



Dexco

Viver ambientes.



INSTITUTIONAL PRESENTATION



Disclaimer

The information herein has been prepared by Dexco S.A. and does not represent any form of prospectus regarding the purchase or subscription to the company's shares or securities.

This material contains general information relating to Dexco and the markets in which the company operates.

No representation or guarantee, expressed or implied, is made herein, and no reliance should be placed on the accuracy, justification or completeness of the information provided.

Dexco does not offer any assurances or guarantees regarding the fulfilment of expectations described.



Dexco

WHO ARE WE

More than **70** years of history, listed since 1951 on the Stock Exchange

+13 Thousand employees

17 industrial units with **2** in Colombia and also **6** forest units¹

1 joint ventures

Leader in the market where it operates

WOOD



PANELS AND FORESTS Duratex Durafloor

- Production and sale of MDP and MDF and laminated and vinyl panels
- Caetex –forestry base in the Northeast



DISSOLVING WOOD PULP



- Joint venture set up with Lenzing AG, for the production of Dissolving Wood Pulp

FINISHINGS FOR CONSTRUCTION & HOME IMPROVEMENT



METALS & SANITARY WARE

Deca Hydra

- Production and sale of metals, sanitary ware and electric showers



TILES

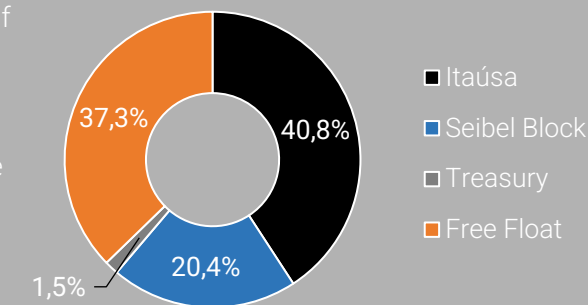
ceusa portinari castelatto

- Production and sale of ceramic tiles and architectural concrete

CORPORATE GOVERNANCE

- Dividend policy requiring minimum distribution of 30% of adjusted net earnings;
- 30% of independent members on the Board Directors;
- Senior board members can not hold an executive position within the Company;
- 6 executive committees;
- Risk management, Compliance, Audit and Ombudsman Departments;

Shareholders Structure (%)



1 – Dexco has a majority stake in Caetex and is now accounted for as a forestry unit..

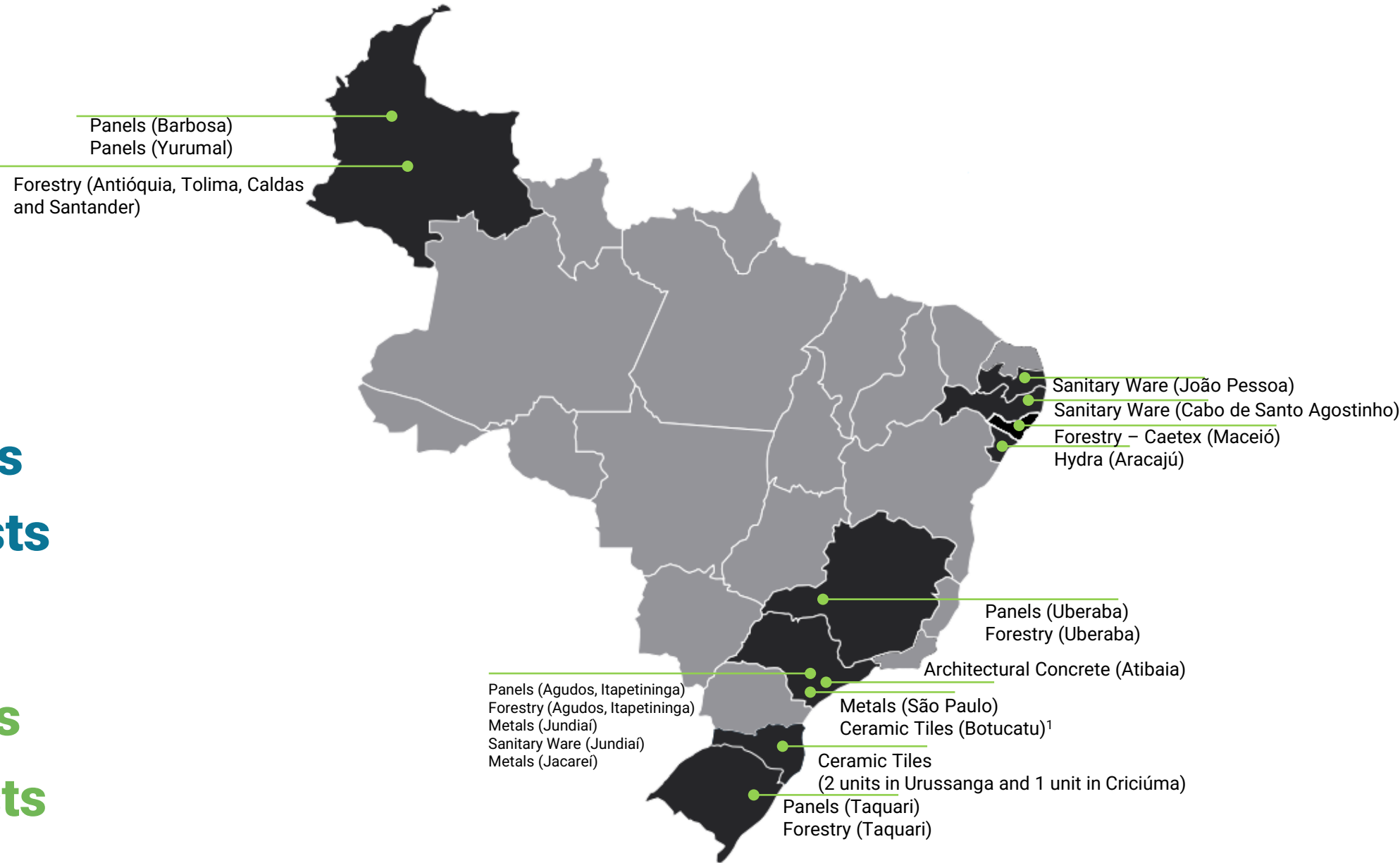
Where are we?

In Brazil

15 Plants
and 5 Forests

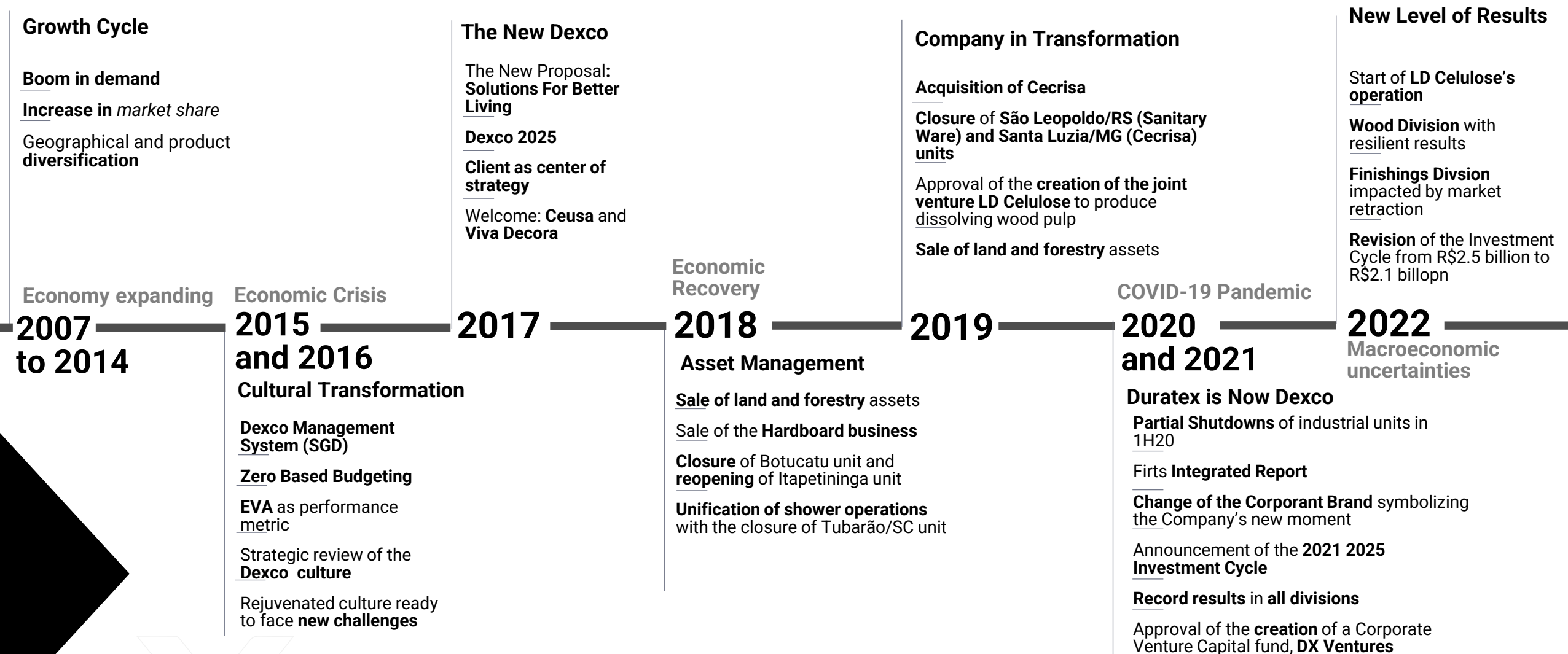
na Colômbia

2 Plants
and 1 Forests



1 – Plant still under construction, expected to initiate its operation in 2024. Not included in the total number of factories

Strategic Development



2023

Strong, into the future.

SCENARIO

- **Political and economic uncertainty** directly impacting the markets in which **Dexco** operates.

- **News linked to the tax framework, coupled with the maintenance of inflation targets** creates an opening for interest rates to start to fall.

- Start of the **reduction in interest rates** cycle;
- But with no **significant impact on the building materials market**;
- Panels market **starting to show signs of recovery**.

- Interest rate continues on a **downward curve**;
- **Reduction in the decline** in the **construction materials market**;
- Sales in the **panels sector remain steady**.



Dexco



Restructuring of the **Executive Committee**.



2021-2025 **Cycle revised** from R\$2.1 billion to **R\$1.8 billion**.



Go live SAP 4/HANA



Effective management of Working Capital leading to **cash generation** and **reduction in leverage**.

WOOD

Fall in panels volumes offset by forestry business.
78% of factory utilization.

Maintenance of market share and forestry business at significant levels.
75% factory utilization.

Sequential improvement in factory utilization.
80% factory utilization.

Best quarter in the Division's history: increase in market share of panels + forestry business.
93% factory utilization.

FINISHINGS

Metals price repositioning and scheduled shutdowns in Tiles.

Review of the factory footprint of Sanitary Ware and partial return of Tiles' market share.

Review of the factory footprint of Tiles.

Temporary factory shutdown to balance inventory levels.

LD CELULOSE

First maintenance shutdown.

Operating at full capacity.

Excellent levels of quality and factory utilization.

Improvement in the operation's productivity curve.

