





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.



Earnings Presentation

4Q22

Fiscal Year 2022

Highlights

The financial indicators presented demonstrate variations comparing the period in the last year:

Net Revenue	EBITDA	Net Profit
4Q22 ⇒ +6.7%	4Q22 ⇒ +5.9%	4Q22 ⇒ +5.7%
2022 ⇒ +9.0%	2022 ⇒ -2.3%	2022 ⇒ -2.2%



Increase of 62.2 thousand water connections



Increase of 65.9 thousand sewage connections



Service Index
Water 100% | Sewage 78.9%



EBITDA Margin
4Q21 ⇒ 41.7% | 4Q22 ⇒ 41.4%
2021 ⇒ 43.7% | 2022 ⇒ 39.2%



CAPEX Increase
4Q21 BRL 401.9 MM → 4Q22 BRL 482.1 MM
2021 BRL 1,320.2 MM → 2022 BRL 1,744.1 MM



12th Issue of Debentures in the amount of BRL 600 MM



Member of the 2023 portfolio of the first Latin American Corporate Sustainability Index - ISE



2022 Transparency Trophy

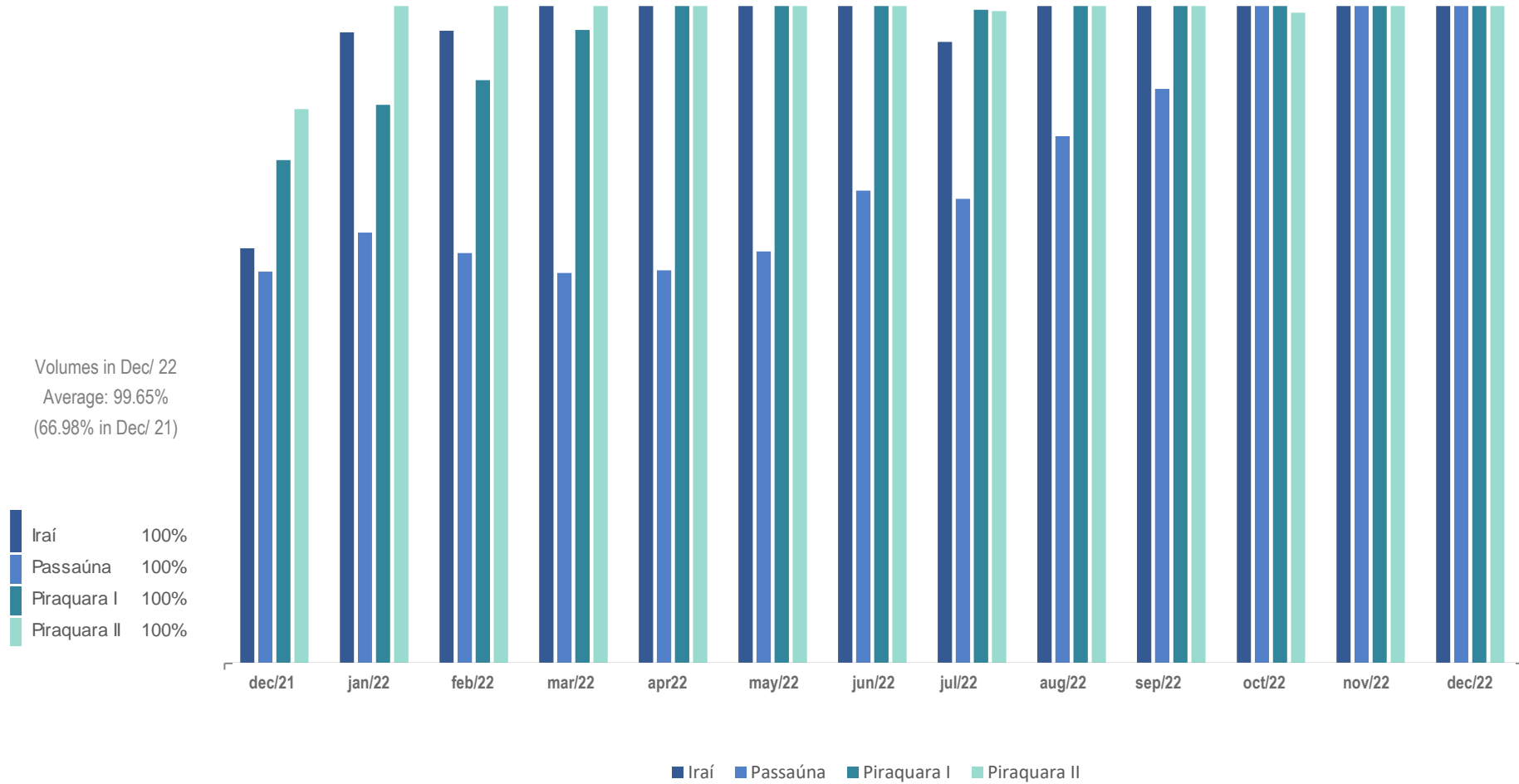
Operating Result



	2020	2021	Var %	2022	Var %
WATER					
Measured Volume ('000)	503,306	498,193	(1.0)	508,640	2.1
Billed Volume ('000)	525,791	521,485	(0.8)	534,594	2.5
Connections Increase	79,724	74,630	(5.9)	62,245	(16.6)
Total Connections	3,273,811	3,348,441	2.3	3,410,686	1.9
Economic Units Increase	86,645	82,694	(4.6)	66,315	(19.8)
Total Economic Units	4,087,719	4,170,413	2.0	4,236,728	1.6
SEWAGE					
Measured Volume ('000)	377,327	375,587	(0.5)	390,688	4.0
Billed Volume ('000)	396,232	396,455	0.1	412,909	4.1
