

# Earnings Release

## 2Q24

Rio Manso Reservoir



**Belo Horizonte, July 30<sup>th</sup>, 2024** - COPASA MG (B3: CSMG3) hereby announces today its results for the second quarter of 2024 (2Q24). The financial information, except where otherwise indicated, is presented in Brazilian Reais thousands (R\$ thousand) and refers to the Parent Company. All tables in this report are available for download on the Company's Investor Relations website ([ir.copasa.com.br](http://ir.copasa.com.br)).

### OPERATIONAL AND FINANCIAL HIGHLIGHTS

- Net revenue of water, sewage, and solid waste totaled **R\$1.74 billion** in 2Q24, up by **10.7%** over 2Q23 (**R\$1.57 billion**).
- Costs and expenses totaled **R\$1.17 billion** in 2Q24 (against **R\$1.22 billion** in 2Q23), fell by **3.6%**.
- The adjusted EBITDA totaled **R\$726.4 million** in 2Q24, up by **12.1%** over adjusted EBITDA of 2Q23 (**R\$647.8 million**). The adjusted EBITDA Margin was **41.4%** (adjusted Margin of **40.4%** in 2Q23).
- Net income was **R\$325.2 million** in 2Q24, up by **30.4%** over 2Q23, that was **R\$249.3 million**.
- Shareholder remuneration, in the form of Regular Dividends for 2024, will be **50%** of the adjusted Net Income.
- Regular Dividends for 2024 (1Q24 and 2Q24) totaled **R\$318.3 million**: IoE of **R\$237.7 million** and Dividends of **R\$80.6 million**.
- The Extraordinary Shareholders' Meeting held on April 26th, 2024, approved the distribution of **R\$300.0 million** as Extraordinary Dividends.
- Net debt reached **R\$4.54 billion** in June 2024 and the Net Debt/EBITDA ratio was **1.6x**.
- Investments made by the Parent Company, from January to June, including capitalizations, totaled **R\$901.3 million**, increasing by **33.2%** from the same period in 2023.
- In 2Q24, water volume measured reached **175.2 million m<sup>3</sup>**, while sewage volume came to **121.1 million m<sup>3</sup>** (up by **7.3%** and **7.7%**, respectively, over 2Q23) (consolidated data).
- The delinquency rate (ratio between the balance of accounts receivable overdue between 90 and 359 days and the total amount billed in the last 12 months) reached **2.97%** in June 2024, one of the lowest indexes in the last 7 years. In June 2023 it was **3.11%**.
- The loss rate in COPASA MG's distribution reached **38.7%** in June 2024 (**38.9%** in June 2023).
- The Parent Company's index of "employees per thousand water and sewage connections" fell by **5.5%**, from **1.32** in June 2023 to **1.25** in June 2024.
- The capacity level of the reservoirs of the Paraopeba system is **75.1%**.

#### Conference Call

July 31<sup>st</sup>, 2024 (Wednesday)  
11 a.m. (Brasilia) 10 a.m. (New York) 3 p.m. (London)  
Link: [Click here](#)

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## 1. Operating Performance

### 1.1. Operational data

The main operational data of the parent company (COPASA MG) comparing 2Q24 with the other reference periods is as follows:

COPASA MG Data (Parent Company)	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Water</b>							
Connections (1,000 units)	4,562	4,544	0.4%	4,564	0.0%	4,496	1.1%
Units (1,000 units)	5,526	5,500	0.5%	5,525	0.0%	5,439	1.1%
Population Served (1,000 inhabitants)	11,524	11,626	-0.9%	11,514	0.1%	11,596	0.3%
Distributed Volume (1,000 m <sup>3</sup> )	284,796	270,587	5.3%	278,502	2.3%	265,335	2.0%
Measured Volume (1,000 m <sup>3</sup> )	172,438	160,805	7.2%	161,549	6.7%	156,144	3.0%
Network Extension (km)	63,871	62,623	2.0%	63,406	0.7%	61,522	1.8%
Water Metering Index (%)	99.9	99.9	0 p.p.	100.0	-0.1 p.p.	99.9	0 p.p.
Loss Index <sup>1</sup> (%)	38.7	38.9	-0.2 p.p.	39.2	-0.5 p.p.	40.6	-1.7 p.p.
Loss Index <sup>2</sup> (L/connectionsxday)	259.0	249.7	3.7%	260.0	-0.4%	257.6	-3.1%
<b>Sewage</b>							
Connections (1,000 units)	3,153	3,102	1.6%	3,149	0.1%	3,040	2.1%
Units (1,000 units)	4,033	3,951	2.1%	4,016	0.4%	3,871	2.1%
Population Served (1,000 inhabitants)	8,523	8,486	0.4%	8,480	0.5%	8,380	1.3%
Measured Volume (1,000 m <sup>3</sup> )	119,877	111,314	7.7%	111,636	7.4%	108,311	2.8%
Treated Volume (1,000 m <sup>3</sup> )	89,459	85,776	4.3%	97,475	-8.2%	73,925	16.0%
Network Extension (km)	32,308	31,696	1.9%	32,283	0.1%	31,033	2.1%

(1) Difference between the distributed volume and the measured volume, divided by the distributed volume in the last twelve months.

(2) Difference between the volume distributed and the volume measured, divided by the number of served connections and the number of days in the period in the last twelve months.

The main operational data of the subsidiary COPANOR comparing 2Q24 with the other reference periods is as follows:

COPANOR Data	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Water</b>							
Connections (1,000 units)	116	113	2.7%	115	0.7%	111	1.8%
Units (1,000 units)	119	116	2.5%	118	0.7%	114	1.7%
Population Served (1,000 inhabitants)	225	226	-0.4%	223	0.8%	222	1.6%
Distributed Volume (1,000 m <sup>3</sup> )	4,019	4,251	-5.5%	4,098	-1.9%	4,235	0.4%
Measured Volume (1,000 m <sup>3</sup> )	2,743	2,525	8.6%	2,679	2.4%	2,421	4.3%
Network Extension (km)	3,104	2,774	11.9%	2,899	7.1%	2,663	4.1%
<b>Sewage</b>							
Connections (1,000 units)	55	53	2.2%	54	0.4%	53	0.2%
Units (1,000 units)	56	55	1.9%	56	0.3%	55	0.1%
Population Served (1,000 inhabitants)	107	107	-0.3%	107	0.2%	108	-0.2%
Measured Volume (1,000 m <sup>3</sup> )	1,256	1,161	8.1%	1,235	1.6%	1,139	2.0%
Network Extension (km)	1,584	1,580	0.3%	1,577	0.4%	1,513	4.4%

The main operational data of the parent company (COPASA MG) and the subsidiary (COPANOR) comparing 2Q24 with the other reference periods is as follows:

Consolidated Data (COPASA MG + COPANOR)	2Q24	2Q23	2Q24	1Q24	2Q24	2Q22	2Q23
			vs. 2Q23		vs. 1Q24		vs. 2Q22
<b>Water</b>							
Connections (1,000 units)	4.678	4.656	0,5%	4.679	0,0%	4.606	1,1%
Units (1,000 units)	5.645	5.615	0,5%	5.643	0,0%	5.552	1,1%
Population Served (1,000 inhabitants)	11.749	11.852	-0,9%	11.737	0,1%	11.819	0,3%
Distributed Volume (1,000 m <sup>3</sup> )	288.815	274.838	5,1%	282.600	2,2%	269.570	2,0%
Measured Volume (1,000 m <sup>3</sup> )	175.181	163.330	7,3%	164.227	6,7%	158.565	3,0%
Network Extension (km)	66.975	65.397	2,4%	66.305	1,0%	64.185	1,9%
<b>Sewage</b>							
Connections (1,000 units)	3.208	3.156	1,7%	3.204	0,1%	3.093	2,0%
Units (1,000 units)	4.090	4.006	2,1%	4.072	0,4%	3.926	2,0%
Population Served (1,000 inhabitants)	8.630	8.594	0,4%	8.587	0,5%	8.488	1,2%
Measured Volume (1,000 m <sup>3</sup> )	121.133	112.475	7,7%	112.872	7,3%	109.450	2,8%
Network Extension (km)	33.892	33.276	1,8%	33.860	0,1%	32.546	2,2%

### 1.1.1. Consumption Period and Measured Volume – Based on 90 days

The Company presents below a table with the consumption period and the Real and Adjusted volume measured for 90 days of billing to allow a comparative analysis between 2Q24 and the other periods:

Consumption Period and Volume COPASA MG	2Q24	2Q23	2Q24	1Q24	2Q24	2Q22	2Q23
			vs. 2Q23		vs. 1Q24		vs. 2Q22
<b>Consumption Period</b>							
Consumption Days (quarter)	93.5	90.2	3.7%	88.2	6.0%	89.9	0.3%
<b>Water Volume (1,000 m<sup>3</sup>)</b>							
Measured Volume – Real <sup>1</sup>	172,438	160,805	7.2%	161,549	6.7%	156,144	3.0%
Measured Volume – Adjusted <sup>2</sup>	165,983	160,449	3.4%	164,846	0.7%	156,318	2.6%
<b>Sewage Volume (1,000 m<sup>3</sup>)</b>							
Measured Volume – Real <sup>1</sup>	119,877	111,314	7.7%	111,636	7.4%	108,311	2.8%
Measured Volume – Adjusted <sup>2</sup>	115,390	111,067	3.9%	113,914	1.3%	108,432	2.4%

(1) Represent the volume actually measured, considering the real billing schedule for each period.

(2) Represent the adjusted volume, considering a theoretical 90-day schedule for all comparative periods.

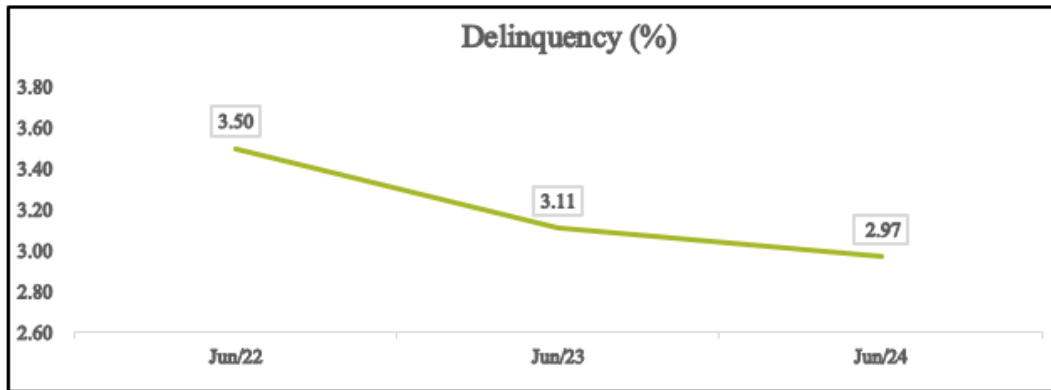
### 1.2. Customer Base

The quarterly information about the customer base, measured volume and billing by consumer category (Residential, Social Residential, Commercial, Industrial and Public) are highlighted in the following table:

Consolidated Data (COPASA MG + COPANOR)	Units per Category (%)			Measures Volume per Category (%)			Billings per Category (%)		
	2Q24	2Q23	2Q22	2Q24	2Q23	2Q22	2Q24	2Q23	2Q22
<b>Water and Sewage (Quarterly Average)</b>									
Residential	77.4%	78.2%	77.8%	72.6%	73.6%	73.4%	67.2%	67.8%	67.9%
Residential Social	12.2%	11.3%	11.7%	12.2%	11.3%	11.8%	6.0%	5.5%	5.7%
Commercial	9.2%	9.0%	8.6%	9.1%	8.7%	8.1%	15.5%	14.8%	14.0%
Industrial	0.6%	0.6%	0.6%	2.0%	2.0%	2.1%	3.9%	3.9%	4.0%
Public	0.6%	0.9%	1.3%	4.1%	4.4%	4.6%	7.4%	8.0%	8.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### 1.3. Delinquency

According to the following chart, the delinquency rate, i.e., the ratio between the balance of accounts receivable overdue between 90 and 359 days and the total billed amount in the last 12 months, of 3.11% in June 2023, reached 2.97% in June 2024. This result is due to the resumption and intensification of collection actions and debt renegotiation campaigns.



