>355,971</b>	<b>258,995</b>	<b>316,975</b>
<b>Charges to the customer</b>				
Global Reversion Reserve (RGR)	2,675	2,686	2,030	2,616
Energy Development Account (CDE)	65,883	81,038	65,883	81,038
CDE on P&D	1,161	835	1,031	583
Proinfa	16,061	20,318	16,061	20,318
Research and Development (P&D)	2,804	2,074	2,405	1,361
National Scientific and Technological Development Fund (FNDCT)	3,965	2,909	3,435	1,945
Energy System Expansion Research (EPE)	1,982	1,454	1,718	972
Electricity Services Inspection Charge (TFSEE)	2,864	2,366	2,440	2,140
Royalties for use of water resources (CFURH)	10,661	18,715	9,869	14,134
	<b>108,056</b>	<b>132,395</b>	<b>104,872</b>	<b>125,107</b>
	<b>389,494</b>	<b>488,366</b>	<b>363,867</b>	<b>442,082</b>

## 24. COSTS AND EXPENSES

### a) Cost of energy

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>Energy purchase for resale</b>				
Spot market - CCEE	108,534	59,755	93,435	49,392
Acquired in free market	2,029,159	3,349,884	2,037,758	3,350,266
PIS/Pasep and Cofins credits	(197,676)	(313,581)	(196,735)	(312,718)
	<b>1,940,017</b>	<b>3,096,058</b>	<b>1,934,458</b>	<b>3,086,940</b>
<b>Charges for use of the national grid</b>				
Transmission charges - Basic network	184,487	165,546	164,235	134,790
Distribution charges	31,040	31,696	7,987	7,927
PIS/Pasep and Cofins credits	(18,131)	(16,198)	(15,895)	(13,128)
	<b>197,396</b>	<b>181,044</b>	<b>156,327</b>	<b>129,589</b>
<b>Total</b>	<b>2,137,413</b>	<b>3,277,102</b>	<b>2,090,785</b>	<b>3,216,529</b>

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
<b>Energy purchase for resale</b>				
Spot market - CCEE	43,826	13,054	36,545	5,759
Acquired in free market	588,468	1,369,996	591,952	1,374,769
PIS/Pasep and Cofins credits	(58,350)	(127,680)	(58,102)	(127,350)
	<b>573,944</b>	<b>1,255,370</b>	<b>570,395</b>	<b>1,253,178</b>
<b>Charges for use of the national grid</b>				
Transmission charges - Basic network	65,085	59,424	63,642	48,446
Distribution charges	11,307	9,446	4,097	2,143
PIS/Pasep and Cofins credits	(6,391)	(5,172)	(6,255)	(4,666)
	<b>70,001</b>	<b>63,698</b>	<b>61,484</b>	<b>45,923</b>
<b>Total</b>	<b>643,945</b>	<b>1,319,068</b>	<b>631,879</b>	<b>1,299,101</b>

### b) Transmission infrastructure construction cost

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
Personnel	8,471	9,178	8,470	9,178
Materials	56,411	137,396	56,411	137,396
Outsourced services	37,059	52,533	31,318	52,533
Other (recovery of expenses)	(1,337)	(1,109)	(1,874)	(1,109)
	<b>100,604</b>	<b>197,998</b>	<b>94,325</b>	<b>197,998</b>

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
Personnel	2,894	3,736	2,893	3,736
Materials	6,038	45,606	6,038	45,606
Outsourced services	18,819	22,817	13,409	22,817
Other (recovery of expenses)	(1,164)	(47)	(1,164)	(47)
	<b>26,587</b>	<b>72,112</b>	<b>21,176</b>	<b>72,112</b>

### c) Other operating costs and expenses

	Consolidated								Jan to Sep/2023	Jan to Sep/2022
	Operating costs		Expected credit losses of accounts receivable		General and administrative expenses		Other operating expenses (revenue)			
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022		
Personnel	199,640	203,455	-	-	43,279	47,345	-	-	242,919	250,800
Employee profit shares	-	-	-	-	-	778	28,762	28,345	28,762	29,123
Post-employment obligation(1)	-	-	-	-	-	-	81,236	98,565	81,236	98,565
Materials	13,281	14,167	-	-	1,245	2,493	-	-	14,526	16,660
Outsourced services	138,635	113,112	-	-	38,241	39,081	-	-	176,876	152,193
Depreciation and amortization (2)	241,728	240,539	-	-	329	6,304	-	(372)	242,057	246,471
Provisions	35,480	9,577	-	-	-	-	-	-	35,480	9,577
Expected credit losses	-	-	476	579	-	-	-	-	476	579
Reversal of provision for doubtful with related party – Renova (note 29)	-	-	-	-	-	-	-	(53,356)	-	(53,356)
Put option - SAAG	-	-	-	-	-	-	57,801	17,675	57,801	17,675
Impairment (3)	-	-	-	-	-	-	-	37,182	-	37,182
Adjustment to fair value of financial asset (4)	-	-	-	-	-	-	-	171,770	-	171,770
Other costs and expenses	10,977	13,773	-	-	9,458	2,209	11,767	18,015	32,202	33,997
Gain on disposal of investment (note 12)	-	-	-	-	-	-	(30,487)	(6,644)	(30,487)	(6,644)
	639,741	594,623	476	579	92,552	98,210	149,079	311,180	881,848	1,004,592

	Parent Company								Jan to Sep/2023	Jan to Sep/2022
	Operating costs		Expected credit losses of accounts receivable		General and administrative expenses		Other operating expenses (revenue)			
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022		
Personnel	188,679	185,670	-	-	43,279	47,345	-	-	231,958	233,015
Employee profit shares	-	-	-	-	-	605	28,566	28,025	28,566	28,630
Post-employment obligation (1)	-	-	-	-	-	-	81,236	98,565	81,236	98,565
Materials	8,733	7,889	-	-	1,245	2,493	-	-	9,978	10,382
Outsourced services	87,125	67,741	-	-	38,241	39,081	-	-	125,366	106,822
Depreciation and amortization (2)	187,882	184,211	-	-	329	6,304	-	-	188,211	190,515
Provisions	34,199	9,359	-	-	-	-	-	-	34,199	9,359
Expected credit losses	-	-	1,390	1,111	-	-	-	-	1,390	1,111
Reversal of provision for doubtful with related party – Renova (note 29)	-	-	-	-	-	-	-	(53,356)	-	(53,356)
Put option - SAAG	-	-	-	-	-	-	57,801	17,675	57,801	17,675
Impairment (3)	-	-	-	-	-	-	-	37,182	-	37,182
Adjustment to fair value of financial asset (4)	-	-	-	-	-	-	-	171,770	-	171,770
Other costs and expenses	5,691	8,918	-	-	9,457	2,656	8,403	17,345	23,551	28,919
Gain on disposal of investment (note 12)	-	-	-	-	-	-	(30,487)	(6,644)	(30,487)	(6,644)
	512,309	463,788	1,390	1,111	92,551	98,484	145,519	310,562	751,769	873,945

- (1) In 1Q23 an accounting gain of R\$20,823 was recognized for the remeasurement of post-employment liabilities, as a result of acceptance of the new Health Plan by part of the active employees. More details in Note 22.
- (2) Net of PIS/Pasep and Cofins taxes on the amortization of the right of use, in the amounts of R\$95 in the consolidated interim financial information, and R\$92 in the interim financial information of the parent company, from January to September of 2023 (these compare, respectively, to R\$81, and R\$79, for the same period of 2022).
- (3) In March 2022 the Company received an extrajudicial notification from its client White Martins, advising that the courts had granted its application for provisional remedy relating to alteration of the inflation index used to update prices from the IGP-M index to the IPCA index, and exclusion of amounts of ICMS tax from the basis for calculation of PIS and Cofins taxes. In accordance with CPC 48/IFRS 9 – Financial Instruments, an impairment was posted in 3Q22 for the difference

generated by the alterations referred to above, considering that receipt of the amount in question will now depend on the result of the arbitration, and not on the fact of its being a receivable from a client. The arbitration proceedings are ongoing. More details in Note 21 – Provisions: Dispute on billing of electricity.

(4) With the conclusion of the Valuation Opinion, the Company wrote off R\$171,770 from Financial assets in June 2022. More details in note n. 10.

