



Company Presentation

January 2023





SECTION 1

Overview

Aegea is the largest private sanitation player in Brazil



Serving more than 30 MM people in other than 480 municipalities

Aegea + Águas do Rio + Corsan

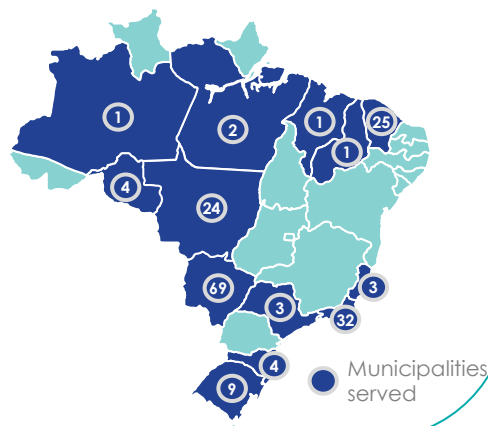
+30 MM people served

56% Market Share¹

+480 cities with population ranging from **2k** to **6.8 MM+**

30 years contracts avg. term

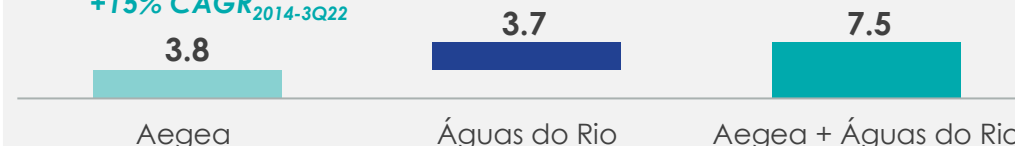
Diversified portfolio, consisted of concessions and PPPs, and an adaptive management model



Aegea + Águas do Rio

Active Households – 3Q22

+15% CAGR_{2014-3Q22}



Net Revenue ⁽²⁾ – 3Q22 LTM

R\$ Bn

+25% CAGR_{2014-3Q22 LTM}



EBITDA ⁽³⁾ – 3Q22 LTM

R\$ Bn

+30% CAGR_{2014-3Q22 LTM}



Águas do Rio Impacts

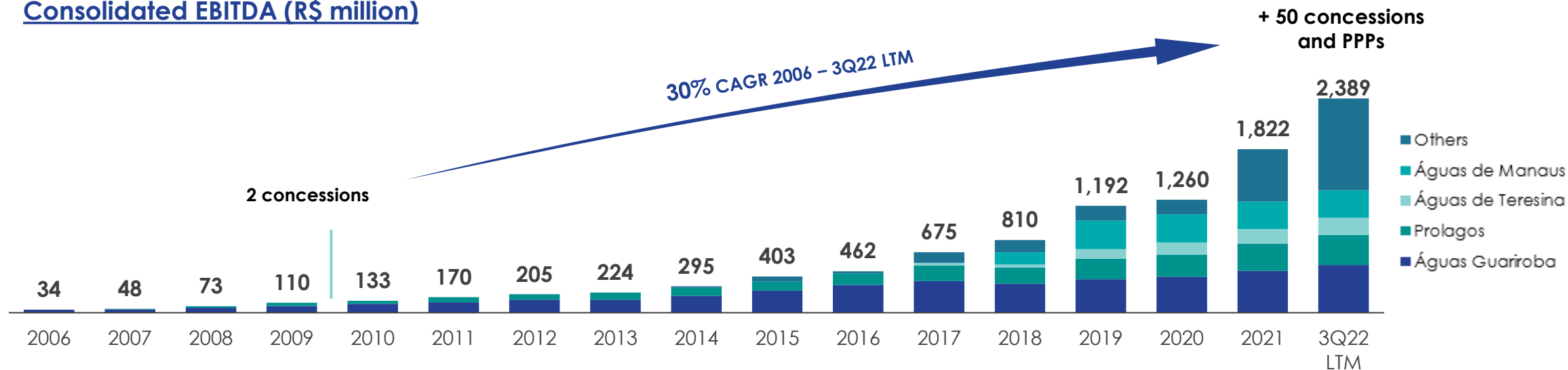
1 - Methodology: Based on equivalent population: served with water = 1; served with sewage = 1; served with water and sewage = 2. / 2 - Excluding construction revenues with margins near zero (OCPC05); / 3 - Excluding construction revenues with margins near zero (OCPC05), construction costs with margin close to zero (CPC47) and effects of amortization and depreciation.

Track-Record of Growth (ex. Águas do Rio and Corsan)



Outstanding growth and value creation

Consolidated EBITDA (R\$ million)



Sustainable Growth Pillars

Aegea Operating Model
(MOA)

Social License to
Operate

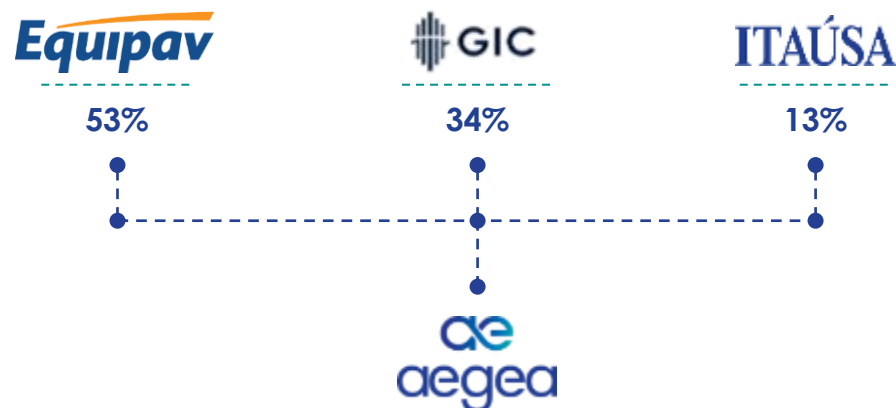
People Management

Corporate Governance
and Financial Discipline

Shareholder Structure and Support

Strengthened capital structure to support the Company's growth

SHAREHOLDING STRUCTURE



Shares	Equipav (%)	GIC (%)	Itaúsa (%)	Total (# of shares)
Common	71%	19%	10%	709,956,474
Preferred	12%	69%	19%	309,157,764

▪ Entry of Itaúsa as a Shareholder

Acquisition of **8% of Equipav's common shares** for R\$ 1,085 million (valuation of R\$ 13 billion)

