

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

**Total Net Revenue of BRK Ambiental reaches R\$ 920 million in 3Q21,
with an EBITDA growth of 47% compared to 3Q20,
reaching R\$ 254 million**

São Paulo, November 11th, 2021 - BRK Ambiental Participações S.A. ("BRK Ambiental" or "Company"), a private sanitation company that operates in 13 states and more than 100 municipalities, announces today its results for the third quarter of 2021.

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

The information below presents the Company's performance for the third quarter of 2021 ("3Q21") in comparison with 2020 ("3Q20"), as well as for the first nine months of 2021 ("9M21") in comparison with 2020 ("9M20").

Earnings Highlights – 3Q21

- The **Net Operating Revenue**¹ totaled **R\$ 592 million**, representing a **54% growth** as compared to 3Q20, driven by (i) the increase of 628,000 new active economies², of which 480,000 from RMM's start of operations in July, 1st and (ii) consolidation of BRK Ativos Maduros ("BRK-MA")³, carried out after the Corporate Reorganization concluded on September 30th, 2020.
- The **Costs and Expenses**, excluding construction costs and depreciation & amortization expenses, totaled **R\$ 347 million**, an increase of 58% in relation to the same period of the previous year, impacted by (i) R\$ 49 million related to BRK-MA consolidation and (ii) R\$ 88 million from RMM's start of operations. Excluding these effects, there would be a drop of 4% in Costs and Expenses, as a result of the Company's operational efficiency and productivity program, against inflation (IPCA⁴) of the period of 10.25%.

1 Excluding revenue from construction determined based on the application of an estimated profit margin on construction costs, in accordance with IFRIC 12 / ICPC 01 (R1)

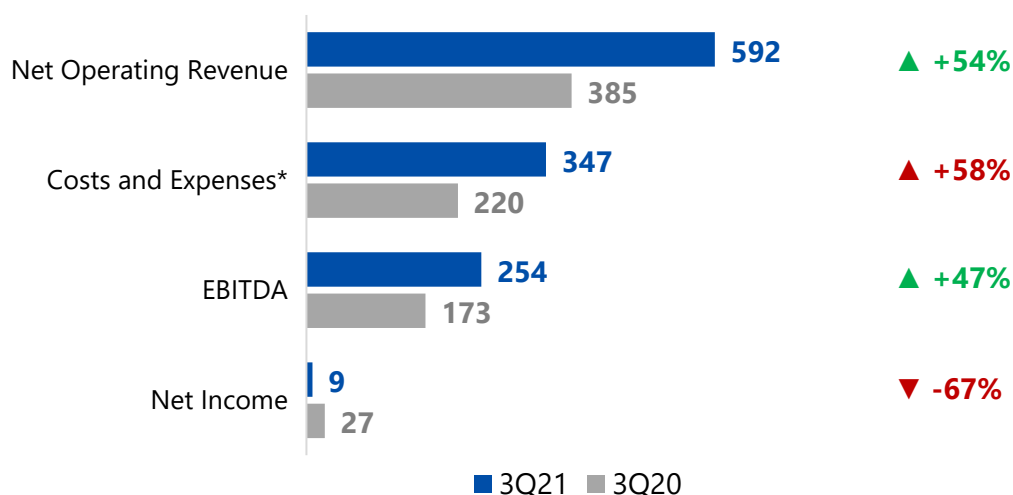
2 Active Economies: real estate of single occupancy or independent unit represented by apartments, commercial units, public agencies and similar, serviced by water and/or sewage services (i.e., a building with 20 offices has 1 connection/link and 20 economies)

3 BRK-MA: company that controls concessionaires: BRK Ambiental - Limeira S.A., BRK Ambiental - Cachoeiro de Itapemirim S.A., BRK Ambiental - Capivari S.A. and BRK Ambiental - Jaguaribe S.A.

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

- **EBITDA⁵ of R\$ 254 million**, representing an **increase of 47%** in relation to 3Q20 and an **EBITDA margin** of 43%, reflecting RMM's start of operations. For comparison purposes, excluding the effects of BRK-MA and the initial phase of RMM, EBITDA margin would be 53%, 8 p.p. higher than in 3Q20.
- **Investments⁶ of R\$ 321 million**, representing an increase of 78% in relation to 3Q20, demonstrating the Company's execution capacity, with the implementation of networks and connections which convert into new economies and, consequently, in operating revenue increase. In 3Q21, BRK Ambiental added 24,000 new connections⁷ and implemented 255 km of network.
- The **Net Income⁵ of 3Q21 was R\$ 9 million**, 67% lower than 3Q20, impacted by financial result, arising from interest rates increase, as well as gross debt, due to higher investments executed and RMM's grant payment.

Financial Highlights - R\$mm



* Excluding Construction Costs, depreciation and amortization.

Other Highlights and Subsequent Events

- In view of the challenging scenario brought by the **Covid-19 pandemic**, BRK Ambiental maintains its service provision activities following all safety protocols to protect its employees and customers. The Company adopted **new commercial initiatives** to increase collection, in view of the restrictions on cutting of services to defaulting clients. These initiatives, together with those already adopted since the beginning of the pandemic, resulted in 60% increase in the monthly average collection in 9M21, with more consistent collection actions than in the same period in 2020.

