

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

---

## **ITR - QUARTERLY INFORMATION SECOND QUARTER OF 2022**

# **COMPANHIA DE SANEAMENTO DO PARANÁ - SANEPAR**

**Quarterly Information**  
**For the quarter ended at June 30, 2022**

## **Content**

**Balance sheet**

**Statements of income**

**Statements of comprehensive income**

**Statements of cash flows - indirect method**

**Statements of changes in equity**

**Statements of added value - additional information**

**Management report**

**Notes to the Quarterly Information**

**Auditor's review report on the quarterly information**

**Statements**

**Individual financial statements/ statements of financial position - assets**  
**(In thousands of Brazilian reais)**

<b>Code of Account</b>	<b>Account description</b>	<b>Current quarter 06/30/2022</b>	<b>Prior Year 12/31/2021</b>
1	Total Assets	15,658,437	14,640,589
1.01	Current assets	2,426,749	2,071,647
1.01.01	Cash and cash equivalents	1,233,229	983,127
1.01.01.01	Cash and banks	45,697	40,823
1.01.01.02	Financial investments	1,187,532	942,304
1.01.03	Accounts receivable	1,028,188	971,478
1.01.03.01	Trade accounts receivable	1,028,188	971,478
1.01.04	Inventories	64,490	57,680
1.01.06	Recoverable taxes	45,910	11,420
1.01.06.01	Current recoverable taxes	45,910	11,420
1.01.08	Other current assets	54,932	47,942
1.01.08.03	Others	54,932	47,942
1.01.08.03.01	Restricted deposits	16,655	14,375
1.01.08.03.02	Derivative financial instruments	16,332	12,716
1.01.08.03.03	Other accounts receivable	21,945	20,851
1.02	Noncurrent assets	13,231,688	12,568,942
1.02.01	Long-term assets	4,272,259	3,715,372
1.02.01.04	Accounts receivable	50,053	51,551
1.02.01.04.01	Trade accounts receivable	50,053	51,551
1.02.01.07	Deferred taxes	702,266	679,462
1.02.01.07.01	Deferred Income and Social Contribution Taxes	702,266	679,462
1.02.01.10	Other noncurrent assets	3,519,940	2,984,359
1.02.01.10.03	Restricted deposits	68,313	58,982
1.02.01.10.06	Court deposits	464,358	408,593
1.02.01.10.07	Contractual financial assets	645,946	603,014
1.02.01.10.08	Contract of asset	2,298,234	1,869,743
1.02.01.10.09	Other receivables	43,089	44,027
1.02.02	Investments	3,406	2,030
1.02.02.01	Shareholdings	3,406	2,030
1.02.02.01.03	Joint Ventures	3,406	2,030
1.02.03	Fixed assets	303,689	312,679
1.02.03.01	Fixed assets in operation	221,096	225,727
1.02.03.02	Rigth-of-use assets	82,593	86,952
1.02.04	Intangible assets	8,652,334	8,538,861
1.02.04.01	Intangible assets	8,652,334	8,538,861
1.02.04.01.01	Concession contracts	8,472,654	8,356,681
1.02.04.01.02	Rigth-of-use assets	179,680	182,180



**Individual financial statements/ statements of financial position - liabilities**  
(In thousands of Brazilian reais)

<b>Code of Account</b>	<b>Account description</b>	<b>Current quarter 06/30/2022</b>	<b>Current quarter 12/31/2021</b>
2	Total Liabilities	15,658,437	14,640,589
2.01	Current liabilities	1,418,166	1,397,171
2.01.01	Payroll and social charges	66,070	117,893
2.01.01.02	Labor liabilities	66,070	117,893
2.01.02	Trade accounts payable	255,240	269,397
2.01.02.01	Trade accounts payable - domestic	255,240	269,397
2.01.03	Tax liabilities	71,056	84,602
2.01.03.01	Federal Taxes	68,431	81,786
2.01.03.01.02	Other Federal Taxes	68,431	81,786
2.01.03.03	Municipal Taxes	2,625	2,816
2.01.04	Loans and financing	533,164	407,680
2.01.04.01	Loans and financing	165,469	220,336
2.01.04.01.01	Domestic currency	149,865	207,623
2.01.04.01.01	Foreign currency	15,604	12,713
2.01.04.02	Debentures	298,292	116,418
2.01.04.03	Financing from finance lease	69,403	70,926
2.01.05	Other liabilities	255,861	343,711
2.01.05.02	Others	255,861	343,711
2.01.05.02.01	Dividends and interest on equity capital payable	136,813	243,551
2.01.05.02.05	Collaterals and contractual retentions	2,089	2,210
2.01.05.02.07	Unearned revenue	3,560	700
2.01.05.02.08	Derivative financial instruments	16,554	11,606
2.01.05.02.09	Other accounts payable	96,845	85,644
2.01.06	Provisions	236,775	173,888
2.01.06.02	Other provisions	236,775	173,888
2.01.06.02.04	Provisions for pension plan and health insurance	80,030	77,341
2.01.06.02.05	Labor provisions	156,745	96,547
2.02	Noncurrent liabilities	6,106,365	5,417,076
2.02.01	Loans and financing	4,296,266	3,712,885
2.02.01.01	Loans and financing	1,644,141	1,519,154
2.02.01.01.01	Domestic currency	1,644,141	1,519,154
2.02.01.02	Debentures	2,323,051	1,859,646
2.02.01.03	Financing from finance lease	329,074	334,085
2.02.02	Other liabilities	17,335	5,791
2.02.02.02	Others	17,335	5,791
2.02.02.02.05	Contractors and Suppliers	2,829	2,829
2.02.02.02.09	Unearned revenue	13,054	0
2.02.02.02.11	Other accounts payable	1,452	2,962
2.02.04	Provisions	1,792,764	1,698,400
2.02.04.02	Other provisions	1,792,764	1,698,400
2.02.04.02.04	Provisions for pension plan and health insurance	1,120,425	1,082,775
2.02.04.02.05	Provisions	672,339	615,625
2.03	Equity	8,133,906	7,826,342
2.03.01	Realized capital stock	3,996,137	3,996,137
2.03.01.01	Paid-in capital stock	3,996,137	3,996,137
2.03.03	Revaluation surplus	56,663	59,002
2.03.03.01	Own assets	56,663	59,002
2.03.04	Profit reserves	3,633,064	3,696,944
2.03.04.01	Legal reserve	108,638	108,638
2.03.04.07	Tax incentive reserve	11,551	11,551
2.03.04.08	Additional proposed dividend	0	63,880
2.03.04.10	Investment plan	3,512,875	3,512,875
2.03.05	Retained earnings/(Accumulated losses)	373,868	0
2.03.06	Asset and liability valuation adjustments	4,373	4,458
2.03.08	Other comprehensive income	69,801	69,801



**Individual financial statements/ Statements of income**  
**(In thousands of Brazilian reais)**

Code of Account	Account description	Accumulated in current year		Prior quarter	Accumulated in prior year
		Current quarter	01/01/2022 to 06/30/2022		
3.01	Revenue from sales of goods and/or services	1,359,113	2,765,955	1,273,389	2,499,865
3.02	Cost of goods sold and/or services rendered	-650,748	-1,240,582	-516,451	-1,012,675
3.03	Gross result	708,365	1,525,373	756,938	1,487,190
3.04	Operating expenses/revenues	-371,885	-698,554	-272,697	-574,587
3.04.01	Selling expenses	-128,255	-243,111	-88,713	-167,518
3.04.02	General and administrative expenses	-156,616	-315,305	-142,149	-284,358
3.04.05	Other operating expenses	-86,167	-138,540	-41,035	-121,466
3.04.05.01	Provision for contingencies	-45,449	-56,714	-1,441	-49,095
3.04.05.02	Pension plan and health insurance	-20,170	-40,339	-14,716	-29,433
3.04.05.03	Profit sharing program	-15,916	-35,797	-23,394	-40,771
3.04.05.04	Other operating expenses (revenues)	-4,632	-5,690	-1,484	-2,167
3.04.06	Equity in earnings (losses) of controlled companies	-847	-1,598	-800	-1,245
3.05	Income (loss) before financial income (loss) and taxes	336,480	826,819	484,241	912,603
3.06	Financial income (loss)	-63,651	-118,980	-59,975	-115,319
3.06.01	Financial revenues	76,616	135,502	25,060	40,660
3.06.02	Financial expenses	-140,267	-254,482	-85,035	-155,979
3.07	Income (loss) before taxes	272,829	707,839	424,266	797,284
3.08	Income and Social Contribution Taxes	-39,122	-182,188	-92,449	-218,977
3.08.01	Current	-41,044	-204,992	-80,557	-215,242
3.08.02	Deferred	1,922	22,804	-11,892	-3,735
3.09	Net income (loss) from continuing operations	233,707	525,651	331,817	578,307
3.11	Income/Loss for the period	233,707	525,651	331,817	578,307
3.99	Earnings per share – (Reais/Share)				
3.99.01	Basic earnings per share				
3.99.01.01	Preferred shares	0.15948	0.35871	0.22643	0.39464
3.99.01.02	Common shares	0.14498	0.32610	0.20585	0.35876
3.99.02	Diluted earnings per share				
3.99.02.01	Preferred shares	0.15948	0.35871	0.22643	0.39464
3.99.02.02	Common shares	0.14498	0.32610	0.20585	0.35876





**Individual financial statements/Statements of cash flows - indirect method  
(In thousands of Brazilian reais)**

Code of account	Account description	Accumulated in	Accumulated in
		current year 01/01/2022 to 06/30/2022	prior year 01/01/2021 to 06/30/2021
6.01	Net cash from operating activities	911,394	752,659
6.01.01	Cash from operations	1,184,160	1,054,335
6.01.01.01	Net income for the period	525,651	578,307
6.01.01.02	Depreciation and amortization	211,707	191,998
6.01.01.03	Costs of fixed and intangible assets write-offs	8,293	5,536
6.01.01.04	Impairment	-2,020	-1,520
6.01.01.06	Discount to present value of financial assets	-12,775	-10,647
6.01.01.07	Allowance for doubtful accounts	109,714	43,343
6.01.01.08	Deferred Income and Social Contribution Taxes, net	-22,804	3,735
6.01.01.09	Provision for contingencies	56,714	49,095
6.01.01.10	Pension plan and medical insurance	40,339	29,433
6.01.01.11	Interest on financing	170,347	108,641
6.01.01.12	Monetary variations on financing	76,744	35,894
6.01.01.13	Interest and monetary restatements Leasing	16,940	16,850
6.01.01.14	Exchange rate, net	-1293	-856
6.01.01.15	Exchange on derivative financial instrmnts	2104	950
6.01.01.16	Equity in earnings (losses) of controlled companies	1,598	1,245
6.01.01.17	Appropriation of costs of funds raised from third parties	2,856	2,016
6.01.01.18	Adjustment to Fair Value – Investments	45	315
6.01.02	Changes in assets and liabilities	-272,766	-301,676
6.01.02.01	Trade accounts receivable	-164,926	-151,838
6.01.02.02	Recoverable taxes and contributions	-34,490	-21,760
6.01.02.03	Inventories	-6,810	4,814
6.01.02.04	Court deposits	-55,765	-33,486
6.01.02.05	Other receivables and accounts receivable	622	2,764
6.01.02.06	Contractors and Suppliers	-14,157	-9,560
6.01.02.08	Taxes and contributions	191,727	205,502
6.01.02.09	Salaries and social charges	8,375	-59,249
6.01.02.10	Collaterals and contractual retentions	-121	-10
6.01.02.11	Unearned revenues	15,914	-2,100
6.01.02.12	Income and social contribution taxes paid	-221,278	-233,661
6.01.02.13	Other accounts payable	8,143	-3,092
6.02	Net cash from investing activities	-765,119	-553,350
6.02.01	Investments in fixed and intangible assets	-763,699	-552,339
6.02.02	Investments	-1,420	-1,011
6.03	Net cash from financing activities	103,827	-85,335
6.03.01	Financing	799,926	626,455
6.03.02	Amortization of financing	-176,185	-283,462
6.03.03	Payments of interest on financing	-144,148	-98,757
6.03.04	Payments of Mercantile Leases	-42,484	-39,191
6.03.05	Costs of funds raised with third parties	-12,848	-12,516
6.03.06	Restricted deposits	-11,611	-10,099
6.03.07	Payments of Interest on Equity	-308,823	-267,765
6.05	Increase (decrease) in cash and equivalents	250,102	113,974
6.05.01	Beginning balance of cash and cash equivalents	983,127	874,323
6.05.02	Ending balance of cash and cash equivalents	1,233,229	988,297



**Individual financial statements/ Statement of changes in equity - 01/01/2022 to 06/30/2022**  
(In thousands of Brazilian reais)

<b>Code of account</b>	<b>Account description</b>	<b>Paid-in capital stock</b>	<b>Capital reserves, Granted options and Treasury shares</b>	<b>Income reserves</b>	<b>Retained earnings or accumulated losses</b>	<b>Other comprehensive income</b>	<b>Equity</b>
5.01	Initial balances	3,996,137	0	3,696,944	0	133,261	7,826,342
5.03	Adjusted beginning balances	3,996,137	0	3,696,944	0	133,261	7,826,342
5.04	Capital Transactions with Shareholders	0	0	-63,880	-154,207	0	-218,087
5.04.06	Dividends	0	0	-63,880	0	0	-63,880
5.04.07	Interest on Equity	0	0	0	-154,207	0	-154,207
5.05	Total comprehensive income	0	0	0	528,075	-2,424	525,651
5.05.01	Net income for the period	0	0	0	525,651	0	525,651
5.05.02	Other comprehensive income	0	0	0	2,424	-2,424	0
5.05.02.06	Realization of revaluation surplus	0	0	0	3,543	-3,543	0
5.05.02.07	Taxes on the realization of revaluation surplus	0	0	0	-1,204	1,204	0
5.05.02.08	Realization of adjustment to deemed cost	0	0	0	129	-129	0
5.05.02.09	Taxes on realization of adjustment to deemed cost	0	0	0	-44	44	0
5.07	Ending balances	3,996,137	0	3,633,064	373,868	130,837	8,133,906

BRUNO S. DE  
PRESIDENTE  
01/01/2022  
R. D. R. C. S.  
SANTANA  
MORFUMS

**Individual financial statements/ Statement of changes in equity - 01/01/2021 to 06/30/2021**  
(In thousands of Brazilian reais)

Code of account	Account description	Paid-in capital stock	Capital reserves, Granted options and Treasury shares	Income reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Initial balances	3,996,137	0	2,853,580	0	93,446	6,943,163
5.03	Adjusted beginning balances	3,996,137	0	2,853,580	0	93,446	6,943,163
5.04	Capital Transactions with Shareholders	0	0	-60,083	-151,084	0	-211,167
5.04.06	Dividends	0	0	-60,083	0	0	-60,083
5.04.07	Interest on Equity	0	0	0	-151,084	0	-151,084
5.05	Total comprehensive income	0	0	0	581,039	-2,732	578,307
5.05.01	Net income for the period	0	0	0	578,307	0	578,307
5.05.02	Other comprehensive income	0	0	0	2,732	-2,732	0
5.05.02.06	Realization of revaluation surplus	0	0	0	3,986	-3,986	0
5.05.02.07	Taxes on the realization of revaluation surplus	0	0	0	-1,355	1,355	0
5.05.02.08	Realization of adjustment to deemed cost	0	0	0	153	-153	0
5.05.02.09	Taxes on realization of adjustment to deemed cost	0	0	0	-52	52	0
5.07	Ending balances	3,996,137	0	2,793,497	429,955	90,714	7,310,303



**Individual financial statements/ Statements of value added**  
**(In thousands of Brazilian reais)**

Code of account	Account description	Accumulated in	Accumulated in
		current year	prior year
		01/01/2022 to 06/30/2022	01/01/2021 to 06/30/2021
7.01	Revenues	2,858,303	2,643,547
7.01.01	Sales of merchandise, products and services	2,973,707	2,689,057
7.01.02	Other revenues	-5,690	-2,167
7.01.04	Reversal of/allowance for doubtful accounts	-109,714	-43,343
7.02	Inputs acquired from third parties	-960,198	-762,050
7.02.01	Costs of products, merchandise and services sold	-421,702	-297,379
7.02.02	Materials, energy, third-party services and others	-502,577	-408,123
7.02.04	Others	-35,919	-56,548
7.03	Gross value added	1,898,105	1,881,497
7.04	Withholdings	-211,707	-191,998
7.04.01	Depreciation, amortization and depletion	-211,707	-191,998
7.05	Net generated value added	1,686,398	1,689,499
7.06	Value added received by transfer	133,904	39,415
7.06.01	Equity in earnings (losses) of controlled companies	-1,598	-1,245
7.06.02	Financial revenues	135,502	40,660
7.07	Total value added to be distributed	1,820,302	1,728,914
7.08	Value added distribution	1,820,302	1,728,914
7.08.01	Personnel	550,893	497,268
7.08.01.01	Direct compensation	348,388	320,087
7.08.01.02	Benefits	178,272	155,591
7.08.01.03	Severance Pay Fund (FGTS)	24,233	21,590
7.08.02	Taxes, fees and contributions	485,761	494,652
7.08.02.01	Federal	481,202	491,719
7.08.02.02	State	418	324
7.08.02.03	Municipal	4,141	2,609
7.08.03	Return on debt capital	257,997	158,687
7.08.03.01	Interest	254,482	155,979
7.08.03.02	Rents	3,515	2,708
7.08.04	Return on equity capital	525,651	578,307
7.08.04.01	Interest on Equity	154,207	151,084
7.08.04.03	Retained earnings/ Accumulated losses for the period	371,444	427,223



**1. OPERATING DATA**
**1.1 MARKET**

We present below the contracts in % of Total Revenue of the Company, as of June 30, 2022:

Contracts (% of Total Revenue)*				Coverage index		Total active units (in thousands)	
Municipalities	Total revenue %	Remaining period of concession	Type of concession	Water	Sewage collections	Water	Sewage collections
Curitiba	21.9%	26.0 years	Water and Sewage	100%	98.1%	832.3	814.9
Londrina	7.4%	24.0 years	Water and Sewage	100%	96.2%	260.1	246.5
Maringá	5.2%	18.2 years	Water and Sewage	100%	100.0%	171.3	191.0
Ponta Grossa	3.7%	3.8 years	Water and Sewage	100%	91.1%	156.1	140.9
Foz do Iguaçu	3.7%	21.7 years	Water and Sewage	100%	80.1%	120.5	97.7
Cascavel	3.6%	2.4 years	Water and Sewage	100%	100.0%	133.5	141.7
São José dos Pinhais	2.8%	21.5 years	Water and Sewage	100%	78.2%	120.0	95.1
Colombo	1.8%	25.8 years	Water and Sewage	100%	67.9%	88.3	61.1
Guarapuava	1.7%	20.3 years	Water and Sewage	100%	87.4%	70.4	59.8
Toledo	1.5%	3.2 years	Water and Sewage	100%	83.8%	62.7	51.0
Other Municipalities	46.7%					2,189.6	1,348.7
<b>Total</b>				<b>100.0%</b>	<b>77.9%</b>	<b>4,204.8</b>	<b>3,248.4</b>

Contracts	Number of Contracts*	Intangible assets Contract assets Financial assets (in millions of Brazilian Reais) <sup>1 2</sup>	% of Total Revenue <sup>1</sup>
Overdue	14	397.3	3.4
Expiration on 2022	6	238.1	6.0
Expiration between 2023 and 2033	70	2,316.5	19.8
Expiration after 2033 <sup>3</sup>	256	8,360.7	76.2
<b>Total</b>	<b>346</b>	<b>11,312.6</b>	<b>100.0</b>

<sup>1</sup> Information not audited or not reviewed by independent auditors.

<sup>2</sup> Book value

<sup>3</sup> It includes the municipality of Maringá, whose amendment, that extended the concession, is currently being discussed in court.

The rate of service with treated water is 100% and the rate of service with the sewage collection network - IARCE Urbano is 77.9%, with 100% of the collected sewage being treated, according to the Company's Information System.

Revenues stem mainly from residential water connections, representing 90.9% of the total water connections existing on June 30, 2022.



The number of water connections in June 2022 is 2.1% higher than the number of connections existing in June 2021, which represents an increase of 69,632 water connections, as follows:

Number of Water Connections*	JUN/22 (1)	%	JUN/21 (2)	%	Var.% (1/2)
Residential	3,073,686	90.9	3,011,564	90.9	2.1
Commercial	243,256	7.2	236,421	7.1	2.9
Industrial	13,649	0.4	13,399	0.4	1.9
Public Utility	24,062	0.7	23,912	0.7	0.6
Public Administration	27,116	0.8	26,841	0.9	1.0
<b>Total</b>	<b>3,381,769</b>	<b>100.0</b>	<b>3,312,137</b>	<b>100.0</b>	<b>2.1</b>

\* Information not audited or not reviewed by independent auditors.

The number of sewage connections in June 2022 is 2.7% higher than the number of connections existing in June 2021, representing an increase of 62,345 new sewage connections, as shown below:

Number of Sewage Connections*	JUN/22 (1)	%	JUN/21 (2)	%	Var.% (1/2)
Residential	2,178,153	90.5	2,122,243	90.5	2.6
Commercial	192,430	8.0	186,711	8.0	3.1
Industrial	6,199	0.3	5,981	0.3	3.6
Public Utility	15,765	0.7	15,572	0.7	1.2
Public Administration	15,019	0.5	14,714	0.5	2.1
<b>Total</b>	<b>2,407,566</b>	<b>100.0</b>	<b>2,345,221</b>	<b>100.0</b>	<b>2.7</b>

\* Information not audited or not reviewed by independent auditors.

