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**INTERIM FINANCIAL
INFORMATION**

1Q24

CEMIG

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FINANCIAL RESULTS

(In thousands of Brazilian Reais, except where otherwise stated)
 (The financial results information was not reviewed by the independent auditors)

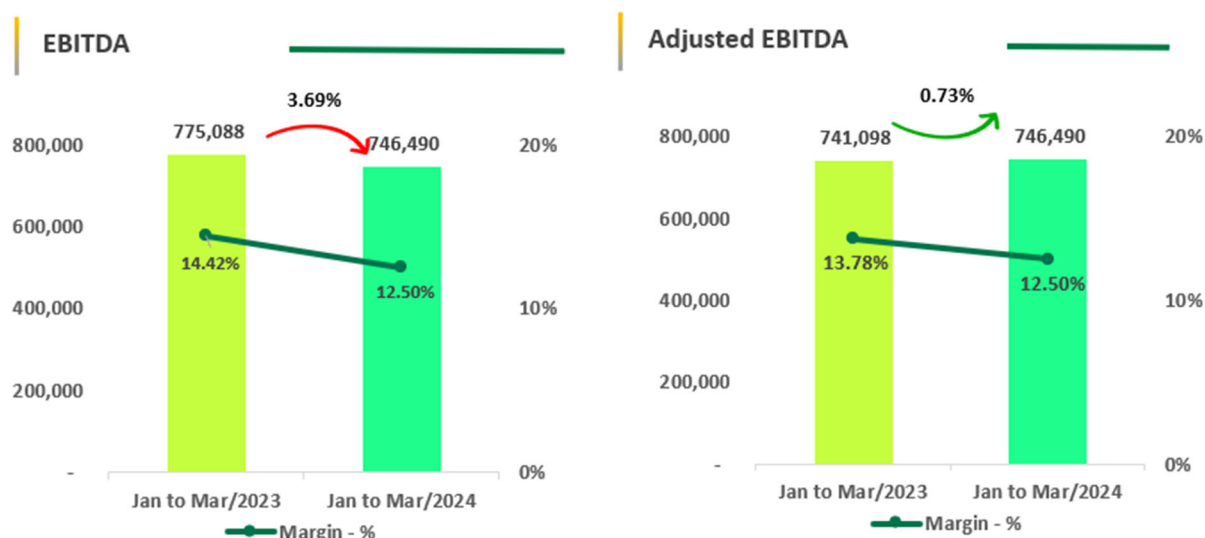
Net income for the quarter

Cemig Distribuição presented, in the first quarter of 2024, net income of R\$322,338 compared to net income of R\$369,530 in the same period of 2023. The main variations in the comparison of the results of the three months of 2023 and 2022 are presented below:

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

EBITDA	Note	Jan to Mar/2024	Jan to Mar/2023	Changes %
Net income for the year		322,338	369,530	(12.77)
+/- Income tax and Social Contribution tax	8c	99,173	118,970	(16.64)
+/- Net financial revenue (expenses)	26	108,780	92,348	17.79
+ Depreciation and amortization	25c	216,199	194,240	11.31
= Ebitda (1)		746,490	775,088	(3.69)
Post-employment - Health Plan (Cemig Saúde)	21	-	(33,990)	-
= Adjusted EBITDA (2)		746,490	741,098	0.73

- (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. 156/2022. 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) The Company adjusts the Ebitda calculated in accordance with CVM Resolution 156/2022 by excluding the items that, by their nature, do not contribute to the information on the potential gross cash generation since they are extraordinary.

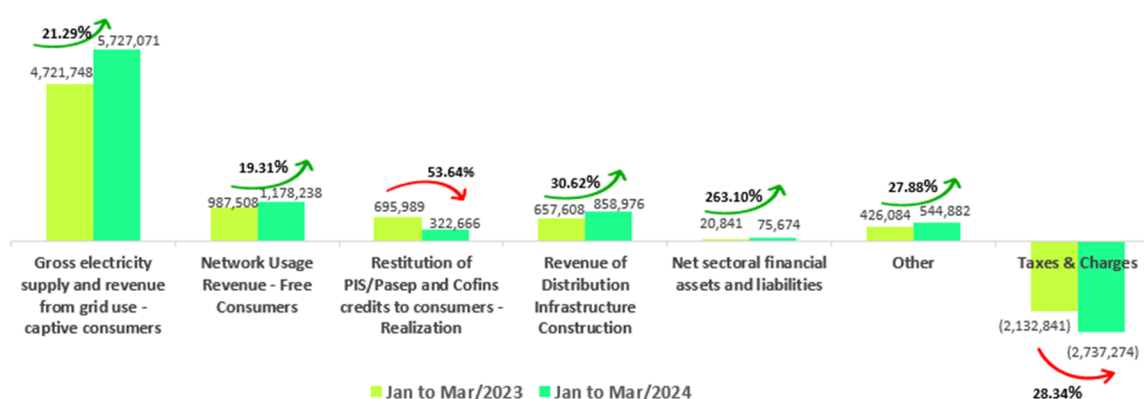


Net revenue

The composition of the Company's revenue is as follows:

	Jan to Mar/2024	Jan to Mar/2023
Revenue from supply of energy - captive customers, in Cemig's concession area	5,727,071	4,721,748
Reimbursement of PIS/Pasep and Cofins over ICMS credits to customers- realization	322,666	695,989
Revenue from use of the energy distribution systems (TUSD) - free customers	1,178,238	987,508
Sectoral financial assets and liabilities, net	75,674	20,841
Distribution construction revenue	858,976	657,608
PIS/Pasep and Cofins credits to be refunded to consumers	30,951	30,844
Adjustment to expectation from reimbursement of distribution concession financial assets	(45,927)	(38,469)
Fine for violation of service continuity indicator	-	(3,766)
Mechanism for the sale of surplus	559,858	437,475
Other operating revenues	(2,737,274)	(2,132,841)
	5,970,233	5,376,937

Net revenue (R\$ Million)



Revenue from supply of energy - captive customers, in Cemig's concession area

Revenue from supply of electricity was R\$5,727,071 in 1Q24, or 21.29% higher than in 1Q23 (R\$4,721,748). The main factors affecting revenue in the quarter were:

	Jan to Mar/2024			Jan to Mar/2023			Changes (%)	
	MWh(1)	R\$	Average Price Billed (R\$/MWh) (2)	MWh	R\$	Average MWh Price Billed (R\$/MWh) (2)	MWh	R\$
Residential	3,250,170	3,126,497	961,95	2,984,825	2,394,793	802,32	8.89	30.55
Industrial	275,264	280,060	1,017,42	334,141	267,124	799,43	(17.62)	4.84
Commercial, services and others	1,076,142	1,318,467	1,225,18	1,113,679	1,186,640	1,065,51	(3.37)	11.11
Rural	600,086	528,042	879,94	517,361	390,205	754,22	15.99	35.32
Public authorities	252,541	223,285	884,15	223,654	164,544	735,71	12.92	35.70
Public lighting	248,003	130,982	528,15	269,516	116,991	434,08	(7.98)	11.96
Public services	219,441	185,343	844,61	272,353	164,251	603,08	(19.43)	12.84
Subtotal	5,921,647	5,792,676	978,22	5,715,529	4,684,548	819,62	3.61	23.65
Own consumption	8,188	-	-	7,545	-	-	8.52	-
Wholesale supply to other concession holders (3)	-	17,603	-	-	40,467	-	-	-
Wholesale supply unbilled, net	-	(83,208)	-	-	(3,267)	-	-	-
Total	5,929,835	5,727,071	-	5,723,074	4,721,748	-	3.61	21.29

(1) Data not reviewed by independent auditors.

(2) Calculation of the average price excludes: Revenue related to the Company's own consumption, supply to other concession holders, and supply not yet invoiced.

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

The main changes in supply of electricity are as follows:

Residential

The amount of residential energy invoiced increased by 30.55% in the first quarter of 2024 compared to the same period in 2023. The main factors are:

- I) an increase of 3.10% in the number of customers;
- II) average monthly consumption per consumer 5.60% higher, at 131.9 kWh/month in the first quarter of 2023 compared to 139.2 kWh/month in the same period in 2024;
- III) higher temperatures; and,
- IV) action by the Company for recovery of losses.

Industrial

The volume of energy billed to *industrial* consumers was 4.84% higher year-on-year, reflecting 5.8% growth YoY in 1Q24 in the industrial sector in Minas Gerais.

Rural

Even with the reduction in the number of consumer units, consumption by the *rural* category of consumers increased by 16.4% YoY in 1Q24. This reflected a significant increase in consumption related to irrigation, due to the scarcity of rainfall in December 2023 and January 2024, affecting consumption in January and February of 2024.

Revenue from use of the network - Free Consumers

This is the revenue from charging Free Consumers the Tariff for Use of the Distribution System (*Tarifa de Uso do Sistema de Distribuição*, or TUSD) on the volume of energy distributed. In 1Q24 this revenue was R\$1,178,238, 19.31% higher than in 1Q23 (R\$987,508).

The difference is mainly due to the change in application of the ICMS tax: Complementary Law 194/2022 removed two items - charges for transmission and distribution - from the calculation base for ICMS; but in February 2023, Decree 45572/2023 re-included these charges into the basis for calculation of the tax. Also, the volume of energy transported in 1Q23 was 5.1% higher than in 1Q22.

	MWh(1)		
	Jan to Mar/2024	Jan to Mar/2023	Changes %
Industrial	5,299,342	5,122,930	3.44
Commercial	581,198	498,671	16.55
Rural	14,706	10,699	37.45
Public services	124,589	104,622	19.08
Public authorities	1,052	753	39.71
Concessionaire	76,189	64,686	17.78
Total energy transported	6,097,076	5,802,361	5.08

(1) Data not reviewed by independent auditors.

CVA and Other financial components in tariff adjustments

Cemig D recognizes in its interim financial information the positive or negative variations between actual non-controllable costs and the costs that are used in calculating rates charged to customers. These balances represent the amounts that should be reimbursed to the customers or passed on to Cemig D in the next tariff adjustments of Cemig D.

In the first quarter of 2024, revenue of R\$75,674 was recognized, compared to revenue of R\$20,841 in the same period in 2023. This variation is mainly due to the increase in costs with charges for use of the Basic Grid and energy purchased for resale.

See more information in note 11b of this interim financial information.

Reimbursement to consumers, of credits of PIS, Pasep and Cofins taxes - Amount realized

The Company posted an adjustment to revenue for realization of the reimbursement to consumers of credits of PIS, Pasep and Cofins taxes, in the amount of R\$322,666 in 1Q24, compared to R\$695,989 in 1Q23. This return of amounts of revenue arises from the tariff charged by Cemig having already previously taken into account the discount on the amounts that are being returned to consumers for the credits of PIS, Pasep and Cofins taxes. See more details in Note 17 of this interim financial information.

Construction revenue

The revenue posted for construction of assets related to electricity distribution infrastructure was R\$858,976 in the first quarter of 2024, compared to R\$657,608 in the same period of 2023, an increase of 30.62%. This increase basically reflects greater execution of the Company's investment plan compared to the previous period, among which we highlight realization of a large volume of works on services to clients, due to heating of the market, especially in agribusiness, and the rise in the prices of the inputs for works (materials and services). This revenue is fully offset by Construction costs, of the same amount, and corresponds to the Company's investments in assets of the concession.

Taxes and charges reported as deductions from revenue

Sector charges and other deductions on revenue, including taxes, totaled R\$2,737,274 in the first quarter of 2024, compared to R\$2,132,841 in the same period of 2023, an increase of 28.34%. This variation arises substantially from the variation in the ICMS tax calculation base between the two periods - for all consumer categories - as already mentioned.

Operating costs and expenses (excluding financial income/expenses)

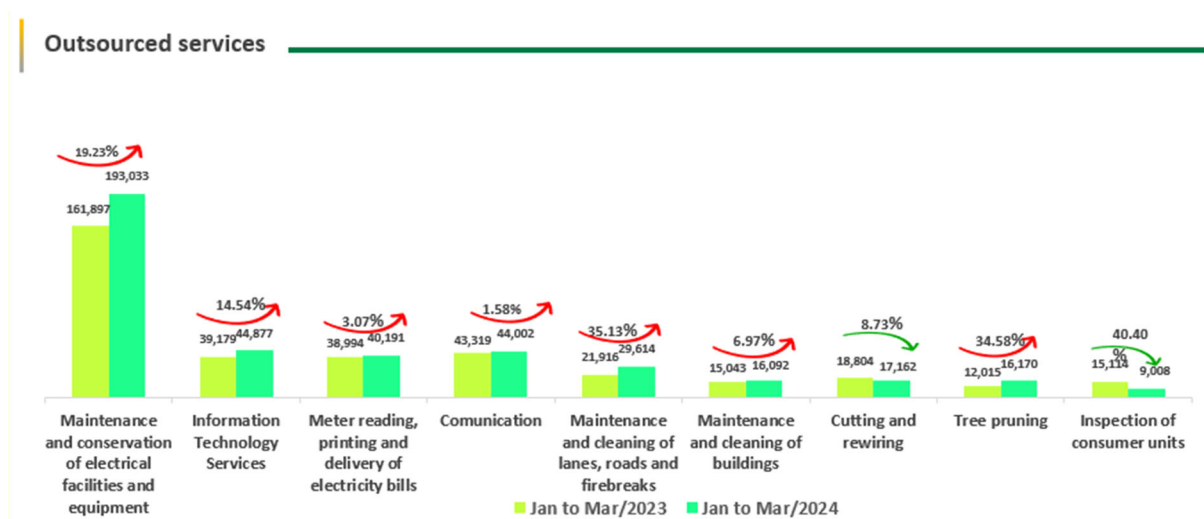
Operational costs and expenses in 1Q24 totaled R\$5,439,942, or 13.42% higher than in 1Q23 (R\$4,796,089).

The main variations in elements of this total are as described below: There is more information on the breakdown of Operational costs and expenses in Note 24 of this interim financial information.

