

# **SUMMARY**

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# MANAGEMENT REPORT

## 2Q2022

Management report for the period ended June 30, 2022  
compared to the same period of 2021.

(In thousands of Brazilian Reais, unless otherwise stated)

## Highlights of 2Q2022

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Increase in **Net Revenue** by **13.43%**, about **R\$ 80,771 thousand**, in comparison with 2Q2021;

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Increase in **Investments** by **89.74%**, about **R\$ 39,033 thousand** in comparison with 2Q2021;

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Increase in **Water savings** of **57 thousand**, representing **2.28%** and, **sewage 70 thousand**, representing **4.77%** compared to 2Q2021;

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**Index of sewage services** changing from **66.17%** in 2Q2021 to **68.38%**, **4,164 thousand inhabitants** in 2Q2022;

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Issue of Independent Auditor's Report related to the Financial Statements for 2Q2022, **with unmodified opinion.**

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# 1. Operating Performance

In this 2Q2022, the Company expanded its water and sewage systems throughout the state reaching **97.74%** of the population served with water, with an increase of **2.28%** in savings in relation to the same period of 2021.

With this increase the Company reached a total population of **5,952 thousand** inhabitants with water supply.

As for the sewage system, served population increased from **66.17%** to **68.38%** at the closing of the 2Q2022, with an increase in savings of **4.77%** in relation to the same period of 2021.

As a result, **4,164 thousand** inhabitants have access to the sewage system in the municipalities served by the Company.



Table 1 - General Service Data

WATER - OPERATIONAL INDEXES	Unit	6M2022	6M2021	Var.	Var. (%)
Population w/ access to service	Thousands	5,952	5,871	81	1.38%
Service index	%	97.74%	97.54%	0.20%	0.21%
Connections	Thousands	2,355	2,301	54	2.35%
Savings	Thousands	2,555	2,498	57	2.28%
Expansion of pipeline network	Km	32,590	31,518	1,072	3.40%
SEWAGE - OPERATIONAL INDEXES	Unit	6M2022	6M2021	Var.	Var. (%)
Population w/ access to service	Thousands	4,164	3,983	181	4.54%
Service index	%	68.38%	66.17%	2.21%	3.34%
Service index (treated)	%	93.46%	93.44%	0.02%	0.02%
Connections	Thousands	1,369	1,304	65	4.98%
Savings	Thousands	1,539	1,469	70	4.77%
Expansion of pipeline network	Km	14,927	13,666	1,261	9.23%

Table 2 – Volume produced/billed/treated

WATER - OPERATIONAL INDEXES	Unit	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Volume billed	thousand m³	73,713	71,752	2.73%	143,476	140,645	2.01%
Volume produced	thousand m³	99,838	97,997	1.88%	195,900	192,584	1.72%
SEWAGE - OPERATIONAL INDEXES	Unit	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Volume billed	thousand m³	46,766	44,513	5.06%	91,272	87,153	4.73%
Volume treated	thousand m³	43,634	41,641	4.79%	85,307	81,433	4.76%

# 1. Operating Performance

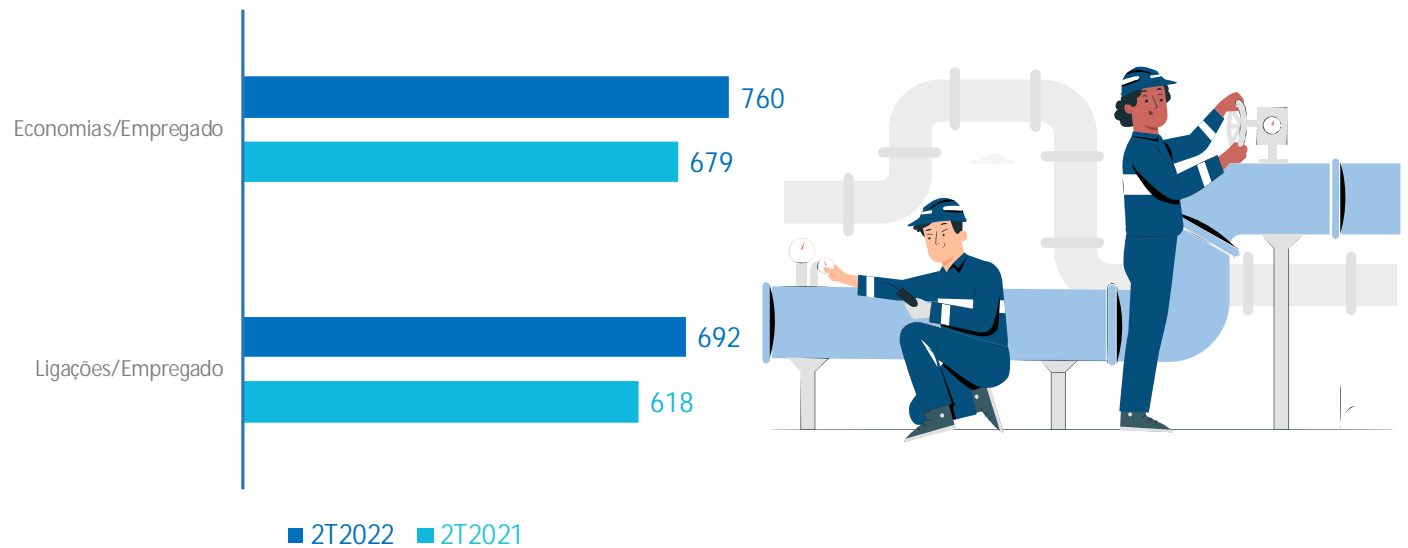
## 1.1 Personnel performance

The Company currently has 5,386 employees throughout the state of Goiás, who are responsible for 4,094 thousand water and sewage savings.

The productivity of the workforce, measured by the ratio between the amount of savings (water + sewage) and the number of employees, increased from 679 savings/employees to **760** savings/employees in 2Q2022.

Despite the hiring of 130 employees in 2022, this index shows an improvement in efficiency of **11.92%**, mainly caused by the increase in the portfolio of customers in the period resulting from the increase in the number of savings by **2.28%** - Water and **4.77%** - Sewage.

Additionally, there was a reduction of 443 employees dismissed through the Voluntary Redundancy Program (PDV) in the months of February and March 2022.



Graph 1 - Personnel Performance

## 2. Area of operation and Concessions

### 2.1 Operation and Concessions

The Company operates with Water Supply and Sewage Treatment Systems in the State of Goiás, in 225 of the 246 municipalities in the state, of which 62 have Program Contracts and 163 Concession Contracts.

The Company's operations guarantee a better quality of life in these municipalities, ensuring the health of Goiás' citizens.

Table 3 - Area of operation

Concession and Program Contracts	Unit	2Q2022	2Q2021	Revenue portion %
<b>Total de Municípios Atendidos pela Saneago</b>	<b>Nr.</b>	<b>225</b>	<b>226</b>	<b>100%</b>
Total municipalities with program contracts	Nr.	62	62	71.67%
Total municipalities with active concession contracts	Nr.	83	78	13.18%
Total municipalities with expired concession contracts	Nr.	80	86	15.15%

In the 1Q2022, the Company terminated its operations in the municipality of Buriti Alegre de Goiás, being the activities assumed by the municipal government of the city.

Table 4 shows that the 10 municipalities with highest billing represent 62% of the Company's net revenue, with Goiânia and Anápolis standing out representing 44.12% of the Company's total billings and with maturities in December/2049 and November/2050, respectively.

Table 4 - Net revenue ranking per city

Ranking	Cities	Maturity	(%) Net revenue	Contract type
1º	Goiânia	12/2049	36.76%	Program
2º	Anápolis	02/2050	7.36%	Program
3º	Aparecida De Goiânia	11/2041	4.07%	Program
4º	Valparaíso De Goiás	11/2048	2.62%	Program
5º	Rio Verde	11/2041	2.41%	Program
6º	Luziânia	12/2045	2.15%	Program
7º	Formosa	03/2025	2.05%	Concession
8º	Itumbiara	02/2025	1.69%	Concession
9º	Planaltina	04/2030	1.54%	Concession
10º	Trindade	11/2041	1.37%	Program
<b>Total</b>			<b>62.04%</b>	<b>-</b>

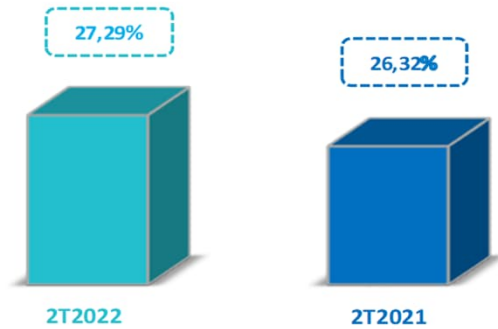
We point out that more than 71% of the Company's billings come from 62 program contracts that mature between 2037 and 2050.

The average maturity of contracts is 19.4 years (weighted by the % on net revenue of 2Q2022).

### 3. Operational improvements

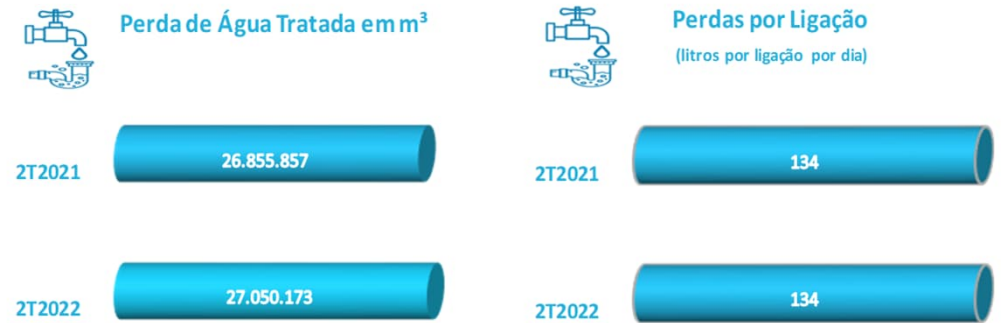
#### 3.1 Loss rate

The Company reported a loss rate of **27.29%** at the end of 2Q2022.



Graph 2 - Loss rate

Thus, in addition to guarantee the optimization of produced water, the fight against losses was fundamental to the critical period of water shortage in 2021.



Graphs 3 and 4 - Losses on treated water per m<sup>3</sup> and per Connection

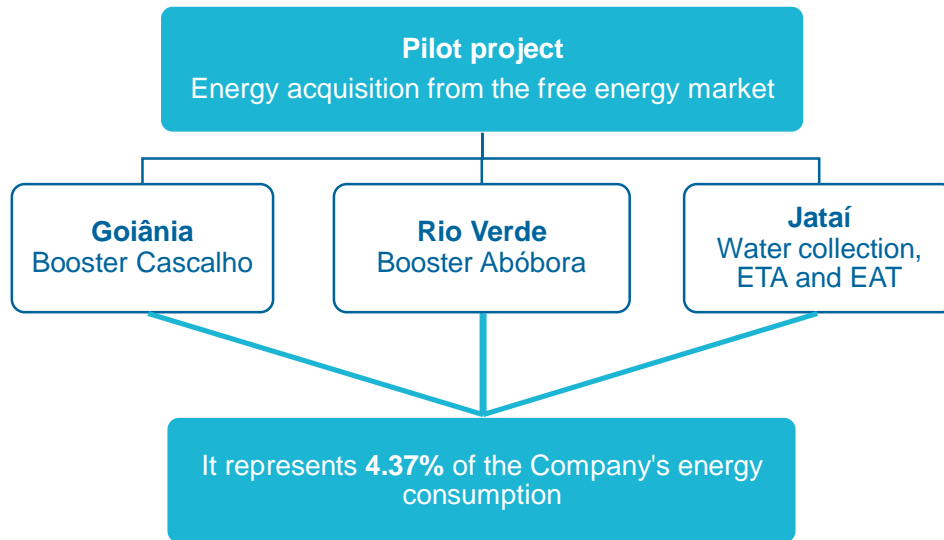
According to the data collection of the National System of Information on Sanitation (SNIS - Sistema Nacional de Informações sobre Saneamento) for 2020, Saneago is the only regional company of the country with index below 30%.

This percentage is necessary to increase the volume available for consumption and to reduce costs on water production/distribution, mainly during the period of water shortage.

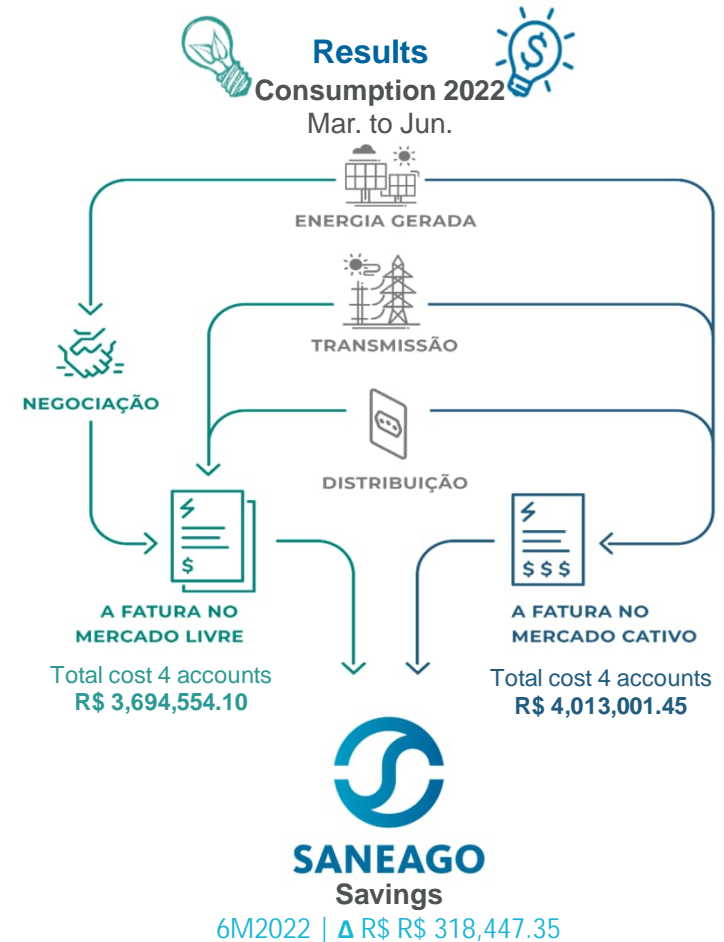
### 3. Operational improvements

#### 3.2 Project of energy acquisition from free energy market

As from March of the present year, the Company started to acquire electric power through the Free Energy Market. There are 3 units currently served by the contract in force, namely: Goiânia (Booster Cascalho), Rio Verde (Booster Abóbora and Jataí (Water collection, Water Treatment Station (ETA) and Water Lift Station (EAT)) representing 4.37% of energy consumption of the Company.



**Future actions:** migration of over **67 other Consumer Units (UC)** to be annually migrated until 2025 and representing about 53.60% of all energy consumed by the Company.

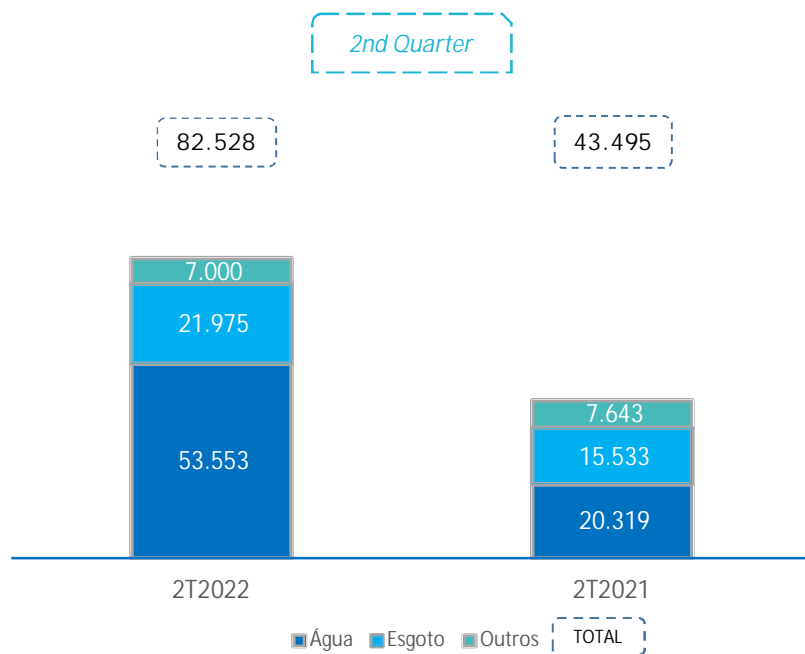




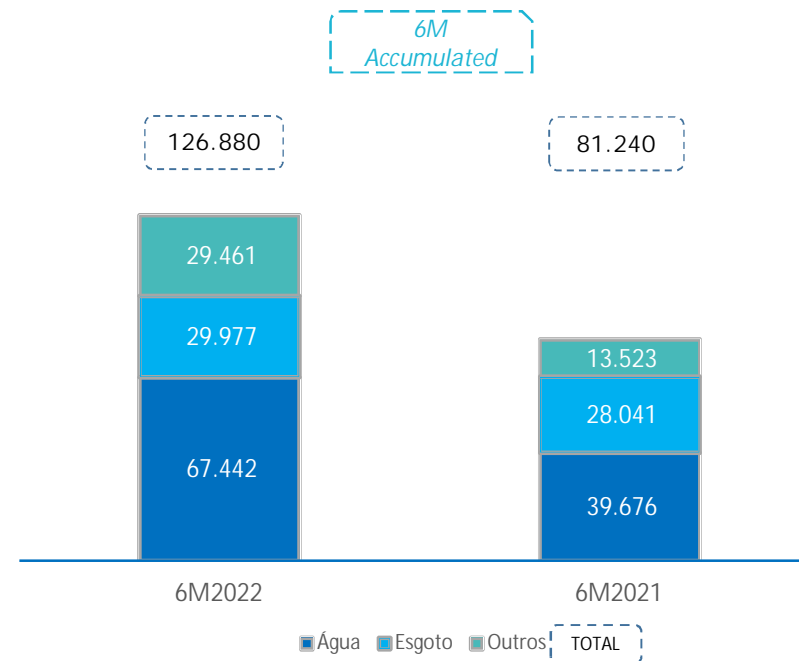
## 4. Investments

Investments made in 2Q2022 totaled **R\$ 82,528 thousand**, as shown in Graph 5. Of this amount, 64.89%% was invested in water supply systems, whereas 26.63%% was allocated to sewage collection and treatment systems and the remaining 8.48%% invested in operational improvement programs, business development, general purpose goods and others.

In relation to the same period of the prior year, there was an increase of **89.74%** in the 2Q2022, and in the 6M2022 accumulated analysis the increase was **56.18%**, reaching **R\$ 126,880 thousand**. This increase was due to the signature of new contracts and service orders initiated in 1Q2022.



Graph 5 - Volume of investments per system in 2Q2022



Graph 6 - Volume of investments per system in 6M2022

## 4. Investments

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### 4.1 Investments delivered in 2Q2022:

In this 2Q2022, the Company delivered four (4) expansion works of SAA and SES systems, namely:

- **Expansion of the Water Supply System in the city of Goiânia**, with the implementation of a metal water tank of 2000 m<sup>3</sup>, a supported water tank of concrete with 5000 m<sup>3</sup> and a high metal water tank with 200 m<sup>3</sup>. The population served with the improvement in the water supply is about **70 thousand** people. Invested amount: **R\$ 4.9 million**;
- **Expansion of the Sewage System in the city of Goiânia - Northwest Region - Districts of Jardim Nova Esperança, Jardim Petrópolis and Surrounding Districts** - Implementation of 132.2 km of Collection Networks and Trunk Sewers. The population counting with sewage services changed from 93.3% (ref March/2019) to **95.14%**, with the inclusion of **7,946 new connections**, benefiting **34,800 inhabitants**. Invested amount: **R\$ 16.1 million**;
- **Expansion of the Sewage System of Anicuns** - Implementation of 9.4 km of Collection Networks and Trunks. The population counting with sewage services changed from 47% to **53%**, with the inclusion of **634 new connections**, benefiting **1,524 inhabitants**. Invested amount: **R\$ 2.5 million**;
- **Implementation of Producing System Corumbá** It refers to the venture Consortium Corumbá - formed by SANEAGO and CAESB. The work performed by Saneago was: **12.7 km of raw water mains**, raw water lift station and substation and **34 km of transmission lines**. CAESB, on its turn, was responsible for the construction of 15.1 km of raw water mains, a water treatment station and substation and transmission line. The system aims the supply of the municipalities of Novo Gama, Cidade Ocidental, Valparaíso and Luziânia, and of parts of Distrito Federal. The amount invested in the context of the Consortium totals over R\$ 440 million, with approximately **R\$ 220 million** from each company (investment considering costs related to environmental issues, property title, projects, management and workforce for follow-up).

## 5. Financial Performance - Revenues

### 5.1 Revenues

In 2Q2022, the Company reported an increase of **13.53%** in revenue from Water and Sewage services.

This result mainly reflects the tariff adjustment of 8.85% as from 02/03/2022.

In the 6M2022 accumulated analysis, the variation was 12.11%.

Additionally, the increase in billed volume of water in the period of **2.73%** also stands out, that is, the increase in customers consumption mostly in public and commercial categories.

These numbers reflect the full resumption of business activities in 2022, as well as the return to in-person classes in public schools.



Table 6 – Revenues from Water and Sewage Supply Services

REVENUE FROM WATER AND SEWAGE SERVICES						
Revenue by type of service	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Residential water services	331,532	306,323	8.23%	637,717	592,036	7.72%
Social tariff	1,296	1,052	23.14%	2,353	2,044	15.13%
Commercial	46,100	36,984	24.65%	87,172	71,852	21.32%
Industrial	11,949	9,542	25.23%	21,967	18,216	20.59%
Public	24,801	18,497	34.08%	46,324	35,124	31.89%
Indirect services revenues	3,093	2,760	12.07%	5,970	5,495	8.64%
Minimum fixed rate	74,777	67,760	10.36%	147,354	135,383	8.84%
Social subvention	391	-	-	491	-	-
<b>Total water</b>	<b>493,939</b>	<b>442,918</b>	<b>11.52%</b>	<b>949,348</b>	<b>860,150</b>	<b>10.37%</b>
Residential sewage services	160,030	145,587	9.92%	310,157	284,186	9.14%
Social tariff	577	484	19.24%	1,071	944	13.41%
Commercial	35,353	28,547	23.84%	67,794	56,156	20.72%
Industrial	5,212	4,369	19.29%	9,968	8,563	16.40%
Public	16,095	11,967	34.50%	28,828	23,294	23.76%
Indirect services revenues	12,433	3,260	281.38%	22,800	5,964	282.29%
Minimum fixed rate	26,042	23,182	12.34%	51,103	46,175	10.67%
<b>Total sewage</b>	<b>255,742</b>	<b>217,396</b>	<b>17.64%</b>	<b>491,721</b>	<b>425,284</b>	<b>15.62%</b>
<b>Total gross revenue (water + sewage)</b>	<b>749,681</b>	<b>660,314</b>	<b>13.53%</b>	<b>1,441,069</b>	<b>1,285,434</b>	<b>12.11%</b>
Deductions	(70,144)	(61,768)	13.56%	(134,803)	(120,315)	12.04%
<b>Revenue from water and sewage</b>	<b>679,537</b>	<b>598,546</b>	<b>13.53%</b>	<b>1,306,267</b>	<b>1,165,119</b>	<b>12.11%</b>

## 6. Financial Performance - EBTIDA

### 6.1 EBITDA

The Company's EBITDA reached **R\$205,112** in 2Q2022 in comparison to R\$172,254 recorded in the same period of the previous year, totaling an increase of **19.08%** in relation to 2Q 2021.

In this 2Q2022, the main impact was the tariff adjustment of 8.85% effective as from February, in addition to the increase in the billed volume of water by **2.73%**.

Despite this increase, we highlight the rise in electric power costs, which increased by 26.44%, corresponding to about R\$ 14,792 thousand, due to the tariff adjustment of 14.21% in October 2021.

The EBITDA on net revenue in 2Q2022 was **30.06%** in comparison to 28.63% in the same period of the previous year.

In the 6M2022 accumulated analysis, this percentage reached **19.37%** in comparison with 18.91% in 6M2021, mainly affected by the dismissals occurred in the 1Q2022 through the PDV 2022, with estimated expenditures of R\$ 142,215.



Table 7 - Performance of Financial Income (Loss)

Performance of Financial Income (Loss)	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Total net revenue (+)	682,381	601,610	13.43%	1,311,958	1,170,941	12.04%
Personnel (-)	(280,090)	(262,237)	6.81%	(684,292)	(519,680)	31.68%
Materials (-)	(24,566)	(19,433)	26.41%	(45,927)	(40,582)	13.17%
Third parties (-)	(49,586)	(47,464)	4.47%	(101,477)	(101,918)	-0.43%
Electricity (-)	(70,747)	(55,955)	26.44%	(145,932)	(108,493)	34.51%
General (-)	(9,265)	(13,647)	-32.11%	(39,005)	(17,926)	117.59%
Concession-related compensation (-)	(24,575)	(18,343)	33.97%	(43,827)	(36,212)	21.03%
Tax expenses (-)	(4,367)	(7,479)	-41.61%	(11,185)	(13,200)	-15.27%
Provisions/ Reversals (-)	(15,293)	(9,212)	66.01%	12,702	(114,743)	-111.07%
Other revenues/ expenses (-)	1,221	4,415	-72.34%	1,099	3,180	-65.44%
Amortization/ Depreciation (-)	(29,211)	(29,665)	-1.53%	(57,746)	(59,392)	-2.77%
<b>Total costs and expenses (=)</b>	<b>(506,479)</b>	<b>(459,020)</b>	<b>10.34%</b>	<b>(1,115,590)</b>	<b>(1,008,966)</b>	<b>10.57%</b>
Financial income (loss) (-)	(4,209)	16,641	-125.29%	8,124	11,698	-30.55%
Current/Deferred Income and Social Contribution	(45,520)	(45,281)	0.53%	(55,066)	(49,873)	10.41%
<b>Net income (=)</b>	<b>126,173</b>	<b>113,949</b>	<b>10.73%</b>	<b>149,427</b>	<b>123,800</b>	<b>20.70%</b>
EBTIDA	205,112	172,254	19.08%	254,116	221,367	14.79%
EBTIDA Margin	30.06%	28.63%	4.98%	19.37%	18.91%	2.46%
Adjusted EBTIDA	223,413	181,466	23.12%	372,980	336,110	10.97%
Adjusted EBTIDA margin	32.74%	30.16%	8.54%	28.43%	28.70%	-0.96%

Table 7.1 EBTIDA Reconciliation

EBTIDA Reconciliation	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Net income	126,173	113,949	10.73%	149,427	123,800	20.70%
(-) Amortization/ Depreciation	(29,211)	(29,665)	-1.53%	(57,746)	(59,392)	-2.77%
(-) Financial income (loss) (-)	(4,209)	16,641	-125.29%	8,124	11,698	-30.55%
(-) Current/ Deferred IRPJ and CSLL (-)	(45,520)	(45,281)	0.53%	(55,066)	(49,873)	10.41%
<b>(=) EBTIDA</b>	<b>205,112</b>	<b>172,254</b>	<b>19.08%</b>	<b>254,116</b>	<b>221,367</b>	<b>14.79%</b>

## 6. Financial Performance - EBTIDA

### 6.1.1 Non-recurring items

In the months of February and March 2022, the Company carried out the termination of 443 employees who adhered the PDV of 2022. As provided for in Brazilian Securities and Exchange Commission Instruction (ICVM) No. 527, the Company classified the cost of indemnities, deducted of regular proceeds, as non-recurring items and removed their effects from the calculation of Adjusted EBITDA. From a total of R\$3,437 thousand, a non-recurring portion of R\$3,007 thousand referring to the health insurance benefit had not been recognized by the closing of the 1Q2022 and was recognized in the 2Q2022. In the 6M2022 accumulated analysis, the total value of non-recurring Expenses was R\$ 131,566.

### 6.2 Adjusted EBITDA

The adjusted EBITDA measured for 2Q2022, whose calculation does not take into account Provisions/Reversals/Losses and Credit Recovery not affecting cash, as described in table 8, resulted in an amount of **R\$223,413**, representing a reduction of 23.12% in comparison to the same period of the previous year. The main reason for this increase was the tariff adjustment of 8.85% in effect as from February, besides the increase in billed volume of water by **2.73%** and of sewage by **5.05%**.

In the accumulated analysis, there was an increase of **10.97%** reaching **R\$372,980**, considering the adjustment of R\$131,566 of non-recurring expenses of PDV 2022.