## 1.2 PRODUCTIVITY

In 2Q22, the measured volume of treated water was 123.2 million m<sup>3</sup>, representing a decrease of 0.8%, as shown below:

Measured Volume - millions of m <sup>3</sup> *	2Q22 (1)	22T21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Residential	104.5	107.4	-2.7	217.3	216.0	0.6
Commercial	9.8	8.8	11.4	19.7	17.7	11.3
Industrial	2.9	3.4	-14.7	6.0	6.7	-10.4
Public Utility	1.3	1.1	18.2	2.6	2.1	23.8
Public Administration	4.7	3.5	34.3	8.9	6.8	30.9
<b>Total</b>	<b>123.2</b>	<b>124.2</b>	<b>-0.8</b>	<b>254.5</b>	<b>249.3</b>	<b>2.1</b>

\* Information not audited or not reviewed by independent auditors.

In 2Q22, the volume of treated water billed was 130.0 million m<sup>3</sup>, the same volume presented in 2Q21, as shown below:



Billed Water Volume - millions of m <sup>3</sup> *	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Residential	110.1	112.2	-1.9	227.3	225.1	1.0
Commercial	10.7	9.7	10.3	21.5	19.5	10.3
Industrial	3.3	3.6	-8.3	6.9	7.0	-1.4
Public Utility	1.1	0.9	22.2	2.2	1.8	22.2
Public Administration	4.8	3.6	33.3	9.1	7.0	30.0
<b>Total</b>	<b>130.0</b>	<b>130.0</b>	<b>0.0</b>	<b>267.0</b>	<b>260.4</b>	<b>2.5</b>

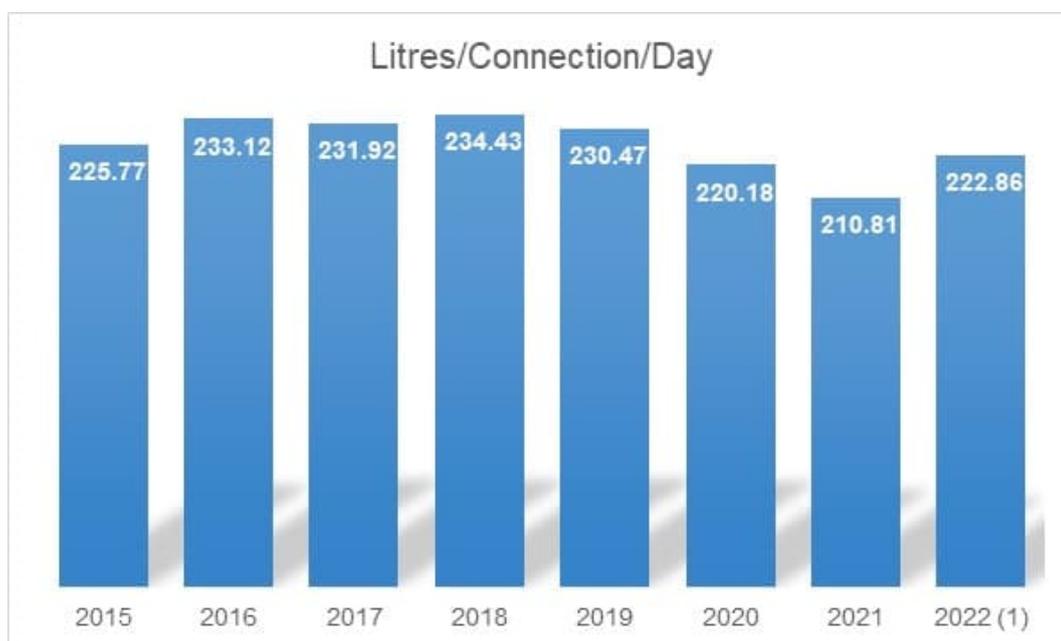
\* Information not audited or not reviewed by independent auditors.

The volume of sewage billed in 2Q22 increased by 1.9% when compared to 2Q21, as shown below:

Billed Sewage Volume - millions of m <sup>3</sup> *	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Residential	85.3	85.7	-0.5	174.7	171.2	2.0
Commercial	9.9	8.7	13.8	19.8	17.5	13.1
Industrial	0.9	0.8	12.5	1.7	1.6	6.2
Public Utility	0.9	0.8	12.5	1.8	1.6	12.5
Public Administration	3.7	2.8	32.1	7.0	5.4	29.6
<b>Total</b>	<b>100.7</b>	<b>98.8</b>	<b>1.9</b>	<b>205.0</b>	<b>197.3</b>	<b>3.9</b>

\* Information not audited or not reviewed by independent auditors.

### DEMONSTRATIVE OF THE LOSS BY CONNECTION\*



\* Information not audited or not reviewed by independent auditors.

(1) Accumulated values from January to June 2022.



Water*	2Q22 (1)	2Q21 (2)	Var. (1/2)	2Q20 (3)	Var. % (2/3)
Units served by the distribution network	4,204,837	4,127,856	1.9 %	4,037,310	2.2 %
Number of treatment stations	168	168	0.0 %	165	1.8 %
Number of wells	1,171	1,261	-7.1 %	1,142	10.4 %
Number of surface catchment	237	234	1.3 %	232	0.9 %
Km of laid network	59,569	58,407	2.0 %	56,056	4.2 %
Volume produced (m <sup>3</sup> )	391,016,158	375,619,722	4.1 %	390,017,332	-3.7 %
Losses in billings - %	31.71	30.67	1.04 p.p.	31.90	-1.23 p.p.
Evasion of revenues - % (default)	4.89	3.65	1.24 p.p.	3.69	-0.04 p.p.

\* Information not audited or not reviewed by independent auditors.

Sewage*	2Q22 (1)	2Q21 (2)	Var. (1/2)	2Q20 (3)	Var. % (3)
Units served by the collection network	3,248,364	3,165,405	2.6 %	3,058,663	3.5 %
Number of treatment stations	261	258	1.2 %	251	2.8 %
Km of laid network	40,083	39,221	2.2 %	37,609	4.3 %
Volume collected in m <sup>3</sup>	194,037,324	187,103,523	3.7 %	191,396,902	-2.2 %

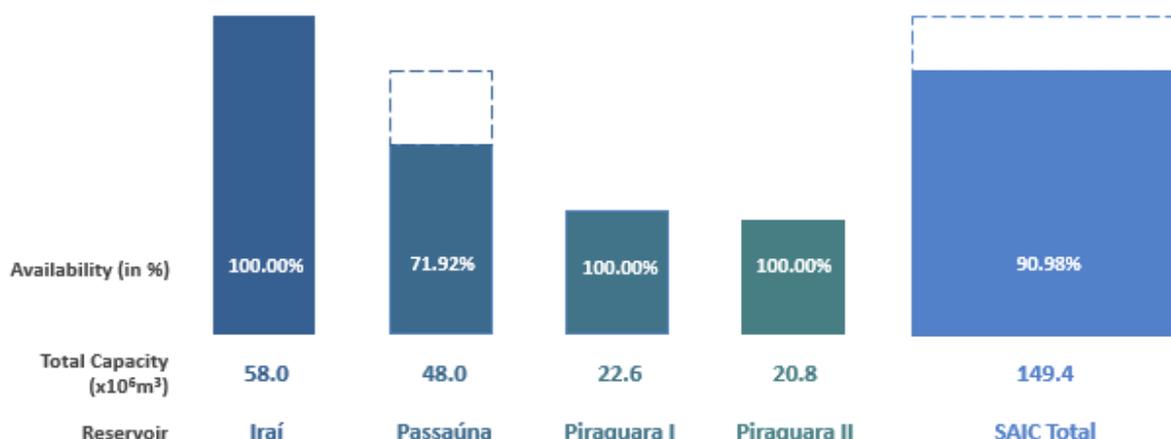
\* Information not audited or not reviewed by independent auditors.

## AVAILABLE VOLUMES

The average volume available of the Integrated Supply System of Curitiba (SAIC) is formed by the dams Piraquara I, Piraquara II, Iraí and Passaúna.

In the Municipality of Foz do Iguaçu, Sanepar uses water from the dam of the hydroelectric power plant Itaipu Binacional, of Itaipu lake, in Paraná River.

The dams of Sanepar are considered of medium size in relation to storage volume, but large due to height/depth of more than 15 meters. As of June 30, 2022, the average reserve volume was 91.0% (54.9% on 06/30/2021).



\* Information not audited or not reviewed by independent auditors.



**2. FINANCIAL DATA**
**2.1 ECONOMIC PERFORMANCE**

Gross Operating Revenue - In million of Reais	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Revenues from water	886.5	833.9	6.3	1,806.5	1,640.0	10.2
Revenues from sewage	530.1	488.8	8.4	1,076.7	957.8	12.4
Revenues from services	27.9	27.4	1.8	56.1	54.2	3.5
Revenues from solid waste	3.3	3.0	10.0	6.4	6.0	6.7
Services provided to Municipalities	5.4	5.2	3.8	10.7	10.3	3.9
Donations made by clients	7.3	11.1	-34.2	14.7	18.3	-19.7
Other revenues	1.2	1.2	0.0	2.6	2.5	4.0
<b>Total Operating Revenue</b>	<b>1,461.7</b>	<b>1,370.6</b>	<b>6.6</b>	<b>2,973.7</b>	<b>2,689.1</b>	<b>10.6</b>
COFINS	-84.4	-79.9	5.6	-170.9	-155.5	9.9
PASEP	-18.1	-17.3	4.6	-36.8	-33.7	9.2
<b>Total of Deductions</b>	<b>-102.5</b>	<b>-97.2</b>	<b>5.5</b>	<b>-207.7</b>	<b>-189.2</b>	<b>9.8</b>
<b>Total of Operating Revenue - Net</b>	<b>1,359.2</b>	<b>1,273.4</b>	<b>6.7</b>	<b>2,766.0</b>	<b>2,499.9</b>	<b>10.6</b>

Net operating revenue increased by 6.7%, going from R\$1,273.4 million in 2Q21 to R\$1,359.2 million in 2Q22, this increase is due to: (i) tariff review of 5.77% as of May 17, 2021; (ii) 4.96% tariff adjustment as of May 17, 2022; (iii) growth in billed water and sewage volumes; and (iv) the increase in the number of connections.

Operating costs and expenses In millions of Reais	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Personnel	-321.3	-278.4	15.4	-603.1	-535.4	12.6
Materials	-75.1	-54.6	37.5	-139.4	-108.1	29.0
Electricity	-150.2	-119.5	25.7	-322.0	-241.0	33.6
Third-party services	-164.4	-164.9	-0.3	-339.6	-322.6	5.3
Depreciation and amortization	-106.3	-97.6	8.9	-211.7	-192.0	10.3
Losses in Realization of Credits	-58.5	-25.8	126.7	-109.7	-43.4	152.8
Municipal Sanitation and Environmental Fund	-65.8	-17.1	284.8	-84.5	-32.5	160.0
Regulatory fee	-6.9	-6.5	6.2	-13.9	-12.9	7.8
Indemnifications for damages to third parties	-1.6	-2.8	-42.9	-2.8	-4.6	-39.1
Capitalized expenses	31.3	30.6	2.3	60.4	52.2	15.7
Provision for contingencies	-45.4	-1.4	3,142.9	-56.7	-49.1	15.5
Pension plan and medical insurance	-20.1	-14.7	36.7	-40.3	-29.4	37.1
Profit sharing program	-15.9	-23.4	-32.1	-35.8	-40.8	-12.3
Write-off of assets, net	-4.4	-1.4	214.3	-5.5	-1.7	223.5
Other costs and expenses	-18.0	-11.6	55.2	-34.5	-26.0	32.7
<b>Total</b>	<b>-1,022.6</b>	<b>-789.1</b>	<b>29.6</b>	<b>-1,939.1</b>	<b>-1,587.3</b>	<b>22.2</b>

Operating costs and expenses in the 2Q22 increased 29.6% compared to the 2Q21.



The main changes resulted from:

### **Personnel**

Growth of 15.4%, due to: (i) 10.8% salary adjustment (INPC) on labor and benefits related to the Collective Bargaining Agreement - ACT 2022/2024 (base date March 2022); (ii) Readjustment of 6.22% referring to the Collective Bargaining Agreement - ACT 2020/2022 (base date March 2021); (iii) Labor indemnities of R\$15,532; and (iv) provision for the indemnity allowance of R\$16,709, recognized in 2Q22.

### **Materials**

Increase of 37.5%, mainly in system operation material, cleaning and hygiene material, treatment material, material for cuts and reconnections, vehicle maintenance material, and fuels and lubricants.

### **Electricity**

Increase of 25.7% due to the 3% reduction in the subsidy applied to consumer units that benefited from the sanitation discount, from 9% to 6%, due to the 52% increase in the amount charged in the banner ruler, in addition to the average tariff reflex of 9.89% applied as of 06/24/2021.

### **Third Party Services**

Reduction of 0.3% mainly in system operation and maintenance services, professional technicians, data processing services, collection services, and solid waste treatment and disposal services.

### **Depreciation and amortization**

Increase of 8.9%, mainly due to the entry into operation of intangible assets and/or fixed assets, in the period of July 2021 to June 2022, of R\$928,1 million (net of write-offs).

### **Losses on Credit Realization**

Increase of 126.7%, mainly due to the effect of default of accounts receivable from private customers overdue for more than 180 days.

### **Municipal Sanitation and Environmental Management Fund**

Growth of 284.8%, due to the accounting recognition of R\$41.5 million approved on the occasion of the formalization of the Contractual Update Terms with the Microregions of Public Water and Sanitary Services in the State of Paraná.

### **Provisions for Contingencies**

Increase of 3,142.9%, mainly due to the provisioning as probable loss of a Civil Action of R\$ 24.9 million, referring to the questioning about the minimum residential consumption tariff, filed by 61 condominiums located in the municipalities of Matinhos and Guaratuba, and the recognition of a supplementary provision for 166 labor claims in the total of R\$41 million, mainly as a result of court rulings and expert calculations, offset by the write-off of 178 labor claims in the amount of R\$21.6 million.



**2.2 ECONOMIC INDICATORS**

Financial income (loss) - in million of Reais	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
<b>Financial revenues</b>						
Financial investments	47.0	10.8	335.2	81.3	15.5	424.5
Monetary variation gains	19.6	8.1	142.0	35.8	13.2	171.2
Exchange rate variation	0.3	1.4	-78.6	2.5	1.4	78.6
Gain on Derivative Financial Instruments	1.0	-	-	1.0	0.5	100.0
Other financial revenues	8.6	4.8	79.2	14.8	10.1	46.5
<b>Total financial revenues</b>	<b>76.5</b>	<b>25.1</b>	<b>204.8</b>	<b>135.4</b>	<b>40.7</b>	<b>232.7</b>
<b>Financial expenses</b>						
Interest and fees on loans, financing, debentures and leases	-93.5	-62.9	48.6	-174.2	-117.1	48.8
Monetary variation losses	-44.2	-20.0	121.0	-74.7	-35.9	108.1
Exchange rate variation	-1.2	-	-	-1.2	-0.5	140.0
Loss on Derivative Financial Instruments	-0.7	-1.4	-50.0	-3.1	-1.4	121.4
Other financial expenses	-0.6	-0.8	-25.0	-1.2	-1.1	9.1
<b>Total financial expenses</b>	<b>-140.2</b>	<b>-85.1</b>	<b>64.7</b>	<b>-254.4</b>	<b>-156.0</b>	<b>63.1</b>
<b>Financial income (loss), net</b>	<b>-63.7</b>	<b>-60.0</b>	<b>6.2</b>	<b>-119.0</b>	<b>-115.3</b>	<b>3.2</b>

The financial result increased by 6.2%, going from –R\$60.0 million in 2Q21 to –R\$63.7 million in 2Q22. Financial Expenses increased 64.7%, mainly in expenses with interest and fees on loans, financing, debentures, and leases, from R\$62.9 million in 2Q21 to R\$93.5 million in 2Q22, and in monetary variations on loans and financing, going from R\$20.0 million in 2Q21 to R\$44.2 million in 2Q22, as a result of the increase in the calculation basis of financial charges due to the raising of third-party funds, as well as the indexes of monetary correction of debts, mainly due to the increase in CDI and IPCA compared to the same period in 2021. On the other hand, Financial Income grew 204.8%, going from R\$25.1 million in 2Q21 to R\$76.5 million in 2Q22, mainly due to the change in the SELIC rate and the increase in the Company's Cash and Cash Equivalents (amounts applied).

Resultado Economic Result - R\$ million	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
<b>Operating income</b>	<b>336.6</b>	<b>484.3</b>	<b>-30.5</b>	<b>826.9</b>	<b>912.6</b>	<b>-9.4</b>
Financial income (loss)	-63.7	-60.0	6.2	-119.0	-115.3	3.2
Taxes on income	-39.1	-92.5	-57.7	-182.2	-219.0	-16.8
<b>Net income for the period</b>	<b>233.8</b>	<b>331.8</b>	<b>-29.5</b>	<b>525.7</b>	<b>578.3</b>	<b>-9.1</b>

The Company obtained a net income of R\$233.8 million in 2Q22, 29.5% below the net result of R\$331.8 million recorded in 2Q21. The result was mainly affected by the 6.7% growth in net operating revenue and mainly by the 29.6% increase in operating costs and expenses.



We present below the 2Q22 result reclassification excluding non-recurring items:

Non-recurrent items - In million of Reais *	2Q22	2Q21	6M22	6M21
<b>Net income</b>	<b>233.8</b>	<b>331.8</b>	<b>525.7</b>	<b>578.3</b>
Ductos Operation Provision	-	5.9	-	5.9
Municipal Sanitation and Environmental Management Fund	41.5	-	41.5	-
Civil Contingency Provision - Matinhos and Guaratuba Condominiums	24.9	-	24.9	-
Tax effects	-22.6	-2.0	-22.6	-2.0
<b>Net income adjusted to non-recurring items</b>	<b>277.6</b>	<b>335.7</b>	<b>569.5</b>	<b>582.2</b>
% Net margin of non-recurrent items	20.4	26.5	20.6	23.4
Non-recurrent items adjusted EBITDA	509.3	587.8	1,105.0	1,110.5
% EBITDA margin adjusted with non-recurrent items	37.5	46.2	39.9	44.4

\* Information not audited or not reviewed by independent auditors.

Distribution of the Economic Wealth Generated - In million of Reais	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Staff remuneration	290.2	262.2	10.7	550.9	497.3	10.8
Government Compensation (Taxes)	191.2	232.9	-17.9	485.8	494.6	-1.8
Third-party compensation (Rents)	1.1	1.0	10.0	3.5	2.7	29.6
Return on debt capital (interest and monetary variations)	140.3	85.1	64.9	254.5	156.0	63.1
Interest on Equity and Dividends	154.2	151.1	2.1	154.2	151.1	2.1
Net income for the period not distributed	79.4	180.7	-56.1	371.4	427.2	-13.1
<b>Total Economic Wealth</b>	<b>856.4</b>	<b>913.0</b>	<b>-6.2</b>	<b>1,820.3</b>	<b>1,728.9</b>	<b>5.3</b>

SANEPAR's growth and development strategy, to operate in a public services market, also open to the private sector, is based on the search for effective results, commitment to the quality of services provided, and mainly meeting the needs of the granting authority and shareholders.

The figures below display the economic and financial results that the Company has been achieving to support investment programs, providing adequate conditions to meet future demand.

Economic Indicators - In million of Reais	2T22 (1)	2T21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Net operating revenue	1,359.2	1,273.4	6,7 %	2,766.0	2,499.9	10,6 %
Operating profit	336.5	484.3	-30.5 %	826.9	912.6	-9.4 %
Net income	233.8	331.8	-29.5 %	525.7	578.3	-9.1 %
% Operating margin	18.7	31.0	-12.3 p.p.	23.8	29.6	-5.8 p.p.
% Net margin	17.2	26.1	-8.9 p.p.	19.0	23.1	-4.1 p.p.
% Return on average shareholders' equity	2.9	4.6	-1.7 p.p.	6.6	8.1	-1.5 p.p.
Net debt/ EBITDA (Accumulated 12 month) *	1.6	1.5	0.1 p.p.	1.6	1.5	0.1 p.p.

\* Information not audited or not reviewed by independent auditors.

At the end of 2Q22, the Company's total assets reached R\$15,658.4 million (R\$14,640.6 million on 12/31/2021), while total debt at the end of 2Q22 was R\$7,524.5 million (R\$6,814.3 million on 12/31/2021).



Of the total debt, R\$4,829.4 million (R\$4,120.6 million on 12/31/2021) refer to loans, financing, debentures and leases, an increase of 17.2% compared to the end of the year of 2021.

	Reference	JUN/22	DEC/21	Var.
Equity	R\$ Million	8,133.9	7,826.3	3.9 %
Share value	R\$	5.38	5.18	3.9 %
Indebtedness level *	%	48.1	46.5	1.6 p.p.
Current ratio *	R\$	1.71	1.48	15.5 %
Quick ratio *	R\$	1.66	1.44	15.3 %

\* Information not audited or not reviewed by independent auditors.

