

Quarterly Results 4Q23/2023

Pro forma Adjusted and Recurring EBITDA of R\$ 561.2 million in 4Q23 and of R\$ 2,006.6 million in 2023, including the amount arising from the 49.0% share in LD Celulose;

Wood Division's strategy of optimum capacity (high levels of factory utilization + forestry business) in the face of the market downturn and the restructuring activities of the Finishing Division.

Dexco closed out 2023 with a positive Sustaining Cash Flow of R\$362.9 million, the result of initiatives linked to maximizing Working Capital along with diligent management of CAPEX investment.

WOOD

WOOD

Sales of 722.4k m³ in 4Q23, an increase of 5.1% versus 4Q22, and of 2.706.1k m³ in 2023, a fall of 6.0% versus 2022.

Effective cost management and forestry transactions led to an improvement of 10.6 p.p. in Adjusted and Recurring EBITDA margin versus 4Q22.

Best result in the Division's history: Adjusted and Recurring EBITDA of R\$438.8 million in 4Q23, with a margin of 33.8%, and of R\$1,400.5 million and margin of 29.0% in 2023.

DISSOLVING WOOD PULP

Excellent quality and progress along the productivity curve;

One-off reduction in pricing levels and pressure on logistics costs impacted margins;

Pro forma Recurring EBITDA (Dexco's portion) of R\$156.7 million in 4Q23, with a margin of 53.6%.

FINISHINGS FOR CONSTRUCTION

METALS & SAN. WARE

Volume of 4,607k pieces, maintaining the volumes seen in 3Q23 despite a drop of 9.4% versus 4Q22;

Temporary factory shutdown to balance inventory levels impacted the Division's costs;

Negative Adjusted and Recurring EBITDA of R\$ -26.1 million in 4Q23 and of R\$-15.6 million in 2023.

TILES

Quarterly improvement in market share arising from sales initiatives;

Price repositioning and reduction in the levels of factory utilization led to pressure on margins during the period;

Negative Adjusted and Recurring EBITDA of R\$ 8.2 million in 4Q23 but of positive R\$8.4 million for 2023 as a whole.

MARKET CAP
(08/2023)

R\$ 6,521.7 million

SHARES IN ISSUE

820,566,246

CLOSING SHARE PRICE

R\$ 8.07

TREASURY SHARES

12,424,043

INVESTOR RELATIONS | I GRI 2-3

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BRT (08 a.m EST) | GRI 102-50

Access the link:
<https://mzgroup.zoom.us/j/8111LGBdETliXzulqu4XKnA#/registration>

Consolidated Financial Results

In BRL '000	4Q23	4Q22	%	3Q23	%	2023	2022	%
Highlights								
Volume shipped Deca ('000 items)	4,607	5,084	-9.4%	4,608	0.0%	19,258	23,397	-17.7%
Volume shipped Ceramic tiles (m²)	3,842,447	4,128,908	-6.9%	4,135,103	-7.1%	15,622,065	19,717,188	-20.8%
Volume shipped Wood (m³)	722,421	687,640	5.1%	673,517	7.3%	2,706,074	2,879,494	-6.0%
Consolidated Net Revenue	1,948,683	1,980,439	-1.6%	1,768,953	10.2%	7,383,409	8,486,650	-13.0%
Gross profit	505,117	614,079	-17.7%	529,220	-4.6%	2,375,867	2,871,787	-17.3%
Gross profit - Pro Forma ⁽¹⁾	506,692	648,037	-21.8%	600,324	-15.6%	2,476,696	2,926,472	-15.4%
Gross margin	25.9%	31.0%	-5.1 p.p.	29.9%	-4.0 p.p.	32.2%	33.8%	-1.7 p.p.
Gross margin - Pro Forma ⁽¹⁾	26.0%	32.7%	-6.7 p.p.	33.9%	-7.9 p.p.	33.5%	34.5%	-0.9 p.p.
EBITDA according to CVM Resolution 156/22 ⁽²⁾	609,774	559,625	9.0%	531,008	14.8%	2,435,222	2,294,578	6.1%
EBITDA Mg CVM Resolution 156/22	31.3%	28.3%	3.0 p.p.	30.0%	1.3 p.p.	33.0%	27.0%	5.9 p.p.
Adjustments for non-cash events	(73,316)	(203,219)	-63.9%	(203,372)	-63.9%	(766,411)	(595,375)	28.7%
Non-recurring events ⁽³⁾	(42,017)	51,164	N/A	17,421	N/A	1,738	84,979	-98.0%
Dissolving Wood Pulp	(89,973)	(41,435)	N/A	(57,114)	57.5%	(277,320)	(52,531)	N/A
Adjusted and Recurring EBITDA ⁽⁴⁾	404,468	366,135	10.5%	287,943	40.5%	1,393,229	1,731,651	-19.5%
Adjusted and Recurring EBITDA margin ⁽⁴⁾	20.8%	18.5%	2.3 p.p.	16.3%	4.5 p.p.	18.9%	20.4%	-1.5 p.p.
Pro-Forma Adjusted and Recurring EBITDA (including Dexco's share of LD Celulose) ⁽⁵⁾	561,193	516,856	8.6%	461,079	21.7%	2,006,610	1,925,785	4.2%
Net Income	195,433	217,868	-10.3%	304,125	-35.7%	811,270	764,922	6.1%
Recurring Net Income ⁽¹⁾⁽³⁾	77,494	206,955	-62.6%	94,806	-18.3%	370,938	771,082	-51.9%
Recurring Net Margin ⁽¹⁾⁽³⁾	4.0%	10.4%	-6.5 p.p.	5.4%	-1.4 p.p.	5.0%	9.1%	-4.1 p.p.
INDICATORS								
Current ratio ⁽⁶⁾	1.60	1.58	1.3%	1.34	19.4%	1.60	1.58	1.3%
Net debt ⁽⁷⁾	4,336,351	4,038,140	7.4%	4,705,866	-7.9%	4,336,351	4,038,140	7.4%
Net debt / EBITDA LTM ⁽⁸⁾	3.11	2.33	33.5%	3.47	-10.4%	3.11	2.33	33.5%
Average Shareholders' equity	6,232,271	5,934,748	5.0%	6,321,266	-1.4%	6,232,271	5,934,748	5.0%
ROE ⁽⁹⁾	12.5%	14.7%	-2.1 p.p.	19.2%	-6.7 p.p.	13.0%	12.9%	0.1 p.p.
Recurring ROE	5.0%	13.9%	-9.0 p.p.	6.0%	-1.0 p.p.	6.0%	13.0%	-7.0 p.p.
SHARES								
Earnings per share (BRL) ⁽¹⁰⁾	0.2314	0.2761	-16.2%	0.3680	-37.1%	0.9772	1.0178	-4.0%
Closing share price (BRL)	8.07	6.78	19.0%	7.70	4.8%	8.07	6.78	19.0%
Net equity per share (BRL)	7.92	7.38	7.4%	8.06	-1.7%	7.92	7.38	7.4%
Treasury Shares	12,424,043	29,138,345	-57.4%	12,424,043	0.0%	12,424,043	29,138,345	-57.4%
Market Cap (BRL1.000)	6,521,708	5,477,704	19.1%	6,222,695	4.8%	6,521,708	5,477,704	19.1%

- (1) Cost of Goods Sold: **4Q23**: Restructuring Tiles: (+) R\$1,575k; **3Q23**: Restructuring Tiles: (+) R\$22,849k; Restructuring Deca: (+) R\$24,111k; Closure Manizales (+) R\$2,180k; Restructuring DNA (+) R\$21,964k; **2Q23**: Restructuring Deca: (+) R\$28,150k; **4Q22**: Deca inventory impairment: (+) R\$27,357k; Employee indemnities Tiles: (+) R\$6,601k; **3Q22**: Restructuring Deca: (+) R\$3,103k; Restructuring Tiles (+) R\$11,462k; **2Q22**: Restructuring Deca: (+) R\$5,610k; Restructuring Tiles (+) R\$552k. Sales expenses: **4Q22**: Restructuring Tiles (+) R\$6,363k; Restructuring Deca (+) R\$10,843k; **3Q22**: Restructuring Deca (+) R\$742k; Restructuring Tiles (+) R\$701k; **2Q22**: Restructuring Deca (+) R\$227k.
- (2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM Instruction 156/22.
- (3) Non-recurring events detailed in the attachment to this material.
- (4) EBITDA adjusted for non-cash events arising from variation in the fair value of biological assets and combination of businesses, in addition to extraordinary events.
- (5) Pro forma Adjusted & Recurring EBITDA also including Dexco's share of the Recurring EBITDA arising from LD Celulose.
- (6) Current liquidity: Current assets divided by current liabilities. Indicates the amount available in R\$ to cover each R\$ of short-term obligations.
- (7) Net Corporate Debt: Total Financial Debt (-) Cash.
- (8) Financial leverage calculated on the rolling EBITDA over the last 12 months, adjusted for events of a purely accounting and non-cash nature.
- (9) ROE (Return on Equity): measure of performance obtained by taking the annualized Net Earnings over the period, annualized, and dividing by Average Net Equity.
- (10) Net earnings per share is calculated by dividing the earnings attributable to the company's shareholders by the average weighted number of ordinary shares issued during the period, excluding the ordinary shares held by the Treasury.

MARKET SCENARIO

The macroeconomic uncertainties seen at the start of 2023 led to a significant drop in the markets in which Dexco operates, especially with respect to the Finishings sector. As the year progressed, markets began to recover, albeit at different rates of recovery. The panels market saw a steady, gradual recovery, supported by the sector's typical seasonality in the second half of the year, while the building materials sector continued to report a decline versus 2022.

The National Association of Ceramic Tiles Manufacturers (ANFACER) reported that sales in the Ceramic Tiles sector fell 7.9% versus 2022, while the Brazilian Association of the Construction Materials Industry (ABRAMAT) reported a 2.2% fall in gross and deflated revenue for that sector. Meanwhile, the Brazilian Tree Industry (IBÁ) reported that, while the panel market performed better than in 2022 during the second half of the year, this recovery was not enough to offset sales in the first six months of the year. Thus, the panels market closed out the year with a 2.7% drop in sales versus 2022.

The resilient performance of wood panels, coupled with the successful forestry transactions carried out, led the Wood Division to end 4Q23 with the highest quarterly Adjusted and Recurring EBITDA in its history, at R\$438.8 million, with a margin of 33.8%, an increase of 50.8 % in the raw figure and of 10.6 p.p. in the margin versus 4Q22. The Division thus closed out the year with an increase of 18.1% in Adjusted and Recurring EBITDA, at R\$1,400.5 million, with a margin of 29.0%.

The Finishings for Construction Division continues to be impacted by the shrinking market in which it operates, according to data from ANFACER and ABRAMAT. The challenging market scenario, together with the restructuring activities aimed at rebuilding market share, utilization rates and profitability over the medium and long term, significantly impacted the quarterly results, leading to an Adjusted and Recurring EBITDA for 4Q23 in the Metals and Sanitary Ware Division of negative R\$26.1 million, and a yearly total of negative R\$15.6 million. The Tiles Division, like the Metals and Sanitary Ware Division, reported a negative Adjusted and Recurring EBITDA of R\$8.2 million in 4Q23. However, for the full year, the Adjusted and Recurring EBITDA was positive R\$8.4 million.

LD Celulose continued to be fully operational in the fourth quarter, with a high level of utilization and progressing along the factory's productivity curve. However, this was not enough to offset the price decline and pressures on logistics costs seen in the period, which led to an Adjusted and Recurring EBITDA of R\$320.6 million, with a margin of 53.6%, reductions compared to 3Q23 but still at healthy levels. If Dexco's 49.0% stake is included, Dexco's Adjusted and Recurring EBITDA should increase by R\$156.7 million for 4Q23.

