



# INCOME RELEASE

Financial Year Q3/2021



# Disclaimer

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This presentation may contain forward-looking statements relating to the business perspectives, estimates of operating and financial results, and Saneago's growth prospects.

These are only reviews and, as such, are based exclusively on the company's accounting, financial and operating information.

Forward-looking statements are not a guarantee of performance. Such forward-looking statements rely substantially on changes in market conditions, government rules, industry performance and the Brazilian economy, among other factors, in addition to the risks presented in the disclosure documents filed by Saneago and are, therefore, subject to change without prior notice.

# Agenda

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 1	Highlights
 2	Operational
 3	Financial Performance

# Quarterly Highlights



Growth of **2.38%** in the value of **Total Net Revenue** in Q3/2021, compared to the same period in 2020;



Growth of **3.84%** in the volume of water billed and **5.82%** of sewage in Q3/2021, compared to the same period in 2020;



Growth of **2.57%**, number of water measurements and **4.80%** of sewage measurements in Q3/2021, compared to the same period in 2020;



Reduction in the Loss Ratio of **1.12%** in Q3/2021, compared to the same period in 2020;






Issue of the Independent Auditor's Report, Financial Statements for Q3/2021 Issue of the Independent Auditor's Report, Financial Statements for 3Q/2021 **without reservations**;




Moody's assigns Rating **'AA+.br'** on October 28, 2021 to Saneago; **stable perspective**.

# Agenda

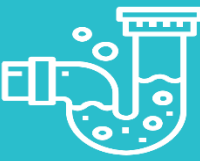
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 1	Highlights
 2	Operational
 3	Financial Performance


# Operational Water Indicators– 9M2020 X 9M2021





 Water - Indicators	Unit	9M2020	9M2021	Dif. Quantity	Variation (%)
Population served	Thousand	5,803	5,893	90	1.55%
Customer Service Index	%	97.30%	97.50%	0.20%	0.21%
Connections	Thousand	2,250	2,318	68	3.02%
Measurements	Thousand	2,452	2,515	63	2.57%
Network Extension	Km	31,183	31,830	647	2.07%
Billed Water Volume	Thousand m <sup>3</sup>	206,547	214,472	7,925	3.84%
Produced Volume	Thousand m <sup>3</sup>	292,432	300,176	7,744	2.65%
Loss Index	%	27.65%	26.53%	-1.12%	-4.05%

# Operational Sewage Indicators – 9M2020 X 9M2021

 Sewage - Indicators	Unit	9M2020	9M2021	Dif. Quantity	Variation (%)
Population served	Thousand	3,841	4,016	175	4.56%
Sewage Treatment Index	%	64.40%	66.50%	2.10%	3.26%
Treated Sewage Index	%	93.17%	93.38%	0.21%	0.23%
Connections	Thousand	1248	1318	70	5.61%
Measurements	Thousand	1,416	1,484	68	4.80%
Network Extension	Km	13,264	14,557	1,293	9.75%
Billed Sewage Volume	Thousand m <sup>3</sup>	126,337	133,691	7,354	5.82%
Sewage Treated Volume	Thousand m <sup>3</sup>	117,109	124,324	7,215	6.16%


# Follow-up of goals – Quarter Financial Data





 Water	Unit	Q3/2020	Q3/2021	Dif. Quantity	Variation (%)
Increase of Sewage	Thousand	17,291	16,648	-643	-3.72%
Billed Water Volume	Thousand m <sup>3</sup>	74,653	75,228	575	0.77%

Sewage	Unit	Q3/2020	Q3/2021	Dif. Quantity	Variation (%)
 Increase in measurements   Saneago	Thousand	13,209	10,826	-2383	-18.04%
 Billed Sewage Volume   Saneago	Thousand m <sup>3</sup>	37,624	38,353	729	1.94%
 Increase in Measurements   BRK	Thousand	3,138	2,712	-426	-13.58%
 Billed Sewage Volume   BRK	Thousand m <sup>3</sup>	7,356	8,216	860	11.69%
<b>Increase in measurements   Saneago + BRK</b>	<b>Thousand</b>	<b>16,347</b>	<b>13,538</b>	<b>-2809</b>	<b>-17.18%</b>
<b>Billed Sewage Volume   Saneago + BRK</b>	<b>Thousand m<sup>3</sup></b>	<b>44,980</b>	<b>46,569</b>	<b>1589</b>	<b>3.53%</b>



# Follow-up of goals – Financial Data – Accrued

 Water	Unit	9M2020	9M2021	Dif. Quantity	Variation (%)
Increase of Sewage	Thousand	44,265	45,316	1051	2.37%
Billed Water Volume	Thousand m <sup>3</sup>	206,547	214,509	7,962	3.85%
Loss Index	(%)	27.65%	26.53%	-1.12%	-4.05%

Sewage	Unit	9M2020	9M2021	Dif. Quantity	Variation (%)
 Increase in measurements   Saneago	Thousand	32,201	30,069	-2132	-6.62%
 Billed Sewage Volume   Saneago	Thousand m <sup>3</sup>	104,949	110,642	5,693	5.42%
 Increase in Measurements   BRK	Thousand	18,633	25,554	6,921	37.14%
 Billed Sewage Volume   BRK	Thousand m <sup>3</sup>	20,408	23,048	2,641	12.94%
<b>Increase in measurements   Saneago + BRK</b>	<b>Thousand</b>	<b>50,834</b>	<b>55,623</b>	<b>4789</b>	<b>9.42%</b>
<b>Billed Sewage Volume   Saneago + BRK</b>	<b>Thousand m<sup>3</sup></b>	<b>125,357</b>	<b>133,691</b>	<b>8,334</b>	<b>6.65%</b>

# Saneago's Field

## General Customer Service Data

Program and Concession Agreements	Q3/2021
Municipalities under Program Contract	62
Municipalities with Concession Contract	164
Municipalities Served by Saneago	226

## Concession / Program Agreement Expiration Schedule

Status	Quantity	Profit Sharing
<b>I - Overdue</b>	<b>90</b>	<b>16.03%</b>
> Concession	90	16.03%
<b>II - to be due</b>	<b>136</b>	<b>83.97%</b>
> Concession	74	13.03%
> Program	62	70.94%
<b>Total General</b>	<b>226</b>	<b>100.00%</b>

To be due		
5 years	40	9.65%
10 years	12	2.07%
15 years	19	1.12%
20 years	7	1.65%
Over 20	58	69.48%
<b>Total to be due</b>	<b>136</b>	<b>83.97%</b>

Reference date for contract expirations and Billing: 9/30/2021.

## Top 10 Largest Billing Cities

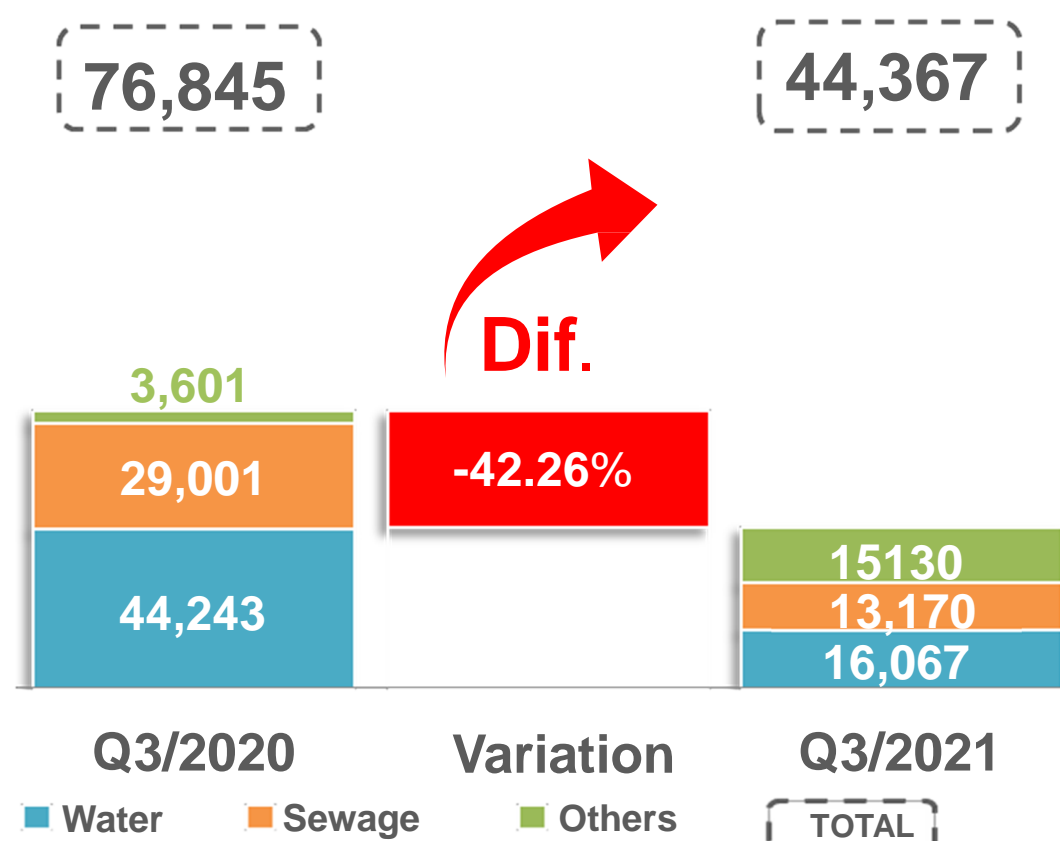
Ranking	Cities	Maturity	(%) of the Revenue
1st	Goiânia	12/2049	36.49%
2nd	Anápolis	02/2050	7.19%
3rd	Aparecida de Goiânia	11/2041	4.13%
4th	Valparaíso de Goiás	11/2048	2.58%
5th	Rio Verde	11/2041	2.43%
6th	Luziânia	12/2045	2.12%
7th	<b>Formosa<sup>1</sup></b>	03/2025	2.04%
8th	<b>Itumbiara<sup>1</sup></b>	02/2025	1.75%
9th	<b>Planaltina<sup>1</sup></b>	04/2030	1.51%
10th	Trindade	11/2041	1.39%
<b>Total</b>			<b>61.62%</b>

