



Company Presentation

November 2023





SECTION

Overview

Aegea is the largest private sanitation player in Brazil



Serving 31MM people in more than 500 municipalities

31 MM people served
56% Market Share⁽¹⁾
+500 cities with population ranging from **1.8k** to **6.2 MM+**
30 years contracts avg. term

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



Active Households – 3Q23

MM **+29% CAGR** 2014-3Q23



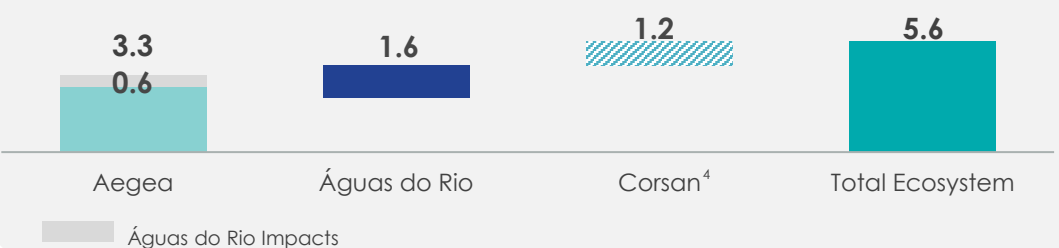
Net Revenue ⁽²⁾ – 3Q23 LTM

R\$ Bn **+40% CAGR** 2014-3Q23 LTM



EBITDA ⁽³⁾ – 3Q23 LTM

R\$ Bn **+39% CAGR** 2014-3Q23 LTM



Source: Company Information

Notes:

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)

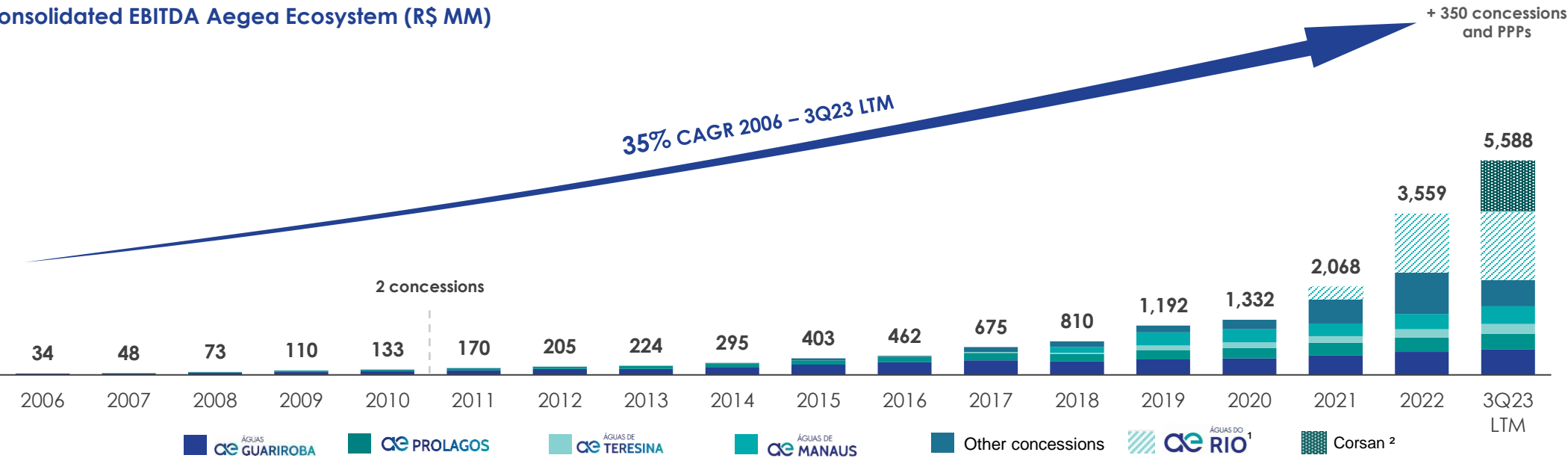
3. Excluding construction revenues with margins near zero (OCPC05), construction costs with margin close to zero (CPC47) and effects of amortization and depreciation
4. Corsan's shares were transferred to Aegea in July/23

Track-Record of Growth



Outstanding growth and value creation

Consolidated EBITDA Aegea Ecosystem (R\$ MM)



Sustainable Growth Pillars



Source: Company Information

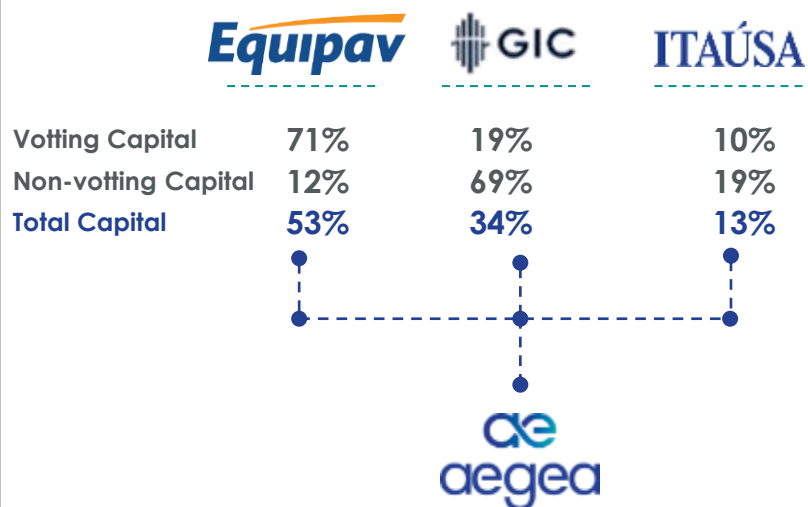
Notes:

1. Águas do Rio EBITDA, not consolidated into Aegea's Financials but rather accounted by the Equity Income method
2. Considers Corsan Proforma

Shareholder Structure, Support and Governance

Strengthened capital structure to support the Company's growth

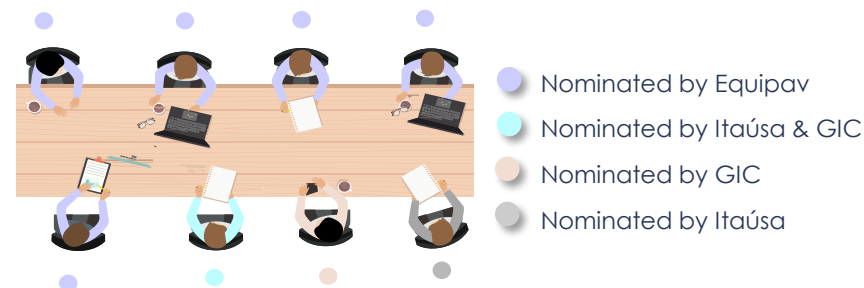
Shareholding Structure



- **Entry of Itaúsa as a Shareholder:** Acquisition of **8% of Equipav's common shares** for **R\$ 1.085 billion** (valuation of R\$ 13 billion)
- **Capital Increase:** **R\$ 3.6 billion in 2021**, R\$ 344 million via common shares and R\$ 3,2 billion via Class D preferred shares

Corporate Governance

The majority of the BoD's members are deemed independent according to IBGC criteria



3 Advisory Committees to the Board of Directors

- ✓ Audit, Risks and Integrity
- ✓ People Management
- ✓ Finance

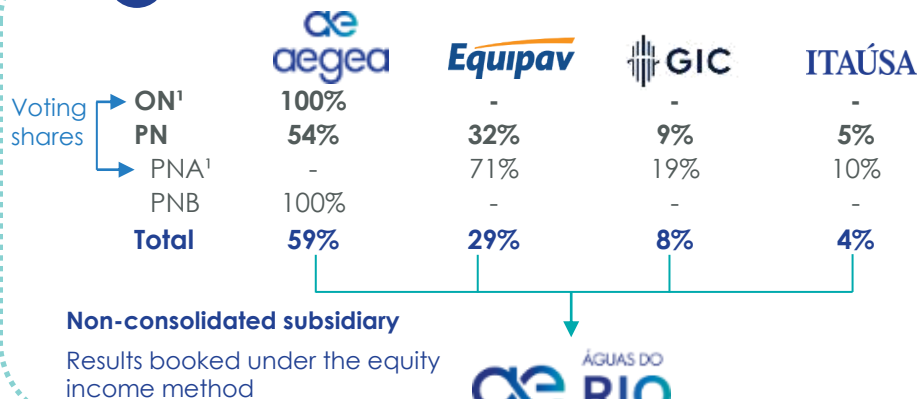
- **Minority shareholders' veto rights for acquisitions, transactions with related parties, approval of the business plan, raising of indebtedness, among others**

Águas do Rio: the largest private sanitation concession in Brazil



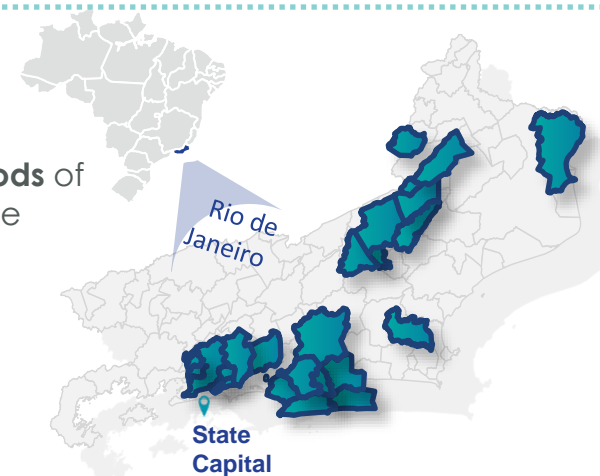
Predictable cash flows, and potential value generation considering water and sewage coverage expansion and water losses reduction

Ownership Structure



Concession footprint

- 9 million people
- 27 municipalities and 124 neighborhoods of south, north and downtown area of the state capital
- R\$ 24.4 bi Capex
- R\$ 15.4 bi Grant Fee



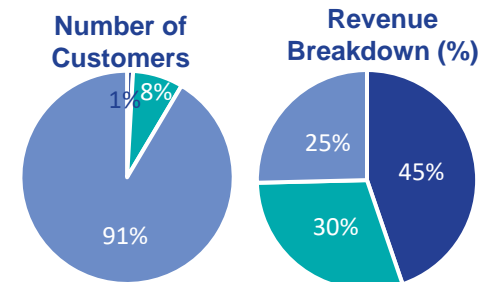
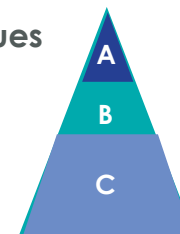
Contractual Targets

- ✓ **Water: 99%** coverage by 2031
- ✓ **Sewage: 90%** coverage by 2033
- ✓ **Water losses: 25%** by 2033
- **35 years** concession term
- **Tariffs readjusted annually** by inflation



Revenue concentration

- **9% of customers** accounts for **75% of revenues**
- A and B clients**
- **Large consumers** such as hotels, condominiums, airports, petrochemical and other industries
- **Dedicated relationship program**



3Q23 LTM Highlights

4.5 million Households **R\$5.6 billion Net Operating Revenue** **R\$ 1.6 billion EBITDA** **R\$ 512 million Net Income**

Águas do Rio: Diversified funding sources, fully funding the project

Project Finance Structure, long-term facilities totaling R\$ 25.5 billion

Total Equity from Shareholders

Equity base: R\$ 8.2 billion (R\$7.7 billion up to June 2023)

