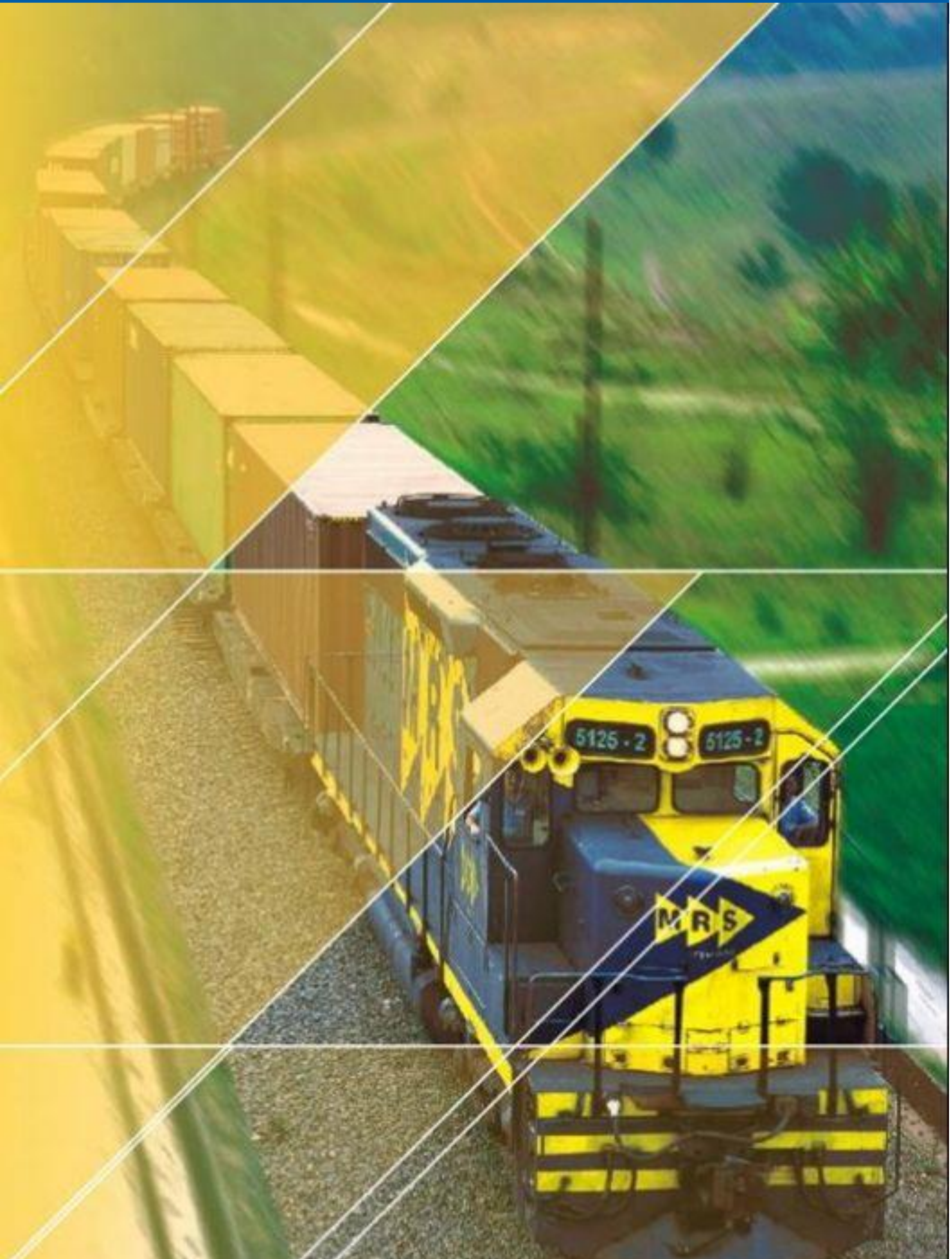
Earnings Release - 3Q23



Quarterly Highlights - 3Q23

Rio de Janeiro, November 14, 2023 - MRS Logística S.A. announces its results for the third quarter of 2023. The Company's Financial Statements, duly reviewed by independent auditors, are presented in thousands of Brazilian reais (R$ thousand), in accordance with the Technical Pronouncement CPC 21 – Interim Reporting and the international accounting standard IAS 34 – Interim Financial Reporting, issued by International Accounting Standards Board (IASB) – and in accordance with accounting practices adopted in Brazil.

Total Volume Transported

54.4

million tons
+10.3%*

Net Operating Revenue

R$ 1,782.5 Million

+13.2%*

Leverage Indicator

0.9x

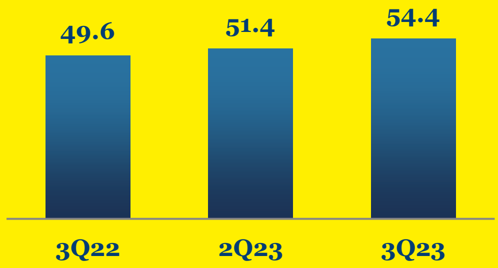
-0.2x**

EBITDA

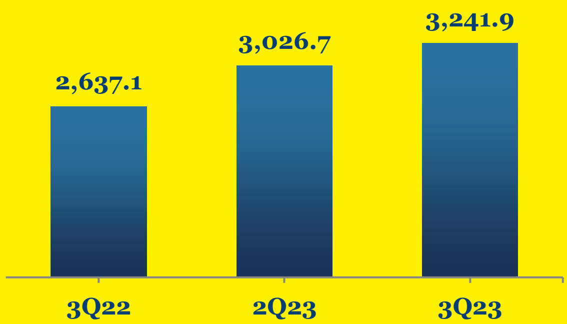
R$ 1,027.1 Million

+26.5%*

Total Volume Transported
TU million



EBITDA[1]
(R$ million)



[1] accumulated 12 months

*Comparisons refer to 3Q22 results
**Comparisons refer to 2Q23 results

Summary

HIGHLIGHTS

Financial and Operational Results	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Transported Volume (thousands tons)	54,420	49,349	10.3%	51,387	5.9%	143,847	132,221	8.8%
Net Revenues (R$ MM)	1,782.5	1,574.9	13.2%	1,627.8	9.5%	4,655.7	4,118.9	13.0%
EBITDA (R$ MM)	1,027.1	812.0	26.5%	891.5	15.2%	2,533.3	2,136.2	18.6%
EBITDA Margin (%)	57.6%	51.6%	6.0pp	54.8%	2.8pp	54.4%	51.9%	2.5pp
Net Profit (R$ MM)	424.4	322.8	31.5%	335.4	26.5%	905.7	630.1	43.7%
Gross Debt (R$ MM)	4,605.6	4,558.4	1.0%	4,477.5	2.9%	4,605.6	4,558.4	1.0%
Net Debt (R$ MM)	2,860.6	3,089.9	-7.4%	3,252.5	-12.0%	2,860.6	3,089.9	-7.4%
Net Debt/EBITDA [1] (x)	0.9x	1.2x	-0.3x	1.1x	-0.2x	0.9x	1.2x	-0.3x
Investments (R$ MM)	328.0	648.3	-49.4%	332.3	-1.3%	1,121.8	1,503.4	-25.4%

[1] Last 12 months (unadjusted result, that is, considering the non-recurring events).