## Contracts Expired in Q3/2021

No.	Cities	Maturity	(%) of the Revenue
1	<b>Bonfinópolis<sup>1</sup></b>	7/4/2021.	0.10%
2	<b>Rianápolis<sup>1</sup></b>	7/9/2021.	0.05%
3	<b>Ipiranga<sup>1</sup></b>	8/2/2021.	0.02%
4	<b>Cristianópolis<sup>1</sup></b>	8/9/2021.	0.04%
<sup>1</sup> Concession Contracts	<b>Total</b>		<b>0.21%</b>

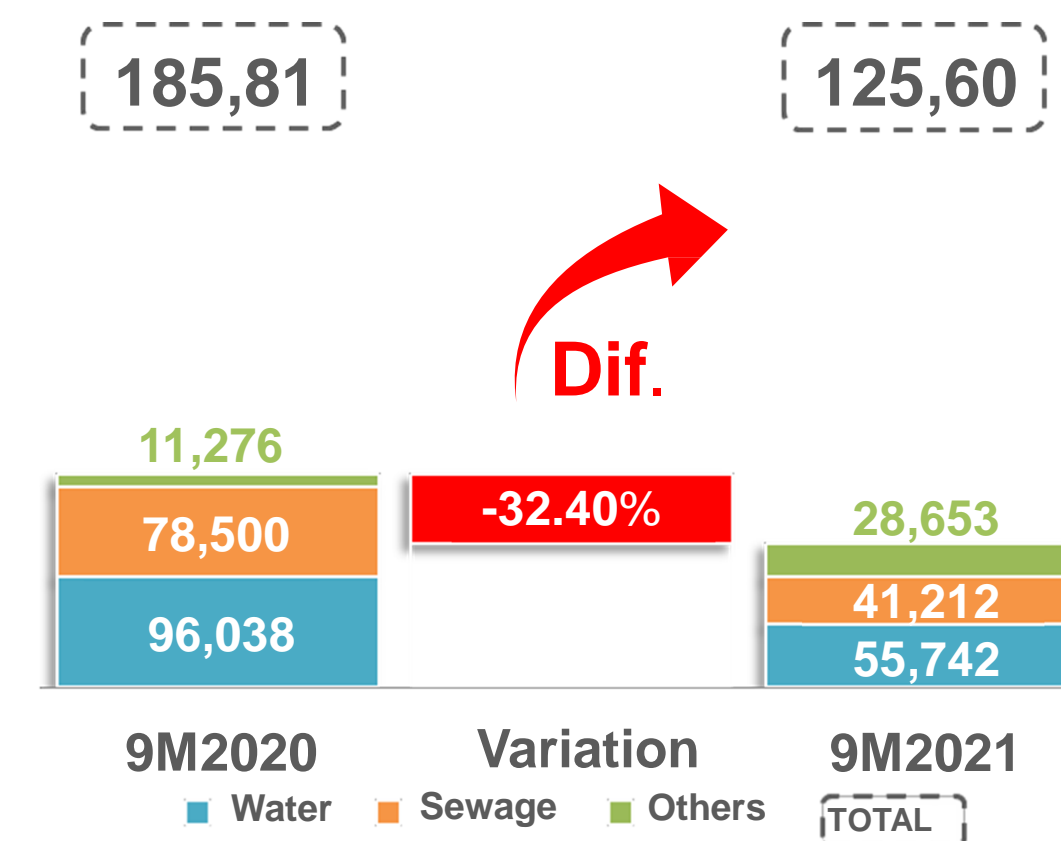
# Monitoring of Realized Investments targets (R\$ Million)

## QUARTERLY



System	Q3/2020	Q3/2021	Variation
Water	44,243	16,067	-63.68%
Sewage	29,001	13,170	-54.59%
Others	3,601	15,130	320.16%
<b>Total</b>	<b>76,845</b>	<b>44,367</b>	<b>-42.26%</b>

## ACCRUED AMOUNT



System	9M2020	9M2021	Variation
Water	96,038	55,742	-41.96%
Sewage	78,500	41,212	-47.50%
Others	11,276	28,653	154.11%
<b>Total</b>	<b>185,814</b>	<b>125,607</b>	<b>-32.40%</b>

### Justifications for non-compliance with Investments

1. Failure to meet deadline expectations external to Saneago (environmental licensing and land tenure regularization);
2. Impact of the pandemic on the contracting and execution of Sanitation works;
3. Materials and Equipment, with strong fluctuations in market value.
4. COVID-19 pandemic.

# Agenda

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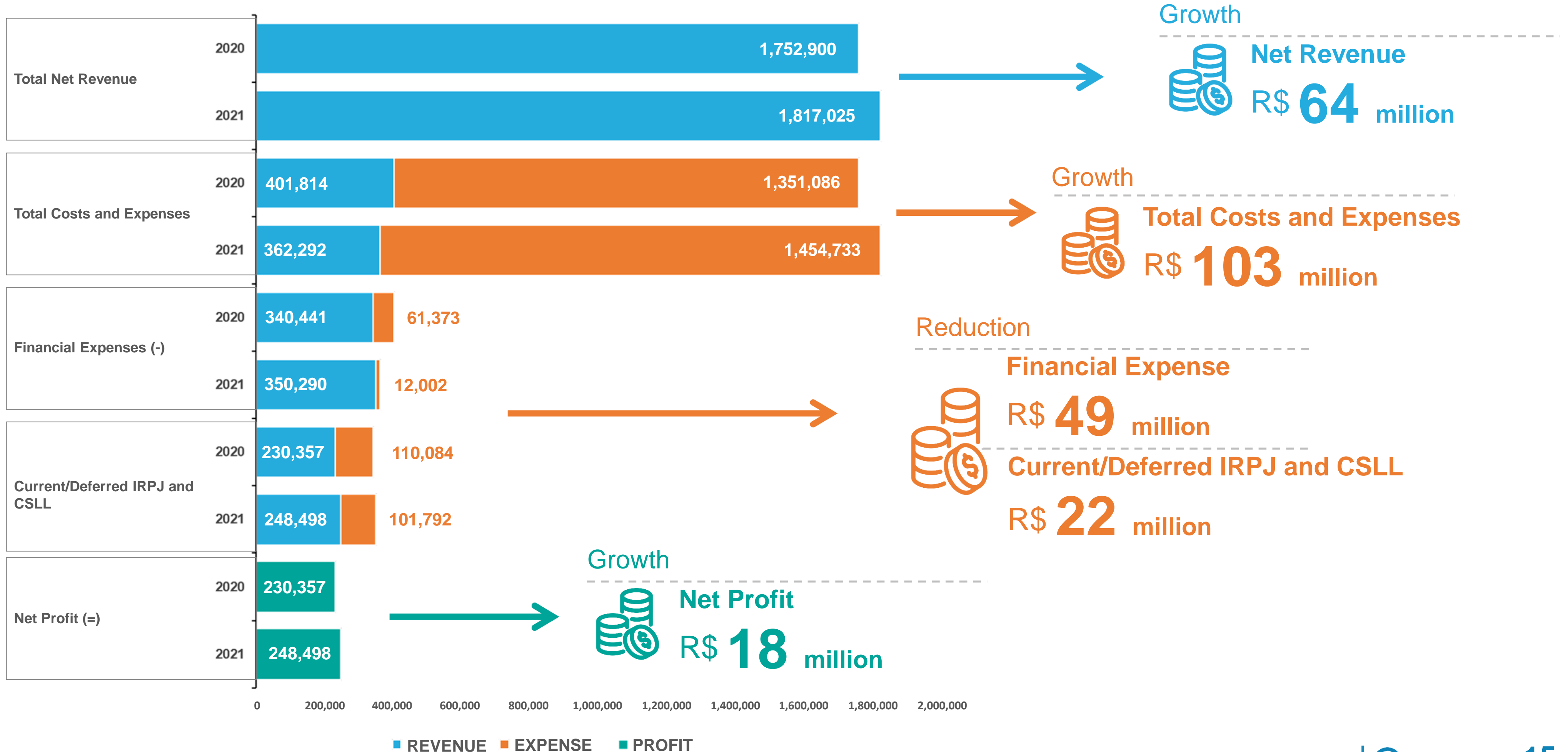
# Follow-up of targets | Quarter Financial Performance

