



**Rumo S.A.**

**Financial statements  
December 31, 2023**

## Contents

Independent auditors' report in the individual and consolidated financial statements	3
Balance sheets	11
Statements of income	13
Statements of comprehensive income	14
Statements of changes in equity	15
Statements of cash flows	17
Statements of value added	19
Notes to financial statements	20

## **Independent Auditor's Report on the Individual and Consolidated Financial Statements**

To the

Shareholders, Board Members and Management of

Rumo S.A.

São Paulo - SP

### **Opinion**

We have audited the individual and consolidated financial statements of Rumo S.A. ("Company"), identified as parent company and consolidated, respectively, which comprise the statement of financial position as at December 31, 2023, and the respective statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the corresponding notes to the financial statements, including the material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Company's individual and consolidated financial position as at December 31, 2023, its individual and consolidated financial performance and cash flows for the year then ended in accordance with Brazilian accounting practices and International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements" section of our report. We are independent of the Company and its controlled companies in accordance with the relevant ethical principles established in the Code of Ethics for Professional Accountants and in the professional standards issued by the Brazilian Federal Council of Accounting (CFC), and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion thereon and, accordingly, we do not provide a separate opinion on these matters.

### Assessment of recoverability of deferred tax assets

As disclosed in Note 5.14 to the individual and consolidated financial statements, the Group has recorded the amount of R\$ 1,869,877 thousand in deferred taxes on income, focused on the subsidiaries Rumo Malha Paulista and Rumo Malha Central, in the amounts of R\$ 1,515,942 thousand and R\$ 340,238 thousand, respectively, in the consolidated financial statements.

A relevant part of the balances of the subsidiaries Rumo Malha Paulista and Rumo Malha Central, in the amounts of R\$ 1,499,795 thousand and R\$ 149,870 thousand, refers to deferred assets on income and social contribution tax losses, a fact that limits the use to 30% of the tax income calculated in the year, requiring the generation of future tax income against which this deferred asset can be used in a long term, as disclosed in Note 5.14.c.

In addition, substantial judgment is exercised by Management to analyze the expectation of the existence of probable future taxable income, considering long-term forecasts and the existence of events beyond the Group's control, such as climatic factors that influence agricultural production and global geopolitical crises that may impact exports of agricultural products, both of which have a direct effect on the volume projection and, consequently, on the revenue considered in the deferred tax recoverability model.

Due to the mentioned aspects, the relevance of the amounts involved, the complexity of the measurement and the fact that economic assumptions such as inflation, interest and volume

transported and possible future modifications in legislation may cause significant changes in the recoverability of deferred tax assets, we considered this a key audit matter.

### Audit response

Our audit procedures included, among others:

- Understanding of the relevant risks related to the assumptions used in the valuation model to support recoverability;
- Inclusion of tax specialists to measure the asset;
- Recalculation of model and review of the relevant assumptions;
- Comparison between the average price of services used in the model prepared to support the recoverability of deferred tax assets in the previous year and the average price of services currently charged;
- Review of the significant assumptions used in the model for projecting future tax income;
- Analysis on the sufficiency of the disclosures made;
- Review of disclosures in the financial statements.

Based on procedures carried out, we consider the assumptions used and calculations prepared by Management acceptable, and disclosures appropriate in the context of the financial statements taken as a whole.

### **Capitalization of expenses incurred in the formation of infrastructure assets**

As disclosed in Note 5.12.2 to the individual and consolidated financial statements, the Group has construction work in progress recorded in the amount of R\$ 3,670,897 thousand, as at December 31, 2023, in the consolidated financial statements.

The classification of expenses incurred between investments in capital goods (Capex) and operating expenses (Opex) involves the need for settings in information technology, communication and evaluation systems between areas with different specialties in the Group to align concepts on the type of expenses on replacement and refurbishment of parts and pieces necessary to place the asset in the intended operating conditions, criteria for the allocation of labor directly attributable to the construction of the asset, as well as processes and controls appropriately designed and continuously operated by Management, aiming to mitigate the possibility of error related to the allocation of expenses on construction work in progress to fixed assets and expenses recognized to income for the year.

Due to the aspects mentioned and the relevance of the amounts involved, we considered this a key audit matter.

### **Audit response**

Our audit procedures included, among others:

- Meeting with Management to understand and validate concepts based on CPC 27 – Fixed Assets;
- Meeting with representatives of the project area in order to understand budget, allocation of expenses and physical progress of certain projects;
- Research on news related to certain projects that are in progress;
- Understanding of certain IT systems involved in the process associated with expenses on construction work in progress;
- Test on documents of additions to fixed assets in construction work in progress;
- Obtaining of evidence on the physical progress of certain construction work;
- Understanding of existing controls for allocating expenses between Capex and Opex;
- Review of disclosures in the financial statements.

Based on procedures carried out, we consider the assumptions used and allocation of expenses on asset formation acceptable, based on tests by sampling and the disclosures appropriate in the context of the financial statements taken as a whole.

### Provision for legal claims

As disclosed in Note 5.15 to the individual and consolidated financial statements, as at December 31, 2023, the Group has provision for contingency recorded in the amount of R\$ 767,468 thousand in the consolidated financial statements.

The amount of possible losses, deemed by Management and its legal advisors as less likely that an unfavorable outcome for the Group will occur, disclosed in the aforementioned note, is R\$ 9,239,974 thousand, as at December 31, 2023, calculated for the consolidated financial information.

Due to the relevance of the amounts involved in the possible contingencies, the high number of lawsuits involved, and the complexity of the judgments made by the Company's Management in the process of measuring contingencies, we considered this a key audit matter.

### Audit response

Our audit procedures included, among others:

- Meetings with the Group's legal department;
- Understanding of internal processes to identify situations in which the Group is a party to administrative or judicial areas, in order to ensure that the information used by the Company is complete;
- Understanding of internal controls related to process management;
- Involvement of tax experts in the evaluation of tax discussions;
- Reading of legal opinions issued by external legal advisors, hired by Management;
- Measurement of provision for contingency based on the responses received from external legal advisors containing the current stage and likelihood of loss on each proceeding;
- Analysis of the reasonableness of assumptions used, by sampling, in the measurement of proceedings with the likelihood of loss considered possible or remote;
- Analysis of the main additions and reversals of proceedings in the breakdown of balances of provision for contingencies, verifying the reasonableness of assumptions used;
- Analysis of contingency payments and understanding of the expectation previously defined for the conclusion of the proceeding in previous periods;
- Recalculation of monetary adjustment;
- Review of disclosures in the financial statements.

Based on the procedures carried out, we consider the assumptions used by Management to measure provisions for contingencies and disclosures acceptable in the context of the financial statements taken as a whole.

## **Other matters**

### **Audit of corresponding amounts**

The Company's individual and consolidated financial statements for the year ended December 31, 2022, presented for comparison purposes, were audited by other independent auditors, whose report thereon, dated February 15, 2023, was unmodified.

### **Statements of value added**

The individual and consolidated statements of value added for the year ended December 31, 2023, prepared under the responsibility of the Company's Management and presented as supplementary information for IFRS purposes, were submitted to the same audit procedures followed for the audit of the Company's financial statements. In order to form an opinion, we have checked whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and contents meet the criteria established in Technical Pronouncement CPC/NBCTG 09 - Statement of Value Added. In our opinion, the statements of value added were properly prepared, in all material respects, in accordance with the criteria established in that Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

### **Other information accompanying the individual and consolidated financial statements and auditor's report**

The Company's Management is responsible for the other information that comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether the report is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Management Report, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and those charged with governance for the individual and consolidated financial statements**

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with Brazilian accounting practices and International Financial Reporting Standards issued by IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its controlled companies or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its controlled companies' financial reporting process.

## **Auditor's responsibilities for the audit of the individual and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing (ISA) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Brazilian standards and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its controlled companies' internal controls;



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and disclosures made by Management;
  
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its controlled companies' ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its controlled companies to cease to continue as a going concern;
  
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
  
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entity or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and that we have informed them of all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Of the matters communicated to those charged with governance, we determine those that were of most significance for the audit of the financial statements for the current year and which are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, March 27, 2024.



**BDO RCS AUDITORES INDEPENDENTES SS**  
**CRC 2 SP 013846/O-1**

**Ricardo Vieira Rocha**  
**Accountant CRC 1 BA 026357/O-2 - S - SP**

**Balance sheets**  
**(In thousands of Brazilian Reals - R\$)**

	Note	Parent Company		Consolidated	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Assets</b>					
Cash and cash equivalents	5.2	3,114,042	2,169,335	7,233,993	7,385,421
Marketable securities	5.3	228,496	88,934	1,396,107	840,061
Trade receivables	5.4	41,958	52,644	538,457	561,641
Derivative financial instruments	5.8	-	-	26,252	17,545
Inventories	5.10	1,502	1,606	215,605	225,813
Receivables from related parties	4.1	120,761	125,978	58,597	49,995
Income tax and social contribution recoverable		13,330	-	156,640	195,436
Other recoverable taxes	5.9	30,254	21,230	356,698	363,416
Dividends and interest on own capital receivable		260,653	921	-	1,057
Other assets		35,651	13,570	269,481	114,510
<b>Current</b>		<b>3,846,647</b>	<b>2,474,218</b>	<b>10,251,830</b>	<b>9,754,895</b>
Trade receivables	5.4	-	-	17,840	16,682
Restricted cash	5.3	78	79	109,671	92,770
Income tax and social contribution recoverable		147,449	152,857	342,117	309,237
Deferred income tax and social contribution	5.14	-	-	1,869,877	1,869,764
Receivables from related parties	4.1	3,326	1,003,326	36,929	96,658
Other recoverable taxes	5.9	-	-	838,072	741,367
Judicial deposits	5.15	65,234	61,124	271,666	237,167
Derivative financial instruments	5.8	912,643	384,224	1,535,241	857,298
Other assets		10,647	1,755	60,043	38,660
Investments in other entities and provision for uncovered liabilities	5.11	20,649,761	18,721,831	360,867	381,469
Investment properties	5.12.1	-	174,422	-	-
Property, plant and equipment	5.12.2	506,390	153,295	19,176,386	17,049,188
Intangible assets	5.12.3	235,697	270,748	6,664,143	6,774,306
Right-of-use	5.12.4	40,987	48,103	7,703,754	7,732,284
<b>Non-current</b>		<b>22,572,212</b>	<b>20,971,764</b>	<b>38,986,606</b>	<b>36,196,850</b>
<b>Total assets</b>		<b>26,418,859</b>	<b>23,445,982</b>	<b>49,238,436</b>	<b>45,951,745</b>

The accompanying notes are an integral part of these financial statements.

**Balance sheets**  
**(In thousands of Brazilian Reals - R\$)**

	Note	Parent Company		Consolidated	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Liabilities</b>					
Loans, financing and debentures	5.5	110,723	99,769	1,356,905	1,357,026
Lease liabilities	5.6	11,812	11,597	509,421	483,397
Derivative financial instruments	5.8	327,250	391,938	821,700	1,020,726
Trade payables	5.7	119,653	64,155	887,745	746,430
Salaries payable		12,574	4,490	318,550	296,833
Current income and social contribution taxes		4,285	146	23,446	6,710
Other taxes payable	5.13	24,390	16,645	77,989	50,080
Dividends and interest on own capital payable		176,258	127,569	180,337	132,044
Installment Leases and concessions under litigation	5.16	-	-	250,971	256,759
Payables to related parties	4.1	146,099	62,184	269,997	297,791
Deferred income		-	2,802	2,564	5,400
Other financial liabilities	5.1	8,584	76	342,276	787,884
Other payables		194,291	70,699	435,636	249,341
<b>Current</b>		<b>1,135,919</b>	<b>852,070</b>	<b>5,477,537</b>	<b>5,690,421</b>
Loans, financing and debentures	5.5	6,917,100	4,893,120	17,607,936	15,401,062
Lease liabilities	5.6	33,307	38,067	2,897,422	2,770,613
Trade payables	5.7	-	-	197,186	-
Derivative financial instruments	5.8	-	-	650,095	392,219
Other taxes payable	5.13	-	-	21	169
Provision for judicial demands	5.15	105,029	93,605	767,468	724,622
Installment Leases and concessions under litigation	5.16	-	-	3,314,402	3,094,651
Provision for capital deficiency	5.11	2,373,532	2,204,666	-	-
Payables to related parties	4.1	4,733	37,344	-	-
Other financial liabilities	5.1	-	-	-	29,985
Deferred income tax and social contribution	5.14	168,975	113,247	2,393,393	2,368,137
Deferred income		-	10,507	19,129	32,200
Other payables		8,912	12,187	42,792	37,216
<b>Non-current</b>		<b>9,611,588</b>	<b>7,402,743</b>	<b>27,889,844</b>	<b>24,850,874</b>
<b>Total liabilities</b>		<b>10,747,507</b>	<b>8,254,813</b>	<b>33,367,381</b>	<b>30,541,295</b>
<b>Equity</b>					
Share capital	5.17	12,560,952	12,547,842	12,560,952	12,547,842
Treasury shares		(118,577)	(30,186)	(118,577)	(30,186)
Reservations		3,191,989	2,637,536	3,191,989	2,637,536
Equity valuation adjustments		36,988	35,977	36,988	35,977
		<b>15,671,352</b>	<b>15,191,169</b>	<b>15,671,352</b>	<b>15,191,169</b>
Equity attributable to:					
Owners of the Company		15,671,352	15,191,169	15,671,352	15,191,169
Non-controlling interests	5.11	-	-	199,703	219,281
<b>Total equity</b>		<b>15,671,352</b>	<b>15,191,169</b>	<b>15,871,055</b>	<b>15,410,450</b>
<b>Total liabilities and equity</b>		<b>26,418,859</b>	<b>23,445,982</b>	<b>49,238,436</b>	<b>45,951,745</b>

The accompanying notes are an integral part of these financial statements.

**Statements of income**  
**(In thousands of Brazilian Reals - R\$)**

	Note	Parent Company		Consolidated	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net revenue from services	6.1	1,013,446	984,597	10,937,716	9,841,508
Cost of services	6.2	(812,124)	(803,005)	(6,838,432)	(6,695,148)
<b>Gross profit</b>		<b>201,322</b>	<b>181,592</b>	<b>4,099,284</b>	<b>3,146,360</b>
Selling expenses	6.2	(837)	416	(40,657)	(30,619)
General and administrative expenses	6.2	(42,393)	(23,266)	(559,973)	(468,574)
Other incomes (expenses), net	6.3	3,735	549,623	(100,780)	348,543
<b>Operating expenses</b>		<b>(39,495)</b>	<b>526,773</b>	<b>(701,410)</b>	<b>(150,650)</b>
<b>Result before equity in earnings of investees and net financial results</b>		<b>161,827</b>	<b>708,365</b>	<b>3,397,874</b>	<b>2,995,710</b>
Equity income on investments	5.11	1,017,684	437,953	76,600	40,462
<b>Equity result on investments</b>		<b>1,017,684</b>	<b>437,953</b>	<b>76,600</b>	<b>40,462</b>
<b>Result before financial results and income tax and social contribution</b>		<b>1,179,511</b>	<b>1,146,318</b>	<b>3,474,474</b>	<b>3,036,172</b>
Financial expenses		(916,406)	(731,235)	(3,621,093)	(2,906,092)
Financial incomes		341,237	294,805	1,190,685	1,108,620
Foreign exchange, net		2,972	10,033	368,259	374,859
Derivatives		161,920	(86,757)	(493,233)	(906,422)
<b>Financial results, net</b>	6.4	<b>(410,277)</b>	<b>(513,154)</b>	<b>(2,555,382)</b>	<b>(2,329,035)</b>
<b>Results before income tax and social contribution</b>		<b>769,234</b>	<b>633,164</b>	<b>919,092</b>	<b>707,137</b>
<b>Income tax and social contribution</b>	5.14				
Current		6,160	(71,328)	(173,669)	(411,436)
Deferred		(55,728)	(46,896)	(23,506)	218,320
		<b>(49,568)</b>	<b>(118,224)</b>	<b>(197,175)</b>	<b>(193,116)</b>
<b>Result for the year</b>		<b>719,666</b>	<b>514,940</b>	<b>721,917</b>	<b>514,021</b>
<b>Total result attributable to:</b>					
Owners of the Company		719,666	514,940	719,666	514,940
Non-controlling interests		-	-	2,251	(919)
<b>Earnings per share from:</b>	6.6				
Basic				R\$0.38853	R\$0.27800
Diluted				R\$0.38753	R\$0.27724

The accompanying notes are an integral part of these financial statements.

**Statements of comprehensive income**  
**(In thousands of Brazilian Reals - R\$)**

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Result for the year</b>	<b>719,666</b>	<b>514,940</b>	<b>721,917</b>	<b>514,021</b>
<b>Items that will not be reclassified to profit and loss</b>				
Actuarial gains with pension plan	216	863	216	862
Taxes on actuarial (gains)	(9)	(36)	(9)	(36)
	<b>207</b>	<b>827</b>	<b>207</b>	<b>826</b>
<b>Items that may subsequently be reclassified to profit or loss</b>				
Result on cash flow hedge accounting	-	445	-	445
Foreign currency translation adjustment effect	804	1,689	804	1,689
	<b>804</b>	<b>2,134</b>	<b>804</b>	<b>2,134</b>
<b>Other comprehensive result, net of income tax and social contribution</b>	<b>1,011</b>	<b>2,961</b>	<b>1,011</b>	<b>2,960</b>
<b>Total comprehensive result</b>	<b>720,677</b>	<b>517,901</b>	<b>722,928</b>	<b>516,981</b>
<b>Comprehensive result attributable to:</b>				
Owners of the Company	720,677	517,901	720,677	517,901
Non-controlling interest	-	-	2,251	(920)

The accompanying notes are an integral part of these financial statements.

**Statements of changes in equity**  
**(In thousands of Brazilian Reais - R\$)**

	Attributable to shareholders of the Company						Total	Non-controlling interest	Total equity
	Share capital	Treasury share	Capital reserve	Profit reserve	Equity valuation adjustments	Retained earnings (loss)			
<b>At January 1, 2023</b>	<b>12.547.842</b>	<b>(30.186)</b>	<b>208.702</b>	<b>2.428.834</b>	<b>35.977</b>	<b>-</b>	<b>15.191.169</b>	<b>219.281</b>	<b>15.410.450</b>
Result for the year	-	-	-	-	-	719.666	719.666	2.251	721.917
<b>Other comprehensive income:</b>									
Foreign currency translation effects	-	-	-	-	804	-	804	-	804
Actuarial gain on defined benefit plan	-	-	-	-	207	-	207	-	207
<b>Total comprehensive income, net of taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.011</b>	<b>719.666</b>	<b>720.677</b>	<b>2.251</b>	<b>722.928</b>
<b>Contributions and distributions to shareholders</b>									
Share-based payment transactions	-	-	37.827	-	-	-	37.827	770	38.597
Stock option exercised	-	14.892	(26.128)	-	-	-	(11.236)	-	(11.236)
Profit reserve	-	-	-	512.763	-	(512.763)	-	-	-
Legal reserve	-	-	-	35.983	-	(35.983)	-	-	-
Capital decrease	-	-	-	-	-	-	-	(12.250)	(12.250)
Treasury shares acquired	-	(103.283)	-	-	-	-	(103.283)	-	(103.283)
Dividends	-	-	-	-	-	(170.920)	(170.920)	(3.231)	(174.151)
<b>Total of contributions and distributions to shareholders</b>	<b>-</b>	<b>(88.391)</b>	<b>11.699</b>	<b>548.746</b>	<b>-</b>	<b>(719.666)</b>	<b>(247.612)</b>	<b>(14.711)</b>	<b>(262.323)</b>
<b>Transactions with owners of the Company</b>									
Addition of minority due to incorporation of spun-off investment from controlled company (note 4.4)	13.110	-	-	-	-	-	13.110	(13.110)	-
Corporate reorganization	-	-	(5.992)	-	-	-	(5.992)	5.992	-
<b>Total of transactions with owners of the Company</b>	<b>13.110</b>	<b>-</b>	<b>(5.992)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.118</b>	<b>(7.118)</b>	<b>-</b>
<b>At December 31, 2023</b>	<b>12.560.952</b>	<b>(118.577)</b>	<b>214.409</b>	<b>2.977.580</b>	<b>36.988</b>	<b>-</b>	<b>15.671.352</b>	<b>199.703</b>	<b>15.871.055</b>

The accompanying notes are an integral part of these financial statements.

**Statements of changes in equity**  
**(In thousands of Brazilian Reals - R\$)**

	Attributable to shareholders of the Company						Total	Non-controlling interest	Total equity
	Share capital	Treasury share	Capital reserve	Profit reserve	Equity valuation adjustments	Retained earnings (loss)			
<b>At January 1, 2022</b>	<b>12.547.842</b>	<b>(15.995)</b>	<b>194.366</b>	<b>2.036.192</b>	<b>33.016</b>	<b>-</b>	<b>14.795.421</b>	<b>223.142</b>	<b>15.018.563</b>
Result for the year	-	-	-	-	-	514.940	514.940	(919)	514.021
<b>Other comprehensive income:</b>									
Foreign currency translation effects	-	-	-	-	1.689	-	1.689	-	1.689
Actuarial gain on defined benefit plan	-	-	-	-	827	-	827	(1)	826
Result on cash flow hedge accounting	-	-	-	-	445	-	445	-	445
<b>Total comprehensive income, net of taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.961</b>	<b>514.940</b>	<b>517.901</b>	<b>(920)</b>	<b>516.981</b>
<b>Contributions and distributions to shareholders</b>									
Share-based payment transactions	-	-	35.852	-	-	-	35.852	596	36.448
Stock option exercised	-	10.893	(18.566)	-	-	-	(7.673)	-	(7.673)
Profit reserve	-	-	-	366.895	-	(366.895)	-	-	-
Legal reserve	-	-	-	25.747	-	(25.747)	-	-	-
Effect of dividend distribution to non-controlling shareholders	-	-	(111)	-	-	-	(111)	111	-
Treasury shares acquired	-	(25.084)	-	-	-	-	(25.084)	-	(25.084)
Dividends	-	-	-	-	-	(122.298)	(122.298)	(4.070)	(126.368)
<b>Total of contributions and distributions to shareholders</b>	<b>-</b>	<b>(14.191)</b>	<b>17.175</b>	<b>392.642</b>	<b>-</b>	<b>(514.940)</b>	<b>(119.314)</b>	<b>(3.363)</b>	<b>(122.677)</b>
<b>Transactions with owners of the Company</b>									
Contribution (reduction) of non-controlling in subsidiary	-	-	-	-	-	-	-	(2.204)	(2.204)
Acquisition of shareholding interest in subsidiary with a reduction in non-controlling interest	-	-	(2.839)	-	-	-	(2.839)	2.626	(213)
<b>Total of transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>(2.839)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2.839)</b>	<b>422</b>	<b>(2.417)</b>
<b>At December 31, 2022</b>	<b>12.547.842</b>	<b>(30.186)</b>	<b>208.702</b>	<b>2.428.834</b>	<b>35.977</b>	<b>-</b>	<b>15.191.169</b>	<b>219.281</b>	<b>15.410.450</b>

The accompanying notes are an integral part of these financial statements.



**Statements of cash flows**  
**(In thousands of Brazilian Reals - R\$)**

	Note	Parent Company		Consolidated	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Cash flow from operating activities</b>					
Result before income taxes and social contribution		769,234	633,164	919,092	707,137
Adjustments for:					
Depreciation and amortization		107,164	105,089	2,175,834	1,966,945
Equity pick-up from controlled and associated companies	5.11	(1,017,684)	(437,953)	(76,600)	(40,462)
Provision for profit sharing and bonuses		8,067	(4,463)	188,375	175,299
Result on disposal of fixed and intangible assets	6.3	(6,051)	990	18,729	1,906
Provision for legal proceedings	6.3	17,993	21,387	158,433	238,703
Allowance for doubtful accounts		837	(416)	(273)	(245)
Share-based payment transactions		24,004	26,141	27,360	28,775
Result on the sale of investment	6.3	-	(955,584)	-	(955,584)
Extemporaneous tax credits	6.3	(26)	910	(33,384)	(97,765)
Provision for take or pay		21,529	-	98,226	26,692
Interest, indexation charges and exchange variations, net		640,649	612,523	3,293,873	3,099,768
Other		(13,871)	341,414	(8,453)	342,416
		<b>551,845</b>	<b>343,202</b>	<b>6,761,212</b>	<b>5,493,585</b>
Changes in:					
Trade receivables		8,834	(35,726)	(31,379)	(84,120)
Related parties, net		52,708	(11,360)	9,219	72,085
Other taxes, net		12,637	(119,728)	(128,468)	(322,828)
Inventories		104	(30)	1,618	6,686
Salaries payable		621	(478)	(177,311)	(115,980)
Trade payables		24,648	(3,623)	153,733	6,841
Installment payable of leases and concessions under litigation		-	-	(227,493)	(110,577)
Provision for legal proceedings		(26,106)	(52,546)	(295,053)	(219,012)
Other financial liabilities		5,265	(8)	(502,654)	103,913
Other assets and liabilities, net		43,579	(25,181)	(112,428)	400
		<b>122,290</b>	<b>(248,680)</b>	<b>(1,310,216)</b>	<b>(662,592)</b>
<b>Net cash generated by operating activities</b>		<b>674,135</b>	<b>94,522</b>	<b>5,450,996</b>	<b>4,830,993</b>
<b>Cash flow from investing activities</b>					
Increase (reduction) of capital in subsidiaries and associated companies	5.11	(3,590,515)	(82,620)	51,740	-
Cash and cash equivalents received from merger		2,650,000	-	-	-
Sales (purchases) of marketable securities		(61,692)	35,556	(292,019)	535,012
Restricted cash		1	9	(19,981)	(66,054)
Dividends received from controlled and associated companies		34,766	1,046,869	44,414	153,011
Additions to property, plant and equipment and intangible assets		(279,853)	(9,922)	(3,689,877)	(2,717,745)
Receipt of interest on loans granted		1,072,020	134,138	-	-
Net cash on disposal of investments		-	1,394,669	-	1,208,463
Cash received on disposal of other fixed assets		-	-	-	1,000
<b>Net cash generated (used in) by investing activities</b>		<b>(175,273)</b>	<b>2,518,699</b>	<b>(3,905,723)</b>	<b>(886,313)</b>
<b>Cash flow from financing activities</b>					
Loans, financing and debentures raised	5.5	1,459,791	-	2,770,736	693,086
Repayment of principal on loans, financing and debentures	5.5	(73,201)	(588,695)	(1,323,716)	(4,106,479)
Payment of interest on loans, financing and debentures	5.5	(271,370)	(267,656)	(1,211,808)	(1,189,903)
Repayment of principal on financing leases	5.6	(5,239)	(2,383)	(397,533)	(353,373)
Payment of interest on financing leases	5.6	(7,435)	(3,905)	(169,342)	(195,080)
Acquisition of non-controlling interests		-	(151)	-	(151)
Additional paid-in capital, net of stock issuance costs		-	-	(12,250)	(8,824)
Settlement costs for loans and financing		-	-	-	(94,196)
Purchase of treasury shares		(103,283)	(25,084)	(103,283)	(25,084)
Payment derivative financial instruments		(431,187)	(342,930)	(1,126,536)	(709,450)
Receiving derivative financial instruments		-	30,849	2,250	45,053
Dividends paid		(122,231)	(35,733)	(124,992)	(39,321)
<b>Net cash generated (used in) by financing activities</b>		<b>445,845</b>	<b>(1,235,688)</b>	<b>(1,696,474)</b>	<b>(5,983,722)</b>
Impact of exchange variation on cash and cash equivalents		-	-	(227)	(23,730)
(Decrease) Increase in cash and cash equivalents, net		<b>944,707</b>	<b>1,377,533</b>	<b>(151,428)</b>	<b>(2,062,772)</b>
Cash and cash equivalents at beginning of the exercise		<u>2,169,335</u>	<u>791,802</u>	<u>7,385,421</u>	<u>9,448,193</u>
Cash and cash equivalents at end of the exercise		<u>3,114,042</u>	<u>2,169,335</u>	<u>7,233,993</u>	<u>7,385,421</u>
Additional information:					
Income tax and social contribution paid		-	87,292	9,676	137,433

The accompanying notes are an integral part of these financial statements.

**Statements of cash flows**  
**(In thousands of Brazilian Reals - R\$)**

- **Transactions that did not involve cash**

The Company presents its statements of cash flows using the indirect method. During the period ended on December 31, 2023, the Company carried out the following transaction that did not involve cash and, therefore, it is not reflected in the parent Company and consolidated cash flow statement:

- (i) Recognition of right-of-use assets with offsetting entry to the lease liability for R\$ 228,196 (R\$ 443,126 on December 31, 2022), related to contractual readjustments and new contracts covered by the lease standard (Note 5.12.4).
- (ii) Acquisition of assets with payment in installments of R\$ 612,305 on December 31, 2023 (R\$ 185,229 on December 31, 2022).
- (iii) In the year ended December 31, 2023, the Company carried out a capital increase in subsidiaries totaling R\$164,367 (Note 5.11) through the transfer of fixed assets. R\$47,906 in the previous year, of which R\$ 42,820 was realized through cash and R\$ 5,086 through investment in fixed assets.

- **Presentation of interest and dividends**

The Company classifies dividends and interest on equity received as cash flow from investment activities, in order to avoid distortions in its operating cash flows due to the cash from these operations.

Interest, paid is classified as cash flow in financing activities, as it considers that they refer to the costs of obtaining financial resources for application in fixed and intangible assets.

**Statements of value added**  
**(In thousands of Brazilian Reals - R\$)**

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Revenue</b>				
Sales of products and services net of returns	1,077,661	1,048,879	11,554,448	10,417,807
Other operating revenue, net	26,638	959,653	112,370	1,022,519
Gain (loss) due to reduction in the recoverable amount of accounts receivable	(837)	416	25,767	12,164
	<b>1,103,462</b>	<b>2,008,948</b>	<b>11,692,585</b>	<b>11,452,490</b>
<b>Raw materials acquired from third parties</b>				
Cost of services rendered	(429,502)	(673,901)	(3,241,915)	(3,467,726)
Materials, energy, third party services, others	(145,521)	(420,116)	(786,518)	(1,127,611)
	<b>(575,023)</b>	<b>(1,094,017)</b>	<b>(4,028,433)</b>	<b>(4,595,337)</b>
<b>Gross value added</b>	<b>528,439</b>	<b>914,931</b>	<b>7,664,152</b>	<b>6,857,153</b>
<b>Retention</b>				
Depreciation and amortization	(107,164)	(105,089)	(2,175,834)	(1,966,945)
	<b>(107,164)</b>	<b>(105,089)</b>	<b>(2,175,834)</b>	<b>(1,966,945)</b>
<b>Net value added</b>	<b>421,275</b>	<b>809,842</b>	<b>5,488,318</b>	<b>4,890,208</b>
<b>Value added transferred in</b>				
Equity in subsidiaries and associates	1,017,684	437,953	76,600	40,462
Rentals received	2,876	21,479	2,876	479
Financial incomes	341,237	294,805	1,190,685	1,108,620
	<b>1,361,797</b>	<b>754,237</b>	<b>1,270,161</b>	<b>1,149,561</b>
<b>Value added to be distributed</b>	<b>1,783,072</b>	<b>1,564,079</b>	<b>6,758,479</b>	<b>6,039,769</b>
<b>Distribution of value added</b>				
<b>Employee and social charges</b>	<b>80,068</b>	<b>50,783</b>	<b>1,163,821</b>	<b>1,044,674</b>
Remuneration	72,982	41,738	849,386	776,997
Benefits	5,596	8,635	272,287	235,042
Severance Indemnity Fund - FGTS	1,490	410	42,148	32,635
<b>Taxes and contributions</b>	<b>229,560</b>	<b>188,735</b>	<b>1,029,120</b>	<b>900,660</b>
Federal	120,474	185,225	688,820	637,785
State	560	1,698	190,884	200,373
Municipal	108,526	1,812	149,416	62,502
<b>Third party capital remuneration</b>	<b>753,778</b>	<b>809,621</b>	<b>3,843,621</b>	<b>3,580,414</b>
Interest	751,514	807,959	3,746,067	3,437,655
Concession contract leases and leases	2,264	1,662	97,554	142,759
<b>Equity capital remuneration</b>	<b>719,666</b>	<b>514,940</b>	<b>721,917</b>	<b>514,021</b>
Dividends	170,920	122,298	170,920	122,298
Non-controlling interests	-	-	2,251	(919)
Result for the year	548,746	392,642	548,746	392,642
	<b>1,783,072</b>	<b>1,564,079</b>	<b>6,758,479</b>	<b>6,039,769</b>

The accompanying notes are an integral part of these financial statements.

