

Building the future of COPASA:
Efficiency, growth and
value in a new scenery



Results 4Q25/2025

February 26th, 2026



Highlights – 4Q25

- ❖ **Net revenue of BRL 1.88 billion (+6.9% vs. 4Q24)**
- ❖ **EBITDA of BRL 731 million in 4Q25 (+14.1% vs. 4Q24), with a 38.5% margin**
- ❖ **Tariff Review: +6.56% Average Tariff Effect** – change to a **pre-tax WACC of 13.70%** (equivalent to **9.79% post-tax**, vs. **7.92%** in the **previous cycle**) and **annual recognition of investments**
- ❖ **BRL 479 million in operating cash generation in 4Q25**, in line with **4Q24**
- ❖ **Leverage of 2.3x Net Debt/EBITDA**
- ❖ **Hedge contracted (IPCA+ swap) for nearly 100% of the foreign-currency debt**
- ❖ **COPASA's inclusion in the Ibovespa index (January 2026)**

Highlights – 2025

- ❖ **Net revenue of BRL 7.36 billion (+5.6% vs. 2024)**
- ❖ **Annual EBITDA of BRL 2.95 billion (+5.7% vs. 2024), with a 39.8% margin**
- ❖ **Record CAPEX in 2025: BRL 2.9 billion (+31.5% vs. 2024)**
- ❖ **Water loss ratio reduced to 35.6% in 2025 (-2.5 p.p. vs. 2024)**
- ❖ **BRL 2.3 billion in operating cash generation in 2025, +12.8% vs. 2024**
- ❖ **Regular Dividends: BRL 515 million paid and BRL 139 million payable —
Extraordinary Dividends: BRL 200 million paid**
- ❖ **Delinquency rate of 2.91% (vs. 2.92% in 2024)**

Pre-privatization efficiency plan – Structural margin expansion underway

COPASA is already executing a comprehensive operational transformation program

❖ Redesign of the Operating and Organizational Model

- New **Centralized Operating Model** (Water, Sewage and Maintenance)
- **Workforce resizing** and reduction of **overtime**
- **Automation of Treatment Plants**

❖ Optimization of Energy Costs

- **55%** of energy consumption sourced from the **Free Market**
- **Photovoltaic energy** (~19% of consumption) – ~**BRL 222 million saved** in the period (2023–2025)
- **Current tariff** and **demand optimization**

❖ Operational Efficiency and Shared Services

- Implementation of the **Zero-Based Budgeting Model**
- **Strategic sourcing** and **contract renegotiation**
- Creation of the **Shared Services Center** (150+ services centralized)

