

Quarterly Results 1Q22

05.12.2022



DISCLAIMER



This report may include statements that present MRS's expectations about future events or results. All statements, when based on future expectations rather than historical facts, involve a number of risks and uncertainties. MRS cannot guarantee that such statements will materialize



- 1. Highlights**
- 2. Operational Performance**
- 3. Economic-Financial Performance**
- 4. Indebtedness**
- 5. Investment**




1. Highlights



Q1 2022 showed a strong performance despite the negative impact on Mining Group¹, due to restrictions generated by the rains at the beginning of the year

1Q22 Results

Volume Transported General Cargo


16.3 MMTU
+20.4%*

1Q22 presented a 20.4% expansion in general cargo volume, mainly due to agricultural **commodities (+27.6%*)** and **pulp (+48.0%)***




Net Revenue


R\$1.1 BI
+13.9%*

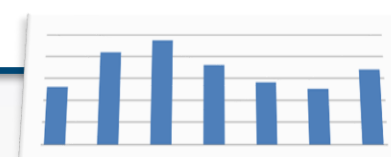
The **favorable performance in Net Revenue** can be measured by the growth in volume in **General Cargo** in addition to the growth in the average tariff



EBITDA


R\$554MM
+13.4 p.p.*

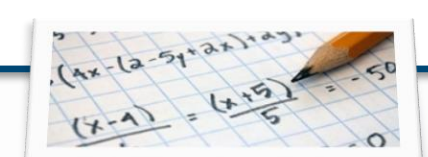
Expansion of EBITDA reflecting the increase in Net Revenue and **take or pay** - clauses of long-term contracts



Net Debt/EBITDA


1.10x
+0.10x**

The **financial leverage indicator**, Net Debt/EBITDA, remains at a comfortable level



* versus 1Q21

** versus 4Q2

¹ 1 - Group composed of iron ore (domestic and external market) + coke and coal

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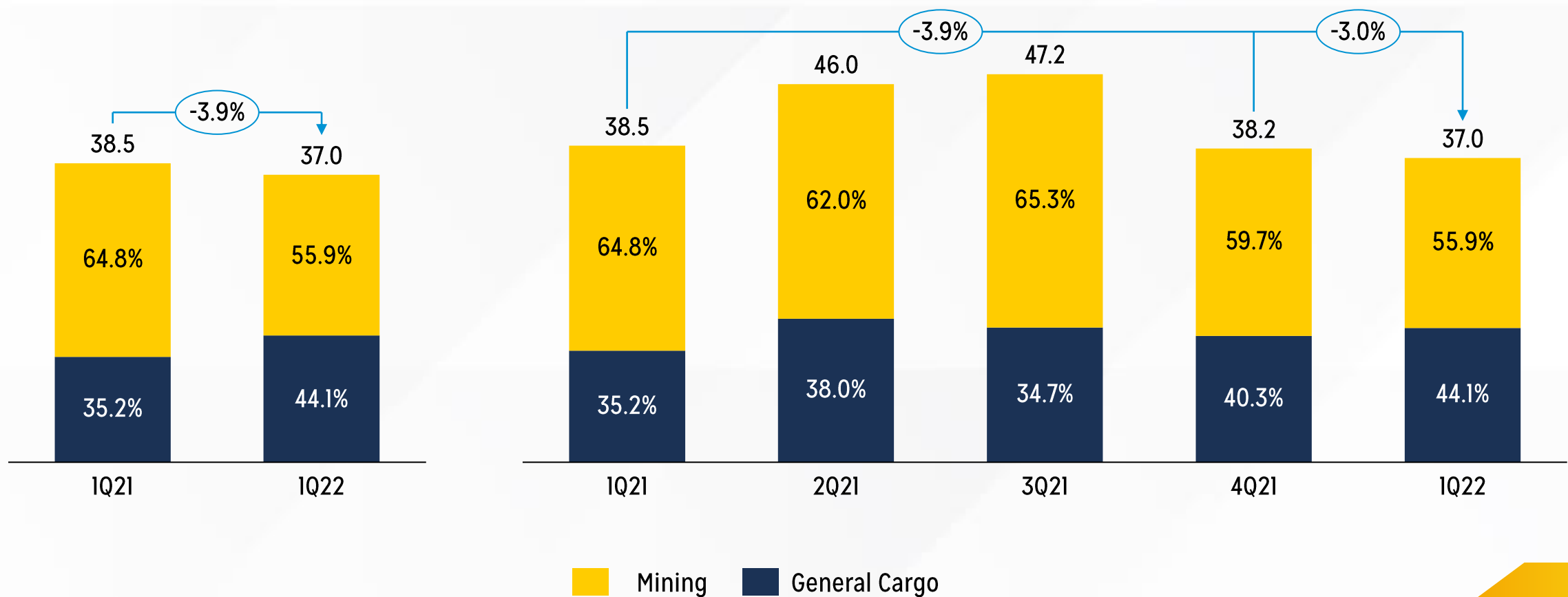
2. Operational Performance



