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STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND DECEMBER 31, 2021
ASSETS
(In thousands of Brazilian Reais)

	Note	Consolidated		Parent Company	
		Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
CURRENT					
Cash and cash equivalents	5	421,321	123,071	262,160	86,064
Marketable securities	6	1,016,395	943,789	532,279	618,130
Receivables from customers and traders	7	821,482	681,255	672,883	534,579
Concession holders – transmission service	7	104,256	113,324	101,985	111,164
Recoverable taxes	8	30,362	31,874	24,947	27,921
Income tax and social contribution tax recoverable	9a	772,816	652,515	769,834	650,523
Dividends receivables	27	125,140	232,098	420,002	280,204
Concession financial assets	11	306,865	283,233	-	-
Contract assets	12	667,666	592,337	638,494	565,659
Other		92,375	79,924	99,062	75,529
TOTAL CURRENT		**4,358,678**	**3,733,420**	**3,521,646**	**2,949,773**
NON-CURRENT					
Marketable securities	6	17,131	194,110	8,970	127,128
Receivables from customers and traders	7	1,534	3,393	328	715
Recoverable taxes	8	77,399	71,546	31,119	27,614
Escrow deposits	10	205,286	161,820	199,040	152,759
Derivative financial instruments	28	975,023	1,219,176	975,023	1,219,176
Other		60,722	55,000	59,657	62,084
Concession financial assets	11	3,276,968	3,325,170	644,432	816,202
Contract assets	12	3,904,183	3,684,645	3,812,976	3,595,441
Investments	13	3,531,730	3,330,193	7,841,919	7,481,708
Property, plant and equipment	14	2,363,891	2,417,525	1,610,777	1,656,846
Intangible	15	1,039,476	1,112,912	712,777	773,405
Leasing – right of use assets	16a	38,157	41,864	36,442	40,427
TOTAL NON-CURRENT		**15,491,500**	**15,617,354**	**15,933,460**	**15,953,505**
TOTAL ASSETS		**19,850,178**	**19,350,774**	**19,455,106**	**18,903,278**

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STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND DECEMBER 31, 2021
LIABILITIES

(In thousands of Brazilian Reais)

	Note	Consolidated		Parent Company	
		Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
CURRENT					
Loans, financings and debentures	19	39,585	470,536	39,585	470,536
Suppliers	17	432,610	383,786	398,403	334,379
Income tax and social contribution tax	9b	99,031	157,444	-	-
Taxes payable	18	133,327	144,387	111,521	123,747
Regulatory charges	20	146,988	111,160	135,807	100,052
Post-employment obligations	21	79,500	75,257	79,500	75,257
Interest on equity, and dividends, payable		685,082	799,947	685,082	799,947
Payroll and related charges		67,309	58,625	66,341	57,655
Derivative financial instruments - Swaps	28	128,499	6,130	128,499	6,130
Put option - SAAG	28	668,691	636,292	668,691	636,292
Lease liabilities	16b	6,960	9,829	6,452	9,637
Other		184,697	326,500	178,230	325,574
TOTAL CURRENT		**2,672,279**	**3,179,893**	**2,498,111**	**2,939,206**
NON-CURRENT					
Loans, financings and debentures	19	5,219,541	5,558,924	5,219,541	5,558,924
Deferred income tax and social contribution tax	9c	552,313	678,897	464,096	593,588
Taxes payable	18	356,154	334,047	345,046	324,730
Regulatory charges	20	4,407	2,541	-	-
Post-employment obligations	21	1,247,322	1,231,957	1,247,322	1,231,957
Provisions	22	460,315	438,043	459,798	437,772
Lease liabilities	16b	35,472	35,621	34,145	34,289
Other		143,517	135,397	28,189	27,358
TOTAL NON-CURRENT		**8,019,041**	**8,415,427**	**7,798,137**	**8,208,618**
TOTAL LIABILITIES		**10,691,320**	**11,595,320**	**10,296,248**	**11,147,824**
SHAREHOLDERS' EQUITY	**23**				
Share capital		4,123,724	4,123,724	4,123,724	4,123,724
Profit reserves		2,464,672	2,464,672	2,464,672	2,464,672
Valuation adjustments		(299,949)	(182,942)	(299,949)	(182,942)
Advance for future capital increase		1,350,000	1,350,000	1,350,000	1,350,000
Retained earnings		1,520,411	-	1,520,411	-
TOTAL SHAREHOLDERS' EQUITY		**9,158,858**	**7,755,454**	**9,158,858**	**7,755,454**
TOTAL LIABILITIES AND EQUITY		**19,850,178**	**19,350,774**	**19,455,106**	**18,903,278**

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Geração e Transmissão S.A.

STATEMENTS OF INCOME
FOR THE SIX-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021
(In thousands of Brazilian Reais - except earnings per share)

	Note	Consolidated		Parent Company	
		Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
NET REVENUE	**24**	**4,173,877**	**3,891,093**	**3,554,981**	**3,168,498**
OPERATING COSTS					
COST OF ENERGY	**25**				
Charges for use of the national grid		(117,346)	(97,508)	(83,666)	(73,225)
Energy purchase for resale		(1,840,688)	(1,932,266)	(1,833,762)	(1,902,993)
		(1,958,034)	**(2,029,774)**	**(1,917,428)**	**(1,976,218)**
OTHER COSTS	**25**				
Personnel and managers		(129,938)	(138,669)	(118,002)	(127,964)
Materials		(6,749)	(12,772)	(2,774)	(4,815)
Outsourced services		(51,323)	(61,629)	(24,173)	(42,768)
Depreciation and amortization		(159,230)	(92,709)	(121,750)	(63,061)
Operating provisions, net	25c	(28,220)	(17,369)	(27,973)	(17,362)
Transmission infrastructure construction cost	25e	(125,886)	(47,124)	(125,886)	(47,124)
Other operating costs		(7,247)	(12,520)	(3,972)	(9,948)
		(508,593)	**(382,792)**	**(424,530)**	**(313,042)**
TOTAL COSTS		**(2,466,627)**	**(2,412,566)**	**(2,341,958)**	**(2,289,260)**
GROSS PROFIT		**1,707,250**	**1,478,527**	**1,213,023**	**879,238**
OPERATING EXPENSES					
Sales expenses	25c	305	(5,579)	(128)	(5,592)
General and administrative expenses		(101,447)	(45,964)	(101,274)	(45,794)
Operating provisions (reversals)	25c	53,356	-	53,356	-
Other operating expenses		(296,966)	(83,368)	(296,542)	(81,205)
		(344,752)	**(134,911)**	**(344,588)**	**(132,591)**
Renegotiation of hydrological risk (Law 14,052/20), net	15	-	909,601	-	683,405
Periodic Tariff Review, net		-	217,063	-	217,063
Share of profit (loss), net, of affiliates and jointly controlled entities		274,020	(122,840)	659,450	505,804
Gains arising from the sale of non-current asset held for sale	30	6,644	-	6,644	-
Operating income before financial revenue (expenses) and taxes		**1,643,162**	**2,347,440**	**1,534,529**	**2,152,919**
Finance income	**26**	456,381	348,143	422,589	338,599
Finance expenses	26	(694,256)	(1,117,195)	(683,206)	(1,106,596)
Income before income tax and social contribution tax		**1,405,287**	**1,578,388**	**1,273,912**	**1,384,922**
Current income tax and social contribution tax	9d	(128,582)	(489,437)	-	(364,477)
Deferred income tax and social contribution tax	9d	126,699	44,005	129,492	112,511
NET INCOME FOR THE PERIOD		**1,403,404**	**1,132,956**	**1,403,404**	**1,132,956**
Basic and diluted earnings per share – R$	**23**	**0.48**	**0.39**	**0.48**	**0.39**

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STATEMENTS OF INCOME

FOR THE THREE-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021

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

	Note	Consolidated		Parent Company	
		Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
NET REVENUE	**24**	**2,049,713**	**1,945,567**	**1,728,489**	**1,535,148**
OPERATING COSTS					
COST OF ENERGY	**25**				
Charges for use of the national grid		(59,411)	(48,588)	(42,425)	(36,674)
Energy purchase for resale		(933,891)	(952,880)	(930,973)	(936,566)
		(993,302)	**(1,001,468)**	**(973,398)**	**(973,240)**
OTHER COSTS	**25**				
Personnel and managers		(68,273)	(79,894)	(60,433)	(72,910)
Materials		(4,516)	(8,858)	(1,606)	(3,749)
Outsourced services		(30,045)	(44,597)	(14,793)	(34,584)
Depreciation and amortization		(79,818)	(49,967)	(60,984)	(32,154)
Operating provisions, net	25c	(11,835)	(8,006)	(12,686)	(8,002)
Transmission infrastructure construction cost	25e	(75,190)	(28,059)	(75,190)	(28,059)
Other operating costs		(3,266)	(7,978)	(1,702)	(8,328)
		(272,943)	**(227,359)**	**(227,394)**	**(187,786)**
TOTAL COSTS		**(1,266,245)**	**(1,228,827)**	**(1,200,792)**	**(1,161,026)**
GROSS PROFIT		**783,468**	**716,740**	**527,697**	**374,122**
OPERATING EXPENSES					
Sales expenses	25c	(868)	(6,691)	(1,085)	(6,565)
General and administrative expenses		(55,155)	(6,092)	(54,982)	(5,922)
Operating provisions (reversals)	25c	53,356	-	53,356	-
Other operating expenses		(224,891)	(55,745)	(224,374)	(56,649)
		(227,558)	**(68,528)**	**(227,085)**	**(69,136)**
Renegotiation of hydrological risk (Law 14,052/20), net	15	-	909,601	-	683,405
Periodic Tariff Review, net		-	211,247	-	211,247
Share of profit (loss), net, of affiliates and jointly controlled entities	13	217,940	(119,347)	416,001	317,265
Gains arising from the sale of non-current asset held for sale	30	6,644	-	6,644	-
Operating income before financial revenue (expenses) and taxes		**780,494**	**1,649,713**	**723,257**	**1,516,903**
Finance income	**26**	113,292	1,076,073	95,051	1,069,593
Finance expenses	26	(648,048)	(647,878)	(642,946)	(643,668)
Income before income tax and social contribution tax		**245,738**	**2,077,908**	**175,362**	**1,942,828**
Current income tax and social contribution tax	9d	240,686	(431,974)	309,250	(364,477)
Deferred income tax and social contribution tax	9d	103,466	(201,605)	105,278	(134,022)
NET INCOME FOR THE PERIOD		**589,890**	**1,444,329**	**589,890**	**1,444,329**
Basic and diluted earnings per share – R$	**23**	**0.20**	**0.50**	**0.20**	**0.50**

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STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021

(In thousands of Brazilian Reais)

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
NET INCOME FOR THE PERIOD	1,403,404	1,132,956	1,403,404	1,132,956
COMPREHENSIVE INCOME FOR THE PERIOD	1,403,404	1,132,956	1,403,404	1,132,956

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021

(In thousands of Brazilian Reais)

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
NET INCOME FOR THE PERIOD	589,890	1,444,329	589,890	1,444,329
COMPREHENSIVE INCOME FOR THE PERIOD	589,890	1,444,329	589,890	1,444,329

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

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STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021

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

	Share capital	Advance for future capital increase	Profit reserves	Valuation adjustments	Retained earnings	Total equity
Balances on December 31, 2020	**4,000,000**	**-**	**2,072,877**	**(230,706)**	**-**	**5,842,171**
Net income for the period	-	-	-	-	1,132,956	1,132,956
Realization of PP&E deemed cost	-	-	-	(4,003)	4,003	-
Interest on equity	-	-	-	-	(135,134)	(135,134)
Balances on June 30, 2021	**4,000,000**	**-**	**2,072,877**	**(234,709)**	**1,001,825**	**6,839,993**
Balances on December 31, 2021	**4,123,724**	**1,350,000**	**2,464,672**	**(182,942)**	**-**	**7,755,454**
Net income for the period	-	-	-	-	1,403,404	1,403,404
Realization of PP&E deemed cost	-	-	-	(117,007)	117,007	-
Balances on June 30, 2022	**4,123,724**	**1,350,000**	**2,464,672**	**(299,949)**	**1,520,411**	**9,158,858**

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STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021
(In thousands of Brazilian Reais)

	Note	Consolidated		Parent Company	
		Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
CASH FLOW FROM OPERATIONS					
Net income for the period		1,403,404	1,132,956	1,403,404	1,132,956
Adjustments for:					
Expenses (revenues) not affecting cash and cash equivalents:					
Depreciation and amortization	25	164,184	97,012	126,910	67,612
Write-down of net residual value of PP&E, intangible assets, concession financial and contract assets		180,390	237	171,785	237
Renegotiation of hydrological risk (Law 14,052/20), net	15	-	(909,601)	-	(683,405)
Adjustment to expectation of cash flow from the concession financial and contract assets	11 and 12	(729,389)	(532,533)	(418,955)	(289,129)
Share of profit (loss), net, of affiliates and jointly controlled entities	13b	(274,020)	122,840	(659,450)	(505,804)
Interest and monetary variation		263,120	469,238	263,061	465,544
Exchange variation on loans, financing and debentures	19	(342,500)	(291,750)	(342,500)	(291,750)
Periodic tariff review adjustments	12	-	(238,815)	-	(238,815)
Gains arising from the sale of non-current asset held for sale	30	(6,644)	-	(6,644)	-
Amortization of transaction cost of loans and financings	19	1,209	10,520	1,209	10,520
Deferred income tax and social contribution tax	09c	(126,699)	(44,005)	(129,492)	(112,511)
Reimbursement of PIS/Pasep and Cofins taxes credits over ICMS		(1,285)	(2,063)	-	(1,881)
Provisions for operating losses, net	25b	(25,441)	22,948	(25,255)	22,954
Net gain on derivative instruments at fair value through profit or loss	28	402,027	612,765	402,027	612,765
Variation in fair value of derivative financial instruments (Put options)	28	32,399	13,358	32,399	13,358
Post-employment obligations	21	70,817	53,703	70,817	53,703
Other		5,858	17,723	5,858	18,039
		1,017,430	**534,533**	**895,174**	**274,393**
Increase (decrease) in assets					
Receivables from customers and traders		(138,063)	174,546	(138,045)	184,416
Recoverable taxes		(3,056)	5,072	(531)	3,830
Income tax and social contribution tax recoverable		178,439	(15,280)	185,298	(9,009)
Power transport concession holders		9,068	(1,296)	9,179	(2,184)
Escrow deposits		(38,612)	973	(41,485)	1,045
Dividends received		8,278	100,177	8,278	340,677
Concession financial assets and Contract assets	11 and 12	287,322	430,074	128,585	295,634
Other		60,502	(130,827)	57,569	17,809
		363,878	**563,439**	**208,848**	**832,218**
Increase (decrease) in liabilities					
Suppliers		48,824	(46,696)	64,024	4,118
Taxes		(14,856)	154,686	(17,816)	141,137
Income tax and social contribution tax		128,582	489,437	-	364,477
Payroll and related charges		8,684	6,746	8,686	6,751
Regulatory charges		37,694	(44,168)	35,755	(41,743)
Post-employment obligations	21	(51,209)	(44,636)	(51,209)	(44,636)
Other		26,114	(22,771)	13,170	(29,599)
		183,833	**492,598**	**52,610**	**400,505**
Cash from operations activities		**1,565,141**	**1,590,570**	**1,156,632**	**1,507,116**
Income tax and social contribution tax paid		(485,735)	(194,376)	(304,609)	(55,313)
Interest paid on loans, financings and debentures	19	(285,043)	(473,604)	(285,043)	(473,150)
Cash inflows from settlement of derivatives instruments (swap)	28	(35,505)	888,642	(35,505)	888,642
Interest paid on lease contracts	16	(198)	(185)	(186)	(173)
NET CASH GENERATED OPERATING ACTIVITIES		**758,660**	**1,811,047**	**531,289**	**1,867,122**

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	Note	Consolidated		Parent Company	
		Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
CASH FLOW IN INVESTMENT ACTIVITIES					
Funding of investments	13b	(282)	(732)	(20,282)	(20,982)
Disposal of equity interest	30	6,644	-	6,644	-
Property, plant and equipment	14	(39,686)	(71,924)	(14,481)	(53,423)
Intangible assets	15	(1,033)	(3,037)	(1,033)	(3,037)
Marketable securities		104,373	(175,983)	204,009	(244,101)
NET CASH GENERATED (USED) IN INVESTMENT ACTIVITIES		**70,016**	**(251,676)**	**174,857**	**(321,543)**
CASH FLOW IN FINANCING ACTIVITIES					
Interest on equity, and dividends		(114,865)	(527,769)	(114,865)	(527,769)
Payments of loans, financings and debentures	19	(409,511)	(666,560)	(409,511)	(648,780)
Lease payments	16	(6,050)	(5,630)	(5,674)	(5,221)
NET CASH (USED) IN FINANCIAL ACTIVITIES		**(530,426)**	**(1,199,959)**	**(530,050)**	**(1,181,770)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**298,250**	**359,412**	**176,096**	**363,809**
Cash and cash equivalents at start of period	**5**	123,071	384,397	86,064	290,995
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**421,321**	**743,809**	**262,160**	**654,804**

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STATEMENTS OF ADDED VALUE
FOR THE SIX-MONTHS PERIODS ENDED JUNE 30, 2022 AND 2021
(In thousands of Brazilian Reais)

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan a Jun/2021
REVENUES				
Sales of energy and services	4,348,526	4,252,746	3,938,647	3,664,160
Construction revenue	169,268	62,134	169,268	62,134
Interest revenue arising from the financing component in the transmission contract asset	393,144	274,119	375,573	274,119
Periodic tariff review adjustments	292,863	243,404	-	-
Provision for expected credit losses of accounts receivable	-	238,815	-	238,815
Gains arising from the sale of non-current asset held for sale	305	(5,579)	(128)	(5,592)
Provision for expected credit losses of accounts receivable	6,644	-	6,644	-
Other revenues, net	41,365	41,249	41,365	41,249
	5,252,115	**5,106,888**	**4,531,369**	**4,274,885**
INPUTS ACQUIRED FROM THIRD PARTIES				
Energy purchase for resale	(2,026,589)	(2,124,826)	(2,019,130)	(2,093,689)
Charges for use of national grid	(127,791)	(106,692)	(92,128)	(80,630)
Outsourced services	(130,142)	(133,481)	(102,982)	(114,611)
Materials	(138,589)	(45,257)	(134,614)	(37,300)
Paid concession	(1,997)	(1,678)	(1,992)	(1,673)
Other operating costs	(191,142)	(44,430)	(189,787)	(40,938)
	(2,616,250)	**(2,456,364)**	**(2,540,633)**	**(2,368,841)**
GROSS VALUE ADDED	**2,635,865**	**2,650,524**	**1,990,736**	**1,906,044**
RETENTIONS				
Depreciation and amortization	(164,184)	(97,012)	(126,910)	(67,612)
NET VALUE ADDED	**2,471,681**	**2,553,512**	**1,863,826**	**1,838,432**
ADDED VALUE RECEIVED BY TRANSFER				
Renegotiation of hydrological risk (Law 14,052/20), net	-	909,601	-	683,405
Share of profit (loss), net, of affiliates and jointly controlled entities	274,020	(122,840)	659,450	505,804
Finance income	460,839	350,421	426,464	340,763
	734,859	**1,137,182**	**1,085,914**	**1,529,972**
ADDED VALUE TO BE DISTRIBUTED	**3,206,540**	**3,690,694**	**2,949,740**	**3,368,404**
DISTRIBUTION OF ADDED VALUE				
Employees	**238,315**	**199,001**	**226,280**	**188,460**
Direct remuneration	131,286	117,418	119,707	107,254
Post-employment and other Benefits	87,584	66,996	87,221	66,704
FGTS fund	8,607	8,419	8,514	8,334
Programmed voluntary retirement plan	10,838	6,168	10,838	6,168
Taxes	**867,275**	**1,240,125**	**635,866**	**939,891**
Federal	521,641	890,205	323,650	627,890
State	342,976	342,554	309,721	309,648
Municipal	2,658	7,366	2,495	2,353
Remuneration of external capital	**697,546**	**1,118,612**	**684,190**	**1,107,097**
Interest	694,256	1,117,195	683,206	1,106,596
Rentals	3,290	1,417	984	501
Remuneration of own capital	**1,403,404**	**1,132,956**	**1,403,404**	**1,132,956**
Interest on equity	-	135,134	-	135,134
Retained earnings	1,403,404	997,822	1,403,404	997,822
	3,206,540	**3,690,694**	**2,949,740**	**3,368,404**

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

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NOTES TO THE CONSOLIDATES INTERIM FINANCIAL INFORMATION

FOR THE SIX-MONTH PERIOD ENDED AS OF JUNE 30, 2022

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

1. OPERATING CONTEXT

a) The Company

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

The objects of the Company are: (i) to study, plan, design, build and commercially operate systems of generation, transmission and sale of energy and related services for which concessions are granted, under any form of law, to it or to subsidiaries; (ii) to operate in the various fields of energy, from any source, for the purpose of economic and commercial operation; (iii) to provide consultancy services within its field of operation to companies in Brazil and abroad; and (iv) to carry out activities directly or indirectly related to its objects. Since the third quarter of 2021, the Company began managing its business activity of power sale, through its partial transfer from the Cemig GT to Cemig (Parent Company), maintaining its corporate business strategy.

The Company has interests in 67 power plants – of these 60 are hydroelectric, 6 are wind power plants, and one is solar – and 71 transmission lines associated of the Brazilian national generation and transmission grid system, with installed capacity for 5,749 MW (information not reviewed by external auditors).

The Company has shareholding interests in subsidiaries, jointly-controlled entities and affiliated companies, the principal objects of which are construction and operation of systems for production and sale of energy, as described in note 13.

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2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

This interim financial information has been prepared according to principles, practices and criteria consistent with those adopted in the preparation of the financial statements, of December 31, 2021.

Thus, this interim financial information should be read in conjunction with the said financial statements, approved by the Company's management on March 29, 2022.

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

The Company's Board of Directors authorized the issuance of this interim financial information on August 12, 2022.

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2.2 Correlation between the Explanatory Notes published in the Financial Statements and those in the Interim Financial Information

Number of the note		Title of the note
Dec. 31, 2021	Jun. 30, 2022	
1	1	Operational context
2	2	Basis of preparation
3	3	Consolidation principles
4	4	Concessions and authorizations
5	29	Operational segments
6	5	Cash and cash equivalents
7	6	Marketable securities
8	7	Customers and traders
9	8	Recoverable taxes
10	9	Income tax and social contribution tax
11	10	Escrow deposits
12	11	Concession financial assets
13	12	Contract assets
14	13	Investments
15	14	Property, plant and equipment
16	15	Intangible assets
17	16	Leasing transactions
18	17	Suppliers
19	18	Taxes
22	19	Loans, financings and debentures
21	20	Regulatory charges
22	21	Post-employment obligations
23	22	Provisions
24	23	Equity and remuneration to shareholders
25	24	Revenues
26	25	Operating costs and expenses
27	26	Financial revenue and expenses
28	27	Related party transactions
29	28	Financial instruments and risk management
30	30	Assets as held for sale / Disposal of equity interest
33	31	Parliamentary Committee of Inquiry (‘CPI’)

The explanatory notes of financial statements ended December 31, 2021 that have not been included in this consolidated interim financial information because they had no material changes, and/or were not applicable to the interim financial information, are as follows:

Number of the note	Title of the note
31	Insurance
32	Commitments

2.3 Revisions of accounting standards applied for the first time in 2022

The changes to IAS 37 (Provisions, Contingent liabilities and Contingent assets) and IAS 16 (Property, Plant and Equipment), in effect for annual reporting periods beginning on or after January 1, 2022, have no impact on the Company’s individual or consolidated interim financial information.

