



Dexco

Quarterly Results – 2Q22 / 1H22

HIGHLIGHTS

Adjusted and Recurring EBITDA of R\$446.2 million and R\$949.9 million in 2Q22 and 1H22 respectively, little below the same periods of 2021 mainly from the high inflation seen during the period;

Greater investment in expansion projects led to the consumption of R\$669.6 million in Free Cash Flow in the semester, of which R\$536.8 million was invested in Dexco's growth plans;

WOOD

722.8k m³ sold in 2Q22 and 1.455.7k m³ in the semester, the same level as the previous year;

Increase in the cost of inputs and freight impacting margins for the period;

Adjusted and Recurring EBITDA of R\$260.3 million in the quarter and of R\$619.3 million in 1H22.

DECA

Gain in market share even amid shrinking volumes

Better price positioning led to a +20.3% in unit revenue versus 2Q21 and +29.0% over 1H21;

Adjusted and Recurring EBITDA of R\$112.9 million and R\$185.3 million in 2Q22 and 1H22 respectively.

TILES

Price increases and mix led to +37.2% in Unit Revenue for 2Q22 and +36.5% for 1H22; Cost pressures compensated by higher revenues, with significant gains in gross margins;

Record Adjusted and Recurring EBITDA in the semester with R\$145.3 million and R\$73.1 million, 1.3% greater than for 1Q22.

DISSOLVING WOOD PULP

Ramp-up of factory production with an expectation of achieving total operating capacity before the end of this year;

DWP prices remain favorable in the market, giving the project a boost.

As at 06/30/2022

MARKET CAP

R\$7,249.3 million

SHARES IN ISSUE

760,962,951

CLOSING SHARE PRICE

R\$9.87

TREASURY SHARES

26,489,405

DEXCO INVESTOR RELATIONS

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Carlos Henrique Pinto Haddad

Investor Relations Director

Natasha Utescher

Investor Relations Manager

Videoconference:

July 28, 2022 at 9:30h

For participants in Brazil:

[Webcast](#)

For participants outside of Brazil:

[Webcast](#)

Access via the website:

www.dex.co/ri

deca portinari hydra duratex castelatto ceusa durafloor

DEXCO

B3 LISTED NM

IBOVESPA B3 IBRA B3 IBRX100 B3 ICO2 B3 IGC B3 IGCT B3 IGC-NM B3 IMAT B3 INDX B3 ISE B3 ITAG B3 MLCX B3 IAGRO-FFS B3

Consolidated Financial Results

In BRL '000	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Highlights								
Volume shipped Deca (*000 items)	7,464	8,053	-7.3%	4,858	53.6%	12,322	14,597	-15.6%
Volume shipped Tiles (m²)	5,188,084	6,927,953	-25.1%	5,363,620	-3.3%	10,551,704	12,313,064	-14.3%
Volume shipped Wood (m³)	722,757	755,902	-4.4%	732,974	-1.4%	1,455,731	1,557,490	-6.5%
Consolidated Net Revenue	2,213,567	1,974,129	12.1%	2,131,002	3.9%	4,344,569	3,742,255	16.1%
Gross profit	775,744	720,485	7.7%	742,946	4.4%	1,518,690	1,326,924	14.5%
Gross profit - Pro Forma ⁽¹⁾	781,906	693,253	12.8%	742,946	5.2%	1,524,852	1,299,692	17.3%
Gross margin	35.0%	36.5%		34.9%		35.0%	35.5%	
Gross margin - Pro Forma ⁽¹⁾	35.3%	35.1%		34.9%		35.1%	34.7%	
EBITDA according to CVM No. 527/12 ⁽²⁾	561,809	1,085,288	-48.2%	600,877	-6.5%	1,162,802	1,549,898	-25.0%
EBITDA Mg CVM No. 527/12	25.4%	55.0%		28.2%		26.8%	41.4%	
Adjustments for non-cash events	(151,178)	(69,168)	118.6%	(70,818)	113.5%	(222,112)	(90,688)	144.9%
Non-recurring events ⁽³⁾	5,060	(478,313)	N/A	-	N/A	5,060	(469,734)	N/A
Dissolving Wood Pulp	30,556	(37,629)	N/A	(26,384)	N/A	4,172	6,624	-37.0%
Adjusted and Recurring EBITDA ⁽⁴⁾	446,247	500,178	-10.8%	503,675	-11.4%	949,922	996,100	-4.6%
Adjusted and Recurring EBITDA margin ⁽⁴⁾	20.2%	25.3%		23.6%		21.9%	26.6%	
Net Income	169,191	716,600	-76.4%	223,715	-24.4%	392,906	889,299	-55.8%
Recurring Net Income ⁽¹⁾⁽³⁾	202,909	251,197	-19.2%	198,322	2.3%	401,231	473,637	-15.3%
Recurring Net Margin ⁽¹⁾⁽³⁾	9.2%	12.7%		9.3%		9.2%	12.7%	
INDICATORS								
Current ratio ⁽⁵⁾	1.44	1.68	-14.3%	1.31	9.9%	1.44	1.68	-14.3%
Net debt ⁽⁶⁾	3,689,344	1,770,715	108.4%	3,259,939	13.2%	3,689,344	1,770,715	108.4%
Net debt / EBITDA LTM ⁽⁷⁾	1.72	0.91	89.0%	1.48	16.2%	1.72	0.91	89.0%
Average Shareholders' equity	5,623,571	5,340,346	5.3%	5,619,954	0.1%	5,623,571	5,340,346	5.3%
ROE ⁽⁸⁾	12.0%	53.7%		15.9%		14.0%	33.3%	
Recurring ROE	14.4%	18.8%		14.1%		14.3%	17.7%	
SHARES								
Earnings per share (BRL) ⁽⁹⁾	0.2306	1.0416	-77.9%	0.3011	-23.4%	0.5317	1.2921	-58.8%
Closing share price (BRL)	9.87	23.80	-58.5%	14.68	-32.8%	9.87	23.80	-58.5%
Net equity per share (BRL)	7.82	8.23	-5.0%	7.50	4.3%	7.82	8.23	-5.0%
Treasury Shares	26,489,405	4,411,301	500.5%	26,489,405	0.0%	26,489,405	4,411,301	500.5%
Market Cap (BRL1.000)	7,249,254	16,359,482	-55.7%	10,782,072	-32.8%	7,249,254	16,359,482	-55.7%

(1) Cost of Goods Sold: **2Q22**: Deca Restructuring: (+) R\$ 5,610 thousand; Restructuring Tiles (+) R\$ 552 thousand; **2Q21**: Exclusion of ICMS from PIS and COFINS base: (-) R\$ 27,232 thousand, Selling Expenses: **2Q22**: Deca Restructuring (+) R\$ 227 thousand.

(2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM Instruction 527/12.

(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) Current liquidity: Current assets divided by current liabilities. Indicates the amount available in R\$ to cover each R\$ of short-term obligations.

(6) Net Corporate Debt: Total Financial Debt (-) Cash

(7) Financial leverage calculated on the rolling EBITDA over the last 12 months, adjusted for events of a purely accounting and non-cash nature.

(8) ROE (Return on Equity): measure of performance obtained by taking the annualized Net Earnings over the period, annualized, and dividing by Average Net Equity.

(9) 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 & Business Scenario

GRI 203-1

We are currently facing a period of inflationary pressure. Inflation over the last twelve months has already exceeded double digits in Brazil and has been strongly impacting the world's main economies, further aggravated in the first half of 2022 by the conflict between Russia and Ukraine, which led the Brazilian Central Bank to announce consecutive hikes in the basic interest rate, which reached 13.25% in June. Despite these increases, real estate sales continued to grow in the quarter and year-to-date, while the number of new properties launches remained above the sector's historical level for the year. The retail sector for building materials, on the other hand, has been feeling the impacts of inflationary pressure on consumer purchasing power and, as a result, has shown variable sales, which is reflected in the Company's results for the period.