▪ R\$ 3.6 billion Capital increase in 2021

Common shares: R\$ 344 million

Cass D preferred shares: R\$ 3,210 million

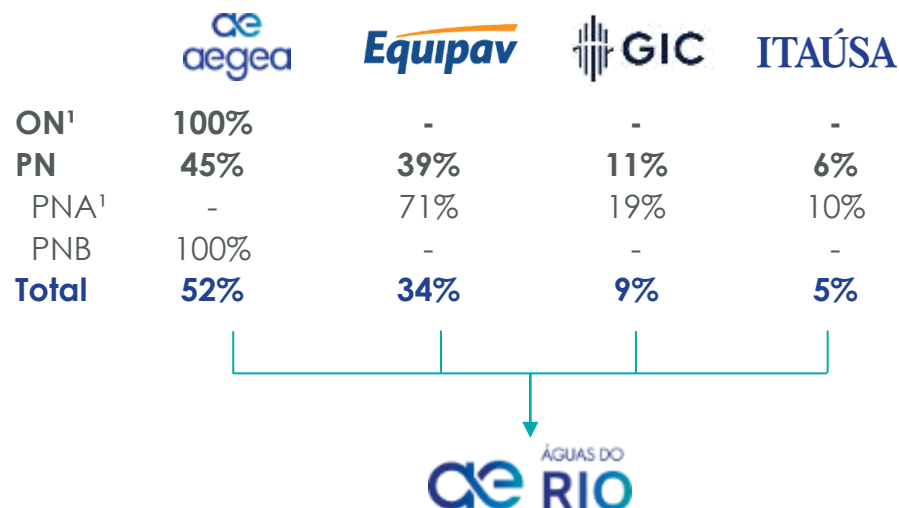
▪ Minority Shareholders Veto Rights

- (i) approval of the Company's Business Plan
- (ii) acquisitions
- (iii) new debt above R\$ 50 million
- (iv) sale or any kind of disposal of relevant assets
- (v) transaction with related parties
- (vi) grant of guarantees to affiliates except for subsidiaries, among others

Winning bid for the largest sanitation concession in Brazil

Águas do Rio, started operations in November 2021 and operates Blocks 1 and 4 tendered by Cedae

Ownership Structure



- Funding for the grant payment in 2021: **BRL 7.8 billion in debentures and BRL 5.7 billion in shareholders contributions**
- Long-term financing agreement signed with BNDES in 2022: **BRL 19.4 Bi, 28 years**

Águas do Rio assets are not consolidated into Aegea's Financials but rather accounted by the Equity Income method

	Grant	Estimated CAPEX ²	Inhabitants	Concession Areas
Block 1	R\$ 8.2 billion	R\$ 8.3 billion	2.8 million	18 neighborhoods of the city + 18 municipalities
Block 4	R\$ 7.2 billion	R\$ 16.1 billion	7.0 million	106 neighborhoods of the city + 8 municipalities
Total	R\$ 15.4 billion	R\$ 24.4 billion	9.8 million	

Notes:

1 – Voting Shares: ON and PNA

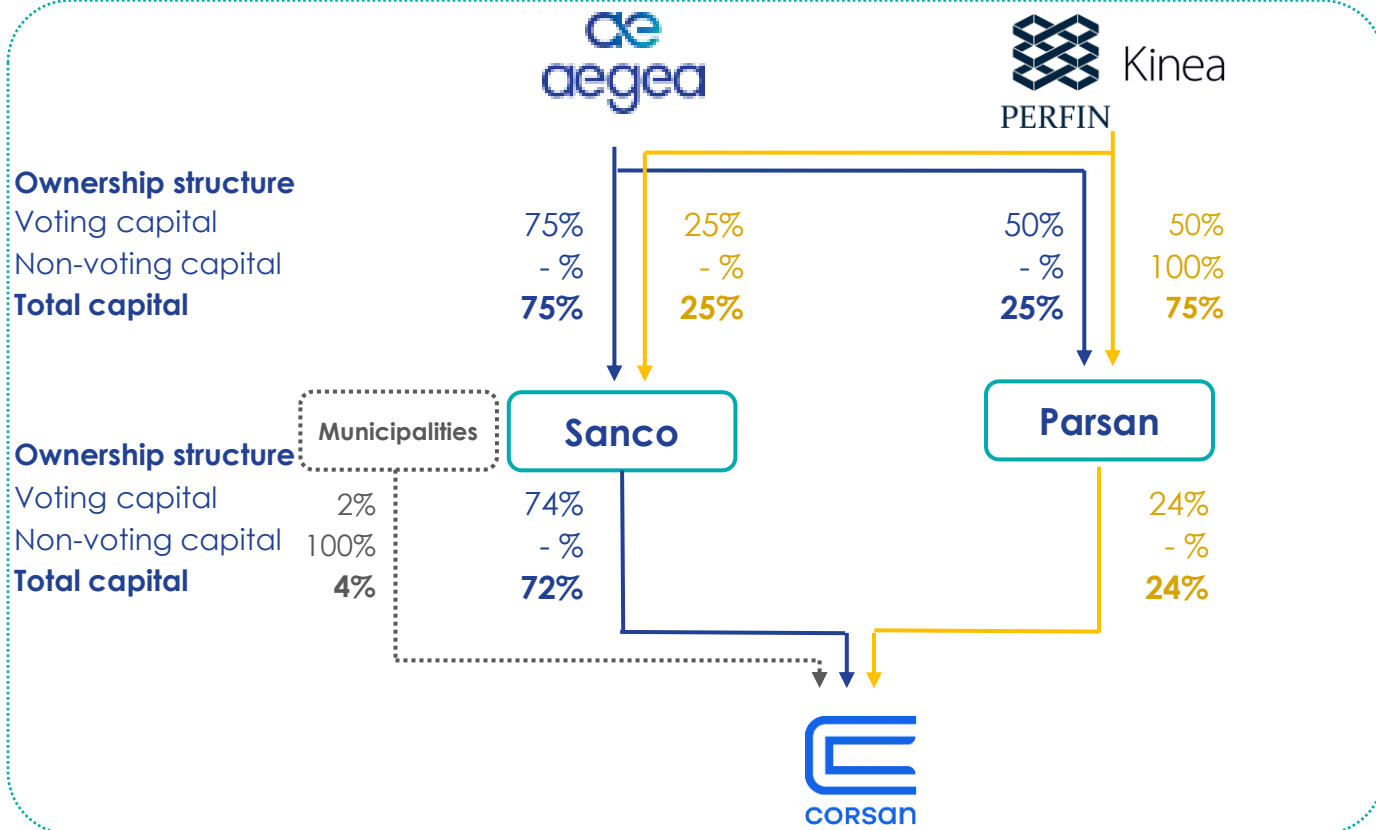
2 - Source: : <http://www.concessaosaneamento.rj.gov.br/documentos.php>

Winning bid for Corsan's shares acquisition



Aegea's capacity to operate as an investment and capital attraction platform

Ownership structure



Aegea will consolidate Corsan results into its Financial Statement via Sanco, the Corsan's controller shareholder

Capital structure to finance the acquisition

- **Equity – R\$ 1.3 billion (30%)**
Aegea: R\$ 300 million (25%)
Perfin + Kinea: R\$ 900 million (75%)





- **Debt: R\$ 3.0 billion (70%)**
Local Capital Market
Maturity: 30 months
Issuer: **Parsan**

The debentures will be issued by Parsan and will not be consolidated into Aegea Financial Statements

Diversified Asset Portfolio (ex. Águas do Rio and Corsan)