Post-employment obligations

The impact of the Company's post-retirement obligations on operational profit in 1Q24 was an expense of R\$96,053, compared to an expense of R\$73,266 in 1Q23. This is mainly due to the effects of Cost of past service on the result, in the first quarter of 2023, due to the voluntary adherence of active employees to the new health plan, the Premium Plan, offered by the Company. (See more details in Note 20).

Outsourced services

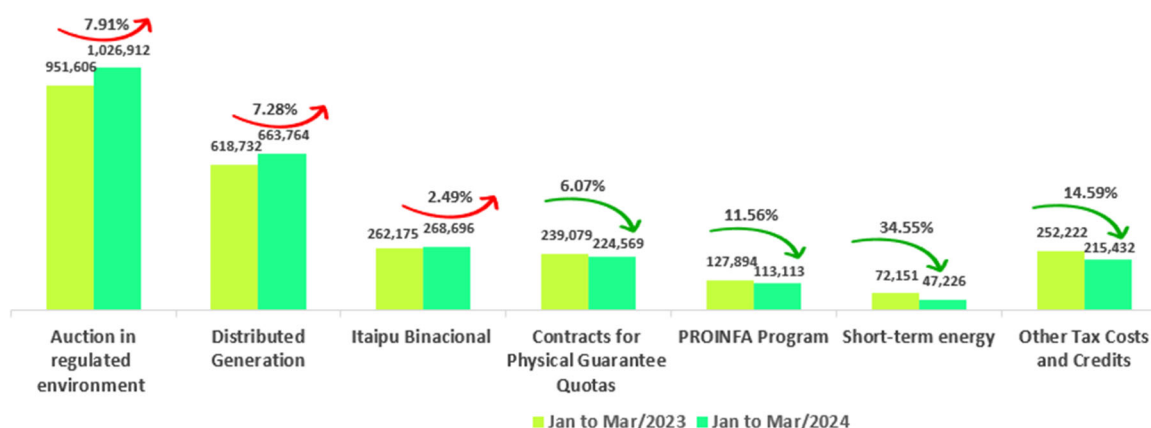


The expense on outsourced services in 1Q24 was R\$445,590, 11.05% higher than in 1Q23 (R\$401,236). The main factors were:

- Expenses on maintenance and conservation of electrical facilities and equipment 19.23% higher, at R\$193,033 in 1Q24, compared to R\$161,897 in 1Q23. This mainly reflects an increase of approximately 9.2% in the total value of the services contracted, and a higher number of emergency service calls carried out.
- The cost of conservation and cleaning of power line pathways, roads and firebreaks was 35.13% higher, at R\$29,614, in 1Q24, compared to R\$21,916 in 1Q23, and expenditure on tree pruning was 34.58% higher, at R\$16,170 2024, than in 1Q23 (R\$12,015). Both figures mainly reflect a higher volume of services carried out in 2024. Cemig D started the year with the expected mobilization of teams, and brought works schedules forward, aiming for a positive impact in terms of compliance with the regulatory threshold for DEC (average outage duration).
- Expenses on inspection of consumer units were 40.40% lower, at R\$9,008 in 1Q24, compared to R\$15,114 in 1Q23. This mainly reflects a smaller number of inspections carried out in the first quarter of 2024, but the planning for 2024 is to make a number of inspections close to that carried out in 2023.

Energy bought for resale

Energy bought for resale (R\$ Million)



The expense on energy purchased for resale in 1Q24 was R\$2,399,373, or 3.25% less than in 1Q23 (R\$2,323,814). The main factors here were:

- The cost of energy acquired in Regulated Market auctions was 7.91% higher, at R\$1,026.912 in 1Q24, compared to R\$951,606 in 1Q23 - reflecting: (i) the annual adjustments to contracts, by the IPCA inflation index; and (ii) entry of new contracts.
- The total cost of supply from distributed generation was 7.28% higher, at R\$663,764 in 1Q24, compared to R\$618,732 in 1Q23. This higher figure reflects: (i) the higher number of generation units installed (260,700 at end-1Q24, compared to 214,926 at end-March 2023); and (ii) the higher volume of energy injected into the grid (1,438 GWh in 1Q24, compared to 997 GWh in 1Q23).
- The cost of *Proinfa* supply in 1Q24, at R\$113,113, was 11.56% lower than in 1Q23 (R\$127,894), mainly due to wind speeds throughout Brazil's Northeast being far lower than in previous periods, with an impact on wind generation by several enterprises.
- Costs under physical quota guarantee contracts were 6.07% lower, at R\$224,569 in 1Q24, compared to R\$239,079 in 1Q23. This mainly reflected the seasonality of energy allocation as determined by the regulator, Aneel.

This is a non-manageable cost: the difference between the amounts used as a reference for calculation of tariffs and the costs actually incurred is compensated for in the subsequent tariff adjustment. For more details please see Note 24a of this interim financial information.

Charges for use of the transmission network and other system charges

Charges for use of the electricity system totaled R\$875,363 in 1Q24, compared to R\$729,462 in 1Q23, a year-on-year increase of 20%.

These charges are payable by energy distribution and generation agents for use of the facilities that are components of the national grid as well as the electric system. The amounts to be paid and/or received by the Company are set by a Resolution from the Regulator (Aneel).

The variation is mainly justified by the greater need for thermal dispatches in 2024 due to high temperatures, as well as the entry into operation of the reserve energy contracts resulting from the 2021 Simplified Competitive Procedure (PCS), with a consequent increase in reserve energy charges in the first quarter of 2024.

This is a non-manageable cost: the difference between the amounts used as a reference for calculation of tariffs and the costs actually incurred is compensated for in the subsequent tariff adjustment. More details see note 11b of this interim financial information.

Provisions

Operational provisions in 1Q24 were R\$191,393, compared to R\$66,653 in 1Q23. The main factors in the difference were:

- Provisions for employment-law contingencies were 88.89% higher year-on-year: net new provisions of R\$24,896 were made in 1Q24, compared to net new provisions of R\$13,173 made in 1Q23. These are mainly provisions for actions disputing differences in wage levels; the calculations resulting from them; and overtime pay.
- Provisions for third-party contingencies were 223.32% higher year-on-year: net new provisions of R\$46,648 were made in 1Q24, compared to net new provisions of R\$14,428 in 1Q23. The difference is mainly from one decision given against the Company in litigation on a power supply contract.
- Total provisions for client default at the end of 1Q24 were R\$72,978 - compared to provisions of R\$8,081 made in 1Q23. This reflects the reduction in total provisions, in August 2022, due to the alteration, in that month, of the time limit for 100% recognition of unpaid receivables from 12 to 24 months, to give a more precise reflection of the actual estimates of losses expected on overdue client bills. This change took effect over 12 months, including the first quarter of 2023.

Net finance revenue (expenses)

Cemig D reports net financial expenses in 1Q24 of R\$108,780. This compares with net financial expenses of R\$92,348 in 1Q23. The most significant variations in components of Net financial revenue (expenses) between the two years were:

- A lower net gain on monetary updating of the balances of the CVA account, and of the *Other financial components* element, in the tariff calculation: in 1Q24 this was a gain

(financial revenue item) of R\$1,790, compared to a gain of R\$26,610 in 1Q23. This variation is basically due to a lower balance of items updated by the Selic rate, during 1Q24, compared to the balance of the same items in 1Q23.

- Revenue from late payment fees on customer electricity bills was 18.26% higher in 1Q24, at R\$72,904, compared to R\$61,649 in 1Q23. This particularly reflects the higher average ticket of total electricity bills as a result of re-inclusion of transmission and distribution charges in the basis for calculation of ICMS tax, in February 2023 (Decree 45,572/2023).
- The net financial expense on updating of the tax credits for PIS, Pasep and Cofins taxes (which resulted from exclusion of ICMS tax from the basis for their calculation) at R\$20,590 in 1Q24, was 42.38% lower than in 1Q23 (R\$35,736).
- Borrowing costs on loans and financings were 51.11% higher, at R\$105,638 in 1Q24, compared to R\$69,906 in 1Q23. This increase mainly reflects the Tenth Debenture Issue, placed in March 2024. The difference also reflects the lower monetary updating on the liability relating to the amounts repaid to consumers for overpaid PIS, Pasep and Cofins taxes, as determined by Aneel in the periodic tariff review of May 2023.
- Lower net monetary updating on loans and debentures: an expense of R\$49,859 in 1Q24, compared to an expense of R\$65,428 in 1Q23. This is mainly due to the different values of the IPCA inflation index (the main indexor used for updating the Company's debts) in the two periods - it was 1.42% in 1Q24, compared to 2.09% in 1Q23.

For a breakdown of financial revenues and expenses see Note 25 of this interim financial information.

Income tax and Social Contribution tax

In 1Q24 the expense on income tax and the Social Contribution tax was R\$99,173, on pre-tax profit (profit before income tax and Social Contribution) of R\$421,511. In 1Q23, the expense on income tax and the Social Contribution tax was R\$118,970, on pre-tax profit of R\$488,500.

These effective rates are reconciled with the nominal tax rates in Note 8d of this interim financial information.

Liquidity and capital resources

Our business is capital-intensive. Historically, we have a need for capital to finance the expansion and modernization of the existing distribution facilities.

INTERIM FINANCIAL INFORMATION

STATEMENTS OF FINANCIAL POSITION AS OF MARCH 31, 2024 AND DECEMBER 31, 2023 ASSETS

(In thousands of Brazilian Reais)

	Note	Mar. 31, 2024	Dec. 31, 2023
CURRENT			
Cash and cash equivalents	4	1,234,159	447,967
Marketable securities	5	428,738	2,781
Receivables from customers, traders and concession holders	6	3,438,201	3,545,064
Concession holders - Transport of energy	6	401,347	374,362
Recoverable taxes	7	447,589	550,472
Income tax and social contribution tax recoverable	8a	19,684	-
Public lighting contribution		266,291	260,730
Concession sector assets	11b	600,389	493,934
Other assets		478,176	510,773
TOTAL CURRENT		7,314,574	6,186,083
NON-CURRENT			
Marketable Securities	5	6,383	-
Deferred Income tax and social contribution tax	8c	1,860,060	1,884,164
Recoverable taxes	7	699,100	698,446
Income tax and social contribution tax recoverable	8a	36,150	113,122
Escrow deposits	9	673,459	662,233
Concession holders - Transport of energy	6	38,617	38,817
Other assets		16,883	16,648
Concession sector assets	11b	282,649	311,637
Financial assets related to infrastructure	11a	2,032,893	1,881,509
Contract assets	12	3,625,058	3,430,870
Intangible assets	13	12,432,335	12,099,390
Leasing - right of use assets	15	250,585	259,647
TOTAL NON-CURRENT		21,954,172	21,396,483
TOTAL ASSETS		29,268,746	27,582,566

The Explanatory Notes are an integral part of the interim financial information.

STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2024 AND DECEMBER 31, 2023
LIABILITIES

(In thousands of Brazilian Reais)

	Note	Mar. 31, 2024	Dec. 31, 2023
CURRENT			
Loans and debentures	18	595,102	639,713
Suppliers	16	1,868,797	2,024,449
Taxes payable	17	274,936	268,455
Income tax and social contribution	8b	-	80,888
Payroll and related charges		151,802	153,285
Regulatory charges payable	19	342,749	373,039
Employee and management profit-sharing		120,007	95,134
Post-employment obligations	20	198,431	231,390
Public lighting contribution		419,030	424,713
Accounts payable related to energy generated by residential consumers		781,661	704,653
Interest on equity, and dividends, payable		1,636,891	1,499,524
Amounts to be refunded to consumers	17	530,986	853,652
Leasing liabilities	15	50,196	56,294
Other liabilities		488,117	354,578
TOTAL CURRENT		7,458,705	7,759,767
NON-CURRENT			
Debentures	18	6,936,646	5,247,909
Provisions	21	1,533,167	1,480,183
Post-employment obligations	20	3,418,295	3,379,693
Regulatory charges payable	19	104,341	81,147
Amounts to be refunded to consumers	17	524,799	501,159
Leasing - obligations	15	229,577	230,235
Other liabilities		19,262	19,248
TOTAL NON-CURRENT		12,766,087	10,939,574
TOTAL LIABILITIES		20,224,792	18,699,341
EQUITY			
Share capital	22	6,284,312	6,284,312
Profit reserves	22	3,976,565	3,976,565
Equity valuation adjustments	22	(1,377,652)	(1,377,652)
TOTAL EQUITY		160,729	-
TOTAL LIABILITIES AND EQUITY		9,043,954	8,883,225
EQUITY		29,268,746	27,582,566

The Explanatory Notes are an integral part of the interim financial information.

STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(In thousands of Brazilian Reais, except earnings per share)

	Note	Jan to Mar/2024	Jan to Mar/2023
NET REVENUE	23	5,970,233	5,376,937
OPERATING COSTS			
Cost of energy	24a	(3,274,736)	(3,053,276)
Infrastructure and construction cost	24b	(858,976)	(657,608)
Operating costs	24c	(907,128)	(805,597)
		(5,040,840)	(4,516,481)
GROSS INCOME		929,393	860,456
OPERATING EXPENSES	24c		
Expected credit losses		(72,978)	(8,081)
General and administrative expenses		(113,983)	(116,988)
Other operating expenses, net		(212,141)	(154,539)
		(399,102)	(279,608)
Operating income before financial income (expenses) and taxes		530,291	580,848
Finance income	25	123,196	124,238
Finance expenses	25	(231,976)	(216,586)
Income before income tax and social contribution tax		421,511	488,500
Current income tax and social contribution tax	8d	(75,069)	(153,349)
Deferred income tax and social contribution tax	8c	(24,104)	34,379
Net income (loss) for the period		322,338	369,530
Basic and diluted earnings (losses) per shares, R\$	22	0.14	0.16

The Explanatory Notes are an integral part of the interim financial information.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(In thousands of Brazilian Reais)

	Jan to Mar/2024	Jan to Mar/2023
Net income (loss) for the period	322,338	369,530
OTHER COMPREHENSIVE INCOME		
Items not to be reclassified to profit or loss in subsequent Years		
Post retirement liabilities adjustment - remeasurement of obligations of the defined benefit plans (note 20)	-	43,737
Income tax and social contribution tax on remeasurement of defined benefit plans (note 8c)	-	(14,871)
	-	28,866
COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAXES	322,338	398,396

The Explanatory Notes are an integral part of the interim financial information.