Conclusion

Investment Cycle 2021-2025

PROJECTS DELIVERED

METALS

Capacity & MIX

LOUÇAS

Factory automation

+R\$460
million

WOOD PANELS

Factory Debottlenecking

MIX

+ coated panels capacity

+R\$210
million

DX VENTURES AND CVC

Investment fund for start-ups and scale-ups, supporting the business environment for home improvement and construction

+R\$240
million

TILES

Nova Fábrica

+35% capacity

New technology,
New products,
Factory modernization

+R\$680
million

FORESTRY BASE

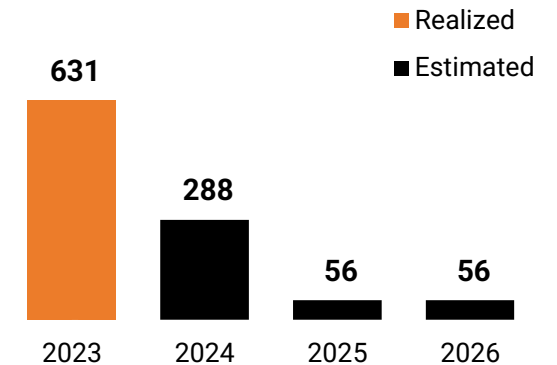
Expansion in the northeast region of the country

+R\$230
million

ONGOING PROJECTS

CAPEX TIMELINE (PROJECTS)

R\$ millions



- + **IMPROVED MIX** ACROSS ALL DIVISIONS
- + **OPTIMIZATION** OF ASSETS WITH **HIGH RETURNS**
- + **SECTOR INNOVATION**



~R\$ 1.8 B
invested

Sustainability Strategy 2025

Review process carried out in 2023 to ensure a more critical and committed approach, not only with respect to the message, but also the actions that impact our stakeholders. The Sustainability Strategy review process included:

01

QUALITATIVE ANALYSIS

Study into the **relevance, adherence and viability** of the targets approved in 2020, in the light of the Company's current situation and the changes that have happened since 2020.

ASSESSMENT OF THE PILLARS

Cross-referencing Dexco's material, priority themes, revised in 2022, with SDGs and demands for new ESG standards and frameworks.

02

03

INVOLVEMENT OF THE BOARD

Approval process with involvement of the ESG Commission, the **Executive Board, the Sustainability Committee and the Administrative Council**.

Results Achieved

7

Targets achieved ahead of schedule

6

Corporate targets developed from consolidating the business targets¹

1

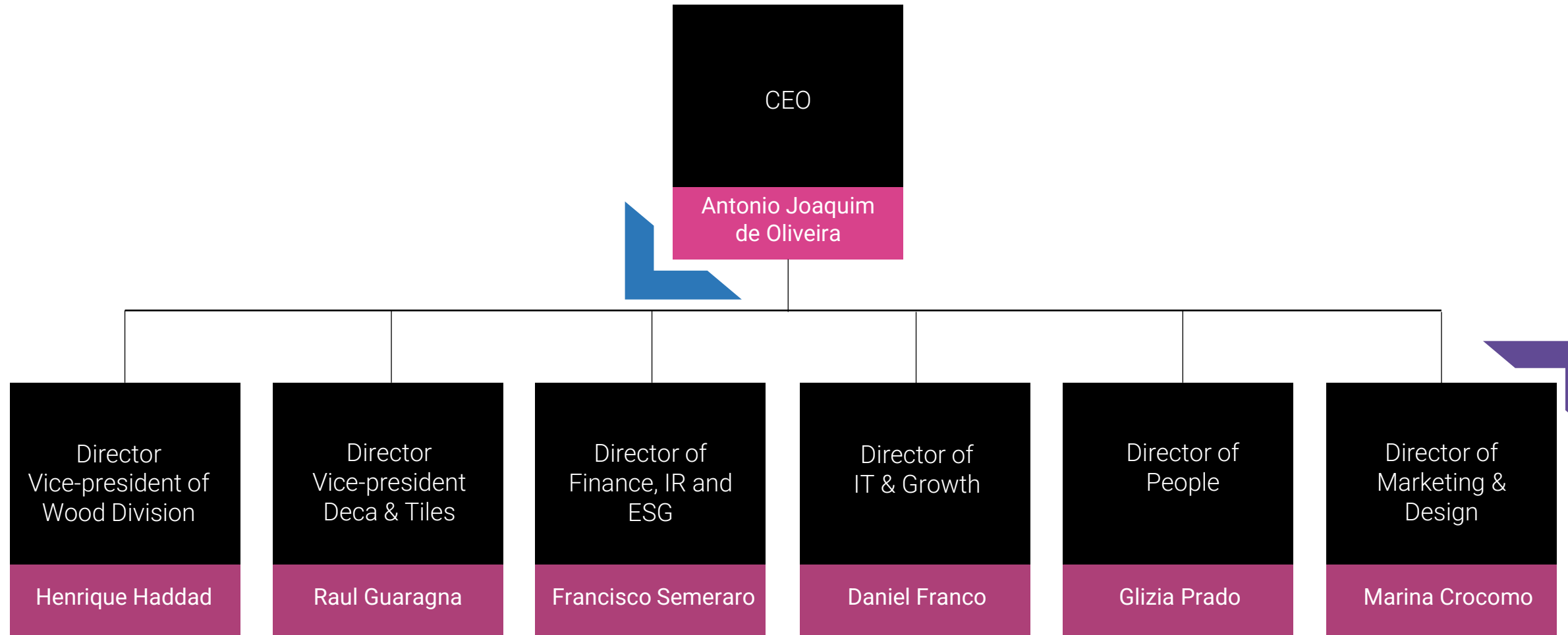
New target, strengthening Dexco's social agenda

Among the main deliveries of the targets are:

- Investment of **approximately R\$246 million invested in start ups and scale ups** that accelerate the construction and home improvement sector;
- **+40% ROL in eco-efficient products and technologies that promote health and well-being**, accelerated by coated panels and ceramic coatings from Portinari;
- **33% of women in leadership positions**, very close to the 35% target stated for 2025;
- Waste disposal target for landfill **driven by the Zero Landfill action at four² manufacturing units in 2023**.

Organizational Structure

Executive Committee





BUSINESS UNITS



WOOD

duratex durafloor  LD Celulose



dexco
Viver ambientes.

Wood Panels | Portfolio



MDP

Uncoated MDP, with applications in the furniture and real estate sectors



MDP BP¹

Coated MDP, standard and textured



High Gloss / Cristallo

Exclusive surface with High Gloss finish.



MDF

Uncoated MDF, with applications in the furniture sector



MDF BP¹

Heavy-duty, coated MDF, standard and textured



Super Matte / Acetinatta

Super matte finish, with a soft touch and does not leave fingerprints.



55% of the capacity in coated wood panels²



Low use of formaldehyde



Market benchmark in design



Floor Covering - Vynil

vinyl floor coverings made from PVC
100% recyclable



Floor Covering - Laminated

Laminate floors composed of HDF, highly resistant to abrasion (scratches, wear)



Accessories

Baseboards and finishes

¹ Low Pressure: Production process for coating wood panels | ² Data referring to 2022

**How about
knowing more
about Duratex
products?**

Click on the links below and
check out our content



Origin of the
Wood



MDP and MDF
Production



Panels Finishing



Evolution of
Wooden Furniture



Sector Environment

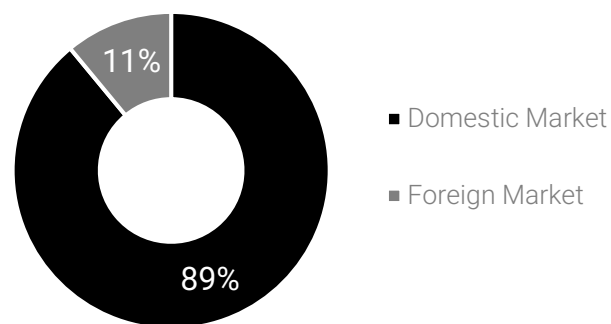
Wood Panels

Main Association: IBÁ
(Indústria Brasileira de Árvores)

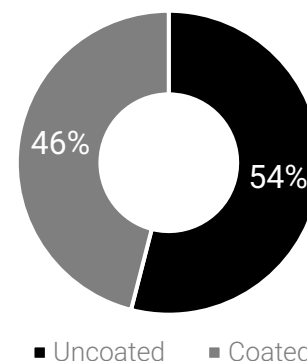
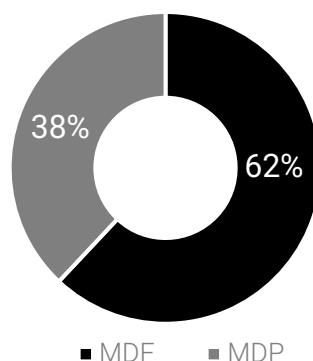
Main Indicators:

- ▶ Brazilian GDP
- ▶ GDP –Civil Construction
- ▶ Consumer Confidence

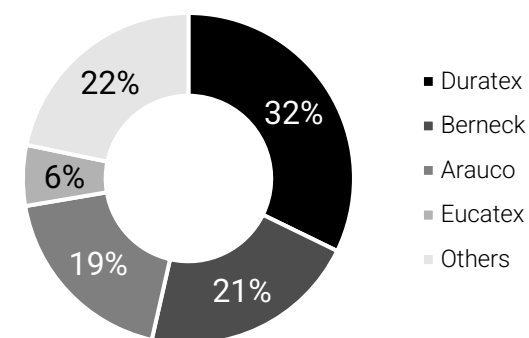
Final Destination¹



Volume by type^{1,2}



Capacity Share Brazil³



1 | Data referring to the year 2023

2 | Domestic Market

3 | Dexco internal estimatives



Operational Data

Wood Panels

Verticalized production with more than **140k ha** of forestry base

Annual production capacity (m³)

- MDP Brazil: ~1.7 million
- MDF Brazil: ~1.8 million
- Colombia: ~0.2 million

4 Industrial Units - Brazil

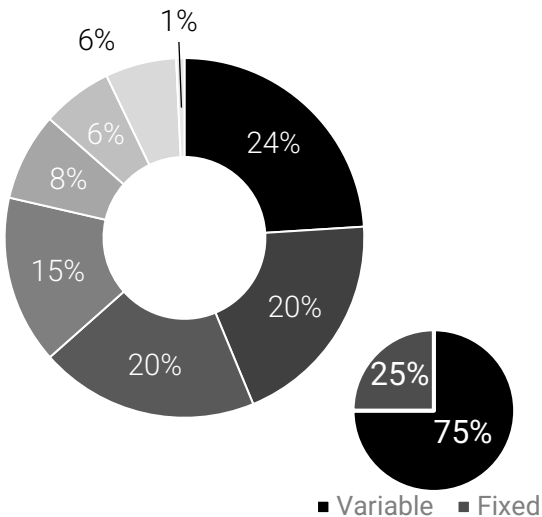
- Agudos (SP): MDF and Durafloor
- Itapetininga(SP): MDF and MDP
- Uberaba (MG): MDF and MDP
- Taquari (RS): MDP

Capacity Share Brazil (2023)

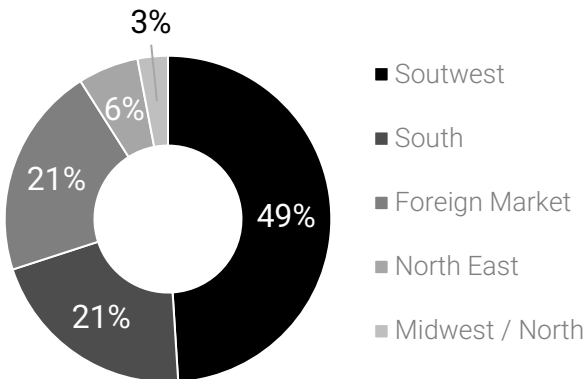
- MDP: 43%
- MDF: 25%

Cost Segmentation

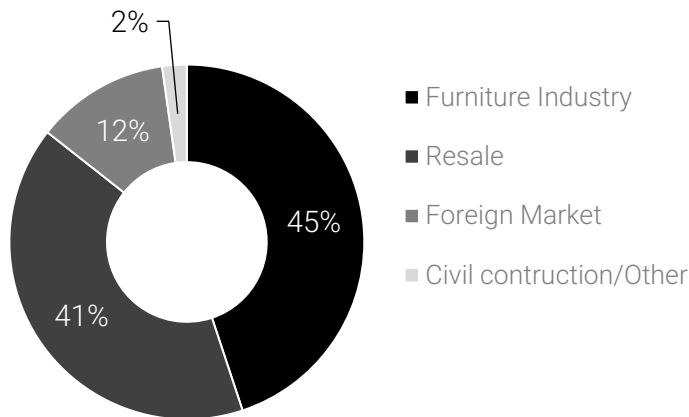
- Wood
- Resin
- Other materials
- Paper
- Labor
- Electricity
- Depreciation and amortization
- Fuel



