



# A successful case of Turnaround, Efficiency and Growth



IBRX100 B3 IEE B3 ISE B3 ICO2 B3

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These expectations are based on present assumptions and analyses from the viewpoint of our management, based on their experience, the macroeconomic environment, market conditions in the energy sector and our expected future results, many of which are not under Cemig's control.

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



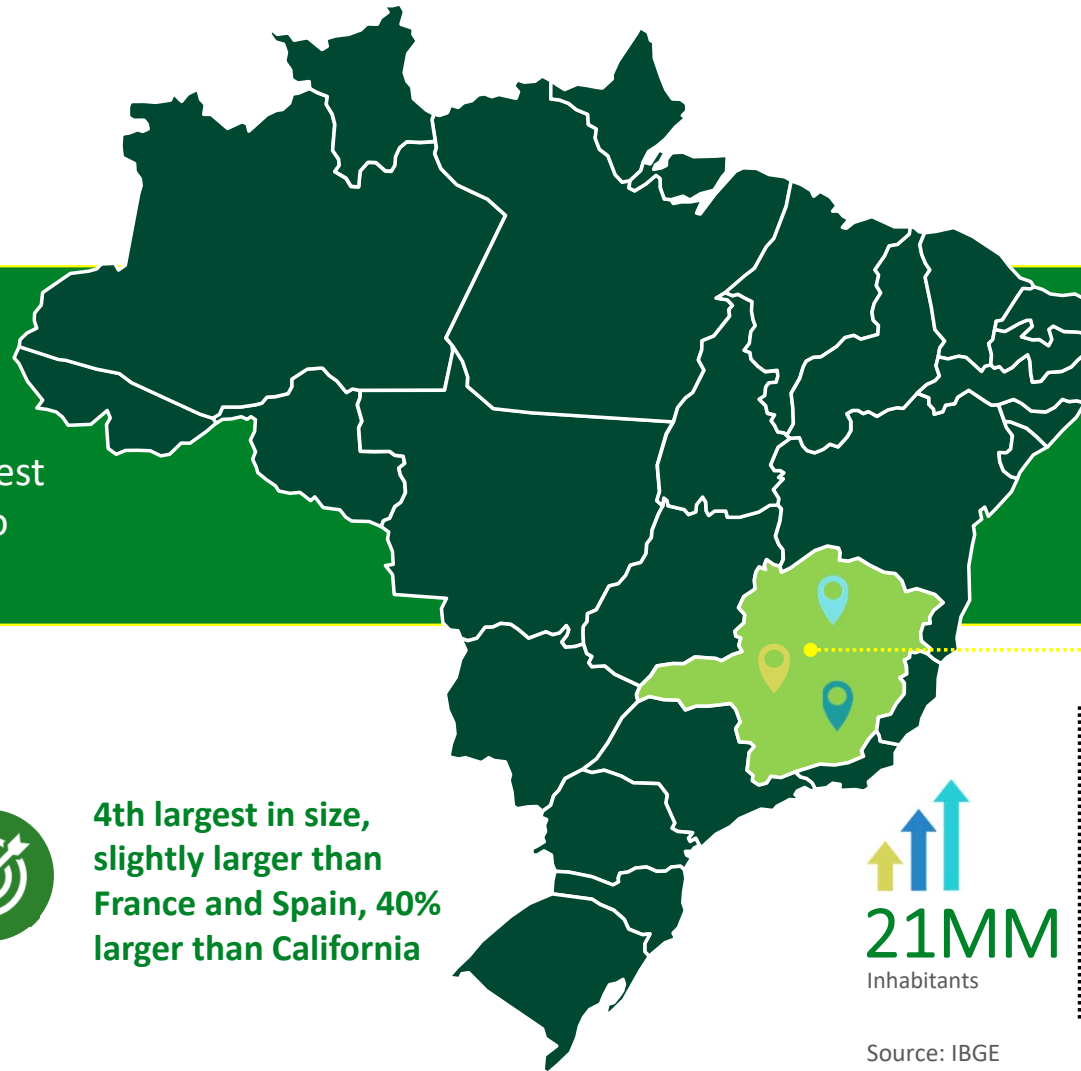
**CEMIG**

# Our energy transforming the lives of the people of Minas Gerais

# Transforming lives with our energy

# MG

Minas Gerais has the 3rd largest GDP in Brazil, behind only São Paulo and Rio de Janeiro



## GDP



GDP MG 2021: R\$805 bn (+5.1%)

GDP Brasil 2021: R\$8.7 trillion(+4.6%)

Growth Expectation 2022 : +1.2%



2nd largest population in Brazil, approx. 10% of the country's population



4th largest in size, slightly larger than France and Spain, 40% larger than California

**21MM**  
Inhabitants



Average Income(2021) R\$ 2,277



HDI (2010) 0.731



IDEB – Early years in elementary school (2019) 6.3

Source: IBGE

## In the Power Industry since 1952

**US\$5.16 bn<sup>(1)</sup>**  
Market Cap

**15%**  
Market share in  
the free market<sup>(2)</sup>

**#1**  
Integrated Power  
Utility in Brazil

**#4**  
EBITDA - 1Q22  
IFRS - R\$1.9bn / U\$405 mn



**ESG**  
100% renewable



(1) As of June 24<sup>th</sup>, 2022  
(2) In the Brazilian Energy Industry

# Cemig: in Numbers

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Integrated portfolio making it possible to capture synergies and reduce risks

## Generation

5.8 GW  
70 Power plants



## Transmission

7,960 km

## Distribution

558,031 km

## Free Customers

15% share



Retail  
Largest distribution  
company

# Cemig is Uniquely Positioned

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# #1

Integrated - Leader in Renewable  
100% of our generation is renewable

## CEMIG GT

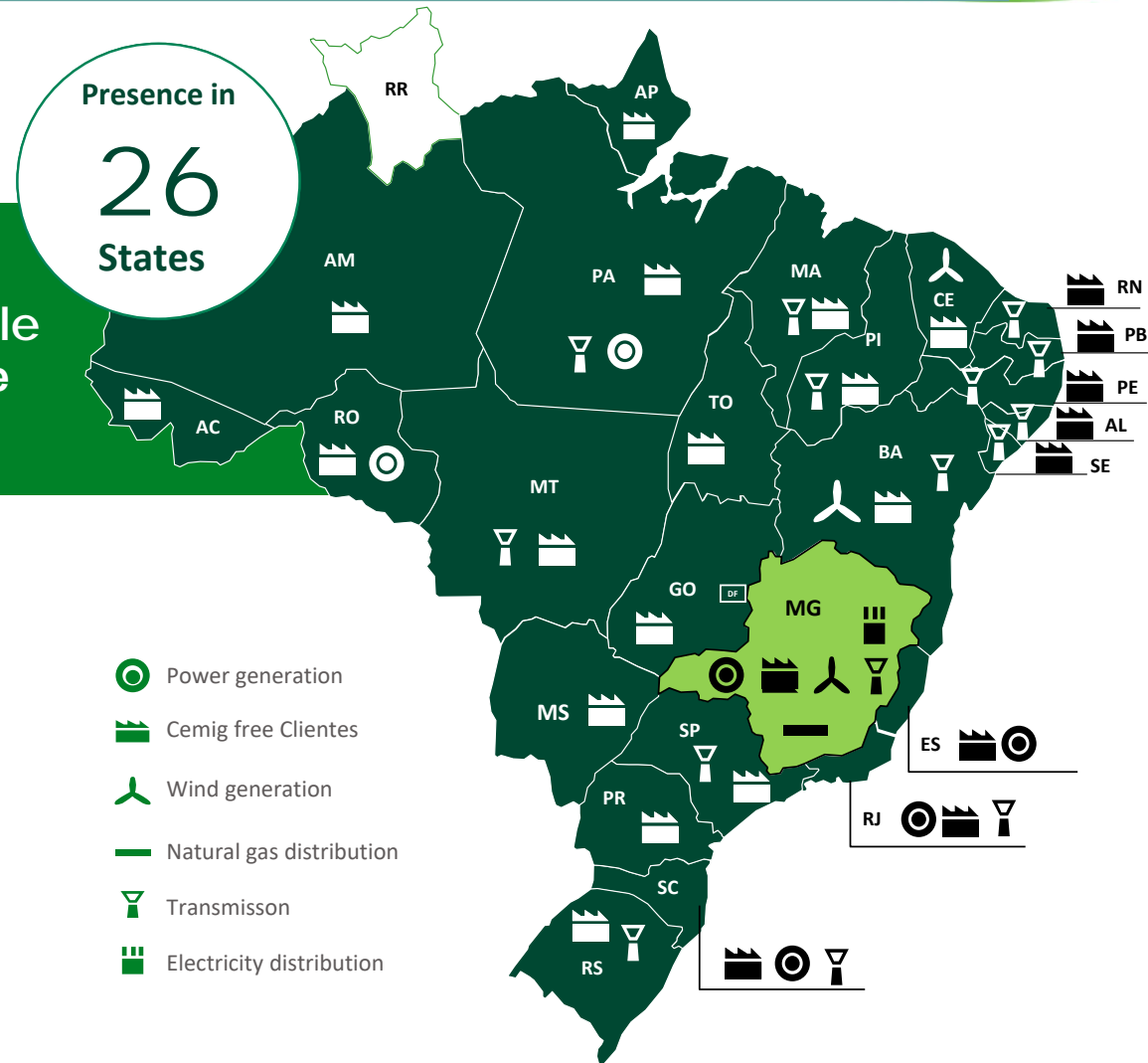
4<sup>o</sup> largest transmission group\*  
6<sup>o</sup> largest generator group

## CEMIG D

Largest energy distribution concession in the country

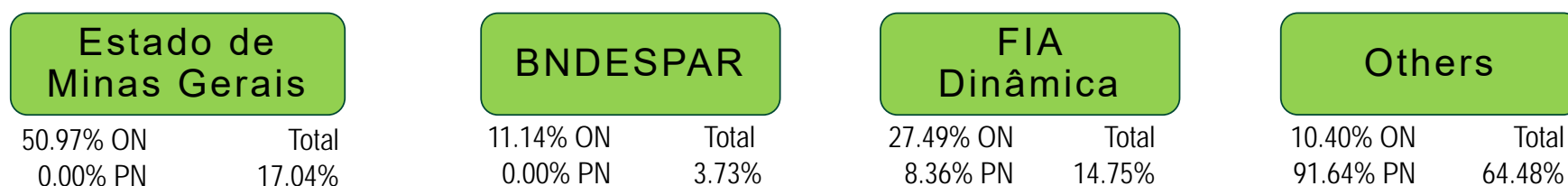
- ✓ 8.9 million clients
- ✓ 47 thousand GWh of distributed energy in 2021
- ✓ 558 thousand Km of lines

**Largest trading company**  
Largest energy supplier for free clients 15% market share



\*Considering a proportional 21.68% stake in TAESA's RAP

## Shareholder structure - Based in State of Minas Gerais



May/22



### Among the most liquid stocks in Brazil's electricity sector

- Listed on New York, São Paulo and Madrid
- More than 190,000 shareholders in 40 countries
- Average daily trading volume in 2022 **R\$128.2mn** in B3 and **US\$16.4mn (R\$85.2 mm)** in NYSE



### Solid dividend policy

- Payout - 50%



### Best-in-Class Corporate Governance

- Board of Directors - eleven members
  - ✓ Ten members have the characteristics of an Independent Board Member, by the criteria adopted by the Dow Jones Sustainability Indexes (DJSI) / nine by IBGC
- Present for 22 years in the Dow Jones Sustainability Index (the only company in the sector in Latin America) and main indexes (ISEE, ICO2, IGCX, among others)



# Private Sector Mindset - Key for change

## Selection of leadership



### Selection through headhunter program

- ✓ Executive Board - all members selected by headhunter
  - ✓ 13 of 15 from the market
- ✓ New hiring model approved by the Board of Directors
  - ✓ Renewal of leadership roles – 40% may come from the market

## Simplification of the contracting and procurement process



### Adequacy in the hiring process

### Agility in decision making

- ✓ More digital, more reliable, more efficient and cheaper
- ✓ Omnichannel: integration of customer service channels (IBM)

## New Career and Salary Plan



### Internal mobility - focus on talent retention

- ✓ New Model of Career Management; valuing meritocracy
- ✓ Flexibility of internal movement within the company

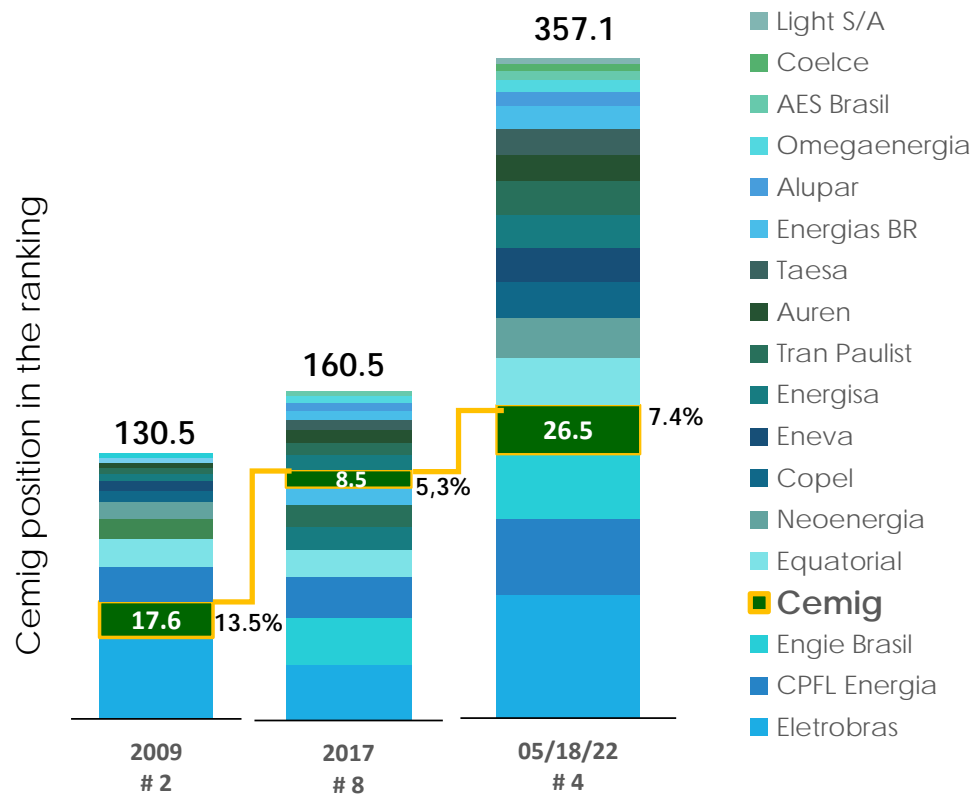
# Cemig - Recovery of representativeness in the sector

