

Condensed Interim Financial Information

BRK Ambiental Participações S.A. and subsidiaries

March 31, 2022
and Independent Auditor's Review Report

BRK Ambiental Participações S.A.

Listed Company (B Category)

CNPJ No. 24.396.489/0001-20

NIRE: 35.300.489.748 | CVM Code: 2483-0

**BRK's Net Profit increases 87% in comparison to 1Q21 and
Total Net Revenue reaches R\$ 1.1 billion in 1Q22**

São Paulo, May 12th, 2022 - BRK Ambiental Participações S.A. ("BRK" or "Company"), a private sanitation company that operates in 13 states and more than 100 municipalities, announces today its results for the first quarter of 2022.

This Earnings Release reflects the start of operations in Metropolitan Region of Maceió ("RMM") from July 1st, 2021 onwards, the first auction held after the new regulatory framework and won by BRK.

The information below presents the Company's performance in the first quarter of 2022 ("1Q22") in comparison with 2021 ("1Q21").

Results Highlights - 1Q22

- **Net Operating Revenue¹** totaled **R\$ 648 million**, a **41% growth** compared to 1Q21, driven by the addition of 621 thousand new active economies², of which 489 thousand (79%) resulted from the start of RMM operations on July 1st, 2021.
- **Costs and Expenses**, excluding construction costs and depreciation and amortization expenses, totaled **R\$ 360 million**, an increase of 45% in relation to the same period of the previous year, impacted by R\$ 86 million by the start of RMM operations. Excluding this effect, Costs and Expenses were 10% up, and remained below inflation (IPCA³) in the last twelve months, that accounted for 11.3%.
- **EBITDA** of **R\$ 295 million**, a **36% growth** compared to 1Q21 and **EBITDA margin of 46%**, reflecting the start of RMM operations. For comparison purposes, disregarding the initial phase of this concession, the margin would be 51%, 4 pp. higher than in 1Q21.
- **Investments⁴** of **R\$ 412 million**, an increase of 128% compared to 1Q21, proving the Company's ability to execute investments, with the implementation of networks and connections that converted into new economies and, consequently, into an increase

1 Excluding construction revenue, calculated by applying the estimated profit margin on construction costs, in accordance with IFRIC12 / ICPC01 (R1)

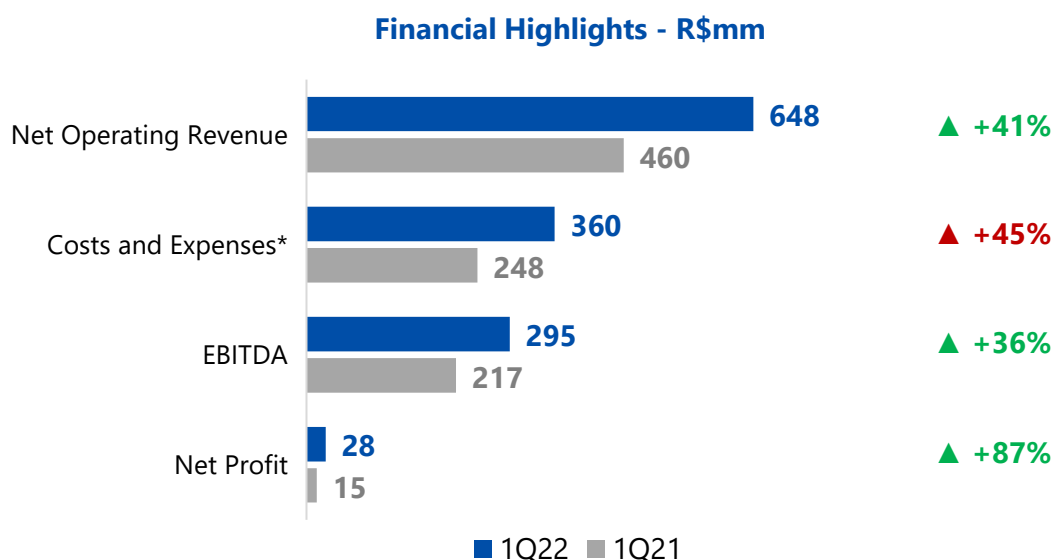
2 Active Economies: property with a single occupancy or independent unit represented by apartments, commercial units, public agencies and similar, serviced by water and/or sewage services (i.e. a building with 20 offices has 1 connection and 20 economies)

3 IPCA (Broad Consumer Price Index), measured by IBGE (Brazilian Institute of Geography and Statistics) is the official inflation index of the country

4 Measured by Construction Cost

in recurring operating revenue. In 1Q22, BRK added 18 thousand new connections⁵ and executed 183 km of network.

- **Net Profit** of 1Q22 was **R\$ 28 million**, positively impacted by the increase in EBITDA, higher than the increase in financial expenses and depreciation and amortization of property, plant and equipment and intangible assets.



* Excluding Construction Costs, depreciation and amortization.

Other Highlights and Subsequent Events

- In March, 2022, BRK was recognized as 1st Company in the Americas and the #4 in the world between 60 sanitation companies by Sustainalytics, an international organization that measures the exposure and the management of ESG risks by companies. BRK's **ESG Risk rating** was rated as low risk.
- In April 1st, 2022, BRK applied for the conversion of the Company's registration as securities issuer before the CVM, from category "B" to **category "A"**, continuing the efforts to strengthen its image before its creditors, suppliers, shareholders, employees and the market in general, as well as accessing the Brazilian capital market in a broader and consistent way.
- In May, 12th, 2022, BRK concluded the 10th issuance of **R\$1.6 billion in sustainable debentures**, maturing in 2027, coordinated by the banks Itaú, BTG, ABC and BNP Paribas. The operation will enable the early repayment of corporate debts, extending the average term of financing from 5.6 to 6.2 years. The issuance obtained the seal of sustainable debentures, and was certified by an independent evaluator and its classification confirms BRK's commitment to its ESG strategy, present in its business decisions, alongside with a long-term view and consolidates the Company as a reference for investors in sustainable value generation.

⁵ Connections: building branches connected to the water or sewage network, which may be active or inactive

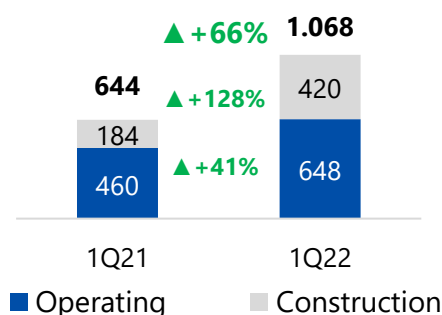
Financial Highlights – 1Q22

Indicators (R\$m)	1Q22	1Q21	Δ (%)
Net revenue	1.068	644	66%
Net Operating Revenue	648	460	41%
Net Construction Revenue	420	184	128%
Costs and expenses	(875)	(502)	74%
Costs and expenses	(360)	(248)	45%
Costs of services	(239)	(132)	80%
General and Adm. expenses	(121)	(116)	4%
Construction costs	(412)	(180)	128%
Depreciation and amortization	(103)	(73)	42%
Finance result	(145)	(116)	24%
Equity Accounted Investment	(2)	0,02	-
Income tax (current and deferred)	(19)	(13)	46%
Net Income – Continuing Operation	28	13	116%
Net Income – Discontinued Operation	-	2	-100%
Net Income	28	15	87%
EBITDA – Continuing Operation	295	215	37%
EBITDA – Discontinued Operation	-	2	-100%
EBITDA	295	217	36%
<i>EBITDA Margin⁶ Continuing Operations</i>	<i>46%</i>	<i>47%</i>	<i>-1 p.p.</i>

⁶ EBITDA Margin = EBITDA / Net Operating Revenue

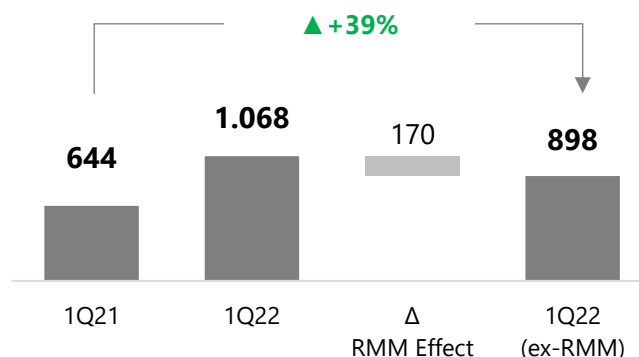
Operating and Financial Result

1. Net Revenue (R\$ mm)

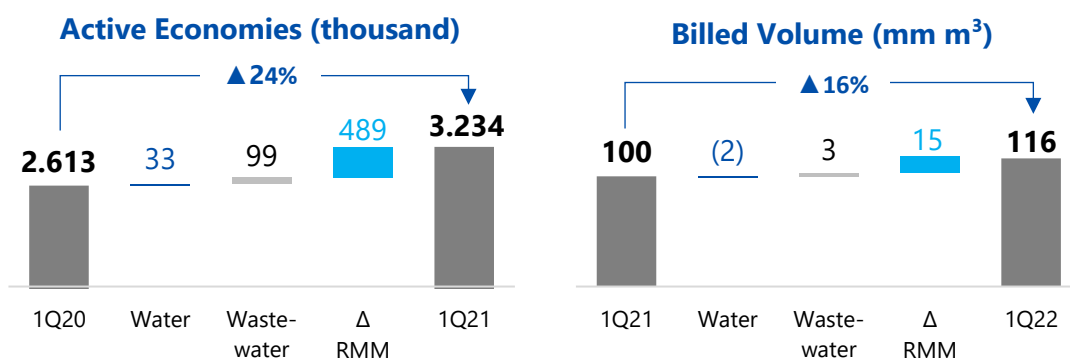


Total Net Revenue is comprised as follows: ~60% from Operating Revenue and ~40% from Construction Revenue, which is related to investments in expansion and/or improvements to existing infrastructure.

Total Net Revenue reached R\$ 1,068 million in 1Q22, up 66% over 1Q21, as a result of (i) increased service coverage, as a result of the efficient execution of investments, (ii) start of RMM operations and (iii) tariff readjustments in the period and (iv) increase in construction revenue, as a result of the higher volume of investments made in the period. Disregarding the RMM effect, Total Net Revenue in 1Q22 reached R\$ 898 million, an increase of 39% when compared to 1Q21.



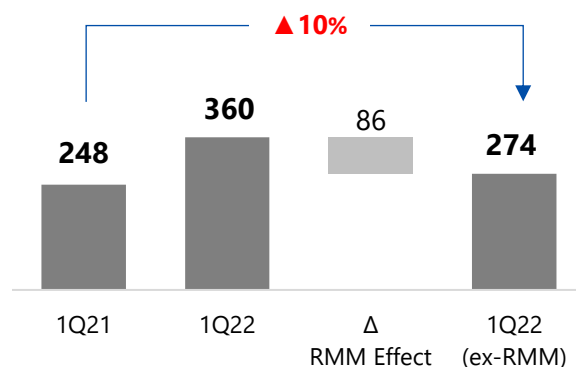
Operating Revenue totaled R\$ 648 million in 1Q22, up 41% over 1Q21 and, excluding the RMM effect, the increase would have been 20%. In the period, BRK added 621,000 new Active Economies, highlighting the 489,000 economies in RMM (impact of R\$ 97 million in Operating Revenue), in addition to the 16% increase in billed volume.



Construction Revenue reached R\$ 420 million, an increase of 128% in 1Q22 when compared to 1Q21, due to the acceleration of investments made in the period, including RMM. For comparison purposes, disregarding the new concession, the increase would be 89% when compared to 1Q21.

2. Costs and Expenses (R\$ mm)

	1Q22	1Q21	Δ (%)
Personnel	(148)	(127)	16%
Materials	(78)	(15)	421%
Services	(123)	(102)	20%
Other	(11)	(4)	216%
Subtotal	(360)	(248)	45%
Depreciation and amortization	(103)	(73)	42%
Construction cost	(412)	(180)	128%
Total	(875)	(502)	74%



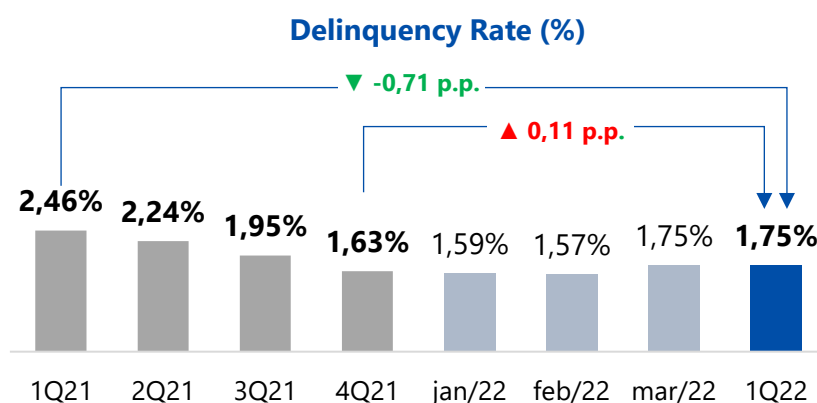
Costs and Expenses totaled R\$ 875 million in 1Q22, an increase of 74% compared to 1Q21 and, excluding the effects of construction, depreciation and amortization costs, the increase was of 45% (R\$ 112 million), related mainly to purchase of water in RMM. Excluding this effect, costs and expenses increased 10%, below the inflation of the period (IPCA of 11.3%).

These results derive from the gains achieved in the Operational Efficiency Program, which includes the optimization and productivity increase in personnel costs, third-party services, in addition to the implementation of energy efficiency programs, reduction of water losses and combating delinquency rate.

3. Delinquency Rate⁷

In 1Q22, BRK recorded a 1.75%⁸ delinquency rate, reflecting a drop of 0.71 p.p. when compared to 1Q21 and an increase of 0.11 p.p. when compared to 4Q21, impacted by the start of RMM operations. Excluding this effect, delinquency rate would be 1.33%. This actual rate level points out to a pace of recovery in the face of the impact of the pandemic on revenues, mainly as a result of restrictions on cutting services.

In addition to the measures already adopted, new commercial initiatives were implemented, such as debt renegotiation fairs and hiring of legal advice specialized in negotiation with public entities.



4. Losses⁹

BRK consolidated index of losses reached 36.2% in 1Q22, showing stability in relation to 1Q21 and an increase of 1.7 p.p. when compared to 4Q21, due to higher consumption of water during the summer.

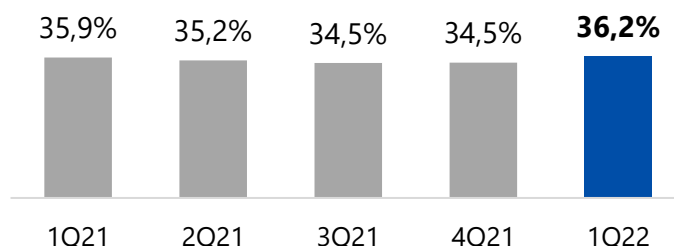
The Company has a Loss Reduction Program that uses innovative solutions, such as the application of advanced analytics and artificial intelligence to effectively direct the hydrometry plan, prospecting for leaks, replacing networks and branches.

⁷ PECLD (Expected losses with doubtful debts) / Billing excluding cancellations. Accumulated figures of the last 12 months (LTM) and calculated based on the analysis of future losses, in accordance with the history of default, separating private and public customers, and in accordance with the assessment of management.

⁸ Due to COVID-19, there was a higher occurrence of non-payment of bills from our customers, however, management implemented collection initiatives aimed at recovering overdue amounts, which it expects to be effective for later receipt of these amounts.

⁹ The Loss Ratio follows the IWA (International Water Association) Water Balance methodology

Losses (%)



5. EBITDA (R\$ mm)

EBITDA presented below considers Continuing and Discontinued Operations.

	1Q22	1Q21	Δ (%)
Net Profit	28	13	116%
(+) Finance result	145	116	24%
(+) Income Tax (current + deferred)	19	13	46%
(+) Depreciation and amortization	103	73	42%
EBITDA Continuing Operations	295	215	37%
EBITDA Discontinued Operations ¹⁰	-	2	100%
EBITDA	295	217	36%
<i>EBITDA Margin Contin. Operations</i>	46%	47%	-1 p.p.

EBITDA grew 36% in 1Q22 when compared to 1Q21, reaching R\$ 295 million. The result was mainly driven by the increase in Net Operating Revenue combined with the stability of costs and expenses in relation to 1Q21, against inflation (IPCA of 11.3%), and reinforces the consistent delivery of results by the Company. Excluding the RMM results in 1Q22, EBITDA increased by 30% when compared to 1Q21, totaling R\$ 283 million.

The 1Q22 EBITDA margin reached 46% and, excluding the RMM effects, the margin would be 51%, 5 p.p. higher than 1Q21.

6. Finance Result (R\$mm)

	1Q22	1Q21	Δ (%)
Finance income	32	22	10
Finance expenses	(177)	(139)	(39)
Resultado Financeiro	(145)	(116)	24%

In 1Q22, the Finance Result totaled -R\$ 145 million, an addition of 24% when compared to the same period in 2021. 1Q22 was negatively impacted by higher debt and CDI and IPCA increase in the period.

¹⁰ EBITDA from Discontinued Operations considers residues segment, which includes UVR Grajaú subsidiary. Since December 2019, this subsidiary's results have been presented in "Discontinued Operations" item in the financial statement and, on March 19th, 2021, the Company closed the sale

7. Indebtedness (R\$ mm)

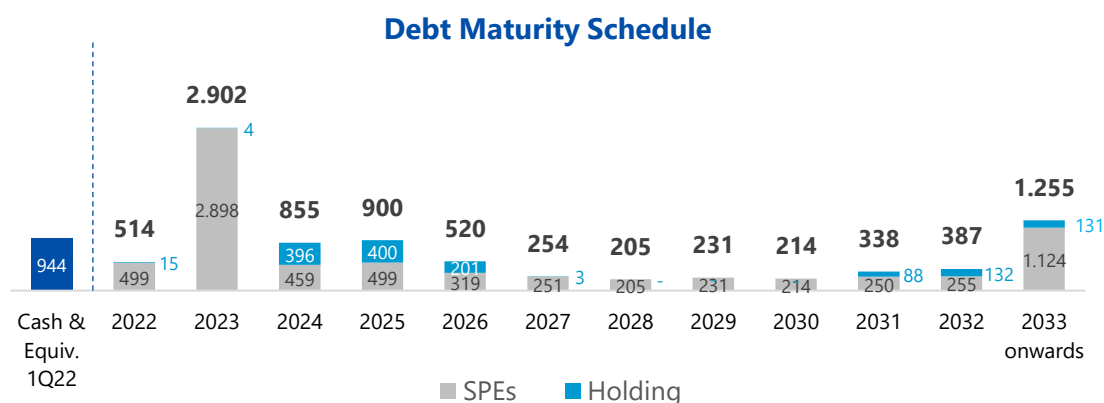
	1Q22	1Q21	Δ (%)
Gross debt	8.575	7.214	19%
Cash and cash equivalents	944	2.433	-61%
Net debt	7.631	4.781	60%
Net Debt / LTM EBITDA ¹	7,4x	6,0x	1,4x

/1 For comparison purposes, considers BRK-MA LTM EBITDA in 1Q21. Disregarding RMM's net debt and EBITDA, a recent started operation, leverage in 1Q22 would be 5,7x.

Gross Debt

BRK's consolidated Gross Debt totaled R\$ 8.5 billion as of March, 2022, with 16% concentrated at the holding level and 84% in SPEs¹¹. Gross debt increased by 19% when compared to 1Q21, due to the acceleration of investments.

In the SPEs, gross debt totaled R\$ 7.2 billion at the end of 1Q22. The debt service schedule, which considers the outstanding balance (principal and interest) up to March 31st, 2022, is shown in the chart below, and is supported by cash generation from operations. In 2023, there will be a peak in the amortization of bridge loans totaling approximately R\$ 1.0 billion, in addition to the maturity of RMM debentures in the amount of R\$ 1.8 billion, whose take-out will be carried out by contracting long-term financing that is already being negotiated.

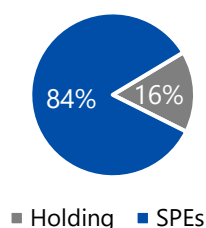
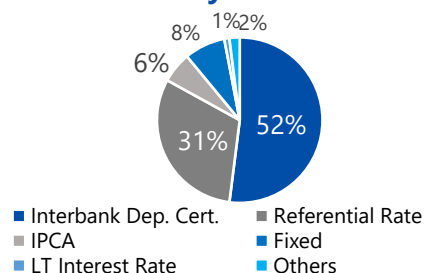


The consolidated average cost of debt reached 9.4%¹² p.a., impacted by the current exposure to CDI due to the RMM bridge loan and which, therefore, will be reduced with the take-out of this financing from 2023.

The average term of BRK's financing is 7.5 years and, disregarding the RMM debt given its relevance (R\$ 1.8 billion), the average term increases to 9.4 years, representing, therefore, a longer term profile, which mitigates the Net Debt / EBITDA ratio of 7.4x.

¹¹ Special Purpose Entity

¹² Variable financing indicators (last 12 months): CDI = 6.45%, TR = 0%, IPCA = 11.3% and 1Q22 TJLP = 5.22%

Indebtedness**By Index****Cash and Cash Equivalents**

In 1Q22, the Company continues to demonstrate solidity, ending the period with a consolidated cash balance of R\$ 944 million, as a result of increased liquidity with debenture issues totaling R\$ 1.2 billion, combined with efficient cash management.

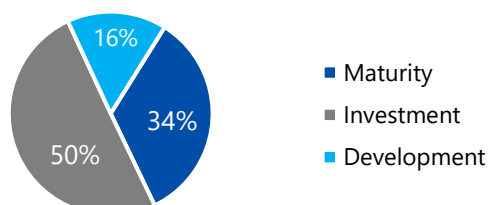
Net debt totals R\$ 7.6 billion in 1Q22, an increase of R\$ 2.8 billion (60%) when compared to 1Q21, mainly as a consequence of RMM's addition to the portfolio and acceleration of investments in the period.

Leverage

The sanitation project cycle involves 3 phases: Development, Investment and Maturity. The first phase represents the study and awarding of the project, in the second there is intensive investment, and consequently a high leverage for universalization to be achieved and, in the last phase, the project presents an EBITDA margin above 45%, distributes dividends to shareholders in a consistent manner and has a lower volume of investments to be executed, which leads to a natural deleveraging process.

Mature assets represent 34% of Net Operating Revenue in 1Q22. Operations in the Investment and Development phase, which concentrate the greatest growth potential in the sanitation business, together total 66% of the Company's Net Operating Revenue.

BRK's current leverage level of 7.4x reflects the maturity level of the Company's portfolio, which considers the recent awarding of RMM, in the Development phase. This SPE had the issuance of R\$ 1.8 billion in debentures in December 2020 and began operations on July 1st, 2021.

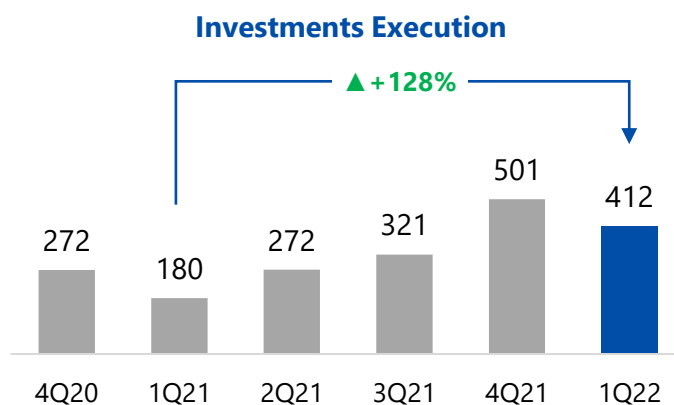
1Q22 Net Oper. Revenue by Cycle

The Company's investments are financed in the project finance modality, mainly through the Sanitation for All credit line, with costs ranging from TR+8 to 9% p.a. and total terms of up to 24 years.