Connections Increase	77,011	71,558	(7.1)	65,892	(7.9)
Total Connections	2,308,138	2,379,696	3.1	2,445,588	2.8
Economic Units Increase	95,477	95,309	(0.1)	86,615	(9.1)
Total Economic Units	3,114,750	3,210,059	3.1	3,296,674	2.7
DEFAULT	2.8%	3.3%	0.5 p.p	3.4%	0.1 p.p
OP. EFFICIENCY (Liters/Connections/Day)	220.2	210.8	(4.3)	222.2	5.4



Reservoir Levels



Performance Indicators



COVENANTS		2020	2021	2022
Debentures: 8th, 9th, 10th, 11th & 12th issues				
Net Bank Debt / Adjusted EBITDA	≤ 3,0	1.39	1.31	1.64
Adjusted EBITDA / Net Financial Expense	≥ 1.5	9.72	8.73	9.75
BNDES / Debentures: 2nd, 4th & 7th issues				
Net Bank Debt / EBITDA	≤ 3,0	1.44	1.38	1.74
EBITDA / Debt Service Coverage Ratio	≥ 1.5	3.41	2.92	2.99
Other Onerous Debts / EBITDA	≤ 1.0	0.61	0.51	0.46
CAIXA Contracts				
Adjusted EBITDA / Net Financial Expense	≥ 1.5	9.72	8.73	9.75
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.39	1.31	1.64
Other Onerous Debts / Adjusted EBITDA	≤ 1.0	0.59	0.48	0.43

Performance Indicators



COVENANTS / RATIOS

2020

2021

2022

KfW Contracts



EBITDA / Debt Service

≥ 1.5

3.41

2.92

2.99

Net Bank Debt / EBITDA

≤ 3.0

1.44

1.38

1.74

Other Onerous Debts / EBITDA

≤ 1.0

0.61

0.51

0.46

Debt Level

≤ 0.6

47.4%

46.5%

47.2%

RATIOS

EBITDA Margin

40.3%

43.7%

39.2%

ROIC (annualized)

11.7%

12.7%

10.7%

ROE (annualized)