⁵ Considering Continuing Operations

⁶ Measured by the Construction Cost

⁷ Connections or links: building branches connected to the water or sewage network, which can be either active or inactive

- In 3Q21, **Sumaré** and **Caçador** concluded the 1st issue of debentures in the amounts of, respectively, R\$ 201 million and R\$ 42 million, structured by Santander and Bradesco banks.
- In order to enhance the Company's liquidity, on August 2nd, BRK Ambiental completed the **9th issue of debentures** in the amount of R\$ 200 million, with full maturity in 2026.
- On November 3rd, **Macaé** concluded the 2nd issue of debentures in the amount of R\$ 74 million, with maturity on October 20th, 2026.
- On July 1st, BRK Ambiental officially started operations in **Maceió Metropolitan Region** ("RMM") concession, for water distribution and wastewater collection and treatment for the next 35 years. With the start of operations in 9 of the 13 municipalities of RMM, on July 2nd, the 2nd installment grant payment in the amount of R\$ 1.2 billion was made. The remaining 4 municipalities, with respective grant payment (R\$ 153 million), started operations in September 2021.
- In partnership with Getúlio Vargas Foundation and targeting professionals training in view of sector's growth, BRK Ambiental launched the first in-company **MBA** in basic sanitation, with 18 months duration, which will address regulation, governance and operational, commercial and financial matters.

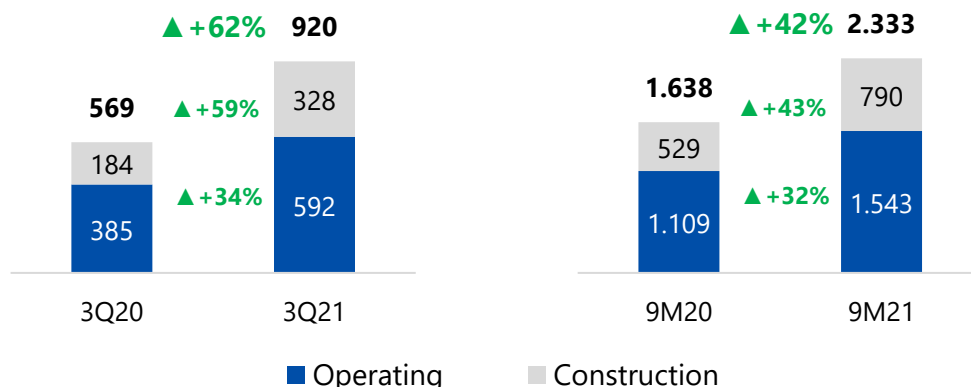
Financial Highlights – 3Q21 and 9M21

Indicators (R\$mm)	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
Net revenue	920	569	62%	2.333	1.638	42%
Net Operating Revenue	592	385	54%	1.543	1.109	39%
Net Construction Revenue	328	184	78%	790	529	49%
Costs and expenses	(757)	(461)	64%	(1.878)	(1.347)	39%
Costs and expenses	(347)	(220)	58%	(873)	(656)	33%
Costs of services	(203)	(127)	60%	(496)	(384)	29%
General and Adm. expenses	(144)	(92)	56%	(377)	(272)	39%
Construction costs	(321)	(181)	78%	(774)	(518)	49%
Depreciation and amortization	(88)	(60)	46%	(231)	(172)	34%
Finance result	(146)	(69)	112%	(374)	(204)	84%
Equity Accounted Investment	2	4	-49%	(4)	12	-131%
Income tax (current and deferred)	(10)	(16)	-38%	(27)	(40)	-33%
Net Income	9	27	-67%	51	60	-16%
Net Income Discontinued Oper.	-	(1)	-100%	2	(4)	-145%
EBITDA	254	173	47%	683	476	43%
<i>EBITDA Margin⁸</i>	<i>43%</i>	<i>45%</i>	<i>-2%</i>	<i>44%</i>	<i>43%</i>	<i>1%</i>
EBITDA Discontinued Operations	0,1	(1)	-109%	2	(5)	-146%

⁸ EBITDA Margin = EBITDA / Net Operating Revenue

Operating and Finance Results

1. Net Revenue (R\$mm)

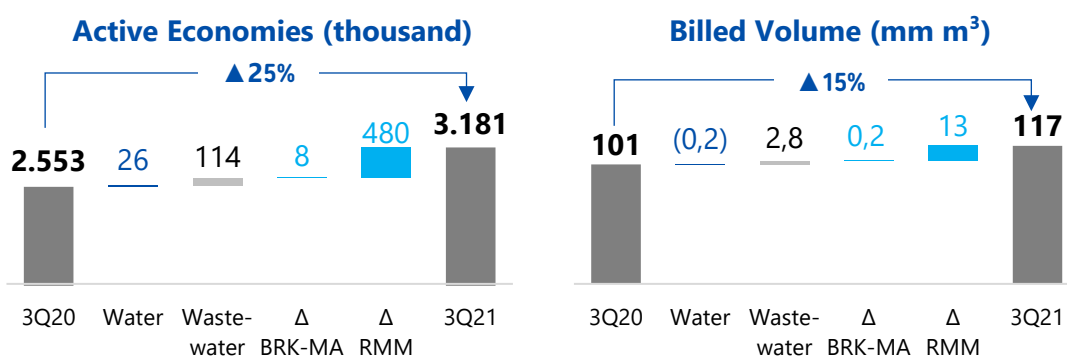


The Net Revenue is composed as follows: ~65% by Operating Revenue and ~35% by Construction Revenue, which is related to investments in expansion and/or improvements of the existing infrastructure.

