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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.



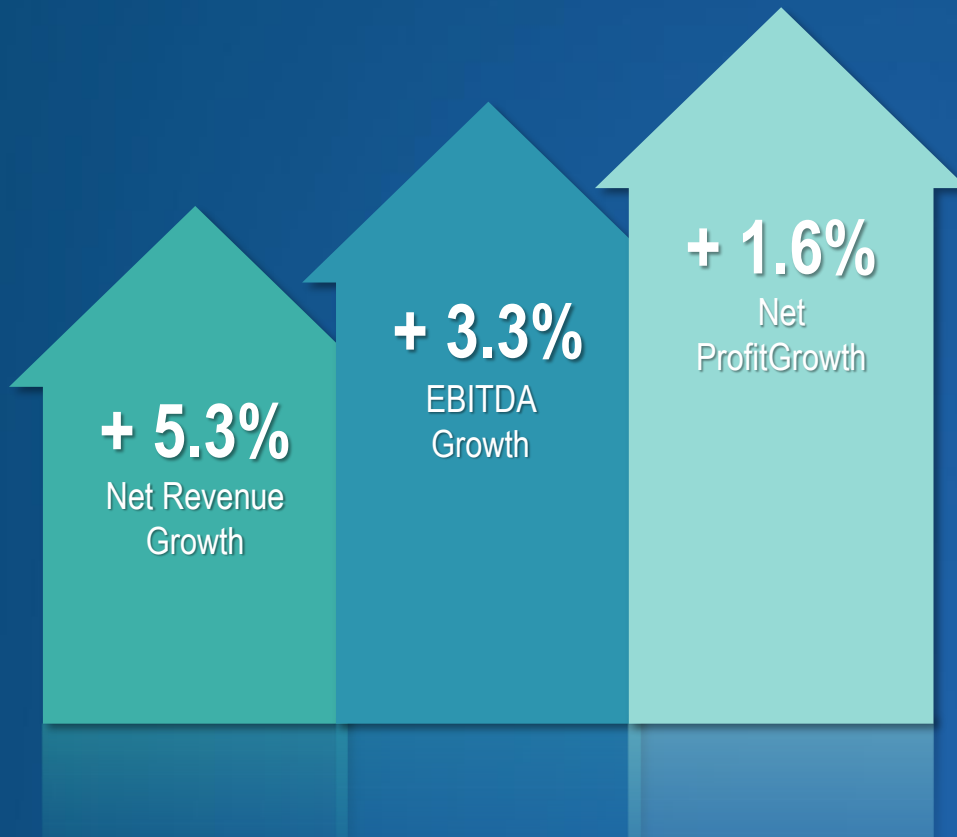
# Results Presentation

3rd quarter of 2020

Accumulated until September 2020

# Highlights

Comparing the first nine months of 2020 (9M20) to the same period of 2019 (9M19), the financial indicators presented the following growths:



Service Index  
Water 100% | Sewage 74.7%



EBITDA Increase (in BRL)  
9M19 ⇒ 1,340.5 | 9M20 ⇒ 1,385.2



Incentive Retirement Program "PAI"  
534 employees  
BRL 127.8 MM | Payback: 11.4 months



