





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

1Q23

Highlights

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

Net Revenue	EBITDA	Net Profit
1Q23 ⇒ +3.4%	1Q23 ⇒ +11.4%	1Q23 ⇒ +9.5%



Increase of 14.6 thousand water connections



Increase of 15.1 thousand sewage connections



Service Index
Water 100% | Sewage 79.1%



EBITDA Margin
1Q22 ⇒ 42.3% | 1Q23 ⇒ 45.7%



CAPEX Increase
1Q22 BRL 352.5 MM → 1Q23 BRL 402.7 MM

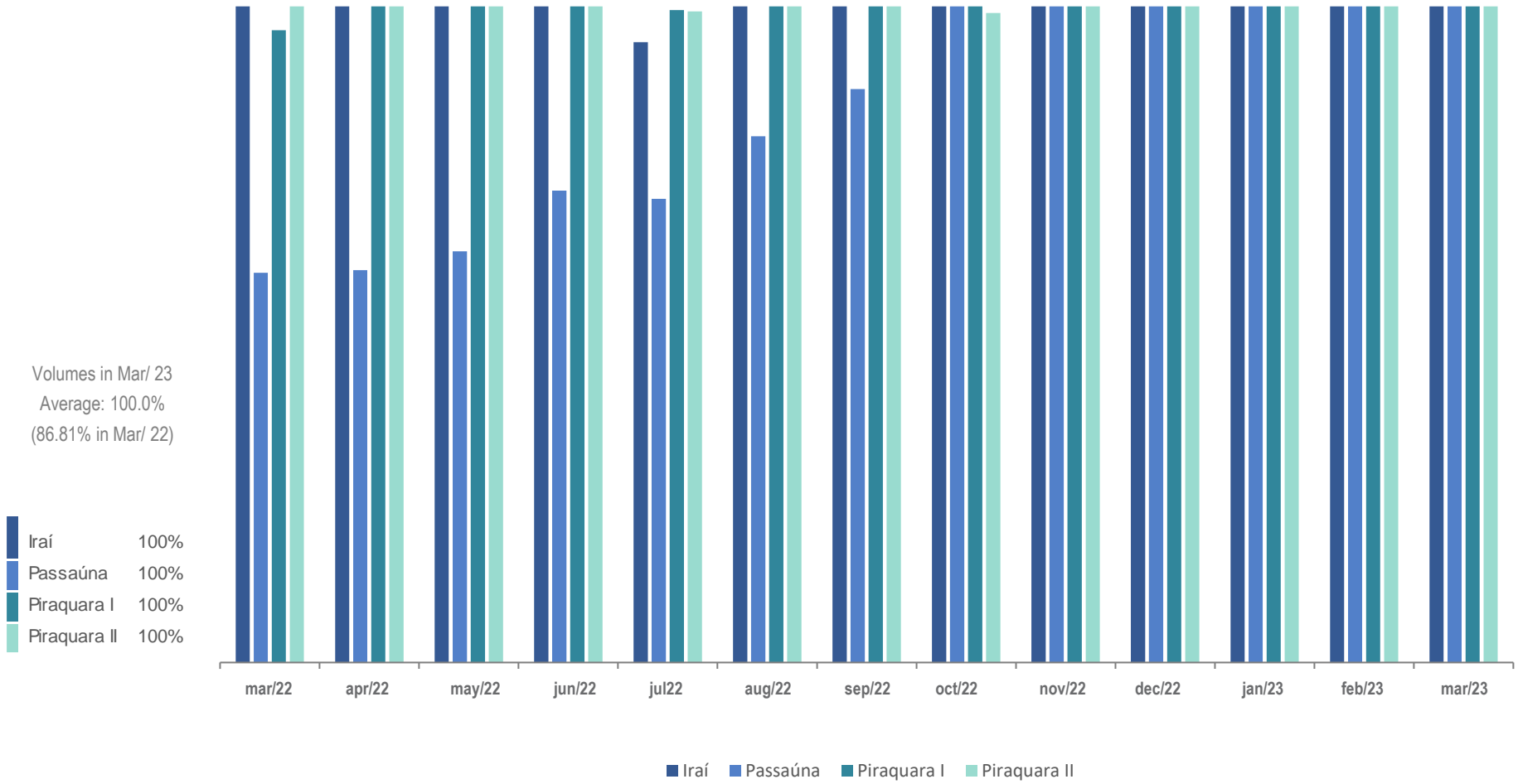
Operating Result



	1Q21	1Q22	Var %	1Q23	Var %
WATER					
Measured Volume ('000)	125,122	131,358	5.0	131,827	0.4
Billed Volume ('000)	130,391	136,983	5.1	137,428	0.3
Connections Increase	19,849	18,727	(7.2)	14,564	(21.0)
Total Connections	3,293,660	3,366,868	2.2	3,425,250	1.7
Economic Units Increase	21,618	17,692	(18.2)	19,875	12.3
Total Economic Units	4,109,337	4,188,105	1.9	4,256,603	1.6
SEWAGE					
Measured Volume ('000)	93,544	99,195	6.0	101,974	2.8
Billed Volume ('000)	98,546	104,229	5.8	107,278	2.9
Connections Increase	19,073	14,221	(25.4)	15,113	6.3
Total Connections	2,327,211	2,393,917	2.9	2,460,701	2.8
Economic Units Increase	27,182	19,490	(28.3)	22,339	14.6
Total Economic Units	3,141,932	3,229,549	2.8	3,319,013	2.8
