





Disclaimer

This presentation may contain forward-looking statements regarding Sanepar's business prospects, estimates of operating and financial results, and growth prospects. These are only projections and, as such, are based solely on Sanepar management's expectations regarding the future of the business and its continued access to capitals in order to finance the Company's business plan. Forward-looking statements are no guarantee of performance. Such forward-looking statements substantially depend on changes in market conditions, governmental rules, the performance of the industry and the Brazilian economy, among other factors, in addition to the risks presented in the disclosure documents filed by Sanepar and are therefore subject to change without prior notice.



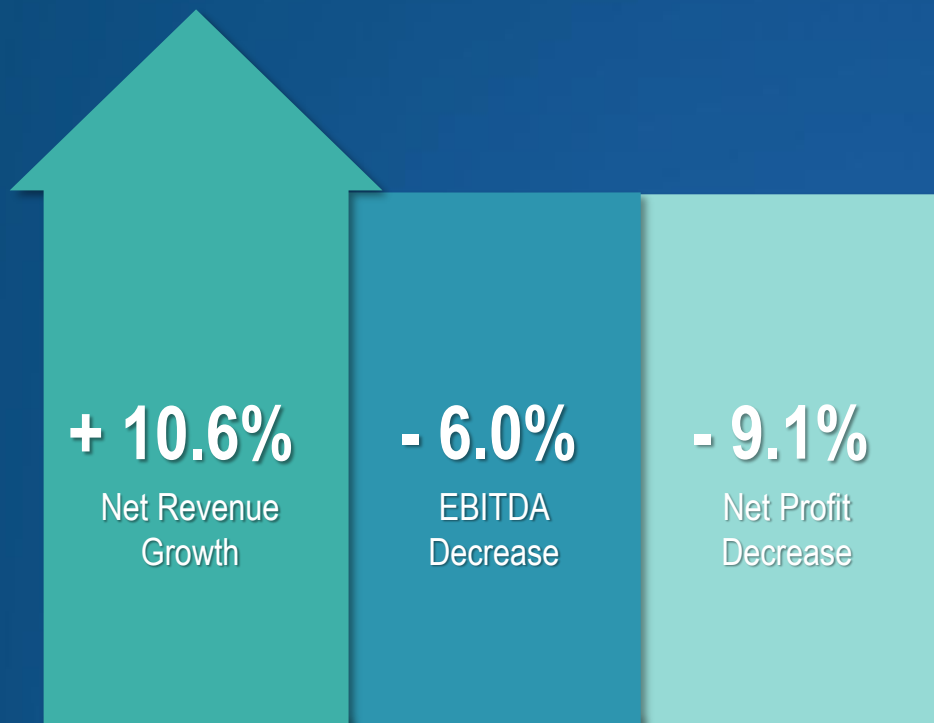
Results Presentation

2Q22

Accumulated until June 2022

Highlights

Comparing 1H22 to 1H21, the financial indicators presented the following variations:



Increase of 33.3 thousand water connections



Increase of 27.9 thousand sewage connections



Service Index

Water 100% | Sewage 77.9%



CAPEX Increase

2Q21 BRL 293.4 MM → 2Q22 BRL 411.2 MM

1H21 BRL 552.3 MM → 1H22 BRL 763.7 MM



EBITDA Margin

2Q21 ⇔ 45.7% | 2Q22 ⇔ 32.6%

1H21 ⇔ 44.2% | 1H22 ⇔ 37.5%

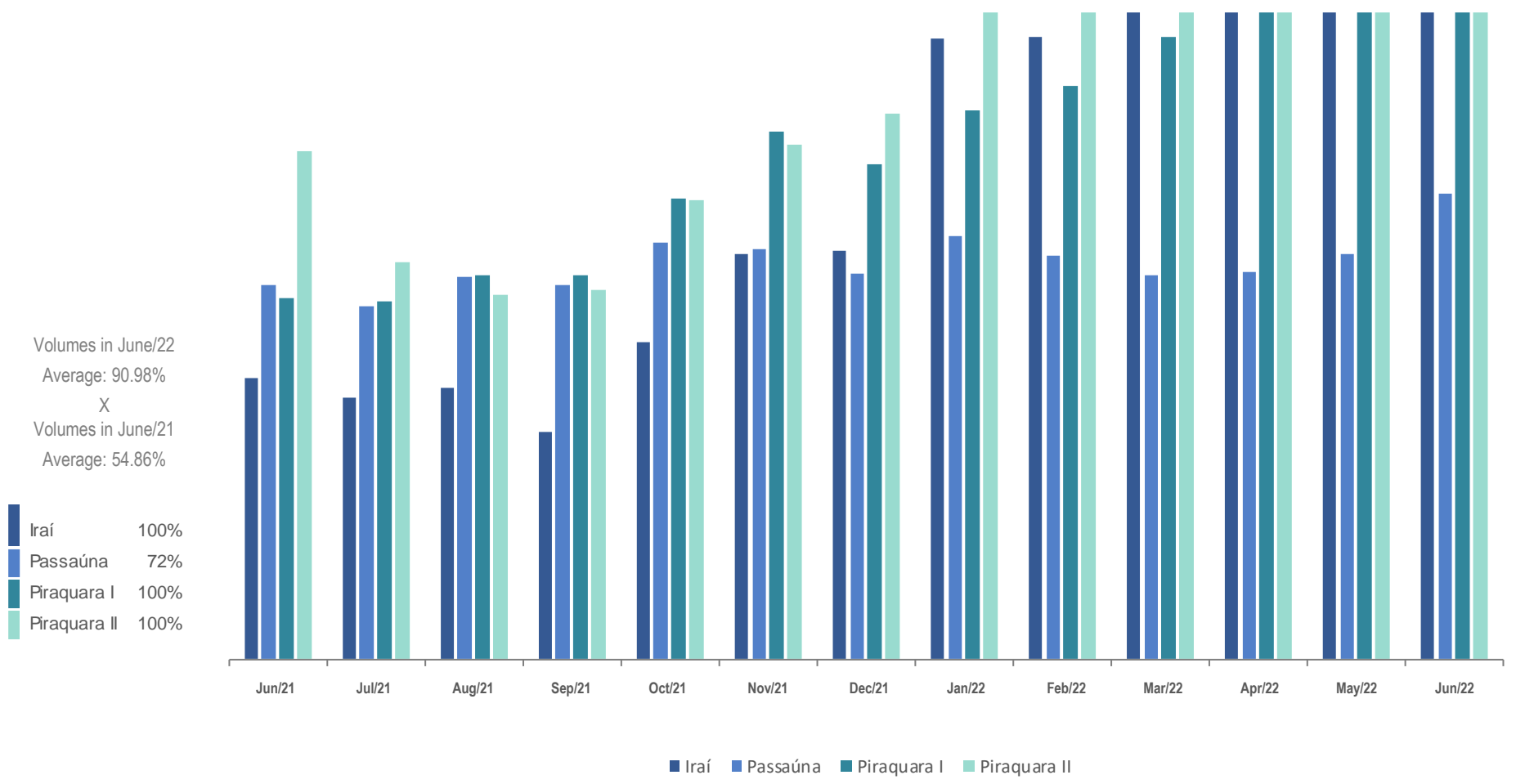
Operating Result



	1H20	1H21	Var %	1H22	Var %
WATER					
Measured Volume ('000)	254.755	249.263	(2,2)	254.530	2,1
Billed Volume ('000)	265.611	260.371	(2,0)	267.033	2,5
Connections Increase	30.605	38.326	25,2	33.328	(13,0)
Total Connections	3.225.142	3.312.137	2,7	3.381.769	2,1
Economic Units Increase	36.236	40.137	10,8	34.424	(14,2)
Total Economic Units	4.037.310	4.127.856	2,2	4.204.837	1,9
SEWAGE					
Measured Volume ('000)	191.397	187.104	(2,2)	194.037	3,7
Billed Volume ('000)	200.562	197.311	(1,6)	204.985	3,9
Connections Increase	28.426	37.083	30,5	27.870	(24,8)
Total Connections	2.259.553	2.345.221	3,8	2.407.566	2,7
Economic Units Increase	39.360	50.655	28,7	38.305	(24,4)
Total Economic Units	3.058.663	3.165.405	3,5	3.248.364	2,6
DEFAULT	3,7%	3,7%	0 p.p	4,9%	1.2 p.p
OP. EFFICIENCY (Liters/Connections/Day)	230,6	213,0	(7,7)	222,9	4,7