Funding Sources /Year

Funding Source	Term	2023	2024/2025	2026	2029	2032	Total
BNDES - FINEM	up to 28 years	2.8	3.4	3.9	2.5	1.0	13.6
BNDES Capital Markets	up to 18 years	1.9	-	-	-	-	1.9
Capital Markets	up to 18 years	3.7	3.4	-	-	-	7.0
BID	20 years	1.0	-	-	-	-	1.0
Proparco	20 years	0.5	-	-	-	-	0.5
BTG – Saneamento para Todos	22 years	0.5	0.8	-	-	-	1.5
Total	15 years duration	10.4	7.6	3.9	2.5	1.0	R\$ 25.5 billion

- R\$ 10.4 billion already disbursed (October, 2023)

Fully funded project

- Long-term financing agreement signed with BNDES in 2022: up to BRL 19.3 Bi, maturing in 28 years
- In August 2023, the Company issued R\$5.5 Bn in Debentures successfully completing the first step of the funding of the financing package
 - Largest ever Infrastructure Debenture in the Brazilian local debt capital markets
 - Strong demand from investors, leading to a significantly oversubscribed orderbook
- Additional R\$3.4 Bn to be issued in 2024 in the Capital Markets, with a backstop financing facility from BNDES
- Real Guarantees
 - Real Guarantees of the Project
- Aegea's Equity Support Agreement (ESA) for CAPEX quantitative deviation limited to R\$1.2 billion per year, up to the completion (2029E)

Corsan: first state-owned company privatized in the Brazilian sanitation sector

Consolidated on Aegea Financial Statements, Corsan leverage was 0.54x in 3Q23



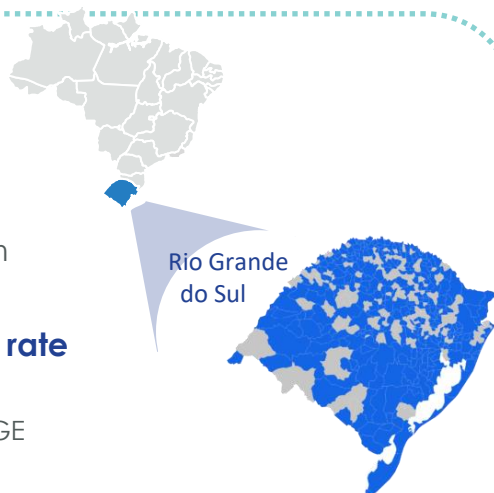
Concessions footprint

- 7 million people served
- 317 municipalities
- 31.7 years average concessions term weighted by revenue



Family income and delinquency rate

- R\$ 5.0 thousand/month
3rd place in Brazil's statistics according to IBGE
- 5.0% 3Q23 delinquency rate



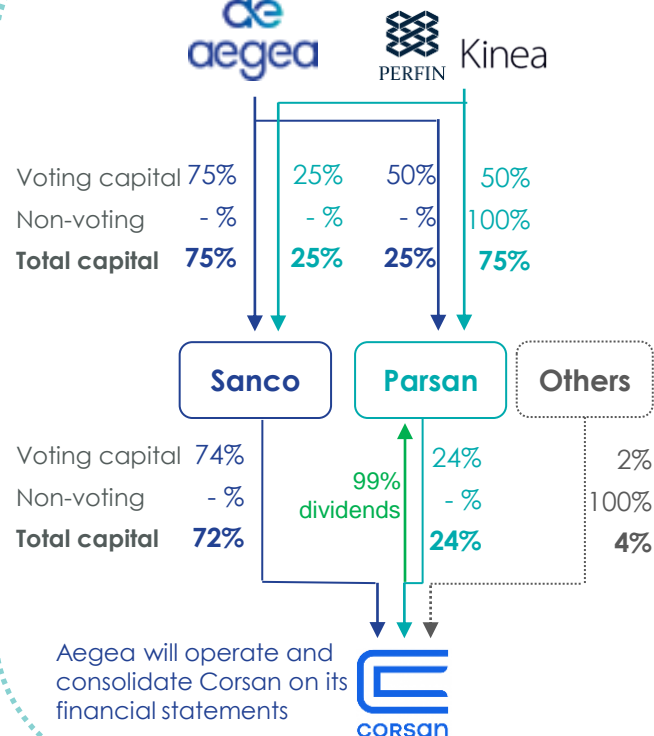
3Q23 LTM Highlights

3.5 million Active Households R\$ 3.9 billion Net Operating Revenue

R\$ 1.2 billion Adjusted EBITDA 0.54x Net Debt/Adjusted EBITDA



Ownership and Capital Structure



Capital structure

Equity

R\$ 1.3 billion (30%)

Aegea: R\$ 326,7 million (25%)

Perfin + Kinea: R\$ 978,0 million (75%)

Debt

R\$ 3.0 billion (70%)

Local capital markets
30 months term
Parsan issuer'

Parsan's debentures will not be consolidated into Aegea's financial statements

Ecosystem Portfolio – Concessions managed by Aegea



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

3Q23 LTM	GUARIROBA	PROLAGOS	TERESINA	MANAUS	RIO ¹	CORSAN	Others
Gross Revenue (BRL)	1.1 billion	676 million	573 million	1.1 billion	8.1 billion	5.0 billion ⁵	2.4 billion
Population² (#)	898 thousand	425 thousand	866 thousand	2.1 million	9.1 million	5.8 million	From 3.5 thousand to 2.4 million
Operational startup by Aegea	Nov/05	Jun/06	Jun/17	Jun/18	Nov/21	Jul/2023	N/A
Tenor	2060	2041	2053	2045	2067	Until 2062 ³	Until 2057 ⁴
Sewage Coverage (%)	89%	80%	49%	27%	49%	22%	54%
EBITDA/Household (R\$/unit)	953.4	830.0	537.8	671,9	379.4	356.2	529.8
OPEX/Household (R\$/unit)	324.0	292.4	351.6	624,4	911.4	828.4	315.6
EBITDA Margin (%)	75%	74%	60%	52%	29%	31%	48%

Long-term agreements

High value creation potential

Source: Company Information, IBGE

Notes:

1. Aegea co-control Águas do Rio together with its investors and its results are not consolidated into Aegea's Financial Statements, but rather recognized under equity income method

2.