8. Investments (R\$ mm)

In 1Q22, R\$ 412 million were invested, an increase of 128% in comparison to the same period of the previous year, due to R\$ 72 million from the start of operations in RMM and investments made in the period.

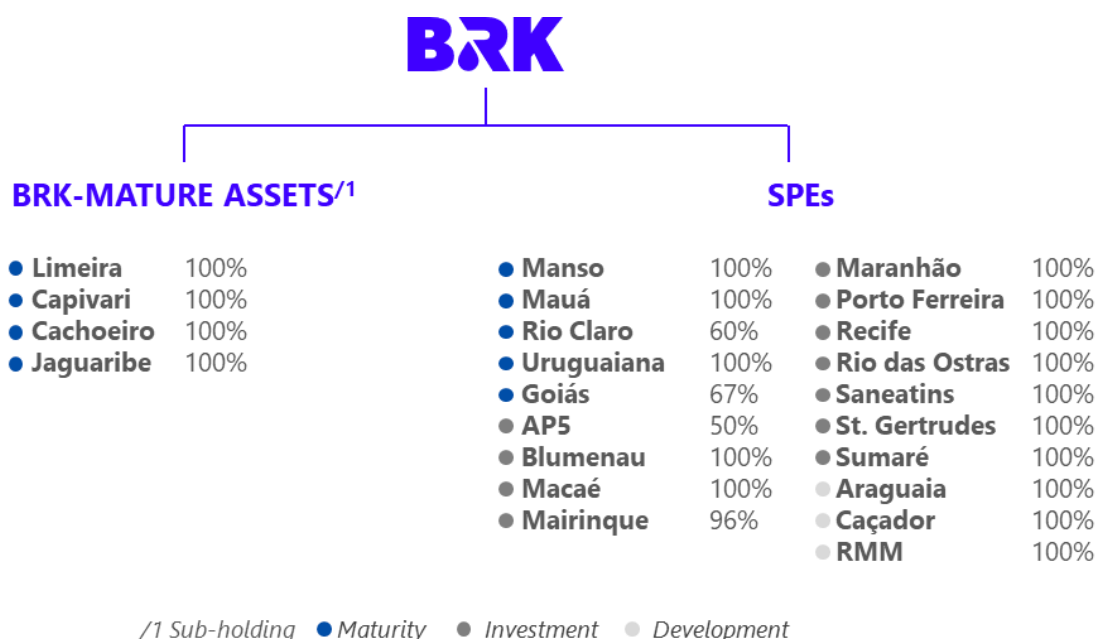
For comparison purposes, excluding the RMM effect in 1Q22, investments increased by 88% when compared to 1Q21, reflecting the acceleration of the pace of construction work, as a result of BRK's investment management program.



BRK has a diversified portfolio of assets, with 23 sanitation (water and/or wastewater) Special Purpose Entities ("SPEs") in 13 states, mitigating the concentration of revenue and hydrological risks.

There are 16 concessions, 6 Public-Private Partnerships ("PPPs") and 1 asset lease, in long-term contracts in different phases: development, investment and maturity.



BRK Ambiental has joint control of F.AB Zona Oeste S.A. ("AP5", with a 50% interest) which is reflected in the Financial Statements by means of equity method.



Investor Relations

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Any forward-looking statements in this report are related exclusively to the business outlook, estimates of operating and finance results and growth prospects of the Company. These are merely projections and as such are based exclusively on the expectations of the Company's management for the future of the business and its continued access to capital to finance its business plan. Such forward-looking statements depend substantially on changes in market conditions and government regulations, competitive pressures, the performance of the industry and the Brazilian economy, and other factors, in addition to the risks already presented in the Company's previous reports and, therefore, are subject to change without prior notice. Any and all non-accounting information or information based on non-accounting figures was not reviewed by the independent auditors.

Balance Sheet | Assets (R\$ thousands)

Assets	March 31th, 2022	December 31th, 2021
Current assets		
Cash and cash equivalents	859,511	1,099,887
Trade accounts receivable, net	764,759	617,451
Related parties	16,207	15,700
Advances to suppliers	5,276	24,833
Taxes recoverable	75,189	71,975
Dividends and interest on capital receivable	5,867	5,867
Inventories	42,870	41,722
Other assets	23,967	22,051
	1,793,646	1,899,486
Non-current assets		
Trade accounts receivable, net	3,289,866	3,249,054
Restricted funds	84,241	79,605
Taxes recoverable	102,917	92,014
Related parties	4,476	2,588
Deferred income tax and social contribution	219,652	211,560
Judicial deposits	32,782	33,268
Other assets	47,774	49,208
	3,781,708	3,717,297
Investments in subsidiaries and jointly-controlled subsidiari	78,510	80,050
Investment properties	46,457	46,457
Property and equipment	79,058	85,364
Contract assets	1,541,578	1,237,126
Right-of-use lease	149,416	146,307
Intangible assets	6,467,461	6,415,783
	12,144,188	11,728,384
Total assets	13,937,834	13,627,870

Balance Sheet | Liabilities and equity (R\$ thousands)

Liabilities and equity	March 31th, 2022	December 31th, 2021
Current liabilities		
Trade payables	218,616	274,797
Loans and Borrowings	242,158	242,263
Lease liabilities	48,823	41,167
Debentures	222,927	211,346
Derivative financial instruments	84	-
Salaries and payroll charges	177,614	148,715
Taxes payable	155,538	145,848
Deferred PIS, COFINS and ISS	23,637	13,219
Concession rights payable	18,074	18,246
Dividends and interest on capital payable	22,993	22,993
Other liabilities	13,540	14,308
	1,144,004	1,132,902
Non-current liabilities		
Loans and Borrowings	3,347,073	3,103,614
Lease liabilities	114,930	116,132
Debentures	4,598,651	4,601,929
Derivative financial instruments	6,623	-
Related parties	116,800	104,002
Deferred PIS, COFINS and ISS	238,781	238,642
Deferred income tax and social contribution	613,051	606,089
Provisions for contingencies	19,497	20,326
Concession rights payable	212,742	204,044
Dividends and interest on capital payable	13,171	13,171
Post-employment benefit obligations	30,355	29,148
Other liabilities	27,136	26,878
	9,338,810	9,063,975
Equity		
Capital	4,008,806	4,008,806
Capital reserve	40,570	40,570
Revenue reserve	561,898	561,898
Adjustments to equity valuation	-1,244,857	-1,241,048
Profit (loss) of the period	28,637	-
Non-controlling interests	59,966	60,767
	3,455,020	3,430,993
Total liabilities and equity	13,937,834	13,627,870

Income Statement (R\$ thousands)

	1Q22	1Q21
Continuing operations		
Net service and sales revenue	1,067,923	643,955
Costs of services and sales	(729,676)	(362,584)
Gross profit	338,247	281,371
Operating income (expenses)		
General and administrative	(136,453)	(131,328)
Allowance for expected losses from doubtful accounts	(12,694)	(11,544)
Other income (expenses), net	4,176	3,809
Equity in the results of jointly-controlled subsidiaries	(1,540)	24
Profit from operations	191,736	142,332
Finance result		
Finance income	32,411	22,259
Finance costs	(177,132)	(138,559)
Finance result, net	(144,721)	(116,300)
Profit before income tax and social contribution	47,015	26,032
Current income tax and social contribution	(18,347)	(18,296)
Deferred income tax and social contribution	(832)	5,155
Profit from continuing operations	27,836	12,891
Discontinued operations		
Profit (loss) for discontinued operations	-	2,017
Profit from continuing and discontinued operations	27,836	14,908
Attributable to		
Company's stockholders	28,637	14,705
Non-controlling interests	(801)	203
	27,836	14,908

Cash Flows (R\$ thousands)

	1Q22	1Q21
Cash flows from operating activities		
Profit (loss) before income tax and social contribution	47,015	26,032
Profit before income tax and social contribution from discontinued operations	-	2,017
Adjustments		
Depreciation and amortization	88,186	61,476
Amortization of right-of-use asset	15,256	11,592
Residual value of property and equipment and intangible asset disposed of	230	(101)
Residual value of right-of-use assets disposed of	(127)	(3,148)
Share of profit (or loss) from continuing operations	1,540	(24)
Share of profit (or loss) from discontinued operations	-	2,075
Write-off of provioio for loss on investments of discontinued operations	-	(4,092)
Allowance for expected losses	12,694	11,544
Provision for contingencies	1,291	3,511
Losses on financial derivative instruments	936	-
Financial investment income	(3,739)	(6,338)
Construction profit margin	(8,643)	(3,776)
Employees benefits	620	553
Adjustment to present value	7,450	7,898
Interest and monetary and foreign exchange variations, net	149,959	116,552
	312,668	225,771
Changes in assets and liabilities		
Trade accounts receivable	(160,627)	(35,715)
Advances to suppliers	19,557	4,496
Taxes recoverable	(14,117)	2,261
Inventories	(1,148)	4,063
Judicial deposits	486	(2,003)
Other assets	(482)	(149)
Trade payables	(47,249)	(10,491)
Salaries and payroll charges	28,899	16,912
Taxes payable	7,821	7,671
Deferred PIS, COFINS and ISS	(1,586)	(3,835)
Concession rights payable	(425)	(1,795)
Provisions for contingencies	(2,120)	(3,684)
Related parties	(9,135)	3,324
Other liabilities	(503)	(495)
Cash provided by operations	132,039	206,331
Income tax and social contribution paid	(16,478)	(15,144)
Net cash provided by operating activities	115,561	191,187
Total net cash provided by operating activities	115,561	191,187
Restricted funds	(897)	7,456
Acquisitions of property and equipment	(3,010)	(1,021)
Acquisitions of contract assets and intangible assets	(363,579)	(152,383)
Net cash provided by (used in) investing activities	(367,486)	(145,948)
Total net cash provided by (used in) investing activities	(367,486)	(145,948)
Net cash used in discontinued investing activities	-	(5,451)
Cash flows from financing activities	(367,486)	(151,399)
Dividends and interest on capital paid	-	(2,408)
Proceeds from debts	301,281	86,546
Transaction cost on proceeds from debts	(185)	(624)
Repayment of debts	(52,640)	(36,844)
Interest paid on debts	(78,767)	(53,847)
Transaction cost on proceeds from debentures	(112)	(4,500)
Amortization of debentures	(63,687)	(19,444)
Interest paid on debentures	(86,122)	(68,330)
Amortization of leasing	(18,142)	(14,290)
Related parties	9,923	19,059
Net cash provided by (used in) financing activities	11,549	(94,682)
Total net cash provided by (used in) financing activities	11,549	(94,682)
Net increase (decrease) in cash and cash equivalents	(240,376)	(54,894)
Cash and cash equivalents at the beginning of the period	1,099,887	1,247,394
Cash and cash equivalents at the end of the period	859,511	1,192,500

Operating Information¹³

	1Q22	1Q21	Δ (%)
Active Economies (thousand)	3,234	2,613	24%
Water	1,037	1,004	3%
Wastewater	1,708	1,609	6%
RMM (Water + Wastewater)	489	-	---
Billed Volume (thousand m³)	116	100	16%
Water	37	38	-5%
Wastewater	64	61	5%
RMM (Water + Wastewater)	15	-	---
Employees (#)	6,122	5,568	10%

¹³ Considers only SPEs consolidated by BRK Ambiental Participações S.A. at IFRS basis

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Interim Financial Information

March 31, 2022

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A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information - ITR

Independent auditor's review report on quarterly information

To the Shareholders, Board of Directors and Officers

BRK Ambiental Participações S.A.

São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of BRK Ambiental Participações S.A. ("Company") for the quarter ended on March 31, 2022, comprising the statement of financial position as of March 31, 2022 and the related statements of profit or loss and of comprehensive income for the three-month periods then ended, and of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – Interim Financial Reporting, and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).



Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the three-month period ended on March 31, 2022, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

São Paulo, May 12, 2022.

ERNST & YOUNG
Auditores Independentes S/S
CRC-2SP084519/O-6

A handwritten signature in blue ink, which appears to read 'Emerson', is placed over the printed name of the accountant.

Emerson Pompeu Bassetti
Accountant CRC-1SP251558/O-0

BRK Ambiental Participações S.A. and subsidiaries

Statements of financial position as at March 31, 2022 and December 31, 2021 (In thousands of reais)

Assets	Note	Parent		Consolidated	
		March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
		US\$	R\$	US\$	R\$
Current assets					
Cash and cash equivalents	6	68,657	325,283	411,818	181,416
Trade receivables, net	8	75	355	355	161,416
Related parties	21	18,586	88,057	82,683	3,421
Advances to suppliers		74	352	497	1,114
Taxes recoverable		3,429	16,248	12,074	15,870
Dividends and interest on capital receivable	9 (e)	9,638	45,663	179,663	1,238
Inventories				9,049	42,870
Other assets		6,162	29,195	29,615	5,059
		106,621	505,153	716,705	378,583
				1,793,646	1,899,486
Non-current assets					
Trade receivables, net	8			694,387	3,289,866
Restricted funds	7			17,781	84,241
Taxes recoverable				21,723	102,917
Advances for future capital increase		20,512	97,181	3,430	
Related parties	21	272,399	1,290,573	1,266,984	945
Deferred income tax and social contribution	20 (a)			46,363	219,652
Dividends and interest on capital receivable	9 (e)	25,149	119,153	119,153	
Judicial deposits		91	431	423	6,919
Other assets		6,043	28,630	31,556	10,084
		324,194	1,535,968	1,421,546	798,202
				3,781,708	3,717,297
Investments in subsidiaries and joint ventures	9 (b)	467,451	2,214,690	2,134,325	16,571
Investment properties				9,806	46,457
Property and equipment		1,731	8,202	11,778	16,687
Contract assets	10			325,378	1,541,578
Right-of-use assets	11	6,309	29,892	28,013	31,537
Intangible assets	12	154,856	733,679	717,943	1,365,077
		954,541	4,522,431	4,313,605	2,563,258
				12,144,188	11,728,384
Total assets		1,061,162	5,027,584	5,030,310	2,941,841
				13,937,834	13,627,870

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of financial position as at March 31, 2022 and December 31, 2021 (In thousands of reais)

Liabilities and equity	Note	Parent		Consolidated	
		March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
		US\$	R\$	US\$	R\$
Current liabilities					
Trade payables	13	3,536	16,753	46,143	274,797
Loans and borrowings	14.1			51,112	242,263
Lease liabilities	14.2	1,407	6,668	10,305	48,823
Debentures	14.3	1,698	8,045	47,053	222,927
Derivate financial instruments	15			18	84
Salaries and payroll charges	16	15,205	72,036	37,489	148,715
Taxes payable		300	1,421	32,829	145,848
Deferred PIS, COFINS and ISS				4,989	13,219
Concession rights payable	17			3,815	18,074
Dividends and interest on capital payable	18	4,569	21,648	4,853	22,993
Other liabilities		1,265	5,996	2,861	14,308
		27,980	132,567	241,467	1,132,902
Non-current liabilities					
Loans and borrowings	14.1			706,461	3,347,073
Lease liabilities	14.2	5,333	25,265	24,258	114,930
Debentures	14.3	280,461	1,328,770	970,630	4,598,651
Derivate financial instruments	15			1,398	6,623
Related parties	21	1,898	8,994	24,653	116,800
Deferred PIS, COFINS and ISS				50,399	238,781
Deferred income tax and social contribution	20 (a)	26,581	125,937	129,397	613,051
Provisions for contingencies	19	218	1,032	4,115	19,497
Concession rights payable	17			44,903	212,742
Provision for losses on investments	9 (c)	1,402	6,646		
Dividends and interest on capital payable	18			2,780	13,171
Employee benefits	22	701	3,319	6,407	29,148
Other liabilities				5,728	27,136
		316,594	1,499,963	1,971,129	9,338,810
Equity	23				
Issued capital		846,132	4,008,806	846,132	4,008,806
Capital reserve		8,563	40,570	8,563	40,570
Revenue reserve		118,599	561,898	118,599	561,898
Carrying value adjustment		(262,750)	(1,244,857)	(262,750)	(1,244,857)
Result for the period		6,044	28,637	6,044	28,637
Non-controlling interests				12,657	59,966
		716,588	3,395,054	729,245	3,430,993
Total liabilities and equity		1,061,162	5,027,584	2,941,841	13,627,870

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of profit or loss Quarters ended March 31 (In thousands of reais)

Note	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Continuing operations				
Net service and sales revenue	24 (a)	77	225,405	1,067,923
Costs of services and sales	24 (c)	(19)	(154,012)	(729,676)
Gross profit		58	71,393	338,247
Operating income (expenses)				
General and administrative expenses	24 (c)	(5,203)	(24,652)	(16,873)
Allowance for expected credit losses	24 (c)		(28,801)	(136,453)
Other income (expenses), net	24 (c)	12	57	(995)
Share of profit (loss) of subsidiaries and joint ventures	9 (c)	11,207	53,098	33,228
Profit before finance income and costs		6,016	28,503	15,418
Finance result	24 (d)			
Finance income		10,832	51,322	22,945
Finance costs		(11,213)	(53,124)	(27,580)
Finance result, net		(381)	(1,802)	(4,635)
Profit before income tax and social contribution		5,635	26,701	10,783
Current income tax and social contribution	20 (b)		(3,872)	(18,347)
Deferred income tax and social contribution	20 (b)	409	1,936	1,905
Profit for the period from continuing operations		6,044	28,637	12,688
Profit for the period from discontinued operations				2,017
Profit for the period		6,044	28,637	14,705
Attributable to				
Equity holders of the parent			6,044	28,637
Non-controlling interests			(169)	(801)
			5,875	27,836
Basic earnings per share attributable to equity holders of the parent during the period (expressed in R\$ per share) from continuing operations	23 (b) e (c)	0.0108	0.0108	0.0048
Diluted earnings per share attributable to equity holders of the parent during the period (expressed in R\$ per share) from continuing operations	23 (b) e (c)	0.0108	0.0108	0.0108

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of comprehensive income Quarters ended March 31 (In thousands of reais)

	Parent		
	2022		2021
	US\$		R\$
Profit for the period	6,044	28,637	14,705
Items that may be subsequently reclassified to profit or loss			
Profit or loss on cash flow hedge accounting	(804)	(3,809)	
Total comprehensive income for the period	5,240	24,828	14,705
	Consolidated		
	2022		2021
	US\$		R\$
Profit for the period	5,875	27,836	14,908
Items that may be subsequently reclassified to profit or loss			
Profit or loss with cash flow hedge accounting	(804)	(3,809)	
Total comprehensive income for the period	5,071	24,027	14,908
Attributable to			
Equity holders of the parent	5,240	24,828	14,705
Non-controlling interests	(169)	(801)	203
	5,071	24,027	14,908

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of changes in equity Quarters ended March 31 (In thousands of reais)

		Attributable to the equity holders of the parent								
		Revenue reserve								
Note	Issued capital	Capital reserve	Legal reserve	Retention of profits	Retained earnings	Carrying value adjustment	Total	Non-controlling interests	Total equity	
At January 1, 2021	4,008,806	40,570	28,320	454,663		(1,249,548)	3,282,811	58,069	3,340,880	
Profit (loss) for the period:										
Profit for the period from continuing operations					12,688		12,688	203	12,891	
Profit for the period from discontinued operations					2,017		2,017		2,017	
At March 31, 2021	4,008,806	40,570	28,320	454,663	14,705	(1,249,548)	3,297,516	58,272	3,355,788	
At January 1, 2022	4,008,806	40,570	32,877	529,021		(1,241,048)	3,370,226	60,767	3,430,993	
Profit (loss) for the period:										
Profit for the period from continuing operations					28,637		28,637	(801)	27,836	
Other comprehensive income:										
Profit or loss with cash flow hedge accounting	23 (d)					(3,809)	(3,809)		(3,809)	
Total comprehensive income for the period					28,637	(3,809)	24,828	(801)	24,027	
At March 31, 2022	4,008,806	40,570	32,877	529,021	28,637	(1,244,857)	3,395,054	59,966	3,455,020	

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of changes in equity

Quarters ended March 31

(In thousands of U.S. dollars)

		Attributable to the equity holders of the parent							
		Revenue reserve							
Note	Issued capital	Capital reserve	Legal reserve	Retention of profits	Retained earnings	Carrying value adjustment	Total	Non-controlling interests	Total equity
At January 1, 2021	846,132	8,563	5,977	95,965		(263,740)	692,897	12,257	705,154
Profit (loss) for the period:									
Profit for the period from continuing operations					2,678		2,678	43	2,721
Profit for the period from discontinued operations					426		426		426
At March 31, 2021	846,132	8,563	5,977	95,965	3,104	(263,740)	696,001	12,300	708,301
At January 1, 2022	846,132	8,563	6,939	111,660		(261,946)	711,348	12,826	724,174
Profit (loss) for the period:									
Profit for the period from continuing operations					6,044		6,044	(169)	5,875
Other comprehensive income:									
Profit or loss with cash flow hedge accounting	23 (d)					(804)	(804)		(804)
Total comprehensive income for the period					6,044	(804)	5,240	(169)	5,071
At March 31, 2022	846,132	8,563	6,939	111,660	6,044	(262,750)	716,588	12,657	729,245

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of cash flows Quarters ended March 31 (In thousands of reais)

	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Cash flows from operating activities				
Profit before income tax and social contribution	5,635	26,701	10,783	26,032
Profit before income tax and social contribution from discontinued operations			2,017	2,017
Adjustments				
Depreciation and amortization	2,505	11,869	6,781	88,186
Amortization of right-of-use asset	387	1,832	1,456	15,256
Residual value of property and equipment and intangible asset disposed of			846	230
Residual value of right-of-use assets disposed of			303	(127)
Share of profit (loss) from continuing operations	(11,207)	(53,098)	(33,228)	1,540
Share of profit (loss) from discontinued operations			2,075	
Profit from discontinued operations				2,075
Write-off of provision for loss on investments of discontinued operation			(4,092)	(4,092)
Allowance for expected credit losses			2,679	12,694
Provision for contingencies	1	6	272	1,291
Losses on derivative financial instruments			198	936
Financial investment income			(789)	(3,739)
Construction profit margin			(1,825)	(8,643)
Employee benefits	8	39	131	620
Adjustment to present value	181	856	1,572	7,450
Interest and monetary and foreign exchange variations, net	4,364	20,678	13,359	149,959
	1,874	8,883	1,223	65,993
				312,668
				225,771
Changes in assets and liabilities				
Trade receivables			(73)	(33,903)
Advances to suppliers	31	145	(144)	(160,627)
Taxes recoverable	(881)	(4,174)	(147)	(35,715)
Inventories			(2,980)	4,496
Dividends and interest on capital received			(242)	2,261
Judicial deposits	28,283	134,000		4,063
Other assets	(2)	(8)	344	
Trade payables	(2)	(8)	(32)	(2,003)
Salaries and payroll charges	706	3,344	103	(149)
Taxes payable	(6,096)	(28,880)	(102)	(482)
Deferred PIS, COFINS and ISS	2,684	12,715	(9,973)	(47,249)
Concession rights payable	603	2,855	6,100	(10,491)
Provisions for contingencies			8,575	16,912
Related parties			1,651	7,671
Other liabilities			(335)	(3,835)
			(90)	(1,795)
	(1)	(6)	(447)	(2,120)
	(7,708)	(36,520)	(1,928)	(3,684)
			(105)	3,324
				(495)
Cash from (used in) operations	19,493	92,354	(6,965)	27,870
				132,039
				206,331
Income tax and social contribution paid			(3,478)	(16,478)
				(15,144)
Total net cash flows from (used in) operating activities	19,493	92,354	(6,965)	24,392
				115,561
				191,187
Cash flows from investing activities				
Advance for future capital increase	(19,788)	(93,751)	(15,901)	
Capital increase in subsidiaries	(5,453)	(25,835)		
Restricted funds			(189)	(897)
Purchase of property and equipment			(635)	(3,010)
Additions to contract assets and intangible assets	(5,044)	(23,898)	(35,099)	(363,579)
				(152,383)
Net cash used in investing activities	(30,285)	(143,484)	(51,003)	(77,564)
				(367,486)
				(145,948)
Net cash used in discontinued investing activities				(5,451)
Net cash used in discontinued investing activities				(5,451)
Total net cash used in investing activities	(30,285)	(143,484)	(51,003)	(77,564)
				(367,486)
				(151,399)
Cash flows from financing activities				
Dividends and interest on capital paid				(2,408)
Proceeds from loans and borrowings			63,591	301,281
Transaction cost on proceeds from loans and borrowings			(39)	(185)
Repayment of loans and borrowings			(11,111)	(52,640)
Interest paid on loans and borrowings			(16,625)	(78,767)
Transaction cost on proceeds from debentures			(24)	(12)
Amortization of debentures			(13,442)	(63,687)
Interest paid on debentures	(13,487)	(63,900)	(18,178)	(86,122)
Amortization of lease liabilities	(547)	(2,591)	(3,829)	(18,142)
Related parties	6,561	31,086	2,094	9,923
				19,059
Total net cash flows from (used in) financing activities	(7,473)	(35,405)	(21,817)	2,437
				11,549
				(94,682)
Net decrease in cash and cash equivalents	(18,265)	(86,535)	(79,785)	(50,735)
				(240,376)
				(54,894)
Cash and cash equivalents at the beginning of the period	86,922	411,818	784,437	232,151
				1,099,887
				1,247,394
Cash and cash equivalents at the end of the period	68,657	325,283	704,652	181,416
				859,511
				1,192,500

