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## **ITR - QUARTERLY INFORMATION SECOND QUARTER OF 2023**

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

**Quarterly Information  
For the quarter ended at June 30, 2023**

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**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 06/30/2023</b>	<b>Prior Year 12/31/2022</b>
1	Total Assets	17,705,951	16,657,196
1.01	Current assets	2,604,133	2,469,829
1.01.01	Cash and cash equivalents	1,154,117	1,207,932
1.01.01.01	Cash and banks	38,430	38,762
1.01.01.02	Financial investments	1,115,687	1,169,170
1.01.03	Accounts receivable	1,203,134	1,086,163
1.01.03.01	Trade accounts receivable	1,203,134	1,086,163
1.01.04	Inventories	64,932	76,943
1.01.06	Recoverable taxes	93,985	38,334
1.01.06.01	Current recoverable taxes	93,985	38,334
1.01.08	Other current assets	87,965	60,457
1.01.08.03	Others	87,965	60,457
1.01.08.03.01	Restricted deposits	34,542	23,705
1.01.08.03.02	Derivative financial instruments	26,828	16,053
1.01.08.03.03	Other accounts receivable	26,595	20,699
1.02	Noncurrent assets	15,101,818	14,187,367
1.02.01	Long-term assets	5,319,913	4,860,198
1.02.01.04	Accounts receivable	239,986	125,750
1.02.01.04.01	Trade accounts receivable	239,986	125,750
1.02.01.07	Deferred taxes	731,638	686,874
1.02.01.07.01	Deferred Income and Social Contribution Taxes	731,638	686,874
1.02.01.10	Other noncurrent assets	4,348,289	4,047,574
1.02.01.10.03	Restricted deposits	79,113	75,214
1.02.01.10.06	Court deposits	564,547	507,294
1.02.01.10.07	Contractual financial assets	771,989	676,465
1.02.01.10.08	Contract of asset	2,891,427	2,746,449
1.02.01.10.09	Other receivables	41,213	42,152
1.02.02	Investments	2,989	1,988
1.02.02.01	Shareholdings	2,989	1,988
1.02.02.01.03	Joint Ventures	2,989	1,988
1.02.03	Fixed assets	378,510	370,524
1.02.03.01	Fixed assets in operation	220,937	219,501
1.02.03.02	Rigth-of-use assets	157,573	151,023
1.02.04	Intangible assets	9,400,406	8,954,657
1.02.04.01	Intangible assets	9,400,406	8,954,657
1.02.04.01.01	Concession contracts	9,224,669	8,777,168
1.02.04.01.02	Rigth-of-use assets	175,737	177,489

**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 06/30/2023</b>	<b>Prior Year 12/31/2022</b>
2	Total Liabilities	17,705,951	16,657,196
2.01	Current liabilities	1,774,291	1,629,658
2.01.01	Payroll and social charges	88,956	139,976
2.01.01.02	Labor liabilities	88,956	139,976
2.01.02	Trade accounts payable	321,428	297,045
2.01.02.01	Trade accounts payable - domestic	321,428	297,045
2.01.03	Tax liabilities	93,333	102,767
2.01.03.01	Federal Taxes	90,332	99,890
2.01.03.01.02	Other Federal Taxes	90,332	99,890
2.01.03.03	Municipal Taxes	3,001	2,877
2.01.04	Loans and financing	656,348	575,651
2.01.04.01	Loans and financing	200,102	176,970
2.01.04.01.01	Domestic currency	174,055	161,618
2.01.04.01.01	Foreign currency	26,047	15,352
2.01.04.02	Debentures	361,230	303,115
2.01.04.03	Financing from finance lease	95,016	95,566
2.01.05	Other liabilities	378,047	340,826
2.01.05.02	Others	378,047	340,826
2.01.05.02.01	Dividends and interest on equity capital payable	236,980	227,335
2.01.05.02.05	Collaterals and contractual retentions	2,378	2,217
2.01.05.02.07	Unearned revenue	3,560	3,560
2.01.05.02.08	Derivative financial instruments	26,846	15,746
2.01.05.02.09	Other accounts payable	108,283	91,968
2.01.06	Provisions	236,179	173,393
2.01.06.02	Other provisions	236,179	173,393
2.01.06.02.04	Provisions for pension plan and health insurance	68,928	67,404
2.01.06.02.05	Labor provisions	167,251	105,989
2.02	Noncurrent liabilities	6,831,087	6,240,651
2.02.01	Loans and financing	4,958,054	4,507,593
2.02.01.01	Loans and financing	2,064,511	1,836,065
2.02.01.01.01	Domestic currency	2,064,511	1,836,065
2.02.01.02	Debentures	2,489,950	2,267,243
2.02.01.03	Financing from finance lease	403,593	404,285
2.02.02	Other liabilities	98,201	100,406
2.02.02.02	Others	98,201	100,406
2.02.02.02.04	Contractors and Suppliers	1,077	1,077
2.02.02.02.09	Unearned revenue	9,493	11,273
2.02.02.02.11	Other accounts payable	87,631	88,056
2.02.04	Provisions	1,774,832	1,632,652
2.02.04.02	Other provisions	1,774,832	1,632,652
2.02.04.02.04	Provisions for pension plan and health insurance	964,989	943,652
2.02.04.02.05	Provisions	809,843	689,000
2.03	Equity	9,100,573	8,786,887
2.03.01	Realized capital stock	5,996,137	3,996,137
2.03.01.01	Paid-in capital stock	5,996,137	3,996,137
2.03.03	Revaluation surplus	52,290	54,426
2.03.03.01	Own assets	52,290	54,426
2.03.04	Profit reserves	2,356,691	4,515,837
2.03.04.01	Legal reserve	0	166,212
2.03.04.07	Tax incentive reserve	11,606	11,606
2.03.04.08	Additional proposed dividend	0	159,146
2.03.04.10	Investment plan	2,345,085	4,178,873
2.03.05	Retained earnings/(Accumulated losses)	475,014	0
2.03.06	Asset and liability valuation adjustments	4,276	4,322
2.03.08	Other comprehensive income	216,165	216,165

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

Code of Account	Account description	Accumulated in current year		Accumulated in prior year	
		Current quarter 04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	Prior quarter 04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022
3.01	Revenue from sales of goods and/or services	1,536,029	2,989,992	1,359,113	2,765,955
3.02	Cost of goods sold and/or services rendered	-617,138	-1,205,747	-650,748	-1,240,582
3.03	Gross result	918,891	1,784,245	708,365	1,525,373
3.04	Operating expenses/revenues	-373,381	-691,129	-371,885	-698,554
3.04.01	Selling expenses	-74,768	-100,733	-128,255	-243,111
3.04.02	General and administrative expenses	-190,952	-377,553	-156,616	-315,305
3.04.05	Other operating expenses	-107,490	-212,255	-86,167	-138,540
3.04.05.01	Provision for contingencies	-57,403	-120,843	-45,449	-56,714
3.04.05.02	Pension plan and health insurance	-11,431	-22,861	-20,170	-40,339
3.04.05.03	Profit sharing program	-32,292	-56,739	-15,916	-35,797
3.04.05.04	Other operating expenses (revenues)	-6,364	-11,812	-4,632	-5,690
3.04.06	Equity in earnings (losses) of controlled companies	-171	-588	-847	-1,598
3.05	Income (loss) before financial income (loss) and taxes	545,510	1,093,116	336,480	826,819
3.06	Financial income (loss)	-45,795	-116,339	-63,651	-118,980
3.06.01	Financial revenues	81,409	149,767	76,616	135,502
3.06.02	Financial expenses	-127,204	-266,106	-140,267	-254,482
3.07	Income (loss) before taxes	499,715	976,777	272,829	707,839
3.08	Income and Social Contribution Taxes	-77,607	-235,095	-39,122	-182,188
3.08.01	Current	-81,508	-279,859	-41,044	-204,992
3.08.02	Deferred	3,901	44,764	1,922	22,804
3.09	Net income (loss) from continuing operations	422,108	741,682	233,707	525,651
3.11	Income/Loss for the period	422,108	741,682	233,707	525,651
3.99	Earnings per share – (Reais/Share)				
3.99.01	Basic earnings per share				
3.99.01.01	Preferred shares	0.28805	0.50613	0.15948	0.35871
3.99.01.02	Common shares	0.26186	0.46011	0.14498	0.32610
3.99.02	Diluted earnings per share				
3.99.02.01	Preferred shares	0.28805	0.50613	0.15948	0.35871
3.99.02.02	Common shares	0.26186	0.46011	0.14498	0.32610

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

Code of Account	Account description	Accumulated in current		Prior quarter	Accumulated in prior year
		Current quarter	year		
		04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022
4.01	Net income for the period	422,108	741,682	233,707	525,651
4.02	Other comprehensive income	-1,105	-2,182	-1,164	-2,424
4.02.01	Realization of revaluation surplus	-1,628	-3,236	-1,698	-3,543
4.02.02	Taxes on Realization of Revaluation Surplus	553	1,100	577	1,204
4.02.03	Realization of Deemed Cost	-46	-70	-65	-129
4.02.04	Taxes on Realization of Deemed Cost	16	24	22	44
4.03	Comprehensive income for the period	421,003	739,500	232,543	523,227

**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 01/01/2023 to 06/30/2023	prior year 01/01/2022 to 06/30/2022
6.01	Net cash from operating activities	1,024,618	911,394
6.01.01	Cash from operations	1,311,734	1,184,160
6.01.01.01	Net income for the period	741,682	525,651
6.01.01.02	Depreciation and amortization	234,060	211,707
6.01.01.03	Costs of fixed and intangible assets write-offs	5,670	8,293
6.01.01.04	Impairment	-1,009	-2,020
6.01.01.06	Discount to present value of financial assets	-14,611	-12,775
6.01.01.07	Allowance for doubtful accounts	-44,826	109,714
6.01.01.08	Deferred Income and Social Contribution Taxes, net	-44,764	-22,804
6.01.01.09	Provision for contingencies	120,843	56,714
6.01.01.10	Pension plan and medical insurance	22,861	40,339
6.01.01.11	Interest on financing	206,041	170,347
6.01.01.12	Monetary variations on financing	68,791	76,744
6.01.01.13	Interest and monetary restatements Leasing	12,193	16,940
6.01.01.14	Exchange rate, net	-847	-1,293
6.01.01.15	Exchange on derivative financial instrmnts	1,937	2,104
6.01.01.16	Equity in earnings (losses) of controlled companies	588	1,598
6.01.01.17	Appropriation of costs of funds raised from third parties	3,164	2,856
6.01.01.18	Adjustment to Fair Value – Investments	-39	45
6.01.02	Changes in assets and liabilities	-287,116	-272,766
6.01.02.01	Trade accounts receivable	-186,381	-164,926
6.01.02.02	Recoverable taxes and contributions	-55,651	-34,490
6.01.02.03	Inventories	12,011	-6,810
6.01.02.04	Court deposits	-57,253	-55,765
6.01.02.05	Other receivables and accounts receivable	-5,385	622
6.01.02.06	Contractors and Suppliers	24,383	-14,157
6.01.02.08	Taxes and contributions	269,812	191,727
6.01.02.09	Salaries and social charges	10,242	8,375
6.01.02.10	Collaterals and contractual retentions	161	-121
6.01.02.11	Unearned revenues	-1,780	15,914
6.01.02.12	Income and social contribution taxes paid	-311,980	-221,278
6.01.02.13	Other accounts payable	14,705	8,143
6.02	Net cash from investing activities	-881,227	-765,119
6.02.01	Investments in fixed and intangible assets	-880,265	-763,699
6.02.02	Investments	-962	-1,420
6.03	Net cash from financing activities	-197,206	103,827
6.03.01	Financing	738,663	799,926
6.03.02	Amortization of financing	-287,280	-176,185
6.03.03	Payments of interest on financing	-193,874	-144,148
6.03.04	Payments of Mercantile Leases	-52,105	-42,484
6.03.05	Costs of funds raised with third parties	-2,258	-12,848
6.03.06	Restricted deposits	-14,736	-11,611
6.03.07	Payments of Interest on Equity	-385,616	-308,823
6.05	Increase (decrease) in cash and equivalents	-53,815	250,102
6.05.01	Beginning balance of cash and cash equivalents	1,207,932	983,127
6.05.02	Ending balance of cash and cash equivalents	1,154,117	1,233,229

**Individual financial statements/ Statement of changes in equity - 01/01/2023 to 06/30/2023**  
(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	4,515,837	0	274,913	8,786,887
5.03	Adjusted beginning balances	3,996,137	0	4,515,837	0	274,913	8,786,887
5.04	Capital Transactions with Shareholders	2,000,000	0	-2,159,146	-268,850	0	-427,996
5.04.01	Increase in capital stock	2,000,000	0	-2,000,000	0	0	0
5.04.06	Dividends	0	0	-159,146	0	0	-159,146
5.04.07	Interest on Equity	0	0	0	-268,850	0	-268,850
5.05	Total comprehensive income	0	0	0	743,864	-2,182	741,682
5.05.01	Net income for the period	0	0	0	741,682	0	741,682
5.05.02	Other comprehensive income	0	0	0	2,182	-2,182	0
5.05.02.06	Realization of revaluation surplus	0	0	0	3,236	-3,236	0
5.05.02.07	Taxes on the realization of revaluation surplus	0	0	0	-1,100	1,100	0
5.05.02.08	Realization of adjustment to deemed cost	0	0	0	70	-70	0
5.05.02.09	Taxes on realization of adjustment to deemed cost	0	0	0	-24	24	0
5.07	Ending balances	5,996,137	0	2,356,691	475,014	272,731	9,100,573



**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

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

Code of account	Account description	Accumulated in	Accumulated in
		current year 01/01/2023 to 06/30/2023	prior year 01/01/2022 to 06/30/2022
7.01	Revenues	3,256,453	2,858,303
7.01.01	Sales of merchandise, products and services	3,223,439	2,973,707
7.01.02	Other revenues	-11,812	-5,690
7.01.04	Reversal of/allowance for doubtful accounts	44,826	-109,714
7.02	Inputs acquired from third parties	-971,717	-960,198
7.02.01	Costs of products, merchandise and services sold	-438,969	-421,702
7.02.02	Materials, energy, third-party services and others	-443,562	-502,577
7.02.04	Others	-89,186	-35,919
7.03	Gross value added	2,284,736	1,898,105
7.04	Withholdings	-234,060	-211,707
7.04.01	Depreciation, amortization and depletion	-234,060	-211,707
7.05	Net generated value added	2,050,676	1,686,398
7.06	Value added received by transfer	149,179	133,904
7.06.01	Equity in earnings (losses) of controlled companies	-588	-1,598
7.06.02	Financial revenues	149,767	135,502
7.07	Total value added to be distributed	2,199,855	1,820,302
7.08	Value added distribution	2,199,855	1,820,302
7.08.01	Personnel	614,895	550,893
7.08.01.01	Direct compensation	393,379	348,388
7.08.01.02	Benefits	195,408	178,272
7.08.01.03	Severance Pay Fund (FGTS)	26,108	24,233
7.08.02	Taxes, fees and contributions	572,391	485,761
7.08.02.01	Federal	566,941	481,202
7.08.02.02	State	461	418
7.08.02.03	Municipal	4,989	4,141
7.08.03	Return on debt capital	270,887	257,997
7.08.03.01	Interest	266,106	254,482
7.08.03.02	Rents	4,781	3,515
7.08.04	Return on equity capital	741,682	525,651
7.08.04.01	Interest on Equity	268,850	154,207
7.08.04.03	Retained earnings/ Accumulated losses for the period	472,832	371,444

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

We present below the contracts in % of Total Revenue of the Company, as of June 30, 2023:

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	22.3%	25.0 anos	Water and Sewage	100%	99.1%	837.3	823.1
Londrina	7.2%	23.0 anos	Water and Sewage	100%	95.6%	263.3	251.1
Maringá	5.2%	17.2 anos	Water and Sewage	100%	100.0%	173.6	194.8
Ponta Grossa	3.8%	2.8 anos	Water and Sewage	100%	92.2%	160.2	145.4
Cascavel	3.6%	1.4 anos	Water and Sewage	100%	100.0%	135.5	147.4
Foz do Iguaçu	3.5%	20.7 anos	Water and Sewage	100%	81.9%	122.6	100.4
São José dos Pinhais	2.9%	20.5 anos	Water and Sewage	100%	83.9%	120.3	99.3
Colombo	1.8%	24.8 anos	Water and Sewage	100%	73.2%	88.5	63.9
Guarapuava	1.7%	19.3 anos	Water and Sewage	100%	86.4%	71.7	61.2
Toledo	1.5%	2.2 anos	Water and Sewage	100%	82.6%	64.1	52.5
Other Municipalities	46.5%					2,228.2	1,398.2
<b>Total</b>				<b>100.0%</b>	<b>79.4%</b>	<b>4,265.3</b>	<b>3,337.3</b>

Contracts	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	24	693.5	5.0	5.0
Maturity in 2023	13	72.4	0.5	0.4
Maturity between 2024 and 2033	53	2,526.0	19.4	19.5
Maturity after 2033 <sup>3</sup>	256	9,441.8	75.1	75.1
<b>Total</b>	<b>346</b>	<b>12,733.7</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> It includes the municipality of Maringá, whose amendment, that extended the concession until 2040, 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 79.4%, with 100% of the collected sewage being treated, according to the Company's Information System.