## **1 Company and group information**

### **1.1 Operations**

Rumo S.A. ("Company" or "Rumo S.A."), is a publicly traded Company with its shares traded on B3 S.A. – Brasil, Bolsa, Balcão ("B3") under the ticker RAIL3, and its headquarters in the city of Curitiba, State of Paraná, Brazil.

The Company is a service provider in the logistics sector (rail and multimodal transport), mainly for the export of commodities, offering an integrated solution for transportation, handling, storage and shipping from the production centers to the main ports in the south and southeast of Brazil, and also holds interests in other companies and ventures related to logistic.

The Company operates in the rail transportation segment in Southern Brazil through its subsidiary Rumo Malha Sul S.A. ("Rumo Malha Sul"), and the in Midwest region and State of São Paulo through its subsidiaries Rumo Malha Paulista S.A. ("Rumo Malha Paulista"), Rumo Malha Norte S.A. ("Rumo Malha Norte") and Rumo Malha Oeste S.A. ("Rumo Malha Oeste"). It will also reach the states of Goiás and Tocantins through the subsidiary Rumo Malha Central S.A. ("Rumo Malha Central"). In addition, the subsidiary Brado Logística e Participações S.A. ("Brado") operates in the container segment.

**1.2 The concession of railway operations and port terminals**

The Company operates, through subsidiaries or affiliates or jointly controlled companies, the concession of railway and port terminal services, the scope and end of which are described below:

<b>Companies</b>	<b>Concession ending</b>	<b>Coverage areas</b>
Rumo S.A.	September 2066	Mato Grosso State
<b>Subsidiaries</b>		
Rumo Malha Paulista S.A.	December 2058	São Paulo State
Rumo Malha Sul S.A.	February 2027	South and São Paulo State
Rumo Malha Oeste S.A.	June 2026	Midwest and São Paulo State
Rumo Malha Norte S.A.	May 2079	Midwest
Rumo Malha Central S.A.	July 2049	North, Midwest and São Paulo State
<b>Associates</b>		
Elevações Portuárias S.A.	March 2036	Port of Santos-SP
Terminal XXXIX S.A.	October 2050	Port of Santos-SP
TGG - Terminal de Granéis do Guarujá S.A.	August 2027	Port of Santos-SP
Termag - Terminal Marítimo de Guarujá S.A.	August 2027	Port of Santos-SP
Associação Gestora da Ferrovia Interna do Porto de Santos (AG-FIPS) <sup>(i)</sup>	October 2058	Port of Santos-SP

- (i) The Company joined other railway operators operating in Santos in signing the Assignment Agreement (“Assignment Agreement”) will be jointly responsible for the management, operation, maintenance and expansion of the railroad network in the Port of Santos, aiming to represent its subsidiaries Rumo Malha Norte S.A., Rumo Malha Paulista S.A. and Rumo Malha Central S.A. that operate in the aforementioned Port, an activity carried out by Portofer until September 30, 2023, which had its name updated to Rumo Serviços Logístico Ltda. On December 31, 2023. AG-FIPS took over the activities on October 1, 2023, the date on which the lease agreement with Rumo Serviços Logísticos Ltda (Portofer) was terminated.

The above subsidiaries and affiliates are subject to the fulfillment of certain conditions set out in the privatization notices and in the concession contracts for railway networks and port terminals. To the extent that there is no substantive control over who should provide the service and there is no substantive price control, IFRIC 12 / ICPC 01 (R1) is not applicable to the Company and therefore the assets acquired by it are treated under IFRS 16 / CPC 06 (R2) – Leases and IAS 16 / CPC 27 - Property, plant, and equipment.

**1.3 Group information****a) Subsidiaries:**

The Company's consolidated financial statements include:

<b>Subsidiaries</b>	<b>Directly and indirectly subsidiaries</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Logisport Armazéns Gerais S.A.	51%	51%
Rumo Luxembourg Sarl	100%	100%
Rumo Intermodal S.A.	100%	100%
Rumo Malha Oeste S.A.	100%	100%
Rumo Malha Paulista S.A.	100%	100%
Rumo Malha Sul S.A.	100%	100%
Rumo Malha Norte S.A. <sup>(i)</sup>	100%	100%
Rumo Malha Central S.A.	100%	100%
Boswells S.A. <sup>(iii)</sup>	0%	100%
ALL Argentina S.A.	100%	100%
Paranaquá S.A.	100%	100%
ALL Armazéns Gerais Ltda.	100%	100%
Rumo Serviços Logísticos Ltda.	100%	100%
Brado Logística e Participações S.A.	77%	77%
Brado Logística S.A.	77%	77%
ALL Mesopotâmica S.A.	71%	71%
Terminal São Simão S.A.	51%	51%
ALL Central S.A.	74%	74%
Servicios de Inversión Logística Integrales S.A.	100%	100%
Rumo Energia	100%	100%
Rumo Holding Malha Norte <sup>(ii)</sup>	100%	-

(i) Rumo Malha Norte has a non-controlling interest of 0.26% of its shares.

(ii) Company created on March 20, 2023, with no operational activity in the year.

(iii) Company closed in December 2023.

**b) Associates and jointly controlled entities**

The Company has a 30% interest in Rhall Terminais Ltda. (30% in 2022), 20% in Termag S.A. (20% in 2022), 10% in TGG S.A. (10% in 2022 and 20% in Elevações Portuárias S.A. Management understands that there is significant influence resulting from: (i) the percentage of participation held; (ii) the participation of the Company's representative on the associate's board; and or (iii) the relevance of the logistics services provided by the Company to its affiliates.



The 50% investments in Terminal XXXIX S.A. (50% in 2022), 50% in Terminal Alvorada S.A., as well as the participation in the Association for Management of the Internal Railway of the Port of Santos (“AG-FIPS”), are managed by governance rules that grant shared control to investors.

**c) Group control:**

The Company is a direct subsidiary of Cosan S.A. (“Cosan”), which holds 30.33% of its capital, including treasury shares. Cosan is listed on B3 and the New York Stock Exchange, or “NYSE” (ticker — CSAN). Cosan is a limited liability company headquartered in the city of São Paulo, state of São Paulo. Mr. Rubens Ometto Silveira Mello is the ultimate controlling shareholder of Cosan.

## **2 Basis of preparation and general accounting policies**

This section provides information on general bases of preparation, which Management deems useful and relevant to the understanding of these financial statements.

### **2.1 Declaration of conformity**

These individual and consolidated financial statements were prepared in accordance with the accounting policies adopted in Brazil, which comprise the Brazilian Corporate Law, the rules of the Securities and Exchange Commission (CVM) and the pronouncements of the Accounting Pronouncements Committee (CPC), which comply with international accounting standards (IFRS) issued by the International Accounting Standards Board (IASB).

The relevant information in the financial statements, and only them, are being disclosed and correspond to those used by Management in its management.

The presentation of the Statements of Value Added (DVA), individual and consolidated, is required by Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly held companies CPC 09 - Statement of Added Value. IFRS does not require the presentation of this statement. As a consequence, under IFRS, this statement is presented as supplementary information, without prejudice to the set of financial statements.

These consolidated financial statements are prepared based on historical cost, unless otherwise stated.

These individual and consolidated financial statements were authorized for issue by the Board of Directors on March 27, 2024.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

## 2.2 General accounting policies

Specific accounting policies are included in the explanatory notes, while general practices are described below:

### a) Use of judgments and estimates

The preparation of the financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continuously reviewed and recognized prospectively, when applicable.

Information on critical judgments, assumptions and estimates of uncertainties in the application of accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the individual notes.

#### **Judgments:**

The judgments made in the application of accounting policies that, in Management's understanding, have significant effects on the amounts recognized in the financial statements involve the following topics:

- **Note 5.1 – Other financial liabilities:** The settlement flow of the balance of credits assigned by suppliers to financial agents is classified in the Statement of cash flows in operating or investment activities, according to the classification of the object of the purchase, as it better represents the cash expenditure from the perspective of the Company's operation.
- **Note 5.6 - Lease liabilities:** Term of the lease if the Company is reasonably sure of exercising extension options.
- **Note 5.11 – Investments in associates and jointly controlled entities:** In assessing the existence of influence over the investee and/or shared control.



- **Note 5.12.1 – Investment property:** In the classification of the leasing of the parent's property as a lessor.

**Uncertainties about assumptions and estimates:**

The uncertainties related to assumptions and estimates as of December 31, 2023 that have a significant risk of resulting in a material adjustment to the accounting balances of assets and liabilities in the next year involve the following topics:

- **Note 5.4 – Trade receivables:** Measurement of expected credit loss for accounts receivable and contractual assets: main assumptions in determining the weighted average rate of expected loss;
- **Note 5.6 – Lease liabilities:** In the estimate of the incremental rate on loans, prepared using observable data (such as market interest rates), when available, and considering in this estimate aspects that are specific to the Company (such as the credit rating);
- **Notes 5.12.2 and 5.12.3 - Property, plant, equipment and intangible assets:** Impairment test for intangible assets and goodwill: main assumptions regarding recoverable amounts;
- **Note 5.14 - Income tax and social contribution:** Recognition of deferred tax assets: availability of future taxable income against which deductible temporary differences and tax losses can be used;
- **Note 5.15 - Provision for legal claims:** Recognition and measurement of provisions and contingencies: main assumptions about the probability and magnitude of outflows;
- **Note 6.5 - Share-based payments:** Estimated loss of instruments during the vesting period;
- **Note 2.3 - Fair values:** Measurement of the fair values of financial assets and liabilities based on observable market data.

**Notes to financial statements**  
**(In thousands of Brazilian Reais - R\$, unless otherwise stated)**

**b) Functional and presentation currency**

The individual and consolidated financial statements are presented in Brazilian Reais, which is the functional currency of the Company and its subsidiaries located in Brazil since it is the currency of the primary economic environment in which they operate, generate, and consume resources. The main functional currencies of subsidiaries located outside Brazil are the U.S. dollar and the Argentinian peso.

Foreign currency transactions are translated into the respective functional currencies of each subsidiary, using the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated and calculated in foreign currencies on the presentation date are converted into the functional currency at the exchange rate determined on the presentation date.

Assets and liabilities arising from operations abroad, including goodwill and fair value adjustments resulting from the acquisition, are converted into Brazilian Reais using the exchange rates on the balance sheet date. Income and expenses from operations abroad are converted into Brazilian Reais using the exchange rates on the dates of the transactions.

Foreign currency differences are recognized and presented in other comprehensive income in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the conversion difference is allocated to the interests of non-controlling interests. When an operation abroad is sold or control loss occurs, the amount accumulated in the conversion reserve related to that operation abroad is reclassified to the result as part of the gain or loss on the sale.

The exchange rates of the Brazilian Real (R\$) for the functional currencies of its subsidiaries as of December 31, 2023 and 2022 are:

<b>Currency</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
U.S. Dollar	4.8413	5.2177
Argentinian Peso	0.006	0.0296

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

### **2.3 Measurement of fair value**

The Company has a control structure established in relation to the measurement of fair values. This includes an assessment team that has overall responsibility for overseeing all significant measurements of fair value and reports directly to the Board.

Management regularly reviews significant unobservable assumptions and valuation adjustments. If third party information, such as brokerage quotes or pricing services, is used to measure fair values, the treasury assesses evidence obtained from third parties to support the conclusion that these assessments meet the requirements of the Company's policy, including the level of hierarchy.

Significant evaluation issues are reported to the Board. When measuring the fair value of an asset or liability, the Company uses observable market data as much as possible. Fair values are categorized at different levels in a fair value hierarchy based at the origin of the data used in the valuation techniques as follows:

- **Level 1:** The data used originates from unadjusted quoted prices for identical instruments exchanged in active markets.
- **Level 2:** The data used include data that can be observed directly or indirectly (except for Level 1), such as prices quoted for similar financial instruments traded in active markets, prices quoted for identical or similar financial instruments exchanged in inactive markets and other observable market data.
- **Level 3:** Valuation techniques are used for which significant information for the lowest level fair value measurement is not available (unobservable inputs). Management is required to use its own assumptions about unobservable inputs, as there is little market activity in these instruments or related observable data that can be corroborated on the measurement date.

All estimates resulting from the Company's fair value are included in level 2.

If the data used to measure the fair value of an asset or liability falls at different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety at the level of the fair value hierarchy with more subjectivity.

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

Additional information on the assumptions used to measure fair values is included in the following notes:

- i. **6.5** - Share-based payment transactions;
- ii. **5.8** - Derivative financial instruments.

The fair value of the Senior Notes is quoted on the Luxembourg Stock Exchange (“LuxSE”) and is based on the quoted market price as follows:

<b>Loans</b>	<b>Company</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Senior Notes Due 2028	Rumo Luxembourg	96.41%	95.04%
Senior Notes Due 2032	Rumo Luxembourg	85.65%	80.36%

The book values and fair value of financial assets and liabilities are as follows:

	<b>Book value</b>		<b>Fair value</b>	
			<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>Level 2</b>	<b>Level 2</b>
<b>Assets</b>				
Cash and cash equivalents	7,233,993	7,385,421	7,233,993	7,385,421
Marketable securities	1,396,107	840,061	1,396,107	840,061
Trade receivables	556,297	578,323	556,297	578,323
Derivative financial instruments	1,561,493	874,843	1,561,493	874,843
Receivables from related parties	95,526	146,653	95,526	146,653
Restricted cash	109,671	92,770	109,671	92,770
<b>Total</b>	<b>10,953,087</b>	<b>9,918,071</b>	<b>10,953,087</b>	<b>9,918,071</b>
<b>Liabilities</b>				
Loans, financing and debentures	(18,964,841)	(16,758,088)	(18,987,550)	(16,633,229)
Lease liabilities	(3,406,843)	(3,254,010)	(3,406,843)	(3,254,010)
Derivative financial instruments	(1,471,795)	(1,412,945)	(1,471,795)	(1,412,945)
Trade payables	(1,084,931)	(746,430)	(1,084,931)	(746,430)
Dividends payable	(180,337)	(132,044)	(180,337)	(132,044)
Installment leases and concessions	(1,067,256)	(1,138,076)	(1,067,256)	(1,138,076)
Payables to related parties	(269,997)	(297,791)	(269,997)	(297,791)
Other financial liabilities	(342,276)	(817,869)	(342,276)	(817,869)
Debt payment in installments	(902)	(902)	(902)	(902)
<b>Total</b>	<b>(26,789,178)</b>	<b>(24,558,155)</b>	<b>(26,811,887)</b>	<b>(24,433,296)</b>

**Notes to financial statements**  
***(In thousands of Brazilian Reals - R\$, unless otherwise stated)***

**2.4 New standards and interpretations not yet effective**

The Company did not make changes to accounting policies during the year ended December 31, 2023.

**2.4.1 New pronouncements, interpretations and changes**

The Company has not adopted, in advance, any statement, interpretation or amendment issued that is not yet in force.

The interpretations and changes that came into effect in the year ended December 31, 2023 did not generate significant impacts on the Company's financial statements.

The new standards, interpretations and amendments were issued by the CPC and the IASB, but are not effective on December 31, 2023, and will not have a significant impact on the consolidated results or financial position of the Company according to the Company initial review.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

**3 Business, operations and management of the Company**

**3.1 Objectives and policies for risk management of financial instruments**

This note explains the Company's exposure to financial risks and how these risks may affect the group's future financial performance. Information on profit and loss for the year was included, when relevant to the context.

<b>Risk</b>	<b>Exposure arising from:</b>	<b>Measurement</b>	<b>Management</b>
Market risk – foreign exchange	(i) Future commercial transactions. (ii) Financial assets and liabilities recognized not denominated in Brazilian Reals.	(i) Future cash flow (ii) Sensitivity analysis	Foreign currency
Market risk - interest	Cash and cash equivalents, securities, restricted cash, loans and debentures, Leases and derivative financial instruments.	(iii) Sensitivity analysis	Interest rate swap
Credit risk	Cash and cash equivalents, marketable securities, restricted cash, accounts receivable, derivatives, accounts receivable from related parties..	(i) Analysis by maturity (ii) Credit ratings	Cash and credit lines
Liquidity risk	Loans, financing and debentures, accounts payable to suppliers, other financial liabilities, other taxes payable, leases, derivatives and accounts payable to related parties.	Future cash flow	Cash and credit lines

The Company's risk management is predominantly controlled by a central Treasury department under policies approved by the Board of Directors, which provides principles for global risk management, as well as policies that cover specific areas, such as currency risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and excess liquidity investment. It is the Company's policy not to participate in any derivative transactions for speculative purposes.

When all relevant criteria are met, hedge accounting is applied to eliminate the mismatch between the hedge instrument and the covered item.

The Company may opt for the formal designation of new debt operations for which it has swap-type derivative financial instruments for exchange variation and interest, as measured at fair value. The option for fair value ("Fair Value Option") is intended to eliminate or reduce inconsistencies in results arising from differences between the measurement criteria for certain liabilities and their hedging instruments. Thus, both the swaps and the respective debts are now measured at fair value and this option is irrevocable. Such option is irrevocable and must only be made in the initial accounting record of the operation.

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

The Company's policy is to maintain a robust capital base to promote the confidence of investors, creditors and the market, and to guarantee the future development of the business.

The use of financial instruments to hedge against areas of volatility is determined through an analysis of the exposure to risk that Management intends to cover.

### a) Market risk

The objective of market risk management is to keep exposures to market risk within acceptable parameters, optimizing the return.

The Company uses derivatives to manage market risks. All transactions are carried out within the guidelines established by the risk management policy. The Company generally seeks to apply hedge accounting to manage volatility in profits or losses.

#### i. Foreign exchange risk

On December 31, 2023 and 2022, the Company had the following net exposure to the exchange rate variation of assets and liabilities denominated in foreign currency:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Cash and cash equivalents	3,746	1,540
Trade receivables	7,678	-
Trade payables	(979)	(97,259)
Loans, financing and	(4,781,727)	(4,388,589)
Exchange rate derivatives	4,822,012	4,437,823
Lease liabilities	(78,162)	(94,716)
	<b><u>(27,432)</u></b>	<b><u>(141,201)</u></b>

Based on financial instruments denominated in US dollars and euros, as of December 31, 2023, in the probable scenario, the Company sensitized the positive or negative effect on the result, before taxes, resulting from a reasonably possible strengthening (weakening) of the Real against foreign currencies in the probable scenario, and for increases and decreases of 25% and 50%, as follows:

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Instrument	Risk factor	December 31, 2023				
		Probable	25%	50%	-25%	-50%
Cash and cash equivalents	Exchange fluctuation	123	1,090	2,057	(844)	(1,812)
Trade receivables	Exchange fluctuation	252	2,234	4,217	(1,731)	(3,713)
Trade payables	Exchange fluctuation	(32)	(285)	(538)	221	473
Exchange rate derivatives	Exchange fluctuation	159,190	1,248,025	2,489,239	(1,244,620)	(2,489,239)
Loans, financing and debentures	Exchange fluctuation	(157,870)	(1,234,899)	(2,469,798)	1,234,899	2,469,798
Lease liabilities	Exchange fluctuation	(2,562)	(22,743)	(42,924)	17,619	37,800
<b>Impacts on result of the year</b>		<b>(899)</b>	<b>(6,578)</b>	<b>(17,747)</b>	<b>5,544</b>	<b>13,307</b>

The probable scenario uses the U.S. Dollar and euro projected by a specialized consultancy for December 31, 2024. Stressed scenarios were defined by applying variations (positive and negative) of 25% and 50% in the exchange rates used in the probable scenario:

	December 31, 2023	Scenario				
		Probable	25%	50%	-25%	-50%
U.S. Dollar	4.8413	5.0000	6.2500	7.5000	3.7500	2.5000
Euro	5.3516	5.6500	7.0625	8.4750	4.2375	2.8250

### ii. Interest rate risk

The Company and its subsidiaries have financial instruments that are subject to interest rates, which are largely variable, which exposes the financial result to the risks of interest rate fluctuations.

The following sensitivity analysis demonstrates the projected annual impact on interest expenses on loans and financing and on the remuneration of financial investments (before taxes), keeping other variables unchanged, in the probable scenario and with increases and decreases of 25% and 50% in interest rates:



## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Exposure interest rate	December 31, 2023				
	Probable	25%	50%	-25%	-50%
Financial investments	740,931	926,164	1,111,397	555,698	370,466
Marketable securities	139,551	174,439	209,327	104,664	69,776
Restricted cash	10,839	13,549	16,259	8,129	5,420
Loans, financing and debentures	(775,693)	(955,733)	(1,135,773)	(595,652)	(415,612)
Interest rate derivatives	(1,145,851)	(1,436,301)	(1,718,777)	(859,388)	(572,926)
Lease liabilities	(441,671)	(442,081)	(442,493)	(441,262)	(440,855)
Installment Leases and concessions under litigation	(107,615)	(134,519)	(161,422)	(80,711)	(53,807)
Other financial liabilities	(39,589)	(48,132)	(56,674)	(31,046)	(22,504)
<b>Impacts on result of the year</b>	<b>(1,619,098)</b>	<b>(1,902,614)</b>	<b>(2,178,156)</b>	<b>(1,339,568)</b>	<b>(1,060,042)</b>

The probable scenario considers the estimated interest rate, prepared by a specialized third-party based on information from the Central Bank of Brazil (BACEN) on January 11, 2024, as follows:

	Probable	25%	50%	-25%	-50%
SELIC	10.08%	12.60%	15.13%	7.56%	5.04%
CDI	9.98%	12.48%	14.98%	7.49%	4.99%
TJLP	6.20%	7.75%	9.30%	4.65%	3.10%
IPCA	3.85%	4.82%	5.78%	2.89%	1.93%

### b) Credit risk

The Company's regular operations expose it to potential defaults when customers, suppliers and counterparties fail to meet their financial or other commitments. The Company seeks to mitigate this risk by carrying out transactions with a diverse set of counterparties. However, the Company remains subject to unexpected financial failures by third parties that could interrupt its operations. The exposure to credit risk was as follows:

	December 31, 2023	December 31, 2022
Cash and cash equivalents <sup>(i)</sup>	7,233,993	7,385,421
Marketable securities <sup>(i)</sup>	1,396,107	840,061
Restricted cash <sup>(i)</sup>	109,671	92,770
Trade receivables <sup>(ii)</sup>	556,297	578,323
Receivables from related parties	95,526	146,653
Derivative financial instruments <sup>(i)</sup>	1,561,493	874,843
	<b>10,953,087</b>	<b>9,918,071</b>

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

- (i) The credit risk of balances with banks and financial institutions is managed by the Company's Treasury in accordance with the established policy. The excess resources are invested only in approved counterparties and within the limit established for each one. The credit limit of counterparties is reviewed annually and can be updated throughout the year. These limits are established in to minimize the concentration of risks and, thus, mitigate the financial loss in the event of the potential bankruptcy of a counterparty. The Company's maximum exposure to credit risk in relation to the balance sheet components on December 31, 2023 and December 31, 2022 is the amount recorded.
- (ii) The client's credit risk is managed centrally by each business segment, being subject to the procedures, controls and policy established by the Company in relation to this risk. Credit limits are established for all customers based on an extensive internal credit rating procedure. Receivables from open customers are monitored frequently. The need for a provision for impairment is analyzed at each date reported on an individual basis for the main customers. In addition, a large number of accounts receivable with smaller balances are grouped into homogeneous groups and, in these cases, the recoverable loss is assessed collectively. The calculation is based on effective historical data.

The Company is exposed to risks related to its cash management and temporary investment activities.

Net assets are mainly invested in government securities and other investments in banks with a minimum grade of "A". The credit risk of balances with banks and financial institutions is managed by the treasury department, in accordance with the Company's policy.

Excess fund investments are made only with approved counterparties and within the credit limits assigned to each counterparty. Counterparty credit limits are reviewed annually and may be updated throughout the year. The limits are defined to minimize the concentration of risks and, therefore, mitigate the financial loss through the failure of the counterparty to make payments. The credit risk of cash and cash equivalents, marketable securities, restricted cash and derivative financial instruments is determined by rating agencies widely accepted by the market and are arranged as follows:

	<b>December 31, 2023</b>
AA	21,373
AAA	10,279,891
<b>Total</b>	<b>10,301,264</b>

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)***c) Liquidity risk**

Liquidity risk is the risk that the Company and its subsidiaries find it difficult to comply with the obligations associated with their financial liabilities that are settled with cash payments or with another financial asset. The approach of the Company and its subsidiaries in managing liquidity is to ensure, as much as possible, that there is always a level of liquidity sufficient to comply with falling due obligations, under normal and stress conditions, without causing unacceptable losses or with the risk of damaging the reputation of the Company and its subsidiaries.

The Company's financial liabilities classified by maturity date (based on contracted undiscounted cash flows) are as follows:

	December 31, 2023				December 31, 2022	
	Up to 1 year	1 - 2 years	3 - 5 years	More than 5 years	Total	Total
Loans, financing and debentures	(1,482,000)	(883,319)	(9,850,385)	(12,912,902)	<b>(25,128,605)</b>	<b>(24,037,575)</b>
Trade payables	(887,745)	(197,186)	-	-	<b>(1,084,931)</b>	<b>(746,430)</b>
Other financial liabilities	(342,276)	-	-	-	<b>(342,276)</b>	<b>(817,869)</b>
Tax installments	(902)	-	-	-	<b>(902)</b>	<b>(902)</b>
Lease liabilities	(458,343)	(454,984)	(805,545)	(15,570,173)	<b>(17,289,045)</b>	<b>(16,375,570)</b>
Installment Leases and concessions under litigation	(266,814)	(2,701,491)	(5,102,816)	-	<b>(8,071,121)</b>	<b>(1,137,173)</b>
Payables to related parties	(261,320)	-	-	-	<b>(261,320)</b>	<b>(297,791)</b>
Dividends payable	(180,362)	-	-	-	<b>(180,362)</b>	<b>(132,044)</b>
Derivative financial instruments	(792,725)	(125,929)	(902,827)	3,414,923	<b>1,593,442</b>	<b>(538,101)</b>
	<b>(4,672,487)</b>	<b>(4,362,909)</b>	<b>(16,661,573)</b>	<b>(25,068,152)</b>	<b>(50,765,120)</b>	<b>(44,083,455)</b>

### **3.2 Segment information**

The Company's Executive Board uses segment information to evaluate the performance of operating segments and make resource allocation decisions.

Management evaluates the performance of its operating segments based on the EBITDA measure (earnings before income tax and social contribution, net financial expense, depreciation and amortization).

#### **Operating segments**

The Company's management is structured in three segments:

- (i) Northern Operations: comprised of railway, highway and transshipment in the Company's concession areas, Rumo Malha Norte, Rumo Malha Central and Rumo Malha Paulista.
- (ii) Southern Operations: composed of railway operations and transshipment in the concession area of Rumo Malha Sul and Rumo Malha Oeste.
- (iii) Container Operations: composed of the Group's Company that focuses on container logistics, whether by rail or road transport and the results of container operations on the networks.

The segment information was prepared in accordance with the same accounting practices used in the preparation of the consolidated information.

## Notes to financial statements

(In thousands of Brazilian Reais - R\$, unless otherwise stated)

Exercise:	December 31, 2023				December 31, 2022			
	North Operations	South Operations	Container Operations	Consolidated	North Operations	South Operations	Container Operations	Consolidated
<b>Results by segment</b>								
Net revenue	8,346,314	2,032,703	558,699	10,937,716	7,635,242	1,739,391	466,875	9,841,508
Cost of services	(4,705,824)	(1,644,307)	(488,301)	(6,838,432)	(4,615,075)	(1,644,441)	(435,632)	(6,695,148)
<b>Gross profit</b>	<b>3,640,490</b>	<b>388,396</b>	<b>70,398</b>	<b>4,099,284</b>	<b>3,020,167</b>	<b>94,950</b>	<b>31,243</b>	<b>3,146,360</b>
<b>Gross margin (%)</b>	<b>43.62%</b>	<b>19.11%</b>	<b>12.60%</b>	<b>37.48%</b>	<b>39.56%</b>	<b>5.46%</b>	<b>6.69%</b>	<b>31.97%</b>
Selling, general and administrative expenses	(460,373)	(87,517)	(52,740)	(600,630)	(375,028)	(79,660)	(44,505)	(499,193)
Other operational income (expenses) and equity	73,890	(104,026)	5,956	(24,180)	480,459	(102,584)	11,130	389,005
Depreciation and amortization	1,487,476	587,675	100,683	2,175,834	1,327,094	561,478	78,373	1,966,945
<b>EBITDA</b>	<b>4,741,483</b>	<b>784,528</b>	<b>124,297</b>	<b>5,650,308</b>	<b>4,452,692</b>	<b>474,184</b>	<b>76,241</b>	<b>5,003,117</b>
<b>Margin EBITDA (%)</b>	<b>56.81%</b>	<b>38.60%</b>	<b>22.25%</b>	<b>51.66%</b>	<b>58.32%</b>	<b>27.26%</b>	<b>16.33%</b>	<b>50.84%</b>

### Main customers

The Company has a client that individually contributed with a share of 10.42%, of net operating revenue in 2023 with an approximate amount of R\$ 1,213,263. In 2022, the same client contributed 9.89% of net revenue, with an approximate value of R\$ 858,831.

**4 Transactions and significant events****4.1 Related parties****Accounting policy:**

Commercial, financial and corporate transactions involving related parties are preferably carried out at market prices and in accordance with established contracts. Outstanding balances at the end of the year are not guaranteed, nor are they subject to interest and are settled in cash. There were no guarantees given or received on any accounts receivable or payable involving related parties. At the end of each period, an analysis of the recovery of amounts and receivables is carried out and in this year no provision was recognized.