MRS ended 3Q23 with a new record, reaching 54.4 Mt in transported volume.

Net Revenue in 3Q23 reached R$ 1,782.5 million, R$ 207.6 million higher as compared to 3Q22. The transport segment that most contributed to the Company's revenue is Mining, which ended the quarter with 34.0 Mt of transported volume, where the transport of iron ore for export stands out, ending the period with 30.1 Mt, up 16.8% as compared to 3Q22.

The Company's EBITDA reached R$ 1,027.1 million, 26.5%, i.e., R$ 215.1 million higher as compared to 3Q22.

MRS ends 3Q23 with a Net Debt balance of R$ 2.9 billion and a Net Debt/EBITDA ratio of 0.9x.

OPERATIONAL PERFORMANCE

MRS Logística operates in cargo transport, focused on into two groups: Mining and General Cargo.

Mining group is related to the steel industry, such as iron ore, coal and coke, both for the domestic market and for export.

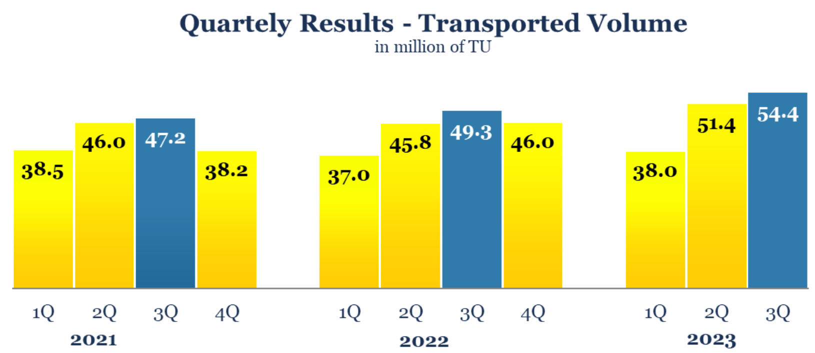
General Cargo group includes agricultural commodities, steel products, containers, pulp, among others, which are transported on MRS rail network by the Company and by other railroads.

MRS manages a railway network of 1,643 km, covering more than 100 municipalities in the states of Minas Gerais (MG), Rio de Janeiro (RJ) and São Paulo (SP), a region that concentrates around half of Brazilian GDP.

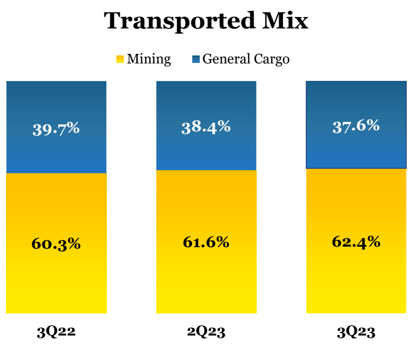
In 3Q23, total volume transported by the Company amounted to 54.4 Mt, with 5.9% growth as compared to 2Q23. When comparing 3Q23 *vs* 3Q22, volume was 10.3% higher, mainly impacted by the increase in exported ore transport.

General Cargo transport performance was stands out again, showing the best quarterly result in the Company's history, reaching 20.5 Mt in 3Q23, in transported volume, a 3.8% growth, as compared to 2Q23 and 4.5% as compared to the same period last year.

Transported Volume Thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Mining	**33,961**	**29,768**	**14.1%**	**31,672**	**7.2%**	**88,026**	**78,115**	**12.7%**
Iron Ore	33,417	29,188	14.5%	31,159	7.2%	86,465	76,355	13.2%
Export	30,136	25,806	16.8%	27,846	8.2%	76,794	65,986	16.4%
Domestic Market	3,281	3,381	-3.0%	3,313	-0.9%	9,671	10,368	-6.7%
Coal and Coke	544	580	-6.2%	513	6.0%	1,561	1,760	-11.3%
General Cargo	**20,459**	**19,581**	**4.5%**	**19,715**	**3.8%**	**55,821**	**54,106**	**3.2%**
Agricultural Products	14,049	13,013	8.0%	13,438	4.5%	37,368	35,654	4.8%
Steel Products	1,733	1,881	-7.8%	1,543	12.3%	4,871	5,088	-4.3%
Pulp	1,317	1,537	-14.3%	1,426	-7.6%	4,136	4,158	-0.5%
Container	605	543	11.4%	535	13.0%	1,602	1,542	3.9%
Construction	620	671	-7.6%	563	10.1%	1,727	1,815	-4.8%
Others	2,134	1,936	10.2%	2,209	-3.4%	6,117	5,849	4.6%
Total	**54,420**	**49,349**	**10.3%**	**51,387**	**5.9%**	**143,847**	**132,221**	**8.8%**



Mining group's share increased when compared to the previous quarter, mainly due to the normalization of ore transportation, after the high volume of rainfall early this year, which led to the blockage of some sections of the railroad. The Company's dedication to the cargo diversification strategy remains evidenced by the consistent growth in General Cargo volume, which, despite the lower share in the transportation mix, in 3Q23 showed again the best performance in all quarters of MRS history.



Mining

Mining transport segment, which includes iron ore, coal and coke, totaled 34.0 Mt, growing 14.1% and 7.2% versus 3Q22 and 2Q23, respectively.

Transported Volume Thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Mining	**33,961**	**29,768**	**14.1%**	**31,672**	**7.2%**	**88,026**	**78,115**	**12.7%**
Iron Ore	33,417	29,188	14.5%	31,159	7.2%	86,465	76,355	13.2%
Export	30,136	25,806	16.8%	27,846	8.2%	76,794	65,986	16.4%
Domestic Market (A)	3,281	3,381	-3.0%	3,313	-0.9%	9,671	10,368	-6.7%
Coal and Coke (B)	544	580	-6.2%	513	6.0%	1,561	1,760	-11.3%
Market + Coal and Coke = (A) + (B)	3,825	3,961	-3.4%	3,826	0.0%	11,232	12,128	-7.4%

Iron Ore | Export

In 3Q23, cargo volume of Iron Ore destined for export recorded 16.8% increase as compared to 3Q22 and 8.2% compared to 2Q23. The increase compared to 3Q22 is due to higher volumes from own production and purchases by main customers, reflecting the positive market period for exported ore, combined with the good operational performance of the mine-railway-port system. The increase compared to 2Q23 is mainly due to the recovery in production in the dry season, after heavy rainfall in the central region of MG and RJ, which blocked access to the Railroad and limited the Company's service capacity.