DEFAULT	3.6%	5.7%	2.1 p.p	-4.7%	-10.5 p.p
OP. EFFICIENCY (Liters/Connections/Day)	216.3	212.1	(1.9)	225.6	6.4



Reservoir Levels




Performance Indicators



COVENANTS		1Q21	1Q22	1Q23
Debentures: 8th, 9th, 10th, 11th & 12th issues				
Net Bank Debt / Adjusted EBITDA	≤ 3,0	1.38	1.29	1.60
Adjusted EBITDA / Net Financial Expense	≥ 1.5	9.74	8.88	9.60
BNDES / Debentures: 2nd, 4th & 7th issues				
Net Bank Debt / EBITDA	≤ 3,0	1.44	1.34	1.73
EBITDA / Debt Service Coverage Ratio	≥ 1.5	3.04	3.01	3.03
Other Onerous Debts / EBITDA	≤ 1.0	0.61	0.50	0.45
CAIXA Contracts				
Adjusted EBITDA / Net Financial Expense	≥ 1.5	9.74	8.88	9.60
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.38	1.29	1.60
Other Onerous Debts / Adjusted EBITDA	≤ 1.0	0.59	0.48	0.41

Performance Indicators



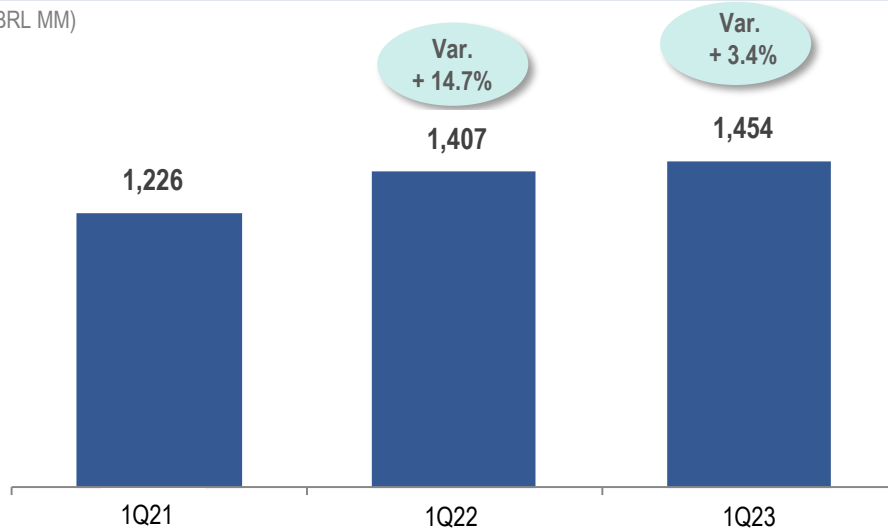
COVENANTS / RATIOS		1Q21	1Q22	1Q23
KfW Contracts 				
EBITDA / Debt Service	≥ 1.5	3.04	3.01	3.03
Net Bank Debt / EBITDA	≤ 3.0	1.44	1.34	1.73
Other Onerous Debts / EBITDA	≤ 1.0	0.61	0.50	0.45
Debt Level	≤ 0.6	48.4%	48.1%	46.9%
RATIOS				
EBITDA Margin		42.6%	42.3%	45.7%
ROIC (annualized)		11.5%	12.8%	10.7%
ROE (annualized)		14.0%	15.3%	13.2%

