Conference Call Transcript

SANEPAR

2Q26

Operator:

Good morning, everyone. Thank you for joining us today. Welcome to the video conference announcing the results of the second quarter for Companhia Saneamento do Paraná, Sanepar.

For those requiring simultaneous translations, this feature is available on the platform. To access it, simply click the interpretation button indicated by a global icon at the bottom of the screen then select your preferred language, Portuguese or English.

For those listening in English, you also have the option to mute the original Portuguese audio by clicking Mute Original Audio. Please note that this video conference is being recorded and will be made available on the company's investor relations website, ri.sanepar.com.br where the full earnings release and presentation materials are accessible. You can download the presentation directly from the chat, available in English.

During the presentation, all participants will have their microphones muted. The Q&A session will follow the presentation. To ask questions, click the Q&A icon at the bottom of your screen and type in your question into the queue. Once your name is called, a prompt will appear to activate your microphone allowing you to ask questions. We recommend submitting all the questions at once for efficiency. If your question is not address during the event, please feel free to email it to ri@sanepar.com.br.

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So now I will hand it over to our Chief Financial and Investor Relations Officer, Ozires Kloster.

Ozires Kloster (CFO):

Thank you. Good morning everyone participating in this conference. I would like to join. with us… we have our CEO Wilson Bley, the Investment Director and our environment and action… so our Accounting Manager is also with us today. The RI manager, Ricardo, with all his team.

Before starting the presentation, I would like to hand it over to our President.

Wilson Bley (CEO):

Good morning, everyone. I would like to greet my board and thank them for all their efforts, and I'd like to greet all our shareholders and show the importance of their participation in this event. I'd like to say that the company continues in a healthy financial condition. We can fulfill our targets whether contracts or legal. It's an accelerated race to reach universalization access in water entry and sewage before the legal deadlines, bringing comfort to our contracts we would renovate it until 2042, guaranteeing comfort. And the second quarter is within what was predicted with an extraordinary factor, which Ozires will address. But if you… but without this extraordinary factor, we can see an increase both in revenues and also build revenue and new connections, whether water or sewage.

And this shows that the company continues to serve the society, bringing revenues, dividends, to be able to make the necessary investments to continue all these operations, which is not so simple. But this complexity brings challenges and we are fulfilling these challenges, which makes us comfortable.

We see a lot of rainfall, quite a normal level, and this allows us to have the feeling of the new reservoir, which is close to 20%. And the other reservoirs are within a normal level of volume. So that… it guarantees that in the next few months we have a good volume. Of course, with El Niño, all the resilience of the company is being planned. And with a strong resilience plan for us to be able to face all the challenges with no… without any problems in the supply of water and investments. When speaking of investments, last year we had record investments and this year, as you will see in our figures, our numbers, we are reaching our targets within our investment plan.

So I would like to assure everyone the company is doing very well. But we had to… we had all this problem of the precatorious. And I want to say that the company will always defend its position in the recognition of this precatorious, which is 25% for the company and 75% for the moderation of… tariff moderation. And we will make every effort necessary to reach this result, which is the result not only expected by the company, but that we believe that it's our right. So I'd like to assure you that we have taken all the measures and if necessary, we will take other measures until we receive a final decision. And that… which is in our favor, because we believe it's our right.

So, I thank all of you and wish you a good day and good work to all of us.

Ozires Kloster (CFO):

In the end of June, we had 83%. Today we have 88% and the water is around 20%. The reservoir in June was 13%.

In the next slide we will highlight the issue of the history of the delivery of service. We are universalized in water, 100%. In sewage we reached 82.9%. Highlighting that 100% of this sewage is treated. This wastewater is treated.

In the next slide we can see the operational results, which was very good. If we both the court and the six months we have grown in quarter in the measured volume in water we increased 5.4% and in the six months 3.3% in build volume in the quarter. So an increase of 5%. And for six months the increase was 3.1%. And connection numbers, due connections, that happened within the period of 6 months in water was 24,643 connections. And an increase of 0.7%. And an increase also in new economies of 4,400, an increase of 0.7%. With 32,668 new units. We have the history of connections. We have 3,000,555 new connections in the last 12 months. An increase of 48,923 connections. And the history of units we closed June with 4 million… 424 million. And in the last 12 months 68,016,016 units.