Net Revenue Geographic Breakdown(%)



Sales Breakdown by Industry (%)



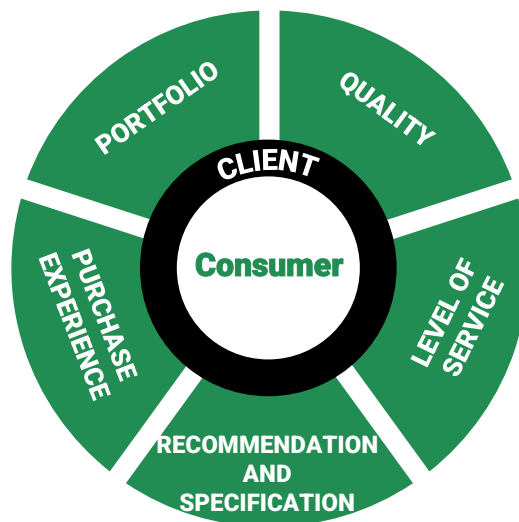
DX24-28 duratex

*Being a protagonist in
the Client and Consumer
Journey*

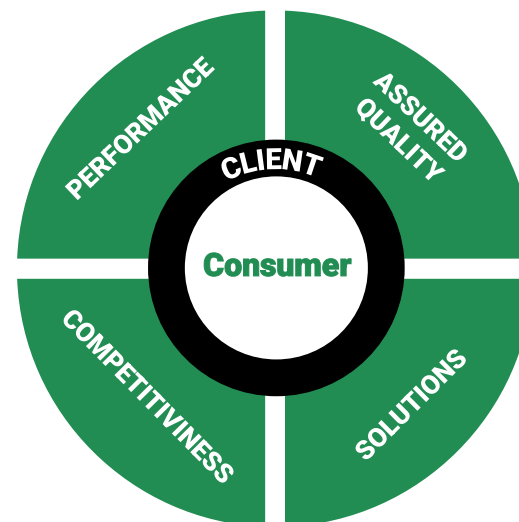
Building Resilience &

Anticipating Trends

**Consumer
Journey**



**Efficiency
Journey**

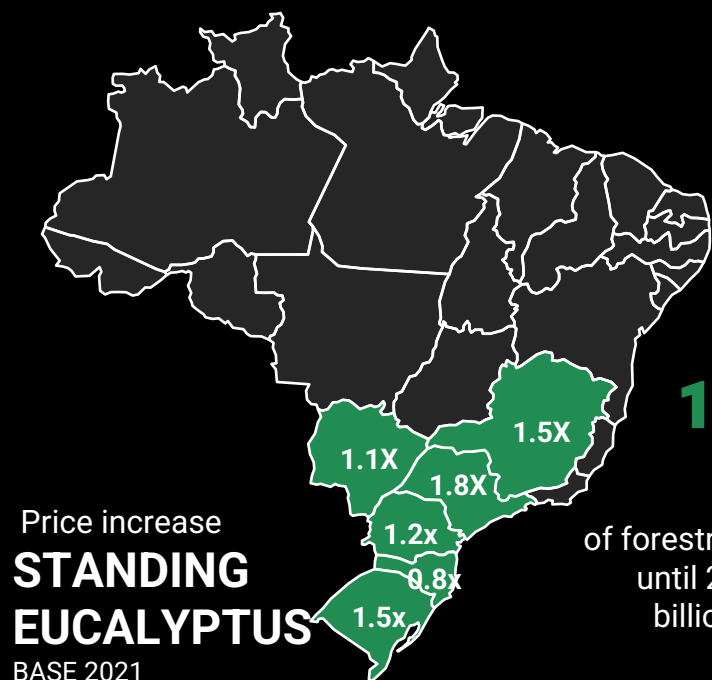


**New Uses of
Wood**

Investees	LD CELULOSE
	CAETEX
DX Ventures	URBEM
	NOAH
	BRASIL AO CUBO
Tech	PROSPECTS
	...

Forestry Base

Forestry & Wood Market



13 expansion projects

of forestry companies in progress until 2028. Brazil totals US\$12 billion in forecast investment

The average price of Wood in 2023¹ is ~2.2x the value of 2021



Exploit
the existing asset

Optimize
average radius
-15% the last 7 years



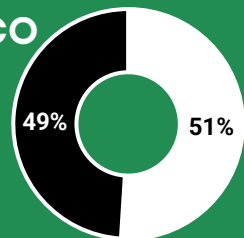
Sell
surpluses arising

Dissolving Wood Pulp

Creation of a JV to supply Lenzing's demand for DWP

SHAREHOLDER STRUCTURE

DEXCO



Lenzing
Innovative by nature

TOTAL INVESTMENTS



USD 1.4 BILLION



PRODUCTION VOLUME OF 500 Thousand ton/year, with a debottlenecking capacity of +10%



Generation of **CLEAN ENERGY**, with 95 mw for sale



START OF OPERATION IN APRIL/2022, following maintenance shutdown, it operated at full capacity at 2023



Long-term average price
DWP USD ~900/ton



Production cash cost¹
USD ~300/ton (freight China)



SUPPLY CHAIN



DEXCO
Viver ambientes.

Sector Environment

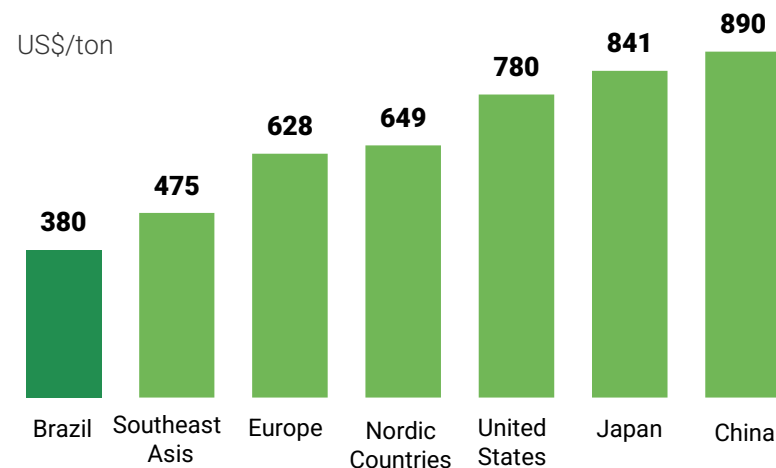
Dissolving Wood Pulp

Global Insights

Prospects for the sector remain **positive**



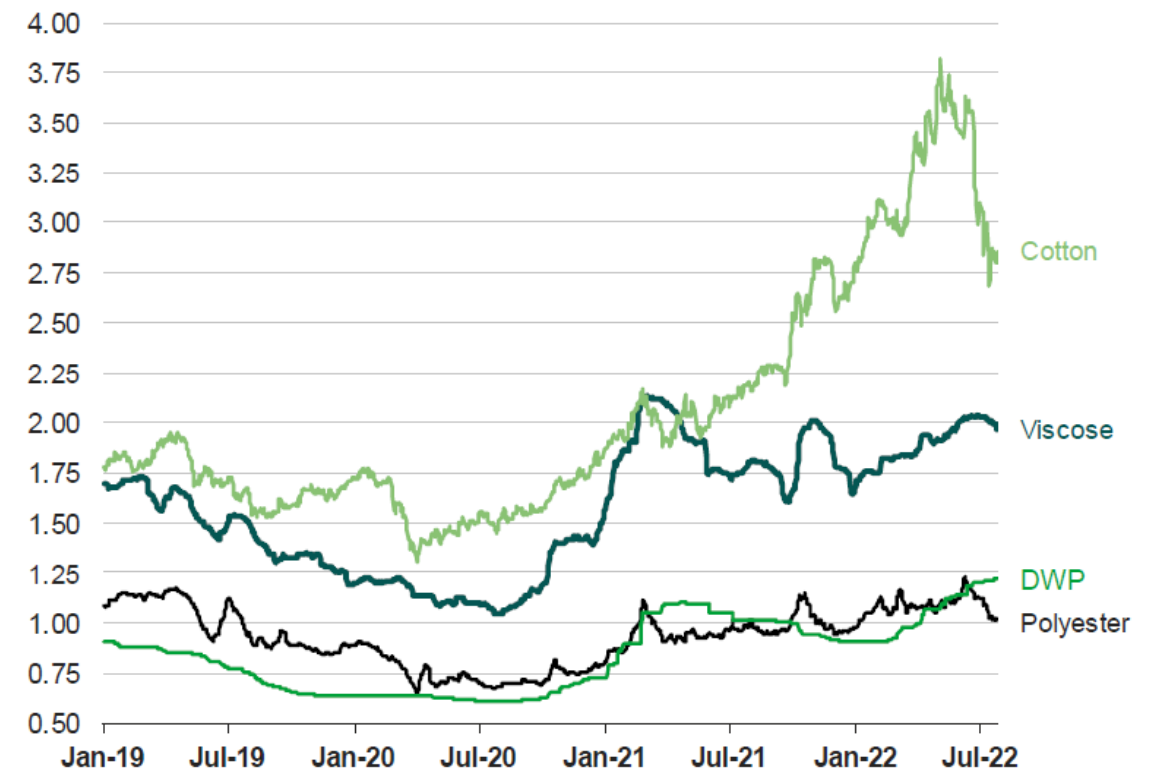
Cash Cost per Region



- Cash cost of production a differential for the project, being one of the most competitive in Brazil;
- Prices of DWP China at high levels, with good prospects in the medium term

Price of fibers/China

US\$/kg, excl. VAT





FINISHINGS FOR CONSTRUCTION

deca portinari hydra castelatto ceusa

Raul Guaragna

Dexco Day 2023

dexco
Viver ambientes.