### 1.4. Coverage Ratios

In June 2024, the coverage ratio of COPASA MG's water services, within its coverage area, is above 99%, as also verified in previous years, being higher, therefore, than that required by the New Sanitation Sector Framework, showing that the Company has already reached universalization before the deadline set for 2033.

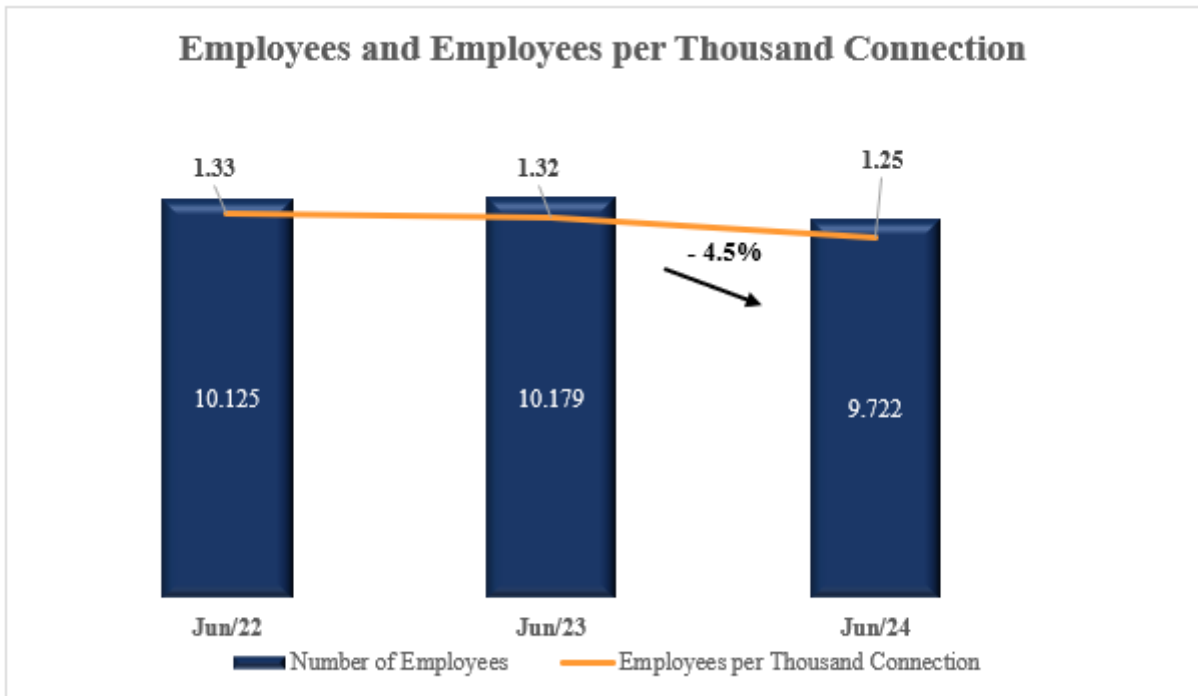
As for sewage, in June 2024 the Company reported global coverage ratio for collected and treated sewage of 76.5% (75.0% in December 2023). COPASA MG's robust 2024-2028 Investment Program of R\$9.8 billion, as detailed in item 5 of this Release, aims to make the investments necessary to maintain quality, regularity and monitoring of population growth referring to the already universalized water services, and expand investments focused on increasing collection networks and sewage treatment, with the goal of universalizing sewage services, as established by the New Sanitation Sector Framework, that is, 90% of the population supplied with collection network and sewage treatment by 2033.

The Company's coverage ratios for water and sewage are much superior that those verified for the national average. According to data disclosed by the National Sanitation Information System (SNIS), in January 2024, the ratio of global service with water network, at a national level, was 84.9%, for the reference year 2022, and the percentage of sewage treatment reached 52.2%, showing the superiority of COPASA's indicators.

## 1.5. Staff Management

### 1.5.1. Employees and Employees per Connection

The number of employees in the Parent Company fell by 4.5% from June 2023, to 9,722 employees in June 2024. This reduction allowed for an improvement in the rate “number of employees per thousand connections”, as shown in the chart below:



The reduction in the headcount was due to the Voluntary Separation Program (VSP) implemented by the Company in May 2023, for which 736 employees applied, with all dismissals carried out until June 2024, with 9 (nine) applications cancelled. It is also worth noting that the estimated indemnification – fully accounted for in 2Q23 – totaled R\$115.1 million, R\$95.4 million of which written off until June 2024.

As for COPANOR, the headcount was 499 in June 2024, and the rate of employees per thousand connections was 2.89.

## 2. Financial Performance

### 2.1. Revenues

The table below shows gross revenue, deductions (PIS/Cofins), and net revenue from water, sewage, and solid waste in the comparative periods:

Gross Revenue, Deductions and Net Revenue	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
Gross Revenue – Water	1,262,261	1,141,482	10.6%	1,220,292	3.4%	977,383	16.8%
Gross Revenue – Sewage	655,311	590,668	10.9%	641,013	2.2%	496,309	19.0%
Gross Revenue – Solid Waste	1,500	1,757	-14.6%	1,457	3.0%	406	332.8%
<b>Gross Revenue – Water, Sewage and Solid Waste</b>	<b>1,919,072</b>	<b>1,733,907</b>	<b>10.7%</b>	<b>1,862,762</b>	<b>3.0%</b>	<b>1,474,098</b>	<b>17.6%</b>
PIS/Cofins	(177,604)	(160,473)	10.7%	(172,386)	3.0%	(136,424)	17.6%
<b>Net Revenue – Water, Sewage and Solid Waste</b>	<b>1,741,468</b>	<b>1,573,434</b>	<b>10.7%</b>	<b>1,690,376</b>	<b>3.0%</b>	<b>1,337,674</b>	<b>17.6%</b>

Net revenue from water, sewage and solid waste totaled R\$1.74 billion in 2Q24, as shown below:

Net Revenue	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
Net Direct Revenue - Water	1,128,051	1,013,758	11.3%	1,090,351	3.5%	864,874	17.2%
Net Direct Revenue - Sewage	591,375	532,473	11.1%	578,373	2.2%	448,207	18.8%
<b>Net Direct Revenue - Water and Sewage</b>	<b>1,719,426</b>	<b>1,546,231</b>	<b>11.2%</b>	<b>1,668,724</b>	<b>3.0%</b>	<b>1,313,081</b>	<b>17.8%</b>
Net Indirect Revenue - Water	17,412	22,097	-21.2%	17,030	2.2%	22,102	0.0%
Net Indirect Revenue - Sewage	3,313	3,552	-6.7%	3,344	-0.9%	2,147	65.4%
<b>Net Indirect Revenue - Water and Sewage</b>	<b>20,725</b>	<b>25,649</b>	<b>-19.2%</b>	<b>20,374</b>	<b>1.7%</b>	<b>24,249</b>	<b>5.8%</b>
<b>Net Revenue - Solid Waste</b>	<b>1,317</b>	<b>1,554</b>	<b>-15.3%</b>	<b>1,278</b>	<b>3.1%</b>	<b>344</b>	<b>351.7%</b>
<b>Net Revenue - Water, Sewage and Solid Waste</b>	<b>1,741,468</b>	<b>1,573,434</b>	<b>10.7%</b>	<b>1,690,376</b>	<b>3.0%</b>	<b>1,337,674</b>	<b>17.6%</b>

Next, the Company's comments on the main factors that influenced net revenue from water supply and sewage services, year on year in 2Q24:

- impacts of the tariff increase applied on January 1<sup>st</sup>, 2024, with an average tariff effect of 4.21%, as authorized by Arsae-MG;
- an increase of 7.2% in the measured volume of water and 7.7% in the measured volume of sewage.

## 2.2. Costs and Expenses

The following table shows the costs of sales and services rendered, sales and administrative expenses in the comparative periods:

Costs and Expenses	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Manageable Costs</b>	<b>780,629</b>	<b>846,853</b>	<b>-7.8%</b>	<b>769,154</b>	<b>1.5%</b>	<b>666,590</b>	<b>27.0%</b>
Personnel <sup>1</sup>	407,060	399,804	1.8%	398,360	2.2%	368,811	8.4%
Voluntary Separation Program (VSP)	(2,108)	115,067	n.m.	-	n.m.	-	n.m.
Outsourced Services	194,185	165,083	17.6%	191,003	1.7%	154,208	7.1%
Rio Manso PPP	23,054	22,461	2.6%	22,914	0.6%	25,856	-13.1%
Materials	17,794	19,227	-7.5%	14,564	22.2%	19,796	-2.9%
Provision for Doubtful Accounts (PDA)	55,584	51,220	8.5%	63,365	-12.3%	38,286	33.8%
Tariff Transfers to Municipalities	71,826	62,237	15.4%	68,410	5.0%	48,329	28.8%
Sundry Operational Costs	13,234	11,754	12.6%	10,538	25.6%	11,304	4.0%
<b>Non-Manageable Costs</b>	<b>199,349</b>	<b>165,652</b>	<b>20.3%</b>	<b>192,778</b>	<b>3.4%</b>	<b>158,931</b>	<b>4.2%</b>
Electricity	150,616	135,533	11.1%	143,542	4.9%	134,653	0.7%
Telecommunication	5,024	4,679	7.4%	4,999	0.5%	5,340	-12.4%
Treatment and Laboratory Materials	33,148	33,503	-1.1%	36,846	-10.0%	25,381	32.0%
Fuels and Lubricants	10,561	9,395	12.4%	7,391	42.9%	10,769	-12.8%
Tax Credits	-	(17,458)	-	-	-	(17,212)	1.4%
<b>Capital Costs</b>	<b>193,743</b>	<b>204,646</b>	<b>-5.3%</b>	<b>188,553</b>	<b>2.8%</b>	<b>175,581</b>	<b>16.6%</b>
Depreciation and Amortization	193,743	204,646	-5.3%	188,553	2.8%	175,581	16.6%
<b>Charge for Usage of Water Resources</b>	<b>-</b>	<b>1,009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,062</b>	<b>-5.0%</b>
<b>Total Costs and Expenses</b>	<b>1,173,721</b>	<b>1,218,160</b>	<b>-3.6%</b>	<b>1,150,485</b>	<b>2.0%</b>	<b>1,002,164</b>	<b>21.6%</b>
<b>Total Costs and Expenses (without VSP)</b>	<b>1,175,829</b>	<b>1,103,093</b>	<b>6.6%</b>	<b>1,150,485</b>	<b>2.2%</b>	<b>1,002,164</b>	<b>10.1%</b>
<b>Total Costs and Expenses (without Depreciation and Amortization)</b>	<b>979,978</b>	<b>1,013,514</b>	<b>-3.3%</b>	<b>961,932</b>	<b>1.9%</b>	<b>826,583</b>	<b>22.6%</b>

(1) Includes pension plan obligations.