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3. PRINCIPLES OF CONSOLIDATION

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

The Company uses the criteria of full consolidation. The direct equity investments are as follows:

Subsidiaries	Jun. 30, 2022 and Dec. 31, 2021	
	Valuation method	Direct stake, %
Cemig Baguari Energia S.A. (“Cemig Baguari”)	Consolidation	100
Cemig Geração Três Marias S.A. (“Cemig Geração Três Marias”)	Consolidation	100
Cemig Geração Salto Grande S.A. (“Cemig Geração Salto Grande”)	Consolidation	100
Cemig Geração Itutinga S.A. (“Cemig Geração Itutinga”)	Consolidation	100
Cemig Geração Camargos S.A. (“Cemig Geração Camargos”)	Consolidation	100
Cemig Geração Sul S.A. (“Cemig Geração Sul”)	Consolidation	100
Cemig Geração Leste S.A. (“Cemig Geração Leste”)	Consolidation	100
Cemig Geração Oeste S.A. (“Cemig Geração Oeste”)	Consolidation	100
Sá Carvalho S.A. (“Sá Carvalho”)	Consolidation	100
Horizontes Energia S.A. (“Horizontes”)	Consolidation	100
Rosal Energia S.A. (“Rosal Energia”)	Consolidation	100
Cemig PCH S.A. (“Cemig PCH”)	Consolidation	100
Empresa de Serviços de Comercialização de Energia Elétrica S.A. (“ESCEE”)	Consolidation	100
Cemig Geração Poço Fundo S.A. (“Poço Fundo”)	Consolidation	100
Cemig Trading S.A. (“Cemig Trading”)	Consolidation	100
Central Eólica Praias de Parajuru S.A. (“Parajuru”)	Consolidation	100
Central Eólica Volta do Rio S.A. (“Volta do Rio”)	Consolidation	100
Companhia de Transmissão Centroeste de Minas S.A. (“Centroeste”)	Consolidation	100

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4. CONCESSIONS AND AUTHORIZATIONS

The Company, including its consortium interests and subsidiaries, holds the following concessions or authorizations:

	Company holding concession or authorization	Concession or authorization contract	Expiration date
POWER GENERATION			
Hydroelectric plants			
Emborcação	Cemig GT	7/1997	Jul. 2025
Nova Ponte	Cemig GT	7/1997	Jul. 2025
Santa Luzia	Cemig GT	7/1997	Feb. 2026
Irapé	Cemig GT	14/2000	Feb. 2035
Queimado (Consortium)	Cemig GT	06/1997	Jan. 2033
Rio de Pedras	Cemig GT	02/2013	Sep. 2024
Poço Fundo	Cemig Geração Poço Fundo	01/2021	Aug. 2045
São Bernardo	Cemig GT	02/2013	Aug. 2025
Rosal	Rosal Energia	01/1997	May 2032
Machado Mineiro (1)	Horizontes Energia	Resolution 331/2002	May 2027
Salto Voltão (1)			Jun. 2033
Salto Paraopeba			Oct. 2030
Salto do Passo Velho (1)			Mar. 2031
PCH Pai Joaquim	Cemig PCH	Authorizing Resolution 377/2005	Apr. 2032
Sá Carvalho	Sá Carvalho	01/2004	Dec. 2024
Três Marias	Cemig Geração Três Marias S.A.	08/2016	Jan. 2046
Salto Grande	Cemig Geração Salto Grande	09/2016	Jan. 2046
Itutinga	Cemig Geração Itutinga	10/2016	Jan. 2046
Camargos	Cemig Geração Camargos	11/2016	Jan. 2046
Coronel Domiciano, Joasal, Marmelos, Paciência and Piau	Cemig Geração Sul	12/2016 and 13/2016	Jan. 2046
Dona Rita, Ervália, Neblina, Peti, Sinceridade and Tronqueiras	Cemig Geração Leste	14/2016 and 15/2016	Jan. 2046
Cajurú, Gafanhoto and Martins	Cemig Geração Oeste	16/2016	Jan. 2046
Wind power plants			
Central Geradora Eólica Praias de Parajuru	Parajuru	Resolution 526/2002	Sep. 2032
Central Geradora Eólica Volta do Rio	Volta do Rio	Resolution 660/2001	Jan. 2031
POWER TRANSMISSION			
National grid	Cemig GT	006/1997	Jan. 2043
Itajubá Substation	Cemig GT	79/2000	Oct. 2030
Linha de transmissão Furnas – Pimenta	Centroeste	004/2005	Mar.2035

* The concession contract that were eligible for extension of the concession grant as a result of the renegotiation of hydrological risk (GSF) await a call from Aneel for signature of the amendment; and the eligible plants for which the grants were given by authorizing resolution await reformulation of those acts to contain the new dates. For further details, see note n. 15.

(1) On June 14, 2022, Aneel Authorizing Resolution 12,137 changed the termination date of the grants of authorization of these plants, as a consequence of the renegotiation of hydrological risk (GSF).

The Company generate energy from 9 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.

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5. CASH AND CASH EQUIVALENTS

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Bank accounts	2,120	5,917	841	3,772
Cash equivalents:				
Bank certificates of deposit (CDBs) (1)	92,800	70,251	91,422	50,846
Automatic applications - Overnight (2)	320,206	44,789	167,653	29,334
Others	6,195	2,114	2,244	2,112
	419,201	**117,154**	**261,319**	**82,292**
	421,321	**123,071**	**262,160**	**86,064**

(1) Bank Certificates of Deposit (Certificados de Depósito Bancário or CDBs), accrued interest at between 92.00% and 107.00% of the CDI Rate on June 30, 2022 (Interbank Rate for Interbank Certificates of Deposit (or Certificados de Depósito Inter-bancário - CDIs) published by the Custody and Settlement Chamber (Câmara de Custódia e Liquidação, or Cetip) (90.00% and 106.60% on December 31, 2021). For these CDBs, the Company and its subsidiaries have repo transactions which state, on their trading notes, the bank's commitment to repurchase the security, on demand, on the maturity date of the transaction, or earlier.

(2) Overnight transactions are repos available for redemption on the following day. They are usually backed by Treasury Bills, Notes or Bonds and referenced to a pre-fixed rate that varies between 12.89% p.a. to 13.14% p.a. on June 30, 2022 (8.87% p.a. to 9.14% p.a. on December 31, 2021). Their purpose is to settle the short-term obligations of the Company, or to be used in the acquisition of other assets with better return to replenish the portfolio.

Note 28 provides information in relation to the exposure of the Company and its subsidiaries to interest rate risks, and a sensitivity analysis of their effects on financial assets and liabilities.

6. MARKETABLE SECURITIES

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Current				
Bank certificates of deposit (CDBs) (1)	-	55,290	-	36,211
Financial Notes (LFs) – Banks (2)	802,485	779,375	420,165	510,436
Treasury Financial Notes (LFTs) (3)	196,403	98,108	102,833	64,254
Debentures (4)	17,265	10,975	9,039	7,188
Others	242	41	242	41
	1,016,395	**943,789**	**532,279**	**618,130**
Non-current				
Financial Notes (LFs) – Banks (2)	11,738	191,430	6,146	125,373
Debentures (4)	5,393	2,680	2,824	1,755
	17,131	**194,110**	**8,970**	**127,128**
	1,033,526	**1,137,899**	**541,249**	**745,258**

(1) Bank Certificates of Deposit (Certificados de Depósito Bancário or CDBs), accrued interest of 103.00% on June 30, 2022 (107.24% on December 31, 2021) (Interbank Rate for Interbank Certificates of Deposit (or Certificados de Depósito Inter-bancário - CDIs) published by the Custody and Settlement Chamber (Câmara de Custódia e Liquidação, or Cetip).

(2) *Bank Financial Notes* (*Letras Financeiras*, or LFs) are fixed-rate fixed-income securities, issued by banks and that accrued interest a percentage of the CDI rate published by Cetip. The LFs had remuneration at rates between 104.94% and 130.00% of the CDI rate on June 30, 2022 (105.00% and 130.00% on December 31, 2021).

(3) Treasury Financial Notes (LFTs) are fixed-rate securities, their yield follows the daily changes in the Selic rate between the date of purchase and the date of maturity. The LFTs had remuneration at rates between 13.14% to 13.50% p.a. on June 30, 2022 (9.12% to 9.50% p.a. on December 31, 2021).

(4) *Debentures* are medium and long term debt securities, which give their holders a right of credit against the issuing company. The debentures have remuneration varying from TR + 1.00% to 114.83% of the CDI rate on June 30, 2022 (TR + 1.00% to 109.00% of the CDI rate on December 31, 2021).

The classification of these securities and the investments of related parties are shown in notes 27 and 28, respectively.

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7. CUSTOMERS, TRADERS AND POWER TRANSPORT CONCESSION HOLDERS

	Balances not yet due		Past due			Consolidated	
	Billed	Unbilled	Until 90 days	91 to 360 days	More than 360 days	Jun. 30, 2022	Dec. 31, 2021
Industrial	6,388	335,456	67,502	35,348	35,791	480,485	330,582
Commercial, services and others	447	84,266	13,540	3,742	8,564	110,559	96,663
Wholesale supply to other concession holders	37,969	176,332	23,413	15	97	237,826	242,026
Concession holders – transmission service	2,414	96,034	104	613	5,091	104,256	113,324
CCEE (Power Trading Chamber)	6,538	13,436	3,751	-	-	23,725	43,379
Provision for expected credit losses of accounts receivable	-	-	(1)	(1.982)	(27.596)	(29,579)	(28,002)
	53,756	**705,524**	**108.309**	**37.736**	**21.947**	**927,272**	**797,972**
Current assets						**925,738**	**794,579**
Customers and traders						821,482	681,255
Concession holders – transmission service						104,256	113,324
Non-current assets						**1,534**	**3,393**
Customers and traders						1,534	3,393

	Balances not yet due		Past due			Parent Company	
	Billed	Unbilled	Until 90 days	91 to 360 days	More than 360 days	Jun. 30, 2022	Dec. 31, 2021
Industrial	214	306,184	61,591	31,703	30,297	429,989	281,119
Commercial, services and others	447	84,266	13,540	3,742	8,564	110,559	96,663
Wholesale supply to other concession holders	24,021	103,067	19,277	-	96	146,461	140,802
Concession holders – transmission service	2,421	93,874	-	600	5,090	101,985	111,164
CCEE (Power Trading Chamber)	6,538	5,964	285	-	-	12,787	41,286
Provision for expected credit losses of accounts receivable	-	-	-	(1.982)	(24.603)	(26,585)	(24,576)
	33,641	**593,355**	**94.693**	**34.063**	**19.444**	**775,196**	**646,458**
Current assets						**774,868**	**645,743**
Customers and traders						672,883	534,579
Concession holders – transmission service						101,985	111,164
Non-current assets						**328**	**715**
Customers and traders						328	715

The exposure of the Company and its subsidiaries to credit risk related to Customers and traders is provided in Note 28.

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

	Consolidated	Parent Company
Balance on December 31, 2021	**28,002**	**24,576**
Additions, net (Note 25c)	(305)	128
Disposals	1,882	1,881
Balance on June 30, 2022	**29,579**	**26,585**

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8. RECOVERABLE TAXES

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Current				
ICMS tax recoverable	7,990	6,419	5,698	5,513
Cofins (a)	2,836	5,975	272	3,510
PIS/Pasep (a)	595	1,526	40	947
Social security contributions	18,110	17,145	18,110	17,145
Others	831	809	827	806
	30,362	**31,874**	**24,947**	**27,921**
Non-current				
ICMS tax recoverable	32,056	28,551	31,119	27,614
Cofins (a)	37,194	35,265	-	-
PIS/Pasep (a)	8,149	7,730	-	-
	77,399	**71,546**	**31,119**	**27,614**
	107,761	**103,420**	**56,066**	**55,535**

a) PIS/Pasep and Cofins taxes credits over ICMS

On May 8, 2019 the Regional Federal Appeal Court of the First Region gave final judgment – against which there is no appeal – on the Ordinary Action, deciding in favor of the Company, and recognizing its right to exclude the ICMS amounts from the calculation basis of PIS/Pasep and Cofins taxes, backdated as from five years prior to the action initial filing– that is, from July 2003.

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

Final court judgment has also been given, against which there is no further appeal, in favor of the similar actions filed by the Company's wholly-owned subsidiaries Sá Carvalho, Cemig Geração Poço Fundo (previously denominated Usina Termelétrica Barreiro S.A.) and Horizontes Energia.

On May 12, 2020, the Brazilian tax authority (Receita Federal) granted the Company's request for ratification of the credits of PIS/Pasep and Cofins taxes arising from the legal action on which final judgment, subject to no further appeal, was given in favor of the Company in 2019. As a result, the Company has made monthly offsetting of these tax credits against the amounts of taxes payable, from May 2020 to September 2021. PIS/Pasep and Cofins taxes credits over ICMS were offset against federal taxes in the amount of R$310,792 during 2021 (vs. R$328,750 during 2020).

On May 13, 2021 the Brazilian Federal Supreme Court ruled on the motion for clarification filed by the federal government, modulating the effects of the decision that ICMS tax (paid or payable) is not part of the base amount for calculation of the PIS/Pasep and Cofins taxes. The court ruled that only those who filed legal actions claiming this judgment on or before March 15, 2017 (date on which the argument was established) should have the right to reimbursement of the tax unduly paid, excluding legal and administrative actions filed after that date and before the date on which the judgment was given. Thus, the changes made by the Supreme Court in the effects of the judgment do not affect the credits recognized by the Company. Further, the new ruling decided that the amounts of ICMS tax to be excluded from the basis for calculation of PIS/Pasep and Cofins taxes should be the ICMS tax stated on invoices this is in agreement with the criterion adopted by the Company for the actions which there is no further appeal.

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Owing to the modulation of effects derived from STF decision, the wholly owned subsidiaries of Lot D, recognized, in 2021, PIS/Pasep and Cofins taxes credits over ICMS in the amount of R$8,935 related the periods included in the legal action on that matter.

The amount of the credits of the subsidiaries is recorded in non-current assets, since they have not yet been ratified by the Brazilian tax authority (Receita Federal).

9. INCOME AND SOCIAL CONTRIBUTION TAXES

a) Income tax and social contribution tax recoverable

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Current				
Income tax	537,255	503,437	534,552	501,836
Social contribution tax	235,561	149,078	235,282	148,687
	772,816	**652,515**	**769,834**	**650,523**

b) Income tax and social contribution tax payable

	Consolidated	
	Jun. 30, 2022	Dec. 31, 2021
Current		
Income tax	73,049	116,340
Social contribution tax	25,982	41,104
	99,031	**157,444**

c) Deferred income tax and social contribution tax

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Deferred tax assets				
Tax loss carryforwards	345,015	218,104	345,015	218,104
Post-employment obligations	425,907	414,995	425,907	414,995
Estimated losses on doubtful receivables	9,607	8,924	9,039	8,356
Provisions for contingencies	126,613	120,289	126,609	120,234
Provision for SAAG put option	227,355	216,339	227,355	216,339
Provisions for losses on investments	57,430	244,132	57,430	244,132
Other provisions	48,657	48,923	48,657	48,923
Paid concession	11,883	11,274	11,883	11,274
Other	18,199	21,369	11,724	15,190
	1,270,666	**1,304,349**	**1,263,619**	**1,297,547**
Deferred tax liabilities				
Fair Value as cost attributed on IFRS adoption	(158,284)	(219,067)	(141,601)	(201,878)
Adjustment of contract assets	(954,015)	(895,223)	(950,307)	(891,654)
Fair value of equity holdings	(125,339)	(129,641)	(125,339)	(129,641)
Adjustment to fair value – Swap/Gains	(275,801)	(412,436)	(275,801)	(412,436)
Reimbursement of costs – GSF	(296,622)	(319,210)	(233,454)	(253,901)
Other	(12,918)	(7,669)	(1,213)	(1,625)
	(1,822,979)	**(1,983,246)**	**(1,727,715)**	**(1,891,135)**
Net total	**(552,313)**	**(678,897)**	**(464,096)**	**(593,588)**
Total liabilities	**(552,313)**	**(678,897)**	**(464,096)**	**(593,588)**

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

	Consolidated	Parent Company
Balance on December 31, 2021	**(678,897)**	**(593,588)**
Effects allocated to income statement	126,699	129,492
Other	(115)	-
Balance on June 30, 2022	**(552,313)**	**(464,096)**

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

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Profit before income tax and social contribution tax	**1,405,287**	**1,578,388**	**1,273,912**	**1,384,922**
Income tax and social contribution tax – nominal expense (34%)	(477,798)	(536,652)	(433,130)	(470,873)
Tax effects applicable to:				
Interest on equity	-	45,946	-	45,946
Tax incentives	12	10,446	-	10,438
Share of profit (loss) of affiliate and joint controlled entities, net	89,806	(48,297)	222,711	168,034
Non-deductible penalties	(1,116)	(209)	(1,116)	(209)
Difference between presumed profit and real profit methods	46,012	88,467	-	-
Disposal of goodwill - Renova	108,416	-	108,416	-
Estimated losses on doubtful accounts receivable from related parties - Renova	233,931	-	233,931	-
Others	(1,146)	(5,133)	(1,320)	(5,302)
Income tax and social contribution tax – effective revenue (expense)	**(1,883)**	**(445,432)**	**129,492**	**(251,966)**
Current income tax and social contribution tax	(128,582)	(489,437)	-	(364,477)
Deferred income tax and social contribution tax	126,699	44,005	129,492	112,511
	(1,883)	**(445,432)**	**129,492**	**(251,966)**
Effective rate	**0.13%**	**28.22%**	**(10.16)%**	**18.19%**

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Profit before income tax and social contribution tax	**245,738**	**2,077,908**	**175,362**	**1,942,828**
Income tax and social contribution tax – nominal expense (34%)	(83,551)	(706,489)	(59,623)	(660,562)
Tax effects applicable to:				
Interest on equity	-	45,946	-	45,946
Tax incentives	(8,113)	10,442	(8,121)	10,438
Share of profit (loss) of affiliate and joint controlled entities, net	73,587	(43,551)	141,908	105,901
Non-deductible penalties	(691)	(126)	(691)	(126)
Difference between presumed profit and real profit methods	21,791	60,219	-	-
Disposal of goodwill - Renova	108,416	-	108,416	-
Estimated losses on doubtful accounts receivable from related parties- Renova	233,931	-	233,931	-
Others	(1,218)	(20)	(1,292)	(96)
Income tax and social contribution tax – effective revenue (expense)	**344,152**	**(633,579)**	**414,528**	**(498,499)**
Current income tax and social contribution tax	240,686	(431,974)	309,250	(364,477)
Deferred income tax and social contribution tax	103,466	(201,605)	105,278	(134,022)
	344,152	**(633,579)**	**414,528**	**(498,499)**
Effective rate	**(140.05)%**	**30.49%**	**(236.38)%**	**25.66%**

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10. ESCROW DEPOSITS

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Labor claims	**24,600**	**24,153**	**23,944**	**23,502**
Tax issues				
Income tax on interest on equity	18,165	17,760	16,849	16,444
Pasep and Cofins taxes (1)	3,450	6,343	-	-
Income tax and social security contribution on indemnity for employees' 'Anuênio' benefit (2)	69,849	68,399	69,849	68,399
Urban property tax (IPTU)	14,134	13,272	14,132	13,270
Social contribution tax (3)	19,706	18,062	19,706	18,062
Others	5,834	4,615	5,156	4,010
	131,138	**128,451**	**125,692**	**120,185**
Others				
Court embargo	1,865	929	1,833	896
Regulatory	4,608	3,279	4,608	3,279
Administrative (4)	40,168	-	40,168	-
Others	2,907	5,008	2,795	4,897
	49,548	**9,216**	**49,404**	**9,072**
	205,286	**161,820**	**199,040**	**152,759**

(1) This refers to escrow deposits in the action challenging the unconstitutionality of inclusion of ICMS tax within the amount to which PIS/Pasep and Cofins taxes are applied.
(2) More details in Note 22 – Provisions (*Indemnity of employees' future benefit – the 'Anuênio'*).
(3) Escrow deposit in the legal action challenging an infringement claim relating to application of Social Contribution tax to amounts of cultural and artistic donations and sponsorship, expenses on punitive fines, and taxes with liability suspended.
(4) This includes the amount of R$37,785 relating to the escrow deposits made for the legal action for breach of contract relating to provision of services of cleaning of power line pathways and firebreaks. For more details see Note 22 – Provisions (Other legal actions).

11. CONCESSION FINANCIAL ASSETS

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Generation – Indemnity receivable (11.1)	644,432	816,202	644,432	816,202
Generation – Concession grant fee (11.2)	2,939,401	2,792,201	-	-
	3,583,833	**3,608,403**	**644,432**	**816,202**
Current	**306,865**	**283,233**	**-**	**-**
Non-current	**3,276,968**	**3,325,170**	**644,432**	**816,202**

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

	Consolidated	Parent Company
Balance on December 31, 2021	**3,608,403**	**816,202**
Inflation adjustment	292,863	-
Amounts received	(145,663)	-
Settled	(171,770)	(171,770)
Balance on June 30, 2022	**3,583,833**	**644,432**

11.1 Generation – Indemnity receivable

As from August 2013, with the extinction of the concession for various plants operated under Concession Contract 007/1997, the Company has a right to receive an amount corresponding to the residual value of the infrastructure assets as specified in the concession contract. These balances were recognized in financial assets, at fair value through profit or loss.

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The valuation reports that support the indemnity for the plants previously operated by the Company that were included in Lot D and for the *Volta Grande* plant have been submitted to the grantor, as provided for in Aneel Normative Resolution (ReN) 596/2013, as amended by ReN 615/2014.

The investments made after the Jaguara, São Simão and Miranda plants came into operation, were recorded as concession financial assets, in the 2017 business year, after the revocation of the actions for injunctions filed by the Company, which believed that it had the right to these concessions renewal, based on the original terms of the Concession Contracts and after these plants public bidding by the Grantor.

In 2019, Aneel launched the Public Hearing 003/2019 in order to obtain inputs aimed at improving the regulation related to the criteria and procedures for calculation of investments in revertible assets of generation concessions (whether extended or not), not yet amortized or not depreciated, under Law 12,783/2013. As a result, on June 22, 2021, Aneel issued the Normative Resolution (ReN) 942.

Under that resolution, concession holders were required to state their interest and attest the respective investments linked to reimbursable assets, based on a valuation report, by August 19, 2022, but this period could be extended by Aneel for an equal period. According to this Grantor's rules, the valuation report must have been prepared by a company accredited by Aneel, to be hired by the concession holder. Additionaly, the concession holders should required to state interest in receipt of the complementary amount until August 20, 2021. The Company complied with this requirement within the specified period.

On August 9, 2021, the Company stated its interest in receiving the complementary amount related to the portions of the investments linked to revertible assets that had not yet been modernized or depreciated, and have not been indemnified.

The Company hired the valuation company accredited by Aneel to meet the requirements of Normative Resolution (ReN) 942, proving the realization of related investments linked to revertible assets through a valuation report, within the stipulated deadline.

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

The Valuation Report was concluded, with the following results:

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Generation plant	Concession expiration date	Installed capacity (MW)	Net balance of assets based on historical cost	Net balance of assets based on fair value – ReN 1,027/2022
Lot D				
UHE Três Marias	July 2015	396.00	71,029	166,903
UHE Salto Grande	July 2015	102.00	11,514	85,625
UHE Itutinga	July 2015	52.00	4,408	10,089
UHE Camargos	July 2015	46.00	7,278	19,611
PCH Piau	July 2015	18.01	1,622	4,376
PCH Gafanhoto	July 2015	14.00	1,371	5,247
PCH Peti	July 2015	9.40	1,330	6,056
PCH Dona Rita	Sep. 2013	2.41	600	1,569
PCH Tronqueiras	July 2015	8.50	2,373	8,510
PCH Joasal	July 2015	8.40	1,572	6,269
PCH Martins	July 2015	7.70	2,273	4,451
PCH Cajuru	July 2015	7.20	3,558	18,862
PCH Paciência	July 2015	4.08	871	4,146
PCH Marmelos	July 2015	4.00	694	2,409
Others				
UHE Volta Grande	Feb. 2017	380.00	235	361
UHE Miranda	Dec. 2016	408.00	34,697	90,862
UHE Jaguara	Aug. 2013	424.00	45,706	137,673
UHE São Simão	Jan. 2015	1,710.00	27,082	71,413
		3,601.70	**218,213**	**644,432**

With the conclusion of the Valuation Report, the Company wrote off the financial asset in the amount of R$171,770, in June 2022. The remaining balance of R$644,432 represents management's best estimate for the plants reimbursement, based on the evaluation criteria set by 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 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.