### EBITDA and Generation of Operating Cash

EBITDA in 2Q22, which represents the Company's operating result, was R\$442.9 million, against R\$581.9 million in 2Q21. The EBITDA margin went from 45.7% to 32.6%, affected by the growth in operating costs and expenses.

Operating cash generation in 2Q22 was R\$ 425.2 million, a decrease of 4.1% when compared to 2Q21. The Conversion of EBITDA into Operating Cash was 96.0%.

EBITDA - R\$ million *	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Net income for the period	233.8	331.8	-29.5	525.7	578.3	-9.1
(+) Taxes on income	39.1	92.5	-57.7	182.2	219.0	-16.8
(+) Financial income (loss)	63.7	60.0	6.2	119.0	115.3	3.2
(+) Depreciation e Amortization	106.3	97.6	8.9	211.7	192.0	10.3
<b>EBITDA</b>	<b>442.9</b>	<b>581.9</b>	<b>-23.9</b>	<b>1,038.6</b>	<b>1,104.6</b>	<b>-6.0</b>
% Margem EBITDA	32.6	45.7	-13.1 p.p.	37.5	44.2	-6.7 p.p.
% Conversão de EBITDA em Caixa	96.0	70.2	25.8 p.p.	87.8	68.1	19.7 p.p.

\* Information not audited or not reviewed by independent auditors

### 2.3 INVESTMENTS

The investments made in 2Q22 amounted to R\$411.2 million (R\$293.4 million in 2Q21), as stated below:

Investments - R\$ million	2Q22 (1)	2Q21 (2)	Var. % (1/2)	6M22 (3)	6M21 (4)	Var. % (3/4)
Water	159.3	161.2	-1.2	319.6	275.6	16.0
Sewage	217.0	136.6	58.9	395.5	246.1	60.7
Other investments <sup>1</sup>	34.9	-4.4	893.2	48.6	30.6	58.8
<b>Total</b>	<b>411.2</b>	<b>293.4</b>	<b>40.1</b>	<b>763.7</b>	<b>552.3</b>	<b>38.3</b>

<sup>1</sup> In 2Q21, there was a negative variation in the Inventory for Constructions account due to the application of materials mainly in the execution of constructions in the transposition of the Capivari River to the Iraí Dam.



**2.4 INDEBTEDNESS**

Gross debt went from R\$4,120.6 million in December 2021 to R\$4,829.4 in June 2022, representing an increase of R\$708.8 million. Net debt went from R\$3,137.5 million in December 2021 to R\$3,596.2 million in June 2022.

The leverage ratio, measured by the “Net Debt / EBITDA (accumulated for 12 months)” was 1.6x in 2Q22 (1.5x in 2Q21).

The level of indebtedness was 48.1% at the end of 2Q22 (47.3% in 2Q21).

We present below the breakdown of loans, financing, debentures, and leases, with their respective interest rates, maturities, and debt balances as of June 30, 2022:

Indebtedness - R\$ million	Annual Interest Rate	Index	Contract termination	Debt balance	%
Caixa Econômica Federal	6.62% a 12.00%	TR	07/19/2042	1,441.9	29.9
Debentures 10th Issuance - Single Series	4.66%	IPCA	03/15/2027	420.3	8.7
Debentures 12th Issuance - 2nd Series	5.89%	IPCA	01/15/2032	315.3	6.5
Debentures 12th Issuance - 1st Series	DI + 1.08%	-	01/15/2027	308.9	6.4
Lease - Litoral	11.14%	IPC-FIPE	12/07/2036	291.4	6.0
BNDES - PAC2	TJPL + 1.67% e 2.05%	-	06/15/2029	289.1	6.0
Debentures 11th Issuance - 2nd Series	4.25%	IPCA	03/15/2029	236.1	4.9
Debentures 9th Issuance - 1st Series	106.05% do DI	-	06/11/2024	200.3	4.1
Debentures 11th Issuance - 3rd Series	4.49%	IPCA	03/17/2031	183.3	3.8
Debentures 8th Issuance - 2nd Series	108.00% do DI	-	06/21/2023	155.5	3.2
Debentures 9th Issuance - 2nd Series	107.25% do DI	-	06/11/2026	151.7	3.2
Debentures 11th Issuance - 1st Series	DI + 1.65%	-	03/16/2026	132.7	2.7
Debentures 4th Issuance - 1st Series	TJLP + 1.67%	-	07/15/2027	121.9	2.5
Right of Use Lease	4.97%	-	06/30/2027	107.1	2.2
Debentures 4th Issuance - 2nd Series	7.44%	IPCA	07/15/2027	81.5	1.7
Debentures 2nd Issuance - 2nd Series	9.19%	IPCA	09/15/2024	73.7	1.5
Debentures 7th Issuance - 2nd Series *	4.79%	IPCA	11/15/2038	71.5	1.5
BNDES - AVANÇAR	3.58% e 5.95%	IPCA	12/15/2041	48.2	1.0
Debentures 7th Issuance - 1st Series *	5.20%	IPCA	11/15/2038	43.8	0.9
Debentures 7th Issuance - 4th Series	6.57%	IPCA	11/15/2038	37.2	0.8
Debentures 2nd Issuance - 3rd Series	TJLP + 1.92%	-	09/15/2024	36.9	0.8
Debentures 2nd Issuance - 1st Series	TJLP + 1.92%	-	09/15/2024	27.6	0.6
Debentures 7th Issuance - 3rd Series	6.97%	IPCA	11/15/2038	23.1	0.5
KFW Bank	1.35%	EURO	12/30/2032	15.6	0.3
Banco Itaú PSI	3.0% a 6.0%	-	01/15/2025	6.3	0.1
BNDES	TJLP + 1.82%	-	01/15/2023	4.5	0.1
Banco do Brasil - PSI	3.0% a 6.0%	-	04/15/2024	4.0	0.1
<b>Total</b>				<b>4,829.4</b>	<b>100.0</b>

\* IPCA as a variable component of the TLP



We present below the debt profile in relation to the maturity schedule:

Description - R\$ million	Debt balance	%
Up to 12 months	533.2	11.0
From 13 to 24 months	472.1	9.8
From 25 to 36 months	332.7	6.9
From 37 to 60 months	1,335.0	27.6
Over 60 months	2,156.4	44.7
<b>Total</b>	<b>4,829.4</b>	<b>100.0</b>

### 3. REGULATIONS

#### Portion F - Portion A variation account (CVA)

The Compensation for Variation of Items in Portion “A” (CVA) account corresponds to the compensation of the sum of monthly differences, positive or negative, calculated based on variations in the costs of electricity, chemical products, and sector charges, adjusted by the IPCA.

CVA is determined from the historical cost verified in period t-1 for the three aforementioned components and is passed on throughout adjustment in period t.

The calculation of the tariff adjustment of Parcel A assumes that in the following period there will be the same volume (m<sup>3</sup>) verified in the base year of the calculation and at the end of period t the CVA balance would be zero.

Therefore, the basic formulation of the tariff adjustment does not guarantee the perfect pass-through of unmanageable costs to the consumer, since it does not consider, for example, the difference between the reference market and the application market (m<sup>3</sup> billed).

Until June 2022, the Company's CVA, calculated in a managerial manner, presented a positive balance of R\$ 128.9 million, which Sanepar should recover, via tariff.

The Company is disclosing the Adjusted EBITDA with non-manageable items as a metric to analyze the impacts of offsetting items in portion “A” (electricity, treatment material, fees, and charges) of the tariff model.

Adjusted EBITDA with non-manageable items is a non-accounting measurement and should not be isolated considered as an operational indicator or cash flow or to measure the Company's liquidity or debt capacity.



Below we present the calculation of Adjusted EBITDA based on EBITDA, which follows ICVM 527/12, considering the estimated values of non-manageable items, accumulated up to June 30, 2022:

EBITDA - R\$ million *	6M22
<b>EBITDA</b>	<b>1,038.6</b>
<b>(+) Non-manageable items</b>	<b>128.9</b>
Electrical energy	72.3
Treatment material	17.4
Fee and charges	39.2
<b>(=) EBITDA adjusted by non-manageable items</b>	<b>1,167.5</b>
% EBITDA Margin with non-manageable items	42.2%

\* Information not audited or not reviewed by the independent auditors

### 1st Phase of the 2nd RTP

On 01/04/2021, AGEPAR promoted the opening of Public Consultation No. 001/2021, referring to the 1st phase of the 2nd RTP - Periodic Tariff Review and submitted 09 (nine) Technical Notes for contributions until 02/17/2021. On 03/31/2021, the Agency held Public Hearing No. 001/2021, to discuss the Technical Notes already updated after the contributions of the Public Consultation. On 04/14/2021, the Board of Directors of AGEPAR, at the Extraordinary Meeting No. 012/2021, decided to approve the new tariff repositioning of 5.7701%, as a result of the 1st phase of the 2nd RTP. The repositioned tariff came into force 30 days after its approval, with application from May 17, 2021 (base date).

### Deferral of the 1st RTP

Also, in the 1st phase of the 2nd RTP, AGEPAR updated the calculation rule concerning the amortization of the deferral portion arising from the 1st RTP. In the defined calculation, the deferral debit balance was estimated from the balance calculated from the differences between the Required Revenue and the Verified Revenue projected until May/2021 and resulted in the amount of R\$ 1.709 billion, this amount was integrated into the tariff through a compensation portion over the tariff cycle (2021 – 2024) of R\$0.459 per m<sup>3</sup>, calculated from the equality of a cash flow discounted by the regulatory WACC. It should be noted that the amount will be reprojected each year to cover fluctuations in the Selic rate (deferral correction rate).

The deferral arises from the 1st RTP of Sanepar, when the Company was authorized by the Regulatory Agency for Delegated Public Services of Paraná (AGEPAR), through Ratifying Resolution No. 003, of April 12, 2017, to apply the tariff repositioning of 25.63% as of April 17, 2017, as provided for in article 3:



*"Art. 3 - Define that the application of the tariff review approved according to article 2 of this Resolution will be deferred in 8 (eight) years, and the first installment will correspond, in the year of 2017, to an average repositioning of 8.53% (eight point fifty and three percent), and the remainder in 7 (seven) installments of 2.11% (two point eleven percent), plus the corresponding financial correction and economic correction, which will be applied by the weighted average rate of daily financing calculated in the Special Settlement and Custody System (SELIC), under the terms defined in the Technical Note approved in article 1 of this Resolution".*

Concerning 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 under Brazilian and International Accounting Standards, the Company does not record in the Financial Statements the amounts receivable arising 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 billing of water and sewage services; (ii) it is not practicable to know, at the time the right to receive arises, who are the debtors of these amounts; and (iii) the effective receipt of these amounts will only occur with the maintenance of the concessions.

## **2<sup>nd</sup> phase of the 2st RTP (in progress)**

The 2nd phase of the 2nd RTP is in progress, according to AGEPAR Resolution nº 007 of 03/29/2022, which addresses the following topics: (i) approval of the work schedule of the 2nd Phase of the 2nd RTP of Sanepar, whose conclusion is scheduled for April 2023; (ii) adjustment of the current tariffs for Sanepar's water and sewage services, on the base date of May 17, 2022; (iii) establishment of the inclusion of eventual compensations necessary to maintain the current base date, of May 17, in the tariff resulting from the 2nd phase 2nd RTP of Sanepar.

On 05/02/2022, Sanepar's Executive Board approved the process of hiring the company that will perform the service of surveying the Regulatory Asset Base for the 2nd phase of the 2nd RTP, and on 05/09/2022 the service order, effectively starting the work. The contracted service comprises the survey, evaluation, and reconciliation of the incremental base and the movement of the 1st RTP's asset base. The winning company in the bidding process is SETAPE Serviços Técnicos de Avaliação do Patrimônio e Engenharia Ltda.

On 06/28/2022, the Board of Directors of AGEPAR decided, at the Ordinary Meeting No. 21/2022, to open Public Consultation No. 003/2022, aimed at obtaining contributions, suggestions, proposals, criticisms, and other relevant manifestations, from any interested parties, regarding the topics related to the 2nd RTP presented in the Technical Notes numbers: 1/2022 – X Factor Methodology – Sharing of productivity gains; 3/2022 - Q Factor Methodology: Quality Factor; 4/2022 - Losses of Treated Water and 5/2022 - Risk Matrix. The Agency emphasizes that other topics may also be accepted, as long as they are related to the object of the public consultation. The period of Public Consultation nº 003/2022 is from 07/01/2022 to 07/30/2022 and is available on the AGEPAR website.



## 2022 Tariff Adjustment

Considering the need to maintain the purchasing power of the tariff and the maintenance of the base date for the tariff readjustment in May/2022, on 02/23/2022 the Company approved the forwarding of the tariff readjustment proposal for the year 2022 to AGEPAR.

On 04/13/2022, at the Extraordinary Meeting No. 013/2022, the Board of Directors of AGEPAR decided to partially apply the readjustment request, with the readjustment index to be applied in 2022 being 4.963%, resulting from the update of Parcel A (unmanageable costs), Portion F (CVA 2021) and Portion of Offsets, arising from the 1st phase of the 2nd RTP, with the update of Portion B being suspended until the end of the RTP procedure. The Agency indicated that the difference between the approved value and the applied value must be compensated in the Compensation Installment at the end of the 2nd stage of the 2nd RTP.

## 4. ESG AGENDA - ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Committed to delivering the best sanitation solution and ensuring better health and quality of life for all people from Paraná, the Company has been working on consolidating its ESG agenda. The ESG Strategic Committee, formalized in 2021, must approve, still, in 2022, Sanepar's ESG Plan, which will guide corporate actions in the fulfillment of defined goals to achieve sustainable development. On May 27, 2022, the Sanepar 2021 Sustainability Report was published, in which the Company's main ESG actions are reported, following the Global Reporting Initiative (GRI) and International Integrated Reporting Council (IIRC) framework.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 1. 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 studies, projects and construction work of new facilities, expansion of water distribution and collection and treatment of sewage 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 basic purposes.

On July 28, 2020, Law No. 20,266 / 2020 was sanctioned, which amended Article 1 of Law No. 4,684 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 destination 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 participate, majority or minority, in consortia, investment funds or companies with public and private companies. The operation of these businesses may be directly or through subsidiaries, through special purpose companies or other legal types of association approved by the General Shareholders' Meeting.

The Company, through municipal concessions, provides water treatment and distribution services and sewage collection and treatment. Contract renewals are valid for an average of 30 years. The current status of the 346 operated municipal concessions is presented below:

Concession / program contracts <sup>1</sup>	Number of Contracts <sup>1</sup>	Intangible assets + Contract assets + Financial assets <sup>1 2</sup>	% of Total Revenues <sup>1</sup>	% of EBITDA <sup>1</sup>
Overdue	14	397,247	4.0	3.4
Maturity in 2022	6	238,099	0.8	0.6
Maturity between 2023 and 2033	70	2,316,490	20.2	19.8
Maturity after 2033 <sup>3</sup>	256	8,360,732	75.0	76.2
<b>Total</b>	<b>346</b>	<b>11,312,568</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Information not audited or not reviewed by independent auditors.

<sup>2</sup> Book value.

<sup>3</sup> Includes the municipality of Maringá, whose amendment, that extended the concession, is currently being discussed in court.

Upon expiration of the concessions, the municipality must reimburse the Company for the values of the assets related to the concession. Additionally, the Company is discussing in court the validity of the amendment that extended the concession with the municipality of Maringá. The last procedural movement, in this case, refers to the distribution in the Federal Supreme Court (STF), to Minister Ricardo Lewandowski, of the Extraordinary Appeal with Agravo (ARE), under No. pending the analysis of the Motion for Clarification filed on 03/16/2022. Also, in the STF, on 04/20/2022, a conciliation hearing was held, with the support of the STF Mediation and Conciliation Center and participation of the Paraná State Public Ministry, in which Sanepar presented a proposal to the Municipality, and the hearing continued on 05/23/2022, with a new hearing being reassigned to 08/05/2022. As determined by the Court of Justice of the State of Paraná, the contract is not terminated until the Municipality pays the indemnity due to the Company.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

The Company is registered under CVM (Brazilian Securities and Exchange Commission) as a public company type A (issuers authorized to negotiate any securities) and has its shares negotiated in São Paulo's stock exchange ("B3 – Brasil, Bolsa, Balcão"), listed in Level 2 of Corporate Governance.

The Company has 40% interest in the Special Purpose Entity, organized as a closely held corporation, named "CS Bioenergia S/A", engaged in rendering services of proper final destination of solid and organic waste and of the sludge generated in the sewage stations, production of biogas and generation of energy, as mentioned in Note 12.

## 2. PRESENTATION OF THE FINANCIAL STATEMENTS

### 2.1. Statement of Compliance

The financial statements are presented in conformity with Laws CPC 21 (R1) - Interim Statement issued by CPC - Pronouncements Committee Accounting Statements and IAS 34 - Interim Financial Reporting, issued by IASB - International Accounting Standards Board, applicable to the preparation of the Quarterly - ITR, and presented in a manner consistent with the rules and procedures established by the Brazilian Securities Commission - CVM. Therefore, the Interim Financial Information is also in accordance with IFRS and shows all relevant information specific to the quarterly information, which is consistent with that used by Management in its management.

The Financial Information was authorized for disclosure by the Company's Management on August 04, 2022.

### 2.2. Change of accounting practice

Until 2021, the Company's accounting practice was to record expenses with "Municipal Sanitation and Environmental Management Funds" as "Commercial Expenses". These amounts derive from financial commitments assumed in the Program/Concession Agreements between the Company and the granting municipalities and represent a percentage value calculated on the Company's gross revenue in the respective municipalities.

As of 2022, the Company began to record expenses with "Municipal Sanitation and Environmental Management Funds" as Cost of Services Rendered, and no longer under Commercial Expenses. This classification did not affect the result for the period.

Therefore, as required by Technical Pronouncement CPC 23 - Accounting Policies, Changes in Estimates and Error Rectification, to preserve the comparability of accounting information and financial statements between periods/years, the Company reclassified the amounts of expenses with "Funds Municipal Sanitation and Environmental Management" presented in the Income Statement as of June 30, 2021, as shown below:



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

Descrição	Stated 2Q21	Adjustment	Reclassified 2Q21
Cost of Services Rendered	(499,378)	(17,073)	(516,451)
Commercial Expenses	(105,786)	17,073	(88,713)
<b>Impact on Statements of Income</b>	<b>-</b>	<b>-</b>	<b>-</b>

Descrição	Stated 6M21	Adjustment	Reclassified 6M21
Cost of Services Rendered	(980,155)	(32,520)	(1,012,675)
Commercial Expenses	(200,038)	32,520	(167,518)
<b>Impact on Statements of Income</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 2.3. Operational continuity

The Company's Management has carried out all its planning and actions aimed at the continuity of its business, thus evaluating that it is able to make available all resources for the continuity of its operations, including evaluating the impacts of COVID-19, according to Explanatory Note 31. Management is not aware of any material uncertainty that may raise doubts about the Company's going concern, so the Interim Financial Information was prepared considering this assumption.

### New Legal Framework for Sanitation

On July 15, 2020, Federal Law No. 14,026/2020 was published, which updated the legal framework for basic sanitation and adapted other rules to contemplate the updates proposed in the new legal text, increased competition in the sector, and imposed compliance targets of 99% of the population served with drinking water and 90% with sewage collection and treatment until December 31, 2033, encouraging operators to act more efficiently, and in case of non-compliance with the above term, the contracts may be considered irregular.

ANA is now empowered to create reference standards for the regulation of public basic sanitation services, and State and Municipal regulatory bodies will be able to adopt the national reference standards. The reference standards should address the following issues: i) quality and efficiency in the provision, maintenance, and operation of basic sanitation systems; ii) tariff regulation; iii) standardization of negotiation instruments for the provision of public services; iv) goals to standardize basic sanitation services; v) regulatory accounting criteria; vi) control of water loss; vii) methodology for calculating indemnities due on account of investments made; viii) governance of regulatory bodies; ix) reuse of treated effluents; x) determination of expiry in the provision of basic sanitation services; xi) norms and goals for replacing the unitary system with the absolute separator system for effluent treatment; xii) system for evaluating compliance with expansion and universalization goals; and xiii) the minimum content for the universal provision and the economic-financial sustainability of basic sanitation services.

The Law prohibits the formalization of new program contracts for the provision of public basic sanitation services.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

It provides for the States to establish regional provision structures meeting the criteria of the Metropolis Statute.

On May 31, 2021, Decree No. 10.710 regulated art. 10-B of Federal Law No. 11,445/2007, establishing the methodology for proving the economic-financial capacity of public service providers for drinking water supply or sanitary sewage.

On July 9, 2021, Complementary State Law No. 237 was enacted, establishing the micro-regions of public water supply and sanitary sewage services in the West, Center-East, and Center-Coast and their respective governance structures, covering all 399 municipalities in Paraná, of which the Company operates in 345 municipalities.

On October 1, 2021, State Decrees nº 8.924/2021, nº 8.925/2021, and nº 8.926/2021 were published, which implemented the provisory internal regulations of each of the micro-regions.

On March 30, 2022, the General Meetings of the Paraná Water and Sewage Microregions (MRAE-1, MRAE-2, and MRAE-3) approved the inclusion, in the contractual amendments to the Concession/Program Agreements, of the targets outlined in article 11-B of Federal Law No. 11.445/2007, assigned by Federal Law No. 14.026/2020.

