

(Convenience Translation into English from
the Original Previously Issued in Portuguese)

MRS Logística S.A.

Report on Review of
Interim Financial Information
for the Quarter Ended
March 31, 2024

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

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Income/loss Release – 1Q24



HIGHLIGHTS

Financial and Operational Highlights	1Q24	1Q23	1Q24 x 1Q23	4Q23	1Q24 x 4Q23
Transported Volume (TU thousands)	46,628	38,041	22.6%	53,638	-13.1%
Net Revenue from Services (R\$ million)	1,643.9	1,245.4	32.0%	1,793.4	-8.3%
EBITDA (R\$ million)	894.1	614.7	45.4%	896.0	-0.2%
EBITDA Margin (%)	54.4%	49.4%	5.0pp	50.0%	4.4pp
Net Income (R\$ million)	315.9	145.9	116.5%	294.5	7.3%
Gross Debt (R\$ million) ¹	6,647.3	4,275.6	55.5%	6,846.7	-2.9%
Net Debt (R\$ million)	3,593.0	3,385.8	6.1%	3,458.7	3.9%
Net Debt/EBITDA ² (x)	1.0	1.2	-20.0%	1.0	-
Investments (R\$ million)	506.0	462.0	9.5%	685.0	-26.1%

¹ 1Q23 Gross Debt with adjusted methodology; ² Cumulative EBITDA in the last 12 months

MRS ended the first quarter of 2024 with solid income/loss, demonstrating its commitment to sustainable growth, financial discipline and value creation.

The Company's Net Revenue from Services grew 32.0% compared to the first quarter of 2023, totaling R\$ 1,643.9 million. EBITDA for the first quarter of 2024 was R\$ 894.1 million, up 45.4% compared to the same period in 2023, due to the increase in transportation volume in the Company's two business segments: mining and general cargo. The EBITDA margin reached 54.4%, above the margin in the first quarter of 2023 (+5.0 percentage points).

The mining segment grew 30.0% in the first quarter of 2024 compared to the first quarter of 2023, equivalent to 6.7Mt of transported volume. In the general cargo segment, there was an increase in the volume transported in different cargoes served by the Company, ending the period with +12.0% compared to the same period in 2023, corresponding to 1.9Mt.

The Company maintains good liquidity and debt management, presenting in the first quarter of 2024 the Net Debt/EBITDA ratio of 1.0x and Net Debt balance of R\$ 3.6 billion.

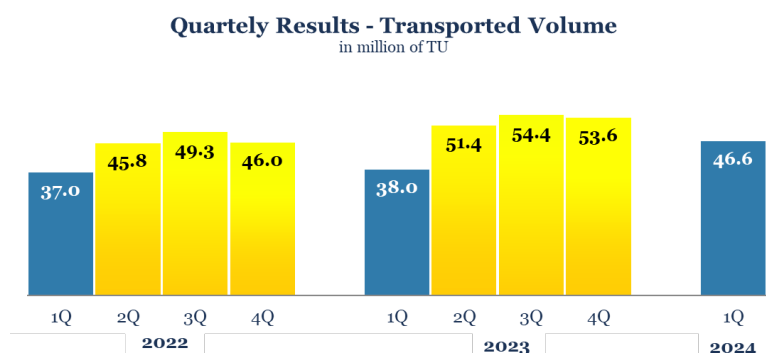
Finally, on April 26, 2024, the Annual General Meeting approved the allocation of net income for 2023. The total amount of dividends approved on the income/loss of the 2023 fiscal year was R\$ 285.0 million to be paid in December 2024, based on the shareholding position on the date of the Meeting.

OPERATING AND COMMERCIAL PERFORMANCE

MRS Logística is mainly engaged in the transport of inputs and products related to the steel industry, such as iron ore, coal and coke, both to serve the domestic market and for export, as well as in the transport of own General Cargo and other railways, which includes agricultural commodities, steel products, containers, pulp, among others, in a rail network with 1,643 km in the states of Minas Gerais, Rio de Janeiro and São Paulo, region where half of Brazilian GDP is concentrated.

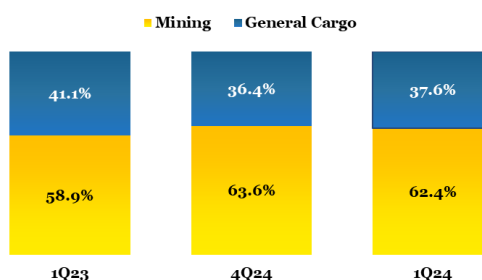
In 1Q24, the total volume transported by MRS was 46.6 Mt, accounting for an increase of 22.6% compared to 1Q23, with emphasis on the transport of iron ore of 28.6 Mt, accounting for a growth of 30.7% compared to 1Q23. By comparing the 1Q24 with 4Q23, the volume was 13.1% lower, mainly impacted by the reduction in ore transport. Likewise, General Cargo presented a higher volume in 1Q24 of 12.0% compared to 1Q23, and a reduction of 10.3% compared to 4Q23.

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q23	4Q23	1Q24 x 1Q23
Mining	29,113	22,393	30.0%	34,094	-14.6%
Iron Ore	28,618	21,889	30.7%	33,486	-14.5%
Exports	25,256	18,812	34.3%	30,087	-16.1%
Domestic Market	3,362	3,077	9.3%	3,399	-1.1%
Coal and Coke	495	504	-1.7%	608	-18.6%
General Cargo	17,470	15,599	12.0%	19,483	-10.3%
Agricultural Products	11,002	9,880	11.4%	12,786	-13.9%
Steel Products	1,859	1,594	16.6%	1,765	5.4%
Pulp	1,404	1,392	0.8%	1,455	-3.5%
Containers	588	462	27.2%	619	-5.0%
Civil Construction	573	544	5.2%	581	-1.4%
Other	2,044	1,726	18.4%	2,278	-10.3%
Invoiced Volume	46,583	37,992	22.6%	53,578	-13.1%
Unpaid Cargo	45	49	-7.2%	61	-25.7%
Total Volume Transported	46,628	38,041	22.6%	53,638	-13.1%



Regarding the transported mix, Mining's share is 62.4%, driven by the high demand for iron ore for export. The Company's dedication to cargo diversification remains evident with the growth in General Cargo volume, even though there are fluctuations in the share of the transport mix.

Total Mix Transported



Mining

The Mining transportation segment, which includes iron ore, coal and coke, totaled 29.1 Mt, accounting for an increase of 30.0% compared to 1Q23 and 14.6% drop compared to profit (loss) calculated in 4Q23.

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Mining	29,113	22,393	30.0%	34,094	-14.6%
Iron Ore	28,618	21,889	30.7%	33,486	-14.5%
Exports	25,256	18,812	34.3%	30,087	-16.1%
Domestic Market (A)	3,362	3,077	9.3%	3,399	-1.1%
Coal and Coke (B)	495	504	-1.7%	608	-18.6%
Domestic Market + Coal and Coke = (A+B)	3,858	3,581	7.7%	4,007	-3.7%

Iron Ore | Export

In 1Q24, the volume of Iron Ore cargo for export increased 34.3% and dropped 16.1%, compared to 1Q23 and 4Q23, respectively. The increase in 1Q24 compared to 1Q23 is mainly due to: (i) the growth in demand from its clients, with greater production volume and purchases from third parties; (ii) the lower impacts of rains for the period.

The reduction recorded compared to 4Q23 is mainly due to the seasonal rain period in 1Q24 in the central region of MG and RJ, and the lower impacts of rain in 4Q23, which enabled record transport for the period, with an increase of 8.6% compared to the best fourth quarter of MRS in history (4Q18).

Domestic Market | Ore, Coal and Coke

In 1Q24, transport of iron ore, coal and coke to serve the domestic market recorded a volume of 3.9 Mt, accounting for an increase of 7.7% compared to 1Q23 and a decrease of 3.7% when compared to 4Q23. The growth compared to the previous year is due to lower operational impacts from rain in 2024.

General Cargo

General Cargo transportation that is carried out by MRS and other railroads through the remunerated right of way includes agricultural commodities, steel products, containers, among others.

In 1Q24, this segment accounted for 17.5 Mt, growth of 12.0% compared to 1Q23 and a reduction of 10.3% when compared to 4Q23.

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
General Cargo	17,470	15,599	12.0%	19,483	-10.3%
Agricultural Products	11,002	9,880	11.4%	12,786	-13.9%
Steel Products	1,859	1,594	16.6%	1,765	5.4%
Pulp	1,404	1,392	0.8%	1,455	-3.5%
Containers	588	462	27.2%	619	-5.0%
Civil Construction	573	544	5.2%	581	-1.4%
Other	2,044	1,726	18.4%	2,278	-10.3%

Agricultural Products

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Agricultural Products	11,002	9,880	11.4%	12,786	-13.9%
Soybean	6,086	5,998	1.5%	1,089	458.7%
Soy Bran	1,584	1,439	10.0%	1,671	-5.2%
Sugar	2,573	1,562	64.7%	3,305	-22.2%
Corn	760	881	-13.7%	6,720	-88.7%

The transport of Agricultural Products accounts for the second largest share of MRS' consolidated portfolio, represents the largest portion of the General Cargo segment and is made up of the following commodities: soybeans, soybean meal, sugar and corn. This segment transported 11.0 Mt in 1Q24, accounting for an increase of 11.4% and a reduction of 13.9% compared to 1Q23 and 4Q23, respectively. The results verified in 1Q24 compared to the volume transported in 1Q23 of soybeans (+1.5%), soybean meal (+10.0%) and sugar (+64.7%) maintained a favorable performance, while corn recorded a decline of 13.7%.

Considering the first quarters of 2024 and 2023, the performance of soybean meal and sugar is mainly due to the volumes transported by other railways and, for soybeans, due to the MRS volume, as detailed below.

Sugar transportation by other railways in 1Q24, when compared to 1Q23, increased 1.0 Mt (+64.7%), reflecting the good performance of customers in finalizing crop volumes, in addition to good weather conditions and investments made in the sector.

The performance presented by soybean transport, carried out by MRS, was due to the good performance of operations in Pederneiras (SP).

Corn transportation recorded a decrease related to other railways, impacted by issues related to the

trade of the crop on the market.

Steel products

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Steel Products	1,859	1,594	16.6%	1,765	5.4%

The steel products segment transported 1,859 Mt in 1Q24, accounting for a growth of 16.6% and 5.4%, compared to 1Q23 and 4Q23, respectively.

The increase in the transport of steel products was due to the main factors: (i) transport of imported steel plates; (ii) resumption of a producer in the state of RJ with an increase in the transport of this product to the domestic market, in addition to the lower operational impact of rain in 2024.

Pulp

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Pulp	1,404	1,392	0.8%	1,455	-3.5%

Transport volume in the pulp segment ended 1Q24 with 1,404 Mt, accounting for an increase of 0.8% compared to 1Q23. In this scenario of moderate growth and owing to the Company's good loading and unloading performance, transport at one of its main sites presented a monthly record.

The performance of 1Q24 compared to 4Q23 recorded a reduction of 3.5% due to impacts on the circulation of trains, reflecting occurrences in the operation in Serra da Cremalheira (SP) and the loss of cargo productivity of one of MRS's clients, due to equipment failure.

In the case of transport by other railways, there was a reasonable decrease in 1Q24 compared to 1Q23.

Containers

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Containers	588	462	27.2%	619	-5.0%

The Container transportation segment presented, in 1Q24, a volume of 588 Mt, accounting for an increase of 27.2% compared to 1Q23 and drop of 5.0% compared to 4Q23.

The share of MRS' own cargo transportation ended with an increase of 6.9% compared to 1Q24 with 1Q23, mainly driven by: (i) the greater transport capacity between periods, due to the reduction in rain and railway interruptions in 1Q24, despite the operational restrictions recorded; (ii) the increase in demands from new and regular clients. Comparing 1Q24 with 4Q23, there was a decrease of 0.7%,

Income/loss Release – 1Q24



mainly due to collective vacations and holidays in January and February, which significantly impacted production and consumption.

Due to the growth in the flow of trains, transport carried out by other railways increased 68.4%, equivalent to 104 Mt, in the comparison between 1Q24 and 1Q23.

Civil Construction

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Civil Construction	573	544	5.2%	581	-1.4%

In 1Q24, the civil construction segment transported 573 Mt, accounting for an increase of 5.2% compared to 1Q23. This result was mainly driven by the negotiation of new contracts with guarantees on transport volume that can influence capillarity and market share. The highlight goes to Cement area, which grew 12% in a market that contracted 3.5% in 1Q24, as reported by the National Union of the Cement Industry (SNIC).

Other

Transported Volume TU thousand	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Other	2,044	1,726	18.4%	2,278	-10.3%

The other cargo transportation group includes own cargo and cargo from other railways. The cargo transported by MRS mainly covers the following products: pig iron, energy mineral coal and limestone for steelmaking. When transporting cargo from other railways, MRS is remunerated for the right of way, and this group includes: chemicals, sulfur, manure and fertilizers, among others.

The results for 1Q24 compared to 1Q23 and 4Q23 recorded an increase of 18.4% and a reduction of 10.3%, respectively.

MRS's own cargo transportation increased 27.7% compared to the same period in 2023, due to the consolidation of magnetite and limestone transportation, which grew 470.0% and 298.2%, respectively. The volume of pig iron transportation for export also increased for the period, driven by the favorable macroeconomic scenario, with low domestic consumption and the continuation of the war in Ukraine, since it reduces world production and restricts markets with economic sanctions by the USA. This period is historically marked by low production, as it is a period in which there are a rainfall trend and furnace maintenance.

In 1Q24, the transport of products from other railways, carried out via the MRS network, increased 9.8% compared to the result of 1Q23, especially due to the higher volume of chemical products. The drop recorded compared to 4Q23 was driven by the reduction in the transport of fertilizers and urea, due to the seasonality in the trading of these products.

ECONOMIC AND FINANCIAL PERFORMANCE

Results	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Gross Revenue from Services (R\$ million)	1,756.4	1,343.6	30.7%	1,899.4	-7.5%
Net Revenue from Services (R\$ million)	1,643.9	1,245.4	32.0%	1,793.4	-8.3%
Costs and Expenses (R\$ million)	(721.9)	(659.8)	9.4%	(954.3)	-24.4%
Other Operating Revenues and Expenses (R\$ million)	(27.9)	29.1	-195.9%	57.0	-149.0%
EBITDA (R\$ million)	894.1	614.7	45.4%	896.0	-0.2%
EBITDA Margin (%)	54.4%	49.4%	5.0pp	50.0%	4.4pp
Net Income (R\$ million)	315.9	145.9	116.5%	294.5	7.3%
Net Debt/EBITDA ¹ (x)	1.0x	1.2x	-0.2x	1.0x	0.0x
Average Net Tariff (R\$/ton ²)	35.3	32.8	7.7%	33.5	5.4%

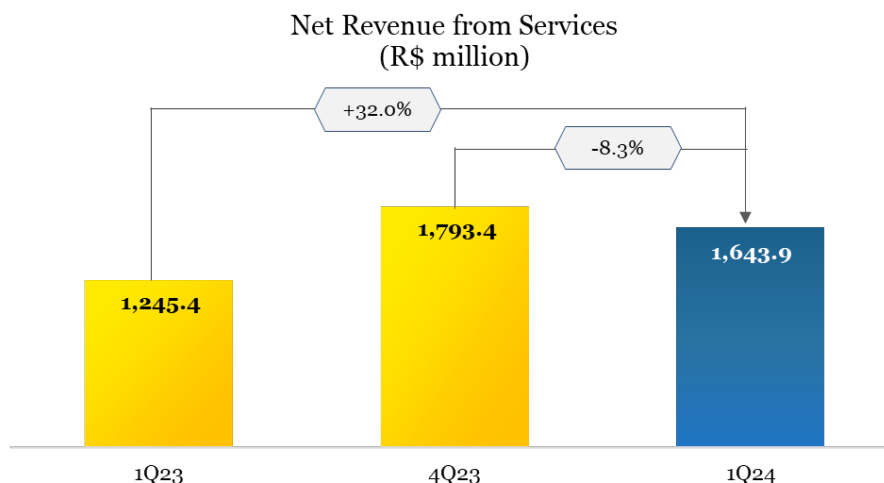
¹EBITDA accumulated in the last 12 months. The covenant was detailed in the indebtedness chapter of this release

²Considers total volume billed

Net Revenue from Services: R\$ 398.5 million higher than in 1Q23, mainly due to Mining transport, which accounts for 62.4% of the transported mix and ended with a 30.0% increase in volume when compared to the same period of 2023.