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(In thousands of Brazilian Reais, except where otherwise indicated)**

	Share capital	Resources for capital increase	Profit reserves			Equity valuation adjustments	Retained earning	Total equity
			Legal reserve	Tax incentives reserve	Retained earnings reserve			
AS OF DECEMBER 31, 2022	5,371,998	-	498,528	91,269	2,681,185	(1,537,720)	-	7,105,260
Net income for the period	-	-	-	-	-	-	369,530	369,530
Other comprehensive income, net of taxes	-	-	-	-	-	28,866	-	28,866
COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	-	-	28,866	369,530	398,396
Advance for future capital increase	-	544,000	-	-	-	-	-	544,000
Interest on equity capital declared (R\$0.0657 per share)	-	-	-	-	(155,026)	-	-	(155,026)
AS OF MARCH 31, 2023	5,371,998	544,000	498,528	91,269	2,526,159	(1,508,854)	369,530	7,892,630
AS OF DECEMBER 31, 2023	6,284,312	-	577,554	122,202	3,276,809	(1,377,652)	-	8,883,225
Net income for the period	-	-	-	-	-	-	322,338	322,338
COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	-	-	-	322,338	322,338
Interest on equity capital declared (R\$0.0685 per share)	-	-	-	-	-	-	(161,609)	(161,609)
AS OF MARCH 31, 2024	6,284,312	-	577,554	122,202	3,276,809	(1,377,652)	160,729	9,043,954

The Explanatory Notes are an integral part of the interim financial information.

STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(In thousands of Brazilian Reais)

	Note	Jan to Mar/2024	Jan to Mar/2023
CASH FLOW FROM OPERATIONS			
Net income (loss) for the period		322,338	369,530
ADJUSTMENTS:			
Post-employment obligations	21	97,823	79,246
Depreciation and amortization	13b and 15a	216,199	194,240
Expected credit losses	25c	85,425	8,081
Other provisions	25c	105,968	65,231
Adjustment of assets in progress	13	-	(15,583)
Write-off of net residual value of unrecoverable Concession financial assets and Intangible assets	11a and 13b	4,751	4,563
Refunded of PIS/Pasep and Cofins over ICMS credits to customers - realization	24	(322,666)	(695,989)
Financial interest and inflation adjustment		157,466	113,766
Adjustment to expectation of contractual cash flow from the concession	11a	(30,951)	(30,844)
Amortization of transaction cost of loans	18	2,677	872
CVA (Parcel A Compensation) Account and Other Financial Components in tariff adjustment	24	(75,674)	(20,841)
Deferred income tax and social contribution tax	8a	99,173	118,970
		662,529	191,242
(Increase) decrease in assets			
Concession holders - Transport of energy		7,100	(277,504)
Recoverable taxes	7	80,747	150,889
Income tax and social contribution tax recoverable		(12,199)	(123,265)
Escrow deposits		(20)	12,139
Public lighting contribution		(5,561)	(17,775)
Others		19,915	(36,367)
		89,982	(291,883)
Increase (decrease) in liabilities			
Suppliers		(157,997)	(275,024)
Taxes payable		7,300	207,205
Payroll and related charges		(1,483)	(18,049)
Public lighting contribution		(5,683)	18,517
Regulatory charges	19	(7,096)	12,102
Post-employment obligations	21	(92,180)	(86,556)
Provisions paid	22	(52,984)	(31,315)
Employees' and managers' profit sharing		24,873	24,614
Others		210,561	199,581
		(74,689)	51,075
Cash generated by operating activities			
		677,822	(49,566)
Interest paid on loans and debentures	18	(36,705)	(69,987)
Interest paid in leasing contracts	15	(204)	(173)
Interest received		13,856	30,513
Income tax and social contribution tax paid		(86,470)	-
NET CASH FLOW FROM OPERATING ACTIVITIES			
		568,299	(89,213)
INVESTING ACTIVITIES			
Marketable securities	5	(1,774,837)	(1,131,896)
Marketable securities - redemption (cash investments)	5	1,343,086	1,411,613
Intangible assets	13	(35,778)	(24,152)
Contract assets	12	(805,927)	(622,895)
NET CASH FROM (USED IN) INVESTING ACTIVITIES			
		(1,273,456)	(367,330)
FINANCING ACTIVITIES			
Loans, financial and debentures obtained, net	18	1,946,302	-
Leasing liabilities paid	15	(14,037)	(12,328)
Payment of loans and debentures	18	(440,916)	(428,531)
Loans with related parties		-	352,806
Capital increase	23	-	544,000
NET CASH USED IN FINANCING ACTIVITIES			
		1,491,349	455,947
NET CHANGE IN CASH AND CASH EQUIVALENTS			
		786,192	(596)
Cash and cash equivalents at the beginning of the period	4	447,967	440,700
Cash and cash equivalents at the end of the period	4	1,234,159	440,104

The Explanatory Notes are an integral part of the interim financial information.

STATEMENTS OF ADDED VALUE
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023
(In thousands of Brazilian Reais)

	Jan to Mar/2024	Jan to Mar/2023
VALUE ADDED PRODUCED BY THE COMPANY		
Sales of energy and services	7,817,580	6,821,326
Distribution construction revenue	858,976	657,608
Adjustment to expectation of reimbursement of distribution concession financial assets	30,951	30,844
Adjustment to estimated credit losses	(72,978)	(8,081)
	8,634,529	7,501,697
(-) INPUTS ACQUIRED FROM THIRD PARTIES		
Energy bought for resale	(2,565,969)	(2,486,983)
Charges for use of national grid	(964,588)	(803,815)
Outsourced services	(815,477)	(652,127)
Materials	(432,929)	(388,539)
Other operating costs	(234,629)	(138,522)
	(5,013,592)	(4,469,986)
GROSS VALUE ADDED	3,620,937	3,031,711
RETENTIONS		
Depreciation and amortization	(216,199)	(194,240)
NET ADDED VALUE PRODUCED BY THE COMPANY	3,404,738	2,837,471
ADDED VALUE RECEIVED BY TRANSFER		
Financial revenues	129,912	130,284
ADDED VALUE TO BE DISTRIBUTED	3,534,650	2,967,755
DISTRIBUTION OF ADDED VALUE		
Employees	338,122	314,249
Direct remuneration	202,617	201,778
Short-term and post-employment benefits	122,958	100,115
FGTS fund	12,547	12,356
Taxes	2,624,088	2,053,311
Federal	1,509,776	1,406,672
State	1,111,078	643,970
Municipal	3,234	2,669
Remuneration of external capital	250,102	230,665
Interest	249,247	227,147
Rentals	855	3,518
Remuneration of own capital	322,338	369,530
Interest on Equity	161,609	155,026
Retained earnings	160,729	214,504
	3,534,650	2,967,755

The Explanatory Notes are an integral part of the interim financial information.

**NOTES TO THE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED AS OF MARCH 31, 2024
(In thousands of Brazilian Reais, except where otherwise indicated)**

1. OPERATING CONTEXT

Cemig Distribuição S.A. ('Cemig D', 'Cemig Distribuição' or 'the Company') is a Brazilian corporation registered for trading with the Brazilian Securities Commission (Comissão de Valores Mobiliários, or CVM), and in the Brazilian Register of Corporate Taxpayers (CNPJ) under No. 06.981.180/0001-16. A wholly-owned subsidiary of Companhia Energética de Minas Gerais - Cemig ('Cemig'), it was incorporated on September 8, 2004, and began operating on January 1, 2005, pursuant to the 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 city, Minas Gerais.

Its corporate objects are: to study, plan, project, build and commercially operate systems of distribution and sale of energy and related services for which concessions are granted to it under any form of law.

The Company has a concession area of 567,478 km², comprising approximately 97% of the Brazilian state of Minas Gerais, serving 9,244,564 customers, on March 31, 2024.

The Fifth Amendment to the concession contracts, signed with the Mining and Energy Ministry, extended the concession for 30 years, from January 1, 2016. The amendment establishes standards of service quality and economic-financial indicators that the Company must meet during the new concession period.

On March 31, 2024 the Company had negative net working capital (current assets fewer current liabilities) of R\$144 million (R\$1,574 million on December 31, 2023). Management monitors the Company's cash flow, and for this purpose assesses measures to be taken to adjust the present situation of its financial assets and liabilities to levels that are appropriate to meet its needs.

The Company estimates that the cash balances, cash flow from operations, and raising of new financings are sufficient to meet the need for working capital, investments, debt servicing, and other cash needs in the next 12 months. The Company also has credit lines in the financial institutions in which it operates, in addition to support from its shareholder.

Based on the facts and circumstances at this date, management has assessed the Company's capacity to continue operating normally and believes that its operations have the capacity to generate funds to enable the continuation of its business in the future. In addition, Management is not aware of any material uncertainties that could generate significant doubts about its ability to continue operating. Therefore, this interim financial information has been prepared on a going concern basis.

2. BASIS OF PREPARATION

2.1. Statement of compliance

The Interim Accounting Information has been prepared in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), Technical Pronouncement 21 (R1), which applies to interim financial statements, 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).

The Company also uses the guidelines contained in the Brazilian Electricity Sector Accounting Manual ('MCSE') and the standards defined by Aneel, when these do not conflict with the pronouncements of the CPC or with International Financial Reporting Standards (IFRS).

The presentation of Value Added Statements ("DVA") is required by Brazilian corporate law for publicly traded companies. Under IFRS, this statement is not required and is presented as supplementary information, without detriment to the interim financial information as a whole.

With the exception of the new rules, or alterations to rules, coming into effect on January 1, 2024, this interim accounting information has been prepared according to principles, practices and criteria consistent with those adopted in preparation of the financial statements at December 31, 2023.

Thus, this interim financial information should be read in conjunction with the said financial statements, approved by the Company's Board of Directors on March 21, 2024.

Management certifies that all the material information in the interim financial accounting, and only that 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 May 10, 2024.

2.2. New pronouncements, or revisions of pronouncements, applied for the first time in 2024

Regarding the changes made to CPC 26 / IAS 1 - Presentation of financial statements, CPC 03 / IAS 7 - Statement of cash flows, CPC 40 / IFRS 7 - Financial instruments: Disclosure – Supplier finance arrangements ("Debtor risk"), and (iii) CPC 06 / IFRS 16 - Leases – Lease liability in a sale and leaseback, in force for annual periods beginning January 1, 2024 or after this date, did not produce significant impacts on the Company's individual and consolidated interim financial statements.

2.3. Reclassification of items in the Statement of cash flows

The Company and its subsidiaries have made adjustments to the classification of items in the Statement of cash flows, to improve the quality of the disclosure of accounting information.

Movements in the Securities line are presented on a net basis, in the flow of investment activities. Starting in the fourth quarter of 2023, the Company and its subsidiaries segregated this movement, and began to present the interest actually received as part of the cash flow of operational activities, and the cash investments and their redemptions, separately, in Cash flow from investment activities. In addition, the Company and its subsidiaries began to adjust profit with the total amount of income tax recognized in the result.

To maintain comparability, the corresponding information for the first quarter of 2023 is presented using the same criterion.

3. INFORMATION BY OPERATIONAL SEGMENT

The Company has a single operating segment - distribution of electricity in the State of Minas Gerais. For operational, commercial, managerial and administrative purposes its performance is evaluated as a single business unit, the results being monitored and evaluated centrally by the CEO of the Company. Its income statement reflects this activity. Management believes that its income statement and the other information contained in these explanatory notes provide the required information about its sole operational segment.

4. CASH AND CASH EQUIVALENTS

	Mar. 31, 2024	Dec. 31, 2023
Bank accounts	131,112	183,361
Cash equivalents		
Bank certificates of deposit (CDBs)	1,075,088	263,957
Automated applications - Overnight	27,959	649
	1,103,047	264,606
	1,234,159	447,967

Bank Certificates of Deposit (Certificados de Depósito Bancário, or CBDs), accrued interest at 80% to 112% of the CDI Rate (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*) on March 31, 2024 and on December 31, 2023. 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.

Automated applications (*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 of 10.44% to 10.65% on March 31, 2024 (11.42% to 11.65% on December 31, 2023). Their purpose is to settle the short-term obligations of the Company and its

subsidiaries, or to be used in the acquisition of other assets with better return to replenish the portfolio.

Note 27 to these interim financial information gives: (i) the Company's exposure to interest rate risk; (ii) a sensitivity analysis for financial assets and liabilities; and (iii) material accounting practices. Financial investments in a reserved investment fund are shown in note 26.

5. MARKETABLE SECURITIES

	Mar. 31, 2024	Dec. 31, 2023
Bank certificates of deposit	323,826	136
Financial Notes (LFs) - banks	72,220	878
Treasury Financial Notes (LFTs)	-	396
Others	39,075	1,371
	435,121	2,781
Current asset	428,738	2,781
Non-current asset	6,383	-

Bank Certificates of Deposit (Certificados de Depósito Bancário, or CBDs), accrued interest varying between 103% to 105.8% of the CDI Rate (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) on March 31, 2024 (103% to 104.3% on December 31, 2023).

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 rates varying between 108.2% and 113.51% of the CDI rate on March 31, 2024 (108.6% and 111.98% on December 31, 2023).

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 rates varying between 10.76% and 10.85% on March 31, 2024 (11.83% and 11.85% on December 31, 2023).

The accounting policy and the classification of these securities and the financial investments in related parties' securities are stated in notes 28 and 27 of these financial statements. The earnings of these securities are properly stated in the Statements of Cash Flows in the investment activity.

The Company consistently classifies the income from these securities as part of Cash flow from operations, because they believe that this is the most appropriate presentation, in accordance with its activity.