In 2023, the Company implemented significant changes aimed at to make adjustments to the new market reality after a couple of years of accelerated growth, amidst the challenges presented by the decline in the markets in which it operates. The resilience of the Wood Division was important, given the restructuring activities carried out by the Finishings Division, with a focus on the medium and long-term recovery of market share, utilization and productivity. The Company thus begins 2024 focused on maximizing the profitability of its operations and the discipline in controlling costs, expenses and investment. Meanwhile, it remains attentive to market movements, prepared to serve clients and consumers with the highest levels of service during this period of recovery.

Consolidated Financial Results GRI 3-3

NET REVENUE

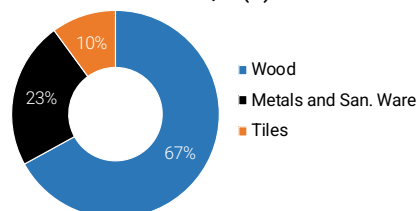
The improvement seen in the Wood Division, arising from a quarterly increase in market share, the steady performance of the panels market, and the contributions from forestry transactions, were not enough to offset the challenging market scenario for the building materials sector as a whole, or the price repositioning initiatives in the Finishings Division. Dexco thus ended 4Q23 with a Net Revenue of R\$1,948.7 million, a drop of 1.6% versus 4Q22.

On a quarterly comparison versus 3Q23, the improvements reported in the Wood Division coupled with the improvement in the mix for Metals and Sanitary Ware arising from the seasonal decline in the sale of electric showers, more than offset the fall reported for Ceramic Tiles, with an overall increase of 10.2% in quarterly Net Revenue for the period.

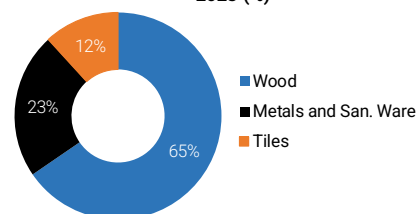
Ongoing improvements in the panels market in the second half of the year and forestry transactions together were not enough to offset the overall adverse market conditions and the price repositioning in the Finishings Division. Thus, the Company ended the year with Net Revenue of R\$7,383.4 million, a fall of 13.0% versus 2022.

Regarding the foreign market, Dexco saw an increase of around 19.4% in export volumes in the quarter, with a 5.3% uptick in revenue from this channel versus 4Q22. This quarterly increase was insufficient to compensate for the drop in prior quarters, with the Company reporting a 19.5% decrease in volumes and 20.8% drop in Revenue for the full year versus 2022.

Net Revenue Breakdown
4Q23 (%)



Net Revenue Breakdown
2023 (%)



BRL '000 - consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
Net Revenue	1,948,683	1,980,439	-1.6%	1,768,953	10.2%	7,383,409	8,486,650	-13.0%
Domestic market	1,636,794	1,684,108	-2.8%	1,473,803	11.1%	6,121,951	6,893,156	-11.2%
Foreign Market	311,889	296,331	5.3%	295,150	5.7%	1,261,458	1,593,494	-20.8%

EFFECT OF VARIATION IN THE FAIR VALUE OF BIOLOGICAL ASSETS

Since the end of 2022, Dexco has been readjusting the value of its biological assets, to reflect increases in the price of wood traded on the market. This quarter, the Fair Value of Biological Assets continued its upward trend but, with the price of wood starting to stabilize at these higher levels, the increase in value of the Fair Value of Biological Assets was 62.7% less compared to 4Q22 and 64.7% less in relation to 3Q23. For the full year, the smaller surge in 4Q23 did not detract from the larger increases in the previous quarters, thus the full year Variation in the Fair Value of Biological Assets was R\$768.6 million, 28.6% higher than for 2022.

On the other hand, the estimated devaluation of Biological Assets is reported as depletion. In the face of a scenario of increasing wood prices, depletion also increased during the period.

It should be noted that the price of market sales transactions is included in the valuation of biological assets, together with the productivity of the Company's forestry operations. The variation in the value of biological assets and depletion have no cash effect on Dexco's results.

COST OF GOODS SOLD

The Pro forma Cash Cost – cost of goods sold net of depreciation, amortization and depletion and of the net variation in biological assets – ended 4Q23 at R\$1,176.5 million, a fall of 10.7% versus the same period in 2022, due to lower volumes sold and consequent reduction in variable costs. In addition, the figure benefited from a reduction in the costs of inputs for the Wood Division, which offset pressures arising from the temporary shutdowns to balance inventory levels in the Finishings Division. On a quarterly comparison versus 3Q23, the 2.0% increase arose from the quarterly improvement in panel volumes and shutdowns in the Finishings Division.

Dexco saw a drop off in Pro Forma Gross Income of 21.8%, mainly due to the fall in the Fair Value of Biological Assets coupled with greater depletion during the period arising from the forestry transactions carried out, which also led to a fall of 6.7 p.p. in Dexco's Pro Forma Gross Margin versus 4Q22.

For the full year, the Company reported a 14.2% fall in Pro Forma Cash Cost versus 2022. However, this fall, together with the effects of Variation in the Fair Value of Biological Assets, was not enough to offset the downturn in sales and depletion of biological assets. Thus, Dexco closed out the year with a Pro Forma Gross Income of R\$2,476.7 million, with a Gross Margin of 33.5%, a decrease of 15.4% and 0.9 p.p. versus 2022, respectively.

BRL'000 - Consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
Cash COGS	(1,178,027)	(1,350,872)	-12.8%	(1,224,330)	-3.8%	(4,722,035)	(5,439,979)	-13.2%
Non Recurring Event ⁽¹⁾	1,575	33,958	-95.4%	71,104	-97.8%	100,829	54,685	84.4%
Cash COGS Pro Forma	(1,176,452)	(1,316,914)	-10.7%	(1,153,226)	2.0%	(4,621,206)	(5,385,294)	-14.2%
Variation in fair value of biological assets	72,560	194,575	-62.7%	205,620	-64.7%	768,592	597,866	28.6%
Depletion of biological assets	(142,340)	(53,406)	N/A	(91,107)	56.2%	(383,413)	(169,808)	N/A
Depreciation, amortization and depletion	(195,759)	(156,657)	25.0%	(129,916)	50.7%	(670,686)	(602,942)	11.2%
Gross Profit	505,117	614,079	-17.7%	529,220	-4.6%	2,375,867	2,871,787	-17.3%
Recurring Gross Profit ⁽¹⁾	506,692	648,037	-21.8%	600,324	-15.6%	2,476,696	2,926,472	-15.4%
Gross Margin	25.9%	31.0%	-5.1 p.p.	29.9%	-4.0 p.p.	32.2%	33.8%	-1.7 p.p.
Recurring Gross Margin ⁽¹⁾⁽²⁾	26.0%	32.7%	-6.7 p.p.	33.9%	-7.9 p.p.	33.5%	34.5%	-0.9 p.p.

(1) Non-recurring events: 4Q23: Restructuring Tiles: (+) R\$1.575k; 3Q23: Restructuring Tiles: (+) R\$22.849k; Restructuring Deca: (+) R\$24.111k; Closure Manizales (+) R\$2.180k; Impairment (+) R\$21.964k; 2Q23: Restructuring Deca: (+) R\$28.150k; 4Q22: Impairment (+) R\$27.357k; Restructuring Tiles: (+) R\$6.601k; 3Q22: Restructuring Deca: (+) R\$3.103k; Restructuring Tiles (+) R\$11.462k; 2Q22: Restructuring Deca: (+) R\$5.610k; Restructuring Tiles (+) R\$552k; (2) Pro forma Gross Income / Pro forma Consolidated Net Revenue.

SALES EXPENSES

In 4Q23, the Finishings Division targeted investments in marketing activities aimed at building brands and growing sales in the medium and luxury segments of the market. In addition, the revision of freight tariffs in the Wood Division led to total Sales Expenses for the quarter of R\$288.5 million, an increase of 21.3% versus 4Q22. As a result, Pro forma Sales Expenses saw quarterly growth of 20.7% versus 3Q23.

For the full year, significant spending in the Finishings Division, such as the repositioning of client inventory levels to increase sell out, greater investment in marketing, and the increase in freight tariffs, was more than offset by the decline in volumes during the period, which led to a 5.3% drop in Pro Forma Sales expenses versus 2022.

BRL'000 - Consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
Sales Expenses	(288,475)	(255,059)	13.1%	(238,974)	20.7%	(1,042,414)	(1,119,741)	-6.9%
% of Net Revenue	14.8%	12.9%	1.9 p.p.	13.5%	1.3 p.p.	14.1%	13.2%	0.9 p.p.
Non-recurring events ⁽¹⁾	-	17,206	N/A	-	N/A	-	18,876	N/A
Recurring Sales Expenses ⁽¹⁾	(288,475)	(237,853)	21.3%	(238,974)	20.7%	(1,042,414)	(1,100,865)	-5.3%
% Recurring Net Revenue ⁽¹⁾	14.8%	12.0%	2.8 p.p.	13.5%	1.3 p.p.	14.1%	14.9%	-0.8 p.p.

(1) Non-recurring events: 4Q22: Restructuring Tiles (+) R\$6,363k; Restructuring Deca (+) R\$10,843k; 3Q22: Restructuring Deca (+) R\$742k; Restructuring Tiles (+) R\$701k; 2Q22: Restructuring Deca (+) R\$227k.

GENERAL & ADMINISTRATIVE EXPENSES

General and Administrative Expenses closed out the quarter at R\$93.4 million, 8.6% higher than for 4Q22, mainly due to investment in digitalization and process automation. The Company's diligent management of expenses is reflected in the 3.0% drop off in the cost of General and Administrative Expenses versus 3Q23.

Even with the quarter-on-quarter fall, salary increases and the investment in digitalization during the year took General and Administrative Expenses to R\$367.5 million for 2023, an increase of 15.2% versus 2022.

BRL'000 – consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
General and Administrative Expenses	(93,408)	(85,996)	8.6%	(96,322)	-3.0%	(367,490)	(319,075)	15.2%
% of Net Revenue	4.8%	4.3%	0.5 p.p.	5.4%	-0.7 p.p.	5.0%	3.8%	1.2 p.p.

EBITDA

The solid results for panels, with a quarterly increase in market share and greater dilution of fixed costs, added to the forestry transactions carried out, more than compensated the challenging market scenario and the restructuring activities in the Finishings Division, such as price repositioning and temporary factory shutdowns to reduce inventory levels. Dexco thus ended 4Q23 with an Adjusted and Recurring EBITDA of R\$404.5 million, an increase of 10.5% versus 4Q22, with a margin of 20.8%. For the quarter, the figure was 40.5% up on 3Q23.

Including the 49.0% share of LD Celulose, Dexco's Adjusted and Recurring EBITDA totaled R\$561.2 million. LD ended the fourth quarter of 2023 with a Recurring EBITDA of R\$320.6 million, with a Margin of 53.6%. Of this total, R\$156.7 million belong to to Dexco.

For the full year of 2023, the forestry transactions made during the year and the steady growth of panels in the second half of the year were not enough to offset the adverse market conditions and the impacts arising from the restructuring activities in the Finishings Division. Dexco thus ended 2023 with an Adjusted and Recurring EBITDA of R\$1,393.2 million, with a margin of 18.9%, a 19.5% fall, and 1.5 p.p. fall in margin versus 2022.

In addition, given the Company's leverage levels, there was a focus on the sale of assets that do not contribute to operations. From this, R\$34.1 million was recognized in non-recurring events arising from these extraordinary gains.

The table below shows the reconciliation of EBITDA, in accordance with CVM Instruction 156/22. From this result, and in order to better convey the Company's potential operating cash generation, two adjustments have been made: the exclusion from EBITDA of events of an accounting and non-cash nature, and the disregard of events of an extraordinary nature. Thus, in line with best practices, we present below the calculation of the indicator that best reflects the Company's cash generation potential.

