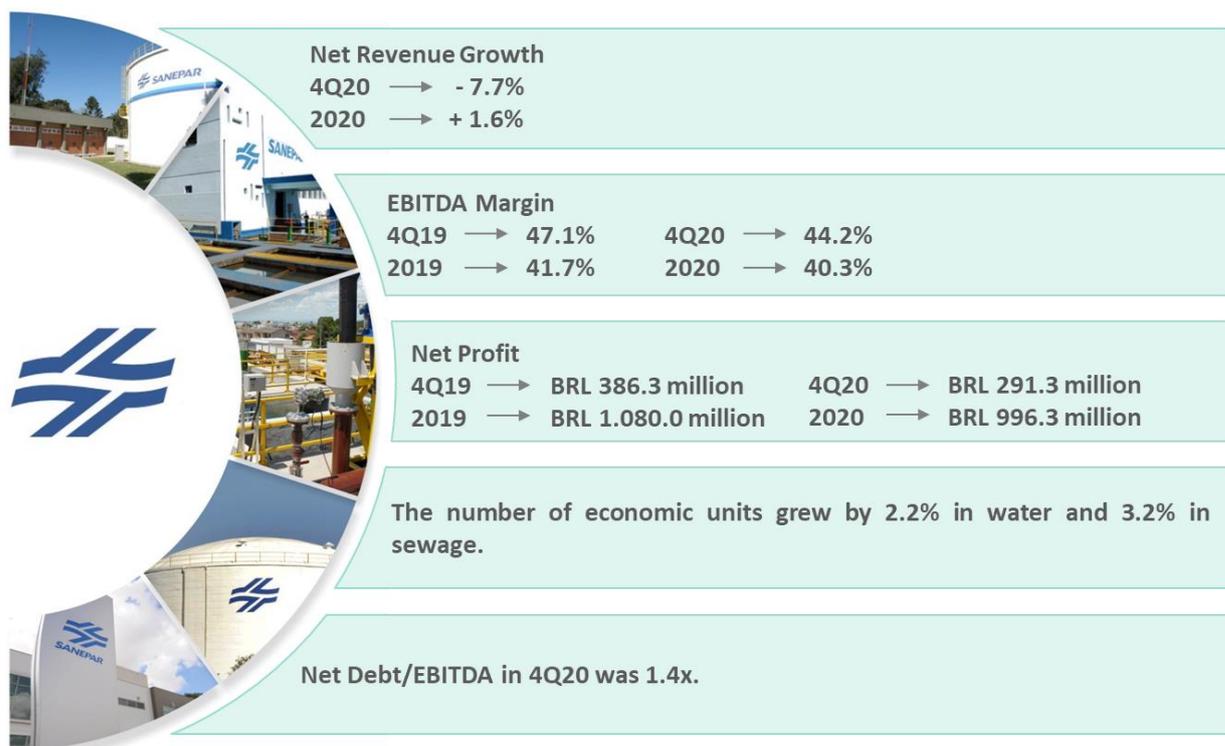


Curitiba, February 11th, 2021.

Companhia de Saneamento do Paraná – SANEPAR (SAPR3 - ON; SAPR4 - PN; SAPR11 - UNITS) presents the financial and operating results regarding the fourth quarter of 2020 (4Q20). The economic information was prepared in accordance with accounting practices adopted in Brazil, including Brazilian corporate law, pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (Comitê de Pronunciamentos Contábeis – CPC), also based on the accounting standards and procedures established by the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários- CVM).

Highlights



	4Q20 (1)	4Q19 (2)	Var. (1/2)	4Q18 (3)	Var. (2/3)
Net Revenue	1,236.9	1,339.6	-7,7 %	1,097.9	22,0 %
Operating Income	453.2	545.2	-16,9 %	405.4	34,5 %
EBITDA	547.2	631.2	-13,3 %	475.7	32,7 %
Net Profit	291.3	386.3	-24,6 %	320.0	20,7 %
ROE	15.2	18.2	-3,0 p.p.	16.4	1,8 p.p.
ROIC	11.7	13.5	-1,8 p.p.	12.7	0,8 p.p.
Net Debt	2,773.3	2,806.3	-1,2 %	2,444.7	14,8 %
Gross Margin	57.2	58.2	-1,0 p.p.	55.5	2,7 p.p.
Operating Margin	29.3	34.6	-5,3 p.p.	30.2	4,4 p.p.
Net Margin	23.6	28.8	-5,2 p.p.	29.1	-0,3 p.p.
EBITDA Margin	44.2	47.1	-2,9 p.p.	43.3	3,8 p.p.
Equity Debt	47.4	48.3	-0,9 p.p.	47.0	1,3 p.p.
Net Debt / EBITDA	1.4	1.4	-	1.5	-0,1 p.p.

MARKET CAP
 12/30/2020
 BRL 8.2 billion

SAPR3: BRL 6.00

SAPR4: BRL 5.10

SAPR11: BRL 26.00

CONFERENCE CALL
 02/12/2021 | 10:00 AM (BRT)

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INVESTOR RELATIONS

Abel Demetrio
 Fabiane Queiroz Santos Heinisch
 Jamile G. Oliveira
 Ricardo Garcia Gonçalves

1. OPERATING DATA
1.1 MARKET

We present below the contracts in % of Total Revenue of the Company, as of December 31, 2020:

Contracts (% of Total Revenue)*					Coverage ratio		Total active economic units (in thousands)	
Municipalities	Total revenue %	Remaining period of concession	Type of contract	Type of concession	Water	Sewage collections	Water	Sewage collections
Curitiba	22.2%	27.5 yr.	Program	Water & Sewage	100%	96.2%	830.4	799.2
Londrina	7.3%	25.5 yr.	Program	Water & Sewage	100%	95.9%	253.7	240.5
Maringá	5.4%	19.7 yr.	Concession	Water & Sewage	100%	100.0%	167.8	185.3
Ponta Grossa	3.7%	5,3 yr.	Concession	Water & Sewage	100%	91.5%	148.9	134.8
Cascavel	3.5%	3,9 yr.	Concession	Water & Sewage	100%	100.0%	130.2	135.2
Foz do Iguaçu	3.4%	23.2 yr.	Program	Water & Sewage	100%	79.6%	115.2	93.1
São José dos Pinhais	2.8%	23.0 yr.	Program	Water & Sewage	100%	75.8%	117.6	90.3
Colombo	1.8%	27.3 yr.	Program	Water & Sewage	100%	66.4%	85.9	58.2
Guarapuava	1.7%	21.8 yr.	Program	Water & Sewage	100%	85.2%	66.7	55.5
Toledo	1.5%	4.7 yr.	Concession	Water & Sewage	100%	82.4%	59.9	47.5
Other Municipalities	46.7%						2,111.4	1,275.2
Total					100.0%	75.1%	4,087.7	3,114.8

* Information not reviewed by independent auditors.

The current rate of treated water supply is of 100.0% and the coverage of sewage collection is of 75.1% of the urban population within the concession area, with a treatment rate of 100% as per the Corporate Information System.

Revenues stem mainly from residential water connections, representing 90.9% of the total water connections existing at December 31, 2020.

The number of water connections in December 2020 is 2.5% higher than the number of connections existing in December 2019, which represents an increase of 79,274 water connections, as follows:

Number of Water Connections*	DEC/20 (1)	%	DEC/19 (2)	%	Var. % (1/2)
Residential	2,976,232	90.9	2,900,902	90.8	2.6
Commercial	233,696	7.1	230,362	7.2	1.4
Industrial	13,272	0.4	13,064	0.4	1.6
Public Utility	23,861	0.7	23,832	0.7	0.1
Public Administration	26,750	0.9	26,377	0.9	1.4
Total	3,273,811	100.0	3,194,537	100.0	2.5

* Information not reviewed by independent auditors.

