Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Companhia Energética de Minas Gerais - CEMIG:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Companhia Energética de Minas Gerais - CEMIG and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated April 30, 2025 expressed an unqualified opinion on the effectiveness of the Company’s internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Remeasurement of transmission concession contract assets resulting from Periodic Tariff Review (“RTP”)

As discussed in Notes 2, 8 and 13 of the consolidated financial statements, the Company had R$ 6,492 million in concession contract assets as of December 31, 2024, which included the effect of the 2024 remeasurement due to the RTP. During the term of a concession contract, the Company receives an Annual Permitted Revenue (Receita Anual Permitida, or RAP), which remunerates the concessionaire for the investments made in transmission lines, as well as for the services related to improvements, operation, and maintenance. Concession contracts provide two mechanisms for the adjustment of revenues, which are the annual tariff adjustments and the RTP. In addition, extraordinary reviews of tariffs take place whenever there is any unforeseen development that significantly alters the economic/ financial equilibrium of the concession. When the tariff changes during the RTP, a concession contract asset is remeasured by considering the future RAP, adjusted with the implicit rate originally identified, and comparing the result with the recorded balance to recognize any gain or loss in profit or loss. In July 2024, the Brazilian National Electric Energy Agency approved the result of the RTP of the RAP for two of the Company’s concession contracts.

We identified the evaluation of the remeasurement of transmission concession contract assets resulting from the RTP as a critical audit matter. Significant auditor judgment was required to assess the key assumptions used in estimating the remeasurement of concession contract assets resulting from the RTP. In particular, evaluating the projection of the remaining future revenues associated with the construction performance obligation, which were adjusted to reflect the significant financing component, involved the use of assumptions such as future RAPs and a discount rate. Additionally, the audit effort associated with the evaluation required specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to the Company’s process for remeasurement of concession contract assets, such as those arising from the RTP and the related assumptions associated with it, including future RAPs and the discount rate.We obtained and inspected the technical notes of the tariff review. We involved valuation specialists with specialized skills and knowledge, who assisted in (1) evaluating the reasonableness of the assumptions, including the future RAPs and discount rate in a selection of projections by comparing the assumptions used by management to external information, historical data, and the budget approved by management and (2) testing a selection of the estimates of concession contract assets using the future RAPs and discount rate and comparing the result to the Company’s concession contract asset estimate.

Investments in the infrastructure of the energy distribution concession

As discussed in notes 12, 13 and 16 of the consolidated financial statements, the Company has R$ 2,715 million, R$ 4,421 million and R$ 13,804 million of concession financial assets, contract assets and intangible assets, respectively, as of December 31, 2024. These assets relate to investments in energy distribution infrastructure made as part of the Company’s energy distribution concession contracts. The Company recognizes expenditures on energy distribution infrastructure as a contract asset during the construction period when the Company believes that the grantor will subsequently accept those expenditures as eligible investments in the expansion of, or for improvements to, the infrastructure. When the infrastructure is brought in to use, the Company derecognizes the related contract asset and recognizes either an intangible asset or both an intangible asset and a financial asset. An intangible asset is recognized for the portion of the investment in infrastructure that is expected to be recovered through the tariffs paid by energy consumers. A financial asset, measured at fair value through profit or loss, is recognized for infrastructure that has an expected useful life (as defined by the grantor) greater than the remaining term of the concession contract and the Company estimates its fair value based on the amount expected to be received from the grantor in relation to that infrastructure at the end of the concession term. Periodically, the grantor assesses the expenditures on infrastructure made by the Company, formalizes its acceptance of those expenditures as investments for expansion / improvement of the infrastructure and determines its value for purposes of the tariff process. Subsequent to initial measurement, the Company estimates the fair value of the concession financial assets by making subjective adjustments to historic information related to the infrastructure – either the historic cost or the value for purposes of the tariff process determined by the grantor.

We identified the recognition of contract assets and the subsequent fair value measurement of concession financial assets relating to investments in the expansion of, and improvements to, the energy distribution infrastructure as a critical audit matter. During the construction phase, industry knowledge and auditor judgment was required to evaluate the Company's assessment of the eligibility of certain expenditures to be recognized as investments in expansion / improvement of the energy distribution infrastructure due to the need to interpret regulatory requirements and decisions. Furthermore, subjective auditor judgment was required to assess the estimate of the fair value of the concession financial assets at the reporting date, specifically, in relation to the adjustments made by management to the historic information when determining the expected amount to be received from the grantor at the end of the concession term.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's energy distribution concession investments accounting process. This included controls related to the assessment of the eligibility of the expenditures as investments in expansion / improvement of the energy distribution infrastructure and to the estimate of the fair value of the concession financial assets. For a sample of additions to the contract asset that occurred during the year, we evaluated the reasonableness of management's assessment of their eligibility by considering the regulatory requirements as well as expenditures previously accepted by the grantor as investments in expansion / improvement of the energy distribution infrastructure. We evaluated the Company's ability to accurately estimate the expected amounts to be received from the grantor at the end of the concession terms by comparing the amounts determined by the grantor in the most recent periodic review with the Company's estimates prior to that review. We assessed the reasonableness of the adjustments made by management to the historic information when determining the fair value of the concession financial assets at the reporting date by comparing them to industry practices and publicly available information. We checked the accuracy of the Company's estimate of the fair value of the concession financial assets related to the energy concession infrastructure using information provided by management, including the historic information related to the infrastructure investments and the adjustments made to these.

Measurement of the obligation for defined benefit pension plans and health plan

As discussed in Note 23 to the consolidated financial statements, the Company has post-employment obligations related to its defined benefit pension plans and post-employment health plan of R$ 1,702 million and R$ 2,559 million, respectively, as of December 31, 2024. The measurement of the obligation for the defined benefit pension plans and post-employment health plan is dependent, in part, on the selection of certain actuarial assumptions that require judgment, including: the discount rates; the life expectancy of participants (derived from morality tables); the estimated future salary increases; and the projected real growth of contributions. The Company hired external actuaries to assist with the process of determining the actuarial assumptions and calculating these post-employment obligations.

We identified the measurement of the post-employment obligations related to the Company's defined benefit pension plans and post-employment health plan as a critical audit matter. Specialized skills and knowledge were required to evaluate the actuarial assumptions, specifically the discount rates, the life expectancy of participants, the estimated future salary increases and the projected real growth of contributions. Additionally, minor changes in the discount rates and the life expectancy of participants could have a significant impact on the measurement of the post-employment obligations.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's post- employment obligation measurement process, including controls related to the development of the actuarial assumptions, including the discount rates, the life expectancy of participants, the estimated future salary increases and the projected real growth of contributions. We assessed the scope of work, independence, competence, professional qualifications and experiences and objectivity of the external actuaries hired to assist with the measurement of the post-employment obligations. We involved actuarial specialists with specialized skills and knowledge, who assisted in evaluating the discount rates, the life expectancy of participants, the estimated future salary increases and the projected real growth of contributions by comparing them to data obtained from external sources.

We have served as the Company's auditor since 2022.

/s/ KPMG Auditores Independentes Ltda.
Belo Horizonte, Minas Gerais, Brazil
April 30, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Companhia Energética de Minas Gerais – CEMIG:

Opinion on Internal Control Over Financial Reporting

We have audited Companhia Energética de Minas Gerais - CEMIG and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements), and our report dated April 30, 2025, expressed an unqualified opinion on those *consolidated* financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management´s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG Auditores Independentes Ltda.
Belo Horizonte, Minas Gerais, Brazil
April 30, 2025

CEMIG

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2024 and 2023
Assets

(in millions of reais)	Note	Dec. 31, 2024	Dec. 31, 2023
CURRENT			
Cash and cash equivalents	6	1,898	1,537
Marketable securities	7	358	774
Receivables from customers, traders and concession holders	8	5,596	5,434
Concession financial and sector assets	12	1,190	814
Concession contract assets	13	1,140	850
Recoverable taxes	9	511	635
Income tax and social contribution tax credits	10a	7	411
Derivative financial instruments	30	-	368
Dividends receivable	29	111	50
Restricted cash	20	235	31
Public lighting contribution		296	261
Other assets		832	646
		12,174	**11,811**
Assets classified as held for sale	32	57	58
TOTAL CURRENT		**12,231**	**11,869**
Marketable securities	7	135	-
Receivables from customers, traders and concession holders	8	254	43
Recoverable taxes	9	1,455	1,319
Income tax and social contribution tax recoverable	10a	582	445
Deferred income tax and social contribution tax	10c	2,334	3,045
Escrow deposits	11	1,196	1,243
Accounts receivable from the State of Minas Gerais	29	40	13
Concession financial and sector assets	12	6,882	5,726
Concession contract assets	13	10,327	7,676
Other assets		161	86
Investments – Equity method	14	**3,221**	4,632
Property, plant and equipment	15	**3,715**	3,256
Intangible assets	16	**16,806**	15,249
Leasing – right-of-use assets	17a	**387**	398
TOTAL NON-CURRENT		**47,495**	**43,131**
TOTAL ASSETS		**59,726**	**55,000**

The Notes are an integral part of these Consolidated Financial Statements.

CEMIG

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2024 and 2023
Liabilities and Equity

(in millions of reais)	Note	Dec. 31, 2024	Dec. 31, 2023
CURRENT			
Suppliers	18	2,952	3,017
Regulatory charges	21	344	487
Profit sharing		111	165
Taxes payable	19	725	644
Income tax and social contribution tax	10b	163	111
Interest on own equity and dividends payable		3,611	2,924
Loans and debentures	20	2,877	2,630
Payroll and related charges		217	239
Public lighting contribution		475	425
Accounts payable related to energy generated by residential consumers	22	1,251	705
Post-employment obligations	23	233	329
Sector financial liabilities	12	16	-
PIS/Pasep and Cofins taxes to be refunded to customers	19	526	854
Lease liabilities	17b	79	79
Other liabilities		565	484
TOTAL CURRENT		**14,145**	**13,093**
NON-CURRENT			
Regulatory charges	21	172	90
Loans and debentures	20	9,403	7,201
Taxes payable	19	496	362
Deferred income tax and social contribution tax	10c	1,543	1,112
Provisions	24	1,853	2,200
Post-employment obligations	23	4,073	5,088
PIS/Pasep and Cofins taxes to be refunded to customers	19	166	664
Lease liabilities	17b	350	354
Other liabilities		143	180
TOTAL NON-CURRENT		**18,199**	**17,251**
TOTAL LIABILITIES		**32,344**	**30,344**
EQUITY	25		
Share capital		14,309	11,007
Capital reserves		393	2,250
Profit reserves		13,575	13,041
Other comprehensive income		(900)	(1,648)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**27,377**	**24,650**
NON-CONTROLLING INTERESTS		5	6
TOTAL EQUITY		**27,382**	**24,656**
TOTAL LIABILITIES AND EQUITY		**59,726**	**55,000**

The Notes are an integral part of these Consolidated Financial Statements.

CEMIG

CONSOLIDATED STATEMENT OF INCOME

For the years ended December 31, 2024, 2023 and 2022

(in millions of reais, except earnings per share)	Note	2024	2023	2022
REVENUE	26	**39,820**	**36,850**	**34,463**
COSTS				
Cost of energy and gas	27a	(21,978)	(19,822)	(20,020)
Infrastructure construction cost	27b	(5,002)	(4,072)	(3,536)
Costs of operation	27c	(4,684)	(4,572)	(4,095)
		(31,664)	**(28,466)**	**(27,651)**
GROSS PROFIT		**8,156**	**8,384**	**6,812**
EXPENSES				
Selling expenses	27c	(175)	(175)	(109)
General and administrative expenses	27c	(820)	(707)	(789)
Other expenses	27c	(701)	(1,031)	(1,128)
Other revenues	27d	3,195	327	57
		1,499	**(1,586)**	**(1,969)**
Share of profit of equity-accounted investees and joint ventures, net of tax	14	224	432	843
Income before finance income (expenses) and taxes		**9,879**	**7,230**	**5,686**
Finance income	28	1,430	1,272	1,500
Finance expenses	28	(1,951)	(1,651)	(3,066)
Net finance expenses		**(521)**	**(379)**	**(1,566)**
Income before income tax and social contribution tax		**9,358**	**6,851**	**4,120**
Current income tax and social contribution tax	10d	(1,495)	(943)	(950)
Deferred income tax and social contribution tax	10d	(744)	(141)	924
Income tax expense		**(2,239)**	**(1,084)**	**(26)**
NET INCOME FOR THE YEAR		**7,119**	**5,767**	**4,094**
Total of net income for the year attributed to:				
Equity holders of the parent		7,117	5,764	4,092
Non-controlling interests		2	3	2
		7,119	**5,767**	**4,094**
Basic and diluted earnings per preferred share – R$	25	**2.49**	**2.01**	**1.86**
Basic and diluted earnings per common share – R$	25	**2.49**	**2.01**	**1.86**

The Notes are an integral part of these Consolidated Financial Statements.

CEMIG

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended December 31, 2024, 2023 and 2022

(in millions of reais)	2024	2023	2022
NET INCOME FOR THE YEAR	**7,119**	**5,767**	**4,094**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss in subsequent periods			
Post retirement liabilities – remeasurement of obligations of the defined benefit plans	1,159	351	697
Income tax and social contribution tax on remeasurement of defined benefit plans	(394)	(119)	(237)
Other	(1)	-	1
	764	**232**	**461**
COMPREHENSIVE INCOME FOR THE YEAR	**7,883**	**5,999**	**4,555**
Total of comprehensive income for the year attributed to:			
Equity holders of the parent	7,881	5,996	4,553
Non-controlling interests	2	3	2
	7,883	**5,999**	**4,555**

The Notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended December 31, 2024, 2023 and 2022

(in millions of reais, except where otherwise indicated)	Share capital	Capital reserves	Profit reserves	Other comprehensive income	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	Total Equity
AS OF DECEMBER 31, 2023	**11,007**	**2,250**	**13,041**	**(1,648)**	**-**	**24,650**	**6**	**24,656**
Net income for the year	-	-	-	-	7,117	**7,117**	2	7,119
Other comprehensive income								
Adjustment of actuarial liabilities – restatement of obligations of the defined benefit plans, net of taxes	-	-	-	765	-	**765**	-	765
Other comprehensive income	-	-	-	(1)	-	**(1)**	-	(1)
Comprehensive income for the year	**-**	**-**	**-**	**764**	**7,117**	**7,881**	**2**	**7,883**
Subscription of capital (Note 25)	3,302	(1,857)	(1,445)	-	-	-	-	-
Allocation of net income for the year								
Realization of PP&E deemed cost (Note 25)	-	-	-	(16)	16	**-**	**-**	-
Tax incentives reserve (Note 25)	-	-	114	-	(114)	**-**	**-**	-
Legal reserve (Note 25)	-	-	350	-	(350)	**-**	**-**	-
Retained earnings reserve (Note 25)	-	-	2,935	-	(2,935)	**-**	**-**	-
Interest on equity (Note 25)	-	-	-	-	(1,849)	**(1,849)**	**-**	(1,849)
Mandatory dividends paid (Note 25)	-	-	(1,420)	-	-	**(1,420)**	**-**	(1,420)
Proposed dividends (Note 25)	-	-	-	-	(1,885)	**(1,885)**	**-**	(1,885)
Non-controlling Interests	-	-	-	-	-	**-**	(3)	(3)
AS OF DECEMBER 31, 2024	**14,309**	**393**	**13,575**	**(900)**	**-**	**27,377**	**5**	**27,382**

(in millions of reais, except where otherwise indicated)	Share capital	Capital reserves	Profit reserves	Other comprehensive income	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	Total Equity
AS OF DECEMBER 31, 2022	**11,007**	**2,250**	**10,395**	**(1,874)**	**-**	**21,778**	**6**	**21,784**
Net income for the year	-	-	-	-	5,764	**5,764**	3	**5,767**
Other comprehensive income								
Adjustment of actuarial liabilities – restatement of obligations of the defined benefit plans, net of taxes	-	-	-	232	-	**232**	-	**232**
Other comprehensive income								
Comprehensive income for the year	**-**	**-**	**-**	**232**	**5,764**	**5,996**	**3**	**5,999**
Allocation of net income for the year								
Realization of PP&E deemed cost (Note 25)	-	-	-	(6)	6	**-**	**-**	-
Tax incentives reserve (Note 25)	-	-	63	-	(63)	**-**	**-**	-
Legal reserve (Note 25)	-	-	288	-	(288)	**-**	**-**	-
Retained earnings reserve (Note 25)	-	-	2,295	-	(2,295)	**-**	**-**	-
Interest on equity (Note 25)	-	-	-	-	(2,591)	**(2,591)**	**-**	(2,591)
Proposed dividends (Note 25)	-	-	-	-	(533)	**(533)**	**-**	**(533)**
Non-controlling Interests	-	-	-	-	-	**-**	(3)	**(3)**
AS OF DECEMBER 31, 2023	**11,007**	**2,250**	**13,041**	**(1,648)**	**-**	**24,650**	**6**	**24,656**

(in millions of reais, except where otherwise indicated)	Share capital	Capital reserves	Profit reserves	Other comprehensive income	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	Total Equity
AS OF DECEMBER 31, 2021	**8,467**	**2,250**	**10,948**	**(2,208)**	**-**	**19,457**	**5**	**19,462**
Net income for the year	-	-	-	-	4,092	**4,092**	2	**4,094**
Other comprehensive income	-	-	-	461	-	**461**	-	**461**
Comprehensive income for the year	-	-	-	461	4,092	4,553	2	4,555
Subscription of capital (Note 25)	2,540	-	(2,540)	-	-	**-**	-	-
Allocation of net income for the year								
Realization of PP&E deemed cost (Note 25)	-	-	-	(127)	127	**-**	-	-
Tax incentives reserve (Note 25)	-	-	26	-	(26)	**-**	-	-
Legal reserve (Note 25)	-	-	205	-	(205)	**-**	-	-
Retained earnings reserve (Note 25)	-	-	1,756	-	(1,756)	**-**	-	-
Interest on equity (Note 25)	-	-	-	-	(1,983)	**(1,983)**	-	(1,983)
Proposed dividends	-	-	-	-	(249)	**(249)**	-	**(249)**
AS OF DECEMBER 31, 2022	**11,007**	**2,250**	**10,395**	**(1,874)**	**-**	**21,778**	**6**	**21,784**

The Notes are an integral part of these Consolidated Financial Statements.

CEMIG

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31, 2024, 2023 and 2022

(in millions of reais)	Note	2024	2023	2022
CASH FLOW FROM OPERATIONS				
Net income for the year		7,119	5,767	4,094
Adjustments to reconcile net income to net cash flows:				
Income tax expenses	10	2,239	1,084	26
Depreciation and amortization	27c	1,376	1,274	1,182
Loss on write-off of net residual value of unrecoverable concession financial assets, concessional contract asset, PP&E and Intangible assets		83	97	74
Fair value adjustment of financial assets		-	-	172
Write-off related to contractual securities	13	11	(8)	1
Bargain purchase		-	-	(5)
Impairment loss of equity investments		46	-	-
Discount and premium on repurchase of debt securities		-	-	47
Share of profit of equity-accounted investees and joint ventures, net of tax	14	(224)	(432)	(843)
Remeasuring of concession financial and concession contract assets		(1,206)	(1,246)	(1,245)
Periodic Tariff Review adjustments	13	(1,676)	-	-
Interest and monetary variation		428	676	493
Exchange variation on loans	28	464	(277)	(338)
Reimbursement of PIS/Pasep and Cofins over ICMS credits to customers – Realization	26	(513)	(1,909)	(2,360)
Reversal of amounts to be refunded to consumers	19	(411)	-	-
Gains arising from the sale of PP&E	27	(43)	-	-
Gain on sale of non-current assets held for sale	27	(1,617)	(319)	(52)
Transaction costs	20	20	14	7
Expected credit losses	27	175	175	109
Provisions for contingencies	24	(90)	360	342
Other provisions		-	59	(18)
Net gain on derivative instruments at fair value through profit or loss	30	(147)	177	438
CVA (Parcel A items Compensation) Account and Other financial components in tariff adjustments	12	(423)	213	1,147
Post-employment obligations	23	488	611	666
Other		(95)	(46)	130
		6,004	**6,270**	**4,067**
(Increase) decrease in assets				
Receivables from customers, traders and concession holders	8	(553)	(839)	(440)
CVA and Other financial components in tariff adjustments		-	-	191
Recoverable taxes	9	275	175	2,490
Income tax and social contribution tax credits	10	110	6	149
Escrow deposits	11	116	45	31
Dividends received from investees	14	350	592	708
Contractual assets and concession financial assets	12 and 13	852	905	620
Other		(194)	154	87
		956	**1,038**	**3,836**
Increase (decrease) in liabilities				
Suppliers	18	(65)	185	149
Taxes payable	19	180	778	408
Income tax and social contribution tax payable		-	-	50
Payroll and related charges		(21)	(21)	35
Regulatory charges	21	(62)	2	(240)
Post-employment obligations	23	(439)	(535)	(482)
Pis/Pasep and Cofins over ICMS credits to customers		509	249	219
Other		(255)	(40)	(200)
		(153)	**618**	**(61)**
Cash generated by operating activities		**6,807**	**7,926**	**7,842**
Interest received		351	328	291
Interest paid on loans and debentures	20	(956)	(1,026)	(1,010)
Interest paid on lease contracts	17	(6)	(5)	(4)
Income tax and social contribution tax paid		(1,136)	(601)	(704)
Cash inflows from settlement of derivatives instruments	30	436	24	129
NET CASH FLOWS FROM OPERATING ACTIVITIES		**5,496**	**6,646**	**6,544**

The Notes are an integral part of these Consolidated Financial Statements.

INVESTING ACTIVITIES				
Investments in marketable securities		(16,631)	(11,238)	(14,152)
Redemptions in marketable securities		16,924	12,360	14,420
Restricted cash		(205)	-	-
Acquisition of equity investees		(1)	(37)	(52)
Arising from the sale of equity interest, net of costs of sales	32	2,737	669	52
Sale of PP&E	32	101	-	-
Reduction of share capital in investee		57	-	-
Settlement of put option		-	(780)	-
Acquisition of property, plant and equipment	15	(671)	(1,076)	(173)
Acquisition of intangible assets	16	(248)	(188)	(119)
Contract assets – distribution of gas and energy infrastructure	13	(4,439)	(3,679)	(3,112)
NET CASH USED IN INVESTING ACTIVITIES		**(2,376)**	**(3,969)**	**(3,136)**
FINANCING ACTIVITIES				
Proceeds from loans and debentures	20	4,582	1,988	1,981
Interest on capital and dividends paid		(4,294)	(1,823)	(2,094)
Payment of loans and debentures	20	(2,975)	(2,679)	(2,613)
Leasing liabilities paid	17	(72)	(67)	(66)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(2,759)**	**(2,581)**	**(2,792)**
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR		**361**	**96**	**616**
Cash and cash equivalents at the beginning of the year	6	1,537	1,441	825
Cash and cash equivalents at the end of the year	6	1,898	1,537	1,441

The Notes are an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2024 and 2023 and for the years ended on December 31, 2024, 2023 and 2022
(in millions of reais - R$ MN - except where otherwise indicated)

1. OPERATING CONTEXT

The Company

Companhia Energética de Minas Gerais ('CEMIG', 'Company', 'Parent Company', or 'Cemig Holding') is a listed corporation registered in the Brazilian Registry of Corporate Taxpayers ('CNPJ') under No. 17.155.730/0001-64, with shares traded on the São Paulo Stock Exchange ('B3') at Corporate Governance Level 1; on the New York Stock Exchange ('NYSE'); and on the stock exchange of Madrid ('Latibex').

The Company is an entity domiciled in Brazil, with head office at Avenida Barbacena, number 1200, Santo Agostinho neighborhood, in Belo Horizonte, Minas Gerais. The Company operates in the trading of energy power and as holding company, with interests in subsidiaries or jointly controlled entities, whose objects are: construction and operation of systems for generation, transformation, transmission, distribution and sale of energy. Cemig also operates in areas such as gas distribution, distributed generation services and energy efficiency solutions.

The operations of the Cemig and its subsidiaries are divided into 6 segments: Generation, Transmission, Trading, Distribution, Gas and Investees.

The Company's Financial Statements comprise the Cemig and its subsidiaries.

On December 31, 2024 the Company had negative consolidated working capital (as defined as consolidated current assets less consolidated current liabilities) of R$1,914 (which compares with R$1,224 negative on December 31, 2023). The Company has raised funds in 2024 for execution of its investment program – which includes, among others, the Distribution Development Plan (*Plano de Desenvolvimento da Distribuição, or 'PDD'*), the Minas Three-Phase Program (*Programa Minas Trifásico*), and the More Energy Program (*Programa Mais Energia*). Investments in operational assets are capitalized in Non-current assets, affecting the Net working capital (which takes into account only the short term).

In 2024, Cemig D raised funds through the 10th and 11th issue of debentures, in the total amount of R$4,500. Cemig GT sold its direct 45% interest in Aliança Energia's share capital to Vale, which resulted in a cash inflow of R$2,737. During 2024, the Company disbursed R$3,931 with the payment of loans and debentures, including the settlement of Eurobonds by Cemig GT.

As a result of these operations, Cemig's consolidated average debt maturity increased from 2.8 years on December 31, 2023 to 4.8 years on December 31, 2024.

Management monitors the Company's cash flow and evaluates measures to adjust its equity situation as necessary. The Company has achieved a positive operational cash flow and profitability, as shown in our consolidated statements of income and cash flows.

The Company estimates that the cash balances, and cash flow from operations and financing activities, are sufficient to meet the needs for working capital, investments, debt servicing, and other cash needs in the next 12 months. The Company also has existing credit lines at the financial institutions with which it operates.

Based on the facts and circumstances existing at this date, the Company's management has assessed its capacity to continue as a going concern and believes that its operations will generate sufficient future cash flows to enable continuity of its businesses. In addition, Management is not aware of any material uncertainties that could generate significant doubts about its ability to continue as a going concern. Therefore, these Financial Statements have been prepared on a going concern basis.

Shareholding interests

CEMIG, on December 31, 2024, holds equity interests in the following subsidiaries and jointly controlled entities, all of which principal activities are construction and operation of systems of generation and transmission, distribution and sale of energy and gas:

CEMIG

Investments	2024 % share	2023 % share	Description
Subsidiaries			
Cemig Geração e Transmissão S.A. (“Cemig GT” ou “Cemig Geração e Transmissão”)	100.00	100.00	Subsidiary engaged in the energy generation and transmission services. Its shares are listed in Brazil, but are not actively traded. Cemig GT has interests in 68 power plants (60 of which are hydroelectric, 7 are wind power and 1 is solar) and associated transmission lines, most of which are part of the Brazilian national generation and transmission grid system, with total installed generation capacity of 5,517 MW.
UFV Boa Esperança S.A. (“UFV Boa Esperança “) (1)	100.00	-	Its objects are: (i) installation, operation, maintenance and rental of solar plants; (ii) management of contracts for rental, operation and maintenance of its solar plants; (iii) construction, operation and commercial operation of electricity generation systems; trading of energy, and related services; and (iv) activities in different fields of energy, from whatever source, with a view to commercial operation.
Cemig Geração Itutinga S.A (“Cemig Geração Itutinga”)	100.00	100.00	A public limited company, a wholly-owned subsidiary of the Company, its purpose is to produce and sell electricity, as a public service concessionaire, through the operation of the Itutinga Power Station, as well as to sell electricity on the free trading market.
Cemig Geração Camargos S.A (“Cemig Geração Camargos”)	100.00	100.00	A public limited company, a wholly-owned subsidiary of the Company, its purpose is to produce and sell electricity, as a public service concessionaire, through the operation of the Camargos Power Station, as well as to sell electricity on the free trading market.
Cemig Geração Sul S.A (“Cemig Geração Sul”)	100.00	100.00	A public limited company, a wholly-owned subsidiary of the Company, its purpose is to produce and sell electricity, as a public service concessionaire, through the operation of the Coronel Domiciano, Marmelos, Joasal, Paciência and Piau SHPs, as well as to sell electricity on the free trading market.
Cemig Geração Leste S.A (“Cemig Geração Leste”)	100.00	100.00	A corporation, a wholly-owned subsidiary of the Company, its purpose is to produce and sell electricity, as a public service concessionaire, through the operation of the Dona Rita, Sinceridade, Neblina, Ervália, Tronqueiras and Peti SHPs, as well as to sell electricity on the free trading market.
Cemig Geração Oeste S.A (“Cemig Geração Oeste”)	100.00	100.00	A public limited company, a wholly-owned subsidiary of the Company, its purpose is to produce and sell electricity, as a public service concessionaire, through the operation of the Gafanhoto, Cajuru and Martins SHPs, as well as to sell electricity on the free trading market.
Rosal Energia S.A. (“Rosal”)	100.00	100.00	Production and sale of electricity, as a public electricity service concessionaire, through the Rosal Hydroelectric Power Plant, located on the border between the states of Rio de Janeiro and Espírito Santo.
Sá Carvalho S.A. (“Sá Carvalho”)	100.00	100.00	Production and sale of electricity, as a public electricity service concessionaire, through the Sá Carvalho Hydroelectric Power Plant, located on the Piracicaba River, in the municipality of Antônio Dias, in the state of Minas Gerais.
Horizontes Energia S.A. (“Horizontes”)	100.00	100.00	Its objects are: construction, operation and commercial operation of electric power generation systems; trading in energy; and related services.
Cemig PCH S.A. (“Cemig PCH”)	100.00	100.00	Production and sale of electricity under an independent production regime, through the Pai Joaquim Hydroelectric Power Plant, located on the Araguari River, in the municipalities of Sacramento and Santa Juliana, in the state of Minas Gerais.
Cemig Trading S.A. (“Cemig Trading”)	100.00	100.00	Marketing and intermediation of energy-related business.
Empresa de Serviços e Comercialização de Energia Elétrica S.A. (“ESCEE”)	100.00	100.00	Marketing and intermediation of energy-related business.
Cemig Geração Poço Fundo S.A. (“Poço Fundo”)	100.00	100.00	Production and sale of electricity, under an independent production regime, through the Poço Fundo hydroelectric plant, located on the Machado River, in the municipality of Poço Fundo, in the state of Minas Gerais.
Central Eólica Praias de Parajuru S.A. (“Praias de Parajuru”)	100.00	100.00	Generation and sale of electricity through a wind farm located in the municipality of Beberibe, in the state of Ceará. It has 19 wind turbines, with towers 85 m high. All its energy is sold through Proinfa.
Central Eólica Volta do Rio S.A. (“Volta do Rio”)	100.00	100.00	Generation and sale of electricity through the wind farm located in the municipality of Acaraú, in the state of Ceará. It has 28 wind turbines with 65-meter-high towers. All its energy is sold through Proinfa.
Cemig Distribuição S.A. (“Cemig D” ou “Cemig Distribuição”)	100.00	100.00	Operation of electricity distribution through networks and distribution lines in practically the entire state of Minas Gerais.
Companhia de Gás de Minas Gerais (“Gasmig”)	99.57	99.57	Acquisition, transportation and distribution of fuel gas or by-products and derivatives, through a gas distribution concession in the state of Minas Gerais.
Cemig Sim	100.00	100.00	A wholly owned subsidiary of CEMIG that operates in distributed generation and energy solutions, with investments in the acquisition of photovoltaic plants. Currently CEMIG SIM has reached 14,000 customers, providing energy efficiency, optimization and solution services, through studies and project execution, as well as operation and maintenance services for energy supply facilities.
Companhia de Transmissão Centroeste de Minas (“Centroeste”)	100.00	100.00	Construction, implementation, operation and maintenance of electricity transmission facilities in the National Interconnected System.

Investments	2024 % share	2023 % share	Description
Sete Lagoas Transmissora de Energia S.A. (“Sete Lagoas”)	100.00	100.00	Operation of public electricity transmission service concessions, provided through the construction, operation and maintenance of electricity transmission facilities at the Sete Lagoas 4 Substation, in the municipality of Sete Lagoas, Minas Gerais.
Photovoltaic power plants	100.00	100.00	Photovoltaic solar power generation for the distributed generation market.
JOINTLY CONTROLLED ENTITIES			
Guanhães Energia S.A. (“Guanhães Energia”)	49.00	49.00	Production and sale of electricity through the implementation and operation of the Dores de Guanhães; Senhora do Porto; and Jacaré Small Hydroelectric Power Plants, located in the municipality of Dores de Guanhães; and Fortuna II, located in the municipality of Virginópolis. All in the state of Minas Gerais.
Paracambi Energética S.A. (“Paracambi”)	49.00	49.00	Independent production of electricity, through the implementation and exploitation of the hydraulic potential called PCH Paracambi, located on the Ribeirão das Lages river in the municipality of Paracambi/RJ.
Hidrelétrica Cachoeirão S.A. (“Cachoeirão”)	49.00	49.00	Production and sale of electricity, under an independent production regime, through the Cachoeirão Hydroelectric Power Plant, located in Pocrane/MG.
Hidrelétrica Pipoca S.A. (“Pipoca”)	49.00	49.00	Independent production of electricity, through the implementation and exploitation of the hydraulic potential called PCH Pipoca, located on the Manhuaçu River, in the municipalities of Caratinga and Ipanema/MG.
Amazônia Energia Participações S.A (“Amazônia Energia”)	74.50	74.50	Special-purpose company (SPE), created by the Company, which holds a 74.50% stake, and Light, which holds the remaining 25.50%, for the purpose of acquiring a 9.77% stake in Norte Energia S.A. (“NESA”), the company that holds the concession for the Belo Monte Hydroelectric Power Plant (“Belo Monte HPP”), on the Xingu River, located in the state of Pará.
Aliança Norte Energia Participações S.A. (“Aliança Norte”)	49.00	49.00	Special-purpose company (SPE), set up by the Company, which holds a 49.00% stake, and Vale S.A., which holds the remaining 51.00%, for the purpose of acquiring a 9.00% stake in Norte Energia S.A. (“NESA”), the company that holds the concession for the Belo Monte Hydroelectric Power Plant (“Belo Monte HPP”), on the Xingu River, located in the state of Pará.
Aliança Geração de Energia S.A. (“Aliança”) (2)	-	45.00	Private limited company created by the Company and Vale S.A. to become a platform for consolidating generation assets held by the parties in generation consortia and investments in future electricity generation projects. Vale S.A. and the Company hold 55.00% and 45.00% of the total capital, respectively.
Transmissora Aliança de Energia Elétrica S.A. (“Taesa”)	21.68	21.68	Construction, implementation, operation and maintenance of electricity transmission facilities in all regions of the country, directly and through participation in investees.
UFV Janaúba Geração de Energia Elétrica Distribuída S.A. (“UFV Janaúba”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Corinto Geração de Energia Elétrica Distribuída S.A. (“UFV Corinto”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.

Investments	2024 % share	2023 % share	Description
UFV Manga Geração de Energia Elétrica Distribuída S.A. (“UFV Manga”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Bonfinópolis II Geração de Energia Elétrica Distribuída S.A. (“UFV Bonfinópolis II”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Lagoa Grande Geração de Energia Elétrica Distribuída S.A. (“UFV Lagoa Grande”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Lontra Geração de Energia Elétrica Distribuída S.A. (“UFV Lontra”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Mato Verde Geração de Energia Elétrica Distribuída S.A. (“UFV Mato Verde”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Mirabela Geração de Energia Elétrica Distribuída S.A. (“UFV Mirabela”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Porteirinha I Geração de Energia Elétrica Distribuída S.A. (“UFV Porteirinha I”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Porteirinha II Geração de Energia Elétrica Distribuída S.A. (“UFV Porteirinha II”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
UFV Brasilândia Geração de Energia Elétrica Distribuída S.A. (“UFV Brasilândia”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
Apolo I SPE Empreendimentos e Energia S.A. (“UFV Apolo I”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
Apolo II SPE Empreendimentos e Energia S.A. (“UFV Apolo II”)	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.
G2 Campo Lindo I Energia S.A. (“UFV Campo Lindo I”) (3)	100	49.00	Photovoltaic solar power generation for the distributed generation market.
G2 Campo Lindo II Energia S.A. (“UFV Campo Lindo II”) (3)	100	49.00	Photovoltaic solar power generation for the distributed generation market.
G2 Olaria I Energia S.A. (“UFV Olaria I")	49.00	49.00	Photovoltaic solar power generation for the distributed generation market.

(1) On October 29, 2024 an EGM (Extraordinary General Meeting) approved change of the name of Cemig Baguari S.A. to UFV Boa Esperança S.A.
(2) On August 13, 2024, the process of sale of the interest to Vale S.A. was completed. For more information, please see Note 31.
(3) On July 20, 2023, control of these investments was acquired, and they have since been consolidated by the Company

CEMIG

2. CONCESSIONS AND AUTHORIZATIONS

CEMIG, through its subsidiaries, holds the following public service concessions and authorizations:

	Company holding concession or authorization	Concession or authorization contract	Expiration date
POWER GENERATION			
Hydroelectric plants			
Theodomiro Carneiro Santiago (1)	Cemig GT	07/1997	05/2027
Nova Ponte (1)	Cemig GT	07/1997	08/2027
Sá Carvalho (1)	Sá Carvalho	01/2004	08/2026
Rosal (1)	Rosal Energia	01/1997	12/2035
Machado Mineiro (1) (5) (6)	Horizontes Energia	Resolution 331/2002	05/2027
PCH Pai Joaquim (1)	Cemig PCH	Authorizing Resolution 377/2005	04/2032
Irapé (1)	Cemig GT	14/2000	09/2037
Queimado (Consortium) (1)	Cemig GT	06/1997	06/2034
Poço Fundo (1)	Poço Fundo	01/2021	05/2052
Três Marias (2)	Cemig Geração Três Marias	08/2016	01/2053
Salto Grande (2)	Cemig Geração Salto Grande	09/2016	01/2053
Itutinga (2)	Cemig Geração Itutinga	10/2016	01/2053
Camargos (2)	Cemig Geração Camargos	11/2016	01/2053
Coronel Domiciano (2) Joasal (2) Marmelos (2) (6) Paciência (2) Piau (2)	Cemig Geração Sul	12/2016 and 13/2016	04/2047 01/2053
Dona Rita (2) Ervália (2) Neblina (2) Peti (2) Sinceridade (2) (6) Tronqueiras (2)	Cemig Geração Leste	14/2016 and 15/2016	07/2050 04/2047 01/2053 03/2047 12/2046
Cajurú, Gafanhoto and Martins (2)	Cemig Geração Oeste	16/2016	01/2053
Wind power plants			
Central Geradora Eólica Praias de Parajuru (3)	Praias de Parajuru	Resolution 526/2002	09/2032
Central Geradora Eólica Volta do Rio (3)	Volta do Rio	Resolution 660/2001	01/2031
Photovoltaic power plants			
UFV Mineirão	Cemig GT	-	-
UFV Três Marias GD	UFV Três Marias	-	-
UFV Advogado Eduardo Soares (7)	UFV Boa Esperança	-	-
UFV Jusante	Cemig GT	-	-
UFVs Cemig SIM (8)	Cemig SIM	-	-
POWER TRANSMISSION			
National grid (4)	Cemig GT	006/1997	01/2043
Itajubá Substation (4)	Cemig GT	79/2000	10/2030
Furnas - Pimenta - Transmission line (4)	Centroeste	004/2005	03/2035
Subestação Sete Lagoas 4 (4)	Sete Lagoas	006/2011	06/2041
Governador Valadares 6 – Verona – Transmission line	Centroeste	001/2023	03/2053
ENERGY DISTRIBUTION	Cemig D	002/1997 003/1997 004/1997 005/1997	12/2045
GAS DISTRIBUTION	Gasmig	State Law 11,021/1993	01/2053

(1) Refer to power generation concession agreements that are not in the scope of IFRIC 12, whose infrastructure assets are recorded as property, plant and equipment since the grantor does not control to whom the services should be provided and their price, and their energy is mainly sold in the Free Contracting Environment (*Ambiente de Contratação Livre, or 'ACL'*).

(2) Refers to energy generation concession contracts whose concession bonus revenue is classified as financial assets of the concession.

(3) Refer to concessions, by means of authorization, of wind power generation in the independent production modality, trated in the scope of Program to Encourage Alternative Sources of Electricity (*Programa de Incentivo às Fontes Alternativas de Energia Elétrica, or 'Proinfa'*). The assets linked to the exploration right are registered in fixed assets. The exploration authorization rights are classified in the consolidated balance sheet as intangible assets.

(4) These refer to power transmission concession agreements which, in accordance with IFRS 15, are classified as contract assets as they are subject to the satisfaction of performance obligations in the provision of the electric energy transmission service.

(5) On February 20, 2024, the Grantor (*Agência Nacional de Energia Elétrica, or 'Aneel'*) transferred the authorization of the Machado Mineiro SHP (Small Hydroelectric Plant) from Horizontes Energia S.A. to Cemig GT, through Dispatch 504/2024.

(6) On December 5, 2024 the Cemig GT held a public auction for sale, as a single lot, of the right to operate the energy generation services of four generation plants, comprising: one SHP, directly owned by Cemig GT; and three hydroelectric generation plants owned by its wholly-owned subsidiaries. More details in Note 31.

(7) On January 24, 2024, Aneel, by its Dispatch 184/2024 authorized changing the name of the Boa Esperança solar generation plant ('UFV Boa Esperança') to the Advogado Eduardo Soares solar generation plant ('UFV Advogado Eduardo Soares').

(8) Cemig Sim, controlled by the Company, operates in provision of generation of electricity from photovoltaic solar sources to the distributed generation market. It has 100% ownership of eight photovoltaic generation plants, all located in Minas Gerais.

a) Generation concessions

In the Generation business, the Company earns revenue from the sale of energy from its plants in the regulated market (*Ambiente de Contratação Regulada, or 'ACR'*) and in the free market (*Ambiente de Contratação Livre, or 'ACL'*). While in the regulated environment the transactions occur by means of centralized and public auctions, in the free environment the negotiations are bilateral and restricted to the involved stakeholders.