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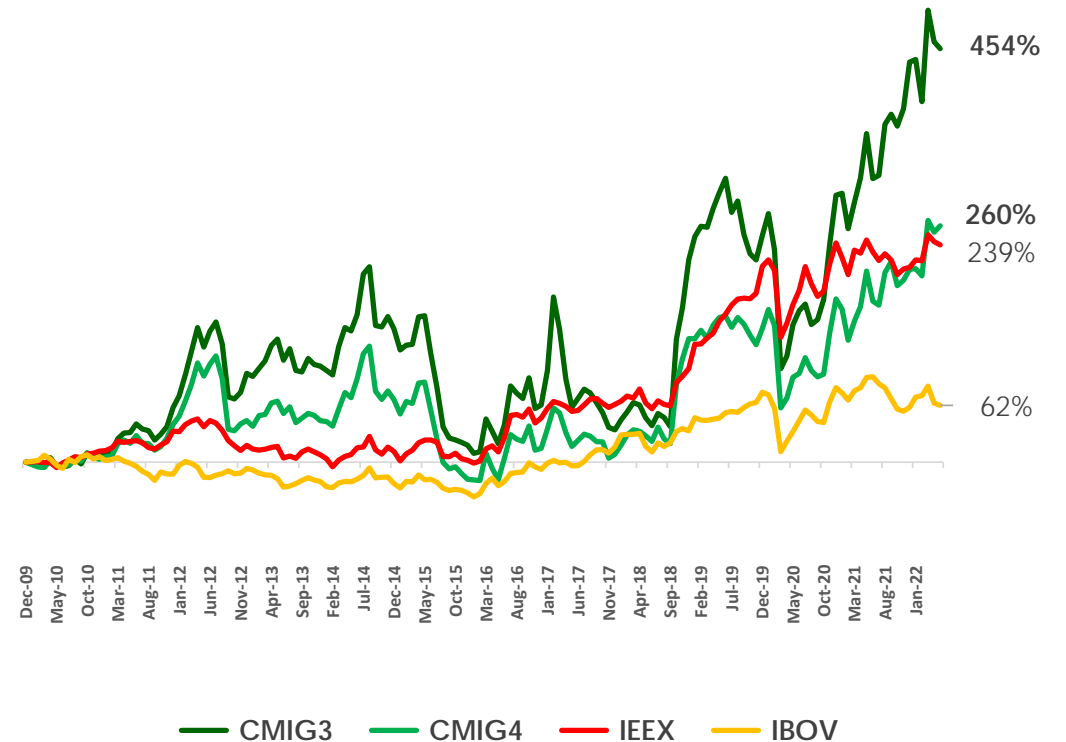


## Market Cap

Electric sector (R\$ bn)



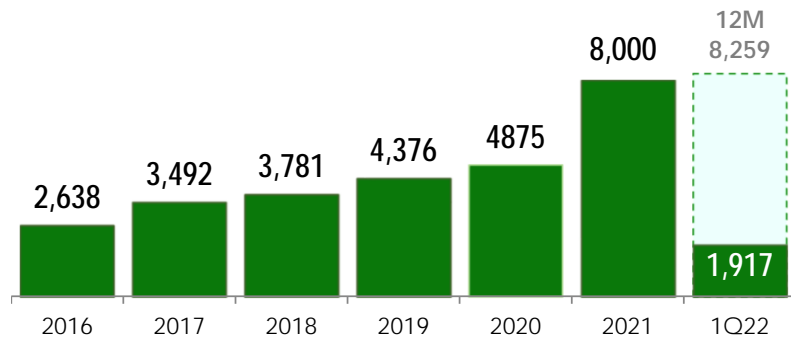
## Stock Evolution



(1) 18/05/2022 - Source: Economática

# Cash generation

Ebitda – R\$MN

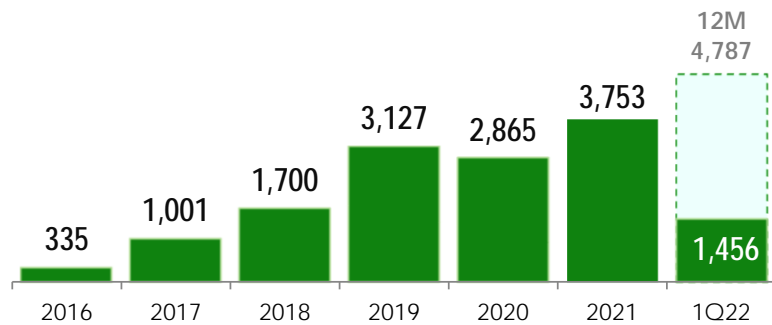


## Diversified

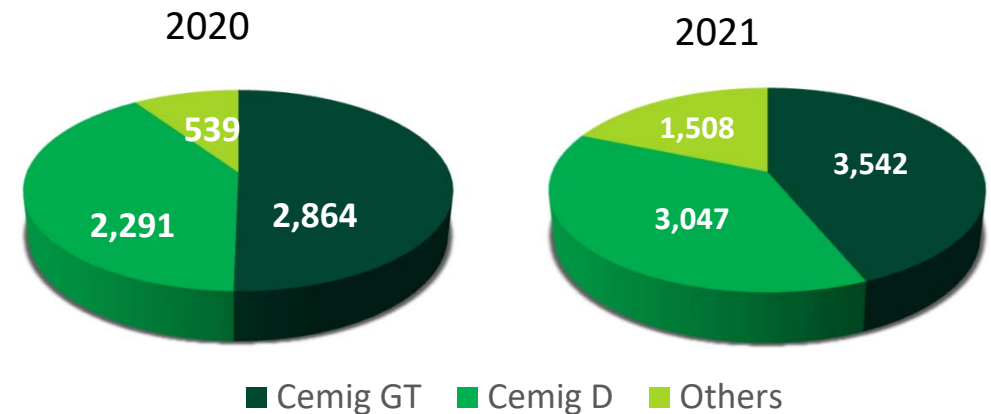
Low Risk Business Portfolio

Most of the revenues are inflation protected

Net Income – R\$MN



Breakdown of Ebitda (IFRS)



# Solid dividend policy

## Allocation of 2021 net income

Dividends to be paid in 2022:

**R\$1,966 mn** destined for the payment of mandatory dividends, corresponding to R\$1.16 per share Payment in two equal installments – the 1st until Jun/22 and the 2nd until Dec/22

- **R\$955 mn** declared as interest on equity

Charged to the mandatory dividend, as resolved by the Board of Directors on December 10, 2021

- **R\$1,011 mn** declared as mandatory dividends

### Bylaws

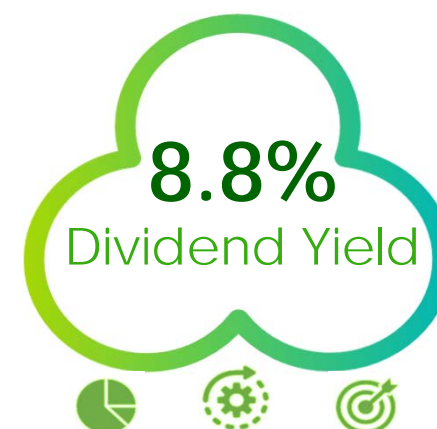
Guaranteed - The minimum annual dividend

- **R\$ 0.50** for Preferred Shares

### Bonus Proposal

30% Capital increase through bonus shares

	Share capital Dez/201	Bonus Shares	Share capital after Bonus Share
Preferred	1,127,325,434	338,197,630	1,465,523,064
Common	566,036,634	169,810,990	735,847,624
<b>Total</b>	<b>1,693,362,068</b>	<b>508,008,620</b>	<b>2,201,370,688</b>



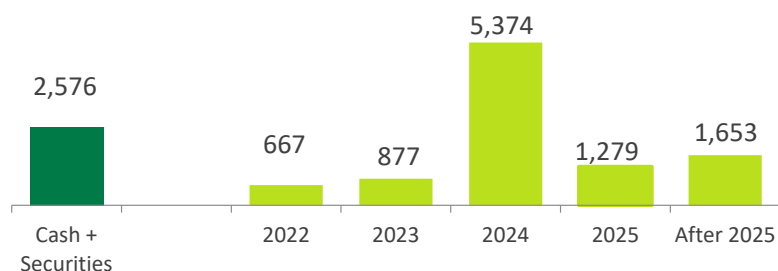


# Debt profile – consolidated 1Q22

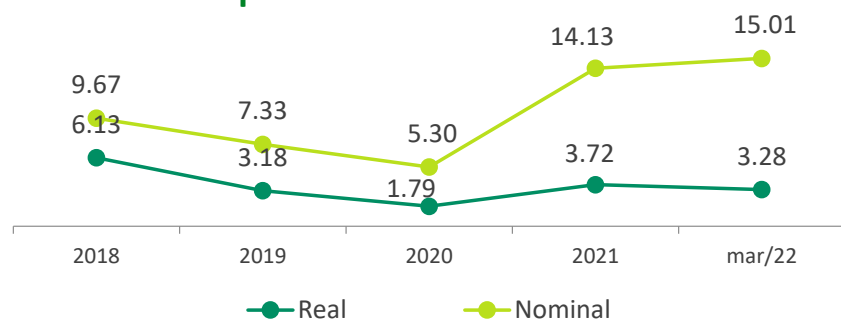
Debt and leverage continue to be low – ensuring sustainability of our operations.

## Maturities timetable | Average tenor: 3.2 years

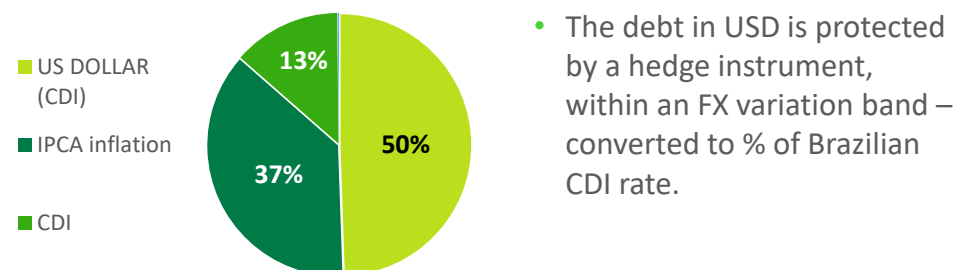
Net debt (Debt – Cash and securities): **R\$ 7.3 bn**  
 Total net debt (Net debt – Hedge): **R\$ 6.2 bn**



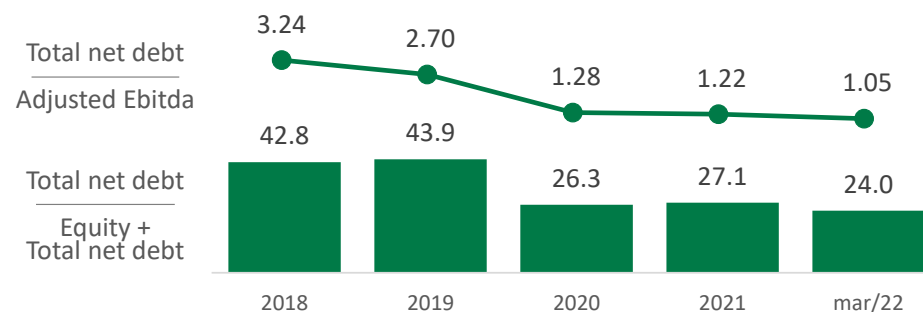
## Cost of debt | %



## Main interest rate indexes



## Leverage | %



# Bonds CEMIG - Liability Management

## Characteristics:

Volume	Coupon	Issue	Call	Matures
US\$ 1.5 bn	9.25% p.a.	Dec. 2017	Dec. 2023	Dec. 2024
Hedge Structure		Cost	Call - floor	Call - ceiling
Call Spread Principal / Interest Swap		142% CDI	R\$3.45	R\$5.00
Income tax - no hedge	185% CDI* Cost considering effect of income tax			
Secondary market	Premium	Date	Premium	
	3,18% a.a.	15,13%	20/04/2021	

## Eurobonds 2018-2020 (R\$ mn)

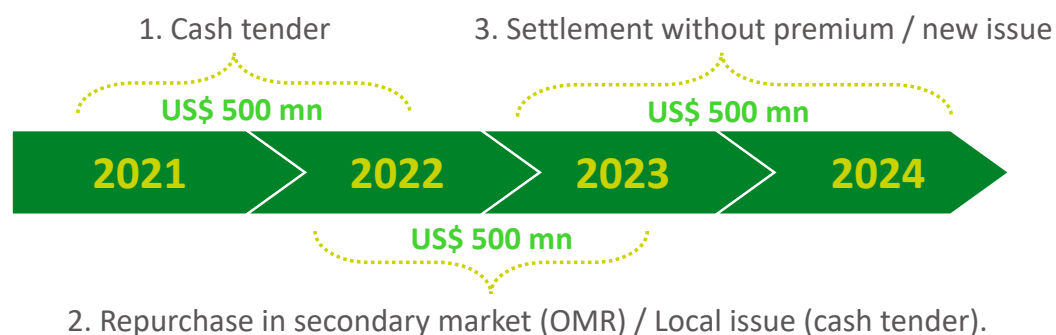
Date of payment	Sep. 2018	Sep. 2019	Sep. 2020
Bonds: Gross debt	5.949	6.196	8.418
Hedge	273	1.870	3.284
<b>Bonds: Net debt</b>	<b>5.676</b>	<b>4.326</b>	<b>5.134</b>

Fonte: ITRs Cemig GT

**Note:** Although the dollar rose 41% from Sep. 2018 to Sep. 2020, net debt was reduced by 9.5% over the same period.



## Maturity / Execution Strategy



“Aligned with strategic planning, Cemig GT repurchased US\$500mn in 2021 – Strategy of improving debt profile”

# Cemig is aligned with the best ESG practices

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## Sustainability increased the Company's results



### NET ZERO

Adhesion to the global initiative Net Zero Ambition Movement, of the Global Compact of the United of the United Nations (UN).