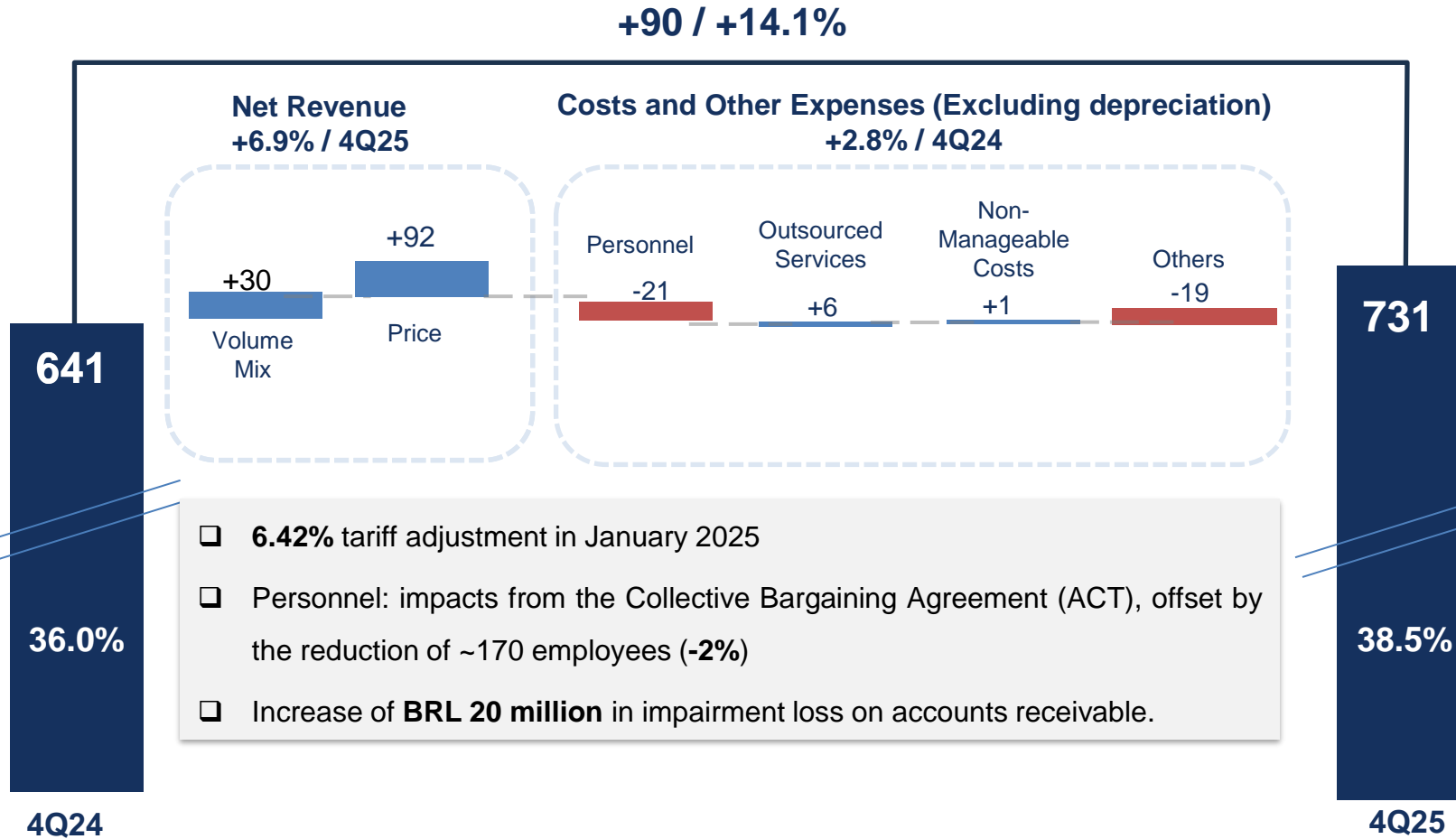
❖ Loss Reduction and Revenue Improvement

- **100 km** of **network** replaced in **2025**; **>300 km** in **2026**
- **Performance-based contracting** for **loss reduction**
- **Replacement of 1 million water meters** in **2026**
- Deployment of **new water meters** for **high-consumption customers**

Evolution of EBITDA (4Q24 vs. 4Q25)

Growth in volume-mix and revenue, combined with cost control, drives performance

(BRL million)