	Consolidated								Jul to Sep/2023	Jul to Sep/2022
	Operating costs		Expected credit losses of accounts receivable		General and administrative expenses		Other operating expenses (revenue)			
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022		
Personnel	62,936	68,568	-	-	13,991	9,511	-	-	76,927	78,079
Employee profit shares	-	-	-	-	-	-	10,023	9,121	10,023	9,121
Post-employment obligation	-	-	-	-	-	-	35,704	34,599	35,704	34,599
Materials	5,914	5,206	-	-	429	725	-	-	6,343	5,931
Outsourced services	46,489	43,910	-	-	13,434	12,770	-	-	59,923	56,680
Depreciation and amortization (1)	80,709	80,745	-	-	121	1,915	-	(372)	80,830	82,288
Provisions	12,381	(18,643)	-	-	-	-	-	-	12,381	(18,643)
Expected credit losses	-	-	772	884	-	-	-	-	772	884
Put option - SAAG	-	-	-	-	-	-	-	(14,724)	-	(14,724)
Impairment (reversals) (2)	-	-	-	-	-	-	(45,791)	37,182	(45,791)	37,182
Other costs and expenses	3,876	4,215	-	-	3,415	(37)	8,322	8,202	15,613	12,380
	212,305	184,001	772	884	31,390	24,884	8,258	74,008	252,725	283,777

	Parent Company								Jul to Sep/2023	Jul to Sep/2022
	Operating costs		Expected credit losses of accounts receivable		General and administrative expenses		Other operating expenses (revenue)			
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022		
Personnel	59,639	62,719	-	-	13,991	9,512	-	-	73,630	72,231
Employee profit shares	-	-	-	-	-	1	10,181	9,049	10,181	9,050
Post-employment obligation	-	-	-	-	-	-	35,704	34,599	35,704	34,599
Materials	3,755	2,903	-	-	429	725	-	-	4,184	3,628
Outsourced services	34,509	25,689	-	-	13,434	12,770	-	-	47,943	38,459
Depreciation and amortization (1)	63,520	61,691	-	-	120	1,914	-	-	63,640	63,605
Provisions	12,627	(18,614)	-	-	-	-	-	-	12,627	(18,614)
Expected credit losses	-	-	980	983	-	-	-	-	980	983
Put option - SAAG	-	-	-	-	-	-	-	(14,724)	-	(14,724)
Impairment (reversals) (2)	-	-	-	-	-	-	(45,791)	37,182	(45,791)	37,182
Other operating costs and expenses	2,102	2,635	-	-	3,415	409	5,373	7,914	10,890	10,958
	176,152	137,023	980	983	31,389	25,331	5,467	74,020	213,988	237,357

(1) Net of PIS/Pasep and Cofins taxes on the amortization of the right of use, in the amounts of R\$31 in the consolidated interim financial information, and R\$30 in the interim financial information of the parent company, in 3Q23 (these compare, respectively, to R\$24, and R\$23, in 3Q22).

(2) With the sale of the PCHs/CGHs in the public auction held on August 10, 2023, there was, in 3Q23, the reversal of the impairment of the Cemig GT plants, in the amount of R\$45,791. More details in note n. 29.

(3) In March 2022 the Company received an extrajudicial notification from its client White Martins, advising that the courts had granted its application for provisional remedy relating to alteration of the inflation index used to update prices from the IGP-M index to the IPCA index, and exclusion of amounts of ICMS tax from the basis for calculation of PIS and Cofins taxes. In accordance with CPC 48/IFRS 9 – Financial instruments, an impairment was posted in 3Q22 for the difference generated by the alterations referred to above, considering that receipt of the amount in question will now depend on the result of the arbitration, and not on the fact of its being a receivable from a client. The arbitration proceedings are ongoing. More details in Note 21 – Provisions: Dispute on billing of electricity.

## 25. FINANCE INCOME AND EXPENSES

	Consolidated		Parent Company	
	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>FINANCE INCOME</b>				
Income from cash investments	144,379	137,453	79,950	82,217
Arrears fees on sale of energy	10,159	7,770	8,511	6,020
Monetary updating	83,489	36,968	82,688	36,460
Monetary updating on escrow deposits	8,518	9,268	8,359	9,198
FX variation from loans (Note 18)	158,859	173,900	158,859	173,900
Other finance income (1)	23,602	11,272	22,014	8,310
Pasep and Cofins taxes on financial revenues	(10,459)	(10,697)	(9,259)	(9,692)
	<b>418,547</b>	<b>365,934</b>	<b>351,122</b>	<b>306,413</b>
<b>DESPESAS FINANCEIRAS</b>				
Costs of loans and debentures (Note 18)	(406,850)	(411,830)	(406,850)	(411,830)
Amortization of transaction cost (Note 18)	(4,056)	(1,843)	(4,056)	(1,843)
Monetary updating – Forluz	(3,890)	(7,660)	(3,890)	(7,660)
Inflation adjustment - Loans and debentures (Note 18)	(11,012)	(3,060)	(11,012)	(3,060)
Monetary updating	(2,908)	(15,768)	(795)	(3,781)
Losses on financial instruments (Note 27)	(60,307)	(301,940)	(60,307)	(301,940)
Leasing - Monetary variation (Note 15)	(5,208)	(3,716)	(4,979)	(3,546)
Other finance expenses	(11,002)	(5,067)	(7,641)	(1,935)
	<b>(505,233)</b>	<b>(750,884)</b>	<b>(499,530)</b>	<b>(735,595)</b>
<b>NET FINANCE EXPENSES</b>	<b>(86,686)</b>	<b>(384,950)</b>	<b>(148,408)</b>	<b>(429,182)</b>

- (1) This includes inflation correction, in the amount of R\$14,203, on the court escrow deposits received by the Company as ordered in the arbitration proceedings. More details in note 21 – Provision: Dispute on billing of electricity.

	Consolidated		Parent Company	
	Jul to Sep/2023	Jul to Sep/2022	Jul to Sep/2023	Jul to Sep/2022
<b>FINANCE INCOME</b>				
Income from cash investments	44,224	60,093	24,406	36,099
Arrears fees on sale of energy	779	3,139	747	2,549
Monetary updating	32,098	15,325	31,786	14,880
Monetary updating on escrow deposits	3,094	4,414	3,028	4,402
Gains on financial instruments – swap	102,428	100,087	102,428	100,087
Other finance income	261	1,421	1,006	311
Pasep and Cofins taxes on financial revenues	(3,104)	(6,239)	(2,845)	(5,817)
	<b>179,780</b>	<b>178,240</b>	<b>160,556</b>	<b>152,511</b>
<b>DESPESAS FINANCEIRAS</b>				
Costs of loans and debentures	(136,253)	(149,379)	(136,253)	(149,379)
Amortization of transaction cost	(993)	(634)	(993)	(634)
Monetary updating - Forluz	(624)	(809)	(624)	(809)
Inflation adjustment - Loans and debentures	(2,487)	-	(2,487)	-
Monetary updating	(1,440)	(3,359)	(266)	631
FX variation from loans and financings	(142,451)	(168,600)	(142,451)	(168,600)
Leasing - Monetary variation	(1,886)	(1,253)	(1,806)	(1,200)
Other finance expenses	(913)	(1,281)	(181)	(1,085)
	<b>(287,047)</b>	<b>(325,315)</b>	<b>(285,061)</b>	<b>(321,076)</b>
<b>NET FINANCE EXPENSES</b>	<b>(107,267)</b>	<b>(147,075)</b>	<b>(124,505)</b>	<b>(168,565)</b>

## 26. RELATED PARTY TRANSACTIONS

The main principal balances and transactions with related parties are as follows (consolidated):