Faced with this scenario, Dexco was able to compensate for the fall in sales in the retail channel through price adjustments and improved product positioning. However, this was not enough to offset the higher costs of its main inputs and national and international freight, which led to a 10.8% fall in Adjusted and Recurring EBITDA in 2Q22 versus 2Q21. Despite this, year to date, Dexco ended the period with an Adjusted and Recurring EBITDA of R\$949.9 million, only 4.6% lower than in 1H21, which illustrates, once again, the Company's long-term differential and that its operations are performing at a new level.

For the quarter, the main highlight was the improvement in the Deca Division's results, which, even faced with a fall in sales volumes, managed to gain market share and implement its pricing strategy and, as a result, report record results for the quarter once again, with Adjusted and Recurring EBITDA of R\$112.9 million, and R\$185.3 million year to date, the best 1st semester in its history. Deca showed a fall of 5.3% and 3.7% in deflated gross sales for the second quarter and for the semester, respectively, versus the same periods in 2021. While, according to data from the Brazilian Association of Construction Materials (ABRAMAT), the gross and deflated sales of the construction materials industry showed an average decrease of 6.9% and 8.5% in the same comparison.

The Ceramic Tiles market closed out the quarter with a 13.3% fall in sales volumes and 85.0% factory utilization, while the semester showed a fall of 12.4%, according to data from the National Association of Ceramic Tiles Manufacturers (ANFACER). Dexco's Tiles Division reported a slightly higher fall than the market for the semester, due to a fall in retail sales even despite an increase in sales in the external market. However, price adjustments and efficient cost management led to an Adjusted and Recurring EBITDA of R\$73.1 million for the quarter and R\$145.3 million for the first semester.

The Wood Division, as in the previous quarter, continued to perform solidly, sustaining the sales volumes seen in 2Q22, despite the challenges presented by instability in the international supply of urea, coupled with exchange rate volatility, which contributed to a fall in the Adjusted and Recurring EBITDA of 21.8% versus the second quarter of 2021. Year to date, the fall is 12.6%, with pressure on domestic demand offset by a strong uptick in exports. The wood panels sector closed out the quarter with a 7.0% fall in sales versus 2Q21, reflecting a 14.2% fall in domestic demand against a 46.7% rise in exports. For the semester there was a fall 10.0%, according to data from the Brazilian Tree Industry (IBÁ). The Wood Division, for its part, reported a lower fall in sales than the market, showing a gain in market share across both periods.

Also during the quarter, operations began at the new dissolving wood pulp unit, LD Celulose, with the first sale to the market made in July, the market being mainly directed to China. Dexco is very satisfied with the progress made in ramping-up the new unit and forecasts that the Division will start to report positive results before the end of the year.

It should be noted that even faced with significant market volatility, Dexco has been able to prove its resilience in implementing and sustaining price adjustments and in its effective product positioning. The Company remains alert to market movements, especially with respect to inflation, which is already showing signs of stabilizing, and is continuing its program of productivity projects and price adjustments.

Consolidated Financial Results GRI 103-2 e 103-3

EXCLUSION OF ICMS FROM THE BASE CALCULATION OF PIS AND COFINS

A decision by the Federal Supreme Court, published on May 14, 2021, decreed that the ICMS (a form of VAT) to be excluded from the PIS and COFINS (social security contributions) base calculation is the one shown on the invoice. In 2021, the Company and its subsidiaries recognized accumulated credit of R\$614.7 million (before tax effects), R\$8.9 million in 4Q21. In addition, in the second quarter of 2021 there was a reversal of the accounting provision previously constituted due to the limitation imposed by the COSIT Solution 13/2018, to the amount of R\$141.7 million before tax effects.

The impact of this amount was distributed in the year between the Cash Cost of Goods Sold to the amount of R\$27.2 million, Other Operating Results to the amount of R\$496.6 million, and the Financial Result to the amount of R\$221.6 million. This result has been treated as non-recurring for 2021, which is why the Company is reporting the result on a pro forma basis for the lines impacted.