1Q22 was affected by the retraction in mining volume, due to the challenges related to rain. However, we highlight the good performance of the Carga Geral Group, especially in agricultural products

1Q22 Results

Volume Transported by Group (TU million)



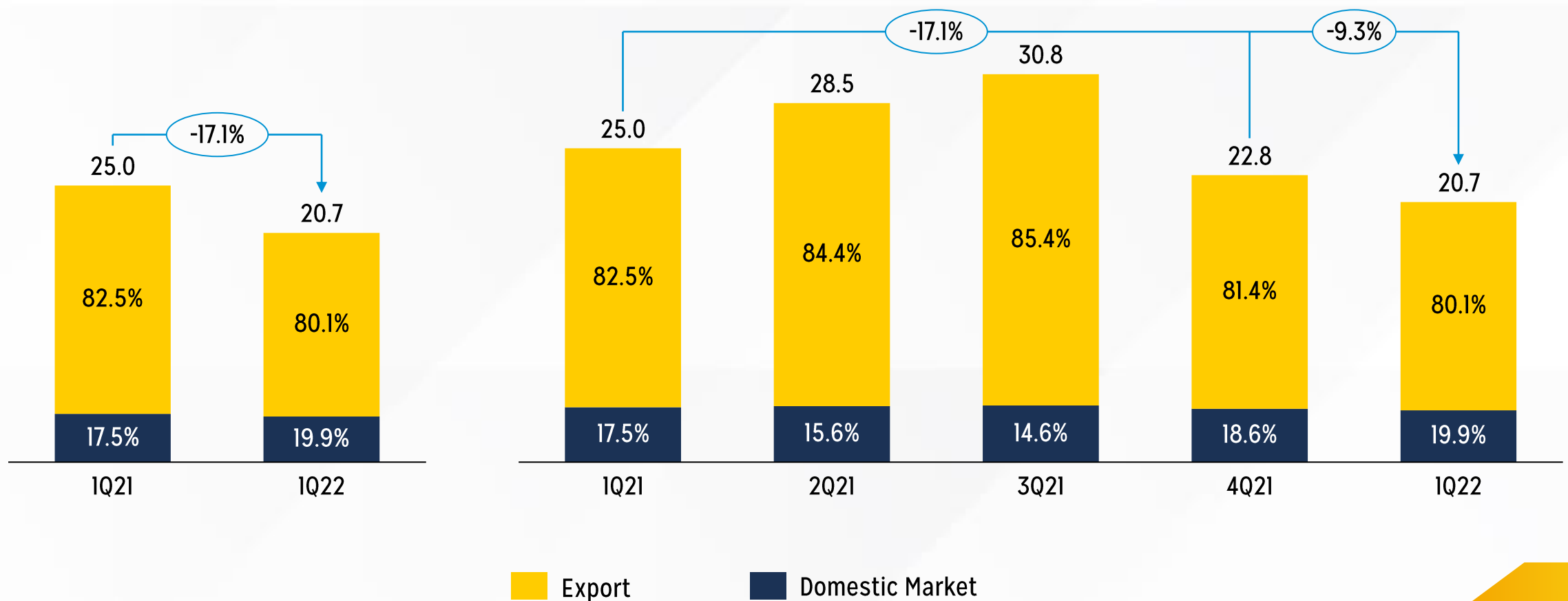
2. Operational Performance



Resultados do 1T22

There was a retraction of 9.3% in relation to 4Q21, mainly due to the rains in the period, the poor performance at the unloading terminals and the delay in ship shipments, factors which resulted in the drop in transport of the main customers

