

Condensed Interim Financial Information

BRK Ambiental Participações S.A. and its Subsidiaries

September 30, 2021
and Independent Auditor's Review Report

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Interim Financial Information

September 30, 2021

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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 Board of Directors and Shareholders of
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 September 30, 2021, comprising the statement of financial position as of September 30, 2021 and the related statements of profit or loss and of comprehensive income for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-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).



Emphasis of matter

BRK Ambiental - Maranhão S.A. – Annulment of the concession contract

We draw attention to Note 1.1(a) to the individual and consolidated interim financial information, which describes the decision at 1st instance that annulled the concession contract entered into between the subsidiary BRK Ambiental - Maranhão S.A. and the municipalities of Paço do Lumiar and São José de Ribamar, and subsequent granting of the petition filed for injunction suspending the effects of this decision until judgment of the appeal filed by said subsidiary. The subsidiary BRK Ambiental - Maranhão S.A. will continue to operate normally, however, to date, it is not possible to determine whether said subsidiary and/or the Company will be impacted by any unfavorable decision upon final judgment of the process of annulment of the concession contract. Our conclusion is not modified in respect of this matter.

Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the nine-month period ended on September 30, 2021, 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, November 11, 2021.

ERNST & YOUNG
Auditores Independentes S/S
CRC-2SP034519/O-6



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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Balance Sheets (In thousands of reais and U.S. dollars)

| Assets | Note | Parent company | | | | Consolidated | |
|---|---------|--------------------|------------------|-------------------|------------------|--------------------|-------------------|
| | | September 30, 2021 | | December 31, 2020 | | September 30, 2021 | December 31, 2020 |
| | | US\$ | R\$ | US\$ | R\$ | | |
| Current | | | | | | | |
| Cash and cash equivalents | 6 | 58,747 | 319,550 | 784,437 | 197,502 | 1,074,292 | 1,247,394 |
| Restricted funds | 7 | | | | | | 1,200,602 |
| Trade accounts receivable, net | 8 | 47 | 253 | | 107,331 | 583,814 | 554,580 |
| Related parties | 20 | 44,078 | 239,758 | 156,877 | 1,875 | 10,200 | |
| Advances to suppliers | | 91 | 497 | 443 | 2,138 | 11,629 | 14,784 |
| Taxes recoverable | | 2,426 | 13,197 | 5,697 | 12,186 | 66,286 | 42,177 |
| Dividends and interest on capital receivable | 9 (e) | 5,719 | 31,108 | 101,996 | 998 | 5,429 | 5,973 |
| Inventories | | | | | 6,059 | 32,960 | 32,954 |
| Prepaid expenses | | 1,776 | 9,661 | 11,245 | 2,555 | 13,896 | 10,369 |
| Other assets | | 2,331 | 12,679 | 12,719 | 1,295 | 7,042 | 9,312 |
| | | 115,215 | 626,703 | 1,073,414 | 331,939 | 1,805,548 | 3,118,145 |
| Assets from discontinued operation | 1.1 (b) | | | 5,244 | | | 1,451 |
| Non-current | | | | | | | |
| Trade accounts receivable, net | 8 | | | | 582,249 | 3,167,087 | 2,915,379 |
| Restricted funds | 7 | | | | 13,095 | 71,231 | 41,436 |
| Taxes recoverable | | | | | 15,632 | 85,028 | 83,380 |
| Advances for future capital increase | | 833 | 4,530 | 38,209 | | | |
| Related parties | 20 | 238,933 | 1,299,653 | 1,126,020 | 914 | 4,972 | 15,392 |
| Deferred income tax and social contribution | 19 (a) | | | | 40,512 | 220,363 | 181,115 |
| Dividends and interest on capital receivable | 9 (e) | 21,843 | 118,811 | 50,182 | | | |
| Judicial deposits | | 78 | 422 | 379 | 4,206 | 22,877 | 13,657 |
| Prepaid expenses | | 1,348 | 7,330 | 12,965 | 1,083 | 5,890 | 3,687 |
| Other assets | | | | | 8,273 | 45,002 | 45,174 |
| | | 263,035 | 1,430,746 | 1,227,755 | 665,964 | 3,622,450 | 3,299,220 |
| Investments in subsidiaries and jointly-controlled subsidiaries | 9 (b) | 395,021 | 2,148,676 | 1,720,632 | 14,569 | 79,247 | 82,403 |
| Investment properties | | | | | 8,277 | 45,023 | 42,834 |
| Property and equipment | | 2,225 | 12,102 | 13,777 | 15,021 | 81,704 | 86,204 |
| Contract assets | 10 | | | | 227,150 | 1,235,559 | 1,012,556 |
| Right-of-use lease | 11 | 4,349 | 23,655 | 26,480 | 25,009 | 136,035 | 148,908 |
| Intangible assets | 12 | 122,640 | 667,089 | 589,920 | 1,101,271 | 5,990,256 | 5,692,549 |
| | | 787,270 | 4,282,268 | 3,578,564 | 2,057,261 | 11,190,274 | 10,364,674 |
| Total assets | | 902,485 | 4,908,971 | 4,657,222 | 2,389,200 | 12,995,822 | 13,484,270 |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Balance Sheets (In thousands of reais and U.S. dollars)

| Liabilities and equity | Note | Parent company | | Consolidated | | | |
|---|---------|-----------------------|----------------------|-----------------------|----------------------|-------------------|-------------------|
| | | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 | | |
| | | US\$ | R\$ | US\$ | R\$ | | |
| Current | | | | | | | |
| Trade payables | 13 | 3,789 | 20,612 | 19,317 | 39,577 | 215,273 | 136,342 |
| Debts | 14.1 | | | | 56,699 | 308,407 | 338,629 |
| Leases | 14.2 | 942 | 5,126 | 3,800 | 6,947 | 37,789 | 32,188 |
| Debentures | 14.3 | 815 | 4,431 | 19,324 | 37,225 | 202,480 | 286,056 |
| Related parties | 20 | | | | 3,483 | 18,945 | |
| Salaries and payroll charges | 15 | 11,191 | 60,870 | 56,713 | 29,175 | 158,696 | 137,652 |
| Taxes payable | | 146 | 795 | 1,899 | 24,253 | 131,922 | 107,806 |
| Deferred PIS, COFINS and ISS | | | | | 2,192 | 11,921 | 12,941 |
| Concession rights payable | 16 | | | | 3,128 | 17,014 | 1,411,308 |
| Dividends and interest on capital payable | 17 | | | 9,415 | 14 | 76 | 12,864 |
| Other liabilities | | 515 | 2,792 | 116 | 1,596 | 8,686 | 10,615 |
| | | <u>17,398</u> | <u>94,626</u> | <u>110,584</u> | <u>204,289</u> | <u>1,111,209</u> | <u>2,486,401</u> |
| Liability related to discontinued operation | 1.1 (b) | | | 12,654 | | | 8,861 |
| Non-current | | | | | | | |
| Debts | 14.1 | | | | 552,972 | 3,007,838 | 2,853,113 |
| Leases | 14.2 | 4,158 | 22,617 | 25,142 | 20,762 | 112,931 | 128,185 |
| Debentures | 14.3 | 240,002 | 1,305,469 | 1,075,595 | 771,967 | 4,199,037 | 3,548,554 |
| Related parties | 20 | 1,642 | 8,934 | 8,788 | 8,174 | 44,460 | 49,050 |
| Deferred PIS, COFINS and ISS | | | | | 43,008 | 233,940 | 223,017 |
| Deferred income tax and social contribution | 19 (a) | 23,838 | 129,662 | 137,224 | 108,679 | 591,150 | 568,080 |
| Provisions for contingencies | 18 | 190 | 1,032 | 322 | 3,583 | 19,491 | 22,177 |
| Concession rights payable | 16 | | | | 35,327 | 192,155 | 180,570 |
| Provision for losses on investments | 8 (c) | 57 | 310 | 246 | | | |
| Dividends and interest on capital payable | 17 | | | | 2,421 | 13,171 | 14,840 |
| Employee benefits | 21 | 983 | 5,347 | 3,857 | 7,210 | 39,220 | 33,493 |
| Other liabilities | | | | | 4,913 | 26,726 | 27,050 |
| | | <u>270,870</u> | <u>1,473,371</u> | <u>1,251,174</u> | <u>1,559,016</u> | <u>8,480,119</u> | <u>7,648,129</u> |
| Equity | 22 | | | | | | |
| Capital | | 736,994 | 4,008,807 | 4,008,807 | 736,994 | 4,008,807 | 4,008,807 |
| Capital reserve | | 7,459 | 40,570 | 40,570 | 7,459 | 40,570 | 40,570 |
| Revenue reserve | | 90,524 | 492,396 | 482,981 | 90,524 | 492,396 | 482,981 |
| Carrying value adjustment | | (229,722) | (1,249,548) | (1,249,548) | (229,722) | (1,249,548) | (1,249,548) |
| Profit for the period | | 8,962 | 48,749 | | 8,962 | 48,749 | |
| Non-controlling interests | | | | | 11,678 | 63,520 | 58,069 |
| | | <u>614,217</u> | <u>3,340,974</u> | <u>3,282,810</u> | <u>625,895</u> | <u>3,404,494</u> | <u>3,340,879</u> |
| Total liabilities and equity | | <u>902,485</u> | <u>4,908,971</u> | <u>4,657,222</u> | <u>2,389,200</u> | <u>12,995,822</u> | <u>13,484,270</u> |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Income Nine-Month Periods Ended September 30 (In thousands of reais and U.S. dollars)

| Note | 3rd quarter of 2021 | | Year to September 30, 2021 | | Parent company | |
|--|---------------------|----------|----------------------------|----------|---------------------|----------------------------|
| | | | | | 3rd quarter of 2020 | Year to September 30, 2020 |
| | US\$ | R\$ | US\$ | | | R\$ |
| Continuing operations | | | | | | |
| Net service revenue | | | 18 | 99 | 94 | 1,219 |
| Costs of services | | | | | (68) | (251) |
| Gross profit | | | 18 | 99 | 26 | 968 |
| Operating income (expenses) | | | | | | |
| General and administrative | 23 (c) | (5,110) | (27,795) | (7,827) | (42,576) | (19,980) |
| Other income (expenses), net | 23 (c) | (75) | (406) | (180) | (977) | 1,161 |
| Equity in the results of investees | 9 (c) | 5,335 | 29,017 | 13,264 | 72,146 | 35,189 |
| Profit from operations | | 150 | 816 | 5,275 | 28,692 | 16,396 |
| Finance result | 23 (d) | | | | | |
| Finance income | | 7,931 | 43,139 | 19,448 | 105,785 | 20,795 |
| Finance costs | | (7,182) | (39,068) | (17,522) | (95,307) | (19,353) |
| Finance result, net | | 749 | 4,071 | 1,926 | 10,478 | 1,442 |
| Profit before income tax and social contribution | | 899 | 4,887 | 7,201 | 39,170 | 17,838 |
| Current income tax and social contribution | 19 (b) | 69 | 377 | | | |
| Deferred income tax and social contribution | 19 (b) | 262 | 1,423 | 1,390 | 7,562 | 2,273 |
| Profit from continuing operations | | 1,230 | 6,687 | 8,591 | 46,732 | 20,111 |
| Discontinued operations | | | | | | |
| Equity in the results of investees | | | | (381) | (2,075) | (1,323) |
| Write-down of provision for loss on investments | | | | 752 | 4,092 | |
| Profit for the period | | 1,230 | 6,687 | 8,962 | 48,749 | 18,788 |
| Basic earnings per share attributable to the Company's stockholders during the period (expressed in R\$ per share) from continuing operations | 22 (b) | 0.0177 | | | 0.0177 | 0.0384 |
| Diluted earnings per share attributable to the Company's stockholders during the period (expressed in R\$ per share) from continuing operations | 22 (c) | 0.0176 | | 0.0384 | 0.0176 | 0.0384 |
| Basic and diluted loss per share attributable to the Company's stockholders during the period (expressed in R\$ per share) from discontinued operations | 22 (b) | (0.0008) | | | (0.0008) | (0.0035) |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Income Nine-Month Periods Ended September 30 (In thousands of reais and U.S. dollars)

| Note | Consolidated | | | | | | |
|--|---------------------|-----------|----------------------------|-----------|---------------------|----------------------------|-------------|
| | 3rd quarter of 2021 | | Year to September 30, 2021 | | 3rd quarter of 2020 | Year to September 30, 2020 | |
| | US\$ | R\$ | US\$ | | | R\$ | |
| Continuing operations | | | | | | | |
| Net service and sales revenue | 23 (a) | 169,217 | 920,438 | 426,914 | 2,333,037 | 568,972 | 1,638,173 |
| Costs of services and sales | 23 (c) | (113,013) | (614,724) | (267,958) | (1,487,532) | (363,488) | (1,030,463) |
| Gross profit | | 56,204 | 305,714 | 160,956 | 875,505 | 215,484 | 607,710 |
| Operating income (expenses) | | | | | | | |
| General and administrative | 23 (c) | (24,972) | (135,831) | (72,844) | (396,228) | (92,739) | (278,781) |
| Allowance for expected losses from doubtful accounts | 23 (c) | (1,504) | (8,182) | (6,486) | (35,280) | (13,120) | (34,458) |
| Other income (expenses), net | 23 (c) | 300 | 1,634 | 2,110 | 11,477 | (1,472) | (2,939) |
| Equity in the results of investees | 9 (c) | 383 | 2,083 | (680) | (3,700) | 4,083 | 12,118 |
| Profit from operations | | 30,411 | 165,418 | 83,056 | 451,774 | 112,236 | 303,650 |
| Finance result | | | | | | | |
| Finance income | 23 (d) | 4,978 | 27,079 | 13,597 | 73,960 | 13,765 | 45,711 |
| Finance costs | | (31,902) | (173,526) | (82,406) | (448,241) | (82,883) | (249,486) |
| Finance result, net | | (26,924) | (146,447) | (68,809) | (374,281) | (69,118) | (203,775) |
| Profit before income tax and social contribution | | 3,487 | 18,971 | 14,247 | 77,493 | 43,118 | 99,875 |
| Current income tax and social contribution | 19 (b) | (3,131) | (17,030) | (7,934) | (43,154) | (8,522) | (14,352) |
| Deferred income tax and social contribution | 19 (b) | 1,272 | 6,918 | 2,974 | 16,178 | (7,896) | (25,613) |
| Profit from continuing operations | | 1,628 | 8,859 | 9,287 | 50,517 | 26,700 | 59,910 |
| Discontinued operations | | | | | | | |
| Profit (loss) from operations | | | | (381) | (2,075) | (1,238) | (4,319) |
| Write-off of provision for loss on investments | | | | 762 | 4,092 | | |
| Deferred income tax and social contribution | 19 (b) | | | | | 28 | (173) |
| Profit (loss) for the period from discontinued operations | | | | 371 | 2,017 | (1,210) | (4,492) |
| Profit for the period from continuing and discontinued operations | | 1,628 | 8,859 | 9,658 | 52,534 | 25,490 | 55,418 |
| Attributable to | | | | | | | |
| Company's stockholders | | 1,229 | 6,687 | 8,962 | 48,749 | 18,788 | 48,107 |
| Non-controlling interests | | 399 | 2,172 | 696 | 3,785 | 6,702 | 7,311 |
| | | 1,628 | 8,859 | 9,658 | 52,534 | 25,490 | 55,418 |
| Basic earnings per share attributable to the Company's stockholders during the period (expressed in R\$ per share) from continuing operations | 22 (b) | | | 0.0177 | 0.0177 | | 0.0384 |
| Diluted earnings per share attributable to the Company's stockholders during the period (expressed in R\$ per share) from continuing operations | 22 (c) | | | 0.0384 | 0.0176 | | 0.0384 |
| Basic and diluted loss per share attributable to the Company's stockholders during the period (expressed in R\$ per share) from discontinued operations | 22 (b) | | | (0.0008) | (0.0008) | | (0.0035) |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Comprehensive Income Nine-Month Periods Ended September 30 (In thousands of reais and U.S. dollars)

| | 3rd quarter of 2021 | | Year to September 30, 2021 | | Parent company | |
|--|---------------------|--------------|----------------------------|---------------|---------------------|----------------------------|
| | | | | | 3rd quarter of 2020 | Year to September 30, 2020 |
| | US\$ | R\$ | US\$ | | | R\$ |
| Profit for the period | 1,230 | 6,687 | 8,962 | 48,749 | 18,788 | 48,107 |
| Other comprehensive income (loss) | | | | | | |
| Total comprehensive income for the period | 1,230 | 6,687 | 8,962 | 48,749 | 18,788 | 48,107 |

| | 3rd quarter of 2021 | | Year to September 30, 2021 | | Consolidated | |
|--|---------------------|--------------|----------------------------|---------------|---------------------|----------------------------|
| | | | | | 3rd quarter of 2020 | Year to September 30, 2020 |
| | US\$ | R\$ | US\$ | | | R\$ |
| Profit for the period | 1,628 | 8,859 | 9,658 | 52,534 | 25,490 | 55,418 |
| Other comprehensive income (loss) | | | | | | |
| Total comprehensive income for the period | 1,628 | 8,859 | 9,658 | 52,534 | 25,490 | 55,418 |
| Attributable to | | | | | | |
| Company's stockholders | 1,230 | 6,687 | 8,962 | 48,749 | 18,788 | 48,107 |
| Non-controlling interests | 398 | 2,172 | 696 | 3,785 | 6,702 | 7,311 |
| | 1,628 | 8,859 | 9,658 | 52,534 | 25,490 | 55,418 |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Changes in Equity (In thousands of reais)

| | Attributable to the parent company's stockholders | | | | | | | Non-controlling interests | Total equity |
|--|---|-----------------|-----------------|----------------------|-------------------------------|--------------------|---------------|---------------------------|--------------|
| | Capital | Capital reserve | Revenue reserve | | Carrying value adjustment (I) | Total | | | |
| | | | Legal reserve | Retention of profits | | | | | |
| At January 1, 2020 | 1,885,667 | | 26,338 | 426,417 | (37,863) | 2,300,559 | 118,288 | 2,418,847 | |
| Profit for the period: | | | | | | | | | |
| Capital increase | 2,123,140 | | | | | 2,123,140 | | 2,123,140 | |
| Investment program – Stock option | | 3,841 | | | | 3,841 | | 3,841 | |
| Profit for the period from continuing operations | | | | 52,974 | | 52,974 | 6,936 | 59,910 | |
| Profit (loss) for the period from discontinued operations | | | | (4,867) | | (4,867) | 375 | (4,492) | |
| Capital transactions with owners: | | | | | | | | | |
| Capital reserve from the issue of shares | | 36,729 | | | | 36,729 | | 36,729 | |
| Distribution of dividends and interest on capital from continuing operations | | | | | | | (3,524) | (3,524) | |
| Goodwill on the acquisition of investments in subsidiaries | | | | | (1,215,447) | (1,215,447) | | (1,215,447) | |
| Effect of non-controlling interests on the disposal of investments in subsidiaries | | | | | | | (63,423) | (63,423) | |
| At September 30, 2020 | 4,008,807 | 40,570 | 26,338 | 426,417 | 48,107 | (1,253,310) | 58,652 | 3,355,581 | |
| At January 1, 2021 | 4,008,807 | 40,570 | 28,320 | 454,661 | | (1,249,548) | 58,069 | 3,340,879 | |
| Profit for the period: | | | | | | | | | |
| Profit for the period from continuing operations | | | | | 46,732 | 46,732 | 3,785 | 50,517 | |
| Profit for the period from discontinued operations | | | | | 2,017 | 2,017 | | 2,017 | |
| Capital transactions with owners: | | | | | | | | | |
| Reversal of mandatory minimum dividends | | | | 9,415 | | 9,415 | | 9,415 | |
| Other transactions with non-controlling interests | | | | | | | 1,666 | 1,666 | |
| At September 30, 2021 | 4,008,807 | 40,570 | 28,320 | 464,076 | 48,749 | (1,249,548) | 63,520 | 3,404,494 | |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Changes in Equity (In thousands of U.S. dollars)

| | Attributable to the parent company's stockholders | | | | | | | Non-controlling interests | Total equity |
|--|---|-----------------|-----------------|----------------------|-------------------|-------------------------------|----------------|---------------------------|----------------|
| | Capital | Capital reserve | Revenue reserve | | Retained earnings | Carrying value adjustment (i) | Total | | |
| | | | Legal reserve | Retention of profits | | | | | |
| At January 1, 2020 | 346,668 | | 4,842 | 78,394 | | (6,961) | 422,943 | 21,747 | 444,690 |
| Profit for the period: | | | | | | | | | |
| Capital increase | 390,326 | | | | | | 390,326 | | 390,326 |
| Investment program – Stock option | | 706 | | | | | 706 | | 706 |
| Profit for the period from continuing operations | | | | | 9,739 | | 9,739 | 1,275 | 11,014 |
| Profit (loss) for the period from discontinued operations | | | | | (895) | | (895) | 69 | (826) |
| Capital transactions with owners: | | | | | | | | | |
| Capital reserve from the issue of shares | | 6,752 | | | | | 6,752 | | 6,752 |
| Distribution of dividends and interest on capital from continuing operations | | | | | | | | (648) | (648) |
| Goodwill on the acquisition of investments in subsidiaries | | | | | | (223,452) | (223,452) | | (223,452) |
| Effect of non-controlling interests on the disposal of investments in subsidiaries | | | | | | | | (11,660) | (11,660) |
| At September 30, 2020 | 736,994 | 7,458 | 4,842 | 78,394 | 8,844 | (230,413) | 606,119 | 10,783 | 616,902 |
| At January 1, 2021 | 736,994 | 7,459 | 5,206 | 83,587 | | (229,722) | 603,524 | 10,676 | 614,200 |
| Profit for the period: | | | | | | | | | |
| Profit for the period from continuing operations | | | | | 8,591 | | 8,591 | 696 | 9,287 |
| Profit for the period from discontinued operations | | | | | 371 | | 371 | | 371 |
| Capital transactions with owners: | | | | | | | | | |
| Reversal of mandatory minimum dividends | | | | 1,731 | | | 1,731 | | 1,731 |
| Other transactions with non-controlling interests | | | | | | | | 306 | 306 |
| At September 30, 2021 | 736,994 | 7,459 | 5,206 | 85,318 | 8,962 | (229,722) | 614,217 | 11,678 | 625,895 |

(i) This refers mainly to the goodwill on the additional acquisition in subsidiaries (Note 22 (d)).