### I-REC Renewable Energy Certificate

Permission for customers to prove the origin of their renewable energy, enabling additional commercialization values



### Energy efficiency program

Investment of over R\$138 million in the last two years



### Preservation

More than 4,600 hectares of preserved areas and planting of 221 hectares in 2021



### Social Responsibility

Supporting all **774** municipalities in the concession area in the fight against the pandemic

- The Company sponsored **425** municipalities, and most have already received at least two of these items: cold chambers, refrigerators, freezers, thermal boxes, caps, disposable face masks, among other materials





# Presence in Major Sustainability Indexes



Cemig has been on the index for 22 consecutive years, and is **the only company in the Americas in the electric sector**



**Rating AA, second best rating** of the Brazilian electric sector



Member of the FTSE4Good Global Index (UK), with a score of 3.5, higher than the electricity sector average of 2.7



Present in B3's Corporate Sustainability Index since its creation, being one of the 39 Brazilian companies



One of the leading companies in water management practices in Latin America, included in the "A list" for the third consecutive year



Considered as "medium risk" by Sustainalytics



Cemig is part of B3's ICO2 Carbon Efficient Index portfolio



2021: "PRIME" rating, with **maximum score in Eco-Efficiency**



Bronze classification in Standard & Poor's sustainability ranking. 15th position, with 220 companies in the electrical sector evaluated



Cemig ranks 24th - and **2nd best among Brazilian companies in the Top 100 Green Utilities Ranking** based on carbon emissions and renewable energy



**STRATEGY 2025**  
**Focus and Win Plan**

# Summary of the Focus and Win strategy

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## Distribution

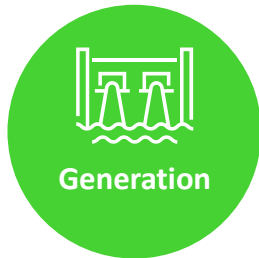
Focus on the client (top 3 in NPS).

Excellence in capex, investing R\$ 12.5 billion in five years.

Management of revenue.

Operational efficiency

Proactiveness with the regulator.



## Generation

Add ~1GW of capacity (~0.5 GW average)<sup>1</sup>, investing ~R\$ 4.5 billion, preferably renewable.

Optimize generation costs by 10–15%.

Review of the portfolio of equity interests

Proactiveness with the regulator.



## Transmission

Investments at R\$ 1.1 bn in Updating and Enhancement.

Optimize Transmission costs to >5% below regulatory level.

Expand Transmission assets (~500km).

Proactiveness with the regulator.



## Commercialization

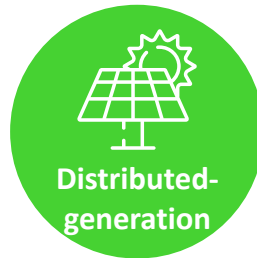
Strengthen positioning in the most profitable segments.

Active management of contracts.

Excellence in risk management.

Agile operational model.

Expand offer of attractive products.



## Distributed-generation

Develop projects of new solar farms with capex of ~R\$ 1 billion.

Trading model and digitalized client service.

Sustainability of the GD Model



## Gasmig

Potentialize the business and improve governance. investing R\$ 1 billion in five years.



## Disinvestments

Disinvest other businesses (including minority holdings and jointly-controlled entities).



## Innovation/Technology

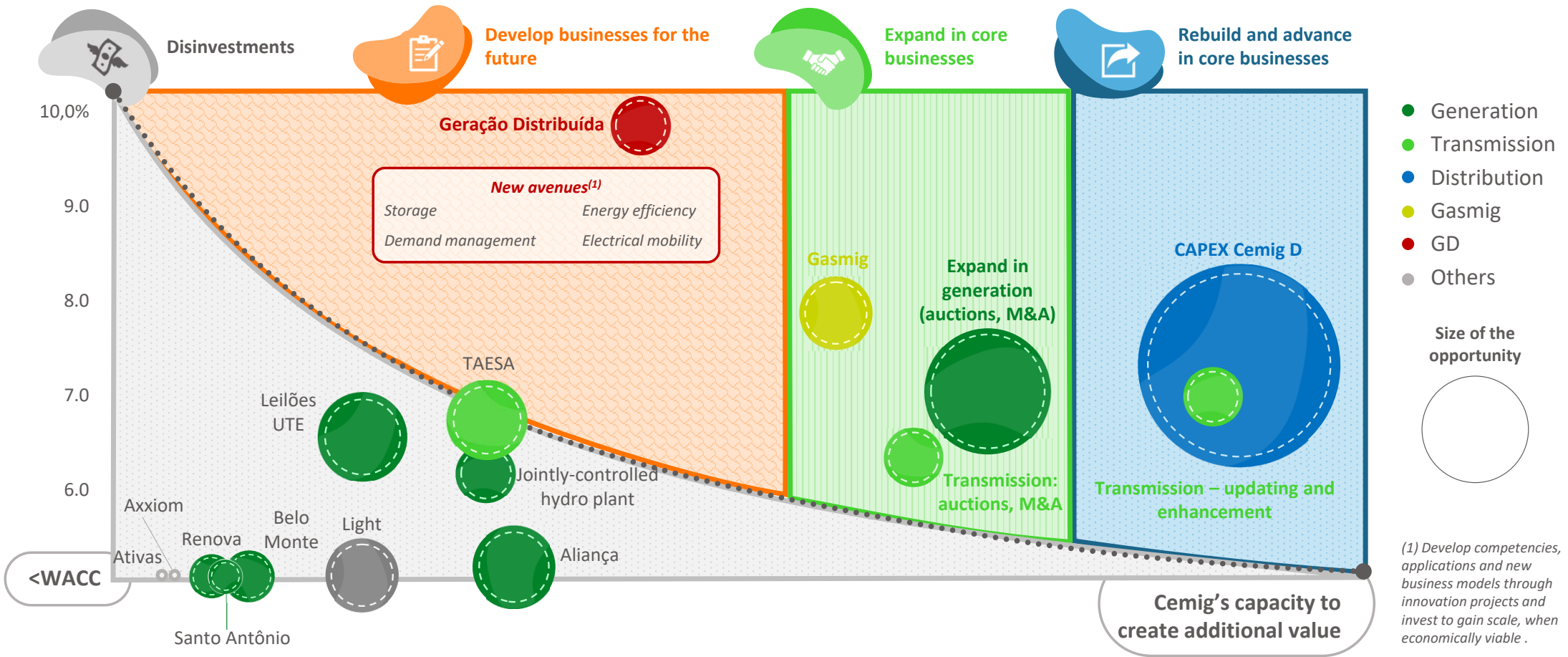
Invest R\$ 0.5 billion in new growth avenues and opportunities to increase efficiency of present businesses.

Modernize platforms and infrastructure, with capex of R\$ 0.7 billion

Nota: (1) Considera um fator de capacidade médio de 47%, caso as usinas possuam fatores diferentes, focar em atingir a garantia almejada e reajustar capacidade proporcionalmente

# Focus and Win strategy - Capital allocation

Market attractiveness | Expected ROIC or IRR



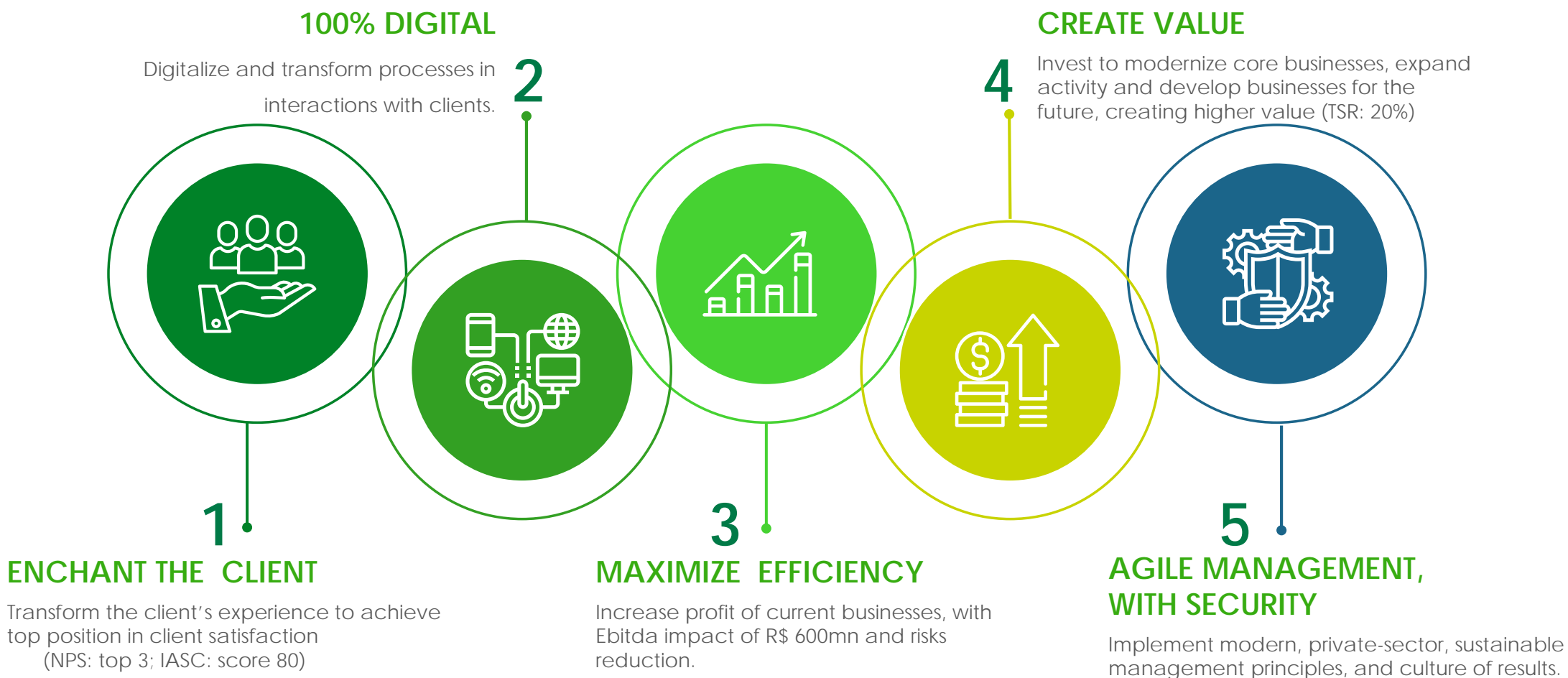
(1) Develop competencies, applications and new business models through innovation projects and invest to gain scale, when economically viable.