EBITDA reconciliation in BRL'000 – consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
Net income	195,433	217,868	-10.3%	304,125	-35.7%	811,270	764,922	6.1%
Income tax and social contribution	(106,686)	(61,859)	72.5%	(14,428)	N/A	(60,023)	152,623	N/A
Net financial result	150,487	177,021	-15.0%	(4,317)	N/A	518,407	531,678	-2.5%
EBIT	239,234	333,030	-28.2%	285,380	-16.2%	1,269,654	1,449,223	-12.4%
Depreciation, amortization and depletion	228,200	173,189	31.8%	154,521	47.7%	782,155	675,547	15.8%
Depletion of biological assets	142,340	53,406	166.5%	91,107	56.2%	383,413	169,808	N/A
EBITDA according to CVM Resolution 156/22	609,774	559,625	9.0%	531,008	14.8%	2,435,222	2,294,578	6.1%
EBITDA margin CVM Resolution 156/22	31.3%	28.3%	3.0 p.p.	30.0%	1.3 p.p.	33.0%	27.0%	5.9 p.p.
Change in fair value of biological assets	(72,560)	(194,576)	-62.7%	(205,619)	-64.7%	(768,592)	(597,867)	28.6%
Effect of variation in the Fair Value of Biological Assets - Caetex	-	-	N/A	-	N/A	-	11,420	N/A
Employee benefits	(756)	(8,643)	-91.3%	2,247	N/A	2,181	(8,928)	N/A
Non-Recurring events ⁽¹⁾	(42,017)	51,164	N/A	17,421	N/A	1,738	84,979	-98.0%
Dissolving Wood Pulp	(89,973)	(41,435)	N/A	(57,115)	57.5%	(277,320)	(52,531)	N/A
Adjusted and Recurring EBITDA ⁽¹⁾	404,468	366,135	10%	287,942	40.5%	1,393,229	1,731,651	-19.5%
Adjusted and Recurring EBITDA margin ⁽¹⁾	20.8%	18.5%	2.3 p.p.	16.3%	4.5 p.p.	18.9%	20.4%	-1.5 p.p.
Adjusted and Recurring EBITDA - Pro Forma (including Dexco's part in LD Celulose) ⁽²⁾	561,193	516,856	8.6%	461,078	21.7%	2,006,610	1,925,785	4.2%

(1) Non-recurring events detailed in the addendum to this report; (2) Pro forma Adjusted and Recurring EBITDA also includes the Dexco portion of the Recurring EBITDA from LD Celulose.

FINANCIAL RESULTS

For the fourth quarter, the Pro Forma Financial Result was negative R\$150.5 million, a fall of R\$29.5 million versus the same period in the prior year, helped by the reduction in the accumulated CDI from 3.20% in 4Q22 to 2.83% in 4Q23.

For the full year 2023, the financial result was R\$697.7 million, an increase of 30.8% versus 2022. The main impacts arose from debt payments, which increased R\$161 million versus the prior year.

BRL'000 – consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
Financial Revenues	113,037	116,829	-3.2%	256,037	-55.9%	543,003	384,391	41.3%
Financial Expenses	(263,524)	(293,850)	-10.3%	(251,720)	4.7%	(1,061,410)	(916,069)	15.9%
Financial Result	(150,487)	(177,021)	-15.0%	4,317	N/A	(518,407)	(531,678)	-2.5%
Non-recurring events ⁽¹⁾	-	(3,059)	N/A	(179,274)	N/A	(1,557)	(1,557)	N/A
Recurring Financial Revenues ⁽¹⁾	113,037	113,770	-0.6%	76,763	47.3%	363,729	381,332	-4.6%
Recurring Expenses Revenues ⁽¹⁾	(263,524)	(293,850)	-10.3%	(251,720)	4.7%	(1,061,410)	(914,567)	16.1%
Recurring Financial Result ⁽¹⁾	(150,487)	(180,080)	-16.4%	(174,957)	-14.0%	(697,681)	(533,235)	30.8%

(1) Non-recurring event: **3Q23**: Revenue: update of the ICMS base for PIS and COFINS (-) R\$183,712k; PIS and COFINS on SELIC ICMS interest in the base (+) R\$4,438k; **4Q22**: Revenue: Interest on extemporaneous credit (-) R\$3,059k; **1Q22**: Expense: payment of compensation (+) R\$1,502k.

NET INCOME

Recurring Net Income for 4Q23 came in at R\$77.5 million, with a recurring ROE of 5.0%, a drop of 62.6% versus 4Q22. The improved results from operations in the Wood Division and the financial result could not offset the impacts from a fall in the Fair Value of Biological Assets, with the price of wood stabilizing at higher levels and the level of depletion during the period. Combined, these effects led to a 18.3% fall in Recurring Net Income versus 3Q23.

In addition, it should be noted that the R\$90.2 million resulting from LD Celulose in the quarter has been added to the Company's Recurring Net Income, using equity equivalence. This operation thus partially offsets the impacts from adjustments to Dexco's biological assets. The Pro forma Recurring Net Income was thus R\$167.7 million for the quarter, a drop of 32.5% versus 4Q22, albeit there was 10.2% increase on a quarterly basis.

For the full year 2023, Recurring Net Income came in 51.9% below that of 2022, ending the year at R\$370.9 million, with Recurring ROE of 6.0%, reflecting a drop off in results and the more significant negative impact of depletion. LD Celulose's earnings for the period were not enough to compensate for the above, and thus Pro forma Recurring Net Income was R\$649.0, 21.3% lower than 2022.

BRL'000 – consolidated	4Q23	4Q22	%	3Q23	%	2023	2022	%
Net Income	195,433	217,868	-10.3%	304,125	-35.7%	811,270	764,922	6.1%
Non recurring event ⁽¹⁾	(27,731)	30,708	N/A	(151,971)	-81.8%	(162,321)	59,242	N/A
Dissolving Wood Pulp	(90,208)	-41,621	N/A	(57,348)	57.3%	(278,011)	(53,082)	N/A
Recurring Net Income ⁽¹⁾	77,494	206,955	-62.6%	94,806	-18.3%	370,938	771,082	-51.9%
Recurring Net Income - Pro Forma (including Dexco's part in LD Celulose) ⁽²⁾	167,702	248,576	-32.5%	152,155	10.2%	648,950	824,164	-21.3%
ROE	12.5%	14.7%	-2.1 p.p.	19.2%	-6.7 p.p.	13.0%	12.9%	0.1 p.p.
Recurring ROE ⁽¹⁾	5.0%	13.9%	-9.0 p.p.	6.0%	-1.0 p.p.	6.0%	13.0%	-7.0 p.p.

(1) Non-recurring events detailed in the addendum to this material; (2) Pro forma Recurring Net Income also includes the Dexco portion of the Recurring EBITDA from LD Celulose.

CASH FLOW GRI 201-1

Dexco closed out 4Q23 with positive Sustaining Cash Flow of R\$256.8 million, reaffirming the Company's careful management of Working Capital and the proactive strategy of balancing inventory levels in the Finishings Division, among other initiatives. These gains were more than enough to cover the amounts invested in projects during the period, with the Company generating a total positive cash flow of R\$68.2 million.

Aware of the levels of leverage seen in the previous quarter, the Company devoted its best efforts to Working Capital initiatives, in order to generate cash in 4Q23. One example of this was the balancing of inventories in the Finishings Division, achieved through temporary factory shutdowns, which, given a shrinking market scenario, boosted the generation of Working Capital in the period. Dexco thus ended 4Q23 having generated R\$421.3 million in Working Capital, on the back of a strong quarter, with a quarterly drop of 5.5 p.p. in Working Capital/Net Revenue, at 12.2% desconsidering one-off effects in the quarter.

With respect to project investment, the Company remains disciplined in carrying out the Investment Cycle announced in 2021, which, added to investment in other one-off projects, led to total expenditure of R\$188.6 million in 4Q23.

For the full year, effective Working Capital management and due diligence with respect to CAPEX more than offset the increase in expenditure related to debt servicing reflected in the Financial Flow. Dexco thus closed out the year with sustaining free cash generation of R\$362.9 million. This improvement contributed to ongoing investment in the 2021-2025 Investment Plan, which led to total free cash flow consumption of R\$329.9 million in the period.

BRL'000	4Q23	4Q22	%	3Q23	%	2023	2022	%
Adjusted and Recurring EBITDA	404.7	366.1	10.5%	287.5	40.7%	1,393.2	1,732	-19.6%
CAPEX Sustaining	(246.7)	(259.1)	-4.8%	(183.2)	34.7%	(711.5)	(864)	-17.6%
Financial Flow	(296.3)	(207.2)	43.0%	(58.7)	404.7%	(686.9)	(303)	N/A
Income tax and social contribution paid	(26.2)	(24.8)	5.6%	(9.6)	171.9%	(79.1)	(132)	-40.1%
Working Capital	421.3	70.2	N/A	127.0	N/A	446.9	(470)	N/A
Free Cash Flow Sustaining	256.8	(54.5)	N/A	163.2	N/A	362.9	(37)	N/A
Projects ⁽¹⁾	(188.6)	(142.6)	32.2%	(192.7)	-2.1%	(692.9)	(823)	-15.8%
Free Cash Flow Total	68.2	(197.2)	N/A	(29.4)	N/A	(329.9)	(859)	N/A
Cash Conversion Ratio ⁽²⁾	63.5%	N/A	N/A	56.8%	6.7 p.p.	26.1%	N/A	N/A

(1) Projects: **4Q23:** Factory debottlenecking and forestry expansion (-) R\$15.9 million, Deca productivity, mix improvement and automation projects (-) R\$58.2 million, New Ceramic Tiles factory (-) R\$88.2 million, Other Projects (-) R\$23.1 million, DX Ventures (-) R\$3.3 million; **3Q23:** factory debottlenecking and forestry expansion (-) R\$14.0 million, Deca productivity, mix improvement and automation projects (-) R\$54.6 million, New Ceramic Tiles factory (-) R\$112.2 million, Other Projects (-) R\$11.8 million; **2Q23:** Factory debottlenecking and forestry expansion (-) R\$10.5 million, Deca productivity, mix improvement and automation projects (-) R\$51.1 million, New Ceramic Tiles factory (-) R\$83.6 million, DX Ventures: (-) R\$16.6 million, Other Projects: (-) R\$8.8 million; **1Q23:** Factory debottlenecking and forestry expansion (-) R\$12.8 million, Deca productivity, mix improvement and automation projects (-) R\$20.9 million, New Ceramic Tiles factory (-) R\$15.6 million, Other Projects (-) R\$17.9 million, DX Ventures (-) R\$73.8 million; **4Q22:** Factory debottlenecking and forestry expansion (-) R\$21.3 million, Deca productivity, mix improvement and automation projects (-) R\$22.1 million, New Ceramic Tiles factory (-) R\$20.7 million, Dissolving Wood Pulp (-) R\$ R\$64.5 million, Other Projects (-) R\$15.1 million; **3Q22:** Factory debottlenecking and forestry expansion (-) R\$24.7, Deca productivity, mix improvement and automation projects (-) R\$45.8 million, New Ceramic Tiles factory (-) R\$86.3 million; Other Projects (-) R\$15.6 million; **2Q22:** Dissolving Wood Pulp (-) R\$153.6 million, Ceca acquisition (-) R\$10.7 million, Factory debottlenecking and forestry expansion (-) R\$29.5 million; Deca productivity, mix improvement and automation projects (-) R\$44.8 million, New Ceramic Tiles factory (-) R\$60.7 million; **1Q22:** DX Ventures (-) R\$9.2 million, Dissolving Wood Pulp R\$ (-) R\$93.3 million, Castelatto acquisition (-) R\$103.6 million, Sale of assets (-) R\$6.3 million, Factory debottlenecking and forestry expansion (-) R\$22.2 million Deca productivity, mix improvement and automation projects (-) R\$3.2 million, New Ceramic Tiles factory (-) R\$22.3 million;

(2) Cash Conversion Ratio: Free Sustaining Cash Flow / Adjusted and Recurring EBITDA.

