

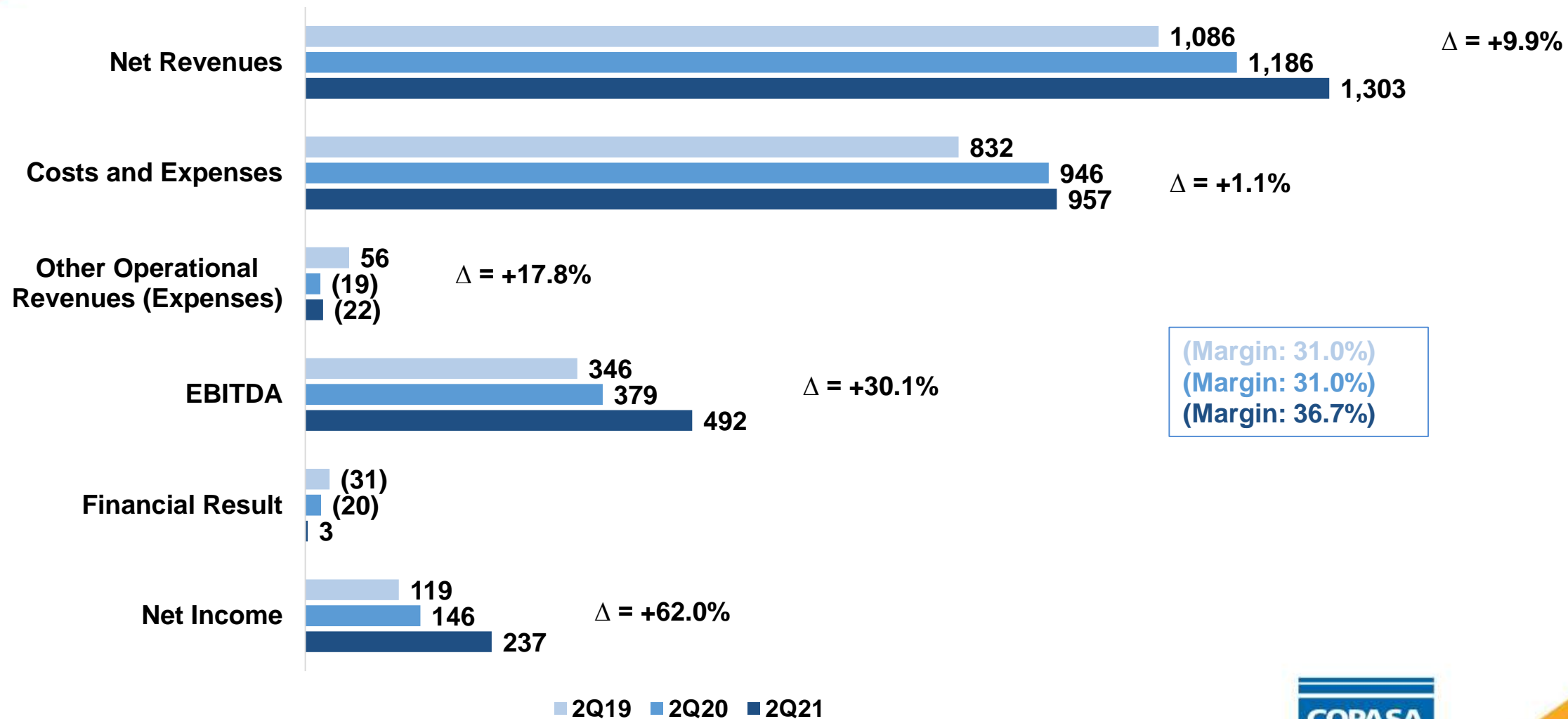
2Q21 EARNINGS PRESENTATION
4 AUGUST 2021