Revenues stem mainly from residential water connections, representing 90.8% of the total water connections existing on June 30, 2023.

The number of water connections in June 2023 is 1.6% higher than the number of connections existing in June 2022, which represents an increase of 54,371 water connections, as follows:

Number of Water Connections*	JUN/23 (1)	%	JUN/22 (2)	%	Var.% (1/2)
Residential	3,120,830	90.8	3,073,686	90.9	1.5
Commercial	249,610	7.3	243,256	7.2	2.6
Industrial	13,784	0.4	13,649	0.4	1.0
Public Utility	24,323	0.7	24,062	0.7	1.1
Public Administration	27,593	0.8	27,116	0.8	1.8
<b>Total</b>	<b>3,436,140</b>	<b>100.0</b>	<b>3,381,769</b>	<b>100.0</b>	<b>1.6</b>

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

The number of sewage connections in June 2023 is 2.8% higher than the number of connections existing in June 2022, representing an increase of 67,320 new sewage connections, as shown below:

Number of Sewage Connections*	JUN/23 (1)	%	JUN/22 (2)	%	Var.% (1/2)
Residential	2,238,076	90.4	2,178,153	90.5	2.8
Commercial	198,818	8.0	192,430	8.0	3.3
Industrial	6,314	0.3	6,199	0.3	1.9
Public Utility	16,158	0.7	15,765	0.7	2.5
Public Administration	15,520	0.6	15,019	0.5	3.3
<b>Total</b>	<b>2,474,886</b>	<b>100.0</b>	<b>2,407,566</b>	<b>100.0</b>	<b>2.8</b>

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

## 1.2 PRODUCTIVITY

In 2Q23, the measured volume of treated water was 133.4 million m<sup>3</sup>, against 123.2 million m<sup>3</sup> in 2Q22, representing an increase of 8.3%, as shown below:

Measured Volume - millions of m <sup>3</sup> *	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Residential	113.3	104.5	8.4	226.4	217.3	4.2
Commercial	10.7	9.8	9.2	21	19.7	6.6
Industrial	2.9	2.9	0.0	5.7	6.0	-5.0
Public Utility	1.4	1.3	7.7	2.7	2.6	3.8
Public Administration	5.1	4.7	8.5	9.4	8.9	5.6
<b>Total</b>	<b>133.4</b>	<b>123.2</b>	<b>8.3</b>	<b>265.2</b>	<b>254.5</b>	<b>4.2</b>

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

In 2Q23, the volume of treated water billed was 139.5 million m<sup>3</sup>, against 130.0 million m<sup>3</sup> in 2Q22, representing an increase of 7.3%, as shown below:

Billed Water Volume - millions of m <sup>3</sup> *	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Residential	118.5	110.1	7.6	236.4	227.3	4.0
Commercial	11.6	10.7	8.4	22.9	21.5	6.5
Industrial	2.9	3.3	-12.1	5.8	6.9	-15.9
Public Utility	1.2	1.1	9.1	2.2	2.2	0.0
Public Administration	5.3	4.8	10.4	9.6	9.1	5.5
<b>Total</b>	<b>139.5</b>	<b>130.0</b>	<b>7.3</b>	<b>276.9</b>	<b>267.0</b>	<b>3.7</b>

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

The volume of sewage billed in 2Q23 increased by 9.0% when compared to 2Q22, as shown below:

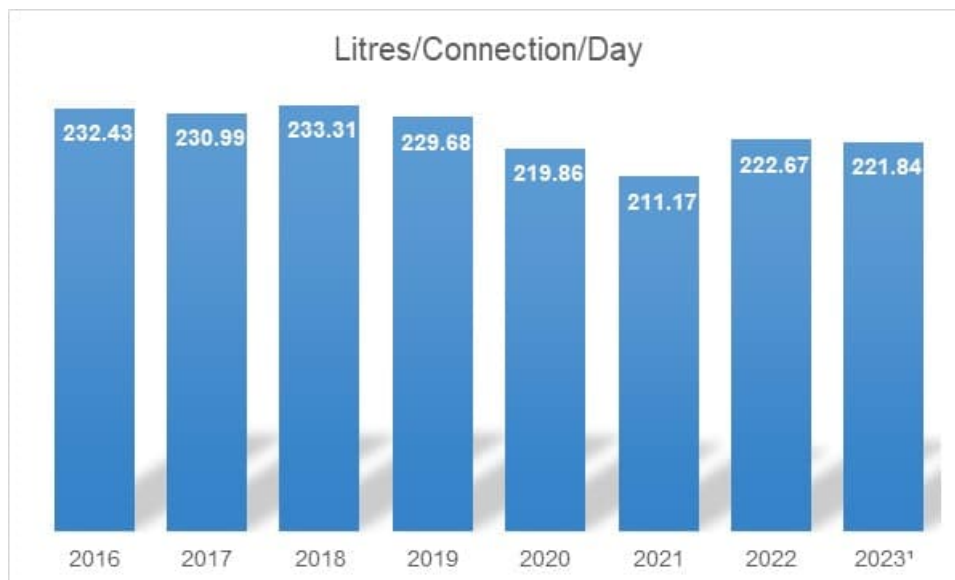
Billed Sewage Volume - millions of m <sup>3</sup> *	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Residential	92.9	85.3	8.9	184.4	174.7	5.6
Commercial	10.9	9.9	10.1	21.4	19.8	8.1
Industrial	1.0	0.9	11.1	2.0	1.7	17.6
Public Utility	1.0	0.9	11.1	1.9	1.8	5.6
Public Administration	4.0	3.7	8.1	7.4	7.0	5.7
<b>Total</b>	<b>109.8</b>	<b>100.7</b>	<b>9.0</b>	<b>217.1</b>	<b>205.0</b>	<b>5.9</b>

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

## DEMONSTRATIVE OF THE LOSS INDEX BY CONNECTION\*

As of the 2023 fiscal year, in line with the legal aspects of the Sanitation Regulatory Framework and by determination of the Regulatory Agency of the State of Paraná – AGEPAR, which established the use as an indicator of the Loss Index per Connection in the SNIS standard (National System of Information on Sanitation), the Company changed the way of calculating and presenting this indicator.

The Loss Index per Connection calculated in the SNIS standard considers the volume of water losses defined as the difference between the produced volume, the balance between the exported and imported volume, and the micro-volume measured in the hydrometers, excluding the service volume (operational, recovered and special), being presented accumulated for a period of 12 months.



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

(1) Accumulated values for the last 12 months.

Water*	JUN/23 (1)	JUN/22 (2)	Var. (1/2)	JUN/21 (3)	Var. % (2/3)
Units served by the distribution network	4,265,263	4,204,837	1.4 %	4,127,856	1.9 %
Number of treatment stations	168	168	0.0 %	168	0.0 %
Number of wells	1,271	1,171	8.5 %	1,261	-7.1 %
Number of surface catchment	233	237	-1.7 %	234	1.3 %
Km of laid network	60,646	59,569	1.8 %	58,407	2.0 %
Volume produced (m <sup>3</sup> )	403,552,898	391,016,158	3.2 %	375,619,722	4.1 %
Losses in billings - %	31.39	31.71	-0.32 p.p.	30.67	1.04 p.p.
Evasion of revenues - % (default)	-2.41	4.89	-7.30 p.p.	3.65	1.24 p.p.

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

Sewage*	JUN/23 (1)	JUN/22 (2)	Var. (1/2)	JUN/21 (3)	Var. % (2/3)
Units served by the collection network	3,337,263	3,248,364	2.7 %	3,165,405	2.6 %
Number of treatment stations	264	261	1.1 %	258	1.2 %
Km of laid network	41,485	40,083	3.5 %	39,221	2.2 %
Volume collected in m <sup>3</sup>	206,404,713	194,037,324	6.4 %	187,103,523	3.7 %

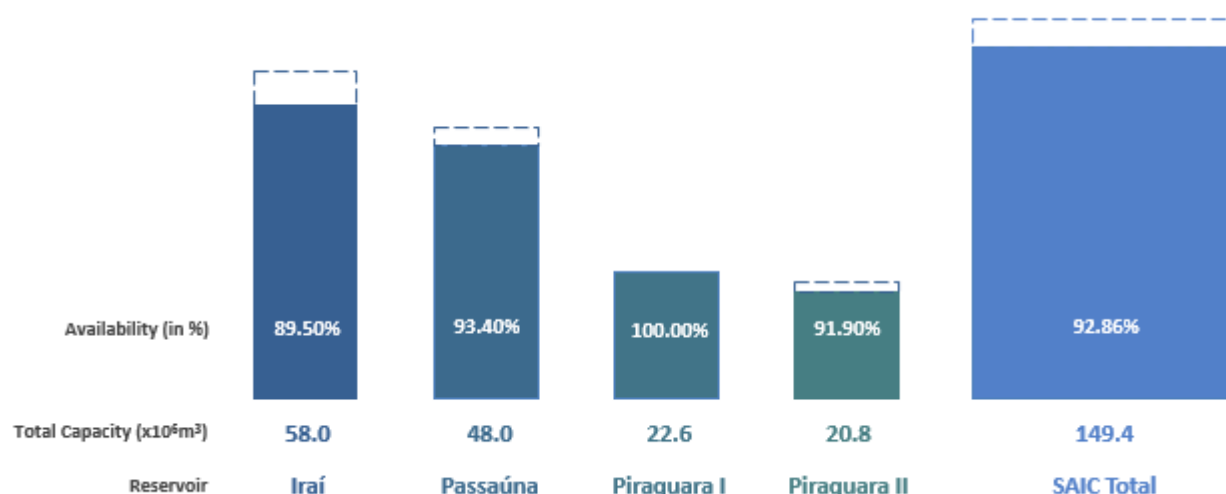
\* Information not audited or not reviewed by independent auditors.

## 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, 2023, the average reserve volume was 92.9% (91.0% on 06/30/2022).



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

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

Gross Operating Revenue - In million of Reais	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Revenues from water	1,013.9	886.5	14.4	2,017.0	1,806.5	11.7
Revenues from sewage	596.3	530.1	12.5	1,115.9	1,076.7	3.6
Revenues from services	26.4	27.9	-5.4	50.5	56.1	-10.0
Revenues from solid waste	3.3	3.3	0.0	6.6	6.4	3.1
Services provided to Municipalities	6.0	5.4	11.1	11.7	10.7	9.3
Donations made by clients	9.1	7.3	24.7	18.4	14.7	25.2
Other revenues	1.3	1.2	8.3	3.3	2.6	26.9
<b>Total Operating Revenue</b>	<b>1,656.3</b>	<b>1,461.7</b>	<b>13.3</b>	<b>3,223.4</b>	<b>2,973.7</b>	<b>8.4</b>
COFINS	-99.0	-84.4	17.3	-192.1	-170.9	12.4
PASEP	-21.3	-18.1	17.7	-41.3	-36.8	12.2
<b>Total of Deductions</b>	<b>-120.3</b>	<b>-102.5</b>	<b>17.4</b>	<b>-233.4</b>	<b>-207.7</b>	<b>12.4</b>
<b>Total of Operating Revenue - Net</b>	<b>1,536.0</b>	<b>1,359.2</b>	<b>13.0</b>	<b>2,990.0</b>	<b>2,766.0</b>	<b>8.1</b>

Net operating revenue increased by 13.0%, going from R\$1,359.2 million in 2Q22 to R\$1,536.0 million in 2Q23, this increase is due to: (i) 8.23 tariff adjustment as of May 17, 2023; (ii) 4.96% tariff adjustment as of May 17, 2022, fully impacting 2023; (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	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Personnel	-335.4	-321.3	4.4	-653.2	-603.1	8.3
Materials	-82.7	-75.1	10.1	-163.1	-139.4	17.0
Electricity	-118.7	-150.2	-21.0	-235.9	-322.0	-26.7
Third-party services	-205.8	-164.4	25.2	-388.0	-339.6	14.3
Depreciation and amortization	-117.8	-106.3	10.8	-234.1	-211.7	10.6
Losses in Realization of Credits	-0.6	-58.5	-99.0	44.8	-109.7	-140.8
Municipal Sanitation and Environmental Fund	-26.2	-65.8	-60.2	-52.9	-84.5	-37.4
Regulatory fee	-8.7	-6.9	26.1	-17.5	-13.9	25.9
Indemnifications for damages to third parties	-1.2	-1.6	-25.0	-4.1	-2.8	46.4
Capitalized expenses	34.5	31.3	10.2	62.0	60.4	2.6
Provision for contingencies	-57.5	-45.4	26.7	-120.9	-56.7	113.2
Pension plan and medical insurance	-11.5	-20.1	-42.8	-22.9	-40.3	-43.2
Profit sharing program	-32.2	-15.9	102.5	-56.7	-35.8	58.4
Write-off of assets, net	-1.3	-4.4	-70.5	-2.7	-5.5	-50.9
Other costs and expenses	-25.4	-18.0	41.1	-51.7	-34.5	49.9
<b>Total</b>	<b>-990.5</b>	<b>-1,022.6</b>	<b>-3.1</b>	<b>-1,896.9</b>	<b>-1,939.1</b>	<b>-2.2</b>

Operating costs and expenses in the 1Q23 decreased by 1.1% compared to the 1Q22.

The main changes resulted from:

**Personnel**

Growth of 4.4%, due to: (i) Salary adjustment of 5.5% (INPC) on labor allowances and benefits related to the Collective Bargaining Agreement - ACT 2022/2024 (base date March 2023); (ii) Salary adjustment of 10.8% (INPC) related to the Collective Bargaining Agreement - ACT 2022/2024 (base date March 2022), fully reflected in 2Q23; (iii) Readjustment of 15% of SANESAÚDE in June 2023; (iv) Labor indemnities in the amount of R\$17.2 million (R\$16.7 million in the same period of 2022); and (v) provision for indemnity allowance in the amount of R\$15.7 million (R\$15.5 million in the same period of 2022).

**Materials**

Increase of 10.1%, mainly in treatment material, which represents 66.3% of total material expenses in the quarter (increase in price and consumption). Other materials also had an impact, such as: system operation material, electromechanical maintenance material, fuels and lubricants, and network maintenance material.

**Electricity**

Reduction of 21.0%, mainly due to the decrease in the ICMS rate from 29% to 18% on electricity bills, offset by the 3% reduction in the subsidy applied to consumer units that benefited from the sanitation discount, from 6% to 3% and the reflection of the average tariff adjustment of 4.90% applied from 06/24/2022.

**Third Party Services**

Increase of 25.2% mainly in professional technical services, registration and billing services, surveillance services, collection services, network maintenance services, and sewage residue removal services.

**Depreciation and amortization**

Increase of 10.8%, mainly due to the entry into operation of intangible assets and/or fixed assets, in the period of July 2022 to June 2023, in the amount of R\$1,341.3 million (net of write-offs).

**Losses on Credit Realization**

Reduction of 99.0%, mainly due to the maintenance of the Private Customer Credit Recovery Program (RECLIP) until 07/31/2023, which foresees the payment of debts of private customers in up to 60 installments, without penalty and with interest payment in installments of 0.3% per month.

**Municipal Sanitation and Environmental Management Fund**

Reduction of 60.2%, mainly as a result of the increase in the calculation base related to the tariff adjustment, and also a reflection of the renegotiation of the rates on the occasion of the formalization of the Contractual Update Terms with the Microregions of Public Water and Sanitary Sewage Services of the State of Paraná.

**Provisions for Contingencies**

Increase of 26.7%, mainly due to the provision as loss of precautionary action for the early production of evidence to determine environmental damage of R\$13.0 million, in the Municipality of Campo Magro, in addition to the registration of a supplementary provision and new labor claims of R\$63.3 million, the objects of which derive mainly from: (i) reintegration of retirees; (ii) premiums and overtime; (iii) salary parity; and (iv) lawsuits filed by the Union of Engineers – SENGE referring to salary differences in the Cargo, Career and Compensation Plan – PCCR, offset by the write-off of 135 labor lawsuits in the amount of R\$ 17.3 million due to definitive write-off and procedural filing.



**2.2 ECONOMIC INDICATORS**

Financial income (loss) - in million of Reais	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
<b>Financial revenues</b>						
Financial investments	52.0	47	10.6	94.7	81.3	16.5
Monetary variation gains	22.5	19.6	14.8	52.2	35.8	45.8
Exchange rate variation gains	0.8	0.3	166.7	0.9	2.5	-64.0
Gains on Derivative Financial Instruments	0.2	1	-80.0	0.2	1.0	-80.0
Other financial revenues	5.9	8.6	-31.4	1.8	14.8	-87.8
<b>Total financial revenues</b>	<b>81.4</b>	<b>76.5</b>	<b>6.4</b>	<b>149.8</b>	<b>135.4</b>	<b>10.6</b>
<b>Financial expenses</b>						
Interest and fees on loans, financing, debentures and leases	-100.5	-93.5	7.5	-199.4	-174.2	14.5
Monetary variation losses	-25.1	-44.2	-43.2	-64.1	-74.7	-14.2
Exchange rate variation loss	0.0	-1.2	-100.0	0.0	-1.2	-100.0
Loss on Derivative Financial Instruments	-1.5	-0.7	114.3	-2.1	-3.1	-32.3
Other financial expenses	-0.1	-0.6	-83.3	-0.5	-1.2	-58.3
<b>Total financial expenses</b>	<b>-127.2</b>	<b>-140.2</b>	<b>-9.3</b>	<b>-266.1</b>	<b>-254.4</b>	<b>4.6</b>
<b>Financial income (loss), net</b>	<b>-45.8</b>	<b>-63.7</b>	<b>-28.1</b>	<b>-116.3</b>	<b>-119.0</b>	<b>-2.3</b>

The financial result improved by 28.1%, going from –R\$63.7 million in 2Q22 to –R\$45.8 million in 2Q23. Financial Expenses reduced 9.3%, , although expenses with interest and fees on financing, loans, debentures, and leases increased by 7.5%, from R\$93.5 million in 2Q22 to R\$100.5 million in 2Q23, due to the increase in the calculation basis of financial charges due to raising funds from third parties, as well as some indexes of monetary correction of debts, mainly due to the increase in the CDI compared to the same period of 2022. On the other hand, Financial Income grew 6.4%, going from R\$76.5 million in 2Q22 to R\$81.4 million in 2Q23, mainly due to the change in the SELIC rate.