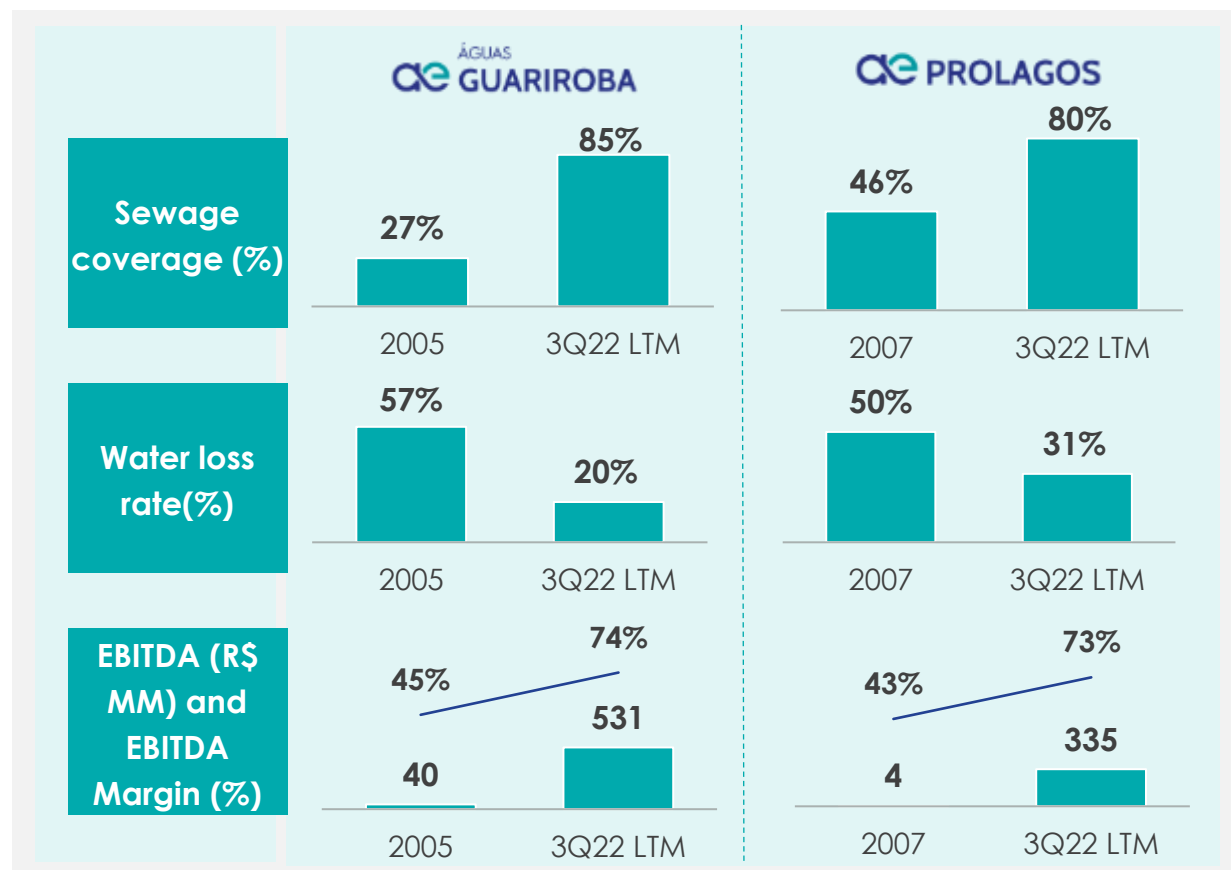
Aegea's portfolio combines assets of different sizes and maturity stages

	 ÁGUAS GUARIROBA	 PROLAGOS	 ÁGUAS DE MANAUS	 ÁGUAS DE TERESINA	Others
% Gross Revenue 3Q22 LTM	22	14	20	10	34
Population (000') ¹	916	437	2.256	871	3 thousand to more than 6.8 million
Operational startup	Nov/05	Jun/06	Jun/18	Jun/17	N/A
Tenor	2060	2041	2045	2047	2024 to 2056
Sewage Coverage (%)	85%	80%	26%	42%	51% (average)
EBITDA Margin (%) 3Q22 LTM	74%	74%	47%	59%	48%

Long-term agreements

High value creation potential

Successfully executed turnaround in mature assets, proving Aegea's technical capacity & operational efficiency




Key Pillars of Transformation


- Expansion of water and sewage coverage networks
- Water loss rate reduction
- Capturing synergies, reducing costs and expenses
- Commercial management
- Processes improvement
- Innovation and Technology
- Strengthening the social license
- Improvement of the Capital Structure with long-term funding sources

Turnaround in Progress


Aegea has replicated the turnaround pillars in Tesina and Manaus




Regularization of water supply




Expansion of sewage network



Reduction in water losses



Strengthening of social license

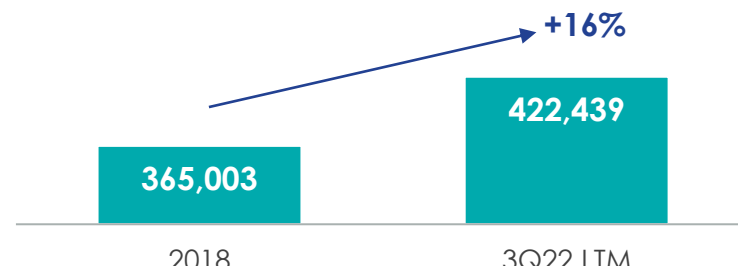


Renegotiation of past-due bills

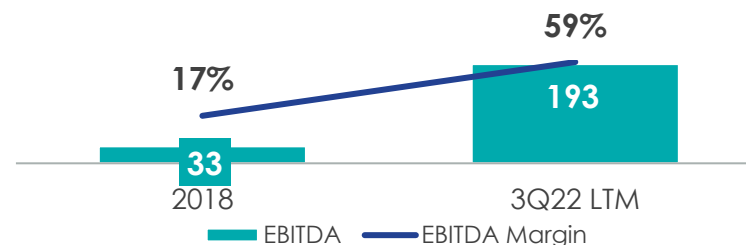


ÁGUAS DE
TERESINA

Active Households



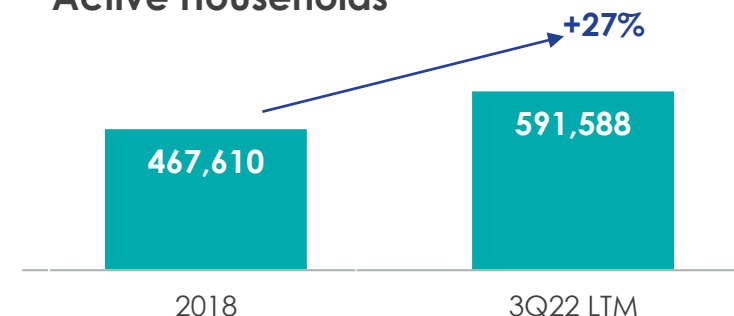
EBITDA (R\$ mm) and EBITDA Margin (%)