Costs and Expenses: increase of R\$ 62.1 million (+9.4%) in 1Q24, compared to 1Q23. The result was impacted by the increase in transport volume and inflationary pressure.

Other Operating Revenues and Expenses: Compared to 1Q23, the result of this group brought an unfavorable impact of R\$ 57.0 million, mainly due to one-off revenue from indemnities in 2023.



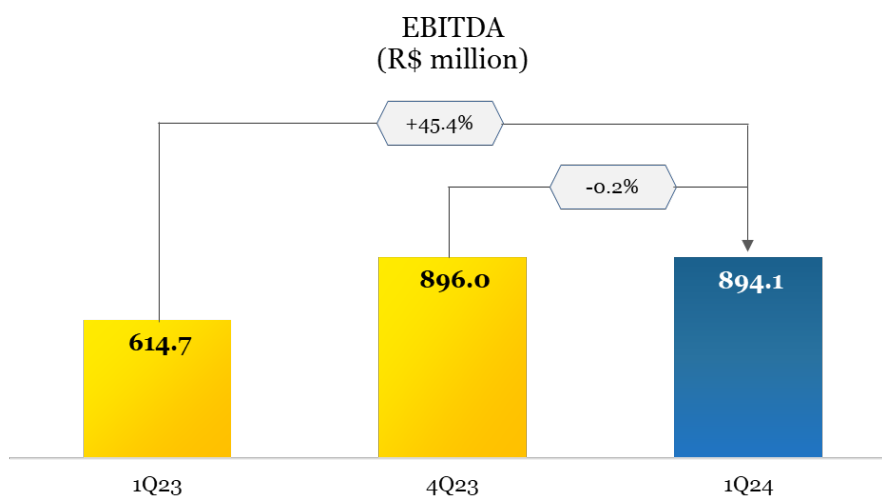
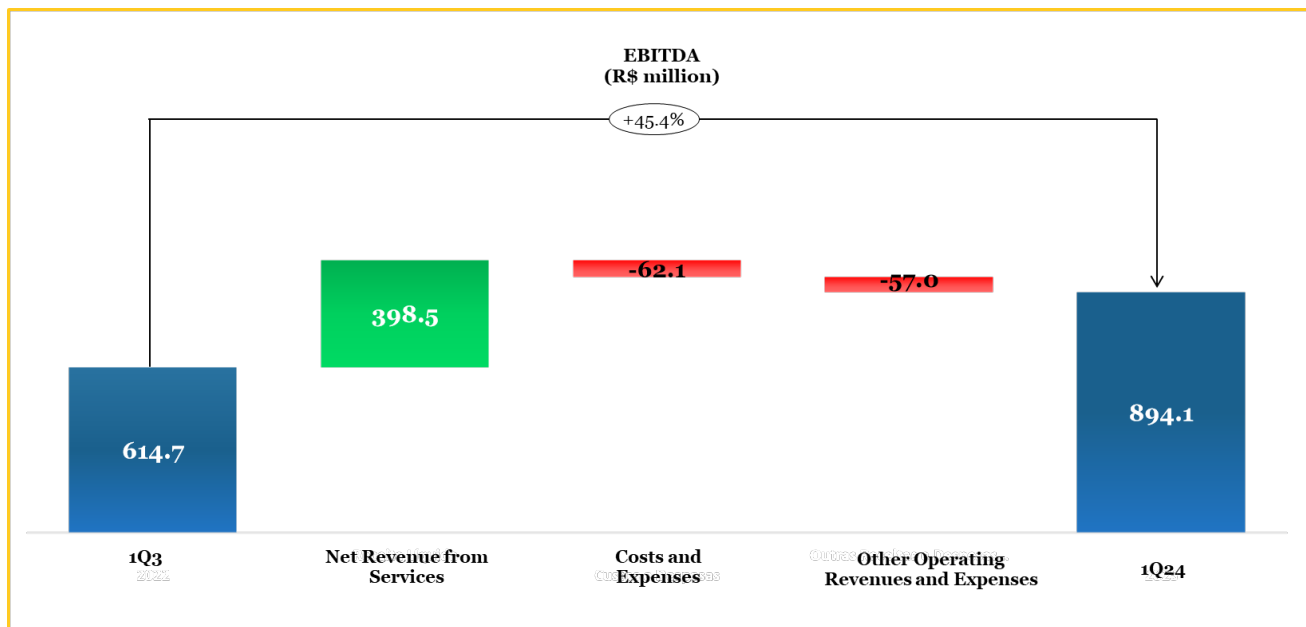
Income/loss Release – 1Q24



EBITDA

EBITDA ended 1Q24 with an increase of 45.4% when compared to 1Q23, reaching R\$ 894.1 million, with an EBITDA Margin of 54.4%, up 5.0 p.p. compared to the same period of the previous year.

We demonstrate the evolution of EBITDA in further details below:



The table below shows the EBITDA reconciliation:

EBITDA Calculation (R\$ million)	1Q24	1Q23	1Q24 x 1Q24	4Q23	1Q24 x 1Q24
Net Income	315.9	145.9	116.5%	294.5	7.3%
(+) Income Taxes	167.3	81.3	105.8%	114.8	45.7%
(+) Net Financial Income	168.5	164.8	2.2%	250.3	-32.7%
(+) Depreciation and Amortization	242.5	222.7	8.9%	236.4	2.5%

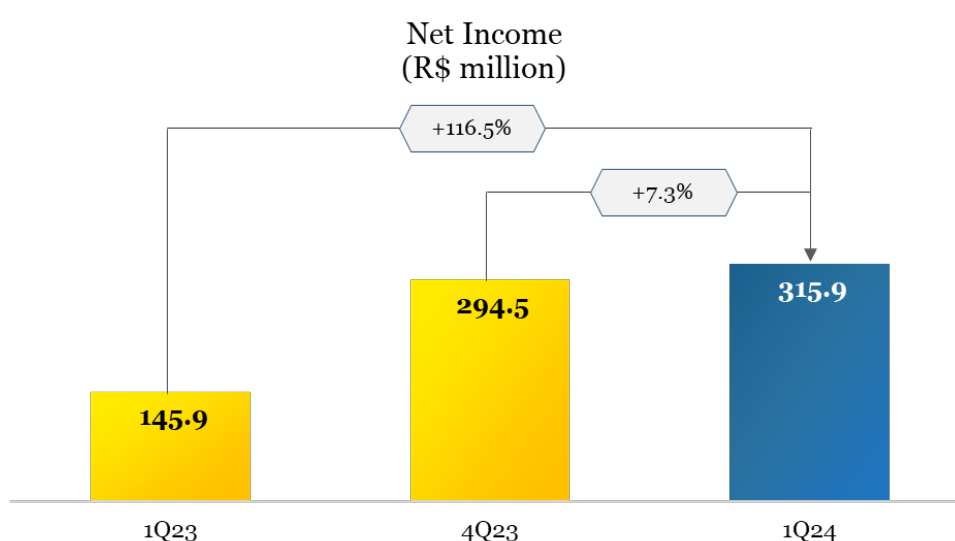
Income/loss Release – 1Q24



(=) EBITDA	894.1	614.7	45.4%	896.0	-0.2%
(-) Right-of-use Depreciation (lease contracts)	(22.2)	(22.1)	0.6%	(25.8)	-13.8%
(-) APV Financial Charges (lease contracts)	(65.2)	(56.2)	16.0%	(51.1)	27.5%
(=) Recurring EBITDA	806.7	536.4	50.4%	819.1	-1.5%

Net Income

MRS ended 1Q24 with Net Income of R\$ 315.9 million, up 116.5%, equivalent to R\$ 169.9 million, when compared to 1Q23. The result mainly reflects the increase in transport volume and cost management.



Indebtedness

R\$ million	1Q24	1T234	1Q24 x 1Q244	4Q23	1Q24 x 1Q24
(+) Gross Debt¹	6,647.3	4,275.6	55.5%	6,846.7	-2.9%
(-) Cash and Financial Investments ²	3,054.3	889.8	243.2%	3,388.1	-9.9%
(=) Net Debt	3,593.0	3,385.8	6.1%	3,458.7	3.9%
EBITDA³	3,708.7	2,905.6	27.6%	3,429.3	8.1%
Net Debt/EBITDA³ (x)	1.0	1.2	-0.2x	1.0	-

¹ The difference in relation to the sum of the Loans and Financing (Balance Sheet) corresponds to Transaction Costs and Derivative Financial Instruments; ² Includes Restricted Cash; ³ 12-month accumulated EBITDA; ⁴ Gross Debt in 1Q23 with adjusted methodology

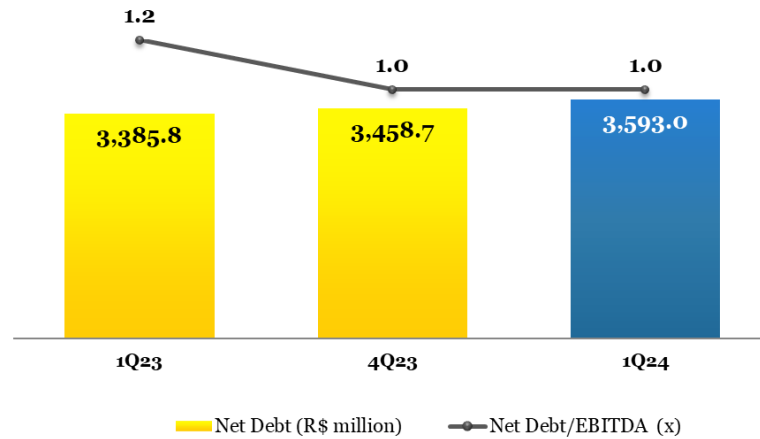
The Company's Gross Debt ended the first quarter of 2024 with a balance of R\$ 6,647.3 million, mainly due to the funding carried out in October 2023 through the 11th issue of debentures, in the amount of R\$ 2.0 billion.

Income/loss Release – 1Q24

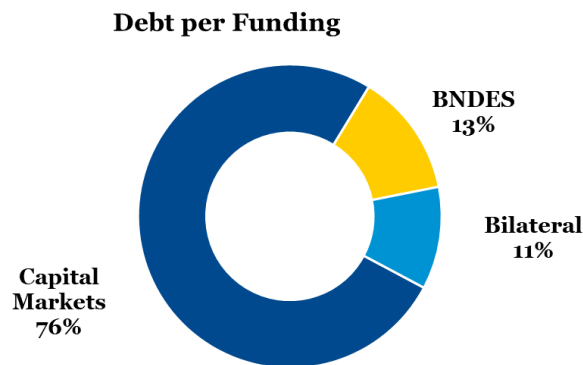


In 1Q24, the net debt balance reached R\$ 3,593.0 million versus R\$ 3,385.8 million in 1Q23, accounting for an increase of 6.1%, reflecting the Company's strategy of reinforcing cash to guarantee liquidity and compliance of the mandatory investment plan.

The financial leverage ratio measured by the net debt/EBITDA ratio was 1.0x on March 31, 2024 versus 1.2x on March 31, 2023:



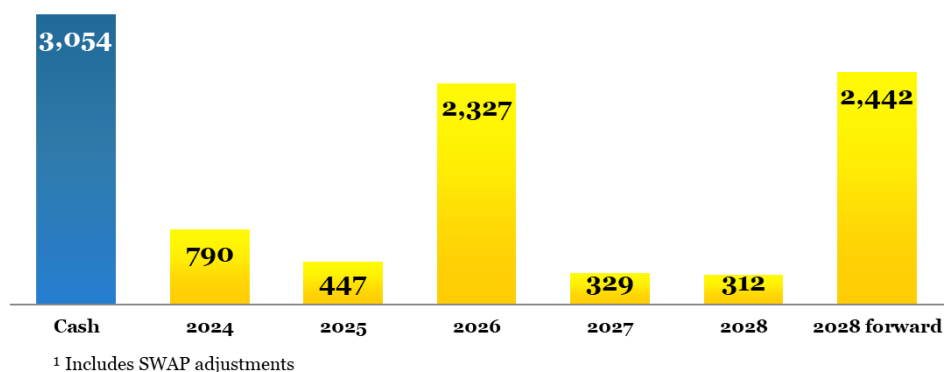
At the end of 1Q24, most of the debt was indexed to the CDI rate, with the important participation of instruments classified as Capital Markets (Debentures and Promissory Notes).



Amortization schedule

The chart below shows the debt principal maturity schedule on March 31, 2024. MRS's average debt term in March 2024 was 6.6 years, maintaining the lengthening of the debt profile.

Cash and Debt amortization schedule
(R\$ million)



Investments

Investments R\$ million	1Q24	1Q23	1Q24 x 1Q23	4Q23	1Q24 x 1Q23
			4		4
Business Growth and Competitiveness	255.0	178.0	43.3%	174.0	46.6%
Recurring and Other	251.0	284.0	-11.6%	511.0	-50.9%
Total	506.0	462.0	9.5%	685.0	-26.1%

1Q24 presents a performance 9.5% higher than the same period of the previous year. It is worth highlighting the increase in the growth and competitiveness group, mainly due to the receipt of wagons to enable the renewal of the asset fleet and the performance of initiatives that will enable improvements in Baixada Santista.

Rating

Agency	Local Scale	Global Scale	Outlook
Standard & Poor's	AAA	BB	Stable
Fitch	AAA	BB+	Stable

Dividends

At the Annual General Meeting held on April 26, 2024, shareholders approved the management's proposal regarding the allocation of income for the year 2023. The total amount of dividends approved on the results for the year 2023 was R\$ 285 million, which will be paid in December 2024, based on the shareholding position on April 26, 2024. As of April 29, 2024, the shares started being traded "ex-dividends" on B3 S.A. – Brasil, Bolsa e Balcão.

Income/loss Release – 1Q24



STATEMENT OF CASH FLOW

The Company ended 1Q24 maintaining a liquidity strategy, operating with a cash balance above historical benchmarks, sufficient to meet short-term commitments. The cash balance ended 1Q24 at R\$ 3,053.1 million, while in 1Q23 it was R\$ 888.7 million. This change was mainly driven by financing activity due to the volume of funding carried out in 4Q23.

Statement of Cash Flow – In R\$ million	1Q24	1Q23	4Q23
Cash at the beginning of the period	3,385.8	866.8	866.9
Net income before income tax and social contribution on net income	483.2	227.2	1,777.6
Depreciation and amortization	242.5	222.7	911.3
Inflation adjustment, exchange-rate change and financial charges	257.3	206.5	969.1
Gain/loss on disposal and residual value of property, plant and equipment/Perm.			
Invest. written-off	2.2	-	40.1
Provision (Reversal)	8.3	18.8	(27.9)
Other	6.5	9.6	59.9
Net Income - Cash Basis	1,000.0	684.8	3,730.1
Changes in assets and liabilities	(511.2)	22.5	(107.7)
Accounts receivable	201.3	294.0	108.2
Inventories	(12.5)	(46.8)	(58.9)
Recoverable taxes	16.8	82.3	83.7
Suppliers	(187.3)	69.9	364.9
Tax obligations	(18.9)	(14.7)	75.7
Social and labor charges	(90.1)	(106.4)	7.0
Payment of income taxes	(160.1)	(15.0)	(257.3)
Payment of interest on borrowings and financing	(164.8)	(113.3)	(316.3)
Payment of lease interest	(47.4)	(56.2)	(214.3)
Other	(48.2)	(71.3)	56.7
Net cash generated by operating activities	488.8	707.3	3,622.4
Additions of property, plant and equipment	(343.9)	(210.7)	(1,719.3)
Additions of intangible assets	(4.7)	(17.3)	(225.3)
Disposal of property, plant and equipment/intangible assets	1.3	-	6.5
Net cash used in investment activities	(347.3)	(228.0)	(1,938.1)
Borrowings and financing	-	-	688.3
Debentures	-	-	1,907.6
Payments of borrowings, financing and financial instruments	(343.6)	(343.2)	(1,025.0)
Payment of lease	(130.6)	(114.2)	(485.3)
Treasury shares	-	-	(43.4)
Dividends paid	-	-	(207.6)
Net cash used in investing activities	(474.2)	(457.4)	834.6
Cash at the end of the period	3,053.1	888.7	3,385.8
Increase (decrease) in the balance of cash and cash equivalents	(332.7)	21.9	2,518.9



ESG AGENDA

The Company continues to make important advances on the environmental, social and governance (ESG) agenda.