Reservoir Levels



Performance Indicators



COVENANTS

1H20

1H21

1H22

Debentures: 8th, 9th, 10th, 11th & 12th issues & CCB

Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.26	1.42	1.53
Adjusted EBITDA / Net Financial Expense	≥ 1.5	12.61	9.09	8.44

BNDES / Debentures: 2nd, 4th & 7th issues

Net Bank Debt / EBITDA	≤ 3.0	1.32	1.49	1.63
EBITDA / Net Financial Expense	≥ 1.5	2.84	2.69	3.06
Other Onerous Debts / EBITDA	≤ 1.0	0.60	0.59	0.54

CAIXA Contracts

Adjusted EBITDA / Net Financial Expense	≥ 1.5	12.61	9.09	8.44
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.26	1.42	1.53
Other Onerous Debts / Adjusted EBITDA	≤ 1.0	0.58	0.56	0.51

Performance Indicators



COVENANTS / RATIOS

1H20

1H21

1H22

KfW Contracts



EBITDA / Debt Service Coverage Ratio

≥ 1.5

2.84

2.69

3.06

Net Bank Debt / EBITDA

≤ 3.0

1.32

1.49

1.63

Other Onerous Debts / EBITDA

≤ 1.0

0.60

0.59

0.54

Debt Level

≤ 0.60

49.4%

47.3%

48.1%

RATIOS

EBITDA Margin

41.4%

44.2%

37.5%

ROIC

14.0%

11.9%

11.7%

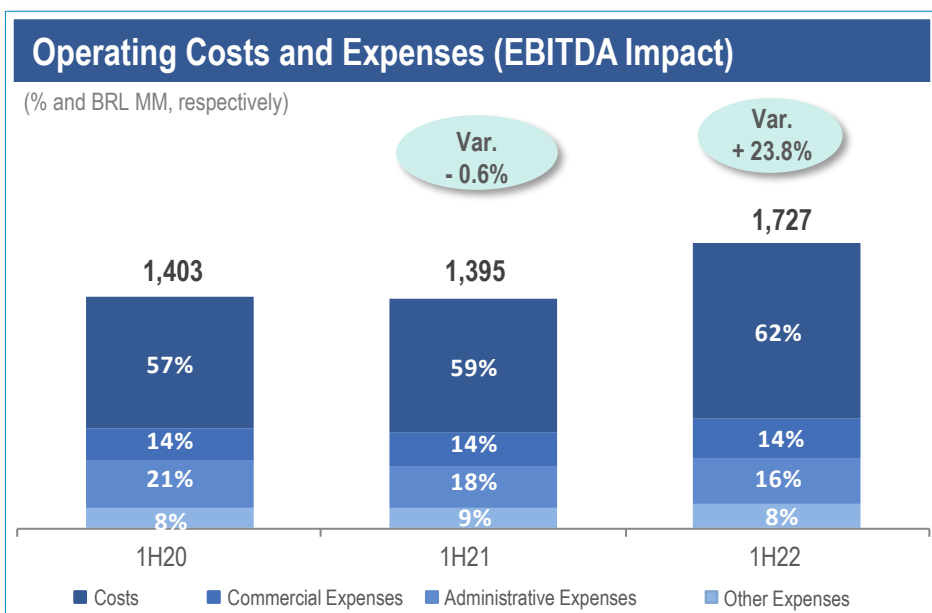
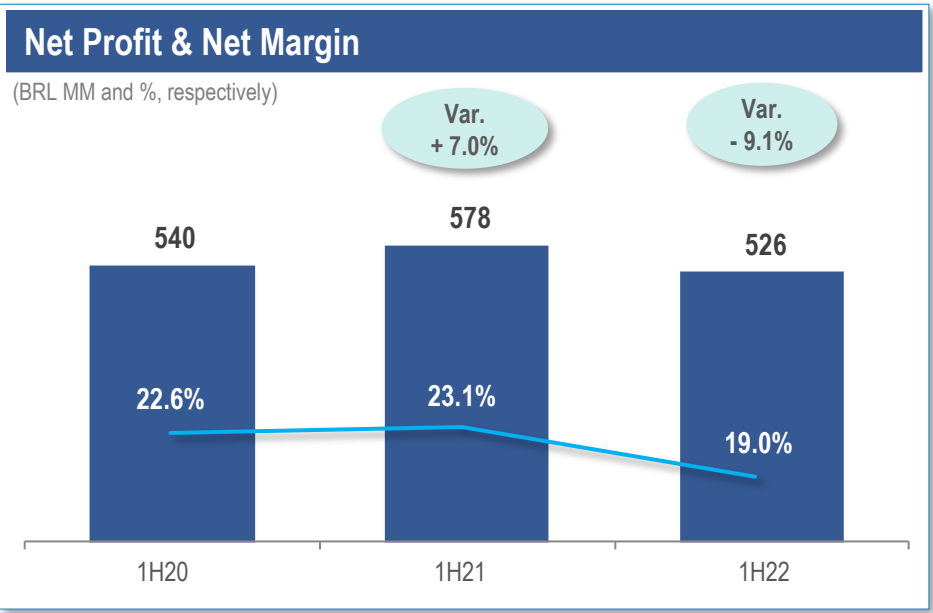
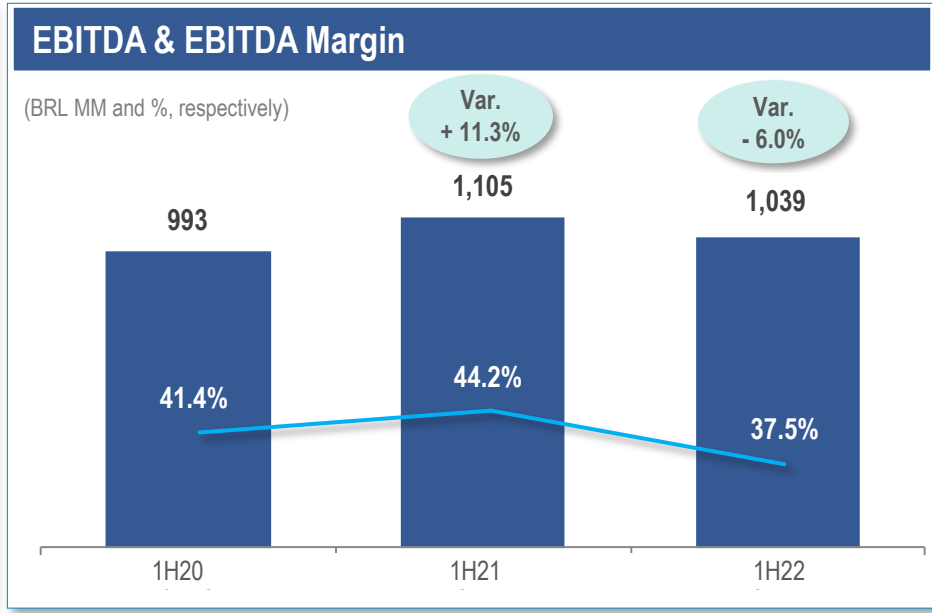
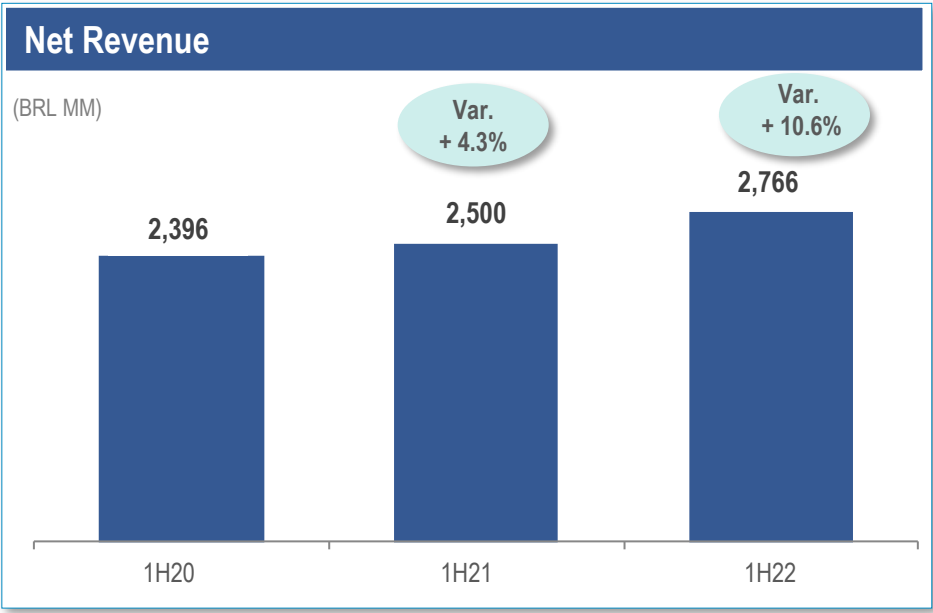
ROE