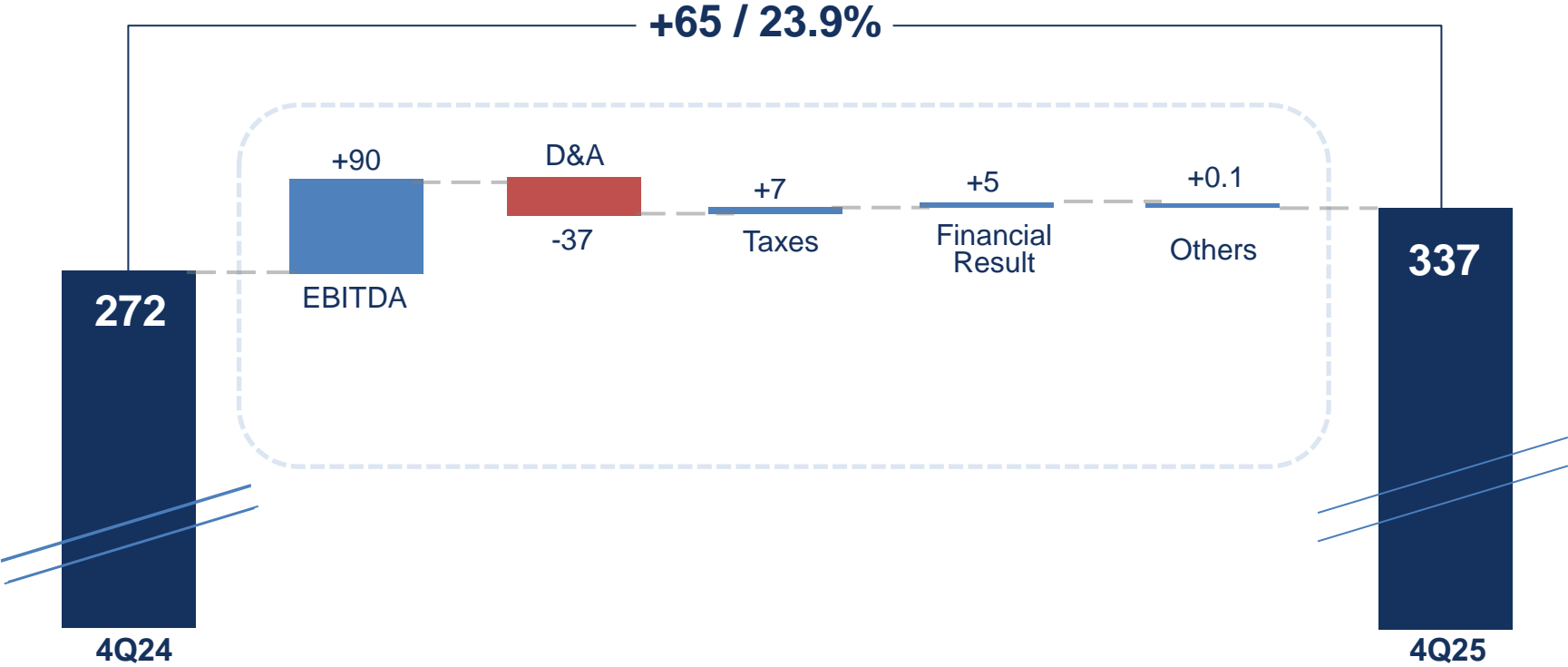


- ❑ 6.42% tariff adjustment in January 2025
- ❑ Personnel: impacts from the Collective Bargaining Agreement (ACT), offset by the reduction of ~170 employees (-2%)
- ❑ Increase of **BRL 20 million** in impairment loss on accounts receivable.

Net Income (4Q24 vs. 4Q25)

Net Income grows, driven by EBITDA, despite higher depreciation

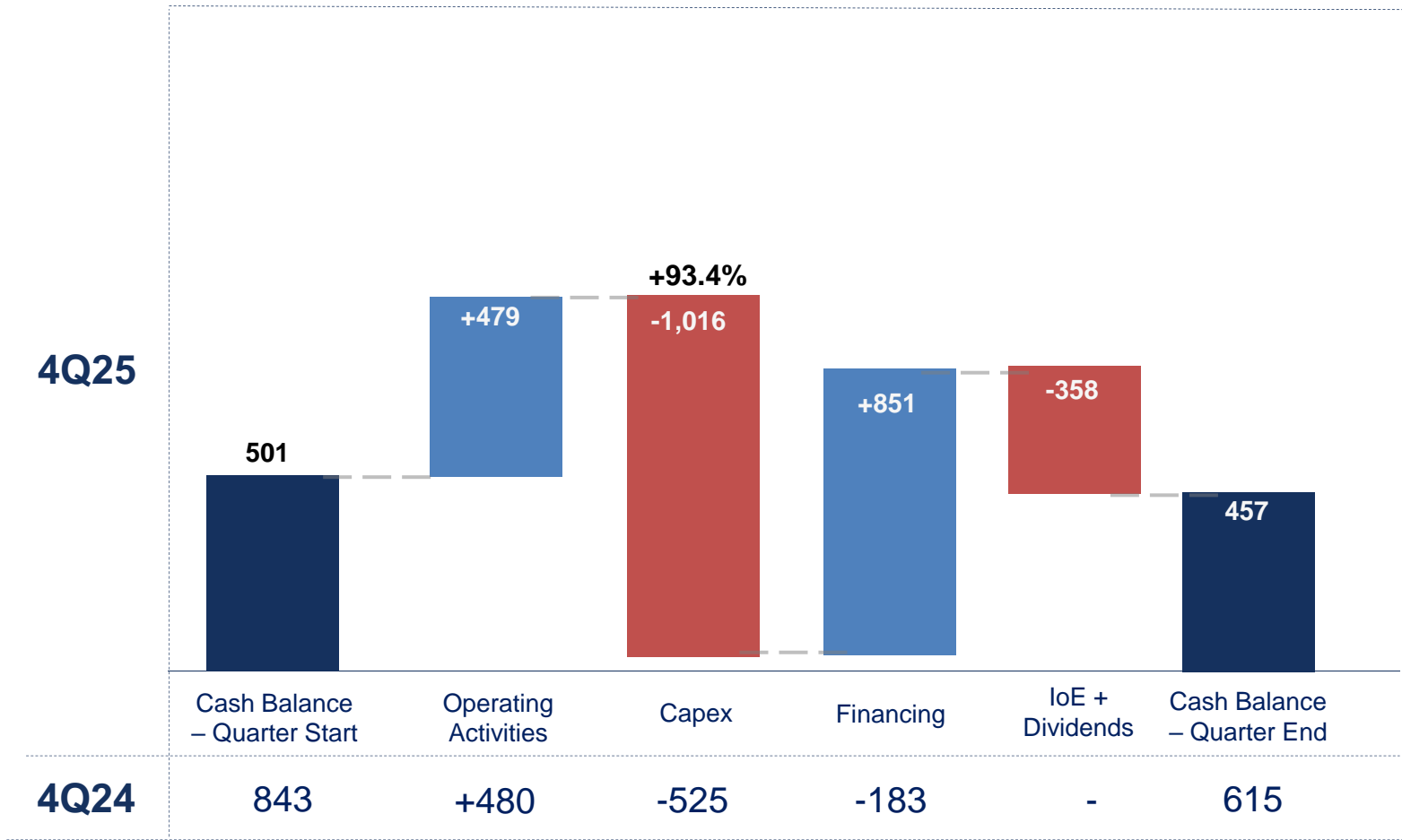
(BRL million)