There is also revenue from the spot market, which remunerates agents for de-contracted energy, which is settled at the Spot Price (*Preço de Liquidação das Diferenças, or 'PLD'*).

Statement of interest in extension of concession

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

In the correspondence sent to the Brazilian Mining and Energy Ministry and to Aneel in July 2023, the Cemig GT reaffirmed its interest in extension, under the Physical Guarantee Quotas regime, of the concessions of the Theodomiro Carneiro Santiago and Nova Ponte hydroelectric plants. Additionally, in November 2023 the Cemig GT filed its expression of interest in the extension of these concessions through transfer of shareholding control of the plants, as per Decree 9,271/2018.

Cemig GT reiterates that the sole objective of these statements of interest is to ensure its right to a potential extension, at a later date, for up to 30 years, at the criterion of the concession-granting power, in accordance with the legislation in force, which still has some matters of conditions yet to be decided by the Mining and Energy Ministry.

Any decision on the subject will only take place after publication by the Brazilian Mining and Energy Ministry and by Aneel, of all the conditions for extension of the concessions, which will be submitted to decision by Cemig GT's governance bodies.

This statement of interest will not suspend analysis of any legal alternatives, which may be in progress for the extension of the concessions in question.

b) Transmission concessions

Under the transmission concession contracts, the Company, through its subsidiaries, is authorized to charge a Tariff for use of the Transmission System (*Tarifa de Uso do Sistema de Transmissão*, or 'TUST'). Tariffs are adjusted annually on the same date the Permitted Annual Revenue (*Receitas Anuais Permitidas*, or 'RAP') of transmission concessions contracts is adjusted. This tariff is in effect from July 1 of each year, upon its publication, until June 30 of the subsequent year.

The payment for use of transmission service also applies to generation provided by the Itaipu Binacional. However, due to the legal characteristics of that plant, the corresponding charges are assumed by the holders of distribution concessions that hold quotas of its output.

Transmission Auction 02/2022

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

On April 13, 2023 the Board of Directors of Cemig GT approved transfer of funds totaling R$222 by the Cemig GT into the investee Centroeste over the period from March 2023 to June 2026, depending on the needs and cash generation of Centroeste. Currently, activities are in progress related to regularization of landholdings, environmental licensing and preparation of the executive project. A total of R$37 has been invested up to December 31, 2024. The deadline for implementation of the transmission line is 60 months from the date of signature of the Concession Agreement, which was March 2023.

c) Energy power distribution concessions

The Cemig D operates the concession for the distribution of energy in the greater part of the State of Minas Gerais, which expires in December 2045.

According to the concession contract, all assets and facilities that are used in the provision of the distribution service and which have been constructed by the concession holder are considered revertible and part of the assets of the related concession. These assets are automatically reverted to the Grantor at the end of the contract and are then valued to determine the amount of the indemnity payable to Cemig D, subject to the amounts and the dates on which they were incorporated into the energy system.

Cemig D does not have obligations to make compensatory payments for commercial operation of the distribution concessions but has to comply with requirements related to quality, and investments made, in accordance with the concession contract.

The concession contracts and the Brazilian legislation establish a mechanism of maximum prices that allows for three types of adjustments to tariffs: (i) an annual tariff adjustment; (ii) periodic review of tariffs; and (iii) extraordinary reviews.

Each year the Cemig D has the right to request for the annual adjustment, the purpose of which is to be compensated the effects of inflation on the tariffs, and to allow for certain changes in costs that are outside the Cemig D's control to be passed through to customers - for example the cost of energy purchased for resale and sector charges including charges for the use of the transmission and distribution facilities.

Also, Aneel performs a periodic review of tariffs every five years, which aims to adjust due to changes in the Cemig D's costs, and to establish a factor based on scale gains, which will be applied in the annual tariff adjustments, for the purpose of sharing such gains with the Cemig D's customers.

Cemig D also has the right to request an extraordinary review of tariffs in the event that any unforeseen development significantly affects the economic-financial equilibrium of the concession. The Periodic Review and the Extraordinary Review are subject, to a certain degree, to the discretion of the grantor, although there are pre-established provisions for each revision cycle.

Under the distribution concession contracts, the Cemig D is authorized to charge customers a tariff consisting of two components: (i) A component related to costs of energy purchased for resale, charges for use of the transmission grid and charges for use of the distribution system that are not under its control ('Parcel A costs'); and (ii) a portion relating to operating costs ('Parcel B costs').

Fifth Amendment to concession contract

On December 21, 2015, Cemig D signed, with the Mining and Energy Ministry, the Fifth Amendment to its concession contracts, extending its energy distribution concessions for an additional 30 years, starting January 1, 2016.

The principal characteristics and terms of the Amendment are as follows:

- The annual tariff adjustment will occur on May 28 of each year, according to the rules set for in Clause 6 of the Amendment will be applied.
- Limitation of in the distribution of dividends and/or payment of Interest on Equity to the minimum established by law, in the event of non-compliance with the annual indicators for outages (DECi and FECi) for two consecutive years, or three times in a period of five years, until the regulatory parameters are restored.

- There is a requirement for injections of capital from the parent company in an amount sufficient to meet the minimum conditions for economic and financial sustainability.
- The requirement of compliance with efficiency criteria related to the continuity of supply and economic and financial management to maintain the concession, respecting the right to full defense and the adversary in case of non-compliance, being that any non-compliance for three consecutive years for the criteria of efficiency in the continuity of supply and two consecutive years for the criteria of efficiency in economic and financial management will result in the opening of a process of forfeiture of the concession.

Annual Tariff Adjustment

On May 21, 2024 Aneel ratified the result of the Annual Tariff Adjustment of Cemig D, to be in effect from May 28, 2024 to May 27, 2025, with average increase in tariff of 7.32% – its components included average increases of: 8.63% for high-voltage consumers, and 6.72% for consumers connected at low voltage. For residential consumers connected at low voltage, the average increase was 6.70%.

Voltage level	Average effect on consumers
High and medium voltage - Group A	8.63%
Low voltage - Group B	6.72%
Average adjustment	**7.32%**

This variation is due to the readjustment of cost items in ‘Parcel A’ and ‘B’, inclusion of new financial components to compensate for the subsequent 12 months; and removal of those that were in force in the previous cycle, in addition to the accumulated variation of the IPCA in the period from May 2023 to April 2024.

d) Gas distribution concessions

Gasmig has the concession for commercial operation of industrial, institutional and residential piped gas services in the State of Minas Gerais for a period of 30 years, extendable under provision of its contract, as from the publication of State Law 11,021 of January 11, 1993. On December 26, 2014, the second amendment to the concession contract was signed, and the concession period was extended until January 10, 2053.

The concessions for distribution of natural gas are granted by each Brazilian state. In the state of Minas Gerais, the tariffs for natural gas are set by the regulator, the State’s Economic Development Secretariat, by market segment. The tariffs are comprised of a portion for the cost of gas and a portion for the distribution of gas.

Each quarter the tariffs are adjusted to pass through the cost of gas, and once a year they are adjusted to update the portion allocated to cover the costs relating to the provision of the distribution service - remuneration of invested capital and to cover all the operating, commercial and administrative expenses of Gasmig.

In addition to these adjustments, there are periodic reviews of tariffs. These reviews may occur every five years from the end of the first cycle, to evaluate the changes in the costs of Gasmig and update the tariffs. The concession contract also specifies the possibility of an extraordinary review of tariffs if any event occurs that puts the economic-financial balance of the concession at risk.

Fourth amendment to the concession contract

In November 2022, the fourth addendum to the concession contract was signed with the aim of: (i) changing the deadline for meeting the expansion targets for the 2022-26 tariff cycle; and (ii) changing the inflation index for adjusting the natural gas distribution margins, the asset base and the non-depreciated portion of assets at the end of the concession from IGP-M to IPCA as of February 2022, with IGP-M remaining as the adjustment index before February 2022.

Gas distribution tariff readjustments

During the 2024 fiscal year, the State's Economic Development Secretariat issued some Resolutions for adjustments on the gas tariff, as following:

Resolution	Start of term	Average reduction according to consumption and tariff categories.
N. 9, of January 25, 2024	February 1, 2024	Between 1.06% and 3.77%
N. 17, of April 26, 2024	May 1, 2024	Between 0.61% and 1.66%
N. 36, of July 26, 2024	August 1, 2024	Between 4% and 6%
N. 51, of November 1, 2024	November 1, 2024	Between 0.54% and 0.77%

e) Onerous concessions

When obtaining the concessions for construction of certain generation projects, Cemig GT is required to make payments to the grantor over the period of the contract or for up to 5 years upon signature of the concession contract for plants with installed capacity between 1 and 50 MW, as compensation for the right to operate them.

The concessions fees are paid monthly to the grantor for an amount that changes over time. These payments are recorded as an intangible asset, representing a right to operate the concession and to charge users through the concession period, they are recorded as from the date of signature of the contracts at the present value of the future payment obligations.

Project	Period of the concession + extension (1)	Nominal value in Dec. 31,2024	Present value in Dec. 31,2024	Interest %	Updating indexer	Amounts paid in 2024	Amounts paid in 2023
Irapé	March 2006 to September 2037	42.7	22	100	IGPM	3.3	3.1
Queimado (Consortium)	January 2004 to June, 2034	9.1	5.4	82.5	IGPM	1	1

(1) The term presented includes the extension of the concession grant for these plants under the terms of ReH 2,932, of September 14, 2021. During the period of the extension of the concession term, the generator will freely dispose of the energy from the undertaking, under the terms of Law 13,203/2015, with the other clauses unchanged for both contracts.

The rate used by the Cemig GT to discount the above liabilities to its present value, was 12.50%, and represents the average cost of funding under usual conditions on the date of registration of each concession.

Additionally, Cemig GT generates energy from nine hydroelectric plants that have the capacity of 5MW or less, having a total installed capacity of 11.53MW, and thus under Law 9,074/95, these are dispensed from concession, permission or authorization, and do not have a final concession date.

f) Distributed generation

In 2012, through Aneel Normative Resolution 482, Aneel implemented the Electricity Compensation System (SCEE) to encourage the generation of renewable energy. This system allows the energy injected by consumer units with distributed micro- or mini-generation to be loaned free of charge to the local distributor and then offset against electricity consumption.

To access the benefits of the SCEE, users must request the connection to the local distribution network. Upon approval of the documentation and completion of the necessary services, the definitive technical and commercial conditions will be presented by the distributor in the issuance of the Access Report, which also guarantees the reservation of the intended load and/or generation.

3. BASIS OF PREPARATION

a) Statement of compliance

The Financial Statements of the Company has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The consolidated financial statements provide comparative information in respect of the previous period.

On April 30, 2025, the Company's Board of Directors authorized the issuance of the Consolidated Financial Statements.

b) Basis of measurement

The consolidated financial statements were prepared on a historical cost basis, except in the case of certain financial instruments and assets held for sale, which are measured at fair value, in accordance with the standards applicable, as detailed in Note 30 and 32.

c) Functional currency and presentation currency

The consolidated financial statements are presented in Reais - R$, which is the functional currency of the Company and its subsidiaries and joint ventures. The information is expressed in millions of Reais (R$ '000'000), except when otherwise indicated.

Transactions in foreign currency, corresponding to those not carried out in the functional currency, were converted to Reais at the exchange rate as of the transaction date. Balances of monetary assets and liabilities denominated in foreign currency are translated to Reais at the exchange rates at the reporting date. Foreign exchange gains and losses resulting from updating assets and liabilities are recognized as finance income and cost in the statements of income.

d) Use of estimates and judgments

Preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Future reported results may differ from these estimates.

Estimates and assumptions are periodically reviewed, using as a reference both historical experience and any significant change in scenarios that could affect the Company's financial position or results of operations. Revisions in relation to accounting estimates are recognized in the period in which the estimates are reviewed, and in any future periods affected.

The main estimates and judgments that have a significant effect in the amounts recognized in the financial statements are as follows:

- Note 8 - Consumers, traders and energy transmission concessionaires (expected credit losses and unbilled supply)
- Note 10 - Income tax and social contribution (recognition of deferred tax, availability of future taxable profit and uncertain tax treatments)
- Note 12 - Financial assets and liabilities of the concession (fair value measurement)
- Note 13 - Concession contract assets (construction margin and remeasurement of contract assets)
- Note 14 - Investments (evaluation of recoverable value)
- Note 15 - Property, plant and equipment (useful life and assessment of recoverable value)
- Note 16 - Intangible assets (capitalization of expenses as infrastructure costs, useful life and fair value of the right to extend the concession due to the renegotiation of Generation Scalling Factor, or 'GSF')
- Note 17 - Leasing (measurement of the present value of the lease liabilities, considering the Company's intention to renew options; subsequent measurement of the right of use)
- Note 23 - Post-employment obligations (main assumptions in the measurement)
- Note 24 - Provisions (main assumptions about the probability and magnitude of the outflow of resources)
- Note 26 - Net revenue (unbilled supply and construction margin)
- Note 30 - Financial instruments and risk management (fair value measurement)
- Note 32 - Assets classified as held for sale (fair value measurement)

e) Material accounting policies

The material accounting policies described in detail in the explanatory notes have been applied consistently for all the business years presented in these financial statements, except for those described in Explanatory Note 3(g), which are standards that came into effect in January 2024. The accounting policies are in accordance with the rules and regulations described in Note 3(a) – *Compliance statement*.

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f) New or revised accounting standards applied for the first time in 2024

The changes presented below became effective on January 1, 2024 and had no material impact on the consolidated financial statements.

Standards	Main changes
IAS 1 – *Presentation of financial statements – Revision of classification of liabilities as current or non-current*	Clarifies that the classification of liabilities as current or non-current is based on the rights existing on the reporting date, and specifies that the classification is not affected by expectations as to whether an entity will exercise its right to postpone the settlement of the liability. They explain that the rights exist if the restrictive clauses are complied with on the reporting date, and introduce the definition of ‘settlement’ to clarify that settlement refers to the transfer to a counterparty of cash, equity instruments, other assets or services. These changes have no material impact on the consolidated financial statements.
IAS 1 – *Presentation of financial statements*, IAS 7 – *Statement of cash flows* and IFRS 7 – *Financial instruments: Disclosure – Supplier finance arrangements (“Debtor risk”)*	The changes introduce new disclosures related to supplier financing agreements (‘debtor risk’) that help users of the financial statements assess the effects of these agreements on an entity’s liabilities and cash flows and on the entity’s exposure to liquidity risk. To meet the purposes of disclosure, the entity must disclose, in full, for its supplier financing agreements: the terms and conditions of the agreements; the accounting amount; the corresponding lines in its balance sheet; the liabilities that are part of the agreements, and their accounting amounts, and corresponding lines for which suppliers have already received payment from those providing the financing; the ranges of payment due dates for financial liabilities that are part of a supplier financing agreement and accounts payable which are not part of a supplier financing agreement; and information on liquidity risk. These changes have no material impact on the consolidated financial statements.

Standards	Main changes
IFRS 16 – *Leases – Lease liability in a sale and leaseback*	This adds requirements for subsequent measurement for sale and leaseback transactions, which meet the requirements of IFRS 15, for the purposes of accounting as a sale. The changes require the seller-lessee to determine ‘lease payments’ or ‘revised lease payments’ so that the seller-lessee does not recognize a gain or loss related to the right of use retained by the seller-lessee after the start date. The changes do not affect the gain or loss recognized by the seller-lessee related to the total or partial termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use which it retains solely due to the remeasurement of the lease liability (for example, after a modification or change of the lease within the lease term) that applies the general requirements in IFRS 16. In particular this may have been the case in a retro-lease that includes variable lease payments that do not depend on an index or rate. The Company has no sale-and-leaseback operations.

g) Standards issued but not yet effective

The new standards and interpretations that have not come into force by the date of issuance of these Financial Statements are presented below. The Company will adopt them, if applicable, when they do come into force.

Standards	Main changes	Start of term
IAS 21 – The Effects of Changes in Foreign Exchange Rates – and IFRS 1 – First-time adoption of International Financial Reporting Standards	The changes seek to define the concept of when one currency is exchangeable for another, and provide orientation on procedures for non-convertible currencies, determining that convertibility should be assessed on the date of measurement based on the purpose of the transaction. If the currency is not convertible, the entity must estimate a spot exchange rate that reflects market conditions. In situations where there are multiple rates, the rate that best represents the settlement of the cash flows should be used. The pronouncement also highlights the importance of disclosures to enable users of financial statements to understand how a currency that is not convertible into another affects financial performance, and also the risks involved and criteria used in estimation of the exchange rate. The Company does not expect any impacts on its Financial Statements to result from this change.	Jan. 1, 2025
IFRS 9 and IFRS 7– Classification and measurement of financial instruments	The changes clarify how financial assets and liabilities with ESG and similar characteristics should be classified. The standard introduces an additional test, SPPI (Solely payments of principal and interest) for financial assets and liabilities with contingent characteristics, since these aspects may affect whether the measurement will be at amortized cost or at fair value. The SPPI test is a condition precedent for classification at amortized cost. The changes also provide an exception relating to the moment when a financial liability should be de-recognized as a result of an electronic financial settlement. An accounting policy option was inserted to allow the company to de-recognize a financial asset before the date of financial settlement, provided that the specific criteria in the standard are met. Also, additional disclosure requirements were inserted to increase transparency for investors in relation to investments in equity instruments measured at fair value through Other comprehensive income, and financial instruments with contingent characteristics, such as those linked to ESG targets. The Company does not expect the change to result in any impacts on its consolidated Financial Statements.	Jan. 1, 2026
IFRS 18 – Presentation and disclosure of financial statements	IFRS 18 will replace IAS 1 and introduce new requirements for presentation of the income statement for the period, including specified totals and subtotals. Entities are required to classify all revenues and expenses in one of five categories: Operational, Investment, Financing, Income taxes, and Discontinued operations – the first three are newly-created categories. The standard requires disclosure of measures of performance defined by the management, and subtotals of revenues and expenses, and includes new requirements for aggregation and disaggregation of financial information based on identified "functions" of the primary financial statements and the explanatory notes. Alterations with restricted scope were made to IAS 7 (Cash flow statements), which include change of the starting point for determining cash flows from operations by the indirect method from "income or loss in the period" to "operational income or loss", and removal of the optionality in classification of cash flows of dividends and interest. There are consequent changes in several other standards. IFRS 18 will be applied with backdated effect. The Company is in the process of assessing the impacts of these new standards, especially in relation to the structure of the Statement of income and the disclosures of measures of performance.	Jan. 1, 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	This standard will allow certain subsidiaries to opt to apply its reduced requirements for disclosure. The requirements for recognition, measurement and presentation stated in other IFRS accounting standards continue to apply. To be eligible, at the end of the reporting period the subsidiary entity must not have any public accountability and must have a parent company (final or intermediate) that prepares consolidated financial statements, available for public use, in accordance with the IFRS accounting standards. The Company does not expect any impacts on its Consolidated Financial Statements arising from this alteration.	Jan. 1, 2027

Rule	Main changes	Start of term
IFRS 10 – *Consolidated financial statements* and IAS 28 – *Investments in associates and joint ventures – Sale or contribution of assets between an investor and its associate or joint venture*	This deals with situations involving the sale or contribution of assets between an investor and an affiliated company or joint venture. Specifically, the gains and losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an affiliate or joint venture that is accounted by the equity method are recognized in the parent company's income statement only in proportion to the holdings of the non-related investor in that affiliate or joint venture. Likewise, the gains and losses resulting from remeasurement of investments retained in some former controlled company (which has become an affiliate or joint venture accounted by the equity method) at fair value are recognized in the income statement of the former parent in proportion to the holdings of the non-related investor shares in the new associate or joint venture. The Company does not expect any impacts on its Consolidated Financial Statements arising from this alteration and awaits the formal positioning on the date of its coming into effect.	Not yet defined

In relation to the standards under discussion at the IASB or with an effective date set for a future year, the Company is following the discussions and, so far, has not identified significant impacts.

4. PRINCIPLES OF CONSOLIDATION

The reporting dates of financial statements of the subsidiaries used for the purposes of calculation of consolidation and jointly controlled entities used for calculation of this equity method contribution are prepared as of the same reporting date of the Company.

The direct equity investments of CEMIG, included in the consolidation, are the following:

Subsidiary	Dec. 31, 2024 and 2023	
	Form of valuation	Direct interest (%)
Cemig Geração e Transmissão S.A.	Consolidation	100.00
Cemig Distribuição S.A.	Consolidation	100.00
Companhia de Gás de Minas Gerais	Consolidation	99.57
Cemig Soluções Inteligentes em Energia S.A.	Consolidation	100.00
Sete Lagoas Transmissora de Energia S.A.	Consolidation	100.00

Refer to the Note 1 for all direct and indirect consolidated subsidiaries.

Accounting policy

Subsidiaries

The Company is deemed to control an investee when it has: (i) the power to direct the investee's significant activities; (ii) the right to variable returns arising from its involvement with the investee; and (iii) the ability to use its power to affect the value of these returns. When facts or circumstances indicate that there are changes in one or more of these three elements of control, the Company evaluates whether or not it exercises control over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements as from the date on which control is obtained, until the date on which the control ceases. The accounting policies of the subsidiaries and jointly controlled entities are aligned with the policies adopted by the Company.

When the Company loses control of an investee, it derecognizes the assets and liabilities of the former subsidiary from the statements of financial position, at the date when control is lost. Any investment retained in the former subsidiary is recognized at its fair value and any resulting difference is recognized as gain or loss in the statement of income.

Jointly controlled

Jointly-controlled subsidiaries are deemed to be those investees in which the Company shares control with another company under a contractual agreement, regardless of the percentage interest held in the voting stock of the investee. In these cases, the Company does not individually exercise the power to make financial and operational decisions in the investee.

The accounting policies of the jointly-controlled subsidiaries are aligned with the policies adopted by the Company.

Jointly controlled entities are accounted for under the equity method.

Further details are given in the accounting policies section of note 14.

Joint operations

The participation in a consortium held by the Company is accounted for according to the share of assets, liabilities and results of operations related to the business.

Transactions eliminated in consolidation

Intra-group balances and transactions, and any unrealized gains and losses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealized gains arising from transactions with investee companies accounted for under the equity method are eliminated against the investment in proportion to the Company's equity interests in the investee.

Unrealized losses are eliminated in the same way as unrealized gains are eliminated, but only up to the point at which there is no evidence of impairment.

Equity interest of non-controlling stockholders

The equity interest of non-controlling stockholders is recognized as the proportional share of the non-controlling stockholders in the net assets of the investor, when applicable. It is presented in equity, separately from the net equity attributable to the controlling stockholders.

5. OPERATING SEGMENTS

The operating segments of the Company and its subsidiaries reflect their management and their organizational structure, in which the Company's chief operating decision maker (CODM) evaluates the operating segments performance and used to monitoring its results.

The segment information is disclosed separately into the following 6 reportable segments:

- **Generation:** comprise production of energy from hydroelectric, wind and solar facilities, being characterized for the sale of the energy produced by the Company itself in the Regulated Market ('ACR'); under physical guarantee quotas; and to the segment of Trading.
- **Transmission:** comprise construction, operation and maintenance of transmission lines and substations.
- **Trading:** comprises the sale of electricity to free customers and the provision of related services. To serve the market, the trading segment buys energy from the generation segment, and/or from parties outside the Cemig group.
- **Distribution:** comprises the distribution and sale of electricity to captive customers, and the operation and maintenance of infrastructure and related services.
- **Gas:** this business segment includes commercial operation of industrial, institutional and residential distribution and sale of piped gas in the State of Minas Gerais.
- **Investees:** Comprise management of the equity interests in jointly controlled, in line with the Company's business strategies. The results of the Parent Company, with holding activities, and of the subsidiary Cemig Sim are also included in this segment.

Transfer of energy from the generation activity to the trading activity comprises a transaction between segments, since it consists of obtaining of revenue from the sale of energy generated, and costs for purchase of energy to be traded - these are measured at sale prices estimated in accordance with criteria based on the Company's model for management of these businesses, using market prices as a reference.

Information by Segment as of and for The Year Ended December 31, 2024								
Description	Energy				Gas	Investees	Eliminations (1)	Total
	Generation	Transmission	Trading	Distribution				
NET REVENUE	**2,919**	**1,293**	**7,279**	**26,617**	**3,477**	**131**	**(1,896)**	**39,820**
COST OF ENERGY, GAS AND CHARGES FOR USE OF THE NATIONAL GRID	**(383)**	**-**	**(6,509)**	**(14,735)**	**(2,127)**	**(86)**	**1,862**	**(21,978)**
COSTS AND EXPENSES (2)								
Personnel	(150)	(149)	(29)	(968)	(73)	(44)	-	(1,413)
Employees' and managers' profit sharing	(18)	(16)	(2)	(104)	-	(19)	-	(159)
Post-employment obligations	(51)	(32)	(7)	(323)	-	(71)	-	(484)
Materials, outsourced services and other expenses (revenues)	(249)	(97)	(26)	(2,295)	(83)	(97)	34	(2,813)
Depreciation and amortization	(325)	(9)	-	(922)	(98)	(22)	-	(1,376)
Operating provisions and impairment (3)	8	5	(76)	(8)	(1)	(63)	-	(135)
Construction costs	-	(290)	-	(4,379)	(333)	-	-	(5,002)
Other revenues	43	1,521	-	-	-	1,631	-	3,195
Total costs and expenses of operation	**(742)**	**933**	**(140)**	**(8,999)**	**(588)**	**1,315**	**34**	**(8,187)**
COSTS AND EXPENSES	**(1,125)**	**933**	**(6,649)**	**(23,734)**	**(2,715)**	**1,229**	**1,896**	**(30,165)**
Share of profit of equity-accounted investees and joint ventures, net of taxes	-	-	-	-	-	224	-	224
INCOME BEFORE FINANCE INCOME (EXPENSES)	**1,794**	**2,226**	**630**	**2,883**	**762**	**1,584**	**-**	**9,879**
Finance net income (expenses)	(180)	(108)	24	(17)	(52)	(188)	-	(521)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX	**1,614**	**2,118**	**654**	**2,866**	**710**	**1,396**	**-**	**9,358**
Income tax and social contribution tax	(334)	(557)	(136)	(662)	(213)	(337)	-	(2,239)
NET INCOME FOR THE YEAR	**1,280**	**1,561**	**518**	**2,204**	**497**	**1,059**	**-**	**7,119**
Equity holders of the parent	1,280	1,561	518	2,204	495	1,059	-	7,117
Non-controlling interests	-	-	-	-	2	-	-	2

(1) The reconciliation between the values of the reportable segments and the accounting information on revenues and costs reflects the elimination of intercompany transactions.

(2) 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.

(3) Includes the impairment loss on Cemig GT's investment in Aliança Norte, disclosed in Investees Segment.

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Information by Segment as of and for The Year Ended December 31, 2023								
Description	Energy				Gas	Investees	Eliminations (1)	Total
	Generation	Transmission	Trading	Distribution				
NET REVENUE	**2,875**	**1,091**	**7,686**	**23,348**	**3,618**	**18**	**(1,786)**	**36,850**
COST OF ENERGY, GAS AND CHARGES FOR USE OF THE NATIONAL GRID	**(347)**	**-**	**(6,318)**	**(12,656)**	**(2,237)**	**(4)**	**1,740**	**(19,822)**
COSTS AND EXPENSES (2)								
Personnel	(148)	(137)	(27)	(875)	(73)	(48)	-	(1,308)
'Employees and managers' profit sharing	(16)	(16)	(3)	(102)	-	(20)	-	(157)
Post-employment obligations	(59)	(36)	(8)	(400)	-	(88)	-	(591)
Materials, outsourced services and other expenses (revenues)	(223)	(88)	(18)	(2,157)	(63)	275	46	(2,228)
Depreciation and amortization	(327)	(1)	-	(834)	(94)	(18)	-	(1,274)
Operating provisions and impairment	(29)	(14)	(7)	(455)	2	(106)	-	(609)
Construction costs	-	(172)	-	(3,600)	(300)	-	-	(4,072)
Total costs and expenses of operation	**(802)**	**(464)**	**(63)**	**(8,423)**	**(528)**	**(5)**	**46**	**(10,239)**
COSTS AND EXPENSES	**(1,149)**	**(464)**	**(6,381)**	**(21,079)**	**(2,765)**	**(9)**	**1,786**	**(30,061)**
Share of profit of equity-accounted investees and joint ventures, net of taxes	(2)	-	-	-	-	434	-	432
Gains arising from the sale of non-current asset held for sale	-	-	-	-	-	9	-	9
Result of business combination	-	-	-	-	-	-	-	-
INCOME BEFORE FINANCE INCOME (EXPENSES)	**1,724**	**627**	**1,305**	**2,269**	**853**	**452**	**-**	**7,230**
Finance net income (expenses)	(11)	(48)	82	(253)	(9)	(140)	-	(379)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX	**1,713**	**579**	**1,387**	**2,016**	**844**	**312**	**-**	**6,851**
Income tax and social contribution tax	(326)	(114)	(428)	(405)	(248)	437	-	(1,084)
NET INCOME FOR THE YEAR	**1,387**	**465**	**959**	**1,611**	**596**	**749**	**-**	**5,767**
Equity holders of the parent	1,387	465	959	1,611	593	749	-	5,764
Non-controlling interests	-	-	-	-	3	-	-	3

(1) The reconciliation between the values of the reportable segments and the accounting information on revenues and costs reflects the elimination of intercompany transactions.

(2) 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.

Information by Segment as of and for The Year Ended December 31, 2022 (restated)								
Description	Energy				Gas	Investees	Eliminations (1)	Total
	Generation	Transmission	Trading	Distribution				
NET REVENUE	**2,661**	**1,195**	**7,918**	**20,919**	**3,690**	**7**	**(1,927)**	**34,463**
COST OF ENERGY, GAS AND CHARGES FOR USE OF THE NATIONAL GRID	**(331)**		**(6,880)**	**(11,938)**	**(2,735)**	**(1)**	**1,865**	**(20,020)**
OPERATING COSTS AND EXPENSES (3)								
Personnel	(162)	(135)	(12)	(913)	(66)	(64)		(1,352)
'Employees and managers' income sharing	(15)	(11)	(6)	(40)	-	(11)		(83)
Post-employment obligations	(66)	(42)	(10)	(421)	-	(87)		(626)
Materials, outsourced services and other expenses (revenues)	(395)	(96)	(14)	(1,786)	(57)	(84)	62	(2,370)
Depreciation and amortization	(328)	-	-	(738)	(91)	(25)		(1,182)
Operating provisions and impairment	(18)	(3)	(34)	(398)	-	(3)		(456)
Construction costs		(291)	-	(3,193)	(52)	-		(3,536)
Total costs and expenses of operation	**(984)**	**(578)**	**(76)**	**(7,489)**	**(266)**	**(274)**	**62**	**(9,605)**
OPERATING COSTS AND EXPENSES	**(1,315)**	**(578)**	**(6,956)**	**(19,427)**	**(3,001)**	**(275)**	**1,927**	**(29,625)**
Share of profit of equity-accounted investees and joint ventures, net of taxes	(2)	3				842		843
Fair value of business combination	-					5		5
OPERATING INCOME BEFORE FINANCE INCOME (EXPENSES)	**1,344**	**620**	**962**	**1,492**	**689**	**579**	**—**	**5,686**
Finance net income (expenses)	(150)	(96)	34	(1,115)	(9)	(230)		(1,566)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX	**1,194**	**524**	**996**	**377**	**680**	**349**	**-**	**4,120**
Income tax and social contribution tax	(307)	(174)	(314)	67	(199)	901		(26)
NET INCOME FOR THE YEAR	**887**	**350**	**682**	**444**	**481**	**1,250**	**-**	**4,094**
Equity holders of the parent	887	350	682	444	479	1,250		4,092
Non-controlling interests					2			2

(1) The reconciliation between the values of the reportable segments and the accounting information on revenues and costs reflects the elimination of intercompany transactions.

(2) 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.

The information for assets by segment is not presented, because this is not part of the information made available to the Company's Chief Operating Decision Maker ('CODM'), that is the Board of Directors.

Accounting policy

The operating results of all operating segments, for which discrete financial information is available, are reviewed regularly by the CODM, to make decisions about resources to be allocated to the segment, and to assess its performance.

Segment results that are reported to the CODM include items directly attributable to the segment, as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and head office expenses.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of balances in bank current accounts and short-term highly liquid investments subject to an insignificant risk of change in value, held to meet the short-term cash management of the Company and its subsidiaries.

	Index	Average rate per year Dec. 31.2024	Average rate per year Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Bank accounts				269	195
Cash equivalents					
Bank certificates of deposit (CDBs) (1)	CDI	80% to 111%	80% to 112%	1,470	991
Overnight (2)	Pre-fixed	11.91% to 12.15%	11.42% to 11.65%	159	351
				1,629	**1,342**
Total				**1,898**	**1,537**

(1) For these CDBs, the Company and its subsidiaries have repurchase transactions which state, on their trading notes, the bank's commitment to repurchase the security, on demand, on the maturity date of the transaction, or earlier.

(2) They consist of short-term investments, available for redemption on the following day. They are usually backed by Treasury Bills, Notes or Bonds and referenced to a pre-fixed rate. Their purpose is to settle the short-term obligations of the Company and its subsidiaries, or to be used in the acquisition of other assets with better return to replenish the portfolio.

Bank Certificates of Deposit (Certificados de Depósito Bancário, or 'CBDs'), accrued interest between 80% to 111% of the CDI Rate (Interbank Rate for Interbank Certificates of Deposit or Certificados de Depósito Inter-bancário, or 'CDIs') published by the Custody and Settlement Chamber (Câmara de Custódia e Liquidação, or 'Cetip') on December 31, 2024 (80% to 112% on December 31, 2023).

Overnight transactions are available for redemption on the following day. They are usually backed by Treasury Bills, Notes or Bonds and referenced to a pre-fixed rate of 11.91% to 12.15% on December 31, 2024 (11.42% to 11.65% on December 31, 2023).

Note 30 discloses (i) the exposure of the Company and its subsidiaries to interest rate risks (ii) the sensitivity analysis for financial assets and liabilities and (iii) the material accounting policies. Financial investments in a reserved investment fund are show in note 29.

7. MARKETABLE SECURITIES

	Index	Average rate per year Dec. 31, 2024	Average rate per year Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Investments					
Current					
Bank deposit certificates	CDI	-	103% to 104.3%	-	74
Financial Notes – Banks	CDI	104.2% to 112%	108.6% to 111.98%	279	475
Treasury Financial Notes	Selic	12.41% to 12.45%	11.83% to 11.85%	72	214
Others				7	11
				358	**774**
Non-current					
Financial Notes – Banks	CDI	104.2% to 112%	-	135	-
				135	**-**
Total				**493**	**774**

The material accounting policies and classification of these securities are shown in note 30. Investments in marketable securities of related parties are shown in Note 29.

The Company and its subsidiaries consistently classify the income related to these securities as part of the cash flow of the operating activity, because they believe that this is the most appropriate presentation to properly reflect the activities.

8. RECEIVABLES FROM CUSTOMERS, TRADERS AND CONCESSION HOLDERS

	Balances not yet due	Up to 90 days past due	More than 91 up to 360 days past due	More than 361 days past due	Dec. 31, 2024	Dec. 31, 2023
Billed energy supply	1,921	452	475	886	3,734	3,527
Billed gas supply	173	24	198	-	395	324
Unbilled energy supply	1,288	-	-	-	1,288	1,351
Unbilled gas supply	25	-	-	-	25	22
Other concession holders – wholesale supply	44	56	-	-	100	73
Other concession holders – wholesale supply, unbilled	400	-	-	-	400	369
CCEE (Power Trading Chamber)	59	57	-	2	118	114
Concession Holders – power transport	100	48	7	48	213	173
Concession Holders – power transport, unbilled	428	-	-	-	428	391
(–) Expected credit losses	(152)	(45)	(121)	(533)	(851)	(867)
	4,286	**592**	**569**	**403**	**5,851**	**5,477**
Current assets					**5,619**	**5,434**
Non-current assets					**232**	**43**

The Company and its subsidiaries' exposure to credit risk related to customers and traders is provided in Note 30.

The expected credit losses are considered to be sufficient to cover any potential losses in the realization of accounts receivable, and the breakdown by type of customers is as follows:

	Dec. 31, 2024	Dec. 31, 2023
Residential	331	322
Industrial	171	173
Commercial, services and others	216	237
Rural	37	40
Public authorities	20	27
Public lighting	2	2
Public services	21	27
Charges for use of the network (TUSD)	53	39
	851	**867**

Changes in the expected credit losses are as follows:

Balance at December 31, 2021	**833**
Additions, net (note 27)	239
Changes to estimate assumptions (note 27)	(130)
Disposals	(122)
Balance at December 31, 2022	**820**
Additions, net (note 27)	174
Disposals	(127)
Balance at December 31, 2023	**867**
Additions, net (note 27)	268
Changes to estimate assumptions (note 27)	(93)
Disposals	(191)
Balance at December 31, 2024	**851**

Accounting policy

Accounts receivable from consumers, traders and power transport concession holders are initially recognized at the sales value of the energy supplied or the value of the gas supplied and are measured at amortized cost. These receivables are stated with the amount of sales tax included, net of the taxes withheld by the payers, which are recognized as recoverable taxes.

The financial asset is recognized at the transaction price and the assets are subsequently measured at amortized cost, using the effective interest method, adjusted by impairment losses, when applicable. As required by IFRS 9, the financial asset carrying amount is analyzed and, when applicable, a loss allowance for expected credit losses is recognized.

In the transmission activity, the Permitted Annual Revenue (*Receita Anual Permitida, or 'RAP'*) remunerates the investment in transmission lines, services of enhancement and improvement, and operation and maintenance. Revenues from the concession contracts are recognized as and when the corresponding performance obligations are satisfied, with a counterpart in Contractual assets.

The contractual asset is reclassified as a financial asset (Concession holders – power transport) only after satisfaction of the performance obligation to operate and maintain infrastructure, since after that point nothing more than the passage of time is necessary for the consideration to be received.

Estimations and judgments

Expected Credit Losses (ECL)

The adjustment for expected credit losses is recorded based on policies approved by Management. The main criteria defined by the Company and its subsidiaries are: (i) for consumers with significant amounts outstanding, the balance receivable is analyzed taking into account the history of the debt, ongoing negotiations and real guarantees; and (ii) for large consumers, an individual analysis is made of debtors and ongoing initiatives to receive the credits

For captive consumers, Cemig D adopts in its analysis a simplified approach, considering that the balances of its Accounts Receivable do not have significant financing components and estimates the expected loss considering the average history of non-collection over the total amount billed in each month, based on 36 months of billing, 36 months for consumer with regular consumption; and 18 months for consumer with irregular consumption, segregated by consumer class and projected for the next 12 months considering the age of maturity of the invoices, including those not yet due and unbilled.

The expected losses for overdue accounts of customers that renegotiated their debt is measured based on the maturity date of the original invoice, despite the new terms negotiated. Expected losses are fully recognized for accounts overdue for more than 36 months.

A different rule is adopted for amounts of billing receivable from consumers with an irregular of debits, since by nature they are more difficult to collect. The analysis is individualized: a level of solvency for the consumer is calculated internally, and weighted in the measurement of the risk of loss.

Expected losses for invoices unbilled, not yet due or less than 12 months past due are measured according to the potential default events, or losses of credit expected for the whole life of a financial instrument, if the credit risk has significantly increased since its initial recognition.

For debits owed by consumer with irregular billing, because of the differentiated nature of their collection, analysis is individualized and the level of solvency, calculated internally for the consumer, is weighted in the management of the risk of losses.

When estimating ECL and recognizing write-off of default, in the case of large consumers, the study is of a nature requiring judgment (individualized analysis), and takes into account: the history of the debt, any existing guarantees, initiatives that are in progress for receipt of the receivables, and in some cases, assessment by credit reference bureaus.

For Cemig GT and Cemig, the balance receivable is analyzed in its totality, taking into account the history of the debt, the negotiations in progress and any asset guarantees; and individual analysis is made of the debtors and of the initiatives in progress for receipt of the amounts owed. Note that no expected credit loss is made in relation to contracts with traders, since the energy traded is delivered only after payment in advance, or provision of guarantees.

Gasmig also uses individualized analysis to estimate levels of expected credit losses for large consumers, considering debt history, existing guarantees and ongoing initiatives to receive credits.

9. RECOVERABLE TAXES

	Dec. 31, 2024	Dec. 31, 2023
Current		
ICMS (VAT) (a)	485	476
PIS/Pasep (b)	1	24
Cofins (b)	5	114
Others	20	21
	511	**635**
Non-current		
ICMS (VAT) (a)	847	726
PIS/Pasep (b)	132	128
Cofins (b)	476	465
	1,455	**1,319**
	1,966	**1,954**

a) ICMS (VAT) credits

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

b) Pis/Pasep and Cofins taxes credits over ICMS

In May 2019, Cemig and its subsidiaries recorded PIS/Pasep and Cofins credits relating to the amounts paid for these contributions' incident on ICMS, from July 2003 to May 2019. The methods for recovering these credits are: (i) compensating the balance to be recovered with the monthly amounts payable for other federal taxes; or (ii) receiving writs of precatory payment from the Federal Government.

The offsetting mechanism was enabled for Cemig D and Cemig GT, as a means of speeding recovery of the credits. Cemig (parent company) will receive these credits in the form of payments, since it does not have a sufficient volume of monthly payments to justify offsetting.

Cemig (parent company) has a balance of R$565 receivable in these credits, posted in Non-current assets. The amounts are being updated by the Selic rate.