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Statements of value added Quarters ended March 31 (In thousands of reais)

	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Revenue				
Gross revenue from services and sales		85	245,156	1,161,498
Other revenues (expenses)	12	(995)	881	4,176
(-) Rebates and cancellations			(3,015)	(14,283)
(-) Allowance for expected credit losses			(2,679)	(12,694)
	12	(910)	240,343	1,138,697
Inputs acquired from third parties				
Construction cost			(86,883)	(411,636)
Materials, electric energy, outsourced services and others	(4,480)	(21,230)	(41,564)	(196,920)
	(4,480)	(21,230)	(128,447)	(608,556)
Gross value added	(4,468)	(21,173)	111,896	530,141
Depreciation and amortization	(2,892)	(13,701)	(8,237)	(41,442)
Net value added generated by the entity	(7,360)	(34,874)	90,063	426,699
Value added received in transfer				
Share of profit (loss) from continuing operations	11,207	53,098	33,228	(325)
Share of profit (loss) from discontinued operations			(2,075)	
Profit (loss) from discontinued operations				(2,075)
Reversal of provision for loss on investments			4,092	4,092
Transfer of expenses	12,259	58,083	53,449	2,867
Finance income	10,832	51,322	22,945	32,411
Total undistributed value added	26,938	127,629	81,782	460,437
Distribution of value added				
Personnel	8,583	40,663	33,955	128,456
Direct compensation	7,269	34,437	29,512	96,239
Benefits	885	4,194	2,788	27,043
Government Severance Pay Fund (FGTS)	429	2,032	1,655	6,174
Taxes, fees and contributions	856	4,057	3,075	118,113
Federal	856	4,054	3,074	114,901
State		1	152	720
Municipal		2	526	2,492
Remuneration of third-party capital	11,455	54,272	39,266	186,032
Finance costs	11,213	53,124	37,580	177,132
Rentals	242	1,148	1,879	8,900
Equity remuneration	6,044	28,637	14,705	27,836
Retained earnings for the period	6,044	28,637	6,044	14,705
Non-controlling interests			(169)	(801)
Value added distributed	26,938	127,629	81,782	460,437

The accompanying notes are an integral part of this condensed interim financial information.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

1 Corporate information

BRK Ambiental Participações S.A. ("Company") was incorporated on January 9, 2016 and on April 25, 2017 it was acquired by BR Ambiental Fundo de Investimento em Participações Multiestratégia ("BR FIP") as controlling shareholder, an investment fund managed by Brookfield Brasil Asset Management Investimentos Ltda. ("Brookfield") and controlled by Brookfield Asset Management, Inc. and has noncontrolling interests of the Severance Pay Fund ("FI-FGTS"). The Company is engaged in investing in and operate environmental projects and provide services focused on the Water and Wastewater segment through its direct and indirect subsidiaries and joint ventures (collectively the "Group") by means of public concession contracts, public-private partnerships and provision of services, among others.

On October 22, 2019, the Company obtained the initial registration as a listed company from the Securities and Exchange Commission of Brazil ("CVM") in the "B" category.

The Company's registered office is located at Avenida das Nações Unidas, 14.261 - 13º andar – Ala B – São Paulo, State of São Paulo.

This condensed interim financial information was approved by the Company's Board of Directors on May 12, 2022.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(a) Public Water and Wastewater concessions

Company	Subject matter of the agreement	Starting - ending year	Concession grantor (customer)	Concession	Base index for annual price adjustment
BRK Ambiental - Limeira S.A.	Water supply and wastewater services.	1995-2039	Municipality of Limeira - SP	No	Parametric formula
BRK Ambiental - Cachoeiro de Itapemirim S.A.	Water supply and wastewater services.	1998-2048	Municipality of Cachoeiro do Itapemirim - ES	Variable	IPCA
Companhia de Saneamento do Tocantins - Saneatins	Water supply and wastewater services, except for the concession agreements with the municipalities of Almas and Araguaia, which include only water supply services.	1999 - 2049, depending on the contract	46 municipalities in the State of Tocantins and 5 in the State of Pará	Fixed or variable, depending on the contract	IPCA
BRK Ambiental - Mauá S.A.	Wastewater services.	2003-2043	Municipality of Mauá - SP	Variable	Parametric formula
BRK Ambiental - Capivari S.A.	Construction and lease of the Effluent Treatment Station of Campinas - State of São Paulo	2007-2029	Sociedade de Abastecimento de Água e Saneamento S.A. - SANASA	No	Parametric formula
BRK Ambiental - Rio Claro S.A.	Wastewater services.	2007-2037	Municipality of Rio Claro - SP	No	IPCA
BRK Ambiental - Rio das Ostras S.A.	Wastewater services.	2007-2024	Municipality of Rio das Ostras - RJ	No	IPCA
BRK Ambiental - Jaguaribe S.A.	Construction and operation of the ocean disposal system of the Jaguaribe River in Salvador - State of Bahia	2006-2026	Empresa Baiana de Águas e Saneamento S.A. - EMBASA	No	IPCA
BRK Ambiental - Blumenau S.A.	Wastewater services.	2010-2055	Serviço Autônomo Municipal de Água e Esgoto - SAMAE	Fixed	IPCA
BRK Ambiental - Santa Gertrudes S.A.	Water supply and wastewater services.	2010-2040	Municipality of Santa Gertrudes - SP	Fixed	IPCA
Saneaqua Mairinque S.A.	Water supply and wastewater services.	2010-2050	Municipality of Mairinque - SP	No	IGPM
BRK Ambiental - Uruguaiana S.A.	Water supply and wastewater services.	2011-2043	Municipality of Uruguaiana - RS	Fixed	IGPM
BRK Ambiental - Porto Ferreira S.A.	Water supply and wastewater services.	2011-2041	Municipality of Porto Ferreira - SP	Fixed	IGPM
F. AB. Zona Oeste S.A.	Wastewater services.	2012-2042	Municipality of Rio de Janeiro - RJ	Fixed and variable	IPCA-E
BRK Ambiental - Araguaia Saneamento S.A.	Water supply and wastewater services.	2007 - 2042, depending on the contract.	4 Municipalities of the State of Pará - PA	Variable	IPCA or parametric formula, depending on the contract
BRK Ambiental - Macaé S.A.	Wastewater services.	2012-2047	Municipality of Macaé - RJ	No	IGPM
BRK Ambiental - Região Metropolitana do Recife/Goiânia SPE S.A.	Wastewater services.	2013-2048	Companhia Pernambucana de Saneamento - COMPESA	No	IPCA
BRK Ambiental - Goiás S.A.	Wastewater services.	2013-2041	Saneamento de Goiás S.A. - SANEAGO	Fixed	Parametric formula
BRK Ambiental - Manso S.A.	Services of expansion and maintenance of the Manso river water collection system.	2013-2028	Companhia de Saneamento de Minas Gerais - COPASA	No	IPCA
BRK Ambiental - Maranhão S.A.	Water supply and wastewater services.	2014-2050	Consórcio Intermunicipal de Saneamento Básico - CISAB	No	IPCA
BRK Ambiental - Sumaré S.A.	Water supply and wastewater services.	2014-2045	Municipality of Sumaré - SP	Fixed	IPCA
BRK Ambiental - Caçador S.A.	Water supply and wastewater services.	2018-2048	Municipality of Caçador - SC	Variable	Parametric formula
BRK Ambiental - Região Metropolitana de Maceió S.A.	Water supply and wastewater services.	2020-2056	State of Alagoas	Fixed	Parametric formula

BRK Ambiental Participações S.A. and subsidiaries

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(In thousands of Reais, unless otherwise stated)

In all concessions, the concessionaires are entitled to use all concession assets during the concession period in accordance with the use conditions agreed upon and must make investments in improvements and expansions of the systems. These investments are remunerated by the Concession Grantor through monthly considerations or through the tariff paid directly by the users.

The concessionaires are required to perform regular maintenance work on networks and preventive and corrective maintenance work on the assets. This maintenance work is also remunerated through monthly considerations or through the tariff paid directly by the users.

1.1 Other information

(a) Discontinued operations – UVR Grajaú S.A. (“UVR Grajaú”)

On December 1, 2019, the subsidiary UVR Grajaú was considered a discontinued operation due to the wound up of its activities of receipt, screening, processing and final disposal of inert waste and waste from civil construction, as well as the recycling and sale of recycled aggregate, located in the Municipality of São Paulo, State of São Paulo. The profit or loss for 2019 of UVR Grajaú was adjusted for the effects of impairment and classified as a discontinued operation in a single amount in the statement of profit or loss.

On October 8, 2020, the Company signed the contract for the sale of the subsidiary UVR Grajaú to Vendome Participações S.A. for R\$ 1. On March 19, 2021, the Company completed the sale of the subsidiary UVR Grajaú to Vendome Participações S.A.

This transaction is part of the strategy of concentrating the Company's investments in the water and wastewater segment.

Since its classification as a discontinued operation, the assets and liabilities of the subsidiary UVR Grajaú had been presented separately as discontinued operations in a single amount in current assets, in current liabilities, in the statement of profit or loss and in the net cash flows attributable to the operating, investing and financing activities of the discontinued operations they were also presented separately.

BRK Ambiental Participações S.A. and subsidiaries

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(In thousands of Reais, unless otherwise stated)

As a result of the sale, on March 19, 2021, the Company wrote off the assets and liabilities of the discontinued operation and recorded a write-off of the provision for loss on investments in the amount of R\$ 4,092 – US\$ 864, as follows:

Assets	March 19, 2021	
	US\$	R\$
Current assets	723	3,425
Non-current assets	46	216
Total assets	769	3,641
Liabilities	March 19, 2021	
	US\$	R\$
Current liabilities	393	1,862
Non-current liabilities	1,239	5,871
Net liabilities from discontinued operations	864	4,092

In addition, the loss from discontinued operations in the period from January 1, 2021 to the date of the sale was R\$ 2,075 – US\$ 438, as shown in the table below:

	From January 1 to March 19, 2021	
	US\$	R\$
Costs of services and sales	(127)	(600)
Gross loss	(127)	(600)
Operating expenses		
General and administrative	(284)	(1,345)
Operating loss	(411)	(1,945)
Finance result		
Finance costs	(27)	(129)
Finance result, net	(27)	(129)
Loss before income tax and social contribution	(438)	(2,074)
Deferred income tax and social contribution		(1)
Loss for the period	(438)	(2,075)

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(b) BRK Ambiental – Região Metropolitana de Maceió S.A. (“RMM”)

On July 1, 2021, the Company concluded the assisted operation period and officially started the operations in 9 of the 13 municipalities included in the RMM concession, operating in the water distribution and wastewater collection and treatment for the next 35 years. On July 2, 2021 the Company made the payment of the 2nd installment of the grant, in the amount of R\$ 1,241,598 – US\$ 262,062. On September 1, 2021, it made the payment of the remaining balance amounting to R\$ 153,456 – US\$ 32,390 of the 2nd installment of the grant and on the same date it started the operations in the 4 remaining municipalities.

(c) COVID-19

With the development of COVID-19 on a global scale, governments and authorities around the world have been implementing measures to fight the virus. In Brazil, where the Company and its subsidiaries operate, these measures were introduced mostly in the second half of March 2020. The Company has been closely monitoring the development of the pandemic in the country and its developments, having established a Crisis Management Committee, which is focused on three priorities: (i) protect the safety of employees and clients; (ii) ensure that the Company continues as a going concern; and (iii) preserve the Company's financial liquidity.

Water supply and wastewater services are essential services and play a vital part in the fight against the spread of COVID-19. Taking into consideration the different situations and scenarios in each region where the Company operates, the activities are planned and organized so as to ensure the continuity of water supply and wastewater collection and treatment for customers, with safety for employees and communities, strictly following the determination of public health authorities. In order to ensure the health of employees, the Company extended the health monitoring program.

Assessments were made on the other accounting estimates taking into account the effects of the pandemic, and (i) there is no indication of changes in the recoverable amount (impairment) of its property and equipment and intangible assets; (ii) the need for adjustment for the realization of inventories was not identified; (iii) changes in the fair value of revenues were not identified; (iv) significant impacts on lease contracts were not identified; and (v) no events or conditions were identified that significantly affect the ability of the Company and its subsidiaries to continue as a going concern or that significantly change the measurement of their assets and liabilities in the condensed interim financial information for March 31, 2022.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

The Company continues to monitor the developments of COVID-19 so that the possible impacts can be duly reflected in its condensed interim financial information, in compliance with CVM/SNC/SEP Circular Letters 02/2020 and 03/2020 and CVM Resolution 859/2020.

(d) SOX program

In 2021, the Company's SOX Program was maintained, with its ongoing performance and its incorporation into the work routine. No significant deficiencies or material weaknesses were identified, in conformity with the Guidelines of Section 404 of U.S. Sarbanes-Oxley ("SOX") Act, which is intended to prevent, detect and treat any potential non-conformity, with a material effect, related to the financial information of the companies that are part of the BRK Group, thus ensuring more reliability to its condensed interim financial information.

(e) Compliance Program

The Company and its subsidiaries are committed to carrying out all of their activities with integrity and with the highest standards of ethics and transparency in the implementation of the Compliance Program, based on full compliance with all applicable laws and regulations, both locally and globally, and on the application of a posture of zero tolerance to acts of corruption, discrimination and anti-ethical behavior.

Accordingly, the Company and its subsidiaries established in their corporate governance the adoption of this Compliance Program, which is directly reported to the Company's CEO and determines the guidelines for the internal and external relationships of all employees, management members, officers, directors and shareholders. This Program is aimed at consolidating all initiatives for the promotion and strengthening of the culture of ethics and integrity and for the mitigation of risks by means of mechanisms to prevent, detect and respond to illicit and undesired acts, including in subsidiaries.

The Company is a signatory to the Corporate Pact for Integrity and Against Corruption, which brings companies together for the purpose of promoting a fairer and more ethical market and eradicating bribery and corruption. The Company is also a signatory to the UN Global Compact, an initiative of the United Nations (UN) that seeks to mobilize the international corporate community in favor of a closer relationship with the fields of human rights, labor relations, environment and fight against corruption.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

In 2021, the Company received recognition of the pro-ethics seal, an initiative of the Office of the Federal Controller General and the Ethos Institute with the objective of publicly acknowledging the efforts of companies that are truly committed to preventing and fighting against corruption and other types of fraud.

Also in 2021, the Company and its subsidiaries received ISO 37001 certification, which deals with the anti-bribery management system, once again reinforcing the effectiveness of the Compliance Program and the anti-bribery and anti-corruption practices adopted.

(f) ESG: Environmental, social and governance practice impacts

In the first quarter of 2022 the Company submitted its sustainability program to the ESG Ranking Rating of Sustainalytics. The rating evaluates the degree of robustness of the company's ESG practices. More than 15,000 companies worldwide have gone through this process.

The Company obtained the best score in the Americas and the fourth best in the world among 60 sanitation companies, in the ESG Risk Rating of Sustainalytics, an international organization that measures the exposure and management of ESG risks of companies.

2 Significant accounting policies

The significant accounting policies applied in the preparation of this condensed interim financial information are in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee ("CPC"), and with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and they correspond to the accounting policies applied in the preparation of the condensed interim financial information for the quarter ended March 31, 2022, which is consistent with that used for the year ended December 31, 2021.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

2.1 Parent company and consolidated condensed interim financial information

The parent company and consolidated condensed interim financial information report was prepared in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Reporting and in accordance with international standard IAS 34 issued by the International Accounting Standards Board ("IASB") and is being presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission ("CVM") and they provide all (and only) the relevant information specific to the financial information, which is consistent with that used by management in its activities.

This condensed interim financial information does not include all the information required for the annual financial statements. This interim financial information should be read in conjunction with the annual financial statements of December 31, 2021.

This individual and consolidated interim financial information has been prepared in Brazilian reais, which is the Company's functional currency, and is presented in thousands of reais, unless otherwise stated.

The presentation of the individual and consolidated Statements of Value Added is required by Brazilian Corporate Law and by the practices adopted in Brazil that are applicable to publicly- held companies and they are presented as additional information for purposes of IAS 34, without prejudice to the interim financial information as a whole.

The accounting records are maintained in reais. The financial information in U.S. dollars is presented solely for the convenience of the users and has been translated from the amounts in the March 31, 2021 local currency financial statements, using the Exchange rate prevailing on that date of R\$ 4,7378 to US\$ 1.00.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

2.2 Consolidation

(a) Consolidated companies

The consolidated interim financial information comprise the financial information of the Company and its subsidiaries at March 31, 2022 in which the following direct and indirect interest is held:

	Place of incorporation and operation	Business	Number of shares/ units of interest held		Equity interest (%)	
			March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
Subsidiaries:						
Direct:						
BRK Ambiental - Blumenau S.A. ("Blumenau")	Brazil (SC)	Wastewater concession	2,435,474,551	2,435,474,551	100.00	100.00
BRK Ambiental - Centro Norte Participações S.A. ("Centro Norte Participações")	Brazil (SP)	Holding company	184,897,959	184,897,959	100.00	100.00
BRK Ambiental - Mauá S.A. ("Mauá")	Brazil (SP)	Wastewater concession	10,477,116	10,477,116	100.00	100.00
BRK Ambiental - Rio Claro S.A. ("Rio Claro")	Brazil (SP)	Wastewater concession	7,643,739	7,643,739	60.00	60.00
BRK Ambiental - Rio das Ostras Participações S.A. ("RDOP")	Brazil (RJ)	Holding company	134,988,595	134,988,595	100.00	100.00
BRK Ambiental - Santa Gertrudes S.A. ("Santa Gertrudes")	Brazil (SP)	Water and wastewater concession	3,350,661	3,350,661	100.00	100.00
BRK Ambiental - Uruguaiana S.A. ("Uruguaiana")	Brazil (RS)	Water and wastewater concession	47,516,236	47,516,236	100.00	100.00
BRK Ambiental - Porto Ferreira S.A. ("Porto Ferreira")	Brazil (SP)	Water and wastewater concession	12,240,334	12,240,334	100.00	100.00
BRK Ambiental - Araguaia Saneamento S.A. ("Araguaia")	Brazil (PA)	Water and wastewater concession	41,782,022	41,782,022	100.00	100.00
BRK Ambiental - Digital S.A. ("Digital")	Brazil (SP)	Holding company	14,027,100	14,027,100	100.00	100.00
Saneagua Maringue S.A. ("Maringue")	Brazil (SP)	Water and wastewater concession	26,470,312	23,254,247	96.56	96.11
BRK Ambiental - Maranhão S.A. ("Maranhão")	Brazil (MA)	Water and wastewater concession	66,474,065	66,474,065	100.00	100.00
BRK Ambiental - Sumaré S.A. ("Sumaré")	Brazil (SP)	Water and wastewater concession	186,545,465	186,545,465	100.00	100.00
Ecoagua Soluções S.A. ("Ecoagua")	Brazil (RJ)	Holding company	198,019,305	198,019,305	100.00	100.00
Mauá Água S.A. ("Mauá Água")	Brazil (SP)	Water concession	15,667,402	15,667,402	100.00	100.00
BRK Ambiental - Projetos Ambientais S.A. ("BRK Projetos Ambientais")	Brazil (SP)	Holding company	55,559,874	55,559,874	100.00	100.00
BRK Ambiental - Participações em Negócios Industriais S.A. ("BRK Negócios Industriais")	Brazil (SP)	Holding company	829,839,316	829,839,316	100.00	100.00
Santo André Água S.A. ("Santo André")	Brazil (SP)	Water and wastewater concession	500	500	100.00	100.00
BRK Ambiental - Caçador S.A. ("Caçador")	Brazil (SC)	Water and wastewater concession	231,167,025	231,167,025	100.00	100.00
BRK - NE/NICO S.A. ("BRK NE")	Brazil (SP)	Holding company	1,000	1,000	100.00	100.00
RMM	Brazil (SP)	Water and wastewater concession	683,598,688	683,598,688	100.00	100.00
BRK Ambiental - Aívos Maduros S.A. ("BRK Aívos Maduros")	Brazil (SP)	Holding company	52,548	52,548	100.00	100.00
Indirect:						
BRK Ambiental - Rio das Ostras S.A. ("Rio das Ostras")	Brazil (RJ)	Wastewater concession	130,717,027	130,717,027	100.00	100.00
BRK Ambiental - Macaé S.A. ("Macaé")	Brazil (RJ)	Wastewater concession	116,447,933	116,447,933	100.00	100.00
BRK Ambiental - Região Metropolitana do Recife/Goiânia SPE S.A. ("RMR")	Brazil (PE)	Wastewater concession	40,272,904	40,272,904	100.00	100.00
BRK Ambiental - Goiás S.A. ("Goiás")	Brazil (GO)	Wastewater concession	7,827,480	7,827,480	65.65	65.65
BRK Ambiental - Manso S.A. ("Manso")	Brazil (MG)	Water concession	100,000,000	100,000,000	100.00	100.00
BRK Ambiental - Cachoeiro de Itapemirim S.A. ("Cachoeiro")	Brazil (ES)	Water and wastewater concession	3,403,223	3,403,223	100.00	100.00
BRK Ambiental - Capivari S.A. ("Capivari")	Brazil (SP)	Wastewater concession	9,258,384	9,258,384	100.00	100.00
BRK Ambiental - Jaguaribe S.A. ("Jaguaribe")	Brazil (BA)	Wastewater concession	30,000,000	30,000,000	100.00	100.00
BRK Ambiental - Limeira S.A. ("Limeira")	Brazil (SP)	Water and wastewater concession	43,360	43,360	100.00	100.00
Companhia de Saneamento de Tocantins ("Saneatins")	Brazil (TO)	Water and wastewater concession	2,513,957	2,513,957	100.00	100.00
BRK Ambiental - Sul Pará Saneamento S.A. ("Sul Pará")	Brazil (PA)	Water and wastewater concession	1,000	1,000	100.00	100.00
Special Purpose Entity ("SPE"):						
Fundo de Investimento em Direito Creditório-Caixa Dublin ("FIDC")	Brazil (SP)	Investment fund	256,312	256,312	100.00	100.00
Joint ventures:						
Direct:						
F. AB. Zona Oeste S.A. ("F. AB. Zona Oeste")	Brazil (RJ)	Wastewater concession	72,118,371	72,118,371	50.00	50.00
BRK SAAB Águas S.A. ("BRK SAAB")	Brazil (SP)	Holding company	1,000	1,000	50.00	50.00
Indirect:						
Rio de Janeiro Mais Operações Saneamento S.A. ("Rio Mais")	Brazil (RJ)	Holding company	3,000	3,000	75	75

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reals, unless otherwise stated)

(b) Changes in accounting policies and disclosures

There were no changes in the accounting practices used in the preparation of this condensed interim financial information in relation to those presented in the financial statements for the year ended December 31, 2021.