FINANCIAL HIGHLIGHTS

Parent Company

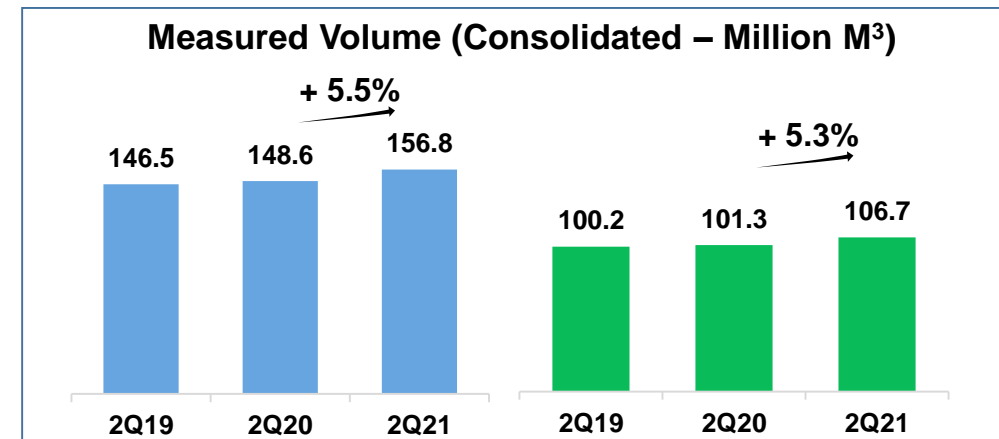
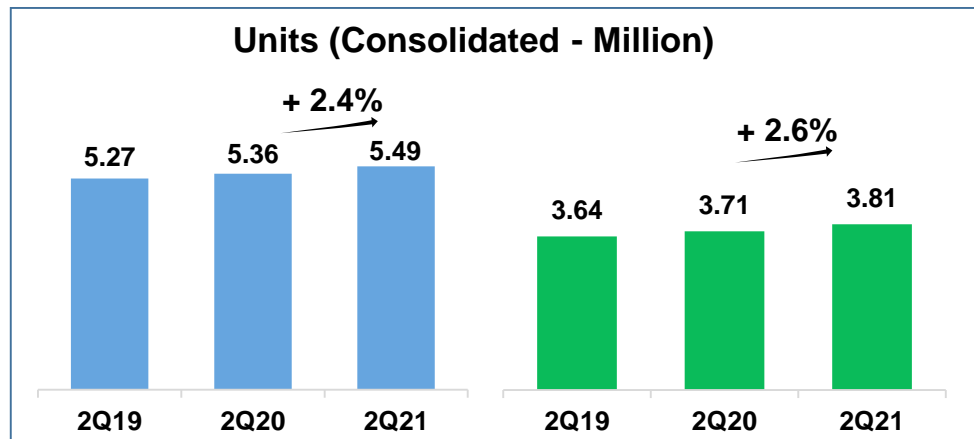
(BRL in millions)



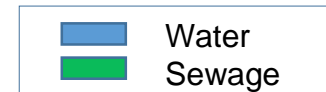
WATER, SEWAGE AND SOLID WASTE Parent Company

(BRL in millions)

Net Revenue	2Q19	2Q20	Var (%)	2Q21	Var (%)
Water	693.2	752.4	8.5%	825.4	9.7%
Sewage	392.6	432.9	10.3%	477.4	10.3%
Solid Waste	0.5	0.5	-5.7%	0.6	10.4%
Water, Sewage and Solid Waste	1,086.3	1,185.8	9.2%	1,303.4	9.9%



✓ Average Tariff Adjustment: 3.04% (November/2020)



MANAGEABLE COSTS

Parent Company

(BRL in millions)

Breakdown	2Q19	2Q20	2Q21
Personnel	343.9	351.0 +2.0%	382.6 +9.0%
Outsourced Services (excluded non manageable)	111.6	102.4 -8.2%	118.2 +15.4%
Rio Manso PPP	18.8	21.5 +14.2%	20.8 -3.5%
Material (excluded non manageable)	13.9	14.6 +5.0%	16.6 +13.8%
Provision for Doubtful Accounts	47.1	136.1 +189.2%	60.7 -55.4%
Tariff Transfers to Municipalities	24.3	30.6 +26.0%	39.6 +29.3%
Sundry Operational Costs	13.2	5.4 -59.1%	6.8 +26.4%
Subtotal	831	661.6 +15.5%	645.2 -2.5%



NON MANAGEABLE COSTS AND OTHERS

Parent Company

(BRL in millions)