The Total Net Revenue reached R\$ 920 million in 3Q21, a 62% growth in relation to 3Q20, resulting from (i) the evolution of BRK Ambiental's portfolio, incorporating 3 SPEs in the Maturity phase (Uruguaiana, Mauá and Rio Claro) as compared to 3Q20, as a result of the efficient capex execution and consequent conversion into additional revenue for the Company, (ii) an increase in construction revenue as a result of higher investments executed, (iii) consolidation of BRK-MA in 3Q21 and (iv) RMM's start of operations. For comparison purposes, excluding punctual effects of BRK-MA and RMM, the Total Net Revenue in 3Q21 reached R\$ 710 million, a 25% increase in relation to 3Q20.

The Operating Revenue totaled R\$ 592 million in 3Q21, a 54% growth in relation to 3Q20. In the period, BRK Ambiental added 628,000 new Active Economies, highlighting the 480,000 economies from RMM, in addition to the volume invoiced, which had a 15% growth.

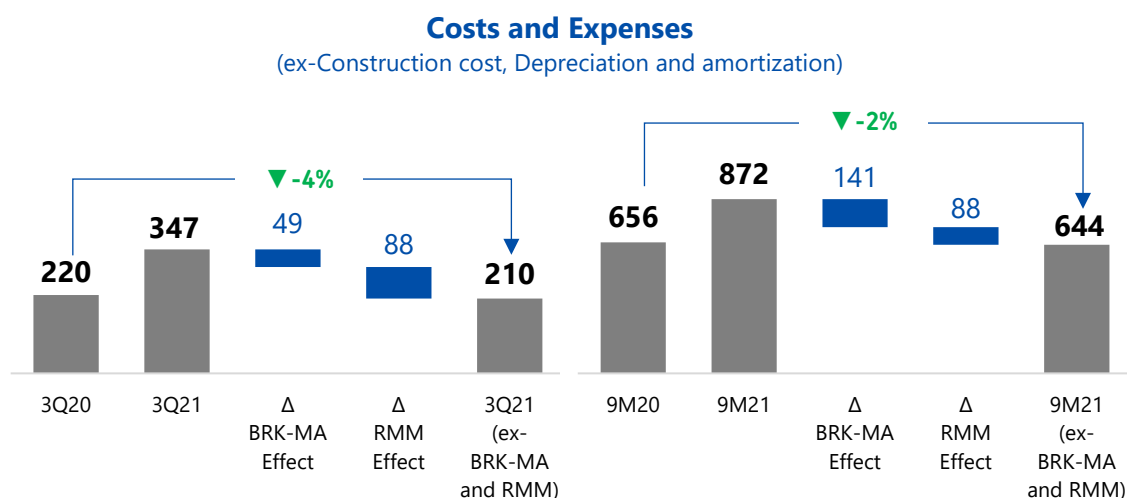
The growth in Operating Revenue also arises from the consolidation of BRK-MA (R\$ 87 million) and RMM's start of operations (R\$ 78 million). For comparison purposes, excluding these effects, the increase would be 11% as compared to 3Q20, and 10% in the accumulated 9M21 as compared to 9M20.



The Construction Revenue reached R\$ 328 million, representing an increase of 78% in 3Q21 as compared to 3Q20, and R\$ 790 million in 9M21, an increase of 49% versus 9M20, due to the acceleration of investments made in the period, including those of BRK-MA and RMM. For comparison purposes, excluding BRK-MA and RMM effects, the increase would be 53% as compared to 3Q20, and 36% in the accumulated 9M21 as compared to 9M20.

2. Costs and Expenses (R\$mm)

	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
Personnel	(142)	(118)	20%	(391)	(344)	14%
Materials	(80)	(17)	382%	(111)	(52)	114%
Services	(103)	(87)	19%	(345)	(270)	28%
Other	(22)	2	-1340%	(25)	9	-382%
Subtotal	(347)	(220)	58%	(872)	(656)	33%
Depreciation and amortization	(88)	(60)	46%	(231)	(172)	34%
Construction cost	(321)	(181)	78%	(774)	(518)	49%
Total	(757)	(461)	64%	(1.877)	(1.347)	39%



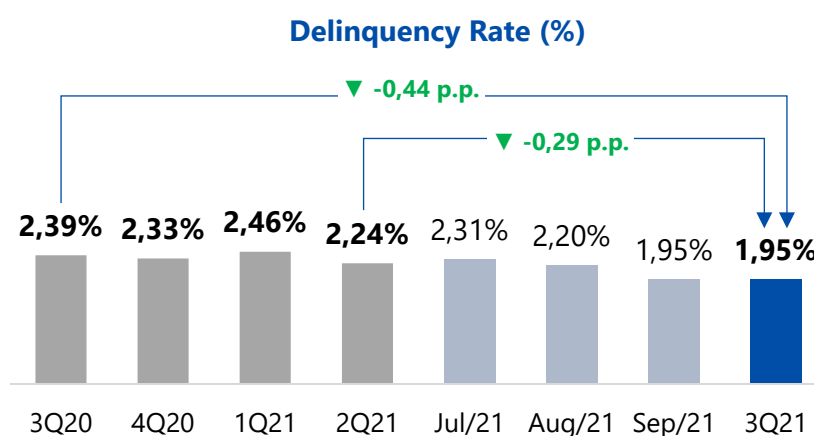
Costs and expenses totaled R\$ 757 million in 3Q21, an increase of 64% as compared to 3Q20 and, disregarding the effects of construction costs, depreciation and amortization, increase was 58%. For comparison purposes, disregarding the effects of BRK-MA, RMM and construction costs, depreciation and amortization, there was a drop of 4% in relation to 3Q20, beneath inflation (IPCA of 10.25%).