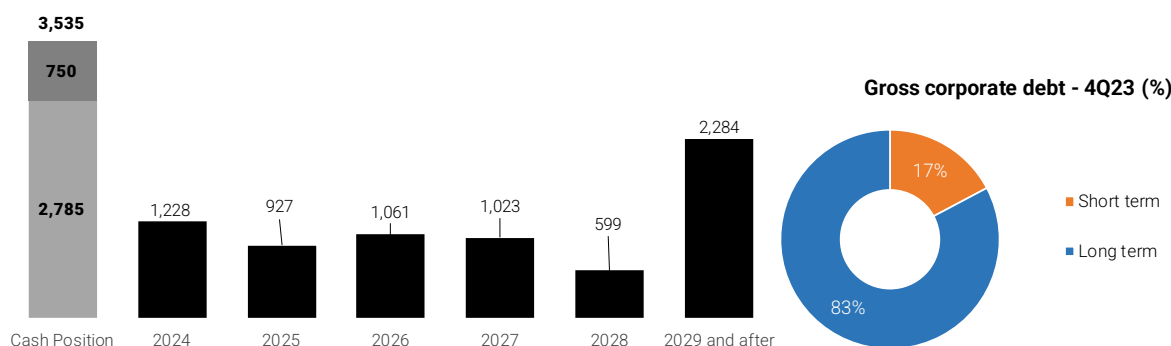
CORPORATE DEBT

The Company ended the year with consolidated gross debt of R\$7,121.8 million, an increase of 22.6% versus the prior year, and Net Debt of R\$4,336.4 million, an increase of 7.4% versus 2022.

On a quarterly comparison, there was a 7.9% reduction in Net Debt, explained by the effective cash generation initiatives carried out in the quarter. In addition, the improvement in results driven by the Wood Division also supported the quarterly reduction in leverage of 0.36x, which ended the period with Net Debt/Adjusted and Recurring EBITDA at 3.1x.

Continuing the liability management strategy, in 4Q23 the Company completed the successful issue Agribusiness Receivables Certificates (CRA) to the amount of R\$1.5 billion, with a final maturity of 10 years, which contributed to the 1.1 years extension to the Company's average payment term. In addition, in January 2024, a timely CRA was issued for the total amount of R\$375.0 million, at a cost of approximately 108.5% of CDI, maturing in 10 years. This funding will help extend the Company's average payment term by 0.3 years and also strengthens Dexco's commitment to its debt servicing.

The average cost of financing closed out the period at 108.9% of CDI, a fall of 3.1 p.p. on a quarterly basis, with average maturity of 4.5 years.



BRL'000 - Consolidated	12/31/2023	12/31/2022	Δ BRL	09/30/2023	Δ BRL
Short-Term debt	1,091,758	761,916	329,842	1,344,552	(252,794)
Long-Term debt	5,872,773	4,837,703	1,035,070	4,733,207	1,139,566
Financial instruments	157,274	210,251	(52,977)	246,634	(89,360)
Total debt	7,121,805	5,809,870	1,311,935	6,324,393	797,412
Cash and equivalent	2,785,454	1,771,730	1,013,724	1,618,527	1,166,927
Net debt	4,336,351	4,038,140	298,211	4,705,866	(369,515)
Net debt/Adjusted and Recurring EBITDA	3.11	2.33		3.47	
Net debt/Equity (in %)	66.5%	67.7%	-1.2 p.p.	72.2%	-5.8 p.p.

STRATEGIC MANAGEMENT & INVESTMENT

Dexco ended 4Q23 with a total investment of R\$246.7 million in its operations, of which R\$112.4 million related to the rebuilding of forestry assets and R\$134.3 million allocated to maintenance, factory modernization and digitalization. Throughout the year, confirming diligent investment management, the total amount invested in sustaining capital expenditures (capex) was R\$ 711.5 million, representing a reduction of 17.6% compared to 2022 and 17.7% compared to the guidance published via Material Fact on August 2, 2023, without compromising operational efficiency.

Also, in 2Q23 Dexco announced the conclusion of the 2021-2025 Investment Cycle, which reduced the estimate by R\$300.0 million, total expenditure thus being R\$1.8 billion. For the review, the initial principles

of improving the mix across all divisions, optimizing assets with high returns and driving innovation in the sector were all maintained.

The Company has thus remained disciplined in executing projects, investing R\$188.6 million in the quarter, with R\$165.5 million dedicated to the 2021-2025 Cycle:

- i) Wood Division: R\$10.3 million invested in factory debottlenecking and mix improvement initiatives, with R\$5.6 million allocated for forestry expansion in the Northeast;
- ii) Metals and Sanitary Ware Division: R\$58.2 million allocated for productivity projects, mix improvement and automation of Sanitary Ware;
- iii) Ceramic Tiles Division: R\$88.2 million in progressing construction of the new Ceramic Tiles unit in Botucatu (SP);
- iv) Corporate Venture Capital, the DX Ventures: R\$3.3 million

As part of the 2021-2025 investment cycle and other projects, R\$692.9 million was spent during the year. If recurring investment related to the rebuilding of forestry assets, maintenance, factory modernization and digitalization are included, Dexco made a total investment of R\$1,404.3 million in 2023.

Finally, the Company reiterates its focus on capturing the profitability of projects and leveraging the value generation potential of its operations.

(BRL '000)	2023 Actual	2022	Δ% 2023 Actual vs. 2022	2023 Guidance ¹	Δ% 2023 Actual vs. Guidance
Forestry OPEX	368.2	430.3	-14.4%	485.8	-24.2%
Maintenance	343.3	381.6	-10.0%	378.4	-9.3%
CAPEX Sustaining	711.5	863.7	-17.6%	864.2	-17.7%
Projects ²	692.9	412.7	67.9%	778.0	-10.9%
Total CAPEX	1,404.3	1,276.4	10.0%	1,600.0	-12.2%

(1) Guidance published in [Material Fact](#) of August 2, 2023; (2) Only strategic projects are considered.



Operations GRI 2-2, 2-6

WOOD

Wood Panels

duratex

durafloor

LD Celulose

HIGHLIGHTS	4Q23	4Q22	%	3Q23	%	2023	2022	%
SHIPMENTS (in m³)								
STANDARD	393,399	290,194	35.6%	361,013	9.0%	1,454,476	1,452,713	0.1%
COATED	329,022	397,446	-17.2%	312,504	5.3%	1,251,598	1,426,781	-12.3%
TOTAL	722,421	687,640	5.1%	673,517	7.3%	2,706,074	2,879,494	-6.0%
FINANCIAL HIGHLIGHTS (BRL'000)								
NET REVENUE	1,298,254	1,256,072	3.4%	1,147,872	13.1%	4,831,341	5,205,392	-7.2%
NET REVENUE - Pro Forma	1,298,254	1,256,072	3.4%	1,147,872	13.1%	4,831,341	5,205,392	-7.2%
DOMESTIC MARKET	1,025,063	995,676	3.0%	888,755	15.3%	3,727,828	3,811,376	-2.2%
FOREIGN MARKET	273,191	260,396	4.9%	259,117	5.4%	1,103,513	1,394,016	-20.8%
Net revenue per unit (BRL/m³ shipped)	1,797	1,827	-1.6%	1,704	5.5%	1,785	1,808	-1.2%
Cash cost per unit (BRL/m³ shipped)	(936.0)	(1,161.4)	-19.4%	(1,083.0)	-13.6%	(1,027.0)	(1,135.1)	-9.5%
Cash cost per unit (BRL/m³ shipped) Pro Forma ⁽¹⁾	(936.0)	(1,161.4)	-19.4%	(1,047.2)	-10.6%	(1,018.0)	(1,135.1)	-10.3%
Gross profit	394,297	477,925	-17.5%	440,431	-10.5%	1,918,719	1,905,366	0.7%
Gross profit Pro Forma ⁽¹⁾	394,297	477,925	-17.5%	464,575	-15.1%	1,942,863	1,905,366	2.0%
Gross margin	30.4%	38.0%	-7.7 p.p.	38.4%	-8.0 p.p.	39.7%	36.6%	3.1 p.p.
Gross margin Pro Forma ⁽¹⁾	30.4%	38.0%	-7.7 p.p.	40.5%	-10.1 p.p.	40.2%	36.6%	3.6 p.p.
Selling expenses	(157,416)	(132,265)	19.0%	(120,925)	30.2%	(550,747)	(637,396)	-13.6%
General and administrative expenses	(34,482)	(34,514)	-0.1%	(35,402)	-2.6%	(140,861)	(123,176)	14.4%
Operating profit before financial results	232,932	308,394	-24.5%	315,608	-26.2%	1,276,970	1,120,350	14.0%
Depreciation, amortization and depletion	170,966	129,759	31.8%	105,488	62.1%	566,926	496,484	14.2%
Depletion tranche of biological assets	142,340	53,406	N/A	91,107	56.2%	383,413	169,808	N/A
EBITDA according to CVM Resolution 156/22 ⁽²⁾	546,238	491,559	11.1%	512,203	6.6%	2,227,309	1,786,642	24.7%
EBITDA margin according to CVM Resolution 156/22	42.1%	39.1%	2.9 p.p.	44.6%	-2.5 p.p.	46.1%	34.3%	11.8 p.p.
Variation in fair value of biological assets	(72,560)	(194,576)	-62.7%	(205,619)	-64.7%	(768,592)	(597,867)	28.6%
Effect of the variation in fair value of biological assets - Caetex	-	-	N/A	-	N/A	-	11,420	N/A
Employee benefits	(2,629)	(6,009)	-56.2%	(853)	N/A	(4,637)	(7,321)	-36.7%
Non-recurring events ⁽³⁾	(32,232)	-	N/A	(19,825)	62.6%	(53,591)	(6,529)	N/A
Adjusted and Recurring EBITDA	438,817	290,974	50.8%	285,906	53.5%	1,400,489	1,186,345	18.1%
Adjusted and Recurring EBITDA margin	33.8%	23.2%	10.6 p.p.	24.9%	8.9 p.p.	29.0%	22.8%	6.2 p.p.

(1) Cost of Goods Sold: 3Q23. Discontinuation of Operations (+) RS24.144k.

(2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM instruction 156/22.

(3) Non-recurring events: detailed in the addendum to this material.



The steady improvement in the market for the quarter, both domestically and abroad, meant that volumes in the panels sector remained in line with the previous quarter, but with growth of 10.9% versus 4Q22. However, the strong performance in the second half of the year was not enough to offset the challenging scenario seen at the beginning of the year, with, overall, the market shrinking 2.7% versus 2022.

The healthy market, together with a quarterly rise in market share, led the Division to end 4Q23 with growth of 5.1% versus the same period last year, volumes totaling 722.4k m³, of which 15.2% was allocated to the operation in Colombia and the foreign market. For the full year, the volume was 2,706.1k m³, 6.0% below that reported in 2022. In addition, the Company also carried out significant forestry transactions, such as selling standing timber to third parties, sustainably monetizing its assets without compromising long term operations. It should be noted that the results from the forestry business has mirrored the increase in wood prices since 2022, as traded volumes have remained at levels close to historic levels.

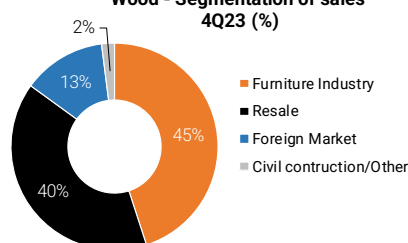
For the quarter, the timely forestry deals coupled with an increase in panels sales volumes, more than offset the still challenging scenario regarding product prices. The Company thus ended the quarter with Net Revenue of R\$1,298.3 million, growth of 3.4% versus 4Q22. For the full year, the challenges of the first half of 2023 led to a 7.2% reduction in total Net Revenue versus 2022, ending the year at R\$4,831.3 million.

On the cost front, the fall in the price of raw materials, together with higher factory utilization led to a 19.4% decrease in the Pro Forma Unit Cash Cost versus 4Q22. On a quarterly basis, the greater dilution of fixed costs also contributed to a 10.6% reduction in the Pro Forma Unit Cash Cost.