# Accelerating Cemig's transformation

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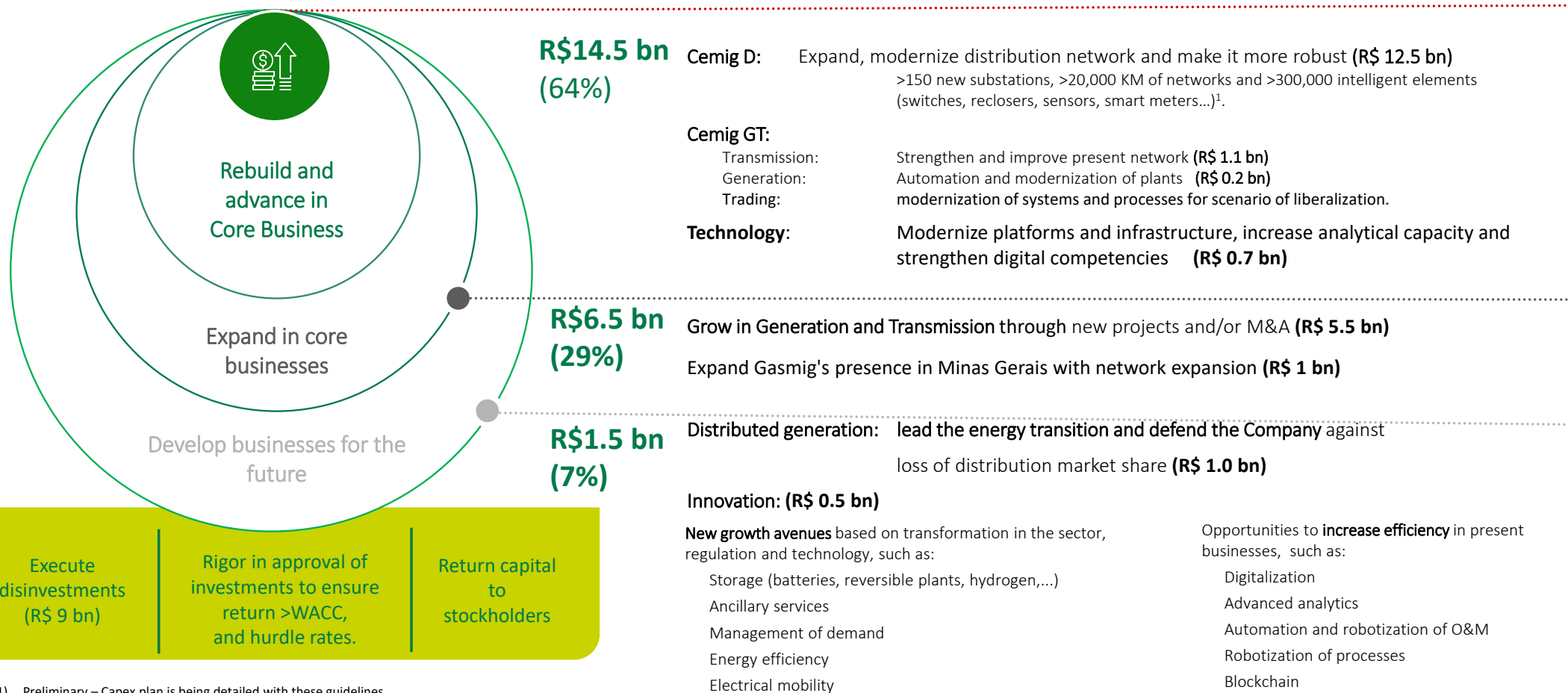


Focus on Cemig D and GT: lead in customer satisfaction and safety; achieve regulatory efficiency levels, through management with a modern, sustainable and private logic, TSR of 20%, making investments of around R\$22.5 billion with a focus on Minas Gerais



# Investments

Cemig will invest ~R\$ 22.5 bn in next 5 years to strengthen and expand present businesses and explore new opportunities



(1) Preliminary – Capex plan is being detailed with these guidelines.

# Investment program – execution



Investment of **R\$ 499 mn** in **1Q22**



## DISTRIBUTION

**R\$423 mn**

Investments in maintenance and modernization of the electricity system



## TRANSMISSION

**R\$51 mn**

Strengthening and upgrading – with increase in RAP



## GENERATION

**R\$14 mn**

Expansion and modernization of plants

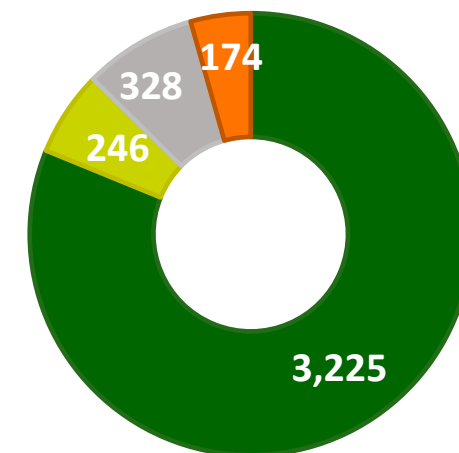


## INVESTMENTS OF GASMIG

**R\$11 mn**

Infrastructure and other

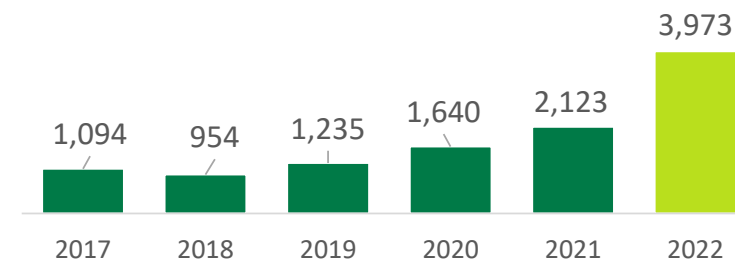
Investment planned for 2022  
**R\$ 3.973 billion**



■ Distribution    ■ Generation  
■ Transmission    ■ Other

## Initiatives to minimize these impacts

- Individual specific competitive bids held, and works redistributed between contractors to minimize impacts.
- Daily management of relations with main suppliers of equipment, seeking solutions to enable delivery of the assets.



# Mais Energia Program - ("more energy")

The **Mais Energia program** will amplify Cemig's transformation capacity, providing more quality, safety and reliability in the system to meet clients' needs.



## 200 new substations

- bringing the total to **615 in operation** until 2027
- **22** energized by December 2021 and **80** in 2022



Total investment of **R\$ 5 bn** by 2027



**8.7 million** clients benefited



Click here to see map of Cemig's substations.

<https://geo.cemig.com.br/programa-mais-energia/>



# The Minas Three-phase program

Better **Reliability** and **Quality** in service to clients in the countryside



Conversion of these networks from **single-phase** to **three-phase**

Interconnections for operational flexibilities and automation of protection systems



Transforming subsistence **agriculture** into **agribusiness**

- Making more energy available for development of the countryside areas of Minas Gerais



Total investment planned from 2021 through 2027: **R\$ 1.8 bn:**

- 2021-2022 : **R\$ 335 million**
- 2023-2027 : **R\$ 1.45 billion**

# Post-retirement

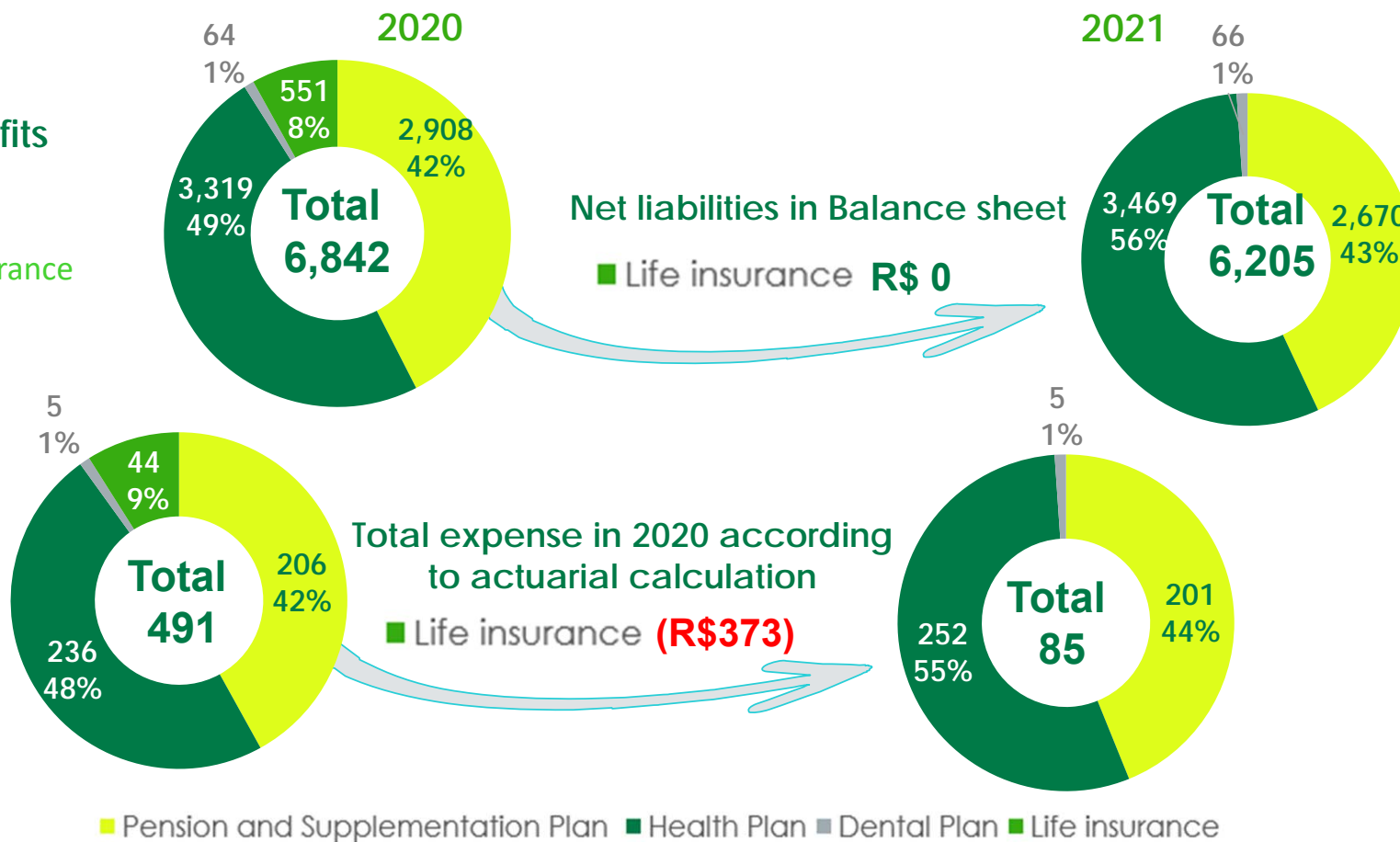
Reduction in post-employment expenses in line with our strategic planning

R\$ mn



## insurance benefits

Extinction of post-employment life insurance benefits for retirees



Studies for adaptation of the pension and health plans, to reduce actuarial risk and obligations.



**DISTRIBUTION  
BUSINESS**



## AMBITION

**Transform Cemig D into a benchmark for the distribution sector and an inducer of development of the state of Minas Gerais:** Leader in client experience (top 3 in NPS) and safety – **with performance at least at regulatory levels (increase Ebitda by R\$ 1bn, DEC at 95% of regulatory limit, FEC at 70% of regulatory limit)** – prepared for the future through investments in smart grids, smart networks, digitalization and analytical capacity. **Capex R\$12.5 bn (2021-2025)**



## STRATEGIC GUIDELINES



**Center on the client:** transform their experience, investing in digitalization.



**Increase operational efficiency, applying innovative and technological solutions to keep costs below regulatory levels.**



Be an **inducer of market expansion, through the increase in investments**, to create a virtuous cycle of expanded regulatory remuneration and improvement of performance.

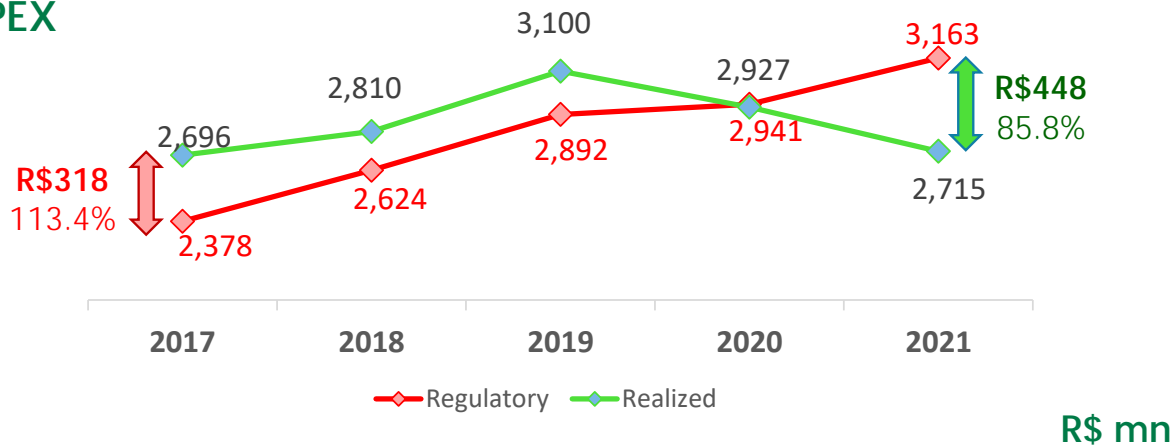


Optimize management of revenue making maximum use of analytical and data capacity to **reach regulatory levels of power losses and default.**

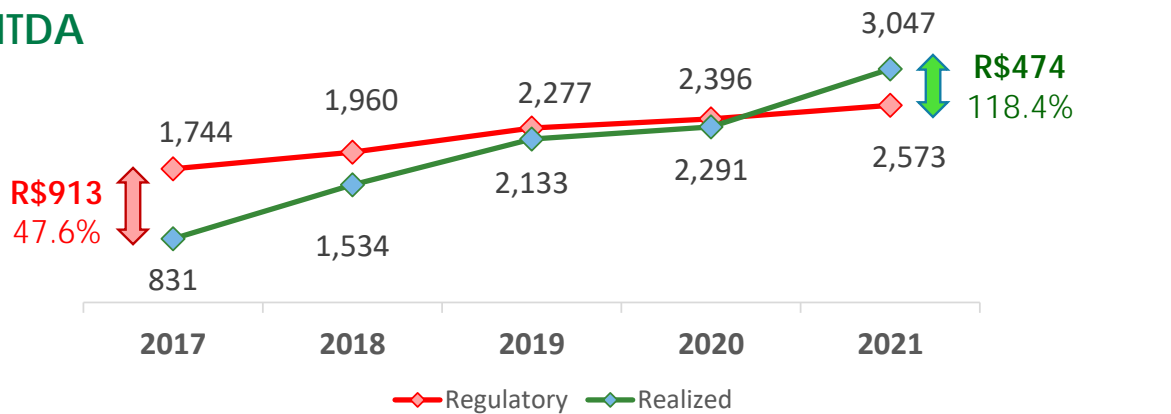
# Cemig D - Opex and Ebitda x regulatory level