2.3 Discontinued operations

The Group qualifies as discontinued operations any component of the entity that was written off or is classified as held for sale and that, in accordance with CPC 31:

- (i) Represents an important separate business line or geographical area of operations;
- (ii) Is an integral part of a single plan coordinated for the sale of an important separated business line or geographical area of operations; and
- (iii) Is a subsidiary that is exclusively acquired for the purpose of resale.

The discontinued operations are excluded from the results of continuing operations and they are presented as a single amount in profit or loss after taxes from discontinued operations in the statement of profit or loss.

Additional disclosures are presented in Note 1.1 (a). All other notes to the interim financial information include amounts for continuing operations, unless otherwise stated.

2.4 Derivative financial instruments

Derivative financial instruments contracted by the Company have the objective of hedging its operations against the risks of fluctuation in exchange and interest rates and are not used for speculative purposes.

Transactions with derivative financial instruments are designated as cash flow hedge accounting and the unrealized gains and losses arising from the variations in the fair value of these instruments are recognized in equity as carrying value adjustments against the line item derivative financial instruments, in the statement of financial position. When realized, losses and gains on derivative transactions are reclassified from equity to profit or loss.

BRK Ambiental Participações S.A. and subsidiaries

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(In thousands of Reais, unless otherwise stated)

Derivative are initially measured at fair value, any directly attributable transaction costs are recorded in profit or loss when incurred. After initial recognition, derivatives are measured at fair value and the variations in fair value are recorded in profit or loss.

The Company designates all its derivative financial instruments as cash flow hedge.

2.5. Cash flow hedge accounting

Cash flow hedge accounting is applied to hedge the Group against the cash flow volatility attributable to an exchange variation risk associated to the exposure of the debt in US dollars that will affect profit or loss for the year.

The Company designates as hedge the intrinsic value of hedge instruments contracted. The effective portion of changes in the fair value of instruments designated and qualified as cash flow hedge accounting is recorded in equity as carrying valuation adjustments in line item cash flow hedge. The gain or loss associated to the ineffective portion is recorded, when applicable, in profit or loss for the year as finance costs, net.

The amounts accumulated in equity are transferred to profit or loss for the year in the periods and line items in which the hedged item affects profit or loss for the year.

When a cash flow hedge instrument is settled, or when it no longer meets the hedge accounting criteria, any accumulated gain or loss carried in carrying value adjustments recorded in equity is realized against profit or loss (in the same line item used by the hedged item) as the hedged item is also realized against profit or loss. When it is no longer expected that the transaction protected by hedge occurs, the variation recorded in equity is immediately transferred to profit or loss for the year in finance costs, net.

The Company applies cash flow hedge accounting for certain derivative financial instruments contracted to hedge against the exchange rate risk in debt transactions to be effectively disbursed.

At the initial designation of the hedge, the Company formally documents the relationship between the hedging instruments and the hedged items, including the Company's risk management objectives and its strategy for undertaking the transaction, together with the methods that will be used to assess the effectiveness of the hedge relationship.

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Currently, the borrowings related to Law 4,131/1962 have hedge transactions, as swaps (derivative financial instruments) that aim either to the exchange of fixed to floating rates in CDI or to the exchange of the U.S. dollars to reais; and they were classified as cash flow hedges. These swaps were contracted with the financial institution together with the borrowing (foreign currency debt + swap to reais at % of CDI). The terms and conditions of the borrowing and derivative constitute a matched transaction, resulting in a debt subject to a % rate of the CDI and in reais in the Company's statement of financial position. The Group established the hedge relation at 1:1 and performs on a quarterly basis a qualitative and prospective assessment on the hedge effectiveness.

The fair value of the derivative financial instruments used for hedging purposes are disclosed in note 15. The changes in the hedge amounts recorded in equity as carrying value adjustments are shown in note 23 (d).

3 Investment program

On January 24, 2020, the Company started its Investment Program ("Program"), which consists of the onerous offer of purchase options or subscription of the Company's shares to some key executives of the senior management ("Eligible Investors"). The main conditions of the Program are described in Note 23 (e). On the same date, the Program was approved at the Extraordinary General Shareholders' Meeting that entrusted the Company's Board of Directors, by means of investment plans, with the definition of the Eligible Investors, number of options to be offered to each of them, as well as their acquisition and exercise price ("Plan"), always based on the criteria defined in the Program.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

The Company's first Plan was approved by the Board of Directors on March 19, 2020. The contra-entry of the amount paid by the Eligible Investors that chose to join the Plan was recorded under the capital reserve in the Company's equity, with a provision for the subscription of preferred shares only in the cases that these options are exercised. These preferred shares will become part of the Company's capital.

4 Critical accounting estimates and judgments

Accounting estimates and judgments are continually reassessed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The accounting estimates and judgments applied in the preparation of this condensed interim financial information correspond to the accounting estimates and judgments applied in the preparation and disclosure of the annual financial statements for the year ended December 31, 2021, except for derivative financial instruments, included in Note 2.4.

5 Financial risk management

5.1 Financial risk factors

General considerations

The Group participates in transactions involving financial instruments, including cash and cash equivalents, restricted funds, trade receivables, trade payables, loans, borrowings, debentures, derivative financial instruments, related parties and concession rights payable. Moreover, the Group contracts derivative financial instruments aiming at exchanging exposures deriving from debts in U.S. dollars subject to fixed rates to a debt exposure in reais indexed to the CDI.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

For the purposes of managing the cash resources of its operations, the risks involved are managed through financial market mechanisms that minimize the exposure of the assets and liabilities of the companies, protecting the profitability of contracts and equity of the Group. Additionally, the Group did not participate in transactions involving speculative derivative financial instruments.

(a) Market risk

(i) Risk of cash flows associated with interest rate

The Group's risk of cash flows associated with interest rate arises from the following financial instruments: (i) financial investments and restricted funds whose yield is mainly tied to the Interbank Deposit Certificate ("CDI") rate; and (ii) loans, borrowings, lease liabilities and debentures that are subject to different indexes.

We present below the estimated impacts on financial instruments that would be generated by changes in the variables of relevant risks of interest rate variations to which the Group is exposed at the end of the quarter.

The probable scenario was calculated taking into consideration a projected rate for the twelve-month period and it was based on forecasts available on the market and on the average spread, which are described in the table below, to measure the impacts of the change in these variables on the balances for March 31, 2022 for the next twelve months.

The other risk factors were considered immaterial to the result of financial instruments.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

		In thousand of reais				
		Accounting balances				
		March 31, 2022				
		Assets	Liabilities			
Cash and cash equivalents: Financial investments						
In CDI		828,745				
Loans and borrowings						
In IPCA			(135,698)			
In CDI			(341,271)			
In USD			(199,167)			
In TR			(2,376,495)			
In TJLP			(60,920)			
			(3,113,551)			
Leases						
In IGPM			(117,862)			
In IPCA			(45,891)			
			(163,753)			
Debentures						
In IPCA			(411,177)			
In CDI			(4,182,820)			
In TR			(276,650)			
			(4,870,647)			
Derivatives						
Swap - Active tip			201,227			
Swap - Passive tip			(207,934)			
			(6,707)			

	Risk	Probable	+25%	+50%	-25%	-50%
Cash and cash equivalents: Financial investments						
In CDI	CDI decrease	105,333	131,666	158,000	79,000	52,667
Loans and borrowings						
In IPCA	IPCA increase	(9,816)	(11,770)	(13,724)	(7,862)	(5,908)
In CDI	CDI increase	(50,943)	(61,787)	(72,631)	(40,099)	(29,255)
In USD	Exchange variation	(7,373)	(9,216)	(11,059)	(5,530)	(3,686)
In TR	TR increase	(277,644)	(296,003)	(314,361)	(259,286)	(240,927)
In TJLP	TJLP increase	(5,565)	(6,604)	(7,643)	(4,526)	(3,488)
		(351,341)	(385,380)	(419,418)	(317,303)	(283,264)
Leases						
In IGPM	IGPM increase	(7,909)	(9,886)	(11,864)	(5,932)	(3,955)
In IPCA	IPCA increase	(2,643)	(3,304)	(3,965)	(1,982)	(1,322)
		(10,552)	(13,190)	(15,829)	(7,914)	(5,277)
Debentures						
In IPCA	IPCA increase	(49,117)	(55,038)	(60,959)	(43,196)	(37,275)
In TR	TR increase	(35,106)	(37,243)	(39,380)	(32,969)	(30,832)
In CDI	CDI increase	(651,991)	(784,900)	(917,809)	(519,082)	(386,173)
		(736,214)	(877,181)	(1,018,148)	(595,247)	(454,280)
		(992,774)	(1,144,085)	(1,295,395)	(841,464)	(690,154)

Macroeconomics indicators	Source	Projections	Extraction	Base date	Note	2022
TR	B3	12 months	05/04/2022	31/03/2022	Rate disclosed quarterly	3.09%
CDI	B3	12 months	05/04/2022	31/03/2022		12.71%
TJLP	BNDES	12 months	05/04/2022	31/03/2022		6.82%
IPCA	BACEN	12 months	12/04/2022	31/03/2022		5.76%
IGPM	BACEN	12 months	12/04/2022	31/03/2022		6.71%

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

		In thousand of U.S. dollars	
		Accounting balances	
		March 31, 2022	
		Assets	Liabilities
Cash and cash equivalents: Financial investments			
In CDI		174,922	
Loans and borrowings			
In IPCA			(28,642)
In CDI			(72,032)
In USD			(42,038)
In TR			(501,603)
In TJLP			(12,858)
			(657,173)
Leases			
In IGPM			(24,877)
In IPCA			(9,686)
			(34,563)
Debentures			
In IPCA			(86,786)
In CDI			(882,861)
In TR			(58,392)
			(1,028,039)
Derivatives			
Swap - Active tip			42,473
Swap - Passive tip			(43,888)
			(1,415)

		Risk	Probable	+25%	+50%	-25%	-50%
Cash and cash equivalents: Financial investments							
In CDI	CDI decrease		22,232	27,791	33,349	16,674	11,116
Loans and borrowings							
In IPCA	IPCA increase		(2,072)	(2,484)	(2,897)	(1,659)	(1,247)
In CDI	CDI increase		(10,752)	(13,041)	(15,330)	(8,464)	(6,175)
In USD	variation		(1,556)	(1,945)	(2,334)	(1,167)	(778)
In TR	TR increase		(58,602)	(62,477)	(66,352)	(54,727)	(50,852)
In TJLP	TJLP increase		(1,175)	(1,394)	(1,613)	(955)	(736)
			(74,157)	(81,341)	(88,526)	(66,972)	(59,788)
Leases							
In IGPM	IGPM increase		(1,669)	(2,087)	(2,504)	(1,252)	(835)
In IPCA	IPCA increase		(558)	(697)	(837)	(418)	(279)
			(2,227)	(2,784)	(3,341)	(1,670)	(1,114)
Debentures							
In IPCA	IPCA increase		(10,367)	(11,617)	(12,867)	(9,117)	(7,868)
In TR	TR increase		(7,410)	(7,861)	(8,312)	(6,959)	(6,508)
In CDI	CDI increase		(137,615)	(165,668)	(193,721)	(109,562)	(81,509)
			(155,392)	(185,146)	(214,900)	(125,638)	(95,885)
			(209,544)	(241,480)	(273,418)	(177,606)	(145,671)

Macroeconomics indicators	Source	Projections	Extraction	Base date	Note	2022
TR	B3	12 months	05/04/2022	31/03/2022		3.09%
CDI	B3	12 months	05/04/2022	31/03/2022		12.71%
TJLP	BNDES	12 months	05/04/2022	31/03/2022	Rate disclosed quarterly	6.82%
IPCA	BACEN	12 months	12/04/2022	31/03/2022		5.76%
IGPM	BACEN	12 months	12/04/2022	31/03/2022		6.71%

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

The direct subsidiary BRK NE uses swap transactions to exchange an exposure in U.S. dollar at a fixed rate to an exposure in reais at the CDI rate. The swap is designated as hedge instrument to a borrowing obtained in foreign currency (Notes 14.1 and 15).

In thousand of reais					
Risk	Probable	+25%	+50%	-25%	-50%
Borrowings in foreign currency					
Swap asset position - Fixed					
Swap liability position - CDI					
Foreign exchange variation	7,449	9,311	11,174	5,587	3,725
CDI increase	(30,379)	(36,986)	(43,593)	(23,772)	(17,165)
	(22,930)	(27,675)	(32,419)	(18,185)	(13,440)
Macroeconomics indicators					
CDI	B3	12 months	05/04/2022	31/03/2022	12.71%
USD/BRL - Future	B3	12 months	22/04/2022	31/03/2022	5.2329
Ptax USD/BRL	BACEN		22/04/2022	30/03/2022	4.7497

In thousand of U.S. dollars					
Risk	Probable	+25%	+50%	-25%	-50%
Borrowings in foreign currency					
Swap asset position - Fixed					
Swap liability position - CDI					
Foreign exchange variation	1,572	1,965	2,358	1,179	786
CDI increase	(6,412)	(7,807)	(9,201)	(5,018)	(3,623)
	(4,840)	(5,842)	(6,843)	(3,839)	(2,837)
Macroeconomics indicators					
CDI	B3	12 months	05/04/2022	31/03/2022	12.71%
USD/BRL - Future	B3	12 months	22/04/2022	31/03/2022	5.2329
Ptax USD/BRL	BACEN		22/04/2022	30/03/2022	4.7497

The scenarios of 25% and 50% are extrapolations of the rates projected for a probable scenario with no effect on the average spread.

(b) Credit risk

The policy of the Group takes into consideration the level of credit risk that the Group is willing to accept in the ordinary course of its business. The diversification of its receivables is inherent to the Group's business model and minimizes possible default problems in trade receivables.

The Group has cash and cash equivalents and restricted funds mainly with banks whose rating is AAA as assessed by S&P and Fitch.

The maximum exposure to credit risk is the carrying amount of receivables classified as cash and cash equivalents, bank deposits and financial institutions, restricted funds and trade receivables at the end of the reporting period (Notes 6, 7 and 8).

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(c) Liquidity risk

To manage the liquidity of cash in local currency, assumptions related to future disbursements and receipts are determined and monitored daily by the companies' treasury department.

The table below analyzes the Group's financial liabilities by aging group for the period between the end of the reporting period and the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	In thousand of reais					
	Less than one year	Between one and two years	Between two and five years	Over five years	Total by maturity	Amounts to be incurred (i) statement of financial position
At March 31, 2022						
Trade payables	218,616				218,616	218,616
Loans and borrowings	480,911	601,643	1,133,740	3,308,795	5,525,089	3,589,231
Lease liabilities	67,773	50,203	62,292	38,862	219,130	163,753
Debentures	887,265	3,204,149	2,048,660	1,629,752	7,769,826	4,821,578
Derivate financial instruments			6,707		6,707	6,707
	1,654,565	3,855,995	3,251,399	4,977,409	13,739,368	8,799,885
	In thousand of U.S. dollars					
	Less than one year	Between one and two years	Between two and five years	Over five years	Total by maturity	Amounts to be incurred (i) statement of financial position
At March 31, 2022						
Trade payables	46,143				46,143	46,143
Loans and borrowings	101,505	126,988	239,297	698,382	1,166,172	757,573
Lease liabilities	14,305	10,596	13,148	8,203	46,251	34,563
Debentures	187,274	676,295	432,407	343,989	1,639,965	1,017,683
Derivate financial instruments			1,416		1,416	1,416
	349,227	813,879	686,268	1,050,574	2,899,947	1,857,378

- (i) Since the amounts included in the table are the contractual undiscounted cash flows, these amounts are reconciled with the amounts disclosed in the consolidated statement of financial position in the "amounts to be incurred" column.

5.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For its capital management, the Group may review the policy for the payment of dividends, return capital to shareholders or even issue new shares or sell assets to optimize its capital structure.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio corresponds to the net debt as a percentage of total capital.

Net debt is calculated as total loans, borrowings, lease liabilities, debentures and derivative financial instruments (including current and non-current amounts), as shown in the consolidated statement of financial position, less cash and cash equivalents and restricted funds.

Total capital is calculated as equity, as shown in the consolidated statement of financial position, plus net debt.

The gearing ratio, which is net debt divided by total capital, at March 31, 2022 and December 31, 2021 was as follows:

	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Total loans, borrowings, debentures and lease liabilities (Note 14)	1,809,819	8,574,562
Total derivative financial instruments (Note 15)	1,416	6,707
(-) Cash and cash equivalents (Note 6)	(181,416)	(859,511)
(-) Restricted funds (Note 7)	(17,781)	(84,241)
Net debt	1,612,038	7,637,517
Total equity and non-controlling interests	729,245	3,455,020
Total capital	2,341,283	11,092,537
Gearing ratio - %	69%	68%

5.3 Fair value estimate

Cash and cash equivalents and restricted funds are mainly composed of bank deposit certificates and repurchase agreements, with yield based on the curve of the CDI rate for the final date of the period, as determined on the date they are contracted. The carrying amounts less provision for impairment and adjustment to present value of trade receivables, trade payables and payables to the concession grantor are assumed to approximate their fair values.

The balance maintained with related parties, both receivable and payable, is determined in accordance with the conditions negotiated between the parties. Additional conditions and information related to these financial instruments are disclosed in Note 21.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

The structured financing contracted with the National Bank for Economic and Social Development (“BNDES”) and Caixa Econômica Federal (“CEF”) have their own characteristics and there is no credit offer to entities in general in the market that compare to the conditions determined in the aforementioned contracts and, for this reason, they are considered at their nominal value adjusted through the end of the reporting period.

The debentures were projected for until the final maturity date in accordance with the contractual rates, discounted at present value at the future market interest rates obtained from the B3 S.A. – Brasil, Bolsa, Balcão (“B3”).

The direct subsidiary BRK NE uses derivative transactions (Swap) to protect itself against the variations of macroeconomic indexes and grant protection to the variation of foreign currencies. These transactions are not performed for speculative purposes.

Management concluded that, for all of the Group’s financial instruments, in assets and liabilities, taking into consideration the terms to maturity, their nature and by comparing the contractual interest rates with market interest rates in similar transactions, the carrying amounts approximate their fair values.

Loans, borrowings, debentures and derivative financial instruments are classified as Level 2 in the fair value hierarchy, as established in items 72 to 90 of CPC 46 / IFRS 13.

5.4 Financial instruments by category

The Group’s financial instruments are classified as follows:

Note	Parent										Consolidated	
	March 31, 2022					December 31, 2021					March 31, 2022	
	Carrying amount		Fair value			Carrying amount		Fair value			Carrying amount	
	US\$	R\$	US\$	R\$		US\$	R\$	US\$	R\$		US\$	R\$
Financial assets at amortized cost												
Cash and cash equivalents	6	68,657	325,283	68,657	325,283	411,818	411,818	181,416	859,511	181,416	859,511	1,099,887
Restricted funds	7							84,241	84,241			79,605
Trade receivables, net	8	75	355	75	355	355	855,803	4,054,625	855,803	4,054,625	3,866,505	3,866,505
Related parties	21	200,995	1,378,630	200,995	1,378,630	1,349,667	1,349,667	4,365	20,663	4,365	20,663	18,268
		359,717	1,704,268	359,717	1,704,268	1,761,840	1,761,840	1,203,001	5,019,060	1,203,001	5,019,060	5,064,285
Financial liabilities at amortized cost												
Trade payables	13	(3,536)	(16,753)	(3,536)	(16,753)	(45,633)	(45,633)	(46,143)	(218,616)	(46,143)	(218,616)	(274,797)
Loans and borrowings	14.1							(757,894)	(3,589,231)			(3,346,316)
Lease liabilities	14.2	(6,740)	(31,933)	(6,740)	(31,933)	(29,828)	(29,828)	(34,563)	(163,753)	(34,563)	(163,753)	(157,299)
Debentures	14.3	(282,159)	(1,336,819)	(279,326)	(1,323,392)	(1,352,526)	(1,346,379)	(1,017,803)	(4,821,578)	(1,016,564)	(4,816,278)	(4,814,165)
Concession rights payable	17							(48,718)	(230,816)	(48,718)	(230,816)	(222,290)
Related parties	21	(1,898)	(8,994)	(1,898)	(8,994)	(9,096)	(9,096)	(24,653)	(118,800)	(24,653)	(118,800)	(104,002)
		(284,333)	(1,384,496)	(291,500)	(1,381,072)	(1,437,083)	(1,430,930)	(1,929,333)	(9,140,784)	(1,928,530)	(9,137,012)	(8,917,549)
Financial liabilities at fair value												
Derivative financial instruments	15							(1,416)	(6,707)	(1,416)	(6,707)	
		(284,333)	(1,384,496)	(291,500)	(1,381,072)	(1,437,083)	(1,430,930)	(1,930,749)	(9,147,501)	(1,929,951)	(9,143,719)	(8,917,870)

5.5 Credit quality of financial assets

The Group has cash and cash equivalents and restricted funds mainly with banks whose rating is AAA.

(In thousands of Reais, unless otherwise stated)

Trade receivables are initially recognized at fair value less the provision for expected credit losses, calculated based on the analysis of future losses, in accordance with the history of default, separating private and public customers, and in accordance with the assessment of management.

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Fixed fund				1
Current account	78	371	6,494	30,765
Financial investments (i)	68,578	324,912	174,922	404,288
	68,657	325,283	181,416	859,741
				1,099,887

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BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

7 Restricted funds

	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Rio Claro	720	3,409
Santa Gertrudes	1	4
Uruguaiana	153	727
Porto Ferreira	2,085	9,879
Ativos Maduros	1,478	7,001
Projetos Ambientais	12,939	61,302
Centro Norte Participações	405	1,919
	17,781	84,241
		79,605

The balances mainly represent bank deposits that are remunerated at approximately 100.7% of the Interbank Deposit Certificate ("CDI") rate (December 31, 2021 – 99.3% of the CDI rate) and their use is tied to compliance with the contractual obligations from loan, borrowing and debenture operations. The amounts are maintained until the maturity of the related debts.

8 Trade receivables, net

	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Trade receivables		
Public concessions	317,394	1,503,749
Allowance for expected credit losses	(56,572)	(256,262)
	260,822	1,235,723
Billing rights		
Public concessions	594,981	2,818,902
	855,803	4,054,625
(-) Current	(161,416)	(764,759)
Non-current	694,387	3,289,866
		3,249,054

All trade accounts receivable and billing rights of the Group are denominated in Brazilian reais and are presented net of the allowance for expected credit losses.