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Cash Flows Nine-Month Periods Ended September 30 (In thousands of reais and U.S. dollars)

| | Parent company | | Conso Edated | |
|--|----------------|-----------|--------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | US\$ | R\$ | US\$ | R\$ |
| Cash flows from operating activities | | | | |
| Profit before income tax and social contribution | 7,201 | 39,170 | 46,597 | 14,247 |
| Profit (loss) before income tax and social contribution from discontinued operations | 371 | 2,017 | (4,867) | 371 |
| Adjustments | | | | |
| Depreciação e amortização | 4,088 | 22,236 | 20,879 | 36,534 |
| Amortization of lease | 845 | 4,599 | 3,422 | 5,904 |
| Residual value of property and equipment and intangible asset disposals | 156 | 851 | 120 | 651 |
| Residual value of leases written down | 135 | 735 | (56) | (500) |
| Equity in the results of continuing operations | (13,284) | (72,146) | (90,513) | 680 |
| Equity in the results of discontinued operations | 381 | 2,075 | 4,867 | 381 |
| Profit from discontinued operations | | | | 2,075 |
| Write-off of provision for loss on investments of discontinued operation | (752) | (4,092) | | (4,092) |
| Allowance for expected losses from doubtful accounts | | | | 6,486 |
| Provision for contingencies | 131 | 710 | 91 | (494) |
| Construction margin | | | | (2,975) |
| Employee benefits | 235 | 1,280 | 213 | 722 |
| Adjustment to present value | 459 | 2,496 | 2,263 | 3,150 |
| Interest and monetary and foreign exchange variations, net | 7,059 | 38,396 | 3,904 | 69,784 |
| Other adjustments | 21 | 115 | (381) | (2,074) |
| | 7,066 | 38,442 | (13,200) | 133,187 |
| | | | | 724,451 |
| | | | | 495,412 |
| Adjustment for the reconciliation of profit for the year of discontinued operations | | | | |
| Changes in assets and liabilities | (47) | (253) | (47,726) | (259,599) |
| Trade accounts receivable | (10) | (54) | (287) | 581 |
| Advances to suppliers | (1,379) | (7,500) | (438) | (4,735) |
| Taxes recoverable | | | (1) | (6) |
| Inventories | 329 | 1,792 | 39,701 | 2,607 |
| Dividends and interest on capital received | (8) | (43) | (322) | (1,899) |
| Judicial deposits | 1,327 | 7,219 | 1,817 | (1,053) |
| Prepaid expenses | 7 | 40 | (3,048) | 445 |
| Other assets | 238 | 1,295 | 3,602 | 22,495 |
| Trade payables | 784 | 4,157 | 3,631 | 3,869 |
| Salaries and payroll charges | 34 | 185 | (1,045) | 4,917 |
| Taxes payable | (19,889) | (108,186) | (117,792) | (1,398) |
| Deferred PIS, COFINS and ISS | 495 | 2,676 | (525) | (415) |
| Concession rights payable | | | | (1,487) |
| Provisions for contingencies | | | | (8,829) |
| Related parties | | | | (8,087) |
| Other liabilities | | | | 12 |
| Cash provided by (used in) operations | (11,073) | (60,230) | (88,006) | 105,277 |
| | | | | 572,637 |
| | | | | 181,966 |
| Income tax and social contribution paid | | | (383) | (8,214) |
| | | | | (44,679) |
| | | | | (14,764) |
| Net cash provided by (used in) operating activities | (11,073) | (60,230) | (88,389) | 97,063 |
| | | | | 527,959 |
| | | | | 167,202 |
| Net cash used in discontinued operating activities | | | | |
| | | | | (1,385) |
| Total net cash provided by (used in) operating activities | (11,073) | (60,230) | (88,389) | 97,063 |
| | | | | 527,959 |
| | | | | 165,817 |
| Cash flows from investing activities | | | | |
| Advances for future capital increase | (4,050) | (22,031) | (33,613) | (1,002) |
| Increase in the capital of subsidiaries | (56,092) | (305,107) | (7,296) | (5,451) |
| Restricted funds | (1) | (5) | (1,103) | 215,246 |
| Acquisitions of property and equipment | (18,109) | (98,501) | (72,565) | (994) |
| Acquisitions of contract assets and intangible assets | | | | (1,170,807) |
| | | | | 26,821 |
| Net cash provided by (used in) investing activities | (78,252) | (425,644) | (114,577) | (169,389) |
| | | | | (921,376) |
| | | | | (343,491) |
| Net cash used in discontinued investing activities | | | | |
| | | | | (7,200) |
| | | | | (15) |
| Total net cash provided by (used in) investing activities | (78,252) | (425,644) | (121,777) | (169,389) |
| | | | | (921,376) |
| | | | | (343,506) |
| Cash flows from financing activities | | | | |
| Dividends and interest on capital paid (i) | | | (620) | (3,373) |
| Proceeds from loans and financing | | | 150,000 | 57,475 |
| Transaction cost on proceeds from loans and financing | | | (1,558) | 312,629 |
| Repayment of debts | | | (196) | (1,799) |
| Interest paid on debts (i) | | | (2,198) | (1,799) |
| Proceeds from debentures | 36,769 | 200,000 | 500,000 | (36,541) |
| Transaction cost on proceeds from debentures | (273) | (1,483) | (7,222) | (199,303) |
| Amortization of debentures | | | (58,540) | (182,392) |
| Interest paid on debentures (i) | (12,330) | (67,066) | (22,865) | (120,609) |
| Amortization of lease | (1,159) | (6,306) | (5,283) | (33,532) |
| Capital increase | | | 522,745 | 795,000 |
| Investment program – Stock option | | | 3,841 | (10,399) |
| Related parties | (19,149) | (104,158) | 280,645 | (18,124) |
| | | | | (261,763) |
| | | | | (197,421) |
| | | | | (34,359) |
| | | | | 522,745 |
| | | | | 3,841 |
| | | | | 4,789 |
| Net cash provided by financing activities | 3,859 | 20,987 | 881,379 | 40,502 |
| | | | | 220,315 |
| | | | | 521,838 |
| Net cash used in discontinued financing activities | | | | |
| | | | | (1,581) |
| Total net cash provided by financing activities | 3,859 | 20,987 | 881,379 | 40,502 |
| | | | | 220,315 |
| | | | | 520,357 |
| Cash and cash equivalents of subsidiaries excluded from consolidation, net | | | | |
| Cash and cash equivalents of subsidiaries included in consolidation, net | | | | |
| | | | | 232 |
| | | | | 73,047 |
| Net increase (decrease) in cash and cash equivalents | (85,487) | (464,887) | 671,213 | (31,824) |
| | | | | (173,102) |
| | | | | 415,947 |
| Cash and cash equivalents at the beginning of the period | 144,214 | 784,437 | 357,624 | 229,326 |
| | | | | 1,247,384 |
| | | | | 850,670 |
| Cash and cash equivalents at the end of the period | 58,747 | 319,550 | 1,028,837 | 197,502 |
| | | | | 1,074,292 |
| | | | | 1,266,817 |

(i) The Company classifies dividends, interest received and interest paid as cash flows from financing activities.

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

BRK Ambiental Participações S.A. and its Subsidiaries

Condensed Statements of Value Added Nine-Month Periods Ended September 30 (In thousands of reais and U.S. dollars)

| | Parent company | | Consolidated | | | |
|---|----------------|-----------|--------------|-----------|-------------|-----------|
| | 2021 | 2020 | 2021 | 2020 | | |
| | US\$ | R\$ | US\$ | R\$ | | |
| Revenue | | | | | | |
| Gross sales of goods, products and services | 20 | 109 | 1,343 | 467,519 | 2,543,027 | 1,806,681 |
| Other revenue (expenses) | (180) | (977) | 1,840 | 2,110 | 11,477 | (2,939) |
| (-) Rebates and cancellations | | | | (5,644) | (30,702) | (32,881) |
| (-) Allowance for expected losses from doubtful accounts | | | | (6,486) | (35,280) | (34,458) |
| | (160) | (868) | 3,183 | 457,499 | 2,488,522 | 1,736,403 |
| Inputs acquired from third parties | | | | | | |
| Construction cost | | | | (142,313) | (774,101) | (518,393) |
| Materials, electric energy, outsourced services and other | (18,044) | (98,145) | (49,210) | (89,562) | (487,156) | (305,206) |
| | (18,044) | (98,145) | (49,210) | (231,875) | (1,261,257) | (823,599) |
| Gross value added | (18,204) | (99,013) | (46,027) | 225,624 | 1,227,265 | 912,804 |
| Depreciation and amortization | (4,933) | (26,835) | (24,301) | (42,439) | (230,840) | (172,343) |
| Net value added generated by the entity | (23,137) | (125,848) | (70,328) | 183,185 | 996,425 | 740,461 |
| Value added received through transfer | | | | | | |
| Equity in the results of continuing operations | 13,264 | 72,146 | 90,513 | (680) | (3,700) | 12,118 |
| Equity in the results of discontinued operations | (381) | (2,075) | (4,867) | | | |
| Profit from discontinued operations | | | | (381) | (2,075) | (4,492) |
| Reversal of provision for loss on investments | 752 | 4,092 | | 752 | 4,092 | |
| Transfer of expenses | 34,822 | 189,409 | 140,308 | 2,192 | 11,923 | 33,505 |
| Finance income | 19,448 | 105,785 | 70,516 | 13,597 | 73,960 | 45,711 |
| Total undistributed value added | 44,768 | 243,509 | 226,142 | 198,665 | 1,080,625 | 827,303 |
| Distribution of value added | | | | | | |
| Personnel | 19,210 | 104,491 | 101,605 | 63,349 | 344,583 | 292,048 |
| Direct compensation | 16,276 | 88,534 | 85,770 | 46,499 | 252,928 | 216,161 |
| Benefits | 1,881 | 10,232 | 10,148 | 13,435 | 73,077 | 60,076 |
| Government Severance Pay Fund (FGTS) | 1,053 | 5,725 | 5,687 | 3,415 | 18,578 | 15,811 |
| Taxes, fees and contributions | (1,388) | (7,552) | 13,512 | 38,846 | 211,301 | 212,358 |
| Federal | (1,388) | (7,552) | 13,465 | 37,543 | 204,213 | 199,382 |
| State | | | 46 | 669 | 3,641 | 3,218 |
| Municipal | | | 1 | 634 | 3,447 | 9,758 |
| Remuneration on third-party capital | 17,984 | 97,821 | 62,918 | 86,812 | 472,207 | 267,479 |
| Finance costs | 17,522 | 95,307 | 60,203 | 82,406 | 448,241 | 249,486 |
| Rentals | 462 | 2,514 | 2,715 | 4,406 | 23,966 | 17,985 |
| Other | | | | | | 8 |
| Interest on capital | 8,962 | 48,749 | 48,107 | 9,658 | 52,534 | 55,418 |
| Profit for the period | 8,962 | 48,749 | 48,107 | 8,962 | 48,749 | 48,107 |
| Non-controlling interests | | | | 696 | 3,785 | 7,311 |
| Value added distributed | 44,768 | 243,509 | 226,142 | 198,665 | 1,080,625 | 827,303 |

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

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

1 Operations

BRK Ambiental Participações S.A. (“Company”) was incorporated on November 29, 2016 and it was acquired on April 25, 2017 by BR Ambiental Fundo de Investimento em Participações Multiestratégia (“BR FIP”), an investment fund managed by Brookfield Brasil Asset Management Investimentos Ltda. and controlled by Brookfield Asset Management, Inc. The purpose of the Company is to invest in and operate environmental projects and provide services focused in the Water and Wastewater segment through its direct and indirect subsidiaries and jointly-controlled companies (collectively called “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 publicly-listed company from the Brazilian Securities Commission (“CVM”) in the “B” category.

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

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

(a) Public Water and Wastewater concessions

| Company | Subject matter of the agreement | Year beginning - endline | Concession authority (if any) | Option of renewal / extension at the end of the concession (i) | Concession | Base index for annual price adjustment | Changes in the agreement since the inception |
|--|---|-----------------------------|---|--|------------|--|---|
| BRK Ambiental - Limeira S.A. | Water supply and wastewater collection and treatment. | 1995 - 2039 | Limeira Municipal Government - State of São Paulo | No | No | IPCA-E | Adjustment of tariff and term |
| BRK Ambiental - Cachoeiro de Itapemirim S.A. | Water supply and wastewater collection and treatment. | 1998 - 2048 | Cachoeiro do Itapemirim Municipal Government - State of Espírito Santo | Yes | Variable | IPCA | Adjustment of tariff, term and subject matter |
| Companhia de Saneamento do Tocantins - Saneatins | Water supply and wastewater collection and treatment. | 1999 - 2049 | 47 municipalities in the State of Tocantins and 5 in the State of Pará. | No | Fixed | IPCA | Adjustment of term |
| BRK Ambiental - Mauá S.A. | Wastewater services, in addition to the commercial management of water supply services. | 2002 - 2042 | Mauá Municipal Government - State of São Paulo | Yes | Variable | IPCA | Adjustment of term |
| BRK Ambiental - Capivari S.A. | Construction and lease of the Effluent Treatment Station of Campinas - State of São Paulo | 2006 - 2029 | Sociedade de Abastecimento de Água e Saneamento S.A. - SANASA | Yes | No | IGPM and TR | |
| BRK Ambiental - Rio Claro S.A. | Operation and support activities of the wastewater system. | 2007 - 2037 | Rio Claro Municipal Government - State of São Paulo | Yes | No | IPCA | Adjustment of tariff and term |
| BRK Ambiental - Rio das Ostras S.A. | Wastewater collection and treatment. | 2007 - 2024 | Rio das Ostras Municipal Government - State of Rio de Janeiro | Yes | No | IPCA | |
| BRK Ambiental - Jaguaribe S.A. | Construction, lease and operation of the ocean disposal system of the Jaguaribe River in Salvador - State of Bahia. | 2008 - 2026 | Empresa Balança de Águas e Saneamento S.A. - EMBASA | No | Variable | IPCA | |
| BRK Ambiental - Blumenau S.A. | Wastewater services. | 2010 - 2055 | Serviço Autônomo Municipal de Água e Esgoto - SAMAE | Yes | No | IPCA | Adjustment of tariff and term, renegotiation of the |
| BRK Ambiental - Santa Getrudes S.A. | Water supply and wastewater collection and treatment. | 2010 - 2040 | Santa Getrudes Municipal Government - State of São Paulo | Yes | Fixed | IPCA | Tariff adjustment |
| Sanequa Mairinque S.A. | Water supply and wastewater collection and treatment. | 2010 - 2050 | Mairinque Municipal Government - State of São Paulo | Yes | No | IGPM | |
| BRK Ambiental - Uruguaiana S.A. | Water supply and wastewater collection and treatment. | 2011 - 2042 | Uruguaiana Municipal Government - State of Rio Grande do Sul | No | Variable | IGPM | Adjustment of term |
| BRK Ambiental - Porto Ferreira S.A. | Water supply and wastewater collection and treatment. | 2011 - 2041 | Porto Ferreira Municipal Government - State of São Paulo | No | No | IGPM | Tariff adjustment |
| F. AB. Zona Oeste S.A. | Wastewater services, in addition to the commercial management of water supply services in 21 districts of the western region of the city of Rio de Janeiro - State of Rio de Janeiro. | 2012 - 2042 | Rio de Janeiro Municipal Government - State of Rio de Janeiro | Yes | Variable | IPCA-E | |
| BRK Ambiental - Araguaia Saneamento S.A. | Water supply and wastewater collection and treatment. | 2006 - 2042 | Nine municipal governments in the State of Pará | No | Variable | IGPM and IPCA | |
| BRK Ambiental - Macaé S.A. | Wastewater services, in addition to the commercial management of water supply services. | 2012 - 2042 | Macaé Municipal Government - State of Rio de Janeiro | Yes | No | IGPM | |
| BRK Ambiental - Região Metropolitana do Recife/Goiana SPE S.A. | Wastewater services, in addition to the commercial management of water supply services in 14 municipalities in the metropolitan regions of Recife and Goiana. | 2013 - 2048 | Companhia Pernambucana de Saneamento - COMPESA | No | No | IPCA | Change of the responsibility for investments |
| BRK Ambiental - Goiás S.A. | Wastewater services, in addition to the commercial management of water supply services in the municipalities of Aparecida de Goiânia, Jataí, Rio Verde and Trindade, in the State of Goiás. | 2013 - 2041 | Saneamento de Goiás S.A. - SANEAGO | Yes | Fixed | IPCA | |
| 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 | No | INCC and IPCA | |
| BRK Ambiental - Maranhão S.A. | Water supply and wastewater collection and treatment services in the municipalities of São José de Ribamar and Paço do Lumiar. | 2015 - 2050 | Consórcio Intermunicipal de Saneamento Básico - CISAB | Yes | No | IPCA | |
| BRK Ambiental - Sumaré S.A. | Water supply and wastewater collection and treatment. | 2015 - 2045 | Sumaré Municipal Government - State of São Paulo | Yes | No | IPCA | |
| BRK Ambiental - Caçador S.A. | Water supply and wastewater collection and treatment. | 2019 - 2048 | Caçador Municipal Government - State of Santa Catarina | Yes | Variable | INCC and IPCA | |
| BRK Ambiental - Região Metropolitana de Macaé S.A. | Water supply and wastewater collection and treatment. | 2021 - 2056 | Companhia de Saneamento de Alagoas - CASAL | Yes | Fixed | INCC and IPCA | |

(i) Some companies do not expect to renew or extend their terms upon termination; however, the terms may be reviewed for economic and financial rebalancing purposes.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

In all the concessions, the concessionaires are entitled to use all concession assets during the concession period in accordance with the use conditions agreed upon.

The concessionaires, except for the indirect subsidiaries BRK Ambiental - Capivari S.A. ("Capivari") and BRK Ambiental – Manso S.A. ("Manso"), which have entered into a contract with Sociedade de Abastecimento de Água e Saneamento S.A. – Sanasa and Companhia de Saneamento de Minas Gerais – Copasa, respectively, must make improvements in the concession assets, such as: investments in the water treatment and distribution system; renovation and additional works; and expansion and implementation of new treatment stations. These improvements are remunerated by the Concession Authority through its consideration at the tariff agreed upon at the beginning of the concession and, when applicable, by increasing this tariff so as to readjust the economic and financial balance of the contract.

The concessionaires are required to perform regular maintenance work on networks and preventive and corrective maintenance work on the assets. This maintenance work is remunerated at the tariff agreed upon at the beginning of the concession and by increasing this tariff so as to readjust the economic and financial balance of the contract, when applicable. The indirect subsidiary Capivari does not have to perform any type of maintenance work.

1.1 Other information

(a) BRK Ambiental Maranhão S.A. ("Maranhão")

On March 5, 2018, there was an unfavorable decision in the lower court against the subsidiary BRK Ambiental Maranhão S.A. that declared the concession agreement null and determined the term of 30 days for the concessionaire to cease the provision of sanitation services. On March 20, 2018, the subsidiary appealed to the State Court of Maranhão and on April 2, 2018, an injunction was granted suspending the effects of the sentence until the ruling on the appeal by the court. Also, the State Court of Maranhão is ruling on a Direct Action of Unconstitutionality (ADI) filed by the Public Prosecution Office, challenging the constitutionality of the law that allowed the creation of the consortium and authorized the signing and performance of the concession, which could, in theory, also result in the annulment of the concession agreement. In the ADI, the injunction filed by the Public Prosecution Office was denied, which shows that the majority of the judges did not consider, within the scope of the injunction, that the above mentioned law is unconstitutional. The Public Prosecution Office, by means of motions for clarification, challenged the decision to that denied the injunction; however, it was denied by the State Court on June 30, 2021 (meaning that the concession agreement must remain in effect at least until there is a final decision on the merits of the ADI). The grounds of the action (ADI) are yet to be judged, on a date to be determined by the court. If, in the future, there is a final decision determining the annulment of the concession agreement, the subsidiary would claim compensation, including the unamortized investments, as well as the maintenance of the agreement until such compensation is effectively paid.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(b) 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 of UVR for 2019 was adjusted for the effects of impairment and classified as a discontinued operation in a single amount in the statement of income.

On October 8, 2020, the Company signed the contract for the sale of the subsidiary UVR Grajaú to Vendome Participações S.A. for the amount of R\$ 1. On March 19, 2021, the Company completed the operation for 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 sanitation 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 and non-current assets, in current and non-current liabilities, and in the statement of income and the net cash flows attributable to the operating, investing and financing activities of the discontinued operations were also presented separately.

As a result of the sale, on March 19, 2021, the Company wrote down the assets and liabilities of the discontinued operation, as stated below, and recorded a reversal of the provision for loss on investments in the amount of R\$ 4,902 – US\$ 752:

| Assets | 2021 | |
|---------------------|------------|--------------|
| | US\$ | R\$ |
| Current assets | 630 | 3,425 |
| Non-current assets | 40 | 216 |
| Total assets | 670 | 3,641 |

| Liabilities | 2021 | |
|---|------------|--------------|
| | US\$ | R\$ |
| Current liabilities | 342 | 1,862 |
| Non-current liabilities | 1,080 | 5,871 |
| Liabilities from discontinued operations | 752 | 4,092 |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

Additionally, the loss from the discontinued operations in the period from January 1, 2021 to the date of the sale was R\$ 2,075 – US\$ 381, as shown in the table below:

| | March 31, 2021 | |
|---|-------------------|---------|
| | US\$ | R\$ |
| Costs of services and sales | (110) | (600) |
| Gross profit | (110) | (600) |
| Operating income (expenses) | | |
| General and administrative | (247) | (1,345) |
| Profit from operations | (357) | (1,945) |
| Finance result | | |
| Finance costs | (24) | (129) |
| Finance result, net | (24) | (129) |
| Profit before income tax and social contribution | (381) | (2,074) |
| Deferred income tax and social contribution | | (1) |
| Profit for the period | (381) | (2,075) |

(c) Corporate Reorganization

On September 30, 2020, the Company completed its corporate reorganization process that resulted in an increase in the Company's capital in the total amount of R\$ 2,123,140 – US\$ 390,326, subscribed and paid up by means of the contribution of (i) the 49% interest held directly by the stockholder FI-FGTS in the subsidiary BRK Ambiental – Centro Norte Participações S.A. ("BRK Centro Norte") and (ii) the 87.5% interest held directly by the stockholder BR Ambiental Fundo de Investimento em Participações Multiestratégia in the subsidiary BRK Ambiental – Ativos Maduros S.A. ("BRK Ativos Maduros"). Additionally, the capital increase encompassed (iii) the contribution, in local currency, of R\$ 522,745 – US\$ 96,103 by the stockholder BR Ambiental Fundo de Investimento em Participações Multiestratégia.

After the formalization of the capital increase, the Company became the direct holder of the totality of the capital of BRK Centro Norte (parent company of Saneatins) and BRK Ativos Maduros and the interest percentage previously held by the stockholders in BRK's capital was maintained.

The corporate reorganization process was duly approved by the Brazilian antitrust agency (CADE) on September 14, 2020.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

The main purposes of the capital increase were the increase of liquidity, the reduction of the leverage and the simplification of the Company's corporate structure.

The resulting effect on BRK Ambiental's interim financial information was the consolidation of BRK Ativos Maduros and its subsidiaries as from September 30, 2020. The effects on the statement of income have been consolidated as from October 01, 2020, and on the balance sheet, as from September 30, 2020. The balances of assets and liabilities and the statement of income that were consolidated in the Company's interim financial information are presented below:

| Assets | September 30, 2020 | | Liabilities and equity | September 30, 2020 | |
|--------------------------------|-----------------------|----------------|---|-----------------------|----------------|
| | US\$ | R\$ | | US\$ | R\$ |
| Current assets | | | Current liabilities | | |
| Cash and cash equivalents | 13,429 | 73,047 | Trade payables | 1,938 | 10,540 |
| Trade accounts receivable, net | 19,747 | 107,410 | Debits | 8,926 | 48,554 |
| Taxes recoverable | 609 | 3,313 | Leases | 338 | 1,840 |
| Inventories | 506 | 2,752 | Debentures | 420 | 2,284 |
| Other assets | 1,033 | 5,619 | Salaries and payroll charges | 2,589 | 14,080 |
| | <u>35,324</u> | <u>192,141</u> | Taxes payable | 2,020 | 10,985 |
| | | | Deferred PIS and COFINS | 726 | 3,948 |
| | | | Dividends payable | 1,304 | 7,094 |
| | | | Concession rights payable | 282 | 1,535 |
| | | | Other liabilities | 441 | 2,401 |
| | | | | <u>18,984</u> | <u>103,261</u> |
| Non-current assets | | | Non-current liabilities | | |
| Trade accounts receivable, net | 42,522 | 231,296 | Debits | 34,686 | 188,673 |
| Restricted funds | 5,439 | 29,587 | Leases | 738 | 4,012 |
| Taxes recoverable | 1,993 | 10,839 | Related parties | 10,497 | 57,100 |
| Judicial deposits | 20 | 108 | Deferred PIS and COFINS | 3,065 | 16,674 |
| Other assets | 51 | 276 | Deferred income tax and social contribution | 12,573 | 68,392 |
| | <u>50,025</u> | <u>272,106</u> | Provision for contingencies | 686 | 3,730 |
| | | | Concession rights payable | 1,697 | 9,228 |
| | | | Obligations with post-employment benefits | 465 | 2,528 |
| | | | | <u>64,407</u> | <u>350,337</u> |
| | | | Equity | | |
| Property and equipment | 193 | 1,051 | Capital | 10 | 53 |
| Contract assets | 21,933 | 119,303 | Capital reserve | 29,556 | 160,767 |
| Right-of-use lease | 1,018 | 5,537 | Revenue reserve | 38,408 | 208,916 |
| Intangible assets | 50,170 | 272,896 | Carrying value adjustment | (388) | (2,109) |
| | <u>123,339</u> | <u>670,893</u> | Profit for the period | 7,686 | 41,809 |
| | | | | <u>75,272</u> | <u>409,436</u> |
| Total assets | <u>158,663</u> | <u>863,034</u> | Total liabilities and equity | <u>158,663</u> | <u>863,034</u> |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | 01/10/2020 to 31/12/2020 | |
|---|-----------------------------|----------|
| | US\$ | R\$ |
| Operations | | |
| Net service and sales revenue | 20,103 | 104,479 |
| Costs of services and sales | (12,161) | (63,195) |
| Gross profit | 7,942 | 41,284 |
| Operating income (expenses) | | |
| General and administrative | (2,929) | (15,232) |
| Allowance for expected losses from doubtful accounts | 119 | 618 |
| Other income (expenses), net | 140 | 727 |
| Profit from operations | 5,272 | 27,397 |
| Finance result | | |
| Finance income | 299 | 1,554 |
| Finance costs | (1,334) | (6,934) |
| Finance result, net | (1,035) | (5,380) |
| Profit before income tax and social contribution | 4,237 | 22,017 |
| Current income tax and social contribution | (1,258) | (6,538) |
| Deferred income tax and social contribution | 214 | 1,113 |
| Profit for the period | 3,193 | 16,592 |

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

On July 1st, the Company officially started operating the RMM concession, operating in the distribution of water, collection and sewage treatment for the next 35 years. With the start of operations in 9 of the 13 municipalities of RMM, on July 2, the payment of the 2nd installment of the grant, in the amount of R\$ 1,200,000 – US\$ 220,613, was made. The remaining 4 municipalities, with the respective payment of the remaining grant amount, R\$ 153,456 – US\$ 28,212, entered into operation in September 2021.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(e) COVID-19

With the spread 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 spread 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 clients, 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.