Domestic Market | Ore, Coal and Coke

The transport of iron ore, coal and coke in the domestic market closed 3Q23 with a transported volume of 3.8 Mt, representing a 3.4% decrease as compared to 3Q22, impacted by production stoppages for maintenance of processing equipment and problems with unloading equipment at certain customers. When compared to 2Q23, volume was in line.

General Cargo

General Cargo transportation, performed by MRS and other railroads through paid right of way, includes agricultural commodities, steel products, pulp, among others.

3Q23 result was the best in MRS history, reaching the mark of 20.5 Mt of transported volume, representing a 4.5% increase when compared to 3Q22 and 3.8% compared to 2Q23.

Transported Volume Thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
General Cargo	**20,459**	**19,581**	**4.5%**	**19,715**	**3.8%**	**55,821**	**54,106**	**3.2%**
Agricultural Products	14,049	13,013	8.0%	13,438	4.5%	37,368	35,654	4.8%
Steel Products	1,733	1,881	-7.8%	1,543	12.3%	4,871	5,088	-4.3%
Pulp	1,317	1,537	-14.3%	1,426	-7.6%	4,136	4,158	-0.5%
Container	605	543	11.4%	535	13.0%	1,602	1,542	3.9%
Construction	620	671	-7.6%	563	10.1%	1,727	1,815	-4.8%
Others	2,134	1,936	10.2%	2,209	-3.4%	6,117	5,849	4.6%

Agricultural Products

Transported Volume Thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Agricultural Products	**14,049**	**13,013**	**8.0%**	**13,438**	**4.5%**	**37,368**	**35,654**	**4.8%**
Soy	1,849	1,674	10.4%	8,786	-78.9%	16,633	15,768	5.5%
Soybean Meal	1,951	1,863	4.7%	1,963	-0.6%	5,353	5,119	4.6%
Sugar	3,655	3,286	11.2%	2,426	50.7%	7,642	7,019	8.9%
Corn	6,595	6,189	6.6%	264	2399.3%	7,740	7,749	-0.1%

The second segment with the largest share in MRS' consolidated transport portfolio and which also represents the largest share of General Cargo segment, is agricultural products, comprising commodities: soybean, soymeal, sugar and corn. This segment transported 14.0 Mt in 3Q23, up 8.0% and 4.5% versus 3Q22 and 2Q23, respectively.

In 3Q23, all commodities showed an increase compared to 3Q22: soybeans (+10.4%), soy bran (+4.7%), sugar (+11.2%) and corn (+6.6%). Considering the results achieved versus the volume performed in 2Q23, MRS highlights the result of corn transport, which ended 3Q23 with 6.6 Mt.

Transport volume of agricultural products comes mostly from other railroads. The increase in the soybean harvest and the postponement of the harvest this year led to an increase in the transport of the commodity when comparing 3Q23 vs 3Q22. The drop when comparing 3Q23 and 2Q23 is explained by the seasonality of the harvest.

Highlight is the increase in transported volumes of sugar and corn, between 3Q23 and 2Q23, which benefited from the seasonality of the harvests.

Steel Products

Transported Volume TU thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Steel Products	1,733	1,881	-7.8%	1,543	12.3%	4,871	5,088	-4.3%

Steel products segment transported 1.7 Mt, showing 12.3% growth as compared to 2Q23. Over the course of 2023, transport shows a reduction impacted by the slowdown in market demand and when comparing 3Q23 to 3Q22, the decline was 7.8%.

Pulp

Transported Volume TU thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Pulp	1,317	1,537	-14.3%	1,426	-7.6%	4,136	4,158	-0.5%

The pulp segment ended 3Q23 with 1.32 Mt of transported volume, down 14.3% compared to 3Q22 and 7.6% when compared to 2Q23. The retraction is linked to the lower volume from other railways (-31.3% vs 2Q23 and -34.5% vs 3Q22), due to market issues that resulted in a decline in exports.

For own cargo, it is worth highlighting that 3Q23 was the Company's best result, with 13.5% and 2.9% increase as compared to 2Q23 and 3Q22, respectively, mainly impacted by the additional request for transport capacity.

Containers

Transported Volume TU thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Container	605	543	11.4%	535	13.0%	1,602	1,542	3.9%

In General Cargo transport group, container transportation segment includes cargo transported by MRS and cargo from other railways, for which the Company is paid through the right of way. Container transport segment recorded, in 3Q23, a volume of 605 Mt, up 11.4% compared to 3Q22 and 13.0% compared to 2Q23.

The share of cargo transportation made by MRS, i.e., excluding other railways, increased 9.7% when comparing 3Q23 vs 3Q22, mainly influenced by the increase in demands. When comparing 3Q23 *vs* 2Q23, the increase was 7.6%, influenced by the entry of new customers. For transport from other railways, the positive impact in 3Q23 was due to the adoption of commercial and operational strategies and represented an increase of 13.6% compared to 3Q22 and 21.0% compared to 2Q23.

Civil Construction

Transported Volume Thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Construction	620	671	-7.6%	563	10.1%	1,727	1,815	-4.8%

In 3Q23, civil construction segment transported 620 Mt, with a 7.6% drop compared to 3Q22. This result was a result of the slowdown in the real estate construction and infrastructure sectors, the main drivers of cement consumption, mainly impacted by the high interest rate and the high household debt. When compared to 2Q23, the 10.1% increase is mainly due to the seasonality of construction loads.

Other

Transported Volume Thousand tons	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Others	2,134	1,936	10.2%	2,209	-3.4%	6,117	5,849	4.6%

In 3Q23, other cargo transported by MRS, compared to 3Q22, ended with an increase of 10.2% and a decrease of 3.4% compared to 2Q22. The product that contributed most to this performance was fertilizer, benefiting from investments made in terminals when comparing 3Q23 vs. 3Q22 and with a drop compared to 2Q23, due to the seasonality of imports and application of this input in crops.