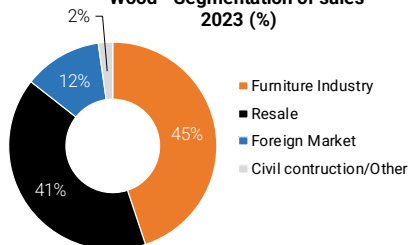
With respect to Sales Expenses, the adjustment to national freight costs coupled to an increase in volumes sold led to an increase of 30.2% versus 3Q23, and of 19.0% versus 4Q22. General and Administrative Expenses, meanwhile, remained in line with the figure reported for 4Q22. Diligent management of expenses led to a 2.6% fall in the total versus the prior quarter, and a reduction in as a proportion of Revenue.

Following the robust performance of wood panels and the forestry transactions carried out, the Division ended the quarter with its best ever quarterly Adjusted and Recurring EBITDA of R\$438.8 million, an increase of 50.8% versus 4Q22, and with a margin of 33.8%, a 10.6 p.p. improvement on the same comparison. For the full year, the Division reported an Adjusted and Recurring EBITDA of R\$1,400.5 million, with a margin of 29.0%, growth of 18.1% and 6.2 p.p. in relation to 2022 respectively.

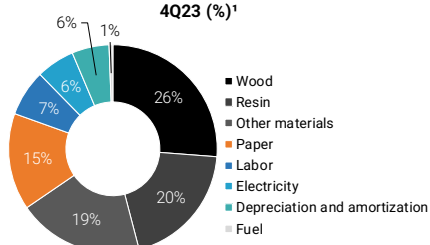
Wood - Segmentation of sales 4Q23 (%)



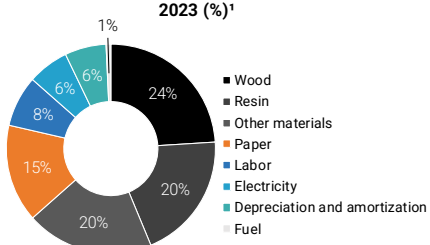
Wood - Segmentation of sales 2023 (%)



Wood - Cost of Goods Sold 4Q23 (%)¹



Wood - Cost of Goods Sold 2023 (%)¹



¹ -Colombia and Brazil operations

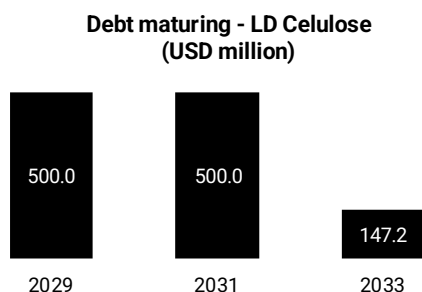
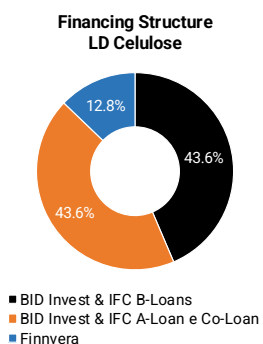
DISSOLVING WOOD PULP



HIGHLIGHTS	4Q23	4Q22	%	3Q23	%	2023	2022	%
FINANCIAL HIGHLIGHTS (BRL '000)								
NET REVENUE	598,027	543,760	10.0%	577,011	3.6%	2,425,481	874,960	N/A
Adjusted and Recurring EBITDA	320,552	308,089	4.0%	353,926	-9.4%	1,253,924	398,403	N/A
Adjusted and Recurring EBITDA margin	53.6%	56.7%	-3.1 p.p.	61.3%	-7.7 p.p.	51.7%	45.5%	6.2 p.p.
Net Income	183,721	86,253	N/A	116,920	57.1%	567,431	99,303	N/A
Net Income - Dexco Share	90,208	41,621	N/A	57,349	57.3%	278,012	53,082	N/A
Financial Result	(87,014)	(73,717)	18.0%	(89,400)	-2.7%	(353,497)	(64,283)	N/A
Cash position (USD '000)	76,360	21,432	N/A	67,156	13.7%	76,360	21,432	N/A
Gross Debt (USD '000)	1,265,572	1,186,080	6.7%	1,101,416	14.9%	1,265,572	1,186,080	6.7%

LD Celulose continued its operational performance in 4Q23, maintaining excellent quality levels while also making significant progress along the productivity curve, with successful trials in factory debottlenecking. For the quarter, the drop in pricing levels combined with pressure on logistics costs meant that the Division ended 4Q23 with a total Adjusted and Recurring EBITDA of R\$320.5 million, with a margin of 53.6%, a fall of 9.4% and 7.7 p.p. versus 3Q23, respectively. LD reported a total Net Income of R\$183.7 million, an increase of 57.1% versus 3Q23, mainly reflecting Variation in the Fair Value of Biological Assets on the back of revaluation of the price of wood during the period.

LD Celulose's results for the quarter generated an Adjusted and Recurring EBITDA proportional to Dexco's 49.0% share of R\$156.7 million, which, using equity equivalence (net income on the part of Dexco) gives a figure of R\$90.2 million, included in the adjustments to the Company's recurring results.



FINISHINGS FOR CONSTRUCTION

METALS & SANITARY WARE

Deca Hydra

BASIC GOODS	2,043	2,257	-9.5%	1,991	2.6%	8,005	8,500	-5.8%
FINISHING GOODS	2,564	2,827	-9.3%	2,617	-2.0%	11,253	14,897	-24.5%
TOTAL	4,607	5,084	-9.4%	4,608	0.0%	19,258	23,397	-17.7%
FINANCIAL HIGHLIGHTS (BRL1,000)								
NET REVENUE (sales in items)	444,227	486,546	-8.7%	388,903	14.2%	1,682,756	2,136,248	-21.2%
DOMESTIC MARKET	423,676	466,091	-9.1%	377,508	12.2%	1,608,708	2,043,448	-21.3%
FOREIGN MARKET	20,551	20,455	0.5%	11,395	80.4%	74,048	92,800	-20.2%
Net revenue per unit (BRL/ per item shipped)	96.4	95.7	0.8%	84.4	14.3%	87.4	91.3	-4.3%
Cash cost per unit (BRL/ per item shipped)	(75.1)	(76.2)	-1.3%	(67.3)	11.7%	(67.2)	(63.4)	6.0%
Cash cost per unit Pro Forma (BRL/per item shipped) ⁽¹⁾	(75.1)	(70.8)	6.2%	(62.0)	21.1%	(64.5)	(61.9)	4.2%
Gross profit	75,110	76,703	-2.1%	55,754	34.7%	294,099	561,939	-47.7%
Gross profit - Pro Forma ⁽¹⁾	75,110	104,060	-27.8%	79,865	-6.0%	346,360	598,009	-42.1%
Gross margin	16.9%	15.8%	1.1 p.p.	14.3%	2.6 p.p.	17.5%	26.3%	-8.8 p.p.
Gross margin - Pro Forma ⁽¹⁾	16.9%	21.4%	-4.5 p.p.	20.5%	-3.6 p.p.	20.6%	28.0%	-7.4 p.p.
Selling expenses	(82,634)	(71,978)	14.8%	(75,401)	9.6%	(311,543)	(277,611)	12.2%
Selling expenses - Pro Forma ⁽²⁾	(82,634)	(61,135)	35.2%	(75,401)	9.6%	(311,543)	(265,799)	17.2%
General and administrative expenses	(40,052)	(36,715)	9.1%	(40,841)	-1.9%	(156,818)	(136,444)	14.9%
Operating profit before financial results	(51,576)	(10,954)	N/A	(54,674)	-5.7%	(180,728)	155,813	N/A
Depreciation and amortization	33,057	27,873	18.6%	31,188	6.0%	128,291	110,184	16.4%
EBITDA according to CVM Resolution 156/22 ⁽⁴⁾	(18,519)	16,919	N/A	(23,486)	-21.1%	(52,437)	265,997	N/A
EBITDA margin according to CVM Resolution 156/22	-4.2%	3.5%	N/A	-6.0%	1.9 p.p.	-3.1%	12.5%	N/A
Employee benefits	1,045	(2,678)	N/A	2,930	-64.3%	5,896	(1,611)	N/A
Non-recurring events ⁽³⁾	(8,660)	38,200	N/A	11,697	-174.0%	30,905	46,601	-33.7%
Adjusted and Recurring EBITDA	(26,134)	52,441	N/A	(8,859)	195.0%	(15,636)	310,987	N/A
Adjusted and Recurring EBITDA margin	-5.9%	10.8%	N/A	-2.3%	-3.6 p.p.	-0.9%	14.6%	N/A

(1) Cost of Goods Sold: **3Q23**: Restructuring Deca: (+) R\$24,111k; **2Q23**: Restructuring Deca: (+) R\$28,150k; **4Q22**: Deca inventory impairment (+) R\$27,357k; **3Q22**: Restructuring Deca

(+) R\$3,103k; **2Q22**: Restructuring Deca (+) R\$5,610k;

(2) Sales expenses: **4Q22**: Restructuring Deca (+) R\$10,843k; **3Q22**: Restructuring Deca (+) R\$742k; **2Q22**: Restructuring Deca (+) R\$227k;

(3) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM instruction 156/22.

(4) Non-recurring events: detailed in the addendum to this material



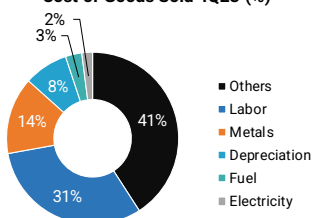
Reflecting a market scenario that continues to be challenging, ABRAMAT data indicated that the sector's deflated revenue levels fell, on average, by 1.0% in 4Q23 and by 2.2% in the full year. Finished goods, meanwhile, fell by 3.6% and 6.8% over the same periods. Continuing initiatives carried out in the prior quarter, the Company chose to temporarily shutdown some of the sanitary ware lines in order to balance inventory levels, which led the average factory utilization for the quarter to fall to 51.0%, not including the electric shower operations .

The lower-than-expected market performance, coupled with impacts on sanitary ware market share, meant that the Division closed out 4Q23 with 4,607k pieces sold, 9.4% lower than for 4Q22. Even with the increase in metals market share, following successful price repositioning in 1Q23, this was not enough to offset the decline in the market. Thus, for the full year, the Division sold 19,258k pieces, a 17.7% decrease versus 2022.

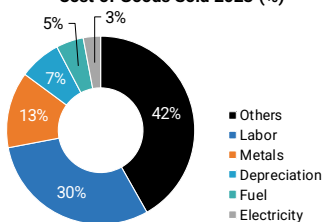
To boost recovery of its market share, Dexco chose to reposition prices for some of its sanitary ware lines in the quarter. Nevertheless, this negative impact was offset by an improvement in the mix resulting from the reduction in sales of electric showers, which led to a 0.8% increase in Unit Net Revenue versus 4Q22. Despite the improvement in unit revenue, the fall in volumes led to an 8.7% fall in total Net Revenue versus 4Q22, at R\$444.2 million. For the full year, the Division reported a fall of 4.3% in Unit Net Revenue, with total value of R\$ 1,682, million, a decrease of 21.2% versus 2022.

The ongoing tweaking of production volumes to match the adverse market conditions led to a unit increase in the Cost of Goods Sold of 6.2% for the quarter versus the same period the previous year, and of 4.2% for the full year. On a quarterly comparison, the increase was 21.1%.

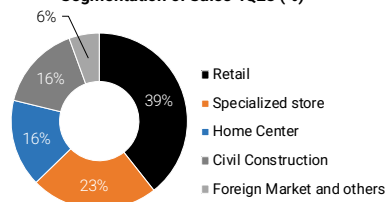
Metals and Sanitary Ware - Cost of Goods Sold 4Q23 (%)



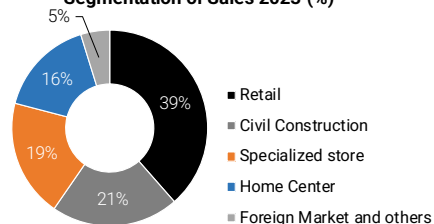
Metals and Sanitary Ware - Cost of Goods Sold 2023 (%)



Metals and Sanitary Ware - Segmentation of Sales 4Q23 (%)



Metals and Sanitary Ware - Segmentation of Sales 2023 (%)



Marketing-related initiatives focused on strengthening brand positioning, such as investment at points of sale, led to total Pro Forma Sales Expenses of R\$82.6 million, an increase of 35.2% versus 4Q22. For the full year, the increase was 17.2% versus 2022.