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Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

The aging analysis of these trade receivables is as follows:

	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Not yet due	37,664	178,444
Past due		
Up to 30 days	20,975	99,374
From 31 to 60 days	9,738	46,135
From 61 to 90 days	6,259	29,655
From 91 to 180 days	16,734	79,284
Over 180 days	137,862	653,162
Unbilled amounts	30,448	144,257
Trade receivables	259,680	1,230,311
Billing agents	1,142	5,412
Billing rights	594,981	2,818,902
Total	855,803	4,054,625

At March 31, 2022, the Group has R\$ 1,966,700 – US\$ 415,108 (December 31, 2021 – R\$ 1,956,148) related to trade receivables and credit rights that were assigned as guarantee for loans, borrowings and debentures.

The movement in the allowance for expected credit losses of the Group is as follows:

	At the beginning of the period/year	Additions	Allowance for expected credit losses due to receipt or renegotiation	Allowance for expected credit losses as uncollectible	At the end of the period/year
At March 31, 2022	(256,262)	(26,119)	13,425	930	(268,026)
At March 31, 2022 (In US\$)	(54,089)	(5,513)	2,834	196	(56,572)
At December 31, 2021	(220,366)	(91,699)	54,027	1,776	(256,262)

9 Investments

(a) Summary of the financial information of subsidiaries and joint ventures

The tables below present summaries of the financial information of subsidiaries and joint ventures. The financial information of subsidiaries refers to direct and indirect subsidiaries of the first and second levels:

BRK Ambiental Participações S.A. and subsidiaries

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(In thousands of Reais, unless otherwise stated)

	In thousands of reais											
	December 31, 2021								March 31, 2021			
	Equity interest %	Current assets	Current liabilities	Net current assets (liabilities)	Non-current assets	Non-current liabilities	Net non-current assets (liabilities)	Equity	Investment	Net service and sales revenue	Gross profit	Profit (loss) for the period
Subsidiaries												
Direct												
Concessionaires												
Rio Claro	60.00	23,582	18,442	5,140	140,102	73,214	75,888	81,028	48,616	18,887	8,042	3,394
RDOP Consolidado	100.00	36,821	88,484	(51,663)	844,468	488,266	356,202	302,327	302,327	16,702	13,170	6,154
Mauá	100.00	25,595	24,988	607	224,622	175,821	48,801	49,408	49,408	18,008	14,054	2,486
Blumenau	100.00	50,018	18,576	31,442	296,063	254,461	41,602	73,044	73,044	16,011	8,152	1,782
Santa Gertrudes	100.00	3,781	1,932	1,849	15,769	15,848	(79)	1,770	1,770	3,107	1,039	570
Mairinque	96.11	5,730	22,540	(16,810)	62,099	12,667	49,432	32,622	31,350	6,550	2,064	(265)
Uruguaiana	100.00	36,709	26,639	10,070	253,333	215,184	38,149	48,219	48,219	21,913	9,480	2,876
Porto Ferreira	100.00	12,575	4,840	7,735	58,094	59,818	(1,724)	6,011	6,011	6,616	1,919	(19)
Centro Norte Participações Consolidado	100.00	270,618	262,602	8,016	1,650,281	1,530,582	119,699	127,715	127,715	142,807	57,446	220
Araguaia	100.00	4,085	27,515	(23,430)	57,057	17,454	39,603	16,173	16,173	2,589	433	(744)
BRK Negócios Industriais	100.00	36	4,003	(3,967)	43,523	15,138	28,385	24,418	24,418			
Maranhão	100.00	64,489	18,426	46,063	237,745	279,615	(41,870)	4,193	4,193	25,686	12,813	(108)
BRK Projetos Ambientais Consolidado	100.00	507,067	331,596	175,481	4,144,340	3,843,202	301,138	411,960	411,960	240,886	96,072	26,182
Sumaré	100.00	64,184	23,479	40,705	259,373	211,385	47,988	88,693	88,693	27,566	9,148	1,466
Mauá Água	100.00	718	4	714	758	190	568	1,282	1,282			(19)
Santo André	100.00				3,400	3,731	(331)	(331)				(15)
Rio das Ostras	0.58	36,019	101,935	(65,916)	844,468	395,306	449,162	383,246	2,210	16,702	13,170	5,733
RMR	9.39	125,105	160,216	(35,111)	2,024,530	1,583,285	441,245	406,134	38,116	122,408	55,496	23,331
Goias	1.00	92,098	133,142	(41,044)	1,377,446	1,259,144	118,302	77,258	773	72,586	21,647	(3,390)
Capador	100.00	19,105	5,165	13,940	35,141	47,537	(12,396)	1,544	1,544	7,147	1,607	124
RMM	100.00	97,018	73,387	23,631	2,228,641	1,836,215	392,426	416,057	416,057	1,095	83	(12,362)
BRK Ativos Maduros Consolidado	100.00	235,736	245,168	(9,432)	729,807	370,785	359,022	349,590	349,590	88,392	45,893	16,326
BRK NE	99.90	69,431	2,200	67,231	251,444	319,738	(68,294)	(1,063)				
BRK NI	99.90	1	1			11	(11)	(11)				
Private entities												
Digital	100.00	1,585	1	1,584		22	(22)	1,562	1,562			(9)
Ecoaquia	100.00	399	14	385	8,891	32	8,859	9,244	9,244			9
Investments in subsidiaries at December 31, 2021									2,054,275			
Joint ventures												
BRK SAAB	50.00											
F. AB. Zona Oeste	50.00	253,329	121,832	131,497	982,976	954,373	28,603	160,100	80,050	98,933	43,609	7,932
Investments in joint ventures at December 31, 2021									80,050			
Investment balance at December 31, 2021									2,134,325			

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(In thousands of Reais, unless otherwise stated)

In thousands of reais												
											March 31, 2022	Profit (loss) for the period
	Equity interest %	Current assets	Current liabilities	Net current assets (liabilities)	Non-current assets	Non-current liabilities	Net non-current assets (liabilities)	Equity	Investment	Net service and sales revenue	Gross profit (loss)	
Subsidiaries												
Direct												
Concessionaires												
Rio Claro	60.00	30,710	18,793	11,927	148,074	75,272	72,802	84,729	50,837	16,158	7,858	3,703
RDOP Consolidado	100.00	14,270	31	14,239	390,981	93,563	297,418	311,657	311,657	27,027	22,138	9,330
Mauá	100.00	26,628	25,199	1,429	223,331	172,173	51,158	52,587	52,587	20,764	12,605	3,179
Blumenau	100.00	42,047	23,745	18,302	308,694	252,114	56,580	74,882	74,882	26,512	8,743	1,838
Santa Gertrudes	100.00	3,471	3,193	278	17,862	16,443	1,419	1,697	1,697	4,911	840	(73)
Mairinque	96.56	7,355	19,950	(12,595)	62,684	13,115	49,569	36,974	35,702	6,100	1,847	16
Uruguaiana	100.00	24,047	28,503	(4,456)	269,197	212,035	57,162	52,706	52,706	31,257	12,876	4,487
Porto Ferreira	100.00	8,111	5,210	2,901	59,885	57,295	2,590	5,491	5,491	7,615	1,532	(520)
Centro Norte Participações Consolidado	100.00	7,829	9,070	(1,241)	446,952	323,990	124,962	123,721	123,721	181,282	63,411	(3,994)
Araguaia	100.00	3,873	27,621	(23,748)	61,630	23,119	38,511	14,763	14,763	5,159	(328)	(1,410)
BRK Negócios Industriais	100.00	68	4,004	(3,936)	43,523	15,242	28,281	24,345	24,345			(73)
Maranhão	100.00	46,856	13,646	33,210	254,336	288,309	(33,973)	(763)		37,635	12,745	(4,956)
BRK Projetos Ambientais Consolidado	100.00	40,420	1,311	39,109	623,171	220,657	402,514	441,623	441,623	382,035	121,550	29,663
Sumaré	100.00	58,929	24,292	34,637	268,558	216,629	51,929	86,566	86,566	35,910	6,867	(2,127)
Mauá Água	100.00	717	4	713	758	208	550	1,263	1,263			(19)
Santo André	100.00				3,400	3,747	(347)	(347)				(16)
Rio das Ostras	0.98	51,850	109,139	(57,289)	854,272	403,733	450,539	393,250	2,269	27,027	22,138	10,003
RMR	9.39	200,377	174,977	25,400	2,078,922	1,669,479	409,443	434,843	40,810	199,257	62,195	28,709
Goias	1.00	74,836	150,236	(75,400)	1,451,306	1,305,457	145,849	70,449	705	125,466	26,654	(6,509)
Capador	100.00	16,866	6,600	10,666	39,590	47,802	(8,222)	1,944	1,944	9,379	1,941	300
RMM	100.00	177,854	130,833	47,021	2,322,596	1,942,928	379,668	426,689	426,689	169,947	13,226	(10,867)
BRK Ativos Maduros Consolidado	100.00	20,794	19,871	923	374,163	35	374,128	375,051	375,051	106,232	50,524	25,461
BRK NE	99.90	207,847	11,229	196,618	323,427	525,570	(202,143)	(5,525)				(653)
BRK NI	99.90	1	1			11	(11)	(11)				
Private entities												
Digital	100.00	1,586	1	1,585		12	(12)	1,573	1,573			11
Ecoaquia	100.00	450	20	430	8,994	25	8,969	9,399	9,399			155
Investments in subsidiaries at March 31, 2022									2,136,180			
Joint ventures												
BRK SAAB	50.00											
F. AB. Zona Oeste	50.00	198,372	476,930	(278,558)	1,039,669	604,092	435,577	157,019	78,510	137,414	43,789	(3,081)
Investments in joint ventures at March 31, 2022									78,510			
Investment balance at March 31, 2022									2,214,690			

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reals, unless otherwise stated)

In thousands of U.S. dollars												
											March 31, 2022	Profit (loss) for the period
	Equity interest %	Current assets	Current liabilities	Net current assets (liabilities)	Non-current assets	Non-current liabilities	Net non-current assets (liabilities)	Equity	Investment	Net service and sales revenue	Gross profit (loss)	
Subsidiaries												
Direct												
Concessionaires												
Rio Claro	60.00	6,482	3,964	2,518	31,254	15,888	15,366	17,884	10,729	3,410	1,659	782
RDOP Consolidado	100.00	3,012	7	3,005	82,524	19,748	62,776	65,781	65,781	5,705	4,673	1,969
Mauá	100.00	5,620	5,319	301	47,138	36,340	10,798	11,099	11,099	4,383	2,661	671
Blumenau	100.00	8,875	5,012	3,863	65,156	53,214	11,942	15,805	15,805	5,596	1,845	388
Santa Gertrudes	100.00	733	674	59	3,770	3,471	299	358	358	1,037	177	(15)
Mairinque	96.56	1,552	4,211	(2,659)	13,231	2,788	10,463	7,804	7,536	1,288	390	3
Uruguaiana	100.00	5,076	6,016	(940)	56,819	44,754	12,065	11,125	11,125	6,597	2,718	947
Porto Ferreira	100.00	1,712	1,100	612	12,640	12,093	547	1,159	1,159	1,607	323	(110)
Centro Norte Participações Consolidado	100.00	1,652	1,914	(262)	94,337	67,961	26,376	26,114	26,114	38,263	13,384	(843)
Araguaia	100.00	817	5,830	(5,013)	13,008	4,879	8,129	3,116	3,116	1,089	(69)	(298)
BRK Negócios Industriais	100.00	14	845	(831)	9,186	3,217	5,969	5,138	5,138	7,944	2,690	(15)
Maranhão	100.00	9,890	2,880	7,010	53,682	60,853	(7,171)	(161)		80,636	25,655	(1,046)
BRK Projetos Ambientais Consolidado	100.00	8,531	277	8,254	131,532	46,573	84,959	93,213	93,213	7,579	1,447	6,261
Sumaré	100.00	12,438	5,127	7,311	56,684	45,724	10,960	18,271	18,271			(449)
Mauá Água	100.00	151	1	150	160	43	117	267	267			(4)
Santo André	100.00				718	791	(73)	(73)				(3)
Rio das Ostras	0.98	10,944	23,036	(12,092)	180,310	85,215	95,095	83,003	479	5,705	4,673	2,111
RMR	9.39	42,293	36,932	5,361	438,795	352,374	86,421	91,782	8,614	42,057	13,127	6,060
Goias	1.00	15,796	31,710	(15,914)	306,325	275,541	30,784	14,870	149	26,486	5,626	(1,437)
Capador	100.00	3,518	1,393	2,125	8,354	10,090	(1,736)	389	389	1,980	389	63
RMM	100.00	37,539	27,615	9,924	490,227	410,090	80,137	90,061	90,061	35,870	2,792	(2,294)
BRK Ativos Maduros Consolidado	100.00	4,389	4,194	195	78,974	8	78,966	79,161	79,161	22,422	10,664	5,374
BRK NE	99.90	43,870	2,370	41,500	68,265	110,931	(42,666)	(1,166)				(138)
BRK NI	99.90					2	(2)					
Private entities												
Digital	100.00	335		335		3	(3)	332	332			2
Ecoaquia	100.00	95	4	91	1,898	5	1,893	1,984	1,984			33
Investments in subsidiaries at March 31, 2022									450,880			
Joint ventures												
BRK SAAB	50.00											
F. AB. Zona Oeste	50.00	41,870	100,665	(58,795)	219,441	127,505	91,936	33,141	16,571	29,004	9,242	(650)
Investments in joint ventures at March 31, 2022									16,571			
Investment balance at March 31, 2022									467,451			

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(b) Breakdown of investments

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Subsidiaries	450,880	2,136,180	2,054,275	
Joint ventures	16,571	78,510	80,050	
Total investments, net	467,451	2,214,690	2,134,325	80,050

(c) Changes in investments - parent

The changes in investments are presented below:

In thousands of reais										
	Opening balance	Additions	Disposals	Dividends and interest on capital	Share of profit (loss) of continuing operations	Share of profit (loss) of discontinued operations	Write-off of provision for loss on investments of discontinued operation	Other comprehensive income	Other transfers	Closing balance
Direct subsidiaries										
Rio Claro	48,616				2,221					50,837
Mauá	49,408				3,179					52,587
RDOOP Consolidado	302,327				9,330					311,657
Blumenau	73,044				1,838					74,882
Mainique (ii)	31,350	4,336			16					35,702
Santa Gertrudes	1,770				(73)					1,697
Ecoaquí	9,244				155					9,399
Uruguaiana	48,219				4,487					52,706
Porto Ferreira	6,011				(520)					5,491
Centro Norte Participações Consolidado	127,715				(3,994)					123,721
Araguaia	16,173				(1,410)					14,763
Mauá Águas	1,282				(19)					1,263
BRK Projetos Ambientais Consolidado	411,960				29,663					441,623
BRK Negócios Industriais	24,418				(73)					24,345
RMR	38,116				2,694					40,810
Rio das Ostras	2,210				59					2,269
Goiás	773				(68)					705
Maranhão	4,193				(4,193)					
Cepador	1,544				300					1,844
RMM (i)	416,057	21,499			(10,867)					426,689
Sumaré	88,693				(2,127)					86,566
Digital	1,562				11					1,573
BRK Ativos Maduros Consolidado	349,590				25,461					375,051
Joint ventures										
F. AB. Zona Oeste	80,050				(1,540)					78,510
At March 31, 2022										
	2,134,325	25,835			54,530					2,214,690
At December 31, 2021										
	1,720,632	516,184		(254,430)	150,435			5,983	(4,479)	2,134,325
Provision for loss on investments										
Santo André	(331)				(16)					(347)
BRK NI	(11)									(11)
BRK NE	(1,063)				(653)			(3,809)		(5,525)
Maranhão					(763)					(763)
At March 31, 2022										
	(1,405)				(1,432)			(3,809)		(6,646)
At December 31, 2021										
	(246)		(1)		(1,160)	(2,075)	4,092		(2,015)	(1,405)

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

In thousands of U.S. dollars										
	Opening balance	Additions	Disposals	Dividends and interest on capital	Share of profit (loss) of continuing operations	Share of profit (loss) of discontinued operations	Write-off of provision for loss on investments of discontinued operation	Other comprehensive income	Other transfers	Closing balance
Direct subsidiaries										
Rio Claro	10,260				469					10,729
Mauá	10,428				671					11,099
RDOOP Consolidado	63,812				1,969					65,781
Blumenau	15,417				388					15,805
Mairinque (ii)	6,618	915			3					7,536
Santa Gertrudes	373				(15)					358
Ecoque	1,951				33					1,984
Uruguaiana	10,178				947					11,125
Porto Ferreira	1,269				(110)					1,159
Centro Norte Participações Consolidado	26,957				(843)					26,114
Araguaia	3,414				(298)					3,116
Mauá Água	271				(4)					267
BRK Projetos Ambientais Consolidado	86,952				6,261					93,213
BRK Negócios Industriais	5,153				(15)					5,138
RMR	8,045				569					8,614
Rio das Ostras	467				12					479
Goiás	163				(14)					149
Maranhão	885				(885)					
Cajador	326				63					389
RMM (i)	87,817	4,538			(2,294)					90,061
Sumaré	18,720				(449)					18,271
Digital	330				2					332
BRK Ativos Maduros Consolidado	73,787				5,374					79,161
Joint ventures										
F. AB. Zona Oeste	16,896				(325)					16,571
At March 31, 2022	450,489	5,453			11,509					467,451
At December 31, 2021	363,171	108,950		(53,702)	31,752			1,263	(945)	450,489
Provision for loss on investments										
Santo André	(70)				(3)					(73)
BRK NI	(2)									(2)
BRK NE	(224)				(138)			(804)		(1,166)
Maranhão					(161)					(161)
At March 31, 2022	(296)				(302)			(804)		(1,402)
At December 31, 2021	(52)				(245)	(438)	864		(425)	(296)

- (i) On January 10, 2022, the Company completed the payment of the remaining balance of subscribed capital of direct subsidiary RMM amounting to R\$ 21,499 – US\$ 4,538.
- (ii) On March 11, 2022, in accordance with the Extraordinary General Meeting, the Company increased the capital of the direct subsidiary Mairinque with a contribution in cash of R\$ 4,336 – US\$ 915, through the issuance of 3,216,144 new registered common shares with no par value. The non-controlling shareholder waived the right to follow such capital increase. As a result, its interest in the capital of Mairinque was reduced from 3.895% to 3.438%.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(d) Changes in investments - Consolidated

The changes in investments are presented below:

In thousands of reais					
	Opening balance	Dividends	(loss) of subsidiaries and joint ventures	Other transfers	Other comprehensive income
Joint ventures					
F. AB. Zona Oeste	80,050		(1,540)		
At March 31, 2022	80,050		(1,540)		
At December 31, 2021	82,403	106	1,840	(4,485)	186
					80,050
In thousands of U.S. dollars					
	Opening balance	Dividends	(loss) of subsidiaries and joint ventures	Other transfers	Other comprehensive income
Joint ventures					
F. AB. Zona Oeste	16,896		(325)		
At March 31, 2022	16,896		(325)		
At December 31, 2021	17,393	22	388	(947)	39
					16,895

(e) Dividends and interest on capital receivable

(i) Breakdown

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Mairinque	162	767		767
Mauá	6,018	28,514		28,514
RDOP	15,623	74,020		74,020
Rio Claro	4,522	21,424		21,424
Rio das Ostras	56	265		265
Porto Ferreira	164	777		777
Uruguiana	1,171	5,549		5,549
F.AB. Zona Oeste	1,238	5,867	1,238	5,867
RMR	880	4,167		4,167
Santa Gertrudes	8	38		38
BRK Negócios Industriais	844	4,000		4,000
BRK Ativos Maduros	4,101	19,428		153,428
	34,787	164,816	1,238	5,867
(-) Current	(9,638)	(45,663)	(1,238)	(5,867)
Non-current	25,149	119,153		

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(ii) Changes

	Parent					
	Opening balance	Additions	Proceeds	Assignment	Others	Closing balance
					R\$	US\$
Interest on capital						
Mauri	4,239					895
Rio Claro	5,779					1,220
Rio das Ostras	14					3
Porto Ferreira	182					38
Santa Gertrudes	38					8
	10,252					2,164
Dividends receivable						
Mairinque	767					162
Mauri	24,275					5,123
RDOP	74,020					15,623
Rio Claro	15,645					3,302
Porto Ferreira	595					126
Rio das Ostras	251					53
Uniguaia	5,549					1,171
FAB, Zona Oeste	5,867					1,238
RMR	4,167					880
BRK Negócios Industriais	4,000					844
BRK Ativos Maduros	153,428		(134,000)			4,101
	288,564		(134,000)			32,623
At March 31, 2022	298,816		(134,000)			34,787
At December 31, 2021	152,178	255,024	(73,691)	(34,101)	(594)	63,071

	Consolidated		
	Opening balance	Additions	Closing balance
			R\$
Dividends receivable			
FAB, Zona Oeste	5,867		1,238
At March 31, 2022	5,867		1,238
At December 31, 2021	5,973	438	(544)

10 Contract assets

	Consolidated		
	March 31, 2022		December 31, 2021
	US\$		R\$
At the beginning of the period/year	261,118	1,237,126	1,012,556
(+) Additions	72,718	344,523	955,287
(-) Transfers - intangible assets	(8,458)	(40,071)	(731,990)
(+) Other transfers			1,273
At the end of the period/year	325,378	1,541,578	1,237,126

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

This refers to the investments in infrastructure related to the companies listed below:

Contract assets				Consolidated
		March 31, 2022	December 31, 2021	Expected completion
	US\$		R\$	
Rio Claro	2,117	10,031	8,901	Dec 24
Mauá	314	1,490	3,317	Jun 22
Blumenau	14,108	66,839	53,128	Dec 27
Santa Gertrudes	793	3,758	1,981	Dec 24
Mairinque	2,059	9,755	28,599	Dec 25
Uruguaiana	20,803	98,560	83,858	Dec 22
Porto Ferreira	1,105	5,234	5,479	Jan 23
Saneatins	80,553	381,644	300,942	Jan 29
Caçador	5,160	24,448	20,439	Mar 24
Araguaia	3,021	14,313	10,694	Jun 22
Sumaré	11,127	52,716	52,905	Dec 25
Maranhão	7,914	37,497	23,368	Dec 23
Mauá Água	160	758	758	Dec 22
Macaé	21,117	100,050	92,346	Jun 22
Goiás	106,300	503,626	425,375	Dec 23
RMM	32,798	155,389	60,688	Dec 26
Limeira	11,978	56,749	48,832	Dec 27
Cachoeiro	3,951	18,721	15,516	Dec 22
	325,378	1,541,578	1,237,126	

(b) Capitalization of interest and financial charges

In the quarter ended March 31, 2022, the Group capitalized interest and financial charges on the concession assets amounting to R\$ 26,969 – US\$ 5,692 (December 31, 2021 - R\$ 75,739) in the period in which the assets were under construction.

The weighted average rate of financial charges used in determining the amount of borrowing costs, to be capitalized as an integral part of the assets under construction, was 8.90% p.a. in the quarter ended March 31, 2022 (December 31, 2021 - 8.48% p.a.).