MRS will publish its 2023 Sustainability Report in the first semester, which will bring, for example, results from the annual inventory of greenhouse gas (GHG) emissions, highlighting the 3.7% decrease in specific emissions in relation to the year 2022. Moreover, there was progress in the assessment of the Carbon Disclosure Project (CDP), in the Climate Change dimension, increasing our score from C to B-, and receiving, for the second consecutive year, the Gold Seal in the Brazilian GHG Protocol Program, the highest national platform for publishing GHG emissions data.

Other highlights are the evolution of the share of women in leadership positions, reaching 24%; the promotion of more than 300 dialogue committees to understand community demands and search for shared solutions; and the best historical personal accident rate recorded: 0.39 (relative to 10 accidents in the year).

INDEPENDENT AUDITORS

In compliance with Article 23 of CVM Resolution 23/2021, addressing the provision of other services by independent auditors, the Company hereby informs that there are no other services provided by Deloitte Touche Tohmatsu Auditores Independentes Ltda. in addition to the audit of the annual financial statements and reviews of quarterly information in 2023 and 2024.

INVESTOR RELATIONS

IT Team

Email: financeiro.ri@mrs.com.br

Depository Bank

Banco Bradesco S.A.

Contact telephone number: 0800 701 1616

Email: dac.acecustodia@bradesco.com.br and dac.escrituracao@bradesco.com.br

B3 – Over-the-Counter Market

Investor Relations Website

ri.mrs.com.br

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of
MRS Logística S.A.

Introduction

We have reviewed the accompanying interim financial information of MRS Logística S.A. (Company”), contained in the Interim Financial Information Form (ITR) for the quarter ended March 31, 2024, which comprises the balance sheet as at March 31, 2024 and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for the preparation of this interim financial information in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information included in the ITR referred to above is not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 applicable to the preparation of ITR and presented in accordance with the standards issued by the CVM.

Other matters

Statement of value added.

The interim financial information referred to above includes the statement of value added (DVA) for the three-month period ended March 31, 2024, prepared under the responsibility of the Company's Management, and presented as supplemental information for international standard IAS 34 purposes. This statement was subject to the review procedures performed together with the review of the Interim Financial Information (ITR) to reach a conclusion on whether it is reconciled with the interim financial information and accounting records, as applicable, and if its form and content are consistent with the criteria set forth in technical pronouncement CPC 09 (R1) - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that this statement of value added was not prepared, in all material respects, in accordance with technical pronouncement CPC 09 (R1) and consistently with the accompanying interim financial information taken as a whole.

Convenience translation

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

Rio de Janeiro, May 14, 2024



DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.



Antônio Carlos Brandão de Sousa
Engagement Partner


Balance sheets as at March 31, 2024 and December 31, 2023
(In thousands of Reais)

<u>ASSETS</u>	<u>Note</u>	<u>03/31/2024</u>	<u>12/31/2023</u>
CURRENT			
Cash and cash equivalents	5	3,053,139	3,385,798
Restricted cash	6	1,208	2,254
Accounts receivable from customers	7	286,093	450,308
Other Accounts Receivable	9	15,137	16,525
Stocks	10	297,696	282,163
Taxes to be recovered	11	263,400	261,256
Pre-paid expenses	12	34,254	37,862
Derivative financial instruments	22	91,892	89,938
Other Current Assets	13	134,679	101,318
Total current assets		<u>4,177,498</u>	<u>4,627,422</u>
NON-CURRENT			
Long-term achievable			
Accounts receivable from customers	7	40,434	77,423
Other Accounts Receivable	9	8,136	10,038
Taxes to be recovered	11	198,840	240,225
Pre-paid expenses	12	3,025	4,119
Derivative financial instruments	22	190,537	236,805
Other non-current assets	13	117,252	111,145
Fixed Assets	14.1	10,036,394	9,821,044
Right-of-use assets	14.2	2,566,239	2,588,242
Intangibles	15	330,986	348,609
Total non-current assets		<u>13,491,843</u>	<u>13,437,650</u>
TOTAL ASSETS		<u><u>17,669,341</u></u>	<u><u>18,065,072</u></u>

The explanatory notes are an integral part of the quarterly information.



Balance sheets as at March 31, 2024 and December 31, 2023

(In thousands of Reais)

(continued)

<u>LIABILITIES AND EQUITY</u>	<u>Note</u>	<u>03/31/2024</u>	<u>12/31/2023</u>
CURRENT			
Suppliers	16	543,642	780,947
Social and Labor Obligations	17	163,533	253,681
Income tax and social contribution	18	49,783	159,622
Other tax obligations	19	70,431	84,500
Loans and financing	20	1,000,424	998,552
Lease	21	568,130	556,338
Derivative financial instruments	22	127,502	159,027
Dividends payable	8	285,190	285,190
Advances from customers		7,090	3,191
Provisions	24	35,442	21,826
Other obligations	25	43,062	39,597
Total current liabilities		<u>2,894,229</u>	<u>3,342,471</u>
NON-CURRENT			
Suppliers	16	5,739	5,820
Loans and financing	20	5,666,097	5,876,731
Lease	21	1,335,771	1,478,158
Deferred taxes	23	158,255	66,464
Provisions	24	716,202	709,130
Other obligations	25	191,377	200,496
Total non-current liabilities		8,073,441	8,336,799
TOTAL LIABILITIES		<u>10,967,670</u>	<u>11,679,270</u>
EQUITY			
Capital stock	26.a	4,036,872	3,961,031
Profit Reserves		2,337,895	2,413,736
Legal Reserve	26.c	480,742	480,742
Reserve for investments	26.d	1,857,153	1,932,994
Other comprehensive income	26.e	11,045	11,035
Retained earnings		315,859	-
Total equity		<u>6,701,671</u>	<u>6,385,802</u>
TOTAL LIABILITIES AND EQUITY		<u>17,669,341</u>	<u>18,065,072</u>

The explanatory notes are an integral part of the quarterly information.



Income statement for the periods ended March 31

(In thousands of reais, unless otherwise noted)

	<u>Note</u>	<u>03/31/2024</u>	<u>03/31/2023</u>
NET REVENUE FROM SERVICES	28	1,643,868	1,245,406
Cost of Services Provided	29	(837,186)	(777,643)
GROSS PROFIT		<u>806,682</u>	<u>467,763</u>
OPERATING INCOME (EXPENSE)			
Expenses with sales	29	(3,196)	(4,455)
General and administrative expenses	29	(123,935)	(100,336)
Other operating income	30	25,723	69,664
Other operational expenses	30	(53,630)	(40,633)
OPERATING PROFIT		<u>651,644</u>	<u>392,003</u>
FINANCIAL INCOME (EXPENDITURE)			
Financial Revenue	31	227,902	102,729
Financial expenses	31	(396,389)	(267,530)
NET FINANCIAL INCOME		<u>(168,487)</u>	<u>(164,801)</u>
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		483,157	227,202
INCOME TAX AND SOCIAL CONTRIBUTION			
Current	32	(75,042)	(60,372)
Deferred	32	(92,256)	(20,936)
NET INCOME FOR THE PERIOD		<u>315,859</u>	<u>145,894</u>
EARNINGS PER SHARE OF CAPITAL STOCK			
AT THE END OF THE PERIOD - R\$		<u>0.935</u>	<u>0.429</u>
BASIC AND DILUTED EARNINGS PER SHARE – R\$			
COMMON	27	0.895	0.411
PREFERENTIAL	27	0.984	0.452

The explanatory notes are an integral part of the quarterly information.



Comprehensive income statement income for the periods ended March 31
(In thousands of Reais)

	<u>Note</u>	<u>03/31/2024</u>	<u>03/31/2023</u>
NET INCOME FOR THE PERIOD		315,859	145,894
<u>Items that will not be reclassified for the income/loss:</u>			
Other comprehensive income	26.e	10	11
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>315,869</u>	<u>145,905</u>

The explanatory notes are an integral part of the quarterly information.



MRS Logística S.A.

Statement of changes in shareholders' equity
(In thousands of Reais)

	Note	Capital social	Other comprehensive income	Profit Reserves				Total
				Legal	Withholding for investments	Total	Retained earnings	
BALANCE AS OF JANUARY 01, 2024		3,961,031	11,035	480,742	1,932,994	2,413,736	-	6,385,802
Comprehensive income/loss for the period								
Net income for the period		-	-	-	-	-	315,859	315,859
Other comprehensive income		-	10	-	-	-	-	10
Total comprehensive income of the year		-	10	-	-	-	315,859	315,869
Shareholder contributions and distributions to shareholders								
Increase of capital		75,841	-	-	(75,841)	(75,841)	-	-
Total capital transactions with partners in the period		75,841	-	-	(75,841)	(75,841)	-	-
BALANCE AS OF MARCH 31, 2024		4,036,872	11,045	480,742	1,857,153	2,337,895	315,859	6,701,671

The explanatory notes are an integral part of the quarterly information.


Statement of changes in shareholders' equity
(In thousands of Reais)

	Note	Capital social	Other comprehensive income	Profit Reserves				Total
				Legal	Withholding for investments	Total	Retained earnings	
BALANCE AS OF JANUARY 01, 2023		3,961,031	10,564	420,735	1,121,304	1,542,039	-	5,513,634
Comprehensive income/loss for the period								
Net income for the period	27	-	-	-	-	-	145,894	145,894
Other comprehensive income	26.e	-	11	-	-	-	-	11
Total comprehensive income of the year		-	11	-	-	-	145,894	145,905
BALANCE AS OF MARCH 31, 2023		3,961,031	10,575	420,735	1,121,304	1,542,039	145,894	5,659,539

The explanatory notes are an integral part of the quarterly information.


Cash Flow Statement as of March 31
(In thousands of Reais)

	Note	03/31/2024	03/31/2023
CASH FLOW OF THE OPERATING ACTIVITIES			
Net income before income tax and CSLL	32	483,157	227,202
Set by:			
Depreciation and amortization	29	242,453	222,656
Monetary/exchange rate variation and finance charges		257,348	206,456
Income/loss on sale and Residual value of fixed assets/Perm. invest. offset		2,206	32
Provision (reversal)	24	8,275	18,801
Amortization of anticipated expense	12	10,716	9,457
Provision (reversal) for expected credit losses and provision (reversal) for inventory losses	29	(4,234)	198
Others		10	11
		<u>999,931</u>	<u>684,813</u>
(Increase) reduction in operating assets			
Accounts receivable	7 and 9	201,275	294,018
Stocks	10	(12,515)	(46,809)
Taxes to be recovered	11	16,766	82,260
Pre-paid expenses	12	(6,014)	(4,962)
Advances		(37,178)	(64,802)
Other assets		(163)	(857)
(Increase) reduction in operating liabilities			
Suppliers		(187,265)	69,910
Tax obligations	18 and 19	(18,898)	(14,689)
Social and Labor Obligations	17	(90,148)	(106,405)
Advances from customers		3,899	2,680
Other obligations		(8,530)	(3,315)
Cash generated by operations		<u>861,160</u>	<u>891,842</u>
Payment of taxes on profit		(160,101)	(14,995)
Payment of interest on loans and financing	33-3	(28,994)	(17,047)
Lease Interest Payment	33-3	(47,366)	(56,174)
Payment of interest on corporate bonds	33-3	(135,766)	(96,286)
Net Cash Flow Generated by Operating Activities		<u>488,933</u>	<u>707,340</u>

(continued)

**Cash Flow Statement as of March 31***(In thousands of Reais)*

(continuation)

	<u>Note</u>	<u>03/31/2024</u>	<u>03/31/2023</u>
CASH FLOW FROM INVESTMENT ACTIVITIES			
Additions to fixed assets	14.1	(343,889)	(210,689)
Additions to Intangible	15	(4,720)	(17,349)
Disposal of fixed assets	30	1,257	-
		<u>(347,352)</u>	<u>(228,038)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of loans and financing/derivative financial instruments	33.3	(225,387)	(230,078)
Payment of corporate bonds	20	(118,258)	(113,158)
Rent payment	21	(130,595)	(114,196)
Dividends paid		-	(2)
		<u>(474,240)</u>	<u>(457,434)</u>
		<u>(332,659)</u>	<u>21,868</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BALANCE			
Increase (decrease) in cash and cash equivalents			
Opening Balance		3,385,798	866,856
Closing balance		3,053,139	888,724

The explanatory notes are an integral part of the quarterly information.



Added Value Statement as of March 31
(In thousands of Reais)

	Note	03/31/2024	03/31/2023
REVENUES			
Customer Contract Revenue	28	1,756,421	1,343,555
Other Revenues	30	25,723	69,664
Revenue from the construction of own assets		84,552	10,527
Estimated losses on credit losses – Reversal / (Constitution)	29	1,216	(198)
		<u>1,867,912</u>	<u>1,423,548</u>
INPUTS PURCHASED FROM THIRD PARTIES			
Costs of products, goods and services sold		(609,729)	(501,069)
Materials, energy, third-party services, and others		(63,860)	(45,276)
Other operating and risk allowance expenses		(17,384)	(20,362)
		<u>(690,973)</u>	<u>(566,707)</u>
GROSS VALUE ADDED		<u>1,176,939</u>	<u>856,841</u>
DEPRECIATION, AMORTIZATION AND DEPLETION	29	<u>(242,453)</u>	<u>(222,656)</u>
NET VALUE ADDED PRODUCED BY THE ENTITY		<u>934,486</u>	<u>634,185</u>
ADDED VALUE RECEIVED IN TRANSFER			
Financial Revenue	31	<u>227,902</u>	<u>102,729</u>
TOTAL ADDED VALUE TO BE DISTRIBUTED		<u>1,162,388</u>	<u>736,914</u>
DISTRIBUTION OF ADDED VALUE			
Personnel		1,162,388	736,914
Direct remuneration		208,658	172,117
Benefits		117,572	99,731
F.G.T.S.		77,823	61,009
Taxes, fees and contributions		13,263	11,377
Federal		237,071	147,577
State		226,430	134,889
Municipal		9,850	12,441
Remuneration of third-party capital		791	247
Interest		400,800	271,326
Rents		396,564	267,285
Return on equity		4,236	4,041
fiscal year		315,859	145,894
Loss for the year		315,859	145,894
		<u>1,162,388</u>	<u>736,914</u>

The explanatory notes are an integral part of the quarterly information.

MRS Logística S.A.

Management's explanatory notes to the quarterly information on March 31, 2024 In thousands of Reais, unless otherwise stated



1. Operational context

MRS Logística S.A. ("MRS" or the "Company") is a publicly-held corporation, with an indefinite term, incorporated on August 30, 1996, with the objective of exploring, by onerous concession, the public service of rail freight transportation in the right-of-way of the Southeast Network, located in the Rio de Janeiro, São Paulo and Minas Gerais axis, of the extinct Rede Ferroviária Federal S.A. - RFFSA, privatized on September 20, 1996.

The Company will also be able to explore modal transport services related to rail transport and participate in projects aimed at expanding the rail services granted.

The original concession contract has a term of 30 years from December 1, 1996, extendable, in case of manifest interest of both parties, up to a maximum limit of 30 years by exclusive decision of the Granting Authority.

On July 29, 2022, the Company entered into an amendment with the Federal Government, through ANTT - National Land Transport Agency, to the 4th Amendment to the Concession Agreement of MRS Logística S.A., which extended in advance, for another 30 years, the concession of the public rail freight transport service, effective until 2056.

The current concession agreement establishes specific indicators to be complied with by the Company, related to serious railway accidents, average travel speed, maximum age of the locomotive fleet and railway saturation index.