In the next slide, if we look at the sewage, there was an increase a significant increase the build volume in the quarter increased 5.9%. And in the period of six months 4%. So the number of connections has also been quite significant. 1.3% closing in 35,000 connections. The units increased 1.4% with an increase of 5,560 units. And on the right side we can see the history of the connections, the total connections today is 2,688,000 connection. An increase in the last 12 months of 75,896 connections. And the history of the economic units closing in June with 3,636,000 economic units and an increase of 109,000 units in the last 12 months.

Now moving to the indicators, financial indicators. So we can feel here an impact of the recognition of the 25% of the regulatory liability. So our EBITDA margin in the quarter closed in 28.4%. In the accumulated of six months 36%. And then we will show you later on. There is a slide that will show you what would be the adjusted if we discounting not counting the precatorious, the liquid… the net margin, we had a negative result both in the quarter and in the accumulated. We had negative margins in the quarter in - 26.6 and accumulated less for 4%. ROE and ROIC canalized. ROE closing 3.7% and ROIC 4.7%.

Some good news, the delinquency closing 1.9% , so in line with our our strategic planning even a little below what we anticipated losses per connection. It's an indicator that is quite positive. In this quarter we closed with an indicator, 216 liters of connections per day is one of the lowest in the past quarters and years. So if we look at June 2025 we had 223 liters, and in 2024 we had 220 liters per day.

So here if we… the quarter result statement if we look at net revenue was very positive, increased 11.5%. The costs with personnel saw an increase of 7%. We have the effect of the collective agreement which was in March this year with INPC readjustment of 36%. We have an effect of the new hirings, the new employees that joined our company. In the accumulated, I will see the effect of the voluntary severance program which is seeing positive results. And then in material, we had a small decrease, electricity, we had an increase, the issue of energy besides the volumes produced that increased. And also, the treated wastewater.

We also saw one of the suppliers of the free market, one of the companies is in judicial recuperation. So, Sanepar part had to look for an emergency contracted with at a price a little higher than the free market prices. But this is being addressed. We were looking for a solution, looking at the third-party services, this is a line that had an increase in the quarter especially driven by the third-party services and the PPPs. We have the micro regions that started operating their PPPs last year. So this year the cost is higher.

Now moving to the next slide and we can analyze the results more in depth, we can see the net revenue in of June 2025 and also showing the progress, how we reached this accumulated revenue in June 2026. So we had an increase in economies in the graph it amount 36 million. It represents an increase in volume 53 million reais readjustment in tariff that we had. It brings an impact, we had… if we look at the readjustment in March, we had IRT which that was approved. So, this brought us an increase of 100 million and other revenue 7 million. It closing in almost 2 billion. In the out of this revenue, we have the costs and expenses. Personnel, material, energy provisions. It was positive. We… it was a lower amount than last year and the highlight of the regulatory liability.

So, it's highlighted that only in a bit that impacted 260 million. And down there if you look at this at the financial expenses we segregated, we can see the light the regulatory liability 693 million. With that we had this loss in the quarter of 505 million, but if we look later, we made a composition excluding this effect of the precatorious of the… we had an EBITDA of 800 million which is like a non-recurrent and and a profit of 447 million. If we exclude the effect of the court ordered debt payment. So, our EBITDA margin would be adjusted in 41% and the liquid… the net margin would be positive in 23%.

Now, moving on to the accumulated result we have an increase in the revenue of 9.6%. The net revenue, the cost in personnel, as I mentioned, we are seeing a reduction in 27.4%. Last year, was over a billion reais. And the first quarter of last year there was the program of… voluntary severance program. So, five over 500 employees left and this cost to the company. So even with the hirings that we are making, we are so… that we are paying less salary. So, we are seeing a reduction in the cost compared to the accumulated last semester.

Now I will break down the same thing I did in the quarter. If I look at the net revenue in the six months last year it had closed in 3.5 billion. So, we had an increase in economies that brought a 74 million revenue and increase in volume, build volume, 44 million readjustment and consumption, which can be migration of levels of consumption. It brought us 215 million and other revenues 4 million, so we closing 3.8 billion in revenue six months. EBITDA closing 3.8 billion, no, sorry, the revenue. So we would have an... the EBITDA would be practically 1.4 billion. So, if highlighting both in line of EBITDA the regulatory liability and if we see the regulatory liability it impacted 843 million. So, the profit reported the loss in the six months was 152 million. We made the same account.

