

## CEMIG 2Q21 RESULTS

**EBITDA R\$ 2,590 MILLION**  
**ADJUSTED EBITDA R\$ 1,320 MILLION – UP 39.2% FROM 2Q20**

### Highlights of 2Q21:

- **Cemig D distributed 12.4% more energy in 2Q21 than 2Q20**
  - Captive market: up 5.4% YoY
  - Transport for clients: up 21.4% YoY
- **Gas – volume sold in 2Q21: up 85.7% YoY**
- **Cemig D**
  - Opex within regulatory limit (R\$ 128 million below) in the first semester.
  - Realized Ebitda R\$ 119 million above regulatory level in the first semester.
- **Bonds: gain in Net financial revenue (expenses): R\$ 617 mn**
- **Services revenue – advance payment received: R\$ 148 mn**
- **Hydrological risk (GSF) reimbursement: R\$ 910 mn**
- **Gain from Periodic Tariff Review/RBSE reprofiling: R\$ 211 mn**
- **Equity income: 60% lower than in 2Q20**
- **Solid cash position: R\$ 6.99 billion**
- **DECI: Continuous improvement**
  - Outage average: 9.46 hours/year (last 12 months)

Indicators (GWh)	2Q21	2Q20	Change, %
Electricity sold (excluding CCEE)	13,352	12,809	4.2%
Total energy carried	5,539	4,564	21.4%
Indicators – R\$ million	2Q21	2Q20	Change, %
Sales on CCEE	1.0	7.1	-85.9%
Net revenue	7,354.0	5,500.1	33.7%
Ebitda (IFRS)	2,590.2	1,866.0	38.8%
Adjusted Ebitda*	1,320.3	948.4	39.2%
Net profit	1,946.6	1,081.7	80.0%
Adjusted Ebitda margin	17.95%	17.24%	0,71 p.p.
Ebitda of companies (R\$ mn)	2Q21	2Q20	Change, %
Cemig D Ebitda (IFRS)	590.6	530.7	11.3%
Cemig D Adjusted Ebitda	590.6	530.7	11.3%
Cemig GT Ebitda (IFRS)	1,698.9	798.9	112.7%
Cemig GT Adjusted Ebitda	429.7	319.2	34.6%
Consolidated debt (R\$ million)	2Q21	2020	Change, %
Net debt	6,320.9	9,215.1	-31.4%
Net debt (excluding hedge)	5,030.2	6,266.2	-19.7%

\* After calculating Ebitda in accordance with CVM Instruction 527/2012, Cemig adjusts it to exclude items extraordinary items which by their nature do not contribute to information on the potential for gross cash flow generation.

## Conference call

### Second quarter 2021 results

#### Webcast and conference call

August 18 (Wednesday), at 3:00 PM a.m. (Brasília time)

The transmission will have simultaneous translation in English and can be seen by Webcast, at <http://ri.cemig.com.br>, or through the links:

<https://vcasting.voitel.com.br/?transmissionId=9234> (Portuguese)

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Available from August 18 to August 24,  
2021

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## Disclaimer

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

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

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

The information and opinions herein should not be understood as a recommendation to potential investors, and no investment decision should be based on the veracity, currentness or completeness of this information or these opinions. No employee of Cemig nor any of their related parties nor representatives shall have any responsibility for any losses that may arise from use of the content of this presentation.

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

## Adoption of IFRS

The results presented below, expressed in thousands of Reais (R\$ '000) are prepared in accordance with Brazilian accounting rules, which now embody harmonization to IFRS (International Financial Reporting Standards).

### INCOME STATEMENT

	2Q21	2Q20 Re- presented
<b>NET REVENUE</b>	<b>7,353,982</b>	<b>5,500,117</b>
<b>OPERATING COSTS</b>		
Personnel	342,869	339,183
Employees' and managers' profit sharing	19,675	7,440
Post-Retirement Employee Benefits	109,288	118,322
Materials	25,352	16,141
Outsourced services	344,641	302,609
Energy purchased for resale	3,309,234	2,755,238
Depreciation and Amortization	241,733	245,697
Operating Provisions	69,175	197,613
Charges for use of the national grid	701,915	257,441
Gas bought for resale	480,517	231,378
Construction costs	437,186	373,405
Other Expenses	77,580	72,673
<b>Total</b>	<b>6,159,165</b>	<b>4,917,140</b>
<b>GROSS PROFIT</b>	<b>1,194,817</b>	<b>582,977</b>
Periodic Tariff Review, net	211,247	479,703
Offsetting of hydrological risk costs, net (Law 14052/20)	909,601	-
Impairment of assets held for sale	-	475,137
Share of profit (loss) in non-consolidated investees	32,792	82,534
<b>Profit before financial revenue (expenses) and taxes</b>	<b>2,348,457</b>	<b>1,620,351</b>
Financial revenue	1,288,425	670,078
Finance expenses	-809,897	-705,395
<b>Profit before income and Social Contribution taxes</b>	<b>2,826,985</b>	<b>1,585,034</b>
Current income tax and Social Contribution tax	-601,560	-198,803
Deferred income tax and Social Contribution tax	-278,786	-304,581
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,946,639</b>	<b>1,081,650</b>

## Results separated by business segment

INFORMATION BY SEGMENT JUNE, 2021									
DESCRIPTION	ENERGIA ELÉTRICA				Distribution	TOTAL	Eliminations	Reconciliation	TOTAL
	Generation	Transmission	Trading	Distribution	Holding Co.				
<b>NET REVENUE</b>	<b>723,453</b>	<b>214,882</b>	<b>1,453,335</b>	<b>4,801,039</b>	<b>684,657</b>	<b>7,877,366</b>	<b>-419,197</b>	<b>-104,187</b>	<b>7,353,982</b>
<b>COST OF ELECTRICITY AND GAS</b>	<b>-143,882</b>	<b>-82</b>	<b>-1,278,184</b>	<b>-3,095,654</b>	<b>-480,517</b>	<b>-4,998,319</b>	<b>419,197</b>	<b>87,456</b>	<b>-4,491,666</b>
OPERATING COSTS									
Personnel	-43,730	-28,510	-5,048	-242,165	-25,522	-344,975	0	2,106	-342,869
Employees' and managers' profit shares	-2,752	-2,336	-434	-15,946	1,793	-19,675	0	0	-19,675
Post-retirement obligations	-10,475	-9,220	-1,635	-73,783	-14,175	-109,288	0	0	-109,288
Materials, Outsourced services and Others	-50,420	-20,100	-3,410	-364,709	-28,937	-467,576	0	20,003	-447,573
Depreciation and amortization	-47,832	-886	-131	-165,874	-26,886	-241,609	0	-124	-241,733
Operating provisions (reversals) and adjustments for operational losses	7,643	-3,037	-6,808	-19,979	-41,740	-63,921	0	-5,254	-69,175
Construction revenue	0	-28,059	0	-398,218	-10,909	-437,186	0	0	-437,186
<b>Total cost of operation</b>	<b>-147,566</b>	<b>-92,148</b>	<b>-17,466</b>	<b>-1,280,674</b>	<b>-146,376</b>	<b>-1,684,230</b>	<b>0</b>	<b>16,731</b>	<b>-1,667,499</b>
<b>Total cost</b>	<b>-291,448</b>	<b>-92,230</b>	<b>-1,295,650</b>	<b>-4,376,328</b>	<b>-626,893</b>	<b>-6,682,549</b>	<b>419,197</b>	<b>104,187</b>	<b>-6,159,165</b>
Result of Periodic Tariff Review and RBSE reprofiling	0	211,247	0	0	0	211,247	0	0	211,247
Hydrological risk (GSF) reimbursement	909,601	0	0	0	0	909,601	0	0	909,601
Gain on restatement of asset held for sale	0	0	0	0	0	0	0	0	0
Equity gain (loss) in subsidiaries	-42,235	0	0	0	75,027	32,792	0	0	32,792
	0	0	0	0	0	0	0	0	0
<b>OPERATIONAL PROFIT BEFORE FINANCIAL INCOME (EXPENSES) AND TAXES</b>	<b>1,299,371</b>	<b>333,899</b>	<b>157,685</b>	<b>424,711</b>	<b>132,791</b>	<b>2,348,457</b>	<b>0</b>	<b>0</b>	<b>2,348,457</b>
Net financial revenue (expenses)	161,951	73,885	3,602	49,913	189,177	478,528	0	0	478,528
<b>PRE-TAX PROFIT</b>	<b>1,461,322</b>	<b>407,784</b>	<b>161,287</b>	<b>474,624</b>	<b>321,968</b>	<b>2,826,985</b>	<b>0</b>	<b>0</b>	<b>2,826,985</b>
Income tax and Social Contribution tax	-452,223	-123,722	-10,071	-126,983	-167,347	-880,346	0	0	-880,346
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>1,009,099</b>	<b>284,062</b>	<b>151,216</b>	<b>347,641</b>	<b>154,621</b>	<b>1,946,639</b>	<b>0</b>	<b>0</b>	<b>1,946,639</b>

(1) The only inter-segment transactions are from the generation to the trading segment, as explained above.

(2) The reconciliation between the published amounts for the segments and the accounting information on revenue and costs indicates the transactions between the consolidated companies (eliminations).

(3) The information on operational costs and expenses separated by type is segregated in accordance with the internal business model, which has immaterial differences in relation to the accounting information.

## Consolidated results for 2Q21

*In thousands of Reais, unless otherwise stated*

For the second quarter of 2021 (**2Q21**) Cemig reports net profit of R\$ 1,946,639, which compares to a net gain of R\$ 1,081,650 in the (re-presented) result for 2Q20.

Leading factors in the 2Q21 result:

- 2Q21 Ebitda of Cemig GT R\$ 1,698,850, up 112.7% from 2Q20.
  - Recognition of reimbursement for hydrological risk (GSF): R\$ 910 mn
  - Advance of revenue for services: R\$ 148 million. The amount refers to early payment of amounts for provision of services of the subsidiary ESCEE to a free consumer, net of PIS, Pasep and Cofins taxes.
  - Recognition of the recalculation of RBSE financial component, including the remuneration of cost of capital at the rate of cost of own capital, replacing the weighted average regulatory cost of capital, for the period from June 2017 to June 2020, and the new amounts of the component for the cycles of 2020-21 and 2025-26, taking into account the reprofiling of the payments under the terms of the Aneel Resolution, with positive effect of R\$ 211 million.
- Cemig GT posted a gain of R\$ 617,233 in Net financial revenues (expenses), related to the debt in Eurobonds and the corresponding hedge instrument. In 2Q20 the combined effect of the debt and the hedge was a gain of R\$ 70,770.
- Ebitda of Cemig D 11.3% higher than in 2Q20, led by volume of energy distributed 12.4% higher, and a provision for doubtful receivables lower (due to strengthened efforts, and changing methods, of collection).
- Gasmig - volume sold in 2Q21: up 85.7% YoY, due to the strong recovery in the industrial segment, and in dispatching of thermal electricity generation plants.
- Lower equity income (gain in non-consolidated investees)(totaling R\$ 33 mn in 2Q21, vs. R\$ 83 mn in 2Q20), mainly from lower results in *Santo Antônio* and *Guanhães*, partially offset by higher equity income from *Taesá*.

## After 2Q21 – Material subsequent events

**Tender offer:** On July 30, Cemig GT received offers totaling US\$774 million for its Notes issued in the international market, of which a total of R\$ 500 million were accepted (pro-rata), at 116.25% of face value. Settlement of the transaction took place on August 5, 2021.

**Acquisition of Sete Lagoas Transmissora:** On July 27, 2021, Cemig signed a contract to acquire 100% of the shares in Sete Lagoas Transmissora de Energia S.A (SLTE) held by Cobra Brasil Serviços, Comunicações e Energia S.A and Cobra Instalaciones y Servicios S.A. The price of the acquisition is R\$ 41,367, on the base date of December 31, 2020, subject to price adjustment mechanisms specified in the Share Purchase Agreement.

**Renova sells Brasil PCH:** In July 2021 the Board of Directors of Renova approved acceptance of the binding offer presented by Mubadala Consultoria Financeira e Gestora de Recursos Ltda. for acquisition of 100% of the common shares owned by the Renova Group (all book-entry shares without par value) in Brasil PCH S.A., for R\$ 1,100,100. On August 4, 2021, the Court Administrator declared SF 369 Participações Societárias S.A., a subsidiary of Mubadala Consultoria Financeira e Gestora de Recursos Ltda., to be winner of the Competitive Procedure for acquisition of the *Brasil PCH* UPI (Isolated Production Unit – as defined in the Judicial Recovery Law, Law 11101 of 2005) under the Judicial Recovery Plan of the Consolidated Companies of the Renova Group, The transaction is in line with the Company's strategy for healthy recovery and reduction of its liabilities. Renova will allocate the proceeds of the Transaction especially to: pre-payment of the DIP bridge loan contracted with Quadra Capital, disbursed at the beginning of this year; payment of certain creditors outside the Judicial Recovery agreement; compliance with its obligations under the Judicial Recovery Plan; and completion of Phase A of the *Alto Sertão III* Wind Farm Complex.