Metals & Sanitary Ware | Portfolio

DECA
Hydra



Sinks

Applications in commercial and residential kitchens and bathrooms (Inox sink, "Brutalistas")



Sanitary Ware

Applications in commercial and residential bathrooms



Metals

Wide range of tap and shower heads for bathrooms and kitchens



Electric Products

Electric taps and showers for bathrooms and kitchens



Valves


Used to activate the water systems of the sanitary basin




Accessories

Towel racks, soap dishes, among others

How about knowing more about Metals and San. Ware products? Click on the links below and check out our content

Casacor 2023 

Institutional Plant 

Expo Revestir 2023 



Sector Environment

Metals & Sanitary Ware

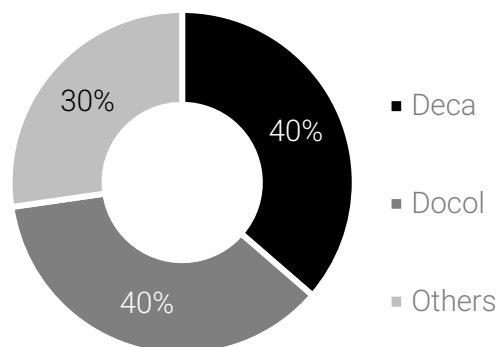
Main Association: ABRAMAT
(Associação Brasileira de Materiais de Construção)

Main Indicators:

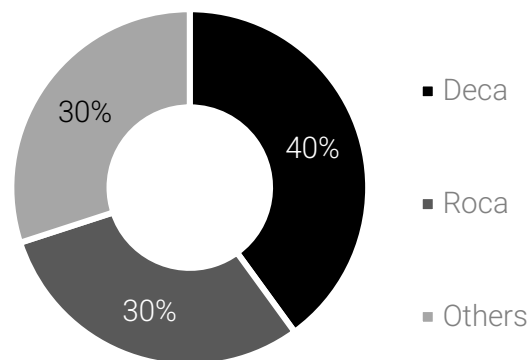
- ▶ Brazilian GDP
- ▶ GDP – Civil Construction
- ▶ Consumer Confidence
- ▶ New Constructions
- ▶ Resale – Civil Construction



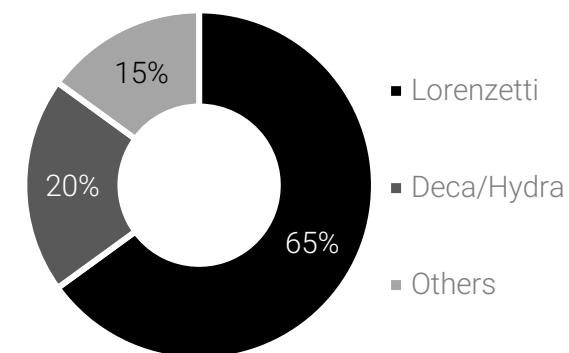
Market Share Metals (% Revenue)¹



Market Share Sanitary Ware (% Revenue)¹



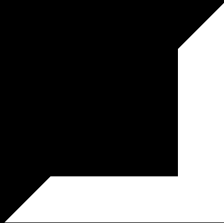
Market Share Showers (% Revenue)¹





Operations Data

Metals & Sanitary Ware



Metals

3 Industrial Units

- São Paulo (SP)
- Jacareí (SP)
- Jundiaí (SP)

~ 22 million pieces / year

Sanitary Ware

3 Industrial Units

- Jundiaí (SP)
- João Pessoa (PB)
- Cabo de Santo Agostinho (PB)

~ 11 million pieces / year

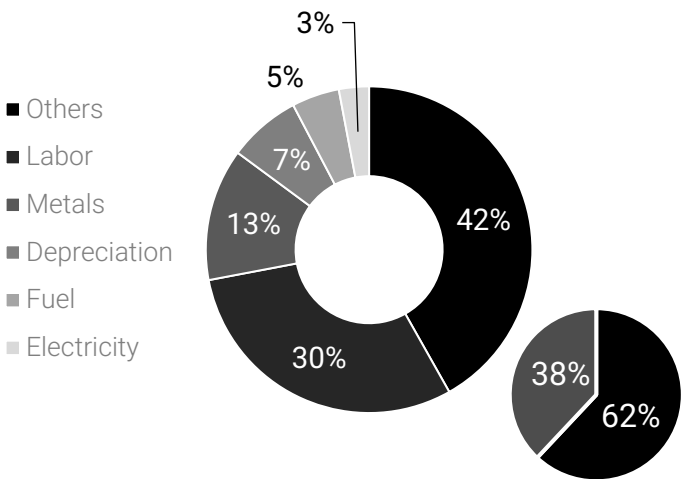
Showers

1 Industrial Unit

- Aracaju (SE)

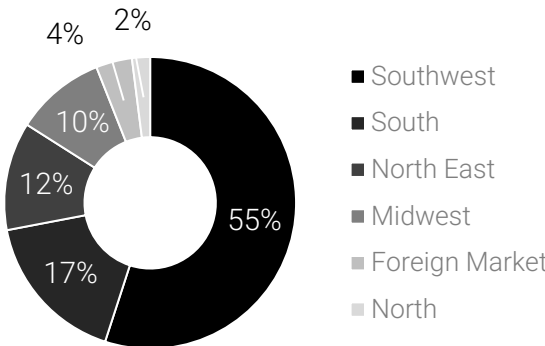
~ 12 million pieces / year

Cost Breakdown (%)

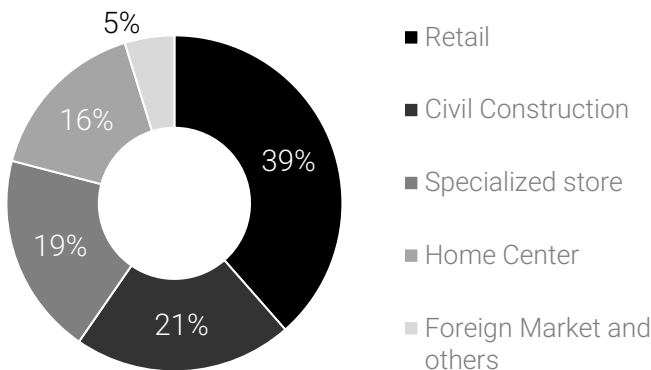


■ Variable ■ Fixed

Net Revenue Geographic Breakdown (%)



Sales Breakdown By Industry



Portfolio Tiles

Product Differentials



HARD

Non-slip High Performance, providing greater slip resistance, improved cleanability performance, higher resistance to wear, scratches, and chemical attacks, and increased safety and comfort for consumers.



Monocaliber

Same size of floor and tiles in all production batches.



Dry Joint Fitting

The tiles can be installed adjacent to each other without any spacing between them, giving the impression of a single panel.

Polished Porcelain Tiles

Applications in drier environments such as living rooms, corridors and bedrooms



Architectural Concrete

Diverse applications for all environments



Tiles

Wide range of applications for wet or dry environments



Special Tiles

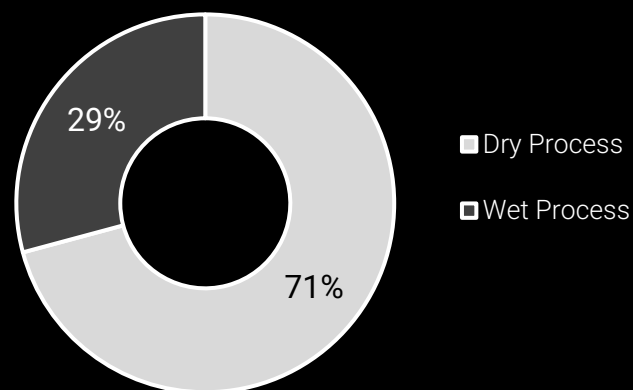
Wide range of applications with exclusive designs using 3D technology



Sector Environment Tiles

Main Association: ANFACER
(Associação Nacional dos Fabricantes de Revestimentos Cerâmicos)

Production by type of process (%)

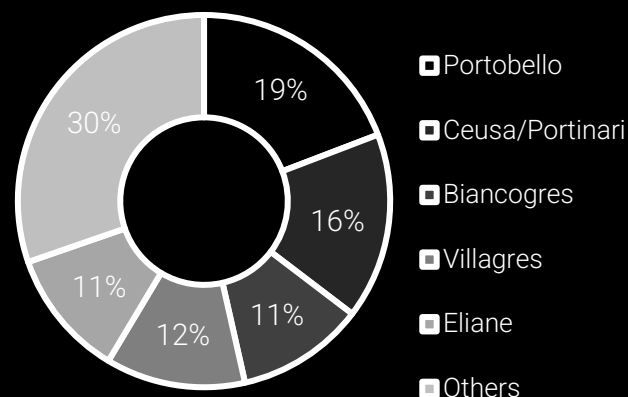


Main Indications:

- ▶ Brazilian GDP
- ▶ GDP – Civil Construction
- ▶ Consumer Confidence
- ▶ New Constructions
- ▶ Resale – Civil Construction



Market Share (% Revenue)¹



¹ – Dexco Internal Estimatives and this information refers only to the wet process segment

Operational Data Tiles

4 Industrial Units

- Atibaia (SP): Architectural Concrete
- Criciúma(SC)¹: Ceramic Tiles
- Urussanga (SC): Ceramic Tiles

Capacity Share

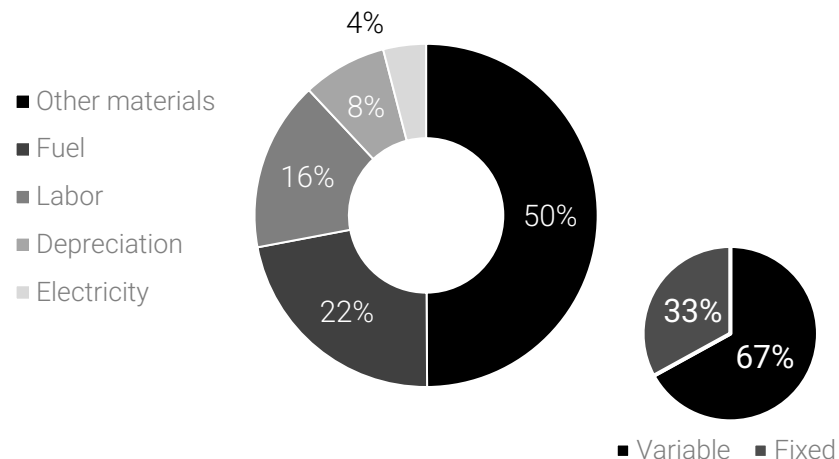
- 3%

Annual Production Capacity

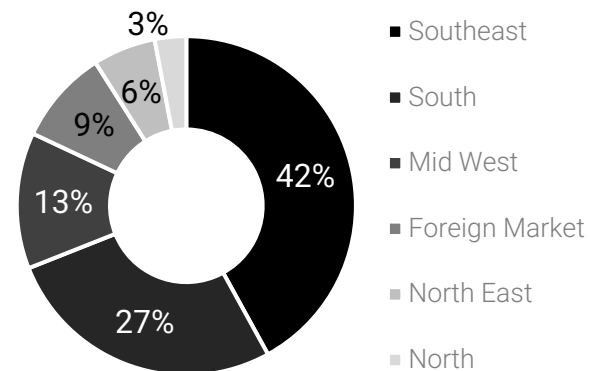
- 31 million of m²/year



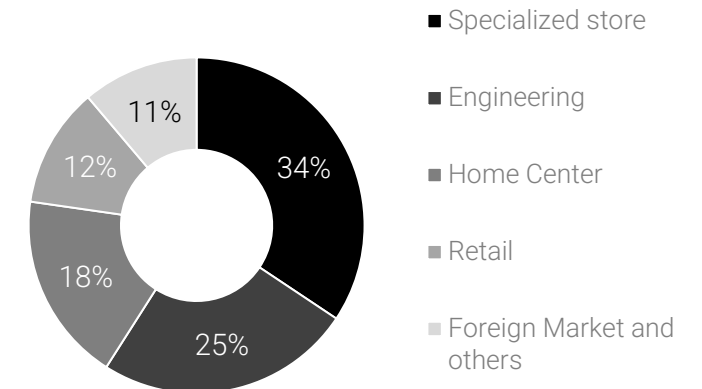
Cost Breakdown (%)



Net Revenue Geographic Breakdown (%)



