





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

2Q23

Accumulated until June 2023

Highlights

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

Net Revenue	EBITDA	Net Profit
2Q23 ⇒ + 13.0%	2Q23 ⇒ + 49.8%	2Q23 ⇒ + 80.5%
1H23 ⇒ + 8.1%	1H23 ⇒ + 27.8%	1H23 ⇒ + 41.1%



Increase of 54.4 thousand water connections



Increase of 67.3 thousand sewage connections



Service Index
Water 100% | Sewage 79.4%



EBITDA Margin
2Q22 ⇒ 32.6% | 2Q23 ⇒ 43.2%
1H22 ⇒ 37.5% | 1H23 ⇒ 44.4%



CAPEX Increase
2Q22 BRL 411.2 MM → 2Q23 BRL 477.6 MM
1H22 BRL 763.7 MM → 1H23 BRL 880.3 MM

Operating Result



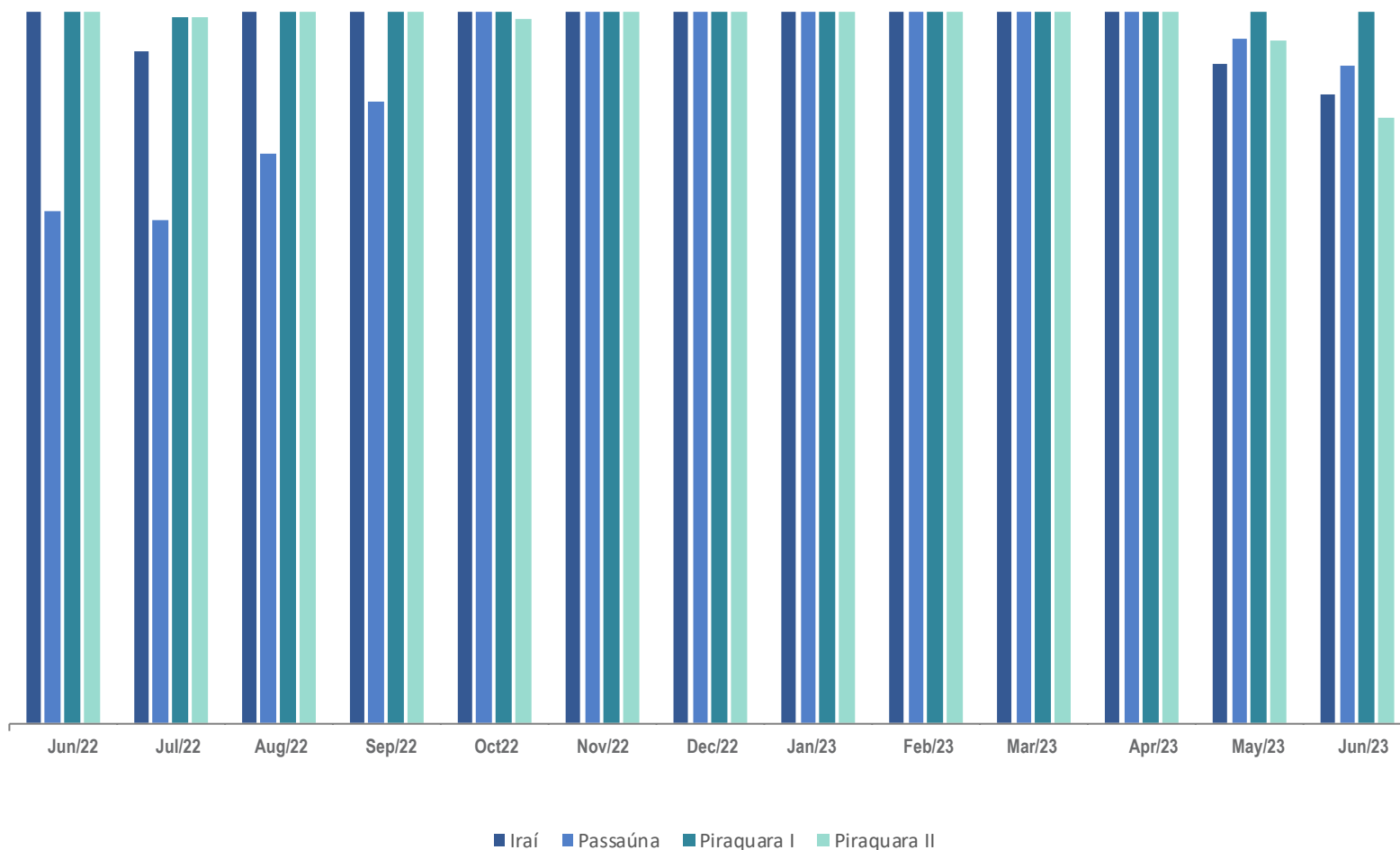
	1H21	1H22	Var %	1H23	Var %
WATER					
Measured Volume ('000)	249,263	254,530	2.1	265,204	4.2
Billed Volume ('000)	260,371	267,033	2.6	276,881	3.7
Connections Increase	38,326	33,328	(13.0)	25,454	(23.6)
Total Connections	3,312,137	3,381,769	2.1	3,436,140	1.6
Economic Units Increase	40,137	34,424	(14.2)	28,535	(17.1)
Total Economic Units	4,127,856	4,204,837	1.9	4,265,263	1.4
SEWAGE					
Measured Volume ('000)	187,104	194,037	3.7	206,405	6.4
Billed Volume ('000)	197,311	204,985	3.9	217,080	5.9
Connections Increase	37,083	27,870	(24.8)	29,298	5.1
Total Connections	2,345,221	2,407,566	2.7	2,474,886	2.8
Economic Units Increase	50,655	38,305	(24.4)	40,589	6.0
Total Economic Units	3,165,405	3,248,364	2.6	3,337,263	2.7
DEFAULT	3.7%	4.9%	1.2 p.p	-2.4%	-7.3 p.p
OP. EFFICIENCY (Liters/Connections/Day)	212.3	216.4	1.9	221.8	2.5