Operating Cash Generation (4Q24 vs. 4Q25)

Operating cash generation: BRL 505 million

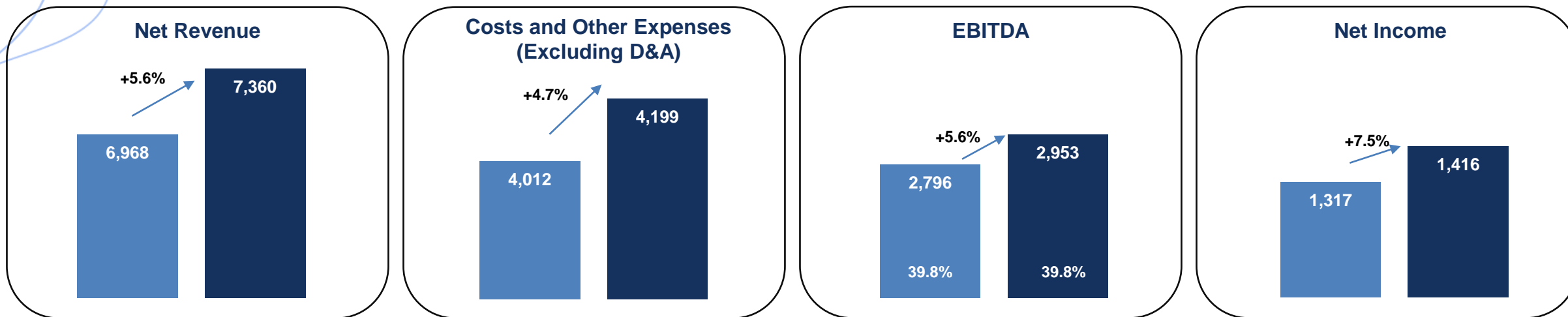
(BRL million)