Below, the Company presents the comments on the items that make up the costs and expenses that presented the most significant variations, year on year in 2Q24:

### 2.2.1. Manageable Costs

#### 2.2.1.1. Personnel

The rise seen in this unit was 1.8%. The items with the most significant variations in the period were:

- impacts in salaries, vacation pay, and Christmas bonuses, among other benefits arising from the 2023 Collective Bargaining Agreement (ACT), whose reference date is November, based on the INPC (4.14%);
- salary increase of 2% in February 2024, corresponding to one salary range granted to about 65% of the total workforce, as a result of the aforementioned ACT;
- an increase of R\$5.3 million in healthcare expenses due to higher usage, incorporation of new technologies and medications, and increased demand for employee health assistance programs;
- a reduction of 4.5% in the number of employees, comparing June 2024 to June 2023, mainly due to terminations under the Voluntary Separation Program (VSP) implemented in 2023; and
- reduction in overtime hours worked due to a reassessment of work schedules.

#### 2.2.1.2. Outsourced Services



The increase was 17.6%, mainly due to price adjustments/increases and increased demand, as well as the expansion of services and better performance by contractors, highlighting the following variations:

- an increase of R\$7.4 million in expenses with conservation and maintenance of assets and systems;
- an increase of R\$4.9 million in cleaning, surveillance, messenger, and receptionist services;
- an increase of R\$4.5 million in IT services;
- an increase of R\$4.2 million in water truck services;
- an increase of R\$3.3 million in movable asset rentals; and
- an increase of R\$3.2 million in maintenance, cut, and reconnection services.

#### **2.2.1.3. Rio Manso PPP**

The 2.6% increase in this account refers to the contractual adjustment that occurred in April 2024, whose adjustment index is the IPCA, partially offset by a reduction in electricity consumption at the unit.

#### **2.2.1.4. Materials**

This item fell by 7.5%, mainly due to lower expenses related to conservation and maintenance materials for operational systems.

#### **2.2.1.5. Provision for Doubtful Accounts (PDA)**

The 8.5% increase in this item was mainly due to the tariff adjustments and positive variations in billed volumes.

#### **2.2.1.6. Tariff Transfers to Municipalities**

The 15.4% increase in this item was mainly due to higher tariff transfer values, due to the 10.7% increase in revenue and the increase in the number of municipal sanitation funds qualified to receive the transfer.

According to [Technical Note GRT 06/2023](#) issued by Arsae-MG, within the scope of the tariff increase applied in January 2024, 13 new municipal sanitation funds were included with the right to the transfers, totaling 307 qualified municipalities (294 in the same period in 2023). It is worth noting that the amounts transferred to the municipal sanitation funds are recognized in the tariff.

#### **2.2.1.7. Sundry Operating Costs**

The 12.6% YoY increase in sundry operating costs, comparing 2Q24 with 2Q23, it was mainly due to an increase in expenses related to transportation, travel, and accommodation, as well as expenses linked to tax incentives incurred by the Company under the National Culture Support Program (Programa Nacional de Apoio à Cultura).

### **2.2.2. Non-Manageable Costs**

#### **2.2.2.1. Electricity**

The 11.1% YoY increase in electricity expenses in 2Q24 was mainly due to the net effect of the following factors:

- an increase of 5.4% in the Company's electricity consumption;
- an increase of 13.27% applied by Cemig to the electricity tariffs, levied on the captive market, effective from June 2023;

- elimination in the 3% subsidy applied to the electricity tariffs of the concessionaires providing public water supply and sewage services, levied on the captive market, effective from June 2023;
- reduction in electricity expenses due to the increase in the number of units migrated to the Free Market, from 8 (eight) units in June 2023 to 21 units in June 2024; and
- start of energy acquisition from photovoltaic sources from January 2024, reducing expenses with this input.

#### **2.2.2.2. Treatment and Laboratory Materials**

The 1.1% YoY decrease in this item was mainly due to the reduction in the price of treatment materials in 2Q24, despite higher consumption of products in some locations due to rainfall in the period.

#### **2.2.2.3. Fuels and Lubricants**

The 12.4% increase was mainly due to higher equipment usage at operational units (generators), impacting higher fuel consumption, and an increase in fuel prices in 2Q24 compared to 2Q23.

#### **2.2.2.4. Tax Credits**

Starting from 2024, the Tax Credit account has recorded a zero balance due to the completion of the automatic accounting process of PIS/Cofins tax credits from depreciation and amortization expenses, which began to be accounted for directly in each expense account.

#### **2.2.3. Depreciation and Amortization**

The 5.3% YoY decrease in the depreciation and amortization line in 2Q24 was mainly due to change in the allocation of tax credits, as described in the previous item.

### 2.3. Other Operating Revenues (Expenses)

Other operating revenues and expenses in the comparative periods are as follows:

Other Operating Revenues (Expenses)	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Other Operating Revenues</b>	<b>10,370</b>	<b>15,496</b>	<b>-33.1%</b>	<b>7,885</b>	<b>31.5%</b>	<b>33,732</b>	<b>-54.1%</b>
Reversal of Non-Deductible Provision	7	7,544	-99.9%	362	-98.1%	16,440	-54.1%
Recovery of Written-off Accounts	-	-	-	-	-	11,862	n.m.
Disposal of PP&E Items	1,955	1,212	61.3%	301	549.5%	1,714	-29.3%
Other Revenues	8,408	6,740	24.7%	7,222	16.4%	3,716	81.4%
<b>Other Operating Expenses</b>	<b>(40,859)</b>	<b>(41,517)</b>	<b>-1.6%</b>	<b>(34,404)</b>	<b>18.8%</b>	<b>(49,004)</b>	<b>-15.3%</b>
Provisions for Lawsuits	(13,418)	(3,691)	263.5%	(4,038)	232.3%	(9,177)	-59.8%
Arsae-MG Fee	(15,109)	(14,204)	6.4%	(15,109)	0.0%	(13,265)	7.1%
Expenses with Environmental preservation	(2,313)	(11,350)	-79.6%	(1,932)	19.7%	(5,069)	123.9%
Taxes and Tributes	(4,137)	(3,707)	11.6%	(3,611)	14.6%	(3,587)	3.3%
Actuarial Liability	(2,640)	(1,655)	59.5%	(2,640)	0.0%	(4,687)	-64.7%
Other Expenses	(3,242)	(6,910)	-53.1%	(7,074)	-54.2%	(13,219)	-47.7%
<b>Other Operating Revenues (Expenses)</b>	<b>(30,489)</b>	<b>(26,021)</b>	<b>17.2%</b>	<b>(26,519)</b>	<b>15.0%</b>	<b>(15,272)</b>	<b>70.4%</b>

#### 2.3.1. Other Operating Revenues

The decrease in Other Operating Revenues is primarily due to the reduction in reversals of non-deductible provisions, which are now classified as a reduction of the corresponding cost.

#### 2.3.2. Other Operating Expenses

Other Other Operating Expenses fell by 1.6%, with the most significant variations in the period as follows:

- reduction in Environmental Preservation Expenses;
- increase in amounts related to lawsuits and indemnifications. In 2Q23, this line was impacted by reversals of amounts related to lawsuits, mainly the labor lawsuit related to the termination of employment contracts because of the application of a now-extinct layoff policy due to agreements entered into in individual compliance with sentence, which reduced the amounts of that quarter.

### 2.4. Equity Pick-up (Subsidiary COPANOR)

Below is the summarized Income Statement of COPANOR for the comparative periods:

Summarized Statement of COPANOR	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
Net Revenue from Sales and/or Services	15,012	14,495	3.6%	14,176	5.9%	11,777	23.1%
Construction Revenue	9,093	2,321	291.8%	4,480	103.0%	1,207	92.3%
Other Operating Revenues	164	(470)	n.m.	5	3180.0%	546	n.m.
Operating Costs and Expenses	(20,171)	(16,523)	22.1%	(17,599)	14.6%	(17,718)	-6.7%
Construction Costs	(9,093)	(2,321)	291.8%	(4,480)	103.0%	(1,207)	92.3%
Other Operating Expenses	(347)	(1,455)	-76.2%	(635)	-45.4%	(339)	329.2%
Net Financial Revenues (Expenses)	1,555	1,199	29.7%	1,256	23.8%	1,347	-11.0%
<b>Net Income (Loss)</b>	<b>(3,787)</b>	<b>(2,754)</b>	<b>37.5%</b>	<b>(2,797)</b>	<b>35.4%</b>	<b>(4,387)</b>	<b>-37.2%</b>

## 2.5. Financial Result

Financial revenues and expenses in the comparative periods are as follows:

Financial Revenues (Expenses)	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Financial Revenues</b>	<b>86,439</b>	<b>86,253</b>	<b>0.2%</b>	<b>71,321</b>	<b>21.2%</b>	<b>58,911</b>	<b>46.4%</b>
Monetary and Foreign Exchange Variation	8,598	21,410	-59.8%	1,859	362.5%	9,106	135.1%
Interest	21,990	11,641	88.9%	12,644	73.9%	12,365	-5.9%
Real Gains from Financial Investments	20,093	34,078	-41.0%	23,163	-13.3%	24,156	41.1%
Capitalization of Financial Assets/Other	35,758	19,124	87.0%	33,655	6.2%	13,284	44.0%
<b>Financial Expenses</b>	<b>(205,138)</b>	<b>(107,993)</b>	<b>90.0%</b>	<b>(119,845)</b>	<b>71.2%</b>	<b>(138,937)</b>	<b>-22.3%</b>
Monetary and Foreign Exchange Variation	(122,589)	(25,550)	379.8%	(38,290)	220.2%	(66,140)	-61.4%
Charges on Financing and Legal Provisions	(82,273)	(81,965)	0.4%	(81,432)	1.0%	(72,769)	12.6%
Sundry	(276)	(478)	-42.3%	(123)	124.4%	(28)	1607.1%
<b>Financial Result</b>	<b>(118,699)</b>	<b>(21,740)</b>	<b>446.0%</b>	<b>(48,524)</b>	<b>144.6%</b>	<b>(80,026)</b>	<b>-72.8%</b>

The Net Financial Result was negative at R\$118.7 million in 2Q24, compared to a negative R\$21.7 million reported in 2Q23, mainly due to higher foreign exchange variation expenses, resulting from the nearly 10% appreciation of the euro against the real in the quarter, with the foreign currency (euro) debt balance accounting for 23.4% of total debt in June 2024 (9.8% in 2Q23).

## 2.6. Taxes on Income

Taxes on Income	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
Earnings before Taxes on Income	414,771	304,759	36.1%	462,051	-10.2%	235,825	29.2%
<b>Income and Social Contribution Taxes</b>	<b>(89,598)</b>	<b>(55,483)</b>	<b>61.5%</b>	<b>(110,501)</b>	<b>-18.9%</b>	<b>(55,435)</b>	<b>0.1%</b>
<b>Effective Rate</b>	<b>21.60%</b>	<b>18.21%</b>	<b>3.39 p.p.</b>	<b>23.92%</b>	<b>-2.32 p.p.</b>	<b>23.51%</b>	<b>-5.3 p.p.</b>

The increase in taxes on profit was mainly due to higher taxable income in the period, associated with the decline of the tax benefit arising from IoE, considering that the amount declared in 2Q24 was lower than in 2Q23. This reduction in IoE impacted the effective rate.