6. CONSUMERS, TRADERS, AND POWER TRANSPORT CONCESSION HOLDERS

Customer type	Balances not yet due		Balances past due			Total	
	Billed energy	Not yet billed energy	Up to 90 days	91 to 360 days	More than 360 days	Mar. 31, 2024	Dec. 31, 2023
Residential	895,632	357,171	538,171	205,803	304,208	2,300,985	2,284,696
Industrial	43,148	62,161	24,058	15,152	136,364	280,883	268,200
Commercial, services and others	326,717	180,777	149,999	62,596	227,627	947,716	965,483
Rural	126,747	68,237	73,026	24,497	45,397	337,904	406,461
Public authorities	81,508	44,253	8,656	220	11,194	145,831	147,071
Public lighting	4,619	43,354	570	-	157	48,700	49,584
Public services	40,298	36,991	6,063	2,851	28,497	114,700	138,802
Subtotal - customers	1,518,669	792,944	800,543	311,119	753,444	4,176,719	4,260,297
Concession holders - Transport of energy	88,040	303,969	34,240	11,939	41,279	479,467	452,443
Energy in spot market - supply	-	-	5,923	-	2,134	8,057	33,759
Provision for expected credit losses	(134,713)	(14,489)	(66,926)	(62,039)	(507,911)	(786,078)	(788,256)
	1,471,996	1,082,424	773,780	261,019	288,946	3,878,165	3,958,243
Current							
Receivables from customers, traders and concession holders						3,438,201	3,545,064
Concession holders - Transport of energy						401,347	374,362
Non-current							
Concession holders - Transport of energy						38,617	38,817

The Company exposure to credit risk related to customers and traders is provided in Note 27 of these interim financial information. The transactions involving related parties is provided in Note 26 of these interim financial information.

Expected Credit Losses (“ECL”) are considered sufficient to cover possible losses on the realization of these assets and their composition, by consumer class, is as follows:

	Mar. 31, 2024	Dec. 31, 2023
Residential	312,506	318,772
Industrial	112,977	117,450
Commercial, services and others	228,053	219,451
Rural	39,582	38,304
Public authorities	24,979	26,474
Public lighting	1,240	1,404
Public services	27,237	27,137
Concession holders - Transport of energy	39,504	39,264
	786,078	788,256

Changes in the expected credit losses are as follows:

Balance on December 31, 2023	788,256
Additions, net (Note 24c)	72,978
Amounts written off	(75,156)
Balance on March 31, 2024	786,078

7. RECEIVABLE TAXES

	Mar. 31, 2024	Dec. 31, 2023
Current		
ICMS tax recoverable (b)	416,360	424,743
Cofins tax (a)	25,692	103,373
PIS/Pasep taxes (a)	5,110	21,984
Others	427	372
	<u>447,589</u>	<u>550,472</u>
Non-current		
ICMS tax recoverable (b)	699,100	666,452
Cofins tax (a)	-	26,287
PIS/Pasep taxes (a)	-	5,707
	<u>699,100</u>	<u>698,446</u>
	<u><u>1,146,689</u></u>	<u><u>1,248,918</u></u>

a) Pis/Pasep and Cofins taxes credits over ICMS

Thus, the PIS/Pasep and Cofins credit recorded corresponds the amount of these taxes over ICMS paid in the period of July 2003 to May 2019.

In the first quarter of 2024, credits of PIS/Pasep and Cofins taxes were offset against payable federal taxes in the amount of R\$24,532 (R\$168,096 in the same period of 2023).

b) Other recoverable taxes

The ICMS (VAT) credits reported in non-current assets arise mainly from acquisitions of property, plant and equipment and intangible assets, and can be offset against taxes payable in the next 48 months. The transfer to non-current is made in accordance with management's best estimate of the amounts which will likely be realized in 12 months after these interim financial information reporting date.

Credits of PIS/Pasep and Cofins generated by the acquisition of machinery and equipment can be offset immediately.

8. INCOME TAX AND SOCIAL CONTRIBUTION TAX

a) Income tax and social contribution tax recoverable

	Mar. 31, 2024	Dec. 31, 2023
Income tax	27,239	66,297
Social contribution tax	28,595	46,825
	<u>55,834</u>	<u>113,122</u>
CURRENT	19,684	-
NON-CURRENT	36,150	113,122

b) Income tax and social contribution tax payable

	Mar. 31, 2024	Dec. 31, 2023
CURRENT		
Income tax	-	54,130
Social contribution tax	-	26,758
	<u>-</u>	<u>80,888</u>

c) Deferred income tax and social contribution tax

The breakdown and changes in deferred tax assets and liabilities are as follows:

Temporary differences of income tax and social contribution tax	Balance on Dec. 31, 2023	Statements of Income	Balance on Mar. 31, 2024
Deferred tax assets			
Tax loss / negative basis	219,698	(37,204)	182,494
Post-employment obligations	1,205,936	12,754	1,218,690
Expected credit losses	311,275	2,432	313,707
Impairment	19,685	14	19,699
Provisions	521,614	17,726	539,340
Administrative tax	4,125	(93)	4,032
Provision for profit shares	32,346	8,456	40,802
Right of use	97,420	(2,297)	95,123
Others	4,357	99	4,456
	2,416,456	1,887	2,418,343
Deferred tax liabilities			
Accelerated depreciation and amortization	(97)	2	(95)
Adjustment to expectation of cash flow - Concession assets	(254,145)	(8,294)	(262,439)
Borrowing costs capitalized	(181,992)	(3,433)	(185,425)
Funding cost	(7,549)	(17,347)	(24,896)
Lease liabilities	(88,280)	3,081	(85,199)
Others	(229)	-	(229)
	(532,292)	(25,991)	(558,283)
Total net assets presented in the balance sheet	1,884,164	(24,104)	1,860,060

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

This table reconciles the statutory income tax (rate 25%) and social contribution tax (rate 9%) with the current income tax expense (expense recovery) in the statement of income:

	Jan to Mar/2024	Jan to Mar/2023
Profit before income tax and social contribution tax	421,511	488,500
Nominal rate	34%	34%
Income tax and social contribution tax - nominal expense	(143,314)	(166,090)
Tax effects applicable to:		
Interest on equity and dividends declared	54,947	52,709
Tax incentives	13,291	11,953
Non-deductible contributions and donations	(1,346)	(1,989)
ECF adjustments from previous fiscal years	(1,557)	-
Non-deductible penalties	(23,190)	(27,320)
Selic rate on tax overpayments (1)	1,050	11,224
Others	946	543
	(99,173)	(118,970)
Effective rate	23.53%	24.35%
Current tax	(75,069)	(153,349)
Deferred tax	(24,104)	34,379

- (1) This corresponds to the monetary updating of credits of PIS, Pasep and Cofins taxes on ICMS tax amounts that the company has separated and paid. In 2022 the balance of this monetary updating was taxed, but with the favorable judgment by the Federal Supreme Court (STF), the Company began excluding this balance in the calculation for 2023.

9. ESCROW DEPOSITS

	Mar. 31, 2024	Dec. 31, 2023
Labor claims	177,509	173,400
Tax contingencies		
Income tax on Interest on Equity	13,001	12,849
Income tax and Social Security contribution on 'Anuênio' employee indemnity (1)	231,059	228,737
JCP in the Income tax and Social Security contribution calculation base (2)	75,529	81,894
IRPJ/CSLL tax	42,543	34,231
Others	61,229	59,175
	423,361	416,886
Others		
Regulatory	33,723	33,339
Third party	8,795	8,546
Customer relations	4,856	4,725
Court embargo	20,072	20,259
Others	5,143	5,078
	72,589	71,947
	673,459	662,233

(1) More details in Note 21 - Provisions under the section relating to the 'Anuênio indemnity'.

10. REIMBURSEMENT OF TARIFF SUBSIDIES

In the first quarter of 2024, the total appropriated as revenue from subsidies reimbursed via the CDE was R\$413,352 (R\$312,773 in the same period of 2023); and the total of Other subsidies - which include the 'Flag Tariffs', and the Program to Incentivize Voluntary Reduction of Electricity Consumption - was R\$18,278 (R\$15,530 in the same period of 2023).

Of such amounts, Cemig D has a receivable of R\$188,322 (R\$187,066 on December 31, 2023) in current assets in "Other assets".

Advance against CDE receipts

On February 9, 2024, Cemig D signed an agreement with Banco Safra for advance payments equal to three installments of receivables from the CDE, becoming due over the period March-May 2024, each in the amount of R\$ 101,458 - for a total of R\$ 304,374. The total received on February 9, 2024 was R\$ 297,309. Payments to the bank will take place upon receipt by Cemig D of the funds from the CCEE. The Company only provides the service of collection agent, receiving the amount granted to the bank and passing it on at the agreed date. The balance of the obligation is recorded in other liabilities.

11. CONCESSION FINANCIAL AND SECTOR ASSETS AND LIABILITIES

FINANCIAL AND SECTORIAL CONCESSION ASSETS	Mar. 31, 2024	Dec. 31, 2023
Financial assets related to infrastructure (a)	2,032,893	1,881,509
CVA (Parcel A Compensation) Account and Other Financial Components in tariff-setting (b)	883,038	805,571
	2,915,931	2,687,080
Current asset	600,389	493,934
Non-current asset	2,315,542	2,193,146

a) Financial assets related to infrastructure

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

Balance on December 31, 2023	1,881,509
Transfers of contract assets (Note 12)	120,477
Other transfers	-
Disposals	(44)
Adjustment of expectation of cash flow from the concession financial assets (Note 23)	30,951
Balance on March 31, 2024	2,032,893

b) Account for compensation of variation of parcel A items (CVA) and Other financial components

The balance and changes of these sector financial assets and liabilities, which are presented at net value, in assets or liabilities, in accordance with the tariff adjustments that have been authorized or are to be ratified, are as follows:

Sector financial assets	Balances at December 31, 2023	Additions	Amortization	Remuneration	Transfers	Balances at March 31, 2024	Amortization amounts	New amounts posted	Current	Non-current
CVA asset amounts	(683,839)	371,650	(452,068)	54,340	230,546	(479,371)	(169,682)	(309,689)	(359,659)	(119,712)
Acquisition of power (CVA - supply)	(1,108,220)	209,025	(262,512)	34,432	133,402	(993,873)	(174,506)	(819,367)	(792,803)	(201,070)
Cost of power from Itaipu	28,839	-	(89,514)	4,697	(68,218)	(124,196)	57,698	(181,894)	(72,667)	(51,529)
Proinfra	(19,738)	-	-	-	(4,917)	(24,655)	(8,629)	(16,026)	(22,118)	(2,537)
Transport on national grid	412,968	143,264	(86,998)	11,651	15,046	495,931	44,583	451,348	412,678	83,253
Transport of Itaipu supply	67,087	20,306	(8,602)	1,701	-	80,492	5,478	75,014	66,678	13,814
ESS	(62,009)	(31,222)	(3,680)	1,581	152,108	56,778	(93,903)	150,681	23,259	33,519
CDE	(2,766)	30,277	(762)	278	3,125	30,152	(403)	30,555	25,314	4,838
Other sector financial assets	1,489,410	324,389	(504,439)	31,383	21,666	1,362,409	212,557	1,149,852	960,048	402,361
Nuclear energy quota	138,284	27,907	(32,944)	4,398	-	137,645	19,900	117,745	111,581	26,064
Neutrality of Portion A	386,281	114,288	(9,360)	4,305	23,767	519,281	(11,446)	530,727	498,149	21,132
Overcontracting of supply (1)	921,900	182,194	(209,244)	15,433	-	910,283	139,496	770,787	752,759	157,524
Tariff repayments	(87,736)	-	-	-	(7,250)	(94,986)	(6,266)	(88,720)	(87,694)	(7,292)
Other	130,681	-	(252,891)	7,247	5,149	(109,814)	70,873	(180,687)	(314,747)	204,933
Total sector financial assets	805,571	696,039	(956,507)	85,723	252,212	883,038	42,875	840,163	600,389	282,649
Sector financial liabilities										
CVA liability amounts	-	(428,235)	731,131	(72,350)	(230,546)	-	-	-	-	-
Acquisition of power (CVA - supply)	-	(348,638)	546,938	(64,898)	(133,402)	-	-	-	-	-
Cost of power from Itaipu	-	(65,358)	-	(2,860)	68,218	-	-	-	-	-
Proinfra	-	(14,781)	10,526	(662)	4,917	-	-	-	-	-
Transport on national grid	-	-	15,046	-	(15,046)	-	-	-	-	-
Transport of Itaipu supply	-	-	-	-	-	-	-	-	-	-
ESS	-	-	157,374	(5,266)	(152,108)	-	-	-	-	-
CDE	-	542	1,247	1,336	(3,125)	-	-	-	-	-
Other sector financial liabilities	-	(158,666)	191,912	(11,580)	(21,666)	-	-	-	-	-
Neutrality of Portion A	-	(2,261)	26,528	(500)	(23,767)	-	-	-	-	-
Tariff repayments	-	(24,584)	18,799	(1,465)	7,250	-	-	-	-	-
Other	-	(131,821)	146,585	(9,615)	(5,149)	-	-	-	-	-
Total, sector financial liabilities	-	(586,901)	923,043	(83,930)	(252,212)	-	-	-	-	-
Total, sector net financial assets and liabilities	805,571	109,138	(33,464)	1,793	-	883,038	42,875	840,163	600,389	282,649

(1) The gain resulting from sale of surplus energy in the spot market in 2017 and 2018, provisionally passed on to consumers by Aneel in the tariff adjustments of 2018 and 2019, was recovered by the Company in the tariff adjustments of 2021 (partially) and 2023, both related to the overcontracting of 2017. This effect was possible due to the publication of Aneel Dispatch 2168 of 2022, recognizing the entirety of the overcontracting as voluntary. In relation to the overcontracting of 2018, in the amount of R\$30,024, Involuntary Action Recognition Dispatch 4395 was issued on November 10, 2023, guaranteeing recovery in the next tariff adjustment. The context of the amount constituted in this period includes a high volume of energy surplus throughout the market, settled in the spot market for a low spot price. These surpluses are mainly due to the growing increases in energy injected by micro- and mini-distributed generation plants.