Breakdown		2Q19	2Q20		2Q21	
Non Manageable Costs	Electricity	106.3	105.2	-1.0%	124.8	+18.6%
	Telecommunication	3.5	2.9	-16.7%	2.7	-7.4%
	Chemicals	19.6	24.7	+26.3%	20.4	+17.4%
	Fuels and Lubricants	6.3	6.1	-3.4%	7.4	+22.1%
	Tax Credits	(28.9)	(13.7)	-52.5%	(14.0)	+2.1%
Subtotal		106.8	125.2	+17.2%	141.3	+12.9%
Others	Charge for Usage of Water Resources	3.6	0.1	-	0.4	-
	Depreciation and Amortization	148.4	159.5	+7.5%	169,8	+6.5%
Total Costs and Expenses		831.6	946.3	+13.8%	956.7	+1.1%



OTHER REVENUES (EXPENSES), EQUITY INCOME AND FIN. RESULT Parent Company

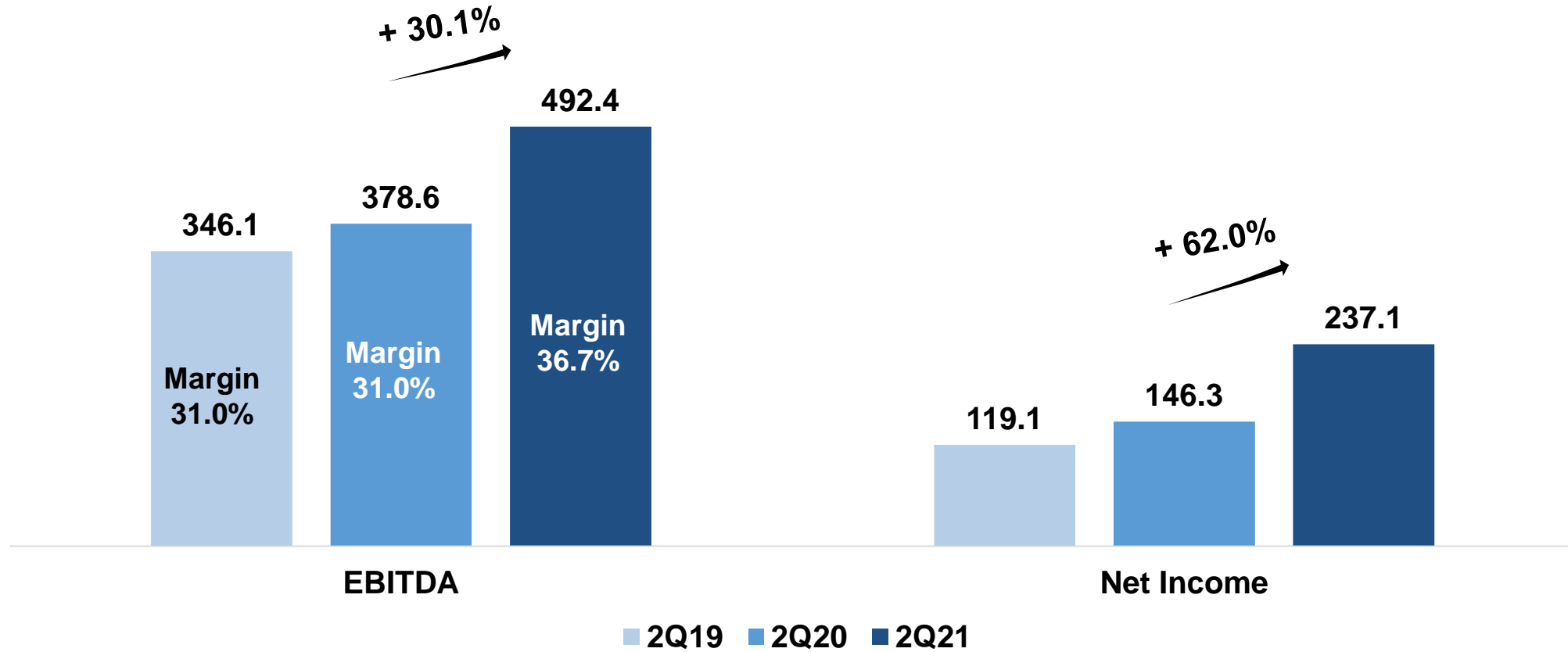
(BRL in millions)

