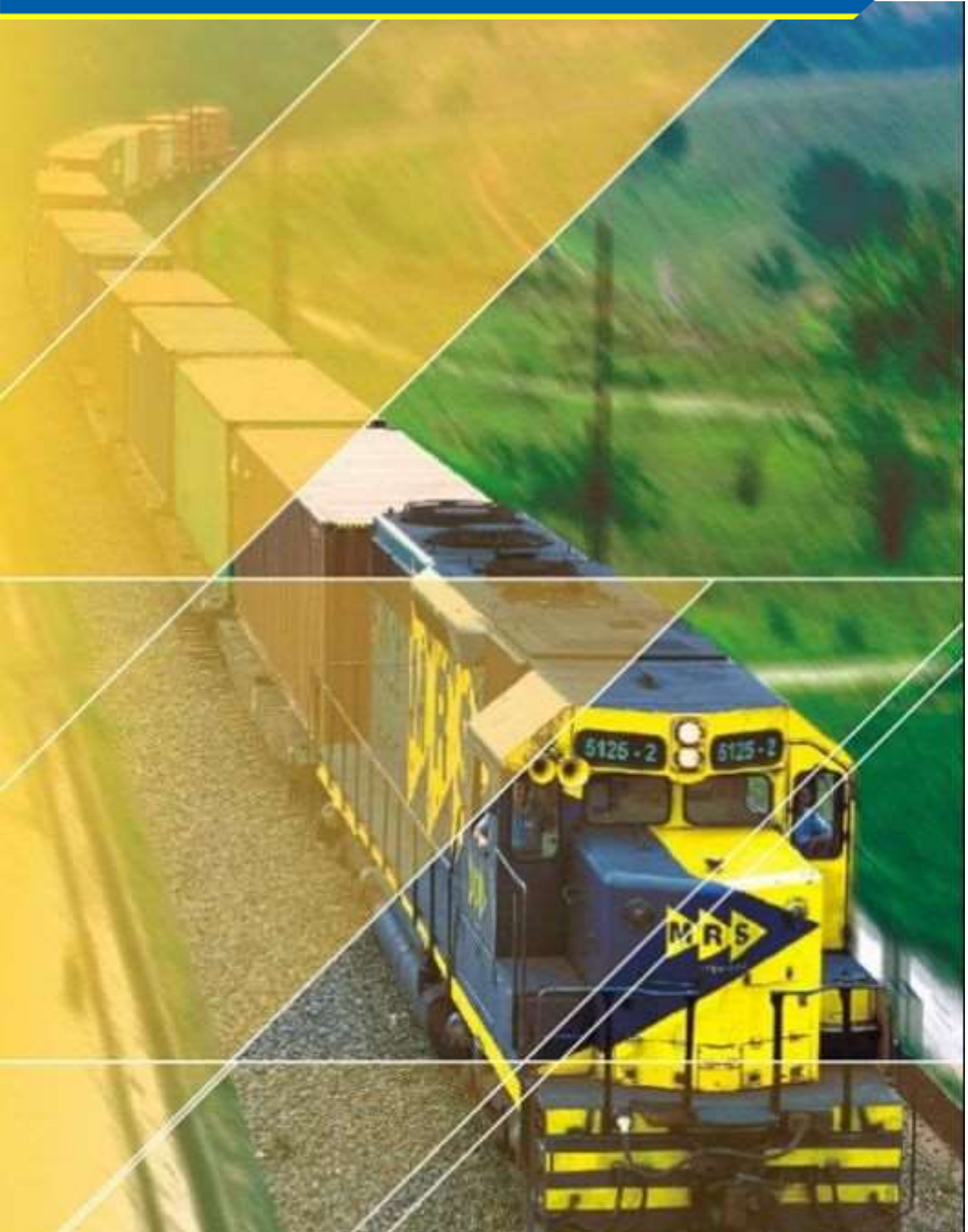




# Release - 3Q21



Rio de Janeiro, November 10, 2021 - MRS Logística S.A. announces its results for the third quarter of 2021. The Company's Financial Statements, duly reviewed by the independent auditors, are presented in reais (R\$), in accordance with the international accounting standard - IFRS (International Financial Reporting Standards) - and according to the accounting practices adopted in Brazil.