ECONOMIC AND FINANCIAL PERFORMANCE

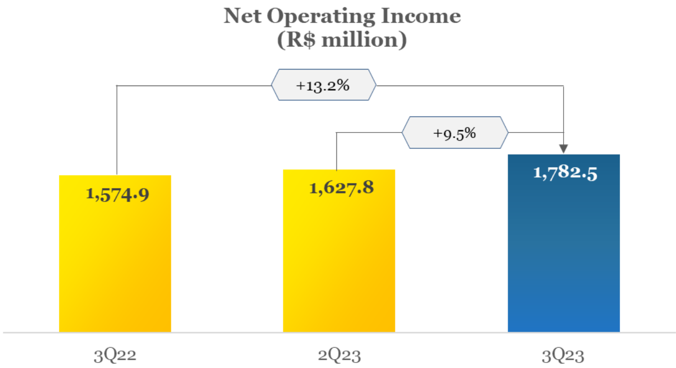
Financial and Operational Results	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Gross Revenues (R$ MM)	1,891.9	1,687.8	12.1%	1,738.1	8.8%	4,973.6	4,442.4	12.0%
Net Revenues (R$ MM)	1,782.5	1,574.9	13.2%	1,627.8	9.5%	4,655.7	4,118.9	13.0%
Cost and Expenses (R$ MM)	(749.4)	(747.9)	0.2%	(715.7)	4.7%	(2,124.9)	(1,983.1)	7.2%
Other Income and Expenses, net (R$ MM)	(6.0)	(15.1)	-60.2%	(20.6)	-71.0%	2.4	0.4	440.4%
EBITDA (R$ MM)	1,027.1	812.0	26.5%	891.5	15.2%	2,533.3	2,136.2	18.6%
EBTIDA Margin (%)	57.6%	51.6%	6.0pp	54.8%	2.8pp	54.4%	51.9%	2.5pp
Net Profit (R$ MM)	424.4	322.8	31.5%	335.4	26.5%	905.7	630.1	43.7%
Net Debt/EBITDA [1] (x)	0.9x	1.2x	-0.3x	1.1x	-0.2x	0.9x	1.2x	-0.3x
Net Avarage Tariff (R$/ton)	32.8	31.9	2.6%	31.7	3.4%	32.4	31.2	3.9%

[1] Last 12 months

I. Net Revenue: ended at R$ 1,782.5 million, up 13.2% in 3Q23 compared to 3Q22, mainly impacted by the 16.8% growth (+4.3 Mt) in the transport of iron ore for export.

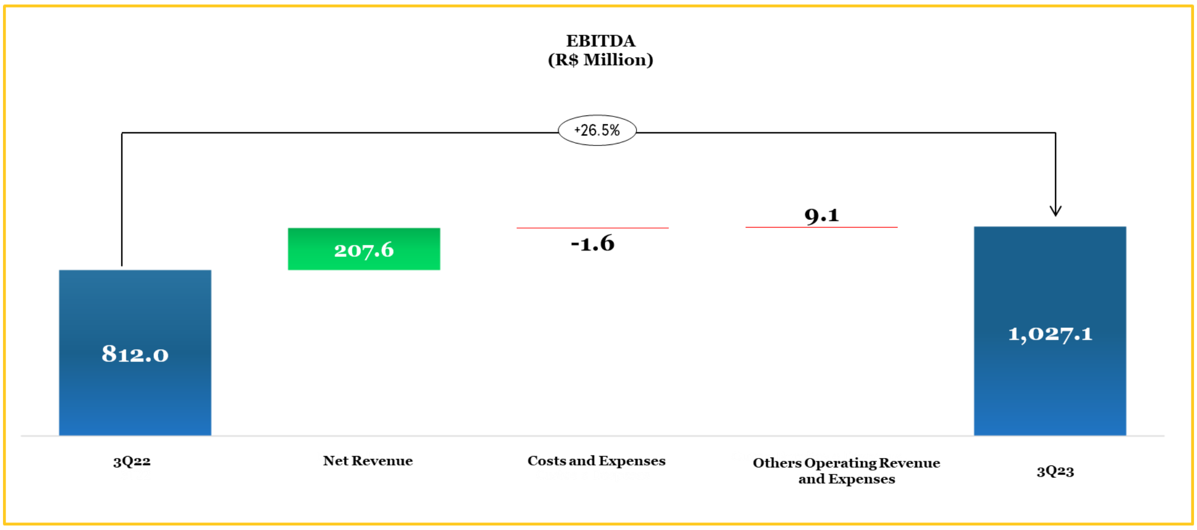
II. Costs and Expenses: R$ 1.6 million increase (+0.2%) in 3Q23 compared to 3Q22. The change is due to lower fuel costs, mainly as a result of the fall in diesel prices; mitigated by increases in personnel expenses and third-party services, as a result of commitments to renew the concession and inflationary pressures, as well as higher costs for using the network of other railroads.

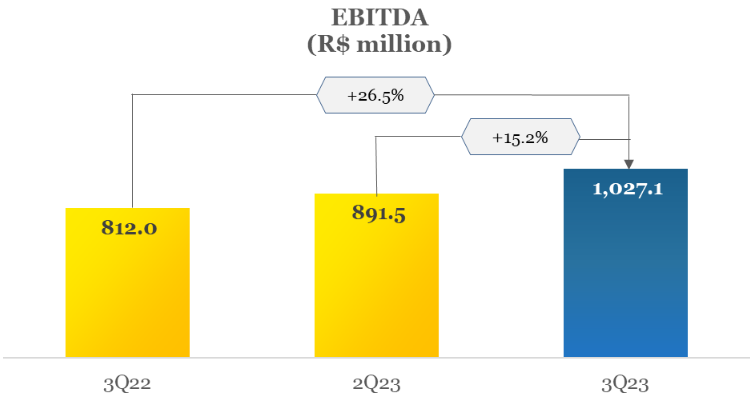
III. Other Operating Revenues and Expenses: As compared to 3Q22, the result had a positive impact of R$ 9.1 million in 3Q23, mainly due to the one-off recognition in 2022 of agreements with ANTT (National Land Transport Agency) due to the extension of the concession.



EBITDA

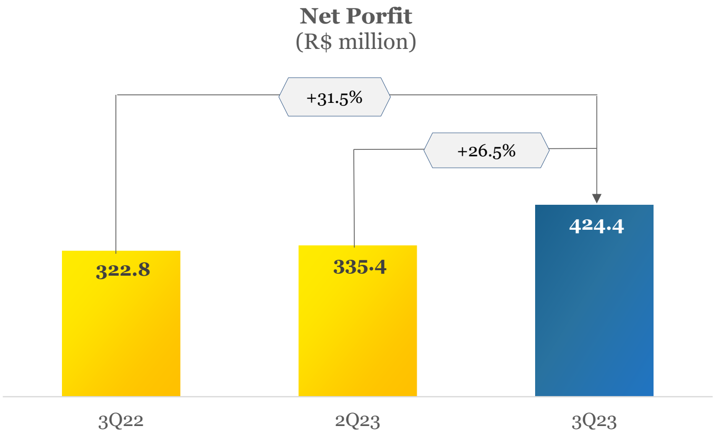
EBITDA result in 3Q23 reached R$ 1,027.1 million, with 26.5% growth when compared to 3Q22, which amounted to R$ 812.0 million. EBITDA Margin increased 6.0 p.p., ending 3Q23 at 57.6%.