The Company, in compliance with the obligations outlined in Federal Decree No. 10,710/2021, filed the proof of economic and financial capacity to meet the goals outlined in art. 11-B of Law No. 11,445/2007 on December 29, 2021, at the Paraná Regulatory Agency - AGEPAR and the Intermunicipal Sanitation Regulatory Agency - ARIS, and between December 29 and 30, 2021 at the National Water and Basic Sanitation – ANA.

On March 7, 2022, AGEPAR's Board of Directors, at its Extraordinary Meeting No. 07/2022, decided to: i) endorse Sanepar's approval in the first stage of the assessment of its financial-economic capacity; ii) attest, in the second stage, with reservations, to Sanepar's economic and financial capacity to serve 296 municipalities, including Porto União/SC; and iii) not attesting, in the second stage, Sanepar's economic and financial capacity to serve 35 municipalities, justified by the lack of sufficient contractual time for engineering activities. Given this, the Company filed on March 21, 2022, within the scope of AGEPAR an Administrative Appeal regarding the proof of Sanepar's economic and financial capacity to: i) withdraw the reservations in the proof of the municipalities certified by AGEPAR; and ii) include, through supplementary documentation, the evidence for the municipalities not previously certified.

On March 28, 2022, the Board of Directors of AGEPAR, at its Extraordinary Meeting No. 10/2022, resolved to: i) remove the reservations regarding the intermediate goals of non-intermittence, losses, and improvement of the quality of the provision of services exclusively as a requirement to obtain a certificate of economic and financial capacity; ii) reaffirm the inclusion of AGEPAR as a regulatory entity in the terms of the update and amendments; and iii) recognize as a formal error and rectify the original vote, including 21 municipalities and, thus, issue a certificate of economic and financial capacity to serve 310 municipalities.

On March 29, 2022, the Company filed a request for reconsideration with AGEPAR regarding the decision of the Board of Directors.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

On March 31, 2022, the Board of Directors of AGEPAR, at its Extraordinary Meeting No. 12/2022, decided not to accept the Request for Reconsideration filed by the Company regarding the Agency's decision not to attest to the proof of the Company's economic and financial capacity concerning 21 municipalities, which in the 2021 fiscal year represented 0.41% of the Company's Net Revenue, emphasizing the legality of said contracts until their final terms, as expressed by AGEPAR.

### 2.4. Measurement and Presentation Basis

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

### 2.5. Functional and Reporting Currency

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 ACCOUNT PRACTICES

The main accounting practices used in the preparation of the Interim Financial Information for the quarter ended on June 30, 2022, are consistent with the practices described in Note 3 of the Company's financial statements for the year ended December 31, 2021. Therefore, this interim financial information should be read along with the annual financial statements for the year ended on December 31, 2020, which were disclosed on February 24, 2022.

### New IFRS e IFRIC interpretations (IASB Financial Information Interpretation Committee)

In the quarter ended on June 30, 2022, no new standards, amendments, and interpretations of standards were issued. Additionally, the IASB issued/revised some IFRS standards, which are to be adopted for the year 2022 or after, and the Company is evaluating the impacts of the adoption of these standards on its Interim Financial Statements:

*Amendment to IAS 1 standards - Classification of liabilities as Current or Non-current:* Clarifies aspects to be considered for the classification of liabilities as Current Liabilities or Non-Current Liabilities. This amendment to the standard is effective for years beginning on or after 01/01/2023. The Company does not expect significant impacts on its Interim Interim Financial Statements.

*Amendment to IFRS 17 - Insurance contracts:* Clarifies aspects related to insurance contracts. This amendment to the standard is effective for years beginning on or after 01/01/2023. The Company does not expect impacts on its Interim Interim Financial Statements.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

### Amendment to IFRS 4 - Extension of temporary exemptions from the application of IFRS 9:

Clarifies aspects related to insurance contracts and the temporary exemption from the application of IFRS 9 to insurance companies. This amendment to the standard is effective for years beginning on or after 01/01/2023. The Company does not expect impacts on its Interim Financial Statements.

### Amendment to IAS 1 and Disclosure of accounting practices 2 – Disclosure of accounting

policies: Clarifies aspects to be considered in the disclosure of accounting policies. This rule change is effective for years beginning on or after 01/1/2023. The Company does not expect significant impacts on its Interim Financial Statements.

### Amendment to IAS 8 – Definition of accounting estimates:

Clarifies aspects to be considered when defining accounting estimates. This rule change is effective for years beginning on or after 01/1/2023. The Company does not expect significant impacts on its Interim Financial Statements.

### Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single

transaction: Clarifies aspects to be considered in the recognition of deferred tax assets and liabilities related to taxable temporary differences and deductible temporary differences. This rule change is effective for years beginning on or after 01/1/2023. The Company does not expect significant impacts on its Interim Financial Statements.

## 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 capturing, treating, and distributing water, collecting, and treating sewage for 345 municipal concessions operated in the State of Paraná and 1 in the State of Santa Catarina. The Company's results depend on the maintenance of concessions in the municipalities where it operates, usually, the concession contracts and program contracts have a term of 30 years. These contracts foresee meeting 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 some situations, the municipality may terminate the contract before its final term or not authorize its renewal upon compensation at the fair value of the balances of investments not yet depreciated/amortized. The process of readjustment and review of the tariff is approved by the Paraná's Regulatory Agency - AGEPAR.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

**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 accounting value as of June 30, 2022, and is stated in Notes 6, 9, and 20. The risks related to customers are mitigated by their composition, that includes a pulverized base that covers practically the entire population of the State of Paraná. Considering the type of business, Management does not carry out 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 date for the cut, except for the duration of State Law No. 20.187 of 2020 resulting from the coronavirus pandemic. The level of losses on the realization of accounts receivable is considered normal for the sanitation sector.

The practice of cutting the supply does not apply to public bodies, however, Management is intensifying efforts to reduce default levels with negotiations with debtor municipalities and if there is no agreement, the Company enters with a 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 loans and financing.

**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 loans, 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 loans held in reais varied around 25% and 50%, with all other variables held constant, the effect on pre-tax earnings would be R\$14,890 and R\$29,780 more or less, mainly as a result of income from financial investments and lower or higher interest expenses on financial investments and variable rate loans as described below:

Description	Index	+25%	-25%	+50%	-50%
Caixa FI Sanepar I Renda Fixa	DI	20,533	(20,533)	41,066	(41,066)
<b>Assets</b>		<b>20,533</b>	<b>(20,533)</b>	<b>41,066</b>	<b>(41,066)</b>
Caixa Econômica Federal	TR	(1,346)	1,346	(2,692)	2,692
Bank Credit Notes - CCB	DI	(489)	489	(978)	978
BNDES	TJLP	(50)	50	(100)	100
BNDES-PAC2	TJLP	(1,816)	1,816	(3,632)	3,632
BNDES-AVANÇAR	IPCA	(285)	285	(570)	570
Debentures - 2nd issuance - 1st and 3rd series	TJLP	(562)	562	(1,124)	1,124
Debentures - 2nd issuance - 2nd series	IPCA	(860)	860	(1,720)	1,720
Debentures - 4th issuance - 1st series	TJLP	(1,010)	1,010	(2,020)	2,020
Debentures - 4th issuance - 2nd series	IPCA	(1,068)	1,068	(2,136)	2,136
Debentures - 7th issuance - 1st to 4th series	IPCA	(2,269)	2,269	(4,538)	4,538
Debentures - 8th issuance - 2nd series	DI	(2,272)	2,272	(4,544)	4,544
Debentures - 9th issuance - 1st and 2nd series	DI	(5,047)	5,047	(10,094)	10,094
Debentures - 10th issuance - single series	IPCA	(5,262)	5,262	(10,524)	10,524
Debentures - 11th issuance - 1st series	DI	(1,822)	1,822	(3,644)	3,644
Debentures - 11th issuance - 2nd and 3rd series	IPCA	(5,276)	5,276	(10,552)	10,552
Debentures - 12th issuance - 1st series	DI	(2,152)	2,152	(4,304)	4,304
Debentures - 12th issuance - 2nd series	IPCA	(3,478)	3,478	(6,956)	6,956
Lease - Right of Use	DI	(359)	359	(718)	718
<b>Liabilities</b>		<b>(35,423)</b>	<b>35,423</b>	<b>(70,846)</b>	<b>70,846</b>
<b>Effects in income before taxation</b>		<b>(14,890)</b>	<b>14,890</b>	<b>(29,780)</b>	<b>29,780</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

The index considered for the 12-month period ended on June 30, 2022, were TR de 0.58% and the TJLP de 5.77% obtained from BACEN - Banco Central do Brasil, the IPCA at the rate of 11,89% obtained from IBGE – Instituto Brazilian Geography and Statistics, the DI at the rate of 8.69% obtained from B3 – Brasil, Bolsa e Balcão and the IPC at the rate of 11.69% 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 loan. According to data from the Central Bank of Brazil - BACEN, obtained from the Market Expectations System, the probable scenario for the next quarter is a decrease of 2.556% in the dollar rate. This scenario uses the average exchange rate projected for September 2022, in relation to the PTAX rate informed for 06/30/2022.

Considering the notional amount of €2,979 thousand (R\$16,338 thousand), the value of the Euro quotation as R\$5.4842 for June 30, 2022 (Ptax – Central Bank) and considering the premise of maintaining the proportional value of U\$1.0470 for each euro, according to a dollar PTAX of R\$5.2380, we present below the exchange rate variation for 25% e 50% for appreciation and depreciation concerning the exposure:

Effects on results	Probable	+25%	-25%	+50%	-50%
Euro's variation risk (decrease of 2.556%)	418	(4,085)	4,085	(8,170)	8,170

**Liquidity risk:** Liquidity risk consists of the eventuality that the Company does not have sufficient funds to meet its commitments due to the different currencies and terms of realization/settlement of its rights and obligations. The Company structures the maturities of non-derivative financial contracts, as shown in Note 14, so as not to affect their liquidity. The management of liquidity and cash flow is carried out daily by the Company's management areas, to ensure that operating cash generation and prior fundraising, when necessary, are sufficient to maintain its schedule of commitments, reducing liquidity risks. Additionally, the Company has a dividend policy and treasury and market risk management.

**Derivative Financial Instruments:** Under the Company's Risk, Treasury, and Market Management Policy, to mitigate the risks related to foreign exchange exposure, 3 financial institutions were hired to carry out non-speculative hedge operations upon receipt of funds arising from the loan from Banco KfW, through the exchange (Swap) of the variation of the debt in Euros + 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, presented in the financial result. The debt of this loan is shown in Note 14.

On June 30, 2022, the Company has swap contracts (Euro + Interest x CDI) as shown below:

### Financial Instruments - Swap Contract

Operation	Agent	Start date of the operation	Maturity of the operation	Notional Value EUR	Fair Value of the Asset Position	Fair Value of the Liability Position	Gain (Loss) with Derivative Instruments - Swap
1	Itaú BBA	08/09/2019	12/26/2022	6	33	26	7
2	Itaú BBA	09/04/2019	12/26/2022	64	353	295	58
3	Itaú BBA	10/04/2019	12/26/2022	12	65	53	12
4	Itaú BBA	11/13/2019	12/26/2022	368	2,018	1,693	325
5	Itaú BBA	06/05/2020	12/26/2022	632	3,466	3,651	(185)
6	Itaú BBA	12/15/2020	12/26/2022	404	2,213	2,479	(266)
7	Banco Bradesco	05/26/2021	12/26/2022	327	1,793	2,131	(338)
8	Itaú BBA	11/05/2021	12/26/2022	198	1,088	1,279	(191)
9	Banco Bradesco	06/01/2022	12/26/2022	370	2,025	1,889	136
10	Banco Bradesco	06/01/2022	06/26/2023	598	3,278	3,058	220
<b>TOTAL</b>				<b>2,979</b>	<b>16,332</b>	<b>16,554</b>	<b>(222)</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 4.2. Capital risk management

The purpose of the capital management of the Company is to guarantee a strong credit rating to financial institutions and an optimal capital ratio in order to support business and maximize values to the shareholders. The Company manages its capital structure by means of adjustments and adequacy to current economic conditions. With this objective, the company can make payments of dividends, enter new loans, issue promissory notes and contract operations with derivatives. For the period ended on June 30, 2022, there was no change in the objectives, policies or capital structure processes.

In order to preserve its liquidity and payment capability, the Company uses as leverage metrics on net debt/equity. For net debt effect purposes, loans, financing, debentures and lease, minus cash and cash equivalents:

Description	06/30/2022	12/31/2021
Loans, financing, debentures and lease	4,829,430	4,120,565
Cash and cash equivalents	(1,233,229)	(983,127)
Net debt *	3,596,201	3,137,438
Equity	8,133,906	7,826,342
Ratio Net Debt/Equity *	0.44	0.40

\* Information not audited or not reviewed by independent auditors

### 4.3. Financial Instruments

The financial instruments are recognized in the Company's Interim Financial Statements, as follows:

Description	06/30/2022	12/31/2021
<b>Assets</b>		
<b>Fair value measured through income</b>		
Financial investments	1,187,532	942,304
Financial instrument - Swap	16,332	12,716
Restricted deposits	84,968	73,357
<b>Amortized cost</b>		
Cash and banks	45,697	40,823
Trade accounts receivables, líquido	1,078,241	1,023,029
Contractual financial assets	645,946	603,014
Other accounts receivable	65,034	64,878
<b>Total</b>	<b>3,123,750</b>	<b>2,760,121</b>
<b>Liabilities</b>		
<b>Fair value measured through income</b>		
Financial instrument - Swap	16,554	11,606
<b>Amortized cost</b>		
Loans, financing, debentures and lease	4,829,430	4,120,565
Contractors and Suppliers	258,069	272,226
Other accounts payable	98,297	88,606
<b>Total</b>	<b>5,202,350</b>	<b>4,493,003</b>

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



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 5. CASH AND CASH EQUIVALENTS

These have the following composition:

Description	06/30/2022	12/31/2021
Unrestricted bank deposits	1,146	3,842
Restricted bank deposits	44,551	36,981
	45,697	40,823
Financial investments	1,187,532	942,304
<b>Total of cash and cash equivalents</b>	<b>1,233,229</b>	<b>983,127</b>

Financial investments are close to fair value and have short-term characteristics, high liquidity, and low risk of changes in value. They are made up 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 is composed mostly of federal government bonds, with an average yield of 99.77% of CDI (97.24% in 2021). The increase in the balance of Financial Investments is due to the funding of the 12th issuance of debentures for R\$600,000.

### 6. TRADE ACCOUNTS RECEIVABLE

a) The balances of trade accounts receivables break down per maturity as follows:

Description	06/30/2022	12/31/2021
Falling due accounts receivable	330,778	319,892
Accounts receivable from installment payments	131,174	129,639
Adjustment to Present Value	(20,754)	(17,211)
Accounts to be billed (Unbilled consumption)	228,436	241,906
	669,634	674,226
Overdue accounts receivable		
From 1 to 30 days	171,128	164,796
From 31 to 60 days	83,132	71,331
From 61 to 90 days	56,537	46,293
From 91 to 180 days	121,186	90,306
Over 180 days	476,593	366,825
Allowance for losses on doubtful accounts	(499,969)	(390,748)
	408,607	348,803
<b>Total accounts receivable, net</b>	<b>1,078,241</b>	<b>1,023,029</b>
<b>Current</b>	<b>1,028,188</b>	<b>971,478</b>
<b>Non-current</b>	<b>50,053</b>	<b>51,551</b>

We present below the breakdown of total overdue accounts receivable, net of the allowance for doubtful credits:

Description	Trade accounts receivable	Allowance for doubtful accounts	Adjustment to present value	06/30/2022	12/31/2021
Municipal administration	111,814	(50,731)	(16,886)	44,197	34,757
Private	1,473,053	(449,238)	(3,868)	1,019,947	976,308
Federal Entity	1,687	-	-	1,687	1,274
Government State	12,410	-	-	12,410	10,690
<b>Balance at the end of the period</b>	<b>1,598,964</b>	<b>(499,969)</b>	<b>(20,754)</b>	<b>1,078,241</b>	<b>1,023,029</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### b) Changes in the allowance for doubtful accounts were as follows:

Description	06/30/2022	12/31/2021
Balances at beginning of period	(390,748)	(286,954)
Amounts recorded as expenses	(109,714)	(103,830)
Write-offs, net of recoveries	493	36
<b>Balances at end of the period</b>	<b>(499,969)</b>	<b>(390,748)</b>

Increase in the balance of allowance for losses on the realization of credits arising from overdue accounts, mainly as a reflection of the default of accounts receivable from private customers, overdue for more than 180 days.

### c) The balance of the allowance for doubtful accounts breaks down as follows:

Description	06/30/2022	12/31/2021
Private customers	449,238	333,411
Municipal Administrations	50,731	57,337
<b>Totals</b>	<b>499,969</b>	<b>390,748</b>

### d) The balances of short- and long-term trade accounts receivable arising from installment payments have been discounted to present value. The changes in adjustment present value was as follows:

Description	06/30/2022	12/31/2021
Balances at beginning of year	(17,211)	(8,860)
Adjustment to Present Value	(3,543)	(8,351)
<b>Balances at end of period</b>	<b>(20,754)</b>	<b>(17,211)</b>

## 7. RECOVERABLE TAXES AND CONTRIBUTIONS

These have the following composition:

Description	06/30/2022	12/31/2021
Recoverable income tax	37,095	11,411
Recoverable social contribution	8,815	9
<b>Totals</b>	<b>45,910</b>	<b>11,420</b>
<b>Current</b>	<b>45,910</b>	<b>11,420</b>

## 8. RESTRICTED DEPOSITS

Restricted deposits breakdown as follows:



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

Description	06/30/2022	12/31/2021
Health National Foundation - FUNASA	3,353	4,438
Reserves kept in CAIXA (1)	68,313	58,982
Other agreements (2)	13,302	9,937
<b>Totals</b>	<b>84,968</b>	<b>73,357</b>
<b>Current</b>	<b>16,655</b>	<b>14,375</b>
<b>Noncurrent</b>	<b>68,313</b>	<b>58,982</b>

(1) Reserve accounts linked to financing contracts in amounts sufficient to meet contractual clauses.

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

## 9. OTHER ACCOUNTS RECEIVABLE

The composition is as follows:

Description	06/30/2022	12/31/2021
Advances to employees	17,345	13,439
Reimbursable payments	2,082	3,436
Guarantee deposits	1,639	1,760
Municipal Fund for the Environment (1)	44,191	45,130
Prepaid expenses	166	254
Securities and other credits	(389)	859
<b>Total</b>	<b>65,034</b>	<b>64,878</b>
<b>Current</b>	<b>21,945</b>	<b>20,851</b>
<b>Noncurrent</b>	<b>43,089</b>	<b>44,027</b>

(1) Anticipation of transfer to the Municipal Funds of the Environment, as provided in a program contract.

## 10. CONTRACTUAL FINANCIAL ASSETS

Changes in financial assets are as follows:

Description	12/31/2021	Additions	NPV Revenue	NPV Expense	06/30/2022
Unamortized Investments	1,609,292	79,932	-	-	1,689,224
Adjustment to Present Value	(1,006,278)	(49,775)	12,822	(47)	(1,043,278)
<b>Total</b>	<b>603,014</b>	<b>(a) 30,157</b>	<b>12,822</b>	<b>(47)</b>	<b>645,946</b>

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 Adjustment to Present Value for the period (note 13c).

The equivalent discount rate applied to calculate the present value adjustment was 4.1% (spread between the IPCA projected for the year and the WACC rate) and took into account Program Contracts with terms of 19 to 28 years.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 11. CONTRACT ASSETS

It has the following movement:

Description	12/31/2021	Additions	Capitalisation of interest	Write-off and Loss	Transfer to Intangible asset	Requisition for constructions	06/30/2022
Projects and Works in Progress	1,736,808	695,174	18,113	1,223	(281,193)	-	2,170,125
Inventories for Construction Work	132,935	37,183	-	-	-	(42,009)	128,109
<b>Totais</b>	<b>1,869,743</b>	<b>732,357</b>	<b>18,113</b>	<b>1,223</b>	<b>(281,193)</b>	<b>(42,009)</b>	<b>2,298,234</b>

Until the 2nd quarter of 2022, the amount of R\$732,357 (R\$492,245 in the same period of 2021) was recorded as projects and works in progress, resulting from: (i) expansion of the Water Supply System, mainly in the municipalities of Curitiba, Guarapuava, Laranjeiras do Sul, Telêmaco Borba, and Umuarama; (ii) Sewage Collection and Treatment mainly in the municipalities of Curitiba, Ibaiti, Ivaiporã, Londrina, and União da Vitória. Amounts referring to completed constructions for the expansion of the Water Supply and Sewage Collection and Treatment System were transferred to intangible assets, mainly in the municipalities of Curitiba, Paranavaí, Guarapuava, São José dos Pinhais, and Pato Branco.

Up to the quarter ended on June 30, 2022, interest and other financial charges were capitalized on the funds and loans that financed the Company's projects and constructions, for the amount of R\$18,298 (R\$10,777 in the same period in 2021). The average rate used to determine the amount of capitalized borrowing costs concerning total costs was 7.3%.