General and Administrative Expenses, for their part, increased 9.1% versus 4Q22, mainly due to greater expenditure on technology and digitalization in the Company. For the full year, the increase was 14.9%.

Given the challenges presented by the macroeconomic scenario and the ongoing measures to balance inventory levels and regain market share, the Division ended 4Q23 with an Adjusted and Recurring EBITDA of negative R\$26.1 million. For the full year, Adjusted and Recurring EBITDA was negative R\$15.6 million.

TILES

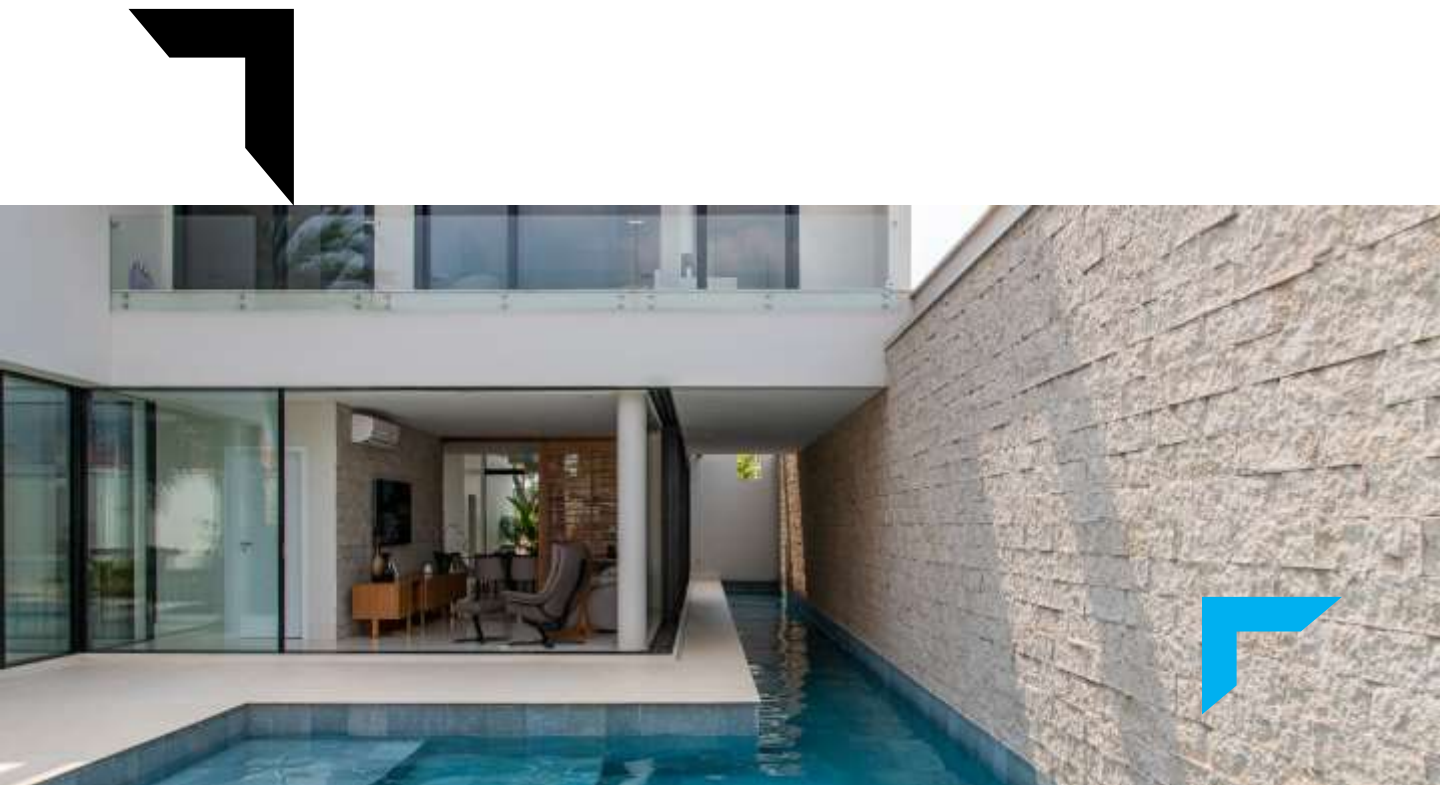
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HIGHLIGHTS	4Q23	4Q22	%	3Q23	%	2023	2022	%
SHIPMENTS (in 'm²)								
FINISHING GOODS	3,842,447	4,128,908	-6.9%	4,135,103	-7.1%	15,622,065	19,717,188	-20.8%
TOTAL	3,842,447	4,128,908	-6.9%	4,135,103	-7.1%	15,622,065	19,717,188	-20.8%
FINANCIAL HIGHLIGHTS (BRL1,000)								
NET REVENUE	206,202	237,821	-13.3%	232,178	-11.2%	869,312	1,145,010	-24.1%
DOMESTIC MARKET	188,055	222,341	-15.4%	207,540	-9.4%	785,415	1,038,332	-24.4%
FOREIGN MARKET	18,147	15,480	17.2%	24,638	-26.3%	83,897	106,678	-21.4%
Net revenue per unit (BRL per m² shipped)	53.7	57.6	-6.8%	56.1	-4.4%	55.6	58.1	-4.2%
Cash cost per unit (BRL per m² shipped)	(40.5)	(40.0)	1.3%	(44.7)	-9.4%	(41.5)	(34.9)	19.1%
Cash cost per unit Pro Forma (BRL per m² shipped) ⁽¹⁾	(40.1)	(38.4)	4.4%	(39.2)	2.3%	(40.0)	(33.9)	17.8%
Gross profit	35,710	59,451	-39.9%	33,035	8.1%	163,049	404,482	-59.7%
Gross profit - Pro Forma ⁽¹⁾	37,285	66,052	-43.6%	55,884	-33.3%	187,473	423,097	-55.7%
Gross margin	17.3%	25.0%	-7.7 p.p.	14.2%	3.1 p.p.	18.8%	35.3%	-16.6 p.p.
Gross margin - Pro Forma ⁽¹⁾	18.1%	27.8%	-9.7 p.p.	24.1%	-6.0 p.p.	21.6%	37.0%	-15.4 p.p.
Selling expenses	(48,425)	(50,816)	-4.7%	(42,648)	13.5%	(180,124)	(204,734)	-12.0%
Selling expenses - Pro Forma ⁽¹⁾	(48,425)	(44,453)	8.9%	(42,648)	13.5%	(180,124)	(197,670)	-8.9%
General and administrative expenses	(18,184)	(14,217)	27.9%	(19,391)	-6.2%	(67,779)	(57,344)	18.2%
Operating profit before financial results	(32,095)	(5,845)	N/A	(32,668)	-1.8%	(103,908)	120,529	N/A
Depreciation and amortization	24,177	15,557	55.4%	17,845	35.5%	86,938	68,879	26.2%
EBITDA according to CVM Resolution 156/22 ⁽³⁾	(7,918)	9,712	N/A	(14,823)	-46.6%	(16,970)	189,408	N/A
EBITDA margin according to CVM Resolution 156/22	-3.8%	4.1%	-7.9 p.p.	-6.4%	2.5 p.p.	-2.0%	16.5%	-18.5 p.p.
Employee benefits	828	44	N/A	170	N/A	922	4	N/A
Non-recurring events ⁽⁴⁾	(1,125)	12,964	N/A	25,549	N/A	24,424	44,907	-45.6%
Adjusted and Recurring EBITDA	(8,215)	22,720	N/A	10,896	N/A	8,376	234,319	-96.4%
Adjusted and Recurring EBITDA margin	-4.0%	9.6%	-13.5 p.p.	4.7%	-8.7 p.p.	1.0%	20.5%	-19.5 p.p.

(1) Cost of goods sold: **4Q23:** Restructuring Tiles: (+) R\$1,575k; **3Q23:** Restructuring Tiles (+) R\$22,849k; **4Q22:** Restructuring Tiles: (+) R\$6,601k; **3Q22:** Restructuring Tiles (+) R\$11,462k; **2Q22:** Restructuring Tiles (+) R\$552k;
(2) Sales expenses: **4Q22:** Restructuring Tiles (+) R\$6,363k; **3Q22:** Restructuring Tiles (+) R\$701k
(3) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM instruction 156/22.
(4) Non-recurring events: detailed in the addendum to this material.



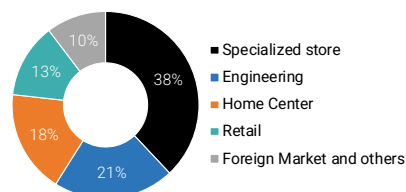
According to ANFACER, quarterly sales volumes for the Ceramic Tiles sector are already showing signs of recovery, with growth of 8.1% versus 4Q22. However, according to internal estimates, wet production ceramic tiles, a segment in which Dexco operates, showed a decline in sales of 1.4% over the same period. For the full year, the market as a whole shrank 7.9%, while the wet segment shrank 7.2% versus 2022.

The quarterly improvement in market share, arising on the back of price repositioning measures, was not enough to achieve historical levels. Thus, the Tiles Division closed out the quarter with a total volume of 3,842.5k m², a fall of 6.9% versus 4Q22. For 2023 as a whole, the Division reported a volume of 15,622.1k m², 20.8% lower than for 2022.

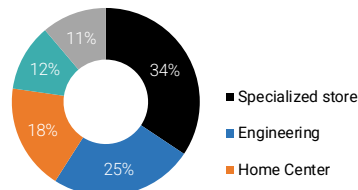
The ongoing price repositioning led to a fall in Unit Revenue of 4.4% on a quarterly comparison. This also accounts for the 6.8% drop in Unit Revenue versus 4Q22, which, together with the drop off in volumes over the period, led to Net Revenue of R\$206.2 million, a fall of 13.3%. For the full year, Net Revenue fell 24.1% versus 2022.

Faced with a shrinking market, the Company chose to reign in factory outputs in order to balance inventory levels, which led to a lower dilution of fixed costs and an increase in Pro Forma Unit Cash Cost of 2.3% versus 3Q23. Versus the same period the prior year, these initiatives led to a 4.4% increase in the Pro Forma Unit Cash Cost. For the full year, the Pro Forma Unit Cash Cost was 17.8% higher than for 2022.

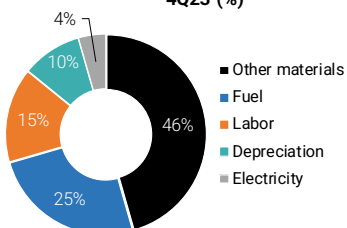
Tiles¹ - Segmentation of Sales 4Q23 (%)



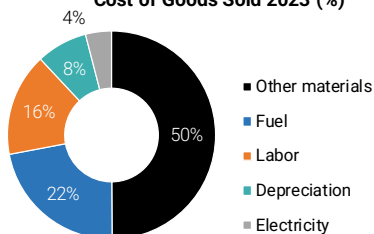
Tiles¹ - Segmentation of Sales 2023 (%)



Tiles¹ - Cost of Goods Sold 4Q23 (%)



Tiles¹ - Cost of Goods Sold 2023 (%)



As with the Metals and Sanitary Ware Division, initiatives linked to strengthening brand positioning led to an increase in Pro Forma Sales expenses of 13.5% versus 3Q23, and of 8.9% versus 4Q22. Even with the investment made during the quarter, for the full year there was a drop of 8.9% versus 2022.

As with the other Divisions, General and Administrative Expenses were impacted by investment in digitalization, leading to an increase versus the year 2022.

While the Division showed a quarterly improvement in market share, the weakening of the sector in which it operates, coupled with the restructuring measures carried out, such as price repositioning and shutdowns to balance inventory levels, meant that results were impacted when compared to the prior year. Adjusted and Recurring EBITDA thus ended 4Q23 at negative R\$8.2 million. For the full year, Adjusted and Recurring EBITDA was positive R\$8.4 million, with a margin of 1.0%.