The calculations made are in line with the regulations in force. If the concession is terminated, for any reason, the remaining balances of these assets or liabilities that have not been passed through to the tariff are to be included in the basis for compensation at the end of the concession.

12. CONTRACTUAL ASSETS

Changes in concession contract assets are as follows:

Balance on December 31, 2023	3,430,870
Additions	823,198
Transfers to financial assets (Note 11a)	(120,477)
Transfers to intangible assets (Note 13)	(508,533)
Balance on March 31, 2024	3,625,058

Among the additions made in the first quarter ended March 31, 2024, in the amount of R\$823,197, is the amount of R\$17,271 (R\$10,561 in the period from January to March 2023) as financial charges, as presented in note 18.

The company has not identified any signs of impairment of its contract assets.

The capitalization of financial charges is a non-cash operation and is therefore not reflected in the cash flow statements.

The nature of the additions to contract assets is shown in note 24b. The additions are represented under “Revenue from the construction of distribution infrastructure” in note 23.

13. INTANGIBLE ASSETS

a) Balance composition

	Mar. 31, 2024			Dec. 31, 2023		
	Historic cost	Accumulated amortization	Amount, net	Historic cost	Accumulated amortization	Amount, net
Assets of concession	28,158,581	(12,171,093)	15,987,488	27,525,998	(11,928,214)	15,597,784
(-) 'Special obligations' (Note 14)	(5,789,193)	2,075,145	(3,714,048)	(5,690,916)	2,019,803	(3,671,113)
Net concession assets	22,369,388	(10,095,948)	12,273,440	21,835,082	(9,908,411)	11,926,671
Intangible assets in progress	158,895	-	158,895	172,719	-	172,719
Total intangible assets	22,528,283	(10,095,948)	12,432,335	22,007,801	(9,908,411)	12,099,390

b) Changes in intangible assets

Balance on December 31, 2023	12,099,390
Additions	35,778
Disposals	(4,707)
Transfers of contract assets (Note 12)	508,533
Amortization	(206,659)
Balance on March 31, 2024	12,432,335

Among the additions made in the first quarter of 2024, there were no changes in financial charges.

The principal annual amortization rates, which take into account the expected useful life of assets, reflect the level of consumption expected from them and are reviewed annually by management, as follows:

Distribution	(%)	Administration	(%)
System cable - below 69 KV	6.67	Software	20.00
System cable - below 69 KV	3.57	Vehicles	14.29
Structure - Posts	3.57	General equipment	6.25
Overhead distribution transformer	4.00	Buildings	3.33
Circuit breaker - up to 69 kV	3.03		
Capacitor bank - up to 69 kV	6.67		
Voltage regulator - up to 69 kV	4.35		
Electronic meter	7.69		

The average annual and amortization rate of assets linked to the distribution concession is 4.09%, which is represented by activity as follows:

Distribution	Administration
3.91%	15.72%

Under the regulations of the energy segment, property, plant and equipment used in the distribution concession are linked to these services, and cannot be withdrawn, disposed of, assigned or provided in guarantee without the prior express authorization of the Grantor. The nature of the additions to Intangible assets is given in Note 24b. The additions are shown in Distribution infrastructure construction revenue in Note 23.

14. SPECIAL OBLIGATIONS

Obligations linked to the concession representing contributions by outside parties, consumers, the federal government, states and municipalities, among others, in works for supply of electricity, as governed by specific regulations.

These obligations linked to concession break down as follows:

Obligations Linked to the Concession	Mar. 31, 2024	Dec. 31, 2023
Customer Financial Participation	(5,402,793)	(5,283,276)
Participation of the Union, States and Municipalities (1)	(651,147)	(637,219)
Universalization of the Public Electricity Service	(306,080)	(306,080)
Others, Exceeding Demand and Surplus Reactives	(360,074)	(356,225)
Energy Efficiency Program (PEE)	(95,552)	(95,552)
Donations and Grants for Investments in the Service Granted	(4,071)	(4,071)
Research and Development	(12,284)	(12,156)
Financial Update - Special Obligations	(20,196)	(18,513)
(-) Accumulated Amortization	2,075,145	2,019,803
Total	(4,777,052)	(4,693,289)

Allocation	Mar. 31, 2024	Dec. 31, 2023
Infrastructure under construction - Contract Asset	(911,931)	(889,790)
Infrastructure - Intangible in Service (Note 13)	(3,714,048)	(3,671,113)
Infrastructure - Financial Asset	(151,073)	(132,386)
Total	(4,777,052)	(4,693,289)

(1) The participation of municipalities is the most relevant under the heading Participation of the Union, States and Municipalities (70% of the balance) and, in general, these are works related to the extension and modification of non-universalized distribution networks.

The amortization rate of the linked obligations is the average rate for the activity into which the asset was incorporated. The annual average is 4.09%, which breaks down by activity as follows:

Distribution	Administration
3.91%	15.72%

15. LEASING

a) Right of use assets

Changes in the right of use asset are as follows:

	Real state	Vehicles	Total
Balance on December 31, 2023	148,367	111,280	259,647
Disposals (ended contracts)	(201)	-	(201)
Addition	825	-	825
Amortization (1)	(2,222)	(7,466)	(9,688)
Remeasurement (2)	2	-	2
Balance on March 31, 2024	146,771	103,814	250,585

(1) The amortization of the right of use recognized in the income statement is net of the use of PIS/Pasep and Cofins credits on rental payments, in the amount of R\$149 in the first quarter of 2024 (R\$136 in the same period of 2023); the weighted average annual amortization rate is 5.92% for Real Estate and 21.01% for Vehicles.

(2) The Company has identified events which lead to re-evaluation and modifications of its principal contracts: in these cases, the leasing liability is remeasured with an adjustment, in Assets, to Rights of use.

b) Leasing liabilities

The changes in the lease liabilities are as follows:

Balance on December 31, 2023	286,529
Addition	825
Disposals (ended contracts)	(221)
Interest incurred (1)	6,879
Leasing paid	(14,037)
Interest in leasing contracts paid	(204)
Remeasurement	2
Balance on March 31, 2024	279,773
Current liabilities	50,196
Non-current liabilities	229,577

- (1) Financial expenses recognized in the Income Statement are net of incorporation of the credits for PIS/Pasep and Cofins taxes on payments of rentals, in the amounts of R\$379 in the first quarter of 2024 (R\$369 in the same period of 2023).
- (2) The Company has identified events which lead to re assessment and modifications of its principal contracts: in these cases, the leasing liability is remeasured with an adjustment, in Assets, to the Right of use.

The additions, write-offs and remeasurements of leases are non-cash transactions and are therefore not reflected in the cash flow statements. Transactions involving related parties are shown in note 26.

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	Nominal	Adjusted to present value
Consideration for the leasing	594,180	279,773
Potential PIS/Pasep and Cofins	43,015	15,208

The cash flows of the lease contracts are mostly adjusted annually by the IPCA. The maturity analysis of lease liabilities is presented below:

Maturity of lease contracts	
2024	44,264
2025	58,843
2026	58,591
2027	48,706
2028	22,831
2029 to 2049	360,945
Undiscounted values	594,180
Embedded interest	(314,407)
Lease liabilities	279,773

16. SUPPLIERS

	Mar. 31, 2024	Dec. 31, 2023
Energy on spot market - CCEE	84,227	128,122
Charges for use of energy network (1)	257,772	242,661
Energy purchased for resale	718,850	746,018
Itaipu Binacional	210,120	239,780
Materials and services	597,828	667,868
	1,868,797	2,024,449

- (1) The charges payable by distribution and generation agents for use of the facilities that are components of the national grid are set by an Aneel Resolution.

The Company's exposure to exchange rate and liquidity risks related to suppliers is given in Note 27 to this interim financial information.

17. TAXES PAYABLE AND AMOUNTS TO BE REFUNDED TO CUSTOMERS

	Mar. 31, 2024	Dec. 31, 2023
Taxes and contributions		
Current		
ICMS	80,824	63,813
Cofins	86,373	92,459
PIS/Pasep	18,652	19,989
INSS	33,399	35,021
ISSQN	17,828	18,112
Others	37,860	39,061
	274,936	268,455
Amounts to be refunded to customers		
Current		
PIS/Pasep and Cofins	190,186	512,852
ICMS (1)	340,800	340,800
	530,986	853,652
Non-current		
PIS/Pasep and Cofins	524,799	501,159
	1,055,785	1,354,811
	1,330,721	1,623,266

(1) On June 23, 2022, Complementary Law 194 came into force with immediate effect, making changes to the National Tax Code (CTN) and to Complementary Law 87/96 (the 'Kandir Law'), (i) classifying electricity, among other goods, as essential, (ii) prohibiting the setting of rates of ICMS tax for transactions with these goods at a level higher than those of transactions in general, and (iii) removing this tax from electricity transmission and distribution services, and from sector charges linked to transactions in electricity. The amounts to be returned, as well as the form of return, are still pending definition, since the issue is being discussed in the Federal District's Direct Action for Unconstitutionality (ADI) No. 7,195, as well as with Sefaz/MG by Cemig. In this sense, the amount provisioned by the Company did not change in the period due to this uncertainty. In addition, the Company recorded an asset relating to ICMS to be recovered from the State of Minas Gerais in the same proportion, which also did not change.

The movement of the amounts to be refunded to consumers is as follows:

Balance on December 31, 2023	1,354,811
Refunds to consumers	(322,666)
Financial update - Selic	23,640
Balance on March 31, 2024	1,055,785

As of March 31, 2024, the amount of R\$6,174,695 had already been refunded to consumers.

18. LOANS AND DEBENTURES

Financing source	Mar. 31, 2024						Dec. 31, 2023
	Principal maturity	Annual financial cost %	Currency	Current	Non-current	Total	Total
BRAZILIAN CURRENCY							
Debentures - 3th Issue - 3rd Series (1)	2025	IPCA + 5.10%	R\$	310,969	-	310,969	634,988
Debentures - 7th Issue - 1st Series (1)	2024	CDI + 0.454%	R\$	135,520	-	135,520	271,109
Debentures - 7th Issue - 2nd Series (1)	2026	IPCA + 4.10%	R\$	22,185	1,976,588	1,998,773	1,948,110
Debentures - 8th Issue - 1st Series (1)	2027	CDI + 1.35%	R\$	17,069	500,000	517,069	502,212
Debentures - 8th Issue - 2nd Series (1)	2029	IPCA + 6.10%	R\$	8,997	537,332	546,329	530,068
Debentures - 9th Issue - Single Series (1)	2026	CDI + 2.05%	R\$	95,636	2,000,000	2,095,636	2,032,032
Debentures - 10th Issue - 1st Series (1)	2029	CDI + 0.80%	R\$	1,591	400,000	401,591	-
Debentures - 10th Issue - 2nd Series (1)	2034	IPCA + 6.15%	R\$	3,420	1,603,521	1,606,941	-
(-) Discount on the issuance of debentures (2)				-	(7,856)	(7,856)	(8,692)
(-) Transaction costs				(285)	(72,939)	(73,224)	(22,205)
Total				595,102	6,936,646	7,531,748	5,887,622

(1) Nominal, unsecured, book-entry debentures not convertible into shares, with no renegotiation clauses.

(2) Discount on the 7th and 8th issue of debentures fully allocated to the 2nd series.

Raising of funds

On March 13, 2024, the Company announced to the market the start of the public offering of two million simple debentures, not convertible into shares, of the unsecured type, with an additional fiduciary guarantee, in up to 2 series, of the 10th issue of debentures, with a nominal unit value of one thousand reais, totaling two billion reais, to be carried out under the terms of CVM regulations.

On March 15, 2024, the Company concluded the financial settlement of the 10th issue of debentures in two series, which are guaranteed by Cemig. Two million debentures were issued, characterized as “ESG bonds for the use of sustainable resources”, for a total amount of two billion reais, subscribed as follows:

Serie	Quantity	Amount	Fee	Term	Amortization
1st	400,000	R\$400,000,000.00	CDI + 0.80%	5 years	48th and 60th months
2st	1,600,000	R\$1,600,000,000.00	IPCA + 6.1469%	10 years	96th, 108th and 120th months

The net funds obtained by Cemig D from this issue will be used to replenish the company's cash flow, including, but not limited to, its operations and the reimbursement of investments, costs and expenses it has made, including projects involving social and environmental issues.

Financing source	Entry Date	Due Date Principal	Financial charges	Amount
BRAZILIAN CURRENCY				
Debentures - 10th Issue - 1st Series (1)	March of 2024	2029	CDI + 0.80%	400,000
Debentures - 10th Issue - 2nd Series (1)	March of 2024	2034	IPCA + 6.1469%	1,600,000
(-) Transaction costs				(53,698)
Total funding raised				1,946,302

Fitch Ratings has allocated a credit risk rating of AA+(bra) to this issue.

The company's debt has an average repayment term of 4.3 years. The breakdown of debentures by index, with the respective amortization, is as follows:

	2024	2025	2026	2027	2028	2029 onwards	Total
Indexers							
IPCA (1)	36,438	1,297,427	988,294	-	268,666	1,872,187	4,463,012
CDI (2)	249,816	1,000,000	1,000,000	500,000	200,000	200,000	3,149,816
Total by Indexers	286,254	2,297,427	1,988,294	500,000	468,666	2,072,187	7,612,828
(-) Transaction costs	(260)	(5,556)	(5,531)	(693)	(9,932)	(51,252)	(73,224)
(-) Discount	-	(3,787)	(3,787)	-	(141)	(141)	(7,856)
Total	285,994	2,288,084	1,978,976	499,307	458,593	2,020,794	7,531,748

(1) Expanded National Customer Price (IPCA) Index;

(2) CDI: Interbank Rate for Certificates of Deposit.