ENTITIES (1)	ASSETS		LIABILITIES		REVENUE		COSTS/EXPENSES	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022	Jan to Sep/2023	Jan to Sep/2022	Jan to Sep/2023	Jan to Sep/2022
<b>Transactions in energy (2)</b>								
Companhia Energética de Minas Gerais	-	-	-	-	-	-	(16,902)	-
Aliança Geração	-	-	8,097	7,201	685	-	(73,058)	(78,379)
Norte Energia	2,733	2,352	-	-	21,773	19,332	-	-
Paracambi	-	-	2,103	2,476	-	-	(20,886)	(25,711)
Hidrelétrica Pipoca	-	-	3,146	3,491	-	-	(37,173)	(35,259)
Taesa	-	24	1,348	1,335	219	206	(12,189)	(11,934)
Cemig Distribuição	30,486	27,733	1,219	2,790	242,395	220,252	(24,438)	(25,566)
<b>Connection charges</b>								
Cemig Distribuição (6)	13,157	11,049	-	-	77,951	63,893	-	-
<b>Cooperation Working Agreement (5)</b>								
Cemig Distribuição	203	2,565	-	-	134	431	-	-
Cemig	-	-	-	-	-	-	(2,101)	-
<b>Provision of service (4)</b>								
Aliança Geração	1,807	673	-	-	4,402	3,642	-	-
Taesa	373	125	-	-	1,135	941	-	-
<b>Other assets</b>								
FIP Melbourne (7)	255,918	160,644	-	-	-	-	-	-
<b>Contingencies</b>								
Aliança Geração (3)	-	-	57,169	54,905	-	-	(2,264)	(3,066)
<b>Interest on Equity, and dividends</b>								
Companhia Energética de Minas Gerais	-	-	1,079,062	1,406,958	-	-	-	-
Retiro Baixo	-	5,867	-	-	-	-	-	-
Baguari Energia	11,579	-	-	-	-	-	-	-
Hidrelétrica Pipoca	-	3,882	-	-	-	-	-	-
Hidrelétrica Cachoeirão	-	3,867	-	-	-	-	-	-
<b>FIC Pampulha</b>								
<b>Current</b>								
Cash and cash equivalents	273,205	227,884	-	-	-	-	-	-
Marketable securities	1,204,977	1,352,076	-	-	41,520	82,367	-	-
<b>Non-current</b>								
Marketable securities	-	5,105	-	-	-	-	-	-
<b>Forluz</b>								
<b>Current</b>								
Post-employment obligations (8)	-	-	40,273	44,936	-	-	(43,482)	(43,908)
Supplementary pension contributions - Defined contribution plan (9)	-	-	-	-	-	-	(15,280)	(15,278)
Administrative running costs (10)	-	-	-	-	-	-	(6,459)	(5,858)
Leasing (11)	-	-	5,430	5,418	-	-	(5,352)	(4,954)
<b>Non-current</b>								
Post-employment obligations (8)	-	-	421,566	424,124	-	-	-	-
Leasing (11)	37,710	38,838	38,190	38,323	-	-	-	-
<b>Cemig Saúde</b>								
<b>Current</b>								
Health Plan and Dental Plan (12)	-	-	48,087	46,243	-	-	(62,466)	(62,317)
<b>Non-current</b>								
Health Plan and Dental Plan (12)	-	-	673,965	681,143	-	-	-	-

The main conditions with reference to the related party transactions are:

- (1) The relationship between the Company and its investees are described in Note 12.
- (2) Transactions in energy between generators and distributors are made in auctions in the Regulated Market (ACR) organized by the federal government. The transactions in sale and purchase of energy between generators and distributors are made through auctions in the Regulated Market, organized by the federal government. In the Free Market they are carried out through auctions or by direct contracting, in accordance with applicable legislation. The transactions for transport of energy, are by transmission companies, arise from the centralized operation of the National Grid carried out by the National System Operator (ONS).
- (3) This refers to the aggregate amounts of legal actions realized and legal actions provisioned arising from the agreement made between Aliança Geração, Vale S.A. and Cemig. The action is provisioned in the amount of R\$146 million (R\$156 million at December 31, 2022), of which Cemig's portion is R\$51 million (R\$55 million on December, 31, 2022).
- (4) Refers to a contract to provide plant operation and maintenance services.

- (5) An Administrative and Human Resources Sharing Agreement between Cemig, Cemig Distribuição, Cemig Geração e Transmissão and other subsidiaries of the Group, consented to by Aneel Dispatch 3,208/2016. This principally includes reimbursement of expenses related to sharing of infrastructure, personnel, transport, telecoms and IT;
- (6) This refers to the Contract for Connection of Distribution Facilities to the Transmission System (CCT);
- (7) In January 2021, a final arbitration award was issued in favor of FIP Melbourne, and in August 2022 an agreement was reached between the parties to close the dispute, with the establishment of an updated compensation amount of R\$200 million, settled on September 12, 2022 (see note 12);
- (8) The contracts of Forluz are updated by the Expanded Consumer Price Index (*Índice Nacional de Preços ao Consumidor Amplo*, or IPCA) calculated by the Brazilian Geography and Statistics Institute (IBGE) plus interest of 6.00% p.a. and will be amortized until the business year of 2031 (more details in Note 20).
- (9) The Company's contributions to the pension fund for the employees participating in the Mixed Plan, and calculated on the monthly remuneration, in accordance with the regulations of the Fund.
- (10) Funds for annual current administrative costs of the Pension Fund in accordance with the specific legislation of the sector. The amounts are estimated as a percentage of the Company's payroll.
- (11) Rental of the Company's administrative head office, in effect until august 2024 (able to be extended every five years, until 2034, currently in final phase of renewal), with annual inflation adjustment by the IPCA index and price reviewed every 60 months in line with market prices. On September 19, 2023 the rental contract was adjusted upward by 4.61%, corresponding to accumulated IPCA inflation over the prior 12 months;
- (12) Post-employment obligations relating to the employees' health and dental plan (more details in Note 20).

## Dividends receivables

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
Sá Carvalho S.A.	-	-	691	691
Cemig Geração Três Marias S.A.	-	-	-	88,841
Cemig Geração Salto Grande S.A.	-	-	-	28,845
Cemig Geração Itutinga S.A.	-	-	21,423	-
Cemig Geração Camargos S.A.	-	-	21,180	-
Cemig Geração Sul S.A.	-	-	19,437	-
Cemig Geração Leste S.A.	-	-	18,804	-
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	-	-	1,627	-
Cemig Trading S.A.	-	-	2,460	479
Aliança Geração de Energia S.A.	56,884	126,634	56,884	126,634
Central Eólica Praias de Parajuru S.A	-	-	8,305	-
Others (1)	11,580	13,616	11,580	13,616
	<b>68,464</b>	<b>140,250</b>	<b>162,391</b>	<b>259,106</b>

(1) The subsidiaries grouped in 'Others' are identified in the table above under "Interest on Equity, and Dividends".

## Cash investments in the *FIC Pampulha* investment fund

The invests part of its cash balance in a reserved (group) investment fund, which has the characteristics of fixed income and obeys the Company's cash investment policy. The amounts invested by the fund are reported as cash and cash equivalent or marketable securities line in current and non-current assets.

The funds were allocated in public and private fixed income securities, subject only to credit risk, with various maturity periods, obeying the unit holders' cash flow needs.

## Remuneration of key management personnel

The total remuneration of key personnel comprising the Executive Board, the Fiscal Council, the Audit Committee and the Board of Directors are within the limits approved at a General Shareholders' Meeting, and the effects on the interim financial information of the period from January to September of 2023 and 2022, are as follows:

	Jan to Sep/2023	Jan to Sep/2022
Remuneration	3,424	2,873
Profit shares	473	686
Private pension	346	280
Health and dental plans	20	28
Life insurance	4	8
<b>Total (1)</b>	<b>4,267</b>	<b>3,875</b>

(1) The Company does not directly remunerate the members of the key management personnel, being remunerated by the controlling shareholder. The reimbursement of these expenses is carried out through an agreement for sharing human resources and infrastructure between Cemig, Cemig Distribuição, Cemig Geração e Transmissão and other subsidiaries of the Group, approved by Dispatch Aneel 3,208 / 2016.

## 27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### a) Financial instruments classification and fair value

The main financial instruments by the Company and its subsidiaries, are as follows:

	Level	September 30, 2023		December 31, 2022	
		Book value	Fair value	Book value	Fair value
<b>Financial assets</b>					
<b>Amortized cost</b>					
Marketable securities		730	730	186,753	186,753
Customers and traders concession holders (transmission service)		700,414	700,414	1,095,412	1,095,412
Restricted cash		13,912	13,912	14,488	14,488
Escrow deposits		177,734	177,734	174,461	174,461
Concession grant fee - Generation concessions		3,018,051	3,018,051	2,950,415	2,950,415
Accounts receivable - FIP Melbourne		255,918	255,918	160,643	160,643
		<b>4,166,759</b>	<b>4,166,759</b>	<b>4,582,172</b>	<b>4,582,172</b>
<b>Fair value through income or loss</b>					
Cash equivalents - Investments		526,518	526,518	287,207	287,207
Marketable securities					
Bank certificates of deposit (CDBs)	1	371,371	371,371	148,466	148,466
Financial notes (LF's) - Banks	2	563,143	563,143	702,838	702,838
Treasury financial notes (LFT's)	1	263,163	263,163	311,663	311,663
Debentures	2	7,300	7,300	7,744	7,744
		<b>1,731,495</b>	<b>1,731,495</b>	<b>1,457,918</b>	<b>1,457,918</b>
Derivative financial instruments	3	378,531	378,531	702,734	702,734
Indemnifiable receivable - Generation	3	761,273	761,273	691,460	691,460
		<b>1,139,804</b>	<b>1,139,804</b>	<b>1,394,194</b>	<b>1,394,194</b>
		<b>7,038,058</b>	<b>7,038,058</b>	<b>7,434,284</b>	<b>7,434,284</b>
<b>Financial Liabilities</b>					
<b>Amortized cost</b>					
Loans and debentures		(4,954,690)	(4,954,690)	(4,959,066)	(4,959,066)
Debt with pension fund (Forluz)		(30,193)	(30,193)	(56,892)	(56,892)
Deficit of pension fund (Forluz)		(120,066)	(120,066)	(123,843)	(123,843)
Concessions payable		(27,323)	(27,323)	(27,291)	(27,291)
Suppliers		(342,487)	(342,487)	(503,110)	(503,110)
Leasing		(82,291)	(82,291)	(62,367)	(62,367)
		<b>(5,557,050)</b>	<b>(5,557,050)</b>	<b>(5,732,569)</b>	<b>(5,732,569)</b>
<b>Fair value through income or loss</b>					
Derivative financial instruments	3	(41,742)	(41,742)	(90,526)	(90,526)
Put Option (SAAG)	3	-	-	(672,416)	(672,416)
		<b>(5,598,792)</b>	<b>(5,598,792)</b>	<b>(6,495,511)</b>	<b>(6,495,511)</b>

