



Earnings Release

2Q23

8/10/2023

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Curitiba, August 10, 2023.

Companhia de Saneamento do Paraná – SANEPAR (SAPR3 – ON; SAPR4 – PN; SAPR11 – Units) presents the financial and operating earnings for the 2nd quarter of 2023 (2Q23). The economic information was prepared in compliance with the accounting practices adopted in Brazil, which cover Brazilian corporate law, pronouncements, guidelines, and interpretations issued by the Accounting Pronouncements Committee (*Comitê de Pronunciamentos Contábeis - CPC*) and based on the accounting standards and procedures set by the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários - CVM*).

HIGHLIGHTS 2Q23					
EBITDA Margin			Net Profit (MM)		
2Q22: +32.6%	→	2Q23: +43.2%	2Q22: BRL 233.8	→	2Q23: BRL 422.1
1H22: +37.5%		1H23: +44.4%	1H22: BRL 525.7		1H23: BRL 741.7
Number of Economic Units			Net Debt/ EBITDA		
Água	+ 1.4%		1.8x		
Esgoto	+ 2.7%				
Net Revenue			CAPEX (MM)		
2Q23: +13.0% 1H23: +8.1%			2Q22: BRL 411.2	→	2Q23: BRL 477.6 +16.1%
			1H22: BRL 763.7		1H23: BRL 880,3 +15.3%

	2Q23 (1)	2Q22 (2)	Var. (1/2)	2Q21 (3)	Var. (2/3)
Net Revenue	1,536.0	1,359.2	13.0%	1,273.4	6.7%
Operating Income	545.5	336.5	62.1%	484.3	-30.5%
EBITDA	663.3	442.9	49.8%	581.9	-23.9%
Net Profit	422.1	233.8	80.5%	331.8	-29.5%
ROE	15.3	14.1	1.2 p.p.	14.6	-0.4 p.p.
ROIC	11.7	11.7	0.0 p.p.	11.9	-0.2 p.p.
Net Debt	4,460.3	3,596.3	24.0%	3,047.8	18.0%
Gross Margin	55.5	48.5	7.0 p.p.	56.5	-8.0 p.p.
Operating Margin	30.2	18.7	11.5 p.p.	31.0	-12.3 p.p.
Net Margin	27.5	17.2	10.3 p.p.	26.1	-8.9 p.p.
EBITDA Margin	43.2	32.6	10.6 p.p.	45.7	-13.1 p.p.
Equity Debt	48.6	48.1	0.5 p.p.	47.3	0.8 p.p.
Net Debt / EBITDA	1.8	1.6	0.2 p.p.	1.5	0.1 p.p.

1. OPERATING DATA

1.1 MARKET

Agreements as a % of the Company's Total Revenue, as of June 30, 2023:

Municipalities	Agreements (% of Total Revenue) ¹			Coverage ratio		Total active economic units (in thousands)	
	Total revenue %	Remaining period of concession	Type of concession	Water	Sewage	Water	Sewage
Curitiba	22.3%	25.0 yr.	Water & Sewage	100%	99.1%	837.3	823.1
Londrina	7.2%	23.0 yr.	Water & Sewage	100%	95.6%	263.3	251.1
Maringá	5.2%	17.2 yr.	Water & Sewage	100%	100.0%	173.6	194.8
Ponta Grossa	3.8%	2.8 yr.	Water & Sewage	100%	92.2%	160.2	145.4
Cascavel	3.6%	1.4 yr.	Water & Sewage	100%	100.0%	135.5	147.4
Foz do Iguaçu	3.5%	20.7 yr.	Water & Sewage	100%	81.9%	122.6	100.4
São José dos Pinhais	2.9%	20.5 yr.	Water & Sewage	100%	83.9%	120.3	99.3
Colombo	1.8%	24.8 yr.	Water & Sewage	100%	73.2%	88.5	63.9
Guarapuava	1.7%	19.3 yr.	Water & Sewage	100%	86.4%	71.7	61.2
Toledo	1.5%	2.2 yr.	Water & Sewage	100%	82.6%	64.1	52.5
Other municipalities	46.5%					2,228.2	1,398.2
Total				100.0%	79.4%	4,265.3	3,337.3

¹ Information not audited or reviewed by independent auditors.

Agreement expiry details:

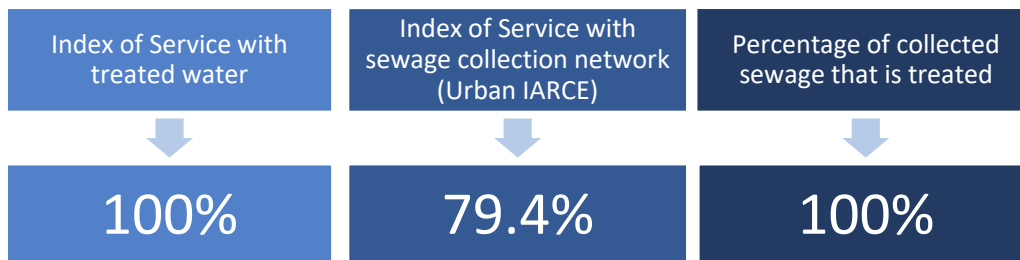
Concession / Program Agreements ¹	Number of Agreements ¹	Intangible Assets Agreement Assets Financial Assets (in BRL million) ^{1 2}	% of the total revenue ¹	% of EBTIDA ¹
Expired Contracts	24	693.5	5.0	5.0
Contracts expiring in 2023	13	72.4	0.5	0.4
Contracts expiring between 2024 and 2033	53	2,526.0	19.4	19.5
Contracts expiring after 2033 ³	256	9,441.8	75.1	75.1
Totais	346	12,733.7	100.0	100.0

¹ Information not audited or reviewed by independent auditors.

² Carrying amount.

³ Includes the municipality of Maringá, the amendment of which, that extended the grant until 2040, is currently being challenged in court.

Service: Water and Sewage



Water Connections

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
Total	3,436,140	100.0	3,381,769	100.0	1.6

* Information not audited or not reviewed by independent auditors.



Sewage Connections

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
Total	2,474,886	100.0	2,407,566	100.0	2.8

* Information not audited or not reviewed by independent auditors.



1.2. OPERATING PERFORMANCE

Evolution of Measured Volume of Water

Measured Water Volume - million m ³ *	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (4)	Var.% (3/4)
Residential	113.3	104.5	8.4	226.4	217.3	4.2
Commercial	10.7	9.8	9.2	21.0	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
Total	133.4	123.2	8.3	265.2	254.5	4.2

* Information not audited or not reviewed by independent auditors.