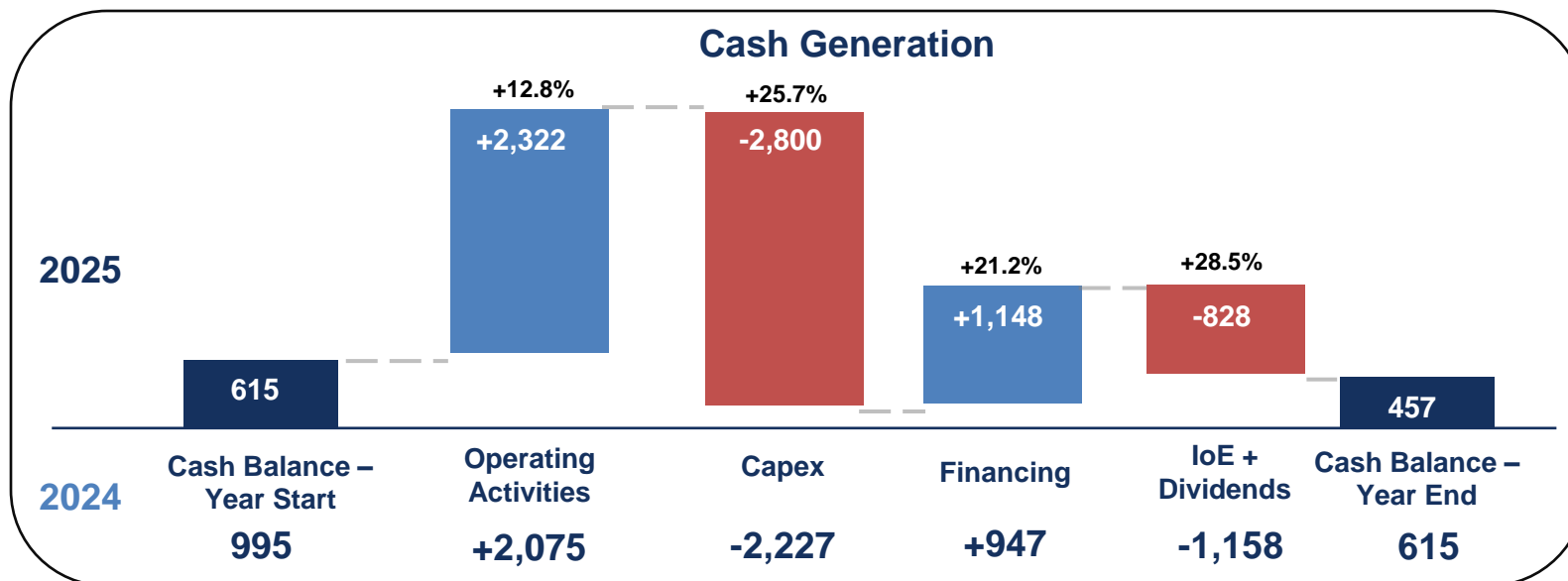
Results – (2025 vs 2024)

Revenue and profitability growth, driven by operational efficiency

(BRL million)



■ 2025 ■ 2024



Shareholder Remuneration

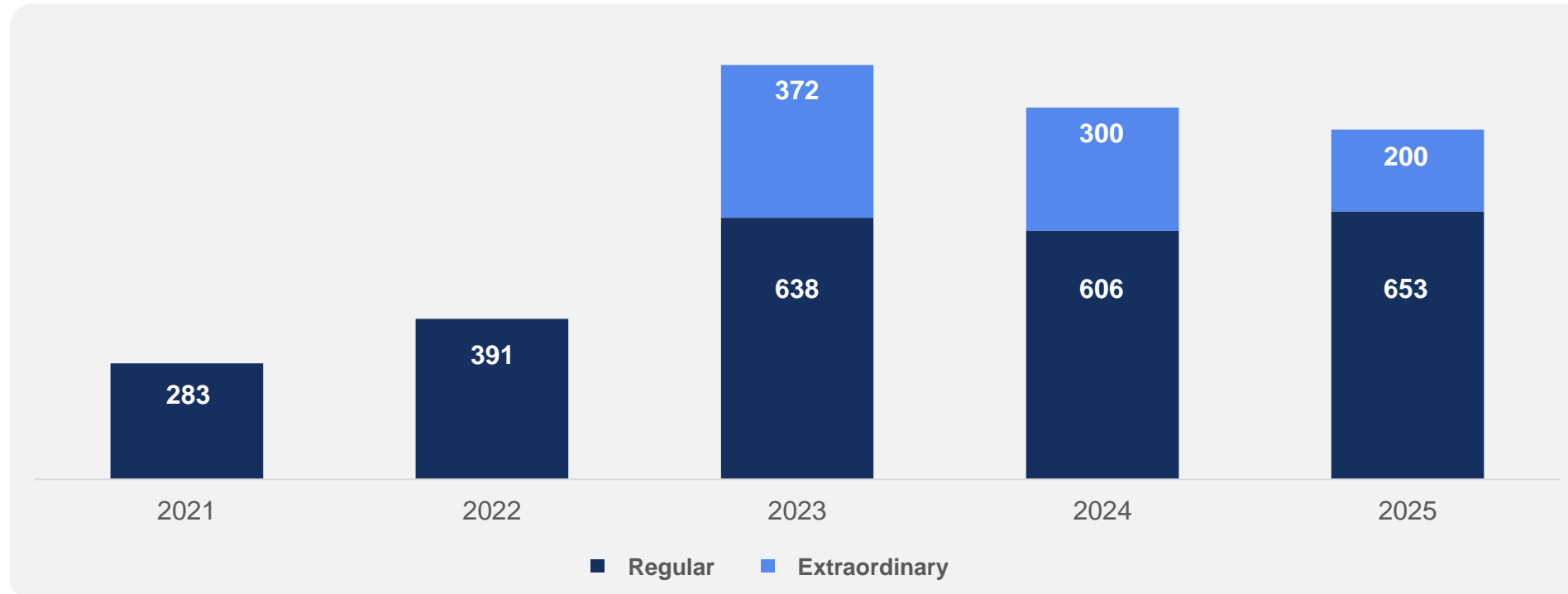
Consistent shareholder remuneration, demonstrating the Company's commitment to value creation