## Volume Transported Mining



# 30.8

MM of Tons  
+10.5%\*

## Operating Net Revenue



# R\$ 1,227.4MM

+21.4%\*

## Leverage Ratio



# 0.72x

-0.29x\*

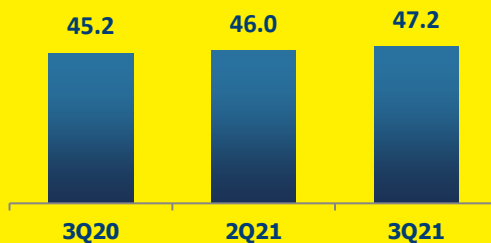
## EBITDA



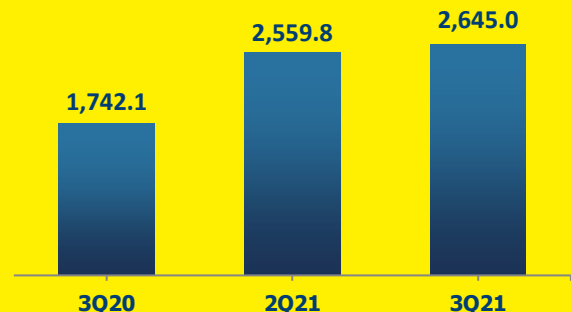
# R\$ 637.9MM

+15.4%\*

## Volume Transported In millions of TU



## EBITDA<sup>1</sup> In millions of reais



<sup>1</sup> accumulated 12 months

\*Comparisons refer to 3Q20 results

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## HIGHLIGHTS

Financial and Operational Results	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
Transported Volume (thousands tons)	47,234	45,165	4.6%	46,020.2	2.6%	131,778	115,424	14.2%
Gross Revenues (R\$ million)	1,321.1	1,081.8	22.1%	1,254.7	5.3%	3,625.3	2,826.1	28.3%
Net Revenues (R\$ million)	1,227.4	1,011.4	21.4%	1,163.3	5.5%	3,355.8	2,614.6	28.3%
EBITDA (R\$ million)	637.9	552.7	15.4%	838.6	-23.9%	1,965.0	1,333	47.4%
EBITDA Margin <sup>1</sup> (%)	52.0%	54.6%	-2.6pp	72.1%	-20.1pp	58.6%	51.0%	7.6pp
Net Income <sup>1</sup> (R\$ million)	137.4	148.6	-7.5%	420.4	-67.3%	633.4	203	211.3%
Gross Debt (R\$ million)	3,964.9	3,038.8	30.5%	2,449.2	61.9%	3,964.9	3,038.8	30.5%
Net Debt (R\$ million)	1,903.3	1,758.3	8.2%	1,497.4	27.1%	1,903.3	1,758	8.2%
Net Debt/EBITDA <sup>1</sup> (x)	0.72x	1.01x	-0.29x	0.58x	0.14x	0.72x	1.01x	-0.29x

<sup>1</sup> Last 12 months (unadjusted result, that is, considering the non-recurring events).

The year 2021 has proved to be a scenario of economic recovery, with the advance of vaccination against Covid-19. The international market remains favorable to the mining and steel industry, which although the price of iron ore has declined at the end of this last quarter, it remains at a high level when compared to recent years.

MRS ended the third quarter of 2021 with Net Revenue of R\$ 1,227.4 million, an increase of R\$ 216.1 million compared to 3Q20. The transport segment that contributed the most to the increase in revenue was Iron Ore, reaching the mark of 30.8 Mt, an increase of 10.5% when compared to 3Q20 and 8.1% compared to 2Q21. The General Cargo segment deserves to be highlighted in 2021, with a record in the nine-month period, reaching the mark of 47.4 Mt.

The Company's EBITDA presented a result of R\$ 637.9 million, a 15.4% increase compared to the third quarter of 2020.

Reiterating discipline in cash management and increased EBITDA generation, the Net Debt/EBITDA indicator, presented by MRS, reached 0.72x in 3Q21, highlighting the raising of funds in the amount of R\$ 1.5 billion, through the 10th issue of debentures.



## OPERATING PERFORMANCE

MRS Logística operates mainly in the transport of inputs and products related to the steel industry, such as iron ore, coal and coke, to serve the domestic and export markets, and in the transport of General Cargo, which includes agricultural *commodities*, steel products, containers, among others, in a railway network with more than 1,600 km, in the states of Minas Gerais, Rio de Janeiro and São Paulo.

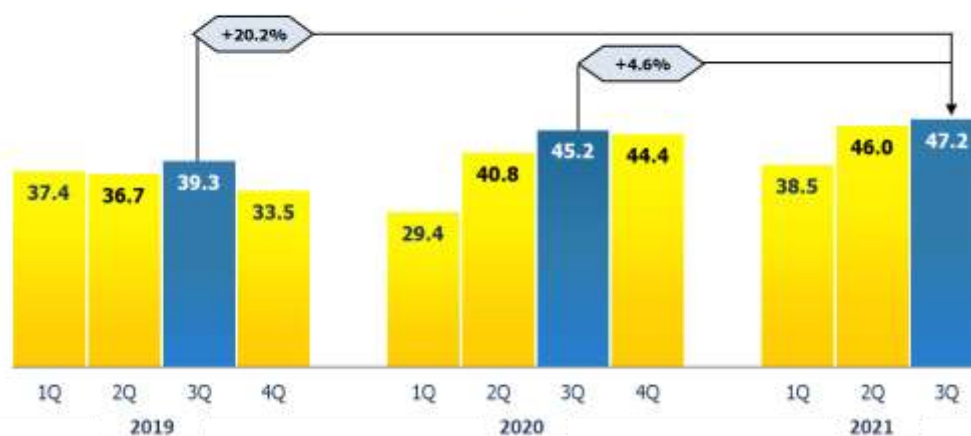
In 3Q21, total cargo transportation reached 47.2 Mt, an increase of 4.6% compared to 3Q20, the best result since 3Q18. Highlighting the segments of mining and steel products, which grew by 10.5% and 36.4%, respectively.

In the comparison of 9M21 with the same period in 2020, MRS presented a 14.2% growth in the total volume transported, which represents 16.4 million tons (Mt).

Transported Volume Thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
<b>Mining</b>	<b>30,846</b>	<b>27,908</b>	<b>10.5%</b>	<b>28,546</b>	<b>8.1%</b>	<b>84,332</b>	<b>69,536</b>	<b>21.3%</b>
Iron Ore	30,158	27,354	10.3%	27,915	8.0%	82,310	67,571	21.8%
Export	26,348	24,683	6.7%	24,086	9.4%	71,032	58,863	20.7%
Domestic Market	3,811	2,671	42.7%	3,829	-0.5%	11,278	8,708	29.5%
Coal and Coke	688	554	24.2%	630	9.1%	2,022	1,965	2.9%
<b>General Cargo</b>	<b>16,387</b>	<b>17,257</b>	<b>-5.0%</b>	<b>17,475</b>	<b>-6.2%</b>	<b>47,446</b>	<b>45,887</b>	<b>3.4%</b>
Agricultural Products	10,077	11,915	-15.4%	12,026	-16.2%	30,470	30,774	-1.0%
Steel Products	2,026	1,486	36.4%	1,816	11.6%	5,648	4,418	27.9%
Container	583	528	10.3%	609	-4.4%	1,732	1,606	7.8%
Construction	502	566	-11.4%	473	6.1%	1,477	1,537	-3.9%
Others	3,200	2,761	15.9%	2,550	25.5%	8,118	7,552	7.5%
<b>Total</b>	<b>47,234</b>	<b>45,165</b>	<b>4.6%</b>	<b>46,020</b>	<b>2.6%</b>	<b>131,778</b>	<b>115,425</b>	<b>14.2%</b>

### Quarterly Results - Transported Volume

in million of TU





## Mining

The Mining segment, which includes iron ore, coal and coke, totaled 84.3 Mt in 9M21, up 21.3% (+14.8Mt) compared to 9M20. Among others, the factor that most impacted this increase was the consolidation of the new circulation model at the Andaime terminal using the unmanned train.