15.2%

16.0%

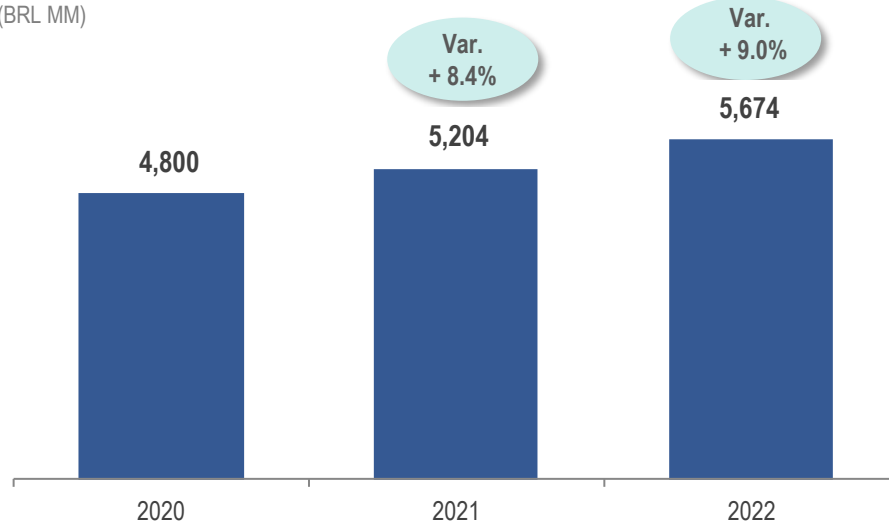
13.9%

Financial Performance



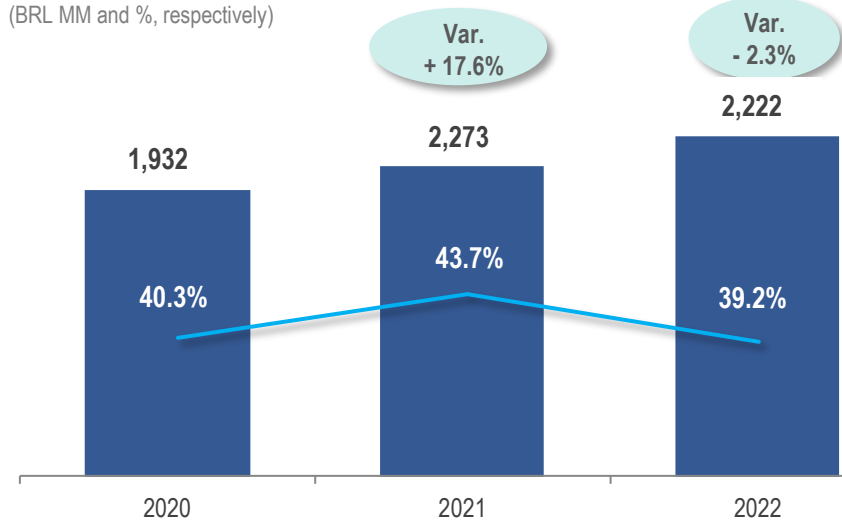
Net Revenue

(BRL MM)



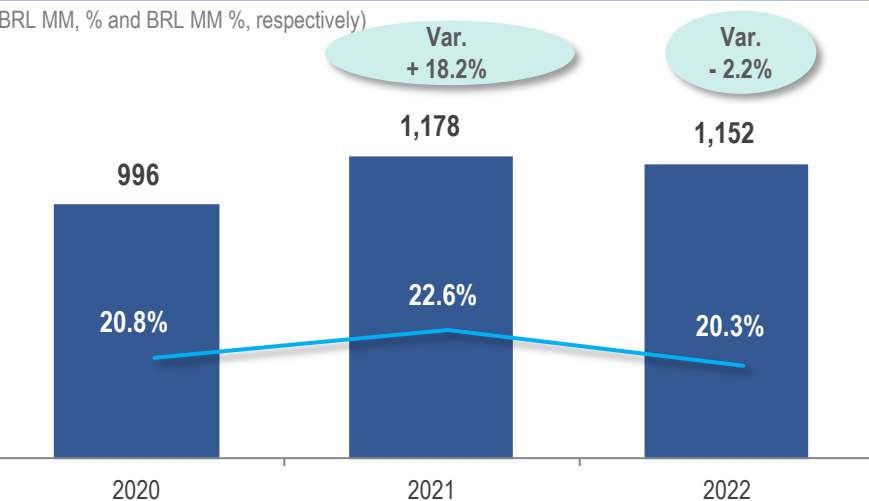
EBITDA & EBITDA Margin

(BRL MM and %, respectively)