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

11 Right-of-use assets

	Parent		
	Properties	IT equipment	Vehicles
			Total
Acquisition cost			
At January 1, 2021	33,686	1,888	35,705
Additions	7,153	1,385	8,658
Disposals		(275)	(276)
Transfers	(4,054)		(4,054)
Remeasurements	(207)		(194)
At December 31, 2021	36,578	2,998	39,839
Accumulated amortization			
At January 1, 2021	(7,803)	(1,297)	(9,225)
Amortization	(4,914)	(1,701)	(6,655)
Transfers	4,054		4,054
At December 31, 2021	(8,663)	(2,998)	(11,826)
Net book value	27,915	98	28,013
Acquisition cost			
At January 1, 2022	36,578	2,998	39,839
Additions	1,715	2,273	3,988
Disposals	(192)	(2)	(194)
At March 31, 2022	38,101	5,269	43,633
Accumulated amortization			
At January 1, 2022	(8,663)	(2,998)	(11,826)
Amortization	(1,389)	(516)	(1,915)
At March 31, 2022	(10,052)	(3,514)	(13,741)
Net book value	28,049	1,755	29,892
Net book value (US\$)	5,920	370	6,309
Useful life (years)	4 a 10	5 a 6	3

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

	Consolidated				
	Properties	IT equipment	Machinery and equipment	Vehicles	Total
Acquisition cost					
At January 1, 2021	101,458	5,536	59,478	35,317	201,789
Additions	13,332	3,420	31,282	37,933	85,967
Disposals	(5,405)	(613)	(22,895)	(13,857)	(42,770)
Transfers	(4,057)				(4,057)
Remeasurements	(415)	12	(618)	(2,649)	(3,670)
At December 31, 2021	104,913	8,355	67,247	56,744	237,259
Accumulated amortization					
At January 1, 2021	(19,040)	(3,560)	(12,009)	(18,272)	(52,881)
Amortization	(12,926)	(3,803)	(15,166)	(15,327)	(47,222)
Disposals		30	1,873	3,191	5,094
Transfers	4,057				4,057
At December 31, 2021	(27,909)	(7,333)	(25,302)	(30,408)	(90,952)
Net book value	77,004	1,022	41,945	26,336	146,307
Acquisition cost					
At January 1, 2022	104,913	8,355	67,247	56,744	237,259
Additions	7,066	4,916	6,546	4,538	23,066
Disposals	(479)	(115)	(1,694)	(1,882)	(4,170)
At March 31, 2022	111,500	13,156	72,099	59,400	256,155
Accumulated amortization					
At January 1, 2022	(27,909)	(7,333)	(25,302)	(30,408)	(90,952)
Amortization	(3,706)	(1,343)	(4,707)	(6,071)	(15,827)
Disposals		3		37	40
At March 31, 2022	(31,615)	(8,673)	(30,009)	(36,442)	(106,739)
Net book value	79,885	4,483	42,090	22,958	149,416
Net book value (US\$)	16,861	946	8,884	4,846	31,537
Useful life (years)	1 a 23	1 a 6	1 a 6	1 a 5	

The right-of-use assets balance presented above includes the residual amount of assets of related parties of R\$ 73,532 US\$ - 15,520 (December 31, 2021 – R\$ 71,342) leased from Ouro Verde Locações e Serviços S.A. (“Ouro Verde”), an indirect subsidiary of the Brookfield Group.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

12 Intangible assets

	Parent				
	Concession right (goodwill)	Goodwill	Software	Intangible assets under formation (i)	Others
Acquisition cost					
At January 1, 2021	499,195	8,777	38,484	144,380	6
Additions				158,465	
Other transfers			195,031	(195,602)	(2)
At December 31, 2021	499,195	8,777	233,515	107,243	4
Accumulated amortization					
At January 1, 2021	(85,016)		(15,906)		
Amortization	(18,809)		(11,478)		
Other transfers			420		(2)
At December 31, 2021	(103,825)		(26,964)		(2)
Net book value	395,370	8,777	206,551	107,243	2
Acquisition cost					
At January 1, 2022	499,195	8,777	233,515	107,243	4
Additions				24,040	
Other changes and transfers			25,880	(25,880)	3,265
At March 31, 2022	499,195	8,777	259,395	105,403	3,269
Accumulated amortization					
At January 1, 2022	(103,825)		(26,964)		(2)
Amortization	(4,702)		(6,783)		(84)
At March 31, 2022	(108,527)		(33,747)		(86)
Net book value	390,668	8,777	225,648	105,403	3,183
Net book value (US\$)	82,457	1,853	47,627	22,247	672
Useful life (years)	13 a 36		5		

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reals, unless otherwise stated)

	Consolidated					
	Water and wastewater system	Goodwill	Concession right and customer list	Software	Intangible assets under formation (i)	Others
						Total
Acquisition cost						
At January 1, 2021	3,627,608	8,777	3,240,735	52,391	144,380	7,077,051
Additions	19,120		85,074	52	158,465	262,711
Disposals	(109)					(109)
Transfers - contract assets	729,527		2,463			731,990
Other transfers and remeasurements	1,031			195,935	(195,602)	(1,785)
At December 31, 2021	4,377,177	8,777	3,328,272	248,378	107,243	8,069,858
Accumulated amortization						
At January 1, 2021	(1,023,709)		(334,066)	(23,645)		(1,384,502)
Amortization	(180,713)		(78,689)	(12,888)		(272,290)
Disposals	16					16
Other transfers	(500)		(234)	354		2,701
At December 31, 2021	(1,204,906)		(412,989)	(36,179)	(1)	(1,654,075)
Net book value	3,172,271	8,777	2,915,283	212,199	107,243	6,415,783
Acquisition cost						
At January 1, 2022	4,377,177	8,777	3,328,272	248,378	107,243	8,069,858
Additions	14,452		52,224		24,040	90,745
Disposals	(728)					(728)
Transfers - contract assets	40,070		1			40,071
Other transfers and remeasurements	1,474		1,914	26,780	(25,880)	7,521
At March 31, 2022	4,432,445	8,777	3,382,411	275,158	105,403	8,207,467
Accumulated amortization						
At January 1, 2022	(1,204,906)		(412,989)	(36,179)		(1,654,075)
Amortization	(51,737)		(27,268)	(7,139)		(86,226)
Disposals	499					499
Other transfers and remeasurements	(204)					(204)
At March 31, 2022	(1,256,348)		(440,257)	(43,318)		(1,740,006)
Net book value	3,176,097	8,777	2,942,154	231,840	105,403	6,467,461
Net book value (US\$)	670,374	1,853	620,996	48,934	22,247	1,365,077
Useful life (years)	5 a 50		28 a 50	5 a 10		

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reals, unless otherwise stated)

- (i) This refers mainly to the development and improvements of SAP and commercial management software. On June 30, 2021, the SAP DI, SAP Concur and SAP Ariba systems were implemented. The Company expects capitalization of R\$ 105,403 – US\$ 22,247, with completion during 2022.

(a) Goodwill

The Company has recorded the amount of R\$ 8,777 – US\$ 1,853 related to goodwill from future profitability ("Goodwill") in the subsidiary BRK Ativos Maduros.

13 Trade payables

The Company has contracts with several suppliers and contractors that provide services and supply materials for the operation of the provision of water treatment and distribution and sanitary wastewater services.

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Acquisition of infrastructure			21,147	100,120
Services and materials for operation	2,394	11,344	16,426	129,119
Contractual retentions		2	3,239	14,155
Others	1,142	5,409	5,331	22,403
	3,536	16,753	46,143	274,797

14 Loans and borrowings, debentures and lease liabilities

Note	Parent				Consolidated			
	March 31, 2022		December 31, 2021		March 31, 2022		December 31, 2021	
	US\$		R\$		US\$		R\$	
Total loans and borrowings	14.1				757,573	3,589,231		3,345,877
Total lease liabilities	14.2	6,740	31,933	29,828	34,563	163,753		157,299
Total debentures	14.3	282,159	1,336,815	1,352,526	1,017,683	4,821,578		4,813,275
		288,899	1,368,748	1,382,354	1,809,819	8,574,562		8,316,451
(-) Current		(3,105)	(14,713)	(38,525)	(108,470)	(513,908)		(494,776)
Non-current		285,794	1,354,035	1,343,829	1,701,349	8,060,654		7,821,675

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

14.1 Loans and borrowings

(a) Breakdown

Type and annual financial charges	Average annual charges	Maturity	Transaction costs incurred	Unappropriated cost balances	Consolidated		
					March 31, 2022		December 31, 2021
					R\$	US\$	R\$
Borrowings in foreign currency (i)							
Bridge loan	8.47%	Mar/2024			42,038	199,167	
Borrowings in local currency							
Working capital	9.17% Jun/2022 to Mar/2023				10,436	49,445	51,074
Structured (ii)	8.53% May/2022 to May/2045		31,652	(28,457)	711,105	3,369,076	3,323,576
(-) Transaction costs					(6,006)	(28,457)	(28,773)
Total			31,652	(28,457)	757,573	3,589,231	3,345,877
Total current					51,538	244,177	244,264
(-) Transaction costs					(426)	(2,019)	(2,001)
Current					51,112	242,158	242,263
Total non-current					712,041	3,373,511	3,130,386
(-) Transaction costs					(5,580)	(26,438)	(26,772)
Non-current					706,461	3,347,073	3,103,614
					757,573	3,589,231	3,345,877

- (i) On March 25, 2022, the direct subsidiary BRK NE signed with The Bank of Nova Scotia a borrowing agreement of the 4,131 type in US dollar, in the amount of US\$ 41,929, which translated into local currency amounts to R\$ 200,000 – US\$ 42,214 on the date the cash was received (March 30, 2022), falling due on March 28, 2024. On the same date, BRK NE contracted a swap derivative instrument with the main purpose of protection (hedge) in relation to exchange rate variations (Note 15).
- (ii) Refers to all Project Finance contracted with BNDES, CEF, Banking and Trading Group Pactual (“BTG Pactual”), Inter-American Development Bank (“IDB”), Banco do Nordeste (“BNB”) and Banco do Estado do Espírito Santo (“Banestes”).

(b) Changes

	Consolidated		
	March 31, 2022		December 31, 2021
	US\$		R\$
At the beginning of the period/year	706,209	3,345,877	3,191,742
(+) Addition of principal	63,591	301,281	468,832
(+) Addition of interest	15,622	74,015	263,320
(-) Foreign exchange variation	(180)	(851)	
(-) Repayment of principal	(11,111)	(52,640)	(334,347)
(-) Amortization of interest	(16,625)	(78,767)	(244,447)
(-) Addition of transaction costs	(39)	(185)	(1,219)
(+) Transaction costs	106	501	1,996
At the end of the period/year	757,573	3,589,231	3,345,877

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(c) Maturity

Non-current amounts mature as follows:

	March 31, 2022	
	Consolidated	
	US\$	R\$
2023	28,027	132,788
2024	82,258	389,721
2025	41,357	195,939
2026	38,607	182,910
2027	40,665	192,664
2028	42,082	199,378
2029	47,416	224,649
2030	43,734	207,203
2031	51,335	243,214
2032	53,820	254,990
2033 onwards	237,160	1,123,617
	706,461	3,347,073

(d) Collaterals

The Group's subsidiaries seek to structure the financing for making their investments under project finance for the proper mitigation and allocation of the risks of these projects and they have the necessary support of shareholders to complete these projects. Accordingly, the breakdown of the collaterals offered for the Group's financing is presented below:

Type of collateral	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Surety from shareholders	78,773	373,209
Project (i)	23,052	109,218
Project and support from shareholders	654,392	3,100,381
Total collateralized	756,217	3,582,808
No collaterals	7,362	34,880
(-) Transaction costs	(6,006)	(28,457)
Total loans and borrowings	757,573	3,589,231
		3,345,877

- (i) The collaterals for the projects comprise, in general, the assignment or pledge of credit rights, revenue and/or rights arising from the concessions, pledge of the subsidiaries' shares, and mortgage or pledge of plants and equipment. The Company's management monitors the collaterals and did not identify the need to recognize a liability arising from the collaterals offered.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(e) Relevant information

We present below the loans and borrowings that were released in the quarter:

	Type	March 31, 2022	
		US\$	R\$
Rio Claro	Structured	1,092	5,176
Santa Gertrudes	Structured	11	54
Uruguaiana	Structured	467	2,212
Saneatins	Structured	11,265	53,372
Sumaré	Structured	2,639	12,504
BRK NE	Bridge loan	42,214	200,000
RMR	Structured	4,487	21,257
Limeira	Structured	1,416	6,706
		<u>63,591</u>	<u>301,281</u>

14.2 Lease liabilities

(a) Breakdown

Unit	Maturity	Consolidated	
		March 31, 2022	December 31, 2021
		US\$	R\$
Parent			
Company	Mar/2023 to Apr/2026	4,424	20,961
Company	May/2027	2,316	10,972
		<u>6,740</u>	<u>31,933</u>
			29,828
Rio Claro	Mar/2023 to Mar/2025	357	1,691
Rio das Ostras	Jan/2023 to Feb/2024	54	255
Mauá	Mar/2023 to Dec/2024	706	3,343
Blumenau	Oct/2022 to Nov/2024	252	1,196
Santa Gertrudes	Jun/2022 to Oct/2024	173	819
Mairinque	Mar/2023 to Apr/2025	85	402
Uruguaiana	Apr/2022 to Sep/2036	827	3,916
Porto Ferreira	Oct/2022 to Feb/2026	196	879
Saneatins	Apr/2022 to Dec/2031	12,204	57,819
Araguaia	May/2022 to Sep/2042	227	1,077
Maranhão	May/2022 to Oct/2024	837	3,965
Sumaré	Oct/2022 to Mar/2025	961	4,554
Caçador	Apr/2022 to Oct/2024	345	1,635
Maceió	May/2023 to Oct/2026	2,596	12,299
Macaé	Nov/2022 to May/2024	121	573
RMR	Mar/2023 to Feb/2030	3,463	16,407
Manso	Jan/2023 to Mar/2024	88	415
Goiás	Apr/2022 to Nov/2026	2,820	13,362
Limeira	Oct/2022 to Mar/2026	1,087	5,150
Jaguaripe	Mar/2023 to Mar/2025	60	284
Cachoeiro	Mar/2023 to Dec/2025	374	1,779
		<u>34,563</u>	<u>163,753</u>
Total			<u>157,299</u>
Current		<u>10,305</u>	<u>48,823</u>
Non-current		<u>24,258</u>	<u>116,132</u>
		<u>34,563</u>	<u>157,299</u>

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(In thousands of Reais, unless otherwise stated)

The main classes of assets in which the company has leases are: IT equipment, vehicles and properties. The discount rate used in the leases is the incremental rate. This rate is set at the date of the contract and remains the same throughout the lease term, the rates used vary between 7.66% and 19.56%.

The lease liabilities balance presented above includes transactions with the related party Ouro Verde in the amount of R\$ 56,574 US\$ - 11,941 (December 31, 2021 – R\$ 56,445).

(b) Changes

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
At the beginning of the period/year	6,296	29,828	33,201	157,299
(+) Addition of principal	842	3,988	4,868	23,066
(-) Write-offs	(41)	(193)	(898)	(4,253)
(-) Remeasurement				(3,670)
(-) Repayment of principal	(547)	(2,591)	(3,829)	(18,142)
(+) Amortization of adjustment to present value	190	901	1,221	5,783
At the end of the period/year	6,740	31,933	34,563	157,299

(c) Maturity

Non-current amounts mature as follows:

	Parent		Consolidated	
	US\$	R\$	US\$	R\$
2023	825	3,908	6,151	29,144
2024	1,194	5,657	5,943	28,159
2025	1,311	6,212	2,587	12,256
2026	1,417	6,713	2,479	11,743
2027	586	2,775	1,676	7,939
2028			1,210	5,731
2029			1,338	6,340
2030			1,380	6,537
2031			1,477	6,997
2032			2	8
2033 onwards			15	76
	5,333	25,265	24,258	114,930

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(In thousands of Reais, unless otherwise stated)

(d) Additional information

In accordance with the basis for conclusion 161 and 162 of IASB, references in IFRS 16/CPC 06 (R2) and CVM Circular Letter No. 02/19 ("Official Letter 02/19"), Management used the incremental rate as a criterion for the calculation of the assets and liabilities that are within the scope of IFRS 16/CPC 06 (R2) and this is how they are presented in the Company's statement of financial position.

Management understands that the rate used represents the cash flows that are the closest to the actual flows and that they are in line with the characteristics of our contracts, as determined by item 27b of the official letter No. 02/19.

In order to meet the guidance in the letter and the required transparency, we present below the impacts on the statement of financial position and a comparison between nominal interest rates and effective interest rates. For the calculation of the effective rate, we used the indexes applied in each specific contract, mostly the General Market Price Index (IGP-M). The rates are applied to payment flows to determine their impacts on lease contracts.

	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Nominal flow		
Lease liabilities	46,251	219,130
Embedded interest	(11,688)	(55,377)
	<u>34,563</u>	<u>163,753</u>
		157,299
Actual effective inflated flow		
Lease liabilities	52,974	250,982
Embedded interest	(13,168)	(62,388)
	<u>39,806</u>	<u>188,594</u>
		175,102

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14.3 Debentures

(a) Breakdown

					Consolidated		
Type	Average annual charges	Maturity	Transaction costs incurred	Unappropriated cost balances		March 31, 2022	December 31, 2021
					R\$	US\$	R\$
Parent							
Working capital	11.91%	Sep/2025 to Sep/2034	31,007	(25,166)	287,471	1,361,981	1,378,729
(-) Transaction costs					(5,312)	(25,166)	(26,203)
					282,159	1,336,815	1,352,526
Subsidiaries							
Working capital	4.49%	May/2023 to Oct/2026	8,278	(6,383)	274,850	1,302,186	1,272,893
Concession	9.43%	Dec/2023 to Dec/2023	24,461	(16,508)	395,616	1,874,350	1,817,590
Structured	11.92%	Jul/2022 to Dec/2027	15,872	(1,012)	70,102	332,130	397,917
(-) Transaction costs					(5,044)	(23,903)	(27,651)
Total consolidated			79,618	(49,069)	1,017,683	4,821,578	4,813,275
Total short-term debentures					48,637	230,434	219,465
(-) Transaction costs					(1,584)	(7,507)	(8,119)
Current					47,053	222,927	211,346
Total long-term debentures					979,402	4,640,213	4,647,664
(-) Transaction costs					(8,772)	(41,562)	(45,735)
Non-current					970,630	4,598,651	4,601,929
					1,017,683	4,821,578	4,813,275

(b) Changes

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
At the beginning of the period/year	285,476	1,352,526	1,094,919	1,015,930
(+) New issues			200,000	4,813,275
(+) Financial charges	9,951	47,152	122,729	3,834,610
(-) Repayment of principal			32,363	1,189,000
(-) Amortization of interest	(13,487)	(63,900)	(13,442)	354,363
(-) Addition of transaction costs			(63,687)	(271,684)
(+) Transaction costs	219	1,037	(18,178)	(298,442)
			(1,931)	(12,965)
	219	1,037	3,875	18,393
At the end of the period/year	282,159	1,336,815	1,352,526	1,017,683
			4,821,578	4,813,275

BRK Ambiental Participações S.A. and subsidiaries

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(c) Maturity

Non-current amounts mature as follows:

	March 31, 2022			
	Parent		Consolidated	
	US\$	R\$	US\$	R\$
2023			578,393	2,740,310
2024	82,368	390,241	92,301	437,305
2025	83,166	394,026	145,962	691,538
2026	40,957	194,047	68,700	325,489
2027			11,304	53,554
2031	18,477	87,541	18,477	87,541
2032	27,838	131,890	27,838	131,890
2033 onwards	27,655	131,025	27,655	131,024
	280,461	1,328,770	970,630	4,598,651

(d) Collaterals

The characteristics of the collaterals for the debentures are similar to those described for loans and borrowings (Note 14.1 (d)) and the breakdown of these collaterals is as follows:

Type of collateral	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Surety from shareholders			274,846	1,272,893
Project			58,392	286,706
Project and support from shareholders			407,330	1,928,801
Total collateralized			740,568	3,488,400
No collaterals	287,471	1,361,981	287,471	1,378,729
(-) Transaction costs	(5,312)	(25,166)	(10,356)	(53,854)
Total debentures	282,159	1,336,815	1,017,683	4,813,275

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14.4 Schedule for the amortization of loan, borrowing and debenture transaction costs

The table below shows the schedule of the annual effects on finance costs arising from the amortization of the transaction costs:

	Parent						
	2022	2023	2024	2025	2026	2027	2028 onwards
Debtentures	(3,111)	(4,148)	(4,148)	(3,474)	(1,329)	(1,156)	(7,800)
At March 31, 2022	(3,111)	(4,148)	(4,148)	(3,474)	(1,329)	(1,156)	(7,800)
At March 31, 2022 (In US\$)	(657)	(876)	(876)	(733)	(281)	(244)	(1,645)
	Consolidated						
	2022	2023	2024	2025	2026	2027	2028 onwards
Loans and borrowings	(3,228)	(2,716)	(1,857)	(1,851)	(1,851)	(1,851)	(15,103)
Debtentures	(5,818)	(24,061)	(5,177)	(3,590)	(1,431)	(1,190)	(7,802)
At March 31, 2022	(9,046)	(26,777)	(7,034)	(5,441)	(3,282)	(3,041)	(22,905)
At March 31, 2022 (In US\$)	(1,909)	(5,652)	(1,485)	(1,148)	(693)	(642)	(4,833)

14.5 Covenants

On March 31, 2022, the Group was not required to comply with covenants in the quarter.

15 Derivative financial instruments

Derivative financial instruments contracted by the direct subsidiary BRK NE have the objective of hedging its operations against the risks of fluctuation in exchange and interest rates and are not used for speculative purposes.

The direct subsidiary BRK NE contracted a borrowing of the 4,131 type, with disbursement on March 30, 2022, in US dollars with the Bank of Nova Scotia amounting to US\$ 41,929, translated into R\$ 200,000 – US\$ 42,214, and with maturity on March 28, 2024. On the same date, BRK NE contracted a swap that exchanges the exposure to the variation of dollars in this borrowing to the exposure to the CDI plus spread with the exclusive purpose of protection (hedge) in relation to exchange rate variations.

The fair value of derivative financial instruments is determined by the future flow, calculated by the application of contractual interest rates and future dollar through maturity, and discounted to present value on the date of the financial statements at the market rates in effect.

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The accounting effects of this transaction are described below:

Instrument	Operation	Maturity	Position	Principal	Currency	Rates	Balance at fair value	
							US\$	R\$
Swap agreement	Swap USD x CDI	mar/2024	Asset	41,929	USD	3.36%	42,473	201,227
Swap agreement	Swap USD x CDI	mar/2024	Liability	200,000	BRL	CDI + 1.90%	(43,888)	(207,934)
Total, net of swap							(1,415)	(6,707)
Gain (loss) recognized in OCI							(1,218)	(5,771)
Gain (loss) recognized in profit or loss							(198)	(936)
Total, net of swap							(1,416)	(6,707)

16 Salaries and payroll charges

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Salaries	45	215	763	3,543
Payroll charges	1,257	5,954	6,696	21,366
Provision for vacation and 13th salary	3,830	18,147	15,462	50,656
Benefits	197	928	477	366
Profit sharing (i)	9,876	46,792	36,861	72,784
	15,205	72,036	59,321	148,715

- (i) This refers to the provision based on the regular measurement of compliance with the Group's targets and results, observing the accrual basis of accounting and the recognition of the present obligation arising from a past event, in the estimated amount of the outflow of resources in the future. The provision is recorded as cost of services provided or operating expenses in accordance with the activity of the employee.

17 Concession rights payable

	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Fixed concession (i)		
Santa Gertrudes	5	23
Saneatins	1,098	5,296
Goiás	45,539	206,808
	46,642	212,125
Variable concession	2,076	10,165
	48,718	222,290
(-) Current	(3,815)	(18,246)
Non-current	44,903	204,044

- (i) This refers to the remaining balance of the right to explore the water and wastewater concession agreement that will be paid to the Concession Grantor.