The ratio of Adjusted EBITDA on net revenue (adjusted EBITDA margin) in 2Q2022 was **32.74%** compared to 30.16% calculated in the same period of the previous year. In the accumulated analysis (6M2022), the percentage reached **28.43%**.

Table 8 - Adjusted EBITDA Reconciliation:

Reconciliation of Adjusted EBTIDA	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
EBTIDA (+)	205,112	172,254	19.08%	254,116	221,367	14.79%
Provisions/Reversals (+)	15,293	9,212	66.01%	12,702	114,743	-88.93%
Indemnities PDV 2022 - Non-	3,007	-	-	131,566	-	-
<b>Adjusted EBITDA</b>	<b>223,413</b>	<b>181,466</b>	<b>23.12%</b>	<b>372,980</b>	<b>336,110</b>	<b>10.97%</b>

### 6.3 Costs and expenses

**6.3.1 Personnel** – The expenses on personnel in 2Q2022 totaled R\$280,090 thousand, representing an increase of 6.81% compared to the same period in 2021. This increase was mainly due to the base date salary adjustment of the workers in June/2022, for compensation of inflation adjustments by 11.92%. Despite the adjustment of 11.92%, in view of the terminations occurred due to the PDV 2022, the increase in personnel expenses was lower than the adjustment granted. Additionally, we also point out the recognition of R\$3,007 thousand referring to the health insurance benefit to the employees who joined PDV 2022. Such amounts had not been recognized in the closing of the 1Q2022.

In the 6M2022 accumulated analysis, the increase was 31.68% due to the indemnities of PDV 2022, which reached R\$142,215. The Company hired 130 new employees in 2022 at the cost of R\$2,092 monthly, however, the amount is still in accordance with the monthly estimated savings of R\$10,769.

## 6. Financial Performance - EBTIDA

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**6.3.2 Electric power** – The cost of electric power totaled R\$70,745 in 2Q2022, presenting an increase of 26.44% compared to 2021. That change is a reflection of the electric power tariff adjustment in October 2021 at an average percentage of 14.21%. However, there is also the reflection of the relief referring to Decree No. 9.642/2018, which revoked a 15% discount granted on the electricity bills of the Company. This discount has been gradually eliminated in the months of October of each year and, in October 2021, there was the reduction of another 3% on the discount.

In the 6M2022 accumulated analysis, this variation reached 34.51%, being higher than in the 2Q2022, reflection of the 'red flag' price system started in 2021 and finished in mid-April 2022.

**6.3.3 Materials** – Expenses on materials had an increase of 26.41% in 2Q2022, totaling R\$24,566. The main reason for such increase was the expense on fuel that varied 43.74% at an amount higher by R\$1,867 thousand, in view of the changes in prices and adjustment of fuel in the country.

In the 6M2022 accumulated analysis, the variation was 13.17%.

**6.3.4 Third-party services** – Expenses on third-party services increased by 4.47% in 2Q2022. This change was mainly due to the increase in expenses on services of supply cut and reconnection of default customers by R\$1,649, given that in 2Q2021 such services were still being resumed after being suspended since 03/2020.

**6.3.5 General** – General expenses had a reduction of 32.11% in 2Q2022. The main change in this group was the reduction in indemnities paid to third parties, from R\$8,184 thousand in 2Q2021 to R\$2,126 thousand in the 2Q2022. In 2021, there was the payment of fine to the Public Prosecutors' Office of the state of Goiás (MPGO) referring to a legal proceeding in the amount of R\$6,825 million.

Nevertheless, in the 6M2022 accumulated analysis, there was an increase of 117.59%, mainly due to the payment of R\$15,942 from a labor claim questioning proceeds related to interval between work days.

**6.3.6 Contractual/Concession-related compensation** – The amounts paid to municipal governments arising from program and concession contracts in 2Q2022 had an increase of 33.97%. In addition to the impact in billings and collection, calculation basis of the compensation, result of the tariff adjustment of 8.85% in effect as from 02/03/2022, in the 2Q2022 there was also the payment of retroactive compensation to the municipalities of Porangatu, R\$2,590 thousand, and Jaraguá, R\$1,092 thousand.

**6.3.7 Tax**– In 2Q2022 this group had a reduction of 41.65%. The change was due to the change in Municipal Tax Code of Goiânia that revoked previous provisions of the municipality and did not established the form for calculation of the Regulation Fee of Goiânia, which should be charged in April, as in 2021. Thus, the Regulation Agency awaits the conclusion of the new legislation to rule the charges referred to.

In the 6M2022 accumulated analysis, the variation was 15.29%.

## 6. Financial Performance - EBTIDA

### 6.4 - Provision/Reversal/Losses/Recovery of barred credits:

According to the table above, an increase of over 60% was observed in the debt balance between reversals and provisions in 2Q2022 and a reduction of 111% in 6M2022. The main changes were:

- In 2022, the Company started to monthly recognize a provision for the amounts of the Profit Sharing Plan (PPR), affecting the 2Q2022 by R\$12,617 thousand. In the accumulated analysis, the value is a credit due to the reversal of the provision for PPR 2021, which was lower than expected;
- In 2022, the Company ceased to recognize estimated losses using the tax criterion and started to adopt an own methodology in order to align its estimates to the expected credit loss from customers, adjusting the calculations according to CPC 48 (IFRS 09). Thus, there was an increase in expected credit loss in the period of over 1000%. However, part of this balance is offset by the effective losses included in the Allowance for Doubtful Accounts.

Table 9 – Provisions/Reversals/Losses and Recovery of Credits

Reversals (-) Provisions Net	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Losses on barred credits	11,852	(14,419)	-182.20%	27,658	(29,737)	-193.01%
Provision for contingencies	7,247	7,912	-8.40%	25,811	(103,589)	-124.92%
Allowance for doubtful accounts	(21,190)	(1,619)	1208.83%	(46,964)	3,383	-1488.24%
Provision for losses on inventories	(585)	(1,086)	-46.13%	6,408	15,200	-57.84%
Provision for profit sharing	(12,617)	-	-	(211)	-	-
<b>Provisions/ Reversals/ Losses and Recovery of credits</b>	<b>(15,293)</b>	<b>(9,212)</b>	<b>66.01%</b>	<b>12,702</b>	<b>(114,743)</b>	<b>-111.07%</b>

### 6.5 - Net Financial Income (Loss):

The results of the 2Q2022 present a debt balance of R\$ 4,211. One of the main factors of this result was exchange rate gains (losses) which resulted in a credit balance of R\$ 11,821 in 2021. In view of the recent exchange rate fluctuations, a debt balance of R\$ 7,130 was reported. Additionally, we point out the increase in interest received, mainly from financial investments which, due to the increase in the Central Bank Overnight Rate (SELIC) in recent months, had a higher balance in comparison with 2021.

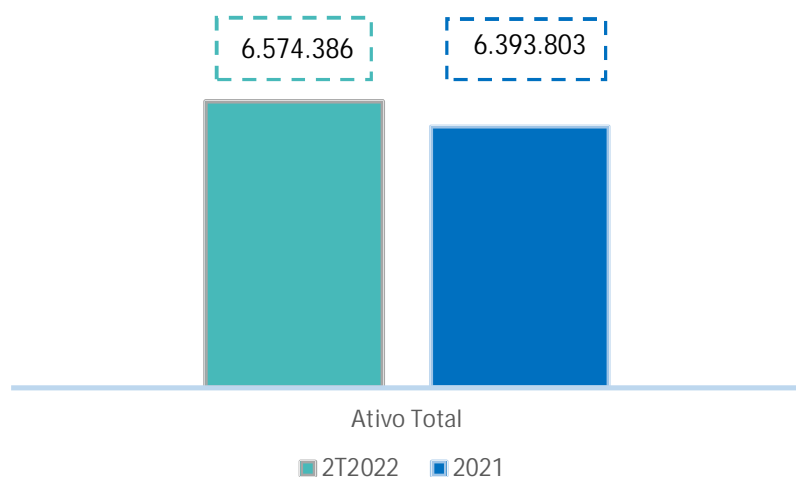
Table 10 – Net Financial Revenues and Expenses

Financial income (loss)	2Q2022	2Q2021	Var. %	6M2022	6M2021	Var. %
Interest/ Fines	30,827	19,797	55.72%	58,340	40,261	44.90%
Monetary adjustment	9,356	8,565	9.24%	18,947	16,259	16.53%
Discount to present value	759	(491)	-254.58%	1,320	(785)	-268.15%
<b>Total financial revenues</b>	<b>40,942</b>	<b>27,871</b>	<b>46.90%</b>	<b>78,607</b>	<b>55,734</b>	<b>41.04%</b>
Interest/ Charges and other expenses	(35,737)	(22,304)	60.23%	(72,893)	(45,686)	59.55%
Monetary adjustment	(2,283)	(747)	205.62%	(3,493)	(1,138)	206.94%
Exchange rate gains (losses)	(7,130)	11,821	-160.32%	5,903	2,788	111.73%
<b>Total financial expenses</b>	<b>(45,150)</b>	<b>(11,230)</b>	<b>302.05%</b>	<b>(70,483)</b>	<b>(44,036)</b>	<b>60.06%</b>

**6.6 Net income/ loss** – The Company reported R\$126,173 income in 2Q2022, an increase of 10.73% in comparison with 2Q2021. In the accumulated analysis, income reached R\$149,427 thousand, in comparison with R\$123,800 in 2021. The main reason for the rise was the increase in tariff by 8.85% as from 02/03/2022, and the increase in billed volume of water by 2.73% and of sewage by 5.06%, in the period. The Company reached such results even considering the terminations of PDV 2022, with total cost of R\$ 142.215.

## 7. Analysis and Discussion about the Structure of Assets

In the analysis below about the structure of the Company's assets, we tried to cover the accounts that we understand to be the most significant and justify the change in them in 2022 in comparison with the closing of the previous year.

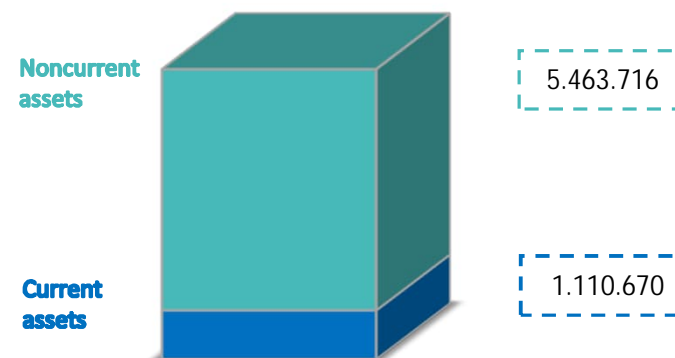


Graph 7 - Progression of Total Assets

In 2022, the main change in the structure of assets was in the group cash and cash equivalents, due to the disbursement of approximately R\$139,208 thousand for the dismissals of PDV 2022. Despite that, there was the redemption of FIDC (Receivables Investment Funds) subordinated shares in the amount of R\$ 40,123 thousand. Accordingly, there was a reduction in current liquidity, changed from 1.8767 at the closing of 2021 to 1.7201 at the closing of 2Q2022.

Additionally, there was a decrease in third-party capital by 90.47% at the closing of the year 2021 in comparison with 89.42% at the closing of 2Q2022.

### 7.1 Assets



Graph 8 - Structure of Assets 2Q2022

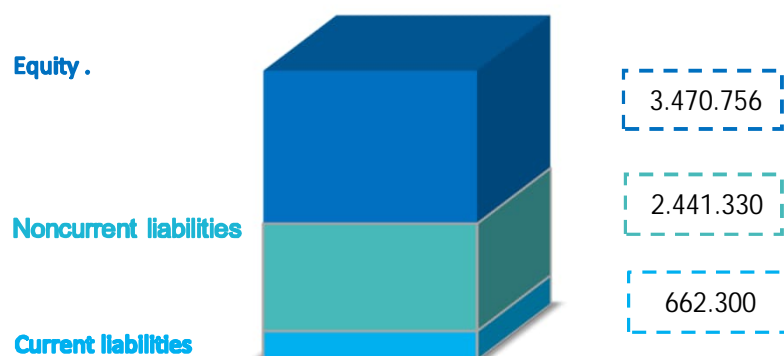
#### 7.1.1 Current assets

**7.1.1.1 Cash and cash equivalents** – Cash and cash equivalents and financial investments presented a reduction of R\$127,436, from cash and cash equivalents of approximately R\$569,228 at the closing of 2021 to R\$441,792 at the closing of 2Q2022. The main reason for the variation was the PDV 2022 in which 443 employees were terminated in February and March. The total cost of dismissals was R\$142,215 thousand. We also point out the redemption of FIDC subordinated shares in the amount of R\$40,123 thousand.



## 7. Analysis and Discussion about the Structure of Assets

### 7.2 Liabilities



Graph 9 - Breakdown of Liabilities - Equity - 2Q2022

#### 7.2.1 Current liabilities

**7.2.1.1 Debentures** – Debentures classified as current presented an increase of R\$ 37,448 as a result of the end of the grace period of the 8th issue; event that causes the transfer of the balance from noncurrent to current liabilities.

**7.2.1.2 Loans and financing** – The account of loans and financing was reduced by 23.97% in relation to the balance reported for the year ended December 31, 2021, due to amortization and payments made in the period.

**7.2.1.3 Dividends and Interest on Equity Capital Payable** – This caption had a reduction of 57%, reaching R\$35,489 in comparison with R\$83,709 in 2021. This reduction is the reflection of the payment to shareholders of dividends and interest on equity capital in the 2Q2022. Moreover, there is the monthly provision of interest on equity capital for the payment of dividends in 2023.

#### 7.2.2 Noncurrent liabilities

**7.2.2.1 Loans and financing** – The account of loans and financing was reduced by 9.67% in relation to the balance reported for the year ended December 31, 2021, due to amortization and payments made in the period.

**7.2.2.2 Debentures** – Debentures classified as noncurrent presented a reduction of R\$ 93,596 as a result of the end of the grace period of the 8th issue; event that causes the transfer of the balance from noncurrent to current liabilities.

**7.3 Equity** Equity, due to the income determined in the period, presented an increase of approximately R\$113,938, corresponding to a positive variation of 3.39%.

## 8. Sanitation Legal Framework – Law No. 14.026/2020 and Decree No. 10.710/2021

On July 15, 2020, Law No. 14.026/2020 was enacted amending Law No. 11.445/2007, of January 5, 2007, National Legal Framework on Basic Sanitation. Among the changes brought by the law, it established attributions to the National Water and Basic Sanitation Agency (ANA), which now defines regulatory guidelines on sanitation in Brazil. Rules on the regionalization of the services were also implemented, as well as the definition of targets of universalization of the services at 99% for water supply and 90% for sewage services until 2033. The contracts that do not include these targets shall be amended until March 31, 2022. Moreover, the state service providers shall prove their economic and financial capacity to meet the contract obligations, according to the methodology defined in Decree No. 10.710, of May 31, 2021, ruling article 10-B of Law No. 11.445/2007.

For the validation and certification of the 1st phase of proof of economic and financial capacity required by the decree, the Company contracted BDO RCS Auditores, which issued a report on the calculations carried out by the Company regarding minimum compliance with the established indexes, as shown in the following table:

Description	Target	2016	2017	2018	2019	2020	Median
Net Margin Index <sup>1</sup>	> 0	0.15	0.21	0.15	0.16	0.17	0.16
Indebtedness Level Index <sup>2</sup>	< 1	0.51	0.44	0.45	0.49	0.47	0.47
Index of Return on Equity <sup>3</sup>	> 0	0.04	0.10	0.04	0.10	0.11	0.10
Cash Sufficiency Index <sup>4</sup>	> 1	1.04	1.09	1.06	1.06	1.07	1.06

Regarding the 2nd phase, it consists of preparing feasibility studies and a fundraising plan to demonstrate the Company's capacity to make the necessary investments for the universalization of services. For this purpose, the Company contracted Consultoria EY (Ernst & Young Advisory Services) in order to comply with the requirements established by Federal Decree No. 10.710 of May 31, 2021. The work was concluded on December 16, 2021, and Consultoria EY attested that the Company complies with the requirements of adequacy for the base date of 12/31/2020, which demonstrates that the Company meets the minimum reference financial and economic indexes. It also showed that the present net value of global cash flows from regular contracts is higher than zero and that the fundraising plan of the Company is compatible with its feasibility studies, as per Decree No. 10.710, of May 31, 2021, which establishes the methodology for proving the financial and economic capacity of providers of public services of water supply or sewage, as set forth in the new Legal Framework on Basic Sanitation (Law No. 14.026/2021). Later, on March 24, 2022, the Regulatory Agencies of Goiás (AGR) and Goiânia (AR) approved the statement of financial and economic capacity of Saneago in compliance with Decree No. 10.710/2021.

**Net Margin without depreciation and amortization<sup>1</sup>:** economic and financial index calculated through the division of net income without depreciation and amortization by operating income; debt and tax expenses;

**Indebtedness Level<sup>2</sup>:** economic and financial index calculated from the sum of current liabilities and noncurrent liabilities, divided by total assets;

**Return on Equity<sup>3</sup>:** economic and financial index calculated through the division of net income by equity; and

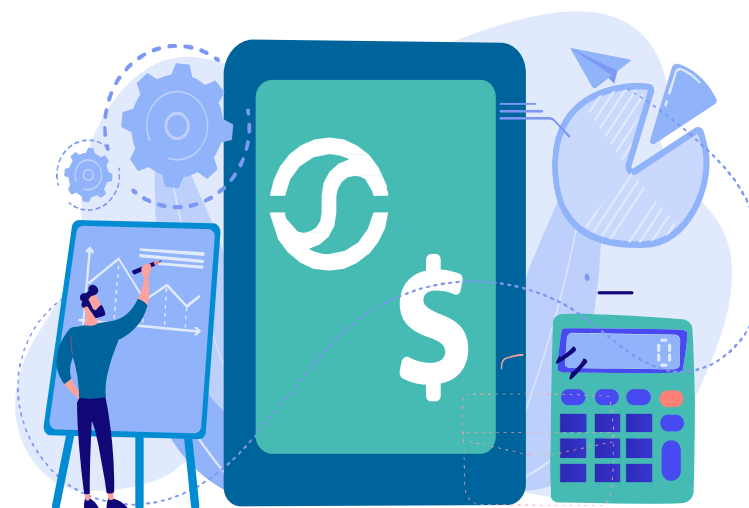
**Cash Sufficiency<sup>4</sup>:** economic and financial index calculated through the division of total collection by the sum of operating expenses, expenses on interest, charges, debt amortization and tax expenses.

## 8. Sanitation Legal Framework – Law No. 14.026/2020 and Decree No. 10.710/2021

In relation to the regionalization brought by the new law, the state had the obligation to promote the regionalization of the basic sanitation services rendering, including the 246 municipalities, until the limit date of July 15, 2021, or such definition would be done by the Federal Government.

By means of the State Department of Sustainability and Environment (SEMAD), public hearings were conducted on July 12 and 13, in the cities of Anápolis and Goiânia, for presenting the proposal of regionalization of the services of basic sanitation to the state of Goiás. The Bill (PLC) under discussion establishes micro-regions of basic sanitation in Center-West and Center-East of the state and their respective governance structures. The regionalization process was filed by the state of Goiás with the State Legislature on July 15, 2021, and will be object of discussion by the state representatives.

Thus, the Company has been adapting its structure to this new scenario. Among the measures taken for this adaptation, we highlight (i) the creation of a specialized unit to coordinate processes related to participation in biddings and compliance with its related obligations more efficiently; (ii) amendment of contracts to adapt them to the targets established by the new law; and (iii) reform of its creation law (State Law No. 6.680/1967) to guarantee new business arrangements and increase its efficiency and competitive capacity, as well as establishment of partnerships and incorporation of special purpose entities, subsidiaries of local level and funds.



## 9. Corporate Governance

Since 2019, a Sectorial Committee on Compliance and Governance has been created and since then fostering and monitoring the development of best management practices with the support of the Governance Superintendence. The Committee holds regular monthly meetings and, exceptionally, whenever necessary. It is for consultation purposes and for matters related to the Public Compliance Program of the State of Goiás, in order to guarantee the implementation of the axes described in State Decree No. 9.406/2019, which are:

- I. structuring rules and instruments referring to ethic and conduct standards;
- II. fostering transparency;
- III. Accountability;
- IV. Risk Management.

The Public Compliance Program consists in a group of actions intended to guarantee management acts to be in compliance with ethical and legal standards, promote transparency and denunciation and fight corruption by means of accountability of public agents and companies involved in misconduct.

Saneago, once committed to good administrative practices, has obtained deserved recognition from the trustees of the Public Compliance Program, as follows:

In 2021, Saneago won 2nd place in the Award "Goiás Mais Transparente" In addition to this trophy, Saneago was mentioned in other categories, such as: Innovation in Public Transparency, for the project "Graphs - facilitating data reading"; Top Civil Servant Award in Risk Management, for the superintendent of Logistics of the Company.

The Company has as main instrument the Code of Conduct and Integrity, duly implemented and submitted to half-yearly revisions; the last occurred on May 12, 2022.

In addition to the Code of Conduct and Integrity, the Company also has other mechanisms governing integrity approved by the Board of Directors and available at the RI website, as follows:

- Policy on Approval Levels and Limits, updated on 10/14/2021;
- Policy on Compliance, updated on 12/16/2021;
- Policy on Risk Management, updated on 10/14/2021;
- Policy on Corruption Prevention, updated on 12/16/2021;
- Policy on Conflict of Interests, updated on 10/21/2021;
- Policy on Non-Retaliation, updated on 09/24/2020;
- Policy on Prevention of Nepotism, updated on 06/10/2021;
- Policy on Related-party Transactions, updated on 05/12/2022;
- Policy on Sponsorship, updated on 10/15/2020;
- Policy on Information Security, updated on 03/26/2020.



The Company also informs that its Code of Conduct and Integrity and the other policies referred to above were prepared in compliance with the guidelines provided for in Law No. 13.303/2016, New Market Regulations, references used by the Comptroller General's Office ("CGU") and best practices recommended by the Brazilian Code on Corporate Governance, and following the parameters established by State Decree No. 9.406/19, which set up the Public Compliance Program of the State of Goiás and approved by Saneago's Board of Directors.

## 10. Water Security

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### 10.1 Water situation

The state of Goiás has faced two months with no rain, increase in temperatures, low levels of relative humidity, which, in addition to other factors, has contributed to cause some sources of water supply to be on attention/alert status.

Most supply basins are human altered areas, with environmental problems that may affect the local hydrological cycle.



Among the environmental problems mentioned, we point out: lack of riparian forest in some areas, erosion, silting, destruction of springs, deforestation, sand extraction, occupation of permanent protection areas, deviation of affluents and dams with no bottom outlet, advance of urban growing, soil sealing, etc.

### 10.2 Measures and actions to face water supply issues

In order to promote the improvement of the conditions of water supply basins, Saneago has developed and implemented an Integrated Plan on Water Crisis, with decisive strategies and actions:

- Program for reduction in losses Saneago is reference in Brazil, with loss rates lower than the country's average, especially in Goiânia, where the loss rate is 18%, while the national average is 40%.

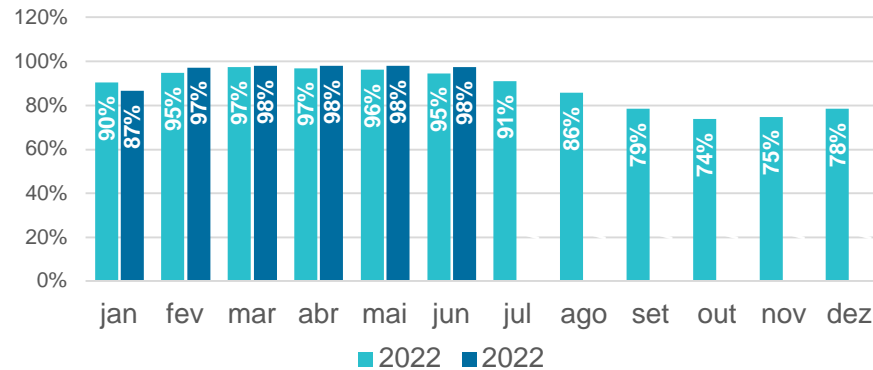
- Monitoring of water sources of interest of Saneago with implementation and expansion of Saneago's Hydrological Monitoring Network, counting with over 75 monitoring stations throughout the state. Among these, 20 are telemetric; part of the systems of Goiânia, Anápolis and Rio Verde presented to the population through Saneago's Monitoring Portal/ Status Room;
- Partnerships in programs of environmental recovery and conservation of supply basins, such as "Ser Natureza", a partnership with the Public Prosecutor's Office. These programs have implemented the recovery of water springs and Permanent Protection Areas (APPs) with the use of techniques of field curves, containment basins and road conservation;
- Preparation of Rationing Plans in which supply rotation/ rationing is the last item. The focus is mainly on the dissemination of information and awareness of the population and other users on the rational use of water to face drought periods, by means of marketing and communication actions planned in campaigns on social media, radio and TV.

The purpose of all these actions is to cooperate with the improvement of environmental conditions of supply basins and bring water security to the systems operated by Saneago, in addition to support the management of water resources and governance in Goiás.

# 10. Water security

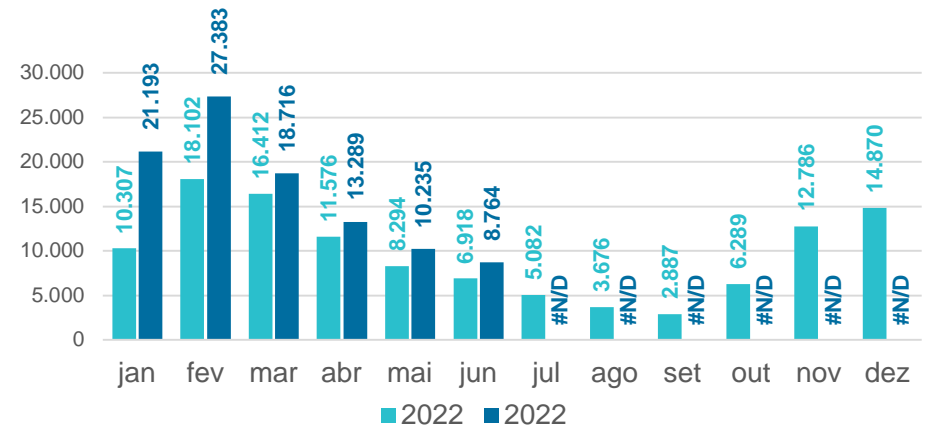
## 10.3 Situation of the Main Systems of the Metropolitan Area

System "Meia Ponte"



- Treatment capacity of 2.5 m<sup>3</sup>/s water/sec;
- Concession 2.0 m<sup>3</sup>/s (water/sec drought)
- Water collection by High Dam (Superficial)
- Connection water main with output capacity, by gravity, of 800 liters/sec from Mauro Borges System.

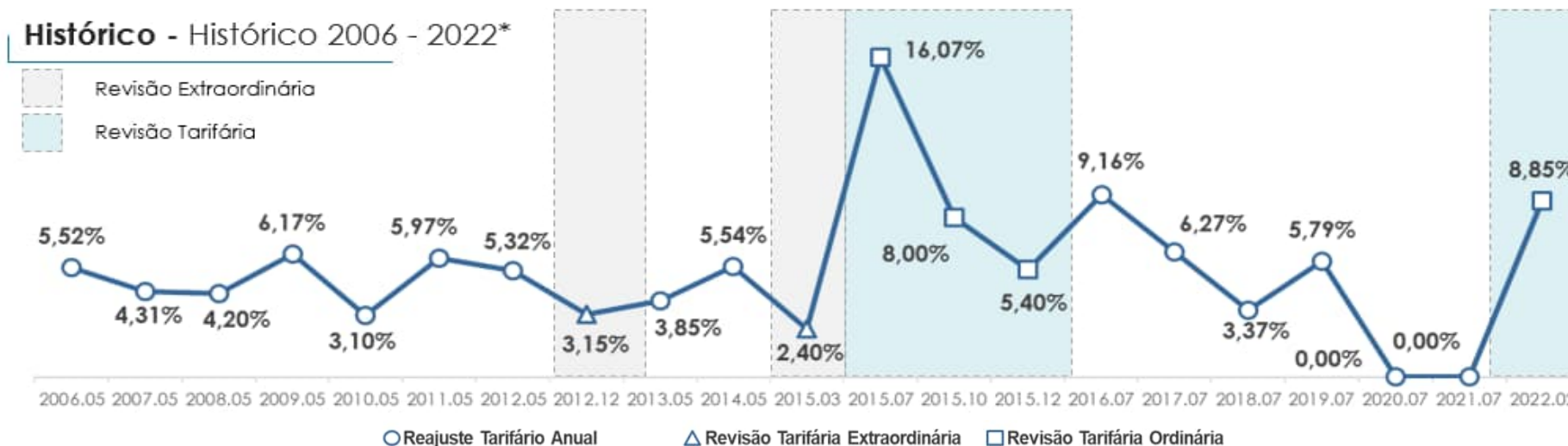
System "Mauro Borges"



- Storage capacity of 129 million m<sup>3</sup> of water;
- Concession 6.6 m<sup>3</sup> water/sec
- Treatment capacity of 4.0 m<sup>3</sup> water/sec;
- Little variation in reservoir levels;
- 1,040 hectares of area;

## 11. Regulatory Environment

Saneago is regulated by the National Water and Basic Sanitation Agency (ANA), a federal agency, and by four independent agencies: a state agency, Control and Inspection Council of Public Services of the city of Goiânia (AGR), and three municipal agencies, Goiânia Regulatory Agency (AGR), created by the municipal government of Goiânia in 2016, Municipal Agency of Regulation of Water and Sewage Services (AMAE), established by the Municipal Government of Rio Verde in 2018, and Regulatory Agency of the Municipality of Anápolis (ARM), created in 2021, by means of Municipal Law No. 4.115/2021, with the purpose of regulating, monitoring and controlling public services granted by concession in the Municipality of Anápolis.