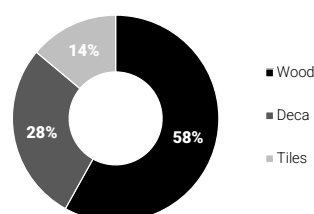
At the time of reporting interim financial statements, a res judicata on the Company's legal submission has yet to be issued with regards to the extinct company registration (CNPJ) of Duratex S.A., following the association with Satipel and Duratex Florestal Ltda covering the period from 2001 to 2015.

NET REVENUE

Dexco ended the second quarter of the year with a rise of 12.1% in Net Revenue versus the same period in 2021, mainly arising from sustaining prices and improving the product mix, factors which were sufficient to offset the fall in sales seen over the period. With this result, the Company closed out the semester with a 16.1% increase in Net Revenue versus the first semester of 2021.

Greater channeling of products to the external market was also an important contributor to the revenue gains in the periods above, especially the sales from the Colombian unit, whose revenue closed 27.4% higher for the quarter and 30.4% higher for the semester, compared to the same periods in 2021. It is important to note that the high cost of international freight, allied to the lower availability of maritime shipping, caused a fall in the volume of exports in 2Q22 compared to the prior quarter, a challenge that should ease as these factors stabilize, given the Company's priority in diversifying its markets and thus building greater robustness to its results.

Net revenue breakdown 2Q22 (%)



BRL '000 - consolidated	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Net Revenue	2,213,567	1,974,129	12.1%	2,131,002	3.9%	4,344,569	3,742,255	16.1%
Domestic market	1,790,261	1,641,777	9.0%	1,659,901	7.9%	3,450,162	3,056,416	12.9%
Foreign Market	423,306	332,352	27.4%	471,101	-10.1%	894,407	685,839	30.4%

COST OF GOODS SOLD

The Pro Forma Cash Cost, Cost of Goods Sold net of depreciation, amortization and exhaustion and of the net change in biological assets and benefits calculated with the exclusion of ICMS from the PIS and COFINS base calculation, ended the second quarter of the year at R\$1,386.6 million, an increase of 16.9% in relation to the same period of 2021. This increase arose mainly from the intense cost pressures on its main inputs, urea in particular. For the semester, the Pro Forma Cash Cost was 21.1% higher than for 1H21.

Despite the inflationary pressures, the improved product pricing and mix led to growth in the Pro Forma Gross Income of 12.8% and 17.3% in 2Q22 and 1H22, respectively, in relation to the same periods in 2021, thus enabling an increase in Gross Margin across both of those periods.

BRL'000 - Consolidated	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Cash COGS	(1,392,758)	(1,158,759)	20.2%	(1,283,576)	8.5%	(2,676,334)	(2,177,224)	22.9%
Non Recurring Event ⁽¹⁾	6,162	(27,232)	N/A	-	N/A	6,162	(27,232)	N/A
Cash COGS Pro Forma	(1,386,596)	(1,185,991)	16.9%	(1,283,576)	8.0%	(2,670,172)	(2,204,456)	21.1%
Variation in fair value of biological assets	155,617	67,625	130.1%	71,092	118.9%	226,709	85,454	165.3%
Depletion of biological assets	(39,740)	(32,684)	21.6%	(38,047)	4.4%	(77,787)	(59,714)	30.3%
Depreciation, amortization and depletion	(160,942)	(129,826)	24.0%	(137,525)	17.0%	(298,467)	(263,847)	13.1%
Gross Profit	775,744	720,485	7.7%	742,946	4.4%	1,518,690	1,326,924	14.5%
Recurring Gross Profit ⁽¹⁾	781,906	693,253	12.8%	742,946	5.2%	1,524,852	1,299,692	17.3%
Gross Margin	35.0%	36.5%		34.9%		35.0%	35.5%	
Recurring Gross Margin ⁽¹⁾⁽²⁾	35.3%	35.1%		34.9%		35.1%	34.7%	

(1) Non-recurring events: **2Q22**: Deca Restructuring: (+) R\$ 5,610 thousand; Restructuring Revestimentos (+) R\$ 552 thousand; **2Q21**: Exclusion of ICMS from PIS and COFINS base: (-) R\$ 27,232 thousand.
(2) Pro Forma Gross Income / Pro Forma consolidated Net revenue.