Financial Performance



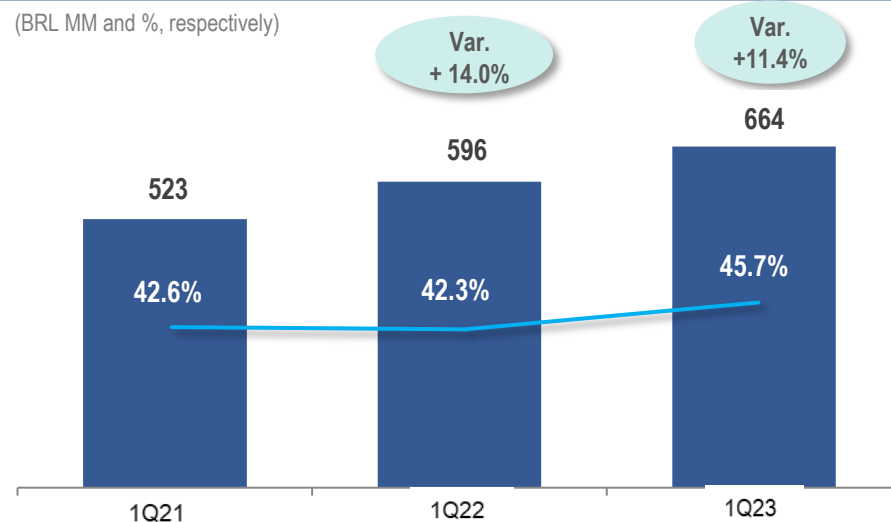
Net Revenue

(BRL MM)



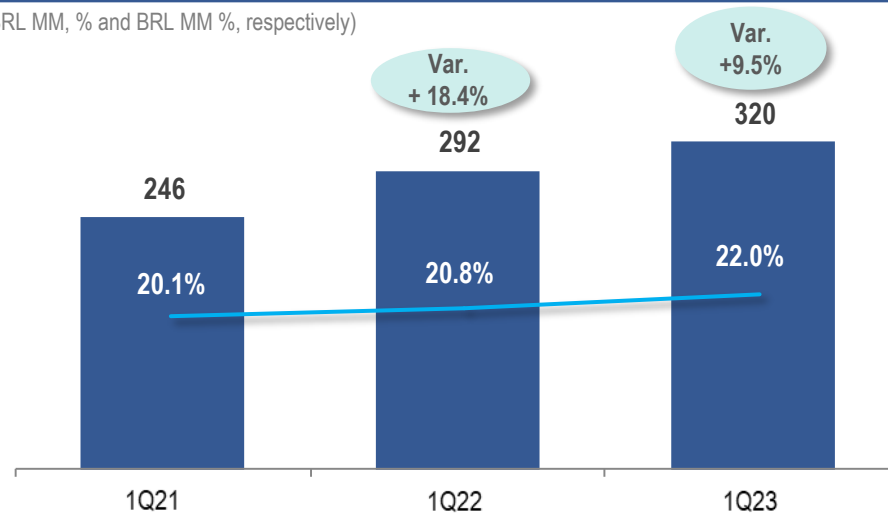
EBITDA & EBITDA Margin

(BRL MM and %, respectively)