**a) Summary of balance with related parties**

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Current assets</b>				
<b>Commercial operations</b>				
Rumo Malha Norte S.A.	7,375	6,372	-	-
Rumo Malha Paulista S.A.	31,001	31,854	-	-
Rumo Malha Sul S.A.	3,426	1,878	-	-
Rumo Malha Central S.A.	3,533	2,508	-	-
Raízen S.A. and subsidiaries	8,052	780	22,074	30,102
Elevações Portuárias S.A.	18,614	1,406	21,623	5,424
ALL Argentina	48,615	48,615	-	-
Termag - Terminal Marítimo de Guarujá S.A.	-	-	14,286	14,286
Other	145	150	614	183
	<b>120,761</b>	<b>93,563</b>	<b>58,597</b>	<b>49,995</b>
<b>Corporate operation / agreements</b>				
Logisport Armazéns Gerais S.A.	-	7,852	-	-
Rumo Maha Central S.A.	-	24,563	-	-
	-	<b>32,415</b>	-	-
	<b>120,761</b>	<b>125,978</b>	<b>58,597</b>	<b>49,995</b>
<b>Non-current assets</b>				
<b>Commercial operations</b>				
Termag - Terminal Marítimo de Guarujá S.A.	-	-	36,905	48,810
Raízen S.A. and subsidiaries	-	-	-	47,731
	-	-	<b>36,905</b>	<b>96,541</b>
<b>Financial operations</b>				
Rumo Malha Central S.A.	-	1,000,000	-	-
ALL Argentina	3,326	3,326	-	-
Other	-	-	24	117
	<b>3,326</b>	<b>1,003,326</b>	<b>24</b>	<b>117</b>
	<b>3,326</b>	<b>1,003,326</b>	<b>36,929</b>	<b>96,658</b>
<b>Total</b>	<b>124,087</b>	<b>1,129,304</b>	<b>95,526</b>	<b>146,653</b>

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Current liabilities</b>				
<b>Commercial operations</b>				
Rumo Malha Norte S.A.	8,067	1,175	-	-
Rumo Malha Sul S.A.	45,955	12,767	-	-
Rumo Malha Paulista S.A.	24,397	23,363	-	-
Rumo Malha Oeste S.A.	3	16	-	-
Rumo Malha Central S.A.	42,624	17,525	-	-
Terminal São Simão S.A.	220	220	-	-
Raízen S.A. and subsidiaries	12,626	611	211,714	270,458
Cosan S.A.	2,505	632	6,197	2,976
Cosan Lubrificantes e Especialidades S.A.	-	-	6,352	8,085
Logisport Armazéns Gerais S.A.	186	666	-	-
Elevações Portuárias S.A.	7,894	4,200	8,294	4,676
Other	1,622	1,009	37,440	11,596
	<b>146,099</b>	<b>62,184</b>	<b>269,997</b>	<b>297,791</b>
<b>Non-current liabilities</b>				
<b>Commercial operations</b>				
Boswells S.A.	-	32,611	-	-
ALL – Argentina S.A.	4,733	4,733	-	-
	<b>4,733</b>	<b>37,344</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>150,832</b>	<b>99,528</b>	<b>269,997</b>	<b>297,791</b>



*(In thousands of Brazilian Reals - R\$, unless otherwise stated)***b) Transactions with related parties**

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Operating income</b>				
Raízen S.A. and subsidiaries <sup>(i)</sup>	345,250	400,375	701,354	805,655
Rumo Malha Norte S.A.	54,684	48,634	-	-
Rumo Malha Paulista S.A. <sup>(ii)</sup>	324,030	293,915	-	-
Elevações Portuárias S.A.	2,876	19,379	14,778	2,463
Other	-	-	-	6,910
	<b>726,840</b>	<b>762,303</b>	<b>716,132</b>	<b>815,028</b>
<b>Purchases of products / inputs / services</b>				
Raízen S.A. and subsidiaries <sup>(iii)</sup>	(1,752)	-	(2,242,872)	(2,496,143)
Logisport Armazéns Gerais S.A.	(3,413)	(2,945)	-	-
Rumo Malha Norte S.A.	(76,896)	(45,757)	-	-
Rumo Malha Paulista S.A. <sup>(iv)</sup>	(44,552)	(69,122)	-	-
Cosan Lubrificantes e Especialidades S.A. <sup>(v)</sup>	(52)	(22)	(62,293)	(62,271)
Rumo Malha Sul S.A.	(50,725)	(51,249)	-	-
Elevações Portuárias S.A.	(15,634)	-	(16,536)	-
Terminal Marítimo do Guarujá S.A.	-	-	74,785	69,460
Other	-	-	-	(637)
	<b>(193,024)</b>	<b>(169,095)</b>	<b>(2,246,916)</b>	<b>(2,489,591)</b>
<b>Shared expenses</b>				
Cosan S.A. <sup>(vi)</sup>	-	(850)	(6,195)	(4,365)
Elevações Portuárias S.A.	(111)	2,147	(773)	96
Rumo Malha Oeste S.A.	638	590	-	-
Rumo Malha Paulista S.A.	12,664	16,435	-	-
Rumo Malha Sul S.A.	13,799	10,508	-	-
Rumo Malha Norte S.A.	3,499	3,075	-	-
Rumo Malha Central S.A.	7,135	4,129	-	-
Raízen S.A. and subsidiaries <sup>(vi)</sup>	-	-	(33,235)	(30,803)
	<b>37,624</b>	<b>36,034</b>	<b>(40,203)</b>	<b>(35,072)</b>
<b>Financial result</b>				
COMGAS - Companhia de Gás de São Paulo	-	-	(8,642)	(12,105)
Rumo Malha Central S.A.	60,166	130,953	-	-
Boswells S.A.	2,353	2,268	-	-
Other	628	817	-	(94)
	<b>63,147</b>	<b>134,038</b>	<b>(8,642)</b>	<b>(12,199)</b>

- (i) The provision of services in the year ended December 31, 2023 and 2022 for Raízen S.A. and its subsidiaries refers mainly to transportation, storage and port elevation, contracted under market conditions.
- (ii) Remuneration for investment in assets related to the contract for rail transportation services of sugar with Rumo Malha Paulista (see item v).
- (iii) Acquisition of fuels (diesel for use in locomotives) during the years ended December 31, 2023 and 2022 from Raízen S.A. and its subsidiaries, under market conditions.



## Notes to financial statements

**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

- (iv) Rail transportation service provided by Rumo Malha Paulista. The service contract involved investments made by the Company in railway assets of Rumo Malha Paulista, signed under market conditions.
- (v) Acquisition of lubricants in the years ended December 31, 2023 and 2022 from Cosan Lubrificantes, under market conditions.
- (vi) Apportionment of the cost of corporate activities and the Raízen shared services center.

### c) Remuneration of directors and officers

The fixed and variable remunerations of key persons, including directors and board members, are recorded in the consolidated result for the year, including taxes, as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Short-term benefits to employees and managers	41,440	33,146
Transactions with share-based payments	13,577	16,110
	<b>55,017</b>	<b>49,256</b>

### 4.2 Impact of international conflicts

The Company continues to monitor the impacts of the war in Ukraine that began on February 24, 2022 as it constitutes a far-reaching event on the global economy and, therefore, on the companies' financial reports. It is currently not possible to estimate the duration of the geopolitical crisis, which could also be intensified by actions by Russia and other countries.

Rumo's operations did not suffer major impacts due to the conflict between Russia and Ukraine in the year ending December 31, 2023. The main items monitored by the Company are potential impacts on the supply of: fertilizers and impacts on the price of commodities and fuels.

The Company has also been monitoring developments in the conflict in Israeli territory, especially in the context of volatility in oil commodity prices, exchange rate fluctuations and interest rates. To date, there have been no impacts on the annual financial statements.

**Notes to financial statements**  
***(In thousands of Brazilian Reals - R\$, unless otherwise stated)***

The Company assessed the circumstances that could indicate impairment of its non-financial assets and concluded that there were no changes caused by the conflict that would indicate an impairment loss. As there was no interruption in the Company's operations, the financial impact resulting from the conflict in cash generating units ("UGC") was limited. Therefore, the main long-term assumptions applied in the preparation of cash flow models did not have significant changes for the assessment of impairment indicators. Our projections for the recovery of deferred taxes are based on the same scenarios and assumptions above.

The Company has so far not identified impacts on customer credit risk, discount rates, inventory, financial instruments, accounts receivable among other items analyzed and will continue to monitor the facts about the conflicts, with a view to potential impacts on the business and, consequently, in the financial statements.

**4.3 Settlement of lease and concession installments with court-ordered government securities (known as "Precatórios")**

In December 2021, the Federal Constitution was amended to allow for the use of certain receivables due by federal entities to be acquired from third-parties and used to pay off grants.

The companies Rumo Malha Sul and Rumo Malha Oeste settled the installments for the month of January and anticipated the settlement of other installments due in 2023, in the amount of R\$ 120,046. For the settlement of these amounts, "precatórios" purchased on January 16, 2023 were used with an acquisition cost of R\$ 96,036. The effects of this transaction were recognized under "Other operating income and expenses" note 6.3.

In a similar transaction, in the year ended December 31, 2022, the amount of R\$ 124,400 related to "precatórios" were used to settle installments related to the Rumo Malha Paulista concession agreement.

**4.4 Corporate reorganization**

On July 19, 2023, the Company and its subsidiary Rumo Malha Norte S.A. called their respective Extraordinary General Meeting - AGE, in order to approve the corporate acts relating to the Corporate Reorganization of partial spin-off, as communicated to the market on the dates of April 20, June 2 and June 19, 2023.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

The “Private Instrument of Protocol and Justification of the Partial Spin-Off of Rumo Malha Norte S.A. with Incorporation of the Spun-Off Assets by the Company” was approved, signed between the management of the Company and Malha Norte, as well as the Corporate Reorganization and authorization of the capital increase of the Company because of the incorporation of the Sundered Assets.

As an impact of the reorganization through the split, the Company received R\$ 2,650,000 in cash, and direct investments in Terminal XXXIX de Santos S.A., Terminal de Granéis do Guarujá S.A. - TGG and Terminal Marítimo do Guarujá S.A. - TERMAG, registered in return for the investment of the subsidiary Rumo Malha Norte S.A. (note 5.11). As payment for the minority interest of the subsidiary Malha Norte S.A. in the assets received, 710,158 shares were issued in the amount of R\$ 13,110 in the Company. The effect on the consolidated balance sheet will be summarized in the value of shares issued and delivered as payment to minority shareholders.

#### **4.5 Investment Terminal Alvorada S.A.**

On July 7, 2023, the Company form a joint venture with CHS Agronegócio Indústria e Comércio Ltda, with the purpose of transforming the CHS road transshipment terminal in Alvorada (TO) into a road-rail transshipment terminal.

#### **4.6 Issue of debentures Rumo S.A.**

On September 15, 2023, the Company raised R\$1,500,000 with the 17th issue of simple debentures, not convertible into shares, of the unsecured type, divided into two series, the first of which has an amount of R\$750,000, with a fee of IPCA+5.76% and a term of 6 years, while the second is R\$750,000 with a rate of IPCA+6.18% and a term of 10 years.

Both series will have semiannual interest payments and 100% principal amortization upon maturity. The funds from this fundraising will be used for investment. These debentures have the same restrictive financial clauses (“financial covenants”) as other debts and ESG commitments, as shown in note 5.5.

#### **4.7 Buyback Plan of the Company's Shares ("Buyback Program")**

On November 9, 2023, the Company's Board of Directors approved the creation of a new buyback plan of the Company's Shares ("Buyback Program"). The approved Program aims to acquire shares issued by the Company itself to maintain such shares acquired in treasury, cancel or sell them, or subsequently sell the shares on the market. The shares repurchased and held in the treasury may, at the discretion of the Company's management, be used to fulfill obligations arising from share plans relating to the retention of executives, in the manner approved by the shareholders meeting at the General Meeting and by the Board of Directors.

The acquisition of Company shares under the Buyback Program took place between November 13th and 21st, 2023, when the Company's buyback limit of 4,461,504 shares was reached.

#### **4.8 2022 Events**

In the year ended December 31, 2022, the Company carried out non-recurring transactions, which do not impact the year 2023, but are relevant for comparative information.

##### **4.8.1 Senior Notes Prepayment 2025**

On January 14, 2022, the Company prepaid the Senior Notes 2025, in the amount of USD 500,000, equivalent to R\$ 2,848,332, with original maturity in January 2025, in accordance with the conditions established in the transaction agreement signed in January 2018. The derivatives contracted to hedge the operation were settled in the same period.

##### **4.8.2 Ordinary review of the Malha Paulista concession agreement**

On May 25, 2022, the annual review of the Malha Paulista concession took place, leading to the modification of specific annexes of the 2nd Addendum to the Concession Agreement. The main impacts on the financial statements were: (i) R\$ 32,490 of review of grants, amount recorded in other income and expenses; (ii) R\$ 60,309 of remeasurement of the grant for the postponement of investments with determined dates (Explanatory Note 5.12.4); and (iii) R\$ 8,484 in research and preservation of railway memory, provisioned during the year. All amounts were computed in the remaining quarterly installments of the grant, subject to IPCA correction and interest of 11.04% per year.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

**4.8.3 Sale of shares Elevações Portuárias S.A.**

On July 15, 2022, the Company entered into a share purchase and sale agreement, providing for the sale of 80% (eighty percent) of its equity interest in the wholly-owned subsidiary Elevações Portuárias S.A. (“EPSA”), which operates and controls terminals T16 and T19 in the Port of Santos (SP), to Corredor Logística e Infraestrutura Sul (“CLI SUL”), a company wholly owned by Corredor Logística e Infraestrutura (“CLI”), in line with the strategy of forming long-term partnerships and focusing on rail logistics and the execution of strategic expansion projects.

The conclusion of the sale operation took place on November 14, 2022, when the Company netly received the amount of R\$ 1,394,669, generating a result of R\$ 955,584 as per note 6.3.

**4.8.4 Judicial settlement – Farovia S.A.**

Rumo Malha Norte, Rumo Malha Sul, Rumo Malha Paulista and Rumo S.A. were parties to a confidential arbitration proceeding, the total amount of the claims amounting to R\$ 1,281,084. The procedure was initiated by the opposing party on the grounds that the Companies would have caused the termination of the rail transport and investment service contract, in view of which it requested compensation.

On November 22, 2022, the Company signed an agreement to end the arbitration procedure, through the acquisition of all shares of the company Farovia, against which it litigated, subsequently merged. The agreement involved a net cash amount of R\$ 51,132 and the assumption of a bank debt totaling R\$ 396,818, as per note 6.3.

In January 2023, the arbitration procedure was terminated based on an agreement entered into between the parties.

## **4.9 Subsequent events**

### **4.9.1 Renewal of the SUDAM tax benefit**

On December 20, 2023, Rumo Malha Norte S.A. presented the incorporation report number 143/2023 to the Federal Revenue of Brazil – RFB, issued by SUDAM on December 6, 2023, attesting to compliance with the legal conditions and requirements required to renew the tax benefit for another 10 years. In view of the above, the RFB, through the use of its powers, decided on March 13, 2024, through executive declaratory act number 024213308, to recognize the right to a 75% reduction in income tax and additional amounts referred to in art. 1 of Provisional Measure No. 2,199-14, of August 24, 2001, calculated based on the exploration profit, of the legal entity Rumo Malha Norte.

### **4.9.2 Issue of debentures Rumo Malha Paulista S.A.**

On March 25, 2024, the subsidiary Rumo Malha Paulista raised R\$ 1,200,000 with the 5th issue of simple debentures, non-convertible into shares, of the unsecured type, divided into two series, the first of which has an amount of R\$ 532,243, with an IPCA rate + 5.7970% p.a., term of 10 years, semiannual interest payments and bullet amortization, while the second is R\$ 667,757 with IPCA rate + 5.9284% p.a., term of 15 years, semiannual interest payments and amortizations in the last three years.

The funds from this fundraising will be used for investment. This issue has the same restrictive financial clauses (“financial covenants”) as the other debts, as shown in note 5.5.

### **4.9.3 Port terminal project - Seeds**

On March 25, 2024, the Companies Rumo S.A. and EMBRAPORT - Empresa Brasileira de Terminais Portuários S.A. signed a binding agreement for the implementation a new port project (terminal) which will handle grains and fertilizers at the Santos Port. The estimated investment to build the Terminal is BRL 2.5 billion and it will be funded through a combination of loans, in addition to the possibility of potential strategic partnerships throughout the implementation of the Project. The beginning of construction is subject to the fulfillment of certain conditions precedent which are usual for this type of transaction, including licensing and legal and regulatory approvals. After the satisfaction of such conditions precedent, the construction time is estimated in 30 months.

## **5 Detailed information about assets and liabilities**

### **5.1 Financial assets and liabilities**

**Accounting policy:**

The initial measurement of financial assets and liabilities is at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets are written off when the rights to receive cash flows from these assets have expired or when the Company has substantially transferred all the risks and benefits of ownership.

The Company writes off a financial liability when its contractual obligations are withdrawn, cancelled or expired and when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.



**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

Financial assets and liabilities consist of:

	Note	December 31, 2023	December 31, 2022
<b>Assets</b>			
<b>Fair value through profit or loss</b>			
Marketable securities	5.3	1,396,107	840,061
Derivate financial instruments	5.8	1,561,493	874,843
		<b>2,957,600</b>	<b>1,714,904</b>
<b>Amortized cost</b>			
Cash and cash equivalents	5.2	7,233,993	7,385,421
Trade receivables	5.4	556,297	578,323
Related parties receivable	4.1	95,526	146,653
Restricted cash	5.3	109,671	92,770
		<b>7,995,487</b>	<b>8,203,167</b>
<b>Total</b>		<b>10,953,087</b>	<b>9,918,071</b>
<b>Liabilities</b>			
<b>Amortized cost</b>			
Loans, financing and debentures	5.5	4,047,797	4,576,705
Lease liabilities	5.6	3,406,843	3,254,010
Trade payables	5.7	1,084,931	746,430
Other financial liabilities <sup>(i)</sup>		342,276	817,869
Related parties payable	4.1	269,997	297,791
Dividends payable		180,337	132,044
Installment Leases and concessions under litigation	5.16	1,067,256	1,138,076
Debt payment in installments	5.13	902	902
		<b>10,400,339</b>	<b>10,963,827</b>
<b>Fair value through profit or loss</b>			
Derivate financial instruments	5.8	1,471,795	1,412,945
Loans and financing	5.5	14,917,044	12,181,383
		<b>16,388,839</b>	<b>13,594,328</b>
<b>Total</b>		<b>26,789,178</b>	<b>24,558,155</b>

- (i) Consolidated balance advanced by our suppliers with financial agents. These operations had top-tier funds and banks as counterparties, at an average rate of 12.42% p.a. (14.53% p.a. on December 31, 2022). The average term of these operations is around 111 days (109 days on December 31, 2022).

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

The accounting transfer of amounts from the supplier account to this item consists of a transaction that does not involve cash and is not presented in the Cash Flow Statement. The balance settlement flow, in turn, is classified into operational or investment activities, according to the classification of the purchase object. Financial charges embedded in the transaction are recorded in "Interest on commercial contracts" (Note 6.4) of the financial result, having represented R\$91,597 in the year ended December 31, 2023 (R\$96,752 as of December 31, 2022).

### 5.2 Cash and cash equivalents

#### Accounting policy:

They are measured and classified at fair value through profit or loss and amortized cost, being highly liquid, with maturity of up to three months, which are subject to an insignificant risk of change in value.

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cash and bank accounts	1,213	1,912	10,948	28,410
Financial Investments	3,112,829	2,167,423	7,223,045	7,357,011
	<b>3,114,042</b>	<b>2,169,335</b>	<b>7,233,993</b>	<b>7,385,421</b>

Financial investments are composed as follows:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Bank investments</b>				
Repurchase Agreements	-	-	177,584	15,095
Bank certificate of deposits - CDB <sup>(i)</sup>	3,112,829	2,167,423	7,045,461	7,341,916
	<b>3,112,829</b>	<b>2,167,423</b>	<b>7,223,045</b>	<b>7,357,011</b>

- (i) The Company's financial investments are remunerated at rates around 102.10% of the Brazilian interbank offer rate (Interbank Deposit Certificate), or CDI, on December 31, 2023 (102.9% of the CDI on December 2022). The sensitivity analysis of interest rate risks is presented in note 3.1.

### 5.3 Securities and restricted cash

#### Accounting policy:

They are measured and classified at fair value through profit or loss, with an average maturity of government bonds between two and five years.

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Marketable securities	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Government bonds <sup>(i)</sup>	179,758	50,456	1,097,282	475,936
Bank certificate of deposits - CDB <sup>(ii)</sup>	48,738	38,250	298,825	361,972
Financial letters <sup>(iii)</sup>	-	228	-	2,153
	<b>228,496</b>	<b>88,934</b>	<b>1,396,107</b>	<b>840,061</b>

(i) Government securities classified as fair value through profit or loss have an interest rate linked to SELIC and mature between two and five years.

(ii) Bank deposit certificates have an interest rate linked to the CDI and maturity between two and five years.

(iii) Financial bills have an interest rate linked to the CDI, and daily liquidity, according to the Company's liquidity policy.

Restricted cash	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Investments linked to loans	-	-	108,560	84,969
Securities pledged as collateral	78	79	1,111	7,801
	<b>78</b>	<b>79</b>	<b>109,671</b>	<b>92,770</b>

### 5.4 Trade receivables

#### Accounting policy:

Accounts receivable from customers are initially recognized at the amount of the consideration, which is unconditional, unless they contain significant financial components, when they are recognized at fair value. The Company maintains accounts receivable from customers for the purpose of receiving contractual cash flows, subsequently measuring them at amortized cost using the effective interest method.

To measure expected credit losses, receivables were grouped based on credit risk characteristics and overdue days.

The expected loss rates are based on the corresponding historical credit losses suffered. Historical rates of loss can be adjusted to reflect current and prospective information on macroeconomic factors that affect customers' ability to settle receivables.

**Notes to financial statements**  
*(In thousands of Brazilian Reais - R\$, unless otherwise stated)*

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Domestic – Brazilian Reais	35,321	52,848	540,190	570,524
Export – Foreign currency	7,678	-	21,633	13,598
	<b>42,999</b>	<b>52,848</b>	<b>561,823</b>	<b>584,122</b>
Allowance for doubtful accounts	(1,041)	(204)	(5,526)	(5,799)
	<b>(1,041)</b>	<b>(204)</b>	<b>(5,526)</b>	<b>(5,799)</b>
<b>Total</b>	<b>41,958</b>	<b>52,644</b>	<b>556,297</b>	<b>578,323</b>
<b>Current</b>	<b>41,958</b>	<b>52,644</b>	<b>538,457</b>	<b>561,641</b>
<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>17,840</b>	<b>16.682</b>
<b>Total</b>	<b>41,958</b>	<b>52,644</b>	<b>556,297</b>	<b>578.323</b>

The analysis of the maturity of trade receivables from customers is as follows:

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Not overdue	35,165	48,737	498,986	530,804
Overdue:				
From 1 to 30 days	899	2,160	44,151	34,873
From 31 to 60 days	3,210	1,151	11,239	3,492
From 61 to 90 days	981	643	4,761	832
More than 90 days	2,744	157	2,686	14,121
Allowance for doubtful accounts	(1,041)	(204)	(5,526)	(5,799)
	<b>41,958</b>	<b>52,644</b>	<b>556,297</b>	<b>578,323</b>

The change in the estimated allowance for loan losses is shown as follows:

	<b>Parent Company</b>	<b>Consolidated</b>
<b>At January 1, 2022</b>	<b>(620)</b>	<b>(5,964)</b>
Provision	(207)	(5,147)
Reversal and write-off	623	5,312
<b>At December 31, 2022</b>	<b>(204)</b>	<b>(5,799)</b>
Provision	(919)	(4,029)
Reversal and write-off	82	4,302
<b>At December 31, 2023</b>	<b>(1,041)</b>	<b>(5,526)</b>

### **5.5 Loans, financing and debentures**

**Accounting policy:**

Initially measured at fair value, net of costs incurred in the transaction and, subsequently, at amortized cost. If the transaction is designated at fair value through profit or loss, the initial and subsequent recording is at fair value.

They are derecognized when the obligation specified in the contract is paid, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any transferred non-monetary assets or assumed liabilities, is recognized in profit or loss as other financial income or expenses.

Classified as current liabilities, unless there is an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Description	Financial charges		Parent Company		Consolidated		Maturity date	Goal
	Index	Average interest rate <sup>(i)</sup>	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022		
<b>Secured</b>								
Finame	Pre-fixed	6.00%	64,388	137,737	128,494	280,919	Dec/2024	Investment
Finem	Pre-fixed	3.50%	-	-	29	378	Jan/2024	Investment
	URTJLP	8.60%	-	-	2,210,390	2,221,900	Jul/2031	Investment
NCE	CDI + 0.80%	14.56%	-	-	-	355,770	Dec/2023	Working capital
	CDI + 1,03%	14.84%	-	-	-	98,003	Feb/2023	Working capital
	CDI + 2.07%	14.85%	-	-	52,101	50,467	Mar/2025	Working capital
	CDI + 2.25%	15.16%	-	-	60,774	62,760	May/2026	Working capital
	CDI + 2.25%	15.39%	-	-	78,965	-	Feb/2026	Working capital
	CDI + 2.20%	14.20%	-	-	30,252	-	March/2026	Working capital
	SOFR + 1,30% <sup>(ii)</sup>	6.65%	-	-	487,544	-	Jan/2025	Working capital
Senior Notes 2028	Pre-fixed (US\$) <sup>(iii)</sup>	5.25%	-	-	2,178,449	2,196,083	Jan/2028	Investment
Senior Notes 2032	Pre-fixed (US\$) <sup>(iv)</sup>	4.20%	-	-	2,066,885	2,124,051	Jan/2032	Investment
ECA	Euribor + 0.58% (EUR) <sup>(v)</sup>	4.52%	-	-	48,849	68,455	Sep/2026	Investment
CCB	IPCA <sup>(vi)</sup>	5.41%	-	-	954,205	806,028	Jan/2048	Working capital
			<b>64,388</b>	<b>137,737</b>	<b>8,296,937</b>	<b>8,264,814</b>		
<b>Debentures</b>								
Non-convertible debentures	IPCA + 3.60% <sup>(vii)</sup>	8.19%	413,880	367,476	413,881	367,476	Dec/2030	Investment
	IPCA + 3.90% <sup>(viii)</sup>	8.50%	1,113,820	1,048,252	1,113,820	1,048,252	Oct/2029	Investment
	IPCA + 4.00% <sup>(ix)</sup>	8.61%	1,077,140	941,203	1,077,140	941,203	Dec/2035	Investment
	IPCA + 4.50% <sup>(x)</sup>	9.13%	1,596,910	1,523,382	1,596,910	1,523,383	Jun/2031	Investment
	IPCA + 4.54% <sup>(xi)</sup>	9.17%	254,232	80,987	254,232	80,987	Jun/2036	Investment
	IPCA + 4.68% <sup>(xii)</sup>	9.32%	-	-	396,201	518,680	Feb/2026	Investment
	IPCA + 4.77% <sup>(xiii)</sup>	9.41%	-	-	773,556	632,440	Jun/2031	Investment
	IPCA + 5.73% <sup>(xiv)</sup>	10.41%	-	-	551,709	537,261	Oct/2033	Investment
	IPCA + 5.99% <sup>(xv)</sup>	10.69%	-	-	470,177	435,780	Jun/2032	Investment
	IPCA + 6.80% <sup>(xvi)</sup>	11.53%	1,004,762	893,852	1,004,762	893,852	Apr/2030	Investment
	CDI + 1.30%	13.10%	-	-	759,390	759,175	Oct/2027	Investment
	CDI + 1.79%	13.65%	-	-	753,435	754,785	Jun/2027	Investment
	IPCA + 5.76% <sup>(xvii)</sup>	10.45%	753,439	-	753,439	-	Aug/2029	Investment
	IPCA + 6.18% <sup>(xviii)</sup>	10.88%	749,252	-	749,252	-	May/2033	Investment
			<b>6,963,435</b>	<b>4,855,152</b>	<b>10,667,904</b>	<b>8,493,274</b>		
<b>Total</b>			<b>7,027,823</b>	<b>4,992,889</b>	<b>18,964,841</b>	<b>16,758,088</b>		
<b>Current</b>			<b>110,723</b>	<b>99,769</b>	<b>1,356,905</b>	<b>1,357,026</b>		
<b>Non-current</b>			<b>6,917,100</b>	<b>4,893,120</b>	<b>17,607,936</b>	<b>15,401,062</b>		

- (i) TJLP refers to the Long-Term Interest Rate, which is defined as the basic cost of financing granted by BNDES (National Bank for Economic and Social Development). SELIC refers to the overnight rate of the Special Settlement and Custody System. It is the average rate weighted by the volume of financing operations for one day, backed by federal public securities in the form of repo operations. The CDI or DI Over Rate (CDI Over) is obtained by calculating the weighted average of all transaction fees made at Cetip between different financial institutions. IPCA is the Broad Consumer Price Index and aims to measure the inflation of a set of products and services.

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

- (ii) Debt with swap to 109% of the CDI, which represented an average rate of 14.38%.
- (iii) Debt with swap to 115% of the CDI, which represented an average rate of 15.16% in 2023.
- (iv) Debt with swap to 114% of the CDI, which represented an average rate of 15.09% in 2023.
- (v) Debt with swap to 108% of the CDI, which represented an average rate of 14.30% in 2023.
- (vi) Debt with swap for 62% of the CDI, which represented an average rate of 8.13% in 2023.
- (vii) Debt with swap for 104% of the CDI, which represented an average rate of 13.78% in 2023.
- (viii) Debt with swap for 102% of the CDI, which represented an average rate of 13.50% in 2023.
- (ix) Debt with swap for 107% of the CDI, which represented an average rate of 14.13% in 2023.
- (x) Debt with swap for 106% of the CDI, which represented an average rate of 13.95% in 2023.
- (xi) Debt with swap for 109% of the CDI, which represented an average rate of 14.36% in 2023.
- (xii) Debt with swap for 107% of the CDI, which represented an average rate of 14.13% in 2023.
- (xiii) Debt with swap for 112% of the CDI, which represented an average rate of 14.74% in 2023.
- (xiv) Debt with swap for 109% of the CDI, which represented an average rate of 14.36% in 2023.
- (xv) Debt with swap for 100% of the CDI, which represented an average rate of 13.14% in 2023.
- (xvi) Debt with swap for 118% of the CDI, which represented an average rate of 15.55% in 2023.
- (xvii) Debt with swap for 105% of the CDI, which represented an average rate of 13.91% in 2023.
- (xviii) Debt with swap for 109% of the CDI, which represented an average rate of 14.38% in 2023.



## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Non-current loans have the following maturities:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
13 to 24 months	-	49,035	937,125	701,720
25 to 36 months	-	-	1,015,402	734,043
37 to 48 months	739,392	-	2,292,971	830,066
49 to 60 months	1,269,525	719,256	3,819,827	2,202,439
61 to 72 months	2,087,154	1,217,382	2,782,970	3,709,931
73 to 84 months	744,609	1,173,021	1,151,347	1,785,577
85 to 96 months	218,293	623,782	522,675	1,002,205
Thereafter	1,858,127	1,110,644	5,085,619	4,435,081
	<b>6,917,100</b>	<b>4,893,120</b>	<b>17,607,936</b>	<b>15,401,062</b>

The carrying amounts of the Company's loans and financing are denominated in these currencies:

	Consolidated	
	December 31, 2023	December 31, 2022
Brazilian Reals (R\$)	14,183,114	12,369,499
Dollar (US\$) <sup>(i)</sup>	4,732,878	4,320,134
EUR <sup>(i)</sup>	48,849	68,455
<b>Total</b>	<b>18,964,841</b>	<b>16,758,088</b>

- (i) As of December 31, 2023, all debt denominated in foreign currency, in the subsidiaries, are protected against foreign exchange risk through derivatives (Note 5.8) or through financial investments in the same currency.

Below the movement of loans, financing and debentures for the year ended December 31, 2023 and 2022:

	Parent Company	Consolidated
<b>At January 1, 2022</b>	<b>5,199,467</b>	<b>21,178,748</b>
Proceeds from debts	-	693,086
Interest, monetary and exchange correction	300,970	(166,167)
Assumption of agreement	348,803	348,803
Repayment of principal	(588,695)	(4,106,479)
Payments of interest from debts	(267,656)	(1,189,903)
<b>At December 31, 2022</b>	<b>4,992,889</b>	<b>16,758,088</b>
Proceeds from debts	1,459,791	2,770,736
Interest, monetary and exchange correction	919,714	1,971,541
Repayment of principal	(73,201)	(1,323,716)
Payments of interest from debts	(271,370)	(1,211,808)
<b>At December 31, 2023</b>	<b>7,027,823</b>	<b>18,964,841</b>

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

**a) Warranties**

Some financing contracts with development banks, destined for investments, are also guaranteed, according to each contract, by bank guarantee, with an average cost of 0.70% per year or by real guarantees (assets) and guarantee account. As of December 31, 2023, the balance of bank guarantees contracted was R\$ 3,120,034 (R\$ 3,037,453 as of December 31, 2022).

**b) Unused credit lines**

As of December 31, 2023, the Company had unused credit lines (subject to contractual conditions for use), in banks with AAA rating, in the total amount of R\$ 802,908 (R\$ 1,409,490 as of December 31, 2022).

**c) Restrictive clauses (“financial covenants”)**

The Company's main loan lines are subject to restrictive clauses, based on financial and non-financial indicators, which vary from contract to contract. The following table lists the debts and financial indicators (the contracts have slightly different wording on the definition of covenant indicators and, among them, the reported indices use the most conservative interpretation of the adjustments provided for in the formulas):

Indicators	Company	Debt	Goal	Index
Leverage = Net debt <sup>(i)</sup> / EBITDA <sup>(ii)</sup>	Rumo S.A.	Senior Notes 2028	≤ 3,5x	1,81x
		Senior Notes 2032		
		ECA		
		NCE		
		Debentures		
	Brado	NCE	≤ 3,3x	1,18x
ICJ = EBITDA / Financial result <sup>(iii)</sup>	Rumo S.A.	Debenture (11 <sup>a</sup> , 12 <sup>a</sup> , 13 <sup>a</sup> e 14 <sup>a</sup> )	≥ 2,0x	3,84x
		ECA		

(i) Net financial debt comprises bank debts, debentures, leasing considered as financial leasing minus cash and cash equivalents, marketable securities, restricted cash from financial investments linked to loans and derivative instruments.