COST OF SALES

The return of live events, such as Revestir Fair and events with clients, which did not take place in 2021 due to the restrictions arising from the COVID-19 pandemic, coupled with the bringing forward of CasaCor event and the significant increases in the cost of national and international freight, led to an increase of 38.0% in the Cost of Sales for the quarter versus 2Q21. In addition, one-off promotional and advertising activities, especially for Deca and Tiles Divisions, increased spending by R\$86.4 million, which also explains the increase of 10.9% versus 1Q22.

For the semester, this increase was 39.0% versus the same the same period in 2021, with a greater volume of exports in the period, which led to a significant increase in freight costs.

BRL'000 - Consolidated	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Sales Expenses	(313,986)	(227,600)	38.0%	(282,837)	11.0%	(596,823)	(433,588)	37.6%
% of Net Revenue	14.2%	11.5%		13.3%		13.7%	11.6%	
Non-recurring events ⁽¹⁾	227	-	N/A	-	N/A	227	4,390	N/A
Recurring Sales Expenses ⁽¹⁾	(313,759)	(227,600)	37.9%	(282,837)	10.9%	(596,596)	(429,198)	39.0%
% Recurring Net Revenue ⁽¹⁾	14.2%	11.5%		13.3%		13.7%	11.5%	

(1) Non-recurring events: **2Q22**: Deca Restructuring (-) R\$ 227 thousand; **1Q21**: Restructuring of Deca and Coatings (+) R\$ 4,390 thousand.

GENERAL AND ADMINISTRATIVE EXPENSES

Pro Forma General and Administrative Expenses closed the second quarter at R\$77.5 million, 31.4% greater than for 2Q21, while for the semester this figure was R\$151.3 million, 31.5% greater than for 1H21. The Company's focus on the digitalization and automation of processes was the main driver of this increase, albeit with the objective of significantly increasing the productivity and efficiency of the Dexco team and, thus optimizing future spending in this regard. In addition, the return of face-to-face activities led to an increase in travel expenses, which were absent in 2021, as they were in 1Q22, which explains the increase in these expenses quarter on quarter.

It should be noted that in 4Q21 there was an increase in employees' base salary of approximately 10.0%, arising from the collective bargaining agreement, and this will impact General and Admin expenses throughout 2022 when compared to the prior year.

BRL'000 - consolidated	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
General and Administrative Expenses	(77,544)	(67,274)	15.3%	(73,772)	5.1%	(151,316)	(123,869)	22.2%
% of Net Revenue	3.5%	3.4%		3.5%		3.5%	3.3%	
Non-recurring events ⁽¹⁾	-	8,262	N/A	-	N/A	-	8,775	N/A
Recurring General and Administrative Expenses ⁽¹⁾	(77,544)	(59,012)	31.4%	(73,772)	5.1%	(151,316)	(115,094)	31.5%
% Recurring Net Revenue ⁽¹⁾	3.5%	3.0%		3.5%	0.0%	3.5%	3.1%	

(1) Non-recurring events: **2Q21**: Brand restructuring (+) R\$7,700 thousand, Dissolving Wood Pulp (+) R\$562 thousand; **1Q21**: Dissolving Wood Pulp (+) R\$ 513 thousand.