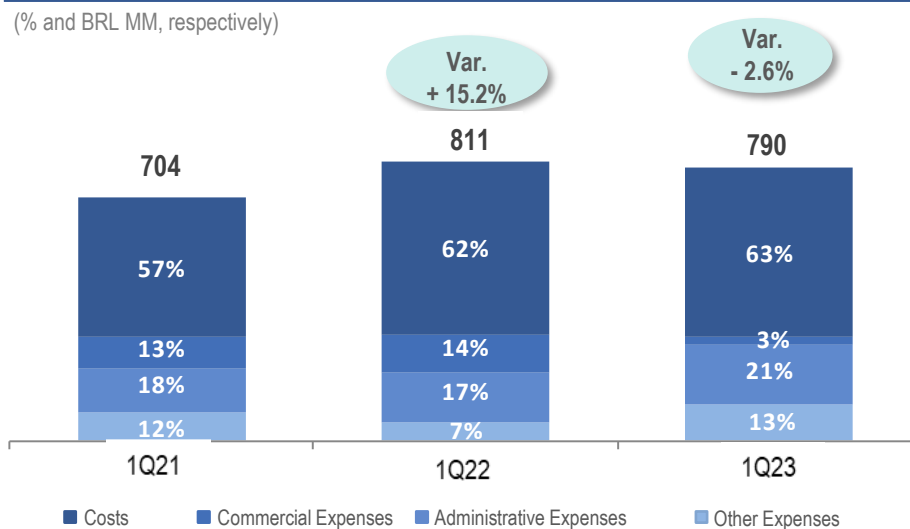
Net Profit & Net Margin

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



Operating Costs and Expenses (EBITDA Impact)

(% and BRL MM, respectively)

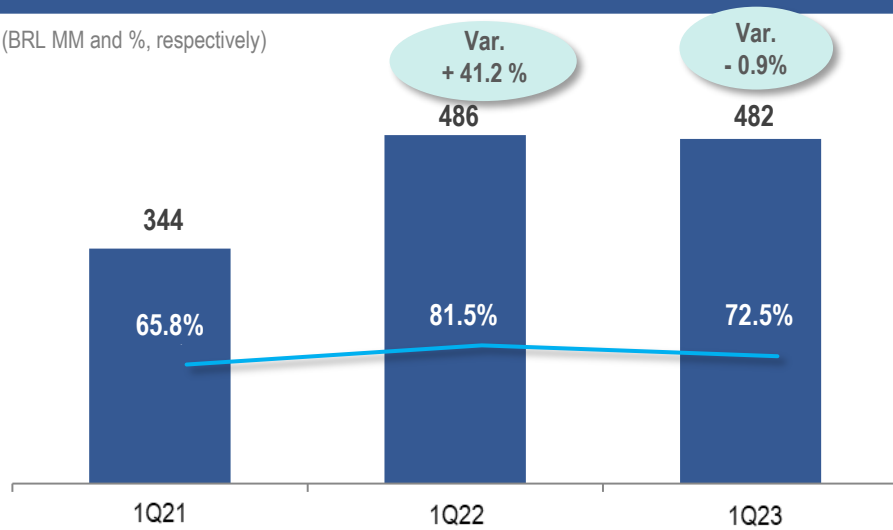


Financial Performance



Cash Generation and EBITDA Conversion

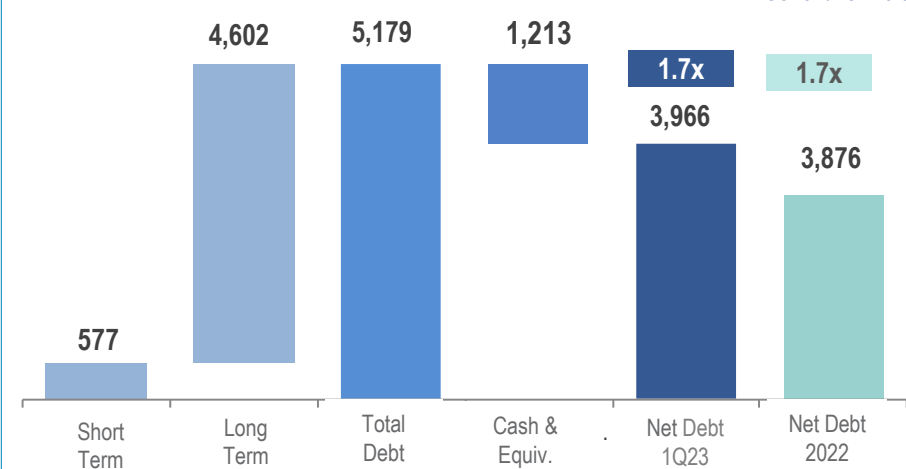
(BRL MM and %, respectively)