Transported Volume Thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
<b>Mining</b>	<b>30,846</b>	<b>27,908</b>	<b>10.5%</b>	<b>28,546</b>	<b>8.1%</b>	<b>84,332</b>	<b>69,536</b>	<b>21.3%</b>
Iron Ore	30,158	27,354	10.3%	27,915	8.0%	82,310	67,571	21.8%
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Coal and Coke	688	554	24.2%	630	9.1%	2,022	1,965	2.9%

### Iron Ore | Export

In 3Q21, the volume of Iron Ore destined for export totaled 26.3 Mt, an increase of 6.7% when compared to 3Q20 and 9.4% when compared to 2Q21. This increase was impacted by the continued demand for transport by exporters. The current scenario continues to favor export operations for the *commodity* produced in the country: (i) the price of iron ore in the international market, which despite the drop in recent months, remains at a high level when compared to recent years and (ii) the high appreciation of the dollar against the real.

In 9M21, the volume transported in this segment represents a growth of 14.8 million tons (Mt), representing a 20.7% improvement in the accumulated result for the same period of the previous year.

## Domestic Market | Ore, Coal and Coke

Transports to serve the domestic market and the lines of coal, coke and iron ore ended 3Q21 with 4.5 million tons (Mt), an increase of 39.5% compared to 3Q20 and 0.9% compared to 2Q21.

These segments presented an increase of 24.6% in the accumulated 9M21 compared to the same period of the previous year, due to the favorable scenario and the improvement in the economic activity of the main consumers of the product, as well as the recovery of steel sales in the domestic market, which in 2020 was marked by the COVID-19 pandemic, in which the main sectors of consumption of steel products opted for reductions in production processes or temporary stoppages.

## General Cargo

General Cargo transportation includes agricultural *commodities*, steel products, containers, among others, carried out by MRS and other railways through paid right of way.

Transported Volume Thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
<b>General Cargo</b>	<b>16,387</b>	<b>17,257</b>	<b>-5.0%</b>	<b>17,475</b>	<b>-6.2%</b>	<b>47,446</b>	<b>45,887</b>	<b>3.4%</b>
Agricultural Products	10,077	11,915	-15.4%	12,026	-16.2%	30,470	30,774	-1.0%
Steel Products	2,026	1,486	36.4%	1,816	11.6%	5,648	4,418	27.9%
Container	583	528	10.3%	609	-4.4%	1,732	1,606	7.8%
Construction	502	566	-11.4%	473	6.1%	1,477	1,537	-3.9%
Others	3,200	2,761	15.9%	2,550	25.5%	8,118	7,552	7.5%

MRS General Cargo transportation stood out in 9M21, the segment reached 47.4 million tons (Mt), the best result since 3Q18. In the quarterly view, there was a reduction of 0.9 Mt (-5.0%) in 3Q21 compared to 3Q20.

MRS regularly seeks new commercial partnerships and possibilities to offer the most complete logistical solutions possible, in addition to establishing an extension of service to traditional customers, including obtaining new business. Considering the entire economic scenario (internal and external), still impacted by the Covid-19 Pandemic, the result obtained, so far, proves the reach and consolidation of growing performances in this segment in recent years.

## Agricultural Products

Transported Volume Thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
<b>Agricultural Products</b>	<b>10,077</b>	<b>11,915</b>	<b>-15.4%</b>	<b>12,026</b>	<b>-16.2%</b>	<b>30,470</b>	<b>30,774</b>	<b>-1.0%</b>
Corn	4,505	6,455	-30.2%	116	3790.2%	4,835	7,198	-32.8%
Sugar	3,432	3,636	-5.6%	2,701	27.1%	7,868	7,983	-1.4%
Soy	551	466	18.3%	7,649	-92.8%	13,447	12,053	11.6%
Soybean Meal	1,588	1,358	16.9%	1,560	1.7%	4,320	3,540	22.0%

The volume of agricultural products, own and third parties (through remunerated right of way), totaled 10.1 million tons in 3Q21, a performance 15.4% below that achieved in 3Q20. This result is mainly explained by the demand for the transport of corn, which decreased by 30.2%, equivalent to 1.9 million tons (Mt) compared to the 2020 period.

The lower performance in the transport of agricultural products in 3Q21 is directly related to the climate problems experienced in Brazil in 2021, which is facing one of the worst droughts of the century. In addition to the energy impacts, the country's weather conditions brought reductions in the country's grain harvest, with an estimated reduction of up to 50% in exports from the current harvest, as disclosed to the market by the Chairman of the Board of Anec (National Association of Grain Exporters).

In addition to the aforementioned reasons, the low water levels in the hydroelectric reservoirs caused the Tietê-Paraná waterway navigation to be suspended, preventing the transport of grain destined for export to the multimodal terminal served by MRS in the state of São Paulo.

## Steel Products

Transported Volume TU thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
Steel Products	2,026	1,486	36.4%	1,816	11.6%	5,648	4,418	27.9%

MRS registered 2.0 million tons of steel products transported in 3Q21, an increase of 11.6% compared to 2Q21 and 36.4% compared to 3Q20.

The significant increase in transported volume, when comparing 3Q21 and 3Q20, shows MRS' efforts with customers to find logistical solutions. With this, it is possible to verify the reflection of the resumption of transport after the effects caused, in the previous year, by the Covid-19 pandemic, leveraged by social isolation actions that also culminated in the shutdown of large equipment such as Blast Furnaces and Laminators of important MRS customers.



## Containers

Transported Volume TU thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
Container	583	528	10.3%	609	-4.4%	1,732	1,606	7.8%

The Container transportation segment presented, in 3Q21, growth of 10.3% compared to 3Q20 and an increase of 7.8% in 9M21, when compared to the same period of 2020.