11.2 Generation - Concession grant fee

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

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The changes in concession financial assets are as follows:

SPC	Plants	Dec. 31, 2021	Monetary updating	Amounts received	Jun. 30, 2022
Cemig Geração Três Marias S.A.	Três Marias	1,583,720	160,683	(78,264)	1,666,139
Cemig Geração Salto Grande S.A.	Salto Grande	497,154	50,588	(24,682)	523,060
Cemig Geração Itutinga S.A.	Itutinga	187,004	20,561	(10,493)	197,072
Cemig Geração Camargos S.A.	Camargos	140,201	15,346	(7,812)	147,735
Cemig Geração Sul S.A.	Coronel Domiciano, Joasal, Marmelos, Paciência and Piau	183,635	21,032	(10,991)	193,676
Cemig Geração Leste S.A.	Dona Rita, Ervália, Neblina, Peti, Sinceridade and Tronqueiras	125,187	15,355	(8,346)	132,196
Cemig Geração Oeste S.A.	Cajurú, Gafanhoto and Martins	75,300	9,298	(5,075)	79,523
		2,792,201	**292,863**	**(145,663)**	**2,939,401**

12. CONCESSION CONTRACT ASSETS

Under IFRS 15/CPC 47 – *Revenue from contracts with customers*, concession infrastructure assets recognized during the period of construction for which the right to consideration depends on satisfaction of performance obligations related to the completion of its construction, or its future operation and maintenance are classified as contract assets. The amounts on June 30, 2022 totaling:

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
National Grid ('BNES' - Basic Network of the Existing System) - Law 12,783/13	2,033,360	2,011,576	2,033,360	2,011,576
Transmission – Assets remunerated by tariff	2,538,489	2,265,406	2,418,110	2,149,524
	4,571,849	**4,276,982**	**4,451,470**	**4,161,100**
Current	**667,666**	**592,337**	**638,494**	**565,659**
Non-current	**3,904,183**	**3,684,645**	**3,812,976**	**3,595,441**

The changes in contract assets are as follows:

	Consolidated	Parent Company
Balance on December 31, 2021	**4,276,982**	**4,161,100**
Additions	169,268	169,268
Inflation adjustment	393,144	375,573
Amounts received	(267,545)	(254,471)
Balance on June 30, 2022	**4,571,849**	**4,451,470**

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

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Current				
Concession contract – 006/97 (b)				
National Grid ('BNES' – Basic Network of the Existing System)	360,294	317,692	360,294	317,692
National Grid - new facilities (RBNI)	230,904	209,185	230,904	209,185
Concession contract – 079/00 (a)	47,296	38,782	47,296	38,782
Concession contract – 004/05 (c)	29,172	26,678	-	-
	667,666	**592,337**	**638,494**	**565,659**
Non-current				
Concession contract – 006/97 (b)				
National Grid ('BNES' – Basic Network of the Existing System)	1,673,066	1,693,884	1,673,066	1,693,884
National Grid - new facilities (RBNI)	1,983,786	1,749,699	1,983,786	1,749,699
Concession contract – 079/00 (a)	156,124	151,858	156,124	151,858
Concession contract – 004/05 (c)	91,207	89,204	-	-
	3,904,183	**3,684,645**	**3,812,976**	**3,595,441**
	4,571,849	**4,276,982**	**4,451,470**	**4,161,100**

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a) Concession contract nº 006/1997

On April 22, 2021, Resolution nº 2,852 amended the repositioning of the RAP set by Resolution nº 2,712/2020, retrospectively effect to July 1, 2018, and also the Adjustment Portion of the Review, with financial effects on the adjustment of RAP for the 2021-2022 cycle, to be in effect from July 1 2021 to June 30, 2022.

The next Periodic Tariff Review (RTP) will take place in June 2023, with effect from July 1, 2023. The indexer used to update the contract is the Expanded Consumer Price Index (‘*Índice de Preços ao Consumidor Amplo*’).

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 as of July 1, 2020 (2020-2021 cycle) for eight years.

On April 22, 2021, Aneel published Resolution nº 2,852, which altered Resolution nº 2,712/2020, 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 that were extended under Law 12,783/2013. 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.

In the proposed profile the minimum payment is made in the 2021-2022 cycle, with zero amortization of the debt portion of the balance; in the 2022-2023 cycle there is amortization at a rate of 3.0%, so as to amortize part of the debt and keep the level of payments stable; and there are then constant payments over the cycles of 2023-2024 to 2027-2028, with amortization rates of 16.11% per year. Thus, to achieve regulatory stability and mitigate sector risk, this RAPs financial component might not be included in 2023 periodic review.

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b) Concession contract nº 079/2000

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.

Index used for adjustment of the contract is the General Market Prices Index (Índice Geral de Preços do Mercado – IGPM).

On March 30, 2021, Ratifying Resolution 2,839 changed the amounts of the RAP and the amounts of the Adjustment Portion for this contract, generating a positive adjustment of R$3,708 in contract assets amount.

The amounts will comprise the new RAP as from the adjustment for the 2021/2022 cycle and the adjustment portion relating to the backdating will be paid in 3 installments during the next adjustment processes.

The next Periodic Tariff Review (RTP) of the enhancements that have been approved will take place in June 2024 with effect from July 1st, 2024.

c) 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.

The indexer used for adjustment of the contract is the IGP-M (Índice Geral de Preços do Mercado – General Market Prices Index).

On July 13, 2021, Aneel established the RAP (Annual Permitted Revenue) for the 2021–2022 cycle, by Ratifying Resolution nº 2,895, which was amended by Ratifying Resolution nº 2,959 on October 5, 2021, due to applications for reconsideration filed by the transmission concession agents, including the Company.

The financial effects of the RAPs established, comparing these amounts with the contract projections on financial modeling, and does not expect significant variations, considering that there were no significant changes in the assumptions applied.

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The annual tariff adjustment

Through Ratifying Resolution (ReH) 3,067 of 2022, Aneel established the RAPs for the 2022-2023 cycle, in effect from July 1, 2022. The increase relates mainly to: (i) reprofiling of the Financial Component of the existing National Grid assets – which were 64% higher than in the 2021-2022 cycle; (ii) different monetary updating indexes in the period (11.7% for the IPCA and 10.7% for the IGPM); and (iii) new works addition.

	Readjustment index	RAP 2021-2022 cycle R$MM	RAP 2022-2023 cycle R$MM	Var %
Concession contract – 006/97	IPCA	682.8	825.6	21.0%
Concession contract – 079/00	IGPM	40.7	45.0	10.7%
Concession contract – 004/05	IGPM	28.5	31.5	10.7%
		752.0	**902.1**	**19.96%**

13. INVESTMENTS

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Affiliated companies				
Madeira Energia S.A. ("MESA") (1)	3,479	-	3,479	-
Fundo de Investimento em Participações Melbourne Multiestratégia ("FIP Melbourne") (1)	2,890	-	2,890	-
Jointly controlled entities				
Hidrelétrica Cachoeirão S.A. ("Hidrelétrica Cachoeirão")	57,273	59,014	57,273	59,013
Guanhães Energia S.A. ("Guanhães Energia")	158,357	125,172	158,357	125,172
Hidrelétrica Pipoca S.A. ("Hidrelétrica Pipoca")	51,819	46,722	51,819	46,722
LightGer S.A. ("Lightger")	57,699	47,787	57,699	47,787
Baguari Energia S.A. ("Baguari Energia")	165,488	168,429	165,488	168,429
Aliança Norte Participações S.A. ("Aliança Norte") (2)	593,144	609,154	593,144	609,154
Amazônia Energia Participações S.A. ("Amazônia Energia") (2)	907,469	932,600	907,469	932,600
Aliança Geração de Energia S.A. ("Aliança Geração")	1,317,965	1,140,930	1,317,965	1,140,930
Retiro Baixo Energética S.A. ("Retiro Baixo")	216,147	200,385	216,147	200,385
Subsidiaries				
Cemig Baguari	-	-	78	88
Cemig Geração Três Marias S.A.	-	-	1,688,562	1,652,343
Cemig Geração Salto Grande S.A.	-	-	548,405	526,776
Cemig Geração Itutinga S.A.	-	-	215,472	211,956
Cemig Geração Camargos S.A.	-	-	172,256	165,369
Cemig Geração Sul S.A.	-	-	234,797	214,845
Cemig Geração Leste S.A.	-	-	151,825	147,702
Cemig Geração Oeste S.A.	-	-	117,353	105,990
Rosal Energia S.A.	-	-	119,989	114,751
Sá Carvalho S.A.	-	-	139,442	134,209
Horizontes Energia S.A.	-	-	66,073	59,575
Cemig PCH S.A.	-	-	102,661	90,117
Cemig Geração Poço Fundo S.A.	-	-	163,751	144,129
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	-	-	9,790	7,734
Cemig Trading S.A.	-	-	2,258	2,158
Central Eólica Praias de Parajuru S.A.	-	-	181,213	177,707
Central Eólica Volta do Rio S.A.	-	-	273,307	273,988
Companhia de Transmissão Centroeste de Minas	-	-	122,957	122,079
Total of investments	**3,531,730**	**3,330,193**	**7,841,919**	**7,481,708**
Usina Hidrelétrica Itaocara S.A. ("Itaocara") – equity deficit (3)	(14,239)	(20,767)	(14,239)	(20,767)
Madeira Energia S.A. ("MESA") – (4)	-	(161,648)	-	(161,648)
Total	**3,517,491**	**3,147,778**	**7,827,680**	**7,299,293**

(1) Indirect interest in the Santo Antônio plant through these investees.
(2) Indirect interest in the Belo Monte plant through these investees.
(3) The investee Usina Hidrelétrica Itaocara had negative shareholders' equity. Thus, after reducing the accounting value of its interest to zero, the Company recognized the loss to the extent that it assumed contractual obligations with the subsidiary and the other shareholders, which on June 30, 2022 is R$14,239 (R$20,767 on December 31, 2021). The loss is recorded in the balance sheet in Other obligations.
(4) In June 2022, the provision relating to contractual obligations assumed by the Company with the investee and the other shareholders was reversed. See further information in this note.

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For the period ended on June 30, 2022, management evaluates of potential decline in value of assets, as referred to in IAS 36/CPC 01 – *Impairments of Assets* and were not observed impairment of its investments. Thus, the reported assets net carrying amount is recoverable, and therefore the Company has not recognized any impairment loss related to its investments.

Additionally, in relation to the above, the Company's management has assessed the risk threatening all its investments ability to continue as a going concern, taking substantially into consideration: the guarantee of revenues of the transmission companies; the protection against *force majeure* reduction in regulated generation contracts; and all the legal measures that have been applied by the federal government and by Aneel – and has concluded that the Company and its subsidiaries' ability to continue as going concern is secure.

a) Changes in the right to exploitation of the regulated activity

Consolidated	Balance on Dec. 31, 2021	Amortization	Balance on June 30, 2022
Retiro Baixo	27,796	(693)	27,103
Aliança Geração	301,605	(12,655)	288,950
Aliança Norte	46,660	(986)	45,674
	376,061	**(14,334)**	**361,727**

Parent Company	Balance on Dec. 31, 2021	Amortization	Balance on June 30, 2022
Retiro Baixo	27,796	(693)	27,103
Central Eólica Praias de Parajuru S.A.	49,241	(2,308)	46,933
Central Eólica Volta do Rio S.A.	67,205	(3,429)	63,776
Aliança Geração	301,605	(12,655)	288,950
Aliança Norte	46,660	(986)	45,674
	492,507	**(20,071)**	**472,436**

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

Consolidated	Balance on Dec. 31, 2021	Gain (loss) by equity method	Addition	Dividends	Others (3)	Balance on June 30, 2022
Hidrelétrica Cachoeirão	59,014	8,059	-	(9,800)	-	57,273
Guanhães Energia	125,172	33,185	-	-	-	158,357
Hidrelétrica Pipoca	46,722	7,754	-	(2,657)	-	51,819
MESA (*Santo Antônio* Plant)	-	3,479	-	-	-	3,479
FIP Melbourne (*Santo Antônio* Plant)	-	2,890	-	-	-	2,890
Baguari Energia	168,429	11,818	-	(14,759)	-	165,488
Lightger	47,787	9,912	-	-	-	57,699
Amazônia Energia (*Belo Monte* Plant)	932,600	(25,131)	-	-	-	907,469
Aliança Norte (*Belo Monte* Plant)	609,154	(16,292)	282	-	-	593,144
Aliança Geração (1)	1,140,930	54,408	-	125,896	(3,269)	1,317,965
Retiro Baixo	200,385	15,762	-	-	-	216,147
Total of investments	**3,330,193**	**105,844**	**282**	**98,680**	**(3,269)**	**3,531,730**
Itaocara – equity deficit	(20,767)	6,528	-	-	-	(14,239)
MESA – provisions to losses (2)	(161,648)	161,648	-	-	-	-
Total	**3,147,778**	**274,020**	**282**	**98,680**	**(3,269)**	**3,517,491**

(1) On March 24, 2022 the investee's Board of Directors approved the reversion of a portion of Dividends payable to the Retained earnings reserve, which is linked to certain financial conditions.
(2) In June 2022, the provision relating to contractual obligations assumed by the Company with the investee and the other shareholders was reversed. See further information in this note.
(3) This refers to expenditure on implementation of projects previously executed.

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Parent Company	Balance on Dec. 31, 2021	Gain (loss) by equity method	Addition	Dividends	Others (4)	Balance on June 30, 2022
Hidrelétrica Cachoeirão	59,013	8,060	-	(9,800)	-	57,273
Guanhães Energia	125,172	33,185	-	-	-	158,357
Hidrelétrica Pipoca	46,722	7,754	-	(2,657)	-	51,819
MESA (*Santo Antônio* Plant)	-	3,479	-	-	-	3,479
FIP Melbourne (*Santo Antônio* Plant)	-	2,890	-	-	-	2,890
Baguari Energia	168,429	11,818	-	(14,759)	-	165,488
Central Eólica Praias Parajuru S.A.	177,707	8,460	-	(4,954)	-	181,213
Central Eólica Volta do Rio S.A.	273,988	(681)	-	-	-	273,307
Lightger	47,787	9,912	-	-	-	57,699
Amazônia Energia (*Belo Monte* Plant)	932,600	(25,131)	-	-	-	907,469
Aliança Norte (*Belo Monte* Plant)	609,154	(16,292)	282	-	-	593,144
Aliança Geração (1)	1,140,930	54,408	-	125,896	(3,269)	1,317,965
Retiro Baixo	200,385	15,762	-	-	-	216,147
Cemig Baguari Energia S.A.	88	(10)	-	-	-	78
Cemig Geração Três Marias S.A.	1,652,343	146,219	-	(110,000)	-	1,688,562
Cemig Geração Salto Grande S.A.	526,776	47,629	-	(26,000)	-	548,405
Cemig Geração Itutinga S.A.	211,956	24,704	-	(21,188)	-	215,472
Cemig Geração Camargos S.A.	165,369	25,176	-	(18,289)	-	172,256
Cemig Geração Sul S.A.	214,845	23,952	-	(4,000)	-	234,797
Cemig Geração Leste S.A.	147,702	23,454	-	(19,331)	-	151,825
Cemig Geração Oeste S.A.	105,990	11,363	-	-	-	117,353
Rosal Energia S.A.	114,751	5,238	-	-	-	119,989
Sá Carvalho S.A.	134,209	31,054	-	(25,821)	-	139,442
Horizontes Energia S.A.	59,575	7,303	-	(805)	-	66,073
Cemig PCH S.A.	90,117	12,544	-	-	-	102,661
Cemig Geração Poço Fundo S.A. (2)	144,129	942	20,000	(1,320)	-	163,751
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	7,734	2,056	-	-	-	9,790
Cemig Trading S.A.	2,158	579	-	(479)	-	2,258
Companhia de Transmissão Centroeste de Minas	122,079	15,447	-	(14,569)	-	122,957
Total of investments	**7,481,708**	**491,274**	**20,282**	**(148,076)**	**(3,269)**	**7,841,919**
Itaocara – equity deficit	(20,767)	6,528	-	-	-	(14,239)
MESA – provisions to losses (3)	(161,648)	161,648	-	-	-	-
Total	**7,299,293**	**659,450**	**20,282**	**(148,076)**	**(3,269)**	**7,827,680**

(1) On March 24, 2022 the investee's Board of Directors approved the reversion of a portion of Dividends payable to the Retained earnings reserve, which is linked to certain financial conditions.

(2) In the second quarter of 2022, the Company transferred to this investee, as an advance against future capital increase, in the amount of R$20,000, in cash.

(3) In June 2022, the provision relating to contractual obligations assumed by the Company with the investee and the other shareholders was reversed. See further information in this note.

(4) This refers to expenditure on implementation of projects previously executed.

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

Company	Number of shares	June 30, 2022			December 31, 2021		
		Equity interest (%)	Share capital	Equity	Equity interest (%)	Share capital	Equity
Affiliated companies							
MESA	24,796,536,323	7.58	12,202,337	84,007	15.51	10,619,786	1,492,037
Jointly controlled entities							
Hidrelétrica Cachoeirão	35,000,000	49.00	35,000	116,884	49.00	35,000	120,436
Guanhães Energia (3)	548,626,000	49.00	548,626	323,178	49.00	548,626	255,453
Hidrelétrica Pipoca	41,360,000	49.00	41,360	106,317	49.00	41,360	93,390
Baguari Energia (1)	26,157,300,278	69.39	186,573	238,500	69.39	186,573	242,736
Lightger (3)	79,078,937	49.00	79,232	117,753	49.00	79,232	97,525
Aliança Norte (*Belo Monte* plant)	41,944,404,287	49.00	1,209,542	1,117,285	49.00	1,209,043	1,147,947
Amazônia Energia (*Belo Monte* plant) (1)	1,322,697,723	74.50	1,322,698	1,218,079	74.50	1,322,698	1,251,811
Aliança Geração	1,291,582,500	45.00	1,291,488	2,286,699	45.00	1,291,488	1,857,905
Retiro Baixo	225,350,000	49.90	225,350	378,848	49.90	225,350	345,868
Usina Hidrelétrica Itaocara S.A.	156,259,500	49.00	156,259	(29,059)	49.00	156,259	(42,381)
Subsidiaries							
Cemig Baguari Energia S.A.	406,000	100.00	406	78	100.00	406	88
Cemig Geração Três Marias S.A.	1,291,423,369	100.00	1,291,423	1,688,562	100.00	1,291,423	1,652,343
Cemig Geração Salto Grande S.A.	405,267,607	100.00	405,268	548,405	100.00	405,268	526,776
Cemig Geração Itutinga S.A.	151,309,332	100.00	151,309	215,472	100.00	151,309	211,956
Cemig Geração Camargos S.A.	113,499,102	100.00	113,499	172,256	100.00	113,499	165,369
Cemig Geração Sul S.A.	148,146,505	100.00	148,147	234,797	100.00	148,147	214,845
Cemig Geração Leste S.A.	100,568,929	100.00	100,569	151,825	100.00	100,569	147,702
Cemig Geração Oeste S.A.	60,595,484	100.00	60,595	117,353	100.00	60,595	105,990
Rosal Energia S.A.	46,944,467	100.00	46,944	119,989	100.00	46,944	114,751
Sá Carvalho S.A.	361,200,000	100.00	36,833	139,442	100.00	36,833	134,209
Horizontes Energia S.A.	39,257,563	100.00	39,258	66,073	100.00	39,258	59,575
Cemig PCH S.A.	45,952,000	100.00	45,952	102,661	100.00	45,952	90,117
Cemig Geração Poço Fundo S.A. (2)	97,161,578	100.00	97,162	163,751	100.00	97,162	144,128
Empresa de Serviços de Comercialização de Energia Elétrica S.A.	486,000	100.00	486	9,790	100.00	486	7,734
Cemig Trading S.A.	1,000,000	100.00	1,000	2,258	100.00	1,000	2,158
Central Eólica Praias de Parajuru S.A.	85,834,843	100.00	85,835	134,280	100.00	85,835	128,466
Central Eólica Volta do Rio S.A.	274,867,441	100.00	274,867	209,531	100.00	274,867	206,783
Companhia de Transmissão Centroeste de Minas	28,000,000	100.00	28,000	122,957	100.00	28,000	122,079

(1) Control shared under a shareholders' agreement.

(2) By its Authorizing Resolution 9,735 of February 23, 2021, Aneel authorized transfer of ownership of the concession of the Poço Fundo Small Hydro Plant from Cemig Geração e Transmissão S.A. to Cemig Geração Poço Fundo S.A. The transfer was formalized by signature of a new concession contract, nº 01/2021, on April 16, 2021.

(3) On December 9, 2021, Light disclosed to the market that it had signed a share purchase agreement with Brasal Energia S.A. for sale of its equity interest in Guanhães and LightGer, subject to the conditions precedent that are usual in this type of transaction. Brasal Energia S.A will join the existing shareholders' agreements of these investees, complying fully with their terms.

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Madeira Energia S.A. (‘MESA’) and FIP Melbourne - (special purpose vehicle through which Cemig GT helds interests in ‘SAAG’)

Santo Antônio Energia S.A (‘SAE’) is a wholly owned subsidiary of MESA, SAESA, whose objects are construction, operation and maintenance of the *Santo Antônio* Hydroelectric Plant and its transmission system, for an initially agreed period of 35 years from signature of the concession contract, which took place on June 13, 2008, and was extended for a further 4 years in counterpart to the costs incurred on GSF, in accordance with Law 14,052/2020. The Santo Antônio Hydroelectric Plant began commercial operation in 2012, and reached full generation in December 2016. The shareholders of Mesa include Furnas, Novonor – in Judicial Recovery (previously named Odebrecht Energia), FIP Amazônia (FI-FGTS and Novonor), SAAG, and the Company. As well as its direct shareholding, the Company has an indirect equity interest in Mesa, through SAAG.

On June 30, 2022, MESA reported a negative net working capital in the amount of R$719,842. An important event in the second quarter of 2022 was a cash inflow of R$1,583,098, as a result of the capital increase approved by an Extraordinary General Meeting of Shareholders held for this purpose on April 29, 2022. Hydroelectric plants project finance structurally present negative net working capital in the first years of operation, because they are built using high levels of financial leverage. On the other hand, they have firm long-term contracts for energy supply as support and guarantee of payment of their debts.

To balance the situation of capital structure and liquidity, MESA has also been adopting actions aimed at readjustment the operational expediture, protecting the exposure to hydrological risks, optimizing the capital structure, and managing the energy operations.

Dilution of Cemig GT’s equity interest in Mesa

On June 7, 2022, the shareholder Furnas subscribed new common shares issued by Mesa, in the amount of R$1,582,551, as a result of the capital increase approved by an Extraordinary General Meeting of Shareholders held on April 29, 2022, and in view of the other shareholders waiving their first refusal rights. With the paying up of the shares subscribed, the equity interest held by Furnas in Mesa increased from 43.055% to 72.364%, diluting the total equity interest held by Cemig GT from 15.51% to 7.58%. This percentage does not take into account the result of the arbitration proceeding CAM 115/2018, described in the next item of this Note.

Since the Company continued to have significant influence in the investee, based on the Shareholders’ Agreement in force at June 30, 2022, the Company continued to report the investment in Mesa by the equity method at the closing of the second quarter of 2022.

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On July 7, 2022 a Contract to Cancel the Shareholders' Agreement was signed at the Extraordinary General Meeting of Shareholders of Mesa, resulting in Furnas assuming shareholding control of Mesa. This EGM also decided to change the composition of the Boards of Directors of SAE and Mesa. These boards now each have 11 members, and Cemig GT and SAAG have the right to appoint, jointly, one member (and that member's alternate) to each board, until such time as Cemig GT and SAAG are completely released from all and any liabilities, obligations and/or guarantees given to Mesa and/or SAE under the financing contracts and instruments, including those related to acquisition of energy. As a result, even with the cancellation of the shareholders' agreement, the position of the Company continued to qualify as significant influence over the investee.