Quarterly Results	Q3/2020	Q3/2021	Variation %	Goal	Dif. %
Total Net Revenue (+)	631,071	646,084	2.38%	706,803	-8.59%
Personnel (-)	255,350	256,308	0.38%	255,950	0.14%
Material (-)	19,403	18,384	-5.25%	21,760	-15.51%
Third Party Services (-)	46,622	54,102	16.04%	58,028	-6.77%
Electric Power (-)	54,383	61,586	13.24%	56,564	8.88%
General (-)	5,998	6,112	1.90%	6,165	-0.87%
Concession Remuneration (-)	17,807	19,484	9.41%	17,986	8.33%
Amortization and Depreciation (-)	29,646	30,065	1.41%	31,556	-4.73%
Tax Expenses (-)	2,380	8,206	244.81%	2,798	193.32%
Provisions and Reversals (-)	27,257	10,343	-62.05%	13,390	-22.75%
Other Expenses (+/-)	944	-18,823	-2093.71%	-88	21328.52%
Total Costs and Expenses (=)	459,790	445,767	-3.05%	464,110	-3.95%
Net Financial Result (+/-)	10,725	23,700	120.99%	9,615	146.48%
Corporate Tax Income/Social Contribution on Net Profit (IRPJ/CSLL) (+/-)	49,784	51,919	4.29%	51,977	-0.11%
Net Profit (=)	110,772	124,698	12.57%	181,102	-31.14%

# Follow-up of targets | Accrued Financial Performance

Quarterly Results	9M2020	9M2021	Variation %
Total Net Revenue (+)	1,752,900	1,817,025	3.66%
Personnel (-)	746,678	775,988	3.93%
Material (-)	66,525	58,967	-11.36%
Third Party Services (-)	135,799	156,019	14.89%
Electric Power (-)	156,961	170,079	8.36%
General (-)	14,204	24,038	69.24%
Concession Remuneration (-)	54,190	55,696	2.78%
Amortization and Depreciation (-)	88,491	89,457	1.09%
Tax Expenses (-)	13,951	21,406	53.44%
Provisions and Reversals (-)	67,234	125,087	86.05%
Other Expenses (+/-)	7,052	-22,003	-412.00%
Total Costs and Expenses (=)	1,351,086	1,454,733	7.67%
Net Financial Result (+/-)	61,373	12,002	-80.44%
Corporate Tax Income/Social Contribution on Net Profit (IRPJ/CSLL) (+/-)	110,084	101,792	-7.53%
Net Profit (=)	230,357	248,498	7.88%
Description	9M2020	9M2021	Variation (%)
Net Sales	1,956,874	2,067,399	5.65%
Revenue	1,794,244	2,004,000	11.69%
Default Rate*	8.31%	3.07%	-63.10%

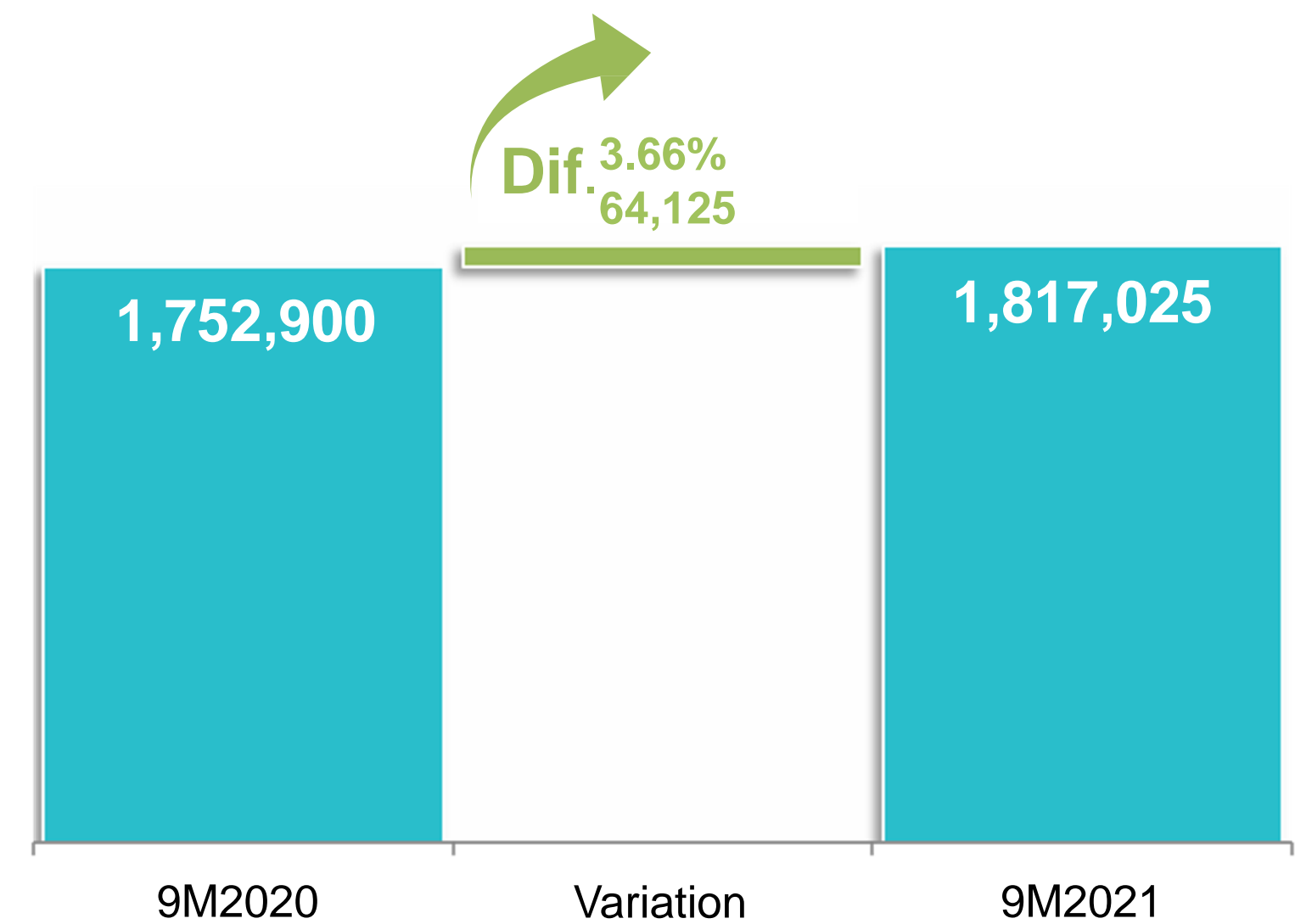
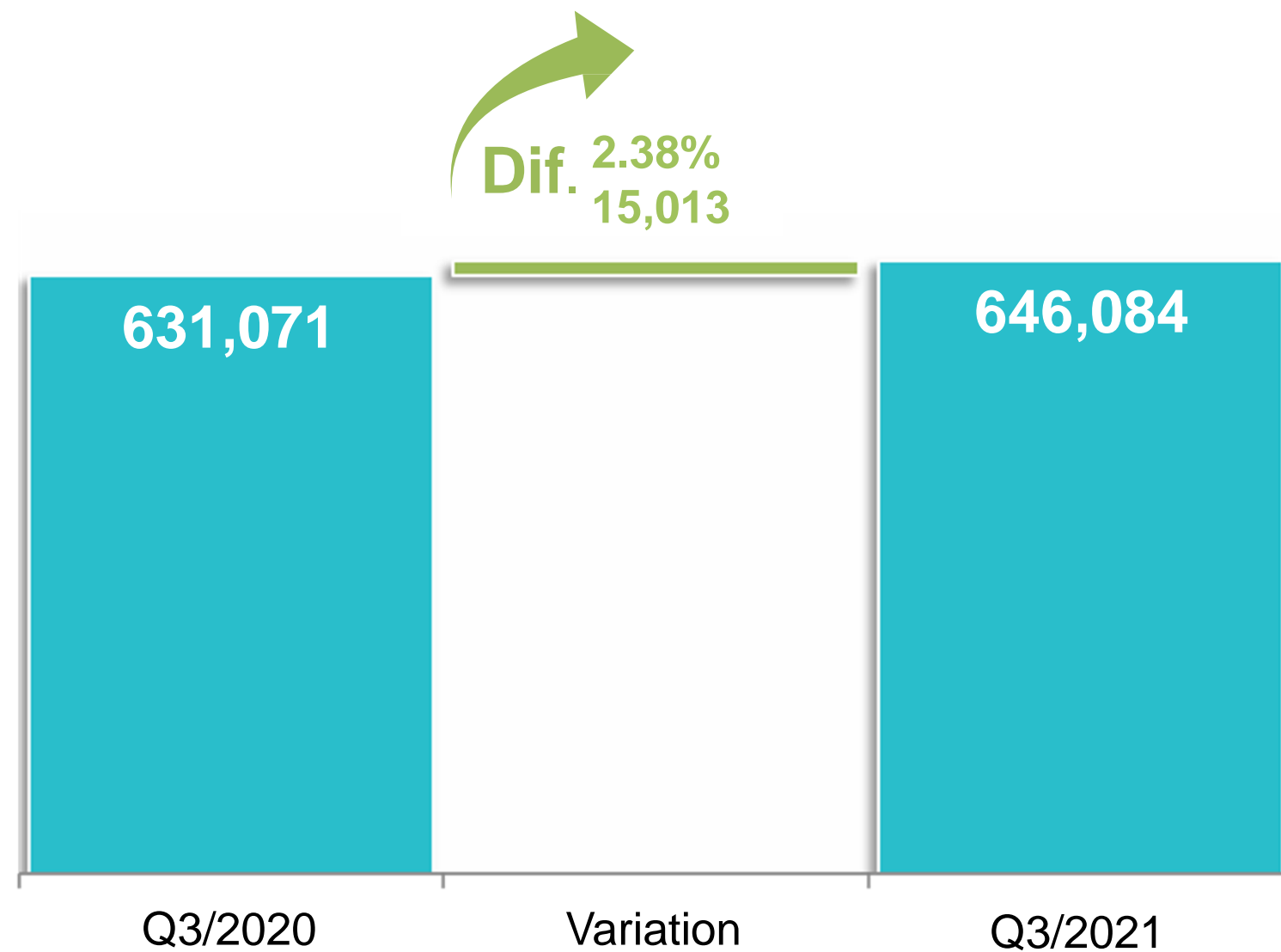
# Financial Performance Comparison | 2020 X 2021 | Accred