The segment was directly affected by Covid-19. Despite the recent downturn caused by the pandemic, for the year 2021, the rail modal has been providing great operational predictability for customers, which reaffirms MRS' strategic strengthening and market consolidation in this type of logistics solution, through negotiations with new customers and the creation and optimization of routes, supported by an efficient operating model, now serving various flows in the main economic centers in the Southeast region of the country.

## Construction

Transported Volume Thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
Construction	502	566	-11.4%	473	6.1%	1,477	1,537	-3.9%

The results of products related to Construction (sand, cement, blast furnace slag) grew 6.1% in 3Q21 compared to 2Q21, despite a drop compared to 3Q20.

These reductions are mainly due to the difficulty of an important client of the Company in its market position, especially in Greater São Paulo, causing it to present reductions of 76.3% in the volume of cement transported in bulk through the routes of transport services served by MRS in the comparison between 3Q21 and the same period of the previous year. In addition to this drop, clients in the sand segment also experienced similar difficulties in relation to the São Paulo market, registering a 17.5% drop in transportation in 9M21 compared to 9M20.

## Others

Transported Volume Thousand tons	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
Others	3,200	2,761	15.9%	2,550	25.5%	8,118	7,552	7.5%

The other products totaled 3.2 million tons transported. The group, which is made up of a variety of loads (pig iron, chemical products, fertilizers, pulp, among others), reported an increase of 25.5% compared to 2Q21 and growth of 15.9% compared to 3Q20.

The impacts of the growths that took place during 2021 were: (i) 19.1% in fertilizers and chemical products in the comparison between 3Q21 and 3Q20 and 15.9% in the comparison between 9M21 and 9M20; (ii) 18.2% in pulp transported volume in 3Q21 when compared to 3Q20 and a 26.0% growth compared to 2Q20, as a result of the Company's initiatives to increase productivity in the transportation of an important customer, as well as, in the development of a new route with a new customer, with shipments starting in 3Q21, after operational tests in a previous period; (iii) in transported volumes of bauxite and zinc composite, with 37.3% and 63.2%, respectively, compared to 3Q20, as a result of the increased share of routes served by MRS in the logistics system for supplying units of such customers.

## ECONOMIC-FINANCIAL PERFORMANCE

Results	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21	9M21	9M20	9M21 x 9M20
Gross Revenues (R\$ million)	1,321.1	1,081.8	22.1%	1,254.7	5.3%	3,625.3	2,826.1	28.3%
Gross Average Tariff (R\$/ton)	28.0	24.0	16.8%	27.3	2.6%	27.5	24.5	12.4%
Net Revenues (R\$ million)	1,227.4	1,011.4	21.4%	1,163.3	5.5%	3,355.8	2,614.6	28.3%
Net Average Tariff (R\$/ton)	26.0	22.4	16.0%	25.3	2.8%	2546.5%	2265.2%	12.4%
EBITDA (R\$ million)	637.9	552.7	15.4%	838.6	-23.9%	1,965.0	1,333.0	47.4%
EBTIDA Margin (%)	52.0%	54.6%	-2.6pp	72.1%	-20.1pp	58.6%	51.0%	7.6pp
Net Income (R\$ million)	137.4	148.6	-7.5%	420.4	-67.3%	633.4	203.4	211.3%
Net Debt/EBITDA <sup>1</sup> (x)	0.72x	1.01x	-0.29x	0.58x	0.14x	0.72x	1.01x	-0.29x

<sup>1</sup> EBITDA accumulated over the past 12 months. The covenant adopted towards some creditors was detailed in the debt chapter of this release

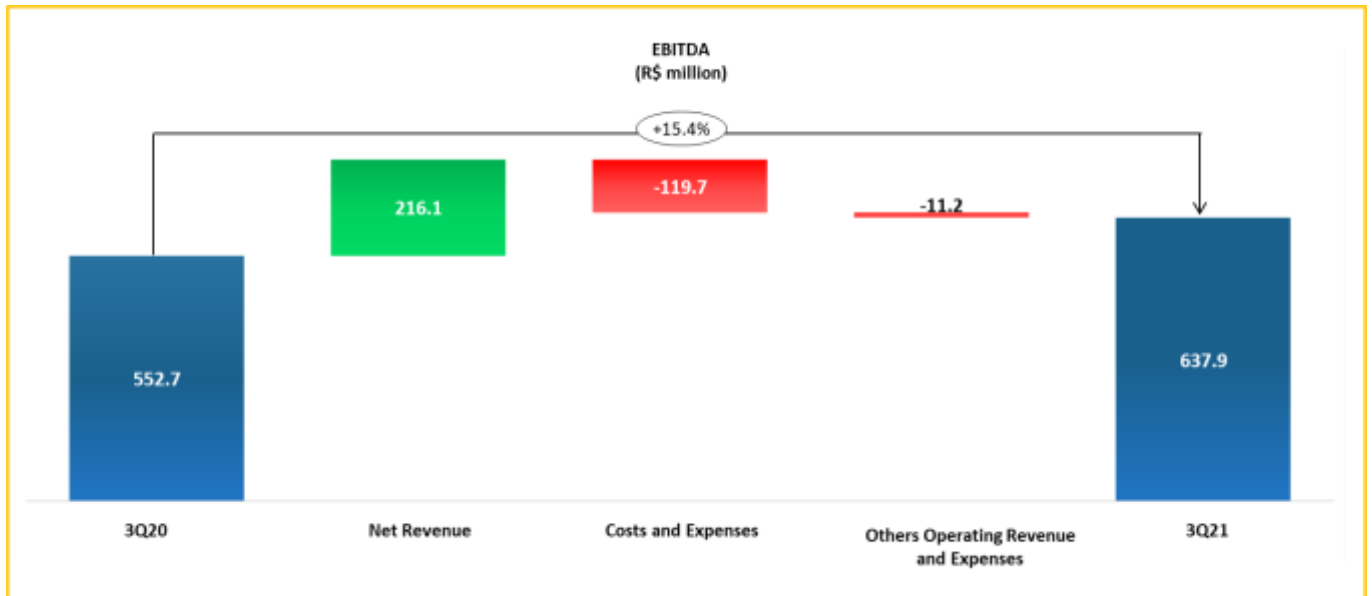
**I. Net Revenue:** R\$ 216.1 million higher than in 3Q20, mainly impacted by the transport of iron ore, which increased by 10.5% (2.9Mt), in addition to an increase in the consolidated average tariff.