The variations in the indexers used for inflation correction of loans in the periods presented were as follows:

Indexer	Accumulated change on Mar. 31, 2024 (%)	Accumulated change in 2023 (%)
IPCA	1.42	2.09
CDI	2.62	3.2

Changes in loans and debentures are as follows:

Balance on December 31, 2023	5,887,622
Debentures obtained	2,000,000
Transaction costs	(53,698)
Net borrowings	1,946,302
Monetary variation	49,859
Financial charges provisioned	122,909
Amortization of transaction cost	2,677
Financial charges paid	(36,705)
Amortization of financing	(440,916)
Balance on March 31, 2024	7,531,748

Borrowing costs, capitalized

Costs of loans directly related to acquisition, construction or production of an asset, that necessarily requires a substantial time to be concluded for the purpose of use or sale are capitalized as part of the cost of the corresponding asset. All other costs of loans are recorded in Expenses in the period in which they are incurred. Borrowing costs include interest and other costs incurred by the Company in relation to loans and debentures.

The Company transferred to intangible assets and to concession contract assets the costs of loans linked to construction in progress, as follows:

	Jan to Mar/2024	Jan to Mar/2023
Costs of loans and debentures	122,909	80,467
Financing costs on intangible assets and contract assets (1) (Note 12)	(17,271)	(10,561)
Net effect in Profit or loss	105,638	69,906

(1) The average capitalization rate was 11.57% p.a. on March 31, 2024 (14.07% p.a. on March 31, 2023).

The amounts of the capitalized borrowing costs have been excluded from the statement of cash flows, in the additions to cash flow of investment activities, as they do not represent an outflow of cash for acquisition of the related asset.

Guarantees

The guarantees of the debt balance on loans, on March 31, 2024, were as follows:

Surety and receivables	2,124,254
Promissory notes and Sureties	310,873
Guarantee	5,096,621
TOTAL	7,531,748

Restrictive covenants

There are early maturity clauses for cross-default in the event of non-payment by the Company, of any pecuniary obligation with individual or aggregate value greater than R\$50 million (“cross default”).

The Company has contracts with financial and non-financial covenants. This table shows the financial covenants:

Security	Covenant	Ratio required Cemig D- Issuer	Ratio required Cemig (guarantor)	Compliance required
7 th , 8 th and 9 th debenture issue (1)	Net debt / (Ebitda adjusted) (2)	The following or less: 3.5	Ratio to be the following, or less: 3.0	Half-yearly and annual
10 th Debentures Issue Cemig D	Net debt/EBITDA	The following or less: 3.5 from Jun. 30 st , 2024 to Jun. 30 th , 2029 4.0 from Jun. 30 st , 2029 onwards	The following or less: 3.0 by Jun. 30 th , 2026 3.5 from Jul. 1 st , 2026 to Jun. 30 th , 2029 4.0 from Jun. 30 st , 2029 onwards	Semi-annual and annual

- (1) Non-compliance 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 advice, notification or any action through the courts or otherwise.
- (2) Adjusted Ebtida corresponds to earnings before interest, income taxes and social contribution on net income, depreciation and amortization, calculated from which non-operating income, any credits and non-cash gains that increase extraordinary net income are subtracted, to the extent that they are non-recurring, and any cash payments made on a consolidated basis during such period in respect of non-cash charges that were added back in the determination of Ebtida in any prior period, and increased by non-cash expenses and non-cash charges, to the extent that they are non-recurring.

Management monitors this index on an ongoing basis.

19. REGULATORY CHARGES AND COSTS

	Mar. 31, 2024	Dec. 31, 2023
Liabilities		
Energy Efficiency Program (EEP) (1)	191,878	187,177
Research and development (R&D) (a)	124,222	126,468
Energy System Expansion Research (a)	1,604	3,468
National Scientific and Technological Development Fund (a)	3,492	7,219
Energy Development Account (CDE) (3)	66,818	66,818
CDE on R&D (2)	1,997	2,166
CDE on PEE (2)	3,994	7,785
Global Reversion Reserve (RGR)	24,545	24,545
Emergency capacity charge	26,325	26,325
Aneel inspection charge	2,199	2,199
Customer charges - Tariff flags	16	16
	447,090	454,186
Current liabilities	342,749	373,039
Non-current liabilities	104,341	81,147

- (1) The Energy Efficiency Program (EPE) aims to promote the efficient use of electricity in all sectors of the economy. For this purpose, holders of electricity distribution concessions and permissions are required to apply an amount of their net revenue each year in research and development in relation to the electricity sector.
- (2) Refers to the amount transferred from the R&D account, which will be paid as CDE over R&D, in accordance with Aneel Dispatch 904 of March 30, 2021;
- (3) Charging of the 'CDE Covid Account' began in May 2021, as ratified by Dispatch 939 of April 5, 2021, under Normative Resolution 885 of June 23, 2020.

a) Research & Development and innovation

The Company is required to allocate 1% of its regulatory net operational revenue for research and development projects in the electricity sector. The movement of the related balances follows below.

	Balance at December 31, 2023	Additions	Collection (1)	Investment	Monetary adjustment (Selic)	Balance at March 31, 2024
National Scientific and Technological Development Fund	7,219	327	(4,054)	-	-	3,492
Energy System Expansion Research	3,468	163	(2,027)	-	-	1,604
Research and Development (R&D)	126,468	7,020	-	(12,425)	3,159	124,222

(1) Of the amount paid to the National Fund for Scientific and Technological Development, R\$608 relates to offsetting credits and R\$304 relates to Energy System Expansion Research.

	Balance at December 31, 2022	Additions	Collection (1)	Investment	Monetary adjustment (Selic)	Balance at December 31, 2023
National Scientific and Technological Development Fund	6,735	49,459	(48,975)	-	-	7,219
Energy System Expansion Research	3,226	24,729	(24,487)	-	-	3,468
Research and Development (R&D)	112,458	27,087	-	(27,307)	14,230	126,468

20. POST-EMPLOYMENT OBLIGATIONS

Changes in net liabilities

	Pension plans and retirement supplement plans	Health Plan	Dental Plan	Total
Net liabilities at December 31, 2023	1,394,720	2,177,881	38,482	3,611,083
Expense recognized in statement of income	31,654	65,024	1,145	97,823
Cost of past service	-	-	-	-
Contributions paid	(58,038)	(33,497)	(645)	(92,180)
Actuarial losses (gains)	-	-	-	-
Net liabilities at March 31, 2024	1,368,336	2,209,408	38,982	3,616,726
			Mar. 31, 2024	Dec. 31, 2023
Current liabilities			198,431	231,390
Non-current liabilities			3,418,295	3,379,693

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

The amounts recorded in the expense recognized from January to March 2024, refer to the installments of costs with post-employment obligation, in the amount of R\$96,053 (R\$107,256 in the same period of 2023), plus the charges and monetary variation of the debt agreed with Forluz, in the amount of R\$1,770 (R\$5,980 in the same period of 2023).

21. PROVISIONS

	Dec. 31, 2023	Additions	Reversals	Settled	Mar. 31, 2024
Labor	319,378	24,896	-	(21,133)	323,141
Civil					
Customer relations	42,076	30,162	(7)	(25,816)	46,415
Other civil actions	37,688	16,493	-	(3,012)	51,169
	79,764	46,655	(7)	(28,828)	97,584
Tax	1,033,127	20,512	-	(48)	1,053,591
Regulatory	36,600	2,801	-	(1,990)	37,411
Others	11,314	12,148	(1,037)	(985)	21,440
Total	1,480,183	107,012	(1,044)	(52,984)	1,533,167

There are legal actions for which expectation of loss with disbursement of cash is considered 'possible', based on the assessment 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'. As a result no provision has been made for these actions. They are:

Possible losses	Mar. 31, 2024	Dec. 31, 2023
Labor	1,373,041	1,145,327
Civil		
Customer relations	339,609	306,055
Other civil actions	503,473	486,699
	843,082	792,754
Tax	1,403,654	1,373,073
Regulatory	732,875	684,929
Others	1,139,321	1,116,568
Total	5,491,973	5,112,651

The Company management, 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 the timing of any cash outflows, or any possibility of reimbursements. It is expected that most of the provisioned amounts will be paid out in periods of more than 12 months.

The Company 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 detailed in note 23 to the financial statements for the year ended December 31, 2023.

There was a significant increase in possible labor losses relating to the 50% of the pension fund deficit adjustment (Forluz) for 2021, which is under legal discussion. Further details of this issue can be found in note 22 of the financial statements for 2023.

In addition, for the quarter ended March 31, 2024, there were no significant changes in the progress of the other lawsuits or in the provisioned amounts, which were monetarily restated in the period.

22. EQUITY AND REMUNERATION TO SHAREHOLDERS

a) Share Capital

On March 31, 2024 and on December 31, 2023, the Company's issued and outstanding share capital is R\$6,284,312, represented by 2,359,113,452 nominal common shares 2,359,113,452 fully subscribed, without nominal value, wholly owned by Cemig (Companhia Energética de Minas Gerais).

The Company's share capital may be increased by up to a limit of 10% (ten percent) of the share capital set in the by-laws, without need for change in the by-laws and upon decision of the Board of Directors, having previously heard statement of opinion by the Fiscal Council.

b) Earnings per share

Earnings per share were calculated based on the weighted average number of the Company's ordinary shares outstanding in each of the periods mentioned, as follows:

	Jan to Mar/2024	Jan to Mar/2023
Total number of shares	2,359,113,452	2,359,113,452
Net income (loss) for the period	322,338	369,530
Basic and diluted earnings (losses) per common share (R\$)	0.14	0.16

The Company does not have any dilutive instruments. Hence its diluted earnings per share is the same as its basic earnings per share.

c) Remuneration to stockholders

On March 21, 2024, the Executive Board, with the authorization of the Board of Directors, approved the declaration of Interest on Shareholders' Equity - JCP in the total amount of R\$161,609, to be paid in two equal installments, the first by June 30, 2025 and the second by December 30, 2025.

The Executive Board is responsible for determining the locations and processes of payment and posting the amounts of Interest on Equity against the mandatory dividend for the 2024 business year, in a proposal to be submitted to the General Meeting of Stockholders. Under the tax legislation, the amount of income tax withheld at source is not taken into account when imputing the declared amounts of Interest on Equity against the minimum mandatory dividend; and is calculated at 15%.

The tax benefits arising from the payments totaled R\$24,241. This is recognized in the income statement for 2024.

23. NET REVENUE

The revenue of the Company is as follows:

	Jan to Mar/2024	Jan to Mar/2023
Revenue from supply of energy - captive customers, in Cemig's concession area (a)	5,727,071	4,721,748
Reimbursement of PIS/Pasep and Cofins over ICMS credits to customers- realization (*)	322,666	695,989
Revenue from use of the energy distribution systems (TUSD) - free customers	1,178,238	987,508
Sector financial assets and liabilities, net (1)	75,674	20,841
Distribution construction revenue (Notes 12 and 13)	858,976	657,608
Adjustment to expectation of cash flow from financial assets of distribution concession (Note 11)	30,951	30,844
Fine for violation of service continuity indicator	(45,927)	(38,469)
Mechanism for the sale of surplus	-	(3,766)
Other operating revenues (b)	559,858	437,475
Taxes and charges reported as deductions from revenue (c)	(2,737,274)	(2,132,841)
	5,970,233	5,376,937

(*) For more information, see Note 17 of these financial statements.

(1) This amount derives from the total additions and amortizations in note 11b.

a) Revenue from supply of energy

This table shows supply of energy by type of customer:

	MWh (1)		R\$	
	Jan to Mar/2024	Jan to Mar/2023	Jan to Mar/2024	Jan to Mar/2023
Residential	3,250,170	2,984,825	3,126,497	2,394,793
Industrial	275,264	334,141	280,060	267,124
Commercial, services and others	1,076,142	1,113,679	1,318,467	1,186,640
Rural	600,086	517,361	528,042	390,205
Public authorities	252,541	223,654	223,285	164,544
Public lighting	248,003	269,516	130,982	116,991
Public services	219,441	272,353	185,343	164,251
Subtotal	5,921,647	5,715,529	5,792,676	4,684,548
Own consumption	8,188	7,545	-	-
Wholesale supply to other concession holders	-	-	17,603	40,467
Unbilled revenue	-	-	(83,208)	(3,267)
Total	5,929,835	5,723,074	5,727,071	4,721,748

(1) Data not reviewed by independent auditors.

b) Other operating revenues

	Jan to Mar/2024	Jan to Mar/2023
Charged service	4,626	5,117
Other services	9,338	4,816
Low-income subsidies	108,982	87,221
Subsidy SCEE (1)	48,244	-
Tariff flag subsidy	18,276	17,523
Other grants (2)	256,128	225,559
Rental and leasing	112,799	96,930
Others	1,465	309
	559,858	437,475

(1) Revenue under the Electricity Offsetting System (Sistema de Compensação de Energia Elétrica - SCEE), governing offsetting for distributed generation, released by Aneel in the 2023 Tariff Review.