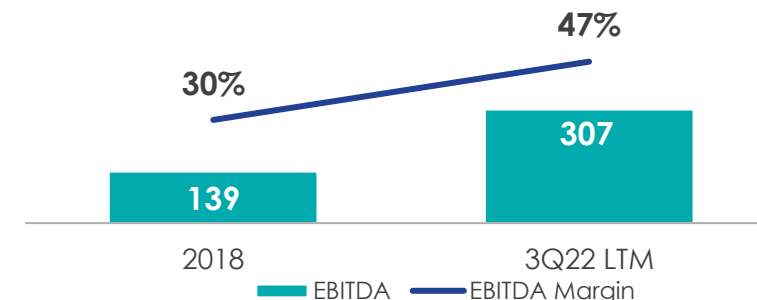
PROGRAMA
#vemcomagente

ÁGUAS DE
MANAUS

Active Households



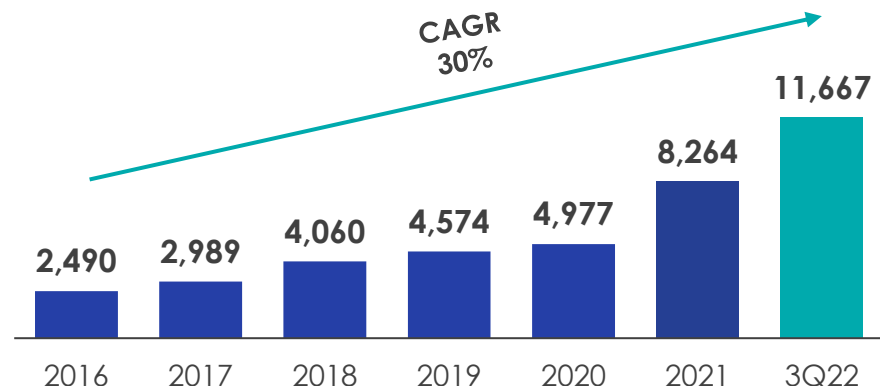
EBITDA (R\$ mm) and EBITDA Margin (%)



Talents training and management

Ensuring the replicability of the Operating Model

Headcount evolution (ex. Corsan)



Talent Management and Succession



- Mapping internal talents
- Development through Academia Aegea
- Career plan

Training and development



- **168,063** hours of training in 2021, 17 hours per employee
- DL Platform with mobile access
- **Degree Course in Sanitation**, recognized by the Ministry of Education (MEC)
- **Post-Degree in Sanitation**, by FGV

Diversity



- 2030 targets: leadership roles (CEO to managers) 45% filled by women and 27% by black people
- Hiring 68% of women and 43% of black people in the trainee program

Sanitation Accessibility Guarantee

Including the population with vulnerability, providing more quality of life and dignity

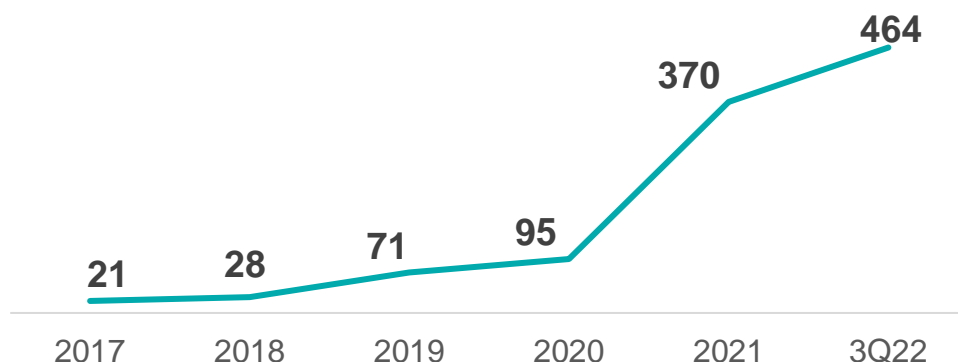


- Inclusion of vulnerable people in basic sanitation
- Unique solution with “aerial pipes” for the palafitas communities
- More than 18 thousand new connections and 100 Km of pipelines, benefiting more than 120 mil people with quality water

ÁGUAS DE
MANAUS



Number of Families benefited by Aegea's and Águas do Rio's Social Tariff (thousand)



The expansion of the Program contributes positively to delinquency rate and commercial losses reduction, as well as guaranteeing access to sanitation services

Networks before Aegea



Networks after Aegea



ESG – Environmental & Health Impact

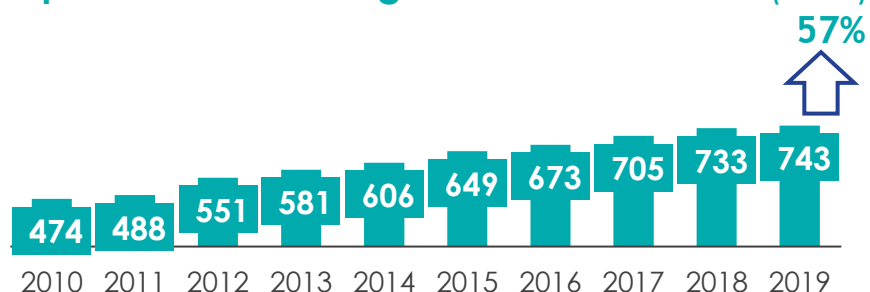
The expansion of water and sewage coverage translates into benefits for health and environment

Sanitation, Health and Environment

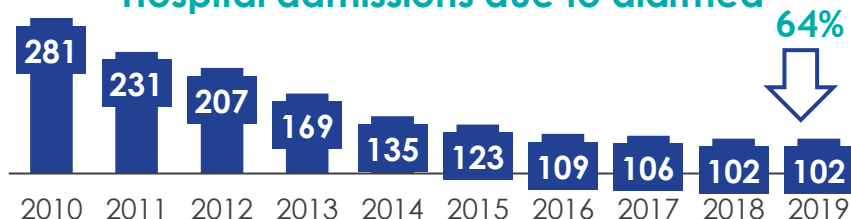
- Sustainable use of natural resources, water losses and energy consumption reduction and 94% renewable energy matrix
- Pollution prevention and environmental recovery through Aegea's direct and indirect activities
- With the expansion of operations, Aegea brought health and environmental benefits to the population of Campo Grande-MS and Região dos Lagos-RJ



Population with sewage collection service ('000)



Hospital admissions due to diarrhea



Source: Company Information // Source: <https://www.painelsaneamento.org.br/>



66%

Public expenditure on health



81%

Hospital admissions due to water-borne diseases

ESG Best Practices and world's 1st place in the ESG Risk Rating



Aegea ranked world 1st among sanitation peers in the Sustainalytics' ESG Risk Rating. Aegea was also ranked world 1st in the Corporate Governance, Business Ethics and Community Relations categories

ESG best practices

Corporate Governance

- Majority of the BoD members are deemed independent
- Statutory Audit Committee
- Audited Annual Sustainability Report (GRI and IIRC Frameworks)
- ESG Committee and ESG goals for executives' compensation

Business Ethics



- Audit, Risks, Compliance and Integrity Boards reporting to the Board of Directors
- Independent Ethics Channel
- ISO 37001- Anti-bribery System certified, renewed twice in a row

Community Relations

- Expanding quality sanitation services for vulnerable families - Social Tariff
- Communities relations program - Affluent Program

ESG Risk Rating

Industry Comparison

Company	ESG Risk Rating		
Aegea Saneamento e Participações SA	15.8		Low
Wessex Water Services Ltd.	18.5		Low
BRK Ambiental Participações SA	19.4		Low
FCC Aqualia SA	22.5		Medium
Canal de Isabel II SA	26.6		Medium