2020 Transparency Trophy

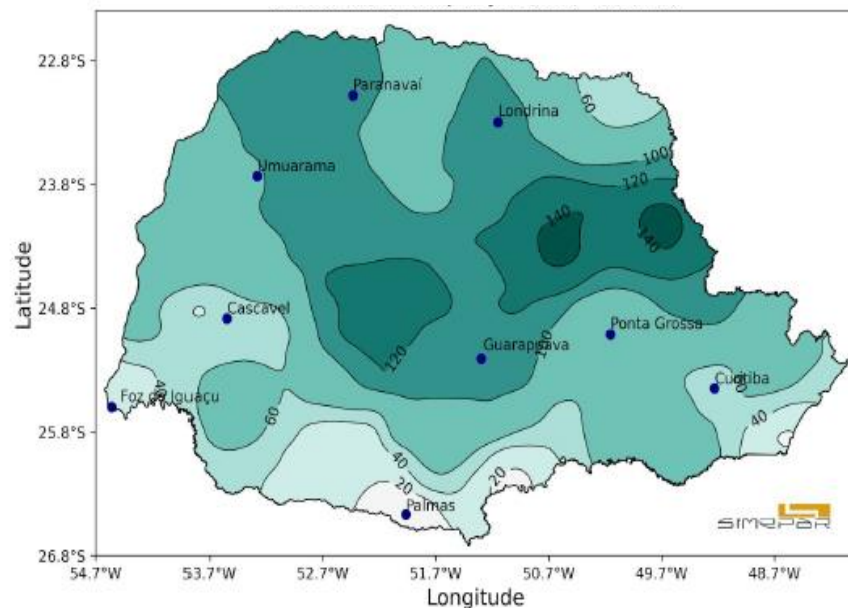
# Operating Result



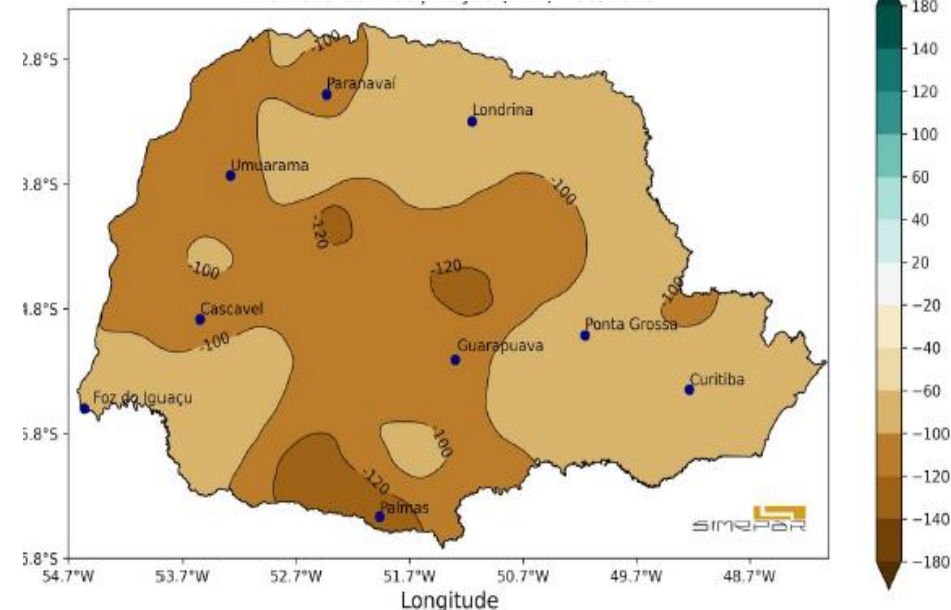
	9M18	9M19	Var %	9M20	Var %
<b>WATER</b>					
Measured Volume ('000)	369,386	379,679	2.8	376,007	(1.0)
Billed Volume ('000)	384,561	395,753	2.9	393,155	(0.7)
Connections Increase	38,019	39,388	3.6	53,335	35.4
Total Connections	3,125,179	3,177,148	1.7	3,247,872	2.2
Economic Units Increase	55,745	52,277	(6.2)	57,977	10.9
Total Economic Units	3,904,196	3,975,705	1.8	4,059,051	2.1
<b>SEWAGE</b>					
Measured Volume ('000)	270,406	283,113	4.7	282,632	(0.2)
Billed Volume ('000)	282,732	296,028	4.7	296,818	0.3
Connections Increase	68,259	55,682	(18.4)	47,331	(15.0)
Total Connections	2,108,551	2,196,732	4.2	2,278,458	3.7
Economic Units Increase	93,908	76,415	(18.6)	60,723	(20.5)
Total Economic Units	2,855,124	2,972,998	4.1	3,080,026	3.6
<b>DEFAULT</b>	<b>1.1%</b>	<b>1.6%</b>	<b>0.5 p.p</b>	<b>2.9%</b>	<b>1.3 p.p</b>
<b>OP. EFFICIENCY (Liters/Connections/Day)</b>	<b>232.6</b>	<b>231.8</b>	<b>(0.3)</b>	<b>224.7</b>	<b>(3.1)</b>