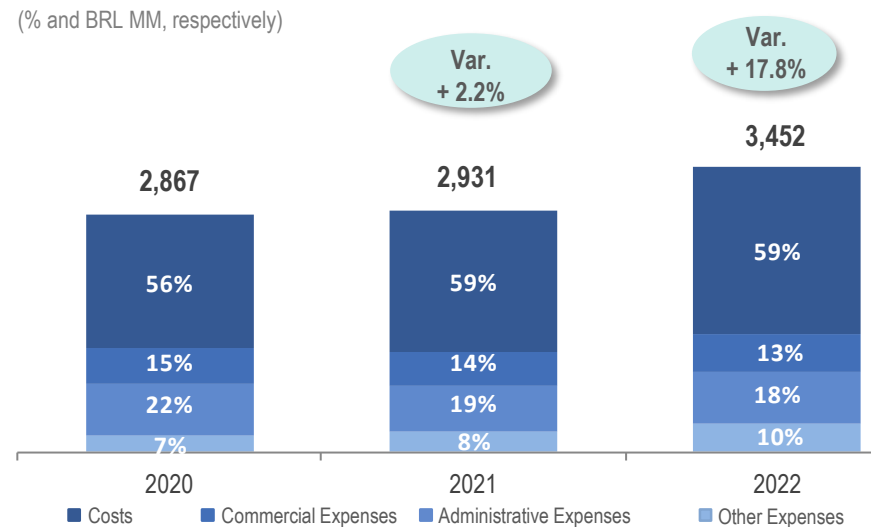
Net Profit & Net Margin

(BRL MM, % and BRL MM %, respectively)



Operating Costs and Expenses (EBITDA Impact)

(% and BRL MM, respectively)

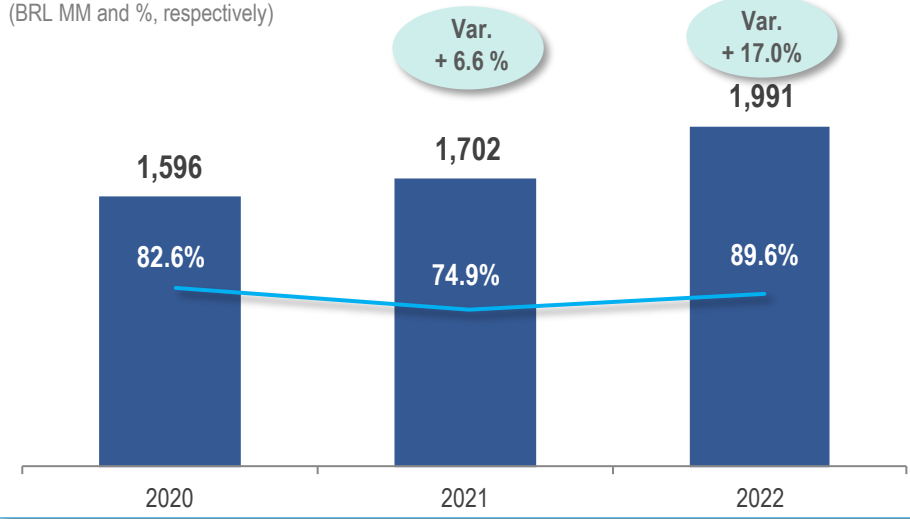


Financial Performance



Cash Generation and EBITDA Conversion

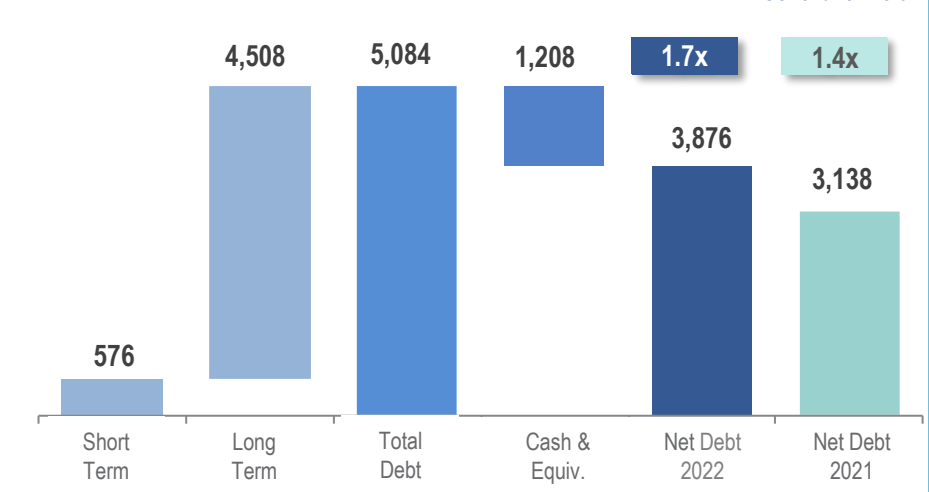
(BRL MM and %, respectively)