## Consolidated operational revenue

### Revenue from supply of electricity:

Total revenue from supply of electricity in 2Q21 was R\$ 6,837,773 , a year-on-year increase of 15.5% compared to R\$ 5,920,014 in 2Q20.

	2Q21			2Q20			Change, %	
	MWh (2)	R\$	Average price billed – R\$/MWh (1)	MWh (2)	R\$	Average price billed – R\$/MWh (1)	MWh	R\$
Residential	2,766,585	2,620,985	947,37	2,657,910	2,307,578	868,19	4.09	13.58
Industrial	4,058,047	1,269,674	312,88	2,982,979	934,197	313,18	36.04	35.91
Commercial, services and others	1,992,781	1,263,457	634,02	2,028,857	1,136,848	560,34	(1.78)	11.14
Rural	1,074,926	629,219	585,36	896,375	511,810	570,98	19.92	22.94
Public authorities	171,645	128,263	747,26	169,009	121,381	718,19	1.56	5.67
Public lighting	314,679	149,098	473,81	325,162	142,679	438,79	(3.22)	4.50
Public services	352,752	197,094	558,73	339,650	177,860	523,66	3.86	10.81
<b>Subtotal</b>	<b>10,731,415</b>	<b>6,257,790</b>	<b>583,13</b>	<b>9,399,942</b>	<b>5,332,353</b>	<b>567,28</b>	<b>14.16</b>	<b>17.36</b>
Own consumption	8,272	-	-	7,970	-	-	3.79	-
Retail supply not yet invoiced, net	-	(55,728)	-	-	(104,793)	-	-	(46.82)
	<b>10,739,687</b>	<b>6,202,062</b>	<b>577,49</b>	<b>9,407,912</b>	<b>5,227,560</b>	<b>555,66</b>	<b>14.16</b>	<b>18.64</b>
Wholesale supply to other concession holders (3)	2,612,137	653,719	250,26	3,401,541	726,004	213,43	(23.21)	(9.96)
Wholesale supply not yet invoiced, net	-	(18,048)	-	-	(33,550)	-	-	(46.21)
<b>Total</b>	<b>13,351,824</b>	<b>6,837,733</b>	<b>517,65</b>	<b>12,809,453</b>	<b>5,920,014</b>	<b>472,96</b>	<b>4.23</b>	<b>15.50</b>

(1) The calculation of the average price does not include revenue from supply not yet billed.

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

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

### Final consumers

Revenue from energy sold to final consumers in 2Q21 was R\$ 6,202,062. This is 18.6% higher than in 2Q20 (R\$ 5,227,56), and reflects volume of energy sold to final consumers 14.2% higher, especially to *industrial* clients (36.0% higher), *rural* consumers (19.9% higher), and *residential* users (4.1% higher).

### Revenue from Use of the Distribution System (the TUSD charge)

This is revenue from charging Free Consumers the Tariff for Use of the Distribution System (*Tarifa de Uso do Sistema de Distribuição*, or TUSD) on the basis of the energy distributed. In 2Q21 this revenue was R\$ 820,873, 21.7% more than in 2Q20 (R\$ 674,737). This is mainly due to revenue from transport of energy 21.4% higher YoY in 2Q21.

	MWh		
	2Q21	2Q20	Change, %
Industrial	5,118,220	4,230,152	20.99
Commercial	356,817	254,096	40.43
Rural	10,560	7,045	49.89
Public services	900	-	-
Concession holders	52,220	72,652	(28.12)
<b>Total energy transported</b>	<b>5,538,717</b>	<b>4,563,945</b>	<b>21.36</b>

### CVA and Other financial components in tariff adjustments

In its financial statements Cemig recognizes, in the *CVA Account*, the difference between actual non-controllable costs (in which the CDE, and electricity bought for resale, are significant components) and the costs that were used as the basis for decision on the rates charged to consumers. A gain in the CVA account of R\$ 453,744 was posted for 2Q21, compared to a gain of R\$ 136,254 in 2Q20. This variation mainly reflects the increase in costs of electricity in the Regulated Market, and transmission costs. Also, realization of amounts approved in the current tariff cycle was lower than in the prior cycle.

### Transmission revenue

The transmission revenue of Cemig GT and Centroeste comprises the sum of revenues recorded for construction, strengthening, enhancement, operation and maintenance, as specified in the transmission contracts. The concession contracts establish the *Permitted Annual Revenue (Receita Anual Permitida – RAP)* for the assets of the existing system and those won in competitive tenders, updated annually, based mainly on the IPCA inflation index specified in the contract (the IPCA index is applied in the contracts of Cemig GT, and the IGP–M index in the contract of Cemig Itajubá). From then on, whenever there is a strengthening or enhancement of an existing asset made under a specific authorization from Aneel, an addition is made to the RAP.

Revenue from operation and maintenance was R\$ 75,036 in 2Q21, vs. R\$ 60,715 in the 2Q20 result (re-presented) – an increase of 23.6%. Revenues from construction, strengthening and enhancements of infrastructure in 2Q21 were R\$ 39,682, compared to R\$ 42,815 in the 2Q20 results (re-presented) – a reduction of 7.3%, mainly reflecting lower investments in transmission in 2020, following decisions to review investments on small-scale enhancements, due to alterations in regulations, and suspension of

contracts with suppliers for enhancement works. At the same time, revenues from financial remuneration of transmission contractual assets were 220.3% higher, at R\$ 139,867 in 2Q21, compared to R\$ 43,672 in the (re-presented) results for 2Q20 – mainly reflecting the increase in the remuneration base of assets linked to concession contracts, as from the Periodic Tariff Reviews (RTPs) ratified by Aneel on June 30 and December 30, 2020.

#### Revenue from supply of gas

The Company reports revenue from supply of gas 107.9% higher YoY in 2Q21, at R\$ 838,444, compared to R\$ 403,227 in 2Q20. This difference basically reflects volume of gas sold 85.7% higher, at 340,126m<sup>3</sup> in 2Q21, compared to 183,137m<sup>3</sup> in 2Q20, mainly reflecting higher consumption by the *thermoelectric electricity generation* sector – 471.7% higher YoY – and the *industrial* consumer category, 47.8% higher YoY. Volume sold was 8% higher in 2Q21 than 2Q20, led by *industrial* consumers (4.1% higher) and *vehicle natural gas* (14.5% higher).

Market ('000 m <sup>3</sup> /day)	2016	2017	2018	2019	2020	6M20	6M21
Residential	3.38	11.44	17.73	21.28	25.52	23.91	27.80
Commercial	24.68	32.67	39.37	47.7	49.14	47.11	52.84
Industrial	2,173.76	2,453.22	2,400.41	2,085.32	2,007.45	1,902.09	2,418.55
Other	120.19	126.15	155.14	148.44	116.32	115.39	116.30
<b>Total, excluding thermal generation</b>	<b>2,322.01</b>	<b>2,623.47</b>	<b>2,612.65</b>	<b>2,302.74</b>	<b>2,198.43</b>	<b>2,088.50</b>	<b>2,615.50</b>
Thermal generation	591.52	990.89	414.04	793.94	385.52	292.13	1,108.14
<b>Total</b>	<b>2,913.53</b>	<b>3,614.36</b>	<b>3,026.69</b>	<b>3,096.69</b>	<b>2,583.95</b>	<b>2,380.63</b>	<b>3,723.64</b>

The total number of Gasmig's clients increased by 3,433 in 1H21. Supply to the residential market began in 2013, and at the end of 2Q21 Gasmig was serving 63,528 consumer units – 5.7% more than at the end of December 2020.

Gasmig – Number of clients	2016	2017	2018	2019	2020	June 2021
Residential	14,935	30,605	41,377	50,813	60,128	63,528
Commercial	394	591	756	981	1,121	1,151
Industrial	112	107	109	109	99	101
Other	49	50	57	61	64	65
Thermal generation	2	2	2	2	2	2
<b>Total</b>	<b>15,492</b>	<b>31,355</b>	<b>42,301</b>	<b>51,966</b>	<b>61,414</b>	<b>64,847</b>

## Taxes and charges on revenue

The total of these taxes and charges reported as deductions from revenue in 2Q21 was R\$ 3,218,609, or 20.0% more than in 2Q20 (R\$ 2,682,530).

### The Energy Development Account – CDE

The amounts of payments to the Energy Development Account (CDE) are decided by an Aneel Resolution. The purpose of the CDE is to cover costs of concession indemnities (reimbursements of costs of assets), tariff subsidies, the subsidy for balanced tariff reduction, the low-income-consumer subsidy, the coal consumption subsidy, and the Fuels Consumption Account (CCC). The CDE charges in 2Q21 were R\$ 649,729, 6.8% more than in 2Q20 (R\$ 608,155). This mainly reflects (a) higher contracted demand, and (b) the start of charging of 'Covid-Account CDE' in May 2021, as confirmed by Dispatch 939 of April 5, 2021, under Normative Resolution 885 of June 23, 2020. This is a non-manageable cost: the difference between the amounts used as a reference for setting of tariffs and the costs actually incurred is compensated for in the subsequent tariff adjustment.

### Consumer charges – the 'Flag' Tariff system

The 'Flag' Tariff bands are activated as a result of low levels of water in the system's reservoirs – tariffs are temporarily increased due to scarcity of rain. The 'Red' band has two levels – Level 1 and Level 2. 'Red Level 2' comes into effect when the levels of reservoirs are more critical. Activation of the flag tariffs generates an impact on billing in the subsequent month.

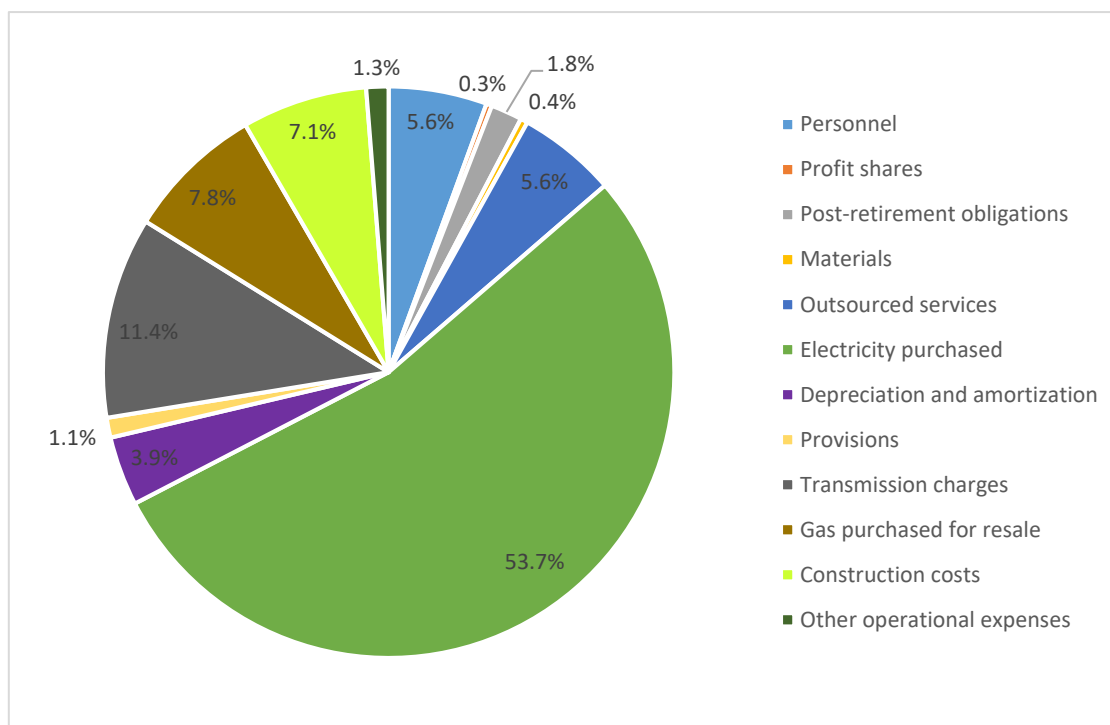
Additional charges due to the 'Tariff Flag' system totaled R\$ 55,037 in 2Q21, compared to R\$ 73 in 2Q20.

The 'green' flag was in effect in the months of March 2020 (with effect on billing in April 2020) through June 2020; in 2021, the 'red' flag was in effect in March and April.

The 'Flag' Tariff – history			
<b>March 2021</b>	Yellow	<b>March 2020</b>	Green
<b>April 2021</b>	Yellow	<b>April 2020</b>	Green
<b>May 2021</b>	Red 1	<b>May 2020</b>	Green
<b>June 2021</b>	Red 2	<b>June 2020</b>	Green

## Operational costs and expenses

Operating costs and expenses in 2Q21 were R\$ 6,159,165, 25.3% more than their total of R\$ 4,917,140 in 2Q20 (re-presented).