## Draught in Paraná

Anomaly rainfall in Paraná (mm) Aug/2020



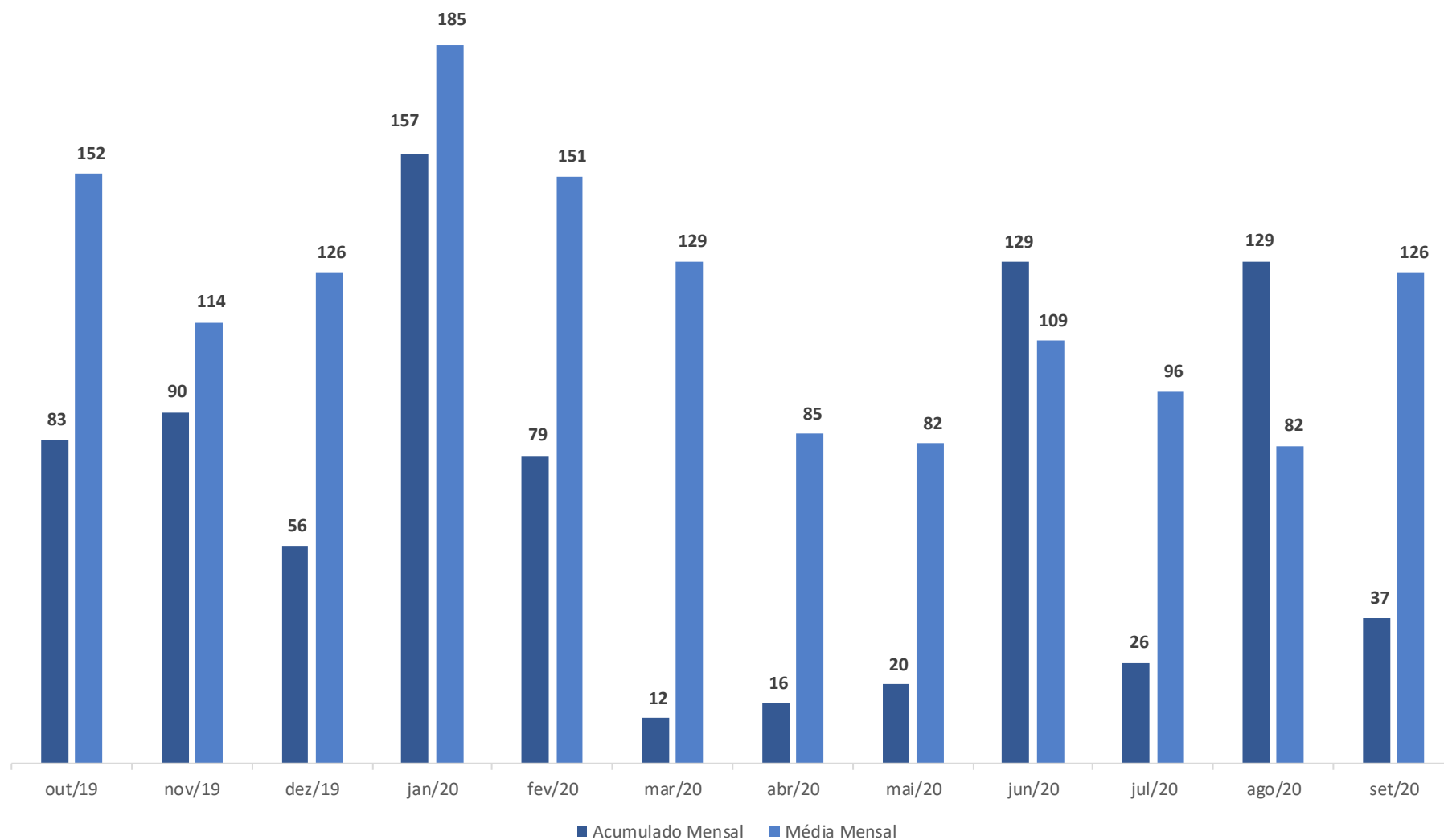
Anomaly rainfall in Paraná (mm) Sep2020



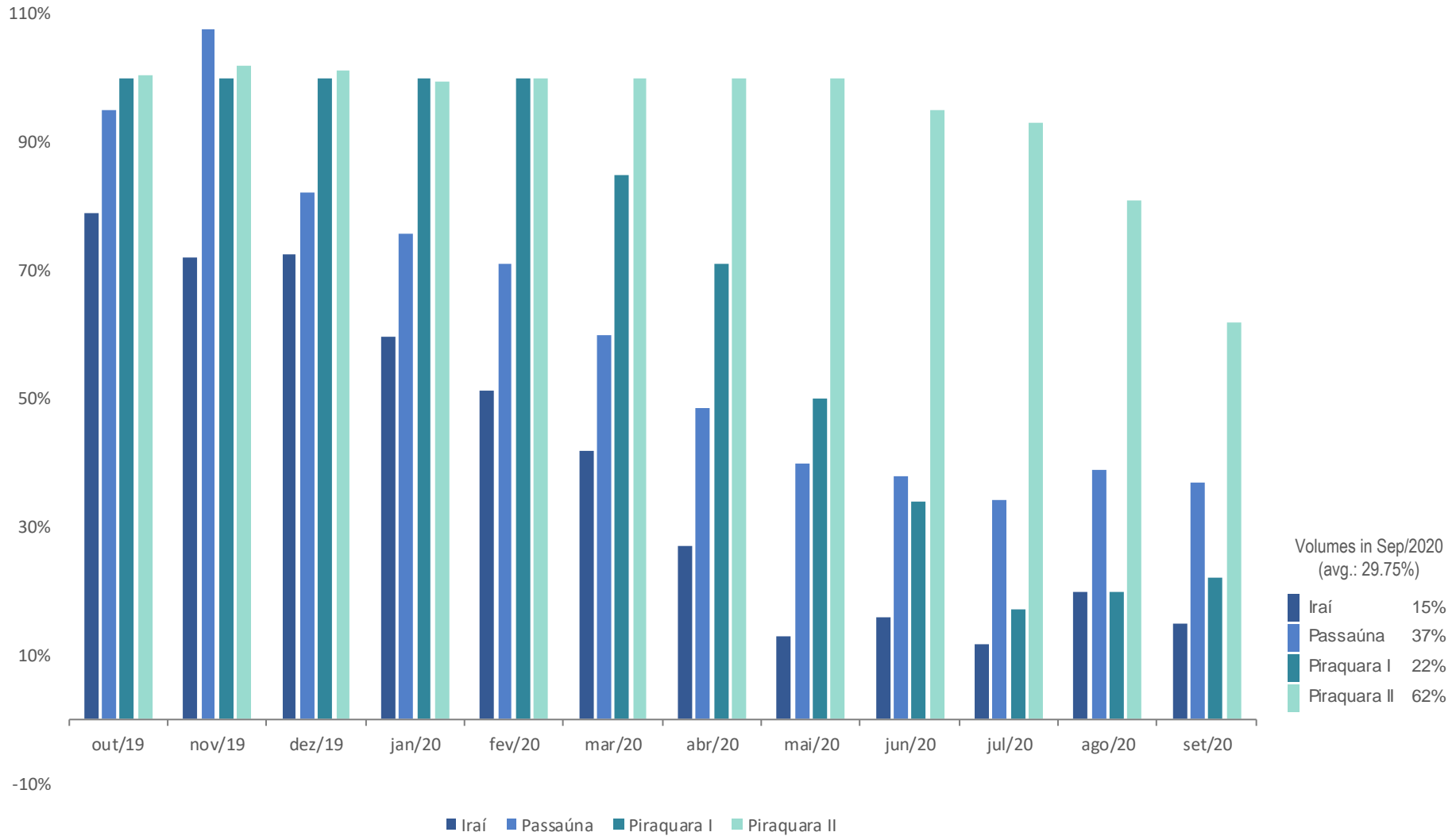
- Rainfall observed below the historical average; in August, however, there was a stationary frontal system over Paraná, which favored the occurrence of above-average rainfall;
- Low rainfall accumulated from February to July 2020 and September 2020;
- Several regions where the record for the lowest accumulated monthly rainfall was broken this year, such as Curitiba, Guarapuava and Guaratuba;
- The southern region of Brazil has been experiencing water scarcity since 2019.