### 12. INVESTMENTS

The Company has the following investments:

Description	06/30/2022	12/31/2021
Investment in joint venture - CS Bioenergia S.A.	14,596	14,774
Impairment Test	(13,176)	(14,774)
Other investment	1,986	2,030
<b>Total</b>	<b>3,406</b>	<b>2,030</b>

#### Investment in joint venture – CS Bioenergia S.A.

The Company owns 40% of CS Bioenergia SA, a company located next to the ETE – Belém Sewage Treatment Station, whose purpose is the exploration and proper disposal of solid and organic waste and the sludge produced in the aforementioned ETE, in addition to the production of biogas and energy generation through the bio digestion process. CS Bioenergia S.A. partially started its operations in June 2017 and in 2019 it reached its operational stability and started the process of transferring electricity credits to Sanepar's consumer units. The financial contribution made by the Company comprises the amount of R\$36,104 recorded in its Capital Stock and R\$1,420 as an Advance for Future Capital Increase - AFAC.





# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### Other investments

The Company has investment quotas in FINAM (Amazon Investment Fund), classified as level I, resulting from the application of Income Tax Incentive of R\$2,201 and other investments over which do not have significant influence in the amount of R\$320, with no maturity date and that are not immediately convertible, which at fair value, considering the quotation on 06/30/2022, are equivalent to R\$1,986.

## 13. FIXED AND INTANGIBLE ASSETS

### a) Fixed assets

These have the following composition:

By Account			06/30/2022	12/31/2021
Description	Cost	Accumulated depreciation	Net amount	
Goods for Administrative Use	374,708	(154,791)	219,917	224,376
Other Fixed Assets	3,661	(2,482)	1,179	1,351
Right of Use Lease	156,372	(73,779)	82,593	86,952
<b>Total</b>	<b>534,741</b>	<b>(231,052)</b>	<b>303,689</b>	<b>312,679</b>

By Nature				06/30/2022	12/31/2021
Description	Annual depreciation rate	Cost	Accumulated depreciation	Net amount	
Plots of land	-	2,922	-	2,922	2,922
Civil construction	*1.84%	116,826	(22,479)	94,347	94,637
Improvements	*2%	2,661	(857)	1,804	1,784
Facilities	*5.83%	9,827	(3,912)	5,915	6,196
Equipments	*6.23%	96,274	(38,121)	58,153	58,989
Furniture and fixtures	*7.14%	52,810	(24,141)	28,669	28,962
IT equipments	*19.82%	42,407	(27,640)	14,767	15,656
Vehicles	*13.05%	28,277	(18,415)	9,862	11,073
Machinery, tractors and similar	*19.35%	24,547	(21,046)	3,501	4,050
Tools	*6.67%	1,637	(662)	975	966
Patrimonial assets to be incorporated	-	181	-	181	492
Right of Use Lease	*29.82%	156,372	(73,779)	82,593	86,952
<b>Total</b>		<b>534,741</b>	<b>(231,052)</b>	<b>303,689</b>	<b>312,679</b>

\* Weighted Average Rate

### b) Intangible assets

These have the following composition:



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

By account			06/30/2022	12/31/2021
Description	Cost	Accumulated Amortization	Net amount	
Water mains	5,780,944	(1,933,488)	3,847,456	3,822,569
Sewage mains	6,011,563	(1,570,430)	4,441,133	4,355,429
Solid waste	4,511	(4,511)	-	-
Right of Use and System Operation	125,114	(76,520)	48,594	49,531
Other intangible assets	235,164	(99,693)	135,471	129,152
Right of Use - Lease	200,124	(20,444)	179,680	182,180
<b>Total</b>	<b>12,357,420</b>	<b>(3,705,086)</b>	<b>8,652,334</b>	<b>8,538,861</b>

By nature				06/30/2022	12/31/2021
Description	Annual amortization rate	Cost	Accumulated amortization	Net amount	
Plots of land	-	236,632	-	236,632	222,277
Wells	*3.10%	170,355	(42,535)	127,820	125,670
Dams	*2.67%	148,523	(65,112)	83,411	84,074
Civil construction	*2.59%	2,808,875	(697,409)	2,111,466	2,036,999
Improvements	*2.67%	43,476	(5,987)	37,489	32,411
Piping	*2.64%	6,089,575	(1,710,278)	4,379,297	4,382,330
Building connections	*3.33%	921,061	(302,528)	618,533	608,294
Facilities	*5.83%	224,170	(95,810)	128,360	127,169
Hydrometers	*10%	276,254	(110,545)	165,709	161,625
Macro-meters	*10%	7,388	(5,136)	2,252	2,307
Equipments	*6.23%	820,520	(358,212)	462,308	447,172
Furniture and fixtures	*7.14%	7,023	(4,241)	2,782	2,756
IT equipment	*19.82%	91,477	(85,552)	5,925	6,390
Computer programs	*20%	98,640	(60,927)	37,713	40,175
Vehicles	*13.05%	20,755	(14,671)	6,084	6,275
Machinery, tractors and similar	*19.35%	25,947	(23,407)	2,540	3,495
Tools	*6.67%	295	(226)	69	75
Rights of Use and Transmission Lines	*6.25%	4,521	(323)	4,198	4,337
Environmental protection and preservation	*20%	33,340	(25,223)	8,117	9,225
Concession of the Mun. of Curitiba (1)	*1.5%	125,000	(76,406)	48,594	49,531
Concession of the Mun. of Cianorte (2)	*5%	114	(114)	-	-
Patrimonial assets to be incorporated	-	3,355	-	3,355	4,094
Rights of Use - Lease	*14.60%	200,124	(20,444)	179,680	182,180
<b>Total</b>		<b>12,357,420</b>	<b>(3,705,086)</b>	<b>8,652,334</b>	<b>8,538,861</b>

Weighted average rate.

- (1) Right to grant the onerous concession contract signed on December 6, 2001 and whose concession was previously renewed on June 5, 2018 upon signature of the program agreement in accordance with Law No. 11.445, of January 5, 2007, and other relevant legal acts;
- (2) High of grant an onerous concession agreement with the Municipality of Cianorte, assigned on March 7, 2002, to provide public utility services of collection, treatment, and final disposition of solid waste for a period of 20 years.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### Leases:

The Company has lease agreements, with the following characteristics:

(i) asset lease agreement valued at R\$199.3 million resulting from the expansion of the sewage system in the municipalities of Matinhos and Pontal do Paraná, for a period of 240 (two hundred and forty) months, the payment of which started in February 2017, with a substantial transfer of the risks and benefits of the assets which will be owned by the Company at the end of the contract; and

(ii) vehicle, movable and real estate lease contracts, in which the risks and benefits of using the assets remain with the lessor. These contracts do not exceed 5 years.

The obligations arising from these contracts are shown in note 14.

As of June 30, 2022, the book value for each category of assets under a Lease commitment recorded in Intangible and Fixed Assets is shown below:

By accounts				06/30/2022	12/31/2021
Description	Annual Amortization Rate	Cost	Accumulated amortization	Net amount	
Civil construction	1.67%	37,434	(3,138)	34,296	34,609
Piping	2.00%	147,315	(13,553)	133,762	135,235
Building connections	3.33%	8,226	(1,293)	6,933	7,070
Facilities	6.67%	309	(103)	206	216
Equipments	6.00%	6,013	(1,833)	4,180	4,364
<b>Lease - Litoral</b>		<b>199,297</b>	<b>(19,920)</b>	<b>179,377</b>	<b>181,494</b>
Car Rental	50.69%	47,958	(33,118)	14,840	24,779
Civil construction	20.39%	45,231	(13,239)	31,992	34,323
Equipments	20.42%	495	(368)	127	127
IT Equipments	20.74%	63,515	(27,578)	35,937	28,409
<b>Lease - Right of use</b>		<b>157,199</b>	<b>(74,303)</b>	<b>82,896</b>	<b>87,638</b>
<b>Total</b>		<b>356,496</b>	<b>(94,223)</b>	<b>262,273</b>	<b>269,132</b>
<b>Fixed assets</b>		<b>156,372</b>	<b>(73,779)</b>	<b>82,593</b>	<b>86,952</b>
<b>Intangible assets</b>		<b>200,124</b>	<b>(20,444)</b>	<b>179,680</b>	<b>182,180</b>

The Company recorded in its Income Statement the amount of R\$3,515 relating to low value and short-term lease contracts (less than 12 months).

Assets resulting from leasing contracts present the following changes:

Asset	12/31/2021	Additions	Amortization	06/30/2022
Lease - Litoral	181,494	-	(2,117)	179,377
Vehicles	24,779	1,946	(11,885)	14,840
Civil construction	34,323	2,148	(4,479)	31,992
Equipments	127	45	(45)	127
IT Equipments	28,409	14,871	(7,343)	35,937
<b>Amount</b>	<b>269,132</b>	<b>19,010</b>	<b>(25,869)</b>	<b>262,273</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### c) Changes in fixed and intangible assets for the period of 2022:

Description	12/31/2021	Additions	Depreciation and Amortization	Write-offs and losses	Transfers to Work in progress	Transfers	06/30/2022
<b>Fixed Assets</b>							
Plots and land	2,922	-	-	-	-	-	2,922
Civil construction	94,637	339	(1,373)	-	510	234	94,347
Improvements	1,784	-	(25)	-	45	-	1,804
Facilities	6,196	-	(281)	-	-	-	5,915
Equipments	58,989	1,928	(2,725)	(39)	-	-	58,153
Furniture and fixtures	28,962	1,945	(1,596)	(642)	-	-	28,669
IT Equipments	15,656	1,336	(1,982)	(243)	-	-	14,767
Vehicles	11,073	-	(1,211)	-	-	-	9,862
Machinery, tractors and similar	4,050	460	(1,009)	-	-	-	3,501
Tools	966	55	(46)	-	-	-	975
Patrimonial assets to be incorporated	492	(311)	-	-	-	-	181
Right of Use - Lease	86,952	19,044	(23,403)	-	-	-	82,593
<b>Total Fixed Assets</b>	<b>312,679</b>	<b>24,796</b>	<b>(33,651)</b>	<b>(924)</b>	<b>555</b>	<b>234</b>	<b>303,689</b>
<b>Intangible Asset</b>							
Plots of land	222,277	6,004	-	-	8,351	-	236,632
Wells	125,670	64	(1,051)	(2,385)	5,528	(6)	127,820
Dams	84,074	104	(1,610)	-	1,130	(287)	83,411
Civil construction	2,036,999	1,250	(34,605)	-	124,208	(16,386)	2,111,466
Improvements	32,411	92	(565)	-	6,506	(955)	37,489
Piping	4,382,330	13,968	(75,896)	(48)	70,651	(11,708)	4,379,297
Building connections	608,294	179	(14,461)	(119)	25,699	(1,059)	618,533
Facilities	127,169	406	(6,655)	(1,003)	8,443	-	128,360
Hydrometers	161,625	-	(12,815)	(1,945)	18,844	-	165,709
Macro- meters	2,307	8	(198)	-	135	-	2,252
Equipments	447,172	23,876	(17,040)	(2,594)	10,894	-	462,308
Furniture and fixtures	2,756	81	(157)	(11)	113	-	2,782
IT Equipments	6,390	18	(594)	(10)	121	-	5,925
Computer programs	40,175	3,754	(6,161)	(55)	-	-	37,713
Vehicles	6,275	421	(612)	-	-	-	6,084
Machinery, tractors and similar	3,495	-	(955)	-	-	-	2,540
Tools	75	-	(6)	-	-	-	69
Rights of Use and Transmission Lines	4,337	-	(138)	-	-	(1)	4,198
Environmental protection and preservation	9,225	-	(1,134)	-	15	11	8,117
Concession of the Mun. of Curitiba	49,531	-	(937)	-	-	-	48,594
Patrimonial assets to be incorporated	4,094	(739)	-	-	-	-	3,355
Right of Use - Lease	182,180	(34)	(2,466)	-	-	-	179,680
<b>Total intangible assets</b>	<b>8,538,861</b>	<b>49,452</b>	<b>(178,056)</b>	<b>(8,170)</b>	<b>280,638</b>	<b>(30,391)</b>	<b>8,652,334</b>
<b>Grand Total</b>	<b>8,851,540</b>	<b>74,248</b>	<b>(211,707)</b>	<b>(9,094)</b>	<b>(a) 281,193</b>	<b>(b) (30,157)</b>	<b>8,956,023</b>

a) Amount transferred from the Contract Asset account (note 11).

b) Amount transferred to the Contractual Financial Assets line, regarding the expected residual amount receivable by the end of the program contracts, net of present value adjustment (note 10).



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 14. LOANS, FINANCING, DEBENTURES AND LEASE

a) Composition of loans, financing, debentures, and leases are as follows:

Description	Annual interest rate	Index	06/30/2022			12/31/2021		
			Current	Noncurrent	Total	Current	Noncurrent	Total
<b>In Brazilian Reais:</b>								
Bank Credit Notes - CCB	DI + 2.75%	- -	-	-	-	66,632	-	66,632
Debentures 8th issuance - 2nd series	108.00% of DI	-	155,509	-	155,509	401	154,967	155,368
BNDES	TJLP + 1.82%	-	4,493	-	4,493	7,687	638	8,325
Banco do Brasil - PSI	3.00% to 6.00%	-	3,056	918	3,974	3,379	2,283	5,662
Debentures 2nd issuance - 1st series	TJLP + 1.92%	-	12,332	15,306	27,638	12,323	21,384	33,707
Debentures 2nd issuance - 2nd series	9.19%	IPCA	27,836	45,832	73,668	23,479	43,539	67,018
Debentures 2nd issuance - 3rd series	TJLP + 1.92%	-	16,443	20,408	36,851	16,431	28,511	44,942
Debentures 9th issuance - 1st series	106.05% of DI	-	1,204	199,122	200,326	999	199,106	200,105
Banco Itaú - PSI	3.00% to 6.00%	-	3,555	2,731	6,286	3,559	4,502	8,061
Debentures 12th issuance - 1st series	DI + 1.08%	-	12,951	295,955	308,906	-	-	-
Debentures 9th issuance - 2nd series	107.25% of DI	-	930	150,801	151,731	772	150,793	151,565
Debentures 11th issuance - 1st series	DI + 1.65%	-	4,470	128,264	132,734	2,698	127,939	130,637
Debentures 4th issuance - 1st series	TJLP + 1.67%	-	24,291	97,646	121,937	24,267	109,371	133,638
Debentures 4th issuance - 2nd series	7.44%	IPCA	16,228	65,314	81,542	15,486	69,643	85,129
Debentures 10th issuance - single series	4.66%	IPCA	4,336	415,963	420,299	4,053	394,250	398,303
Debentures 11th issuance - 2nd series	4.25%	IPCA	2,267	233,822	236,089	2,121	221,616	223,737
BNDES - PAC2	TJLP + 1.67% to 2.05%	-	55,707	233,414	289,121	51,263	239,099	290,362
Lease - Litoral	11.14%	IPC-FIPE	12,090	279,264	291,354	11,652	284,360	296,012
Lease - Right of Use	4.89%	-	57,313	49,810	107,123	59,274	49,725	108,999
Debentures 11th issuance - 3rd series	4.49%	IPCA	1,990	181,276	183,266	1,870	171,852	173,722
Debentures 12th issuance - 2nd series	5.89%	IPCA	6,213	309,067	315,280	-	-	-
Debentures 7th issuance - 1st series *	5.20%	IPCA	2,842	40,939	43,781	2,988	42,267	45,255
Debentures 7th issuance - 2nd series *	4.79%	IPCA	4,632	66,883	71,515	4,869	69,052	73,921
Debentures 7th issuance - 3rd series	6.97%	IPCA	1,462	21,584	23,046	1,402	21,164	22,566
Debentures 7th issuance - 4th series	6.57%	IPCA	2,356	34,869	37,225	2,259	34,192	36,451
BNDES - AVANÇAR	3.58% to 4.00%	IPCA	179	48,025	48,204	175	27,864	28,039
Caixa Econômica Federal	6.62% to 12.00%	TR	82,875	1,359,053	1,441,928	75,698	1,244,768	1,320,466
<b>Total in Brazilian Reais</b>			<b>517,560</b>	<b>4,296,266</b>	<b>4,813,826</b>	<b>395,737</b>	<b>3,712,885</b>	<b>4,108,622</b>
<b>In foreign currency:</b>								
Banco KfW	1.35%	EURO	15,604	-	15,604	11,943	-	11,943
<b>Total in foreign currency:</b>			<b>15,604</b>	<b>-</b>	<b>15,604</b>	<b>11,943</b>	<b>-</b>	<b>11,943</b>
<b>Balance at the end of the year</b>			<b>533,164</b>	<b>4,296,266</b>	<b>4,829,430</b>	<b>407,680</b>	<b>3,712,885</b>	<b>4,120,565</b>
Loans and financing			165,469	1,644,141	1,809,610	220,336	1,519,154	1,739,490
Debentures			298,292	2,323,051	2,621,343	116,418	1,859,646	1,976,064
Leases			69,403	329,074	398,477	70,926	334,085	405,011

\* IPCA as variable component of TLP

### Foreign Currency Debt:

On December 11, 2017, the Company signed a loan agreement with KfW Bank of EUR 50 million, with interest subsidy provided by the Federal Republic of Germany for projects that meet the eligibility criteria of the development policy as per terms that meet the OECD - Organization for Economic Co-operation and Development requirements for recognition as Official Development Assistance. The first release of funds took place in August 2019.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

The Company will use the Loan exclusively to finance the promotion of the DKTI climate-friendly biogas technology promotion program in the state of Paraná regarding: (i) rehabilitation, expansion and construction of sewage treatment systems and plants; (ii) collection, treatment, disposal, and use of biogas from sewage treatment plants; (iii) sludge treatment; (iv) equipment and accessories; and (v) consulting services.

The Company will promote the execution of the contractually planned activities and KfW Bank will disburse the amounts by 06/30/2023. Half-yearly payment of a 0.25% commitment fee will be due per year on the amount not yet disbursed and interest of 1.35% per year. On the amount disbursed. The debt will be repaid in 21 semi-annual payments as of December 30, 2022.

Throughout the term of the agreement, the Company shall comply with the covenants pursuant to item 'f' of this Note.

The Company contracted derivative financial instruments for hedging with Banco Bradesco S/A, Banco Santander Brasil S/A, and Itaú Unibanco S/A, which were signed on 11/06/2017, 12/07/2017, and 22 /01/2018 respectively, to mitigate the exchange risk, assuming a variation of the CDI as a counterpart, as described in Note 4.1. Until June 30, 2022, there was a release of €2,979 thousand by KfW Bank, with Swap operations being carried out to protect the interest rate and exchange variation, without a speculative nature, converting the financial charges to 121.90% of the CDI (weighted average), which represents the percentage of 10.59% for a rate of 8.69% of the CDI.