In 2024, tax credits of PIS/Pasep and Cofins taxes previously charged on amounts of ICMS tax were offset against federal taxes payable, in a total of R$137 (R$1,335 in 2023). Offsetting of tax credits is a transaction that does not involve cash and thus is not reflected in the Statements of cash flow.

10. INCOME AND SOCIAL CONTRIBUTION TAXES

a) Income tax and social contribution tax recoverable

The income tax and social contribution balances refer to credits from previous years' tax returns, withholdings made in the current year and prepayments that will be offset against federal taxes payable to be determined at the end of the fiscal year or in subsequent periods.

	Dec. 31, 2024	Dec. 31, 2023
Income tax	510	594
Social contribution tax	89	262
	589	**856**
Current	**7**	**411**
Non-current	**582**	**445**

The balances of current tax assets and liabilities relating to income tax and social contribution are presented net when the requirements of IAS 12 are met.

Workers' Food Program (*Programa de Alimentação do Trabalhador, or 'PAT'*)

The Company won a legal action, against which there is no further appeal, requesting the right to deduct from corporate income tax costs and expenses incurred on the Workers' Food Program, up to a limit of 4% of tax payable, without being subject to limitations set by certain regulations in force at the time. The Company also requested recognition of the right to be reimbursed amounts paid in excess in the years 2004–2008, with monetary updating by the Selic rate.

As a result of the judgment, a recoverable total of R$81 was recognized, based on the best estimate, in June 2024 as Income tax recoverable, at non-current assets, with counterpart in Income tax and in Finance revenue (expenses). After the definitive calculation, this amount represents R$95 on December 31, 2024.

b) Income tax and social contribution tax payable

The balances of income tax and social contribution tax recorded in current liabilities refer mainly to the taxes owed by the subsidiaries which report by the Real Income method and have opted to make monthly payments based on estimated revenue, and also by the subsidiaries that have opted for the Presumed Income method, in which payments are made quarterly.

	Dec. 31, 2024	Dec. 31, 2023
Current		
Income tax	119	71
Social contribution tax	44	40
	163	**111**

c) Deferred income tax and social contribution tax

The Company has deferred taxed assets and liabilities from unused tax loss carryforwards, negative base for the social contribution tax, and deductible temporary differences, at the statutory rates applicable to each legal entity in Brazil of 25% (for Income tax) and 9% (for the social contribution tax), as follows:

	Dec. 31, 2023	Profit and loss	Comprehensive income	Others	Dec. 31, 2024
Deferred tax assets					
Tax loss carryforwards	1,219	(263)	-	-	956
Provisions for contingencies	723	(104)	-	-	619
Impairment on investments	57	(40)	-	-	17
Provision related to the exclusion of ICMS from the PIS/Pasep and Cofins calculation basis	88	(88)	-	-	-
Provision for income sharing payments	48	(18)	-	-	30
Post-employment obligations	1,812	47	(394)	-	1,465
Provision for expected credit losses	326	24	-	-	350
Onerous concession	12	-	-	-	12
Rights of use	126	8	-	-	134
Others	13	5	-	-	18
Total	**4,424**	**(429)**	**(394)**	**-**	**3,601**
Deferred tax liabilities					
Deemed cost	(155)	8	-	-	(147)
Acquisition costs of equity interests	(439)	100	-	-	(339)
Borrowing costs capitalized	(182)	(17)	-	-	(199)
Adjustment to expectation of cash flow – Concession assets	(334)	(53)	-	-	(387)
Revenues arising from transmission contract asset	(931)	(469)	-	-	(1,400)
Adjustment to fair value: Swap/Loss	(126)	125	-	-	(1)
Reimbursement of costs – GSF	(229)	45	-	-	(184)
Lease liabilities	(127)	8	-	-	(119)
Others	32	(62)	-	(5)	(35)
Total	**(2,491)**	**(315)**	**-**	**(5)**	**(2,811)**
Total, net	**1,933**	**(744)**	**(394)**	**(5)**	**790**
Total assets	**3,045**				**2,334**
Total liabilities	**(1,112)**				**(1,543)**

	Dec. 31, 2022	Profit and loss	Comprehensive income	Others	Dec. 31, 2023
Deferred tax assets					
Tax loss carryforwards	987	232	-	-	1,219
Provisions for contingencies	602	121	-	-	723
Impairment on investments	56	1	-	-	57
Fair value of derivative financial instruments (PUT SAAG)	229	(229)	-	-	-
Provision related to the exclusion of ICMS from the PIS/Pasep and Cofins calculation basis	598	(510)	-	-	88
Provision for income sharing payments	30	18	-	-	48
Post-employment obligations	1,852	79	(119)	-	1,812
Provision for expected credit losses	319	7	-	-	326
Onerous concession	12	-	-	-	12
Right of use	117	9	-	-	126
Others	17	(10)	-	6	13
Total	**4,819**	**(282)**	**(119)**	**6**	**4,424**
Deferred tax liabilities					
Deemed cost	(156)	1	-	-	(155)
Acquisition costs of equity interests	(456)	17	-	-	(439)
Borrowing costs capitalized	(170)	(12)	-	-	(182)
Adjustment to expectation of cash flow – Concession assets	(263)	(71)	-	-	(334)
Revenues arising from transmission contract asset	(940)	9	-	-	(931)
Adjustment to fair value: Swap/Loss	(210)	84	-	-	(126)
Reimbursement of costs – GSF	(274)	45	-	-	(229)
Lease liabilities	(108)	(19)	-	-	(127)
Others	(54)	86	-	-	32
Total	**(2,631)**	**140**	**-**	**-**	**(2,491)**
Total, net	**2,188**	**(142)**	**(119)**	**6**	**1,933**
Total assets	**3,120**				**3,045**
Total liabilities	**(932)**				**(1,112)**

The estimated taxable incomes forecast, on which the realization of deferred tax asset are based, are determined by the annual budget and the long-term budget, both reviewed periodically, and by the historical income. However, the taxable income may be either higher or lower than the evaluation used by the management when the amount of the deferred tax recognized was determined.

On the basis of the individual estimates of the Company and its subsidiaries, future taxable profits enable the Deferred tax asset existing on December 31, 2024 to be realized, as follows:

2025	528
2026	451
2027	414
2028	440
2029 to 2031	891
2032 to 2034	877
	3,601

On December 31, 2024 and 2023, there are no unrecognized temporary differences in tax losses and negative bases, as there is probable certainty that sufficient future income will be generated to realize these assets.

Uncertainties in the treatment of taxes on income

In its Financial Statements of December 31, 2024 and 2023, the Company did not recognize any amounts related to uncertainties over tax treatment of income.

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

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

	2024	2023	2022
Profit before income tax and social contribution tax	**9,358**	**6,851**	**4,121**
Income tax and social contribution tax – nominal expense (34%)	(3,182)	(2,329)	(1,401)
Tax effects applicable to:			
Gain in subsidiaries by equity method	66	93	182
Tax incentives	166	89	62
Effects from subsidiaries taxed based on gross revenues	95	92	97
Non-deductible penalties	(78)	(95)	(45)
Interest on own capital	629	950	722
Estimated losses on doubtful accounts receivable from related parties	-	-	234
Realization of goodwill	-	-	108
Monetary update on tax overpayments	29	101	-
Others	36	15	15
Income tax and Social Contribution – effective gain (expense)	**(2,239)**	**(1,084)**	**(26)**
Current tax	**(1,495)**	**(943)**	**(950)**
Deferred tax	**(744)**	**(141)**	**924**
	(2,239)	**(1,084)**	**(26)**
Effective rate	**23.93%**	**15.82%**	**0.63%**

Accounting policy

The income tax and social contribution tax expenses represents the total amount of current and deferred taxes, which are presented separately in the financial statements. The Company is subject to the regular tax regime 'Lucro Real'. However, its subsidiaries that can benefit from the favorable tax regime, according to tax law, analyze the payable tax projection for the next year, in order to determine the tax regime that reduces its taxes payment.

Deferred and current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

In accordance with IFRIC 23, the Company and its subsidiaries evaluate positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Advances, or tax credits, are presented as current or non-current assets, in accordance with the expected date of their realization at the balance sheet date, when the tax amounts are duly calculated and offset against advances made.

Deferred

Deferred tax is recognized for temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base at the reporting date.

Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all associated conditions will be complied, in accordance with IAS 20.

The subsidiaries Cemig D, GT and Volta do Rio have ventures in an area incentivized by Sudene area, which result in the recognition of its right to a 75% reduction in income tax. Such tax incentives, in the form of exemption or reduction of income tax, comply with the concept of government grants and are recognized as income on a systematic basis over the periods that the related income tax expense for which it is intended to compensate, is recorded.

Given the legal restriction on the distribution of net income corresponding to the tax incentive, the Company maintains the amount related to the incentive granted in the tax incentive reserve. More details in note 26.

Estimations and judgments

Deferred taxes

Deferred tax liabilities are recognized for all the inter-temporal tax differences. Deferred tax assets are recognized for all the temporary differences deductible, to the extent that it is probable that future taxable income will be available for the temporary differences to be offset, except:

- When the deferred tax asset or liability arises from recognition of goodwill or of an asset or liability in a transaction which is not a business combination and, on the date of the transaction, does not affect the accounting profit or the profit or loss for tax purposes, except when the transaction gives rise to temporary differences that are both taxable and deductible, in which the entity must recognize a deferred tax asset or liability and must recognize the resulting deferred tax expense or revenue in the income statement;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable income will be available against which the temporary differences can be utilized.

These taxes are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax and social contribution tax assets are reviewed at the reporting date and are reduced to the extent that their realization is no longer probable or recognized to the extent that it becomes probable that future taxable incomes will allow them to be recovered.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The estimated taxable incomes forecast, on which the realization of deferred tax asset are based, are determined by the annual budget and the long-term budget, both reviewed periodically, and by the historical income. However, the taxable income may be either higher or lower than the evaluation used by the management when the amount of the deferred tax recognized was determined.

Uncertainties on the treatment of taxes on profit

The uncertainties about the treatment of taxes on profit represent the risks that the tax authority may not accept a given tax treatment applied by the Company. The Company estimates the probability of the tax authority accepting the uncertain tax treatment based on technical assessments of its legal advisors, taking into account case law precedents applicable to the current tax legislation.

CEMIG

11. ESCROW DEPOSITS

	Dec. 31, 2024	Dec. 31, 2023
Labor claims	**219**	**226**
Tax contingencies		
Income tax on interest on equity	34	33
PIS/Pasep and Cofins taxes (1)	5	76
Donations and legacy tax (ITCD)	67	64
Urban property tax (IPTU)	110	106
Finsocial tax	48	46
Income and social contr. tax on indemnity for employees' 'Anuênio' benefit	332	319
Income tax withheld at source on inflationary income	10	9
Income tax and contribution tax effective rate (2)	153	143
Other (3)	120	115
	879	**911**
Other		
Regulatory	42	50
Third party	10	12
Customer relations	7	5
Court embargo	26	27
Other	13	12
	98	**106**
	1,196	**1,243**

(1) This refers to escrow deposits in the action challenging the constitutionality of inclusion of ICMS tax within the amount to which PIS/Pasep and Cofins taxes are applied. In December 2024, Gasmig was able to recover the escrow deposits that had been paid into court for these actions, in the updated amount of R$76.

(2) Court escrow deposit in the proceedings challenging charging of corporate income tax and the Social Contribution tax on payments of Interest on Equity and application of the Social Contribution tax to cultural and artistic donations and sponsorship, expenses on punitive fines, and taxes with enforceability suspended.

(3) Includes escrow deposits from legal actions related to INSS and PIS/Pasep and Cofins taxes.

12. CONCESSION FINANCIAL AND SECTOR ASSETS AND LIABILITIES

	Dec. 31, 2024	Dec. 31, 2023
Concession financial assets related to the infrastructure		
Energy distribution concession	2,714	1,881
Gas distribution concession	92	38
Indemnifiable receivable – Generation (12.b)	871	785
Concession grant fee – Generation concessions (12.c)	3,099	3,031
	6,776	**5,735**
Sector financial assets		
Amounts receivable from Parcel A (CVA) and Other Financial Components (12.d)	1,296	805
Total assets	**8,072**	**6,540**
Sector financial liabilities		
Account for compensation of variation of parcel A items (CVA) and Other financial components (12.d)	(16)	-
Total liabilities	**(16)**	**-**
Current assets	**1,190**	**814**
Non-current assets	**6,882**	**5,726**
Current liabilities	**(16)**	**-**

The changes in concession financial assets are as follows:

	Energy Distribution	Generation	Gas Distribution	Total
Balances at December 31, 2021	**684**	**3,608**	**34**	**4,326**
Transfers from contract assets	670	-	-	670
Transfers from (to) intangible assets	(22)	-	-	(22)
Monetary updating	39	514	3	556
Fair Value Adjustments	-	(172)	-	(172)
Disposals	(1)	-	-	(1)
Amounts received	-	(308)	-	(308)
Balances at December 31, 2022	**1,370**	**3,642**	**37**	**5,049**
Transfers from contract assets	363	-	-	363
Monetary updating	148	505	1	654
Disposals	-	-	-	-
Amounts received	-	(331)	-	(331)
Balances at December 31, 2023	**1,881**	**3,816**	**38**	**5,735**
Transfers from contract assets	731	-	51	782
Monetary updating	104	534	3	641
Disposals	(2)	-	-	(2)
Amounts received	-	(343)	-	(343)
Classification as held for sale	-	(37)	-	(37)
Balances at December 31, 2024	**2,714**	**3,970**	**92**	**6,776**

a) Distribution - Financial assets

The energy and gas distribution concession contracts are within the scope of IFRIC 12. The financial assets under these contracts refer to the investments made in infrastructure that will be paid by grantor at the end of the concession period. The financial assets are measured at fair value through income or loss, in accordance with regulation of the energy segment and concession contracts executed by CEMIG and its subsidiaries and the granting authorities.

b) Generation - Indemnity receivable

Various concession contracts for various plants operated under Concession Contract 007/1997 began to expire as from August 2013. Upon expiration of the concession contract, the Company has a right to receive an amount corresponding to the residual value of the assets not yet amortized, as specified in the concession contract. The accounting balances corresponding to these assets were recognized in financial assets, at fair value through profit or loss.

On July 28, 2022 ANEEL revoked Normative Resolution (ReN) 942, by publication of ReN 1,027, establishing the general methodology and criteria for calculation - to be based on New Replacement Value, which is calculated, as first priority, based on the reference database of prices - then as second priority by the concession holder’s own prices database, then, as the last alternative, by the updated inspected accounting cost.

The movement in the balance is as follows:

Generation plant	Concession expiration date	Installed capacity (MW) (information of MW not audited)	Net balance of assets on December 31, 2023	Financial Update	Net balance of assets on December 31, 2024
Lot D					
UHE Três Marias	July 2015	396.00	203	22	225
UHE Salto Grande	July 2015	102.00	104	11	115
UHE Itutinga	July 2015	52.00	12	1	13
UHE Camargos	July 2015	46.00	24	2	26
PCH Piau	July 2015	18.01	6	1	7
PCH Gafanhoto	July 2015	14.00	7	1	8
PCH Peti	July 2015	9.40	7	1	8
PCH Dona Rita	Sep. 2013	2.41	2	0	2
PCH Tronqueiras	July 2015	8.50	10	1	11
PCH Joasal	July 2015	8.40	8	1	9
PCH Martins	July 2015	7.70	6	1	7
PCH Cajuru	July 2015	7.20	23	3	26
PCH Paciência	July 2015	4.08	5	0	5
PCH Marmelos	July 2015	4.00	3	0	3
Other					
UHE Volta Grande	Feb. 2017	380.00	0	0	0
UHE Miranda	Dec. 2016	408.00	110	12	122
UHE Jaguara	Aug. 2013	424.00	168	19	187
UHE São Simão	Jan. 2015	1,710.00	87	10	97
		3,601.70	**785**	**86**	**871**

The balance of R$871 represents management’s best estimate for the right to receive cash from the grantor related to the generation entities, based on the evaluation criteria set by grantor (Aneel).

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

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

c) Concession grant fee - Generation concessions

The concession grant fee paid by the Company for a 30-year concession contracts No. 08 to 16/2016, related to 18 hydroelectric plants of Auction 12/2015, won by Cemig GT, was an amount of R$2,216. The amount of the concession fee was recognized as a financial asset measured at amortized cost, as Cemig GT has an unconditional right to receive the amount paid, updated by the IPCA Index and remuneratory interest (the total amount of which is equal to the internal rate of return on the project), during the period of the concession.

The changes in concession financial assets are as follows:

SPE	Plants	Dec. 31, 2023	Monetary updating	Amounts received	Classification as held for sale	Dec. 31, 2024
Cemig Geração Três Marias S.A.	Três Marias	1,716	242	(184)	-	1,774
Cemig Geração Salto Grande S.A.	Salto Grande	539	76	(58)	-	557
Cemig Geração Itutinga S.A.	Itutinga	204	32	(25)	-	211
Cemig Geração Camargos S.A.	Camargos	152	24	(18)	-	158
Cemig Geração Sul S.A.	Coronel Domiciano, Joasal, Marmelos, Paciência e Piau	201	33	(26)	(22)	186
Cemig Geração Leste S.A.	Dona Rita, Ervália, Neblina, Peti, Sinceridade e Tronqueiras	137	25	(20)	-	142
Cemig Geração Oeste S.A.	Cajurú, Gafanhoto e Martins	82	15	(12)	(14)	71
Total		**3,031**	**447**	**(343)**	**(36)**	**3,099**

SPE	Plants	Dec. 31, 2022	Monetary updating	Amounts received	Dec. 31, 2023
Cemig Geração Três Marias S.A.	Três Marias	1,672	222	(178)	1,716
Cemig Geração Salto Grande S.A.	Salto Grande	525	70	(56)	539
Cemig Geração Itutinga S.A.	Itutinga	198	30	(24)	204
Cemig Geração Camargos S.A.	Camargos	148	22	(18)	152
Cemig Geração Sul S.A.	Coronel Domiciano, Joasal, Marmelos, Paciência e Piau	195	31	(25)	201
Cemig Geração Leste S.A.	Dona Rita, Ervália, Neblina, Peti, Sinceridade e Tronqueiras	133	23	(19)	137
Cemig Geração Oeste S.A.	Cajurú, Gafanhoto e Martins	79	14	(11)	82
Total		**2,950**	**412**	**(331)**	**3,031**

SPC	Plants	Dec. 31, 2021	Monetary updating	Amounts received	Dec. 31, 2022
CEMIG Geração Três Marias S.A.	Três Marias	1,584	254	(166)	1,672
CEMIG Geração Salto Grande S.A.	Salto Grande	497	80	(52)	525
CEMIG Geração Itutinga S.A.	Itutinga	187	33	(22)	198
CEMIG Geração Camargos S.A.	Camargos	140	25	(17)	148
CEMIG Geração Sul S.A.	Coronel Domiciano, Joasal, Marmelos, Paciência and Piau	184	34	(23)	195
CEMIG Geração Leste S.A.	Dona Rita, Ervália, Neblina, Peti, Sinceridade and Tronqueiras	125	26	(18)	133
CEMIG Geração Oeste S.A.	Cajurú, Gafanhoto and Martins	75	15	(11)	79
Total		**2,792**	**467**	**(309)**	**2,950**

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

Sector financial assets and liabilities refer to the differences between: (i) the non-manageable costs expected by Aneel and recognized in the tariff at the beginning of the tariff period, and (ii) the non-manageable costs actually incurred over the period of validity of the tariff. These differences constitute an asset, when the costs incurred are higher than the expected costs in the tariff calculation; and a liability when the costs incurred are lower than the expected costs. The variations found are inflation-adjusted, based on the Selic rate, and compensated in the subsequent tariff adjustments.

The amendment to the concession contract guarantee to the Company the right to the indemnity of the assets and/or the liabilities not amortized by the termination of the concession.

The balances of these sectoral financial assets and liabilities are presented at net value per tariff cycle, in accordance with the tariff adjustments approved or to be approved.

Sectoral financial assets	Dec. 31, 2023	Additions	Amortization	Remuneration	Transfer	Dec. 31, 2024	Amortization cycle	Constitution cycle	Current	Non-current
CVA assets	**(685)**	**1,581**	**(1,653)**	**170**	**728**	**141**	**-**	**141**	**76**	**65**
Energy acquisition (CVA energy)	(1,109)	1,271	(952)	113	997	320	-	320	182	138
Itaipu energy costs	29	-	(151)	2	42	(78)	-	(78)	(46)	(32)
Program of Incentives for Alternative Electricity Sources – PROINFA	(20)	6	-	-	20	6	-	6	3	3
Transport basic charges	413	305	(381)	38	(126)	249	-	249	147	102
Transport of Itaipu supply	67	18	(58)	6	(37)	(4)	-	(4)	(2)	(2)
System service charges – ESS	(62)	(42)	(97)	11	(31)	(221)	-	(221)	(131)	(90)
CDE	(3)	23	(14)	-	(137)	(131)	-	(131)	(77)	(54)
Other sectoral financial assets	**1,490**	**1,088**	**(1,430)**	**129**	**(122)**	**1,155**	**-**	**1,155**	**783**	**372**
Quotas from nuclear energy	138	105	(121)	14	(47)	89	-	89	52	37
Neutrality of Parcel A	29	142	(101)	8	13	91	-	91	54	37
Estimated neutrality on distributed generation credits	357	296	-	39	-	692	-	692	692	-
Energy over contracting	922	526	(774)	37	(304)	407	-	407	241	166
Tariff refunds	(88)	-	-	-	16	(72)	-	(72)	(48)	(24)
Other	132	19	(434)	31	200	(52)	-	(52)	(208)	156
Total sectorial financial assets	**805**	**2,669**	**(3,083)**	**299**	**606**	**1,296**	**-**	**1,296**	**859**	**437**
Sectorial financial liabilities										
CVA liabilities	**-**	**(1,490)**	**2,286**	**(208)**	**(728)**	**(140)**	**(140)**	**-**	**(140)**	**-**
Energy acquisition (CVA energy)	-	(998)	1,861	(193)	(997)	(327)	(327)	-	(327)	-
Itaipu energy costs	-	(113)	97	(15)	(42)	(73)	(73)	-	(73)	-
Program of Incentives for Alternative Electricity Sources – PROINFA	-	(18)	30	(2)	(20)	(10)	(10)	-	(10)	-
Transport basic charges	-	-	30	-	126	156	156	-	156	-
Transport of Itaipu supply	-	(5)	-	1	37	33	33	-	33	-
System service charges – ESS	-	(224)	266	(2)	31	71	71	-	71	-
CDE	-	(132)	2	3	137	10	10	-	10	-
Other sector financial liabilities	**-**	**(715)**	**755**	**(33)**	**117**	**124**	**124**	**-**	**124**	**-**
Quotas from nuclear energy	-	-	2	-	47	49	49	-	49	-
Neutrality of Parcel A	-	(33)	82	(2)	(13)	34	34	-	34	-
Energy over contracting	-	-	-	-	304	304	304	-	304	-
Tariff refunds	-	(99)	88	(3)	(16)	(30)	(30)	-	(30)	-
Other	-	(583)	583	(28)	(205)	(233)	(233)	-	(233)	-
Total sector financial liabilities	**-**	**(2,205)**	**3,041**	**(241)**	**(611)**	**(16)**	**(16)**	**-**	**(16)**	**-**
Total sectoral financial assets and liabilities (net)	**805**	**464**	**(42)**	**58**	**(5)**	**1,280**	**(16)**	**1,296**	**843**	**437**

Sectorial financial assets	Dec. 31, 2022	Additions	Amortization	Remuneration	Transfer (2)	Dec. 31, 2023	Amortization cycle	Constitution cycle	Current	Non-current
CVA assets	**(345)**	**1,597**	**(2,527)**	**4,260**	**330**	**(685)**	**(434)**	**(251)**	**(584)**	**(101)**
Energy acquisition (CVA energy)	(1,787)	1,213	(1,223)	161	527	(1,109)	(443)	(666)	(837)	(272)
Itaipu energy costs	594	(40)	(455)	44	(114)	29	143	(114)	75	(46)
Program of Incentives for Alternative Electricity Sources – PROINFA	31	-	(42)	1	(10)	(20)	(19)	(1)	(20)	-
Transport basic charges	215	388	(265)	40	35	413	114	299	291	122
Transport of Itaipu supply	18	60	(20)	4	5	67	14	53	45	22
System service charges – ESS	583	(24)	(380)	7	(248)	(62)	(242)	180	(136)	74
CDE	1	-	(142)	3	135	(3)	(1)	(2)	(2)	(1)
Other sectoral financial assets	**1,289**	**1,254**	**(1,388)**	**205**	**130**	**1,490**	**523**	**967**	**1,077**	**413**
Quotas from nuclear energy	105	103	(86)	16	-	138	51	87	102	36
Neutrality of Parcel A	203	168	(51)	5	61	386	(29)	415	363	23
Energy over contracting (1)	750	643	(529)	58	-	922	349	573	688	234
Tariff refunds	(71)	-	-	-	(17)	(88)	(25)	(63)	(67)	(21)
Other	302	340	(722)	126	86	132	177	(45)	(9)	141
Total sectorial financial assets	**944**	**2,851**	**(3,915)**	**465**	**460**	**805**	**89**	**716**	**493**	**312**
Sectorial financial liabilities										
CVA liabilities	**-**	**(1,706)**	**2,380**	**(343)**	**(331)**	**-**	**-**	**-**	**-**	**-**
Energy acquisition (CVA energy)	-	(1,179)	1,941	(234)	(528)	-	-	-	-	-
Itaipu energy costs	-	(109)	-	(5)	114	-	-	-	-	-
Program of Incentives for Alternative Electricity Sources – PROINFA	-	(31)	25	(4)	10	-	-	-	-	-
Transport basic charges	-	-	35	-	(35)	-	-	-	-	-
Transport of Itaipu supply	-	-	5	-	(5)	-	-	-	-	-
System service charges – ESS	-	(506)	371	(113)	248	-	-	-	-	-
CDE	-	119	3	13	(135)	-	-	-	-	-
Other sector financial liabilities	**-**	**(729)**	**908**	**(47)**	**(132)**	**-**	**-**	**-**	**-**	**-**
Neutrality of Parcel A	-	(58)	124	(5)	(61)	-	-	-	-	-
Tariff refunds	-	(88)	73	(2)	17	-	-	-	-	-
Other	-	(583)	711	(40)	(88)	-	-	-	-	-
Total sector financial liabilities	**-**	**(2,435)**	**3,288**	**(390)**	**(463)**	**-**	**-**	**-**	**-**	**-**
Total sectoral financial assets and liabilities (net)	**944**	**416**	**(627)**	**75**	**(3)**	**805**	**89**	**716**	**493**	**312**

(1) Reversal of the over contracting amounts passed on to consumers in the 2018 and 2019 tariff adjustments because they were previously recognized by ANEEL as involuntary over contracting, made possible by the publication of the involuntariness orders, recognizing over contracting as voluntary. Regarding the amount constituted in the period, there is a high volume of surplus energy, mainly due to the growing increase in the energy injected by MMGD facilities, settled at a low PLD.

(2) In addition to the transfers between sectoral financial assets and liabilities, there was a transfer of R$1,550 to the "Other assets" group.

Accounting policy

Energy Distribution and Gas segment

The portion of the infrastructure to be amortized during the concession period is recorded as an intangible asset, as provided for in IFRIC 12.

The portion of the value of the assets which will not be fully amortized by the end of the concession is reported as a financial asset because it is an unconditional right to receive cash or another financial asset directly from the grantor.

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

The financial assets and liabilities originate from the difference in time between the costs forecast (Parcel A and other financial components) included in the tariff at the start of the tariff period, and those actually incurred over the tariff period. This tariff repositioning mechanism guarantees the economic and financial balance of energy distributors. The calculations are in line with current regulations, and if the concession is terminated for any reason, the remaining balances of these assets or liabilities that have not been passed on in the tariff must be included in the compensation base at the end of the concession. These sectoral financial assets and liabilities are measured at amortized cost. The variations calculated are monetarily restated based on the Selic rate and offset in subsequent tariff adjustments.

Transmission segment

Only after the satisfaction of the performance obligation to operate and maintain the infrastructure, the contract asset is classified as a financial asset (accounts receivable - concessionaires - energy transport), considering that the receipt of the consideration only depends on the passage of time.

Financial portion of the transmission concession contracts renewed in accordance with Law 12,783/2013

Corresponding to the financial portion of remuneration for the assets related to the Existing Basic System Network (*Rede Básica do Sistema Elétrico, or 'RBSE'*), that represents the amount payable from the date of the extension of the concessions until it was incorporated into the tariff (January 1, 2013 until June 30, 2017), to be collected over a period of eight years.

The amounts to be received are subject to the applicable regulatory rules in the tariff process, including the mechanisms that monitor and measure efficiency. In this new context, the unconditional right to consideration depends on the satisfaction of the performance obligation to operate and maintain, and is, thus, characterized as a contract asset. It is classified to financial assets only after an authorizing dispatch by Aneel.

Additional information on the accounting policies relating to assets linked to the transmission activity is described in note 13.

Generation segment – Concession grant fee

The concession fee right paid for the concession contracts granted by the Aneel in November 2015, has been classified as a financial asset, at amortized cost, as it represents an unconditional right to receive cash, adjusted by the IPCA index, and remuneratory interest, during the period of the concession.

Estimations and judgments

The energy distribution activity

The amortization reflects the pattern of their consumption and are measured based on the asset carrying amount using the straight-line method, using the rates based on the expected useful life of the energy distribution assets, that are used by the grantor during the tariff process.

The part of the value of the assets that will not be completely amortized by the end of the concession agreement period is reported as a financial asset, since it is an unconditional right to receive cash or other financial asset directly from the concession-granting power. This component is valued on the basis of new replacement cost, which is equivalent to fair value – having as a reference the amounts approved by Aneel for the remuneration base of assets in tariff review processes. The amounts added after the Periodic Tariff Review process are estimated, and may be altered, for purposes of decision on compensation payable at the end of the concession period.

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

The gas distribution activity

The amortization reflects the pattern of consumption of the rights acquired. It is calculated on the balance of the assets linked to the concession, by the straight-line method, based on the application of rates which take into account the expected useful life of the gas distribution assets, which are taken into consideration by the grantor during the process of tariff review.

The part of the value of the assets that will not be completely amortized by the end of the concession period is reported as a financial asset, because it is an unconditional right to receive cash or other financial asset directly from the concession-granting power, or a party appointed by it. This portion is valued based on its fair value corresponding to its cost of acquisition updated by the Expanded National Consumer Price Index (IPCA), as determined by the concession contract.

CEMIG

Generation – Indemnities receivable

The Company is entitled to compensation for the assets not yet amortized of plants whose concessions ended in or after 2013. The Company has estimated the amount of this indemnity based on a normative resolution issued by Aneel, which specifies the methodology and general criteria for the calculation, taking new replacement value as its basis.

13. CONCESSION CONTRACT ASSETS

	Dec. 31, 2024	Dec. 31, 2023
Distribution – Infrastructure assets under construction	4,421	3,431
Gas – Infrastructure assets under construction	554	338
Transmission – National Grid ('BNES' - Basic Network of the Existing System) - Law 12,783/13	1,616	1,723
Transmission – Assets remunerated by tariff	4,876	3,034
	11,467	**8,526**
Current	**1,140**	**850**
Non-current	**10,327**	**7,676**

Changes in concession contract assets are as follows:

	Transmission	Distribution	Gas	Total
Balances on December 31, 2021	**4,358**	**1,927**	**95**	**6,380**
Additions	407	3,098	61	3,566
Inflation adjustment	575	-	-	575
Amounts received	(608)	-	-	(608)
Disposals	-	-	(3)	(3)
Other additions	5	-	-	5
Transfers to financial assets	-	(762)	-	(762)
Transfers to intangible assets	-	(2,412)	(36)	(2,448)
Impairment (1)	-	(1)	-	(1)
Balances on December 31, 2022	**4,737**	**1,850**	**117**	**6,704**
Additions	242	3,478	270	3,990
Inflation adjustment	524	-	-	524
Amounts received	(746)	-	-	(746)
Transfers to financial assets	-	(364)	-	(364)
Transfers to intangible assets	-	(1,541)	(49)	(1,590)
Impairment (1)	-	8	-	8
Balances on December 31, 2023	**4,757**	**3,431**	**338**	**8,526**
Additions (2)	425	4,167	348	4,940
Inflation adjustment	433	-	-	433
Amounts received	(799)	-	-	(799)
Results of the Periodic Tariff Review (3)	1,676	-	-	1,676
Transfers to financial assets	-	(731)	(51)	(782)
Transfers to intangible assets	-	(2,435)	(81)	(2,516)
Impairment (1)	-	(11)	-	(11)
Balances on December 31, 2024	**6,492**	**4,421**	**554**	**11,467**

(1) This refers to posting or reversal of provisions made for losses in relation to contractual assets in progress (canceled works).

(2) The higher volume of additions in the distribution segment reflects greater investments made, in line with the investment program of Cemig D.

(3) In Note 27d, this amount is presented net of PIS/Pasep and Cofins taxes.

The amount of additions in the fiscal year ended December 31, 2024 includes R$77 (R$70 on December 31, 2023) of borrowing costs, as presented in note 20. The average rate to determine the amount of borrowing costs was 11.13% in 2024 (11.75% in 2023 and 11.36% in 2022). The nature of the additions to contract and intangible assets is shown in note 27b.

The capitalization of financial charges is a non-cash transaction and therefore is not reflected in the Cash Flow Statements.

The transmission activity

For transmission concessions, the consideration to be paid to the Company arises from the concession contracts, as follows:

	Update index	Dec. 31, 2024	Dec. 31, 2023
Current			
Concession contract - 006/97 (a)	IPCA		
National Grid ('BNES' - Basic Network of the Existing System)		479	466
National Grid - new facilities (RBNI)		595	302
Concession contract - 079/00 (b)	IGPM	39	45
Concession contract - 006/11 (c)	IGPM	18	28
Concession contract - 004/05 (d)	IPCA	9	9
		1,140	**850**
Non-current			
Concession contract - 006/97 (a)	IPCA		
National Grid ('BNES' - Basic Network of the Existing System)		1,137	1,257
National Grid - new facilities (RBNI)		3,892	2,358
Concession contract - 079/00 (b)	IGPM	110	118
Concession contract - 006/11 (c)	IGPM	107	74
Concession contract - 004/05 (d)	IPCA	105	100
		5,351	**3,907**
		6,491	**4,757**

Concession contract no. 006/1997

The contract regulates the public service operation of the transmission facilities classified as part of the Basic Grid, in accordance with Law 9.074/1995 and pertinent regulations. This contract was extended until December 31, 2042, under Law 12,783/2013: the amounts involved were set by Ministerial Order 120/2016. These assets are referred to as the 'Existing Grid' (*Rede Básica do Sistema Existente, or 'RBSE'*) and are segregated from the other assets of Cemig GT. Their cash flow consists of: the portion related to cost of capital (the 'financial component'); and the portion related to the remuneration base (the 'economic component').

The changes implemented in these facilities are treated as Basic Network New Facilities (BNE). Its cash flow refers to the return on investments in reinforcements and improvements to the transmission infrastructure, and is discounted to present value and, where applicable, includes the portion of investments made and not amortised by the end of the concession term.

Periodic Tariff Review

In July 2024, through its Ratifying Resolutions 3,343/2024 and 3,344/2024, Aneel approved the result of the Periodic Tariff Review (*Revisão Tarifária Periódica, or 'RTP'*) of the RAP of Cemig GT's concession contracts 006/1997 and 079/2000.

In the same month, by Ratifying Resolution 3,348/2024, Aneel established the new value for the RAP for 2024-2025, with effects governing the contracts of Cemig GT, Centroeste and Sete Lagoas.

Since the RTP represents a change in the capital structure, and a change in a remuneration rate, the present value of the assets classified as Contractual Assets was remeasured – the results being shown below.

The assets of the Cemig GT's Concession Contract 006/97 are segregated into:

a) Transmission facilities that existed on May 31, 2000 (referred to as the 'basic grid', or 'RBSE – *Rede Básica do Sistema Existente'*) and authorized facilities that started commercial operation between June 1, 2000 and December 31, 2012 and are the subject of compensation, called 'Indemnified RBNI'; and
b) authorized facilities with commercial operation recognized as from January 1, 2013, after the extension of concessions under Law 12,783/2013, referred to simply as 'RBNI' *(Rede Básica de Novas Instalações).*

The assets of this contract, re-valued for the first time, followed the methodology of Proret 9.1: valued 76% by the Reference Price Bank (*Banco de Preços Referencial, or 'BPR'*); 13% by a hybrid method (involving the BPR and IPCA index); and 11% by their original book value, updated by the IPCA index. On the other hand, the assets comprising the RBSE and RBNI that had been re-valued in previous processes were updated by the indexor of the contract (the IPCA index).

The effects of the RTP on the contractual assets were as follows:

Result RTP	
RBSE - Assets until 12/2012	164
RBNI Cycle 2013-2018 - Original	10
RBNI Cycle 2013-2018 - Revised RTP 2024	89
RBNI Cycle 2018-2023 – Small Improvements	205
RBNI Cycle 2018-2023 – Major Improvements and Reinforcements	1,208
Total	1,676

The positive result of the RTP is mainly due to: (i) the difference between the value of the costs budgeted for the construction of the assets and the New Replacement Value (*Valor Novo de Reposição, or 'VNR'*) – which was adjusted by the updated values of the BPR, as found in the RTP process, applied to the majority of the re-valued assets; and (ii) the positive variation in the regulatory WACC. According to IFRS 15, because it is a new measurement of the value of the contractual assets, these effects are directly recognized in Net profit at the time the RTP occurs.

These effects were compared with the values as originally accounted, and the resulting differences reported as a gain in the income statement for the third quarter of 2024.

National Grid Assets- 'BNES' - the regulatory cost of capital updating

On January 06, 2021, the Brazilian General Attorney's Office issued a legal opinion about the effects of the reversal of the court decision that had suspended the cost of equity remuneration of the transmission agents determined by Ministerial Order 120/2016, concluded that it must be updated by the cost of equity rate until July 1, 2020, which is the date that the payment took place, and must be included to RAP 2020-2021 cycle for eight years.

On April 22, 2021, Aneel published Resolution 2,852, defining, among other provisions, the financial component referred to. Thus, the cost capital associated with the financial components was incorporated into the calculation of the periodic review processes of 2018 deciding the RAP of the transmission concessions. This caused 2 effects: (i) A new value for the component to be considered in the RAP of the tariff cycles for 2020-2021 to 2025-2026; and (ii) a residual value for the difference between the amount paid to the transmission companies in the 2017-2018 and 2019-2020 tariff cycles and the amount payable after the injunctions were overturned.

Thus, the debt balance of this component was recalculated, using remuneration at the rate of cost capital, up to the date of actual payment (July 1, 2020), discounted present value of the amount paid. In addition, Aneel opted the alternative of 'reprofiling' these payments, for payment gradually over a period of 8 years, guaranteeing the net present value of the transaction.

The Periodic Tariff Review decided in 2024 did not impact this financial component. The Company continues to monitor this subject. The assumptions, methodologies and calculations that have so far been considered continue to be appropriate.

a) Concession contract no. 079/00

The contract regulates commercial operation of public transmission service, comprising construction, maintenance and operation of transmission of the following facilities: The Itajubá 3 Substation; the Itajubá 3 - Poços de Caldas Transmission Line; and the Itajubá 3-Cachoeira Paulista Transmission Line, in effect until October 4, 2034.

In July 2024, through its Ratifying Resolutions 3,343/2024 and 3,344/2024, Aneel approved the result of the Periodic Tariff Review (RTP) of the RAP of Cemig GT's concession contracts 006/1997 and 079/2000.

Revenue from strengthening and enhancements was revised, resulting in recognition of a gain of R$2 in the third quarter of 2024.

b) Concession contract no. 004/2005

The contract regulates the concession for the second circuit 345kV transmission facility which runs between the Furnas and Pimenta substations, a distance of approximately 75 km, for a period of 30 years from March 2005. For making the transmission facilities available for commercial operation, Centroeste will receive the Permitted Annual Revenue (RAP), adjusted annually, in the first 15 years of commercial operation. In the 16th year of commercial operation, its RAP will be reduced by 50%, until the end of the concession.

c) Concession contract no. 006/2011

The contract regulates commercial operation of public transmission service, comprising construction, maintenance and operation of the Sete Lagoas 4 substation, in effect until June 15, 2041. The indexer used for adjustment of the contract is the Expanded National Consumer Price (*'Índice de Preços ao Consumidor Amplo'* - IPCA).

Accounting policy

Energy Distribution activity

Assets linked to concession infrastructure still under construction are initially recorded as contract assets, considering the right of the Company to charge for the services provided to customers or receive an indemnity at the end of the concession period for assets not yet amortized. In accordance with IFRS 15, the counterpart amounts of construction revenues equivalent to the new assets are initially recorded as contract assets, measured at acquisition cost including capitalized borrowing costs.

After the assets start operation, the conclusion of the performance obligation linked to construction is recorded, and the assets are split between financial assets and intangible assets. Assets amortized over the term of the concession are classified as intangible assets. The portion of the assets not amortized within the concession period, which will be subject to compensation at the end of the concession, is classified as a financial asset.

Transmission activity

During the term of the concession, the company receives the Annual Permitted Revenue (*Receita Anual Permitida, of 'RAP'*), which remunerates the investment made in the construction transmission lines, as well as the improvement, operation and maintenance services. The transmission revenue is recognized as the corresponding performance obligations are met, namely: (i) availability and construction and (ii) operation and maintenance. The amounts are recognized in the Company's income statement, against the contract asset. Subsequently, when the credit notice is issued by the ONS, the RAP is invoiced and the balances are transferred from Contract Assets to Consumer Receivables.