(ii) As defined in note 3.2 to the financial statements, deducting extraordinary results.

(iii) The consolidated financial result is represented by the cost of consolidated net debt, shown in note 6.4.

(iv) The 12th and 13th issuance Debentures have a contractual leverage covenant of 3.0x (three times). However, they have prior consent (waiver) that allows the broadcaster to extrapolate this index up to the limit of 3.5x until December 31, 2027.

As of December 31, 2023, the Company and its subsidiaries were complying with all restrictive financial covenants.

**d) ESG commitments**

Senior Notes 2028 was the first Green issuance by the freight rail industry in Latin America. The Company is committed to using the funds to fully or partially finance ongoing and future projects that contribute to the promotion of a low-carbon transport sector with efficient use of resources in Brazil. Eligible projects are distributed in the areas of “Acquisition, replacement and upgrade of rolling stock”, “Infrastructure for duplication of railway sections, new yards and yard extensions”, and “Modernization of the railroad”. The company annually issues a report showing the progress of projects, which can be accessed directly on the investor relations website.

Senior Notes 2032 was an issue in Sustainability-Linked Bonds (SLBs), with the following sustainable goal: 17.6% reduction in tons of direct greenhouse gas emissions per useful kilometer (RTK) by 2026, taking as a reference the year 2020. The company is subject to a step-up of 25 basis points from July 2027 if it does not reach this target, which would increase the interest rate to 4.45% p.a.

Malha Paulista's 2nd Debenture is linked to the sustainable goal of reducing greenhouse gas emissions per useful ton kilometer (TKU) by 15% by 2023, starting with the base date of December 2019. benefited from a step-down of 25 basis points in each series if it reaches this target, which would reduce the rate from 2024 to CDI + 1.54% in the 1st series and IPCA + 4.52% in the 2nd series.

Rumo S.A.'s 17th Debenture is linked to the sustainable goal of reducing (i) 17.6% of tons of direct greenhouse gas emissions per useful kilometer (TKU) by 2026; and (ii) 21.6% until 2030, using 2020 as a reference. The company is subject to a step-up of 25 basis points in the 1st series and 20 basis points in the 2nd series if the SKPI is not reached in 2026 and increase of 5 basis points in the 2nd series if the SKPI is not reached in 2030.

## 5.6 Lease liabilities

### Accounting policy:

At the beginning or in the modification of a contract, the Company assesses whether a contract is or contains a lease.

The lease liability is initially measured at the present value of lease payments that are not made on the start date, discounted at the interest rate implicit in the lease or, if that rate cannot be determined immediately, by the Group's incremental loan rate. The Group generally uses its incremental loan rate as a discount rate.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including fixed payments in essence;
- variable lease payments that depend on index or rate, initially measured using the index or rate on the start date;
- amounts expected to be paid by the lessee, in accordance with the residual value guarantees; and
- the exercise price of the call option if the lessee is reasonably certain to exercise that option, and payment of fines for terminating the lease, if the lease term reflects the lessee exercising the option to terminate the lease.

Subsequent valuation of the lease liability is at amortized cost, using the effective interest method. It is remeasured when there is a change in future lease payments resulting from a change in index or rate, if there is a change in the amounts that are expected to be paid according to the residual value guarantee, if the Company changes its valuation, an option of purchase, extension or termination will be exercised or if there is an essentially fixed revised lease payment.

When the lease liability is remeasured in this way, an adjustment corresponding to the carrying amount of the right-of-use asset is made or is recorded in the income statement if the carrying amount of the right-of-use asset has been reduced to zero.

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Consolidated leases			
	Financial	Operational - concessions	Operating Others	Total
<b>At January 1, 2022</b>	178,526	2,663,396	264,958	3,106,880
Additions	-	111,458	116,738	228,196
Interest appropriation and exchange variation	23,072	324,122	15,367	362,561
Repayment of principal on financing leases	(81,134)	(206,069)	(66,170)	(353,373)
Payment of interest on financing leases	-	(162,720)	(32,360)	(195,080)
Contractual adjustment	-	184,896	30,034	214,930
Write-off <sup>(ii)</sup>	-	(105,131)	-	(105,131)
Transfers between liabilities <sup>(i)</sup>	-	(4,973)	-	(4,973)
<b>At January 1, 2023</b>	<b>120,464</b>	<b>2,804,979</b>	<b>328,567</b>	<b>3,254,010</b>
Additions	-	45,270	222,419	267,689
Interest appropriation	21,968	300,625	33,863	356,456
Repayment of principal on financing leases	(71,411)	(248,096)	(78,026)	(397,533)
Payment of interest on financing leases	-	(128,712)	(40,630)	(169,342)
Contractual adjustment	-	99,254	4,274	103,528
Write-off <sup>(ii)</sup>	-	(7,942)	(23)	(7,965)
<b>At December 31, 2023</b>	<b>71,021</b>	<b>2,865,378</b>	<b>470,444</b>	<b>3,406,843</b>
<b>Current</b>	<b>37,425</b>	<b>358,464</b>	<b>113,532</b>	<b>509,421</b>
<b>Non-current</b>	<b>33,596</b>	<b>2,506,914</b>	<b>356,912</b>	<b>2,897,422</b>
	<b>71,021</b>	<b>2,865,378</b>	<b>470,444</b>	<b>3,406,843</b>

- (i) Transfer of the installments in litigation to the lease and concessions under litigation item (Note 5.16).
- (ii) Refers to the write-off of contracts in force at Rumo Serviços Logísticos Ltda (Portofer).

The lease agreements have different terms, with the last due date occurring in December 2058 (an opening per due date is shown in Note 3.1). The amounts are updated annually by inflation indexes (such as IGPM and IPCA) or may incur interest calculated based on the TJLP or CDI and some of the contracts have renewal or purchase options that were considered in determining the classification as a finance lease.

In addition to the amortization and appropriation of interest and exchange variation highlighted in the previous tables, was recorded for other lease agreements that were not included in the measurement of lease liabilities:

	Consolidated	
	December 31, 2023	December 31, 2022
Variable lease payments not included in the measurement of lease liabilities	43,115	55,629
Expenses relating to short-term leases	37,739	14,639
Expenses relating to leases of low-value assets, excluding short-term leases	5,376	1,329
	<b>86,230</b>	<b>71,597</b>

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

The lease balances recorded by the Company include the Malha Central contract and the renewal addendum to the Malha Paulista contract, which have an identified implicit rate and are therefore readily determinable in such cases. In other words, in these cases the valuation does not generate the distortions in the liabilities and right of use object of CVM Circular Letter 2/2019. This particularity of the Company means that the effects on the balances (of lease liabilities, right of use, financial expenses and depreciation expenses) if the measurement were made by the present value of the expected installments plus projected future inflation, would not be relevant to influence users' decisions and, consequently, to be presented in the financial statements.

The Company recorded lease liabilities at the present value of the installments due, that is, including any tax credits to which it will be entitled at the time of the lease payments. The potential PIS / COFINS credit included in liabilities as of December 31, 2023, is R\$ 32,244 (R\$ 6,318 as of December 31, 2022).

### 5.7 Trade payables

#### Accounting policy:

The carrying amounts of suppliers are the same as their fair values, due to their short-term nature and are generally paid within 45 days of recognition.

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Material and services suppliers	117,480	47,633	1,076,678	732,039
Other	2,173	16,522	8,253	14,391
<b>Total</b>	<b>119,653</b>	<b>64,155</b>	<b>1,084,931</b>	<b>746,430</b>

## 5.8 Derivative financial instruments

### **Accounting policy:**

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedge instrument and, if so, the nature of the hedged item. The Company designates certain derivatives as hedges of the fair value of recognized assets or liabilities or of a firm commitment (fair value hedge).

At the beginning of the fair value hedge relationship, the Company documents the economic relationship between the hedge instruments and the hedged items, including changes in the cash flows of the hedge instruments, which should offset the changes in the cash flows of the hedged items. The Company documents its risk management objective and strategy for carrying out its hedge operations. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in the income statement and are included in other gains / (losses).

The fair values of the derivative financial instruments designated in the hedge relationships are disclosed below. The total fair value of a hedge derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is greater than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The Company makes an assessment, both at the beginning of the hedge relationship and on an ongoing basis, as to whether the hedge instruments should be highly effective in offsetting changes in fair value or the cash flows of the respective attributable hedged items.

The Company uses swap instruments, the fair value of which is determined based on discounted cash flows based on market curves, to protect exposure to exchange risk and interest and inflation risk. Consolidated data is presented below:



## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Notional		Fair value	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Foreign exchange and interest rate derivatives</b>				
Swap contracts (interest and exchange)	5,572,429	5,151,173	(685,961)	(532,192)
Swap contracts (interest and inflation)	9,388,674	7,831,254	775,659	(5,910)
	<b>14,961,103</b>	<b>12,982,427</b>	<b>89,698</b>	<b>(538,102)</b>
Current			26,252	17,545
Non-current			1,535,241	857,298
<b>Assets</b>			<b>1,561,493</b>	<b>874,843</b>
Current			(821,700)	(1,020,726)
Non-current			(650,095)	(392,219)
<b>Liabilities</b>			<b>(1,471,795)</b>	<b>(1,412,945)</b>
			<b>89,698</b>	<b>(538.102)</b>

The Company contracted interest and exchange swap operations, to be active in USD + fixed interest and passive in percentage of CDI. For interest and inflation swap operations, the Company is active at IPCA + fixed interest and passive as a percentage of the CDI.

### Hedge strategies

#### a) Hedge of fair value

Currently, the Company adopts fair value hedges for some of its operations, both hedging instruments and items protected by hedge are accounted for at fair value through profit or loss. The operational and accounting effects of this adoption are as follows:

Exchange rate hedge		Notional	Book value		Result	
			(R\$)		Fair value adjustment	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Debt</b>						
Senior Notes 2028	US\$ + 5.30%	(2,791,600)	(2,178,449)	(2,196,083)	167,874	(336,161)
Senior Notes 2032	US\$ + 4.20%	(2,259,375)	(2,066,885)	(2,124,051)	126,408	(629,220)
NCE USD	Sofr + 1.3%	(483,400)	(487,544)	-	3,147	-
<b>Total</b>		<b>(5,534,375)</b>	<b>(4,732,878)</b>	<b>(4,320,134)</b>	<b>297,429</b>	<b>(965,381)</b>
<b>Derivative instruments</b>						
Foreign exchange and interest swap	BRL + 115% do CDI	2,791,600	(460,940)	(418,674)	42,265	685,200
Foreign exchange and interest swap	BRL + 117% do CDI	2,259,375	(239,630)	(128,986)	110,644	804,558
Foreign exchange and interest swap	108.90% do BRL + CDI	483,400	5,293	-	(5,293)	-
<b>Total</b>		<b>5,534,375</b>	<b>(695,277)</b>	<b>(547,660)</b>	<b>147,616</b>	<b>1,489,758</b>
<b>Total net</b>		<b>-</b>	<b>(5,428,155)</b>	<b>(4,867,794)</b>	<b>445,045</b>	<b>524,377</b>

Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Interest rate hedge		Nocional R\$	Book value		Result		
			R\$		Fair value adjustment		
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	
<b>Debt</b>							
Debentures	IPCA + 3.87%	(1,200,000)	(1,220,460)	(1,065,088)	86,656	(88,823)	
Debentures	IPCA + 3.90%	(914,751)	(1,117,221)	(1,048,252)	49,958	2,162	
Debentures	IPCA + 4.00%	(234,045)	(267,161)	(243,591)	13,520	(13,163)	
Debentures	IPCA + 4.77%	(750,000)	(773,556)	(632,440)	47,885	(76,893)	
Debentures	IPCA + 4.50%	(784,619)	(841,646)	(818,428)	57,942	(51,842)	
Debentures	IPCA + 4.54%	(258,815)	(234,556)	(80,987)	22,146	(10,533)	
Debentures	IPCA + 6.80%	(909,045)	(1,004,762)	(893,852)	61,748	(55,374)	
Debentures	IPCA + 5.73%	(500,000)	(541,442)	(537,261)	39,691	(34,565)	
Debentures	IPCA + 5.99%	(434,000)	(470,177)	(435,780)	14,245	1,741	
Finem	TLP + 5.90%	(28,107)	(36,301)	(28,115)	971	(1,644)	
Debentures	IPCA + 5.76%	(750,000)	(753,439)	-	(186)	-	
Debentures	IPCA + 6.18%	(750,000)	(749,252)	-	3,468	-	
CCB	IPCA + 0.95%	(975,292)	(954,205)	(785,366)	(10,088)	(4,418)	
<b>Total</b>		<b>(8,488,674)</b>	<b>(8,964,178)</b>	<b>(6,569,160)</b>	<b>387,956</b>	<b>(333,352)</b>	
<b>Derivative instruments</b>							
Inflation and interest swaps	107% do CDI	1,200,000	69,219	(83,792)	(153,011)	14,724	
Inflation and interest swaps	104% do CDI	914,751	180,091	74,408	(105,683)	2,162	
Inflation and interest swaps	108% do CDI	234,045	40,953	13,871	(27,082)	670	
Inflation and interest swaps	112% do CDI	750,000	39,086	(49,482)	(88,568)	31,595	
Inflation and interest swaps	108% do CDI	784,619	53,696	(46,218)	(99,914)	(3,439)	
Inflation and interest swaps	109% do CDI	258,815	5,112	(30,883)	(35,995)	3,600	
Inflation and interest swaps	118% do CDI	909,045	101,294	(9,193)	(110,487)	14,515	
Inflation and interest swaps	109% do CDI	500,000	47,693	(19,045)	(66,738)	10,701	
Inflation and interest swaps	99.5% do CDI	434,000	35,221	1,672	(33,549)	(1,672)	
Inflation and interest swaps	95.9% do CDI	28,107	1,600	(558)	(2,158)	558	
Inflation and interest swaps	105.28% do	750,000	(8,002)	-	8,002	-	
Inflation and interest swaps	108.87% do	750,000	(4,397)	-	4,397	-	
Inflation and interest swaps	63% do CDI	975,292	(15,221)	(6,976)	8,245	6,976	
<b>Total</b>		<b>8,488,674</b>	<b>546,345</b>	<b>(156,196)</b>	<b>(702,541)</b>	<b>80,390</b>	
<b>Total net</b>		<b>-</b>	<b>(8,417,833)</b>	<b>(6,725,356)</b>	<b>(314,585)</b>	<b>(252,962)</b>	

b) Fair value options

Certain derivative instruments have not been linked to documented hedging structures. The Company chose to designate the hedged liabilities for recording at fair value through profit or loss.

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Interest risk		Nocional R\$	Book value		Result	
			R\$		Fair value adjustment	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Debt</b>						
Debentures	IPCA + 4.68%	(300,000)	(396,201)	(518,680)	13,474	(6,070)
Debentures	IPCA + 4.50%	(600,000)	(774,939)	(704,954)	34,721	(34,745)
<b>Total</b>		<b>(900,000)</b>	<b>(1,171,140)</b>	<b>(1,223,634)</b>	<b>48,195</b>	<b>(40,815)</b>
<b>Derivative instruments</b>						
Inflation and interest swaps	107% do CDI	300,000	81,885	76,194	(5,691)	(4,819)
Inflation and interest swaps	103% do CDI	600,000	147,429	74,092	(73,337)	8,252
<b>Total</b>		<b>900,000</b>	<b>229,314</b>	<b>150,286</b>	<b>(79,028)</b>	<b>3,433</b>
<b>Total net</b>		<b>-</b>	<b>(941,826)</b>	<b>(1,073,348)</b>	<b>(30,833)</b>	<b>(37,382)</b>
Foreign exchange risk		Nocional R\$	Book value		Result	
			R\$		Fair value adjustment	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Debt</b>						
ECA	EUR + 0.58%	(38,054)	(48,849)	(68,455)	(1,444)	377
Loan 4131	USD + 2.20%	-	-	-	-	247
<b>Total</b>		<b>(38,054)</b>	<b>(48,849)</b>	<b>(68,455)</b>	<b>(1,444)</b>	<b>624</b>
<b>Derivative instruments</b>						
Foreign exchange and interest swap	BRL + 108% do CDI	38,054	9,316	15,468	6,153	15,067
Foreign exchange and interest swap	BRL + 118% do CDI	-	-	-	-	47,527
<b>Total</b>		<b>38,054</b>	<b>9,316</b>	<b>15,468</b>	<b>6,153</b>	<b>62,594</b>
<b>Total net</b>		<b>-</b>	<b>(39,533)</b>	<b>(52,987)</b>	<b>4,709</b>	<b>63,218</b>

### 5.9 Other taxes recoverable

#### Accounting Policy:

Tax assets are measured at cost and include mainly: (i) tax effects that are recognized when the asset is sold to a third party or recovered through the amortization of the asset's remaining economic life; and (ii) tax receivables that are expected to be recovered as refunds from tax authorities or as a reduction for future tax obligations.

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
COFINS - Social security financing contribution	22,988	16,361	290,068	264,125
PIS - Social integration program	5,063	2,752	74,137	116,165
ICMS - State VAT <sup>(i)</sup>	-	-	685,793	616,081
ICMS - CIAP <sup>(ii)</sup>	-	-	101,035	88,404
Other	2,203	2,117	43,737	20,008
	<b>30,254</b>	<b>21,230</b>	<b>1,194,770</b>	<b>1,104,783</b>
<b>Current</b>	<b>30,254</b>	<b>21,230</b>	<b>356,698</b>	<b>363,416</b>
<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>838,072</b>	<b>741,367</b>
	<b>30,254</b>	<b>21,230</b>	<b>1,194,770</b>	<b>1,104,783</b>

(i) ICMS credit related to the purchase of inputs and diesel used in transportation.

(ii) ICMS credit from acquisitions of property, plant and equipment.

### 5.10 Inventories

#### Accounting policy:

Inventories are stated at the lower of cost and net realizable value (it is the estimated selling price in the normal course of business, less estimated completion costs and estimated costs necessary to make the sale).

The provision for obsolete inventories is made for the risks associated with the realization and sale of inventories due to obsolescence and measured at the net realizable value or the cost, whichever is less.

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Parts and accessories	1,233	1,446	178,260	168,777
Fuels and lubricants	137	27	16,227	30,027
Warehouse and other	132	133	21,118	27,009
	<b>1,502</b>	<b>1,606</b>	<b>215,605</b>	<b>225,813</b>

The balances are presented net of the provision for obsolete inventories of R\$ 7,682 as of December 31, 2023 (R\$ 2,645 as of December 31, 2022).

## 5.11 Investments in other entities and provision for unsecured liabilities

### (a) Subsidiaries and associates

#### Accounting policy:

##### a) Subsidiaries

Subsidiaries are all entities over which the Company has control, are fully consolidated from the date of acquisition of control and are not consolidated when control no longer exists.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the parent Company, using consistent accounting policies. Adjustments are made to the subsidiaries' financial statements to adapt their accounting policies to the Company's accounting policies.

Related party transactions are eliminated in full on consolidation. Unrealized gains arising from transactions with investees recorded under the equity method are eliminated against the investment in proportion to the Company's interest in the investee. Unrealized losses are eliminated in the same way, but only to the extent that there is no evidence of impairment.

##### b) Associates and jointly controlled entities

Associates are those entities in which the Company has significant influence, but not control or joint control, over financial and operational policies.

Jointly controlled entities are joint arrangements through which the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

Investments in associates and jointly controlled companies are treated as non-current assets and are stated at cost less any loss due to impairment.

Below are investments in subsidiaries and associates that are material for the Company on December 31, 2023:

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

### i. Parent Company

	Total shares of the investee	Shares held by the Company	Percentage of participation
Rumo Intermodal S.A.	91,064,313	91,064,313	100.00%
Rumo Malha Central S.A.	4,470,908,744	4,470,908,744	100.00%
Rumo Malha Norte S.A.	1,189,412,363	1,186,299,005	100.00%
Boswells S.A.	3,265,000	3,265,000	100.00%
Brado Participações S.A.	12,962,963	10,000,000	77.14%
Paranaguá S.A.	6,119,802	6,113,851	100.00%
Logispot Armazéns Gerais S.A.	2,040,816	1,040,816	51.00%
Terminal São Simão S.A.	78,000,000	39,780,000	51.00%
Rumo Malha Sul S.A.	6,677,710,494,907	6,677,710,494,907	100.00%
ALL Argentina S.A.	9,703,000	8,826,110	91.00%
Rumo Luxembourg Sarl	500,000	500,000	100.00%
Rumo Malha Paulista S.A.	5,032,794,458,529	5,032,794,458,529	100.00%
ALL Armazéns Gerais Ltda.	376,560,990	376,560,990	100.00%
Rumo Malha Oeste S.A.	478,460,074	478,460,074	100.00%
Termag - Terminal Marítimo de Guarujá S.A.	500,000	99,246	20%
TGG - Terminal de Granéis do Guarujá S.A.	79,747,000	7,914,609	10%
Elevações Portuárias S.A.	672,397,254	134,479,451	20%
Terminal XXXIX S.A.	200,000	99,246	50%
Terminal Alvorada S.A.	100,197,076	50,098,538	50%
Rumo Holding Malha Norte S.A.	5,000	4,950	99%

Notes to financial statements

(In thousands of Brazilian Reais - R\$, unless otherwise stated)

	At January 1, 2023	Equity pick- up	Capital increase / AFAC <sup>(i)</sup>	Dividends and Interest on own capital receivable	Comprehensive income	Amortization of the concession right	Stock option plan	Other	At December 31, 2023
Elevações Portuárias S.A.	296,746	38,992	(99,040)	(18,960)	-	-	-	-	217,738
Rumo Intermodal S.A.	30,666	(7,113)	164,367	-	828	-	-	(2,635)	186,113
Rumo Malha Central S.A.	2,593,981	28,615	-	-	-	-	-	-	2,622,596
Rumo Malha Norte S.A.	8,958,810	1,306,475	(2,650,000)	(259,884)	5	(29,880)	-	(61,788)	7,263,738
Boswells S.A.	32,625	(14)	-	-	(2,353)	-	-	(30,258)	-
Brado Participações S.A.	359,495	(6,341)	-	-	-	-	2,083	-	355,237
Paranaguá S.A.	8,875	1,116	-	-	(7,657)	-	-	-	2,334
Logisport Armazéns Gerais S.A.	72,809	2,791	-	(2,203)	-	-	-	-	73,397
Rumo Luxembourg Sarl S.A.	50,704	(7,473)	-	-	-	-	-	-	43,231
Rumo Malha Paulista S.A.	3,821,894	14,005	3,500,000	-	22	(19,736)	-	-	7,316,185
Terminal São Simão S.A.	37,980	(1,417)	(12,750)	(450)	-	-	-	-	23,363
Rumo Malha Sul S.A.	2,370,571	(40,604)	-	-	154	-	-	-	2,330,121
ALL Armazéns Gerais Ltda.	86,675	(8,447)	-	-	-	-	518	-	78,746
Rumo Holding Malha Norte S.A.	-	-	5	-	-	-	-	-	5
Termag - Terminal Marítimo de Guarujá S.A.	-	(3,149)	-	-	-	-	-	9,166	6,017
TGG - Terminal de Granéis do Guarujá S.A.	-	5,117	-	(1,530)	-	-	-	12,369	15,956
Terminal XXXIX S.A.	-	30,048	-	(11,000)	-	-	-	47,371	66,419
Terminal Alvorada S.A.	-	1,265	47,300	-	-	-	-	-	48,565
<b>Total investment in associates</b>	<b>18,721,831</b>	<b>1,353,866</b>	<b>949,882</b>	<b>(294,027)</b>	<b>(9,001)</b>	<b>(49,616)</b>	<b>2,601</b>	<b>(25,775)</b>	<b>20,649,761</b>
ALL Argentina S.A.	(53,314)	(2,619)	-	-	9,992	-	-	2,304	(43,637)
Rumo Malha Oeste S.A.	(2,151,352)	(333,563)	155,000	-	20	-	-	-	(2,329,895)
<b>Total investment in unsecured liability</b>	<b>(2,204,666)</b>	<b>(336,182)</b>	<b>155,000</b>	<b>-</b>	<b>10,012</b>	<b>-</b>	<b>-</b>	<b>2,304</b>	<b>(2,373,532)</b>
<b>Total</b>	<b>16,517,165</b>	<b>1,017,684</b>	<b>1,104,882</b>	<b>(294,027)</b>	<b>1,011</b>	<b>(49,616)</b>	<b>2,601</b>	<b>(23,471)</b>	<b>18,276,229</b>



Notes to financial statements

(In thousands of Brazilian Reais - R\$, unless otherwise stated)

	At January 1, 2022	Equity pick-up	Capital increase (reduction) / AFAC	Dividends and Interest on own capital receivable	Comprehensive income	Amortization of the concession right	Stock option plan	Aquisition of shareholding in subsidiary	Disposal of investment	Other	At December 31, 2022
Elevações Portuárias S.A.	725,944	114,652	-	(146,768)	-	-	-	-	(552,479)	155,397	296,746
Rumo Intermodal S.A.	1,606	30,042	-	-	912	-	-	-	-	(1,894)	30,666
Rumo Malha Central S.A.	2,607,547	(14,010)	-	-	444	-	-	-	-	-	2,593,981
Rumo Malha Norte S.A.	8,595,025	1,292,104	-	(898,492)	(7)	(29,879)	-	151	-	(92)	8,958,810
Boswells S.A.	34,893	-	-	-	(2,268)	-	-	-	-	-	32,625
Brado Participações S.A.	378,841	(17,904)	-	(262)	-	-	1,632	-	-	(2,812)	359,495
Paranaguá S.A.	17,272	(744)	-	-	(7,653)	-	-	-	-	-	8,875
Logisport Armazéns Gerais S.A.	71,947	2,159	-	(1,297)	-	-	-	-	-	-	72,809
Rumo Luxembourg Sarl	9,521	41,183	-	-	-	-	-	-	-	-	50,704
Rumo Malha Paulista S.A.	4,301,529	(460,032)	-	-	132	(19,735)	-	-	-	-	3,821,894
Terminal São Simão S.A.	39,979	633	(2,294)	(338)	-	-	-	-	-	-	37,980
Rumo Malha Sul S.A.	2,595,913	(225,944)	-	-	602	-	-	-	-	-	2,370,571
ALL Armazéns Gerais Ltda.	90,057	(3,789)	-	-	-	-	407	-	-	-	86,675
<b>Total investment in associates</b>	<b>19,470,074</b>	<b>758,350</b>	<b>(2,294)</b>	<b>(1,047,157)</b>	<b>(7,838)</b>	<b>(49,614)</b>	<b>2,039</b>	<b>151</b>	<b>(552,479)</b>	<b>150,599</b>	<b>18,721,831</b>
ALL Argentina S.A.	(64,035)	(1,877)	-	-	10,704	-	-	-	-	1,894	(53,314)
Rumo Malha Oeste S.A.	(1,922,927)	(318,520)	90,000	-	95	-	-	-	-	-	(2,151,352)
<b>Total investment in unsecured liability</b>	<b>(1,986,962)</b>	<b>(320,397)</b>	<b>90,000</b>	<b>-</b>	<b>10,799</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,894</b>	<b>(2,204,666)</b>
<b>Total</b>	<b>17,483,112</b>	<b>437,953</b>	<b>87,706</b>	<b>(1,047,157)</b>	<b>2,961</b>	<b>(49,614)</b>	<b>2,039</b>	<b>151</b>	<b>(552,479)</b>	<b>152,493</b>	<b>16,517,165</b>

**Notes to financial statements**  
**(In thousands of Brazilian Reais - R\$, unless otherwise stated)**

Financial information of subsidiaries and associates:

	December 31, 2023				December 31, 2022			
	Assets	Liabilities	Net equity and (unsecured liabilities)	Profit (loss) of the year	Assets	Liabilities	Net equity and (unsecured liabilities)	Profit (loss) of the year
Elevações Portuárias	1,251,643	444,748	806,895	194,954	950,538	243,797	706,741	127,554
Rumo Intermodal S.A.	232,464	46,347	186,117	(7,113)	45,034	14,375	30,659	30,042
Rumo Malha Central	6,580,560	3,957,964	2,622,596	28,615	7,079,577	4,485,595	2,593,982	(14,010)
Rumo Malha Norte S.A.	7,817,588	4,880,426	2,937,162	1,337,662	8,769,694	4,181,140	4,588,554	1,319,381
Boswells S.A.	-	-	-	(14)	32,625	-	32,625	-
Brado Participações	1,066,187	528,103	538,084	(12,180)	1,065,757	518,848	546,909	(27,853)
Paranaguá S.A.	2,473	137	2,336	1,116	9,024	139	8,885	(744)
Logisport Armazéns	46,389	18,411	27,978	6,031	54,119	27,853	26,266	5,622
ALL Argentina S.A.	8,771	56,745	(47,974)	(2,880)	8,415	67,024	(58,609)	(2,064)
Rumo Luxembourg Sarl	4,955,725	4,912,496	43,229	(7,473)	5,338,936	5,288,233	50,703	41,183
Rumo Malha Paulista	16,999,465	9,652,462	7,347,003	(9,924)	14,366,934	10,510,030	3,856,904	(482,368)
Rumo Malha Oeste S.A.	111,643	2,441,538	(2,329,895)	(333,563)	88,035	2,239,391	(2,151,356)	(318,520)
Rumo Malha Sul S.A.	5,396,379	3,108,375	2,288,004	(55,099)	5,822,715	3,479,768	2,342,947	(241,749)
ALL Armazéns Gerais	86,176	7,430	78,746	(8,447)	87,211	536	86,675	(3,789)
Terminal São Simão	111,562	65,752	45,810	(2,779)	109,402	34,929	74,473	1,240
Terminal Alvorada S.A.	105,606	8,476	97,130	(268)	-	-	-	-
Termag S.A.	298,815	268,730	30,085	4,721	273,760	231,119	42,641	19,881
TGG S.A.	242,779	73,216	169,563	88,867	254,748	78,657	176,091	58,139
Terminal XXXIX	481,569	326,731	154,838	53,986	433,412	388,882	44,530	44,530

*(In thousands of Brazilian Reais - R\$, unless otherwise stated)*

## ii. Consolidated

	<u>Total shares of the investee</u>	<u>Shares held by the Company</u>	<u>Percentage of participation</u>
Rhall Terminais Ltda.	28,580	8,574	30%
Termag - Terminal Marítimo de Guarujá S.A.	500,000	99,246	20%
TGG - Terminal de Granéis do Guarujá S.A.	79,747,000	7,914,609	10%
Elevações Portuárias S.A.	672,397,254	134,479,451	20%
Terminal XXXIX S.A.	200,000	99,246	50%
Terminal Alvorada S.A.	100,197,076	50,098,538	50%

	<u>At January 1, 2023</u>	<u>Equity pick-up</u>	<u>Dividends</u>	<u>Increase of capital</u>	<u>At December 31, 2023</u>
Rhall Terminais Ltda.	5,658	1,716	(1,200)	-	6,174
Termag - Terminal Marítimo de Guarujá S.A.	8,463	(2,446)	-	-	6,017
TGG - Terminal de Granéis do Guarujá S.A.	17,470	8,826	(10,334)	-	15,962
Elevações Portuárias S.A.	296,746	38,992	(18,960)	(99,040)	217,738
Terminal XXXIX S.A.	53,132	28,247	(14,968)	-	66,411
Terminal Alvorada S.A.	-	1,265	-	47,300	48,565
<b>Total investment in associates and jointly controlled entities</b>	<b>381,469</b>	<b>76,600</b>	<b>(45,462)</b>	<b>(51,740)</b>	<b>360,867</b>

	<u>At January 1, 2022</u>	<u>Equity pick-up</u>	<u>Dividends</u>	<u>Impact of the sale of interest</u>	<u>Other</u>	<u>At December 31, 2022</u>
Rhall Terminais Ltda.	4,909	1,649	(900)	-	-	5,658
Termag - Terminal Marítimo de Guarujá S.A.	4,727	4,445	-	-	(709)	8,463
TGG - Terminal de Granéis do Guarujá S.A.	17,562	5,692	(5,784)	-	-	17,470
Terminal XXXIX S.A.	30,646	22,486	-	-	-	53,132
Elevações Portuárias S.A.	-	6,190	-	135,159	155,397	296,746
<b>Total investment in associates and jointly controlled entities</b>	<b>57,844</b>	<b>40,462</b>	<b>(6,684)</b>	<b>135,159</b>	<b>154,688</b>	<b>381,469</b>

**Notes to financial statements**  
**(In thousands of Brazilian Reais - R\$, unless otherwise stated)**

Financial information of subsidiaries and associates:

	December 31, 2023				December 31, 2022			
	Assets	Liabilities	Net equity and (unsecured liabilities)	Profit (loss) of the year	Assets	Liabilities	Net equity and (unsecured liabilities)	Profit (loss) of the year
Rhall Terminais Ltda.	33,060	12,491	20,569	5,983	33,382	14,534	18,848	5,811
Elevações Portuárias S.A.	1,251,643	444,748	806,895	194,954	950,538	243,797	706,741	127,554
Termag - Terminal Marítimo de Guarujá S.A.	298,815	268,730	30,085	4,721	273,760	231,119	42,641	19,881
TGG - Terminal de Granéis do Guarujá S.A.	242,779	73,216	169,563	88,867	254,748	78,657	176,091	58,139
Terminal XXXIX S.A.	481,569	326,731	154,838	53,986	433,412	388,882	44,530	44,530
Terminal Alvorada S.A.	105,606	8,476	97,130	(268)	-	-	-	-
Associação Gestora da Ferrovia Interna do Porto de Santos	145,400	145,400	-	-	-	-	-	-

The Porto de Santos Internal Railway Management Association (“AG-FIPS”) was created by the railway operators operating in Santos to assume the Assignment Contract (“Assignment Contract”) relating to the management, operation, maintenance and expansion of the Railway Internal to the Port of Santos. The entity is characterized by governance that grants shared control to its associates. The null assets and results arise from the system of advances and reimbursements of the entity's investments and monthly expenses by its associates.