Net Income

MRS recorded R$ 424.4 million Net Income in 3Q23, growing 31.5% compared to 3Q22, which ended at R$ 322.8 million. The result mainly reflects the increase in transport volume, mitigated by the costs incurred in renewing the concession.



The table below shows the reconciliation of Recurring EBITDA used in the calculation of covenants:

Reconciliation EBITDA (R$ million)	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23
Net Income	**424.4**	**322.8**	**31.5%**	**335.4**	**26.5%**
(+) Taxes on Profit	212.5	75.6	181.1%	168.8	25.9%
(+) Depreciation and Amortization	230.0	249.0	-7.6%	222.2	3.5%
(-) Depreciation Right of Use (lease agreements)	(22.5)	(50.5)	-55.5%	(21.7)	3.7%
(+) Net Financial Result	160.2	169.1	-5.2%	165.1	-3.0%
(-) AVP Financial Charges (lease contracts)	(53.4)	(53.9)	-0.9%	(53.5)	-0.2%
(=) Adjusted EBITDA [2]	**951.2**	**712.1**	**33.6%**	**816.3**	**16.5%**

[1] More detailed information can be found on explainatory notes 15.2 and 31

[2] More restrictive condition assumed with creditors

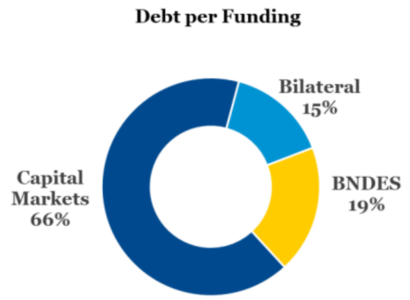
Indebtedness

In R$ million	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23
Gross Debt[1]	**4,605.6**	**4,558.4**	1.0%	**4,477.5**	**2.9%**
Gross Debt in Reais	4,499.9	4,322.7	4.1%	4,396.9	2.3%
Gross Debt in US$	105.7	235.7	-55.2%	80.7	31.0%
Cash	**1,744.9**	**1,468.5**	18.8%	**1,225.1**	**42.4%**
Net Debt	**2,860.6**	**3,089.9**	-7.4%	**3,252.5**	**-12.0%**
EBITDA[2]	**3,241.9**	**2,637.1**	22.9%	**3,026.7**	**7.1%**
Net Debt/EBITDA[3] (x)	**0.9x**	**1.2x**	-0.3x	**1.1x**	**-0.2x**

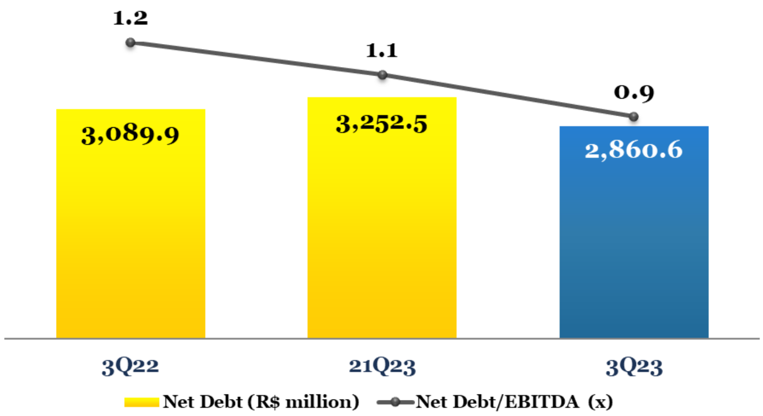
[1] The difference in relation to the sum of the Lines of Loans and Financing (Balance Sheet) corresponds to the Transaction Costs. [2] EBITDA accumulated in the last 12 months

The Company's Gross Debt ended 3Q23 with a balance of R$ 4,605.6 million, growing R$ 128.1 million compared to the immediately previous quarter, mainly due to bilateral transactions, which resulted in the amount of R$ 300 million, partially offset by scheduled amortizations.

At the end of 3Q23, most of the debt was indexed to CDI, with the important share of instruments classified as Capital Markets (Debentures and Promissory Notes), in addition to other lines, classified as bilateral and with BNDES.

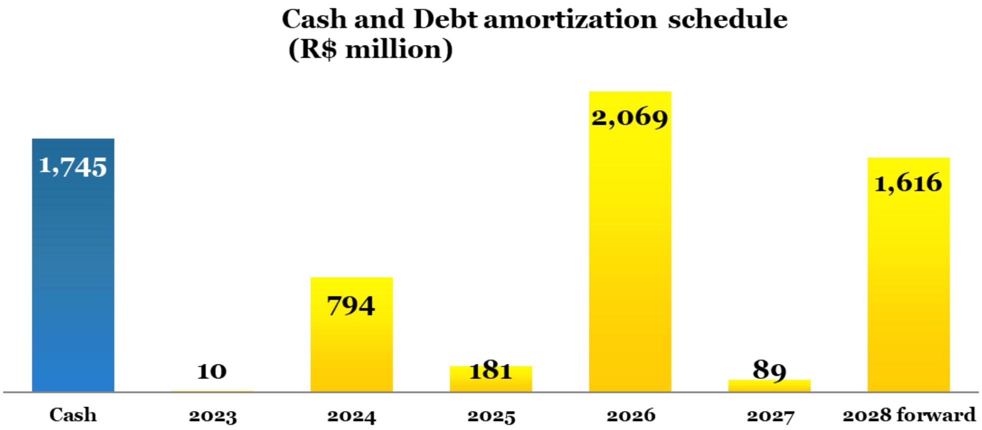


Financial leverage ratio measured by net debt/EBITDA ratio was 0.9x in 3Q23 and 1.1x in 2Q23. MRS ended 3Q23 with a net debt balance of R$ 2,860.6 million, maintaining the leverage indicator at a comfortable management level.



Amortization Schedule

The chart below shows the schedule of debt principal maturities and the cash balance as of September 30, 2023.



Rating

Agência	Escala Local	Escala Global	Perspectiva
Standard & Poor's	AAA	BB-	Estável
Fitch	AAA	BB-	Estável

STATEMENT OF CASH FLOW

Cash generation in 3Q23 recorded a positive result of R$ 1,743.7 million and a cash balance of R$ 876.9 million, impacted by the R$ 537 million increase in Net Revenue, between the periods of 9M23 and 9M22.