Reservoir Levels

Volumes in Jun/ 23
Average: 92.86%
(90.98% in Jun/ 22)

- Iraí 90%
- Passaúna 93%
- Piraquara I 100%
- Piraquara II 92%



COVENANTS		1H21	1H22	1H23
Debentures: 8th, 9th, 10th, 11th, 12th & 13th issues				
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.42	1.53	1.65
Adjusted EBITDA / Net Financial Expense	≥ 1.5	9.09	8.44	11.25
BNDES / Debentures: 2nd, 4th & 7th issues				
Net Bank Debt / EBITDA	≤ 3.0	1.49	1.63	1.78
EBITDA / Debt Service Coverage Ratio	≥ 1.5	2.69	3.06	2.75
Other Onerous Debts / EBITDA	≤ 1.0	0.59	0.54	0.41
CAIXA Contracts				
Adjusted EBITDA / Net Financial Expense	≥ 1.5	9.09	8.44	11.25
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.42	1.53	1.65
Other Onerous Debts / Adjusted EBITDA	≤ 1.0	0.56	0.51	0.38

COVENANTS / RATIOS



1H21

1H22

1H23

KfW Contracts

EBITDA / Debt Service	≥ 1.5	2.69	3.06	2.75
Net Bank Debt / EBITDA	≤ 3.0	1.49	1.63	1.78
Other Onerous Debts / EBITDA	≤ 1.0	0.59	0.54	0.41
Debt Level	≤ 0.6	47.3%	48.1%	48.6%

RATIOS

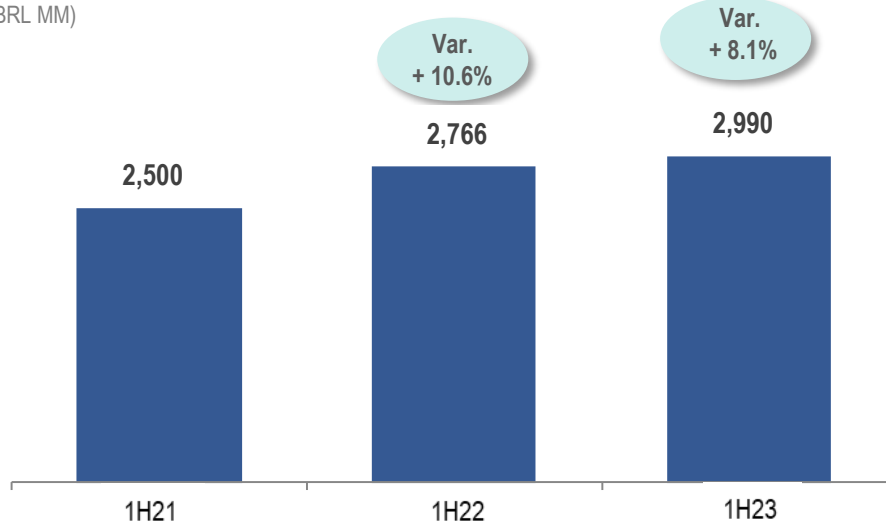
EBITDA Margin		44.2%	37.5%	44.4%
ROIC (annualized)		11.9%	11.7%	11.7%
ROE (annualized)		14.5%	14.1%	15.3%