Sales Breakdown By Industry



STRATEGIC AGENDA

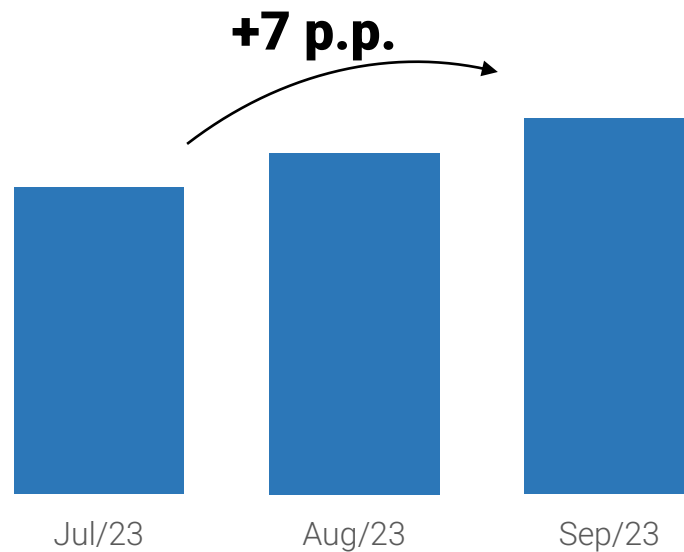
deca portinari hydra castelatto ceusa

- Results from the structural activities starting to be captured

PREPARING THE FUTURE OF THE DIVISION:

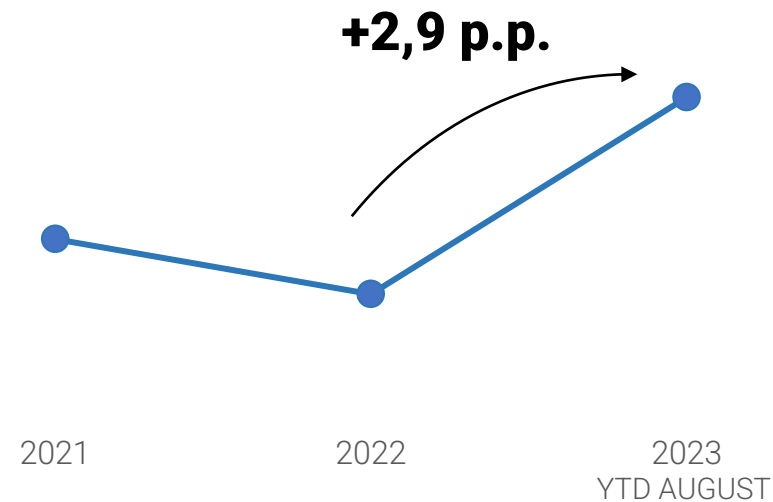
EXPANSION OG PVD METALS CAPACITY | MANUFACTURING AUTOMATION | TECHNOLOGICAL INFRASTRUCTURE:

Quality sanitary ware (%)

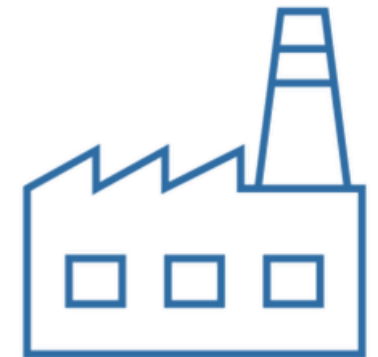


Market share¹ - Price repositioning

Sanitary metals – Mono Comando Dcoat



Adjusting the industrial footprint



SOLID BASE FOR THE YEARS AHEAD...



STRATEGIC
AGENDA



deca portinari hydra castelatto ceusa

HONOR OUR LEGACY serving our clients and consumers with a
HIGH LEVEL OF SERVICE, with **STRONG BRANDS** and a **CLEAR GROWTH PATH**

BUILDING MARKET SHARE IN THE MEDIUM AND LUXURY SEGMENTS

**COMMERCIAL
EXCELENCE**



**OPERATIONAL
EFFICIENCY**



**BENCHMARK
SERVICE LEVELS**



**NEW AVENUES
OF GROWTH**



 **CONSUMER CENTRIC**

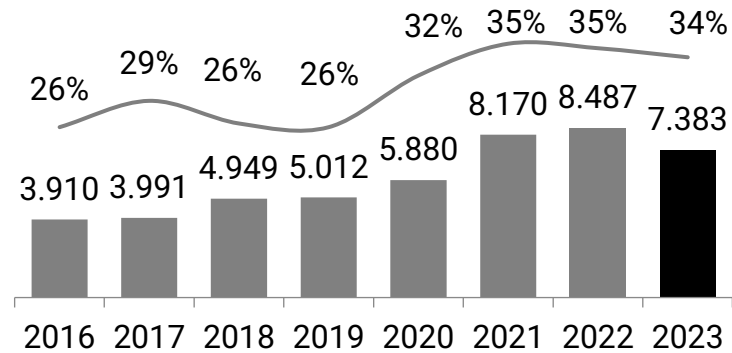
DATA & DIGITAL 



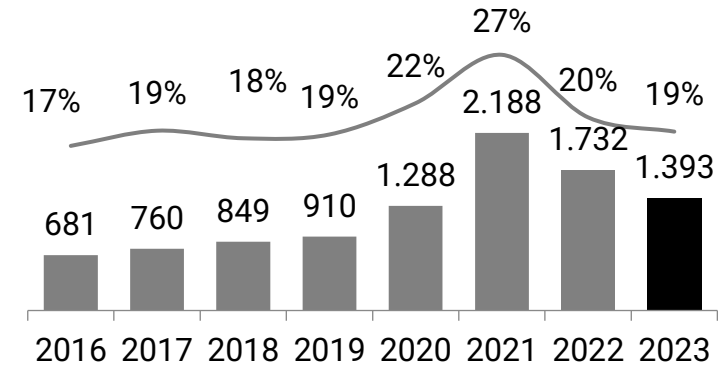
FINANCIAL INFORMATION

Consolidated Results

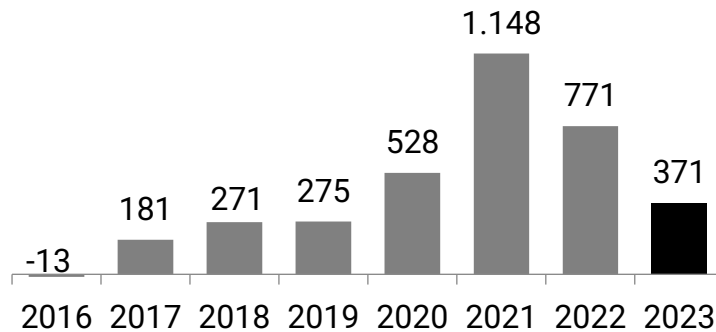
Net Revenue and Gross Margin Pro Forma



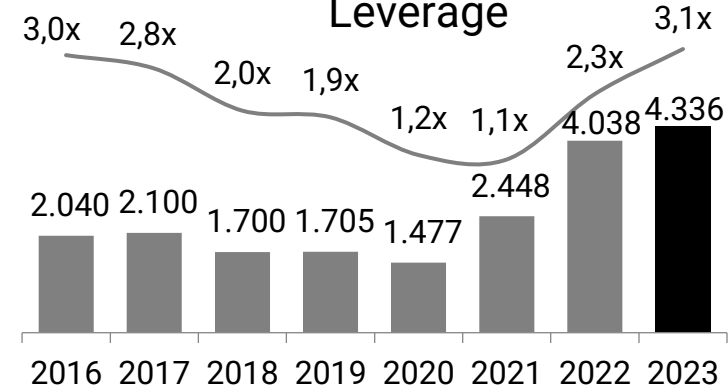
Recurring EBITDA¹ and EBITDA Margin



Recurring Net Income



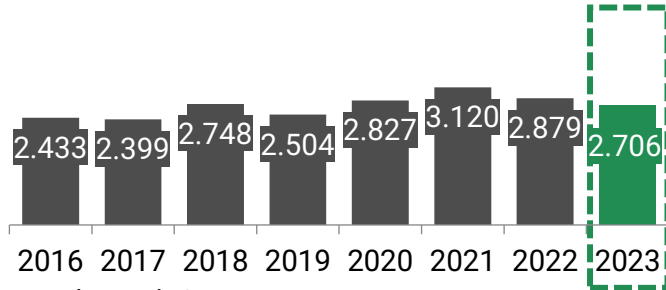
Net Debt and Financial Leverage



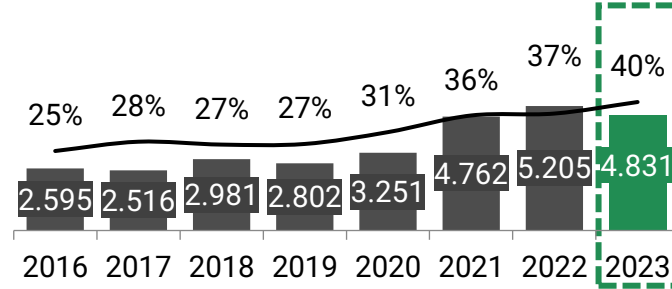
Business Units Results

Wood Panels

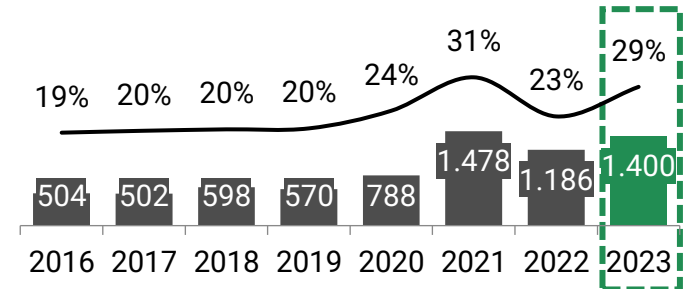
Volume (‘000 m³)



Recurring Net Revenue and Gross Mg. Pro Forma

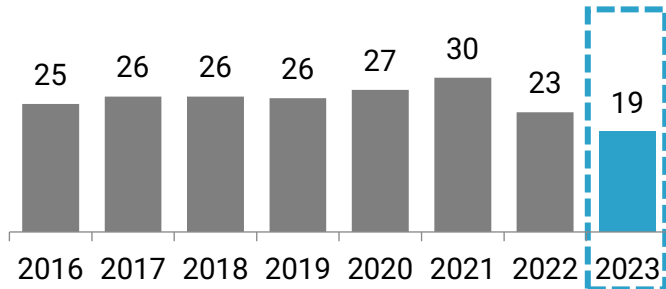


Recurring EBITDA and EBITDA Margin

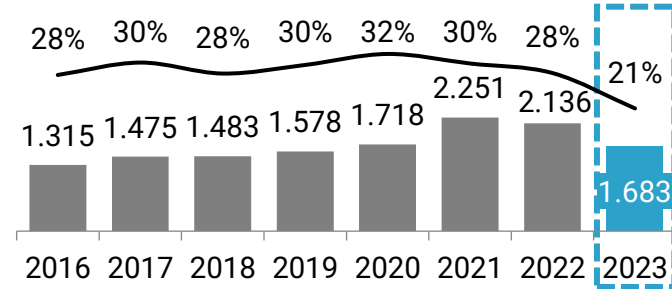


Metal and Sanitary Ware

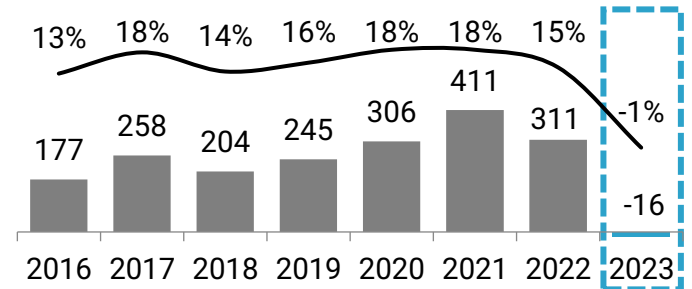
Volume (millions of itens)