Other Items	2Q19	2Q20	2Q20 vs. 2Q19	2Q21	2Q21 vs. 2Q20
Other Operational Revenues	19.1	26.4	37.9%	27.7	4.8%
Other Operational Expenses	(74.9)	(45.4)	-39.3%	(50.1)	10.3%
Equity Income	(1.7)	(2.0)	19.4%	(2.9)	42.7%
Financial Result	(30.8)	(20.1)	-34.9%	3.1	-115.3%
TOTAL	(88.3)	(41.1)	-53.4%	(22.3)	-45.9%



EBITDA, MARGIN and NET INCOME Parent Company

(BRL in millions)



CAPEX Finished and Projected Investments

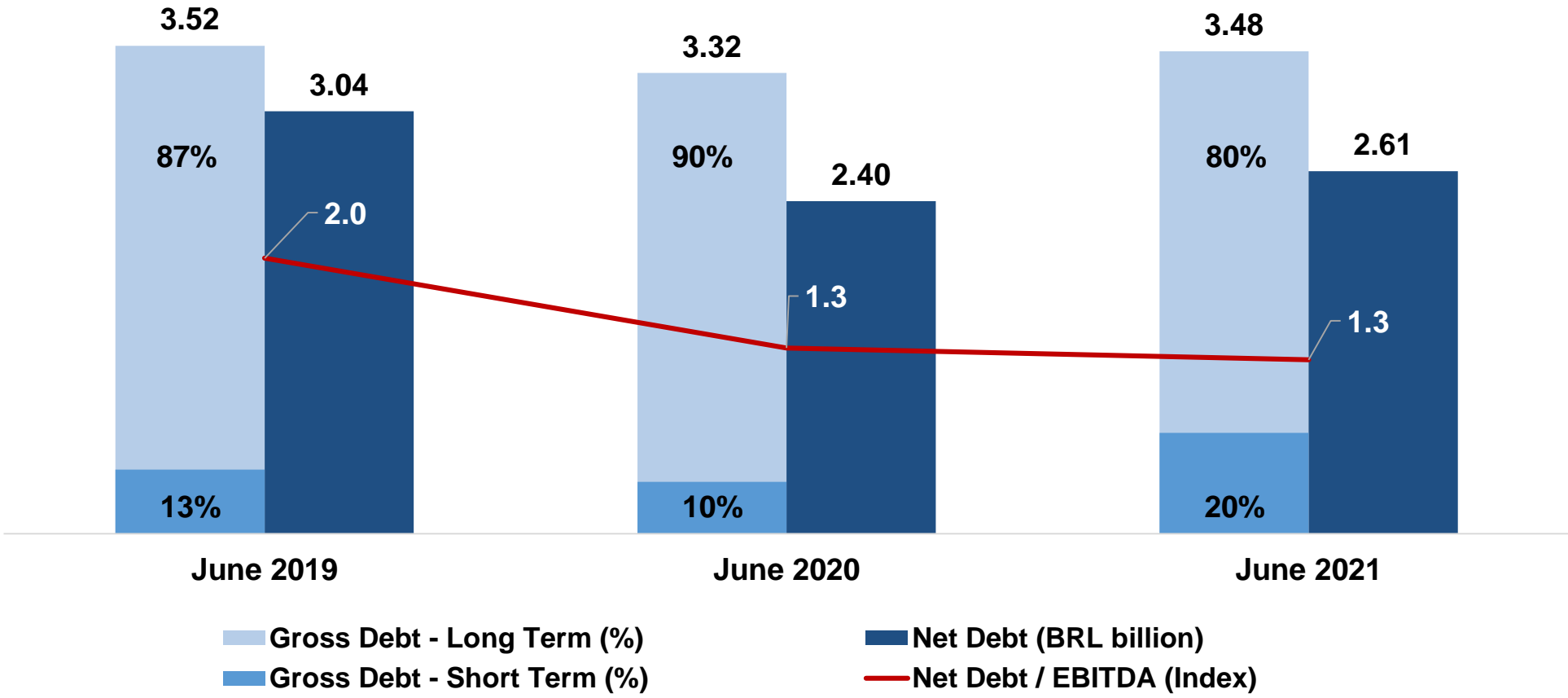
Investments (BRL in millions)	2021
Water	138
Sewage	140
Others	53
Parent Company (COPASA MG)	331
COPANOR	8
Total	339

