



ITR - QUARTERLY INFORMATION

2Q24

08/08/2024

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A free translation from Portuguese into English of the ITR – Quarterly Information originally issued in Portuguese.

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Company Data / Capital Composition

Number of shares (Unit)	Current quarter June 30, 2024
Fully paid-in share capital	
Common	503.735.259
Preferred	1.007.470.260
Total	1.511.205.519
En Treasury	
Common	0
Preferred	0
Total	0

Individual financial information - Statement of financial position - Assets

(Amounts in thousands of Brazilian Reals – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Current quarter	Prior year
		June 30, 2024	December 31, 2023
1	Total assets	19.737.405	18.803.905
1.01	Current assets	3.143.582	2.776.732
1.01.01	Cash and cash equivalents	1.438.986	1.285.158
1.01.01.01	Cash and banks	39.973	36.766
1.01.01.02	Short-term investments	1.399.013	1.248.392
1.01.03	Accounts receivable	1.264.758	1.260.202
1.01.03.01	Trade receivables	1.264.758	1.260.202
1.01.04	Inventories	75.132	69.305
1.01.06	Recoverable taxes	96.642	14.644
1.01.06.01	Withholdings	96.642	14.644
1.01.08	Other current assets	268.064	147.423
1.01.08.03	Other	268.064	147.423
1.01.08.03.01	Restricted deposits	84.243	61.654
1.01.08.03.02	Derivative financial instruments	150.516	62.838
1.01.08.03.03	Other receivables	33.305	22.931
1.02	Noncurrent assets	16.593.823	16.027.173
1.02.01	Long-term receivables	5.413.433	5.303.172
1.02.01.04	Accounts receivable	210.208	271.525
1.02.01.04.01	Trade receivables	210.208	271.525
1.02.01.07	Deferred taxes	789.881	828.516
1.02.01.07.01	Deferred income tax and social contribution	789.881	828.516
1.02.01.10	Other noncurrent assets	4.413.344	4.203.131
1.02.01.10.03	Restricted deposits	118.366	90.059
1.02.01.10.06	Escrow deposits	515.130	586.869
1.02.01.10.07	Contractual financial assets	797.217	708.227
1.02.01.10.08	Contractual asset	2.856.248	2.761.013
1.02.01.10.09	Other receivables	126.383	56.963
1.02.02	Investments	2.374	2.282
1.02.02.01	Equity interests	2.374	2.282
1.02.02.01.04	Other investments	2.374	2.282
1.02.03	Property, plant and equipment	371.620	378.052
1.02.03.01	PP&E in use	217.813	218.627
1.02.03.02	Right of use of leased assets	153.807	159.425
1.02.04	Intangible assets	10.806.396	10.343.667
1.02.04.01	Intangible assets	10.806.396	10.343.667
1.02.04.01.01	Concession agreement	10.635.029	10.170.024
1.02.04.01.02	Right of use of leased assets	171.367	173.643

Individual financial information - Statement of financial position - Liabilities and Equity

(Amounts in thousands of Brazilian Reais – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Current quarter	Prior year
		June 30, 2024	December 31, 2023
2	Total liabilities and equity	19.737.405	18.803.905
2.01	Current liabilities	1.837.401	1.970.093
2.01.01	Payroll, benefits and related taxes	102.836	171.086
2.01.01.02	Payroll and related taxes	102.836	171.086
2.01.02	Trade payables	332.791	354.897
2.01.02.01	Domestic suppliers	332.791	354.897
2.01.03	Taxes payable	65.690	100.087
2.01.03.01	Federal taxes payable	63.473	97.700
2.01.03.01.01	Income tax and social contribution paid	0	1.132
2.01.03.01.02	Withholdings	63.473	96.568
2.01.03.03	Municipal taxes payable	2.217	2.387
2.01.04	Borrowings and financing	574.245	671.117
2.01.04.01	Borrowings and financing	231.112	215.751
2.01.04.01.01	In local currency	202.826	190.337
2.01.04.01.02	In foreign currency	28.286	25.414
2.01.04.02	Debentures	230.972	350.461
2.01.04.03	Lease financing	112.161	104.905
2.01.05	Other payables	507.950	484.567
2.01.05.02	Other	507.950	484.567
2.01.05.02.01	Dividends and interest on capital payable	200.817	308.821
2.01.05.02.05	Collaterals and contractual withholdings	2.426	2.382
2.01.05.02.07	Unearned revenue	3.560	3.560
2.01.05.02.08	Derivative financial instruments	140.802	62.287
2.01.05.02.09	Other payables	160.345	107.517
2.01.06	Provisions	253.889	188.339
2.01.06.02	Other provisions	253.889	188.339
2.01.06.02.04	Accrued pension plan and healthcare plan	75.304	73.635
2.01.06.02.05	Provision for labor lawsuits	178.585	114.704
2.02	Noncurrent liabilities	7.720.202	7.089.612
2.02.01	Borrowings and financing	5.811.054	5.106.543
2.02.01.01	Borrowings and financing	2.402.778	2.253.224
2.02.01.01.01	In local currency	2.280.873	2.216.629
2.02.01.01.02	In foreign currency	121.905	36.595
2.02.01.02	Debentures	3.017.747	2.450.048
2.02.01.03	Lease financing	390.529	403.271
2.02.02	Other payables	94.326	93.564
2.02.02.02	Other	94.326	93.564
2.02.02.02.04	Contractors and suppliers	4.899	0
2.02.02.02.09	Unearned revenue	5.933	7.713
2.02.02.02.11	Other payables	83.494	85.851
2.02.04	Provisions	1.814.822	1.889.505
2.02.04.02	Other provisions	1.814.822	1.889.505
2.02.04.02.04	Accrued pension plan and healthcare plan	1.054.254	1.030.892
2.02.04.02.05	Provisions	760.568	858.613

Individual financial information - Statement of financial position - Liabilities and Equity

(Amounts in thousands of Brazilian Reais – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Current quarter June 30, 2024	Prior year December 31, 2023
2.03	Equity	10.179.802	9.744.200
2.03.01	Realized capital	5.996.137	5.996.137
2.03.01.01	Paid-in capital	5.996.137	5.996.137
2.03.03	Revaluation reserves	48.079	50.164
2.03.03.01	Own assets	48.079	50.164
2.03.04	Earnings reserves	3.412.060	3.507.386
2.03.04.01	Legal reserve	75.168	75.168
2.03.04.07	Tax incentives reserve	11.616	11.616
2.03.04.08	Proposed additional dividends	0	95.326
2.03.04.10	Investment plan	3.325.276	3.325.276
2.03.05	Retained earnings/accumulated losses	533.104	0
2.03.06	Valuation adjustments to equity	4.114	4.205
2.03.08	Other comprehensive income	186.308	186.308

Individual financial information - Statements of Profit or Loss

(Amounts in thousands of Brazilian Reais – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Current Quarter	Current Cumulative	Same Quarter of the	Year-to-date
		June 30, 2024	Exercis June 30, 2024	Previous Exercise June 30, 2023	Previous June 30, 2023
3.01	Revenue from sales and/or services	1.664.252	3.362.264	1.536.029	2.989.992
3.02	Cost of sales and/or services	-735.623	-1.421.453	-1.421.453	-1.421.453
3.03	Gross profit	928.629	1.940.811	918.891	1.784.245
3.04	Operating expenses/revenue	-421.755	-793.160	-373.381	-691.129
3.04.01	Selling expenses	-140.947	-259.756	-74.768	-100.733
3.04.02	General and administrative expenses	-299.049	-540.375	-190.952	-377.553
3.04.05	Other operating expenses	18.241	6.971	-107.490	-212.255
3.04.05.01	Provision for contingencies	66.321	97.817	-57.403	-120.843
3.04.05.02	Withholdings	-12.516	-25.031	-11.431	-22.861
3.04.05.03	Profit Sharing Program	-28.732	-57.753	-32.292	-56.739
3.04.05.04	Other Operating Expenses (Revenues)	-6.832	-8.062	-6.364	-11.812
3.04.06	Share of profit from equity accounted investments	0	0	-171	-588
3.05	Profit before finance income (costs) and taxes	506.874	1.147.651	545.510	1.093.116
3.06	Finance income (costs)	-53.096	-127.624	-45.795	-116.339
3.06.01	Finance income	104.810	187.484	81.409	149.767
3.06.02	Finance costs	-157.906	-315.108	-127.204	-266.106
3.07	Profit before income taxes	453.778	1.020.027	499.715	976.777
3.08	Income tax and social contribution	-78.182	-265.079	-77.607	-235.095
3.08.01	Current	-33.467	-226.444	-81.508	-279.859
3.08.02	Deferred	-44.715	-38.635	3.901	44.764
3.09	Profit from continuing operations	375.596	754.948	422.108	741.682
3.11	Profit/loss for the period	375.596	754.948	422.108	741.682
3.99	Earnings per share - (reais/share)				
3.99.01	Basic earnings per share				
3.99.01.01	Preferred shares	0,25631	0,51518	0,28805	0,50613
3.99.01.02	Common shares	0,23301	0,46834	0,26186	0,46011
3.99.02	Diluted earnings per share				

Individual financial information - Statements of Profit or Loss

(Amounts in thousands of Brazilian Reais – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Current Quarter	Current Cumulative	Same Quarter of the	Year-to-date
		June 30, 2024	Exercis June 30, 2024	Previous Exercise June 30, 2023	Previous June 30, 2023
3.99.02.01	Preferred shares	0,25631	0,51518	0,28805	0,50613
3.99.02.02	Common shares	0,23301	0,46834	0,26186	0,46011

Individual financial information - Statements of Comprehensive Income

(Amounts in thousands of Brazilian Reais – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Current Quarter	Current Cumulative	Same Quarter of the	Year-to-date
		June 30, 2024	Exercis June 30, 2024	Previous Exercise June 30, 2023	Previous June 30, 2023
4.01	Profit for the period	375.596	754.948	422.108	741.682
4.02	Other comprehensive income	-1.117	-2.176	-1.105	-2.182
4.02.01	Realization of the revaluation reserve	-1.592	-3.159	-1.628	-3.236
4.02.02	Taxes on the realization of the revaluation reserve	541	1.074	553	1.100
4.02.03	Realization of the adjustment to deemed cost	-100	-138	-46	-70
4.02.04	Taxes on the realization of the adjustment to deemed cost	34	47	16	24
4.03	Comprehensive income for the period	374.479	752.772	421.003	739.500
	Withholdings				

Individual financial information - Statements of cash flows – Indirect Method

(Amounts in thousands of Brazilian Reals – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Accumulated from the current	
		year June 30, 2024	Accumulated from the prior year June 30, 2023
6.01	Net cash from operating activities	1.233.061	1.024.618
6.01.01	Cash from operating activities	1.366.019	1.311.734
6.01.01.01	Profit for the period	754.948	741.682
6.01.01.02	Depreciation and amortization	270.632	234.060
6.01.01.03	Costs of write-off of PP&E and intangible assets	6.428	5.670
6.01.01.04	Impairment of assets	-909	-1.009
6.01.01.06	Adjustment to present value of assets and liabilities	-15.913	-14.611
6.01.01.07	Allowance for expected credit losses	61.105	-44.826
6.01.01.08	Deferred income tax and social contribution liabilities	38.635	-44.764
6.01.01.09	Withholdings	-97.817	120.843
6.01.01.10	Pension plan and healthcare plan	25.031	22.861
6.01.01.11	Interest on borrowings	238.358	206.041
6.01.01.12	Inflation adjustments on financing	56.022	68.791
6.01.01.13	Interest and inflation adjustments on leases	23.392	12.193
6.01.01.14	Foreign exchange gains (losses), net	11.065	-847
6.01.01.15	Changes in derivative financial instrument	-8.049	1.937
6.01.01.16	Share of profit from equity accounted investments	0	588
6.01.01.17	Allocation of borrowing costs	3.183	3.164
6.01.01.18	Adjustment to fair value - investments	-92	-39
6.01.02	Changes in assets and liabilities	-132.958	-287.116
6.01.02.01	Trade receivables	-4.344	-186.381
6.01.02.02	Recoverable taxes and contributions	-81.998	-55.651
6.01.02.03	Inventories	-5.827	12.011
6.01.02.04	Escrow deposits	71.739	-57.253
6.01.02.05	Other claims and receivables	-77.976	-5.385
6.01.02.06	Contractors and suppliers	-17.207	24.383
6.01.02.08	Taxes and contributions	222.236	269.812
6.01.02.09	Payroll and related taxes	-4.369	10.242
6.01.02.10	Collaterals and contractual withholdings	44	161
6.01.02.11	Unearned revenue	-1.780	-1.780
6.01.02.12	Income tax and social contribution paid	-280.788	-311.980
6.01.02.13	Other payables	47.312	14.705
6.02	Net cash flows from investing activities	-871.347	-881.227
6.02.01	Investment in PP&E, intangible assets and contractua	-871.347	-880.265
6.02.02	Investment in investee	0	-962
6.03	Net cash from financing activities	-207.886	-197.206
6.03.01	Borrowings	867.548	738.663
6.03.02	Repayment of financing	-346.663	-287.280
6.03.03	Payments on interest on financing	-211.482	-193.874
6.03.04	Lease payments	-58.291	-52.105
6.03.05	Cost of borrowings	-4.906	-2.258
6.03.06	Restricted deposits	-50.896	-14.736
6.03.07	Interest on Capital Payments	-403.196	-385.616
6.05	Increase (decrease) in cash and cash equivalents	153.828	-53.815

Individual financial information - Statements of cash flows – Indirect Method

(Amounts in thousands of Brazilian Reais – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Accumulated from the current	Accumulated from the prior year
		year June 30, 2024	June 30, 2023
6.05.01	Cash and cash equivalents at the beginning of the per	1.285.158	1.207.932
6.05.02	Cash and cash equivalents at the end of the period	1.438.986	1.154.117

Individual financial information - Statements of changes in equity on June 30, 2024

(Amounts in thousands of Brazilian Reals – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Paid-in capital	Capital reserves, options granted and treasury shares	Earnings reserve	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Opening balance	5.996.137	0	3.507.386	0	240.677	9.744.200
5.03	Adjusted opening balance	5.996.137	0	3.507.386	0	240.677	9.744.200
5.04.06	Dividends	0	0	-95.326	0	0	-95.326
5.04.07	Interest on Capital	0	0	0	-224.020	0	-224.020
5.05	Total comprehensive income	0	0	0	757.124	-2.176	754.948
5.05.01	Profit for the period	0	0	0	754.948	0	754.948
5.05.02	Other comprehensive income	0	0	0	2.176	-2.176	0
5.05.02.06	Realization of the revaluation reserves	0	0	0	3.159	-3.159	0
5.05.02.07	Withholdings	0	0	0	-1.074	1.074	0
5.05.02.08	Realization of the adjustments to deemed cost	0	0	0	138	-138	0
5.05.02.09	Taxes on the realization of the adjustment to deemed cost	0	0	0	-47	47	0
5.07	Closing balances	5.996.137	0	3.412.060	533.104	238.501	10.179.802

Individual financial information - Statements of changes in equity on June 30, 2023

(Amounts in thousands of Brazilian Reals – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Paid-in capital	Capital reserves, options granted and treasury shares	Earnings reserve	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Opening balance	3.996.137	0	4.515.837	0	274.913	8.786.887
5.03	Adjusted opening balance	3.996.137	0	4.515.837	0	274.913	8.786.887
5.04	Capital Transactions with Partners	2.000.000	0	-2.159.146	-268.850	0	-427.996
5.04.01	Capital Increases	2.000.000	0	-2.000.000	0	0	0
5.04.06	Dividends	0	0	-159.146	0	0	-159.146
5.04.07	Interest on Capital	0	0	0	-268.850	0	-268.850
5.05	Total comprehensive income	0	0	0	743.864	-2.182	741.682
5.05.01	Profit for the period	0	0	0	741.682	0	741.682
5.05.02	Other comprehensive income	0	0	0	2.182	-2.182	0
5.05.02.06	Withholdings	0	0	0	3.236	-3.236	0
5.05.02.07	Taxes on the realization of the revaluation reserves	0	0	0	-1.100	1.100	0
5.05.02.08	Realization of the adjustment to deemed cost	0	0	0	70	-70	0
5.05.02.09	Taxes on the realization of the adjustment to deemed cost	0	0	0	-24	24	0
5.07	Closing balances	5.996.137	0	2.356.691	475.014	272.731	9.100.573

Individual financial information - Statements of Value Added

(Amounts in thousands of Brazilian Reals – R\$)

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Line item code	Description	Accumulated from the current	Accumulated from the prior year
		year June 30, 2024	June 30, 2023
7.01	Revenue	3.551.153	3.256.453
7.01.01	Sales of goods and services	3.620.320	3.223.439
7.01.02	Other income	-8.062	-11.812
7.01.04	Allowance for/reversal of expected credit losses	-61.105	44.826
7.02	Inputs acquired from third parties	-987.418	-971.717
7.02.01	Cost of sales and services	-467.429	-438.969
7.02.02	Supplies, power, outside services, and other costs	-573.171	-443.562
7.02.04	Other	53.182	-89.186
7.03	Gross value added	2.563.735	2.284.736
7.04	Withholdings	-270.632	-234.060
7.04.01	Depreciation, amortization and depletion	-270.632	-234.060
7.05	Wealth created	2.293.103	2.050.676
7.06	Wealth received in transfer	187.484	149.179
7.06.01	Share of profit from equity accounted investments	0	-588
7.06.02	Finance income	187.484	149.767
7.07	Wealth for distribution	2.480.587	2.199.855
7.08	Wealth distributed	2.480.587	2.199.855
7.08.01	Personnel	763.641	614.895
7.08.01.01	Salaries and wages	416.511	393.379
7.08.01.02	Benefits	319.297	195.408
7.08.01.03	Severance Pay Fund (FGTS)	27.833	26.108
7.08.02	Taxes, fees and contributions	643.038	572.391
7.08.02.01	Federal	634.780	566.941
7.08.02.02	State	470	461
7.08.02.03	Municipal	7.788	4.989
7.08.03	Lenders and lessors	318.960	270.887
7.08.03.01	Interest	315.108	266.106
7.08.03.02	Leases	3.852	4.781
7.08.04	Shareholders	754.948	741.682
7.08.04.01	Interest on Capital	224.020	268.850
7.08.04.03	Retained earnings/loss for the period	530.928	472.832

Performance comment

1. OPERATING DATA

1.1 MARKET

The table below shows the agreements as a percentage of the Company's Total Revenue, as at June 30, 2024:

Agreements (% of total revenue)				Coverage ratio		Total active users (in thousands)	
Municipalities	Total revenue %	Remaining concession period	Type of concession	Water	Sewage collection	Water	Sewage collection
Curitiba	22.0%	24.3 years	Water & sewage	100%	98.9%	845.2	832.7
Londrina	7.2%	24.3 years	Water & sewage	100%	98.3%	258.9	256.8
Maringá	5.3%	16.4 years	Water & sewage	100%	100.0%	175.2	197.2
Ponta Grossa	3.8%	24.3 years	Water & sewage	100%	92.1%	163.3	148.9
Cascavel	3.6%	24.3 years	Water & sewage	100%	100.0%	137.1	151.0
Foz do Iguaçu	3.5%	24.3 years	Water & sewage	100%	82.8%	123.7	102.9
São José dos Pinhais	2.8%	24.3 years	Water & sewage	100%	87.5%	123.0	106.2
Colombo	1.8%	24.3 years	Water & sewage	100%	77.0%	88.7	67.9
Guarapuava	1.7%	24.3 years	Water & sewage	100%	88.0%	72.7	62.6
Toledo	1.5%	24.3 years	Water & sewage	100%	85.5%	65.2	55.1
Other municipalities	46.8%					2,247.0	1,448.1
Total				100.0%	80.5%	4,300.0	3,429.4

The Company, through 346 municipal concessions, provides water treatment and distribution and sewage collection and treatment services. As established by the 6th/2023 and the 7th/2023 Special General Meetings of the Water and Sewage Microregions of the State of Paraná (MRAE-1, MRAE-2, and MRAE-3), the concession terms of 343 municipalities were standardized with due date in June 5, 2048, except for the municipalities: (i) Porto União, due on March 31, 2048; (ii) Maringá, due on August 27, 2040, which are being disputed in courts; and (iii) Andirá, which terminates on December 5, 2032, and is not operated by the Company.