Recurring Net Revenue and Gross Mg. Pro Forma

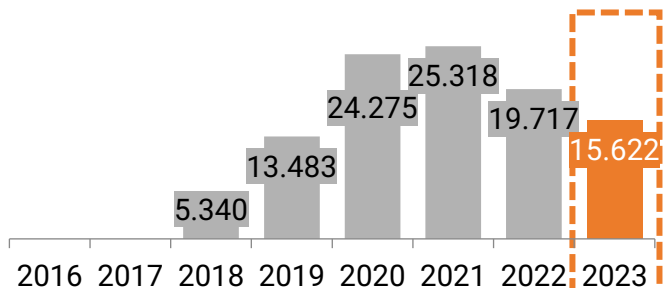


Recurring EBITDA and EBITDA Margin

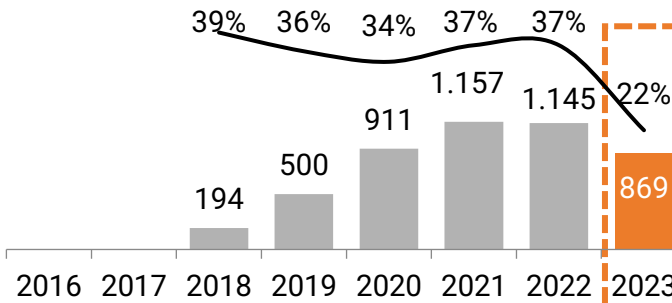


Tiles

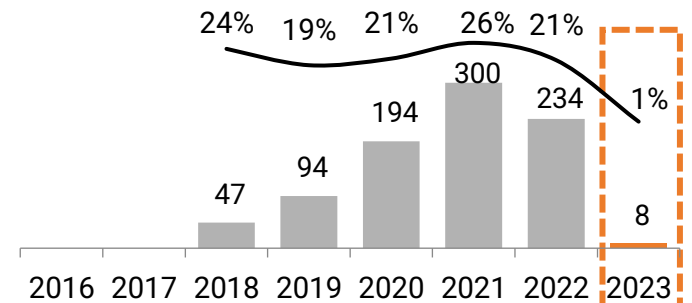
Volume (‘000 m²)



Recurring Net Revenue and Gross Mg. Pro Forma

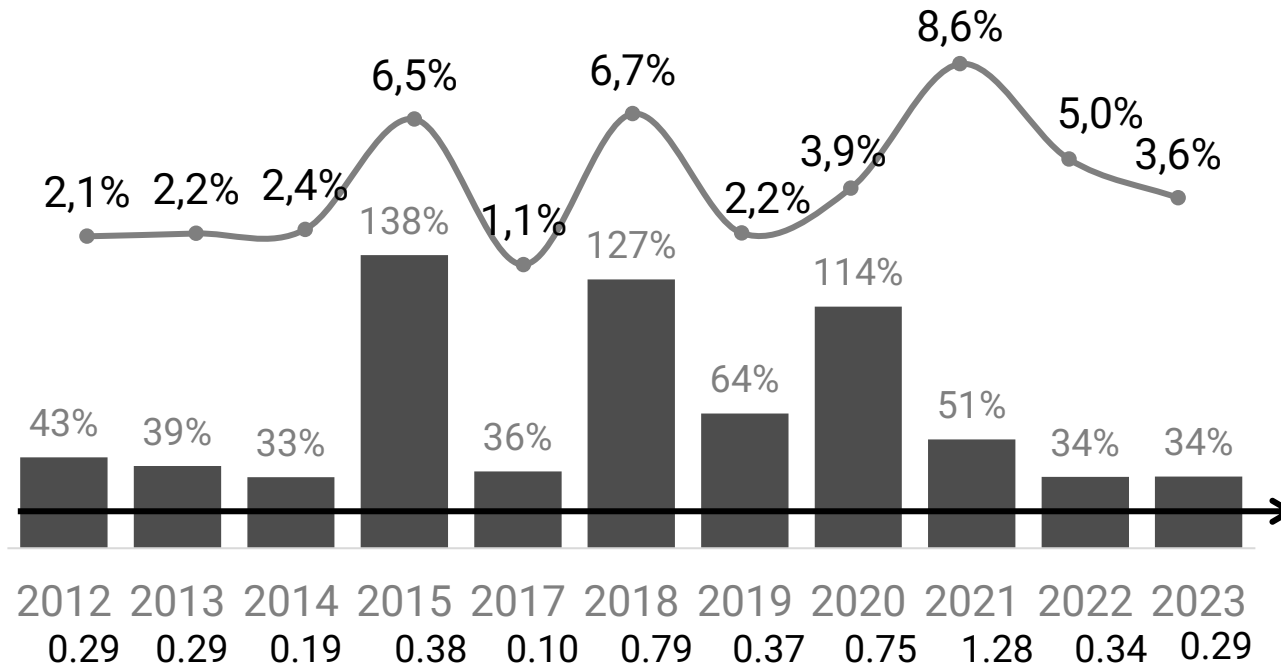


Recurring EBITDA and EBITDA Margin



Dividends Policy¹

Payments at least once per fiscal year.



Dividend Yield (%)

(R\$ / Share) / Quote on the last business day of the year

Payout

(Gross total earnings distributed * Total shares ex-treasury) / Net Profit

Minimum dividend

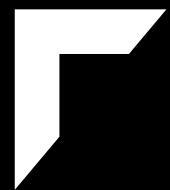
(30% of adjusted net income²)

Payment

R\$ / Share

¹ In 2016, no disbursements was made regarding dividends and interest on capital

² As provided for in the Bylaws



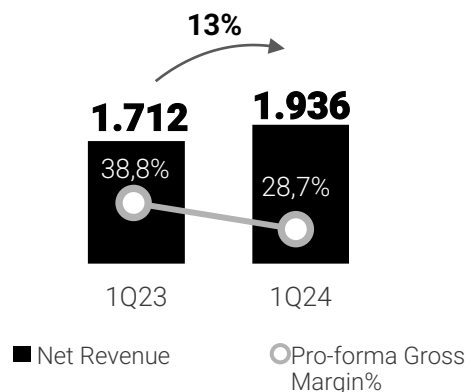
RESULTS **1Q24**

Highlights 1Q24

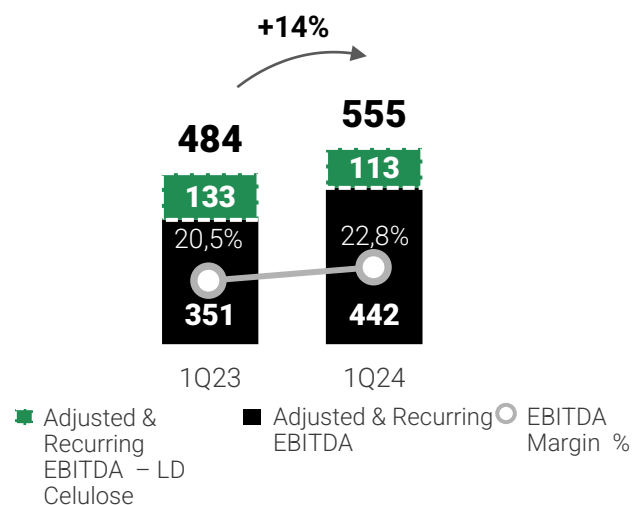
Pro forma Adjusted & Recurring EBITDA of **R\$555 million in 1Q24**, including the 49% EBITDA from LD Celulose

- ▶ Wood Division with consistent performance of panels and the optimization of forestry assets;
- ▶ Quarterly gains in the Finishings Division led by the return to full operation of its business units, leading to cost improvements, and growth in market share;
- ▶ Dexco's Adjusted & Recurring EBITDA totaled R\$442 million in 1Q24, with a margin of 23%
- ▶ LD Celulose impacted by scheduled maintenance, with a Recurring EBITDA of R\$231 million in 1Q24 and Margin of 39%, R\$113 million pertaining to Dexco.

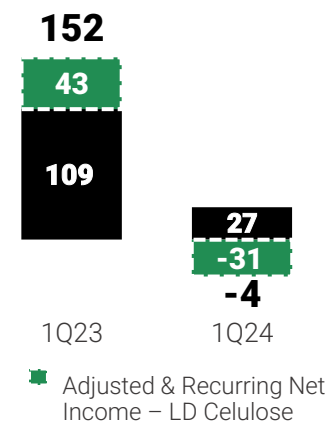
Recurring Net Revenue and Gross Margin R\$ million / %



Adjusted & Recurring EBITDA and Margin R\$ million / %



Recurring Net Income R\$ million



Cash Flow

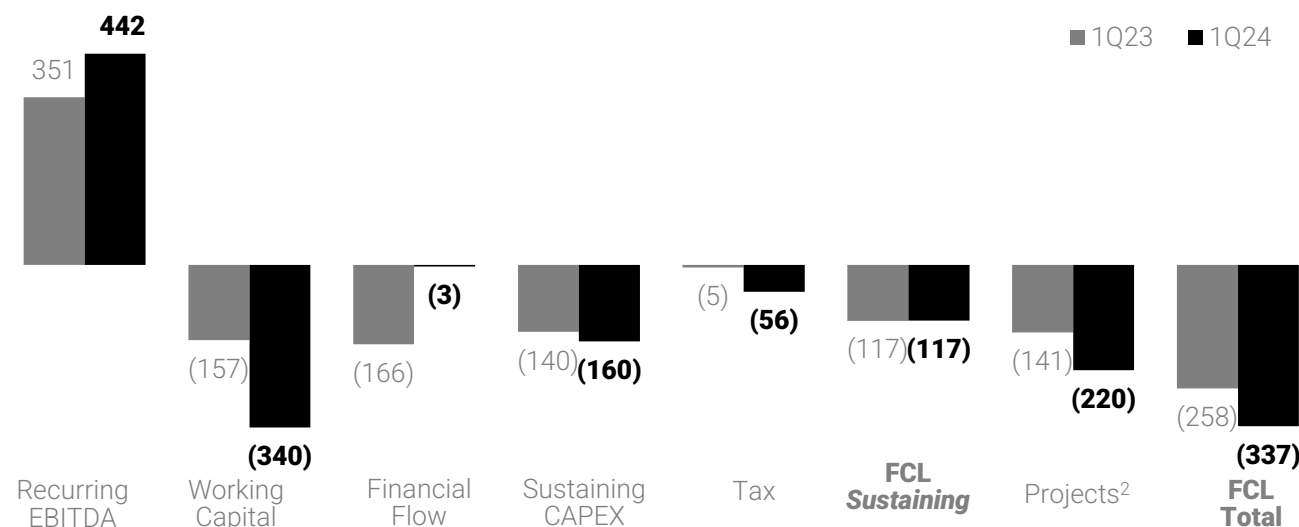
1Q24

Working Capital/Net Revenue (~17%), at low levels

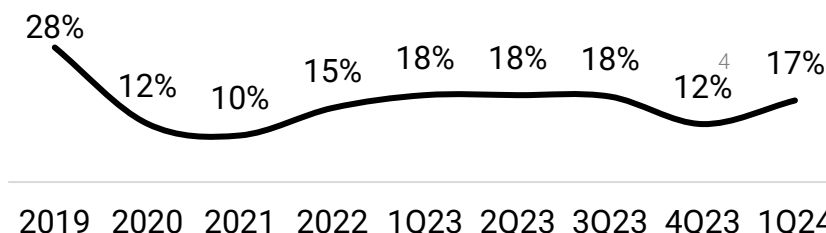
- ▶ Working Capital impacted by the increase in levels of sales in the businesses;
- ▶ Reforestation process impacted sustaining CAPEX in the quarter;
- ▶ Projects in the 2021-2025 investment cycle in 1Q24:
 - R\$76 million: New Tiles unit in São Paulo
 - R\$11 million: Productivity projects, improvements to the mix and automation of sanitary ware
 - R\$7 million: Improvement to the mix and expansion of the forestry base
 - R\$9 million: DX Ventures

