



Company Presentation

August 2023





SECTION

Overview

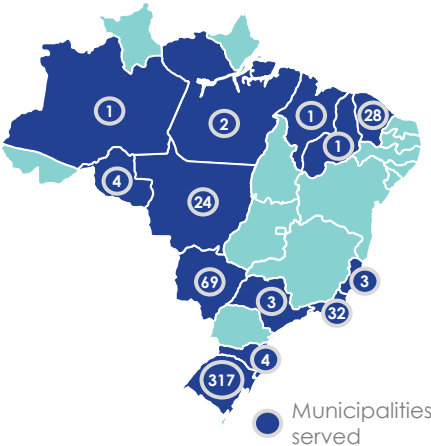
Aegea is the largest private sanitation player in Brazil



Serving +30MM people in more than 480 municipalities

+30 MM people served
56% Market Share⁽¹⁾
+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



Active Households – 2Q23

MM **+28% CAGR** 2014-1Q23



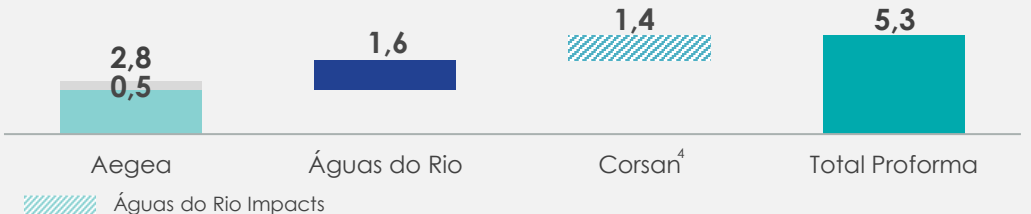
Net Revenue ⁽²⁾ – 2Q23 LTM

R\$ Bn **+41% CAGR** 2014-2Q23 LTM



EBITDA ⁽³⁾ – 2Q23 LTM

R\$ Bn **+38% CAGR** 2014-2Q23 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)

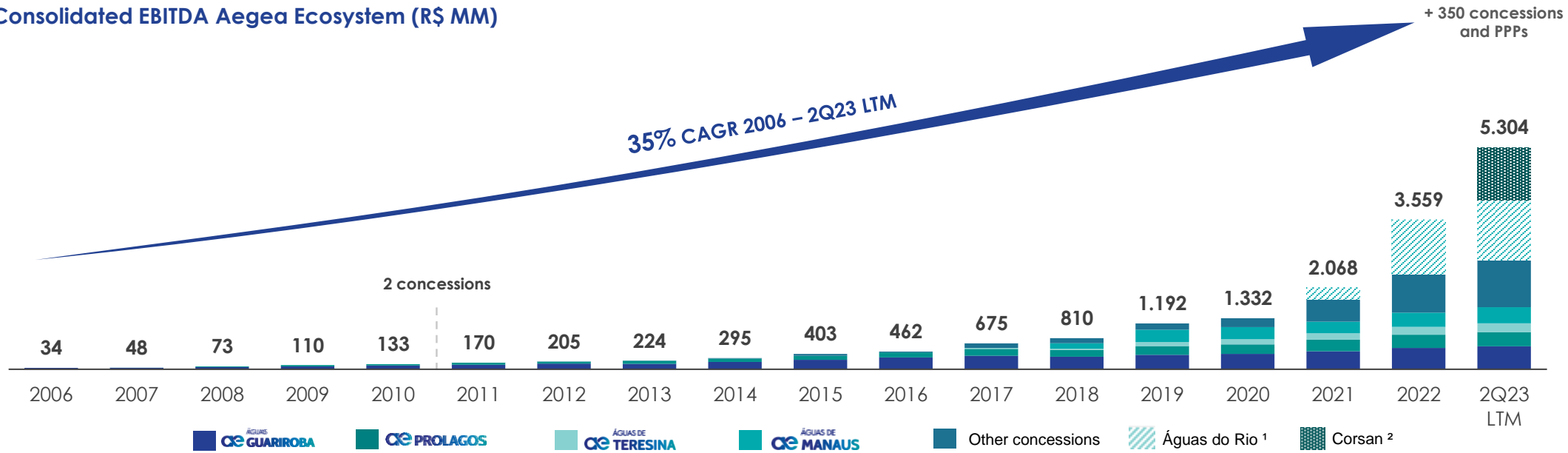
3. Excluding construction revenues with margins near zero (OCPC05), construction costs with margin close to zero (CPC47) and effects of amortization and depreciation
4. Corsan's shares were transferred to Aegea in July/23

Track-Record of Growth



Outstanding growth and value creation

Consolidated EBITDA Aegea Ecosystem (R\$ MM)