Net Debt and Leverage

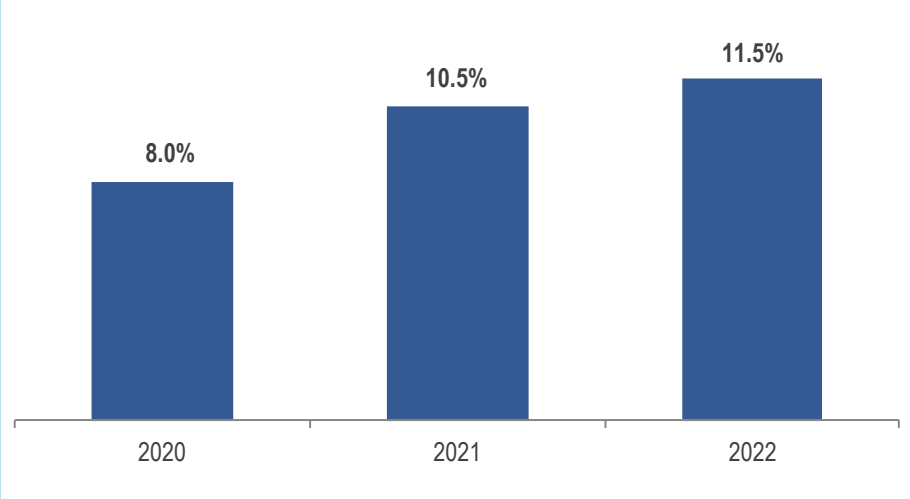
(in BRL MM and ratio between Net Debt and EBITDA, respectively)

Covenant $\leq 3.0x$



Weighted Average Cost of Debt

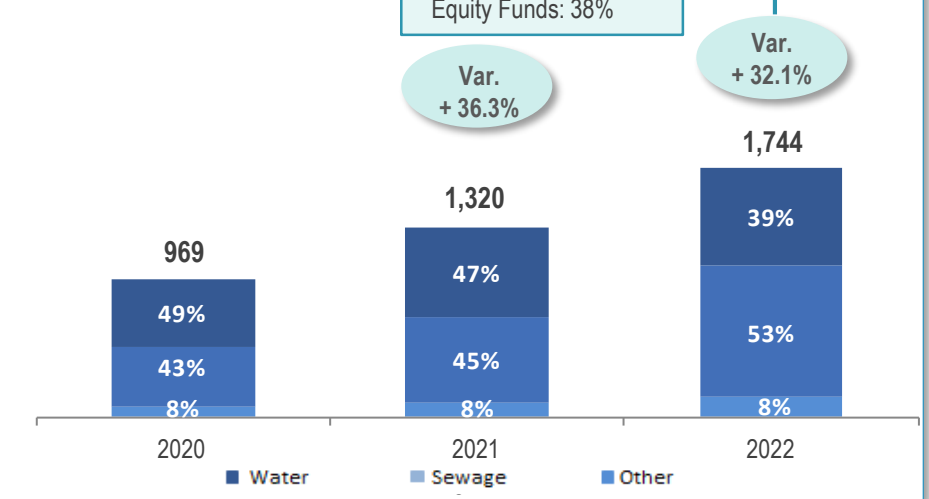
(in %)



CAPEX

(in BRL MM, % e BRL MM, respectively)