The index of service with treated water is 100% and the index of service with sewage collection network (Urban IARCE) is 80.5%, noting that all the wastewater collected is treated, according to the Company's Information System.

Revenue is primarily generated by residential-type water connections, which account for 90.8% of the total existing water connections as at June 30, 2024.

The number of water connections in June 2024 is 0.8% higher than the number of connections existing in June 2023, which represents an increase of 28,691 water connections, as follows:

Number of water connections*	JUN/24 (1)	%	JUN/23 (2)	%	Var. % (1/2)
Residential	3,146,063	90.8	3,120,830	90.8	0.8
Commercial	252,468	7.3	249,610	7.3	1.1
Industrial	13,686	0.4	13,784	0.4	-0.7
Public utility	24,784	0.7	24,323	0.7	1.9
Government	27,830	0.8	27,593	0.8	0.9
Total	3,464,831	100.0	3,436,140	100.0	0.8

* Information not audited or not reviewed by the independent auditor.

Performance comment

The number of sewage connections in June 2024 is 2.7% higher than the number of connections existing in June 2023, representing an increase of 65,866 new sewage connections, as shown below:

Number of sewage connections*	JUN/24 (1)	%	JUN/23 (2)	%	Var.% (1/2)
Residential	2,298,092	90.4	2,238,076	90.4	2.7
Commercial	203,497	8.0	198,818	8.0	2.4
Industrial	6,440	0.3	6,314	0.3	2.0
Public utility	16,699	0.7	16,158	0.7	3.3
Government	16,024	0.6	15,520	0.6	3.2
Total	2,540,752	100.0	2,474,886	100.0	2.7

* Information not audited or not reviewed by the independent auditor.

1.2 OPERATIONAL PERFORMANCE

In 2Q24, the measured volume of treated water was 138.4 million m³, compared to 133.4 million m³ in 2Q23, a quarter-on-quarter increase of 3.7%, as shown below:

Measured water volume - million m ³ *	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Residential	117.2	113.3	3.4	239.7	226.4	5.9
Commercial	11.2	10.7	4.7	22.4	21.0	6.7
Industrial	3.0	2.9	3.4	5.9	5.7	3.5
Public utility	1.5	1.4	7.1	2.9	2.7	7.4
Government	5.5	5.1	7.8	10.4	9.4	10.6
Total	138.4	133.4	3.7	281.3	265.2	6.1

* Information not audited or not reviewed by the independent auditor.

In 2Q24, the billed volume of treated water was 144.3 million m³, compared to 139.5 million m³ in 2Q23, a quarter-on-quarter increase of 3.4%, as shown below:

Billed water volume - million m ³ *	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Residential	122.3	118.5	3.2	249.4	236.4	5.5
Commercial	12.1	11.6	4.3	24.3	22.9	6.1
Industrial	3.0	2.9	3.4	5.9	5.8	1.7
Public utility	1.3	1.2	8.3	2.4	2.2	9.1
Government	5.6	5.3	5.7	10.6	9.6	10.4
Total	144.3	139.5	3.4	292.6	276.9	5.7

* Information not audited or not reviewed by the independent auditor.

The volume of sewage billed in 2Q24 increased by 5.3% when compared to 2Q23, as shown below:

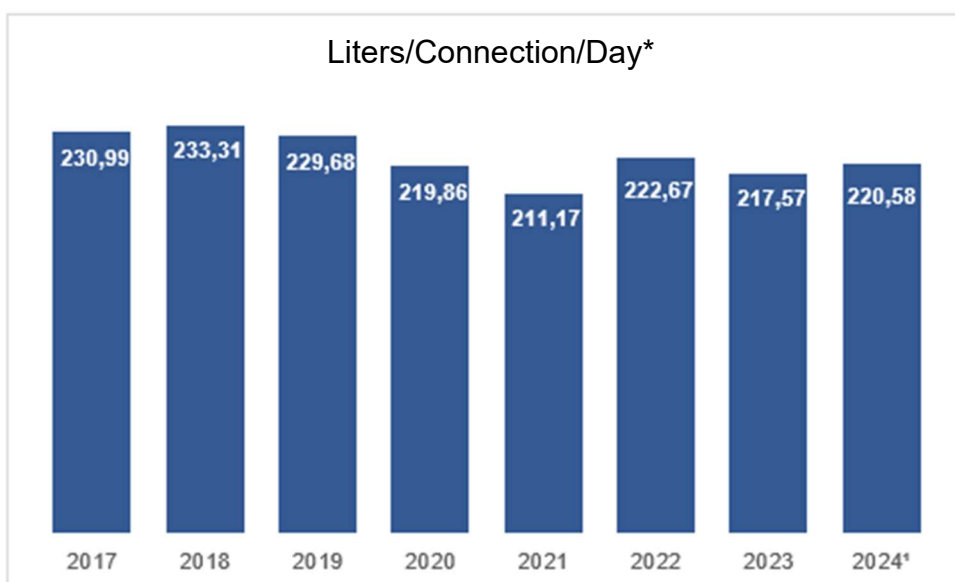
Billed sewage volume - million m ³ *	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Residential	97.6	92.9	5.1	197.7	184.4	7.2
Commercial	11.5	10.9	5.5	22.9	21.4	7.0
Industrial	1.0	1.0	0.0	1.9	2.0	-5.0
Public utility	1.1	1.0	10.0	2.1	1.9	10.5
Government	4.4	4.0	10.0	8.3	7.4	12.2
Total	115.6	109.8	5.3	232.9	217.1	7.3

* Information not audited or not reviewed by the independent auditor.

Performance comment

STATEMENT OF LOSS RATIO PER CONNECTION

The Loss Per Connection Ratio, calculated using the SINISA standard approach takes into account the volume of water losses defined as the difference between the volume generated, the balance of the exported and imported volume, and the micro volume measured in the water meters, excluding the service volume (operating, recovered, and special volume), presented on an accumulated basis for a twelve-month period.



* Information not audited or not reviewed by the independent auditor.

(1) Amounts accumulated in the past twelve months.

Water*	JUN/24 (1)	JUN/23 (2)	Var. (1/2)	JUN/22 (3)	Var. % (2/3)
Users served by water grid	4,300,025	4,265,263	0.8 %	4,204,837	1.4 %
No. of treatment plants	168	168	0.0 %	168	0.0 %
No. of wells	1,195	1,271	-6.0 %	1,171	8.5 %
No. of surface abstractions	228	233	-2.1 %	237	-1.7 %
Km of network laid	61,875	60,646	2.0 %	59,569	1.8 %
Produced volume (m ³)	426,924,013	403,552,898	5.8 %	391,016,158	3.2 %
Billing losses - %	31.46	31.39	0.07 p.p.	31.71	-0.32 p.p.
Revenue evasion - % (default)	1,13	-2,41	3.54 p.p.	4.89	-7.30 p.p.

* Information not audited or not reviewed by the independent auditor.

Sewage*	JUN/24 (1)	JUN/23 (2)	Var. (1/2)	JUN/22 (3)	Var. % (2/3)
Users served by collection system	3,429,423	3,337,263	2.8 %	3,248,364	2.7 %
No. of treatment plants	267	264	1.1 %	261	1.1 %
Km of network laid	42,739	41,485	3.0 %	40,083	3.5 %
Volume collected in m ³	222,533,517	206,404,713	7.8 %	194,037,324	6.4 %

* Information not audited or not reviewed by the independent auditor.

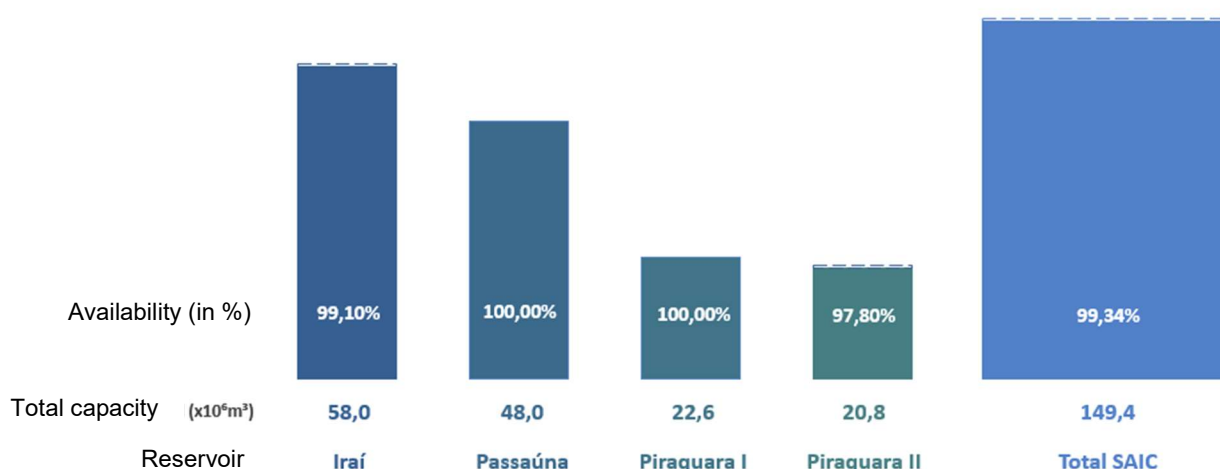
Performance comment

AVAILABLE VOLUMES

The average volume available in the Curitiba Integrated Supply System (*Sistema de Abastecimento Integrado de Curitiba* or SAIC) consists of the Piraquara I, Piraquara II, Iraí, and Passaúna dams.

In the municipality of Foz do Iguaçu, Sanepar uses water from the Itaipu Binacional Hydroelectric Dam, from the Itaipu lake, on the Paraná River.

Sanepar's dams are considered medium-sized dams in terms of storage volume, but large due to their height/depth above 15 meters. As at June 30, 2024, the average storage volume was at 99.3% (99.9% at December 31, 2023).



* Information not audited or not reviewed by the independent auditor.

2. FINANCIAL DATA

2.1 ECONOMIC PERFORMANCE

Gross operating revenue - R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Revenue from water	1,058.1	1,013.9	4.4	2,153.8	2,017.0	6.8
Revenue from sewage	675.8	596.3	13.3	1,353.4	1,115.9	21.3
Revenue from services	34.8	26.4	31.8	68.8	50.5	36.2
Revenue from solid waste	3.9	3.3	18.2	7.8	6.6	18.2
Services provided to municipalities	6.4	6.0	6.7	12.8	11.7	9.4
Donations made by customers	10.1	9.1	11.0	20.6	18.4	12.0
Other income	1.6	1.3	23.1	3.1	3.3	-6.1
Total operating revenue	1,790.7	1,656.3	8.1	3,620.3	3,223.4	12.3
Tax on revenue (Cofins)	-104.0	-99.0	5.1	-212.3	-192.1	10.5
Tax on revenue (PASEP)	-22.4	-21.3	5.2	-45.7	-41.3	10.7
Total deductions	-126.4	-120.3	5.1	-258.0	-233.4	10.5
Total operating revenues, net	1,664.3	1,536.0	8.4	3,362.3	2,990.0	12.5

The quarter-on-quarter increase in net operating revenue was 8.4%, from R\$ 1,536.0 million in 2Q23 from R\$ 1,664.3 million in 2Q24, due to: (i) tariff adjustment of 2.9577% on May 17, 2024; (ii) tariff adjustment of 8.2327% on May 17, 2023, with full impact in 2024; (iii) increase in the billed water and sewage volumes; and (iv) increase in the number of connections.

Performance comment

Operating costs and expenses R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Personnel	-424.2	-335.4	26.5	-807.7	-653.2	23.7
Supplies	-81.1	-82.7	-1.9	-157.5	-163.1	-3.4
Electric power	-142.2	-118.7	19.8	-285.1	-235.9	20.9
Sewage operation services – PPP	-11.8	-	-	-17.8	-	-
Outside services	-255.0	-205.8	23.9	-486.9	-388.0	25.5
Depreciation and amortization	-137.2	-117.8	16.5	-270.6	-234.1	15.6
Gains (losses) on realization of receivables	-31.2	-0.6	5,100.0	-61.1	44.8	-236.4
Municipal Sanitation and Env. Mgt. Fund	-35.6	-26.2	35.9	-70.2	-52.9	32.7
Regulatory fee	-9.1	-8.7	4.6	-18.3	-17.5	4.6
Compensation for damages to third parties	-42.2	-1.2	3,416.7	-43.0	-4.1	948.8
Compensation to outsourced employees	-7.2	-	-	-7.2	-0.8	800.0
Fees, Permits and Licensing	-8.0	-	-	-8.0	-0.8	900.0
Capitalized expenses	28.9	34.5	-16.2	57.5	62.0	-7.3
Provisions for contingencies	66.3	-57.5	-215.3	97.8	-120.9	-180.9
Pension plan and healthcare plan	-12.5	-11.5	8.7	-25.0	-22.9	9.2
Profit sharing program	-28.8	-32.2	-10.6	-57.8	-56.7	1.9
Write-off of assets. net	-3.7	-1.3	184.6	-4.7	-2.7	74.1
Other costs and expenses	-22.9	-25.4	-9.8	-49.1	-50.1	-2.0
Total	-1,157.5	-990.5	16.9	-2,214.7	-1,896.9	16.8

Operating costs and expenses for 2Q24 increased by 16.9% in relation to 2Q23. The main change resulted from:

Personnel

Growth of 26.5%, due to: (i) salary increase of 3.86% (INPC) on payroll and benefits under the 2024/2026 Collective Bargaining Agreement (ACT) (base date March 2024); (ii) salary increase of 5.5% (INPC) on payroll and benefits under the 2022/2024 Collective Bargaining Agreement (ACT) (base date March 2023), with effects in 2Q24; (iii) increase of 9.88% of SANESAÚDE in June 2024; (iv) labor compensation amounting to R\$ 73.2 million (R\$ 17.2 million in 2Q23); and (v) provision for the indemnity allowance amounting to R\$ 17.1 million (R\$ 15.7 million in 2Q23). On the other hand, the number of employees increased from 6,159 in 2Q23 to 6,084 in 2Q24.

Supplies

Decrease of 1.9%, related to expenses on electromechanical maintenance supplies (31.2% drop), and mainly on treatment supplies, which account for 62.0% of total expenses on supplies for the quarter (8.2% drop). The decrease results primarily from: (i) decrease in the price of chemicals used in water treatment, such as: aluminum sulfate, calcium hydroxide and anionic polymer; (ii) replacement of aluminum chloralhydrate and polyaluminum chloride (PAC) by aluminum sulfate in the Passaúna, Iraí and Iguaçu water treatment plants due to favorable price conditions in the market; and (iii) reduction in the use of PAC and chlorine dioxide due to the improvement of fresh water quality in the region covered by the Ponta Grossa Regional Management.

Electric power

Growth of 19.8%, mainly due to the 10.5% increase of the average tariff applied beginning June 24, 2023, growth of 5.8% in the volume of water produced and 7.8% in the volume treated sewage, and the 3% decrease in the subsidy applied to users that benefited from a discount on their sanitation tariffs, from 3% to 0%.

Performance comment

Outside services

A 23.9% increase, mainly in system operation and maintenance services (132.5%), data processing services (157.6%), collection services (89.6%), registration and billing services (33.0%), network maintenance services (15.3%), and customer service (395.3%).

Depreciation and amortization

A 16.5% increase, mainly due to the entry into operation of intangible assets and/or property, plant and equipment, in the period July 2023-June 2024, amounting to R\$ 1,955.4 million (net of write-offs).

Expected credit losses

A 5,100.0% increase, resulting from the increase in default mainly of individual customers. In 2Q23, the credit recovery program for individual customers (RECLIP) was in force, which reflected in the reversal of the allowance for the period, impacting the comparative basis.

Municipal Sanitation and Environmental Management Fund

A 35.9% increase mainly due to the increase in the tax base related to the tariff adjustment, volume increase, and resulting revenue growth, as well as contractual renegotiations.

Compensation for damages to third parties

Growth of 3,416.7%, mainly due to recognition of definitive write-offs of civil lawsuits in the amount of R\$ 42.2 million in 2Q24, mainly related to: (i) termination of lawsuits challenging rates charged by the Company, filed by residential condominiums in municipalities on the coast of Paraná and Foz do Iguaçu, in the amount of R\$ 14.3 million; (ii) lawsuit seeking compensation for a traffic accident that occurred in December 2003, due to a leak that caused a slope to collapse and mud to be released onto the highway, in the amount of R\$ 13.2 million; and (iii) lawsuit related to economic and financial rebalancing in the amount of R\$ 5.1 million with a supplier of chemical products, recorded as provisions for contingencies.

Provisions for contingencies

A 215.3% decrease mainly due to the reversal of R\$ 76.4 million as a result of the definitive withdrawal or archiving of 294 labor lawsuits (R\$ 23.2 million refers to lawsuits filed by the Paraná Engineers Union, or SENGE), offset by the supplementary provision and new labor lawsuits amounting to R\$ 63.8 million (R\$ 63.3 million recognized in 2Q23), the subject matter of which refers primarily from: (i) reinstatement of retirees; (ii) allowances and overtime; (iii) equal pay; and (iv) lawsuits filed by the Engineers Union (SENGE) regarding salary differences in the Job, Careers and Compensation Plan (PCCR). In 2Q24, 297 civil lawsuits were reversed, in the amount of R\$ 46.9 million, mainly due to: (i) termination of lawsuits challenging rates charged by the Company, filed by residential condominiums in municipalities on the coast of Paraná and Foz do Iguaçu, in the amount of R\$ 13.3 million; (ii) lawsuit seeking compensation for a traffic accident that occurred in December 2003, due to a leak that caused a slope to collapse and mud to be released onto the highway, in the amount of R\$ 13.0 million; and (iii) lawsuit related to economic and financial rebalancing in the amount of R\$ 4.8 million with a supplier of chemical products. There was also reversal of R\$ 4.0 million in provisions for environmental contingencies related to: (i) restriction on land use in the territory of the municipality of Campo Magro in the amount of R\$ 2.5 million; and (ii) environmental damages to several bodies of water and contribution to the silting of Lake Igapó in Londrina, in the amount of R\$ 1.5 million.