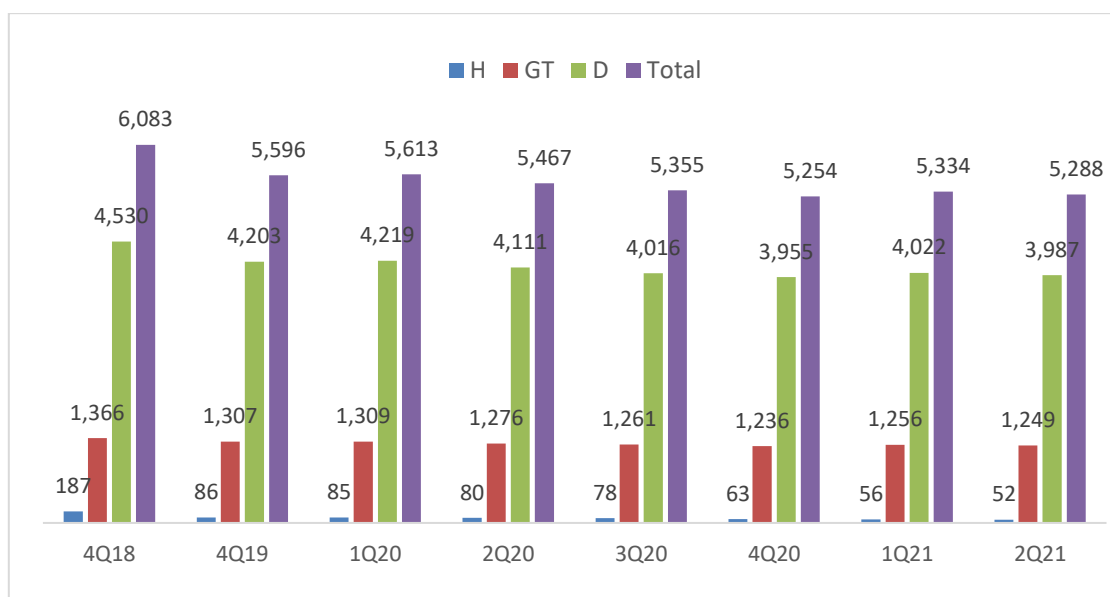


The following paragraphs comment on the main variations in expenses:

### Employees

The expense on personnel in 2Q21 was R\$ 342,869, or 1.1% more than in 2Q20 (R\$ 339,183). The higher figure reflects the salary increase of 4.77%, from November 2020, under the Collective Work Agreement; and also deferral of part of the payments of employment-law taxes and charges in 2Q20, as authorized by law. In counterpart to this, the volume of expenses recognized for the voluntary severance program in 2Q21, at R\$ 35,238, was lower than in 2Q20 (R\$ 58,850). A total of 324 employees accepted the terms of the PDVP in 2021, and 396 in 2020. Also, the average number of employees was 4.18% lower in 2Q21 than in 2Q20.

## Number of employees – by company



## Electricity purchased for resale

The expense on electricity bought for resale in 2Q21 was R\$ 3,309,234, or 20.1% more than in 2Q20 (R\$ 2,755,238). This arises mainly from the following factors:

- Expenses on supply acquired at auction 38.5% higher YoY in 2Q21, at R\$ 1,036,952, compared to R\$ 748,514 in 2Q20. This increase mainly arises from higher variable costs in electricity sale contracts (CCEARs) in the Regulated Market, due to higher dispatching of thermal plants.
- Expenses on purchase of supply at the spot price 29.0% higher: R\$ 323,914 in 2Q21, compared to R\$ 251,066 in 2Q20. The difference mainly reflects an average spot price (PLD) 204.0% higher in the Southeast and Center-West regions: R\$ 229.44/MWh in 2Q21, compared to R\$ 75.47/MWh in 2Q20.
- Expenses on distributed generation 77.4% higher, at R\$ 273,757 in 2Q21, compared to R\$ 154,314 in 2Q20 – this higher figure reflects the increase in the number of generating facilities installed, and the higher quantity of energy injected (445,944 MWh in 2Q21, compare to 232,076 MWh in 2Q20).

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

Consolidated	2Q21	2Q20	Change, %
Supply from <i>Itaipu Binacional</i>	480,103	524,601	-8.5%
Physical guarantee quota contracts	199,451	189,617	5.2%
Quotas for <i>Angra I</i> and <i>II</i> nuclear plants	61,145	75,742	-19.3%
Spot market	323,914	251,066	29.0%
Proinfa	95,500	77,933	22.5%
Individual ('bilateral') contracts	110,107	84,216	30.7%
Acquired in Regulated Market auctions	1,036,952	748,514	38.5%
Acquired in Free Market	1,023,322	900,703	13.6%
Distributed generation	273,757	154,315	77.4%
Credits of PIS, Pasep and Cofins taxes	-295,017	-251,469	17.3%
	<b>3,309,234</b>	<b>2,755,238</b>	<b>20.1%</b>

Cemig D	2Q21	2Q20	Change, %
Supply from <i>Itaipu Binacional</i>	480,103	524,601	-8.5%
Physical guarantee quota contracts	209,823	199,970	4.9%
Quotas for <i>Angra I</i> and <i>II</i> nuclear plants	61,145	75,742	-19.3%
Spot market – CCEE	297,583	195,334	52.3%
Individual ('bilateral') contracts	110,107	84,216	30.7%
Acquired in Regulated Market auctions	1,046,928	757,419	38.2%
Proinfa	95,500	77,933	22.5%
Distributed generation	273,757	154,314	77.4%
Credits of PIS, Pasep and Cofins taxes	-199,744	-166,429	20.0%
	<b>2,375,202</b>	<b>1,903,100</b>	<b>24.8%</b>

#### Gas purchased for resale

In 2Q21 the Company's expense on acquisition of gas was R\$ 480,517, 107.7% higher than its comparable expense of R\$ 231,378 in 2Q20. This difference basically reflects volume of gas sold 85.7% higher, at 340,126m<sup>3</sup> in 2Q21, compared to 183,137m<sup>3</sup> in 2Q20, led by demand from thermoelectric electricity generation plants, which consumed 471.7% more by volume year-on-year.

### Charges for use of the transmission network

Charges for use of the national grid in 2Q21 were R\$ 701,915, or 172.6% higher than in 2Q20 (R\$ 257,441). This expense is payable by electricity distribution and generation agents for use of the facilities that are components of the national grid. The amounts to be paid are set by an Aneel Resolution. The difference is mainly due to lower transmission charges in 2Q21, resulting in lower cash outflow from distributors during the Covid-19 pandemic. The charges were increased by approximately 40% as from July 2020. Also, there was higher dispatching of thermal plants outside the 'merit order', for energy security, in 2Q21, and consequently their high cost increased the System Service Charges (CCEE-ESS), which are also part of this account line, from R\$ 5,630 in 2Q20 to R\$ 142,771 in 2Q21.

### Operational provisions

Operational provisions were 65.0% lower year-on-year in the quarter – at R\$ 69,175 in 2Q21, compared to R\$ 197,613 in 2Q20. This arises mainly from the following factors:

- The allowance for doubtful debtors, which was an expense of R\$ 115,360 in 2Q20, comprised a *reversal*, of R\$ 985, in 2Q21, mainly reflecting the positive effect of improvement of new rules for provisioning being put in place, which aim to assimilate good practices adopted by the market in the electricity sector – added to efficacy of the default mitigation plan, with more intense use of collection tools, widening of the channels of negotiation, and diversification of means of payment.
- The provisions for the SAAG put option were an expense of R\$ 26,525 in 2Q21, compared to R\$ 1,988 in 2Q20.
- Recognition of impairment of credits receivable from the investee Renova, totaling R\$ 37,361, in 2Q20.



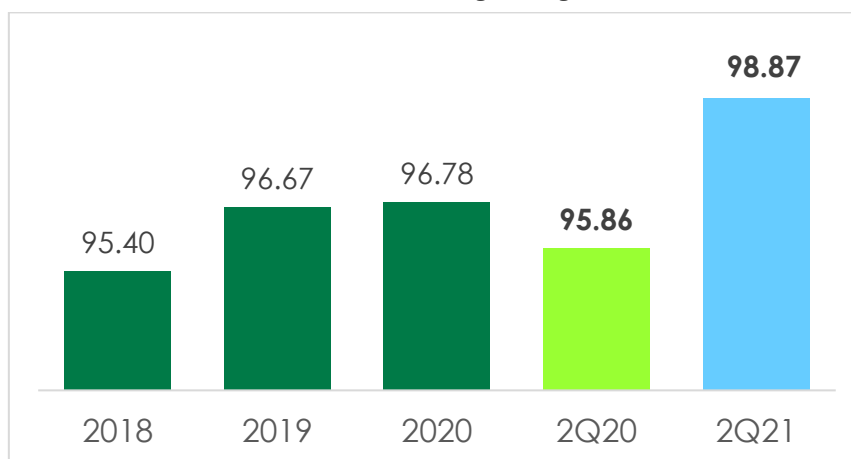
## Default – Cemig D

The Covid-19 pandemic had major effects on receipt of revenues, and collection. The tightest moment was in 2Q20, under the effects of actions restricting mobility, limiting our employment of collection tools, especially including disconnection, and the strong retraction in the economy. Indices began to improve only slowly, as from May and June, as a result of the postponement plan for mitigating default. The plan was based on daily monitoring of the indicators of revenue collection and default, with intensification and improvement of collection tools, widening of channels of communication, and addition of flexibility to the rules for payment by installments, applying sensitivity to the income situation of families during the pandemic. To try to mitigate the impacts of the pandemic and help sustain clients' payment capacity, Cemig launched special payment conditions to help, principally, low-income clients, hospitals and micro-companies. New channels of payment, such as debit and credit cards, PicPay and accreditation of online banks were also put in place, to expand consumers' payment options.

In the first half of the year, the company intensified its collection actions (collection letter, electronic communication, registration with credit protection services) in a volume approximately 50% higher than the 1H20. Disconnection of defaulting clients was also an important measure in the combat of default. Approximately 662,000 disconnections were made in the first six months of 2021, 201% more than in 1H20.

In 2Q21, the revenue collection index reached one of the highest levels in recent years, close to 99%.

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



## Gain (loss) in non-consolidated investees (equity method)

For 2Q21, Cemig reports equity income (equity gain in non-consolidated investees) of R\$ 32,792, or 60.3% less than in 2Q20 (R\$ 82,534). The lower figure mainly reflects lower equity income results from *Santo Antônio* (R\$ 70,137 lower), and *Guanhães* (R\$ 40,244 lower), partially offset by positive equity income in the investee *Taesa*, R\$ 60,281 higher than in 2Q20.

Gain (loss) by equity method		2Q21	2Q20	Change
R\$ '000				
Taesa		150,685	90,404	60,281
Aliança Geração		22,799	24,939	-2,140
Baguari Energia		5,092	5,539	-447
Retiro Baixo		3,040	2,609	431
Hidrelétrica Pipoca		2,063	2,430	-367
LightGer		1,665	1,339	326
Hidrelétrica Cachoeirão		1,293	2,204	-911
Lontra Photovoltaic Plant	– distributed generation	670	0	670
Brasilândia Photovoltaic Plant	– distributed generation	559	0	559
Janaúba photovoltaic plant	– distributed generation	362	480	-118
Porteirinha I Photovoltaic Plant	– distributed generation	261	0	261
Lagoa Grande Photovoltaic Plant	– distributed generation	255	0	255
Corinto Photovoltaic Plant	– distributed generation	247	0	247
Mato Verde Photovoltaic Plant	– distributed generation	241	0	241
Manga Photovoltaic Plant	– distributed generation	186	0	186
Mirabela Photovoltaic Plant	– distributed generation	158	0	158
Porteirinha II Photovoltaic Plant	– distributed generation	129	0	129
Bonfinópolis II Photovoltaic Plant	– distributed generation	123	0	123
Ativas Data Center		-62	200	-262
Itaocara		-140	-151	11
Axxiom Soluções Tecnológicas		-1,050	-73	-977
Aliança Norte ( <i>Belo Monte</i> plant)		-10,447	-11,271	824
Amazônia Energia ( <i>Belo Monte</i> Plant)		-16,428	-17,592	1,164
Guanhães Energia		-40,244	5	-40,249
FIP Melbourne ( <i>Santo Antônio</i> plant)		-39,768	-8,244	-31,524
Madeira Energia ( <i>Santo Antônio</i> plant)		-48,897	-10,284	-38,613
<b>Total</b>		<b>32,792</b>	<b>82,534</b>	<b>-49,742</b>

## Consolidated Ebitda

Cemig's consolidated Ebitda in 2Q21 was 38.8% higher than in 2Q20; adjusted Ebitda was 39.2% higher. Adjusted Ebitda margin was 17.2% in 2Q21, compared to 18.0% in 2Q20.