Statement of Cash Flow - R$ Million	3Q23	3Q22
Cash at beginning of period	**866.9**	**1,836.6**
Net Income before Income Tax and Social Contribution on Net Income	**1,368.3**	**865.5**
Results from disposal of property, plant and equipment and intagible assets	0.0	(0.1)
Depreciation and Amortization	674.8	831.3
Inflation adjustment/Exchange-rate change and Financial Charges - Assets and Liabilities	606.4	565.8
Residual Value of written-off permanet investment	33.1	24.5
Provisions (Reversals)	(3.1)	0.5
Early Expense Amortization	30.9	21.2
Provisions (Reversals) for written-off assets	(26.1)	(14.2)
Others	0.8	0.3
	2,685.2	**2,294.9**
Assets and Liabilities Variations	**520.2**	**(47.9)**
Accounts Receivable	352.2	166.8
Inventories	(39.7)	(47.0)
Recoverable Tax	119.3	(103.0)
Prepaid Expenses	(22.8)	(30.0)
Advance	(95.0)	13.2
Other Assets	5.2	1.2
Concession Payable	0.0	(8.4)
Suppliers	232.7	63.4
Tax Obligations	9.7	(18.4)
Social and Labor Obligations	(27.8)	(13.9)
Advance from Clients	(0.2)	14.6
Other Obligations	(13.4)	(86.4)
Net Cash from Operational Activities	**3,205.4**	**2,247.0**
Payment of Income Taxes	(180.7)	(330.8)
Payment of Interest on Loans and Financing	(51.3)	(214.9)
Payment of Interest on Lease	(163.1)	(135.7)
Payment of Interest on Debentures	(197.3)	0.0
	2,613.0	**1,565.6**
Net Cash from Financial Activities	**(1,043.8)**	**(1,289.1)**
Additions of property, plant and equipment	(999.6)	(1,241.1)
Additions of Intangible Assets	(44.2)	(48.4)
Fund from property, plant and equipment and intagible assets	0.0	0.4
Financial Activities	**(692.3)**	**(644.6)**
Funds Loans and Financing	683.9	618.1
Payment of Loans and Financing/Derivatives Financial Instruments	(721.5)	(570.0)
Additions of Debentures	0.0	0.0
Payment of Debentures	(254.6)	(251.9)
Payment of Lease	(356.7)	(440.8)
Treasury stocks	(43.4)	0.0
Dividends Paid	(0.0)	(0.1)
Closing Balance of Cash and Cash Equivalents	**1,743.7**	**1,468.5**
Cash Generation	**876.9**	**(368.1)**

ESG AGENDA

Governance

Aiming to structure ESG Governance, MRS established the Sustainability/ESG Management, linked to the Finance and Development Department. The new area strengthens the ESG agenda, working across the board and integrated with the company's strategy.

In terms of strategy, MRS prioritized ESG as one of its agendas in the strategic development process, which enabled it to establish guidelines that will allow the company to monitor, evolve and strengthen its sustainability practices.

Also in ESG Governance, the company updated the duties and participants of the Sustainability Committee - a body linked to the Board of Directors and involving shareholder representatives - and also defined management rituals with the establishment of the ESG Commission and nine Thematic Commissions to debate and evolve on issues relevant to MRS, such as decarbonization and value chain engagement.

The new structure will enable the company to move forward with the ESG Agenda, as well as monitoring by the Executive Board and the Board of Directors.

Climate change

Reaffirming its commitment and transparency with a broad and efficient climate agenda, MRS continues to conduct its climate risk and opportunity assessment studies, following the international TCFD methodology (*Task Force on Climate Related Financial Disclosures*). Climate change risk factors are integrated with the corporate risk matrix and addressed strategically and will be rolled out on a multi-annual basis to ensure the proper resilience of MRS's business.

In line with its mission to reduce greenhouse gas (GHG) emissions, supply logistics has implemented a project that prioritizes the use of rail transport to move cargo between warehouses and suppliers and, when this is not possible, optimizes the use of road transport, thereby reducing GHG emissions in its internal operations. Between January and May 2023, the initiative has already allowed 183.2 tCO2eq to be avoided from being emitted, which represents more than a third of the emissions caused by road transport to meet this demand in the same period.

Still on GHG emissions, MRS received, for the 4th consecutive year and retroactively since 2019, the Gold Seal in the Brazilian GHG Protocol Program, developed by FGVces (Center for Sustainability Studies of Fundação Getúlio Vargas). This is the biggest national award for GHG emissions inventories and is further recognition of the Company's commitment to meeting the transparency criteria in publishing its GHG inventory, covering direct and indirect emissions from its business, all audited by an independent third party..

Management of Natural Resources

MRS has entered into a partnership with an energy efficiency and distributed electricity generation company, ensuring that the company's low-voltage units connected to this distribution network are now supplied by renewable solar energy, thereby achieving levels of more than 85% clean energy. Furthermore, with the proposal to increase the scope and disseminate the culture of sustainability, the possibility of joining the program for MRS employees was also extended.

As for monitoring the company's water and energy consumption, MRS has implemented a monthly consumption monitoring committee, which holds regular meetings to monitor consumption, identify deviations and draw up and implement action plans to address them. In addition to improving consumption monitoring, the initiative reinforces the control of measures in cases of water scarcity. In this sense, MRS also relies on water reuse in its locomotive workshops in Barra do Piraí/RJ and Jeceaba/MG and is studying implementation in other units, ensuring that all of its industrial units have this resource. For administrative units, the shortage plan involves the use of water trucks, a process already structured with suppliers to avoid any impact on activities in the event of incidents.

Organizational Climate

Based on the score of 8.5 (scale from 0 to 10) achieved in the April 2023 organizational climate survey, we started to delve deeper into the dimensions and factors that still gave rise to opportunities for improvement. Thus, of the twelve dimensions surveyed, five became the focus of closer attention, for which two cycles of in-depth surveys on specific issues were implemented in June and August/2023, aimed at better understanding the causes of the results. Managers were also encouraged to use the survey platform to record their sectorial climate improvement action plans, which resulted in 223 plans recorded, enabling their better management in a single tool.

During the period, the NPS (Net Promoter Score) and NPS (Employee Net Promoter Score) levels were also assessed, and both results reported MRS in the "Quality Zone", according to the scale defined for measuring these instruments.