**II. Costs and Expenses:** increase of R\$ 119.7 million compared to 3Q20. The result can be explained by the higher volume transported and an increase in diesel costs that impacted the account in the amount of R\$ 78.6 million.

**III. Other Operating Income and Expenses:** compared to 3Q20, the result of this group had an unfavorable impact of R\$ 11.2 million in 3Q21. The main effect is related to the higher volume of provisions for legal contingencies occurred in this quarter.

## EBITDA

EBITDA of the 3Q21 registered, an increase of 15.4% when compared to the 3Q20, reaching R\$ 637.9 million, and the EBITDA Margin was 52.0%, 2.6 p.p. lower than that recorded in 3Q20.



## Net Profit

In 9M21, MRS posted Net Income of R\$ 633.4 million, an increase of R\$ 429.9 million (+211.3%), when compared to the same period in 2020. The result reflects: (i) the improvement in commercial performance, mainly due to the 20.7% increase (+12.2 Mt) in the transport of iron ore destined for export; and (ii) recognition in other operating income and financial income of the principal amount and the respective restatement of tax credits related to the favorable decision to exclude ICMS from the PIS and COFINS calculation basis, which positively impacted the result for the period.

In 3Q21, Net Income was R\$ 137.4 million, a reduction of R\$ 11.1 million when compared to 3Q20, impacted by the increase in financial expenses, offset by the operating result (increase in revenue from transportation volume). The financial result for the quarter mainly reflects the mark-to-market in the derivative of the 10th issue of debentures carried out by the Company.

## Indebtedness

In R\$ million	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21
<b>Gross Debt<sup>1</sup></b>	<b>3,964.9</b>	<b>3,038.8</b>	<b>30.5%</b>	<b>2,449.2</b>	<b>61.9%</b>
Gross Debt in Reais	3,603.0	2,463.3	46.3%	2,023.7	78.0%
Gross Debt in US\$	361.9	575.5	-37.1%	425.5	-15.0%
<b>Cash<sup>2</sup></b>	<b>2,061.6</b>	<b>1,492.7</b>	<b>38.1%</b>	<b>951.8</b>	<b>116.6%</b>
<b>Net Debt</b>	<b>1,903.3</b>	<b>1,546.1</b>	<b>23.1%</b>	<b>1,497.4</b>	<b>27.1%</b>
<b>EBITDA<sup>3</sup></b>	<b>2,645.0</b>	<b>1,742.1</b>	<b>51.8%</b>	<b>2,559.8</b>	<b>3.3%</b>
<b>Net Debt/EBITDA<sup>3</sup> (x)</b>	<b>0.72x</b>	<b>0.89x</b>	<b>-0.17x</b>	<b>0.58x</b>	<b>0.14x</b>

<sup>1</sup> The difference in relation to the sum of the Lines of Loans and Financing (Balance Sheet) corresponds to the Transaction Costs. <sup>2</sup> Includes restricted cash. <sup>3</sup> EBITDA accumulated in the last 12 months

The Company's Gross Debt ended 3Q21 with a balance of R\$ 4.0 billion, an increase of R\$ 1.5 billion when compared to 2Q21, impacted by the inflow of financial resources in the same amount in the period, arising from the 10th. issue of debentures.

The leverage indicator, measured by the Net Debt / EBITDA ratio, increased by 0.14x between the quarters of 3Q21 vs 2Q21. Despite the variation, the indicator demonstrates the increase in EBITDA generation, as well as MRS' discipline in cash management.

## Covenants

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

Reconciliation EBITDA (R\$ million)	3Q21	3Q20	3Q21 x 3Q20	2Q21	3Q21 x 2Q21
<b>Net Income</b>	<b>137.4</b>	<b>148.6</b>	<b>-7.5%</b>	<b>420.4</b>	<b>-67.3%</b>
(+) Taxes on Profit	70.2	76.1	-7.8%	212.9	-67.0%
(+) Depreciation and Amortization	262.1	246.7	6.3%	257.7	1.7%
(-) Depreciation Right of Use (lease agreements) <sup>2</sup>	(84.4)	(69.8)	20.9%	(84.9)	-0.5%
(+) Net Financial Result	(168.1)	(81.3)	106.7%	52.5	-
(-) AVP Financial Charges (lease contracts)	(37.3)	(36.0)	3.7%	(38.4)	-2.9%
<b>(=) Adjusted EBITDA<sup>1</sup></b>	<b>516.1</b>	<b>446.9</b>	<b>15.5%</b>	<b>715.3</b>	<b>-27.8%</b>

<sup>1</sup> More restrictive condition assumed with creditors

<sup>2</sup> More detailed information can be found on explanatory notes 13.2 and 31



## CASH FLOW STATEMENT

Cash generation in 3Q21 showed a positive result of R\$ 855.1 million and the cash balance of R\$ 2,061.6 million, an increase of R\$ 782.0 million compared to 3Q20. This variation was mainly influenced by financing activities.