The year of 2021 was marked by the conclusion of the process of tariff adjustment and approval, by regulatory agencies, of a new methodology for tariff calculation, which allows the recovery of SANEAGO's costs previous to the revision and of future costs with the operation of the systems and amortization of investments made.

Such revision required the survey and final definition of the Regulatory Assets Base (BAR) of the Company, conducted by a consulting firm hired by means of a bidding procedure. The conclusion on the work of final definition and certification of the BAR occurred by means of Joint Technical Notice No. 10/2021-AGR-AR in September 2021.

In December 2021, the members of the Regulating Agencies of the state of Goiás and of the municipality of Goiânia (AGR and AR) approved Joint Technical Notice No. 12/2021 – AGR/AR, determining the index of tariff adjustment at 8.854%, resulting from the tariff revision as from 02/03/2022.

## 12. Ownership Interest

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In 2Q2022, the Company's major shareholder is the State of Goiás, which holds 67.22% of the Company's total shares.

Table 11 - Ownership interest

SHAREHOLDERS	Common shares		Preferred shares		Total shares	
	Quantity	%	Quantity	%	Quantity	%
State of Goiás	1,336,135,806	72	354,992,364	55	1,691,128,170	67
GoiásPrev	488,016,887	26	122,637,514	19	610,654,401	24
Goiás Parcerias	42,749,681	2	170,998,719	26	213,748,400	8
Others	4,000	0	11,396	0	15,396	0

In the 2Q2022, the Company made the payment of dividends and Interest on equity capital to shareholders amounting to R\$ 83,709 thousand related to income (loss) for 2021.



## 13. Risk Rating

On March 04, 2022, the firm *Fitch Ratings* announced the Long-Term National Rating of Saneamento de Goiás S.A. (“Corporate”) and of its bonds to stable “A+(bra)”.

In relation to the Receivables Investment Fund of Saneamento de Goiás S.A. - Saneago Infraestrutura IV (“FIDC IV”), on February 16, 2022, *Fitch Ratings* confirmed its rating as stable “AAAsf(bra)”.

The FIDC assessment reflects its perspective of reaching a *Corporate Rating* and takes into account the operation’s performance.

According to Fitch, Saneago’s credit profile is “benefited from the low risk of businesses of the Brazilian sector of basic sanitation, whose demand is relatively resilient in adverse macroeconomic scenarios.

The Company should maintain a conservative financial leverage, despite the expectation of significant increase in investments required to meet the targets established by the new legal framework of the sector.

On October 28, 2021, Moody’s assigned a (CFR) AA+.br *Corporate Rating* to Saneago, with a stable outlook.

On June 08, 2022, the firm assigned rating 'AA+.br' to the proposal for 10th Issue of Debentures of Saneago, in line with its *Corporate Rating*.

According to Moody's, the Company’s *rating* reflects its resilient demand, with stable and predictable cash flow generation, the growth opportunity of its concession area and the long remaining period of most of its contracts.

The *rating* also takes into account the Company’s strong credit metrics and the adequate level of its reservoirs, despite the country's water crisis.

The complete list of ratings is provided in Table 12.

Table 12. Company's *Ratings* and issues - Saneago S.A.

Agency	Rating	Scale	Outlook	Date
Fitch	Corporate and Debenture Issuance (4th, 5th, 6th, 8th and 9th)	A+(bra)	Stable	3/4/2022
	FIDC IV	AAAsf(bra)	Stable	2/16/2022
Moody's	Corporate	AA+.br	Stable	10/28/2021
	10th Debenture issuance	AA+.br	Stable	6/8/2022

## 14. Environmental, Social and Governance Initiative (ESG)

Considering the growing market concern for best corporate environmental, social and governance practices (also known as Environmental, Social and Governance - ESG), on November 27, 2020, an executive committee was organized, which is responsible for the strategies, guidelines and other sustainability matters of the Company.

The adoption of ESG practices is in alignment with the Sustainable Development Goals defined by the United Nations (UN) and demonstrates the concern of the Company's Management in generating value through sustainable development. Thus, the Company has been working to reduce the environmental impacts of its main activities and developing social-environmental and governance projects to promote public health and well-being of people, among other actions aiming to maintain its processes, aspects and impacts under control and being characterized as a sustainable Company.

Aiming to reinforce its commitment to the subject, which is a value at the Company, various actions have been put in place to strengthen communications and assure the evolution of ESG standards in and out of Saneago.

Among the actions and initiatives adopted, we highlight:

- Creation of a Sustainability Committee;
- Creation of the Committee for Women-Related and Diversity Matters;
- Approval of a Sustainability Policy;
- Review of bottlenecks at the Company that lead to recurrent court actions as a result of a lack of concern to ESG practices;
- Publication of the Sustainability Report according to the Global Reporting Initiative - GRI methodology;
- Gathering of information and identification of ESG-related risks at the Company, in alignment with the Company's Strategic Planning;
- Inclusion of indicators to measure the impacts of the Company and analyze its performance in relation to the Sustainable Development Goals (SDGs);
- Issue of Inventory of Greenhouse Gas Emissions (GHG)
- Inclusion of a Sustainability section on the Investor Relations website.
- Joining the Energy and Water Resilience Coalition and the Movement +Water of UN Global Compact;

On June 14, 2022, the Company received the Certification of "Empresa Amiga da Família" (SEAF) (Family Supportive Company) - 2021/2022 edition, promoted by the Ministry of Woman, Family and Human Rights (MMFDH).

The certification is intended to develop actions that promote the balance between family and professional responsibilities, promoting the well-being of the workers and their families and, consequently, increasing productivity of organizations and social and economic development.

Saneago is increasingly more prepared to meet market demands, confirming its goal of contributing for a sustainable economy, prioritizing the prosperity of environment and the creation of value shared with investors, employees, business partners and society.



## 15. Effects of the Coronavirus (COVID-19) Pandemic

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In view of the pandemic declared by the World Health Organization (“WHO”), related to the new Coronavirus (COVID-19), which has been affecting Brazil and several other countries bringing risks to public health and impacts to the world economy, the Company informs that all preventive measures have been put in place to mitigate risks according to guidelines established by local authorities. Such measures, aim to minimize possible effects to the health of employees, their families, partners and community, in addition to focusing the management of its business in keeping the financial liquidity of the Company and continuity of the operations necessary to face the crisis.

Thus, with the purpose of assuring better services and minimizing the impacts of the COVID-19 pandemic to people, the Company suspended water supply cuts of customers in default from March 19, 2020, and resumed on January 04, 2021, except for consumers of the residential social tariff category. On April 09, 2021, the suspension of supply cuts was extended to the other categories considered vulnerable, representing approximately 5.2% of billings. These correspond to the categories: i) Residential social; ii) Residential subgroups 1 and 65 (rustic houses of up to 60 m<sup>2</sup> and residential properties with small businesses) and; iii) Commercial 2 – small businesses of low consumption.

Currently, the supply cut is effective for all categories.

Thus, to date, the Company has had no material impact on its operations and settlement of rights and obligations due to COVID-19. However, considering that, like all companies, Saneago is exposed to risks arising from any legal and market restrictions that may be imposed, it is not possible to ensure that there will be no impacts on operations or that the future results will not be affected by effects that the pandemic may produce.

Management



Saneamento de Goiás S. A  
August 2022

## INDEPENDENT AUDITOR'S REPORT ON THE INTERIM FINANCIAL INFORMATION

To the shareholders, Directors and Managers of  
Saneamento de Goiás S.A - Saneago  
Goiânia - GO

### Introduction

We have reviewed the interim financial information of Saneamento de Goiás S.A. (the "Company"), included in the Quarterly Information for the quarter ended June 30, 2022, which comprises the interim statements of financial position as at June 30, 2022, and the respective interim statements of income and comprehensive income for the three- and six-month periods then ended, and of the interim changes in equity and cash flows for the six-month period then ended, as well as the corresponding notes.

The Company's Management is responsible for the preparation of this interim financial information in accordance with NBC TG 21 (R4) and International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of this information in conformity with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to Quarterly Information. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of the review

We have conducted our work as determined in Brazilian and international standards for the review of interim information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim information consists mainly of applying analytical and other review procedures, making enquiries and having discussions with people responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

### Conclusion about the interim financial information

Based on our review, we are not aware of any fact that leads us to believe that the interim financial information included in the quarterly information referred to above have not been prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34 applicable to Quarterly Information - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

### Emphasis

#### Virtual storeroom

We draw attention to Note 42, which discloses the events, measures and internal procedures taken by the Company's Management as a result of news published in a newspaper in January 2022, concerning the "Virtual Storeroom" agreement. Such actions, approved by members of the Company's internal governance, include the hiring, yet to occur, of an independent firm to carry out an internal investigation of alleged non-compliance with the agreement entered into for development and management of said virtual storeroom. Our opinion is not modified in respect of this matter.



## Other matters

### Interim statements of value added (DVA) - Supplementary information


The statements referred to above include an interim statement of value added for the six-month period ended June 30, 2022, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of IAS 34. These statements were submitted to review procedures executed with the review of the interim financial information, with the purpose of concluding whether they are reconciled with the interim financial information and accounting records, as applicable, and whether its form and contents meet the criteria defined in NBC TG 09 - Statement of Value Added. Based on our review, we are not aware of any fact that would lead us to believe that these interim statements of value added were not prepared, in all material respects, in accordance with the criteria established in that technical pronouncement and consistently with the interim financial information taken as a whole.

The accompanying financial information has been translated into English for the convenience of readers outside Brazil.

Goiânia, August 11, 2022.



BDO RCS Auditores Independentes SS  
CRC2GO001837/F-4

  
Eduardo Affonso de Vasconcelos  
Accountant CRC 1 SP 166001/O-3-S-GO



STATEMENTS OF FINANCIAL POSITION  
(In thousands of Brazilian Reais)

	Note	06/30/2022	12/31/2021		Note	06/30/2022	12/31/2021
<b>Assets</b>				<b>Liabilities</b>			
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	4	23,825	138,808	Trade accounts payable	-	133,049	129,261
Financial investments	5	417,967	430,420	Loans and financing	21.a	33,647	44,252
Marketable securities	6	868	3,360	Debentures	21.b	159,259	121,811
Receivables from consumers	7	515,674	470,243	Leases	21.d	10,416	18,768
Inventories	8	78,067	54,624	Labor liabilities	22	154,541	118,353
Recoverable taxes	9	15,542	8,030	Provision for profit sharing - Employees	34	35,457	35,246
Prepaid expenses and advances	10	44,793	30,025	Tax liabilities	23	42,655	42,496
Outsourcing	11	3,767	10,715	Installments	24	1,959	909
Other accounts receivable	12	10,164	9,699	Contractual obligations	25	-	10,146
Noncurrent assets held for sale	13	3	3	Consortiums	26	216	-
		<u>1,110,670</u>	<u>1,155,927</u>	Contractual advances	27	2,489	831
				Other accounts payable	28	52,798	13,392
				Outsourcing	11	325	6,386
				Subventions	20.2	-	467
				Dividends and interest on equity capital payable	31.f	35,489	83,709
						<u>662,300</u>	<u>626,027</u>
<b>Noncurrent assets</b>				<b>Noncurrent liabilities</b>			
Marketable securities	6	13,092	11,567	Loans and financing	21.a	165,869	183,626
Receivables from consumers	7	28,877	29,177	Debentures	21.b	511,724	605,320
Prepaid expenses	10	235,728	185,905	Leases	21.d	-	967
Outsourcing	11	1,255,830	1,111,322	Labor liabilities	22	1,432	-
Court deposits	14	20,065	18,491	Tax liabilities	23	35,076	31,666
Other accounts receivable	12	19	42	Installments	24	15,284	14,028
Deferred taxes	15.2	24,146	42,464	Contractual obligations	25	10,146	-
Subventions receivable	20.3	15,852	-	Consortiums	26	-	2,144
		<u>1,593,609</u>	<u>1,398,968</u>	Contractual advance	27	9,748	-
				Provision for lawsuits	29	207,345	233,157
				Outsourcing	11	1,255,830	1,111,322
				Subventions	20.1	207,487	207,339
				Actuarial obligations	30	21,389	21,389
						<u>2,441,330</u>	<u>2,410,958</u>
<b>Investments</b>				<b>Equity</b>			
Fixed assets	16	-	9	Capital stock	31.a	2,515,546	2,515,546
Contractual assets	17	351,357	350,160	Legal reserve	31.c	58,460	58,460
Intangible assets	18	675,173	680,900	Investment reserve	31.d	763,613	763,613
	19	2,843,577	2,807,839	Asset and liability valuation adjustment	31.e	33,314	33,315
		<u>3,870,107</u>	<u>3,838,908</u>	Retained earnings		113,939	-
				Other comprehensive income (loss)		(14,116)	(14,116)
						<u>3,470,756</u>	<u>3,356,818</u>
<b>Total assets</b>		<u><u>6,574,386</u></u>	<u><u>6,393,803</u></u>	<b>Total liabilities</b>		<u><u>6,574,386</u></u>	<u><u>6,393,803</u></u>

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

STATEMENTS OF INCOME  
(In thousands of Brazilian reais)

	Note	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
<b>Net revenue</b>					
Revenue from water and sewage services		679,537	1,306,267	598,546	1,165,119
Construction work revenue		68,484	92,721	24,226	46,745
Revenue from technical services		568	1,141	789	1,272
Outsourcing grant		2,275	4,550	2,275	4,550
	32	<u>750,864</u>	<u>1,404,679</u>	<u>625,836</u>	<u>1,217,686</u>
<b>Costs</b>					
Cost of services	33	(313,833)	(675,449)	(269,553)	(545,083)
Construction work costs	33	(68,484)	(92,721)	(24,226)	(46,745)
	33	<u>(382,317)</u>	<u>(768,170)</u>	<u>(293,779)</u>	<u>(591,828)</u>
Gross income		368,547	636,509	332,057	625,858
Administrative expenses	33	(95,198)	(269,440)	(108,856)	(205,394)
Selling expenses	33	(79,008)	(173,316)	(68,336)	(133,726)
Tax expenses		(4,367)	(11,184)	(7,479)	(13,200)
Provisions/reversals - Losses/recovery of receivables	34	(15,293)	12,702	(9,213)	(114,743)
Other operating revenues/expenses		1,221	1,099	4,416	3,180
		<u>(192,645)</u>	<u>(440,139)</u>	<u>(189,468)</u>	<u>(463,883)</u>
Income before financial income (losses)		<u>175,902</u>	<u>196,370</u>	<u>142,589</u>	<u>161,975</u>
Net financial income (losses)	35	<u>(4,209)</u>	<u>8,124</u>	<u>16,641</u>	<u>11,698</u>
Income before Taxes on Income		<u>171,693</u>	<u>204,494</u>	<u>159,230</u>	<u>173,673</u>
Current income and social contribution taxes		(36,748)	(36,748)	(25,299)	(42,683)
Deferred income and social contribution taxes	15.2	(8,772)	(18,319)	(19,982)	(7,190)
Net income for the year		<u>126,173</u>	<u>149,427</u>	<u>113,949</u>	<u>123,800</u>
Earnings per share	31.g	0.05016	0.05940	0.04530	0.04921

*The accompanying notes are an integral part of the interim financial information.*



STATEMENTS OF COMPREHENSIVE INCOME  
(In thousands of Brazilian reais)

	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	01/04/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Net income for the year				
Net income for the year	126,173	149,427	113,949	123,800
Other comprehensive income				
Realization of deemed cost, net of deferred taxes	-	1	1	4
Comprehensive income for the year	<u>126,173</u>	<u>149,428</u>	<u>113,950</u>	<u>123,804</u>

*The accompanying notes are an integral part of the interim financial information.*

STATEMENTS OF CHANGES IN EQUITY  
(In thousands of Brazilian reais)

	Capital stock	Statutory reserve	Investment reserve	Asset and liability valuation adjustment	Other comprehensive income	Retained earnings/ accumulated losses	Total equity
Balances as at January 01, 2021	2,515,546	24,020	272,836	33,319	(85,061)	-	2,760,660
Net income for the period	-	-	-	-	-	123,800	123,800
Interest on equity capital	-	-	-	-	-	(29,403)	(29,403)
Realization of deemed cost	-	-	-	(4)	-	4	-
Balances as at June 30, 2021	2,515,546	24,020	272,836	33,315	(85,061)	94,401	2,855,057
Balances as at January 01, 2022	2,515,546	58,460	763,613	33,315	(14,116)	-	3,356,818
Net income for the period	-	-	-	-	-	149,427	149,427
Interest on equity capital	-	-	-	-	-	(35,489)	(35,489)
Realization of deemed cost	-	-	-	(1)	-	1	-
Balances as at June 30, 2022	2,515,546	58,460	763,613	33,314	(14,116)	113,939	3,470,756

*The accompanying notes are an integral part of the interim financial information.*

STATEMENTS OF CASH FLOWS  
(In thousands of Brazilian reais)

	Note	<u>06/30/2022</u>	<u>06/30/2021</u>
Net cash from operating activities		<u>221,979</u>	<u>335,074</u>
Cash from operations		<u>300,232</u>	<u>319,452</u>
Net income for the period		<u>149,427</u>	<u>123,800</u>
Adjustments to reconcile net income			
Depreciation and amortization	33	68,252	66,386
Write-off of investments in Fixed and Intangible Assets/Inventory adjustment		892	921
Subvention Adjustments - PAC		(1,586)	-
Discount to Present Value - Receivables	35	(1,320)	785
Deferred income and social contribution taxes	15.2	18,319	7,191
Charges on Loans, Financing and Leases	21.c	52,591	35,599
Capitalized interest	21.c	(70)	(112)
State Subventions	20.2	(491)	-
Return from Financial Investments	6	(591)	(125)
Monetary Adjustment - Sale of Noncurrent Assets	12	(147)	-
Provisions/Reversals	34	14,956	85,007
Changes in assets and liabilities		<u>(114,420)</u>	<u>6,775</u>
Receivables from consumers	40	(90,776)	(17,994)
Recoverable taxes	40	(5,865)	(537)
Inventories	40	(13,137)	13,461
Prepaid expenses and advances to employees		(64,591)	(2,605)
Court deposits	14	(1,574)	(6,130)
Trade accounts payable	-	3,788	(17,814)
Consortiums	40	3,070	157
Labor liabilities	22	37,620	38,394
Tax Liabilities	40	2,446	130
Installments	24	2,306	(4,047)
Contractual obligations	25	-	-
Outsourcing		887	4,757
Contractual advances	27	11,406	(997)
Others		<u>36,167</u>	<u>8,847</u>
Other accounts receivable	40	(3,534)	(1,245)
Other accounts payable	40	39,701	10,092
Net cash from investing activities		<u>(118,937)</u>	<u>(86,495)</u>
Purchase of Fixed Assets	17.1	(20,318)	(5,089)
Contractual assets	40	(52,050)	(21,895)
Purchase of Intangible Assets	19	(56,090)	(54,145)
Marketable Securities		1,558	(2,805)
Financial Investments/(Returns)		12,453	-
Purchase of inventories for construction work		(8,056)	(2,561)
Receipt from Disposal of Fixed Assets		3,557	-
Sale of Investments in shares	16	9	-
Net Cash from Financing Activities		<u>(218,025)</u>	<u>(228,707)</u>
Financing/Loans Raised	21.c	-	134
Amortization of Loans and Financing	21.c	(124,676)	(129,490)
Payment of Finance Charges on Raising of funds	21.c	(57,280)	(33,070)
Redemption of Marketable Securities	21.c	44,999	-
Leases	21.c	(9,465)	(8,163)
Subventions		10,982	21,766
Payment of interest on equity capital		(82,585)	(79,884)
Net increase/(decrease) in cash and cash equivalents		<u>(114,983)</u>	<u>19,872</u>
Cash and cash equivalents at beginning of year	4	138,808	168,144
Cash and cash equivalents at end of year	4	23,825	188,016

*The accompanying notes are an integral part of the interim financial information.*

STATEMENTS OF VALUE ADDED

(In thousands of Brazilian reais)

	Note	06/30/2022	06/30/2021
Revenues			
Sales of goods, products and services		1,440,171	1,284,636
Revenue from construction work	32	92,721	46,745
Recognition/reversal of allowance for doubtful accounts	34	(46,964)	3,383
Expiration/recovery of credit	34	27,658	(29,737)
Outsourcing grant	32	4,550	4,550
Revenue from technical services	32	1,141	1,272
Other revenues		9,103	7,295
		<u>1,528,380</u>	<u>1,318,144</u>
Inputs acquired from third parties			
Cost of goods and services sold		(243,670)	(196,872)
Raw material consumed		(2,528)	(2,077)
Electric power and third-party services		(124,818)	(102,621)
Cost of construction work		(92,721)	(46,745)
Recognition/reversal of inventory losses		6,408	15,200
Other expenses		(8,004)	(4,115)
		<u>(465,333)</u>	<u>(337,230)</u>
Gross value added		1,063,047	980,914
Withholdings			
Depreciation/amortization	33	(68,251)	(66,386)
Recognition/reversal of provisions		25,600	(103,589)
		<u>(42,651)</u>	<u>(169,975)</u>
Net value added		1,020,396	810,939
Value added received through transfer			
Financial revenues	35	78,608	55,735
		<u>78,608</u>	<u>55,735</u>
Total value added to be distributed		1,099,004	866,674
Distribution of value added		1,099,004	866,674
Personnel and Charges			
Direct compensation		461,190	324,147
Benefits		94,051	78,364
Severance Pay Fund (FGTS)		27,871	25,549
		<u>583,112</u>	<u>428,060</u>
Taxes, fees and Contribution			
Federal taxes		262,017	246,981
Federal taxes - deferred income and social contribution taxes		18,318	7,191
State taxes		4,827	8,575
Municipal taxes		5,667	4,469
		<u>290,829</u>	<u>267,216</u>
Compensation of third-party capital			
Interest		70,484	44,037
Rent		5,152	3,561
		<u>75,636</u>	<u>47,598</u>
Compensation of equity capital		149,427	123,800
Income for the period		<u>149,427</u>	<u>123,800</u>

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

Notes to the interim financial information as at June 30, 2022  
(In thousands of Brazilian reais, except where otherwise indicated)

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## 1. General information

Saneamento de Goiás S.A. - Saneago (the "Company" or "Saneago") is a government-controlled publicly traded company registered with the Brazilian Securities and Exchange Commission ("CVM"). It was established according to State Law 6,680 as at September 13, 1967, which has been later amended ("Law 6,680"). It is headquartered at Av. Fued José Sebba 1,245, Setor Jardim Goiás, Goiânia-GO and is enrolled with the registry of legal entities (CNPJ) under number 01.616.929/0001-02.

Saneago renders sanitation services in the state of Goiás, preferably through government concessions and/or joint management, in public or private systems. The Company is responsible for preparing studies, projects and research, carrying out construction work and rendering consulting services, as well as services relating to water supply and sewage; final destination of domestic and industrial effluents, solid waste and their byproducts; urban cleaning; drainage and management of urban rainwater; and protection of water resources and the environment.

As set in the Company's articles of incorporation, urban cleaning, handling of solid residues and the services of drainage depend on technical approval and may only be rendered upon specific service contracts. Currently, the Company does not have any contracts of urban cleaning or handling of solid residues.

In order to achieve compliance with Law 13,303 as at June 30, 2016, addressing the articles of incorporation of federal, state and local public companies and of government-controlled enterprises and their subsidiaries, the following actions have been implemented at the Company: (i) adjustment of the articles of incorporation to the law; (ii) implementation of corporate governance processes; (iii) creation of an Audit Committee; (iv) creation of an Eligibility Committee; (v) preparation of a Code of Conduct; (vi) creation of a training program for managers and directors; (vii) preparation of policies for spokespeople, communications and provision of information; (viii) creation of an anti-corruption program, rules for distribution of dividends and prevention of conflicts of interest. All those activities have been implemented since 2016, and ever since being subject to improvement.

State Decree 9.406/2019 has been enacted, establishing a public compliance program to assure that Saneago's Management complies with moral and legal standards, as well as realization of public actions and satisfaction of citizens, fostering ethics, transparency, responsibility and risk management. The mentioned decree superseded State Decree 7,905 of June 11, 2013. According to the recommendations of the General State Controllership (CGE-GO) effort has been made to implement the requirements of the program. The Board of Directors has organized a Committee of Compliance, with a permanent advisory role as for matters relating the compliance program to ensure its implementation.

State Law No. 21.028 of June 22, 2021, amended the law used to incorporate Saneago (Law No. 6.680/1967) in order to ensure new business arrangements and expand the Company's competitive capacity and efficiency, with formation of partnerships and establishment of a special purpose entity and controlled companies in Brazil. These amendments were incorporated into the Company's Bylaws through the reform and consolidation approved on August 10, 2021.

Considering the growing market concern for best corporate, environmental, social and governance practices, on November 27, 2020, a committee with representatives from different areas of the Company was organized, which is responsible for the strategies, guidelines and other sustainability matters of the Company, including corporate guidelines and acts in the management of environmental, social and governance matters (ESG - Environmental, Social and Governance). Among the actions carried out by the committee, the following are highlighted: preparation of Sustainability Policy, preparation of Sustainability Report by a specialized consulting company, definition of ESG indicators and contractual clauses and creation of Innovation Program. Furthermore, in February 2021, Saneago enrolled with the Global Compact, which is an initiative proposed by the United Nations to encourage companies to adopt corporate social responsibility and sustainability policies.

#### Program contracts and concession contracts:

As at June 30, 2022, Saneago had executed 225 contracts, as follows: 145 in effect, of which 83 are concession contracts, 62 are program contracts, and 80 contracts overdue, representing an average percentage of 84.85% and 15.15% of net revenue, respectively. On March 18, 2022, Buriti Alegre concession contract was resumed by the municipality and the rendering of services was discontinued, with average representation of 0.17% of the Company's net revenue in 2021, and a lawsuit has been filed by Saneago to obtain compensation for investments made and not amortized.

The Company has corresponding intangible assets and contract assets amounting to R\$604,366 in relation to expired contracts and R\$2,161 in relation to Buriti Alegre, of a total of R\$3,521,400 as per notes 18 and 19. The realization of these assets depends on the regularization by the National Water Agency - ANA for definition of the compensation calculation methodology.