Investment Plan	2021	2022	2023	2024	2025
Amount per year	1,307	1,365	1,275	1,275	1,250

DEBT

Gross Debt, Net Debt and Leverage

(BRL in millions)

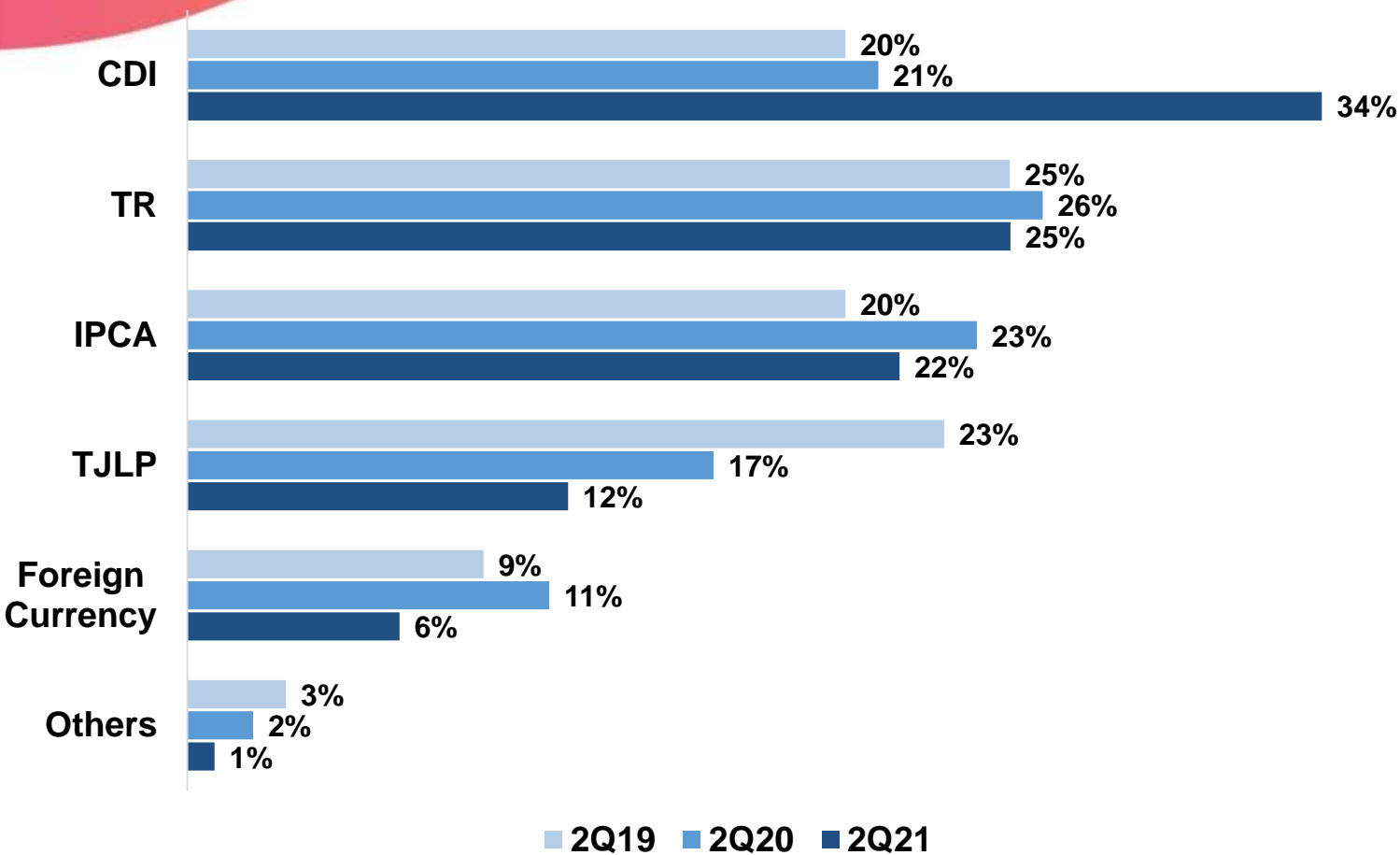


Financial Contractual Covenants: COPASA complies with the restrictive clauses.