Ebitda	R\$ '000	2Q21	2Q20 (re-presented)	Change, %
Profit (loss) for the period		1,946,639	1,081,650	79.97
+ Income tax and Social Contribution tax		880,346	503,384	74.89
+ Net finance income (expenses)		-478,528	35,317	-
+ Depreciation and amortization		241,733	245,697	-1.61
<b>= Ebitda as per CVM Instruction 527 (1)</b>		<b>2,590,190</b>	<b>1,866,048</b>	<b>38.81</b>
<b>Non-recurring and non-cash effects</b>				
+ Net profit attributed to non-controlling stockholders		-402	-188	113.83
+ Impairment of assets held for sale (Light)		-	-475,137	-
+ Result of Periodic tariff review / RBSE reprofiling		-211,247	-479,703	-55.96
+ Hydrological risk (GSF) reimbursement		-909,601	-	-
+ Services revenue - advance payment received		-148,350	-	-
+ Reversal of tax provisions		-327	-	-
+ Provision – receivable from Renova		-	37,361	-
<b>Adjusted Ebitda (2)</b>		<b>1,320,263</b>	<b>948,381</b>	<b>39.21</b>

(1) Ebitda is a non-accounting measure prepared by the Company, reconciled with the consolidated Interim accounting information in accordance with CVM Circular SNC/SEP 1/2007 and CVM Instruction 527 of October 4, 2012. It comprises Net profit, adjusted by the effects of: Net financial revenue (expenses); Depreciation and amortization; and Income tax and Social Contribution tax. Ebitda is not a measure recognized by Brazilian GAAP nor by IFRS; it does not have a standard meaning; and it may be non-comparable with measures with similar variables provided by other companies. Cemig publishes Ebitda because it uses it to measure its own performance. Ebitda should not be considered in isolation or as a substitution for net profit or operational profit, nor as an indicator of operational performance or cash flow, nor to measure liquidity nor the capacity for payment of debt.

(2) The Company adjusts the Ebitda calculated in accordance with CVM Instruction 527/2012, to exclude items which by their nature, since they are extraordinary items, do not contribute to information on the potential for gross cash flow generation.

## Ebitda of Cemig GT

Ebitda	R\$ '000	2Q21	2Q20 (re-presented)	Change, %
Profit (loss) for the period		1,444,329	406,667	255.16
+ Income tax and Social Contribution tax		633,579	206,836	206.32
+ Net finance income (expenses)		-428,195	133,702	-
+ Depreciation and amortization		49,137	51,736	-5.02
<b>= Ebitda as per CVM Instruction 527 (1)</b>		<b>1,698,850</b>	<b>798,941</b>	<b>112.64</b>
<b>Non-recurring and non-cash effects</b>				
+ Result of Periodic tariff review / RBSE reprofiling		-909,601	-	-
+ Hydrological risk (GSF) reimbursement		-148,350	-	-
+ Services revenue - advance payment received		-211,247	-479,703	-55.96
<b>Adjusted Ebitda (2)</b>		<b>429,652</b>	<b>319,238</b>	<b>34.59</b>

## Ebitda of Cemig D

Ebitda	R\$ '000	2Q21	2Q20	Change, %
Net profit for the year		347,641	282,801	22.93
Income tax and Social Contribution tax		126,983	140,915	-9.89
Net financial revenue (expenses)		-49,913	-59,071	-15.5
Amortization		165,872	166,051	-0.11
<b>= Ebitda (1)</b>		<b>590,583</b>	<b>530,696</b>	<b>11.28</b>

## Financial revenue and expenses

For 2Q21 Cemig reports Net financial revenue of R\$ 478,528, which compares to Net financial expenses of R\$ 35,317 in 2Q20. This reflects the following main factors:

- In 2Q21 the US dollar *depreciated* by 12.2% against the Real, compared to an appreciation of 5.3% in 2Q20. This resulted in a gain of R\$ 1,042,650 from the effect of exchange rate variation on the debt in Eurobonds in 2Q21, compared to an expense of R\$ 415,950 in 2Q20.
- Reduction, in 2Q21, in the fair value of the financial instruments contracted to hedge risks related to the Eurobonds, creating an expense of R\$ 425,417, which compares with a financial gain of R\$ 486,720 posted in 2Q20. The negative variation in the fair value in 2Q21 arises from a fall in the dollar future curve and a rise in the interest rate yield curve.

Period	R\$ '000	2Q21	2Q20
(Reduction) of the principal of the Eurobond debt		1,042,650	-415,950
Effect on the hedge		-425,417	486,720
<b>Net effect in Financial revenue (expenses)</b>		<b>617,233</b>	<b>70,770</b>

## The Cemig group's electricity market

The **Cemig Group** makes its sales of electricity through:

- its distribution company, Cemig Distribuição ('Cemig D'),
- its generation and transmission company Cemig Geração e Transmissão ('Cemig GT'),
- and other wholly-owned subsidiaries:
  - Horizontes Energia, Sá Carvalho, Cemig PCH, Rosal Energia, the *Praias de Parajuru* and *Volta do Rio* wind farms, Cemig Geração Camargos, Cemig Geração Itutinga,

Cemig Geração Salto Grande, Cemig Geração Três Marias, Cemig Geração Leste, Cemig Geração Oeste, and Cemig Geração Sul.

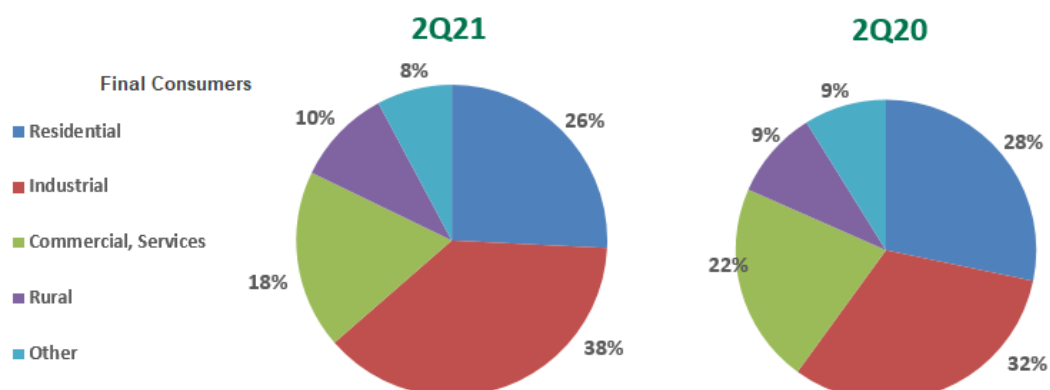
Its market comprises sales of electricity to:

- (i) Captive consumers in Cemig’s concession area in the State of Minas Gerais;
- (ii) Free Consumers in both the State of Minas Gerais and other States of Brazil, in the Free Market (*Ambiente de Contratação Livre*, or ACL);
- (iii) other agents of the electricity sector – traders, generators and independent power producers, also in the ACL; and
- (iv) Distributors, in the Regulated Market (*Ambiente de Contratação Regulada*, or ACR).

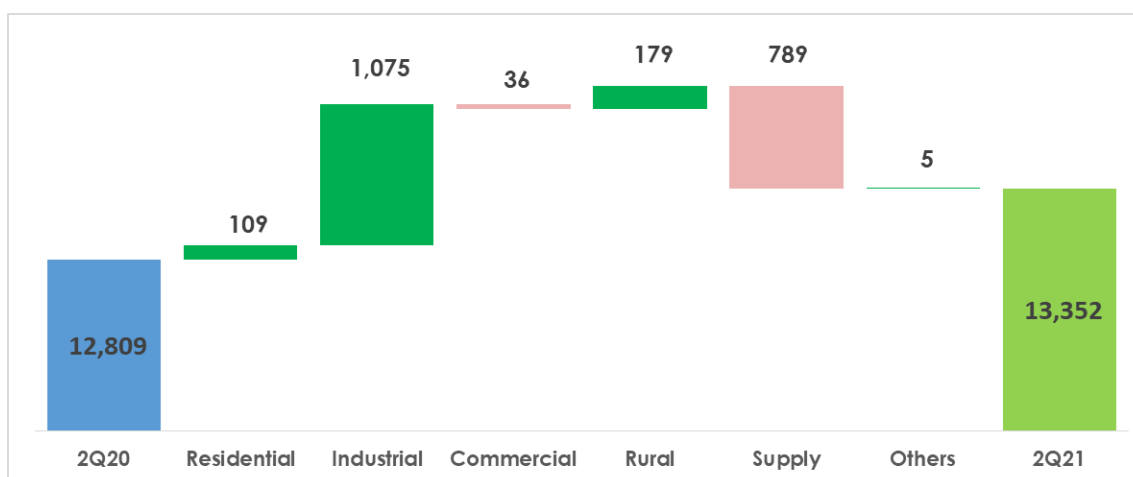
Excluding transactions on the CCEE (Power Trading Exchange) the Cemig group traded a total of 13,351,824 MWh in 2Q21, 4.2% more than in 2Q20. Sales of electricity to final consumers, plus Cemig’s own consumption, totaled 10,739,687 MWh, or 14.2% more than in 2Q20. Sales to distributors, traders, other generating companies and independent power producers in 2Q21 totaled 2,612,137 MWh – or 23.2% less than in 2Q20.

In June 2021 the Cemig group invoiced 8,764,603 clients – an increase in the consumer base of 2.0% in the year since June 2020. Of this total number of consumers, 8,764,207 are final consumers, and/or represent Cemig’s own consumption; and 396 are other agents in the Brazilian power sector.

This chart shows the percentages of the Cemig Group’s sales to final consumers:



## Total consumption of electricity (GWh) 4.2%



## The electricity market of Cemig D

Electricity billed by **Cemig D** to captive clients and electricity transported for Free Clients and distributors with access to its networks in 2Q21 totaled 11,636,220 MWh, or 12.4% more than in 2Q20. This increase has two components: consumption of the captive market 5.4% lower YoY, and use of the network by Free Clients 21.4% higher YoY.

### Captive clients + Transmission service (MWh)

Captive clients + Transmission service (MWh)	2Q21	2Q20	Change, %
Residential	2,766,585	2,657,910	4.1%
Industrial	5,543,753	4,637,028	19.6%
Commercial, Services and Others	1,352,871	1,243,231	8.8%
Rural	1,072,543	899,106	19.3%
Public authorities	171,645	169,009	1.6%
Public lighting	314,679	325,162	-3.2%
Public services	353,652	339,650	4.1%
Concession holders	52,220	72,652	-28.1%
Own consumption	8,272	7,970	3.8%
<b>Total</b>	<b>11,636,220</b>	<b>10,351,718</b>	<b>12.4%</b>

### Residential

Consumption by *residential* users in 2Q21, at 2,766,585 MWh, totaled 23.8% of all electricity distributed by Cemig D, and was 4.1% higher than in 2Q20. This higher figure can be attributed to growth of 2.70% in the number of consumers, and average consumption approximately 1.4% higher.

## Industrial

Consumption by the *industrial* consumer category was 47.6% of the total volume of electricity distributed by Cemig D, and totaled 5,543,753 MWh in 2Q21, or 19.6% more than in 2Q20. Energy consumed by captive clients totaled 425,533 MWh in 2Q21, 4.6% less than in 2Q20. The volume of energy transported for industrial Free Clients, at 5,118,220 MWh in 2Q21, was 21.0% higher than in 2Q20. There was significant growth in energy consumption by Free Clients in the *industrial* consumer category, especially in the automotive, textile, beverage manufacturing, ferro-alloys and casting sectors, as economic activity recovered.

## Commercial and Services

Volume of energy distributed to the *commercial* category of clients was 8.8% higher than in 2Q20. Volume was up 0.7% YoY in the captive market, and up 40.4% YoY in the Free Market. The total energy used by captive clients plus energy transported for Free Clients in the category totaled 11.6% of the energy distributed by Cemig D in 2Q21.

## Rural

Energy distributed to *rural* clients was 19.3% higher in 2Q21 than 2Q20, due to increased consumption for irrigation, reflecting lower rainfall than in the previous year. The rural client category consumed 9.2% of the total energy distributed.

## Number of clients

In June 2021 Cemig D billed 8,763,302 consumers, or 2.0% more than in June 2020. Of this total, 2,085 were Free Consumers using the distribution network of Cemig D.

Cemig D	Number of clients		Change, %
	2Q21	2Q20	
Residential	7,189,027	7,002,932	2.7%
Industrial	29,467	29,745	-0.9%
Commercial, Services and Others	780,259	773,250	0.9%
Rural	675,016	695,510	-2.9%
Public authorities	66,403	65,737	1.0%
Public lighting	6,677	6,742	-1.0%
Public services	13,671	13,516	1.1%
Own consumption	697	705	-1.1%
	<b>8,761,217</b>	<b>8,588,137</b>	<b>2.0%</b>
<b>Energy transported</b>			
Industrial	914	766	19.3%
Commercial	1,142	801	42.6%
Rural	20	14	42.9%
Public services	6	0	-
Concession holders	3	3	0.0%
	<b>2,085</b>	<b>1,584</b>	<b>31.6%</b>
<b>Total</b>	<b>8,763,302</b>	<b>8,589,721</b>	<b>2.0%</b>

## Sources and uses of electricity – MWh

Metered market	MWh		Change, %
	2Q21	2Q20	
Transported for distributors (metered)	80,907	72,404	11.7%
Transported for Free clients (metered)	5,436,634	4,517,041	20.4%
<b>Own load + Distributed generation <sup>(1)(2)</sup></b>	<b>8,072,089</b>	<b>7,506,796</b>	<b>7.5%</b>
Consumption by captive market – Billed supply	6,579,000	5,787,773	13.7%
Losses in distribution network	1,493,090	1,719,023	-13.1%
<b>Total volume carried</b>	<b>13,589,630</b>	<b>12,096,241</b>	<b>12.3%</b>

(1) Includes Distributed microgeneration.