With the capital increase referred to, and the consequent entry of funds to meet the obligations resulting from Arbitration Judgment CCI 21,511/ASM/JPA (c. 21,673/ASM), the shareholders' equity of the investee is now, and thus the conditions that led to the Company recognizing a provision for negative net equity on December 31, 2021, have ceased to exist. Consequently, in accordance with CPC 18 (Investments in Associates and Joint Ventures) the Company reversed that provision, corresponding to the obligations assumed in favor of the investee in agreements for support and guarantees, which on May 31, 2022 had been R$170,916.

Arbitral proceeding CAM-115/2018 – Madeira Energia S.A.

In 2018 SAAG and Cemig GT filed Arbitration Proceeding CAM 115/2018, seeking to annul the capital increase, approved by MESA Extraordinary General Meeting held on August 28, 2018, through capitalization of the credits arising from the annulment of the capital increase made in 2014, which had been annulled in a previous arbitration proceeding.

On December 13, 2021 was released the arbitration decision annulling the capital increase part of the arbitration proceeding, as well as on March 16, 2022, the Market Arbitration Chamber published a decision on a motion for clarification in which confirmed the terms of the judgment in full.

As a consequence of the arbitration decision, Cemig GT's direct and indirect equity holding in Mesa should be increased from 8.54% to 9.86% and 6.97% to 8.05%, respectively, resulting in a consolidated ownership increase from 15.51% to 17.91%.

On April 29, 2022, MESA informed that the shareholder Furnas, which is also a party in the arbitration process, notified MESA that, on April 28, 2022, a preliminary injunction in their legal action was granted, for the immediate suspension of the CAM 115/2018 arbitration decision, in order to maintain the equity interest held before its effects. According to MESA's legal advisors, the aforementioned suspension is not definitive and they assessed the probability of loss as probable, therefore, the investee maintained the provision for capital reduction in its interim financial information.

Since the legal proceeding in which the urgent provisional remedy was granted is at an initial phase, the Company, based on the opinion of its legal advisors, believes that a modification on the arbitration decision is remote, and awaits compliance with it.

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With the dilution of shareholdings which took place in June 2022, the Company's direct and indirect shareholdings in Mesa were reduced from 8.54% and 6.97%, respectively, to 4.14% and 3.44%, respectively. If the effects of Arbitration Judgment CAM-115/2018 are implemented, the Company's respective equity interests will increase from 4.14% and 3.44%, to 4.43% and 3.68%, respectively.

Arbitral proceeding CCI-21,511/ASM/JPA (c. 21,673/ASM) – Santo Antônio Energia S.A.

On January 31, 2022, was released the arbitration decision on arbitration proceeding in CCI (International Chamber of Commerce) Nº 21,511/ASM/JPA (c. 21,673/ASM), which consolidated the matters between Santo Antônio Energia S.A. (SAE), Consórcio Construtor Santo Antônio (CCSA) and other parties, relating, in summary, to the following issues:

i. Liability of CCSA for reimbursement of the costs of purchase of energy supply by SAE, due to non-compliance with the timetable for delivery of the works.
ii. Liability of SAESA relating to the increase in costs incurred by CCSA arising, mainly, from strikes and work stoppages occurred from 2009 to 2013.

The result of this arbitration, made available by the International Arbitration Court of the International Chamber of Commerce on February 7, 2022, indicates that the main claims of SAE were rejected, as well the main claims of CCSA were granted, and, where applicable, of its co-consortium members against SAE. Also, the arbitration decision initially declared as being without effect the instrument entitled "Terms and Conditions", which was the basis for recognition by the Parties of the "Reimbursable Expenditures", as set out in an explanatory note to the financial statements of SAE, which was the basis for the application for reimbursement of SAE's costs of purchase of energy, on the grounds of non-compliance by CCSA with its timetable for delivery of works.

As well as the granted CCSA claims, that have already been provisioned in SAE financial statements as "Guarantee Deposits" (R$770 million) and "Other Provisions" (R$492 million), other claims were also granted with an estimated additional value of R$226 million payable.

On June 30, 2022 SAE, in a joint petition with Grupo Industrial Complexo Rio Madeira – GICOM, applied for extinction of the Action for Execution of Judgment filed by GICOM, which related to a portion of the amount defined by the Arbitration Judgment, due to an amicable agreement having been reached between the parties. This agreement terminated the action in which GICOM claimed R$645 million.

On August 4, 2022, a Transaction Agreement was signed between SAE and Grupo Civil, part of CCSA, comprising the companies CNO S.A., Andrade Gutierrez Engenharia S.A. and Novonor Serviços e Participações S.A. – In Judicial Recovery, for definitive termination of the Arbitration Proceeding CCI 21,511/ASM/JPA.

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Concomitantly with signature of the agreement, the Parties signed and filed, on August 4, 2022, a joint petition for termination of (a) Arbitration Proceeding CCI 21,511/ASM/JPA, and (b) the Action for Execution of Judgment filed by Grupo Civil, in relation to the claimed amount of R$962 million, which was the remainder of the amount decided by the Arbitration Judgment.

Under the financing contracts signed with the Brazilian Development Bank ('BNDES') and financing contracts under on lending from the BNDES, any obligations arising for SAE under judgments in the arbitration proceedings are to be paid in accordance with the terms of the respective financing contracts.

Thus, the capital increase subscribed and paid up on June 7, 2022 as described above, in the amount of R$1,582,551 was allocated to pay debts arising from Arbitration Judgment CCI-21,511/ASM/JPA, being used for payment of the amounts under the agreement signed with GICOM and Grupo Civil.

SAE reiterated that the arbitration and the action were both heard in camera, and the agreements made are confidential.

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

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

On June 30, 2022 NESA presents negative net working capital of R$54,294 (R$189,028 on December 31, 2021) and will spend further amounts on projects specified in its concession contract, even after conclusion of the construction and full operation of the Belo Monte Hydroelectric Plant. According to the estimates and projections, the negative net working capital, and the future demands for investments in the hydroelectric plant, will be supported by revenues from future operations and/or raising of bank loans.

On September 21, 2015, NESA was awarded a preliminary injunction ordering the grantor to abstain, until hearing of the application for an injunction made in the original case, from applying to Appellant any penalties or sanctions in relation to the Belo Monte Hydroelectric Plant not starting operations on the date established in the original timetable for the project, including those specified in an the grantor (Aneel) Normative Resolution 595/2013 and in the Concession Contract 01/2010-MME for the Belo Monte Hydroelectric Plant'. The legal advisors of NESA have classified the probability of loss as 'possible' and estimated the potential loss on June 30, 2022 to R$3,061 million (R$2,832 million on December 31, 2021).

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d) Risks related to compliance with law and regulations

Jointly-controlled entities and affiliates:

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

Investigations and other legal measures are in progress, conducted by the Federal Public Attorneys' Office, which involve other shareholders of NESA and certain executives of those other shareholders. In this context, the Federal Public Attorneys have started investigations on irregularities involving contractors and suppliers of NESA and of its other shareholders, which are still in progress.

At present, it is not possible to determine the outcome of these investigations, and their possible consequences. These might at some time in the future affect the investee, further to the write-downs of infrastructure assets in the amount of R$183,000 recorded at NESA in 2015, based on the results of the independent internal investigation conducted by NESA and its other shareholders, the results of which were reflected in the Company through the equity method in that year.

On March 9, 2018 '*Operação Buona Fortuna'* started, as a 49th phase of 'Operation Lava Jato' ('Operation Carwash'). According to what has been disclosed by the media this operation investigates payment of bribes by the construction consortium of the *Belo Monte* power plant, comprising the companies Camargo Corrêa, Andrade Gutierrez, Odebrecht, OAS and J. Malucelli. Management of NESA believes that so far there are no new facts that have been disclosed by the 49th phase of 'Operation Carwash' that require additional procedures and internal investigation in addition to those already carried out.

The Company's management, based on its knowledge of the matters described above and on the independent procedure carried out, believes that the conclusions presented in the report of the independent investigation are adequate and appropriate, as a result no adjustment has been made in its interim financial information. The effects of any future changes in the existing scenario will be reflected appropriately in the Company's financial information.

Madeira Energia S.A. ('MESA')

Investigation and other legal measures, conducted by the Federal Public Attorneys' Office, which involve other indirect shareholders of MESA and certain executives of those other indirect shareholders. In this context, the Federal Public Attorneys have started investigations searching for irregularities involving contractors and suppliers of MESA and of its other shareholders. In response to allegations of possible illegal activities, the investee and its other shareholders started an independent internal investigation.

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The independent internal investigation, concluded in February 2019, in the absence of any future developments such as any leniency agreements by third parties that may come to be signed or collaboration undertakings that may be signed by third parties with the Brazilian authorities, found no objective evidence enabling it to be affirmed that there were any supposed undue payments by MESA that should be considered for possible accounting write-off, pass through or increase of costs to compensate undue advantages and/or linking of MESA with the acts of its suppliers, in the terms of the witness accusations and/or cooperation statements that have been made public.

The Company's management, based on its knowledge of the matters described above and on the independent procedures carried out, believes that the conclusions presented in the report of the independent investigation are adequate and appropriate, as a result no adjustment has been made in the interim financial information. The effects of any future changes in the existing scenario will be reflected appropriately in the Company's financial information.

Other investigations

In addition to the cases above, there are investigations being conducted by the Public Attorneys' Office of the State of Minas Gerais ('MPMG') and by the Civil Police of the State of Minas Gerais ('PCMG'), which aim to investigate possible irregularities in the investments made by the Company at Guanhães Energia and also at MESA.

Internal procedures for risks related to compliance with law and regulations.

Taking into account the investigations, that are being conducted by public authorities relating to Company and to certain investees, as described above, the governance bodies of the Company have authorized contracting third party investigator to analyze the internal procedures related to these investments. This independent investigation was subject to oversight of an independent Special Investigation Committee whose creation was approved by our Board of Directors.

The Company's internal investigation was completed and the corresponding report was issued on May 8, 2020 and identified no objective evidence substantiating illegal acts made by Company in the Company's investments that were the subjects of the investigation. Therefore, there was no impact in the Company's interim financial information, neither for the period ended on June 30, 2022 nor for prior periods business year.

In the second half of 2019, Company signed tolling agreements with the Securities and Exchange Commission (SEC) and US Department of Justice (DOJ), which were extended until August 2021 and on July 2022, respectively. Cemig has complied with the requests and intends to continue cooperating fully with to the SEC and the DOJ, in accordance with any demands presented.

Due to the completion of the investigations for which the Special Investigation Committee was constituted, from the delivery of the final report by the third party investigator, the governance bodies of the Company decided to extinguish that Committee. If there are any future needs resulting from developments in this matter, the Committee can be reinstated.

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In the end of 2020, the Company began internal procedures for investigation of complaints received from the MPMG, through Official Letters, the content of which refers to alleged irregularities in the purchasing processes. The investigation is being accompanied by an Investigation Committee, with support from specialized advisers.

The independent internal investigation begun in December, 2020 has been concluded in the end of 2021, with receipt of the final report. This was approved by the Investigation Committee and submitted by the Company to the MPMG, which has not yet completed its investigation, no matter was identified that might present a significant impact on the interim financial information at June 30, 2022 or on financial statements for prior years. The Company awaits completion of the investigations by the MPMG, and by the Brazilian and international authorities, with whom the report has been shared.

The Company will evaluate any changes in the future scenario and potential impacts that could affect the interim financial information, if appropriate. The Company continues to cooperate with domestic and foreign authorities in their analysis related to the ongoing investigations.

14. PROPERTY, PLANT AND EQUIPMENT

Consolidated	June 30, 2022			December 31, 2021		
	Historic cost	Accumulated depreciation	Net value	Historic cost	Accumulated depreciation	Net value
In service	**7,382,149**	**(5,318,419)**	**2,063,730**	**7,328,985**	**(5,216,046)**	**2,112,939**
Land	246,946	(27,421)	219,525	246,523	(25,822)	220,701
Reservoirs, dams and watercourses	3,301,813	(2,392,219)	909,594	3,295,828	(2,352,006)	943,822
Buildings, works and improvements	1,090,719	(850,349)	240,370	1,085,888	(837,918)	247,970
Machinery and equipment	2,709,167	(2,018,397)	690,770	2,667,242	(1,970,649)	696,593
Vehicles	20,602	(19,468)	1,134	20,602	(19,230)	1,372
Furniture and utensils	12,902	(10,565)	2,337	12,902	(10,421)	2,481
Under construction	**300,161**	**-**	**300,161**	**304,586**	**-**	**304,586**
Assets in progress	300,161	-	300,161	304,586	-	304,586
Net PP&E	**7,682,310**	**(5,318,419)**	**2,363,891**	**7,633,571**	**(5,216,046)**	**2,417,525**

Parent Company	June 30, 2022			December 31, 2021		
	Historic cost	Accumulated depreciation	Net value	Historic cost	Accumulated depreciation	Net value
In service	**6,190,373**	**(4,688,123)**	**1,502,250**	**6,155,957**	**(4,609,197)**	**1,546,760**
Land	242,323	(26,997)	215,326	241,900	(25,418)	216,482
Reservoirs, dams, watercourses	3,019,052	(2,240,450)	778,602	3,013,067	(2,204,303)	808,764
Buildings, works and improvements	1,001,796	(806,818)	194,978	997,133	(795,789)	201,344
Machinery and equipment	1,894,159	(1,584,232)	309,927	1,870,814	(1,554,440)	316,374
Vehicles	20,384	(19,250)	1,134	20,384	(19,012)	1,372
Furniture and utensils	12,659	(10,376)	2,283	12,659	(10,235)	2,424
Under construction	**108,527**	**-**	**108,527**	**110,086**	**-**	**110,086**
Assets in progress	108,527	-	108,527	110,086	-	110,086
Net PP&E	**6,298,900**	**(4,688,123)**	**1,610,777**	**6,266,043**	**(4,609,197)**	**1,656,846**

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Changes in Property, plant and equipment were as follows:

Consolidated	Balance on Dec. 31, 2021	Addition	Reversal of provision (3)	Transfer (2)	Settled	Depreciation	Balance on June 30, 2022
In service	**2,112,939**	**-**	**-**	**44,893**	**(8,620)**	**(85,482)**	**2,063,730**
Land (1)	220,701	-	-	423	-	(1,599)	219,525
Reservoirs, dams, watercourses	943,822	-	-	6,217	-	(40,445)	909,594
Buildings, works and improvements	247,970	-	-	1,119	-	(8,719)	240,370
Machinery and equipment	696,593	-	-	37,134	(8,620)	(34,337)	690,770
Vehicles	1,372	-	-	-	-	(238)	1,134
Furniture and utensils	2,481	-	-	-	-	(144)	2,337
Under construction	**304,586**	**39,686**	**782**	**(44,893)**	**-**	**-**	**300,161**
Net PP&E	**2,417,525**	**39,686**	**782**	**-**	**(8,620)**	**(85,482)**	**2,363,891**

Parent Company	Balance on Dec. 31, 2021	Addition	Reversal of provision (3)	Transfer (2)	Settled	Depreciation	Balance on June 30, 2022
In service	**1,546,760**	**-**	**-**	**16,822**	**(15)**	**(61,317)**	**1,502,250**
Land (1)	216,482	-	-	423	-	(1,579)	215,326
Reservoirs, dams, watercourses	808,764	-	-	6,217	-	(36,379)	778,602
Buildings, works and improvements	201,344	-	-	951	-	(7,317)	194,978
Machinery and equipment	316,374	-	-	9,231	(15)	(15,663)	309,927
Vehicles	1,372	-	-	-	-	(238)	1,134
Furniture and utensils	2,424	-	-	-	-	(141)	2,283
Under construction	**110,086**	**14,481**	**782**	**(16,822)**	**-**	**-**	**108,527**
Net PP&E	**1,656,846**	**14,481**	**782**	**-**	**(15)**	**(61,317)**	**1,610,777**

(1) Certain land sites linked to concession contracts and not having provision for reimbursement are amortized in accordance with the period of the concession.
(2) Balance relating to transfers from Assets in progress to Assets in service.
(3) Reversal of a provision previously recognized for impairment of works in progress assets with expectation of partial or total cancellation, due to the Company's withdrawn of a previously agreed consortium.

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.

Consolidated and Parent Company	Stake in power output, %	Average annual depreciation rate %	June 30, 2022	December 31, 2021
In service				
Queimado Power Plant	82.50	3.94	220,049	220,009
Depreciation			(130,555)	(126,583)
Total in service			**89,494**	**93,426**
In progress				
Queimado Power Plant	82.50	-	71	43
Total in progress			**71**	**43**
Total			**89,565**	**93,469**

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15. INTANGIBLE ASSETS

Consolidated	June 30, 2022			December 31, 2021		
	Historic cost	Accumulated amortization	Residual value	Historic cost	Accumulated amortization	Residual value
In service	**1,327,347**	**(300,670)**	**1,026,677**	**1,326,989**	**(226,203)**	**1,100,786**
Temporary easements	14,692	(5,065)	9,627	14,692	(4,726)	9,966
Paid concession	13,599	(8,805)	4,794	13,599	(8,491)	5,108
Assets of the concession (1)	202,337	(91,628)	110,709	202,338	(85,892)	116,446
Assets of the concession - GSF	1,031,809	(132,776)	899,033	1,031,809	(65,744)	966,065
Others	64,910	(62,396)	2,514	64,551	(61,350)	3,201
Under construction	**12,799**	**-**	**12,799**	**12,126**	**-**	**12,126**
Assets in progress	12,799	-	12,799	12,126	-	12,126
Net intangible assets	**1,340,146**	**(300,670)**	**1,039,476**	**1,339,115**	**(226,203)**	**1,112,912**

(1) The rights of authorization to generate wind energy granted to the Parajuru and Volta do Rio, in the amount of R$110,709, are recognized as investments in the interim financial information of the parent company and are classified under intangible assets in the statement of financial position, as per Technical Interpretation ICPC 09. These concession assets are amortized by the straight-line method, during the period of the concession.

Parent Company	June 30, 2022			December 31, 2021		
	Historic cost	Accumulated amortization	Residual value	Historic cost	Accumulated amortization	Residual value
In service	**893,268**	**(193,277)**	**699,991**	**892,909**	**(131,617)**	**761,292**
Temporary easements	11,451	(4,759)	6,692	11,451	(4,481)	6,970
Paid concession	11,720	(7,407)	4,313	11,720	(7,171)	4,549
Assets of the concession - GSF	805,613	(118,983)	686,630	805,613	(58,845)	746,768
Others	64,484	(62,128)	2,356	64,125	(61,120)	3,005
Under construction	**12,786**	**-**	**12,786**	**12,113**	**-**	**12,113**
Assets in progress	12,786	-	12,786	12,113	-	12,113
Net intangible assets	**906,054**	**(193,277)**	**712,777**	**905,022**	**(131,617)**	**773,405**

Changes in intangible assets are as follow:

Consolidated	Balance on December 31, 2021	Addition	Capitalization / Transfer (1)	Amortization	Balance on June 30, 2022
In service	**1,100,786**	**-**	**360**	**(74,469)**	**1,026,677**
Temporary easements	9,966	-	-	(339)	9,627
Paid concessions	5,108	-	-	(314)	4,794
Assets of the concession	116,446	-	-	(5,737)	110,709
Assets of the concession - GSF	966,065	-	-	(67,032)	899,033
Others	3,201	-	360	(1,047)	2,514
Under construction	**12,126**	**1,033**	**(360)**	**-**	**12,799**
Assets in progress	12,126	1,033	(360)	-	12,799
Total	**1,112,912**	**1,033**	**-**	**(74,469)**	**1,039,476**

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

Parent Company	Balance on December 31, 2021	Addition	Capitalization / Transfer (1)	Amortization	Balance on June 30, 2022
In service	**761,292**	**-**	**360**	**(61,661)**	**699,991**
Temporary easements	6,970	-	-	(278)	6,692
Paid concessions	4,549	-	-	(236)	4,313
Assets of the concession - GSF	746,768	-	-	(60,138)	686,630
Others	3,005	-	360	(1,009)	2,356
Under construction	**12,113**	**1,033**	**(360)**	**-**	**12,786**
Assets in progress	12,113	1,033	(360)	-	12,786
Total	**773,405**	**1,033**	**-**	**(61,661)**	**712,777**

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

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Renegotiation of hydrological risk – the Generation Scaling Factor (GSF)

On September 9, 2020, the Law 14,052 was passed, changing the Law 13,203/2015, aiming to compensate holders of hydroelectric plants for the costs incurred due to the GSF, under the Energy Reallocation Mechanism (MRE) for the period from 2012 to 2017.

The aim of this new law is to compensate the holders of hydroelectric plants participating in the MRE for non-hydrological risks caused by:

i. generation ventures classified as structural, related to bringing forward of physical guarantee of the plants;
ii. the restrictions on start of operation of the transmission facilities necessary for outflow of the generation output of structural projects; and
iii. generation outside the merit order system, and importation.

This compensation will take the form of extension of the grant of concession or authorization to operate, limited to 7 years, calculated on the basis of the parameters applied by Aneel.

On September 14, 2021 Aneel ratified the grant extension of the hydroelectric plants participating in the MRE, through Resolution (ReH) 2,932/2021, including Irapé and Queimado, for which the extension was under discussion with the Grantor, and, therefore, were not included in ReH 2,919/2021. Thus, in the third quarter of 2021, there was a recognition of an increase of R$122,208 in Intangible asset, due to the concessions' extension of those plants. As a result, the total of Intangible assets was increased to R$1,031,809 for the consolidated and R$805,613 for the individual financial statements, which is recognized with a counterpart in "Renegotiation of hydrological risk – Law 14,052/2020".

The Resolution nº 2,919/2021 ratified the amount of the right to compensation for the São Simão, Jaguara, Miranda and Volta Grande generation plants, which had been owned by the Company during the period stipulated in the Law 14,052/20 to be compensated but does not specify how this compensation will happen in the event of absence of debts with the Federal Government related to the regime of concessions determined in that Law. The amounts calculated are:

Plant re-offered for tender	Amount
São Simão	783,004
Miranda	145,528
Jaguara	237,218
Volta Grande	156,688
Total	**1,322,438**

Since there is no legal provision relating to how the compensation of these non-hydrological risks will happen and the Company's right depends on the occurrence of uncertain future events, which are not totally under its control, as such these contingent assets listed in the table above have not been recognized.

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16. LEASING

a) Right of use

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

Changes in the right of use assets are as follows:

Consolidated	Real estate property	Vehicles	Total
Balances at December 31, 2021	**37,010**	**4,854**	**41,864**
Amortization (1)	(788)	(3,502)	(4,290)
Remeasurement (2)	5	578	583
Balances at June 30, 2022	**36,227**	**1,930**	**38,157**

Parent Company	Real estate property	Vehicles	Total
Balances at December 31, 2021	**35,575**	**4,852**	**40,427**
Amortization (1)	(751)	(3,237)	(3,988)
Remeasurement (2)	3	-	3
Balances at June 30, 2022	**34,827**	**1,615**	**36,442**

(1) Amortization of the Right of Use recognized in the Income Statement is net of use of the credits of PIS/Pasep and Cofins taxes on payments of rentals, in the amounts of R$57, for the consolidated and R$56 for the individual interim financial information, from January to June 2022 (R$54 for the consolidated and R$53 for the individual interim financial information, from January to June, 2021).

(2) The Company and its subsidiaries have identified events giving rise to revaluation and modifications of their principal contracts. The lease liabilities are restated with adjustment to the asset of Right of Use.

b) Lease 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 marginal borrowing interest rate. The carrying amount of lease liabilities is remeasured if there are modifications that shall be accounted for as a remeasurement of the lease liability.

The changes in the lease liabilities are as follows:

	Consolidated	Parent Company
Balances on December 31, 2021	**45,450**	**43,926**
Accrued interest (1)	2,647	2,528
Payment of principal portion of lease liability	(6,050)	(5,674)
Payment of interest	(198)	(186)
Remeasurement (2)	583	3
Balances on June 30, 2022	**42,432**	**40,597**
Current liabilities	**6,960**	**6,452**
Non-current liabilities	**35,472**	**34,145**

(1) Financial revenues recognized in the financial statements are net of incorporation of the credits for PIS, Pasep and Cofins taxes on payments of rentals, in the amounts of R$184 and R$182, from January to June 2022, for the consolidated and individual interim financial information, respectively (R$176 and R$175 from January to June, 2021, for the consolidated and individual interim financial information, respectively).