Resultado Economic Result - R\$ million	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
<b>Operating income</b>	<b>545.5</b>	<b>336.6</b>	<b>62.1</b>	<b>1,093.1</b>	<b>826.9</b>	<b>32.2</b>
Financial income (loss)	-45.8	-63.7	-28.1	-116.3	-119.0	-2.3
Taxes on income	-77.6	-39.1	98.5	-235.1	-182.2	29.0
<b>Net income</b>	<b>422.1</b>	<b>233.8</b>	<b>80.5</b>	<b>741.7</b>	<b>525.7</b>	<b>41.1</b>

The Company obtained a net income of R\$422.1 million in 2Q23, 80.5% above the net income of R\$233.8 million recorded in 2Q22. The result was mainly affected by the 13.0% growth in net operating revenue and by the 3.1% reduction in operating costs and expenses.

The 2Q23 result was not affected by non-recurring items.

Distribution of the Generated Economic Wealth - In million of Reais	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Staff remuneration	318.6	290.2	9.8	614.9	550.9	11.6
Government Compensation (Taxes)	252.8	191.2	32.2	572.4	485.8	17.8
Third-party compensation (Rents)	2.5	1.1	127.3	4.8	3.5	37.1
Return on debt capital (interest and monetary variations)	127.2	140.3	-9.3	266.1	254.5	4.6
Interest on Equity and Dividends	268.9	154.2	74.4	268.9	154.2	74.4
Net income for the period not distributed	153.2	79.4	92.9	472.8	371.4	27.3
<b>Total Economic Wealth</b>	<b>1,123.2</b>	<b>856.4</b>	<b>31.2</b>	<b>2,199.9</b>	<b>1,820.3</b>	<b>20.9</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 achieve the universalization foreseen by the new sanitation legal framework.

Economic Indicators - In million of Reais	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Net operating revenue	1,536.0	1,359.2	13.0 %	2,990.0	2,766.0	8.1 %
Operating profit	545.5	336.5	62.1 %	1,093.1	826.9	32.2 %
Net income	422.1	233.8	80.5 %	741.7	525.7	41.1 %
% Operating margin *	30.2	18.7	11.5 p.p.	30.3	23.8	6.5 p.p.
% Net margin *	27.5	17.2	10.3 p.p.	24.8	19.0	5.8 p.p.
% Return on average shareholders' equity *	4.6	2.9	1.7 p.p.	8.3	6.6	1.7 p.p.
Net debt/ EBITDA (Accumulated 12 month) *	1.8	1.6	0.2 p.p.	1.8	1.6	0.2 p.p.

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

At the end of 2Q23, the Company's total assets reached R\$17,706.0 million (R\$16,657.2 million on 12/31/2022), while total debt at the end of 2Q23 was R\$8,605.4 million (R\$7,870.3 million on 12/31/2022).

Of the total debt, R\$5,614.4 million (R\$5,083.2 million on 12/31/2022) refer to loans, financing, debentures and leases, an increase of 10.4% compared to the year of 2022.

	Reference	JUN/23	DEC/22	Var.
Equity	R\$ Million	9,100.6	8,786.9	3.6 %
Share value *	R\$	6.02	5.81	3.6 %
Indebtedness level *	%	48.6	47.2	1.4 p.p.
Current ratio *	R\$	1.47	1.52	-3.3 %
Quick ratio *	R\$	1.43	1.47	-2.7 %

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

## EBITDA and Generation of Operating Cash

EBITDA in 2Q23, which represents the Company's operating result, was R\$663.3 million, against R\$442.9 million in 2Q22. The EBITDA margin went from 32.6% to 43.2%. The increase in EBITDA was mainly due to the 13.0% growth in net revenue and the 4.8% reduction in costs and expenses that impact EBITDA.

Operating cash generation in 2Q23 was R\$ 543.2 million, an increase of 27.8% when compared to 2Q22. The Conversion of EBITDA into Operating Cash was 81.9%.

EBITDA - R\$ million *	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Net income	422.1	233.8	80.5	741.7	525.7	41.1
(+) Taxes on income	77.6	39.1	98.5	235.1	182.2	29.0
(+) Financial income (loss)	45.8	63.7	-28.1	116.3	119.0	-2.3
(+) Depreciation and Amortization	117.8	106.3	10.8	234.1	211.7	10.6
<b>EBITDA</b>	<b>663.3</b>	<b>442.9</b>	<b>49.8</b>	<b>1,327.2</b>	<b>1,038.6</b>	<b>27.8</b>
% EBITDA Margin	43.2	32.6	10.6 p.p.	44.4	37.5	6.9 p.p.
% Conversion of EBITDA into Operating Cash	81.9	96.0	-14.1 p.p.	77.2	87.8	-10.6 p.p.

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

## 2.3 INVESTMENTS

The investments made in 2Q23 amounted to R\$477.6 million (R\$411.2 million in 2Q22), as stated below:

Investments - R\$ millions	2Q23 (1)	2Q22 (2)	Var. % (1/2)	6M23 (3)	6M22 (4)	Var. % (3/4)
Water	178.5	159.3	12.1	332.7	319.6	4.1
Sewage	267.7	217.0	23.4	495.5	395.5	25.3
Other investments	31.4	34.9	- 10.0	52.1	48.6	7.2
<b>Total</b>	<b>477.6</b>	<b>411.2</b>	<b>16.1</b>	<b>880.3</b>	<b>763.7</b>	<b>15.3</b>

## 2.4 INDEBTEDNESS

Gross debt went from R\$5,083.2 million in December 2022 to R\$5,614.4 million in June 2023, representing an increase of R\$531.2 million. Net debt went from R\$3,875.4 million in December 2022 to R\$4,460.3 million in June 2023.

The leverage ratio, measured by the 'Net Debt / EBITDA (accumulated for 12 months)' was 1.8x in 2Q23 (1.6x in 2Q22).

The level of indebtedness was 48.6% at the end of 2Q23 (48.1% in 2Q22).

We present below the breakdown of loans, financing, debentures, and leases, with their respective interest rates, maturities, and debt balances as of June 30, 2023:

Indebtedness - R\$ million	Annual Interest Rate	Index	Contract termination	Debt balance	%
Caixa Econômica Federal	6.62% to 12.00%	TR	04/19/2046	1,798.2	32.0
Debentures 10th Issuance - Single Series	4.66%	IPCA	03/15/2027	437.9	7.8
Debentures 13th Issuance - Single Series	DI + 1.90%	-	04/15/2028	408.0	7.3
Debentures 12th Issuance - 2nd Series	5.89%	IPCA	01/15/2032	328.6	5.9
Debentures 12th Issuance - 1st Series	DI + 1.08%	-	01/15/2027	315.2	5.6
Lease - Coastal	11.14%	IPC-FIPE	12/07/2036	311.5	5.5
BNDES - PAC2	TJLP + 1.67% and 2.05%	-	06/15/2029	265.2	4.7
Debentures 11th Issuance - 2nd Series	4.25%	IPCA	03/15/2029	245.9	4.4
Debentures 9th Issuance - 1st Series	106.05% of DI	-	06/11/2024	200.6	3.6
Debentures 11th Issuance - 3rd Series	4.49%	IPCA	03/17/2031	190.8	3.4
Lease - Right of Use	10.05%	-	06/30/2028	187.1	3.3
BNDES - AVANÇAR	3.59% and 5.60%	IPCA	12/15/2041	171.5	3.1
Debentures 9th Issuance - 2nd Series	107.25% of DI	-	06/11/2026	152.0	2.7
Debentures 11th Issuance - 1st Series	DI + 1.65%	-	03/16/2026	133.8	2.4
Debentures 4th Issuance - 1st Series	TJLP + 1.67%	-	07/15/2027	99.1	1.8
Debentures 7th Issuance - 2nd Series *	4.79%	IPCA	11/15/2038	79.1	1.4
Debentures 4th Issuance - 2nd Series	7.44%	IPCA	07/15/2027	68.0	1.2
Debentures 2nd Issuance - 2nd Series	9.19%	IPCA	09/15/2024	51.0	0.9
Debentures 7th Issuance - 4th Series	6.57%	IPCA	11/15/2038	41.5	0.7
Debentures 7th Issuance - 1st Series *	5.20%	IPCA	11/15/2038	41.1	0.7
Bank KFW	1.35%	EURO	12/30/2032	26.0	0.5
Debentures 7th Issuance - 3rd Series	6.97%	IPCA	11/15/2038	22.5	0.4
Debentures 2nd Issuance - 3rd Series	TJLP + 1.92%	-	09/15/2024	20.7	0.4
Debentures 2nd Issuance - 1st Series	TJLP + 1.92%	-	09/15/2024	15.5	0.3
Banco Itaú PSI	3.0% to 6.0%	-	01/15/2025	2.7	-
Banco do Brasil - PSI	3.0% to 6.0%	-	04/15/2024	0.9	-
<b>Total</b>				<b>5,614.4</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	656.3	11.7
From 13 to 24 months	388.3	6.9
From 25 to 36 months	645.9	11.5
From 37 to 60 months	1,422.2	25.3
Over 60 months	2,501.7	44.6
<b>Total</b>	<b>5,614.4</b>	<b>100.0</b>

### 3. REGULATIONS

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

The Compensation for Variation in Portion “A” Items (CVA) account corresponds to the compensation of the sum of monthly differences, positive or negative, corrected by the IPCA, calculated according to variations in costs classified as non-manageable, which until the 1st phase of the 2nd RTP were the following: electricity, chemical products, and sector charges.

CVA is determined from the historical cost verified in period t-1, previous year, for the three aforementioned components and is passed on throughout adjustment in period t, year of readjustment being processed.

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 full 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).

It is important to point out that the tariff model went through changes due to the completion of the 2nd Periodic Tariff Review. The review process resulted in the alteration of the classification of costs between manageable and non-manageable to be considered by the regulatory agent. The most significant change was in relation to the costs linked to the consumption of electricity and chemical products, which were transferred to the manageable cost portion, that is, they are no longer part of the basis for calculating the CVA.

Furthermore, the Agency implemented a differentiated tariff treatment (new methodology approved) for the cost of electricity, which was divided into: (i) average price of electricity, measured in R\$/MWh; and (ii) specific consumption, through the consumption of electricity per volume of water produced, measured in MWh/m<sup>3</sup>. The motivation for such decomposition stems from the allegation that the Company does not manage energy prices, only managing consumption. Thus, price changes were maintained in the portion of non-manageable costs, that is, in Portion “A”.

Also, the Municipal Sanitation Fund, the Charge for the Use of Water Resources, the Transfer for the Use of Springs and the Regulation Fee were maintained as non-manageable costs, and expenses with IPVA, IPTU and with Fees, Permits and Licensing were included.

#### 2nd Periodic Tariff Review - Sanepar's RTP

On October 21, 2020, at the 21st Extraordinary Meeting of the Board of Directors of the Regulatory Agency for Delegated Public Services of Paraná (AGEPAR), the establishment of the 2nd Periodic Tariff Review (RTP) of Sanepar was approved, with guidance for it to occur in two phases, the first being in 2021 and the second phase in 2022.

The first phase of the 2nd RTP was consolidated into nine technical notes, which were based on the methodology applied in the first tariff cycle. In line with the provisions of Complementary State Law No. 222/2020, the technical notes were submitted to public consultations, from January 4 to February 17, 2021, and a public hearing on March 31, 2021.

On 04/14/2021, the Board of Directors of AGEPAR, at Extraordinary Meeting No. 012/2021, presented the final result of the 1st phase of the 2nd RTP, when it decided to approve the tariff repositioning of 5.7701%, with annual application of Factor X of 0.98% on portion B of the tariff.

Through Resolution No. 007 of 03/29/2022, AGEPAR released the schedule for the 2nd phase of the 2nd RTP, which resulted in the preparation of eighteen technical notes, which, in line with the provisions of Complementary State Law No. 222/2020, were submitted to four public consultations, held between June 2022 and March 2023 and to a public hearing, in which the P0 result corresponding to the 2nd tariff cycle of Sanepar on April 18, 2023 was presented.

On 04/20/2023, the Board of Directors of AGEPAR approved the readjustment index of 8.2327%, which included the final calculation of the tariff repositioning referring to the 2nd RTP, the annual tariff readjustments (IRTs) of 2022 and 2023 and the X Factor of 0.08%, applied on the total tariff resulting from P0 (except the financial installments), being effective on May 17, 2023.

### Deferral of the 1st RTP

In the 2nd phase of the 2nd RTP, AGEPAR updated again the calculation rule concerning the amortization of the deferred portion arising from the 1st RTP. The balance considered for calculating the compensation fee was calculated on December 2020 (base date for calculating the 2nd RTP), using the Selic rate as a correction index, applied on the difference between the verified revenue and the current tariff (lagged), that is, the amount of R\$ 1,582 billion.

As the base date of the 2nd RTP would be April 2021 and the completion of the 2nd phase of the 2nd RTP only occurred in April 2023, the final tariff calculation considered, in addition to the P0 calculation and compensations, the tariff adjustments due for the years 2022 and 2023, on the base value of 2021 (December 2020) by the IPCA inflation index.

The Agency also defined that it will adopt the WACC as the only index for all compensations to be considered in the 2nd RTP tariff, including the deferral, which must have its value corrected by the IPCA.

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.

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

In June 2023, the Company published its first Integrated Report referring to the year-end 2022, following the recommendation of the CVM and the latest updates of the international frameworks agreed as a reference (GRI, SASB, and IIRC).

As recommended by CVM Resolution No. 14 of 2020, all non-financial indicators were subject to limited assurance by an Independent Auditor.

At the beginning of the second semester of 2023, an answer to the Climate Change Questionnaire on the CDP platform will be submitted via an online system – A prerequisite for participation in the ISE B3 Portfolio. In a previous participation (2022) Sanepar obtained a C score, the minimum level required to compose B3's sustainable portfolio, and by strategic decision of Senior Management, efforts were invested to leverage this result, which meant the hiring of specialized consulting and the involvement of multiple leaders in the Company.

#### **5. PUBLIC-PRIVATE PARTNERSHIP (PPP) OF THE CENTRAL-COASTAL MICRO-REGION OF PARANÁ (MRAE-1)**

In a Public Session held on 07/14/2023 at B3 - Brasil, Bolsa, Balcão, the envelopes for Public-Private Partnership (PPP) regarding the provision of sanitary sewage services in 16 municipalities of the Central-Coastal Microregion of Paraná (MRAE-1) were opened, under International Tender No. 100/2023.

The Bidding Committee declared "Saneamento Consultoria S.A.", a group formed by the companies Aegea, Perfin, and Kinea, as the best-ranked bidder, whose proposal resulted in a 30.65% discount on the maximum bid amount. According to the announcement of the aforementioned International Tender, the term of validity of the contract is 24 years and 5 months, counted from the signature of the contract.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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	24	693,479	5.0	5.0
Maturity in 2023	13	72,443	0.5	0.4
Maturity between 2024 and 2033	53	2,526,008	19.4	19.5
Maturity after 2033 <sup>3</sup>	256	9,441,809	75.1	75.1
<b>Total</b>	<b>346</b>	<b>12,733,739</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 until 2040, is currently being discussed in court.



# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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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 Internal appeal filed on 09/19/2022. Also, in the STF, on 04/20/2022, 05/23/2022, and 08/05/2022, conciliation hearings were 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, however, these remained unfruitful. Currently, according to the note in the “Notice to the Market”, on 02/07/2023, the Company and the municipality of Maringá petitioned in the records of ARE No. 1363547, jointly, requesting the suspension of the process, for 30 (thirty) days, due to internal demands, at the administrative level, inherent to the object of the action. There's still no related procedural movement, as the process has been concluded, since 02/08/2023, for the Rapporteur Minister evaluate the request. According to a court order, the contract is not terminated until the Municipality pays the compensation owed to the Company.

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 Interim Financial Information are presented in conformity with 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 Interim Financial Statements - 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 Interim Financial Information was authorized for disclosure by the Company's Board of Directors on August 10, 2023.

### 2.2. 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. 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.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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### 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, aiming to expand the competition in the sector, and imposed compliance targets of serving 99% of the population with drinking water and 90% with sewage collection and treatment until December 31, 2033.

With the enactment of the aforementioned law, the ANA (National Water and Basic Sanitation Agency) became the national regulatory body, responsible for issuing reference standards for the sector.

The Law prohibits the formalization of new program contracts for the provision of public basic sanitation services and predicted that the States should establish regional provision structures, meeting the criteria of the Metropolis Statute.

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, 8.925/2021, and 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, changed by Federal Law No. 14.026/2020.