(2) Includes own consumption.

## The market of Cemig GT

Excluding transactions in the Power Trading Exchange (CCEE), in 2Q21 **Cemig GT** billed a total of 7,286,932 MWh – 3.3% more than in 2Q20. The increase was led by consumption of *industrial* Free Clients, due to new energy sale contracts coming into effect, and also increased consumption. Also, in 2Q20 a higher volume of spot sales was allocated to traders, and lower funds to the CCEE, to redeem part of the company's credit balance on the CCE. This factor explains the lower figure for the Free Market line than in 2Q20.

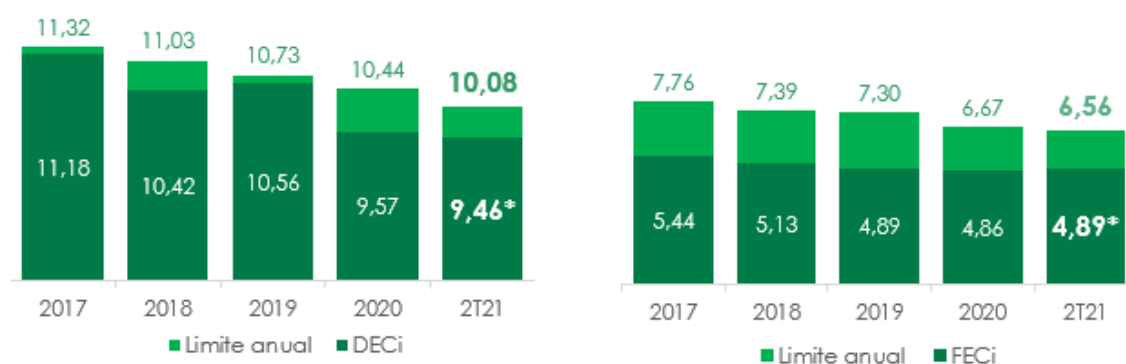
Cemig GT	(MWh)		Change, %
	2Q21	2Q20	
Free Clients			
<i>Industrial</i>	3,632,514	2,576,104	41.0%
<i>Commercial</i>	996,726	1,039,722	-4.1%
<i>Rural</i>	12,944	4,314	200.0%
Free Market – Free contracts	2,079,419	2,870,210	-27.6%
Regulated Market	532,719	531,332	0.3%
Regulated Market – Cemig D	32,610	32,363	0.8%
<b>Total</b>	<b>7,286,931</b>	<b>7,054,045</b>	<b>3.3%</b>



## SUPPLY QUALITY INDICATORS – DECI and FECi

Cemig is continuously taking action to enhance operational management, and organization of the logistics of its services for emergencies, and has a permanent routine of preventive inspection and maintenance of substations, distribution lines and networks. It also invests in training of its staff for improved qualifications, state-of-the-art technologies, and standardization of work processes, aiming to maintain the quality of electricity supply, and as a result maintain satisfaction of clients and consumers.

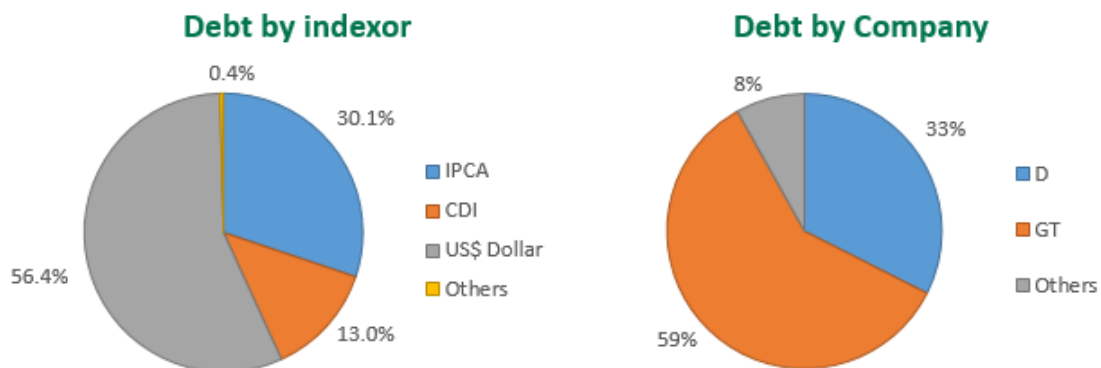
The charts below show Cemig’s indicators for duration and frequency of outages – DECI (Average outage duration per consumer, in hours), and FECi (Average outage frequency per consumer, in number of outages), since January 2017. Quality indicators linked to the new concession contract of Cemig D (distribution), signed in 2015.



## Investments

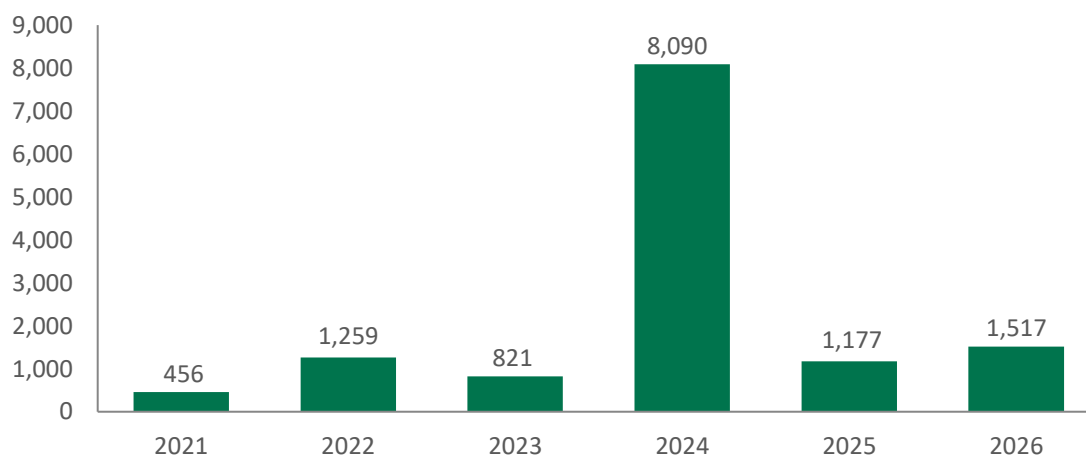
Item	R\$ million	Planned, Year 2021	Realized in 1H21
<b>Generation</b>		<b>191</b>	<b>46</b>
Infrastructure			27
Expansion of <i>Poço Fundo</i> SHP			19
<b>Transmission</b>		<b>210</b>	<b>49</b>
Infrastructure			49
<b>Distribution</b>		<b>2,320</b>	<b>695</b>
Infrastructure			675
Low voltage shield			8
‘Bulletproofing’ of low-voltage receivables			6
Commercial Losses Combat Plan			6
<b>Holding company</b>		<b>113</b>	<b>13</b>
Cemig SIM (injection of funds)		100	13
<b>Gasmig</b>		<b>92</b>	<b>18</b>
Infrastructure			18
<b>TOTAL</b>		<b>2,926</b>	<b>821</b>

## DEBT



The Company's total consolidated debt on June 30, 2021 was R\$ 13,318,988, or R\$ 1,701,570 less than at the end of 2020. Debt totaling R\$ 1,533,724 was amortized in the first half of 2021 – of this, R\$ 161,153 was amortized in the second quarter. By division, amortizations in the half-year totaled: R\$ 851,980 in Cemig D, R\$ 666,560 in GT, and R\$ 15,184 in other companies. Net debt was R\$ 6,320,913; it is important to add that company also has a net asset of R\$ 1,290,704 in the derivative transactions that hedge its Eurobond debt.

## Debt amortization (R\$ mn)



Consolidated	R\$ '000	June 30, 2021	Dec. 30, 2020	Change, %
Gross debt		13,318,988	15,020,558	-11.33%
Cash and equivalents + Securities		6,998,075	5,805,460	20.54%
Net debt		6,320,913	9,215,098	-31.41%
<i>Debt in foreign currency</i>		7,523,214	7,824,706	-3.85%

Cemig GT	R\$ '000	June 30, 2021	Dec. 30, 2020	Change, %
Gross debt		7,915,282	8,885,711	-10.92%
Cash and equivalents + Securities		2,306,554	1,771,159	30.23%
Net debt		5,608,728	7,114,552	-21.17%
<i>Debt in foreign currency</i>		7,523,214	7,812,981	-3.71%

Cemig D	R\$ '000	June 30, 2021	Dec. 30, 2020	Change, %
Gross debt		4,322,546	5,097,240	-15.20%
Cash and equivalents + Securities		2,048,186	3,235,535	-36.70%
Net debt		2,274,360	1,861,705	22.17%
<i>Debt in foreign currency</i>		0	11,725	-100.00%

## Covenants – Eurobonds

Last 12 months	2Q21		1Q21	
R\$ mn	GT	H	GT	H
net income (loss); plus	1,824	4,247	748	3,344
financial results net; plus	840	930	1,401	1,444
income tax and social contribution; plus	715	1,356	269	959
depreciation and amortization; minus	204	981	207	985
minority interest result; minus	257	-344	145	-393
provisions for the variation in value of put option obligations; minus	44	44	19	19
non-operating result (which includes any gains on asset sales and any asset write-off or impairments); plus	-28	-10	-28	-22
any non-cash expenses and non-cash charges, to the extent that they are nonrecurring, minus	-33	-148	-14	-664
any non-cash credits and gains increasing net income, to the extent that they are non-recurring; minus	-1,550	-1,550	-628	-628
non-cash revenues related to transmission and generation indemnification; plus	-370	-393	-500	-513
cash dividends received from minority investments (as measured in the statement of cash flows); minus	149	542	153	387
monetary updating of concession grant fees; plus	-444	-444	-372	-372
cash inflows related to concession grant fees; plus	269	269	267	267
cash inflows related to transmission revenue for cost of capital coverage; plus	856	865	728	732
<b>Covenant EBITDA</b>	<b>2,733</b>	<b>6,345</b>	<b>2,395</b>	<b>5,545</b>

Last 12 months	2Q21		1Q21	
R\$ mn	GT	H	GT	H
consolidated indebtedness; plus	7,932	13,319	9,202	14,666
Derivative financial instruments	-1,350	-1,350	-2,762	-2,762
debt contracts with Forluz; plus	219	970	225	996
(a) the carrying liability of any put option obligation, less	581	581	561	561
consolidated cash and cash equivalents and consolidated marketable securities recorded as current assets.	-2,307	-6,998	-1,673	-6,181
<b>Covenant Net Debt</b>	<b>5,075</b>	<b>6,522</b>	<b>5,553</b>	<b>7,280</b>
<b>Covenant Net Debt to Covenant EBITDA Ratio</b>	<b>1.86</b>	<b>1.03</b>	<b>2.32</b>	<b>1.31</b>
Limit Covenant Net Debt to Covenant EBITDA Ratio	3.00	3.00	3.00	3.00
Total Secured Debt	-	120	-	146
Total Secured Debt to Covenant EBITDA Ratio	-	0.02	-	0.03
Limit Covenant Net Debt to Covenant EBITDA Ratio	-	1.75	-	1.75

## Cemig's long-term ratings

In recent years there have been significant improvements in Cemig's ratings. The trend was reflected in 2020 by the upgrades made by Moody's, in September, and Fitch, in October. In January 2021, S&P increased the Company's ratings by two notches on the Brazilian scale, and by three notches on the global scale and in June 2021, Moody's increased Cemig's rating again. More details in this table:

FitchRatings	Investment grade											Speculative Grade									
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC	CC	C	RD/D	
Cemig																					

Upgrade in 10/2020

STANDARD & POOR'S	Investment grade											Speculative Grade										
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-	CC	C	D
Cemig																						

Upgrade in 01/2021

Moody's	Investment grade									Speculative Grade													
	Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1	B2	B3	Caa1	Caa2	Caa3	Ca	C	Global	
Cemig																							

Upgrade in 06/2021

Brazilian Scale

Global Scale

## Our shares

Security		2Q21	2020	Change, %
<b>Our share prices <sup>(2)</sup></b>				
CMIG4 (PN)	at year-end (R\$/share)	12.13	12.24	-0.90%
CMIG3 (ON)	at year-end (R\$/share)	14.58	13.93	4.67%
CIG (ADR for PN shares),	year-end (US\$/share)	2.38	2.70	-11.85%
CIG.C (ADR for ON shares)	year-end (US\$/share)	3.10	3.07	0.98%
XCMIG (Cemig PN shares on Latibex),	year-end (€/share)	2.00	2.26	-11.50%
<b>Average daily volume</b>				
CMIG4 (PN) (R\$ mn)		118.10	128.30	-7.95%
CMIG3 (ON) (R\$ mn)		8.70	20.90	-58.37%
CIG (ADR for PN shares) (US\$ mn)		22.65	10.03	125.82%
CIG.C (ADR for ON shares) (US\$ mn)		0.09	0.21	-57.14%
<b>Indices</b>				
IEE		80,452	82,846	-2.89%
IBOV		126,802	119,017	6.54%
DJIA		34,503	30,606	12.73%
<b>Indicators</b>				
Market valuation at end of period, R\$ mn		21,927,272	20,986,159	4.48%
Enterprise value (EV), R\$ mn <sup>(1)</sup>		31,019,738	34,490,344	-10.06%
Dividend yield of CMIG4 (PN) (%) <sup>(3)</sup>		6.61	2.23	4.38 p.p.
Dividend yield of CMIG3 (ON) (%) <sup>(3)</sup>		5.50	1.98	3.52 p.p.