18.5%

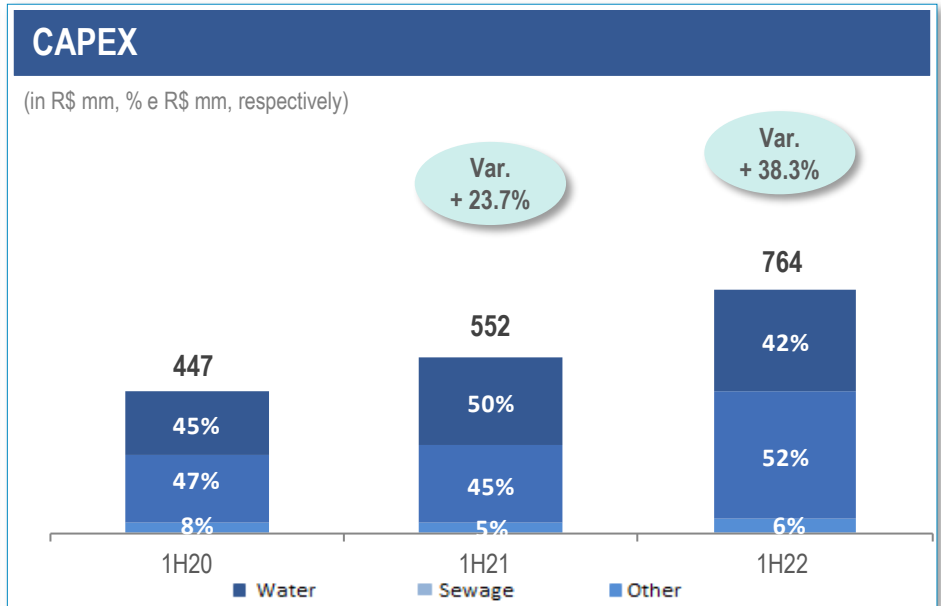
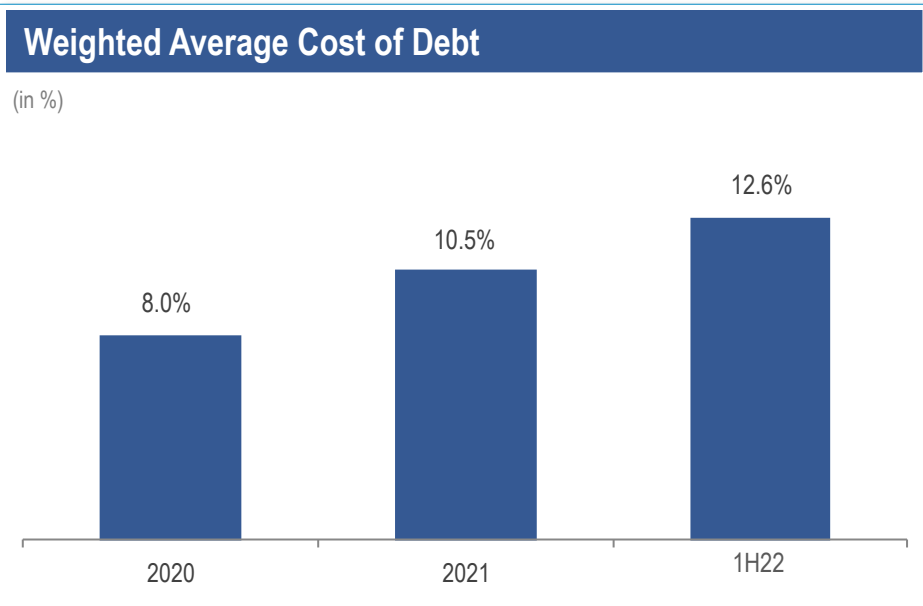