The Information applied in the fair value valuation techniques is classified in three levels of fair value hierarchy, as follows:

- **Level 1. Active market - Quoted prices:** A financial instrument is considered to be quoted in an active market if the prices quoted are promptly and regularly made available by an exchange or organized over-the-counter market, by operators, by brokers or by a market association, by entities whose purpose is to publish prices, or by regulatory agencies, and if those prices represent regular arm's length market transactions made without any preference.
- **Level 2. No active market - Valuation technique:** For an instrument that does not have an active market, fair value should be found by using a method of valuation/pricing. Criteria such as data on the current fair value of another instrument that is substantially similar, or discounted cash flow analysis or option pricing models, may be used. Level 2 is based on information that is observable, either directly or indirectly. The objective of the valuation technique is to establish what would be the transaction price on the measurement date in an arm's-length transaction motivated by business model.

- Level 3. No active market - Valuation techniques: Fair value is determined based on generally accepted valuation techniques, such as on discounted cash flow analysis or other valuation techniques such as, including non-observable data, such as the measurement at new replacement value (Valor novo de reposição, or VNR). Non-observable data should be used to measure fair value where significant observable data is not available, admitting situations in which there is little or no market activity at the measurement date. Non-observable data are developed using the best possible information available in the circumstances, which may include the entity's own data.

The fair value hierarchy prioritizes information (inputs) from valuation techniques, and not the valuation techniques used for measurement of fair value. In some cases information is used from different hierarchy levels in measurement of fair value, and this is classified entirely in the same level of the fair value hierarchy applicable to the significant information of a lower level. For assets and liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization.

Information about (i) methodology for calculation of fair value of positions; and (ii) derivative financial instruments can be found in Note 29 to the financial statements for the year ending December 31, 2022.

## b) Financial instruments

### Put SAAG option

#### Early liquidation of Funds, and early maturity of put option

The judgment of the arbitration tribunal was published on February 10, 2023, ordering Cemig GT to make full payment of the exercise price of the options contained in the contracts.

On May 8, 2023, a Transaction Agreement was signed between Cemig GT and the private pension funds ('the Funds') which participated in the investment structure of the Santo Antônio hydroelectric plant through SAAG (a structure comprising FIP Melbourne, Parma Participações S.A. and FIP Malbec – jointly, 'the Investment Structure').

The total value of the agreement was R\$780 million, which was settled by Cemig GT on May 12, 2023. An additional effect of R\$25 million, relating to the fair value of the liabilities up to the date of settlement, was posted in the second quarter of 2023.

The changes in the value of the options are as follows:

	Consolidated and Parent Company
Balance on December 31, 2022	672,416
Adjustment to fair value	57,801
Related assets (1)	50,131
Liquidation	(780,348)
Balance on September, 30, 2023	-

- (1) With the acquisition of the share units then held by the Funds in the Investment Structure, Cemig GT became the holder of the related assets, which have aggregate value of approximately R\$50 million. This amount is recognized in Other assets in the Statement of financial position.

## Swap transactions, currency options and NDF

Considering that part of the loans of the Company is denominated in foreign currency, the Company uses derivative financial instruments (swaps, currency options and NDF) to protect the servicing associated with these debts (principal and interest).

The derivative financial instruments contracted by the Company have the purpose of protecting the operations against the risks arising from foreign exchange variation and are not used for speculative purposes.

The 6-monthly interest on the swap was settled in June 2023, resulting in a negative item of R\$67,840, and cash outflow of the same amount (this compares to a negative amount of R\$35,505 in the first half of 2022, with a net cash outflow of the same amount). Also in June 2023, a part of the hedge was undone, in the amount of US\$368,890, resulting in a gain of R\$282,951, and net cash inflow of R\$240,508.

Assets	Liability	Maturity	Trade market	Notional amount	Realized gain (loss) Jan to Sep, 2023	Realized gain (loss) Jan to Sep, 2022
US\$ Exchange variation + Rate (9.25% p.y.)	R\$149.99% of CDI	Interest: half-yearly Principal: De. 2024	Over the counter	US\$120,000	106,848	206.154
US\$ Exchange variation + Rate (9.25% p.y.)	R\$125.54% of CDI	Interest: half-yearly Principal: De. 2024	Over the counter	US\$261,110	108,264	(16.143)
					<b>215,112</b>	<b>190,011</b>

The Company contracted, on April 13, 2023 and June 14, 2023, a short-term hedge against variation in the US dollar exchange rate for a volume of US\$392 million, locking in the exchange rate at R\$5.1110/US\$. The instrument contracted was a non-deliverable forward (NDF), without physical delivery of currency, guaranteeing the Company a pre-agreed rate at the moment of maturity, on December 5, 2023.

The notional amount of derivative transactions are not presented in the statement of financial position, since they refer to transactions that do not require cash as only the gains or losses actually incurred are recorded. The net result of those transactions on September 30, 2023 was a negative adjustment of R\$60,307 (negative adjustment of R\$301,940 on September 30, 2022), which was posted in finance income (expenses).

Cemig is guarantor of the derivative financial instruments contracted by the Company.

This table presents the derivative instruments contracted by the Company as of September 30, 2023 and December 31, 2022:

Assets	Liability	Maturity period	Trade market	Notional amount (2)	Carrying amount on September 30, 2023	Fair value on September 30, 2023	Carrying amount on December 31, 2022	Fair value on December 31, 2022
US\$ exchange variation + Rate (9.25% p.y.) (1)	R\$ + 149.99% of CDI	Interest: Half-yearly Principal: Dec, 2024	Over the counter	US\$120,000	205,231	154.684	428,134	272.846
US\$ exchange variation + Rate (9.25% p.y.) (1)	R\$ + 125.54% of CDI	Interest: Half-yearly Principal: Dec, 2024	Over the counter	US\$261,110	285,872	197.230	568,487	339.362
US\$ exchange variation higher R\$5.1110	US\$ Exchange variation lower R\$5,1110	December 5, 2023	Over the counter	US\$392,344	(40,552)	(15.125)	-	-
					<b>450,551</b>	<b>336,789</b>	<b>996,621</b>	<b>612,208</b>
<b>Non-current assets</b>						<b>378,531</b>		<b>702,734</b>
<b>Current liabilities</b>						<b>(41,742)</b>		<b>(90,526)</b>

(1) For the US\$1 billion Eurobond issued on December 2017: (i) for the principal, a call spread was contracted, with floor at R\$3.25/US\$ and ceiling at R\$5.00/US\$; and (ii) a swap was contracted for the total interest, for a coupon of 9.25% p.a. at an average rate equivalent to 150.49% of the CDI. For the additional US\$500 issuance of the same Eurobond issued on July 2018 a call spread was contracted for the principal, with floor at R\$3.85/US\$ and ceiling at R\$5.00/US\$, and a swap was contracted for the interest, resulting in a coupon of 9.25% p.a., with an average rate equivalent to 125.52% of the CDI rate. The upper limit for the exchange rate in the hedge instrument contracted by the Company for the principal of the Eurobonds is R\$5.00/US\$. The instrument matures in December 2024. If the USD/BRL exchange rate is still over R\$5.00 in December 2024, the company will disburse, on that date, the difference between the upper limit of the protection range and the spot dollar on that date. The Company is monitoring the possible risks and impacts associated with the dollar being valued above R\$5.00 and assessing various strategies for mitigating the foreign exchange risk up to the maturity date of the transaction. The hedge instrument fully protects the payment of six-monthly interest, independently of the USD/BRL exchange rate. This does not, however, protect the amount of Income tax withheld at source (Imposto de Renda Retida na Fonte - IRRF) on the payment of interest.

(2) In thousands of US\$.

In accordance with market practice, the Company uses a mark-to-market method to measure its derivatives financial instruments for its Eurobonds. The principal indicators for measuring the fair value of the swap are the B3 future market curves for the DI rate and the dollar. The Black & Scholes model is used to price the call spread, and one of parameters of which is the volatility of the dollar, measured on the basis of its historic record over 2 years.