According to IBGE 2022 data

3.

More than 50% of the revenue is represented by contracts expiring in 2062

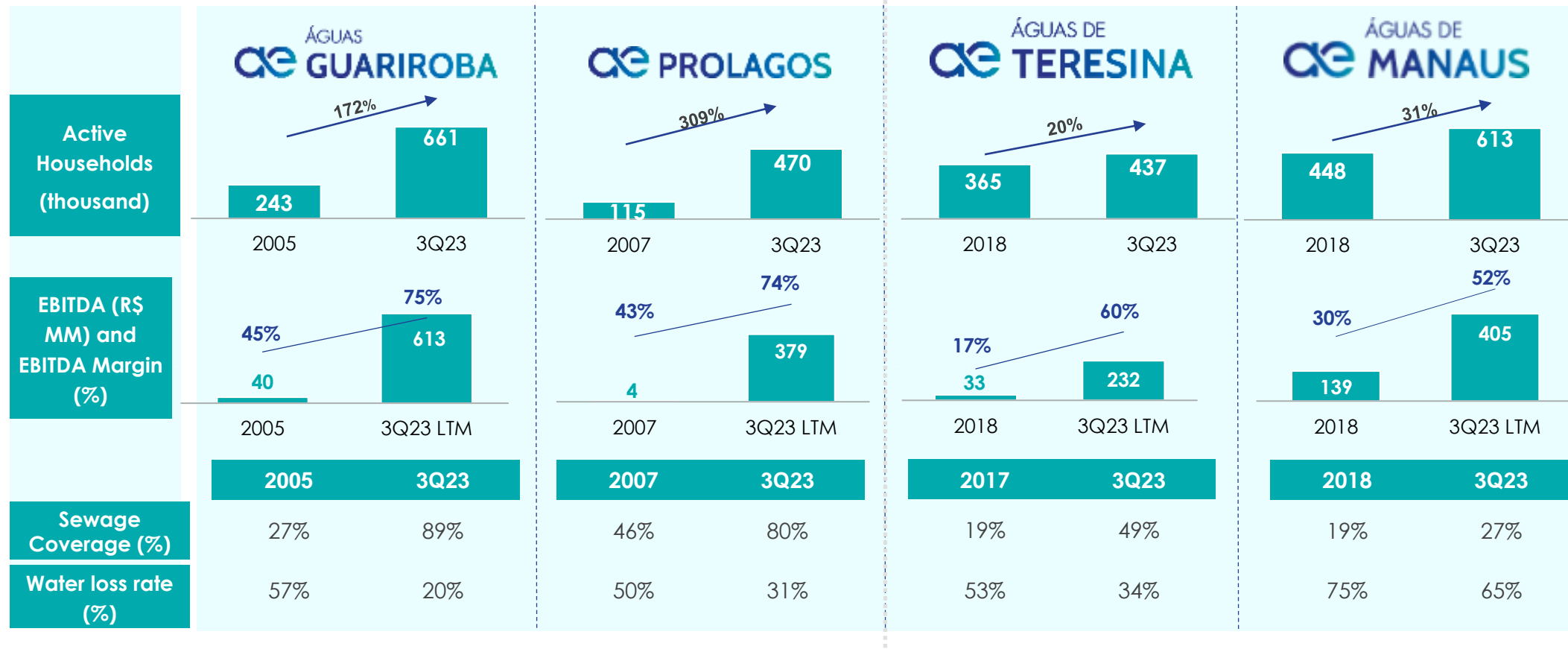
4.

There is only one contract maturing before 2030 with a population of 31 thousand people and it represents 0.12% of Aegea's net revenue

Proven Turnaround Expertise



Successfully executed turnaround in mature assets. The results in Águas de Teresina and Águas de Manaus prove the ability to implement and adapt the Aegea operating model in all regions



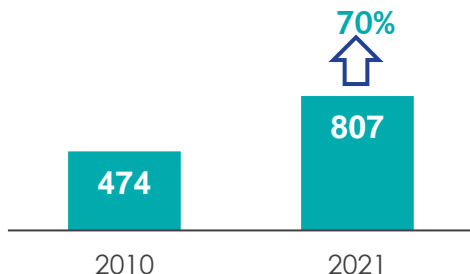
ESG Commitments and Governance with Real Impacts on Stakeholders

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

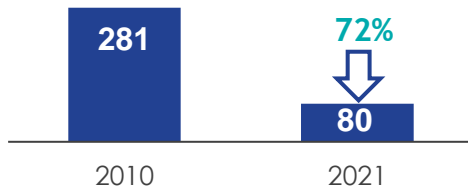
Health

 **GUARIROBA**

Population with sewage collection service (thousand)

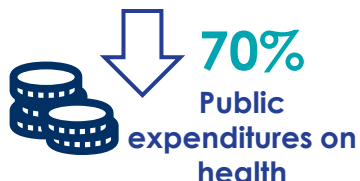


Hospital admissions due to waterborne diseases



 **PROLAGOS**

Evolution of indicators related to hospital admissions due to diseases related to the lack of sanitation (2010-2021)