(1) EV = Market valuation (R\$/share x number of shares) plus consolidated Net debt.

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

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

Trading volume in Cemig's preferred shares (CMIG4) totaled R\$ 15.4 billion in the first half of 2021, of which R\$ 7.32 billion in the second quarter, corresponding to a daily average over the half-year of R\$ 118.12 million – 15.6% lower than in 1H20.

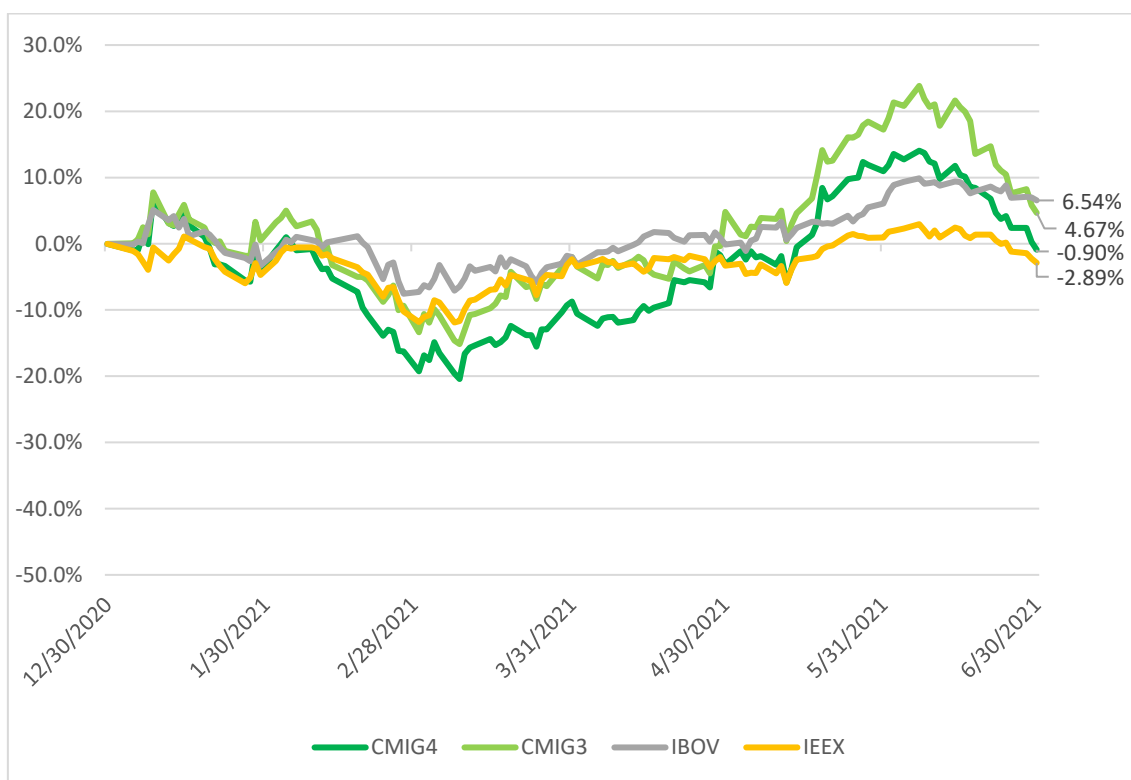
Trading volume in Cemig's common shares in 2Q21 was R\$ 1.31 bn, with average daily trading volume of R\$ 10.75 mn in 1H21 and R\$ 8.61 mn in the second quarter.

Cemig's shares, by volume (aggregate of common (ON) and preferred (PN) shares), were the third most liquid in Brazil's electricity sector in the year, and among the most traded in the Brazilian equity market as a whole.

On the New York Stock Exchange the volume traded in ADRs for Cemig’s preferred shares (CIG) in 1H21 was US\$2.48 billion. We see this as reflecting recognition by the investor market of Cemig as a global investment option.

The Bovespa index, benchmark for the São Paulo stock exchange, rose 6.54% in 1H21, reflecting recovery from the effects of the Covid-19 pandemic. In São Paulo, the price of Cemig’s preferred shares was relatively unchanged over the first half of the year (down 0.90%), while the price of the common shares was down 4.67%. On the other hand, in 2Q21 the preferred shares rose 10.78%, and the common shares rose 8.40%.

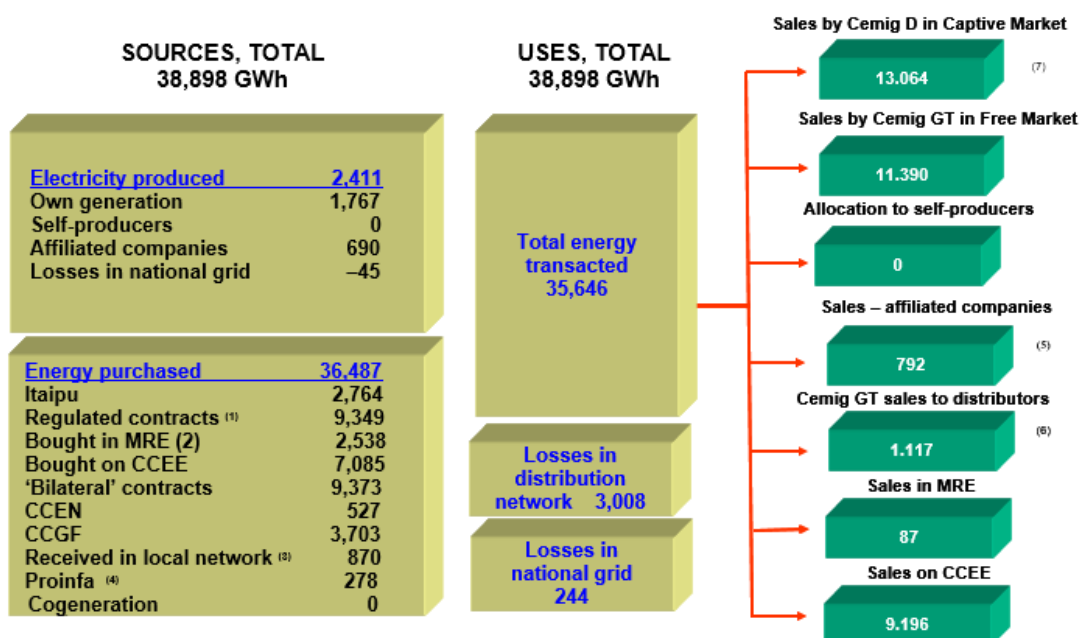
In New York the ADRs for Cemig’s preferred shares were down 11.85% at the end of June, and the ADRs for the common shares were up 0.98%.



## Appendices

### Sources and uses of power – billed market

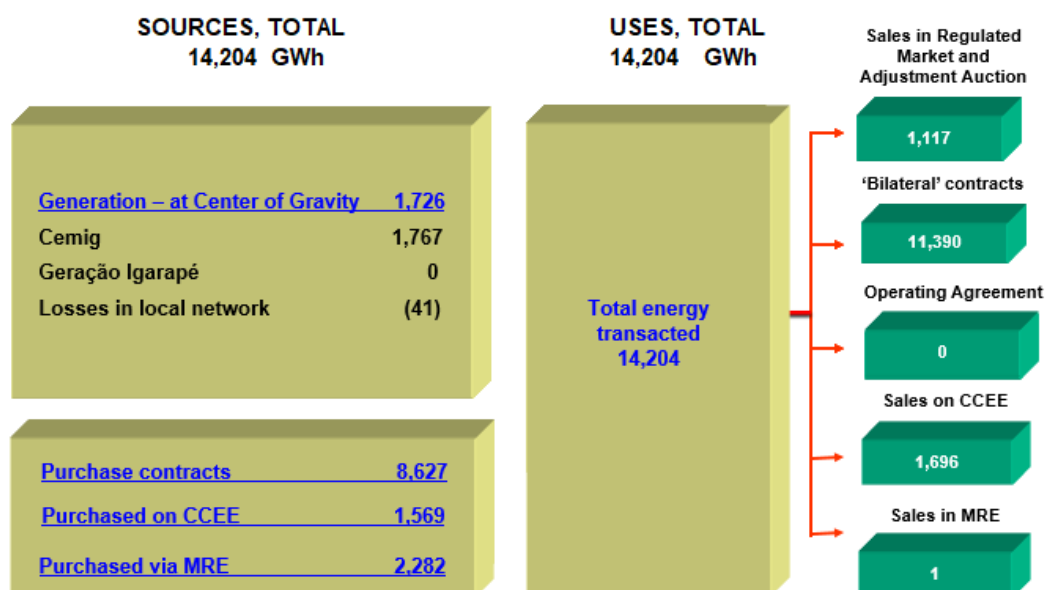
#### SOURCES AND USES OF ELECTRICITY – January to June, 2021 CEMIG GROUP (Wholly-owned companies)



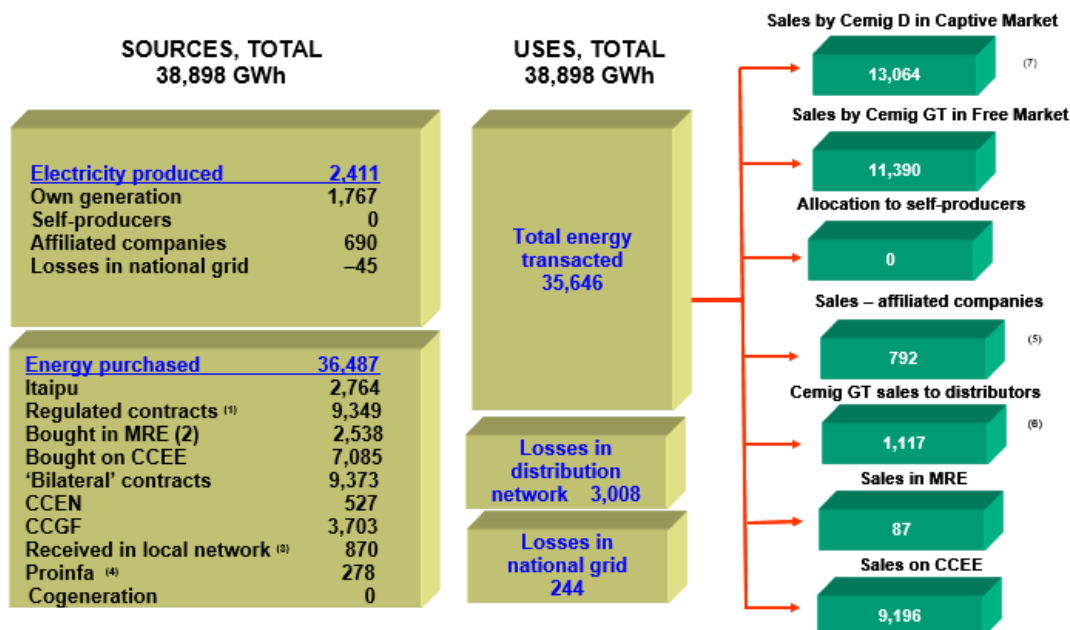
Figures for sources and uses of electricity for the companies of the Cemig Group that are wholly-owned subsidiaries of Cemig: Cemig D, Cemig GT, Cemig PCH, Horizontes, Rosal, Sá Carvalho and SPCs. Excludes inter-company transactions.

1. Electricity Sale Contracts in Regulated Environment (Contratos de Comercialização de Energia no Ambiente Regulado - CCEARs); and supply acquired at Adjustment Auctions.
2. MRE = Energy Reallocation Mechanism.
3. Generation injected directly into the network (Micro- and Mini- distributed generation).
4. Alternative power sources incentive program (Proinfa).
5. Bilateral contracts of the companies Cemig GT, Sá Carvalho, Horizontes, Rosal, and Cemig PCH, and SPCs.
6. Sales by Cemig GT in the Regulated Market (Ambiente de Contratação Regulada – ACR)
7. Includes the energy offset by Micro- and Mini- distributed generation; month of reference is month of reading.