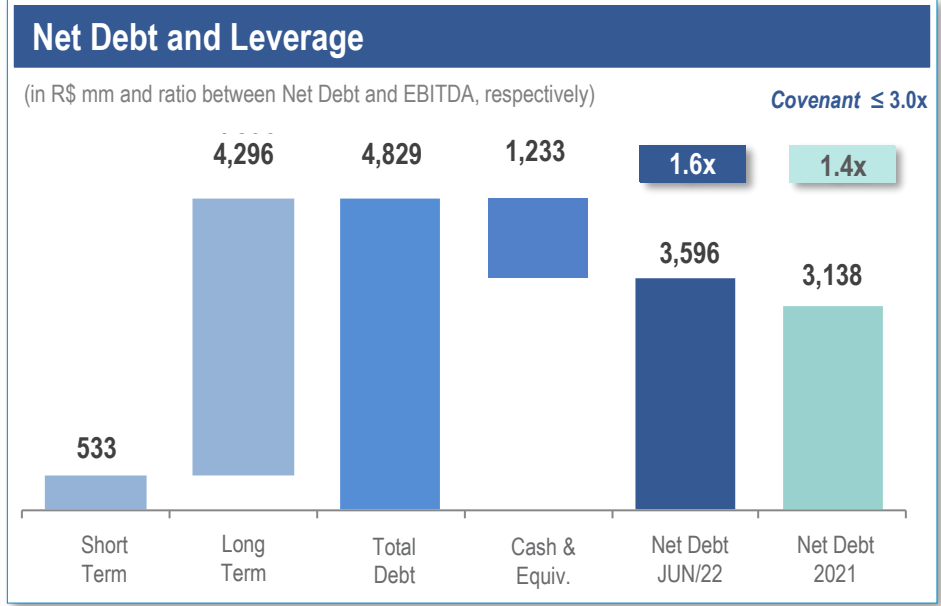
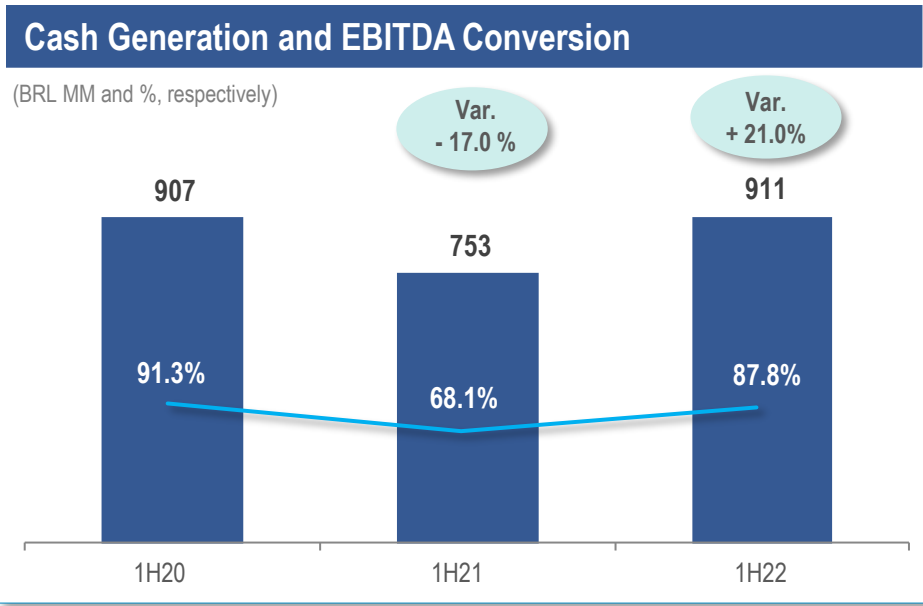
14.5%