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18 Dividends and interest on capital payable

(a) Breakdown

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Dividends payable				
BR FIP	3,198	15,153	3,198	15,153
FI-FGTS	1,371	6,495	1,371	6,495
Latam Water Participações Ltda			2,201	10,429
Companhia de Saneamento Básico do Estado de São Paulo - SABESP			50	233
	4,569	21,648	6,820	32,310
Interest on capital payable				
Latam Water Participações Ltda			813	3,854
	4,569	21,648	7,633	36,164
(-) Current	(4,569)	(21,648)	(4,853)	(22,993)
Non-current			2,780	13,171

(b) Changes

	Parent			
	Opening balance	Provision	Reversal of mandatory minimum dividends	Closing balance
	US\$			R\$
Dividends payable				
BR FIP	15,154		3,198	15,154
FI-FGTS	6,494		1,371	6,494
At March 31, 2022	21,648		4,569	21,648
At December 31, 2021	9,415	21,648	(9,415)	21,648

	Consolidated			
	Opening balance	Provision	Payment	Closing balance
	R\$			US\$
Interest on capital				
Latam Water Participações Ltda	3,854			813
Dividends payable				
BR FIP	15,153			3,198
FI-FGTS	6,495			1,371
Latam Water Participações Ltda	10,429			2,201
Companhia de Saneamento Básico do Estado de São Paulo - SABESP	233			50
	32,310			6,820
At March 31, 2022	36,164			7,633
At December 31, 2021	27,704	22,917	(3,373)	7,634

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19 Provision for contingencies

The changes in the provision for legal proceedings were as follows:

	Consolidated			
	Civil claims	Labor and social security claims	Environmental claims	Total
At January 1, 2021	15,719	6,305	153	22,177
(+) Additional provisions recognized (including interest and monetary adjustment)	11,976	2,764	1,839	16,579
(-) Reductions from remeasurement and unused amounts, reversed	(2,268)	(2,419)		(4,687)
(+) Payments	(11,787)	(147)	(1,809)	(13,743)
At December 31, 2021	13,640	6,503	183	20,326
(+) Additional provisions recognized (including interest and monetary adjustment)	1,895	1,215	44	3,154
(-) Reductions from remeasurement and unused amounts, reversed	(1,763)	(100)		(1,863)
(+) Payments	(1,714)	(401)	(5)	(2,120)
At March 31, 2022	12,058	7,217	222	19,497
At March 31, 2022 (In US\$)	2,545	1,523	47	4,115

The provision for contingencies was calculated in accordance with the report on tax, civil, labor and environmental claims prepared based on the assessment of internal and external legal advisors and it takes into consideration the claims in which the Group companies are defendants and for which the loss is classified as more probable, that is, over a 50% probability of occurrence.

(a) Claims for which the chances of a loss are classified as possible

The Group's companies are parties to other proceedings that are in progress at the administrative and judicial levels before different courts for which the chances of a loss are considered possible and, for this reason, no provision for losses was recognized.

Civil claims - These refer to administrative and judicial proceedings indicated as civil claims that involve mainly claims arising from consumption relationship and civil liability, real estate matters and lawsuits that address compliance with regulatory, contractual and tax and social security obligations amounting to R\$ 184,238 – US\$ 38,887 (December 31, 2021 - R\$ 177,036), and comprise many different claims.

Labor claims - These refer to administrative and judicial labor proceedings. These proceedings address mainly payroll charges that are allegedly in default claimed by its own and outsourced employees filed with different courts, amounting to R\$ 33,773 – US\$ 7,128 (December 31, 2021 – R\$ 28,416), and comprise many different claims.

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Environmental claims - These refer to administrative and judicial proceedings that involve mainly claims arising from affirmative and negative covenants that provide for fines for non-compliance in addition to the application of environmental penalties in the amount of R\$ 94,119 – US\$ 19,866 (December 31, 2021 – R\$ 93,216), which are represented mainly by administrative assessments related to non-compliance with a commitment agreement.

In addition to the cases mentioned above, there is a follow-up of the request for nullity of the concession agreement of Maranhão, in which there was a lower court decision in a Public Civil Action of March 5, 2018, rendering the concession agreement of BRK Ambiental Maranhão S.A. null and void, and that on March 20, 2018, this lower court decision was suspended by the Court of Justice of the State of Maranhão until the ruling on the case. Also, in a Direct Action for the Declaration of Unconstitutionality (ADI) filed by the Prosecution Office (MP) challenging the law that authorized the concession (and which, in theory, could result in the annulment of the concession), the injunction requested was denied by the Court of Justice of Maranhão, which demonstrates that the majority of judges understood the constitutionality of the aforementioned law and the concession. The Prosecution Office challenged the denial of the preliminary injunction, and the Court of Justice of Maranhão confirmed the denial on June 30, 2021. Both proceedings will have their merits judged by the Court of Justice of Maranhão in the future, with no set date. If, in the future, a final decision determining the annulment of the concession agreement is handed down, the subsidiary would be entitled to claim indemnification, encompassing the unamortized investments, as well as the maintenance of the concession agreement until such indemnification is actually paid. Based on the opinion of its legal advisors, the Company assessed the two legal claims mentioned above (ACP and ADI) as low risk, supported also by a court decision for ACP issued in March 2018 by the judge-rapporteur of the appeals, therefore stabilized for four years, which prevents the effects of the decision from taking effect until the ruling on the case by the court. The suspensive decision is so consolidated that, in practice, its reversal before the ruling on the merit of the claims is unlikely, thus maintaining the concessionaire's operations.

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Management believes that the procedures adopted by the defense are legally sound. We present below the breakdown of proceedings considered as possible loss:

	Consolidated		
	Civil claims	Labor claims	Environmental claims
			Total
Company	35.832	2.619	38.451
Araguaia	918	38	975
Blumenau	1.504	210	1.783
Mauá	14.814	1.606	16.420
Porto Ferreira	686		727
Rio Claro	86	195	281
Santa Gertrudes	43	18	127
Sumaré	645	4.913	5.606
Uruguaiana	900	272	1.172
Maranhão	7.484	1.216	10.228
Digital	2	73	75
Mairinque	285	117	402
Caçador	672		676
RMM	13.989	96	15.135
BRK Negócios Industriais	4	337	341
Ecoaquá	168		168
Rio das Ostras	12.941	33	23.024
Saneatins	60.057	906	120.860
Macaé	3.564	2.612	6.220
RMR	18.716	14.172	38.569
Manso	2.382		2.382
Goiás	2.156	195	17.774
Cachoeiro	1.612	541	2.158
Jaguaribe		978	978
Capivari	77		77
Limeira	4.701	2.626	7.521
At March 31, 2022	184.238	33.773	312.130
At March 31, 2022 (In US\$)	38.887	7.128	65.881

20 Current and deferred income tax and social contribution

(a) Breakdown of and changes in deferred income tax and social contribution

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
Breakdown in the statement of financial position (non-current)				
Deferred tax assets			46,363	219,652
Deferred tax liabilities	(26,581)	(125,937)	(129,397)	(606,089)
	(26,581)	(125,937)	(83,034)	(394,529)

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax losses can be utilized, based on projections of future results prepared using internal assumptions and future economic scenarios that may, therefore, change. In accordance with the technical study prepared by the Company, the expected future taxable profit permits the recovery of the existing deferred tax asset and settlement of the existing deferred tax liability in accordance with the estimate below:

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Should there be relevant factors that change the projections, these projections will be reviewed in the respective years. The aforementioned credits can be offset against the future taxable profits of the Group and they do not expire.

	Consolidated	
	US\$	R\$
Deferred tax assets		
Deferred tax assets to be recovered within 12 months	1,138	5,391
Deferred tax assets to be recovered after 12 months	110,202	522,109
	111,340	527,500
The expectation of realization of deferred tax assets per year is as follows:		
2022	1,138	5,391
2023	3,322	15,740
2024	3,801	18,008
2025	5,298	25,099
2026	5,237	24,810
2027	4,143	19,628
2028	7,717	36,561
2029	10,510	49,792
2030	11,958	56,655
2031	13,357	63,284
Other years	44,859	212,532
	111,340	527,500

	Parent		Consolidated	
	US\$	R\$	US\$	R\$
Deferred tax liabilities				
Deferred tax liabilities to be settled in up to 12 months	(832)	(3,943)	(6,103)	(28,914)
Deferred tax liabilities to be settled after 12 months	(25,749)	(121,994)	(188,271)	(891,985)
	(26,581)	(125,937)	(194,374)	(920,899)
The expectation of realization of deferred tax liabilities per year is as follows:				
2022	(832)	(3,943)	(6,103)	(28,914)
2023	(1,241)	(5,878)	(25,754)	(122,015)
2024	(1,241)	(5,878)	(40,026)	(189,634)
2025	(1,241)	(5,878)	(7,023)	(33,274)
2026	(1,241)	(5,878)	(5,028)	(23,821)
2027	(1,241)	(5,878)	(12,358)	(58,551)
2028	(1,241)	(5,878)	(12,125)	(57,444)
2029	(935)	(4,432)	(12,176)	(57,689)
2030	(935)	(4,432)	(4,993)	(23,657)
2031	(943)	(4,466)	(4,456)	(21,111)
Other years	(15,490)	(73,396)	(64,332)	(304,789)
	(26,581)	(125,937)	(194,374)	(920,899)
	(26,581)	(125,937)	(83,034)	(393,399)

The changes in deferred income tax and social contribution assets and liabilities in the quarter, taking into consideration the offset of the balances, are as follows:

	Parent		
	December 31, 2021	Recognized in the statement of profit or loss	March 31, 2022
	R\$	US\$	R\$
Deferred tax liabilities			
Business combinations surplus value (property and equipment and intangible assets)	(132,862)	1,585	(27,708)
Other temporary differences arising from Law No. 12,973	4,989	351	1,127
	(127,873)	1,936	(26,581)
			(125,937)

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	Consolidated				
	December 31, 2021	Recognized in the statement of profit or loss	Recognized directly in equity	Others	March 31, 2022
				R\$	US\$
Deferred tax assets					
Income tax and social contribution loss carryforwards	451,922	25,616			477,538
Provisions	26,584	8,383			34,967
Other temporary differences arising from Law No. 12,973	236	5			241
Law No. 9656 - Post-employment benefit obligations	8,385	326			8,711
IFRS 16	4,365	(284)			4,081
Swap		1,962			1,962
Total deferred tax assets	491,492	34,046	1,962		527,500
Offset under CPC 32 (IAS 12)	(279,932)			(27,916)	(307,848)
	211,560	34,046	1,962	(27,916)	219,652
Deferred tax liabilities					
Deferred income (governmental bodies)	(192,028)	(6,857)			(198,885)
Revenue from and costs of construction - concessions - intangible assets	(7,991)	(1,872)			(9,863)
Revenue from and costs of construction and finance income - concessions/financial asset contracts	(144,539)	(5,304)			(149,843)
Capitalization of interest and transaction costs	(302,381)	(25,251)			(327,632)
Difference in the amortization rate of intangible assets	(9,213)	97			(9,116)
Goodwill (CVM Instruction No. 319/99)	(4,656)	57			(4,599)
Business combinations surplus value (property and equipment and intangible assets)	(208,164)	3,014			(205,150)
Other temporary differences arising from Law No. 12,973	(15,967)	819			(15,148)
Other temporary differences arising from Law No. 12,973 - discontinued operations	245				245
IFRS 16	(1,327)	219			(1,108)
Total deferred tax liabilities	(886,021)	(34,878)			(920,899)
Offset under CPC 32 (IAS 12)	279,932			27,916	307,848
	(606,089)	(34,878)		27,916	(613,051)
Total	(394,529)	(832)	1,962	(83,034)	(393,399)

Deferred tax assets are recognized for tax losses and temporary differences, in the proportion of the probability of the realization of the related tax benefit by means of future taxable profit and, for this reason, the Group did not recognize deferred tax assets in the amount of R\$ 149,086 – US\$ 31,467, accumulated through March 31, 2022, with respect to losses amounting to R\$ 438,490 – US\$ 92,551, arising mainly from the Company and the subsidiaries BRK PNI, RDOPar and Ecoaqua Soluções, which may be offset against future taxable profit under applicable legislation. These losses, in spite of not being recognized, do not expire, in accordance with current legislation.

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(b) Reconciliation of the nominal rate with effective rate

The Group's income tax and social contribution, before income tax and social contribution, differ from the theoretical value that would be obtained with the use of the nominal income tax and social contribution rate applicable to the individual and consolidated profit, as follows:

	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Profit before income tax and social contribution of continuing operations	5,635	26,701	10,783	47,015
Profit before income tax and social contribution of discontinued operations			(2,075)	(2,075)
Nominal rate	34%	34%	34%	34%
Income tax and social contribution at the nominal rate of continuing operations	(1,916)	(9,078)	(3,666)	(15,985)
Income tax and social contribution at the nominal rate of discontinued operations			706	706
Effect of permanent additions (exclusions)	2,325	11,014	(674)	(3,194)
Share of profit (loss) of continuing operations	3,810	18,053	11,298	12
Share of profit (loss) of discontinued operations			(706)	(706)
Exclusions of discontinued operations				3,093
Tax incentives			625	(27)
Donations			(6)	(4)
Fines			(1)	(4)
Unrecognized deferred income tax and social contribution loss carryforwards (current year)	(823)	(3,899)	(1,126)	(5,334)
Unrecognized deferred income tax and social contribution loss carryforwards (previous years)			(6)	(30)
Others	(662)	(3,140)	(49)	(236)
Income tax and social contribution credit (expense)	409	1,936	(4,048)	(19,179)
Breakdown of income tax and social contribution:				
Current income tax and social contribution of continuing operations	409	1,936	(3,872)	(18,347)
Deferred income tax and social contribution of continuing operations			(176)	(832)
Income tax and social contribution credit (expense)	409	1,936	(4,048)	(19,179)
Effective rate	7.26%	7.25%	21.88%	-40.79%

21 Transactions with related parties

The following transactions were carried out with related parties:

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			Parent		
			Assets current	Assets non-current	Liabilities non-current
			General and administrative expenses		Profit (loss)
			Related parties		Finance income (costs)
			December 31, 2021		March 31, 2021
Annual effective interest rate	Maturity				
<i>Loan (i)</i>					
Araguaia	CDI + 4.5%	Dec/2025		2,009	30
Ecoagua	Selic 100%	Dec/2030			(41)
FAB. Zona Oeste	CDI + 3% to 5%	May/2022 to Jul/2022	15,688		71
Goiás	CDI + 2.25% to 5%	Jan/2022	65,303		534
Goiás	CDI + 2% to 5%	Jan/2023 to Dec/2038		157,310	673
Limeira	CDI + 2% to 5%	Dec/2039		2,246	29
Macaé	CDI + 3.5%	Dec/2038		85,971	1,131
Manso	CDI + 4%	Dec/2027		82,393	1,094
Maranhão	CDI + 2% to 5%	Dec/2040		38,814	1,144
Porto Ferreira	CDI + 1.5% to 5%	Jan/2023 to Dec/2033		21,714	155
RMR					779
Saneatins	CDI + 1.7% to 4.75%	Jan/2023 to Dec/2038		359,101	4,409
Santa Gertrudes	CDI + 3% to 5%	Dec/2037		8,387	82
Uruguiana	CDI + 2.25% to 5%	Jan/2022	1,680		72
Uruguiana	CDI + 2% to 5%	Jan/2023 to Dec/2037		55,299	549
			82,671	813,244	10,711
<i>Other related parties (ii)</i>					
Araguaia				11,971	456
Blumenau				1,256	1,196
BRK Negócios Industriais				110	
Caçador				1,562	583
Cachoeiro				1,644	2,255
Centro Norte Participações				15,694	50
F. AB. Zona Oeste			12	1,025	2,547
Goiás				35,600	4,747
Jaguaribe				914	1,170
Limeira				15,159	3,603
Macaé				11,770	2,074
Maceió				9,386	
Manso				776	1,708
Maranhão				46,102	2,267
Mauá				949	1,877
Porto Ferreira				8,881	671
Rio das Ostras - Consolidado				37,430	1,708
RMR				43,561	7,532
Saneatins				170,487	12,354
Sumaré				3,034	2,395
Uruguiana				16,754	1,600
Others				19,675	1,590
			12	453,740	205
					52,383
			82,683	1,266,984	9,096
					52,383
					18,321

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	Annual effective interest rate	Maturity	Parent			
			Assets current	Assets non-current	Liabilities non-current	Profit (loss)
					Related parties	General and administrative expenses
						Finance income (costs)
						March 31, 2022
<i>Loan (i)</i>						
Araguaia	CDI + 4.5%	Dec/2025		2,080		71
Ecoaquia	Selic 100%	Dec/2030			8,994	(214)
F. AB. Zona Oeste	CDI + 3% to 5%	May/2022 to Jul/2022	16,207			497
Goiás	CDI + 2.25% to 4.25%	Jan/2023 to Mar/2023	67,533			2,232
Goiás	CDI + 2% to 5%	Jan/2024 to Dec/2038		182,256		5,093
Limeira						10
Macaé	CDI + 3.5%	Dec/2038		31,221		1,045
Manso	CDI + 4%	Dec/2027		85,209		2,816
Maranhão	CDI + 2% to 5%	Dec/2040		40,165		1,351
Porto Ferreira	CDI + 1.5% to 5%	Dec/2033		22,339		625
Saneatins	CDI + 1.7% to 4.75%	Dec/2038		371,523		11,898
Santa Gertrudes	CDI + 3% to 5%	Dec/2037		8,653		266
Uruguaiana	CDI + 2.25% to 5%	Jan/2023	4,317			38
Uruguaiana	CDI + 2% to 5%	Dec/2037		57,060		1,826
			88,057	800,506	8,994	27,554
<i>Other related parties (ii)</i>						
Araguaia				12,571		95
Blumenau				824		318
BRK Negócios Industriais				114		23
Caçador				1,527		591
Cachoeiro				2,299		2,204
Centro Norte Participações				16,835		33
F. AB. Zona Oeste				2,913		3,083
Goiás				37,875		4,679
Jaguaribe				989		1,031
Limeira				10,201		3,307
Macaé				14,070		1,595
Manso				515		1,532
Maranhão				48,764		2,528
Mauá				925		1,761
Porto Ferreira				9,595		715
Rio das Ostras - Consolidado				39,703		1,457
RMR				48,971		7,443
Saneatins				182,551		11,307
Sumaré				5,435		2,384
Uruguaiana				18,515		1,539
BRK Projetos Ambientais				9,703		46
Maceio				14,399		7,745
Others				10,773		1,650
				490,067		58,353
In R\$			88,057	1,290,573	8,994	58,353
In US\$			18,586	272,399	1,898	12,316

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			Consolidated				
			Assets Current	Assets Non-current	Liabilities Non-current		Profit (loss)
					Related parties	General and administrative expenses	Finance income (costs)
Annual effective interest rate	Maturity		December 31, 2021				
			March 31, 2021				
<u>Loan (i)</u>							
Subsidiaries							
F. AB. Zona Oeste	CDI + 3% to 5%	May/2022 to Jul/2022	15,688				71
Related companies							
CCB	CDI + 2% to 5%	Jan/2023 to Dec/2038			103,546		
			15,688		103,546		71
<u>Other related parties (ii)</u>							
Subsidiaries							
F. AB. Zona Oeste			12	1,025	456	2,547	
Others						10,068	30
			12	1,025	456	12,615	30
Related companies							
CCB				1,556			528
Others				7			
				1,563			528
			12	2,588	456	12,615	558
			15,700	2,588	104,002	12,615	629

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			Consolidated			
			Assets current	Assets Non-current	Liabilities Non-current	Profit (loss)
			Related parties		General and administrative expenses	Finance income (costs)
					March 31, 2022	
Annual effective interest rate	Maturity					
<i>Loan (i)</i>						
Subsidiaries						
F. AB. Zona Oeste	CDI + 3% to 5%	May/2022 to Jul/2022	16,207			497
Related companies						
CCB	CDI + 2% to 5%	Jan/2024 to Dec/2038		116,800		(2,037)
			16,207		116,800	(1,540)
<i>Other related parties (ii)</i>						
Subsidiaries						
F. AB. Zona Oeste				2,913	3,083	
Related companies						
CCB				1,556		
Others				7	10,972	
				1,563	10,972	
				4,476	14,055	
In R\$			16,207	4,476	116,800	14,055
In US\$			3,421	945	24,653	2,967

- (i) Loan agreements maintained between the Company and its subsidiaries represent usual and recurring transactions, such as the coverage of operating cash deficits, performance of investments and compliance with the financial obligations provided for in loan, borrowing and debenture contracts of these subsidiaries. The remuneration and maturity of these agreements are presented in the table above and their classification in current and non-current assets and liabilities takes into consideration the maturity term established in each agreement, in accordance with the general criteria provided for in IAS 01/CPC 26. The loan agreements outstanding on March 31, 2022, classified in current assets, have, substantially, the same characteristics as the bridge loans made to the subsidiaries whose projects for investment in infrastructure have the Company as sponsor and follow the investment schedule of the concessions.
- (ii) This refers mainly to the apportionment of expenses, in accordance with the agreement between the parties, with no financial charges and with an undetermined maturity date.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(a) Compensation of key management personnel

Key management personnel include members of the Board of Directors and executive officers. The compensation paid or payable to key management personnel for services provided is presented below:

	Consolidated		
	2022		2021
	US\$		R\$
Salaries and other short-term benefits	531	2,517	1,946
Post-employment benefits	9	41	31
Other long-term benefits	2	10	8
	542	2,568	1,985

(b) Lease liabilities with related parties

Lessor	Lessee	Maturity	Consolidated		
			March 31, 2022		December 31, 2021
			US\$	R\$	R\$
Company	Ouro Verde	May/2024 to May/2027	19	91	
Caçador	Ouro Verde	Jun/2024 to Oct/2024	233	1,103	1,105
Sumaré	Ouro Verde	Aug/2024	833	3,946	3,511
Araguaia	Ouro Verde	Aug/2024	145	687	741
Mauá	Ouro Verde	Mar/2024 to Oct/2024	637	3,017	3,061
Rio Claro	Ouro Verde	Jun/2024 to Mar/2025	305	1,444	1,531
Saneatins	Ouro Verde	Aug/2024	1,565	7,414	7,612
Santa Gertrudes	Ouro Verde	Aug/2024 to Oct/2024	140	663	690
Mairinque	Ouro Verde	Aug/2025	39	186	
Uruguaiana	Ouro Verde	Aug/2024 to Oct/2024	121	571	592
Maranhão	Ouro Verde	Aug/2024 to Oct/2024	671	3,178	2,709
Goias	Ouro Verde	Jul/2024 to Jan/2025	1,955	9,263	9,531
RMR	Ouro Verde	Jun/2024 to Aug/2024	2,191	10,379	11,267
Maceió	Ouro Verde	Apr/2024 to Mar/2025	1,597	7,568	7,075
Maceió	Ouro Verde	Feb/2023 to May/2024	45	215	265
Manso	Ouro Verde	May/2024	39	186	220
Rio das Ostras	Ouro Verde	Jan/2023 to Feb/2024	32	151	159
Limeira	Ouro Verde	Aug/2024 to Apr/2025	838	3,971	3,910
Cachoeiro	Ouro Verde	May/2024 to Aug/2024	211	1,000	1,100
Blumenau	Ouro Verde	Aug/2024 to Apr/2027	205	971	1,036
Porto Ferreira	Ouro Verde	Feb/2026	120	570	330
Total			11,941	56,574	56,445
Current			4,473	21,191	18,689
Non-current			7,468	35,383	37,756
			11,941	56,574	56,445

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(c) Other related parties

	Non-current assets		Non-current liabilities		Profit (loss)	
	Contract assets		Trade payables		Operating costs/ expenses	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021	2022	2021
Other related parties - Brookfield Group						
Brookfield Brasil Ltda (i)					9	583
Ascenty Data Centers e Telecomunicações (ii)			19	51	104	146
Brookfield Energia Comercializadora Ltda (iii)					3,118	3,508
Ferrovia Norte Sul S.A. (iv)					26	
			19	51	3,257	4,237
Non-controlling interests						
CCB (v)	38,902	123,231	15,492	546		8,222
	38,902	123,231	15,492	546		8,222
In R\$	38,902	123,231	15,511	597	3,257	12,459
In US\$	8,211	26,010	3,274	126	687	2,630

- (i) On August 1, 2018, the Company signed an agreement for reimbursement of expenses with Brookfield Brasil Ltda. with maturity on July 13, 2021.
- (ii) On May 11, 2020, the Company signed an agreement for data center and IT infrastructure services with maturity on May 11, 2023.
- (iii) On June 17, 2020, the direct subsidiaries Blumenau and Uruguaiana and the indirect subsidiaries RMR and Saneatins signed an agreement for the supply of electric energy with maturity on December 31, 2031.
- (iv) On September 16, 2020, the indirect subsidiary Saneatins signed an underground right of way construction service agreement with maturity until the end of the subconcession agreement.
- (v) During 2020 and 2021, the indirect subsidiary Goiás signed agreements for infrastructure construction with maturity on October 16, 2023.