In the next slide we can see the adjustment excluding the effect of the court order that payment, we would have an EBITDA 1.6 billion and a profit of 950 million in the six months above what was reported last year, which was around 650 million. So the margin EBITDA would be 42.7% and the net margin would be around 24.7%.

Down some comments before moving to investments, the accounts that had variations are the same, so if you look at the third-party services and electricity, the same comment I made in the court, it works for the six-month period provisions was also positive in the… both in the quarter and in the six-month period closing in this adjusted profit of over 900 million.

Now looking at investments like our president highlighted. It's a very robust investment with closing 1,052,000,000 in the period of six months. An increase of 4.8% compared to the same period last year. Last year we also saw a record investment and the progress, the evolution, last year, we had 1,099,000,000. In a period of six months, we had increased 26% compared to the previous year and in June 24 was 871. This investment is segregated 35% in water, 55% sewage with the company pursuing universalization, consequently the investment is higher, and other assets, we have other assets. Administrative and the funding origin 65% own resources and 35% third-parties.

Now moving on to the next slides. We have the structure of the capital. Our net debt closing 2.6 billion and leverage, which is the net debt buy any beach, now which is one time, which is an impact of the of the precatorious which is in the company's cash, which reduces our net debt and if we convert the cash conversion was 1.3 billion and the conversion of EBITDA into cash was 95%. Looking at the cost of our debt it's an average cost of 12%. And we bring a timeline, if you look on the right side the amortization debt. We had debts in 2026 of 384 million. In 2027 1 billion 82 million. As you can see in the explanation, in the financial note we have a debenture that maturity date is next year, that's why the amount is higher than the other years. In 2028 we have 789 million 2029 656 million 2030 965 million. And as of the 2031 we have 3.4 billion which represents 47% of our debt. It's quite of diluted debt throughout the times and it's with very well managed by the administration. The debt composition, the debt breakdown we have the TR 37% IPCA 30% DI 22 4% IPC/FIPE. No, correction, 3% and Euro 2% and 1% TJLP.

Now moving on to the covenants. We have a general outlook of our contract obligations. The covenants they are all being met. Looking the contract of KfW I will mention the main indicators that cover all of them, so we have the coverage ratio has to be higher or equal to 1.1. The… that equal or less to 3, we are reaching 0. Is the onerous debt less or equal to 1? We have 143 and the level of debt has to be level or equal 60 and we reached 54%.

In the next slide we see this, the structure of our balance sheet. So, we had an increase of the net debt. So, our PPPs, our loans, they dropped 1.9. But we had a reduction of our financial investments.

In June we had some events, so in the next slide we will see the cash flow. So, we had some payments of dividends around 530 million… 520 million. And also, the participation of results with the employees. We saw a net increase. We saw an increase in the operational turnover and capital. We had an increased drop. But some accounts, for example contractors and suppliers, salaries and payroll charges we had decrease. So salaries and payroll charges our voluntary severs program was done in installments. So that's why the balance last year was lower. So now we paid out. So now that impacted in our balance in the assets and contracts and other assets. It's a very significant line. We can see all the investments we make in the projects, all the projects that are being executed and they are in this account and within… later it will become an asset and will… and then it will be part of the fixed assets. So we close with 4.1 billion reais in this line. And this is reflecting all the investments made by the company. The fixed asset closing in 14.3 billion and the equity closing in 1 billion. The turnover capital closed in 35 days which is the relation between the turnover capital compared to the net revenue.

So, it's a good turnover, if you look at the from this perspective. The cash flow, the operational activities in the company generated 1,309,000,000, the financing activities consumed our cash in also 1,000,000. And the financing activities brought a reduction of 1,021,000,000. So, this financing activities net, so we had some loans on 300 over 380 million. The dividends payment and JCP 524 million finance payments. We paid out debentures, so that brought an initial value in the beginning of the year. But now it tends to be lower. Then release payments 77 million and other variations 39 million. With that we saw reduction in our cash flow equivalent of 945 million. So, at the beginning of the year, we had 5.6 billion. And now in June we have an amount of 4.6 billion.

So, we conclude our presentation. So now I hand over the floor to Rodrigo for the Q&A session.

Operator:

So now we will start the Q&A session. So, to make questions we recommend that you send the questions through the Q&A icon and your names will be announced for you to ask your questions and then you will see a prompt to activate your microphone. If you cannot unmute your microphone, just write “no mic” at the end of your question so that your question will be out loud.