The number of sewage connections in December 2020 is 3.5% higher than the number of connections existing in December 2019, representing an increase of 77,011 sewage connections, as shown below:

Number of Sewage Connections*	DEC/20 (1)	%	DEC/19 (2)	%	Var. % (1/2)
Residential	2,088,213	90.5	2,015,360	90.3	3.6
Commercial	184,259	8.0	180,757	8.1	1.9
Industrial	5,599	0.2	5,458	0.2	2.6
Public Utility	15,467	0.7	15,317	0.7	1.0
Public Administration	14,600	0.6	14,235	0.7	2.6
Total	2,308,138	100.0	2,231,127	100.0	3.5

* Information not reviewed by independent auditors.

1.2 PRODUCTIVITY

In 4Q20, the measured volume of treated water was 127.3 million m³ against 132.1 million m³ in 4Q19, representing a decrease of 3.6%, as shown below:

Measured Water Volume - million m ³ *	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Residential	109.7	111.1	-1.3	435.9	432.4	0.8
Commercial	9.4	11.1	-15.3	36.3	42.3	-14.2
Industrial	3.6	3.3	9.1	11.6	11.8	-1.7
Public Utility	1.1	1.4	-21.4	4.5	5.4	-16.7
Public Administration	3.5	5.2	-32.7	15.0	19.8	-24.2
Total	127.3	132.1	-3.6	503.3	511.7	-1.6

* Information not reviewed by independent auditors.

In 4Q20, the volume of treated water billed was 132.9 million m³, against to 137.0 million m³ in 4Q19, representing a decrease of 3.2%, as shown below:

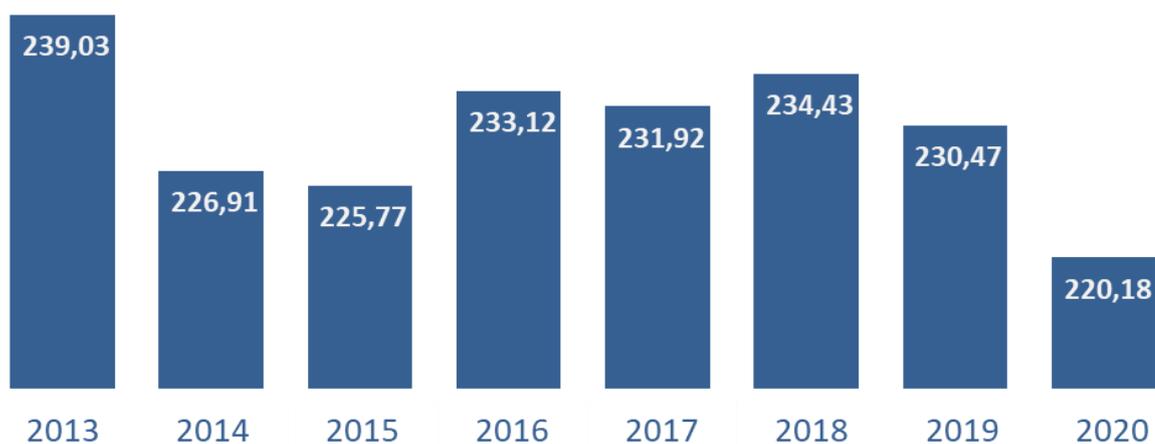
Invoiced Water Volume - million m ³ *	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Residential	114.2	115.0	-0.7	453.6	448.5	1.1
Commercial	10.2	11.8	-13.6	39.8	45.3	-12.1
Industrial	3.7	3.8	-2.6	13.3	14.4	-7.6
Public Utility	1.0	1.1	-9.1	3.8	4.5	-15.6
Public Administration	3.5	5.3	-34.0	15.3	20.1	-23.9
Total	132.6	137.0	-3.2	525.8	532.8	-1.3

* Information not reviewed by independent auditors.

The volume of sewage billed in 4Q20 decreased by 3.7% compared to 4Q19, as shown below:

Invoiced Sewage Volume - million m ³ *	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Residential	86.1	86.5	-0.5	342.9	335.2	2.3
Commercial	9.1	10.8	-15.7	35.5	41.5	-14.5
Industrial	0.7	0.9	-22.2	2.9	3.5	-17.1
Public Utility	0.8	1.0	-20.0	3.2	3.8	-15.8
Public Administration	2.7	4.0	-32.5	11.7	15.2	-23.0
Total	99.4	103.2	-3.7	396.2	399.2	-0.8

* Information not reviewed by independent auditors.

DEMONSTRATIVE OF THE LOSS BY CONNECTION*
Liters/Connections/Day


* Information not reviewed by independent auditors.

Water*	2020 (1)	2019 (2)	Var. (1/2)	2018 (3)	Var. % (2/3)
Units served by the distribution network	4,087,719	4,001,074	2,2 %	3,923,428	2,0 %
Number of treatment stations	168	168	0,0 %	168	0,0 %
Number of wells	1,154	1,104	4,5 %	1,103	0,1 %
Number of surface catchment	232	232	0,0 %	230	-0,9 %
Km of laid network	57,503	55,359	3,9 %	54,103	2,3 %
Volume produced (m ³)	766,106,638	780,632,413	-1,9 %	761,996,211	2,4 %
Loss rate:					
In distribution system - %	34.34	34.45	-0,11 p.p.	35.22	-0,78 p.p.
In billings - %	31.41	31.74	-0,33 p.p.	32.57	-0,83 p.p.
Revenues delinquency rate %	2.80	1.65	1,15 p.p.	0.97	0,68 p.p.

* Information not reviewed by independent auditors.

Sewage*	2020 (1)	2019 (2)	Var. (1/2)	2018 (3)	Var. % (2/3)
Units served by the collection network	3,114,750	3,019,303	3,2 %	2,896,583	4,2 %
Number of treatment stations	255	249	2,4 %	246	1,2 %
Km of laid network	38,464	36,754	4,7 %	35,982	2,1 %
Volume collected in m ³	377,326,945	382,115,054	-1,3 %	362,380,051	5,4 %

* Information not reviewed by independent auditors.

WATER CRISIS AND AVAILABLE VOLUMES

On 05/07/2020, State Decree nº 4,626 was published, recognizing the water emergency situation in the State of Paraná, for a period of 180 days. Subsequently, on 10/29/2020, this Decree was extended for another 180 days.

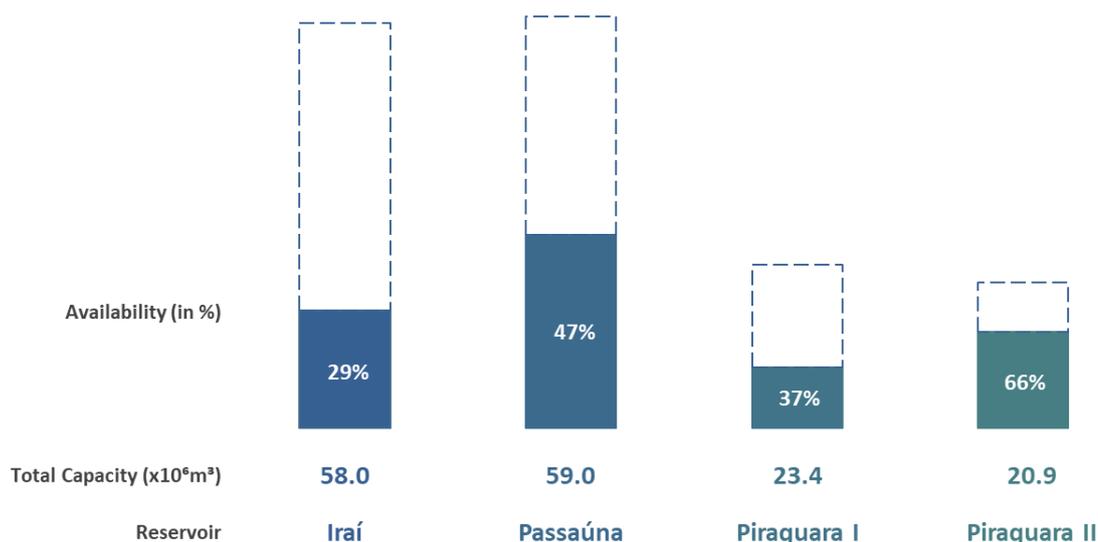
Due to the low volume of reserves and the scarcity of rain, the Company is practicing as a mitigating action, rotation of 36 hours by 36 hours. The water supply is for 36 hours, with interruption of 24 hours and a period of 12 hours for normalization, although the Water Emergency Decree allows up to 24 hours for normalization.