(2) The Company and its subsidiaries have identified events giving rise to revaluation and modifications of their principal contracts. The lease liabilities are restated with adjustment to the asset of Right of Use.

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

Cash flow	Consolidated		Parent Company	
	Nominal	Adjustments to present value	Nominal	Adjustments to present value
Consideration for the leasing	127,302	42,432	122,325	40,597
Potential PIS/Pasep and Cofins (9.25%)	11,276	3,639	11,157	3,601

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

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

	Consolidated (Nominal)	Parent Company (Nominal)
2022	4,604	4,217
2023	5,412	5,163
2024	5,347	5,148
2025	5,340	5,141
2026	5,340	5,141
2027 a 2045	101,259	97,515
Undiscounted values	**127,302**	**122,325**
Embedded interest	(84,870)	(81,728)
Lease liabilities	**42,432**	**40,597**

17. SUPPLIERS

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Wholesale supply, and transport of supply	357,181	288,869	351,124	283,389
Materials and services	75,429	94,917	47,279	50,990
	432,610	**383,786**	**398,403**	**334,379**

18. TAXES PAYABLE

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Current				
ICMS (value added) tax	25,670	22,797	20,815	17,910
Pasep tax (1)	15,608	14,336	13,670	12,242
Cofins tax (1)	71,217	64,946	62,975	56,360
Social security contributions	11,920	10,337	6,708	6,497
ISS tax on services	2,881	2,439	2,254	1,857
Others (2)	6,031	29,532	5,099	28,881
	133,327	**144,387**	**111,521**	**123,747**
Non-current				
Pasep tax (1)	63,525	59,582	61,547	57,923
Cofins tax (1)	292,629	274,465	283,499	266,807
	356,154	**334,047**	**345,046**	**324,730**
	489,481	**478,434**	**456,567**	**448,477**

(1) Includes PIS/Pasep and Cofins recognized in current liability includes the deferred taxes related to the interest revenue arising from the financing component in contract asset and to the revenue of construction and upgrade associated with the transmission concession contract. More information in Note 12.
(2) The balance of December 31, 2021 includes the withholding income tax on Interest on equity declared on December 10, 2021, and paid in January 2022, in accordance with the tax legislation.

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19. LOANS, FINANCING AND DEBENTURES

Financing source	Principal maturity	Annual financing cost	Currency	Consolidated and Parent Company – June 30, 2022			Consolidated and Parent Company – December 31, 2021
				Current	Non-current	Total	
FOREIGN CURRENCY							
Eurobonds (1)	2024	9.25%	USD	39,585	5,237,999	5,277,584	5,622,673
(–) Transaction costs				-	(7,014)	(7,014)	(8,220)
(+/–) Funds advanced (2)				-	(11,444)	(11,444)	(13,356)
Total of loans and financings				**39,585**	**5,219,541**	**5,259,126**	**5,601,097**
Debentures – 3rd Issue, 3rd Series	2022	IPCA + 6.20%	R$	-	-	-	428,367
(-) Transaction costs				-	-	-	(4)
Total, debentures				-	-	-	**428,363**
Overall total				**39,585**	**5,219,541**	**5,259,126**	**6,029,460**

(1) In August 2021, the Company carried out a partial buyback of its Eurobonds issue, in the principal amount of US$500 million. There are more details on this transaction later in this Note
(2) Advance of funds to achieve the yield to maturity agreed in the Eurobonds contract.

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

Guarantees

The Company's debtor balances on loans and financings guaranteed by the parent company, Cemig on June 30, 2022 were as follows:

Consolidated	June 30, 2022
Surety guarantees	5,259,126

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

Consolidated and Parent Company	2022	2023	2024	Total
Currency				
US dollar	39,585	-	5,237,999	5,277,584
Total, currency-denominated	**39,585**	-	**5,237,999**	**5,277,584**
(–) Transaction costs	-	(2,380)	(4,634)	(7,014)
(+/-) Funds advanced	-	-	(11,444)	(11,444)
Overall total	**39,585**	**(2,380)**	**5,221,921**	**5,259,126**

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

Currency	Accumulated change in the first half of 2022 (%)	Accumulated change in the first half of 2021 (%)	Indexer	Accumulated change in the first half of 2022 (%)	Accumulated change in the first half of 2021 (%)
US dollar	(6.14)	(3.74)	IPCA	5.49	3.77
			CDI	5.36	1.26

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Currency	Accumulated change in the second quarter of 2022 (%)	Accumulated change in the second quarter of 2021 (%)	Indexer	Accumulated change in the second quarter of 2022 (%)	Accumulated change in the second quarter of 2021 (%)
US dollar	10.56	(12.20)	IPCA	2.22	1.68
			CDI	2.86	0.77

The changes in loans, financing and debentures are as follows:

	Consolidated and Parent Company
Balances on December 31, 2021	**6,029,460**
Monetary variation	3,060
Exchange rate variations	(342,500)
Financial charges provisioned	262,451
Amortization of transaction cost	1,209
Financial charges paid	(285,043)
Amortization of financing	(409,511)
Balances on June 30, 2022	**5,259,126**

Restrictive covenants

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

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

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

(1) In the event of overrun of the financial maintenance covenants, interest will automatically be increased by 2% p.a. during the period in which they remain exceeded. There is also an obligation to comply with a 'debt maintenance covenant', involving asset collateral of 2.0x Cemig's consolidated Ebitda (1.75x at Dec. 2017); and an 'incurrence' covenant comprising an asset guarantee in the Company of 1.5x Ebitda

(2) Ebitda is defined as: (i) Profit before interest, income tax and Social Contribution tax on profit; depreciation; and amortization, calculated in accordance with CVM Instruction 527, of October 4, 2012; – less: (ii) non-operational profit; any non-recurring non-monetary credits or gains that increase net income; any payments in cash made on consolidated basis during the period relating to non-monetary charges that were newly added in the calculation of Ebitda in any prior period; and any non-recurring non-monetary expenses or charges.

Management monitors these indices systematically and constantly, so that the conditions are met.

The information on the derivative financial instruments (swaps) contracted to hedge the debt servicing of the Eurobonds (principal, in foreign currency, plus interest), and the Company's exposure to interest rate risks, are disclosed in Note 28.

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20. REGULATORY CHARGES

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Liabilities				
Global reversion reserve (RGR)	3,186	3,529	-	-
Royalties for use of water resources (CFURH)	6,539	5,374	2,668	2,227
Energy development account (CDE)	102,967	63,060	102,967	63,060
Electricity services inspection charge (TFSEE)	722	717	644	641
Alternative power source program (Proinfa)	13,619	16,623	13,619	16,623
National scientific and technological development fund (FNDCT)	1,642	1,120	1,071	577
Research and development (P&D)	21,133	22,103	13,685	16,166
Energy system expansion research	960	699	675	428
Energy development account (CDE) on Research and development (P&D)	627	476	478	330
	151,395	**113,701**	**135,807**	**100,052**
Current liabilities	**146,988**	**111,160**	**135,807**	**100,052**
Non-current liabilities	**4,407**	**2,541**	**-**	**-**

21. POST-EMPLOYMENT OBLIGATIONS

Changes in net liabilities were as follows:

Consolidated and Parent Company	Pension plans and retirement supplement plans	Health plan	Dental plan	Total
Net liabilities on December 31, 2021	**548,112**	**744,895**	**14,207**	**1,307,214**
Expense recognized in Statement of income	29,272	40,756	789	70,817
Contributions paid	(29,797)	(21,008)	(404)	(51,209)
Net liabilities on June 30, 2022	**547,587**	**764,643**	**14,592**	**1,326,822**
			Jun. 30, 2022	**Dec. 31, 2021**
Current liabilities			**79,500**	**75,257**
Non-current liabilities			**1,247,322**	**1,231,957**

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

The amounts reported as 'Expense recognized in the Statement of income' refer to the costs of post-employment obligations, in the amount of R$64,373 in the first half of 2022 (R$45,975 in the first half of 2021), plus the finance expenses and monetary updating on the debt with Forluz, in the amounts of R$6,851 in the first half of 2022 (R$7,728 in the first half of 2021).

Life insurance

Until the end of the Collective Agreement in effect until October 2021, the Company made available coverage of 50% of the life insurance policy cost, with certain specific characteristics for retirees.

However, as a result of the amendment in the Collective Work Agreement for 2021-2023, in relation to offer and payment of life insurance for the employees and former employees, the Company wrote off, in the fourth quarter of 2021, the balance of the obligation, remeasured using the revised actuarial assumptions, recognized in the income statement and Shareholders' equity, in the amounts of R$91,290, and R$13,618.

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On February 2022 the Association of Retired Electricity Workers and Pension Holders of Cemig and its Subsidiaries (Associação dos Eletricitários Aposentados e Pensionistas da Cemig e Subsidiárias – AEA/MG) filed an injunction ordering the Company to comply with and maintain in full the same terms relating to coverage of the life insurance premium as were previously practiced. However, the Regional Employment Law Appeal Court of the 3rd Region refused this application, on the grounds that this had been validly decided in the collective agreement. This case is currently awaiting judgment of the Ordinary Appeal.

Debt with the pension fund (Forluz)

On June 30, 2022 the Company has recognized an obligation for past actuarial deficits relating to the pension fund in the amount of R$74,530 (R$87,015 on December 31, 2021). This amount has been recognized as an obligation payable, and will be amortized until June of 2024, through monthly installments calculated by the system of constant installments (known as the 'Price' table) and adjusted by the IPCA (Expanded National Customer Price) inflation index (published by the Brazilian Geography and Statistics Institute – IBGE) plus 6% per year. The Company is required to pay this debt even if Forluz has a surplus, thus, the Company maintain recorded the debt in full and record the effects of monetary updating and interest in finance income in the statement of income.

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. On June 30, 2022 the total amount payable by the Company as result of the Plan A deficit was R$120,886 (R$121,961 on December 31, 2021 referring to the Plan A deficits 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$77,900, and up to 2033 for the 2017 deficit, in the amount of R$42,986. Remuneratory interest applicable to the outstanding balance is 6% p.a., plus the effect of the IPCA. If the plan reaches actuarial surplus before the full period of amortization of the debt, also Company will not be required to pay the remaining installments and the contract will be extinguished.

Deposits on consignment to Forluz

Resolution of the 2019 deficit

In December 2020, in accordance with the applicable legislation, Forluz proposed to Cemig a new Debt Assumption Instrument to be signed between Forluz and the sponsors Cemig, Cemig GT and Cemig D, in accordance with the plan to cover the deficit of Plan A, which occurred in 2019. The total amount to be paid by the Company as a result of the deficit found in Plan A, without considering parity of contribution, is R$36,304, through 166 monthly installments. The remuneration interest rate to the outstanding balance is 6% p.a., plus the effect of the IPCA. If the plan reaches actuarial surplus before the full period of amortization of the debt, also Company will not be required to pay the remaining installments and the contract will be extinguished.

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The Company recognized the legal obligation in relation to the deficit of Plan A, corresponding to 50% of the minimum amount, and, thus, obeying the contribution parity rule, made the payments of R$2,633 (R$1,535 on December 31, 2021), with remain at the disposal of Forluz to be redeemed at an account with an official bank. Due to the refusal by Forluz to receive this amount, on May 26, 2021 the Company proposed an Action of Consignment in Payment.

Due to the Debt Assumption Instrument not being signed for coverage of the minimum amount proposed in the plan for solution of the Plan A actuarial deficit for 2019, and the refusal of the payments in consignment made by the Company, on April 27, 2021 Forluz filed legal action against sponsors Cemig, Cemig GT and Cemig D, applying for approval and confirmation of the request to ensure compliance with the contracting of the debt for coverage of the deficit of Plan A, in the amount of R$160,425, for the 2019 business year. The chances of loss have been assessed as ‘possible’, due to the action still being at the instruction phase, and there being no decisions on the merit. Also, the application by Forluz for emergency writ was refused.

In May 2022 the first instance of the Employment Law Appeal Court of Minas Gerais gave a decision in favor of Forluz, and against the Company’s requests – but in this dispute appeal lies to hire instances. As a result the Company, based on the assessments of its specialists, has opted to maintain its assessment of the chances of loss in the action as ‘possible’.

Resolution of the 2020 deficit

On March 31, 2022, in view of the divergences mentioned in the previous item, payment in consignation of the 2020 deficit of Plan A was begun, with deposit of the first tranche, limited to 50% of the amounts specified in the Plan proposed by Forluz, in obedience to the constitutional rule of parity of contribution. Forluz appealed, exercising its procedural right, on April 18, 2022. The amount deposited by the Company, on June 30, 2022, was R$811, which will be held in escrow, available to Forluz, by an official bank.

The total amount to be paid by the Company arising from the deficit ascertained in Plan A, without considering parity, is R$56,947, in 158 monthly payments, with remuneratory interest of 6% per year on the outstanding balance, plus inflation as measured by the IPCA-IBGE (Expanded National Consumer Price index). If the plan reaches actuarial balance before the full period of amortization of the contract, the Company is dispensed from payment of the remaining installments and the contract is extinguished.

22. 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.

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Actions in which the Company and its subsidiaries are defendant

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

Consolidated	Dec. 31, 2021	Additions	Reversals	Settled	Jun. 30, 2022
Employment-law cases	59,957	5,144	(405)	(5,144)	59,552
Tax	317,326	16,751	-	(11)	334,066
Regulatory	4,131	417	-	(7)	4,541
Others	56,629	6,317	(4)	(786)	62,156
Total	**438,043**	**28,629**	**(409)**	**(5,948)**	**460,315**

Parent Company	Dec. 31, 2021	Additions	Reversals	Settled	Jun. 30, 2022
Employment-law cases	59,957	5,144	(405)	(5,144)	59,552
Tax	317,287	16,750	-	(11)	334,026
Regulatory	4,131	417	-	(7)	4,541
Others	56,397	6,071	(4)	(785)	61,679
Total	**437,772**	**28,382**	**(409)**	**(5,947)**	**459,798**

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

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

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

Provisions, made for legal actions in which the chances of loss have been assessed as 'probable' and contingent liabilities, for actions in which the chances of loss are assessed as 'possible'

Labor claims

The 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 others relating to outsourcing of labor, complementary additions to or re-calculation of retirement pension payments by Forluz, and salary adjustments.

The aggregate amount of the contingency is approximately R$153,348 (R$152,180 on December 31, 2021), of which R$59,552 (R$59,957 on December 31, 2021) has been recorded – the amount estimated as probably necessary for settlement of these disputes.

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Tax

Social Security contributions on profit sharing payments

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

The amount of the contingencies is approximately R$395,377 (R$376,009 on December 31, 2021), of which R$330,526 (R$314,056 on December 31, 2021) has been provisioned, this being the estimate of the probable amount of funds, on June 30, 2022, to settle these disputes.

Non-homologation of offsetting of tax credit

The federal tax authority did not ratify the Company declared offsetting, in Corporate income tax returns, of carry-forwards and undue or excess payment of federal taxes – IRPJ, CSLL, PIS/Pasep and Cofins – identified by official tax deposit receipts ('DARFs' and 'DCTFs'). The Company is contesting the non-homologation of the amounts offset. The amount of the contingency is R$60,607 (R$70,618 on December 31, 2021), of which R$1,183 (R$1,152 on December 31, 2021) has been recorded, since the relevant requirements of the National Tax Code (CTN) have been complied with.

Other tax actions

The Company are involved in numerous administrative and judicial claims relating to taxes, including, among other matters, subjects relating to the Social Integration Program (*Programa de Integração Social*, or PIS), the Contribution to Finance Social Security (*Contribuição para o Financiamento da Seguridade Social*, or Cofins), Corporate Income tax (*Imposto de Renda Pessoa Jurídica*, or IRPJ), the Social contribution tax on Net income (*Contribuição Social sobre o Lucro Líquido*, or CSLL), and motions to stay tax enforcement. The aggregate amount of these contingencies is approximately R$115,382 (R$103,841 on December 31, 2021), of which R$2,357 (R$2,118 on December 31, 2021) has been recorded – the amount estimated as probably necessary for settlement of these disputes.

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Regulatory

The Company and its subsidiaries are defendant in court and administrative proceedings challenging, especially: reduction of an energy supply contract, limitation on a procedure for operation of the sluice dam of a hydroelectric plant, a claim of infringement arising from an inspection by the grantor, and other matters. The amount of the contingency is approximately R$52,535 (R$47,915 on December 31, 2021), of which R$4,541 (R$4,131 on December 31, 2021) has been recorded – the amount estimated as probably necessary for settlement of these disputes.

Other legal actions

The Company is involved, as plaintiff or defendant, in other lesser claims, related to the normal course of its operations, with an estimated total amount of R$214,833 (R$201,064 on December 31, 2021), of which R$62,156 (R$56,629 on December 31, 2021) has been recorded. Management believes that it has appropriate defense for these actions and does not expect these issues to give rise to significant losses that could have an adverse effect on the Company's financial position or profit. The main subjects related to these contingencies concern: (i) disputes on alleged losses suffered as a result of supposed breach of contract at the time of provision of services of cleaning of power line pathways and firebreaks; and (ii) customer relations.

Contingent liabilities – loss assessed as 'possible'

Taxes

The Company is involved in numerous administrative and judicial proceedings in relation to taxes. Below are details of the main claims:

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

In 2006 the Company paid an indemnity to its employees, totaling R$177,686, 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 income tax and the social security contribution, in the aggregate historic amount of R$121,384. Updated for monetary adjustment, these amounts correspond to R$69,849 (R$68,399 December 31, 2021). 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 is a possibility. The chances of loss in this action have been maintained as 'possible', and the entire amount has been paid into court in escrow.

For the action relating to income tax, due to its current phase of procedure, the chances of loss have also been maintained as 'possible'.

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Social Security contributions

The Brazilian tax authority (*Receita Federal do Brasil*) has filed administrative proceedings related to various matters: the Workers' Food Program (*Programa de Alimentação do Trabalhador*, or PAT); education benefit; food benefit; Special Additional Retirement payment; overtime payments; hazardous occupation payments; matters related to Sest/Senat (transport workers' support programs); and fines for non-compliance with accessory obligations. The Company have presented defenses and await judgment. The amount of the contingency is approximately R$19,344 (R$18,655 on December 31, 2021). Management has classified the chance of loss as 'possible', also taking into account assessment of the chance of loss in the judicial sphere, (the claims mentioned are in the administrative sphere), based on the evaluation of the claims and the related case law.

The social contribution tax on net income (CSLL)

The federal tax authority issued tax assessments against the Company for the years of 2012 and 2013, alleging undue non-addition, or deduction, of amounts relating to the following items in calculating the Social Contribution tax on net income: (i) taxes with liability suspended; (ii) donations and sponsorship (Law 8,313/91); and (iii) fines for various alleged infringements. The amount of this contingency is R$93,578 (R$88,424 on December 31, 2021). The Company has classified the probability of loss as 'possible', in accordance with the analysis of the case law on the subject.

<u>Regulatory matters</u>

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

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

This should take effect in the CCEE as from November 2008, resulting in an additional disbursement for the Company, related to the expense on purchase of energy in the spot market on the CCEE, in the approximate amount of R$472,647 (R$436,835 on December 31, 2021). On November 9, 2008 the Company obtained an interim decision in the Regional Federal Appeal Court (*Tribunal Regional Federal*, or TRF), suspending the obligatory nature of the requirement to pay into court the amount that would have been owed under the Special Financial Settlement made by the CCEE and has classified the chance of loss as 'possible', since this action deals with the General Agreement for the Energy Sector, in which the Company has the full documentation to support its arguments.

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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. Based on the opinion of its legal advisers in relation to the changes that have been made in the new Forest Code and in the case law on this subject, the Company has classified the chance of loss in this dispute as 'possible'. The estimated value of the contingency is R$133,309 (R$123,098 on December 31, 2021).

Other environmental claims

The Company is involved in environmental matters, relating to protected areas, environmental licenses, recovery of environmental damage, and other matters, in the amount of R$80,029 (R$72,557 on December 31, 2021). No provision has been made, since based on the opinion of its legal advisors management has classified the chance of loss as 'possible'.

Renova: Application to override corporate identity

A receivables investment fund filed an application for Override of Legal Identity (Incidente de Desconsideração da Personalidade Jurídica – IDPJ) in relation to certain companies of the Renova group, aiming to include some shareholders of Renova, including the Company and its parent company (Cemig), as defendants jointly and severally liable. The amount involved in this dispute is estimated in the amount of R$89,844 on June 30, 2022 (R$86,256 on December 31, 2021). The probability of loss have been assessed as 'possible'.

23. EQUITY AND REMUNERATION TO SHAREHOLDERS

a) Share capital

On June 30, 2022 the Company's issued and outstanding share capital is R$4,123,724 (R$4,123,724 on December 31, 2021), represented by 2,896,785,358 nominal common shares, fully subscribed, without nominal value, wholly owned by Cemig (Companhia Energética de Minas Gerais).

b) Earnings basic and diluted per share

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

	Jan to Jun/2022	Jan to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Number of shares (A)	2,896,785,358	2,896,785,358	2,896,785,358	2,896,785,358
Earnings for the period (B)	1,403,404	1,132,956	589,890	1,444,329
Earnings per share – Basic and diluted – in R$ (B/A)	**0.48**	**0.39**	**0.20**	**0.50**

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The put option of investments in SAAG, as described in note 28, issued by the Company, could potentially dilute basic earnings per share in the future; however, they have not caused dilution of earnings per share in the periods analyzed.