If these indicators are not achieved, after overcoming all phases of clarification and administrative defenses, ANTT may apply penalties that may even lead to forfeiture, in case of repeated non-compliance with contractual targets. The concession may be terminated within the following legal hypotheses: (i) advent of the contractual term; (ii) expropriation; (iii) forfeiture; (iv) termination; (v) cancellation of the bidding; (vi) bankruptcy or extinction of the Company. In any event of termination of the concession, with the exception of item (i), the Company shall be indemnified by the Federal Government for the undepreciated balance of the investments made and declared reversible by the Granting Authority. On March 31, 2024, MRS was up to date with its contractual obligations and duly compliant with ANTT.



2. Basis for preparation and submission of interim information

Statement of compliance

The quarterly information (ITR) was prepared and is being presented in accordance with Technical Pronouncement CPC 21 - Interim Financial Statements and the international accounting standard IAS 34 - *Interim Financial Reporting*, issued by the *International Accounting Standards Board* (IASB), as well as by the presentation of this information in a manner consistent with the standards issued by the Commission of Securities, applicable to the preparation of Quarterly Information - ITR.

In addition, management affirms that all material information in the interim financial statements is being evidenced and corresponds to that used by the Company's management.

The interim financial statements should be read together with the financial statements for the year ended December 31, 2023.

The quarterly information for the quarter ended March 31, 2024 was definitively approved by the Company's Board of Directors on May 14, 2024.

3. Accounting policies

The quarterly information was prepared in accordance with the accounting policies disclosed in note 3 of the financial statements as of December 31, 2023 and filed with the CVM on March 20, 2024 and published in the Official Press on March 21, 2024.

No pronouncements, interpretations or guidance issued by the CPC, effective as of 2024, have significant impacts on the Company, as mentioned in note 5 of the financial statements as of December 31, 2023.

4. Critical Accounting Estimates and Judgments

In preparing quarterly information, it is necessary to use estimates for certain assets, liabilities and other transactions. These estimates include: depreciation, provisions for risks, post-employment benefits, fair value of derivatives and other financial instruments, income tax and social contribution on current net income and, detailed in note 4 to the financial statements as of December 31, 2023. Although management uses assumptions and judgments that are reviewed periodically, actual income/losses may differ from these estimates.

MRS Logística S.A.

Management's explanatory notes to the quarterly information on March 31, 2024 In thousands of Reais, unless otherwise stated



5. Cash and cash equivalents

Current	03/31/2024	12/31/2023
Cash and cash equivalents		
Cash and banks	13,785	5,610
	13,785	5,610
Financial investments in the country		
CDB	3,039,354	3,380,188
	3,039,354	3,380,188
	3,053,139	3,385,798

The financial investments are backed by securities issued by banks in Brazil and have an average liquidity of 44 days, and can be redeemed before maturity, without any significant modification or adjustment in the rate of return previously agreed with the financial institution.

These investments are in CDB, with remuneration based on the variation of Interbank Certificates of Deposits – CDI, in the range between 95.0% and 110.0% (99.0% and 110.0% on December 31, 2023).

The risk classification of financial investments according to the business model is described in Note 22.

6. Restricted Cash

	03/31/2024	12/31/2023
CDB	1,208	2,254
	1,208	2,254

The restricted cash as of March 31, 2024 is composed of financial investment in CDB, constituted as a form of guarantee of the commercial agreement for the purchase and sale of electricity in the free market.

This investment is backed by securities in Brazil, has a maximum liquidity of 360 days and remuneration based on the variation of Interbank Certificates of Deposits - CDI of 100.5%.

The risk classification of financial investments in restricted cash, according to the business model, is described in Note 22.

MRS Logística S.A.

Management's explanatory notes to the quarterly information on March 31, 2024 In thousands of Reais, unless otherwise stated



7. Accounts receivable from customers

		<u>03/31/2024</u>	<u>12/31/2023</u>
Accounts receivable from related parties	8	249,705	460,868
In-country customers	(a)	78,013	67,971
Expected credit losses		(1,191)	(1,108)
		<u>326,527</u>	<u>527,731</u>
Current		286,093	450,308
Non-Current		40,434	77,423

(a) They basically refer to receivables related to rail freight services provided, including mutual traffic and right-of-way receivables from customers who are not related parties.

8. Related parties

The balances of assets and liabilities as of March 31, 2024 and December 31, 2023 reported in this note relate to transactions with related parties arising from the Company's transactions with its shareholders, related companies and key management professionals.

Transactions with related parties are mainly associated with the provision of public rail freight services. They are carried out under terms and conditions negotiated with each of the contracting customers, respecting the tariff limits defined by the Granting Authority, which apply to all customers of the concessionaire, whether or not they are related parties. According to the Company's Corporate Governance, the amounts negotiated with related parties are approved by the shareholders and comply with a tariff model that aims to remunerate the costs of providing the rail transport service, plus margins that are compatible with those established in its business plan. There are no transactions with negative margins, as established in the concession agreement. In addition, contracts with related parties are long-term and have clauses guaranteeing revenues and annual volumes, as is the case with other captive customers.

In addition to contracts for rail freight transportation services, the Company has other contracts with its related parties regarding maintenance services and improvements in terminals, sale of scrap metal, rentals and maintenance of rolling stock and permanent track.

Accounts payable with related parties, presented in liabilities with related parties, except dividends payable, are derived from purchasing operations, use of the railroad network, shared investments inherent to the Company's business and other contractual obligations.

MRS Logística S.A.



Management's explanatory notes to the quarterly information on March 31, 2024 In thousands of Reais, unless otherwise stated

The Company has the following balances related to transactions with related parties:

Assets

		Accounts receivable		Advances	
		03/31/2024	12/31/2023	03/31/2024	12/31/2023
Vale S.A.	(a)	60,747	224,581	-	-
CSN Mineração S.A.	(b)	59,578	86,603	-	-
Mineração Usiminas S.A.	(c)	60,678	89,105	-	-
Companhia Siderúrgica Nacional		40,418	25,735	8	8
Ferrovias Centro-Atlântica S.A.		9,559	8,373	-	-
Usinas Siderúrgicas de Minas Gerais S.A.		4,015	3,971	-	-
Gerdau Açominas S.A.		4,047	10,254	-	-
CSN Cimentos Brasil S.A.		7,256	7,628	-	-
Confab Industrial S.A.		1,960	1,068	-	-
Gerdau Aços Longos S.A.		1,174	1,623	-	-
Ternium Brasil Ltda.		2	139	-	-
Sepetiba Tecon S.A.		30	277	613	306
Gerdau S.A.		124	1,507	-	-
Ferrovias Interna do Porto de Santos		-	-	8,020	8,020
Co-Log Logística de Coprodutos S.A.		117	-	-	-
		249,705	460,864	8,641	8,334
Current		209,271	383,441	4,823	8,334
Non-Current		40,434	77,423	3,818	-

(a) The balance as of December 31, 2023 was composed of the accounts receivable arising from the recognition of the provision for revenue protection mechanisms that were invoiced and received in the first quarter of 2024.

(b) Of the amount of R\$ 59,578 on March 31, 2024, R\$ 28,325 refers to the present value of the installments due from the contractual amendment signed in 2018 between MRS and CSN Mineração recorded in current and non-current assets. The total value of these installments is R\$ 47,095. The balances on March 31, 2024 and December 31, 2023 are also composed of the amounts receivable from rail freight services and the recognition of the provision of revenue protection mechanisms.

(c) Of the amount of R\$ 60,678 on March 31, 2024, R\$ 53,533 refers to the present value of the installments due from the contractual amendment signed in 2016 between MRS and Mineração Usiminas S.A. "MUSA", recorded in current and non-current assets. The total value of these installments is R\$ 63,092.

The Company has receivables agreements with some related parties pledged as collateral for loans. Except for accounts receivable related to revenue protection mechanisms and contractual amendments, the average receivable period for receivables with related parties is less than 15 days.

MRS Logística S.A.

Management's explanatory notes to the quarterly information on March 31, 2024

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Liabilities

	Accounts Payable/Other Passive Obligations		Advances		Dividends payable	
	03/31/2024	12/31/2023	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Vale S.A. (d)	516	78,961	-	-	29,966	29,966
Mineração Brasileiras Reunidas S.A.	-	-	-	-	96,396	96,396
CSN Mineração S.A.	22,438	25,644	-	-	54,167	54,167
Companhia Siderúrgica Nacional	7,667	7,592	65	65	54,135	54,135
Usinas Siderúrgicas de Minas Gerais S.A.	-	-	20	10	767	767
Gerdau Açominas S.A.	-	-	8	6	-	-
Ferrovia Centro-Atlântica S.A.	18,650	18,252	268	267	-	-
Gerdau Aços Longos S.A.	1,878	-	7	7	-	-
Usiminas Participações e Logística S.A.	-	-	-	-	30,591	30,591
Railvest Investments Inc	-	-	-	-	11,906	11,906
CSN Cimentos Brasil S.A.	10,161	10,161	-	-	-	-
Gerdau S.A.	-	-	4	4	3,601	3,601
Sepetiba Tecon S.A.	-	1,776	-	-	-	-
Confab Industrial S.A.	-	-	23	23	-	-
Mitsui & Co. Steel Ltd (e)	67,351	170,398	-	-	-	-
Ternium Brasil Ltda.	154	154	-	-	-	-
Terminal de Cargas Sarzedo Ltda.	-	152	10	-	-	-
Ferrovia Interna do Porto de Santos	7,412	4,776	-	-	-	-
Transnordestina Logística S.A.	-	-	3,500	-	-	-
Others	-	-	-	-	3,661	3,661
	136,227	317,866	3,905	382	285,190	285,190
Current	120,872	299,224	3,905	382	285,190	285,190
Non-Current	15,355	18,642	-	-	-	-

(d) The amount of R\$ 78,961 referring to accounts payable resulting from the protection mechanism clause of the contract for the provision of rail transport services, was updated by the CDI, until the due date and fully paid in March 2024.

(e) In the first quarter of 2024, the amount of R\$ 107,233 was settled for the purchase of rails with Mitsui & Co. Steel Ltd.

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Income/loss

	Revenue from services		Other Revenues		Financial Revenue	
	03/31/2024	03/31/2023	03/31/2024	03/31/2023	03/31/2024	03/31/2023
Vale S.A.	530,479	320,201	-	2	-	-
CSN Mineração S.A.	290,932	237,501	3,363	3,262	2,681	2,681
Companhia Siderúrgica Nacional	133,040	70,979	-	98	47	52
Mineração Usiminas S.A.	56,856	48,881	-	-	1,754	2,470
Gerdau Açominas S.A.	49,597	37,521	686	218	-	-
Usinas Siderúrgicas de Minas Gerais S.A.	43,355	26,046	-	-	-	49
Ferrovias Centro-Atlântica S.A.	8,079	5,923	381	719	-	-
Gerdau Aços Longos S.A.	6,321	3,690	6,563	3,764	-	-
Vallourec Soluções Tubulares do Brasil S.A.	-	6,489	-	1,280	-	18
CSN Cimentos S.A.	-	5,254	-	268	-	3
Ternium Brasil Ltda.	530	193	-	-	-	-
Confab Industrial S.A.	6,866	5,590	180	-	-	1
CSN Cimentos Brasil S.A.	26,973	11,213	11	57	11	-
Gerdau S.A.	426	334	416	117	7	2
Co-Log Logística de Coprodutos S.A	988	-	-	-	-	-
Mitsui & Co. Ltda.	-	-	-	-	-	1,724
Mitsui & Co. Steel Ltd	-	-	-	-	-	2,342
Sepetiba Tecon S.A.	-	-	56	18	-	2
	1,154,442	779,815	11,656	9,803	4,500	9,344

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	Other Operating/Financial Expenses	
	03/31/2024	03/31/2023
Vale S.A.	1,814	8,379
CSN Mineração S.A.	153	7
Companhia Siderúrgica Nacional	-	704
Gerdau Açominas S.A.	10	131
Ferrovias Centro-Atlântica S.A.	3,963	3,357
Gerdau Aços Longos S.A.	-	280
Vallourec Soluções Tubulares do Brasil S.A	-	605
Terminal de Cargas Sarzedo Ltda.	633	97
CSN Cimentos S.A.	-	25
CSN Cimentos Brasil S.A.	-	47
Mitsui & Co. Ltda.	4,186	-
Ferrovias Interna do Porto de Santos	5,711	-
Sepetiba Tecon S.A.	-	3
	16,470	13,635

Key administration personnel

	Income/loss	
	03/31/2024	03/31/2023
Short-term benefits	4,453	4,556
Post-employment benefits	105	90
Other long-term benefits	2,191	2,479
	6,749	7,125

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9. Other Accounts Receivable

		<u>03/31/2024</u>	<u>12/31/2023</u>
Sublease receivables	(a)	14,696	16,458
Receivables - Other Sales	(b)	12,863	15,688
Other Accounts Receivable		1,265	1,267
Expected credit losses		(5,551)	(6,850)
		<u>23,273</u>	<u>26,563</u>
Current		15,137	16,525
Non-Current		8,136	10,038

(a) Subleases, recorded at present value in current and non-current assets, refer to real estate rental agreements in which the Company is the intermediate lessor of a master lease, classified as a right-of-use (lease) asset.

	<u>03/31/2024</u>	<u>12/31/2023</u>
Sublease		
As of January 1	18,735	29,537
Amendments to contracts	-	2,230
Amortizations	(2,188)	(13,032)
Period/Fiscal Year Ending Balance	16,547	18,735
Accrued interest		
As of January 1	(2,277)	(5,057)
Amendments to contracts	-	(184)
Accrued interest	426	2,964
Period/Fiscal Year Ending Balance	(1,851)	(2,277)
Net Balance	14,696	16,458

The flow of future receipts from the subleases, excluding interest to be accrued, is as follows:

	<u>In 12 months</u>	<u>Up to 5 years</u>	<u>Total</u>
Subleasing	7,589	8,958	16,547

(b) The amounts receivable are derived from the sale of scrap, provision of maintenance services and other amounts not related to the rail freight service.

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10. Stocks

		<u>03/31/2024</u>	<u>12/31/2023</u>
Maintenance Materials		257,236	246,360
Fuels	25	12,191	17,531
Materials in the process of recovery		8,345	7,509
Imports in transit		3,814	1,469
Materials in the possession of third parties		20,916	17,118
Provision for losses		(4,806)	(7,824)
		<u>297,696</u>	<u>282,163</u>

11. Taxes to be recovered

		<u>03/31/2024</u>	<u>12/31/2023</u>
PIS/COFINS to be offset	(a)	126,275	146,691
PIS/COFINS to be recovered	(b)	83,422	90,631
Tax on the circulation of goods and services – ICMS	(c)	179,783	179,849
Income tax	(d)	72,718	84,204
Others		42	106
		<u>462,240</u>	<u>501,481</u>
Current		263,400	261,256
Non-Current		198,840	240,225

(a) The amount of R\$126,275 on March 31, 2024 (R\$146,691 on December 31, 2023), of which R\$75,816 is principal and R\$50,459 is updated by the Selic rate, is due to the decision of the STF (Federal Supreme Court) of May 13, 2021, in a judgment with general repercussion, that the ICMS is not part of the calculation basis of the contributions to PIS and COFINS, and considering that the lawsuit filed by MRS to discuss this thesis is dated prior to March 2017, the Company calculated, based on its best estimate, the gain of R\$337,972, which was provisioned in 2021. After the qualification of PIS and COFINS credits in 2023, in the 1st quarter of 2024, the amount of R\$20,416 (R\$212,319 on December 31, 2023) was offset in the payment of federal taxes.

(b) The balance of PIS and COFINS to be recovered refers to the credits calculated on the acquisition of assets and inputs.

(c) They mainly refer to credits arising from the acquisition of goods for fixed assets and purchases of inputs.

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Composition of ICMS credits recorded in current assets:

Composition of ICMS credits - current	<u>03/31/2024</u>	<u>12/31/2023</u>
ICMS - RJ	55,051	49,757
ICMS - SP	84,031	76,810
Total current	<u>139,082</u>	<u>126,567</u>

(d) It basically refers to the withholding income tax on financial investments and on gains in derivatives operations – *swaps*. As the income is taxed only on the redemption of the investments and the settlement of *the swaps*, this amount includes the provision of income tax source of these operations.