The negotiation of receivables outstanding with the Tocantins State Sanitation Agency ("ATS"), which was interrupted during the pandemic, has been recently resumed. 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 revenue 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 September 30, 2021.

The Company continues to monitor the developments of COVID-19 so that the possible impacts can be duly reflected in its interim financial information, in compliance with CVM/SNC/SEP Circular Letters No. 02/3030 and No. 03/2020 and CVM Resolution No. 859/2020.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(f) SOX Program

In 2020, the SOX Program of the Company was maintained, with its ongoing performance and its incorporation into the work routine in the context of the obligations of its controlling stockholder. No significant deficiencies or relevant weaknesses were identified, in conformity with the Guidelines of Section 404 of U.S. Sarbanes-Oxley ("SOX") Act, which is intended to avoid, detect and treat any potential inconformity related to the financial information of the companies that compose the BRK Group, thus ensuring more reliability to its interim financial information.

(g) 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 CEO of the Company and which determines the guidelines for the internal and external relationships of all employees, management members, officers, directors and stockholders. 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 its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

2 Summary of 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 annual financial statements for the year ended December 31, 2020.

This condensed interim financial information was approved by the Company’s Board of Directors on November 11, 2021.

2.1 Parent company and consolidated condensed interim financial information

The parent company and consolidated condensed interim financial information for reference purposes in this report was prepared in accordance with technical pronouncement CPC 21 (R1) - Interim Statement and in accordance with international standard IAS 34 issued by the International Accounting Standards Board (“IASB”) and are being presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission (“CVM”) and show all relevant information specific to the financial information, and only those, which are consistent with those used by the administration in its management.

This 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, 2020.

This parent company and consolidated interim financial information was prepared in Brazilian reais, which is the functional currency of the Company, and is presented in thousands of reais, unless otherwise stated.

The presentation of the parent company 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 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 September 30, 2021 local currency financial statements, using the exchange rate prevailing on that date of R\$ 5,4394 to US\$ 1.00.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

2.2 Consolidation

(a) Consolidated companies

The consolidated financial information includes that of the Company and of the entities in which the following direct and indirect interest is held:

| | Place of incorporation and operation | Business | Number of shares / quotas held | | Holding (%) | |
|---|--------------------------------------|---------------------------------|--------------------------------|-------------------|--------------------|-------------------|
| | | | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 |
| 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 | 133,083,586 | 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 |
| UVR Grajuú (I) | Brazil (SP) | Treatment of solid waste | 77,732,183 | 77,732,183 | 100.00 | 100.00 |
| BRK Ambiental - Digital S.A. ("Digital") | Brazil (SP) | Holding company | 14,027,100 | 14,027,100 | 100.00 | 100.00 |
| Saneaqua Mairinque S.A. ("Mairinque") | Brazil (SP) | Water and wastewater concession | 23,254,247 | 19,377,855 | 96.11 | 95.36 |
| 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 | 129,749,836 | 100.00 | 100.00 |
| Ecoaqua Soluções S.A. ("Ecoaqua") | Brazil (RJ) | Treatment of industrial waste | 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 Projetos Ambientais | Brazil (SP) | Holding company | 37,341,803 | 35,245,647 | 100.00 | 100.00 |
| BRK Ambiental - Participações em Negócios Industriais S.A. ("BRK Negócios Industriais") | Brazil (SP) | Holding company | 829,839,316 | 829,535,776 | 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 | 169,557,969 | 100.00 | 100.00 |
| BRK - NE/NICO S.A. ("NE") | Brazil (SP) | Holding company | 1,000 | 1,000 | 100.00 | 100.00 |
| RMM | Brazil (SP) | Water and wastewater concession | 200,000,000 | 200,000,000 | 100.00 | 100.00 |
| BRK Ambiental - Ativos Maduros S.A. ("BRK Ativos 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 | 21,348,054 | 21,348,054 | 100.00 | 100.00 |
| BRK Ambiental - Região Metropolitana do Recife/Goiana 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 |
| 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 |
| 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 | 1,897,528 | 1,897,528 | 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 | 260,348 | 313,998 | 100.00 | 100.00 |
| Jointly-controlled subsidiaries: | | | | | | |
| 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 | 100.00 |
| Indirect: | | | | | | |
| Rio de Janeiro Mais Operações Saneamento S.A. ("Rio Mais") (i) | Brazil (RJ) | Holding company | 3,000 | | 75.00 | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

- (i) This refers to the sale of UVR (Note 1.1 (b)).
- (ii) On April 14, 2021, the Company sold the investment held in the indirect subsidiary BRK SE to the direct subsidiary BRK NI S.A. ("NI") for the amount of R\$ 1. On the same date, the corporate name of BRK SE was changed to BRK SAAB, which, on April 9, 2021, acquired Rio Mais for the amount of R\$ 3. On the date of acquisition, Rio Mais only had cash and cash equivalents in the amount of R\$ 3 and an equity in the same amount, and there were no outstanding liabilities. In the period ended September 30, 2021, Rio Mais did not carry out any activity and had no obligations with third parties.

The fiscal year of the subsidiaries included in consolidation is the same as that of the parent company and the accounting policies are applied in accordance with those used by the parent company and are consistent with those used in the previous year.

The equity accounting is calculated on the same balance sheet date as that of the parent company.

(b) Changes in accounting policies and disclosures

There were no changes in the accounting practices used in the preparation of this interim financial information in relation to those presented in the financial statements for the year ended December 31, 2020.

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 income.

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

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

2.4 Employee benefits

Long-term incentives

The long-term incentive program offered by the Company and its subsidiaries (Matching Program) is described in Note 21.2 and its effects are directly recognized in the statement of income, in accordance with their update and accrual.

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 22 (e). On the same date, the Program was approved at the Extraordinary General Stockholders' 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.

The Company's first Plan was approved by the Board of Directors on March 19, 2020. The contrary 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, in the reserve of recognized options granted account 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

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 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, 2020.

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Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

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 accounts receivable, trade payables, debts and debentures, related parties and concession rights payable.

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 derivative financial instruments (speculative and non-speculative) in the nine-month period ended September 30, 2021 and year ended December 31, 2020.

(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) debts, leases 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 period.

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 September 30, 2021 for the next twelve months.

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

The other risk factors were considered irrelevant for the result of the financial instruments.

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Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | In thousands of reais | |
|--|-----------------------|-------------|
| | Accounting balances | |
| | 2021 | |
| | Assets | Liabilities |
| Cash and cash equivalents: Financial investments | | |
| In CDI | 974,769 | |
| Restricted funds | | |
| In CDI | 71,231 | |
| Debts | | |
| In IPCA | | (89,038) |
| In CDI | | (402,107) |
| In TR | | (2,287,076) |
| In TJLP | | (64,946) |
| | | (2,843,167) |
| Leases | | |
| In IGPM | | (107,896) |
| In IPCA | | (42,824) |
| | | (150,720) |
| Debentures | | |
| Debentures | | |
| In CDI | | (441,081) |
| In TR | | (3,719,908) |
| | | (296,553) |
| | | (4,457,542) |

(continued)

| | Risk | Probable | +25% | +50% | -25% | -50% |
|--|------------------|-----------|-----------|-----------|-----------|-------------|
| Cash and cash equivalents: Financial investments | | | | | | |
| In CDI | Reduction of CDI | 87,632 | 109,540 | 131,448 | 65,724 | 43,816 |
| Restricted funds | | | | | | |
| In CDI | Reduction of CDI | 6,404 | 8,005 | 9,606 | 4,803 | 3,202 |
| Debts | | | | | | |
| In IPCA | Increase of IPCA | (5,424) | (6,475) | (7,526) | (4,373) | (3,323) |
| In CDI | Increase of CDI | (46,982) | (56,019) | (65,057) | (37,945) | (28,908) |
| In TR | Increase of TR | (218,619) | (224,165) | (229,712) | (213,073) | (207,527) |
| In TJLP | Increase of TJLP | (4,975) | (5,839) | (6,703) | (4,111) | (3,248) |
| | | (276,000) | (292,498) | (308,998) | (259,502) | (243,004) |
| Leases | | | | | | |
| In IGPM | Increase of IGPM | (5,255) | (6,569) | (7,883) | (3,941) | (2,628) |
| In IPCA | Increase of IPCA | (2,021) | (2,526) | (3,032) | (1,516) | (1,012) |
| | | (7,276) | (9,095) | (10,915) | (5,457) | (3,639) |
| Debentures | | | | | | |
| In IPCA | Increase of IPCA | (50,276) | (55,481) | (60,686) | (45,071) | (39,867) |
| In TR | Increase of TR | (31,346) | (32,065) | (32,785) | (30,627) | (29,908) |
| In CDI | Increase of CDI | (428,851) | (512,456) | (596,061) | (345,246) | (261,641) |
| | | (510,473) | (600,002) | (689,532) | (420,944) | (331,416) |
| | | (699,713) | (784,050) | (868,391) | (615,376) | (531,041) |
| Macroeconomic indicators | Source | | | | | 2021 |
| TR | B3 (i) | | | | | 0.97% |
| CDI | B3 (ii) | | | | | 8.99% |
| TJLP | BNDES (iii) | | | | | 5.32% |
| IPCA | BACEN (iv) | | | | | 4.72% |
| IGPM | BACEN (iv) | | | | | 4.87% |

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Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | In thousands of U.S dollars | |
|--|-----------------------------|-------------|
| | Accounting balances | |
| | 2021 | |
| | Assets | Liabilities |
| Cash and cash equivalents: Financial investments | | |
| In CDI | 179,205 | |
| Restricted funds | | |
| In CDI | 13,095 | |
| Debts | | |
| In IPCA | | (16,369) |
| In CDI | | (73,925) |
| In TR | | (420,465) |
| In TJLP | | (11,940) |
| | | (522,699) |
| Leases | | |
| In IGPM | | (19,836) |
| In IPCA | | (7,873) |
| | | (27,709) |
| Debentures | | |
| In IPCA | | (81,090) |
| In CDI | | (683,882) |
| In TR | | (54,519) |
| | | (819,491) |

(continued)

| | Risk | Probable | +25% | +50% | -25% | -50% |
|--|------------------|-----------|-----------|-----------|-----------|-------------|
| Cash and cash equivalents: Financial investments | | | | | | |
| In CDI | Reduction of CDI | 16,111 | 20,138 | 24,166 | 12,083 | 8,055 |
| Restricted funds | | | | | | |
| In CDI | Reduction of CDI | 1,177 | 1,472 | 1,766 | 883 | 589 |
| Debts | | | | | | |
| In IPCA | Increase of IPCA | (997) | (1,190) | (1,384) | (804) | (611) |
| In CDI | Increase of CDI | (8,637) | (10,299) | (11,960) | (6,976) | (5,314) |
| In TR | Increase of TR | (40,192) | (41,211) | (42,231) | (39,172) | (38,152) |
| In TJLP | Increase of TJLP | (915) | (1,073) | (1,232) | (756) | (597) |
| | | (50,741) | (53,773) | (56,807) | (47,708) | (44,674) |
| Leases | | | | | | |
| In IGPM | Increase of IGPM | (966) | (1,208) | (1,449) | (725) | (483) |
| In IPCA | Increase of IPCA | (372) | (464) | (557) | (279) | (186) |
| | | (1,338) | (1,672) | (2,006) | (1,004) | (669) |
| Debentures | | | | | | |
| In IPCA | Increase of IPCA | (9,243) | (10,200) | (11,157) | (8,286) | (7,329) |
| In TR | Increase of TR | (5,763) | (5,895) | (6,027) | (5,631) | (5,498) |
| In CDI | Increase of CDI | (78,842) | (94,212) | (109,582) | (63,471) | (48,101) |
| | | (93,848) | (110,307) | (126,766) | (77,388) | (60,928) |
| | | (128,639) | (144,142) | (159,647) | (113,134) | (97,627) |
| Macroeconomic indicators | Source | | | | | 2021 |
| TR | B3 (i) | | | | | 0.97% |
| CDI | B3 (ii) | | | | | 8.99% |
| TJLP | BNDES (iii) | | | | | 5.32% |
| IPCA | BACEN (iv) | | | | | 4.72% |
| IGPM | BACEN (iv) | | | | | 4.87% |

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- (i) 12-month projections obtained from B3's website on October 6, 2021 for the base date of September 30, 2021.
- (ii) 12-month projections obtained from B3's website on October 6, 2021 for the base date of September 30, 2021.
- (iii) Rate published on the website of the National Bank for Economic and Social Development ("BNDES"), being applied for a period of 12 months.
- (iv) 12-month projections obtained from the Focus-BACEN Report of October 1, 2021.

(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 accounts receivable.

There have been no changes in the credit risk management policies in relation to those presented in the financial statements for the year ended December 31, 2020.

On September 30, 2021, the Company had overdue and unpaid accounts receivable that may change due to unexpected factors such as COVID-19 or that are concentrated in government clients, including Public-Private Partnership ("PPP") contracts. The Company and its subsidiaries have adopted collection and cut-off procedures, when applicable, aimed at receiving the amounts recorded in accounts receivable and avoiding, therefore, effects on its profit or loss, cash flows and financial position.

(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 balance sheet date and the contractual maturity date. The amounts disclosed in the table are the contracted undiscounted cash flows.

| | In thousands 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 (j) | Total in the balance sheet |
| At September 30, 2021 | | | | | | | |
| Trade payables | 215,273 | | | | 215,273 | | 215,273 |
| Debts | 536,784 | 395,194 | 1,093,501 | 3,172,296 | 5,197,775 | (1,881,530) | 3,316,245 |
| Leases | 37,789 | 28,950 | 51,949 | 32,032 | 150,720 | | 150,720 |
| Debentures | 655,306 | 1,061,431 | 3,600,709 | 732,838 | 6,050,284 | (1,648,767) | 4,401,517 |
| | 1,445,152 | 1,485,575 | 4,746,159 | 3,937,166 | 11,614,052 | (3,530,297) | 8,083,755 |

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(In thousands of reais and U.S. dollars, unless otherwise stated)

| | In thousand of 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) | Total in the balance sheet |
| At September 30, 2021 | | | | | | | |
| Trade payables | 39,577 | | | | 39,577 | | 39,577 |
| Debts | 98,684 | 72,654 | 201,033 | 583,207 | 955,578 | (345,907) | 609,671 |
| Leases | 6,947 | 5,322 | 9,551 | 5,888 | 27,708 | 1 | 27,709 |
| Debentures | 120,474 | 195,138 | 661,968 | 134,728 | 1,112,308 | (303,116) | 809,192 |
| | <u>265,682</u> | <u>273,114</u> | <u>872,552</u> | <u>723,823</u> | <u>2,135,171</u> | <u>(649,022)</u> | <u>1,486,149</u> |

- (i) Since the amounts included in the table are the contracted undiscounted cash flows, these amounts are reconciled with the amounts disclosed in the balance sheet for trade payables and debts, leases and debentures 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 stockholders 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 stockholders or even issue new shares or sell assets to optimize its capital structure.

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

Net debt is calculated as total debts, debentures and leases (including current and non-current debts), as shown in the consolidated balance sheet, less cash and cash equivalents and restricted funds.

Total capital is calculated as equity, as shown in the consolidated balance sheet, plus net debt.

The gearing ratios for the nine-month period ended September 30, 2021 and year ended December 31, 2020 were as follows:

| | Consolidated | |
|--|-----------------------|----------------------|
| | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ |
| Total debts, debentures and leases (Note 14) | 1,446,572 | 7,868,482 |
| (-) Cash and cash equivalents (Note 6) | (197,502) | (1,074,292) |
| (-) Restricted funds | (13,095) | (71,231) |
| Net debt | <u>1,235,975</u> | <u>6,722,959</u> |
| Total equity and non-controlling interests | <u>625,895</u> | <u>3,340,494</u> |
| Total capital | <u>1,861,870</u> | <u>10,127,453</u> |
| Gearing ratio - % | <u>66%</u> | <u>66%</u> |
| | | <u>58%</u> |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

5.3 Fair value estimate

There were no changes in the fair value estimates in relation to those presented in the financial statements for the year ended December 31, 2020.

Management concluded that, for all of the Group's financial instruments, 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.

Debts and debentures 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:

| | September 30, 2021 | | Parent company December 31, 2020 | | September 30, 2021 | | Consolidated December 31, 2020 | |
|---|--------------------|--------------------|-------------------------------------|--------------------|--------------------|--------------------|-----------------------------------|--------------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets at amortized cost | | | | | | | | |
| Cash and cash equivalents | 319,550 | 319,550 | 784,437 | 784,437 | 1,074,292 | 1,074,292 | 1,247,394 | 1,247,394 |
| Restricted funds | | | | | 71,231 | 71,231 | 1,242,038 | 1,242,038 |
| Trade accounts receivable, net | 253 | 253 | | | 3,750,901 | 3,750,901 | 3,469,959 | 3,469,959 |
| Related parties | 1,539,411 | 1,539,411 | 1,282,897 | 1,282,897 | 15,172 | 15,172 | 15,392 | 15,392 |
| | <u>1,859,214</u> | <u>1,859,214</u> | <u>2,067,334</u> | <u>2,067,334</u> | <u>4,911,596</u> | <u>4,911,596</u> | <u>5,974,783</u> | <u>5,974,783</u> |
| Financial liabilities at amortized cost | | | | | | | | |
| Trade payables | (20,612) | (20,612) | (19,317) | (19,317) | (215,273) | (215,273) | (136,342) | (136,342) |
| Debts | | | | | (3,316,245) | (3,316,087) | (3,191,742) | (3,195,195) |
| Leases | (27,743) | (27,743) | (28,942) | (28,942) | (150,720) | (150,720) | (160,373) | (160,373) |
| Debentures | | | | | (4,401,517) | (4,417,035) | (3,834,610) | (3,853,435) |
| Concession rights payable | (1,309,900) | (1,315,745) | (1,094,919) | (1,150,057) | (209,169) | (209,169) | (1,591,878) | (1,591,878) |
| Related parties | (8,934) | (8,934) | (8,788) | (8,788) | (63,405) | (63,405) | (49,050) | (49,050) |
| In R\$ | <u>(1,367,189)</u> | <u>(1,373,034)</u> | <u>(1,151,966)</u> | <u>(1,207,104)</u> | <u>(8,356,329)</u> | <u>(8,371,689)</u> | <u>(8,963,995)</u> | <u>(8,996,273)</u> |
| In US\$ | <u>(251,349)</u> | <u>(252,424)</u> | <u>(211,782)</u> | <u>(221,919)</u> | <u>(1,536,259)</u> | <u>(1,539,083)</u> | <u>(1,647,975)</u> | <u>(1,652,071)</u> |

5.5 Credit quality of financial assets

The Group has cash and cash equivalents and restricted funds only with banks that are considered first-class.

Due to the characteristics of the Group's accounts receivable, which include (i) portfolio of receivables with no complexity, and (ii) low credit risk, the Company adopted the simplified expected credit loss approach, which consists of recognizing the expected credit loss over the total estimated useful life of the asset.

Accounts receivable are initially recognized at fair value less the expected losses from doubtful accounts, calculated based on the analysis of future losses, in accordance with the history of default, separating private and public clients, and in accordance with the assessment of management.

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(In thousands of reais and U.S. dollars, unless otherwise stated)

6 Cash and cash equivalents

| | Parent company | | Consolidated | |
|---------------------------|-----------------------|----------------------|-----------------------|----------------------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ | US\$ | R\$ |
| Fixed fund | | | 6 | 35 |
| Current account | 127 | 692 | 18,290 | 99,488 |
| Financial investments (i) | 58,620 | 318,858 | 179,206 | 974,769 |
| | 58,747 | 319,550 | 197,502 | 1,074,292 |

- (i) The balance of financial investments on is mainly represented by highly-liquid Bank Deposit Certificates (“CDBs”), investment funds and repurchase agreements with first-class banks with a remuneration subject to a weighted average of approximately 106.8% of the Interbank Deposit Certificate (“CDI”) rate in the period from January to September 2021 (December 31, 2020 – 95% of the CDI rate).

7 Restricted funds

| | Consolidated | |
|---------------------|-----------------------|----------------------|
| | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ |
| Rio Claro | 563 | 3,065 |
| Santa Gertrudes | | 1 |
| Uruguaiana | 125 | 678 |
| Porto Ferreira | 1,746 | 9,498 |
| Ativos Maduros | 930 | 5,056 |
| Projetos Ambientais | 9,731 | 52,933 |
| RMM (i) | | 1,200,602 |
| | 13,095 | 71,231 |
| (-) Current | | (1,200,602) |
| Non-current | 13,095 | 71,231 |

The balances mainly represent bank deposits that are remunerated at approximately 99.3% of the Interbank Deposit Certificate (“CDI”) rate (December 31, 2020 – 103% of the CDI rate) and their use is tied to compliance with the contractual obligations from financing and debenture operations. The amounts are maintained until the termination of the contracts.

- (i) The amount on December 31, 2020 refers to the funding from the issue of debentures by the subsidiary RMM to be exclusively used in the payment of the remaining balance of the concession made on July 2 and September 1, 2021, as disclosed in Note 14.3.

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(In thousands of reais and U.S. dollars, unless otherwise stated)

8 Trade accounts receivable, net

| | Consolidated | |
|--|-----------------------|----------------------|
| | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ |
| Trade accounts receivable | | |
| Public concessions | 250,496 | 1,362,543 |
| Allowance for expected losses from doubtful accounts | (46,784) | (220,366) |
| | 203,712 | 983,882 |
| Billing rights | | |
| Public concessions | 485,868 | 2,642,833 |
| | 689,580 | 3,469,959 |
| (-) Current | (107,331) | (554,580) |
| Non-current | 582,249 | 2,915,379 |

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

The indirect subsidiary Saneatins has accounts receivable from ATS, a state government agency that is responsible for the operation of many water supply systems in the State of Tocantins, as described in Note Nota 1.1 (d). The service provided is recognized by the government agency and the negotiations on payment conditions that had been interrupted during the pandemic have been recently resumed, since all efforts of the State Public Administration are focused on actions in the health field.

The aging analysis of these trade accounts receivable is as follows:

| | Consolidated | |
|---------------------------|-----------------------|----------------------|
| | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ |
| To fall due | 29,274 | 159,235 |
| Overdue | | |
| Within 30 days | 14,372 | 78,176 |
| From 31 to 60 days | 7,332 | 39,883 |
| From 61 to 90 days | 5,025 | 27,335 |
| From 91 to 180 days | 11,914 | 64,803 |
| Over 180 days | 110,007 | 598,374 |
| Unbilled amounts | 25,547 | 138,958 |
| Trade accounts receivable | 203,471 | 1,106,764 |
| Billing agents | 241 | 1,304 |
| Billing rights | 485,868 | 2,642,833 |
| Total | 689,580 | 3,469,959 |

On September 30, 2021, the Group has R\$ 1,987,738 – US\$ 365,433 (December 31, 2020 – R\$ 1,781,833) related to credit rights that were assigned or pledged as guarantee for debts and debentures.