22 Employee benefits

Note	Parent				Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$	US\$	R\$
Actuarial liability	22.1	441	2,087	1,971	5,848	27,706
Long-term incentives	22.2	260	1,232	1,265	559	2,649
		701	3,319	3,236	6,407	30,355
						29,148

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

22.1 Actuarial liability

	Parent		Consolidated	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	US\$	R\$	US\$	R\$
At the beginning of the period	416	1,971	3,857	5,621
(+) Addition of principal	16	72	352	103
(+) Addition of interest	9	44	280	124
(-) Remeasurement of gains (losses) recognized in other comprehensive income			(2,518)	
At the end of the period	441	2,087	1,971	5,848

22.2 Long-term incentives

The long-term incentive program (Matching Program) refers to the bonuses of eligible executives appointed by the Company's management, the main assumptions of which are to increase the ability to attract and retain professionals, as well as stimulate the commitment of the eligible executives to the Group's strategy, aligning interests and creating value for the business. The duration of the program (cycle) is three years starting August 16, 2021.

The Matching Program is optional and is based on the acquisition of "virtual shares" based on the investment of the eligible executives, limited to a percentage of their Profit Sharing and/or Bonuses for the last year before the program. For the virtual shares acquired and maintained for a period of three years, the Company will grant the same number of virtual shares initially acquired, annually adjusted by the Company's valuation as a reference. The shares can be fully redeemed in cash as a bonus and the conversion of the virtual shares into common or preferred shares of the Company is not possible.

At March 31, 2022, the amount of long-term incentives liability in the Company and its subsidiaries and the related impact on profit or loss is R\$ 1,232 – US\$ 260 (December 31, 2021 - R\$ 1,265) in parent and R\$ 2,649 – US\$ 559 (December 31, 2021 - R\$ 2,517) in consolidated.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

23 Equity

(a) Issued capital

	Type of shares	Equity interest %		Issued capital		Number of shares	
		March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
				US\$	R\$		
BR Ambiental Fundo de Investimento em Participações Multiestratégia	ON	70.00	70.00	592,292	2,806,164	2,806,164	1,852,409,346
Investment fund of the Severance Pay Fund (FI-FGTS)	ON	30.00	30.00	253,840	1,202,642	1,202,642	793,889,719
				846,132	4,008,806	4,008,806	2,646,299,065

(b) Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of common shares outstanding in the period. Additionally, the Company does not have treasury shares.

	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Profit attributable to equity holders of the parent - continuing operations	6,044	28,637	12,688	6,044
Profit attributable to equity holders of the parent - discontinued operations			2,017	28,637
Weighted average number of common shares issued (thousands)	2,646,299	2,646,299	2,646,299	2,646,299
Basic earnings per share (in R\$) - continuing operations	0.0108	0.0108	0.0048	0.0048
Basic earnings per share (in R\$) - discontinued operations			0.0008	0.0008

(c) Diluted earnings per share

For the Parent, diluted earnings per share are calculated by adjusting the weighted average to the number of outstanding common shares, assuming the conversion of all potential preferred shares that would cause dilution.

The Company only has the following categories of potential preferred shares that would cause dilution: stock options (Note 23 (e)).

	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Profit attributable to equity holders of the parent - continuing operations	6,044	28,637	12,688	6,044
Profit attributable to equity holders of the parent - discontinued operations			2,017	28,637
Weighted average number of common shares issued (thousands)	2,646,299	2,646,299	2,646,299	2,646,299
Adjustments for:				
Stock options	14,227	14,227	14,227	14,227
Weighted average number of common shares for diluted earnings per share (thousands)	2,660,526	2,660,526	2,660,526	2,660,526
Diluted earnings per share (in R\$) - continuing operations	0.0108	0.0108	0.0108	0.0108

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

(d) Carrying value adjustment

Hedge accounting

The amount of R\$ 3,809 – US\$ 804 refers to the effective portion of the net variation in the fair value of cash flow hedge instruments (Notes 15 and 20 (a)).

	Consolidated	
	US\$	R\$
At January 1, 2022		
Cash flow hedge	1,218	5,771
Income tax and social contribution on hedge	(414)	(1,962)
At March 31, 2022	804	3,809

(e) Investment program

On January 24, 2020, the Company approved at an Extraordinary General Shareholders' Meeting the Company's Investment Program ("Program") aimed at some key executives of the Company's senior management ("Eligible Investors"). The purpose of the Program is to motivate, retain and align the interests of shareholders with the interests of executives, maximize the value of the Company and allow for the achievement of its objectives.

The Program consists of the onerous offer of purchase options or subscription of preferred shares ("Options") to the Eligible Investors, who may voluntarily choose whether or not to acquire them. The Option price is determined based on the Black-Scholes-Merton ("BSM") economic model. The BSM method was applied by a specialized and independent consulting firm, taking into consideration the variables of Brazilian capital markets and of the Brazilian and international sanitation industry.

Through the offer of Options by means of specific investment plans approved by the Board of Directors ("Plan"), the Eligible Investors will have the possibility to, voluntarily, acquire shares of the Company with a previously established term and price.

The Program is limited to the offer of Options representing up to 3% of the Company's total capital, taking into consideration the effect of the dilution arising from the exercise of all options granted and not yet exercised within the Program.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

The Options will become exercisable under the Program and the Plan in the proportion of twenty percent (20%) a year as from the first year of the date of the offer for a period of five (5) years. The Options offered under this Program will remain valid from the first (1st) anniversary of the date of the offer until the 10th anniversary of the date of the offer. After this period, the unexercised Options will be cancelled.

In June 2020, the Eligible Investors acquired the stock options for the total amount of R\$ 3,841, which corresponds to the full fair value of the options granted.

The contra-entry of the amount paid by the Eligible Investors that chose to join the Plan was recorded under the capital reserve in the Company's equity. When they are exercised, they will be settled through the issue of new preferred shares whereas the current shareholders will continue to hold common shares. By March 31, 2022 no Option had been exercised.

24 Profit (loss) for the period

(a) Revenue

The reconciliation of gross revenue with net revenue is as follows:

	Consolidated		
	2022		2021
	US\$		R\$
Service revenue	145,033	687,137	495,656
Sales revenue	185	878	662
Revenue from construction	91,271	432,422	189,717
Revenue from financial assets	8,667	41,061	19,315
	245,156	1,161,498	705,350
Taxes and contributions on services and sales	(16,736)	(79,292)	(53,009)
Rebates and cancellations	(3,015)	(14,283)	(8,386)
	225,405	1,067,923	643,955

The breakdown of net revenue is as follows:

	Consolidated		
	2022		2021
	US\$		R\$
Service revenue	128,575	609,165	441,256
Sales revenue	185	878	662
Revenue from construction	88,708	420,279	184,245
Revenue from financial assets	7,937	37,601	17,792
	225,405	1,067,923	643,955

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

There are no customers that individually represent more than 10% of the Group's net revenue, except for the subsidiary RMR, because it is a concession classified as a financial asset and for a specific purpose, in which billing is carried out with COMPESA (Grantor) and represents 19% of the total.

(b) Revenue from construction

Net revenue from construction and construction cost are related to long-term concession agreements and are associated with the respective rights according to the type of asset (intangible assets or financial asset), as follows:

Company	Net revenue from construction				Construction cost				Construction margin			
	2022		2021		2022		2021		2022		2021	
	US\$	R\$	US\$	R\$	US\$	R\$	US\$	R\$	US\$	R\$	US\$	R\$
Intangible assets												
Rio Claro	259	1,229	4,241	(254)	(1,204)	(4,196)	5	25	85			
Mauá	316	1,495	393	(309)	(1,465)	(385)	7	30	8			
Blumenau	2,854	13,524	4,813	(2,797)	(13,253)	(4,717)	57	271	96			
Santa Getrudes	442	2,095	638	(433)	(2,053)	(625)	9	42	13			
Mairinque	287	1,362	2,049	(282)	(1,334)	(2,008)	5	28	41			
Uruguaiana	2,846	13,484	7,107	(2,789)	(13,214)	(6,965)	57	270	142			
Porto Ferreira	365	1,727	868	(357)	(1,693)	(850)	8	34	18			
Saneasins	13,490	63,913	37,727	(13,220)	(62,635)	(36,972)	270	1,278	755			
Araguaia	673	3,189	20	(660)	(3,125)	(19)	13	64	1			
Maranhão	3,155	14,948	5,967	(3,093)	(14,655)	(5,848)	62	293	119			
Sumaré	2,184	10,346	5,830	(2,140)	(10,139)	(5,714)	44	207	116			
Goias	16,178	76,647	34,511	(15,854)	(75,114)	(33,621)	324	1,533	690			
Macacé	1,626	7,704	14,386	(1,594)	(14,098)	(7,550)	32	154	288			
Caçador	852	4,036	2,618	(835)	(3,955)	(2,565)	17	81	53			
Limeira	2,074	9,824	5,460	(2,032)	(9,628)	(5,350)	42	196	110			
Cachoeiro	711	3,367	3,536	(699)	(3,299)	(3,465)	15	68	71			
RMM	15,461	73,253	1,094	(15,152)	(71,788)	(1,075)	309	1,465	19			
Subtotal intangible assets	63,773	302,143	131,258	(62,497)	(296,104)	(128,633)	1,276	6,039	2,625			
Financial asset												
Rio das Ostras	569	2,698	1,854	(557)	(2,637)	(1,812)	12	61	42			
RMR	24,036	113,878	50,682	(23,506)	(111,368)	(49,565)	530	2,510	1,117			
Manso	64	303	173	(63)	(297)	(170)	1	6	3			
Jaguaripe	266	1,257	142	(260)	(1,230)	(139)	6	27	3			
Cachoeiro			136		(150)				(14)			
Subtotal financial assets	24,935	118,136	52,987	(24,386)	(115,532)	(51,836)	549	2,604	1,151			
Total	88,708	420,279	184,245	(86,883)	(411,636)	(180,469)	1,825	8,643	3,776			

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(c) Expenses by nature

Note	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Continuing operations				
Classified by nature:				
Construction cost (i)			(86,883)	(411,636)
Personnel				(180,469)
Compensation	(7,269)	(34,437)	(29,512)	(82,893)
Salaries and payroll charges	(1,663)	(7,879)	(6,799)	(22,398)
Benefits	(885)	(4,194)	(2,788)	(22,091)
	(9,817)	(46,510)	(39,099)	(127,382)
Materials			(31,162)	(147,638)
Services	(23)	(107)	(44)	(14,954)
Rentals and maintenance fees	(241)	(1,141)	(2,465)	(9,945)
Electric energy			(1,867)	(8,845)
Maintenance	(456)	(2,162)	(9,901)	(31,094)
Audit, consulting and advisory services	(1,537)	(7,284)	(1,997)	(7,968)
Services by individuals and legal entities	(1,992)	(9,436)	(2,569)	(13,078)
Others	(204)	(965)	(8,512)	(35,752)
	(4,430)	(20,988)	(1,067)	(4,357)
	(4,430)	(20,988)	(22,165)	(102,194)
Taxes, fees and contributions	(80)	(378)	(25,913)	(122,772)
Related parties	21	12,316	(1,841)	(8,724)
Insurance	(54)	(255)	2,967	14,055
Depreciation and amortization	(2,892)	(13,701)	(597)	(2,827)
(+) PisuColins credit from operating costs	49	232	(21,833)	(103,442)
Travels	(133)	(632)	526	2,491
Allowance for expected credit losses			(489)	(2,317)
Other	(127)	(609)	(2,679)	(11,544)
	(5,191)	(24,595)	(278)	(1,307)
	(5,191)	(24,595)	(184,611)	(874,647)
Classified by function:				
Cost of services and sales			(19)	(729,676)
General and administrative expenses	(5,203)	(24,652)	(31,490)	(142,872)
Other income (expenses), net	12	57	881	3,809
	(5,191)	(24,595)	(17,887)	(142,872)
	(5,191)	(24,595)	(184,611)	(874,647)

- (i) Refers mainly to the beginning of activities of the direct subsidiary RMM and the development with investments in indirect subsidiaries Saneatins and Goiás.

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(d) Finance result

Note	Parent		Consolidated	
	2022	2021	2022	2021
	US\$	R\$	US\$	R\$
Continuing operations				
Finance income				
Income from financial investment	1,796	8,507	5,698	5,314
Related parties	21	9,535	45,175	18,362
Monetary variations		8		38
Transactions of derivative financial instruments				
Late payment fine				29
Late payment interest				19
Others				1,145
(-) Taxes on finance income (Pis and Cofins)	21	105	12	213
	(528)	(2,503)	(932)	(4,414)
	10,832	51,322	22,945	6,841
				32,411
				22,259
Finance costs				
Bank commissions		(4)		(18)
Interest expenses	21	(10,171)	(48,189)	(23,924)
Related parties		(45)	(214)	(41)
Tax on financial transactions		(16)	(75)	(6)
Transactions of derivative financial instruments				
Discounts granted		18	87	(2,093)
Adjustment to present value		(181)	(856)	(859)
Late payment fine and interest		(16)	(74)	(66)
Foreign exchange variation		(30)	(141)	(17)
Interest post-employment benefit obligations		(9)	(44)	(70)
Others		(759)	(3,600)	(2,496)
	(11,213)	(53,124)	(27,580)	(37,387)
				(177,132)
				(138,559)
Finance result, net	(381)	(1,802)	(4,635)	(30,546)
				(144,721)
				(116,300)

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022

(In thousands of Reais, unless otherwise stated)

25 Segments

Information by operating segments is presented consistently with the internal report provided to the key strategic decision maker, the Executive Board, together with the Board of Directors. The Group operates in Water and Wastewater segment, through public concessions contracts, public-private partnerships, provision of services, among others.

(a) Reconciliation of result of the segment with the accounting result

	In thousands of reais				
	Consolidated				
	2021				
	Water and wastewater	Holding and others	Adjustments and eliminations	Total from continuing operations Note 22)	Total from continuing and discontinued operations
Net service and sales revenue	643,962	78	(85)	643,955	643,955
Costs of services and sales	(362,565)	(19)		(362,584)	(362,584)
Gross profit (loss)	281,397	59	(85)	281,371	281,371
General and administrative operating expenses	(121,615)	(21,342)	85	(142,872)	(142,872)
Other operating income (expenses), net	4,825	(1,028)	12	3,809	3,809
Operating profit (loss)	164,607	(22,311)	12	142,308	142,308
Share of profit (loss) of subsidiaries and joint ventures		72,228	(72,204)	24	24
Finance income	16,712	25,412	(19,865)	22,259	22,259
Finance costs	(125,702)	(32,722)	19,865	(138,559)	(138,559)
Current income tax and social contribution	(18,191)	(105)		(18,296)	(18,296)
Deferred income tax and social contribution	1,814	3,341		5,155	5,155
Profit for the period from discontinued operations				2,017	2,017
Profit (loss) for the period	39,240	45,843	(72,192)	12,891	14,908

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

	In thousands of reais			
	Consolidated			
	2022			
	Water and wastewater	Holding and others	Adjustments and eliminations	Total from operations
Net service and sales revenue	1,067,923			1,067,923
Costs of services and sales	(729,676)			(729,676)
Gross profit	338,247			338,247
General and administrative expenses	(120,066)	(29,081)		(149,147)
Other income, net	4,119	57		4,176
Operating profit (loss)	222,300	(29,024)		193,276
Share of profit (loss) of subsidiaries and joint ventures		119,263	(120,803)	(1,540)
Finance income	21,335	70,038	(58,962)	32,411
Finance costs	(161,811)	(74,283)	58,962	(177,132)
Current income tax and social contribution	(17,454)	(893)		(18,347)
Deferred income tax and social contribution	(4,235)	3,403		(832)
Profit (loss) for the period	60,135	88,504	(120,803)	27,836

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information

at March 31, 2022

(In thousands of Reais, unless otherwise stated)

	In thousands of U.S. dollars			
	Consolidado			
	2022			
	Water and wastewater	Holding and others	Adjustments and eliminations	Total from operations
Net service and sales revenue	225,405			225,405
Costs of services and sales	(154,012)			(154,012)
Gross profit	71,393			71,393
General and administrative expenses	(25,342)	(6,138)		(31,480)
Other income, net	869	12		881
Operating profit (loss)	46,920	(6,126)		40,794
Share of profit (loss) of subsidiaries and joint ventures		25,173	(25,498)	(325)
Finance income	4,503	14,783	(12,445)	6,841
Finance costs	(34,153)	(15,679)	12,445	(37,387)
Current income tax and social contribution	(3,684)	(188)		(3,872)
Deferred income tax and social contribution	(894)	718		(176)
Profit (loss) for the period	12,692	18,681	(25,498)	5,875

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

(b) Other gains and losses

In thousands of reais			
2021			
Depreciation and amortization	Finance income	Finance costs	deferred income tax and social
Continuing operations			
Water and wastewater	(64,831)	17,048	(111,008)
Other segments (Services / Holding company)	(8,237)	5,211	(27,551)
	(73,068)	22,259	(138,559)
			(13,141)
In thousands of reais			
2022			
Depreciation and amortization	Finance income	Finance costs	deferred income tax and social
Continuing operations			
Water and wastewater	(85,644)	21,335	(104,251)
Holding and others	(17,798)	11,076	(72,881)
	(103,442)	32,411	(177,132)
			(19,179)
In thousands of U.S. dollars			
2022			
Depreciation and amortization	Finance income	Finance costs	deferred income tax and social
Continuing operations			
Water and wastewater	(18,077)	4,503	(22,004)
Holding and others	(3,756)	2,338	(15,383)
	(21,833)	6,841	(37,387)
			(4,048)

(c) Assets

In thousands of reais			In thousands of U.S. dollars			In thousands of reais		
March 31, 2022			March 31, 2022			December 31, 2021		
Total assets	Investments in joint ventures	Additions to noncurrent assets	Total assets	Investments in joint ventures	Additions to noncurrent assets	Total assets	Investments in joint ventures	Additions to noncurrent assets
Water and wastewater								
12,230,068		790,136	2,581,386		166,773	12,164,619		2,427,397
1,707,766	78,510	83,707	360,455	16,571	19,779	1,453,251	80,050	495,739
13,937,834	78,510	883,843	2,941,841	16,571	186,552	13,627,870	80,050	2,923,136

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

26 Insurance

The identification, mitigation and management of risks and contracting of insurance are addressed by the Company in compliance with parameters and coverage established by management.

At March 31, 2022, the Group had contracted insurance policies to cover mainly buildings and installations, guarantees of the agreements signed related to the provision of services, in addition to civil liability insurance for engineering and operational risks and guarantee of compliance with the obligations of the concession agreement, summarized as follows:

Type of coverage	Consolidated	
	March 31, 2022	December 31, 2021
	US\$	R\$
Contract guarantee	172,161	815,666
Aviation insurance (drone)	508	2,408
Legal guarantee	4,971	23,550
Civil liability	818,946	3,880,000
Engineering risk	488,871	2,316,172
Sundry risks	3	16
Operational risks	1,099,803	5,210,646
Vehicles	528	2,500
Import	16	77

27 Non-cash transactions (statement of cash flows)

In the quarter ended March 31, 2022, non-cash transactions were carried out and presented in the statement of cash flows and the main ones are presented below:

Trade receivables	Consolidated	
	2022	
	US\$	R\$
Total movement in trade receivables (Note 8)	39,706	188,120
Non-cash items (see breakdown below)	(5,803)	(27,493)
Total movement in trade receivables as per the statement of cash flows	33,903	160,627
Investment and financing transactions that affected trade receivables, but did not involve cash:		
Interest capitalized in the period	(3,009)	(14,256)
Capitalized corporate guarantees	(373)	(1,768)
Capitalized loan interest	(595)	(2,820)
Other capitalizations	(144)	(682)
Trade payables	(1,248)	(5,914)
Allowance for expected credit losses	2,679	12,694
Deferred taxes	(2,563)	(12,143)
Construction margin for the period (Note 24 (b))	(550)	(2,604)
Total	(5,803)	(27,493)

BRK Ambiental Participações S.A. and subsidiaries

Notes to the condensed interim financial information at March 31, 2022 (In thousands of Reais, unless otherwise stated)

Contract assets and intangible assets	Consolidated	
	2022	
	US\$	R\$
Total additions to contract assets and intangible assets (Notes 10 and 12)	91,871	435,268
Investment and financing transactions that affected intangible assets, but did not involve cash, or that affected cash in the current period and refer to additions in prior years:		
Interest capitalized in the period	(16,990)	(80,497)
Trade payables	3,134	14,847
Construction margin for the period (Note 24 (b))	(1,275)	(6,039)
	(15,131)	(71,689)
Total additions to contract assets and intangible assets as per statement of cash flows	107,002	506,957

28 Subsequent Events

(a) CVM Category Conversion

On April 1, 2022, the Company, in compliance with the provisions of paragraph 4 of article 157 of Law No. 6,404, of December 15, 1976, as amended, and with the Resolution of the Securities and Exchange Commission of Brazil ("CVM") No. 44, of August 23, 2021, filed the request for the conversion of the Company's securities issuer registration before the CVM from "B" category to "A" category, pursuant to CVM Instruction No. 480, of December 7, 2009, as amended ("Category Conversion").

(b) Retention of dividends

On April 18, 2022, the Company's shareholders approved the retention of the mandatory minimum dividends in the amount of R\$ 21,648 – US\$ 4,569 proportionally to the interest of the shareholders, determined in 2020, from the retained earnings reserve.

(c) Issuance of debentures

On May 12, 2022, the Company completed the 10th issuance of simple, nonconvertible debentures. The indenture was signed on April 25, 2022, in the total amount of R\$ 1,600,000 – US\$ 337,709, falling due within 5 years, and obtained the sustainable bond seal, certified by an independent appraiser. The transaction allowed the pre-payment of corporate borrowings amounting to R\$ 1,245,000 – US\$ 262,780 of principal, extending to 2027 the remaining maturity term of these debts, which matured between 2024 and 2026, including the initial measurement of the financial covenant (Net debt/ EBITDA ratio), which will change from December 31, 2023 to December 31, 2025, thus reducing the average cost of the prepaid debts, corresponding to an average cost of CDI + 3.5% p.a., to CDI + 2.4% p.a. The classification of this issuance confirms the commitment of BRK Ambiental with its ESG strategy, present in its business decisions, with a long-term view and consolidating itself as a reference to investors in the generation of sustainable value.

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