Our first question comes from Daniel Travitzky and it is from Safra. About the provision of the precatorious. What is the argument of the company of part of the receivables and what are you going to do judicially speaking to obtain that decision to obtain that choice?

Wilson Bley (CEO):

About the judicial proceedings we made some… we took some actions. We went all the way concerning administrative measures even before the publication of the note 2026. And from this note we requested a review of all this new proposal. We made a new notification and recently we appealed, we made an administrative appeal requesting that if the note, the 0.7 note was valid. So, this appeal was not judged by AGEPAR.

So, then we had a writ of mandamus, the first writ of mandamus because we were afraid that the rule would change which happened. So, we did not receive the injunction. We were not successful. Then we filed a new writ of mandamus and we requested some measures that were not granted to us. And now we are going to make the further step.

And now in parallel Dr. Flavio will add some information. So, we are taking some actions so that we can understand whether we give up the path of risk of mandamus or then we file an extraordinary file. So, whether we take some further measures ordinary to reclaim the right that we understand is our right. Dr. Flavio. So, he will add to my comment.

Flávio Slivinski (CLO):

So, as the president mentioned, the wrist of mandamus was not appealed in definitely is being analyzed. It's a phase of injunction and we need the final judgment and we are studying new measures to reclaim our right which is supported by the legal norms. We have several opinions both from outside law firms and also internals. We have a study by our… the companies of sanitation. And so, we understand that the law is on our side. And so we have this path, we are not giving up. We have a lot of argument to discuss judicially in and I think we owe this to the company to defend this until the last higher court.

Wilson Bley (CEO):

And I think another important thing it's a decision from high management that every legal path we will follow, we will go all the way to pursue our right, which we understand it's the right of the company. So, the best law firms are being hired. We have several legal opinions that uphold our decision and this path will be followed all the way to the end. So, we will do everything we need to do to reestablish what was anticipated when we recognized this accounting and not change the rules in the middle of the way. You know, just like AGEPAR our agency has done.

Ozires Kloster (CFO):

It's not the provision in the… in the quarter. So, we were waiting to see whether we made the provisions. We were waiting for the legal decisions to see an effect to see to the technical point two from AGEPAR. So, since we did not have any new event looking from the law and CPC that deals with the contingencies and the contingent liability, we did not have any other way rather than recognize this in our accounts because… So right now we are considering the position, the possibility of losing. So that's why we recognize the 25% regulatory liabilities.

There is recognized 100% for the reversal according to the technical note 002 that AGEPAR expedited on the on June 23rd this year. The resources are invested in the company. So, this Note stipulated that 50% would be investment non onerous and 50% we would have to reverse or to… in better tariffs for the consumption in the level of 5 cubic meters. We understand that it would not be reasonable... Yes, it would not be fair to just benefit the consumers that consume less. So, it would not be fair with those who consume more.

Operator:

So, continuing. The next question comes from Matheus Paulini, an investor. The same question was asked by other participants. Initially he congratulates the company for its good results and he has two questions.

First question, after the TJ, after the law did not accept your request. So, in case there is a favorable decision, the reversal would be 4.4 billion or only the 25%? Is there any way you can make an agreement with AGEPAR or come to an understanding? So how will you work to operationalize the 50% discount in the tariffs and the liquid network and the 50% investment on onerous, will they be excluded in the regulatory base or there is a possibility of incorporating it in the future?

Wilson Bley (CEO):

I would like to add some information of Ozires and Flavio too. But our expectation is an expectation that in the next 15, 20 days we will have the final decision. So we are hopeful that this decision will confirm the right that we understand as fair which is the application of the Note 7, Technical Note 7 where 25% would be for reduction of tariff 75% and we would like this discount to be applied in a linear manner for all the levels of consumptions benefiting all our clients so that they all had the same discount applied in their bills and 25% of course for the company within the… as the law.

So, we defend 75:25 and we will fight for that and we will do everything possible but the expectation is big, so that we can have this result. But if we don't have this result, we will try another strategy. So, we understand that these 02 26 notes bring additional responsibilities, this 50% of resources non onerous to be applied in the investments in projects. They are not part of our regulatory assets. So, this would be out outside the tariff. We understand that this is not healthy because we have to segregate these investments without having to do all the Opex and not have a remuneration of tariffs for all these investments. So, we proposed an administrative resource for AGEPAR which was not judged. And so, we are requesting the linear discount and not what was proposed at 25% discrimination in the level of 5 cubic meters in from the perspective of our company we don't reach the result of moderation tariff moderation which is a expected by all consumers.