Rating updated on October 19, 2022 and available at:
<https://www.sustainalytics.com/esg-rating/aegea-saneamento-e-participa-oes-sa/1545699700>

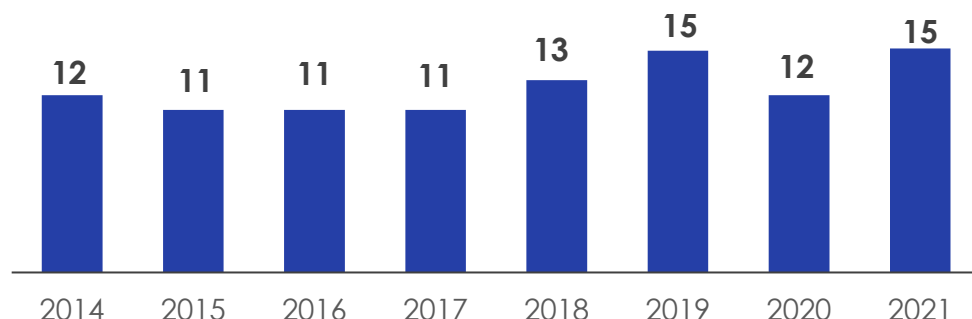


SECTION 2

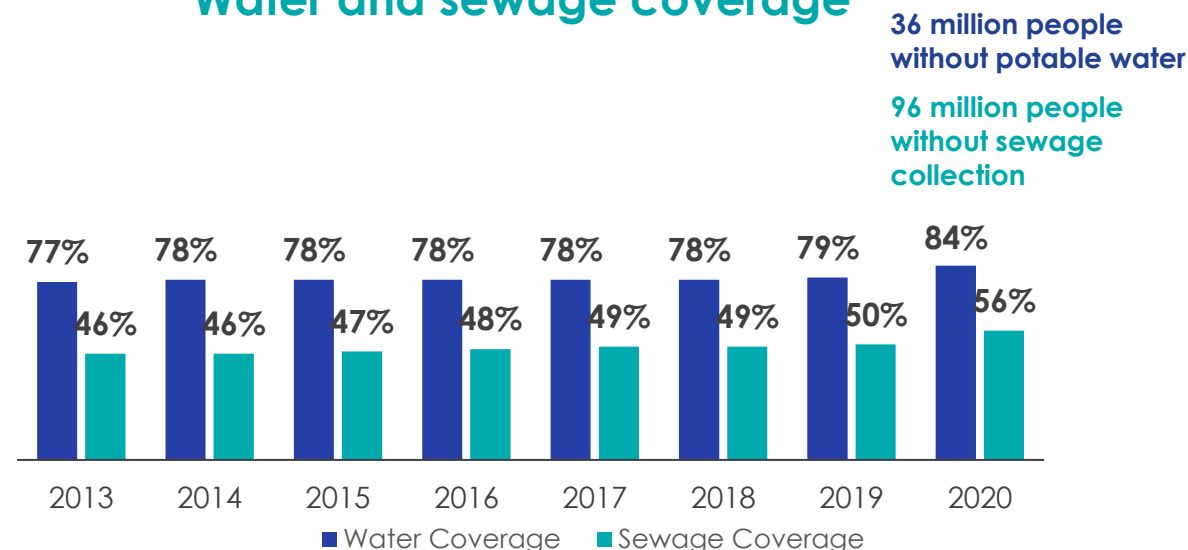
Sector & Performance

Investment levels in the sanitation sector in Brazil are still much lower than the need for universalization

Sector investments amount¹ (R\$ billion)



Water and sewage coverage¹



Investment necessary to reach the 2033 government universalization targets are estimated in **R\$ 890 billion**

1- Source: SNIS <https://www.gov.br/mdr/pt-br/assuntos/saneamento/snis/painel/es>

2- Source: Abcon and KPM Study: <https://abconsindcon.com.br/analises-conjunturais/atualizacao-dos-valores-de-investimentos-para-a-universalizacao-dos-servicos-de-saneamento>

Resilient Business Model and well-established Regulatory Framework guarantee stability and support growth

Private Sector Business Model



Contractual Targets

- Universalization of sanitation
- Water loss rate reduction
- Quality Scores



Regulatory Agencies

- State, Regional or Municipal
- Inspect the fulfillment of contractual target



Stable Tarif

- **Annual inflation adjustments**
- Long-term agreements
- **Predictable returns**
- Possibility economic-financial rebalancing

Sanitation New Regulatory Framework



Contractual Targets

- 99% water coverage
- 90% of sewage collection and treatment by 2033



National Water Agency roles

- Federal Regulator
- Reference Regulation and quality norms and standard
- Mediation and arbitration



Regional clusters

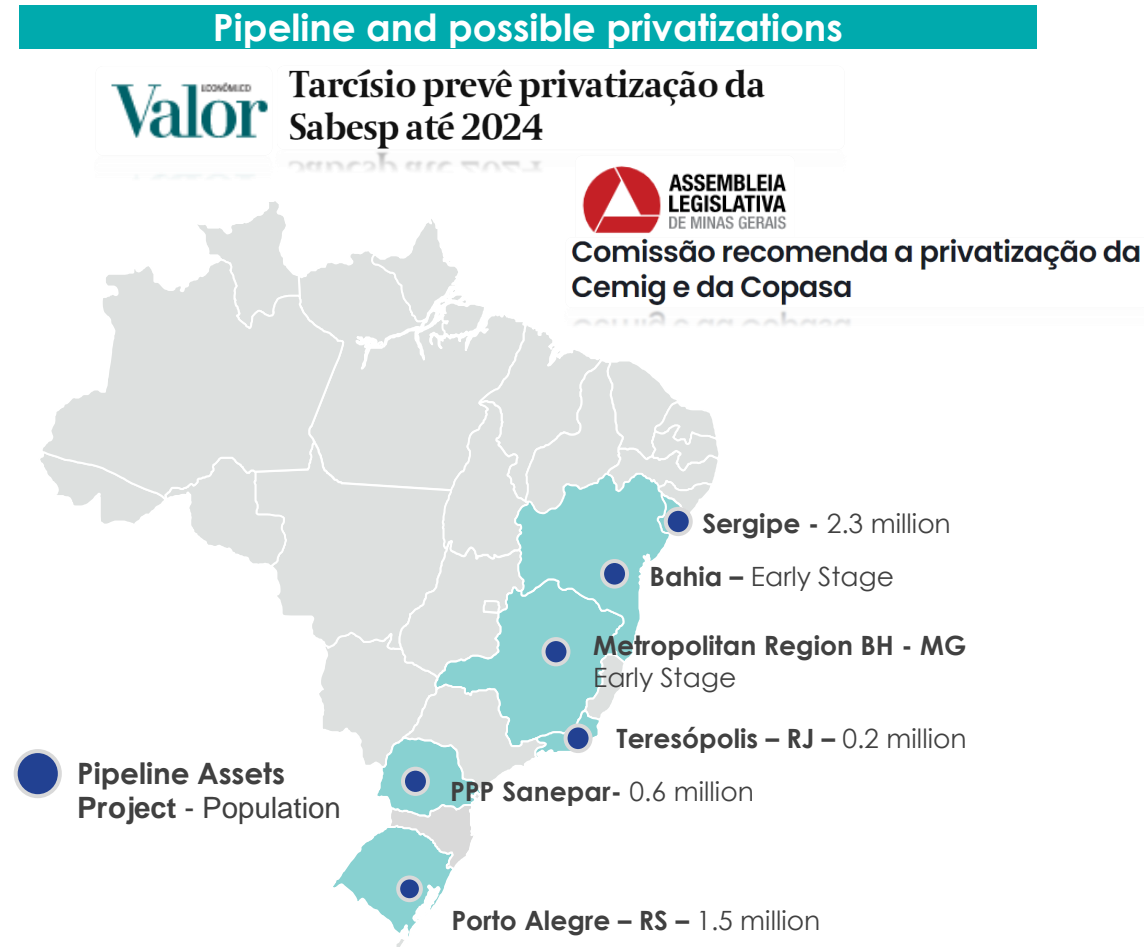
- Contracts can be designated as a consortium among **micro-regions**
- **Gain of scale**
- Technical and financial feasibility
- **Public companies privatization**