Debt funds: 62%
Equity Funds: 38%



Income Statement



Quarterly Results	4Q20	4Q21	Var %	4Q22	Var %
NET REVENUE	1,236,789	1,383,187	11.8	1,475,228	6.7
Personnel	258,824	271,503	4.9	327,705	20.7
PPR	31,877	20,579	(35.4)	33,574	63.1
Material	58,913	63,741	8.2	81,944	28.6
Electricity	106,913	182,222	70.4	103,174	(43.4)
Third Party Services	168,839	177,468	5.1	180,217	1.5
General and Tax	35,200	42,056	19.5	51,431	22.3
Civil, Work, Environ., Fiscal, Tax Provisions	(8,368)	14,027	(267.6)	(21,089)	(250.3)
Health Care and Social Security Provisions	10,663	13,274	24.5	12,195	(8.1)
Financial Expenses (Revenues)	62,826	66,603	6.0	67,150	0.8
Other Costs and Expenses	120,757	123,498	2.3	209,786	69.9
TOTAL COSTS AND EXPENSES	846,444	974,971	15.2	1,046,087	7.3
Income Tax and Social Contribution	98,993	76,233	(23.0)	78,182	2.6
NET RESULT	291,352	331,983	13.9	350,959	5.7
Net Margin %	23.6%	24.0%	0.4 p.p	23.8%	-0.2 p.p
EBITDA	547,168	576,463	5.4	610,309	5.9
EBITDA Margin %	44.2%	41.7%	-2.5 p.p	41.4 %	-0.3 p.p
EBIT	453,171	474,819	4.8	496,290	4.5
EBIT Margin %	36.6	34.3%	-2.3 p.p	33.6%	-0.7 p.p

Income Statement



Accumulated Results	2020	2021	Var %	2022	Var %
NET REVENUE	4,799,655	5,204,412	8.4	5,673,647	9.0
Personnel	1,212,196	1,074,986	(11.3)	1,257,673	17.0
PPR	74,422	80,197	7.8	88,093	9.8
Material	216,870	226,423	4.4	300,109	32.5
Electricity	449,262	568,995	26.7	532,543	(6.4)
Third Party Services	649,616	666,400	2.6	714,450	7.2
General and Taxes	145,210	154,695	6.5	233,238	50.8
Civil, Work, Environ., Fiscal, Tax Provisions	(1,995)	70,948	(3,655.5)	73,375	3.4
Health Care and Social Security Provisions	60,784	57,425	(5.5)	72,703	26.6
Financial Expenses (Revenues)	204,775	275,182	34.4	242,998	(11.7)
Other Costs and Expenses	422,760	425,595	0.7	612,918	44.0
TOTAL COSTS AND EXPENSES	3,433,900	3,600,846	4.9	4,128,100	14.6
Income Tax and Social Contribution	369,412	425,935	15.3	394,009	(7.5)
NET RESULT	996,343	1,177,631	18.2	1,151,538	(2.2)
Net Margin %	20.8%	22.6%	1.8 p.p	20.3%	-2.3 p.p
EBITDA	1,932,397	2,273,214	17.6	2,221,965	(2.3)
EBITDA Margin %	40.3%	43.7%	3.4 p.p	39.2%	-4.5 p.p
EBIT	1,570,530	1,878,748	19.6	1,788,546	(4.8)
EBIT Margin %	32.7%	36.1%	3.4 p.p	31.5%	-4.6 p.p

Non-recurring Items



Non-recurring Items	4Q22	4Q21	2022	2021
Net Profit	350,959	331,983	1,151,538	1,177,631
Operation "Ductos" provision	-	2,015	-	2,015
Sanitation & Environmental Management Municipal Fund	-	-	41,517	-
Civil Contingency Provision - Matinhos & Guaratuba Condominiums	-	-	24,929	-
Reversal of Contingency Provision IBAMA	(32,863)	-	(32,863)	-
Fines Conversion Commitment Term - (TCCM (IBAMA) in Portuguese)	87,631	-	87,631	-
Extraordinary Losses - Ductos Operation	-	6,518	-	10,686
Tax Effects	11,173	(685)	(11,418)	(685)
Non-recurring adjusted Net Profit	416,900	339,831	1,261,334	1,189,647
Realized Net Profit	350,959	331,983	1,151,538	1,177,631
Recurring variation x Realized	18.8%	2.4%	9.5%	1.0%
Non-recurring adjusted Net Margin	28.3%	24.6%	22.2%	22.9%
Realized Net Margin	23.8%	24.0%	20.3%	22.6%
Recurring variation x Realized	4.5 p.p	0.6 p.p	1.9 p.p	0.2 p.p
Non-recurring adjusted EBITDA	665,077	584,996	2,343,179	2,285,915
Realized EBITDA	610,309	576,463	2,221,965	2,273,214
Recurring variation x Realized	9.0%	1.5%	5.5%	0.6%
Non-recurring adjusted EBITDA Margin	45.1%	42.3%	41.3%	43.9%
Realized EBITDA Margin	41.4%	41.7%	39.2%	43.7%
Recurring variation x Realized	3.7 p.p	0.6 p.p	2.1 p.p	0.2 p.p