## Rainfall precipitation (mm)

Curitiba



## Reservoir Levels





# Performance Indicators



## COVENANTS

9M18

9M19

9M20

### Debentures: 3rd, 8th, 9th & 10th issues & CCB

Net Bank Debt / Adjusted EBITDA

≤ 3.0

1.55

1.50

1.29

Net Financial Expense Coverage Index

≥ 1.5

5.66

10.40

11.11

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

Net Bank Debt / EBITDA

≤ 3.0

1.58

1.57

1.34

Service Coverage Debt Index / EBITDA

≥ 1.5

2.01

2.52

3.50

Other Onerous Debts / EBITDA

≤ 1.0

0.65

0.54

0.64

### CAIXA Contracts

Net Financial Expense Coverage Index

≥ 1.5

5.66

10.40

11.11

Net Bank Debt / Adjusted EBITDA

≤ 3.0

1.55

1.50

1.29

Other Onerous Debts / Adjusted EBITDA

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0.52

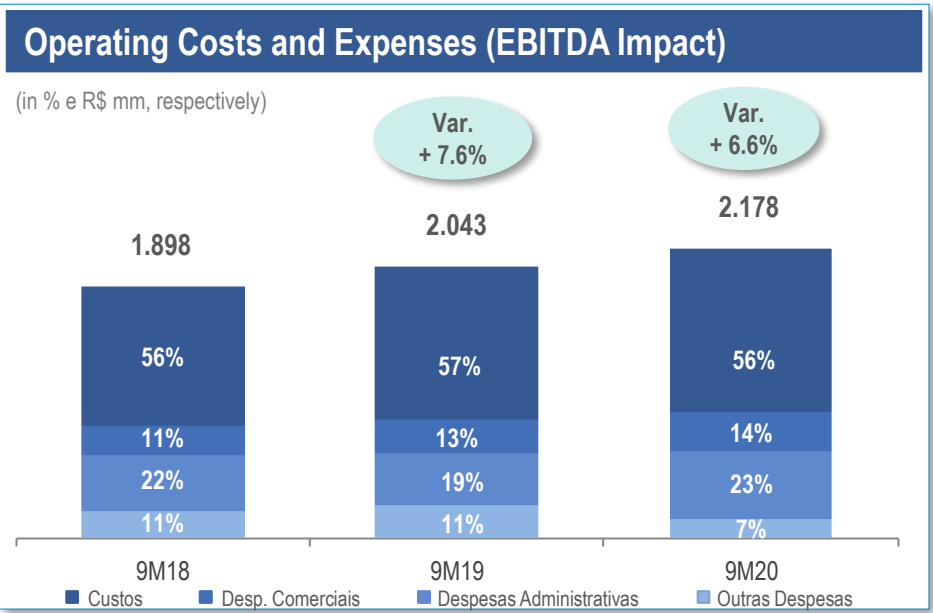
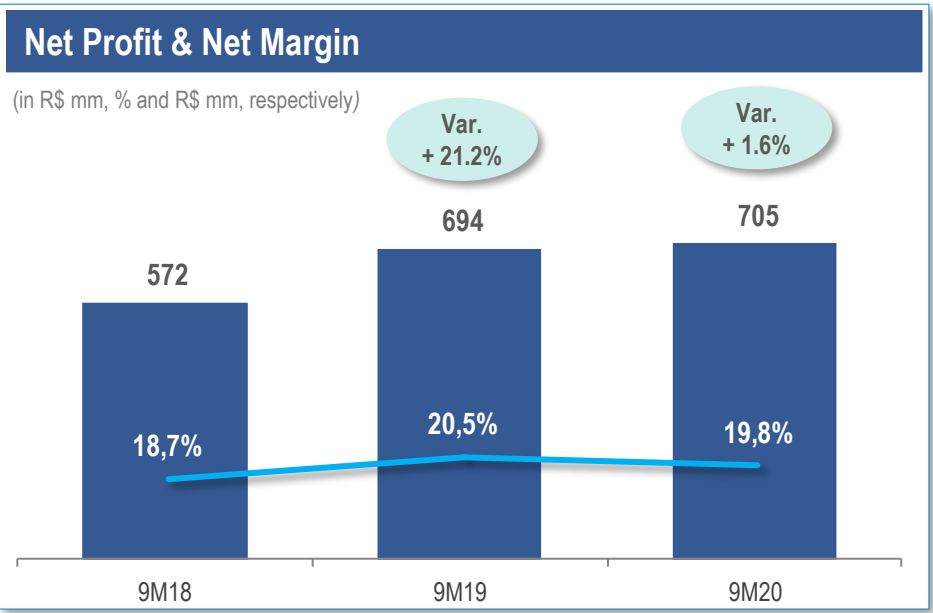
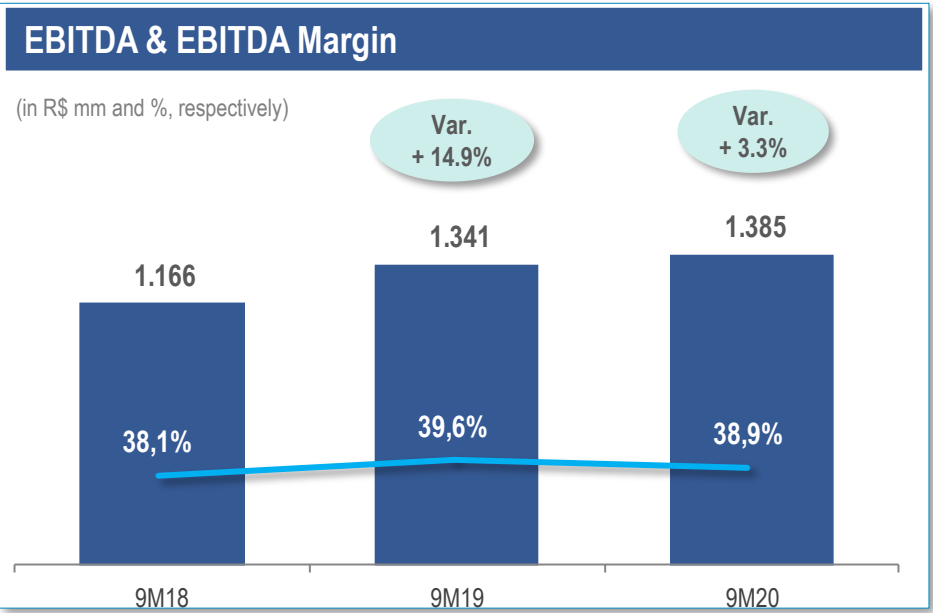
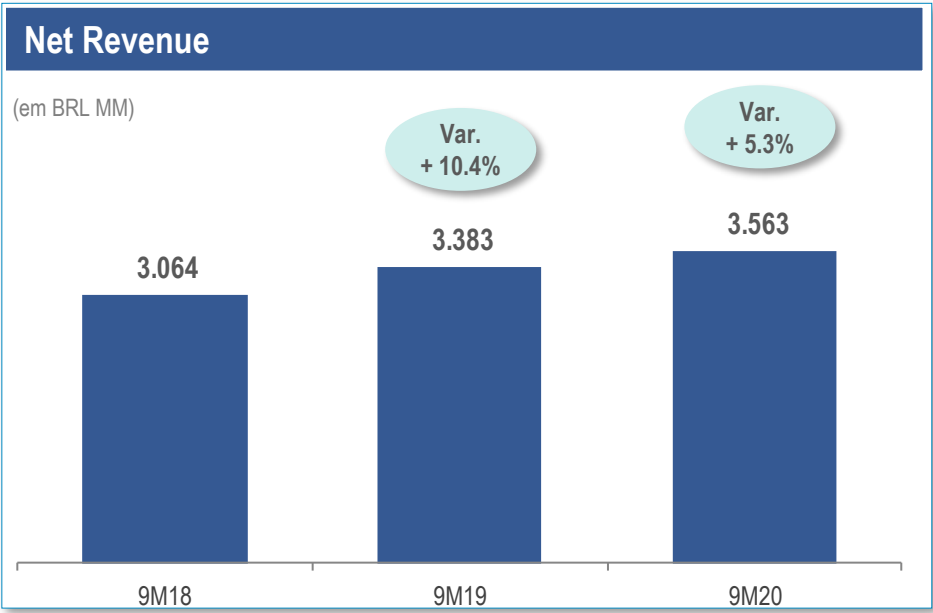
0.62