Performance comment

2.2 ECONOMIC INDICATORS

Finance income (costs) - R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Finance income						
Short-term investments	51.5	52.0	-1.0	100.4	94.7	6.0
Monetary gains	28.2	22.5	25.3	51.1	52.2	-2.1
Exchange gains	-	0.8	-100.0	-	0.9	-100.0
Gains from derivative financial instruments	12.4	0.2	6,100.0	12.4	0.2	6,100.0
Other finance income	12.7	5.9	115.3	23.6	1.8	1,211.1
Total finance income	104.8	81.4	28.7	187.5	149.8	25.2
Finance costs						
Interest and fees on borrowings, financing, debentures and leases	-125.0	-100.5	24.4	-247.4	-199.4	24.1
Monetary losses	-18.3	-25.1	-27.1	-51.3	-64.1	-20.0
Exchange losses	-10.6	-	-	-11.1	-	-
Loss on derivative financial instruments	-3.7	-1.5	146.7	-4.4	-2.1	109.5
Other finance costs	-0.3	-0.1	200.0	-0.9	-0.5	80.0
Total finance costs	-157.9	-127.2	24.1	-315.1	-266.1	18.4
Finance income (costs)	-53.1	-45.8	15.9	-127.6	-116.3	9.7

Finance income and costs varied by 15.9%, from finance costs of R\$ 45.8 million in 2Q23 to finance costs of R\$ 53.1 million in 2Q24. Finance costs increased 24.1%, mainly in interest expenses and charges on financing, borrowings, debentures and leases, from R\$ 100.5 million in 2Q23 to R\$ 125.0 million in 2Q24, due to the increase in the calculation basis of financial charges as a result of the funds borrowed from third parties. On the other hand, finance income grew by 28.7%, from R\$ 81.4 million in 2Q23 to R\$ 104.8 million in 2Q24, mainly due to gains from other derivative instruments, from R\$ 0.2 million in 2Q23 to R\$ 12.4 million in 2Q24, and variation in other finance income, from R\$ 5.9 million in 2Q23 to R\$ 12.7 million in 2Q24, related to adjustment to the present value of trade receivables.

Economic results - R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Operating profit	506.8	545.5	-7.1	1,147.6	1,093.1	5.0
Finance income (costs)	-53.1	-45.8	15.9	-127.6	-116.3	9.7
Income taxes	-78.2	-77.6	0.8	-265.1	-235.1	12.8
Profit for the quarter	375.5	422.1	-11.0	754.9	741.7	1.8

The Company recorded profit for the period of R\$ 375.5 million in 2Q24, 11.0% lower than R\$ 422.1 million in 1Q23. Profit was impacted primarily by the 16.9% increase in operating expenses.

Profit for 2Q24 was not affected by nonrecurring items.

Performance comment

Distribution of wealth created - R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Payroll	399.1	318.6	25.3	763.7	614.9	24.2
Payments to governments (taxes)	269.2	252.8	6.5	643.0	572.4	12.3
Payments to third parties (leases)	1.7	2.5	-32.0	3.9	4.8	-18.8
Debt charges (interest and inflation adjustments)	157.9	127.2	24.1	315.1	266.1	18.4
Interest on equity capital and dividends	224.0	268.9	-16.7	224.0	268.9	-16.7
Undistributed profit for the period	151.6	153.2	-1.0	530.9	472.8	12.3
Total wealth created	1,203.5	1,123.2	7.1	2,480.6	2,199.9	12.8

SANEPAR's growth and development strategy, to operate in the utilities market, also opened to the private sector, is based on our pursuit of effective results, commitment to the quality of the services provided and, above all, meeting the needs of the granting authority and shareholders.

The following figures show the economic and financial results that the Company has been achieving to sustain investment programs, providing the appropriate and necessary conditions to achieve service universalization required by the sanitation legal framework.

Economic indicators - R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Net operating revenue	1,664.3	1,536.0	8.4 %	3,362.3	2,990.0	12.5 %
Operating profit	506.8	545.5	-7.1 %	1,147.6	1,093.1	5.0 %
Profit for the quarter	375.5	422.1	-11.0 %	754.9	741.7	1.8 %
Operating margin %*	25.3	30.2	-4.9 p.p.	28.2	30.3	-2.1 p.p.
Net margin %*	22.6	27.5	-4.9 p.p.	22.5	24.8	-2.3 p.p.
Average ROE %*	3.7	4.6	-0.9 p.p.	7.6	8.3	-0.7 p.p.
Net debt-to-EBITDA (12-month cumulative ratio) *	1.7	1.8	-0.1 p.p.	1.7	1.8	-0.1 p.p.

* Information not audited or not reviewed by the independent auditor.

At the end of 2Q24, the Company's total assets reached R\$ 19,737.4 million (R\$ 18,803.9 million as at December 31, 2023), while total debt at the end of 2Q24 was R\$ 9,557.6 million (R\$ 9,059.7 million as at December 31, 2023).

Of total debt, R\$ 6,385.3 million (R\$ 5,777.7 million as at December 31, 2023) refers to borrowings, financing, debentures and leases, a 10.5% increase compared to 2023.

	Baseline	JUN/24	DEC/23	Var.
Equity	R\$ million	10,179.8	9,744.2	4.5 %
Book Value per Share*	R\$	6.74	6.45	4.5 %
Indebtedness*	%	48.4	48.2	0.2 p.p.
Current liquidity*	R\$	1.71	1.41	21.3 %
Quick ratio*	R\$	1.67	1.37	21.9 %

* Information not audited or not reviewed by the independent auditor.

Performance comment

EBITDA and Operating Cash Generation

EBITDA in 2Q24, which represents the Company's operating income, was R\$ 644.0 million, compared to R\$ 663.3 million in 2Q23. The EBITDA margin increased from 43.2% to 38.7%.

Operating cash generation in 2Q24 was R\$ 597.8 million, a quarter-on-quarter increase of 10.1%. The EBITDA conversion of Operating Cash was 92.8%.

EBITDA - R\$ million *	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Profit for the period	375.5	422.1	-11.0	754.9	741.7	1.8
(+) Taxes on income	78.2	77.6	0.8	265.1	235.1	12.8
(+) Finance income (costs)	53.1	45.8	15.9	127.6	116.3	9.7
(+) Depreciation and amortization	137.2	117.8	16.5	270.6	234.1	15.6
EBITDA	644.0	663.3	-2.9	1,418.2	1,327.2	6.9
% EBITDA Margin	38.7	43.2	-4.5 p.p.	42.2	44.4	-2.2 p.p.
% EBITDA conversion into cash	92.8	81.9	10.9 p.p.	86.9	77.2	9.7 p.p.

* Information not audited or not reviewed by the independent auditor.

2.3 INVESTMENTS

Investments made in 2Q24 totaled R\$ 446.7 million (R\$ 477.6 million in 2Q23), as follows:

Investments - R\$ million	2Q24 (1)	2Q23 (2)	Var. % (1/2)	6M24 (3)	6M23 (4)	Var. % (3/4)
Water	155.4	178.5	-12.9	316.4	332.7	-4.9
Sewage	261.6	267.7	-2.3	485.6	495.5	-2.0
Other investments	29.7	31.4	-5.4	69.3	52.1	33.0
Total	446.7	477.6	-6.5	871.3	880.3	-1.0

Performance comment

2.4 DEBT

Gross debt increased from R\$ 5,777.7 million in December 2023 to R\$ 6,385.3 million in June 2024, an increase of R\$ 607.6 million. Net debt decreased from R\$ 4,492.5 million in December 2023 to R\$ 4,946.3 million in June 2024.

The leverage ratio, measured by the Net debt-to-EBITDA ratio (accumulated over twelve months), was 1.7x in 2Q24 (1.8x in 2Q23).

Indebtedness was 48.4% at the end of 2Q24 (48.6% at the end of 2Q23).

The table below shows the breakdown of borrowings, financing, debentures, and leases, together with their respective interest rates, maturities, and outstanding balances as at June 30, 2024:

Debt - R\$ million	Annual interest rate	Index	Agreement termination	Outstanding balance	%
Caixa Econômica Federal	6.62% to 12.00%	TR	04/19/2046	1,996.4	31.3
14th issue debentures - Single series	DI + 1.05%	-	01/15/2030	625.8	9.8
10th issue debentures - Single series	4.66%	IPCA	03/15/2027	456.9	7.2
13th issue debentures - Single series	DI + 1.90%	-	04/15/2028	408.2	6.4
12th issue debentures - 2nd series	5.89%	IPCA	01/15/2032	342.9	5.4
12th issue debentures - 1st series	DI + 1.08%	-	01/15/2027	312.9	4.9
Lease - Coastal	11.14%	IPC-FIPE	12/07/2036	310.3	4.9
BNDES - Avançar	3.59% and 5.60%	IPCA	12/15/2041	269.2	4.2
11th issue debentures - 2nd series	4.25%	IPCA	03/15/2029	256.5	4.0
BNDES - PAC2	TJLP + 1.67% to 2.05%	-	07/15/2029	217.6	3.4
11th issue debentures - 3rd series	4.49%	IPCA	03/17/2031	198.9	3.1
Right-of-use lease	11.99%	-	06/30/2029	192.5	3.0
9th issue debentures - 2nd series	107.25% of DI	-	06/11/2026	151.6	2.4
Banco KFW	1.35%	EURO	12/30/2032	150.2	2.3
11th issue debentures - 1st series	DI + 1.65%	-	03/16/2026	133.3	2.1
7th issue debentures - 2nd series*	4.79%	IPCA	11/15/2038	88.5	1.4
4th issue debentures - 1st series	TJLP + 1.67%	-	07/15/2027	75.3	1.2
4th issue debentures - 2nd series	7.44%	IPCA	07/15/2027	53.4	0.8
7th issue debentures - 4th series	6.57%	IPCA	11/15/2038	50.2	0.8
7th issue debentures - 1st series*	5.20%	IPCA	11/15/2038	38.5	0.6
2nd issue debentures - 2nd series	9.19%	IPCA	09/15/2024	26.5	0.4
7th issue debentures - 3rd series	6.97%	IPCA	11/15/2038	21.9	0.3
2nd issue debentures - 3rd series	TJLP + 1.92%	-	09/15/2024	4.2	0.1
2nd issue debentures - 1st series	TJLP + 1.92%	-	09/15/2024	3.1	-
Banco Itaú PSI	3.00% to 6.00%	-	01/15/2025	0.5	-
Total				6,385.3	100.0

* IPCA as the variable portion of TLP

The table below shows the debt profile relative to the maturity schedule:

Description - R\$ million	Outstanding balance	%
Up to 12 months	574.2	9.0
13 to 24 months	719.7	11.3
25 to 36 months	922.8	14.4
37 to 60 months	1,163.6	18.2
More than 60 meses	3,005.0	47.1
Total	6,385.3	100.0

Performance comment

3. REGULATIONS

2nd Periodic Tariff Review – Sanepar RTP

On October 21, 2020, in the 21st Special Meeting of the Board of Directors of the Regulatory Agency for Delegated Public Services of Paraná (*Agência Reguladora de Serviços Públicos Delegados do Paraná*, or AGEPAR), the establishment of the 2nd Periodic Tariff Review (RTP) of Sanepar was approved, with guidelines to be implemented in two stages, the first in 2021 and the second in 2022.

The first stage of the 2nd RTP was consolidated into nine technical notes, which were based on the methodology applied in the first tariff cycle. In accordance with the provisions of State Supplementary Law 222/2020, the technical notes were submitted to public consultations from January 4 to February 17, 2021, and a public hearing was held on March 31, 2021.

On April 14, 2021, AGEPAR's Board of Directors, at Special Meeting 012/2021, submitted the final result of the 1st stage of the 2nd RTP, when it decided to approve the tariff repositioning of 5.7701%, with an annual application of the X Factor of 0.98% on the B portion of the tariff.

Under Resolution 007 of March 29, 2022, AGEPAR issued the schedule for the 2nd stage of the 2nd RTP that resulted in the preparation of eighteen technical notes, which, in line with the provisions of State Supplementary Law 222/2020, were submitted to four public consultations, held between June 2022 and March 2023, and a public hearing, in which the result of the P0 corresponding to the 2nd tariff cycle of Sanepar was presented on April 18, 2023.

On April 20, 2023, AGEPAR's Board of Directors approved the adjustment index of 8.2327%, which included the final calculation of the tariff repositioning referring to the 2nd RTP, the annual tariff adjustments (IRTs) of 2022 and 2023, indexed to IPCA, and the X Factor of 0.08%, applied on the total tariff resulting from the P0 (except the financial installments), with the new tariff effective as of May 17, 2023.

Sanepar's tariff model underwent changes in the 2nd Periodic Tariff Review, such as the reclassification of costs into manageable and unmanageable to be taken into consideration by the regulator.

The most significant changes were in relation to the costs of chemicals, which were now considered manageable costs, and electricity, where the Agency implemented a differentiated tariff treatment which was broken down into: (i) average price of electricity, measured in R\$/GWh, classified as a unmanageable cost; and (ii) specific consumption, through electricity consumption, measured in projected GWh, classified as a manageable cost. The motivation for this breakdown comes from the allegation that the Company does not manage energy prices, only having action over the management of consumption.

Also, the Municipal Sanitation Fund (*Fundo Municipal de Saneamento*), the Charge for the Use of Water Resources (*Cobrança pelo Uso de Recurso Hídrico*), the Transfer for the Use of Springs (*Repassa pela Utilização de Manancial*), and the Regulation Fee were maintained as unmanageable costs, and expenses for IPVA, IPTU and Fees, Permits and Licensing were included.

Performance comment

First RTP Deferral

Part of the financial portion in the tariff comes from the deferral from the 1st RTP of Sanepar, when the Company was authorized by the Regulatory Agency for Delegated Public Services of Paraná (*Agência Reguladora de Serviços Públicos Delegados do Paraná*, or AGEPAR), through Authorizing Resolution 003, of April 12, 2017, to apply the repositioning tariff index of 25.63% starting April 17, 2017, as provided for in by Article 3 thereof:

“Article 3 – To define that the application of the tariff review approved under Article 2 hereof shall be deferred for eight (8) years, with the first installment corresponding, in 2017, to an average repositioning of eight point fifty-three percent (8.53%), and the others in seven (7) installments of two point eleven percent (2.11%), plus the corresponding financial adjustment and economic adjustment, which will be carried out by applying the weighted average rate of daily financing calculated in the Special System for Settlement and Custody (Sistema Especial de Liquidação e Custódia, or SELIC), as defined in the Technical Note approved in Article 1 hereof.”

In the 2nd stage of the 2nd RTP, AGEPAR updated the rule for calculating financial installments in relation to the 1st RTP criteria.

Specifically regarding the calculation of the deferral compensation tariff, the balance was assessed on December 2020 (base date for calculating the 2nd RTP), using the SELIC interest rate as a correction index, applied to the difference between the verified revenue and the current tariff, which amounted to R\$ 1,582 billion.

The change in methodology occurred in the index for the projection of compensation installments considered in the 2nd RTP tariff, with a single index defined by the Agency, including for deferral, starting to be projected based on the WACC calculated in the 2nd RTP until the end of the cycle.

The balance of offset installments at the base date of December 2020 (2nd RTP), which ends at the end of the second tariff cycle, totaled R\$ 1.255 billion.

As regards the accounting records, in analogy to Technical Guideline OCPC 08 “Recognition of Certain Assets and Liabilities in General Purpose Accounting and Financial Reports of Electric Energy Distributors” issued in accordance with the Brazilian and International Accounting Standards, the Company does not record in the Financial Statements the amounts receivable from the deferral, considering that: (i) the realization or enforceability of these amounts would depend on a future event not fully controllable by the entity – future invoicing of water and sewage services; (ii) it is not practicable to know, at the time the right to receive arises, who the debtors of these amounts are; and (iii) the effective receipt of these amounts will only occur upon the maintenance of the concessions.

Public Consultation on Annual Tariff Adjustment Methodology

On September 12, 2023, AGEPAR Public Consultation 008/2023 was opened, referring to Technical Note 10/2023-CSB – Annual Tariff Adjustment Methodology to be applied as of the year 2024 for basic sanitation of water and sewage services from Sanepar. On October 11, 2023, Sanepar submitted its contributions.

Performance comment

In summary, the methodology proposed by the Agency adjusts costs using the IPCA, except for electricity costs, which are adjusted by the changes in energy prices, and both are discounted or increased by a quality performance factor (Q Factor) and discounting productivity gains (X Factor). As for the Sectoral Charges, the methodology establishes that adjustments relating to the differences between budget and actual amounts will only be determined in the subsequent RTP.

On January 23, 2024, Agepar's Board of Directors approved Technical Note 010/2023 – Annual Tariff Adjustment Methodology of Basic Sanitary Water and Sewage Services.

Annual Tariff Adjustment Index – IRT 2024

On February 9, 2024, the Company filed the request for the Annual Tariff Adjustment Index (IRT 2024) with AGEPAR. The tariff adjustment percentage of 2.9577% (according to ROCD 009/2024) was confirmed in the meeting of the Agency's Board of Directors held on April 9, 2024. On April 12, 2024, Agepar published Resolution 19 of April 10, 2024, approving the Tariff Adjustment of SANEPAR for 2024, to be applied starting May 17, 2024.

3rd Periodic Tariff Review – RTP of Sanepar

In order to conduct the 3rd RTP, scheduled for completion in May 2025, Agepar performed the following actions:

On March 19, 2024, Agepar published Resolution 17 of March 14, 2024, which approved the Methodology for Assessing the Regulatory Remuneration Base – BRR for basic water and sewage sanitation services.

On April 26, 2024, Agepar published Resolution 20 of April 26, 2024, which approved the schedule for the 3rd Periodic Tariff Review – RTP for basic water and sewage sanitation services.

On June 13, 2024, in Extraordinary Meeting 16/2024, Agepar authorized the filing of a Public Consultation aimed at obtaining contributions, suggestions, proposals, criticisms and other pertinent manifestations, by any interested parties, regarding the "Periodic Tariff Review Manual for Basic Water and Sewage Sanitation Services".

On June 17, 2024, Agepar published Resolution 29 of June 13, 2024, which approved the BRR Inspection Plan for basic water and sewage sanitation services.

4. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) AGENDA

Sanepar is currently the best-ranked company in the public utility sector – water and sanitation in the ISE B3 23/24 Portfolio. In June, the CDP platform opened a new reporting cycle, and this year, Sanepar will disclose not only information regarding its practices relating to Climate Change management, but also those relating to environmental performance in water security.

Notes to interim financial information

1. NATURE OF OPERATIONS

Companhia de Saneamento do Paraná – SANEPAR (also identified as “Company” or “Sanepar”), located at Rua Engenheiros Rebouças in Curitiba – Paraná, is a mixed capital company, controlled by the government of the state of Paraná and its municipalities, and engaged in rendering basic sanitation services, mainly water distribution, collection and treatment of sewage and solid waste, as well as conducting studies, projects and construction work of new facilities, expansion of water distribution and collection and sewage treatment networks, and rendering of advisory services and technical assistance in its areas of activity. The Company also collaborates with federal, state, municipal agencies, and other entities in issues relevant to the achievement of its core business.

On July 28, 2020, Law 20266/2020 was sanctioned, which amended Article 1 of Law 4684 of January 24, 1963, authorizing the Company to operate, including abroad, in the exploration of public services and private systems water supply, collection, removal and final disposal of effluents, domestic and industrial solid waste, urban drainage, related services to protection of the environment and its water resources, in addition to being authorized to sell the energy generated in its units, services and rights arising from its patrimonial assets and to use networks for the installation of optical fibers. The Company may also hold majority or minority interests in consortia, investment funds or businesses together with state-owned and private sector companies. These businesses may be managed directly or through subsidiaries, through special purpose entities or other legal types of association approved by the General Shareholders’ Meeting.