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)***(b) Participation of non-controlling shareholders****Accounting policy:**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with owners in the capacity of owners.

The following is a summary of financial information for each subsidiary that has non-controlling interests that are relevant to the group. The amounts disclosed for each subsidiary are before eliminations between companies.

	Total shares of the investee	Shares held by the Company	Percentage of participation
Rumo Malha Norte S.A. <sup>(i)</sup>	1,189,412,363	3,144,187	0%
Brado Participações S.A.	12,962,963	2,897,407	22%
Logispot Armazéns Gerais S.A.	2,040,816	1,000,000	49%
Terminal São Simão S.A.	78,000,000	38,220,000	49%

The following table summarizes the information related to each of the Company's subsidiaries that has relevant non-controlling interests, before any intra-group elimination.

	At January 1, 2023	Result of Non-controlling interests	Dividends	Stock option plan	Capital increase	Other	At December 31, 2023
Rumo Malha Norte S.A.	12,178	3,485	(682)	-	-	(7,118)	7,863
Brado Participações S.A.	136,069	(2,565)	-	770	-	-	134,274
Logispot Armazéns Gerais S.A.	34,540	2,693	(2,116)	-	-	-	35,117
Terminal São Simão S.A.	36,494	(1,362)	(433)	-	(12,250)	-	22,449
<b>Total investment</b>	<b>219,281</b>	<b>2,251</b>	<b>(3,231)</b>	<b>770</b>	<b>(12,250)</b>	<b>(7,118)</b>	<b>199,703</b>

	At January 1, 2022	Result of Non-controlling interests	Dividends	Stock option plan	Comprehensive income	Capital increase	Other	At December 31, 2022
Rumo Malha Norte S.A.	10,975	3,467	(2,410)	-	-	-	146	12,178
Brado Participações S.A.	140,044	(7,068)	(94)	596	-	-	2,591	136,069
Logispot Armazéns Gerais S.A.	33,706	2,074	(1,240)	-	-	-	-	34,540
Terminal São Simão S.A.	38,417	608	(326)	-	(1)	(2,204)	-	36,494
<b>Total investment</b>	<b>223,142</b>	<b>(919)</b>	<b>(4,070)</b>	<b>596</b>	<b>(1)</b>	<b>(2,204)</b>	<b>2,737</b>	<b>219,281</b>

Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Summary balance sheet:

	Rumo Malha Norte S.A.		Brado Participações S.A.		Terminal São Simão S.A.		Logisport Armazéns Gerais S.A.	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Assets</b>								
Current	888,496	1,535,692	335,625	306,375	21,101	16,434	13,109	18,858
Non-current	6,929,092	7,234,002	730,562	759,382	90,461	92,968	33,280	35,261
<b>Total assets</b>	<b>7,817,588</b>	<b>8,769,694</b>	<b>1,066,187</b>	<b>1,065,757</b>	<b>111,562</b>	<b>109,402</b>	<b>46,389</b>	<b>54,119</b>
<b>Liabilities</b>								
Current	2,100,947	1,507,760	238,123	268,193	13,452	9,590	8,972	17,111
Non-current	2,779,479	2,673,380	289,980	250,655	52,300	25,339	9,439	10,742
<b>Total liabilities</b>	<b>4,880,426</b>	<b>4,181,140</b>	<b>528,103</b>	<b>518,848</b>	<b>65,752</b>	<b>34,929</b>	<b>18,411</b>	<b>27,853</b>
<b>Shareholders' equity</b>	<b>2,937,162</b>	<b>4,588,554</b>	<b>538,084</b>	<b>546,909</b>	<b>45,810</b>	<b>74,473</b>	<b>27,978</b>	<b>26,266</b>

Summary income statement and other comprehensive income:

	Rumo Malha Norte S.A.		Brado Participações S.A.		Terminal São Simão S.A.		Logisport Armazéns Gerais S.A.	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net income	5,858,606	5,058,588	555,414	462,863	17,411	18,799	23,841	22,896
Result before taxes	1,527,889	1,640,564	(17,646)	(41,570)	(4,253)	1,716	8,969	8,240
Income tax and social contribution	(190,227)	(321,183)	5,466	13,717	1,474	(476)	(2,938)	(2,618)
<b>Result for the year</b>	<b>1,337,662</b>	<b>1,319,381</b>	<b>(12,180)</b>	<b>(27,853)</b>	<b>(2,779)</b>	<b>1,240</b>	<b>6,031</b>	<b>5,622</b>
Other comprehensive result	2,521	2,521	-	-	-	(2)	-	-
<b>Total comprehensive result</b>	<b>1,340,183</b>	<b>1,321,902</b>	<b>(12,180)</b>	<b>(27,853)</b>	<b>(2,779)</b>	<b>1,238</b>	<b>6,031</b>	<b>5,622</b>
Dividends paid	(117)	(900,248)	-	(420)	(1,178)	(491)	(4,217)	(2,270)

Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Summary cash flow statement:

	Rumo Malha Norte S.A.	Brado Participações S.A.	Terminal São Simão S.A.	Logisport Armazéns Gerais S.A.				
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net cash (used in) generated from operating activities	3,372,500	2,287,064	132,235	65,635	8,075	2,260	(657)	10,760
Net cash (used in) generated investing activities	(515,754)	(515,845)	(25,304)	(54,509)	(6,126)	(11,628)	5,234	(7,867)
Net cash (used in) generated from financing activities	(2,999,559)	(1,698,148)	(82,611)	(34,608)	(1,948)	9,225	(4,573)	(2,897)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(142,813)</b>	<b>73,071</b>	<b>24,320</b>	<b>(23,482)</b>	<b>1</b>	<b>(143)</b>	<b>4</b>	<b>(4)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>246,696</b>	<b>173,625</b>	<b>43,993</b>	<b>67,475</b>	<b>5</b>	<b>148</b>	<b>2</b>	<b>6</b>
<b>Cash and cash equivalents at end of the year</b>	<b>103,883</b>	<b>246,696</b>	<b>68,313</b>	<b>43,993</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>2</b>



## 5.12 Property, plant and equipment, intangible assets and right-of-use

### Accounting policy:

#### Impairment

The Company annually reviews impairment indicators for intangible assets with defined useful lives and fixed assets. In addition, an impairment test is carried out for goodwill and intangible assets with an indefinite useful life. Impairment exists when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The recoverable amount is determined based on the value in use calculations, using the discounted cash flow determined by Management based on budgets and projections that take into account the assumptions related to each cash-generating unit, such as: estimates of future performance business, cash generation, long-term growth and discount rates.

For the purpose of analyzing impairment, concession contracts were defined as cash-generating units, each registered with an individual company. The basis for annual assessment and testing is September 30.

#### Analysis of impairment

The Company annually tests the recoverable amount of goodwill due to the expectation of future results arising from a business combination. Assets subject to depreciation and amortization are only tested if there are indications that the book value is not recoverable.

During the year ended December 31, 2023, the Company did not identify additional indicators of impairment, so that no impairment test was necessary for fixed assets, rights of use and intangible assets with a defined useful life.

The subsidiary Rumo Malha Oeste, which recorded a provision for impairment in 2020, did not show improvement in the indicators that motivated the provision, so that a full provision was maintained for this cash-generating unit.

***(In thousands of Brazilian Reals - R\$, unless otherwise stated)***

The Company also assessed the effects of the conflicts in Ukraine and the Middle East on the other cash-generating units and Management did not detect any deterioration in the medium and long-term indicators.

Determining the recovery capacity of assets depends on certain key assumptions that are influenced by market, technological and economic conditions in force at the time this recovery is tested and, therefore, it is not possible to determine whether losses due to reduced recovery will occur in the future. and, if they occur, whether they would be material.

**5.12.1 Investment Properties**

**Accounting policy:**

Investment properties are held to earn rental income, but not for sale in the ordinary course of business, use in the production or supply of products or services or for administrative purposes.

The Company has determined, based on its assessment of the terms and conditions of the contracts, that it assumes substantially all the significant risks and benefits related to the ownership of the assets. Thus, the parent (as lessor) accounts for assets as investment property and leases as operating leases.

It keeps its investment property measured at cost less depreciation, which is calculated based on the estimate of its economic utility.

On June 16, 2021, the Company exercised a purchase option over an area (land/property) of 339.07 hectares called the Rondonópolis terminal, worth R\$184,100 (historical cost), which was leased to its subsidiary Rumo Malha Norte, and on December 29, 2023, the Company transferred the net assets of this property/land in the amount of R\$ 164,367 to its subsidiary Rumo Intermodal S.A. as a capital increase (R\$ 174,422 on December 31, 2022).

5.12.2 Property, Plant and Equipment

**Accounting policy:**

**Recognition and measurement**

Property, plant and equipment items are measured at cost, less accumulated depreciation and any accumulated losses due to impairment.

Subsequent expenses are capitalized only when it is probable that the future economic benefits associated with the expenses will flow to the Company. Continuous repairs and maintenance are expensed for when incurred.

Assets are depreciated from the date they are available for use or, in relation to built assets, from the date the asset is completed and ready for use.

Depreciation is calculated on the book value of property, plant and equipment minus estimated residual values using the straight-line basis over its estimated useful life, recognized in profit or loss, unless it is capitalized as part of the cost of another asset. Land is not depreciated. The estimated useful lives of the assets are as follows:

Building and improvements	4% - 5%
Machinery, equipment and installations	8% - 11%
Other	2% - 20%
Freight cars	2.9% - 6%
Locomotives	3.3% - 8%
Track structure	3% - 4%
Furniture and fixture	10% - 15%
Computer equipment	20%

Depreciation methods, such as useful lives and residual values, are reviewed at the end of each year, or when there is a significant change in an expected consumption pattern, such as a relevant incident and technical obsolescence. Any adjustments are recognized as changes in accounting estimates, if appropriate.

## Reconciliation of book value

	Consolidated						Parent Company	
	Land, buildings and improvements	Machinery, equipment and facilities	Freight cars and locomotives <sup>(i)</sup>	Track structure	Construction in progress	Other assets	Total	Total
<b>Cost:</b>								
<b>At January 1, 2022</b>	<b>1,801,450</b>	<b>1,668,024</b>	<b>9,946,446</b>	<b>10,616,449</b>	<b>2,949,338</b>	<b>800,704</b>	<b>27,782,411</b>	<b>247,767</b>
Additions	-	6,002	772	11,120	2,882,475	-	2,900,369	8,018
Write-off	(2,835)	(3,178)	(61,536)	(52)	-	(46,419)	(114,020)	(990)
Transfers	176,966	123,572	342,320	1,626,037	(2,355,451)	32,196	(54,360)	8,023
Write-off due disposal of investment	(396,614)	(528,452)	-	-	(22,841)	(4,929)	(952,836)	-
<b>At January 1, 2023</b>	<b>1,578,967</b>	<b>1,265,968</b>	<b>10,228,002</b>	<b>12,253,554</b>	<b>3,453,521</b>	<b>781,552</b>	<b>29,561,564</b>	<b>262,818</b>
Additions	623	-	898	710	3,869,289	-	3,871,520	375,296
Write-off	(198,186)	(13,126)	(118,414)	(116,957)	(1,790)	(99)	(448,572)	(199,668)
Transfers	267,197	166,803	821,701	2,552,077	(3,636,744)	12,411	183,445	171,117
<b>At December 31, 2023</b>	<b>1,648,601</b>	<b>1,419,645</b>	<b>10,932,187</b>	<b>14,689,384</b>	<b>3,684,276</b>	<b>793,864</b>	<b>33,167,957</b>	<b>609,563</b>
<b>Depreciation and Impairment:</b>								
<b>At January 1, 2022</b>	<b>(587,290)</b>	<b>(698,034)</b>	<b>(5,075,716)</b>	<b>(4,952,695)</b>	<b>(13,379)</b>	<b>(480,735)</b>	<b>(11,807,849)</b>	<b>(95,487)</b>
Additions	(60,387)	(144,851)	(566,999)	(670,921)	-	(18,996)	(1,462,154)	(14,036)
Write-off	-	2,404	51,591	8	-	48,620	102,623	-
Transfers	(15,734)	27,032	139	23,931	-	83	35,451	-
Write-off due disposal of investment	208,661	406,945	-	-	-	3,947	619,553	-
<b>At January 1, 2023</b>	<b>(454,750)</b>	<b>(406,504)</b>	<b>(5,590,985)</b>	<b>(5,599,677)</b>	<b>(13,379)</b>	<b>(447,081)</b>	<b>(12,512,376)</b>	<b>(109,523)</b>
Additions	(62,016)	(130,176)	(613,032)	(806,380)	-	(14,595)	(1,626,199)	(12,169)
Write-off	17,769	11,012	110,237	89,725	-	515	229,258	18,519
Transfers	(49,649)	5,476	(6,837)	(31,199)	-	(45)	(82,254)	-
<b>At December 31, 2023</b>	<b>(548,646)</b>	<b>(520,192)</b>	<b>(6,100,617)</b>	<b>(6,347,531)</b>	<b>(13,379)</b>	<b>(461,206)</b>	<b>(13,991,571)</b>	<b>(103,173)</b>
<b>At January 1, 2023</b>	<b>1,124,217</b>	<b>859,464</b>	<b>4,637,017</b>	<b>6,653,877</b>	<b>3,440,142</b>	<b>334,471</b>	<b>17,049,188</b>	<b>153,295</b>
<b>At December 31, 2023</b>	<b>1,099,955</b>	<b>899,453</b>	<b>4,831,570</b>	<b>8,341,853</b>	<b>3,670,897</b>	<b>332,658</b>	<b>19,176,386</b>	<b>506,390</b>

- (i) On December 31, 2023, assets, mainly wagons and locomotives, at a cost of R\$ 1,390,404 (R\$ 745,203 on December 31, 2022), were given as collateral to guarantee bank loans (Note 5.5).

## Capitalization of borrowing costs

In the year ended December 31, 2023, capitalized loan costs were R\$ 41,304 (R\$ 86,614 as of December 31, 2022), using an average funding rate of 12.30% (13.25% on December 31, 2022).

**5.12.3 Intangible assets and goodwill****Accounting policy:**

Intangibles are initially recorded at cost (either by purchase, development or as part of a business combination), less amortization and accumulated losses due to impairment.

All other expenses are recognized in the income statement as incurred.

Except for goodwill, intangible assets are amortized on a straight-line basis over their estimated useful lives, from the date they are available for use or acquired.

<b>Intangible (except goodwill)</b>	<b>Annual rate of amortization - %</b>
Software	20.00%
Operating license	3.70%
Concession rights	1.59%

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

## Notes to financial statements

*(In thousands of Brazilian Reais - R\$, unless otherwise stated)*

	Consolidated				Parent Company	
	Goodwill <sup>(i)</sup>	Concession rights <sup>(ii)</sup>	Operating license	Other	Total	
<b>Cost:</b>						
<b>At January 1, 2022</b>	<b>100,451</b>	<b>7,977,618</b>	<b>379,182</b>	<b>252,220</b>	<b>8,709,471</b>	<b>649,633</b>
Additions	-	-	2,605	-	2,605	2,604
Write-off	-	-	-	595	595	-
Transfers	-	-	(1,911)	20,687	18,776	(1,911)
Write-off due disposal of investment	(62,922)	(5,403)	(317,148)	(15,044)	(400,517)	-
<b>At January 1, 2023</b>	<b>37,529</b>	<b>7,972,215</b>	<b>62,728</b>	<b>258,458</b>	<b>8,330,930</b>	<b>650,326</b>
Disposals	-	-	-	(78)	(78)	(78)
Transfers	-	-	3,305	(33,119)	(29,814)	3,305
<b>At December 31, 2023</b>	<b>37,529</b>	<b>7,972,215</b>	<b>66,033</b>	<b>225,261</b>	<b>8,301,038</b>	<b>653,553</b>
<b>Amortization:</b>						
<b>At January 1, 2022</b>	-	<b>(1,224,844)</b>	<b>(167,287)</b>	<b>(185,695)</b>	<b>(1,577,826)</b>	<b>(341,118)</b>
Additions	-	(120,156)	(8,879)	(22,119)	(151,154)	(38,460)
Write-off	-	-	-	(155)	(155)	-
Transfers	-	-	-	(60)	(60)	-
Write-off due disposal of investment	-	5,403	157,743	9,425	172,571	-
<b>At January 1, 2023</b>	-	<b>(1,339,597)</b>	<b>(18,423)</b>	<b>(198,604)</b>	<b>(1,556,624)</b>	<b>(379,578)</b>
Additions	-	(120,015)	-	(18,251)	(138,266)	(38,345)
Disposals	-	-	-	66	66	67
Transfers	-	-	-	57,929	57,929	-
<b>At December 31, 2023</b>	-	<b>(1,459,612)</b>	<b>(18,423)</b>	<b>(158,860)</b>	<b>(1,636,895)</b>	<b>(417,856)</b>
<b>At January 1, 2023</b>	<b>37,529</b>	<b>6,632,618</b>	<b>44,305</b>	<b>59,854</b>	<b>6,774,306</b>	<b>270,748</b>
<b>At December 31, 2023</b>	<b>37,529</b>	<b>6,512,603</b>	<b>47,610</b>	<b>66,401</b>	<b>6,664,143</b>	<b>235,697</b>

(i) Goodwill from a business combination from previous years from subsidiary Logispot, presented only in the consolidated.

(ii) Refers to the concession contract of Rumo Malha Norte. The asset was identified and measured at fair value in the business combination between Rumo and ALL. The amount will be amortized until the end of the concession in 2079, being recorded in the income statement, under costs of services provided, in the depreciation and amortization group.

## 5.12.4 Right-of-use

**Accounting policy:**

The right-to-use asset is initially measured at cost, which comprises the initial measurement value of the lease liability, adjusted for any lease payments made up to that of the start date, plus any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in disassembling and removing the underlying asset, restoring the location in which it is located or restoring the underlying asset to the condition required by the lease terms and conditions, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset reflect that the lessee will exercise the call option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

	Consolidated						Total
	Land, buildings and improvements	Machinery, equipment and facilities	Freight cars and locomotives	Software	Vehicles	Port and track structure	
<b>Cost amount:</b>							
<b>At January 1, 2020</b>	<b>81,984</b>	<b>107,321</b>	<b>938,610</b>	<b>87,028</b>	<b>27,154</b>	<b>7,800,312</b>	<b>9,042,409</b>
Additions	52,351	63,347	1,006	-	34	111,458	228,196
Contractual adjustment	2,283	52,972	3,480	(1,079)	1,540	155,734	214,930
Write-off <sup>(i)</sup>	-	-	-	-	-	(106,363)	(106,363)
<b>At January 1, 2023</b>	<b>136,618</b>	<b>223,640</b>	<b>943,096</b>	<b>85,949</b>	<b>28,728</b>	<b>7,961,141</b>	<b>9,379,172</b>
Additions	-	221,180	-	-	1,239	45,270	267,689
Contractual adjustment <sup>(ii)</sup>	517	3,426	332	-	-	96,257	100,532
Write-off <sup>(i)</sup>	-	(22)	-	-	-	(6,384)	(6,406)
Transfers	-	34,742	-	-	-	-	34,742
<b>At December 31, 2023</b>	<b>137,135</b>	<b>482,966</b>	<b>943,428</b>	<b>85,949</b>	<b>29,967</b>	<b>8,096,284</b>	<b>9,775,729</b>
<b>Amortization:</b>							
<b>At January 1, 2020</b>	<b>(35,699)</b>	<b>(15,153)</b>	<b>(399,218)</b>	<b>(16,959)</b>	<b>(13,802)</b>	<b>(776,637)</b>	<b>(1,257,468)</b>
Additions	(23,018)	(76,107)	(34,990)	(4,015)	(4,732)	(267,093)	(409,955)
Transfers to permanent assets	-	-	-	-	-	20,535	20,535
<b>At January 1, 2023</b>	<b>(58,717)</b>	<b>(91,260)</b>	<b>(434,208)</b>	<b>(20,974)</b>	<b>(18,534)</b>	<b>(1,023,195)</b>	<b>(1,646,888)</b>
Additions	(21,574)	(38,748)	(34,347)	(4,380)	(5,758)	(320,280)	(425,087)
<b>At December 31, 2023</b>	<b>(80,291)</b>	<b>(130,008)</b>	<b>(468,555)</b>	<b>(25,354)</b>	<b>(24,292)</b>	<b>(1,343,475)</b>	<b>(2,071,975)</b>
<b>At January 1, 2023</b>	<b>77,901</b>	<b>132,380</b>	<b>508,888</b>	<b>64,975</b>	<b>10,194</b>	<b>6,937,946</b>	<b>7,732,284</b>
<b>At December 31, 2023</b>	<b>56,844</b>	<b>352,958</b>	<b>474,873</b>	<b>60,595</b>	<b>5,675</b>	<b>6,752,809</b>	<b>7,703,754</b>



## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

- (i) The movement represents the write-off of the right of use balances of Rumo Serviços Logísticos Ltda. (Portofer), which had its concession terminated. As of December 31, 2022, this refers to Companhia Elevações Portuárias, which is no longer controlled, due to the sale of its shareholding.
- (ii) Of the total contractual adjustment, R\$103,528 was recorded against lease liabilities, while the negative amount of R\$2,996 was recorded against leases and concessions.

### 5.13 Other taxes payable

#### Accounting policy:

The Company is subject to different taxes and contributions, such as municipal, state and federal taxes, taxes on deposits and withdrawals from bank accounts, taxes on turnover, regulatory fees and income tax, among others, which represent an expense for the Company. It is also subject to other taxes on its activities that generally do not represent an expense.

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
ICMS - State VAT	24	180	1,969	2,531
INSS - Social security	2,505	487	17,598	10,575
PIS - Social integration program	3,379	2,569	5,517	2,619
COFINS - Social security financing contribution	15,428	11,834	31,792	12,627
Installment of tax debts	902	902	902	902
ISS - Municipal service tax	-	-	11,645	11,144
Other	2,152	673	8,587	9,851
	<b>24,390</b>	<b>16,645</b>	<b>78,010</b>	<b>50,249</b>
<b>Current</b>	<b>24,390</b>	<b>16,645</b>	<b>77,989</b>	<b>50,080</b>
<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>169</b>
	<b>24,390</b>	<b>16,645</b>	<b>78,010</b>	<b>50,249</b>

The amounts due in non-current liabilities have the following maturity schedule:

	Consolidated	
	December 31, 2023	December 31, 2022
From 97 months	21	169
	<b>21</b>	<b>169</b>

#### 5.14 Income tax and social contribution

**Accounting policy:**

The combined rate of income tax and social contribution is 34%, and the effect is recognized in the income statement, except if it arises from a business combination, or from items directly recognized in equity or other comprehensive income.

**i. Current tax**

It is the tax payable or receivable expected on the taxable profit or loss for the year, using the rates in force at the balance sheet date, and any adjustment to taxes payable in relation to previous years.

**ii. Deferred tax**

It is recognized in relation to temporary differences between the carrying amounts of assets and liabilities and the respective amounts for tax purposes. Deferred tax is not recognized for:

- a) temporary differences in the initial recognition of the asset or liability in a transaction that is not a business combination and that affects neither the accounting result nor the tax profit or loss;
- b) temporary differences related to investments in subsidiaries, associates and jointly controlled companies, insofar as the Company is able to control the timing of the reversal of temporary differences and it is likely that they will not reverse in the foreseeable future; and
- c) taxable temporary differences resulting from the initial recognition of goodwill.

A differentiated tax asset is recognized in relation to unused tax losses and deductible temporary differences, to the extent that it is probable that the available future taxable profits against which they will be used.

The measurement of deferred tax reflects the way the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the rates expected to be applied to temporary differences in their reversal.

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

Deferred tax assets and liabilities are offset if there is a legally applicable right to offset current tax liabilities and assets, and if they relate to taxes levied by the same tax authority on the same taxable entity.

**iii. Fiscal exposure**

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment is based on estimates and assumptions and may involve a series of judgments about future events. New information may become available, which may cause the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes in tax obligations will impact tax expenses in the period in which such determination is made.

**iv. Recoverability of deferred income tax and social contribution**

When assessing the recoverability of deferred taxes, Management considers the projections of future taxable profits and the movements of temporary differences. When part or all of the taxes are not likely to be realized, the tax asset is reversed. There is no deadline for using tax losses and negative bases, but the use of these accumulated losses from previous years is limited to 30% of annual taxable profits.

**a) Reconciliation of income tax and social contribution expenses**

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Result before income tax and social contribution	769,234	633,164	919,092	707,137
Income tax and social contribution expense at nominal rate (34%)	(261,540)	(215,276)	(312,491)	(240,427)
<b>Adjustments to determine the effective rate</b>				
Equity pick-up	346,012	148,904	26,042	13,757
Result of companies abroad	-	-	(3,036)	13,013
Exploration profit <sup>(i)</sup>	-	-	279,941	197,307
Unrecognized NOLs and temporary differences <sup>(ii)</sup>	(120,173)	(36,459)	(246,138)	(211,852)
Effect of amortization of goodwill	(16,869)	(16,869)	1,271	1,271
Selic tax overpayment	4,650	3,551	51,546	32,188
Other	(1,648)	(2,075)	5,690	1,627
<b>Tax and social contribution (current and deferred)</b>	<b>(49,568)</b>	<b>(118,224)</b>	<b>(197,175)</b>	<b>(193,116)</b>
<b>Effective rate - %</b>	<b>6.44%</b>	<b>18.67%</b>	<b>21.45%</b>	<b>27.31%</b>

## Notes to financial statements

*(In thousands of Brazilian Reais - R\$, unless otherwise stated)*

- (i) The Company obtained, through the Superintendence for the Development of the Amazon - SUDAM, the right to a 75% reduction in the corporate income tax - IRPJ and non-refundable surcharges calculated on the exploration profit, as it is located in the area covered by the Legal Amazon and because the transport sector is considered a priority undertaking for regional development. Tax incentives are recorded at fair value when there is reasonable certainty that: (a) the Company will meet the requirements related to the incentive; (b) the incentive will be received. Effects are recorded in income to offset the costs or expenses that the incentive is intended to offset.
- (ii) Refers mainly to tax losses and temporary differences of the Company, Rumo Malha Sul and Rumo Malha Oeste, which, under current conditions, do not meet the requirements for accounting for said income tax and social contribution assets deferred due to the lack of predictability of future generation of tax profits.

### **b) Deferred income tax assets and liabilities**

The tax effects of temporary differences that give rise to significant parts of the Company's deferred tax assets and liabilities are shown below:

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Assets credits from:</b>				
Tax losses carry forwards - income tax	53,254	35,687	1,308,360	1,243,562
Tax losses of social contribution	19,171	12,847	472,232	448,899
<b>Temporary differences:</b>				
Provision for judicial demands	35,777	31,872	106,126	100,419
Impairment provision	24,888	31,110	27,072	34,469
Allowance for doubtful accounts	354	69	8,245	7,948
Provision for non-performing tax	-	-	31,566	31,491
Provision for profit sharing	2,916	1,078	41,914	37,227
Exchange variation - Loans and financing	2,640	3,081	85,100	117,370
Business combination - Fixed assets	1,854	1,854	24,795	36,535
Transactions with share-based payments	51,659	39,679	51,659	39,679
Lease liabilities	579	-	142,901	165,227
Unrealized result from derivatives	-	2,732	408,097	321,422
Temporary differences from other provisions	22,633	12,741	78,792	66,523
Other	9,329	17,840	130,952	190,736
<b>Deferred taxes - Assets</b>	<b>225,054</b>	<b>190,590</b>	<b>2,917,811</b>	<b>2,841,507</b>
<b>Liabilities credits from:</b>				
<b>Temporary differences:</b>				
Exchange variation - Loans and financing	-	-	(124,542)	(60,340)
Business combination - Fixed assets	-	-	(21,817)	(22,105)
Tax goodwill amortized	-	-	(2,068)	(2,068)
Lease liabilities	-	(295)	(10,034)	(9,192)
Unrealized result from derivatives	(198,924)	-	(299,965)	(120,184)
Fair value adjustment on debts	(133,409)	(243,360)	(281,784)	(482,120)
Review of useful life - Fixed assets	(7,850)	(6,336)	(308,011)	(226,505)
Business combination - Intangible assets	(53,846)	(53,846)	(2,270,500)	(2,311,674)
Other	-	-	(122,606)	(105,692)
<b>Deferred taxes - Liabilities</b>	<b>(394,029)</b>	<b>(303,837)</b>	<b>(3,441,327)</b>	<b>(3,339,880)</b>
<b>Total deferred taxes</b>	<b>(168,975)</b>	<b>(113,247)</b>	<b>(523,516)</b>	<b>(498,373)</b>
<b>Deferred assets</b>	<b>-</b>	<b>-</b>	<b>1,869,877</b>	<b>1,869,764</b>
<b>Deferred liabilities</b>	<b>(168,975)</b>	<b>(113,247)</b>	<b>(2,393,393)</b>	<b>(2,368,137)</b>
<b>Total</b>	<b>(168,975)</b>	<b>(113,247)</b>	<b>(523,516)</b>	<b>(498,373)</b>

As of December 31, 2023, the Company has deferred income tax and social contribution not recorded on tax losses and negative basis for the parent company and consolidated respectively in the amounts of R\$504,993 (R\$383,170 as of December 31, 2022) and R\$2,678,299 (R\$2,514,631 on December 31, 2022). The amount is concentrated in the parent company and the subsidiaries Rumo Malha Sul and Rumo Malha Oeste, which under current conditions do not meet the requirements for accounting for the aforementioned deferred income tax and social contribution assets due to the lack of predictability of future generation of tax profits.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

**c) Realization of deferred income tax and social contribution**

The Company assessed the deadline for offsetting its deferred tax credits assets on tax losses, negative basis of social contribution and temporary differences through the projection of its taxable profit for the term of the concessions. The projection was based on economic assumptions of inflation and interest, transported volume based on the growth of agricultural production and exports projected in its areas of activity and market conditions for its services, validated by the administration. In the year ended December 31, 2023, the Company continued to monitor the impacts of international conflicts and judged that the potential effects should not affect medium and long-term projections to the point of jeopardizing the realization of balances:

	<b>Deferred asset</b>
2024	152,220
2025	168,487
2026	184,586
2027	112,708
2028 to 2033	895,156
2034 to 2039	356,720
<b>Total</b>	<b><u>1,869,877</u></b>

**d) Deferred tax movements**

	<b>Consolidate</b>
<b>At January 1, 2022</b>	<b><u>(697,093)</u></b>
Income statement	218,320
Actuarial liability	(36)
Write-off due to disposal of investment	(19,638)
Others	74
<b>At January 1, 2021</b>	<b><u>(498,373)</u></b>
Income statement	(23,506)
Actuarial liability	(9)
Tax loss use - zero litigation program	(2,245)
Other	617
<b>At December 31, 2023</b>	<b><u>(523,516)</u></b>

(In thousands of Brazilian Reais - R\$, unless otherwise stated)

## e) Analytical movement of deferred tax

## i. Deferred tax assets

	Tax loss and negative basis	Provisions	Exchange variation	Review of useful life - Fixed assets	Adjustment to fair value of debt	Business combination - Fixed assets	Transactions with share-based payments	Lease liabilities	Unrealized income from derivatives	Other	Total
<b>At January 1, 2022</b>	<b>1,350,058</b>	<b>219,671</b>	<b>171,517</b>	<b>7,325</b>	<b>49,323</b>	<b>47,138</b>	<b>28,930</b>	<b>195,235</b>	<b>46,100</b>	<b>284,735</b>	<b>2,400,032</b>
(Charged) / credited to the result of the year	342,403	(8,117)	-	(7,325)	(49,323)	(10,603)	10,749	(30,008)	275,322	(27,476)	495,622
exchange differences	-	-	(54,147)	-	-	-	-	-	-	-	(54,147)
<b>At December 31, 2022</b>	<b>1,692,461</b>	<b>211,554</b>	<b>117,370</b>	<b>-</b>	<b>-</b>	<b>36,535</b>	<b>39,679</b>	<b>165,227</b>	<b>321,422</b>	<b>257,259</b>	<b>2,841,507</b>
(Charged) / credited to the result of the year	90,376	3,369	-	-	-	(11,740)	11,980	(22,326)	86,675	(47,515)	110,819
zero litigation program	(2,245)	-	-	-	-	-	-	-	-	-	(2,245)
exchange differences	-	-	(32,270)	-	-	-	-	-	-	-	(32,270)
<b>At December 31, 2023</b>	<b>1,780,592</b>	<b>214,923</b>	<b>85,100</b>	<b>-</b>	<b>-</b>	<b>24,795</b>	<b>51,659</b>	<b>142,901</b>	<b>408,097</b>	<b>209,744</b>	<b>2,917,811</b>

## ii. Deferred tax liabilities

	Tax goodwill amortized	Exchange variation	Review of useful life - Fixed assets	Adjustment to fair value of debt	Business combination - Fixed assets	Business combination - Intangible assets	Lease liabilities	Unrealized income from derivatives	Other	Total
<b>At January 1, 2022</b>	<b>(24,838)</b>	<b>(717)</b>	<b>(154,676)</b>	<b>(175,497)</b>	<b>(22,820)</b>	<b>(2,355,879)</b>	<b>(7,672)</b>	<b>(281,191)</b>	<b>(73,835)</b>	<b>(3,097,125)</b>
(Charged) / credited to the result of the year	22,770	-	(71,829)	(306,623)	715	44,205	(1,520)	161,007	(31,857)	(183,132)
Exchange differences	-	(59,623)	-	-	-	-	-	-	-	(59,623)
<b>At December 31, 2022</b>	<b>(2,068)</b>	<b>(60,340)</b>	<b>(226,505)</b>	<b>(482,120)</b>	<b>(22,105)</b>	<b>(2,311,674)</b>	<b>(9,192)</b>	<b>(120,184)</b>	<b>(105,692)</b>	<b>(3,339,880)</b>
(Charged) / credited to the result of the year	-	-	(81,506)	200,336	288	41,174	(842)	(179,781)	(17,521)	(37,852)
Exchange differences	-	(64,202)	-	-	-	-	-	-	-	(64,202)
other comprehensive results	-	-	-	-	-	-	-	-	607	607
<b>At December 31, 2023</b>	<b>(2,068)</b>	<b>(124,542)</b>	<b>(308,011)</b>	<b>(281,784)</b>	<b>(21,817)</b>	<b>(2,270,500)</b>	<b>(10,034)</b>	<b>(299,965)</b>	<b>(122,606)</b>	<b>(3,441,327)</b>



**5.15 Provision for lawsuits and deposits****Accounting policy:**

They are recognized as other expenses when the Company has a present or non-formalized obligation as a result of past events; an outflow of resources is likely to be necessary to settle the obligation; and the amount was safely estimated.