Commitment to operational efficiency

## OPEX

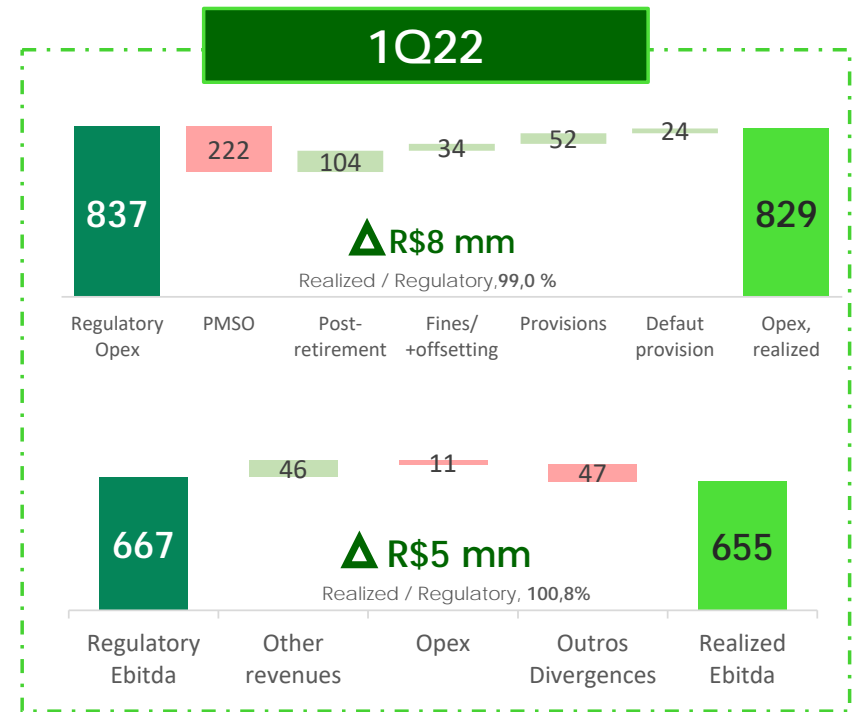


## EBITDA



## Operational Efficiency

Cemig D will become benchmark with the new methodology to be adopted according to the technical notes to Public Consultation 62/2020



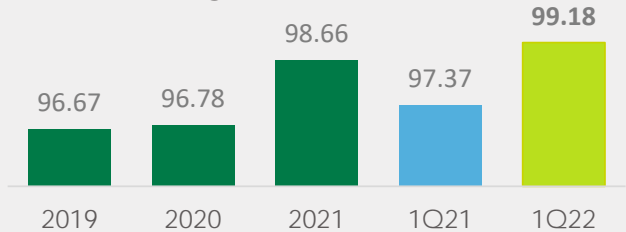
# Cemig D - Combating default

Positive results in **1Q22**, highlight in relation to **ARFA** even in the context of the population's income drop

Implemented actions have proven to be effective:

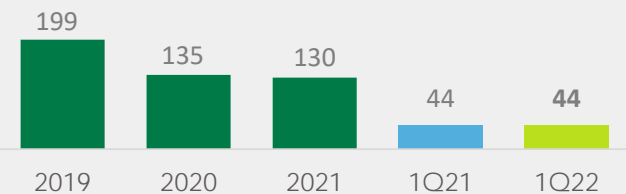
- Daily monitoring of collection and delinquency indicators
- Continuous intensification and improvement of collection instruments, 10mm collection actions in 1Q22 (**+60%**), with emphasis on e-mail, SMS and denials
- 395 thousand disconnections made until March 2022, volume **20%** higher than the previous year. Forecast of **1.9mm** suspensions for the year
- Improvement of the collection level (1.81% in the period), with emphasis on digital means of payment, which has been growing steadily
- Minas Gerais State ICMS tax credits: R\$ **31.5** mn offset this year (3 installments of R\$ 10.5mn).

## Receivables Collection Index ('ARFA') % Collection/Billing



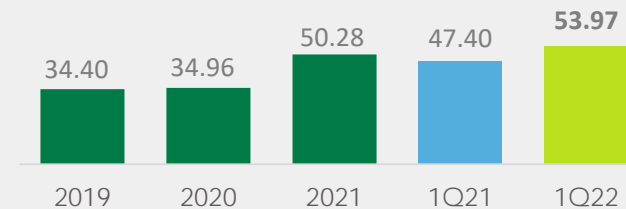
## Default provision | PECLD (R\$ million)

Power Supply and Grid Usage



## Collection | Digital Channels (%)

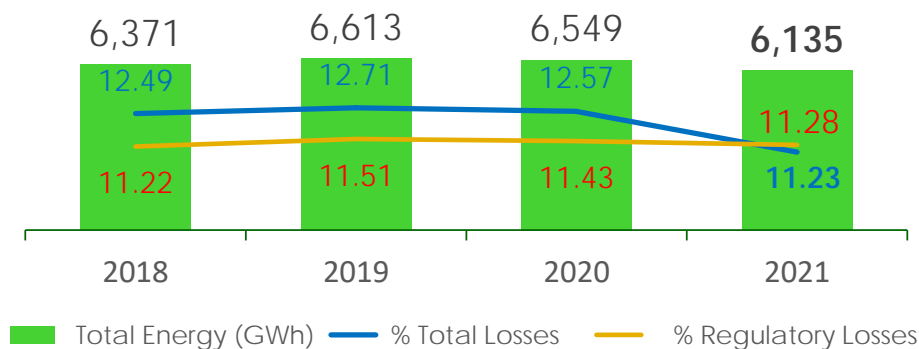
PIX, card, application, automatic debit, ATM, others



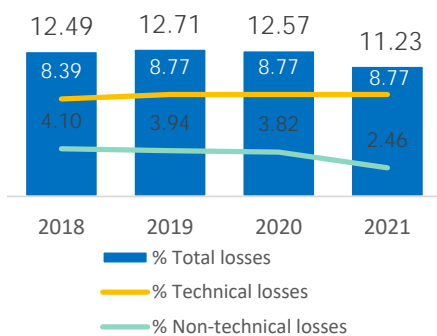
# Cemig D – Energy losses 2021

## Positive results achieved in combating losses

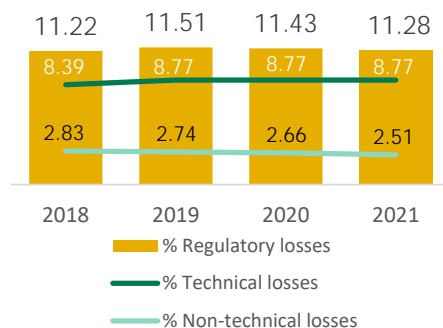
Total Losses



Losses – realized %



Regulatory losses %



2021 was a year of achievement for Cemig D, especially in combating losses

- ✓ Total loss rate within the parameters established by Aneel
- ✓ Estimated savings of **R\$160 mm (~600 GWh)**

### Energy recovery plan focusing on

- ✓ Approximately 60% of billed volume is protected
- ✓ Replacement of nearly 50 thousand obsolete meters, with the installation of over 15 thousand smart meters
- ✓ **384 thousand** inspections, with a record of detected irregularities, resulting from a higher success rate
- ✓ Removal of **3.7 thousand** irregular connections
- ✓ **Four (4) SEs** were energized, **74 feeders** received new configurations and **156 capacitor banks** were installed, allowing from a reduction in Technical Losses

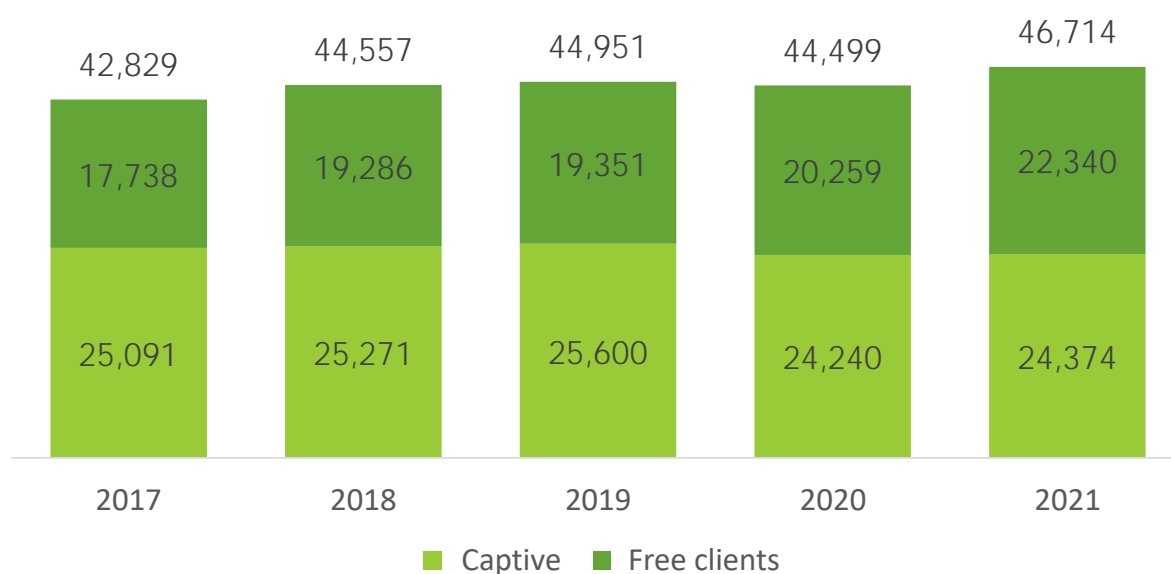
### Our challenges continues in 2022

- ✓ Inspection, regularization and modernization of 1.4 million consumer units (with the installation of 350 thousand smart meters)



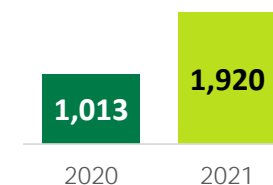
# Cemig D market evolution

Distributed Energy (GWh)



## Injected energy DG – GWh

+89.5%



Distributed Generation increased significantly in 2021



## 4.1% Energy injected

Represented the Distributed Generation of the total energy consumed in Cemig's concession area in 2021



# Tariff Review and Readjustment

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Aneel approved tariff review in the Technical Note 45/2018

Readjustments: in the last 2 years, residential consumers have had zero increase in tariffs

Regulatory asset base (RAB)	2013	2018
Remuneration Base – gross R\$	15,724	20,490
Remuneration Base – net R\$	5,849	8,906
Average depreciation rate	3.84 %	3.84%
WACC	7.51%	8.09%
Remuneration of the special obligations	-	149
CAIMI R\$	147	333
QRR R\$ - Depreciation (Gross RAB x Dep rate)	590	787
Remuneration of capital R\$ (Net RAB x WACC)	587	1,236

“ The tariff reviews occur every 5 years, and the next one will take place in May 2023 ”

**GENERATION,  
TRANSMISSION AND  
COMMERCIALIZATION  
BUSINESSES**





## AMBITION



**Add ~1GW of installed capacity (~450 MW) by 2025, with investment of R\$4.5 billion** focused on renewable sources and increasing efficiency of the portfolio



## STRATEGIC GUIDELINES



**Add ~1GW of capacity (~450 MW average** of physical guarantee) to Cemig's portfolio, through projects in hydroelectric, wind and solar sources with appropriate financial returns.



**Increase operational efficiency,** achieving market levels of PMSO.



**Disinvest in assets that destroy value** and have no opportunity for turnaround.



Be proactive with the regulator, promoting speed in the Generation agenda.

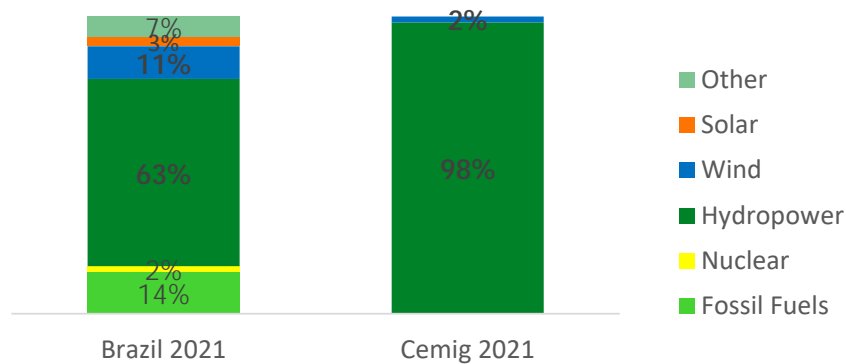
**Renewal of concessions of the expiring plants**

# Energy Matrix - 100% renewable

Source	Installed Capacity (MW)			
	2020	%	2019	%
Hydro	5,969.4	98.18	5,903.4	98
Wind	115.2	1.9	115.2	1.1
Solar	1.4	0.02	1.4	0.02
<b>TOTAL</b>	<b>6,086.0</b>	<b>100</b>	<b>6,020.0</b>	<b>100</b>

“ **100% of Cemig's installed capacity comes from renewable energy sources.** ”

## Energy Matrix



**3.8%**

percentage that Cemig represents in Brazil's existing installed capacity

# Expansion of generation



## Photovoltaic projects (More mature projects)

### a) Boa Esperança:

- 85 MW and capex approximately R\$ 300 mn
- DRO (grant) issued
- Energizing planned end-2022.