# Performance Indicators



COVENANTS / RATIOS		9M18	9M19	9M20
<div style="display: flex; align-items: center;"> <div style="margin-right: 20px;"><b>KfW Contracts</b></div> </div>				
Debt Service Coverage Ratio / EBITDA	$\geq 1.5$	2.01	2.52	3.50
Net Bank Debt / EBITDA	$\leq 3.0$	1.58	1.57	1.34
Other Onerous Debts / EBITDA	$\leq 1.0$	0.65	0.54	0.64
Debt Level	$\leq 0.60$	48.8%	47.9%	49.3%
<b>RATIOS</b>				
EBITDA Margin		38.1%	39.6%	38.9%
ROIC		11.7%	12.9%	13.0%
ROE		13.8%	17.3%	17.0%

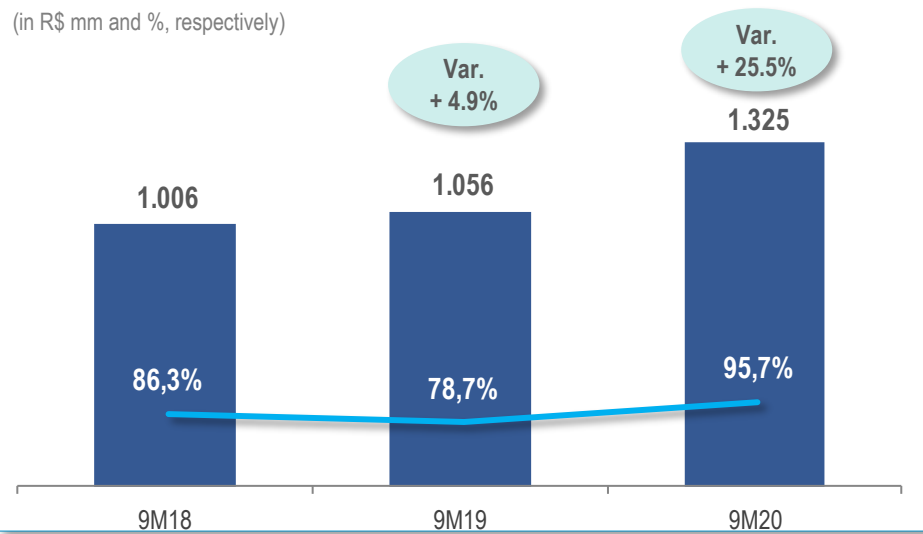
# Financial Performance



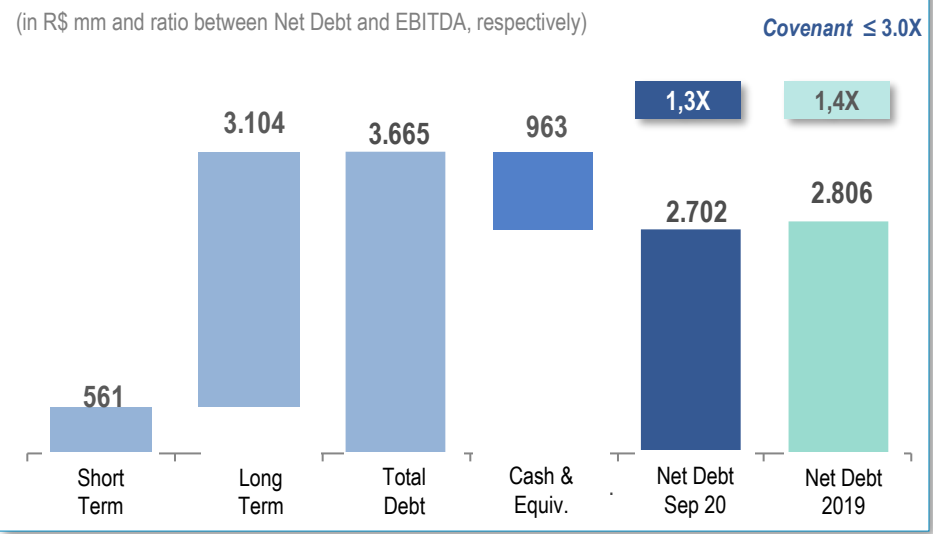
# Financial Performance



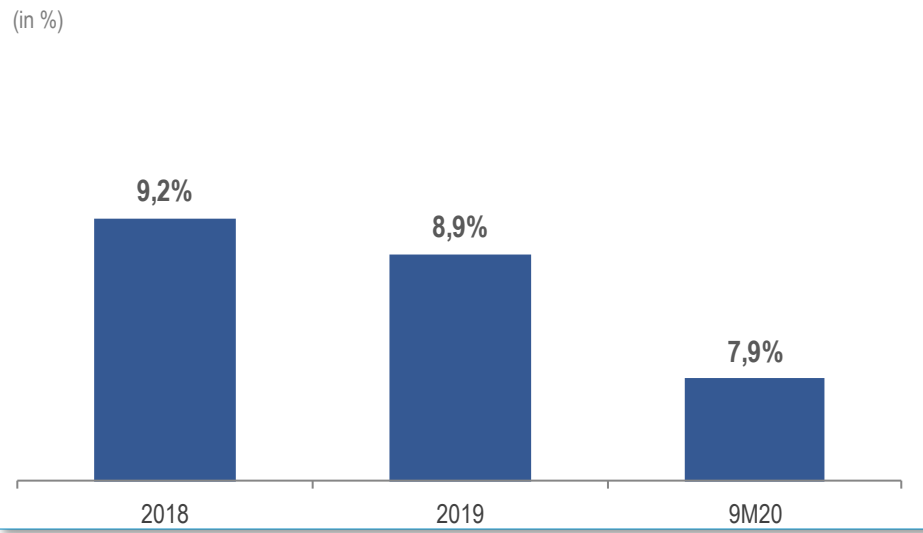
## Cash Generation and EBITDA Conversion