EBITDA

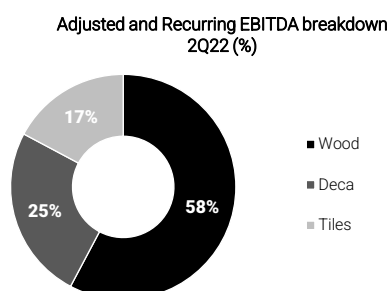
Even with the strong performance coming from the Deca Division, which now represents 25.3% of the Company's earnings, the pressure on costs in the Wood Division, arising from the large increases in the cost of urea and freight, led Dexco to finish the second quarter with an Adjusted and Recurring EBITDA of R\$446.3 million, 10.8% lower than for the second quarter of 2021. However, for the semester this decrease was partially offset by the strong results reported in the first quarter of the year, resulting in an Adjusted and Recurring EBITDA of R\$949.9 million, just 4.6% less than for the first semester of 2021. With this result, Dexco once again highlighted the step change in performance arising from the transformation process undergone over the last 7 years, demonstrating resilience even in the face of an adverse economic scenario.

It is important to note that the results for the new Dissolving Wood Pulp Division (LD Celulose) have been treated as a non-recurring event, as it was still considered an investment project that has only an accounting effect. Thus, the negative impact of R\$30.6 million in the quarter, calculated using the equity equivalence method, was not reflected in the Adjusted and Recurring EBITDA of the Company.

The table below shows the reconciliation of EBITDA, in accordance with CVM Instruction 527/12. 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	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Net income	169,191	716,600	-76.4%	223,715	-24.4%	392,906	889,299	-55.8%
Income tax and social contribution	80,833	334,082	-75.8%	75,960	6.4%	156,793	430,957	-63.6%
Net financial result	94,373	(143,013)	N/A	109,724	-14.0%	204,097	(123,428)	N/A
EBIT	344,397	907,669	-62.1%	409,399	-15.9%	753,796	1,196,828	-37.0%
Depreciation, amortization and depletion	177,672	144,935	22.6%	153,431	15.8%	331,219	293,356	12.9%
Depletion of biological assets	39,740	32,684	21.6%	38,047	4.4%	77,787	59,714	30.3%
EBITDA according to CVM No. 527/12	561,809	1,085,288	-48.2%	600,877	-6.5%	1,162,802	1,549,898	-25.0%
EBITDA margin CVM No. 527/12	25.4%	55.0%		28.2%		26.8%	41.4%	
Change in fair value of biological assets	(155,617)	(67,625)	130.1%	(71,092)	118.9%	(226,709)	(85,454)	165.3%
Change in fair value of biological assets - Caetex	4,133	-	N/A	-	N/A	4,133	-	N/A
Employee benefits	306	(1,543)	N/A	274	11.7%	464	(5,234)	N/A
Non-Recurring events ⁽¹⁾	5,060	(478,313)	N/A	-	N/A	5,060	(469,734)	N/A
Dissolving Wood Pulp	30,556	(37,629)	N/A	(26,384)	N/A	4,172	6,624	-37.0%
Adjusted and Recurring EBITDA ⁽¹⁾	446,247	500,178	-10.8%	503,675	-11.4%	949,922	996,100	-4.6%
Adjusted and Recurring EBITDA margin ⁽¹⁾	20.2%	25.3%		23.6%		21.9%	26.6%	

(1) Non-recurring events listed in the attachment to this report.



FINANCIAL RESULTS

In the second quarter of the year, the Pro Forma Financial Result was negative by R\$94.4 million. The upward trend in the basic interest rate in the last twelve months, which has a direct impact on the Company's financial charges, led to an additional expense of R\$67.0 million compared to 2Q21. However, Dexco presented an improvement of R\$ 13.8 million in the financial result for the 2nd quarter of 2022 compared to the 1st quarter of the same year. This improvement is due to the exchange variation gain of approximately R\$46.3 million reais, despite being consumed in part by an additional financing expense of R\$31.3 million reais when compared to the same periods.

For the semester, given the effects from the increase in interest rates mentioned above, the reported Financial Result showed an increase of R\$155.6 million.