From this perspective I reaffirm every path that is possible whether legal or administrative. We will pursue to reestablish the rule that we had when we recognized this result in our accounts in the… when we, not in the actual amount, but when we receive the news of the court ordered that payment that we made in the past.

Flávio Slivinski (CLO):

According to our President it's a method of legal strategy. So, we will analyze and make all the necessary measures concerning the AGEPAR agreement is our regulatory agent, it regulates, it creates the rules. So, I don't know if there is any possibility of an agreement because it's not… We don't see any possibility of making an agreement because it's not one part litigating against the other, you know? So, there is no possibility of agreement concerning the inclusion of this 25%. I think Ozires mentioned we are taking the necessary measures now, concerning this technical note and this is being recognized in our accounting statement.

Wilson Bley (CEO):

Another thing we expedited and we also requested a mediation between AGEPAR and Sanepar to be done by the government, state government, which is the major shareholder. But the only proposal presented by Sanepar is the recognition of the technical note 7 there is no other agreement other than recognize what is fair, which is the recognition.

Ozires Kloster (CFO):

The technical note points 2 said that the discount on the tariff would be 35 days after the publication of the technical note. So, it should have initiated in July 25. We requested since we appealed for the… we requested to suspend until this resource was judged it was not deferred and so we requested an extension of deadline to implement this discount in the tariff according to the technical note even because of operational issues that our it is totally focused on the issue of legal reform that the company is as of December 1st we have to issue an invoice. With the new leak changes tax, we have to issue the invoice.

So, the company asked for an extension of deadline, so we might have an answer before that. Right now we are not giving any discounts to the users, to the consumers. According to the technical note we would have 50% as a discount in the tariff. So with that 75% for moderation tariffs that would change the law. So we are waiting for the decision so that we can operationalize the proceedings.

Operator:

One question from Matheus Paulini, investor. The revenue moves to… in 12 months increased a lot. What is the description of this increase? The effect of the social tariff in 2025? What is the expectation of provision for credits of liquidation, doubtful liquidation in 2026?

That was Matheus' question.

Ozires Kloster (CFO):

The delinquency if we look it in the quarter in closing of six months it grows in 1.9%. We had 0.8% in the same period last year. We had the effect last year, if I'm not mistaken, we had the program of credit recovery which was quite positive. It brought a recovery of credits higher than in the same period that we are comparing with this year. Looking from the perspective of the losses provisions we had an effect.

We changed, we improved the provision procedures in the first half of the year we recognized the… we called wagon effect which was the consumers that paid their debt in installments for the second half we cannot anticipate, so the company does not disclose provisions, future provisions.

Operator:

Our next question comes from Reinaldo Verissimo, an investor. Is there any interest in disputing the concession for sanitation and other states? And could you also give us an overview of how El Nino affects Sanepar?

Wilson Bley (CEO):

I believe that this moment requires us to look at the market. And if we see possibilities of new partnerships, we can work on them. But I don't think that the market is so open to new concessions that are some that are programmed, they are within our radar. But yes, with a lot of we have to do, with a lot of responsibility we have to make investments on the contracts we have, and these partnerships would be a nationalization, maybe an increase of revenue. But it has... we need to make a very, very accurate analysis so that we find no difficulties in the future. What we observed is that the market this half of the year, the future market is awaiting political decisions. So it's not very heated. There are no tenders being proposed.

About El Nino we have some challenging scenarios. What we anticipate, what we are predicting is El Nino is showing its consequence. We have an increase of 1.8 degrees in increase in the northern hemisphere. That brings a special perception of an increase in rainfall. Divided in three big areas. In Parana, more on the north, west and northeast to have an increase in rainfall. Another corridor we might have storms. And in this corridor close to the coast, which includes Curitiba, we have an additional volume, but not so big as in the north and northwest.

We are creating a contingency plan to face this issue. What it may bring to us is not difficult issues or challenges in dealing with water. So we are bringing technologies so that we can… so that even with high turbulence that we can continue providing our services, distributing our water, which is universalized. But I would like to Fernando Guedes, our environment director. I would ask him to make his comments.