12. Pre-paid expenses

	<u>03/31/2024</u>	<u>12/31/2023</u>
Insurance	5,224	10,556
Pre-paid expenses with personnel	18,695	16,760
Pre-paid service/other expenses	10,398	10,184
Pre-paid expenses with a budget of ANTT inspection	2,962	4,481
	<u>37,279</u>	<u>41,981</u>
Current	34,254	37,862
Non-Current	3,025	4,119

13. Other current and non-current assets

		<u>03/31/2024</u>	<u>12/31/2023</u>
Judicial deposits	24.1	113,427	111,138
Advances to suppliers/related parties	(a)	124,463	86,780
Advances to employees		14,034	14,538
Others		7	7
		<u>251,931</u>	<u>212,463</u>
Current		134,679	101,318
Non-Current		117,252	111,145

(a) They correspond to advances granted to domestic and foreign suppliers for the acquisition of materials and inputs that do not correspond to fixed assets. The amount corresponding to the advance to related parties is detailed in note 8.

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14. Fixed Assets

14.1 Fixed assets in operation and under construction

	03/31/2024					12/31/2023			
	Fixed assets in operation						Fixed assets in progress	Total	Total
	Permanent Track	Locomotives	Wagons	Machinery, Equipment and Facilities	Others	Total			
Cost									
As of January 1	6,197,587	4,371,086	3,596,090	1,759,685	152,862	16,077,310	1,827,908	17,905,218	16,237,506
Additions	20,643	21,033	161,070	6,797	2,049	211,592	220,337	431,929	1,854,595
Transfers	308,932	11,777	26,109	57,041	800	404,659	(404,659)	-	-
Reversal/ (provision) offset						-	-	-	(17,739)
Reclassifications						-	(2,446)	(2,446)	(744)
Disposals		(5,162)	(7,400)	(372)	(82)	(13,016)		(13,016)	(168,400)
Period/Fiscal Year Ending Balance	6,527,162	4,398,734	3,775,869	1,823,151	155,629	16,680,545	1,641,140	18,321,685	17,905,218
Depreciation									
As of January 1	(3,409,559)	(2,227,068)	(1,602,265)	(734,804)	(110,478)	(8,084,174)	-	(8,084,174)	(7,414,686)
Additions	(99,072)	(51,734)	(36,728)	(21,429)	(1,707)	(210,670)	-	(210,670)	(798,224)
Disposals		4,599	4,550	327	77	9,553	-	9,553	128,736
Period/Fiscal Year Ending Balance	(3,508,631)	(2,274,203)	(1,634,443)	(755,906)	(112,108)	(8,285,291)	-	(8,285,291)	(8,084,174)
Period/Fiscal Year Net Balance	3,018,531	2,124,531	2,141,426	1,067,245	43,521	8,395,254	1,641,140	10,036,394	9,821,044

The movement of fixed assets for 2023 is published in note 16.1 of the 2023 financial statements.



Capitalized loan costs

The amount of capitalized loan costs for the period ended March 31, 2024 was R\$5,085 (R\$9,185 as of December 31, 2023). The rate used to determine the amount of capitalized financing costs was 12.5% per year (13.80% in 2023), which represents the average rate of the Company's financing.

Depreciation Rates

The annual depreciation and useful life rates of the Company's main asset groups applied in the 1st quarter of 2024 are shown in note 3.8 of the financial statements as of December 31, 2023.

The Company has wagons and locomotives given as collateral for financing. The residual value as of March 31, 2024 of the assets pledged as collateral is R\$1,049,007.

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14.2 Right-of-use (lease) assets

	03/31/2024					12/31/2023
	Assets linked to the concession	Vehicles	Real Estate	Others	Total	Total
Cost						
As of January 1	3,765,840	39,841	27,838	4,693	3,838,212	3,721,742
Additions	-	-	-	-	-	1,330
Monetary remeasurement	-	-	-	-	-	119,382
Derecognition	-	-	-	-	-	(4,242)
Period/Fiscal Year Ending Balance	3,765,840	39,841	27,838	4,693	3,838,212	3,838,212
Depreciation						
As of January 1	(1,192,512)	(38,432)	(14,680)	(4,346)	(1,249,970)	(1,159,547)
Additions	(19,543)	(863)	(1,397)	(200)	(22,003)	(92,702)
Derecognition	-	-	-	-	-	2,279
Period/Fiscal Year Ending Balance	(1,212,055)	(39,295)	(16,077)	(4,546)	(1,271,973)	(1,249,970)
Period/Fiscal Year Net Balance	2,553,785	546	11,761	147	2,566,239	2,588,242

The movement of the right-of-use asset for the year ended December 31, 2023 is published in note 16.2 of the 2023 financial statements.



15. Intangible

	03/31/2024				12/31/2023
	Computerized systems and software	Concession Rights	Ongoing Projects	Total	Total
Cost					
As of January 1	408,603	169,654	33,151	611,408	393,030
Additions	17	-	4,703	4,720	225,340
Transfers	781	-	(781)	-	-
Reclassifications	2,446	-	-	2,446	744
Adjustments in cost	-	(14,935)	-	(14,935)	-
Disposals	-	-	-	-	(7,706)
Period/Fiscal Year Ending Balance	411,847	154,719	37,073	603,639	611,408
Depreciation					
As of January 1	(255,607)	(7,192)	-	(262,799)	(232,330)
Additions	(9,792)	(62)	-	(9,854)	(31,153)
Disposals	-	-	-	-	684
Period/Fiscal Year Ending Balance	(265,399)	(7,254)	-	(272,653)	(262,799)
Period/Fiscal Year Net Balance	146,448	147,465	37,073	330,986	348,609

The movement of intangible assets for 2023 is published in note 17 of the 2023 financial statements.

The amortization rate of intangible assets was estimated at 20% per year, except for concession rights.

Concession Rights

The concession rights are recorded against the "Concession Obligations" and are being amortized for the term of the concession agreement.

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16. Suppliers

		<u>03/31/2024</u>	<u>12/31/2023</u>
Amounts payable to related parties	8	113,789	292,079
Suppliers payable – national		416,277	480,431
Suppliers payable – foreigners		19,315	14,257
		<u>549,381</u>	<u>786,767</u>
Current		543,642	780,947
Non-Current		5,739	5,820

17. Social and Labor Obligations

		<u>03/31/2024</u>	<u>12/31/2023</u>
PPR – Profit Sharing/Bonus Plan		30,538	109,327
Provision for vacations		58,427	50,826
Salaries payable		25,852	43,111
INSS		30,836	28,966
FGTS		8,103	8,956
IRRF payable		507	4,311
Others		9,270	8,184
		<u>163,533</u>	<u>253,681</u>

18. Income tax and social contribution

		<u>03/31/2024</u>	<u>12/31/2023</u>
Income tax		40,109	136,260
Social contribution		9,674	23,362
		<u>49,783</u>	<u>159,622</u>

19. Other tax obligations

		<u>03/31/2024</u>	<u>12/31/2023</u>
ICMS		48,249	46,978
INSS withheld third parties		10,654	20,140
PIS/COFINS		8,403	9,278
ISS		3,073	8,020
Others		52	84
		<u>70,431</u>	<u>84,500</u>

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20. Loans and financing

	<u>03/31/2024</u>	<u>12/31/2023</u>
<u>National currency</u>		
FINEM/FINAME - BNDES	874,181	871,046
Banco Safra	203,898	211,044
Banco MUFG	417,740	405,362
Promissory notes	682,470	662,939
	2,178,289	2,150,391
Transaction costs	(1,391)	(1,422)
	2,176,898	2,148,969
<u>Foreign currency</u>		
Banco Citibank	104,925	103,267
	104,925	103,267
Transaction costs	(15,357)	(15,817)
	89,568	87,450
<u>Corporate bonds</u>		
7th Issue (a)	120,575	247,388
9th Issue	643,147	626,271
10th Issue	1,614,693	1,667,296
11th Issue	2,140,610	2,219,819
	4,519,025	4,760,774
Transaction costs	(118,970)	(121,910)
	4,400,055	4,638,864
Total loans and financing	6,666,521	6,875,283
Current	1,000,424	998,552
Non-Current	5,666,097	5,876,731

- (a) In the first quarter of 2024, the amortization of the 2nd principal installment of the 2nd series of the 7th issuance of corporate bonds in the amount of R\$118,258 took place, with one installment remaining to mature in 2025.

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The amortization flow of long-term financing is as follows:

	2025	2026	2027	After 2027	Total
FINEM/FINAME - BNDES	44,346	80,485	80,485	631,442	836,758
Promissory note	-	682,470	-	-	682,470
Banco MUFG	-	400,000	-	-	400,000
Banco Safra	-	200,000	-	-	200,000
Banco Citibank	11,291	15,105	12,963	49,816	89,175
Corporate bonds	160,482	1,009,729	291,544	2,115,454	3,577,209
	216,119	2,387,789	384,992	2,796,712	5,785,612

As at 31 March 2024, the transaction costs of the fundraisers were presented as follows:

	Short-term	Long-term				Total	
	CP	2025	2026	2027	After 2028	Total	CP + LP
National currency	120	87	894	93	197	1,271	1,391
Foreign currency	1,732	1,187	1,502	1,448	9,488	13,625	15,357
Corporate bonds	14,351	6,124	7,545	6,478	84,472	104,619	118,970
	16,203	7,398	9,941	8,019	94,157	119,515	135,718

Restrictive financial conditions (covenants)

Loan and financing agreements have restrictive clauses regarding the maintenance of financial ratios. All *covenants* were fulfilled on March 31, 2024 and December 31, 2023. The corporate bonds issued by the Company also have restrictive clauses related to the maintenance of financial ratios, which were complied with on March 31, 2024 and December 31, 2023. The corporate bonds of the 7th issuance have clauses for maintaining a minimum *risk rating* attributable by *Standard and Poor's*, which were also met in the reporting period. The corporate bonds of the 9th, 10th and 11th issuance and the promissory notes do not have minimum *rating* maintenance clauses.



21. Lease

The leases falling within the scope of CPC 06 (R2) related to the Company's rights of use were grouped according to their nature.

The lease agreements, except for the lease agreement for the assets linked to the concession, have several terms of validity, with the last maturity occurring in December 2026. The values are updated annually by inflation indexes, mostly by the IPCA.

The incremental lending rate used by the Company was determined based on the interest rates to which the Company has access, adjusted to the Brazilian market and the terms of its contracts. Rates between 6.44% and 9.95% (6.44% to 9.95% as of December 31, 2023) were used, according to the term of each contract.

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	03/31/2024				Total	12/31/2023
	Assets Linked to the concession	Real Estate	Vehicles	Others		Total
Lease payable						
As of January 1	3,486,234	8,562	1,929	737	3,497,462	4,076,558
Additions	-	-	-	-	-	1,512
Remeasurement by monetary adjustment	-	-	-	-	-	121,140
Derecognition	-	-	-	-	-	(2,226)
Payments	(176,145)	(683)	(919)	(214)	(177,961)	(699,522)
Balance at the end of the period/fiscal year	3,310,089	7,879	1,010	523	3,319,501	3,497,462
Accrued interest						
As of January 1	(1,459,625)	(3,208)	(119)	(14)	(1,462,966)	(1,675,498)
Additions/(Reversals)	-	-	-	-	-	(182)
Remeasurement by monetary adjustment	-	-	-	-	-	(1,758)
Derecognition	-	-	-	-	-	211
Accrued interest	47,236	95	29	6	47,366	214,261
Balance at the end of the period/fiscal year	(1,412,389)	(3,113)	(90)	(8)	(1,415,600)	(1,462,966)
Period/Fiscal Year Net Balance	1,897,700	4,766	920	515	1,903,901	2,034,496
Current	564,292	2,773	555	510	568,130	556,338
Non-Current	1,333,408	1,993	365	5	1,335,771	1,478,158

The 2023 leasing movement is published in note 23 of the 2023 financial statements.

The flow of future lease payments is as follows:

Lease payable	Up to 12 months	Up to 5 years	Above 5 years	Total
Assets linked to the concession	704,581	1,103,419	1,502,089	3,310,089
Real Estate	2,996	4,883	-	7,879
Vehicles	609	401	-	1,010
Others	511	12	-	523
	708,697	1,108,715	1,502,089	3,319,501
	551,162	778,481	574,258	1,903,901

Accrued interest	Up to 12 months	Up to 5 years	Above 5 years	Total
Assets linked to the concession	(157,258)	(327,300)	(927,831)	(1,412,389)
Real Estate	(222)	(2,891)	-	(3,113)
Vehicles	(54)	(36)	-	(90)
Others	(1)	(7)	-	(8)
	(157,535)	(330,234)	(927,831)	(1,415,600)
	551,162	778,481	574,258	1,903,901

22. Financial instruments

Transactions in financial instruments

The calculation of the fair value of the investments (Cash and cash equivalents and Restricted Cash) follows the following methodology: (i) for the calculation of the fair value, only investments whose contracted rates are different at 100% of the CDI are considered and (ii) for the calculation of the discount rate, From the measurement of fair value, the last investment rate contracted by the financial institution, where the investment is held, is considered.

The fair value of loans and financing is based on market assumptions, the calculation follows the following methodology: for operations that have a public market quotation for the reference interest rate, the flow to maturity is calculated with the contractual rate and it is then discounted by the constant updated rate of the public source and, for loans and financing that do not have a public source of interest rate, after calculating the flow to maturity with the contractual rate, it is discounted by the interest rate of similar operations in terms of risk and term. If necessary, in case of difficulty in identifying comparable financing, the discount rate is determined by consulting financial institutions.

The book values of all transactions with financial instruments carried out by the Company do not differ from their fair values.

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Classification of derivative and non-derivative financial instruments

	03/31/2024				12/31/2023			
	Amortized cost	VJR	VJR/Operations Used for Hedge	Total	Amortized cost	VJR	VJR/Operations Used for Hedge	Total
Assets								
Cash and cash equivalents	-	3,053,139	-	3,053,139	-	3,385,798	-	3,385,798
Restricted cash	-	1,208	-	1,208	-	2,254	-	2,254
Accounts receivable from customers and other accounts receivable	349,800	-	-	349,800	554,294	-	-	554,294
Gains on transactions with derivative financial instruments – <i>swap</i> /NDF	-	-	282,429	282,429	-	-	326,743	326,743
Total	349,800	3,054,347	282,429	3,686,576	554,294	3,388,052	326,743	4,269,089

	03/31/2024				12/31/2023			
	Amortized cost	VJR	VJR/Operations Used for Hedge	Total	Amortized cost	VJR	VJR/Operations Used for Hedge	Total
Liabilities								
Suppliers	549,381	-	-	549,381	786,767	-	-	786,767
Loans and financing in R\$	2,178,289	-	-	2,178,289	2,150,391	-	-	2,150,391
Loans and financing in USD	-	-	104,925	104,925	-	-	103,267	103,267
Corporate bonds	1,473,614	-	3,045,411	4,519,025	1,608,324	-	3,152,450	4,760,774
Lease	1,903,901	-	-	1,903,901	2,034,496	-	-	2,034,496
Other obligations of the Concession	198,455	-	-	198,455	195,580	-	-	195,580
Losses on transactions with derivative financial instruments – <i>swaps</i>	-	-	127,502	127,502	-	-	159,027	159,027
Total	6,303,640	-	3,277,838	9,581,478	6,775,558	-	3,414,744	10,190,302



Derivative financial instruments

The Company holds derivative financial instruments to hedge risks related to foreign currencies and inflation indexes.

The accounting policy for recording transactions with derivative financial instruments is described in note 3.3 (v) of the financial statements as of December 31, 2023.

Derivative financial instruments (*swaps*) are initially recognised at fair value on the date the derivative contract is entered into and subsequently revalued at fair value as well. Derivatives are presented as financial assets when the fair value of the instrument is positive and as financial liabilities when the fair value is negative.

Thus, *swap* operations that on March 31, 2024 had a net receivable balance in the amount of R\$154,927 (R\$168,829 on December 31, 2023). The operations mentioned above had their variations accounted for in the income/loss.

The Company has documented such a *hedge* relationship as a fair value *hedge* after tests have proven that the *hedge* is highly effective (between 80% and 120%) in offsetting the fair value of the *hedged* object. Effectiveness is measured using prospective efficacy tests, assessed by the statistical method of volatility reduction. *Hedge* is considered effective when the efficacy quotient of the prospective test results in a value equal to or greater than 80%.