Mining Transport Volume (TU million)



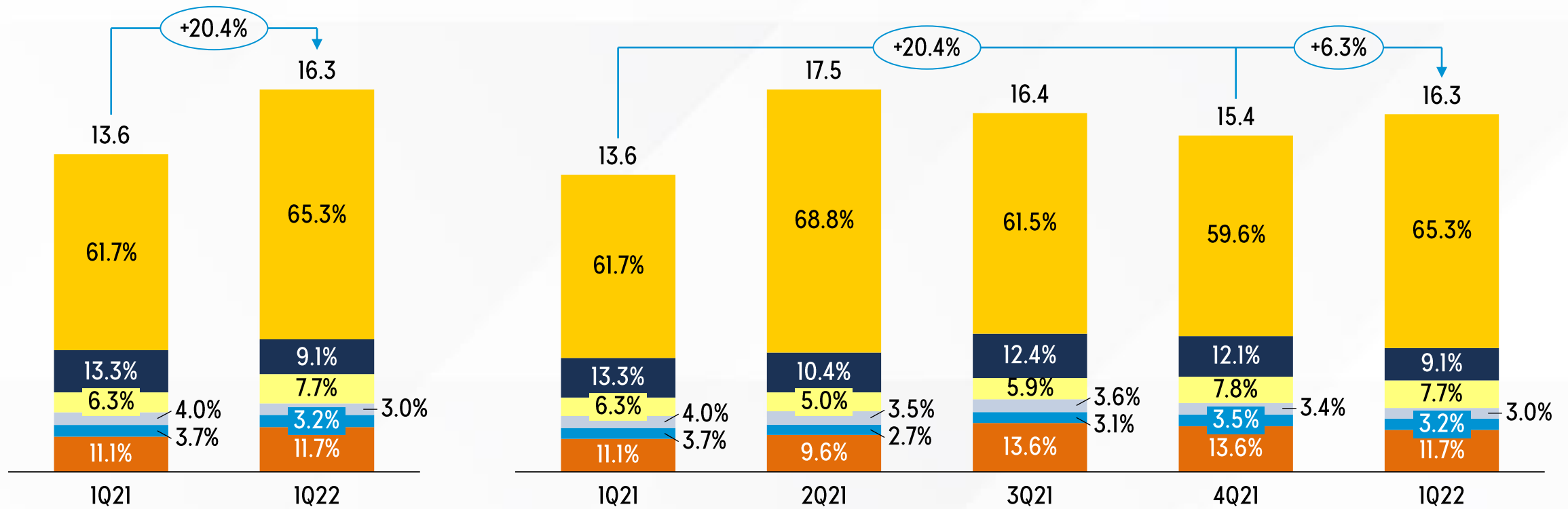
2. Operational Performance



In 1Q22, there was a 6.3% increase in General Cargo transport compared to 4Q21, and 20.4% compared to 1Q21, due to the good performance of agricultural products and consolidation of pulp transport

1Q22 Results

Cargo Genral Transport Volume (TU million)