The average term of current concession and program contracts, weighted by the percentage of 2022 net revenue from active contracts, is 19.4 years. The contracts have the following maturity schedule: 80 overdue, 31 due in the next 5 years, 12 due between 6 and 10 years, 27 due between 11 and 15 years, 19 due between 16 and 20 years and 56 due after 20 years. We list below the main contracts executed and their expiration dates:

Municipality	Status	Maturity date	% Net revenue	Type of contract	Term (years)
Goiânia	IN EFFECT	12/17/2049	36.79%	Program	30
Anápolis	IN EFFECT	02/27/2050	7.36%	Program	30
Aparecida De Goiânia	IN EFFECT	11/01/2041	4.07%	Program	30
Valparaíso De Goiás	IN EFFECT	11/16/2048	2.62%	Program	30
Rio Verde	IN EFFECT	11/01/2041	2.41%	Program	30
Luziânia	IN EFFECT	12/01/2045	2.15%	Program	30
Formosa	IN EFFECT	03/14/2025	2.05%	Concession	25
Itumbiara	IN EFFECT	02/23/2025	1.69%	Concession	20
Planaltina	IN EFFECT	04/01/2030	1.54%	Concession	25
Trindade	IN EFFECT	11/01/2041	1.37%	Program	30
Jataí	IN EFFECT	11/01/2041	1.31%	Program	30
Águas Lindas De Goiás	IN EFFECT	12/28/2048	1.29%	Program	30
Goianésia	EXPIRED	06/15/2020	1.21%	Concession	25
Novo Gama	IN EFFECT	11/16/2048	1.20%	Program	30
Cidade Ocidental	IN EFFECT	11/01/2041	1.18%	Program	30
Inhumas	IN EFFECT	06/17/2050	0.98%	Program	30
Quirinópolis	EXPIRED	06/24/2016	0.97%	Concession	20
Maturing in 01 - 05 years			4.36%		
Maturing in 06 - 10 years			0.64%		
Maturing in 11 - 15 years			1.77%		
Maturing in 16 - 20 years			2.62%		
Maturing in 21 - 30 years			7.45%		
Expired			12.97%		
			<u>100.00%</u>		

The operations of the Company are concentrated in the Municipality of Goiânia, which, as at June 30, 2022, represented 36.79% of net revenue and 32.99% of intangible assets (36.55% of net revenue and 32.51% of intangible assets as at December 31, 2021).

### New Legal Framework on Basic Sanitation

On July 15, 2020, Law 14.026/2020 was enacted amending the Brazilian basic sanitation regulatory framework. The main points changed were I) Regionalization: preference to regional provision of services and not to fragmented ones; II) Legal Targets of Universalization; III) Regulation: the National Water Agency (ANA) is now responsible for establishing general regulatory guidelines to the domestic industry; IV) Competition: the principle of competitive selection of service providers was established.

As for regionalization, the state government had the obligation to promote the regionalization of sanitation services for all 246 municipalities by July 15, 2021, under penalty of the Federal Government doing so in its stead.

Public hearings were held through the Department of Environment and Sustainable Development (Semad) on July 12 and 13, 2021, in the cities of Anápolis and Goiânia, to present the proposal for regionalization of sanitation services in the state of Goiás. The Complementary Law Project (PLC) under discussion establishes the sanitation microregions of the Midwest and Mideast of the state and their respective governance structures. The regionalization process was filed by the state of Goiás with the State Legislature on July 15, 2021, and will be discussed by state representatives.

Service providers must demonstrate having the necessary economic and financial capacity to comply with contracts, according to the methodology defined by Decree No. 10.710 of May 31, 2021, which regulated Article 10-B of Law No. 11.445 of January 5, 2007. Ernest Young, an independent certifier, confirmed that the company complies with the adequacy requirements on the base date of 12/31/2020, showing that it meets the minimum benchmark indexes of economic-financial indicators, that the net present value of the global cash flows of regular contracts is greater than zero and that the Company's fundraising plan is compatible with its feasibility studies, as provided for in the decree.

Additionally, with the update of the Sanitation Framework in 2020, new universalization targets were set to meet the demand for sanitation services, including water supply, sewage collection and treatment and solid waste management, which must be attained by 2033. In this second phase, contracts that do not include universalization targets must be amended by March 31, 2022 and the Company amended 114 contracts out of the 121 for which an economic and financial feasibility study was carried out.

The Company has been institutionally adapting itself to comply with current legislation arising from the new Sanitation Framework, as well as complementary regulatory consequences. It is still awaiting some general regulatory guidelines within the scope of ANA to define action strategies such as the methodology for calculating indemnities arising from investments made and not yet amortized or depreciated, which include the 80 expired contracts mentioned.

Also within the corporate scope, in addition to the reform carried out in its creation law (Law No. 6.680/1967) and the structuring to meet the requirements of the New Framework, the Company created a specialized unit to ensure its capacity to participate in bidding processes and fulfill its obligations more efficiently.

Concession contracts existing as at the date of publication of Federal Law 14.026/2020, whether related to a bidding process or not, "will remain in force until the end of their term", as provided for in Article 17 of the aforementioned legal text. Thus, due to the "principle of continuity" and for being an essential service to the population, Saneago is still responsible for supplying treated water and sewage services until new concessions are established by municipal governments and entitled to compensation for assets not yet amortized, as provided for in article 36 of the Law of Concessions.



## Price adjustment

The Control and Inspection Council of Public Services of the city of Goiânia (AGR) approved, through Regulatory Resolution No. 185/21, Saneago's process of Ordinary Tariff Adjustment, with a percentage of 8.85% granted for water/sewage tariffs as from February 1, 2022. The adjustment was analyzed by Goiânia's Regulatory Agency (AR) and defined through Regulatory Resolution No. 005/2021 by such agency.

It is important to point out that the process of Tariff Adjustment was defined after a long period of work to define calculation methodologies for the tariffs revision and the Company's Regulatory Weighted Average Cost of Capital (WACC), approved through Joint Technical Notes AGR/AR No. 006/2021 and 007/2021, respectively, in addition to the methodology for approval of the Regulatory Assets Base (BAR) as per Technical Note No. 004/2021.

## Voluntary Redundancy Program (PDV)

In December 2021, the Voluntary Redundancy Program (PDV) of the Company was approved and launched with initial term of 30 days, comprising the month of January 2022, and reopened in February 2022 for 1 day.

The program included retired and non-retired employees with 10 or more years working for the Company, except for employees retired by the INSS (Social Security Authority) after November 13, 2019.

The conditions offered for adhesion were the following:

- Full payment of all termination and severance amounts;
- 40% over the FGTS (Severance pay fund) balance;
- 15% bonus (over the reference salary\*) per year of employment in the company;
- Compensation of 4 reference salaries\*;
- SODEXO food voucher equivalent to 12 months (paid fully and jointly with the termination amounts);
- Health insurance benefit for 24 months

*\* The reference salary includes the Base Salary of the employee, plus amounts received as incorporated gratified function, incorporated double function, incorporated salary bonus, complementation of working hours, one-year and/or five-year bonus, as applicable.*

After validation of the plan's requirements and formalization, a total of 443 employees were terminated, generating a total impact of R\$ 139,208, R\$ 128,559 referring to termination benefits and the remainder to ordinary remuneration amounts due over the term of the work relationship. All terminations took place before March/2022.

## Approval for issuance of interim financial information

Issuance of this interim financial information was approved by the Board of Directors on August 11, 2022.

## 2. Basis of preparation and summary of main accounting practices

Despite being allowed by CPC 21 (R1) and the guidelines contained in Circular Letter CVM/SNC/SEP/Number 003/2011, the Company chose to re-disclose the details presented, in note 2 "Basis of preparation for the interim financial information and summary of main accounting practices".

## 2.1 Declaration of compliance

The interim financial information has been prepared according to Brazilian accounting practices, which encompass Laws 6.404/76 and 11.638/07, Brazilian Corporate Law, pronouncements, guidelines and accounting interpretations issued by the Committee of Accounting Pronouncements, as approved by the Brazilian Securities and Exchange Commission (CVM) and Federal Accounting Council. The financial information is also in alignment with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The interim information has been prepared based on historical cost and adjusted to reflect the deemed cost of plots of land, building, furniture and fixtures, machinery and equipment, vehicles and IT equipment at the date of transition to IFRS. Such assets cannot be returned to the grantor.

The Company's Management declares that all significant information is included in the individual and consolidated interim financial information and corresponds to the one used by Management in its administration.

## 2.2 Functional currency

The functional currency of Saneago is the Brazilian real (R\$) and all amounts are expressed in thousands of Brazilian reais.

## 2.3 Summary of main accounting practices

The preparation of interim statements involves the use of certain assumptions and judgment in the application of the Company's accounting policies, which are continually evaluated based on past experience and other factors, including projection of future events that are deemed reasonable in the circumstances. Thus, estimates may differ from actual results.

The estimates and assumptions that bring significant risk of adjustment in carrying amounts of assets and liabilities in the following accounting year are mentioned below:

### a) Allowance for doubtful accounts and write-off per maturity

In 2022, the Company interrupted the recognition of effective losses on receipt of credit from customers according to tax criteria (Law 9430/1996), adopting the commercial maturity criteria, which are 10 years for private customers and 5 years for public customers.

Alongside this change, the Company improved the methodology for calculating the allowance for doubtful accounts in order to align its estimates of expected losses to the provisions of CPC48 (IFRS 09) - Financial Instruments.

Losses are estimated using the provision matrix technique, which considers expectations of loss as accounts receivable age, whose percentages are determined based on the Company's history of default in the last two years. Due to different payment profiles, matrices are calculated separately for private and public customers, not considering those that have filed legal proceedings against the Company.

The methodology to determine losses demands a significant degree of estimation, considering a variety of factors, such as history of past receivables, current economic trends, estimate of projected write-offs and maturities of amounts receivable. Even if Management believes that the assumptions are reasonable, actual results may be different.

An allowance for doubtful accounts is recognized at an amount deemed enough to cover possible losses in the realization of receivables.

b) Inventory losses

The provision for inventory losses is based on internal policies of the Company. Obsolescence is assessed for items that have not moved in the last 12 months.

c) Deferred income and social contribution taxes

Deferred income taxes are recognized and paid according to the results of operations and determined as per the Brazilian Corporate Law and tax regulations. According to standard CPC 32 (IAS 12), deferred tax is determined on existing differences between accounting carrying amounts and the tax base of assets and liabilities.

Deferred tax assets are continuously reviewed as for recoverability and impairment recognized when it is probable that those assets will not be realized based on: (i) the history of taxable income; (ii) projections of future taxable income; and (iii) the estimated time of reversal of existing temporary differences. Those calculations demand the use of estimates and assumptions, which can result in full or partial impairment of deferred tax assets.

For more information on deferred taxes, please refer to Note 15.2.

d) Provision for lawsuits

The Company is a party to several court cases, which include, among others, labor complaints, civil actions, tax-related actions and environmental ones, including claims of customers and suppliers at different courts. Provisions are recognized for obligations (legally established or construed ones) resulting from past events, it is probable that an outflow of funds will be necessary to settle them and the respective amount can be reliably determined. Future rulings may differ significantly from current estimates and exceed the amounts accrued for. Provisions are revised and adjusted to take into account changes in circumstances.

For more information on lawsuits, please refer to Note 29.

## 2.4 Financial assets and liabilities

a) Financial assets

Financial assets are measured either at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss based on: (a) the business management model applied to the financial asset and (b) its cash flows characteristics.

b) Financial liabilities

Financial liabilities are measured at fair value through profit or loss. The classification of the ones classified as "other liabilities" depends on the purpose for which they have been obtained.

As at June 30, 2022 and 2021, the Company had no financial liabilities measured at fair value through profit or loss.

Financial liabilities in the category of "other liabilities" are measured under the effective interest method to calculate the amortized cost and allocate the interest expense along the respective period. The effective interest rate is the same rate of discount used for future cash flows (including fees, transaction costs and other issuance costs) along the life of the financial liability or, where appropriate, smaller periods, for initial recognition of its net carrying amount.

Financial liabilities classified as “other liabilities” comprise:

- Balances payable to suppliers (Note 2.13);
- Loans and financing - (Note 2.18).

## 2.5 Operating revenue

### a) Revenue from sanitation services

Revenue from the water supply and sewage services is recognized as the services are rendered and measured. Revenue is recognized at the fair value of the consideration received or receivable for the service and is booked net of taxes, fees, rebates and discounts. Revenue incurred and not yet billed until the end of each period is estimated and recognized in trade accounts receivable with a corresponding item to the statement of income.

Thus, revenue is recognized when: (i) the services are provided; (ii) the value can be reliably measured; (iii) the performance obligations are fulfilled; and (iv) it is probable that the mounts will be received.

### b) Revenue from construction work

As per ICPC 01 (R1)/ IFRIC 12 Concession agreements and CPC 47/ IAS 15 Construction contracts, at the Company, revenue and costs relating construction services or infrastructure improvements to water supply and sewage services are accounted for. There is no markup, considering that: (i) the Company’s business purpose is the supply of water and sewage services; (ii) all revenue from construction relates to the building of infrastructure to reach its business purpose; and (iii) the Company sources out the infrastructure construction with non-related parties. All additions made to intangible assets in progress are recognized on a monthly basis in the statement of income as construction revenue and costs.

Besides, according to standard CPC 47/IFRS 15, the construction of infrastructure entitles the receiving of future consideration, which is recorded during the construction as a Contractual asset. When the item is put into operation, that asset is transferred to intangible assets.

## 2.6 Cash and cash equivalents

Cash and cash equivalents are composed of petty cash, cash at banks, billing, deposits linked to construction work and short-term financial investment, which is readily redeemable and with expected use by the Company for a period of six months, presenting insignificant risk of change in fair value. Those balances are kept with the purpose of meeting short-term obligations and not for investment or other purposes.

## 2.7 Receivable from consumers

Amounts are recognized at nominal value as the services are provided and measured. Services measured that go beyond the end of the month are estimated and recorded as estimation of amounts to be billed at present value, without any additions. Interest and adjustment of overdue amounts received are recognized as financial revenue. Management believes that trade accounts receivable are close to their market fair values, seeing the short-term period of realization of the operations.

Receivables to be settled in installments and financed services are adjusted at the moment of negotiation considering the whole period until the installments will be received. According to Decision 0080/2016-CR of the Control and Inspection Council of Public Services (AGR) and Management's decision 162/2016, the rate applied is 1% p.m. The amounts are separated into current and noncurrent assets according to the maturities of the installments and discounted to present value against financial expenses. The rate of discount to present value is also 1% p.m.

## 2.8 Inventories

Inventories of consumption materials and maintenance of the water supply and sewage systems are carried at average purchase cost. They do not exceed realizable amounts and are classified as current assets, less provision for impairment, which is recognized as described in Note 2.3 b.

## 2.9 Other current assets

They are carried at purchase or realization cost including yield earned, when applicable.

## 2.10 Fixed assets

Assets are carried at purchase and/or construction cost. In 2009, assets were adjusted by a net amount of R\$47,810 to reflect the deemed cost of plots of land, buildings, furniture and fixtures, machinery and equipment, vehicles and IT equipment. The appreciation value recognized in Fixed assets was R\$72,440 with a corresponding item to the equity account called Asset and liability valuation adjustment. Deferred taxes at a total amount of R\$24,630 were recognized in noncurrent liabilities. The assets cannot be returned to the grantor and as they are depreciated or written-off, the respective deemed cost is transferred from the account of Asset and liability valuation adjustment to the account of Retained earnings/accumulated losses.

Depreciation starts when assets are available for use at the locations and under the necessary conditions. They are calculated on a straight-line basis and realized along their economic useful lives, which are based on a report of an independent appraisal firm. Determining depreciation on a straight-line basis results in constant debit along the useful lives of assets, if their residual values do not change.

## 2.11 Intangible assets

Intangible assets are carried at acquisition and/or construction cost. Historical cost includes the expenses directly attributable to the acquisition of the items, as well as interest paid on financed purchases until the assets are put into operation. Amortization begins when the asset is available for use at the place and under the necessary conditions, determined on a straight-line basis and realized along the useful life, which is based on a report of an independent appraisal firm. Determining amortization on a straight-line basis results in constant debit during the useful lives of assets if their residual values remain the same. In compliance with standard ICPC 1 - Concession Contracts, this group of accounts includes the assets used in the water and sewage systems linked to the concessions.

The control over work in progress and the respective transfer of the items to assets in operation (finished assets) is made upon documentation issued by the unit responsible for the execution of the work, informing that the asset is finished.

The Company annually assesses the existence impairment of its fixed and intangible assets with a defined useful life in accordance with CPC 01 - Reduction in the Recoverable Value of Assets (note 2.12).

The useful lives of assets are described below:

Nature of the assets	EUL*	Nature of the assets	EUL*
Civil construction	50	Equipment - Metering pumps	13
Dams	50	Hydrometers	11
Reservoirs and Tanks - Concrete	50	Vehicles	11
Decanters and Ponds	50	Machinery and Tractors	10
Transmission and Electricity Lines	40	Equipment - Sewage pumps	10
Piping	40	Treatment Equipment	10
Building connections	30	Laboratory Equipment	10
Water wells	25	IT equipment - Switch	10
Renewable Energy Systems	25	Other equipment	9
Reservoirs and Tanks - Metal	20	Deemed Cost (General)	25
Environmental Protection and Preservation - Reforestation	17	IT equipment - Servers	8
Environmental Protection and Preservation - Fencing	15	IT equipment - Endpoints	7
Equipment - Air Conditioning	15	IT equipment - Leasing	8
Equipment - Other Pumps	15	Vehicles - Right of Use	3
Macro-meters	15	IT equipment - No breaks	2
Equipment - Engines	14	Works of Art	-
Furniture and fixtures	13	Plots of land	-
Computer programs	13	Servers	-

#### \*Economic Useful Life

Based on a study prepared in 2021 by an independent firm, the economic useful lives of Fixed and intangible assets were reviewed with the purpose of meeting the provisions of Law 11.638/2007 and standard CPC 27. The current valuation report was issued on 12/20/2021 and implemented still within the year, causing changes to the depreciation rate of equipment (treatment and laboratory equipment, motors and pumps) and, mainly, of environmental preservation equipment, which was broken down into reforestation and fencing, going from 8 years to 17 and 15 years, respectively.

#### a) Concession and Program contracts

The infrastructure linked to concession and program contracts is governed by standard ICPC 01 - Concessions - when: (I) the municipal government (grantor) controls or regulates which services the operator must supply, (II) the grantor holds residual participation in the infrastructure at the end of the concession period and as for certain infrastructure items used in the concession of public services to private entities along all their useful lives; (III) infrastructure operated according to contracts, built or acquired from third parties with the exclusive purpose of providing the services; (IV) the Company is entitled to receive cash or other financial asset in the event of termination, retaking and/or non-renewal of the contract, and the counterparty has little or no option to avoid payment, usually because the contract is enforceable by law; (V) the Company is entitled to collect amounts from the users of the public services.

Assets are recorded as concession-linked intangible assets, considering the Company is entitled to charge for the use of those assets and the users (consumers) have the main responsibility of paying for the services.

The fair value (initial recognition) of construction work and other infrastructure work represents the cost of intangible assets, provided such work will bring future economic rewards.

Item 3 of article 29 of the Brazilian sanitation framework (Law 11.445/2007, amended by Law 14.026/2020, resulting in the "New Sanitation Framework") indicates that the economic and financial sustainability of public sanitation services has to be assured through the amounts charged for services, preferably in the form of tariffs.

In spite of the expectation of remuneration preferably in the form of tariffs, it is known that the Company's operating income (loss) in the municipalities is not always enough to amortize the investments made, during the period in which services are rendered. The amortization of the investments in concessions is not limited to contractual terms, because this system is ruled by the reasonability of tariffs during the rendering of services, and thus, the term of the contract is not always enough for the amortizations. Accordingly, the compensation for investments not yet amortized is left as a form of remuneration. This is provided for in article 36 of Federal Law No. 8.987/1995, which also establishes that "the reversal upon the termination of the contract shall be carried out by the compensation of the installments of investments linked to reversionary assets, not yet amortized or depreciated, which have been realized for the purpose of ensuring the continuity and effectiveness of the service rendered". This is provided for in the sanitation legislation, in its article 42, § 5, which establishes that the transfer of services from one provider to another shall be conditioned to the previous compensation of the investments linked to reversionary assets not yet amortized or depreciated (Law No. 11.445/2007 with wording given by Law No. 14.026/2020). Additionally, there is no discussion regarding the right to compensation prior to the reintegration of the system to the municipality, especially after the decision by Minister Sérgio Kukina of the Federal Court of Appeals (STJ), in Special Appeal No. 1.564;416 - PR, which establishes that "strictly speaking, the Municipality must not reassume the services granted in concession before paying the due compensation" and that "the contract is not expired until that occurs, since its clauses have not been duly complied with".

Accordingly, Saneago's departure from the sanitation services operation due to the maturity of the Concession Contract must be preceded by the administrative procedures required to promote the effective compensation of the assets not yet amortized. The obligation of compensation obliges the granting power to anticipate the termination of the contract and proceed with the analyses, evaluations and settlements needed to determine the value of the compensation it owes to the concessionaire. Thus, until the due administrative process is initiated for settlement of the contract, with payment of the due compensation to the Company, the Municipality cannot retake, and Saneago cannot transfer the services, without due settlement.

In locations where the Municipalities launch public bidding notices in advance, to hire a company for the rendering of such public services, Saneago is pursuing its legitimate interests and rights by administrative and judicial means. There are 6 municipalities in this situation, which represents 2.83% of the Company's total revenues. We point out the failed attempt by 2 municipalities, representing around 1.04% of the Company's total revenues, of retaking the system through an emergency hire, with no legal grounds and observation of the due compensation. Nevertheless, for the reasons exposed above, the prognosis regarding proceedings in progress are favorable to Saneago, given that there is only reversal with compensation; if there is no definition of the value of such compensation, or conclusion on it not being due, there can be no reversal, since the requirement of the law was not met.

Regarding the other expired contracts, in view of the regulatory uncertainties - and given that the rules for provision of the services are still being defined by ANA and that the Agency will take a considerable period of time to develop such legal framework, considering the complexity of the matter - they await the regionalization of the sanitation services in the state. Thus, Saneago seeks, through the Statement of Consent, the sustainability of the relationship after the termination of the contract, supplementing the ruling regarding the technical and operation condition of provision, whether by waiting for the new ANA guidelines for the regulation of services, with the specific definition of the criteria to be observed in cases of compensation; or by waiting for the regionalization to be instituted by the state.

Considering that i) in view of the principle of continuity of the public service and in respect to the rights of local consumers, Saneago continues to be responsible for the rendering of services; ii) the compensation for the investment realized and not amortized is guaranteed by law; iii) that such compensation constitutes a prerequisite to the termination of the contract and that iv) the regulation by ANA for the definition of the calculation methodology of compensations is pending, which would provide a technical orientation to the Company on the measurement of such value. The investments in the municipalities in which the rendering of the services occurs without contractual coverage are maintained as intangible assets without bifurcation in Financial assets, which are amortized by their respective useful lives.

As soon as the matters above are solved, which do not depend on the Company's actions, it intends to review the bifurcation policies for its investments.

#### b) Government subsidies

When government subsidies related to assets are received, but not all condition have been fulfilled yet, they are recognized in the statement of financial position in a liability account, as per balance in note 20.1. When the established condition of immobilization of the work is fulfilled, they are reclassified by deducting the carrying amounts of the respective assets.

As per standard CPC 07 - Government Subsidies, grants are recognized as revenue along the period and systematically offset with subsidized expenses, provided the following recognition conditions are satisfied: (I) the requirements established for the subsidy have been fulfilled; (II) the subsidy was received. A subsidy related to assets that depreciate is recognized as revenue along the useful life of the assets at the same proportion of their depreciation.

The government subsidy related to revenues, when received and with obligations not yet met, is recognized in the statement of financial position in a liability account, as per the balance shown in Note 20.2. When the condition established is complied with, i.e., the billing of customers included in the Social Tariff program, such values are recognized in revenue.

#### c) Software use licenses

Purchased software use licenses and managerial systems are capitalized and amortized along the useful lives and the expenses associated to their maintenance recognized as incurred. There is no indication that their carrying amounts will not be recovered in the future.

### 2.12 Impairment of non-financial assets

Property, plant, equipment and intangible assets and other noncurrent assets with defined useful lives are annually reviewed with the purpose of identifying evidence of impairment, or whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. They include, among others, intangible assets linked to concession/program contracts relating water supply and sewage systems.

In testing assets for impairment, the carrying amount of an asset or cash-generating unit is compared to its recoverable amount. The recoverable amount is the greater of an asset's fair value less costs to sell or its value in use. Considering the particularities of the Company's assets and the expectation of use until the end of their useful lives, the recoverable amount used in the evaluation is the value in use.

Additionally, the Company adopts impairment for works that have been paralyzed for more than a year and with no expectation of cash generation, with direct and indirect costs fully provisioned. If the works are resumed, the incurred losses are calculated and recognized in the statement of income for the year. The amount of the provision for impairment related to paralyzed works is R\$128,347 as at June 30, 2022 (RS 128,347 as at December 31, 2021).



### 2.13 Trade accounts payable

They are amounts payable for goods or services acquired in the ordinary course of businesses, classified as current liabilities, except when their maturities take place 12 months after the reporting date, being then presented as noncurrent. They are recognized at the value of the corresponding invoice.

Management believes that trade accounts payable are close to their market fair values, given the short-term period for realization of the operations.

### 2.14 Employees' pay and related charges

Wages, including provisions for vacations, year-end bonus, amounts negotiated in collective bargaining agreements and corresponding payroll-related costs are carried under the accrual basis of accounting.

### 2.15 Profit sharing

Saneago's employees are entitled to profit sharing according to article 75, paragraph 3 of the Company's articles of incorporation. Profit sharing must comply with the Company's regulations and legislation in force, pursuant to the provisions of articles 189 and 190 of Brazilian Corporate Law.

The Company recognizes a provision of 10% on income for the quarter (maximum amount to be distributed) in accordance with values disclosed in Note 34. Its effective realization depends on approval by the Governance Agencies and calculation of the goals realized.

### 2.16 Income and social contribution taxes

#### a) Current taxation

Current income and social contribution taxes are booked according to the accrual basis. Taxes are determined based on income before taxes presented in the statement of income. According to prevailing regulations, they are adjusted for non-deductible expenses, exclusions from the tax base and tax benefits allowed. The applicable rate for income tax is 15%, plus surtax of 10% on the portion of income exceeding the annual limit and social contribution tax at a rate of 9%.

#### b) Deferred taxes

Deferred taxes are calculated on temporary differences (on leases, tax and accounting depreciation bases, allowance for doubtful accounts, contingencies, discount to present value of receivables, inventory obsolescence, tax losses and other losses accrued for) at the same rates applied to current taxes. They are only recognized to the extent that future taxable income will be available to set temporary differences off. However, they are not recognized during the initial measurement of assets and liabilities in operations that do not affect the tax base, except for business combinations.

Deferred tax assets and liabilities are offset if a legal right to offset current tax assets with tax liabilities exists and they relate to the same taxation authority. They are booked net in the statement of financial position.

### 2.17 Taxes on revenue

Revenue from sanitation services is subject to the levying of Contribution to the Social Integration Program (PIS) and Contribution for Social Security Funding (COFINS) under the accrual basis and determined at the rates of 1.65% and 7.60%, respectively.

### 2.18 Loans and financing

Funds borrowed from third parties are classified in current and noncurrent liabilities as applicable. Financial charges incurred to obtain the funds are recognized at amortized cost under the effective interest method and stated net, according to standard CPC 08 (R), item 12.

For certain assets (that demand a substantial time to be ready for use or sale) costs are capitalized as established in item 8 of standard CPC 20(R1) - Borrowing Costs. Other loan costs are recognized as expenses in the period where they are incurred, considering the internal rate of return (IRR) of the operation for recognition of the financial charges along its term.

By using amortized cost, financial charges reflect the effective cash cost of the financial instrument and not only the contract interest rate of the instrument. In other words, they include interest paid on the loan and transaction costs, as well as premium received, goodwill, negative goodwill, discounts, as well as monetary and other adjustments. Therefore, the internal rate of return method considers all cash flows, from the net amount received in the transaction to all payments made until settlement of the transaction. Thus, balances payable as at reporting date are close to market values, even those classified as noncurrent.

Exchange rate variation relating to long-term financing contracted in foreign currency is calculated as the difference between the carrying amount determined at the previous exchange rate and the balance of the same loan converted at the exchange rate prevailing as at reporting date. Gains or losses are recognized as financial revenues or expenses.

### 2.19 Leases

Standard CPC 06 (R2)/IFRS 16 - Leases establishes the principles for recognition, measurement, presentation and disclosure of lease operations. It establishes that lessees must account for leases according to a single model, similar to the booking of finance leases, by recognizing right-of-use assets ("Lease assets"), which correspond to lease liabilities, unless the leases are short-term ones (12 months or less) or they are low value operations (below US\$5).

### 2.20 Provisions, legal obligations, court deposits and contingent assets

Provisions for lawsuits are recognized when: (i) present obligations exist (legally established or construed ones) as a result of a past event; (ii) it is probable that an outflow of funds will be necessary to settle them; and (iii) the amount can be reliably determined. If similar obligations exist, the probability of outflow of funds is determined considering the obligations as a whole.

The Company had no contingent assets to be recognized in the financial information.

### 2.21 Other current and noncurrent liabilities

They are stated at known or estimated values, plus corresponding charges and monetary changes incurred, where applicable.