Sustainable Growth Pillars



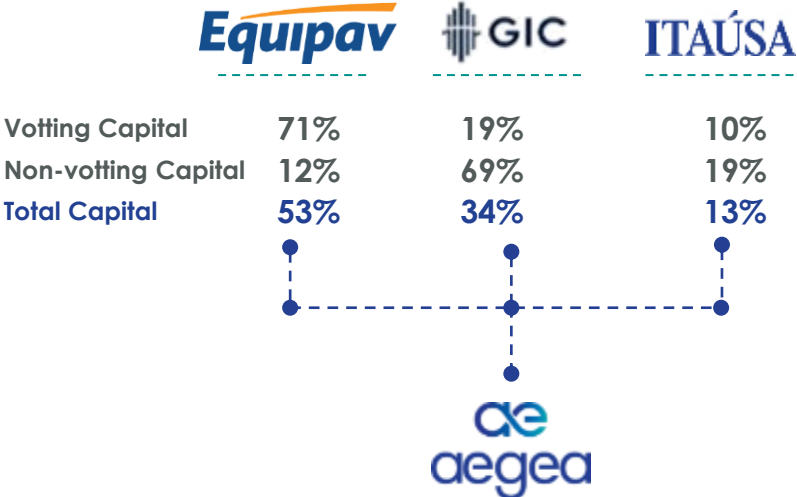
Source: Company Information

Notes:

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

Strengthened capital structure to support the Company's growth

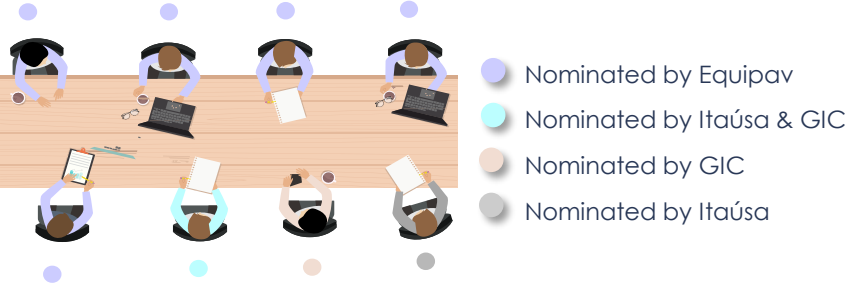
Shareholding Structure



- **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

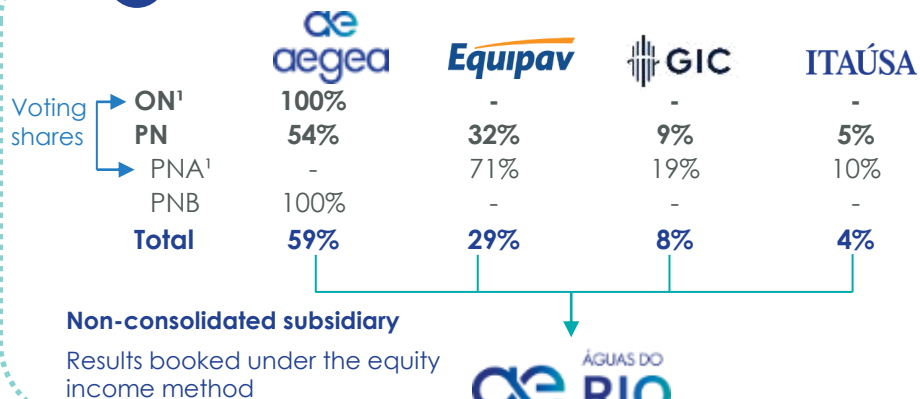
- **Minority shareholders' right of veto:** Business Plan, acquisitions, disposal, debts above R\$ 50 MM, guarantees to affiliated companies, related-party transactions

Águas do Rio: the largest private sanitation concession in Brazil



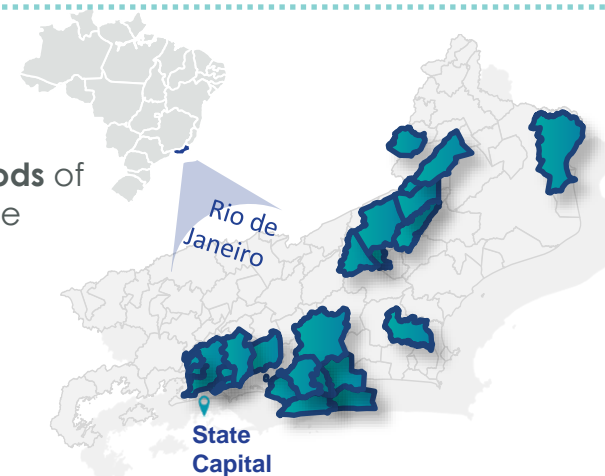
Predictable cash flows, and potential value generation considering water and sewage coverage expansion and water losses reduction

Ownership Structure



Concession footprint

- 10 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

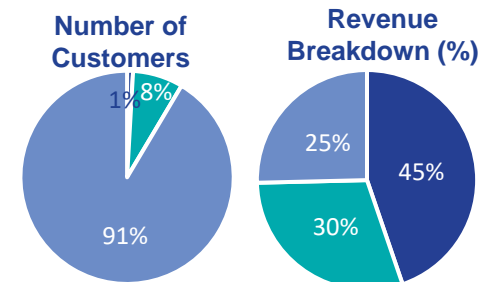
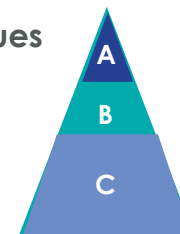
- ✓ **Water: 99%** coverage by 2031
- ✓ **Sewage: 90%** coverage by 2033
- ✓ **Water losses: 25%** by 2033

- **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 others industries
- **Dedicated relationship program**