■ Agricultural
 ■ Pulp
 ■ Construction
■ Steel
 ■ Containers
 ■ Others

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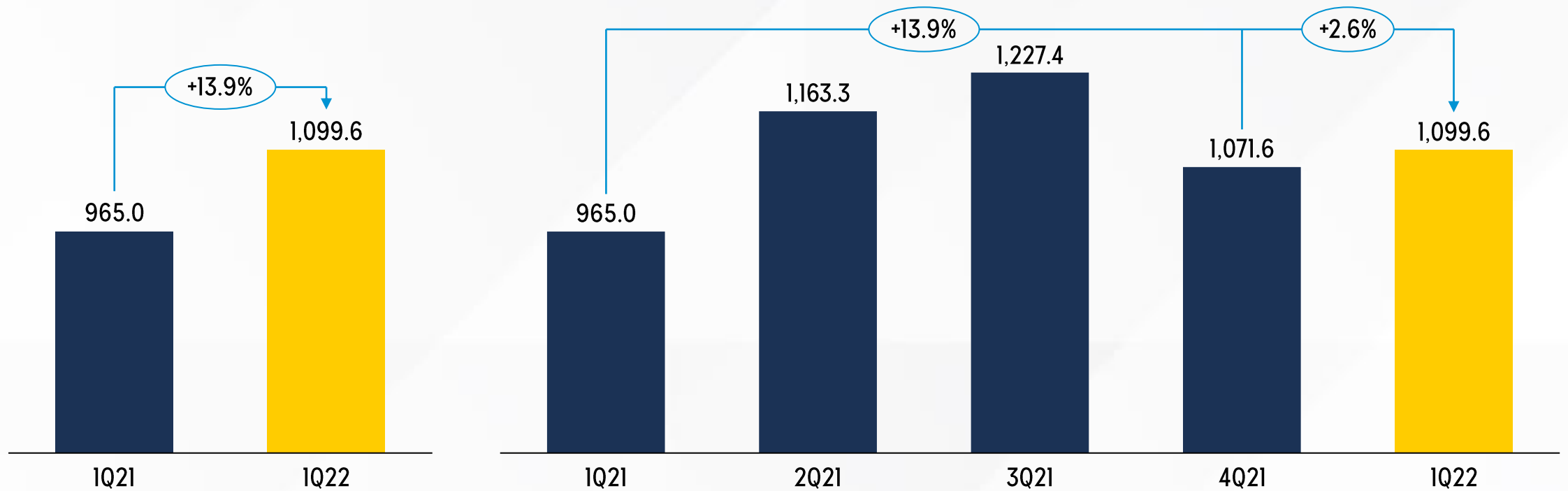
3. Economic-Financial Performance



We highlight the volume of general cargo in the composition of Net Revenue, as well as the average tariff, in relation to 4Q21 and 1Q22

1Q22 Results

Net Revenue (R\$ million)