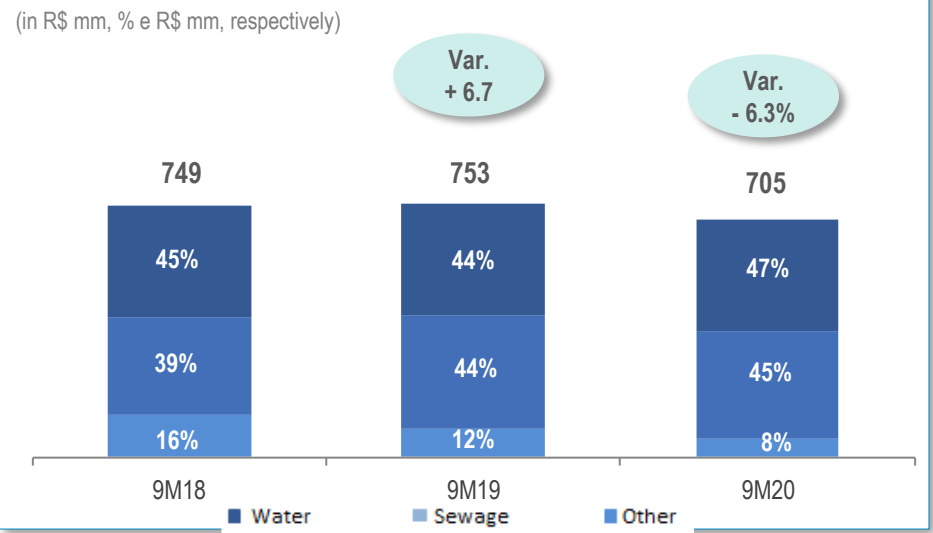
## Net Debt and Leverage



## Weighted Average Cost of Debt



## CAPEX



# Income Statement



Quarterly Results	3Q18	3Q19	Var %	3Q20	Var %
<b>NET REVENUE</b>	<b>1,045,190</b>	<b>1,185,336</b>	<b>13.4</b>	<b>1,166,691</b>	<b>(1.6)</b>
Personnel	260,133	279,459	7.4	396,834	42.0
PPR	53,097	26,277	(50.5)	3,783	(85.6)
Material	38,207	54,252	42.0	50,283	(7.3)
Electricity	116,286	122,868	5.7	105,040	(14.5)
Third Party Services	151,246	159,763	5.6	163,095	2.1
General and Tax	65,972	37,726	(42.8)	30,622	(18.8)
Civil, Work, Environ., Fiscal, Tax Provisions	(15,099)	21,881	(244.9)	889	(95.9)
Health Care and Social Security Provisions	21,455	14,952	(30.3)	16,707	11.7
Financial Expenses (Revenues)	68,125	44,056	(35.3)	57,422	30.3
Other Costs and Expenses	65,744	67,581	2.8	98,781	46.2
<b>TOTAL COSTS AND EXPENSES</b>	<b>825,166</b>	<b>828,815</b>	<b>0.4</b>	<b>923,456</b>	<b>11.4</b>
Income Tax and Social Contribution	88,024	112,881	28.2	78,655	(30.3)
<b>NET RESULT</b>	<b>132,000</b>	<b>243,640</b>	<b>84.6</b>	<b>164,580</b>	<b>(32.4)</b>
Net Margin %	12.6%	20.6%	8,0 p.p	14.1%	-6.5 p.p
<b>EBITDA</b>	<b>356,988</b>	<b>485,783</b>	<b>36.1</b>	<b>392,196</b>	<b>(19.3)</b>
EBITDA Margin %	34.2%	41.0%	6.8 p.p	33.7%	-7.3 p.p
<b>EBIT</b>	<b>288,149</b>	<b>400,578</b>	<b>39.0</b>	<b>300,657</b>	<b>(24.9)</b>
EBIT Margin %	27.6%	33.8%	6.2 p.p	25.8%	-8,0 p.p

# Income Statement



Accumulated Results	9M18	9M19	Var %	9M20	Var %
<b>NET REVENUE</b>	<b>3,064,255</b>	<b>3,383,208</b>	<b>10.4</b>	<b>3,562,866</b>	<b>5.3</b>
Personnel	769,015	804,035	4.6	953,372	18.6
PPR	94,327	76,414	(19.0)	42,545	(44.3)
Material	111,392	142,850	28.2	157,957	10.6
Electricity	304,413	350,255	15.1	342,349	(2.3)
Third Party Services	443,725	450,056	1.4	480,777	6.8
General and Tax	133,255	111,874	(16.0)	110,010	(1.7)
Civil, Work, Environ., Fiscal, Tax Provisions	12,353	85,167	589.4	6,373	(92.5)
Health Care and Social Security Provisions	64,365	44,855	(30.3)	50,121	11.7
Financial Expenses (Revenues)	157,300	134,447	(14.5)	141,949	5.6
Other Costs and Expenses	166,116	228,510	37.6	302,003	32.2
<b>TOTAL COSTS AND EXPENSES</b>	<b>2,256,261</b>	<b>2,428,463</b>	<b>7.6</b>	<b>2,587,456</b>	<b>6.5</b>
Income Tax and Social Contribution	235,519	261,032	10.8	270,419	3.6
<b>NET RESULT</b>	<b>572,475</b>	<b>693,713</b>	<b>21.2</b>	<b>704,991</b>	<b>1.6</b>
Net Margin %	18.7%	20.5%	1.8 p.p	19.8%	-0.7 p.p
<b>EBITDA</b>	<b>1,166,330</b>	<b>1,340,529</b>	<b>14.9</b>	<b>1,385,229</b>	<b>3.3</b>
EBITDA Margin %	38.1%	39.6%	1.6 p.p	38.9%	-0.7 p.p
<b>EBIT</b>	<b>965,294</b>	<b>1,089,192</b>	<b>12.8</b>	<b>1,117,359</b>	<b>2.6</b>

# Non-recurring effect



Non-recurring items	3Q19	3Q20	9M19	9M20
<b>Net Profit</b>	<b>243,640</b>	<b>164,580</b>	<b>693,713</b>	<b>704,991</b>
Retirement Program	-	111,345	-	127,794
APV over Contractual Financial Assets	-	-	-	11,057
Indemnity - DM / LFM / SEF Consortium	-	-	-	15,184
Indemnity - Municipality of Maringá	-	-	28,690	-
Tax Effects	-	(37,857)	(3,327)	(52,372)
<b>Non-recurring adjusted Net Income</b>	<b>243,640</b>	<b>238,068</b>	<b>719,076</b>	<b>806,654</b>
<b>Realized Net Profit</b>	<b>243,640</b>	<b>164,580</b>	<b>693,713</b>	<b>704,991</b>
Recurring variation x Realized	0.0%	44.7%	3.7%	14.4%
<b>Non-recurring adjusted Net Margin</b>	<b>20.6%</b>	<b>20.4%</b>	<b>21.3%</b>	<b>22.6%</b>
<b>Realized Net Margin</b>	<b>20.6%</b>	<b>14.1%</b>	<b>20.5%</b>	<b>19.8%</b>
Recurring variation x Realized	0 p.p	6.3 p.p	0.7 p.p	2.8 p.p
<b>Non-recurring adjusted EBITDA</b>	<b>485,782</b>	<b>503,540</b>	<b>1,369,219</b>	<b>1,539,264</b>
<b>Realized EBITDA</b>	<b>485,762</b>	<b>392,196</b>	<b>1,340,529</b>	<b>1,385,229</b>
Recurring variation x Realized	0.0%	28.4%	2.1%	11.1%
<b>Non-recurring adjusted EBITDA Margin</b>	<b>41.0%</b>	<b>43.2%</b>	<b>40.5%</b>	<b>43.2%</b>
<b>Realized EBITDA Margin</b>	<b>41.0%</b>	<b>33.6%</b>	<b>39.6%</b>	<b>38.9%</b>
Recurring variation x Realized	0 p.p	9.5 p.p	0.8 p.p	4.3 p.p