(2) This is revenue arising from subsidies applying to tariffs paid by users of distribution service, it includes tariff subsidies applying to tariffs paid by or relating to: supply from incentive-bearing source load; rural supply; nocturnal irrigation; incentive-bearing generation; public services; as well as revenue recognizing subsidies related to the Program to Encourage Voluntary Reduction of Electricity Consumption.

c) Deductions on revenue

	Jan to Mar/2024	Jan to Mar/2023
Taxes on revenue		
ICMS	1,109,829	642,626
PIS/Pasep	106,451	98,557
Cofins	490,322	453,959
ISSQN	430	240
	1,707,032	1,195,382
Charges to the customer		
Energy Efficiency Program (PEE)	19,053	8,808
Energy Development Account (CDE)	973,503	884,800
Research and Development (R&D)	7,020	9,735
National Scientific and Technological Development Fund (FNDCT)	10,028	13,907
Energy System Expansion Research (EPE of MME)	5,014	6,954
CDE on R&D	3,008	4,172
CDE on PEE	6,017	2,781
Energy Services Inspection Charge	6,599	6,302
	1,030,242	937,459
	2,737,274	2,132,841

24. OPERATING COSTS AND EXPENSES

a) Cost of energy

	Jan to Mar/2024	Jan to Mar/2023
Energy purchased for resale		
Supply from Itaipu Binacional	268,696	262,175
Physical guarantee quota contracts	224,569	239,079
Quotas for Angra I and II nuclear plants	94,399	89,917
Spot market	47,226	72,151
'Bilateral' contracts	127,290	125,429
Energy acquired in Regulated Market auctions	1,026,912	951,606
Proinfa Program	113,113	127,894
Distributed generation ('Geração distribuída')	663,764	618,732
PIS/Pasep and Cofins credits	(166,596)	(163,169)
	2,399,373	2,323,814
Basic Network Usage Charges		
Tariff for transport of Itaipu supply	56,850	40,809
Transmission charges - Basic Grid	682,057	539,422
Connection Charges	37,388	30,145
Distribution charges	2,195	2,004
System Services Charge (CCEE-ESS)	34,968	2,504
Reserve Energy Charge (CCEE-EER)	151,129	188,931
PIS/Pasep and Cofins credits	(89,224)	(74,353)
	875,363	729,462
	3,274,736	3,053,276

b) Construction infrastructure costs

	Jan to Mar/2024	Jan to Mar/2023
Personnel	42,047	25,084
Materials	410,149	363,204
Outsourced services	367,503	247,746
Financial charges	17,271	10,561
Leasing and Rentals	1,129	998
Taxes and charges	737	132
Easement acquisition	17,988	2,739
Outros	2,152	7,144
	858,976	657,608

c) Other operating costs and expenses

	Operating costs		ECL		General and administrative expenses		Other operating expenses		Total	
	Jan to Mar/2024	Jan to Mar/2023	Jan to Mar/2024	Jan to Mar/2023	Jan to Mar/2024	Jan to Mar/2023	Jan to Mar/2024	Jan to Mar/2023	Jan to Mar/2024	Jan to Mar/2023
Personnel	160,705	169,657	-	-	49,449	55,008	-	-	210,154	224,665
Employees' and managers' income sharing	245	-	-	-	-	-	24,873	24,614	25,118	24,614
Post-employment obligations	-	-	-	-	-	-	96,053	73,266	96,053	73,266
Materials	20,241	20,899	-	-	2,539	4,436	-	-	22,780	25,335
Outsourced services (C.1)	404,100	360,750	-	-	41,490	40,486	-	-	445,590	401,236
Depreciation and amortization (Note 13b)	201,831	183,503	-	-	4,828	3,142	-	-	206,659	186,645
Amortization of Right of use - lease (note 15)	9,540	7,595	-	-	-	-	-	-	9,540	7,595
Provisions (reversals) for contingencies	105,968	55,902	-	-	-	-	-	-	105,968	55,902
Expected credit losses of accounts receivable (reversals)	-	-	72,978	8,081	-	-	12,447	2,670	85,425	10,751
Other operation costs and expenses, net (C.2)	4,498	7,291	-	-	15,677	13,916	78,768	53,989	98,943	75,196
	907,128	805,597	72,978	8,081	113,983	116,988	212,141	154,539	1,306,230	1,085,205

C.1) Outsourced services

	Jan to Mar/2024	Jan to Mar/2023
Meter reading and bill delivery	40,191	38,994
Maintenance and conservation of electrical facilities and equipment	193,033	161,897
Communication	44,002	43,319
Building conservation and cleaning	16,092	15,043
Cleaning of power line pathways	29,614	21,916
Disconnection and reconnection	17,162	18,804
Tree pruning	16,170	12,015
Costs of proceedings	5,066	4,565
Maintenance and conservation of furniture and utensils	1,076	1,680
Information technology	44,877	39,179
Contracted labor	8,612	5,233
Accommodation and meals	4,329	3,170
Security services	3,129	3,146
Costs of printing and legal publications	4,396	3,279
Inspection of customer units	9,008	15,114
Others	8,833	13,882
	445,590	401,236

C.2) Other expenses, net

	Jan to Mar/2024	Jan to Mar/2023
Advertising	1,458	486
Own consumption of energy	6,804	3,927
Subsidies and donations	3,960	5,851
CCEE annual charge	954	824
Insurance	1,583	2,295
Forluz - Administrative running cost	7,391	6,838
Result on decommissioning and disposal of assets (1)	42,656	27,089
Collection agents	14,729	18,134
Taxes and charges	4,053	3,773
Provision (reversal) for recoverable amount	41	(15,583)
Aneel penalty	3,003	3,436
Other expenses (reversal)	12,311	18,126
	98,943	75,196

(1) In accordance with the Company's current investment policy, deactivations and sales of assets have increased due to replacement of equipment.

25. FINANCE INCOME AND EXPENSES

	Jan to Mar/2024	Jan to Mar/2023
FINANCE INCOME		
Income from financial investments	15,936	10,687
PIS/Pasep and Cofins charged on finance income	(6,716)	(6,046)
Accruals on energy bills	72,904	61,649
Foreign exchange variations - Itaipu Binacional	-	1,889
Interest	13,274	4,439
Interests of escrow deposits	11,206	8,488
Interest - CVA (Note 11b)	1,793	26,610
Others	14,799	16,522
	123,196	124,238
FINANCE EXPENSES		
Charges on loans and debentures (Note 18)	(105,638)	(69,906)
Amortization of transaction cost (Note 18)	(2,677)	(872)
Forluz - Interest charges - monetary adjustments	(1,770)	(5,980)
Itaipu - exchange adjustments	(2,345)	-
Interest - loans and debentures - monetary adjustments (Note 19)	(49,859)	(65,428)
Interest on PIS/Pasep and Cofins taxes credits over ICMS refundable (1)	(20,590)	(35,736)
R&D and PEE - monetary adjustments	(6,839)	(9,888)
Interest on leases - monetary adjustments (Note 15)	(6,500)	(6,392)
Other monetary adjustments	(5,603)	(2,835)
Others	(30,155)	(19,549)
	(231,976)	(216,586)
NET FINANCE INCOME (EXPENSES)	(108,780)	(92,348)

- (1) The interest of the tax credits related to PIS/Pasep and Cofins, arising from the exclusion of ICMS from its calculation basis, and the liability to be refunded to consumers is presented by net value. With the offsetting of the credits, the liability to be refunded to consumers exceeded the value of the credits to be received, generating a net financial expense. The amounts for reimbursement to consumers were ratified by Aneel and incorporated into the tariff adjustments of 2020, 2021, 2022 and 2023.

26. RELATED PARTY TRANSACTIONS

The main consolidated balances and transactions, and the main conditions related to business with related parties of the Company are shown below:

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Transactions with energy								
Cemig Geração e Transmissão	6,300	3,417	9,129	8,862	416	712	(14,456)	(22,949)
Aliança Geração	3,521	3,446	11,630	11,591	12,179	8,506	(32,046)	(31,292)
Norte Energia	-	-	31,419	30,975	-	-	(69,823)	(67,925)
Taesa	-	-	-	-	-	-	(1,130)	(1,042)
Guanhães	36	-	54	-	4	-	(252)	-
Cemig Sim	60	-	-	-	1,074	312	-	-
Hidrelétrica Cachoeirão	-	-	-	-	453	416	-	-
Hidrelétrica Pipoca	160	-	-	-	451	292	-	-

The transactions in purchase and sale of energy between generators and distributors take place through auctions in the Regulated Market, organized by the federal government. In the Free Market, the transactions are carried out either through auctions, or by direct contracting, under the applicable legislation. Operations in transport of energy, on the other hand, are carried out by the transmission companies, and arise from the centralized operation of the National Grid, executed by the National System Operator (ONS).

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Charges								
Connection charges								
Cemig Geração e Transmissão	-	-	12,407	12,407	-	-	(27,916)	(24,467)
Sete Lagoas	-	-	295	295	-	-	(664)	(634)
Taesa	-	-	104	104	-	-	-	-
Transmission charges								
Cemig Geração e Transmissão	-	-	22,072	22,021	7,865	7,110	(66,760)	(60,564)
Centroeste	-	-	-	-	-	-	(400)	(376)
Sete Lagoas	-	-	-	-	-	-	(1,304)	(1,194)
Taesa	-	-	11,213	11,005	-	-	(35,760)	(30,324)

Connection charges are financial amounts set and approved by Aneel for use of connection facilities and/or connection points in the transmission system, payable by the accessing party to the connected agent.

Transmission charges are monthly amounts payable by users to holders of transmission concessions for the provision of transmission services, calculated according to the tariffs for use of the transmission system and the contracted amounts, in accordance with regulations set by Aneel.

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Customers and traders								
Governo do Estado de Minas Gerais	45,974	45,292	-	-	54,317	40,925	-	-

The “Consumers and Traders” balance that the Company holds with the controlling entity refers to sale of electricity to the government of Minas Gerais State - the price of the supply is that decided by Aneel through a Resolution which decides the Company’s annual tariff adjustment.

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Cooperation Working Agreement								
Companhia Energética de Minas Gerais	-	7,119	9,275	22,833	-	-	(9,275)	(5,445)
Cemig Geração e Transmissão	-	-	203	203	-	-	-	-

Technical Cooperation Working Agreement between Cemig, Cemig D and Cemig GT, instituted by Aneel Dispatch 3,208/2016. Principally includes reimbursement of expenses related to sharing of infrastructure, personnel, transport, telecoms and IT.

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Loan with related parties								
Companhia Energética de Minas Gerais	-	-	-	-	-	-	(10,925)	(6,342)

These refer to loan contracts signed between the Company and its parent company, on January 10, 2024 in the amount of R\$150,000, on January 25, 2024 in the amount of R\$200,000 and on February 9, 2024 in the amount of R\$400,000. The loans in question, which were guaranteed by a Promissory Note issued by Cemig D to the benefit of its parent company, were settled on March 15, 2024 (the first loan) and March 18, 2024 (the last two), plus interest in the amounts of R\$3,195,000, R\$3,276,000 and R\$4,454,000,

respectively, corresponding to interest at 110% of the CDI rate. The loans had the consent of Aneel.

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Interest on Equity and dividends								
Companhia Energética de Minas Gerais	-	-	1,636,891	1,497,494	-	-	-	-

The Executive Board, on authorization by the Board of Directors, approved the declaration of interest on Equity and dividends totaling R\$1,636,891.

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
FIC Pampulha								
Current								
Cash and cash equivalents	27,959	649	-	-	-	-	-	-
Marketable securities	171,937	1,424	-	-	867	-	-	-
Non-current								
Marketable securities	6,383	-	-	-	-	-	-	-

Cemig D invests part of its cash holdings in a reserved investment fund, which has the characteristics of fixed income and obeys the Company's cash investment policy. The amounts invested by the fund are presented in Securities and Cash and cash equivalents, in current and non-current assets.

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

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Current								
Leasing	-	-	19,547	18,686	-	-	(6,411)	(6,157)
Non-current								
Leasing	133,211	134,742	136,624	131,252	-	-	-	-

This is a contract with Fundação Forluminas de Seguridade Social (Forluz), the closed private pension fund (Entidade Fechada de Previdência Complementar - EFPC) of employees of the Cemig Group, the owner of the building.

On March 27, 2024, the company signed an addendum for the return of 5 floors of the Júlio Soares Building, changing the rental values and removing Gasmig and Cemig Sim from the contract. The new base date for the contract began on April 1, 2024, and will run until March 2029, being adjusted annually by the IPCA and having its prices reviewed every 60 months.

ENTITY	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2024	Dec. 31, 2023	Jan to Mar, 2024	Jan to Mar, 2023	Jan to Mar, 2024	Jan to Mar, 2023
Post-employment benefits								
Forluz								
Current								
Post-employment obligations (1)	-	-	61,267	91,198	-	-	(31,654)	(40,781)
Supplementary pension contributions - Defined contribution plan (2)	-	-	-	-	-	-	(13,232)	(13,011)
Administrative running costs (3)	-	-	-	-	-	-	(7,391)	(6,838)
Non-current								
Post-employment obligations (1)	-	-	1,307,069	1,303,522	-	-	-	-
Cemig Saúde								
Current								
Health Plan and Dental Plan (4)	-	-	157,956	160,985	-	-	(66,169)	(72,455)
Non-current								
Health Plan and Dental Plan (4)	-	-	2,090,435	2,055,379	-	-	-	-

The Company has contractual obligations to a group of retired former employees in which it is responsible for ensuring funds for the cost of a supplementary pension plan, called Forluz, and for the running costs of a health plan, called Cemig Saúde. The main conditions related to the post-employment benefits are as follows:

- (1) The contracts of Forluz are updated by the Expanded Customer Price Index (Índice Nacional de Preços ao Consumidor Amplo, or IPCA) calculated by the Brazilian Geography and Statistics Institute (IBGE) and will be amortized up to business year 2024 (more details in Note 20 of this financial statements).
- (2) 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.
- (3) 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;
- (4) Post-employment obligations relating to the employees' health and dental plan (more details in Note 20 of this financial statements).

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 Statement of income in the periods ended March 31, 2024 and March 31, 2023, are as follows:

	Jan to Mar, 2024	Jan to Mar, 2023
Remuneration	2,516	2,160
Income sharing	835	751
Pension plans	190	161
Health and dental plans	15	19
Life insurance	2	3
Total (1)	3,558	3,094

- (1) The Company does not directly remunerate the members of the key personnel. They are paid by the controlling stockholder. These expenses are refunded through the sharing agreement for human resources and infrastructure between Cemig, Cemig Distribuição, Cemig Geração e Transmissão and other subsidiaries of the Group, consented to by Aneel in its Dispatch 3,208/2016.