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The changes in the allowance for expected credit losses from doubtful accounts of the Group are as follows:

| | At the beginning of the period | Additions | Trade accounts receivable written off due to payment | Trade accounts receivable written off as uncollectible | Other | Transfer of investments (i) | At the end of the period |
|---------------------------------|-----------------------------------|-----------|--|--|-------|--------------------------------|-----------------------------|
| At September 30, 2021 | (220,366) | (73,030) | 37,750 | 1,171 | | | (254,475) |
| At September 30, 2021 (in US\$) | (40,513) | (13,426) | 6,940 | 215 | | | (46,784) |
| At December 31, 2020 | (167,271) | (69,943) | 22,980 | 2,791 | 1,448 | (10,371) | (220,366) |

- (i) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

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:

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| | In thousands of reais | | | | | | | | | | | |
|--|-----------------------|----------------|---------------------|---------------------|--------------------|-------------------------|-------------------------|---------|------------------|-------------------------------|--------------|------------------------------|
| | December 31, 2020 | | | | | | | | | September 30, 2020 | | |
| | Holding % | Current assets | Current liabilities | Current assets, net | Non-current assets | Non-current liabilities | Non-current assets, net | Equity | Investment | Net service and sales revenue | Gross profit | Profit (loss) for the period |
| Subsidiaries | | | | | | | | | | | | |
| Direct | | | | | | | | | | | | |
| Concessionaires | | | | | | | | | | | | |
| Rio Claro | 60.00 | 20,604 | 16,694 | 3,910 | 151,170 | 84,251 | 66,919 | 70,829 | 42,497 | 41,078 | 17,917 | 6,979 |
| RDOP Consolidated | 100.00 | 27,923 | 227,366 | (199,443) | 782,646 | 302,143 | 480,503 | 281,060 | 281,060 | 52,522 | 38,907 | 14,578 |
| Mauá | 100.00 | 26,971 | 22,422 | 4,549 | 230,865 | 192,775 | 38,090 | 42,639 | 42,639 | 51,396 | 28,933 | 4,687 |
| Blumenau | 100.00 | 23,445 | 15,576 | 7,869 | 264,301 | 203,978 | 60,323 | 68,192 | 68,192 | 44,279 | 16,378 | (711) |
| Santa Gertrudes | 100.00 | 2,495 | 1,562 | 933 | 14,027 | 13,427 | 600 | 1,533 | 1,533 | 7,784 | 2,287 | 243 |
| Mairinque | 95.36 | 5,453 | 21,552 | (16,099) | 53,979 | 11,195 | 42,784 | 26,685 | 25,447 | 19,466 | 3,436 | (574) |
| Uruguaiana | 100.00 | 24,554 | 24,863 | (309) | 208,573 | 169,647 | 38,926 | 38,617 | 38,617 | 54,904 | 20,601 | 2,776 |
| Porto Ferreira | 100.00 | 8,496 | 4,202 | 4,294 | 54,038 | 51,650 | 2,388 | 6,682 | 6,682 | 20,324 | 6,502 | 1,181 |
| Centro Norte Participações Consolidated | 100.00 | 302,633 | 230,997 | 71,636 | 1,452,102 | 1,393,944 | 58,158 | 129,794 | 129,794 | 446,774 | 172,515 | (3,095) |
| Araguaia | 100.00 | 9,552 | 23,505 | (13,953) | 49,843 | 15,203 | 34,640 | 20,687 | 20,687 | 9,935 | 484 | (2,016) |
| BRK Negócios Industriais Consolidated | 100.00 | 17 | 4,000 | (3,983) | 43,523 | 14,944 | 28,579 | 24,596 | 24,596 | | (96) | |
| Maranhão | 100.00 | 38,240 | 9,598 | 28,642 | 187,503 | 207,565 | (20,062) | 8,580 | 8,580 | 63,480 | 22,084 | (2,839) |
| BRK Projetos Ambientais Consolidated | 100.00 | 370,809 | 408,547 | (37,738) | 3,475,391 | 3,161,252 | 314,139 | 276,401 | 276,401 | 722,196 | 254,606 | 67,129 |
| Sumaré | 100.00 | 27,881 | 83,868 | (55,987) | 221,332 | 102,046 | 119,286 | 63,299 | 63,299 | 85,878 | 21,162 | (805) |
| Mauá Água | 100.00 | 718 | | 718 | 758 | 86 | 672 | 1,390 | 1,390 | | (34) | |
| Santo André | 100.00 | | | | 3,400 | 3,646 | (246) | (246) | | | (55) | |
| Rio das Ostras | 0.58 | 27,122 | 157,698 | (130,576) | 782,646 | 237,415 | 495,231 | 364,655 | 2,104 | 52,522 | 38,907 | 16,082 |
| RMR | 9.38 | 78,564 | 176,535 | (97,971) | 1,662,524 | 1,237,393 | 425,131 | 327,160 | 30,704 | 388,403 | 135,731 | 56,392 |
| Goias | 1.00 | 61,306 | 99,687 | (38,381) | 1,085,688 | 965,962 | 119,726 | 81,345 | 814 | 217,129 | 63,322 | 18,850 |
| Caçador | 100.00 | 8,350 | 23,753 | (15,403) | 20,241 | 2,759 | 17,482 | 2,079 | 2,079 | 18,179 | 1,337 | (1,676) |
| RMM | 100.00 | 1,296,388 | 1,397,853 | (101,465) | 2,034,432 | 1,784,320 | 250,112 | 148,647 | 148,647 | | | |
| BRK Ativos Maduros Consolidated | 100.00 | 170,224 | 112,291 | 57,933 | 726,330 | 372,380 | 353,950 | 411,883 | 411,883 | 276,786 | 117,794 | 41,809 |
| BRK NE | 99.90 | 1 | | 1 | | | | 1 | 1 | | | |
| BRK SE | 99.90 | 1 | | 1 | | | | 1 | 1 | | | |
| BRK NI | 99.90 | 1 | | 1 | | | | 1 | 1 | | | |
| Non-concessionaires | | | | | | | | | | | | |
| Digital | 100.00 | 1,594 | 2 | 1,592 | | 20 | (20) | 1,572 | 1,572 | | | 1 |
| Ecoaquá | 100.00 | 379 | 2 | 377 | 8,657 | 25 | 8,632 | 9,009 | | | | 50 |
| Investments in subsidiaries on December 31, 2020 | | | | | | | | | 1,638,229 | | | |
| Jointly-controlled subsidiaries | | | | | | | | | | | | |
| F. AB. Zona Oeste | 50.00 | 155,878 | 151,980 | 3,898 | 793,457 | 632,548 | 160,909 | 164,807 | 82,403 | 253,597 | 102,200 | 13,782 |
| Investments in jointly-controlled subsidiaries on December 31, 2020 | | | | | | | | | 82,403 | | | |
| Investment balance on December 31, 2020 | | | | | | | | | 1,720,632 | | | |

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| | In thousands of reais | | | | | | | | | | | |
|---|-----------------------|----------------|---------------------|---------------------|--------------------|-------------------------|-------------------------|---------|------------------|-------------------------------|---------------------|------------------------------|
| | September 30, 2021 | | | | | | | | | | | |
| | Holding % | Current assets | Current liabilities | Current assets, net | Non-current assets | Non-current liabilities | Non-current assets, net | Equity | Investment | Net service and sales revenue | Gross profit (loss) | Profit (loss) for the period |
| Subsidiaries | | | | | | | | | | | | |
| Direct | | | | | | | | | | | | |
| Concessionaires | | | | | | | | | | | | |
| Rio Claro | 60.00 | 24,283 | 16,904 | 7,379 | 150,729 | 76,404 | 74,325 | 81,704 | 49,022 | 55,268 | 23,837 | 10,875 |
| RDOP Consolidated | 100.00 | 34,438 | 153,960 | (119,522) | 828,072 | 404,450 | 423,622 | 301,892 | 301,892 | 54,069 | 42,552 | 16,732 |
| Mauá | 100.00 | 30,547 | 22,514 | 8,033 | 224,177 | 184,266 | 39,911 | 47,944 | 47,944 | 54,409 | 31,557 | 5,430 |
| Blumenau | 100.00 | 61,765 | 18,410 | 43,355 | 283,958 | 256,715 | 27,243 | 70,598 | 70,598 | 56,069 | 22,204 | 2,406 |
| Santa Gertrudes | 100.00 | 2,642 | 1,812 | 830 | 15,467 | 14,527 | 940 | 1,770 | 1,770 | 9,083 | 2,587 | 238 |
| Mairinque | 96.11 | 5,995 | 21,735 | (15,740) | 60,712 | 12,475 | 48,237 | 32,497 | 31,231 | 19,578 | 6,771 | 717 |
| Uruguaiana | 100.00 | 28,820 | 20,050 | 8,770 | 235,298 | 198,445 | 36,853 | 45,623 | 45,623 | 71,596 | 25,664 | 7,006 |
| Porto Ferreira | 100.00 | 8,137 | 5,580 | 2,557 | 56,487 | 52,803 | 3,684 | 6,241 | 6,241 | 21,927 | 6,010 | (442) |
| Centro Norte Participações Consolidated | 100.00 | 231,178 | 269,410 | (38,232) | 1,561,201 | 1,397,435 | 163,766 | 125,534 | 125,534 | 497,922 | 194,323 | (4,259) |
| Araguaia | 100.00 | 7,257 | 24,908 | (17,651) | 51,993 | 16,801 | 35,192 | 17,541 | 17,541 | 9,618 | (195) | (3,144) |
| BRK Negócios Industriais | 100.00 | 238 | 4,087 | (3,849) | 43,523 | 15,165 | 28,358 | 24,509 | 24,509 | | | (97) |
| Maranhão | 100.00 | 38,092 | 16,891 | 21,201 | 222,624 | 238,468 | (15,844) | 5,357 | 5,357 | 90,530 | 39,401 | (3,223) |
| BRK Projetos Ambientais Consolidated | 100.00 | 467,028 | 539,072 | (72,044) | 3,927,198 | 3,428,651 | 498,547 | 359,728 | 359,728 | 875,645 | 309,225 | 66,330 |
| Sumaré | 100.00 | 95,626 | 15,624 | 80,002 | 244,217 | 233,771 | 10,446 | 90,448 | 90,448 | 95,441 | 21,016 | (1,202) |
| Mauá Água | 100.00 | 719 | 4 | 715 | 758 | 158 | 600 | 1,315 | 1,315 | | | (96) |
| Santo André | 100.00 | | | | 3,400 | 3,704 | (304) | (304) | | | | (58) |
| Rio das Ostras | 0.58 | 33,651 | 92,970 | (59,319) | 828,072 | 386,057 | 442,015 | 382,696 | 2,208 | 54,069 | 42,552 | 18,042 |
| RMR | 9.39 | 168,692 | 253,651 | (85,159) | 1,927,947 | 1,441,291 | 486,656 | 401,497 | 37,680 | 407,549 | 165,866 | 74,338 |
| Goias | 1.00 | 82,327 | 154,956 | (72,629) | 1,250,156 | 1,101,847 | 157,309 | 84,680 | 848 | 315,414 | 77,612 | (1,669) |
| Caçador | 100.00 | 22,742 | 3,864 | 18,878 | 30,568 | 47,325 | (16,757) | 2,121 | 2,121 | 22,961 | 3,212 | (757) |
| RMM | 100.00 | 174,221 | 100,880 | 73,341 | 2,094,071 | 1,794,126 | 299,945 | 373,286 | 373,286 | 112,465 | 5,616 | (75,361) |
| BRK Ativos Maduros Consolidated | 100.00 | 269,921 | 106,033 | 163,888 | 676,980 | 377,038 | 299,942 | 463,831 | 463,831 | 286,468 | 51,948 | 51,948 |
| BRK NE | 99.90 | 1 | | 1 | | 1 | (1) | | | | | (2) |
| BRK NI | 99.90 | 1 | 1 | | (2) | 5 | (7) | (7) | | | | (7) |
| Non-concessionaires | | | | | | | | | | | | |
| Digital | 100.00 | 1,585 | 2 | 1,583 | | 22 | (22) | 1,561 | | 1,561 | | (10) |
| Ecoaquá | 100.00 | 427 | 11 | 416 | 8,730 | 4 | 8,726 | 9,142 | | 9,141 | | 133 |
| Investments in subsidiaries on September 30, 2021 | | | | | | | | | 2,069,429 | | | |
| Jointly-controlled subsidiaries | | | | | | | | | | | | |
| BRK SAAB (i) | 50.00 | 5 | 3 | 2 | 2 | 5 | (3) | (1) | | | (5) | (5) |
| F. AB. Zona Oeste | 50.00 | 140,086 | 106,401 | 33,685 | 922,514 | 797,709 | 124,805 | 158,491 | 79,247 | 298,632 | 121,437 | 1,569 |
| Investments in jointly-controlled subsidiaries on September 30, 2021 | | | | | | | | | 79,247 | | | |
| Investment balance on September 30, 2021 | | | | | | | | | 2,148,676 | | | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | In thousands of U.S. dollars | | | | | | | | | | | |
|---|------------------------------|----------------|---------------------|---------------------|--------------------|-------------------------|-------------------------|--------|----------------|-------------------------------|---------------------|------------------------------|
| | September 30, 2021 | | | | | | | | | | | |
| | Holding % | Current assets | Current liabilities | Current assets, net | Non-current assets | Non-current liabilities | Non-current assets, net | Equity | Investment | Net service and sales revenue | Gross profit (loss) | Profit (loss) for the period |
| Subsidiaries | | | | | | | | | | | | |
| Direct | | | | | | | | | | | | |
| Concessionaires | | | | | | | | | | | | |
| Rio Claro | 60.00 | 4,464 | 3,108 | 1,357 | 27,711 | 14,046 | 13,664 | 15,021 | 9,012 | 10,161 | 4,382 | 1,999 |
| RDOP Consolidated | 100.00 | 6,331 | 28,305 | (21,973) | 152,236 | 74,356 | 77,880 | 55,501 | 55,501 | 9,940 | 7,823 | 3,076 |
| Mauá | 100.00 | 5,616 | 4,139 | 1,477 | 41,214 | 33,876 | 7,337 | 8,814 | 10,003 | 10,003 | 5,802 | 998 |
| Blumenau | 100.00 | 11,355 | 3,385 | 7,971 | 52,204 | 47,195 | 5,008 | 12,979 | 12,979 | 10,308 | 4,082 | 442 |
| Santa Gertrudes | 100.00 | 486 | 333 | 153 | 2,844 | 2,671 | 173 | 325 | 325 | 1,670 | 476 | 44 |
| Mairinque | 96.11 | 1,102 | 3,996 | (2,894) | 11,162 | 2,293 | 8,868 | 5,974 | 5,742 | 3,599 | 1,245 | 132 |
| Uruguaiana | 100.00 | 5,298 | 3,686 | 1,612 | 43,258 | 36,483 | 6,775 | 8,388 | 8,388 | 13,162 | 4,718 | 1,288 |
| Porto Ferreira | 100.00 | 1,496 | 1,026 | 470 | 10,385 | 9,708 | 677 | 1,147 | 1,147 | 4,031 | 1,105 | (81) |
| Centro Norte Participações Consolidated | 100.00 | 42,501 | 49,529 | (7,029) | 287,017 | 256,910 | 30,107 | 23,079 | 23,079 | 91,540 | 35,725 | (783) |
| Araguaia | 100.00 | 1,334 | 4,579 | (3,245) | 9,559 | 3,089 | 6,470 | 3,225 | 3,225 | 1,768 | (36) | (578) |
| BRK Negócios Industriais | 100.00 | 44 | 751 | (708) | 8,001 | 2,788 | 5,213 | 4,506 | 4,506 | | | (18) |
| Maranhão | 100.00 | 7,003 | 3,105 | 3,898 | 40,928 | 43,841 | (2,913) | 985 | 985 | 16,643 | 7,244 | (593) |
| BRK Projetos Ambientais Consolidated | 100.00 | 85,860 | 99,105 | (13,245) | 721,991 | 630,336 | 91,655 | 66,134 | 66,134 | 160,982 | 56,849 | 12,194 |
| Sumaré | 100.00 | 17,580 | 2,872 | 14,708 | 44,898 | 42,977 | 1,920 | 16,628 | 16,628 | 17,546 | 3,864 | (221) |
| Mauá Água | 100.00 | 132 | 1 | 131 | 139 | 29 | 110 | 242 | 242 | | | (18) |
| Santo André | 100.00 | | | | 625 | 681 | (56) | | | | | (11) |
| Rio das Ostras | 0.58 | 6,187 | 17,092 | (10,905) | 152,236 | 70,974 | 81,262 | 70,356 | 406 | 9,940 | 7,823 | 3,317 |
| RMR | 9.39 | 31,013 | 46,669 | (15,656) | 354,441 | 284,972 | 69,469 | 73,813 | 6,927 | 74,925 | 30,493 | 13,667 |
| Goias | 1.00 | 15,135 | 28,488 | (13,352) | 231,488 | 202,568 | 28,920 | 15,568 | 156 | 57,987 | 14,288 | (307) |
| Caçador | 100.00 | 4,181 | 710 | 3,471 | 5,620 | 8,700 | (3,081) | 390 | 390 | 4,221 | 591 | (139) |
| RMM | 100.00 | 32,029 | 18,546 | 13,483 | 384,982 | 329,839 | 55,143 | 68,626 | 68,626 | 20,676 | 1,032 | (13,855) |
| BRK Ativos Maduros Consolidated | 100.00 | 49,623 | 19,494 | 30,130 | 124,459 | 69,316 | 55,142 | 85,272 | 85,272 | 52,665 | 9,550 | 9,550 |
| BRK NE | 99.90 | | | | | | | | | | | |
| BRK NI | 99.90 | | | | | 1 | (1) | (1) | | | | (1) |
| Non-concessionaires | | | | | | | | | | | | |
| Digital | 100.00 | 291 | | 291 | | 4 | (4) | 287 | | 287 | | (2) |
| Ecoaquá | 100.00 | 79 | 2 | 76 | 1,605 | 1 | 1,604 | 1,681 | | 1,681 | | 24 |
| Investments in subsidiaries on September 30, 2021 | | | | | | | | | 380,452 | | | |
| Jointly-controlled subsidiaries | | | | | | | | | | | | |
| BRK SAAB (i) | 50.00 | 1 | 1 | | | 1 | (1) | | | | (1) | (1) |
| F. AB. Zona Oeste | 50.00 | 25,754 | 19,561 | 6,193 | 169,598 | 146,654 | 22,945 | 29,138 | 14,569 | 54,902 | 22,325 | 288 |
| Investments in jointly-controlled subsidiaries on September 30, 2021 | | | | | | | | | 14,569 | | | |
| Investment balance on September 30, 2021 | | | | | | | | | 395,021 | | | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(b) Breakdown of investments

| | Parent company | | Consolidated | | |
|---------------------------------|--------------------|-------------------|--------------------|-------------------|--------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 | |
| | US\$ | R\$ | US\$ | R\$ | |
| Subsidiaries | 380,452 | 2,069,429 | 1,638,229 | | |
| Jointly-controlled subsidiaries | 14,569 | 79,247 | 82,403 | 14,569 | 79,247 |
| Total investments, net | 395,021 | 2,148,676 | 1,720,632 | 14,569 | 79,247 |

(c) Changes in investments – Parent company

The changes in investments are presented below:

| In thousands of reais | | | | | | | | | | | |
|--|------------------|----------------|-----------|-----------------------------------|--|--|--|--|-----------------------------------|-----------------|------------------|
| | Opening balance | Additions | Disposals | Dividends and interest on capital | Equity in the results of continuing operations | Equity in the results of discontinued operations | Recognition of provision for loss on investments | Write-off of provision for loss on investments of discontinued operation | Other comprehensive income (loss) | Other transfers | Closing balance |
| Direct subsidiaries | | | | | | | | | | | |
| Rio Claro | 42,497 | | | | 6,525 | | | | | | 49,022 |
| Mauá | 42,639 | | | (127) | 5,432 | | | | | | 47,944 |
| RDCP Consolidated | 291,060 | 4,100 | | | 16,732 | | | | | | 311,892 |
| Blumenau | 68,192 | | | | 2,406 | | | | | | 70,598 |
| Malíngue | 25,447 | 5,087 | | | 688 | | | | | 9 | 31,231 |
| Santa Gertrudes | 1,533 | | | | 237 | | | | | | 1,770 |
| Ecoaquá | 6,009 | | | | 133 | | | | | | 6,142 |
| Uruguaiana | 38,617 | | | | 7,006 | | | | | | 45,623 |
| Porto Ferreira | 6,882 | | | | (441) | | | | | | 6,241 |
| Centro Norte Participações Consolidated | 129,794 | | | | (4,260) | | | | | | 125,534 |
| Asquias | 20,667 | | | | (3,146) | | | | | | 17,521 |
| Mauá Água | 1,390 | 20 | | | (95) | | | | | | 1,315 |
| BRK Projetos Ambientais Consolidated | 276,401 | 17,000 | | | 66,327 | | | | | | 359,728 |
| BRK Negócios Industriais | 24,596 | 9 | | | (96) | | | | | | 24,509 |
| RMR | 30,704 | | | | 6,976 | | | | | | 37,680 |
| Rio das Ostras | 2,104 | | | | 104 | | | | | | 2,208 |
| GoIás | 814 | | | 50 | (18) | | | | | | 848 |
| Maranhão | 6,580 | | | | (3,223) | | | | | | 3,357 |
| Caçador | 2,079 | 800 | | | (758) | | | | | | 2,121 |
| RMM (i) | 148,647 | 300,000 | | | (75,361) | | | | | | 373,286 |
| Sumaré | 63,299 | 28,350 | | | (1,201) | | | | | | 90,448 |
| Digital | 1,572 | | | | (11) | | | | | | 1,561 |
| BRK Árvore Maduros Consolidated | 411,863 | | | | 51,948 | | | | | | 463,811 |
| BRK NI | 1 | | | | | | | | | (1) | (1) |
| BRK SE | 1 | | | | | | | | | (1) | (1) |
| Jointly-controlled subsidiaries | | | | | | | | | | | |
| BRK SAAB | 1 | | | | (2) | | | | | | (1) |
| F. AB. Zona Oeste | 82,403 | | | 544 | 785 | | | | | (4,485) | 79,247 |
| At September 30, 2021 | 1,720,632 | 355,566 | | 467 | 76,689 | | | | | (4,478) | 2,148,676 |
| At December 31, 2020 | 751,591 | 497,922 | | (61,878) | 141,600 | | (14,259) | | 3,124 | 422,532 | 1,720,632 |
| Provision for loss on investments | | | | | | | | | | | |
| Santo André | (246) | | | | (58) | | | | | | (304) |
| BRK NI | | | | | (7) | | | | | | (7) |
| BRK SE | | | (1) | | | | | | | 1 | 1 |
| UVR Grajau (i) | | | | | | (2,075) | | 4,092 | | (2,017) | |
| At September 30, 2021 | (246) | | | (1) | (65) | | | 4,092 | | (2,015) | (319) |
| At December 31, 2020 | (14,177) | | | | (328) | | (7,064) | 14,259 | | 7,064 | (246) |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| In thousands of U.S. dollars | | | | | | | | | | | |
|--|-----------------|---------------|-----------|-----------------------------------|--|--|--|--|-----------------------------------|-----------------|-----------------|
| | Opening balance | Additions | Disposals | Dividends and interest on capital | Equity in the results of continuing operations | Equity in the results of discontinued operations | Recognition of provision for loss on investments | Write-off of provision for loss on investments of discontinued operation | Other comprehensive income (loss) | Other transfers | Closing balance |
| Direct subsidiaries | | | | | | | | | | | |
| Rio Claro | 7,813 | | | | 1,200 | | | | | | 9,013 |
| Mauá | 7,839 | | | (23) | 99 | | | | | | 8,815 |
| RDOP Consolidated | 51,671 | 754 | | | 3,076 | | | | | | 55,501 |
| Blumenau | 12,537 | | | | 442 | | | | | | 12,979 |
| Matrinque | 4,678 | 935 | | | 126 | | | | | 2 | 5,741 |
| Santa Gertrudes | 262 | | | | 44 | | | | | | 306 |
| Ecopiqui | 1,656 | | | | 24 | | | | | | 1,680 |
| Uruguaiana | 7,099 | | | | 1,288 | | | | | | 8,387 |
| Porto Ferreira | 1,228 | | | | (81) | | | | | | 1,147 |
| Centro Norte Participações Consolidated | 23,662 | | | | (783) | | | | | | 23,079 |
| Ataguá | 3,803 | | | | (578) | | | | | | 3,225 |
| Mauá Água | 256 | 4 | | | (17) | | | | | | 243 |
| BRK Projetos Ambientais Consolidated | 50,815 | 3,125 | | | 12,194 | | | | | | 66,134 |
| BRK Negócios Industriais | 4,522 | 2 | | | (18) | | | | | | 4,506 |
| RMR | 6,645 | | | | 1,282 | | | | | | 6,927 |
| Rio das Ostras | 387 | | | | 19 | | | | | | 406 |
| Goias | 150 | | | 9 | (3) | | | | | | 156 |
| Maranhão | 1,577 | | | | (50) | | | | | | 154 |
| Caçador | 382 | 147 | | | (139) | | | | | | 390 |
| RMM (i) | 27,328 | 55,153 | | | (13,855) | | | | | | 68,626 |
| Sumaré | 11,637 | 5,212 | | | (221) | | | | | | 16,628 |
| Digital | 289 | | | | (2) | | | | | | 287 |
| BRK Alvos Maduros Consolidated | 75,722 | | | | 9,550 | | | | | | 85,272 |
| BRK NI | | | | | | | | | | | |
| BRK SE | | | | | | | | | | | |
| Jointly-controlled subsidiaries | | | | | | | | | | | |
| BRK SAAB | | | | | | | | | | | |
| F. AB. Zona Oeste | 15,149 | | | 100 | 145 | | | | | (825) | 14,569 |
| At September 30, 2021 | 316,327 | 65,332 | | 86 | 14,099 | | | | | (823) | 395,021 |
| At December 31, 2020 | 138,175 | 91,540 | | (15,053) | 26,032 | | (2,621) | | 574 | 77,680 | 316,327 |
| Provision for loss on investments | | | | | | | | | | | |
| Santo André | (45) | | | | (11) | | | | | | (56) |
| BRK NI | | | | | (1) | | | | | | (1) |
| BRK SE | | | | | | | | | | | |
| UVR Grajau (i) | | | | | | (381) | | 752 | | (371) | |
| At September 30, 2021 | (45) | | | | (12) | (381) | | 752 | | (371) | (57) |
| At December 31, 2020 | (2,606) | | | | (60) | (1,299) | | 2,621 | | 1,299 | (45) |

(i) This refers mainly to the sale of UVR (Note 1.1 (b)).