# Financial Performance | Net Revenue

## Quarterly

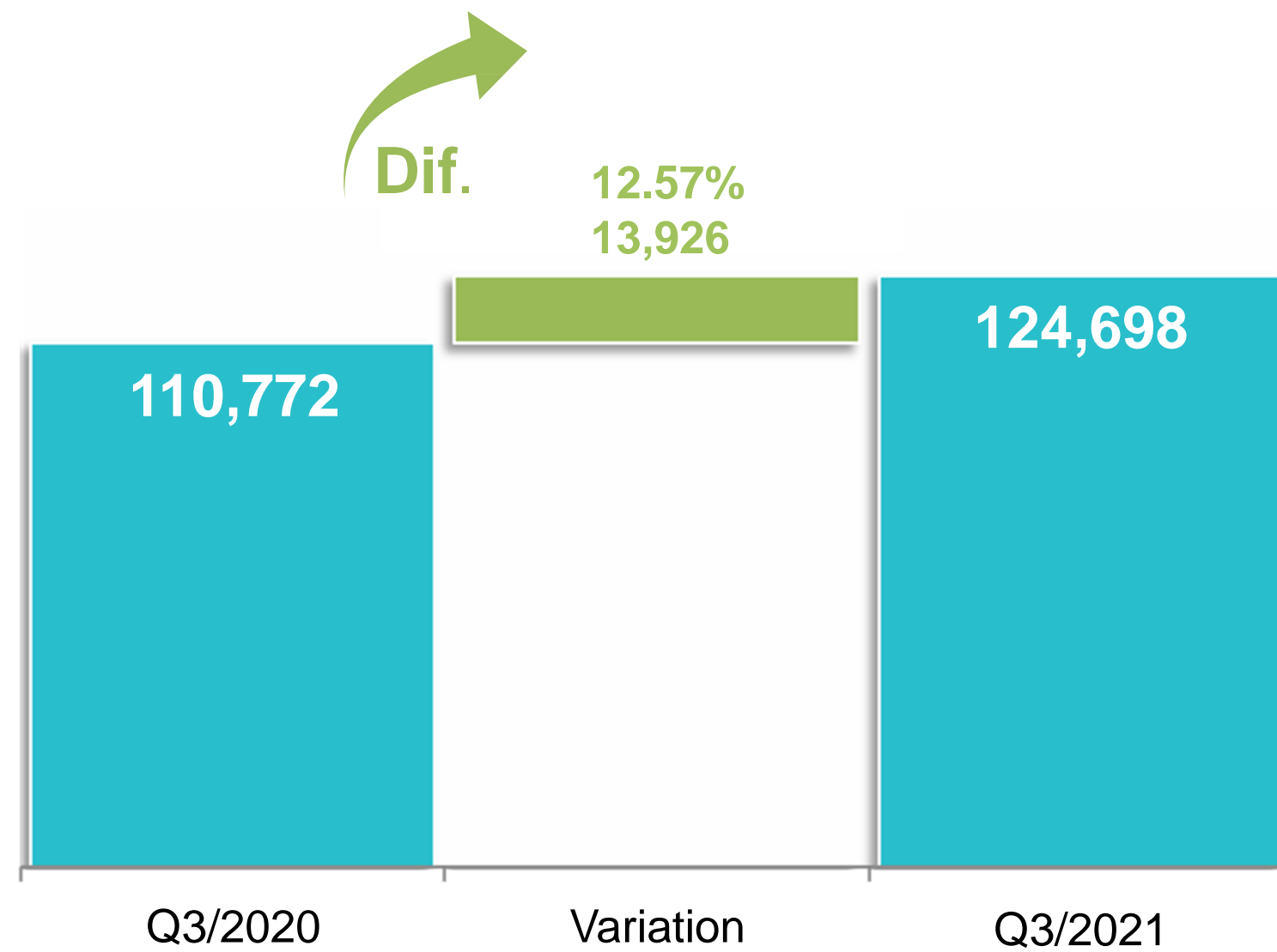
## Accrued



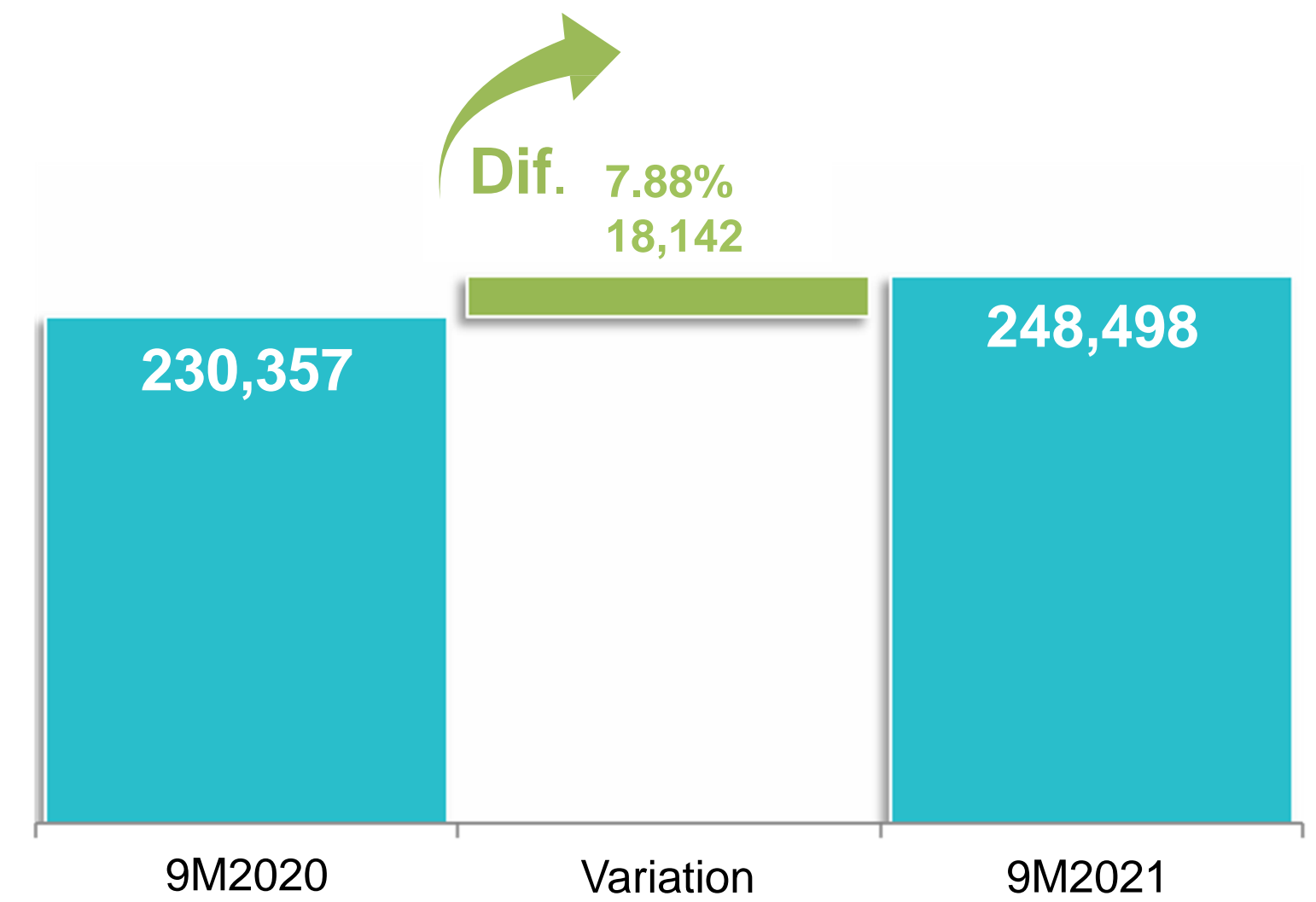