### Leases:

The obligations arising from Leases are allocated to financial charges and reduction of the corresponding liability, reflecting a periodic and constant interest rate on the remaining balance of the liability. Lease liabilities have the following characteristics:

(i) The asset lease agreement resulting from the expansion of the sanitary sewage system in the municipalities of Matinhos and Pontal do Paraná (Lease - Litoral) provides for an annual monetary update of the debt balance linked to the IPC-FIPE during the term of the agreement. The discount rate applied in the initial recognition of this contract was carried out in the period in which the contractual stages were delivered, being the weighted average of 11.1%; and

(ii) Vehicle, movable and immovable leasing contracts (Lease – Right of Use) do not have a contractual term exceeding 5 years. The incremental borrowing rate (weighted average) applied to the liabilities of these leases varies according to the period in which they are signed, when the respective initial accounting record is carried out. As of January 1, 2019, the weighted average discount rate applied to contracts was 6.88%. As of December 31, 2019, the weighted average discount rate applied in the recognition of these contracts was 6.76%, as of December 31, 2020, it was 6.12%, as of December 31, 2021, it was 4.77% and as of June 30, 2022, it was 4.97%. The Company does not have variable rent payments in its leasing contracts, nor does it have a sale or leaseback transaction of assets.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

The lease liability recognized by the Company is gross of PIS/COFINS, and has the following changes:

Liabilities	12/31/2021	Additions	Restatement	Financial charges	Payments	06/30/2022
Lease - Litoral	296,012	-	-	15,506	(20,164)	291,354
Lease - Right of use	108,999	19,010	-	1,434	(22,320)	107,123
<b>Total</b>	<b>405,011</b>	<b>19,010</b>	<b>-</b>	<b>16,940</b>	<b>(42,484)</b>	<b>398,477</b>
Current	70,926					69,403
Noncurrent	334,085					329,074

As of June 30, 2022, the present value of the minimum future financial obligations related to the Lease is shown below:

Description	Minimum Future Payments	Financial charges	06/30/2022	12/31/2021
			Present Value of Future Payments	Present Value of Future Payments
<b>Lease - Litoral</b>				
Less than a year	39,898	(27,808)	12,090	11,652
More than a year and less than five years	161,304	(110,073)	51,231	49,150
Over five years	358,513	(130,480)	228,033	235,210
<b>Subtotal</b>	<b>559,715</b>	<b>(268,361)</b>	<b>291,354</b>	<b>296,012</b>
<b>Lease - Right of Use</b>				
Less than a year	60,432	(3,119)	57,313	59,274
More than a year and less than five years	53,330	(3,520)	49,810	49,725
<b>Subtotal</b>	<b>113,762</b>	<b>(6,639)</b>	<b>107,123</b>	<b>108,999</b>
<b>Total</b>	<b>673,477</b>	<b>(275,000)</b>	<b>398,477</b>	<b>405,011</b>

Liabilities from right of use and litoral leases were measured considering the incremental loan discount rate, with the incorporation of projected inflation, and presents the following composition:

Description	06/30/2022
Lease - Litoral	375,582
Vehicles	17,174
Mobile goods	46,591
Real estate	43,189
<b>Total</b>	<b>482,536</b>

Below we present the future payment flows, considering the incremental interest and the projected inflation until the maturity of the contracts, by nature of the lease, concerning the right of use and litoral lease commitments:

Description	2022	2023	2024	2025	2026	2027	2028 to 2036	Total
Lease - Litoral	21,489	44,252	45,896	47,325	48,745	50,207	479,892	737,806
Vehicles	12,290	5,138	33	-	-	-	-	17,461
Mobile goods	9,791	15,905	10,141	9,679	4,678	25	-	50,219
Real state	4,295	9,270	9,494	9,997	10,911	5,825	-	49,792
<b>Total</b>	<b>47,865</b>	<b>74,565</b>	<b>65,564</b>	<b>67,001</b>	<b>64,334</b>	<b>56,057</b>	<b>479,892</b>	<b>855,278</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

The composition of the Company's loans, financing, debentures, and lease expressed in Brazilian Reais, subject to variable and fixed interest rates, are shown below:

Index	06/30/2022	12/31/2021
TR	1,441,928	1,320,466
TJLP	480,040	510,974
IPCA	1,533,915	1,154,141
DI	949,206	704,307
IPC-FIPE	291,354	296,012
EURO	15,604	11,943
No Monetary Adjustment	117,383	122,722
<b>Total</b>	<b>4,829,430</b>	<b>4,120,565</b>

### b) Description of loans, financing, debentures and lease:

Description	Issuance period	Final maturity	Amount hired	Number of debentures	Payments	
					Amortization	Interest
Bank Credit Note - CCB	2020	2022	200,000	-	Monthly	Monthly
Debentures 8th issuance - 2nd series	2018	2023	155,000	15,500	2023	Six-Monthly
BNDES - 1 Contract	2007	2023	81,357	-	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 9th issuance - 1st series	2019	2024	199,150	19,915	2024	Six-Monthly
Banco do Brasil - PSI - 11 contracts	2013 to 2014	2024	30,793	-	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 2nd issuance - 1st and 3rd series	2011	2024	261,304	7,000	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 2nd issuance - 2nd series	2011	2024	118,547	3,000	Yearly	Yearly
Banco Itaú - PSI - 13 contracts	2013 to 2014	2025	33,175	-	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 9th issuance - 2nd series	2019	2026	150,850	15,085	2026	Six-Monthly
Debentures 11th issuance - 1st series	2021	2026	130,000	130,000	2025/2026	Six-Monthly
Lease - Right of Use	2017 to 2022	2022 a 2027	127,821	-	Monthly	Monthly
Debentures 4th issuance - 1st series	2014	2027	223,716	7,000	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 4th issuance - 2nd series	2014	2027	95,590	3,000	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 10th issuance - single series	2020	2027	350,000	35,000	2027	Six-Monthly
Debentures 12th issuance - 1st series	2022	2027	300,000	300,000	2027	Six-Monthly
BNDES - PAC2 - 4 contracts	2011 to 2014	2029	629,594	-	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 11th issuance - 2nd series	2021	2029	208,300	208,300	2029	Six-Monthly
Debentures 11th issuance - 3rd series	2021	2031	161,700	161,700	2031	Six-Monthly
Bank KfW (Euro)	2017	2032	50,000	-	Six-Monthly	Six-Monthly
Debentures 12th issuance - 2nd series	2022	2032	300,000	300,000	2032	Six-Monthly
Lease - Litoral	2013	2036	460,592	-	Monthly	Monthly
Debentures 7th issuance - 1st series	2018	2038	47,279	19,733	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 7th issuance - 2nd series	2018	2038	120,437	50,267	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 7th issuance - 3rd series	2018	2038	20,263	8,457	Monthly	Quarterly during grace period and Monthly at amortization
Debentures 7th issuance - 4th series	2018	2038	51,616	21,543	Monthly	Quarterly during grace period and Monthly at amortization
BNDES - AVANÇAR	2020 to 2021	2041	566,433	-	Monthly	Quarterly during grace period and Monthly at amortization
Caixa Econômica Federal - 283 contracts	2003 to 2018	2042	3,071,139	-	Monthly	Monthly



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### c) The amortization timeline is as follows:

Description	2022	2023	2024	2025	2026	2027	2028	2029
Debentures 2nd issuance	42,326	51,487	44,344	-	-	-	-	-
Debentures 4th issuance	20,563	39,912	39,912	39,912	39,912	23,268	-	-
Debentures 7th issuance	5,964	10,656	10,656	10,656	10,656	10,656	10,656	10,656
Debentures 8th issuance	509	155,000	-	-	-	-	-	-
Debentures 9th issuance	2,134	-	199,122	-	150,801	-	-	-
Debentures 10th issuance	4,336	-	-	-	-	415,963	-	-
Debentures 11th issuance	8,727	-	-	64,132	64,132	-	-	233,822
Debentures 12th issuance	19,164	-	-	-	147,977	147,977	-	-
<b>Debentures subtotal</b>	<b>103,723</b>	<b>257,055</b>	<b>294,034</b>	<b>114,700</b>	<b>413,478</b>	<b>597,864</b>	<b>10,656</b>	<b>244,478</b>
BNDES	3,853	640	-	-	-	-	-	-
BNDES - PAC2	28,424	54,568	54,568	54,568	45,693	26,826	22,267	2,207
BNDES - AVANÇAR	179	896	1,711	2,707	2,832	2,832	2,832	2,832
Banco do Brasil - PSI	1,691	2,093	190	-	-	-	-	-
Banco Itaú - PSI	1,784	3,056	1,420	26	-	-	-	-
Caixa Econômica Federal	42,789	81,397	86,453	91,824	96,747	102,074	107,248	106,743
Bank KfW	15,604	-	-	-	-	-	-	-
<b>Financing and loans subtotal</b>	<b>94,324</b>	<b>142,650</b>	<b>144,342</b>	<b>149,125</b>	<b>145,272</b>	<b>131,732</b>	<b>132,347</b>	<b>111,782</b>
Lease - Litoral	7,826	10,530	11,615	12,826	14,179	15,690	17,381	19,275
Lease - Right of Use	43,544	23,541	17,172	14,744	7,715	407	-	-
<b>Lease subtotal</b>	<b>51,370</b>	<b>34,071</b>	<b>28,787</b>	<b>27,570</b>	<b>21,894</b>	<b>16,097</b>	<b>17,381</b>	<b>19,275</b>
<b>Total</b>	<b>249,417</b>	<b>433,776</b>	<b>467,163</b>	<b>291,395</b>	<b>580,644</b>	<b>745,693</b>	<b>160,384</b>	<b>375,535</b>

Description	2030	2031	2032	2033	2034	2035	2036 to 2042	Total
Debentures 2ª issuance	-	-	-	-	-	-	-	138,157
Debentures 4ª issuance	-	-	-	-	-	-	-	203,479
Debentures 7ª issuance	10,656	10,656	10,656	10,656	10,656	10,656	31,075	175,567
Debentures 8ª issuance	-	-	-	-	-	-	-	155,509
Debentures 9ª issuance	-	-	-	-	-	-	-	352,057
Debentures 10ª issuance	-	-	-	-	-	-	-	420,299
Debentures 11ª issuance	-	181,276	-	-	-	-	-	552,089
Debentures 12ª issuance	-	-	309,068	-	-	-	-	624,186
<b>Debentures subtotal</b>	<b>10,656</b>	<b>191,932</b>	<b>319,724</b>	<b>10,656</b>	<b>10,656</b>	<b>10,656</b>	<b>31,075</b>	<b>2,621,343</b>
BNDES	-	-	-	-	-	-	-	4,493
BNDES - PAC2	-	-	-	-	-	-	-	289,121
BNDES - AVANÇAR	2,832	2,832	2,832	2,832	2,832	2,832	14,391	48,204
Banco do Brasil - PSI	-	-	-	-	-	-	-	3,974
Banco Itaú - PSI	-	-	-	-	-	-	-	6,286
Caixa Econômica Federal	102,091	94,873	69,786	67,931	61,042	63,284	267,646	1,441,928
Bank KfW	-	-	-	-	-	-	-	15,604
<b>Financing and loan subtotal</b>	<b>104,923</b>	<b>97,705</b>	<b>72,618</b>	<b>70,763</b>	<b>63,874</b>	<b>66,116</b>	<b>282,037</b>	<b>1,809,610</b>
Lease - Litoral	21,396	23,774	26,442	29,437	32,801	33,806	14,376	291,354
Lease - Right of Use	-	-	-	-	-	-	-	107,123
<b>Lease subtotal</b>	<b>21,396</b>	<b>23,774</b>	<b>26,442</b>	<b>29,437</b>	<b>32,801</b>	<b>33,806</b>	<b>14,376</b>	<b>398,477</b>
<b>Total</b>	<b>136,975</b>	<b>313,411</b>	<b>418,784</b>	<b>110,856</b>	<b>107,331</b>	<b>110,578</b>	<b>327,488</b>	<b>4,829,430</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### d) Changes in loans, financing, debentures, and leases were as follows:

Description	06/30/2022		12/31/2021	
	Current	Noncurrent	Current	Noncurrent
<b>Balances at beginning of the period</b>	<b>407,680</b>	<b>3,712,885</b>	<b>521,505</b>	<b>3,126,083</b>
Releases	4,918	795,008	-	799,220
Interest and fines on financings	170,347	-	240,071	-
Monetary Variations on financings	-	76,744	-	95,551
Transfers	279,588	(279,588)	327,114	(327,114)
Amortization	(362,817)	-	(779,006)	-
Costs of funds raised with third parties	(1,209)	(8,783)	(1,082)	(7,162)
Exchange rate variation	(1,293)	-	-	(165)
Interest and Monetary Updates Lease	16,940	-	29,554	26,472
Lease	19,010	-	69,524	-
<b>Balances at the end of the period</b>	<b>533,164</b>	<b>4,296,266</b>	<b>407,680</b>	<b>3,712,885</b>

### e) The main events in the period were as follows:

During the 2nd quarter of 2022, the Company obtained and amortized funds from third parties, as stated below:

Index	Releases	Amortization
Debentures 2nd issuance	-	(17,046)
Debentures 4th issuance	-	(27,561)
Debentures 7th issuance	-	(17,062)
Debentures 8th issuance	-	(8,946)
Debentures 9th issuance	-	(19,800)
Debentures 10th issuance	-	(9,218)
Debentures 11th issuance	-	(14,966)
Debentures 12th issuance (1)	600,000	-
BNDES	-	(4,087)
BNDES - PAC2	23,742	(36,049)
BNDES - AVANÇAR	20,000	(552)
Banco do Brasil - PSI	-	(1,783)
Banco Itaú - PSI	-	(1,952)
Bank Credit Notes - CCB	-	(69,123)
Caixa Econômica Federal	151,266	(92,106)
Banco KfW	4,918	(82)
<b>Subtotal</b>	<b>799,926</b>	<b>(320,333)</b>
Leases (2)	19,010	(42,484)
<b>Total</b>	<b>818,936</b>	<b>(362,817)</b>

(1) In February 2022, the Company raised R\$600,000 in the capital markets to complement the investment plan, divided into two series of R\$300,000 each, the first series being institutional, and the second series incentivized. The first series has a final maturity of 5 years, with renegotiation after 30 months, counting from the issue date of the debentures, which took place on 01/15/2022. The second series matures in 10 years.

(2) Releases represent right of use (no impact on cash and cash equivalents).



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### f) Restrictive Contractual Clauses – Covenants *(Information unaudited and not reviewed by independent auditors)*

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

#### (i) Covenants in BNDES contracts and in 2nd, 4th and 7th Issuance of Debentures

Index	Limit	Range
EBITDA / Debt Service	Equal to or higher than 1.5	Less than 1.5 and equal to or higher than
Net Bank Debt/ EBITDA	Equal to or under than 3.0	Equal to or under 3.8 and higher than 3.0
Other Onerous Debt/ EBITDA	Equal to or under than 1.0	Equal to or under 1.3 and higher than 1.0

#### (ii) Covenants of contracts of the 8th, 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> and 12<sup>th</sup> Issuance of Debentures and of Bank Credit Notes - CCB

Index	Limit
Adjusted EBITDA /Net Financial Expenses	Equal to or higher than 1.5
Net Bank Debt / adjusted EBITDA	Equal to or under than 3.0

#### (iii) Covenants of contracts with Caixa Econômica Federal

Index	Limit
Adjusted EBITDA /Net Financial Expenses	Equal to or higher than 1.5
Net Bank Debt / adjusted EBITDA	Equal to or under 3.0
Other Onerous Debt/Adjusted EBITDA	Equal to or under 1.0

#### (iv) Covenants of contracts with KfW Bank

Index	Limit
EBITDA / Debt service	Equal to or higher than 1.5
Net Bank Debt / Adjusted EBITDA	Equal to or under than 3.0
Other Onerous Debt / Adjusted EBITDA	Equal to or under 1.0
Levels of debt	Equal to or under 60

For BNDES financings contracts, including the new contract called “AVANÇAR” and the 2nd, 4th and 7th Issuance 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 values for the past 12 (twelve) months.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

In case one or more of the Company covenants should exhibit for a minimum of two (02) quarters, consecutive or not, within 12 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 Rights" for each of the contracts will be automatically increased by 20% (twenty percent).

For contracts in item (ii), of the 8<sup>th</sup>, 9<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup>, and 12<sup>th</sup> issuances of simple debentures, not convertible into shares, the type species and for the Bank Credit Notes - CCB contracted with Banco BTG Pactual, considering that it does not confer any special or general privilege to the holders, the Company must maintain the ratios mentioned above throughout the period and until the final maturity.

In relation to the contracts of the Caixa Econômica Federal, related to the 3<sup>rd</sup> phase of Normative Instruction 14 and Normative Instruction 29, pursuant to Item 16.1 of Clause Six of said agreements, the Company shall maintain throughout the term and until the final maturity the indexes stated above.

Regarding the KfW Bank agreement, pursuant to paragraph 11.11 of the loan agreement, the Borrower undertakes to comply at all times with the stipulated financial ratios above.

As of June 30, 2022, the Company is fully complying with the restrictive clauses stipulated when issuing debentures, financing from BNDES, Caixa Econômica Federal, Banco KfW and CCB with Banco BTG Pactual.

## 15. TAXES AND CONTRIBUTIONS

The composition is as follows:

Description	06/30/2022	12/31/2021
COFINS (tax on sales) payable	29,429	29,889
PASEP (tax on sales) payable	6,352	6,449
IPTU (Property tax) - installment payment	-	125
Taxes and Contributions Withheld at Source	35,275	48,139
<b>Total taxes and contributions</b>	<b>71,056</b>	<b>84,602</b>
<b>Current</b>	<b>71,056</b>	<b>84,602</b>

## 16. INCOME TAX AND SOCIAL CONTRIBUTION

### a) Reconciliation of Income Tax and Social Contribution Expenses Recorded in the Statements of Income

Descrição	06/30/2022		06/30/2021	
	Income Tax	Social Contribution	Income Tax	Social Contribution
Income before Income Tax and Social Contribution	707,839	707,839	797,284	797,284
Income Tax and Social Contribution - current rate	(176,960)	(63,705)	(199,321)	(71,756)
Benefit of the Deductibility of Interest on Equity	38,552	13,878	37,771	13,598
Worker's Meal Program - PAT (1)	5,984	-	-	-
Corporate Citizen Incentive (2)	295	-	338	-
Equity in earnings (losses) of controlled companies	(399)	(144)	(311)	(112)
Other	258	53	633	183
<b>Total of expenses</b>	<b>(132,270)</b>	<b>(49,918)</b>	<b>(160,890)</b>	<b>(58,087)</b>
<b>Total of Income Tax and Social Contribution</b>	<b>(182,188)</b>		<b>(218,977)</b>	
<b>Effective rate</b>	<b>25.7%</b>			



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

(1) According to Law no. 6,321, of 04/14/1976;

(2) According to Decree 7,052, of December 23, 2009, regulating Law no. 11,770, of 09/09/2008.

### b) Current and deferred income and social contribution taxes

The breakdown in profit or loss for the period presents the following values:

Description	06/30/2022	06/30/2021
Income tax	(149,205)	(158,311)
Social Contribution	(55,787)	(56,931)
Realization of Deferred Income Tax	16,935	(2,579)
Realization of Deferred Social Contribution	5,869	(1,156)
<b>Total</b>	<b>(182,188)</b>	<b>(218,977)</b>

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

### c) Deferred income and social contribution taxes

The composition of the basis for deferred income tax and social contribution on assets and liabilities for future realization is as follows:

Description	Estimated realization term	06/30/2022			12/31/2021	
		Calculation basis	Income Tax	Social Contribution	Total	
<b>ASSETS</b>						
NPV on contractual financial assets	30 years	1,043,278	260,819	93,895	354,714	342,135
Redução ao Valor Recuperável de Ativos	18 years	13,787	3,447	1,240	4,687	4,824
Pension and health plans	15 years	1,200,455	300,114	108,041	408,155	394,440
Lease - Litoral (asset)	15 years	291,354	72,838	26,222	99,060	100,644
Civil, Labor, Tax and Environmental Provisions	5 years	672,339	168,085	60,510	228,595	209,312
Lease - Right of Use (asset)	5 years	107,123	26,781	9,641	36,422	37,060
NPV of trade accounts receivable	5 years	20,754	5,189	1,868	7,057	5,852
Impairment on investments - CS Bionergia	5 years	13,176	3,294	1,186	4,480	5,023
FVA - Investments appraised at fair value	5 years	535	134	48	182	167
Provision for expected losses on accounts receivable - CPC 48	3 years	49,387	12,347	4,445	16,792	18,835
Allowance for doubtful accounts - CPC 48	3 years	26,531	6,633	2,388	9,021	7,012
Net realizable value of inventories	3 years	265	66	24	90	89
Provision for PPR	1 year	35,797	8,949	3,222	12,171	27,267
PAI - Encouraged retirement program	1 year	153	38	14	52	46
<b>Total</b>			<b>868,734</b>	<b>312,744</b>	<b>1,181,478</b>	<b>1,152,706</b>
<b>LIABILITIES</b>						
NPV on contractual financial assets	30 years	963,777	240,944	86,740	327,684	317,532
Revaluation surplus	26 years	85,853	21,463	7,727	29,190	30,395
Deferred IRPJ on construction and improvements	21 years	107,850	26,963	-	26,963	27,594
Donations from public agencies	20 years	11,616	2,904	1,045	3,949	3,927
Lease - Litoral (liabilities)	15 years	179,378	44,845	16,144	60,989	61,708
Atribution of deemed cost to fixed assets	13 years	6,625	1,656	596	2,252	2,296
Lease - Right of Use (liabilities)	5 years	82,895	20,724	7,461	28,185	29,792
<b>Total</b>			<b>359,499</b>	<b>119,713</b>	<b>479,212</b>	<b>473,244</b>
<b>Total amount, net</b>			<b>509,235</b>	<b>193,031</b>	<b>702,266</b>	<b>679,462</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

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

The estimated future realization of deferred tax assets and deferred tax liabilities as of June 30, 2022, is as follows:

Realization period	Deferred Tax Assets			Deferred Tax Liabilities		
	Income Tax	Social Contribution	Total	Income Tax	Social Contribution	Total
2022	20,523	7,388	27,911	8,852	2,950	11,802
2023	49,918	17,970	67,888	17,704	5,900	23,604
2024	59,948	21,581	81,529	17,704	5,900	23,604
2025	40,942	14,739	55,681	17,704	5,900	23,604
2026	212,566	76,524	289,090	19,776	6,646	26,422
2027 a 2029	101,587	36,571	138,158	40,677	13,223	53,900
2030 a 2032	102,628	36,946	139,574	40,677	13,223	53,900
2033 a 2035	101,587	36,571	138,158	40,544	13,175	53,719
2036 a 2038	61,529	22,150	83,679	34,093	10,853	44,946
2039 a 2041	26,219	9,439	35,658	31,073	9,766	40,839
2042 a 2044	26,082	9,390	35,472	27,935	9,583	37,518
2045 a 2047	26,082	9,390	35,472	26,619	9,583	36,202
2048 a 2050	26,082	9,390	35,472	24,094	8,674	32,768
2051	13,041	4,695	17,736	12,047	4,337	16,384
<b>Total</b>	<b>868,734</b>	<b>312,744</b>	<b>1,181,478</b>	<b>359,499</b>	<b>119,713</b>	<b>479,212</b>

## 17. UNEARNED REVENUE

The Company signed the assignment agreement for the exploration of financial services with Caixa Econômica Federal for 60 (sixty) months, effective as of March 2022, in the amount of R\$17,800. The revenue corresponding to this agreement is recognized monthly, for the term of the agreement following the accrual basis. The amount recognized in income during the 2nd quarter of 2022 was R\$1.887 (R\$2,100 in the same period of 2021). The balance on June 30, 2022, is R\$16,614 (R\$700 on 12/31/2021), of which R\$3,560 (R\$700 on 12/31/2021) is recorded in current liabilities and R\$13,054 in non-current liabilities.