Financial Performance



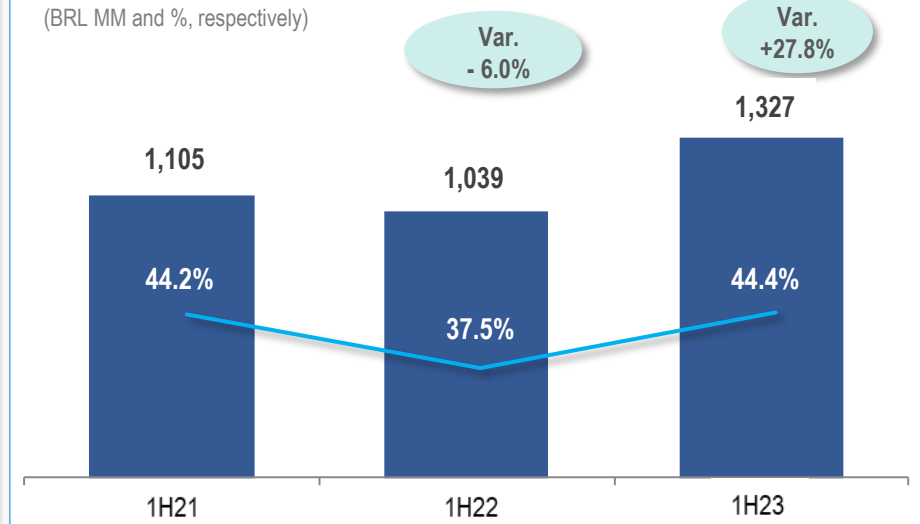
Net Revenue

(BRL MM)



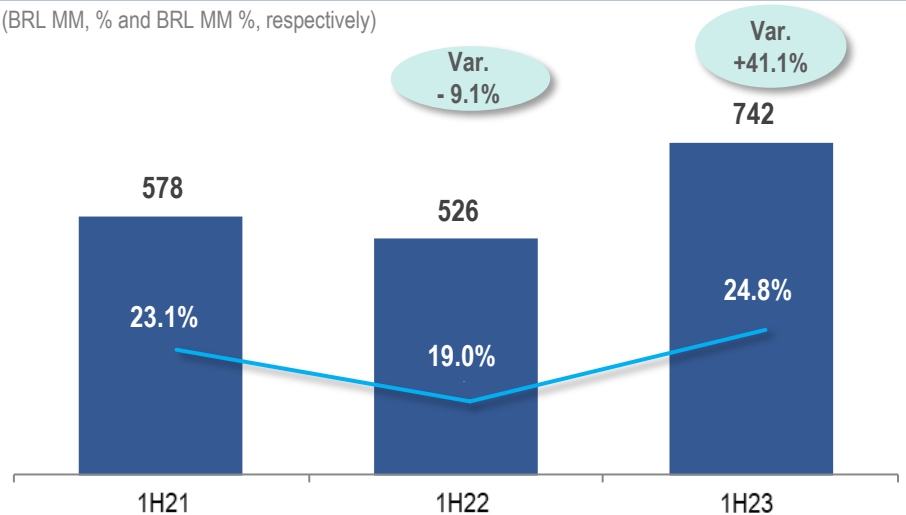
EBITDA & EBITDA Margin

(BRL MM and %, respectively)