For the year-to-date, the total of costs and expenses was of R\$ 1,878 million, an increase of 39% in relation to 9M20. Disregarding the effects of construction costs, depreciation and amortization, there was an increase of 33%. For comparison purposes, disregarding the effects of BRK-MA and RMM, there was a decrease of 2% in relation to 9M20 as a result of Operating Efficiency Program gains, which covers optimization and productivity increase of personnel costs and third party services, in addition to the implementation of energy efficiency, water losses reduction and delinquency rate programs.

3. Delinquency Rate⁹

In 3Q21, BRK Ambiental recorded 1.95%¹⁰ delinquency rate, reflecting a decrease of 0.29 percentage points in relation to 2Q21 and 0.44 percentage points in relation to 3Q20. This decrease points to a pace of recovery in face of the impact of the pandemic on collection, mainly as a result of restrictions on cutting of services.

As a way to mitigate this effect, in addition to the measures already adopted since the beginning of the pandemic and incorporated into delinquency management, new commercial initiatives were implemented and/or continued, such as debt renegotiation fairs and legal advice support for negotiating public debts.



4. Losses¹¹

The continuous improvement in efficiency obtained by the Losses Reduction Program results in a decrease in the water loss rate, which reached 34.5%, 1.3 percentage points below that of 3Q20, and represents the best consolidated rate ever recorded by the Company.

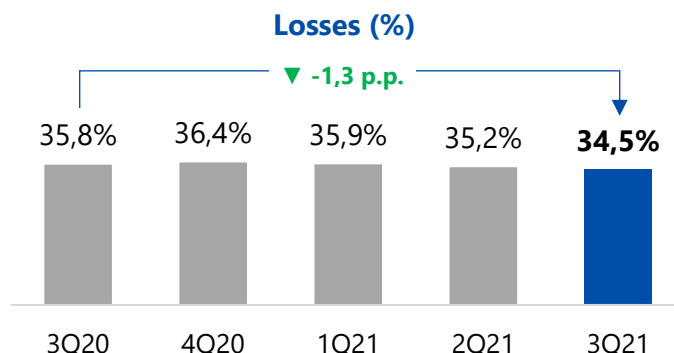
The Program uses innovative solutions for the application of advanced analytics and artificial intelligence to effectively direct the hydrometric plan, prospecting for leaks, replacing networks and extensions.

During the first 9 months of 2021, there were approximately 7,200 km of leak prospecting, 44 km of network renewal and over 16,000 branches replaced.

⁹ Allowance for expected losses from doubtful accounts / Billings excluding cancellations. Amounts accumulated in last 12 months (LTM) and calculated based on future losses analysis, according to history default, segregating private and public customers, and in accordance with the management's assessment.

¹⁰ Due to COVID-19, there was a higher incidence of non-payment of customers' invoices, however, management implemented collection actions aiming to recover overdue amounts, which is expected to be effective for later collection of these amounts.

¹¹ Loss Rate follows the methodology of Water Balance of the International Water Association (IWA)



5. EBITDA (R\$mm)

The EBITDA presented below considers Continuing Operations.

	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
Net Income	9	27	-67%	50,5	60	-16%
(+) Finance result	146	69	112%	374,3	204	84%
(+) Income Tax (current + deferred)	10	16	-38%	27,0	40	-33%
(+) Depreciation and amortization	88	60	46%	231	172	34%
EBITDA	254	173	47%	683	476	43%
<i>EBITDA Margin</i>	<i>43%</i>	<i>45%</i>	<i>-2 p.p.</i>	<i>44%</i>	<i>43%</i>	<i>1 p.p.</i>
EBITDA from Discontinued Oper. ¹²	0,1	(1)	-109%	2	(5)	-146%

EBITDA grew 47% in 3Q21 as compared to 3Q20 and reached R\$ 254 million, driven by Net Operating Revenue growth, combined with BRK-MA consolidation and RMM's start of operations.

For comparison purposes, excluding the results of BRK-MA and RMM in 3Q21, the EBITDA increased by 31% compared to 3Q20, totaling R\$ 226 million, reinforcing the consistent delivery of results by the Company.

EBITDA margin in 3Q21 reached 43% reflecting the RMM's start of operations. For comparison purposes, disregarding the effects of RMM's initial phase, margin would be 53%, 8 p.p. higher than in 3Q20.

The accumulated EBITDA in 9M21 totaled R\$ 683 million, representing an increase of 43% as compared to the same period of the previous year and reaching an EBITDA margin of 44%.

For comparison purposes, excluding the results of BRK-MA and RMM in 9M21, EBITDA has an 23% increase in relation to 9M20, totaling R\$ 584 million, with a 48% EBITDA margin.

¹² 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

6. Finance Result (R\$mm)

	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
Finance income	27	14	97%	74	46	62%
Finance expenses	(174)	(83)	109%	(448)	(249)	80%
Total	(146)	(69)	112%	(374)	(204)	84%

In 3Q21, the Financial Result totaled R\$ 146 million, an increase of 112% as compared to 3Q20, mainly resulting from increase in debt indexes, notably the CDI, (ii) increase of the Company's consolidated indebtedness resulting from resumption of investments, (iii) BRK-MA consolidation and (iv) financing for RMM's grant payment in the amount of R\$ 1.8 billion, contracted in December 2020.