### b) Três Marias 1 (Floating):

- 60 MW and capex approximately R\$ 250 mn
- DRO and environmental license issued
- Energizing planned for 1H 2023

### c) Três Marias Jusante

- 70 MW estimated and capex approximately R\$ 250 mn
- DRO issued
- Energizing planned for 1H 2023

### d) Cerrados 1, 2 e 3:

- 260 MW estimated and capex approximately R\$ 920 mn
- Initial stage of studies
- Energizing planned for 2023



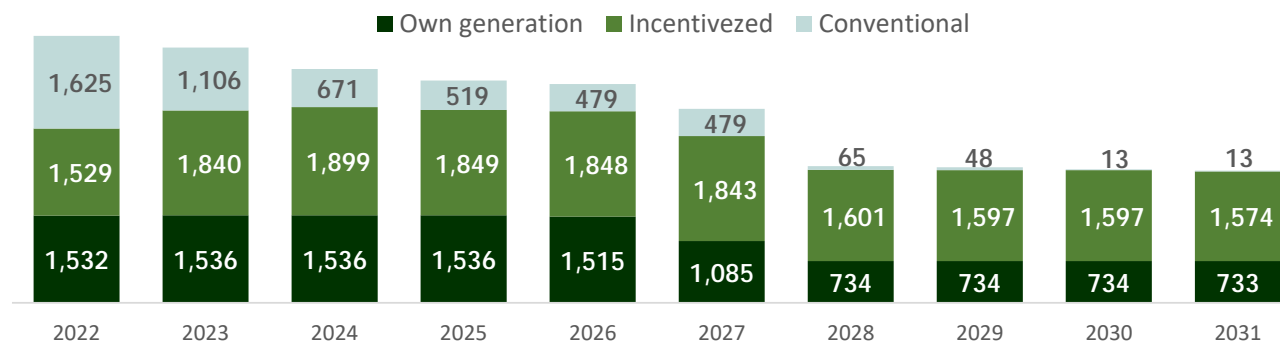
## Prospecting in innovation

- Develop trackers, floating photovoltaic plants and hybridization.
- Studies for use of new photovoltaic panel technologies.
- Produce green hydrogen in hydrolyzers from renewable sources.



# Cemig group: Supply and demand

## Supply

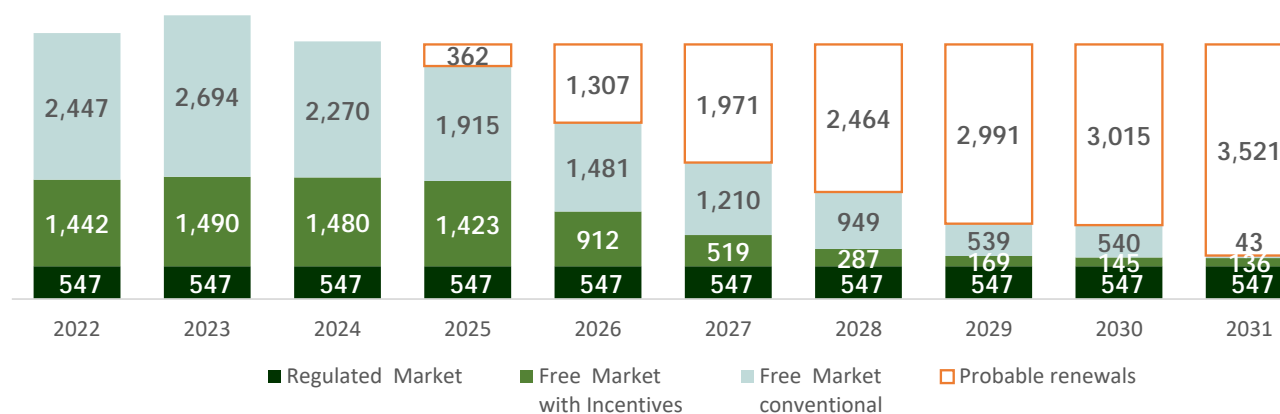


*MW average*

*Updated  
June 2022*

Total Supply	4.686	4.482	4.106	3.903	3.841	3.406	2.400	2.378	2.343	2.319
<b>Current Balance</b>	<b>250</b>	<b>- 249</b>	<b>- 192</b>	<b>18</b>	<b>901</b>	<b>1.129</b>	<b>616</b>	<b>1.122</b>	<b>1.111</b>	<b>1.593</b>
Total Demand	4.436	4.731	4.297	3.885	2.941	2.277	1.783	1.256	1.232	726

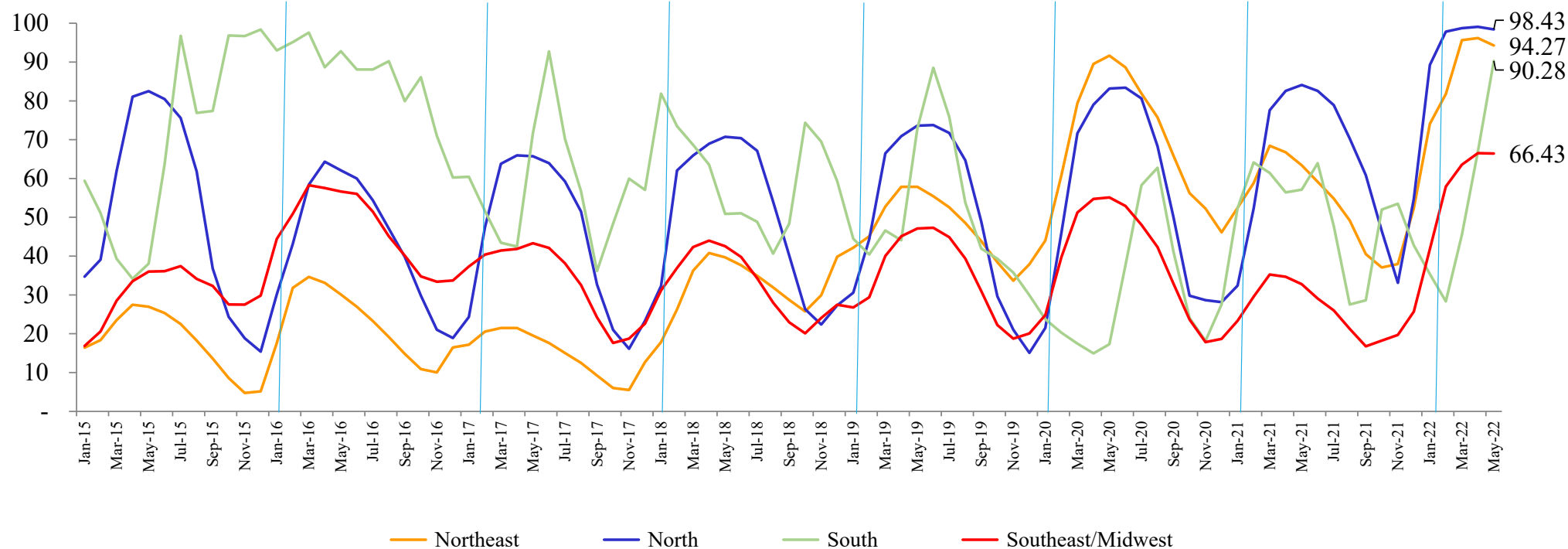
## Demand



**Cemig group** - Considers the total availability of the Cemig group's generation companies (Cemig GT, Sá Carvalho, Horizontes, Cemig PCH, Rosal, Cemig Geração Três Marias, Cemig Geração Salto Grande, Cemig Geração Itutinga, Cemig Geração Camargos, Cemig Geração Leste, Cemig Geração Oeste, Cemig Geração Sul), plus purchases from outside sources.

# Level of reservoirs (%)

By region (%)\*



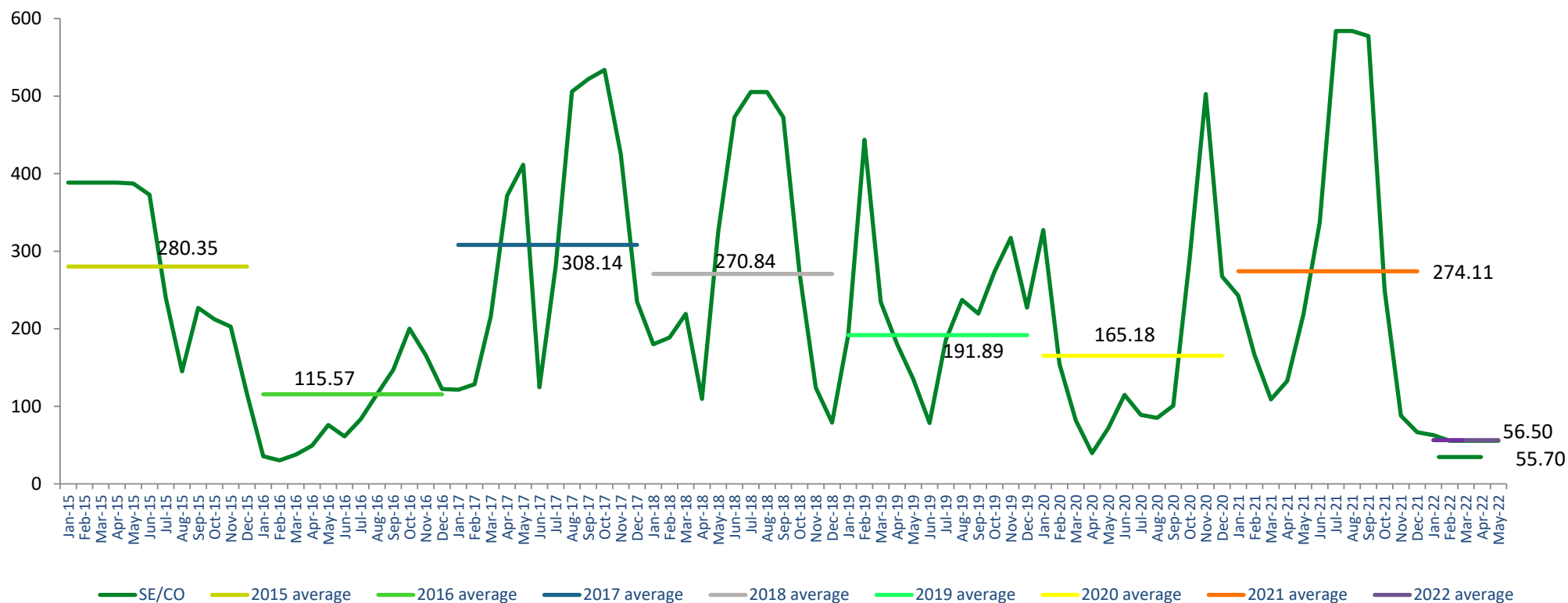
Source: <http://www.ons.org.br>

# Spot price

40



Brazil: electricity spot price – monthly average (R\$/MWh)







## AMBITION



**Focus on investments in Updating and Enhancements (~R\$ 1.1bn), in new projects (~R\$ 1bn), and continuous improvement of efficiency, boosting share of transmission in MG. Expand portfolio of Transmission in Minas Gerais through auctions**



## STRATEGIC GUIDELINES



**Intensify plan for Updating and Enhancements** to renew depreciated base through good investments (meeting deadlines, low financing cost, and returns above regulatory WACC).



**Continue with operational efficiency**, remaining within regulatory PMSO level.



**Expand portfolio of Transmission in Minas Gerais through project auctions** and M&A, to protect market share.



**To be proactive with the regulator**, speeding up the approval/launching of new projects

## RAP – Annual Permitted Revenue

REH - HOMOLOGATORY RESOLUTION 2895/2021 (cycle 2021/2022)

Company	RAP (R\$ thousand)	% Cemig	RAP Cemig (R\$ thousand)	Expiration of Concession	State
<b>Cemig</b>	<b>781,603</b>	<b>100.00%</b>	<b>781,603</b>		
Cemig GT	696,756	100.00%	696,756	Dec-42	MG
Cemig Itajuba	49,785	100.00%	49,785	Oct-30	MG
Centroeste	27,543	100.00%	27,543	Mar-35	MG
Sete Lagoas	7,519	100.00%	7,519	Jun-41	MG
<b>Taesá (39 concessions)</b>	<b>3,453,500</b>	<b>21.68%</b>	<b>748,719</b>	15 years*	18 states
<b>TOTAL RAP CEMIG</b>			<b>1,530,325</b>		

Value of RAP proportional to Cemig's stake

\*Average maturity of TAESA's concessions

RBSE INDEMNITY Cemig**				
Amounts in (R\$ thousand) per Cycle	2020-2021	2021-2022	2022-2023	2023-2024 until 2027-2028
Economic	144,547	144,547	144,547	60,158
Financial	332,489	88,662	129,953	275,556
<b>TOTAL</b>	<b>477,036</b>	<b>233,209</b>	<b>274,499</b>	<b>335,714</b>

\*\* RBSE already included in the table of RAP



### M&A:

Acquisition of Sete Lagoas Transmissora de Energia in July/21.



### CEMIG

participate in transmission auctions in 2022, seeking growth in this segment.

## AMBITION



Consolidate leadership in final clients, maintaining volume of 3.7GW average, with gross margin above 9%, adopting the best risk management practices in the sector, with highlight for client service (top 3 in NPS).

## STRATEGIC GUIDELINES



Seek growth in profitable clients, offering experience superior to competitors.



Incorporate 0.5 to 1.9 GW average at competitive prices by 2030, completing positions at moments of adequate margin, leveraging the image of an integrated company.



Adopt sector best practices to monitor and manage all material risks, giving the organization transparency.