2025:

- **Regular dividends: 50% payout (BRL 515 million already paid and BRL 139 million with payment date to be defined at the AGM)**
- **Extraordinary dividends: BRL 200 million (paid in December 2025)**

2026: 50% payout (regular dividends)

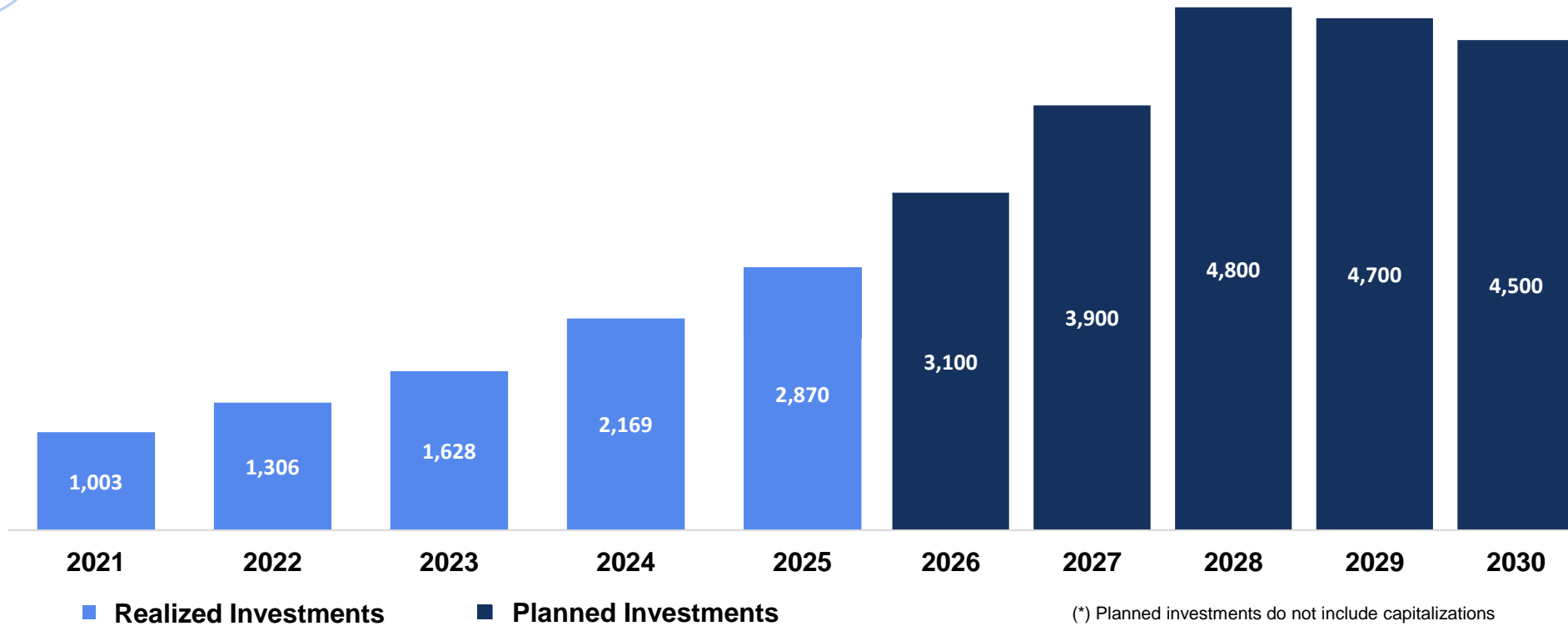
(BRL million)