## 2.22 Benefits and defined contribution plans granted to employees

A defined benefit pension plan entails the following: (a) obligation of the sponsoring entity of supplying benefits agreed upon to current and former employees; (b) actuarial risks (that is, benefits costing more than what was expected) and (c) investment risks, which are mostly the responsibility of the sponsor. If the actuarial amount or returns on investments are worse than what was projected, the entity's obligation may be increased, as per item 30 of standard CPC33 (R1).

In a defined contribution plan, the legally established or construed obligation of the entity is limited to its participation. Thus, the after-employment benefit an employee receives is determined according to the amount of contributions the sponsor made to the plan (and, in some cases, also the employee), plus the yield from financial investment of the contributions. Thus, the actuarial risk (benefits being lower than expected) and the investment risk (invested assets not being sufficient to cover the expected benefits) are a responsibility of the employee.

Actuarial obligations relating private pension and retirement plans, as well as medical assistance programs are accrued for according to procedures established in technical standard CPC 33 (R1). They are based on actuarial calculations prepared by independent actuaries, according to the projected unit credit method, net of the fair value of the assets of the plan and of the costs referring increase in the present value of the obligation. They correspond to services provided by employees and are recognized along their time of service with the Company.

## 2.23 Segment reporting

Given the characteristics of the Company, which works in an industry considered an essential public service (sanitation), the investment decisions Management makes are guided mainly by social and environmental responsibility. Water supply and sewage services are classified as a single segment for all municipalities in the state of Goiás, with which the Company has contract. The main factor for that classification is the existence of a cross subsidy in the rendering of water supply and treatment of sewage.

Measurement of performance and reporting in a single segment are consistent with the policies adopted in the preparation of the interim financial information, seeing that in analyzing performance, Management uses that criterion.

This information by segment may be changed due to the regionalization of the contracts as discussed in Note 1.

## 2.24 Statement of value added

Such statement has as purpose to make evident the wealth the Company generated and its distribution over a certain period of time. It is a required statement according to Brazilian accounting practices, although as per IFRS, it is supplementary information. The interim statement of value added was prepared based on the accounting records that base the annual statements and follows the provisions of standard CPC 09 - Statement of Value Added. Its first portion presents wealth generation, divided into gross revenue (including taxes, other revenue (expenses) and allowance for doubtful accounts), inputs acquired from third parties (selling costs and acquisition of materials, electric power and third party services, as well as taxes applicable at the moment of purchase, the effects of losses and the recovery of the value of assets and depreciation and amortization) in addition to the value added received from third parties (equity in earnings or loss of investees, financial revenue and other revenue (expenses)). The second part presents the distribution of wealth among personnel, taxation, interest paid on third party capital and interest on equity capital.

### 3. Risk management and financial instruments

#### 3.1 Financial risk factors

The Company's businesses, financial standing and results operations may be affected by changes in economy, exposing it to:

- a) Market risk (interest rate and foreign currency rate fluctuations)
- b) Credit risk
- c) Liquidity risk
- d) Risks associated with concession/program contracts

##### (a) Market risk (interest rate)

Saneago is exposed to fluctuations in the interest rates of loans, financing, Debentures, and short-term financial investment. That could impact payments and receiving of amounts, as well as cash flows. Such rates are the Reference Rate (TR), London Interbank Offered Rate (LIBOR), the rate of Certificates of Interbank Deposit (CDI) or inflation indexes, such as the Amplified Consumer Price Index (IPCA).

To mitigate such risk, the Company may use the following financial instruments and strategies: Swap contracts, renegotiation of contracts or anticipated settlement.

##### Debt Sensitivity

In determining the sensitivity to interest rate risk, the following rates were analyzed: IPCA, CDI, LIBOR and TR. Thus, based on the current value or on market projections for these indexes by the end of the year, in relation to June 2022, three scenarios were simulated - the probable scenario considers the maintenance of the current value or the expected evolution of the rates, whereas scenarios II and III consider appreciation of the rates by 25% and 50%, respectively.

Rates	Exposure	Debt sensitivity -06/30/2022		Scenario II		Scenario III	
		Probable scenario		Rate	Value	Rate	Value
		Rate	Value	Rate	Value	Rate	Value
IPCA (FIDC IV)	54,199	7.30%	58,156	9.13%	59,145	10.95%	60,134
CDI (Banks + Debentures)	680,661	13.15%	770,167	16.44%	792,544	19.73%	814,921
USD LIBOR 3M (BID)	74,800	2.51%	91,884	3.14%	96,155	3.77%	100,426
TR (Caixa Econômica Federal)	116,440	0.60%	117,136	0.75%	117,310	1.12%	117,745
Sub Total	926,100		1,037,343		1,065,154		1,093,226
Subordinated shares	(52,287)						
Transaction costs	(7,173)						
	866,640						
Not subject to risk							
FCO - Cezarina and Silvânia (a)	3,859						
	870,499						

- a) Contract with fixed interest.

##### Exchange rate risk

Saneago is exposed to fluctuation in exchange rates of financial operations denominated in foreign currencies. That could lead to the possibility of the Company incurring losses due to higher financing liabilities and financial expenses.

With the purpose of managing the unpredictability of exchange rate fluctuations and optimizing cash, hedge instruments may be contracted, such as swap contracts or currency forward contracts (NDF). The contracting of those instruments depends on the ratio of cost to expected benefit of the instrument used.

As in the debt sensitivity analysis above, the balance used was that of foreign debt, i.e., the financing agreement with IDB, denominated in US dollars. Based on market expectations for the end of the year of this currency value, in relation to June 2022, three scenarios were simulated. The probable scenario considers the expected evolution of the value of foreign currency, while the other scenarios assume appreciation or depreciation of exchange rates by 25% and 50%, respectively.

Sensitivity of debt in foreign currency - 06/30/2022						
Currency	Exposure	Probable scenario	-25%	25%	-50%	50%
Debt in R\$ (IDB)	74,800	R\$ 5.20	R\$ 3.90	R\$ 6.50	R\$ 3.25	R\$ 7.80
Exposure in US\$	14,042	-	-	-	-	-
Debt in R\$ in the scenarios	-	73,721	55,291	92,151	46,075	110,581
Effects on income before taxation	-	1,079	19,509	(17,351)	28,724	(35,782)

#### Sensitivity of the debt in foreign currency with IDB

In relation to contract 1414/OC executed between Saneago and the Inter-American Development Bank (IDB), no currency forward mechanisms have been adopted against oscillations in exchange variation. However, Management has evaluated the possibility of hedging against current and probable changes in the world economic scenario.

In the sensitivity analysis for foreign currency debt, the probable scenario projected as at June 30, 2022, indicates a slight decrease in the expected amount of future debt. We point out, however, the increase in interest rates and inflation in Brazil, as well as the appreciation of foreign currencies in relation to the Brazilian real, mainly due to the Covid-19 pandemic, which has been significantly affecting Brazilian and international economy. Abroad, the global economy has been slowing down and economic and geopolitical uncertainties exist, in particular some commercial disputes that may contribute to less global growth. Domestic factors relate to whether the Brazilian economy is able to absorb problems in the international market and if internal structural changes are possible, in special in relation to taxation, which would allow resuming economic growth. The dollar exchange rate used for the payment due in October 2021 was R\$5.52, and R\$4.76 for the payment of the installment due in April 2022. The projection of exchange rate for 2022 is R\$5.20.

The dollar rates of the scenarios were based on data the Brazilian Central Bank published in the FOCUS Market Report (Market Expectations) on July 22, 2022.

#### (b) Credit risk

Saneago provides services to almost all people of the state of Goiás. As for individual customers, the practice at the Company is to cut the services in the event of payment default, and no credit analysis is made. As a result of the Covid-19 pandemic, cuts were suspended from March 19, 2020, to January 3, 2021, and this suspension was maintained only for customers in the special category and other categories deemed as vulnerable, in effect until the end of 2021. Such practice is not applicable to legal entities and government customers and Management has been making efforts to reduce contract default levels through negotiation with municipal governments and public agencies of the state of Goiás.

#### (c) Liquidity risk

Liquidity risk can be defined as the possibility of the Company not having enough funds to fulfill financial obligations or even having to pay extra costs due to shortage of funds at due dates as a result of a mismatch between payables and receivables.

The Company's liquidity risk associates mainly with its capacity of generating cash and borrowing funds from federal, state and private financial institutions. Besides, liquidity is affected by shortages of water, which have significant impact to the Company's revenue, as well as lower tariffs ordered by courts, reduction in demand, increase in default level and costs and expenses above projected limits, besides realization of non-recurrent expenses not accrued for.

The exposure to liquidity risk is mitigated by monitoring and management of cash inflows and outflows, so that the Company can fulfill its obligations.

#### (d) Risks associated with concession/program contracts

Saneago's results depend on the maintenance of contracts with the municipalities where it operates. Usually, the Concession Contracts and the Programs Contracts have 30-year terms. In some situations, a municipality is entitled to cancel contracts before expiration or do not give authorization for their renewal due to noncompliance with legal or contract obligations, upon compensation of the balances of investment not yet amortized, something guaranteed by law, as discussed in Note 2.11 (a).

### 3.2 Capital management

The objective of managing capital is safeguarding the capacity of the Company continuing as a going concern, offering return to shareholders and benefits to other stakeholders, besides keeping an ideal capital ratio and reduce costs. The financial leverage ratio is tracked. It corresponds to net debt divided by total capital. Net debt, in its turn, corresponds to total loans and financing, less cash and cash equivalents. Total capital is determined through the sum of equity as demonstrated in the statement of financial position with net debt.

Net Financial Position	06/30/2022	12/31/2021
Total loans/Debentures/Leases	880,915	974,744
(-) Cash and cash equivalents.	(23,825)	(138,808)
(-) Financial Investment (a)	(417,967)	(430,420)
(=) Net debt	439,123	405,516
(+) Total equity	3,470,756	3,356,818
(=) Total capital	3,909,879	3,762,334
Financial Leverage Index	11.23%	10.78%

#### (a) Immediate liquidity financial investments as per note 5.

### 4. Cash and cash equivalents

	06/30/2022	12/31/2021
Imprest fund	235	60
Bank checking accounts/billing	12,072	12,218
Banks - Accounts linked to construction work	3,320	5,842
Banks - Billing not yet released (a)	8,198	12,724
Financial investments (b)	-	107,964
	23,825	138,808

Refer to amounts held at banks and short-term financial investment with immediate liquidity and insignificant risk of change in value.

(a) Refers to bank float that is released between 1 to 3 business days after the funds enter into the bank account;

(b) The Company maintains in Cash and Cash Equivalents the investments expected to be used within six months. As at June 30, 2022, there is no expectation of using the balance of financial investments within this period. The balance of 12/31/2021 of financial investments includes the following amounts:

	06/30/2022	12/31/2021
B. Brasil	-	568
BBM	-	1,771
Bradesco	-	2,112
Itaú	-	103,503
Safra	-	10
Santander	-	-
	<u>-</u>	<u>107,964</u>

The average return on these financial investments as at December 31, 2021 was 91.89% of CDI.

The decrease in cash and cash equivalents is due mainly to the payment of obligations arising from the Company's Voluntary Redundancy Program - PDV, and from the allocation of resources to the caption Financial Investments, since a reduction in the use of cash balance is expected for the next 6 months, considering the expected generated cash necessary for the payment of obligations during this period.

## 5. Financial investments

These refer to investments with immediate liquidity to meet short-term commitments. It differs from investments allocated to Cash and Cash Equivalents only in terms of their expected use by the Company, which is after six months, and breakdown as follows:

	06/30/2022	12/31/2021
B. Brasil	566	-
BBM	2,535	-
Bradesco	5,380	-
Itaú	33,610	85,130
Safra	10	-
Santander	375,866	345,290
	<u>417,967</u>	<u>430,420</u>

The average return on the financial investments in the 2<sup>nd</sup> quarter of 2022 was 99.69% of the Interbank Deposit Rate (CDI) (104.82% of CDI as at December 31, 2021).

The market value of short-term financial investment is close to the one recorded in the interim financial information seeing it is pegged to the variation in CDI, or is composed of specific funds with variable yield, which are monthly checked through the statements issued by the financial institutions. The Company has no financial instruments measured at fair value.

## 6. Marketable securities

	06/30/2022	12/31/2021
Current		
Banco do Brasil	615	586
Caixa Econômica Federal	253	2,774
	<u>868</u>	<u>3,360</u>
Noncurrent		
Bradesco	1,080	-
Caixa Econômica Federal	12,012	11,567
	<u>13,092</u>	<u>11,567</u>
	<u>13,960</u>	<u>14,927</u>

Such investments are a contract demand. Guarantee reserves maturing after 12 months are classified as noncurrent assets. Contracts maturing within the next 12 months are carried in current assets, as well as other investment available within the year.

Of the net decrease in marketable securities, R\$ 591 refers to returns on financial investments with no cash effect, with redemption amounting to R\$1,558.

The average returns on marketable securities in the 2<sup>nd</sup> quarter of 2022 was 78.67% of the Interbank Deposit Rate (CDI) (74,57% of CDI as at December 31, 2021).

## 7. Receivables from consumers

	06/30/2022			12/31/2021		
	Private	Public	Total	Private	Public	Total
Amounts billed and not yet due	127,807	24,196	152,003	103,162	11,990	115,152
Becoming due in more than 30 days	33,024	4,678	37,702	39,316	9,267	48,583
Overdue for up to 30 days	97,145	559	97,704	91,304	4,087	95,391
From 31 to 60 days overdue	37,020	4,227	41,247	37,712	2,195	39,907
From 61 to 90 days overdue	15,300	2,957	18,257	18,355	1,554	19,909
From 91 to 120 days overdue	12,439	1,325	13,764	13,535	1,144	14,679
From 121 to 180 days overdue	21,379	2,177	23,556	21,641	1,773	23,414
From 181 to 360 days overdue	55,373	5,740	61,113	5,355	5,381	10,736
From 361 days to 5 years overdue	26,362	5,572	31,934	23,722	6,548	30,270
Overdue for more than 5 years	3,814	3,231	7,045	1,741	2,456	4,197
Collection to be identified	(1,628)	(49)	(1,677)	(100)	-	(100)
Estimate of amounts to be billed	101,996	8,714	110,710	90,782	6,782	97,564
(-) Discount to present value of receivables	(1,406)	(218)	(1,624)	(1,656)	(266)	(1,922)
(-) Allowance for doubtful accounts	(58,632)	(17,428)	(76,060)	(9,030)	(18,507)	(27,537)
Subtotal	<u>469,993</u>	<u>45,681</u>	<u>515,674</u>	<u>435,839</u>	<u>34,404</u>	<u>470,243</u>
Amounts receivable (noncurrent)	23,978	13,051	37,029	24,378	15,533	39,911
(-) Discount to present value of receivables	(3,860)	(2,669)	(6,529)	(4,167)	(3,385)	(7,552)
(-) Allowance for doubtful accounts	(774)	(849)	(1,623)	(261)	(2,921)	(3,182)
Subtotal	<u>19,344</u>	<u>9,533</u>	<u>28,877</u>	<u>19,950</u>	<u>9,227</u>	<u>29,177</u>
Total	489,337	55,214	544,551	455,789	43,631	499,420

During recognition, the amounts demonstrated above were equal to their respective fair values and do not consider fines, interest or any form of monetary adjustment payable on overdue amounts.

The change in the allowance for doubtful accounts, recognized pursuant to the policy mentioned in Note 2.3 a), is as follows:

Balance as at 12/31/2021	(30,719)
Recognition of allowance for doubtful accounts (Note 34)	(46,964)
Balance as at 06/30/2022	(77,683)

The increase in the balance of the allowance for doubtful accounts is due to the change in the criterion for effective write-off of overdue credits, alongside the improvement in the methodology for calculating the allowance, as mentioned in Note 2.3 (a). Overdue credits not written-off and not yet paid remain outstanding, and an allowance is recognized for them according to time elapsed. This change had no material impact on income as per note 34, since the increase in the allowance is compensated by the effective write-off of losses



The practice in relation to individual customers is initially notifying them about the debt through a message in the invoice of the following month. After notification, a period of 30 days is granted for payment and in the event the invoice is not paid, the supply of water is cut, what happens on average 48 days after the expiration of the original invoice in normal periods. For public customers, the cut does not occur, and only the debt notification step is applied. In addition, by means of Regulatory Resolution AGR/CR No. 9/2014 for activities considered essential, it is not possible to interrupt the water supply, and only the possibility of the flow reduction procedure is applicable.

## 8. Inventories

	06/30/2022	12/31/2021
Materials to be used in treatment stations	7,157	6,666
Materials to be used in pipelines	336	8
Electric materials and equipment	1,792	1,934
Tubes and connections for pipelines and water mains	47,398	36,122
Materials to be used in building pipelines	3,559	2,483
Water meters	6,777	5,974
Valves	8,860	6,433
Pumps	2,258	1,557
Sundry materials	4,155	4,079
(-) Provision for inventory losses	(4,225)	(10,632)
	<u>78,067</u>	<u>54,624</u>

The change in inventory losses, accrued for as described in Note 2.3, is broken down below:

Balance as at 12/31/2021	(10,632)
Reversal (recognition) of provision for inventory losses (Note 34)	<u>6,407</u>
Balance as at 06/30/2022	(4,225)

## 9. Recoverable taxes

	06/30/2022	12/31/2021
Income Tax (a)	5,968	3,171
Social Contribution Tax (a)	1,590	11
Withholding Income Tax (IRRF)	4,418	2,115
PIS/COFINS on Leases	833	-
Brazilian Federal Revenue Service	2,733	2,733
	<u>15,542</u>	<u>8,030</u>

a) Refers to Income and Social Contribution tax negative balances (compensation of monthly tax prepayments) for 2021 recoverable after the filing of Tax and Accounting Bookkeeping (ECF) as at August 2022.

## 10. Prepaid expenses and advances

	06/30/2021	12/31/2020
Current amounts		
Insurance premium	-	168
Investment fund - Receivables - FIDC IV (a)	10,067	10,881
Advances for payment of graduate courses	27	27
Advances for travels	899	673
Advances for vacations	5,744	7,761
Advances for year-end bonus	15,462	-
Contractual indemnities (b)	8,987	6,898
Share issuance expenses	3,607	3,593
Subscriptions to periodicals and annuities	-	24
	<u>44,793</u>	<u>30,025</u>

Noncurrent amounts  
Contractual indemnities (b)

235,728	185,905
235,728	185,905

(a) Amortization and charges paid in advance according to the FIDC IV Regulations.

(b) This refers to payment of indemnities for anticipated renewal of contracts with the municipalities of Goiânia, Anápolis and Águas Lindas and the anticipated interest of Anápolis, Novo Gama and Águas Lindas, with the amounts amortized until the contractual term of each municipality. The change in balances is due to the anticipated payments of Novo Gama and Águas Lindas in the second quarter of 2022.

## 11. Outsourcing

To assure compliance with Program Contracts executed between Saneago and the municipalities of Aparecida de Goiânia, Jataí, Rio Verde and Trindade, the Company chose to outsource sewage services through a bidding process, and contract # 1327/2013 went into effect on July 19, 2013.

Full operations began in November 2013 and the contract term ends on November 1, 2041, with contract 1327/2013 being currently managed by BRK Ambiental Goiás S.A.

The contract addresses regionalized provision of services by Saneago and has the following characteristics:

- The regulation agency is the Control and Inspection Council of Public Services (AGR) and the consenting intervening parties are the municipalities of Aparecida de Goiânia, Jataí, Rio Verde and Trindade;
- Payment of R\$273,000 granting fees to Saneago in thirty (30) installments, annually adjusted according to the IPCA rate (National Consumer Price Index);
- Operation and expansion of collection, removal and sewage treatment systems within six (6) years. The water supply universalization ratio must reach at least ninety percent (90%) of the population;
- Saneago will manage the integrated commercial operation of public water supply and sewage services in the outsourced area. It is a responsibility of the outsourced service provider to register consumers, read water meters, issue and simultaneously deliver the payment invoices, cut and reconnect the water supply and micro-measurement, among other activities related to the rendering the water supply and sewage services.

Granting fees are recorded in current assets proportionally to the contract term and adjusted according to the IPCA rate, with a corresponding item to the statement of income. Current liabilities refers to matching of accounts between parties and mainly derives from subdelegate's revenues received by Saneago. Long term assets and liabilities represent investments made by the subdelegate entity not yet amortized.

	Current assets		Current liabilities	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Outsourcing				
Granting fees	3,767	10,715	325	6,386
	Noncurrent assets		Noncurrent liabilities	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Investment in sewage system	1,255,830	1,111,322	1,255,830	1,111,322
Total	1,259,597	1,122,037	1,256,155	1,117,708

## 12. Other accounts receivable

	06/30/2022	12/31/2021
Current portion		
Collateral deposits	18	18
Consortium-related amounts	8,934	5,019
Sundry advances	366	406
Credits from Auctions (a)	1,221	4,631
(-) Provision for losses	(375)	(375)
	<u>10,164</u>	<u>9,699</u>
Noncurrent portion		
Contracts under legal dispute (b)	32,765	32,765
(-) Estimated credit losses	(32,765)	(32,765)
Other receivables	19	42
	<u>19</u>	<u>42</u>

(a) These refer to credits arising from auction of land without use, according to the operation mentioned in Note 13. R\$ 147 referring to monetary adjustment to such receivables was recorded.

(b) Contracts under legal dispute

The Company is questioning at court concession contracts of water supply and sewage services of the following municipalities:

### Caldas Novas

Due to the recovery of the systems by the municipal government on June 27, 1995, Saneago filed an indemnity action, Proceeding No. 0033803.68.1995.8.09.0051. The local judge accepted the request for indemnity, sentencing the municipal government of Caldas Novas to pay R\$ 37,058. On June 05, 2019, the court of Goiás revoked the lower court decision and determined the proceeding to continue on its original court, with reversal of the burden of proof to Saneago, in order to verify the existence of the amounts to be amortized. In April/2020, the proceeding was sent to the Federal Court of Appeals (STJ), to judge the special appeal filed by Saneago, with conclusion for decision of its President on May 06, 2020. On October 02, 2020, the STJ acknowledged the Special Appeal, but dismissed it, thus maintaining the decision of the court of Goiás.

The proceeding returned to its instance of origin, and inadvertently closed without compliance with the decision by the court of Goiás. The company has filed a request to be called to court, so that the proceeding can be reopened and the decision by the court of Goiás can be executed and, consequently, the Company can be determined to present the amounts to be amortized, so that the amount effectively owed by the municipality can be calculated.

On March 31, 2022, Saneago adjusted the values of indemnity for the assets not amortized, in the form suggested by the court of Goiás, for procedural purposes, with no effects on accounting records. The municipal government contested the calculation on May 04, 2022, and requested the dismissal of the proceeding. The proceeding was concluded for judgment.

### Catalão

On June 28, 2002, by means of the Judgement of Compliance and Assumption on the records of Injunction No. 2001.017.607.73, the municipality of Catalão terminated the municipal basic sanitation system, with no possibility of resumption. An action was proposed by means of Proceeding No. 37532.36.2016.8.09.0029. Saneago had concession agreements with final maturity on July 27, 2019. The mentioned proceeding remained suspended by a long period of time, awaiting the progress of appendix No. 0174386-71/2015.8.09.0029, which was processed by the Federal Court of Appeals (STJ) for judgement of the Special Appeal (REsp.) In September 2019, the Attorney General of SAE - Superintendência Municipal de Água e Esgoto de Catalão requested access to the electronic proceeding. On June 02, 2020, the proceedings were concluded, by order of the Judge, with a delay in the preparation of the analysis by withdrawal of the expert hired. On October 04, 2021, there was a new expert appointed, and we await the analysis for the calculation of indemnity. The expert accepted the duty. We await analysis for the calculation of amounts of assets not amortized (indemnity).

### 13. Noncurrent assets held for sale

In 2021, Management decided to sell 17 properties that were in a situation of idleness and for not being part of any plan or project to expand the Company's water supply and sewage systems. The Company published three notices for biddings in a similar type to the Auction, under the criterion of highest price offer, with the following auction in progress:

Bidding Process	Publishing Date	Type	Amount/ Assets in lot	Minimum amount for Acquisition	Status of the Proceeding	Winning bid
8179/2015	08/03/2021	Disposal, similar to Auction	5 plots of land	230	Ongoing	-

According to the mentioned decision, and as per guidelines of CPC 31/IFRS 5 Noncurrent Assets held for Sale, assets are classified in Current Assets. There were no changes in the first half of 2022, as shown below:

Noncurrent assets held for sale	12/31/2021	Inflows	Sale of assets	06/30/2022
Plots of land	3	-	-	3
Total	3	-	-	3

### 14. Court deposits

	06/30/2022	12/31/2021
Court deposits	20,065	18,491
	20,065	18,491

Of the outstanding balance as at June 30, 2022, around 92% correspond to deposits made in the last five years, with emphasis on deposits arising from proceedings 5532023-46.2019.8.09.0103, filed by the municipality of Minaçu in the amount of R\$5,444, and 241645.61.2008.8.09.0051, filed by the municipality of Goiânia in the amount of R\$4,164 and 0010242-85.2016.5.18.0016 filed by the STIUEG - Sindicato dos Trabalhadores Urbanitários of the State of Goiás, with balance of R\$3,500. The changes in the balance of court deposits refer mainly to proceeding 0010242-85.2016.5.18.0016.

### 15. Taxes on income

#### 15.1 Taxes on Income in the Statements of Income

	06/30/2022		06/30/2021	
	Income tax	Social Contribution tax	Income tax	Social Contribution tax
Income before Income and Social Contribution Taxes (IRPJ and CSLL)	204,494	204,494	173,673	173,673
IR and CSLL - Current Rates	(51,123)	(18,404)	(43,418)	(15,631)
Deductibility on Interest on Equity Capital	8,872	3,194	7,351	2,646
Nondeductible Fines	(1,147)	(413)	(286)	(103)
Workers' Meal Program - PAT	722	-	-	-
Loss/Recovery of nondeductible credits - Law No. 9.430/96	474	171	35	13
Management Bonus	(203)	-	(205)	-
Corporate Citizen Incentive - Law No. 11.770/08	116	(14)	-	-
Expenses on issue of shares	4	1	2	1
Others	1,976	707	(195)	(83)
IRPJ and CSLL - Effective Amounts	(40,309)	(14,758)	(36,716)	(13,157)
Total IRPJ and CSLL	(55,067)		(49,873)	
Effective rate	26.93%		28.72%	

## 15.2 Taxes on Income - Deferred in the Statement of financial position

	06/30/2022				12/31/2021			
	Tax base	IRPJ (25%)	CSLL (9%)	Total	Tax base	IRPJ (25%)	CSLL (9%)	Total
Deferred tax assets								
Allowance for Doubtful Accounts - Credits receivable	77,683	19,422	6,991	26,413	30,719	7,681	2,765	10,446
Discount to Present Value - Credit receivable	8,154	2,039	734	2,773	-	-	-	-
Provision for losses on Inventory	4,225	1,056	380	1,436	10,633	2,658	957	3,615
Provision for losses on investments	564	141	51	192	564	141	51	192
Provision for contingencies	207,345	51,836	18,661	70,497	233,157	58,289	20,984	79,273
Provision for losses on other credits	375	94	34	128	375	94	34	128
Provision for Contracts without Concession	32,765	8,191	2,949	11,140	32,765	8,191	2,949	11,140
Provision for Losses on Construction	128,347	32,087	11,551	43,638	128,347	32,087	11,551	43,638
Actuarial liabilities	21,388	5,347	1,925	7,272	21,388	5,347	1,925	7,272
Provision for profit sharing	35,457	8,864	3,191	12,055	35,246	8,811	3,172	11,983
Lease - Vehicles	(1,099)	(275)	(99)	(374)	-	-	-	-
CSLL Tax Losses (a)	172,378	-	15,514	15,514	208,258	-	18,743	18,743
<b>Total</b>	<b>687,582</b>	<b>128,802</b>	<b>61,882</b>	<b>190,684</b>	<b>701,452</b>	<b>123,299</b>	<b>63,131</b>	<b>186,430</b>
Deferred tax liabilities								
Tax Accounting Depreciation	439,343	109,836	39,541	149,377	372,953	93,238	33,566	126,804
Asset and liability valuation adjustment	50,475	12,618	4,543	17,161	50,476	12,619	4,543	17,162
<b>Total</b>	<b>489,818</b>	<b>122,454</b>	<b>44,084</b>	<b>166,538</b>	<b>423,429</b>	<b>105,857</b>	<b>38,109</b>	<b>143,966</b>
<b>Total Deferred Taxes, net</b>				<b>24,146</b>				<b>42,464</b>

At the Company, based on studies and future perspective of growth, tax assets are limited to the lower between the amount of future income and the amount of tax to be offset through the realization of temporary differences and tax losses.

a) We provide below the projection of realization of deferred tax assets in relation to tax losses:

Year	Expected realization		
	Estimated Tax Income	IRPJ	CSLL
2022	257,932	-	6,964
2023	247,792	-	6,690
2024	248,813	-	1,860

### Change in deferred taxes

Balance kept in deferred tax assets as at 12/31/2021	42,464
(+) Recognition/Realization of deferred tax assets - Statement of income	4,254
(+) Recognition of deferred tax assets - Equity	-
(+) Recognition/Realization of deferred tax liabilities- Statement of income	(22,573)
(+) Recognition of deferred tax liabilities - Equity	1
Balance kept in deferred tax assets as at 06/30/2022	24,146
Reversal in the statement of income as at 06/30/2022	
Income) before taxes	204,494
Combined rate 34%	69,528
(+ / -) IRPJ/CSLL on permanent/temporary additions and exclusions and tax losses	(87,847)
Deferred taxes in the statement of income	(18,319)

	Effects on Income for the year - Deferred taxes			Effects on Income for the year - Deferred taxes		
	01/01/2022 to 06/30/2022			01/01/2021 to 06/30/2021		
	IRPJ	CSLL	Total	IRPJ	CSLL	Total
AVP - Discount to present value	2,038	734	2,772	-	-	-
Leases	(562)	(202)	(764)	-	-	-
Allowance for Doubtful Accounts - Credits receivable	11,742	4,228	15,970	(845)	(305)	(1,150)
Provision for Losses on Inventory	(1,602)	(576)	(2,178)	(3,800)	(1,368)	(5,168)
Provision for contingencies	(6,453)	(2,323)	(8,776)	25,897	9,323	35,220
Provision for profit sharing	53	18	71	-	-	-
Tax Losses - IRPJ	-	-	-	(10,432)	-	(10,432)
CSLL tax losses	-	(3,230)	(3,230)	-	(4,567)	(4,567)
Tax x Accounting Depreciation	(16,313)	(5,871)	(22,184)	(15,510)	(5,583)	(21,093)
<b>Total</b>	<b>(11,097)</b>	<b>(7,222)</b>	<b>(18,319)</b>	<b>(4,690)</b>	<b>(2,500)</b>	<b>(7,190)</b>

## 16. Investment

The Company has shares of investment in some companies where it does not hold significant control, corresponding to R\$564, which are accounted for under the cost method. However, a provision for impairment has been recognized, as there is no perspective of realization of that investment.