Statement of Cash Flow - R\$ Million	3Q21	3Q20
<b>Cash at beginning of period</b>	<b>1,206.5</b>	<b>668.3</b>
<b>Net Income before IR and CSLL</b>	<b>958.4</b>	<b>311.5</b>
Depreciation and Amortization	776.3	801.9
Monetary/Foreign Exchange Variation and Financial Charges	420.2	254.0
Residual Value of Fixed Assets / Invest. Perm.	24.9	21.4
Taxable Credit Provision	(337.6)	-
Deferred Tax	7.1	-
Provision (Reversal)	(16.0)	(25.3)
Others	9.3	11.9
<b>Net Income cash basis</b>	<b>1,842.6</b>	<b>1,375.4</b>
<b>Changes in assets and liabilities</b>	<b>(626.5)</b>	<b>(38.5)</b>
Accounts Receivable and Related Parties	261.6	750.7
Stocks	(74.6)	(13.2)
Restricted Cash	-	-
Financial Investments	-	(211.1)
Taxes Recoverable	(101.2)	16.7
Providers	(100.4)	23.3
Tax liabilities	(17.5)	(105.9)
Taxes on profit	(321.9)	(245.0)
Social and Labor Obligations	19.3	(7.2)
Payment of interest on loans and financing	(100.2)	(106.5)
Payment of interest on rights of use	(116.2)	(111.1)
Others	(75.4)	(29.2)
<b>Net Cash provided by operating activities</b>	<b>1,216.1</b>	<b>1,336.9</b>
<b>Investment activities</b>	<b>(994.5)</b>	<b>(500.0)</b>
Immobilized	(970.2)	(482.3)
Intangible	(24.3)	(17.7)
Proceeds from the sale of property, plant and equipment	-	-
<b>Financing activities</b>	<b>633.5</b>	<b>(225.6)</b>
Borrowing and financing	-	511.7
Debentures	1,500.0	-
Payments	(623.3)	(488.0)
Rights of use	(243.2)	(174.3)
Payments Dividends	-	(75.0)
<b>Cash at end of period</b>	<b>2,061.6</b>	<b>1,279.6</b>
<b>Cash Flow</b>	<b>855.1</b>	<b>611.3</b>

## ESG AGENDA

### Sustainability Report

In June, MRS released its Sustainability Report, reiterating the Company's commitment to transparency and timeliness of ESG information. The *report* was prepared in accordance with the standards of the GRI (Global Reporting Initiative) and had indicators following the standard of the SASB (Sustainability Accounting Standards Board). The document can be accessed through the link: <https://esg2020.mrs.com.br/>

### Environment

Committed to managing its emissions, in 3Q21, MRS responded to the CDP (Disclosure Insight Action) report, expanding the disclosure related to Greenhouse Gas (GHG) emissions, which used the GHG Protocol methodology to carry out the inventory, with data from 2020 and 2019.

The Company, reaffirming its efforts to reduce emissions and aiming at improving energy efficiency and reducing the volume of specific GHG emissions, made investments with the acquisition of 52 locomotives.

MRS, with a focus on the prevention and treatment of situations of risk to the environment, has a robust program for the prevention of environmental occurrences, with detailed procedures for responding to emergencies. Using its own teams, periodic inspections, daily and simulated dialogues are carried out, for constant training of employees, in addition to having its own resources such as environmental emergency *kits* in strategic units, each containing more than 15 items, trailer *kits* that can be coupled to different automotive vehicles, which individually have more than 20 different parts, used in occurrences with a high degree of criticality; and vehicle and cleaning *kits* to attend to events with a lower degree of severity.

### Organizational Environment

MRS reached 87.6% approval of employee satisfaction, according to the environment survey carried out in 2020. Based on this result and in order to increasingly improve internal satisfaction, the Company mapped the points of attention for implementing actions. Among them, in 2021, social responsibility and health actions were carried out, mainly with a focus on the employee's emotional health and quality of life, greater approximation and dissemination of HR processes, such as benefits, career and development. In addition to these achievements, in July 2021, MRS prepared the climate monitoring, through quantitative research, to assess the efficiency of action plans and redirect the necessary actions, making the results from the survey available on the Company's intranet.

## Diversity

MRS is dedicated to valuing diversity and non-discrimination, and among its objectives are the governance of the Diversity Program and the promotion of an inclusive culture. The Company, determined to promote and disseminate this topic, has carried out several actions, including: (i) Purple August, a week dedicated to raising awareness about the end of violence against women; (ii) conversation table with the collaborators with the theme "Sorority: Empowered women empower others"; (iii) the National Day for the Fight of People with Disabilities, which featured audio description and a libra interpreter; (iv) inclusion of the description of images in the company's internal communications, ensuring accessibility for blind and visually impaired people; (v) practical audio description training, where invited participants will act as internal multipliers; (vi) lecture "Psychological Safety: how to guarantee innovation, diversity and a safe environment based on this concept"; (vii) Campaign: A woman's place is wherever she wants, including inside a locomotive; (viii) Lecture for managers: The strategic value of diversity, with an emphasis on gender balance.

## Intellectual Capital

The development of employees is one of the relevant guidelines at MRS. By the third quarter of 2021, the MRS Academy had invested more than R\$ 5 million in qualification, improvement, certification and development actions. Through these actions, MRS ensures that all levels of employees receive the necessary training to perform their functions, in addition to opportunities for improvement, envisioning new challenges for their careers. Among these actions, the following stand out: training programs such as Railway Operator and Road Technician (partnership with Senai-JF), education incentive program, leadership training program (partnership with FIA Business School), specialization in railway transport (partnership with Instituto Militar de Engenharia - IME), internship program, *trainee*, individual development plans, among others. Many development actions are planned for the next quarter, including the implementation of an unprecedented data intelligence training program.

## Suppliers

MRS is committed to Ethics and Human Rights, as a strategy for the permanent process of continuous improvement with its suppliers. The Company provides in its contractual instruments, the commitment of its suppliers with the requirements of the Anti-Corruption Law, compliance with ethical and social standards, guarantees of minimum conditions to provide services with dignity, and also establishes specific contractual clauses related to Human Rights, vetoing the use or practice of forced, compulsory, child and/or slave labor and even with provision for termination, in case of non-compliance.

## Communities

Over the years, MRS has shown constant attention to the well-being of communities, especially those close to its domain. Among the outstanding initiatives adopted in 2021, the Company, through its own resources, directed towards best practices related to the displacement of vulnerable populations. Therefore, MRS has played a leading role in cases of displacement of families established in the municipalities of Ibitié (MG), Suzano (SP), Mangaratiba (RJ), Três Rios (RJ) and Guarujá (SP), with the aim of ensuring the safety of populations and of the railway operation. In this sense, in 2021, the Land Management Department was also created, designed to create new procedures, negotiation flows and solutions to community displacement issues, among other activities.