The Company is registered with the Brazilian Securities and Exchange Commission (CVM) as a Category A Public Company (issuers authorized to trade any type of securities) and has its shares traded on the São Paulo Stock Exchange (B3 – Brasil, Bolsa, Balcão), listed at Level 2 of Corporate Governance.

The Company, through 346 municipal concessions, provides water treatment and distribution and sewage collection and treatment services. As established by the 6th/2023 and the 7th/2023 Special General Meetings of the Water and Sewage Microregions of the State of Paraná (MRAE-1, MRAE-2 and MRAE-3), the concession terms of 343 municipalities were standardized with due date in June 5, 2048, except for the municipalities: (i) Porto União, due on March 31, 2048; (ii) Maringá, due on August 27, 2040, which are being disputed in courts; and (iii) Andirá, which terminates on December 5, 2032 and is not operated by the Company.

Upon termination of the concession, the municipality shall reimburse the Company for the amounts of the concession-related assets. Additionally, the Company is discussing in court the validity of the amendment that extended the concession with the municipality of Maringá. The Extraordinary Appeal (ARE), under No. 1363547, was distributed to Federal Supreme Court (STF) Justice Ricardo Lewandowski at the time, which was denied on February 16, 2022, with the pending analysis of the Appeal filed, on September 19, 2022. Also at the STF, on April 20, 2022, May 23, 2022, and August 5, 2022, conciliation hearings were held, with the support of the STF Mediation and Conciliation Center and the participation of the State Public Prosecutor’s Office of Paraná, in which Sanepar submitted a proposal to the Municipality; however, these remained unfruitful. According to the note in the “Notice to the Market”, on February 7, 2023, the Company and the Municipality of Maringá jointly petitioned in the court records of ARE 1363547, the suspension of the case for thirty (30) days, due to internal

Notes to interim financial information

demands, at the administrative level, inherent to the case's subject matter. There has not yet been any related procedural change, with the appeal being transferred to the rapporteur of Minister Cristiano Zanin, due to the retirement of Minister Ricardo Lewandowski, with the process being concluded since August 10, 2023, to review the request. As determined by the court, the contract shall not be terminated until the Municipality pays the compensation due to the Company.

2. PRESENTATION OF THE INTERIM FINANCIAL INFORMATION

2.1. Statement of compliance

The interim financial information is prepared using the operational continuity accounting basis and is being presented in accordance with CPC 21 (R1) "*Demonstração Intermediária*", issued by the Pronouncements Accounting Committee (CPC), and IAS 34 "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB), applicable to the preparation of interim financial information ("ITR"), and consistently with the standards issued by the Brazilian Securities and Exchange Commission (CVM). Therefore, the Interim Financial Information also complies with the IFRSs, and shows all the material information specific to Interim Accounting Information, which is consistent with the information used by Management to manage the Company.

The Interim Financial Information was approved by the Company's Management authorized for issue on August 8, 2024.

2.2. Basis of preparation and presentation

The Interim Financial Information was prepared considering the historical cost, except for the recognized revaluations, as a value basis, the financial assets measured at fair value and certain classes of current and noncurrent assets and liabilities, as presented in the note on accounting practices.

2.3. Functional and presentation urrency

All amounts presented in the Interim Financial Information, including the amounts in the Notes, are stated in thousands of Brazilian reais, which the Company's functional currency, unless otherwise stated.

3. MAIN ACCOUNTING POLICIES

The main accounting policies used in the preparation of the Interim Financial Information for the quarter ended June 30, 2024, are consistent with the policies described in Note 3 to the Company's Financial Statements for the year ended December 31, 2023. Accordingly, this interim accounting information should be read together with the annual financial statements for the year ended December 31, 2023, which were issued on February 8, 2024, except for the accounting policies related to Public-Private Partnerships, as follows:

Notes to interim financial information

On October 26, 2023, the Company entered into a Public-Private Partnership agreement, in the form of an Administrative Concession, with Special Purpose Entity “Ambiental Paraná 1 SPE S.A.”, with assisted operation for a 90-day period. As at January 26, 2024, the Company began to provide services for the operation and construction of sewage works in 16 municipalities in the Central Coastal Microregion of Paraná (MRAE-1), at an estimated amount of R\$1.9 billion and a term of 24 years and 5 months from the date the contract was executed.

Liabilities related to the investments made will be measured at the present value of the payments due during the contractual term, with the discount rate determined by the Company’s incremental borrowing rate.

Investments made in the expansion of sanitary sewage systems in the area covered and during the contractual term will be recognized as Intangible Assets linked to the respective municipal concessions, initially measured at the present value of the Liabilities of the respective debt.

After initial recognition, the liabilities related to the Public-Private Partnership will increase as a result of interest calculated at a constant rate on the outstanding balance and will be reduced by the payments made. Assets linked to the Public-Private Partnership will be amortized on a straight-line basis over the shorter of the remaining agreement term or over the remaining economic useful life of the asset.

The amounts related to the operation and treatment of sewage will be recognized in the Company’s Statement of Profit or Loss as a cost, on an accrual basis, according to the measurements taken in the period between the first and last day of each month the services are provided.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company is exposed to financial risks, however, they are managed or mitigated to not significantly affect the results of its operations and are described in this Note.

4.1. Financial Risk Management

Business Risk: the Company’s business relates primarily to sourcing, treating, and distributing water, collecting, and treating sewage for 345 municipal concessions in the State of Paraná and one in the State of Santa Catarina. The Company’s results depend on the maintenance of concessions in the municipalities where it operates, concession contracts and program contracts last until 2048, with the exception of concession contracts for Andirá, which lasts until 2032, and Maringá, which lasts until 2040. These contracts provided for targets for the expansion and maintenance of water and sewage systems, related to the rate of service of the water supply and sewage collection networks. In the event of termination of contracts, the granting authority must compensate the Company for the amounts of unamortized investments related to the concession, upon assessment. The process of readjustment and review of the tariff is approved by the Paraná Regulatory Agency (AGEPAR).

Notes to interim financial information

Credit Risk: the Company is exposed to the credit risk of the counterpart in its financial transactions (cash and cash equivalents, bank deposits, and financial institutions) and accounts receivable (credit to customers and balances with related parties). The maximum exposure is equivalent to the carrying amount as at June 30, 2024, and is stated in Notes 6 and 19. The risks related to customers are mitigated by their composition, that includes a pulverized base that covers the entire population of the state of Paraná. Considering the type of business, Management does not conduct a credit analysis on the customer's ability to pay, adopting the practice of cutting off the supply in the event of default upon prior written notice delivered to the user, at least thirty days in advance of the scheduled cut date. The level of losses on the realization of accounts receivable is considered normal for the sanitation sector.

The practice of cutting supply does not apply to government agencies; however, Management is intensifying efforts to reduce default levels with negotiations with debtor municipalities and if there is no agreement, the Company enters with judicial collection.

Interest Rate Risk: interest rate risk is the risk that the fair value of future cash flows of a certain financial instrument changes due to variations in market interest rates. The Company's exposure to the risk of changes in market interest rates refers mainly to the Company's long-term obligations subject to variable interest rates.

This risk is due to the possibility of the Company incurring losses on account of interest rate fluctuations, which may increase the financial expenses on borrowings, financing, debentures, leases, and other financial liabilities.

Sensitivity Analysis of interest rate: the Company's Management calculates the sensitivity to a possible change in the rate of return on financial investments and interest on borrowings, financing, debentures, and leases subject to variable interest rates, which may generate significant impacts. If the rates of return on financial investments and interest on borrowings and financing held in reais varied around 25% and 50%, with all other variables held constant, the effect on pre-tax earnings would be R\$ 13,162 and R\$ 26,324 on June 30, 2024, more or less, mainly as a result of income from financial investments and lower or higher interest expenses on financial investments and variable rate borrowings and financing as described below:

Notes to interim financial information

Description	Index	+25%	-25%	+50%	-50%
Short-term investments	DI	25,479	(25,479)	50,958	(50,958)
Assets		25,479	(25,479)	50,958	(50,958)
Caixa Econômica Federal	TR	(1,404)	1,404	(2,808)	2,808
BNDES-PAC2	TJLP	(1,115)	1,115	(2,230)	2,230
BNDES-AVANÇAR	IPCA	(736)	736	(1,472)	1,472
Debentures - 2nd Issue - 1st and 3rd Series	TJLP	(87)	87	(174)	174
Debentures - 2nd Issue - 2nd Series	IPCA	(176)	176	(352)	352
Debentures - 4th Issue - 1st Series	TJLP	(449)	449	(898)	898
Debentures - 4th Issue - 2nd Series	IPCA	(413)	413	(826)	826
Debentures - 7th Issue - 1st to 4th Series	IPCA	(1,136)	1,136	(2,272)	2,272
Debentures - 9th Issue - 1st and 2nd Series	DI	(4,615)	4,615	(9,230)	9,230
Debentures - 10th Issue - Single series	IPCA	(3,221)	3,221	(6,442)	6,442
Debentures - 11th Issue - 1st Series	DI	(1,774)	1,774	(3,548)	3,548
Debentures - 11th Issue - 2nd and 3rd Series	IPCA	(3,229)	3,229	(6,458)	6,458
Debentures - 12th Issue - 1st Series	DI	(4,052)	4,052	(8,104)	8,104
Debentures - 12th Issue - 2nd Series	IPCA	(2,297)	2,297	(4,594)	4,594
Debentures - 13th Issue - Single series	DI	(5,290)	5,290	(10,580)	10,580
Debentures - 14th Issue - Single series	DI	(6,962)	6,962	(13,924)	13,924
Right-of-use lease	DI	(1,685)	1,685	(3,370)	3,370
Liabilities		(38,641)	38,641	(77,282)	77,282
Effects on pretax profit		(13,162)	13,162	(26,324)	26,324

The index considered for the twelve-month period ended on June 30, 2024, were TR of 1.10% and the TJLP of 6.71% obtained from Central Bank of Brazil (BACEN), the Broad Consumer Price Index (IPCA) at the rate of 4.23% obtained from IBGE (Brazilian Statistics Bureau), the DI at the rate of 11.68% obtained from B3 – Brasil, Bolsa e Balcão and the CPI at the rate of 2.93% obtained from FIPE.

Exchange Rate Sensitivity Analysis: we present below the impacts that would be generated by changes in the risk variables related to derivative financial instruments intended to hedge the foreign currency borrowing. According to data from the Central Bank of Brazil (BACEN), obtained from the Market Outlook System, the probable scenario for the next quarter is an increase of 5.197% in the US dollar rate. This scenario uses the average exchange rate projected for September 2024, compared to the PTAX rate disclosed for June 30, 2024.

Considering the notional amount of € 25,323,000 (R\$ 150,787,000), the Euro exchange rate of R\$ 5.9547 for June 30, 2024 (Ptax – Central Bank) and considering the assumption of maintaining the proportional value of US\$ 1.0712 per euro, according to a US dollar PTAX of R\$ 5.5589, we present below an exchange rate fluctuation stressed by a 25% and 50% appreciation and depreciation regarding this exposure:

Effects on profit or loss	Probable	+25%	-25%	+50%	-50%
Risk of Euro fluctuation (5.197% decrease)	7,836	(37,697)	37,697	(75,394)	75,394

Liquidity Risk: liquidity risk consists in the possibility of the Company not having sufficient funds to meet its commitments due to the different currencies and realization/settlement terms of its rights and obligations. The Company structures the maturities of non-derivative financial contracts, as shown in Note 13 to avoid affecting their liquidity. The liquidity and cash flow control are managed daily by the Company's management functions in order to ensure that the operating cash generation and the previous fund raising, when necessary, are sufficient for complying with its commitment schedule, thus reducing liquidity risks. Additionally, the Company has a dividend policy and a cash and management risk policy.

Notes to interim financial information

Derivative Financial Instruments: under the Company’s Risk, Treasury, and Market Management Policy, to mitigate the foreign exchange exposure-related risks, three financial institutions were hired to carry out non-speculative hedging transactions when funds arising from the borrowing from KfW Bank are received, by exchanging (Swap) of the fluctuation on the Euro-denominated debt + 1.35% interest per year for a percentage of the CDI. The Company does not apply the hedge accounting policy for this contract, measuring it at fair value through profit or loss, with the effects of this derivative financial instrument presented in the finance income (losses). The debt of this borrowing is shown in Note 13.

As at June 30, 2024, the Company has swap contracts (Euro + Interest v. CDI) as shown below:

Financial instruments - Swap contracts							
Transaction	Agent	Transaction start date	Transaction maturity	Notional amount (EUR)	Fair value of long position (in R\$)	Fair value of short position (in R\$)	Gain from (Loss on) derivative instruments - Swaps (in R\$)
1	Banco Bradesco	06/12/2023	12/24/2024	314	1,857	1,651	206
2	Banco Bradesco	11/28/2023	12/24/2024	2,067	12,226	11,035	1,191
3	Banco Bradesco	11/28/2023	06/25/2025	2,381	14,084	12,712	1,372
4	Banco Itaú	11/28/2023	12/24/2025	2,381	14,179	12,713	1,466
5	Banco Itaú	11/28/2023	06/25/2026	2,181	12,989	11,647	1,342
6	Banco Bradesco	06/04/2024	06/25/2026	200	1,183	1,138	45
7	Banco Bradesco	06/04/2024	12/24/2026	2,381	14,084	13,547	537
8	Banco Itaú	06/04/2024	06/25/2027	2,381	14,181	13,550	631
9	Banco Itaú	06/04/2024	12/24/2027	2,381	14,181	13,550	631
10	Banco Itaú	06/04/2024	06/26/2028	2,381	14,181	13,550	631
11	Banco Itaú	06/04/2024	12/22/2028	2,381	14,181	13,550	631
12	Banco Itaú	06/04/2024	06/25/2029	2,381	14,181	13,550	631
13	Banco Itaú	06/04/2024	12/24/2029	1,513	9,009	8,609	400
TOTAL				25,323	150,516	140,802	9,714

4.2. Capital Risk Management

The goal of the Company’s capital management is to ensure that it maintains a strong credit rating with financial institutions and risk rating agencies and an optimal capital ratio in order to support the Company’s business and maximize shareholder value. The Company manages its capital structure and makes adjustments to adapt to existing economic conditions. For this purpose, the Company can make dividend payments, enter new borrowings and financing, and issue promissory notes and debentures. For the period ended June 30, 2024, there were no changes to the capital structure goals, policies or processes.

Notes to interim financial information

In order to preserve its liquidity and payment capability, the Company uses as leverage metrics the net debt-to-equity ratio. For net debt effect purposes, the Company takes into account borrowings, financing, debentures, and leases, minus cash and cash equivalents:

Description	06/30/2024	12/31/2023
Borrowings, financing, debentures and leases	6,385,299	5,777,660
Cash and cash equivalents	(1,438,986)	(1,285,158)
Net debt	4,946,313	4,492,502
Equity	10,179,802	9,744,200
Net debt-to-equity ratio	0.49	0.46

4.3. Financial Instruments

The financial instruments are recognized in the Company's Interim Financial Information and their fair values are the same as the carrying amounts, as follows:

Description	06/30/2024	12/31/2023
Assets		
Fair value through profit or loss		
Short-term investments	1,399,013	1,248,392
Derivative financial instruments	150,516	62,838
Restricted deposits	202,609	151,713
Amortized cost		
Cash and banks	39,973	36,766
Trade receivables, net	1,474,966	1,531,727
Contractual financial assets	797,217	708,227
Other receivables	159,688	79,894
Total	4,223,982	3,819,557
Liabilities		
Fair value through profit or loss		
Derivative financial instruments	140,802	62,287
Amortized cost		
Borrowings, financing, debentures and leases	6,385,299	5,777,660
Trade payables	337,690	354,897
Other payables	243,839	193,368
Total	7,107,630	6,388,212

The hierarchy level of fair value through profit or loss of the Company's assets is classified in level 2, which corresponds to financial investments, derivative instruments, and restricted deposits, according to CPC 48 "Financial Instruments".

5. CASH AND CASH EQUIVALENTS

These may be broken down as follows:

Description	06/30/2024	12/31/2023
Demand deposits	686	3,780
Restricted deposits	39,287	32,986
	39,973	36,766
Short-term investments	1,399,013	1,248,392
Total cash and cash equivalents	1,438,986	1,285,158

Notes to interim financial information

Short-term investments approximate their fair values, are classified in level 2 of the fair value hierarchy, and are characterized by their short terms, high liquidity, and low risk of changes in value. They consist of a fixed income fund, invested in an exclusive Investment Fund (CNPJ 03.737.212/0001-44 – Caixa SANEPAR I Fixed Income Exclusive Investment Fund) whose portfolio consists mostly of federal government bonds and by Certificates of Deposit (CDB) from Caixa (CNPJ 00.360.305/0001-04), with an average yield of 98,48% of Interbank Certificates of Deposit rate (CDI) (100.06% in 2023). Investments in CDBs have profitability of 100.5% to 102.0% of CDI.

6. TRADE RECEIVABLES

a) The aging list of trade receivables is as follows:

Description	06/30/2024	12/31/2023
Current receivables	402,697	384,665
Receivables in installments	456,320	534,953
Adjustment to present value	(62,342)	(64,136)
Billable accounts (unbilled consumption)	284,003	287,657
	<u>1,080,678</u>	<u>1,143,139</u>
Past-due trade receivables		
1 to 30 days	214,483	207,840
31 to 60 days	77,469	77,791
61 to 90 days	38,568	41,500
91 to 180 days	81,827	77,435
Over 180 days	555,110	496,348
Allowance for expected credit losses	(573,169)	(512,326)
	<u>394,288</u>	<u>388,588</u>
Total trade and other receivables, net	<u>1,474,966</u>	<u>1,531,727</u>
Current	1,264,758	1,260,202
Noncurrent	210,208	271,525

The table below shows the breakdown of total trade receivables, net of expected credit losses:

Description	Accounts receivable	Allowance for losses	Adjustment to present value	06/30/2024	12/31/2023
Municipal governments	106,815	(53,427)	(49)	53,339	53,655
Individuals	1,985,024	(519,742)	(62,293)	1,402,989	1,462,488
Federal sector	3,023	-	-	3,023	2,184
State sector	15,615	-	-	15,615	13,400
Closing balance	<u>2,110,477</u>	<u>(573,169)</u>	<u>(62,342)</u>	<u>1,474,966</u>	<u>1,531,727</u>

b) Changes in the allowance for expected credit losses are as follows:

Description	06/30/2024	12/31/2023
Opening balance	(512,326)	(582,144)
Amounts recognized as (expenses)/reversal	(61,105)	69,698
Write-offs, net of recoveries	262	120
Closing balance	<u>(573,169)</u>	<u>(512,326)</u>

Notes to interim financial information

c) The table below shows the breakdown of the balance of the allowance for expected credit losses:

Description	06/30/2024	12/31/2023
Individual customers	(519,742)	(459,149)
Municipal governments	(53,427)	(53,177)
Total	(573,169)	(512,326)

d) The balances of short- and long-term trade receivables arising from installment payments have been discounted to present value. Changes in adjustment to present value were as follows:

Description	06/30/2024	12/31/2023
Opening balance	(64,136)	(32,060)
Adjustment to present value	1,794	(32,076)
Closing balance	(62,342)	(64,136)

7. RECOVERABLE TAXES AND CONTRIBUTIONS

These may be broken down as follows:

Description	06/30/2024	12/31/2023
Income tax to offset	75,912	14,644
Social contribution to offset	20,730	-
Total	96,642	14,644
Current	96,642	14,644

8. RESTRICTED DEPOSITS

These may be broken down as follows:

Description	06/30/2024	12/31/2023
Fundação Nacional de Saúde - FUNASA	783	1,911
Reserves held at CAIXA (1)	118,366	90,059
Other arrangements (2)	83,460	59,743
Total	202,609	151,713
Current	84,243	61,654
Noncurrent	118,366	90,059

(1) Reserve accounts linked to financing agreements in amounts sufficient to comply with contractual clauses; and

(2) Technical and financial cooperation agreement entered into with Itaipu Binacional for the development of the project "Management of Water Resources and Water Security in the Western Region of Paraná".