The assessment of the loss of probability includes the available evidence, the hierarchy of laws, the jurisprudence, the most recent judicial decisions and the relevance in the legal system, as well as the opinion of external lawyers. Provisions are reviewed and adjusted for circumstances, such as the statute of limitations, conclusions of tax inspections or additional exposures identified based on new matters or court decisions.

Provisions for lawsuits resulting from business combinations are estimated at fair value.

As of December 31, 2023 and 2022, the Company records provisions for legal claims in relation to:

	<b>Provision for judicial demands</b>			
	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Taxes	8,768	5,447	106,283	89,637
Civil, regulatory and environmental	50,338	56,306	354,002	349,521
Labor	45,923	31,852	307,183	285,464
	<b>105,029</b>	<b>93,605</b>	<b>767,468</b>	<b>724,622</b>

	<b>Judicial deposits</b>			
	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Taxes	57,000	52,545	99,016	91,125
Civil, regulatory and environmental	2,363	1,102	69,235	41,123
Labor	5,871	7,477	103,415	104,919
	<b>65,234</b>	<b>61,124</b>	<b>271,666</b>	<b>237,167</b>

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

Changes in provisions for legal claims:

	<b>Parent Company</b>			
	<b>Taxes</b>	<b>Civil, regulatory and environmental</b>	<b>Labor</b>	<b>Total</b>
<b>At January 1, 2022</b>	2,328	57,486	43,305	103,119
Provision	5,143	15,292	12,553	32,988
Settlement or write-offs	(7,325)	(61,065)	(40,938)	(109,328)
Monetary restatement <sup>(i)</sup>	5,301	44,593	16,932	66,826
<b>At December 31, 2022</b>	<b>5,447</b>	<b>56,306</b>	<b>31,852</b>	<b>93,605</b>
Provision	2,420	5,050	13,740	21,210
Settlement or write-offs	(321)	(30,816)	(13,498)	(44,635)
Monetary restatement <sup>(i)</sup>	1,222	16,005	13,222	30,449
Transfers	-	3,793	607	4,400
<b>At December 31, 2023</b>	<b>8,768</b>	<b>50,338</b>	<b>45,923</b>	<b>105,029</b>

	<b>Consolidated</b>			
	<b>Taxes</b>	<b>Civil, regulatory and environmental</b>	<b>Labor</b>	<b>Total</b>
<b>At January 1, 2022</b>	81,375	313,930	285,775	681,080
Provision	13,870	88,552	139,611	242,033
Settlement or write-offs	(20,717)	(206,168)	(250,381)	(477,266)
Monetary restatement <sup>(i)</sup>	15,109	153,207	110,459	278,775
<b>At December 31, 2022</b>	<b>89,637</b>	<b>349,521</b>	<b>285,464</b>	<b>724,622</b>
Provision	18,739	61,408	101,817	181,964
Settlement or write-offs	(15,775)	(262,738)	(167,654)	(446,167)
Monetary restatement <sup>(i)</sup>	13,682	202,018	86,948	302,648
Transfers	-	3,793	608	4,401
<b>At December 31, 2023</b>	<b>106,283</b>	<b>354,002</b>	<b>307,183</b>	<b>767,468</b>

(i) Includes write-off of interest.

The Company has debts guaranteed by assets or even by means of a cash deposit, bank guarantee or guarantee insurance.

**a) Probable losses**

- **Taxes:** The main tax proceedings for which the risk of loss is probable are described below:

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
ICMS- State VAT- credit <sup>(i)</sup>	-	-	59,288	50,370
PIS and COFINS	-	-	96	2,197
INSS - National Social Security Institute	1,121	1,049	9,228	9,182
IPTU - Urban Property and Territorial Tax	2,916	25	8,593	3,098
IRPJ and CSLL	3,152	3,014	4,390	3,024
Other	1,579	1,359	24,688	21,766
	<b>8,768</b>	<b>5,447</b>	<b>106,283</b>	<b>89,637</b>

(i) The amount provisioned refers especially to tax assessment notices related to ICMS credits originating from materials used in the production process, but which, in the farm understanding, such materials would be classified as “use and consumption”, not generating the right to credit.

- **Civil, Environmental and Regulatory:** The main civil environmental and regulatory provisions are related to Public Civil Actions, commercial discussions with former clients, indemnities related to alleged damages, tax foreclosures arising from assessments by environmental agencies and regulatory agents.

### b) Possible losses

The main processes for which we consider the risk of loss possible are described below:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Tributary	1,197,539	1,077,641	4,152,956	4,194,598
Civil, regulatory and environmental	690,460	666,293	4,345,306	4,313,883
Labor	103,766	100,177	741,712	713,213
	<b>1,991,765</b>	<b>1,844,111</b>	<b>9,239,974</b>	<b>9,221,694</b>

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

- Tax:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Isolated fine federal tax <sup>(i)</sup>	618,635	392,500	792,496	618,549
IRPJ/CSLL <sup>(ii)</sup>	404,280	353,291	590,176	547,429
ICMS <sup>(iii)</sup>	-	-	1,083,291	1,153,479
IRRF <sup>(iv)</sup>	67,073	61,717	200,539	186,027
PIS/COFINS <sup>(v)</sup>	16,910	178,882	876,531	1,114,689
Foreign financial operations <sup>(vi)</sup>	-	-	13,287	8,944
MP 470 installment debts <sup>(vii)</sup>	-	-	148,956	142,166
Stock option plan <sup>(viii)</sup>	60,863	57,656	60,863	68,846
IOF on loan <sup>(ix)</sup>	19,236	18,170	154,606	149,323
Other	10,542	15,425	232,211	205,146
	<b>1,197,539</b>	<b>1,077,641</b>	<b>4,152,956</b>	<b>4,194,598</b>

- (i) The claims related to the isolated fine are substantially related to the following items a) the drawing up of notices of infraction on the alleged lack of payment of federal taxes (IRPJ, CSLL, PIS and COFINS), and alleged undue crediting of premium credit IPI, with application of isolated fine; and b) the Company was fined for disregarding the REPORTO tax benefits (suspension of PIS and COFINS), on the grounds that the locomotives and wagons purchased in the years 2010 to 2012 were used outside the limits of the port area. Consequently, PIS and COFINS were imposed, in addition to the isolated fine corresponding to 50% of the value of the goods acquired.
- (ii) Infraction notices that require IRPJ and CSLL relating to: (a) Goodwill Malha Norte: Infraction notices drawn up for the collection of IRPJ and CSLL, combined with late payment interest and ex officio and isolated fines. According to the Federal Revenue Service, Rumo Malha Norte had unduly amortized the goodwill determined in the acquisition of the companies Brasil Ferrovias S/A and Novoeste Brasil S/A. In 2023, it was successful to reduce the fine from 150% to 75%, with the contingency duly adjusted. (b) Goodwill GIF, TPG and Teaçu. Infraction notices drawn up for the collection of IRPJ and CSLL, combined with an official fine and late payment interest, in addition to an isolated fine, for the following reasons: Deduction, from the real profit and the CSLL calculation base, of the amount corresponding to the amortization in acquisition of stake in Teaçu Armazéns Gerais S/A; Deduction, from the real profit and the CSLL calculation base, of the amount corresponding to the amortization of premiums paid by the companies TPG Participações S.A. and GIF LOG Participações S.A in the acquisition of shares issued by Rumo Logística S/A;. (c) Furthermore, there are infraction notices issued by the Federal Revenue Service in 2011, 2013 and 2019 against the Company relating to: 1) disallowance of goodwill expenses based on future profitability, as well as financial expenses; 2) non-taxation of supposed capital gains on the sale of a shareholding in a company belonging to the same economic group; and 3) supposed capital gain on the incorporation of shares of companies from the same economic group. Contingency adjusted for definitive success.

## Notes to financial statements

***(In thousands of Brazilian Reals - R\$, unless otherwise stated)***

In 2019, we had definitive success in reducing the capital gains assessment base. (d) Labor Provisions: In 2009, under the allegation that the Company had excluded labor provisions from the calculation of real profit and the adjusted CSLL calculation base. According to the Tax Authority's understanding, the write-offs of labor provisions were carried out by the Company without individualizing the processes (provisions and reversals), which would impact the tax calculation. The probability of loss is possible, considering the occurrence of the forfeiture and that the Company complied with all tax rules regarding the addition and exclusion of provisions in the calculation of IRPJ and CSLL and (e) Rectification of the compensation declaration motivated by partial refund of the object credits of the compensation request.

- (iii) The ICMS claims are substantially related to the following items a) Infraction notices drawn up by the State Treasury Department for alleged non-payment of ICMS on rail transport services for goods destined for export; undue crediting of ICMS due to alleged bookkeeping in the Entry Book of amounts higher than those calculated in the Tax Books; undue crediting of ICMS for purchases supposedly classified as use and consumption. Fines of 50% of the tax amount and 100% of the amount of the credit considered undue were also included. All assessments were contested, since there is a position favorable to taxpayers consolidated in the higher courts, based on Precedent 649 of the STJ, as well as the Federal Constitution and Complementary Law 87/1996; b) the Tax Authorities of the State of Mato Grosso carried out the drafting of several Terms of Seizure and Deposit (TADs) aiming at the collection of ICMS and a fine of 50% on the value of the assessed operations, under the mistaken understanding that the exit operations of goods destined for export would have the DACTEs (Electronic Transport Bill of Lading Document) cancelled, with the alleged characterization of disreputable documentation, pursuant to articles 35-A and 35-B of State Law 7098/98. The Company contests the assessments and seeks to demonstrate to the Tax Authorities that the goods transported were duly covered by suitable tax documentation; c) collection of ICMS, for the years 2018 and 2019, on the acquisition of wagons due to the alleged non-exemption provided for by the Tax Regime for Incentive to Modernization and Expansion of Port Structure – REPORTO by the São Paulo tax authorities.
- (iv) Rumo Malha Paulista had part of its IRPJ credit balance offset by the Federal Revenue Service based on the argument that the Company would not be entitled to IRRF offset on swap transactions.
- (v) The PIS and COFINS administrative demands are substantially related to the disallowance of PIS and COFINS credits by the non-cumulative system related to the following items: a) credits posted extemporaneously without prior rectification of tax returns; b) credits on expenses resulting from mutual traffic contracts; c) credits related to expenses with services classified as inputs in the activity carried out by the company that supposedly were not proven during the Inspection; d) credits on employee transportation expenses; e) credits related to expenses with electricity; f) credits on expenses with machine leasing and rentals that were not proven during the Inspection; g) credits on expenses in the acquisition of machines, equipment and other assets incorporated to the company's fixed assets and h) isolated fine corresponding to 50% of the value of the credits;

## Notes to financial statements

***(In thousands of Brazilian Reals - R\$, unless otherwise stated)***

- (vi) Tax assessment notice drawn up to demand differences in IRPJ, CSL, PIS and COFINS, related to calendar years from 2005 to 2008, as a result of the following violations: a) undue calculation of PIS and COFINS credits on inputs used in the repair of locomotives; b) undue deduction from taxable income and CSL calculation base of financial expenses arising from loans entered into with financial institutions abroad; c) undue exclusion from taxable income and from CSL's calculation base of financial income arising from bonds issued by the government of Austria and by the government of Spain, the latter through the Instituto de Crédito Oficial ("ICO"), a company public to it bound; d) error in accounting and undue exclusion in taxable income and in the CSL calculation base of gains earned in swap operations and non-taxation of financial income earned with such contracts by PIS and COFINS; e) undue exclusion from the taxable income and the CSL calculation base realized as PIS and COFINS credits; f) undue exclusion from taxable income and from the calculation basis of the CSL realized as deferred CSL; and g) insufficient payment of prepayments of IRPJ and CSL, which led to the application of the ex officio fine in the percentage of 50%, concomitantly with the ex officio fines of 75%. In 2019, we were definitively successful with regard to the entirety of infractions "a", "b", "d", "e" and "f", as well as part of infraction "c", to recognize the possibility of exclusion the taxable income and the basis for calculating the CSLL of the revenues arising from the Austrian public debt securities acquired on July 24, 2006 and, as a consequence, of part of infraction "g", to the extent of the partial cancellation of item "c" . Adjusted contingency regarding final success. The remainder of item "g" remains under administrative discussion. The discussion on the remainder of item "c" ended at the administrative level with follow-up at the judicial level.
- (vii) The Federal Revenue partially rejected requests for the installment payment of federal tax debts made by Rumo Malha Sul and Rumo Intermodal, on the grounds that the tax losses offered by the companies were not sufficient to settle the respective debts. The probability of loss is considered as possible, since the indicated losses existed and were available for that use.
- (viii) Infraction notices issued against the Company for the collection of social security contribution (20% of the amount paid) of amounts referring to the Stock Option Plan granted to employees, managers and third parties. The main basis for the assessment is the alleged remunerative nature.
- (ix) The IOF demands are substantially related to the following items a) The Federal Tax Authorities intend to enforce the IOF levy on current accounts held by the parent company for the affiliates/subsidiaries (most substantial part of the assessment). In the understanding of the tax authorities, the use of an accounting item such as advances on expenses to related companies, without a formal loan agreement, characterizes the existence of a current account, and the IOF due must be determined according to the rules specific to revolving credit operations. The notices of infraction are still being questioned at the administrative level, and b) Notice of Infraction drawn up by the Federal Tax Authorities against Rumo Malha Norte for alleged lack of payment of IOF in the period of 2017 and 2018, related to the collection in alleged financial transactions between the group companies, essentially on remittance of amounts resulting from mutual traffic between Malha Norte and Malha Paulista, contracts with Raízen and other amounts listed in other accounting accounts.



**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

- **Civil, regulatory and environmental:**

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Civil (i) (ii) (vi) (viii)	274,545	348,295	1,570,467	1,858,966
Regulatory (iii) (iv)	358,748	317,104	1,577,446	1,441,298
Environmental (v) (vii)	57,167	894	1,197,393	1,013,619
	<b>690,460</b>	<b>666,293</b>	<b>4,345,306</b>	<b>4,313,883</b>

The main environmental and regulatory civil contingencies are related to Public Civil Actions, commercial discussions with former clients, indemnities related to alleged damages, assessments by environmental and regulatory bodies. About large demands, the main cases are as follows:

- (i) Rumo Malha Sul is a party to the execution of a conduct adjustment agreement signed with the Federal Public Ministry, in which the latter alleges that Rumo would not be transporting cargo in the region of Presidente Prudente and, because of this, requested the carrying out of of executing a daily fine, as well as increasing the value of the fine. Rumo, in turn, filed a declaratory action to give the correct interpretation to the TAC, since its commitment was to try to obtain cargo in sufficient volume to carry out transportation. Periodically, the Company holds seminars in the region, but so far it has not been able to attract anyone interested in providing services. The demands are in the first instance, awaiting a court decision. There was a request to suspend the demand to attempt an agreement and, in parallel, Malha Sul, União and ANTT signed an agreement with a view to adapting the criteria used to determine the value for return of the section. The total contingency of the case is R\$130,239, with 50% of the amounts provisioned and the remainder classified as possible.
- (ii) In November 2021, CADE, in the judgment of the administrative proceeding initiated based on the representation of a former client, among other points, condemned the Company to pay a fine in the updated value of R\$ 339,811, a decision that was maintained in the judgment of the declaration embargoes. The establishment of such a value contradicts CADE's own precedents, whether in relation to the calculation basis or in relation to the rate used, which is why the Company filed an action to annul such decision, which is currently under appeal. Based on the technical analysis of its external legal team, the Company assesses the risk of losing a portion in the amount of R\$31,262 (for which it recorded a provision) as probable and classifies the difference as a possible contingency.



## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

- (iii) Rumo Malha Sul was fined, in 2014, by IBAMA for alleged oil spills in violation of regulations. An administrative appeal was filed, and a decision has been awaited at the administrative level since 2015. The amount involved is R\$176,867.
- (iv) Malha Paulista is party to a compensation action, filed by the former Rede Ferroviária Federal S/A (RFFSA), succeeded by the Union, due to the deactivation of the railway's electric traction system, the value of the claims totaling R\$ 356,284, for which there is no provision. In February 2023, a judgment of unfoundedness was handed down. The Union's appeal is awaiting judgment.
- (v) Rumo Malha Paulista was fined, in 2013, by IBAMA (Brazilian Institute of the Environment and Natural Resources) for alleged damage to water resources. There was a defense presentation. In September 2021, the Company requested recognition of intercurrent prescription. Analysis of the merits of the matter is awaited. The amount involved is R\$ 221,256.
- (vi) Rumo Malha Paulista is a defendant, together with the Municipality of Jales and others, in a public civil action, in which the MPF alleges a lack of level crossing structure throughout the municipalities in the Jales subsection, as well as the indiscriminate use of horns. The estimated risk is R\$ 137,210.
- (vii) Rumo Malha Sul was fined, in 2014, by IBAMA for alleged oil spills in violation of regulations. An administrative appeal was filed and a decision has been awaited at the administrative level since 2015. The amount involved is R\$ 106,120.

- **Labor:**

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Labor claims	103,766	100,177	741,712	713,213
	<b>103,766</b>	<b>100,177</b>	<b>741,712</b>	<b>713,213</b>

## Notes to financial statements

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

In 2010, Prumo Engenharia Ltda. ("Prumo Engenharia"), a service provider for the then ALL – América Latina Logística SA ("ALL"), was accused of incurring in irregular labor practices while performing engineering services for the Company's subsidiary, currently Rumo Malha Paulista. Although Prumo Engenharia assumed full responsibility for the condition of the workers in question, Rumo Malha Paulista was improperly included, in the Company's view, in the Ministry of Labor's register of employers, and a preliminary injunction was granted determining the exclusion of said register until the final and unappealable decision of the judicial process, which is processed in secrecy of justice. Rumo entered into an agreement with the Attorney General's Office (AGU) whereby it committed to pay R\$ 3,000 to the Workers' Support Fund (FAT); in addition to creating a continuous monitoring program in human and labor rights for two years, to comply with labor obligations, as well as promoting two social programs, in addition to sponsoring the training of workers in a state of vulnerability and, finally, paying individual indemnities in the value of R\$ 510. The agreement was signed by the 83rd Labor Court of São Paulo and after ratification, the Public Ministry of Labor filed an appeal seeking to annul said agreement. The appeal is currently pending judgment. If Rumo does not comply with the agreement mentioned above, the Company may be included in the Ministry of Labor's register of employers. We estimate that the risk of losing the case (annulment of the agreement) is remote.

The Public Ministry of Labor also filed a public civil action (ACP) against Malha Paulista, without the inclusion of Prumo in the dispute, requesting the payment of compensation for collective moral damages in the amount of R\$ 100,000 (among other commitments), judged partially upheld condemning the Company with obligations to do and not to do, as well as collective moral damages of R\$ 15,000. In addition to demonstrating that the Company did not participate in the practice of irregularities, the Company understands that the action should be filed against Prumo, which is discussed on appeal. The risk of loss is considered possible and the case is awaiting decision by the Superior Labor Court. Rumo entered into an agreement with the Public Ministry of Labor, in which it assumed the fulfillment of various obligations related to working conditions, as well as paid compensation in the amount of R\$ 20,000, destined to various social entities. The agreement was judicially approved by the Superior Labor Court. After approval, the Federal Attorney's Office filed an appeal questioning, only and solely, the allocation of the indemnity, since, in the view of the Federal Attorney's Office, the indemnity should be allocated to the FAT. The appeal awaits judgment. Any granting of the appeal will not impact Rumo. We assess the risk of provision as remote.

**5.16 Liabilities, provisions and commitments to the Granting Authority**

The Company, through its subsidiaries, is a party to sub-concession and lease agreements with the Government. The main liabilities and provisions generated by the contracts are:

**a) Installment of leases and concessions under litigation****Accounting policy:**

The Company records in this account the balance of the lease installments involved in disputes with the granting authority. The initial registration occurs at the amount of the installment at maturity, by transferring the “Liabilities for leases” account. Subsequently, the values are corrected by Selic.

In this account, balances paid in installments with the Granting Authority are also maintained. The initial registration takes place at the amount that was leftover from the resolution of the dispute. The amounts are corrected by Selic until payment.

Balances payable as a concession for concession rights (“Concessions and grants”) are also recorded in this account, initially recorded as a contra entry to intangible assets (Note 5.12.3). Subsequent measurement occurs at the effective rate.

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Court discussion:</b>		
Rumo Malha Oeste S.A.	2,206,945	1,957,149
	<b>2,206,945</b>	<b>1,957,149</b>
<b>Railroad concession:</b>		
Rumo Malha Paulista S.A.	1,067,256	1,138,076
	<b>1,067,256</b>	<b>1,138,076</b>
<b>Payables and grants:</b>		
Rumo Malha Sul S.A.	76,191	81,112
Rumo Malha Paulista S.A.	190,282	156,497
Rumo Malha Central S.A.	24,699	18,576
	<b>291,172</b>	<b>256,185</b>
<b>Total</b>	<b>3,565,373</b>	<b>3,351,410</b>
<b>Current</b>	<b>250,971</b>	<b>256,759</b>
<b>Non-current</b>	<b>3,314,402</b>	<b>3,094,651</b>
	<b>3,565,373</b>	<b>3,351,410</b>

**Lease and concession under litigation:**

On July 21, 2020, the Company filed with the National Land Transport Agency (ANTT), a request to join a third-party re-bidding process for the purpose of the Concession Agreement entered into between Malha Oeste and the Federal Government, through the Ministry of Transport ("Re-bidding Process"), pursuant to Law No. 13,448 of June 5, 2017 and regulated by Decree No. 9,957 of August 7, 2019. An amendment to the concession agreement was entered into and, due to this process, the parties' joint decision to suspend the economic and financial rebalancing action filed by Malha Oeste against the Federal Government, which had a decision of origin in the lower court and was awaiting judgment of appeal before the Federal Regional Court.

Judicial deposits related to the aforementioned lawsuits total:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Rumo Malha Oeste S.A.	26,064	24,125
	<b>26,064</b>	<b>24,125</b>

**Leases and grants under IFRS16 (Note 5.6)**

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Leases:</b>		
Rumo Malha Sul S.A.	452,701	542,996
Rumo Malha Paulista S.A.	422,173	539,900
Rumo Malha Oeste S.A.	131,038	185,324
Rumo Serviços Logísticos Ltda.	-	11,658
	<b>1,005,912</b>	<b>1,279,878</b>
<b>Grants:</b>		
Rumo Malha Paulista S.A. (renewal)	919,011	732,727
Malha Central S.A.	940,455	792,374
	<b>1,859,466</b>	<b>1,525,101</b>
<b>Total</b>	<b>2,865,378</b>	<b>2,804,979</b>
<b>Current</b>	358,464	350,719
<b>Non-current</b>	2,506,914	2,454,260
	<b>2,865,378</b>	<b>2,804,979</b>

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

**b) Investment commitments**

The sub-concession contracts to which the Company, through its subsidiaries, is a party, often include commitments to execute investments with certain characteristics during the term of the contract. We can highlight:

The renewal addendum to the concession of Malha Paulista, which foresees the execution long with the concession of a set of investment projects to increase capacity and reduce urban conflicts, estimated by the agency at R\$ 6,100,000 (value updated until December 2017). Of this amount, around R\$ 3,000,000 comprise the obligations, whose physical execution was 26.99% until the balance sheet date.

The Malha Central sub-concession contract provides for investments with a fixed term (one to three years from the signing of the contract), estimated by ANTT at R\$ 645,573. As of December 31, 2023, the physical execution of the obligation book projects was 96.41%.

The Company disposed of the controlling interest in Elevações Portuárias, as a result of which the commitments related to its concession agreement are no longer part of the Company's consolidated statement.

**5.17 Shareholders' equity**

**a) Share capital**

**Accounting policy:**

Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity. Income tax related to transaction costs of an equity transaction is accounted for in accordance with the policy described in Note 5.14 - Income tax and social contribution.

The subscribed and fully paid-in capital on December 31, 2023, R\$ 12,560,952 (R\$ 12,547,842 as of December 31, 2022) and is represented by 1,854,868,949 (1,854,158,791 as of December 31, 2022) nominative, book-entry common shares with no value nominal.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

As of December 31, 2023, the Company's capital stock consists of the following:

	<b>Ordinary shares</b>	
	<b>Quantity</b>	<b>%</b>
<b>Shareholders</b>		
Cosan S.A.	562,529,490	30.33%
Julia Arduini	71,005,654	3.83%
Board of Directors	67,540	0.00%
Tresuary	5,365,279	0.29%
Free Float	1,215,900,986	65.55%
<b>Total of Outstanding Shares</b>	<b>1,854,868,949</b>	<b>100.00%</b>

**b) Reservations**

The movement for the year consists of the transactions with shareholders highlighted below:

- Increase of R\$ 37,827 in transactions with payment based on shares (R\$35,852 on December 31, 2022).
- R\$ 26,128 decrease for the options on exercised shares (18,566 as of December 31, 2022);
- Constitution of a legal reserve in the amount of R\$35,983 (R\$25,747 on December 31, 2022). The reserve is made up of 5% of net profit up to a limit of 20% of share capital, in accordance with Law 6,404/76;
- Constitution of profit reserves of R\$512,763 (R\$366,895 on December 31, 2022), intended to reinforce working capital and finance maintenance and expansion, as per statutory provision, up to the limit of subscribed share capital.

**c) Treasury shares**

On December 31, 2023, the Company had 5,365,279 treasury shares (1,780,457 on December 31, 2022), whose market price was R\$ 22.95 (R\$ 18.61 on December 31, 2022).

**d) Dividends**

On December 31, 2023, the Company allocated minimum mandatory dividends in the amount of R\$ 170,920, as shown below:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Result for the period</b>	719.666	514.940
Legal reserve	(35.983)	(25.747)
Calculation basis for mandatory minimum dividends	<u>683.683</u>	<u>489.193</u>
Mandatory minimum dividends	(170.920)	(122.298)

**6 Detailed information on income statement****6.1 Net operating revenue****Accounting policies****i. Service revenue**

Revenues from the provision of services are recognized when the Company transfers to the counterpart the significant risks and benefits inherent to the provision of services, when it is probable that the economic benefits associated with the transaction will flow to the Company, as well as when its related value and incurred costs can be reliably measured.

Service prices are fixed based on service orders or contracts. The Company's revenue basically consists of rail freight, road freight, container transport services and, which is why the above criteria are normally met insofar as the logistical service is provided.

**ii. Deferred revenue**

The Company has deferred revenue received from customers in order to invest in permanent assets in exchange for a rail transportation service contract, requiring future performance of services by the Company.



## Notes to financial statements

**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

The Company's activities are subject to the natural seasonality of agricultural commodities. The export of the soybean harvest, for the most part, occurs between the months of January and August, while the transport of the corn harvest (intended mainly for export) is concentrated between the months of May and December. These fluctuations have a significant impact on the demand for transporting these commodities. For this reason, the Company normally has a higher volume transported in the second and third quarters of each year, and a lower volume transported in the off-season, that is, in the first and fourth quarters of each year.