14.1%

Financial Performance



Financial Performance



Income Statement



Quarterly Results	2Q20	2Q21	Var %	2Q22	Var %
NET REVENUE	1,150,039	1,273,389	10.7	1,359,113	6.7
Personnel	295,388	278,377	(5.8)	321,331	15.4
PPR	13,391	23,394	74.7	15,916	(32.0)
Material	51,433	54,505	6.0	75,073	37.7
Electricity	116,160	120,362	3.6	142,439	18.3
Third Party Services	164,888	164,001	(0.5)	172,115	4.9
General and Tax	37,718	37,682	(0.1)	91,114	141.8
Civil, Work, Environ., Fiscal, Tax Provisions	(14,774)	1,441	(109.8)	45,449	3,054.1
Health Care and Social Security Provisions	16,707	14,716	(11.9)	20,170	37.1
Financial Expenses (Revenues)	31,740	59,975	89.0	63,651	6.1
Other Costs and Expenses	86,474	94,670	9.5	139,026	46.9
TOTAL COSTS AND EXPENSES	799,125	849,123	6.3	1,086,284	27.9
Income Tax and Social Contribution	66,528	92,449	39.0	39,122	(57.7)
NET RESULT	284,386	331,817	16.7	233,707	(29.6)
Net Margin %	24.7%	26.1%	1.4 p.p	17.2%	-8.9 p.p
EBITDA	472,090	581,863	23.3	442,807	(23.9)
EBITDA Margin %	41.0%	45.7%	4.7 p.p	32.6%	-13.1 p.p
EBIT	382,654	484,241	26.5	336,480	(30.5)
EBIT Margin %	33.3%	38.0%	4.7 p.p	24.8%	-13.2 p.p

Income Statement



Accumulated Results	1H20	1H21	Var %	1H22	Var %
NET REVENUE	2,396,175	2,499,865	4.3	2,765,955	10.6
Personnel	556,538	535,401	(3.8)	603,116	12.6
PPR	38,762	40,771	5.2	35,797	(12.2)
Material	107,674	108,047	0.3	139,380	29.0
Electricity	237,309	243,053	2.4	313,603	29.0
Third Party Services	317,682	320,482	0.9	347,965	8.6
General and Taxes	79,388	76,502	(3.6)	133,891	75.0
Civil, Work, Environ., Fiscal, Tax Provisions	5,484	49,095	795.2	56,714	15.5
Health Care and Social Security Provisions	33,414	29,433	(11.9)	40,339	37.1
Financial Expenses (Revenues)	84,527	115,319	36.4	118,980	3.2
Other Costs and Expenses	203,222	184,478	(9.2)	268,331	45.5
TOTAL COSTS AND EXPENSES	1,664,000	1,702,581	2.3	2,058,116	20.9
Income Tax and Social Contribution	191,764	218,977	14.2	182,188	(16.8)
NET RESULT	540,411	578,307	7.0	525,651	(9.1)
Net Margin %	22.6%	23.1%	0.5 p.p	19.0%	-4.1 p.p
EBITDA	993,033	1,104,601	11.2	1,038,526	(6.0)
EBITDA Margin %	41.4%	44.2%	2.8 p.p	37.5%	-6.7 p.p
EBIT	816,702	912,603	11.7	826,819	(9.4)
EBIT Margin %	34.1%	36.5%	2.4 p.p	29.9%	-6.6 p.p

Non-recurring Items



Non-recurring Items	2Q22	2Q21	1H22	1H21
Net Profit	233,707	331,817	525,651	578,307
Operation "Ductos" provision	-	5,949	-	5,949
Sanitation & Environmental Management Municipal Fund	41,517	-	41,517	-
Civil Contingency Provision - Matinhos & Guaratuba Condominiums	24,929	-	24,929	-
Tax Effects	(22,592)	(2,023)	(22,592)	(2,023)
Non-recurring adjusted Net Profit	277,561	335,743	569,505	582,233
Realized Net Profit	233,707	331,817	525,651	578,307
Recurring variation x Realized	18.8%	1.2%	8.3%	0.7%
Non-recurring adjusted Net Margin	20.4%	26.5%	20.6%	23.4%
Realized Net Margin	17.2%	26.1%	19.0%	23.1%
Recurring variation x Realized	3.2 p.p	0.4 p.p	1.6 p.p	0.3 p.p
Non-recurring adjusted EBITDA	509,253	587,812	1,104,972	1,110,550
Realized EBITDA	442,807	581,563	1,038,526	1,104,601
Recurring variation x Realized	15.0%	1.0%	6.4%	0.5%
Non-recurring adjusted EBITDA Margin	37.5%	46.2%	39.9%	44.4%
Realized EBITDA Margin	32.6%	45.7%	37.5%	44.2%
Recurring variation x Realized	4.9 p.p	0.5 p.p	2.4 p.p	0.2 p.p