(i) On July 1, 2021, the Company paid-in capital of subsidiary RMM in the amount of R\$ 300,000 – US\$ 55,153 in cash, referring to the issue of 483,598,688 common, nominative shares with no par value carried out on June 16, 2021.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(d) Changes in investments - Consolidated

The changes in investments are presented below:

| | In thousands of reais | | | | | | |
|--|-----------------------|-----------|------------------------------------|-----------------|-----------------------------|-----------------------------------|-----------------|
| | Opening balance | Dividends | Equity in the results of investees | Other transfers | Transfer of investments (I) | Other comprehensive income (loss) | Closing balance |
| Jointly-controlled subsidiaries | | | | | | | |
| F. AB. Zona Oeste | 82,403 | 544 | 785 | (4,485) | | | 79,247 |
| At September 30, 2021 | 82,403 | 544 | 785 | (4,485) | | | 79,247 |
| At December 31, 2020 | 132,541 | (3,292) | 5,843 | | (53,055) | 366 | 82,403 |

| | In thousands of U.S. dollars | | | | | | |
|--|------------------------------|-----------|------------------------------------|-----------------|-----------------------------|-----------------------------------|-----------------|
| | Opening balance | Dividends | Equity in the results of investees | Other transfers | Transfer of investments (I) | Other comprehensive income (loss) | Closing balance |
| Jointly-controlled subsidiaries | | | | | | | |
| F. AB. Zona Oeste | 15,149 | 100 | 144 | (824) | | | 14,569 |
| At September 30, 2021 | 15,149 | 100 | 144 | (824) | | | 14,569 |
| At December 31, 2020 | 24,367 | (605) | 1,074 | | (9,754) | 67 | 15,149 |

(i) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

(e) Dividends and interest on capital receivable

(i) Breakdown

| | Parent company | | Consolidated | |
|--------------------------|--------------------|-------------------|--------------------|-------------------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ | US\$ | R\$ |
| Mairinque | 96 | 521 | 521 | |
| Mauá | 5,785 | 31,469 | 31,342 | |
| RDOP | 12,626 | 68,678 | 68,678 | |
| Rio Claro | 3,592 | 19,536 | 20,964 | |
| Rio das Ostras | 42 | 230 | 230 | |
| Porto Ferreira | 143 | 777 | 777 | |
| Uruguaiana | 474 | 2,576 | 2,576 | |
| F. AB. Zona Oeste | 998 | 5,429 | 5,973 | 998 |
| RMR | 379 | 2,064 | 2,064 | 5,429 |
| Golias | | 50 | 50 | 5,973 |
| Santa Gertrudes | 7 | 38 | 38 | |
| BRK Negócios Industriais | 735 | 4,000 | 4,000 | |
| BRK Ativos Maduros | 2,685 | 14,601 | 14,945 | |
| | 27,562 | 149,919 | 152,178 | 998 |
| | | | | 5,429 |
| | | | | 5,973 |
| (-) Current | (5,719) | (31,108) | (101,996) | (998) |
| | | | | (5,429) |
| | | | | (5,973) |
| Non-current | 21,843 | 118,811 | 50,182 | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(a) Contract assets

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

| Contract assets | September 30, | | December 31, | Consolidated |
|-----------------|---------------|-----------|--------------|---------------------|
| | 2021 | | 2020 | Expected completion |
| | US\$ | | R\$ | |
| Rio Claro | 1,778 | 9,669 | 35,599 | Dec 2024 |
| Mauá | 358 | 1,945 | 1,448 | Dec 2021 |
| Blumenau | 7,386 | 40,176 | 20,686 | Dec 2027 |
| Santa Gertrudes | 287 | 1,562 | 4,289 | Dec 2025 |
| Mairinque | 8,501 | 46,240 | 40,500 | Dec 2021 |
| Uruguaiana | 12,169 | 66,191 | 35,487 | Dec 2022 |
| Porto Ferreira | 959 | 5,218 | 10,930 | Jan 2023 |
| Saneatins | 53,935 | 293,376 | 192,780 | Dec 2021 |
| Caçador | 3,029 | 16,475 | 6,894 | Mar 2024 |
| Araguaia | 1,177 | 6,402 | 3,699 | Dec 2021 |
| Sumaré | 7,672 | 41,730 | 30,867 | Dec 2025 |
| Maranhão | 12,923 | 70,293 | 94,148 | Dec 2023 |
| Mauá Água | 139 | 758 | 758 | Dec 2021 |
| Macaé | 14,844 | 80,744 | 62,977 | Dec 2021 |
| Goiás | 83,892 | 456,323 | 329,587 | Dec 2023 |
| RMM | 6,828 | 37,138 | 4,032 | Jun 2023 |
| Limeira | 8,904 | 48,435 | 133,423 | Dec 2025 |
| Cachoeiro | 2,369 | 12,884 | 4,452 | Dec 2021 |
| | 227,150 | 1,235,559 | 1,012,556 | |

(b) Capitalization of interest and financial charges

In the nine-month period ended September 30, 2021, the Group capitalized interest and financial charges on the concession's assets amounting to R\$ 29,226 – US\$ 5,373 (December 31, 2020 - R\$ 68,661) 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 8.85% p.a. in the nine-month period ended September 30, 2021 (December 31, 2020 - 8.59% p.a.).

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

11 Right-of-use lease

| | Parent company | | | Total |
|----------------------------|---------------------------|--------------|----------|----------|
| | Real estate properties | IT equipment | Vehicles | |
| Acquisition cost | | | | |
| At January 1, 2020 | 28,805 | 2,047 | 131 | 30,983 |
| Additions | 4,881 | 19 | | 4,900 |
| Write-offs | | (149) | | (178) |
| Transfers | | (29) | | |
| At December 31, 2020 | 33,686 | 1,888 | 131 | 35,705 |
| Accumulated amortization | | | | |
| At January 1, 2020 | (3,403) | (636) | (52) | (4,091) |
| Amortization | (4,400) | (958) | (73) | (5,460) |
| Write-offs | | 297 | | 326 |
| At December 31, 2020 | (7,803) | (1,297) | (125) | (9,225) |
| Net carrying amount | 25,883 | 591 | 6 | 26,480 |
| Acquisition cost | | | | |
| At January 1, 2021 | 33,686 | 1,888 | 131 | 35,705 |
| Additions | 734 | 46 | 34 | 814 |
| Remeasurements | 86 | 960 | 17 | 1,063 |
| At September 30, 2021 | 34,506 | 2,894 | 182 | 37,582 |
| Accumulated amortization | | | | |
| At January 1, 2021 | (7,803) | (1,297) | (125) | (9,225) |
| Amortization | (3,274) | (1,401) | (27) | (4,702) |
| At September 30, 2021 | (11,077) | (2,698) | (152) | (13,927) |
| Net carrying amount (R\$) | 23,429 | 196 | 30 | 23,655 |
| Net carrying amount (US\$) | 4,307 | 36 | 6 | 4,349 |
| Useful life (years) | 2 a 24 | 2 a 3 | 2 a 5 | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | Consolidated | | | | Total |
|-----------------------------|------------------------|--------------|-------------------------|----------|----------|
| | Real estate properties | IT equipment | Machinery and equipment | Vehicles | |
| Acquisition cost | | | | | |
| At January 1, 2020 | 83,305 | 4,940 | 12,917 | 26,914 | 128,076 |
| Additions | 19,250 | 497 | 48,145 | 10,378 | 78,270 |
| Write-offs | (1,892) | (420) | (4,952) | (5,081) | (12,345) |
| Transfers | | (29) | (448) | 477 | |
| Transfer of investments (i) | 795 | 548 | 3,816 | 2,629 | 7,788 |
| At December 31, 2020 | 101,458 | 5,536 | 59,478 | 35,317 | 201,789 |
| Accumulated amortization | | | | | |
| At January 1, 2020 | (8,919) | (1,150) | (1,128) | (9,865) | (21,062) |
| Amortization | (10,721) | (2,435) | (10,780) | (10,935) | (34,871) |
| Write-offs | 670 | 359 | 523 | 3,752 | 5,304 |
| Transfers | | (2) | 12 | (10) | |
| Transfer of investments (i) | (70) | (332) | (636) | (1,214) | (2,252) |
| At December 31, 2020 | (19,040) | (3,560) | (12,009) | (18,272) | (52,881) |
| Net carrying amount | 82,418 | 1,976 | 47,469 | 17,045 | 148,908 |
| Acquisition cost | | | | | |
| At January 1, 2021 | 101,458 | 5,536 | 59,478 | 35,317 | 201,789 |
| Additions | 4,223 | 500 | 9,356 | 9,938 | 24,017 |
| Write-offs | | | (1,880) | (1,487) | (3,367) |
| Remeasurements | (3,880) | 1,140 | (5,864) | 6,656 | (1,948) |
| At September 30, 2021 | 101,801 | 7,176 | 61,090 | 50,424 | 220,491 |
| Accumulated amortization | | | | | |
| At January 1, 2021 | (19,040) | (3,560) | (12,009) | (18,272) | (52,881) |
| Amortization | (9,127) | (2,723) | (9,449) | (10,817) | (32,116) |
| Write-offs | | | 257 | 284 | 541 |
| At September 30, 2021 | (28,167) | (6,283) | (21,201) | (28,805) | (84,456) |
| Net carrying amount (R\$) | 73,634 | 893 | 39,889 | 21,619 | 136,035 |
| Net carrying amount (US\$) | 13,537 | 164 | 7,333 | 3,975 | 25,009 |
| Useful life (years) | 2 a 24 | 2 a 3 | 2 a 6 | 2 a 5 | |

(i) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

The lease balance presented above includes the residual amount of related parties of R\$ 56,137 – US\$ 10,320 (December 31, 2020 – R\$ 46,261) with Ouro Verde Locações e Serviços S.A. (“Ouro Verde”).

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

12 Intangible assets

| | <u>Parent company</u> | | | | | <u>Total</u> |
|----------------------------|--|-----------------|-----------------|--|--------------|--------------|
| | <u>Concession right (goodwill)</u> | <u>Goodwill</u> | <u>Software</u> | <u>Intangible assets under formation (i)</u> | <u>Other</u> | |
| Acquisition cost | | | | | | |
| At January 1, 2020 | 499,195 | 8,777 | 37,125 | 44,359 | 6 | 589,462 |
| Additions | | | 465 | 100,915 | | 101,380 |
| Transfers | | | 894 | (894) | | |
| At December 31, 2020 | 499,195 | 8,777 | 38,484 | 144,380 | 6 | 690,842 |
| Accumulated amortization | | | | | | |
| At January 1, 2020 | (66,207) | | (8,806) | | | (75,013) |
| Amortization | (18,809) | | (7,100) | | | (25,909) |
| At December 31, 2020 | (85,016) | | (15,906) | | | (100,922) |
| Net carrying amount | 414,179 | 8,777 | 22,578 | 144,380 | 6 | 589,920 |
| Useful life (years) | 13 a 36 | | 5 | | | |
| Acquisition cost | | | | | | |
| At January 1, 2021 | 499,195 | 8,777 | 38,484 | 144,380 | 6 | 690,842 |
| Additions | | | | 98,589 | | 98,589 |
| Other transfers | | | 58,775 | (59,349) | (2) | (576) |
| At September 30, 2021 | 499,195 | 8,777 | 97,259 | 183,620 | 4 | 788,855 |
| Accumulated amortization | | | | | | |
| At January 1, 2021 | (85,016) | | (15,906) | | | (100,922) |
| Amortization | (14,107) | | (7,155) | | | (21,262) |
| Other transfers | | | 420 | | (2) | 418 |
| At September 30, 2021 | (99,123) | | (22,641) | | (2) | (121,766) |
| Net carrying amount (R\$) | 400,072 | 8,777 | 74,618 | 183,620 | 2 | 667,089 |
| Net carrying amount (US\$) | 73,551 | 1,614 | 13,718 | 33,757 | | 122,640 |
| Useful life (years) | 13 to 36 | | 5 | | | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | Consolidated | | | | | | |
|------------------------------------|-----------------------------------|--------------|--|-----------------|--|----------------|--------------------|
| | Water and wastewater system | Goodwill | Concession right and client portfolio | Software | Intangible assets under formation (i) | Other | Total |
| <i>Continuing operations</i> | | | | | | | |
| Acquisition cost | | | | | | | |
| At January 1, 2020 | 2,525,107 | 8,777 | 1,169,659 | 46,414 | 44,359 | 1,505 | 3,795,821 |
| Additions | 20,829 | | 2,021,584 | 1,365 | 100,915 | | 2,144,693 |
| Write-offs | (1,016) | | | | | | (1,016) |
| Transfers - contract assets | 635,488 | | 7,583 | | | | 643,071 |
| Other transfers | (783) | | | 2,777 | (894) | (648) | 452 |
| Transfer of investments (ii) | 447,983 | | 41,909 | 1,835 | | 2,303 | 494,030 |
| At December 31, 2020 | <u>3,627,608</u> | <u>8,777</u> | <u>3,240,735</u> | <u>52,391</u> | <u>144,380</u> | <u>3,160</u> | <u>7,077,051</u> |
| Accumulated amortization | | | | | | | |
| At January 1, 2020 | (675,440) | | (272,281) | (13,619) | | (785) | (962,125) |
| Amortization | (145,142) | | (48,382) | (8,735) | | (2) | (202,261) |
| Write-offs | 1,121 | | | | | | 1,121 |
| Other transfers | (103) | | | (8) | | 8 | (103) |
| Transfer of investments (ii) | (204,145) | | (13,403) | (1,283) | | (2,303) | (221,134) |
| At December 31, 2020 | <u>(1,023,709)</u> | | <u>(334,066)</u> | <u>(23,645)</u> | | <u>(3,082)</u> | <u>(1,384,502)</u> |
| Net carrying amount | <u>2,603,899</u> | <u>8,777</u> | <u>2,906,669</u> | <u>28,746</u> | <u>144,380</u> | <u>78</u> | <u>5,692,549</u> |
| Acquisition cost | | | | | | | |
| At January 1, 2021 | 3,627,608 | 8,777 | 3,240,735 | 52,391 | 144,380 | 3,160 | 7,077,051 |
| Additions | 9,879 | | | | 98,589 | | 108,468 |
| Write-offs | (105) | | | | | | (105) |
| Transfers - contract assets | 377,689 | | 2,463 | | | | 380,152 |
| Other transfers and remeasurements | 1,033 | 1 | | 59,672 | (59,347) | (3,152) | (1,793) |
| At September 30, 2021 | <u>4,016,104</u> | <u>8,778</u> | <u>3,243,198</u> | <u>112,063</u> | <u>183,622</u> | <u>8</u> | <u>7,563,773</u> |
| Accumulated amortization | | | | | | | |
| At January 1, 2021 | (1,023,709) | | (334,066) | (23,645) | | (3,082) | (1,384,502) |
| Amortization | (131,717) | | (51,800) | (8,221) | | | (191,738) |
| Write-offs | 14 | | | | | | 14 |
| Other transfers and remeasurements | (496) | | (234) | 357 | | 3,082 | 2,709 |
| At September 30, 2021 | <u>(1,155,908)</u> | | <u>(386,100)</u> | <u>(31,509)</u> | | | <u>(1,573,517)</u> |
| Net carrying amount (R\$) | <u>2,860,196</u> | <u>8,778</u> | <u>2,857,098</u> | <u>80,554</u> | <u>183,622</u> | <u>8</u> | <u>5,990,256</u> |
| Net carrying amount (US\$) | <u>525,829</u> | <u>1,614</u> | <u>525,260</u> | <u>14,809</u> | <u>33,758</u> | <u>1</u> | <u>1,101,271</u> |
| Useful life (years) | 5 a 50 | | 28 a 50 | 5 a 10 | | | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

- (i) This refers mainly to the implementation of the new ERP system and to the development and improvement of commercial management software. On June 30, 2021, the SAP DI, SAP Concur and SAP Ariba systems were implemented. The Company expects the completion of R\$ 83,548 – US\$ 15,360 by December 2021.
- (ii) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

(a) Goodwill

The Company has recorded the amount of R\$ 8,777 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 sanitary wastewater services.

| | Parent company | | | | Consolidated | |
|------------------------------------|--------------------|--------|-------------------|--------|--------------------|-------------------|
| | September 30, 2021 | | December 31, 2020 | | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ |
| Acquisition of infrastructure | | | | 13,666 | 74,334 | 40,991 |
| Operational services and materials | 2,805 | 15,258 | 12,946 | 18,682 | 101,621 | 55,826 |
| Contractual retentions | | | 6 | 2,503 | 13,613 | 14,645 |
| Other | 984 | 5,354 | 6,365 | 4,726 | 25,705 | 24,880 |
| | 3,789 | 20,612 | 19,317 | 39,577 | 215,273 | 136,342 |

14 Debts, debentures and leases

| | Note | Parent company | | | | Consolidated | |
|------------------|------|--------------------|-----------|-------------------|-----------|--------------------|-------------------|
| | | September 30, 2021 | | December 31, 2020 | | September 30, 2021 | December 31, 2020 |
| | | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ |
| Total debts | 14.1 | | | | 609,671 | 3,316,245 | 3,191,742 |
| Total leases | 14.2 | 5,100 | 27,743 | 28,942 | 27,709 | 150,720 | 160,373 |
| Total debentures | 14.3 | 240,817 | 1,309,900 | 1,094,919 | 809,192 | 4,401,517 | 3,834,610 |
| | | 245,917 | 1,337,643 | 1,123,861 | 1,446,572 | 7,868,482 | 7,186,725 |
| (-) Current | | (1,757) | (9,557) | (23,124) | (100,871) | (548,676) | (656,873) |
| Non-current | | 244,160 | 1,328,086 | 1,100,737 | 1,345,701 | 7,319,806 | 6,529,852 |

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Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

14.1 Debts

(a) Breakdown

| Type and annual financial charges | Average annual charges | Maturity | Transaction costs incurred | Unearned cost balances | Consolidated | | |
|-----------------------------------|------------------------|----------------------|----------------------------|------------------------|--------------------|------------------|-------------------|
| | | | | | September 30, 2021 | | December 31, 2020 |
| | | | | | R\$ | US\$ | R\$ |
| Working capital | 12.18% | Nov 2021 to Sep 2022 | | | 23,141 | 125,871 | 148,876 |
| Structured (i) | 8.52% | Jan 2022 to Nov 2041 | 33,956 | (29,047) | 591,870 | 3,219,421 | 3,072,416 |
| (-) Transaction costs | | | | | (5,340) | (29,047) | (29,550) |
| Total | | | 33,956 | (29,047) | 609,671 | 3,316,245 | 3,191,742 |
| Total short-term debts | | | | | 57,064 | 310,392 | 340,564 |
| (-) Transaction costs | | | | | (365) | (1,985) | (1,935) |
| Current | | | | | 56,699 | 308,407 | 338,629 |
| Total long-term debts | | | | | 57,947 | 3,034,900 | 2,880,728 |
| (-) Transaction costs | | | | | (4,975) | (27,062) | (27,615) |
| Non-current | | | | | 52,972 | 3,007,838 | 2,853,113 |
| | | | | | 609,671 | 3,316,245 | 3,191,742 |

(b) Changes

| | Parent company | | Consolidated | |
|-----------------------------------|-------------------|--------------------|--------------------|-------------------|
| | December 31, 2020 | September 30, 2021 | September 30, 2021 | December 31, 2020 |
| | R\$ | US\$ | R\$ | R\$ |
| <i>Continuing operations</i> | | | | |
| At the beginning of the period | 201 | 586,782 | 3,191,742 | 2,502,469 |
| (+) Addition of principal | 150,000 | 57,475 | 312,629 | 787,450 |
| (+) Addition of interest | 3,768 | 35,494 | 193,066 | 218,286 |
| (-) Repayment of principal | (150,232) | (36,641) | (199,303) | (360,346) |
| (-) Amortization of interest | (3,737) | (33,532) | (182,392) | (172,070) |
| (+) Transfer of investments (i) | | | | 237,227 |
| (-) Addition of transaction costs | (1,558) | (179) | (975) | (24,451) |
| (+) Transaction costs | 1,558 | 272 | 1,478 | 3,177 |
| At the end of the period | | | 609,671 | 3,191,742 |

(i) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

BRK Ambiental Participações S.A. and its Subsidiaries

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(In thousands of reais and U.S. dollars, unless otherwise stated)

(c) Maturity term

Long-term amounts mature as follows:

| | September 30, 2021 | |
|--------------|-----------------------|------------------|
| | Consolidated | |
| | US\$ | R\$ |
| 2022 | 7,038 | 38,284 |
| 2023 | 34,404 | 187,137 |
| 2024 | 34,813 | 189,362 |
| 2025 | 35,747 | 194,440 |
| 2026 | 32,546 | 177,033 |
| 2027 | 33,904 | 184,417 |
| 2028 | 34,634 | 188,387 |
| 2029 | 39,014 | 212,213 |
| 2030 | 35,312 | 192,077 |
| 2031 | 41,044 | 223,253 |
| 2032 onwards | 224,517 | 1,221,235 |
| | <u>552,973</u> | <u>3,007,838</u> |