The following is a breakdown of the Company's revenue, with gross revenue from sales and services and deductions from sales (rebates and taxes), as required for Brazilian companies by law no. 6,404/76, section V, Art. .187:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Gross revenue from sales of services	1,077,661	1,048,879	11,554,447	10,449,453
Taxes and deductions on sales of services	(64,215)	(64,282)	(616,731)	(607,945)
<b>Net revenue</b>	<b>1,013,446</b>	<b>984,597</b>	<b>10,937,716</b>	<b>9,841,508</b>

The Company provides services in the Brazilian domestic market, to private entities. The agreements with customers establish substantially fixed prices per transported or elevated ton. The services provided by the Company have a very short period of execution, with the revenue earned and recorded as the services are performed. Regarding the nature of the services provided, net revenue has the following composition:

### Breakdown of net revenue by service:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cargo transportation	1,013,446	984,597	10,632,023	9,182,540
Cargo elevation and transshipment	-	-	17,411	415,100
Right of passage	-	-	225,528	198,289
Other	-	-	62,754	45,579
<b>Net revenue</b>	<b>1,013,446</b>	<b>984,597</b>	<b>10,937,716</b>	<b>9,841,508</b>

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

### 6.2 Costs and expenses by nature

Expenses are presented in the income statement by function. The reconciliation of expenses by nature / purpose is as follows:

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Material for use and consumption	(269)	(1,444)	(226,592)	(188,664)
Employee benefit expense	(48,898)	(14,139)	(1,303,682)	(1,192,904)
Depreciation and amortization	(107,164)	(105,089)	(2,175,834)	(1,966,945)
Third-party services expense	(26,195)	(10,347)	(482,530)	(460,315)
Transportation and elevation expenses	(668,437)	(680,054)	(2,755,935)	(3,074,624)
Other expenses	(4,391)	(14,782)	(494,489)	(310,889)
	<b>(855,354)</b>	<b>(825,855)</b>	<b>(7,439,062)</b>	<b>(7,194,341)</b>
<b>Cost of services provided</b>	<b>(812,124)</b>	<b>(803,005)</b>	<b>(6,838,432)</b>	<b>(6,695,148)</b>
<b>Selling expenses</b>	<b>(837)</b>	<b>416</b>	<b>(40,657)</b>	<b>(30,619)</b>
<b>General and administrative expenses</b>	<b>(42,393)</b>	<b>(23,266)</b>	<b>(559,973)</b>	<b>(468,574)</b>
	<b>(855,354)</b>	<b>(825,855)</b>	<b>(7,439,062)</b>	<b>(7,194,341)</b>

### 6.3 Other operating income (expenses), net

	Parent Company		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net effect of judicial proceedings	(17,993)	(21,387)	(158,433)	(238,703)
Rental and leases revenue	2,876	21,479	2,876	479
Result on sale of scrap	-	-	40,415	52,245
Result on disposals of fixed assets and intangible assets	6,051	(990)	(18,729)	(1,906)
Extemporaneous tax credit	(26)	(910)	33,384	97,765
Gains on disposal of equity interest <sup>(i)</sup>	-	955,584	-	955,584
Settlement of disputes in the renewal process and grant review <sup>(ii)</sup>	-	-	-	(90,022)
Result in closing the legal dispute <sup>(iii)</sup>	-	(396,818)	-	(396,818)
Reform of assets allocated to income <sup>(iv)</sup>	-	-	(29,688)	(32,924)
Other	12,827	(7,335)	29,395	2,843
	<b>3,735</b>	<b>549,623</b>	<b>(100,780)</b>	<b>348,543</b>

(i) In the year ended December 31, 2022, gain from the sale of equity interest (and control) in Elevações Portuárias S.A. (note 4.8.3).

(ii) In the year ended December 31, 2022, there was a supplement to the grant resulting from the annual revisions of the sub-concession agreements (note 4.8.2).

(iii) In the year ended December 31, 2022, effect of the conclusion of the legal agreement with the company Farovia S.A. (note 4.8.4).

(iv) Cost of asset renovations recognized directly in profit or loss by subsidiary with provision for impairment of assets.

#### **6.4 Financial results**

##### **Accounting policy:**

Financial income includes interest income on invested funds, dividends, gains on the fair value of financial assets measured at fair value through profit or loss, gains on hedge instruments that are recognized in the result and reclassifications of net gains previously recognized in other comprehensive income. Interest income is recognized as it is recognized in the income statement, using the effective interest rate method.

Financial expenses include interest expense on loans, settlement of the discount of provisions and deferral, losses on the disposal of financial assets available for sale, losses on the fair value of financial assets at fair value through profit or loss, impairment losses recognized financial assets (other than accounts receivable), losses on hedge instruments that are recognized in the income statement and reclassifications of net losses previously recognized in other comprehensive income.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

Exchange gains and losses on financial assets and financial liabilities are reported on a net basis as financial income or financial cost, depending on whether net foreign currency fluctuations result in a gain or loss position.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

The details of financial income and costs are as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Cost of gross debt</b>				
Interest and monetary variation	(902,819)	(597,535)	(2,302,893)	(1,592,595)
Net exchange rate changes on debts	-	7,356	371,659	378,229
Result from derivatives and fair value	161,920	(86,757)	(493,233)	(906,422)
Early settlement premium and funding	(17,393)	(59,613)	(43,905)	(179,811)
Guarantees and warranties on loans	(949)	(1,562)	(24,159)	(26,287)
	<b>(759,241)</b>	<b>(738,111)</b>	<b>(2,492,531)</b>	<b>(2,326,886)</b>
<b>Cash investment income</b>	310,352	151,981	1,022,615	918,230
	<b>310,352</b>	<b>151,981</b>	<b>1,022,615</b>	<b>918,230</b>
	-	-	-	-
<b>Cost of debt, net</b>	<b>(448,889)</b>	<b>(586,130)</b>	<b>(1,469,916)</b>	<b>(1,408,656)</b>
<b>Other charges and monetary variations</b>	-	-	-	-
Interest on other receivables	30,885	142,824	168,070	190,390
Lease and concessions under litigation	-	-	(426,083)	(390,773)
Lease liabilities	(7,223)	(3,895)	(355,625)	(360,080)
Banking expenses and other	(4,988)	(21,633)	(39,010)	(47,826)
Interest on contingencies and commercial contracts	(20,507)	(33,100)	(318,519)	(240,280)
Foreign exchange e derivatives	2,972	2,677	(3,400)	(3,370)
Interest on other liabilities	37,473	(13,897)	(110,899)	(68,440)
	<b>38,612</b>	<b>72,976</b>	<b>(1,085,466)</b>	<b>(920,379)</b>
<b>Finance result, net</b>	<b>(410,277)</b>	<b>(513,154)</b>	<b>(2,555,382)</b>	<b>(2,329,035)</b>
<b>Reconciliation</b>				
Financial expenses	(916,406)	(731,235)	(3,621,093)	(2,906,092)
Financial income	341,237	294,805	1,190,685	1,108,620
Exchange variation	2,972	10,033	368,259	374,859
Derivatives	161,920	(86,757)	(493,233)	(906,422)
<b>Finance result, net</b>	<b>(410,277)</b>	<b>(513,154)</b>	<b>(2,555,382)</b>	<b>(2,329,035)</b>

## **6.5 Share-based payment**

### **Accounting policy:**

The fair value of share-based payment benefits on the grant date is recognized, as personnel expenses, with a corresponding increase in shareholders' equity, for the period in which employees unconditionally acquire the right to benefits.

The amount recognized as an expense is adjusted to reflect the number of shares for which it is expected that the service conditions and acquisition conditions (which are not market) will be met, in such a way that the amount finally recognized as an expense is based on the number of shares that actually meet the conditions of the service and non-market acquisition conditions on the date on which the payment rights are acquired (vesting date).

For non-vested share-based payment benefits, the fair value on the share-based payment grant date is measured to reflect such conditions and there is no change to differences between expected and actual benefits.

### **a) Description of the agreements**

The Company has a Share-Based Compensation Plan, providing for the distribution of shares issued by the Company to executives and managers of the Company and its subsidiaries, through the "Stock Plan" or the "Option Plan".

The compensation plan provides for the distribution of up to 3% of the Company's capital stock on the plan approval date (3% of the capital as of December 31, 2022), already considering the dilution effect of the distribution of shares granted under the plan. The plan aims to: (i) attract, retain and motivate beneficiaries; (ii) generate value for shareholders; (iii) encourage the entrepreneurial vision of the business; and (iv) encourage the execution of the Company's expansion plan.

The programs (shares/options) are managed by the Company's Board of Directors, or, at its discretion, by a Committee, within the limits established in the guidelines for the preparation and structuring of each program and in the applicable legislation.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

It is up to the Board to determine the beneficiaries and the number of shares/options to be granted in the Share-Based Compensation Plan, shares that will be transferred upon payment of the exercise price (R\$ 0.01), once the grace period has been completed. stipulated under the terms of each Share Grant Program, the amount being adjusted by the number proportional to the dividends paid in the period. The Black-Scholes methodology is used to determine the fair value of the options delivered.

The programs plans granted by the Company as of December 31, 2023 can be grouped according to terms and conditions into:

Programs prior to 2020: Option plans, without lock-up, with delivery of shares at the end of the five-year grace period, conditioned only to the maintenance of the employment relationship (service condition).

Special Program 2021: Stock option plan, without lock-up, with annual delivery of shares during the five-year grace period, conditioned i) part of the shares to the maintenance of the employment relationship (service condition) and ii) part to the achievement of each one of the metrics that make up the performance goals (performance conditions).

Invest program 2021, 2022 and 2023: Option program, without lock-up, with delivery of shares at the end of the three-year grace period, conditioned i) part of the options to the maintenance of the employment relationship (service condition) and ii) part to the achievement of each one of the metrics that make up the performance goals (performance conditions), and the amount of performance options granted may vary between 0% and 200% depending on the performance.

Special Program 2022: Options program, without lock-up, with delivery fully conditioned to the achievement of targets related to structuring projects concluded in the year 2022 (performance conditions).

The following parameters were used in the valuation of share-based payment plans in effect at the balance sheet date:

## Notes to financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Stock Options Plans	Lack period (years)	Grant date	Interest rate	Volatility	Granted shares	Exercised / cancelled	Effective on December 31, 2020	Market price on grant date - R\$	Fair value on grant date - R\$
2018 Plan	5	August 1, 2018	10.93%	31.97%	1,149,544	(1,149,544)	-	13.94	13.94
2019 Plan	5	August 15, 2019	6.28%	27.46%	843,152	(267,977)	575,175	22.18	22.17
2020 Plan	5	November 11, 2020	6.94%	41.03%	776,142	(249,747)	526,395	20.02	20.01
2021 Special	5	May 05, 2021	7.65%	26.06%	1,481,000	(977,523)	503,477	20.85	20.84
2021 Plan	3	September 15, 2021	10.01%	26.51%	1,560,393	(191,959)	1,368,434	18.20	18.19
2022 Plan	3	September 1, 2022	11.53%	27.70%	1,781,640	(53,959)	1,727,681	20.37	20.36
2022 Special	-	September 1, 2022	11.53%	27.70%	146,909	(146,909)	-	20.37	20.36
2023 Plan	3	September 6, 2023	10.41%	25.84%	1,724,867	-	1,724,867	21.87	21.86
					<b>9,463,647</b>	<b>(3,037,618)</b>	<b>6,426,029</b>		

### b) Reconciliation of shares granted in circulation

The movement in the number of open options and their related weighted average exercise prices are as follows:

	Antiga ALL		Rumo S.A.
	Number of options	Average exercise price	Number of shares <sup>(i)</sup>
<b>At January 1, 2022</b>	<b>44,492</b>	<b>74.99</b>	<b>5,431,823</b>
Granted	-	-	1,928,549
Lost / cancelled	-	-	(748,072)
Exercised / delivered	(44,492)	74.99	(367,804)
<b>At December 31, 2022</b>	<b>-</b>	<b>74.99</b>	<b>6,244,496</b>
Granted	-	-	1,724,867
Exercised / delivered	-	-	(1,346,323)
Lost / cancelled	-	-	(197,011)
<b>At December 31, 2023</b>	<b>-</b>	<b>-</b>	<b>6,426,029</b>

(i) The average exercise price is R\$ 0.01 (one cent) for programs granted by the Company.

### c) Expense recognized in profit or loss

In the year ended December 31, 2023, R\$ 38,597 was recognized as expenses related to the appropriation of the "Stock Options" programs (R\$ 36,448 on December 31, 2022).



## 6.6 Earnings per share

### Accounting policy:

#### a) Basic earnings per share

Basic earnings per share are calculated by dividing:

- i. the profit attributable to the owners of the Company, excluding any equity service costs other than common shares; and
- ii. by the weighted average number of common shares outstanding during the year, adjusted by the bonus elements in common shares issued during the year and excluding treasury shares if any.

#### b) Diluted earnings per share

Diluted earnings per share adjust the amounts used in determining basic earnings per share to take into account:

- i. the after-tax effect on interest income and other financing costs associated with potential diluting common shares; and
- ii. the weighted average number of additional common shares that would be outstanding, assuming the conversion of all potential diluting common shares.

Basic earnings per share are calculated by dividing net earnings by the weighted average number of common shares outstanding during the year. Diluted earnings per share are calculated by adjusting earnings and the number of shares by the impacts of potentially dilutive instruments.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

The following table shows the calculation of earnings per share (in thousands, except per share) for the years ended December 31, 2023 and 2022:

**Basic and diluted**

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Basic and diluted result for the year attributable to controlling	<b>719,666</b>	<b>514,940</b>
<b>Denominator:</b>		
Weighted average number of common share	1,852,294	1,852,890
<b>Diluted effects:</b>		
Dilutive effect - Stock option plan	4,757	5,115
Weighted average number of common share - diluted	1,857,051	1,857,395
<b>Basic earnings per common share</b>	<b>R\$0.38853</b>	<b>R\$0.27800</b>
Diluted earnings per common share	<b>R\$0.38753</b>	<b>R\$0.27724</b>

## EARNINGS RELEASE 4Q23

Curitiba, March 27<sup>th</sup>, 2024 – RUMO S.A. (B3: RAIL3) (“Rumo”) announces today its results for the fourth quarter of 2023 (4Q23). The results are presented on a consolidated basis, in accordance with Brazilian and international accounting rules (IFRS). The comparisons made in this report consider 4Q23 and 4Q22, except when otherwise indicated.

### Rumo 4Q23 and 2023 Highlights

- Transported volume of 19.6 billion RTK in 4Q23 and 77.3 billion RTK in 2023, up by 9% and 3%, respectively.
- Positive competitiveness in railway mode driving higher yields, with 11% growth in the quarter and 14% growth in the year, despite the fuel price drop in both periods.
- EBITDA totaled R\$1,207 million in the quarter and R\$5,650 million this year, a 42% and 31% growth on a like-for-like basis<sup>1</sup>, respectively.
- Net income of R\$1 million in 4Q23 and R\$722 million in 2023, mainly driven by improved operational results in the period.
- Financial leverage was 1.8x net debt/EBITDA LTM, below the 2.0x recorded at the end of the previous year.
- Capex totaled R\$1,221 million in the quarter and R\$3,737 million in 2023.

4Q23	4Q22	Chg.%	Summary of financial information (Amounts in BRL mln)	2023	2022	Chg.%
19,585	17,943	9.2%	<b>Total transported volume (millions RTK)</b>	77,258	74,944	3.1%
1,195	1,211	-1.3%	<b>Logistics solution volume (millions of TU)</b>	4,857	5,456	-11.0%
2,616	2,220	17.8%	<b>Net operating revenue</b>	10,938	9,842	11.1%
(1,806)	(1,635)	10.5%	Cost of goods sold	(6,839)	(6,695)	2.2%
810	585	38.5%	<b>Gross profit</b>	4,099	3,146	30.3%
31.0%	26.4%	17.4%	<i>Gross margin (%)</i>	37.5%	32.0%	17.2%
(188)	(152)	23.7%	Sales, general and administrative expenses	(601)	(499)	20.4%
(9)	442	>100%	Other op. revenues (expenses)	(101)	349	>100%
21	14	50.0%	Equity pick-up	77	40	92.5%
634	889	-28.7%	<b>Operational profit</b>	3,474	3,036	14.4%
573	485	18.1%	Depreciation and amortization	2,176	1,967	10.6%
1,207	1,374	-12.2%	<b>EBITDA</b>	5,650	5,003	12.9%
46.1%	61.9%	-25.5%	<i>EBITDA margin (%)</i>	51.7%	50.8%	1.8%
-	(469)	-100.0%	Non-recurring adjustments <sup>1</sup>	-	(469)	-100.0%
1,207	905	33.4%	<b>Adjusted EBITDA<sup>2</sup></b>	5,650	4,534	24.6%
46.1%	40.8%	5.3 p.p.	<i>Adjusted EBITDA margin (%)</i>	51.7%	46.1%	5.6 p.p.
1	243	-99.6%	<b>Net profit</b>	722	514	40.5%
0.0%	10.9%	-99.7%	<i>Net margin (%)</i>	6.6%	5.2%	26.9%
1,221	740	65.0%	<b>Capex</b>	3,737	2,718	37.5%

#### Earnings Conference Call

March 28<sup>th</sup>, 2024  
 Portuguese\* - 9:00 a.m. (Brasília time)  
 \* With simultaneous translation to English

#### Investor Relations

E-mail: [ir@rumolog.com](mailto:ir@rumolog.com)  
 Website: [ri.rumolog.com](http://ri.rumolog.com)

<sup>1</sup> Rumo sold 80% of equity interest in Elevações Portuárias S.A. (Terminals T16 and T19 in Santos) in 4Q22. The result on a like-for-like basis considers a managerial adjustment in 4Q22 (R\$54 million) and 2022 (R\$233 million) referring to EBITDA exclusion from Elevações Portuárias and inclusion of equity income from investments (20% of net income).

<sup>2</sup> For better comparability, the result was adjusted by non-recurrent effects, specifically: (i) R\$ 955 million | capital gains in the divestment of 80% of EPSA; (ii) R\$ 437 million | non-recurring events, mainly the settlement of the legal dispute with the acquisition of Ferrovia; (iii) R\$ 49 million | management adjustment for improved comparability of results, consolidation of the results of EPSA from November 2023 and December 2023.

### Letter from CEO

---

In 2023, Brazil's logistics infrastructure was tested to the limit, amid a super-crop scenario with the all-time high grain production in the Mid-West region of the country. Our operation was challenged by external events, such as the higher occurrence of criminal incidents in the Baixada Santista region and the embankment leakage causing a standstill in the Paulista Network stretch for a week to rebuild the infrastructure below Monjolinho stream in the city of São Carlos. Events like these demanded a blunt response on our end, with a high level of engagement with public authorities, enhancing our team's resilience and coordination capacity.

We registered an all-time high transported volume, with 77 billion RTK, or a 3% growth. We have grown without compromising security, a non-negotiable value for Rumo. In 2023, our railway accident index plunged 27%, positioning Rumo below the average of the US and Canadian Class I railways, a benchmark in terms of security.

Given the solid demand for transportation in our key markets, the railway mode structural competitiveness has been boosted in the year, driving margin growth. Rumo's EBITDA advanced 31% to R\$5,650 million in 2023, on a like-for-like basis. Net income moved up 41% to R\$722 million.

Our investment thesis, where Brazil plays a leading role in ensuring global food safety, remains strong. We invested R\$3,737 million in 2023, with the following highlights in our strategic agenda: (i) we accelerated Rumo's expansion project in the state of Mato Grosso, approaching the core of agricultural production in the state, by advancing the licensing and land fronts, and mobilization of the 35-km railway infrastructure stretch; (ii) we have concluded the construction of Central Network, enhancing the geographic expansion of our business; (iii) at the Paulista Network, we obtained a favorable opinion from TCU (Federal Court of Accounts) on our proposal to restate the Investments Obligation in order to meet its functional objectives more effectively and more economically; (iv) at the Port of Santos, we carried out the operational transition of Portofer to FIPS, consolidating a new chapter with investments to increase efficiency, productivity, and capacity in the railway's access to major port terminals.

We remain committed to sustaining a balanced capital structure, ending 2023 with financial leverage of 1.8x, below the 2.0x ratio registered at the end of the previous year. We rely on a liquidity position that is consistent with our new cycle of investments, a competitive cost of debt, and access to various sources of debt and financing. Our indebtedness is mainly pegged to CDI (interbank deposit certificate); therefore, we take advantage of the interest rate downward trend.

We also evolved in strengthening of our organizational culture, with a robust and more diverse team. An important highlight was the progress to 26% of women holding leadership positions, a journey that is just beginning.

Our management practices were recognized by the capital markets, with Rumo's shares being selected to join the Dow Jones Sustainability™ World Index and the Dow Jones Sustainability™ Emerging Markets portfolios, as the first single Brazilian company in the logistics sector to join this select group. In addition, for the third consecutive year, our shares were selected to compose the ISE portfolio, B3's Corporate Sustainability Index.

We have important challenges for the coming years, with a focus on executing our capacity expansion projects and driving the railway mode benefits to increasingly higher volumes, offering safe, efficient, competitive, and low-carbon solutions, which will mean a vector of development for Brazil's agribusiness.

We thank all our employees, investors, customers, suppliers, and partners for their work, dedication, and support in building this journey. In 2024, under the helm of Pedro Palma, Rumo begins a new chapter of its history, with a focus on execution and an attentive eye on the communities around us, creating value in a shared way.

**Beto Abreu**

CEO

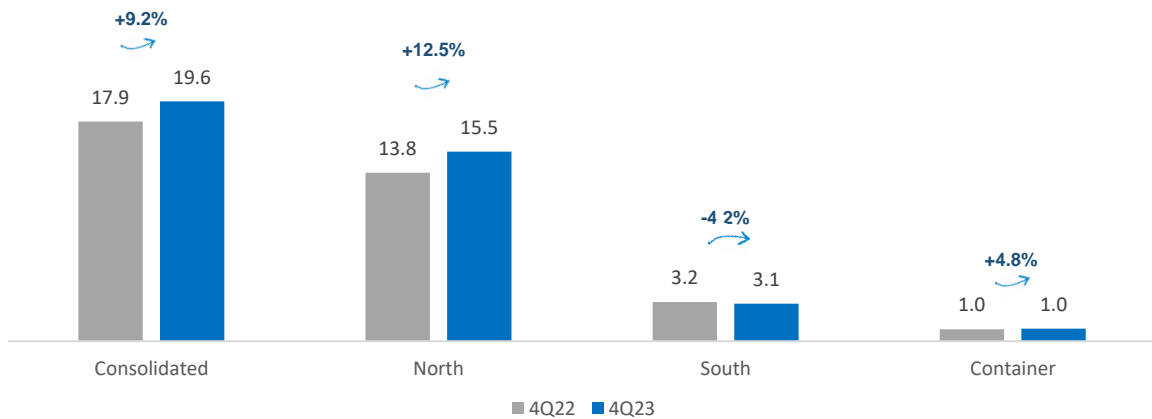
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

## 1. 4Q23 Executive Summary

In 4Q23, Rumo's transported volume reached 19.6 billion RTK, up 9% from 4Q22. In 2023, Rumo transported an all-time record volume of 77.3 billion RTK. This result derives from the favorable momentum for logistics service providers, with robust demand for the transportation of agricultural commodities. This performance also evidences the continued recovery throughout the year of safety and traffic conditions in the Baixada Santista (SP) region. In 4Q23, growth was bolstered by the grain portfolio, which improved 12%, and sugar, which expanded 22% in transported volumes. In 2023, the grain business improved by 4%, in addition to the 13% increase in sugar volume and the 7% increase in fertilizer transportation.

Volume – Consolidated and by Operation

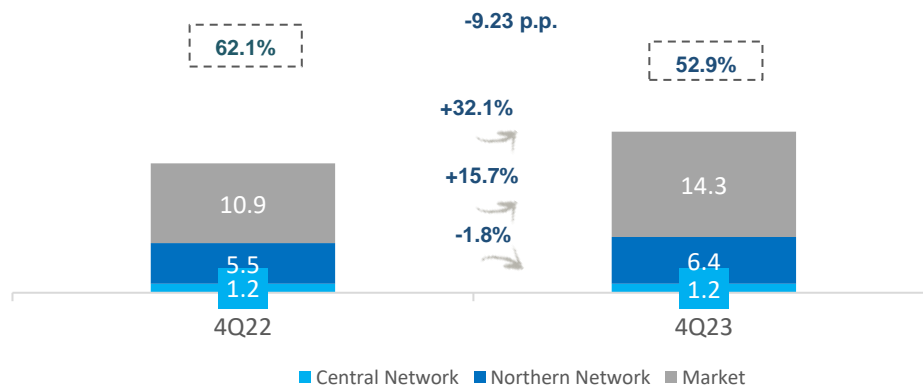
(Bln RTK)



Rumo's transported grain volume heading to the Port of Santos increased by 16%, while market figures grew 32%, resulting in a 53% grain export market share at the Port of Santos in 4Q23. The market share decline derives from the directing of surplus demand to road terminals and other railways with available idle capacity.

Grain Exports in Santos - SP

(Mm tons and %)



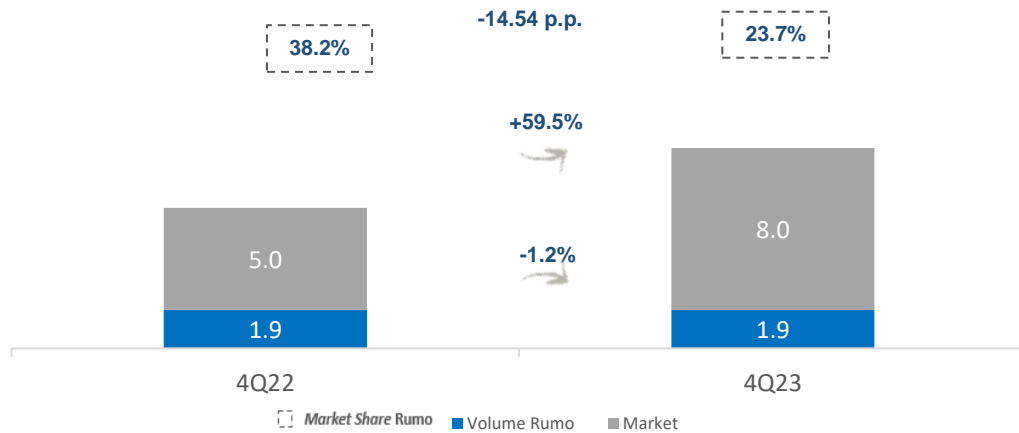
Source: Orion and Rumo System.



(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Grain Exports in Paranaguá – PR and São Francisco do Sul – SC

(Mm tons and %)



Source: Orion and Rumo.System.

**Net revenue totaled R\$2,616 million in 4Q23 and R\$10,938 million in 2023, up 18% and 11%, respectively.** This result was mainly fueled by higher yields in the period, driven by the structural competitiveness of the railway mode and stronger transported volume.

**EBITDA** totaled R\$1,207 million in 4Q23 and R\$5,650 million in 2023, with an EBITDA margin of 46% and 52%, respectively. On a like-for-like basis, considering the sale of terminals T16 and T19 in 4Q22, growth stood at 42% in 4Q23 and 31% in 2023. **Variable costs went up 2%**, below higher transported volumes due to the 6% fuel price drop. **Fixed costs and general and administrative expenses** surged 17% in the quarter, given the impact of nearly R\$35 million in expenditures to remedy public security events, as well as the collection and disposal of product waste, and ballast cleaning, on top of maintenance works and other fixed expenses.

**Net income** came to R\$1 million in 4Q23 and R\$722 million in 2023, a 41% year-on-year growth. It is worth noting that, in 4Q22, net income profited from one-off events, especially the capital gain on the EPSA divestment. Rumo ended 2023 with financial leverage at 1.8x Net Debt/Adjusted EBITDA, compared to the 2.0x ratio at the end of the previous year, and a comprehensive net debt of R\$10.2 billion.

Estimates for the 23/24 soybean crop indicate a production reduction of approximately 4% compared to the 22/23 crop, totaling about 152 million tons. We can observe a national production redistribution, with the Midwest reducing volumes and the South returning to normalcy.

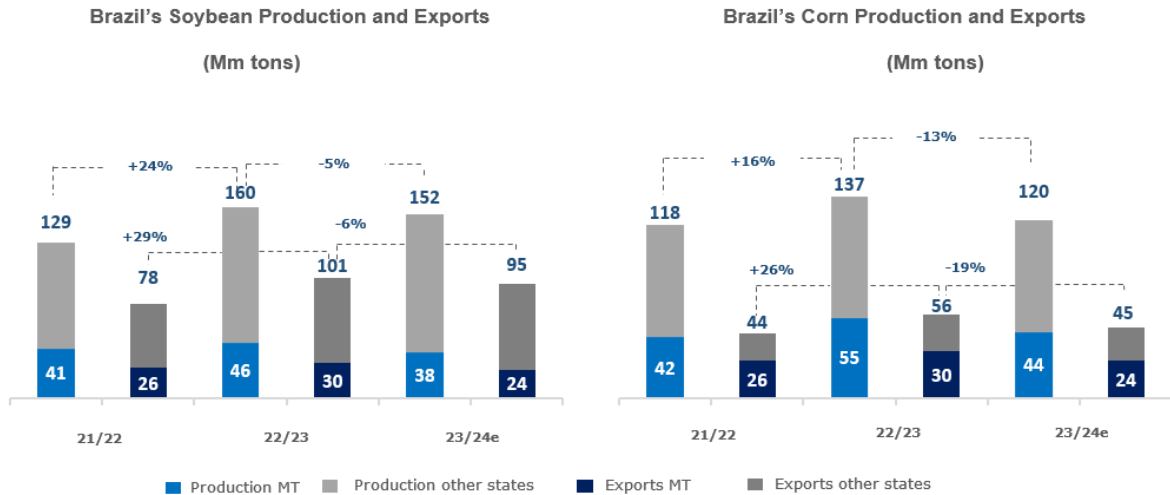
In Mato Grosso, **soybean** crop was negatively impacted due to climatic issues, which reduced the agricultural productivity of this crop. The production for the 23/24 harvest is estimated at 38 million tons, 8 million tons below the previous harvest. Exportation in the state is estimated at 24 million tons, a decrease of 5 million tons compared to the previous year.

Preliminary estimates for the 23/24 **corn** production signal a level of 120 million tons produced, a decrease of 18 million tons. Exports may reach 45 million tons, approximately 12 million tons below the previous year.

The 23/24 corn harvest in Mato Grosso is estimated at 44 million tons, approximately 11 million tons below the previous year. The estimated export for the state is 24 million tons, representing a retraction of 8 million tons, primarily due to the rebalancing of accumulated stocks at the end of the previous harvest.



(In thousands of Brazilian Reals - R\$, unless otherwise stated)



Source: IM Rumo / AG Rural / Veeries / Orion / Comex Stat/ IMEA | Note: (e) – estimate.

Rumo remains committed to sustainability and won remarkable recognition on various fronts of its **environmental, social, and governance (ESG)** agenda. Rumo is the first and single company in Brazil's logistics sector to compose the World and Emerging Markets portfolios of the Dow Jones Sustainability Index (DJSI), also it has been a member of the ISE portfolio for the third consecutive year. Additionally, Rumo contributes to sustainable development, receiving awards from ANTT in the categories of "Sustainable Development" and "Innovation."

Security management is a priority and a non-negotiable value for Rumo, and the highlight in 2023 was the 27% decline in the railway accident index, positioning the Company as a global benchmark, below the average of the US and Canadian Class I railways.

In the Baixada Santista region, Rumo is concluding a diagnosis of priority communities to set out new action plans, bolstering a long-term relationship.

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

## 2. Consolidated Operating and Financial Indicators

4Q23	4Q22	Chg.%	Summary of financial information (Amounts in BRL mln)	2023	2022	Chg.%
19,585	17,943	9.2%	<b>Total transported volume (millions RTK)</b>	77,258	74,944	3.1%
16,246	14,644	10.9%	<b>Agricultural products</b>	64,365	61,702	4.3%
512	176	>100%	Soybean	21,311	20,432	4.3%
2,597	2,250	15.4%	Soybean meal	10,496	10,020	4.8%
10,119	9,388	7.8%	Corn	22,202	21,665	2.5%
1,391	1,399	-0.6%	Sugar	4,720	4,188	12.7%
1,522	1,250	21.8%	Fertilizers	5,282	4,933	7.1%
105	181	-42.0%	Other	354	463	-23.5%
2,312	2,320	-0.3%	<b>Industrial products</b>	9,071	9,492	-4.4%
1,534	1,425	7.6%	Fuels	5,866	5,850	0.0%
778	895	-13.1%	Industrial	3,205	3,642	-12.0%
1,027	980	4.8%	<b>Containers</b>	3,822	3,751	1.9%
2,616	2,220	17.8%	<b>Net revenue</b>	10,938	9,842	11.1%
2,379	1,966	21.0%	Transportation	10,040	8,566	17.2%
-	44	-100.0%	Port loading	-	354	-100.0%
183	155	18.1%	Logistic solution <sup>1</sup>	661	662	-0.2%
54	54	0.0%	Other revenues <sup>2</sup>	237	260	-8.8%
1,207	1,374	-12.2%	<b>EBITDA</b>	5,650	5,003	12.9%
46.1%	61.9%	-15.8 p.p.	<i>EBITDA margin (%)</i>	51.7%	50.8%	0.9 p.p.
-	(469)	-100.0%	Non-recurring adjustments	-	(469)	-100.0%
1,207	905	33.4%	<b>Adjusted EBITDA</b>	5,650	4,534	24.6%
46.1%	40.8%	5.4 p.p.	<i>Adjusted EBITDA margin (%)</i>	51.7%	46.1%	5.6 p.p.