In 9M21, the Financial Result totaled R\$ 374 million, a 84% growth, for the same reasons already mentioned in the quarterly comparison.

7. Indebtedness (R\$mm)

	3Q21	3Q20	Δ (%)
Gross debt	7.868	5.110	54%
Cash and cash equivalents	1.146	1.304	-12%
Net debt	6.723	3.806	77%
Net Debt / LTM EBITDA ^{/1}	7,6x	5,1x	2,5x

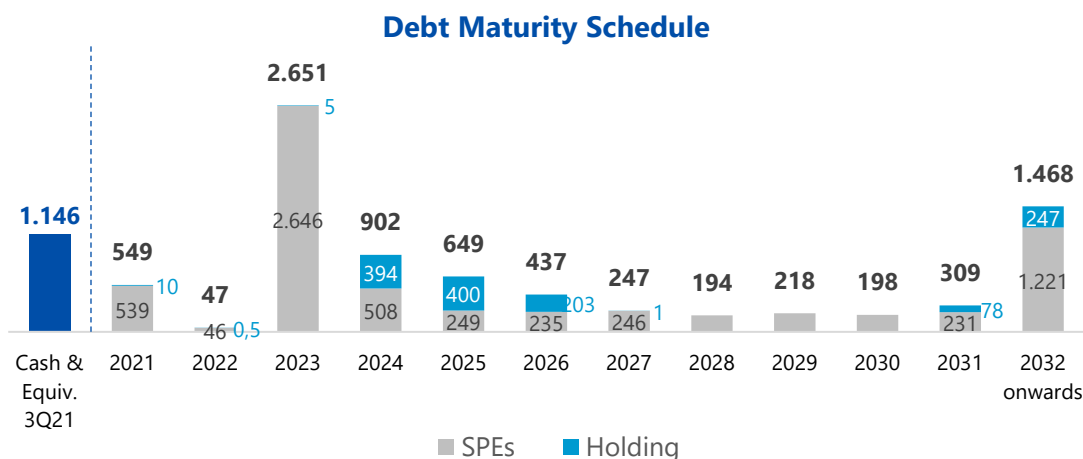
^{/1} For comparison purposes, considers BRK-MA LTM EBITDA in 3T20. Disregarding RMM's net debt and EBITDA, a recent started operation, leverage in 3Q21 would be 5.8x

Gross Debt

BRK Ambiental's consolidated Gross Debt totaled R\$ 7,8 billion in September 2021, of which 17% is concentrated at the holding level and 83% is at the SPEs¹³. Gross debt increased 54% in relation to 3Q20, mainly due to BRK-MA's gross debt consolidation and RMM's debt for grant payment.

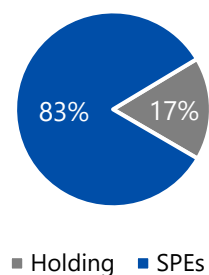
In the SPEs, gross debt totaled R\$ 6,5 billion at the end of 3Q21. Debt service schedule considering debt balance (principal and interests) up to September, 30th, 2021 database, is presented in the chart below and is supported by cash generation from operations. For 2023, it is expected RMM debentures' maturity, which the takeout will be long-term debts, currently being negotiated.

¹³ Special Purpose Entity

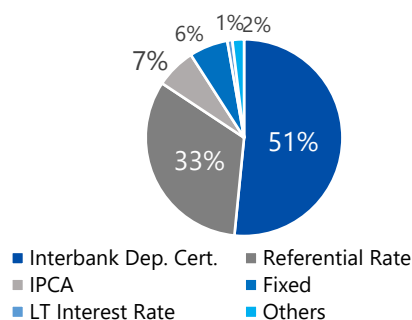


The average term of BRK Ambiental's financings is 8,0 years. Disregarding RMM debt, considering its relevance and shorter term, the average term increases to 9,8 years representing, therefore, a long-term profile, mitigating the Net Debt / LTM EBITDA ratio of 7.6x¹⁴. The average consolidated cost of the debt reached 7.4%¹⁵ per year.

Indebtedness



By Index



Cash and Cash Equivalents

Cash and cash equivalents present a robust position of R\$ 1,1 billion in 3Q21, an increase of 34% as compared to 3Q20, as a result of the efficient cash management pursuant to the "Liquidity Strengthening Plan" designed in 2020 to face the pandemic.

Given the Company's cash position, the net debt totaled R\$ 6,7 billion in 3Q21, representing an increase of R\$ 4.0 billion and 68% as compared to 3Q20, mainly as a result of RMM's addition to BRK Ambiental's portfolio and resumption of investments in the period.

Leverage

The cycle of the sanitation projects involves three phases: Development, Investment and Maturity. The first phase represents the study and obtainment of the project, the second phase involves an intensive investment and, consequently, a high leverage level to

¹⁴ Considering LTM EBITDA of BRK-MA

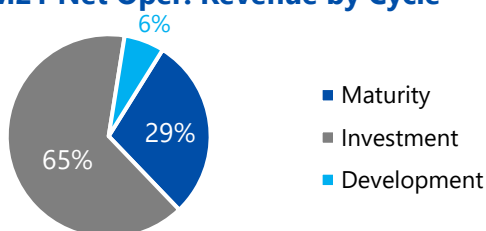
¹⁵ Post-fixed financing indicators (LTM): CDI = 3.01%, TR = 0%, IPCA = 10.25% and TJLP for 3Q21 = 4.88%

achieve universalization and, in the last phase, the project presents an EBITDA margin higher than 45%, distributes dividends to stockholders on a consistent basis and requires a lower volume of investments.