(d) Collaterals

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

| Type of collateral | September 30, 2021 | | Consolidated December 31, 2020 |
|-------------------------------------|-----------------------|------------------|--------------------------------------|
| | US\$ | | R\$ |
| Surety of stockholders | 37,477 | 203,855 | 330,079 |
| Project (i) | 22,066 | 120,026 | 103,709 |
| Project and support of stockholders | <u>548,239</u> | <u>2,982,088</u> | <u>2,741,779</u> |
| Total collateralized | 607,782 | 3,305,969 | 3,175,567 |
| No collaterals | 7,229 | 39,323 | 45,725 |
| (-) Transaction costs | <u>(5,340)</u> | <u>(29,047)</u> | <u>(29,550)</u> |
| Total debts | <u>609,671</u> | <u>3,316,245</u> | <u>3,191,742</u> |

- (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 its Subsidiaries

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(In thousands of reais and U.S. dollars, unless otherwise stated)

(e) Relevant information

We present below the loans and financing that were released in the period:

| | Type | September 30, 2021 | |
|-----------------|------------|--------------------|----------------|
| | | US\$ | R\$ |
| Blumenau | Structured | 121 | 659 |
| Macaé | Structured | 1,734 | 9,432 |
| Limeira | Structured | 4,669 | 25,396 |
| RMR | Structured | 32,557 | 177,092 |
| Saneatins | Structured | 12,765 | 69,436 |
| Santa Gertrudes | Structured | 6 | 32 |
| Uruguaiana | Structured | 5,623 | 30,582 |
| | | <u>57,475</u> | <u>312,629</u> |

14.2 Leases

(a) Breakdown

| Unit | Effective discount rate | Maturity | Consolidated | |
|-----------------------|-------------------------|----------------------|--------------------|-------------------|
| | | | September 30, 2021 | December 31, 2020 |
| | | | US\$ | R\$ |
| Parent company | | | | |
| Company | 10.5% to 19.14% | Nov 2021 to Jan 2025 | 1,931 | 10,506 |
| Company | 10.50% | May 2027 | 3,169 | 17,237 |
| | | | <u>5,100</u> | <u>27,743</u> |
| Rio Claro | 18.3% to 19.56% | Nov 2021 to Aug 2024 | 362 | 1,970 |
| Rio das Ostras | 18.3% to 19.14% | Dec 2021 to Jun 2023 | 63 | 341 |
| Mauá | 18.3% to 19.56% | Mar 2021 to Dec 2024 | 618 | 3,360 |
| Blumenau | 18.3% to 19.14% | Dec 2021 to Aug 2024 | 230 | 1,251 |
| Santa Gertrudes | 10.03% to 19.56% | Oct 2021 to Nov 2024 | 175 | 953 |
| Malrinque | 18.3% to 19.14% | Dec 2021 to Jun 2023 | 40 | 220 |
| Uruguaiana | 9% to 19.56% | Dec 2021 to Sep 2036 | 310 | 1,686 |
| Porto Ferreira | 18.3% to 19.56% | Oct 2021 to Feb 2026 | 113 | 612 |
| Saneatins | 11.33% to 19.56% | Oct 2021 to Dec 2031 | 10,585 | 57,577 |
| Araguaia | 9.64% to 19.56% | Dec 2021 to Sep 2042 | 175 | 951 |
| Maranhão | 9.79% to 19.56% | Dec 2021 to Oct 2024 | 798 | 4,343 |
| Sumaré | 18.3% to 19.56% | Dec 2021 to Aug 2024 | 574 | 3,123 |
| Caçador | 9% to 19.56% | Dec 2021 to Oct 2024 | 278 | 1,514 |
| Macaé | 6.2% to 19.14% | Nov 2021 to May 2026 | 665 | 3,619 |
| Macaé | 18.3% to 19.14% | Nov 2021 to May 2024 | 131 | 712 |
| Manso | 10.7% to 19.14% | Dec 2021 to Jul 2023 | 34 | 183 |
| Goias | 8.92% to 19.56% | Jan 2022 to Nov 2024 | 2,628 | 14,296 |
| RMR | 7.66% to 19.56% | Nov 2021 to Feb 2030 | 3,312 | 18,013 |
| Jaguaripe | 19.14% | Dec 2021 to Mar 2025 | 47 | 255 |
| Cachoeiro | 18.3% to 19.56% | Nov 2021 to Dec 2025 | 497 | 2,705 |
| Limeira | 10.03% to 19.14% | Oct 2021 to Mar 2026 | 974 | 5,293 |
| Total | | | <u>27,709</u> | <u>150,720</u> |
| Current | | | <u>6,947</u> | <u>37,789</u> |
| Non-current | | | <u>20,762</u> | <u>112,931</u> |
| | | | <u>27,709</u> | <u>150,720</u> |

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(In thousands of reais and U.S. dollars, unless otherwise stated)

The lease balance presented above includes transactions with related parties in the amount of R\$ 49,342 – US\$ 9,071 (December 31, 2020 – R\$ 49,304) with Ouro Verde.

(b) Changes

| | Parent company | | Consolidated | | | |
|---|--------------------|-------------------|--------------------|-------------------|----------|----------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 | | |
| | US\$ | R\$ | US\$ | R\$ | | |
| <i>Continuing operations</i> | | | | | | |
| At the beginning of the period | 5,321 | 28,942 | 28,151 | 29,484 | 160,373 | 110,770 |
| (+) Addition of principal | 149 | 813 | 5,010 | 4,411 | 23,994 | 77,139 |
| (-) Write-offs | | | | (914) | (4,970) | (5,240) |
| (+/-) Remeasurements | 331 | 1,798 | (2) | (311) | (1,693) | |
| (-) Repayment of principal | (1,159) | (6,306) | (7,238) | (8,111) | (44,117) | (48,460) |
| (+) Transfer of investments (i) | | | | | | 5,852 |
| (+) Amortization of adjustment to present value | 458 | 2,496 | 3,021 | 3,150 | 17,133 | 20,312 |
| At the end of the period | 5,100 | 27,743 | 28,942 | 27,709 | 150,720 | 160,373 |

(i) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

(c) Maturity term

Long-term amounts mature as follows:

| | September 30, 2021 | | | |
|--------------|--------------------|--------|--------------|---------|
| | Parent company | | Consolidated | |
| | US\$ | R\$ | US\$ | R\$ |
| 2022 | 89 | 486 | 860 | 4,676 |
| 2023 | 952 | 5,179 | 5,950 | 32,366 |
| 2024 | 1,036 | 5,637 | 4,529 | 24,633 |
| 2025 | 1,144 | 6,221 | 2,336 | 12,709 |
| 2026 | 754 | 4,104 | 1,597 | 8,688 |
| 2027 | 183 | 990 | 1,053 | 5,729 |
| 2028 | | | 967 | 5,258 |
| 2029 | | | 1,069 | 5,813 |
| 2030 | | | 1,094 | 5,950 |
| 2031 | | | 1,292 | 7,029 |
| 2032 onwards | | | 15 | 80 |
| | 4,158 | 22,617 | 20,762 | 112,931 |

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(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, 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 balance sheet.

Management understands that the rate used represents the cash flows that are the closest to the real thing and that they are in line with the characteristics of our contracts, as determined in item 27b of CVM Circular Letter.

In order to meet the guidance in the Letter and the required transparency, we present below the impacts on the balance sheet and a comparison between nominal interest rates and effective interest rates and, for the calculation of the effective rate, we used the indexes applied in our contracts, which are mostly the General Market Price Index (IGP-M) and the Broad Consumer Price Index (IPCA), applied on the flow of annual payments.

| | <u>Consolidated</u> | |
|--|----------------------|---------------------|
| | <u>September 30,</u> | <u>December 31,</u> |
| | <u>2021</u> | <u>2020</u> |
| | <u>US\$</u> | <u>R\$</u> |
| <u>Nominal flow</u> | | |
| Lease liabilities | 37,622 | 204,639 |
| Embedded interest | (9,913) | (53,919) |
| | <u>27,709</u> | <u>150,720</u> |
| | | <u>160,373</u> |
| <u>Actual effective inflated flow</u> | | |
| Lease liabilities | 41,518 | 225,833 |
| Embedded interest | (10,972) | (59,679) |
| | <u>30,546</u> | <u>166,154</u> |
| | | <u>168,587</u> |

The Company and its subsidiaries concluded that it was not necessary to postpone payments due to the immaterial impact on lease liabilities and occasional discounts related to COVID-19, referring to CVM Letter No. 859.

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Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

14.3 Debentures

(a) Breakdown

| Type | Average annual charges | Maturity | Transaction costs incurred | Unearned cost balances | September 30, 2021 | | Consolidated |
|-----------------------------|------------------------|----------------------|----------------------------|------------------------|--------------------|-----------|-------------------|
| | | | | | R\$ | US\$ | December 31, 2020 |
| Parent company | | | | | | | |
| Working capital | 11.49% | Sep 2025 to Sep 2034 | 30,559 | (26,774) | 245,739 | 1,336,674 | 1,123,066 |
| (-) Transaction costs | | | | | (4,922) | (26,774) | (28,147) |
| | | | | | 240,817 | 1,309,900 | 1,094,919 |
| Subsidiaries | | | | | | | |
| Working capital | 12.16% | Jun 2023 to Dec 2025 | 6,944 | (5,772) | 160,853 | 874,944 | 336,083 |
| Concession | 11.33% | Oct 2023 to Dec 2023 | 28,960 | (21,225) | 339,086 | 1,844,425 | 1,891,187 |
| Structured | 12.29% | Jul 2022 to Dec 2027 | 15,890 | (2,254) | 73,814 | 401,499 | 543,556 |
| (-) Transaction costs | | | | | (5,378) | (29,251) | (31,135) |
| Total consolidated | | | 82,353 | (56,025) | 809,192 | 4,401,517 | 3,834,610 |
| Total short-term debentures | | | | | 38,645 | 210,203 | 292,853 |
| (-) Transaction costs | | | | | (1,420) | (7,723) | (6,797) |
| Current | | | | | 37,225 | 202,480 | 286,056 |
| Total long-term debentures | | | | | 780,847 | 4,247,338 | 3,601,039 |
| (-) Transaction costs | | | | | (8,880) | (48,301) | (52,485) |
| Non-current | | | | | 771,967 | 4,199,037 | 3,548,554 |
| | | | | | 809,192 | 4,401,517 | 3,834,610 |

On May 10, 2021, the direct subsidiary Blumenau carried out the 1st issue of simple, non-convertible debentures, with additional personal guarantee, in a single series, in the amount of 62,000 – US\$ 11,398, maturing on May 10, 2023.

On June 16, 2021, the indirect subsidiary Goiás carried out the 1st issue of simple, non-convertible debentures, with additional personal guarantee, in a single series, in the amount of 150,000 – US\$ 27,577, maturing on June 16, 2023.

On June 25, 2021, the indirect subsidiary RDO carried out the 3rd issue of simple, non-convertible, unsecured debentures, with additional personal guarantee, in a single series, in the amount of R\$ 140,000 – US\$ 25,738, maturing on June 28, 2023, for the early settlement of the 2nd issue of debentures that took place on June 30, 2021 in the amount of R\$ 62,000 – US\$ 11,398 and the early settlement of the loan agreement with the National Bank for Economic and Social Development (“BNDES”) that took place on July 8, 2021.

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On July 1, 2021, the Company carried out the 9th issue of simple non-convertible debentures, in a single series, in the amount of R\$ 200,000 – US\$ 36,769, maturing on July 1, 2026 and completed the operation on August 2, 2021.

On July 21, 2021, the direct subsidiary Caçador carried out the 1st issue of simple non-convertible debentures, in a single series, in the amount of R\$ 42,000 – US\$ 7,721, maturing on July 5, 2023.

On September 13, 2021, the direct subsidiary Sumaré carried out the 5th issue of simple non-convertible debentures, in a single series, in the amount of R\$ 201,000 – US\$ 36,953, maturing on September 9, 2023.

(b) Changes

| | Parent company | | Consolidated | | | |
|-----------------------------------|-----------------------|----------------------|-----------------------|----------------------|-----------|-------------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 | | |
| | US\$ | R\$ | US\$ | R\$ | | |
| <i>Continuing operations</i> | | | | | | |
| At the beginning of the period | 201,294 | 1,094,919 | 908,526 | 704,969 | 3,834,610 | 1,922,503 |
| (+) New issues | 36,769 | 200,000 | 1,600,000 | 146,156 | 795,000 | 3,650,000 |
| (+) Financial charges | 14,831 | 80,674 | 63,690 | 41,886 | 227,834 | 144,414 |
| (-) Repayment of principal | | | (1,408,229) | (48,124) | (261,763) | (1,722,816) |
| (-) Amortization of interest | (12,330) | (67,066) | (45,947) | (36,295) | (197,421) | (116,247) |
| (+) Transfer of investments (i) | | | | | | 2,284 |
| (+) Addition of transaction costs | (273) | (1,483) | (36,299) | (1,912) | (10,399) | (63,298) |
| (+) Transaction costs | 526 | 2,856 | 13,178 | 2,512 | 13,656 | 17,770 |
| At the end of the period | 240,817 | 1,309,900 | 1,094,919 | 809,192 | 4,401,517 | 3,834,610 |

(i) This refers to the corporate reorganization process on September 30, 2020 (Note 1.1 (c)).

(c) Maturity term

Long-term amounts mature as follows:

| | Parent company | | Consolidated | |
|--------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2021 | September 30, 2021 | September 30, 2021 | September 30, 2021 |
| | US\$ | R\$ | US\$ | R\$ |
| 2022 | | | 689 | 3,750 |
| 2023 | | | 447,103 | 2,431,970 |
| 2024 | 71,408 | 388,414 | 126,411 | 687,602 |
| 2025 | 72,454 | 394,109 | 81,204 | 441,703 |
| 2026 | 36,525 | 198,674 | 46,248 | 251,560 |
| 2027 | | | 10,484 | 57,025 |
| 2031 | 14,255 | 77,537 | 14,467 | 78,692 |
| 2032 onwards | 45,360 | 246,735 | 45,361 | 246,735 |
| | 240,002 | 1,305,469 | 771,967 | 4,199,037 |

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(d) Collaterals

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

| Type of collateral | Parent company | | Consolidated | | |
|-------------------------------------|--------------------|-------------------|--------------------|-------------------|-----------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 | |
| | US\$ | R\$ | US\$ | R\$ | |
| Surety of stockholders | | | 160,853 | 874,943 | 2,268,790 |
| Project | | | 54,519 | 296,553 | 326,289 |
| Project and support of stockholders | | | 358,380 | 1,949,372 | 175,747 |
| Total collateralized | | | 573,752 | 3,120,868 | 2,770,826 |
| No collaterals | 245,739 | 1,336,674 | 1,123,066 | 245,740 | 1,336,674 |
| (-) Transaction costs | (4,922) | (26,774) | (28,147) | (10,300) | (59,282) |
| Total debentures | 240,817 | 1,309,900 | 1,094,919 | 809,192 | 4,401,517 |

14.4 Schedule for the amortization of debt and debenture transaction costs

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

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 onwards | Total |
|---------------------------------|---------------------|----------|----------|---------|---------|---------|--------------|----------|
| Debentures | (1,010) | (4,038) | (4,038) | (4,038) | (3,391) | (1,326) | (8,933) | (26,774) |
| At September 30, 2021 (In R\$) | (1,010) | (4,038) | (4,038) | (4,038) | (3,391) | (1,326) | (8,933) | (26,774) |
| At September 30, 2021 (In US\$) | (186) | (742) | (742) | (742) | (623) | (244) | (1,643) | (4,922) |
| | Consolidated | | | | | | | |
| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 onwards | Total |
| Debts | (495) | (1,984) | (1,984) | (1,984) | (1,984) | (1,984) | (18,632) | (29,047) |
| Debentures | (2,033) | (11,863) | (23,498) | (4,880) | (3,425) | (1,360) | (8,965) | (56,024) |
| At September 30, 2021 (In R\$) | (2,528) | (13,847) | (25,482) | (6,864) | (5,409) | (3,344) | (27,597) | (85,071) |
| At September 30, 2021 (In US\$) | (465) | (2,546) | (4,685) | (1,262) | (994) | (615) | (5,073) | (15,640) |

14.5 Covenants

The loan and financing agreements and deeds of debentures of the Group have covenants that bind it to special guarantees.

The penalty for non-compliance with these commitments is the possibility of the early payment of the debt.

On September 30, 2021, the Group was not required to comply with covenants in the period.

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15 Salaries and social charges

| | Parent company | | Consolidated | | |
|---|-----------------------|----------------------|-----------------------|----------------------|---------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 | |
| | US\$ | R\$ | US\$ | R\$ | |
| Salaries | 9 | 47 | 619 | 3,369 | 3,194 |
| Payroll charges | 1,785 | 9,711 | 4,777 | 25,986 | 18,318 |
| Provisions for vacation pay and 13th salary | 4,214 | 22,922 | 13,630 | 74,137 | 46,929 |
| Benefits | 19 | 104 | 76 | 416 | 347 |
| Profit sharing (i) | 5,164 | 28,086 | 10,073 | 54,788 | 68,864 |
| | 11,191 | 60,870 | 29,175 | 158,696 | 137,652 |

- (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.

16 Concession rights payable

| | Consolidated | |
|----------------------|-----------------------|----------------------|
| | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ |
| Fixed concession (i) | | |
| Santa Gertrudes | 4 | 20 |
| Saneatins | 1,002 | 5,449 |
| Goías | 35,723 | 194,309 |
| RMM (ii) | | 1,395,054 |
| | 36,729 | 199,778 |
| Variable concession | 1,726 | 9,391 |
| | 38,455 | 209,169 |
| (-) Current | (3,128) | (17,014) |
| Non-current | 35,327 | 192,155 |

- (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 Authority.
- (ii) This refers to an obligation with the Concession Authority, amounting to R\$ 1,395,054 – US\$ 256,472, to be paid in two installments, of which the first was settled on December 14, 2020 in the amount of R\$ 613,945 – US\$ 112,870. The second installment, amounting to R\$ 1,395,054 – US\$ 256,472 was partially settled on July 2, 2021 in the amount of R\$ 1,241,598 – US\$ 228,260 and the remaining amount of R\$ 153,456 – US\$ 28,212 was paid on September 1, 2021, in accordance with the amendment to the concession agreement of June 11, 2021.

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The funds used in payment came from the restricted fund balance (Note 7) and a capital contribution from the Company.

17 Dividends payable

(a) Breakdown

| | Parent company | | Consolidated | |
|--|----------------|-------|--------------|----------|
| | 2020 | 2021 | 2020 | 2021 |
| | R\$ | US\$ | R\$ | US\$ |
| Dividends payable | | | | |
| BR FIP | 6,590 | | | 8,998 |
| FI-FGTS | 2,825 | | | 2,824 |
| Construtora Central do Brasil S.A. ("CCB") | | | | 1,669 |
| Latam Water Participações Ltda. | | 1,686 | 9,170 | 10,136 |
| Companhia de Saneamento Básico | | 41 | 223 | 223 |
| | 9,415 | 1,727 | 9,393 | 23,850 |
| Interest on capital payable | | | | |
| Latam Water Participações Ltda. | | 708 | 3,854 | 3,854 |
| | | 708 | 3,854 | 3,854 |
| | 9,415 | 2,435 | 13,247 | 27,704 |
| (-) Current | (9,415) | (14) | (76) | (12,864) |
| Non-current | | 2,421 | 13,171 | 14,840 |

On March 25, 2021, the Company's stockholders approved the allocation of the minimum mandatory dividends in the amount of R\$ 9,415 – US\$ 1,731 determined in the Company's financial statements for 2020 to the profit retention reserve.

(b) Changes

| | | | | | | Consolidated | | |
|---------------------------------|-----------------|-----------|---------|-------------------------|---|-----------------|------|--------|
| | Opening balance | Provision | Payment | Transfer of investments | Reversal of mandatory minimum dividends | Closing balance | | |
| | R\$ | | | | | R\$ | US\$ | R\$ |
| Interest on capital | | | | | | | | |
| Latam Water Participações Ltda. | 3,854 | | | | | | 708 | 3,854 |
| Dividends payable | | | | | | | | |
| BR FIP | 8,998 | | (2,407) | | (6,591) | | | |
| FI-FGTS | 2,824 | | | | (2,824) | | | |
| CCB | 1,669 | | | | (1,669) | | | |
| Latam Water Participações Ltda. | 10,136 | | (966) | | | 1,686 | | 9,170 |
| Companhia de Saneamento Básico | 223 | | | | | 40 | | 223 |
| | 23,850 | | (3,373) | | (11,084) | 1,726 | | 9,393 |
| At September 30, 2021 | 27,704 | | (3,373) | | (11,084) | 2,435 | | 13,247 |
| At December 31, 2020 | 14,287 | 15,574 | (8,365) | 6,208 | | | | 27,704 |

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18 Provisions for contingencies

The changes in the provisions 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) | 643 | 2,278 | | 2,921 |
| (-) Reductions arising from the remeasurement of unused, reversed amounts | (3,982) | (1,625) | | (5,607) |
| At September 30, 2021 (In R\$) | <u>12,380</u> | <u>6,958</u> | <u>153</u> | <u>19,491</u> |
| At September 30, 2021 (In US\$) | <u>2,276</u> | <u>1,279</u> | <u>28</u> | <u>3,583</u> |

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 respondents and for which loss is classified as more probable, that is, over a 50% probability of occurrence.

(a) Claims for which loss is classified as possible

The Group is a party 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\$ 123,011 – US\$ 22,615, 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\$ 28,641 – US\$ 5,265, and comprise many different claims.

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\$ 100,708 – US\$ 18,515, which are represented mainly by administrative assessments related to non-compliance with a commitment agreement.