DEBT

Indexes and Average Coupon



	2Q19	2Q20	2Q21
Average Coupon	7.0%	5.6%	6.0%

	2Q19	2Q20	2Q21
Debt Level (Net Debt/Shareholders' Equity)	47.0%	34.4%	38.4%

Corporate Ratings – National Scale	
• Moody's: AAA.br – stable outlook – June 2021	
• Fitch: AA+(bra) – stable outlook – July 2021	



SHAREHOLDERS' COMPENSATION

✓ **Dividend Policy:**

Regular Dividends: between 25% and 50% of Adjusted Net Income, quarterly declarations.

Extraordinary Dividends: depending on Net Debt / EBITDA (regulatory leverage):

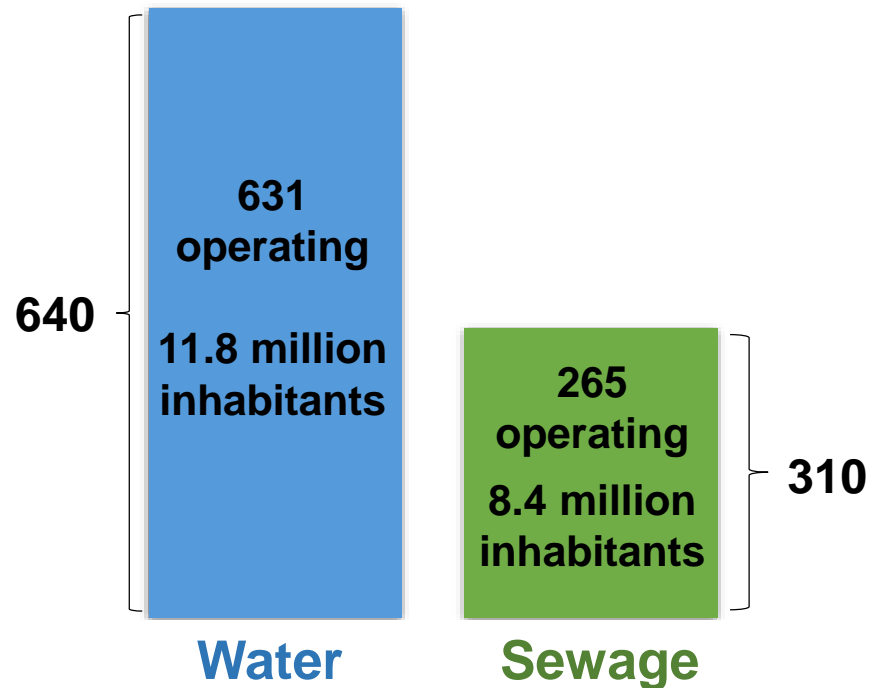
Below 2.0x	Between 2.0 and 2.2x	Above 2.2x
After conducting semiannual studies that indicate that a payment of "Extraordinary Dividends" will not jeopardize the financial health, the Investment Plan or current liquidity, the Board of Directors may propose the payment of "Extraordinary Dividends".	Payout will comply with the "Regular Dividends" criteria.	Mandatory minimum (25%).

✓ **Regular Dividends for 2021:** 25% of Net Income.

Reference	Board of Directors Meeting	Gross Amount (R\$ MM)	Payment Date
1Q21	19 Mar 2021	64.8	18 May 2020
2Q21	17 Jun 2021	55.2	Until 16 Aug 2020
Until June 2021	-	120.0	-

CONCESSIONS

Consolidated



▪ % of revenues from concessions to expire from Jan/2034:
78%

▪ Municipalities with concessions to expire between 2021-22:

- 2021 – 4 municipalities – 0.1% of revenues
- 2022 – 3 municipalities – 1.9% of revenues