Customer Satisfaction

Based on the results of the 2022 Customer Satisfaction Survey, MRS identified areas for improvement and implemented seven work fronts to address concerns raised by customers. These actions range from improving the pricing strategy for new businesses; the availability of performance indicators for the Company's customers; improving the visibility of supplementary services offered by MRS, strengthening communication and the flow of information through *phygital* initiatives; to the review of key processes, such as cargo integrity and “take or pay”, to ensure an even more satisfactory experience for our customers.

Community

In view of its responsibility and commitment to ensuring the safety of communities and railroad operations, MRS is working to clear the right-of-way areas bordering the railroad and for which the railroad is responsible.

The Company improved the plan that guides the removal and displacement of people who occupy these areas including, among other aspects, the identification of vulnerable situations and dialogue with the communities involved.

In 2023, projects were started with an investment of approximately R$ 9 million to remove around 150 families in critical areas in municipalities such as Mangaratiba/RJ, Três Rios/RJ, Sarzedo/MG, Ibirité/MG, Cubatão/SP and Guarujá/SP.

Supplier Management

Reiterating MRS's commitment to complying with human rights, the company has a qualification platform to perform weekly updates on the Register of Employers with Workers in Conditions Similar to Slavery. As a result, any notes are forwarded to the interfaces for handling and are subject to cancellation as well as being blocked from any further business interaction.

Furthermore, on a pilot basis, a software for third-party management was implemented for the control and management of all documentation of outsourced employees who provide services on the Company's premises.

Therefore, to begin activities, several documents must be inserted into the platform - such as CTPS Digital and pre-admission ASO (Occupational Health Certificate) - which are individually validated. Each individual receives a QR Code to attach to their badge, and entry to MRS facilities is only permitted upon scanning it, indicating that the documents are up to date. Any non-compliances are notified to the outsourced company and work can only begin once all the faults have been resolved.

The outlook for the coming years is to gradually increase the number of companies and their service providers on the management platform until full coverage is achieved.

Concerning the performance of suppliers under agreements in force, managers continue to assess them on a bimonthly basis, using a questionnaire that allows them to analyze the compliance of services, quality, punctuality, compliance with safety and environmental requirements, among others. Any non-compliance is reported internally in the system and is subject to cancellation if it is not cured, in accordance with the standard clause in the agreements signed.

In addition, MRS maintains a Whistleblowing Channel for any unethical or illicit conduct, which, once investigated and confirmed, results in the disqualification of suppliers.

SUBSEQUENT EVENT

11th Issue of Debentures

On 10/16/2023, the 11th issue of debentures was completed, raising R$ 2.0 billion, distributed in 3 series: (i) R$ 400 million in the 1st Series, yielding IPCA+6.2414%, maturity in 10 years; (ii) R$ 800 million in the 2nd Series, yielding IPCA+6.3439%, maturity in 12 years; and (iii) R$ 800 million in the 3rd Series, yielding IPCA+6.4496%, maturity in 15 years.

The proceeds will be fully allocated to the reimbursement of expenses related to the Investment Project, framed in accordance with Law 12.431, considered a priority pursuant to the terms of Ordinance No. 1.520, of the Ministry of Infrastructure.

INVESTOR RELATIONS

IR Team

Email: financeiro.ri@mrs.com.br

Bookkeeper

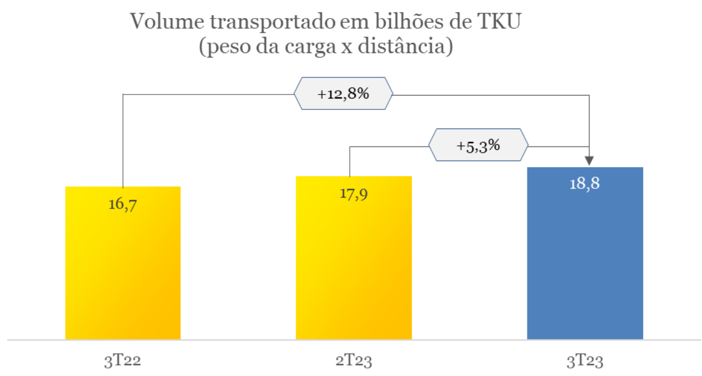
Banco Bradesco S.A.
Contact phone: (11) 3684-3749
Email: 4010.acoes@bradesco.com.br

B3 – Over-the-counter market

Investor Relations Website
ri.mrs.com.br

ANNEXES

Annex I - Operational Table and Chart



Transported Volume Thousand tons	3Q23			3Q22			2Q23		
	MRS	Others	Total	MRS	Others	Total	MRS	Others	Total
Mining	**33,961**	**-**	**33,961**	**29,768**	**-**	**29,768**	**31,672**	**-**	**31,672**
Iron Ore	33,417	-	33,417	29,188	-	29,188	31,159	-	31,159
Export	30,136	-	30,136	25,806	-	25,806	27,846	-	27,846
Domestic Market	3,281	-	3,281	3,381	-	3,381	3,313	-	3,313
Coal and Coke	544	-	544	580	-	580	513	-	513
General Cargo	**5,932**	**14,527**	**20,459**	**5,953**	**13,628**	**19,581**	**5,307**	**14,407**	**19,715**
Agricultural Products	1,374	12,675	14,049	1,309	11,703	13,013	1,198	12,240	13,438
Soy	312	1,538	1,849	69	1,606	1,674	484	8,302	8,786
Soybean Meal	18	1,933	1,951	91	1,772	1,863	65	1,898	1,963
Sugar	791	2,863	3,655	944	2,343	3,286	649	1,777	2,426
Corn	253	6,342	6,595	206	5,983	6,189	-	264	264
Steel Products	1,730	3	1,733	1,877	4	1,881	1,540	3	1,543
Pulp	855	462	1,317	831	706	1,537	753	673	1,426
Container	345	260	605	314	229	543	320	215	535
Construction	620	-	620	671	-	671	563	-	563
Others	1,009	1,126	2,134	950	986	1,936	933	1,276	2,209
Total	**39,893**	**14,527**	**54,420**	**35,720**	**13,628**	**49,349**	**36,980**	**14,407**	**51,387**