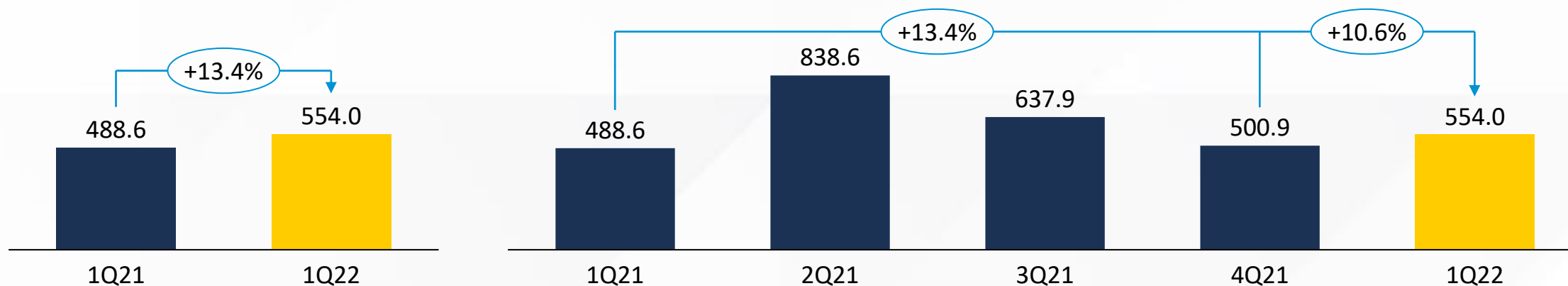
3. Economic-Financial Performance



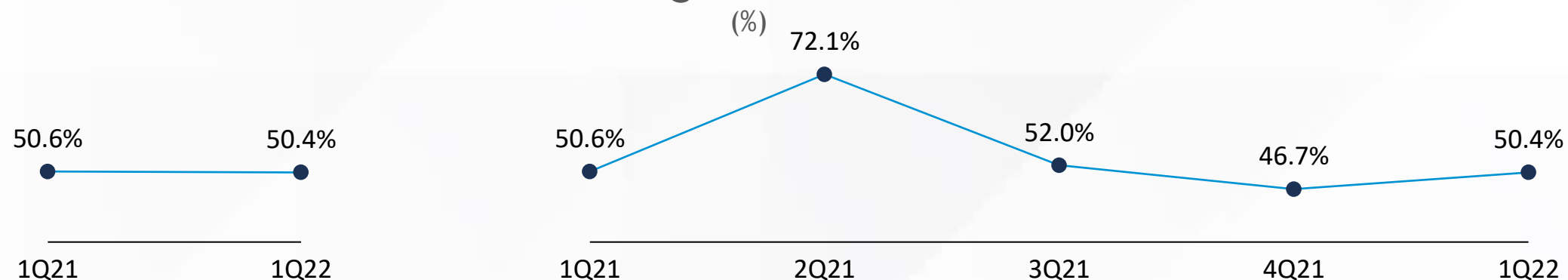
EBITDA was impacted by the strong performance of general cargo transported volume, average tariff and take or pay contracts

1Q22 Results

EBITDA (R\$ million)



Margem EBITDA (%)



O resultado do 2T21 foi impactado positivamente pelo reconhecimento de créditos fiscais, decorrentes de decisão favorável, relativos à exclusão do ICMS da base de cálculo do PIS e da COFINS

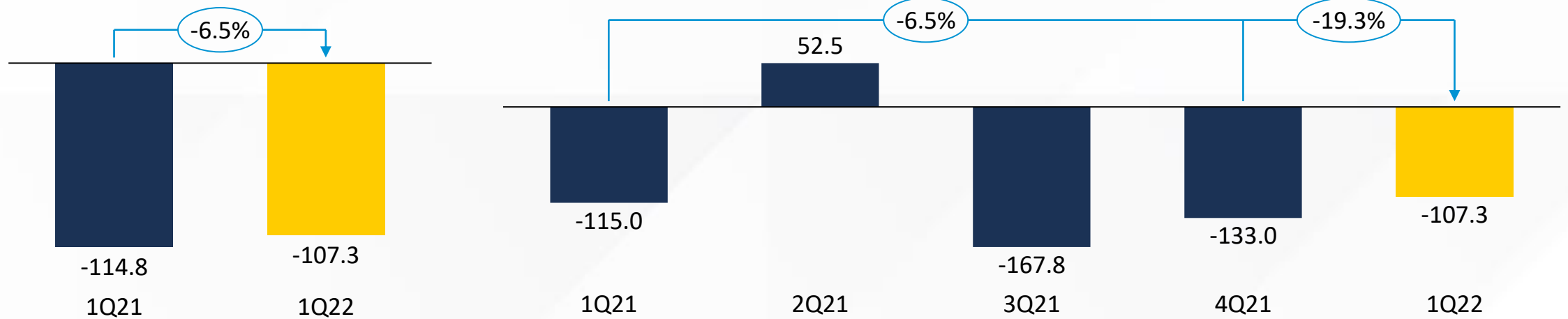
3. Economic-Financial Performance



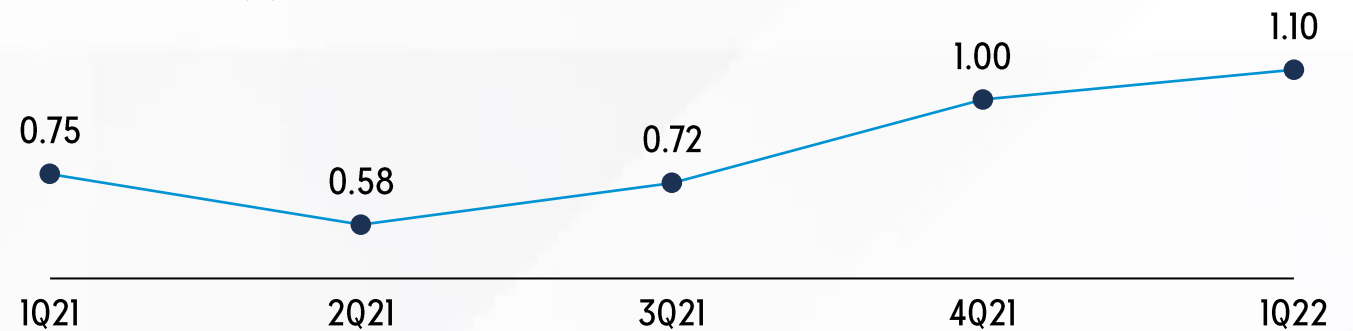
MRS has been expanding its funding, mainly through the issuance of debentures and, as a result, its leverage is impacted. Even with the increase, the indicator remains at a comfortable level