# Financial Performance | Net Profit

## Quarterly



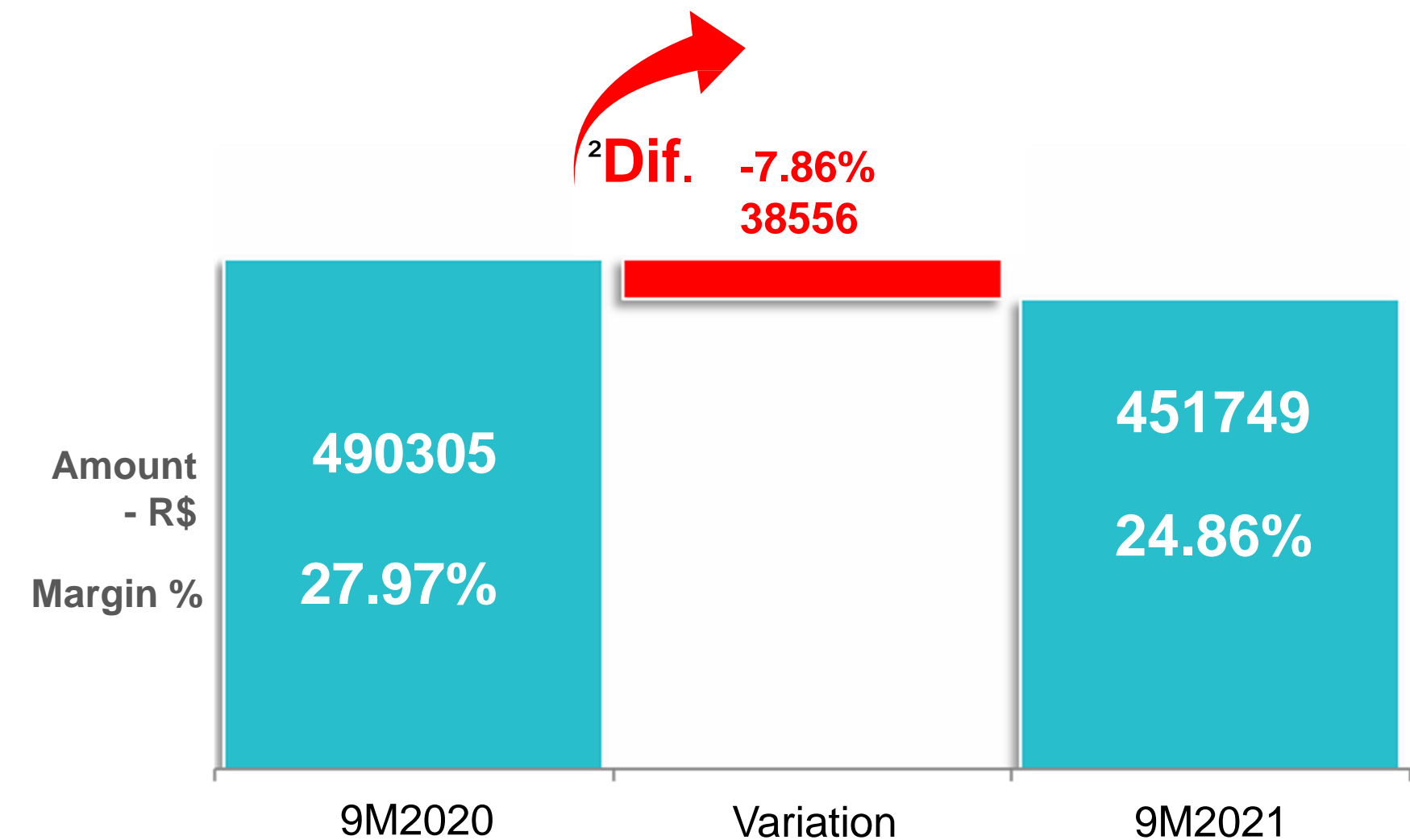
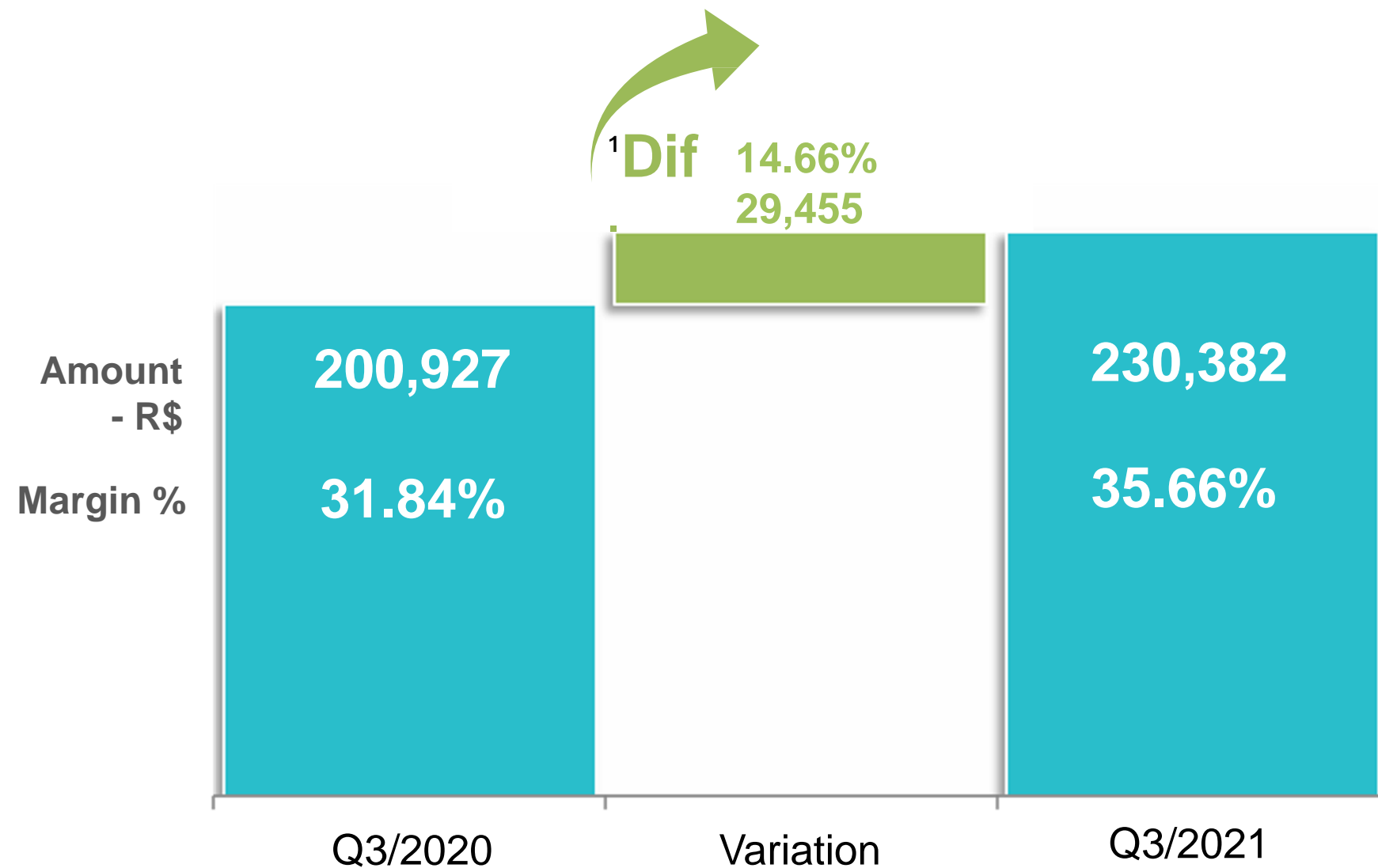
## Accrued