2Q23 LTM Highlights

4.4 million Households **R\$5.4 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

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	3.6	3.4	-	-	-	7.0
BID	20 years	1.0	-	-	-	-	1.0
Proparco	20 years	0.5	-	-	-	-	0.5
BTG – Saneamento para Todos	22 years	0.7	0.8	-	-	-	1.5
Total	15 years duration	10.5	7.6	3.9	2.5	1.0	R\$ 25.5 billion

Fully funded project

Long-term financing agreement signed with BNDES in 2022: up to BRL 19.3 Bi, maturing in 28 years

Firm guarantee for the total Capital Markets issuances

- 2023: 6 banks, including BNDES
- 2024: BNDES backstop financing facility

BNDES - FINEM and BTG - Saneamento para Todos disbursements according to CAPEX execution

Real Guarantees

- Real Guarantees of the Project

Aegea's Equity Support Agreement (ESA) for CAPEX, up to the completion

Short-term Financing Takeout

R\$ 7.8 billion maturing in November 2023

- Local Debentures as a pre-bid funding
- Avg. Cost: CDI + 3.5% p.y.

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

To be consolidated on Aegea Financial Statements, Corsan leverage was 0.26x in 1Q23



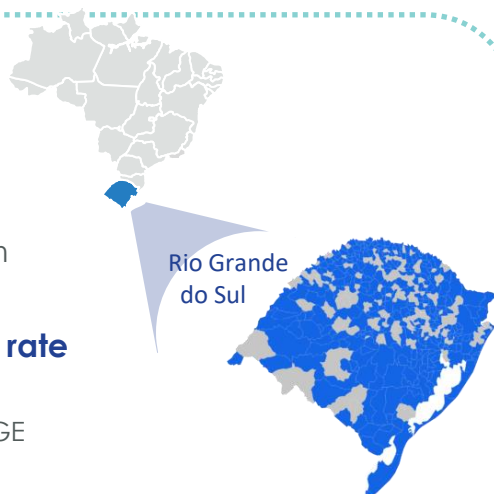
Concessions footprint

- 7 million people served
- 317 municipalities
- 28.4 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
- 4.9% 2Q23 delinquency rate



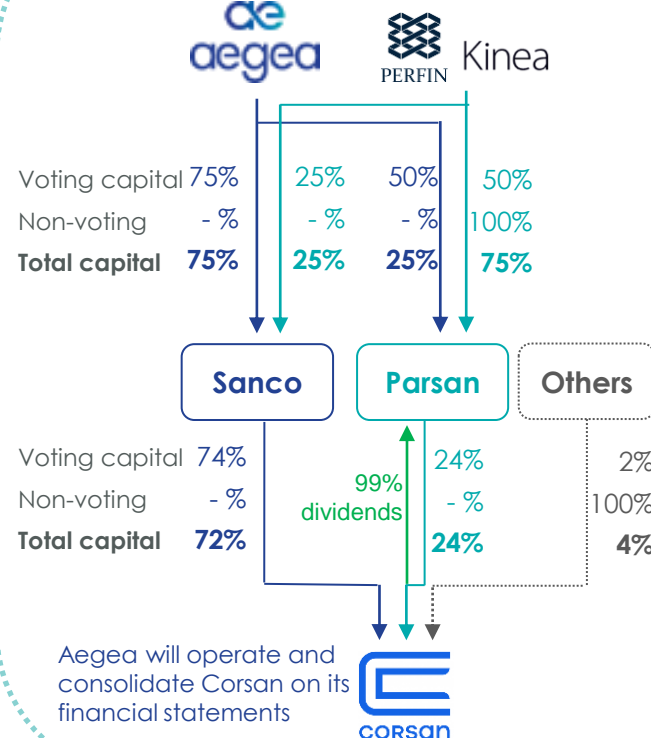
2Q23 LTM Highlights

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

R\$ 1.4 billion Adjusted EBITDA 0.19x 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

2Q23 LTM	GUARIROBA	PROLAGOS	TERESINA	MANAUS	RIO ¹	CORSAN	Others
Gross Revenue (BRL)	1.1 Billion	653 million	529 million	1.0 Billion	7.6 billion	4.5 Billion ⁵	2.1 billion
Population ² (#)	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	2023 E	N/A
Tenor	2060	2041	2047	2045	2067	Until 2062 ³	Until 2057 ⁴
Sewage Coverage (%)	86%	80%	45%	26%	49%	21%	53%
EBITDA/Household (R\$/unit)	945.5	814.4	524.2	699.3	381.6	399.3	701.0
OPEX/Household (R\$/unit)	308.5	280.9	342.6	586.0	919.6	820.9	426.4
EBITDA Margin (%)	75%	74%	60%	55%	29%	35%	51%

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.