The fair value on September 30, 2023 was R\$336,789 (R\$612,208 on December 31, 2022), which would be the reference if the Company would liquidate the financial instrument on September 30, 2023, but the swap contracts protect the Company's cash flow up to the maturity of the bonds in 2024 and they have carrying amount of R\$450,551 at September 30, 2023 (R\$996,621 on December 31, 2022).

The Company is exposed to market risk due to having contracted this hedge, the principal potential impact being a change in future interest rates and/or the future exchange rates. Based on the futures curves for interest rates and dollar, the Company prepare a sensitivity analysis and estimates that in a probable scenario, its results would be positively affected by the swap and call spread, on September 30, 2024, in the amount of R\$107,664. The fair value of the financial instrument was estimated in R\$444,453, with a positive amount of R\$450,287 refers to the option (call spread) and a negative amount of R\$5,834 refers to the swap.

Based on the base scenario observed at September 30, 2023, the Company measured the effects on its net income of the 'probable' and 'adverse' scenarios, in which the projections for interest rates and the US dollar exchange rate are high, simulating a scenario of economic stress.

The results are shown below:

Parent Company and Consolidated	Base scenario September 30, 2023	'Probable' scenario Selic 9.37% Dollar R\$4.96	'Adverse' scenario Selic 12.75% Dollar R\$6.00
Swap, asset	1,487,287	1,454,603	1,465,827
Swap, liability	(1,521,964)	(1,460,437)	(1,478,732)
Option / Call spread	386,591	450,287	501,290
NDF	(15,125)	-	-
Derivative hedge instrument	<b>336,789</b>	<b>444,453</b>	<b>488,385</b>

The same methods of measuring marked to market of the derivative financial instruments described above were applied to the estimation of fair value.

### c) Financial risk management

#### Exchange rate risk

For the debt denominated in foreign currency, the Company contracted a derivative financial instrument that protects the risks associated with the interest and principal, in the form of a swap and a call spread, respectively, in accordance with the hedge policy of the Company. The Company exposure to market risk associated to this instrument is described in the topic "Swap transaction" of this Note.

The Company is exposed to risk of increase in exchange rates, with effect on loans and cash flow.

Exposure to exchange rates	Consolidated and Parent Company			
	Sep. 30, 2023		Dec. 31, 2022	
	Foreign currency	R\$	Foreign currency	R\$
US dollar				
Loans (Note 18)	(782,395)	(3,917,920)	(761,824)	(3,974,971)
Net (liabilities) exposed		<b>(3,917,920)</b>		<b>(3,974,971)</b>

#### Sensitivity analysis

The Company estimates, based on finance information from its financial consultants, that in a probable scenario, on September 30, 2024 the exchange rates of foreign currencies in relation to the Real will be as follows: depreciation of the dollar exchange rate by 0.95%, to R\$4.96/US\$. The Company has made a sensitivity analysis of the effects on profit arising from depreciation of the Real exchange rate considering an adverse scenario.

Risk: Exposure to exchange rates	Sep. 30, 2023	Sep. 30, 2024	
	Book value	'Probable' scenario Dollar 4.96	'Adverse' scenario Dollar 5.97
US dollar			
Loans (Note 18)	(3,917,920)	(3,880,678)	(4,670,897)
Net liabilities exposed	(3,917,920)	(3,880,678)	(4,670,897)
Net effect of exchange rate variation		<b>37,242</b>	<b>(752,977)</b>

#### Interest rate risk

This risk arises from the effect of variations in Brazilian interest rates on the net financial result composed of financial expenses associated to loans and debentures in Brazilian currency, and also on financial revenues from cash investments made by the Company and its subsidiaries. The Company does not contract derivative financial instruments for protection from this risk. Variations in interest rates are continually monitored with the aim of assessing the need for contracting of financial instruments that mitigate this risk.

The Company and its subsidiaries were exposed to the risk of reduction in Brazilian interest rates, since it has assets indexed to variation in interest rates:

Exposure to Brazilian domestic interest rates	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Assets</b>				
Cash equivalents (Note 4) - CDI rate	526,518	287,207	452,759	190,733
Securities (Note 5) - CDI and Selic rates	1,205,707	1,357,464	885,850	791,344
Indemnities receivable - Generation (Note 10.1)- CDI and Selic rates	761,273	691,460	761,273	691,460
Restricted cash - CDI	13,912	14,488	5,959	6,405
	<b>2,507,410</b>	<b>2,350,619</b>	<b>2,105,841</b>	<b>1,679,942</b>
<b>Liabilities</b>				
Loans and debentures - CDI (Note 18)	(729,448)	(703,185)	(729,448)	(703,185)
	<b>(729,448)</b>	<b>(703,185)</b>	<b>(729,448)</b>	<b>(703,185)</b>
<b>Net assets exposed</b>	<b>1,777,962</b>	<b>1,647,434</b>	<b>1,376,393</b>	<b>976,757</b>

### Sensitivity analysis

The Company and its subsidiaries estimate that in a probable scenario, the Selic rate on September 30, 2024 will be 9.75%. The Company and its subsidiaries carried out a sensitivity analysis of the effects on results considering an adverse scenario. Variation in the CDI rate accompanies the variation in the Selic rate.

Risk: Reduction in Brazilian interest rates - Consolidated	Sep. 30, 2023	Sep. 30, 2024	
	Amount Book value	'Probable' scenario: Selic 9.75%	'Adverse' scenario Selic 8.50%
<b>Assets</b>			
Cash equivalents - Cash investments (Note 4)	526,518	577,854	571,272
Marketable securities (Note 5)	1,205,707	1,323,263	1,308,192
Indemnities receivable - Generation (Note 10.1)	761,273	835,497	825,981
Restricted cash	13,912	15,268	15,095
	<b>2,507,410</b>	<b>2,751,882</b>	<b>2,720,540</b>
<b>Liabilities</b>			
Loans and debentures - CDI (Note 18)	(729,448)	(800,569)	(791,451)
	<b>(729,448)</b>	<b>(800,569)</b>	<b>(791,451)</b>
<b>Net assets</b>	<b>1,777,962</b>	<b>1,951,313</b>	<b>1,929,089</b>
<b>Net effect of variation in interest rates</b>		<b>173,351</b>	<b>151,127</b>

### **Inflation risk**

The Company and its subsidiaries are exposed to the risk of reduction in inflation index on September 30, 2023. A portion of the loans and debentures as well as the pension fund liabilities are adjusted using the IPCA (Expanded National Customer Price). The revenues related to the contract are also adjusted using the IPCA and IGP-M index, mitigating part of the Company risk exposure.

The Company and its subsidiaries are exposed to risk of reduction of inflation, due to their having more assets than liabilities indexed to the variation of inflation indicators, as follows:

Exposure to inflation	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Assets</b>				
Generation - Concession grant fee - IPCA (Note 10)	3,018,051	2,950,415	2,244,851	-
<b>Liabilities</b>				
Loans and debentures - IPCA (Note 18)	(319,431)	(302,216)	(319,431)	(302,216)
Debt agreed with pension fund (Forluz) - (Note 20)	(30,193)	(56,892)	(30,193)	(56,892)
Solution for Forluz pension fund deficit (Note 20)	(120,066)	(123,843)	(120,066)	(123,843)
	<b>(469,690)</b>	<b>(482,951)</b>	<b>(469,690)</b>	<b>(482,951)</b>
<b>Net assets (liabilities) exposed</b>	<b>2,548,361</b>	<b>2,467,464</b>	<b>1,775,161</b>	<b>(482,951)</b>

## Sensitivity analysis

The Company and its subsidiaries estimate that in a probable scenario, the IPCA inflation index on September 30, 2024 will be 4.14%. For the risk of reduction in inflation they have made a sensitivity analysis of the effects on profit arising from reductions in rates in an adverse scenario.

Risk: reduction in inflation Consolidated	Sep. 30, 2023	Sep. 30, 2024	
	Book value	'Probable' scenario: IPCA 4.14%	'Adverse' scenario IPCA 3.10%
<b>Assets</b>			
Generation - Concession Grant Fee - IPCA (Note 10)	3,018,051	3,142,998	3,111,611
<b>Liabilities</b>			
Loans and debentures - IPCA (Note 18)	(319,431)	(332,655)	(329,333)
Debt agreed with pension fund (Forluz) (Note 20)	(30,193)	(31,443)	(31,129)
Solution for Forluz pension fund deficit (Note 20)	(120,066)	(125,037)	(123,788)
	<b>(469,690)</b>	<b>(489,135)</b>	<b>(484,250)</b>
<b>Net assets exposed</b>	<b>2,548,361</b>	<b>2,653,863</b>	<b>2,627,361</b>
<b>Net effect of variation in inflation</b>		<b>105,502</b>	<b>79,000</b>

## Liquidity risk

The information on how the Company manages liquidity risk is given in Note 29 to the financial statements for the year ended December 31, 2022.