Evolution of Invoiced Water Volume

Invoiced Water Volume - million m ³ *	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (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
Total	139.5	130.0	7.3	276.9	267.0	3.7

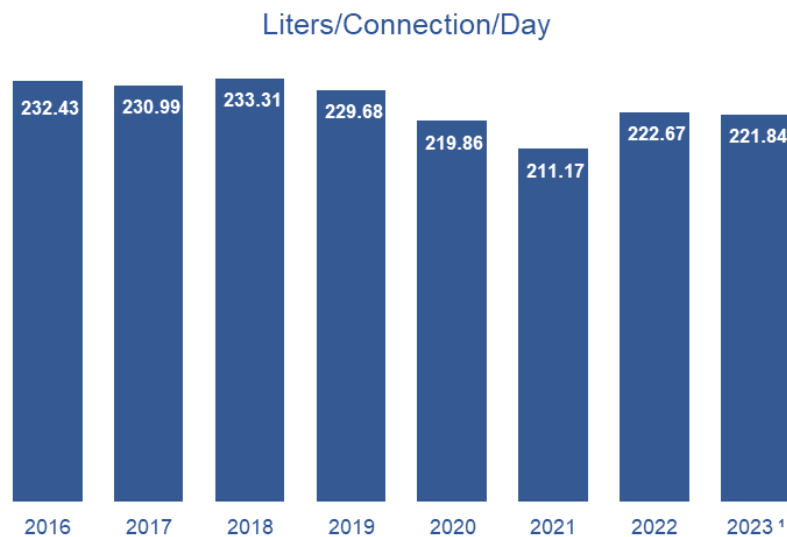
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Evolution of Invoiced Sewage Volume

Invoiced Sewage Volume - million m ³ *	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (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	5.60
Public Administration	4.0	3.7	8.1	7.4	7.0	5.7
Total	109.8	100.7	9.0	217.1	205.0	5.9

* Information not audited or not reviewed by independent auditors.

Evolution of the Loss Per Connection Index*



* Information not audited or not reviewed by independent auditors.

* As of the 2023 Fiscal Year, in line with the legal aspects of the Regulatory Framework for Sanitation and by determination of *Agência Reguladora do Estado do Paraná* (Regulatory Agency of the State of Paraná) – AGEPAR, which established the use as an indicator of the Loss Per Connection Index in the *Sistema Nacional de Informações sobre Saneamento* (Brazilian Sanitation Information System) standard, the Company amended the way of calculating and presenting this indicator.

The Loss Per Connection Index 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 (operating, recovered, and special), being presented on an accumulated basis for a period of 12 months.

¹ Accumulated values for the last 12 months.

Water and Sewage: General Data

Water*	2Q23 (1)	2Q22 (2)	Var. (1/2)	2Q21 (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 ³)	403,552,989	391,016,158	3.2%	375,619,722	4.1 %
Billing losses%	31.39	31.71	-0.32 p.p.	30.67	1.04 p.p.
Revenues delinquency rate %	- 2.41	4.89	-7.30 p.p.	3.65	1.24 p.p.

* Information not audited or not reviewed by independent auditors.

Sewage*	2Q23 (1)	2Q22 (2)	Var. % (1/2)	2Q21 (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 %	257	1.2 %
Km of laid network	41,485	40,083	3.5 %	39,221	2.2 %
Volume collected in m ³	206,404,713	194,037,324	6.4 %	187,103,523	3.7 %

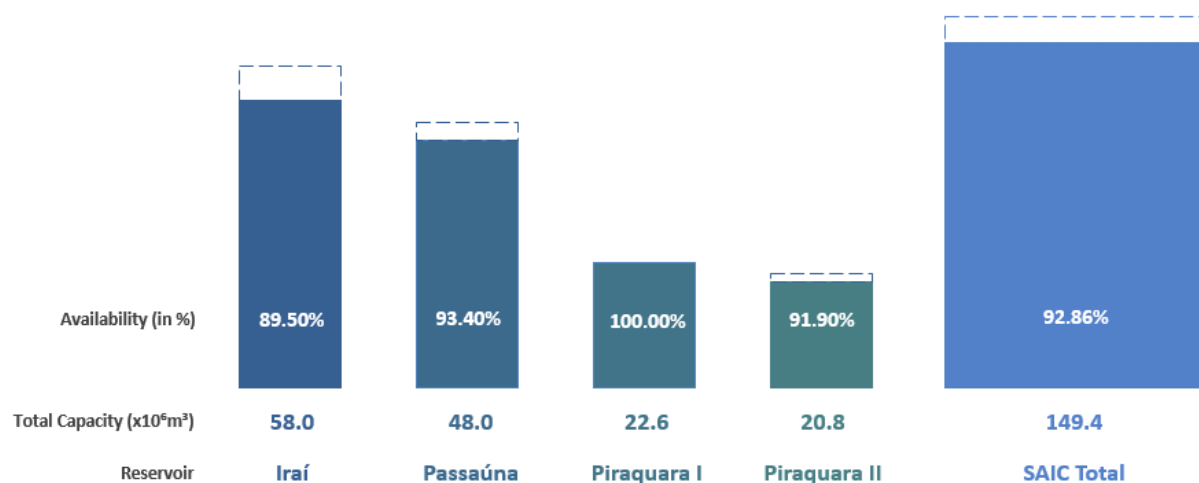
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Available Volumes

The average volume available from the Curitiba Integrated Supply System (*Sistema de Abastecimento Integrado de Curitiba - SAIC*) is composed of the Piraquara I, Piraquara II, Iraí, and Passaúna Dams. In the Municipality of Foz do Iguaçu, Sanepar uses water from the Itaipu Binacional Hydroelectric Dam, from the Itaipu Lake, on the Paraná River.

As of June 30, 2023, the average reserve volume was 92.9% (91.0% as of 6/30/2022).

SAIC Dam Levels on 06/30/2023*



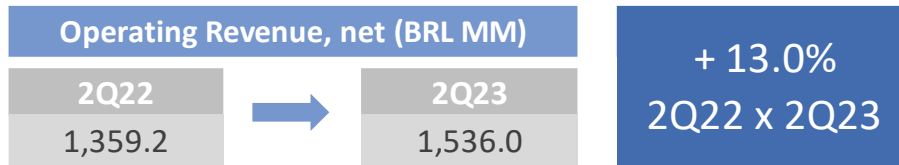
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2. FINANCIAL DETAILS

2.1. ECONOMIC PERFORMANCE

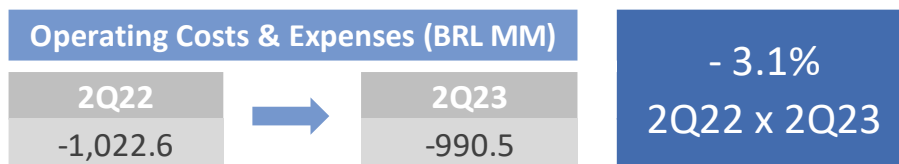
Operating Revenue

Operating revenue - In BRL million	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (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
Total Operating Revenue	1,656.3	1,461.7	13.3	3,223.4	2,973.7	8.4
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
Total of Deductions	-120.3	-102.5	17.4	-233.4	-207.7	12.4
Total of Operating Revenue, net	1,536.0	1,359.2	13.0	2,990.0	2,766.0	8.1



The increase in net operating revenue was due to: (i) tariff adjustment of 8.23% as of May 17, 2023; (ii) tariff adjustment of 4.96% as of May 17, 2022, with full impact in 2023; (iii) growth in invoiced volumes of water and sewage; and (iv) increase in the number of connections.