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial instruments classification and fair value

The main financial instruments are as follows:

	Level	Mar. 31, 2024		Dec. 31, 2023	
		Balance	Fair value	Balance	Fair value
Financial assets					
Amortized cost					
Marketable securities - Cash investments		7,304	7,304	1,356	1,356
Receivables from customers, traders and concession holders (Note 6)		3,878,165	3,878,165	3,958,243	3,958,243
Restricted cash		11,098	11,098	11,532	11,532
Concession financial assets - CVA (Parcel 'A' Costs Variation Compensation) Account, and Other financial components		883,038	883,038	805,571	805,571
Reimbursement of tariff subsidies		188,322	188,322	187,066	187,066
		4,967,927	4,967,927	4,963,768	4,963,768
Fair value through profit or loss					
Cash equivalents - cash investments	2	1,103,047	1,103,047	264,606	264,606
Marketable securities					
Bank certificates of deposit	2	323,826	323,826	136	136
Treasury Financial Notes (LFTs)	1	37,469	37,469	396	396
Financial Notes - Banks	2	65,837	65,837	878	878
Debentures	2	685	685	15	15
		427,817	427,817	1,425	1,425
Concession financial assets - Distribution infrastructure	3	2,032,893	2,032,893	1,881,509	1,881,509
		3,563,757	3,563,757	2,147,540	2,147,540
		8,531,684	8,531,684	7,111,308	7,111,308
Financial liabilities					
Amortized cost					
Loans and debentures		(7,531,748)	(7,531,748)	(5,887,622)	(5,887,622)
Debt with pension fund (Forluz)		(33,547)	(33,547)	(65,417)	(65,417)
Equalization of pension fund deficit (Forluz)		(371,310)	(371,310)	(377,390)	(377,390)
Suppliers		(1,868,797)	(1,868,797)	(2,024,449)	(2,024,449)
Leasing transactions		(279,773)	(279,773)	(286,529)	(286,529)
		(10,085,175)	(10,085,175)	(8,641,407)	(8,641,407)

(1) The book value presented is a reasonable approximation of fair value.

At initial recognition the Company measures its financial assets and liabilities at fair value and classifies them according to the accounting standards currently in effect. Fair value is a measurement based on assumptions that market participants would use in pricing an asset or liability, assuming that market participants act in their economic best interest. 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 - No observable inputs: Fair value is determined based on generally accepted valuation techniques, such as on discounted cash flow analysis or other valuation techniques, 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 on the methodology for calculating the fair value of the positions is disclosed in note 29 to the financial statements for the year ended December 31, 2023.

b) Financial risk management

Exchange rate risk

The Company is exposed to the risk of appreciation in exchange rates due to the payment of energy purchased from Itaipu. The risk exposure of Cemig D is mitigated by the account for compensation of variation of parcel A items (CVA).

The net exposure to exchange rates is as follows:

Exposure to exchange rates	Mar. 31, 2024		Dec. 31, 2023	
	Foreign currency	R\$	Foreign currency	R\$
US\$				
Suppliers (Itaipu Binacional) (Note 16)	(42,056)	(210,120)	(49,528)	(239,780)
Net liabilities exposed		(210,120)		(239,780)

Sensitivity analysis

Based on finance information from its financial consultants, the Company estimates that in a probable scenario the variation of the exchange rates of foreign currencies in relation to the Real on March 31, 2025 will be a depreciation of the dollar by 2.86%, to R\$4.98. The Company has prepared a sensitivity analysis of the effects on the Company's net income arising from depreciation of the Real exchange rate in relation to this 'adverse' scenario:

Risk: foreign exchange rate exposure	Mar. 31, 2024	Mar. 31, 2025	
	Balance	'Probable' scenario US\$ R\$4.99	'Adverse' scenario US\$ R\$6.01
US dollar			
Suppliers (Itaipu Binacional) (Note 16)	(210,120)	(209,859)	(252,756)
Net liabilities exposed	(210,120)	(209,859)	(252,756)
Net effect of exchange variation		261	(42,636)

Interest rate risk

The Company is exposed to the risk of decrease in Brazilian domestic interest rates on March 31, 2024. This risk arises from the effect of variations in Brazilian interest rates on net financial income comprised by financial revenues from cash investments made by the Company, and also to the financial assets related to the CVA and other financial components, and to the financial expenses associated to loans and debentures in Brazilian currency, and also sectorial financial liabilities.

Part of the loans in Brazilian currency is obtained from several financial agents that specify interest rates taking into account basic interest rates, the risk premium compatible with the companies financed, their guarantees, and the sector in which they operate.

This exposure occurs as a result of net assets indexed to variation in interest rates, as follows:

Risk: Exposure to domestic interest rate changes	Mar. 31, 2024	Dec. 31, 2023
Assets		
Cash equivalents - cash investments (Note 4)	1,103,047	264,606
Marketable securities (Note 5)	435,121	2,781
CVA and Other financial components in tariffs (Note 11b)	883,038	805,571
	2,421,206	1,072,958
Liabilities		
Loans and debentures - CDI rate (Note 18)	(3,149,816)	(2,805,353)
	(3,149,816)	(2,805,353)
Net liabilities exposed	(728,610)	(1,732,395)

Sensitivity analysis

In relation to the most significant interest rate risk, Company estimates that, in a probable scenario, on March 31, 2025 Selic rates will be 8.5%. The Company made a sensitivity analysis of the effects on its net income arising from a decrease in the rate. Fluctuation in the CDI rate accompanies the fluctuation of Selic rate.

Risk: Increase in Brazilian interest rates	Mar. 31, 2024	Mar. 31, 2025	
	Balance	'Probable' scenario Selic 8.5%	'Adverse' scenario Selic 13.25%
Assets			
Cash equivalents - cash investments (Note 4)	1,103,047	1,196,806	1,249,201
Marketable securities (Note 5)	435,121	472,106	492,775
CVA and Other financial components in tariffs - Selic rate (Note 11b)	883,038	958,096	1,000,041
	2,421,206	2,627,008	2,742,017
Liabilities			
Loans and debentures - CDI rate (Note 18)	(3,149,816)	(3,417,550)	(3,567,167)
	(3,149,816)	(3,417,550)	(3,567,167)
Net liabilities exposed	(728,610)	(790,542)	(825,150)
Net effect of variation in interest rates		(61,932)	(96,540)

Inflation risk

The Company is exposed to the risk of increase in inflation index on March 31, 2024. 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 are also adjusted using the IPCA or IGP-M index, mitigating part of the Company risk exposure. This table presents the Company's net exposure to inflation index:

Exposure to increase in inflation	Mar. 31, 2024	Dec. 31, 2023
Assets		
Concession financial assets related to infrastructure - IPCA index (*) (Note 11a)	2,032,893	1,881,509
	2,032,893	1,881,509
Liabilities		
Loans and debentures - IPCA index (Note 18)	(4,463,012)	(3,113,166)
Debt agreed with pension fund (Forluz) - IPCA index (Note 20)	(33,547)	(65,417)
Forluz deficit solution plan - IPCA index (Note 20)	(371,310)	(377,390)
Leasing liabilities	(279,773)	(286,529)
	(5,147,642)	(3,842,502)
Net liabilities exposed	(3,114,749)	(1,960,993)

(*) Portion of the concession financial assets relating to the Regulatory Remuneration Base of Assets ratified by the grantor (Aneel) after the 4rd tariff review cycle.

Sensitivity analysis

In relation to the most significant risk of reduction in inflation index, reflecting the consideration that the Company has more assets than liabilities indexed to inflation indexes, the Company estimates that, in a probable scenario, at March 31, 2025 the IPCA inflation index will be 3.89% and the IGPM inflation index will be 3.09%. The Company made a sensitivity analysis of the effect on the result in an 'Adverse' scenario, as follows:

Risk: increase in inflation index	Mar. 31, 2024	Mar. 31, 2025	
	Balance	'Probable' scenario IPCA 3.89% IGPM 3.09%	'Adverse' scenario IPCA 7.32% IGPM 9.62%
Assets			
Concession financial assets related to infrastructure - IPCA index (*) (Note 11a)	2,032,893	2,111,973	2,181,701
	2,032,893	2,111,973	2,181,701
Liabilities			
Loans and debentures - IPCA index (Note 18)	(4,463,012)	(4,636,623)	(4,789,704)
Debt agreed with pension fund (Forluz) - IPCA index (Note 20)	(33,547)	(34,852)	(36,003)
Equation of the deficit on Pension Plan (Forluz) - IPCA Index (Note 20)	(371,310)	(385,754)	(398,490)
Leasing liabilities	(279,773)	(290,656)	(300,252)
	(5,147,642)	(5,347,885)	(5,524,449)
Net liabilities exposed	(3,114,749)	(3,235,912)	(3,342,748)
Net effect of variation in IPCA and IGP-M indexes		(121,163)	(227,999)

(*) Portion of the concession financial assets relating to the Regulatory Remuneration Base of Assets ratified by the grantor (Aneel) after the 4rd tariff review cycle.

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, 2023.

The flow of payments of the Company and subsidiaries 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:

	Up to 1 month		1 to 3 months		3 months to 1 year		1 to 5 years		Over 5 years		Total
	Principal	Interest	Principal	Interest	Principal	Principal	Interest	Principal	Interest	Principal	
Financial instruments at (interest rates):											
- Floating rates (*)											
Loans and debentures	45,000	1,186	90,000	217,083	319,886	374,912	5,316,596	1,215,680	2,498,719	516,387	10,595,449
Debt with pension plan (Forluz)	11,098	163	22,437	164	-	-	-	-	-	-	33,862
Equation of the deficit on Pension Plan (Forluz) - IPCA Index	3,162	1,830	6,398	3,630	29,986	15,766	200,993	64,797	193,346	17,985	537,893
	59,260	3,179	118,835	220,877	349,872	390,678	5,517,589	1,280,477	2,692,065	534,372	11,167,204
- Fixed rate											
Suppliers	1,727,860	-	140,937	-	-	-	-	-	-	-	1,868,797
	1,787,120	3,179	259,772	220,877	349,872	390,678	5,517,589	1,280,477	2,692,065	534,372	13,036,001

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

Risk of debt early maturity

The Company has loan and debentures contracts with restrictive covenants related to compliance with a financial index. More details in Note 18 of this interim financial information.

Credit risk and other operational risks

The information on how the Company manages: (i) credit risk; (ii) risk of overcontracting or undercontracting supply of electricity; (iii) risk to continuity of the concession; and (iv) hydrological risk, is given in Note 29 of the Financial Statements for the year ended December 31, 2023.

c) Capital management

The Company's net liabilities in relation to its equity at the end of the period are presented as follows:

	Mar. 31, 2024	Dec. 31, 2023
Loans and debentures	20,224,792	18,699,341
(-) Cash and cash equivalents	(1,234,159)	(447,967)
(-) Marketable securities	(428,738)	(2,781)
Net debt	18,561,895	18,248,593
Ebtida adjusted	9,043,954	8,883,225
Net debt / ebtida adjusted	2.05	2.05

28. RISKS RELATED TO COMPLIANCE WITH LAWS AND REGULATIONS

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 2019. The CPI was empowered to investigate the facts that were the basis for the request for its establishment, and by means of requirements, the CPI requested various information and documents related mainly to people management and procurement processes, which were fully met by the Company in compliance with 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 public control bodies, for assessment of what further submissions 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 the Company carries out regular audits of its contracting processes, and no material impacts were identified in the interim financial information for the period ending March 31, 2024 or in the financial statements for previous years.

Reynaldo Passanezi Filho
President

Dimas Costa
Vice President of Trading

Leonardo George de Magalhães
Vice President of Finance and Investor
Relations

Marney Tadeu Antunes
Vice President of Distribution

Marco da Camino Ancona Lopez Soligo
Vice President of Participations

Thadeu Carneiro da Silva
Vice President without portfolio

Cristiana Maria Fortini Pinto e Silva
Vice President Legal

Mário Lúcio Braga
Controller

José Guilherme Grigolli Martins
Financial Accounting and Equity
Interests Manager
Accountant - CRC-1SP/242.451-04



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Report on Review of Interim Financial Information – ITR (Free Translation)

To the Board of Directors, Shareholders and Management
Cemig Distribuição S.A.
Belo Horizonte - Minas Gerais

Introduction

We have reviewed the interim financial information of Cemig Distribuição S.A. (“the Company”), included in the Quarterly Information Form (ITR), for the quarter ended March 31, 2024, which comprises the balance sheet as of March 31, 2024 and the related statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended, including explanatory notes.

Management is responsible for the preparation of this interim financial information in accordance with CPC 21(R1) and with the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board – (IASB), as well as for the presentation of this information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of quarterly information (ITR). Our responsibility is to express a conclusion on this 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 International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information included in quarterly financial 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 Quarterly Information – ITR and presented in accordance with the rules issued by the Brazilian Securities and Exchange Commission - CVM.



Other matters- Statements of Value Added

The quarterly information referred to above include the statement of value added (DVA), for the three-month period ended March 31, 2024, 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 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 interim financial information taken as a whole.

Belo Horizonte, May 10, 2024

KPMG Auditores Independentes Ltda.
CRC (Regional Accounting Council) SP-014428/O-6 F-MG
(Original in Portuguese signed by)
Thiago Rodrigues de Oliveira
Contador CRC 1SP259468/O-7

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 Cemig Distribuição S.A., held on May 7, 2024, we approved the conclusion, on that date, of the Company's Interim Financial Information for the period from January to March 2024. In the same date, approved the submission to the Board of Directors, for decision of the Interim Financial Information for the period from January to March 2024. We also declare that we have reviewed, discussed and agree with the said Interim Financial Information.

Belo Horizonte, May 7, 2024.

Reynaldo Passanezi Filho - President

Dimas Costa - Vice President of Trading

Leonardo George de Magalhães - Vice President of Finance and Investor Relations

Marney Thadeu Antunes - Vice President of Distribution

Marco da Camino Ancona Lopes Soligo - Vice President of Participations

Thadeu Carneiro da Silva - Vice President of Generation and Transmission

Cristina Maria Fortini Pinto e Silva - Vice President Legal

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 May 7, 2024, we approved the conclusion, on that date, of the Company's Interim Financial Information for the period from January to March 2024; and also submission to the Board of Directors, for decision of the Interim Financial Information for the period from January to March 2024. We also declare that we have reviewed, discussed and agree with the opinions expressed by the representatives of the Independent External Auditors.

Belo Horizonte, May 7, 2024.

Reynaldo Passanezi Filho - President

Dimas Costa - Vice President of Trading

Leonardo George de Magalhães - Vice President of Finance and Investor Relations

Marney Thadeu Antunes - Vice President of Distribution

Marco da Camino Ancona Lopes Soligo - Vice President of Participations

Thadeu Carneiro da Silva - Vice President of Generation and Transmission

Cristina Maria Fortini Pinto e Silva - Vice President Legal