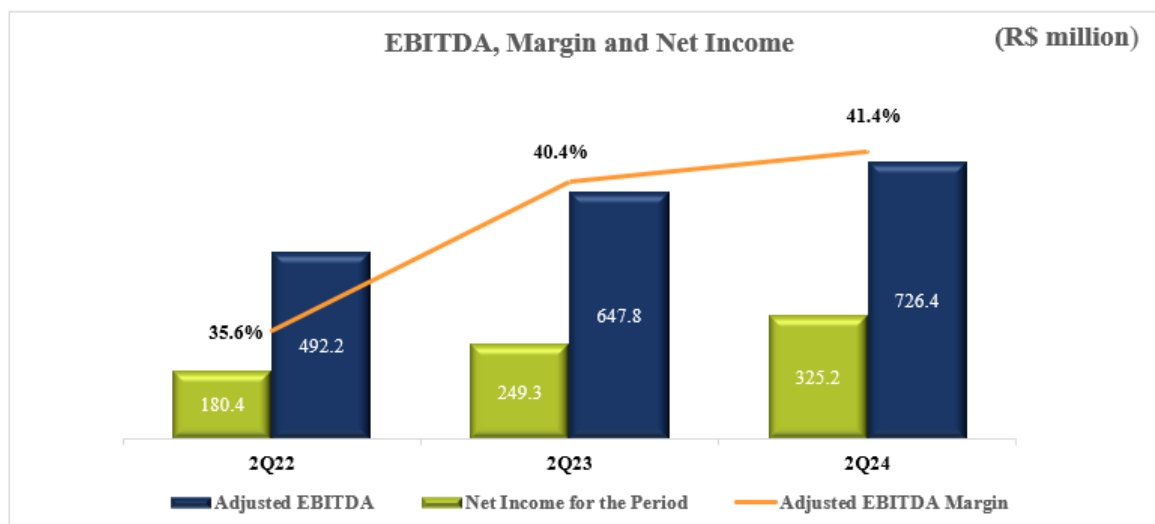
## 2.7. Net Income

Below, the net income table in the comparative periods:

Net Income and Earnings per Share	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Result before Financial Result and Taxes</b>	<b>533,470</b>	<b>326,499</b>	<b>63,4%</b>	<b>510,575</b>	<b>4,5%</b>	<b>315,851</b>	<b>3,4%</b>
Net Financial Result	(118,699)	(21,740)	446,0%	(48,524)	144,6%	(80,026)	-72,8%
<b>Earnings before Taxes on Income</b>	<b>414,771</b>	<b>304,759</b>	<b>36,1%</b>	<b>462,051</b>	<b>-10,2%</b>	<b>235,825</b>	<b>29,2%</b>
Taxes on Income	(89,598)	(55,483)	61,5%	(110,501)	-18,9%	(55,435)	0,1%
<b>Net Income</b>	<b>325,173</b>	<b>249,276</b>	<b>30,4%</b>	<b>351,550</b>	<b>-7,5%</b>	<b>180,390</b>	<b>38,2%</b>
<b>Net Earnings per Share (R\$)</b>	<b>0,86</b>	<b>0,66</b>	<b>30,4%</b>	<b>0,93</b>	<b>-7,5%</b>	<b>0,48</b>	<b>38,2%</b>

## 2.8. EBITDA and EBITDA Margin

EBITDA is a non-accounting measure adopted by COPASA MG, calculated according to CVM Resolution 156/2022, consisting, as shown below, of net income plus taxes on income, financial result, depreciation/amortization, and these same items of the subsidiary COPANOR.



The table below shows the reconciliation of Net Income to EBITDA in the comparative periods.

EBITDA	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Net Income for the Period</b>	<b>325,173</b>	<b>249,276</b>	<b>30.4%</b>	<b>351,550</b>	<b>-7.5%</b>	<b>180,390</b>	<b>38.2%</b>
(+) Taxes on Income	89,598	55,482	61.5%	110,501	-18.9%	55,435	0.1%
(+) Financial Result	118,699	21,740	446.0%	48,524	144.6%	80,026	-72.8%
(+) Depreciation and Amortization	193,743	204,646	-5.3%	188,553	2.8%	175,581	16.6%
(+) Taxes on Income, Financial Result and Depreciation/Amortization of COPANOR	1,330	1,593	-16.5%	1,599	-16.8%	808	97.2%
<b>(=) EBITDA</b>	<b>728,543</b>	<b>532,737</b>	<b>36.8%</b>	<b>700,727</b>	<b>4.0%</b>	<b>492,240</b>	<b>8.2%</b>
<b>EBITDA Margin<sup>1</sup></b>	<b>41.5%</b>	<b>33.2%</b>	<b>8.3 p.p.</b>	<b>41.1%</b>	<b>-0.4 p.p.</b>	<b>35.6%</b>	<b>-2.4 p.p.</b>
<b>Adjustments – Non-Recurring Item</b>							
(+) Voluntary Separation Program (VSP) <sup>2</sup>	(2,108)	115,067	n.m.	-	n.m.	-	n.m.
<b>(=) Adjusted EBITDA</b>	<b>726,435</b>	<b>647,804</b>	<b>12.1%</b>	<b>700,727</b>	<b>3.7%</b>	<b>492,240</b>	<b>31.6%</b>
<b>Adjusted EBITDA Margin</b>	<b>41.4%</b>	<b>40.4%</b>	<b>1 p.p.</b>	<b>41.1%</b>	<b>0.3 p.p.</b>	<b>35.6%</b>	<b>4.8 p.p.</b>

(1) The Company changed the calculation method of the EBITDA margin, which is now calculated by dividing the EBITDA by the sum of the net revenue from water, sewage, and solid waste of the Parent Company and its subsidiary COPANOR.

(2) The adjustment in 2Q24 refers to the reversal of provision for PDVI, of R\$2.1 million. The adjustment in 2Q23 refers to the provision made for PDVI, of R\$115.1 million, as detailed in the [2Q23 Release](#).

## 3. Shareholder Compensation

### 3.1. Dividend Policy Revision

The Dividend Policy in force was approved by the Extraordinary Shareholders' Meeting held on April 28<sup>th</sup>, 2023, as content summarized below.

#### Regular Dividends:

- Regular Dividends shall be in the form of Dividends or Interest on Equity (IoE).
- Declared IoE shall be considered as mandatory minimum legal dividend.
- The percentage of Adjusted Net Income (Net Income after reducing or increasing the amounts specified in items I, II, and III of article 202 of Federal Law 6,404/1976) to be distributed as Regular Dividends shall be defined, by the Board of Directors, upon approval of the corporate budget for the fiscal year, always observing the following parameters:
  - the mandatory legal minimum;
  - the maximum limit of 50% (fifty percent).
- The declaration of Regular Dividends, which is the responsibility of the Board of Directors, shall occur every quarter, whereby the payment will occur within 60 (sixty) days from the date in which they were declared, except for the amounts referring to the fourth quarter, which shall be defined at the Annual Shareholders' Meetings (ASM) that approves the Financial Statements for the fiscal year.

#### Extraordinary Dividends:

- There may be distributions, according to analysis by the Board of Directors and approval at the EGM, and the following must be observed:
  - The general guidelines, including (i) compliance with the public interest that justified the creation of COPASA MG; and (ii) the guarantee of resources, in its Investment Plan, to meet the provisions of Federal Law 11,445/2007 and Federal Law 14,026/2020, in particular, regarding the universalization of basic sanitation services and other established qualitative and quantitative goals.
  - The legal, regulatory, statutory, and financial restrictions, as well as covenants.

### 3.2. Dividends and Interest on Equity Declared

Below is the information on the amounts declared as shareholder payout. The distributions made were preceded by internal studies and projections that indicated that the distribution of earnings does not affect the investment plan, liquidity, as well as compliance with covenants in the next few years, considering the Company's current leverage level.

#### 3.2.1. Regular Dividends - 2024

For the year 2024, as approved by the Board of Directors at a meeting held on December 15<sup>th</sup>, 2023, the distribution of Regular Dividends will correspond to 50% of net income, adjusted in accordance with article 202 of Federal Law No. 6,404/1976, as Interest on Equity (IoE) and/or dividends.

Below is a table with the distributions of Regular Dividends for 2024:

Reference	Corporate Event and Date	Cut-off Date	Amount	Value per share (R\$)	Payment Date
1Q24 IoE	<a href="#">BoDM 03.20.2024</a>	03.25.2024	117,596	0.31013057	05.17.2024
1Q24 Dividends	<a href="#">BoDM 03.20.2024</a>	03.25.2024	54,831	0.14460453	05.17.2024
2Q24 IoE	<a href="#">BoDM 06.20.2024</a>	06.25.2024	120,127	0.31680701	08.19.2024
2Q24 Dividends	<a href="#">BoDM 06.20.2024</a>	06.25.2024	25,747	0.06790250	08.19.2024
<b>Declared Total (Jan to Jun/2024)</b>			<b>318,301</b>	<b>0.83944461</b>	

### 3.2.2. Extraordinary Dividends - Earnings Retention Reserve on 12/2023

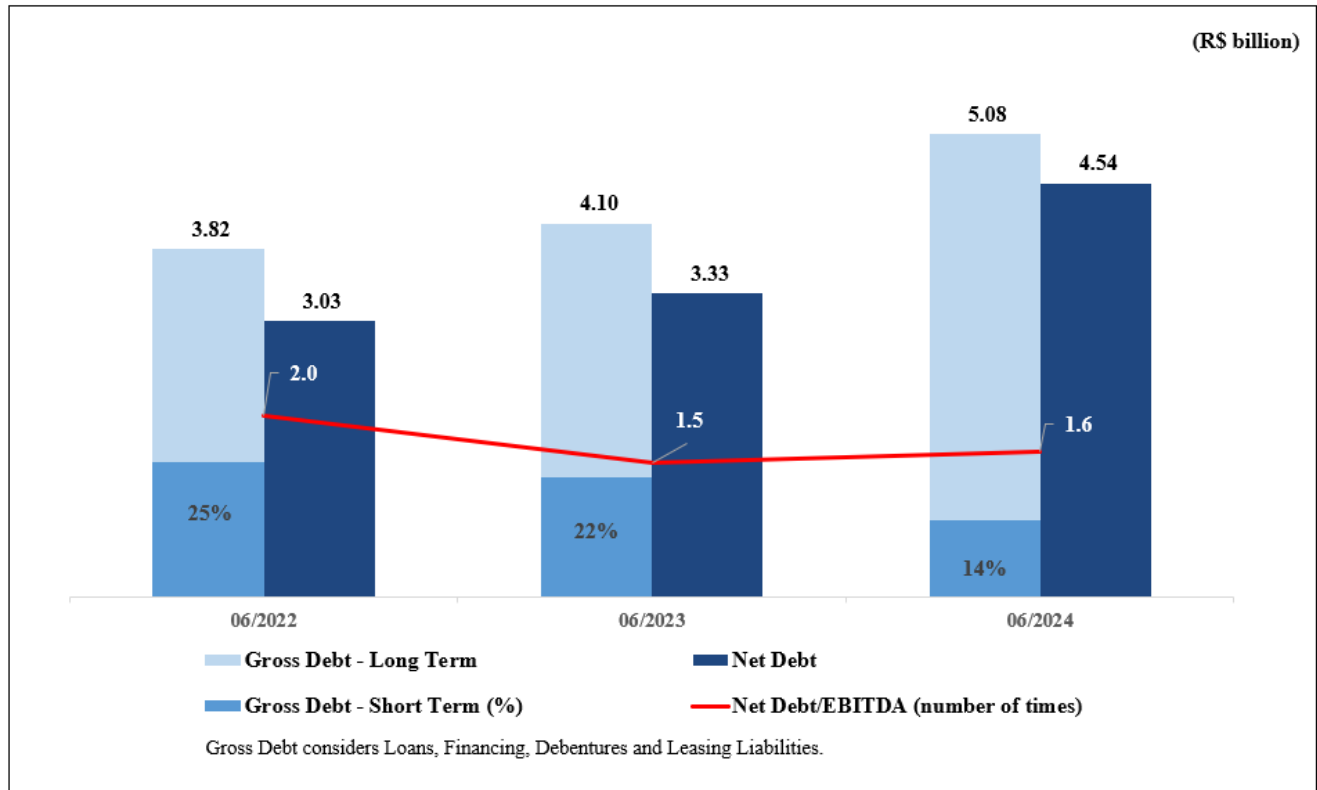
According to the Dividend Policy in force, the [EGM held on April 26<sup>th</sup>, 2024](#) approved the distribution of Extraordinary Dividends totaling R\$300.0 million, using part of the Balance of the Earnings Retention Reserve Account existing in the balance sheet for the year ended on December 31<sup>st</sup>, 2023, as per the table below:

Reference	Corporate Event and Date	Cut-off Date	Amount	Value per share (R\$)	Payment Date
Extraordinary Dividends	<a href="#">EGM 04.26.2024</a>	04.26.2024	300,000	0.79117798	05.10.2024

## 4. Indebtedness and Rating

### 4.1. Gross Debt and Net Debt

According to the chart below, net debt moved up from R\$3.33 billion in June 2023 to R\$4.54 billion in June 2024. The leverage ratio, as measured by the Net Debt/EBITDA ratio in the last 12 months, reached 1.6x in June 2024 (1.5x in June 2023).

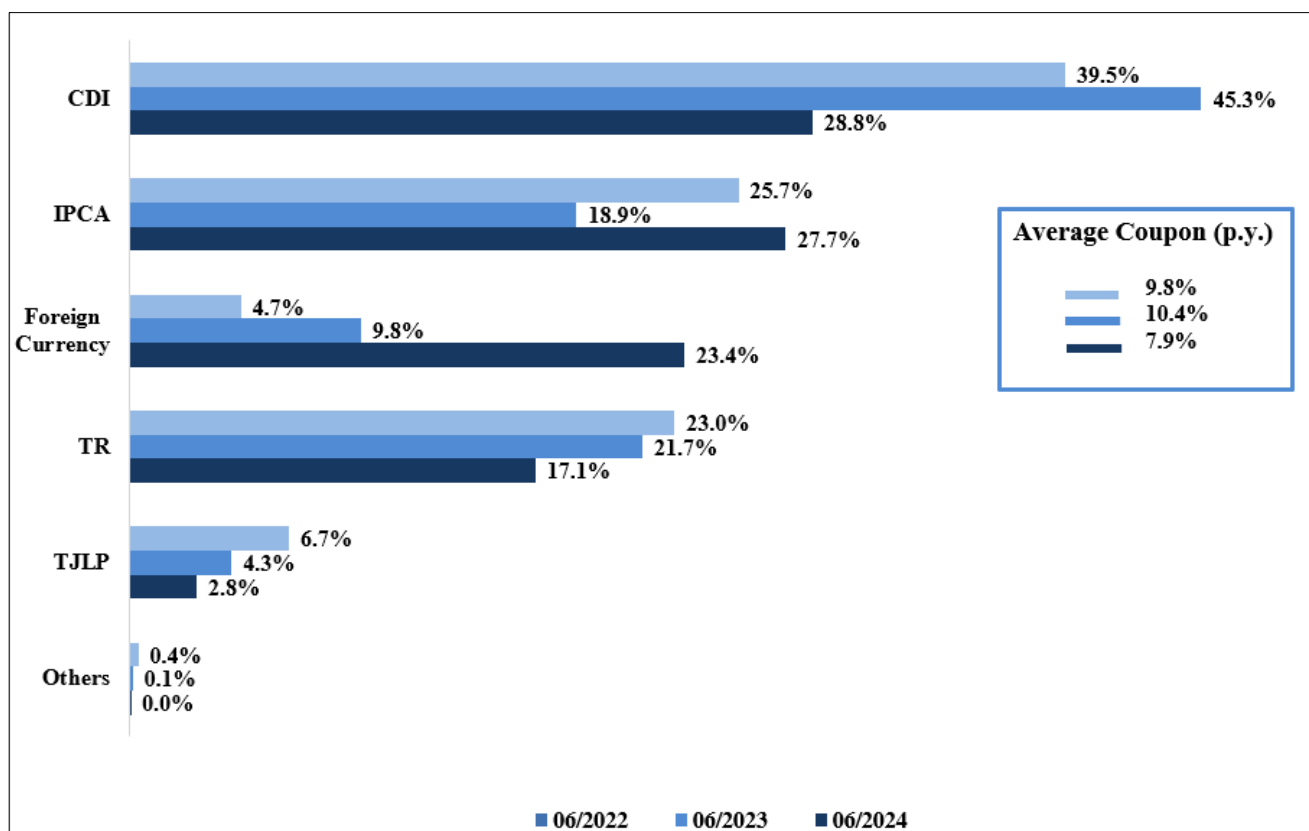


Indebtedness in foreign currency accounted for 23.4% of total loans, financing and debentures in June 2024 and referred to the debt with the German bank KfW, the European Investment Bank and the French Development Agency (AFD), whose balance on June 30<sup>th</sup>, 2024 was approximately €198 million (corresponding to R\$1.18 billion, considering the euro exchange rate on June 30<sup>th</sup>, 2024), as detailed in Annex 10.5. No hedge mechanism was contracted for these transactions.



## 4.2. Indexes and Average Coupon

The chart below shows the evolution of the average coupon and the relative weight of the debt by contractual index in June 2022, 2023 and 2024:



The drop in the share of CDI, which reached 28.8% in June 2024, mainly reflects amortizations made in the last 12 months. The increase in the share of IPCA in the debt (27.7% in June 2024) is mainly attributed to the raising of funds through the 18<sup>th</sup> Debenture Issue carried out in September 2023, totaling R\$900.0 million, being R\$786.4 million under IPCA.

The increase in foreign currency debt, from 9.8% in June 2023 to 23.4% in June 2024, was mainly due to the release of funds in the last 12 months, under the financing agreements formalized with KfW, the European Investment Bank (BEI), and the French Development Agency (AFD).

## 4.3. Corporate Ratings

On June 14<sup>th</sup>, 2024, Fitch Ratings published a [report](#) confirming as AA+(bra) the National Long-Term Rating of the Company and its issues of unsecured debentures, with the Corporate Rating Outlook revised from Stable to Positive.

On October 6<sup>th</sup>, 2023, Moody's published a [report](#), confirming a corporate rating of AAA.br for COPASA MG. The corporate rating outlook remained stable.

Below is a table with a summary of the ratings:

Agency	National Scale	Outlook	Date	Report Link
Fitch Ratings	AA+(bra)	Positive	06.14.2024	<a href="#">Report</a>
Moody's	AAA.br	Stable	10.06.2023	<a href="#">Report</a>

## 5. Investment Program and Fundraising

### 5.1. Investment Program - 2024

For 2024, the Annual Shareholders' Meeting held on April 26<sup>th</sup>, 2024, approved the investments expected for water, sewage, and corporate and operating development of the Parent Company, totaling R\$1,670 million, in addition to the capitalization of R\$221.5 million. Regarding COPANOR, expected investments total R\$47.6 million.

According to the table below, the investments made from January to June 2024 (1S24), including interest capitalizations, personnel expenses, materials, and others, within the scope of the Parent Company, totaled R\$901.3 million, up by 33.2% over the same period in 2023. Including COPANOR, total investments reached R\$923.4 million (increase of 34.1% compared to 1S23):

Investments (R\$ million)	1S24	1S23	1S22
Water	420.4	260.5	277.8
Sewage	352.9	293.0	175.6
Enterprise and Operational Development	18.5	28.0	20.9
<b>Subtotal</b>	<b>791.8</b>	<b>581.5</b>	<b>474.4</b>
Capitalizations <sup>1</sup>	109.5	95.0	80.9
<b>Total - Parent Company (COPASA MG)</b>	<b>901.3</b>	<b>676.5</b>	<b>555.3</b>
COPANOR (including capitalizations)	22.1	12.0	7.7
<b>Total - COPASA MG and COPANOR</b>	<b>923.4</b>	<b>688.5</b>	<b>563.0</b>

(1) Amounts referring to the capitalization of interest, personnel expenses, materials, and others, related to works and corporate and operating development

Below is the breakdown of the investments made:

#### 5.1.1. Water Supply Systems

- implementation, expansion, and improvements of water supply systems of the municipalities of Barroso, Belo Horizonte, Brumadinho, Capelinha, Esmeraldas, Fronteira, Inhapim, Montes Claros, Mutum, Nova Resende, Nova Serrana, Patos de Minas, Pouso Alegre, Riacho dos Machados, Ribeirão das Neves, Santa Bárbara, São João Nepomuceno, among others;
- actions aimed at making hydrometering more efficient and to reduce losses, featuring the acquisition of flow macro and micrometers;
- acquisition of operational equipment for renovation and optimization of the water supply system in several operated municipalities;
- replacement of water assets in several municipalities where the Company operates; and
- execution of works for the implementation of Waste Treatment Units (WTUs) in Water Treatment Stations (WTS) in the municipalities of Araxá, Carmo do Rio Claro, Diamantina, Lavras, Patos de Minas, São Gotardo, Três Corações, Varginha, among others.