The average volume available of the Integrated Supply System of Curitiba (SAIC) is formed by the dams Piraquara I, Piraquara II, Iraí and Passaúna.

In the Municipality of Foz do Iguaçu, Sanepar uses water from the dam of the hydroelectric power plant Itaipu Binacional, of Itaipu lake, in Paraná River.

The dams of Sanepar are considered of medium size in relation to storage volume, but large due to height/depth of more than 15 meters. At the end of the quarter, the average reserve volume was 40.95%.

RESERVOIR LEVELS – 12/31/2020



2. FINANCIAL DATA
2.1 ECONOMIC PERFORMANCE

Operating revenue - In BRL million	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Revenues from water	807.7	872.1	-7.4	3,124.1	3,068.7	1.8
Revenues from sewage	475.8	518.0	-8.1	1,856.0	1,811.9	2.4
Revenues from services	30.5	36.5	-16.4	119.3	143.1	-16.6
Revenues from solid waste	3.0	3.0	-	11.9	11.7	1.7
Services provided to Municipalities	5.3	4.9	8.2	20.4	18.4	10.9
Donations made by clients	6.0	5.5	9.1	21.7	18.8	15.4
Other revenues	1.8	1.7	5.9	7.3	5.5	32.7
Total Operating Revenue	1,330.1	1,441.7	-7.7	5,160.7	5,078.1	1.6
COFINS	-76.6	-83.9	-8.7	-296.7	-292.0	1.6
PASEP	-16.6	-18.2	-8.8	-64.3	-63.3	1.6
Total of Deductions	-93.2	-102.1	-8.7	-361.0	-355.3	1.6
Total of Operating Revenue, net	1,236.9	1,339.6	-7.7	4,799.7	4,722.8	1.6

Net operating revenue decreased by 7.7%, from BRL 1,339.6 million in 4Q19 to BRL 1,236.9 million in 4Q20. This reduction is due to the decrease of 3.2% in billed water volumes and 3.7% in billed sewage volumes, resulting from the current water emergency situation in the State of Paraná, which required mitigating actions due to the low volume of reserves and the scarcity of rain and also due to the postponement of the 2020 tariff readjustment.

Operating costs and expenses in 4Q20 decreased 1.3% when compared to 4Q19:

Operating costs and expenses In BRL million	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Personnel	-258.8	-290.8	-11.0	-1,212.2	-1,094.8	10.7
Materials	-58.9	-61.1	-3.6	-216.9	-204.0	6.3
Electricity	-103.7	-121.4	-14.6	-443.0	-467.5	-5.2
Third-party services	-172.1	-175.1	-1.7	-655.9	-629.2	4.2
Depreciation and amortization	-94.0	-86.0	9.3	-361.9	-337.4	7.3
Losses in Realization of Credits	-34.7	-6.1	468.9	-91.0	-20.9	335.4
Net Realizable Value of Inventory	0.7	-1.3	-153.8	-1.4	-1.3	7.7
Municipal Sanitation and Environmental Funds	-16.6	-16.4	1.2	-65.9	-63.2	4.3
Regulatory fee	-6.4	-5.6	14.3	-25.4	-22.4	13.4
Indemnifications for damages to third parties	-2.7	-2.2	22.7	-13.1	-15.3	-14.4
Expenses capitalized	22.2	25.5	-12.9	82.9	103.4	-19.8
Impairment Losses	1.1	-19.4	-105.7	1.1	-19.4	-105.7
Provision for contingencies	8.4	0.3	2,700.0	2.0	-84.9	-102.4
Pension plan and medical insurance	-10.7	-15.2	-29.6	-60.8	-60.1	1.2
Profit sharing program	-31.9	-0.2	15,850.0	-74.4	-76.6	-2.9
Eventual and extraordinary losses	0.0	0.0	-	-37.2	-28.7	29.6
Conversion of Environmental Fines	-19.4	-0.1	19,300.0	-19.4	-0.9	2,055.6
Net assets write-off	3.0	-2.7	-211.1	6.2	-9.2	-167.4
Adjustment to Fair Value - Investments	0.2	0.4	-50.0	-0.2	0.6	-133.3
Equity in earnings (losses)	0.1	-1.2	-108.3	-1.9	-5.7	-66.7
Other costs and expenses	-9.5	-15.8	-39.9	-40.8	-51.0	-20.0
Total	-783.7	-794.4	-1.3	-3,229.2	-3,088.5	4.6

The main changes resulted from:

- **Personnel:**

Reduction of 11.0% due to the 8.6% decrease in the number of employees (from 6,985 to 6,382 employees in 2019 and 2020, respectively) reflecting in all severance payments and employee benefits. In 4Q20, the Company recorded the impact of BRL 5.0 million regarding the Incentive Retirement Program (“PAI”). At the end of the program, 565 employees joined it with an impact of BRL 132.8 million in severance pay;

- **Materials:**

Reduction of 3.6% mainly in expedient material, use and consumption, maintenance of conservation and maintenance of administrative goods, electromechanical maintenance material, cut and rewire material, fuels and lubricants and network maintenance material. In 2020 there was an increase of 6.3%, mainly in treatment material with a positive variation of 19.9%, influenced by the increase in the amount of chemicals used in the sewage treatment process;

- **Electricity**

Reduction of 14.6% mainly due to the decrease in electricity consumption due to the implementation of water rotation due to the water crisis;

- **Third Party Services:**

Decrease of 1.7% mainly in operation and building maintenance services and systems, conservation and maintenance services for administrative assets, placement services, advertising, communication and data transmission services, surveillance services, collection services, graphic services, copies and binding, interns and contractors, electromechanical maintenance services and network maintenance services. In 2020, there was an accumulated growth of 4.2%, mainly in sewage removal services with a variation of 22.2% and freight and reels with a variation of 39.7%;

- **Depreciation and amortization:**

Increase of 9.3% mainly due to the operation start of intangible and / or fixed assets, in fiscal year 2020, in the amount of BRL 985.3 million (net of amortizations and write-offs);

- **Losses on Credit Realization:**

Increase of 468.9% mainly influenced by the increase in the loss provisions of accounts receivable from private customers in the amount of BRL 28.3 million and also by the accounting of the amount of BRL 5.3 million referring to the estimated losses on credits due, according to studies on the drop in revenue caused by the current economic scenario, caused by the COVID-19 pandemic;

- **Conversion of Environmental Fines**

Growth mainly influenced by the environmental provision in the amount of BRL 19.0 million, due to an IBAMA appeal decision that consolidated the amount of debt of the Environmental Infraction Notice, which established a fine for exploitation of underground water in the Karst Aquifer, without the proper environmental license. This amount was provisioned in 3Q20, so there was a decrease in the provision account in this quarter.