From the designation of the *swap* to fair value *hedge*, the variation in the fair value of the *hedge* continues to be recorded in the financial income/loss, but at the same time the variation in the fair value of the attributable risk of the designated *hedge* object is verified, which is recorded in the liabilities as a counterpart in the financial income/loss.

	Fair value hedge	
	03/31/2024	12/31/2023
Debt	3,108,966	3,083,119
Fair Value Hedge Adjustment	41,370	172,598
	Impact on the income/loss	
	03/31/2024	03/31/2023
<u>Financial revenue</u>		
Fair Value Hedge Adjustment	131,228	-
<u>Financial expenses</u>		
Fair Value Hedge Adjustment	-	(25,754)
Net financial income	131,228	(25,754)

(a) *Hedge accounting* was adopted to mitigate the volatility of the mark-to-market of the derivative for the contract with exposure in dollars with Citibank, resulting in the balance of the net financial income. For the 2nd and 3rd series of the 10th issuance and for the 3 series of the 11th issuance of corporate bonds, there are also *hedge accounting operations*.



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<u>Designated Derivative for fair value <i>hedge</i></u>	<u>Reference value (notional)</u>		<u>Fair value</u>	
	<u>03/31/2024</u>	<u>12/31/2023</u>	<u>03/31/2024</u>	<u>12/31/2023</u>
<u>Type of contract</u>				
<i>Swap</i> contracts (fixed Dollar to Real CDI)				
Active Position				
Fixed Dollar	101,243	100,284	104,580	102,928
Passive position				
Real CDI	(98,492)	(100,680)	(102,281)	(104,671)
			2,299	(1,743)
<i>Swap</i> contracts (IPCA to Real CDI)				
Active Position				
IPCA	3,007,504	2,982,495	3,051,032	3,152,449
Passive position				
Real CDI	(2,819,101)	(2,889,283)	(2,975,367)	(3,051,441)
			75,665	101,008
Total <i>swap</i> contracts			77,964	99,265
Income tax provision on <i>swap</i> gains			(14,929)	(20,373)
Total <i>swap</i> contracts net of income tax			63,035	78,892
<u>Classified</u>				
In non-current assets			190,537	236,805
Current liabilities			(127,502)	(157,913)
			63,035	78,892

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<u>Undesignated derivatives</u>	<u>Reference value (notional)</u>		<u>Fair value</u>	
	<u>03/31/2024</u>	<u>12/31/2023</u>	<u>03/31/2024</u>	<u>12/31/2023</u>
Type of contract				
Hedge Contract.				
Active Position				
IPCA (IPCA to CDI)	493,893	481,207	493,893	481,057
Variable Dollar to Fixed Real	-	106,962	-	105,849
Passive position				
CDI (IPCA to CDI)	(385,785)	(375,667)	(385,785)	(375,248)
Variable Dollar to Fixed Real	-	(106,962)	-	(106,962)
Total hedge contracts			108,108	104,696
Income tax provision on <i>swap</i> gains			(16,216)	(15,871)
Total swap contracts net of income tax			91,892	88,825
<u>Classified</u>				
In current assets			91,892	89,938
In current liabilities			-	(1,113)
			91,892	88,825

The Company relies on *swap* and NDF (dollar forward contract) derivative instruments. For the active end of the *swap*, linked to a fixed rate plus the exchange variation of the Dollar or IPCA, the value is calculated by the contractual rate until maturity and then discounted by the exchange coupon rate, or DI x Pre future curve, both made available by B3, corresponding to the remaining term between the due date and the current date. Finally, the value resulting from this *calculation (swap)* is converted at the current exchange rate, if the flow is in foreign currency.

For the passive end, which is linked to a certain percentage of CDI or CDI + prefixed rate, the value until maturity is calculated by applying this percentage or prefixed rate. This income/loss is then discounted from the DI x Pre future curve, provided by B3, up to the current date.

Description	03/31/2024			12/31/2023		
	Notional value	Fair value	Maturity dates	Notional value	Fair value	Maturity dates
Swap Contracts						
Active Position						
Foreign currency	101,243	104,580	Up to Sep/38	100,284	102,928	Up to Sep/38
IPCA	3,501,397	3,544,925		3,463,702	3,633,506	
Passive position						
Fees (post)	3,303,378	3,463,433		3,365,630	3,531,361	

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Description	03/31/2024			12/31/2023		
	Notional value	Fair value	Maturity dates	Notional value	Fair value	Maturity dates
NDF Contracts						
Active Position						
Foreign currency	-	-		106,962	105,849	Up to Feb/24
Passive position						
Foreign currency	-	-		106,962	106,962	

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The Company's derivative financial instruments are distributed among the following counterparties:

Institution	MRS receives	MRS Pays	Start date	Due Date	Contracted notional value	Fair value at 03/31/2024 (R\$)		Gross income/loss (R\$) Assets – Liabilities (*)
						Assets	Liabilities	
Swap contracts								
JP Morgan	SOFR+ 0.90%	CDI+0.93%	07/06/2023	06/29/2035	100,258	99,811	97,570	2,241
JP Morgan	SOFR+ 0.90%	CDI+1.15%	09/15/2023	06/29/2035	4,780	4,769	4,711	58
Itaú	IPCA+4.97%	CDI+1.05%	08/16/2021	08/15/2031	300,000	342,940	319,255	23,685
Itaú	IPCA+5.06%	CDI+1.30%	08/16/2021	08/15/2036	500,000	561,987	551,600	10,387
Mizuho	IPCA+4.095%	100.64% of the CDI	04/30/2019	04/15/2024	100,000	359,137	280,709	78,428
JP Morgan	IPCA+4.095%	100.64% of the CDI	04/30/2019	04/15/2024	267,150	134,756	105,076	29,680
XP	IPCA+6.2414%	CDI+0.63%	10/16/2023	09/15/2033	400,000	422,590	417,227	5,363
Santander	IPCA+6.3439%	CDI+0.589%	10/16/2023	09/17/2035	400,000	426,311	417,026	9,285
XP	IPCA+6.3439%	CDI+0.67%	10/16/2023	09/17/2035	400,000	426,311	419,160	7,151
Santander	IPCA+6.4496%	CDI+0.76%	10/16/2023	09/15/2038	400,000	432,699	424,207	8,492
BTG Pactual	IPCA+6.4496%	CDI+0.85%	10/16/2023	09/15/2038	400,000	438,194	426,892	11,302
Total						3,649,505	3,463,433	186,072

(*) Gross amounts of Withholding Income Tax of R\$31,145 (R\$36,244 as of December 31, 2023), totaling a net derivative position of R\$154,927 (R\$167,716 as of December 31, 2023).

**22.1. Fair value hierarchy**

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments:

- Level 1: Financial instruments that have data from the active market (unadjusted quoted price) that can be accessed on a daily basis, including on the date of fair value measurement.
- Level 2: Financial instruments that have data other than those derived from the active market (unadjusted quoted price) included in Level 1, extracted from a pricing model based on observable market data.
- Level 3: Instruments classified as Level 3 are those that have data extracted from a pricing model based on unobservable market data.

The Company's derivative financial instruments, with a net payable balance of R\$154,927 on March 31, 2024, as well as financial instruments associated with cash (including cash and cash equivalents and restricted cash) were classified at Level 2 for fair value hierarchy. There are no financial instruments classified at Level 3 and Level 1 in the Company.

	03/31/2024		12/31/2023	
	Fair value	Level	Fair value	Level
Assets (Liabilities)				
Active derivative financial instruments	282,429	2	326,743	2
Passive derivative financial instruments	(127,502)	2	(159,027)	2
	154,927		167,716	

22.2. Objectives and policies for financial risk management

The Company's main financial liabilities, other than derivatives, relate to loans, suppliers and other accounts payable. The main purpose of these financial liabilities is to raise funds for the Company's operations. The Company has loans and other credits, customer receivables and other receivables, and demand and short-term deposits that result directly from its operations. The Company also contracts transactions with derivatives.

The Company is exposed to market risk, credit risk and liquidity risk.

Senior Management supervises the management of these risks and has the support of a financial committee of the Board of Directors, thus contributing to the maintenance of an adequate financial risk governance structure for the Company.

The Finance Committee recommends actions to the Company's senior management so that the activities in which financial risks are assumed are governed by appropriate policies and procedures, and approved by the Board of Directors. All derivatives activities are for the purpose of risk management, and there is no trading in derivatives for speculative purposes. The policy for financial risk management is reviewed and approved annually by the Board of Directors.

The finance committee reviews and establishes policies for the management of each of these risks, with the main objective of reducing the unexpected financial or economic difference that may impact both the Company's income/losses and its expected cash flow. As a secondary objective, it seeks to minimize the likelihood of: (i) unexpected requirement for additional fundraising; and (ii) that MRS's metrics violate financial covenants already assumed.

As a central risk management mechanism, the internal controls used by the Company's Management are focused on monitoring the percentage of debt indexed in foreign currency that is protected by derivative financial instruments. For this reason, most of the Company's exposure to foreign exchange risk has been covered by swap contracts.

In addition, the Company not only monitors the income/losses of these operations through their fair value, but also outlines scenarios of deterioration of relevant market variables, evaluating stress situations and their financial impacts.

22.3. Policy on the use of derivative financial instruments

The Company's policy is to mitigate its exposure to market risks, seeking to reduce the financial impact of fluctuations in exchange and interest rates. This policy is implemented through the strategic monitoring of the exposure of its assets and liabilities to these variables, together with the contracting of derivative operations that allow the control of the risks involved.

Derivative transactions basically take place through swaps for loans in foreign currency or IPCA, both involving the addition of pre-fixed rates, versus a percentage of the CDI or CDI plus a pre-fixed rate, all with first-tier banks as counterparty and with no margin deposit as collateral. It should be noted that all derivatives contracts are aimed at reducing exposure to risks, and there are no speculative positions.

22.4. Market risk

Market risk is the risk that the fair value of a financial instrument's future cash flows fluctuates due to changes in market prices. Market prices encompass three types of risk: interest rate risk, currency risk, and price risk that can be commodity and stock, among others, which are detailed below. Financial instruments affected by market risk include loans payable, deposits, available-for-sale financial instruments measured at fair value through profit or loss, and derivative financial instruments.

(a) Interest Rate Risk

The interest rate risk arises from the possibility that the Company may be subject to financial losses caused by changes in the interest rates to which it has exposure.

The following table considers three scenarios for sensitivity analysis. Based on the indexes in force on March 31, 2024, the probable scenario for the year 2024 was defined and from these variations of 25% and 50% were calculated. In the likely scenario, the market outlook for the end of 2024 was used, based on the Focus Report released by the Central Bank of Brazil, in addition to the TJLP in force in March 2024.

For each scenario, the gross financial expense was calculated, not taking into account the incidence of taxes and the flow of maturities of each contract. The base date used for the financing was March 31, 2024, projecting the indexes for one year and verifying their sensitivity in each scenario.

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	<u>03/31/2024</u>			
	<u>Million R\$</u>			
	<u>Base</u>	<u>Probable</u>	<u>25% higher</u> <u>Scenario I</u>	<u>50% higher</u> <u>Scenario II</u>
CDI		9.00%	11.25%	13.50%
TJLP		6.55%	8.19%	9.83%
IPCA		3.75%	4.69%	5.63%
<u>Liabilities</u>	6,802.2	940.4	699.9	840.0
Debt in CDI	5,807.4	522.7	653.3	784.0
Debt in TJLP	0.1	0.0	0.0	0.0
Debt in IPCA	994.7	37.3	46.6	56.0
<u>Assets</u>	3,054.3	274.9	343.6	412.3
Investments	3,054.3	274.9	343.6	412.3
<u>Uncovered Net Position</u>	3,747.9	665.5	356.3	427.6

	<u>Book value</u>	
	<u>03/31/2024</u>	<u>12/31/2023</u>
	Fixed-rate instruments	
Financial liabilities	101	202
Post-fixed rate instruments		
Financial assets	3,054,347	3,388,052
Financial liabilities	6,802,138	7,014,230



(b) Exchange Rate Risk

The Company's income/losses are susceptible to significant variations due to the effects of exchange rate volatility on liabilities linked to a currency other than their functional currency.

In particular, its exposure to currency risk (foreign exchange risk) is concentrated in purchases and loans denominated primarily in U.S. Dollars, which ended the period ended March 31, 2024 with a positive change of 3.20% (negative 7.21% on December 31, 2023).

	<u>03/31/2024</u>	<u>12/31/2023</u>
Foreign Currency Assets		
Imports in transit	4,421	2,076
<i>Swap/NDF</i> financial instruments	104,580	102,928
	109,001	105,004
Foreign Currency Liabilities		
Suppliers	(86,666)	(184,655)
Loans and financing	(104,925)	(103,267)
	(191,591)	(287,922)
Net Exposure	(82,590)	(182,918)

The following are the variations in the Company's assets and liabilities linked to the exchange rate, resulting from the application of stress scenarios. It was decided to keep the active end of the swap separate, in order to make the effect of the derivative more evident.

The sensitivity analyses in the following sections refer to the position as of March 31, 2024 and seek to simulate how stress on risk variables may affect the Company, considering reasonably possible scenarios. The first step was to identify the main factors that have the potential to generate losses in the income/loss, which boiled down to the exchange rate. The analysis was based on a base scenario, represented by the book value of the operations, i.e., considering the selling exchange rate (*ptax*) on March 31, 2024, disclosed by the Central Bank, and the exposure volume. In addition, three scenarios were outlined, the probable, based on the last Focus Report released by the Central Bank in the period in question and its projection for the current year, the II with a deterioration of 25% and, the III, the with a deterioration of 50% in the risk variable.

The table below represents the sensitivity analysis involving the net effect resulting from these shocks on exchange rates for the year 2024.

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Dollar appreciation risk - March 31, 2024

Million R\$

Operation	Scenario Likely I	Scenario II	Scenario III
<i>Hedge - Active Swap Tip</i>	0.967	26.150	52.300
Debt in US\$	(0.970)	(26.225)	(52.450)
Net trade risk on the rise of US\$	(0.003)	(0.075)	(0.150)

	Exposure (Million R\$)	Likely Exposure (Million R\$)	Real	Expected Rate	Impact	
					25%	50%
<i>Active Swap Tip</i>	104.6	105.8	5.00	4.95	6.25	7.49
Debt in US\$	(104.9)	(106.2)	5.00	4.95	6.25	7.49

These transactions are primarily denominated in Real and Dollar.

(c) Credit risk

It refers to the possibility of the Company suffering losses resulting from the default of its counterparties or financial institutions that are depositories of funds or financial investments. To mitigate these risks, the Company adopts as a practice the analysis of the financial and equity situations of its counterparties, as well as the definition of credit limits and permanent monitoring of open positions. The Company has no guarantees made in relation to accounts receivable.

	<u>03/31/2024</u>	<u>12/31/2023</u>
Cash and cash equivalents	3,053,139	3,385,798
Restricted cash	1,208	2,254
Accounts receivable from customers and other accounts receivable	349,800	554,294
Derivative financial instruments – <i>swap/NDF</i>	154,927	167,716
Total	<u>3,559,074</u>	<u>4,110,062</u>

Accounts receivable

The Company's accounts receivable are concentrated in a few large customers, which are also related parties (note 8), representing, as of March 31, 2024, 71.4% of total accounts receivable (83.6% as of December 31, 2023).

Such customers demand transportation of cargo considered "captive" and have the same credit policy, determined in the respective service provision contracts. For these clients, the credit risk is relatively low due to the mitigating mechanisms defined in the service agreement.



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For customers with non-"captive" cargo transportation, the Company is subject to the credit policies established by its management, which aim to minimize any problems arising from the default of its customers. In these cases, the Company carries out a daily management of credit and collection. In case of default, the collection is carried out with the direct involvement of the managers responsible for the commercial contracts, and may even lead to the temporary suspension of the provision of the service.

Financial instruments and cash deposits

The Company is subject to credit risk associated with the financial investments it makes, in view of the risk of insolvency of the institutions in which the Company maintains its investments, which may result in the total or partial loss of the funds invested. As of March 31, 2024, the Company's cash and cash equivalents exposure amount was R\$3,052,853 (R\$3,385,534 as of December 31, 2023), which were allocated to a checking account or to investments in CDB or in repo operations that had a formal repurchase commitment by financial institutions.