On January 25, 2022, at the General Meeting No. 169, the dissolution of Saneago's ownership interest in the companies Comurg, Metrobus, Codego and Agehab in the total amount of R\$573 thousand was approved, followed by the notification of the companies involved to formalize the process. In June 2022, the Company received reimbursement for its shares in Codego, with a zero net balance at June 30, 2022.

Description	06/30/2022	12/31/2021
Comurg	515	515
Metrobus	46	46
Other	3	12
	<u>564</u>	<u>573</u>
Provision for losses	<u>(564)</u>	<u>(564)</u>
	<u>-</u>	<u>9</u>

## 17. Fixed assets

	06/30/2022	12/31/2021
General use assets	196,678	177,031
General use assets in construction (a)	212,684	212,030
Deemed cost of assets	64,738	64,738
General use assets - Lease-purchase operations	7,242	7,242
Contributions- Corumbá Consortium (b)	(3,776)	1,222
Land-title regularization	225	222
Right-of-use - vehicles (Note 17.2)	57,609	59,256
Accumulated depreciation - Right-of-use assets (Note 17.2)	(49,125)	(41,448)
Accumulated Depreciation - General	(114,546)	(110,122)
Accumulated depreciation - Deemed cost	(14,281)	(14,280)
Accumulated Depreciation - Lease-purchase operations	(6,091)	(5,731)
	<u>351,357</u>	<u>350,160</u>

(a) Breakdown of general use assets in construction:

	06/30/2022	12/31/2021
General use assets in construction	152,641	152,147
General use assets in construction - Growth Acceleration Program (PAC)	60,043	59,883
	<u>212,684</u>	<u>212,030</u>

### 17.1 Technical assets

The change in assets is as follows:

Technical assets	Balance as at 12/31/2021	Additions	Write-offs	Depreciation/Amortization	Fixed Assets	Transfer between accounts	Contribution	Balance as at 06/30/2022
General use assets	177,031	19,564	(5)	-	98	(10)	-	196,678
General use assets in construction	212,030	752	-	-	(98)	-	-	212,684
Deemed cost of assets	64,738	-	-	-	-	-	-	64,738
General use assets - Lease-purchase operations	7,242	-	-	-	-	-	-	7,242
Contributions - Corumbá Consortium (b)	1,222	-	-	-	-	-	(4,998)	(3,776)
Land-title regularization	222	3	-	-	-	-	-	225
Accumulated depreciation - general	(110,122)	-	5	(4,643)	-	214	-	(114,546)
Accumulated depreciation - deemed cost	(14,280)	-	-	(1)	-	-	-	(14,281)
Accumulated depreciation - lease-purchase operations	(5,731)	-	-	(360)	-	-	-	(6,091)
	<u>332,352</u>	<u>20,319</u>	<u>-</u>	<u>(5,004)</u>	<u>-</u>	<u>204</u>	<u>(4,998)</u>	<u>342,873</u>

(a) This refers to differences in interest in the investment of Consórcio Corumbá, a business jointly controlled with Caesb as per note 26. As at December 31, 2021, Saneago was a debtor, with amounts payable complementing the amount invested. As at June 30, 2022, the company was a creditor with amounts receivable, and the balance refers to the amount invested corresponding to Caesb.

## 17.2 Right-of-use assets - Leases

The requirements of standard CPC06 (R2)/IFRS16 have been applied starting January 1, 2019, as described in Note 21d.

	06/30/2022	12/31/2021
Right-of-use assets - vehicles	57,609	59,256
Accumulated depreciation- Right-of-use assets	(49,125)	(41,448)
	<u>8,484</u>	<u>17,808</u>

The change in right-of-use assets is broken down below:

Right-of-use assets	Balance as at 12/31/2021	Additions	Depreciation/ Amortization	Balance as at 06/30/2022
Right-of-use assets - vehicles	59,256	(1,647)	-	57,609
Accumulated depreciation - right-of-use assets	(41,448)	-	(7,677)	(49,125)
Total	<u>17,808</u>	<u>(1,647)</u>	<u>(7,677)</u>	<u>8,484</u>

According to decision CVM 859 of June 7, 2020, the lease-purchase operations of the Company were assessed according to the provisions of standard CPC 06 (R2). No change in contracts or in right-of-use assets in 2020 and 2021 was necessary and the operation of assets is normal, even amid the COVID-19 pandemic.

## 18. Contractual assets

A Contractual asset (work in progress) is the right to consideration for goods or services transferred to customers. As determined by standard CPC 47 - Revenue from Contracts with Customers, assets tied to construction work established by a concession and recognized under the scope of standard ICPC 01 (R1) - Concession Contracts must be classified as Contractual assets during the construction period and transferred to intangible assets only after the conclusion of the work.

Contractual assets are initially recognized at fair value, including costs of loans capitalized along the period where the asset is under construction and consider the effective rate of loans prevailing at capitalization date.

Contractual assets	Balance as at 12/31/21	Additions	Advance to supplies	Inventory adjustment	Inventory return and purchases	Transfer to storeroom	Use/ reversal of inventories	Transfer to fixed assets	Transfer between accounts	Balance as at 06/30/2022
Water systems	218,252	31,560	-	-	-	-	-	(32,797)	166	217,181
Sewage systems	415,004	20,560	-	-	-	-	-	(31,836)	2,407	406,135
Construction work in progress	44,944	-	-	54	10,756	(4,265)	368	-	-	51,857
Advances to suppliers	2,700	-	(2,700)	-	-	-	-	-	-	-
	<u>680,900</u>	<u>52,120</u>	<u>(2,700)</u>	<u>54</u>	<u>10,756</u>	<u>(4,265)</u>	<u>368</u>	<u>(64,633)</u>	<u>2,573</u>	<u>675,173</u>

## 19. Intangible assets

	06/30/2022	12/31/2021
Water systems	2,703,983	2,656,057
Sewage systems	2,880,833	2,846,653
General use assets	21,227	15,386
Software (licenses)	51,244	48,844
Accumulated amortization	(2,824,539)	(2,773,010)
Contributions to realize - Águas Lindas	54,379	54,697
Provision for impairment	(128,347)	(128,347)
"Operação Decantação" (Note 41)	(118,494)	(118,494)
Land-title regularization	58,196	45,368
Non onerous assets - water supply	55,879	51,424
Non-onerous assets - sewage	89,216	109,261
	<u>2,843,577</u>	<u>2,807,839</u>

The change in intangible assets in the period is as follows:

	Balance as at 12/31/2021	Additions	Write-offs	Depreciation/ amortization	Contribution	Transfer between accounts.	Fixed assets and subvention	Balance as at 06/30/2022
Intangible assets in use								
Water systems	2,656,057	16,741	(1,860)	-	-	4	33,041	2,703,983
Sewage systems	2,846,653	1,711	(27)	-	-	10	32,486	2,880,833
General use assets	15,386	5,841	-	-	-	-	-	21,227
Accumulate amortization	(2,773,010)	-	941	(52,255)	-	(215)	-	(2,824,539)
Software (licenses)	63,352	5,716	-	-	-	-	-	69,068
Amortization of software (licenses)	(14,508)	-	-	(3,316)	-	-	-	(17,824)
Contributions to realize - Águas Lindas	54,697	-	-	-	(318)	-	-	54,379
Provision for losses (impairment)	(128,347)	-	-	-	-	-	-	(128,347)
"Operação Decantação" (Note 41)	(118,494)	-	-	-	-	-	-	(118,494)
Land-title regularization	45,368	13,722	-	-	-	-	(894)	58,196
Non-onerous intangible assets - Water supply	3,417	-	-	-	-	(4)	2,284	5,697
Non-onerous intangible assets - Sewage	13,514	15	-	-	-	-	23,077	36,606
(-) Government subsidies/grants	(16,616)	-	-	332	-	-	(25,372)	(41,656)
Amortization of non-onerous assets	(315)	-	-	(332)	-	-	-	(647)
<b>Total</b>	<b>2,647,154</b>	<b>43,746</b>	<b>(946)</b>	<b>(55,571)</b>	<b>(318)</b>	<b>(205)</b>	<b>64,622</b>	<b>2,698,482</b>
Intangible assets in progress - Non-onerous								
Non onerous assets - water supply	51,424	4,586	-	-	-	-	(131)	55,879
Non-onerous assets - sewage	109,261	7,759	-	-	-	(2,573)	(25,231)	89,216
<b>Total</b>	<b>160,685</b>	<b>12,345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,573)</b>	<b>(25,362)</b>	<b>145,095</b>
<b>Total intangible assets</b>	<b>2,807,839</b>	<b>56,091</b>	<b>(946)</b>	<b>(55,571)</b>	<b>(318)</b>	<b>(2,778)</b>	<b>39,260</b>	<b>2,843,577</b>



## 20. Government subsidies

### 20.1 Fixed and intangible assets

The balances of the Fixed and intangible assets include those obtained with own funds and/or purchased with funds transferred by the Brazilian Federal Government through the Growth Acceleration Program (PAC), in addition to other considerations from the granting power in specific contracts.

As at December 19, 2007, fund-transfer contracts were executed between the Federal Government, through the Ministry of Cities represented by Caixa Econômica Federal and the state of Goiás. That aimed urban water supply and sewage service provision in several municipalities, having Saneago as executing intervening party.

The purpose of each contract is establishing joint actions between Saneago and the Municipalities to expand water supply and sewage systems, as well as transfer the amount of consideration payable by the state of Goiás to the Company.

Item 8.5.1 of Clause eight - Financial Performance of Fund-Transfer Contracts and the Guidelines of the Growth Acceleration Program (PAC) provide refund in the following cases:

- When the purpose agreed upon in the contract has not been achieved;
- When a report on the rendering of accounts is not presented within the required time limit, whether a partial or final one;
- When the funds are used for other purposes and not the one established in the contract;
- When the amounts from financial investment are used in violation to the term, purpose or consideration established in the contract.

In the cases above, the refund is made according to the rules set in the contract for partial performance or non-compliance.

The amounts recorded in liabilities refer to transfers received from work not yet concluded. Finished work, concluded with own funds and in process of receipt of the transfers are recorded in assets. One same contract of transfer may include amounts received from unfinished work (recorded in liabilities) and finished work with amounts still pending to be transferred (recorded in assets).

a) The transfers recorded in liabilities are shown below:

City	Agreement	2/31/2021	Inflows	Works concluded/ Others	06/30/2022
<b>PAC</b>					
Formosa	0218016-87	3	-	-	3
Sto Antônio do Descoberto	0218331-07	389	-	-	389
Cristalina	0226017-65	309	-	-	309
Goiânia - Meia Ponte	0226025-62	4,566	1,544	-	6,110
Luziânia	0218328-52	1,467	-	(1,467)	-
Planaltina	0218330-94	64	-	(64)	-
Valparaíso	0218343-40	46	-	(46)	-
Novo Gama	0226015-46	130	-	-	130
Novo Gama	0226018-79	972	-	-	972
Goiânia - Vila Adélia	0226024-57	7,294	-	-	7,294
Luziânia	0226026-76	69,610	-	-	69,610
Luziânia	0231460-45	57	-	(57)	-
Goiânia	0350788-10	40,315	-	-	40,315
Sto Antônio do Descoberto	0350796-17	1,054	-	9	1,063
Pirenópolis	0350884-88	3,709	-	(2,285)	1,424
Aparecida de Goiânia	0351738-28	8,170	868	-	9,038
Goiânia Jd Petrópolis SES	0408678-27	38,360	8,554	(3,646)	43,268
Anápolis SES	0408691-99	21,144	1	(3,473)	17,672

City	Agreement	2/31/2021	Inflows	Works concluded/ Others	06/30/2022
Other Agreements	Jry	36	-	-	36
Total PAC		197,695	10,967	(11,029)	197,633
<b>Other Federal Programs</b>					
Aduora João Leite	1524/01	729	-	45	774
Aduora João Leite	0187/06	1,472	-	-	1,472
Amaralina - FUNASA	25	248	-	-	248
Nerópolis - ANA-PRODES	68/15	4,601	-	-	4,601
Pires do Rio - ANA PRODES	68/15	1,976	-	-	1,976
Campos Verdes	TC650/20	383	-	-	383
FUNASA/SECIMA					
Total Other Federal Programs		9,409	-	45	9,454
<b>Municipal subventions</b>					
Vianópolis	1288/14	131	15	(146)	-
Itapirapuã	1283/2014	51	-	-	51
Itapuranga	1210/2014	53	-	-	53
Porangatú	1247/2014	-	296	-	296
Total Municipal Subventions		235	311	(146)	400
Grand total		207,339	11,278	(11,130)	207,487

b) The transfers recorded in assets are shown below:

City	Agreement	12/31/2021	Concluded units	06/30/2022
Goiania Jd Petrópolis SES	0408678-27	-	15,696	15,696
Anápolis SES	0408691-99	-	132	132
Total PAC		-	15,828	15,828

## 20.2 Social Water Program

On December 16, 2021, the state government of Goiás created the Social Water Program, by means of law No. 21.203/2021. The program establishes a subsidy of up to 80% of the water bill to families living in the state of Goiás, served by Saneago, that are in situations of economic vulnerability. Customers who have no economic capacity to pay for the full cost of the services of water supply and collection and treatment of sewage are primarily considered as beneficiaries of the social tariff, in the terms of article 55 of law 14.939/2004.

The program will last for 12 months, and it is financed by the state of Goiás, by means of transfers to Saneago and tariff subsidies proposed by it and approved by the regulatory agency, as per item II, article 31 of Federal Law no. 11.445, of January 5, 2007. In 2021, R\$502 was transferred and subsidies in the amount of R\$526 were granted until the conclusion of the interim financial information as at June 30, 2022, of which R\$491 refers to subsidies in 2022. The Company has at 06/30/2022 the amount receivable of R\$24 referring to subsidies already granted.

## 20.3 Subventions Receivable

	06/30/2022	12/31/2021
PAC (Note 20.1b)	15,828	-
Social Water Program (Note 20.2)	24	-
	15,852	-



## 21. Loans and financing

### IDB (Inter-American Development Bank)

Interest is paid every six months in April and October at the rate IDB establishes. The rate on October 8, 2021, was 0.96% for that three-month period and 1.93% per annum. Amortization is also half-yearly made. It began on October 11, 2008, and will end on October 11, 2027.

### Debentures - 5th Issuance

In December 2018, in compliance with article 59 of Law 6404 of December 15, 1976, and CVM instruction 476 of January 16, 2009, there was the fifth (5th) issuance of simple, book-entry, secured Debentures, not convertible into shares in a single series to be distributed in a restricted manner.

The indenture of issuance and the trust assignment contract were executed as decided during the 370th Meeting of Saneago's Board of Directors on November 8, 2018.

Number of Debentures issued	Unit value	Amount obtained (R\$)
250,000	1,000	250,000.000

According to clause 4.15.1 of the indenture, such operation contains covenants, which, if not fulfilled, entitles the Trustee to enforce all obligations and demand immediate payment. Such financial ratios relate to the debt-service coverage ratio annually checked.

The financial index to be annually fulfilled for the 5<sup>th</sup> Issuance is a ratio between net debt and adjusted EBITDA lower or equal to 3.0. As at December 31, 2021, that ratio had been achieved.

### Debentures - 6th Issuance

In September 2019, in compliance with article 59 of Law 6404 of December 15, 1976, and CVM instruction 476 of January 16, 2009, there was the sixth (6th) issuance of simple, book-entry, secured Debentures, not convertible into shares in a single series to be distributed in a restricted manner.

The indenture of issuance and the trust assignment contract were executed as decided during the 387th Meeting of Saneago's Board of Directors on July 24, 2019.

Number of Debentures issued	Unit value	Amount obtained (R\$)
140,000	1,000	140,000.000

According to clause 4.15.1 of the indenture, such operation contains covenants, which, if not fulfilled, entitles the Trustee to enforce all obligations and demand immediate payment.

The financial index to be annually fulfilled and established for the 6th Issuance is a ratio of net debt to adjusted annual EBITDA lower or equal to 3.0. As at December 31, 2021, the ratio had been reached.

### Debentures - 8th Issuance

In November 2020, in compliance with article 59 of Law 6404 of December 15, 1976, and CVM instruction 476 of January 16, 2009, there was the fifth (5th) issuance of simple, book-entry, secured Debentures, not convertible into shares in a single series to be distributed in a restricted manner.



The indenture of issuance and the trust assignment contract were executed as decided during the 429th Meeting of Saneago's Board of Directors on November 26, 2020.

Number of Debentures issued	Unit value	Amount obtained (R\$)
220,000	1,000	220,000,000

As per clause 4.15.1 of the indenture, such operation contains covenants, which, if not fulfilled, entitles the Trustee to enforce all obligations and demand immediate payment.

The financial index established for the 8th Issuance is a ratio of net debt to adjusted annual EBITDA lower or equal to 3.0 and must be verified annually by the Issuer and monitored by the Trustee. As at December 31, 2021, the ratio had been reached.

#### Debentures 9<sup>th</sup> Issuance

In August 2021, in compliance with article 59 of Law 6404 of December 15, 1976, and CVM instruction 476 of January 16, 2009, there was the ninth (9th) issuance of simple, secured bonds, not convertible into shares in a single series to be distributed in a restricted manner.

This indenture of issuance and the trust assignment contract were entered into in accordance with the 443rd Meeting of Saneago's Board of Directors, held on June 02, 2021.

Number of Debentures Issued	Unit Value	Amount obtained (R\$)
250,000	1,000	250,000,000

As per clause 4.15.1 of the indenture, such operation contains covenants, which, if not fulfilled, entitles the Trustee to enforce all obligations and demand immediate payment.

The financial index to be annually reached and established for the 9<sup>th</sup> Issuance is a ratio of net debt to adjusted annual EBITDA lower or equal to 3.0 to be annually checked by the Issuer and followed up by the Trustee starting December 31, 2021. As at December 31, 2021, the ratio had been reached.

#### FIDC IV (Fund of Investment in Receivables)

During a meeting held on June 5, 2017, and as established in Article 50, paragraph (e) of the Regulations of the Fund, new covenants were set for Saneago, establishing a debt-service coverage ratio to be complied with or otherwise that may imply in anticipated payment of the debt. They have been in effect since the closing of the 2nd half of 2017.

As at June 30, 2022, the ratio had been reached

#### Banco do Brasil

On December 20, 2017, a Bank Credit Note was established - CCB 330.701.235 - between Saneago and Banco do Brasil. Item 10 of its regulations establishes covenants where the bank can declare all obligations established enforceable and demand immediate payment, if the covenants are not fulfilled.

We draw your attention to the fact that the ratio is annually checked. As at December 31, 2021, the Company had satisfied the debt-service coverage ratio.

#### Rating

As per the Notice to the market disclosed on March 04, 2022, in compliance with the provisions of article 157, paragraph 4, of Law No. 6.404/1976 and CVM Instruction No. 358/2002, Fitch Rating Brasil Ltda. rated the 5<sup>th</sup>, 6<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> issuance of the Company's bonds to 'A+(bra)', with stable perspective.



On February 16, 2022, also in accordance with the Notice to the market, Fitch Rating Brasil Ltda. increased the rating of the first issuance of single series of senior shares of the Fund of Investment in Receivables - FIDC Saneago IV to 'AAAsf(bra)', from AA+sf(bra), with stable perspective .

## 21.a Loans and financing

Bank name	Type	Contract	Commencement date	Maturity	Annual rate	Transaction Costs	Transaction costs to be recognized	Amount borrowed	Collateral	06/30/2022	12/31/2021	
BRASIL	Loan	330701235	27/12/2017	01/06/2026	2.9% + CDI	940	11	30,000	a)	6,406	10,082	
FIDC IV	Loan	FIDC Subordinated	15/12/2015	12/215/022	3.13 + CDI or IPCA + 8.90	47,828	3,890	600,000	g)	54,199	108,445	
Subordinated shares FIDC IV	Loan	es	-	-	-	-	-	-		(52,287)	(91,473)	
CEF	Financing	Various		2024	5.73% + TR	-	-	-	i)	3,321	4,147	
CEF	Financing	410461-57	31/12/2013	05/14/2037	8.5% + TR	-	-	132,760	c)	4,594	4,669	
CEF	Financing	0410526-20	31/12/2013	04/14/2037	8.5% + TR	-	-	36,410	c)	25,047	25,459	
CEF	Financing	0410517-19	02/14/2014	05/14/2037	8.5% + TR	-	-	18,265	c)	5,133	5,226	
CEF	Financing	0410538-64	03/27/2015	05/14/2037	8.5% + TR	-	-	51,544	c)	38,673	39,381	
CEF	Financing	26340190232-94	06/29/2006	04/30/2028	12% + TR	-	-	3,185	b)	1,694	1,936	
CEF	Financing	26340190233-07	06/29/2006	06/30/2030	12% + TR	-	-	39,214	b)	24,271	22,142	
CEF	Financing	2635248557-66	06/30/2008	11/12/2030	8.5% + TR	-	-	6,600	b)	3,323	3,510	
CEF	Financing	2634248555-47	10/09/2009	06/14/2031	9% + TR	-	-	10,000	b)	5,435	5,799	
CEF	Financing	2634248548-42	12/30/2009	06/14/2031	9% + TR	-	-	11,882	b)	4,949	5,197	
IDB (Inter-American Development Bank)	Financing	1414/OC	12/11/2002	10/11/2027	1. 74% + USD LIBOR	-	-	\$47,000	h)	74,800	86,942	
BRASIL	Financing	40/01033-3	09/10/2012	04/01/2022	3M + VC	-	-	2,360	d)	-	32	
BRASIL	Financing	40/00984-x	12/20/2012	01/01/2028	10.00%	-	-	6,846	d)	3,859	4,205	
Transaction costs	Loan	Transaction costs			2.94%	-	-	-		(3,901)	(7,821)	
						48,768	3,901	996,066,		199,516	227,878	
										Current	33,647	44,252
										Noncurrent	165,869	183,626



## 21.b Debentures

Debentures	Beginning	Maturity	Annual rate	Transaction costs	Transaction cost to be recognized	Amount obtained	Collateral	06/30/2022	12/31/2021
Debentures - 5th Issuance	11/15/2018	11/16/2023	2.5% pa + CDI	4,296	450	250,000	e)	99,459	134,497
Debentures - 6th Issuance	09/23/2019	09/23/2024	1.2% pa + CDI	3,226	753	140,000	f)	102,492	125,211
Debentures - 8th Issuance	11/27/2020	11/27/2025	2.45% pa + CDI	1,254	394	220,000	f)	220,517	220,489
Debentures - 9th Issuance	08/25/2021	08/11/2026	1.9% pa + CDI	2,314	1,675	250,000	f)	251,787	251,588
Transaction costs of Debentures								(3,272)	(4,654)
				11,090	3,272	860,000		670,983	727,131

Current 159,259 121,811  
Noncurrent 511,724 605,320

Description	Balance
Loans and financing	199.516
Debentures	670.983
	870.499

- a) 20% of the debt amount collected at the end of each month;
- b) Pledge of the assets to the Financial Agent;
- c) A reserve corresponding to 3 times the monthly debt-service coverage ratio.
- d) 10% of the debt amount collected at the end of each month;
- e) 120% of the amount collected of each installment not yet due;
- f) 110% of the amount collected of each installment not yet due;
- g) 45% of the amount collected;
- h) Suretyship of the state of Goiás;
- i) No collateral.

Statement of noncurrent amounts per maturity		06/30/2022
2023		127,627
2024		212,772
2025		172,437
After 2026		166,080
Transaction costs		(1,323)
		677,593

### 21. c Change in loans and financing

	01/01/22 to 06/30/22					01/01/21 to 06/30/21				
	Fundraising /Redemptions	Paid Amortization	Interest and Charges Paid	Charges for the Period	Capitalized Interest	Fundraising	Paid Amortization	Interest and Charges Paid	Charges for the Period	Capitalized Interest
Internal Financing	-	(6,604)	(3,887)	4,324	-	134	(7,004)	(3,935)	3,913	-
Inter-American Development Bank - IDB	-	(6,145)	(707)	(5,290)	-	-	(7,169)	(965)	(1,901)	-
Banco IBM - Lease	-	-	-	-	-	-	(345)	(136)	135	-
Receivables Investment Fund Saneago										
INFR. IV	-	(53,731)	(8,014)	7,500	-	-	(53,731)	(13,424)	13,379	(59)
Subordinate Shares FIDIC IV	44,999	-	-	(5,815)	-	-	-	-	(1,389)	-
Agreements	-	(609)	(633)	2,330	-	-	(1,195)	(1,643)	2,057	-
Debentures	-	(57,587)	(43,975)	44,032	(70)	-	(60,045)	(12,968)	13,066	(53)
Transaction cost	-	-	(64)	5,365	-	-	-	-	5,329	-
Subtotal	44,999	(124,676)	(57,280)	52,446	(70)	134	(129,489)	(33,071)	34,589	(112)
Lease - Vehicles	-	(9,464)	-	145	-	-	(8,163)	-	1,011	-
Total	44,999	(134,140)	(57,280)	52,591	(70)	134	(137,652)	(33,071)	35,600	(112)

## 21.d Lease of vehicles

Total lease liabilities recognized in the interim financial information as at June 30, 2022, and December 31, 2021, pursuant to standard (CPC 06(R2)/IFRS 16 - Leases), can be reconciled as follows:

Description	Balance as at 12/31/2021	Inflow	Recognition of interest	Payments	Transfers	06/30/2022	12/31/2021
Vehicles	19,735	1	145	(9,465)	-	10,416	19,735
					Current	10,416	18,768
					Noncurrent	-	967
						<u>10,416</u>	<u>19,735</u>

## 22. Employees' pay and related charges

	06/30/2022	12/31/2021
Current		
Alimony and contract termination amounts	129	124
Private pension plan (PREVSAN)	20	1,710
Health Assistance Program (CAESAN)	3,111	3,173
SESI and SENAI	1,641	1,487
Vacations payable	67,784	63,695
Year-end bonus payable	24,758	-
FGTS on vacations and year-end bonus	10,698	11,262
Social Security Contribution (INSS) applicable to salaries	17,711	18,237
Provision for INSS on vacations and year-end bonus	26,653	18,345
Voluntary Redundancy Program	1,718	-
Profit sharing	318	320
	<u>154,541</u>	<u>118,353</u>
Noncurrent		
Voluntary Redundancy Program	<u>1,432</u>	<u>-</u>

## 23. Taxes payable

	06/30/2022	12/31/2021
Current		
Contribution for Social Security Funding (COFINS)	14,048	12,776
Social contribution tax	1,430	-
INSS on services payable	2,417	2,271
Corporate Income Tax (IRPJ)	664	-
Withholding Income Tax (IRRF) applicable to payroll and services	9,414	15,249
Tax on Services (ISS)	1,456	1,057
Federal tax debt to be paid in installments (a)	9,957	7,925
Contribution to the Social Integration Program (PIS)	3,018	2,710
Withholding of Federal Contributions	251	508
	<u>42,655</u>	<u>42,496</u>
Noncurrent		
Federal tax debt to be paid in installments (a)	<u>35,076</u>	<u>31,666</u>

### (a) Debt payable to the Brazilian Federal Revenue Service

Description	Beginning	End	Number of installments	06/30/2022	12/31/2021
I INSS	09/26/2017	01/26/2030	149	7,465	7,433
II PIS/COFINS	08/31/2021	07/31/2026	60	30,119	32,158
III INSS	03/28/2022	02/25/2027	60	7,449	-
				<u>45,033</u>	<u>39,591</u>
Current				9,957	7,925
Noncurrent				35,076	31,666



#### I) INSS - Social Security Debts

The debt of the Company was included in a program established by Law 13.496/2017 called Special Tax Settlement Program (PERT) for taxes governed by the Brazilian Internal Revenue Service. As a result, after the waiver of lawsuit # 200935000107769 that questioned the payment of contributions for the Brazilian Social Security Institute (INSS) on the amounts of meal tickets in the period from Jan./2004 to Dec./2005 resulting from the lack of registration with the Workers' Meal Program (PAT).