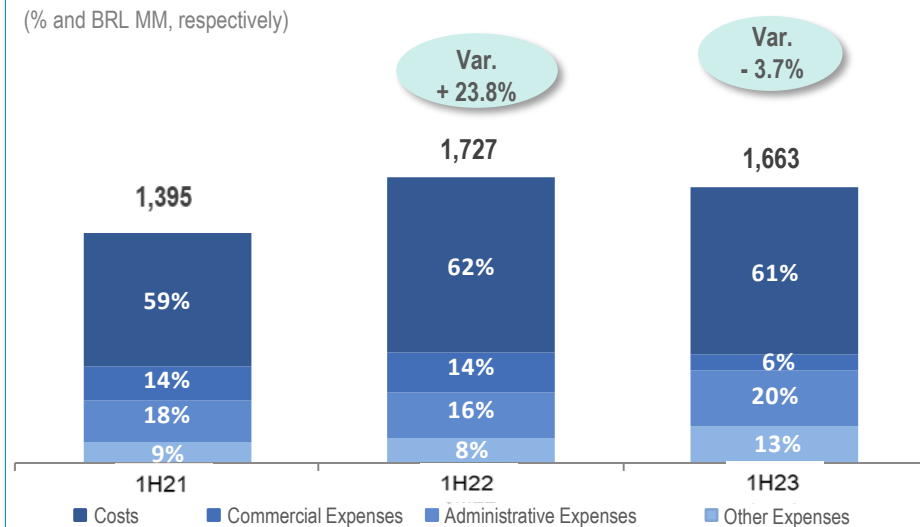
Net Profit & Net Margin

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



Operating Costs and Expenses (EBITDA Impact)

(% and BRL MM, respectively)

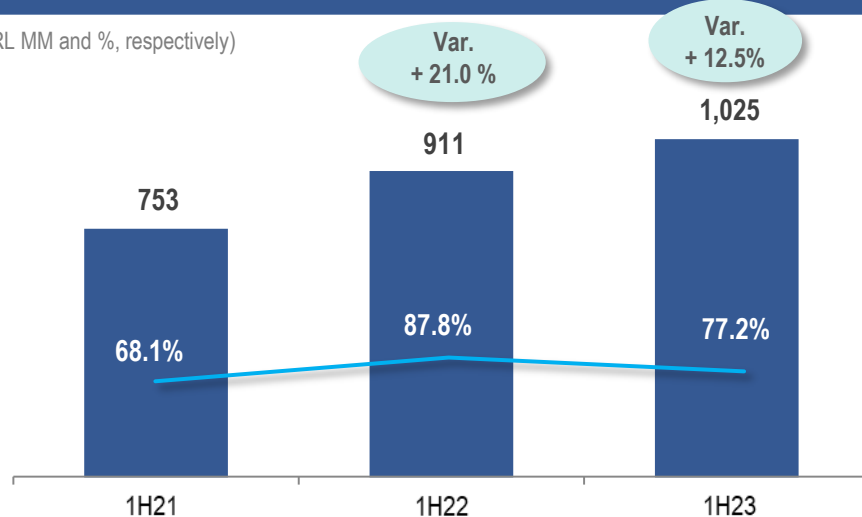


Financial Performance



Cash Generation and EBITDA Conversion

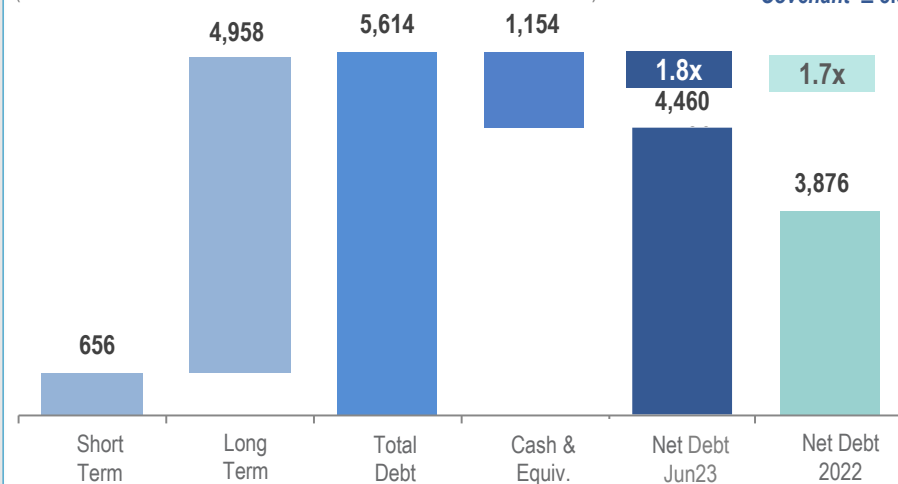
(BRL MM and %, respectively)