24. REVENUES

The revenue of the Company and its subsidiaries is as follows:

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Total revenue from supply of energy – with taxes (a)	3,902,451	3,707,083	3,484,671	3,286,052
Transmission revenue (b)				
Transmission operation and maintenance revenue	349,240	286,688	350,893	289,493
Transmission construction revenue (Note 12)	169,268	62,134	169,268	62,134
Interest revenue arising from the financing component in the transmission contract asset (Note 12)	393,144	274,119	375,573	274,119
Revenue from updating of the concession grant fee	292,863	243,404	-	-
Transactions on CCEE	40,855	64,370	23,716	26,831
Advances for services provided	-	153,970	-	-
Other operating revenues	55,980	40,635	79,367	61,784
Sector / regulatory charges – Deductions from revenue (c)	(1,029,924)	(941,310)	(928,507)	(831,915)
	4,173,877	**3,891,093**	**3,554,981**	**3,168,498**

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Total revenue from supply of energy – with taxes (a)	1,884,936	1,809,641	1,673,738	1,602,022
Transmission revenue (b)				
Transmission operation and maintenance revenue	197,395	135,969	198,279	137,369
Transmission construction revenue	100,873	39,683	100,873	39,683
Interest revenue arising from the financing component in the transmission contract asset	204,602	129,077	197,219	129,077
Revenue from updating of the concession grant fee	161,268	118,844	-	-
Transactions on CCEE	18,279	14,521	12,739	12,574
Advances for services provided	-	153,970	-	-
Other operating revenues	19,525	16,708	31,961	29,211
Sector / regulatory charges – Deductions from revenue (c)	(537,165)	(472,846)	(486,320)	(414,788)
	2,049,713	**1,945,567**	**1,728,489**	**1,535,148**

(a) Revenue from energy supply

This table shows energy supply by type of customer:

	Consolidated				Parent Company			
	Jan to Jun/2022		Jan to Jun/2021		Jan to Jun/2022		Jan to Jun/2021	
	MWh (1)	R$	MWh (1)	R$	MWh (1)	R$	MWh (1)	R$
Industrial	7,434,741	2,114,577	7,003,926	1,856,353	6,952,254	1,943,846	6,508,633	1,734,330
Commercial	2,122,937	538,940	1,996,154	434,926	2,120,002	537,658	1,993,175	433,638
Rural	8,422	2,427	19,910	5,598	8,422	2,427	19,910	5,598
Subtotal	**9,566,100**	**2,655,944**	**9,019,990**	**2,296,877**	**9,080,678**	**2,483,931**	**8,521,718**	**2,173,566**
Net unbilled retail supply	-	79,818	-	60,166	-	62,447	-	48,488
	9,566,100	**2,735,762**	**9,019,990**	**2,357,043**	**9,080,678**	**2,546,378**	**8,521,718**	**2,222,054**
Wholesale supply to other concession holders (2)	4,373,404	1,188,628	5,392,806	1,441,807	3,916,364	950,777	4,768,751	1,140,727
Wholesale supply unbilled, net	-	(21,939)	-	(91,767)	-	(12,484)	-	(76,729)
	13,939,504	**3,902,451**	**14,412,796**	**3,707,083**	**12,997,042**	**3,484,671**	**13,290,469**	**3,286,052**

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	Consolidated				Parent Company			
	Apr to Jun/2022		Apr to Jun/2021		Apr to Jun/2022		Apr to Jun/2021	
	MWh (1)	R$	MWh (1)	R$	MWh (1)	R$	MWh (1)	R$
Industrial	3,873,013	1,112,163	3,632,514	960,627	3,632,659	1,016,205	3,382,372	898,992
Commercial	1,067,459	276,917	996,727	221,144	1,065,979	276,261	995,843	220,780
Rural	3,322	1,317	12,944	3,733	3,322	1,317	12,944	3,733
Subtotal	**4,943,794**	**1,390,397**	**4,642,185**	**1,185,504**	**4,701,960**	**1,293,783**	**4,391,159**	**1,123,505**
Net unbilled retail supply	-	(20,177)	-	(30,384)	-	(23,642)	-	(28,719)
	4,943,794	**1,370,220**	**4,642,185**	**1,155,120**	**4,701,960**	**1,270,141**	**4,391,159**	**1,094,786**
Wholesale supply to other concession holders (2)	2,096,258	540,722	2,644,747	672,569	1,868,033	434,404	2,361,419	529,704
Wholesale supply unbilled, net	-	(26,006)	-	(18,048)	-	(30,807)	-	(22,468)
	7,040,052	**1,884,936**	**7,286,932**	**1,809,641**	**6,569,993**	**1,673,738**	**6,752,578**	**1,602,022**

(1) Information in MWh has not been reviewed by external auditors.
(2) Includes sales contracts in the Regulated Market to distribution companies, sales on the Free Market to traders and generation companies, 'bilateral contracts' with other agents, and the revenues from management of generation assets (GAG) for the 18 hydroelectric plants of Lot D of Auction no 12/2015

(b) Transmission concession revenue

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

	Consolidated		Consolidated	
	Jan to Jun/2022	Jan to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Construction and upgrades revenue	169,268	62,134	100,873	39,683
Construction and upgrades costs	(125,886)	(47,124)	(75,190)	(28,059)
Margin	43,382	15,010	25,683	11,624
Mark-up (%)	**34.46%**	**31.85%**	**34.16%**	**41.43%**
Operation and maintenance revenue	349,240	286,688	197,395	135,969
Operation and maintenance cost	(136,713)	(120,214)	(68,571)	(63,713)
Margin	212,527	166,474	128,824	72,256
Mark-up (%)	**155.45%**	**138.48%**	**187.87%**	**113.41%**

(c) Deductions on revenue

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Taxes on revenue				
ICMS tax	342,226	337,121	309,110	304,833
Cofins tax	360,033	323,289	317,761	279,576
PIS and Pasep taxes	78,161	70,182	68,987	60,697
ISS tax on services	1,875	7,105	1,791	2,103
	782,295	**737,697**	**697,649**	**647,209**
Charges to the customer				
Global Reversion Reserve (RGR)	7,126	7,320	6,079	6,121
Energy Development Account (CDE)	157,337	121,752	157,337	121,752
CDE on P&D	2,083	3,247	1,650	2,530
Proinfa	40,305	30,671	40,305	30,671
Research and Development (P&D)	5,078	3,364	3,849	2,430
National Scientific and Technological Development Fund (FNDCT)	7,161	6,611	5,498	4,960
Energy System Expansion Research (EPE)	3,581	3,306	2,749	2,480
Electricity Services Inspection Charge (TFSEE)	4,335	9,142	3,865	4,390
Royalties for use of water resources (CFURH)	20,623	18,200	9,526	9,372
	247,629	**203,613**	**230,858**	**184,706**
	1,029,924	**941,310**	**928,507**	**831,915**

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	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Taxes on revenue				
ICMS tax	171,506	173,709	155,339	157,664
Cofins tax	179,152	158,300	157,001	135,482
PIS and Pasep taxes	38,893	34,364	34,085	29,414
ISS tax on services	777	6,575	734	1,880
	390,328	**372,948**	**347,159**	**324,440**
Charges to the customer				
Global Reversion Reserve (RGR)	3,459	3,583	2,969	2,988
Energy Development Account (CDE)	102,785	60,363	102,785	60,363
CDE on P&D	1,015	3,247	797	2,530
Proinfa	20,815	14,336	20,815	14,336
Research and Development (P&D)	2,479	(157)	1,859	(203)
National Scientific and Technological Development Fund (FNDCT)	3,494	3,090	2,656	2,327
Energy System Expansion Research (EPE)	1,748	1,546	1,328	1,163
Electricity Services Inspection Charge (TFSEE)	2,168	4,571	1,932	2,195
Royalties for use of water resources (CFURH)	8,874	9,319	4,020	4,649
	146,837	**99,898**	**139,161**	**90,348**
	537,165	**472,846**	**486,320**	**414,788**

25. OPERATING COSTS AND EXPENSES

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Personnel (a)	172,721	156,636	160,784	145,931
Employee profit shares	20,002	13,106	19,580	12,990
Post-employment obligation (Note 21)	63,966	45,975	63,966	45,975
Materials	10,729	13,010	6,754	5,053
Outsourced services (b)	95,513	75,365	68,363	56,504
Depreciation and amortization (1)	164,184	97,012	126,910	67,612
Provisions (reversals) (c)	6,958	36,306	7,144	36,312
Charges for use of the national grid	117,346	97,508	83,666	73,225
Energy purchase for resale (d)	1,840,688	1,932,266	1,833,762	1,902,993
Transmission infrastructure construction cost (e)	125,886	47,124	125,886	47,124
Write-off of financial asset (note 11)	171,770	-	171,770	-
Other operating expenses, net (f)	21,616	33,169	17,961	28,132
Total	**2,811,379**	**2,547,477**	**2,686,546**	**2,421,851**
Operational costs	2,466,627	2,412,566	2,341,958	2,289,260
Operational expenses	344,752	134,911	344,588	132,591
TOTAL	**2,811,379**	**2,547,477**	**2,686,546**	**2,421,851**

(1) Net of PIS/Pasep and Cofins taxes applicable to amortization of the Right of Use, in the amount of R$57 for the Consolidated and R$56 for the Parent Company interim financial information (R$54 and R$53 from January to June, 2021, for the Consolidated and Parent Company financial statement, respectively).

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Personnel (a)	91,654	81,081	83,814	74,097
Employee profit shares	10,606	5,960	10,246	5,869
Post-employment obligation	31,735	23,282	31,735	23,282
Materials	7,192	8,130	4,282	3,021
Outsourced services (b)	50,433	40,914	35,182	30,901
Depreciation and amortization (1)	82,307	49,137	63,552	34,418
Provisions (reversals) (c)	(35,681)	41,222	(34,613)	41,092
Charges for use of the national grid	59,411	48,588	42,425	36,674
Energy purchase for resale (d)	933,891	952,880	930,973	936,566
Transmission infrastructure construction cost (e)	75,190	28,059	75,190	28,059
Write-off of financial asset (note 11)	171,770	-	171,770	-
Other operating expenses, net (f)	15,295	18,102	13,321	16,183
Total	**1,493,803**	**1,297,355**	**1,427,877**	**1,230,162**
Operational costs	1,266,245	1,228,827	1,200,792	1,161,026
Operational expenses	227,558	68,528	227,085	69,136
TOTAL	**1,493,803**	**1,297,355**	**1,427,877**	**1,230,162**

(1) Net of PIS/Pasep and Cofins taxes applicable to amortization of the Right of Use, in the amount of R$29 for the Consolidated and R$28 for the Parent Company interim financial information (R$26 and R$25 from Apr to June, 2021, for the Consolidated and Parent Company financial statement, respectively).

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a) Personnel

2022 Programmed Voluntary Retirement Plan ('PDVP')

On April 18, 2022 Cemig approved the Programmed Voluntary Severance Plan ('the 2022 PDVP'). All the employees of Cemig, Cemig D or Cemig GT are eligible to join the program, from May 2 to 20, 2022, except as provided for in the Program. On May 26, 2022 the program was reopened for joining by employees in the period from May 30 to June 3, 2022. The program provided the standard legal payments for voluntary termination of employment and a bonus, as an indemnity, which is calculated by the application of a percentage determined by the length of time the employee has worked for Cemig, on the current remuneration, for each year of employment, according to the Program terms, and, for those employees whose job tenure in Cemig is longer than 25 years, the value of 12 remunerations.

The total amount of R$10,838 has been recorded as expense related to this program, corresponding to enrollment of 57 employees.

In May 2021, the Company approved the Programmed Voluntary Retirement Plan ('the 2021 PDVP'). The total amount of R$6,168 has been recorded as expense related to this program, corresponding to enrollment of 53 employees, in the period from May 10 to 31, 2021. All the employees were eligible to join the program, except as provided for in the Program, which provided for the standard legal payments for voluntary termination of employment and a bonus, as an indemnity, which was calculated by the application of a percentage determined by the length of time the employee has worked for Cemig, on the current remuneration, for each year of employment, according to the Program terms, and, for those employees whose job tenure in Cemig is longer than 36 years, the value of 10.5 remunerations.

b) Outsourced services

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Communication	2,072	1,998	1,761	1,852
Maintenance and conservation of electrical facilities and equipment	25,567	18,863	10,374	10,317
Building conservation and cleaning	10,692	12,033	9,291	9,890
Contracted labor	2,300	1,160	1,836	1,940
Freight and airfares	646	149	642	148
Accommodation and meals	1,656	1,553	1,639	1,546
Security services	3,649	4,043	1,923	2,559
Consultancy	3,461	3,630	2,981	2,944
External audit	2,040	2,059	1,599	1,566
Information technology	15,337	9,178	13,560	7,818
Energy	1,674	2,459	1,374	1,490
Environment services	5,848	3,891	3,715	2,154
Cleaning of power line pathways	4,539	3,570	4,124	3,570
Printing and images	755	1,317	617	572
Legal services and procedural costs	2,222	1,484	2,351	1,484
Others	13,055	7,978	10,576	6,654
	95,513	**75,365**	**68,363**	**56,504**

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	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Communication	1,020	1,201	792	1,122
Maintenance and conservation of electrical facilities and equipment	14,284	10,840	5,685	6,352
Building conservation and cleaning	5,336	6,174	4,583	5,211
Contracted labor	87	1,091	767	1,141
Freight and airfares	520	73	516	72
Accommodation and meals	900	849	898	846
Security services	2,023	2,069	990	1,368
Consultancy	1,929	1,182	1,579	1,135
External audit	520	729	300	654
Information technology	6,391	5,072	5,306	4,044
Energy	497	1,422	345	780
Environment services	3,287	2,435	1,977	1,342
Cleaning of power line pathways	2,911	2,329	2,496	2,329
Printing and images	571	716	495	386
Legal services and procedural costs	1,568	395	1,536	395
Others	8,589	4,337	6,917	3,724
	50,433	**40,914**	**35,182**	**30,901**

c) Provisions

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Provision for doubtful receivables (reversals) (Note 7) (1)	(305)	5,579	128	5,592
Reversal of provision for doubtful with related party - Renova (note 30)	(53,356)	-	(53,356)	-
Contingency provisions (reversals) (Note 22) (2)				
Employment-law cases	4,739	7,723	4,739	7,722
Tax	16,751	3,192	16,750	3,191
Regulatory	417	790	417	790
Others	6,313	5,664	6,067	5,659
	28,220	**17,369**	**27,973**	**17,362**
	(25,441)	**22,948**	**(25,255)**	**22,954**
Change in fair value of derivative instruments				
Put option – SAAG (Note 28)	32,399	13,358	32,399	13,358
	6,958	**36,306**	**7,144**	**36,312**

(1) The expected losses on receivables are presented as selling expenses in the Statement of Income.
(2) The provisions for contingencies are presented in the Statement of Income for the period as operating expenses.

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Provision for doubtful receivables (reversals) (1)	868	6,691	1,085	6,565
Reversal of provision for doubtful with related party - Renova (note 30)	(53,356)	-	(53,356)	-
Contingency provisions (reversals) (2)				
Employment-law cases	407	3,242	409	3,242
Tax	8,990	1,850	8,990	1,849
Regulatory	233	293	233	293
Others	2,205	2,621	3,054	2,618
	11,835	**8,006**	**12,686**	**8,002**
	(40,653)	**14,697**	**(39,585)**	**14,567**
Change in fair value of derivative instruments				
Put option – SAAG	4,972	26,525	4,972	26,525
	(35,681)	**41,222**	**(34,613)**	**41,092**

(1) The expected losses on receivables are presented as selling expenses in the Statement of Income.
(2) The provisions for contingencies are presented in the Statement of Income for the period as operating expenses.

d) Energy purchase for resale

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Spot market – CCEE	46,701	65,662	43,633	50,091
Acquired in free market	1,979,888	2,059,164	1,975,497	2,043,598
PIS/Pasep and Cofins credits	(185,901)	(192,560)	(185,368)	(190,696)
	1,840,688	**1,932,266**	**1,833,762**	**1,902,993**

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	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Ape to Jun/2021
Spot market – CCEE	16,525	24,830	14,416	16,003
Acquired in free market	1,011,604	1,023,321	1,010,562	1,014,959
PIS/Pasep and Cofins credits	(94,238)	(95,271)	(94,005)	(94,396)
	933,891	**952,880**	**930,973**	**936,566**

e) Transmission infrastructure construction cost

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Personnel	5,442	4,725	5,442	4,725
Materials	91,790	28,401	91,790	28,401
Outsourced services	29,716	13,995	29,716	13,995
Other (recovery of expenses)	(1,062)	3	(1,062)	3
	125,886	**47,124**	**125,886**	**47,124**

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Personnel	3,171	2,956	3,171	2,956
Materials	53,005	14,711	53,005	14,711
Outsourced services	20,078	10,396	20,078	10,396
Other (recovery of expenses)	(1,064)	(4)	(1,064)	(4)
	75,190	**28,059**	**75,190**	**28,059**

f) Other operating expenses, net

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Leasing and rentals (1)	2,996	1,166	694	252
Advertising	337	1,421	337	1,396
Paid concessions	1,997	1,678	1,992	1,673
Taxes (IPTU, IPVA and others)	1,533	5,694	1,297	5,066
CCEE annual charge	1,247	1,335	1,239	1,334
Insurance	5,847	7,204	5,110	6,174
Forluz – Administrative running cost	3,809	3,429	3,808	3,428
Obligations deriving from investment contracts (2)	2,546	9,012	2,546	9,012
Other	1,304	2,230	938	(203)
	21,616	**33,169**	**17,961**	**28,132**

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
Leasing and rentals (1)	1,683	596	469	60
Advertising	229	1,298	229	1,273
Paid concessions	1,038	886	1,035	884
Taxes (IPTU, IPVA and others)	370	5,075	285	4,655
CCEE annual charge	640	676	632	675
Insurance	2,619	3,535	2,355	3,009
Forluz – Administrative running cost	2,047	1,762	2,046	1,762
Obligations deriving from investment contracts (2)	1,713	3,633	1,713	3,633
Other	4,956	641	4,557	232
	15,295	**18,102**	**13,321**	**16,183**

(1) The amounts related to leasing and rentals are recognized in accordance with CPC 06 (R2I /IFRS 16, as well as short-term leases and leases for which the underlying asset is of low value.

(2) This refers to the contractual obligations to the investee Aliança Geração, corresponding to contingencies resulting from events before the closing of the transaction which resulted in contribution of assets by Cemig and Vale S.A. to this investee in exchange for an equity interest. The total value of the contingencies is R$155 million at June 30, 2022 (R$149 million at December 31, 2021, of which Cemig GT's portion is R$55 million (R$52 million on December, 31, 2021).

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26. FINANCE INCOME AND EXPENSES

	Consolidated		Parent Company	
	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
FINANCE INCOME				
Income from cash investments	77,360	27,161	46,118	20,075
Arrears fees on sale of energy	4,631	3,163	3,471	2,652
Monetary updating	21,643	5,519	21,580	4,300
Monetary updating on escrow deposits	4,854	943	4,796	937
FX variation from loans and financings (Note 19)	342,500	291,750	342,500	291,750
Monetary updating on PIS/Pasep and Cofins taxes credits over ICMS	1,285	2,063	-	1,881
Other finance income	8,566	19,822	7,999	19,168
Pasep and Cofins taxes on financial revenues	(4,458)	(2,278)	(3,875)	(2,164)
	456,381	**348,143**	**422,589**	**338,599**
DESPESAS FINANCEIRAS				
Costs of loans, financings and debentures (Note 19)	(262,451)	(446,203)	(262,451)	(443,263)
Amortization of transaction cost (Note 19)	(1,209)	(10,520)	(1,209)	(10,520)
Monetary updating – Forluz	(6,851)	(7,728)	(6,851)	(7,728)
Inflation adjustment – Loans, financings and debentures (Note 19)	(3,060)	(21,410)	(3,060)	(20,758)
Monetary updating	(12,409)	(14,579)	(4,412)	(7,733)
Losses on financial instruments – swap (Note 28)	(402,027)	(612,765)	(402,027)	(612,765)
Leasing – Monetary variation (Note 16)	(2,463)	(2,434)	(2,346)	(2,326)
Other finance expenses	(3,786)	(1,556)	(850)	(1,503)
	(694,256)	**(1,117,195)**	**(683,206)**	**(1,106,596)**
NET FINANCE EXPENSES	**(237,875)**	**(769,052)**	**(260,617)**	**(767,997)**

	Consolidated		Parent Company	
	Apr to Jun/2022	Apr to Jun/2021	Apr to Jun/2022	Apr to Jun/2021
FINANCE INCOME				
Income from cash investments	41,475	18,246	24,740	13,560
Arrears fees on sale of energy	2,534	1,804	1,793	1,483
Monetary updating	10,906	3,292	10,879	2,077
Monetary updating on escrow deposits	2,605	683	2,586	679
FX variation from loans and financings	-	1,042,650	-	1,042,650
Gains on financial instruments – swap	54,620	-	54,620	-
Monetary updating on PIS/Pasep and Cofins taxes credits over ICMS	710	1,087	-	977
Other finance income	2,697	9,640	2,409	9,432
Pasep and Cofins taxes on financial revenues	(2,255)	(1,329)	(1,976)	(1,265)
	113,292	**1,076,073**	**95,051**	**1,069,593**
DESPESAS FINANCEIRAS				
Costs of loans, financings and debentures	(135,491)	(194,439)	(135,491)	(194,292)
Amortization of transaction cost	(604)	(7,469)	(604)	(7,469)
Monetary updating – Forluz	(3,674)	(3,570)	(3,674)	(3,570)
Inflation adjustment – Loans, financings and debentures	-	(7,818)	-	(7,626)
Monetary updating	(6,424)	(6,442)	(1,479)	(3,280)
FX variation from loans and financings	(500,200)	-	(500,200)	-
Losses on financial instruments – swap	-	(425,417)	-	(425,417)
Leasing – Monetary variation	(1,218)	(1,167)	(1,161)	(1,112)
Other finance expenses	(437)	(1,556)	(337)	(902)
	(648,048)	**(647,878)**	**(642,946)**	**(643,668)**
NET FINANCE EXPENSES	**(534,756)**	**428,195**	**(547,895)**	**425,925**

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27. RELATED PARTY TRANSACTIONS

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

ENTITIES (1)	ASSETS		LIABILITIES		REVENUE		COSTS/EXPENSES	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021	Jan to Jun/2022	Jan to Jun/2021	Jan to Jun/2022	Jan to Jun/2021
Transactions in energy (2)								
Madeira Energia	7,768	7,533	154,789	106,975	47,518	49,776	(690,311)	(668,741)
Aliança Geração	-	-	6,969	6,928	319	271	(49,465)	(42,926)
Norte Energia	2,026	2,338	-	-	12,606	13,895	-	(49,522)
Lightger	-	-	3,241	2,160	-	-	(18,304)	(15,026)
Hidrelétrica Pipoca	-	-	4,121	3,153	-	-	(24,863)	(18,315)
Taesa	-	-	1,322	1,488	133	123	(7,852)	(5,115)
Cemig Distribuição	24,241	24,997	2,176	1,927	138,723	125,833	(18,135)	(13,318)
Connection charges								
Cemig Distribuição (8)	8,650	8,650	-	-	38,926	34,731	-	-
Cooperation Working Agreement								
Cemig Distribuição (7)	2,565	2,362	-	-	431	1,845	-	-
Provision of service (5)								
Aliança Geração	431	512	-	-	1,911	2,423	-	-
Baguari Energia	296	211	-	-	538	82	-	-
Taesa	151	150	-	-	567	567	-	-
Other credits								
Companhia Energética de Minas Gerais	-	4,038	-	-	-	-	-	-
Contingencies								
Aliança Geração (4)	-	-	55,043	52,497	-	-	(2,546)	(9,012)
Adjustment for losses								
Madeira Energia (3)	-	-	-	161,648	-	-	-	-
Hidrelétrica Itaocara (6)	-	-	14,239	20,767	-	-	-	-
Interest on Equity, and dividends								
Companhia Energética de Minas Gerais	-	-	685,082	799,947	-	-	-	-
Baguari Energia	14,759	-	-	-	-	-	-	-
Retiro Baixo	7,202	7,202	-	-	-	-	-	-
Hidrelétrica Cachoeirão	4,179	-	-	-	-	-	-	-
FIC Pampulha								
Current								
Cash and cash equivalents	320,206	44,789	-	-	-	-	-	-
Marketable securities	1,016,153	943,747	-	-	56,743	14,124	-	-
Non-current								
Marketable securities	17,131	194,110	-	-	-	-	-	-
Forluz								
Current								
Post-employment obligations (9)	-	-	43,963	40,878	-	-	(29,272)	(20,939)
Supplementary pension contributions – Defined contribution plan (10)	-	-	-	-	-	-	(10,369)	(10,397)
Administrative running costs (11)	-	-	-	-	-	-	(3,808)	(3,428)
Leasing (12)	36,131	36,900	4,983	4,983	-	-	(3,293)	(3,126)
Non-current								
Post-employment obligations (9)	-	-	503,624	507,234	-	-	-	-
Leasing (12)	-	-	35,395	35,534	-	-	-	-
Cemig Saúde								
Current								
Health Plan and Dental Plan (13)	-	-	42,338	38,807	-	-	(41,545)	(28,060)
Non-current								
Health Plan and Dental Plan (13)	-	-	736,897	720,295	-	-	-	-

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

(1) The relationship between the Company and its investees are described in Note 13.
(2) Transactions in energy between generators and distributors are made in auctions in the Regulated Market (ACR) organized by the federal government. The transactions in sale and purchase of energy between generators and distributors are made through auctions in the Regulated Market, organized by the federal government. In the Free Market they are carried out through auctions or by direct contracting, in accordance with applicable legislation. The transactions for transport of energy, are by transmission companies, arise from the centralized operation of the National Grid carried out by the National System Operator (ONS).
(3) In June 2022, the provision relating to contractual obligations assumed by the Company in favor of the investee and the other shareholders was reversed. More details in Note 13.
(4) This refers to the aggregate amounts of legal actions realized and legal actions provisioned arising from the agreement made between Aliança Geração, Vale S.A. and Cemig. The action is provisioned in the amount of R$155 million (R$149 million at December 31, 2021), of which Cemig's portion is R$55 million (R$52 million on December, 31, 2021).
(5) Refers to a contract to provide plant operation and maintenance services.
(6) A liability was recognized corresponding to the Company's interest in the share capital of Hidrelétrica Itaocara, due to its negative equity (more details in Note 13).
(7) An Administrative and Human Resources Sharing Agreement between Cemig, Cemig Distribuição, Cemig Geração e Transmissão and other subsidiaries of the Group, consented to by Aneel Dispatch 3,208/2016. This principally includes reimbursement of expenses related to sharing of infrastructure, personnel, transport, telecoms and IT;
(8) This refers to the Contract for Connection of Distribution Facilities to the Transmission System (CCT);
(9) The contracts of Forluz are updated by the Expanded Consumer Price Index (*Índice Nacional de Preços ao Consumidor Amplo*, or IPCA) calculated by the Brazilian Geography and Statistics Institute (IBGE) plus interest of 6.00% p.a. and will be amortized until the business year of 2031 (more details in Note 21).
(10) The Company's contributions to the pension fund for the employees participating in the Mixed Plan, and calculated on the monthly remuneration, in accordance with the regulations of the Fund.
(11) Funds for annual current administrative costs of the Pension Fund in accordance with the specific legislation of the sector. The amounts are estimated as a percentage of the Company's payroll.
(12) Rental of the Company's administrative head office, in effect until august 2024 (able to be extended every five years, until 2034, currently in final phase of renewal), with annual inflation adjustment by the IPCA index and price reviewed every 60 months in line with market prices. On September 20, 2021 the rental contract was adjusted upward by 9.68%, corresponding to accumulated IPCA inflation over the prior 12 months. On April 27,2021, Cemig signed with Forluz a contract amendment due to the transfer of Cemig Sim and Gasmig facilities to Júlio Soares building, reducing the Company's rent expenses;
(13) Post-employment obligations relating to the employees' health and dental plan (more details in Note 21).