Operating Costs and Expenses



Operating Costs & Expenses BRL million	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (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 Funds	-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
Expenses capitalized	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 health 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
Assets write-off, 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
Total	-990.5	-1,022.6	-3.1	-1,896.9	-1,939.1	-2.2

The main variations were due to:

Personnel

Growth of 4.4%, as a result of: (i) salary adjustment of 5.5% (INPC) on labor charges and benefits regarding the Collective Bargaining Agreement - ACT 2022/2024 (base date March 2023); (ii) salary adjustment of 10.8% (INPC) referring to the Collective Bargaining Agreement – ACT 2022/2024 (base date March 2022), fully reflected in 2Q23; (iii) adjustment of 15% of SANESAÚDE in June 2023; (iv) Labor indemnities totaling BRL 17.2 million (BRL 16.7 million in the same period of 2022); and (v) provision for indemnity allowance totaling BRL 15.7 million (BRL 15.5 million in the same period of 2022).

Materials

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

Electricity

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

Third-Party Services

Growth of 25.2%, primarily in professional technical services, registration and billing services, surveillance services, collection services, network maintenance services and sewage waste removal services.

Depreciation and Amortization

Increase of 10.8%, primarily due to the start-up of intangible assets and/or fixed assets over period from July 2022 to June 2023, totaling BRL 1,341.3 million (net of write-offs).

Losses from Credit Realization

Reduction of 99.0%, mainly due to the maintenance of the Private Customer Credit Recovery Program (*Programa de Recuperação de Crédito Cliente Particular - RECLIP*) up to 07/31/2023, which stipulates installment payments of debts for private customers for up to 60 times, free of any penalties and with interest of only 0.3% per month.

Municipal Sanitation and Environmental Management Fund

Reduction of 60.2%, primarily due to the rise in the calculation base over the same period of the previous year related to the tariff adjustment, and also a reflection of renegotiating the rates when formalizing the Updated Contractual Terms with the Microregions of Public Services of Water and Sewage in the State of Paraná.

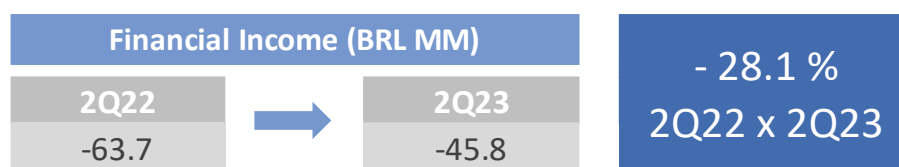
Provision for Contingencies

Increase of 26.7%, mainly due to provisioning as a probable loss of a preliminary injunction for the early production of evidence to determine environmental damages totaling BRL 13.0 million in the municipality of Campo Magro, in addition to the registration of a supplementary provision and new labor lawsuits amounting to BRL 63.3 million, whose objects mainly arise from: (i) reinstatement of retirees; (ii) additional allowances and overtime; (iii) salary parity; and (iv) lawsuits filed by the Union of Engineers – SENGE related to salary differences in the Positions, Careers and Compensation Plan (*Plano de Cargos, Carreiras e Remuneração – PCCR*), offset by the write-off of 135 labor lawsuits amounting to BRL 17.3 million due to final write-offs and filing procedure.

2.2. ECONOMIC INDICATORS

Financial Income

Financial income (loss) - in BRL million	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (4)	Var.% (3/4)
Financial revenues						
Financial investments	52.0	47.0	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
Gain on Derivative Financial Instruments	0.2	1.0	-80.0	0.2	1.0	-80.0
Other financial revenues	5.9	8.6	-31.4	1.8	14.8	-87.8
Total financial revenues	81.4	76.5	6.4	149.8	135.4	10.6
Financial expenses						
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 losses	0.0	-1.2	-100.0	0.0	-1.2	-100.0
Derivative losses	-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
Total financial expenses	-127.2	-140.2	-9.3	-266.1	-254.4	4.6
Financial income (loss)	-45.8	-63.7	-28.1	-116.3	-119.0	-2.3

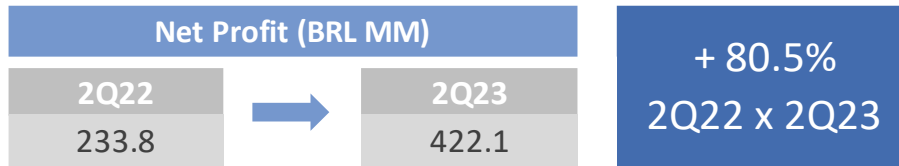


Financial Revenues grew 6.4%, from BRL 76.5 million in 2Q22 to BRL 81.4 million in 2Q23, mainly due to the variation in the SELIC interest rate.

Financial Expenses decreased by 9.3%, although expenses with interest and fees on financing, loans, debentures and leases grew by 7.5% from BRL 93.5 million in 2Q22 to BRL 100.5 million in 2Q23, as a result of the boost in the calculation base of financial charges due to the raising of third-party funds, as well as the adjustment for inflation indexes of debts, mainly due to the increase in the CDI compared to the same period of 2022.

Economic Income

Economic Result - BRL million	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (4)	Var.% (3/4)
Operating income	545.5	336.6	62.1	1,093.1	826.9	32.2
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
Net income for the period	422.1	233.8	80.5	741.7	525.7	41.1



Income was impacted by a 13.0% growth in net operating revenue and a 3.1% reduction in operating costs and expenses.

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

Distribution of Generated Economic Wealth

Distribution of Generated Economic Wealth - In BRL million	2Q23 (1)	2Q22 (2)	Var.% (1/2)	1H23 (3)	1H22 (4)	Var.% (3/4)
Personnel 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 & 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
Total Economic Wealth	1,123.2	856.4	31.2	2,199.9	1,820.3	20.9

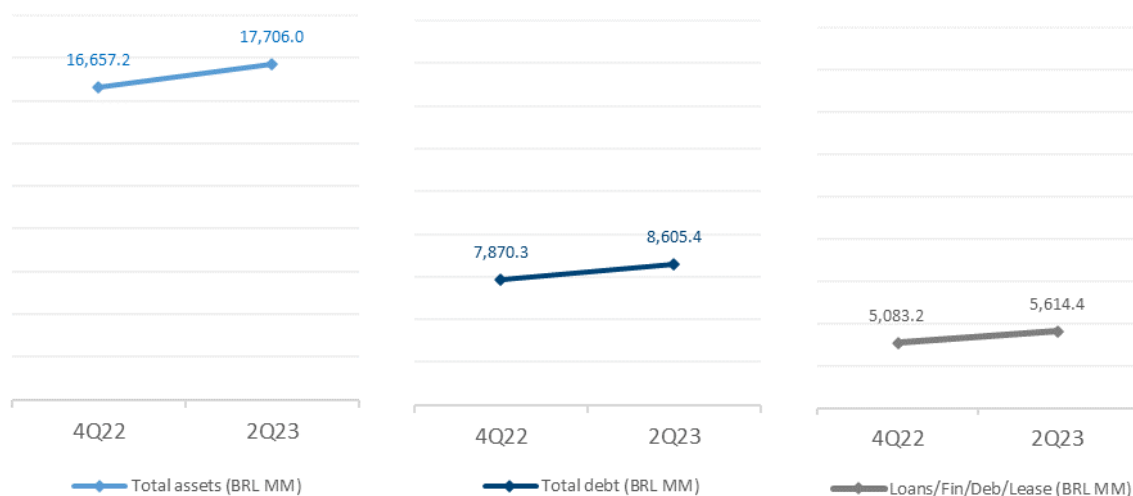
Sanepar's growth and development strategy, to operate in a public utility market, also open to the private sector, is based on seeking effective results, commitment to the quality of services provided, and meeting the needs of the Government and of shareholders.