Note 1: Revenue from sugar transportation using other railways or road transportation.

Note 2: It includes revenue from the pass-through fee of other railways, and revenue from volumes contracted and not executed according to commercial agreements (take-or-pay), among others.

4Q23	4Q22	Chg.%	Yield by Operation	2023	2022	Chg.%
			<b>North Operation</b>			
114,6	102,5	11.8%	Yield (R\$/000 RTK)	124,2	109,0	13,9%
79.1%	76.7%	2.4 p.p.	% Volume	78.5%	78.6%	-0.1 p.p.
			<b>South Operation</b>			
144,4	132,7	8.8%	Yield (R\$/000 RTK)	153,9	137,8	11,7%
15.6%	17.8%	-2.2 p.p.	% Volume	16.6%	16.4%	0.2 p.p.
			<b>Container Operation</b>			
156,8	133,7	17.3%	Yield (R\$/000 RTK)	140,5	120,2	16,9%
5.2%	5.5%	-0.2 p.p.	% Volume	4.9%	5.0%	-0.1 p.p.
			<b>Consolidated</b>			
121,5	109,6	10.8%	Yield (R\$/000 RTK)	130,0	114,3	13,7%

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

### 3. Results by Business Unit

#### Business Units

The business units (reportable segments) are organized as follows:

- **North Operation** Northern Network, Paulista Network, Central Network
- **South Operation** Western Network and Southern Network
- **Container Operation** Container operations, including Brado Logística

Results by business unit 4Q23	North Operation	South Operation	Container Operation	Consolidated
Transported volume (million RTK)	15,497	3,061	1,027	19,585
Net operating revenue	1,997	451	168	2,616
Costs of services	(1,239)	(419)	(148)	(1,806)
<b>Gross profit</b>	<b>758</b>	<b>32</b>	<b>20</b>	<b>810</b>
Gross margin (%)	38.0%	7.1%	11.9%	31.0%
Sales, general and administrative expenses	(146)	(28)	(14)	(188)
Other operating revenue (expenses) & eq. pick-up	51	(44)	5	12
Depreciation and amortization	395	151	27	573
<b>EBITDA</b>	<b>1,058</b>	<b>111</b>	<b>38</b>	<b>1,207</b>
EBITDA margin (%)	53.0%	24.6%	22.6%	46.1%

Results by business unit 2023	North Operation	South Operation	Container Operation	Consolidated
Transported volume (million RTK)	60,647	12,789	3,822	77,258
Net operating revenue	8,346	2,033	559	10,938
Costs of services	(4,706)	(1,644)	(489)	(6,839)
<b>Gross profit</b>	<b>3,640</b>	<b>389</b>	<b>70</b>	<b>4,099</b>
Gross margin (%)	43.6%	19.1%	12.5%	37.5%
Sales, general and administrative expenses	(460)	(88)	(53)	(601)
Other operating revenue (expenses) & eq. pick-up	74	(104)	6	(24)
Depreciation and amortization	1,487	588	101	2,176
<b>EBITDA</b>	<b>4,741</b>	<b>785</b>	<b>124</b>	<b>5,650</b>
EBITDA margin (%)	56.8%	38.6%	22.2%	51.7%

## North Operation

4Q23	4Q22	Chg.%	Operational figures	2023	2022	Chg.%
15,497	13,770	12.5%	<b>Total transported volume (millions RTK)</b>	60,647	58,876	3.0%
13,718	12,208	12.4%	<b>Agricultural products – Northern, Paulista and Central Network</b>	54,196	52,529	3.2%
10	12	-16.7%	Soybean	17,351	17,839	-2.7%
2,409	2,099	14.8%	Soybean meal	9,705	9,296	4.4%
9,298	8,299	12.0%	Corn	20,186	19,132	5.5%
544	610	-10.8%	Sugar	1,917	1,732	10.7%
1,457	1,189	22.5%	Fertilizers	5,037	4,531	11.2%
1,779	1,561	14.0%	<b>Industrial products – Northern and Paulista Network</b>	6,451	6,347	1.6%
1,209	964	25.4%	Fuels	4,320	3,973	8.7%
570	598	-4.7%	Industrials	2,131	2,374	-10.2%
114.6	102.5	11.8%	<i>Average transportation yield</i>	124.2	109.0	13.9%
-	1,307	-100.0%	<b>Total volume loaded (TU '000)</b>	-	10,794	-100%
-	33.7	-100.0%	<i>Average loading yield (R\$/TU)</i>	-	32.8	-100%

The total volume transported in North Operation reached 15.5 billion RTK in 4Q23 and 60.6 billion RTK in 2023, a 13% and 3% growth, respectively. This result was mainly driven by higher soybean meal and corn volume that advanced 15% and 12%, respectively, and by the recovery of traffic conditions in the Baixada Santista (SP) region throughout the year, which reduced circulation efficiency of trains heading to the Port of Santos in 1Q23. Higher volumes of fertilizers and fuel also boosted the result, recording 23% and 25% growth, respectively.

4Q23	4Q22	Chg.%	Financial results (Amounts in BRL mln)	2023	2022	Chg.%
1,997	1,647	21.3%	<b>Net revenue</b>	8,346	7,635	9.3%
1,776	1,411	25.9%	Transportation	7,535	6,418	17.4%
183	155	18.1%	Logistic solution	661	662	-0.2%
-	44	-100.0%	Port loading <sup>3</sup>	-	354	-100.0%
38	36	5.6%	Other revenues <sup>4</sup>	150	201	-25.4%
(1,239)	(1,102)	12.4%	<b>Costs of services</b>	(4,706)	(4,615)	2.0%
(509)	(494)	3.0%	Variable costs	(2,059)	(2,325)	-11.4%
(336)	(286)	17.5%	Fixed costs	(1,166)	(973)	19.8%
(394)	(322)	22.4%	Depreciation and amortization	(1,481)	(1,317)	12.5%
758	545	39.1%	<b>Gross profit</b>	3,640	3,020	20.5%
38.0%	33.1%	14.8%	<i>Gross margin (%)</i>	43.6%	39.6%	9.0%
(146)	(117)	24.8%	Selling, general and administrative expenses	(460)	(375)	22.7%
51	493	-89.7%	Other op. revenue (expenses) and equity pick-up	74	481	-84.6%
395	325	21.5%	Depreciation and amortization	1,487	1,327	12.1%
1,058	1,245	-15.0%	<b>EBITDA</b>	4,741	4,453	6.5%
53.0%	75.6%	-29.9%	<i>EBITDA margin (%)</i>	56.8%	58.3%	-2.6%
-	(490)	-100.0%	Non-recurring adjustments	-	(490)	-100.0%
1,058	755	40.1%	<b>Adjusted EBITDA</b>	4,741	3,963	19.6%
53.0%	45.8%	15.7%	<i>Adjusted EBITDA margin (%)</i>	56.8%	51.9%	9.5%

Note 3: Rumo sold 80% equity interest in Elevações Portuárias S.A. (Terminals T16 and T19 in Santos) in 4Q22. The result on a like-for-like basis considers managerial adjustment in 4Q22 (R\$54 million) referring to EBITDA excluded from Elevações Portuárias and inclusion of equity income from investments (20% of net income for the period).

Note 4: It includes revenue from the pass-through fee of other railways and revenue from volumes contracted and not executed according to commercial agreements (take-or-pay) and transshipment volume.

EBITDA totaled R\$1,058 million in 4Q23, with a 53% margin. On a like-for-like basis, due to the sale of terminals T16 and T19 in 4Q22, growth stood at 51%. This result reflects the consolidation of the favorable momentum in the logistics market since the second half of 2022, with greater competitiveness of the railway logistics mode in the transportation of Brazil's mid-west agricultural products that drove the 12% yield growth in the quarter. **Variable costs** increased 3%, given higher transported volumes, partially offset by the fuel price drop. **Fixed costs, general and administrative expenses** were impacted by approximately R\$35 million in expenditures to remedy public security events, as well as the collection and disposal of product waste, and ballast cleaning.

## South Operation

4Q23	4Q22	Chg.%	Operational figures	2023	2022	Chg.%
3,061	3,194	-4.2%	Transported volume (million RTK)	12,789	12,317	3.8%
2,527	2,436	3.7%	Agricultural products	10,169	9,173	10.9%
502	162	>100%	Soybean	3,960	2,592	52.8%
188	152	23.7%	Soybean meal	791	724	9.3%
820	1,091	-24.8%	Corn	2,016	2,535	-20.5%
847	789	7.4%	Sugar	2,803	2,457	14.1%
65	61	6.6%	Fertilizers	245	402	-39.1%
105	181	-42.0%	Other	354	463	-23.5%
534	758	-29.6%	Industrial products	2,620	3,144	-16.7%
325	461	-29.5%	Fuel	1,546	1,877	-17.6%
209	297	-29.6%	Industrial	1,074	1,268	-15.3%
144.4	132.7	8.8%	Average transportation yield	153.9	137.8	11.7%

South Operation transported 3.1 billion RTK in 4Q23, a 4% drop, and 12.8 billion RTK in 2023, mainly driven by corn lower transported volume, partially mitigated by soybean and industrial products transportation growth, due to product availability merchandising issues and a focus on more profitable routes.

4Q23	4Q22	Chg.%	Financial results (Amounts in BRL mln)	2023	2022	Chg.%
451	438	3.0%	Net operating revenue	2,033	1,739	16.9%
442	424	4.2%	Transportation	1,968	1,697	16.0%
9	14	-35.7%	Other revenues <sup>5</sup>	65	43	51.2%
(419)	(419)	0.0%	Cost of services	(1,644)	(1,644)	0.0%
(112)	(127)	-11.8%	Variable costs	(452)	(538)	-16.0%
(156)	(152)	2.6%	Fixed costs	(605)	(546)	10.8%
(151)	(140)	7.9%	Depreciation and amortization	(587)	(561)	4.6%
32	20	60.0%	Gross profit	389	95	>100%
7.1%	4.6%	54.3%	Gross margin (%)	19.1%	5.5%	>100%
(28)	(24)	16.7%	Selling, general and administrative expenses	(88)	(80)	10.0%
(44)	(45)	-2.2%	Other op. revenue (expenses) and equity pick-up	(104)	(103)	1.0%
151	140	7.9%	Depreciation and amortization	588	561	4.8%
111	91	22.0%	EBITDA	785	474	65.6%
24.6%	20.8%	18.3%	EBITDA margin (%)	38.6%	27.3%	41.4%
-	21	-100.0%	Non-recurring adjustments	-	21	-100.0%
111	112	-0.9%	Adjusted EBITDA	785	495	58.6%
24.6%	25.6%	-3.9%	Adjusted EBITDA margin (%)	38.6%	28.5%	35.4%

Note 5: It includes revenue from volumes contracted and not executed according to commercial agreements (take-or-pay).

EBITDA totaled R\$111 million in 4Q23, in line with 4Q22 Adjusted EBITDA, and with an EBITDA margin of 25%. Fierce competition in the railway mode and the focus on more profitable corridors boosted yields in the period that moved up 9%, despite lower fuel cost. Variable costs went down 12%, due to a combination of fuel price drop and lower transported volumes. Fixed costs, general and administrative expenses grew 5%, due to inflation adjustment and higher railway maintenance costs.

*(In thousands of Brazilian Reais - R\$, unless otherwise stated)***Container Operation**

4Q23	4Q22	Chg.%	Operational figures	2023	2022	Chg.%
28,016	26,780	4.6%	<b>Total volume (Containers '000)</b>	109,256	106,125	3.0%
156.8	133.7	17.2%	Intermodal average yield (R\$/000 RTK)	140.5	120.2	16.8%
1,027	980	4.8%	<b>Total volume (millions RTK)</b>	3,822	3,751	1.9%

**Container Operations' volume increased 5%** to 1,027 million RTK in 4Q23, driven by pulp and paper growth, impacted by Ortigueira terminal project maturity and the consolidation of the project. We also highlight increase in market share, which is a reflection of higher volumes traded in cotton.

4Q23	4Q22	Chg.%	Financial results (Amounts in BRL mln)	2023	2022	Chg.%
168	135	24.4%	<b>Net operating revenue</b>	559	467	19.7%
161	131	22.9%	Transportation	537	451	19.1%
7	4	75.0%	Other revenues <sup>6</sup>	22	16	37.5%
(148)	(114)	29.8%	<b>Cost of services</b>	(489)	(436)	12.2%
(76)	(65)	16.9%	Variable costs	(275)	(248)	10.9%
(45)	(29)	55.2%	Fixed costs	(113)	(110)	2.7%
(27)	(20)	35.0%	Depreciation and amortization	(101)	(78)	29.5%
20	21	-4.8%	<b>Gross profit (loss)</b>	70	31	>100%
11.9%	15.5%	-23.2%	Gross margin (%)	12.5%	6.7%	86.6%
(14)	(11)	27.3%	Seles, general and administrative expenses	(53)	(45)	17.8%
5	8	-37.5%	Other op. revenues (expenses) and equity pick-up	6	11	-45.5%
27	20	35.0%	Depreciation and amortization	101	78	29.5%
38	38	0.0%	<b>EBITDA</b>	124	76	63.2%
22.6%	28.3%	-5.7 p.p.	EBITDA margin (%)	22.2%	16.3%	5:9 p.p.

Note 6: Includes revenue from service units.

**Container Operations' EBITDA totaled R\$38 million in 4Q23**, with an EBITDA margin of 23%, reflected by a growth in movements of cargoes with higher added value, such as cotton and ore. Variable costs increased by 17%, primarily inflated by operations in the foreign market, ore, and cotton, where railroad freight exposure is higher. Fixed costs, selling, general and administrative expenses soared 48% in the quarter, due to expenditure phasing, with the annual result going up by 7%.

#### 4. Other Results

##### Breakdown of Costs of Services Rendered, General & Administrative Expenses

4Q23	4Q22	Chg.%	Consolidated Costs and Expenses (Amounts in BRL mln)	2023	2022	Chg.%
(1,994)	(1,786)	11.6%	<b>Consolidated costs, general and administrative</b>	<b>(7,440)</b>	<b>(7,194)</b>	<b>3.4%</b>
<b>(697)</b>	<b>(686)</b>	<b>1.6%</b>	<b>Variable Costs</b>	<b>(2,786)</b>	<b>(3,111)</b>	<b>-10.4%</b>
(524)	(555)	-5.6%	Variable cost of rail transport	(2,269)	(2,522)	-10.0%
(425)	(451)	-5.8%	Fuel and lubricants	(1,664)	(2,025)	-17.8%
(98)	(104)	-5.8%	Other variable costs <sup>7</sup>	(605)	(498)	21.5%
(174)	(109)	59.6%	Variable cost Logistic Solution <sup>8</sup>	(517)	(529)	-2.3%
-	(21)	-100.0%	Variable cost Elevation	-	(60)	-100.0%
<b>(723)</b>	<b>(616)</b>	<b>17.4%</b>	<b>Fixed costs and general and administrative</b>	<b>(2,477)</b>	<b>(2,117)</b>	<b>17.0%</b>
(265)	(251)	5.6%	Payroll expenses	(978)	(952)	2.7%
(273)	(215)	27.0%	Other operational costs <sup>9</sup>	(906)	(677)	33.8%
(186)	(149)	24.8%	General and administrative expenses	(593)	(488)	21.6%
<b>(573)</b>	<b>(485)</b>	<b>18.1%</b>	<b>Depreciation and Amortization</b>	<b>(2,176)</b>	<b>(1,967)</b>	<b>10.6%</b>

Note 7: Costs, such as rental of rolling stock, electricity, roadside in the Container Operation, owned logistics costs, and take-or-pay.

Note 8: Freight costs with third parties include road and rail freight contracted with other concessionaires.

Note 9: Other operational costs include maintenance, third-party services, safety, and facilities, among other fixed costs.

In 4Q23, **variable costs** increased by 2%, with the 6% drop in fuel prices offsetting the higher volumes transported during the period.

**Fixed costs** and **general and administrative expenses** were affected by nearly R\$35 million in expenditures to remedy public security incidents, as well as the collection and disposal of product waste, and ballast cleaning. In addition, higher expenses with railway maintenance and the Company's decision to enhance structures and processes aiming at supporting its capacity expansion strategy, efficiency gains, and risk management.



**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

## Financial Result

4Q23	4Q22	Chg.%	Financial Results (Amounts in BRL mln)	2023	2022	Chg.%
<b>(617)</b>	<b>(638)</b>	<b>-3.3%</b>	<b>Cost of broad bank debt<sup>10</sup></b>	<b>(2,493)</b>	<b>(2,327)</b>	<b>7.1%</b>
(4)	(4)	0.0%	Charges over leasing	(18)	(15)	20.0%
272	264	3.0%	Financial income from investments	1,023	918	11.4%
<b>(349)</b>	<b>(377)</b>	<b>-7.4% (=)</b>	<b>Cost of broad net debt</b>	<b>(1,488)</b>	<b>(1,424)</b>	<b>4.5%</b>
(101)	(110)	-8.2%	Monetary variation on liabilities of concessions	(426)	(391)	9.0%
(92)	(78)	17.9%	Operating lease <sup>11</sup>	(338)	(345)	-2.0%
(59)	(66)	-10.6%	Rates on contingencies and contracts	(319)	(240)	32.9%
7	7	0.0%	Other financial revenue	16	71	-77.5%
<b>(594)</b>	<b>(625)</b>	<b>-5.0% (=)</b>	<b>Financial result</b>	<b>(2,555)</b>	<b>(2,329)</b>	<b>9.7%</b>

Note 10: Includes interest rates, monetary variation, net results of derivatives, and other debt charges.

Note 11: Includes adjustments under IFRS 16.

The **net financial result** recorded a R\$31 million improvement compared to 4Q22 mainly due to the lower cost of net debt and the monetary variation over concession liabilities, due to the SELIC interest rate drop (from 13.75% to 11.75% a.a.) and accordingly CDI (interbank deposit certificate), partially offset by lease liability additions. The Company's debt portfolio is mainly exposed to CDI, whether contractually or via derivative instruments.

## Income Tax and Social Contribution

4Q23	4Q22	Chg.%	Income tax and social contribution (Amounts in BRL mln)	2023	2022	Chg.%
<b>40</b>	<b>264</b>	<b>-84.8%</b>	<b>Income (loss) before IT / SC</b>	<b>919</b>	<b>707</b>	<b>30.0%</b>
34.0%	34.0%		<i>Theoretical rate IT / SC</i>	34.0%	34.0%	
<b>(14)</b>	<b>(90)</b>	<b>-84.4%</b>	<b>Theoretical income (expenses) with IT / SC</b>	<b>(313)</b>	<b>(240)</b>	<b>30.4%</b>
			<b>- Adjustments to calculate the effective rate</b>			
(124)	16	>100%	Tax losses and temporary differences not recognized <sup>12</sup>	(246)	(212)	16.0%
97	45	>100%	Tax incentives arising from the Northern Network <sup>13</sup>	280	197	42.1%
7	5	48.9%	Equity pick-up	26	14	85.7%
5	2	>100%	Other effects	56	48	16.7%
<b>(39)</b>	<b>(21)</b>	<b>85.7%</b>	<b>Income (expenses) with IT / SC</b>	<b>(197)</b>	<b>(193)</b>	<b>2.1%</b>
96.7%	8.0%	88.8 p.p.	<i>Effective rate (%)</i>	21.4%	27.3%	-5.9 p.p.
(31)	(139)	-77.8%	IT/SC current	(174)	(411)	-57.7%
(8)	118	>100%	IT/SC deferred	(23)	218	>100%

Note 12: We did not record deferred income tax and social contribution on tax losses for certain companies due to a lack of prospects for future taxable income calculation.

Note 13: Northern Network has SUDAM benefit which entitles it to a 75% reduction in IRPJ – corporate income tax (25% tax rate) until 2023.

## 5. Loans and Financing

**Gross comprehensive indebtedness at the end of 4Q23 totaled R\$18.9 billion**, reflecting the schedule of debt maturities and the disbursement of financing contracted in previous periods. Net indebtedness increased to R\$10.2 billion, due to 13% lower cash, partially offset by a 3% drop in gross comprehensive debt. The financial leverage, measured by the Net Debt/like-for-like EBITDA ratio, stood at 1.8x.

Rumo's debt has a weighted average cost of roughly 104% CDI, with a 5-year duration.

<b>Total indebtedness</b> (Amounts in BRL mln)	<b>4Q23</b>	<b>3Q23</b>	<b>Chg.%</b>
Commercial banks	1,491	1,617	-7.8%
NCE	222	393	-43.5%
BNDES	2,339	2,481	-5.7%
Debentures	10,668	10,494	1.7%
Senior notes 2028 and 2028	4,245	4,092	3.7%
<b>Total bank debt</b>	<b>18,965</b>	<b>19,076</b>	<b>-0.6%</b>
Leases <sup>14</sup>	71	84	-15.0%
Net derivative instruments	(90)	291	>100%
<b>Total broad gross debt</b>	<b>18,946</b>	<b>19,451</b>	<b>-2.6%</b>
Cash and cash equivalents and securities	(8,630)	(9,908)	-12.9%
Restricted cash linked to bank debts	(109)	(106)	2.8%
<b>Total broad net debt</b>	<b>10,207</b>	<b>9,437</b>	<b>8.2%</b>
Comparable EBITDA LTM <sup>15</sup>	5,650	5,294	6.7%
<b>Leverage (Broad net debt/adjusted EBITDA LTM)</b>	<b>1,8x</b>	<b>1,8x</b>	<b>0.0x</b>

Note 14: It excludes operating leases under IFRS 16.

Note 15: The LTM EBITDA refers to the sum of the last 12 months of EBITDA. Results on a like-for-like basis consider managerial adjustment referring to EBITDA excluded from Elevações Portuárias and inclusion of equity income from Investments (20% of net income) in the quarters of 2022.

A breakdown of items that impacted the movement of Rumo's consolidated debt is as follows:

<b>Bank gross indebtedness</b> (Amounts in BRL mln)	<b>4Q23</b>
<b>Initial balance of broad net debt</b>	<b>9,437</b>
Cash, cash equivalents and marketable securities	(10,014)
<b>Initial balance of gross broad debt</b>	<b>19,451</b>
<b>Items with cash impact</b>	<b>(1,122)</b>
New funding	167
Amortization of principal	(589)
Amortization of interest rates	(390)
Net derivative instruments	(310)
<b>Items without cash impact</b>	<b>617</b>
Provision for interest rates (accrual)	257
Monetary variation, MTM adjustment of debt, and others	431
Net derivative instruments	(71)
<b>Closing balance of broad net debt</b>	<b>18,946</b>
Cash and cash equivalents and marketable securities	(8,630)
Restricted cash linked to bank debts	(109)
<b>Closing balance of broad net debt</b>	<b>10,207</b>

Rumo is subject to certain restrictive contractual clauses referring to the level of leverage in a few contracts. The most restrictive provisions are verified annually at the end of the year and refer to net comprehensive indebtedness. This includes bank debts, debentures, leases considered as finance leases, net of marketable securities, cash, and cash equivalents, financial investments restricted cash linked to loans, and derivative instruments. The covenants for December 2023 are maximum leverage of 3.5x (comprehensive net debt/LTM EBITDA) and a minimum interest coverage ratio of 2.0x EBITDA/Financial Results.

**Notes to financial statements**  
**(In thousands of Brazilian Reals - R\$, unless otherwise stated)**

## 6. Capex

4Q23	4Q22	Chg.%	Investments (Amounts in BRL mln)	2023	2022	Chg.%
1,221	740	65.0%	<b>Total investments<sup>16</sup></b>	3,737	2,718	37.5%
423	336	25.9%	Recurring	1,433	1,165	23.0%
541	404	33.9%	Expansion <sup>17</sup>	1,912	1,553	23.1%
257	-	>100%	Rumo's Expansion Project in Mato Grosso	393	-	>100%

Note 16: Cash basis amounts.

Note 17: In 2023, it includes an increase in capital invested in the associated company.

**Total Capex** was R\$1,221 million in 4Q23 and R\$3,737 million in 2023, up by 65% and 38%, respectively, in line with the Company's guidance and planning for the year. **Recurring Capex** was R\$423 million, up 26% from 4Q22, and in line with the Company's planning for the year. **Expansion Capex**, excluding Rumo's expansion in the state of Mato Grosso, went up 34% to R\$541 million, mainly reflecting the prioritization of works for the contractual obligations of Paulista Network and capacity increase.

Investments made in Rumo's expansion project in the state of Mato Grosso, which is in its first phase, came to R\$257 million in 4Q23, reaching R\$393 million in 2023. The project keeps advancing in the execution stage of earthmoving works and drainage services for the first 35 km, as well as the progress of OAEs – Special Artworks.

*(In thousands of Brazilian Reals - R\$, unless otherwise stated)*

## 7. Cash Flow Statement

Rumo's consolidated cash flows are as follows. Marketable securities were considered cash in this statement.

4Q23	4Q22	Chg.%	Managerial cash flow (Amounts in BRL mln)	2023	2022	Chg.%
1,207	1,374	-12.2%	EBITDA	5,650	5,003	12.9%
(309)	(694)	-55.5%	Working capital variations and non-cash effects	(938)	(943)	-5%
271	265	2.3%	Operating financial result	1,003	895	12.1%
<b>1,169</b>	<b>945</b>	<b>23.7%</b>	<b>(=) Operating cash flow (CFO)</b>	<b>5,715</b>	<b>4,955</b>	<b>15.3%</b>
(1,221)	(740)	65.0%	Capex	(3,737)	(2,718)	37.5%
(423)	(336)	25.9%	Recurring	(1,433)	(1,165)	23.0%
(541)	(404)	33.9%	Expansion	(1,912)	(1,553)	23.1%
(257)	-	>100%	Rumo's Expansion Project in Mato Grosso (1st phase - Campo Verde)	(393)	-	>100%
-	-	>100%	Sales assets	-	1	-100.0%
-	1,395	-100.0%	Net cash on disposal of investment	-	1,395	-100.0%
-	(19)	-100.0%	Cash reclassification of assets held for sale	-	(361)	-100.0%
99	-	>100%	Capital reduction	99	-	>100%
32	149	-78.5%	Dividends received	44	153	-71.2%
<b>(1,090)</b>	<b>784</b>	<b>&gt;100%</b>	<b>(=) Cash flow from investing activities (CFI)</b>	<b>(3,595)</b>	<b>(1,530)</b>	<b>&gt;100%</b>
167	454	-63.2%	Funding	2,771	693	>100%
(669)	(743)	-10.0%	Amortization of principal	(1,721)	(4,460)	-61.4%
-	-	>100%	Consent fee	-	(94)	-100.0%
(440)	(381)	15.5%	Amortization of interest rates	(1,381)	(1,385)	-3%
-	(1)	-100.0%	Paid dividends	(125)	(39)	>100%
-	(10)	-100.0%	Capital payment	(12)	(9)	33.3%
(103)	-	>100%	Preferred stock investments	(103)	(25)	>100%
(310)	(253)	22.5%	Derivative financial instruments	(1,124)	(664)	69.2%
(3)	(22)	-86.4%	Restricted cash	(20)	(66)	-69.7%
<b>(1,357)</b>	<b>(955)</b>	<b>42.1%</b>	<b>(=) Cash flow from financing activities (CFF)</b>	<b>(1,715)</b>	<b>(6,050)</b>	<b>-71.7%</b>
-	-	>100%	Forex variation impact on cash balances	-	(24)	-100.0%
<b>(1,278)</b>	<b>773</b>	<b>&gt;100%</b>	<b>(=) Net cash generated</b>	<b>405</b>	<b>(2,649)</b>	<b>&gt;100%</b>
<b>9,908</b>	<b>7,452</b>	<b>33.0% (+)</b>	<b>Total cash (includes cash + marketable securities) opening</b>	<b>8,225</b>	<b>10,874</b>	<b>-24.4%</b>
<b>8,630</b>	<b>8,225</b>	<b>4.9% (+)</b>	<b>Total cash (includes cash + marketable securities) closing</b>	<b>8,630</b>	<b>8,225</b>	<b>4.9%</b>
Metrics						
746	609	22.5%	(=) Cash generation after recurring capex (a+ b)	4,282	3,790	13.0%
79	1,729	-95.4%	(=) Cash generation after CFI (a+c)	2,120	3,425	-38.1%

## 8. Operational and Financial Performance Indicators

The historical behavior of the main operational and financial indicators is as follows.

Operational and Financial Performance Indicators	4Q23	4Q22	Chg.%	2023	2022	Chg.%
<b>Consolidated</b>						
Operating ratio	74%	80%	-7.5%	67%	73%	-8.2%
Diesel consumption (liters/ '000 GTK)	3.46	3.39	2.1%	3.45	3.37	2.4%
Rail accidents (MM Train/ train x mile) <sup>18</sup>	5.10	3.65	39.7%	2.49	3.42	-27.2%
Personal accidents (accidents/ MHW) <sup>19</sup>	0.32	0.34	-5.9%	0.32	0.34	-5.9%
<b>North operation transit time<sup>20</sup></b>						
Rondonópolis (MT) to Santos (SP) (hours)	90.2	101.9	-11.5%	93.2	91.4	2.0%
<b>South operation<sup>21</sup></b>						
Dwell time in Santos (SP) (hours)	16.5	18.4	-10.3%	16.9	17.7	-4.5%

Note 18: Result under international standards, the FRA criteria (Federal Railroad Administration) has been adopted, which will enable railways international comparison. The rate reflects the number of train wrecks that resulted in damages exceeding US\$11,500, divided by the total mileage run during the period.

Note 19: It considers the sum of the cumulative average values of the last 12 months of lost-time injury frequency (LTIF) and restricted work accidents (SAF) indicators. As of 1Q22, it includes Central Network in the three-quarter comparison.

Note 20: It considers the transit time between Rondonópolis (MT) and Santos (SP).

Note 21: It considers the time spent in the Port of Santos (SP) between arrival and departure.

**Operating Ratio:** The indicator represents the share of costs and expenses as a percentage of net revenue has improved. In 4Q23, net revenue grew by 18%, while costs including depreciation went up by 8%.

**Diesel consumption:** The indicator came in flat in the quarter, as a result of trains mainly aiming to lower transit time and improve productivity to meet higher volumes and residual interference from vandalism on energy efficiency.

**Railway accidents:** This indicator, which observes FRA (Federal Railroad Administration) criteria to determine the railway accident index with train wrecks and damages exceeding US\$11,500 due to distance run, went up by 40% in the quarter and 27% in the year, reflecting the focus on safety and execution discipline in the Company's operations and maintenance areas.

**Personal accidents:** The indicator represents the number of lost-time injury frequency (LTIF) stood at 0.16, while the restricted work accidents (SAF) also stood at 0.16. The sum of indicators went down 6% compared to the previous year. The Company remains focused on maintaining, on average, an index of the lost-time rate at 0.15 by 2025, according to the commitment undertaken in 2020.

**Transit time in the North Operation and dwell time in Santos (SP):** This quarter, the transit time between Rondonópolis (Mato Grosso) and Santos (São Paulo) went down 12%, and railcar dwell time in Santos (SP) contracted by 10% in average time. The progress in these indicators, despite the higher volume performed, results from investments and advances carried out in operational management.

## 9. Projections and Assumptions

### 9.1 Actual Results in 2023

The following table shows the result for the fiscal year of 2023 compared to the guidance for the same year.

	Actual 2023	Guidance 2023
Volume (RTK bln)	77.3	$76 \leq \Delta \leq 78$
EBITDA (BRL mln)	5,650	$5,400 \leq \Delta \leq 5,700$
Capex (BRL mln)	3,737	$3,600 \leq \Delta \leq 3,800$

### 9.2 Guidance 2024

Rumo presents to its shareholders and the market in general its financial and operational guidance for the year 2024, as follows:

	Guidance 2024
Volume (RTK bln)	$81 \leq \Delta \leq 84$
EBITDA (BRL mln)	$7,200 \leq \Delta \leq 7,700$
Capex (BRL mln)	$5,300 \leq \Delta \leq 5,800$

Main assumptions:

- i. Macroeconomic assumptions based on data from third-party consultancies.
- ii. Adjusted EBITDA excludes any one-off effects as presented on the Company's Earnings Release.
- iii. Capex includes investments for the construction of the 1<sup>st</sup> Phase of Rumo's Extension in MT.
- iv. Does not consider potential M&A projects, divestments, or new concessions.
- v. Figures are presented in nominal terms.