The flow of payments of the Company's obligation to suppliers, debts with the pension fund, loans and debentures, at floating and fixed rates, including future interest up to contractual maturity dates, is as follows:

Consolidated	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Financial instruments at (interest rates):						
<b>Floating rates</b>						
Loans and debentures	-	267,856	264,947	4,992,778	345,974	5,871,555
Onerous concessions	358	705	2,905	12,597	15,904	32,469
Debt agreed with pension fund (Forluz)	3,439	6,919	21,135	-	-	31,493
Solution for deficit of pension fund (Forluz)	1,521	3,062	14,105	81,783	77,194	177,665
	<b>5,318</b>	<b>278,542</b>	<b>303,092</b>	<b>5,087,158</b>	<b>439,072</b>	<b>6,113,182</b>
<b>Fixed rate</b>						
Suppliers	326,318	16,169	-	-	-	342,487
	<b>331,636</b>	<b>294,711</b>	<b>303,092</b>	<b>5,087,158</b>	<b>439,072</b>	<b>6,455,669</b>

(\*) The lease payment flow is presented in note 15.

Parent Company	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Financial instruments at (interest rates):						
<b>Floating rates</b>						
Loans and debentures	-	267,856	264,947	4,992,778	345,974	5,871,555
Onerous concessions	358	705	2,905	12,597	15,904	32,469
Debt agreed with pension fund (Forluz)	3,439	6,919	21,135	-	-	31,493
Solution for deficit of pension fund (Forluz)	1,521	3,062	14,105	81,783	77,194	177,665
	<b>5,318</b>	<b>278,542</b>	<b>303,092</b>	<b>5,087,158</b>	<b>439,072</b>	<b>6,113,182</b>
<b>Fixed rate</b>						
Suppliers	304,673	13,691	-	-	-	318,364
	<b>309,991</b>	<b>292,233</b>	<b>303,092</b>	<b>5,087,158</b>	<b>439,072</b>	<b>6,431,546</b>

(\*) The lease payment flow is presented in note 15.

## Risk of debt early maturity

The Company has loans and debentures contracts with covenants relating to financial index of the Company and its parent company, and cross-default clauses. Non-compliance with these covenants could result in earlier maturity of debts. More details in Note 18.

## Credit Risk and hydrological risk

The information on how the Company manages credit and hidrological risk is given in Note 29 to the financial statements for the year ended December 31, 2021.

## d) Capital management

The comparisons of the Company's consolidated net liabilities and its equity are as follows:

	Consolidated		Parent Company	
	Sep. 30, 2023	Dec. 31, 2022	Sep. 30, 2023	Dec. 31, 2022
<b>Total liabilities</b>	<b>9,894,803</b>	<b>11,096,184</b>	<b>9,696,953</b>	<b>10,644,364</b>
Cash and cash equivalents (Note 4)	(530,682)	(292,980)	(453,820)	(194,482)
Marketable securities (Note 5)	(1,205,707)	(1,352,359)	(885,850)	(788,368)
<b>Net liabilities</b>	<b>8,158,414</b>	<b>9,450,845</b>	<b>8,357,283</b>	<b>9,661,514</b>
<b>Total equity</b>	<b>9,972,410</b>	<b>8,892,810</b>	<b>9,972,410</b>	<b>8,892,810</b>
<b>Net liabilities / equity</b>	<b>0.82</b>	<b>1.06</b>	<b>0.84</b>	<b>1.09</b>

## 28. OPERATING SEGMENTS

The detailed information on the operational segments is given in Note 5 to the financial statements for the year ended December 31, 2022.

INFORMATION BY SEGMENT AS OF AND FOR THE PERIOD FROM JANUARY TO SEPTEMBER, 2023								
ACCOUNT/DESCRIPTION	ENERGY			INVESTEES	TOTAL	INTER SEGMENT TRANSACTION S (1)	RECONCILIATION (2) (3)	TOTAL
	GENERATION	TRANSMISSION	TRADING					
NET REVENUE	1,934,688	779,505	3,240,610	-	5,954,803	(898,319)	(47,355)	5,009,129
COST OF ENERGY	(15,579)	(227)	(3,035,184)	-	(3,050,990)	898,319	15,258	(2,137,413)
<b>COSTS AND EXPENSES (3)</b>								
Personnel	(108,012)	(98,893)	(20,557)	(15,457)	(242,919)	-	-	(242,919)
Employees' and managers' profit sharing	(12,264)	(12,104)	(2,512)	(1,882)	(28,762)	-	-	(28,762)
Post-employment obligations	(41,664)	(25,747)	(5,900)	(7,925)	(81,236)	-	-	(81,236)
Materials, outsourced services and other expenses (revenues)	(160,749)	(72,168)	(13,314)	20,691	(225,540)	-	32,423	(193,117)
Depreciation and amortization	(242,043)	(3)	(11)	-	(242,057)	-	-	(242,057)
Operating provisions (reversals)	(21,479)	(9,127)	(1,354)	(61,797)	(93,757)	-	-	(93,757)
Construction costs	-	(100,604)	-	-	(100,604)	-	-	(100,604)
<b>Total cost of operation</b>	<b>(586,211)</b>	<b>(318,646)</b>	<b>(43,648)</b>	<b>(66,370)</b>	<b>(1,014,875)</b>	<b>-</b>	<b>32,423</b>	<b>(982,452)</b>
<b>COSTS AND EXPENSES</b>	<b>(601,790)</b>	<b>(318,873)</b>	<b>(3,078,832)</b>	<b>(66,370)</b>	<b>(4,065,865)</b>	<b>898,319</b>	<b>47,681</b>	<b>(3,119,865)</b>
Equity in earnings of unconsolidated investees, net	326	-	-	107,391	107,717	-	(326)	107,391
<b>OPERATING RESULT BEFORE FINANCE AND TAX RESULT</b>	<b>1,333,224</b>	<b>460,632</b>	<b>161,778</b>	<b>41,021</b>	<b>1,996,655</b>	<b>-</b>	<b>-</b>	<b>1,996,655</b>
Finance income and expenses, net	(6,405)	(39,027)	53,716	(94,970)	(86,686)	-	-	(86,686)
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX</b>	<b>1,326,819</b>	<b>421,605</b>	<b>215,494</b>	<b>(53,949)</b>	<b>1,909,969</b>	<b>-</b>	<b>-</b>	<b>1,909,969</b>
Income tax and social contribution tax	(274,430)	(84,563)	(64,281)	72,308	(350,966)	-	-	(350,966)
<b>NET INCOME FOR THE PERIOD</b>	<b>1,052,389</b>	<b>337,042</b>	<b>151,213</b>	<b>18,359</b>	<b>1,559,003</b>	<b>-</b>	<b>-</b>	<b>1,559,003</b>

- (1) The only inter-segment transactions between generation and trading segment, as explained above.
- (2) The reconciliation between the published amounts for the segments and the accounting information on revenue and costs indicates the transactions between the consolidated companies (eliminations).
- (3) The information on costs and expenses separated by type is segregated in accordance with the internal business model, which has immaterial differences in relation to the accounting information.

INFORMATION BY SEGMENT AS OF AND FOR THE PERIOD FROM JANUARY TO SEPTEMBER, 2022								
ACCOUNT/DESCRIPTION	ENERGY			INVESTE	TOTAL	INTER SEGMENT TRANSACTIONS (1)	RECONCILIATION (2) (3)	TOTAL
	GENERATION	TRANSMISSION	TRADING					
NET REVENUE	2,003,331	855,092	4,394,956	-	7,253,379	(1,113,667)	(47,131)	6,092,581
COST OF ENERGY	(232,401)	(204)	(4,166,586)	-	(4,399,191)	1,113,667	8,422	(3,277,102)
<b>COSTS AND EXPENSES (3)</b>								
Personnel	(114,944)	(95,231)	(18,178)	(22,447)	(250,800)	-	-	(250,800)
Employees' and managers' profit sharing	(12,450)	(11,735)	(2,214)	(2,724)	(29,123)	-	-	(29,123)
Post-employment obligations	(50,243)	(31,371)	(7,178)	(9,773)	(98,565)	-	-	(98,565)
Materials, outsourced services and others expenses (revenues)	(320,139)	(55,241)	(9,464)	(28,485)	(413,329)	-	38,709	(374,620)
Depreciation and amortization	(246,459)	(2)	(10)	-	(246,471)	-	-	(246,471)
Operating provisions (reversals)	(7,136)	(963)	(40,634)	37,076	(11,657)	-	-	(11,657)
Construction costs	-	(197,998)	-	-	(197,998)	-	-	(197,998)
<b>Total cost of operation</b>	<b>(751,371)</b>	<b>(392,541)</b>	<b>(77,678)</b>	<b>(26,353)</b>	<b>(1,247,943)</b>	<b>-</b>	<b>38,709</b>	<b>(1,209,234)</b>
<b>COSTS AND EXPENSES</b>	<b>(983,772)</b>	<b>(392,745)</b>	<b>(4,244,264)</b>	<b>(26,353)</b>	<b>(5,647,134)</b>	<b>1,113,667</b>	<b>47,131</b>	<b>(4,486,336)</b>
Equity in earnings of unconsolidated investees, net	251	-	15	448,872	449,138	-	-	449,138
Gains arising from the sale of non-current asset held for sale	-	-	-	6,644	6,644	-	-	6,644
<b>OPERATING INCOME BEFORE FINANCE INCOME (EXPENSES)</b>	<b>1,019,810</b>	<b>462,347</b>	<b>150,707</b>	<b>429,163</b>	<b>2,062,027</b>	<b>-</b>	<b>-</b>	<b>2,062,027</b>
Finance income	(124,589)	(80,248)	21,199	(201,312)	(384,950)	-	-	(384,950)
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX</b>	<b>895,221</b>	<b>382,099</b>	<b>171,906</b>	<b>227,851</b>	<b>1,677,077</b>	<b>-</b>	<b>-</b>	<b>1,677,077</b>
Income tax and social contribution tax	(265,339)	(118,873)	(37,544)	399,325	(22,431)	-	-	(22,431)
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<b>629,882</b>	<b>263,226</b>	<b>134,362</b>	<b>627,176</b>	<b>1,654,646</b>	<b>-</b>	<b>-</b>	<b>1,654,646</b>