Notes to interim financial information

9. OTHER RECEIVABLES

These may be broken down as follows:

Descrição	06/30/2024	12/31/2023
Advances to employees	21,806	16,599
Refundable payments	3,001	382
Deposits pledged as collateral	1,976	1,932
Municipal Sanitation and Environmental Management Fund (1)	131,464	58,968
Prepaid expenses	55	111
Receivables and other claims	1,386	1,902
Total	159,688	79,894
Current	33,305	22,931
Noncurrent	126,383	56,963

(1) Advance transfer to the Municipal Sanitation and Environmental Management Funds, as provided in the program agreement.

10. CONTRACTUAL FINANCIAL ASSETS

Changes are as follows:

Description	12/31/2023	Additions	APV income	APV expenses	06/30/2024
Unamortized investment	1,923,366	196,537	-	-	2,119,903
Adjustment to present value	(1,215,139)	(123,460)	15,943	(30)	(1,322,686)
Total	708,227	(a) 73,077	15,943	(30)	797,217

(a) Amount transferred from property, plant and equipment and intangible assets, referring to the expectation of residual value receivable at the end of program contracts, net of the Adjustment to Present Value for the period (Note 12c).

The equivalent discount rate applied to calculate the Adjustment to Present Value was 4.17% (spread between the projected IPCA for the year and the WACC rate) and took into account the Program Contracts terms.

11. CONTRACTUAL ASSET

Changes are as follows:

Description	12/31/2023	Additions	Interest capitalization	Write-offs and losses	Transfers to intangible assets	Construction requisitioning	06/30/2024
Projects and construction in progress	2,667,515	766,259	19,768	323	(704,371)	-	2,749,494
Construction inventories	93,498	56,160	-	-	-	(42,904)	106,754
Total	2,761,013	822,419	19,768	323	(704,371)	(42,904)	2,856,248

In the second quarter of 2024, the Company recognized as projects and construction in progress the amount R\$ 822,419 (R\$ 843,708 in the second quarter of 2023), arising from: (i) expansion of the Water Supply System, mainly in the municipalities of Londrina, Medianeira, Campo Mourão, Telêmaco Borba and Cianorte; and (ii) Sewage Collection and Treatment mainly in the municipalities Curitiba, Pato Branco, Araçongas, Ibaiti, and Campo Mourão. Amounts referring to completed works for the expansion of the Water Supply and Sewage Collection and

Notes to interim financial information

Treatment System were transferred to Intangible Assets, mainly in the municipalities of São José dos Pinhais, Laranjeiras do Sul, Telêmaco Borba, Porto União and Curitiba.

As at June 30, 2024, interest and other financial charges were capitalized on the funds and borrowings that financed the Company's projects and works, amounting to R\$ 19,768 (R\$ 26,918 in the same period of 2023). The average rate used to determine the amount of capitalized borrowing costs concerning total costs was 6.7%.

12. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

a) Property, plant and equipment

These may be broken down as follows:

Per line item			06/30/2024	12/31/2023
Description	Cost	Accumulated depreciation	Net	
Goods for administrative use	396,899	(179,643)	217,256	218,171
Other property, plant and equipment	1,033	(476)	557	456
Right of use of leased assets	261,714	(107,907)	153,807	159,425
Total	659,646	(288,026)	371,620	378,052

Per nature				06/30/2024	12/31/2023
Description	Annual depreciation rate	Cost	Accumulated depreciation	Net	
Land	-	2,922	-	2,922	2,945
General construction	*1,84%	122,997	(27,176)	95,821	95,631
Improvements	*2%	3,630	(978)	2,652	2,593
Facilities	*5,83%	12,215	(5,100)	7,115	7,467
Equipment	*6,23%	104,652	(46,689)	57,963	59,456
Furniture and fixtures	*7,14%	52,342	(26,672)	25,670	27,277
IT equipment	*19,82%	45,378	(29,965)	15,413	12,174
Vehicles	*13,05%	28,643	(22,003)	6,640	7,414
Machinery, tractors and similar equipme	*19,35%	23,152	(20,706)	2,446	2,673
Tools	*6,67%	1,663	(831)	832	877
Goods to be added to capital assets	-	339	-	339	120
Right of use of leased assets	*29,21%	261,713	(107,906)	153,807	159,425
Total		659,646	(288,026)	371,620	378,052

* Weighted Average Rate

Notes to interim financial information

b) Intangible assets

These may be broken down as follows:

Per line item			06/30/2024	12/31/2023
Description	Cost	Accumulated amortization	Net	
Water systems	7,083,393	(2,287,405)	4,795,988	4,600,873
Sewage systems	7,506,897	(1,943,328)	5,563,569	5,346,070
Solid waste	6,466	(6,208)	258	-
Systems right of use and operation	125,114	(80,270)	44,844	45,781
Right of use of leased assets	200,154	(28,787)	171,367	173,643
IT systems in progress	69,579	-	69,579	-
Other intangible assets	279,109	(118,318)	160,791	177,300
Totais	15,270,712	(4,464,316)	10,806,396	10,343,667

Per nature				06/30/2024	12/31/2023
Description	Annual amortization rate	Cost	Accumulated amortization	Net	
Land	-	336,004	-	336,004	328,767
Wells	*3,10%	193,270	(46,909)	146,361	142,778
Dams	*2,67%	259,767	(72,570)	187,197	82,872
General construction	*2,59%	3,731,437	(863,625)	2,867,812	2,777,110
Improvements	*2,67%	65,118	(8,931)	56,187	51,162
Pipelines	*2,64%	7,179,410	(2,042,120)	5,137,290	5,020,847
Building connections	*3,33%	1,078,879	(362,342)	716,537	695,900
Facilities	*5,83%	277,690	(125,136)	152,554	136,648
Water meters	*10%	345,368	(148,216)	197,152	196,365
Bulk water meters	*10%	9,511	(5,927)	3,584	3,153
Equipment	*6,23%	1,063,666	(435,460)	628,206	598,448
Furniture and fixtures	*7,14%	7,824	(4,302)	3,522	3,554
IT equipment	*19,82%	94,702	(88,320)	6,382	7,183
Software	*20%	138,718	(76,892)	61,826	56,776
Vehicles	*13,05%	22,856	(17,692)	5,164	5,710
Machinery, tractors and similar equipment	*19,35%	28,872	(26,542)	2,330	2,846
Tools	*6,67%	372	(268)	104	112
Rights of use and transmission lines	*6,25%	4,823	(896)	3,927	4,047
Environmental protection and preservation	*20%	35,541	(29,111)	6,430	7,328
Municipality of Curitiba concession (1)	*1,5%	125,000	(80,156)	44,844	45,781
Municipality of Cianorte concession (2)	*5%	114	(114)	-	-
Goods to be added to capital assets	-	2,037	-	2,037	2,637
Right of use of leased assets	*36,28%	200,154	(28,787)	171,367	173,643
IT systems in progress	-	69,579	-	69,579	-
Total		15,270,712	(4,464,316)	10,806,396	10,343,667

* Weighted Average Rate

(1) Right to grant the onerous concession agreement executed on December 6, 2001, which renewed in advance on June 5, 2018, with the execution of the program agreement in accordance with Law 11445, of January 5, 2007, and other relevant legal acts; and

(2) Right to grant an onerous concession agreement with the Municipality of Cianorte, executed on March 7, 2002, to provide solid waste collection, treatment, and final disposal public utility services for a 20-year period. The continuity of the services was authorized on a tentative basis by Cianorte Municipal Decree 3, of January 12, 2023, for the period until April 30, 2025, or until the service provision in the municipality is regularized under the terms of current legislation.

Notes to interim financial information

Public-Private Partnership:

The Public-Private Partnership agreement assets linked (Center-Coastal Microregion) totaling R\$ 468,180 refer to the assignment by the Company of the structure related to contractual performance, for a period of 24 years and 5 months, the payment of which began in February 2024.

As at June 30, 2024, the carrying amount for each asset category linked to the Public-Private Partnership recognized in Intangible Assets is as follows:

Per line item				06/30/2024	12/31/2023
Description	Annual amortization rate	Cost	Accumulated amortization		Net
Land	-	6,757	-	6,757	-
General construction	*2,59%	112,350	(31,715)	80,635	-
Improvements	*2,67%	1,779	(356)	1,423	-
Pipelines	*2,64%	302,572	(84,014)	218,558	-
Building connections	*3,33%	24,247	(7,893)	16,354	-
Facilities	*5,83%	5,792	(3,037)	2,755	-
Equipment	*6,23%	12,679	(6,659)	6,020	-
IT equipment	*19,82%	1,852	(1,852)	-	-
Environmental protection and preservation	*20%	152	(6)	146	-
PPP assets		468,180	(135,532)	332,648	-

* Weighted Average Rate

No investments related to the Public-Private Partnership had been made by the end of the second quarter of 2024.

Leases:

The Company is a party to lease contracts with the following characteristics:

(i) asset lease contract valued at R\$ 199,298 for the expansion of the sewage system in the municipalities Matinhos and Pontal do Paraná, for a 240-months period, the payment of which started in February 2017, with a material transfer of the risks and rewards incidental to the assets which will be owned by the Company at the end of the contract; and

(ii) vehicle and chattel and real estate lease contracts, in which the risks and rewards of using the assets remain with the lessor. These contracts do not exceed five years.

The obligations arising from these contracts are shown in Note 13.

Notes to interim financial information

As at June 30, 2024, the carrying amount for each category of leased asset, recognized in property, plant and equipment and intangible assets is as follows:

Per line item				06/30/2024	12/31/2023
Description	Annual amortization rate	Cost	Accumulated amortization	Net	
General construction	1.67%	37,434	(4,391)	33,043	33,356
Pipelines	2.00%	147,315	(19,445)	127,870	129,343
Building connections	3.33%	8,226	(1,841)	6,385	6,522
Facilities	6.67%	309	(145)	164	175
Equipment	6.00%	6,013	(2,553)	3,460	3,648
Lease - Coastal		199,297	(28,375)	170,922	173,044
Vehicles	53.04%	138,949	(62,023)	76,926	71,185
General construction	20.47%	40,111	(10,015)	30,096	32,379
Equipment	67.16%	1,865	(1,080)	785	562
IT equipment	34.49%	81,646	(35,201)	46,445	55,898
Leases – right-of-use assets		262,571	(108,319)	154,252	160,024
Total		461,868	(136,694)	325,174	333,068
Property, plant and equipment		261,714	(107,907)	153,807	159,425
Intangible assets		200,154	(28,787)	171,367	173,643

The Company recognized in profit or loss R\$ 3,852 related to low value and short-term lease (less than twelve months) contracts.

Changes in assets resulting from lease contracts were as follows:

Assets	12/31/2023	Additions	Amortization	06/30/2024
Lease - Coastal	173,044	-	(2,122)	170,922
Vehicles	71,185	26,758	(21,017)	76,926
General construction	32,379	1,841	(4,124)	30,096
Equipment	562	574	(351)	785
IT equipment	55,898	240	(9,693)	46,445
Balance	333,068	29,413	(37,307)	325,174

Notes to interim financial information

c) Changes in property, plant and equipment and intangible assets in 2024:

Description	12/31/2023	Additions	Depreciation and amortization	Write-offs and losses	Transfer of construction works	Transfers	06/30/2024
Property, plant and equipment							
Land	2,945	-	-	-	-	(23)	2,922
General construction	95,631	30	(1,165)	-	1,306	19	95,821
Improvements	2,593	95	(36)	-	-	-	2,652
Facilities	7,467	-	(382)	-	30	-	7,115
Equipment	59,456	2,291	(2,867)	(42)	-	(875)	57,963
Furniture and fixtures	27,277	123	(1,623)	(107)	-	-	25,670
IT equipment	12,174	5,330	(1,993)	(98)	-	-	15,413
Vehicles	7,414	-	(774)	-	-	-	6,640
Machinery, tractors and similar equipment	2,673	-	(227)	-	-	-	2,446
Tools	877	1	(46)	-	-	-	832
Goods to be added to capital assets	120	219	-	-	-	-	339
Right of use of leased assets	159,425	29,413	(35,031)	-	-	-	153,807
Total property, plant and equipment	378,052	37,502	(44,144)	(247)	1,336	(879)	371,620
Intangible assets							
Land	328,767	2,102	-	-	5,135	-	336,004
Wells	142,778	-	(1,154)	(184)	4,925	(4)	146,361
Dams	82,872	48	(2,645)	-	132,192	(25,270)	187,197
General construction	2,777,110	4,396	(47,654)	(330)	151,909	(17,619)	2,867,812
Improvements	51,162	263	(868)	-	6,708	(1,078)	56,187
Pipelines	5,020,847	16,872	(87,984)	(658)	215,838	(27,625)	5,137,290
Building connections	695,900	138	(16,942)	(152)	39,078	(1,485)	716,537
Facilities	136,648	210	(8,012)	-	23,708	-	152,554
Water meters	196,365	12	(15,736)	(617)	17,128	-	197,152
Bulk water meters	3,153	-	(255)	-	686	-	3,584
Equipment	598,448	16,576	(27,684)	(2,602)	42,584	884	628,206
Furniture and fixtures	3,554	217	(206)	(49)	7	(1)	3,522
IT equipment	7,183	7	(833)	(10)	35	-	6,382
Software	56,776	15,326	(11,187)	(993)	1,904	-	61,826
Vehicles	5,710	-	(546)	-	-	-	5,164
Machinery, tractors and similar equipment	2,846	-	(516)	-	-	-	2,330
Tools	112	-	(8)	-	-	-	104
Rights of use and transmission lines	4,047	-	(147)	-	27	-	3,927
Environmental protection and preservation	7,328	-	(898)	-	-	-	6,430
Municipality of Curitiba concession	45,781	-	(937)	-	-	-	44,844
Goods to be added to capital assets	2,637	(600)	-	-	-	-	2,037
Right of use of leased assets	173,643	-	(2,276)	-	-	-	171,367
IT systems in progress	-	8,408	-	-	61,171	-	69,579
Total intangible assets	10,343,667	63,975	(226,488)	(5,595)	703,035	(72,198)	10,806,396
Grand total	10,721,719	101,477	(270,632)	(5,842)	(a) 704,371	(b) (73,077)	11,178,016

a) Amount transferred to Agreement Assets (Note 11); and

b) Amount transferred from contractual financial assets, referring to the expectation of residual value receivable at the end of program contracts, net of the Adjustment to Present Value for the period (Note 10).

Notes to interim financial information

13. BORROWINGS, FINANCING, DEBENTURES AND LEASES

a) The breakdown of borrowings, financing, debentures and leases is as follows:

Description	Annual interest rate	Index	06/30/2024			12/31/2023		
			Current	Noncurrent	Total	Current	Noncurrent	Total
In reais:								
Banco do Brasil - PSI	3.00% a 6.00%	-	-	-	-	190	-	190
2nd issue debentures – 1st series	TJLP + 1.92%	-	3,126	-	3,126	9,357	-	9,357
2nd issue debentures – 2nd series	9.19%	IPCA	26,508	-	26,508	24,663	-	24,663
2nd issue debentures – 3rd series	TJLP + 1.92%	-	4,168	-	4,168	12,475	-	12,475
9th issue debentures – 1st series	106.05% do DI	-	-	-	-	200,353	-	200,353
Banco Itaú - PSI	3.00% a 6.00%	-	544	-	544	1,423	26	1,449
12th issue debentures – 1st series	DI + 1.08%	-	14,688	298,213	312,901	17,088	297,648	314,736
9th issue debentures – 2nd series	107.25% do DI	-	811	150,835	151,646	915	150,826	151,741
11th issue debentures – 1st series	DI + 1.65%	-	68,758	64,566	133,324	4,302	129,241	133,543
4th issue debentures – 1st series	TJLP + 1.67%	-	24,555	50,727	75,282	24,571	62,725	87,296
4th issue debentures – 2nd series	7.44%	IPCA	17,432	35,998	53,430	16,960	43,368	60,328
10th issue debentures – Single series	4.66%	IPCA	4,622	452,276	456,898	4,373	438,727	443,100
13th issue debentures – Single series	DI + 1.90%	-	9,457	398,742	408,199	10,531	398,519	409,050
11th issue debentures – 2nd series	4.25%	IPCA	2,415	254,122	256,537	2,286	246,524	248,810
BNDES - PAC2	TJLP + 1.67% a 2.05%	-	67,291	150,333	217,624	67,346	183,161	250,507
Lease - Coastal	11.14%	IPC-FIPE	16,301	293,945	310,246	15,560	301,179	316,739
Right-of-use lease	11.99%	-	95,860	96,584	192,444	89,345	102,092	191,437
14th issue debentures – Single series	DI + 1.05%	-	29,535	596,304	625,839	-	-	-
11th issue debentures – 3rd series	4.49%	IPCA	2,111	196,833	198,944	2,005	190,985	192,990
12th issue debentures – 2nd series	5.89%	IPCA	8,315	334,628	342,943	8,074	325,159	333,233
7th issue debentures – 1st series*	5.20%	IPCA	2,821	35,628	38,449	2,795	36,955	39,750
7th issue debentures – 2nd series*	4.79%	IPCA	6,478	81,979	88,457	5,367	71,138	76,505
7th issue debentures – 3rd series	6.97%	IPCA	1,572	20,298	21,870	1,529	20,453	21,982
7th issue debentures – 4th series	6.57%	IPCA	3,600	46,598	50,198	2,817	37,780	40,597
BNDES - AVANÇAR	3.59% a 5.60%	IPCA	12,655	256,508	269,163	8,835	229,568	238,403
Caixa Econômica Federal	6.62% a 12.00%	TR	122,336	1,874,032	1,996,368	112,543	1,803,873	1,916,416
Total in reais			545,959	5,689,149	6,235,108	645,703	5,069,947	5,715,650
In foreign currency:								
Banco KfW	1.35%	EURO	28,286	121,905	150,191	25,414	36,596	62,010
Total in foreign currency			28,286	121,905	150,191	25,414	36,596	62,010
Closing balance			574,245	5,811,054	6,385,299	671,117	5,106,543	5,777,660
Borrowings and financing			231,112	2,402,778	2,633,890	215,751	2,253,224	2,468,975
Debentures			230,972	3,017,747	3,248,719	350,461	2,450,048	2,800,509
Leases			112,161	390,529	502,690	104,905	403,271	508,176

* IPCA as the variable portion of TLP

Foreign currency-denominated debt:

On December 11, 2017, the Company entered into a borrowing agreement with KfW Bank amounting to € 50 million. The first disbursement was made in August 2019. Total disbursements up to the first quarter of 2024 amounted to € 34,846,000. As at June 30, 2024, there were 13 swap transactions outstanding, with the notional amount of € 25,323,000 to hedge against interest rate and foreign exchange fluctuations, without a speculative nature, which convert the financial charges thereon to 78.68% of CDI (weighted average), which represents annual interest of 9.19% for CDI of 11.68% (for the past twelve months).