2.2 ECONOMIC INDICATORS

Financial income (loss) - in BRL million	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Financial revenues						
Financial investments	4.7	4.9	-4.1	22.5	25.0	-10.0
Monetary variation gains	11.2	4.3	160.5	18.7	11.4	64.0
Exchange rate variation gains	0.4	0.1	300.0	0.4	0.1	300.0
Gain on Derivative Financial Instruments	0.2	0.0	-	1.6	0.0	-
Other financial revenues	-1.5	12.8	-111.7	16.1	29.0	-44.5
Total financial revenues	15.0	22.1	-32.1	59.3	65.5	-9.5
Financial expenses						
Interest and fees on loans, financing, debentures and leases	-54.7	-64.1	-14.7	-220.2	-226.1	-2.6
Monetary variation losses	-16.5	-2.3	617.4	-22.9	-14.2	61.3
Exchange rate variation losses	-0.2	0.0	-	-1.7	0.0	-
Derivative losses	-0.4	-0.1	300.0	-0.4	-0.1	300.0
Other financial expenses	-6.1	-1.6	281.3	-18.9	-5.5	243.6
Total financial expenses	-77.9	-68.1	14.4	-264.1	-245.9	7.4
Financial income (loss)	-62.9	-46.0	36.7	-204.8	-180.4	13.5

The financial result varied negatively by 36.7 %, from BRL -46.0 million in 4Q19 to BRL -62.9 million in 4Q20, due to the 14.4% growth in financial expenses, mainly in monetary variation losses (from BRL 2.3 million in 4Q19 to BRL 16.5 million in 4Q20) and also because of the increase in “AVP” expenses on Contractual Financial Assets, due to the change in the discount rate index in the amount of BRL 4.2 million.

Economic Result - R\$ million	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Operating income	453.2	545.2	-16.9	1,570.5	1,634.3	-3.9
Financial income (loss)	-62.9	-46.0	36.7	-204.8	-180.4	13.5
Taxes on income	-99.0	-112.9	-12.3	-369.4	-373.9	-1.2
Net income for the period	291.3	386.3	-24.6	996.3	1,080.0	-7.7

The Company obtained a net profit of BRL 291.3 million in 4Q20, 24.6% below the net result of BRL 386.3 million recorded in 4Q19. The result was impacted by the reduction in net operating revenue, mainly due to the drop of 3.2% in the billed water volumes and 3.7% in the billed sewage volumes and also due to the postponement of the tariff readjustment.

The following is the reclassification of the result of 4Q20, excluding non-recurring items:

Non-recurrent items - In BRL million *	4Q20	4Q19	2020	2019
Net income	291.3	386.3	996.3	1,080.0
PAI - Incentive Retirement Program	5.0	-	132.8	-
NPV expenses on contractual financial assets	-	-	11.1	-
Provision - Consortium DM/LFM/SEF	-	-	15.2	-
IBAMA Installments	19.0	-	19.0	-
Compensation to the city of Maringá	-	-	-	28.7
Impairment - CS Bioenergia S/A	-0.7	17.3	-0.7	17.3
Tax effects	-7.9	-5.9	-60.3	9.2
Pro forma net income	306.7	397.7	1,113.4	1,135.2
Net margin of non-recurrent items	24.8	29.7	23.2	23.6
Adjusted EBITDA of non-recurrent items	570.5	648.5	2,109.8	2,017.7
Adjusted EBITDA margin of non-recurrent items	46.1	48.4	44.0	42.7

* Information not reviewed by independent auditors.

Distribution of the Economic Wealth Generated - In BRL million	4QT20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Personnel remuneration	252.9	247.9	2.0	1,123.8	1,002.2	12.1
Government Compensation (Taxes)	231.2	260.0	-11.1	901.0	906.7	-0.6
Third-party compensation (Rents)	1.2	1.3	-7.7	4.3	4.5	-4.4
Return on debt capital (interest and monetary variations)	77.9	68.1	14.4	264.1	245.9	7.4
Interest on Equity and dividends	145.7	156.2	-6.7	296.4	330.4	-10.3
Net income for the period not distributed	145.6	230.0	-36.7	699.9	749.6	-6.6
Total Economic Wealth	854.5	963.5	-11.3	3,289.5	3,239.3	1.5

Sanepar's growth and development strategy to operate on a public utility service market, also open to the private initiative, is based on the search for effective results, commitment to the quality of services provided and, in particular to addressing the needs of the granting power and shareholders.

The figures below display the economic-financial results achieved by the Company in supporting the investment programs, providing adequate conditions for the delivery of future demands.

Economic Indicators - In BRL million	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Net operating revenue	1,236.9	1,339.6	-7,7 %	4,799.7	4,722.8	1,6 %
Operating profit	453.2	545.2	-16,9 %	1,570.5	1,634.3	-3,9 %
Net income	291.3	386.3	-24,6 %	996.3	1,080.0	-7,7 %
% Operating margin	29.3	34.6	-5,3 p.p.	26.5	28.6	-2,1 p.p.
% Net margin	23.6	28.8	-5,2 p.p.	20.8	22.9	-2,1 p.p.
% Return on average shareholders' equity	4.4	6.3	-1,9 p.p.	15.2	18.2	-3,0 p.p.
Net debt/ EBITDA (Accumulated 12 month) *	-	-	-	1.4	1.4	-

* CVM Instruction 527/12 - Information not reviewed by independent auditors.

At the close of 4Q20, the Company's total assets reached BRL 13,190.9 million (BRL 11,939.6 million at 12/31/2019), while total debt at the end of 4Q20 was BRL 6,247.7 million (BRL 5,765.7 million. million on 12/31/2019).

Of the total debt, BRL 3,647.6 million (BRL 3,080.4 million at 12/31/2019) refer to loans, financing, debentures and leases, an increase of 18.4% compared to the end of the year of 2019.

	Reference	DEC/20	DEC/19	Var.
Equity	BRL million	6,943.2	6,173.9	12,5 %
Share value *	BRL	4.59	4.09	12,2 %
Indebtedness level **	%	47.4	48.3	-0,9 p.p.
Current ratio **	BRL	1.21	0.91	33,0 %
Quick ratio **	BRL	1.17	0.87	34,5 %

* BRL 12.26 in December of 2019. Values adjusted to the split occurred on 03/30/2020.

** CVM Instruction No. 527 / 12 - Information not reviewed by independent auditors.

EBITDA and Generation of Operating Cash

EBITDA in 4Q20, which represents the Company's operating result, was BRL 547.2 million, against BRL 631.2 million in 4Q19. The EBITDA margin went from 47.1% to 44.2%. This drop in performance was due to the 7.7% decrease in net revenue. However, there was also a 2.6% reduction in costs and expenses that impact EBITDA.

Operating cash flow in 4Q20 was BRL 270.6 million, a 33.2% reduction compared to 4Q19. The EBITDA Conversion into Operating Cash was of 49.4%, due to the postponed taxes payment effect, and due to the Incentive Retirement Program payment, that is, the effect of Cash only.

EBITDA - R\$ Million *	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Net income for the period	291.3	386.3	-24,6 %	996.3	1,080.0	-7,7 %
(+) Taxes on Income	99.0	112.9	-12,3 %	369.4	373.9	-1,2 %
(+) Financial income (loss)	62.9	46.0	36,7 %	204.8	180.4	13,5 %
(+) Depreciation and amortization	94.0	86.0	9,3 %	361.9	337.4	7,3 %
EBITDA	547.2	631.2	-13,3 %	1,932.4	1,971.7	-2,0 %
% EBITDA Margin	44.2	47.1	-2,9 p.p.	40.3	41.7	-1,4 p.p.
% EBITDA conversion into cash	49.4	64.1	-14,7 p.p.	82.6	74.1	8,5 p.p.

* CVM Instruction No. 527 / 12 - Information not reviewed by independent auditors.