- (1) The only inter-segment transactions between generation and trading segment, as explained above.
- (2) The reconciliation between the published amounts for the segments and the accounting information on revenue and costs indicates the transactions between the consolidated companies (eliminations).
- (3) The information on costs and expenses separated by type is segregated in accordance with the internal business model, which has immaterial differences in relation to the accounting information.

The information for assets by segment is not presented, because this is not part of the information made available to the main manager of the operations.

## 29. ASSETS CLASSIFIED AS HELD FOR SALE

	Consolidated	Parent Company
Jointly controlled entities Retiro Baixo	190,547	190,547
Jointly controlled entities Baguari Energia	159,878	159,878
PCHs/ CGHs	59,997	-
	<b>408,422</b>	<b>396,272</b>

### Process of sale of 15 PCHs/CGHs

On March 17, 2023 the invitation and tender were published for a public auction to sell 15 small hydroelectric generation plants and units (PCHs and CGHs), 12 owned by Cemig GT and 3 by its wholly-owned subsidiary Horizontes.

Generation plant	Ledger	Beginning of the operation	Installed capacity (MW) <sup>1</sup>	Physical guarantee (MWm) <sup>1</sup>	Commercial Operation Status	Site
<b>Cemig GT</b>						
CGH Bom Jesus do Galho	Registry	1931	0.36	0.13	Out of operation	Minas Gerais
CGH Xicão	Registry	1942	1.81	0.61	In operation	Minas Gerais
CGH Sumidouro	Registry	1954	2.12	0.53	In operation	Minas Gerais
PCH São Bernardo	Concession	1948	6.82	3.42	In operation	Minas Gerais
CGH Santa Marta	Registry	1944	1.00	0.58	In operation	Minas Gerais
CGH Santa Luzia	Registry	1958	0.70	N/A	In operation	Minas Gerais
				Geração: 0.28		
CGH Salto Morais	Registry	1957	2.39	0.60	In operation	Minas Gerais
PCH Rio de Pedras	Concession	1928	9.28	2.15	In operation	Minas Gerais
CGH Pissarrão	Registry	1925	0.80	0.55	In operation	Minas Gerais
CGH Lages	Registry	1955	0.68	N/A	In operation	Minas Gerais
				Geração: 0.32		
CGH Jacutinga	Registry	1948	0.72	0.57	In operation	Minas Gerais
CGH Anil	Registry	1964	2.06	1.10	In operation	Minas Gerais
<b>Horizontes</b>						
CGH Salto do Paraopeba	Authorization	1955	2.46	2.21	Out of operation	Minas Gerais
CGH Salto Passo Velho	Authorization	2001	1.80	1.64	In operation	Santa Catarina
PCH Salto Voltão	Authorization	2001	8.20	7.36	In operation	Santa Catarina
<b>Total</b>			<b>41.20</b>	<b>22.05</b>		

(1) Information not revised by the independent auditors.

Thus, in March 2023 the assets were transferred to Current assets held for sale, in accordance with the terms of CPC 31 / IFRS 5, as follows:

Plant	Net book value Fixed assets and Intangible assets	Assets held for sale
<b>Cemig GT (1)</b>	<b>46,126</b>	<b>-</b>
CGH Bom Jesus do Galho	110	-
CGH Xicão	8,188	-
CGH Sumidouro	1,906	-
PCH São Bernardo	6,367	-
CGH Santa Marta	249	-
CGH Santa Luzia	995	-
CGH Salto Morais	798	-
PCH Rio de Pedras	21,943	-
CGH Pissarrão	1,423	-
CGH Lages	948	-
CGH Jacutinga	1,485	-
CGH Anil	1,713	-
<b>Horizontes (2)</b>	<b>7,212</b>	<b>7,212</b>
CGH Salto do Paraopeba	-	-
CGH Salto Passo Velho	2,479	2,479
PCH Salto Voltão	4,733	4,733
<b>Total</b>	<b>53,338</b>	<b>7,212</b>

(1) The assets were measured as the lower of (i) book value and (ii) recoverable value. Value in use was estimated as cash flow to the stockholder, discounted by the IPCA inflation index plus a rate varying between 5% and 10%, over the period of the contract of each of the plants. For the Cemig GT plants, in 1Q23 the

Company recognized a provision for impairment, of R\$46,126. This loss was reversed in 3Q22 following the result of the auction. There is more information below in this note.

- (2) The plants of Horizontes were recognized in Assets held for sale at their book value of R\$7,212, in accordance with item 15 of CPC 31, and no effects on net profit were recognized. Additionally, the total of Assets held for sale was increased by R\$4,938, corresponding to works in progress on modernization of the Salto Voltão Small Hydroelectric Plant.

It was concluded that that the assets classified as held for sale do not qualify within the concept of discontinued operations, under Item 32 of CPC 31/ IFRS 5, since they do not represent a significant separate line of business or geographical area of operations, nor do they constitute a subsidiary acquired exclusively for the purpose of resale.

On August 10, 2023, the Company held a public auction for the sale of these assets as a single lot. The winning bid was R\$100.5 million, representing a premium of 108.6% to the minimum price of R\$48.2 million.

Cemig GT and its wholly owned subsidiary Horizontes signed the sale agreement with the winning bidder, Mang Participações e Agropecuaria Ltda. ('Mang'), on September 13, 2023.

Closing of the transaction is subject to compliance with the usual suspensive conditions, specified in the sale agreement, which include obtaining the approval and consent of Aneel and Cade.

This disposal aims to comply with the directives of the Company's strategic planning, in optimizing its portfolio of assets, seeking to improve operational efficiency and allocation of capital.

#### **Signature of share purchase agreement for disposal of Retiro Baixo and Baguari Energia by Cemig GT**

##### Operation one

Share purchase agreements were signed on April 14, 2023 for sale to Furnas Centrais Elétricas of the Company's entire stockholding interests in the jointly-controlled subsidiaries Retiro Baixo and Baguari Energia, as follows:

- (i) for R\$200.4 million, the 49.9% equity interest held by the Company in Retiro Baixo, which operates the Retiro Baixo Hydroelectric Plant, in Minas Gerais, with installed capacity of 81.1 MW, and assured energy (physical offtake guarantee) of 34.8 MW.
- (ii) for R\$393 million, the Company's indirectly held interest of 34% in the Baguari Consortium, which operates the UHE Baguari hydroelectric plant, in Minas Gerais, with installed generation capacity of 140 MW and assured energy (physical offtake guarantee) of 81.9 MW, representing 69.39% of the share capital of Baguari Energia.

In April 2023 the assets were classified as held for sale, at book value, in accordance with Item 15 of CPC 31 / IFRS 5, thus having no effect on net profit.

Assets classified as held for sale	Book value April 30, 2023	Fair value net of selling expenses
Baguari Energia	159,878	199,772
Retiro Baixo	190,547	392,475
<b>Total</b>	<b>350,425</b>	<b>592,247</b>

It was concluded that that the assets classified as held for sale do not qualify within the concept of discontinued operations, under Item 32 of CPC 31/ IFRS 5, since they do not represent a

significant separate line of business or geographical area of operations, nor do they constitute a subsidiary acquired exclusively for the purpose of resale.