From 2023 to 2062 for Corsan's contracts tenure, of whom 50% matures on 2062

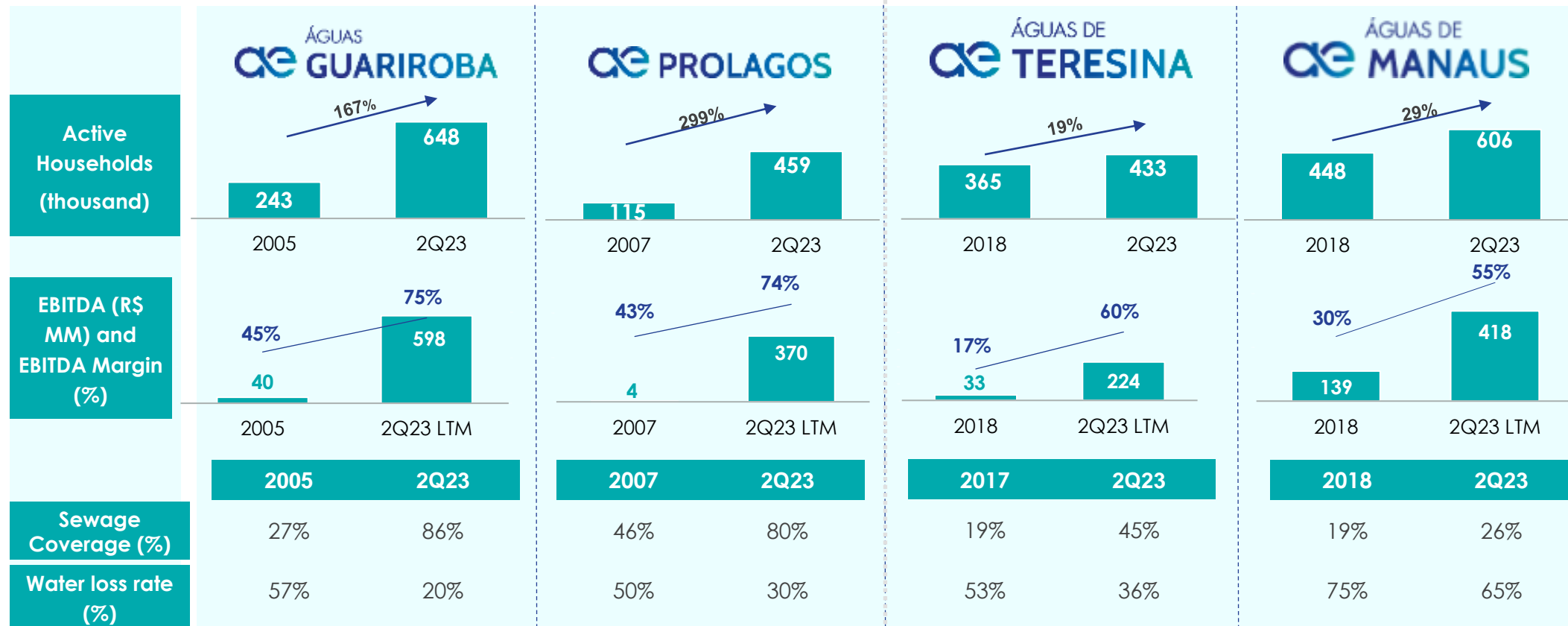
4.

There is only one contract maturing before 2030 and it represents 0.15% 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



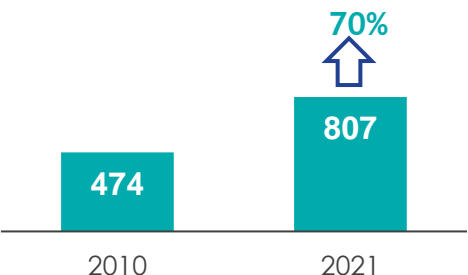
ESG Commitments and Governance with Real Impacts on Stakeholders

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

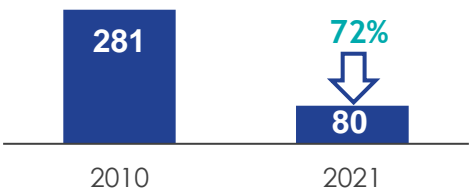
Health

 **ÁGUAS GUARIROBA**

Population with sewage collection service (thousand)

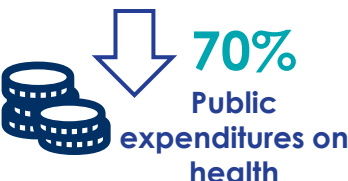


Hospital admissions due to waterborne diseases



 **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

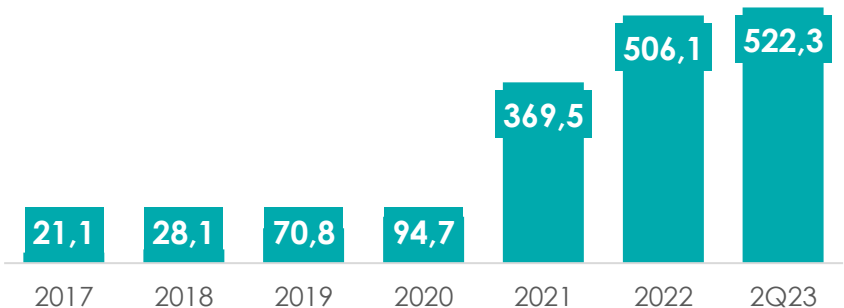
Tariff 10 for 28 thousand families in
Manaus