When construction of transmission infrastructure is concluded the assets related to the transmission infrastructure remains classified as contract assets, considering the dependence on the satisfaction of a performance obligations during the concession period, represented by the availability/construction, operation and maintenance of the transmission lines, thus there is no unconditional right to receive the consideration for the construction services unless the Company operates and maintains the infrastructure.

The costs related to the infrastructure construction are recognized as incurred in the statement of income.

Additional information about the accounting practices related to the assets related to the transmission segment are described in note 27.

Gas distribution activity

New assets are classified initially as contract assets, measured at acquisition cost, including capitalized borrowing costs. When they start operation, they are split into financial assets and intangible assets.

Estimations and judgments

Transmission activity

Construction and improvement revenues are recognized according to the stage of completion of the work, based on the costs actually incurred, plus the construction margin. The margin allocated to the infrastructure construction performance obligation is defined based on management's best estimates and expectations of the profitability of the projects implemented by the Company.

When the tariff changes during the periodic tariff reviews, the contract asset is remeasured, bringing future RAPs to present value (financing component) at the implicit rate originally identified, comparing the result found with the balance recorded, in order to recognize the gain or loss in profit or loss.

Of the amounts invoiced for transmission concession revenue, represented by the RAP, the portion relating to the fair value of the operation and maintenance of the assets is recognized against the income statement for the year and the portion relating to construction revenue, originally recorded when the assets were formed, is written off against contract assets. Additions due to expansion and reinforcement generate additional cash flow and are therefore incorporated into the balance of the contract asset.

The financial remuneration of the contractual asset corresponds to the financial component, recognized by the straight-line method based on the discount rate determined at the start of the investments, and including financial updating by the inflation index.

The discount rate represents the Company's best estimate for the financial remuneration of the investments in the transmission infrastructure, which represents the approximate percentage of what would be the cash price to be charged for the infrastructure built or improvement by the concessionaire in a sale transaction. The implicit rate for pricing the financial component of the concession contract asset is established at the beginning of the investments and considers the credit risk of the counterparties.

14. INVESTMENTS

The table below does not include the entities that are 100% controlled by the Company.

	Control	Dec. 31, 2024	Dec. 31, 2023
Cemig Geração e Transmissão	Controlled	-	-
Guanhães Energia S.A. ("Guanhães Energia") (1)	Jointly controlled	172	222
Hidrelétrica Cachoeirão S.A. ("Hidrelétrica Cachoeirão")	Jointly controlled	45	47
Hidrelétrica Pipoca S.A. ("Hidrelétrica Pipoca")	Jointly controlled	54	47
Aliança Norte Participações S.A. ("Aliança Norte") (2)	Jointly controlled	419	536
Aliança Geração de Energia S.A. ("Aliança Geração") (3)	Jointly controlled	-	1,172
Amazônia Energia Participações S.A. ("Amazônia Energia") (2)	Jointly controlled	697	819
Paracambi Energética S.A. ("Paracambi") (former Lightger)	Jointly controlled	105	112
Transmissora Aliança de Energia Elétrica S.A. ("Taesa")	Jointly controlled	1,615	1,565
Cemig Sim	Controlled		
UFVs (4)	Jointly controlled	114	112
Total		**3,221**	**4,632**

(1) On September 19, 2023, the Extraordinary General Meeting of Guanhães Energia approved the reduction of share capital in the amount of R$235, of which R$137 was destined for absorbing losses and R$98 for restitution to shareholders. Cemig GT's share corresponds to R$48 was received in 2024.

(2) Indirect interest in the Belo Monte plant through these investees.

(3) On August 13, 2024, the process of sale of the interest to Vale S.A. was completed. For more information, please see Note 31.

(4) Set of photovoltaics business, in which the investee Cemig Sim has an interest.

For the fiscal year ended on December 31, 2024, the Company's management evaluated whether there were indications of possible impairment of assets, as referred to in IAS 36 – Impairments of assets. The net book value of the investments was found to be recoverable.

In 2024, Cemig GT recognized an impairment, in the amount of 100% of the goodwill premium, of R$41, that had been posted for the investment in Aliança Norte. This loss was calculated by determining the share in the asset's recuperable value, generated by operation of the Belo Monte hydroelectric plant. The recoverable value was calculated based on the value in use, by the discounted cash flow method, using the weighted average cost of capital (WACC) as the discount rate.

For the other investments, it was found that there are no indications of impairment.

Changes in investments in jointly controlled entities and affiliates:

Investee	Dec. 31, 2023	Gain (loss) by equity method (Income statement)	Dividends	Additions	Others	Dec. 31, 2024
Hidrelétrica Cachoeirão	47	5	(7)	-	-	45
Guanhães Energia (1)	222	10	(12)	-	(48)	172
Hidrelétrica Pipoca	47	15	(8)	-	-	54
Paracambi (2)	112	19	(17)	-	(9)	105
Amazônia Energia (3)	819	(122)	-	-	-	697
Aliança Norte (3) (4)	536	(77)	-	1	(41)	419
Taesa	1,565	330	(280)	-	-	1,615
Aliança Geração (5)	1,172	31	(84)	-	(1,119)	-
UFV Janaúba Geração de Energia Elétrica Distribuída S.A. ("UFV Janaúba")	5	1	(1)	-	-	5
UFV Corinto Geração de Energia Elétrica Distribuída S.A. ("UFV Corinto")	8	2	(1)	-	-	9
UFV Manga Geração de Energia Elétrica Distribuída S.A. ("UFV Manga")	12	2	(2)	-	-	12
UFV Bonfinópolis II Geração de Energia Elétrica Distribuída S.A. ("UFV Bonfinópolis II")	5	2	(1)	-	-	6
UFV Lagoa Grande Geração de Energia Elétrica Distribuída S.A. ("UFV Lagoa Grande")	15	2	(2)	-	-	15
UFV Lontra Geração de Energia Elétrica Distribuída S.A. ("UFV Lontra")	18	2	(2)	-	-	18
UFV Mato Verde Geração de Energia Elétrica Distribuída S.A. ("UFV Mato Verde")	6	1	(1)	-	-	6
UFV Mirabela Geração de Energia Elétrica Distribuída S.A. ("UFV Mirabela")	5	-	(1)	-	-	4
UFV Porteirinha I Geração de Energia Elétrica Distribuída S.A. ("UFV Porteirinha I")	4	2	(1)	-	-	5
UFV Porteirinha II Geração de Energia Elétrica Distribuída S.A. ("UFV Porteirinha II")	7	1	(1)	-	-	7
UFV Brasilândia Geração de Energia Elétrica Distribuída S.A. ("UFV Brasilândia")	15	2	(2)	-	-	15
Apolo I SPE Empreendimentos e Energia S.A. ("UFV Apolo I")	6	-	-	-	-	6
Apolo II SPE Empreendimentos e Energia S.A. ("UFV Apolo I")	6	-	-	-	-	6
Itaocara (6)	-	(4)	-	15	(11)	-
Total	**4,632**	**224**	**(423)**	**16**	**(1,228)**	**3,221**

(1) On September 19, 2023, the Extraordinary General Meeting of Guanhães Energia approved the reduction of share capital in the amount of R$235, of which R$137 was destined for absorbing losses and R$98 for restitution to shareholders. Cemig GT's share corresponds to R$48 was received in 2024.

(2) An Extraordinary General Meeting of Paracambi on October 16, 2024 approved reduction of the share capital by R$18 , with no reduction in the number of that company's nominal common shares. The portion attributable to Cemig GT was R$9, received in 2024.

(3) Indirect interest in the Belo Monte plant through these investees.

(4) An impairment of the added value of Cemig GT's investment in Aliança Norte was recorded. This loss is presented in the consolidated statements of income as "Other expenses" and in the Operating Segments explanatory note as part of the investees segment.

(5) Cemig GT's equity interest in Aliança Geração was classified as a non-current asset held for sale in March 2024, under the terms of /IFRS 5. On August 13, 2024, the process of sale of the interest to Vale S.A. was completed. For more information, please see Note 31.

(6) Recognition of reimbursement payable to Light Energia S.A., resulting from amounts invested in the development of the Itaocara Hydroelectric Plant project in amounts higher than Light's corporate participation in the project. This reimbursement was paid on May 22, 2024. The federal tax number (CNPJ – Cadastro Nacional de Pessoas Jurídicas) of this company was canceled in November 2024.

Investee	Dec. 31, 2022	Gain (loss) by equity method (Income statement)	Dividends	Additions / Acquisitions	(Others)	Dec. 31, 2023
Hidrelétrica Cachoeirão	47	12	(12)	-	-	47
Guanhães Energia	183	39	-	-	-	222
Hidrelétrica Pipoca	47	15	(15)	-	-	47
MESA (3)	10	(10)	-	-	-	-
FIP Melbourne (3)	8	22	-	-	(30)	-
Paracambi (former Lightger)	134	15	(26)	-	(11)	112
Baguari Energia (4)	160	12	(12)	-	(160)	-
Amazônia Energia (1)	886	(67)	-	-	-	819
Aliança Norte (1)	576	(40)	-	-	-	536
Taesa	1,549	278	(262)	-	-	1,565
Aliança Geração	1,194	136	(158)	-	-	1,172
Retiro Baixo (4)	185	5	-	-	(191)	(1)
UFV Janaúba Geração de Energia Elétrica Distribuída S.A. ("UFV Janaúba")	3	2	-	-	-	5
UFV Corinto Geração de Energia Elétrica Distribuída S.A. ("UFV Corinto")	8	1	(1)	-	-	8
UFV Manga Geração de Energia Elétrica Distribuída S.A. ("UFV Manga")	11	2	(1)	-	-	12
UFV Bonfinópolis II Geração de Energia Elétrica Distribuída S.A. ("UFV Bonfinópolis II")	5	-	-	-	-	5
UFV Lagoa Grande Geração de Energia Elétrica Distribuída S.A. ("UFV Lagoa Grande")	15	2	(2)	-	-	15
UFV Lontra Geração de Energia Elétrica Distribuída S.A. ("UFV Lontra")	18	2	(2)	-	-	18
UFV Mato Verde Geração de Energia Elétrica Distribuída S.A. ("UFV Mato Verde")	6	1	(1)	-	-	6
UFV Mirabela Geração de Energia Elétrica Distribuída S.A. ("UFV Mirabela")	4	1	-	-	-	5
UFV Porteirinha I Geração de Energia Elétrica Distribuída S.A. ("UFV Porteirinha I")	4	1	(1)	-	-	4
UFV Porteirinha II Geração de Energia Elétrica Distribuída S.A. ("UFV Porteirinha II")	7	1	(1)	-	-	7
UFV Brasilândia Geração de Energia Elétrica Distribuída S.A. ("UFV Brasilândia")	15	2	(2)	-	-	15
Apolo I SPE Empreendimentos e Energia S.A. ("UFV Apolo I")	7	-	-	-	(1)	6
Apolo II SPE Empreendimentos e Energia S.A. ("UFV Apolo I")	-	-	-	6	-	6
G2 Campo Lindo I Energia S.A. ("UFV Campo Lindo I") (2)	8	-	-	10	(18)	-
G2 Campo Lindo II Energia S.A. ("UFV Campo Lindo II") (2)	9	-	-	10	(18)	1
G2 Olaria I Energia S.A. ("UFV Olaria I") (2)	8	-	-	10	(18)	-
Total of investments	**5,107**	**432**	**(496)**	**36**	**(447)**	**4,632**
Total	**5,107**	**432**	**(496)**	**36**	**(447)**	**4,632**

(1) Indirect participation in Belo Monte Dam through these investees.

(2) On July 20, 2023, control of these investees was acquired and they were consolidated by the Company. Therefore, the Company's interest in these investees is reflected in the Company's consolidated assets and liabilities.

(3) On March 20, 2023, Cemig GT completed the sale of its direct and indirect ownership interest in the capital stock of Mesa to Furnas Centrais Elétricas S.A. ("Furnas").

(4) The sale of Baguari Energia was completed on October 6, 2023 and the sale of Retiro Baixo was completed on November 22, 2023. The investments writ-off is presented in the "Other" column depicted above.

CEMIG

Investee	Dec. 31, 2021	Gain (loss) by equity method (Income statement)	Dividends	Additions / Acquisitions	Other	Dec. 31, 2022
Hidrelétrica Cachoeirão	59	15	(27)	-	-	47
Guanhães Energia	125	58	-	-	-	183
Hidrelétrica Pipoca	47	16	(16)	-	-	47
MESA (3)	-	10	-	-	-	10
FIP Melbourne (3) (5)	-	169	-	-	(161)	8
Paracambi (former Lightger)	124	17	(7)	-	-	134
Baguari Energia	168	22	(30)	-	-	160
Amazônia Energia (4)	933	(47)	-	-	-	886
Aliança Norte (4)	609	(33)	-	-	-	576
Ativas	16	(1)	-	-	(15)	-
Taesa	1,580	305	(336)	-	-	1,549
Aliança Geração	1,141	104	(48)	-	(3)	1,194
Retiro Baixo	201	22	(38)	-	-	185
UFV Janaúba Geração de Energia Elétrica Distribuída S.A. (‘UFV Janaúba’)	3	1	(1)	-	-	3
UFV Corinto Geração de Energia Elétrica Distribuída S.A. (‘UFV Corinto’) (2)	9	2	(2)	-	(1)	8
UFV Manga Geração de Energia Elétrica Distribuída S.A. (‘UFV Manga’) (2)	11	3	(2)	-	(1)	11
UFV Bonfinópolis II Geração de Energia Elétrica Distribuída S.A. (‘UFV Bonfinópolis II’) (2)	6	1	(1)	-	(1)	5
UFV Lagoa Grande Geração de Energia Elétrica Distribuída S.A. (‘UFV Lagoa Grande’) (2)	15	3	(2)	-	(1)	15
UFV Lontra Geração de Energia Elétrica Distribuída S.A. (‘UFV Lontra’) (2)	18	4	(3)	-	(1)	18
UFV Mato Verde Geração de Energia Elétrica Distribuída S.A. (‘UFV Mato Verde’) (2)	6	1	(1)	-	-	6
UFV Mirabela Geração de Energia Elétrica Distribuída S.A. (‘UFV Mirabela’) (2)	4	1	(1)	-	-	4
UFV Porteirinha I Geração de Energia Elétrica Distribuída S.A. (‘UFV Porteirinha I’) (2)	5	1	(1)	-	(1)	4
UFV Porteirinha II Geração de Energia Elétrica Distribuída S.A. (‘UFV Porteirinha II’) (2)	7	1	(1)	-	-	7
UFV Brasilândia Geração de Energia Elétrica Distribuída S.A. (‘UFV Brasilândia’) (2)	15	3	(2)	-	(1)	15
Apolo I SPE Empreendimentos e Energia S.A. (‘UFV Apolo I’)	-	1	-	6	-	7
G2 Campo Lindo I Energia S.A. (‘UFV Campo Lindo I’)	-	1	-	7	-	8
G2 Campo Lindo II Energia S.A. (‘UFV Campo Lindo II’)	-	2	-	7	-	9
G2 Olaria I Energia S.A. (‘UFV Olaria I’)	-	1	-	7	-	8
Axxiom	4	(4)	-	-	-	-
Itaocara	-	(3)	-	10	(7)	-
Total investment	**5,106**	**676**	**(519)**	**37**	**(193)**	**5,107**
Itaocara - Uncovered liability	(21)	7	-	14	-	-
MESA (3) - Loss provisions (1)	(162)	162	-	-	-	-
Total	**4,923**	**845**	**(519)**	**51**	**(193)**	**5,107**

(1) In June 2022, the provision related to the Company's contractual obligations assumed with the investee and the other shareholders was reversed. Further details are disclosed in this note.
(2) On May 23, 2022, the reduction of capital stock of these UFVs was approved by means of an Extraordinary General Assembly.
(3) Indirect participation in the Santo Antônio Plant through these investees.
(4) Indirect participation in Belo Monte Dam through these investees.
(5) On September 12, 2022, AGPar made the payment associated with the settlement arising from Arbitral Award CCBC-86/2016 to the Melbourne Fund. Thereafter, the Company recognized the receivable against income. Further details are provided throughout this note.

CEMIG

Movement in Dividends receivable

Balances at December 31, 2021	**335**
Dividends proposed by investees	519
Amounts received	(708)
Balances at December 31, 2022	**146**
Dividends proposed by investees	496
Amounts received	(592)
Balances at December 31, 2023	**50**
Dividends proposed by investees	423
Withholding income tax on Interest on equity	(13)
Amounts received	(349)
Balances at December 31, 2024	**111**

Main information on the subsidiaries, jointly controlled entities and affiliates not adjusted for the percentage represented by the Company's ownership interest:

Investee	Numbers of shares	Dec. 31, 2024			Dec. 31, 2023		
		Cemig interest (%)	Share capital	Equity	Cemig interest (%)	Share capital	Equity
Cemig Geração e Transmissão	2,896,785,358	100.00	5,474	11,665	100.00	5,474	8,893
Hidrelétrica Cachoeirão	35,000,000	49.00	35	96	49.00	35	96
Guanhães Energia	548,626,000	49.00	549	419	49.00	549	373
Hidrelétrica Pipoca	41,360,000	49.00	41	97	49.00	41	95
Parajuru	35,000,000	100.00	35	107	100.00	86	158
Volta do Rio	160,000,000	100.00	160	200	100.00	275	248
Paracambi	79,078,937	49.00	57	83	49.00	79	123
Aliança Norte	42,028,825,151	49.00	1,210	1,007	49.00	1,210	1,084
Amazônia Energia (1)	1,323,819,670	74.50	1,323	1,099	74.50	1,323	1,189
UFV Boa Esperança (2)	402,296,837	100.00	402	405	100.00	-	-
Cemig Geração Itutinga	151,309,332	100.00	148	284	100.00	151	231
Cemig Geração Camargos	113,499,102	100.00	101	200	100.00	113	183
Cemig Geração Sul	148,146,505	100.00	61	163	100.00	148	252
Cemig Geração Leste	100,568,929	100.00	51	91	100.00	101	168
Cemig Geração Oeste	60,595,484	100.00	7	101	100.00	61	126
Rosal Energia	46,944,467	100.00	47	109	100.00	47	123
Sá Carvalho	361,200,000	100.00	37	97	100.00	37	138
Horizontes Energia	10,000,000	100.00	4	13	100.00	39	61
Cemig PCH	6,000,000	100.00	6	48	100.00	46	99
Cemig Geração Poço Fundo	159,084,895	100.00	159	162	100.00	139	172
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	3,000,000	100.00	3	21	100.00	-	11
Cemig Trading	4,000,000	100.00	4	6	100.00	1	6
Centroeste	28,000,000	100.00	28	135	100.00	28	120
UFV Três Marias	6,887,499	100.00	35	38	100.00	-	-
Cemig Distribuição	2,359,113,452	100.00	6,964	11,281	100.00	5,372	7,105
Taesa	1,033,496,721	21.68	3,042	6,679	21.68	3,042	6,570
Gasmig	306,941,598	99.57	665	1,231	99.57	665	1,373
Cemig Sim	657,647,242	100.00	658	755	100.00	175	199
Sete Lagoas	36,857,080	100.00	51	91	100.00	37	73

(1) Indirect participation in Belo Monte Plant through this investee.

(2) On October 29, 2024 an EGM approved change of the name of Cemig Baguari S.A. to UFV Boa Esperança S.A.

The main balances for the affiliated and jointly controlled entities on December 31, 2024

2024	Taesa	Paracambi	Hidrelétrica Cachoeirão	Hidrelétrica Pipoca
Assets				
Current	2,316	12	11	21
Cash and cash equivalents	608	4	5	15
Non-current	16,266	95	84	94
Total assets	**18,582**	**107**	**95**	**115**
Liabilities				
Current	1,984	11	3	4
Loans	4	9	-	1
Non-current	9,353	22	-	-
Loans	95	22	-	-
Equity	7,246	74	92	110
Total liabilities and equity	**18,583**	**107**	**95**	**114**
Statement of income				
Net sales revenue	2,227	63	37	45
Cost of sales	463	13	25	1
Depreciation and amortization	4	4	-	4
Gross income (loss)	**2,690**	**76**	**62**	**46**
General and administrative expenses	273	2	-	2
Finance income	426	2	1	-
Finance expenses	1,742	3	-	-
Operational income (loss)	**5,131**	**83**	**63**	**48**
Share of (loss) income, net, of subsidiaries and joint ventures	1,212	-	-	-
Income tax and social contribution tax	312	3	-	2
Net income (loss) for the year	**6,655**	**86**	**63**	**50**
Net income (loss) for the year	6,655	86	63	50
Comprehensive income (loss) for the year	**6,655**	**86**	**63**	**50**

2024	Aliança Norte	Guanhães Energia	Amazônia Energia
Assets			
Current	1	24	-
Cash and cash equivalents	1	9	-
Non-current	907	356	991
Total assets	**908**	**380**	**991**
Liabilities			
Current	-	16	-
Loans	-	-	-
Non-current	9	13	1
Loans	-	-	-
Equity	899	352	98
Total liabilities and equity	**908**	**381**	**99**
Statement of income			
Net sales revenue	-	-	117
Cost of sales	-	-	-
Depreciation and amortization	-	-	-
Gross income (loss)	**-**	**-**	**117**
General and administrative expenses	109	-	1
Finance income	-	1	-
Finance expenses	-	-	-
Operational income (loss)	**109**	**1**	**118**
Share of (loss) income, net, of subsidiaries and joint ventures	-	23	-
Income tax and social contribution tax	-	-	-
Net income (loss) for the year	**109**	**24**	**118**
Net income (loss) for the year	109	24	118
Comprehensive income (loss) for the year	**109**	**24**	**118**

The main balances for the affiliated and jointly controlled entities on December 31, 2023

2023	Taesa	Paracambi (formely Lightger)	Hidrelétrica Cachoeirão	Hidrelétrica Pipoca	Aliança Norte (1)
Assets					
Current	2,745	24	11	11	-
Cash and cash equivalents	1,144	17	7	6	-
Non-current	14,833	100	86	95	1,015
Total assets	**17,578**	**124**	**97**	**106**	**1,015**
Liabilities					
Current	1,617	11	7	8	-
Loans	-	9	-	7	-
Non-current	9,282	30	-	1	8
Loans	368	30	-	1	-
Equity	6,679	83	90	97	1,007
Total liabilities and equity	**17,578**	**124**	**97**	**106**	**1,015**
Statement of income					
Net sales revenue	1,345	60	38	46	-
Cost of sales	(196)	(16)	(15)	(12)	-
Depreciation and amortization	(6)	(12)	(4)	(4)	-
Gross income (loss)	**1,149**	**44**	**23**	**34**	**-**
General and administrative expenses	(179)	(2)	-	(1)	(77)
Finance income	370	7	3	3	-
Finance expenses	(1,623)	(4)	-	(1)	-
Operational income (loss)	**(283)**	**45**	**26**	**35**	**(77)**
Share of (loss) income, net, of subsidiaries and joint ventures	1,181	—	—	-	-
Income tax and social contribution tax	470	(4)	(2)	(3)	-
Net income (loss) for the year	**1,368**	**41**	**24**	**32**	**(77)**
Comprehensive income (loss) for the year					
Net income (loss) for the year	1,368	41	24	32	(77)
Comprehensive income (loss) for the year	**1,368**	**41**	**24**	**32**	**(77)**

(1) At the year ended December 31, 2023, Company has assessed all relevant aspects related to going concern and no triggers of impairment were found.

2023	Guanhães Energia	Amazônia Energia	Aliança Geração	Usina Hidrelétrica Itaocara S.A.
Assets				
Current	1,534	-	583	3
Cash and cash equivalents	112	-	348	3
Non-current	4,735	1,108	3,701	12
Total assets	**6,269**	**1,108**	**4,284**	**15**
Liabilities				
Current	143	8	829	-
Loans	69	-	180	-
Non-current	1,151	-	1,767	-
Loans	941	-	993	-
Equity	4,975	1,100	1,688	15
Total liabilities and equity	**6,269**	**1,108**	**4,284**	**15**
Statement of income				
Net sales revenue	60	-	1,149	-
Cost of sales	(39)	-	(472)	(1)
Depreciation and amortization	(21)	-	(131)	-
Gross income (loss)	**21**	**-**	**677**	**(1)**
General and administrative expenses	-	-	(51)	-
Finance income	15	-	50	-
Finance expenses	(10)	-	(171)	-
Operational income (loss)	**26**	**-**	**505**	**(1)**
Share of (loss) income, net, of subsidiaries and joint ventures	-	(83)	23	-
Income tax and social contribution tax	(7)		(170)	-
Net income (loss) for the year	**19**	**(83)**	**358**	**(1)**
Comprehensive income (loss) for the year				
Net income (loss) for the year	19	(83)	358	(1)
Comprehensive income (loss) for the year	**19**	**(83)**	**358**	**(1)**

The main balances for the affiliated and jointly controlled entities on December 31, 2022

2022	Taesa	Paracambi (formely Lightger)	Hidrelétrica Cachoeirão	Hidrelétrica Pipoca	Retiro Baixo
Assets					
Current	2,261	63	15	20	63
Cash and cash equivalents	760	60	11	14	49
Non-current	13,198	109	91	98	338
Total assets	**15,459**	**172**	**106**	**118**	**401**
Liabilities					
Current	817	11	1	8	25
Loans	1,957	9	-	7	14
Non-current	8,045	38	1	7	45
Loans	372	38	-	7	28
Equity	6,597	123	104	103	331
Total liabilities and equity	**15,459**	**172**	**106**	**118**	**401**
Statement of income					
Net sales revenue	1,621	62	43	45	77
Cost of sales	(176)	(17)	(12)	(10)	(4)
Depreciation and amortization	(9)	(12)	(3)	-	(9)
Gross income (loss)	**1,445**	**45**	**31**	**35**	**73**
General and administrative expenses	(197)	(2)	-	(1)	(3)
Finance income	652	6	4	3	10
Finance expenses	(1,700)	(4)	-	(1)	(5)
Operational income (loss)	**200**	**45**	**35**	**36**	**75**
Share of (loss) income, net, of subsidiaries and joint ventures	925	-	-	-	-
Income tax and social contribution tax	324	(4)	(3)	(3)	(26)
Net income (loss) for the year	**1,449**	**41**	**32**	**33**	**49**
Comprehensive income (loss) for the year					
Net income (loss) for the year	1,449	41	32	33	49
Comprehensive income (loss) for the year	**1,449**	**41**	**32**	**33**	**49**

2022	Aliança Norte	Guanhães Energia	Amazônia Energia	Madeira Energia	Baguari Energia
Assets					
Current	-	132	-	1,819	83
Cash and cash equivalents	-	3	-	924	10
Non-current	1,092	376	1,191	20,953	205
Total assets	**1,092**	**508**	**1,191**	**22,772**	**288**
Liabilities					
Current	-	38	2	2,571	25
Loans	-	12	-	655	-
Non-current	8	97	-	19,972	24
Loans	-	80	-	13,546	-
Equity	1,084	373	1,189	229	239
Total liabilities and equity	**1,092**	**508**	**1,191**	**22,772**	**288**
Statement of income					
Net sales revenue	-	57	-	4,137	81
Cost of sales	-	(45)	-	(3,451)	(31)
Depreciation and amortization	-	(16)	-	-	(10)
Gross income (loss)	**-**	**12**	**-**	**686**	**50**
General and administrative expenses	(65)	-	-	(150)	-
Finance income	-	90	-	361	10
Finance expenses	-	(11)	-	(3,521)	-
Operational income (loss)	**(65)**	**91**	**-**	**(2,624)**	**60**
Share of (loss) income, net, of subsidiaries and joint ventures	-	-	(63)	-	-
Income tax and social contribution tax	-	(32)	-	(222)	(20)
Net income (loss) for the year	**(65)**	**59**	**(63)**	**(2,846)**	**40**
Comprehensive income (loss) for the year					
Net income (loss) for the year	(65)	59	(63)	(2,846)	40
Comprehensive income (loss) for the year	**(65)**	**59**	**(63)**	**(2,846)**	**40**

2022	Aliança Geração	Usina Hidrelétrica Itaocara S.A.	UFV Janaúba	UFV Corinto	UFV Manga
Assets					
Current	724	4	4	2	2
Cash and cash equivalents	449	4	3	1	1
Non-current	3,468	11	17	17	20
Total assets	**4,192**	**15**	**21**	**19**	**22**
Liabilities					
Current	383	-	2	-	-
Loans	136	-	2	-	-
Non-current	1,489	-	12	1	1
Loans	713	-	11	-	-
Equity	2,320	15	7	18	21
Total liabilities and equity	**4,192**	**15**	**21**	**19**	**22**
Statement of income					
Net sales revenue	1,109	-	-	6	7
Cost of sales	(608)	-	5	(1)	(1)
Depreciation and amortization	(124)	-	(1)	-	-
Gross income (loss)	**501**	**-**	**5**	**5**	**6**
General and administrative expenses	(43)	-	-	-	-
Finance income	61	-	-	-	-
Finance expenses	(109)	(7)	(1)	-	-
Operational income (loss)	**410**	**(7)**	**4**	**5**	**6**
Share of (loss) income, net, of subsidiaries and joint ventures	11	-	-	-	-
Income tax and social contribution tax	(139)	-	(1)	(1)	(1)
Net income (loss) for the year	**282**	**(7)**	**3**	**4**	**5**
Comprehensive income (loss) for the year					
Net income (loss) for the year	282	(7)	3	4	5
Comprehensive income (loss) for the year	**282**	**(7)**	**3**	**4**	**5**

2022	UFV Bonfinópolis II	UFV Lagoa Grande	UFV Lontra	UFV Olaria 1	UFV Mato Verde	UFV Mirabela
Assets						
Current	2	3	4	1	1	1
Cash and cash equivalents	1	1	2	1	1	—
Non-current	12	23	27	13	11	9
Total assets	**14**	**26**	**31**	**14**	**12**	**10**
Liabilities						
Current	-	-	1	-	-	-
Loans	-	-	-	-	-	-
Non-current	1	1	1	1	-	-
Loans	-	-	-	1	-	-
Equity	13	25	29	13	12	10
Total liabilities and equity	**14**	**26**	**31**	**14**	**12**	**10**
Statement of income						
Net sales revenue	-	8	10	2	4	3
Cost of sales	(1)	(1)	(1)	(1)	(1)	(1)
Depreciation and amortization	-	-	-	(1)	-	-
Gross income (loss)	**(1)**	**7**	**9**	**1**	**3**	**2**
General and administrative expenses	-	-	-	-	-	-
Finance income	1	-	-	-	-	-
Finance expenses	-	-	-	-	-	-
Operational income (loss)	**-**	**7**	**9**	**1**	**3**	**2**
Share of (loss) income, net, of subsidiaries and joint ventures	-	-	-	-	-	-
Income tax and social contribution tax	3	(1)	(1)	-	-	-
Net income (loss) for the year	**3**	**6**	**8**	**1**	**3**	**2**
Comprehensive income (loss) for the year						
Net income (loss) for the year	3	6	8	1	3	2
Comprehensive income (loss) for the year	**3**	**6**	**8**	**1**	**3**	**2**

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2022	UFV Porteirinha I	UFV Porteirinha II	UFV Brasilândia	UFV Apolo 1	UFV Campo Lindo 1	UFV Campo Lindo 2
Assets						
Current	1	2	3	1	1	1
Cash and cash equivalents	-	1	2	-	-	1
Non-current	11	11	28	8	13	13
Total assets	**12**	**13**	**31**	**9**	**14**	**14**
Liabilities						
Current	-	-	4	-	-	-
Loans	-	-	-	-	-	-
Non-current	1	1	1	-	1	1
Loans	1	-	3	-	1	1
Equity	11	12	26	9	13	13
Total liabilities and equity	**12**	**13**	**31**	**9**	**14**	**14**
Statement of income						
Net sales revenue	4	4	8	2	3	2
Cost of sales	(1)	(1)	(2)	(1)	(1)	(1)
Depreciation and amortization	-	-	-	-	(1)	(1)
Gross income (loss)	**3**	**3**	**6**	**1**	**2**	**1**
General and administrative expenses	-	-	-	-	-	-
Finance income	-	-	1	-	-	-
Finance expenses	-	-	-	-	-	-
Operational income (loss)	**3**	**3**	**7**	**1**	**2**	**1**
Share of (loss) income, net, of subsidiaries and joint ventures	-	-	-	-	-	-
Income tax and social contribution tax	-	-	(1)	-	-	-
Net income (loss) for the year	**3**	**3**	**6**	**1**	**2**	**1**
Comprehensive income (loss) for the year						
Net income (loss) for the year	3	3	6	1	2	1
Comprehensive income (loss) for the year	**3**	**3**	**6**	**1**	**2**	**1**

Amazônia Energia S.A. and Aliança Norte Energia S.A.

Amazônia Energia and Aliança Norte are shareholders of Norte Energia S.A. (‘NESA’), which holds the concession to operate the Belo Monte Hydroelectric Plant. Through the jointly controlled entities referred to above, Cemig GT owns an indirect equity interest in NESA of 11.69%.

On December 31, 2024, NESA has negative net working capital of R$217 (R$578 on December 31, 2023). According to the estimates and projections, the situation of negative net working capital, and the future demands for investments in the hydroelectric plant, will be supported by revenues from future operations.

On September 21, 2015, NESA was awarded a preliminary injunction ordering Aneel to abstain from applying penalties or sanctions to NESA in relation to the delay in Belo Monte Hydroelectric Plant to start operations, until the hearing of the application for an injunction made in the original case. NESA management, supported by their legal advisers, have classified the probability of loss as ‘possible’ and estimated the potential loss on December 31, 2024 to R$3,053 (R$2,859 on December 31, 2023). The potential impact for the Company is limited to its investment interest in NESA.

Acquisition of equity interest - Distributed Generation

The Jequitibá II photovoltaic plant

On March 8, 2024, Cemig Sim concluded the acquisition of 100% of the equity in Oasis Solar Jequitibá SPE Ltda (the Jequitibá II Solar Plant), after all the conditions precedent had been met.

This photovoltaic plant, located in the city of Jequitibá, in Minas Gerais, has installed generation capacity of 6.25MWp, in the shared mini-distributed generation mode, and is in full commercial operation.

The Company applied the acquisition method to account for the business combination, measuring the identifiable assets acquired and the liabilities assumed at their respective fair values on the acquisition date, in accordance with the provisions of IFRS 3.

The value of the acquisition was R$40 and the accounting effects are presented below.

Acquisition cost	Jequitibá II photovoltaic plant
Equity value	45
Added value (fair value – book value)	5
Fair value of net assets	**50**
Advantageous purchase	(10)
Total value of the consideration	40

The summary of the measurement at fair value of the assets and liabilities acquired is as follows:

Assets	Fair value on acquisition date	Liabilities	Fair value on acquisition date
Non-current	**55**	**Non-current**	**5**
PP&E	43	Other liabilities	5
Intangible	7		
Operating rights	5		
		Total net assets at fair value	**50**

The Jequitibá I photovoltaic plant

On August 7, 2024, Cemig Sim concluded acquisition of 100% of the equity in Sol de Jequitibá SPE Ltda (the Jequitibá I Solar Plant), after all the conditions precedent had been met.

This photovoltaic plant, located in the city of Jequitibá, in Minas Gerais, has installed generation capacity of 6.55MWp, in the shared mini-distributed generation mode, and is in full commercial operation.

The Company applied the acquisition method to account for the business combination, measuring the identifiable assets acquired and the liabilities assumed at their respective fair values on the acquisition date, in accordance with the provisions of IFRS 3.

The value of the acquisition was R$43 and the accounting effects are presented below.

Acquisition cost	Jequitibá I photovoltaic plant
Equity value	44
Added value (fair value – book value)	3
Fair value of net assets	**47**
Advantageous purchase	(4)
Total value of the consideration	43

The summary of the measurement at fair value of the assets and liabilities acquired is as follows:

Assets	Fair value on acquisition date	Liabilities	Fair value on acquisition date
Non-current	**53**	**Non-current**	**6**
PP&E	44	Other liabilities	6
Intangible	6		
Operating rights	3		
		Total net assets at fair value	**47**

Cemig Sim acquired control of the Jequitibá II and Jequitibá I solar plants with the objective of consolidating its market share and obtaining gain in scale and scope through consolidation of operations.

Risks related to compliance with laws and regulations

Investigations

The Public Attorneys' Office of the State of Minas Gerais is conducting a civil public inquiry with the objective of identifying any irregularities in the investment of Cemig GT in Guanhães Energia. Up to the date of publication of these financial statements there has been no movement in the process.

Accounting policy

Investments

The Company and its subsidiaries hold investments in affiliates and joint ventures. Control is obtained when the Company and/or one of its subsidiaries has the power to control the financial and operational policies of an entity to receive benefits from its activities. These investments are accounted using the equity method in the parent company and consolidated financial statements and are, initially, recognized at acquisition cost, by the consideration transferred, measured at fair value at acquisition date.

The difference between the amount paid and the amount of the shareholders' equity acquired is recognized in Investments as: (i) added value, when the economic basis is substantially related to the fair value of the net assets of the subsidiary acquired; and (ii)goodwill, when the amount paid is higher than the fair value of the net assets, and this difference represents the expectation of generation of future value. The goodwill arising from the acquisition is tested annually for impairment.

Business combinations

A business combination occurs when the Company or its subsidiaries acquire control of a business, whatever its legal form. The Company determines that it has acquired a business when the group of activities and assets acquired includes, at least, an input - entry of funds, and a substantive process, which together contribute materially to the capacity to generate output - an outflow of funds.

The Company and its subsidiaries accounts business combinations using the acquisition method. Thus, at the moment of acquisition the acquiring company is required to recognize and measure the identifiable assets acquired, the liabilities assumed, and the shareholding interests of non-controlling equity holders at fair value, which will result in recognition of a goodwill due to expectation of future profitability, or in a gain arising from an bargain purchase, the gain being allocated to the Statement of income for the period.

Capital gains and losses on acquisition represent the difference between the fair value of the identifiable assets acquired and the fair value of the liabilities assumed. Goodwill and the bargain purchase represent the difference between the consideration transferred and the fair value of the identifiable assets acquired, the liabilities assumed and the non-controlling interests.

Estimations and judgments

Investments in shareholdings

The subsequent measurement of these investments is based on the equity method. Subsequent to this measurement, the company assesses whether there are indications of possible impairment in the recoverable value of its investments.

Recoverable value is calculated as the greater of: (i) the fair value of the asset, net of selling expenses, and (ii) the value in use, represented by the present value of the expected cash flows. If this amount is less than book value, an impairment is recognized, directly in the income statement, with counterpart reduction in the asset in question.

At the end of each reporting period the Company assesses whether there is any indication that the losses recognized in previous periods can be reversed in whole or in part. If there are indications, the recoverable value of the asset needs to be estimated.

The equity method ceases to be applied from the moment the investment loses its characteristics as an associate, subsidiary or jointly-controlled subsidiary, for example in the case of classification as a non-current asset held for sale.

The financial statements of jointly-owned subsidiaries are prepared for the same disclosure period as those of the Company and its subsidiaries. When necessary, adjustments are made to bring the accounting policies into line with those applied by the Company and its subsidiaries.

Business combinations

Costs generated by acquisition of assets are allocated directly to the Statement of income as and when incurred.

After the initial recognition, the goodwill is measured at cost, less any accumulated impairments. For the purposes of the impairment test, the goodwill acquired in business combinations is, as from the acquisition date, allocated to each one of the cash generating units that it is expected will be benefited by the synergies of the combination.

It is the Company’s understanding that the amount specifically referred to the right of concession, the right of commercial operation, or similar rights, does not constitute goodwill, including when these rights are acquired in a business combination in which the acquired entity is a concession holder, whose right to the concession has a known and defined period.

When a business combination is carried out in stages (“step-acquisition method”), the interest previously held by the Company in its investee is remeasured at the fair value at the acquisition date and the corresponding gain or loss, if any, is recognized in the statement of income.

15. PROPERTY, PLANT AND EQUIPMENT

	Dec. 31, 2024			Dec. 31, 2023		
	Historical cost	Accumulated depreciation	Net value	Historical cost	Accumulated depreciation	Net value
In service						
Land	249	(36)	213	247	(33)	214
Reservoirs, dams and watercourses	3,339	(2,520)	819	3,323	(2,470)	853
Buildings, works and improvements	1,095	(883)	212	1,095	(868)	227
Machinery and equipment	2,951	(2,143)	808	2,826	(2,078)	748
Vehicles	20	(16)	4	19	(15)	4
Furniture and utensils	14	(11)	3	14	(11)	3
	7,668	**(5,609)**	**2,059**	**7,524**	**(5,475)**	**2,049**
In progress	**1,656**	**-**	**1,656**	**1,207**	**-**	**1,207**
Net property, plant and equipment	**9,324**	**(5,609)**	**3,715**	**8,731**	**(5,475)**	**3,256**

Changes in PP&E are as follows:

	Dec. 31, 2023	Additions	Business combination	Classification as held for sale	Disposals	Depreciation	Transfers / Capitalizations	Dec. 31, 2024
In service								
Land (1)	214	2	-	-	(1)	(3)	1	213
Reservoirs, dams and watercourses	853	-	-	(7)	(1)	(80)	54	819
Buildings, works and improvements	227	-	-	(1)	-	(17)	3	212
Machinery and equipment	748	1	87	(5)	-	(71)	48	808
Vehicles	4	-	-	-	-	(1)	1	4
Furniture and utensils	3	-	-	-	-	-	-	3
	2,049	**3**	**87**	**(13)**	**(2)**	**(172)**	**107**	**2,059**
In progress	**1,207**	**581**	**-**	**(8)**	**(17)**	**-**	**(107)**	**1,656**
Net property, plant and equipment	**3,256**	**584**	**87**	**(21)**	**(19)**	**(172)**	**-**	**3,715**

(1) Certain land linked to concession agreements with no indemnity provision is depreciated over the concession period.