2.3 INVESTMENTS

The investments made in the 4Q20 totaled BRL 263.5 million (BRL 274.6 million in 4Q19), as shown below:

Investments – R\$ Million	4Q20 (1)	4Q19 (2)	Var. % (1/2)	2020 (3)	2019 (4)	Var. % (3/4)
Water	139.6	126.7	10.2	472.7	459.7	2.8
Sewage	102.4	121.7	-15.9	419.7	454.2	-7.6
Other investments	21.5	26.2	-17.9	76.5	113.2	-32.4
Total	263.5	274.6	-4.0	968.9	1,027.1	-5.7

2.4 INDEBTEDNESS

Gross debt increased from BRL 3,080.4 million in December 2019 to BRL 3,647.6 in December 2020, representing an increase of BRL 567.2 million. Net debt went from BRL 2,806.3 million in December 2019 to BRL 2,773.3 million in December 2020. In 2020, BRL 350.0 million was released referring to the 10th Debentures Issuance and BRL 200.0 million was raised through the issuance of Bank Credit Card - CCB from Banco BTG Pactual S.A.

The leverage ratio, measured by the “Net Debt / EBITDA (accumulated 12 months)” ratio closed at 1.4x, remaining stable from 2019 to 2020. The level of indebtedness was 47.4% at the end of 4Q20 (48.3% in 4Q19).

Next is the breakdown of loans, financing, debentures and leases, with their respective interest rates, maturities and debt balances as at December 31, 2020 and the debt profile in relation to maturity:

Indebtedness - R\$ million	Annual interest rate	Index	Contract termination	Debt balance	%
Caixa Econômica Federal	6.62% to 12.00%	TR	7/19/2042	1,145.1	31.4
Debentures 10th Issue - 1st series	4.66%	IPCA	3/15/2027	357.6	9.8
BNDES - PAC2	TJLP + 1.67% to 2.05%	-	7/15/2029	312.5	8.6
Leasing Operations (Paraná Coast)	11.14%	IPC-FIPE	12/7/2036	277.9	7.6
Debentures 9th Issue – 1st series	106.05% on DI	-	6/11/2024	199.3	5.5
Banco BTG Pactual	DI + 2.75%	-	6/13/2022	198.9	5.5
Debentures 4th Issue – 1st series	TJLP + 1.67%	-	7/15/2027	157.5	4.3
Debentures 8th Issue – 2nd series	108.0% on DI	-	6/21/2023	154.9	4.2
Debentures 9th Issue – 2nd series	107.25% on CDI	-	6/11/2026	150.9	4.1
Debentures 8th Issue – 1st series	106.5% on CDI	-	6/21/2021	95.0	2.6
Debentures 4th Issue – 2nd series	7.44%	IPCA	7/15/2027	90.6	2.5
Debentures 2nd Issue – 2nd series	9.19%	IPCA	9/15/2024	80.7	2.2
Leasing - Right of Use	3.15%	-	11/30/2025	80.1	2.2
Debentures 7th Issue – 2nd series*	4.79%	IPCA	11/15/2038	71.0	1.9
Debentures 2nd Issue – 3rd series	TJLP + 1.92%	-	9/15/2024	61.3	1.7
Debentures 7th Issue – 1st series*	5.20%	IPCA	11/15/2038	46.0	1.3
Debentures 2nd Issue – 1st series	TJLP + 1.92%	-	9/15/2024	46.0	1.3
Debentures 7th Issue – 4th series*	6.57%	IPCA	11/15/2038	31.5	0.9
BNDES - AVANÇAR	3.56% and 3.96%	IPCA	6/15/2040	25.0	0.7
Debentures 7th Issue – 3rd series*	6.97%	IPCA	11/15/2038	20.6	0.6
BNDES	TJLP + 1.82%	-	1/15/2023	16.0	0.4
Banco Itaú PSI	3.00% to 6.00%	-	1/15/2025	11.6	0.3
Banco do Brasil - PSI	3.00% to 6.00%	-	4/15/2024	9.0	0.2
KfW Bank	1.35%	EURO	12/30/2032	8.6	0.2
Total				3,647.6	100.0

* IPCA as a variable component of the TLP

Description - R\$ million	Debt balance	%
12 months	521.5	14.3
24 months	320.9	8.8
36 months	386.7	10.6
60 months	597.2	16.4
Over 60 months	1,821.3	49.9
Total	3,647.6	100.0

3. REGULATIONS

The Company was authorized by AGEPAR - Agência Reguladora de Serviços Públicos Delegados do Paraná (Delegated Public Infrastructure Utility Services Regulatory Agency of the State of Paraná) by means of Ratifying Resolution No. 003. of April 17 to apply a rate adjustment of 25.63% as provided for in article 3:

“Article 3 – Define that the application of the tariff revision approved pursuant to Article 2 of this Resolution will be deferred in 8 (eight) years, with the first installment corresponding in the year 2017 to an average repositioning of 8.53% (eight point fifty three percent), and the others in 7 (seven) installments of 2.11% (two point eleven percent), plus the corresponding financial correction and economic correction, which will be applied by applying the weighted average rate of daily financing as established in the Special System of Settlement and Custody (SELIC), in the terms defined in the Technical Note approved in Article 1 of this Resolution.”

In accordance with Technical Orientation OCPC 08 – Recognition of Certain Assets and Liabilities in Financial Reporting of Energy Distributors issued pursuant to Brazilian and International Accounting Standards. the Company does not record in its Financial Statements the amounts receivable resulting from deferral. considering that: (i) the realization or payment of these amounts depend of a future event not fully under the control of the entity – future billing of water and sewage services; (ii) it is not possible to know. when the receivables are generated. which are the debtors of these amounts; and (iii) the actual receipt of these amounts shall only occur if the concession is maintained.

The estimate of the amount receivable resulting from the difference between the Required Revenue and Verified Revenue will be measured and disclosed throughout the period of the deferral, and until December 30, 2020, the best estimate, represents BRL 1.583 billion. In real terms, from the 25.63% index to be repositioned in 2017, the Company's tariff was 13.16%, with 11.02% still to be deferred until 2024

Agepar published the Technical Notes referring to the 1st phase of the 2nd RTP Periodic Tariff Review (“2nd RTP”), which is in public consultation until 02/17/2020.

Portion A Cost Variation Account (CVA)

Portion A cost variation offsetting account corresponds to the offset of the monthly differences, whether gains or losses, calculated as a result of the variations in the costs of electricity, chemical products and segment charges, adjusted by IPCA.

The CVA is determined from the historical cost verified in the period $t - 1$ for the three components referred to above and passed by means of adjustments in the t period. However, the basic formulation of the tariff adjustment does not guarantee the perfect pass through of non-manageable costs to consumers, given that it does not consider, for example. the differences between reference and application markets.

As the calculation of the tariff adjustment assumes that exactly the same volume (m^3) verified upon the calculation of the adjustment will happen in the following period, by the end of t period the balance of CVA would be zero.

Up to December 2020, the Company's CVA ascertained in a managerial way a positive balance of BRL 45.6 million that Sanepar shall recover.

Adjusted EBITDA with non-manageable items - Information not reviewed by independent auditors

The Company is announcing pro forma adjusted EBITDA with non-manageable items as a metric to analyze the impacts of the offsetting of the "A" portion (electrical energy, treatment material, fees and charges) of the tariff model. Adjusted EBITDA with non-manageable items is a non-accounting measurement and should not be considered in isolation as an operating indicator or cash flow or to measure the Company's liquidity or debt capacity.

