



Date: January 13, 2026

Subject: Adjusted Companhia de Saneamento Basico do Estado de Sao Paulo
-SABESP - Cash In Lieu Settlement
Adjusted Option Symbol: SBS1

Adjusted Companhia de Saneamento Basico do Estado de Sao Paulo - SABESP options were adjusted on December 29, 2025 (See OCC Information Memo #58056). The new deliverable became 1) 102 Companhia de Saneamento Basico do Estado de Sao Paulo – SABESP (SBS) American Depositary Shares and 2) Cash in lieu of approximately 0.9647 fractional SBS shares. Only settlement of the cash portion of SBS1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$23.05791 per whole SBS share will be used to determine the cash in lieu amount at a rate of 0.9647. Additionally, a \$0.05 DR Issuance fee per issued SBS share is applicable. Accordingly, the cash in lieu amount of fractional SBS shares, less fees, is:

$$0.9647 \times \$23.05791 - (2 \text{ shares distributed} \times \$0.05) = \$22.24 - \$0.10 = \$22.14 \text{ per SBS1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of December 29, 2025 through January 13, 2026, to deliver the appropriate cash amount.

The cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.

Terms of the SBS1 options are as follows:

New Deliverable

Per Contract: 1) 102 Companhia de Saneamento Basico do Estado de Sao Paulo -
SABESP (SBS) American Depositary Shares
2) \$22.14 Cash

Strike Prices: Unchanged

CUSIP: SBS: 20441A102

Multiplier: 100 (i.e., a premium of 1.50 yields \$150)

Settlement

The SBS component of SBS1 exercise/assignment activity from December 29, 2025 through January 12, 2026, has settled through National Security Clearing Corporation (NSCC). The \$22.14 cash amount will be settled by OCC.

Pricing

The underlying price for SBS1 will be determined as follows:

$$\text{SBS1} = 1.02 (\text{SBS}) + 0.2214$$

For example, if SBS closes at 23.54, the SBS1 price would be calculated as follows:

$$\text{SBS1} = 1.02 (23.54) + 0.2214 = 24.23$$

Disclaimer

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The determination to adjust options and futures and the nature of any adjustment is made by OCC pursuant to Chapter 28 (XXVIII) of OCC's Rules. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, please email the Investor Education team at options@theocc.com. Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.