#### SOURCES AND USES OF ELECTRICITY – January to June, 2021 Cemig GT – Generation



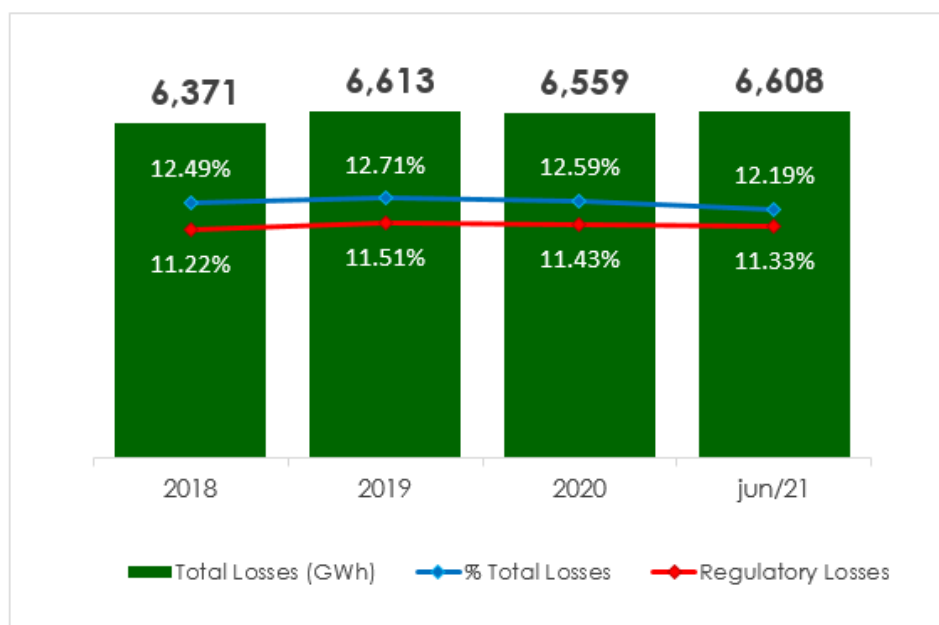
### SOURCES AND USES OF ELECTRICITY – January to June, 2021 CEMIG GROUP (Wholly-owned companies)



Figures for sources and uses of electricity for the companies of the Cemig Group that are wholly-owned subsidiaries of Cemig: Cemig D, Cemig GT, Cemig PCH, Horizontes, Rosal, Sá Carvalho and SPCs. Excludes inter-company transactions.

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7. Includes the energy offset by Micro- and Mini- distributed generation; month of reference is month of reading.

## Energy losses



Note: As from 4Q20, the calculation of losses began to be presented in terms of the size of the billed market, rather than the metered market. The change aims to give a better reflection of the relationship between losses and the regulatory limit for losses.



## Cemig group generation plants

Power Plant	Cemig's Stake	Installed Capacity Cemig H (MW)	Assured Energy Cemig H (MW)	Expiration of Concession	Type
Belo Monte	11.7%	1,313	534	Aug-45	Hydroelectric
Emborcação	100.0%	1,192	500	Jul-25	Hydroelectric
Santo Antônio	15.5%	553	376	Jun-46	Hydroelectric
Nova Ponte	100.0%	510	270	Jul-25	Hydroelectric
Três Marias	100.0%	396	239	Jan-46	Hydroelectric
Irapé	100.0%	399	208	Feb-35	Hydroelectric
Aimorés	45.0%	149	82	Dec-35	Hydroelectric
Salto Grande	100.0%	102	75	Jan-46	Hydroelectric
Amador Aguiar I (Capim Branco I)	39.3%	94	61	Aug-36	Hydroelectric
Sá Carvalho	100.0%	78	56	Dec-24	Hydroelectric
Queimado	82.5%	87	56	Jan-33	Hydroelectric
Amador Aguiar II (Capim Branco II)	39.3%	83	52	Aug-36	Hydroelectric
Funil	45.0%	81	38	Dec-35	Hydroelectric
Igarapava	23.7%	50	32	Dec-28	Hydroelectric
Rosal	100.0%	55	29	May-32	Hydroelectric
Baguari	34.0%	48	29	Aug-41	Hydroelectric
Itutinga	100.0%	52	28	Jan-46	Hydroelectric
Camargos	100.0%	46	21	Jan-46	Hydroelectric
Porto Estrela	30.0%	34	19	Jul-32	Hydroelectric
Volta do Rio	100.0%	42	18	Dec-31	Wind Farm
Retiro Baixo	49.9%	42	18	Aug-41	Hydroelectric
Candonga	22.5%	32	15	May-35	Hydroelectric
Pai Joaquim	100.0%	23	14	Apr-32	SHP
Piau	100.0%	18	14	Jan-46	Hydroelectric
Paracambi	49.0%	12	10	Feb-31	SHP
Praias de Parajuru	100.0%	29	8	Sep-32	Wind Farm
Cachoeirão	49.0%	13	8	Jul-30	SHP
Salto Voltão	100.0%	8	7	Oct-30	SHP
Gafanhoto	100.0%	14	7	Jan-46	Hydroelectric
Peti	100.0%	9	6	Jan-46	Hydroelectric
Santo Inácio III	45.0%	13	6	Jun-46	Wind Farm
Pipoca	49.0%	10	6	Sep-31	SHP
Poço Fundo	100.0%	9	6	May-45	SHP
Joasal	100.0%	8	5	Jan-46	Hydroelectric
São Raimundo	45.0%	10	5	Jun-46	Wind Farm
Santo Inácio IV	45.0%	10	5	Jun-46	Wind Farm
Neblina	100.0%	6	5	Jul-46	Hydroelectric
Others		147	70		
<b>Total</b>		<b>5,778</b>	<b>2,937</b>		

Note: Excludes the effects of extensions of concessions under the GSF agreements.

## RAP – 2020-2021 cycle (July 2020 to June 2021)

RAP (Permitted Annual Revenue - Transmission ) - 2021/2022 cycle				
Companies	RAP	% Cemig	Cemig	Expiration of Concession
Cemig	752,841	100.00%	752,841	
Cemig GT	675,362	100.00%	675,362	Dec-42
Cemig Itajuba	49,819	100.00%	49,819	Oct-30
Centroeste	27,660	100.00%	27,660	Mar-35
Taesa	2,746,871	21.68%	595,522	
Novatrans	352,463		76,414	
TSN	325,134		70,489	
Munirah	28,957		6,278	
GTESA	5,877		1,274	
PATESA	17,405		3,773	
ETAU	29,874		6,477	
ETEO	105,373		22,845	
NTE	92,101		19,968	
STE	50,610		10,972	
ATE I	115,113		24,956	
ATE II	275,495		59,727	
EATE	130,559		28,305	
ETEP	29,385		6,371	
ENTE	67,274		14,585	
ECTE	10,850		2,352	
ERTE	15,320		3,321	
Lumitrans	12,732		2,760	
Transleste	19,258		4,175	
Transirapé	22,165		4,805	
Transudeste	16,324		3,539	
ATE III	127,711		27,688	
São Gotardo	5,518		1,196	
Mariana	16,431		3,562	
Miracema	67,939		14,729	
Janaúba	197,704		42,862	
Aimorés	40,432		8,766	
Paraguaçu	60,352		13,084	
Brasnorte	28,123		6,097	
STC	19,247		4,173	
EBTE	36,418		7,895	
ESDE	7,179		1,556	
ETSE	4,102		889	
ESTE	57,165		12,393	
Ivaí	149,761		32,468	
EDTE	35,219		7,635	
Sant'Ana	62,079		13,459	
São João	49,835		10,804	
São Pedro	46,533		10,088	
Lagoa Nova	12,854		2,787	
<b>TOTAL RAP CEMIG</b>			<b>1,348,363</b>	

RAP proportional to Cemig's stake

### Reimbursement for assets – National grid

R\$ per cycle	2020-2021	2021-2022	2022-2023	From 2023-2024 to 2027-2028
Economic	144,546,785	144,546,785	144,546,785	60,157,970
Financial	332,488,781	88,662,424	129,952,612	275,556,085
<b>Total</b>	<b>477,035,566</b>	<b>233,209,209</b>	<b>274,499,397</b>	<b>335,714,055</b>

The amounts of indemnities are included in the RAP of Cemig, and were ratified by Aneel Resolution REH 2852/2021.

## Profit (loss) with internal monitoring adjustments

Note: Cemig Distribuição didn't present any adjustment items in the period.

### Cemig H

Adjustments	Ebitda		Profit	
	2Q21	2Q20	2Q21	2Q20
<b>IFRS</b>	<b>2,590</b>	<b>1,866</b>	<b>1,946</b>	<b>1,082</b>
Result of Periodic tariff review / RBSE reperfilig	(211)	(480)	(139)	(317)
Offsetting of hydrological risk costs (Law 14052/20), net	(910)	-	(601)	-
Advance revenue from Trading services	(148)	-	(98)	-
Provision for doubtful receivables – Renova	-	37	-	37
FX exposure – Eurobond hedge	-	-	(408)	(47)
Remeasurement – Light	-	(475)	-	(314)
<b>Adjusted</b>	<b>1,321</b>	<b>948</b>	<b>700</b>	<b>441</b>

### Cemig GT

Adjustments	Ebitda		Profit	
	2Q21	2Q20	2Q21	2Q20
<b>IFRS</b>	<b>1,699</b>	<b>799</b>	<b>1,444</b>	<b>407</b>
Offsetting of hydrological risk costs	(910)	-	(601)	-
Advance revenue from Trading services	(148)	-	(98)	-
Tariff reviews	(211)	(480)	(139)	(317)
FX exposure – Eurobond	-	-	(408)	(47)
<b>Adjusted</b>	<b>430</b>	<b>319</b>	<b>198</b>	<b>43</b>

## Cemig D – Tables (R\$ million)

CEMIG D - Market (GWh)					
Quarter	Captive Consumers	TUSD ENERGY <sup>1</sup>	T.E.D <sup>2</sup>	TUSD PICK <sup>3</sup>	
2Q19	6,529	4,760	11,289		33.0
3Q19	6,288	4,910	11,198		32.7
4Q19	6,266	4,898	11,164		34.0
1Q20	6,516	4,783	11,299		33.0
2Q20	6,254	4,809	11,063		33.0
3Q20	5,788	4,739	10,526		32.4
4Q20	6,041	5,069	11,110		33.0
1Q21	6,147	5,350	11,497		34.5
2Q21	6,098	5,592	11,689		35.5

1. Refers to the quantity of electricity for calculation of the regulatory charges charged to free consumer clients ("Portion A")

2. Total electricity distributed

3. Sum of the demand on which the TUSD is invoiced, according to demand contracted ("Portion B").

## Operating Revenues

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Sales to end consumers	5,073	5,159	4,451	-1.7%	14.0%
Revenue from Use of Distribution Systems (the TUSD charge)	252	178	-	0.0%	0.0%
TUSD	826	842	681	-1.9%	21.3%
CVA and Other financial components in tariff adjustment	454	339	136	33.9%	233.8%
Construction revenue	398	321	333	24.0%	19.5%
Others	376	342	404	9.9%	-6.9%
<b>Subtotal</b>	<b>7,379</b>	<b>7,181</b>	<b>6,005</b>	<b>2.8%</b>	<b>22.9%</b>
Deductions	2,578	2,519	2,227	2.3%	15.8%
<b>Net Revenues</b>	<b>4,801</b>	<b>4,662</b>	<b>3,778</b>	<b>3.0%</b>	<b>27.1%</b>

## Operating Expenses

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Personnel	242	213	236	13.6%	2.5%
Employees' and managers' profit sharing	16	20	3	-20.0%	433.3%
Forluz – Post-retirement obligations	73	72	81	1.4%	-9.9%
Materials	17	16	13	6.3%	30.8%
Outsourced services	294	300	254	-2.0%	15.7%
Amortization	167	164	166	1.8%	0.6%
Operating provisions	24	18	125	33.3%	-80.8%
Charges for Use of Basic Transmission Network	720	765	265	-5.9%	171.7%
Energy purchased for resale	2,375	2,148	1,903	10.6%	24.8%
Construction Cost	398	321	333	24.0%	19.5%
Other Expenses	50	44	35	13.6%	42.9%
<b>Total</b>	<b>4,376</b>	<b>4,081</b>	<b>3,414</b>	<b>7.2%</b>	<b>28.2%</b>

## Statement of Results

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Net Revenue	4,801	4,662	3,778	3.0%	27.1%
Operating Expenses	4,376	4,081	3,414	7.2%	28.2%
EBIT	425	583	364	-27.1%	16.8%
<b>EBITDA</b>	<b>591</b>	<b>745</b>	<b>531</b>	<b>-20.7%</b>	<b>11.3%</b>
Financial Result	50	-21	59	-	-15.3%
Provision for Income Taxes, Social Cont & Deferred Income Tax	-127	-8	-140	-	-9.3%
<b>Net Income</b>	<b>348</b>	<b>554</b>	<b>283</b>	<b>-37.2%</b>	<b>23.0%</b>

## Cemig GT – Tables (R\$ million)

### Operating Revenues

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Sales to end consumers	1,155	1,202	837	-3.9%	38.0%
Supply	672	695	745	-3.3%	-9.8%
Revenues from Trans. Network	135	151	114	-10.6%	18.4%
Gain on monetary updating of Concession Grant Fee	118	125	46	-5.6%	156.5%
Transactions in the CCEE	15	49	7	-69.4%	114.3%
Construction revenue	40	22	43	81.8%	-7.0%
Financial remuneration of transmission contractual assets	129	145	44	-11.0%	193.2%
Others	153	24	43	537.5%	255.8%
<b>Subtotal</b>	<b>2,417</b>	<b>2,413</b>	<b>1,879</b>	<b>0.2%</b>	<b>28.6%</b>
Deductions	472	483	415	-2.3%	13.7%
<b>Net Revenues</b>	<b>1,945</b>	<b>1,930</b>	<b>1,464</b>	<b>0.8%</b>	<b>32.9%</b>