Free Cash Flow YTD

R\$ million



Working Capital/Net Revenue



CAPEX R\$ million

Investment	1Q23	1Q24
FORESTRY OPEX	80	116
MANUTENÇÃO	60	44
Sustaining CAPEX ¹	140	160
PROJECTS ³	141	135

– Maintenance, factory modernization and business sustaining | 2– Projects, DX Ventures, M&A and LD Celulose | 3 – Expansion projects (1Q24): R\$93.8 million; DX Ventures: R\$9.1 million; Other projects: R\$ 32.6 million | 4 – Not including one-off events during the quarter

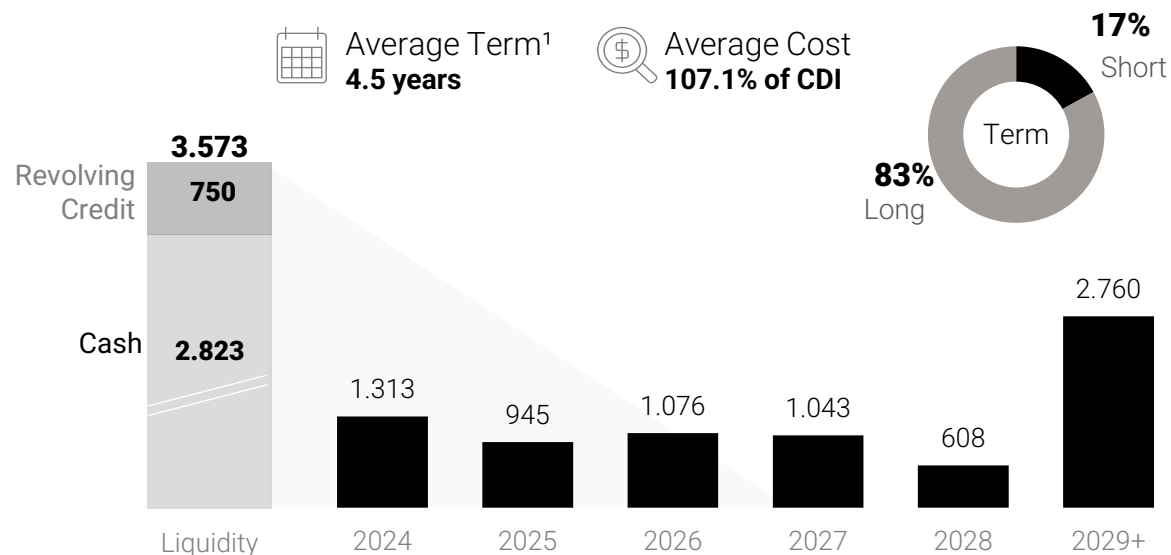
Corporate Debt 1Q24

Leverage at **3.3x**
impacted by Working
Capital and Projects

- ▶ Increase in leverage to 3.3x, result of pressure on Working Capital and spending in the Investment Cycle of R\$103 million;
- ▶ Liability management: Complementary issue of CRA totaling R\$375 million with extension of the average payment term by 0.2 year.

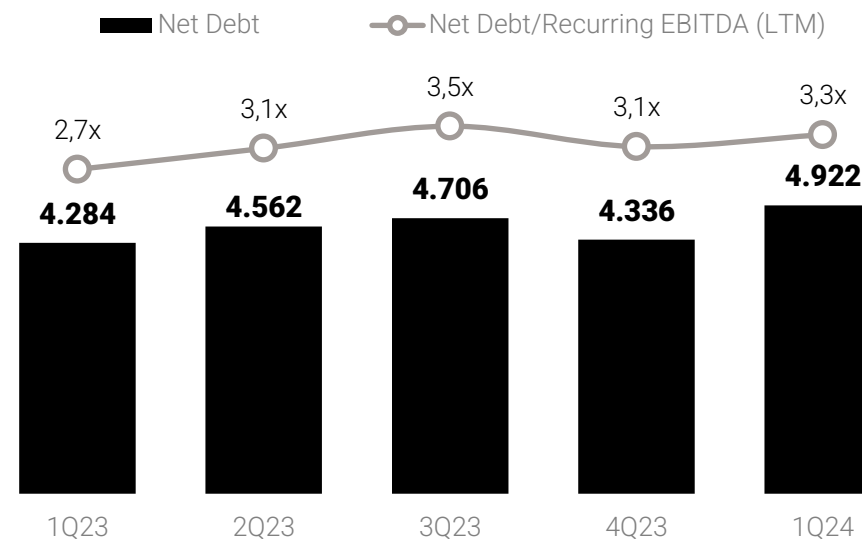
Amortization Timeline

R\$ million



Financial Leverage

R\$ million



1 – Average weighted debt term



WOOD

duratex durafloor  LD Celulose



dexco
Viver ambientes.

Sector Environment

Wood Panels

IBÁ Data

- ▶ Steady improvement versus 1Q23;
- ▶ Annual growth in the main markets (Carpentry and Furniture Industry), reflected in an increase in sales in both MDF and MDP over the period.



Total panels

Volume 000m³

vs 2023

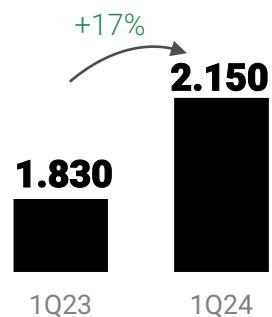
1Q24

Domestic Market

+10%

Foreign Market

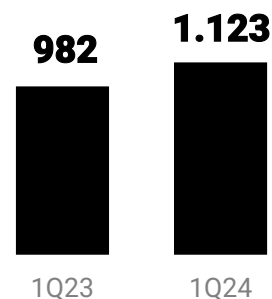
+75%



MDF Domestic Market

Volume 000m³

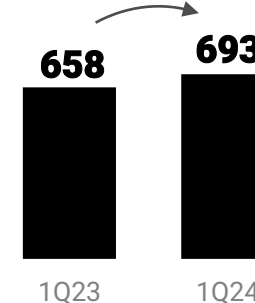
+14%



MDP Domestic Market

Volume 000m³

+5%

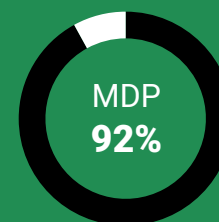
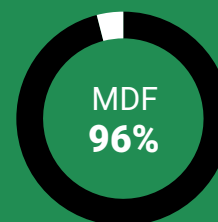
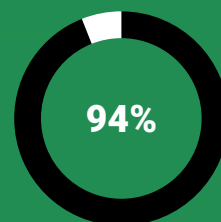


Results Wood

- ▶ Solid results: ongoing growth in market share of panels and forestry businesses while optimizing the profitability of assets;
- ▶ Utilization rates sustained quarter-on-quarter, supporting fixed cost dilution and profitability levels;
- ▶ Results of the Division sustained versus 4Q23, with a record Adjusted and Recurring EBITDA of R\$439 million and margin of 33% in 1Q24;

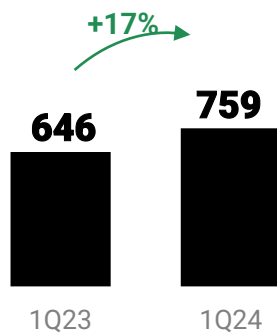
Capacity Utilization 1Q24

%



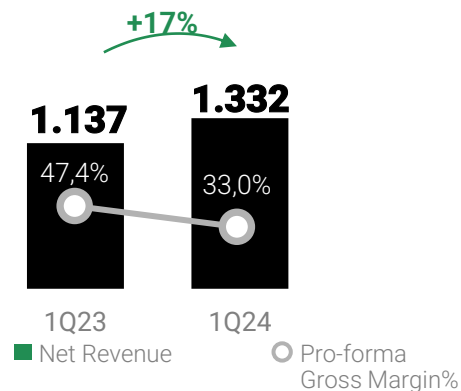
Volume

000m³



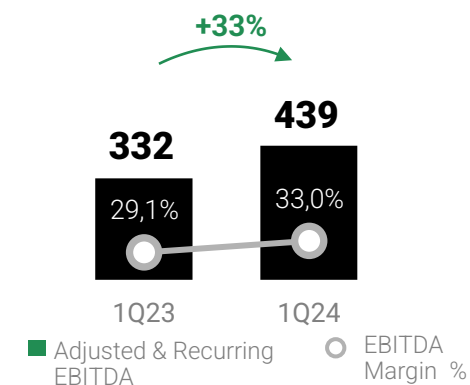
Recurring Net Revenue and Pro-forma Gross Margin

R\$ million / %



Adjusted & Recurring EBITDA ¹ and Margin

R\$ million / %



1 – Adjusted & Recurring EBITDA is net of the effects of the variation in biological assets

Dissolving Wood Pulp

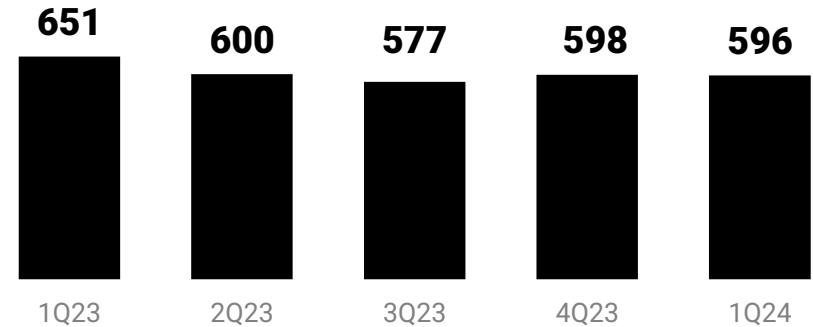
Operating at full capacity following scheduled maintenance shutdown

- ▶ Scheduled maintenance shutdown put pressure on costs in the quarter;
- ▶ Pro-forma Recurring EBITDA pertaining to Dexco of R\$113 million in 1Q24, with a margin of 39%.