1Q22 Results

Financial Result (R\$ million)



Dívida Líquida / EBITDA (x)



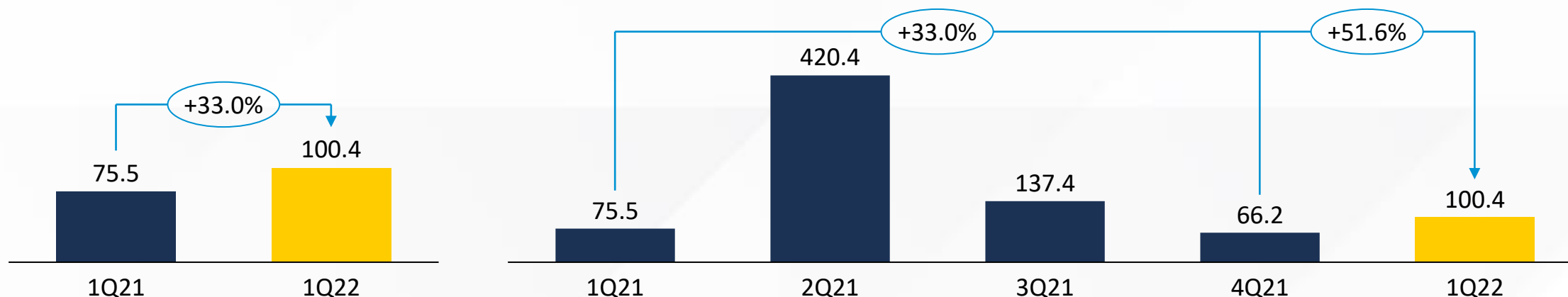
3. Economic-Financial Performance



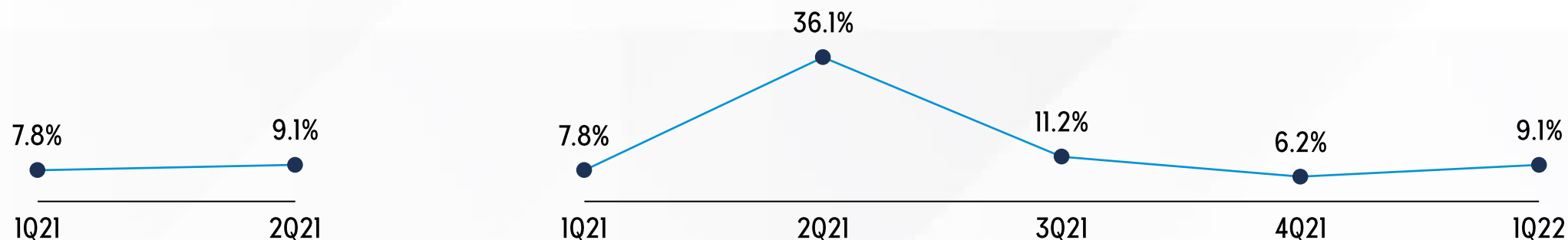
As a result of the growth in operating revenues and the improvement in the financial result, in 1Q22, MRS posted growth in net income and expansion in net margin

1Q22 Results

Net Income (R\$ million)



Margem Líquida (%)