#### 5.1.2. Sewage Systems

- implementation, expansion, and improvements in the sewage of the municipalities of Abaeté, Além Paraíba, Belo Horizonte, Betim, Buritis, Campanha, Carmo da Cachoeira, Confins, Conselheiro Lafaiete, Contagem, Cruzília, Divinópolis, Guaxupé, Igarapé, Itaobim, Juatuba, Madre de Deus de Minas, Mateus Leme, Mutum,

Paracatu, Pedro Leopoldo, Perdões, Ribeirão das Neves, Sabará, Santa Luzia, Santana do Paraíso, Santos Dumont, São Francisco, São João Nepomuceno, Sarzedo, Teófilo Otoni, Timóteo, Ubá, Visconde do Rio Branco, among others;

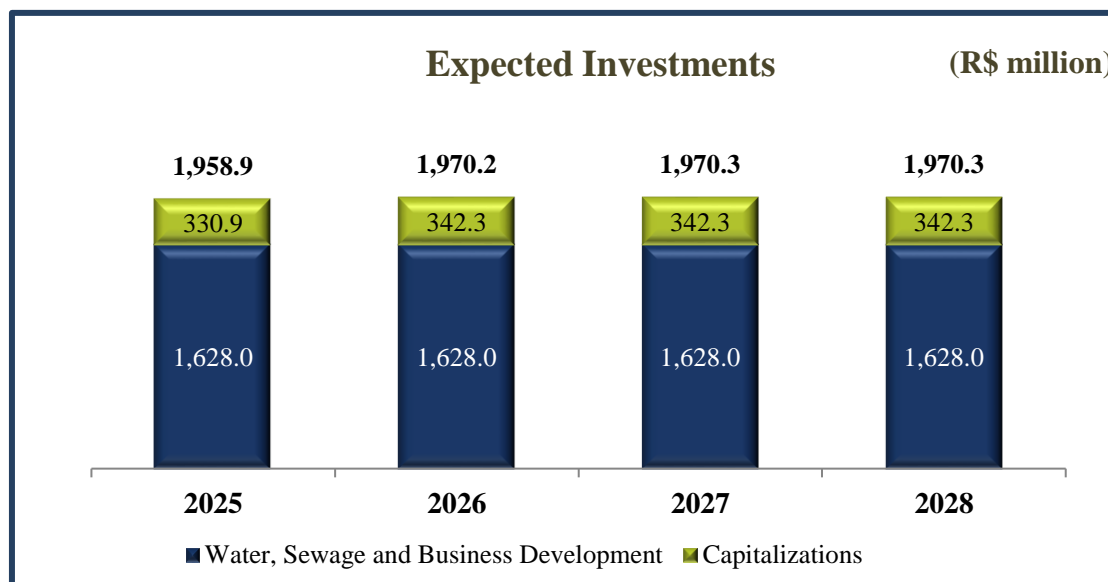
- replacement of sewage assets in several municipalities where the Company operates; and
- acquisition of operational equipment for renovation and optimization of the sewage system in several operated municipalities.

### 5.1.3. Business and Operational Development

- investments in programs for modernizing information technology infrastructure, operational units, and energy efficiency; and
- investments in programs for research, monitoring, and protection of water resources.

## 5.2. Investment Program – 2025 to 2028

Below, the Parent Company's Multi-Year Investment Program, for the period from 2025 to 2028, as approved by the Board of Directors on December 15<sup>th</sup>, 2023:



The investments provided for in the Investment Program aim for the expansion of water supply and sewage systems, extension of networks, water security, fight against losses, corporate development, compliance with regulatory and efficiency goals, concession commitments assumed, and replacement of depreciated assets, aligned with the achievement of the Company's purpose and mission, ensuring its sustainability and continuity. As a result, COPASA MG aims to meet the demand of customers and the granting authority to expand the coverage of the water and sewage supply services.

## 6. Fundraising

### 6.1. Contracted Resources

Referring to contracted funds and not yet available, at the end of the second quarter of 2024, the Company had a balance of R\$1.5 billion, as table below. The debt will be recorded when these funds enter the Company.

Funding Lines	Balance to be Released (R\$ million)
Caixa Econômica Federal	169.8
KfW <sup>1</sup>	214.8
BEI <sup>1</sup>	315.6
AFD <sup>1</sup>	803.9
<b>Total Balance to be Released</b>	<b>1,504.1</b>

(1) Funding Lines contracted in Euro, with the balances being converted into Reais (R\$) at the end of June 2024 (€1.0 equivalent to R\$5.9547).

### 6.2. Debenture Issue

On 07/18/2024, the [Closing Announcement](#) for the 19<sup>th</sup> Public Issue of simple Debentures was released. The amount raised was R\$1.3 billion, in 2 (two) series, with the 1<sup>st</sup> series totaling R\$482.0 million, with remuneration linked to the DI rate, plus 0.90% per year, and the 2<sup>nd</sup> series totaling R\$818.0 million, with remuneration linked to the Extended National Consumer Price Index (IPCA) plus 7.2735% per year. The maturity period for both series is 10 years.

### 6.3. Sustainability Loan and Blue Loan Along with French Development Agency

According to the [Notice to the Market](#) released on 05/29/2024, COPASA MG obtained recognition as Sustainability Loan and Blue Loan referring to the financing of €200.0 (two hundred million euros) formalized with the French Development Agency0020(AFD).

The funds from this financing will be utilized in initiatives to improve water supply systems and to expand the sewage treatment and collection network of all municipalities served by the Company, as well as to preserve water, and to promote social inclusion. These projects are in line with the United Nations Sustainable Development Goals (SDGs), especially goals number 3 (Good Health and Well-Being), number 6 (Clean Water and Sanitation), number 11 (Sustainable Cities and Communities), and number 14 (Life Below Water).

This was the first time the Company obtained recognition from a credit facility categorized as ‘Sustainability Loan’ and ‘Blue Loan’. The certification was received through an independent report from Erm Nint, an ESG consulting and assessment firm.

## 7. Service Concessions

As shown in the table below, in June 2024, COPASA MG (consolidated) had 637 concessions for water services and 308 concessions for sewage services, in which 632 water concessions and 273 sewage concessions were in operation.

Concessions <sup>11,2</sup>	06/2024			06/2023		
	Total	Parent Company	COPANOR	Total	Parent Company	COPANOR
<b>Water</b>						
Concession	637	588	49	640	591	49
In Operation	632	583	49	632	584	48
<b>Sewage</b>						
Concession <sup>3</sup>	308	252	56	309	253	56
In Operation	273	231	42	270	229	41

(1) Only one concession/operation is considered per municipality, regardless of whether there is more than one contract, in cases where COPASA MG and COPANOR provide services in the same municipality, or if it is a contract that covers only districts and localities

(2) It Includes expired concessions with 38 municipalities and concession with 1 (one) municipality whose contract was judicially declared null.

(3) The reduction was due to the termination of water concession contracts with 3 (three) municipalities, namely: São José da Barra and São José da Safira, whose contracts had expired, and Nanuque (contract judicially declared null). Such contracts represented, together, 0.3% of the Company's revenue.

As shown in the chart above, there were the following changes in the concessions in the past 12 months:

- **Within the scope of COPASA MG:**

- contracts were terminated in the municipalities of São José da Barra (population of 5.5 thousand inhabitants) and São José da Safira (population of 3.2 thousand inhabitants), which had already expired, and Nanuque (population of 35 thousand inhabitants), that was judicially declared null. These municipalities represented, together, 0.34% of the Company's revenue;
- water operations began in the municipalities of Natalândia and Frei Lagonegro, which have a combined urban population of 3.7 thousand inhabitants; and
- sewage operations began in the municipalities of Patis, Nova Resende and Presidente Juscelino, which have a combined urban population of 15.8 thousand inhabitants.

- **Within the scope of COPANOR:**

- water supply operations began in the municipality of Olhos d'Água, which has an urban population of 4.3 thousand inhabitants; and
- sewage operations began in the municipality of Francisco Badaró, which has an urban population of 4.5 thousand inhabitants.

The table below shows the Company's ten (10) main current concessions as of June 30<sup>th</sup>, 2024, which together account for approximately 49% of the Company's water and sewage net revenues, as well as their respective expiration periods:

Municipality	Expiration
Belo Horizonte	11/2032
Contagem	02/2073
Betim	12/2042
Montes Claros	07/2048
Divinópolis	06/2041
Ribeirão das Neves	05/2034
Patos de Minas <sup>1</sup>	12/2038
Santa Luzia	02/2050
Pouso Alegre	08/2046
Varginha	06/2047

(1) According to the [Notice to the Market](#) of 05/09/2024, an Amendment to the Agreement was signed on that date, ending the process of expropriation of services by the Municipality. The aforementioned Amendment changed the form of regulation, from discretionary to contractual, with the Minas Gerais Intermunicipal Sanitation Regulatory Agency (ARISMIG) being the new entity in charge of regulation. The term of the Agreement (12/2038) was maintained.

In June 2024, 84% of the Company's water and sewage revenues came from concessions expiring after December 2031. On the same date, concessions from 38 municipalities were expired, in addition to contractual nullity for 1 other municipality, both of which accounted for approximately 4.8% of net revenues from water and sewage.

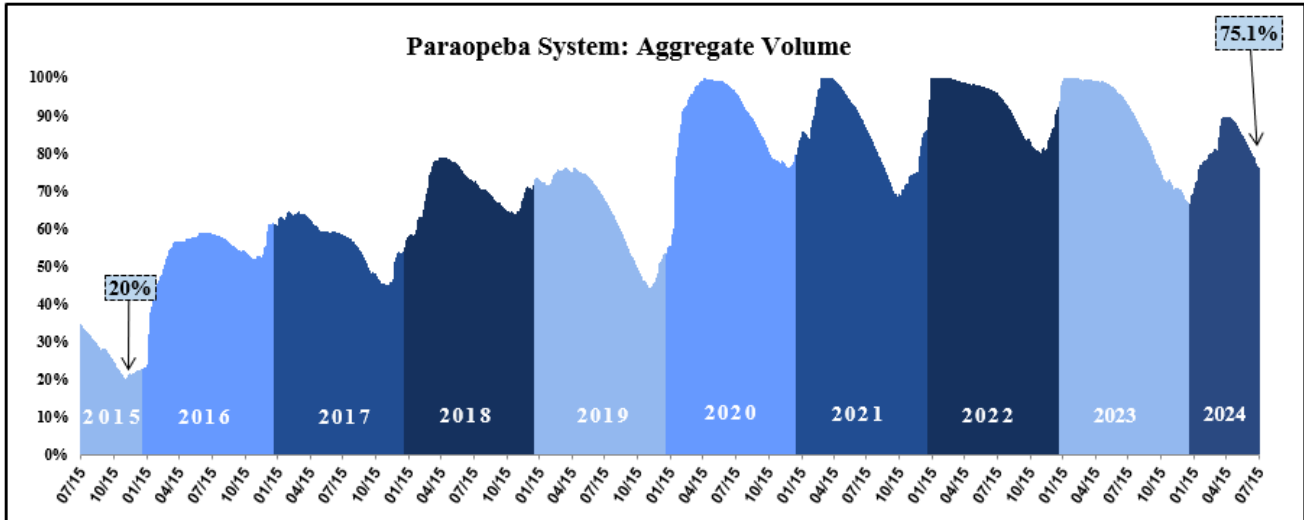
Under the principle of continuity for the provision of essential public services, these municipalities continue to be served and billed by the Company, both in municipalities with expired concessions and in municipality where contractual nullity was decreed.

## 8. Water Situation

### 8.1. Belo Horizonte Metropolitan Area (BHMA)

#### 8.1.1. Rio Manso, Vargem das Flores and Serra Azul

This System is operated in an integrated fashion, ensuring greater operating flexibility for water distribution to balance demand and maintain safe operation levels. Below is the evolution of the levels of the Paraopeba System's reservoirs, which together account for 52% of BHMA's distributed volume. On July 15<sup>th</sup>, 2024, the levels of these reservoirs were at 75.1% of their capacity, as shown below:



Reservoir Level Volume	07/15/2024
Rio Manso	74.1%
Vargem das Flores	60.9%
Serra Azul	83.2%

### 8.2. Other municipalities in the Minas Gerais State

The Company's activities in the interior of the State are dispersed over several municipalities and different watersheds. Generally speaking, most locations where the Company operates have a local source of water production. Therefore, any water restriction imposed on supply will only impact locally and marginally the Company's total revenues.