▪ Expiration of 10 largest concessions: 51.2% of revenues

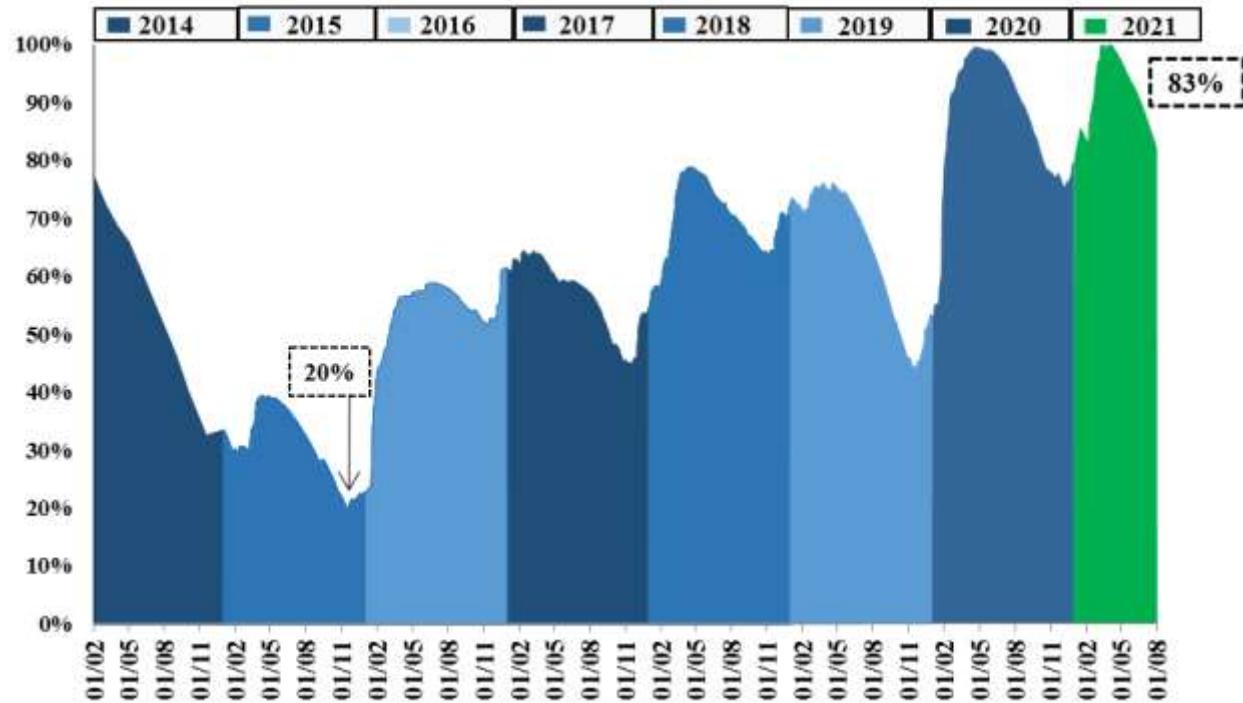
- Belo Horizonte – 2034
- Contagem – 2073
- Betim – 2042
- Montes Claros – 2048
- Ribeirão das Neves – 2034
- Ipatinga – 2022
- Divinópolis – 2041
- Pouso Alegre – 2046
- Santa Luzia – 2050
- Varginha – 2047

▪ Expired concessions (Dec/2020): 69 (3.2% of revenues)

HYDROLOGICAL SITUATION

Belo Horizonte Metropolitan Area (BHMA)

Paraopeba System: Aggregate Volume¹



Volume of each reservoir	August 1, 2021
Rio Manso	83.2%
Vargem das Flores	73.7%
Serra Azul	85.6%

1) Responsible for 47% of BHMA's distributed volume.

das Velhas River System

Information about the system

Representativeness of BHMA's distributed volume	44%
Water collection grant	8.7 m ³ /s
Average flow (last 15 days prior to August 1, 2021)	10.1 m ³ /s
Average flow collected in the last 12 months	6.95 m ³ /s

Q&A Session



DISCLAIMER

Any statements that may be made during this presentation regarding COPASA MG's business prospects, projections and operational and financial goals are premises and expectations of the Company's management, based on information currently available. They involve risks and uncertainties, since they refer to future events, and therefore depend on circumstances that may or may not occur. Changes in macroeconomic policy, legislation or other operating factors may affect the future performance of COPASA MG and lead to results that materially differ from those expressed in such considerations.





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