Dividends receivables

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Sá Carvalho S.A.	-	-	25,821	-
Cemig Geração Três Marias S.A.	-	-	138,000	28,000
Cemig Geração Salto Grande S.A.	-	-	43,793	17,793
Cemig Geração Itutinga S.A.	-	-	21,188	-
Cemig Geração Camargos S.A.	-	-	18,289	-
Cemig Geração Sul S.A.	-	-	4,000	-
Cemig Geração Leste S.A.	-	-	19,331	-
Horizontes Energia S.A.	-	-	805	-
Cemig Geração Poço Fundo S.A.	-	-	1,320	-
Cemig Trading S.A.	-	-	479	-
Aliança Geração de Energia S.A.	99,000	224,896	99,000	224,896
Central Eólica Praias de Parajuru S.A.	-	-	7,267	-
Companhia de Transmissão Centroeste de Minas	-	-	14,569	-
Others (1)	26,140	7,202	26,140	9,515
	125,140	**232,098**	**420,002**	**280,204**

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

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Purchase of energy guarantee

In the Financing Instruments of Santo Antônio Energia S.A., the Company granted a guarantee of trading of this investee's production, until 57.42 MW average per year, for a minimum annual revenue of R$66,114, with base date December 31, 2007, adjusted by the IPCA inflation index, during the period from May 1, 2027 until conclusion of settlement of the obligations arising from those Financing Instruments. Additionally, a guarantee was given for trading of the Assured Energy of this investee, 6.04 MW average, for the period from January 1, 2030 up to completion of settlement of the obligations arising from those Financing Instruments.

Cash investments in the *FIC Pampulha* investment fund

The invests part of its cash balance in a reserved (group) investment fund, which has the characteristics of fixed income and obeys the Company's cash investment policy. The amounts invested by the fund are reported in Marketable Securities in current or non-current assets, in proportion to the interests held by the Company in the fund, 59.47% on June 30, 2022 (53.20% on December 31, 2021).

The funds 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.

Remuneration of key management personnel

The total costs of key personnel comprising the Executive Board, the Fiscal Council, the Audit Committee and the Board of Directors are within the limits approved at a General Shareholders' Meeting, and the effects on the interim financial information of the periods ended June 30, 2022 and June 30, 2021, are as follows:

	Jan to Jun/2022	Jan to Jun/2021
Remuneration	1,889	1,860
Profit shares	209	169
Private pension	217	179
Health and dental plans	17	12
Life insurance	4	-
Total (1)	**2,336**	**2,220**

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

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28. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial instruments classification and fair value

The main financial instruments, classified in accordance with the accounting principles adopted by the Company and its subsidiaries, are as follows:

	Level	June 30, 2022		December 31, 2021	
		Balance	Fair value	Balance	Fair value
Financial assets					
Amortized cost (1)					
Marketable securities	2	197,443	197,443	597,205	597,205
Customers and traders concession holders (transmission service)	2	927,272	927,272	797,972	797,972
Restricted cash	2	13,208	13,208	17,063	17,063
Escrow deposits	2	205,286	205,286	161,820	161,820
Concession grant fee – Generation concessions	3	2,939,401	2,939,401	2,792,201	2,792,201
		4,282,610	**4,282,610**	**4,366,261**	**4,366,261**
Fair value through income or loss					
Cash equivalents – Investments		419,201	419,201	117,154	117,154
Marketable securities					
Bank certificates of deposit (CDBs)	1	-	-	55,290	55,290
Financial notes (LF’s) – Banks	2	634,928	634,928	387,296	387,296
Treasury financial notes (LFT’s)	1	196,403	196,403	98,108	98,108
Debentures	2	4,752	4,752	-	-
		1,255,284	**1,255,284**	**657,848**	**657,848**
Derivative financial instruments (swaps)	3	975,023	975,023	1,219,176	1,219,176
Indemnifiable receivable – Generation	3	644,432	644,432	816,202	816,202
		1,619,455	**1,619,455**	**2,035,378**	**2,035,378**
		7,157,349	**7,157,349**	**7,059,487**	**7,059,487**
Financial Liabilities					
Amortized cost (1)					
Loans, financing and debentures	2	(5,259,126)	(5,259,126)	(6,029,460)	(6,029,460)
Debt with pension fund (Forluz)	2	(74,530)	(74,530)	(87,015)	(87,015)
Deficit of pension fund (Forluz)	2	(120,886)	(120,886)	(121,961)	(121,961)
Concessions payable	3	(28,420)	(28,420)	(26,813)	(26,813)
Suppliers	2	(432,610)	(432,610)	(383,786)	(383,786)
Leasing transactions	2	(42,432)	(42,432)	(45,450)	(45,450)
		(5,958,004)	**(5,958,004)**	**(6,694,485)**	**(6,694,485)**
Fair value through income or loss					
Derivative financial instruments Swap transactions	3	(128,499)	(128,499)	(6,130)	(6,130)
Put Options (SAAG)	3	(668,691)	(668,691)	(636,292)	(636,292)
		(6,755,194)	**(6,755,194)**	**(7,336,907)**	**(7,336,907)**

(1) On June 30, 2022 and December 31, 2021, the book values of financial instruments reflect their fair values.

Information about (i) classifications of financial instruments at fair value; (ii) methodology for calculation of fair value of positions; and (iii) derivative financial instruments can be found in the financial statements for the year ending December 31, 2021.

b) Derivative financial instruments

Put SAAG option

A liability of R$668,691 was recorded in the Company’s interim financial information for the difference between the exercise price and the estimated fair value of the assets. Considering the early liquidation of Funds, and early maturity of put option, this amount was classified as current liabilities.

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

	Consolidated and Parent
Balance on December 31, 2021	**636,292**
Adjustment to fair value	32,399
Balance on June 30, 2022	**668,691**

This option can potentially dilute basic earnings per share in the future, however, they have not caused dilution of earnings per share in the periods analyzed.

Swap transactions

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

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

The 6-monthly interest on the swap was settled in June 2022, resulting in a negative item of R$35,505, and cash outflow of the same amount (this compares to a positive amount of R$1,045,462 in the first half of 2021, with a net cash inflow of R$888,642).

Assets	Liability	Maturity period	Trade market	Notional amount	Realized gain (loss) Jan to Jun, 2022	Realized gain (loss) Jan to Jun, 2021
US$ exchange variation + Rate (9.25% p.y.)	R$ 151.99% of CDI	Interest: Half-yearly Principal: Dec. 2024	Over the counter	US$500,000	(19,362)	954,841
US$ exchange variation + Rate (9.25% p.y.)	R$ 125.52% of CDI	Interest: Half-yearly Principal: Dec. 2024	Over the counter	US$500,000	(16,143)	90,621
					(35,505)	**1,045,462**

The notional amount of derivative transactions are not presented in the statement of financial position, since they refer to transactions that do not require cash as only the gains or losses actually incurred are recorded. The net result of those transactions on June 30, 2022 was a negative adjustment of R$402,027 (negative adjustment of R$612,765 on June 30, 2021), which was posted in finance income (expenses).

The counterparties of the derivative transactions are the banks Bradesco, Itaú, Goldman Sachs and BTG Pactual. Cemig is guarantor of the derivative financial instruments contracted by the Company.

This table presents the derivative instruments contracted by the Company as of June 30, 2022 and December 31, 2021:

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Assets	Liability	Maturity period	Trade market	Notional amount (2)	Unrealized gain (loss) Carrying amount on June 30, 2022	Unrealized gain (loss) Fair value on June 30, 2022	Unrealized gain (loss) Carrying amount on December 31, 2021	Unrealized gain (loss) Fair value on December 31, 2021
US$ exchange variation + Rate (9.25% p.y.) (1)	R$ 151.99% of CDI	Interest: Half-yearly Principal: Dec. 2024	Over the counter	US$500,000	866,626	523,897	873,095	706,401
US$ exchange variation + Rate (9.25% p.y.) (1)	R$ 125.52% of CDI	Interest: Half-yearly Principal: Dec. 2024	Over the counter	US$500,000	571,190	322,627	577,565	506,645
					1.437.816	**846,524**	**1,450,660**	**1,213,046**
Non-current assets						**975,023**		**1,219,176**
Current liabilities						**(128,499)**		**(6,130)**

(1) For the US$1 billion Eurobond issued on December 2017: (i) for the principal, a call spread was contracted, with floor at R$3.25/US$ and ceiling at R$5.00/US$; and (ii) a swap was contracted for the total interest, for a coupon of 9.25% p.a. at an average rate equivalent to 150.49% of the CDI. For the additional US$500 issuance of the same Eurobond issued on July 2018 a call spread was contracted for the principal, with floor at R$3.85/US$ and ceiling at R$5.00/US$, and a swap was contracted for the interest, resulting in a coupon of 9.25% p.a., with an average rate equivalent to 125.52% of the CDI rate. The upper limit for the exchange rate in the hedge instrument contracted by the Company for the principal of the Eurobonds is R$5.00/US$. The instrument matures in December 2024. If the USD/BRL exchange rate is still over R$5.00 in December 2024, the company will disburse, on that date, the difference between the upper limit of the protection range and the spot dollar on that date. The Company is monitoring the possible risks and impacts associated with the dollar being valued above R$5.00 and assessing various strategies for mitigating the foreign exchange risk up to the maturity date of the transaction. The hedge instrument fully protects the payment of six-monthly interest, independently of the USD/BRL exchange rate.

(2) In millions of US$.

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

The fair value on June 30, 2022 was R$846,524 (R$1,213,046 on December 31, 2021), which would be the reference if the Company would liquidate the financial instrument on June 30, 2022, but the swap contracts protect the Company's cash flow up to the maturity of the bonds in 2024 and they have carrying amount of R$1,437,816 at June 30, 2022 (R$1,450,660 on December 31, 2021).

The Company is exposed to market risk due to having contracted this hedge, the principal potential impact being a change in future interest rates and/or the future exchange rates. Based on the futures curves for interest rates and dollar, the Company prepare a sensitivity analysis and estimates that in a probable scenario, its results would be positively affected by the swap and call spread, on June 30, 2023, in the amount of R$250,583. The fair value of the financial instrument was estimated in R$1,097,107, with a positive amount of R$1,123,137 refers to the option (call spread) and a negative amount of R$26,030 refers to the swap.

The Company has measured the effects on its net income of reduction of the estimated fair value for the 'probable' scenario, analyzing sensitivity for the risks of interest rates, exchange rates and volatility changes, by 25% and 50%, as follows:

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Parent Company and Consolidated	Base scenario June 30, 2022	'Probable' scenario June 30, 2023	'Possible' scenario: exchange rate depreciation and interest rate increase 25%	'Remote' scenario: exchange rate depreciation and interest rate increase 50%
Swap, asset	3,794,430	3,748,693	3,427,531	3,124,227
Swap, liability	(3,945,853)	(3,774,723)	(3,876,106)	(3,932,475)
Option / Call spread	997,947	1,123,137	1,068,058	1,012,392
Derivative hedge instrument	**846,524**	**1,097,107**	**619,483**	**204,144**

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

c) Financial risk management

Exchange rate risk

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

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

The net exposure to exchange rates is as follows:

Exposure to exchange rates	Consolidated and Parent Company			
	June 30, 2022		December 31, 2021	
	Foreign currency	R$	Foreign currency	R$
US dollar				
Loans and financings (Note 19)	(1,007,557)	(5,277,584)	(1,007,557)	(5,622,673)
Net (liabilities) exposed		**(5,277,584)**		**(5,622,673)**

Sensitivity analysis

The Company estimates, based on finance information from its financial consultants, that in a probable scenario, on June 30, 2023 the exchange rates of foreign currencies in relation to the Real will be as follows: depreciation of the dollar exchange rate by 7.79%, to R$4.83/US$. The Company has made a sensitivity analysis of the effects on profit arising from depreciation of the Real exchange rate considering the increase of 25%, and 50%, in relation to this 'probable' scenario.

Risk: Exposure to exchange rates	June 30, 2022	June 30, 2023		
	Book value	'Probable' scenario Dollar 4.83	'Possible' scenario + 25% Dollar 6.04	Remote' scenario + 25% Dollar 7.25
US dollar				
Loans and financings (Note 19)	(5,277,584)	(4,866,501)	(6,085,645)	(7,304,789)
Net liabilities exposed	**(5,277,584)**	**(4,866,501)**	**(6,085,645)**	**(7,304,789)**
Net effect of exchange rate variation		**411,083**	**(808,061)**	**(2,027,205)**

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Interest rate risk

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

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

Exposure to Brazilian domestic interest rates	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Assets				
Cash equivalents (Note 5) – CDI rate	419,201	117,154	261,319	82,292
Securities (Note 6) – CDI and Selic rates	1,033,526	1,137,899	541,249	745,258
Restricted cash – CDI	13,208	17,063	6,105	5,843
Net assets exposed	**1,465,935**	**1,272,116**	**808,673**	**833,393**

Sensitivity analysis

The Company and its subsidiaries estimate that in a probable scenario, the Selic rate on June 30, 2023 will be 12.25%. They have made a sensitivity analysis of the effects on profit arising from reductions of 25% and 50% in this rate in relation to the 'probable' scenario. Variation in the CDI rate accompanies the variation in the Selic rate.

Risk: Reduction in Brazilian interest rates – Consolidated	June 30, 2022	June 30, 2023		
	Amount Book value	'Probable' scenario: Selic 12.25%	'Possible' scenario -25% Selic 9.19%	Remote' scenario -50% Selic 6.13%
Assets				
Cash equivalents – Cash investments (Note 5)	419,201	470,553	457,726	444,898
Marketable securities (Note 6)	1,033,526	1,160,133	1,128,507	1,096,881
Restricted cash	13,208	14,826	14,422	14,018
Net assets	**1,465,935**	**1,645,512**	**1,600,655**	**1,555,797**
Net effect of variation in interest rates		**179,577**	**134,720**	**89,862**

Inflation risk

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

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

Exposure to inflation	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Assets				
Generation – Concession grant fee – IPCA (Note 11)	2,939,401	2,792,201	-	-
Liabilities				
Loans, financings and debentures – IPCA (Note 19)	-	(428,367)	-	(428,367)
Debt agreed with pension fund (Forluz) – (Note 21)	(74,530)	(87,015)	(74,530)	(87,015)
Solution for Forluz pension fund deficit (Note 21)	(120,886)	(121,961)	(120,886)	(121,961)
	(195,416)	**(637,343)**	**(195,416)**	**(637,343)**
Net assets (liabilities) exposed	**2,743,985**	**2,154,858**	**(195,416)**	**(637,343)**

<u>Sensitivity analysis</u>

The Company and its subsidiaries estimate that in a probable scenario, the IPCA inflation index on June 30, 2023 will be 5.14%. For the risk of reduction in inflation they have made a sensitivity analysis of the effects on profit arising from reductions in rates of 25% and 50% in relation to the 'probable' scenario.

Risk: reduction in inflation Consolidated	June 30, 2022	June 30, 2023		
	Book value	'Probable' scenario: IPCA 5.14%	'Possible' scenario - 25% IPCA 3.86%	Remote' scenario - 50% IPCA 2.57%
Assets				
Generation – Concession Grant Fee – IPCA (Note 11)	2,939,401	3,090,486	3,052,862	3,014,944
Liabilities				
Debt agreed with pension fund (Forluz) (Note 21)	(74,530)	(78,361)	(77,407)	(76,445)
Solution for Forluz pension fund deficit (Note 21)	(120,886)	(127,100)	(125,552)	(123,993)
	(195,416)	**(205,461)**	**(202,959)**	**(200,438)**
Net assets exposed	**2,743,985**	**2,885,025**	**2,849,903**	**2,814,506**
Net effect of variation in inflation		**141,040**	**105,918**	**70,521**

Liquidity risk

The Company 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.

The Company 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.

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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, financing and debentures, at floating and fixed rates, including future interest up to contractual maturity dates, is as follows:

Consolidated	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Financial instruments at (interest rates):						
Floating rates						
Loans, financings and debentures	-	-	537,300	5,762,603	-	6,299,903
Onerous concessions	349	687	3,073	14,027	15,140	33,276
Debt agreed with pension fund (Forluz)	3,299	6,615	30,659	42,458	-	83,031
Solution for deficit of pension fund (Forluz)	1,462	2,935	13,556	79,510	104,651	202,114
	5,110	**10,237**	**584,588**	**5,898,598**	**119,791**	**6,618,324**
Fixed rate						
Suppliers	430,006	2,225	379	-	-	432,610
	435,116	**12,462**	**584,967**	**5,898,598**	**119,791**	**7,050,934**

Parent Company	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Financial instruments at (interest rates):						
Floating rates						
Loans, financings and debentures	-	-	537,300	5,762,603	-	6,299,903
Onerous concessions	349	687	3,073	14,027	15,140	33,276
Debt agreed with pension fund (Forluz)	3,299	6,615	30,659	42,458	-	83,031
Solution for deficit of pension fund (Forluz)	1,462	2,935	13,556	79,510	104,651	202,114
	5,110	**10,237**	**584,588**	**5,898,598**	**119,791**	**6,618,324**
Fixed rate						
Suppliers	397,611	413	379	-	-	398,403
	402,721	**10,650**	**584,967**	**5,898,598**	**119,791**	**7,016,727**

Risk of debt early maturity

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

The Company has not identified any events or conditions that are not in compliance with the restrictive covenants for financial indices requiring half-yearly or annual compliance. More details in Note 19.

Credit Risk

The Company's risk of losses due to difficulty in receipt of amounts invoiced to customers is considered to be low. The Company carries out monitoring for the purpose of reducing default, on an individual basis, with its customers. Negotiations are also entered into for receipt of any receivables in arrears.

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The provision for expected credit losses of accounts receivable recorded on June 30, 2022, considered to be adequate in relation to the credits receivable and in arrears, was R$29,579.

The Company manage the counterparty risk of losses resulting from insolvency of financial institutions based on an internal policy, has been in effect since 2004.

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 interim financial information.

As a management instrument, the Company 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 million;
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:

Group	Equity	Limit per bank (% of equity) (1) (2)			
		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 an individual assessment of indicators such as 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.

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The Company also sets two concentration limits:

1. No bank may have more than 30% of the Cemig 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 Cemig holding company published by the risk rating agencies Fitch Rating, Moody's or Standard & Poor's.

Hydrological risk

The greater part of the energy sold by the Company 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.

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

	Consolidated		Parent Company	
	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2022	Dec. 31, 2021
Total liabilities	10,691,320	11,595,320	10,296,248	11,147,824
Cash and cash equivalents (Note 5)	(421,321)	(123,071)	(262,160)	(86,064)
Marketable securities (Note 6)	(1,016,395)	(943,789)	(532,279)	(618,130)
Net liabilities	**9,253,604**	**10,528,460**	**9,501,809**	**10,443,630**
Total equity	**9,158,858**	**7,755,454**	**9,158,858**	**7,755,454**
Net liabilities / equity	**1.01**	**1.36**	**1.04**	**1.35**

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29. OPERATING SEGMENTS

The detailed information on the operational segments is given in Note 5 to the financial statements for the year ended December 31, 2021.

INFORMATION BY SEGMENT AS OF AND FOR THE PERIOD ENDED JUNE 30, 2022								
ACCOUNT/DESCRIPTION	ENERGY			INVESTEE	TOTAL	INTER SEGMENT TRANSACTIONS (1)	RECONCILIATION (2) (3)	TOTAL
	GENERATION	TRANSMISSION	TRADING					
NET REVENUE	**1,428,248**	**643,000**	**2,954,851**	**-**	**5,026,099**	**(823,731)**	**(28,491)**	**4,173,877**
COST OF ENERGY	**(133,638)**	**(70)**	**(2,650,329)**	**-**	**(2,784,037)**	**823,731**	**2,272**	**(1,958,034)**
OPERATING COSTS AND EXPENSES (3)								
Personnel	(70,854)	(65,685)	(12,221)	(23,961)	(172,721)	-	-	(172,721)
Employees' and managers' profit sharing	(7,859)	(7,991)	(1,471)	(2,681)	(20,002)	-	-	(20,002)
Post-employment obligations	(32,438)	(20,371)	(4,650)	(6,507)	(63,966)	-	-	(63,966)
Materials, outsourced services and other expenses (revenues)	(178,978)	(120,184)	(5,783)	(20,902)	(325,847)	-	26,219	(299,628)
Depreciation and amortization	(164,176)	(2)	(6)	-	(164,184)	-	-	(164,184)
Operating provisions (reversals)	(15,334)	(8,365)	(3,672)	20,413	(6,958)	-	-	(6,958)
Construction costs	-	(125,886)	-	-	(125,886)	-	-	(125,886)
Total cost of operation	**(469,639)**	**(348,484)**	**(27,803)**	**(33,638)**	**(879,564)**	-	**26,219**	**(853,345)**
OPERATING COSTS AND EXPENSES	**(603,277)**	**(348,554)**	**(2,678,132)**	**(33,638)**	**(3,663,601)**	**823,731**	**28,491**	**(2,811,379)**
Equity in earnings of unconsolidated investees, net	70,981	-	-	203,039	274,020	-	-	274,020
Gains arising from the sale of non-current asset held for sale	-	-	-	6,644	6,644	-	-	6,644
OPERATING RESULT BEFORE FINANCE AND TAX RESULT	**895,952**	**294,446**	**276,719**	**176,045**	**1,643,162**	-	-	**1,643,162**
Finance income and expenses, net	(78,347)	(51,234)	14,785	(123,079)	(237,875)	-	-	(237,875)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX	**817,605**	**243,212**	**291,504**	**52,966**	**1,405,287**	-	-	**1,405,287**
Income tax and social contribution tax	(200,677)	(63,318)	(95,335)	357,447	(1,883)	-	-	(1,883)
NET INCOME FOR THE PERIOD	**616,928**	**179,894**	**196,169**	**410,413**	**1,403,404**	-	-	**1,403,404**

(1) The only inter-segment transactions between generation and trading segment, as explained above.
(2) The reconciliation between the published amounts for the segments and the accounting information on revenue and costs indicates the transactions between the consolidated companies (eliminations).
(3) The information on 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.