Attractive Sector Fundamentals (Cont'd)

Extensive pipeline of Sanitation projects considering investment needs to reach universalization goals

Recent Auctions			
Aegea recently winning the majority bids in the sector			
Year	Project	Population (million)	
✓ 2019	CORSAN/RS - PPP	1.6	
2020	Alagoas Bloco A	1.4	
✓ 2020	SANESUL/MS - PPP	1.7	
✓ 2020	CARIACICA/ES - PPP	0.4	
✓ 2021	CEDAE Bloco 1/RJ	2.8	
2021	CEDAE Bloco 2/RJ	1.2	
✓ 2021	CEDAE Bloco 4/RJ	7.0	
2021	Amapá	0.7	
2021	Alagoas Bloco B	0.6	
2021	Alagoas Bloco C	0.4	
2021	CEDAE Bloco 3/RJ	3.0	
✓ 2022	Crato/CE	0.1	
✓ 2022	Cagece Bloco 1/CE - PPP	1.3	
✓ 2022	Cagece Bloco 2/CE - PPP	3.3	
✓ 2022	Cariri/CE – Waste management	0.3	
✓ 2022	CORSAN/RS - Privatization	6.0	
Total		32 million	

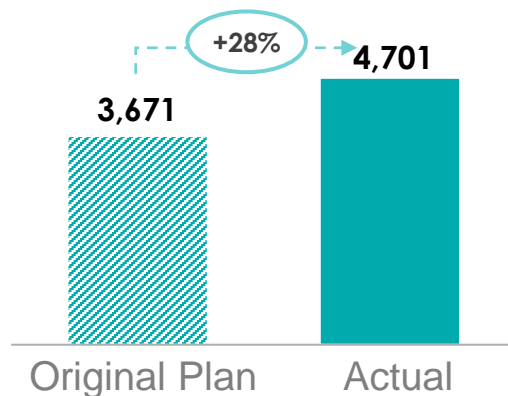
✓ Aegea's winning bids



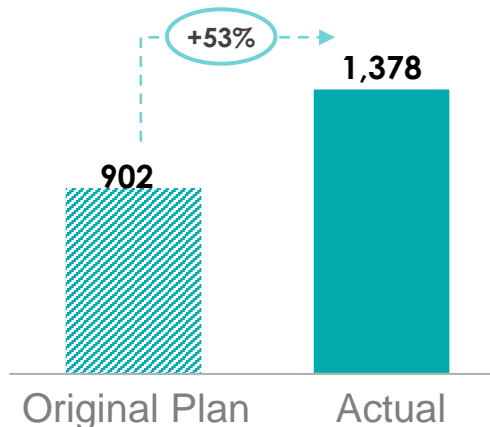
Águas do Rio performance is above the original Business Plan

Nov/21 to Sept/22

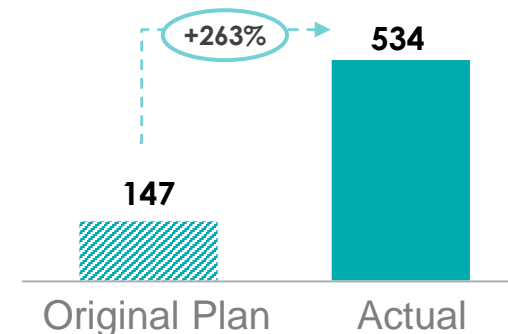
Net Revenue (R\$ MM)



EBITDA (R\$ MM)



Net Income (R\$ MM)



Main positive upsides

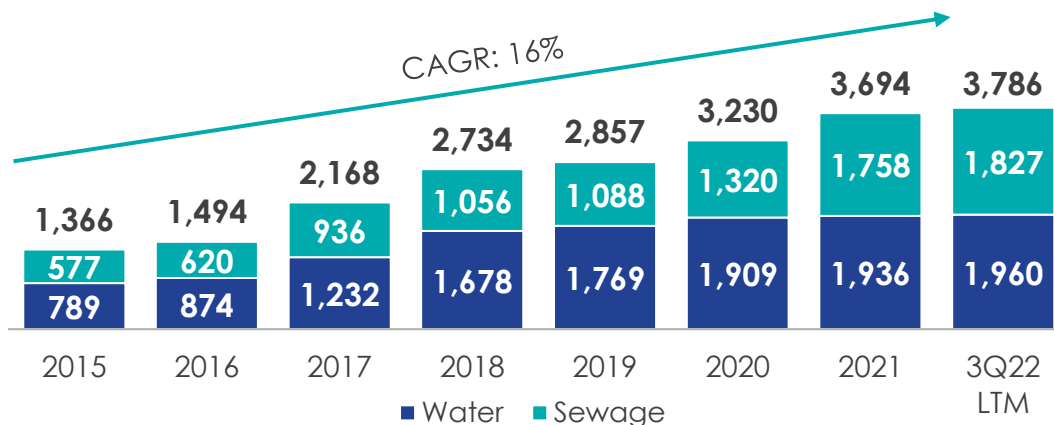
- 9.86% tariff adjustment (Nov/21)
- Postponement of water purchase payment
- Early operational startup
- Commercial and inspection actions

Operacional Performance (ex. Águas do Rio and Corsan)

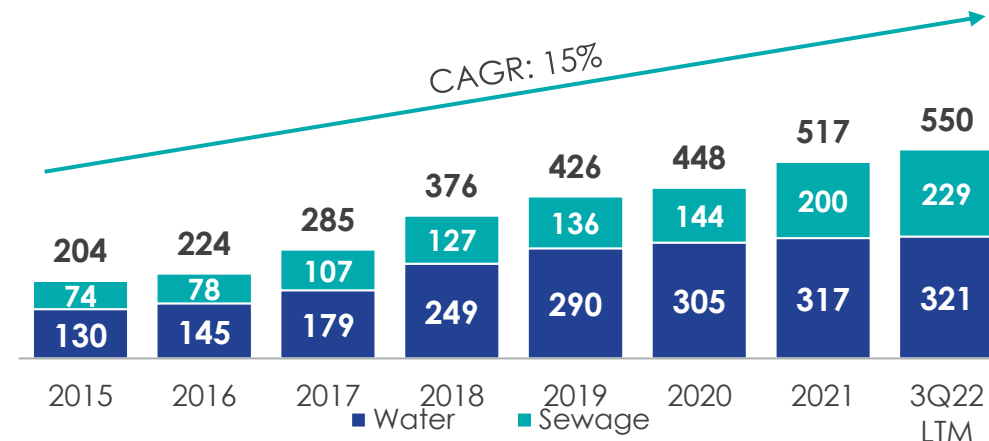


Strong performance driven by increased efficiency in existing Concessions & consolidation of new Concessions