#### II) Taxes on Sales (PIS and COFINS)

In August 2021, Saneago agreed to pay in installments PIS and COFINS referring to proceedings 10120-005929/2003-73 and 10120-005927/2003-84, respectively, to the Federal Revenue Service. Such lawsuits referred to contingencies assessed with a possible likelihood of an unfavorable outcome, arising from assessment of tax deficiency for non-recognition of realized tax offsets. The payment will be in 60 installments, plus interest equivalent to reference rate of SELIC (Central Bank Overnight Rate), for federal government bonds.

#### III) Social Security Tax - (INSS)

In March 2022, the Federal Revenue Service approved the installment payment plan of Saneago for settlement of the employer's portion of INSS and Insurance Against the Level of Disability Resulting from Occupational Environment Risks (GILRAT) charged on the 1/3 of monthly salary to be added to vacation pay, as discussed in proceeding 10120-734.564/2018-74. Payment will take place in 60 installments, plus interest equivalent to the reference SELIC rate for government bonds.

### 24. Amounts to be paid in installments

Description	Beginning	End	Number of installments	Adjustment	06/30/2022	12/31/2021
I AGR - Control and Inspection Council T.A.0255/15	12/10/2015	12/10/2030	180	a)	10,443	10,792
II AGR - Control and Inspection Council T.A.054/18	05/10/2018	04/10/2033	180	a)	4,050	4,139
III Public Prosecutor's Office - Labor Other	15/04/2022	03/15/2025	36	-	2,750	-
					-	6
					<u>17,243</u>	<u>14,937</u>
Current					1,959	909
Noncurrent					15,284	14,028

a) Adjustment and monthly interest of 1% p.m.

#### I) AGR - Control and Inspection Council of Public Services

Based on Law 18.109 of July 25, 2013, amended by Law 18.957 of July 16, 2015, on December 10, 2015, the Company's Management executed instrument # 255/15 relating an installment debt payment plan.

The amount includes the remaining balances relating instruments 024/2011 and 0102/2013 regarding the Control and Inspection Fee (TRCF) of previous periods and tax assessment notices for non-fulfillment of regulatory requirements.

Total consolidated amount	
Principal	10,808
One-time penalty	2,797
Fine	42
Interest	<u>133</u>
	13,780

## II) AGR - Control and Inspection Council of Public Services

Based on Law 18.109 of July 25, 2013, amended by Law 19.906 of July 14, 2017, on May 10, 2018, the Company's Management executed instrument # 054/2018 relating an installment debt payment plan, which allows reduction in interest and fine on late payment, as well as in the indexation applicable. The debt to be paid in installments corresponds to R\$4,667 and refers to the Control and Inspection Fees (TRCF) of 2016 and 2017.

## III) Public Prosecutors' Office for Labor Issues

On March 04, 2022, an agreement was reached between Saneago and the Public Prosecutors' Office for Labor Issues regarding proceeding 0010469-20.2021.5.18.0010, as compensation for damages caused to the diffuse and collective rights of workers. Saneago will settle the balance of three million Brazilian Reais (R\$ 3,000,000.00) in 36 installments of 83,333.00 each, due on the 15th of every month.

## 25. Contractual obligations

Description	Beginning	End	Number of installments	06/30/2022	12/31/2021
I Municipality of Águas Lindas	12/28/2018	10/11/2019	4	10,146	10,146
				10,146	10,146

### I) Municipality of Águas Lindas

On December 28, 2018, Saneago executed an agreement with the Municipal Government of Águas Linda where the Company commits to transfer to the Local Fund of Environmental and Sanitation Infrastructure (FMSAI) an amount of R\$20,293. It represents a compensation for the anticipated termination of Concession Contract # 170/2000 and execution of a Program Contract. The funds must be used in the construction of local sewage systems and are conditioned to fulfillment of the work schedule. Until June 30, 2022 two installment payments were made. In the second quarter of 2022, the outstanding balance payable was reclassified to long-term, as there is no prospect of payment of the two remaining installments in the next 12 months.

## 26. Jointly controlled enterprises - Consortium

Current liabilities	06/30/2022	12/31/2021
Águas Lindas Consortium (a)	216	-
	216	-
Non-current liabilities	06/30/2022	12/31/2021
Corumbá Consortium (b)	-	2,144
	-	2,144

### a) Águas Lindas Consortium

The companies Saneago and Caesb organized Águas Lindas Consortium on April 7, 2003. It is enrolled with the registry of legal entities (CNPJ) under # 05.966.179/0001-50, and is headquartered at Quadra 45, Conjunto B, Lote 36 a 38, Salas 01 a 04, Setor 01, Águas Lindas de Goiás, CEP 72,910-000. It is set to run for thirty-one (31) years, renewable for an equal period and relates to the existing concession contracts between the municipal government and the consortium members.

It has the specific purpose of designing guidelines for the preparation of studies and analyses aiming implementation of sanitation infrastructure, in all its phases and processes, including water supply and sewage systems, in the municipality of Águas Lindas de Goiás.

Saneago holds the financial control of the Consortium (bank accounts and accounts receivable) and its management is shared by the consortium members. Expenses are paid and amounts invested by the member companies and reported in a monthly rendering of accounts where one consortium member approves the accounts of the other party.

It is classified as a joint operation. According to items 14 and 15 of standard CPC 19, the parties that hold joint control have rights on assets and obligations in relation to liabilities. According to the articles of organization, the participation of the member companies is 50% each. However, in practice it is not proportional. On May 31, 2022, Caesb held 47.03% and Saneago 52.97%, (as at December 31, 2021, Caesb held 47.65% and Saneago 52.35%) and the difference is currently recognized in Saneago's current assets As detailed in Note 12. The amount recognized in current liabilities according to the table above refers to the matching of accounts between the parties and arises mainly from consortium revenues received by Saneago.

Below are the equity values of the consortium recognized by the Company in its interim financial information as at May 31, 2022:

Statement of Financial Position - Águas Lindas Consortium				
	05/31/2022	12/31/2021	05/31/2022	12/31/2021
<b>Assets</b>			<b>Liabilities</b>	
<b>Current assets</b>			<b>Current liabilities</b>	
Cash and cash equivalents	1,935	2,134	Contributions to be realized - Suppliers	3,828
Receivable from consumers	18,258	16,822	Employees' pay and related charges	656
Prepaid expenses	677	677	Other payables	11,477
Storeroom	317	350		15,961
	21,187	19,983		
<b>Noncurrent assets</b>			<b>Noncurrent liabilities</b>	
<b>Long-term assets</b>			<b>Provision for lawsuits</b>	
Receivable from consumers	1,167	1,172		41
Court deposits	-	-		41
Prepaid expenses	17,305	17,587		
	18,472	18,759		
<b>Fixed assets and intangible assets</b>			<b>Equity</b>	
Fixed assets	94	95	Participation Fund - SANEAGO	92,056
Intangible assets	87,056	87,735	Participation Fund - CAESB	81,737
Contractual assets	72,897	72,876	Income reserve	9,899
	160,47	160,706		183,692
<b>Total assets</b>	<b>199,706</b>	<b>199,448</b>	<b>Total liabilities</b>	<b>199,694</b>
				199,448

## b) Corumbá Consortium

Saneago and Caesb organized Corumbá Consortium on September 17, 2009. It is enrolled with the registry of legal entities (CNPJ) under number 18.801.675/0001-03 and is headquartered at Rua Recife, Quadra 184 Lote Área Especial, Parque Marajó, in the municipality of Valparaíso de Goiás. Its organization is based on articles 278 and 279 of Law 6.404 of December 15, 1976.

The consortium has as exclusive purpose the implantation, operation and joint maintenance of an enterprise called Sistema Produtor de Água Corumbá and aims to meet the demand of water supply in the municipalities of Luziânia, Valparaíso de Goiás, Novo Gama and Cidade Ocidental in the state of Goiás, as well as the cities of Gama and Santa Maria in Distrito Federal.

It is conducted by a managing council with ten equally divided members representing the companies and an Executive Management with two officers.

This consortium fits the definition of a joint operation. According to CPC 19 items 14 and 15, the parties that jointly control the business have rights over assets and obligation for liabilities. As per the bylaws, participation of the consortium members is equal in 50%, but it is disproportional. It was set to run for a period of thirty (30) years, renewable for equal and successive periods. On May 31, 2022, Caesb held 49.31% and Saneago 50.69% interest in it, (as at December 31, 2021, Caesb held 50.34% and Saneago 49.66%). The difference is currently recognized in Saneago's current assets, as detailed in Note 12.

Below are the equity values of the consortium recognized by the Company in its interim financial information as at May 31, 2022:

Statement of Financial Position - Corumbá Consortium					
	05/31/2022	12/31/2021		05/31/2022	12/31/2021
Assets			Liabilities		
Current assets			Current liabilities		
Storeroom	166	67	Contributions to be realized - Suppliers	1,184	1,910
	<u>166</u>	<u>67</u>	Labor liabilities	139	-
				<u>1,323</u>	<u>1,910</u>
Noncurrent assets					
Long-term assets					
Fixed assets			Equity		
General use assets	13,327	13,261	Participation Fund - SANEAGO	218,700	216,965
Construction work in progress	384,170	392,911	Participation Fund - CAESB	212,732	219,956
Construction work in progress - PAC	<u>32,752</u>	<u>32,592</u>	Loss for the period	<u>(2,340)</u>	<u>-</u>
	<u>430,249</u>	<u>438,764</u>		<u>429,092</u>	<u>436,921</u>
Total assets	<u>430,415</u>	<u>438,831</u>	Total liabilities	<u>430,415</u>	<u>438,831</u>

## 27. Contractual advances

The Brazilian Central Bank authorized the hiring of a private bank institution to process the payment of salaries, vacations, travel advances, pension plans and similar ones of Saneago's employees according to the conditions established in the invitation to bid and its attachments. The contracted service provider paid an amount of R\$ 12,444 to Saneago for the assignment of the services, in one installment. The term of the contract is sixty (60) months starting June 1, 2022. The outstanding balance of R\$ 12,237 as at June 30, 2022, refers to 59 installments in the amount of R\$ 207 thousand corresponding to the period from July/2022 to May/2027 (R\$ 831 as at December 31, 2021 corresponds to the 5 last installments of the previous contract).

## 28. Other payables

	06/30/2022	12/31/2021
Current		
Guarantees	645	667
Expropriation process (a)	7,831	-
Provision for contractual compensation (b)	6,469	5,780
Provision for suppliers	2,103	2,084
Contractual compensation (c)	30,694	-
Other payables	<u>5,056</u>	<u>4,861</u>
	<u>52,798</u>	<u>13,392</u>

(a) This corresponds to two agreements entered into in expropriation processes. In April 2022, an agreement was entered into in the expropriation of the Reservation Center - CR-CEASA, in the municipality of Goiânia. The indemnity totaled R\$ 4,462, to be paid in 4 installments. As at June 30, 2022, the balance is R\$ 2,231 (2 installments). In June 2022, an indemnity amounting to R\$ 7,000 was agreed upon for the expropriation of the area of Águas Lindas sewage treatment station. Payment will be made in 10 installments of R\$ 700. As at June 30, 2022, the balance is R\$ 5,600 (corresponding to 8 installments).

- (b) Provision for concession-related compensation owed to municipal governments for the period of 06/2022.
- (c) This refers to the prepayment of part of the contractual compensation for the municipalities of Águas Lindas and Novo Gama, which will be paid in two installments. Saneago will prepay the equivalent to R\$ 32,367 to the municipal government of Águas Lindas, and R\$ 23,168 to the municipal government of Novo Gama. The balance comprises the last installment payable, amounting to R\$ 16,183 and R\$ 11,584, respectively. Additionally, the balance comprises the amount of R\$ 2,927 payable to the municipal government of Porangatu, referring to the contractual compensation as per agreement entered into in this quarter.

## 29. Provision for lawsuits

The Company is a party of various civil, tax and labor court cases classified as probable losses and duly accrued for according to CVM Decision 594/09 and standard CPC 25, as follows:

	06/30/2022	12/31/2021
Civil proceedings	109,580	105,757
Tax proceedings	23,903	24,146
Labor claims	72,426	101,756
AGR - Agência Goiana de Regulação	1,436	1,498
	<u>207,345</u>	<u>233,157</u>

Changes to the provisions were as follows:

	Balance 12/31/2021	Payments of provisioned lawsuits	Recognized Provisions/Reversals	Balance 06/30/2022
Civil proceedings (a)	105,757	(5,242)	9,065	109,580
Tax proceedings (a)	24,146	(7,683)	7,440	23,903
Labor claims	101,756	(19,620)	(9,710)	72,426
AGR - Agência Goiana de Regulação	1,498	-	(62)	1,436
Total	<u>233,157</u>	<u>(32,545)</u>	<u>6,733</u>	<u>207,345</u>

The main proceedings provided for as at June 30, 2022 are as follows:

Nature	Proceeding	Description	Author	Estimate
Civil	0421373-37.2007.8.09.0103	Tax foreclosure - Active debt certificate - AMA Minaçu Proceeding	Municipal Government of Minaçu	75,123
Labor	0011614-8.2016.5.18.0004	Class action claiming weekly paid rest time	STIUEG	23,000
Labor	0010341-76.2021.5.18.0017	Class action claiming payment of rest time between working days	STIUEG	17,250
Tax	0026826-44.2018.4.01.3500	Tax Execution	Regional Chemistry Committee	11,455
Tax	10120.744616/2020-35	Assessment of Tax Deficiency	Brazilian Revenue Service	10,699
Labor	0010242-85.2016.5.18.0016	Class action claiming payment of rest time between working days	STIUEG	8,703
Labor	0010243-24.2021.5.18.0007	Class action claiming payment of rest time between working days	STIUEG	5,500
Labor	0011237-62.2015.5.18.0007	Class action claiming compensation for uniform cleaning	STIUEG	4,389
Labor	0010348-13.2021.5.18.0003	Proceeding - Payment of the effects of pay-in-lieu of notice, vacation pay and year-end bonus	STIUEG	3,300
Consumer's Rights	5475038-91.2018.8.09.0006	Proceeding - Debt Clearance Declaration (Revision of Accounts)	Condomínio Res. Sta Maria	2,601
				<u>162,020</u>

## Causes rated as possible

They are not accrued for, but the possibility of loss is continuously evaluated.

	06/30/2022		12/31/2021	
	Estimated value	Qty	Estimated value	Qty
Environmental	133,113	33	44,916	32
Civil	61,385	696	90,870	764
Criminal	-	1	-	-
Regulatory	549	45	766	41
Labor	68,862	129	28,376	92
Tax	623,285	7	675,838	12
	<u>887,194</u>	<u>911</u>	<u>840,766</u>	<u>941</u>

The main proceedings with likelihood of loss considered possible are the following:

Proceeding	Plaintiff	Nature	Value
0057557-58.2003.8.09.0051	Municipal Government of Goiania	Tax	367,300
0281694-13.2009.8.09.0051	Municipal Government of Goiania	Tax	255,703
0350138-73.2008.8.09.0103	Municipal Government of Minaçu	Environmental	65,966
5182910-61.2019.8.09.0051	Prosecution Office of Goiás	Environmental	25,050
0350155-12.2008.8.09.0103	Municipal Government of Minaçu	Environmental	22,122
0011388-6.2021.5.18.0011	STIUEG	Labor	15,000
0025114-40.2009.8.09.0117	Eco Engenharia Ltda.	Civil	14,194
0215530-65.2004.8.09.0011	Prosecution Office of Goiás	Environmental	12,247
0400750-30.2015.8.09.0051	Saalva - Associacao Dos Amigos Do Residencial Aldeia Do Vale	Civil	9,000
0010242-39.2021.5.18.0007	STIUEG	Labor	8,000
0010413-62.2022.5.18.0006	STIUEG	Labor	8,000
0010217-89.2022.5.18.0007	STIUEG	Labor	8,000
0010092-88.2022.5.18.0018	STIUEG	Labor	5,000
0010206-66.2022.5.18.0005	Stiueg	Labor	5,000
0010639-31.2022.5.18.0018	Klenio Junior de Siqueira	Labor	4,455
0250140-93.2009.8.09.0137	Prosecution Office of Goiás	Environmental	4,000
5379008-22.2018.8.09.0126	Sobrado Construcao Ltda	Civil	4,000
			<u>833,037</u>

## 30. Employee benefits

### 30.a - Defined benefit pension plan

The retirement pension plan 001 managed by PREVSAN is of the defined benefit type, financed by contributions of active participants and assisted by Saneago as sponsor. According to regulations of the plan, the monthly contribution of the Sponsor is equal to the ones of employees, maintaining a one to one parity.

At the Company, after-employment benefits provided to employees that choose Retirement Pension Plan 001 are the following: Retirement pension for disabled workers, retirement pension for time of service or contribution, retirement for age, special retirement plan, annual bonus and deferred proportional benefit.

They take into account other actual benefits paid, equivalent to an average of the contributions made to the plan and the value of the benefit paid by government program.

In the preparation of the study, actuarial calculations were made for the reference date of October 31, 2021:

	In R\$
Total assets	1,150,563
(-) Operating liabilities	(12,927)
(-) Administrative funds	(35,853)
(-) Investment funds	(2,942)
(=) Assets with Plan Coverage	1,098,841
(+/-) Adjustment to market value (BD installment)	(17,057)
(=) Fair value of the plan's assets	1,081,784
Proportion of the company's obligations	100%
Fair value of the assets	1,081,784

Net Liabilities/Assets are as follows:

Determination of net liabilities (assets)	12/31/2021
1 Deficit/(Surplus) determined	
1 Actuarial obligations determined	1,103,173
2 Fair value of the assets of the plan	(1,081,784)
3 Deficit/(Surplus) determined	21,389
2 Asset ceiling effect and additional liabilities	
1 Asset ceiling effect	-
2 Additional liabilities	-
3 Asset ceiling effect and additional liabilities	-
3 Net liabilities/(assets) resulting from the provisions of CPC 33 (R1)	
1 Net liabilities/(assets) determined (A 1.3 + A 2.3)	21,389

As seen in the table above, the existing pool of funds of the plan on October 31, 2021, was not enough to assure the pensions of the plan. The actuarial liability in 2021 was R\$ 21,389.

### Assumptions used in the calculation of liabilities and projections

The assumptions and actuarial methods adopted were those set forth in standard CPC 33(R1) addressing when and how the cost to provide the benefits to employees must be recognized by the employer, as well as data that must be disclosed in the financial information. As demanded in the norm, the projected unit credit method was adopted to calculate actuarial liabilities. In 2021, for calculation of the weighted average of future payments of benefit of the plan, the following hypotheses and actuarial assumptions were used:

Assumption	12/31/2021
Actual rate of actuarial discount	5.48%
Actual return expected from assets	5.48%
Actual rate of salary growth for active employees	3.20%
Actual rate of growth in benefits of the plan during receipt / HCCTR (in Health)	0.00%
Benefit capacity factor	98.00%
Salary capacity factor	98.00%
Estimated inflation	5.03%
Nominal discount rate	10.79%
Nominal return expected from the assets of the plan	10.79%
Nominal rate of salary growth for active employees	8.39%
Nominal rate of growth in benefits of the plan during receipt	5.03%
General death rate	BR-EMSsb-2015, divided by gender
Death of disabled people	MI-85 divided by gender
People becoming disabled	TASA 27
	Linear 1.50% p.a.

### 30.b. - Defined contribution pension plan

Approved on April 16, 2019, according to Administrative Act 310 of the National Superintendency of Private Pension Plans (Previc), code CNPB 2019.0009-38, the benefit plan 002 managed by PREVSAN is of the defined contribution type, or in other words, where the programmed benefits have their value adjusted to the balances of the shares kept on behalf of the participant, including in the phase where benefits are received, considering the net result of the pool of funds invested, amounts contributed and benefits paid.

It is financed by the contributions of active participants and sponsored by Saneago. The participants' monthly contribution has to be at least 3% of the minimum contribution and the maximum one is at discretion of the participant'. The contribution of the sponsor is at least 3% of the minimum individual contribution and 6.10% at most.

### 30.c. - Health assistance program

CAESAN is a non-profit private association destined to provide exclusive medical and hospital assistance to its beneficiaries and their dependents, offering non-mandatory collective plans according to the conditions established in its specific benefit regulations.

As determined in article 68 of the Regulations, the Program is maintained by means of usual and special contributions by Saneago of forty percent (40%) of the amount of the expenses incurred with employees during work. As article 69 of the Regulations provides, former employees and retired ones that opt for the program undertake to pay the cost and the one that would be payable by Saneago.

CAESAN's Program has the characteristic of a defined contribution plan. To meet the provisions of CVM Decision CVM 695/12, accounting of obligations of that type of program is determined through the amount of contributions Saneago made to it. As at June 30, 2022, they corresponded to R\$ 16,281 (R\$ 11,860 as at June 30, 2021), not being necessary to calculate actuarial liabilities.

### 31. Equity

#### a) Capital Stock

According to the prevailing law, capital may be increased upon decision of the Board of Directors, regardless of amendment to the articles of incorporation, up to the limit of three billion, one hundred and twenty-five million Brazilian reais (R\$3,125,000,000.00), provided the proportion established in Article 5, paragraph 1 of the Articles of Incorporation.

The Company's capital totally subscribed and paid corresponds to two billion, five hundred and fifteen million, five hundred and forty-six thousand, three hundred and sixty-seven Brazilian reais and seventy-six cents (R\$2,515,546,367.76), represented by two billion, five hundred and fifteen million, five hundred and forty-six thousand, three hundred and sixty-seven (2,515,546,367) book-entry shares, without face value.

The shareholder called Companhia de Investimentos e Parcerias do Estado de Goiás - Goiás Parcerias, through Letter 091/2019-GP of October 18, 2019, confirmed by letter 091/2019-GP of January 9, 2020, requested the conversion of ordinary shares into preferred ones. The conversion at an amount of 170,998.719 (broken down in the table below) was approved in the Meeting of the Board of Directors # 404/2020 on January 30, 2020.

Shareholder	06/30/2022					
	# of ordinary shares	%	# of preferred shares	%	Total # of shares	%
State of Goiás	1,336,135,801	71.5695%	354,992,364	54.7287%	1,691,128,165	67.2271%
State Social Security Fund	488,016,887	26.1404%	122,637,514	18.9069%	610,654.401	24.2752%
Cia de Inv. E Parcerias Goiás	42,749,681	2.2899%	170,998,719	26.3627%	213,748.400	8.4971%
Others	4,005	0.0002%	11,396	0.0018%	15,401	0.0006%
<b>Total</b>	<b>1,866,906,374</b>	<b>100.00 %</b>	<b>648,639,993</b>	<b>100.00%</b>	<b>2,515,546,367</b>	<b>100.00 %</b>

The unit value of ordinary and preferred shares is R\$ 1,00 (one Brazilian real).

#### b) Payment of capital

Between December 31, 2021, and June 30, 2022, there was no payment of capital.



**c) Statutory reserve**

It is recognized by allocating 5% of the net income of the year up to the limit of 20% of capital. A statutory reserve is no longer recognized in the year where the balance of the reserve exceeds 30% of capital. The statutory reserve aims to assure the integrity of capital and can only be used to compensate losses or increase capital and it cannot be used for payment of dividends.

**d) Investment reserve**

According to Article 73, item II of the Company's articles of incorporation, the remaining balance of income after deduction of accumulated losses, statutory reserve and mandatory minimum dividends has to be destined for the recognition of an investment reserve.

**e) Asset and liability valuation adjustment**

Law 11.638/07 created this account, which was amended by Law 11.941/09. Its purpose is accounting for increase and decrease in the value of assets and liabilities as a result of adjustment to fair value not yet computed in the income of the year because of the accrual basis and also the realization of the depreciation of assets.

Asset and liability valuation adjustment	06/30/2022	12/31/2021
Asset and liability valuation adjustment	50,476	50,477
Deferred taxes on deemed cost (Note 15.2)	(17,162)	(17,162)
	<u>33,314</u>	<u>33,315</u>

**f) Dividends and interest on equity capital**

In compliance with the Brazilian corporate law, the Company's articles of incorporation establish the distribution of mandatory dividends of 25% of the net income of the year, first paid to holders of preferred shares, to be paid within 60 days as from the date in which it is declared in an Annual General Meeting.

By deliberation of the Board of Directors, interest on equity capital may be attributed, which will be calculated on the Company's equity in accordance to TJLP as provided for in Regulatory Instruction RFB 1.700/2017, and will be mandatorily compensated in the distribution of mandatory dividends. Thus, the dividends are distributed in the form of interest on equity capital, within the established limit, as per the calculation described above, and in case the minimum mandatory dividend exceeds this amount, the difference is paid as dividends.

The Company has opted for quarterly recognition in the form of provision, and such amount will not be distributed until the closing of the year and upon approval in a General Meeting. The total provisioned referring to 2022, as at the closing of the 2<sup>nd</sup> quarter, is as follows:

Calculation of dividends and interest on equity capital payable	
Statement of income - 2 <sup>nd</sup> quarter of 2022	149,427
Income recognized directly in equity	1
Recognition of legal reserve (5%)	(7,471)
Adjusted profit distributable	<u>141,957</u>
Mandatory dividends (25%)	<u>35,489</u>
Interest on capital added to dividends	<u>35,489</u>
Total proceeds distributed to shareholders as at 06/30/2022	<u><u>35,489</u></u>

Type of share	Quantity	Percentage	Total compensation	Earnings per share
Ordinary shares	1,866,906,374	74.21%	25,676	0.01375
Preferred shares	<u>648,639,993</u>	<u>25.79%</u>	<u>9,813</u>	<u>0.01513</u>
	<u>2,515,546,367</u>		<u>35,489</u>	

### g) Earnings per share

Basic earnings per share are calculated by dividing the net income attributable to shareholders by the weighted average of outstanding ordinary and preferred shares. However, as described in item II of paragraph 1 of article 17 of the Brazilian Corporate Law, shareholders holding preferred shares are entitled to receive a dividend ten percent (10%) higher than the one attributed to ordinary shares.