In line with this policy, in 2021, the Land Management Department was also created, together with the Institutional Relations teams, with specific and dedicated professionals to solve these liabilities, with new procedures for approaching, negotiating and resolving the vacancy. This entire process will also address future expropriations, if necessary, for the Company's new projects.

Until September 2021, its own and third-party resources were invested in actions directly related to mitigating the risk of displacement of vulnerable populations, mitigating the priorities identified in the Rain plan for the MRS Infrastructure area. A macro and strategic plan will also be drawn up to deal with the issue, whose main objective will be the prioritization of risky locations and, above all, the development of sustainable projects for sealing and social reuse of unoccupied land.

As in 2020, MRS intends to maintain investments in the order of R\$ 8.0 million, in incentive resources, in sociocultural and sports projects and R\$ 3.0 million in relationship actions with the communities, through its own resources, distributed equally between RJ, MG and SP.

Also as a way to reiterate its commitment to Railway History, MRS joined the largest program of preservation of memory and historical heritage ever carried out in Brazil, "Resgatando a História", in partnership with BNDES and other private companies, which counts on a forecast of a total contribution in the amount of R\$ 200 million, for the next 3 years.

## INVESTOR RELATIONS

IR team

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B3 – OTC Market

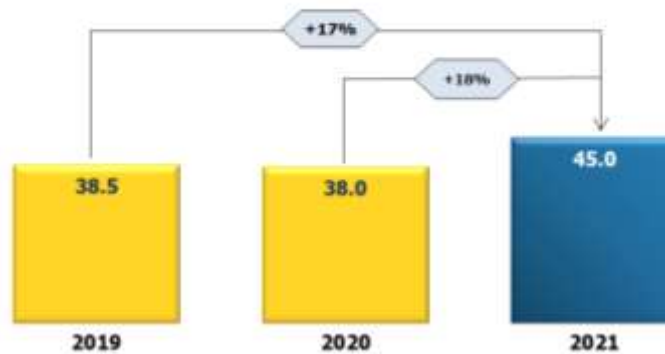
Investor Relations Website

[ri.mrs.com.br](http://ri.mrs.com.br)



## CONSOLIDATED TABLES

**Quarterly Results**  
Transported Volume in millions of TKU



Transported Volume Thousand tons	3Q20			2Q21			3Q21			9M20			9M21		
	MRS	Others	Total	MRS	Others	Total	MRS	Others	Total	MRS	Others	Total	MRS	Others	Total
<b>Mining</b>	<b>27,908</b>	-	<b>27,908</b>	<b>28,546</b>	-	<b>28,546</b>	<b>30,846</b>	-	<b>30,846</b>	<b>69,536</b>	-	<b>69,536</b>	<b>84,332</b>	-	<b>84,332</b>
Iron Ore	27,354	-	27,354	27,915	-	27,915	30,158	-	30,158	67,571	-	67,571	82,310	-	82,310
Export	24,683	-	24,683	24,086	-	24,086	26,348	-	26,348	58,863	-	58,863	71,032	-	71,032
Domestic Market	2,671	-	2,671	3,829	-	3,829	3,811	-	3,811	8,708	-	8,708	11,278	-	11,278
Coal and Coke	554	-	554	630	-	630	688	-	688	1,965	-	1,965	2,022	-	2,022
<b>General Cargo</b>	<b>4,551</b>	<b>12,706</b>	<b>17,257</b>	<b>4,790</b>	<b>12,684</b>	<b>17,475</b>	<b>4,901</b>	<b>11,486</b>	<b>16,387</b>	<b>13,063</b>	<b>32,823</b>	<b>45,886</b>	<b>13,878</b>	<b>33,568</b>	<b>47,446</b>
Agricultural Products	1,016	10,900	11,915	1,102	10,924	12,026	881	9,195	10,077	2,880	27,894	30,774	2,729	27,741	30,470
Corn	298	6,157	6,455	-	116	116	133	4,372	4,505	319	6,879	7,198	133	4,702	4,835
Sugar	717	2,919	3,636	524	2,177	2,701	673	2,759	3,432	2,150	5,833	7,983	1,700	6,168	7,868
Soy	(0)	466	466	490	7,159	7,649	8	543	551	411	11,642	12,053	737	12,710	13,447
Soybean Meal	-	1,358	1,358	88	1,472	1,560	67	1,521	1,588	-	3,540	3,540	159	4,160	4,320
Steel Products	1,479	6	1,486	1,808	8	1,816	2,019	8	2,026	4,399	18	4,418	5,627	22	5,648
Container	314	214	528	335	274	609	301	281	583	984	622	1,606	942	790	1,732
Construction	566	-	566	473	-	473	502	-	502	1,537	-	1,537	1,477	-	1,477
Others	1,176	1,585	2,761	1,072	1,479	2,550	1,198	2,002	3,200	3,262	4,288	7,551	3,103	5,015	8,118
<b>Total</b>	<b>32,459</b>	<b>12,706</b>	<b>45,165</b>	<b>33,336</b>	<b>12,684</b>	<b>46,020</b>	<b>35,748</b>	<b>11,486</b>	<b>47,234</b>	<b>82,599</b>	<b>32,822</b>	<b>115,424</b>	<b>98,211</b>	<b>33,568</b>	<b>131,778</b>

Investments R\$ million	3Q21	3Q20	2Q21	9M21	9M20
Chains	209.8	172.3	186.0	561.0	465.0
Expansion	346.6	11.8	162.0	521.0	33.5
Improvement	38.6	5.7	1.8	48.2	10.8
<b>Total</b>	<b>595.0</b>	<b>189.8</b>	<b>349.8</b>	<b>1,130.2</b>	<b>509.2</b>