Net Debt and Leverage

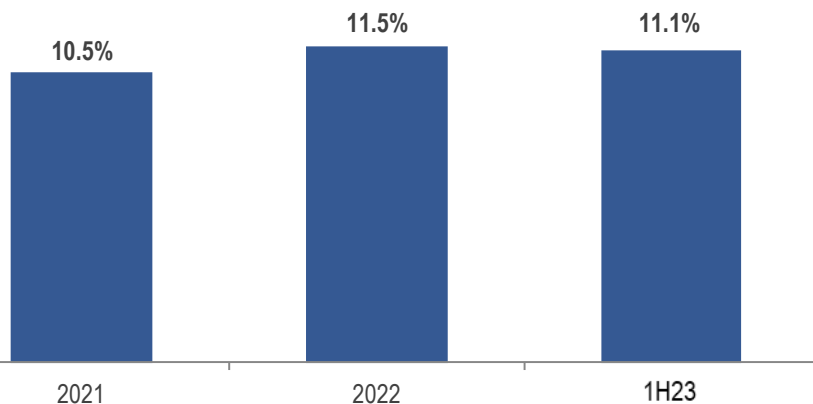
(in BRL MM and ratio between Net Debt and EBITDA, respectively)

Covenant $\leq 3.0x$



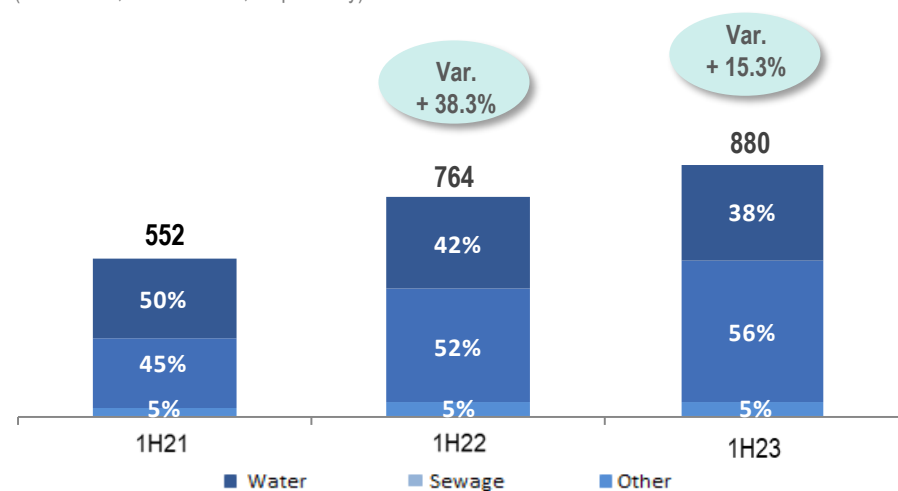
Weighted Average Cost of Debt

(in %)



CAPEX

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



Income Statement



Quarterly Results	2Q21	2Q22	Var %	2Q23	Var %
NET REVENUE	1,273,389	1,359,113	6.7	1,536,029	13.0
Personnel	278,377	321,331	15.4	335,387	4.4
PPR	23,394	15,916	(32.0)	32,292	102.9
Material	54,505	75,073	37.7	82,710	10.2
Electricity	120,362	142,439	18.3	119,523	(16.1)
Third Party Services	164,001	172,115	4.9	204,953	19.1
General and Tax	37,682	91,114	141.8	56,382	(38.1)
Civil, Work, Environ., Fiscal, Tax Provisions	1,441	45,449	3,054.0	57,403	26.3
Health Care and Social Security Provisions	14,716	20,170	37.1	11,431	(43.3)
Financial Expenses (Revenues)	59,975	63,651	6.1	45,795	(28.1)
Other Costs and Expenses	94,670	139,026	46.9	90,438	(34.9)
TOTAL COSTS AND EXPENSES	849,123	1,086,284	27.9	1,036,314	(4.6)
Income Tax and Social Contribution	92,449	39,122	(57.7)	77,607	98.4
NET RESULT	331,817	233,707	(29.6)	422,108	80.6
Net Margin %	26.1%	17.2%	-8.9 p.p	27.5%	10.3 p.p
EBITDA	581,863	442,807	(23.9)	663,286	49.8
EBITDA Margin %	45.7%	32.6%	-13.1 p.p	43.2%	10.6 p.p
EBIT	484,241	336,480	(30.5)	545,510	62.1
EBIT Margin %	38.0%	24.8%	-13.2 p.p	35.5%	10.7 p.p