Environment

 **PROLAGOS**

Before Completely polluted lagoon, without aquatic life



After
Record harvest of fish and seahorses



 **ÁGUAS DO RIO**

Recovery of the Guanabara bay, south zone beaches, Paquetá island and Rodrigo de Freitas lagoon

- Withdrawal of 2 thousand tons of waste from the oceanic interceptor
- Sewage pumping stations operating at full capacity
- Increase in the capacity of the ETEs (Sewage Treatment Plants)
- Construction of the dry weather collector



Flamengo/Botafogo beaches suitable for bathing

ESG Commitments and Governance with Real Impacts on Stakeholders

Guarantee of Accessibility to Sanitation: The Social Tariff is a cross-subsidy mechanism aiming to include vulnerable people in basic sanitation, providing more quality of life and dignity

Water connections in the “palafitas” of Manaus

Before



After



Social Tariff for 522 thousand families

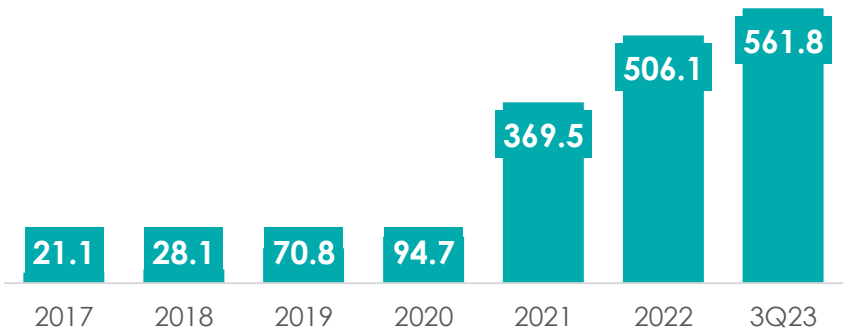
Tariff 10 for 28 thousand families in Manaus

R\$ 1.2 billion to be invested in Rio de Janeiro communities, benefiting more than 500 thousand people

250 thousand people had for the first time regular access to treated water in Rio de Janeiro

First sewage network in palafitas in Brazil (Beco Nonato in Manaus)

Families Benefited by the Social Tariff (thousand)



ESG Commitments and Governance with Real Impacts on Stakeholders

ESG targets linked to cost of debt, diversity and climate agenda, low ESG risk according to Sustainalytics and recognition from the OECD for the Águas do Rio project

2030 ESG Targets linked to the SLB

Black employees in leadership roles (managers to CEO)

From 17% to **27%**

Women in leadership roles (managers to CEO)

From 32% to **45%**

Reduce specific energy consumption (kWh/m³)

in **15%**

Diversity and climate agenda



- **Mentoring programs and career development** for black and female employees
- Trainees: **68% of women and 50% of black** employees in the program

- **97% of the electricity** matrix is **renewable**
- **Water losses reduction program** with satellite to detect leaks
- **Carbon intensity trend reduced by 60%** in 2022

Governance and ESG stamps

Low ESG risk rating from Sustainalytics



Integrity Program Certificate



Recognition from the OECD for the **high ESG impact of the Águas do Rio project**



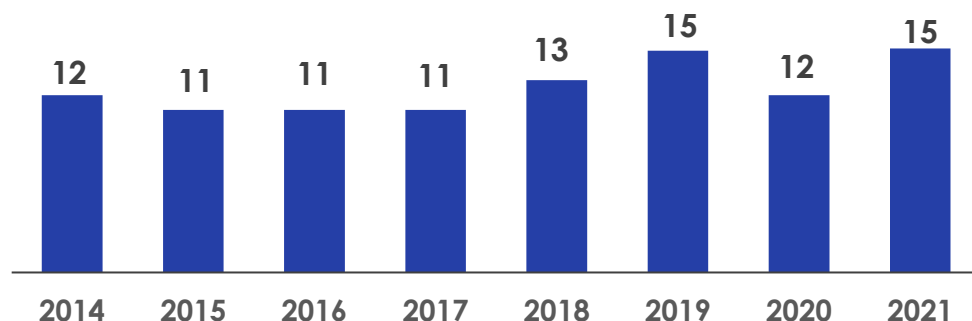


SECTION 2

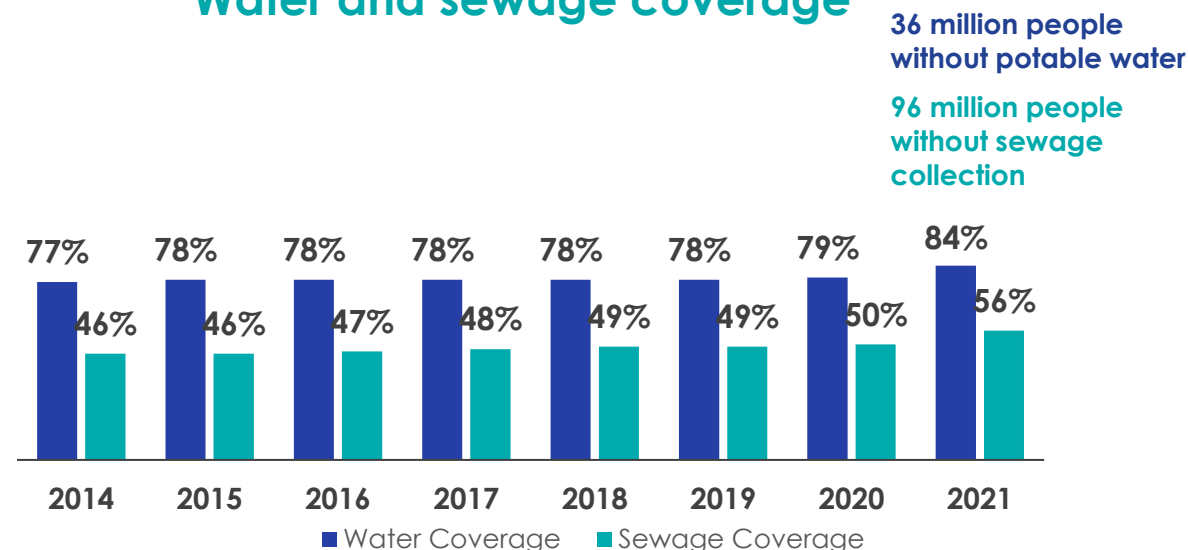
Sector & Performance

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 Regulatory Framework guarantee stability and support growth