The leverage of BRK Ambiental in 7,6x reflects the inclusion of the recent acquisition of RMM, in the Development phase. This SPE relied on the issue of R\$ 1,8 billion in debentures in December 2020 and, with the beginning of operations on July 1st, the recognition of results is still in the initial stage.

The Company has 8 assets in the Maturity phase, representing 29% of Net Operating Revenue in 9M21. The Operations in Investment and Development phases, which concentrate the highest growth potential in the sanitation business, together account for 71% of the BRK Ambiental's Net Operating Revenue.

9M21 Net Oper. Revenue by Cycle

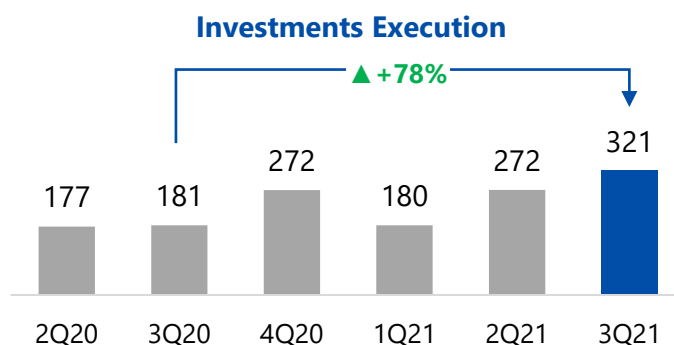


The Company's investments are financed under very competitive cost conditions and long terms, mainly through the *Saneamento para Todos* credit line, with costs ranging from TR+8 to 9% p.y. and total terms of up to 24 years, in project finance modality.

8. Investments (R\$m)

In 3Q21, R\$ 321 million were invested, an increase of 78% as compared to the same period of the previous year, as a result of R\$ 11 million from BRK-MA consolidation, R\$ 34 million from RMM's start of operations and investments executed in the period.

For comparison purposes, disregarding BRK-MA and RMM effects in 3Q21, investments increased 53% when compared to 3Q20, as a result of BRK Ambiental's capex management program, reflecting resumption of capex pace in face of the impact of the pandemic.