Economic Indicators

Economic Indicators - in BRL million	2Q23 (1)	2Q22 (2)	Var. (1/2)	1H23 (3)	1H22 (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	33.2 %
Net Income	422.1	233.8	80.5 %	741.7	525.7	41.1 %
% Operating revenue*	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 (12 month accumulated) *	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.

Evolution of Assets and Debts



Evolution of Indicators

	Reference	JUN 23	DEZ 22	Var.
Equity	BRL million	-9,100.6	8,786.9	3.6 %
Share value *	BRL	6.02	5.81	3.6 %
Indebtedness level *	%	48.6	47.2	1.4 p.p.
Current ratio *	BRL	1.47	1.52	-3.3 %
Quick ratio *	BRL	1.43	1.47	-2.7 %

* Information not audited or not reviewed by independent auditors.

EBITDA and Operating Cash Generation

EBITDA - BRL Million *	2Q23 (1)	2Q22 (2)	Var. (1/2)	1H23 (3)	1H22 (4)	Var. (3/4)
Net income for the period	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
EBITDA	663.3	442.9	49.8	1,327.2	1,038.6	27.8
% EBITDA Margin	43.2	32.6	10.6 p.p.	44.4	37.5	6.9 p.p.
% EBITDA conversion into 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.

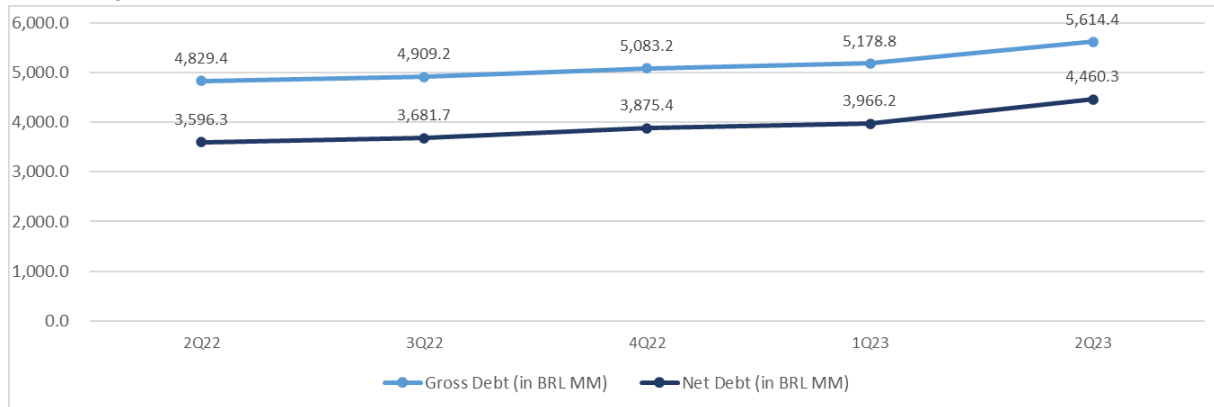
The EBITDA margin climbed from 32.6% to 43.2%, impacted by the 13.0% growth in net revenue and the 4.8% reduction in operating costs and expenses that impact EBITDA. Operating cash generation in 2Q23 was BRL 543.2 million, an increase of 27.8% compared to 2Q22. The conversion of EBITDA into Operating Cash was 81.9%.

2.3 INVESTMENTS

Investments – BRL Million	2Q23 (1)	2Q22 (2)	Var. % (1/2)	1H23 (3)	1H22 (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
Total	477.6	411.2	16.1	880.3	763.7	15.3

2.4 INDEBTEDNESS

Quarterly Evolution of Gross Debt and Net Debt



Leverage Ratio (Net Debt/EBITDA - accumulated 12 months) and Level of Indebtedness

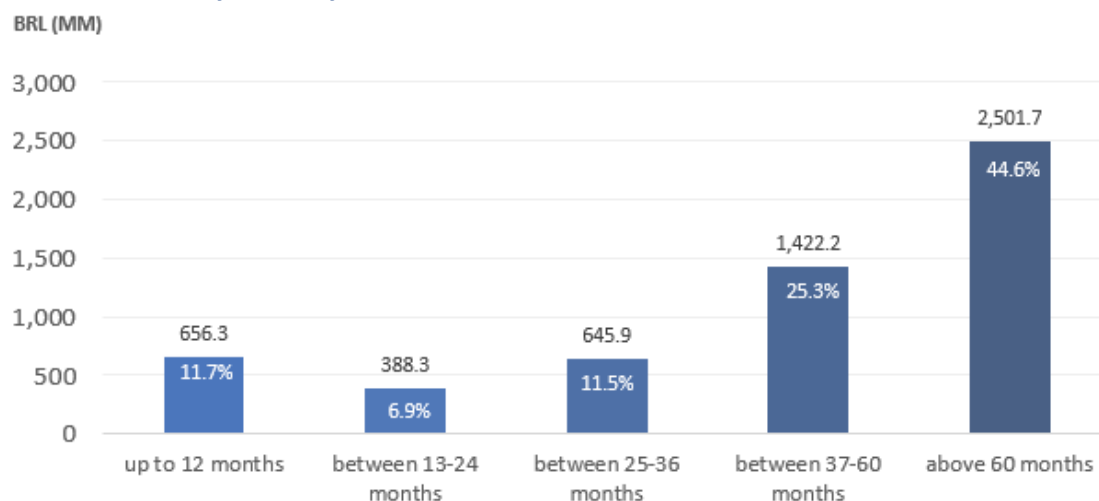
	2Q22	2Q23
Leverage Ratio	1.6x	1.8x
Indebtedness level	48.1%	48.6%

Breakdown of loans, financing, debentures and leases on 06/30/2023:

Indebtedness - BRL million	Annual interest rate	Index	Contract term	Debt balance	%
Caixa Econômica Federal	6.62% to 12.00%	TR	4/19/2046	1.798,2	32,0
Debentures 10th Issue - single series	4,66%	IPCA	3/15/2027	437,9	7,8
Debentures 13th Issue - single series	DI +1.90%	-	4/15/2028	408,0	7,3
Debentures 12th Issue – 2nd series	5,89%	IPCA	1/15/2032	328,6	5,9
Debentures 12th Issue – 1st series	DI + 1.08%	-	1/15/2027	315,2	5,6
Leasing Operations (Paraná Coast)	11.14%	IPC-FIPE	12/7/2036	311,5	5,5
BNDES - PAC2	TJLP + 1.67% & 2.05%	-	6/15/2029	265,2	4,7
Debentures 11th Issue – 2nd series	4,25%	IPCA	3/15/2029	245,9	4,4
Debentures 9th Issue – 1st series	106.05% on DI	-	6/11/2024	200,6	3,6
Debentures 11th Issue – 3rd series	4,49%	IPCA	3/17/2031	190,8	3,4
Leasing - Right of Use	10,05%	-	6/30/2028	187,1	3,3
BNDES - AVANÇAR	3.59% and 5.60%	IPCA	12/15/2041	171,5	3,1
Debentures 9th Issue – 2nd series	107.25% on DI	-	6/11/2026	152,0	2,7
Debentures 11th Issue – 1st series	DI + 1.65%	-	3/16/2026	133,8	2,4
Debentures 4th Issue – 1st series	TJLP + 1.67%	-	7/15/2027	99,1	1,8
Debentures 7th Issue – 2nd series*	4.79%	IPCA	11/15/2038	79,1	1,4
Debentures 4th Issue – 2nd series	7,44%	IPCA	7/15/2027	68,0	1,2
Debentures 2nd Issue – 2nd series	9.19%	IPCA	9/15/2024	51,0	0,9
Debentures 7th Issue – 4th series	6.57%	IPCA	11/15/2038	41,7	0,7
Debentures 7th Issue – 1st series*	5.2%	IPCA	11/15/2038	41,1	0,7
KFW Bank	1.35%	EURO	12/30/2032	26,0	0,5
Debentures 7th Issue – 3rd series	6.97%	IPCA	11/15/2038	22,5	0,4
Debentures 2nd Issue – 3rd series	TJLP + 1.92%	-	9/15/2024	20,7	0,4
Debentures 2nd Issue – 1st series	TJLP + 1.92%	-	9/15/2024	15,5	0,3
Banco Itaú PSI	3.00% to 6.00%	-	1/15/2025	2,7	-
Banco do Brasil - PSI	3.00% to 6.00%	-	4/15/2024	0,9	-
Total				5.614,4	100.0

* IPCA (Broad Consumer Price Index) as a variable component of the TLP (Long Term Rate)

Debt breakdown by maturity



3. REGULATIONS

Portion F - Portion A variation account (CVA)

The account for Offsetting the Variation of Items in Portion "A" (*Compensação de Variação dos Itens da Parcela A - CVA*) corresponds to the offsetting of the total of monthly differences, positive or negative, adjusted at IPCA, calculated according to variations in the costs classified as unmanageable, which, until the 1st stage of the 2nd RTP, were the following: electricity, chemicals and sector charges.

CVA is set based on the historical cost verified in period t-1, previous year, for the three aforementioned components and is passed on via adjustment in period t, year of the processing adjustment.

The calculation of the tariff adjustment of Portion A assumes that in the following period there shall be exactly the same volume (m³) 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 perfect pass-through of unmanageable costs to the consumer since it does not consider, for example, the difference between the benchmark market and the investment market (invoiced m³).

It is important to note that the tariff model has undergone changes resulting from the conclusion of the 2nd Periodic Tariff Review. The review process resulted in changing the classification of costs between manageable and unmanageable to be considered by the regulatory agent. The most significant change was in relation to the costs linked to the consumption of electricity and chemicals, which were transferred to a portion of manageable costs, meaning that it no longer makes up the basis for calculating the CVA.

In addition, the Agency implemented a different tariff treatment (new approved methodology) for the cost of electricity, which was broken down into: (i) average price of electricity, measured in BRL/MWh; and (ii) specific consumption, through the consumption of electricity per volume of water produced, measured in MWh/m³. The motivation for this breakdown comes from the allegation that the Company does not manage energy prices, only having action over the management of consumption. Thus, the changes in price were maintained in the portion of non-manageable costs, that is, in Portion "A".

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

2nd Periodic Tariff Review - Sanepar 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 (*Agência Reguladora de Serviços Públicos Delegados do Paraná - AGEPAR*), the establishment of the 2nd Periodic Tariff Review (RTP) of Sanepar was approved, with instructions for it to take place in two stages, the first in 2021 and the second phase in 2022.

The first stage of the 2nd RTP was consolidated into nine technical notes, which were based on the methodology applied in the first tariff cycle. In accordance with the provisions of State Complementary 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, AGEPAR's Board of Directors, at Extraordinary Meeting No. 012/2021, submitted the final result of the 1st stage of the 2nd RTP, when it decided to approve the tariff repositioning of 5.7701%, with an annual application of the X Factor of 0.98% on the B portion of the tariff.

Through Resolution No. 007 of March 29, 2022, AGEPAR published the schedule for the 2nd stage of the 2nd RTP that resulted in the preparation of eighteen technical notes, which, in line with the provisions of State Complementary 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 result of the P0 corresponding to the 2nd tariff cycle of Sanepar was presented on April 18, 2023.

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

1st RTP Deferral

In the 2nd stage of the 2nd RTP, AGEPAR again updated the calculation rule in relation to the amortization of the deferred portion coming from the 1st RTP. The balance considered for calculating the compensation tariff was calculated on December 2020 (base date for calculating the 2nd RTP), using the Selic interest rate as a correction index, applied to the difference between the verified revenue and the current (outdated) tariff, namely, the amount of BRL 1.582 billion.

As the base date of the 2nd RTP would have been April 2021 and the conclusion of the 2nd stage of the 2nd RTP took place only in April 2023, the final calculation of the tariff considered, in addition to the P0 calculation and compensations, the tariff adjustments due for 2022 and 2023, on the base value of 2021 (Dec/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 deferral, and its value should be adjusted by the IPCA.

The deferment arises from the 1st RTP of Sanepar, when the Company was authorized by the Regulatory Agency for Delegated Public Services of Paraná (Agência Reguladora de Serviços Públicos Delegados do Paraná - AGEPAR), through Authorizing Resolution No. 003, of April 12, 2017, to apply the repositioning tariff of 25.63% as of April 17, 2017, as provided for in article 3:

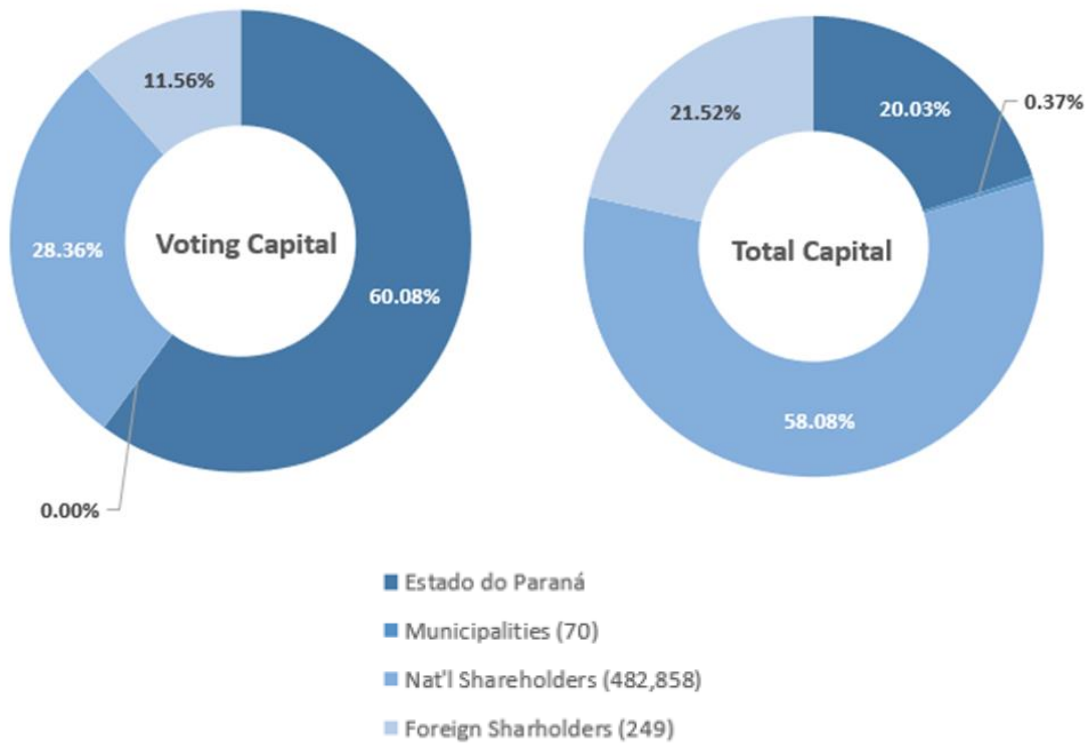
Article 3 - To define that the application of the tariff review approved under article 2 of this Resolution shall be deferred for eight (8) years, with the first installment corresponding, in 2017, to an average repositioning of eight point fifty-three percent (8.53%), and the others in seven (7) installments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

Regarding 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 the Brazilian and International Accounting Standards, the Company does not record in the Financial Statements the amounts receivable from the deferment, considering that: (i) the realization or enforceability of these amounts would depend on a future event not fully controllable by the entity - future invoicing of water and sewage services; (ii) it is not practicable to know, at the time the right to receive arises, who the debtors of these amounts are; and (iii) the effective receipt of these amounts will only occur upon the maintenance of the grants.

4. CAPITAL MARKETS

4.1 SHAREHOLDER COMPOSITION OF CAPITAL on June 30, 2023

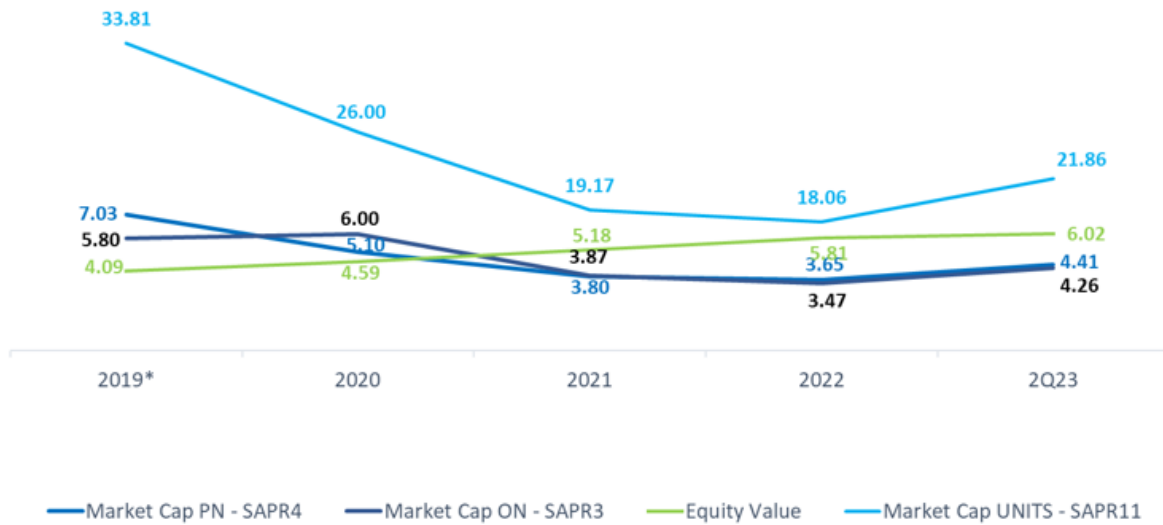
SHAREHOLDERS	Number of Shares			Shareholder Cap (BRL thousands)			% of share	
	ON	PN	Total	ON	PN	Total	Voting Capital	Total Capital
Estado do Paraná	302,653,775	3	302,653,778	1,201,638	-	1,201,638	60.08%	20.03%
Municipalities (70)	-	5,561,963	5,561,963	-	22,083	22,083	0%	0.37%
Nat'l Shareholders (482,858)	147,767,307	729,981,388	877,748,695	586,686	2,898,274	3,484,961	28.36%	58.08%
Foreign Sharholders (249)	53,314,177	271,926,906	325,241,083	211,675	1,079,642	1,291,318	11.56%	21.52%
TOTAL	503,735,259	1,007,470,260	1,511,205,519	2,000,000	4,000,000	6,000,000	100.00%	100.00%



4.2 SECURITIES

Security	Ticker	Closing Value 2Q22	Closing Value 2Q23	Variation between 2Q22 and 2Q23
Common Shares	SAPR3	BRL 3.64	BRL 4.26	17.03%
Preferred Shares	SAPR4	BRL 3.75	BRL 4.41	17.60%
Units	SAPR11	BRL 18.24	BRL 21.86	19.85%

Comparison between book value and market value (in BRL)



*Amounts adjusted to the split occurred in March 2020

The book value of each share at the end of 2Q23 was BRL 6.02, compared to BRL 5.81 at the end of 4Q22. The Company's market value on June 30, 2023 was approximately BRL 6.6 billion.

4.3 PAYOUT

According to the Bylaws, the portion regarding the mandatory dividend may not be less than 25% of the adjusted net income, pursuant to article 202 of Law 6.404/76.

Pursuant to the current dividend policy, the Management may, besides the mandatory annual dividend, subject to financial health and the public interest that motivated the creation of the Company, approve the distribution of an additional dividend at up to 25% of net income. For shareholders holding preferred shares, Interest on Equity (or dividends) per share is 10% higher than that attributed to common shares.

The credit of the compensation to the Company's shareholders is attributed based on the shareholding position on the last business day of June and December of each fiscal year. And negotiations after the credit are considered ex-dividends (interest on equity and dividends).

Interest on Equity is subject to Withholding Income Tax, except for shareholders who declare themselves immune or exempt.