## 18. PROVISIONS, CONTINGENT LIABILITIES AND COURT DEPOSITS

### a) Provisions

The Company records provisions for civil, labor, tax and environmental claims classified as probable losses, which presented the following changes:

Nature	12/31/2021	Additions	Reversals	Payments	06/30/2022
Labor claims (i)	342,444	67,106	(8,052)	(30,416)	371,082
Civil claims (ii)	221,188	28,639	(581)	(540)	248,706
Environmental claims (iii)	42,324	1,472	(8)	-	43,788
Tax claims (iv)	7,654	1,109	-	-	8,763
Ductos Operation (v)	2,015	-	(2,015)	-	-
<b>Total</b>	<b>615,625</b>	<b>98,326</b>	<b>(10,656)</b>	<b>(30,956)</b>	<b>672,339</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### Main events during the year:

Complement of labor provisions in the amount of R\$22,507, referring to a lawsuit filed by the Union of Engineers of the State of Paraná - SENGE, related to salary differences in the Position, Career, and Remuneration Plan, as well as the updating of the amounts provisioned for labor claims due to decisions lawsuits and R\$5,603 referring to salary parity; R\$21,286 referring to labor claims whose subject is the result of salary parity; and R\$23,313 referring to the restatement of amounts provisioned for labor claims due to court decisions and new claims filed in the period. On the other hand, there was a reduction in provisions (Reversals and Payments) in the amount of R\$38,468, due to the shelving and definitive write-off of processes.

Civil claim in the amount of R\$24,929, referring to the questioning of the minimum residential consumption tariff, filed by 61 condominiums located in the municipalities of Matinhos and Guaratuba.

Considering the reports prepared by the committees designated by Resolutions No. 091/2022 and No. 116/2022 (Operation Ductos), approved by the Board of Directors at the 12th Extraordinary Meeting, on June 27, 2022, the Company reversed the provision of R\$2,015 constituted in 4th quarter of 2021 and made the accounting records as described in Notes 25 and 30.

### b) Contingent liabilities

The Company, based on the nature of the lawsuits in which it is involved, and supported by the opinion of its legal advisors, discloses its contingent liabilities for which it has an expectation of possible loss, except for environmental lawsuits, for which the Company discloses the expectations of possible loss and remote. For these actions, no provisions were made for possible losses, as established by CPC 25 – Provisions, Contingent Liabilities, and Contingent Assets issued by the Accounting Pronouncements Committee.

The position of contingent liabilities with an expected possible loss for labor, civil, environmental, and tax claims is as follows:

Nature	Contingent liabilities	
	06/30/2022	12/31/2021
Labor claims (i)	87,507	75,798
Civil claims (ii)	610,513	651,934
Environmental claims (iii)	350,486	343,023
Tax claims (iv)	26,049	25,051
<b>Total</b>	<b>1,074,555</b>	<b>1,095,806</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

### (i) Labor

Labor claims are mostly related to claims filed by former employees of the company and providers (joint responsibility), who vindicate salary differences and labor charges. The main suits involving the Company are in relation to: i) job position plans and wages; ii) premium for unhealthy and nocturnal risks; (iii) functional reintegration; iv) wage equalization; v) reduction of the employer contribution to the health plan; vi) FGTS fines of 40% and vii) work accident.

### (ii) Civil

Civil proceedings are related to requests for compensation of customers and suppliers, and third-party damages. The main suits involving the Company are in relation to: i) reimbursement of costs incurred for the replacement of materials; ii) other proceedings resulting from indemnification related to the suspension of the contract, traffic accidents, property damage, loss of profits, among others.

### (iii) Environmental

SANEPAR has several environmental actions, related to infraction notices issued by Municipal, State and Federal environmental agencies, motivated by different non-conformities, presented primarily in the sewage process, as specified below: i) Leakage and overflow of collection networks; ii) Deficiencies in environmental licensing and grants from Sewage Treatment Plants - ETE; iii) Release of effluents from sewage treatment stations in disagreement with the parameters required by law; and iv) Incorrect destination of the residues (sludge) resulting from the treatment.

Environmental contingent liabilities include claims with remote expectation of loss, in the amount of R\$158,986 (R\$155,595 on December 31, 2021). Information on environmental lawsuits with remote loss is consistent with the Company's accounting policy for disclosure purposes.

Some tax assessment notices are being challenged both at the administrative level, by the respective bodies, and in court.

As a result of the infraction notices drawn up by IBAMA, this Federal Agency filed in 2014 and 2015, 17 Public Civil Actions (ACP) that are being processed before the 11th Federal Court of Curitiba. In 2018, 17 Terms of Judicial Agreements - TAJ were signed in these Public Civil Actions, duly signed by the Federal Public Ministry, IBAMA and Instituto Água e Terra - IAT and ratified by the Federal Court. Of the 258 ETEs in operation that make up Sanepar's Sanitary Sewage System (SES), 184 were covered by these Judicial Agreement Terms (TAJ).

In 2019, the Court of the 11th Federal Court of Curitiba decided not to comply with two agreements (ACP 5001669-33.2015.4.04.7015 and ACP 5001739-56.2015.4.04.7013) regarding a Clause provided for therein that oblige the Company to pay fine in the estimated amount of R\$ 14.6 million. Said amount was disclosed at the time as a contingent liability, with a "Possible" probability of loss. The Company appealed to the Federal Regional Court of the 4th Region, obtaining an injunction to suspend the effects of the decision.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

In April 2021, the TRF4 upheld both SANEPAR's appeals. The decisions became final and the loss amount was deducted from the liability.

After noting the need to adjust the schedules of some sewage treatment plants and drafting new clauses in the agreements signed in 2018, the Company, together with IBAMA, asked the Court of the 11th Federal Court of Curitiba to renegotiate the agreements. In November 2021, the renegotiation was not approved in court, which is why the Company appealed. In July 2022, TRF4 suspended the decision of the first degree and determined a hearing for clarification.

### (iv) Tax

Tax proceedings are mainly in relation to queries connected to collection of ISSQN (Tax over Services of Any Nature) due to divergent interpretations of the law. The main claims with which the Company is involved include the municipalities of Londrina, Paranavaí, Campina da Lagoa, Campo Mourão, Porecatu, Maringá and Pinhais.

### c) Court deposits

The Company has made court deposits that will only be recovered in case of a favorable sentence for the Company.

The breakdown is as follows:

Nature	Court Deposits	
	06/30/2022	12/31/2021
Labor claims (i)	334,551	286,653
Civil claims	103,720	97,877
Environmental claims	5,563	5,448
Tax claims	20,524	18,615
<b>Total</b>	<b>464,358</b>	<b>408,593</b>

(i) In the first semester of 2022, 44 new court deposits and updating of labor lawsuits filed by the Paraná State Engineers Union – SENGE, referring to salary differences of the Positions, Career, and Remuneration Plan in the amount of R\$ 35,350 were recorded.

## 19. PENSION PLAN AND MEDICAL INSURANCE

Sanepar is a sponsor of Fundação Sanepar de Previdência e Assistência Social – FUSAN, a non-profit legal entity, with the main purpose of managing the retirement plan that aims to supplement the social security benefits to the Company's employees.

The retirement plan managed by FUSAN has the following main characteristics: defined contribution during the working phase and defined benefit with lifetime income for retirees, pensioners, and for risk benefits (disability pension, death pension, sickness, and accident allowance). This year, the Sponsor transferred the financial amount of R\$17,094,151 (15,151 in the same period of 2021) as a contribution to FUSAN.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

The technical reserves to comply with the rules established by Previc – National Superintendence of Complementary Pensions are determined by the actuary responsible for the pension plan.

The Company is also a sponsor of the Sanepar Social Assistance Foundation, a non-profit entity whose main activity is the management of the health plan for active and retired Sanepar employees, called SaneSaúde.

SaneSaúde is a self-management collective medical and dental care plan, funded through prepayment, with contributions made on average 63.0% by the sponsor and 37.0% by active and retired beneficiaries, through monthly defined contributions in the plan's regulation, which is determined annually, based on actuarial calculations, which consider the age groups of each beneficiary, and the existence of moderating factors for the use of the services offered.

As a contribution to this Foundation, the Company financially transferred, until the 2nd quarter, the amount of R\$41,506 (R\$38,047 in the same period of 2021).

Additionally, to comply with the provisions contained in CPC 33 (R1) - Employee Benefits, approved by CVM Deliberation 695/12, the company Mirador Assessoria Atuarial Ltda., which issued detailed reports, supporting the information included, on that base date.

The actuarial position of liabilities related to the retirement plan and health care plan as of June 30, 2022, and December 31, 2021, is shown below:

Description	Retirement plan	Health insurance plan	06/30/2022	12/31/2021
Current	33,494	46,536	80,030	77,341
Noncurrent	468,922	651,503	1,120,425	1,082,775
<b>Total</b>	<b>502,416</b>	<b>698,039</b>	<b>1,200,455</b>	<b>1,160,116</b>

Below we present the projection of expenses for the year 2022:

Description	Retirement plan	Health insurance plan	2022
Current service cost	7,077	3,484	10,561
Cost of interests	152,998	69,473	222,471
Expected gains of plan assets	(103,269)	-	(103,269)
Contributions from the sponsor/participants	(17,752)	(31,334)	(49,086)
<b>Total</b>	<b>39,054</b>	<b>41,623</b>	<b>80,677</b>

The amount of R\$80,677 was actuarially estimated as the expected variation of the plans for the year 2022, which is being monthly recorded by the Company, having been appropriated up to the 2nd quarter of 2022 the amount of R\$40,339 (R\$29,433 in the same period of 2021). At the end of 2022, a new actuarial review will be carried out to determine the necessary accounting adjustments in the plans. In the event of abnormal variations in the rules of the retirement and medical care plan during the year, or even in its participant base, the Company may carry out interim actuarial reviews, which have not occurred so far.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 20. RELATED-PARTY TRANSACTIONS

#### Accounting practice:

#### a) Balances and Related Parties Transactions

Transactions arising from operations in a regulated environment are billed under the criteria and definitions established by regulatory agents and other transactions are recorded following market prices.

We present below the balances and transactions with Related Parties:

Description	Asstes		Liabilities		Income		Cost / Expenses	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021	06/30/2022	12/31/2021	06/30/2022	12/31/2021
<b>State of Paraná</b>								
Interest on Equity	-	-	28,953	61,183	-	-	-	-
<b>Municipalities</b>								
Solid Waste Services	-	-	-	-	6,359	6,033	-	-
Trade Accounts Receivable	44,197	34,757	-	-	-	-	-	-
Municipal Sanitation and Environmental Management Fund	-	-	30,624	5,905	-	-	84,507	32,520
<b>CS Bioenergia S.A.</b>								
Sewage Effluent Treatment	1,285	1,187	-	-	139	56	-	-
Property rental	321	302	-	-	181	163	-	-
Reimbursable Electricity Expenses	84	177	-	-	-	-	289	251
Sludge Removal - ETE Belém	-	-	-	-	-	-	6,770	5,655
Electric Power Plant Rental	-	-	-	-	-	-	906	837
<b>Sanepar Foundations</b>								
Property rental	-	-	-	-	302	278	-	-
Employer Contributions	-	-	-	-	-	-	58,600	53,198
<b>Copel (Controlled by State of Paraná)</b>								
Water withdrawn from Plant Reservoirs	-	-	-	-	-	-	385	237
<b>Tecpar</b>								
ISO and water safety plan	-	-	-	7	-	-	1,863	296
<b>Celepar</b>								
e-Protocol system, among others	-	-	10	13	-	-	56	7
Stock Investment	3	3	-	-	-	-	-	-
Interest Receivable	6	6	-	-	-	-	-	-
<b>Simepar</b>								
Water security plan and others	-	-	-	759	-	-	775	1,396
Investment in water security	-	3,026	-	-	-	-	-	-
<b>Total</b>	<b>45,896</b>	<b>39,458</b>	<b>59,587</b>	<b>67,867</b>	<b>6,981</b>	<b>6,530</b>	<b>154,151</b>	<b>94,397</b>

#### b) Management compensation

The overall annual management compensation for the year 2022 was approved by the 58th/2022 Annual General Meeting (AGO) of April 28, 2022, in the global amount of R\$15,054. For the year 2021, the approval was given by the 57th/2021 Ordinary General Meeting (AGO) held on April 22, 2021, in the amount of R\$15,046.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

The following are the payments made to management:

Description	06/30/2022	06/30/2021
Remuneration	4,941	4,877
Charges and Benefits	1,703	1,719
Social charges	1,584	1,585
Health plan (Sanesaúde)	44	33
Pension plan (Fusanprev)	63	58
Complementary programmes	12	43
<b>Total</b>	<b>6,644</b>	<b>6,596</b>

## 21. OTHER ACCOUNTS PAYABLE

The composition is as follows:

Description	06/30/2022	12/31/2021
Contracts and Agreements with third parties	21,273	18,907
Agreements with municipal administrations	20,399	19,412
Collaterals and amounts reimbursable	10,129	12,380
Installment payment IBAMA – PRD (1)	14,938	30,558
Municipal Sanitation and Environmental Management Fund (2)	30,624	5,905
Other account payable	934	1,444
<b>Total</b>	<b>98,297</b>	<b>88,606</b>
<b>Current</b>	<b>96,845</b>	<b>85,644</b>
<b>Noncurrent</b>	<b>1,452</b>	<b>2,962</b>

(1) Amount of R\$8,867 that refers to installment payment of debts concerning 31 environmental assessment notices from the Brazilian Institute of Environment and Renewable Natural Resources – IBAMA, in accordance with the Non-Tax Debt Settlement Program – PRD created by Law No. 13,494/2017. Installments of several notices of Environmental Infractions with IBAMA in the amount of R\$6,071.

(2) Increase resulting from the formalization of the Contractual Update Terms with the Microregions of Public Water and Sanitary Sewage Services in the State of Paraná, to comply with Law No. 14,026/2020.

## 22. EQUITY

### a) Capital stock

Capital stock, fully paid-in, is composed by 1,511,205,519 shares, with no par value, being 503,735,259 common shares and 1,007,470,260 preferred shares. In addition to the common and preferred shares, the Company started to negotiate Share Deposit Certificates (“Units”), being each “Unit” formed by 1 (one) common share and 4 (four) preferred shares.

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

The equity value of each share on June 30, 2022, is R\$5.38 (R\$5.18 on December 31, 2021).



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

Subscribed and paid-in capital stock as of June 30, 2022, is R\$4,000.000, which net of share issue cost amounts to R\$3,996,137, with shareholding structure as follows:

Shareholders	Number of shares					
	Common	%	Preferred	%	Total	%
State of Paraná	302,653,775	60.1	3	-	302,653,778	20.0
Municipal Administrations	-	-	5,561,963	0.6	5,561,963	0.4
Foreign Investors	56,854,614	11.3	291,000,862	28.9	347,855,476	23.0
Other Investors	144,226,870	28.6	710,907,432	70.5	855,134,302	56.6
<b>Total</b>	<b>503,735,259</b>	<b>100.0</b>	<b>1,007,470,260</b>	<b>100.0</b>	<b>1,511,205,519</b>	<b>100.0</b>

### b) Revaluation surplus

Until the 2nd quarter, the amount of R\$2,339 (R\$2,631 in the same period of 2021) was transferred to Retained Earnings, net of Income Tax and Social Contribution. The realization of this reserve occurs in the same proportion as the write-offs and depreciation of assets recorded in property, plant, and equipment and intangible assets, subject of the revaluations.

The changes in the realization of the Revaluation Surplus were as follows:

Description	06/30/2022	06/30/2021
<b>Balances at beginning of the period</b>	<b>59,002</b>	<b>64,292</b>
Realization of revaluation surplus	(3,543)	(3,986)
Realization of Taxes on the Revaluation surplus	1,204	1,355
<b>Balances at the end of the period</b>	<b>56,663</b>	<b>61,661</b>

### c) Valuation Adjustments to Equity

Constituted in accordance with article 182 of the Brazilian Corporation Law, referring to the equity valuation adjustments, while not computed in the income for the year in accordance with the accrual basis, the counterparts of increases or decreases in amounts attributed to assets and liabilities, as a result of their valuation at fair value.

During this quarter the amount of R\$85 (R\$101 during the same period in 2021), net of income tax and social contribution, was transferred to retained earnings. The realization of this account occurs in the same proportion of the write-offs and depreciation of property, plant and equipment and intangible assets, to which new values have been assigned.

The changes in the realization of the Valuation Adjustments were as follows:

Description	06/30/2022	06/30/2021
<b>Balance at beginning of the year</b>	<b>4,458</b>	<b>4,668</b>
Realization of Adjustments to Deemed Cost	(129)	(153)
Realization of Taxes on Adjustments to Deemed Cost	44	52
<b>Balance at the end of the year</b>	<b>4,373</b>	<b>4,567</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

### d) Reserve for Investment Plan

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

### e) Legal Reserve

Constituted following the Brazilian Corporation Law and the Bylaws, based on 5% of the net income for each year, deducted from the amount destined to constitute the Tax Incentive Reserve, up to the limit of 20% of the paid-in capital stock. The legal reserve can only be used to increase capital or absorb accumulated losses. Also, in accordance with the Brazilian Corporation Law, Management respects the capital limit for setting up profit reserves.

### f) Tax incentive reserve

Constituted in accordance with article 195-A of the Brazilian Corporation Law, referring to the portion of net income arising from government donations and subsidies.

### g) Other Comprehensive Income

Pursuant to CPC 33 (R1) – Employee Benefits, adjustments to the fair value of actuarial liabilities related to employee benefit plans (Note 19) arising from actuarial gains or losses are recorded directly in Shareholders' Equity. Adjustments are also made referring to the Realizations of the Revaluation Reserve and the Adjustment to the Deemed Cost.

### h) Shareholders' compensation

The Company Bylaws provide for the mandatory distribution of dividends of 25% of the adjusted net income in accordance with the Brazilian Corporate Law. To holders of preferred shares was assigned interest on shareholders' equity (dividend) per share 10% higher than that of holders of common shares.

The tax laws allow companies to proceed, within certain limits, with payments of interest on shareholders' equity to shareholders and to treat said payments as deductible expenses in calculating Income Tax and Social Contribution owed. This distribution, applicable to mandatory dividends payable by the Company, is treated for accounting purposes as a deduction of the shareholders' equity, similar to dividends. On these values is withheld income tax at the rate of 15% and paid by the Company upon the payment of interest.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

On April 28, 2022, the Shareholders' Meeting approved the payment of Interest on Equity and Additional Dividends, credited to shareholders in 2021, in the gross amount of R\$343,564, which net of Withholding Income Tax represented R\$ \$308,834, and up to 06/30/2022, the amount of R\$308,823 was paid.

### i) Earnings per share

The value of the remuneration to shareholders, per share, was as follows:

	2021	2020
Common shares	0.21314	0.18389
Preferred shares	0.23445	0.20228
Value for 1 "Unit"	1.15094	0.99303

In June 2022, the Company's Management proposed, and the Board of Directors approved, at the 6th/2022 Ordinary Meeting, on June 23, 2022, the credit of Interest on Equity, observing the legal limit of the variation of the TJLP in the period, with based on the results for the 1st semester of 2022. The gross amount of Interest on Equity, calculated for the 1st semester of 2022, was R\$154,207, with the amount of R\$18,777 being withheld as Withholding Income Tax. This credit generated tax savings of R\$52,430.

The following table establishes the calculation of earnings per share in Reais (in thousands, except amounts per share):

Basic and diluted earnings per share	06/30/2022	06/30/2021
<b>Numerator</b>		
Net income for the year attributed to Company shareholders		
Common Shares	164,266	180,721
Preferred Shares	361,385	397,586
<b>Denominator</b>		
Weighted average of number of common shares	503,735,259	503,735,259
Weighted average of number of preferred shares	1,007,470,260	1,007,470,260
<b>Basic and diluted earnings (in Reais)</b>		
Per ordinary share	0.32610	0.35876
Per preferred share	0.35871	0.39464

## 23. OPERATING REVENUES

Operating Revenues composition, by nature, is the following:



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

Description	04/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2022 to 06/30/2022	01/01/2021 to 06/30/2021
<b>Revenue</b>				
Revenues from Water	886,576	833,901	1,806,549	1,639,952
Revenues from Sewage	530,111	488,787	1,076,698	957,770
Revenues from Services	27,892	27,345	56,080	54,169
Revenues from Solid Waste	3,298	3,066	6,359	6,033
Services Provided to Municipalities	5,489	5,164	10,749	10,319
Donations made by clients	7,212	11,153	14,657	18,316
Other Revenue	1,163	1,180	2,615	2,498
<b>Total of operating revenues</b>	<b>1,461,741</b>	<b>1,370,596</b>	<b>2,973,707</b>	<b>2,689,057</b>
<b>Deductions on Operating Revenues</b>				
COFINS	(84,446)	(79,904)	(170,914)	(155,500)
PASEP	(18,182)	(17,303)	(36,838)	(33,692)
<b>Total of Deductions</b>	<b>(102,628)</b>	<b>(97,207)</b>	<b>(207,752)</b>	<b>(189,192)</b>
<b>Total operating revenues, net</b>	<b>1,359,113</b>	<b>1,273,389</b>	<b>2,765,955</b>	<b>2,499,865</b>

The Company presents the explanatory note of net operating revenue in accordance with CPC 47 – Revenue from Customer Contracts, as stated in item 112A.

The Company incurred revenues and costs with construction contracts linked to the concessions in the amount of R\$39,728 (R\$47,303 for the same period in 2021), until the 2<sup>nd</sup> quarter of 2022, that is, with zero margins. Revenue is presented net of construction costs.