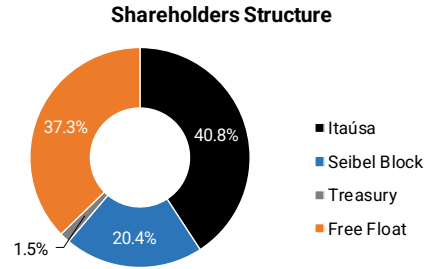
1 - Marcas Ceusa and Portinari.

CAPITAL MARKETS | GRI 2-1

At the end of the fourth quarter of 2023, the Company had a market value of R\$6.521.7 million, with a closing share price of R\$8.07 on 28/12/2023 .

Ibovespa ended the period 15.1% higher, while Dexco's closing price represented an increase of 4.8% increase in relation to 3Q23. In 2023, Company's shares increased in value by 19.0% versus the previous year, in line with the Ibovespa index's increase of 22.3% over the same period.

680,912 trades were carried out on the B3 spot market in the quarter, which represents turnover of approximately R\$2.1 billion, that is, a daily average trade value of R\$33.6 million. For the year, 2.7 million trades were made, with a turnover of R\$8.6 billion, which represents a daily average of R\$36.3 million.



SUSTAINABILITY STRATEGY REVIEW 2025

In 2021, facing global transformations towards a greener economy and a more diverse and inclusive society, aligning with environmental, social, and governance (ESG) aspects, Dexco aimed to act as a catalyst for change in the construction and renovation market. The company approved its Sustainability Strategy Goals for 2025.

Since then, the company has undergone various changes in a challenging market scenario that required structural actions, such as reviewing the manufacturing plant and reducing the 2021-2025 Investment Cycle. Consequently, Dexco chose to revise its 2025 Sustainability Strategy Goals without altering its ambitions, ensuring that the commitments made remained aligned with its long-term strategies and continued to adhere to global ESG best practices in the market.

The review process conducted in 2023 ensured a critical and committed approach, not only to the message but also to the actions that impact its stakeholders. A qualitative analysis was carried out through studies of relevance, adherence, and feasibility, considering the changes that have occurred since then. Subsequently, material themes and priority themes for Dexco were cross-referenced with the SDGs and demands for new ESG standards and frameworks. This process involved the participation of the Company's Senior Management.

As a result, seven goals were achieved ahead of schedule, and business goals were consolidated into corporate goals. Additionally, a new goal for Community Relations was included. The final Sustainability Strategy Review document can be accessed on [Dexco's ESG Portal](#), a domain where the company consolidates its sustainability-related information.

Attachments

Financial Statements – Assets

CONSOLIDATED ASSET	31/12/2023	AV%	30/09/2023	AV%	31/12/2022	AV%
CURRENT	5,761,356	32.1%	4,748,995	28.7%	5,173,901	33.1%
Cash and cash equivalents	2,785,454	15.5%	1,618,527	9.8%	1,771,730	11.3%
Trade accounts receivable	1,085,931	6.1%	1,164,954	7.0%	1,372,680	8.8%
Related parties accounts receivable	74,461	0.4%	34,553	0.2%	52,681	0.3%
Inventories	1,403,387	7.8%	1,533,554	9.3%	1,604,707	10.3%
Other receivables	62,884	0.4%	29,063	0.2%	40,151	0.3%
Recoverable taxes and contributions	251,508	1.4%	237,823	1.4%	219,134	1.4%
Other credits	41,361	0.2%	73,763	0.4%	55,230	0.4%
Non current assets available for sale	56,370	0.3%	56,758	0.3%	57,588	0.4%
NON-CURRENT	12,159,235	67.9%	11,781,058	71.3%	10,450,910	66.9%
Restricted deposits	114,967	0.6%	104,824	0.6%	112,151	0.7%
Other receivables	132,082	0.7%	112,914	0.7%	111,622	0.7%
Pension plan credits	112,104	0.6%	109,972	0.7%	110,274	0.7%
Recoverable taxes and contributions	644,661	3.6%	745,134	4.5%	596,241	3.8%
Deferred income tax and social contribution	688,014	3.8%	608,954	3.7%	381,969	2.4%
Marketable securities	137,282	0.8%	136,849	0.8%	49,605	0.3%
Derivative financial instruments	106,018	0.6%	44,688	0.3%	33,023	0.2%
Investments in subsidiaries and associates	1,858,473	10.4%	1,839,054	11.1%	1,747,130	11.2%
Other investments	2,588	0.0%	2,588	0.0%	2,588	0.0%
Property, plant and equipment	4,307,168	24.0%	4,157,955	25.2%	3,951,337	25.3%
Assets of use rights	688,902	3.8%	522,727	3.2%	560,502	3.6%
Biological assets	2,503,438	14.0%	2,514,438	15.2%	1,916,633	12.3%
Intangible assets	863,538	4.8%	880,961	5.3%	877,835	5.6%
TOTAL ASSETS	17,920,591	100.0%	16,530,053	100.0%	15,624,811	100.0%



Financial Statements – Liabilities

CONSOLIDATED LIABILITIES AND STOCKHOLDERS' EQUITY	31/12/2023	AV%	30/09/2023	AV%	31/12/2022	AV%
CURRENT	3,608,696	20.1%	3,544,324	21.4%	3,264,920	20.9%
Loans and financing	475,162	2.7%	681,848	4.1%	119,122	0.8%
Related parts loans and financing	-	0.0%	-	0.0%	622,589	4.0%
Debentures	616,596	3.4%	662,704	4.0%	20,205	0.1%
Suppliers	954,534	5.3%	779,582	4.7%	905,138	5.8%
Related parties suppliers	32,420	0.2%	30,616	0.2%	5,232	0.0%
Suppliers - drawn risk	187,818	1.0%	167,095	1.0%	325,285	2.1%
Lease liability	51,321	0.3%	48,601	0.3%	37,293	0.2%
Personnel	208,816	1.2%	241,297	1.5%	187,988	1.2%
Accounts payable	562,107	3.1%	608,046	3.7%	495,405	3.2%
Related parties accounts payable	4,458	0.0%	4,200	0.0%	4,200	0.0%
Taxes and contributions	166,043	0.9%	148,530	0.9%	188,756	1.2%
Dividends and interest on capital	213,146	1.2%	2,465	0.0%	206,001	1.3%
Derivative financial instruments	136,275	0.8%	169,340	1.0%	147,706	0.9%
NON-CURRENT	7,789,817	43.5%	6,471,605	39.2%	6,398,327	40.9%
Loans and financing	5,273,331	29.4%	4,133,820	25.0%	3,638,592	23.3%
Debentures	599,442	3.3%	599,387	3.6%	1,199,111	7.7%
Lease liability	646,102	3.6%	475,949	2.9%	530,914	3.4%
Lease liability of Related Parties	52,016	0.3%	52,529	0.3%	34,226	0.2%
Contingencies	336,192	1.9%	333,837	2.0%	361,389	2.3%
Deferred income tax and social contribution	424,204	2.4%	432,458	2.6%	205,976	1.3%
Accounts payable	277,356	1.5%	263,105	1.6%	261,918	1.7%
Related parties	9,100	0.1%	10,150	0.1%	13,300	0.1%
Income tax and social contribution	45,057	0.3%	48,388	0.3%	57,333	0.4%
Derivative financial instruments	127,017	0.7%	121,982	0.7%	95,568	0.6%
STOCKHOLDERS' EQUITY	6,522,078	36.4%	6,514,124	39.4%	5,961,564	38.2%
Capital	3,370,189	18.8%	3,370,189	20.4%	3,370,189	21.6%
Costs on issue of shares	(7,823)	0.0%	(7,823)	0.0%	(7,823)	-0.1%
Capital reserves	385,097	2.1%	382,806	2.3%	376,695	2.4%
Capital transactions with partners	(18,731)	-0.1%	(18,731)	-0.1%	(18,731)	-0.1%
Revaluation reserves	33,227	0.2%	33,407	0.2%	34,274	0.2%
Revenue reserves	2,265,719	12.6%	2,284,218	13.8%	1,963,650	12.6%
Carrying value adjustments	516,390	2.9%	507,965	3.1%	532,105	3.4%
Treasury shares	(140,457)	-0.8%	(140,457)	-0.8%	(378,017)	-2.4%
Noncontrolling interests	118,467	0.7%	102,550	0.6%	89,222	0.6%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	17,920,591	100.0%	16,530,053	100.0%	15,624,811	100.0%



Income Statement

INCOME STATEMENT	4Q23	4Q22	%	3Q23	%	2023	2022	%
CONTINUING OPERATIONS								
Gross Income	2,403,220	2,465,134	-2.5%	2,175,650	10.5%	9,081,734	10,462,893	-13.2%
Domestic Market	2,056,726	2,133,949	-3.6%	1,846,692	11.4%	7,686,247	8,705,889	-11.7%
Wood	1,274,285	1,251,229	1.8%	1,107,890	15.0%	4,643,932	4,823,053	-3.7%
Deca	542,666	600,168	-9.6%	474,587	14.3%	2,040,887	2,577,867	-20.8%
Ceramic Tiles	239,775	282,552	-15.1%	264,215	-9.3%	1,001,428	1,304,969	-23.3%
Foreign Market	346,494	331,185	4.6%	328,958	5.3%	1,395,487	1,757,004	-20.6%
Wood	307,797	295,249	4.2%	292,925	5.1%	1,237,544	1,557,525	-20.5%
Deca	20,550	20,455	0.5%	11,394	80.4%	74,043	92,801	-20.2%
Ceramic Tiles	18,147	15,481	17.2%	24,639	-26.3%	83,900	106,678	-21.4%
Taxes and Sale Contributions	(454,537)	(484,695)	-6.2%	(406,697)	11.8%	(1,698,325)	(1,976,243)	-14.1%
Wood	(283,830)	(290,406)	-2.3%	(252,942)	12.2%	(1,050,135)	(1,175,186)	-10.6%
Deca	(118,986)	(134,076)	-11.3%	(97,079)	22.6%	(432,174)	(534,419)	-19.1%
Ceramic Tiles	(51,721)	(60,213)	-14.1%	(56,676)	-8.7%	(216,016)	(266,638)	-19.0%
NET INCOME FOR THE PERIOD	1,948,683	1,980,439	-1.6%	1,768,953	10.2%	7,383,409	8,486,650	-13.0%
Domestic Market	1,636,794	1,684,108	-2.8%	1,473,803	11.1%	6,121,951	6,893,156	-11.2%
Wood	1,025,063	995,676	3.0%	888,755	15.3%	3,727,828	3,811,376	-2.2%
Deca	423,676	466,091	-9.1%	377,508	12.2%	1,608,708	2,043,448	-21.3%
Ceramic Tiles	188,055	222,341	-15.4%	207,540	-9.4%	785,415	1,038,332	-24.4%
Foreign Market	311,889	296,331	5.3%	295,150	5.7%	1,261,458	1,593,494	-20.8%
Wood	273,191	260,396	4.9%	259,117	5.4%	1,103,513	1,394,016	-20.8%
Deca	20,551	20,455	0.5%	11,395	80.4%	74,048	92,800	-20.2%
Ceramic Tiles	18,147	15,480	17.2%	24,638	-26.3%	83,897	106,678	-21.4%
Biological asset	72,560	194,575	-62.7%	205,620	-64.7%	768,592	597,866	28.6%
Cost of goods sold	(1,178,027)	(1,350,872)	-12.8%	(1,224,330)	-3.8%	(4,722,035)	(5,439,979)	-13.2%
Depreciation/amortization/depletion	(195,759)	(156,657)	25.0%	(129,916)	50.7%	(670,686)	(602,942)	11.2%
Depletion of biological assets	(142,340)	(53,406)	N/A	(91,107)	56.2%	(383,413)	(169,808)	N/A
GROSS PROFIT	505,117	614,079	-17.7%	529,220	-4.6%	2,375,867	2,871,787	-17.3%
Selling expenses	(288,475)	(255,059)	13.1%	(238,974)	20.7%	(1,042,414)	(1,119,741)	-6.9%
General and administrative expenses	(93,408)	(85,996)	8.6%	(96,322)	-3.0%	(367,490)	(319,075)	15.2%
Management compensation	(4,227)	(5,185)	-18.5%	(4,227)	0.0%	(18,278)	(20,495)	-10.8%
Other operating results, net	29,416	23,490	25.2%	37,472	-21.5%	42,188	(17,846)	N/A
Equity Equivalence Results	90,811	41,701	N/A	58,211	56.0%	279,781	54,593	N/A
OPERATING PROFIT BEFORE FINANCIAL RESULTS	239,234	333,030	-28.2%	285,380	-16.2%	1,269,654	1,449,223	-12.4%
Financial revenues	113,037	116,829	-3.2%	256,037	-55.9%	543,003	384,391	41.3%
Financial expenses	(263,524)	(293,850)	-10.3%	(251,720)	4.7%	(1,061,410)	(916,069)	15.9%
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	88,747	156,009	-43.1%	289,697	-69.4%	751,247	917,545	-18.1%
Income tax and social contribution - current	(20,565)	(10,320)	99.3%	7,086	N/A	(40,469)	(114,212)	-64.6%
Income tax and social contribution - deferred	127,251	72,179	76.3%	7,342	N/A	100,492	(38,411)	N/A
NET INCOME FOR THE PERIOD	195,433	217,868	-10.3%	304,125	-35.7%	811,270	764,922	6.1%