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**



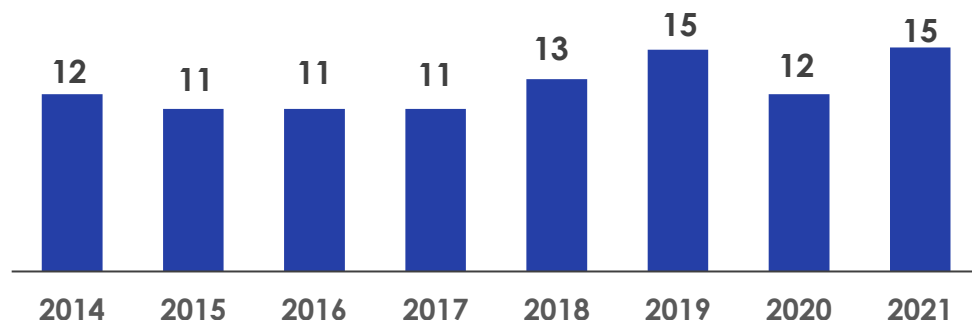


SECTION 2

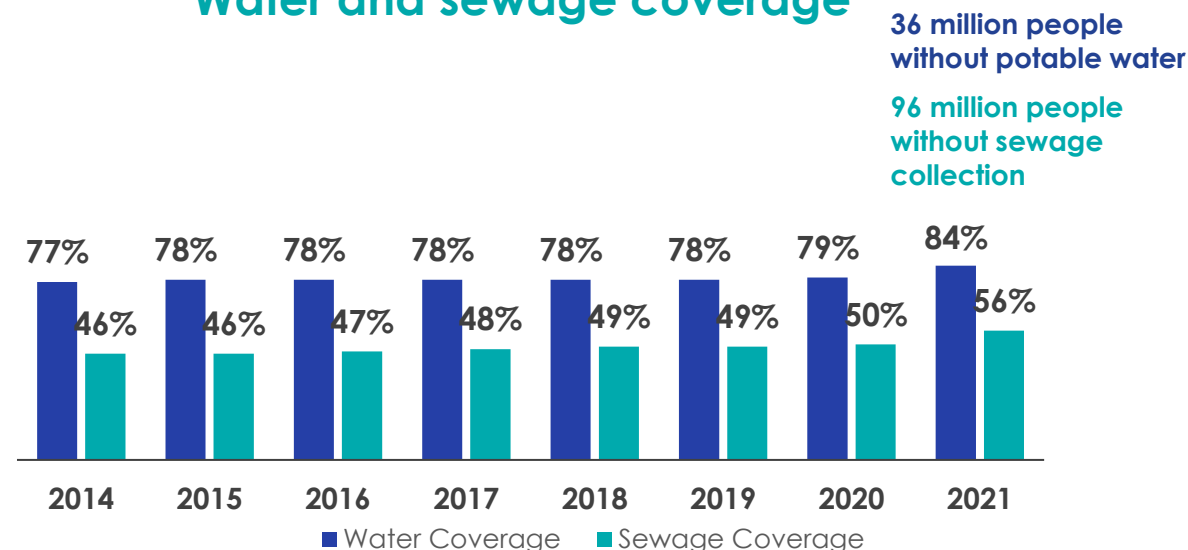
Sector & Performance

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 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 and Sanitation roles

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



Regional clusters

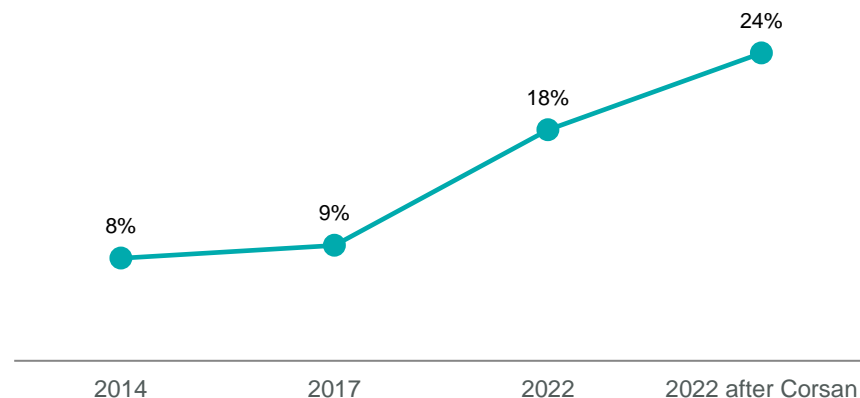
- Contracts can be designated as a consortium among **micro-regions**
- **Gain of scale**
- Technical and financial feasibility
- **Public companies privatization**

Attractive Sector Fundamentals (Cont'd)

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

2014	2017	2022	2022 after Corsan
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		33 MM