Below we present the calculation of Adjusted EBITDA based on EBITDA, which follows ICVM 527/12, considering the estimated values of non-manageable items, accumulated up to December 30, 2020:

EBITDA - R\$ million *	2020
EBITDA	1,932.4
(+) Non-manageable items	45.6
Electricity	(8.9)
Treatment material	40.9
Fee and charges	13.6
(=) Adjusted EBITDA with non-manageable items	1,978.0
% EBITDA Margin with non-manageable items	41.2

* Information not reviewed by the independent auditors

Tariff Adjustment

On February 18, 2020, the Company filed the request for Tariff Adjustment Index - IRT 2020 with the Regulatory Agency for Public Services Delegates of Paraná - AGEPAR, with the approval expected until April 17, 2020 and application from 17 May 2020, however, the Board of Directors of AGEPAR approved on April 17, 2020, through Extraordinary Meeting No. 009 / 2020 / RCDE, the suspension of the application of tariff adjustments for 60 (sixty) days, due to the pandemic of COVID-19. On July 9, 2020, through Ordinance 017/2020, AGEPAR extended the suspension for a further 60 days, starting on June 17, 2020.

At a meeting held on August 25, 2020, AGEPAR decided to approve the percentage of the annual tariff readjustment of 9.6299%, according to resolution No. 19 / 2020, whose application would take place as of October 31, 2020. However, in September 1st, 2020, AGEPAR decided, in an extraordinary meeting, to suspend the effects of resolution No. 19 / 2020, due to the mediation procedure established by AGEPAR between the Government of the State of Paraná and the Company. The form of recomposition of the values resulting from the suspension of the adjustment will be defined in due course by AGEPAR.

On December 29, 2020, at its Ordinary Meeting No. 29 / 2020, AGEPAR declared the mediation process closed. It also decided to revoke Resolution No. 19 / 2020 and partially approve Sanepar's readjustment request for 2020, approving the index of 5.11%, which according to Resolution No. 040 / 2020 will be applied from February 5, 2021. The new index was the result of the provisional suspension of the 4th installment of the tariff deferral, originating from 1st RTP / 2017 and the replacement of the IGP-M inflations index by the IPCA inflation index in the index basket.

The agency also defined that the compensation for the delay in granting the tariff adjustment, in the period between May 2020 and February 2021, should be considered in the 2nd RTP. On 01/25/2021, the Company forwarded to AGEPAR a request for compensation of the amounts arising from the replacement of the IGP-M inflation index by the IPCA inflation index in the Tariff Adjustment Index "IRT" of 2020.

4. CAPITAL MARKET

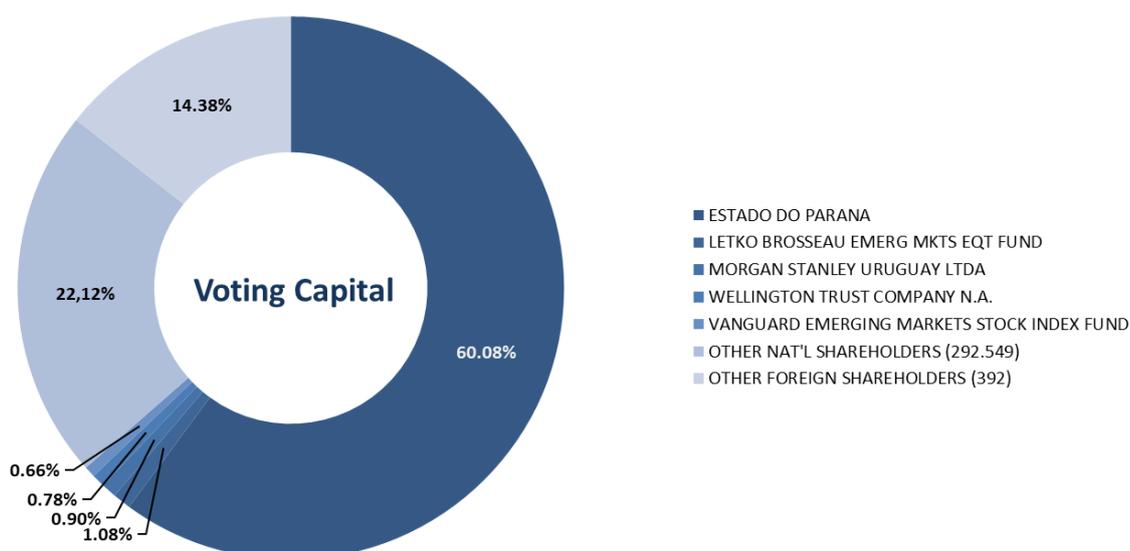
4.1. SHAREHOLDING COMPOSITION OF CAPITAL

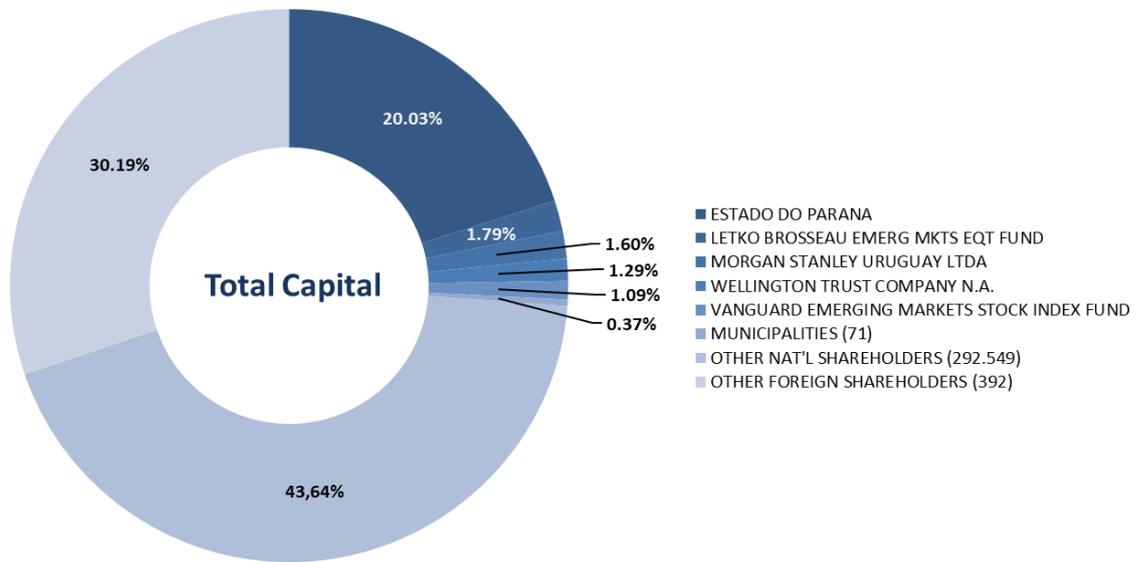
The Share Capital is composed of 1,511,205,519 shares, of which 503,735,259 are common stocks and 1,007,470,260 are preferred stocks without par value, fully paid up by natural persons and legal entities resident and domiciled in Brazil and abroad.

The subscribed and paid up share capital in December 2020 is R\$ 4,000.0 million with its shareholding composition, as at 12/31/2020, represented below.