	Dec. 31, 2022	Additions	Business Combination	Disposals - Assets classified as held for sale	Disposals	Depreciation	Transfers / Capitalizations	Dec. 31, 2023
In service								
Land (1)	217	-	-	(2)	-	(3)	2	214
Reservoirs, dams and watercourses	870	-	-	(22)	-	(79)	84	853
Buildings, works and improvements	233	-	-	(5)	-	(17)	16	227
Machinery and equipment	706	1	70	(29)	(1)	(69)	70	748
Vehicles	2	-	-	-	-	(2)	4	4
Furniture and utensils	3	-	-	-	-	-	-	3
	2,031	**1**	**70**	**(58)**	**(1)**	**(170)**	**176**	**2,049**
In progress	**380**	**1,005**	**-**	**-**	**(2)**	**-**	**(176)**	**1,207**
Net property, plant and equipment	**2,411**	**1,006**	**70**	**(58)**	**(3)**	**(170)**	**-**	**3,256**

(1) Certain land linked to concession agreements with no indemnity provision is depreciated over the concession period.

	Dec. 31, 2021	Additions	Disposals	Depreciation	Transfers / Capitalizations	Dec. 31, 2022
In service						
Land (1)	220	-	-	(3)	-	217
Reservoirs, dams and watercourses	944	-	-	(81)	7	870
Buildings, works and improvements	248	-	-	(17)	2	233
Machinery and equipment	697	-	(12)	(70)	91	706
Vehicles	1	-	-	(1)	2	2
Furniture and utensils	3	-	-	-	-	3
	2,113	**-**	**(12)**	**(172)**	**102**	**2,031**
In progress	**306**	**176**	**-**	**-**	**(102)**	**380**
Net property, plant and equipment	**2,419**	**176**	**(12)**	**(172)**	**-**	**2,411**

(1) Certain land linked to concession agreements with no indemnity provision is amortized over the concession period.

Depreciation rates, which take into consideration the expected useful life of the assets, are revised annually by Management and are as follows:

Generation	(%)	Administration	(%)
Reservoirs, dams and watercourses	2	Software	20
Buildings - Machine room	2	Vehicles	14.29
Buildings - Other	3.33	IT equipment in general	16.67
Generator	3.33	General equipment	6.25
Water turbine	2.5	Buildings - Other	3.33
Pressure tunnel	3.13		
Command station, panel and cubicle	3.57		
Floodgate	3.33		

The Company has not identified any evidence of impairment of its Property, plant and equipment assets.

As established in the contract between Cemig GT and the Union (Federative Republic of Brazil), at the end of the concession the assets will revert to the Union, which in turn will indemnify Cemig GT for such assets as have not been depreciated, which will correspond to the remaining balance of the asset at the end of the concession.

The generation concession contract also provide that, at the end of the period of each concession, the concession-granting power shall determine the amount to be indemnified, except in the case of the concession contracts related to Lot D of Auction 12/2015, which are the subject of a Concession Grant Fee, as detailed in Explanatory Note 12.

For contracts under which CEMIG does not have a right to receive such amounts or there is uncertainty related to collection of the amounts, such as in the case of thermal generation and hydroelectric generation as an independent power producer, no residual value is recognized, and the depreciation rates are adjusted so that all the assets are depreciated within the concession term.

Management believes the amounts of indemnity of these assets will be higher than their historic cost depreciated over their respective useful lives.

Consortium

The Company is a partner in an energy generation consortium for the *Queimado* plant, for which no separate company with independent legal existence was formed to manage the object of the concession. The Company's portion in the consortium is recorded and controlled individually in the respective categories of PP&E and Intangible assets.

	Stake in power output (%)	Average annual depreciation rate (%)	Dec. 31, 2024	Dec. 31, 2023
In service				
Queimado power plant	82.5	3.94	220	220
Accumulated depreciation			(150)	(142)
Total operation			**70**	**78**
In progress				
Queimado power plant	82.5	-	8	2
Total construction			**8**	**2**
Total construction			**78**	**80**

Accounting policy

Property, plant and equipment are stated at the cost, including deemed cost, decommissioning costs and capitalized borrowing costs, less accumulated depreciation and impairment, if there is.

The relevant components of certain assets that are replaced over the economic useful life of the main asset are recognized separately and depreciated over the estimated period until their replacement. Periodic maintenance costs are recognized in the income statement as incurred.

Gains and losses resulting from the disposal of a property, plant and equipment, are measured as the difference between the net proceeds obtained from the sale and the asset's book value and are recognized in the Statement of income when the asset is disposed of.

Estimations and judgments

Depreciation is calculated on the balance of property, plant and equipment in service and investments in consortia, by the straight-line method, using the rates that reflect the estimated useful life of the assets, for assets related to energy activities, limited in certain circumstances to the periods of the related concession contracts.

Impairment

Management assesses at the end of each reporting period, whether there have been events or changes in the economic, operational or technological circumstances of its assets or Cash Generating Units (CGUs) that may indicate deterioration or loss of their recoverable value. The Company considers the generation and transmission assets held by Cemig GT to be two separate cash-generating units, and the distribution assets held by Cemig D to be a single cash-generating unit. The other assets are analyzed individually.

If there are indications of impairment, the Company estimates the recoverable value of the asset or CGU and, if the net book value exceeds the recoverable value, the impairment loss is recognized by adjusting the net book value to the recoverable value. In this case, the recoverable amount of an asset or a certain cash-generating unit is defined as the higher of its value in use and its net selling price.

16. INTANGIBLE ASSETS

	Dec. 31, 2024			Dec. 31, 2023		
	Historical cost	Accumulated amortization	Net value	Historical cost	Accumulated amortization	Net value
In service						
Useful life defined						
Temporary easements	15	(8)	7	15	(7)	8
Onerous concession	14	(11)	3	14	(10)	4
Assets of concession	27,594	(11,766)	15,828	25,217	(10,933)	14,284
Assets of concession - GSF	1,031	(467)	564	1,031	(334)	697
Others	174	(90)	84	139	(79)	60
	28,828	**(12,342)**	**16,486**	**26,416**	**(11,363)**	**15,053**
In progress	**320**	**-**	**320**	**196**	**-**	**196**
Net intangible assets	**29,148**	**(12,342)**	**16,806**	**26,612**	**(11,363)**	**15,249**

Changes in Intangible assets are as follow:

	Dec. 31, 2023	Additions	Disposals	Amortization	Transfers (1)	Dec. 31, 2024
In service						
Useful life defined						
Temporary easements	8	-	-	(1)	-	**7**
Onerous concession	4	-	-	(1)	-	**3**
Assets of concession	14,284	24	(62)	(1,000)	2,582	**15,828**
Assets of concession - GSF	697	-	-	(133)	-	**564**
Others	60	10	-	(11)	25	**84**
	15,053	**34**	**(62)**	**(1,146)**	**2,607**	**16,486**
In progress	**196**	**214**	**-**	**-**	**(90)**	**320**
Net intangible assets	**15,249**	**248**	**(62)**	**(1,146)**	**2,517**	**16,806**

(1) The transfers were made between concession contract assets to Intangible assets: in 2024 of R$2,517 (R$1,590 in 2023).

	Dec. 31, 2022	Additions	Disposals	Amortization	Transfers (1)	Dec. 31, 2023
In service						
Useful life defined						
Temporary easements	9	-	-	(1)	-	**8**
Onerous concession	4	-	-	-	-	**4**
Assets of concession	13,555	3	(81	(914)	1,721	**14,284**
Assets of concession - GSF	832	-	-	(135)	-	**697**
Others	15	26	(10)	(5)	34	**60**
	14,415	**29**	**(91)**	**(1,055)**	**1,755**	**15,053**
In progress	**206**	**158**	**(3)**	**-**	**(165)**	**196**
Net intangible assets	**14,621**	**187**	**(94)**	**(1,055)**	**1,590**	**15,249**

(1) The transfers were made between concession contract assets to Intangible assets: R$1,590 in 2023 (R$2,448 in 2022).

	Dec. 31, 2021	Additions	Disposals	Amortization	Transfers (1)	Dec. 31, 2022
In service						
Useful life defined						
Temporary easements	10	-	-	(1)	-	**9**
Onerous concession	5	-	-	(1)	-	**4**
Assets of concession	11,807	-	(57)	(817)	2,622	**13,555**
Assets of concession - GSF	966	-	-	(134)	-	**832**
Other	4	13	-	(3)	1	**15**
	12,792	**13**	**(57)**	**(956)**	**2,623**	**14,415**
In progress	**161**	**106**	**-**	**-**	**(61)**	**206**
Net intangible assets	**12,953**	**119**	**(57)**	**(956)**	**2,562**	**14,621**

(1) The main transfers were made between concession contract assets to Intangible assets: in 2022 of R$2,448.

Concession assets

The energy and gas distribution infrastructure assets already in service and that will be fully amortized during the concession term are recorded as intangible assets. Assets linked to the infrastructure of the concession that are still under construction are posted initially as contract assets, as detailed in Note 13.

The main amortization rates are as follows:

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

Gas	(%)	Administration	(%)
Tubing	3.33	Software	20.00
Buildings, works and improvements	4.00	Vehicles	20.00
Improvements in leased properties	10.00	Data processing equipment	20.00
Machinery and equipment	5.00 to 20.00	Furniture	10.00

The annual average amortization rate is 4.03% and by segment is follows:

Hydroelectric Generation	Wind Power Generation	Gas	Distribution	Administration
20.75%	5.78%	3.41%	3.92%	15.69%

Under the regulations of the energy segment, property, plant and equipment used in the distribution concession are linked to these services, and cannot be withdrawn, disposed of, assigned or provided in guarantee without the prior express authorization of the Grantor.

Renegotiation of hydrological risk – Generation Scaling Factor - GSF

ReH 2,919/2021 ratified the amounts of the right to compensation for the São Simão, Jaguara, Miranda and Volta Grande plants, which were owned by the Company during the period indicated in Law 14,052/2020 for compensation, but this Law does not specify how this will be carried out in the event of the absence of debts with the Union related to the concession regime determined in the Law. The amounts calculated are:

Plant re-offered for tender	Amount
São Simão	783
Miranda	146
Jaguara	237
Volta Grande	157
Total	**1,323**

On December 21, 2023, the Company sent correspondence to the Ministry of Mines and Energy, requesting recognition of the absence of a mechanism for compensation, in the hypothesis mentioned above, as well as the updating of the amounts contained in ReH No. 2,919/2021 and their conversion into an agreement to extend the terms of certain power plants under the Company's concession, under the terms of Law No. 14,052/2020.

Considering that there is no legal provision on how to compensate for non-hydrological risks and the Company's right depends on the occurrence of uncertain future events, which are not entirely under its control, the contingent assets relating to the plants listed in the table above were not recognized.

Operating licenses

In compliance with the legal determinations contained in Copam Normative Decision 217/2017, the company's power plants and its subsidiaries have been going through the process of obtaining and renewing operating licenses.

The following facilities have obtained operating licenses: HPP Irapé, HPP Salto Grande, EOL Volta do Rio and HPP Pai Joaquim. Expenditure on environmental conditions, related to legal and regulatory requirements after the start-up of the projects, was estimated and recognized against intangible assets. The estimated costs of environmental conditions were brought to present value considering the incremental rate, taking into account the term of up to 10 years of the operating licenses, the period in which the asset will be amortized.

Accounting policy

These mainly include assets relating to the service concession contracts described above and software. They are measured at total acquisition cost, less amortization expenses and accumulated impairment losses, when applicable.

Any gain or loss resulting from the derecognition of intangible assets, corresponding to the difference between their book value and the net sale value, is recognized in the income statement, in “Other expenses”.

Energy and gas distribution activity

The portion of the concession assets that will be fully amortized during the concession is classified as an intangible asset and amortized over the term of the concession contract, as provided for in IFRIC 12.

Onerous concessions

The information about onerous concessions are disclosed in explanatory note 2.

Estimations and judgments

The annual amortization rates take into account the expected useful life of the assets and reflect their expected consumption pattern and are reviewed annually by Management.

The Company and its subsidiaries have not identified any indications of impairment of their intangible assets.

Renegotiation of hydrological risk – Generation Scaling Factor - GSF

Under the terms of Law 13.203/2015 and subsequent amendments, the hydrological risk was renegotiated, establishing the right to reimbursement for the costs incurred with the GSF, assumed by the owners of the hydroelectric plants participating in the Energy Reallocation Mechanism (*Mecanimos de Realocação de Energia*, or 'MRE') between 2012 and 2017.

The procedure adopted by Aneel for this compensation was to extend the grant periods for these plants. The company therefore recognized an intangible asset representing this right to extend the concessions.

On initial recognition, the fair value of the right to extend the concession was estimated individually for each plant, using the revenue approach, which converts future values into a single current value, discounted by the rate of return approved by Management for the energy generation activity, reflecting current market expectations in relation to future values.

The useful life of the assets that make up property, plant and equipment and intangible assets has been adjusted to the new remaining term of the concession, i.e. the term of the extension of the right to grant the concession has been added to the originally agreed term. Thus, amortization is carried out using the straight-line method until the end of the new concession term.

Impairment

For assets with a defined useful life, if there are indications of impairment, the Company estimates the recoverable value of the asset or CGU and, if the net book value exceeds the recoverable value, an impairment loss is recognized, adjusting the net book value to the recoverable value. In this case, the recoverable amount of an asset or a certain cash-generating unit is defined as the higher of its value in use and its net selling price.

17. LEASING

The Company recognized a right of use and a lease liability for the following contracts which contain a lease in accordance with IFRS 16:

- Leasing of commercial real estate used for serving consumers;
- Leasing of building used as administrative headquarter;
- Leasing of commercial vehicles used in operations;
- Leasing of land for the implementation and operation of photovoltaic generation plants.

The discount rates were obtained based on incremental borrowing rate, as follows:

Incremental borrowing rate	Annual rate (%)	Monthly rate (%)
Contracts entered – 2023 (1)		
Up to seven years	6.82	0.55
Eight to nine years	6.90	0.56
Ten to twelve years	6.99	0.57
Thirteen to twenty-two years	7.19	0.58
Contracts entered – 2024 (1)		
Up to five years	6.78	0.55
Six to eleven years	6.68	0.56
Sixteen to thirty years	6.73	0.57

(1) Monthly the Company calculates the addition to the rate to be applied to the new contracts. For the purposes of publication, these are presented at the average rates used.

a) Right of use assets

The right-of-use assets were valued at cost, corresponding to the amount of the initial measurement of the lease liabilities, adjusted by its remeasurements, and amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Changes in the right of use asset are as follows:

	Real estate property	Vehicles	Total
Balances at December 31, 2022	**214**	**115**	**329**
Amortization (1)	(12)	(37)	(49)
Right of use acquired in a business combination	8	-	8
Disposals (contracts terminated)	(8)	(5)	(13)
Addition	31	24	55
Remeasurement (2)	13	55	68
Balances at December 31, 2023	**246**	**152**	**398**
Amortization (1)	(15)	(43)	(58)
Business combination adjustment	1	-	1
Disposals (contracts terminated)	(7)	(4)	(11)
Addition	31	8	39
Remeasurement (2)	8	10	18
Balances at December 31, 2024	**264**	**123**	**387**

(1) Amortization of the Right of Use recognized in the Statement of income is net of use of the credits of PIS/Pasep and Cofins taxes on payments of rentals, a total R$0.835 in 2024 (R$0.719 in 2023). The weighted average annual amortization rates are 6.18% for real estate and 35.95% for vehicles.
(2) The Company has identified events giving rise to revaluation and modifications of their principal contracts. The leasing liabilities are restated with adjustment to the asset of Right of Use.

b) Leasing liabilities

The liability for leasing agreements is measured at the present value of lease payments to be made over the lease term, discounted at the Company's incremental borrowing rate. The liability carrying amount is remeasured to reflect leases modifications.

The changes in the lease liabilities are as follows:

Balances at December 31, 2022	**354**
Addition	55
Lease liability received in the business combination	3
Accrued interest	38
Payment of principal portion of lease liability	(67)
Payment of interest	(5)
Disposals (contracts terminated)	(13)
Remeasurement (2)	68
Balances at December 31, 2023	**433**
Addition	39
Accrued interest (1)	28
Payment of principal portion of lease liability	(72)
Payment of interest	(6)
Disposals (contracts terminated)	(11)
Remeasurement (2)	18
Balances at December 31, 2024	**429**
Current liabilities	**79**
Non-current liabilities	**350**

(1) Financial expenses recognized in the Statement of income are net of incorporation of the credits for PIS/Pasep and Cofins taxes on payments of rentals, in the amounts of R$1 in 2024 (R$2 on December 31, 2023).
(2) The Company identified events that give rise to restatement and modifications of their principal contracts; the leasing liability was remeasured with an adjustment to the asset of Right of Use.

Additions and settled in leases are non-cash transactions, and therefore are not reflected in the Statements of Cash Flows.

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

Cash flow	Nominal	Adjusted to present value
Consideration for the leasing	659	429
Potential PIS/Pasep and Cofins (9.25%)	36	21

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

The cash flows of the leasing contracts are, in their majority, updated by the IPCA inflation index, annually. Below is an analysis of maturity of lease contracts:

2025	78
2026	88
2027	65
2028	28
2029	25
2030 at 2048	376
Undiscounted values	**660**
Embedded interest	(231)
Lease liabilities	**429**

Accounting policy

The Company recognizes a right-of-use asset and a leasing liability on the lease start date, that is, on the date on which the asset is available for use.

Right of use assets

The cost of Right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

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Estimations and judgments

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

Right of use assets

Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. During the lease period, the Company's intention in relation to options to renew is taken into account.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, amortization is calculated using the estimated useful life of the asset.

Lease liabilities

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental rate is estimated taking corporate funding rates as a starting point, representing the interest rate that the Company would pay to obtain a loan for a similar period, and with similar guarantee/s, of the funds necessary to acquire an asset with similar value to the right-of-use asset in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company recognize separately the expenses of interest on the leasing liability and the expense of depreciation of the asset of the right to use.

18. SUPPLIERS

	Dec. 31, 2024	Dec. 31, 2023
Energy purchased for resale	1,176	1,250
Energy on spot market – CCEE	199	135
Charges for use of energy network	240	246
Itaipu Binacional	210	240
Gas purchased for resale	216	204
Materials and services	911	942
	2,952	**3,017**

The exposure of the Company and its subsidiaries to exchange rate and liquidity risks related to suppliers is disclosed in note 30.

19. TAXES PAYABLE AND AMOUNTS TO BE REFUNDED TO CUSTOMERS

	Dec. 31, 2024	Dec. 31, 2023
Current		
ICMS	146	113
Cofins (1)	278	225
PIS/Pasep (1)	61	49
INSS	59	54
Others (2)	181	203
	725	**644**
Non-current		
Cofins (1)	407	297
PIS/Pasep (1)	89	65
	496	**362**
	1,221	**1,006**
Amounts to be refunded to consumers		
Current		
PIS/Pasep and Cofins	185	513
ICMS (3)	341	341
Non-current		
PIS/Pasep and Cofins	166	664
	692	**1,518**

(1) PIS/Pasep and Cofins recorded in current liabilities include the deferral on the financial remuneration of the contract asset and on the construction and improvement revenues linked to the transmission contracts. For more information, see Note 15.

(2) This includes the retention, at source, of income tax on the Interest on Equity declared. This tax was paid in the subsequent month, in accordance with the tax legislation. More details in note 25.

(3) On June 23, 2022 Complementary Law no. 194 was enacted, with immediate effectiveness, which changed the National Tax Code (CTN) and Complementary Law no. 87/96 (Kandir Law), classifying electric energy, among other goods, as essential, prohibiting the establishment of ICMS rates for transactions with these goods at a higher level than for transactions in general, and applying the non-levy of this tax on transmission and distribution services and sectorial charges related to electric energy transactions. In December 2022, an amount of R$341 was provisioned to be returned to the consumers, referring to the period in which the tax was still charged in the invoices.

The amounts of PIS/Pasep and Cofins to be refunded to consumers by Cemig D and Gasmig due to the exclusion of ICMS from the calculation basis of these contributions represent the amounts of R$209 (R$1,014 on December 31, 2023) and R$143 (R$163 on December 31, 2023, respectively. The criteria for refunding Gasmig's PIS/Pasep and Cofins credits to consumers will still be the subject of discussions with the Minas Gerais Development Secretariat.

Movement of amounts to be refunded to consumers

Balances on December 31, 2021	**3,023**
ICMS to be refunded	341
Consumers refunds	(2,360)
Additional tax credits - Law 14.385/2022	1,419
Financial adjustments - Selic	881
Balances on December 31, 2022	**3,304**
Consumers refunds	(1,909)
Federal Revenue Inspection	(67)
Financial adjustments - Selic	190
Balances on December 31, 2023	**1,518**
Consumers refunds	(513)
Reversal of amounts to be refunded to consumers	(411)
Financial adjustments - Selic	65
Others	33
Balances on December 31, 2024	**692**

In May 2024, R$411 was written down from the total of ‘Amounts to be repaid to consumers’, payable to consumers as a result of the legal action, with counterpart in Finance income (expenses). That balance was being repaid to consumers through the tariff reviews. This write-down arises from the estimated amount of financial updating that had been posted by Cemig D for this liability being higher than under the criterion finally used by Aneel. These criteria were only finally known at completion of the return of the amounts in the last Annual Tariff Adjustment, on May 28, 2024. The criterion adopted by Aneel to update the liability used a procedure similar to that adopted to update the ‘Other financial components” in the Tariff Adjustment calculation.

20. LOANS AND DEBENTURES

Financing source	Principal maturity	Annual financial cost	Currency	Dec. 31, 2024			Dec. 31, 2023		
				Current	Non-current	Total	Current	Non-current	Total
FOREING CURRENCY									
Eurobonds (1)	2024	9.25%	U$$	-	-	-	1,857	-	1,857
(-) Transaction costs				-	-	-	(1)		(1)
(±) Interest paid in advance (2)				-	-	-	(2)		(2)
Total of loans				**-**	**-**	**-**	**1,854**		**1,854**
BRAZILIAN CURRENCY									
Debentures - 3rd Issue - 3rd Series (3)	2025	IPCA + 5.10%	R$	334	-	334	331	304	635
Debentures - 7th Issue - 1st Series (3)	2024	CDI + 0.45%	R$	-	-	-	271	-	271
Debentures - 7th Issue - 2nd Series (3)	2026	IPCA + 4.10%	R$	1,026	1,023	2,049	3	1,945	1,948
Debentures - 8th Issue - 1st Series (3)	2027	CDI + 1.35%	R$	3	500	503	2	500	502
Debentures - 8th Issue - 2nd Series (3)	2029	IPCA + 6.10%	R$	1	556	557	1	529	530
Debentures - 9th Issue - Single series	2026	CDI + 2.05%	R$	1,030	1,000	2,030	32	2,000	2,032
Debentures - 10th Issue - 1st Series (3)	2029	CDI + 0.80%	R$	17	400	417	-	-	-
Debentures - 10th Issue - 2nd Series (3)	2034	IPCA + 6.15%	R$	38	1,659	1,697	-	-	-
Debentures - 11th Issue - 1st Series (3)	2031	CDI + 0.55%	R$	29	1,000	1,029	-	-	-
Debentures - 11th Issue - 2nd Series (3)	2036	IPCA + 6.58%	R$	25	1,528	1,553	-	-	-
Debentures - 8th Issue - Single series (4)	2031	IPCA + 5.27%	R$	146	880	1,026	134	958	1,092
Debentures - 9th Issue - Single series (4)	2029	CDI + 0.47%	R$	-	200	200	-	-	-
Debentures - 9th Issue - 1st Series (1)	2027	CDI + 1.33%	R$	237	467	704	3	700	703
Debentures - 9th Issue - 2nd Series (1)	2029	IPCA + 7.63%	R$	1	331	332	1	315	316
(-) Discount on the issuance of debentures (5)				(3)	(3)	(6)	-	(9)	(9)
(-) Transaction costs				(7)	(138)	(145)	(2)	(41)	(43)
Total, debentures				**2,877**	**9,403**	**12,280**	**776**	**7,201**	**7,977**
Total				**2,877**	**9,403**	**12,280**	**2,630**	**7,201**	**9,831**

(1) Cemig Geração e Transmissão;
(2) Advance of funds to achieve the yield to maturity agreed in the Eurobonds contract;
(3) Cemig Distribuição;
(4) Debentures issued by Gasmig.
(5) Discount on the sale price of the 2nd series of the Seventh issue of Cemig Distribuição.

The debentures issued by the subsidiaries are non-convertible, there are no agreements for renegotiation, nor debentures held in treasury.

The nominal and real costs of the Company's debt are 12.64% p.a. and 7.66% p.a. on December 31, 2024, respectively, and 11.98% p.a. and 6.65% p.a. on December 31, 2023, respectively.

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a) Settlement of Eurobonds

In December 2017 and July 2018, funds were raised outside Brazil by issuance of Eurobonds, in the amounts of US$1 billion and US$500 million, respectively, with six-monthly payments of interest, and settlement of the principal in December 2024. At the same time, for protection against exchange rate variation, a hedge transaction was contracted through a combination of derivatives. Over the period from 2021 through 2023, Cemig GT executed repurchases, for a total amount of US$1,119 million.

Cemig GT settled its debt securities issued in the international market ('the Eurobonds') on December 5, 2024, in accordance with their maturity date. The net effect on the Company's cash position was R$1,866, comprising the payment of R$2,309 (US$381 million, at the exchange rate of US$1=R$6.0585), less the effect of R$443 arising under the hedge transaction.

b) Debentures issues

On September 27, 2024, Cemig D concluded the financial settlement of its 11th debenture issue, in two series, with a surety guarantee from Cemig. 2.5 million debentures were issued, characterized as 'sustainable ESG debentures', with total value of 2.5 billion Reais, which were subscribed as follows:

Series	Quantity	Amount	Remuneration	Maturity	Amortization
First Series	1,000,000	R$1,000,000	CDI + 0.55%	7 years	72 th e 84 th months
Second Series	1,500,000	R$1,500,000	IPCA + 6.5769%	12 years	132 th e 144 th months

	Entry Date	Principal maturity	Annual financial cost	Value
BRAZILIAN CURRENCY				
Debentures – 11th Issue – 1st Series	September, 2024	2031	CDI + 0.55%	1,000
Debentures – 11th Issue – 2nd Series	September, 2024	2036	IPCA + 6.5769%	1,500
(-) Transaction costs				(64)
Total				**2,436**

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Gasmig's 9th debenture issue

Gasmig concluded the financial settlement of this 9th issue of debentures, in a single series, on December 27, 2024. The issue was of 200 thousand debentures, with nominal unit value of one thousand Reais, for a total of R$200, as follows:

Series	Quantity	Amount	Remuneration	Maturity	Amortization
Single	200,000	R$200	CDI + 0.47%	5 years	36 th , 48 th e 60 th months

Financing source	Entry Date	Principal maturity	Annual financial cost	Value
BRAZILIAN CURRENCY				
Debentures – 9th Issue – Single Series	December, 2024	2029	CDI + 0.47%	200
Total				**200**

We note, additionally, that Fitch Ratings allocates a credit risk of AA+(bra) to this Issues.

c) Guarantees

The guarantees of the debt balance on loans and debentures, on December 31, 2024, were as follows:

	Dec. 31, 2024
Promissory notes and sureties	334
Guarantee and receivables	2,042
Sureties	8,694
Unsecured	1,210
Total	**12,280**

d) Composition and consolidated changes on loans and debentures

The company's debt has an average repayment period of 2.8 years. The consolidated breakdown of loans and debentures, by currency and index, considering their maturities, is as follows:

	2025	2026	2027	2028	2029	2030 onwards	Total
Index							
IPCA (1)	1,571	1,155	139	423	761	3,498	**7,547**
CDI (2)	1,315	1,233	800	300	233	1,000	**4,881**
Total by index	**2,886**	**2,388**	**939**	**723**	**994**	**4,498**	**12,428**
(-) Transaction costs	(7)	(7)	(4)	(11)	(12)	(105)	**(146)**
(-) Discount	(3)	-	(3)	-	-	-	**(6)**
Overall total	**2,876**	**2,381**	**932**	**712**	**982**	**4,393**	**12,276**

(1) Expanded National Customer Price (IPCA) Index.
(2) CDI: Interbank Rate for Certificates of Deposit.

The index used for monetary updating of Loans and debentures had the following variations:

Indexer	Accumulated change on 2024 (%)	Accumulated change on 2023 (%)
IPCA	4.83	4.62
CDI	10.83	13.04

The changes in loans and debentures are as follows:

Balance at December 31, 2021	**11,364**
Loans and financing obtained	2,000
Transaction costs	(19)
Financing obtained, net	**1,981**
Monetary variation	167
Exchange rate variation	(338)
Accrued financial charges	975
Premium on repurchase of debt securities (Eurobonds)	47
Amortization of transaction cost	7
Financial charges paid	(1,010)
Amortization of financing	(2,613)
Balance at December 31, 2022	**10,580**
Loans and financing obtained	2,000
Transaction costs	(12)
Financing obtained, net	**1,988**
Monetary variation	148
Exchange rate variation	(277)
Accrued financial charges	1,083
Amortization of transaction cost	14
Financial charges paid	(1,026)
Amortization of financing	(2,679)
Balance at December 31, 2023	**9,831**
Loans and financing obtained	4,700
Transaction costs	(118)
Financing obtained, net	**4,582**
Monetary variation	248
Exchange rate variation	464
Accrued financial charges	1,066
Amortization of transaction cost	20
Financial charges paid	(956)
Amortization of financing	(2,975)
Balance at December 31, 2024	**12,280**

e) Borrowing costs, capitalized

Borrowing costs directly related to the acquisition, construction or production of an asset that necessarily requires substantial time to be completed for its intended use or sale are capitalized as part of the cost of the corresponding asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs comprise interest and other costs incurred by the Company related to Loans and debentures.

The subsidiaries CEMIG D and Gasmig considered the costs of loans and debentures linked to construction in progress as construction costs of intangible and concession contract assets, as follows:

	2024	2023	2022
Costs of loans and financing	1,066	1,083	975
Financing costs on intangible assets and contract assets (1)	(77)	(70)	(47)
Net effect in Profit or loss	**989**	**1,013**	**928**

(1) The average capitalization rate in 2024 was 11.13% (11.75% in 2023).

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

f) Restrictive covenants

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

The Company has contracts with financial covenants as follows:

Title - Security	Covenant	Ratio required - Issuer	Ratio required CEMIG (guarantor)	Compliance required
8th Debentures Issuance Gasmig	Ebitda/Debt servicing Net debt / Ebitda (2)	1.3 or more 3.0 or less	-	Annual Annual
9th Debentures Issuance Gasmig	Ebitda/Net financial income 'Net debt / Ebitda	1.3 or more 3.0 or less	-	Annual
9th Debenture Issue CEMIG GT (3)	Net debt / Adjusted Ebitda (1)	3.5 or less	3.0 from Dec. 31, 2022 to June 30, 2026 and 3.5 from Dec. 31, 2026 onwards	Semi-annual and annual
7th and 8th Debentures Issuance CEMIG D	Net debt / Adjusted Ebitda (1)	3.5 or less	3.0 or less	Semi-annual and annual
9th Debentures Issuance CEMIG D	Net debt / Ebitda	3.5 or less	3.0 or less	Semi-annual and annual
10th Debentures Issue CEMIG D	Net debt / Ebitda	3.5 or less from June 30, 2024 to June 30, 2029 4.0 or less from June 30, 2029 onwards	3.0 or less up to June 30, 2026 3.5 or less from July 1, 2026 to June 30, 2029 4.0 or less from June 30, 2029 onwards	Semi-annual and annual
11th Debentures Issue CEMIG D	Net debt / Ebitda	3.5 or less from December 31, 2024 to June 30, 2029 4.0 or less from June 30, 2029 onwards	3.0 or less up to June 30, 2026 3.5 or less from July 1, 2026 to June 30, 2029 4.0 or less from June 30, 2029 onwards	Semi-annual and annual

(1) Adjusted Ebitda corresponds to earnings before interest, income taxes and social contribution on net income, depreciation and amortization, calculated in accordance with CVM Resolution 156, dated June 23, 2022, from which non-operating income, any credits and non-cash gains that increase net income are subtracted, to the extent that they are non-recurring, and any cash payments made on a consolidated basis during such period in respect of non-cash charges that were added back in the determination of Ebitda in any prior period, and increased by non-cash expenses and non-cash charges, to the extent that they are non-recurring.

(2) Non-compliance with financial covenants implies non-automatic early maturity. If early maturity is declared by the debenture holders, Gasmig must make the payment upon receipt of the notification.

(3) Non-compliance with financial covenants implies early maturity resulting in the immediate enforceability of payment by CEMIG GT of the Unit Nominal Value or Updated Unit Nominal Value of the Debentures, as the case may be, plus remuneration, in addition to the other charges due, regardless of judicial or extrajudicial notice, notification or interpellation.

Management monitored these covenants to ensure that the conditions outlined in the table above were met, and confirmed that the Company was in compliance with those as of December 31, 2024.

Linked funds under a debenture issue

On December 31, 2024, the company had a balance of R$235 relating to restricted funds (R$31 on December 31, 2023). This growth is essentially associated with Cemig D's 7th issue of debentures.

Under a Fiduciary Assignment contract of its seventh debenture issue, Cemig D is required to retain, monthly, in a linked account, during the six months prior to maturity of each installment, an amount equal to 1/6 of the projected value of the installment, on average R$181.

These guarantee deposits began in December 31, 2024, and at December 31, 2024 the amount held totaled R$185.

In the Financial Statements for 2024, the total of tied funds is shown under a specific heading in the Balance Sheet. In order to maintain comparability, the balance as of December 31, 2023, which was presented under “Other” in the Balance Sheet, has been highlighted on a specific line.

CEMIG

21. REGULATORY CHARGES

	Dec. 31, 2024	Dec. 31, 2023
Liabilities		
Global Reversion Reserve (RGR)	28	28
Energy Development Account (CDE)	76	133
Grantor inspection fee – Aneel	4	3
Energy Efficiency Program	188	187
Research and development (R&D)	146	150
Energy System Expansion Research	5	5
National Scientific and Technological Development Fund	10	9
Proinfa – Alternative Energy Program	9	9
Royalties for use of water resources	12	11
Emergency capacity charge	26	26
CDE on R&D (1)	3	3
CDE on EEP	5	8
Others	4	5
	516	**577**
Current liabilities	**344**	**487**
Non-current liabilities	**172**	**90**

(1) As per Aneel Dispatch 3,056 of October 9, 2024, the monthly installments of Cemig D's charges related to the Covid and Water Scarcity accounts of the CDE (*Conta de Desenvolvimento Energético*) are no longer charged, since both accounts have been fully paid.

(2) The Energy Efficiency Program (PEE) aims to promote the efficient use of electricity in all sectors of the economy. To this end, concessionaires and permit holders of public energy distribution services are obliged to invest an annual amount of their net revenue in research and development in the electricity sector.

a) Research, development and innovation

Every year, energy distribution, generation and transmission concessionaires and permit holders must allocate 1% of their regulatory net operating revenue to research, development and innovation projects in the energy sector.

The movement of balances is as follows:

	Dec. 31, 2023	Additions	Expenses	Investments	Monetary updating	Dec. 31, 2024
FNDCT	9	48	(47)	-	-	10
MME	5	24	(24)	-	-	5
R&D (1)	150	36	-	(56)	16	146
Total	**164**	**108**	**(71)**	**(56)**	**16**	**161**

	Consolidated					
	Dec. 31, 2022	Additions	Expenses	Investments	Monetary updating	Dec. 31, 2023
FNDCT	8	63	(62)	-	-	9
MME	4	32	(31)	-	-	5
R&D (1)	126	40	-	(32)	16	150
Total	**138**	**135**	**(93)**	**(32)**	**16**	**164**

(1) The changes in R&D are presented net of services in progress, which amounted to R$3 on December 31, 2024 and R$6 on December 31, 2022.

22. ACCOUNTS PAYABLE RELATED TO ENERGY GENERATED BY CONSUMERS

The Electricity Compensation System (Sistema de Compensação de Energia Elétrica – SCEE) was implemented in 2012 by Aneel Normative Resolution 482, which aimed to encourage renewable energy generation. The SCEE allows the energy injected by consumers from micro-generation or mini-distributed generation to be provided to the local distributor as a free loan – which is then offset against the customer's own consumption.

The balance of the obligation represents the volume of energy to be offset, measured at the electricity distribution tariff in force at the time.

On December 31, 2024, the amount posted in Current liabilities was R$1,252 (R$705 on December 31, 2023). This increase is mainly due to the increase in the number of generating facilities (301,804 in December 2024, compared to 249,241 in December 2023) and the increase in the amount of energy injected (6,108 GWh in 2024, compared to 4,720 GWh in 2023).

23. POST-EMPLOYMENT OBLIGATIONS

Forluz Pension plan (a Supplementary retirement pension plan)
CEMIG and its subsidiaries are sponsors of Forluz - Forluminas Social Security Foundation, a non-profit legal entity whose object is to provide its associates and participants and their dependents with a finance income to complement retirement and pension, in accordance with the pension plan that they are subscribed in.

Forluz provides the following supplementary pension benefit plans available to its participants:

Mixed Benefit Plan ('Plan B'): This plan operates as a defined-contribution plan in the fund accumulation phase for retirement benefits for normal time of service, and as a defined-benefit plan for disability or death of participants still in active employment, and for receipt of benefits for time of contribution. The Sponsors match the basic monthly contributions of the participants. This is the only plan open for joining by new participants. The actuarial risks related to Plan B occur only as from the option for the lifetime benefit at the moment of the participant's retirement. In this specific case the responsibility for the risk of insufficiency of reserves for coverage of the benefits (deficits) is in parity between sponsors and participants.

Funded Benefit Plan ('Plan A'): This plan includes all currently employed and assisted participants who opted to migrate from the Company's previously sponsored defined benefit plan and are entitled to a benefit proportional to those balances. For participants who are still working, this benefit has been deferred to the retirement date. The benefit balances of Plan A have the characteristic of lifetime payment, and the responsibility for the risk of insufficiency of reserves to cover the benefits (deficits) is exclusively that of the sponsors.

Cemig GT and Cemig D, independently of the plans made available by Forluz, also maintain contributions to the Integrated Pro-Saúde Plan (Plano Prosaúde Integrado – PSI) and the Dental Plan (Plano Odontológico – POD) for the employees, retirees and dependents, managed by Cemig Saúde.

Integrated Prosaúde Plan (PSI): This is a health plan for active and retired employees and their dependents, managed by Cemig Saúde, which provides outpatient and hospital care, including obstetric care, in an accredited network with nationwide reach. The coverage is mainly executed by the Benchmark Healthcare Program (Programa de Referência de Assistência à Saúde – PRAS). There are also reimbursements of medical expenses through the Special Guarantees Program (PTE) and the Complementary Healthcare Fund (FCAS).

Dental Program (POD): This dental plan is offered by the Company to active and retired employees and their dependents, with nationwide coverage, managed by Cemig Saúde in partnership with Odontoprev.

Actuarial obligations and recognition in the financial statements

On this Note the Company discloses its obligations and expenses incurred for purposes of the Retirement Plan, Health Plan, Dental Plan and the Life Insurance Plan in accordance with the terms of IAS 19 - *Employee Benefits*, and the independent actuarial opinion issued as of December 31, 2024.

Agreement to cover the deficit on Forluz Pension Plan 'A'

Forluz and the sponsors CEMIG, CEMIG GT and CEMIG D have signed a Debt Assumption Instrument to cover the deficit of Plan A for the years of 2015, 2016 and 2017.

The monthly amortizations, calculated by the constant installments system (Price Table), will be paid up to 2031 for the 2015 and 2016 deficits, in the amount of R$323, and up to 2033 for the 2017 deficit, in the amount of R$171. Remuneratory interest applicable to the outstanding balance is 6% p.y., plus the effect of the IPCA. If the plan reaches actuarial surplus before the full period of amortization of the debt, the Company will not be required to pay the remaining installments and the contract will be extinguished.

On December 31, 2024 the total amount payable by Cemig and its subsidiaries as a result of the Plan A deficits was R$494 (R$545 on December 31, 2023 referring to the Plan A deficits of 2015, 2016 and 2017).

Forluz consignment deposits

In accordance with the specific legislation, Forluz sent Cemig a proposal to enter into new Private Debt Assumption Instruments between Forluz and the sponsors Cemig, Cemig GT and Cemig D, according to the settlement plan to cover the deficit of Forluz's Plan A in 2019, 2020 and 2021. In the case of deficit settlements, if the plan reaches actuarial balance before the full amortization period of the contract, the Company would be exempt from paying the remaining installments and the contract would be extinguished.

The Company, recognizing its legal obligation with regard to the Plan A deficit, corresponding to 50% of the minimum amount, respecting the rule of contributory parity, makes consignment payments into a judicial deposit account, which are available to Forluz to be redeemed at any time at the official bank. The deposits are constituted monthly by the amount of 50% of the installment of each of the 2019, 2020 and 2021 Deficit Equalizations, as follows:

	Deficit of pension fund 2019	Deficit of pension fund 2020	Deficit of pension fund 2021
Start of consignment	May, 2021	April, 2022	In process
Total amount requested by Forluz	R$160	R$252	R$670
Amount considering contribution parity	R$80	R$126	R$335
Number of parcels	166	158	159
Remuneratory interest	IPCA + 6%	IPCA + 5.7%	IPCA + 5.51%
Balance deposited on December 31, 2024	R$38	R$42	R$56

Forluz sent the Company new equalization plans which are being assessed by Management, referring to the 2022 and 2023 actuarial deficits of the Salted Pension Benefits Plan - Plan A. The minimum amount of the accumulated deficits for equalization is R$1,207, of which the Company has been making consignment payments for the 2019, 2020 and 2021 deficits.