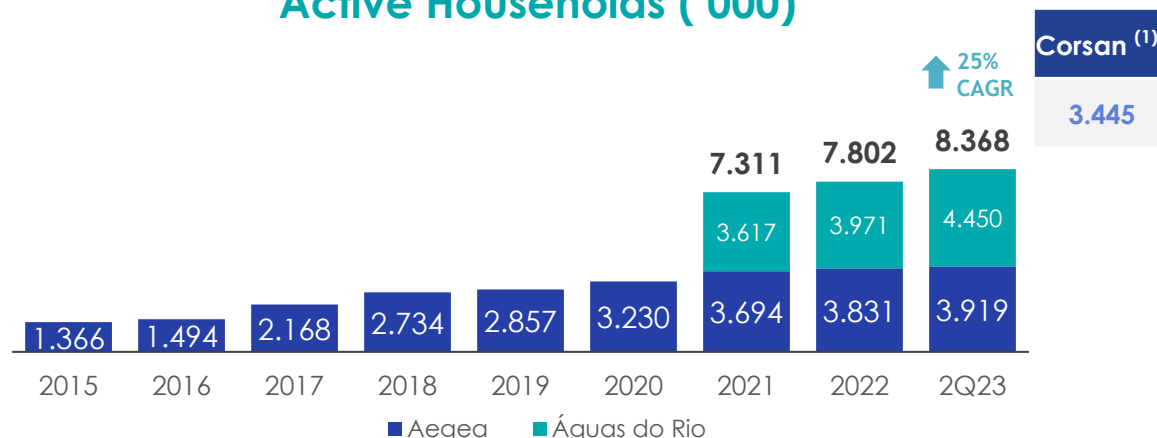
✓ Aegea's winning bids

Operational Performance (Aegea Ecosystem)

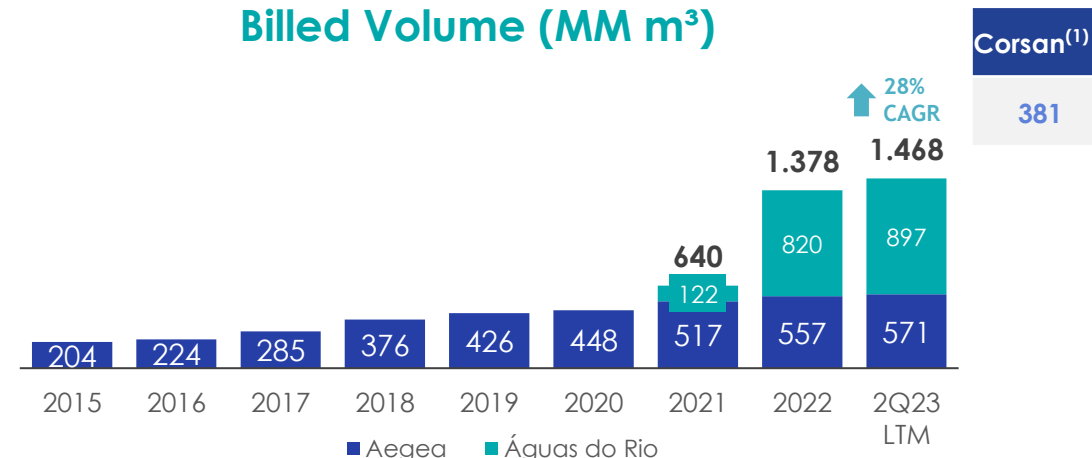


Strong performance driven by increased efficiency in existing Concessions & consolidation of new Concessions¹

Active Households ('000)



Billed Volume (MM m³)



Losses on Water Distribution (%)

	2Q22	2Q23
Aegea Consolidated ⁽²⁾	32%	31%
Águas do Rio	64%	55%
Corsan ⁽¹⁾	43%	43%

Delinquency Rate LTM (%)

	2Q22	2Q23
Aegea Consolidated (including PPPs)	4,0%	2,5%
Águas do Rio	_(3)	11,1%
Corsan ⁽¹⁾	5,6%	4,9%

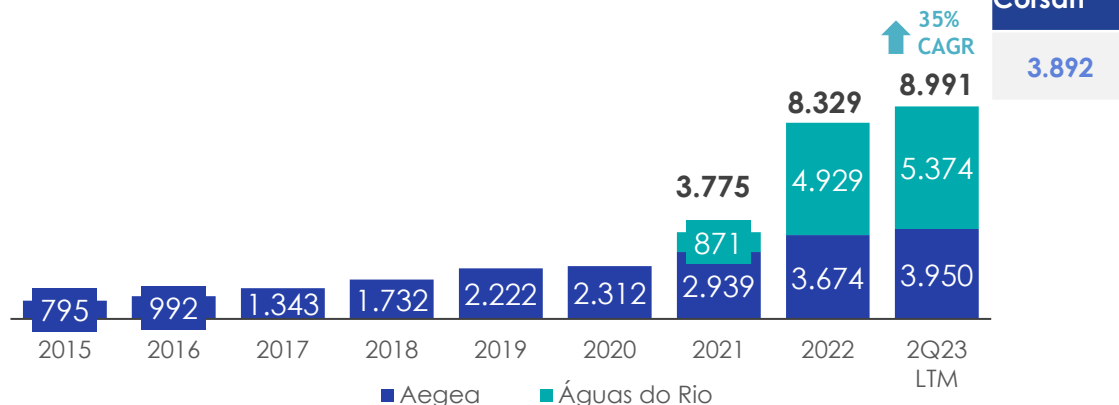
Notes: (1) To be consolidated on Aegea Financial Statements in 3Q23 (2) Excluding Águas de Manaus (3) in 2Q22 Águas do Rio had less than 1 year of operations

Financial Performance (Aegea Ecosystem)