## Adjusted EBITDA with Non-Manageable Items

(in BRL MM)

9M20

EBITDA	1,385.2
<b>(+) Non-manageable items</b>	<b>79.5</b>
Electricity	13.3
Treatment material	42.7
Fees and Charges	23.5
<b>(=) Adjusted EBITDA with non-manageable items</b>	<b>1,464.7</b>
<b>EBITDA Margin (non-manageable items adjustment)</b>	<b>41.4%</b>



# Balance Sheet



	2018	2019	Var %	09/30/2020	Var %
<b>Net Debt</b>	<b>(2,628,372)</b>	<b>(3,035,713)</b>	<b>15.5</b>	<b>(2,839,425)</b>	<b>(6.5)</b>
Cash and Cash Equivalent	35,003	16,878	(51.8)	15,580	(7.7)
Financial Investments	291,621	257,181	(11.8)	947,801	268.5
Loans, Financing and Debentures	(2,771,318)	(3,080,431)	11.2	(3,664,388)	19.0
Dividends and Interest on Equity	(183,678)	(229,341)	24.9	(138,418)	(39.6)
<b>Operating Working Capital</b>	<b>270,159</b>	<b>448,388</b>	<b>66.0</b>	<b>242,907</b>	<b>(45.8)</b>
Accounts Receivable from Customers, net	661,124	829,562	25.5	773,834	(6.7)
Stocks for Operation	39,120	46,146	18.0	48,676	5.5
Contractors and Suppliers	(190,742)	(214,445)	12.4	(192,490)	(10.2)
Salaries and Social Charges	(239,343)	(212,875)	(11.1)	(387,113)	81.8
<b>Other Assets / Liabilities</b>	<b>594,405</b>	<b>804,754</b>	<b>35.4</b>	<b>856,645</b>	<b>6.4</b>
Provisions	(461,797)	(546,672)	18.4	(553,045)	1.2
Retirement and Health Care Plans	(941,788)	(1,236,602)	31.3	(1,286,723)	4.1
Contract Assets	1,393,187	1,756,714	26.1	1,768,818	0.7
Other Assets / Liabilities	604,803	831,314	37.5	927,595	11.6
<b>Fixed Assets</b>	<b>7,480,996</b>	<b>7,956,485</b>	<b>6.4</b>	<b>8,394,159</b>	<b>5.5</b>
<b>Net Equity</b>	<b>(5,717,188)</b>	<b>(6,173,914)</b>	<b>8.0</b>	<b>(6,654,286)</b>	<b>7.8</b>
<b>Operating Working Capital Turnover</b>	<b>24</b>	<b>35</b>		<b>18</b>	

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

# Cash Flow



	9M18	9M19	Var %	9M20	Var %
<b>Operating Activities</b>	<b>1,006,210</b>	<b>1,055,836</b>	<b>4.9</b>	<b>1,324,869</b>	<b>25.5</b>
Net Profit of the Adjusted Financial Year	1,048,158	1,235,784	17.9	1,215,228	(1.7)
Decrease (Increase) of Assets	(56,837)	(187,005)	229.0	(24,302)	(87.0)
Increase (Decrease) of Liabilities	14,889	7,057	(52.6)	133,943	1,798.0
<b>Investment Activities</b>	<b>(694,973)</b>	<b>(752,489)</b>	<b>8.3</b>	<b>(706,499)</b>	<b>(6.1)</b>
<b>Financing Activities</b>	<b>(522,427)</b>	<b>(372,496)</b>	<b>(28.7)</b>	<b>70,952</b>	<b>(119.0)</b>
Loans and Financing	378,972	566,613	49.5	762,073	34.5
Dividends / Interest on Equity Payment	(298,395)	(394,293)	32.1	(303,483)	(23.0)
Financing Payment	(600,591)	(484,254)	(19.4)	(313,251)	(35.3)
Leasing Payment	-	(61,060)	100.0	(58,760)	(3.8)
Other Variations	(2,413)	498	(120.6)	(15,627)	(3,238.0)
<b>Increase (Decrease)</b>	<b>(211,190)</b>	<b>(69,149)</b>	<b>(67.3)</b>	<b>689,322</b>	<b>(1,096.9)</b>
<b>At the beginning of the period</b>	<b>533,888</b>	<b>326,624</b>	<b>(38.8)</b>	<b>274,059</b>	<b>(16.1)</b>
<b>At the end of the period</b>	<b>322,698</b>	<b>257,475</b>	<b>(20.2)</b>	<b>963,381</b>	<b>274.2</b>

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