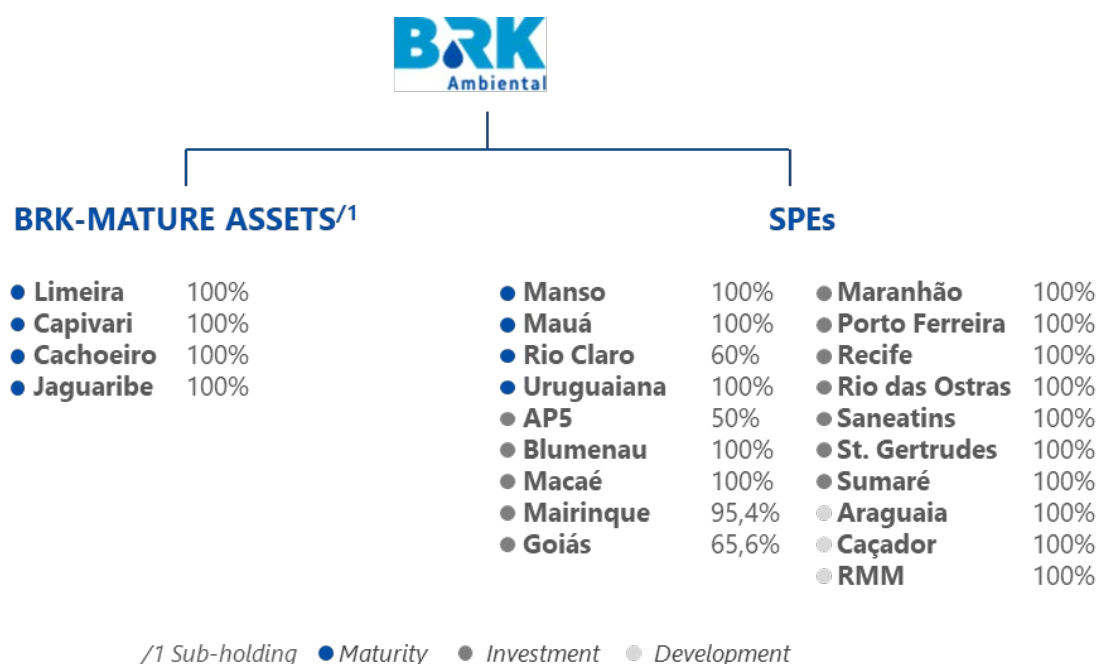


BRK Ambiental

BRK Ambiental 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	September 30th, 2021	December 31th, 2020
Current assets		
Cash and cash equivalents	1.074.292	1.247.394
Restricted funds	-	1.200.602
Trade accounts receivable, net	583.814	554.580
Related parties	10.200	
Advances to suppliers	11.629	14.784
Taxes recoverable	66.286	42.177
Dividends and interest on capital receivable	5.429	5.973
Inventories	32.960	32.954
Prepaid expenses	13.896	10.369
Other assets	7.042	9.312
	<u>1.805.548</u>	<u>3.118.145</u>
Assets from discontinued operations	<u>-</u>	<u>1.451</u>
Non-current assets		
Trade accounts receivable, net	3.167.087	2.915.379
Restricted funds	71.231	41.436
Taxes recoverable	85.028	83.380
Related parties	4.972	15.392
Deferred income tax and social contribution	220.363	181.115
Judicial deposits	22.877	13.657
Prepaid expenses	5.890	3.687
Other assets	45.002	45.174
	<u>3.622.450</u>	<u>3.299.220</u>
Investments in subsidiaries and jointly-controlled subsidiaries	79.247	82.403
Investment properties	45.023	42.834
Property and equipment	81.704	86.204
Contract assets	1.235.559	1.012.556
Right-of-use lease	136.035	148.908
Intangible assets	5.990.256	5.692.549
	<u>11.190.274</u>	<u>10.364.674</u>
Total assets	<u>12.995.822</u>	<u>13.484.270</u>

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

Liabilities and equity	September 30th, 2021	December 31th, 2020
Current liabilities		
Trade payables	215.273	136.342
Debts	308.407	338.629
Lease	37.789	32.188
Debentures	202.480	286.056
Related parties	18.945	-
Salaries and payroll charges	158.696	137.652
Taxes payable	131.922	107.806
Deferred PIS, COFINS and ISS	11.921	12.941
Concession rights payable	17.014	1.411.308
Dividends and interest on capital payable	76	12.864
Other liabilities	8.686	10.615
	1.111.209	2.486.401
Liabilities from discontinued operations	-	8.861
Non-current liabilities		
Debts	3.007.838	2.853.113
Lease	112.931	128.185
Debentures	4.199.037	3.548.554
Related parties	44.460	49.050
Deferred PIS, COFINS and ISS	233.940	223.017
Deferred income tax and social contribution	591.150	568.080
Provisions for contingencies	19.491	22.177
Concession rights payable	192.155	180.570
Dividends and interest on capital payable	13.171	14.840
Post-employment benefit obligations	39.220	33.493
Other liabilities	26.726	27.050
	8.480.119	7.648.129
Equity		
Capital	4.008.807	4.008.807
Capital reserve	40.570	40.570
Revenue reserve	492.396	482.981
Adjustments to equity valuation	-1.249.548	-1.249.548
Profit (loss) of the period	48.749	-
Non-controlling interests	63.520	58.069
	3.404.494	3.340.879
Total liabilities and equity	12.995.822	13.484.270

Income Statement (R\$ thousands)

	3Q21	9M21	3Q20	9M20
Continuing operations				
Net service and sales revenue	920.438	2.333.037	568.972	1.638.173
Costs of services and sales	(614.724)	(1.457.532)	(353.488)	(1.030.463)
Gross profit	305.714	875.505	215.484	607.710
Operating income (expenses)				
General and administrative	(135.831)	(396.228)	(92.739)	(278.781)
Allowance for expected losses from doubtful accounts	(8.182)	(35.280)	(13.120)	(34.458)
Other income (expenses), net	1.634	11.477	(1.472)	(2.939)
Equity in the results of jointly-controlled subsidiaries	2.083	(3.700)	4.083	12.118
Profit from operations	165.418	451.774	112.236	303.650
Finance result				
Finance income	27.079	73.960	13.765	45.711
Finance costs	(173.526)	(448.241)	(82.883)	(249.486)
Finance result, net	(146.447)	(374.281)	(69.118)	(203.775)
Profit before income tax and social contribution	18.971	77.493	43.118	99.875
Current income tax and social contribution	(17.030)	(43.154)	(8.522)	(14.352)
Deferred income tax and social contribution	6.918	16.178	(7.896)	(25.613)
Profit from continuing operations	8.859	50.517	26.700	59.910
Discontinued operations				
Profit (loss) from discontinued operations	-	(2.075)	(1.238)	(4.319)
Write-off on provision for losses on investments	-	4.092	-	-
Deferred income taxes	-	-	28	(173)
Profit (loss) for discontinued operations	-	2.017	(1.210)	(4.492)
Profit from continuing and discontinued operations	8.859	52.534	25.490	55.418
Attributable to				
Company's stockholders	6.687	48.749	18.788	48.107
Non-controlling interests	2.173	3.786	6.702	7.311
	8.860	52.535	25.490	55.418

Cash Flows (R\$ thousands)