Forluz, due to (i) the non-execution of the Debt Assumption Agreement to cover the minimum proposed amount in the plan for the actuarial deficit of Plan A in the years of 2019, 2020 and 2021, and (ii) the refusal of the Company's consignment payments. Forluz entered with a lawsuit, against sponsor Cemig D. The Company is applying for the courts to approve the request for compliance with the contracting of the debt to cover the total amount of the deficit of Plan A. Judgment was given in favor of Forluz in the first instance decision by the Minas Gerais Appeal Court in 2022, in relation to the process of settlement of the deficit of 2019, but appeal lies for further dispute at higher instances of the Courts system. As a result, based on the assessments of its specialists, the Company has opted to maintain the assessment of chances of loss in the action as 'possible'.

Debt with the pension fund (Forluz)

Debt installments agreed with Forluz, referring to past actuarial deficits, were settled on June 30, 2024. The installments were amortized monthly, calculated on the basis of the constant-installment method (the 'Price Table') and updated by the IPCA (National Consumer Price) inflation index issued by the IBGE (Brazilian Geography and Statistics Institute) plus 6% per year. This debt was paid regardless of whether there was a surplus in the Foundation, and the effects of monetary updating and interest were posted in the Income statement.

Actuarial information

	Pension plans and retirement supplement plans	Health plan	Dental plan	Dec. 31, 2024
Present value of obligations	10,501	2,559	45	13,105
Fair value of plan assets	(8,947)	-	-	(8,947)
Initial net liabilities	**1,554**	**2,559**	**45**	**4,158**
Adjustment to asset ceiling	148	-	-	148
Net liabilities in the statement of financial position	**1,702**	**2,559**	**45**	**4,306**

The *asset ceiling* is the present value of any economic benefits available in the form of restitutions coming from the plan or reductions in future contributions to the plan.

The present value of the liabilities of the pension plan is adjusted to the asset ceiling, which corresponds to the surplus result of Plan B, which has a specific destination allocation under the regulations of the National Private Pension Plans Council (CNPC).

The changes in the present value of the defined benefit obligation

	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Defined-benefit obligation at December 31, 2021	**12,026**	**3,469**	**66**	**15,561**
Cost of current service	2	16	-	18
Past service cost (1)	(4)	-	-	(4)
Interest on actuarial obligation	1,224	361	7	1,592
Actuarial losses (gains):				
Due to changes in demographic assumptions	(7)	(1)	-	(8)
Due to changes in financial assumptions	(857)	(305)	(6)	(1,168)
Due to adjustments based on experience	106	(20)	(3)	83
	(758)	**(326)**	**(9)**	**(1,093)**
Benefits paid	(1,086)	(206)	(4)	(1,296)
Defined-benefit obligation at December 31, 2022	**11,404**	**3,314**	**60**	**14,778**
Cost of current service	-	11	-	11
Past service cost (2)	-	(55)	(1)	(56)
Interest on actuarial obligation	1,276	370	7	1,653
Actuarial losses (gains):				
Due to changes in demographic assumptions	-	26	1	27
Due to changes in financial assumptions	754	232	4	990
Due to adjustments based on experience	(125)	(673)	(14)	(812)
	629	**(415)**	**(9)**	**205**
Benefits paid	(1,093)	(218)	(4)	(1,315)
Defined-benefit obligation at December 31, 2023	**12,216**	**3,007**	**53**	**15,276**
Cost of current service	1	6	-	7
Interest on actuarial obligation	1,055	262	5	1,322
Actuarial losses (gains):				
Due to changes in demographic assumptions	-	(1)	-	(1)
Due to changes in financial assumptions	(1,883)	(556)	(9)	(2,448)
Due to adjustments based on experience	232	38	(1)	269
	(1,651)	**(519)**	**(10)**	**(2,180)**
Benefits paid	(1,120)	(197)	(3)	(1,320)
Defined-benefit obligation at December 31, 2024	**10,501**	**2,559**	**45**	**13,105**

(1) Due to the alterations made in the Collective Work Agreement for 2021-23, for offer and payment of life insurance for the employees and former employees, the Company understood that the post-retirement benefit in question had been entirely canceled, and as a result wrote down the balance of the obligation, remeasured using the revised actuarial assumptions.

(2) Relating to the changes in the conditions of Plan B for requesting the Enhancement of Retirement for Length of Contribution, Special or Age - MAT (*Melhoria de Aposentadoria por Tempo de Contribuição, Especial ou or Idade*).

Changes in the fair values of the plan assets

	Pension plans and retirement supplement plans
Fair value of the plan assets at December 31, 2021	**9,378**
Return on investments	633
Contributions from employer	272
Benefits paid	(1,085)
Fair value of the plan assets at December 31, 2022	**9,198**
Return on investments	1,464
Contributions from employer	313
Benefits paid	(1,093)
Fair value of the plan assets at December 31, 2023	**9,882**
Return on investments	(54)
Contributions from employer	239
Benefits paid	(1,120)
Fair value of the plan assets at December 31, 2024	**8,947**

Changes in net liabilities

	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Net liabilities at December 31, 2021	**2,670**	**3,469**	**66**	**6,205**
Expense recognized in Statement of income	285	378	7	670
Past service cost	(4)	-	-	(4)
Contributions paid	(272)	(206)	(4)	(482)
Actuarial gains (losses)	(361)	(327)	(8)	(696)
Net liabilities at December 31, 2022	**2,318**	**3,314**	**61**	**5,693**
Expense recognized in Statement of income	280	381	7	668
Past service cost	-	(55)	(1)	(56)
Contributions paid	(313)	(218)	(5)	(536)
Actuarial gains (losses)	72	(415)	(9)	(352)
Net liabilities at December 31, 2023	**2,357**	**3,007**	**53**	**5,417**
Expense recognized in Statement of income	214	269	5	488
Contributions paid	(239)	(197)	(4)	(440)
Actuarial gains (losses) (1)	(630)	(519)	(10)	(1,159)
Net liabilities at December 31, 2024	**1,702**	**2,560**	**44**	**4,306**

	Dec. 31, 2024	Dec. 31, 2023
Current liabilities	**233**	**329**
Non-current liabilities	**4,073**	**5,088**

(1) The reduction of liabilities is, essentially, due to the changes in the actuarial assumptions used. There is more information below in this note.

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

Amounts recorded as current liabilities refer to contributions to be made by CEMIG and its subsidiaries in the next 12 months for the amortization of the actuarial liabilities.

The amounts reported as 'Expense recognized in the Statement of income' refer to the costs of post-employment obligations, that include the past service cost arising from the cancellation of the post-retirement life insurance obligation, totaling R$485 (R$591 on December 31, 2023), plus the finance expenses and monetary updating on the debt with Forluz, in the amounts of R$3 (R$20 on December 31, 2023).

The amounts recognized in 2024, 2023 and 2022 statement of income

	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Current service cost	1	6	-	7
Interest on the actuarial obligation	1,055	262	5	1,322
Expected return on the assets of the Plan	(842)	-	-	(842)
Expense in 2024	**214**	**268**	**5**	**487**

2023	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Current service cost	-	11	-	11
Past service cost	-	(55)	(1)	(56)
Interest on the actuarial obligation	1,276	370	7	1,653
Expected return on the assets of the Plan	(1,004)	-	-	(1,004)
Expense in 2023	**272**	**326**	**6**	**604**

	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Current service cost	2	16	-	18
Past service cost	(4)	-	-	(4)
Interest on the actuarial obligation	1,224	361	7	1,592
Expected return on the assets of the Plan	(941)	-	-	(941)
Expense in 2022	**281**	**377**	**7**	**665**

Estimates for the following year and sensitivity analysis

The independent actuary's estimation for the expense to be recognized for 2025 is as follows:

	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Current service cost	1	4	-	5
Interest on the actuarial obligation	1,222	301	5	1,528
Expected return on the assets of the Plan	(1,012)	-	-	(1,012)
Expense in 2025 according to actuarial calculation	**211**	**305**	**5**	**521**

The expectation for payment of benefits for 2025 is as follows:

	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Estimated payment of benefits	1,158	210	4	**1,372**

The Company, CEMIG GT and CEMIG D have expectation of making contributions to the pension plan in 2025 of R$87 for amortization of the deficit of Plan A, and R$93 for the Defined Contribution Plan (recorded directly in the Statement of income for the year).

Below is a sensitivity analysis of the liabilities effect of changes in the main actuarial assumptions used to determine the defined-benefit obligation on December 31, 2024:

Effects on the defined-benefit obligation	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Reduction of one year in the mortality table	257	45	1	**303**
Increase of one year in the mortality table	(237)	(46)	(1)	**(284)**
Reduction of 1% in the discount rate	826	238	4	**1,068**
Increase of 1% in the discount rate	(719)	(219)	(4)	**(942)**

In the presentation of the sensitivity analysis, the present value of the defined-benefit obligation was calculated using the Projected Unit Credit method, the same method used to calculate the defined-benefit obligation recognized in the Statement of financial position.

The average maturity periods of the obligations of the benefit plans, in years, are as follows as of 2024:

Pension plans and retirement supplement plans			
Plan A	Plan B	Health plan	Dental plan
8.68	10.71	10.60	10.60

The main categories of plan assets are as follows:

	2024	2023
Shares	1,076	1,339
Fixed income securities	6,560	7,475
Real estate property	479	440
Others	832	628
Total	**8,947**	**9,882**

The following assets measured at fair value, are related to the Company and are not considered plan assets. According to the requirement of the standards, the amount are presented for informational purposes:

	2024	2023
Non-convertible debentures issued by the Company	53	96
Shares issued by the Company	226	4
Real estate properties of the Foundation, occupied by the Company	3	275
	282	**375**

Main actuarial assumptions

	Pension plans and retirement supplement plans	Health plan and Dental plan	Pension plans and retirement supplement plans	Health plan and Dental plan
Annual discount rate for present value of the actuarial obligation	12.30%	12.23%	9.03%	9.07%
Annual expected return on plan assets	12.30%	Not applicable	9.03%	Not applicable
Long-term annual inflation rate	4.50%	4.50%	3.50%	3.50%
Estimated future annual salary increases	4.50%	Not applicable	3.50%	Not applicable
General mortality table	AT-2000 S10% by sex	AT-2000 M&F S10% D20%	AT-2000 S10% by sex	AT-2000 M&F S10% D20%
Disability table	Not applicable	Not applicable	Not applicable	Not applicable
Disabled mortality table	AT-83 IAM Male	MI-85 Female	AT-83 IAM Male	MI-85 Female
Real growth of contributions above inflation	-	1%	-	1%

The Company has not made changes in the methods used to calculate its post-employment obligations for the years ended December 31, 2024 and 2023.

Accounting policy

Expenses related to the debt agreed upon with the pension trust fund were recorded in finance income (expenses), because they represent financial interest and inflation adjustment. Other expenses related to the pension fund were recorded as operating expenses.

Estimations and judgments

In the case of retirement obligations, the liability recognized in the balance sheet with respect to defined benefit pension plans is the greater of the debt agreed with the foundation for amortization of actuarial obligations and the present value of the actuarial obligation, calculated by means of an actuarial report, less the fair value of the plan's assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the rate of return on high-quality corporate bonds that have terms similar to the duration of the respective pension plan obligations and are denominated in the currency in which the benefits will be paid.

In defined contribution plans, the Company makes fixed contributions and has no legal or constructive obligations to make contributions if the fund does not have sufficient assets to pay all employees the related benefits. The Company has no additional payment obligation after the contribution is made. Contributions are recognized as an employee benefits expense when due.

In the case of the health and dental plans, the liabilities are calculated by calculating the present value of the future obligations to be made by the Company, considering the maintenance of the current contribution level, the forecast of a real readjustment of the amounts and the future updating of the contributions by the variation of an index compatible with the Regulations and the history of the costs of the plans.

Actuarial calculations take place at each financial year end and involve the use of assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future increases in retirement and pension benefits. All assumptions are reviewed at each base date.

In the current and previous years, post-employment expenses are recorded as operating expenses, with the exception of expenses related to the debt agreed with the Pension Fund, which are recorded in the financial result, as they represent interest and monetary variation.

Actuarial gains and losses arising from adjustments based on experience and changes in actuarial assumptions are recognized through other comprehensive income and will not be reclassified to profit or loss in the future.

Both the past service cost resulting from a change or reduction in the defined benefit plan and the gain or loss on the settlement of obligations are determined based on the remeasurement of the net present value of the obligation, due to the revision of actuarial assumptions, and are recognized directly in profit or loss for the year in which the change occurs.

24. PROVISIONS

Company and its subsidiaries are involved in certain legal and administrative proceedings at various courts and government bodies, arising in the normal course of business, regarding employment-law, civil, tax, environmental and regulatory matters, and other issues.

Company and its subsidiaries recorded provisions for contingencies in relation to the legal actions in which, based on the assessment of the Company's management and supported from its legal advisors, the chances of loss are assessed as 'probable' (i.e. an outflow of funds to settle the obligation will be necessary), as follows:

		Civil					
	Labor	Costumer relations	Other civil actions	Tax	Regulatory	Others	Total
Balance on December 31, 2021	**404**	**33**	**38**	**1,295**	**48**	**71**	**1,889**
Additions	124	44	14	332	12	57	583
Reversals	(26)	-	(3)	(150)	(5)	(57)	(241)
Settled	(87)	(35)	(13)	(3)	(7)	(57)	(202)
Balance on December 31, 2022	**415**	**42**	**36**	**1,474**	**48**	**14**	**2,029**
Additions	146	65	24	147	9	18	409
Reversals	(26)	(10)	(1)	(2)	-	(10)	(49)
Settled	(103)	(52)	(19)	(1)	(4)	(10)	(189)
Balance on December 31, 2023	**432**	**45**	**40**	**1,618**	**53**	**12**	**2,200**
Additions	194	178	43	45	6	42	508
Reversals	(17)	-	-	(576)	(1)	(4)	(598)
Settled	(142)	(72)	(21)	(5)	(1)	(16)	(257)
Balance on December 31, 2024	**467**	**151**	**62**	**1,082**	**57**	**34**	**1,853**

There are lawsuits whose expected loss is considered possible, since the Company's and its subsidiaries' legal advisors, as follows:

	Possible loss	
	Dec. 31, 2024	Dec. 31, 2023
Labor	1,042	1,363
Civil		
Costumer relations	743	346
Other civil actions	637	613
	1,380	**959**
Tax	3,329	2,474
Regulatory	3,595	3,145
Others	2,114	1,840
Total	**11,460**	**9,781**

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

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

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

Tax

Company and its subsidiaries are involved in numerous administrative and judicial claims actions relating to taxes, including, among other matters, subjects relating to the Urban Property Tax (*Imposto sobre a Propriedade Territorial Urbana*, or IPTU); the Rural Property Tax (ITR); the Tax on Donations and Legacies (ITCD); the Social Integration Program (*Programa de Integração Social*, or PIS); the Contribution to Finance Social Security (*Contribuição para o Financiamento da Seguridade Social*, or Cofins); Corporate Income tax (*Imposto de Renda Pessoa Jurídica*, or IRPJ); the Social Contribution (*Contribuição Social sobre o Lucro Líquido*, or CSLL); and motions to tax enforcement. The aggregate amount of this contingency is R$469 (R$368 on December 31, 2023), of which R$6 (R$24 on December 31, 2023) has been recorded - the amount estimated as probably necessary for settlement of these disputes.

In addition to the issues above the Company is involved in various proceedings on the applicability of the IPTU Urban Land Tax to real estate properties that are in use for providing public services. The aggregate amount of the contingency is approximately R$190 (R$186 on December 31, 2023). Of this total, R$3 has been recognized (R$2 on December 31, 2023) - this being the amount estimated as probable necessary for settlement of these disputes. The Company has been successful in its efforts to have its IPTU tax liability suspended, winning judgments in favor in some cases.

Social Security contributions on income sharing payments

The Brazilian tax authority (*Receita Federal*) has filed administrative and court proceedings against the Company, relating to social security contributions on the payment of income sharing to its employees over the period 1999 to 2016, alleging that the Company did not comply with the requirements of Law 10,101/2000 on the argument that it did not previously establish clear and objective rules for the distribution of these amounts. In August 2019, the Regional Federal Court of the First Region published a decision against the Company on this issue. As a result the Company, based on the opinion of its legal advisers, reassessed the probability of loss from ‘possible’ to ‘probable’ for some portions paid as income-sharing amounts, maintaining the classification of the chance of loss as 'possible' for the other portions, since it believes that it has arguments on the merit for defense and/or because it believes that the amounts questioned are already within the period of limitation.

In May 2024, the 4th Federal Court published judgment in favor of the Company, on the merits, in an application to annul execution of a tax judgment relating to applicability of social security contributions to profit sharing payments. This decision determined cancellation of the tax claim and extinction of the tax execution. Due to the material scale of the amount involved in this case, the Company considered this event as legally sufficient indication for reassessing the chances of financial loss in the legal actions that have received favorable judgments at first instance, from “probable” to “possible”. This resulted in a reversal of provisions totaling R$584, in the second quarter of 2024. For the other cases related to social security contributions on profit shares, the assessments of the chance of financial loss were maintained as ‘probable’, and thus the related provisions were also maintained.

The amount of the contingencies is R$1,889 (R$1,803 on December 31, 2023), of which R$926 (R$1,449 on December 31, 2023) has been provisioned, this being the probable estimate of funds to settle these disputes.

Real Estate Transmission Tax (ITBI)

The Company and its subsidiaries are parties in tax claims issued by the Municipality of Belo Horizonte for the collection of the ITBI tax on transfer of real estate properties from the holding company to its wholly-owned subsidiaries, at the moment of ‘unbundling’ of the industry. Although transfer of real estate as value to subscribe capital is exempt from tax, ITBI is being demanded on the difference between the accounting value and the ‘venal’ (officially registered) value of the real estate, based on the decision of the Federal Supreme Court, in Special Appeal (RE) No. 796,376 – Topic 796 of General Application of Precedent (*Repercussão Geral*). The amount of the contingency is approximately R$51 on December 31, 2024, and the chance of loss has been assessed as ‘possible’.

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

In 2006 the Company paid an indemnity to its employees, totaling R$178, in exchange for rights to future payments (referred to as the Anuênio) for time of service, which would otherwise be incorporated, in the future, into salaries. The Company did not pay income tax nor Social Security contributions in relation to these amounts because it believed that amounts paid as indemnity are not taxable. However, given the possibility of dispute and to avoid risk of future penalty payments, The Company filed legal actions for recognition of the right of non-taxation on these Anuênio payments, making separate submissions and argument in relation to (a) income tax and (b) the social security contribution, in the aggregate historic amount of R$122, which is considered sufficient for payment of the lawsuit.

In the action relating to applicability of the social security contribution, a court judgment was given that impedes consideration of an appeal to the Federal Supreme Court - thus consideration by the Higher Appeal Court remains. Additionally, in October 2022, a judgment was published refusing to recognize the Special Appeal filed by the Company, reducing the chances of success in the action. As a result, the assessment of the chances of loss in this action were altered from 'possible' to 'probable', and a provision made for the amount deposited in escrow.

The chances of loss in the action relating to applicability of income tax on the amounts of the *anuênios*, due to its current phase of procedure, have been maintained as 'possible'. The amount of the contingency is R$332 (R$319 on December 31, 2023), of which R$148 (R$142 on December 31, 2023) has been provisioned.

Lack of approval to offset tax credit

The federal tax authority did not approve the Company's offset in corporate income tax returns, of carryforwards and undue or excess payment of federal taxes - IRPJ, CSLL, PIS/Pasep and Cofins - identified by official tax deposit receipts ('DARFs' and 'DCTFs'). The Company is contesting the lack of approval of compensated amounts. The amount of the contingency is R$229 (R$148 on December 31, 2023), of which R$1 was provisioned since the relevant requirements of the National Tax Code (CTN) have been complied with.

Social Security contributions

The Brazilian federal tax authority (*Secretaria da Receita Federal,* or 'SRF') has filed administrative proceedings related to various matters: employee income sharing; the Workers' Food Program (*Programa de Alimentação do Trabalhador*, or 'PAT'); education benefit; food benefit; Special Additional Retirement payment; overtime payments; hazardous occupation payments; matters related to Sest/Senat (transport workers' support programs) and fines for non-compliance with accessory obligations. The Company has presented defenses and await judgment. The amount of the contingency is R$159 (R$148 on December 31, 2023). Management has classified the chance of loss as 'possible', also taking into account assessment of the chance of loss in the judicial sphere, (the claims mentioned are in the administrative sphere), based on the evaluation of the claims and the related case law.

Income tax withheld on capital gain in a shareholding transaction

The federal tax authority issued a tax assessment against CEMIG as a jointly responsible party with its jointly controlled entity Parati S.A. Participações em Ativos de Energia Elétrica (Parati), relating to withholding income tax (*Imposto de Renda Retido na Fonte*, or IRRF) allegedly applicable to returns paid by reason of a capital gain in a shareholding transaction relating to the purchase by Parati, and sale, by Enlighted, at July 7, 2011, of 100.00% of the equity interests in Luce LLC (a company with head office in Delaware, USA), holder of 75.00% of the shares in the Luce Brasil equity investment fund (FIP Luce), which was indirect holder, through Luce Empreendimentos e Participações S.A., of 13.03% of the total and voting shares of Light S.A. (Light). The amount of the contingency is R$289 (R$274 on December 31, 2023), and the loss has been assessed as 'possible'.

The social contribution tax on net income (CSLL)

The federal tax authority issued a tax assessment against the Company for the years of 2008 and 2018, alleging undue non-addition, or deduction, of amounts relating to the following items in calculating the social contribution tax on net income: (i) taxes with liability suspended; (ii) donations and sponsorship (Law 8,313/91); (iii) fines for various alleged infringements; iv) amortization of goodwill; and v) technological innovation expenses. The amount of this contingency is R$508 (R$587 on December 31, 2023). The Company has evaluated the tax treatments adopted, which are susceptible to questioning by the tax authorities, and has concluded that it is more likely than not that they will be accepted by the tax authority.

ICMS (local state value added tax)

From December 2019 to March 2022, the Tax Authority of Minas Gerais State issued infraction notices against the subsidiary Gasmig, in the total amount of R$357, relating to reduction of the calculation base of ICMS tax in the sale of natural gas to its customers over the period from December 1, 2014 to September 30, 2021, alleging a divergence between the form of calculation used by Gasmig and the opinion of that tax authority, The claims comprises principal amount of R$124, penalty payments of R$201 and interest of R$32. In July 2021, Gasmig filed a lawsuit for annulment of a tax debit, against the State of Minas Gerais, and this proceeding suspended the tax claim referred to above.

Considering that the State of Minas Gerais, over a period of more than 25 years, has never made any allegations against the methodology of calculation by the Company, Management and Company's legal advisors, believe that there is a defense under Article 100, III of the National Tax Code, which removes claims for penalties and interest; and that the contingency for loss related to these amounts is 'remote', In relation to the argument on the difference between the amount of ICMS tax calculated by Gasmig and the new interpretation by the state tax authority, the probability of loss was considered 'possible'. On December 31, 2024, the amount of the contingency for the period relating to the rules on expiry by limitation of time is R$261 (R$223 on December 31, 2023).

Interest on Equity

The Company filed an application for mandamus, with interim relief, requesting the right to deduct, from the basis of calculation of corporate income tax and Social Contribution tax, the expense relating to payment of Interest on Equity in 4Q20 calculated on the basis of prior periods (the first and second quarters of 2020), and for cancellation of the demand for new supposed credits of corporate income tax and the Social Contribution relating to the amount that was not paid as a result of the deduction of the said financial expense, with application of fines.

Additionally, a judicial deposit was made in the amount of R$88 (R$82 on December 31, 2023). The amount of the contingencies in this case is R$80 (R$74 on December 31, 2023). The Company has evaluated the tax treatments adopted and has concluded that it is more likely than not that they will be accepted by the tax authority.

Reversal of credits in calculation of PIS/ Pasep and Cofins taxes

The Brazilian tax authority issued, in August 2021, two infringement notices relating to calculation of the PIS/Pasep and Cofins taxes, from August 2016 to December 2017, alleging insufficiency of payment of these contributions due to supposed undue credits deduction of the expenses on the Proinfa charge, and absence of reversal of the credits related to non-technical losses. The Company is contesting these infringement notices. The amount of the contingency is R$216 (R$200 on December 31, 2023) and the Company has classified the chances of loss as 'possible', due to the scarcity of case law on the subject.

Labor claims

Company and its subsidiaries are involved in various legal claims filed by its employees and by employees of service providing companies. Most of these claims relate to overtime and additional pay, severance payments, various benefits, salary adjustments and the effects of such items on a supplementary retirement plan. In addition to these actions, there are other relating, complementary additions to or re-calculation of retirement pension payments by Forluz, and salary adjustments.

The aggregate amount of the contingency is R$1,509 (R$1,795 on December 31, 2023), of which R$467 (R$432 on December 31, 2023) has been recorded - the amount estimated as probably necessary for settlement of these disputes.

Civil

Customers claims

The Company is involved in various civil actions relating to indemnity for personal injury and for material damages, arising, principally, from allegations of irregularity in measurement of consumption, and claims of undue charging, in the normal course of business, totaling R$492 (R$287 on December 31, 2023), of which R$94 (R$45 on December 31, 2023) has been recorded - this being the probable estimate for funds needed to settle these disputes.

Relations with large consumers – Power purchasing agreement

In June 2024, the chances of financial loss were revised from 'possible' to 'probable' in an ordinary legal action against the Cemig GT calling for annulment of a purchase clause in a Free Market trading contract, with repayment of the amounts the plaintiff had paid. In addition, the application to reduce the amount of the penalty payment, and to remove the application of 'spread' in the calculation of the debt was granted in part. The amount of the obligation, recalculated after the decision, is R$57 on December 31, 2024.

Provision of electricity supply services

A class action ('Civil Public Action" – Ação Civil Pública) was filed jointly by the State and Federal Public Attorneys, against the Company and Aneel, requiring, for the municipality of Uberlândia, adjustment of consumer electricity supply service to the standards established by the legal system; avoidance of blackouts and oscillations in supply; in-person presence in supervision of transmission and distribution of electricity; and compensation for collective pain and suffering (danos morais), in the amount of R$345 (R$103 on December 31, 2023). The chances of financial loss for Cemig in this action have been assessed as 'possible'.

Other civil proceedings

The Company is involved in various civil actions claiming indemnity for personal and material damages, among other, arising from incidents occurred in the normal course of business, in the amount of R$698 (R$653 on December 31, 2023), of which R$62 (R$40 on December 31, 2023) has been recorded - the amount estimated as probably necessary for settlement of these disputes.

Regulatory

The Company is involved in numerous administrative and judicial proceedings, challenging, principally: (i) tariff charges in invoices for use of the distribution system by a self-producer; and (ii) alleged violation of targets for continuity indicators in retail supply of energy. The aggregate amount of the contingency is approximately R$637 (R$589 on December 31, 2023), of which R$29 (R$26 on December 31, 2023) has been recorded as provision - the amount estimated as probably necessary for settlement of these disputes.

Tariff increase – The Cruzado Plan

The Company and its subsidiaries are defendants in actions challenging the tariff increase authorized by Ministerial Orders DNAEE (*Departamento Nacional de Águas e Energia Elétrica)* 38/86 and 45/86, which took place during the Federal Government's economic stabilization plan called the 'Cruzado Plan', in 1986. The plaintiffs demand restitution of excess amounts allegedly paid in the period in question, since the Supreme Court's defining judgment on Theme 319 decided the increase in tariffs was unlawful. Currently, most of the actions on this issue are at the phase of calculation of amounts to be repaid. In view of this, the amount of the contingency is estimated at R$67 (R$66 on December 31, 2023), of which R$27 (R$26 on December 31, 2023) has been provisioned.

Public Lighting Contribution (CIP)

CEMIG and CEMIG D are defendants in several public civil claims (class actions) requesting nullity of the clause in the Electricity Supply Contracts for public illumination signed between the Company and the various municipalities of its concession area, and restitution by the Company of the difference representing the amounts charged in the last 20 years, in the event that the courts recognize that these amounts were unduly charged. The actions are grounded on a supposed error by CEMIG in the estimation of the period of time that was used in calculation of the consumption of energy for public illumination, funded by the Public Lighting Contribution (*Contribuição para Iluminação Pública*, or 'CIP').

The Company believes it has arguments of merit for defense in these claims, including a partial favorable decision. As a result, it has not constituted a provision for this action, the amount of which is estimated at R$1,672 (R$1,582 on December 31, 2023). The Company has assessed the probability of loss in this action as 'possible', due to the Customer Defense Code (*Código de Defesa do Consumidor*, or 'CDC') not being applicable, because the matter is governed by the specific regulation of the electricity sector, and because CEMIG complied with Aneel Resolutions 414 and 456, which deal with the subject.

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

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

This should take effect in the CCEE as from November 2008, resulting in an additional disbursement for CEMIG GT, related to the expense on purchase of energy in the spot market on the CCEE, in the amount of R$681 (R$594 on December 31, 2023). On November 9, 2008 CEMIG GT obtained an interim decision in the Regional Federal Appeal Court (*Tribunal Regional Federal*, or TRF) suspending the obligatory nature of the requirement to pay into court the amount that would have been owed under the Special Financial Settlement made by the CCEE, Cemig GT has classified the chance of loss as 'possible', since this action deals with the General Agreement for the Electricity Sector, in which the Company has the full documentation to support its arguments.

Energy billing dispute

During 2022, one of the Company's clients filed an arbitration proceeding requesting changes in contractual clauses and questioning the incidence of certain taxes on its electricity bills. In September 2022, the Company was duly notified of the court decision that granted the injunction request, which determined that the Company should start billing the energy supply contract according to the request. After the arbitration procedure was initiated and the parties were heard, in January 2023, the Court revoked the previous decision and determined the reestablishment of the contractual billing system, as well as the payment of the unbilled amounts due to the injunction initially granted in favor of this customer.

The arbitration proceeding is still in progress, in which this client is questioning the points informed above. If the arbitration decision grants the client's request, the Company will have to refund the difference between the contracted amounts and the adjustments demanded, which amounted to R$275 (R$234 on December 31, 2023). Management, based on the opinion of its legal advisors, classified the probability of loss as possible.

Administrative penalty

The Company and its subsidiary filed an action for annulment of the administrative act, with request for injunctive relief, against the National Electric Energy Agency (Aneel), for cancellation of the punishments, warnings and fines, in the historic amount of R$26, arising from Infringement Notice 076/2013 – SEF/Aneel. The amount of the contingency is R$156 (R$132 on December 31, 2023). The chance of loss has been assessed as 'possible'. The case is awaiting judgment by the court.

Arbitration proceedings

The Company is defendant in an arbitration proceeding relating to a dispute on a power purchasing agreement in the Free Market. Among the points in dispute are the form of billing, invoices in arrears and whether the contract remains in force. If the contract is ruled to be no longer in force, there will be investigation of who gave rise to its cancellation. The amount of the contingency is R$163 at December 31, 2024, and based on the opinion of its legal advisers the chances of loss have been assessed as "possible".

Environmental claims

Impact arising from construction of power plants

The Public Attorneys' Office of Minas Gerais State has filed class actions requiring the formation of a Permanent Preservation Area (APP) around the reservoir of the *Capim Branco* hydroelectric plant, suspension of the effects of the environmental licenses, and recovery of alleged environmental damage. In August 2024, the Company sold its equity interest in Aliança Energia to Vale S.A. on the "As is, all-included" (Porteira Fechada) basis, exempting the Company from any eventual indemnity relating to Aliança. The amount of the contingent liability in dispute was estimated at R$159 (R$149 on December 31, 2023).

Other legal actions in the normal course of business

Company and its subsidiaries are involved as plaintiff or defendant, in other less significant claims, related to the normal course of their operations including: environmental matters, removal of residents from risk areas; and indemnities for rescission of contracts, on a lesser scale, related to the normal course of its operations, with an estimated total amount of R$792 (R$511 at December 31, 2023), of which R$22 (R$13 at December 31, 2023), the amount estimated as probably necessary for settlement of these disputes.

Accounts receivable from the State of Minas Gerais

The Company has a balance receivable from the State of Minas Gerais, recognized in Non-current assets of R$13 (R$13 on December 31, 2023), relating to return of an administrative deposit made for a dispute on the criterion for inflation correction to be applied to an advance Against Future Capital Increase (‘AFAC’), made in prior years, which was the subject of a debt recognition agreement.

On June 30, 2021, the Company retained the remaining portion of dividends to be paid to State of Minas Gerais and awaits development of the issue with CPRAC (government agency).

Regarding the discussion on the merits of the criterion used in the past for AFAC’s monetary updating, if a solution is not successfully reached either through CPRAC or any legal proceedings on the merits, Management, based on assessment of legal advisors, has assessed the chances of loss as ‘possible’. The estimated amount of the contingency on September 30, 2024 was R$278.

‘Luz Para Todos’ Program

The Company is a party in disputes alleging losses suffered by third parties as a result of supposed breach of contract at the time of implementation of part of the rural electrification program known as the ‘*Luz Para Todos*’. The estimated amount of the contingency is approximately R$344 (R$515 on December 31, 2023). This is the possible estimate of resources to settle these disputes.

Contractual imbalance

CEMIG D is party in other disputes arising from alleged non-compliance with contracts in the normal course of business, for an estimated total of R$200 (R$246 on December 31, 2023). CEMIG D has classified the chance of loss as ‘possible’, after analysis of the case law on this subject.

Renova: Application to override corporate identity

A receivables investment fund filed an application for Override of Legal Identity *(Incidente de Desconsideração da Personalidade Jurídica* - IDPJ) in relation to certain companies of the Renova group, aiming to include some shareholders of Renova, including the Company and its subsidiary CEMIG GT, as defendants jointly and severally liable. The legal action was concluded in September 2024, with ratification by a judgment, following agreement between the parties. The amount of the contingent liability in dispute was estimated at R$146 (R$146 at December 31, 2023).

Clearance of residential occupation under high-voltage lines

The Company and its subsidiaries are defendants in various legal proceedings relating to: requests for socio-economic assessment, removal, resettlement and possibly future compensation in relation to reoccupation of areas degraded by occupations, especially in the municipalities of Belo Horizonte and Santa Luzia. The Company understands that it is the responsibility of municipalities to plan and organize the urban space, prepare housing policies and, consequently, to survey the situation of any families living under the Company's lines, and resettle them. The amounts of the contingencies for these processes are based on the requests made by the Public Prosecutor. The amount of the contingent liabilities in dispute was estimated at R$223 on December 31, 2024 (R$130 on December 31, 2023), of which R$12 had been provisioned at December 31, 2024.

Volta do Rio wind farm

The Company and its subsidiary Volta do Rio are defendants in a claim presented in 2022 by the Federal Heritage Board (Secretaria de Patrimônio da União – SPU) of Ceará state, which considered that landfills, rockfill and towers for installation of the wind generation system of the Volta do Rio wind farm are located on free beach coastline. This resulted in the following penalties being applied to the Volta do Rio wind farm: (i) demolition and/or removal of buildings, and the installed equipment, if they are unable to be regularized; and (ii) a monthly fine for each square meter affected by the facilities. The Volta do Rio has presented a defense to the accusation and filed an administrative appeal. The contingency is estimated at R$311 (R$174 on December 31, 2023). The chances of loss have been assessed as 'possible'.

Accounting policy

A provision shall be recognized when: (a) an entity has a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision shall be recognized.

Estimations and judgments

In relation to the contingent liability, it is a possible obligation that results from past events, the confirmation of which depends on one or more uncertain future events, which are not entirely under the control of the Company. This is an unrecognized obligation, since it is not probable that there will be a requirement to make a payment to settle the obligation, but such items are disclosed in explanatory notes. In the disclosure, a brief description is given of the nature of the contingent liability, with an indication of the uncertainties on the amount of any disbursement, or the amount of any expected reimbursement, where applicable.

Estimates are made individually; or grouped, in cases with repetition. In all cases, the criteria for risk classification involve: i) how closely the facts correspond to the related provisions of law, and to precedents/judgments in similar cases, if any; and ii) analysis of evidence and proofs, which may vary according to the nature of the matters argued in the court proceedings.

The Company reviews assessments of the chances of loss, and/or the amounts involved, in an administrative or judicial proceeding, periodically; and also in specific situations, such as: i) change in the applicable law, ii) new evidence or facts, iii) change in legal precedents, iv) results of accounting audits, v) court decisions, vi) instructions in the case, vii) change in the composition of the panel of judges, and/or viii) change of the plaintiff.

25. EQUITY AND REMUNERATION TO SHAREHOLDERS

(a) Share capital

On December 31, 2024 and 2023, the Company's issued and share capital was R$14,309 (R$11,007 on December 31, 2023) represented by 956,601,911 common shares (735,847,624 on December 31, 2023) and 1,905,179,984 preferred shares (1,465,523,064 on December 31, 2023), both of them with nominal value of R$5.00, as demonstrated below:

Shareholders	Number of shares on December 31, 2024					
	Common	%	Preferred	%	Total	%
State of Minas Gerais	487,540,664	50.97	22,210	-	487,562,874	17.04
PZENA	310,667,579	32.48	147,792,680	7.76	458,460,259	16.02
FIA Dinâmica Energia S/A	106,610,119	11.14	-	-	106,610,119	3.73
BNDES Participações	-	-	95,239,166	5.00	95,239,166	3.33
BlackRock	-	-	282,815,226	14.84	282,815,226	9.88
Others						
In Brazil	39,409,416	4.12	106,878,372	5.61	146,287,788	5.11
Foreign shareholders	12,374,133	1.29	1,272,432,330	66.79	1,284,806,463	44.89
Total	**956,601,911**	**100.00**	**1,905,179,984**	**100.00**	**2,861,781,895**	**100.00**

Shareholders	Number of shares on December 31, 2023					
	Common	%	Preferred	%	Total	%
State of Minas Gerais	375,031,032	51	17,085	-	375,048,387	17
PZENA		-	73,283,989	5	73,283,989	3
FIA Dinâmica Energia S/A	233,004,992	31	116,951,354	8	349,956,346	16
BNDES Participações	82,007,784	11	-	-	82,007,784	4
BlackRock	-	-	217,550,174	15	217,550,174	10
Others						
In Brazil	29,160,676	4	101,717,633	7	130,878,309	6
Foreign shareholders	16,642,870	2	956,002,829	66	972,645,699	44
Total	**735,847,624**	**99**	**1,465,523,064**	**101**	**2,201,370,688**	**100**

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

Share capital increase

Considering that, on December 31, 2023, the share capital was R$11,007 and the balance of profit reserves, excluding tax incentive reserves and unrealized profit reserves, reached the amount of R$11,993, exceeding the share capital by R$986, the Annual General Meeting ("AGM") approved on April 29, 2024 the proposal to increase the share capital, in accordance with article 199 of the Brazilian Corporate Law of 1,976 (Law 6,404/76).

A share capital increase was proposed and approved through the capitalization of the balance of R$1,857 from the capital reserve and R$1,445 from the profit retention reserve, by means of a share bonus, with a total issue of 660,411,207 new shares, at a nominal value of R$5.00 (five reais) (in accordance with the Bylaws), of which 220,754,287 are common shares and 439,656,920 are preferred shares. The share capital increased from R$11,007 to R$14,309.

(b) Earnings per share

Due to the capital increase of April 29, 2024, with issuance of new shares, realized by capitalization of reserves, the basic and diluted earnings per share are presented, retrospectively, considering the new number of shares of the Company.

The number of shares included in the calculation of basic and diluted earnings, is described in the table below:

	Number of shares		
	Dec. 31, 2024	Dec. 31, 2023 (Restated)	Dec. 31, 2022 (Restated)
Common shares already paid up	956,601,911	956,601,911	956,601,911
Shares in treasury	(132)	(132)	(132)
	956,601,779	**956,601,779**	**956,601,779**
Preferred shares already paid up	1,905,179,984	1,905,179,984	1,905,179,984
Shares in treasury	(1,099,880)	(1,099,880)	(1,099,880)
	1,904,080,104	**1,904,080,104**	**1,904,080,104**
Total	**2,860,681,883**	**2,860,681,883**	**2,860,681,883**

The calculation of basic and diluted earnings per share is as follows:

	Dec. 31, 2024	Dec. 31, 2023 (Restated)	Dec. 31, 2022 (Restated)
Net income for the year attributed to equity holders of the parent	**7,117**	**5,764**	**4,092**
Minimum mandatory dividend from net income for the year – preferred shares	2,485	2,080	1,486
Net income for the year not distributed – preferred shares	2,252	1,757	1,238
Total earnings - preferred shares (A)	**4,737**	**3,837**	**2,724**
Minimum mandatory dividend from net income for the year - common shares	1,248	1,045	747
Net income for the year not distributed – common shares	1,132	883	622
Total earnings - common shares (B)	**2,380**	**1,928**	**1,369**
Basic and diluted earnings per preferred share (A / number of preferred shares)	**2.49**	**2.02**	**1.43**
Basic and diluted earnings per common share (B / number of common shares)	**2.49**	**2.02**	**1.43**

Considering that each class of share participates equally in the income reported, the earning per share in the fiscal years ended on December 31, 2024, 2023 and 2022 were, respectively, R$2.49, R$2.01 (restated) and R$1.43 (restated), calculated based on the weighted average number of the Company's shares.