# Financial Performance | EBITDA x Classic Margin

## Quarterly

## Accrued

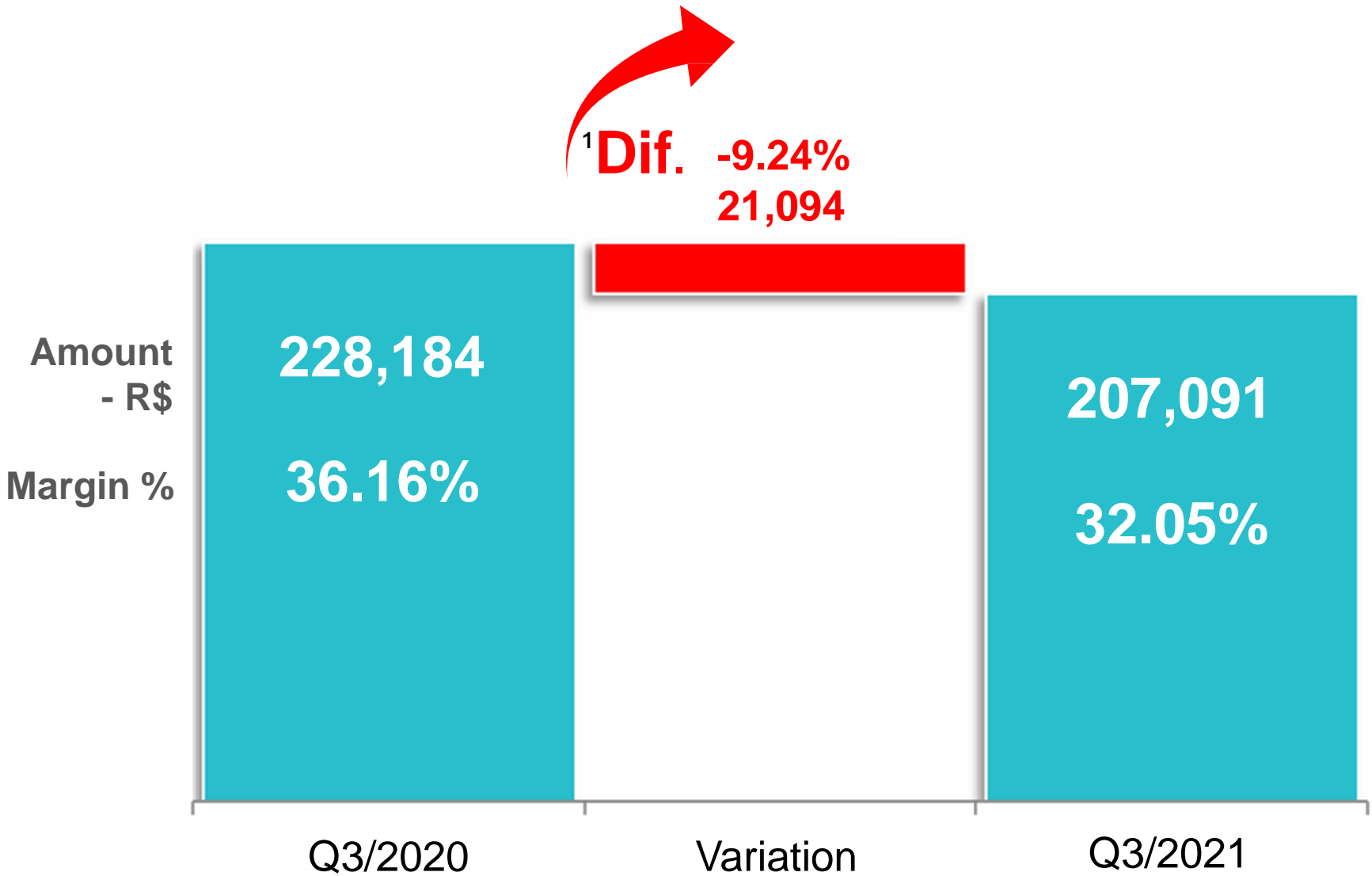


<sup>1</sup>Impacted due to the Receipt of an Indemnification for material damages in a lawsuit (R\$ 18,587), in addition to the sale of an area that the Company owned in the Municipality of Senador Canedo/GO (R\$ 6,960). In addition, there was a 62% reduction in the balance of provisions, mainly due to the increase in the receipt of expired credits and the reduction in customer losses, both situations arising from the resumption of the policy to cut defaulting Customers, which, in 2020, was suspended.

<sup>2</sup>In the accrued analysis, the variation was negative, impacted by the constitution of a provision for civil contingencies in the order of R\$106 million in 1Q2021.

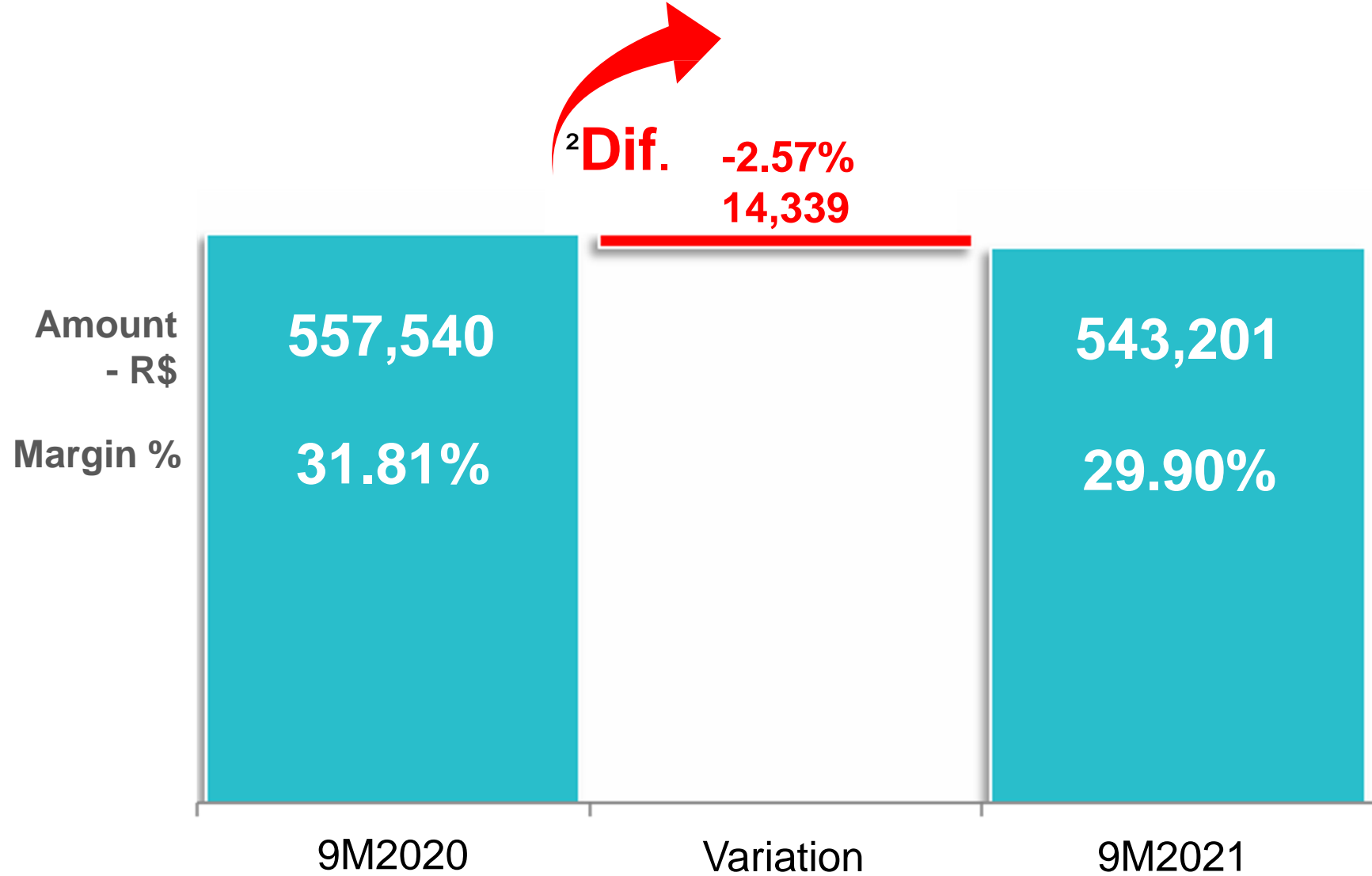
# Financial Performance | EBITDA x Adjusted Margin

## Quarterly



<sup>1</sup>This variation was mainly due to the registration, in July, of the payment of R\$33,057 in employee profit sharing for the period 2020.

## Accrued



<sup>2</sup>Impacted by the increase in tax expenses of R\$ 6 million due to the installments entered into with the Federal Revenue in August, the increase in electricity costs due to the increase in the cost of the red flag and the increase in general expenses due to the fine paid together to the Public Prosecutor's Office in the amount of R\$ 6.8 million in the action of reimbursement of water meters.