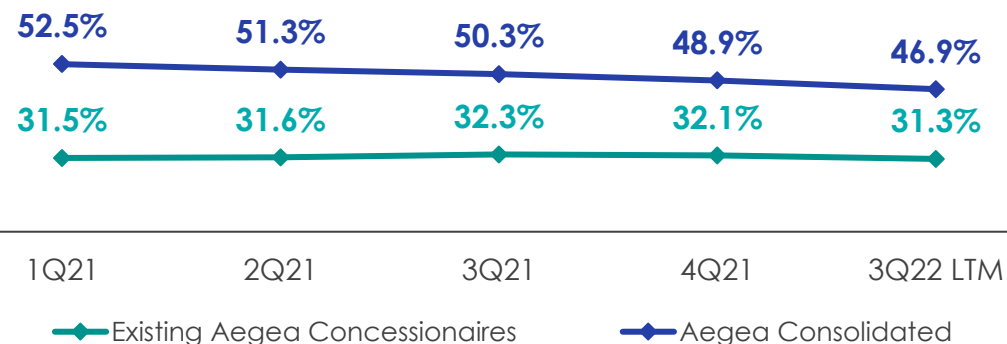
Active Households ('000)



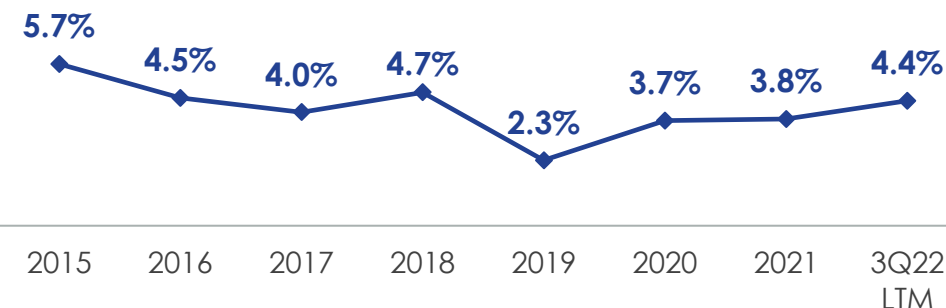
Billed Volume (MM m³)



Losses on Water Distribution (%)



Delinquency Rate LTM¹ (%)



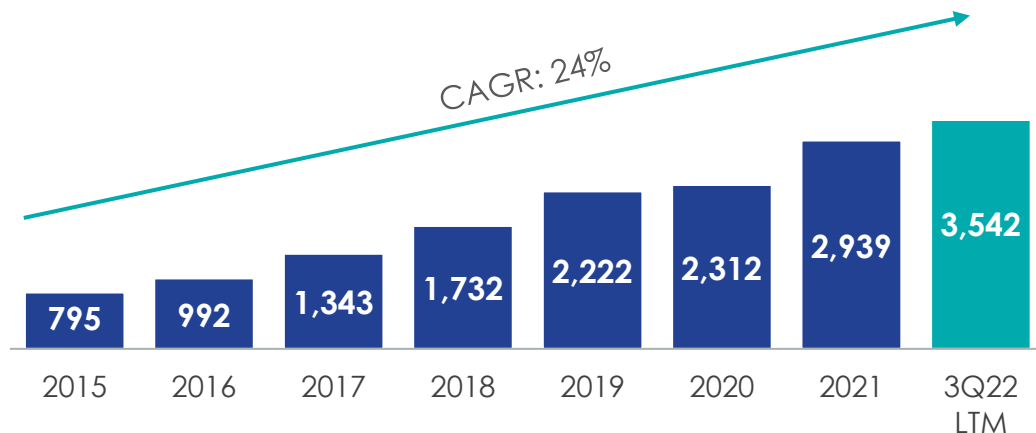
Notes: (1) Starting 2018, there was a change in calculation methodology (Gross revenue excluding cancellations / PDA costs and expenses)

Financial Performance (ex. Águas do Rio and Corsan)

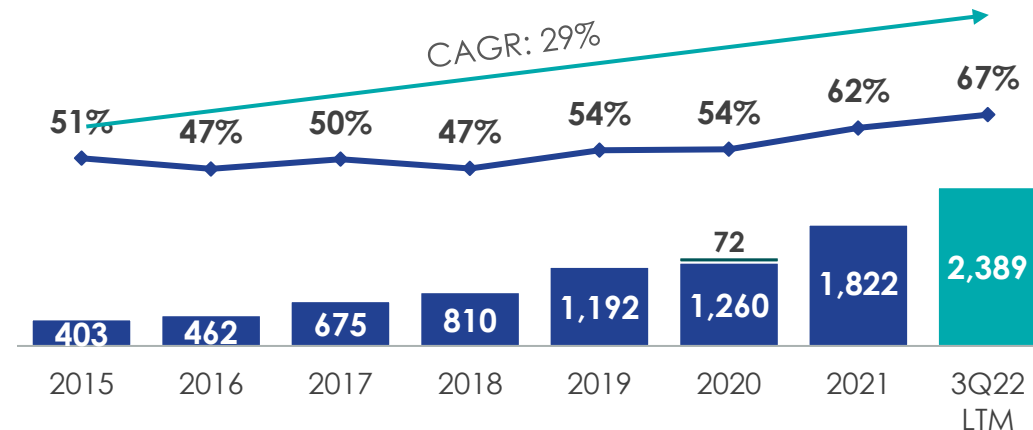


EBITDA growth with financial discipline

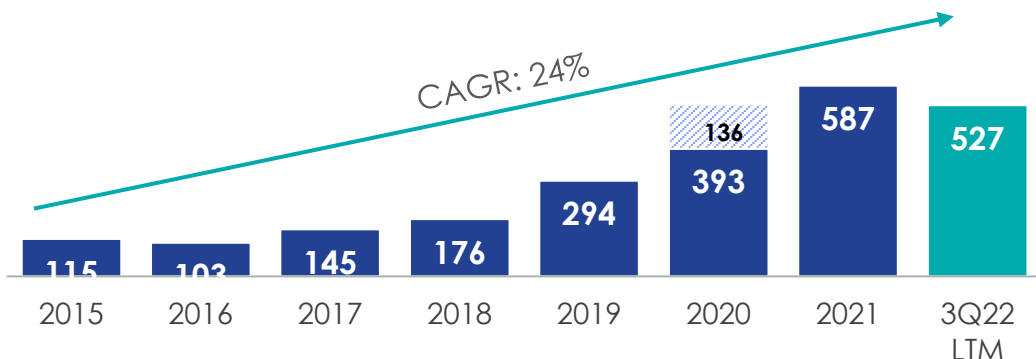
Net Operating Revenue¹ (R\$ MM)