### Operating Expenses

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Personnel	81	76	80	6.6%	1.3%
Employees' and managers' profit sharing	6	7	2	-14.3%	200.0%
Forluz – Post-retirement obligations	23	23	24	0.0%	-4.2%
Materials	8	5	3	60.0%	166.7%
Outsourced services	41	34	34	20.6%	20.6%
Depreciation and Amortization	49	48	52	2.1%	-5.8%
Operating provisions	41	-5	24	-920.0%	70.8%
Charges for Use of Basic Transmission Network	49	49	49	0.0%	0.0%
Energy purchased for resale	953	979	871	-2.7%	9.4%
Construction Cost	28	19	27	47.4%	3.7%
Other Expenses	18	15	22	20.0%	-18.2%
<b>Total</b>	<b>1,297</b>	<b>1,250</b>	<b>1,188</b>	<b>3.8%</b>	<b>9.2%</b>

## Statement of Results

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Net Revenue	1,945	1,930	1,464	0.8%	32.9%
Operating Expenses	1,297	1,250	1,188	3.8%	9.2%
EBIT	648	680	276	-4.7%	134.8%
Equity gain in subsidiaries	-119	-100	-8	0.0%	1387.5%
Hydrological risk (GSF) reimbursement	910	0	0	-	-
Result of Periodic Tariff Review and RBSE reprofiling	211	502	479	0.0%	0.0%
<b>EBITDA</b>	<b>1,699</b>	<b>1,130</b>	<b>799</b>	<b>50.4%</b>	<b>112.6%</b>
Financial Result	428	425	-134	0.7%	-419.4%
Provision for Income Taxes, Social Cont & Deferred Income Tax	-633	-280	-206	126.1%	207.3%
<b>Net Income</b>	<b>1,445</b>	<b>1,227</b>	<b>407</b>	<b>17.8%</b>	<b>255.0%</b>

## Cemig Consolidated – Tables (R\$ million)

### Energy Sales

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Residential	2,620	2,659	2,308	-1.5%	13.5%
Industrial	1,270	1,210	934	5.0%	36.0%
Commercial	1,263	1,321	1,137	-4.4%	11.1%
Rural	629	535	512	17.6%	22.9%
Others	474	544	442	-12.9%	7.2%
<b>Subtotal</b>	<b>6,256</b>	<b>6,269</b>	<b>5,333</b>	<b>-0.2%</b>	<b>17.3%</b>
Unbilled supply	-56	6	-105	-	-
Supply	637	693	692	-8.1%	-7.9%
<b>TOTAL</b>	<b>6,837</b>	<b>6,968</b>	<b>5,920</b>	<b>-1.9%</b>	<b>15.5%</b>

### Energy Sales

(in GWh)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Residential	2,767	2,875	2,658	-3.8%	4.1%
Industrial	4,058	3,802	2,983	6.7%	36.0%
Commercial	1,993	2,106	2,029	-5.4%	-1.8%
Rural	1,075	844	896	27.4%	20.0%
Others	839	889	834	-5.6%	0.6%
<b>Subtotal</b>	<b>10,732</b>	<b>10,516</b>	<b>9,400</b>	<b>2.1%</b>	<b>14.2%</b>
Own Consumption	8	9	8	-11.1%	0.0%
Supply	2,612	2,716	3,402	-3.8%	-23.2%
<b>TOTAL</b>	<b>13,352</b>	<b>13,241</b>	<b>12,810</b>	<b>0.8%</b>	<b>4.2%</b>

## Operating Revenues

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Sales to end consumers	6,256	6,275	5,333	-0.3%	17.3%
Supply	637	676	692	-5.8%	-7.9%
TUSD	820	837	674	-2.0%	21.7%
CVA and Other financial components in tariff adjustment	453	339	136	33.6%	233.1%
Reimbursement of PIS/Pasep and Cofins over ICMS credits to customers	252	178	-	41.6%	-
Transmission revenue plus RTP	75	89	60	-15.7%	25.0%
Financial remuneration of transmission contractual assets	140	157	44	-10.8%	218.2%
Transactions in the CCEE	1	107	7	-99.1%	-85.7%
Gas supply	838	705	403	18.9%	107.9%
Construction revenue	448	351	390	27.6%	14.9%
Others	653	520	444	25.6%	47.1%
<b>Subtotal</b>	<b>10,573</b>	<b>10,234</b>	<b>8,183</b>	<b>3.3%</b>	<b>29.2%</b>
Deductions	3,219	3,123	2,683	3.1%	20.0%
<b>Net Revenues</b>	<b>7,354</b>	<b>7,111</b>	<b>5,500</b>	<b>3.4%</b>	<b>33.7%</b>

## Operating Expenses

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Personnel	343	307	339	11.7%	1.2%
Employees' and managers' profit sharing	20	30	7	-33.3%	185.7%
Forluz – Post-Retirement Employee Benefits	109	107	118	1.9%	-7.6%
Materials	25	21	16	19.0%	56.3%
Outsourced services	345	342	303	0.9%	13.9%
Energy purchased for resale	3,309	3,108	2,755	6.5%	20.1%
Depreciation and Amortization	242	238	246	1.7%	-1.6%
Operating Provisions	69	24	198	187.5%	-65.2%
Charges for use of the national grid	702	746	257	-5.9%	173.2%
Gas bought for resale	481	387	231	24.3%	108.2%
Construction costs	437	348	374	25.6%	16.8%
Other Expenses	77	79	73	-2.5%	5.5%
<b>Total</b>	<b>6,159</b>	<b>5,737</b>	<b>4,917</b>	<b>7.4%</b>	<b>25.3%</b>

## Financial Result Breakdown

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
<b>FINANCE INCOME</b>					
Income from cash investments	61	31	21	96.8%	190.5%
Arrears fees on sale of energy	123	115	85	7.0%	44.7%
Monetary variations – CVA	7	0	5	0.0%	0.0%
Monetary updating on Court escrow deposits	4	3	38	-	-89.5%
Pasep and Cofins charged on finance income	-33	-16	-7	106.3%	371.4%
Gain on Financial instruments - Swap	0	0	487	-	-
Exchange	1,044	0	0	-	-
Monetary updating of PIS/Cofins credits	25	0	12	-	-
Others	57	21	29	171.4%	96.6%
	<b>1,288</b>	<b>154</b>	<b>670</b>	<b>736.4%</b>	<b>92.2%</b>
<b>FINANCE EXPENSES</b>					
Costs of loans and financings	263	-	272	-	-3.3%
Foreign exchange variations	0	751	406	-100.0%	-100.0%
Monetary updating – loans and financings	58	84	-32	-31.0%	-281.3%
Charges and monetary updating on post-retirement obligation	16	18	-4	-11.1%	-500.0%
Others	425	240	0	77.1%	-
Others	47	240	63	-80.4%	-25.4%
	<b>809</b>	<b>1,093</b>	<b>705</b>	<b>0.0%</b>	<b>14.8%</b>
<b>NET FINANCE INCOME (EXPENSES)</b>	<b>479</b>	<b>-939</b>	<b>-35</b>	<b>0.0%</b>	<b>-</b>

## Statement of Results

(R\$ million)	2Q21	1Q21	2Q20	2Q/1Q	2Q/2Q
Net Revenue	7,354	7,111	5,500	3.4%	33.7%
Operating Expenses	6,159	5,737	4,917	7.4%	25.3%
EBIT	1,195	1,374	583	-13.0%	105.0%
Equity gain (loss) in subsidiaries	33	118	83	0.0%	-60.2%
Result of Periodic Tariff Review and RBSE reprofiling	211	6	480	3416.7%	0.0%
Offsetting of hydrological risk costs	910	0	0	0.0%	0.0%
Remeasurement – Light	0	108	475	-	0.0%
<b>EBITDA</b>	<b>2,590</b>	<b>1,845</b>	<b>1,866</b>	<b>40.4%</b>	<b>38.8%</b>
Financial Result	479	-1,265	-35	-	-
Provision for Income Taxes, Social Cont & Deferred Income Tax	-881	81	-504	-	74.8%
<b>Net profit for the period</b>	<b>1,947</b>	<b>422</b>	<b>1,082</b>	<b>361.4%</b>	<b>79.9%</b>

## Cash Flow Statement

(R\$ million)	1S21	1S20
<b>Cash at beginning of period</b>	<b>1,680</b>	<b>536</b>
<b>Cash generated by operations</b>	<b>2,922</b>	<b>4,206</b>
Net income for the period from going concern operations	1,947	1,082
Current and deferred income tax and Social Contribution tax	-320	-211
Depreciation and amortization	480	488
CVA and other financial components	-777	-19
Equity gain (loss) in subsidiaries	-151	-164
Provisions (reversals) for operational losses	93	357
Dividends receivable	324	169
Offsetting of hydrological risk costs	910	0
Interest paid on loans and financings	-638	-616
Result of Periodic tariff review	-238	-528
Net gain on derivative instruments at fair value through profit or loss	612	-1,801
Variation in fair value of derivative financial instruments	889	177
PIS/Pasep and Cofins Credits	431	0
Escrow deposits	-48	1,424
Others	-592	3,848
<b>Investment activity</b>	<b>327</b>	<b>-2,685</b>
Securities - Financial Investment	-222	-1,988
Financial assets	1,352	-45
Fixed and Intangible assets	-803	-652
<b>Financing activities</b>	<b>-2,267</b>	<b>-1,086</b>
Lease payments	-33	-44
Payments of loans and financings	-1,533	-1,042
Interest on Equity, and dividends	-701	0
<b>Cash at end of period</b>	<b>2,662</b>	<b>971</b>



## BALANCE SHEETS - ASSETS

(R\$ million)	1S21	1S20
<b>CURRENT</b>		
Cash and cash equivalents	2,662	1,680
Marketable securities	3,468	3,360
Customers, traders, concession holders and Transport of energy	4,314	4,373
Concession financial assets	446	259
Concession contract assets	541	737
Tax offsetable	1,988	1,850
Income tax and Social Contribution tax recoverable	376	597
Dividends receivable	111	188
Refund tariff subsidies	197	179
Derivative financial instruments – Swaps	86	88
Public lighting contribution	161	523
Other credits	544	364
Assets classified as held for sale	-	1,258
<b>TOTAL CURRENT</b>	<b>14,894</b>	<b>15,456</b>
<b>NON-CURRENT</b>		
Securities	868	765
Consumers and traders	107	161
Tax offsetable	2,705	3,442
Income tax and Social Contribution tax recoverable	303	347
Deferred income tax and Social Contribution tax	2,465	2,452
Escrow deposits in legal actions	1,111	1,056
Derivative financial instruments – Swaps	1,189	2,426
Accounts receivable from the State of Minas Gerais	13	12
Financial assets of the concession	4,469	3,799
Contractual assets	5,000	4,243
Investments	5,331	5,415
Property, plant and equipment	2,393	2,407
Intangible assets	12,729	11,810
Leasing – rights of use	188	212
Other credits	74	80
<b>TOTAL NON-CURRENT</b>	<b>38,945</b>	<b>38,627</b>
<b>TOTAL ASSETS</b>	<b>53,839</b>	<b>54,083</b>

**BALANCE SHEETS LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>(R\$ million)</b>	<b>1S21</b>	<b>1S20</b>
<b>CURRENT</b>		
Suppliers	2,382	2,358
Regulatory charges	600	446
Profit sharing	67	122
Taxes	441	506
Income tax and Social Contribution tax	143	140
Interest on Equity, and dividends, payable	748	1,449
Loans and financings	1,409	2,059
Payroll and related charges	240	213
Public Lighting Contribution	282	305
Post-retirement liabilities	324	305
Sectoral financial liabilities of the concession	139	231
PIS/Pasep and Cofins taxes to be reimbursed to customers	1,590	448
Derivative financial instruments - options	550	536
Leasing operations	36	48
Other obligations	596	524
<b>TOTAL CURRENT</b>	<b>9,547</b>	<b>9,690</b>
<b>NON-CURRENT</b>		
Regulatory charges	160	291
Loans and financings	11,910	12,961
Income tax and Social Contribution tax	305	263
Deferred Income tax and Social Contribution tax	991	1,040
Provisions	1,885	1,892
Post-retirement liabilities	6,569	6,538
PASEP / COFINS to be returned to consumers	2,234	3,570
Leasing operations	169	179
Others	224	181
<b>TOTAL NON-CURRENT</b>	<b>24,447</b>	<b>26,915</b>
<b>TOTAL LIABILITIES</b>	<b>33,994</b>	<b>36,605</b>
<b>TOTAL EQUITY</b>		
Share capital	8,467	7,594
Capital reserves	2,250	2,250
Profit reserves	9,188	10,061
Equity valuation adjustments	-2,439	-2,431
Subscription of shares, to be capitalized	2,375	0
NON-CONTROLLING INTERESTS	19,841	17,474
Non-Controlling Interests	5	4
<b>TOTAL EQUITY</b>	<b>19,845</b>	<b>17,478</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>53,839</b>	<b>54,083</b>