On July 15<sup>th</sup>, 2024, the district of Bom Jesus de Cardosos (municipality of Urucânia) which have around 800 water connections, accounting for 0.01% of the Company's total water connections, were rationing water, the same situation observed in July 2023.

To minimize the impacts of the water situation, Company uses means, when necessary, that contribute to the regularization of supply in the affected locations, through the use of water trucks, well drilling and investments in alternative collections, according to the options available in each region and the degree of criticality of scarcity in each case. Additionally, awareness campaigns are intensified, aiming for the rational consumption of water.

## 9. Tariff Review

According to the [Notice to the Market](#) of 06/06/2024, Arsae-MG started the process of the 3<sup>rd</sup> Periodic Tariff Review, to become effective starting on 01/01/2026. This stage includes Public Consultation 52/2024 and Public Hearing 52/2024 to gather contributions that will support the Board of Directors' resolution on setting guidelines, general approach, schedule, and agendas for this Review.

The link to access information related to the topic <https://www.arsae.mg.gov.br/2024/06/05/arsae-mg-inicia-processo-para-reestruturar-tarifa-de-agua-e-esgoto-da-copasa/>



## 10. Annexes

The financial information of these annexes, except where otherwise indicated, is presented in Brazilian Reais thousands (R\$ thousand) and refers to the Parent Company.

### 10.1. Quarterly Income Statement

PARENT CO.	2Q24	2Q23	2Q24 vs. 2Q23	1Q24	2Q24 vs. 1Q24	2Q22	2Q23 vs. 2Q22
<b>Operating Revenue from Services</b>							
Water Services	1.145.463	1.035.855	10.6%	1.107.381	3.4%	886.976	16.8%
Sewage Services	594.688	536.025	10.9%	581.717	2.2%	450.354	19.0%
Solid Waste Revenues	1.317	1.554	-15.3%	1.278	3.1%	344	351.7%
Construction Revenues	197.504	209.551	-5.7%	153.295	28.8%	182.989	14.5%
<b>Net Operating Revenue from Services</b>	<b>1.938.972</b>	<b>1.782.985</b>	<b>8.7%</b>	<b>1.843.671</b>	<b>5.2%</b>	<b>1.520.663</b>	<b>17.3%</b>
Cost of Services Rendered	(879.488)	(912.579)	-3.6%	(852.500)	3.2%	(758.574)	20.3%
Construction Costs	(197.504)	(209.551)	-5.7%	(153.295)	28.8%	(182.989)	14.5%
<b>Cost of Services Rendered</b>	<b>(1.076.992)</b>	<b>(1.122.130)</b>	<b>-4.0%</b>	<b>(1.005.795)</b>	<b>7.1%</b>	<b>(941.563)</b>	<b>19.2%</b>
<b>Gross Income</b>	<b>861.980</b>	<b>660.855</b>	<b>30.4%</b>	<b>837.876</b>	<b>2.9%</b>	<b>579.100</b>	<b>14.1%</b>
Selling Expenses	(68.410)	(84.511)	-19.1%	(68.604)	-0.3%	(57.668)	46.5%
Expected Credit Losses for Trade Receivables	(55.584)	(51.220)	8.5%	(63.365)	-12.3%	(38.286)	33.8%
General and Administrative Expenses	(170.239)	(169.850)	0.2%	(166.016)	2.5%	(147.636)	15.0%
Other Operating Income	10.369	15.496	-33.1%	7.885	31.5%	33.732	-54.1%
Other Operating Expenses	(40.859)	(41.517)	-1.6%	(34.404)	18.8%	(49.004)	-15.3%
Equity Income	(3.787)	(2.754)	37.5%	(2.797)	35.4%	(4.387)	-37.2%
<b>Operating Income (Expenses)</b>	<b>(328.510)</b>	<b>(334.356)</b>	<b>-1.7%</b>	<b>(327.301)</b>	<b>0.4%</b>	<b>(263.249)</b>	<b>27.0%</b>
<b>Income before Financial Result and Taxes</b>	<b>533.470</b>	<b>326.499</b>	<b>63.4%</b>	<b>510.575</b>	<b>4.5%</b>	<b>315.851</b>	<b>3.4%</b>
Financial Income	86.439	86.253	0.2%	71.321	21.2%	58.911	46.4%
Financial Expenses	(205.138)	(107.993)	90.0%	(119.845)	71.2%	(138.937)	-22.3%
<b>Financial Result</b>	<b>(118.699)</b>	<b>(21.740)</b>	<b>446.0%</b>	<b>(48.524)</b>	<b>144.6%</b>	<b>(80.026)</b>	<b>-72.8%</b>
<b>Income before Taxes</b>	<b>414.771</b>	<b>304.759</b>	<b>36.1%</b>	<b>462.051</b>	<b>-10.2%</b>	<b>235.825</b>	<b>29.2%</b>
Provision for Income Tax	(134.993)	(50.389)	167.9%	(121.543)	11.1%	(58.065)	-13.2%
Provision for Social Contribution on Net Income	45.395	(5.094)	n.m.	11.042	311.1%	2.630	n.m.
<b>Net Income for the Period</b>	<b>325.173</b>	<b>249.276</b>	<b>30.4%</b>	<b>351.550</b>	<b>-7.5%</b>	<b>180.390</b>	<b>38.2%</b>
Number of Outstanding Shares (thousands)	379.181	379.181	-	379.181	-	379.181	-
<b>Earnings per Share (BRL)</b>	<b>0.86</b>	<b>0.66</b>	<b>30.4%</b>	<b>0.93</b>	<b>-7.5%</b>	<b>0.48</b>	<b>38.2%</b>

**10.2. Balance Sheet – Assets**

ASSETS - PARENT CO.	06/2024	06/2023	06/2024 vs. 06/2023	03/2024	06/2024 vs. 03/2024	06/2022	06/2023 vs. 06/2022
<b>CURRENT</b>							
Cash and Cash Equivalents/Marketable Securities	510,675	740,563	-31.0%	737,964	-30.8%	756,351	-2.1%
Trade Accounts Receivable	1,300,864	1,194,348	8.9%	1,294,567	0.5%	1,008,616	18.4%
Banks and Agreement Applications	4,359	2,429	79.5%	197	2112.7%	3,303	-26.5%
Inventories	101,783	119,583	-14.9%	102,223	-0.4%	108,124	10.6%
Taxes Recoverable	36,234	246,213	-85.3%	36,234	0.0%	156,054	57.8%
Technical Cooperation Agreement	52,423	41,023	27.8%	51,502	1.8%	39,382	4.2%
Other Assets	38,345	33,095	15.9%	36,346	5.5%	26,628	24.3%
<b>TOTAL CURRENT ASSETS</b>	<b>2,044,683</b>	<b>2,377,254</b>	<b>-14.0%</b>	<b>2,259,033</b>	<b>-9.5%</b>	<b>2,098,458</b>	<b>13.3%</b>
<b>NON-CURRENT</b>							
Achievable in the Long Term:							
Accounts Receivable from Customers	47,186	37,732	25.1%	48,772	-3.3%	33,265	13.4%
Financing Guarantee Deposits	32,793	62,432	-47.5%	31,788	3.2%	60,501	3.2%
Deferred Income and Social Contribution Taxes	293,261	311,087	-5.7%	247,866	18.3%	339,907	-8.5%
Restricted Investments	80,246	70,753	13.4%	77,521	3.5%	80,338	-11.9%
Financial Assets - Concession Contracts	1,210,315	886,329	36.6%	1,087,036	11.3%	779,608	13.7%
Technical Cooperation Agreement Long Term	4,479	-	n.m.	4,478	0.0%	3,144	n.m.
Other Assets	36,127	46,946	-23.0%	40,020	-9.7%	80,680	-41.8%
Right of Use - Commercial Leasing	84,492	96,602	-12.5%	86,515	-2.3%	87,219	10.8%
Contract Assets	2,432,653	2,393,267	1.6%	2,534,571	-4.0%	1,797,333	33.2%
Investments	291,911	253,260	15.3%	295,698	-1.3%	222,797	13.7%
Intangible Assets	5,999,854	5,529,230	8.5%	5,671,499	5.8%	5,467,580	1.1%
Property, Plant and Equipment	1,742,665	1,433,944	21.5%	1,747,059	-0.3%	1,425,088	0.6%
<b>TOTAL NON-CURRENT ASSETS</b>	<b>12,255,982</b>	<b>11,121,582</b>	<b>10.2%</b>	<b>11,872,823</b>	<b>3.2%</b>	<b>10,377,460</b>	<b>7.2%</b>
<b>TOTAL ASSETS</b>	<b>14,300,665</b>	<b>13,498,836</b>	<b>5.9%</b>	<b>14,131,856</b>	<b>1.2%</b>	<b>12,475,918</b>	<b>8.2%</b>

**10.3. Balance Sheet – Liabilities**

<b>LIABILITIES - PARENT CO.</b>	<b>06/2024</b>	<b>06/2023</b>	<b>06/2024 vs. 06/2023</b>	<b>03/2024</b>	<b>06/2024 vs. 03/2024</b>	<b>06/2022</b>	<b>06/2023 vs. 06/2022</b>
<b>CURRENT</b>							
Loans and Financing	123,189	116,462	5.8%	113,207	8.8%	179,285	-35.0%
Debentures	524,723	737,606	-28.9%	524,090	0.1%	729,125	1.2%
Public-Private Partnership	49,220	50,733	-3.0%	42,380	16.1%	37,038	37.0%
Contractors and Suppliers	334,164	306,347	9.1%	301,889	10.7%	278,565	10.0%
Right of Use - Commercial Leasing	48,207	40,259	19.7%	48,350	-0.3%	30,332	32.7%
Taxes, Charges and Contributions	103,035	89,781	14.8%	126,502	-18.6%	71,548	25.5%
Provision for Vacations and 13th Salary	186,463	181,776	2.6%	154,069	21.0%	168,096	8.1%
Technical Cooperation Agreement	84	5,295	-98.4%	479	-82.5%	7,957	-33.5%
Employees' Profit Sharing	41,557	48,576	-14.4%	99,592	-58.3%	47,806	1.6%
Retirement Benefit Liabilities	8,529	9,697	-12.0%	8,568	-0.5%	9,300	4.3%
Interest on Equity and Dividends	342,484	120,650	183.9%	408,312	-16.1%	49,950	141.5%
Tax Installment	-	-	-	-	-	6,623	n.m.
Income, Tax and Social Contribution	-	152,908	n.m.	-	-	58,065	163.3%
Other Liabilities	69,831	152,703	-54.3%	78,331	-10.9%	79,998	90.9%
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,831,486</b>	<b>2,012,793</b>	<b>-9.0%</b>	<b>1,905,769</b>	<b>-3.9%</b>	<b>1,753,688</b>	<b>14.8%</b>
<b>NON-CURRENT</b>							
Loans and Financing	1,794,680	1,023,294	75.4%	1,312,180	36.8%	796,933	28.4%
Debentures	2,549,765	2,112,496	20.7%	2,650,615	-3.8%	2,015,471	4.8%
Retirement Benefit Liabilities	102,743	32,714	214.1%	100,103	2.6%	108,739	-69.9%
Right of Use - Commercial Leasing	38,937	66,542	-41.5%	42,291	-7.9%	67,615	-1.6%
Public-Private Partnership	141,467	180,593	-21.7%	158,925	-11.0%	211,940	-14.8%
Provision for Litigation	123,119	382,904	-67.8%	121,412	1.4%	369,331	3.7%
Other Liabilities	86,221	104,229	-17.3%	87,613	-1.6%	131,339	-20.6%
Technical Cooperation Agreement Long Term	-	1,868	n.m.	-	-	-	n.m.
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>4,836,932</b>	<b>3,904,640</b>	<b>23.9%</b>	<b>4,473,139</b>	<b>8.1%</b>	<b>3,701,368</b>	<b>5.5%</b>
<b>SHAREHOLDERS' EQUITY</b>							
Paid-up Capital Stock	3,606,531	3,402,385	6.0%	3,403,141	6.0%	3,402,385	-
Treasury Shares	(8,576)	(8,576)	-	(8,576)	-	(8,576)	-
Profit Reserve	3,721,575	3,856,580	-3.5%	4,224,965	-11.9%	3,402,583	13.3%
Retained Earnings	358,436	326,904	9.6%	179,128	100.1%	260,928	25.3%
Equity Valuation Adjustments	(45,719)	4,110	n.m.	(45,710)	0.0%	(36,458)	n.m.
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>7,632,247</b>	<b>7,581,403</b>	<b>0.7%</b>	<b>7,752,948</b>	<b>-1.6%</b>	<b>7,020,862</b>	<b>8.0%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>14,300,665</b>	<b>13,498,836</b>	<b>5.9%</b>	<b>14,131,856</b>	<b>1.2%</b>	<b>12,475,918</b>	<b>8.2%</b>