Net Debt and Leverage

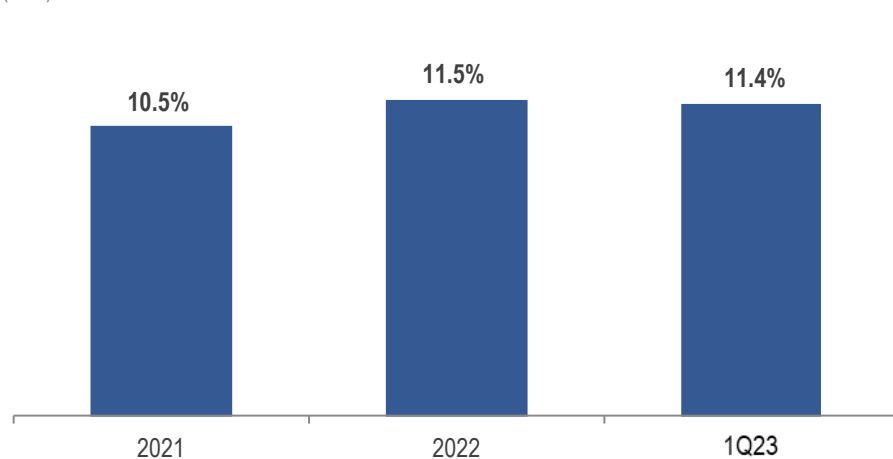
(in BRL MM and ratio between Net Debt and EBITDA, respectively)

Covenant $\leq 3.0x$



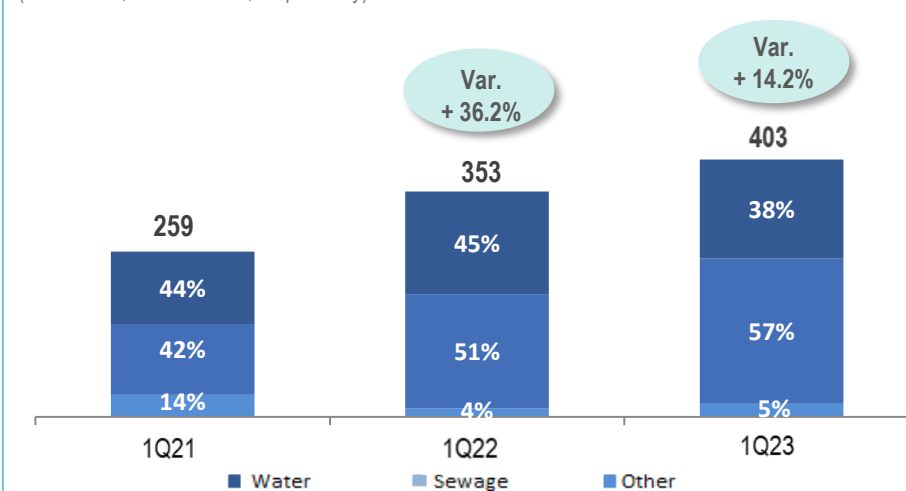
Weighted Average Cost of Debt

(in %)



CAPEX

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



Income Statement



Accumulated Results	1Q21	1Q22	Var %	1Q23	Var %
NET REVENUE	1,226,476	1,406,842	14.7	1,453,963	3.4
Personnel	257,024	281,785	9.6	317,839	12.8
PPR	17,377	19,881	14.4	24,447	23.0
Material	53,542	64,307	20.1	80,400	25.0
Electricity	122,691	171,164	39.5	118,102	(31.0)
Third Party Services	156,481	175,850	12.4	181,269	3.1
General and Taxes	38,820	42,777	10.2	60,185	40.7
Civil, Work, Environ., Fiscal, Tax Provisions	47,654	11,265	(76.4)	63,440	463.2
Health Care and Social Security Provisions	14,717	20,169	37.0	11,430	(43.3)
Financial Expenses (Revenues)	55,344	55,329	(0.0)	70,544	27.5
Other Costs and Expenses	89,808	129,305	44.0	49,245	(61.9)
TOTAL COSTS AND EXPENSES	853,458	971,832	13.9	976,901	0.5
Income Tax and Social Contribution	126,528	143,066	13.1	157,488	10.1
NET RESULT	246,490	291,944	18.4	319,575	9.5
Net Margin %	20.1%	20.8%	0.7 p.p	22.0%	1.2 p.p
EBITDA	522,738	595,719	14.0	663,890	11.4
EBITDA Margin %	42.6%	42.3%	-0.3 p.p	45.7%	3.4 p.p
EBIT	428,362	490,339	14.5	547,606	11.7
EBIT Margin %	34.9%	34.9%	0 p.p	37.7%	2.8 p.p