The credit risk on cash and cash equivalents and financial securities is determined by *rating* instruments widely accepted by the market and are arranged as follows:

	<u>03/31/2024</u>
AAA+	1,709,716
AA or AA+	<u>1,343,137</u>
Total	<u>3,052,853</u>

(d) Liquidity risk

The Company's operation is capital-intensive and part of this investment is financed by loans and financing. This leverage, as shown in the table below, generates a demand for cash, and it is certain that the Company's investment has high resilience, that is, it is possible to adjust it throughout the year according to the evolution of the business.

The table below summarizes the maturity profile of the Company's financial liabilities as of March 31, 2024 based on undiscounted contractual payments.

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	Undiscounted Cash Flow – 03/31/2024				
	Up to 6 months	6 - 12 months	1 - 2 years	2 – 5 years	More than 5 years
Non-derivative financial liabilities					
Loans, financing, corporate bonds and promissory notes (R\$)	247,867	160,078	442,382	1,256,887	2,725,548
Related parties	75,077	32,973	5,739	-	-
Suppliers	346,205	89,387	-	-	-
Derivative financial liabilities					
Swaps used for hedge (USD)	4,210	8,160	15,300	45,490	106,820
Undiscounted Cash Flow – 12/31/2023					
	Up to 6 months	6 - 12 months	1 - 2 years	2 – 5 years	More than 5 years
Non-derivative financial liabilities					
Loans, financing, corporate bonds and promissory notes (R\$)	171,456	239,950	441,305	1,334,521	2,761,190
Related parties	275,746	-	11,557	-	-
Suppliers	441,275	58,190	-	-	-
Derivative financial liabilities					
Swaps used for hedge (USD)	5,066	9,609	17,654	50,015	82,195

It should be noted that non-derivative financial liabilities that have some type of guarantee are detailed in notes 8 and 14.1. Derivative financial liabilities do not have any type of guarantee.

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Capital management

Management's policy is to maintain a solid capital base to maintain the confidence of the investor, creditor and market for the future development of the business. Management monitors the return on invested capital considering the income/losses of the economic activities of the operating segments. The goal is to achieve a return compatible with its cost of capital, reviewed annually through the concept of the Weighted Average Cost of Capital. Management also monitors the level of dividends for common and preferred shareholders.

The debt-to-equity ratio at the end of the period is shown below:

	03/31/2024	12/31/2023
TOTAL LIABILITIES	10,967,670	11,679,270
(-) Cash and cash equivalents	3,053,272	3,385,798
(-) Restricted Cash	1,075	2,254
Net liabilities	<u>7,913,323</u>	<u>8,291,218</u>
Total equity	6,701,671	6,385,802
Ratio of net liabilities to capital	1.181	1.298



23. Deferred taxes

The deferred tax balances recorded in assets and liabilities were calculated on the temporary differences.

Deferred Income Tax and Social Contribution

	<u>03/31/2024</u>	<u>12/31/2023</u>
Assets		
Provision for risks	230,671	225,684
Right-to-use asset	743,959	720,021
Mark-to-Market (<i>MtM</i>) adjustment	13,957	58,402
Miscellaneous provisions	30,388	54,055
Asset Loss Provision	43,337	44,363
Provision for health insurance	2,955	2,865
Others	43	43
Total assets	<u>1,065,310</u>	<u>1,105,433</u>
Liabilities		
Leases	(948,766)	(888,827)
Amortization RTT adjustments	(83,383)	(84,021)
Derivative financial instruments	(52,675)	(57,023)
Provision for revenue, PIS/COFINS tax credit	(24,969)	(28,193)
Depreciation	(100,803)	(98,677)
Others	(10,590)	(12,323)
Total liabilities	<u>(1,221,186)</u>	<u>(1,169,064)</u>
Net total	<u>(155,876)</u>	<u>(63,631)</u>

The deferred income tax and social contribution on the temporary differences are expected to be offset to the extent of the settlement of contingencies and other deductible temporary additions.

Income tax and social contribution on deferred net income assets are recognized only in proportion to the likelihood that future taxable income is available and against which temporary differences can be used. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that their realization is no longer likely.

For the deferred tax asset, the Company estimated its future taxable income for the next 5 years and it proved to be sufficient to cover the temporary differences in the deferred asset. As a result, the deferred tax assets were fully recognized in the financial statements as of March 31, 2024.

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Net deferred tax account movement:

	<u>03/31/2024</u>	<u>12/31/2023</u>
As of January 1	(63,631)	91,552
Provision for revenue, PIS/COFINS tax credit	3,224	31,120
Depreciation	(2,126)	(74,045)
Miscellaneous provisions	(23,667)	18,384
Mark-to-Market (<i>MtM</i>) adjustment	(44,445)	94,556
Amortization RTT adjustments	638	2,552
Provision for health insurance	90	288
Leases	(59,939)	(227,306)
Right-to-use asset	23,938	88,664
Derivative financial instruments	4,348	(63,999)
Provision for risks	4,987	(18,309)
Asset Loss Provision	(1,026)	4,781
Others	1,733	(11,869)
Ending Balance for the Period/Fiscal Year	(155,876)	(63,631)

Deferred PIS and COFINS

	<u>03/31/2024</u>	<u>12/31/2023</u>
As of January 1	(2,833)	(8,023)
Provision for revenue, PIS/COFINS tax credit	11.a 454	5,190
Ending Balance for the Period/Fiscal Year	(2,379)	(2,833)

24. Provisions

		<u>03/31/2024</u>	<u>12/31/2023</u>
Provisions for risks	24.1	678,442	663,778
Provision for indemnification to the Granting Authority		27,396	27,396
Provisions for post-employment benefits	24.2	8,692	8,427
Other Provisions		37,114	31,355
		751,644	730,956
Current		35,442	21,826
Non-Current		716,202	709,130



24.1 Provisions for risks

Provisions for risks, classified as risk of probable loss, are recorded in non-current liabilities.

	<u>Labor</u>	<u>Civil</u>	<u>Tax</u>	<u>Environmental</u>	<u>Total Accrued Liabilities</u>
On December 31, 2022	446,675	78,374	164,492	1,805	691,346
Additions	71,527	13,665	-	5,235	90,427
Updates	17,187	3,533	(4,214)	24	16,530
Write-offs due to reversals or payouts	(82,910)	(18,480)	(33,031)	(104)	(134,525)
On December 31, 2023	452,479	77,092	127,247	6,960	663,778
Additions	9,424	1,126	-	-	10,550
Updates	5,734	4,543	1,951	295	12,523
Write-offs due to reversals or payouts	(7,278)	(1,131)	-	-	(8,409)
On March 31, 2024	460,359	81,630	129,198	7,255	678,442

In the course of the proceedings, the Company is required to make judicial deposits and to guarantee execution to allow the filing of an appeal, under the terms of the Law. Deposits are monetarily updated and are recorded in non-current assets until a court decision. Considering the deposits and blockages made during the process, the expected future impact on cash is composed as follows:

		<u>Number of shares (*)</u>	<u>Value involved</u>	<u>Provision</u>	<u>Deposits</u>	<u>Net amount</u>
Labor	(a)	1,574	845,932	460,359	(41,202)	419,157
Civil	(b)	1,095	541,768	81,630	(14,912)	66,718
Tax	(c)	166	719,830	129,198	(56,239)	72,959
Environmental	(d)	118	72,532	7,255	(1,074)	6,181
Others	(e)	5	-	-	-	-
		2,958	2,180,062	678,442	(113,427)	565,015

(*) They refer to proceedings classified with a prognosis of possible and probable loss.

(a) Labor

The majority of the labor lawsuits claim the collection of overtime, indemnity installments, night bonuses, rest between shifts breaks, salary equalization and hazard and unhealthy bonuses.

As of March 31, 2024, the total value of labor lawsuits, classified as a possible or probable loss prognosis, was R\$845,932 (R\$833,267 on December 31, 2023).

The causes with a probable loss prognosis are in the amount of R\$668,228, and for these causes, based on the understanding of its legal advisors, the Company has provisioned R\$460,359 for 1,060 lawsuits (R\$452,479 as of December 31, 2023), considering the prospect of probable loss in those lawsuits.



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The addition in the amount of R\$9,424 is mainly due to changes in prognosis, results of calculations resulting from convictions or modifications issued during the period.

Likewise, the write-offs in the provision in the period total R\$7,278 and refer to enforcement payments, payments for entering into agreements and changes in prognosis.

In addition, based on the assessment of its legal advisors, the Company has a contingency of R\$177,704 for 514 lawsuits with an estimated possible loss, which do not have amounts constituted as provisions.

(b) Civil

The Company is a party to 1,095 lawsuits, 994 in which it is a defendant and 101 in which it is a plaintiff/interested party. As of March 31, 2024, the total value of these civil lawsuits, classified as a possible or probable loss prognosis, was R\$541,768 (R\$484,311 as of December 31, 2023).

The lawsuits in which the Company is a defendant mostly deal with civil liability for railway accidents, legality of charging for interference by third parties in right-of-way areas, concession and lease agreements, maintenance of the health plan and health plan monthly adjustment index after the dismissal of the Company's employees, the private pension plan was equated to the RFFSA plan and public civil actions. The total amount involved in these actions classified as a possible or probable loss prognosis, as of March 31, 2024, was R\$484,650. Following the understanding of its legal advisors, the Company has a provision for 166 lawsuits totaling R\$81,228 (R\$77,092 as of December 31, 2023), referring to the estimated value of causes with probable loss probability. Provision write-offs were made in the period, totaling R\$1,131, resulting from the realization of provisioned expenses.

The lawsuits in which the Company appears as plaintiff/interested party mostly deal with contractual liability, collection actions for the use of the right-of-way, adverse possession, repossession and expropriation. The total amount involved in the aforementioned 101 lawsuits, as of March 31, 2024, was R\$57,118, classified with a forecast of possible or probable loss. Following the understanding of its legal advisors, as of March 31, 2024, the Company has a provision of R\$402 for 4 lawsuits (R\$0.4 as of December 31, 2023).

The remaining 828 cases do not constitute a provision, since the prognosis of loss was classified as possible. The value of contingencies with this prognosis is R\$373,488 as of March 31, 2024 (R\$359,793 as of December 31, 2023) and refers mainly to indemnity claims arising from railway accidents.

The Company has insurance covering bodily injury, material damage, moral damage and losses caused to third parties, whose deductible is currently R\$750 per third party claimant.



(c) Tax

The Company is a party to 166 judicial and administrative tax proceedings, 28 which are tax recovery actions and 138 actions with a possible or probable risk of outflow.

As of March 31, 2024, the total amount involved for the 138 lawsuits was R\$719,830 (R\$702,280 as of December 31, 2023). Based on the understanding of its legal advisors, the Company has provisioned the amount of R\$129,198 (R\$127,247 as of December 31, 2023), referring to 8 lawsuits considering the prospect of probable loss.

The Company has 130 cases for which, based on the assessment of its legal advisors, it did not constitute a provision, since the expectations of loss were considered possible. The value of contingencies with a forecast of possible loss is R\$590,632 on March 31, 2024 (R\$574,533 on December 31, 2023).

(d) Environmental

The Company is a party to 16 lawsuits and 102 administrative proceedings whose subject matter deals with environmental matters. As of March 31, 2024, the total amount involved in the aforementioned lawsuits was R\$72,532 (R\$70,866 as of December 31, 2023). Based on the understanding of its legal advisors, the Company has provisioned the amount of R\$7,255 referring to 6 lawsuits considering the prospect of probable loss in those lawsuits, with the others remaining as 'possible' losses.

(e) Others

The Company has 5 Conduct Adjustment Terms (TACs) signed and in force, 3 of which are labor and 2 are civil matters.


24.2 Provisions for post-employment benefits

	<u>03/31/2024</u>	<u>12/31/2023</u>
Healthcare Plan	8,692	8,427

The Company offers its employees a medical assistance plan managed by the Bradesco Saúde Operator. The cost of the plan is in the form of a post-established price, with partial apportionment of expenses, through the payment of a monthly contribution from the beneficiaries. As there is the employee's participation in the cost of the plan, the extension of this benefit is guaranteed to the former employee dismissed or exonerated without just cause or retired, under the terms of articles 30 and 31 of Law No. 9656/1998, regulated by Normative Resolution No. 488/2022 of the ANS, which revoked Normative Resolution No. 279/2011. The Company pays the Operator the difference between the expenses for the use of the plan, plus the administration fee.

The Company also offers its employees and former employees health plans administered by the Unimed Juiz de Fora Operator. In this case, two different plans are offered, one of them, at a post-established price, intended for active employees and the other, at a pre-established price, intended exclusively for former employees. By virtue of the provisions of Normative Resolution No. 488/2022, in the calculation of the adjustment to be applied to the monthly payments of the plan for former employees, Unimed Juiz de Fora must jointly evaluate its entire portfolio of exclusive plans for former employees.

However, whenever the annual adjustment proposed by Unimed Juiz de Fora for the exclusive plan of former employees exceeds the percentage value proposed by the Bradesco Saúde Operator for the former employee's contributions, MRS will transfer to the beneficiaries linked to the Unimed Juiz de Fora Operator the same adjustment amount attributed to the beneficiaries linked to the Bradesco Saúde Operator and will assume the payment of the difference in the Unimed health plan.

By virtue of this measure, the Company undertakes to partially fund the medical care of former employees linked to the Unimed Juiz de Fora Operator and their respective dependents.

As of March 31, 2024, the plan had 18,866 lives between Bradesco Saúde and Unimed Juiz de Fora and the contributions made by the Company totaled R\$19,736 (18,035 lives and R\$16,089 on March 31, 2023).

Actuarial gains and losses are recognized in Equity and statement of profit or loss as other comprehensive income, as determined by Accounting Pronouncement CPC 33 (R1) – Employee Benefits.

As of March 31, 2024, there were actuarial liabilities on behalf of the Company, arising from the medical assistance plan in the amount of R\$8,692 (R\$8,427 as of December 31, 2023), which were duly provisioned in non-current liabilities.

The full version of the 2023 health care plan note is published in note 26.3 to the 2023 financial statements.

Supplementary pension plan

The Company sponsors a supplementary pension plan for employees through a pension plan managed by Bradesco Vida e Previdência. The supplementary pension plan, created on July 1, 1999, is eligible for all MRS employees from the date of creation of the plan. The plan is a defined contribution plan and the Company has no legal or constructive obligation to pay additional contributions if the fund does not have sufficient assets to pay all benefits due. The cost is parity, so that the Company's share is equivalent to 100% of that made by the employee, according to a contribution scale based on salary ranges.

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The plan requires that contributions be made to funds managed separately from the Company's own funds. The plan's assets are held by an open supplementary pension entity, are not available to the Company's creditors and cannot be paid directly to the Company.

The Company's contributions totaled R\$2,458 in the 1st quarter of 2024 (R\$2,240 in the 1st quarter of 2023), which were recorded as expenses for the year.

On March 31, 2024 and December 31, 2023, there were no liabilities in the Company's name arising from the supplementary pension plan.

Life Insurance

Employees participate in group life insurance guaranteed by Generalli Companhia de Seguros. As of March 31, 2024, the Company contributed R\$372 (R\$344 in Q1 2023) to its employees' life insurance.

25. Other obligations

		<u>03/31/2024</u>	<u>12/31/2023</u>
Obligations of the concession	(a)	198,455	195,580
Contractual obligation to related parties	8	22,438	25,644
Consigned fuels	10	12,191	17,531
Other obligations payable		1,355	1,338
		<u>234,439</u>	<u>240,093</u>
Current		43,062	39,597
Non-Current		191,377	200,496

(a) Refers to regulatory contractual obligations arising from the renewal of the concession, recorded in current and non-current liabilities, adjusted to present value.

26. Equity

(a) Subscribed and paid-in capital

At a Board of Directors Meeting held on March 20, 2024, the Board approved the increase in the capital stock, without the issuance of new shares, using part of the balance of the investment reserve in the amount of R\$75,841. This increase is intended to comply with the regulatory obligation for year 2, provided for in the Fourth Amendment to the concession agreement.

As a income/loss of this increase, the subscribed and paid-in capital increased from R\$3,961,931 on December 31, 2023 to R\$4,036,872 on March 31, 2024. This amount is divided into 337,977,019 book-entry shares with no par value, divided into common and preferred class "A" and "B" shares.