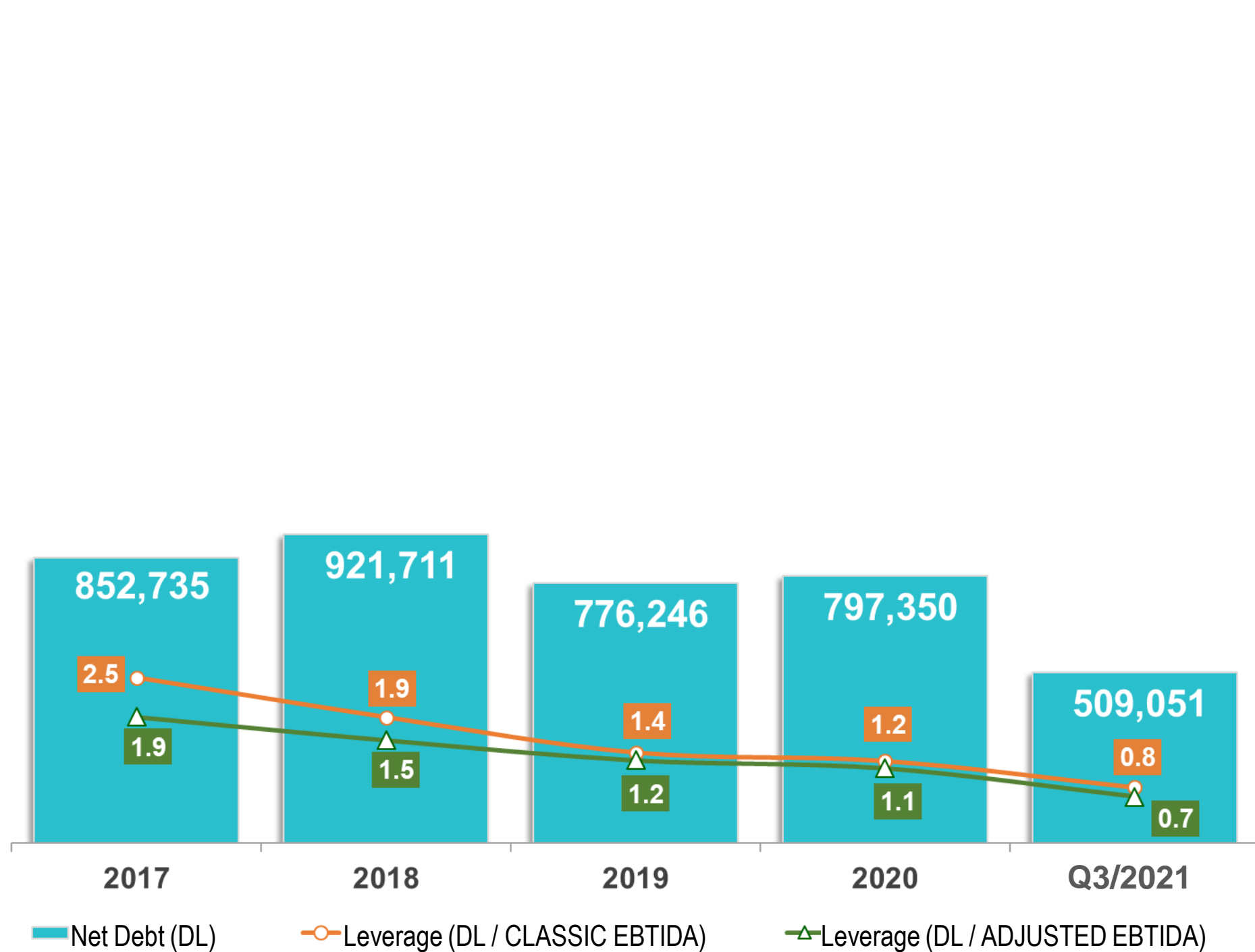
# Balance Sheet – Accrued

Asset	9M2020	9M2021	Variation %
<b>Current Assets</b>	<b>800,080</b>	<b>1,154,864</b>	<b>44.34%</b>
Cash and Cash Equivalents	192,480	231,035	20.03%
Financial Investments	0	289,953	100.00%
Credits Receivable from Users	492,041	512,006	4.06%
Stocks	52,335	51,524	-1.55%
Taxes Recoverable	7,870	5,082	-35.43%
Advanced expenses	39,552	45,334	14.62%
Sub-delegation	7,008	7,197	2.70%
Securities	8,402	3,996	-52.44%
Other Accounts Receivable	392	8623	2099.74%
Non-Current Assets for Sale	0	114	100.00%
<b>Non-current assets</b>	<b>5,001,141</b>	<b>5,158,490</b>	<b>3.15%</b>
Long-term realizable assets	1,211,331	1,334,657	10.18%
Fixed Assets	3,789,810	3,823,833	0.90%
<b>Total Assets</b>	<b>5,801,221</b>	<b>6,313,354</b>	<b>8.83%</b>

Liability	9M2020	9M2021	Variation %
<b>Current Liabilities</b>	<b>843,359</b>	<b>689,248</b>	<b>-18.27%</b>
Loans and Financing	138,335	135,030	-2.39%
Debentures	214,331	126,941	-40.77%
Leasing	13,998	16,335	16.70%
Suppliers	143,603	113101	-21.24%
Labor obligations	201,081	159,858	-20.50%
Tax Obligations	67,931	52,311	-22.99%
Installments	13,937	982	-92.95%
Contractual Obligations	15,220	10,147	-33.33%
Other Accounts Payable	12,491	13,920	11.44%
Sub-delegation	1,690	276	-83.67%
Dividends payable	18,748	59,018	214.80%
Contractual Advance	1,994	1,329	-33.35%
<b>Non-Current Liabilities</b>	<b>1,926,175</b>	<b>2,356,994</b>	<b>22.37%</b>
Total Liability	2,769,534	304,6242	9.99%
Net Equity	3,031,687	3,267,112	7.77%
<b>Total Liabilities</b>	<b>5,801,221</b>	<b>6,313,354</b>	<b>8.83%</b>

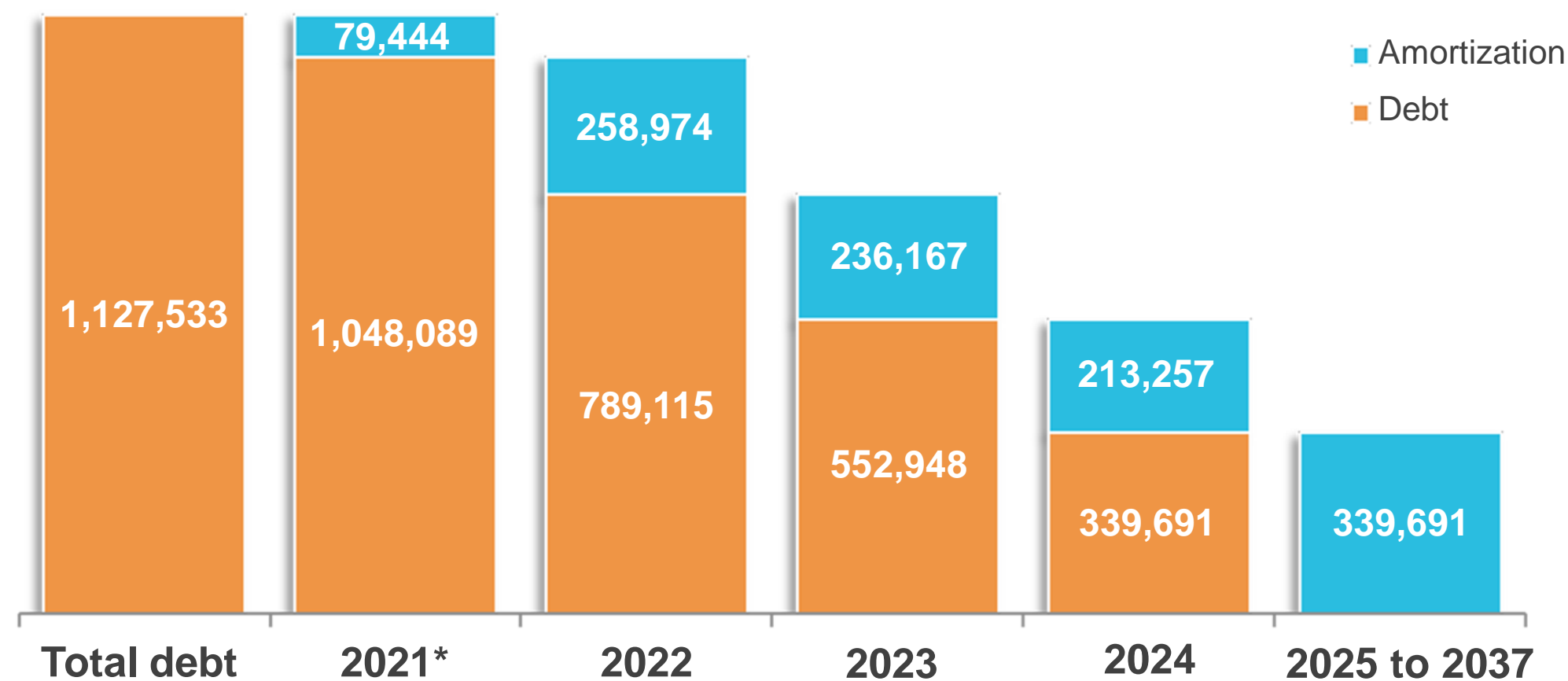
# Debt

## Leverage



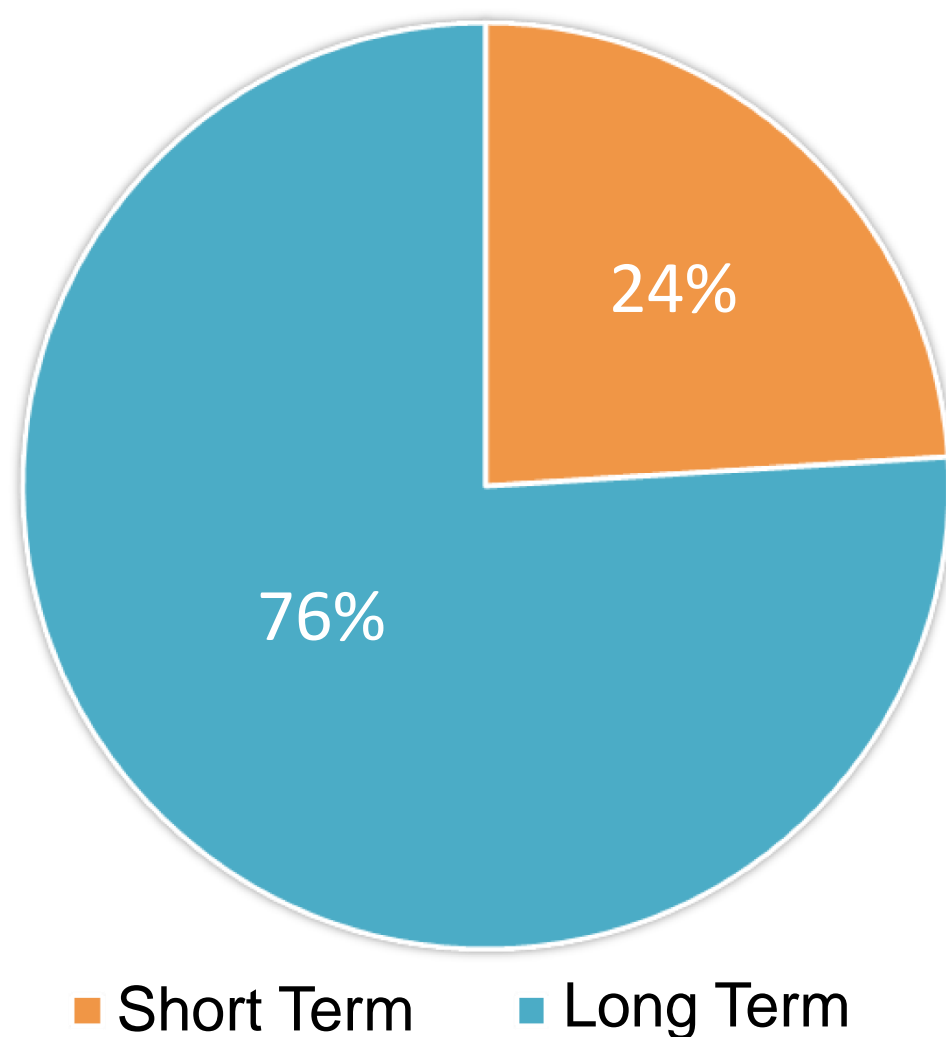
## Debt Amortization Calendar (R\$)