Notes to interim financial information

Leases:

The obligations arising from Leases are allocated to financial charges and are used to reduce the corresponding liabilities and reflect a periodic and constant interest rate on the remaining liability balance. The lease liabilities have the following characteristics:

(i) The asset lease contract for the expansion of the sewage system in the municipalities Matinhos and Pontal do Paraná (Lease – Coastal) provides for an annual inflation adjustment of the outstanding debt using the IPC-FIPE over the contract period. The discount rate applied in the initial recognition of this contract refers to the period in which the contractual stages were delivered and corresponds to the weighted average of 11.1%; and

(ii) The contract terms of the vehicle and chattel and real estate lease contracts (Lease – Right of Use) do not exceed five years. The incremental borrowing rate (weighted average) applied to these lease liabilities varies depending on the data when they were executed, which the initial accounting recognition time. As at January 1, 2019, the weighted average discount rate applied to contracts was 6.88%. As at June 30, 2024, the weighted average rate was 11.99%. The Company does not have variable rent payments under its leasing contracts, nor does it have a sale or leaseback transaction of assets.

Lease liabilities recognized by the Company are gross of taxes on revenue (PIS/Cofins), and have the following movements:

	12/31/2023	Additions	Finance charges	Payments	06/30/2024
Lease - Coastal	316,739	-	16,650	(23,143)	310,246
Leases - Right-of-use assets	191,437	29,413	6,742	(35,148)	192,444
Total	508,176	29,413	23,392	(58,291)	502,690
Current	104,905				112,161
Noncurrent	403,271				390,529

As at June 30, 2024, the present value of the minimum future financial obligations related to the Leases is as follows:

Description	Minimum future payments	Finance charges	06/30/2024	12/31/2023
			Present value of future payments	Present value of future payments
Lease - Coastal				
Less than one year	45,944	(29,643)	16,301	15,560
More than one year and less than five years	185,146	(113,207)	71,939	70,119
Over five years	318,817	(96,811)	222,006	231,060
Subtotal	549,907	(239,661)	310,246	316,739
Leases - right-of-use assets				
Less than one year	111,891	(16,031)	95,860	89,345
More than one year and less than five years	110,701	(14,117)	96,584	102,092
Subtotal	222,592	(30,148)	192,444	191,437
Total	772,499	(269,809)	502,690	508,176

Notes to interim financial information

The lease liabilities arising from right of use were measured at the incremental borrowing discount rate, added of projected inflation, and is broken down as follows:

Description	06/30/2024
Lease - Coastal	377,206
Vehicles	88,000
Chattels	54,458
Real estate	36,124
Total	555,788

The table below shows the future payment flows, considering the projected inflation until the maturity of the contracts, by type of lease, relative to the right-to-use assets and coastal lease commitments:

Description	2024	2025	2026	2027	2028	2029	2030 to 2036	Total
Lease - Coastal	23,916	48,919	50,779	52,643	54,541	56,495	406,206	693,499
Vehicles	25,974	48,703	19,871	6,564	-	-	-	101,112
Chattels	10,859	21,152	17,409	14,574	956	153	-	65,103
Real estate	3,463	7,869	9,251	10,878	12,822	7,246	-	51,529
Total	64,212	126,643	97,310	84,659	68,319	63,894	406,206	911,243

The table below shows the breakdown of the Company's borrowings, financing, debentures, and leases expressed in Brazilian reais, subject to variable and fixed interest rates:

Index	06/30/2024	12/31/2023
TR	1,996,368	1,916,416
TJLP	300,200	359,635
IPCA	1,803,397	1,720,361
DI	1,631,909	1,209,423
IPC-FIPE	310,246	316,739
EURO	150,191	62,010
No inflation adjustment	192,988	193,076
Total	6,385,299	5,777,660

Notes to interim financial information

b) The maturity schedule is as follows:

Description	2024	2025	2026	2027	2028	2029	2030	2031
2nd issue debentures	33,802	-	-	-	-	-	-	-
4th issue debentures	21,170	41,635	41,636	24,271	-	-	-	-
7th issue debentures	7,595	13,752	13,752	13,752	13,752	13,752	13,752	13,752
9th issue debentures	811	-	150,835	-	-	-	-	-
10th issue debentures	4,622	-	-	452,276	-	-	-	-
11th issue debentures	8,284	65,000	65,257	-	-	254,123	-	196,141
12th issue debentures (1)	23,003	-	149,106	149,106	-	-	-	-
13th issue debentures	9,457	-	-	-	398,742	-	-	-
14th issue debentures	29,535	-	-	-	-	-	596,304	-
Subtotal debentures	138,279	120,387	420,586	639,405	412,494	267,875	610,056	209,893
BNDES - PAC2	33,939	66,706	54,710	31,360	26,665	4,244	-	-
BNDES - AVANÇAR	5,247	16,244	16,111	16,156	16,156	16,156	16,156	16,156
Banco do Brasil - PSI	-	-	-	-	-	-	-	-
Banco Itaú - PSI	518	26	-	-	-	-	-	-
Caixa Econômica Federal	62,593	121,356	131,128	138,891	146,300	147,972	145,499	140,492
Banco KfW	14,143	28,255	28,223	28,224	28,224	23,122	-	-
Subtotal borrowings and financing	116,440	232,587	230,172	214,631	217,345	191,494	161,655	156,648
Lease - Coastal	10,229	14,722	16,274	18,009	19,951	22,124	24,558	27,288
Leases - right-of-use assets	65,662	63,941	35,800	21,384	5,141	516	-	-
Subtotal leases	75,891	78,663	52,074	39,393	25,092	22,640	24,558	27,288
Total	330,610	431,637	702,832	893,429	654,931	482,009	796,269	393,829

Description	2032	2033	2034	2035	2036	2037	2038 a 2046	Total
2nd issue debentures	-	-	-	-	-	-	-	33,802
4th issue debentures	-	-	-	-	-	-	-	128,712
7th issue debentures	13,752	13,752	13,752	13,752	13,752	13,752	12,603	198,974
9th issue debentures	-	-	-	-	-	-	-	151,646
10th issue debentures	-	-	-	-	-	-	-	456,898
11th issue debentures	-	-	-	-	-	-	-	588,805
12th issue debentures (1)	334,629	-	-	-	-	-	-	655,844
13th issue debentures	-	-	-	-	-	-	-	408,199
14th issue debentures	-	-	-	-	-	-	-	625,839
Subtotal debentures	348,381	13,752	13,752	13,752	13,752	13,752	12,603	3,248,719
BNDES - PAC2	-	-	-	-	-	-	-	217,624
BNDES - AVANÇAR	16,156	16,156	16,156	16,156	16,156	16,156	53,845	269,163
Banco do Brasil - PSI	-	-	-	-	-	-	-	-
Banco Itaú - PSI	-	-	-	-	-	-	-	544
Caixa Econômica Federal	105,285	105,420	99,768	104,201	108,800	101,673	336,990	1,996,368
Banco KfW	-	-	-	-	-	-	-	150,191
Subtotal borrowings and financing	121,441	121,576	115,924	120,357	124,956	117,829	390,835	2,633,890
Lease - Coastal	30,350	33,788	37,650	38,803	16,500	-	-	310,246
Leases - right-of-use assets	-	-	-	-	-	-	-	192,444
Subtotal leases	30,350	33,788	37,650	38,803	16,500	-	-	502,690
Total	500,172	169,116	167,326	172,912	155,208	131,581	403,438	6,385,299

(1) In February 2022, the Company raised R\$ 600,000 in the capital market as a supplement to its investment plan, divided into two series of R\$ 300,000 each, of which the first series is institutional, and the second series is tax incentivized. The first series matures in five (5) years, to be renegotiated after 30 months from the debentures' issue date, which took place on January 15, 2022. The second series matures in ten (10) years. There was renegotiation of the rate of the 1st series, changing from CDI+1.08% per year to CDI+0.88% per year, starting on July 15, 2024, as per the Second Amendment to the Private Instrument of the 12th issue of Debentures.

Notes to interim financial information

c) Changes in borrowings, financing, debentures and leases are as follows:

Description	06/30/2024		06/30/2023	
	Current	Noncurrent	Current	Noncurrent
Opening balance	671,117	5,106,543	575,651	4,507,593
Disbursements	-	867,548	24,038	714,625
Interest and fees on borrowings	238,358	-	206,041	-
Inflation adjustments on financing	-	56,022	-	68,791
Transfers	218,129	(218,129)	334,235	(334,235)
Amortizations	(616,436)	-	(533,259)	-
Cost of borrowings	(793)	(930)	(374)	1,280
Foreign exchange losses	11,065	-	(847)	-
Interest and inflation adjustments: Leases	23,392	-	12,193	-
Leases	29,413	-	38,670	-
Closing balance	574,245	5,811,054	656,348	4,958,054

d) The main events during the year were as follows:

In the second quarter of 2024, the Company raised and repaid third-party funds as follows:

Index	Disbursements	Amortizations
2nd issue debentures	-	(15,141)
4th issue debentures	-	(25,881)
7th issue debentures	21,589	(13,802)
9th issue debentures	-	(218,907)
10th issue debentures	-	(10,088)
11th issue debentures	-	(17,916)
12th issue debentures	-	(29,190)
13th issue debentures	-	(25,913)
14th issue debentures	600,000	-
BNDES - PAC2	-	(42,408)
BNDES - AVANÇAR2	28,000	(8,918)
Banco do Brasil - PSI	-	(192)
Banco Itaú - PSI	-	(934)
Caixa Econômica Federal	127,016	(134,430)
Banco KfW	90,943	(14,425)
Subtotal	867,548	(558,145)
Leases (1)	29,413	(58,291)
Total	896,961	(616,436)

(1) Disbursements represent right of use (no impact on cash and cash equivalents).

Notes to interim financial information

e) Restrictive Contractual Clauses – Covenants (*information unaudited and not reviewed by the independent auditor*)

Covenants and restrictive clauses linked to the borrowings, financing and debentures are shown below:

(i) Covenants in BNDES agreements and the 2nd, 4th, and 7th issues of debentures

Ratio	Threshold	Range
EBITDA to Debt service	1.5 or higher	Less than 1.5 and 1.2 or higher
Net bank debt to EBITDA	3.0 or lower	3.8 or lower and higher than 3.0
Other onerous debts to EBITDA	1.0 or lower	1.3 or lower and higher than 1.0

(ii) Covenants of the agreements for the 9th, 10th, 11th, 12th, 13th and 14th issues of debentures

Ratio	Threshold
Adjusted EBITDA to net finance costs	1.5 or higher
Net bank debt to Adjusted EBITDA	3.0 or lower

(iii) Covenants of the agreements with Caixa Econômica Federal

Ratio	Threshold
Adjusted EBITDA to net finance costs	1.5 or higher
Net bank debt to Adjusted EBITDA	3.0 or lower
Other onerous debts to Adjusted EBITDA	1.0 or lower

(iv) Covenants of the agreement with KfW Bank

Ratio	Threshold
EBITDA to Debt service	1.5 or higher
Net bank debt to EBITDA	3.0 or lower
Other onerous debts to EBITDA	1.0 or lower
Indebtedness	60% or lower

For BNDES financings agreements, including the new agreement called “*Avançar*” and the 2nd, 4th and 7th issues of Debentures, the Company shall maintain throughout the term of the financing agreements the limit ratios, calculated on a quarterly basis and related to cumulative amounts for the past twelve (12) months.

In case one or more of the Company covenants should exhibit for a minimum of two (2) quarters, consecutive or otherwise, within twelve months, ratios within the range mentioned above, the monthly amount for the installment of the transferred rights granted in escrow in the terms of the clause “Fiduciary Assignment of Receivables” for each agreement shall be automatically increased by twenty percent (20%).

For agreements in item (ii), of the 9th, 10th, 11th, 12th, 13th and 14th issues of simple, nonconvertible debentures, considering that it does not confer any special or general privilege to their holders, the Company shall maintain the ratios mentioned above throughout the period and until the final maturity.

Notes to interim financial information

With regard to the agreements of item (iii) with Caixa Econômica Federal, related to the third stage of Regulatory Instruction 14, in accordance with Clause Sixteen of the aforementioned agreements, and Regulatory Instructions 22 and 29, pursuant to Clause Thirty-two of said agreements, the Company shall maintain throughout the term and until the final maturity the ratios stated above.

With regard to the KfW Bank agreement, pursuant to Paragraph 11.11 thereof, the borrower undertakes to comply at all times with the stipulated financial ratios above.

As at June 30, 2024, the Company is fully compliant with the restrictive clauses stipulated when issuing debentures, and financing from BNDES, Caixa Econômica Federal and KfW Bank.

14. TAXES AND CONTRIBUTIONS

These may be broken down as follows:

Description	06/30/2024	12/31/2023
Social contribution payable	-	1,132
Cofins payable	34,388	37,551
PASEP payable	7,400	8,107
Withholding taxes and social contribution	23,897	53,297
Other taxes payable	5	-
Total taxes and contributions	65,690	100,087
Current	65,690	100,087

15. INCOME TAX AND SOCIAL CONTRIBUTION

a) Reconciliation Statement of Income Tax and Social Contribution Expenses Recognized in Profit or Loss

Description	06/30/2024		06/30/2023	
	Income tax	Social contribution	Income tax	Social contribution
Profit before income tax and social contribution	1,020,027	1,020,027	976,777	976,777
Income tax and social contribution at statutory tax rates	(255,007)	(91,802)	(244,194)	(87,910)
Benefit of deductibility of interest on equity capital	56,005	20,162	67,213	24,197
Workers' Meal Program (PAT) (1)	6,601	-	8,164	-
Corporate Citizen Incentive (2)	255	-	338	-
Equity accounting	-	-	(148)	(53)
Other	(984)	(309)	(1,954)	(748)
Total expenses	(193,130)	(71,949)	(170,581)	(64,514)
Total income tax and social contribution	(265.079)		(235.095)	
Effective tax rate	26.0%		24.1%	

(1) Pursuant to Law 6321, of April 14, 1976; and

(2) Pursuant to Decree 7052, of December 23, 2009, which regulates Law 11770, of September 9, 2008.

Notes to interim financial information

b) Current and Deferred Income Tax and Social Contribution

These may be broken down as follows:

Description	06/30/2024	06/30/2023
Income tax	(164,901)	(203,663)
Social contribution	(61,543)	(76,196)
Realization of deferred income tax	(28,229)	33,082
Realization of the deferred social contribution	(10,406)	11,682
Total	(265,079)	(235,095)

Tax impacts related to the recognition of actuarial gains and losses in Equity are disclosed in the Statement of Comprehensive Income.

c) Deferred Income Tax and Social Contribution

The breakdown of the deferred income tax and social contribution tax bases of assets and liabilities realizable in the future is as follows:

Description	Estimated realization period	06/30/2024				12/31/2023
		Tax base	Income tax	Social contribution	Total	Total
ASSETS						
Impairment of assets – Industrial water	46 years	7,525	1,881	678	2,559	2,606
APV on contractual financial assets	25 years	1,322,686	330,671	119,042	449,713	413,147
Impairment of assets – Solid waste	17 years	11,402	2,851	1,026	3,877	4,138
Healthcare plan and pension plan	15 years	1,129,558	282,389	101,660	384,049	375,539
Lease – Coastal (assets)	13 years	310,246	77,562	27,922	105,484	107,691
Impairment of assets	10 years	4,163	1,041	374	1,415	1,415
Civil, labor, tax and environmental provisions	5 years	760,568	190,142	68,451	258,593	291,851
Provision for contingent liabilities – acquisition to CS Bioenergy	5 years	-	-	-	-	78
Leases – right of use (assets)	5 years	192,444	48,111	17,320	65,431	65,088
APV of receivables	5 years	62,342	15,585	5,611	21,196	21,806
AFV – investments measured at fair value	5 years	149	37	14	51	82
Allowance for expected credit losses	3 years	52,558	13,140	4,730	17,870	17,819
Allowance for expected credit losses – CPC 48	3 years	17,526	4,382	1,577	5,959	5,168
Early Retirement Incentive (PAI)	2 years	178	44	16	60	101
Inventory net realizable value	2 years	268	67	24	91	88
Accrued profit sharing	1 year	57,753	14,438	5,198	19,636	39,103
Total		982,341	353,643	1,335,984	1,345,720	
LIABILITIES						
Appreciation of acquired CS Bioenergia PP&E	50 years	4,404	1,101	396	1,497	1,535
APV on contractual financial assets	25 years	1,114,096	278,524	100,269	378,793	345,409
Revaluation reserve	24 years	72,847	18,212	6,556	24,768	25,842
Government grants	20 years	11,716	2,929	1,054	3,983	3,949
Deferred income tax on constructions and improvements	19 years	97,534	24,384	-	24,384	25,060
Lease – Coastal (liabilities)	13 years	170,922	42,731	15,383	58,114	58,835
Assigning a new cost to PP&E	11 years	6,233	1,558	561	2,119	2,166
Leases – right of use (liabilities)	5 years	154,252	38,562	13,883	52,445	54,408
Total		408,001	138,102	546,103	517,204	
Total net		574,340	215,541	789,881	828,516	

Notes to interim financial information

d) Estimated Future Realization of Deferred Income Tax and Social Contribution

The breakdown of the estimated future realization of deferred tax assets and deferred tax liabilities as at June 30, 2024, is as follows:

Realization periods	Deferred tax assets			Deferred tax liabilities		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
2024	44,696	16,090	60,786	12,341	4,205	16,546
2025	103,741	37,347	141,088	24,682	8,411	33,093
2026	106,779	38,440	145,219	24,682	8,411	33,093
2027	89,258	32,133	121,391	24,682	8,411	33,093
2028	114,646	41,272	155,918	28,538	9,799	38,337
2029 to 2031	115,449	41,562	157,011	50,908	16,904	67,812
2032 to 2034	116,490	41,936	158,426	50,908	16,904	67,812
2035 to 2037	109,244	39,328	148,572	47,045	15,513	62,558
2038 to 2040	68,411	24,628	93,039	40,208	13,051	53,259
2041 to 2043	39,805	14,329	54,134	38,963	13,078	52,041
2044 to 2046	39,805	14,329	54,134	35,814	12,893	48,707
2047 to 2049	33,191	11,949	45,140	28,694	10,330	39,024
2050 to 2052	124	45	169	67	24	91
2053 to 2055	124	45	169	67	24	91
2056 to 2058	124	45	169	67	24	91
2059 to 2061	124	45	169	67	24	91
2062 to 2064	124	45	169	67	24	91
2065 to 2067	124	45	169	67	24	91
2068 to 2070	82	30	112	67	24	91
2071 to 2073	-	-	-	67	24	91
Total	982,341	353,643	1,335,984	408,001	138,102	546,103

16. UNEARNED REVENUE

The Company entered into an assignment agreement for the exploration of financial services with Caixa Econômica Federal during a sixty-month period, effective beginning March 2022, totaling R\$ 17,800. The revenue corresponding to this agreement is recognized on a monthly basis, over the agreement term, on an accrual basis. The amount recognized in profit or loss for the second quarter of 2024 was R\$ 1,780 (R\$ 1,780 for the first quarter of 2023). The balance as at June 30, 2024, is R\$ 9,493 (R\$ 11,273 as at December 31, 2023), of which R\$ 3,560 (R\$ 3,560 as at December 31, 2023) is recognized in current liabilities and R\$ 5,933 (R\$ 7,713 as at December 31, 2023) is recognized in non-current liabilities.