According to the Company's Bylaws, the Board of Directors is authorized to increase the capital stock, regardless of any amendment to the bylaws, up to the limit of R\$5,000,000.

According to MRS's Privatization Notice and Bylaws, no shareholder may hold an equity interest greater than 20% of the voting capital. If this limit is exceeded, as determined by ANTT, the shareholder will waive the voting and veto rights inherent to the shares that exceed this limit.

On March 31, 2024 and December 31, 2023, the interest in the Company's capital stock was as follows:

Shareholder	Common shares		Preferred Shares		Total Capital	
	No. of shares	%	No. of shares	%	No. of shares	%
Minerações Brasileiras Reunidas S.A. Companhia Siderúrgica Nacional CSN Mineração S.A. Usiminas Participações e Logística S.A. Vale S.A. Gerdau S.A. Railvest Investments Minority	37,666,526	20.12%	74,301,916	49.28%	111,968,442	33.13%
	26,611,282	14.21%	36,765,916	24.39%	63,377,198	18.75%
	25,802,872	13.78%	37,536,000	24.90%	63,338,872	18.74%
	37,513,650	20.04%	342,805	0.23%	37,856,455	11.20%
	36,270,703	19.37%	769,304	0.51%	37,040,007	10.96%
	4,460,128	2.38%	-	0.00%	4,460,128	1.32%
	14,747,620	7.88%	-	0.00%	14,747,620	4.36%
	4,137,420	2.21%	1,050,877	0.70%	5,188,297	1.54%
Total shares	187,210,201	100.00%	150,766,818	100.00%	337,977,019	100.00%

(b) Right of shares

The holders of the common shares shall have the right to vote in the resolutions of the General Meetings; those of preferred shares (classes A and B) will be entitled to dividends 10% higher than those attributed to common shares, will not have voting rights and will enjoy priority in the receipt of capital, without premium, at the time of the Company's settlement.

Class B preferred shares are, at the initiative of the shareholder who holds them, convertible into common shares, in the proportion of one for each common share. Such conversion may be carried out at any time, subject to the conditions set forth in the Articles of Association.

Although non-voting, class B preferred shares will have the right to elect, in a separate vote, a member of the Board of Directors, as long as they represent a minimum of 25% of the total capital stock.

(c) retained earnings/ profit - Legal Reserve

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Constituted on the basis of 5% of the net income for the year before the interests and the reversal of interest on equity, as determined by the corporate legislation and limited to 20% of the share capital. The balance of the legal reserve is R\$480,742 on March 31, 2024 and December 31, 2023.

(d) Profit reserve - reserve for investments

At a Meeting of the Board of Directors, held on March 20, 2024, the Board approved the increase in the capital stock, using part of the balance of the investment reserve in the amount of R\$75,841. Thus, the balance of the Investment Reserve increased from R\$1,932,994 on December 31, 2023 to R\$1,857,153 on March 31, 2024.

(e) Other comprehensive income

The other comprehensive income (loss) refers to the actuarial gains of the health plan, calculated in accordance with CPC 33 (R1).

	<u>Actuarial gains</u>	<u>IRPJ/CSLL</u>	<u>Total</u>
December 31, 2023	12,437	(1,402)	11,035
Earnings	-	10	10
March 31, 2024	12,437	(1,392)	11,045

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27. Income/loss per share

The following table establishes the calculation of earnings per share for the periods ended March 31, 2024 and 2023 (in thousands of Reais, except for amounts per share):

	<u>03/31/2024</u>	<u>03/31/2023</u>
<u>Numerator</u>		
Net income for the period	315,859	145,894
<u>Denominator (in thousands of shares)</u>		
Weighted average of common shares	187,210	188,333
Weighted Average of Preferred Shares - A	81,588	82,076
Weighted Average of Preferred Shares - B	69,179	69,591
10% - Preferred shares	1.1	1.1
Weighted Average Adjusted Preferred Stock (Basic Earnings)	165,844	166,834
Weighted Average Adjusted Preferred Stock (Diluted Earnings)	89,747	90,284
Denominator for Basic Earnings Per Share	353,054	355,167
Denominator for Diluted Earnings Per Share	346,136	348,208
Diluted basic earnings per common share	0.895	0.411
10% - Preferred shares	1.1	1.1
Basic/diluted earnings per preferred share – A	0.984	0.452
Basic/Diluted Earnings per Preferred Share - B	0.984	0.452

The Company does not hold any outstanding shares with dilution potential or other instruments that could income/loss in dilution of the earnings per share calculation.

28. Net revenue from services

	<u>03/31/2024</u>	<u>03/31/2023</u>
Gross Service Revenue	1,756,421	1,343,555
Sales Taxes	(112,553)	(98,149)
	<u>1,643,868</u>	<u>1,245,406</u>

The Company provides services in the Brazilian domestic market to private entities.

Service contracts with customers establish the prices and forecasts of tons to be transported during the term. Revenue is recognized as mentioned in note 3.15 to the financial statements as of December 31, 2023.

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29. Costs and expenses by nature

	<u>03/31/2024</u>	<u>03/31/2023</u>
Fuels/lubricants	(259,209)	(232,821)
Depreciation and amortization	(242,453)	(222,656)
Labor and social charges	(241,544)	(198,626)
Third-party services	(98,274)	(96,244)
Inputs/other materials	(56,407)	(37,649)
Freight sharing	(41,315)	(31,915)
Ancillary Shipping Costs	(13,806)	(11,991)
Accident costs	(12,757)	(48,437)
Reversal (provision) of expected credit losses	1,216	(198)
Presumed ICMS MG Credit	28,731	26,190
Others	(28,499)	(28,087)
	<u>(964,317)</u>	<u>(882,434)</u>
Cost of Services Provided	(837,186)	(777,643)
Expenses with sales	(3,196)	(4,455)
General and administrative expenses	(123,935)	(100,336)
	<u>(964,317)</u>	<u>(882,434)</u>

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30. Other income and other operating expenses

	<u>03/31/2024</u>	<u>03/31/2023</u>
<u>Other operating income</u>		
Sale of materials (scrap/excess inventory)	10,187	5,958
Alternative Recipes	6,876	4,705
Insurance	5,404	396
Revenue from the sale of property, plant and equipment	1,257	-
Contractual penalties	1,162	18,851
Indemnity revenues	-	29,117
Reversal of Provision for Risks	-	4,214
Other receivables	837	6,423
	<u>25,723</u>	<u>69,664</u>
<u>Other operational expenses</u>		
Reversal of ICMS legal installment (a)	(26,009)	(12,713)
Other tax expenses	(10,791)	(1,378)
Enforcements for procedural losses	(5,108)	(16,412)
Salvage value of fixed assets/intangible assets written off	(3,463)	(32)
Sales taxes and other income	(2,654)	(6,407)
Provisions for risks	(2,252)	-
Other expenses	(3,353)	(3,691)
	<u>(53,630)</u>	<u>(40,633)</u>
Other net operating income (expenses)	<u>(27,907)</u>	<u>29,031</u>

(a) Amounts resulting from legal reversal calculated as determined by the ICMS legislation. The Company calculates the utilization coefficient on a monthly basis and reverses the portion that exceeds this percentage.

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31. Financial income/loss

	<u>03/31/2024</u>	<u>03/31/2023</u>
<u>Financial Revenue</u>		
Mark-to-market adjustment and hedge accounting	130,721	-
Income from financial investments	85,552	30,009
Present Value Adjustment of Accounts Receivable and Sublease	4,861	5,598
Interest PIS/COFINS tax credit	2,059	4,003
Exchange rate and monetary variation	1,018	34,990
Interest	235	345
Derivative financial instruments - swap	-	27,409
Other financial revenues	3,456	375
	<u>227,902</u>	<u>102,729</u>
<u>Financial expenses</u>		
Interest	(130,258)	(101,765)
Exchange rate and monetary variation	(96,649)	(79,989)
Derivative financial instruments – swap	(94,910)	-
Adjustment to present value of leases	(47,366)	(56,174)
Mark-to-market adjustment and hedge accounting	-	(25,754)
Other financial expenses	(27,206)	(3,848)
	<u>(396,389)</u>	<u>(267,530)</u>
Financial income/losses	<u>(168,487)</u>	<u>(164,801)</u>

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32. Taxes on profit

	<u>03/31/2024</u>	<u>03/31/2023</u>
Profit before income tax and social contribution	483,157	227,202
Nominal tax rate	34%	34%
IRPJ/CSLL at the nominal rate:	164,273	77,249
Adjustments to reflect the effective tax rate:	3,025	4,059
IR/CS adjustments, PIS and COFINS exclusion, ICMS calculation basis 11.a	(700)	(1,361)
Tax Incentives	(2,252)	(1,103)
Inventory Adjustment	1,296	-
Donations Expenses	151	6
IFRS Deferred IR/CS Adjustments	-	2,929
Current IR Adjustments Previous Years	2,381	-
Others	2,149	3,588
IRPJ/CSLL in the income/loss of the period	167,298	81,308
Current	75,042	60,372
Deferred	92,256	20,936
IRPJ/CSLL in the income/loss of the period	167,298	81,308
Total Effective Tax Rate	34.63%	35.79%
Total Effective Tax Rate – Current	15.53%	26.57%
Total Effective Tax Rate – Deferred	19.09%	9.21%

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33. Other Cash Flow Disclosures

33.1 Sale of fixed assets

In the statement of cash flows, the result of the sale of fixed assets comprises:

	<u>03/31/2024</u>	<u>03/31/2023</u>
Profit (loss) from the sale of fixed assets	1,257	-
Amounts Received on the Sale of Fixed Assets	<u>1,257</u>	<u>-</u>

33.2 Effect on investment activities

	<u>03/31/2024</u>	<u>03/31/2023</u>
Payment of investments from previous years	(138,161)	(184,746)
Acquisition in the Term Fixed Asset Period	88,040	133,716
Effect on investment activities	<u>(50,121)</u>	<u>(51,030)</u>

33.3 Reconciliation of liabilities arising from financing activities

	<u>03/31/2024</u>					
	<u>Bank Loans</u>	<u>Corporate bonds</u>	<u>Lease</u>	<u>Total</u>	<u>Financial instruments</u>	<u>Total Debt</u>
Loans and financing on 12/31/2023	2,236,419	4,638,864	2,034,496	8,909,779	(167,716)	8,742,063
Transactions that affected cash flow	(39,199)	(254,024)	(177,961)	(471,184)	(77,021)	(548,205)
Principal Payments	(10,205)	(118,258)	(130,595)	(259,058)	(77,021)	(336,079)
Interest payment	(28,994)	(135,766)	(47,366)	(212,126)	-	(212,126)
Transactions that did not affect cash flow	69,246	15,215	47,366	131,827	89,810	221,637
Updating of interest rates, monetary and exchange rate variation	69,246	15,215	47,366	131,827	89,810	221,637
Loans and financing on 03/31/2024	2,266,466	4,400,055	1,903,901	8,570,422	(154,927)	8,415,495



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	03/31/2023					
	Bank Loans	Corporate bonds	Lease	Total	Financial instruments	Total Debt
Loans and financing on 12/31/2022	1,718,080	2,617,962	2,401,060	6,737,102	29,889	6,766,991
Transactions that affected cash flow	(24,581)	(209,444)	(170,370)	(404,395)	(37,798)	(442,193)
Principal Payments	(7,534)	(113,158)	(114,196)	(234,888)	(37,798)	(272,686)
Interest payment	(17,047)	(96,286)	(56,174)	(169,507)	-	(169,507)
Transactions that did not affect cash flow	46,462	118,886	56,438	221,786	(24,040)	197,746
Updating of interest rates, monetary and exchange rate variation	46,462	118,886	56,438	221,786	(24,040)	197,746
Loans and financing on 03/31/2023	1,739,961	2,527,404	2,287,128	6,554,493	(31,949)	6,522,544

Payments related to investment providers are shown in the cash flow as financing activities. In the first quarter of 2024, R\$138,161 (R\$184,746 in the first quarter of 2023) was paid for investments from previous years.

34. Insurance

The Company has the following insurance policies for its operations:

Coverage	Purpose	Maturity date	LMI*	Deductible
Operational risks	Coverage of operating assets owned or under the Company's responsibility	September 30, 2025	375,000	7,500
Civil liability	Coverage against damage caused to third parties	August 9, 2024	62,000	750
RC Transporte de cargas	Coverage of claims with loads in transit	April 30, 2025	70,000	N/A
Surety bond, execution of concession contract	Compliance with ANTT obligations	June 17, 2025	1,338,186	N/A

*LMI – Maximum Indemnity Limit

The Company adopts the policy of contracting insurance coverage for assets subject to risks and civil liability, considering the nature of its activity.

On July 29, 2022, as a condition for signing the concession renewal agreement, the Company contracted a surety bond. This insurance contract guarantees indemnification, up to the amount established in the policy, for any losses resulting from the non-fulfillment of the contractual obligations assumed by the Company in the concession agreement.



35. Subsequent events

Approval of dividend payment and retention of remaining profits

At the Annual General Meeting, held on April 26, 2024, the payment of dividends in the amount of R\$285,036 was approved, corresponding to 25% of the net income for 2023, after the constitution of the legal reserve and the retention of the amount of R\$855,106, corresponding to a portion of 75% of net income (after deducting 5% from the legal reserve), to fund part of the investments foreseen in the 2024 budget, as proposed by the Company's Management.



Administration: Directors and Officers

Board of Directors

Marcelo Leite Barros (President)

Marco Aurelio Brito Braga

Murilo Muller

Wendel Gomes da Silva

Luis Fernando Barbosa Martinez

João Mario Lourenço Filho

Alejandro Daniel Laiño

Carlos Hector Rezzonico

Julio Rosa Baptista

Marcelo Cunha Ribeiro

Members of the Executive Board

Guilherme Segalla de Mello

Chief Executive Officer, Commercial, Operations, Finance and Development,
Investor and People Relations

Alexandre Claro Fleischhauer

Engineering and Maintenance Officer

Félix Lopez Cid

Projects and Works Officer

Other Executive Officers who are not members of the Executive Board

Daniel Dias Olivio

Henrique Rocha Martins

Luiz Gustavo Bambini de Assis

Raphael Steiman

Ane Menezes Castro Matheus

MRS Logística S.A.

**Management's explanatory notes to the quarterly information on
March 31, 2024**
In thousands of Reais, unless otherwise stated



Statement of the Officers on Quarterly Information

By this instrument, the Chief Executive Officer, Commercial, Operations, Finance and Development, Investor and People Relations and other Executive Officers of MRS Logística S.A., a publicly-held corporation, for the purposes of the provisions of items V and VI of article 27 of CVM Resolution No. 80, of March 29, 2022 ("Resolution"), declare that they have reviewed, discussed and agree with the quarterly information of MRS Logística S.A. for the period ended March 31, 2024.

Rio de Janeiro, May 14, 2024

Guilherme Segalla de Mello
Chief Executive Officer, Commercial,
Operations, Finance and
Development, Investor and People
Relations

Alexandre Fleischhauer
Engineering and Maintenance Officer

Félix Lopez Cid
Projects and Works Officer

Other Executive Officers who are not members of the Executive Board

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MRS Logística S.A.

Management's explanatory notes to the quarterly information on
March 31, 2024
In thousands of Reais, unless otherwise stated



Directors' Statement on the Independent Auditor's Report

By this instrument, the Chief Executive Officer, Commercial, Operations, Finance and Development, Investor and People Relations and other Executive Officers of MRS Logística S.A., a publicly-held corporation, for the purposes of the provisions of items V and VI of article 27 of CVM Resolution No. 80, of March 29, 2022 ("Resolution"), declare that they have reviewed, discussed and agree with the opinions expressed in the Report of the Independent Auditor Deloitte Touche Tohmatsu Auditores Independentes Ltda., regarding the quarterly information of MRS Logística S.A. for the period ended March 31, 2024.

Rio de Janeiro, May 14, 2024

Guilherme Segalla de Mello
Chief Executive Officer, Commercial,
Operations, Finance and
Development, Investor and People
Relations

Alexandre Fleischhauer
Engineering and Maintenance
Officer

Félix Lopez Cid
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