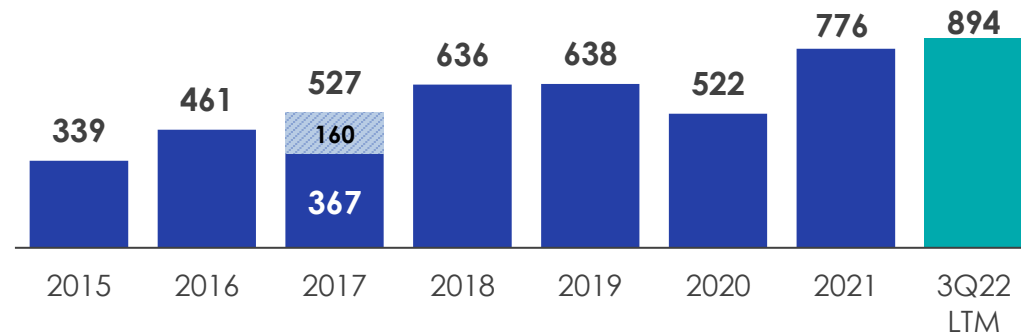
EBITDA² e Margin (R\$ MM)



Net Income (R\$ MM)



CAPEX (R\$ MM)



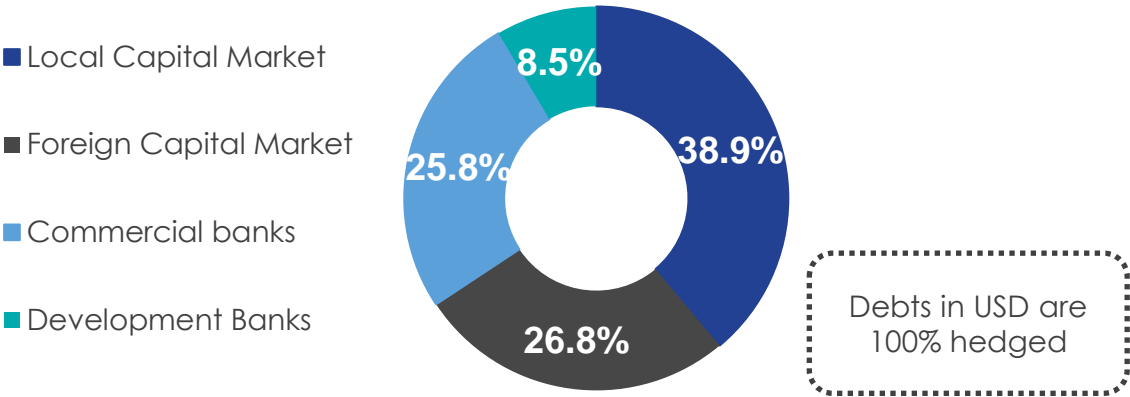
Notes: Does not include construction revenues with a margin close to zero (ICPC 01) and includes construction revenues from PPPs Serra Ambiental, Vila Velha Ambiental, Cariacica and Ambiental Metrosul. 2- Does not include construction revenues (ICPC 01) and construction costs (OCPC 05) with a margin close to zero and includes revenues and construction costs of the PPPs of the concessionaries Serra Ambiental, Vila Velha Ambiental, Ambiental Metrosul and Ambiental Cariacica

Key Credit Highlights (ex. Águas do Rio and Corsan)

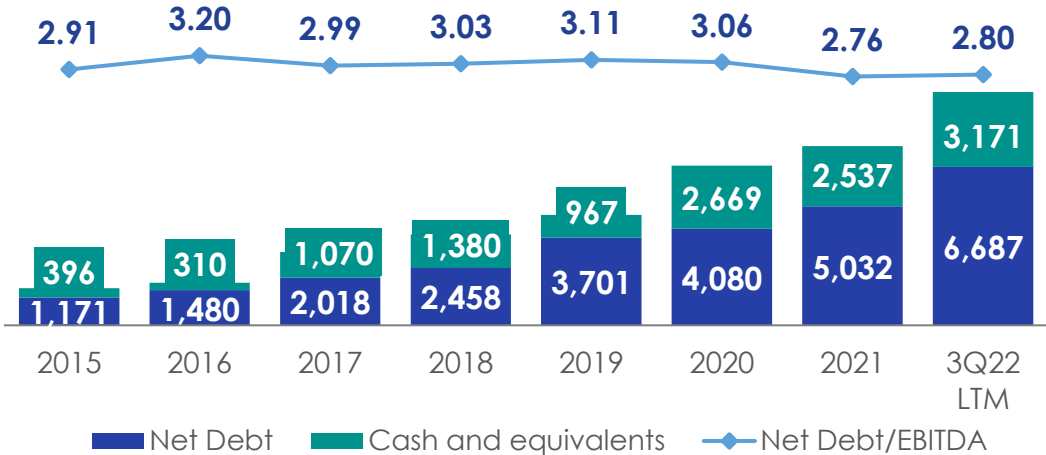


Access to long-term funding sources, with financial discipline in maintaining net leverage below 3,5x

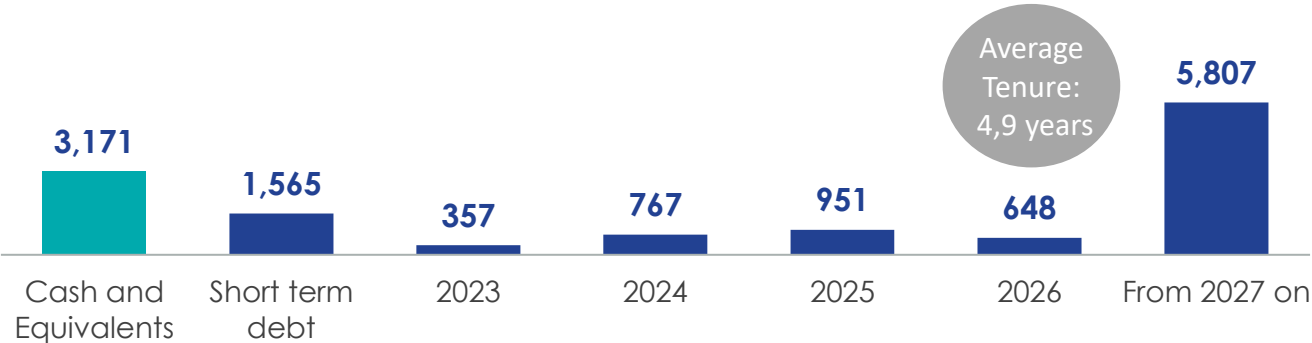
Gross Debt Breakdown



Net Debt¹, Cash and Leverage (R\$ MM)



Cash and Debt Maturity Schedule (R\$ MM)



	S&P Global Ratings	Fitch Ratings	MOODY'S
Nacional Scale	AA+	AA	AA-
Global Scale	-	BB	Ba1

Notes:
1. Includes financial derivatives and the effects of marking-to-market debt swapped into Reais; 2- Excludes financial derivatives and the effects of marking-to-market debt swapped into Reais



Investor Relations

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