Develop digital channels and adapt operational model



Adapt and expand offer of energy products and other commodities

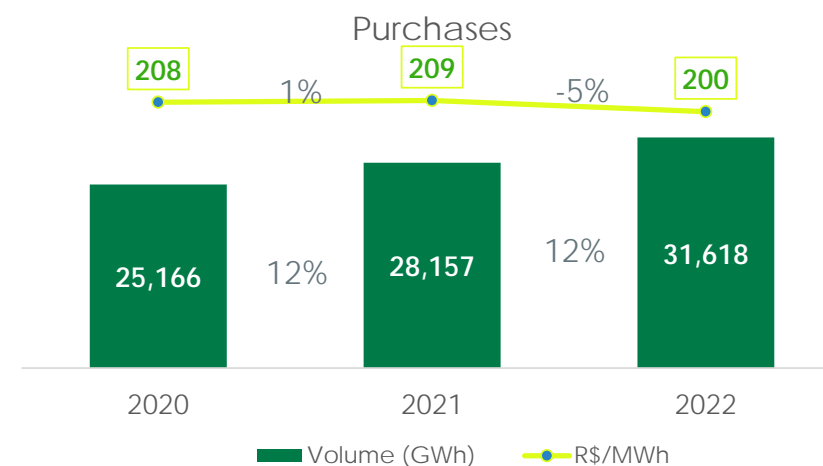
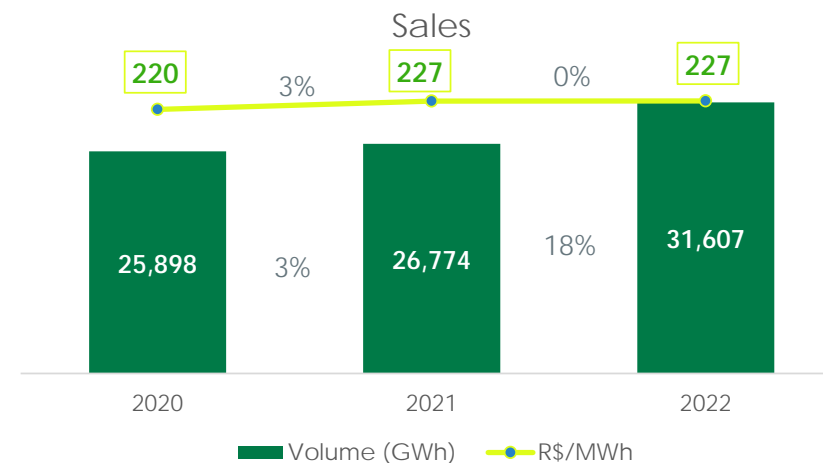
# Commercialization (Trading business)

44



Appropriate trading strategy brings positive results: increased market and margins

	2020	2021	2022
<b>Revenue (R\$ mn)</b>	<b>5,692</b>	<b>6,070</b>	<b>7,172</b>
Volume (GWh)	25,898	26,774	31,607
R\$/MWh	220	227	227
<b>Purchase (R\$ mn)</b>	<b>-5,229</b>	<b>-5,893</b>	<b>-6,313</b>
Volume (GWh)	25,166	28,157	31,618
R\$/MWh	208	209	200
<b>Third parties</b>	<b>-3,972</b>	<b>-4,599</b>	<b>-5,272</b>
Volume (GWh)	18,829	20,721	25,315
R\$/MWh	211	222	208
<b>Own generation (Cemig)</b>	<b>-1,257</b>	<b>-1,294</b>	<b>-1,041</b>
Volume (GWh)	6,336	7,436	6,303
R\$/MWh	198	174	165
<b>Other (R\$ mn)</b>	<b>-72</b>	<b>158</b>	<b>-248</b>
<b>Taxes (R\$ mn)</b>	<b>-36</b>	<b>-31</b>	<b>-56</b>
<b>Margin (R\$ mn)</b>	<b>355</b>	<b>305</b>	<b>554</b>
<b>Margin, %</b>	<b>6.2</b>	<b>5.0</b>	<b>7.7</b>





**GASMIG**



## AMBITION



**Strengthen the presence of Gasmig in Minas Gerais, with investment of R\$ 1 billion by 2025**, with greater management and governance transparency, acting to increase commercial efficiency and expansion of the network – increasing Ebitda by ~R\$ 318 million in 2025



## STRATEGIC GUIDELINES



**Prepare Gasmig for IPO**, with a view to greater efficiency, efficacy and transparency of management.



**Increase saturation of the existing network** expanding the client base of the urban segment



**Expand the HDPE and steel network**, reaching selected major urban centers, investing in service to large industrial clients



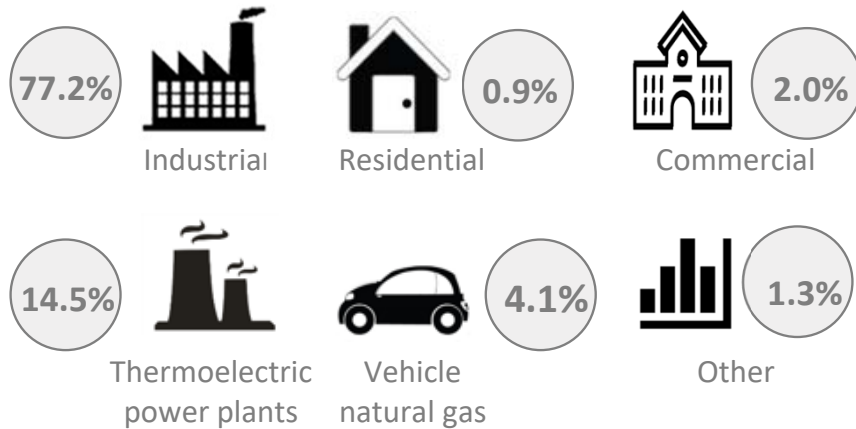
**Expansion in the Free Market** through trading in gas



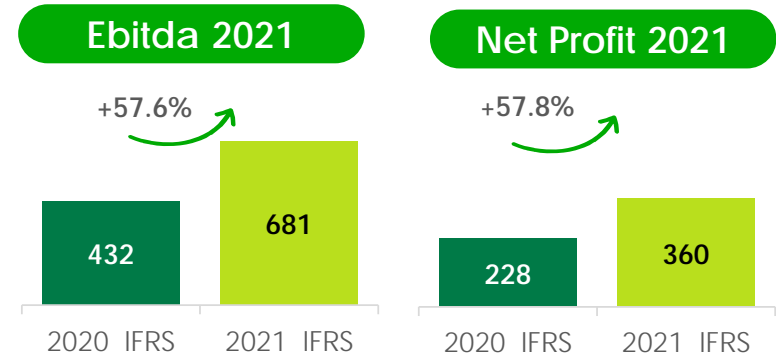
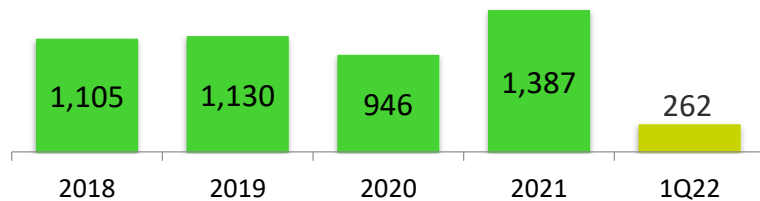
Actively monitor **new regulatory frameworks** in close cooperation with the regulator

"Gasmig supplies an average daily volume of **2.9 million m<sup>3</sup>** "

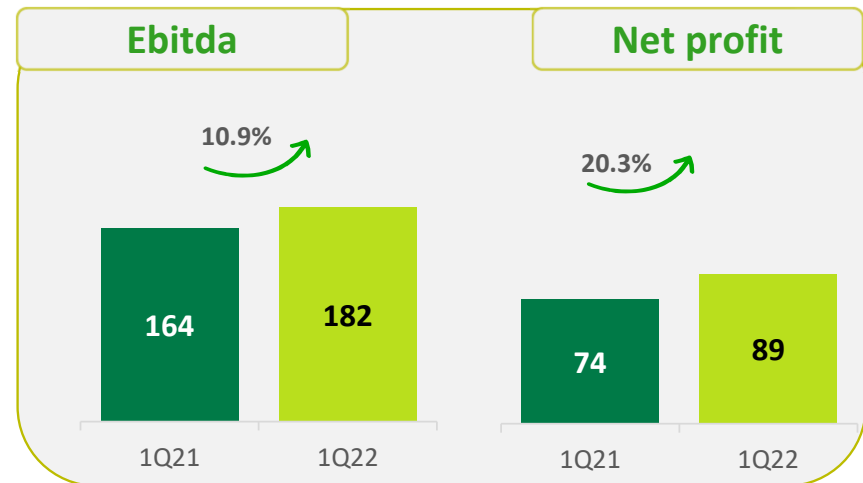
Segments served – % of volume in m<sup>3</sup>



Natural gas volume sold – million m<sup>3</sup>



Gasmig continues to deliver consistent results in 2022:





**Distributed-  
generation  
CEMIG SIM**



# Strategy summary – Distributed generation

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## AMBITION



To reach a strong position in Distributed Generation, with focus on Minas Gerais State: investing R\$ 1 billion by 2025, in Distributed Generation projects from verticalized solar farms (equivalent to 275 MWp), with IRR equivalent to the market average – ensuring a significant market share (~30%) in solar farms in Minas Gerais, with annual Ebitda of R\$ 170 million.



## STRATEGIC GUIDELINES

### WHERE TO PLAY

**Focus on Minas Gerais**  
**Operate exclusively in solar farms** (verticalized operator)  
Other products and services – less priority  
Evolve competencies to operate in a majority stockholder structure model

### HOW TO WIN?

**Develop solar farm projects in DG**, organically or through acquisition of assets, leveraging Cemig's internal capacities

**Establish a digitalized model for trading and optimized client service**, seeking to operate with the minimum viable structure

**Intervene to make DG entry model sustainable in the long term** (i.e. with benefits appropriately included in the tariff model).

## Subscription Energy – how does it work?



#01

Our solar farms are installed in places where there is abundant strong sun at various locations in Minas Gerais State.



#02

On each farm, hundreds of photovoltaic panels capture sunlight and transform it into electricity



#03

You contract an allocation from our solar farms and the energy reaches your company, home or condominium, wherever it is, through the electricity distributors



#04

That's it! Your discount is deducted on your electricity bill. If the power that is contracted is not used, it is carried over to the next month

**Energia Solar gera descontos nos impostos para moradores de BH**

Conheça o Programa de Certificação de Crédito Verde, "moeda verde" para os moradores de Belo Horizonte.

Saiba Mais

**ATÉ 95% DE ECONOMIA**

Construa sua Usina Solar com a Cemig SIM!

SUA USINA SOLAR

**CEMIG SIM**

- Economia de até 18% para empresas e 15% para residências.
- Sem investimentos, obras ou necessidade de instalações.
- Energia Limpa! Sustentabilidade e inovação.

**ÔNIBUS ELÉTRICO NAS RUAS DE BH**

Ônibus 100% elétrico e movido a Energia Solar, fornecida pela Cemig SIM, finalizou os testes nas ruas de Belo Horizonte!

CONHEÇA O PROJETO



## Attachments

**R\$ 782 million**

RAP\* 2021-22 cycle  
R\$ 233 million of RBSE

**3.2 GW**

Installed capacity

**53 power plants**

50 hydroelectric plants  
2 wind plants  
1 fotovoltaic plant

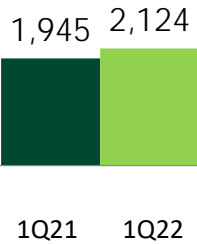
**5,005 km**

Transmission lines (km)

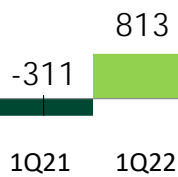
**Growth strategy:**

- Mainly through updating and improvements
- Renewal of concessions
- Integration with Trading
- Development of projects focused on renewables