In compliance with the law and federal decrees, SANEPAR proved its economic and financial capacity to meet the goals outlined in art. 11-B of Law No. 11,445/2007 in its current contracts, on December 29, 2021, situation that was approved by Paraná Regulatory Agency - AGEPAR and the Intermunicipal Sanitation Regulatory Agency - ARIS, with respective certificate and registration with ANA.

For information, AGEPAR failed to recognize the Company's economic and financial capacity in 21 municipalities, which represented 0.41% of its Net Operating Revenue in the fiscal year of 2022, emphasizing the legality of said contracts up to their terms due to the impossibility of forecasting physical targets for the short-term remaining in these contracts.

For expired contracts and those that did not have declared economic capacity, the Secretariat for Microregions hired a consultancy from FUNDACE (Foundation for Research and Development of Administration, Accounting and Economics) on November 28, 2022, a consultancy that is also working on the Plans Regional Basic Sanitation.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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Lastly, on July 12, 2023, Federal Decrees Nos. 11,598 and 11,599 were issued, replacing Federal Decrees Nos. 11,466 and 11,467, issued on April 5, 2023, which were revoked in their entirety.

There were few changes promoted by the new decrees, such as the fact that, previously, proof of economic and financial capacity was an indispensable requirement for the signing of the amendments for the incorporation of the universalization targets to the respective contracts for the provision of public services of water and sewage, according to art. 16 of Federal Decree No. 11,466/2023, which was suppressed.

Today, proof of economic and financial capacity is a condition, which, if not fulfilled, after the execution of the amendment, will cause the contract to cease its effects, as of 01/01/2026.

Another deletion that occurred was regarding how provisional contracts should be formalized, thus granting more freedom to holders of public services.

The text of Federal Decree No. 11,467/2023 also removed some strict criteria that should be observed for the hypothesis of regionalized direct provision, such as the consent of the regulatory authority (art. 6, § 17). With this, the federal entities will be able to regulate with more freedom in the form of direct provision, provided that the principle of universalization and other related norms are respected.

The Federal Decrees issued in July 2023 maintained the regularization of expired contracts and de facto situations, until December 31, 2025 (deadline until 2033), an extension of the deadline for planning and the possibility of resubmission of study of economic and financial capacity by providers public water and sewage services.

### 2.3. Measurement and Presentation Basis

The Interim Financial Information was prepared considering historical cost as base value, except for recognized revaluations, except for the appreciation of certain assets 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.

### 2.4. 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, 2023, are consistent with the practices described in Note 3 of the Company's financial statements for the year ended December 31, 2022. Therefore, this interim financial information should be read along with the annual financial statements for the year ended on December 31, 2022, which were disclosed on February 16, 2023.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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

In the quarter ended on June 30, 2023, 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 2023 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 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 standard 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 standard 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 standard 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 IFRS 16 – Lease liability in a sale and leaseback:* Clarifies aspects to be considered for treating an asset transfer as a sale. This standard change is effective for fiscal years beginning on/or after 01/1/2024. The Company does not expect significant impacts on its Interim Financial Statements.

*Amendment to IAS 1 - Non-Current Liabilities with "Covenants":* Clarifies aspects of separate classifications in the balance sheet of current and non-current assets and liabilities, establishing presentation based on liquidity when providing reliable and more relevant information. This standard change is effective for fiscal years beginning on/or after 01/1/2024. The Company does not expect significant impacts on its Interim Financial Statements.

*Amendment to IAS 7 – Statement of Cash Flows:* Clarifies aspects related to requirements for disclosing qualitative and quantitative information about supplier finance arrangements. This standard change is effective for fiscal years beginning on/or after 01/01/2024. 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.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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### 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, the concession contracts and program contracts have an average 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.

**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, 2023, 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 intensifies efforts to reduce default levels with negotiations with debtor municipalities and if there is no agreement, the Company enters with judicial collection.

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

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

**Sensitivity analysis of interest rate:** the Company's Management calculates the sensitivity to a possible change in the rate of return on financial investments and interest on 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 and financing held in reais varied around 25% and 50%, with all other variables held constant, the effect on pre-tax earnings would be R\$12,578 and R\$25,156 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 and financing as described below:

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

Description	Index	+25%	-25%	+50%	-50%
Financial Investments	DI	24,073	(24,073)	48,146	(48,146)
<b>Assets</b>		<b>24,073</b>	<b>(24,073)</b>	<b>48,146</b>	<b>(48,146)</b>
Caixa Econômica Federal	TR	(3,079)	3,079	(6,158)	6,158
BNDES	TJLP	(1)	1	(2)	2
BNDES-PAC2	TJLP	(2,200)	2,200	(4,400)	4,400
BNDES-AVANÇAR	IPCA	(354)	354	(708)	708
Debentures - 2nd Issuance - 1st e 3rd Series	TJLP	(395)	395	(790)	790
Debentures - 2nd Issuance - 2nd Series	IPCA	(400)	400	(800)	800
Debentures - 4th Issuance - 1st Series	TJLP	(959)	959	(1,918)	1,918
Debentures - 4th Issuance - 2nd Series	IPCA	(611)	611	(1,222)	1,222
Debentures - 7th Issuance - 1st a 4th Series	IPCA	(1,306)	1,306	(2,612)	2,612
Debentures - 8th Issuance - 2nd Series	DI	(2,586)	2,586	(5,172)	5,172
Debentures - 9th Issuance - 1st e 2nd Series	DI	(6,079)	6,079	(12,158)	12,158
Debentures - 10th Issuance - Single Series	IPCA	(3,692)	3,692	(7,384)	7,384
Debentures - 11th Issuance - 1st Series	DI	(2,198)	2,198	(4,396)	4,396
Debentures - 11th Issuance - 2nd e 3rd Series	IPCA	(3,702)	3,702	(7,404)	7,404
Debentures - 12th Issuance - 1st Series	DI	(5,025)	5,025	(10,050)	10,050
Debentures - 12th Issuance - 2nd Series	IPCA	(2,613)	2,613	(5,226)	5,226
Debentures - 13th Issuance - Single Series	DI	(2,564)	2,564	(5,128)	5,128
Lease - Right of Use	DI	1,113	(1,113)	2,226	(2,226)
<b>Liabilities</b>		<b>(36,651)</b>	<b>36,651</b>	<b>(73,302)</b>	<b>73,302</b>
<b>Effects on income before tax</b>		<b>(12,578)</b>	<b>12,578</b>	<b>(25,156)</b>	<b>25,156</b>

The index considered for the 12-month period ended on June 30, 2023, were TR of 2.12% and the TJLP of 7.21% obtained from BACEN - Banco Central do Brasil, the IPCA at the rate of 3.16% obtained from IBGE – Instituto Brazilian Geography and Statistics, the DI at the rate of 13.54% obtained from B3 – Brasil, Bolsa e Balcão and the IPC at the rate of 3.96% 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 an increase of 2.374% in the dollar rate. This scenario uses the average exchange rate projected for September 2023, in relation to the last PTAX rate informed for 06/30/2023.

Considering the notional amount of €5,076 thousand (R\$26,712 thousand), the value of the Euro quotation as R\$5.2626 for June 30, 2023 (Ptax – Central Bank) and considering the premise of maintaining the proportional value of US\$1.0920 for each euro, according to a dollar PTAX of R\$4.9336, 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 (increase of 2.374%)	(634)	(6,678)	6,678	(13,356)	13,356

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**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 policy.

**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, 2023, the Company has swap contracts (Euro + Interest x CDI) as shown below:

### Financial Instruments - Swap Contracts

Operation	Agent	Beginning Date of the Operation	Maturity of the Operation	Notional Value EUR	Fair alue of the Asset Position	Fair alue of the Liability Position	Gain (Loss) with Derivative Financial Instruments -
1	Banco Itaú	11/28/2022	12/26/2023	501	2,638	2,782	(144)
2	Banco Santander	06/12/2023	12/26/2023	1,880	9,940	9,888	52
3	Banco Santander	06/12/2023	06/25/2024	2,381	12,590	12,524	66
4	Banco Bradesco	06/12/2023	12/24/2024	314	1,660	1,652	8
<b>TOTAL</b>				<b>5,076</b>	<b>26,828</b>	<b>26,846</b>	<b>(18)</b>

## 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 of new loans and financing, issue promissory notes and contract operations with derivatives. For the period ended on June 30, 2023, 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	06/30/2023	12/31/2022
Loans, financing, debentures and lease	5,614,402	5,083,244
Cash and cash equivalents	(1,154,117)	(1,207,932)
Net debt *	4,460,285	3,875,312
Equity	9,100,573	8,786,887
Net Debt/Equity Ratio *	0.49	0.44

\* Information not audited or not reviewed by independent auditors

# Companhia de Saneamento do Paraná – SANEPAR

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### 4.3. Financial Instruments

The financial instruments are recognized in the Company's Interim Financial Statements and the fair value is the same as the book value, as follows:

Description	06/30/2023	12/31/2022
<b>Assets</b>		
<b>Fair value through profit or loss</b>		
Financial Investments	1,115,687	1,169,170
Derivative Financial Instruments	26,828	16,053
Restricted Deposits	113,655	98,919
<b>Amortized cost</b>		
Cash and Banks	38,430	38,762
Trade Accounts Receivables, net	1,443,120	1,211,913
Contractual Financial Assets	771,989	676,465
Other Accounts receivable	67,808	62,851
<b>Total</b>	<b>3,577,517</b>	<b>3,274,133</b>
<b>Liabilities</b>		
<b>Fair value through profit or loss</b>		
Derivative Financial Instruments	26,846	15,746
<b>Amortized cost</b>		
Loans, Financing, Debentures and Lease	5,614,402	5,083,244
Contractors and Suppliers	322,505	298,122
Other Accounts Payable	195,914	180,024
<b>Total</b>	<b>6,159,667</b>	<b>5,577,136</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.

### 5. CASH AND CASH EQUIVALENTS

These have the following composition:

Description	06/30/2023	12/31/2022
Unrestricted Bank Deposits	246	5,803
Restricted Bank Deposits	38,184	32,959
	38,430	38,762
Financial Investments	1,115,687	1,169,170
<b>Total of Cash and Cash Equivalents</b>	<b>1,154,117</b>	<b>1,207,932</b>

Financial investments are close to fair value, classified in level 2 of the fair value hierarchy 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, and by the CDB at Caixa (CNPJ 00.360.305/0001-04), with an average yield of 100.31% of CDI (99.65% in 2022).



# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

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### 6. TRADE ACCOUNTS RECEIVABLE

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

Description	06/30/2023	12/31/2022
Falling Due Accounts Receivable	371,173	334,328
Accounts Receivable from Installment Payments (1)	447,843	248,679
Adjustment to Present Value	(51,701)	(32,060)
Accounts to be Billed (Unbilled Consumption)	259,282	256,713
	<u>1,026,597</u>	<u>807,660</u>
Overdue Accounts Receivable		
From 1 to 30 days	192,148	175,395
From 31 to 60 days	85,572	82,055
From 61 to 90 days	53,946	54,852
From 91 to 180 days	102,521	116,384
Over 180 days	519,648	557,711
Allowance for Losses on Doubtful Accounts	(537,312)	(582,144)
	<u>416,523</u>	<u>404,253</u>
<b>Total Accounts Receivable, net</b>	<b><u>1,443,120</u></b>	<b><u>1,211,913</u></b>
<b>Current</b>	<b>1,203,134</b>	<b>1,086,163</b>
<b>Noncurrent</b>	<b>239,986</b>	<b>125,750</b>

(1) The increase in Accounts Receivable from Installment Payments is due to Private Customers joining the Private Customer Credit Recovery Program (RECLIP).

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	06/30/2023	12/31/2022
Municipal Administration	111,820	(52,793)	(65)	58,962	30,251
Private	1,899,413	(484,519)	(51,636)	1,363,258	1,168,766
Federal Entity	2,135	-	-	2,135	1,396
Government State	18,765	-	-	18,765	11,500
<b>Balance at the end of the period</b>	<b><u>2,032,133</u></b>	<b><u>(537,312)</u></b>	<b><u>(51,701)</u></b>	<b><u>1,443,120</u></b>	<b><u>1,211,913</u></b>

b) Changes in the allowance for expected losses on doubtful accounts were as follows:

Description	06/30/2023	12/31/2022
Balances at Beginning of Period	(582,144)	(390,748)
Amounts Recorded as Expenses/Reversal	44,826	(192,257)
Write-offs, Net of Recoveries	6	861
<b>Balances at end of the period</b>	<b><u>(537,312)</u></b>	<b><u>(582,144)</u></b>

The reduction in the provision for expected losses on overdue accounts balance is a consequence of the maintenance of the Private Customer Credit Recovery Program (RECLIP), which provides the installment of debts of private customers in up to 60 payments.

# Companhia de Saneamento do Paraná – SANEPAR

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c) The balance of the allowance for expected losses on doubtful accounts breaks down as follows:

Description	06/30/2023	12/31/2022
Private Customers	(484,519)	(529,830)
Municipal Administrations	(52,793)	(52,314)
<b>Total</b>	<b>(537,312)</b>	<b>(582,144)</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 were as follows:

Description	06/30/2023	12/31/2022
Balances at Beginning of the Period	(32,060)	(17,211)
Adjustment to Present Value	(19,641)	(14,849)
<b>Balances at end of period</b>	<b>(51,701)</b>	<b>(32,060)</b>

## 7. RECOVERABLE TAXES AND CONTRIBUTIONS

These have the following composition:

Description	06/30/2023	12/31/2022
Recoverable Income Tax	74,468	31,399
Recoverable Social Contribution	19,517	6,935
<b>Total</b>	<b>93,985</b>	<b>38,334</b>
<b>Current</b>	<b>93,985</b>	<b>38,334</b>

## 8. RESTRICTED DEPOSITS

Restricted deposits breakdown as follows:

Description	06/30/2023	12/31/2022
Health National Foundation - FUNASA	3,026	3,198
Reserves kept in CAIXA (1)	79,113	75,214
Other Agreements (2)	31,516	20,507
<b>Totals</b>	<b>113,655</b>	<b>98,919</b>
<b>Current</b>	<b>34,542</b>	<b>23,705</b>
<b>Noncurrent</b>	<b>79,113</b>	<b>75,214</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".

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

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### 9. OTHER ACCOUNTS RECEIVABLE

The composition is as follows:

Description	06/30/2023	12/31/2022
Advances to Employees	21,073	15,501
Reimbursable Payments	848	965
Guarantee Deposits	1,928	1,768
Municipal Sanitation and Environmental Management Fund (1)	42,316	43,254
Prepaid Expenses	268	302
Securities and Other Credits	1,375	1,061
<b>Total</b>	<b>67,808</b>	<b>62,851</b>
<b>Current</b>	<b>26,595</b>	<b>20,699</b>
<b>Noncurrent</b>	<b>41,213</b>	<b>42,152</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	12/31/2022	Additions	NPV Revenue	NPV Expense	06/30/2023
Unamortized Investments	1,763,518	199,150	-	-	1,962,668
Adjustment to Present Value	(1,087,053)	(118,237)	14,705	(94)	(1,190,679)
<b>Total</b>	<b>676,465</b>	<b>(a) 80,913</b>	<b>14,705</b>	<b>(94)</b>	<b>771,989</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 4.18% (spread between the IPCA projected for the year and the WACC rate) and took into account the terms of the Program Contracts.

### 11. CONTRACT ASSETS

It has the following movement:

Description	12/31/2022	Additions	Capitalisation of Interest	Write-off and Loss	Transfer to Intangible asset	Requisition for Constrictions	06/30/2023
Projects and Works in Progress	2,614,277	817,921	26,918	-	(682,748)	-	2,776,368
Inventories for Construction Work	132,172	25,787	-	-	-	(42,900)	115,059
<b>Total</b>	<b>2,746,449</b>	<b>843,708</b>	<b>26,918</b>	<b>-</b>	<b>(682,748)</b>	<b>(42,900)</b>	<b>2,891,427</b>

Until the 2nd quarter of 2023, the amount of R\$843,708 (R\$732,357 in the same period of 2022) was recorded as projects and works in progress, resulting from: (i) expansion of the Water Supply System, mainly in the municipalities of Curitiba, São José dos Pinhais, Londrina, Laranjeiras do Sul and Guarapuava; (ii) Sewage Collection and Treatment mainly in the municipalities of Pato Branco, Araongas, Cafelândia, Umuarama and Ibaiti. 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 Ivaiporã, Londrina, Curitiba, Ponta Grossa and Santa Izabel do Oeste.

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Until the quarter ended on June 30, 2023, interest and other financial charges were capitalized on the funds and loans and financing that financed the Company's projects and constructions, for the amount of R\$26,918 (R\$18,298 in the same period in 2022). The average rate used to determine the amount of capitalized borrowing costs concerning total costs was 9.7%.

## 12. INVESTMENTS

The Company has the following investments:

Description	06/30/2023	12/31/2022
Investment in joint venture - CS Bioenergia S.A.	17,026	16,555
Impairment Test	(16,066)	(16,555)
Other investment	2,029	1,988
<b>Total</b>	<b>2,989</b>	<b>1,988</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\$6,141 as an Advance for Future Capital Increase - AFAC.