Non-manageable Items



Adjusted EBITDA with non-manageable items

(in BRL MM) 1H22

EBITDA 1,038.5

(+) Non-manageable items 128.9

Electricity 72.3

Treatment material 17.4

Fees and Charges 39.2

(=) Adjusted EBITDA with non-manageable items 1,167.4

EBITDA Margin (non-manageable items adjustment) 42.2%

Real EBITDA Margin 37.5%

Balance Sheet



	2020	2021	Var %	June 2022	Var %
Net Debt	(2,979,501)	(3,380,989)	13.5	(3,733,014)	10.4
Cash and Cash Equivalent	5,127	40,823	696.2	45,697	11.9
Financial Investments	869,196	942,304	8.4	1,187,532	26.0
Loans, Financing and Debentures	(3,647,588)	(4,120,565)	13.0	(4,829,430)	17.2
Dividends and Interest on Equity	(206,236)	(243,551)	18.1	(136,813)	(43.8)
Operating Working Capital	370,721	594,043	60.2	661,847	11.4
Accounts Receivable from Customers, net	799,603	1,023,029	27.9	1,078,241	5.4
Stocks for Operation	53,857	57,680	7.1	64,490	11.8
Contractors and Suppliers	(213,820)	(272,226)	27.3	(258,069)	(5.2)
Salaries and Social Charges	(268,919)	(214,440)	(20.3)	(222,815)	3.9
Other Assets / Liabilities	854,541	1,158,734	35.6	1,603,104	38.3
Provisions	(544,677)	(615,625)	13.0	(672,339)	9.2
Retirement and Health Care Plans	(1,171,352)	(1,160,116)	(1.0)	(1,200,455)	3.5
Contract Assets	1,634,802	1,869,743	14.4	2,298,234	22.9
Other Asses / Liabilities	935,768	1,064,732	13.8	1,177,664	10.6
Fixed Assets	8,697,402	9,454,554	8.7	9,601,969	1.6
Net Equity	(6,943,163)	(7,826,342)	12.7	(8,133,906)	3.9
Operating Working Capital Turnover	35	41		43	

Note: Other assets / liabilities consider recoverable and deferred taxes, restricted deposits and judicial deposits, other assets, concession contracts, contractual guarantees and retentions and other liabilities. Fixed assets consider intangible assets, fixed assets, investments and contractual financial assets

Cash Flow



	1H20	1H21	Var %	1H22	Var %
Operating Activities	906,793	752,659	(17.0)	911,394	21.1
Net Profit of the Adjusted Financial Year	888,377	1,054,335	18.7	1,184,160	12.3
Decrease (Increase) of Assets	6,268	(199,506)	(3,282.9)	(261,369)	31.0
Increase (Decrease) of Liabilities	12,148	(102,170)	(941.0)	(11,397)	(88.8)
Investment Activities	(447,768)	(553,350)	23.6	(765,119)	38.3
Financing Activities	151,122	(85,335)	(156.5)	103,827	(221.7)
Loans and Financing	694,682	626,455	(9.8)	799,926	27.7
Dividends / Interest on Equity Payment	(303,427)	(267,765)	(11.8)	(308,823)	15.3
Financing Payment	(187,577)	(382,219)	103.8	(320,333)	(16.2)
Leasing Payment	(39,082)	(39,191)	0.3	(42,484)	8.4
Other Variations	(13,474)	(22,615)	67.8	(24,459)	8.2
Increase (Decrease)	610,147	113,974	(81.3)	250,102	119.4
At the beginning of the period	274,059	874,323	219.0	983,127	12.4
At the end of the period	884,206	988,297	11.8	1,233,229	24.8