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Management believes that the procedures adopted by the defense are legally sound. We present the breakdown below:

| | Consolidated | | | Total |
|------------------------------|----------------|---------------|----------------------|----------------|
| | Civil claims | Labor claims | Environmental claims | |
| Company | 140 | 2,730 | | 2,870 |
| Araguaia | 936 | | | 936 |
| Blumenau | 3,977 | 210 | 64 | 4,251 |
| Mauá | 10,760 | 1,093 | | 11,853 |
| Porto Ferreira | 457 | 325 | 41 | 823 |
| Rio Claro | 95 | 292 | | 387 |
| Rio das Ostras | 12,907 | 33 | 10,050 | 22,990 |
| Santa Gertrudes | 53 | 18 | 51 | 122 |
| Sumaré | 556 | 4,471 | 15 | 5,042 |
| Uruguaiana | 1,007 | 296 | | 1,303 |
| Maranhão | 8,681 | 1,151 | 1,578 | 11,410 |
| Digital | 2 | 73 | | 75 |
| Mairinque | 238 | 117 | | 355 |
| Saneatins | 45,321 | 1,259 | 68,131 | 114,711 |
| Caçador | 681 | | 4 | 685 |
| Macaé | 3,514 | 1,269 | 44 | 4,827 |
| RMR | 10,469 | 11,043 | 5,661 | 27,173 |
| Manso | 2,382 | | | 2,382 |
| Goiás | 1,679 | 83 | 14,923 | 16,685 |
| RMM | 10,921 | 78 | | 10,999 |
| BRK Op Industriais | | 372 | | 372 |
| Cachoeiro | 1,561 | 540 | 3 | 2,104 |
| Jaguaripe | | 896 | | 896 |
| Capivari | 77 | | | 77 |
| Limeira | 6,597 | 2,292 | 143 | 9,032 |
| At September 30, 2021 (R\$) | 123,011 | 28,641 | 100,708 | 252,360 |
| At September 30, 2021 (US\$) | 22,615 | 5,265 | 18,515 | 46,395 |

19 Current and deferred income tax and social contribution

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

| | Parent company | | Consolidated | |
|---|--------------------|-------------------|--------------------|-------------------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 |
| | US\$ | R\$ | US\$ | R\$ |
| Breakdown in the balance sheet (non-current) | | | | |
| Deferred tax assets | | | 40,512 | 220,363 |
| Deferred tax liabilities | (23,838) | (129,662) | (108,679) | (568,080) |
| | (23,838) | (129,662) | (68,167) | (386,965) |

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, 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:

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

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| | Consolidated | |
|---|---------------|----------------|
| | US\$ | R\$ |
| Deferred tax assets | | |
| Deferred tax assets to be recovered within 12 months | 4,092 | 22,257 |
| Deferred tax assets to be recovered after 12 months | 80,381 | 437,224 |
| | 84,473 | 459,481 |
| The expectation of realization of deferred tax assets per year is as follows: | | |
| 2021 | 4,092 | 22,257 |
| 2022 | 6,201 | 33,731 |
| 2023 | 6,627 | 36,048 |
| 2024 | 2,517 | 13,693 |
| 2025 | 3,725 | 20,261 |
| 2026 | 4,725 | 25,699 |
| 2027 | 2,491 | 13,551 |
| 2028 | 3,477 | 18,913 |
| 2029 | 5,044 | 27,439 |
| 2030 | 12,894 | 70,135 |
| Other years | 32,680 | 177,754 |
| | 84,473 | 459,481 |

| | Parent company | | Consolidated | |
|--|-----------------|------------------|------------------|------------------|
| | US\$ | R\$ | US\$ | R\$ |
| Deferred tax liabilities | | | | |
| Deferred tax liabilities to be settled within 12 months | (291) | (1,585) | (21,023) | (114,354) |
| Deferred tax liabilities to be settled after 12 months | (23,547) | (128,077) | (131,617) | (715,914) |
| | (23,838) | (129,662) | (152,640) | (830,268) |
| The expectation of realization of deferred tax liabilities per year is as follows: | | | | |
| 2021 | (291) | (1,585) | (21,023) | (114,354) |
| 2022 | (1,166) | (6,341) | (19,222) | (104,555) |
| 2023 | (1,166) | (6,341) | (15,486) | (84,233) |
| 2024 | (1,166) | (6,341) | (9,399) | (51,127) |
| 2025 | (1,166) | (6,341) | (9,607) | (52,255) |
| 2026 | (1,166) | (6,341) | (7,355) | (40,006) |
| 2027 | (1,166) | (6,341) | (7,297) | (39,689) |
| 2028 | (1,166) | (6,341) | (6,414) | (34,886) |
| 2029 | (900) | (4,895) | (5,857) | (31,859) |
| 2030 | (900) | (4,895) | (4,376) | (23,804) |
| Other years | (13,585) | (73,900) | (46,604) | (253,500) |
| | (23,838) | (129,662) | (152,640) | (830,268) |

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

| | Parent company | | |
|---|-------------------|--|--------------------|
| | December 31, 2020 | Recognized in the statement of income (operations) | September 30, 2021 |
| | R\$ | US\$ | R\$ |
| Deferred tax liabilities | | | |
| Goodwill from business combination (property and equipment and intangible assets) | (139,203) | 4,755 | (24,717) |
| Other temporary differences arising from Law No. 12,973 | 1,979 | 2,807 | 880 |
| | (137,224) | 7,562 | (23,837) |

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| Deferred tax assets | Consolidated | | | | |
|---|----------------------|---|---------|-----------------------|------------------|
| | December 31, 2020 | Recognized in the statement of income (operations) | Other | September 30, 2021 | |
| | | | | | |
| | | | R\$ | US\$ | |
| | | | | R\$ | |
| Income tax and social contribution loss carryforwards | 366,882 | 45,131 | | 75,746 | 412,013 |
| Provisions | 34,333 | (3,005) | | 5,759 | 31,328 |
| Other temporary differences arising from Law No. 12,973 | 340 | (38) | | 56 | 302 |
| Goodwill (CVM Instruction No. 319/99) | 481 | (433) | | 9 | 48 |
| Law No. 9,656 - obligations with post-employment benefits | 10,077 | 1,014 | | 2,039 | 11,091 |
| IFRS 16 | 3,025 | 1,674 | | 864 | 4,699 |
| Offset under CPC 32 (IAS12) | (234,023) | | (5,095) | (43,961) | (239,119) |
| | 181,115 | 44,343 | (5,095) | 40,512 | 220,363 |
| Deferred tax liabilities | | | | | |
| Deferred income (governmental bodies) | (167,157) | (18,271) | | (34,090) | (185,428) |
| Revenue from and costs of construction – concessions – intangible assets | (2,346) | (3,157) | | (1,012) | (5,503) |
| Revenue from and costs of construction and finance income – concessions/financial asset contracts | (140,209) | (2,587) | | (26,252) | (142,796) |
| Capitalization of interest and transaction costs | (237,854) | (22,186) | | (47,807) | (260,040) |
| Difference in the amortization rate of intangible assets | (9,597) | 209 | | (1,726) | (9,388) |
| Goodwill (CVM Instruction No. 319/99) | (4,889) | | | (899) | (4,889) |
| Goodwill from business combination (property and equipment and intangible assets) | (219,045) | 8,354 | | (38,734) | (210,691) |
| Other temporary differences arising from Law No. 12,973 | (20,825) | 9,378 | | (2,104) | (11,447) |
| Other temporary differences arising from Law No. 12,973 - discontinued operations | 245 | | | 45 | 245 |
| IFRS 16 | (426) | | | (61) | (331) |
| Offset under CPC 32 (IAS12) | 234,023 | | 5,095 | 43,961 | 239,118 |
| | (568,080) | (28,165) | 5,095 | (108,679) | (591,150) |
| Total | (386,965) | 16,178 | | (68,167) | (370,787) |

The 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\$ 134,933 – US\$ 24,807, accumulated through September 30, 2021, with respect to losses amounting to R\$ 396,862 – US\$ 72,961, 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 credits (expenses)

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 parent company and consolidated profit, as follows:

| | Parent company | | | | Consolidated | |
|--|----------------|----------|----------|---------|--------------|----------|
| | 2021 | | 2020 | | 2021 | 2020 |
| | US\$ | R\$ | US\$ | R\$ | | |
| Profit (loss) before income tax and social contribution of continuing operations | 7,201 | 39,170 | 46,597 | 14,247 | 77,493 | 99,875 |
| Profit (loss) before income tax and social contribution of discontinued operations | (381) | (2,075) | (4,867) | (381) | (2,075) | (4,319) |
| Nominal rate | 34% | 34% | 34% | 34% | 34% | 34% |
| Income tax and social contribution at the nominal rate of continuing operations | (2,448) | (13,318) | (15,843) | (4,844) | (26,348) | (33,958) |
| Income tax and social contribution at the nominal rate of discontinued operations | 130 | 706 | 1,655 | 130 | 706 | 1,468 |
| Effect of permanent additions (exclusions) | 3,708 | 20,174 | 20,565 | (246) | (1,334) | (7,648) |
| Equity in the results of continuing operations | 4,510 | 24,530 | 30,774 | (231) | (1,259) | 4,120 |
| Equity in the results of discontinued operations | (130) | (706) | (1,655) | | | |
| Exclusion of discontinued operation | | | | (130) | (706) | (1,642) |
| Tax incentives | | | | 1,930 | 10,499 | 1,455 |
| Donations | (35) | (190) | (575) | (199) | (1,084) | (734) |
| Fines | | | | (28) | (155) | (7) |
| Unrecognized deferred income tax and social contribution loss carryforwards (current year) | (576) | (3,134) | (7,848) | (1,235) | (6,715) | (12,956) |
| Other | (61) | (326) | (131) | (353) | (1,913) | 2,116 |
| Income tax and social contribution credit (expense) | 1,260 | 6,856 | 4,722 | (4,960) | (26,976) | (40,138) |
| Breakdown of income tax and social contribution: | | | | | | |
| Current income tax and social contribution of continuing operation | | | | (7,934) | (43,154) | (14,352) |
| Deferred income tax and social contribution of continuing operation | 1,300 | 7,562 | 6,377 | 2,974 | 16,178 | (25,613) |
| Deferred income tax and social contribution of discontinued operation | | | | | | (173) |
| Income tax and social contribution credit (expense) | 1,300 | 7,562 | 6,377 | (4,960) | (26,976) | (40,138) |
| Effective rate | 20.38% | 20.39% | 15.28% | -35.77% | -35.77% | -42.00% |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

20 Transactions with related parties

The following transactions were carried out with related parties:

| | Annual effective interest rate | Maturity | Parent company | |
|-----------------------------------|--------------------------------|-----------|-------------------------|-------------------------------------|
| | | | Current assets | Profit (loss) |
| | | | Non-current assets | General and administrative expenses |
| | | | Non-current liabilities | Finance income (costs) |
| | | | Related parties | September 30, 2020 |
| | | | December 31, 2020 | September 30, 2020 |
| <i>Loan (i)</i> | | | | |
| Araguaia | CDI + 4.5% | Dec 2022 | | 102 |
| Blumenau | CDI + 2% to 5% | | 1,841 | 8 |
| Ecoaquá | CDI + 3% | Dec 2022 | | (195) |
| F. AB. Zona Oeste | CDI + 2.25% | Jan 2022 | 11,504 | |
| Goiás | CDI + 2.5% | Jun 2021 | 46,057 | 572 |
| Goiás | CDI + 2% | Dec 2038 | 66,016 | 1,606 |
| Limeira | CDI + 2% to 5% | Dec 2039 | 2,800 | 1,429 |
| Macaé | CDI + 2.5% | Dec 2038 | 86,066 | |
| Macaé | CDI + 2.5% | | | 3,877 |
| Mairinque | CDI + 3.69% | | | 614 |
| Manso | CDI + 4% | Dec 2027 | 75,900 | 3,780 |
| Maranhão | CDI + 2% to 2.5% | Dec 2040 | 102,297 | 3,616 |
| Porto Ferreira | CDI + 1.5% to 5% | Dec 2033 | 17,859 | 595 |
| Mauá | CDI + 4.4% | | | 3 |
| Rio das Ostras | CDI + 2.5% | | | 1,440 |
| RMR | CDI + 2.25% to 4.25% | Jun 2021 | 65,926 | 215 |
| RMR | CDI + 2% to 5% | Dec 2037 | 13,370 | 4,931 |
| Saneatins | CDI + 4.75% | Jun 2022 | 38,485 | 64 |
| Saneatins | CDI + 2.98% to 4.55% | Dec 2038 | 296,682 | 14,910 |
| Santa Gertrudes | CDI + 3% | Dec 2037 | 6,846 | 295 |
| Sumaré | CDI + 2% to 2.5% | | | 692 |
| Uruguaiana | CDI + 2% to 2.5% | June 2021 | 6,409 | 158 |
| Uruguaiana | CDI + 2% to 5% | Dec 2037 | 56,641 | 1,516 |
| Caçador | CDI + 2% to 5% | Dec 2037 | | 113 |
| | | | 156,877 | 40,341 |
| | | | 737,822 | |
| | | | 8,628 | |
| <i>Other related parties (ii)</i> | | | | |
| Araguaia | | | 9,526 | 294 |
| Blumenau | | | 441 | 3,358 |
| BRK Negócios Industriais | | | 137 | 87 |
| Caçador | | | 1,349 | 1,541 |
| Cachoeiro | | | 2,244 | 5,941 |
| Centro Norte Participações | | | 11,001 | 103 |
| F. AB. Zona Oeste | | | 3,032 | 7,810 |
| Goiás | | | 25,430 | 11,685 |
| Jaguaribe | | | 479 | 3,775 |
| Limeira | | | 8,765 | 13,367 |
| Macaé | | | 3,186 | 5,004 |
| Manso | | | 1,642 | 7,139 |
| Maranhão | | | 35,992 | 6,959 |
| Mauá | | | 862 | 6,367 |
| Porto Ferreira | | | 5,828 | 2,161 |
| Rio das Ostras - Consolidated | | | 48,394 | 5,010 |
| RMR | | | 71,862 | 25,015 |
| Saneatins | | | 114,763 | 41,109 |
| Sumaré | | | 18,085 | 8,225 |
| Uruguaiana | | | 9,300 | 4,625 |
| Other | | | 15,880 | 4,827 |
| UVR Grajau | | | | 238 |
| | | | 156,877 | 57,712 |
| | | | 1,126,020 | |
| | | | 8,788 | |
| | | | 165,839 | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

| | Annual effective interest rate | Maturity | Parent company | | | |
|-----------------------------------|--------------------------------|----------|--------------------|--------------------|-------------------------|-------------------------------------|
| | | | Current assets | Non-current assets | Non-current liabilities | Profit (loss) |
| | | | Related parties | | | General and administrative expenses |
| | | | September 30, 2021 | | | |
| <i>Loan (i)</i> | | | | | | |
| Araguaia | CDI + 4.5% | Dec 2022 | | 1,951 | | 109 |
| Ecoaquia | CDI + 3% | Dec 2022 | | | 8,730 | (213) |
| F. AB. Zona Oeste | CDI + 2.25% | Jan 2022 | 10,176 | | | 217 |
| Goiás | CDI + 2.25% | Jan 2022 | 63,457 | | | 2,818 |
| Goiás | CDI + 2% | Dec 2038 | | 78,479 | | 3,091 |
| Limeira | CDI + 2% to 5% | Dec 2039 | | 2,180 | | 98 |
| Macaé | CDI + 2.5% to 4.25% | Dec 2038 | | 109,808 | | 4,827 |
| Manso | CDI + 4% | Dec 2027 | | 80,114 | | 4,213 |
| Maranhão | CDI + 2% to 2.5% | Dec 2040 | | 135,378 | | 5,210 |
| Porto Ferreira | CDI + 1.5% to 5% | Dec 2033 | | 18,525 | | 666 |
| RMR | CDI + 2.25% | Dec 2021 | 130,284 | | | 3,717 |
| RMR | CDI + 2% to 5% | Dec 2037 | | 3,346 | | 133 |
| Saneatins | CDI + 4.75% | Dec 2021 | 34,111 | | | 626 |
| Saneatins | CDI + 3% to 3.92% | Dec 2038 | | 314,747 | | 16,614 |
| Santa Gertrudes | CDI + 3% | Dec 2037 | | 7,174 | | 328 |
| Sumaré | | | | | | 407 |
| Uruguaiiana | CDI + 2% to 4.25% | Jan 2022 | 1,630 | | | 170 |
| Uruguaiiana | CDI + 2% to 5% | Dec 2037 | | 51,566 | | 2,225 |
| | | | 239,658 | 803,268 | 8,730 | 45,256 |
| <i>Other related parties (ii)</i> | | | | | | |
| Araguaia | | | | 11,393 | | 279 |
| Blumenau | | | | 1,254 | | 352 |
| BRK Negócios Industriais | | | | 137 | | |
| Caçador | | | | 1,495 | | 306 |
| Cachoeiro | | | | 1,685 | | 6,925 |
| Centro Norte Participações | | | | 14,523 | | 215 |
| F. AB. Zona Oeste | | | 24 | 3,412 | 12 | 8,301 |
| Goiás | | | | 33,295 | | 16,448 |
| Jaguaribe | | | | 890 | | 4,038 |
| Limeira | | | | 18,500 | | 12,106 |
| Macaé | | | | 9,783 | | 6,373 |
| Maceió | | | 76 | 9,835 | | 11,753 |
| Manso | | | | 626 | | 6,706 |
| Maranhão | | | | 44,454 | | 8,025 |
| Mauá | | | | 1,031 | 100 | 6,176 |
| Porto Ferreira | | | | 8,203 | | 2,381 |
| Rio das Ostras - Consolidated | | | | 35,247 | 45 | 5,011 |
| RMR | | | | 81,713 | | 24,853 |
| Saneatins | | | | 158,519 | | 42,451 |
| Sumaré | | | | 26,521 | | 8,261 |
| Uruguaiiana | | | | 14,940 | | 5,315 |
| Other | | | | 18,929 | 47 | 5,010 |
| | | | 100 | 496,385 | 204 | 188,342 |
| In R\$ | | | 239,758 | 1,299,653 | 8,934 | 188,342 |
| In US\$ | | | 44,078 | 238,933 | 1,642 | 34,626 |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | Annual effective interest rate | Maturity | Consolidated | | |
|-----------------------------------|--------------------------------|----------|---|--|---|
| | | | Non-current assets | Non-current liabilities | |
| | | | | | Profit (loss) |
| | | | Related parties December 31, 2020 | General and administrative expenses | Finance income (loss) September 30, 2020 |
| <i>Loan (i)</i> | | | | | |
| Subsidiaries | | | | | |
| F. AB. Zona Oeste | CDI + 4.25% | Jan 2022 | 11,504 | 1,429 | |
| | | | 11,504 | 1,429 | |
| Related companies | | | | | |
| CCB | CDI + 2% to 5% | Dec 2038 | | 23 | |
| | | | 48,748 | 23 | |
| <i>Other related parties (ii)</i> | | | | | |
| Subsidiaries | | | | | |
| BRK Ativos Maduros | | | | 142 | |
| Cachoeiro | | | | 5,941 | |
| Capivari | | | | 648 | |
| F. AB. Zona Oeste | | | 3,032 | 7,810 | |
| Jaguaribe | | | | 3,775 | |
| Limeira | | | | 13,367 | |
| Other | | | | 26,114 | |
| | | | 3,032 | 57,797 | |
| Related companies | | | | | |
| CCB | | | 856 | 142 | |
| | | | 856 | 142 | |
| | | | 3,888 | 8,997 | |
| | | | 15,392 | 10,449 | |
| | | | 49,050 | 57,797 | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| | Annual effective interest rate | Maturity | Consolidated | | | | | | |
|-----------------------------------|--------------------------------|----------------------|-----------------|--------------------|-------------------------------------|-------------------------|--------|--|--------------------|
| | | | Current assets | Non-current assets | Current liabilities | Non-current liabilities | | | |
| | | | Related parties | | General and administrative expenses | Profit (loss) | | | |
| | | | | | | | | | |
| | | | | | | | | | September 30, 2021 |
| <i>Loan (i)</i> | | | | | | | | | |
| Subsidiaries | | | | | | | | | |
| F. AB. Zona Oeste | CDI + 4.25% | Jan 2022 | 10,176 | | | | | | 217 |
| | | | 10,176 | | | | | | 217 |
| Related companies | | | | | | | | | |
| CCB | CDI + 2% to 5% | Jan 2022 to Dec 2038 | | | 18,945 | 44,448 | | | (2,653) |
| | | | 10,176 | | 18,945 | 44,448 | | | (2,436) |
| <i>Other related parties (ii)</i> | | | | | | | | | |
| Subsidiaries | | | | | | | | | |
| F. AB. Zona Oeste | | | 24 | 3,412 | | 12 | 8,301 | | |
| | | | 24 | 3,412 | | 12 | 8,301 | | |
| Related companies | | | | | | | | | |
| CCB | | | | 1,556 | | | | | 700 |
| Other | | | | 4 | | | 32,025 | | 30 |
| | | | | 1,560 | | | 32,025 | | 730 |
| | | | 24 | 4,972 | | 12 | 40,326 | | 730 |
| In R\$ | | | 10,200 | 4,972 | 18,945 | 44,460 | 40,326 | | (1,706) |
| In US\$ | | | 1,875 | 914 | 3,483 | 8,174 | 7,414 | | (314) |

- (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 financing 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 intercompany loans outstanding on September 30, 2021, 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 its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

(a) Management compensation

Key management personnel include members of the Board of Directors and statutory officers. The compensation paid or payable to key management personnel for services provided in the nine-month period ended September 30, 2021 is presented below:

| | Consolidated | | |
|--|--------------|---------------|---------------|
| | 2021 | | 2020 |
| | US\$ | | R\$ |
| Salaries and other short-term benefits | 2047 | 11,136 | 16,781 |
| Termination benefits | | | 254 |
| Post-employment benefits | 18 | 99 | 127 |
| Other long-term benefits | 5 | 25 | 233 |
| | <u>2,070</u> | <u>11,260</u> | <u>17,395</u> |

(b) Leases with related parties

| Lessor | Lessee | Maturity | Consolidated | | |
|-----------------|------------|----------------------|-----------------------|---------------|----------------------|
| | | | September 30, 2021 | | December 31, 2020 |
| | | | US\$ | R\$ | R\$ |
| Caçador | Ouro Verde | Dec 2021 to Oct 2024 | 186 | 1,010 | 853 |
| Sumaré | Ouro Verde | Dec 2021 to Sep 2042 | 485 | 2,639 | 1,158 |
| Araguaia | Ouro Verde | Oct 2021 to Feb 2026 | 92 | 502 | 216 |
| Mauá | Ouro Verde | Dec 2021 to Aug 2024 | 569 | 3,095 | 4,172 |
| Rio Claro | Ouro Verde | Nov 2021 to Aug 2024 | 310 | 1,685 | 2,296 |
| Saneatins | Ouro Verde | Dec 2021 to Sep 2036 | 1,500 | 8,159 | 8,386 |
| Santa Gertrudes | Ouro Verde | Dec 2021 to Oct 2024 | 138 | 753 | 904 |
| Uruguaiana | Ouro Verde | Oct 2021 to Nov 2024 | 104 | 566 | 705 |
| Maranhão | Ouro Verde | Oct 2021 to Dec 2031 | 547 | 2,978 | 2,595 |
| Goiás | Ouro Verde | Nov 2021 to May 2024 | 1,728 | 9,397 | 8,093 |
| RMR | Ouro Verde | Dec 2021 to Jul 2023 | 2,128 | 11,576 | 16,144 |
| Macacé | Ouro Verde | Nov 2021 to May 2026 | 58 | 314 | 404 |
| Rio das Ostras | Ouro Verde | Dec 2021 to Jun 2023 | 35 | 191 | 304 |
| Limeira | Ouro Verde | Nov 2021 to Dec 2025 | 748 | 4,066 | 2,726 |
| Cachoeiro | Ouro Verde | Dec 2021 to Mar 2025 | 224 | 1,217 | 348 |
| Blumenau | Ouro Verde | Mar 2021 to Dec 2024 | 170 | 924 | |
| Porto Ferreira | Ouro Verde | Dec 2021 to Jun 2023 | 49 | 270 | |
| Total | | | <u>9,071</u> | <u>49,342</u> | <u>49,304</u> |
| Current | | | <u>574</u> | <u>3,124</u> | <u>11,436</u> |
| Non-current | | | <u>8,497</u> | <u>46,218</u> | <u>37,868</u> |
| | | | <u>9,071</u> | <u>49,342</u> | <u>49,304</u> |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

On September 30, 2021, the amount of long-term incentives liability in the Company and its subsidiaries is R\$ 2,266 – US\$ 417.

22 Equity

(a) Capital

| | Holding % | | Capital | | | | Number of shares | | |
|---|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|-------------|
| | September 30, 2021 | December 31, 2020 | |
| | | | US\$ | R\$ | | | | | |
| BR Ambiental Fundo de Investimento em Participações Multiestratégia "FI-FGTS" | 70.00 | 70.00 | 515,896 | 2,806,165 | 2,806,165 | 1,852,409,346 | 1,852,409,346 | 793,889,719 | 793,889,719 |
| | 30.00 | 30.00 | 221,098 | 1,202,642 | 1,202,642 | 793,889,719 | 793,889,719 | | |
| | | | 736,994 | 4,008,807 | 4,008,807 | 2,646,299,065 | 2,646,299,065 | | |

(b) Basic earnings (loss) per share

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

| | Parent company | | | | Consolidated | |
|--|----------------|-----------|-----------|-----------|--------------|-----------|
| | 2021 | | 2020 | | 2021 | 2020 |
| | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ |
| Profit attributable to the Company's stockholders of continuing operations | 8,591 | 46,732 | 52,974 | 8,591 | 46,732 | 52,974 |
| Loss attributable to the Company's stockholders of discontinued operations | (381) | (2,075) | (4,867) | (381) | (2,075) | (4,867) |
| Weighted average number of common shares outstanding (thousands) | 2,646,299 | 2,646,299 | 1,380,153 | 2,646,299 | 2,646,299 | 1,380,153 |
| Basic earnings per share (in R\$) of continuing operations | 0.0177 | 0.0177 | 0.0384 | 0.0177 | 0.0177 | 0.0384 |
| Basic loss per share (in R\$) of discontinued operations | (0.0008) | (0.0008) | (0.0035) | (0.0008) | (0.0008) | (0.0035) |

(c) Diluted earnings (loss) per share

For the Parent Company, 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.

For the calculation of the consolidated diluted earnings per share, the previous cost accounting practice was used for the period ended September 30, 2021, taking into consideration the number of shares existing at the end of the corporate restructuring process.