(c) Rights and preferences of the common and preferred shares

Every holder of CEMIG common shares has the right to vote in an election for members of our Board of Directors. Under the Brazilian Corporate Law, any shareholder holding at least 5% of CEMIG's common shares in circulation may request adoption of a multiple vote procedure, which confers upon each share a number of votes equal to the present number of members of the Board of Directors and gives the shareholder the right to accumulate his or her votes in one sole candidate or distribute them among several.

Under the Brazilian Corporate Law, holders of preferred shares representing at least 10% of CEMIG's share capital and also holders of common shares representing at least 15% of its share capital (other than the controlling shareholder) have the right to appoint a member of the Board of Directors and his or her respective substitute member in a separate election. If none of the holders of common or preferred shares qualifies under the minimum limits specified above, shareholders representing, in the aggregate, a minimum of 10% of the share capital may combine their holdings to elect a member of the Board of Directors, and that member's substitute member.

Under Article 171 of the Corporate Law, every shareholder has a generic right of first refusal in subscription of new shares, or securities convertible into shares, issued in any capital increase, in proportion to their percentage shareholding, except in the event of exercise of any option to acquire shares in our share capital. Shareholders are required to exercise their right of first refusal within 30 days from publication of the notice of increase of capital. Every holder of CEMIG preferred shares has preference in the event of share redemption.

The dividend rights of the preferred and common shares are described below.

(d) Dividends

Under the by-laws, if the Company is able to pay dividends higher than the mandatory minimum dividends required for the preferred Shareholders, and the remaining net income is sufficient to offer equal dividends for both the common and preferred shares, then the dividends per share will be the same for the holders of common shares and preferred shares. Dividends declared are paid in two equal installments, the first by June 30 and the second by December 30, of the year following the generation of the income to which they refer. The Executive Board decides the location and processes of payment, subject to these periods.

Under its by-laws, CEMIG is required to pay to its shareholders, as mandatory dividends, 50% of the net income of each year.

The preferred shares have preference in the event of reimbursement of capital and participate in incomes on the same conditions as the common shares have the right, when there is net income, to a minimum mandatory dividend equal to the greater of:

(a) 10% of their par value, and

(b) 3% of the portion of equity that they represent.

Under its by-laws, CEMIG's shares held by private individuals and issued up to August 5, 2004, have the right to a minimum dividend of 6% per year on their par value in all years when CEMIG does not obtain sufficient incomes to pay dividends to its Shareholders. This guarantee is given by the State of Minas Gerais by Article 9 of State Law 828 of December 14, 1951, and by State Law 15,290 of August 4, 2004.

Calculation of the minimum dividends proposed

The calculation of the minimum dividends proposed for distribution to Shareholders, considering the unrealized income assumption as mentioned in the previous paragraph, is as follows:

	2024	2023	2022
Calculation of minimum dividends required by the by-laws for the preferred shares			
Nominal value of the preferred shares	9,526	7,328	7,328
	9,526	**7,328**	**7,328**
Percentage applied to the nominal value of the preferred shares	10.00%	10.00%	10.00%
Amount of the dividends by the first payment criterion	**953**	**733**	**733**
Equity	27,378	24,649	21,777
Preferred shares as a percentage of Equity (net of shares held in Treasury)	66.56%	66.56%	66.56%
Portion of Equity represented by the preferred shares	18,223	16,406	14,495
Percentage applied to the portion of Equity represented by the preferred shares	3.00%	3.00%	3.00%
Amount of the dividends by the second payment criterion	**547**	**492**	**435**
Minimum Dividends required by the Bylaws for the preferred shares	**953**	**733**	**733**
Calculation of the Minimum Dividend under the by-laws based on the net income for the year			
Net income for the year	7,117	5,764	4,092
	50%	50%	50%
Mandatory dividends – 50% of Net income	3,559	2,882	2,046
Unrealized profit reserve	(835)	(835)	(835)
Reversal of the unrealized profit reserve	835	835	835
Withholding income tax on Interest on equity	175	242	186
	3,734	**3,124**	**2,232**
Dividends recorded, as specified in the by-laws			
Interest on Equity	1,849	2,592	1,983
Ordinary dividends	1,885	532	249
	3,734	**3,124**	**2,232**
Total dividends for the preferred shares	**2,485**	**2,079**	**1,486**
Total dividends for the common shares	**1,249**	**1,045**	**746**
Unit value of dividends – R$			
Minimum dividends required by the by-laws for the preferred shares	0.50	0.50	0.50
Mandatory dividends (including withholding income tax on Interest on Equity)	1.31	1.42	1.01
Dividends proposed: Common (ON) shares	1.31	1.42	1.01
Dividends proposed: Preferred (PN) shares	1.31	1.42	1.01

Mandatory dividends

On August 13, 2024, the Company declared dividends in the amount of R$1,420, using the Special Reserve for Undistributed Mandatory Dividends, to which the shareholders who have their names registered in the Book of Registration of Registered Shares on August 23, 2024 are entitled. The payment was on August 30, 2024.

As these are dividends from previous years that were included in the special reserve, this amount will not be included in the mandatory dividend for 2024.

This table provides the changes on dividends and interest on capital payable:

Balances on December 31, 2021	**1,910**
Proposed dividends	2,232
Proposed dividends - Non-controlling interests	1
Withholding income tax on interest on capital	(186)
Dividends retained – Minas Gerais state government	-
Dividends paid	(2,094)
Balances on December 31, 2022	**1,863**
Proposed dividends	3,124
Proposed dividends - Non-controlling interests	2
Withholding income tax on interest on capital	(242)
Dividends retained – Minas Gerais state government	-
Dividends paid	(1,823)
Balances on December 31, 2023	**2,924**
Proposed dividends	3,734
Mandatory dividends paid	1,420
Proposed dividends - Non-controlling interests	2
Withholding income tax on interest on capital	(175)
Dividends paid	(4,294)
Balances on December 31, 2024	**3,611**

(e) Remuneration to shareholders

The obligation to pay dividends is recognized when the distribution is authorized or as provided for by law and/or the Company's bylaws. In view of the applicable legislation and the Company's bylaws, which provide for a minimum dividend payment of 50% of net income for the year, this is considered a present obligation on the closing date of the fiscal year, and is recognized as a liability.

The Company’s Executive Board decided to declare Interest on Equity as follows:

Declaration date	Entitled shareholders (1)	Amount	Income tax withheld
March 21, 2024	March 26, 2024	386	(36)
June 18, 2024	June 21, 2024	430	(41)
September 17, 2024	September 23, 2024	473	(44)
December 17, 2024	December 26, 2024	560	(54)
		1,849	**(175)**

(1) Shareholders who have their names entered in the Register of Registered Shares on the dates indicated are entitled.

The amount of income tax withheld at source, due to tax legislation, is not taken into account when attributing JCPs to the mandatory dividend and is calculated at the rate of 15%, in cases where this tax is levied, under the terms of the legislation in force.

(f) Allocation of net income for 2024 - Management's proposal

The Board of Directors will declare at the Annual General Meeting (AGM), to be held on April 30, 2025, the following allocation of the net income for 2024, totaling R$7,117, of realization of the deemed cost of PP&E, totaling R$16, realization of the unrealized earnings reserve totaling R$835, as follow:

- R$350 was held in Stockholders' equity in the Legal Reserve, as established in Brazilian corporate Law 6,404/1976.
- R$3,734 as minimum mandatory dividends, to the Company's shareholders, to be paid in two equal installments, by June 30 and December 30, 2025, as follows:
  - R$1,849 declared as interest on own equity and imputed to the mandatory dividend, as deliberated by the Executive Board in 2024;
  - R$1,885 in the form of dividends, to holders whose names are in the Company's Nominal Share Registry on the date of the AGM.
- R$2,935 was held in Shareholders' equity in the Retained Earnings Reserve, to provide funding for the Company's consolidated investments planned for 2025, as per capital budget.
- R$114 was held in Shareholders' equity in the Tax Incentives Reserve, related to tax incentive due to investment in the region of Sudene.

The amount of R$835 remains as Unrealized Earnings Reserve, considering the reversal of the reserve constituted in 2023 and the new constitution in 2024, of the same amount.

Payment of the dividends will be made by December 30, 2025, in accordance with the availability of cash and at the decision of the Executive Board.

(g) Other comprehensive income

	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Adjustments to actuarial liabilities – Employee benefits	(1,306)	(2,072)	(2,303)
Deemed cost of PP&E	405	421	427
Others	1	3	2
Valuation adjustments	**(900)**	**(1,648)**	**(1,874)**

The adjustments to post-employment benefit obligations comprise gains or losses resulting from re-measurements of the net defined-benefit obligation, in accordance with the actuarial report, net of tax effects.

The amounts recorded as deemed cost of the generation assets represents its fair value determined using the replacement cost at initial adoption of IFRS on January 1, 2009. The valuation of the generation assets resulted in an increase in their book value, recorded in a specific line in Equity, net of the tax effects. These values are being realized based on the depreciation of the assets.

(h) Reserves

Capital reserves

	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Investment-related donations and subsidies (1)	-	1,857	1,857
Goodwill on issuance of shares	394	394	394
Shares in treasury	(1)	(1)	(1)
	393	**2,250**	**2,250**

(1) This reserve was used for a capital increase through a stock bonus, as described in this explanatory note

The reserve for treasury shares refers to the pass-through by Finor ('*Fundo de Investimentos do Nordeste*') of shares arising from funds applied in CEMIG projects in the area covered by Sudene (the development agency for the Northeast) under tax incentive programs.

Income reserves

	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Legal reserve	2,024	1,674	1,387
Statutory reserve	57	57	57
Profit retention reserve	10,332	8,842	6,546
Unrealized profit reserve	835	835	835
Incentive tax reserve	327	213	150
Reserve for mandatory dividends not distributed	-	1,420	1,420
	13,575	**13,041**	**10,395**

Legal reserve

Constitution of the legal reserve is mandatory, up to the limits established by law. The purpose of the reserve is to ensure the security of the share capital, its use being allowed only for offsetting of losses or increase capital. This reserve constitution corresponds to 5% of the net income for the year, less the amount allocated to incentive tax reserve.

Statutory reserve

The reserve under the By-laws is for future payment of extraordinary dividends, in accordance with Article 28 of the by-laws.

Retained earnings reserve

Retained earnings reserves refers to incomes not distributed in prior years, to guarantee execution of the Company's Investment Program, and amortization of loans and debentures. The retentions are supported by capital budgets approved by the Board of Directors in the respective years.

Unrealized earnings reserve

Article of the Brazilian corporate law no. 6,404/76 allows the Company to pay the mandatory dividend, calculated as required by the Bylaws up to the amounts of the realized portion of the net income for the year.

In 2024, Company presented a positive net share of income of subsidiaries, jointly controlled entities and affiliates of R$5,248, which can be regarded as unrealized portion of net income for the year, in accordance with the Brazilian corporate law.

Additionally, the above does not apply to the payment of the minimum mandatory dividends on preferred shares, which are required to be paid in full for an amount of R$953 as described in further details in (f) below. In addition, since the creation of the Unrealized Earnings Reserve is optional, Management decided to propose the same proportion of dividend payment to shareholders owning common shares, considering Company's expected financial capacity.

The outstanding balance of the Unrealized Earnings Reserve will remain R$835, considering the reversal of the reserve recorded in 2023 and the creation of a new one in 2024, in the same amount.

The Unrealized Earnings Reserve amounts can only be used to pay mandatory dividends. Hence, when the Company realizes such incomes in cash, it must distribute the corresponding dividend in the subsequent period, after offsetting of any losses in subsequent years.

Incentives tax reserve

The Cemig D, Cemig GT and Volta do Rio have a right to 75% reduction in income tax, including the tax paid at the additional rate, calculated on the basis of the operating income in the region of Sudene (the Development Agency for the Northeast), for 10 years starting in 2014. In 2023, this benefit was renewed, valid for another 10 years.

The amount of the incentive recognized in the Statement of income was R$114 in 2024 (R$63 in 2023), and it was subsequently transferred to the incentives tax reserve. This reserve cannot be used for payment of dividends.

26. REVENUE

	2024	2023	2022
Revenue from supply of energy (a)	34,341	31,671	30,158
Revenue from use of the electricity distribution systems (TUSD)	5,134	4,417	3,685
CVA and Other financial components (1)	423	(213)	(1,147)
Reimbursement of PIS/Pasep and Cofins over ICMS credits to customers- realization (note 19)	513	1,909	2,360
Transmission revenue (b)			
Operation and maintenance revenue	383	373	413
Construction revenue	425	242	407
Interest revenue arising from the financing component in the transmission contract asset (note 13)	433	524	575
Generation indemnity revenue (note 12.2)	86	93	47
Distribution construction revenue	4,712	3,899	3,246
Adjustment to expectation of cash flow from indemnifiable financial assets of distribution concession	104	149	39
Revenue on financial updating of the Concession Grant Fee (note 12.3)	447	412	467
Transactions in energy on the CCEE	92	146	183
Mechanism for the sale of surplus	-	(4)	453
Supply of gas	3,919	4,139	4,529
Fine for violation of service continuity indicator	(157)	(139)	(94)
PIS/Pasep and Cofins credits to be refunded to consumers	-	-	(830)
Other operating revenues (c)	2,906	2,316	2,658
Deductions on revenue (d)	(13,941)	(13,084)	(12,686)
Revenue	**39,820**	**36,850**	**34,463**

(1) This income derives from the total additions and amortizations shown in note 13.4.

a) Revenue from energy supply

	GWh (1)			R$		
	2024	2023	2022	2024	2023	2022
Residential	14,430	13,311	11,956	12,970	10,794	10,133
Industrial	17,820	18,343	18,388	5,377	5,903	5,991
Commercial, services and others	11,802	11,443	10,410	6,613	6,314	6,155
Rural	3,578	3,507	3,359	2,528	2,238	2,050
Public authorities	1,031	973	863	937	786	660
Public lighting	973	1,056	1,138	546	498	535
Public services	920	1,055	1,404	728	744	841
Subtotal	**50,554**	**49,688**	**47,518**	**29,699**	**27,277**	**26,365**
Own consumption	30	30	31	-	-	-
Unbilled revenue	-	-	-	92	166	(189)
	50,584	**49,718**	**47,549**	**29,791**	**27,443**	**26,176**
Wholesale supply to other concession holders (2)	17,192	17,328	16,777	4,500	4,183	3,894
Wholesale supply unbilled, net	-	-	-	50	45	88
Total	**67,776**	**67,046**	**64,326**	**34,341**	**31,671**	**30,158**

(1) Data not audited by independent auditors.
(2) Includes Sale Contracts in the Regulated Market (CCEARs – Contratos de Comercialização de Energia no Ambiente Regulado) through the Surplus and Deficits Offsetting Mechanism (MSCD: Mecanismo de Compensação de Sobras e Déficits), sales on the Free Market, and the revenues from management of generation assets (GAG – Gestão de Ativos da Geração) for the 18 hydroelectric plants of Lot D of Auction no 12/2015.

b) Transmission concession revenue

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

	2024	2023	2022
Construction and upgrades Revenue (1)	425	242	407
Construction and upgrades costs	(290)	(172)	(291)
Margin	**135**	**70**	**116**
Mark-up (%)	**46.55%**	**40.70%**	**39.86%**
Operation and maintenance Revenue (1)	383	373	413
Operation and maintenance cost	(298)	(292)	(287)
Margin	**85**	**81**	**126**
Mark-up (%)	**28.52%**	**27.74%**	**43.90%**

(1) This breakdown does not include the financial "Interest revenue arising from the financing component in the transmission contract asset" – which is also part of the concession's transmission revenue.

c) Other operating revenues

	2024	2023	2022
Charged service	18	21	19
Services rendered	98	85	66
Low-income subsidy	463	401	321
Subsidy SCEE (1)	(14)	129	-
Subsidy Eletrobras	104	51	432
Tariff flags subsidy	153	78	290
CDE subsidy to cover tariff discounts	1,334	984	931
Subsidies associated with the EUST	71	47	31
Rental and leasing	562	412	493
Contractual indemnities	-	6	-
Others	117	102	75
Total	**2,906**	**2,316**	**2,658**

(1) The variation arises from Cemig D's Annual Tariff Readjustment.

Tariff subsidies

The following subsidies are reimbursed by transfers of funds from the Energy Development Account (Conta de Desenvolvimento Energético – CDE):

- Tariff flags subsidy: which are the amount of tariffs paid by users of public energy distribution service provided from incentive-bearing sources, rural supply, nocturnal irrigation, generation by incentive-bearing sources and public service
- Low-income subsidy
- Subsidy Energy Compensation System (Sistema de Compensação de Energia Elétrica - SCEE), which Aneel released for application in the Tariff Review of 2023 for compensation of distributed generation;
- Subsidy Eletrobras: the allowance for the amounts contributed by Eletrobras or its subsidiaries under CNPE Resolution 15/2021, transferred on to holders of energy distribution concessionaries and permissionaries; and
- Subsidy linked to Transmission Network Use Charge (Encargo de Uso da Rede de Transmissão - EUST).

In 2024, the revenue from subsidies reimbursed via the CDE was R$1,958 (R$1,565 in 2023).

Of this amount, the Company has a receivable of R$208 (R$196 on December 31, 2023), recognized in current assets under "Other assets", of which R$197 from Cemig D and R$11 from Cemig GT.

d) Deductions on revenue

	2024	2023	2022
Taxes on revenue			
ICMS	5,743	5,043	4,892
Cofins	3,193	3,032	2,948
PIS/Pasep	693	658	643
Others	7	7	5
	9,636	**8,740**	**8,488**
Charges to the customer			
Global Reversion Reserve (RGR)	8	12	14
Energy Efficiency Program (PEE)	83	74	69
Energy Development Account (CDE)	3,873	3,949	4,057
Research and Development (R&D)	41	37	35
National Scientific and Technological Development Fund (FNDCT)	59	53	49
Energy System Expansion Research (EPE of MME)	30	27	25
Customer charges - Proinfa alternative sources program	58	63	77
Energy services inspection fee	41	37	33
Royalties for use of water resources	68	53	54
Customer charges - the ‘Flag Tariff’ system	-	-	(252)
CDE on R&D	18	16	15
CDE on PEE	26	23	22
	4,305	**4,344**	**4,198**
Total	**13,941**	**13,084**	**12,686**

Accounting policy

Revenue recognition

In general, for the Company and its subsidiaries’ business in the energy sector, gas and other, revenue from contracts with customers is recognized when the performance obligation is satisfied, at an amount that reflects the consideration to which the Company and its subsidiaries expects to be entitled in exchange for the goods or services transferred, which must be allocated to that performance obligation. The revenue is recognized only when it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer, considering the customer’s ability and intention to pay that amount of consideration when it is due. Below are the material accounting policies linked to the Company's revenues.

Revenue from energy supply

Revenues from the sale of energy are measured based on the energy supplied and the tariffs specified in the terms of the contract or in effect in the market. Revenues from supply of energy to final customers are recorded when the delivery has taken place. The billing is carried out monthly.

Wind farms are subject to a minimum amount of energy generation to be sold through Proinfa. When the difference between the energy actually generated and the energy contracted is positive, the Company recognizes a receivable that will be settled during the following year. On the other hand, when the difference is negative, the Company makes a provision for non-performance, deducting the revenue for the period.

Revenue from gas

Revenues from the sale of gas are recognized on a monthly basis, when gas is supplied, based on the volume measured and invoiced, measured in accordance with the tariffs specified in the contractual terms. Revenues from gas distribution are calculated on the basis of the volumes contracted and the volumes actually distributed, in accordance with the contractual terms and regulations.

Revenue from Use of Distribution Systems (TUSD)

Revenues from use of the distribution system (TUSD) received by the Company from other concession holders and other customers that use the distribution network are recognized in the period in which the services are provided.

CVA and Other financial components in tariff adjustments

The results from variations in the CVA account (Parcel A Costs Variation Compensation Account), and in Other financial components in calculation of tariffs, refer to the positive and negative differences between the estimated non-manageable costs of the subsidiary Cemig D and the cost actually incurred. The amounts recognized arise from balances recorded in the current period, homologated or to be homologated in tariff adjustment processes. For more information, please see Note 12.

Revenue from transmission concession

Revenues from transmission concession services are recognized in the income monthly and include:

- **Construction revenue:** corresponds to the performance obligation to build the transmission infrastructure. They are recognized according to the stage of completion of the works (construction phase) and measured based on the cost incurred, including PIS/Pasep and Cofins taxes over the total revenues and the income margin of the project. More information in Note 13**.**
- **Operation and maintenance revenue:** corresponds to the performance obligation of operation and maintenance specified in the transmission concession contract, after termination of the construction phase. They are recognized when the services are rendered and the invoices for the RAPs are issued.
- **Financial revenue related to financing component of transmission:** corresponds to the significant financing component in the contract asset and is recognized by the effective interest rate method based on the rate determined at the start of the investments, which is not subsequently changed, except for an Periodic Tariff Review process that generates a change in structure of the investments or a change in the rate of return on capital. The average of the implicit rates is 6.86%. The rates are determined for each authorization and are applied on the amount to be received (future cash flow) over the contract duration. This includes financial updating by the inflation index specified for each transmission contract.

The services provided include charges for connection and other related services; the revenues are recognized when the services are rendered.

The Resolution Aneel 729/2016 regulates the Variable Portion ('Parcela Variável' or 'PV'), which is the pecuniary penalty applied by the grantor as a result of any unavailability's or operational restrictions on facilities that are part of the National Grid and the surcharge corresponding to the pecuniary bonuses provided to concessionaries as an incentive to improve the transmissions facilities availability.

Revenue on financial updating of the Concession Grant Fee

Represents the inflation adjustment using the IPCA inflation index, plus interest, on the Concession Grant Fee for the concession awarded as Lot D of Auction 12/2015, as described in Note 12.

Energy transactions on the CCEE (Power Trading Chamber)

The revenue from transactions made through the Power Trading Chamber (Câmara de Comercialização de Energia Elétrica, or CCEE) is the monthly positive net balance of settlements of transactions for purchase and sale of energy in the Spot Market, through the CCEE, for which the consideration corresponds to the product of energy sold at the Spot Price.

Government subsidies

Government grants are recognized when there is reasonable assurance that all conditions established and related to the grant will be met and that it will be received, in accordance with IAS 20.

The subsidiary Cemig D receives amounts from the Energy Development Account (CDE) as reimbursement for subsidies on tariffs granted to users of the public energy distribution service – TUSD.

The subsidiaries Cemig GT, Centroeste and Sete Lagoas receive amounts from the Energy Development Account (CDE) as reimbursement for subsidies on tariffs of EUST (charges for use of the transmission system). These amounts are recognized in the Statement of income in a monthly basis as those subsidiaries acquire the right of receive them.

Estimations and judgments

Supply and distribution of electricity and gas

The Company recognizes the revenues corresponding to the supply of energy and unbilled gas for the period between the last billing and the end of each month, estimated based on the contracted supply and the volume of gas consumed and not billed in the period.

The revenues of the gas distribution service are recognized monthly, even if there is no use of the system, namely:

- Utilization of the contracted capacity in amounts as from 85%: The revenue recognized will correspond to the utilization;
- Utilization of the contracted capacity in amounts less than 85%: Revenue is capped at a maximum of 85% of the value relative to full utilization.

Revenues from the sale of energy are measured based on the energy supplied and the tariffs specified in the terms of the contract or in effect in the market. Revenues from supply of energy to final customers are recorded when the delivery has taken place. The billing is carried out monthly.

Unbilled supply of energy, from the period between the last billing and the end of each month, is estimated based on the supply contracted and on the volume of energy delivered but not yet billed.

Any adjustment of expected cash flows from the concession financial asset of the energy distribution concession contract is presented as operating revenue, together with the other revenues related to the energy distribution services.

Transmission

The construction margin is defined on the basis of the Company's best estimates of profitability at the time the investment projects are initially conceived. Changes in the initial measurement of the transaction price, which may give rise to a change in the profitability determined organically and remeasurement of the contract asset, are dealt with at the time of the periodic tariff review.

The income margin on operation and maintenance of transmission infrastructure is determined based on the individual sale price of the service, based on available information costs incurred for the provision of services of operation and maintenance, on the value of the consideration that the entity expects to have the right, in exchange for the services promised to the client, in cases where the Company's transmission subsidiaries have the right, separately, to the remuneration for the activity of operation and maintenance, as per IFRS 15 - Revenue from contracts with clients.

The Company assessed the variable parcel effects ('PV'), based on historical data, and concluded that the variable consideration arising from the PV estimated is not material. Therefore, for both situations described, it is recognized as an adjustment to revenue, either as an increase in or a reduction of operation and maintenance revenue, when it occurs.

27. OPERATING COSTS, EXPENSES AND OTHER REVENUE

The operating costs and expenses of the Company is as follows:

a) Cost of energy and gas

	2024	2023	2022
Energy purchased for resale			
Supply from Itaipu Binacional	1,204	1,207	1,644
Physical guarantee quota contracts	864	918	925
Quotas for Angra I and II nuclear plants	374	364	357
Spot market	1,154	478	530
Proinfa Program	468	511	598
'Bilateral' contracts	499	510	493
Energy acquired in Regulated Market auctions	4,564	3,940	3,334
Energy acquired in the Free Market	5,655	5,612	6,003
Distributed generation ('Geração distribuída')	3,239	2,331	1,977
PIS/Pasep and Cofins credits	(1,326)	(1,223)	(1,247)
	16,695	**14,648**	**14,614**
Charges for use of the national grid			
Transmission charges – Basic network	3,466	3,220	2,925
Distribution charges	59	54	50
PIS/Pasep and Cofins credits	(369)	(337)	(304)
	3,156	**2,937**	**2,671**
Gas purchased for resale (1)	**2,127**	**2,237**	**2,735**
Total	**21,978**	**19,822**	**20,020**

(1) The price of the gas molecule acquired by Gasmig is corrected for the variation in Brent-type oil and the variation in the exchange rate.

b) Infrastructure construction cost

	2024	2023	2022
Personnel and managers	172	155	135
Materials	2,325	2,007	2,233
Outsourced services	1,934	1,458	1,052
Acquisition of easements	131	72	16
Others	440	380	100
Total	**5,002**	**4,072**	**3,536**

c) Operating costs and expenses

	Operating costs			Expected credit loss			General and administrative expenses			Other expenses			2024	2023	2022
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022			
Personnel	1,053	1,000	976	-	-	-	346	308	376	-	-	-	**1,399**	**1,308**	**1,352**
Employees' and managers' profit sharing	131	-	-	-	-	-	41	-	4	-	157	79	**172**	**157**	**83**
Post-employment benefits (note 23)	15	-	-	-	-	-	5	-	-	464	591	626	**484**	**591**	**626**
Materials	118	100	93	-	-	-	17	40	55	-	-	-	**135**	**140**	**148**
Outsourced services (C.1)	1,866	1,652	1,433	-	-	-	276	250	273	-	-	-	**2,142**	**1,902**	**1,706**
Depreciation and amortization	1,352	1,247	1,110	-	-	-	24	27	72	-	-	-	**1,376**	**1,274**	**1,182**
Provisions (Reversals) (1)	(163)	333	278	-	-	-	-	-	-	135	101	123	**(28)**	**434**	**401**
Impairment (2)	-	-	-	-	-	-	-	-	-	46	-	-	**46**	**-**	**-**
Expected credit losses of accounts receivable (note 8)	-	-	-	175	175	109	-	-	-	-	-	-	**175**	**175**	**109**
Provision for losses with related party - Renova	-	-	-	-	-	-	-	-	-	-	1	(54)	**-**	**1**	**(54)**
Reversal of provision with related party (3)	-	-	-	-	-	-	-	-	-	(58)	-	-	**(58)**	**-**	**-**
Write-off of financial asset	-	-	-	-	-	-	-	-	-	-	-	172	**-**	**-**	**172**
Other costs and expenses (C.2)	312	240	205	-	-	-	111	82	9	114	181	182	**537**	**503**	**396**
Total	**4,684**	**4,572**	**4,095**	**175**	**175**	**109**	**820**	**707**	**789**	**701**	**1,031**	**1,128**	**6,380**	**6,485**	**6,121**

(1) This variation is basically due to the reversal of a tax contingency arising from a decision in favor of the company in the lower court, which ordered the cancellation of the collection and the extinction of the tax execution of a lawsuit related to social security contributions on Profit Sharing (PLR). For more details, see note 24.

(2) This amount includes:

i. R$41 relating to the recognition of impairment losses on the capital gain of Aliança Norte. For more details, see note 14. This loss is presented in the Operating Segments note as part of the investees segment.

ii. R$5 referring to outstanding debts with customer, due to disagreement in values. Arbitration procedure was initiated by the customer.

(3) Refers to contractual obligations towards the investee Aliança Geração corresponding to contingencies whose triggering event is events that occurred before the closing of the transaction that resulted in the contribution of assets by Cemig GT and Vale S.A. in the capital of this investee On March 27, 2024, the CCVA was signed for the sale of the stake held by Cemig GT in the share capital of Aliança Geração to Vale S.A.. On August 13, 2024, with the conclusion of the sale, Vale S.A. and Cemig GT jointly signed an agreement to extinguish and discharge these contingencies, which resulted in the reversal of the provision in August 2024.

C.1) Outsourced services

	2024	2023	2022
Meter reading and bill delivery	159	161	146
Communication	182	169	153
Maintenance and conservation of electrical facilities and equipment	799	708	589
Building conservation and cleaning	90	85	73
Security services	22	20	17
Consultancy	19	21	39
Information technology	185	174	146
Disconnection and reconnection	72	87	90
Legal services	38	32	40
Environment services	86	58	49
Cleaning of power line pathways	154	117	91
Copying and legal publications	18	17	18
Inspection of customers	48	45	41
Contract labor	49	38	23
Others	221	170	191
Total	**2,142**	**1,902**	**1,706**

C.2) Other costs and expenses, net

	2024	2023	2022
Leasing and rentals	-	3	16
Advertising	29	14	9
Own consumption	28	23	24
Subsidies and donations	49	29	26
Insurance	10	22	24
CCEE annual charge	9	7	6
Forluz – Administrative running cost	40	40	36
Collecting agents	60	72	77
Net loss on deactivation and disposal of assets	213	210	127
Taxes (IPTU, IPVA and other)	25	10	8
Others	74	73	43
Total	**537**	**503**	**396**

Programmed Voluntary Severance Plan (PDVP)

In May 2024, the Company approved its 2024 PDVP, offering employees acceptance of the plan from May 27 to June 21, 2024. This period was subsequently reopened from June 26 to June 28, 2024, and the final result was accepted by 357 employees. The program provided for the payment of the same legal severance payments would apply to a 'dismissal without just cause', plus an additional premium, as indemnity.

Spending on the program totaled R$78, recognized in Personnel costs and Personnel expenses.

d) Other revenue

	2024	2023	2022
Gains arising from the sale of PP&E (note 31a)	43	-	-
Gain on disposal of investment			
Aliança Geração (note 31b)	1,617	-	-
Baguari Energia	-	261	-
Retiro Baixo	-	27	-
MESA	-	30	-
Renova	-	-	52
Bargain purchases (1)	14	-	5
Adjustment to fair value of the previous shareholding interest (2)	-	9	-
Periodic Tariff Review, net (3)	1,521	-	-
Total	**3,195**	**327**	**57**

(1) This amount is made up of advantageous purchases arising from acquisitions made by Cemig SIM, of which R$10 refers to the acquisition of UFV Jequitibá II and R$4 refers to the acquisition of Jequitibá I. For more details see Note 14.

(2) This refers to the gain on adjustment to fair value of the previous shareholding interest recognized in the process of acquisition by Cemig SIM, in the 2023 fiscal year, of the remaining 51% of UFV Campo Lindo 1, UFV Campo Lindo 2 and UFV Olaria 1.

(3) This amount is net of PIS/Pasep and Cofins taxes. The total added to Contractual Assets was R$1,676. For more details see Note 13.

CEMIG

28. FINANCE INCOME AND EXPENSES

	2024	2023	2022
FINANCE INCOME			
Income from financial investments	436	452	468
Interest on sale of energy	299	286	337
Foreign exchange variations – Itaipu	-	7	17
Foreign exchange variations - Loans	-	277	338
Monetary variations	87	163	108
Monetary variations – CVA	16	76	185
Gain on financial instruments – Swap	147	-	-
Monetary updating of escrow deposits	69	82	82
PIS/Pasep and Cofins charged on finance income (1)	(205)	(197)	(117)
Prepayment rents	5	4	5
Monetary updating on PIS/Pasep and Cofins taxes credits over ICMS (2)	392	-	-
IRPJ credit update on Worker's Food Program (note 9)	59	-	-
Others	125	122	77
	1,430	**1,272**	**1,500**
FINANCE EXPENSES			
Charges on loans and debentures (Note 20)	(989)	(1,013)	(928)
Cost of debt – amortization of transaction cost	(19)	(14)	(7)
Foreign exchange variations - Loans	(464)	-	-
Premium on repurchase of debt securities (Eurobonds)	-	-	(47)
Foreign exchange variations – Itaipu	(37)	-	-
Monetary updating – Loans and debentures	(248)	(148)	(167)
Charges and monetary updating on post-employment obligations	(4)	(20)	(40)
Loss on financial instruments – Swap	-	(177)	(438)
Monetary updating on PIS/Pasep and Cofins taxes credits over ICMS (2)	-	(41)	(1,294)
Monetary updating – Lease liabilities	(27)	(35)	(27)
Financial expenses (R&D and PEE)	(30)	(38)	(38)
Estimated update of distributed generation credits, net (3)	(38)	-	-
Others	(95)	(165)	(80)
	(1,951)	**(1,651)**	**(3,066)**
NET FINANCE EXPENSES	**(521)**	**(379)**	**(1,566)**

(1) PIS/Pasep and Cofins expenses are levied on financial income and interest on own capital.

(2) The interest of the tax credits related to PIS/Pasep and Cofins, arising from the exclusion of ICMS from its calculation basis, and the liability to be refunded to consumers is presented by net value. With the offsetting of the credits, the liability to be refunded to consumers exceeded the value of the credits to be received, generating a net financial expense for the comparative periods. With the adjustment of the liability, in May 2024, of R$411, the Company now has net financial income. For more information, see note 19.

(3) Estimated update of the distributed generation credits to be compensated by consumers, due to the effect of the tariff adjustment, net of the portion corresponding to the financial income from the estimated neutrality on the distributed generation credits, in the amount of R$39.

Accounting policy

Finance income is mainly comprised of interest income on financial investments and interest of overdue invoices. Interest income is recognized using the effective interest method.

Finance expenses include interest expense on borrowings, and foreign exchange and monetary adjustments on borrowing costs of debt, financings and debentures. They also include the negative change in fair value on other financial assets and liabilities. Interest expense on the Company's borrowings that is not capitalized is recognized in the Statement of income using the effective interest method.

29. RELATED PARTY TRANSACTIONS

The relationships between Cemig and its investees are described in the investment note (No. 14). The main consolidated balances and transactions, as well as the main conditions relating to the Company's business with related parties, are shown below:

Transactions with energy

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Aliança Geração (1)	-	3	-	22	33	49	(138)	(234)
Norte Energia	-	-	33	31	-	-	(290)	(278)
Paracambi	-	-	3	2	-	-	(31)	(30)
Hidrelétrica Pipoca	-	-	4	3	-	2	(46)	(47)
Taesa	-	-	-	-	-	-	(1)	-

(1) This company was a Related Party of the Company until August 13, 2024, when the process of its sale to Vale S.A. was completed. For more details see Note 31.

The sale and purchase of electricity between generators and distributors are carried out through auctions in the regulated contracting environment organized by the Federal Government. In the free contracting environment, in turn, they are carried out by means of auctions or direct contracting, according to the applicable legislation. Electricity transport operations, on the other hand, are carried out by the transmitters and result from the centralized operation of the National Interconnected System by the National System Operator (ONS).

Charges

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Connections charges								
Taesa	-	-	-	-	-	-	(5)	(6)
Transmission charges								
Aliança	-	-	-	-	1	1	-	-
Norte Energia	9	3	-	-	33	30	-	-
Taesa	-	-	11	12	-	-	(146)	(138)

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

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

Customers and traders

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Governo do Estado de Minas Gerais	11	45	-	-	231	194	-	-

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

Provision of services

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Aliança Geração	-	1	-	-	9	7	-	-
Guanhães	-	-	-	-	2	-	-	-
Paracambi	-	-	-	-	1	-	-	-
Taesa	1	-	-	-	2	2	-	-

The balances for services rendered refer to contracts for the provision of operation and maintenance services for power plants, transmission networks and distribution networks.

Accounts Receivable

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Governo do Estado de Minas Gerais	13	13	-	-	-	-	-	-

This refers to the recalculation of the monetary correction of amounts related to advance for future capital increase returned to the State of Minas Gerais. These receivables are guaranteed by the retention of dividends or interest on equity distributed to the State, in proportion to its participation, while the delay and/or default persists.

Provision of legal services

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Aliança Geração (a)	-	-	-	58	-	-	-	(3)
Guanhães Energia (b)	-	-	17	-	-	-	-	-
Cemig D (b)	-	-	10	-	-	-	-	-
Governo do Estado de Minas Gerais (b)	27	-	-	-	-	-	-	-

a) Refers to contractual obligations towards the investee Aliança Geração corresponding to contingencies that have as triggering events that occurred before the closing of the transaction that resulted in the contribution of assets by Cemig and Vale S.A. to the capital of this investee. On March 27, 2024, the CCVA was signed to sell the interest held by the Company in the share capital of Aliança Geração to Vale S.A.. On August 13, 2024, with the completion of the sale, Vale S.A. and Cemig GT jointly signed an agreement to terminate and discharge these contingencies, which resulted in the provision being reversed in August 2024.

b) This refers to the agreement signed between the State of Minas Gerais, Cemig, Alpargatas, Guanhães and Cemig D. On December 21, 2012, the State of Minas Gerais signed Contract 021/2012 for execution of certain works and services in energy infrastructure in the state of Minas Gerais, and contracted Cemig for execution of the works.

The works were carried out by Cemig D for the benefit of Alpargatas and Guanhães Energia, but the State of Minas Gerais did not transfer funds to Cemig within the appropriate time, which resulted in disbursements by Cemig D, executor of the works, and by Guanhães Energia. Cemig D disbursed funds for the completion of the works for the benefit of Alpargatas, and Guanhães Energia disbursed funds for the completion of the works that were for its own benefit.

On June 14, 2024, an Agreement prior to Action was entered into between the companies involved, and the State undertook to pay R$32 to Cemig in 36 installments of R$0.9 with a base date of May 2024, starting in July 2024. As part of the agreement Cemig undertook to pay on to Guanhães Energia the appropriate amounts due to it, and (in accordance with a power of attorney issued by Alpargatas for the benefit of Cemig D), to pay Cemig D the amounts due to it.

The financial details of the agreement are as follows:

i) the first installment will be adjusted by the Amplified Consumer Price Index – IPCA, and then not further adjusted until the 12th installment;
ii) from the 13th to the 36th installment, the amount paid in June 2024 will be adjusted monthly by the IPCA;
iii) all installments are due on the last business day of the month, starting in July 2024.

Interest on Equity, and dividends

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Taesa	111	49	-	-	-	-	-	-

FIC Pampulha

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Current								
Cash and cash equivalents	159	351	-	-	-	-	-	-
Marketable securities	357	771	-	-	16	51	-	-
Non-current								
Marketable securities	135	-	-	-	-	-	-	-

Cemig and its subsidiaries and jointly controlled entities invest part of their financial resources in an investment fund which has the characteristics of fixed income and obeys the Company’s cash investment policy. The amounts invested by the fund are reported as cash and cash equivalent or marketable securities line in current and non-current assets.

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

Leasing

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
Current								
Operating leasing	-	-	19	27	-	-	(25)	(33)
Non-current								
Operating leasing	180	185	195	187	-	-	-	-

This is a contract with Fundação Forluminas de Seguridade Social (Forluz), the closed private pension fund (Entidade Fechada de Previdência Complementar – EFPC) of employees of the Cemig Group, the owner of the building (the Júlio Soares Building). On March 27, 2024, the company signed an addendum for the return of 5 floors of the Júlio Soares Building, changing the rental values and removing Gasmig and Cemig Sim from the contract. The new base date for the contract began on April 1, 2024, and will run until March 2029, being adjusted annually by the IPCA and having its prices reviewed every 60 months.

Post-employment benefit

Company	ASSETS		LIABILITIES		REVENUES		EXPENSES	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	2024	2023	2024	2023
FORLUZ								
Current								
Post-employment obligations (1)	-	-	53	126	-	-	(214)	(280)
Supplementary pension contributions - Defined contribution plan (2)	-	-	-	-	-	-	(89)	(81)
Administrative running costs (3)	-	-	-	-	-	-	(40)	(40)
Non-current								
Post-employment obligations (1)	-	-	1,648	2,230	-	-	-	-
	-	-	-	-	-	-	-	-
Cemig Saúde								
Current								
Health plan and dental plan (4)	-	-	208	230	-	-	(274)	(388)
Non-current								
Health plan and dental plan (4)	-	-	2,396	2,830	-	-	-	-

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

(1) Forluz's contracts are adjusted by the Broad National Consumer Price Index - IPCA of the Brazilian Institute of Geography and Statistics - IBGE, plus interest of 6% per year and will be amortized until 2031;

(2) Company's contributions to the Pension Fund regarding the employees participating in the Mixed Plan and calculated over monthly remunerations in conformity with the Fund's regulation;

(3) Funds for the annual administrative funding of the Pension Fund in accordance with the specific legislation for the sector. The amounts are estimated as a percentage of the Company's payroll;

(4) Post-employment obligations related to the employees' health and dental plan.

Details of post-employment benefits can be found in note 23.