Cash Flow Statement

CASH FLOW	4Q23	4Q22	%	3Q23	%	2023	2022	%
Profit before tax. Income and Social Contribution	88,747	156,009	-43.1%	289,697	-69.4%	751,247	917,545	-18.1%
Depreciation, amortization and depletion	370,540	226,638	63.5%	245,628	50.9%	1,165,568	845,445	37.9%
Change in the fair value of biological assets	(72,560)	(194,575)	-62.7%	(205,620)	-64.7%	(768,592)	(597,866)	28.6%
Interest, net exchange and monetary variations	181,384	408,842	-55.6%	229,714	-21.0%	823,941	721,702	14.2%
Interest on leases	2,703	2,668	1.3%	2,879	-6.1%	10,560	7,194	46.8%
Equity Income	(90,812)	(41,701)	N/A	(58,211)	56.0%	(279,782)	(54,593)	N/A
Impairment of trade accounts receivable	1,768	5,365	-67.0%	(1,676)	N/A	12,016	16,875	-28.8%
Provisions, write-off of assets	194,865	66,505	N/A	14,044	N/A	277,653	84,399	N/A
Exclusion of ICMS based on PIS and COFINS	(115,817)	-	N/A	-	N/A	(115,817)	-	N/A
Accounts receivable from customers	368,691	1,918	N/A	(53,720)	N/A	292,526	(657,455)	N/A
Accounts receivable from customers	37,438	86,894	-56.9%	140,571	-73.4%	259,331	(13,127)	N/A
Stocks	127,021	90,651	40.1%	24,835	N/A	112,257	(267,338)	N/A
Taxes and contributions to be recovered	32,829	187,529	-82.5%	-	N/A	32,829	187,529	-82.5%
Linked deposits	35,205	(24,905)	N/A	-	N/A	35,205	(24,905)	N/A
Other Assets	(24,831)	(109,737)	-77.4%	(126,436)	-80.4%	(52,921)	(6,610)	N/A
Providers	198,884	(98,331)	N/A	(128,359)	N/A	(63,726)	(413,931)	-84.6%
Staff Obligations	(32,481)	(70,187)	-53.7%	33,459	N/A	16,789	(24,900)	N/A
Bills to pay	(36,650)	(71,667)	-48.9%	6,924	N/A	39,767	(59,156)	N/A
Taxes and Contributions	20,160	26,508	-23.9%	17,921	12.5%	995	27,894	-96.4%
Statutory holdings	(6,982)	(18,812)	-62.9%	-	N/A	(6,982)	(18,812)	-62.9%
Provisions for contingencies (non-current)	(81,018)	(44,099)	83.7%	-	N/A	(81,018)	(44,099)	83.7%
Other Liabilities	99,116	48,074	N/A	(22,635)	N/A	-	-	N/A
Cash from Operations	929,509	631,669	47.2%	462,735	N/A	2,169,320	1,283,246	69.0%
Income Tax and Social Contribution Paid	(27,170)	(6,840)	N/A	(11,775)	N/A	(83,650)	(51,456)	62.6%
Interest Paid	(291,827)	(385,659)	-24.3%	(85,270)	N/A	(739,687)	(438,100)	68.8%
Cash generated by operating activities	610,512	239,170	N/A	365,690	66.9%	1,345,983	793,690	69.6%
Marketable Securities	8,613	(970)	N/A	(362)	N/A	(84,376)	(9,658)	N/A
Investments in Fixed Assets	(292,312)	(181,201)	61.3%	(223,221)	31.0%	(807,064)	(732,450)	10.2%
Investments in Intangible Assets	(3,536)	(22,102)	-84.0%	(30,456)	-88.4%	(79,642)	(65,180)	22.2%
Investments in Biological Assets	(124,523)	(96,049)	29.6%	(86,993)	43.1%	(361,660)	(415,470)	-13.0%
Receipt for Sale of Fixed Assets	22,759	-	N/A	1,000	N/A	29,759	10,900	N/A
Acquisition of subsidiaries, net of cash acquired	-	(9,760)	N/A	-	N/A	-	(115,568)	N/A
Capital Contribution / Capital Increase	-	(64,679)	N/A	-	N/A	-	(311,052)	N/A
Cash Used in Investing Activities	(388,999)	(374,761)	3.8%	(340,032)	14.4%	(1,302,983)	(1,638,478)	-20.5%
Funding Tickets	1,454,259	780,548	86.3%	-	N/A	2,455,295	2,499,795	-1.8%
Amortization of the principal amount of financing	(401,309)	(725,550)	-44.7%	(183)	N/A	(942,361)	(875,527)	7.6%
Debt Derivatives Payment	(78,936)	(38,621)	N/A	(30,410)	N/A	(182,072)	(38,621)	N/A
Amortization of Lease Liabilities	(35,600)	(26,913)	32.3%	(31,136)	14.3%	(127,822)	(84,131)	51.9%
Interest on Equity and Dividends	(5)	(50)	-90.0%	(29)	-82.8%	(248,774)	(55)	N/A
Increase in capital of non-controlling partners	6,192	-	N/A	-	N/A	6,192	-	N/A
Treasury and other shares	-	-	N/A	-	N/A	-	(274,904)	N/A
Cash Generated (used) in Financing Activities	944,601	(10,586)	N/A	(61,758)	N/A	960,458	1,226,557	-21.7%
Exchange variation on cash and cash equivalents	813	(10,324)	N/A	6,511	-87.5%	10,266	(31,341)	N/A
Increase (decrease) in cash in the period / year	1,166,927	(156,501)	N/A	(29,589)	N/A	1,013,724	350,428	N/A
Opening balance	1,618,527	1,928,231	-16.1%	1,648,116	-1.8%	1,771,730	1,421,302	24.7%
Final balance	2,785,454	1,771,730	57.2%	1,618,527	72.1%	2,785,454	1,771,730	57.2%

Non-recurring events (Adjusted and Recurring EBITDA)

In BRL '000 - Consolidated	4Q23	4Q22	3Q23	2023	2022
EBITDA according to CVM No. 156/22	609,774	559,625	531,008	2,435,222	2,294,462
Extemporaneous Tax Credit	-	-	-	(2,816)	(4,106)
Discontinuation of Operations	(38,117)	23,807	129,338	120,371	73,148
Exclusion of ICMS from the PIS COFINS base	(3,900)	-	(111,917)	(115,817)	-
Impairment (reversal) of assets	-	27,357	-	-	27,357
Dissolving Wood Pulp	(89,973)	(41,435)	(57,114)	(277,320)	(52,531)
Change in fair value of biological assets	(72,560)	(194,576)	(205,619)	(768,592)	(597,867)
Employee benefits	(756)	(8,643)	2,247	2,181	(8,812)
Adjusted and Recurring EBITDA	404,468	366,135	287,943	1,393,229	1,731,651

In BRL '000 - Wood	4Q23	4Q22	3Q23	2023	2022
EBITDA according to CVM No. 156/22	546,238	491,559	512,203	2,227,309	1,786,642
Extemporaneous Tax Credit	-	-	-	(1,534)	(2,825)
Discontinuation of Operations	(31,032)	-	54,378	23,346	7,716
Exclusion of ICMS from the PIS COFINS base	(1,200)	-	(74,203)	(75,403)	-
Change in fair value of biological assets	(72,560)	(194,576)	(205,619)	(768,592)	(597,867)
Employee benefits	(2,629)	(6,009)	(853)	(4,637)	(7,321)
Adjusted and Recurring EBITDA	438,817	290,974	285,906	1,400,489	1,186,345

In BRL '000 - Metals and Sanitary Ware	4Q23	4Q22	3Q23	2023	2022
EBITDA according to CVM No. 156/22	(18,519)	16,919	(23,486)	(52,437)	265,997
Extemporaneous Tax Credit	-	-	-	(1,282)	(1,281)
Discontinuation of Operations	(8,660)	10,843	52,111	72,601	20,525
Exclusion of ICMS from the PIS COFINS base	-	-	(40,414)	(40,414)	-
Impairment (reversal) of assets	-	27,357	-	-	27,357
Employee benefits	1,045	(2,678)	2,930	5,896	(1,611)
Adjusted and Recurring EBITDA	(26,134)	52,441	(8,859)	(15,636)	310,987

In BRL '000 - Tiles	4Q23	4Q22	3Q23	2023	2022
EBITDA according to CVM No. 156/22	(7,918)	9,712	(14,823)	(16,970)	189,408
Donations	1,575	12,964	22,849	24,424	44,907
Exclusion of ICMS from the PIS COFINS base	(2,700)	-	2,700	-	-
Employee benefits	828	44	170	922	4
Adjusted and Recurring EBITDA	(8,215)	22,720	10,896	8,376	234,319

Non-recurring events (Recurring Net Income)

In BRL '000 - Consolidated	4Q23	4Q22	3Q23	2023	2022
Net Income	195,433	217,868	304,125	811,270	764,922
Extemporaneous Tax Credit	-	(3,059)	-	(1,858)	(5,377)
Exclusion of ICMS from the PIS COFINS base	(2,574)	-	(254,648)	(257,222)	-
Impairment (reversal) of assets	-	18,055	-	-	18,055
Discontinuation of Operations	(25,157)	15,713	102,677	96,759	46,564
Dissolving Wood Pulp	(90,208)	(41,621)	(57,348)	(278,011)	(53,082)
Recurring Net Income	77,494	206,955	94,806	370,938	771,082

Content Summary GRI¹ | GRI 102-55

Declaration of use	Dexco reported the information cited in this GRI content summary for the period January 1 to December 31, 2023 based on the GRI Standards. To find out more, access Dexco's 2022 Integrated Report at: https://www.dex.co/esg/relato/	
GRI 1 Used	GRI 1 – Fundamentals 2021	
GRI Standards	CONTENT	PAGE
GRI 2: General Content 2021	2-1 Details of the organization	18
GRI 2: General Content 2021	2-2 Entities included in the organization's sustainability report	11
GRI 2: General Content 2021	2-3 Reporting period, frequency and point of contact	1
GRI 2: General Content 2021	2-6 Activities, value chain and other business relationships	11
GRI 3: Material Themes 2021	3-3 Management of material themes – Material theme: Profitability and financial performance	4
GRI 201: Economic performance 2016	201-1 Direct economic value created and distributed	8

¹ Update of GRI Standards in keeping with the guidelines from the Global Sustainability Standards Board – GSSB, which came into force in January 2023, in line with the publication of Dexco's 2022 Integrated Report, published on May 23, 2023.