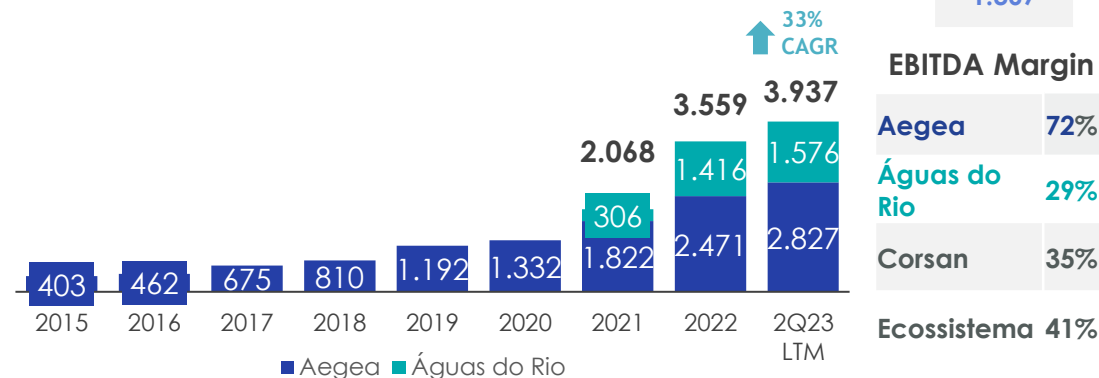


EBITDA growth with financial discipline

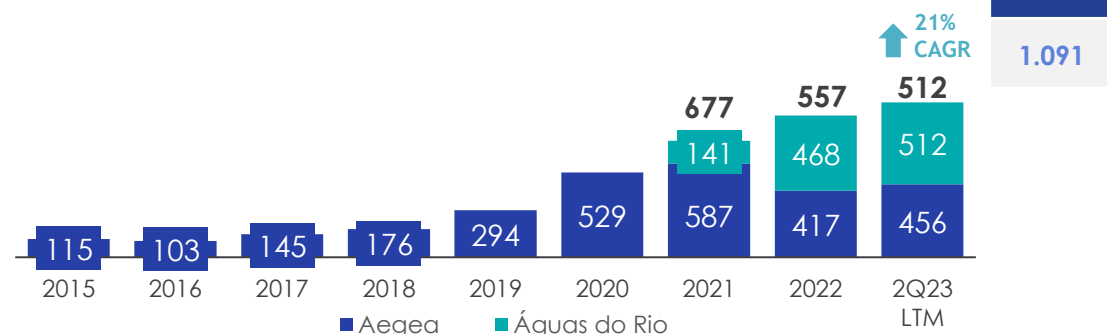
Net Operating Revenue¹ (R\$ MM)



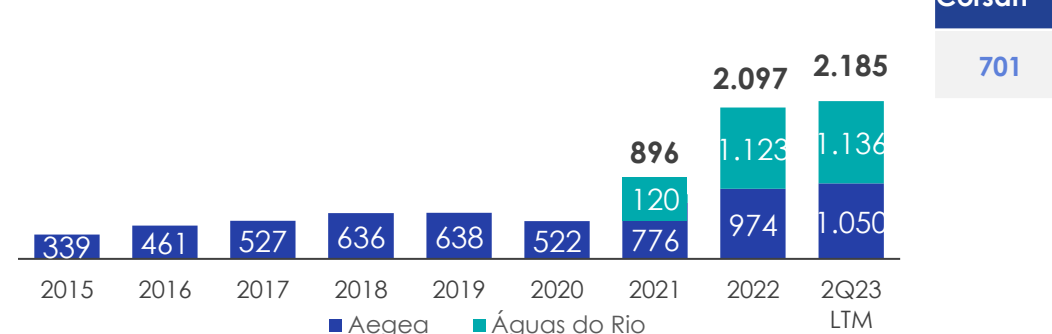
EBITDA² (R\$ MM)



Net Income (R\$ MM)



CAPEX (R\$ MM)



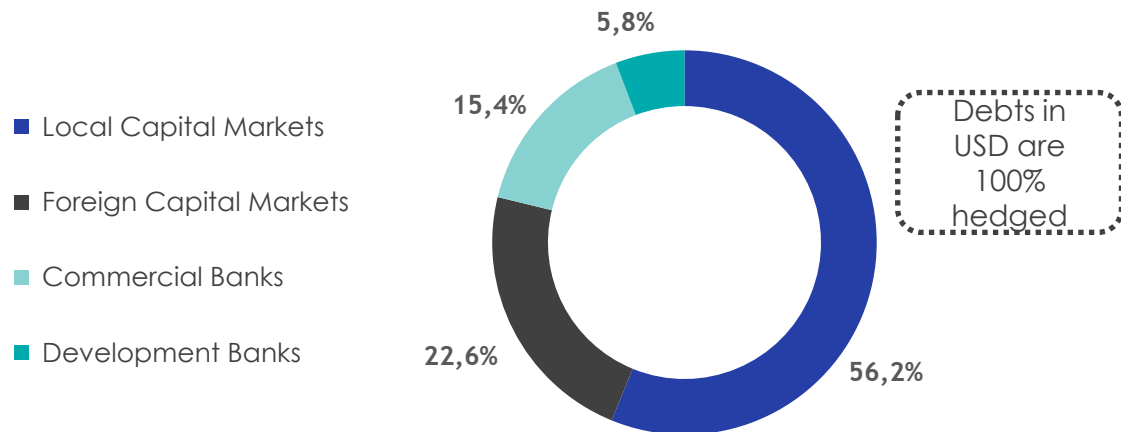
Notes: (1) Does not include construction revenues with a margin close to zero (ICPC 01) and includes construction revenues from PPPs (2) To be consolidated on Aegea Financial Statements in 3Q23 (3) Does not include construction revenues (ICPC 01) and construction costs (OCPC 05) with a margin close to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