Private Sector Business Model



Contractual Targets

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



Regulatory Agencies

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



Stable Tariff

- **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 and Sanitation 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**

Operational Performance (Aegea Ecosystem)



Strong performance driven by increased efficiency in existing Concessions & consolidation of new Concessions¹

Active Households ('000)



Billed Volume (MM m³)



Losses on Water Distribution (%)

	3Q22	3Q23
Aegea Consolidated	47%	46%
Águas do Rio	63%	53%
Corsan ⁽¹⁾	43%	43%

Delinquency Rate LTM (%)

	3Q22	3Q23
Aegea Consolidated	3.6%	1.4%
Águas do Rio	_(2)	9.2%
Corsan ⁽¹⁾	5.5%	5.0%

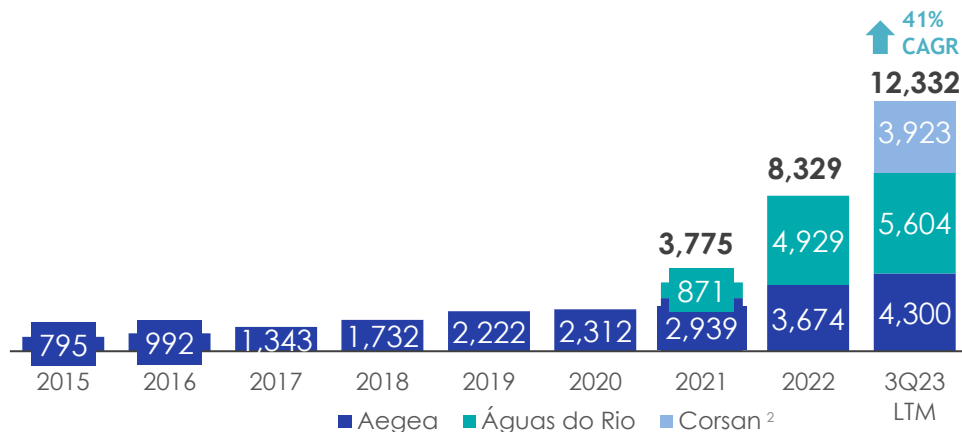
Notes: (1) Consolidated on Aegea Financial Statements in 3Q23 (2) in 3Q22, Águas do Rio had less than 1 year of operations

Financial Performance (Aegea Ecosystem)

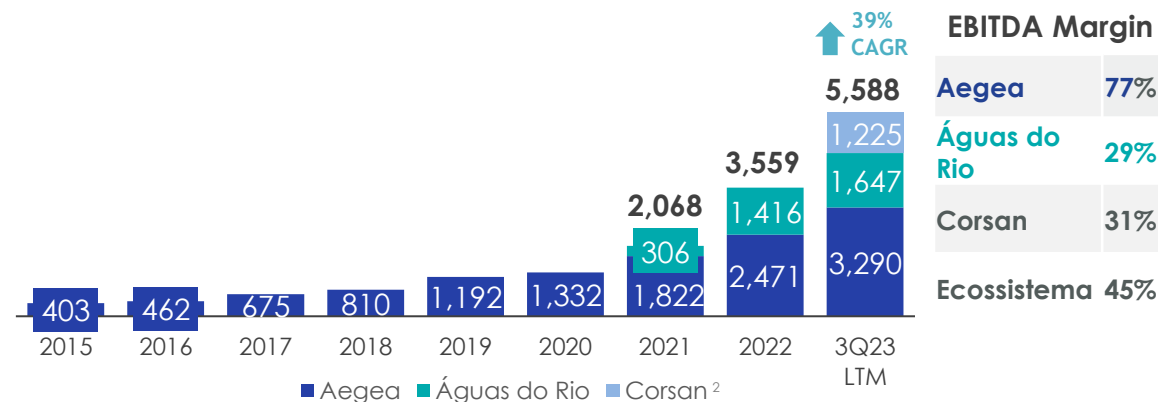


EBITDA growth with financial discipline

Net Operating Revenue¹ (R\$ MM)



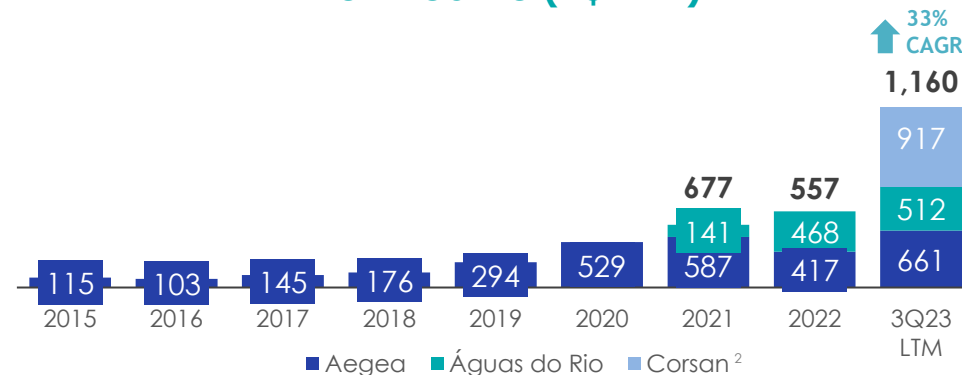
EBITDA² (R\$ MM)