Strategic Investments

A consistent investment plan driving universalization and service improvement

(BRL million)



Coverage (4Q25)

- Água: > 99.0%
- Esgoto: 80.1%

Investment Focus

Sewage Universalization

Water Security

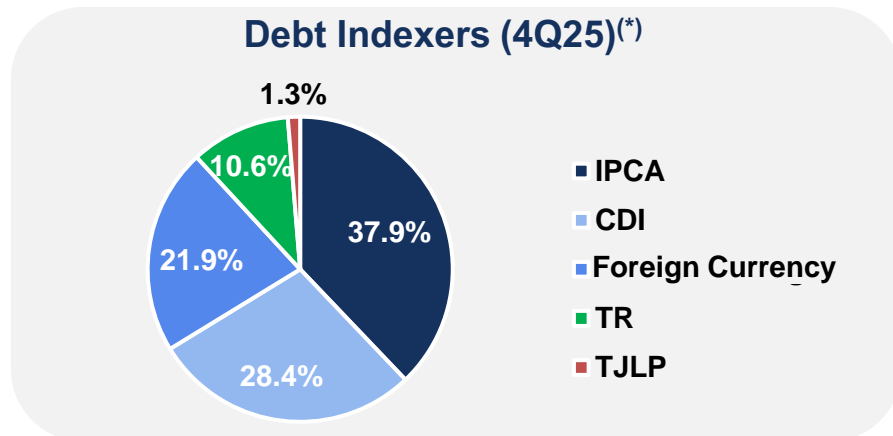
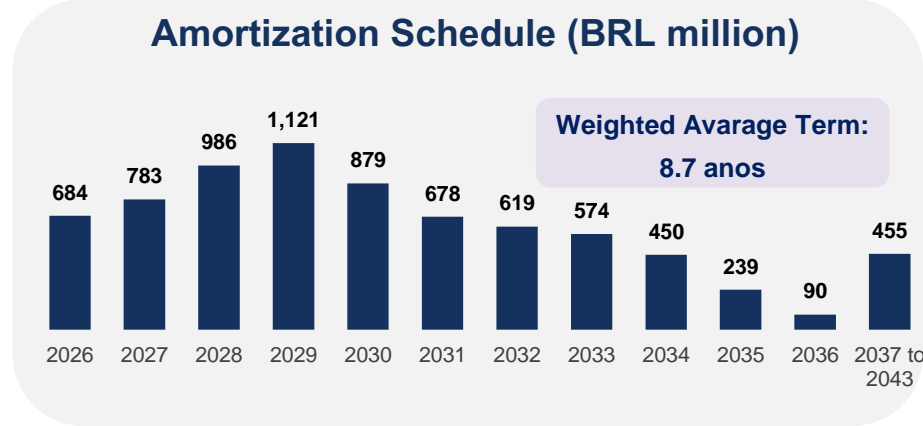
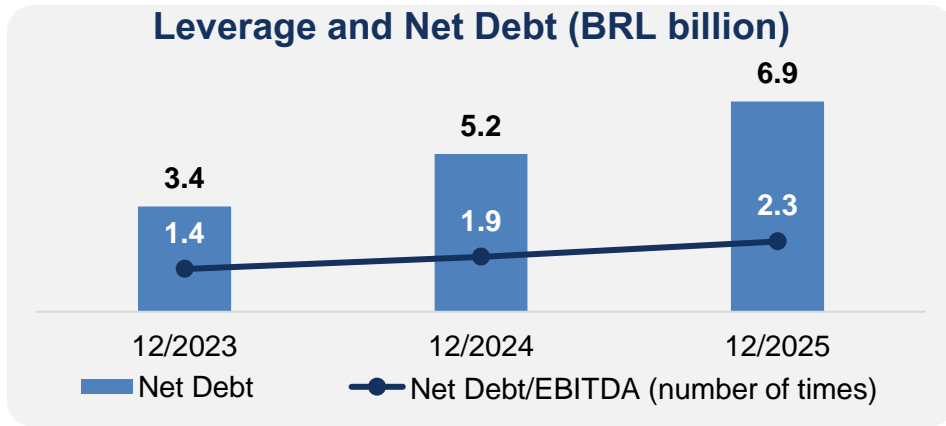
Loss Reduction