**10.4. Cash Flow**

Cash Flow	2Q24	2Q23	1Q24	2Q22
<b>Cash Flow from Operational Activities:</b>				
<b>Net Income (Loss)</b>	<b>325,173</b>	<b>249,276</b>	<b>351,550</b>	<b>180,390</b>
Adjustments to Reconcile Net Income and Net Cash:				
Expected Credit Losses for Trade Receivables	55,584	51,220	63,365	38,286
Monetary and Foreign Exchange Variation and Charges, Net	119,774	93	33,532	46,885
Interest Income and Expenses	78,922	23,586	76,152	67,620
Deferred Income and Social Contribution Taxes	(45,395)	5,094	(11,042)	(2,630)
(Gain) Loss on the Write-off of Intangibles and PP&E	125	71	419	12,748
Provision for Retirement Benefits	2,640	14,343	2,640	16,393
Financial Assets	(19,029)	(14,825)	(19,777)	(13,779)
Others	(3,334)	(3,246)	(2,368)	(350)
Provision for Inventories Loss	106	(175)	547	781
<b>Adjusted Profit</b>	<b>713,781</b>	<b>524,466</b>	<b>679,789</b>	<b>525,012</b>
Changes in Assets:				
Accounts Receivable from Clients	(60,295)	(20,440)	(86,312)	(27,405)
Inventories	369	2,693	4,287	(14,787)
Taxes to be Recovered	-	(59,916)	(89,361)	(17,978)
Securities Investments / Linked Financial Investments	-	-	-	(1,134)
Other Financial Assets	-	-	-	270
Advancement of Tariff Transfer to Municipalities	3,007	2,443	2,970	1,913
Technical Cooperation Agreement	(922)	497	(133)	1,386
Other	14,465	(1,769)	21,982	(3,167)
Changes in Liabilities:				
Suppliers	32,275	17,234	(75,877)	38,980
Taxes, Fees, Contributions and Social Security and Labor	115,545	104,952	191,632	27,919
Provision for Vacations and 13th Salary	32,394	33,487	13,912	30,103
Employees' Profit Sharing	(58,035)	(27,525)	14,367	1,448
Technical Cooperational Agreement	(395)	83	(819)	(146)
Contingencies	21	(1,598)	2,227	78
Retirement Benefit Liabilities	(39)	(12,595)	(3,606)	(24,522)
Payroll Payable - Collective Bargaining Agreement	-	-	-	(4,691)
Voluntary Separation Program - VSP	(11,291)	115,067	(4,534)	(4,628)
Others	3,627	(3,594)	1,509	(28,234)
<b>Cash from Operations</b>	<b>784,507</b>	<b>673,485</b>	<b>672,033</b>	<b>500,417</b>
Interest Paid	(89,781)	(90,719)	(99,254)	(67,296)
Interest Paid from the Public Private Partnership	(3,676)	(2,315)	(2,316)	(4,872)
Income Tax (IR) and Social Contribution (CSLL) Payment	(147,447)	(67,488)	(95,906)	(17,890)
<b>Net Cash from Operating Activities</b>	<b>543,603</b>	<b>512,963</b>	<b>474,557</b>	<b>410,359</b>
<b>Cash Flow from Investing Activities:</b>				
Public Private Partnership Payment	(9,210)	(10,770)	(11,651)	(4,449)
Subsidiary Capital Raise (COPANOR)	-	-	(23,796)	-
Amount Received from the Sale of Property, Plant and Equipment	1,955	1,212	301	1,714
Purchase of Contract Assets	(318,961)	(253,881)	(224,931)	(258,486)
Purchase of Intangible Assets	(172,865)	(97,342)	(106,932)	(45,411)
Purchase of Property, Plant and Equipment	(14,217)	(13,921)	(20,700)	(9,236)
Loan Collateral Deposits	(474)	412	33,862	430
Bank and Financial Investments of Agreement	(4,162)	1,398	(197)	1,542
Marketable Securities	(230,474)	-	-	-
<b>Net Cash used in Investing Activities</b>	<b>(748,408)</b>	<b>(372,892)</b>	<b>(354,044)</b>	<b>(313,896)</b>
<b>Cash Flow from Financing Activities:</b>				
Income from Loans, Financing and Debentures	420,956	56,128	15,731	8,996
Amortization of Loans, Financing and Debentures	(156,543)	(137,488)	(185,739)	(91,508)
Payment of Interest on Equity	(148,454)	(352,402)	-	(31,555)
Payment of Dividends	(354,813)	-	-	-
Payment of Principal and Interest Debt Concessions	-	-	(186,883)	-
Issuance Costs of Securities	-	-	(6,845)	-
Payment of Leasing	(14,104)	(10,069)	(13,394)	(9,050)
<b>Net Cash Used in Financing Activities</b>	<b>(252,958)</b>	<b>(443,831)</b>	<b>(377,130)</b>	<b>(123,117)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(457,763)</b>	<b>(303,760)</b>	<b>(256,617)</b>	<b>(26,654)</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	<b>737,964</b>	<b>1,044,323</b>	<b>994,581</b>	<b>783,005</b>
<b>Cash and Cash Equivalents at End of the Period</b>	<b>280,201</b>	<b>740,563</b>	<b>737,964</b>	<b>756,351</b>

**10.5. Debt**

<b>Debt –Funding Lines Consolidated Data</b>	<b>Index + Fixed Rate (Annual)</b>	<b>Issue Date</b>	<b>Maturity Date</b>	<b>Outstanding Balance</b>	<b>%</b>
<b><u>In National Currency:</u></b>					
FGTS Funds <sup>1</sup>	TR + 7.30% to TR + 8.50%	08.16.2009	01.16.2043	734,879	14.61%
Finame	2.5% to 8.7%	03.28.2011	01.15.2025	1,756	0.03%
BNDES Loan	TJLP + 1.55% to 1.73%	01.15.2008	05.15.2025	11,146	0.22%
Caixa Debentures - 5th Issue	TR + 9.00%	09.20.2011	09.01.2031	127,431	2.53%
BNDES Debentures - 8th Issue					
1st Series	TJLP + 1.87%	06.15.2015	06.15.2028	37,531	0.75%
2nd Series	IPCA + 8.18%	06.15.2015	06.15.2028	24,755	0.49%
BNDES Debentures - 11th Issue					
1st Series	TJLP + 2.62%	01.15.2017	01.15.2031	94,221	1.87%
2nd Series	IPCA + 8.85%	01.15.2017	01.15.2031	55,590	1.10%
Market Debentures – 12th Issue					
2nd Series	IPCA + 5.2737%	02.08.2018	01.15.2026	57,982	1.15%
Market Debentures – 13th Issue					
3rd Series	IPCA + 6.50%	07.15.2018	07.15.2025	47,547	0.95%
Market Debentures – 14th Issue					
1st Series	106.15% of CDI	06.15.2019	06.15.2024	-	0.00%
2nd Series	IPCA + 4.30%	06.15.2019	06.15.2026	94,802	1.88%
Market Debentures – 15th Issue					
1st Series	CDI + 1.75%	12.16.2020	12.16.2025	231,730	4.61%
Market Debentures – 16th Issue					
1st Series	IPCA + 5.2306%	09.15.2021	09.15.2031	297,339	5.91%
2nd Series	CDI + 1.30%	09.15.2021	09.15.2026	351,844	6.99%
Market Debentures – 17th Issue					
Single Series	CDI + 1.30%	12.16.2022	12.16.2029	753,002	14.97%
Market Debentures – 18th Issue					
1st Series	CDI + 1.20%	09.15.2023	09.16.2030	114,077	2.27%
2nd Series	IPCA + 7.10%	09.15.2023	09.16.2030	816,091	16.22%
<b><u>In Foreign Currency<sup>2,3</sup>:</u></b>					
KfW	Euro + 1.41%	12.13.2018	05.15.2034	239,377	4.76%
BEI	Euro + Euribor + 0.55%	12.13.2019	09.20.2033	551,971	10.97%
AFD	Euro + Euribor + 2.69%	12.29.2023	12.20.2043	387,798	7.71%
Issuance Costs of Securities				(38,511)	
<b>(=) Total Loans, Financing and Debentures</b>				<b>4,992,358</b>	<b>100.0%</b>
(+) Leasing Liabilities				87,256	
<b>(=) Total Gross Debt (Short + Long Term)</b>				<b>5,079,614</b>	
(-) Cash and Cash Equivalents and Marketable Securities				(544,566)	
<b>(=) Net Debt</b>				<b>4,535,048</b>	

(1) FGTS Funds: Brazilian Savings Bank.

(2) Foreign-currency contracts are also subject to an availability rate (0.25% p.a.) on the balance disbursable.

(3) Debts contracted in Euro, whose exchange rate in relation to the Real was R\$5.9547 on 06.30.2024.

## About COPASA MG

Companhia de Saneamento de Minas Gerais – COPASA MG is a mixed capital company, controlled by the Minas Gerais State, whose stock has been traded since February 2006 in Novo Mercado, the highest corporate governance segment of B3 – Brasil, Bolsa, Balcão, under the ticker CSMG3. COPASA MG’s activities are to plan, execute, expand, remodel and operate public sanitation services, involving water supply, sewage and solid waste services. Together with its subsidiary COPANOR, the Company has concessions in about 75% of the municipalities of the Minas Gerais State, supplying water to approximately 11.7 million people, of which 8.6 million people are also served with sewage services.

## Investor Relations

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Any information contained in this document regarding COPASA MG’s business prospects, projections and operational and financial goals is considered as assumptions and expectations of the Company’s Management, based on information currently available. They involve risks and uncertainties, as they refer to future events and therefore depend on circumstances that may or may not occur. Changes in macroeconomic policy, legislation or other operating factors may affect the future performance of COPASA MG and lead to results that materially differ from those expressed in such considerations.