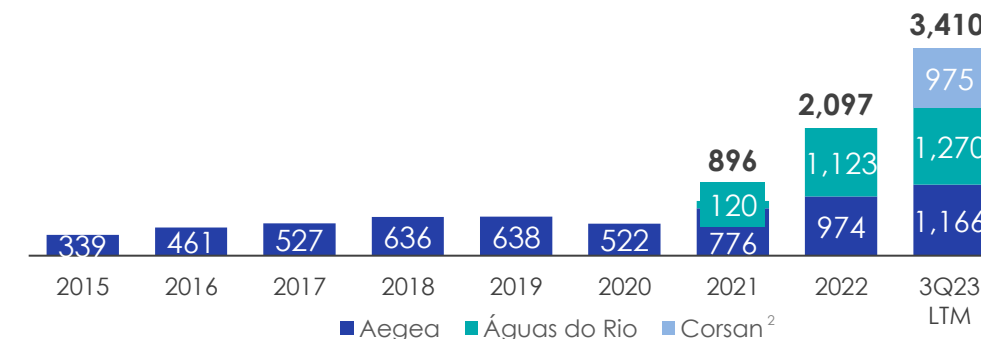
EBITDA Margin

Aegea	77%
Águas do Rio	29%
Corsan	31%
Ecosystem	45%

Net Income (R\$ MM)



CAPEX (R\$ MM)



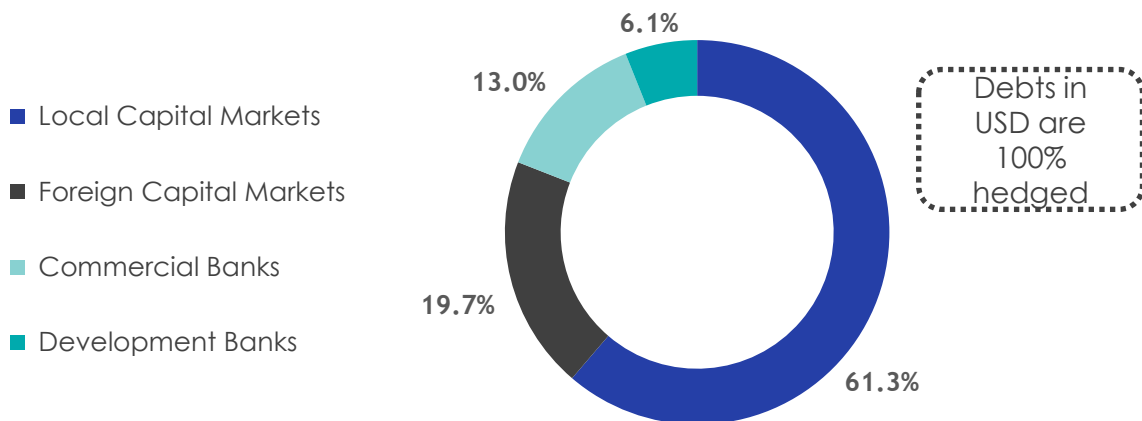
Notes: (1) Does not include construction revenues with a margin close to zero (ICPC 01) and includes construction revenues from PPPs (2) Consolidated on Aegea Financial Statements in 3Q23 (3) Does not include construction revenues (ICPC 01) and construction costs (OCPC 05) with a margin close to zero and includes revenues and construction costs of the PPPs

Robust Operational and Financial Performance - Key Credit Highlights

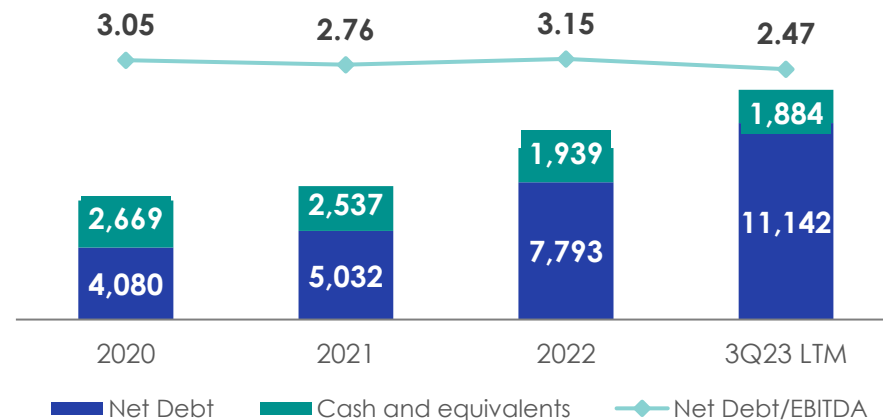
Access to long-term funding sources, with financial discipline in maintaining net leverage below 3,5x

Ratings: S&P: AA+ BR, Fitch: AA BR / BB Global, Moody's: AA- BR / Ba1 Global

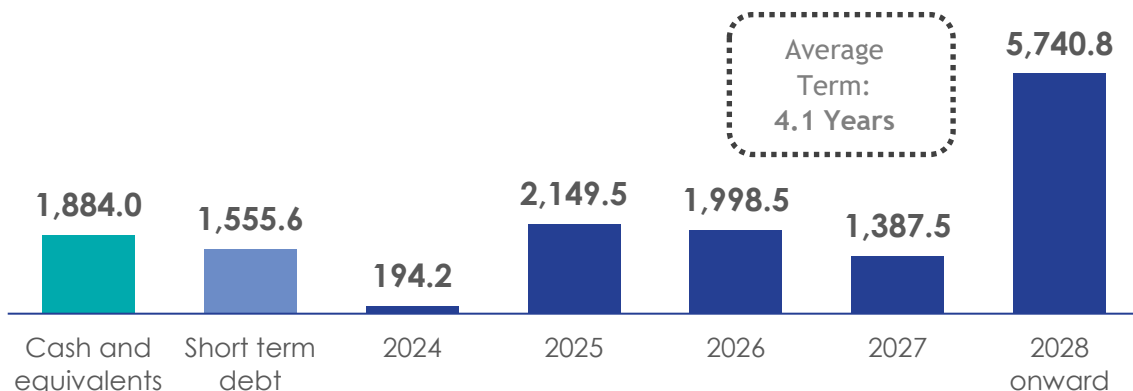
Gross Debt Breakdown



Net Debt², Cash (R\$ MM) and Net Leverage



Cash and Debt Maturity Schedule¹ (R\$ MM)