17. PROVISIONS, CONTINGENT LIABILITIES AND ESCROW DEPOSITS

a) Nature of the Provisions for Contingent Liabilities

(i) Labor

Labor lawsuits refer primarily to claims filed by former Company employees, outsourced providers' employees (joint responsibility), and trade unions requesting salary differences and benefits. The main lawsuits involving the Company refer to: (i) job and salary plans; (ii) job reinstatement; (iii) wage equalization; and (iv) adding the meal ticket benefit to payroll.

Notes to interim financial information

(ii) Civil

Civil lawsuits refer to requests for compensation from customers and suppliers, and third-party damages. The main lawsuits involving the Company refer to: (i) reimbursement of costs incurred for the replacement of materials; (ii) civil actions due to water shortages; and (iii) other proceedings claiming compensation for, but not limited to, the suspension of contracts, traffic accidents, property damages, and loss of profits.

(iii) Environmental

The Company is a party to several environmental lawsuits related to infraction notices issued by Municipal, State and Federal environmental agencies, motivated by different non-conformities, presented primarily in the sewage process, such as: (i) leaks and overflow of sewer collection networks; (ii) deficiencies in environmental licensing and permits for Wastewater Treatment Plants (WWTP); (iii) wastewater treatment plant discharges in disagreement with legal standards; and (iv) incorrect disposal of treatment plant waste (sludge).

(iv) Tax

Tax proceedings refer primarily to the collection of IPTU (urban property tax), municipal fees, and ISSQN (service tax) arising different interpretations of the law. The main IPTU proceedings to which the Company is a party involve the municipalities of Curitiba and Londrina. The main ISSQN proceedings refer to challenges from the municipalities of Maringá and Araucária.

b) Provisions

The Company recognizes provisions for civil, labor, tax and environmental lawsuits classified with a probable likelihood of loss, which showed the following movements:

Type	12/31/2023	Additions	Reversals	Payments	06/30/2024
Labor lawsuits (i)	545,608	105,300	(3,265)	(150,569)	497,074
Civil lawsuits (ii)	277,505	7,120	(6,039)	(40,841)	237,745
Environmental lawsuits (iii)	24,844	2,554	(27)	(5,663)	21,708
Tax lawsuits (iv)	10,656	2,956	(309)	(9,262)	4,041
Total	858,613	117,930	(9,640)	(206,335)	760,568

Main events in the period:

Reduction of labor provisions (Reversals and Payments) totaling R\$ 153,834, due to the archiving and definitive dismissal of lawsuits, an increase of R\$ 19,863 of labor provisions referring to a lawsuit filed by the Paraná State Engineers' Union (SENGE), claiming the payment of salary differences in the Jobs, Career and Compensation Plan, and R\$ 85,437 referring to the adjustment to the provision for labor lawsuits due to court decisions and new lawsuits recognized in the period.

Notes to interim financial information

Reduction in civil provisions (Reversals and Payments) in the amount of R\$ 46,880, mainly due to the termination of: (a) lawsuits questioning rates charged by the Company, filed by residential condominiums in municipalities on the coast of Paraná and Foz do Iguaçu; (b) lawsuit seeking compensation for a traffic accident resulting from a leak that caused a slope to collapse and mud to be released onto the highway; and (c) lawsuit related to economic and financial rebalancing with a supplier of chemical products. Recognition of a civil provision of R\$ 3,681 that refers to a lawsuit filed by condominiums on the coast of Paraná claiming undue collection of sewage charges.

c) Contingent Liabilities

Depending on the nature of the lawsuits to which it is a party, and supported by the opinion of its legal counsel, the Company discloses its contingent liabilities with a possible likelihood of loss. No provisions were recognized for possible losses on these lawsuits, in accordance with CPC 25 “Provisions, Contingent Liabilities and Contingent Assets” issued by the Accounting Pronouncements Committee.

The contingent liabilities position with a possible likelihood of loss on labor, civil, environmental and tax lawsuits is as follows:

Type	Contingent liabilities	
	06/30/2024	12/31/2023
Labor lawsuits (i)	83,053	102,777
Civil lawsuits (ii)	1,291,831	1,296,227
Environmental lawsuits (iii)	288,292	233,062
Tax lawsuits (iv)	26,118	25,597
Total	1,689,294	1,657,663

d) Public Civil Action filed by the State of Paraná Public Prosecutor’s Office against the municipality of Piraquara – basis for calculating financial compensation for environmental protection

Following the disclosure in Subsequent Events of the 1st ITR/2024 and as disclosed in the 2024 Reference Form, we inform that on May 14, 2024, the Company filed an appeal against the preliminary decision and, on May 15, 2024, presented its defense in the lawsuit pending at the Public Treasury Court of Piraquara-PR.

On May 16, 2024, the Court of Justice of the State of Paraná ruled that the probability of a successful appeal filed by the Company was evident, given that the periculum in mora lies in the risk of reverse damage, granting the urgent relief to suspend the appealed decision until the final judgment of the appeal.

Supported by the opinion of its legal advisors, the Company understands that this legal proceeding has a remote probability of loss.

e) Contingent Assets

The Company is the plaintiff in declaratory action 1074228-74.2022.4.01.3400, in which the Regional Federal Court for the First Region recognized the lack of a legal tax relationship between Sanepar and the Federal Government because the Company benefits from tax immunity reciprocity provided for under Article 150, VI, “a”, of the 1988 Federal Recognition, in which the success is restricted to

Notes to interim financial information

the payment of the Corporate Income Tax (IRPJ) (unduly paid taxes) for the period of May 1996-December 2022. The uncontroversial estimated value initially recognized by the Union was R\$ 3,628,754.

The estimated amount may change and, therefore, the Company has already requested the issuance of a request letter for a debt bond issue to be included in the Federal Government budget. It is safe to say that it is not possible to estimate a deadline for the settlement of the court-ordered debt bond. Finally, it should be noted that the request to issue the court-ordered debt bond (2024.3400.021.000080) was approved by the Regional Federal Court for the First Region in the amount of R\$ 3,979,261.

f) Escrow Deposits

The Company made court deposits that will only be recovered only if the court awards a decision favorable to the Company.

These may be broken down as follows:

Type	Escrow deposits	
	06/30/2024	12/31/2023
Labor lawsuits (i)	355,344	416,285
Civil lawsuits (ii)	130,394	130,433
Environmental lawsuits	13,455	14,555
Tax lawsuits	15,937	25,596
Total	515,130	586,869

(i) In the first quarter of 2024, the Company made 73 new escrow deposits and adjusted the deposit for labor lawsuits filed by the Paraná State Engineers' Union (SENGE), claiming the payment of salary differences in the Jobs, Career and Compensation Plan, totaling R\$ 34,070; and

(ii) In the first quarter of 2024, the Company made 427 new escrow deposits, totaling R\$ 41,636, referring primarily to material damages and undue collection of fees, of which R\$ 28,624 refer to the lawsuit filed by condominiums on the coast of Paraná.

18. PENSION PLAN AND HEALTHCARE PLAN

Sanepar sponsors Fundação Sanepar de Previdência e Assistência Social – FUSAN, a nonprofit legal entity that manages the Company's pension plan intended to supplement the official pension benefits of the Company's employees.

The pension plan managed by FUSAN has the following main features: defined contribution during the working phase and defined benefit with lifetime annuity for pensioners and beneficiaries of risk benefits (disability, disease, accident, and survivor's pensions). In the second quarter of 2024, the Sponsor transferred R\$ 20,806 (R\$ 18,543 in the first quarter of 2023) as contributions to FUSAN.

For purposes of complying with the standards established by National Pension Plan Authority (PREVIC), the technical reserves are determined by the actuary responsible for the pension plan.

Notes to interim financial information

The Company also sponsors Fundação Sanepar de Assistência Social, a nonprofit entity that manages the healthcare plan for active and retired Sanepar employees, called SaneSaúde.

SaneSaúde is a self-managed collective medical care and dental care plan, funded by prepayments and on average 62.0% of the contributions are made by the sponsor and 38.0% are made by the active and retired beneficiaries through monthly contributions set in the plan’s charter, which are determined annually based on actuarial calculations, which take into account the age of the beneficiary, and the existence of limiting factors for use of the services offered.

As a contribution to this Foundation, this quarter the Company transferred R\$ 51,752 (R\$ 45,514 in the second quarter of 2023).

Additionally, for the purposes of complying with the provisions of CPC 33 (R1) “Employee Benefits”, approved by CVM Resolution 110/22, the company Mirador Assessoria Atuarial Ltda. was hired for the year ended December 31, 2023, which issued detailed reports, supporting the information included on the said reporting date.

The table below shows the actuarial position of the liabilities related to the pension and healthcare plans as at June 30, 2024, and December 31, 2023:

Description	Pension plan	Healthcare plan	06/30/2024	12/31/2023
Current	26,508	48,796	75,304	73,635
Noncurrent	371,112	683,142	1,054,254	1,030,892
Total	397,620	731,938	1,129,558	1,104,527

The table below shows the projection of the expenses for 2024:

	Pension plan	Healthcare plan	2024
Current cost of service	6,767	2,263	9,030
Interest cost	133,330	68,811	202,141
Expected return on plan assets	(96,300)	-	(96,300)
Sponsor/participant contributions	(27,156)	(37,654)	(64,810)
Total	16,641	33,420	50,061

The amount of R\$ 50,061 was actuarially estimated as the expected change in the plans for 2024, which is being recognized by the Company on a monthly basis, and in the second quarter of 2024, this amount was R\$ 25,031 (R\$ 22,861 in the second quarter of 2023). At the end of 2024, a new actuarial review will be conducted to determine the necessary accounting adjustments to the plans. If there are atypical changes in the rules of pension and healthcare plans over the year, or even in its participant base, the Company may conduct interim actuarial reviews, which has not happened to date.

Notes to interim financial information

19. RELATED PARTIES

a) Related-Party Balances and Transactions

Transactions arising from transactions conducted in a regulated environment are billed according to the criteria and definitions established by the relevant regulators and other transactions are recognized according to market prices.

Related-party balances and transactions were as follows:

Description	Assets		Liabilities		Revenue		Cost/expense	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023	06/30/2024	06/30/2023	06/30/2024	06/30/2023
State of Paraná								
Interest on equity capital	-	-	42,061	84,936	-	-	-	-
Municipalities								
Solid waste services	-	-	-	-	7,811	6,609	-	-
Accounts receivable	53,339	53,655	-	-	-	-	-	-
Municipal Sanitation and Environmental Management Fund	-	-	24,593	14,736	-	-	70,198	52,949
Sanepar foundations								
Property rental	-	-	-	-	-	-	331	327
Employer contributions	-	-	-	-	-	-	72,558	64,057
Tecpar								
ISO and water security plan	-	-	-	-	-	-	-	2
Celepar								
e-Protocol and other systems	-	-	16	28	-	-	48	104
Investment in Action	5	5	-	-	-	-	-	-
Interest receivable	12	12	-	-	-	-	-	-
Simepar								
Water security and other plans	-	-	-	-	-	-	1,743	1,733
Ceasa								
Disposal of organic waste	-	-	-	-	569	451	-	-
Total	53,356	53,672	66,670	99,700	8,380	7,060	144,878	119,172

b) Compensation to Key Management Personnel

The overall compensation of the key Management personnel for 2024 approved at the 60th/2024 Annual Shareholders' Meeting held on April 29, 2024, is R\$ 17,752. The overall compensation for 2023 approved at the 59th/2023 Annual Shareholders' Meeting held on April 28, 2023, was R\$ 15,677.

The table below shows the payments made to key Management personnel:

Description	06/30/2024	06/30/2023
Compensation	5,995	4,862
Charges and benefits	2,201	1,735
Payroll taxes	2,080	1,635
Healthcare plan (Sanesaúde)	56	43
Pension plan (Fusanprev)	62	57
Supplementary programs	3	-
Total	8,196	6,597

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20. OTHER PAYABLES

These may be broken down as follows:

Description	06/30/2024	12/31/2023
Contracts and arrangements with third parties (1)	53,668	45,099
Arrangements with municipalities	25,292	25,995
Deposits and amounts to be refunded	50,754	18,043
IBAMA installment plan (PRD) (2)	370	368
IAT installments plan (3)	1,531	1,496
TCCM IBAMA (4)	87,631	87,631
Municipal Sanitation and Environmental Management Fund	24,593	14,736
Total	243,839	193,368
Current	160,345	107,517
Noncurrent	83,494	85,851

(1) Amount referring to the technical and financial cooperation agreement entered into by the Company, Itaipu, and Fundação Parque Tecnológico Itaipu – PTI, to build sanitary infrastructure and monitoring of water resources and public health, aiming at promoting environmental, social, and economic improvements in the western region of Paraná;

(2) Amount referring to installment payments of several environmental infraction notices issued by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA);

(3) Amount referring to the installment payments of several environmental infraction notices issued by Instituto Água e Terra – IAT; and

(4) Two (2) Commitment for the Conversion of Fines (TCCM), in the direct modality, which consolidated the debt amount of five (5) Environmental Infractions Notices (AIA), issued by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) in 2012, totaling R\$ 87,631, to be invested directly by the Company over one hundred and twenty (120) months in Environmental Lawsuits related to the implementation of an environmental project called “Revamping of pit complexes for environmental improvement of the Iguazu River and surrounding wet areas”.

21. EQUITY

a) Share Capital

Fully paid-in share capital is represented by 1,511,205,519 shares, without par value, divided into 503,735,259 common shares and 1,007,470,260 preferred shares. In addition to the common shares and preferred shares, the Company started to trade Share Deposit Certificates (“Units”), where each “Unit” represents one (1) common share and four (4) preferred shares.

Preferred shares are not entitled to vote, but have assured: (i) the right to equally participate with common shares in the distribution of shares or any other securities or benefits, including in the event of mergers of capital reserves; (ii) priority treatment in the reimbursement of capital in case of the Company’s liquidation; and (iii) the right to receive compensation at least 10% higher than the amount attributed to each common share.

The book value of each share as at June 30, 2024, already considering the provision for additional dividends proposed by Management, is R\$ 6.74 (R\$ 6.45 as at December 31, 2023).

Notes to interim financial information

Subscribed and paid-in capital as at June 30, 2024, is R\$ 6,000,000, which net of share issue cost amounts to R\$ 5,996,137, held as follows:

Shareholders	Number of shares					
	Common	%	Preferred	%	Total	%
State of Paraná	302,653,775	60.1	3	-	302,653,778	20.0
Municipalities	-	-	5,561,963	0.6	5,561,963	0.4
Foreign investors	64,971,253	12.9	323,716,657	32.1	388,687,910	25.7
Other investors	136,110,231	27.0	678,191,637	67.3	814,301,868	53.9
Total	503,735,259	100.0	1,007,470,260	100.0	1,511,205,519	100.0

b) Earnings Reserves

b.1) Legal Reserve

Recognized in accordance with Brazilian Corporate Law and the Company's Bylaws, based on 5% of the profit for year, less the amount allocated to recognize the tax incentives reserve, until it reaches the 20% ceiling of paid-in capital. The legal reserve can only be used to increase capital or offset accumulated losses. Also in accordance with Brazilian Corporate Law, Management respects the capital ceiling for recognizing an earnings reserves.

b.2) Tax Incentives Reserve

Recognized in accordance with article 195-A of Brazilian Corporate Law as the portion of profit for the year arising from government investment grants and assistance.

b.3) Investment Plan Reserve

The investment plan reserve corresponds to the profit for the year remaining after recognizing the legal reserve, the tax incentives reserve, and the distribution of interest on capital and dividends. The limit for recognizing this reserve is the amount of the paid-in share capital. The funds allocated to the investment plan reserve will be invested in construction projects and the expansion of water supply and sewage collection and treatment systems, as established in the Company's investment plans.

c) Revaluation Surplus

The revaluation surplus was realized in the second quarter of 2024 by transferring to retained earnings R\$ 2,085 (R\$ 2,136 in the second quarter of 2023), net of income tax and social contribution. This reserve is realized at the same ratio as of derecognition and depreciation of assets recorded in property, plant and equipment and intangible assets, subject matter of said reevaluation.

Notes to interim financial information

Changes in the realization of the Revaluation Surplus were as follows:

Description	06/30/2024	06/30/2023
Opening balance	50,164	54,426
Realization of the revaluation reserve	(3,159)	(3,236)
Realization of taxes on revaluation reserve	1,074	1,100
Closing balance	48,079	52,290

d) Valuation Adjustments to Equity

Recognized in accordance with Article 182 of Brazilian Corporate Law, referring to the valuation adjustments to equity while they are not allocated to profit or loss for the year on an accrual basis, as contra entries to increases or decreases in amounts allocated to assets and liabilities, as a result of their valuation at fair value.

This quarter, R\$ 91 (R\$ 46 in the first quarter of 2023) was transferred to retained earnings, net of income tax and social contribution. This reserve is realized at the same ratio as of derecognition and depreciation of assets recorded in property, plant and equipment and intangible assets, to which new amounts were assigned.

The movements in the realization of the valuation adjustments to equity were as follows:

Description	06/30/2024	06/30/2023
Opening balance	4,205	4,322
Realization of the adjustments to deemed cost	(138)	(70)
Realization of Taxes on adjustments to deemed cost	47	24
Closing balance	4,114	4,276

e) Other Comprehensive Income

Pursuant to CPC 33 (R1) "Employee Benefits", adjustments to the fair value of actuarial liabilities related to employee benefit plans (Note 18) arising from actuarial gains or losses are recognized directly in equity. Adjustments are also made for the realization of the revaluation surplus and the adjustment to the deemed cost.

f) Shareholder Payouts

The Company's Bylaws provide for the distribution of mandatory dividends of 25% of the adjusted profit in accordance with Brazilian Corporate Law. Holders of preferred shares were assigned interest on capital (dividends) per share 10% higher than the interest on capital paid to holders of common shares.

Notes to interim financial information

Tax law allows companies to make, within certain limits, payments of interest on capital to shareholders and to treat said payments as deductible expenses for income tax and social contribution purposes. This distribution, applicable to mandatory dividends payable by the Company, is treated for accounting purposes as a deduction of equity, similar to dividends. Income tax is withheld on these amounts at the rate of 15%, paid by the Company when interest on capital is actually paid.

On April 29, 2024, the 60th Annual Shareholders' Meeting approved the payment of interest on capital and additional dividends, credited to shareholders in 2023, in the gross amount of R\$ 452,373, which, net of Withholding Income Tax, represented R\$ 403,208, the amount of R\$ 403,196 having been paid by June 30, 2024.

g) Earnings per Share

The amount paid to shareholders per share was as follows:

	2023	2022
Common shares	0.28064	0.26839
Preferred shares	0.30870	0.29522
Amount per one (1) unit	1.51544	1.44928

In June 2024, Management proposed and the Board of Directors approved in the 6th/2024 Ordinary Meeting, held on June 20, 2024, the disbursement of Interest on Equity, observing the legal limit of the TJLP variation in the period, based on profit (loss) recorded in the 1st half of 2024. The gross amount of Interest on Equity calculated for the 1st half of 2024 was R\$ 224,020, R\$ 24,154 corresponding to Withholding Income Tax. This credit generated tax savings of R\$ 76,167.