\*September to December/2021  
Source: SUFIN/R-GOP



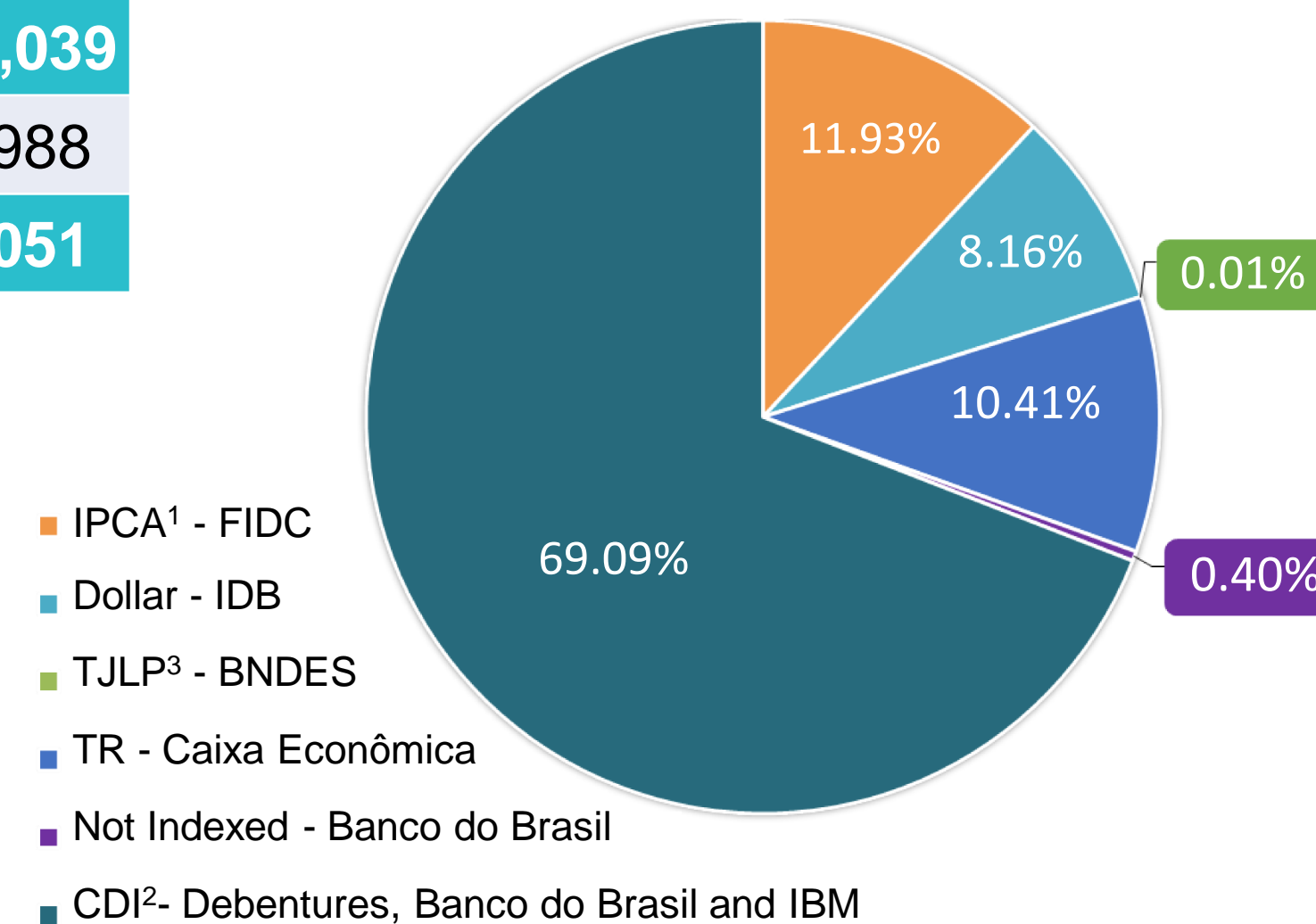
# Debt

## Debt Structure



Indebtedness Opening	
Kind of Debt	9M2021
Loans and Financing	263,437
Debentures	766,602
<b>Gross Debt</b>	<b>1,030,039</b>
Cash and Cash Equivalents	520,988
<b>Net Debt</b>	<b>509,051</b>

## Debt Indexers



# Covenant and Indicators

## Covenant: Debentures

Onerous Financial Debt	Parameter	9M2021
Gross Financial Debt		1,030,039
Cash and cash equivalents		520,988
Net Debt		509,051
Adjusted EBITDA (Accrued 12 Months)		732,530
Net Debt / EBITDA (Accrued 12 Months)	Lower or equal to 3.0	0.7

## Indicators: Financial

Index of Coverage of Debt Service ICSD <sup>1</sup>	Parameter	9M2021
(I) Adjusted EBITDA Jan to Sept 2021		543,201
(II) Service of Debt Accrued January to September 2021		248,355
(I) / (II)   Index of Coverage of Debt Service ICSD	Higher than 1.50	2.19

<sup>1</sup> ICSD Refers to the payment of interests, adjustments and amortizations of loans and financing

# Monitoring of Financial Targets and PPR Targets

1.	Financial Indicator	9M2021
1.1	Net Revenue Increase	3.66%
1.2	Default (Collected/Billed)	3.07%
1.3	Adjusted Ebitda Margin	29.90%
1.4	Exploration Expense - DEX	71.46%

2.	PPR Targets	9M2021
2.1	Default (Collected/Billed)	3.07%
2.2	Adjusted Ebitda Margin	29.90%
2.3	Loss Index	26.53%
2.4	Water + Sewage Measurements Increment (Accumulative) <sup>1</sup>	75385

Considering the goal of the Strategic Planning – 2021- 2025.

<sup>1</sup>Without BRK.





# Subjects for information purposes Q3/2021

# Decree No. 10.710 dated, May 31, 2021

## Proof of economic-financial capacity

### 1st Phase

Description	Goal	2016	2017	2018	2019	2020	Median
Net Margin Index	> 0	0.15	0.21	0.15	0.16	0.17	0.16
Indebtedness Index	< 1	0.51	0.44	0.45	0.49	0.47	0.47
Return on Equity Index	> 0	0.04	0.10	0.04	0.10	0.11	0.10
Cash Sufficiency Ratio	> 1	1.04	1.09	1.06	1.06	1.07	1.06

BDO RCS Auditores validated the calculations performed by the Company, attesting to the minimum compliance with the established indices through a specific PPA report (Previously Agreed Procedure).

## Preparation of feasibility studies / uptake plan

### 2nd Phase

The Company hired EY Consulting (Ernst & Young) with a view to acting as a certifier pursuant to the requirements of Federal Decree No. 10.710 of May 31, 2021.

The works have already started in order to meet the deadlines established in the decree.

# Approval of the Regulatory Asset Base (BAR)

## Joint Technical Note No.: 10/2021 – AGR/AR

2nd ORDINARY TARIFF REVIEW  
CYCLE 2021-2024

1º

**March to October 2021:** Asset valuation report delivered in March/21 to the regulators, and between the months of Mar/21 to Oct/21, several steps were taken on BAR by the Regulators, all of them answered by Saneago.

2º

**October 2021:** At a meeting of the AGR Regulatory Council on 10/27/21, the final technical note nº 10/21 was approved, which deals with the shielding of the BAR / Saneago. Publication of NT nº 10/21 (BAR shield) with the approval of the Regulatory Council in the Official Gazette of GO.

### BAR Base Date Dec/2018

- Original value: **R\$ 4,369,008,685.14**
- Value after disallowance: **R\$ 4,221,625,057.74**
- Disallowance percentage: **3.37%**

### BAR Base Data Dec/2020 - Shielding (Regulators)

- BAR 2018 + incremental: **R\$ 4,359,048,283.57**

**November 2021:** Published on April 11th, to NT no. 11/2021 with the revision index and X factor, the consultation will be open until 11/25/21;

### Next steps:

- 1) On 12/03/2021 there will be a public hearing where the regulators will present the review index with the contributions of the public consultation;
- 2) Expected final approval by the Regulatory Councils of the Agencies (AGR and AR) of the index and publication in the Official Gazette in mid-December/21, with application to the Company's tariffs after 30 days.

3º

**Thank you**



**Saneamento de Goiás S.A**  
Goiania, November 11, 2021  
Accrued Earnings Release - Q3/2021