The Company only has the following categories of potential preferred shares that would cause dilution: stock options (Note 22(e)).

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

| | Parent company | | Consolidated | | |
|---|----------------|-----------|--------------|-----------|-----------|
| | 2021 | 2020 | 2021 | 2020 | |
| | US\$ | R\$ | US\$ | R\$ | |
| Profit attributable to the Company's stockholders of continuing operations | 8,591 | 46,732 | 52,974 | 8,591 | 46,732 |
| Loss attributable to the Company's stockholders of discontinued operations | (381) | (2,075) | (4,867) | (381) | (2,075) |
| Weighted average number of common shares outstanding (thousands) | 2,646,299 | 2,646,299 | 1,380,153 | 2,646,299 | 2,646,299 |
| Adjustments by: | | | | | |
| Stock option | 16,307 | 16,307 | 212 | 16,307 | 16,307 |
| Weighted average number of common shares for diluted earnings per share (thousands) | 2,662,606 | 2,662,606 | 1,380,365 | 2,662,606 | 2,662,606 |
| Diluted earnings per share (in R\$) - continuing operations | 0.0176 | 0.0176 | 0.0384 | 0.0176 | 0.0176 |
| Diluted loss per share (in R\$) - discontinued operations | (0.0008) | (0.0008) | (0.0355) | (0.0008) | (0.0008) |

(d) Carrying value adjustment

Goodwill generated in the contribution of additional investment in a jointly-controlled company

On September 30, 2020, the Company became the direct holder of the totality of the capital of BRK Centro Norte and BRK Ativos Maduros and the interest percentage that is currently held by the stockholders in the Company's capital was maintained. This capital transaction generated a goodwill in the amount of R\$ 1,215,447, determined by the difference between the value of the shares paid in by the stockholder and the carrying amount measured using the equity method. This effect was recorded as carrying value adjustment since it falls under the definition of a capital transaction between stockholders under joint control, in accordance with items 64 to 69 of the Accounting Interpretation ICPC09 (R1) – Individual financial statements, separate financial statements, consolidated financial statements, and the application of the equity method.

Measurement at fair value of investment properties

The Company recorded the amount of R\$ 45 related to deferred income tax and social contribution on the gain from the measurement at fair value of the investment properties of the indirect subsidiary Saneatins, which are recorded in other comprehensive income (loss) in 2019.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

Obligations with post-employment benefits

Since the new health plan policy came into effect in December 2019, gains and losses arising from the initial evaluation of the obligations with post-employment benefits were recognized in the balance sheet as a contra-entry to other comprehensive income. In the year ended December 31, 2020, they were remeasured based on the evaluation carried out by independent actuaries, with the amounts recorded in other comprehensive income, and the expenses were recorded as finance costs and expenses with services.

(e) Investment program

On January 24, 2020, the Company approved at an Extraordinary General Stockholders' 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 stockholders 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 offer 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.

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 tenth (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 – US\$ 706, which corresponds to the full fair value of the options granted.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

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, in the "reserve of recognized options granted" account. When they are exercised, they will be settled through the issue of new preferred shares whereas the current stockholders will continue to hold common shares. By September 30, 2021 no Option had been exercised.

23 Profit for the period

(a) Revenue

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

| | Consolidated | | |
|---|--------------|-----------|-----------|
| | 2021 | | 2020 |
| | US\$ | | R\$ |
| Service revenue | 305,239 | 1,660,316 | 1,207,669 |
| Sales revenue | 935 | 5,087 | |
| Revenue from construction | 148,916 | 810,015 | 549,567 |
| Revenue from financial assets | 12,429 | 67,609 | 49,445 |
| | 467,519 | 2,543,027 | 1,806,681 |
| Taxes and contributions on services and sales | (32,961) | (179,288) | (135,627) |
| Abatimentos e cancelamentos | (5,644) | (30,702) | (32,881) |
| | 428,914 | 2,333,037 | 1,638,173 |

The breakdown of revenue is as follows:

| | Consolidated | | |
|-------------------------------|--------------|-----------|-----------|
| | 2021 | | 2020 |
| | US\$ | | R\$ |
| Service revenue | 271,270 | 1,475,540 | 1,064,175 |
| Sales revenue | 935 | 5,087 | |
| Revenue from construction | 145,288 | 790,283 | 529,384 |
| Revenue from financial assets | 11,421 | 62,127 | 44,614 |
| | 428,914 | 2,333,037 | 1,638,173 |

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 special purpose concession classified as a financial asset in which the billing is made to COMPESA (Concession Authority) and represents 17% of the total revenue.

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

(b) Revenue from construction

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

| Company | Revenue from construction, net | | | | Construction cost | | | | Construction margin | |
|-----------------------------------|--------------------------------|----------------|----------------|------------------|-------------------|------------------|--------------|---------------|---------------------|------|
| | 2021 | | 2020 | | 2021 | | 2020 | | 2021 | 2020 |
| | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ | | |
| Intangible assets | | | | | | | | | | |
| Rio Claro | 1,908 | 10,378 | 2,296 | (1,870) | (10,171) | (2,250) | 38 | 207 | 46 | |
| Mauá | 570 | 3,098 | 1,347 | (558) | (3,036) | (1,321) | 12 | 62 | 26 | |
| Blumenau | 3,870 | 21,050 | 12,414 | (3,793) | (20,629) | (12,166) | 77 | 421 | 248 | |
| Santa Gertrudes | 298 | 1,623 | 555 | (292) | (1,590) | (544) | 6 | 33 | 11 | |
| Mairinque | 1,129 | 6,140 | 9,484 | (1,106) | (6,017) | (9,295) | 23 | 123 | 189 | |
| Unguiaiana | 5,565 | 30,272 | 17,376 | (5,454) | (29,666) | (17,028) | 111 | 606 | 348 | |
| Ponto Ferreira | 912 | 4,415 | 3,230 | (705) | (4,327) | (3,165) | 17 | 88 | 65 | |
| Saneatins | 27,258 | 148,267 | 113,351 | (26,713) | (145,302) | (111,084) | 545 | 2,965 | 2,267 | |
| Araguaia | 448 | 2,437 | 1,992 | (439) | (2,388) | (1,952) | 9 | 49 | 40 | |
| Maranhão | 5,524 | 30,048 | 15,372 | (5,414) | (29,447) | (15,064) | 110 | 601 | 308 | |
| Sumaré | 5,221 | 28,401 | 23,027 | (5,177) | (27,936) | (22,566) | 104 | 565 | 461 | |
| Goiás | 34,479 | 187,543 | 108,535 | (33,789) | (183,792) | (106,365) | 690 | 3,751 | 2,170 | |
| Macacé | 8,222 | 44,722 | 18,502 | (8,058) | (43,828) | (18,132) | 164 | 894 | 370 | |
| Caçador | 1,786 | 9,606 | 6,324 | (1,731) | (9,413) | (6,197) | 35 | 193 | 127 | |
| Limeira | 4,848 | 26,377 | (4,752) | (1,745) | (9,493) | | 97 | 528 | | |
| Cachoeiro | 1,781 | 9,686 | | | | | 36 | 193 | | |
| RMM | 6,393 | 34,773 | | (6,265) | (34,078) | | 128 | 695 | | |
| Subtotal intangible assets | 110,093 | 598,836 | 333,805 | (107,891) | (586,862) | (327,129) | 2,202 | 11,974 | 6,676 | |
| Financial assets | | | | | | | | | | |
| Rio das Ostras | 1,066 | 5,798 | 6,579 | (1,041) | (5,665) | (6,428) | 25 | 133 | 151 | |
| RMR | 33,526 | 182,359 | 185,719 | (32,787) | (178,341) | (181,626) | 739 | 4,018 | 4,093 | |
| Manso | 231 | 1,256 | 3,281 | (226) | (1,230) | (3,210) | 5 | 28 | 71 | |
| Jaguaripe | 349 | 1,898 | | (341) | (1,857) | | 8 | 41 | | |
| Cachoeiro | 23 | 134 | | (27) | (146) | | (4) | (12) | | |
| Subtotal financial assets | 35,195 | 191,447 | 195,579 | (34,422) | (187,239) | (191,264) | 773 | 4,208 | 4,315 | |
| Total | 145,288 | 790,283 | 529,384 | (142,313) | (774,101) | (518,393) | 2,975 | 16,182 | 10,991 | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

(c) Expenses by nature

| | Note | Parent company | | | | Consolidated | | | |
|--|------|----------------|-----------|-----------|-----------|--------------|-------------|------|-----------|
| | | 2021 | | 2020 | | 2021 | | 2020 | |
| | | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ |
| Continuing operations | | | | | | | | | |
| Classified by nature: | | | | | | | | | |
| Construction cost | | | | (142,313) | | (774,101) | | | (518,393) |
| Personnel | | | | | | | | | |
| Compensations | | (16,276) | (88,534) | (85,770) | (46,499) | (252,928) | (216,161) | | |
| Salaries and payroll charges | | (3,777) | (20,547) | (24,914) | (12,014) | (65,350) | (67,453) | | |
| Benefits | | (1,881) | (10,232) | (10,148) | (13,435) | (73,077) | (60,076) | | |
| | | (21,934) | (119,313) | (120,832) | (71,948) | (391,355) | (343,690) | | |
| Materials | | | | | | | | | |
| Services | | (34) | (184) | (1,695) | (20,319) | (110,521) | (51,638) | | |
| Rentals and maintenance fees | | (461) | (2,505) | (3,100) | (4,354) | (23,683) | (18,162) | | |
| Electric energy | | (1) | (3) | (7) | (19,671) | (106,997) | (88,508) | | |
| Maintenance | | (1,462) | (7,952) | (5,021) | (4,871) | (26,497) | (17,401) | | |
| Audit, consulting and advisory services | | (5,318) | (28,925) | (27,394) | (9,789) | (53,247) | (42,617) | | |
| Services by individuals and legal entities | | (6,853) | (37,275) | (33,761) | (21,817) | (118,670) | (94,642) | | |
| Other | | (658) | (3,581) | (1,296) | (2,952) | (16,056) | (8,260) | | |
| | | (14,753) | (80,241) | (70,579) | (63,454) | (345,150) | (269,590) | | |
| Taxes, fees and contributions | | (220) | (1,197) | (614) | (5,536) | (30,115) | (12,515) | | |
| Related parties | 20 | 34,626 | 188,342 | 165,839 | 7,414 | 40,326 | 57,797 | | |
| Insurance | | (157) | (856) | (885) | (1,045) | (5,686) | (5,354) | | |
| Depreciation and amortization | | (4,933) | (26,835) | (24,301) | (42,439) | (230,840) | (172,343) | | |
| (+) PIS/COFINS credit from operating costs | | 102 | 557 | 76 | - | | | | |
| Travelling | | (219) | (1,192) | (1,648) | (1,393) | (7,579) | (2,994) | | |
| Allowance for expected losses from doubtful accounts | | | | | (6,486) | (35,280) | (34,458) | | |
| Other | | (485) | (2,634) | (809) | 2,341 | 12,738 | 6,537 | | |
| | | (8,007) | (43,553) | (55,448) | (345,178) | (1,877,563) | (1,346,641) | | |
| Classified by function: | | | | | | | | | |
| Costs of services and sales | | | | (251) | (267,958) | (1,457,532) | (1,030,463) | | |
| General and administrative | | (7,827) | (42,576) | (57,037) | (79,330) | (431,508) | (313,239) | | |
| Other income (expenses), net | | (180) | (977) | 1,840 | 2,110 | 11,477 | (2,939) | | |
| | | (8,007) | (43,553) | (55,448) | (345,178) | (1,877,563) | (1,346,641) | | |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

(d) Finance result

| | Note | Parent company | | | | Consolidated | |
|---|------|----------------|----------|----------|----------|--------------|-----------|
| | | 2021 | | 2020 | | 2021 | 2020 |
| | | US\$ | R\$ | US\$ | R\$ | US\$ | R\$ |
| Continuing operations | | | | | | | |
| Finance income | | | | | | | |
| Interest income on financial investments | | 3,494 | 19,006 | 15,523 | 9,738 | 52,971 | 20,785 |
| Related parties | 20 | 16,866 | 91,740 | 57,909 | 174 | 947 | 10,449 |
| Monetary variations | | 28 | 152 | 242 | 198 | 1,079 | 2,635 |
| Arrears fines | | | | | 2,793 | 15,190 | 11,164 |
| Arrears interest | | | | | 1,974 | 10,735 | 3,967 |
| Other | | 10 | 54 | 281 | 273 | 1,486 | 1,509 |
| (-) Taxes on interest income (PIS and COFINS) | | (950) | (5,167) | (3,439) | (1,553) | (8,448) | (4,898) |
| | | 19,448 | 105,785 | 70,516 | 13,597 | 73,960 | 45,711 |
| Finance costs | | | | | | | |
| Bank commissions | | (168) | (917) | (6,593) | (1,830) | (9,957) | (8,712) |
| Interest expenses | | (15,284) | (83,137) | (44,041) | (68,106) | (370,455) | (198,793) |
| Related parties | 20 | (39) | (213) | (197) | (488) | (2,653) | |
| Taxes on financial operations | | (3) | (14) | (8) | (1,018) | (5,538) | (2,796) |
| Adjustment to present value | | (459) | (2,496) | (2,263) | (4,207) | (22,886) | (19,511) |
| Arrears fine and interest | | (75) | (405) | (239) | (490) | (2,664) | (1,521) |
| Foreign exchange variations | | (16) | (85) | (114) | (77) | (420) | |
| Other | | (1,478) | (8,040) | (6,748) | (6,190) | (33,668) | (18,153) |
| | | (17,522) | (95,307) | (60,203) | (82,406) | (448,241) | (249,486) |
| Finance result, net | | 1,926 | 10,478 | 10,313 | (68,809) | (374,281) | (203,775) |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

24 Segments

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

| | In thousands of reais | | | | |
|---|-----------------------|-----------------|----------------------------------|-------------------------|---|
| | Consolidated | | | | |
| | 2020 | | | | |
| | Water and wastewater | Holding company | Total from continuing operations | Discontinued operations | Total from continuing and discontinued operations |
| Net service and sales revenue | 1,638,198 | (25) | 1,638,173 | 5 | 1,638,178 |
| Costs of services and sales | (1,030,212) | (251) | (1,030,463) | (2,429) | (1,032,892) |
| Gross profit (loss) | 607,986 | (276) | 607,710 | (2,424) | 605,286 |
| General and administrative expenses | (255,685) | (57,554) | (313,239) | (1,580) | (314,819) |
| Other income (expenses), net | (4,792) | 1,853 | (2,939) | (5) | (2,944) |
| Profit (loss) from operations | 347,509 | (55,977) | 291,532 | (4,009) | 287,523 |
| Equity in the results of investees | | 12,117 | 12,118 | | 12,118 |
| Finance income | 22,635 | 23,076 | 45,711 | 13 | 45,724 |
| Finance costs | (189,144) | (60,342) | (249,486) | (323) | (249,809) |
| Current income tax and social contribution | (14,329) | (23) | (14,352) | | (14,352) |
| Deferred income tax and social contribution | (32,006) | 6,393 | (25,613) | (173) | (25,786) |
| Profit (loss) for the period | 134,665 | (74,756) | 59,910 | (4,492) | 55,418 |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021 (In thousands of reais and U.S. dollars, unless otherwise stated)

| In thousands of reais | | | | | |
|--|-----------------|------------------------------|----------------------------------|-------------------------|---|
| Consolidated | | | | | |
| 2021 | | | | | |
| Water and wastewater | Holding company | Adjustments and eliminations | Total from continuing operations | Discontinued operations | Total from continuing and discontinued operations |
| Net service and sales revenue | 2,333,047 | 99 | (109) | 2,333,037 | 2,333,037 |
| Costs of services and sales | (1,457,641) | | 109 | (1,457,532) | (1,457,532) |
| Gross profit | 875,406 | 99 | | 875,505 | 875,505 |
| General and administrative expenses | (388,834) | (42,674) | | (431,508) | (431,508) |
| Other income (expenses), net | 12,483 | (1,006) | | 11,477 | 11,477 |
| Profit (loss) from operations | 499,055 | (43,581) | | 455,474 | 455,474 |
| Equity in the results of investees | | (3,700) | | (3,700) | (3,700) |
| Finance income | 58,990 | 14,970 | | 73,960 | 73,960 |
| Finance costs | (353,134) | (95,107) | | (448,241) | (448,241) |
| Current income tax and social contribution | (43,127) | (27) | | (43,154) | (43,154) |
| Deferred income tax and social contribution | 8,616 | 7,562 | | 16,178 | 16,178 |
| Profit (loss) from operations | | | | | (2,075) |
| Write-off of provision for loss on investments | | | | | 4,092 |
| Profit (loss) for the period | 170,400 | (119,883) | | 50,517 | 2,017 |

| In thousands of U.S dollars | | | | | |
|--|-----------------|------------------------------|----------------------------------|-------------------------|---|
| Consolidated | | | | | |
| 2021 | | | | | |
| Water and wastewater | Holding company | Adjustments and eliminations | Total from continuing operations | Discontinued operations | Total from continuing and discontinued operations |
| Net service and sales revenue | 428,916 | 18 | (20) | 428,914 | 428,914 |
| Costs of services and sales | (267,978) | | 20 | (267,958) | (267,958) |
| Gross profit | 160,938 | 18 | | 160,956 | 160,956 |
| General and administrative expenses | (71,485) | (7,845) | | (79,330) | (79,330) |
| Other income (expenses), net | 2,295 | (185) | | 2,110 | 2,110 |
| Profit (loss) from operations | 91,748 | (8,012) | | 83,736 | 83,736 |
| Equity in the results of investees | | (680) | | (680) | (680) |
| Finance income | 10,845 | 2,752 | | 13,597 | 13,597 |
| Finance costs | (64,921) | (17,485) | | (82,406) | (82,406) |
| Current income tax and social contribution | (7,929) | (5) | | (7,934) | (7,934) |
| Deferred income tax and social contribution | 1,584 | 1,390 | | 2,974 | 2,974 |
| Profit (loss) from operations | | | | | (381) |
| Write-off of provision for loss on investments | | | | | 752 |
| Profit (loss) for the period | 31,327 | (22,040) | | 9,287 | 371 |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

(b) Other gains and losses

| | In thousands of reais | | | |
|---|-------------------------------|----------------|---------------|---|
| | 2020 | | | |
| | Depreciation and amortization | Finance income | Finance costs | Current and deferred income tax and social contribution |
| <i>Continuing operations</i> | | | | |
| Water and wastewater | (147,996) | 22,635 | (189,144) | (46,335) |
| Other segments (Services/Holding company) | (24,347) | 23,076 | (60,342) | 6,370 |
| | (172,343) | 45,711 | (249,486) | (39,965) |
| <i>Discontinued operations</i> | | | | |
| Waste | | 13 | (323) | (173) |
| | (172,343) | 45,724 | (249,809) | (40,138) |
| In thousands of reais | | | | |
| 2021 | | | | |
| | Depreciation and amortization | Finance income | Finance costs | Current and deferred income tax and social contribution |
| <i>Continuing operations</i> | | | | |
| Water and wastewater | (204,004) | 58,990 | (353,134) | (34,511) |
| Other segments (Services/Holding company) | (26,836) | 14,970 | (95,107) | 7,535 |
| | (230,840) | 73,960 | (448,241) | (26,976) |
| In thousands of U.S dollars | | | | |
| 2021 | | | | |
| | Depreciation and amortization | Finance income | Finance costs | Current and deferred income tax and social contribution |
| <i>Continuing operations</i> | | | | |
| Water and wastewater | (37,505) | 10,845 | (64,921) | (6,345) |
| Other segments (Services/Holding company) | (4,934) | 2,752 | (17,485) | 1,385 |
| | (42,439) | 13,597 | (82,406) | (4,960) |

(c) Assets

| | In thousands of reais | | | In thousands of U.S dollars | | | In thousands of reais | | |
|---|-----------------------|-------------------------------|---------------------------------|-----------------------------|-------------------------------|---------------------------------|-----------------------|-------------------------------|---------------------------------|
| | September 30, 2021 | | | September 30, 2021 | | | December 31, 2020 | | |
| | Total assets | Investments in joint ventures | Additions to non-current assets | Total assets | Investments in joint ventures | Additions to non-current assets | Total assets | Investments in joint ventures | Additions to non-current assets |
| <i>Continuing operations</i> | | | | | | | | | |
| Water and wastewater | 11,783,768 | 79,247 | 1,478,161 | 2,166,373 | 14,569 | 271,751 | 11,939,631 | 82,403 | 3,197,713 |
| Other segments (Services/Holding company) | 1,212,054 | | 413,748 | 222,827 | | 76,065 | 1,543,188 | | 676,150 |
| | 12,995,822 | 79,247 | 1,891,909 | 2,389,200 | 14,569 | 347,816 | 13,482,819 | 82,403 | 3,873,863 |
| <i>Discontinued operations</i> | | | | | | | | | |
| Waste | | | | | | | 1,451 | | 20 |
| | 12,995,822 | 79,247 | 1,891,909 | 2,389,200 | 14,569 | 347,816 | 13,484,270 | 82,403 | 3,873,883 |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

25 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.

On September 30, 2021, 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 | Amounts insured | |
|-----------------------------|-----------------|-----------|
| | US\$ | R\$ |
| Contract guarantee | 104,624 | 569,092 |
| Payment guarantee | 700 | 3,808 |
| Aviation insurance (drones) | 316 | 1,721 |
| Legal guarantee | 20,761 | 112,929 |
| Performance bond | 23,876 | 129,869 |
| Civil liability | 713,314 | 3,880,000 |
| Engineering risk | 331,245 | 1,801,774 |
| Sundry risks | 3 | 16 |
| Operational risks | 1,544,288 | 8,400,000 |
| Vehicles | 460 | 2,500 |

26 Operations that did not affect cash (statement of cash flows)

In the period ended September 30, 2021, operations that did not involve cash were carried out and presented in the statements of cash flows and the main ones are presented below:

| Trade accounts receivable | Consolidated | |
|--|--------------|----------|
| | 2021 | |
| | US\$ | R\$ |
| Total changes in trade accounts receivable (Note 8) | 51,649 | 280,942 |
| Items not affecting cash (see breakdown below) | (3,923) | (21,343) |
| Total changes in trade accounts receivable in accordance with the statement of cash flows | 47,726 | 259,599 |
| Investment and financing transactions that affected trade accounts receivable, but did not involve cash: | | |
| Capitalized interest in the period | (5,373) | (29,226) |
| Capitalized corporate guarantee | (825) | (4,488) |
| Capitalized interest on loans | (281) | (1,528) |
| Other capitalizations | (419) | (2,284) |
| Trade payables | 890 | 4,843 |
| Allowance for expected losses from doubtful accounts | 6,486 | 35,280 |
| Deferred tax | (3,628) | (19,732) |
| Construction margin for the period (Note 23 (b)) | (773) | (4,208) |
| Total | (3,923) | (21,343) |

BRK Ambiental Participações S.A. and its Subsidiaries

Notes to the Condensed Interim Financial Information at September 30, 2021

(In thousands of reais and U.S. dollars, unless otherwise stated)

| Contract assets and intangible assets | Consolidated | |
|---|--------------|-----------|
| | 2021 | |
| | US\$ | R\$ |
| Total additions to contract assets and intangible assets (Notes 10 and 12) | 130,593 | 710,350 |
| Items not affecting cash (see breakdown below) | 252,046 | 1,370,977 |
| Total additions to contract assets and intangible assets in accordance with the statement of cash flows | 382,639 | 2,081,327 |
| Investment and financing transactions that affected intangible assets, but did not involve cash: | | |
| Capitalized interest in the period | (8,954) | (48,703) |
| Trade payables | 6,767 | 36,808 |
| Other capitalized expenses | (15) | (90) |
| Concession | 256,450 | 1,394,936 |
| Construction margin for the period (Note 23 (b)) | (2,202) | (11,974) |
| Total | 252,046 | 1,370,977 |

27 Subsequent events

On October 20, 2021, indirect subsidiary Macaé carried out the 2th issue of simple non-convertible into shares, in a single series in the amount of R\$ 74,000 – US\$ 13,604, maturing on October 20, 2026 and completed the transaction on 11/3 /2021.

* * *