The Company's investment is accounted for using the equity method in the financial statements of the investee, which are summarized below:

Statement of Financial Position – CS Bioenergia S.A.	06/30/2023	12/31/2022
Current Assets	4,473	4,500
Noncurrent Assets	52,155	53,906
• Fixed Assets	40,602	43,928
• Other	11,553	9,978
<b>Total Assets</b>	<b>56,628</b>	<b>58,406</b>
Current Liabilities	6,629	8,538
• Loans, Financing and Leases <sup>1</sup>	2,706	4,446
• Other	3,923	4,092
Noncurrent Liabilities	7,433	8,232
• Loans, Financing and Leases <sup>1</sup>	6,359	6,870
• Other	1,074	1,362
Equity	42,566	41,636
<b>Total Liabilities and Equity</b>	<b>56,628</b>	<b>58,406</b>

<sup>1</sup> The Company has a guarantor obligation, in the proportion of 40%, of the bank credit note in the amount of R\$4,184 issued by Banco Santander against CS Bioenergia S.A., with an amortization period of 60 months, as of December 17, 2020.

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Statement of Income (Loss) – CS Bioenergia S.A.	06/30/2023	06/30/2022
Gross Revenue	10,133	8,169
(-) Cost of Services	(9,450)	(9,864)
Gross Profit (Loss)	683	(1,695)
(-) Operational Expenses	(1,677)	(1,540)
Loss before Net Financial Result and Taxes	(994)	(3,235)
(-) Net Financial Result	(477)	(761)
Loss before Taxes	(1,471)	(3,996)
Income Taxes (IRPJ and CSLL)	-	-
<b>Loss for the period</b>	<b>(1,471)</b>	<b>(3,996)</b>

Changes in the investment in the period are as follows:

Description	06/30/2023	12/31/2022
Balance at beginning of the period	-	-
Financial Contribution	960	5,181
Equity in Earnings (Losses) of Controlled Company (percentage of interest of 40%)	(588)	(3,300)
Impairment Test - (Constitution)/Reversal	588	(1,881)
<b>Balance at end of the period</b>	<b>960</b>	<b>-</b>

### Impairment of investments on CS Bioenergia S.A.

As a result of the delay in the conclusion and start of the operation of the CS Bioenergia SA plant, as recommended by CPC 18 (R2) - Investments in Associates and Joint Ventures and CPC 01 (R1) - Impairment of Assets, at the end of 2022, the Management of Sanepar carried out the impairment test of this investment, considering the history of losses and that future cash flows present negative results, for the analyzed period of 5 years, concluded that the investment has no recoverable value. Thus, the impact of the Impairment Test of the investment in CS Bioenergia was recorded in the Company's results, and this amount was adjusted with the recognition of the equity in the period.

### 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\$322, with no maturity date and that are not immediately convertible, which at fair value, considering the quotation on 06/30/2023, are equivalent to R\$2,029.

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### 13. FIXED AND INTANGIBLE ASSETS

#### a) Fixed assets

These have the following composition:

By Account				06/30/2023	12/31/2022
Description	Cost	Accumulated depreciation		Net amount	
Goods for Administrative Use	386,377	(167,084)	219,293	217,456	
Other Fixed Assets	4,725	(3,081)	1,644	2,045	
Right of Use Lease	243,914	(86,341)	157,573	151,023	
<b>Total</b>	<b>635,016</b>	<b>(256,506)</b>	<b>378,510</b>	<b>370,524</b>	

By Nature				06/30/2023	12/31/2022
Description	Annual depreciation rate	Cost	Accumulated depreciation	Net amount	
Plots of land	-	2,946	-	2,946	2,922
Civil Construction	*1.84%	120,057	(24,813)	95,244	94,720
Improvements	*2%	3,232	(913)	2,319	1,862
Facilities	*5.83%	12,252	(4,430)	7,822	5,648
Equipments	*6.23%	101,546	(43,044)	58,502	59,653
Furniture and Fixtures	*7.14%	54,323	(25,885)	28,438	27,822
IT Equipments	*19.82%	39,353	(28,213)	11,140	12,796
Vehicles	*13.05%	31,065	(20,668)	10,397	8,765
Machinery, Tractors and Similar	*19.35%	24,355	(21,465)	2,890	3,130
Tools	*6.67%	1,658	(734)	924	928
Patrimonial Assets to be Incorporated	-	315	-	315	1,255
Right of Use Lease	*26.29%	243,914	(86,341)	157,573	151,023
<b>Total</b>		<b>635,016</b>	<b>(256,506)</b>	<b>378,510</b>	<b>370,524</b>

\* Weighted Average Rate

#### b) Intangible assets

These have the following composition:

By account			06/30/2023	12/31/2022
Description	Cost	Accumulated Amortization	Net Amount	
Water Mains	6,230,292	(2,094,673)	4,135,619	3,954,648
Sewage Mains	6,616,715	(1,742,462)	4,874,253	4,610,250
Solid Waste	5,344	(5,319)	25	-
Right of Use and System Operation	125,114	(78,395)	46,719	47,657
Other Intangible Assets	278,171	(110,118)	168,053	164,613
Right of Use - Lease	200,194	(24,457)	175,737	177,489
<b>Total</b>	<b>13,455,830</b>	<b>(4,055,424)</b>	<b>9,400,406</b>	<b>8,954,657</b>

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By nature				06/30/2023	12/31/2022
Description	Annual Amortization Rate	Cost	Accumulated Amortization	Net Amount	
Plots of Land	-	307,851	-	307,851	279,477
Wells	*3.10%	178,779	(44,644)	134,135	130,420
Dams	*2.67%	150,458	(68,385)	82,073	81,782
Civil Construction	*2.59%	3,139,049	(773,040)	2,366,009	2,173,857
Improvements	*2.67%	52,253	(7,298)	44,955	41,860
Piping	*2.64%	6,538,429	(1,869,297)	4,669,132	4,502,262
Building Connections	*3.33%	990,369	(331,297)	659,072	638,225
Facilities	*5.83%	241,829	(109,627)	132,202	131,207
Hydrometers	*10%	314,580	(128,098)	186,482	176,530
Macro-meters	*10%	7,371	(5,434)	1,937	2,110
Equipments	*6.23%	898,305	(389,894)	508,411	481,661
Furniture and Fixtures	*7.14%	7,712	(4,550)	3,162	3,255
IT Equipment	*19.82%	94,505	(86,620)	7,885	7,261
Computer Programs	*20%	118,727	(65,982)	52,745	54,348
Vehicles	*13.05%	20,432	(16,011)	4,421	7,849
Machinery, Tractors and Similar	*19.35%	26,169	(24,318)	1,851	2,180
Tools	*6.67%	365	(259)	106	113
Rights of Use and Transmission Lines	*6.25%	4,796	(603)	4,193	4,060
Environmental Protection and Preservation	*20%	35,242	(27,215)	8,027	8,822
Concession of the Mun. of Curitiba (1)	*1.5%	125,000	(78,281)	46,719	47,656
Concession of the Mun. of Cianorte (2)	*5%	114	(114)	-	-
Patrimonial Assets to be Incorporated	-	3,301	-	3,301	2,233
Rights of Use - Lease	*37.24%	200,194	(24,457)	175,737	177,489
<b>Total</b>		<b>13,455,830</b>	<b>(4,055,424)</b>	<b>9,400,406</b>	<b>8,954,657</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. The continuity of the operation of the services was authorized on a precarious basis by Municipal Decree of Cianorte nº 3, of January 12, 2023, for the period until April 30, 2025, or until the service provision in the municipality is regularized under the terms of the current legislation.

### 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.

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As of June 30, 2023, the book value for each category of assets under a Lease commitment recorded in Intangible and Fixed Assets is shown below:

By accounts				06/30/2023	12/31/2022
Description	Annual Amortization Rate	Cost	Accumulated amortization	Net amount	
Civil Construction	1.67%	37,434	(3,764)	33,670	33,983
Piping	2.00%	147,315	(16,499)	130,816	132,289
Building Connections	3.33%	8,226	(1,567)	6,659	6,797
Facilities	6.67%	309	(124)	185	195
Equipments	6.00%	6,013	(2,189)	3,824	4,002
<b>Lease - Coastal</b>		<b>199,297</b>	<b>(24,143)</b>	<b>175,154</b>	<b>177,266</b>
Car Rental	54.34%	125,644	(57,839)	67,805	87,600
Civil Construction	20.19%	42,908	(11,854)	31,054	32,991
Equipments	67.47%	1,372	(506)	866	764
IT Equipments	29.20%	74,887	(16,456)	58,431	29,891
<b>Lease - Right of use</b>		<b>244,811</b>	<b>(86,655)</b>	<b>158,156</b>	<b>151,246</b>
<b>Total</b>		<b>444,108</b>	<b>(110,798)</b>	<b>333,310</b>	<b>328,512</b>
<b>Fixed assets</b>		<b>243,914</b>	<b>(86,341)</b>	<b>157,573</b>	<b>151,023</b>
<b>Intangible assets</b>		<b>200,194</b>	<b>(24,457)</b>	<b>175,737</b>	<b>177,489</b>

The Company recorded in its Income Statement the amount of R\$4,781 relating to low value and short-term lease contracts (less than 12 months).

Assets resulting from leasing contracts present the following changes:

Asset	12/31/2022	Additions	Amortization	06/30/2023
Lease - Coastal	177,266	-	(2,112)	175,154
Vehicles	87,600	44	(19,839)	67,805
Civil Construction	32,991	2,405	(4,342)	31,054
Equipments	764	449	(347)	866
IT Equipments	29,891	35,772	(7,232)	58,431
<b>Amount</b>	<b>328,512</b>	<b>38,670</b>	<b>(33,872)</b>	<b>333,310</b>



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### c) Changes in fixed and intangible assets for the 2023 period:

Description	12/31/2022	Additions	Depreciation and Amortization	Write-Offs and Losses	Transfers from Work in Progress	Transfers	06/30/2023
<b>Fixed Assets</b>							
Plots of Land	2,922	24	-	-	-	-	2,946
Civil Construction	94,720	-	(1,179)	(1)	1,637	67	95,244
Improvements	1,862	167	(29)	-	290	29	2,319
Facilities	5,648	-	(278)	(1)	2,453	-	7,822
Equipments	59,653	1,515	(2,881)	(155)	370	-	58,502
Furniture and Fixture	27,822	898	(1,569)	(440)	1,727	-	28,438
IT Equipments	12,796	115	(1,846)	(47)	122	-	11,140
Vehicles	8,765	2,778	(1,146)	-	-	-	10,397
Machinery, Tractors and Similar	3,130	-	(240)	-	-	-	2,890
Tools	928	42	(46)	-	-	-	924
Patrimonial Assets to be Incorporated	1,255	(940)	-	-	-	-	315
Lease of Right of Use	151,023	38,140	(31,590)	-	-	-	157,573
<b>Total Fixed Assets</b>	<b>370,524</b>	<b>42,739</b>	<b>(40,804)</b>	<b>(644)</b>	<b>6,599</b>	<b>96</b>	<b>378,510</b>
<b>Intangible Assets</b>							
Plots of Land	279,477	3,679	-	-	24,695	-	307,851
Wells	130,420	163	(1,065)	-	4,801	(184)	134,135
Dams	81,782	40	(1,643)	(2)	2,165	(269)	82,073
Civil Construction	2,173,857	5,059	(38,501)	-	263,861	(38,267)	2,366,009
Improvements	41,860	209	(666)	-	4,159	(607)	44,955
Piping	4,502,262	11,738	(80,888)	(136)	272,779	(36,623)	4,669,132
Building Connections	638,225	4	(15,648)	(75)	38,872	(2,306)	659,072
Facilities	131,207	444	(6,893)	-	7,444	-	132,202
Hydrometers	176,530	3	(14,490)	(753)	25,192	-	186,482
Macro-meters	2,110	7	(188)	(7)	15	-	1,937
Equipments	481,661	18,698	(18,168)	(3,607)	29,827	-	508,411
Furniture and Fixture	3,255	91	(169)	(19)	4	-	3,162
IT Equipments	7,261	115	(881)	(6)	1,396	-	7,885
Computer Programs	54,348	6,622	(8,696)	-	471	-	52,745
Vehicles	7,849	-	(675)	-	-	(2,753)	4,421
Machinery, Tractors and Similar	2,180	-	(329)	-	-	-	1,851
Tools	113	-	(7)	-	-	-	106
Right of Use and Transmission Lines	4,060	-	(142)	-	275	-	4,193
Environmental Protection and Preservation	8,822	-	(988)	-	193	-	8,027
Concession of the Municipality of Curitiba	47,656	-	(937)	-	-	-	46,719
Patrimonial Assets to be Incorporated	2,233	1,068	-	-	-	-	3,301
Lease of Right of Use	177,489	530	(2,282)	-	-	-	175,737
<b>Total Intangible Assets</b>	<b>8,954,657</b>	<b>48,470</b>	<b>(193,256)</b>	<b>(4,605)</b>	<b>676,149</b>	<b>(81,009)</b>	<b>9,400,406</b>
<b>Grand Total</b>	<b>9,325,181</b>	<b>91,209</b>	<b>(234,060)</b>	<b>(5,249)</b>	<b>(a) 682,748</b>	<b>(b) (80,913)</b>	<b>9,778,916</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

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

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

Description	Yearly Interest Rate	Index	06/30/2023			12/31/2022		
			Current	Noncurrent	Total	Current	Noncurrent	Total
<b>In Brazilian Reais:</b>								
Debentures 8th Issuance - 2nd Series	108.00% of DI	-	-	-	-	155,563	-	155,563
BNDES	TJLP + 1.82%	-	-	-	-	645	-	645
Banco do Brasil - PSI	3.00% to 6.00%	-	919	-	919	2,097	190	2,287
Debentures 2nd Issuance - 1st Series	TJLP + 1.92%	-	12,436	3,097	15,533	12,383	9,232	21,615
Debentures 2nd Issuance - 2nd Series	9.19%	IPCA	27,180	23,792	50,972	24,196	22,992	47,188
Debentures 2nd Issuance - 3rd Series	TJLP + 1.92%	-	16,581	4,129	20,710	16,510	12,310	28,820
Debentures 9th Issuance - 1st Series	106.05% of DI	-	200,629	-	200,629	1,476	199,137	200,613
Banco Itaú - PSI	3.00% to 6.00%	-	2,195	543	2,738	3,067	1,445	4,512
Debentures 13th Issuance - 1st Series	DI + 1.08%	-	18,121	297,084	315,205	18,571	296,519	315,090
Debentures 9th Issuance - 2nd Series	107.25% of DI	-	1,138	150,818	151,956	1,137	150,810	151,947
Debentures 11th Issuance - 1st Series	DI + 1.65%	-	4,899	128,916	133,815	4,899	128,590	133,489
Debentures 4th Issuance - 1st Series	TJLP + 1.67%	-	24,499	74,586	99,085	24,406	86,143	110,549
Debentures 4th Issuance - 2nd Series	7.44%	IPCA	16,821	51,205	68,026	16,301	57,507	73,808
Debentures 10th Issuance - Single Series	4.66%	IPCA	4,472	433,379	437,851	4,276	417,946	422,222
Debentures 13rd Issuance - Single Series	DI + 1.90%	-	9,700	398,297	407,997	-	-	-
Debentures 11th Issuance - 2nd Series	4.25%	IPCA	2,338	243,554	245,892	2,237	234,893	237,130
BNDES - PAC2	TJLP + 1.67% to 2.05%	-	62,496	202,711	265,207	62,214	232,093	294,307
Arrendamento Litoral	11.14%	IPC-FIPE	14,440	297,091	311,531	13,899	303,313	317,212
Arrendamento Direito Uso	10.05%	-	80,576	106,502	187,078	81,667	100,972	182,639
Debentures 11th Issuance - 3rd Series	4.49%	IPCA	2,047	188,730	190,777	1,965	182,057	184,022
Debentures 13th Issuance - 2nd Series	5.89%	IPCA	7,889	320,712	328,601	7,837	309,978	317,815
Debentures 7th Issuance - 1st Series *	5.20%	IPCA	2,794	38,284	41,078	2,854	39,611	42,465
Debentures 7th Issuance - 2nd Series *	4.79%	IPCA	5,365	73,693	79,058	4,648	64,714	69,362
Debentures 7th Issuance - 3rd Series	6.97%	IPCA	1,520	20,959	22,479	1,477	20,953	22,430
Debentures 7th Issuance - 4th Series	6.57%	IPCA	2,801	38,715	41,516	2,379	33,851	36,230
BNDES - AVANÇAR	3.59% to 5.60%	IPCA	5,796	165,693	171,489	1,360	77,418	78,778
Caixa Econômica Federal	6.62% to 12.00%	TR	102,649	1,695,564	1,798,213	92,235	1,524,919	1,617,154
<b>Total in Brazilian Reais</b>			<b>630,301</b>	<b>4,958,054</b>	<b>5,588,355</b>	<b>560,299</b>	<b>4,507,593</b>	<b>5,067,892</b>
<b>In Foreign Currency:</b>								
KfW Bank	1.35%	EURO	26,047	-	26,047	15,352	-	15,352
<b>Total in Foreign Currency</b>			<b>26,047</b>	<b>-</b>	<b>26,047</b>	<b>15,352</b>	<b>-</b>	<b>15,352</b>
<b>Balance at the End on the Period</b>			<b>656,348</b>	<b>4,958,054</b>	<b>5,614,402</b>	<b>575,651</b>	<b>4,507,593</b>	<b>5,083,244</b>
Loans and Financing			200,102	2,064,511	2,264,613	176,970	1,836,065	2,013,035
Debentures			361,230	2,489,950	2,851,180	303,115	2,267,243	2,570,358
Leases			95,016	403,593	498,609	95,566	404,285	499,851

\* IPCA as a 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.