## 24. COST OF SERVICES RENDERED

The composition of costs, by nature, is the following:

Description	04/01/2022 a 06/30/2022			04/01/2021 a 06/30/2021		
	Water	Sewage	Total	Water	Sewage	Total
Personnel	(91,485)	(41,242)	(132,727)	(75,608)	(35,869)	(111,477)
Materials	(36,172)	(23,424)	(59,596)	(25,568)	(17,886)	(43,454)
Electricity	(132,270)	(17,917)	(150,187)	(106,102)	(13,327)	(119,429)
Third-party services	(62,951)	(45,611)	(108,562)	(61,379)	(41,874)	(103,253)
Depreciation and amortization	(45,051)	(42,881)	(87,932)	(41,314)	(39,845)	(81,159)
Indemnities of third-party damages	(618)	(502)	(1,120)	(704)	(342)	(1,046)
Municipal Sanitation and Environmental Management Fund (1)	(37,468)	(28,331)	(65,799)	(9,889)	(7,184)	(17,073)
Other costs	(33,062)	(11,763)	(44,825)	(25,667)	(13,893)	(39,560)
<b>Total</b>	<b>(439,077)</b>	<b>(211,671)</b>	<b>(650,748)</b>	<b>(346,231)</b>	<b>(170,220)</b>	<b>(516,451)</b>

Description	01/01/2022 a 06/30/2022			01/01/2021 a 06/30/2021		
	Water	Sewage	Total	Water	Sewage	Total
Personnel	(167,679)	(75,983)	(243,662)	(141,428)	(68,351)	(209,779)
Materials	(67,724)	(43,065)	(110,789)	(51,701)	(34,109)	(85,810)
Electricity	(284,997)	(36,999)	(321,996)	(212,569)	(28,385)	(240,954)
Third-party services	(125,601)	(91,052)	(216,653)	(119,311)	(84,138)	(203,449)
Depreciation and amortization	(89,797)	(84,795)	(174,592)	(81,123)	(78,376)	(159,499)
Indemnities of third-party damages	(1,460)	(834)	(2,294)	(1,519)	(973)	(2,492)
Municipal Sanitation and Environmental Management Fund (1)	(47,741)	(36,766)	(84,507)	(18,371)	(14,149)	(32,520)
Other costs	(63,520)	(22,569)	(86,089)	(54,062)	(24,110)	(78,172)
<b>Total</b>	<b>(848,519)</b>	<b>(392,063)</b>	<b>(1,240,582)</b>	<b>(680,084)</b>	<b>(332,591)</b>	<b>(1,012,675)</b>



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

(1) The amounts referring to the 2021 fiscal year were reclassified from Commercial Expenses to Cost of Services Rendered, as disclosed in Note 2.2 - Changes in Accounting Practices.

## 25. SELLING, ADMINISTRATIVE AND OTHER EXPENSES

The composition of these expenses, by nature, is the following:

Description	04/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2022 a 06/30/2022	01/01/2021 a 06/30/2021
<b>Selling (1)</b>				
Personnel	(34,567)	(30,472)	(64,070)	(59,348)
Materials	(1,082)	(686)	(1,996)	(1,291)
Third-party services	(30,470)	(27,958)	(60,272)	(55,960)
Depreciation and amortization	(1,786)	(2,546)	(3,723)	(5,002)
Losses in Realization of Credits (2)	(58,494)	(25,760)	(109,655)	(43,343)
Sanepar Rural program	(1,003)	(777)	(1,934)	(1,253)
Other expenses	(853)	(514)	(1,461)	(1,321)
<b>Total of selling expenses</b>	<b>(128,255)</b>	<b>(88,713)</b>	<b>(243,111)</b>	<b>(167,518)</b>
<b>Administratives</b>				
Personnel	(154,036)	(136,428)	(295,384)	(266,274)
Materials	(14,396)	(10,364)	(26,596)	(20,945)
Third-party services	(25,334)	(33,724)	(62,646)	(63,172)
Depreciation and amortization	(16,609)	(13,917)	(33,392)	(27,497)
Impairment of inventories	(1)	390	(62)	2,074
Regulatory fee	(6,979)	(6,449)	(13,954)	(12,897)
Travel expenses	(1,329)	(988)	(2,311)	(1,780)
Environmental and social programs	(2,727)	(588)	(6,123)	(2,734)
Compensation for Damages to Third Parties	(219)	(1,542)	(557)	(1,682)
Other expenses	(5,533)	(2,852)	(10,947)	(7,743)
Transfers to cost and selling expenses (3)	39,272	33,707	76,286	66,091
Capitalized Expenses (4)	31,275	30,606	60,381	52,201
<b>Total of administrative expenses</b>	<b>(156,616)</b>	<b>(142,149)</b>	<b>(315,305)</b>	<b>(284,358)</b>
<b>Other operating revenues (expenses)</b>				
<b>Expenses</b>				
Eventual or extraordinary loss (5)	(107)	38	(100)	(8)
Environmental fines	(56)	(103)	(65)	(111)
Write-off of assets	(4,352)	(1,402)	(5,481)	(1,733)
Fair Value Adjustment – Investments	(117)	(17)	(44)	(315)
<b>Total of other operating revenues (expenses), net</b>	<b>(4,632)</b>	<b>(1,484)</b>	<b>(5,690)</b>	<b>(2,167)</b>

(1) The amounts of Municipal Sanitation and Environmental Management Funds for the period 2021 were reclassified from Commercial Expenses to Cost of Services Provided, as disclosed in Note 2.2 - Change in Accounting Practice.

(2) Increase in the balance of allowance for losses on the realization of credits arising from overdue accounts, mainly as a result of the default of accounts receivable from private customers overdue for more than 180 days.

(3) These amounts are first recorded as administrative expenses and later transferred to costs and selling expenses.

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

(5) In the 2nd Quarter of 2022, considering the reports prepared by the committees designated by Resolutions No. 091/2022 and No. 116/2022 (Duct Operation), approved by the Board of Directors at the 12th Extraordinary Meeting, on June 27, 2022, the Company reversed R \$70 of Intangible Assets referring to works to expand water and sewage networks and R\$37 referring to expenses with materials for maintenance of water and sewage networks and recorded the amount of R\$107 as Possible Losses.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

### 26. PROFIT SHARING PROGRAM

The Company provisioned the amount of R\$35,797 (R\$40,771 for the same period in 2021), related to the provision for Profit Sharing, based on goals and performance established for the year 2022, which is recorded in the Salaries and Social Charges account, in current liabilities.

### 27. FINANCIAL INCOME (LOSS)

Description	04/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2022 a 06/30/2022	01/01/2021 a 06/30/2021
<b>Financial revenues</b>				
Financial investments	47,071	10,715	81,374	15,447
Monetary variation gains	19,597	8,188	35,798	13,233
Active Exchange Rate Variations	369	1,322	2,510	1,356
Gain on Derivative Financial Instruments	991	-	992	491
Other financial revenues	8,588	4,835	14,828	10,133
<b>Total of financial revenues</b>	<b>76,616</b>	<b>25,060</b>	<b>135,502</b>	<b>40,660</b>
<b>Financial expenses</b>				
Financing, Lease and Debenture Interest and Charges (1)	(93,495)	(62,886)	(174,216)	(117,117)
Monetary variation losses (1)	(44,265)	(19,954)	(74,725)	(35,856)
Passive Exchange Rate Variations	(1,218)	-	(1,217)	(500)
Loss on Derivative Financial Instruments	(641)	(1,399)	(3,096)	(1,441)
Other financial expenses	(648)	(796)	(1,228)	(1,065)
<b>Total of financial expenses</b>	<b>(140,267)</b>	<b>(85,035)</b>	<b>(254,482)</b>	<b>(155,979)</b>
<b>Financial income (loss), net</b>	<b>(63,651)</b>	<b>(59,975)</b>	<b>(118,980)</b>	<b>(115,319)</b>

(1) Increase in the calculation basis of interest and monetary variations, due to the raising of funds from third parties, readjustment of the coastal lease agreement, and IPCA variation, offset by the growth in financial income, mainly due to the change in the value of the SELIC rate and the increase in the Company's Cash and Cash Equivalents (amounts invested).

### 28. INFORMATION BY BUSINESS SEGMENT

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 presented separately. Corporate assets and liabilities were not directly attributed to each business segment.

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:



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

Description	01/01/2022 a 06/30/2022			01/01/2021 a 06/30/2021		
	Water	Sewage	Total	Water	Sewage	Total
Direct operating revenue	1,847,917	1,097,769	2,945,686	1,679,002	978,922	2,657,924
Other operating revenues	15,852	12,169	28,021	17,711	13,422	31,133
<b>Total gross operating Revenue</b>	<b>1,863,769</b>	<b>1,109,938</b>	<b>2,973,707</b>	<b>1,696,713</b>	<b>992,344</b>	<b>2,689,057</b>
Revenue Deductions (PASEP and COFINS)	(117,526)	(90,226)	(207,752)	(107,624)	(81,568)	(189,192)
<b>Net operating revenue</b>	<b>1,746,243</b>	<b>1,019,712</b>	<b>2,765,955</b>	<b>1,589,089</b>	<b>910,776</b>	<b>2,499,865</b>
Cost	(848,519)	(392,063)	(1,240,582)	(680,084)	(332,591)	(1,012,675)
<b>Gross profit</b>	<b>897,724</b>	<b>627,649</b>	<b>1,525,373</b>	<b>909,005</b>	<b>578,185</b>	<b>1,487,190</b>
Selling expenses	(137,534)	(105,577)	(243,111)	(95,943)	(71,575)	(167,518)
Administrative expenses	(178,376)	(136,929)	(315,305)	(161,769)	(122,589)	(284,358)
Other operating revenues (expenses)	(3,219)	(2,471)	(5,690)	(1,233)	(934)	(2,167)
Equity in earnings (losses) of controlled companies	-	(1,598)	(1,598)	-	(1,245)	(1,245)
Financial income (loss), net	(54,144)	(64,836)	(118,980)	(52,631)	(62,688)	(115,319)
Profit sharing program	(20,251)	(15,546)	(35,797)	(23,194)	(17,577)	(40,771)
Provisions	(32,046)	(24,668)	(56,714)	(27,975)	(21,120)	(49,095)
Pension plan and medical insurance	(22,819)	(17,520)	(40,339)	(16,743)	(12,690)	(29,433)
<b>Income before taxes and contributions</b>	<b>449,335</b>	<b>258,504</b>	<b>707,839</b>	<b>529,517</b>	<b>267,767</b>	<b>797,284</b>
Income tax and social contribution	(115,652)	(66,536)	(182,188)	(145,433)	(73,544)	(218,977)
<b>Net income for the period</b>	<b>333,683</b>	<b>191,968</b>	<b>525,651</b>	<b>384,084</b>	<b>194,223</b>	<b>578,307</b>
Operating margin - Unaudited/Not Revised	25.7%	25.4%	25.6%	33.3%	29.4%	31.9%
Net margin - Unaudited/Not Revised	19.1%	18.8%	19.0%	24.2%	21.3%	23.1%
Investments in fixed /Intangible assets in the year (1)	341,313	422,386	763,699	291,772	260,567	552,339
Equity Interest - CS Bioenergia	-	1,420	1,420	-	1,046	1,046
Indebtedness – Loans, Financing, Debentures and Leases	2,211,778	2,617,652	4,829,430	1,773,782	2,262,359	4,036,141
Contract Asstes, fixed assets and intangible assets, net	5,102,817	6,151,440	11,254,257	4,612,957	5,562,380	10,175,337
Depreciation and amortization for the period	(110,796)	(100,911)	(211,707)	(99,613)	(92,385)	(191,998)
Accounts receivable (current and non-current) (2)	1,072,821	526,143	1,598,964	823,361	426,716	1,250,077
Total assets	7,099,726	8,558,711	15,658,437	6,287,249	7,581,270	13,868,519
Total liabilities (current and noncurrent liabilities)	3,729,764	3,794,767	7,524,531	2,982,443	3,575,773	6,558,216
Number of Users – Unaudited/Not Reviewed (3)	3,381,769	2,407,566	-	3,312,137	2,345,221	-
Volume Thousand m <sup>3</sup> Invoiced - Unaudited/Not Reviewed (4)	267,033	204,985	-	260,371	197,311	-

(1) The amounts invested in administrative assets were allocated proportionally to the investments of each segment.

(2) Presented by the gross value.

(3) The users included in the sewage sector are practically all included in the water sector.

(4) Invoices volumes of the sewage sector are derived from the invoiced volumes of the water utility sector.

## 29. INSURANCE

The Company has an insurance contract with MAPFRE Seguros Gerais S/A covering its main assets located in several localities throughout the State of Paraná, for the amount of R\$1,794,313, with coverage term from 03/14/2022 to 03/13/2023, contemplating basic coverage for fire, wind, and electrical damages to the equipment.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

Asset	Amount insured
Buildings	868,576
Machinery, equipment and vehicles	840,550
Inventory	85,187
<b>Total</b>	<b>1,794,313</b>

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, 2022, the Company offered guarantees through the Surety Bond in 320 lawsuits in the amount of R\$299,255 with Pottencial Seguradora S/A, maturing on 06/07/2023.

The Company also signed/renewed the contract with Starr Internacional Brasil Seguradora S/A for insurance coverage in the modality of civil liability of directors and administrators of Sanepar (D & O - Directors and Officers) with National and International coverage, with the maximum limit guarantee of R\$20,000, with a 365-day contract term ending on 09/09/2022.

### 30. "DUCTOS" OPERATION AND ITS IMPACT IN THE COMPANY

On January 20, 2022, at the 1st/2022 Ordinary Meeting of the Board of Directors, the final reports produced by the External Investigation Commission - CEI and the independent forensic investigation conducted by Tauil & Checker Advogados, associated with Mayer Brown and the consultancy Ernst & Young – EY, relating to the "Águas Claras" and "Ductos" Operations, and the Board of Directors decided to receive the reports and recommendations contained therein. In this way, the work of the Investigation Team was closed, according to the Material Fact published on January 21, 2022.

Also, at the 1st/2022 Ordinary Meeting of the Board of Directors, the Board of Directors became aware of the final report of the Operation Ductos Phase II Task Force and reports of Resolutions No. 718/2021 and 719/2021 and determined: (i) the establishment of the third phase of the Task Force to finalize the assessments resulting from the amounts already provisioned and any liability, with the governance of these works being assigned to the Deputy Board of Governance Risk and Compliance-DAGRC and Internal Audit; (ii) the establishment of a Specific Multidisciplinary Commission that will continue the analysis and improvement of materials management procedures; (iii) the forwarding, by Internal Audit, of the Phase II Task Force Recommendations, Resolutions 718/2021 and 719/2021 to the Executive Board and Reports with the Responsibility Matrix to the Conduct Committee for analysis and action; (iv) the external forwarding of the Task Force Works - Phase II, which must occur after the conclusion of item iii and upon legal analysis.

The Company's Management instituted the Commissions as mentioned in items "i" and "ii", and the Internal Audit also forwarded the recommendations following item iii above.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

On June 27, 2022, at the 12th/2022 Extraordinary Meeting, the Board of Directors took note of and approved the reports prepared by the Committees designated by Resolutions No. 091/2022 and No. 116/2022 to comply with items i and ii, and on June 30, In June 2022, the Company recorded: (i) R\$107 (R\$89 net of taxes) debited to the result, under the heading "Losses", with a contra entry under the heading "Intangible Assets - Expansion of Water and Sewerage Networks" R\$70 and, in the result under "Network Maintenance Expenses" R\$37; and (ii) reversal of R\$2,015 from "Provision for Contingencies – Income" and "Provisions – Non-Current Liabilities", recorded in the 4th quarter of the year ended December 31, 2021.

### 31. IMPACTS OF THE CORONAVIRUS (COVID-19)

On March 29, 2022, based on data on vaccine coverage against Covid-19 and the decrease in the number of contaminations, hospitalization, and deaths by the Coronavirus in Paraná, the State Government published decree 10.596/2022 that releases the circulation of people without masks indoors, maintaining the recommendation to use them in some spaces, such as public transport and health care points.

With the publication of the state decree, Sanepar established new preventive guidelines set out below:

- The use of masks is no longer mandatory on Sanepar's dependencies, except in places of occupational medical care and municipalities with more restrictive measures, however, the use of the mask is recommended in internal areas of the Company, being the use at the discretion of the employee.
- Three types of work are in force at the company: face-to-face work, telework, for categories with ACT approval, and remote work, mandatory exclusively for employees in isolation, for a period determined by a health professional.
- The face-to-face service, fully available to customers, must occur according to schedules defined in internal regulations. In locations where there are time or capacity restrictions, the Relationship Centers must comply with the current municipal decree or legislation. All criteria for social distancing and hygiene and protection protocol contained in the Contingency Plan for the Confrontation of the Coronavirus must be met.

IMPACTS - The extension of the postponement of the collection of water and sewage bills is in effect, for customers registered in the "Solidarity Water" category. The measure is valid for 90 days, starting on June 13, 2022, and was published in a Material Fact on June 7, 2022, in continuity with the actions implemented in 2020 and 2021 and following state law No. 20.187/2020, which remains in effect and restricts the interruption of service provision, for certain categories of consumers, during emergency situations, such as the Covid-19 pandemic.

In the 2nd quarter of 2022, the average monthly billing of the "Solidarity Water" category was R\$ 4.4 million, and an average of 240 thousand water savings and 167 thousand sewage savings were served.



# Companhia de Saneamento do Paraná - SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base Date June 30, 2022

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

---

Since the beginning of the pandemic period, on March 19, 2020, the Company has been analyzing collection and delinquency and, considering the best estimate, constituted a provision for expected losses of R\$26.5 million in accounts receivable.



## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

### Introduction

We have reviewed the interim financial information of Companhia de Saneamento do Paraná - Sanepar ("Company") contained within the Quarterly Financial Information - ITR, for the quarter ended on June 30, 2022, which comprise the balance sheet on June 30, 2022, and the related statements of income and comprehensive income for the three and six-months period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, as well as a summary of the significant accounting practices and other notes.

The Management of the Company is responsible for the preparation of the interim financial information in accordance with NBC TG 21 (R4) - Interim Financial Reporting and with the International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Financial Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of the review

We conducted our review in accordance with Brazilian and International Standard on Review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that 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, we are not aware of any fact that causes us to believe that the interim financial information included in the Quarterly Financial information - ITR referred to above were not prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34 applicable to Quarterly Financial Information - ITR and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).



## Other issues

### Audit and review of values corresponding to the previous year and period

The interim financial information contained in the Quarterly Information Form - ITR mentioned in the first paragraph includes interim information corresponding to the statements of income and comprehensive income for the period of three and six-months and the statements of changes in equity, cash flows and value added for the period of six-months ended June 30, 2021, obtained from the interim financial information for that quarter, and the financial position as of December 31, 2021, obtained from the financial statements as of December 31, 2021, presented for comparison purposes. The review of the interim information for the quarter ended June 30, 2021 and the audit of the financial statements for the year ended December 31, 2021 were conducted under our responsibility, which contained an emphasis on "Independent Internal Investigation, related to operations "Rádio Patrulha", "Integração", "Águas Claras" and "Ductos", which were completed at the end of the year end of 2021, and we have issued review and audit reports dated August 12, 2021 and February 23, 2022, respectively, without qualification.

### Interim statement of added value

The quarterly information referred to above includes the interim statements of value added (SVA) for the six-month period ended June 30, 2022, prepared under the responsibility of Company management and presented as supplementary information for IAS 34 purposes. This information have been subject to review procedures performed in conjunction with the review of the quarterly information to conclude whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 - Statement of Added Value. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the interim financial information taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

Curitiba, May 5, 2022.



BDO RCS Auditores Independentes SS  
CRC 2 PR 006853/F-9

Marisa Bernardino de Albuquerque  
Accountant CRC 1 SP 143624°/T - S - PR

## **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 items V and VI of article 25 of CVM Instruction nº 480/2009, declares that it has reviewed, discussed and agreed with Sanepar's interim financial statements for the period ended June 30, 2022.

Curitiba, July 25<sup>th</sup>, 2022.

**CLAUDIO STABILE**  
Chief Executive Officer

**ABEL DEMETRIO**  
Chief Financial and Investor  
Relations Officer

**SERGIO WIPPEL**  
Chief Operating Officer

**LEURA LUCIA CONTE DE OLIVEIRA**  
Chief Investment Officer

**ELERIAN DO ROCIO ZANETTI**  
Chief Commercial Officer

**ANDREI DE OLIVEIRA RECH**  
Chief Legal Officer

**PRISCILA MARCHINI BRUNETTA**  
Chief Administrative Officer

**JULIO CESAR GONCHOROSKY**  
Chief of Environment and Social Action 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 dispositions of items V and VI of article 25 of CVM Instruction nº 480/2009, has reviewed, discussed and agree with the opinions stated in the audit report issued by BDO RCS Auditores Independentes with respect to the Sanepar interim financial statements for the period ended on June 30, 2022.

Curitiba, August 4<sup>th</sup>, 2022.

**CLAUDIO STABILE**  
Chief Executive Officer

**ABEL DEMETRIO**  
Chief Financial and Investor  
Relations Officer

**SERGIO WIPPEL**  
Chief Operating Officer

**LEURA LUCIA CONTE DE OLIVEIRA**  
Chief Investment Officer

**ELERIAN DO ROCIO ZANETTI**  
Chief Commercial Officer

**ANDREI DE OLIVEIRA RECH**  
Chief Legal Officer

**PRISCILA MARCHINI BRUNETTA**  
Chief Administrative Officer

**JULIO CESAR GONCHOROSKY**  
Chief of Environment and Social Action Officer