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NFORMATION BY SEGMENT AS OF AND FOR THE PERIOD ENDED JUNE 30, 2021								
ACCOUNT/DESCRIPTION	ENERGY			INVESTEES	TOTAL	INTER SEGMENT TRANSACTIONS (1)	RECONCILIATION (2)(3)	TOTAL
	GENERATION	TRANSMISSION	TRADING					
NET REVENUE	**1,461,448**	**418,725**	**2,833,770**	**-**	**4,713,943**	**(793,581)**	**(29,269)**	**3,891,093**
COST OF ENERGY	**(285,249)**	**-**	**(2,540,912)**	**-**	**(2,826,161)**	**793,581**	**2,806**	**(2,029,774)**
OPERATING COSTS AND EXPENSES (3)								
Personnel	(77,498)	(55,698)	(10,275)	(13,165)	(156,636)	-	-	(156,636)
Employees' and managers' profit sharing	(5,861)	(5,093)	(976)	(1,176)	(13,106)	-	-	(13,106)
Post-employment obligations	(20,266)	(18,057)	(3,336)	(4,316)	(45,975)	-	-	(45,975)
Materials, outsourced services and other expenses	(91,398)	(33,545)	(6,049)	(17,015)	(148,007)	-	**26,463**	(121,544)
Depreciation and amortization	(94,674)	(1,708)	(267)	(363)	(97,012)	-	-	(97,012)
Operating provisions	(8,646)	(6,113)	(6,224)	(15,323)	(36,306)	-	-	(36,306)
Construction costs	-	(47,124)	-	-	(47,124)	-	-	(47,124)
Total cost of operation	**(298,343)**	**(167,338)**	**(27,127)**	**(51,358)**	**(544,166)**	**-**	**26,463**	**(517,703)**
OPERATING COSTS AND EXPENSES	**(583,592)**	**(167,338)**	**(2,568,039)**	**(51,358)**	**(3,370,327)**	**793,581**	**29,269**	**(2,547,477)**
Renegotiation of hydrological risk (Law 14,052/20), net	909,601	-	-	-	909,601	-	-	909,601
Periodic tariff review, net	-	217,063	-	-	217,063	-	-	217,063
Equity in earnings of unconsolidated investees, net	21,661	-	-	(144,501)	(122,840)	-	-	(122,840)
OPERATING RESULT BEFORE FINANCE AND TAX RESULT	**1,809,118**	**468,450**	**265,731**	**(195,859)**	**2,347,440**	**-**	**-**	**2,347,440**
Finance income and expense, net	(270,284)	(143,678)	6,547	(361,637)	(769,052)	-	-	(769,052)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAX	**1,538,834**	**324,772**	**272,278**	**(557,496)**	**1,578,388**	**-**	**-**	**1,578,388**
Income tax and social contribution tax	(437,273)	(99,443)	(45,378)	136,662	(445,432)	-	-	(445,432)
NET INCOME (LOSS) FOR THE PERIOD	**1,101,561**	**225,329**	**226,900**	**(420,834)**	**1,132,956**	**-**	**-**	**1,132,956**

(1) The only inter-segment transactions between generation and trading segment, as explained above.
(2) The reconciliation between the published amounts for the segments and the accounting information on revenue and costs indicates the transactions between the consolidated companies (eliminations).
(3) The information on 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 management.

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30. DISPOSAL OF EQUITY INTEREST

Cemig GT's interest in Renova disposal process

On November 11, 2021, the Company signed a Share Purchase Agreement with AP Energias Renováveis Fundo de Investimento em Participações Multiestratégia, an Angra Partners' investment vehicle, administered and managed by Mantiq Investimentos Ltda, including the sale of the whole equity interest held in Renova S.A – In-Court Supervised Reorganization ("Renova") and the assignment, for consideration, of all credits owed to the Company by Renova Comercializadora de Energia S.A. – In-Court Supervised Reorganization, for total consideration of R$60 million and establishes the Company right to an earn-out, depending on certain future events.

According with the agreement, the closing of the transaction was subject to compliance with certain precedent conditions that are usual in similar transactions, including prior approval by the grantor authorities, the creditors holding asset guarantees listed in Renova's Court-Supervised Reorganization Plan and the counterparties in certain commercial contracts.

The equity interest held in Renova, which carrying amount since December 31, 2018 was zero due to the equity deficit, was classified as an asset held for sale, according to IFRS 5/CPC 31 – *Non-current Asset held for Sale and Discontinued Operation*, at the fourth quarter of 2021, in view of the high probability of conclusion of its plan for sale, especially after approval by the competent governance body, which preceded signature of the instrument.

Conclusion of the sale transaction

On May 5, 2022, the Company concluded the sale of its entire equity interest held in Renova, as well as the assignment, for consideration, of all credits owed to the Company by Renova for a total consideration of R$60,000, with a right to receive an earn out subject to certain future events, as provided in Share Purchase Agreement ('the Agreement') entered into with AP Energias Renováveis Fundo de Investimento em Participações Multiestratégia on November 11, 2021.

As a result of conclusion of the transaction, the Company recognized the following accounting effects, in May 2022:

Consolidated	
Number of shares held by Cemig	15,115,372
Total sale price	6,644
Value of assets held for sale on March 31, 2022	-
Accounting capital gain	**6,644**
Income tax and Social Contribution tax (nominal rate) (1)	(2,259)
Capital gain net of taxes and costs of the sale:	**4,385**
Amount received for assignment of the credits payable to Cemig GT	53,356
Book value of the credits	-
Gain on assignment of the credits – in other revenues	**53,356**
Income tax and Social Contribution tax (nominal rate) (1)	(18,141)
Gain on assignment of credits, net of tax	35,215
Estimated expenses of sale (2)	(3,959)
Total receivable, net of estimated expenses	**35,641**

(1) Realization of deductibility of the total value of the credits, which had been totally provisioned in the accounts, plus the deductibility of the goodwill paid on acquisition of the investment, produced an aggregate tax loss of R$504,351, reducing expenditure on income tax and Social Contribution tax by R$315,318.
(2) Estimated expenses based on contracted legal advisory services.

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31. PARLIAMENTARY COMMITTEE OF INQUIRY ('CPI')

On June 17, 2021, the Legislative Assembly of Minas Gerais has established a Parliamentary Committee of Inquiry ('CPI') to investigate management acts of Cemig since January 2019. At an ordinary meeting held on June 24, 2021, the Legislative Assembly of the State of Minas Gerais appointed the members of a Committee of Inquiry that investigated acts of management in the Cemig. CPI was entitled to investigate the facts underlying the application for its creation, for 120 calendar days from appointment of its Chair and Vice-chair. This period was extended, on October 26, 2021, for 60 days.

The 'CPI' requested, through application, several documents and information related, mainly, human resources management and purchasing processes which were fully met by the Company within the stipulated deadlines.

Additionally, in relation to the processes of contracting, the Company carries out regular audits. At present there is an examination in progress in one of these: based on the results identified to date, no material impacts have been identified neither on the interim financial information for the period ended June 30, 2022, nor in the financial statements for prior years.

On February 18, 2022 the CPI approved its final report, submitted to the Public Attorneys' Office of Minas Gerais State, and other control bodies, for assessment of what further submissions of it should be made. To date, there have been no decisions on measures that might be adopted by the Public Attorneys' Office of Minas Gerais state due to the results indicated by the Inquiry.

The Company reaffirm, that all the actions taken by the present management aimed to preserve the shareholders' equity of the Company and ensure improvement in the offer of energy services to its clients, rigorously following the relevant legislation.

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FINANCIAL RESULTS

(Figures in R$ ´000 unless otherwise indicated)

Net income for the quarter

In the second quarter of 2022, the Company reports a net income of R$589,890 which compares with its net income of R$1,444,329 in the second quarter of 2021, representing a reduction of 59.16%. This mainly reflects the difference in Net financial revenue (expenses) between the two periods.

In the second quarter of 2022, we highlight the recognition of an expense on foreign exchange variation in the debt in foreign currency (Eurobonds), with gains on the corresponding hedge instrument, totaling a net expense of R$294,083 (net of taxes) in the second quarter of 2022, compared to a gain of R$407,374 (net of taxes) in the same period of 2021.

Additionally, the result for the second quarter of 2021 was impacted by non-recurring effects, one of which was recognition of a gain of R$909,601 on Renegotiation of hydrological risk, under Law 14,052/20, and a gain of R$211,437 for the effects of the Periodic Tariff Review.

The main variations affecting the revenue, costs, expenses and net finance income (expenses) are noted below.

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

The Company's Ebitda, adjusted including the removal of non-recurrent items, increased in 87.05% in the second quarter of 2022 compared to the same period of 2021. The adjusted Ebitda margin increased from 22.08% in the second quarter of 2021 to 39.21% in the second quarter of 2022. In the first half of 2022, the Ebitda adjusted increased 50.28% compared to the same period of 2021, and, the margin increased from 30.05% to 42.11 in the analized periods.

The Ebitda, measured according to CVM Instruction 527/2012, decreased in 49.21% in the second quarter of 2022, compared to the same period of 2021. The Ebitda margin decreased from 87.32% in the second quarter of 2021 to 42.09% in the second quarter of 2022. In the first half of 2022, the Ebtida decreased 26.06%, compared to the same period of 2021, and, the Ebitda margins decreased from 62.82% to 43.30% in the analized periods.

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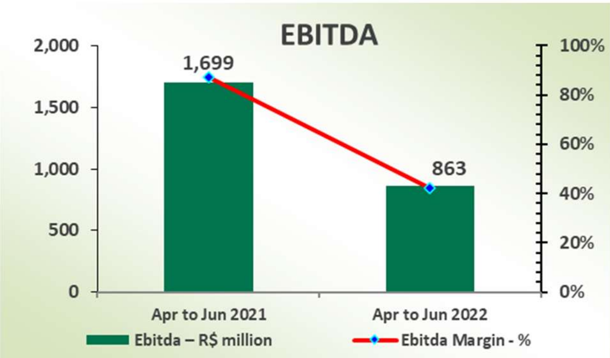
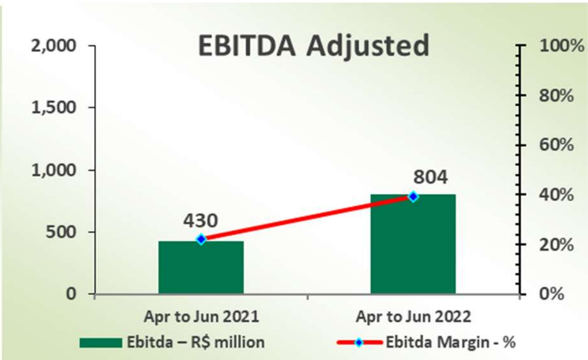
More details on the specific items of this Comment.

Ebitda – R$'000	Apr to Jun/2022	Apr to Jun/2021	Var %	Jan to Jun/2022	Jan to Jun/2021	Var %
Net income for the period	589,890	1,444,329	(59.16)	1,403,404	1,132,956	23.87
+ Current and deferred income tax and social contribution tax	(344,152)	633,579	-	1,883	445,432	(99.58)
+/- Net financial revenue (expenses)	534,756	(428,195)	-	237,875	769,052	(69.07)
+ Depreciation and amortization	82,307	49,137	67.51	164,184	97,012	69.24
= Ebitda according to "CVM Instruction 527" (1)	**862,801**	**1,698,850**	**(49.21)**	**1,807,346**	**2,444,452**	**(26.06)**
Non-recurrent items						
- Renegotiation of hydrological risk (Law 14,052/20), net (note 15)	-	(909,601)	-	-	(909,601)	-
- Advances for services provided, net (*)	-	(148,350)	-	-	(148,350)	-
- Periodic Tariff Review adjustments	-	(211,247)	-	-	(217,063)	-
- Gains arising from the sale of non-current asset held for sale – (note 30)	(60,000)	-	-	(60,000)	-	-
+ Write-off of financial asset (note 11)	171,770	-	-	171,770	-	-
- Reversal of provision for loss - MESA (note 13)	(170,916)	-	-	(161,648)	-	-
= Ebitda Adjusted (2)	**803,655**	**429,652**	**87.05**	**1,757,468**	**1,169,438**	**50.28**

(*) The amount refers to early payment of amounts for provision of services of the subsidiary ESCEE to a free customer, net of PIS/Pasep and Cofins taxes.





(1) Ebitda is a non-accounting measure prepared by the Company, reconciled with the consolidated interim financial information in accordance with CVM Circular SNC/SEP nº 1/2007 and CVM Instruction nº 527 of October 4, 2012. It comprises Net income adjusted by the effects of net financial revenue (expenses), Depreciation and amortization, and Income and Social Contribution taxes. Ebitda is not a measure recognized by Brazilian GAAP nor by IFRS; it does not have a standard meaning; and it may be non-comparable with measures with similar titles provided by other companies. The Company publishes Ebitda because it uses it to measure its own performance. Ebitda should not be considered in isolation or as a substitution for net income or operational profit, nor as an indicator of operational performance or cash flow, nor to measure liquidity nor the capacity for payment of debt.

(2) The Company adjusts the EBITDA measured according to CVM Instruction n. 527/2012 removing non-current items, which, because of their nature, do not contribute towards information on the potential of future cash generation, since they are extraordinary items.

Revenue from supply of energy

	Apr to Jun/2022			Apr to Jun/2021		
	MWh²	R$ (mn)	Average price/MWh billed – R$/MWh¹	MWh²	R$ (mn)	Average price/MWh billed – R$/MWh
Industrial	3,873,013	1,112,163	287.16	3,632,514	960,627	264.45
Commercial	1,067,459	276,917	259.42	996,727	221,144	221.87
Rural	3,322	1,317	396.45	12,944	3,733	288.40
Subtotal	**4,943,794**	**1,390,397**	**281.24**	**4,642,185**	**1,185,504**	**255.38**
Net unbilled retail supply	-	(20,177)	-	-	(30,384)	-
	4,943,794	**1,370,220**	**281.24**	**4,642,185**	**1,155,120**	**255.38**
Wholesale supply to other concession holders (3)	2,096,258	540,722	257.95	2,644,747	672,569	254.30
Wholesale supply unbilled, net	-	(26,006)	-	-	(18,048)	-
	7,040,052	**1,884,936**	**274.30**	**7,286,932**	**1,809,641**	**254.99**

(1) The calculation of the average price does not include revenue from supply not yet billed.
(2) Data not revised by external auditors.
(3) Includes Regulated Market Energy Sale Contracts (CCEARs) and 'bilateral contracts' with other agents.

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The Company reports a revenue from supply of energy of R$1,884,936 in the second quarter of 2022, compared to R$1,809,641 in the second quarter of 2021, an increase of 4.16%. This variation is mainly due from the following factors:

- Consumption by industrial, commercial and rural Free Clients was 17.28% higher, mainly due to new contracts signed in January of 2022;
- Average price of energy 7.58% higher in the second quarter of 2022 than in same period of 2021, mainly due to the adjustments to existing energy contracts; and
- Sales to traders and generators 19.60% lower, mainly due to the transfer of energy purchase contracts to Cemig (Parent's Company). More details in Note 24d.

Transmission concession revenue

The transmission concession revenue of the Company and Centroeste comprises the sum of revenues recorded for construction, reinforcements, improvements, operation and maintenance, as specified in the transmission contracts. The main variations in revenue are presented below:

- This infrastructure operation and maintenance revenue was R$197,395 in the second quarter of 2022, compared to R$135,969 in the second quarter of 2021, 45.18% higher. This primarily reflects the annual adjustment of the transmission Company's RAP, as an effect of Aneel Ratifying Resolution (ReH) 2,895/2021, amended by ReH 2,959/2021;
- The revenues posted for construction, strengthening and enhancement of infrastructure totaled R$100,873 in the second quarter of 2022, compared to R$39,683 in the second quarter of 2021, 154.20% higher. This mainly reflects the increased investments in transmission;
- Revenues from financial remuneration of transmission contract assets were 58.51% higher, at R$204,602 in the second quarter of 2022, compared to R$129,077 in the second quarter of 2021. This increase mainly reflects the higher value of the IPCA inflation index – the indexor used for remuneration of the contract – which was 2.22% in the second quarter of 2022, compared to 1.68% in the same period of 2021. Another important item was recognition of the effects of ReH 2,852/2021, which defined the Financial Component for Concession Contract 006/97. The debtor balance of this component was recalculated to include remuneration of cost of capital at the rate of cost of own capital, substituting the weighted average regulatory cost of capital, for the period from June 2017 to June 2020, and the new amounts of the component for the cycles of 2020-2021 and 2025-2026, taking into account the 'reprofiling' of the payments under the terms of the Resolution.

More details in Note 12.

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Revenue arising from advances for services provided

Revenue in the amount of R$153.970 arising from the negotiation with a free customer that resulted in a revenue recognition related to trading services provided in advance by the subsidiary ESCEE, in June 2021.

Taxes and regulatory charges reported as deductions from revenue

Taxes and charges applied to operating revenue in the second quarter of 2022 were R$537,165, or 13.60% higher than in the second quarter of 2021 (R$472,846). This variation is mainly associated with the increase in the CDE (Energy Development Account) charge.

The amounts of payments to the Energy Development Account (CDE) are determined by an Aneel Resolution. The purpose of the CDE is to cover costs of concession indemnities, tariff subsidies, the subsidy for balanced tariff reduction, the low-income-customer subsidy, the coal consumption subsidy, and the Fuels Consumption Account. The charges for the CDE in the second quarter of 2022 were R$102,795 compared to R$60,363 in the second quarter of 2021, an increase of 70.28%. This difference is mainly due to the annual quotas set by the Brazilian electricity regulator, Aneel.

The other significant deductions from revenue are taxes, calculated as a percentage of sales revenue. Hence, their variations are substantially proportional to the changes in revenue.

Operating costs and expenses

Operating costs and expenses in the second quarter of 2022 totaled R$1,493,803, 15.14% higher than in the second quarter of 2021 (R$1,297,355).

The following paragraphs outline the main variations in operating costs and expenses:

Operating provisions

Net operating provisions in the second quarter of 2022 was an reversal of R$35,681, compared to an expense of R$41,222 in the same period of 2021. This variation arising mainly from the following factors:

- Lower provisions for the SAAG put option: new provisions of R$4,972 in the second quarter of 2022, compared to new provisions of R$26,525 in the same period of 2021 – the difference basically reflects positive effects on the recoverable value of Mesa. For more information please see Note 28; and
- Recognition of reversal of an estimated loss in a related party, due to the sale of the Company’s equity interest in Renova, and assignment, for consideration, of totally of the credits receivable from that investee. For more information please see Note 30.

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Post-employment obligations

The impact of the post-employment obligations of the Company on operational profit in the second quarter of 2022 was an expense of R$31,735, compared to an expense of R$23,282 in the second quarter of 2021, representing an increase of 36.31%. This variation mainly relates to the increase in the discount rate, and in the expectation for inflation, which increased the projection of costs of post-retirement liabilities for 2022.

Construction cost

Construction cost in the second quarter of 2022 was 167.97% higher, at R$75,190, compared to R$28,059 in the same period of 2021, mainly reflecting the execution of the portfolio of Transmission investment projects, with a greater volume of supply of equipment and conclusion of services in the second quarter of 2022.

Share of profit (loss) of affiliates and jointly contolled entities, net

A net gain of R$217,940 value of non-consolidated investees was posted by the equity method in the second quarter of 2022, which compares with a net loss of R$119,347 in the second quarter of 2021. This primarily reflects reversal of the provision of R$170,916, referring to the obligations assumed by the Company in favor of the investee Madeira Energia S.A. (Santo Antônio plant) under support and guarantee agreements.

Note 13 gives the breakdown of equity method gains/losses, by investee.

Net Financial Result

The Company reports net financial revenues of R$534,756 in the second quarter of 2022, compared to net financial expenses of R$428,195 in the second quarter of 2021. This variation is mainly due to the following factors:

- Appreciation of the dollar against the Real in the second quarter of 2022 of 10.56%, compared to depreciation, of 12.20%, in the second quarter of 2021 – generating a posting of revenues of R$500,200 in the second quarter of 2022 vs. revenues of R$1,042,650, in the second quarter of 2021; and
- The fair value of the financial instrument contracted to hedge the risks connected with the Eurobonds resulted in a positive item of R$54,620 in the second quarter of 2022, compared with a negative item of R$425,417 in the second quarter of 2021. This results mainly arises the appreciation of the dollar against the Real.

For a breakdown of financial income/expenses see Note 26.

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Income tax and social contribution tax

For the second quarter of 2022, the credits on income tax and social contribution tax was R$344,152, on pre-tax gain of R$254,738 – an effective rate of (140.05)%. For the second quarter of 2021, the expense on income tax and social contribution tax was R$633,579, or an effective rate of 30.49% on the pre-tax loss of R$2,077,908.

These effective rates are reconciled with the nominal rates in Note 9d.

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Reynaldo Passanezi Filho Chief Executive Officer	**Dimas Costa** Chief Trading Officer	**Leonardo George de Magalhães** Chief Finance and Investor Relations Officer
Paulo Mota Henriques Chief Generation and Transmission Officer		**Marco da Camino Ancona Lopez Soligo** Chief Officer for Management of Holdings
Marney Tadeu Antunes Interim Director without portfolio		**Eduardo Soares** Chief Regulation and Legal
Mário Lúcio Braga Controller CRC-MG-47,822		**José Guilherme Grigolli Martins** Accounting Manager Accountant – CRC-1SP/242451-O4

Av. Barbacena, 1200 – Santo Agostinho – 30190-131 Belo Horizonte, MG – Brazil – Fax (+55-31) 3506-5026 – Tel.: (+55-31) 3506-5024

KPMG Auditores Independentes Ltda.
Rua Paraíba, 550 - 12º andar - Bairro Funcionários
30130-141 - Belo Horizonte/MG - Brasil
Caixa Postal 3310 - CEP 30130-970 - Belo Horizonte/MG - Brasil
Telephone +55 (31) 2128-5700
kpmg.com.br

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

To the Board Directors and Shareholders of
Cemig Geração e Transmissão S.A.
Campinas - SP

Introduction
We have reviewed the individual and consolidated interim financial information of Cemig Geração e Transmissão S.A. ("the Company"), included in the Quarterly Information Form (ITR), for the quarter ended June 30, 2022, which comprises the statement of financial position as of June 30, 2022 and the respective statements of income, and other comprehensive income for the three and six-months periods then ended, and changes in shareholders' equity and cash flows for the six-month period then ended, comprising explanatory footnotes.

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

Scope of review
We conducted our review in accordance with the Brazilian and International Standards on Review Engagements (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Auditing Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

Emphasis of matter
Risks related to compliance with laws and regulations
As mentioned in notes 13 and 31 to the individual and consolidated interim financial information, there are investigations being conducted by public authorities regarding the Company, its subsidiaries and investees Madeira Energia S.A. and Norte Energia S.A., which involve the investees and their executives and other shareholders of these investees. We are currently unable to foresee future developments or potential

impacts of these investigations conducted by public authorities. Our conclusion is not modified in respect of this matter.

Other matters - Statements of Value Added
The quarterly information referred to above include the individual and consolidated statements of value added (DVA) for the six-month period ended June 30, 2022, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures followed together with the review of the Company's interim financial information, in order to form our conclusion whether they are reconciled to the interim financial information and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the statements of value added were not prepared, in all material respects, in accordance with the criteria set on that Standard and consistently with the individual and consolidated interim financial information taken as a whole.

Corresponding figures
The individual and consolidated statement of financial position as of December 31, 2021 and the individual and consolidated statement of income and other comprehensive income for the three and six-month periods ended June 30, 2021, and changes in shareholders' equity and cash flows and the respective explanatory footnotes for the six-month period ended June 30, 2021, presented as corresponding figures in the individual and consolidated interim financial information for the current period, were audited and reviewed, respectively, by other independent auditors, who issued audit and review reports dated March 29, 2022 and August 16, 2021, respectively, unmodified. The corresponding figures related to the individual and consolidated statement of value added (DVA) for the six-month period ended June 30, 2021 were submitted to the same review procedures by those independent auditors and, based on their review, those auditors issued report reporting that nothing has come to their attention that causes them to believe that the statements of value added were not prepared, in all material respects, in accordance with the criteria set on that Standard and consistently with the individual and consolidated interim financial information taken as a whole.

Belo Horizonte, August 12, 2022

KPMG Auditores Independentes Ltda.
CRC SP-014428/O-6 F-MG
Free-translation – Original version issued in Portuguese[1]

Thiago Rodrigues de Oliveira
Contador CRC 1SP259468/O-7

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