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The Company is using 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 Banco KfW will disburse the amounts according to the construction schedule. 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, with the first installment being amortized in December 2022.

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

The Company hired 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 01/22/2018 respectively, to mitigate the exchange risk, assuming a variation of the CDI as a counterpart, as described in Note 4.1. On June 30, 2023, there were 4 Swap operations in effect, totaling a notional amount of €5,076 thousand for interest rate and exchange variation protection, with no speculative character, converting the financial charges to 76.10% of the CDI (average weighted), which represents the percentage of 10.30% for a rate of 13.54% 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 - Coastal) 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%, as of December 31, 2022, it was 8.70%, and as of June 30, 2023, it was 10.05%. The Company does not have variable rent payments in its leasing contracts, nor does it have a sale or leaseback transaction of assets.

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

Liabilities	12/31/2022	Additions	Restatement	Financial Charges	Payments	06/30/2023
Lease - Coastal	317,212	-	-	16,646	(22,327)	311,531
Lease - Right of Use	182,639	38,670	-	(4,453)	(29,778)	187,078
<b>Total</b>	<b>499,851</b>	<b>38,670</b>	<b>-</b>	<b>12,193</b>	<b>(52,105)</b>	<b>498,609</b>
<b>Current</b>	<b>95,566</b>					<b>95,016</b>
<b>Noncurrent</b>	<b>404,285</b>					<b>403,593</b>

As of June 30, 2023, the present value of the minimum future financial obligations related to Leases is shown below:

Description	Minimum Future Payments	Financial Charges	06/30/2023	13/31/2022
			Present Value of Future Payments	Present Value of Future Payments
<b>Lease - Coastal</b>				
Less than a year	44,195	(29,755)	14,440	13,899
More than a year and less than five years	178,616	(115,903)	62,713	59,638
Above five years	352,336	(117,958)	234,378	243,675
<b>Subtotal</b>	<b>575,147</b>	<b>(263,616)</b>	<b>311,531</b>	<b>317,212</b>
<b>Lease - Right of Use</b>				
Less than a year	95,465	(14,889)	80,576	81,668
More than a year and less than five years	120,136	(13,634)	106,502	100,971
<b>Subtotal</b>	<b>215,601</b>	<b>(28,523)</b>	<b>187,078</b>	<b>182,639</b>
<b>Total</b>	<b>790,748</b>	<b>(292,139)</b>	<b>498,609</b>	<b>499,851</b>

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

Description	06/30/2023
Lease - Coastal	386,270
Vehicles	75,287
Mobile goods	65,854
Real Estate	37,666
<b>Total</b>	<b>565,077</b>

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Below we present the future payment flows, considering the projected inflation until the maturity of the contracts, by nature of the lease, in relation to the right to use and coastal lease commitments:

Description	2023	2024	2025	2026	2027	2028	2029 to 2036	Total
Lease - Coastal	26,774	47,160	48,975	50,776	52,618	54,514	462,864	<b>743,681</b>
Vehicles	17,396	37,090	31,110	-	-	-	-	<b>85,596</b>
Mobile goods	8,911	19,514	19,193	15,100	11,556	-	-	<b>74,274</b>
Real Estate	4,072	8,318	8,694	9,874	11,260	6,212	-	<b>48,430</b>
<b>Total</b>	<b>57,153</b>	<b>112,082</b>	<b>107,972</b>	<b>75,750</b>	<b>75,434</b>	<b>60,726</b>	<b>462,864</b>	<b>951,981</b>

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	06/30/2023	12/31/2022
TR	1,798,213	1,617,154
TJLP	400,535	455,936
IPCA	1,677,739	1,531,450
DI	1,209,602	956,702
IPC-FIPE	311,531	317,212
EURO	26,047	15,352
With No Monetary Adjustment	190,735	189,438
<b>Total</b>	<b>5,614,402</b>	<b>5,083,244</b>

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

Description	Period of Issuance	Final Maturity	Hired Amount	Number of Debentures	Payments	
					Amortization	Interest
Debentures 9th Issuance - 1st Series	2019	2024	199,150	19,915	2024	Six-Monthly
Banco do Brasil - PSI - 4 Contracts	2013 to 2014	2024	30,793	-	Monthly	Quarterly during grace period and monthly at amortization
Debentures 2nd Issuance - 1st e 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	2018 to 2023	2023 to 2028	189,852	-	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
Debentures 13th Issuance - Single Series	2023	2028	400,000	400,000	2028	Six-Monthly
BNDES - PAC2 - 4 Contracts	2011 to 2014	2029	602,665	-	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 - Coastal	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 - 2 Contracts	2020 to 2021	2041	525,583	-	Monthly	Quarterly during grace period and monthly at amortization
Caixa Econômica Federal - 291 Contracts	2007 to 2022	2046	3,283,892	-	Monthly	Monthly

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

Description	2023	2024	2025	2026	2027	2028	2029	2030
Debentures 2nd Issuance	41,746	45,469	-	-	-	-	-	-
Debentures 4th Issuance	20,919	40,802	40,803	40,803	23,784	-	-	-
Debentures 7th Issuance	6,527	11,907	11,907	11,907	11,907	11,907	11,907	11,907
Debentures 8th Issuance	-	-	-	-	-	-	-	-
Debentures 9th Issuance	2,645	199,122	-	150,818	-	-	-	-
Debentures 10th Issuance	4,472	-	-	-	433,379	-	-	-
Debentures 11th Issuance	9,284	-	64,458	64,458	-	-	243,554	-
Debentures 12th Issuance (1)	26,010	-	-	148,542	148,542	-	-	-
Debentures 13th Issuance	9,700	-	-	-	-	398,297	-	-
<b>Debentures Subtotal</b>	<b>121,303</b>	<b>297,300</b>	<b>117,168</b>	<b>416,528</b>	<b>617,612</b>	<b>410,204</b>	<b>255,461</b>	<b>11,907</b>
BNDES - PAC2	31,660	61,672	61,672	51,171	29,956	25,326	3,750	-
BNDES - AVANÇAR	3,184	5,224	9,979	10,024	10,024	10,024	10,024	10,024
Banco do Brasil - PSI	689	230	-	-	-	-	-	-
Banco Itaú - PSI	1,211	1,435	92	-	-	-	-	-
Caixa Econômica Federal	53,048	100,717	106,968	116,001	123,530	130,003	130,750	127,343
KfW Bank	26,047	-	-	-	-	-	-	-
<b>Loans and Financing Subtotal</b>	<b>115,839</b>	<b>169,278</b>	<b>178,711</b>	<b>177,196</b>	<b>163,510</b>	<b>165,353</b>	<b>144,524</b>	<b>137,367</b>
Lease - Coastal	9,235	12,862	14,203	15,700	17,374	19,247	21,343	23,692
Lease - Right of Use	51,772	56,693	46,611	19,042	12,469	491	-	-
<b>Leases Subtotal</b>	<b>61,007</b>	<b>69,555</b>	<b>60,814</b>	<b>34,742</b>	<b>29,843</b>	<b>19,738</b>	<b>21,343</b>	<b>23,692</b>
<b>Total</b>	<b>298,149</b>	<b>536,133</b>	<b>356,693</b>	<b>628,466</b>	<b>810,965</b>	<b>595,295</b>	<b>421,328</b>	<b>172,966</b>

Description	2031	2032	2033	2034	2035	2036	2037 to 2046	Total
Debentures 2nd Issuance	-	-	-	-	-	-	-	87,215
Debentures 4th Issuance	-	-	-	-	-	-	-	167,111
Debentures 7th Issuance	11,907	11,907	11,907	11,907	11,907	11,907	22,813	184,131
Debentures 8th Issuance	-	-	-	-	-	-	-	-
Debentures 9th Issuance	-	-	-	-	-	-	-	352,585
Debentures 10th Issuance	-	-	-	-	-	-	-	437,851
Debentures 11th Issuance	188,730	-	-	-	-	-	-	570,484
Debentures 12th Issuance (1)	-	320,712	-	-	-	-	-	643,806
Debentures 13th Issuance	-	-	-	-	-	-	-	407,997
<b>Debentures Subtotal</b>	<b>200,637</b>	<b>332,619</b>	<b>11,907</b>	<b>11,907</b>	<b>11,907</b>	<b>11,907</b>	<b>22,813</b>	<b>2,851,180</b>
BNDES - PAC2	-	-	-	-	-	-	-	265,207
BNDES - AVANÇAR	10,024	10,024	10,024	10,024	10,024	10,024	42,838	171,489
Banco do Brasil - PSI	-	-	-	-	-	-	-	919
Banco Itaú - PSI	-	-	-	-	-	-	-	2,738
Caixa Econômica Federal	121,398	90,768	90,077	83,616	87,073	90,636	346,285	1,798,213
KfW Bank	-	-	-	-	-	-	-	26,047
<b>Loans and Financing Subtotal</b>	<b>131,422</b>	<b>100,792</b>	<b>100,101</b>	<b>93,640</b>	<b>97,097</b>	<b>100,660</b>	<b>389,123</b>	<b>2,264,613</b>
Lease - Coastal	26,326	29,280	32,596	36,322	37,435	15,916	-	311,531
Lease - Right of Use	-	-	-	-	-	-	-	187,078
<b>Leases Subtotal</b>	<b>26,326</b>	<b>29,280</b>	<b>32,596</b>	<b>36,322</b>	<b>37,435</b>	<b>15,916</b>	<b>-</b>	<b>498,609</b>
<b>Total</b>	<b>358,385</b>	<b>462,691</b>	<b>144,604</b>	<b>141,869</b>	<b>146,439</b>	<b>128,483</b>	<b>411,936</b>	<b>5,614,402</b>

(1) In February 2022, the Company raised R\$600,000 in the capital market 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, counted from the date of issue of the debentures, which occurred on 01/15/2022. The second series matures in 10 years.

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

Description	06/30/2023		06/30/2022	
	Current	Noncurrent	Current	Noncurrent
<b>Balances at the Beginning of the Period</b>	<b>575,651</b>	<b>4,507,593</b>	<b>407,680</b>	<b>3,712,885</b>
Releases	24,038	714,625	4,918	795,008
Interest and Fines on Financing	206,041	-	170,347	-
Monetary Variation on Financing	-	68,791	-	76,744
Transfers	334,235	(334,235)	279,588	(279,588)
Amortization	(533,259)	-	(362,817)	-
Costs of Funds Raised with Third Parties	(374)	1,280	(1,209)	(8,783)
Exchange Rate Variation	(847)	-	(1,293)	-
Interest and Monetary Variation on Leases	12,193	-	16,940	-
Leases	38,670	-	19,010	-
<b>Balances at the End of the Period</b>	<b>656,348</b>	<b>4,958,054</b>	<b>533,164</b>	<b>4,296,266</b>

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

Until the 2nd quarter of 2023, the Company obtained and amortized funds from third parties, as stated below:

Index	Releases	Amortization
Debentures 2nd issuance	-	(16,126)
Debentures 4th issuance	-	(26,772)
Debentures 7th issuance	17,306	(14,803)
Debentures 8th issuance	-	(165,906)
Debentures 9th issuance	-	(24,289)
Debentures 10th issuance	-	(9,733)
Debentures 11th issuance	-	(18,698)
Debentures 12th issuance	-	(30,888)
Debentures 13th issuance	400,000	-
BNDES	-	(648)
BNDES - PAC2	-	(41,383)
BNDES - AVANÇAR	89,000	(1,633)
Banco do Brasil - PSI	-	(1,402)
Banco Itaú - PSI	-	(1,870)
Caixa Econômica Federal	208,319	(114,349)
Banco KfW	24,038	(12,654)
<b>Subtotal</b>	<b>738,663</b>	<b>(481,154)</b>
Leases (1)	38,670	(52,105)
<b>Total</b>	<b>777,333</b>	<b>(533,259)</b>

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



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### 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, 9th, 10th, 11th, 12th and 13th Issuance of Debentures

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.

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).

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Concerning contracts in item (ii), of the 8th, 9th, 10th, 11th, 12th and 13th issuances of simple debentures, not convertible into shares, 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.

About the contracts of item (iii) of Caixa Econômica Federal, related to the 3rd phase of Normative Instruction 14, in accordance with Clause Sixteen of said contracts, and of Normative Instructions 22 and 29, in accordance with Clause Thirty-Two of referred to contracts, the Company shall maintain during the entire 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, 2023, the Company complies with the restrictive clauses stipulated when issuing debentures, financing from BNDES, Caixa Econômica Federal and KfW Bank.

## 15. TAXES AND CONTRIBUTIONS

The composition is as follows:

Description	06/30/2023	12/31/2022
COFINS (tax on sales) Payable	32,365	34,025
PASEP (tax on sales) Payable	6,966	7,354
Taxes and Contributions Withheld at Source	54,002	61,388
<b>Total taxes and contributions</b>	<b>93,333</b>	<b>102,767</b>
<b>Current</b>	<b>93,333</b>	<b>102,767</b>

## 16. INCOME TAX AND SOCIAL CONTRIBUTION

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

Descrição	06/30/2023		06/30/2022	
	Income Tax	Social Contribution	Income Tax	Social Contribution
Income Before Income Tax and Social Contribution	976,777	976,777	707,839	707,839
Income Tax and Social Contribution - Current Rate	(244,194)	(87,910)	(176,960)	(63,705)
Benefit of the Deductibility of Interest on Equity	67,213	24,197	38,552	13,878
Worker's Meal Program - PAT (1)	8,164	-	5,984	-
Corporate Citizen Incentive (2)	338	-	295	-
Equity in Earnings (Losses) of Controlled Companies	(148)	(53)	(399)	(144)
Other	(1,954)	(748)	258	53
<b>Total of Expenses</b>	<b>(170,581)</b>	<b>(64,514)</b>	<b>(132,270)</b>	<b>(49,918)</b>
<b>Total of Income Tax and Social Contribution</b>	<b>(235,095)</b>		<b>(182,188)</b>	
<b>Effective Rate</b>	<b>24.1%</b>		<b>25.7%</b>	

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

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

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

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

Description	06/30/2023	06/30/2022
Income Tax	(203,663)	(149,205)
Social Contribution	(76,196)	(55,787)
Realization of Deferred Income Tax	33,082	16,935
Realization of Deferred Social Contribution	11,682	5,869
<b>Total</b>	<b>(235,095)</b>	<b>(182,188)</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	06/30/2023			12/31/2022	
		Calculation Basis	Income Tax	Social Contribution	Total	
<b>ASSETS</b>						
NPV on Contractual Financial Assets	30 years	1,190,680	297,670	107,161	404,831	369,598
Recoverable Value of Assets (Impairment) - Solid Waste	17 years	10,209	2,552	919	3,471	3,614
Health and Pension Plans	15 years	1,033,917	258,479	93,053	351,532	343,759
Lease - Coastal (Asset)	14 years	311,531	77,882	28,038	105,920	107,852
Impairment of Assets	10 years	4,163	1,041	375	1,416	1,416
Civil, Labor, Tax and Environmental Provisions	5 years	809,843	202,461	72,886	275,347	234,260
Lease - Right of Use (Asset)	5 years	187,078	46,770	16,837	63,607	62,098
NPV of Trade Accounts Receivable	5 years	51,701	12,925	4,653	17,578	10,900
Impairment on Investments - CS Bionergia	5 years	16,066	4,016	1,446	5,462	5,663
FVA - Investments Appraised at Fair Value	5 years	494	123	45	168	181
Provision for Losses on Credit Realization	3 years	51,582	12,896	4,642	17,538	17,329
Allowance for Doubtful Accounts - CPC 48	3 years	17,991	4,498	1,619	6,117	8,388
Net Realizable Value of Inventories	2 years	258	65	23	88	88
PAI - Encouraged Retirement Program	2 years	166	41	15	56	53
Provision for PPR	1 year	56,739	14,185	5,106	19,291	29,951
<b>Total</b>			<b>935,604</b>	<b>336,818</b>	<b>1,272,422</b>	<b>1,195,150</b>
<b>LIABILITIES</b>						
NPV on Contractual Financial Assets	30 years	1,084,352	271,088	97,592	368,680	336,045
Revaluation Surplus	25 years	79,227	19,807	7,130	26,937	28,038
Deferred IRPJ on Construction and Improvements	20 years	102,774	25,694	-	25,694	26,327
Donations from Public Agencies	20 years	11,606	2,901	1,045	3,946	3,946
Lease - Coastal (Liabilities)	14 years	175,154	43,789	15,763	59,552	60,271
Attribution of Deemed Cost to Fixed Assets	12 years	6,478	1,619	583	2,202	2,225
Lease - Right of Use (Liabilities)	5 years	158,156	39,539	14,234	53,773	51,424
<b>Total</b>			<b>404,437</b>	<b>136,347</b>	<b>540,784</b>	<b>508,276</b>
<b>Total amount, net</b>			<b>531,167</b>	<b>200,471</b>	<b>731,638</b>	<b>686,874</b>

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### 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, 2023, is as follows:

Realization period	Deferred Tax Assets			Deferred Tax Liabilities		
	Income Tax	Social Contribution	Total	Income Tax	Social Contribution	Total
2023	43,190	15,549	58,739	11,300	3,831	15,131
2024	100,606	36,218	136,824	22,600	7,661	30,261
2025	103,730	37,343	141,073	22,600	7,661	30,261
2026	86,337	31,082	117,419	22,600	7,662	30,262
2027	112,967	40,668	153,635	26,553	9,085	35,638
2028 to 2030	99,234	35,724	134,958	44,075	14,444	58,519
2031 to 2033	100,275	36,099	136,374	44,075	14,444	58,519
2034 to 2036	99,234	35,724	134,958	43,794	14,343	58,137
2037 to 2039	56,079	20,189	76,268	33,922	10,789	44,711
2040 to 2042	29,767	10,716	40,483	33,995	10,815	44,810
2043 to 2045	29,767	10,716	40,483	29,534	10,632	40,166
2046 to 2048	29,767	10,716	40,483	28,726	10,341	39,067
2049 to 2051	29,767	10,716	40,483	27,109	9,759	36,868
2052 to 2054	14,884	5,358	20,242	13,554	4,880	18,434
<b>Total</b>	<b>935,604</b>	<b>336,818</b>	<b>1,272,422</b>	<b>404,437</b>	<b>136,347</b>	<b>540,784</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 until the 2nd quarter of 2023 was R\$1,780 (R\$1,887 in the same period of 2022). The balance on June 30, 2023, is R\$13,053 (R\$14,833 on 12/31/2022), of which R\$3,560 (R\$3,560 on 12/31/2022) is recorded in current liabilities and R\$9,493 in noncurrent liabilities (R\$ 11,273 on 12/31/2022).