Type of share	Quantity	Percentage	Income for the period	Earnings per share
Ordinary shares	1,866,906,374	74.21%	110,897	0.0594
Preferred shares	648,639,993	25.79%	38,530	0.0594
	<u>2,515,546,367</u>		<u>149,427</u>	

### 32. Net operating revenue (expenses)

Gross revenue	04/01/2022 to 06/30/2022	01/01/2021 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Water supply and sewage services	749,290	1,440,578	660,314	1,285,434
Technical services	568	1,141	789	1,272
Subsidy - Social Tariff	391	491	-	-
Outsourcing	2,275	4,550	2,275	4,550
Revenue from construction work	68,484	92,721	24,226	46,745
Total	<u>821,008</u>	<u>1,539,481</u>	<u>687,604</u>	<u>1,338,001</u>
Taxes and returned items				
Contribution to the Social Integration Program (PIS)	(12,427)	(23,885)	(10,950)	(21,319)
Contribution for Social Security Funding (COFINS)	(57,243)	(110,018)	(50,434)	(98,199)
Products returned and rebates	(474)	(899)	(384)	(797)
	<u>(70,144)</u>	<u>(134,802)</u>	<u>(61,768)</u>	<u>(120,315)</u>
Net operating revenue (expenses)	<u>750,864</u>	<u>1,404,679</u>	<u>625,836</u>	<u>1,217,686</u>

### 33. Costs and expenses by nature

Cost of services	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Personnel (a)	(174,057)	(385,243)	(149,890)	(300,305)
Materials	(23,068)	(43,399)	(18,385)	(38,505)
Electric power	(70,009)	(144,302)	(55,360)	(107,261)
Third-party services	(22,065)	(42,756)	(21,785)	(50,894)
General expenses	(2,610)	(16,083)	(1,074)	(2,078)
Amortization	(26,307)	(52,259)	(25,587)	(51,064)
Depreciation	(951)	(1,849)	(952)	(1,912)
Depreciation of lease-purchase operations	(26)	(51)	(23)	(47)
PIS and COFINS credit on depreciation and amortization	5,260	10,493	3,503	6,983
	<u>(313,833)</u>	<u>(675,449)</u>	<u>(269,553)</u>	<u>(545,083)</u>
Construction costs	(68,484)	(92,721)	(24,226)	(46,745)
	<u>(382,317)</u>	<u>(768,170)</u>	<u>(293,779)</u>	<u>(591,828)</u>
Administrative expenses	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Personnel (a)	(73,708)	(217,324)	(82,053)	(158,171)
Materials	(1,223)	(2,130)	(896)	(1,797)
Electric power	(738)	(1,631)	(594)	(1,232)
Third-party services	(8,117)	(19,434)	(8,474)	(18,242)
General expenses	(4,297)	(14,980)	(10,283)	(12,701)
Amortization	(1,699)	(3,292)	(1,564)	(3,266)
Depreciation	(5,283)	(10,383)	(4,854)	(9,709)
Depreciation of deemed cost	-	-	(1)	(1)
Depreciation of lease-purchase operations	(133)	(266)	(137)	(275)
PIS and COFINS credit on depreciation and amortization	-	-	-	-
	<u>(95,198)</u>	<u>(269,440)</u>	<u>(108,856)</u>	<u>(205,394)</u>

Selling expenses	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Personnel (a)	(32,325)	(81,725)	(30,297)	(61,204)
Materials	(276)	(398)	(151)	(280)
Third-party services	(19,404)	(39,287)	(17,205)	(32,782)
Concession-related compensation	(24,575)	(43,827)	(18,342)	(36,212)
General expenses	(2,357)	(7,942)	(2,290)	(3,147)
Amortization	(11)	(20)	(7)	(13)
Depreciation	(44)	(86)	(30)	(61)
Depreciation of lease-purchase operations	(23)	(44)	(19)	(38)
PIS/COFINS credit on depreciation and amortization	7	13	5	11
	<u>(79,008)</u>	<u>(173,316)</u>	<u>(68,336)</u>	<u>(133,726)</u>

Total costs and expenses	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Personnel (a)	(280,090)	(684,292)	(262,240)	(519,680)
Materials	(24,567)	(45,927)	(19,432)	(40,582)
Electric power	(70,747)	(145,933)	(55,954)	(108,493)
Third-party services	(49,586)	(101,477)	(47,464)	(101,918)
Concession-related compensation	(24,575)	(43,827)	(18,342)	(36,212)
General expenses	(9,264)	(39,005)	(13,647)	(17,926)
Amortization	(28,017)	(55,571)	(27,158)	(54,343)
Depreciation	(6,278)	(12,318)	(5,836)	(11,682)
Depreciation of deemed cost	-	-	(1)	(1)
Depreciation of lease-purchase operations	(182)	(361)	(179)	(360)
PIS/COFINS credit on depreciation and amortization	5,267	10,506	3,508	6,994
	<u>(488,039)</u>	<u>(1,118,205)</u>	<u>(446,745)</u>	<u>(884,203)</u>

(a) In 2022, caption "Personnel" was affected by expenditures amounting to R\$ 139,208 with the Company's PDV, as detailed in Note 1.

#### 34. Recognition/Reversals of provisions and Credit Losses/Recovery

	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Recognition/reversal of provision for contingencies (d)	7,248	25,812	7,911	(103,589)
Net recognition/reversal of allowance for doubtful accounts (b)	(21,190)	(46,964)	(1,617)	3,383
Recognition/reversal of provision for profit sharing for employees (c)	(12,617)	(211)	-	-
Recognition/reversal of provision for inventory losses	(587)	6,407	(1,086)	15,200
Net recognition/reversal of provisions	<u>(27,146)</u>	<u>(14,956)</u>	<u>5,208</u>	<u>(85,006)</u>
Losses/recovery of barred credits (a)	11,853	27,658	(14,421)	(29,737)
Net recognition/reversal of provisions	<u>(15,293)</u>	<u>12,702</u>	<u>(9,213)</u>	<u>(114,743)</u>

(a) These refer to effective write-offs of overdue credits receivable, which in 2022, as mentioned in Note 2.3 (a), started to be carried out according to business criteria to the detriment of tax criteria since the latter do not provide an actual indication of overdue credits. Accordingly, a greater volume of credits previously written-off were recorded as recovered.

(b) These refer to estimates used for recognition of the allowance for doubtful accounts according to the criteria of expected losses. After the methodology was improved on as mentioned in Note 2.3 (a), losses started being estimated using the provision matrix technique, and an allowance is recognized for outstanding credits according to time elapsed. At the same time, as credits are no longer written-off according to the tax criteria described in item (a) above, possible outstanding credits not actually overdue are provided for according to time elapsed.

It is important to point out that the net difference between estimated and actual losses resulting from the improvement in the methodology had no relevant impact on income compared to the same quarter of the previous year, as seen above. However, the Company understands that the change provides more relevant information by differentiating the effective loss on write-off of overdue credits from estimated losses, which is an expectation and can be reversed.

- (c) The total of R\$ 14,943 was provided for referring to Profit sharing for 2022, R\$ 2,326 in the 1<sup>st</sup> quarter and R\$ 12,617 in the 2<sup>nd</sup> quarter. Additionally, in the 1<sup>st</sup> quarter there was a reversal of the provision for profit sharing recognized in 2021, in the amount of R\$ 14,732, according to goals achieved, as it was not effectively realized.
- (d) In 2021, the total of R\$ 75 million was provided for, referring to contingencies with the municipal government of Minaçu. That refers to an environmental fine dated 2002, listed as enforceable debt, and for which motions to stay execution were filed, within disputable matters. The motions were judged groundless, but there was an expectation of reversing this decision through the filing of an appeal by Saneago. The likelihood of loss, previously considered possible, was changed to probable, based on the denial, occurred on January 15, 2021 of the appeal filed regarding the motions to stay execution and on the procedural situation, whose applicable appeals are not enough to prevent matters of substance. This proceeding is expected to be paid in the medium term, and in cash. Dation in payment or tax credit installment payment depends on the legal authorization of the municipal government.

Additionally, in March 2021, the Urban Workers' Union of the State of Goiás judged three collective actions that discussed the rest time of the Company's system operators in the period from March 2016 to February 2021. The likelihood of loss was based on previous proceedings in which the final decision was unfavorable (corresponding to the period from 2011 to February 2016) and a provision in the amount of R\$ 9 million was recognized. In the second quarter of 2022, the Company received a favorable final decision in the lower court, causing the reversal of the provision for loss.

In the first quarter of 2022, there was also a reversal of provision in the amount of R\$ 22,347 referring to a proceeding from 2016 regarding rest time between working days, and the payment in the amount of R\$ 15,942 was made.

### 35. Net financial income (loss)

	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Financial revenues				
Interest/fines/income	30,828	58,340	19,797	40,261
Monetary adjustment	9,357	18,947	8,565	16,259
Discount to present value	759	1,321	(491)	(785)
	<u>40,944</u>	<u>78,608</u>	<u>27,871</u>	<u>55,735</u>
Financial expenses				
Interest/fine/charges and other expenses	(35,740)	(72,894)	(22,304)	(45,687)
Monetary adjustment	(2,283)	(3,493)	(747)	(1,138)
Exchange rate losses	(7,130)	5,903	11,821	2,788
	<u>(45,153)</u>	<u>(70,484)</u>	<u>(11,230)</u>	<u>(44,037)</u>
Net financial income (loss)	<u>(4,209)</u>	<u>8,124</u>	<u>16,641</u>	<u>11,698</u>

(a) The variation verified in revenues from Interest, fines and income is due to the increase in income from financial investments.

(b) The increase in Interest and Fines in 2022 in comparison with 2021 is mainly due to the charges related to installment payment plans entered into with the Federal Revenue Service in March 2022 (See Note 23) and increase in interest paid on debentures issued that are indexed to the DI (Interbank Deposit) rate, linked to the base interest rate SELIC. As per information on the website of the Central Bank of Brazil (BACEN), the Interbank Deposit Rate (DI) accumulated in the 1<sup>st</sup> half of 2021 was 1.26% per six months., while in the 1<sup>st</sup> half of 2022 was 5.36% per six months.

(c) The variation in exchange rate losses refers to contract 1414/OC executed in 2002 and is a reflex of the current scenario of exchange instability. In the 1<sup>st</sup> half of 2021, there was a decrease in the exchange rate of the US dollar in relation to the Brazilian real, of 3.11% going from R\$ 5,16 to R\$ 5,00. In the 1<sup>st</sup> half of 2022, there was a decrease of 6.98%, going from R\$ 5.63 to R\$ 5.24 as at 06/30/2022.

### 36. Obligations undertaken

Currently, 62 of the contracts with municipalities of the state of Goiás are Program Contracts, which define the investment to be made within the terms of the Contracts. The amount to be invested and the realized amounts are broken down below:

Municipality	Expiration of Program Contract	Amount to be invested	Amount invested until 06/30/2022 - Saneago	Amount invested until 06/30/2022 - BRK Ambiental	Total amount invested
Adelândia	01/16/2048	525	110	-	110
Águas Lindas de Goiás	12/28/2048	309,022	9,445	-	9,445
Anápolis	02/27/2050	525,925	45,091	-	45,091
Anicuns	04/10/2048	42,785	6,727	-	6,727
Aparecida de Goiânia	11/01/2041	988,848	195,139	734,153	929,292
Aporé	04/6/2048	7,682	284	-	284
Aragoiânia	12/26/2042	27,926	1,337	-	1,337
Araguapaz	03/16/2048	5,210	938	-	938
Avelinópolis	01/22/2046	1,724	244	-	244
Barro Alto	12/26/2042	32,703	1,866	-	1,866
Brazabrantés	02/06/2044	8,056	1,509	-	1,509
Cachoeira Alta	07/27/2045	26,167	912	-	912
Caldazinha	08/02/2048	1,070	283	-	283
Campestre de Goiás	01/06/2046	645	323	-	323
Campinaçu	08/12/2045	13,146	9,751	-	9,751
Cavalcante	12/28/2048	1,612	2,119	-	2,119
Cezarina	12/17/2042	23,352	15,077	-	15,077
Cidade Ocidental	11/01/2041	243,394	18,106	-	18,106
Cristalina	02/07/2044	58,952	20,641	-	20,641
Davinópolis	05/04/2048	506	109	-	109
Diorama	07/24/2047	1,091	31	-	31
Divinópolis	10/05/2047	675	246	-	246
Flores de Goiás	08/14/2044	4,221	415	-	415
Goiandira	10/03/2048	1,457	152	-	152
Goiânia	12/17/2049	3,419,897	289,117	-	289,117
Guarani de Goiás	09/15/2040	962	619	-	619
Guarinos	02/16/2048	1,383	147	-	147
Hidrolândia	08/03/2046	9,737	2,648	-	2,648
Indiara	04/30/2044	32,180	1,753	-	1,753
Inhumas	06/17/2050	79,176	4,918	-	4,918
Israelândia	11/24/2039	3,300	130	-	130
Itajá	12/19/2042	2,328	351	-	351
Itapaci	12/28/2048	56,172	865	-	865
Itapuranga	12/28/2048	8,063	7,881	-	7,881
Jataí	11/01/2041	114,116	34,212	128,721	162,933
Jussara	12/26/2046	5,759	869	-	869
Luziânia	12/01/2045	366,853	28,799	-	28,799
Mambai	03/07/2046	1,689	479	-	479
Minaçu	02/06/2044	57,857	9,707	-	9,707
Morrinhos	11/30/2040	46,917	18,550	-	18,550
Morro Agudo de Goiás	05/02/2046	1,198	411	-	411
Mozarlândia	12/28/2046	1,894	1,166	-	1,166
Nazário	05/04/2048	2,280	245	-	245
Novo Gama	11/16/2048	253,055	9,531	-	9,531
Palmelo	10/29/2042	1,039	172	-	172
Perolândia	12/21/2048	499	249	-	249
Petrolina de Goiás	10/20/2041	6,797	7,471	-	7,471
Pires do Rio	11/03/2038	10,529	23,862	-	23,862
Posse	06/12/2047	19,945	9,675	-	9,675
Rio Verde	11/01/2041	249,889	57,519	209,556	267,075
Santa Cruz de Goiás	06/28/2043	1,497	322	-	322
Santo Antônio da Barra	12/29/2045	3,977	423	-	423
Santo Antônio de Goiás	12/02/2045	15,868	819	-	819
Santo Antônio do Descoberto	06/10/2046	55,686	22,888	-	22,888
São Domingos	12/28/2048	1,334	300	-	300
São João D'aliança	05/31/2049	3,033	1,707	-	1,707
São Luís de Montes Belos	12/19/2042	41,928	7,174	-	7,174
São Miguel do Passa Quatro	12/18/2049	8,686	310	-	310
Trindade	11/01/2041	169,222	21,599	183,400	204,999
Uirapuru	12/28/2048	699	72	-	72
Uruaçu	12/28/2048	44,341	4,587	-	4,587
Valparaíso de Goiás	11/16/2048	389,652	4,506	-	4,506
		<b>7,816,131</b>	<b>906,908</b>	<b>1,255,830</b>	<b>2,162,738</b>

### 37. Insurance

On July 05, 2022, the Company's civil liability insurance policy was renewed for twelve (12) months in relation to Managers and Directors (D&O Insurance). According to it, the insurance company will pay, on behalf of policy holders, all losses they are legally forced to pay as a result of actions brought for alleged wrongful acts during the retroactivity period or within the term of the policy, provided such loss does not exceed the maximum contracted limit of insurance, which is fifty million Brazilian reais. The total premium paid was 388 thousand, in 4 installments.

The Company has no full coverage of all costs inherent to its businesses and assets. The occurrence of any uncovered losses may adversely affect its financial performance.

### 38. Related-party transactions

As required according to item 9, of standard CPC 05(R1) and CVM Decision 642 of October 7, 2010, we list below the entities that are related to Saneago.

#### 38.1 State of Goiás

##### a) Non-dependent relation

Saneago is in the condition of a non-dependent state company, or in other words, it does not receive any financial funds to pay payroll costs, general costs general or capital from the controller, the Government of the state of Goiás, except for funds for shareholding increase.

##### b) Participation in financing operations

The state of Goiás participates as guarantor in the loan agreement executed between the Company and the Inter-American Development Bank (IBD), besides offering collateral to a financing contract executed with Caixa Econômica Federal.

##### c) Rendering of services

The Company provides water supply and sewage services to direct and indirect public administration agencies of the state of Goiás. In the second quarter of 2022, the net revenue the Company received from that State was R\$ 66,414 (R\$ 57,876 in the second quarter of 2021).

The balances of debt due and falling due of those agencies are the following:

	06/30/2022	12/31/2021
Amounts billed not yet due	11,777	5,522
Falling due in more than 30 days	582	4,435
Overdue for up to 30 days	-	1,615
Overdue from 31 to 60 days	2,588	358
Overdue from 61 to 90 days	1,813	376
Overdue from 91 to 120 days	202	364
Overdue from 121 to 180 days	492	481
Overdue from 181 to 360 days	1,897	3,222
Overdue from 361 days to 5 years	3,526	6,375
Overdue for more than 5 years	3,213	2,435
Estimate of amounts to be billed	4,286	3,254
(-) Discount to present value of receivables	(21)	(27)
(-) Allowance for doubtful accounts	(8,790)	(14,459)
Subtotal	21,565	13,951
Amounts receivable (noncurrent)	1,825	2,115
(-) Discount to present value of receivables	(233)	(279)
(-) Allowance for doubtful accounts	(119)	(1,251)
Subtotal	1,473	585
Total	23,038	14,536

The allowance for doubtful accounts referring to accounts receivable from State Agencies considers the calculation method detailed in Note 2.3 a), with the application of the provision matrix referring to public agencies.

### 38.2 Operations with municipalities

a) The program contract with the municipality of Goiânia was executed on December 17, 2019, to be in effect until December 17, 2049. The contract establishes monthly payment of 5% of gross revenue into the Municipal Sanitation Fund. Until June 30, 2022, gross revenue in the municipality of Goiânia corresponded to R\$ 549,723 and an amount of R\$ 27,486 was deposited into the Fund.

b) As at June 30, 2022, 35 out of the 225 contracts had as compensation a percentage ranging from 2% to 5% of the amounts collected in the municipality.

c) Rendering of accounts have been prepared and debt settled through services provided by local governments to the Company. As at June 30, 2022, the balance of accounts receivable overdue and not yet due regarding the debt of municipalities with the Company was R\$ 86,636. An amount of R\$ 2,326 was settled after 11 rendering of account reports were prepared. (December 31, 2021 - R\$ 83,892, and 31 reports, with settlement of R\$ 1,124).

### 39. Compensation of Management, Tax Board and Statutory Committee

As at June 30, 2022, the expenses related to the compensation of members of the Board of Directors, Executive Board, Internal Audit Committee and Statutory Audit Committee was R\$ 3,556 (R\$ 3,157 as at June 30, 2021).

#### a) Board of Directors

The Board of Directors is the area of the Company that establishes norms and makes decisions. It has at least seven (7) and eleven (11) members at most, which receive monthly fees of eighteen percent (18%) of the average compensation paid to Executive Officers of the Company.

#### b) Executive Board

The Executive Board has the powers to manage the Company's day-to-day businesses and has the following composition: Main Management Board, Sales Management, Corporate Management, Financial Management, Relationship with Investors and Regulations, Production Management, Expansion Management and Legal Affairs Management. The Board of Directors establishes Management's compensation, which cannot be lower than the highest compensation paid to employees of the Company. Officers receive fees between the equivalent to the highest base salary of the Company and ninety five percent (95%) of the highest compensation established for the position of CEO.

The Company's articles of incorporation do not provide the payment of annual bonus to the Officers, however they are employees of the Company and receive the same benefits that other employees receive.

#### c) Internal Audit Committee

The Internal Audit Committee has at least three (3) and five (5) members at maximum and an equal number of substitutes. The Board of Directors also establishes the monthly fees to be paid them, observing a minimum limit, for each member, of fourteen percent (14%) of the average fees attributed to Officers.

#### d) Statutory Audit Committee

It is a Committee that reports directly to the Board of Directors, with operating autonomy to conduct or determine the execution of consultations, evaluations and investigations. It is composed of at least three (3) and five (5) members at maximum and, according to Law 13.303/2016, the appointment of substitutes is not allowed. The Board of Directors chooses the members and determines their monthly fees, which correspond to eighteen percent (18%) of the average compensation paid to the Officers of the Company.

#### 40. Supplementary cash flow information

As demonstrated below, changes not affecting cash are deducted from the Statement of Financial Position:

ASSETS	Note	06/30/2022	LIABILITIES	Note	06/30/2022
Receivable from consumers	7	(45,131)	Consortium-related amounts	26	(1,928)
Allowance for doubtful accounts/ reversals/discount to present value	7	<u>(45,645)</u>	Transfers within equity	17.1	<u>4,998</u>
		<u>(90,776)</u>			<u>3,070</u>
Other accounts receivable	12	(442)	Tax liabilities	23	3,569
Credits from auctions - sale of noncurrent assets held for sale receivable	12	(3,410)	Income tax on interest on equity capital		<u>(1,123)</u>
Transfers of Intangible assets	19	<u>318</u>			<u>2,446</u>
		<u>(3,534)</u>			
Recoverable taxes		(7,512)	Other accounts payable	28	39,405
Adjustments to Right-of-use assets		<u>1,647</u>	Compensation and grants receivable - municipal governments		<u>296</u>
		<u>(5,865)</u>			<u>39,701</u>
Inventories	8	(23,443)			
Transfers of Contract Assets		3,897			
Estimated inventory losses/reversals	8	<u>6,409</u>			
		<u>(13,137)</u>			
Contract Assets	18	(52,120)			
Capitalized interest	21.c	<u>70</u>			
		<u>(52,050)</u>			

#### 41. 'Operação Decantação'

Current situation:

The complaint brought by the Public Prosecution Office was rejected by the Federal Judge of the 11th Federal Court of Goiás (proceeding No. 0020618-15.2016.4.01.3500), given the lack of exposure of the criminal fact and the elements of conviction required to file a criminal suit against those then investigated.

The Public Prosecution Office filed an appeal against the decision issued, with a request for reform, for receipt of the complaint and consequent filing of the criminal suit. The parties presented counterarguments and, until June 30, 2022, the court has issued no decision contrary to the prior one.



Chronological description of events and Management's response:

On August 24, 2016, an official investigation process called "Operação Decantação" was started, aiming to determine whether irregularities exist at Saneago in relation to certain bidding operations at the Company, under the reasoning that possible price alignments have been taking place, as well as overpayment in the performance of the respective contracts.

As described in the complaint, those facts would be causing misapplication of federal funds coming from the Growth Acceleration Program (PAC) and from financing obtained with financial institutions, as well as of amounts destined for the execution of construction work, besides other assumed acts against the government.

It is important to clarify that the investigation started is based on the need of determining assumed irregularities in the application of public funds by certain managers, employees and suppliers and Saneago is not a party to the complaint.

The investigation was divided into two stages:

- (I) analyzing the bidding process executed for the purchase of pumps to be used in the Raw Water Pumping Station of Corumbá IV Production System;
- (II) determine whether fraud exists in the above-mentioned bidding process and the assumed overpricing in the Company's reference budget, as well as the people who was making use of their positions to take personal advantage and who may still be holding their respective positions.

As per a federal court order at the time of the investigation, all executive officers of the Company were dismissed. On August 24, 2016, Saneago's Board of Directors quickly adopted measures for the permanent recomposition of the Company's Executive Management, which provided legal and administrative security to the shareholders, the market and the population.

The members of the Permanent Bidding Committee mentioned in the official investigation were removed from their positions according to Decision # 123/2016 of September 06, 2016, and new members were appointed.

An external audit company was hired to assess occasional irregularities appointed by Operação Decantação, which concluded for the legality of the bidding procedures object of the engagement, with no prejudice that would discredit the respective processes.

On the other hand, as per the report, noncompliance regarding the execution of construction work was found, which elicited the adoption of several measures to treat the nonconformity verified.

After the conclusion of the reports and analysis by a multidisciplinary team, including technicians of the Company and the Statutory Audit Committee, it was detected that a complement to the existing provision was necessary, as follows:

Description		In Brazilian reais
Sample (Period from 2007 to 2017)		
Amount paid in priority contracts (EY's Report)	A	1,166,017,570
Amount of difference described on EY's Report in Priority Contracts	B	74,426.982
% ratio of difference to priority payments	(B*100/A) C	6.383 %
Extrapolation of the sample to the universe of the construction work contracts (Period 2007 - 2017) Total amount paid in all contracts mentioned in the "Operação Decantação"	D	1,709,805,620
Total amount paid in contracts of companies listed for Background Check	E	75,306.360
	Subtotal (D+E)	F 1,785,111,980
Estimated provision for contracts listed in "Operação Decantação"	(F*C/100)	G 113,943,821
Amount accrued for as at December 31, 2017	H	64,785,432
	Subtotal (G-D)	I 49,158,389
Tax effects to contracts entered in the statement of income	L	4,550,663
Supplementary provision restated on January 1, 2018	(I+L) K	53,709,052

Besides, considering the facts occurred on March 28, 2019 ("*Operação Decantação 2*") and April 04, 2019 ("*Operação Decantação 3*"), where the Federal Police executed the first investigation actions, the Company released an official letter to the market stating that:

- In relation to the facts occurred in the period from 2012 to 2016, Saneago highlights that the current Management of the Company has been prioritizing the implantation of governance and compliance practices to assure the lawfulness of all processes;
- Among the actions implemented, there was the creation of a Governance Superintendency, responsible for the implantation of a series of strategic policies, such as Responsibility Limits, a document that standardized the making of decisions by the Executive Board, Policies for Prevention of Conflict of Interests, a Code of Conduct, Policies for Transactions with Related Parties and Policies for Prevention of Corrupt Acts.

It is also important to point out that there is mention in "*Operação Decantação*" 3 that some companies mentioned in the 1st Phase of the Operation still have contracts in effect with Saneago.

However, the Company trusts the governance measures adopted after 2016, mainly through the preparation of risk matrices for contracts with companies mentioned in "*Operação Decantação*" 1, 2 and 3, for the diagnosis of inherent risk, according to the perception of the manager, as well as their awareness of risk events in the execution of such contracts, resulting in medium and high risk for Saneago, which is establishing mitigating measures capable of reducing risk. For more information, access Item 4.7 (Other Significant Contingencies) of Saneago's Reference Form.

#### 42. Virtual storeroom

After news published in January 2022 regarding the existence of accusations related to the Virtual Storeroom contract, the Board of Directors requested the Internal Audit Committee for the conclusion of the audit procedure that had already been initiated by determination of the Executive Board, and for the preliminary report to be delivered to the Statutory Audit Committee, for deliberation and measures by the Board of Directors.

Similarly, the CGE-GO had already been engaged by the Executive Board to perform the analysis on the execution of the contract. That caused the suspension of the requests through the Virtual Storeroom platform since August 2021, and the procedure for suspension of the contract was effectively concluded in December 2021.

With the delivery of the preliminary Internal Audit report to the Economic Affairs Commission (CAE), and the conclusion of the work by CGE-GO, Saneago's Executive Board collectively deliberated on the necessary corrective actions, deciding to withhold the last contractual payment and also to file a proceeding for calculation of liability, aiming to terminate the contract, with due respect to the right to adversary system and full defense of the company hired, a proceeding which is currently in progress. It was also decided to inform the CGE-GO regarding the acceptance of the request for corrective actions recommended by the agency and forwarding of the matter to the CAE.

The contract, amounting to R\$ 86 million for a period of 30 months, had total revenue of R\$ 20 million. The Company adopted all governance practices regarding the matter, the contract is suspended and the services halted until the termination is formalized.

The procedure for hiring of the Virtual Storeroom is being revisited by the Legal Department in order to further improve the compliance and risk management practices, collaborating on the procedure for possible changes and improvement of the standards for hiring and execution of contracts, as well as their management and monitoring.

The Board of Directors adopted the proposal by the CAE, to hire of a firm with sound reputation to perform procedures on the facts related to the “Virtual Storeroom” contract, in accordance with the independent audit guidelines. As at June 30, 2022, procedures for hiring are in progress, and the Reference Term is going through the final proceedings for approval.

It is also important to point out that, regarding the bidding process for the Virtual Storeroom, all the observations and technical recommendations of the CGE and other regulatory agencies regarding the first hiring initiative, which was unsuccessful, were complied with, and that there was a legal opinion and monitoring of the bidding process with no irregularity found, and that the phase of contractual execution lasted only 8 months, and was then suspended to avoid losses to the Company.

## 26. Subsequent events

### 10<sup>th</sup> Issuance of Debentures

As per notice to the market dated July 04, 2022, in the same date occurred the liquidation of the 10<sup>th</sup> Issuance of Debentures, in the total amount of two hundred million Brazilian Reais (R\$ 200,000,000.00). 200,000 debentures were issued, with par value of one thousand Brazilian Reais (R\$ 1,000.00) each. Maturity will be 60 months as from the date of issuance, June 15, 2022. Funds of the offer will be used for the Company’s working capital.

Ricardo José Soavinski  
Chairman

Hugo Cunha Goldfeld  
Sales Officer

Edson Sales de Azevedo  
Corporate Management Officer

Paulo Rogério Bragatto Battiston  
Financial and Investor Relation Officer

Mauro Aparecido Lessa de Souza  
Production Officer

Fernando Cozzetti Bertoldi de Souza  
Expansion Officer

Ariana Garcia do Nascimento Teles  
Legal Officer

Elias Evangelista Silva  
Accountant CRC/GO 13.330