Adjusted EBITDA by non-manageable items

(in BRL MM)	1Q23
EBITDA	663.9
(+) Non-manageable items	(2.0)
Electricity	(33.3)
Treatment material	19.0
Fees and Charges	12.3
(=) Adjusted EBITDA by non-manageable items	661.9
EBITDA Margin (non-manageable items adjustment)	45.5%
Real EBITDA Margin	45.7%

Balance Sheet



	2021	2022	Var %	1Q23	Var %
Net Debt	(3,380,989)	(4,102,647)	21.3	(4,193,493)	2.2
Cash and Cash Equivalent	40,823	38,762	(5.0)	7,350	(81.0)
Financial Investments	942,304	1,169,170	24.1	1,205,311	3.1
Loans, Financing and Debentures	(4,120,565)	(5,083,244)	23.4	(5,178,819)	1.9
Dividends and Interest on Equity	(243,551)	(227,335)	(6.7)	(227,335)	-
Operating Working Capital	594,043	744,769	25.4	891,578	19.7
Accounts Receivable from Customers, net	1,023,029	1,211,913	18.5	1,329,197	9.7
Stocks for Operation	57,680	76,943	33.4	71,437	(7.2)
Contractors and Suppliers	(272,226)	(298,122)	9.5	(237,268)	(20.4)
Salaries and Social Charges	(214,440)	(245,965)	14.7	(271,788)	10.5
Other Assets / Liabilities	1,158,734	2,143,119	85.0	2,259,418	5.4
Provisions	(615,215)	(689,000)	11.9	(752,440)	9.2
Retirement and Health Care Plans	(1,160,116)	(1,011,056)	(12.8)	(1,022,486)	1.1
Contract Assets	1,869,743	2,746,449	46.9	2,893,441	5.4
Other Asses / Liabilities	1,064,732	1,096,726	3.0	1,140,903	4.0
Fixed Assets	9,454,554	10,001,646	5.8	10,148,958	1.5
Net Equity	(7,826,342)	(8,786,887)	12.3	(9,106,461)	3.6
Operating Working Capital Turnover	41	47		55	

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



	1Q21	1Q22	Var %	1Q23	Var %
Operating Activities	344,271	486,148	41.2	481,571	(0.9)
Net Profit of the Adjusted Financial Year	484,514	575,179	18.7	571,392	(0.7)
Decrease (Increase) of Assets	(115,569)	(138,079)	19.5	(89,050)	(35.5)
Increase (Decrease) of Liabilities	(24,674)	49,048	(298.8)	(771)	(101.6)
Investment Activities	(258,813)	(352,553)	36.2	(403,259)	14.4
Financing Activities	364,586	474,085	30.0	(73,583)	(115.5)
Loans and Financing	563,606	670,165	18.9	132,001	(80.3)
Dividends / Interest on Equity Payment	-	(1)	-	-	(100.0)
Financing Payment	(156,794)	(156,238)	(0.4)	(167,404)	7.1
Leasing Payment	(19,861)	(20,771)	4.6	(23,191)	11.7
Other Variations	(22,365)	(19,070)	(14.7)	(14,989)	(21.4)
Increase (Decrease)	450,044	607,680	35.0	4,729	(99.2)
At the beginning of the period	874,323	983,127	12.4	1,207,932	22.9
At the end of the period	1,324,367	1,590,807	20.1	1,212,661	(23.8)

Financial and Investor Relations Officer