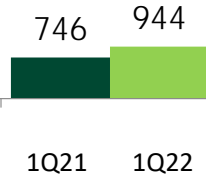
**Net revenue**



**Net profit**

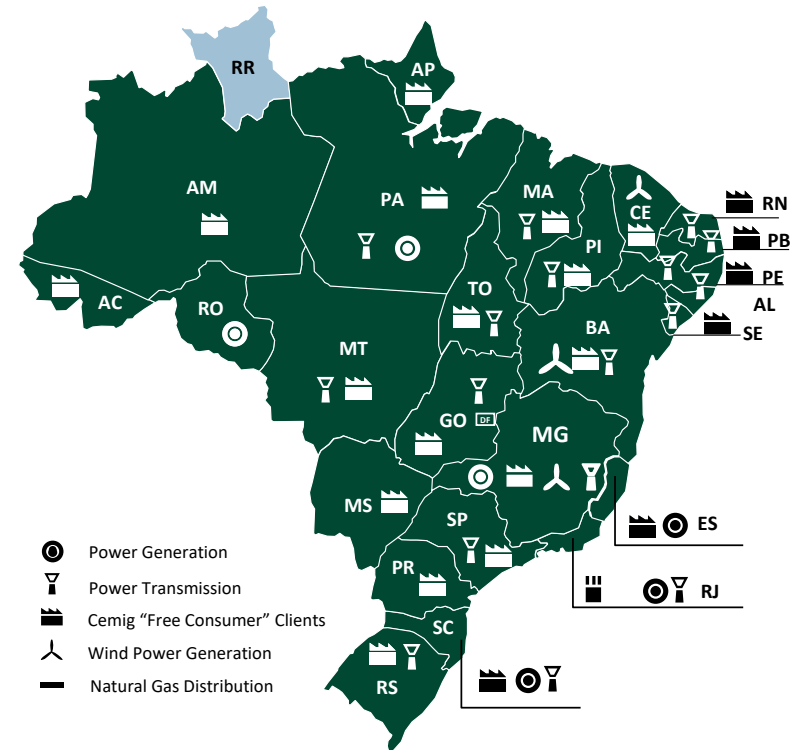


**Ebitda**

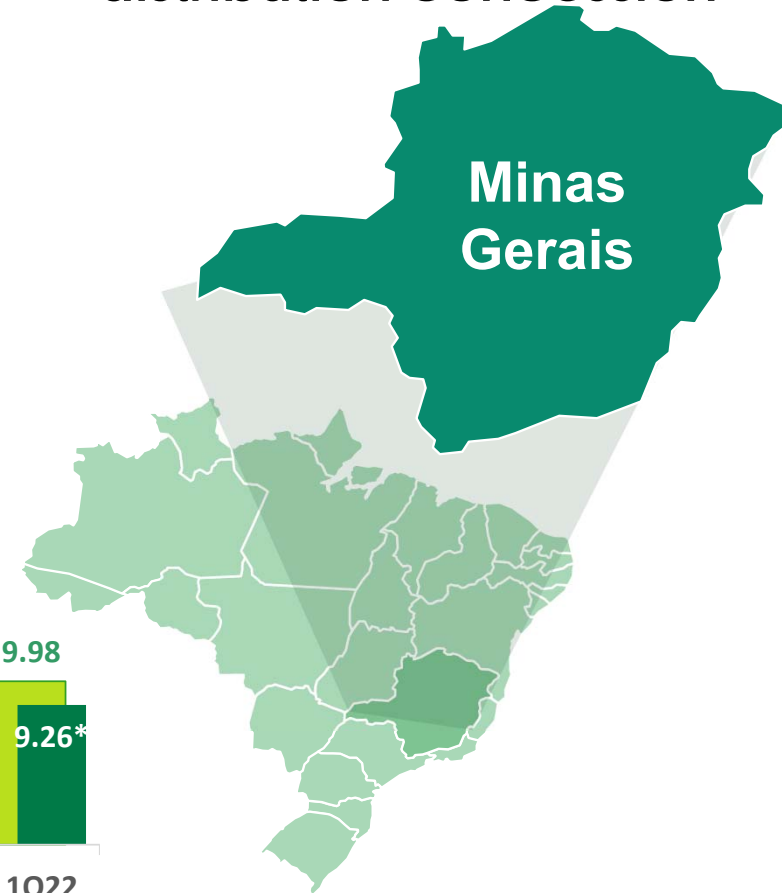


**Renewables:**

100% of our generation is renewable



## Brazil's biggest distribution concession



**Minas Gerais**

**20 million**

Population served:  
**10% of Brazil**

**8.9 million**

Clients in  
**774 municipalities**

**Concession**

**24 years**  
remaining

**\*RAB R\$8.9 bn**  
(2018)

**R\$14 bn**  
Expected net RAB in 2023

**~558,000 km**

Distribution  
network

**R\$ 12.5 bn**

Total investment in  
2021-2025

### Turnaround strategy



- Exceed regulatory Ebitda
- Leading position in client satisfaction
- Robust investment and digitalization program

#### Net revenue

4,662 4,748



1Q21 1Q22

#### Net profit

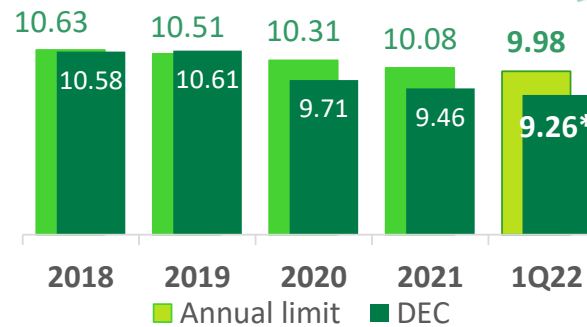
392 376

1Q21 1Q22

#### Ebitda

745 655

1Q21 1Q22



■ Annual limit ■ DEC

\* RAB= Regulatory Asset Base.



**3.45**

R\$ bn RAP - Annual Permitted Revenues (2022/2021)



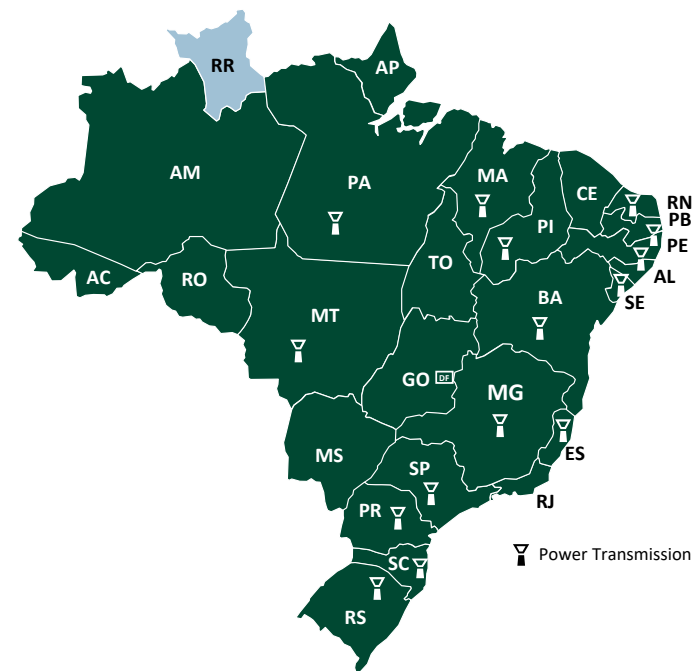
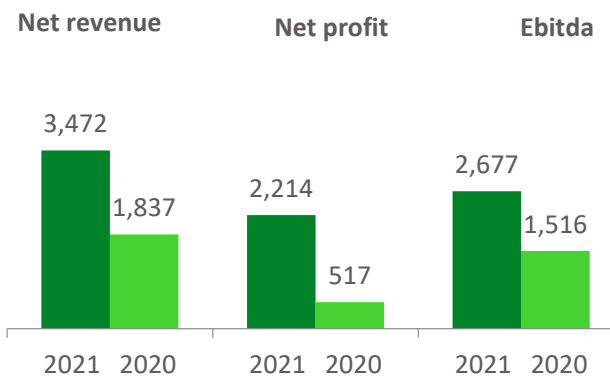
**14,014**

Km in transmission lines



**12.5**

R\$ bn of market capitalization





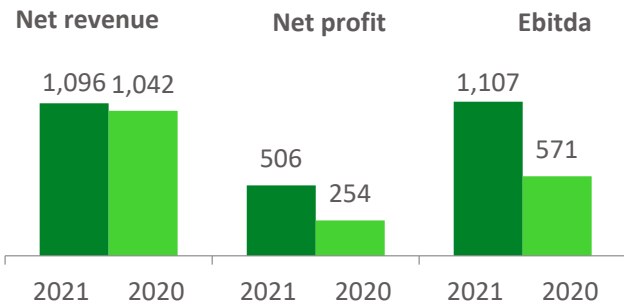
**8**  
Enterprises in operation



**1,258**  
MW installed capacity



**707**  
MWavg Assured Energy



FitchRatings **AAA(bra)**

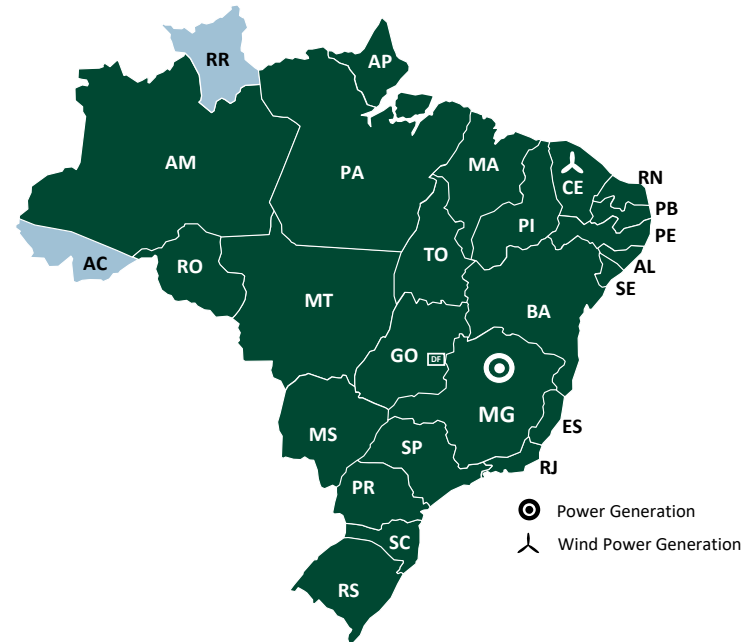
**CEMIG**

45%

**Vale**

55%

**ALIANÇA**  
A nova geração da energia.





**3,568**

MW installed capacity



**2,424**

MWavg Assured Energy



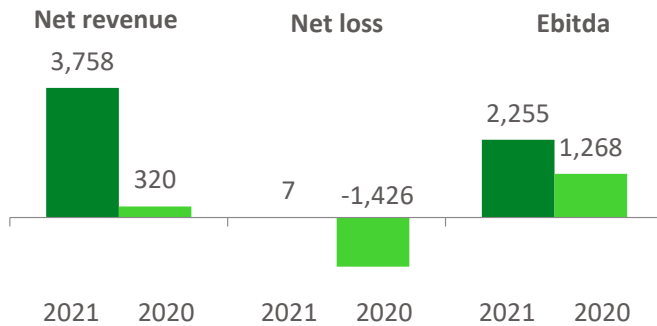
**50**

Generator units – bulb turbine



**20**

R\$ billion – Capex



8.53%

Furnas

43.06%

Caixa FIP  
Amazônia Energia

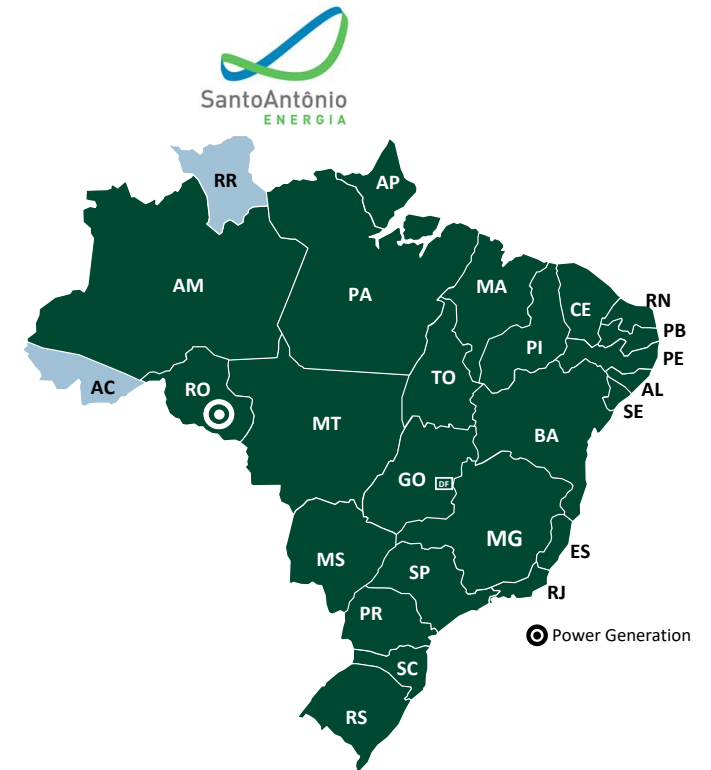
19.63%

Odebrecht  
Energia

18.25%

SAAG  
Investimentos

10.53%







**11,2 GW**  
installed capacity



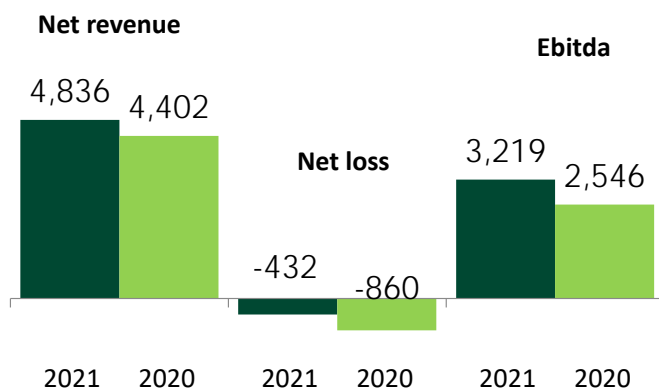
**4,6**  
GWavg Assured Energy



**50**  
Generator units – bulb turbine



**20**  
R\$ billion – Capex



**CEMIG**

Neoenergia

Eletrobrás

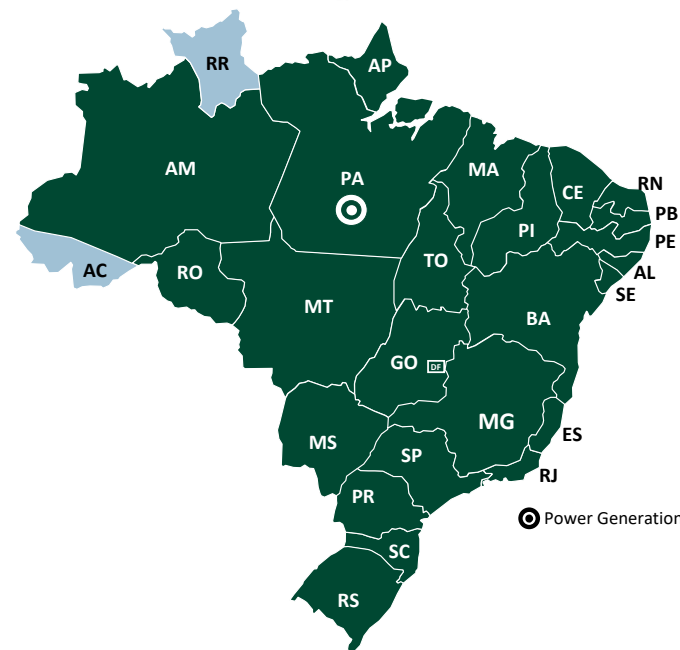
Others

11.69%

10.00%

49,98%

28,33%





## WHY INVEST IN CEMIG?



Brazil's largest integrated power company



Turnaround already reflecting in the results



Solid expansion plan with well-defined goals



Robust governance, with clear accountability for results



Dividend policy with a minimum payout of 50%



Customer focus, competitiveness and efficiency





## Investor Relations

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<http://ri.cemig.com.br>

# Transforming lives  
with our energy



IBRX100 B3 IEE B3 ISE B3 ICO2 B3