Aegea Proforma 3Q23 – Including Águas do Rio, Parsan and Corsan⁽¹⁾ R\$ billion

Gross Debt	28.6
Cash and Equivalents	(6.9)
Net Debt	21.7
Net Debt / EBITDA (x)	3.9

Águas do Rio and Parsan are non-consolidated subsidiaries

(1) Corsan was consolidated on Aegea Financial Statements in 3Q23 (2) Excludes financial derivatives and the effects of marking-to-market debt swapped into Reais



Investor Relations

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<http://ri.aegea.com.br/en>

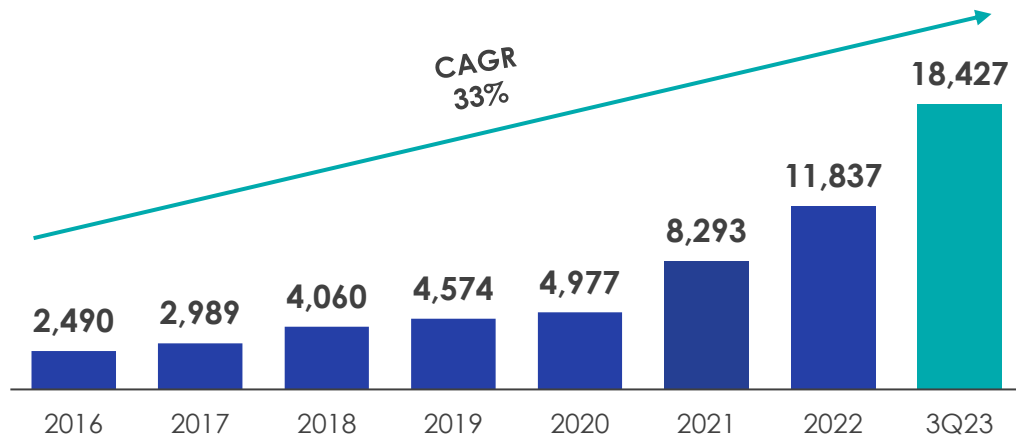
Av. Brigadeiro Faria Lima, 1.663 - 1º andar
CEP 01452-001 - Jd. Paulistano - São Paulo/SP

ESG - People training and management



Ensuring the replicability of the Operating Model

Headcount evolution



Talent Management and Succession



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

Training and development



- **418,176** hours of training in 2022, 29 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 employees
- Hiring 68% of women and 43% of black employees in the trainee program

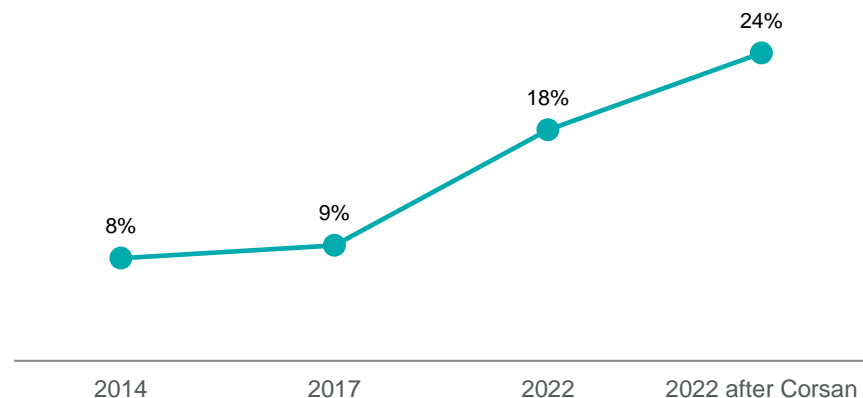


Attractive Sector Fundamentals

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

Sector Market Share

- Population Served by the Private Sector Grew from 14.5 To 42.5 MM in the Last 8 Years



% Aegea's Market Share

Year	2014	2017	2022	2022 after Corsan
% Aegea's Market Share	14%	23%	48%	56%

Recent auctions

Aegea has won the majority of Bids in the sector since 2019

	Year	Project	Population (MM)
✓	2019	CORSAN/RS - PPP	1,6
	2020	Alagoas Block A	1,4
✓	2020	SANESUL/MS – PPP	1,7
✓	2020	CARIACICA/ES – PPP	0,4
✓	2021	CEDAE Block 1/RJ	2,8
	2021	CEDAE Block 2/RJ	1,2
✓	2021	CEDAE Block 4/RJ	7,0
	2021	Amapá	0,7
	2021	Alagoas Block B	0,6
	2021	Alagoas Block C	0,4
	2021	CEDAE Bloco 3/RJ	3,0
✓	2022	Crato/CE	0,1
✓	2022	Cagece Block 1/CE – PPP	1,3
✓	2022	Cagece Block 2/CE – PPP	3,3
✓	2022	Cariri/CE – Waste management	0,3
✓	2022	CORSAN/RS – Privatization	6,0
✓	2023	SANEPAR/PR – PPP	0,6
Total			31 MM

✓ Aegea's winning bids