The table below shows the calculation of earnings per share (in thousands, except per share amounts):

Basic and diluted earnings per share	06/30/2024	06/30/2023
Numerator		
Profit for the period attributed to the Company's shareholders		
Common shares	235,921	231,776
Preferred shares	519,027	509,906
Denominator		
Weighted average number of common shares	503,735,259	503,735,259
Weighted average number of preferred shares	1,007,470,260	1,007,470,260
Basic and diluted earnings per share		
Per common share	0.46834	0.46011
Per preferred share	0.51518	0.50613

Notes to interim financial information

22. OPERATING REVENUE

The breakdown of revenues, by nature, is as follows:

Description	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Revenue				
Revenue from water	1,058,040	1,013,935	2,153,788	2,017,024
Revenue from sewage	675,879	596,258	1,353,427	1,115,880
Revenue from services	34,803	26,351	68,784	50,489
Revenue from solid waste	3,925	3,355	7,811	6,609
Services provided to municipalities	6,380	6,000	12,761	11,709
Donations made by customers	10,114	9,092	20,633	18,437
Other income	1,577	1,333	3,116	3,291
Total operating revenues	1,790,718	1,656,324	3,620,320	3,223,439
Deductions from operating revenue				
Tax on revenue (Cofins)	(104,055)	(98,977)	(212,307)	(192,081)
Tax on revenue (PASEP)	(22,411)	(21,318)	(45,749)	(41,366)
Total deductions	(126,466)	(120,295)	(258,056)	(233,447)
Total operating revenues, net	1,664,252	1,536,029	3,362,264	2,989,992

The Company disclosed the “Net operating revenue” note in accordance with CPC 47 “Revenue from Contracts with Customers”, as outlined in paragraph 112A thereof.

The Company earned revenue and incurred costs on construction contracts linked to the concessions totaling R\$ 38,139 for the second quarter of 2024 (R\$ 37,639 for the first quarter of 2023), i.e., at a zero margin. Revenue is disclosed net of construction costs.

23. COST OF SERVICES

The breakdown of costs, by nature, is as follows:

Description	04/01/2024 to 06/30/2024			04/01/2023 to 06/30/2023		
	Water	Sewage	Total	Water	Sewage	Total
Personnel	(113,565)	(55,829)	(169,394)	(91,008)	(42,534)	(133,542)
Supplies	(36,756)	(29,244)	(66,000)	(34,288)	(31,066)	(65,354)
Electric power	(123,453)	(18,711)	(142,164)	(103,602)	(15,089)	(118,691)
Sewage operation services – PPP	-	(11,851)	(11,851)	-	-	-
Outside services	(93,823)	(63,749)	(157,572)	(75,670)	(56,755)	(132,425)
Depreciation and amortization	(55,217)	(53,572)	(108,789)	(47,634)	(46,247)	(93,881)
Compensation for damages to third parties	(2,368)	(912)	(3,280)	(614)	(589)	(1,203)
Municipal Sanitation and Envir. Mgt. Fund	(19,278)	(16,329)	(35,607)	(14,392)	(11,882)	(26,274)
Other costs	(31,859)	(9,107)	(40,966)	(33,815)	(11,953)	(45,768)
Total	(476,319)	(259,304)	(735,623)	(401,023)	(216,115)	(617,138)

Description	01/01/2024 to 06/30/2024			01/01/2023 to 06/30/2023		
	Water	Sewage	Total	Water	Sewage	Total
Personnel	(215,390)	(104,022)	(319,412)	(172,926)	(83,790)	(256,716)
Supplies	(73,852)	(55,810)	(129,662)	(73,498)	(57,700)	(131,198)
Electric power	(247,018)	(38,075)	(285,093)	(205,691)	(30,203)	(235,894)
Sewage operation services – PPP	-	(17,802)	(17,802)	-	-	-
Outside services	(179,039)	(126,324)	(305,363)	(140,464)	(110,370)	(250,834)
Depreciation and amortization	(108,128)	(105,436)	(213,564)	(94,610)	(91,098)	(185,708)
Compensation for damages to third parties	(2,923)	(1,054)	(3,977)	(1,843)	(1,053)	(2,896)
Municipal Sanitation and Envir. Mgt. Fund	(38,011)	(32,187)	(70,198)	(29,315)	(23,634)	(52,949)
Other costs	(60,572)	(15,810)	(76,382)	(67,185)	(22,367)	(89,552)
Total	(924,933)	(496,520)	(1,421,453)	(785,532)	(420,215)	(1,205,747)

Notes to interim financial information

24. SELLING, ADMINISTRATIVE AND OTHER EXPENSES

The breakdown of these expenses, by nature, is as follows:

Description	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Selling expenses				
Personnel	(40,968)	(34,103)	(76,938)	(67,982)
Supplies	(2,758)	(1,693)	(4,999)	(3,194)
Outside services	(51,137)	(34,405)	(97,451)	(64,845)
Depreciation and amortization	(2,993)	(2,398)	(5,876)	(4,619)
Gain (losses) on realization of receivables	(31,196)	(594)	(61,105)	44,833
Compensation for damages to third parties (1)	(9,498)	(30)	(9,619)	(1,195)
Sanepar Rural Program	(1,905)	(1,214)	(2,953)	(3,029)
Other expenses	(492)	(331)	(815)	(702)
Total selling Expenses	(140,947)	(74,768)	(259,756)	(100,733)
Administrative expenses				
Personnel	(213,870)	(167,741)	(411,335)	(328,528)
Supplies	(12,394)	(15,664)	(22,852)	(28,719)
Outside services	(46,270)	(38,954)	(84,050)	(72,274)
Depreciation and amortization	(25,461)	(21,497)	(51,192)	(43,733)
Regulatory fee	(9,159)	(8,751)	(18,319)	(17,502)
Travel expenses	(1,694)	(1,718)	(2,848)	(2,857)
Legal and court costs	(1,891)	(1,392)	(2,974)	(4,940)
Social and environmental programs	(3,294)	(2,670)	(9,875)	(6,498)
Compensation for damages to third parties (1)	(28,817)	(361)	(29,381)	(789)
Compensation paid to outsourced employees	(5,534)	(414)	(7,212)	(848)
Fees, Permits and Licensing	(7,591)	(391)	(7,974)	(785)
Other expenses	(6,790)	(6,432)	(13,864)	(10,388)
Transfers for cost of sales and selling expenses (2)	34,829	40,566	64,024	78,358
Capitalized expenses (3)	28,887	34,467	57,477	61,950
Total administrative expenses	(299,049)	(190,952)	(540,375)	(377,553)
Other (expenses) operating income				
Expenses				
Possible losses	(35)	62	(255)	62
Environmental fines	(3,173)	(5,286)	(3,177)	(9,207)
Write-off of assets	(3,771)	(1,315)	(4,722)	(2,706)
Adjustment to fair value - investments	147	175	92	39
Totals other operating (expenses)	(6,832)	(6,364)	(8,062)	(11,812)

(1) Amounts referring to definitive write-offs of civil actions, mainly related to: (i) the termination of lawsuits challenging rates charged by the Company, filed by residential condominiums in municipalities on the coast of Paraná and Foz do Iguaçu; (ii) a lawsuit seeking compensation for a traffic accident that occurred in December 2003, due to a leak that caused a slope to collapse and mud to be released onto the highway; and (iii) a lawsuit related to the economic and financial rebalancing with a supplier of chemical products;

(2) These amounts are first recognized as administrative expenses and later transferred to cost of sales and selling expenses; and

(3) These amounts refer to capitalized administrative expenses, as they relate to projects and works in progress, allocated directly by the Company's Management.

25. PROFIT SHARING PROGRAM

The Company accrued R\$ 57,753 (R\$ 56,739 for the second quarter of 2023), related to profit sharing, based on goals and performance targets established for 2024, which is recognized in line item "Payroll and related taxes" in current liabilities.

Notes to interim financial information

26. FINANCE INCOME (COSTS)

Description	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Finance income				
Short-term investments	51,458	52,027	100,360	94,729
Inflation adjustment gains	28,219	22,519	51,100	52,173
Exchange gains	-	718	-	847
Gain from financial derivative instruments	12,440	196	12,440	208
Other finance income/reversal	12,693	5,949	23,584	1,810
Total finance income	104,810	81,409	187,484	149,767
Finance costs				
Interest and fees on financing, borrowings, debentures and leases (1)	(125,060)	(100,500)	(247,452)	(199,380)
Inflation adjustment losses	(18,348)	(25,109)	(51,341)	(64,100)
Exchange losses	(10,523)	-	(11,065)	-
Loss from financial derivative instruments	(3,675)	(1,559)	(4,391)	(2,145)
Other finance costs	(300)	(36)	(859)	(481)
Total finance costs	(157,906)	(127,204)	(315,108)	(266,106)
Finance income (costs)	(53,096)	(45,795)	(127,624)	(116,339)

(1) Increase in the interest calculation base due to the raising of third-party funds, primarily related to the 14th issues of debentures.

27. SEGMENT REPORTING

The Company has two identifiable business segments, which are water treatment and distribution and sanitary sewage collection and treatment. The solid waste collection and treatment process was considered in the sewage segment. Operating profit by segment is represented by revenue, less direct costs, and operating expenses, directly and indirectly allocable to these segments. Identifiable assets and liabilities by segment are disclosed separately. Corporate assets and liabilities were not directly attributed to either business segment.

Notes to interim financial information

The Company evaluates the business segment performance based on information generated by the accounting records, and miscellaneous expenses are allocated by means of apportionment, as shown in following table:

Description	01/01/2024 to 06/30/2024			01/01/2023 to 06/30/2023		
	Water	Sewage	Total	Water	Sewage	Total
Direct operating revenue	2,206,187	1,377,623	3,583,810	2,054,698	1,135,304	3,190,002
Other operating income	20,330	16,180	36,510	18,743	14,694	33,437
Total gross operating revenue	2,226,517	1,393,803	3,620,320	2,073,441	1,149,998	3,223,439
Revenue deductions (PASEP and Cofins)	(143,699)	(114,357)	(258,056)	(130,859)	(102,588)	(233,447)
Net operating revenue	2,082,818	1,279,446	3,362,264	1,942,582	1,047,410	2,989,992
Cost	(924,933)	(496,520)	(1,421,453)	(785,532)	(420,215)	(1,205,747)
Gross profit	1,157,885	782,926	1,940,811	1,157,050	627,195	1,784,245
Selling expenses	(144,643)	(115,113)	(259,756)	(56,464)	(44,269)	(100,733)
Administrative expenses	(300,903)	(239,472)	(540,375)	(211,631)	(165,922)	(377,553)
Other operating income (expenses)	(4,489)	(3,573)	(8,062)	(6,621)	(5,191)	(11,812)
Share of profits from equity accounted investments	-	-	-	-	(588)	(588)
Finance income (costs)	(47,711)	(79,913)	(127,624)	(51,618)	(64,721)	(116,339)
Profit sharing program	(32,159)	(25,594)	(57,753)	(31,804)	(24,935)	(56,739)
Provisions	54,358	43,459	97,817	(67,687)	(53,156)	(120,843)
Pension plan and healthcare plan	(13,938)	(11,093)	(25,031)	(12,814)	(10,047)	(22,861)
Profit before taxes and contributions	668,400	351,627	1,020,027	718,411	258,366	976,777
Income tax and social contribution	(173,699)	(91,380)	(265,079)	(172,918)	(62,177)	(235,095)
Profit for the period	494,701	260,247	754,948	545,493	196,189	741,682
Operating margin – not audited/reviewed	32.1%	27.5%	30.3%	37.0%	24.7%	32.7%
Net margin – not audited/reviewed	23.8%	20.3%	22.5%	28.1%	18.7%	24.8%
Investments in PP&E/intangible assets in the period (1)	343,533	527,814	871,347	353,356	526,909	880,265
Equity interest – CS Bioenergia	-	-	-	-	960	960
Indebtedness – borrowings, financing, debentures and leases	2,847,649	3,537,650	6,385,299	2,575,231	3,039,171	5,614,402
Contract assets, PP&E and intangible assets, net	6,155,000	7,879,264	14,034,264	5,663,620	7,006,723	12,670,343
Depreciation and amortization for the period	(139,907)	(130,725)	(270,632)	(121,718)	(112,342)	(234,060)
Trade an other receivables (current and noncurrent) (2)	1,527,458	583,019	2,110,477	1,460,604	571,529	2,032,133
Total assets	8,656,224	11,081,181	19,737,405	7,914,528	9,791,423	17,705,951
Total liabilities (current and noncurrent)	4,262,400	5,295,203	9,557,603	3,947,141	4,658,237	8,605,378
Number of calls – not audited/reviewed (3)	3,464,831	2,540,752	-	3,436,140	2,474,886	-
Volume, thousands of m ³ billed – not audited/reviewed (4)	292,617	232,877	-	276,881	217,080	-

(1) Amounts invested in administrative assets were allocated proportionally to the investments of each segment;

(2) Presented at their gross amount;

(3) Users included in the sewage segment are virtually also all included in the water segment; and

(4) The invoiced volumes of the sewage segment are derived from the invoiced volumes of the water utility segment.

Notes to interim financial information

28. INSURANCE

The Company has an insurance contract with MAPFRE Seguros Gerais S/A covering its main assets located in several locations throughout the state of Paraná, amounting to R\$ 2,093,642, effective from March 14, 2024, to March 14, 2025, contemplating basic coverage for fire, wind, and electrical damages to the equipment.

Assets	Insured amount
Buildings	1,168,976
Machinery, equipment and vehicles	852,407
Inventories	72,259
Total	2,093,642

Additionally, the Company has Judicial Guarantee Insurance policies to guarantee amounts that would be deposited and/or replace amounts already deposited and/or assets pledged in labor, civil, tax, and environmental lawsuits. Up to June 30, 2024, the Company offered guarantees through the Surety Bond in 404 lawsuits totaling R\$ 408,171 with Pottencial Seguradora S/A, maturing on June 15, 2025.

The Company also entered into/renewed the contract with Starr Internacional Brasil Seguradora S/A for general liability insurance coverage of Sanepar Directors, Officers, and Managers (D&O insurance) with local and international coverage, with a guarantee ceiling of R\$ 20,000, with a 365-day contract term ending September 7, 2024.

29. EXPLANATION ADDED TO THE ENGLISH VERSION

The accompanying financial statements were translated into English from the original Portuguese version prepared for local purposes. Certain accounting practices applied by the Company that conform to those accounting practices adopted in Brazil may not conform to the generally accepted accounting principles in the countries where these financial statements may be used.



Opinions and Declarations / Special Review Report – Unqualified

Report on the review of quarterly information

To the Shareholders, Board of Directors and Management of
Companhia de Saneamento do Paraná - Sanepar
Curitiba – PR

Introduction

We have reviewed the accompanying interim financial information of Companhia de Saneamento do Paraná - Sanepar (the Company), comprised in the Quarterly Information Form for the quarter ended June 30, 2024, comprising the balance sheet as of June 30, 2024 and the respective statements of income, of comprehensive income for the period of three and six months then ended and the changes in shareholders' equity and of cash flows for the period of six months then ended, including the explanatory notes.

Management is responsible for the preparation of the interim financial information in accordance with NBC TG 21 – Interim Financial Reporting and with the international standard IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), such as for the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Review scope

We conducted our review in accordance with the Brazilian and International standards on reviews of interim information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). The review of interim information consists of making inquiries, primarily of persons responsible for the 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 the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information included in the quarterly information form referred to above has not been prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of interim financial information and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Statement of value added

The quarterly information referred to above includes the statement of value added for the period of six months ended June 30, 2024, prepared under the responsibility of the Company's management and presented as supplementary information for the purposes of IAS 34. This statement was submitted to the same review procedures in conjunction with the review of the Company's interim financial information to conclude it is reconciled to the interim financial information and to the accounting records, as applicable, and whether the structure and content are in accordance with the criteria established in the NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement of value added were not prepared, in all material respects, in accordance to the criteria defined in that standard and consistently in relation to the interim financial information taken as a whole.



Audit and review of the corresponding amounts of the fiscal year and comparatives periods

The audit of the financial statements of the Company as of December 31, 2023 was conducted under the responsibility of another independent auditor, which issued an audit report without qualification on February 08, 2024. The review of the interim financial information for the period of six months ended June 30, 2023 was conducted under the responsibility of another independent auditor, which issued a review report on that quarterly information, without qualification, on August 10, 2023.

Curitiba, August 08, 2024

Grant Thornton Auditores Independentes Ltda.
CRC PR-008.839/F-9

A handwritten signature in black ink, appearing to read "Ricardo Engel", written over a light blue grid background.

Ricardo Engel
Accountant CRC 1PR-052.941/O-5

STATEMENT

By this instrument, the Executive Board of Companhia de Saneamento do Paraná - Sanepar, a state-owned public company, with its headquarters at Rua Engenheiros Rebouças nº 1,376, Curitiba - PR, registered at CNPJ under nº 76.484.013/0001- 45, for the purposes of CVM Resolution nº 80/2022, declares that it has reviewed, discussed and agreed with Sanepar's interim financial statements for the period ended on June 30, 2024.

Curitiba, July 30, 2024.

WILSON BLEY LIPSKI
Chief Executive Officer

ABEL DEMETRIO
Chief Financial and Investor Relations
Officer

SERGIO WIPPEL
Chief Operating Officer

LEURA LUCIA CONTE DE OLIVEIRA
Chief Investment Officer

FERNANDO MAURO NASCIMENTO GUEDES
Chief Administrative Officer and Deputy Chief Commercial
Officer

FLAVIO LUIS COUTINHO SLIVINSKI
Chief Legal Officer

JULIO CESAR GONCHOROSKY
Chief of Environment and Social Action Officer

ANATALICIO RISDEN JUNIOR
Chief of Innovation and New Business Officer

STATEMENT

Through this instrument, the Executive Board of Companhia de Saneamento do Paraná - Sanepar, mixed capital state administration corporation, publicly traded, with headquarters at Rua Engenheiros Rebouças nº 1,376, Curitiba - PR, registered at CNPJ under nº 76.484.013/0001- 45, for the purposes of CVM Resolution nº 80/2022, has reviewed, discussed and agree with the opinions stated in the audit report issued by Grant Thornton Auditores Independentes Ltda. with respect to the Sanepar interim financial statements for the period ended on June 30, 2024.

Curitiba, August 08, 2024.

WILSON BLEY LIPSKI
Chief Executive Officer

ABEL DEMETRIO
Chief Financial and Investor Relations
Officer

SERGIO WIPPEL
Chief Operating Officer

LEURA LUCIA CONTE DE OLIVEIRA
Chief Investment Officer

FERNANDO MAURO NASCIMENTO GUEDES
Chief Administrative Officer and Deputy Chief Commercial
Officer

FLAVIO LUIS COUTINHO SLIVINSKI
Chief Legal Officer

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Chief of Environment and Social Action Officer

ANATALICIO RISDEN JUNIOR
Chief of Innovation and New Business Officer