Income Statement - R\$ Million	3Q21	2Q21	3Q20	9M21	9M20
<b>Net Revenue</b>	<b>1,227.4</b>	<b>1,163.3</b>	<b>1,011.4</b>	<b>3,355.8</b>	<b>2,614.6</b>
Costs of Provided Services	(491.2)	(460.8)	(385.0)	(1,361.3)	(1,059.9)
<b>(=) Gross Profit</b>	<b>736.2</b>	<b>702.5</b>	<b>626.4</b>	<b>1,994.5</b>	<b>1,554.7</b>
<b>Income (Expenses)</b>	<b>(98.3)</b>	<b>136.1</b>	<b>(73.7)</b>	<b>(29.4)</b>	<b>(221.7)</b>
Sales Expenses	(3.9)	(2.3)	(3.7)	(11.4)	(9.8)
General and Administrative Expenses	(70.0)	(61.8)	(56.9)	(188.4)	(161.3)
Other Operating Income	36.0	248.4	37.2	301.1	98.8
Other Operating Expenses	(60.4)	(48.1)	(50.3)	(130.7)	(149.4)
<b>(=) EBITDA</b>	<b>637.9</b>	<b>838.6</b>	<b>552.7</b>	<b>1,965.0</b>	<b>1,333.0</b>
Depreciation/Amortization	(262.2)	(257.7)	(246.7)	(776.4)	(801.9)
<b>(=) Operating Income Before Financial Effects</b>	<b>375.7</b>	<b>580.8</b>	<b>306.0</b>	<b>1,188.7</b>	<b>531.0</b>
Financial Income	61.4	259.7	86.7	323.6	438.9
Financial Expenses	(229.4)	(207.2)	(168.0)	(553.9)	(658.5)
<b>(=) Income Before Income Tax and Social</b>	<b>207.7</b>	<b>633.4</b>	<b>224.7</b>	<b>958.4</b>	<b>311.5</b>
IR/CS Current/Deferred	(70.2)	(212.9)	(76.1)	(325.0)	(108.1)
<b>(=) NET INCOME</b>	<b>137.4</b>	<b>420.4</b>	<b>148.6</b>	<b>633.4</b>	<b>203.4</b>

Balance sheet - R\$ Million							
ASSETS	3Q21	1Q21	3Q20	LIABILITIES	3Q21	1Q21	3Q20
<b>Current</b>				<b>Current Liabilities</b>			
Cash and Cash Equivalents	2,061.6	931.6	1,279.6	Suppliers	396.7	467.4	177.3
Restricted Cash	-	20.2	213.1	Labor Express	176.8	145.0	171.0
Accounts Receivable with Related Parties	171.2	204.3	177.2	Income Tax and Social Contribution	180.8	130.0	79.9
Others Accounts Receivables	7.7	7.3	8.3	Others Taxes Obligations	37.7	37.7	55.3
Stocks	206.9	180.4	132.7	Loans and Financing	856.6	774.4	780.6
Recoverable Taxes	86.3	56.8	58.9	Leasing to pay	312.0	308.4	270.3
Prepaid Expenses	33.7	30.1	18.9	Derivative Financial Instruments	65.2	26.8	13.1
Derivative Financial Instruments	17.4	6.2	40.4	Payable Dividends	102.4	102.4	119.7
Other Current Assets	42.2	24.5	22.4	Payable Concessions and Lease	5.6	4.6	4.6
<b>Total Current Assets</b>	<b>2,627.1</b>	<b>1,461.4</b>	<b>1,951.5</b>	Client Advances	6.5	3.4	1.1
				Provisions	40.7	51.3	39.7
<b>Not Current</b>				Others Current Liabilities	23.5	28.8	23.5
Long Term Realizable				<b>Total Current Liabilities</b>	<b>2,204.5</b>	<b>2,080.2</b>	<b>1,736.2</b>
Restricted Cash	244.5	233.0	149.8	<b>Not Current</b>			
Accounts Receivable with Related Part	22.5	23.3	84.4	Suppliers	39.9	40.3	36.4
Others Accounts Receivables	524.8	478.0	109.0	Loans and Financing	3,147.6	1,742.4	2,390.2
Recoverable Taxes	2.3	4.2	2.0	Payable Concessions and Lease	2.9	2.5	2.2
Prepaid Expenses	29.3	-	-	Client Advances	0.0	0.0	0.0
Derivative Financial Instruments	131.4	103.2	125.5	Deferred Taxes	-	7.5	1.5
Other Not-Current Assets	126.8	126.4	126.7	Provisions	724.4	676.0	579.9
Immobilized	7,211.2	6,806.5	6,322.4	Leasing to pay	1,497.6	1,571.9	1,482.7
Rights of use	1,710.8	1,772.3	1,663.9	Others Current Liabilities	149.1	149.2	56.5
Intangible	81.6	70.5	56.7	<b>Total Not-Current Liabilities</b>	<b>5,561.5</b>	<b>4,189.9</b>	<b>4,549.4</b>
<b>Total Not-Current Assets</b>	<b>10,085.3</b>	<b>9,617.4</b>	<b>8,640.3</b>	<b>TOTAL LIABILITIES</b>	<b>7,766.0</b>	<b>6,270.1</b>	<b>6,285.6</b>
<b>Total Assets</b>	<b>12,712.4</b>	<b>11,079.0</b>	<b>10,591.8</b>	Capital Stock	2,151.5	2,151.5	2,047.3
				Reserve Allocation for Capital	-	-	-
				Profit Reserves	2,151.5	2,151.5	2,047.2
				. Legal Reserves	342.0	342.0	320.5
				. Investments Reserves	1,809.5	1,809.5	1,726.7
				. Proposed Additional Dividend	-	-	-
				Accumulated Profit	633.4	495.9	203.4
				Equity Valuation Adjustments	10.0	9.9	8.2
				<b>Total Stockholders Equity</b>	<b>4,946.4</b>	<b>4,808.9</b>	<b>4,306.2</b>
				<b>TOTAL LIABILITIES AND STOCKHOLDERS</b>	<b>12,712.4</b>	<b>11,079.0</b>	<b>10,591.8</b>