## 18. PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS 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	12/31/2022	Additions	Reversals	Payments	06/30/2023
Labor Claims (i)	399,669	138,059	(859)	(36,695)	500,174
Civil Claims (ii)	263,351	14,008	(4,487)	(7,568)	265,304
Environmental Claims (iii)	15,406	27,418	(5,346)	(3,728)	33,750
Tax Claims (iv)	10,574	41	-	-	10,615
<b>Total</b>	<b>689,000</b>	<b>179,526</b>	<b>(10,692)</b>	<b>(47,991)</b>	<b>809,843</b>

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### Main events during the period:

Complement of labor provisions in the amount of R\$23,564, 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; R\$84,314 referring to labor lawsuits whose object is due to the reintegration of retirees and salary parity; and R\$30,181 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 labor provisions (Reversals and Payments) in the amount of R\$37,554, due to the shelving and definitive write-off of legal claims.

Provisioning as a probable loss of lawsuits of an environmental nature related to notices of infraction by the Brazilian Institute of the Environment and Renewable Natural Resources – IBAMA and the Instituto Água e Terra do Paraná – IAT in the amount of R\$ 12,091 and precautionary action for early production of evidence to determine environmental damage in the amount of R\$13,000 in the municipality of Campo Magro.

### 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. 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	
	06/30/2023	12/31/2022
Labor claims (i)	117,813	98,239
Civil claims (ii)	1,273,565	488,163
Environmental claims (iii)	123,401	134,732
Tax claims (iv)	32,080	28,568
<b>Total</b>	<b>1,546,859</b>	<b>749,702</b>

### c) Nature of Provisions and Contingent Liabilities

#### (i) Labor

Labor claims are mostly related to claims filed by former employees of the company, providers (joint responsibility) and syndicates, who vindicate salary differences and labor charges. The main suits involving the Company are concerning: i) job position plans and wages; ii) functional reintegration; iii) wage equalization; and iv) meal ticket integration.

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### **(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) mass actions due to lack of water; and iii) other proceedings resulting from indemnification related to the suspension of the contract, traffic accidents, property damage, loss of profits, among others.

In the second quarter of 2023, the Company updated the amount of the Contingent Liability to R\$684,344, related to the Public Civil Action, whose purpose refers to the lack of water in the municipality of Maringá in January 2016, pending in the 2nd Court of the Public Treasury of Maringá, in which the Public Prosecutor's Office of the State of Paraná and the Company are parties, by a sentence handed down in the first instance. However, the Company appealed to the Court of Justice of Paraná -TJ/PR, and based on the opinion of its internal legal advisors, it understands that there are elements of success on appeal, considering the expert work carried out during the procedural instruction and similar cases in which the Company has already achieved legal success.

### **(iii) Environmental**

The Company 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.

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

### **(iv) Tax**

Tax proceedings are mainly related to the collection of IPTU (Urban Property and Land Tax), municipal fees and ISSQN (Tax on Services of Any Nature) due to divergences in the interpretation of the law. The main IPTU claims are related to inquiries from the municipalities of Curitiba, Londrina and Pinhais. Municipal fees concern Paranavaí and the main ISSQN actions relate to questions from the municipalities of Paranavaí, Maringá, Campina da Lagoa and Pinhais.

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### d) Contingent Assets

The Company is the author of a declaratory action under No. 1074228-74.2022.4.01.3400 in which the Federal Regional Court of the 1st Region recognized the lack of a legal tax relationship between Sanepar and the Union, as the Company is a beneficiary of tax immunity reciprocity provided for in art. 150, VI, "a", of CRFB/88, in which the success is restricted to the payment of the Corporate Income Tax - IRPJ (repetition of undue debt), covering the period from May 1996 to December 2022. The uncontroversial estimated amount initially recognized by the Union was R\$3,628,754.

The estimated claimed amount may change, and in this sense, the Company has already requested the issuance of a precatory requesting letter for registration in the Union budget. It is safe to say that an estimate of the term for settlement of the writ and effective assessment of the value is unpredictable.

### e) 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	
	06/30/2023	12/31/2022
Labor Claims (i)	404,237	363,510
Civil Claims (ii)	127,618	111,707
Environmental Claims	7,511	7,488
Tax Claims	25,181	24,589
<b>Total</b>	<b>564,547</b>	<b>507,294</b>

(i) During the second quarter of 2023, 80 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\$25,207 were recorded, and 8 new court deposits from labor lawsuits referring to lawsuits for the reinstatement of retirees in the amount of R\$4,674.

(ii) Until the second quarter of 2023, 208 new court deposits in the amount of R\$19,911 were recorded, mainly referring to material damages and improper collection of fees.

### f) Decision of the Federal Supreme Court (STF) on res judicata in tax matters

On February 8, 2023, the Federal Supreme Court (STF) ruled on Subject 881 – Extraordinary Appeal No. 949,297 and 885 – Extraordinary Appeal No. 955,227.

The Plenary of the Federal Supreme Court unanimously concluded that judicial decisions taken definitively “res judicata” in favor of taxpayers lose their effects if, afterward, the Supreme Court has a different understanding of the subject. That is, if years ago a company obtained authorization from the Court to stop paying any tax, this permission will expire if, and when, the STF decides otherwise.

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Management evaluated with its internal legal advisors the possible impacts of this STF decision and concluded that the decision, based on management's assessment supported by its legal advisors, and in line with CPC25/IAS37 Provisions, Contingent Liabilities and Contingent Assets and the CPC24/IAS10 Subsequent Events, does not result in impacts on its financial statements as of June 30, 2023.

### 19. PENSION PLAN AND HEALTH 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\$18,543 (R\$17,094 in the same period of 2022) as a contribution to FUSAN. 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 62.8% by the sponsor and 37.2% 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 this quarter, the amount of R\$45,514 (R\$41,506 in the same period of 2022).

Additionally, to comply with the determinations contained in CPC 33 (R1) – Employee Benefits, approved by CVM Resolution No. 110/22, the company Data A Soluções in Serviços Actuariais, Economics and Social Security Ltda. was hired for the year ended on December 31, 2022, which issued detailed reports, supporting the information included, on the said base date.

The actuarial position of liabilities related to the retirement plan and health care plan as of June 30, 2023, and December 31, 2022, is shown below:



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Description	Retirement plan	Health Insurance Plan	06/30/2023	12/31/2022
Current	18,783	50,145	68,928	67,404
Noncurrent	262,960	702,029	964,989	943,652
<b>Total</b>	<b>281,743</b>	<b>752,174</b>	<b>1,033,917</b>	<b>1,011,056</b>

Below we present the projection of expenses for the year 2023:

Description	Retirement plan	Health insurance plan	2023
Current Service Cost	5,613	4,836	10,449
Cost of Interests	126,775	72,459	199,234
Expected Gains of Plan Assets	(99,922)	-	(99,922)
Contributions from the Sponsor/Participants	(26,423)	(37,617)	(64,040)
<b>Total</b>	<b>6,043</b>	<b>39,678</b>	<b>45,721</b>

The amount of R\$45,721 was actuarially estimated as the expected variation of the plans for the year 2023, which is being monthly recorded by the Company, having been appropriated up to the 2nd quarter of 2023 the amount of R\$22,861 (R\$40,339 in the same period of 2022). At the end of 2023, 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.

## 20. RELATED-PARTY TRANSACTIONS

### 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.

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We present below the balances and transactions with Related Parties:

Description	Asstes		Liabilities		Income		Cost / Expenses	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
<b>State of Paraná</b>								
Interest on Equity	-	-	50,478	81,228	-	-	-	-
<b>Municipalities</b>								
Solid Waste Services	-	-	-	-	6,609	6,359	-	-
Trade Accounts Receivable	58,961	30,251	-	-	-	-	-	-
Municipal Sanitation and Environmental Management Fund	-	-	24,881	27,636	-	-	52,949	84,507
<b>CS Bioenergia S.A.</b>								
Sewage Effluent Treatment	1,671	1,285	-	-	230	139	-	-
Sludge Removal - ETE Belém	-	-	-	-	-	-	6,390	6,770
Electric Power Plant Rental	-	-	-	-	-	-	1,990	906
Organic Waste Treatment (CEASA)	-	-	-	-	-	-	359	269
Property Rental	663	472	-	-	192	181	-	-
Reimbursable Electricity Expenses	46	46	-	-	-	-	229	289
<b>Sanepar Foundations</b>								
Property Rental	-	-	-	-	-	302	-	-
Employer Contributions	-	-	-	-	-	-	64,057	58,600
<b>Copel (Controlled by State of Paraná)</b>								
Water withdrawn from Plant Reservoirs	-	-	-	-	-	-	-	385
<b>Tecpar</b>								
ISO and Water Safety Plan	-	-	-	-	-	-	2	1,863
<b>Celepar</b>								
e-Protocol System, among others	-	-	16	9	-	-	104	56
Stock Investment	5	3	-	-	-	-	-	-
Interest Receivable	8	8	-	-	-	-	-	-
<b>Simepar</b>								
Water security plan and others	-	-	-	-	-	-	1,733	775
<b>Total</b>	<b>61,354</b>	<b>32,065</b>	<b>75,375</b>	<b>108,873</b>	<b>7,031</b>	<b>6,981</b>	<b>127,813</b>	<b>154,420</b>

## b) Management compensation

The overall annual management compensation for the year 2023 was approved by the 59th/2023 Annual General Meeting (AGO) of April 28, 2023, in the global amount of R\$15,677. For the year 2022, the approval was given by the 58th/2022 Ordinary General Meeting (AGO) held on April 28, 2022, in the amount of R\$15,054.

We present below the payments made to management:

Description	06/30/2023	06/30/2022
Remuneration	4,862	4,941
Charges and Benefits	1,735	1,703
Social Charges	1,635	1,584
Health Plan (Sanesaúde)	43	44
Pension Plan (Fusanprev)	57	63
Complementary Programmes	-	12
<b>Total</b>	<b>6,597</b>	<b>6,644</b>

# Companhia de Saneamento do Paraná – SANEPAR

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### 21. OTHER ACCOUNTS PAYABLE

The composition is as follows:

Description	06/30/2023	12/31/2022
Contracts and Agreements with Third Parties	39,471	24,473
Agreements with Municipal Administrations	24,102	21,810
Collaterals and Reimbursable Amounts	18,298	16,449
Installment Payment IBAMA – PRD (1)	548	1,600
IAT Installment (2)	983	-
IBAMA TCCM (3)	87,631	87,631
Municipal Sanitation and Environmental Management Fund	24,881	27,636
Other Accounts Payable	-	425
<b>Total</b>	<b>195,914</b>	<b>180,024</b>
<b>Current</b>	<b>108,283</b>	<b>91,968</b>
<b>Noncurrent</b>	<b>87,631</b>	<b>88,056</b>

(1) Amount referring to installment payments of several environmental assessment notices from the Brazilian Institute of Environment and Renewable Natural Resources – IBAMA.

(2) Amount referring to the installments of several Notices of Environmental Infractions with Instituto Água e Terra - IAT.

(3) 2 (two) Terms of Commitment for Conversion of Fines - TCCM, in the direct modality, which consolidated the debt amount of 5 (five) Notices of Environmental Infractions - AIA, drawn up by the Brazilian Institute of the Environment and Renewable Resources - IBAMA in the year of 2012, in the amount of R\$ 87,631, to be invested directly by the Company over 120 (one hundred and twenty) months in Environmental Actions related to the execution of an environmental project called "Requalification of pit complexes for environmental improvement of the Iguaçu River and areas wet surroundings".

### 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, 2023, is R\$6.02 (R\$5.81 on December 31, 2022).

In the 2nd quarter of 2023, the Company increased its Capital Stock by R\$2,000,000 using part of the Profit Reserves balance, without share bonus. The increase was due to the fact that the balance of Profit Reserves exceeded the amount of Share Capital.

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Subscribed and paid-in capital stock as of June 30, 2023, is R\$6,000,000, which, net of share issue cost, amounts to R\$5,996,137, 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	53,314,177	10.6	271,926,906	27.0	325,241,083	21.5
Other Investors	147,767,307	29.3	729,981,388	72.4	877,748,695	58.1
<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) Income Reserve

#### b.1) Legal Reserve

Constituted in accordance with the Brazilian Corporation Law and the Bylaws, based on 5% of the net income for each year, less the amount destined to constitute the Reserve for Tax incentives, until reaching the limit of 20% of paid-in capital. 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.

#### b.2) Tax Incentive Reserve

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

#### b.3) 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.

### c) Revaluation Surplus

It was carried out until the 2nd quarter, transferring to Retained Earnings, the amount of R\$2,136 (R\$2,399 in the same period of 2022), net of Income Tax and Social Contribution. The realization of this reserve occurs in the same ratio as of right down and depreciation of assets registered in the fixed and intangible assets line, object of said reevaluation.

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

Description	06/30/2023	06/30/2022
<b>Balances at the beginning of the period</b>	<b>54,426</b>	<b>59,002</b>
Realization of the Revaluation Surplus	(3,236)	(3,543)
Realization of Taxes on the Revaluation Surplus	1,100	1,204
<b>Balances at the end of the period</b>	<b>52,290</b>	<b>56,663</b>

### d) 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 it was transferred to retained earnings, the amount of R\$46 (R\$85 in the same period in 2022), net of income tax and social contribution. 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	06/30/2023	06/30/2022
<b>Balances at the beginning of the period</b>	<b>4,322</b>	<b>4,458</b>
Realization of the Adjustments to Deemed Cost	(70)	(129)
Realization of Taxes on the Adjustments to Deemed Cost	24	44
<b>Balances at the end of the period</b>	<b>4,276</b>	<b>4,373</b>

### e) Other Comprehensive Income

Pursuant to CPC 33 (R1) – Employee Benefits, adjustments to the fair value of actuarial liabilities related to employee benefit plans (Note 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.

### f) 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. Holders of preferential shares was assigned interest on shareholders' equity (dividend) per share 10% higher than that of holders of common shares.

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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.

On April 28, 2023, the 59th Shareholders' Meeting approved the payment of Interest on Equity and Additional Dividends, credited to shareholders in 2022, in the gross amount of R\$432,623, which, net of Withholding Income Tax, represented R\$385,621, and by 06/30/2023, the amount of R\$385,616 had been paid.

### g) Earnings per share

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

	2022	2021
Common Shares	0.26839	0.21314
Preferred Shares	0.29522	0.23445
Value for 1 "Unit"	1.44928	1.15094

On June 2023, the Company's Management proposed and the Board of Directors approved at the 6th/2023 Ordinary Meeting, held on June 27, 2023, the credit of Interest on Equity, observing the legal limit of TJLP variation in the period, based on the results obtained in the 1st semester of 2023. The gross amount of Interest on Equity, calculated for the 1st semester of 2023, was R\$268,850, with the amount of R\$29,229 being withheld as Withholding Income Tax. This credit generated tax savings of R\$91,409.

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

Basic and Diluted Earnings per Share	06/30/2023	06/30/2022
<b>Numerator</b>		
Net income for the year attributed to Company shareholder's		
Common shares	231,776	164,266
Preferred shares	509,906	361,385
<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 per share</b>		
Per ordinary share	0.46011	0.32610
Per preferred share	0.50613	0.35871

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### 23. OPERATING REVENUES

Operating Revenues composition, by nature, is the following:

Description	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2023 to 06/30/2023	01/01/2022 to 06/30/2022
<b>Revenue</b>				
Revenues from Water	1,013,935	886,576	2,017,024	1,806,549
Revenues from Sewage	596,258	530,111	1,115,880	1,076,698
Revenues from Services	26,351	27,892	50,489	56,080
Revenues from Solid Waste	3,355	3,298	6,609	6,359
Services Provided to Municipalities	6,000	5,489	11,709	10,749
Donations Made by Clients	9,092	7,212	18,437	14,657
Other Revenue	1,333	1,163	3,291	2,615
<b>Total of Operating Revenues</b>	<b>1,656,324</b>	<b>1,461,741</b>	<b>3,223,439</b>	<b>2,973,707</b>
<b>Deductions on Operating Revenues</b>				
COFINS	(98,977)	(84,446)	(192,081)	(170,914)
PASEP	(21,318)	(18,182)	(41,366)	(36,838)
<b>Total of Deductions</b>	<b>(120,295)</b>	<b>(102,628)</b>	<b>(233,447)</b>	<b>(207,752)</b>
<b>Total Operating Revenues, net</b>	<b>1,536,029</b>	<b>1,359,113</b>	<b>2,989,992</b>	<b>2,765,955</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\$37,639 (R\$39,728 for the same period in 2022), until the 2nd quarter of 2023, that is, with zero margins. Revenue is presented net of construction costs.