Fernando Guedes (CSO):

Good morning. As our president Wilson Bley said, there is a confirmation around 95% of a severe intensity of the El Nino phenomenon. And another probability that calls our attention that we highlight is 69% of intensity of this phenomenon. Might be one of the biggest since 1950. The company has looked at that with a lot of concern, very cautiously. And managing these risks, creating operational resilience and analyzing all the impacts that will result from this effect. So all this risk management, operational resilience management, but we have management tools and technologies and methodologies in terms of water security, actions that involve monitoring security, environment and systematic follow up of predictions and meteorological warnings.

We highlight a tool that call our attention not only Parana, but all over the country. The InfraHidro platform developed in partnership with SIMEPAR, which is a monitoring technology in the state of Parana. It's a management technology that monitors Climatic Events and its impact in the reservoirs. So this gives us a general view and allows us to manage the risk more effectively.

So, the company is anticipating is predicting and organizing itself, training its personnel and also working with the authorities and other… and in case there are some some dramatic situations if this risk intensifies at the end of the spring, beginning of summer, November, December. But the company is prepared, totally prepared with energy generators, submersive pumps in case of floods in our… and or also maybe tornadoes that might cause a drop blackout. So, with thisgenerators we can continue delivering our services to this in the state of Parana. And with the issue sometimes a lot of sediments can flow into the reservoirs. But our team and the operation board is prepared to deal or to treat this water as necessary and meet the indicators which are required by the Health Ministry.

So I want to make… so be sure that we are planned and we are prepared to face these risks that might happen more. And this is this likelihood is only increasing.

Wilson Bley (CEO):

I would like to say that we have a permanent working group made up by the Civil Defense of the state of Parana, together with SIMEPAR and Sanepar, where this training process is offered to all our employees. Every change, every service we have priority together with the Civil Defense and Sanepar is studying that on daily basis, projecting scenarios and creating contingency plans. So, we have identified in all our… we can see maybe our new sources where we do not have the disturbulance this, where the water is not compromised because of these storms. So, the storms that might bring blackouts.

So, we are hiring generators and also batteries like no brakes to allow us not to have instability that would not cause our pumps to stop. And so all our wastewater treatment plants to keep them working. And I want you to to make sure that all plans, everything is being done, tested to avoid any difficulties in the future.

Operator:

Our next question comes from Luis Alves, investor. How is the new reservoir? Is it in operation?

Wilson Bley (CEO):

Miringuava. This new reservoir gives us… it allows us the flow of 2000 liters per second. Today is 1300 liters per second. In some periods, if we did not have Miringuava only in the course of Miringuava river, the flow drops below 600, 500 liters per second causing difficulties in the treatment and distribution.

So, we are very comfortable operationally because we are enjoying what is reserved in Miringuava to allow this fluidity, this flow so that we can treat the water by the flow, of the maximum flow of treatment estimated by our wastewater treatment.

The growth is very high, we had some droughts. We had some lack of rain at the beginning of the year. On December last year we expected the feeling of this reservoir to be bigger but in summer and beginning of autumn it was… it did not exceed 5 or 6% of feeling level so with the utilization of this permanent flow of what we need in this ETA.

So, now as you see, we left from 13% but today the beginning of the semester, today we see the feeling level is 20% so we have a good perspective that by the end of the year the levels will be within the operational levels and then it can bring some confidence and resilience, operational resilience very strong.

Operator:

Now our next question comes from Guilherme da Rocha, investor. If you disconsider the regulatory liability you have a good cash generation and good profit. What are the objective criteria the board will take for the distribution of the dividends? Can we expect a catch-up dividend?

So that was Guilherme's question.

Ozires Kloster (CFO):

Thank you for your question.

Obviously, the company has its politics, according to the policy we can have a distribution of from 25 to 50%. With the advent of the technical note out of for care, administration suspended the credit of JCP of the first half. So the statute predicts the credit on six month basis with the ongoing of the AGEPAR proceedings as mentioned the company is seeking all the resources to make the previous note valid.

We also have the issue of revisiting the business plan of the company that in the second half we are revisiting it for the period 2027 to 2031 and the board in December based on our performance in the second half will decide what credit will be made.

Operator:

So, we conclude the question-and-answer session and the questions that have not been read will be answered. So, I hand over to Ozires Kloster for the final remarks.

Ozires Kloster (CFO):

I'd like to thank the presence of all the board, thank you all who participated in this conference and wish you a very good day and very good weekend.

Operator:

So, the conference of results of the second half of 2026 is concluded.
Thank you all and have a great day.