#### ■ Conclusion of the sale of Baguari Energia

On October 6, 2023, the Company concluded the sale to Furnas Centrais Elétricas of its entire holding, of 69.39%, in the share capital of Baguari Energia, which represents an indirect interest of 34% in the Baguari Consortium.

The value of the transaction was R\$432.8 million, comprising: the amount of R\$393 million agreed in the share purchase agreement, plus updating at 100% of the CDI rate since December 31, 2022. Of this total, the amount of R\$11.6 million was deducted for the dividend received on October 3, 2023. Thus, the amount received on the closing date of the transaction was R\$421.2 million.

As a result of conclusion of the transaction, the Company recognized the following accounting effects, in October 2023:

Interest held by Cemig GT	69.39%
Total sale price	421,222
Value of the assets held for sale on September 30, 2023	159,878
<b>Capital gain on the share transaction (1)</b>	<b>261,344</b>
Taxable capital gain (net of sales expenses) (2)	248,457
Income tax and Social Contribution tax (2)	(84,475)
<b>Capital gain net of taxes</b>	<b>163,982</b>

(1) The effects of the disposal will be reported in the net profit for the operational segment of Equity holdings, in the Financial Statements for 2023.

(2) Sales expenses totaled R\$519 and its refers to accounting, tax and legal due diligence services, and legal advice.

#### ■ Sale of Retiro Baixo

On October 9, 2023 Aneel approved the transfer of stockholding control. Closing of the transaction is pending approval and consent of the BNDES.

This transaction is in line with the Company's strategic planning, which envisages divestment of minority stockholdings in the Cemig Group.

#### Transaction 2

On May 30, 2023, a share purchase agreement was signed for acquisition of 100% of the shares in Baguari I Geração de Energia Elétrica S.A., a company controlled by Neoenergia S.A., for R\$ 453.9 million, formalizing the right of first refusal exercised by Baguari Energia.

Baguari Energia and Baguari I respectively hold interests of 49% and 51% in Consórcio UHE Baguari (– the Baguari Hydroelectric Plant Consortium).

With the conclusion of Transaction 1, Cemig GT will no longer hold any equity in Baguari Energia and thus have no participation in the Consórcio UHE Baguari. Thus, payment for the purchase of Baguari I by Baguari Energia will be entirely an obligation of Furnas. As a result, Transaction 2 will have no effect on Cemig GT.

Completion of these transactions is subject to compliance with certain conditions precedent that are usual in this type of transaction.

### 30. PARLIAMENTARY COMMITTEE OF INQUIRY ('CPI')

On June 17, 2021, the Legislative Assembly of Minas Gerais has established a Parliamentary Committee of Inquiry ('CPI') to investigate management acts of Cemig since January 2019. CPI was entitled to investigate the facts underlying the application for its creation, and requested, through application, several documents and information related, mainly, human resources management and purchasing processes which were fully met by the Company within the stipulated deadlines.

On February 18, 2022 the CPI approved its final report, to be submitted to the Public Attorneys' Office of Minas Gerais State, and other control bodies, for assessment of what further referrals of it should be made.

In August 2023, the prosecutors of the Public Attorneys' Office of Minas Gerais decided to set aside the Public Civil Inquiries that were investigating events referred to in the CPI. The decisions stated that all acts of Cemig's management were regular. The only matter pending is conclusion of the investigation by the Minas Gerais Civil Police in relation to the IBM contract.

It should be noted that regarding processes of contracting, the Company carries out regular audits, and no material impacts have been identified in the interim accounting information for period from January to September of 2023, nor in the financial statements of prior periods.

In August 2023, the Public Attorneys' Office of Minas Gerais decided to set aside part of the Public Civil Inquiries that were investigating events mentioned in the CPI referred to above, with no further consequences for the Company.

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**Reynaldo Passanezi Filho**  
Chief Executive Officer

**Dimas Costa**  
Chief Trading Officer

**Leonardo George de Magalhães**  
Chief Finance and Investor Relations  
Officer

**Paulo Mota Henriques**  
Chief Generation and Transmission  
Officer

**Marco da Camino Ancona Lopez  
Soligo**  
Chief Officer for Management of  
Holdings

**Marney Tadeu Antunes**  
Interim Director without portfolio

**Cristiana Maria Fortini Pinto e Silva**  
Chief Regulation and Legal

**Mário Lúcio Braga**  
Controller  
CRC-MG-47,822

**José Guilherme Grigolli Martins**  
Accounting Manager  
Accountant - CRC-1SP/242451-O4



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## ***Report on Review of interim Financial Information – ITR (Free Translation)***

To the Board Directors and Shareholders of  
**Companhia Energética de Minas Gerais - CEMIG**  
Campinas - SP

### ***Introduction***

We have reviewed the individual and consolidated interim financial information of Companhia Energética de Minas Gerais - CEMIG (“the Company”), included in the Quarterly Information Form (ITR), for the quarter ended September 30, 2023, which comprises the statement of financial position as of September 30, 2023 and the respective statements of income, and other comprehensive income for the three and nine-months periods then ended, and changes in shareholders’ equity and cash flows for the nine-month period then ended, comprising explanatory footnotes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with CPC 21(R1) and International Standard IAS 34 - Interim Financial Reporting, issued by International Accounting Standards Board – (IASB), and for presentation of these interim financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on these interim financial information based on our review.

### ***Scope of review***

We conducted our review in accordance with the Brazilian and International Standards on Review Engagements (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial 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 Auditing 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 individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, applicable to the preparation of the Quarterly Information - ITR and presented in accordance with the rules issued by the Brazilian Securities and Exchange Commission - CVM.

### **Emphasis of matter**

#### *Risks related to compliance with laws and regulations*

As mentioned in notes 13 and 31 to the individual and consolidated interim financial information, there are investigations being conducted by public authorities regarding the Company, its subsidiaries and the investee Norte Energia S.A., which involve the investee and their executives and other shareholders of this investee. We are currently unable to foresee future developments or potential impacts of these investigations conducted by public authorities in the interim financial statements. Our conclusion is not modified in respect of this matter.

### **Other matters**

#### **Statements of Value Added**

The quarterly information referred to above include the individual and consolidated statements of value added (DVA) for the nine-month period ended September 30, 2023, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures followed together with the review of the Company's interim financial information, in order to form our conclusion whether they are reconciled to the interim financial information and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the statements of value added were not prepared, in all material respects, in accordance with the criteria set on that Standard and consistently with the individual and consolidated interim financial information taken as a whole.

Belo Horizonte, November 09, 2023

KPMG Auditores Independentes Ltda.

CRC SP-014428/O-6 F-MG

*Free-translation – Original version issued in Portuguese<sup>1</sup>*

Thiago Rodrigues de Oliveira

Contador CRC 1SP259468/O-7

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1. <sup>1</sup> A free translation from Portuguese into English of Independent Auditor's Review Report on Quarterly Information prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board – IASB

## **DIRECTORS' STATEMENT OF REVIEW OF THE INTERIM FINANCIAL INFORMATION**

We hereby state, for the due purposes, under the responsibility of our positions, that in meeting of the Executive Board of Companhia Energética de Minas Gerais - Cemig, Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., held on November 7, 2023, we approved the conclusion of the Company's Interim Financial Information for the period from January to September 2023; In the same date, we approved the submission to the Board of Directors, for decision of the Interim Financial Information for the period from January to September 2023. Further, we declare that we have reviewed, discussed and agree with the said Interim Financial Information.

Belo Horizonte, November 7, 2023.

Reynaldo Passanezi Filho - Chief Executive Officer

Dimas Costa - Chief Trading Officer

Leonardo George de Magalhães - Chief Finance and Investor Relations Officer

Marco da Camino Ancona Lopes Soligo - Chief Officer Cemigpar

Marney Thadeu Antunes - Chief Distribution and Sales Officer

## **DIRECTORS' STATEMENT OF REVIEW OF THE REPORT BY THE EXTERNAL AUDITORS ON THE INTERIM FINANCIAL INFORMATION**

We hereby state, for the due purposes, under the responsibility of our positions, that in meeting of the Executive Board of Companhia Energética de Minas Gerais - Cemig, Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., held on November 7, 2023, we approved the conclusion of the Company's Interim Financial Information for the period from January to September 2023; In the same date, we approved the submission to the Board of Directors, for decision of the Interim Financial Information for the period from January to September 2023. Further, we declare that we have reviewed, discussed and agree with the opinions expressed by the representatives of the Independent External Auditors.

Belo Horizonte, November 7, 2023.

Reynaldo Passanezi Filho - Chief Executive Officer

Dimas Costa - Chief Trading Officer

Leonardo George de Magalhães - Chief Finance and Investor Relations Officer

Marco da Camino Ancona Lopes Soligo - Chief Officer Cemigpar

Marney Thadeu Antunes - Chief Distribution and Sales Officer