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### 24. COST OF SERVICES RENDERED

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

Description	04/01/2023 to 06/30/2023			04/01/2022 to 06/30/2022		
	Water	Sewage	Total	Water	Sewage	Total
Personnel	(91,008)	(42,534)	(133,542)	(91,485)	(41,242)	(132,727)
Materials	(34,288)	(31,066)	(65,354)	(36,172)	(23,424)	(59,596)
Electricity	(103,602)	(15,089)	(118,691)	(132,270)	(17,917)	(150,187)
Third-party Services	(75,670)	(56,755)	(132,425)	(62,951)	(45,611)	(108,562)
Depreciation and Amortization	(47,634)	(46,247)	(93,881)	(45,051)	(42,881)	(87,932)
Indemnities of Third-Party Damages	(614)	(589)	(1,203)	(618)	(502)	(1,120)
Municipal Sanitation and Environmental Management Fund	(14,392)	(11,882)	(26,274)	(37,468)	(28,331)	(65,799)
Other costs	(33,815)	(11,953)	(45,768)	(33,062)	(11,763)	(44,825)
<b>Total</b>	<b>(401,023)</b>	<b>(216,115)</b>	<b>(617,138)</b>	<b>(439,077)</b>	<b>(211,671)</b>	<b>(650,748)</b>

Description	01/01/2023 to 06/30/2023			01/01/2022 to 06/30/2022		
	Water	Sewage	Total	Water	Sewage	Total
Personnel	(172,926)	(83,790)	(256,716)	(167,679)	(75,983)	(243,662)
Materials	(73,498)	(57,700)	(131,198)	(67,724)	(43,065)	(110,789)
Electricity	(205,691)	(30,203)	(235,894)	(284,997)	(36,999)	(321,996)
Third-party Services	(140,464)	(110,370)	(250,834)	(125,601)	(91,052)	(216,653)
Depreciation and Amortization	(94,610)	(91,098)	(185,708)	(89,797)	(84,795)	(174,592)
Indemnities of Third-Party Damages	(1,843)	(1,053)	(2,896)	(1,460)	(834)	(2,294)
Municipal Sanitation and Environmental Management Fund	(29,315)	(23,634)	(52,949)	(47,741)	(36,766)	(84,507)
Other costs	(67,185)	(22,367)	(89,552)	(63,520)	(22,569)	(86,089)
<b>Total</b>	<b>(785,532)</b>	<b>(420,215)</b>	<b>(1,205,747)</b>	<b>(848,519)</b>	<b>(392,063)</b>	<b>(1,240,582)</b>



# Companhia de Saneamento do Paraná – SANEPAR

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### 25. SELLING, ADMINISTRATIVE AND OTHER EXPENSES

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

Description	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2023 to 06/30/2023	01/01/2022 to 06/30/2022
<b>Selling</b>				
Personal	(34,103)	(34,567)	(67,982)	(64,070)
Materials	(1,693)	(1,082)	(3,194)	(1,996)
Thrid-Party Services	(34,405)	(30,470)	(64,845)	(60,272)
Depreciation and Amortization	(2,398)	(1,786)	(4,619)	(3,723)
Losses in Credit Realization (1)	(594)	(58,494)	44,833	(109,655)
Indemnities of Third-Party Damages	(30)	-	(1,195)	-
Sanepar Rural Program	(1,214)	(1,003)	(3,029)	(1,934)
Other Expenses	(331)	(853)	(702)	(1,461)
<b>Total of Selling Expenses</b>	<b>(74,768)</b>	<b>(128,255)</b>	<b>(100,733)</b>	<b>(243,111)</b>
<b>Administratives</b>				
Personal	(167,741)	(154,036)	(328,528)	(295,384)
Materials	(15,664)	(14,396)	(28,719)	(26,596)
Thrid-Party Services	(38,954)	(25,334)	(72,274)	(62,646)
Depreciation and Amortization	(21,497)	(16,609)	(43,733)	(33,392)
Impairment of Inventories	-	(1)	(5)	(62)
Regulatory Fee	(8,751)	(6,979)	(17,502)	(13,954)
Travel Expenses	(1,718)	(1,329)	(2,857)	(2,311)
Legal and Court Fees	(1,392)	(773)	(4,940)	(1,435)
Social and Environmental Programs	(2,670)	(2,727)	(6,498)	(6,123)
Other Expenses	(7,598)	(4,979)	(12,805)	(10,069)
Transfer to Costs and Selling Expenses (2)	40,566	39,272	78,358	76,286
Capitalized Expenses (3)	34,467	31,275	61,950	60,381
<b>Total of Administrative Expenses</b>	<b>(190,952)</b>	<b>(156,616)</b>	<b>(377,553)</b>	<b>(315,305)</b>
<b>Other Operating (Expenses) Revenue Expenses</b>				
Eventual Losses	62	(107)	62	(100)
Environmental Fines (4)	(5,286)	(56)	(9,207)	(65)
Write-off of Assets	(1,315)	(4,352)	(2,706)	(5,481)
Fair Value Adjustments - Investments	175	(117)	39	(44)
<b>Total of Other Operating (Expenses) Revenues, net</b>	<b>(6,364)</b>	<b>(4,632)</b>	<b>(11,812)</b>	<b>(5,690)</b>

(1) Reversal of part of the provision balance for credit losses arising from overdue accounts, mainly due to the installment of accounts receivable from private customers, as a result of the Credit Recovery Program for Private Customers (RECLIP).

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

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

(4) TAC Value - Conduct Adjustment Commitment Term, entered into with the Public Prosecutor's Office/6th Public Prosecutor's Office of the District of Ponta Grossa/PR, referring to compensatory measures for the distribution of water with microcrustaceans to part of the population of Ponta Grossa/PR in 2022 (R\$5,200) and the value of the Terms of Commitment for the Indirect Conversion of Environmental Fines entered into with IAT – Instituto Água e Terra, referring to various environmental fines (R\$3,728).

### 26. PROFIT SHARING PROGRAM

The Company provisioned the amount of R\$56,739 (R\$35,797 in the same period in 2022), related to Profit Sharing, based on goals and performance established for the year 2023, which is recorded in the Salaries and Social Charges account, in current liabilities.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

### 27. NET FINANCIAL RESULT

Description	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2023 to 06/30/2023	01/01/2022 to 06/30/2022
<b>Financial revenues</b>				
Financial Investments (1)	52,027	47,071	94,729	81,374
Monetary Variation Gains (1)	22,519	19,597	52,173	35,798
Exchange Rate Variations Gains	718	369	847	2,510
Gains on Derivative Financial Instruments	196	991	208	992
Other Financial Revenues (2)	5,949	8,588	1,810	14,828
<b>Total of Financial Revenues</b>	<b>81,409</b>	<b>76,616</b>	<b>149,767</b>	<b>135,502</b>
<b>Financial Expenses</b>				
Financing, Lease and Debenture Interest and Charges (1)	(100,500)	(93,495)	(199,380)	(174,216)
Monetary Variation Losses (1)	(25,109)	(44,265)	(64,100)	(74,725)
Exchange Rate Variations Loss	-	(1,218)	-	(1,217)
Loss on Derivative Financial Instruments	(1,559)	(641)	(2,145)	(3,096)
Other Financial Expenses	(36)	(648)	(481)	(1,228)
<b>Total of Financial Expenses</b>	<b>(127,204)</b>	<b>(140,267)</b>	<b>(266,106)</b>	<b>(254,482)</b>
<b>Financial Income (Loss), net</b>	<b>(45,795)</b>	<b>(63,651)</b>	<b>(116,339)</b>	<b>(118,980)</b>

(1) Increase in the interest calculation base, due to the raising of third-party funds, as well as the growth of some debt monetary restatement indexes, mainly the CDI, offset by the growth of financial income, mainly due to the variation in the SELIC rate.

(2) Variation mainly related to the recording of the Adjustment to Present Value of Accounts Receivable from Customer Installments

### 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.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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

Description	01/01/2023 to 06/30/2023			01/01/2022 to 06/30/2022		
	Water	Sewage	Total	Water	Sewage	Total
Direct Operating Revenue	2,054,698	1,135,304	<b>3,190,002</b>	1,847,917	1,097,769	<b>2,945,686</b>
Other Operating Revenues	18,743	14,694	<b>33,437</b>	15,852	12,169	<b>28,021</b>
<b>Total Gross Operating Revenue</b>	<b>2,073,441</b>	<b>1,149,998</b>	<b>3,223,439</b>	<b>1,863,769</b>	<b>1,109,938</b>	<b>2,973,707</b>
Revenue Deductions (PASEP and COFINS)	(130,859)	(102,588)	<b>(233,447)</b>	(117,526)	(90,226)	<b>(207,752)</b>
<b>Net Operating Revenue</b>	<b>1,942,582</b>	<b>1,047,410</b>	<b>2,989,992</b>	<b>1,746,243</b>	<b>1,019,712</b>	<b>2,765,955</b>
Cost	(785,532)	(420,215)	<b>(1,205,747)</b>	(848,519)	(392,063)	<b>(1,240,582)</b>
<b>Gross Profit</b>	<b>1,157,050</b>	<b>627,195</b>	<b>1,784,245</b>	<b>897,724</b>	<b>627,649</b>	<b>1,525,373</b>
Selling Expenses	(56,464)	(44,269)	<b>(100,733)</b>	(137,534)	(105,577)	<b>(243,111)</b>
Administrative Expenses	(211,631)	(165,922)	<b>(377,553)</b>	(178,376)	(136,929)	<b>(315,305)</b>
Other Operating Revenues (Expenses)	(6,621)	(5,191)	<b>(11,812)</b>	(3,219)	(2,471)	<b>(5,690)</b>
Equity in Earnings (Losses) of Controlled Companies	-	(588)	<b>(588)</b>	-	(1,598)	<b>(1,598)</b>
Financial Income (Loss), net	(51,618)	(64,721)	<b>(116,339)</b>	(54,144)	(64,836)	<b>(118,980)</b>
Profit Sharing Program	(31,804)	(24,935)	<b>(56,739)</b>	(20,251)	(15,546)	<b>(35,797)</b>
Provisions	(67,687)	(53,156)	<b>(120,843)</b>	(32,046)	(24,668)	<b>(56,714)</b>
Pension Plan and Health Insurance	(12,814)	(10,047)	<b>(22,861)</b>	(22,819)	(17,520)	<b>(40,339)</b>
<b>Income Before Taxes and Contributions</b>	<b>718,411</b>	<b>258,366</b>	<b>976,777</b>	<b>449,335</b>	<b>258,504</b>	<b>707,839</b>
Income Tax and Social Contribution	(172,918)	(62,177)	<b>(235,095)</b>	(115,652)	(66,536)	<b>(182,188)</b>
<b>Net Income for the Period</b>	<b>545,493</b>	<b>196,189</b>	<b>741,682</b>	<b>333,683</b>	<b>191,968</b>	<b>525,651</b>
Operating Margin - Unaudited/Not Revised	37.0%	24.7%	<b>32.7%</b>	25.7%	25.4%	<b>25.6%</b>
Net Margin - Unaudited/Not Revised	28.1%	18.7%	<b>24.8%</b>	19.1%	18.8%	<b>19.0%</b>
Investments in Fixed /Intangible Assets in the Period (1)	353,356	526,909	<b>880,265</b>	341,313	422,386	<b>763,699</b>
Equity Interest - CS Bioenergia	-	960	<b>960</b>	-	1,420	<b>1,420</b>
Indebtedness – Loans, Financing, Debentures and Leases	2,575,231	3,039,171	<b>5,614,402</b>	2,211,778	2,617,652	<b>4,829,430</b>
Contract Asstes, Fixed Assets and Intangible Assets, net	5,663,620	7,006,723	<b>12,670,343</b>	5,102,817	6,151,440	<b>11,254,257</b>
Depreciation and Amortization for the Period	(121,718)	(112,342)	<b>(234,060)</b>	(110,796)	(100,911)	<b>(211,707)</b>
Accounts Receivable (Current and Noncurrent) (2)	1,460,604	571,529	<b>2,032,133</b>	1,072,821	526,143	<b>1,598,964</b>
Total Assets	7,914,528	9,791,423	<b>17,705,951</b>	7,099,726	8,558,711	<b>15,658,437</b>
Total Liabilities (Current and Noncurrent)	3,947,141	4,658,237	<b>8,605,378</b>	3,729,764	3,794,767	<b>7,524,531</b>
Number of Users – Unaudited/Not Reviewed (3)	3,436,140	2,474,886	-	3,381,769	2,407,566	-
Volume Thousand m <sup>3</sup> Invoiced - Unaudited/Not Reviewed (4)	276,881	217,080	-	267,033	204,985	-

(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 segment.

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

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

### 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\$1,954,103, with coverage term from 03/14/2023 to 03/13/2024, contemplating basic coverage for fire, wind, and electrical damages to the equipment.

Asset	Amount insured
Buildings	1,030,516
Machinery, Equipment and Vehicles	835,324
Inventory	88,263
<b>Total</b>	<b>1,954,103</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, 2023, the Company offered guarantees through the Surety Bond in 368 lawsuits in the amount of R\$357,337 with Pottencial Seguradora S/A, maturing on 06/15/2025.

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 09/09/2023.

### 30. SUBSEQUENT EVENTS

On July 14, 2023, the Company published a Material Fact, informing its shareholders and the market in general, of the opening of envelopes within the scope of International Bid No. 100/2023, for Public-Private Partnership (PPP), for the provision of sewage services sanitation in 16 municipalities of the Central-Coastal Microregion of Paraná (MRAE-1), with the Bidding Commission having declared “Saneamento Consultoria S.A.” as the best-ranked bidder, whose proposal resulted in a 30.65% discount on the maximum bid amount.

On July 28, 2023, the Company published a Notice to the Market, informing that Copel Comercialização S.A. was the winner of Tender No. 1000177, Electronic Auction No. 1247/23, referring to the acquisition of electricity in the Free Contracting Environment (ACL), including the provision of management and representation services at the Electricity Trading Chamber (CCEE) for 49 of its consumer units, as described in the respective Notice and Attachments of the bidding process. The Contract associated with the aforementioned Tender was signed between the parties on 07/27/2023 and provides for a term of 70 (seventy) months. The value of said Contract is R\$200,807 and represents a discount of 8.43% when compared to the maximum price admitted in the event.

# Companhia de Saneamento do Paraná – SANEPAR

## NOTES TO THE INTERIM FINANCIAL INFORMATION

Base date June 30, 2023

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

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On August 02, 2023, the Company published a Material Fact, informing its shareholders and the market in general, that the Board of Directors, in its 16th/2023 Extraordinary Meeting, authorized the Executive Board to carry out negotiations aiming at the acquisition of all of Cattalini's shareholding in CS Bioenergia S.A. by Sanepar, in which it holds 60% of the shares, with transfer of share control to Sanepar, which holds the remaining 40% of the shares. CS Bioenergia S.A. is located next to the Belém Sewage Treatment Station (ETE Belém), whose objective is the exploitation and proper final destination of solid and organic waste and the sludge produced in the aforementioned sewage station, in addition to producing biogas and energy generation through the biodigestion process.

## 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 March 31, 2023, which comprise the balance sheet on March 31, 2023, and the related statements of income, comprehensive income, statements of changes in equity and cash flows for the for the three-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, comprehensive income, changes in equity, cash flows and value added for the period of three-month ended March 31, 2022, obtained from the interim financial information for that quarter, presented for comparison purposes. The review of the interim information for the quarter ended March 31, 2022, 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 report dated May 5, 2022, without qualification.

### Interim statement of added value

The quarterly information referred to above includes the interim statements of value added (SVA) for the three-month period ended March 31, 2023, 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 11, 2023.



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

**Marisa Bernardino de Albuquerque**  
**Accountant CRC 1 SP 143624º/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. 1376, Curitiba - PR, registered at CNPJ under No. 76.484.013/0001- 45, for the purposes of CVM Resolution No. 80/2022, declares that it has reviewed, discussed and agreed with Sanepar's interim financial statements for the period ended on June 30, 2023.

Curitiba, July 31, 2023

**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

**RAUL CLEI COCCARO SIQUEIRA**  
Chief Legal Officer

**FERNANDO MAURO NASCIMENTO GUEDES**  
Chief Administrative Officer

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



## 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. 1376, Curitiba - PR, registered at CNPJ under No. 76.484.013/0001- 45, for the purposes of CVM Resolution No. 80/2022, declares that it has reviewed, discussed and agreed with 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, 2023.

Curitiba, August 10, 2023.

**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

**RAUL CLEI COCCARO SIQUEIRA**  
Chief Legal Officer

**FERNANDO MAURO NASCIMENTO GUEDES**  
Chief Administrative Officer

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