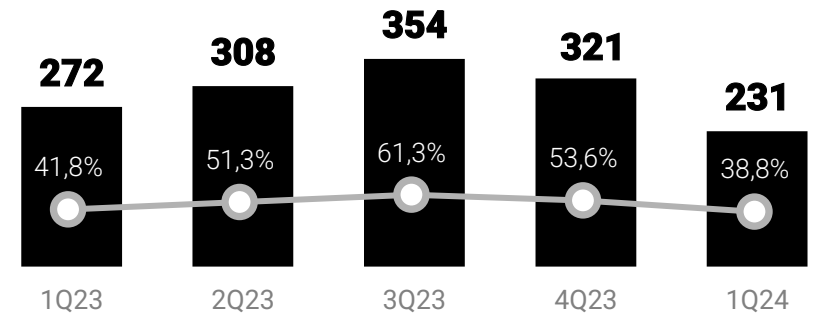
Recurring Net Revenue

R\$ Million



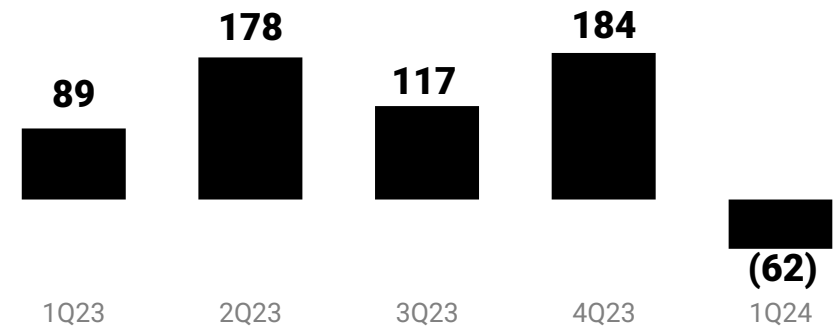
EBITDA and Margin EBITDA

R\$ Million | %



Net Income

R\$ Million





FINISHINGS FOR CONSTRUCTION

deca portinari hydra castelatto ceusa

Sector Environment

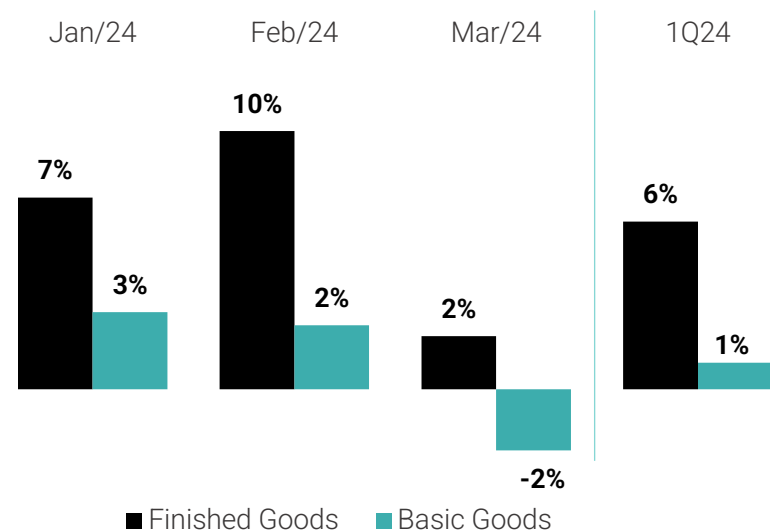
Metals and San. Ware

ABRAMAT data

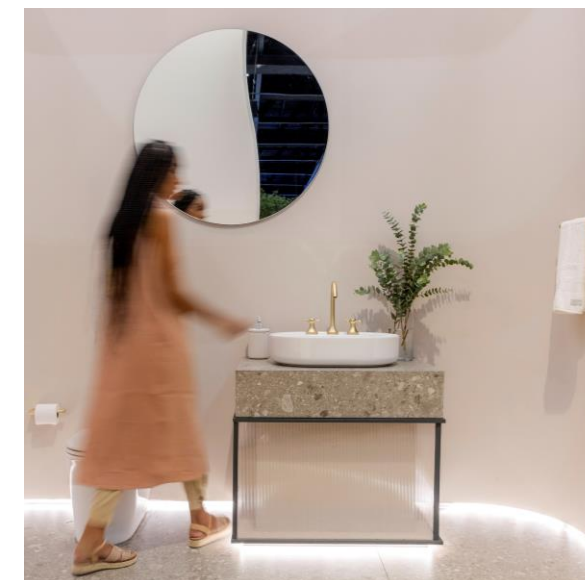
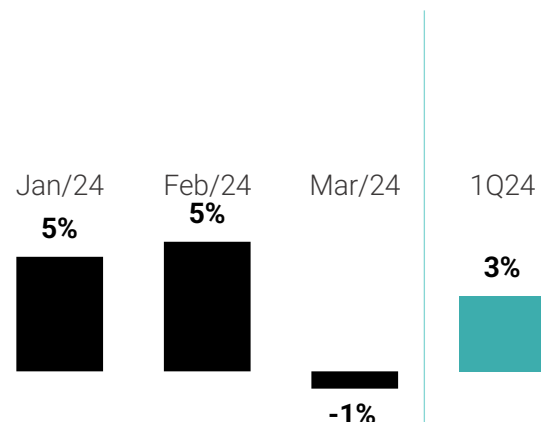
- ▶ Signs of market recovery in the finishings sector, with average growth of 6% in the period;
- ▶ Perspective growth of 2.0% for 2024, according to ABRAMAT.



Gross deflated revenue by type of product vs 1Q23¹



Building materials sector revenue vs 1Q23¹

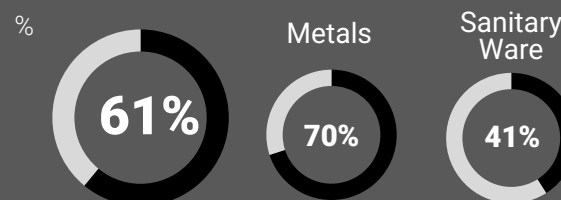


Results

Metals and Sanitary Ware

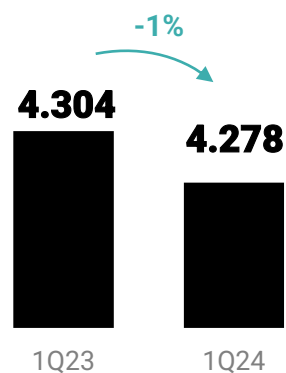
- ▶ Net Revenue boosted by improvements of the mix;
- ▶ Operations unaffected by temporary shutdowns leading to a quarter-on-quarter reduction in cost levels and improvement in profitability versus 4Q23;
- ▶ Adjusted and recurring EBITDA was negative at R\$ -2 million in 1Q24, a significant improvement compared to the result of R\$ -26 million reported in 4Q23.

Capacity Utilization¹ 1Q24



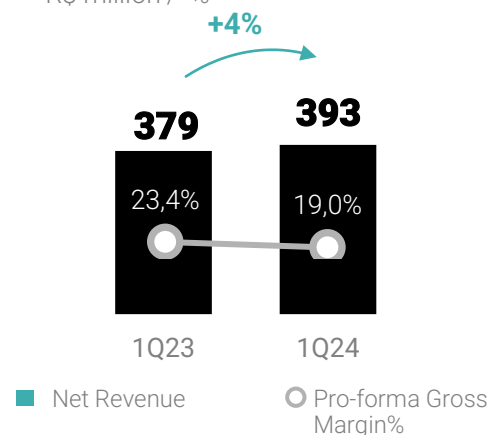
Volume

'000 Pieces



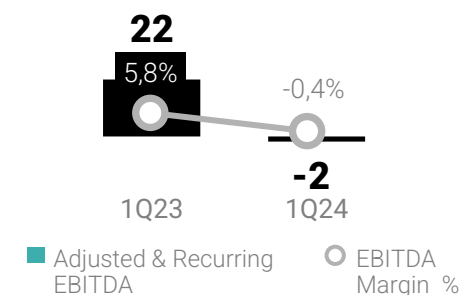
Recurring Net Revenue and Pro-forma Gross Margin

R\$ million / %



Adjusted & Recurring EBITDA¹ and Margin

R\$ million / %



1 - Not including the effects of shower capacity.

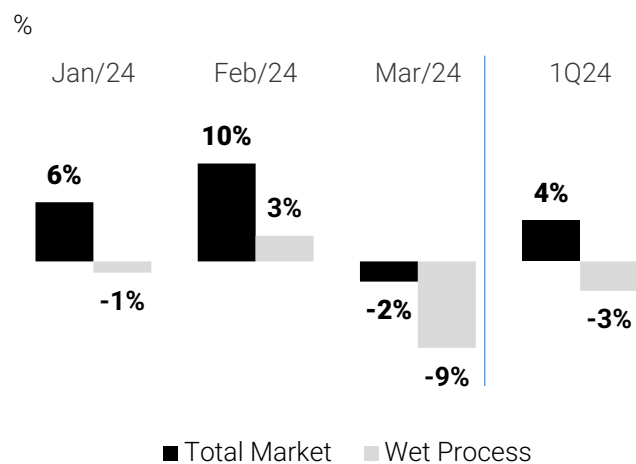
Sector Environment

Tiles

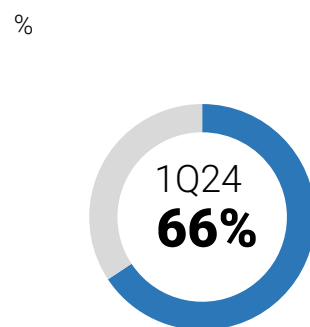
ANFACER data

- ▶ Signs of recovery in the sector, but with wet process still in decline versus 1Q23 according to internal estimates;
- ▶ Market inventory levels remain high.

Sales volume of the ceramic tiles sector vs 2023



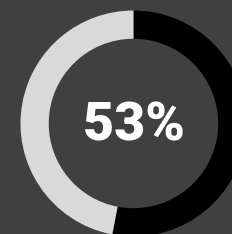
Capacity Utilization



Results Tiles

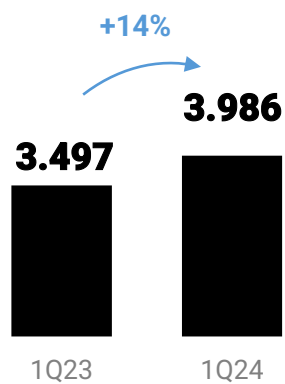
- ▶ Gradual improvement in market share reflecting recent sales initiatives;
- ▶ Profitability helped by an increase in factory utilization, with operations unaffected by temporary shutdown and a direct impact on improving costs;
- ▶ Adjusted and recurring EBITDA was positive at R\$ 4 million in 1Q24, with a margin of 2%, an improvement from the negative result of R\$ -8 million reported in 4Q23.

**Capacity Utilization
1Q24**
%



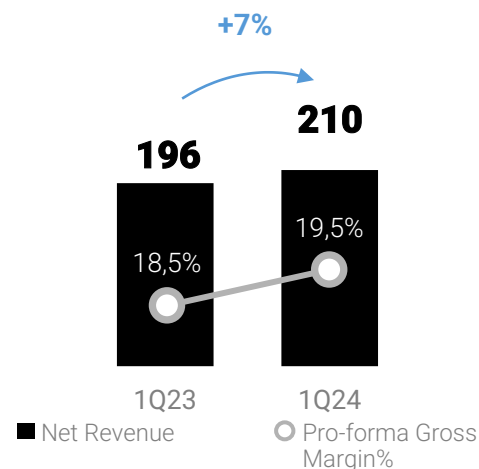
Volume

000m²



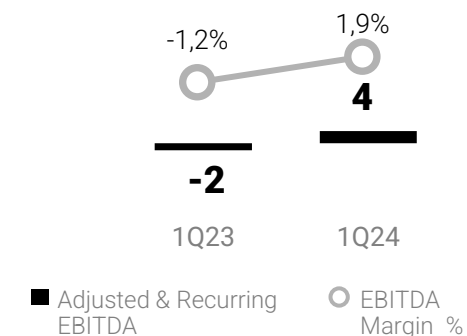
Recurring Net Revenue and Gross Margin Pro Forma

R\$ million / %



Adjusted & Recurring EBITDA and Margin

R\$ million / %



INVESTOR RELATIONS

Francisco Semeraro

Director of Finance, IR and ESG

Guilherme Setubal

ESG and IR Manager

Mariana Fontenelle

IR Specialist

Carolina Mulet

IR Analyst

ri.dex.co

investidores@dex.co

Av. Paulista 1.938 - CEP 01310-200
Consolação - São Paulo – SP

www.dex.co

Dexco Day 2023

DEXCO

deca portinari hydra duratex castelatto ceusa durafloor



DEXCO
Viver ambientes.