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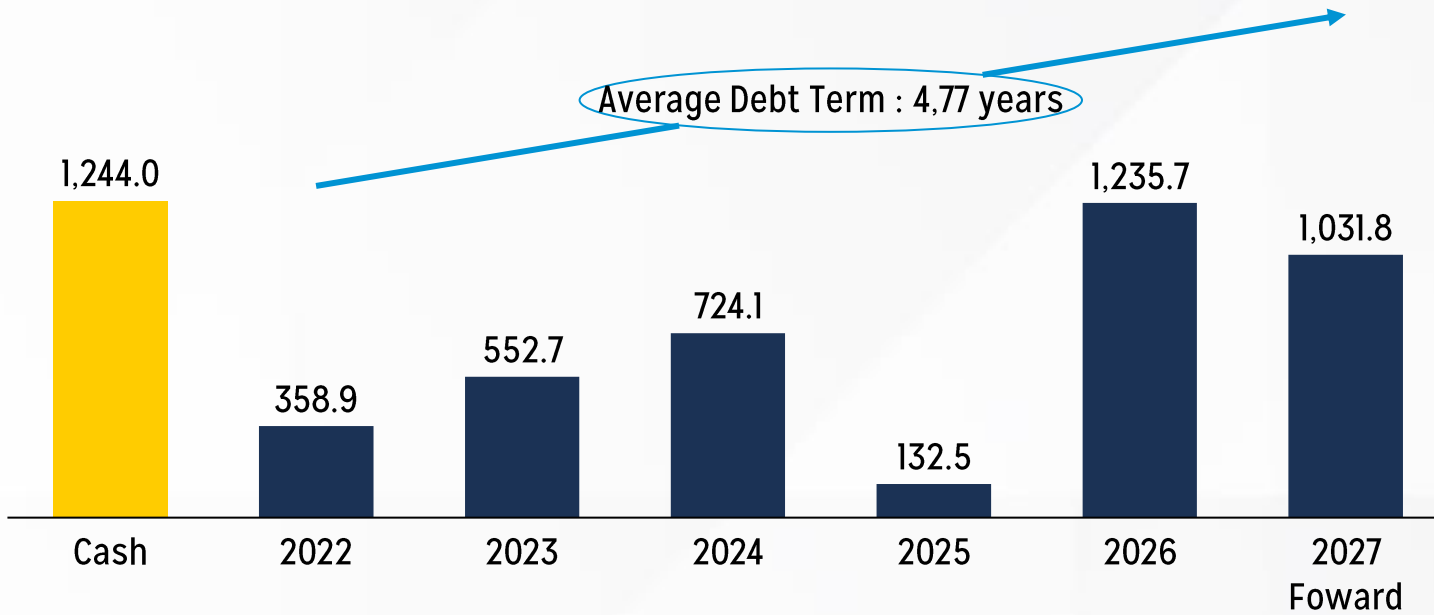
4. Indebtedness



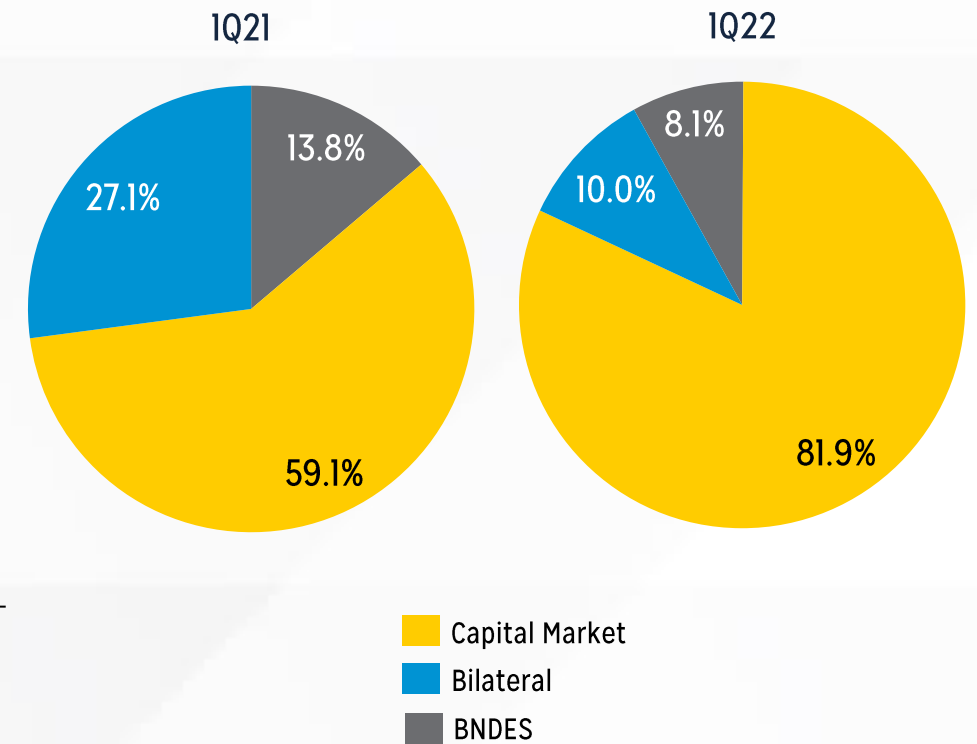
In 1Q22, MRS presented the average term of its debt, of 4.77x, with the change in its profile compared to 1Q21, with a greater share of debentures (capital market)