SHAREHOLDERS	Shares			Share Capital - BRL thousands			% of shareholding	
	ON	PN	Total	ON	PN	Total	Voting Capital	Total Capital
ESTADO DO PARANA	302,658,716	3	302,658,719	801,105	0	801,105	60.08%	20.03%
LETKO BROSSEAU EMERG MKTS EQT FUND	5,421,500	21,686,000	27,107,500	14,422	57,559	71,981	1.08%	1.79%
MORGAN STANLEY URUGUAY LTDA	4,552,065	19,672,861	24,224,926	13,265	53,060	66,325	0.90%	1.60%
WELLINGTON TRUST COMPANY N.A.	3,908,704	15,634,816	19,543,520	9,585	38,338	47,923	0.78%	1.29%
VANGUARD EMERGING MARKETS STOCK INDEX FUND	3,306,464	13,225,856	16,532,320	9,139	36,556	45,695	0.66%	1.09%
MUNICIPALITIES (71)	-	5,572,423	5,572,423	-	14,750	14,750	0.00%	0.37%
OTHER NAT'L SHAREHOLDERS (292.549)	111,462,693	547,882,430	659,345,123	260,086	1,269,811	1,529,897	22.12%	43.64%
OTHER FOREIGN SHAREHOLDERS (392)	72,425,117	383,795,871	456,220,988	225,732	1,196,592	1,422,324	14.38%	30.19%
TOTAL	503,735,259	1,007,470,260	1,511,205,519	1,333,334	2,666,666	4,000,000	100.00%	100.00%

Ownership Breakdown – 12/31/2020





4.2. SECURITIES

Securities	Ticker	Closing Value 4Q19	Adjusted Closing Value 4Q19*	Closing Value 4Q20	Variation between 4Q19 and 4Q20*
Common Shares	SAPR3	R\$ 17.40	R\$ 5.80	R\$ 6.00	3.45%
Preferred Shares	SAPR4	R\$ 21.08	R\$ 7.03	R\$ 5.10	-27.42%
Units	SAPR11	R\$ 101.42	R\$ 33.81	R\$ 26.00	-23.09%

* Adjusted to the split occurred on 03/30/2020

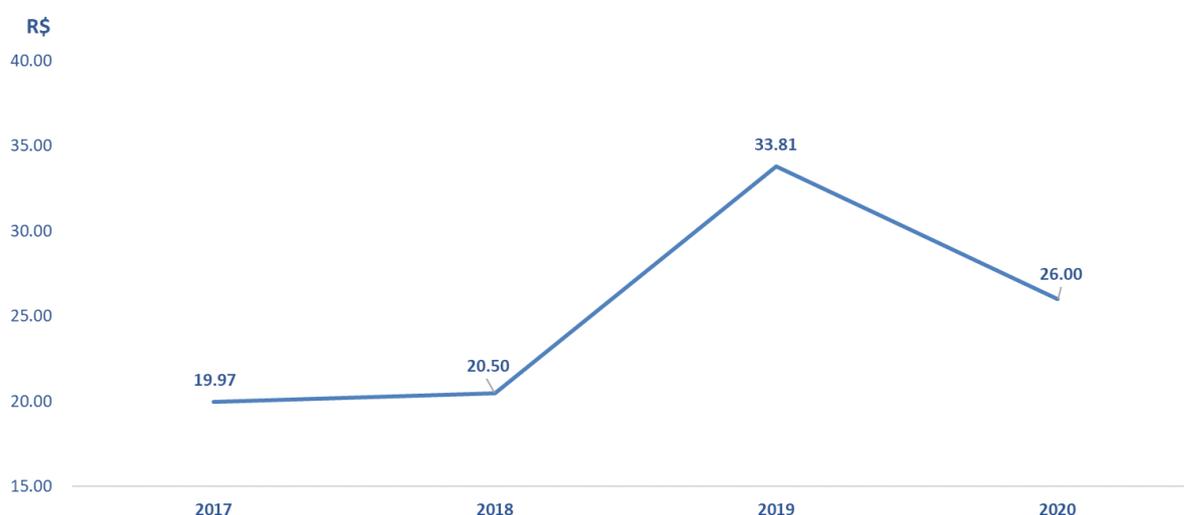
The equity value of each share in 4Q20 was R\$ 4.59, while in 4Q19, R\$ 4.09 was recorded (adjusted due to the stock split event).

Comparison between equity value and market value (in BRL)*



* Adjusted to the split occurred on 03/30/2020

Evolution of Units (in BRL)*



* Adjusted to the split occurred on 03/30/2020

4.3 PAYOUT

According to the Bylaws, the portion referring to the mandatory dividend may not be less than 25% of adjusted net profit, pursuant to article 202 of Law 6.404/76.

Under the current dividend policy, Management may, in addition to the mandatory annual dividend, observing the financial health and public interest that motivated the incorporation of the Company, approve the distribution as an additional Dividend and / or Interest on Capital (“IoC”) of up to 25% of net profit. For shareholders of preferred stocks, Dividend / Interest on Capital per share 10% higher than that assigned to common stocks, was assigned.

The remuneration credit to the Company's shareholders is assigned based on the shareholding position on the last working day of June and December of each financial year. And any negotiations subsequent to the credit are considered as ex-dividends (interest on shareholders' equity and dividends).

For the first half of 2020, the calculated (gross) value of Interest on Capital, observing the legal limit of the TJLP variation in the period, was BRL 150,687,449.07. This amount is in lieu of Mandatory Dividends, according to the statutory forecast and based on the income calculated in the first half of 2020. The Interest on Capital was resolved by the Board of Directors at its 6th/2020 Ordinary Meeting of June 25, 2020 and informed to the market in the Notice to Shareholders of the same date, considering the shareholding position of June 30, 2020.

For the second half of 2020, the calculated (gross) value of Interest on Capital, observing the legal limit of the TJLP variation in the period, was BRL 145,740,318.85. This amount is in lieu of Mandatory Dividends, according to the statutory forecast and based on the income calculated in the second half of 2020. The Interest on Capital was resolved by the Board of Directors at its 12th/2020 Ordinary Meeting of December 18, 2020 and informed to the market in the Notice to Shareholders of the same date, considering the shareholding position of December 30, 2020.

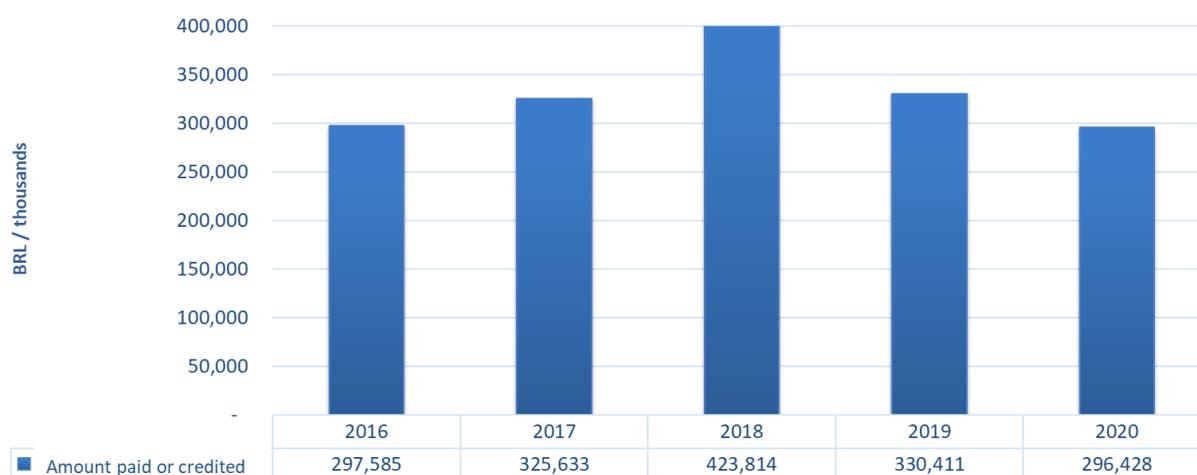
Interest on Capital is subject to the incidence of Income Tax, except for shareholders who declare themselves immune or exempt.

Earnings per Share:

Security	Total per Share 2019*	IoC 1st Half 2020	IoC 2nd Half 2020
Common Shares	R\$ 0,20498	R\$ 0,09348	R\$ 0,09041
Preferred Shares	R\$ 0,22547	R\$ 0,10283	R\$ 0,09945
Units	R\$ 1,10687	R\$ 0,50480	R\$ 0,48823

* Adjusted to the split occurred on 03/30/2020

Remuneration to shareholders:



5. OTHER INFORMATION

5.1 CORONAVIRUS (COVID-19) IMPACT

The Company disclosed the impacts of the new coronavirus pandemic (COVID-19) in Explanatory Note No. 31 to the Interim Financial Statements for the 4Q20.