Income Statement



Accumulated Results	1H21	1H22	Var %	1H23	Var %
NET REVENUE	2,499,865	2,765,955	10.6	2,989,992	8.1
Personnel	535,401	603,116	12.6	653,226	8.3
PPR	40,771	35,797	(12.2)	56,739	58.5
Material	108,047	139,380	29.0	163,110	17.0
Electricity	243,053	313,603	29.0	237,625	(24.2)
Third Party Services	320,482	347,965	8.6	386,222	11.0
General and Taxes	76,502	133,891	75.0	116,567	(12.9)
Civil, Work, Environ., Fiscal, Tax Provisions	49,095	56,714	15.5	120,843	113.1
Health Care and Social Security Provisions	29,433	40,339	37.1	22,861	(43.3)
Financial Expenses (Revenues)	115,319	118,980	3.2	116,339	(2.2)
Other Costs and Expenses	184,478	268,331	45.5	139,683	(47.9)
TOTAL COSTS AND EXPENSES	1,702,581	2,058,116	20.9	2,013,215	(2.2)
Income Tax and Social Contribution	218,977	182,188	(16.8)	235,095	29.0
NET RESULT	578,307	525,651	(9.1)	741,682	41.1
Net Margin %	23.1%	19.0%	-4.1 p.p	24.8%	5.8 p.p
EBITDA	1,104,601	1,038,526	(6.0)	1,327,176	27.8
EBITDA Margin %	44.2%	37.5%	-6.7 p.p	44.4%	6.9 p.p
EBIT	912,603	826,819	(9.4)	1,093,116	32.2
EBIT Margin %	36.5%	29.9%	-6.6 p.p	36.6%	6.7 p.p

Balance Sheet



	2021	2022	Var %	1H23	Var %
Net Debt	(3,380,989)	(4,102,647)	21.3	(4,697,265)	14.5
Cash and Cash Equivalent	40,823	38,762	(5.0)	38,430	(0.9)
Financial Investments	942,304	1,169,170	24.1	1,115,687	(4.6)
Loans, Financing and Debentures	(4,120,565)	(5,083,244)	23.4	(5,614,402)	10.4
Dividends and Interest on Equity	(243,551)	(227,335)	(6.7)	(236,980)	4.2
Operating Working Capital	594,043	744,769	25.4	929,340	24.8
Accounts Receivable from Customers, net	1,023,029	1,211,913	18.5	1,443,120	19.1
Stocks for Operation	57,680	76,943	33.4	64,932	(15.6)
Contractors and Suppliers	(272,226)	(298,122)	9.5	(322,505)	8.2
Salaries and Social Charges	(214,440)	(245,965)	14.7	(256,207)	4.2
Other Assets / Liabilities	1,158,734	2,143,119	85.0	2,317,593	8.1
Provisions	(615,625)	(689,000)	11.9	(809,843)	17.5
Retirement and Health Care Plans	(1,160,116)	(1,011,056)	(12.8)	(1,033,917)	2.3
Contract Assets	1,869,743	2,476,449	46.9	2,891,427	5.3
Other Asses / Liabilities	1,064,732	1,096,726	3.0	1,269,926	15.8
Fixed Assets	9,454,554	10,001,646	5.8	10,550,905	5.5
Net Equity	(7,826,342)	(8,786,887)	12.3	(9,100,573)	3.6
Operating Working Capital Turnover	41	47		56	

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



	1H21	1H22	Var %	1H23	Var %
Operating Activities	752,659	911,394	21.1	1,024,618	12.4
Net Profit of the Adjusted Financial Year	1,054,335	1,184,160	12.3	1,311,734	10.8
Decrease (Increase) of Assets	(199,506)	(261,369)	31.0	(292,659)	12.0
Increase (Decrease) of Liabilities	(102,170)	(11,397)	(88.8)	5,543	(148.6)
Investment Activities	(553,350)	(765,119)	38.3	(881,227)	15.2
Financing Activities	(85,335)	103,827	(221.7)	(197,206)	(289.9)
Loans and Financing	626,455	799,926	27.7	738,663	(7.7)
Dividends / Interest on Equity Payment	(267,765)	(308,823)	15.3	(385,616)	24.9
Financing Payment	(382,219)	(320,333)	(16.2)	(481,154)	50.2
Leasing Payment	(39,191)	(42,484)	8.4	(52,105)	22.6
Other Variations	(22,615)	(24,459)	8.2	(16,994)	(30.5)
Increase (Decrease)	113,974	250,102	119.4	(53,815)	(121.5)
At the beginning of the period	874,323	983,127	12.4	1,207,932	22.9
At the end of the period	988,297	1,233,229	24.8	1,154,117	(6.4)

Financial and Investor Relations Officer