1Q22 Results

Amortization Schedule (R\$ million)



Debt per Funding



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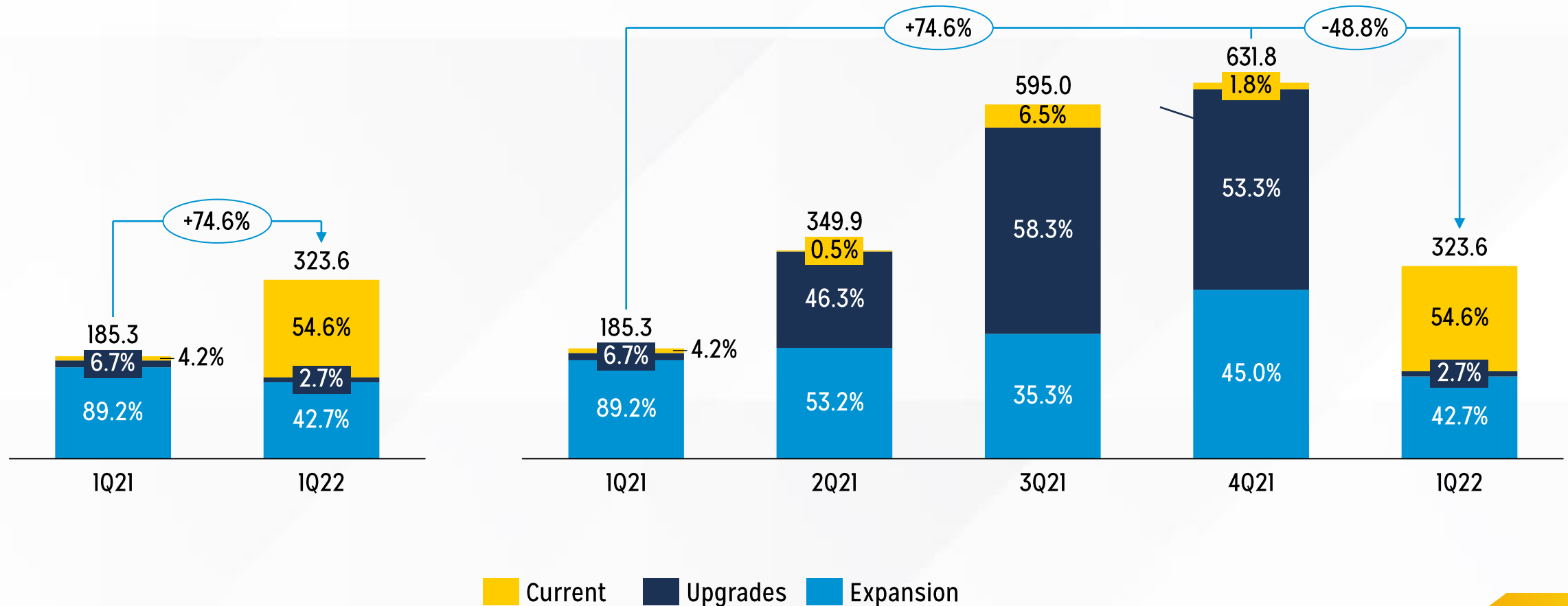
5. Investments



1Q22 Results

Over the years, MRS has been constantly seeking operational efficiency, prioritizing the allocation of essential initiatives to maintain production and business sustainability. We highlight the relevance of resources allocated to expansion (purchase of assets), representing 42.7% of Capex in 1Q22

Investments
(R\$ million)



2Q22 RESULTS

05.12.2022

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