	9M21	9M20
Cash flows from operating activities		
Profit (loss) before income tax and social contribution	77.493	99.875
Profit before income tax and social contribution from discontinued operations	2.017	(4.319)
Adjustments		
Depreciation and amortization	198.724	149.529
Amortization of lease	32.116	22.814
Residual value of property and equipment and intangible asset disposals	651	16
Residual value of lease disposals	(3.211)	768
Equity in the results of continuing operations	3.700	(12.118)
Results of discontinued operations	2.075	4.319
Disposal on provision for losses on investments	(4.092)	-
Allowance for expected losses from doubtful accounts	35.280	34.458
Provision for contingencies	(2.686)	(911)
Construction profit margin	(16.182)	(10.991)
Post-employment benefit obligations	3.926	1.507
Adjustment to present value	17.133	13.734
Interest and monetary and foreign exchange variations, net	379.581	196.731
	(2.074)	-
	724.451	495.412
Adjustment for the reconciliation of profit for the year of discontinued operations	-	(4.451)
Changes in assets and liabilities		
Trade accounts receivable	(259.599)	(279.149)
Advances to suppliers	3.703	(4.933)
Taxes recoverable	(25.757)	(4.842)
Inventories	(6)	(2.575)
Dividends and interest on capital received	-	2.007
Judicial deposits	(9.220)	(1.869)
Prepaid expenses	(5.730)	13.709
Other assets	2.419	(170)
Trade payables	122.358	(1.461)
Salaries and payroll charges	21.044	18.294
Taxes payable	26.748	25.727
Deferred PIS, COFINS and ISS	(9.829)	(8.206)
Concession rights payable	(8.087)	(15.479)
Provisions for contingencies	-	12
Related parties	(7.605)	(14.731)
Other liabilities	(2.253)	(35.329)
Cash provided by operations	572.637	181.966
Income tax and social contribution paid	(44.678)	(14.764)
Net cash provided by operating activities	527.959	167.202
Net cash provided by (used in) discontinued operating activities	-	(1.385)
Total net cash provided by operating activities	527.959	165.817
Advance for future capital increase	(5.451)	-
Restricted funds	1.170.807	26.921
Acquisitions of property and equipment	(5.405)	(9.647)
Acquisitions of contract assets and intangible assets	(2.081.327)	(360.765)
Net cash provided by (used in) investing activities	(921.376)	(343.491)
Total net cash provided by (used in) investing activities	(921.376)	(343.491)
Net cash used in discontinued investing activities	-	(15)
Cash flows from financing activities	(921.376)	(343.506)
Dividends and interest on capital paid	(3.373)	(3.039)
Proceeds from debts	312.629	587.541
Transaction cost on proceeds from debts	(975)	(22.168)
Repayment of debts	(199.303)	(144.655)
Interest paid on debts	(182.392)	(120.609)
Proceeds from debentures	795.000	500.000
Transaction cost on proceeds from debentures	(10.399)	(7.353)
Amortization of debentures	(261.763)	(685.776)
Interest paid on debentures	(197.421)	(79.019)
Amortization of leasing	(44.117)	(34.359)
Capital Injection	-	522.745
Investment Program - stock option	-	3.841
Related parties	12.429	4.789
Net cash provided by (used in) financing activities	220.315	521.938
Net cash used in discontinued financing activities	-	(1.581)
Total net cash provided by (used in) financing activities	220.315	520.357
Cash and cash equivalents of subsidiaries excluded from consolidation, net	-	232
Cash and cash equivalents of subsidiaries included in consolidation, net	-	73.047
Net increase (decrease) in cash and cash equivalents	(173.102)	415.947
Cash and cash equivalents at the beginning of the period	1.247.394	850.670
Cash and cash equivalents at the end of the period	1.074.292	1.266.617

Income Statement – Pro-Forma¹⁶ (R\$ thousands)

	3Q21	9M21	3Q20	9M20
Continuing operations				
Net service and sales revenue	822.611	2.046.569	568.972	1.638.173
Costs of services and sales	(565.719)	(1.312.851)	(353.488)	(1.030.463)
Gross profit	256.892	733.718	215.484	607.710
Operating income (expenses)				
General and administrative	(118.043)	(343.737)	(93.174)	(279.216)
Allowance for expected losses from doubtful accounts	(7.777)	(33.846)	(12.682)	(34.020)
Other income (expenses), net	1.536	9.963	(1.472)	(2.939)
Equity in the results of jointly-controlled subsidiaries	20.594	48.256	4.082	12.117
Profit from operations	153.202	414.354	112.238	303.652
Finance result				
Finance income	24.728	69.015	13.765	45.711
Finance costs	(165.997)	(426.508)	(82.883)	(249.486)
Finance result, net	(141.269)	(357.493)	(69.118)	(203.775)
Profit before income tax and social contribution	11.933	56.861	43.120	99.877
Current income tax and social contribution	(9.440)	(21.721)	(8.522)	(14.352)
Deferred income tax and social contribution	6.370	15.379	(7.897)	(25.614)
Profit (loss) from continuing operations	8.863	50.519	26.701	59.911
Discontinued operations				
Profit (loss) from operations	-	(2.075)	(1.238)	(4.319)
Write-off on provision for losses on investments	-	4.092	-	-
Current income taxes	-	-	28	(173)
Profit for discontinued operations	-	2.017	(1.210)	(4.492)
Profit (loss) from continuing and discontinued operations	8.863	52.536	25.491	55.419
Attributable to				
Company's stockholders	6.686	48.748	18.789	48.108
Non-controlling interests	2.177	3.788	6.702	7.311
	8.863	52.536	25.491	55.419

Operating Information¹⁷

	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
Active Economies (thousand)	3.181	2.553	25%	3.181	2.553	25%
Water	813	786	3%	813	786	3%
Wastewater	1.478	1.363	8%	1.478	1.363	8%
BRK-MA (Water + Wastewater)	411	403	2%	411	403	2%
RMM	480	-	---	480	-	---
Billed Volume (thousand m³)	117	101	15%	319	296	8%
Water	31	32	0%	96	94	2%
Wastewater	56	53	5%	164	156	5%
BRK-MA (Water + Wastewater)	17	17	0,9%	46	45	1%
RMM	13	-	---	13	-	---
Employees (#)	6.007	5.517	9%	6.007	5.517	9%

¹⁶ For comparison purposes, disregards BRK-MA effects in 3Q21 and 9M21

¹⁷ Considers only SPEs consolidated by BRK Ambiental Participações S.A. at IFRS basis