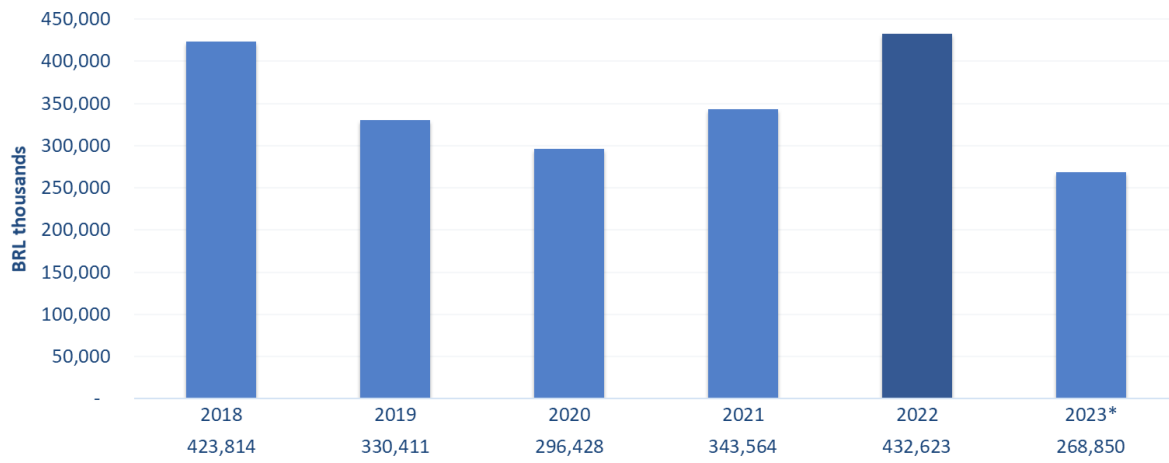
On June 27, 2023, the payment of interest on equity ("*Juros sobre o Capital Proprio*", "JCP") credits related to the 1st and 2nd half of 2022 took place, in accordance with the decision from the 59th Annual General Meeting (*Assembleia Geral Ordinária* - AGM).

For the first half of 2023, the calculated (gross) amount of Interest on Equity, observing the legal limit of TJLP (Long Term Interest Rate) variation in the period, was BRL 268,850,259.28. This amount replaces the Supplementary Dividends, according to the statutory provision and based on the results obtained in the first half of 2023. The Interest on Equity credit was defined by the Board of Directors at its 6th/2022 Ordinary Meeting on June 27, 2023 and disclosed it to the market in the Notice to Shareholders of the same date, considering the shareholding position (date-com) of June 30, 2023.

2019 to 2023 Dividend payment history

Fiscal Year	Period	Dividends/ IoE*	Gross amount assigned (BRL)	Value per ON share (BRL) SAPR3	Value per PN share (BRL) SAPR4	Value per Unit (BRL) SAPR11	Record date	Payment date
2023	1st Half	IoE	268,850,259.28	0.166785468	0.183464015	0.900641526	06/30/2022	After 60th AGM/2024
Total distribution - Year 2023			268,850,259.28					
2022	1st Half	IoE	154,206,243.29	0.095664257	0.105230683	0.516586990	06/30/2022	06/27/2023
	2nd Half	IoE	278,416,914.89	0.172720292	0.189992322	0.932689579	12/29/2022	06/27/2023
Total distribution - Year 2022			432,623,158.18					
Payout (from the adjusted net income)			39.6%					
2021	1st Half	IoE	151,083,814.93	0.093727210	0.103099931	0.506126935	06/30/2021	06/24/2022
	2sd Half	IoE	174,779,663.05	0.108427301	0.119270031	0.585507423	12/30/2021	06/24/2022
	2021	Dividends	17,700,964.58	0.010981071	0.012079178	0.059297781	04/28/2022	06/24/2022
Total distribution - Year 2021			343,564,442.56					
Payout (from the adjusted net income)			30.7%					
2020	1st Half	IoE	150,687,449.07	0.093481318	0.102829450	0.504799119	06/30/2020	06/18/2021
	2sd Half	IoE	145,740,318.85	0.090412289	0.099453518	0.488226359	12/30/2020	06/18/2021
Total distribution - Year 2020			296,427,767.92					
Payout (from the adjusted net income)			31.4%					
2019	1st Half	IoE	174,165,192.21	0.324138312	0.356552143	1.750346884	06/28/2019	06/22/2020
	2sd Half	IoE	156,245,702.38	0.290788404	0.319867244	1.570257379	12/30/2019	06/22/2020
Total distribution - Year 2019			330,410,894.59					
Payout (from the adjusted net income)			32.2%					

*Interest on Equity

Shareholders' compensation:

*JCP credited for 1H 2023.

5. OTHER INFORMATION

5.1 ESG AGENDA – ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

In June 2023, the Company published its first Integrated Report for the 2022 fiscal year, following the recommendation of the CVM and the latest updates of the international frameworks accepted as a guideline (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 Audit.

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

5.2 PUBLIC-PRIVATE PARTNERSHIP (PPP) OF THE CENTRAL-COAST MICROREGION OF PARANÁ - (MRAE-1)

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

The Bidding Committee declared "Saneamento Consultoria S.A.", a group formed by the companies Aegea, Perfin and Kinea, as the top ranked bidder, whose proposal resulted in a 30.65% discount on the maximum bid amount. According to the public notice of the aforementioned International Competition, the term of the contract is 24 years and 5 months, starting from the signing of the agreement.

5.3 ACQUISITION OF ELECTRICITY IN THE FREE CONTRACTING ENVIRONMENT

On July 28, 2023, the Company published a Notice to the Market informing that Copel Comercialização S.A. was the winner of Bid No. 1000177, Electronic Auction No. 1247/23, regarding the acquisition of electricity in the Free Contracting Environment (*"Ambiente de Contratação Livre"*), (*"ACL"*), including the provision of management and representation services with the Electricity Trading Chamber (*"Câmara de Comercialização de Energia Elétrica"*), (*"CCEE"*) for 49 of its consumer units, as described in the respective Public Notice and Annexes of the bidding process. The Contract associated with the aforementioned Bidding was signed between the parties on 07/27/2023 and provides for a term of seventy months. The value of the Contract is BRL 200,806,888.84 and represents a discount of 8.43% in relation to the maximum price admitted in the bidding process.