Transported Volume Thousand tons	9M23			9M22		
	MRS	Others	Total	MRS	Others	Total
Mining	**88,026**	**-**	**88,026**	**78,115**	**-**	**78,115**
Iron Ore	86,465	-	86,465	76,355	-	76,355
Export	76,794	-	76,794	65,986	-	65,986
Domestic Market	9,671	-	9,671	10,368	-	10,368
Coal and Coke	1,561	-	1,561	1,760	-	1,760
General Cargo	**15,996**	**39,825**	**55,821**	**15,716**	**38,390**	**54,106**
Agricultural Products	3,297	34,071	37,368	2,889	32,765	35,654
Soy	940	15,693	16,633	232	15,535	15,768
Soybean Meal	120	5,233	5,353	92	5,027	5,119
Sugar	1,984	5,658	7,642	2,360	4,659	7,019
Corn	253	7,487	7,740	206	7,543	7,749
Steel Products	4,860	11	4,871	5,078	9	5,088
Pulp	2,400	1,736	4,136	2,192	1,967	4,158
Container	974	628	1,602	869	673	1,542
Construction	1,727	-	1,727	1,815	-	1,815
Others	2,738	3,379	6,117	2,872	2,977	5,849
Total	**104,022**	**39,825**	**143,847**	**93,831**	**38,390**	**132,221**

Annex II - Income Statement

Income Statement - R$ Million	3Q23	2Q23	3Q22	9M23	9M22
Net Revenue	**1,782.5**	**1,627.8**	**1,574.9**	**4,655.7**	**4,118.9**
Costs of Provided Services	(621.2)	(595.0)	(667.1)	(1,776.5)	(1,763.7)
(=) Gross Profit	**1,161.3**	**1,032.8**	**907.8**	**2,879.2**	**2,355.1**
Income (Expenses)	**(134.2)**	**(141.3)**	**(95.8)**	**(345.9)**	**(218.9)**
Sales Expenses	(4.6)	(6.5)	(3.8)	(15.5)	(10.7)
General and Administrative Expenses	(123.6)	(114.2)	(77.0)	(332.9)	(208.6)
Other Operating Income	56.7	52.6	64.0	179.0	190.3
Other Operating Expenses	(62.7)	(73.3)	(79.0)	(176.6)	(189.9)
(=) EBITDA	**1,027.1**	**891.5**	**812.0**	**2,533.3**	**2,136.2**
Depreciation/Amortization	(230.0)	(222.2)	(244.6)	(674.8)	(831.3)
(=) Operating Income Before Financial Effects	**797.1**	**669.3**	**567.4**	**1,858.4**	**1,304.9**
Financial Income	115.1	96.7	109.1	314.5	383.8
Financial Expenses	(275.3)	(261.8)	(278.2)	(804.6)	(823.2)
(=) Income Before Income Tax and Social	**636.9**	**504.2**	**398.4**	**1,368.3**	**865.5**
IR/CS Current/Deferred	(212.5)	(168.8)	(75.6)	(462.6)	(235.4)
(=) NET PROFIT	**424.4**	**335.4**	**322.8**	**905.7**	**630.1**

Annex III - Balance Sheet

Balance sheet - R$ Million

ASSETS	3Q23	2Q23	3Q22
Current			
Cash and Cash Equivalents	1,744	1,224	1,469
Restricted Cash	1	1	-
Accounts Receivable with Related Parties	216	264	371
Others Accounts Receivables	11	12	9
Stocks	263	276	250
Recoverable Taxes	233	222	254
Prepaid Expenses	38	36	38
Derivative Financial Instruments	67	84	16
Other Current Assets	104	87	31
Total Current Assets	**2,677**	**2,206**	**2,437**
Not Current			
Long Term Realizable			
Restricted Cash	77	77	120
Accounts Receivable with Related Part	12	14	20
Others Accounts Receivables	260	307	509
Recoverable Taxes	4	4	6
Prepaid Expenses	5	20	114
Derivative Financial Instruments	74	119	107
Other Not-Current Assets	144	138	131
Immobilized	9,297	9,121	8,357
Rights of use	2,615	2,519	2,585
Intangible	190	187	132
Total Not-Current Assets	**12,678**	**12,507**	**12,080**
Total Assets	**15,355**	**14,713**	**14,518**

LIABILITIES	3Q23	2Q23	3Q22
Current Liabilities			
Suppliers	611	604	429
Labor Express	219	185	195
Income Tax and Social Contribuition	193	87	123
Others Taxes Obligations	69	71	52
Loans and Financing	881	934	885
Leasing to pay	538	491	455
Derivative Financial Instruments	61	71	149
Payable Dividends	208	208	166
Payable Concessions and Lease	-	-	-
Client Advances	3	4	20
Provisions	23	36	15
Others Current Liabilities	25	29	45
Total Current Liabilities	**2,831**	**2,720**	**2,534**
Not Current			
Suppliers	6	7	42
Loans and Financing	3,770	3,544	3,606
Payable Concessions and Lease	-	-	-
Client Advances	-	-	-
Diferred Taxes	-	-	0
Provisions	731	747	779
Leasing to pay	1,625	1,679	2,049
Others Current Liabilities	17	20	30
Total Not-Current Liabilities	**6,149**	**5,997**	**6,506**
TOTAL LIABILITIES	**8,979**	**8,718**	**9,040**
Capital Stock	3,961	3,961	3,961
Reserve Allocation for Capital	1,542	1,542	875
Profit Reserves	421	421	377
. Legal Reserves	1,121	1,121	498
. Investments Reserves	906	481	630
Accumulated Profit	(43)	-	-
Equity Valuation Adjustments	11	11	11
Total Stockholders Equity	**6,376**	**5,995**	**5,478**
TOTAL LIABILITIES AND STOCKHOLDERS	**15,355**	**14,713**	**14,518**

Annex IV - Investment Framework

Investments R$ million	3Q23	3Q22	3Q23 x 3Q22	2Q23	3Q23 x 2Q23	9M23	9M22	9M23 x 9M22
Sustaining	234.6	423.3	-44.6%	229.7	2.1%	738.9	881.1	-16.1%
Obligations	81.3	24.7	228.8%	85.5	-4.9%	263.0	37.3	604.3%
Improvements	9.5	7.8	21.3%	10.3	-7.9%	109.4	24.1	354.9%
Expansion	2.6	192.5	-98.7%	6.8	-61.8%	10.5	560.8	-98.1%
Total	**328.0**	**648.3**	**-49.4%**	**332.3**	**-1.3%**	**1,121.8**	**1,503.4**	**-25.4%**

Note 1: Include investments related to the renovation of the Permanent Road (GIV - Major Road Interventions): (i) 3Q22: R$ 116.2 MM; (ii) 2Q23: R$ 23.7 MM; (iii) 9M23: R$113.8 MM

Investments made, until 3Q23, totaled R$ 1.1 billion:

Sustaining - R$ 739MM
Necessary Investments to maintain production capacity

Expansion - R$ 10MM
Projects aimed at increasing production capacity or expanding current service levels

Concession Renewal - R$ 263MM
Mandatory investments linked to ANTT's obligations list - works, acquisition of assets and implementation of systems

Improve - R$ 109MM
Projects related to value generation and that are not directly linked to the business (cargo transportation)