Income Statement	4Q20	4Q19	4Q18
Net Operating Revenue	1,236.9	1,339.6	1,097.9
Costs of Services Provided	-476.3	-501.2	-442.7
Gross Profit	760.6	838.4	655.2
Operating Expenses	-307.4	-293.2	-249.8
Commercial	-116.1	-92.3	-86.4
Administrative	-142.1	-162.8	-161.0
Losses due to non-recoverability of assets	1.1	-19.4	-1.4
Civil, Labor, Tax & Environmental Provisions	8.4	0.3	56.2
Retirement and Health Care Plan Provisions	-10.7	-15.2	-11.6
Profit Sharing Program	-31.9	-0.2	-39.9
Other Operating Expenses (Revenues)	-16.2	-2.4	-4.8
Equity Results Method	0.1	-1.2	-0.9
Income Before Financial Result and Taxes	453.2	545.2	405.4
Financial Result	-62.9	-46.0	-48.4
Financial Revenues	15.0	22.1	13.0
Financial Expenses	-77.9	-68.1	-61.4
Result before taxes on the profit	390.3	499.2	357.0
Income Tax and Social Contribution on the Profit	-99.0	-112.9	-37.0
Net Profit in the Period	291.3	386.3	320.0

Balance Sheet - Assets	DEC/20	DEC/19	DEC/18
Current Assets			
Cash & Cash Equivalent	874.3	274.1	326.6
Accounts Receivable from Customers	779.4	809.7	639.1
Stocks	53.9	46.1	39.1
Taxes to Recover	6.8	0.3	15.4
Linked Deposits	4.7	2.9	6.7
Derivative Financial Instruments	9.5	-	-
Other Accounts Receivable	27.7	37.6	37.6
Total Current Assets	1,756.3	1,170.7	1,064.5
Non-current Assets			
Accounts Receivable from Customers	20.2	19.8	22.1
Deferred Income Tax & Social Contribution	656.5	629.1	490.9
Linked Deposits	56.9	55.7	52.9
Judicial Deposits	320.5	297.8	203.5
Derivative Financial Instruments	-	2.0	-
Contractual Financial Assets	490.1	435.2	375.9
Contracts Assets	1,634.8	1,756.7	1,393.2
Other Accounts Receivable	45.9	48.6	50.6
Investments	2.4	2.7	22.6
Fixed Asset	286.0	297.7	168.8
Intangible Asset	7,921.3	7,223.6	6,936.3
Total Non-current Assets	11,434.6	10,768.9	9,716.8
Total Assets	13,190.9	11,939.6	10,781.3

Balance Sheet - Liabilities	DEC/20	DEC/19	DEC/18
Current Liabilities			
Labor Obligations	181.4	119.5	151.4
Suppliers	209.4	214.5	190.7
Tax Obligations	72.7	100.8	68.1
Loans & Financing	521.5	357.2	478.8
Dividends & IoC - Payable	206.2	229.3	183.7
Concession Contracts	-	31.4	60.5
Contractual Collateral and Withholding	2.3	2.2	2.5
Revenue to be Appropriated	4.2	4.2	4.2
Derivative Financial Instruments	8.2	-	-
Other Bills to Pay	77.3	56.5	68.2
Retirement and Health Care Plan Provisions	78.1	82.4	62.8
Labor Provisions	87.6	93.4	87.9
Total Current Liabilities	1,448.9	1,291.4	1,358.8
Non-current Liabilities			
Suppliers	4.4	-	-
Loans & Financing	3,126.1	2,723.2	2,292.5
Taxes and Contributions	0.1	0.6	1.0
Revenue to be Appropriated	0.7	4.9	9.1
Derivative Financial Instruments	-	2.0	-
Other Bills to Pay	29.6	42.7	61.9
Retirement and Health Care Plan Provisions	1,093.2	1,154.2	879.0
Provisions	544.7	546.7	461.8
Total Non-current Liabilities	4,798.8	4,474.3	3,705.3
Total Liabilities	6,247.7	5,765.7	5,064.1
Equity			
Issued Capital Share	3,996.1	2,851.1	2,851.1
Revaluation Reserve	64.3	69.5	75.1
Profit Reserve	2,853.6	3,306.8	2,689.1
Equity Valuation Adjustments	4.7	5.2	5.7
Other Statements of Comprehensive Income	24.5	-58.7	96.2
Total Shareholders' Equity	6,943.2	6,173.9	5,717.2
Total Liabilities and Shareholders' Equity	13,190.9	11,939.6	10,781.3

Cash Flow Statement	4Q20	4Q19	4Q18
Cash Flow From Operating Activities			
Net Profit in the Period	291.3	386.3	320.0
Adjustments to reconcile net profit and net cash			
Depreciation & Amortization	94.0	86.0	70.3
Costs of write-offs in fixed and intangible assets	3.9	3.4	2.6
Adjustment to Recoverable Value of Assets	-1.1	19.2	1.2
Adjustment to Present Value - Financial Assets	0.9	-10.9	3.1
Provision for Losses in credit realizations	34.7	6.1	2.3
Deferred Income Tax & Social Contribution, net	-5.9	-16.2	-29.8
Civil, Labor, Tax and Environmental Provisions	-8.4	-0.3	-56.2
Retirement & Health Care Plan	10.7	15.2	11.6
Interest of Financing	50.5	49.3	55.1
Monetary Variations on Financing	17.0	2.4	6.3
Interest and Monetary Updates on Leasing	8.4	19.8	0.0
Exchange Variations, net	-0.2	0.0	0.0
Financial Derivatives Variation	0.1	0.0	0.0
Result of Equity Method	-0.1	1.2	0.9
Appropriation of costs on the third parties fundraising	0.8	0.1	0.2
Fair Value Adjustment - Investments	-0.2	-0.3	-0.1
	496.4	561.3	387.5
Variation in Assets & Liabilities			
Accounts Receivable from Customers	-60.4	-103.1	-21.2
Taxes and Contributions to recover	-0.4	0.0	-14.8
Stocks	-5.2	-2.3	-1.2
Judicial Deposits	-16.9	-4.0	-4.8
Other Credits and Accounts Receivable	21.8	22.8	23.2
Suppliers	21.4	20.2	27.5
Concession Contracts	0.0	0.4	0.2
Taxes and Contributions	57.4	144.9	88.3
Salaries and Charges Payable	-118.2	-69.9	-19.2
Contractual Collateral and Withholding	0.1	0.0	-0.3
Revenues to be Appropriated	-1.1	-1.1	-1.0
Income Tax and Social Contribution, paid	-144.8	-147.0	-109.4
Other Accounts to pay	20.5	-17.5	1.0
	-225.8	-156.6	-31.7
Cash Generated by Operating Activities	270.6	404.7	355.8
Cash Flow from Investments			
Investment in Fixed & Intangible Assets	-263.5	-274.6	-281.4
Investments Application	-	-2.5	-3.7
Cash Generated by Investment Activities	-263.5	-277.1	-285.1
Cash Flow from Financing Activities			
Financing Obtained	98.7	93.2	111.9
Amortization on Financing	-125.2	-123.7	-116.8
Interest Payments on Financing	-48.6	-60.1	-58.2
Leasing Payments	-20.0	-20.4	-1.8
Costs in the Third Parties Fundraising	-1.1	0.0	0.8
Linked Deposits	0.2	0.3	-2.7
Payment of Interest on Equity (IoE)	-0.2	-0.3	0.0
Cash Generated by Financing Activities	-96.2	-111.0	-66.8
Variation in Cash and Cash Equivalent Balance	-89.1	16.6	3.9
Cash and Cash Equivalent Initial Balance	963.4	257.5	322.7
Cash and Cash Equivalent Final Balance	874.3	274.1	326.6