Adjusted EBITDA by non-manageable items

(in BRL MM)	2022
EBITDA	2,221.9
(+) Non-manageable items	106.2
Electricity	(2.7)
Treatment material	55.2
Fees and Charges	53.7
(=) Adjusted EBITDA by non-manageable items	2,328.1
EBITDA Margin (non-manageable items adjustment)	41.0%
Real EBITDA Margin	39.2%

Balance Sheet



	2020	2021	Var %	2022	Var %
Net Debt	(2,979,501)	(3,380,989)	13.5	(4,102,647)	21.3
Cash and Cash Equivalent	5,127	40,823	696.2	38,762	(5.0)
Financial Investments	869,196	942,304	8.4	1,169,170	24.1
Loans, Financing and Debentures	(3,647,588)	(4,120,565)	13.0	(5,083,244)	23.4
Dividends and Interest on Equity	(206,236)	(243,551)	18.1	(227,335)	(6.7)
Operating Working Capital	370,721	594,043	60.2	744,769	25.4
Accounts Receivable from Customers, net	799,603	1,023,029	27.9	1,211,913	18.5
Stocks for Operation	53,857	57,680	7.1	76,943	33.4
Contractors and Suppliers	(213,820)	(272,226)	27.3	(298,122)	9.5
Salaries and Social Charges	(268,919)	(214,440)	(20.3)	(245,965)	14.7
Other Assets / Liabilities	854,541	1,158,734	35.6	2,143,119	85.0
Provisions	(544,677)	(615,625)	13.0	(689,000)	11.9
Retirement and Health Care Plans	(1,171,352)	(1,160,116)	(1.0)	(1,011,056)	(12.8)
Contract Assets	1,634,802	1,869,743	14.4	2,746,449	46.9
Other Asses / Liabilities	935,768	1,064,732	13.8	1,096,726	3.0
Fixed Assets	8,697,402	9,454,554	8.7	10,001,646	5.8
Net Equity	(6,943,163)	(7,826,342)	12.7	(8,786,887)	12.3
Operating Working Capital Turnover	35	41		47	

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



	2020	2021	Var %	2022	Var %
Operating Activities	1,595,544	1,701,537	6.6	1,991,254	17.0
Net Profit of the Adjusted Financial Year	1,711,644	2,158,737	26.1	2,380,911	10.3
Decrease (Increase) of Assets	(85,397)	(414,893)	385.8	(523,558)	26.2
Increase (Decrease) of Liabilities	(30,703)	(42,307)	37.8	133,901	(416.5)
Investment Activities	(970,024)	(1,321,112)	36.2	(1,749,322)	32.4
Financing Activities	(25,256)	(271,620)	975.5	(17,127)	(93.7)
Loans and Financing	860,789	799,220	(7.2)	1,073,339	34.3
Dividends / Interest on Equity Payment	(303,649)	(267,575)	(11.9)	(309,347)	15.6
Financing Payment	(487,127)	(700,415)	43.8	(655.131)	(6.5)
Leasing Payment	(78,746)	(78,591)	(0.2)	(87.578)	11.4
Other Variations	(16,523)	(24,259)	46.8	(38,410)	58.3
Increase (Decrease)	600,264	108,804	(81.9)	224,805	106.6
At the beginning of the period	274,059	874,323	219.0	983,127	12.4
At the end of the period	874,323	983,127	12.4	1,207,932	22.9