Robust Operational and Financial Performance - Key Credit Highlights

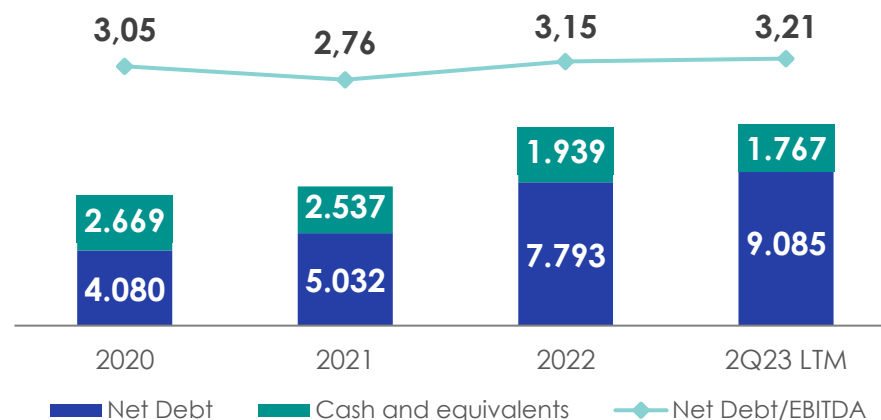
Access to long-term funding sources, with financial discipline in maintaining net leverage below 3,5x

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

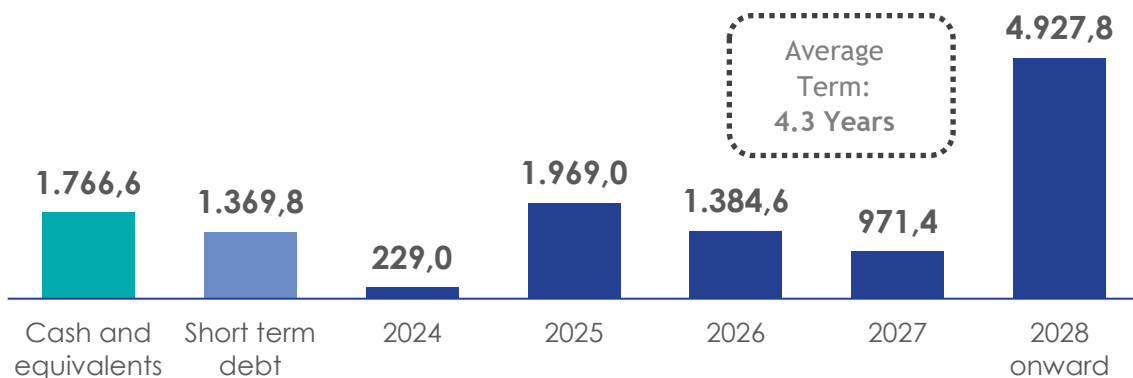
Gross Debt Breakdown



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



Cash and Debt Maturity Schedule¹ (R\$ MM)



Aegea Proforma 2Q23 – Including Águas do Rio, Parsan and Corsan⁽¹⁾ R\$ billion

Gross Debt	22,9
Cash and Equivalents	(2,9)
Net Debt	20,0
Net Debt / EBITDA (x)	3,8

Águas do Rio and Parsan are non-consolidated subsidiaries

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



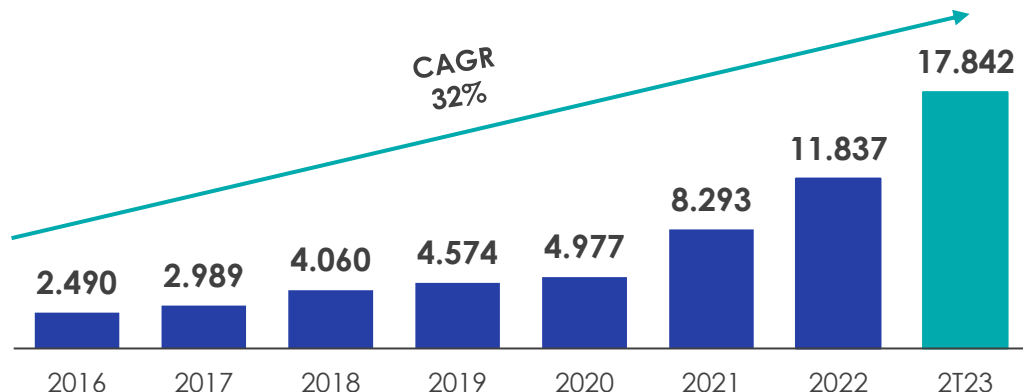
Investor Relations

E-mail: ri@aegea.com.br
<http://ri.aegea.com.br/en>

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

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