Income Statement	2Q23	2Q22	2Q21
Net Operating Revenue	1,536.0	1,359.2	1,273.4
Costs of Services Provided	-617.1	-650.8	-516.5
Gross Profit	918.9	708.4	756.9
Operating Expenses	-373.4	-371.9	-272.6
Commercial	-74.7	-128.3	-88.6
Administrative	-191.0	-156.6	-142.2
Civil, Labor, Tax & Environmental Provisions	-57.5	-45.4	-1.4
Retirement and Health Care Plan Provisions	-11.5	-20.1	-14.7
Profit Sharing Program	-32.2	-15.9	-23.4
Other Operating Expenses (Revenues)	-6.3	-4.7	-1.5
Equity Results Method	-0.2	-0.9	-0.8
Income Before Financial Result and Taxes	545.5	336.5	484.3
Financial Result	-45.8	-63.7	-60.0
Financial Revenues	81.4	76.6	25.1
Financial Expenses	-127.2	-140.3	-85.1
Result before taxes on the profit	499.7	272.8	424.3
Income Tax and Social Contribution on the Profit	-77.6	-39.1	-92.5
Net Profit in the Period	422.1	233.7	331.8

Balance Sheet - Assets	JUN 23	DEC 22	DEC 21
Current Assets			
Cash & Cash Equivalent	1,154.1	1,207.9	983.1
Accounts Receivable from Customers	1,203.2	1,086.2	971.5
Stocks	64.9	76.9	57.7
Taxes to Recover	94.0	38.3	11.4
Linked Deposits	34.6	23.7	14.4
Derivative Financial Instruments	26.8	16.1	12.7
Other Accounts Receivable	26.6	20.7	20.8
Total Current Assets	2,604.2	2,469.8	2,071.6
Non-current Assets			
Accounts Receivable from Customers	240.0	125.7	51.6
Deferred Income Tax & Social Contribution	731.6	686.9	679.5
Linked Deposits	79.1	75.2	59.0
Judicial Deposits	564.6	507.3	408.6
Contractual Financial Assets	772.0	676.5	603.0
Contracts Assets	2,891.4	2,746.4	1,869.7
Other Accounts Receivable	41.2	42.2	44.0
Investments	3.0	2.0	2.0
Fixed Asset	378.5	370.5	312.7
Intangible Asset	9,400.4	8,954.7	8,538.9
Total Non-current Assets	15,101.8	14,187.4	12,569.0
Total Assets	17,706.0	16,657.2	14,640.6

Balance Sheet - Liabilities	JUN 23	DEC 22	DEC 21
Current Liabilities			
Labor Obligations	89.0	140.0	117.9
Suppliers	321.4	297.0	269.4
Tax Obligations	93.3	102.7	84.6
Loans, Financing, Debentures, Leasing	656.3	575.7	407.7
Dividends & IoC - Payable	237.0	227.3	243.6
Contractual Collateral and Withholding	2.4	2.2	2.2
Revenue to be Appropriated	3.6	3.6	0.7
Derivative Financial Instruments	26.8	15.7	11.6
Other Bills to Pay	108.3	92.0	85.6
Retirement and Health Care Plan Provisions	68.9	67.4	77.3
Labor Provisions	167.3	106.0	96.6
Total Current Liabilities	1,774.3	1,629.6	1,397.2
Non-current Liabilities			
Suppliers	1.1	1.1	2.8
Loans, Financing, Debentures, Leasing	4,958.1	4,507.6	3,712.9
Revenue to be Appropriated	9.5	11.3	-
Other Bills to Pay	87.6	88.0	3.0
Retirement and Health Care Plan Provisions	965.0	943.7	1,082.9
Provisions	809.8	689.0	615.6
Total Non-current Liabilities	6,831.1	6,240.7	5,417.1
Total Liabilities	8,605.4	7,870.3	6,814.3
Equity			
Issued Capital Share	5,996.1	3,996.1	3,996.1
Revaluation Reserve	52.3	54.4	59.0
Profit Reserve	2,356.7	4,515.9	3,696.9
Accumulated Profits	475.0	-	-
Equity Valuation Adjustments	4.3	4.3	4.5
Other Statements of Comprehensive Income	216.2	216.2	69.8
Total Shareholders' Equity	9,100.6	8,786.9	7,826.3
Total Liabilities and Shareholders' Equity	17,706.0	16,657.2	14,640.6

Cash Flow Statement	2Q23	2Q22	2Q21
Cash Flow From Operating Activities			
Net Profit in the Period	422.1	233.8	331.8
Adjustments to reconcile net profit and net cash			
Depreciation & Amortization	117.8	106.3	97.6
Costs of write-offs in fixed and intangible assets	3.7	6.1	4.5
Adjustment to Recoverable Value of Assets	-0.4	-1.0	-0.9
Adjustment to Present Value - Financial Assets	-7.6	-6.5	-5.5
Provision for Losses in credit realizations	0.6	58.5	25.8
Deferred Income Tax & Social Contribution, net	-3.9	-1.9	11.9
Civil, Labor, Tax and Environmental Provisions	57.5	45.4	1.4
Retirement & Health Care Plan	11.5	20.1	14.7
Interest of Financing	108.1	91.4	57.9
Monetary Variations on Financing	27.6	45.6	20.0
Interest and Monetary Updates on Leasing	1.6	8.4	8.7
Exchange Variations, net	-0.7	0.8	-1.4
Derivatives Variations	1.3	-0.4	1.4
Result of Equity Method	0.2	0.9	0.8
Appropriation of costs on the third parties fundraising	1.4	1.4	1.1
Fair Value Adjustment - Investments	-0.10	0.1	0.0
	740.7	609.0	569.8
Variation in Assets & Liabilities			
Accounts Receivable from Customers	-114.5	-57.9	-63.6
Taxes and Contributions to recover	-54.5	-34.2	-21.7
Stocks	6.5	0.8	0.9
Judicial Deposits	-39.2	-33.5	0.0
Other Credits and Accounts Receivable	-2.0	1.5	0.4
Suppliers	85.2	-7.9	26.7
Taxes and Contributions	129.1	65.8	98.2
Salaries and Charges Payable	-15.6	-20.9	-36.9
Contractual Collateral and Withholding	0.1	-0.1	-0.4
Revenues to be Appropriated	-0.9	-0.9	-1.0
Income Tax and Social Contribution, paid	-190.7	-113.4	-155.1
Other Accounts to pay	-1.0	16.9	-9.0
	-197.5	-183.8	161.5
Cash Generated by Operation Activities	543.2	425.2	408.3
Cash Flow from Investments			
Investment in Fixed & Intangible Assets	-477.6	-411.1	-293.5
Investments Application	-0.5	1.40	-1.0
Cash Generated by Investment Activities	-478.1	-412.5	-294.5
Cash Flow from Financing Activities			
Financing Obtained	606.7	129.7	62.9
Amortization on Financing	-227.7	-88.8	-176.7
Interest Payments on Financing	-86.1	-75.4	-48.7
Leasing Payments	-28.9	-21.7	-19.3
Costs in the Third Parties Fundraising	-2.3	-1.5	0.0
Linked Deposits	0.2	-3.8	-0.3
Payment of Interest on Equity (IoE)	385.6	-308.8	-267.8
Cash Generated by Financing Activities	-123.7	-370.3	-449.9
Variation in Cash and Cash Equivalent Balance	-58.6	-357.6	-336.1
Cash and Cash Equivalent Initial Balance	1,212.7	1,590.8	1,324.4
Cash and Cash Equivalent Final Balance	1,154.1	1,233.2	988.3

Earnings Videoconference | 2Q23

Friday, August 11, 2023 | 10:00 AM

Log on the Webcast at ri.sanepar.com.br

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