Retrofit of Wastewater Treatment Plants

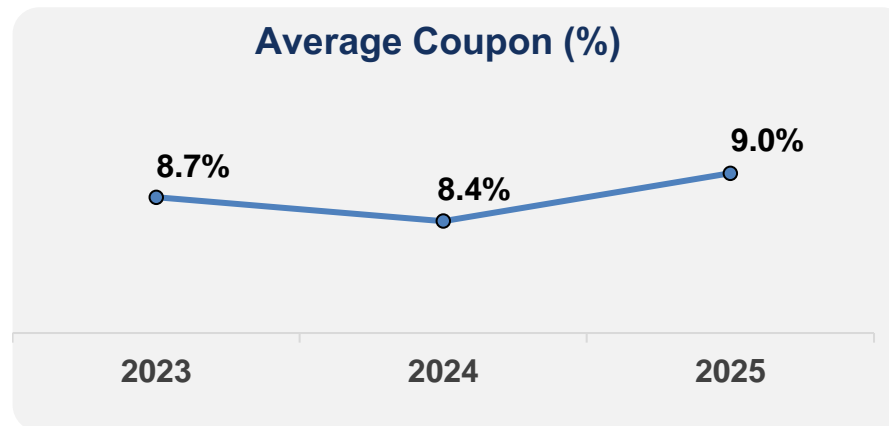
Capital Structure

Controlled Leverage and Investment Capability

Leverage in 2.3x, with an appropriate amortization schedule



(*)BEI debt Hedge - €90.5 MM - IPCA + 7.4% a.a / KfW - €32.5 MM - IPCA + 6.41% a.a.

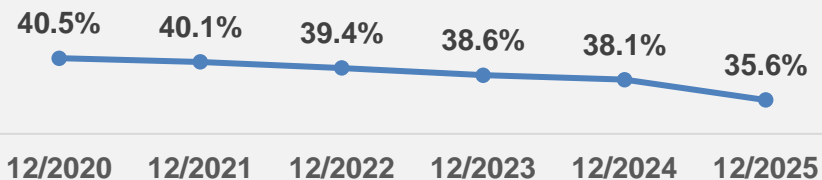


Ratings – National Scale
 •Moody's: AAA.br – Stable (july/2025)
 •Fitch: AAA(bra) – Stable (april/2025)

Operacional Performance

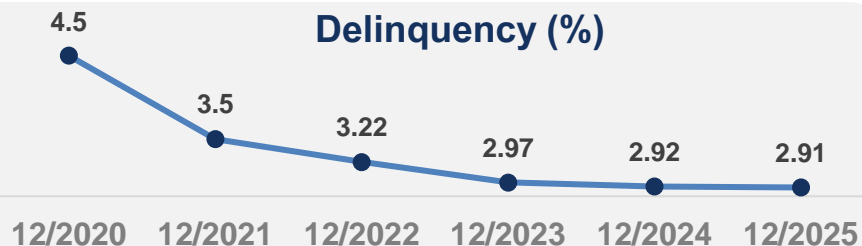
Structured actions driving the evolution of operational results

Distribution Loss Index (%)



- Replacement of 730 thousand water meters in 2025 and installation of macrometers
- Use of technologies to detect non-visible leaks
- 110 km of network replacement (RMBH)
- Review of the methodology by the regulatory authority

Delinquency (%)



- Continuation of credit recovery and debt regularization actions

Employees



- Gradual reduction in headcount due to the Voluntary Severance Programs (PDVIs) implemented and turnover-related dismissals.

3rd Tariff Review

Regulatory advances enabling adequate capital remuneration and driving universalization

- ❖ **Average Tariff Effect: 6.56%**
- ❖ **Application Date: January 22, 2026**

Key Advances

- Change to a **pre-tax WACC**
- **Pre-tax WACC of 13.70%** (equivalent to **9.79% post-tax**, vs. **7.92%** in the **previous cycle**)
- End of the **PMT mechanism**
- **Annual recognition of investments** throughout the cycle
- Partial sharing of **efficiency gains**



Q&A



DISCLAIMER

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DE MINAS**

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