CEMIG

Dividends receivable

	Dec. 31, 2024	Dec. 31, 2023
Taesa	111	50
Total	**111**	**50**

Guarantees on loans and debentures

Cemig has provided guarantees on Loans and debentures of the following related parties - not consolidated in the financial statements because they relate to jointly controlled entities:

Related party	Type	Objective	2024	Maturity
Norte Energia (NESA) (1)	Surety	Financing	2,524	2042
Norte Energia S.A (NESA)/Light (2)	Counter-guarantee	Financing	684	2042
Norte Energia (NESA)	Surety	Debentures	81	2030
			3,289	

(1) Related to Norte Energia loans.
(2) Counter-guarantee to Light, related to execution of guarantees of the Norte Energia loans.

On December 31, 2024, Management evaluate that there is no need to recognize any provisions in the Company's financial statements for the purpose of meeting any obligations arising under these sureties and/or guarantees.

Remuneration of key management personnel

The total remuneration of key personnel, comprising the Executive Board, the Fiscal Council, the Audit Committee and the Board of Directors, are within the limits approved at a General Shareholders' Meeting, and the effects on the Statement of income of the year ended December 31, 2024, 2023 and 2022, are as follows:

	2024	2023	2022
Remuneration	34	29	29
Income sharing	8	7	6
Pension plans	2	2	2
Total	**44**	**38**	**37**

30. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial instruments classification and fair value

The financial instruments, classified in accordance with the accounting principles, are as follows:

	Level	Dec. 31, 2024		Dec. 31, 2023	
		Balance	Fair value	Balance	Fair value
Financial assets					
Amortized cost (1)					
Marketable securities – Cash investments		142	142	11	11
Accounts receivable from Customers and traders; Concession holders (transmission service)		5,850	5,850	5,477	5,477
Restricted cash		235	235	31	31
Accounts receivable from the State of Minas Gerais (AFAC)		40	40	13	13
Concession financial assets – CVA (Parcel 'A' Costs Variation Compensation) Account and Other financial components		1,296	1,296	806	806
Concession grant fee – Generation concessions		3,098	3,098	3,031	3,031
		10,661	**10,661**	**9,369**	**9,369**
Fair value through profit or loss					
Cash equivalents – Cash investments	2	1,629	1,629	1,342	1,342
Marketable securities					
Bank certificates of deposit (CDBs)	2	-	-	74	74
Financial Notes – Banks	2	279	279	475	475
Treasury Financial Notes (LFTs)	1	72	72	214	214
		1,980	**1,980**	**2,105**	**2,105**
Derivative financial instruments (Swaps)	2	-	-	368	368
Concession financial assets – Distribution infrastructure	3	2,807	2,807	1,920	1,920
Indemnifiable receivable – Generation	3	871	871	784	784
		5,658	**5,658**	**5,177**	**5,177**
		16,319	**16,319**	**14,546**	**14,546**
Financial liabilities					
Amortized cost (1)					
Loans and debentures (2)		(12,280)	(11,934)	(9,831)	(9,831)
Debt with pension fund (Forluz)		-	-	(90)	(90)
Deficit of pension fund (Forluz)		(494)	(484)	(521)	(521)
Concessions payable		(27)	(27)	(28)	(28)
Suppliers		(2,952)	(2,952)	(3,017)	(3,017)
Leasing liabilities (Adjusted for remeasurements)		(429)	(429)	(433)	(433)
Sector financial liabilities		(16)	(16)	-	-
		(16,198)	**(15,842)**	**(13,920)**	**(13,920)**

(1) The book value represents the approximate fair value amount, except for loans, debentures and pension fund deficit equalization in relation to the amounts as of December 31, 2024.

(2) The fair value presented is net of the transaction costs and anticipated resources presented in note 20.

At initial recognition the Company measures its financial assets and liabilities at fair value and classifies them according to the accounting standards currently in effect. *Fair value* is a measurement based on assumptions that market participants would use in pricing an asset or liability, assuming that market participants act in their economic best interest. The information applied in the fair value valuation techniques is classified in three levels of fair value hierarchy, as follows:

- **Level 1 - Active market -** Quoted prices: A financial instrument is considered to be quoted in an active market if the prices quoted are promptly and regularly made available by an exchange or organized over-the-counter market, by operators, by brokers or by a market association, by entities whose purpose is to publish prices, or by regulatory agencies, and if those prices represent regular arm's length market transactions made without any preference.

- **Level 2 - No active market -** Valuation technique: For an instrument that does not have an active market, fair value should be found by using a method of valuation/pricing. Criteria such as data on the current fair value of another instrument that is substantially similar, or discounted cash flow analysis or option pricing models, may be used. Level 2 is based on information that is observable, either directly or indirectly. The objective of the valuation technique is to establish what would be the transaction price on the measurement date in an arm's-length transaction motivated by business model.

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

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

Fair value calculation of financial positions

Distribution infrastructure concession financial assets: these are measured at New Replacement Value (NRV), according to criteria established by the Concession-granting power ('Grantor'), based on fair value of the concession assets in service and which will be revertible at the end of the concession, and on the weighted average cost of capital (WACC) defined by the Grantor, which reflects the concession holder's return on the operations of the concession. The NRV and the WACC are public information disclosed by the Grantor and by CEMIG respectively. The gas distribution assets are measured at the construction cost adjusted by the General Market Prices Index (*Índice Geral de Preços de Mercado* - IGPM). Changes in concession financial assets are disclosed in Note 12.

Indemnifiable receivable - generation: measured at NRV, as per criteria set by regulations of the grantor power, based on the fair value of the assets to be indemnify at the end of the concession. For more information, see Note 13.

Marketable securities: Fair value of financial investments is determined taking into consideration the market prices of the investment, or market information that makes such calculation possible, considering future interest rates and exchange of investments to similar securities. The market value of the security is deemed to be its maturity value discounted to present value by the discount rate obtained from the market yield curve.

Other financial liabilities: Fair value of its Loans and debentures were determined using 111.43% of the CDI rate - based on its most recent funding. For the loans and debentures, with annual rates between (i) a minimum of IPCA + 4.10% and a maximum of IPCA + 7.62% and (ii) a minimum of CDI + 0.47% and a maximum of CDI + 2.05%. The difference between book value and fair value is impacted mainly by macroeconomic conditions (inflation and interest rates), as well as the dynamics of the credit market, which is reflected in secondary capital market trading.

b) Derivative financial instruments

Swap transactions and currency options

Considering that part of the Loans of the Company's subsidiaries was denominated in foreign currency, the companies used derivative financial instruments (swaps and currency options) to protect the servicing associated with these debts (principal plus interest).

The gains and losses realized in 2024 and 2023 are shown below:

Assets	Liability	Maturity period	Product	Trade market	Notional amount	Realized gain / loss 2024	Realized gain / loss 2023
US$ exchange variation + Rate (9.25% p.y.)	Local currency R$ + 149.99% of CDI	Interest: Half-yearly Principal: Dec. 2024	Swap + Options	Over the counter	US$120.000	212	97
US$ exchange variation + Rate (9.25% p.y.)	Local currency R$ + 125.54% of CDI	Interest: Half-yearly Principal: Dec. 2024	Swap + Options	Over the counter	US$261.110	302	87
US$ exchange variation higher than R$5.1110	US$ exchange variation higher than R$5.1110	April 13, 2023 December 05, 2023	NDF	Over the counter	US$392.344	-	(79)
US$ exchange variation higher than R$4.9675	US$ exchange variation higher than R$4.9675	December 05, 2023 December 19, 2023	NDF	Over the counter	US$376.550	-	(38)
						514	67

The six-monthly payment of swap interest in June 2024 resulted in a negative item of R$7, with cash outflow of this amount.

The hedge transaction, relating to the outstanding total of US$381,110, was fully settled on December 5, 2024, resulting in a positive result of R$521, and net cash inflow of R$443.

As a result, at December 31, 2024 Cemig GT now has no derivative financial instruments in effect.

More details on the liquidation of Eurobonds in note 20.

c) Financial risk management

Corporate risk management is a management tool that is part of the Company's corporate governance practices, and is aligned with the process of planning, which sets the Company's strategic business objectives.

The economic-financial risk is associated with ineffective management and control of the organization's financial resources, and also market variations, such as availability of credit, exchange rates, and movements in interest rates.

The Company monitor the financial risk of transactions that could negatively affect the Company's liquidity or profitability, recommending hedge protection strategies to minimize its exposure to foreign exchange rate, interest rate and inflation risks, which are effective, in alignment with the Company's business strategy.

The main exposure risks of the Company and its subsidiaries are described below in this explanatory note:

The scenarios for the sensitivity analysis were developed using market sources and specialized sources. The Company considers 'probable' and 'adverse' scenarios for financial assets and liabilities. A scenario is considered adverse when it generates a reduction in net gains on financial assets (i.e. the 'adverse' scenario results in lower rates of return than the 'probable' scenario), or an increase in net financial liabilities (higher in the 'adverse' than in the 'probable' scenario), for the same risk.

Exchange rate risk

The Company is exposed to the risk of appreciation in exchange rates, with effect on suppliers (energy purchased from Itaipu) and cash flow.

The risk exposure of group is mitigated by the account for compensation of variation of parcel A items (CVA).

The net exposure to exchange rates is as follows:

Exposure to exchange rates	Dec. 31, 2024		Dec. 31, 2023	
	Foreign currency	R$	Foreign currency	R$
US dollar				
Loans and financing (note 20)	-	-	(384)	(1,857)
Suppliers (Itaipu Binacional)	(34)	(210)	(50)	(240)
	(34)	**(210)**	**(434)**	**(2,097)**
Net liabilities exposed		**(210)**		**(2,097)**

Sensitivity analysis

Based on finance information from its financial consultants, the Company estimates that in a probable scenario the variation of the exchange rates of foreign currencies in relation to the Real on December 31, 2025 will be a depreciation of the dollar by 7.92%, to R$5.70.

The Company has prepared a sensitivity analysis of the effects on the Company's net income arising from depreciation of the Real exchange rate considering an adverse scenario in relation to the probable scenario.

Risk: foreign exchange rate exposure	Dec. 31, 2024	Dec. 31, 2025	
	Book value	Probable' scenario Dollar R$5.7	Adverse scenario Dollar R$6.48
US dollar			
Suppliers (Itaipu Binacional)	(210)	(194)	(220)
Net liabilities exposed	**(210)**	**(194)**	**(220)**
Net effect of exchange rate fluctuation		**16**	**(10)**

Interest rate risk

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

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

The Company does not contract derivative financial instruments for protection from this risk. Variations in interest rates are continually monitored with the aim of assessing the need for contracting of financial instruments that mitigate this risk.

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

	Dec. 31, 2024	Dec. 31, 2023
Assets		
Cash equivalents – Cash investments – CDI	1,629	1,342
Marketable securities – CDI / Selic	493	774
Generation indemnity revenue	871	784
Restricted cash – CDI	235	31
CVA and in tariffs (Note 12.d) – Selic	1,296	806
	4,524	**3,737**
Liabilities		
Loans and debentures (Note 20) – CDI	(4,882)	(3,508)
Sector financial liabilities (note 12.d)	(16)	-
	(4,898)	**(3,508)**
Net liabilities exposed (1)	**(374)**	**229**

(1) The variation in net liabilities exposed is mainly due to the issuance of debentures in 2024.

Sensitivity analysis

In relation to the most significant interest rate risk, the Company estimate that in a probable scenario the Selic rate will be 15% and the TJLP rate will be 7.94% on December 31, 2025.

The Company made a sensitivity analysis of the effects on results considering an adverse scenario in relation to the probable scenario, as shown in the table below. The CDI rate follows the Selic rate.

Risk: Increase in Brazilian interest rates	Dec. 31, 2024	Dec. 31, 2025	
	Book value	Probable' scenario Selic 15% TJLP 7.94%	Adverse scenario Selic 15.25% TJLP 8.26%
Assets			
Cash equivalents	1,629	1,873	1,877
Marketable securities	493	566	568
Generation indemnity revenue (nota 12.b)	871	1,001	941
Restricted cash	235	270	271
CVA and Other financial components – SELIC (Note 12.d)	1,296	1,490	1,493
	4,524	**5,200**	**5,150**
Liabilities			
Loans and financing (Note 20) – CDI	(4,882)	(5,614)	(5,627)
CVA and Other financial components – SELIC (Note 12.d)	(16)	(18)	-
	(4,898)	**(5,632)**	**(5,627)**
Net liabilities exposed	**(374)**	**(432)**	**(477)**
Net effect of fluctuation in interest rates		**(58)**	**(103)**

Increase in inflation risk

The Company is exposed to the risk of increase in inflation index on December 31, 2024. A portion of the loans and debentures as well as the pension fund liabilities are adjusted using the IPCA (Expanded National Customer Price). The revenues are also adjusted using the IPCA and IGP-M index, mitigating part of the Company risk exposure.

This table presents the Company's net exposure to inflation index:

Exposure to increase in inflation	Dec. 31, 2024	Dec. 31, 2023
Assets		
Concession financial assets related to Distribution infrastructure - IPCA	2,807	1,920
Concession Grant Fee – IPCA (Note 12.c)	3,098	3,031
	5,905	**4,951**
Liabilities		
Loans and debentures – IPCA and IGP-DI (Note 20)	(7,547)	(4,522)
Debt with pension fund (Forluz) – IPCA	-	(90)
Deficit of pension plan (Forluz) – IPCA	(494)	(521)
Leasing liabilities	(429)	(433)
	(8,470)	**(5,566)**
Net liabilities exposed	**(2,565)**	**(615)**

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

Sensitivity analysis

In relation to the most significant risk of reduction in inflation index, reflecting the consideration that the Company has more assets than liabilities indexed to inflation indexes, the Company estimates that, in a probable scenario, at December 31, 2025 the IPCA inflation index will be 4.5% and the IGPM inflation index will be 3.76%. The Company has prepared a sensitivity analysis of the effects on its net income arising from reductions in rates in an adverse scenario.

	Dec. 31, 2024	Dec. 31, 2025	
		Probable' scenario	Adverse scenario
	Book value	IPCA 4.5% IGPM 3.76%	IPCA 8.08% IGPM 9.47%
Assets			
Concession financial assets related to Distribution infrastructure – IPCA (1)	2,715	2,837	2,934
Concession financial assets related to gas distribution infrastructure – IGPM	92	96	101
Concession Grant Fee – IPCA (Note 12.c)	3,098	3,238	3,349
	5,905	**6,171**	**6,384**
Liabilities			
Loans, financing and debentures – IPCA and IGP-DI (Note 20)	(7,547)	(7,887)	(8,157)
Deficit of pension plan (Forluz)	(494)	(516)	(534)
Leasing liabilities	(429)	(449)	(464)
	(8,470)	**(8,852)**	**(9,155)**
Net liability exposed	**(2,565)**	**(2,681)**	**(2,771)**
Net effect of fluctuation in IPCA and IGP–M indexes		**(116)**	**(206)**

(1) Portion of the Concession financial assets relating to the Regulatory Remuneration Base of Assets ratified by the grantor (ANEEL) after the 4th tariff review cycle.

Liquidity risk

CEMIG has sufficient cash flow to cover the cash needs related to its operating activities.

The Company manages liquidity risk with a group of methods, procedures and instruments that are coherent with the complexity of the business, and applied in permanent control of the financial processes, to guarantee appropriate risk management.

CEMIG manages liquidity risk by permanently monitoring its cash flow in a budget-oriented manner. Balances are projected monthly, for each one of the companies, over a period of 12 months, and daily liquidity is projected over 180 days.

Short-term investments must comply with investing principles established in the Company's Cash Investment Policy. These include applying its resources in private credit investment funds, without market risk, and investment of the remainder directly in bank CDs or repo contracts which earn interest at the CDI rate.

In managing cash investments, the Company seeks to obtain profitability through a rigid analysis of financial institutions' credit risk, applying operational limits for each bank, based on assessments that take into account their ratings, exposures and balance sheet. It also seeks greater returns on investments by strategically investing in securities with longer investment maturities, while bearing in mind the Company's minimum liquidity control requirements.

Any reduction in the Company's ratings could result in a reduction of its ability to obtain new financing and could also make refinancing of debts not yet due more difficult or more costly. In this situation, any financing or refinancing of the Company's debt could have higher interest rates or might require compliance with more onerous covenants, which could additionally cause restrictions to the operations of the business.

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

	Up to 1 month		1 to 3 months		3 months to 1 year		1 to 5 years		Over 5 years		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
Financial instruments at interest rates:											
- Floating rates (*)											
Loans and debentures	-	-	324	216	2,414	706	5,354	2,217	5,902	1,513	**18,646**
Onerous concessions	-	-	1	-	3	-	14	-	15	-	**33**
Deficit of the pension plan (FORLUZ)	5	2	10	5	45	21	304	81	207	15	**695**
	5	**2**	**335**	**221**	**2,462**	**727**	**5,672**	**2,298**	**6,124**	**1,528**	**19,374**
- Fixed rate											
Suppliers	2,787	-	163	-	2	-	-	-	-	-	**2,952**
Total	**2,792**	**2**	**498**	**221**	**2,464**	**727**	**5,672**	**2,298**	**6,124**	**1,528**	**22,326**

(*) The lease payment flow is presented in note 17.

Risk of debt early maturity

The Company's subsidiaries have loan contracts with restrictive covenants normally applicable to this type of transaction, related to compliance with a financial index. Non-compliance with these covenants could result in earlier maturity of debts. More details in Note 20.

Credit risk and other risks

The distribution concession contract requires levels of service on a very wide basis within the concession area, and disconnection of supply of defaulting customers is permitted. Additionally, the Company uses numerous tools of communication and collection to avoid increase in default. These include: telephone contact, emails, text messages, collection letters, posting of customers with credit protection companies, and collection through the courts.

The risk arising from the possibility of Cemig and its subsidiaries incurring losses as a result of difficulty in receiving amounts billed to its customers is considered to be low. The credit risk is also reduced by the extremely wide customers' base.

The estimated credit losses recorded on December 31, 2024, considered to be adequate in relation to the credits in arrears receivable by the Company and its subsidiaries was R$850 (R$868 in 2023).

Company and its subsidiaries manage the counterparty risk of financial institutions based on an internal policy, which is constantly updated. This Policy assesses and scales the credit risks of the institutions, the liquidity risk systemic risk related to macroeconomic and regulatory conditions, the market risk of the investment portfolio and the Treasury operational risk.

All investments are made in financial securities that have fixed-income characteristics, always indexed to the CDI rate, and may be of public or private capital as well as financial or non-financial entities. The Company does not carry out any transactions in variable income securities or that would bring volatility risk into its financial statements.

As a management instrument, the Company and its subsidiaries divide the investment of its funds into direct purchases of securities (own portfolio) and investment funds. The investment funds invest the funds exclusively in fixed income products, having companies of the Group as the only unit holders. They obey the same policy adopted in the investments for the Company's directly-held own portfolio.

The minimum requirements for concession of credit to financial institutions are centered on three items:

1. Minimum Brazilian long-term rating of 'BBB' (bra), 'brBBB' or 'Baa2' by any of the agencies: Fitch Ratings, Moody's or Standard & Poor's.
2. Equity greater than R$800.
3. Basel ratio one percentage point above the minimum set by the Brazilian Central Bank.

The quality of the financial institutions' credit portfolio is another indicator that is monitored and may result in reduction of the institution's limit.

Banks that exceed these thresholds are classified in three groups, in accordance with their equity value, plus a specific segment comprising those whose credit risk is associated only with federal government, and within this classification, limits of concentration by group and by institution are set:

		Limit per bank (% of equity) (1) (2)			
Group	Equity	AAA	AA	A	BBB
Federal Risk	-	10%	10%	10%	10%
A1	Equal or over R$10 billion	9%	8%	7%	6%
A2	Between R$5 billion and R$10 billion	8%	7%	6%	5%
A3	Between R$2 billion and R$5 billion	7%	6%	5%	4%
A4	Between R$800 million and R$2 billion	6%	5%	4%	-

1. The percentage assigned to each bank depends on individual assessment of indicators, e.g. liquidity, and quality of the credit portfolio.
2. When the institution has different ratings from different risk rating agencies, the rating that is most favorable for the institution is taken into account.

Further to these points, CEMIG also sets two concentration limits:

1. No bank may have more than 30% of the Group's portfolio.
2. The banks in the 'Federal risk', 'A1' and 'A2' groups must concentrate at least 50% of the total of the funds available, comprising investments held in the Investment Funds and in the own portfolio, excluding public securities.

The Company only permits investments in securities of non-financial companies that have a rating equal to or higher than the most recent rating of the Company published by the risk rating agencies Fitch Rating, Moody's or Standard & Poor's.

Risk of over-contracting and under-contracting of energy supply

Sale or purchase of energy supply in the spot market to cover a positive or negative exposure of supply contracted, to serve the captive market of CEMIG D, is an inherent risk to the energy distribution business. The regulatory agent limits for 100% pass-through to customers the exposure to the spot market, valued at the difference between the distributor's average purchase price and the spot price (PLD), is only the margin between 95% and 105% of the distributor's contracted supply. Any exposure that can be proved to have arisen from factors outside the distributor's control ('involuntary exposure') may also be passed through in full to customers. Company's management is continually monitories its contracts for purchase of energy supply to mitigate the risk of exposure to the spot market.

Risk of continuity of the concession

The risk to continuity of the distribution concession arises from the new terms included in the extension of CEMIG D's concession for 30 years from January 1, 2016, as specified by Law 12,783/13. The extension introduced changes to the present contract, conditional upon compliance by the distributor with new criteria for quality, and for economic and financial sustainability. The amendment included annual targets for these indicators, which had to be met by 2020. Failure to meet them in two consecutive years or in 2020 would result in the concession being forfeited.

As of 2021, the contract established that failure to meet the quality criteria for three consecutive years or the minimum parameters for economic and financial sustainability for two consecutive years will result in the opening of forfeiture proceedings. This rule was regulated by Normative Resolution 948/2021, summarized as follows:

Indicator	Criteria	Measures arising from non-compliance
Economic and financial management	In the base year	Capital contribution (1) Limitation on the distribution of dividends and interest on own capital Restrictive regime for contracts with related parties
Economic and financial management	2 consecutive years	Expiry of the concession
Quality of supply	In the base year	Results plan (2)
Quality of supply	2 consecutive years or 3 of the previous 5 calendar years	Limitation on the distribution of dividends and interest on own capital (3)
Quality of supply	3 consecutive years	Expiry of the concession

(1) Within 180 days of the end of each financial year, for the total insufficiency that occurs in reaching the Minimum Parameter for Economic and Financial Sustainability.

(2) Failure to comply with any of the DEC or FEC limits for one year makes it compulsory for the concessionaire to present a Results Plan, which must be submitted for Aneel's prior acceptance and monitored in its execution by the inspection areas.

(3) This limitation will come into effect on January 1st of the calendar year following the year in which the indicator was not met.

The quality of supply criterion is measured by the collective continuity indicators: DEC (Equivalent Interruption Duration per Consumer Unit) and FEC (Equivalent Interruption Frequency per Consumer Unit). They are considered to have been breached when, separately or jointly, the result of each indicator exceeds the overall annual limits set by Aneel.

The efficiency criterion in relation to economic and financial management is measured by the following inequality:

$$\frac{Net\ debt^1}{EBITDA^2 - QRR^3} \leq \frac{1}{(1.11 * Selic^4)}$$

1. Net debt corresponds to gross debt less Financial Assets, with the exception of Financial Assets and Liabilities under administrative or judicial discussion. Debt will correspond to the sum of liabilities made up of loans, financing, debentures, actuarial liabilities (private pension and post-employment benefits), tax installments, derivative financial instruments, taxes in arrears, sector costs and charges in arrears and renegotiated, sector financial liabilities that are not under administrative or judicial discussion, supply/purchase of electricity for resale (short-term without tariff coverage).
2. EBITDA calculated in accordance with the methodology defined by Aneel.
3. QRR: Regulatory Reintegration Quota or Regulatory Depreciation Expense: will be the amount defined in the last Periodic Tariff Review - RTP, updated by the variation in Regulatory Parcel B and calculated on a pro rata basis.
4. Selic: should be limited to 9.009% per year if it exceeds this percentage and 6.006% if it is lower than the latter.

This criterion is considered not to have been met when there is non-compliance with the inequality or when the EBITDA is less than the QRR.

The efficiency criteria related to continuity of supply and economic and financial management for maintaining Cemig D's concession were met in the year ending December 31, 2023. For the year 2024, the calculation has not yet taken place and will be carried out when the Regulatory Accounting Statements are released.

The efficiency criteria for continuity of supply and for economic and for financial management, required to maintain the distribution concession, were met in the year ended December 31, 2024.

Hydrological risk

The greater part of the energy sold by the Company's subsidiaries is generated by hydroelectric plants. A prolonged period of drought can result in lower water volumes in the reservoirs of these plants, which can lead to an increase in the cost of acquisition of energy, due to replacement by thermoelectric generation, or reduction of revenues due to reduction in consumption caused by implementation of wide-ranging programs for saving of energy. Prolongation of the generation of energy using the thermal plants could pressure costs of acquisition of supply for the distributors, causing a greater need for cash, and could result in future increases in tariffs.

The Company continuously monitors the position of its energy balance and the risk position of power purchase contracting, in order to ensure that transactions are consistent with its objectives and corporate strategy.

d) Capital management

The Company has the policy of maintaining a solid capital base to maintain the confidence of investors, creditors and the market and to enable the implementation of its investment program and the maintenance of its credit quality, with access to capital markets, seeking to invest in projects that offer minimum real internal rates of return equal to or greater than those provided for in the Long Term Strategy, with the cost of capital for its various businesses as a reference.

Accounting policy

Financial assets are classified, at initial recognition, as measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through income or loss, depending on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. Cemig and its subsidiaries currently have no financial assets measured at fair value through other comprehensive income (OCI).

Financial liabilities, as a rule, should be classified as measured at amortized cost, except when they fall within the characteristics for measurement at fair value through profit or loss, or in the case of any other exceptions introduced by the standard.

The corresponding disclosures on the main assumptions used in the fair value valuations are summarized in the respective notes.

Amortized cost: This category includes financial assets that (i) are held within the Company's business model for the purpose of receiving contractual cash flows and (ii) the contractual terms of these assets give rise to known cash flows that exclusively constitute payment of principal and interest, as follows: accounts receivables from customers, traders and concession holders; restricted cash; marketable debt securities with the intention of holding them until maturity and the terms of their contracts originate known cash flows that constitute exclusively payments of principal and interest; assets and liabilities related to the CVA account and Other financial components in tariff adjustments; concession financial assets related to generation concession grant fee and accounts receivable from related parties.

This category includes the following financial liabilities: suppliers; leasing liabilities; loans and debentures; debt agreed with the pension fund (Forluz); concessions payable; the low-income subsidy; reimbursement of tariff subsidies; and other credits.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Gains and losses are recognized in income or loss when the asset is derecognized, modified or impaired.

Estimates and judgments

Fair value through income or loss: This category includes cash equivalents and securities that are not classified as amortized cost, as well as derivative financial instruments and indemnities receivable from generation assets.

Also includes the concession financial assets related to energy and gas distribution segment infrastructure. The financial assets related to energy distribution infrastructure are measured at the expected New Replacement Value (NRV), which represents the fair value of the residual value of the infrastructure as of the balance sheet date. The financial assets related to gas distribution infrastructure are measured based on the historical cost adjusted by the IGP-M, less write-offs and replacements, which corresponds to the fair value on the date of the financial statements.

Derivative financial instruments (Swap transactions and call spread): CEMIG GT, maintains derivative instruments to manage its exposure to the risks of changes in foreign currency exchange rates that are recognized initially at their fair value and the related transaction costs are recognized in the statement of income when they are incurred. After the initial recognition, derivatives are measured at fair value and changes in fair value are recorded in the statement of income.

The disclosures about the main assumptions used in fair value measurement are summarized in the respective notes.

31. SALE OF ASSETS

a) Process of sale of 15 PCHs/CGHs

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

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

(1) Information not audited by the independent auditors.

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

The sale was completed on February 29, 2024, after all the conditions precedent of the CCVA had been met. The amount received for the sale was R$101.

As a result of the conclusion of the transaction, the Company recognized the following accounting effects in March 2024:

Total sales price	101
(-) Balance of assets held for sale on 02/29/2024, before sale	(58)
Capital gain	**43**
IRPJ and CSLL (1)	(18)
Net impact on the Income Statement	**25**

(1) Taxes were calculated on the taxable capital gain, which does not take into account the assigned cost balance.

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

In January 2025, judgment was given in a class action challenging the tender announcement for the public auction for sale of the 15 PCHs/CGHs. Cemig will appeal, at the various instances of the court system.

So far, there have been no impacts on the Company's financial statements.

b) Aliança Geração

On March 27, 2024, the Share Purchase Agreement ("SPA") was signed (Contrato de Compra e Venda de Ações, or CCVA) for sale of its direct 45% stake in the share capital of Aliança Geração to Vale S.A. ('Vale').

This sale was negotiated on the 'closed door' basis, exonerating Cemig GT from any indemnity related to Aliança Geração or its assets and liabilities.

After the conditions precedent set in the share purchase agreement had been met (such as the approval of the transaction by Cade and Aneel), the transaction was completed on August 13, 2024, with transfer of the shares previously held by Cemig GT to Vale, and payment by Vale of R$2,737 – the value of the transaction: R$2,700 on the base date of June 30, 2023, updated by the CDI rate as from the base date, less dividends paid by Aliança to Cemig GT in the period (a total of R$299, in historic values).

Cemig GT will be entitled to receive an additional amount, corresponding to 45% of the values of future compensation that may be received by Aliança Geração, relating to losses arising from the event related to the rupture of the Fundão tailings dam (Mariana disaster) involving the Risoleta Neves Hydroelectric Plant (Candonga), whose reference value for the purposes of the contract is R$223, also updated by the CDI since the base date.

As a result of conclusion of the transaction, the Company recognized the following accounting effects, in August 2024:

Capital Gain according to IFRS	
Selling price	2,737
(-)Expenses incurred in closing the transaction (1)	(1)
Value of assets held for sale on July 31, 2024	(1,119)
Capital gain net of selling expenses (A)	1,617
Capital Gain according to tax legislation	
Selling price	2,737
Book value of the investment on July 31, 2024	(928)
(-)Expenses incurred in closing the transaction (1)	(1)
Capital gain net of selling expenses	1,808
IRPJ and CSLL (34%) (B)	(615)
Fair value of the investment on July 31, 2024 (2)	236
IRPJ and CSLL (34%) Deferred (C)	80
Net impact of the Income Statement (A - B + C) (3)	**1,082**

(1) These expenses are for financial advisory services. Other expenses in the amount of R$2 were accounted for before the closing of the transaction.

(2) Gain referring to fair value of the investment in Aliança Geração, recognized in March 2015 when the generation assets were subscribed. This gain was being amortized based on the average concession term of the generation assets.

(3) The effects of the sale are part of the Holdings operational segment.

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

32. ASSETS CLASSIFIED AS HELD FOR SALE

The breakdown of assets classified as held for sale, measured at book value, is as follows:

	Dec. 31, 2024	Dec. 31, 2023
Property, Plant and Equipment, Intangible Assets – Plants	20	58
Financial assets – Generation – Concession grant fee	37	-
	57	**58**

Onerous transfer of 4 PCH/UHEs

On April 1, 2024, a notice was published to hold an in-person public auction, to be conducted by B3, aiming at the onerous transfer of the right to exploit the electricity generation services of 4 PCHs/UHEs, one of which is 1 PCH from Cemig GT and 3 of its wholly owned subsidiaries, as follows:

Generation plant	Ledger	Installed capacity (MW)[1]	Physical guarantee (MWm)[1]	Term	Commercial Operation Status	Site
Cemig GT						
PCH Machado Mineiro	Authorization	1.7	1.1	May, 2027	In operation	Minas Gerais
Cemig Geração Leste						
UHE Sinceridade	Concession	1.4	0.4	March, 2047	In operation	Minas Gerais
Cemig Geração Sul						
UHE Marmelos	Concession	4	2.7	January, 2053	In operation	Minas Gerais
Cemig Geração Oeste						
UHE Martins	Concession	7.7	1.8	January, 2053	In operation	Minas Gerais
Total		14.8	6.0			

According to IFRS 5, the classification of assets as held for sale must be carried out when starting a firm program to complete the disposal plan. The classification as held for sale was carried out in April 2024.

On June 27, 2024, as specified in the public tender notice, the Company suspended the auction since no proposals were presented.

The Company reassessed the project, aiming to comply with the directives of its strategic planning: optimization of its asset portfolio, operational efficiency, and capital allocation.

On September 23, 2024, the Company republished the auction on the B3, for sale of four power plants: Machado Mineiro, Sinceridade, Martins and Marmelos.

On December 5, 2024 the Company held the public auction on the B3 (the São Paulo exchange). The winning bid, of R$52 – a premium of 78.8% over the minimum price of R$29.1 – was made by Âmbar Hidroenergia Ltda.

On February 21, 2025, Cemig GT and its subsidiaries Cemig Geração Leste, Cemig Geração Oeste and Cemig Geração Sul signed the Asset Sale and Purchase Agreement with Âmbar Hidroenergia LTDA, the winner of the auction.

The closing of the transaction is subject to the fulfillment of customary suspensive conditions, including obtaining consent from the Brazilian Electricity Regulatory Agency (ANEEL) and the Administrative Council for Economic Defense (CADE).

This divestiture is in line with the guidelines of CEMIG's Strategic Planning, which specifics optimization of the portfolio and a better allocation of capital.

Accounting policy

Once any fixed or intangible asset has been classified as held for sale, it is no longer depreciated or amortized, and any investment is no longer subject to the equity method.

Dividends received from joint ventures classified as held for sale are recognized in the income statement, given the interruption of measurement by the equity method.

Currently, the Company does not have any liabilities classified as held for sale.

Estimates and judgments

They are initially measured at the lower of book value and fair value (calculated using the discounted cash flow method) net of selling expenses. Selling expenses are represented by the incremental expenses directly attributable to the sale, excluding financial expenses and income taxes.

In cases where the sale is made by auction, after the auction, the company considers the winning bid to be the fair value, as this is the amount that will actually be received from the sale of the assets after the legal procedures.

33. COMMITMENTS

Cemig and its subsidiaries have contractual obligations and commitments not yet incurred, therefore not recognized in these financial statements, which mainly include the purchase of electricity, as shown in the table below:

	2025	2026	2027	2028	2029	2030 onwards	Total
Purchase of energy from Itaipu	1,095	1,095	1,095	1,095	1,095	19,704	**25,179**
Purchase of energy – auctions	4,187	4,250	4,438	4,649	4,694	60,487	**82,705**
Purchase of energy – 'bilateral contracts'	320	101	20	-	-	-	**441**
Quotas of Angra 1 and Angra 2	383	383	385	386	385	6,839	**8,761**
Transport of energy from Itaipu	193	217	224	205	186	3,509	**4,534**
Other energy purchase contracts	6,352	5,137	4,306	2,987	2,805	23,590	**45,177**
Physical quota guarantees	739	660	582	582	573	10,142	**13,278**
Total	**13,269**	**11,843**	**11,050**	**9,904**	**9,738**	**124,271**	**180,075**

The payment flows for leases, loans and suppliers are presented in Explanatory Notes 17 and 20.

34. SUBSEQUENT EVENTS

Gas Distribution – tariff adjustment

On January 24, 2025, the Minas Gerais Economic Development Department issued its Resolution 7, effective February 1, 2025, with the following average adjustments of consumer rates:

Market segment	Adjustment (%)
Industrial	(0.18)
Co-generation	(0.44)
Automotive	(0.33)
Compressed Natural Gas / Liquefied Natural Gas	(1.32)

The tariffs for the segments of the urban market were increased by between 5.34% and 6.17%, depending on their various consumption levels and tariff categories.

Health and Dental Plan

In January 2025, the enrollment period for migration to the new health plan, Premium Plan, was reopened. This plan was offered to all active employees and fully funded by the Company. The enrollment period under the conditions proposed by the Company ended on January 31, 2025, resulting in the migration of a portion of employees to the Premium Plan, thereby reducing the number of employees covered by PSI.

In accordance with IAS 19, this situation constitutes a curtailment event, requiring the Company to remeasure its post-employment liabilities as of March 31, 2025. The effects of the plan curtailment were recognized in the statement of income as a cost of past service, in the amounts of R$27 for the health plan and R$1 for the dental plan.

It is noteworthy that the curtailment event for the quarter impacted the actuarial assumptions, altering the discount rates applied to the plans. As the new discount rate was higher, at 12.32%, there was a reduction in the liability, resulting in an actuarial gain of R$59 for the health plan and R$1 for the dental plan.

Ruling in action to annul a period of validity in a Collective Employee Health Plan Agreement

On February 19, 2025, the Specialized Collective Employee Agreement section of the Higher Employment-law Appeal Court (TST) published the judgment given in an Ordinary Employment-law Appeal completed on December 9, 2024.

This decision determined cessation, as from December 31, 2023, of the period of validity of the clauses that specified automatic extension, for successive equal periods, of Clause 17 of the Collective Work Agreement of 2010, and Clause 4 of the Collective Work Agreement of 2016. These clauses ensured compliance by the Company of its obligations to pay post-employment benefits of the health plan (PSI) to retirees and active employees.

There is no accounting record to be made as a result of this decision at this time.

Acquisition of Timóteo-Mesquita Transmission Company

On February 26, 2025, Cemig GT signed the SPA for the acquisition of the entire share capital of the Timóteo-Mesquita Transmission Company (ETTM) owned by the Fram Capital Group.

The price negotiated was R$30 million and the RAP of the assets is R$5.7 million. ETTM's transmission assets are connected to the 230 kV Basic Grid owned by Cemig, located in the Vale do Aço region of Minas Gerais.

The closing of the transaction is subject to compliance with the usual conditions precedent for this type of operation, including the approval of CADE and Aneel.

The acquisition is in line with Cemig's Strategic Plan, which provides for investment in transmission assets in the state of Minas Gerais.

10th issue of debentures - Cemig GT

On February 21, 2025, Cemig GT announced to the market the start of the public offering of 500,000 simple debentures, not convertible into shares, of the unsecured type, with an additional fiduciary guarantee, in a single series, of the 10th issue of debentures, with a nominal unit value of one thousand reais, totaling R$500, to be carried out under the terms of CVM regulations.

On March 18, 2025, Cemig GT concluded the financial settlement of the 10th issue of simple debentures, which have a guarantee granted by Cemig. 625,000 debentures were issued, characterized as “Green Debentures”, for a total of R$625, subscribed as follows:

Serie	Quantity	Value in million	Rate	Deadline	Amortization
Single	625,000	R$ 625	CDI + 0.64% p.a.	1,826 days	48th and 60th month

The funds obtained by Cemig GT from the issue of the debentures will be used for cash flow management, including, but not limited to, its operation and the reimbursement of investments made by it, provided that they are fully in line with the Framework, for the purposes of qualifying the Debentures as “Green Debentures”.

Finally, it should be noted that the credit rating agency Fitch Ratings has assigned a 'AAA(bra)' rating to the Issue.

12th issue of debentures - Cemig D

On February 21, 2025, Cemig D announced to the market the start of the public offering of two million simple debentures, not convertible into shares, of the unsecured type, with an additional fiduciary guarantee, in 2 series, of the 12th issue of debentures, with a nominal unit value of one thousand reais, totaling two billion reais, to be carried out under the terms of CVM regulations.

On March 18, 2025, Cemig D concluded the financial settlement of the 12th issue of debentures, in two series, which are guaranteed by Cemig. Two million five hundred thousand debentures were issued, characterized as “ESG bonds for the use of sustainable resources”, for a total of 2.5 billion reais, subscribed as follows:

Serie	Quantity	Value in million	Rate	Deadline	Amortization
1st	1,640,000	R$ 1,640	CDI + 0.86% p.a.	2,557 days	72nd and 84th month
2nd	860,000	R$ 860	IPCA + 7.5467% p.a.	5,479 days	156th, 168th and 180th month

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

Finally, it is reported that the credit rating agency Fitch Ratings has assigned an AA+(bra) rating to the issue.

13th Debenture Issuance – Cemig D

On April 9, 2025, Cemig D announced to the market the commencement of the public offering of 1,895,000 simple debentures, non-convertible into shares, of the unsecured type, with additional fiduciary guarantee, in 2 series, of the 13th debenture issuance, with a nominal unit value of one thousand reais, totaling two billion reais, to be carried out under the terms of CVM regulations.

On April 11, 2025, Cemig D completed the financial settlement of the 13th debenture issuance in two series, which are guaranteed by Cemig. A total of 1,895,000 debentures were issued, characterized as "ESG bonds for the use of sustainable resources", totaling R$1,895, subscribed as follows:

Series	Quantity	Value in millions	Rate	Term	Amortization
1st	1,143,000	R$1.143	CDI + 0.64% p.a.	1,831 days	48th and 60th months
2nd	752,000	R$752	IPCA + 0.80% p.a.	2,562 days	72nd and 84th months

The funds obtained by Cemig D from this issuance will be allocated to cash flow management, including but not limited to its operations and the reimbursement of investments, expenses, and costs incurred by it, encompassing projects involving social and environmental issues.

Finally, it is reported that the credit rating agency Fitch Ratings assigned a rating of AA+(bra) to the issuance.

Declaration of interest on equity

On March 20, 2025, the Company's Board of Directors approved the declaration of interest on shareholders' equity for the first quarter of 2025, in the amount of R$541,006, to be paid in two equal parcels, the first by June 30, 2026 and the second by December 30, 2026, to the shareholders whose names were entered in the Book of Registered Shares on March 25, 2025.

The Board of Executive Officers is responsible for determining the locations and payment procedures for charging interest on own capital to the mandatory dividends for 2025, in a proposal to be submitted to the General Meeting.