BRL'000 – consolidated	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Financial Revenues	117,889	202,762	-41.9%	61,312	92.3%	179,201	236,846	-24.3%
Financial Expenses	(212,262)	(59,749)	255.3%	(171,036)	24.1%	(383,298)	(113,418)	238.0%
Financial Result	(94,373)	143,013	N/A	(109,724)	-14.0%	(204,097)	123,428	N/A
Non-recurring events ⁽¹⁾	-	(170,395)	N/A	1,502	N/A	1,502	(170,395)	N/A
Recurring Financial Revenues ⁽¹⁾	117,889	24,168	387.8%	61,312	92.3%	179,201	58,252	207.6%
Recurring Expenses Revenues ⁽¹⁾	(212,262)	(51,550)	311.8%	(169,534)	25.2%	(381,796)	(105,219)	262.9%
Recurring Financial Result⁽¹⁾	(94,373)	(27,382)	244.7%	(108,222)	-12.8%	(202,595)	(46,967)	331.4%

(1) Non-recurring event: **1Q22**: Expense: Compensation payments (+) R\$1,502k; **2Q21**: Revenue: Exclusion of ICMS from PIS and COFINS base calculations (-) R\$178,594k; Expenses Exclusion of ICMS from PIS and COFINS base calculations (+) R\$8,199k.

NET INCOME

Dexco closed out the second quarter of 2022 with Recurring Net Income of R\$202.9 million, a fall of 19.2% versus 2Q21, stemming directly from a dip in operating performance. It should be noted that, even with an increase in the value of wood, leading to an increase in the Fair Value of Biological Assets, which closed the quarter at R\$155.6 million, this was insufficient to mitigate inflationary pressures. Thus, the Recurring ROE ended 2Q22 at 14.4%, a drop of 4.4 p.p. year-on-year.

For its part, together with the effects of the changes to the Fair Value of Biological Assets, the improvement in the Financial Result compensated for the negative impacts mentioned above and led to an increase of 2.3% in Recurring Net Income versus 1Q22, and a 0.3 p.p. improvement in Recurring ROE.

For the semester, the significant impacts on operating costs and expenses previously mentioned led to Recurring Net Income of R\$401.2 million, a fall of 15.3% in relation to 1H22. In addition, the Recurring ROE was 14.3%, a fall of 3.5 p.p. in relation to the same period of the previous year.

BRL'000 – consolidated	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Net Income	169,191	716,600	-76.4%	223,715	-24.4%	392,906	889,299	-55.8%
Non recurring event ⁽¹⁾	3,339	(427,583)	N/A	991	236.9%	4,330	(421,921)	N/A
Dissolving Wood Pulp	30,379	(37,820)	N/A	(26,384)	N/A	3,995	6,259	-36.2%
Recurring Net Income ⁽¹⁾	202,909	251,197	-19.2%	198,322	2.3%	401,231	473,637	-15.3%
ROE	12.0%	53.7%		15.9%		14.0%	33.3%	
Recurring ROE ⁽¹⁾	14.4%	18.8%		14.1%		14.3%	17.7%	

(1) Non-recurring events detailed in the attachment to this material.

CASH FLOW GRI 201-1

The Company ended the second quarter of 2022 with Sustaining Cash Flow of negative R\$83.7 million, reflecting the greater consumption of Working Capital, following the rebuilding of inventories to healthy levels, and greater investment in its forestry assets, which led to an increase in Sustaining CAPEX.

The resumption of shower sales in the Deca Division, boosted by traditional seasonality in second quarter, led to an increase in revenue for the period. However, it also ended up impacting Accounts Receivable. This effect, added to the partial rebuilding of the Company's inventory, resulted in the consumption of R\$218.8 million in Working Capital. It should be noted that, even faced with this scenario, Dexco continues to sustain a Cash Conversion Cycle that is below pre-pandemic levels, closing out 2Q22 at 37 days, a level similar to that reported for 1Q22. In addition, the Working Capital/ Net Revenue ratio ended the period at 16.4%, still at low levels.

With respect to projects, the Company remains focused on the New Investment Cycle announced in 2021, with total expenditure in 2Q22 of R\$122.2 million, in addition to the R\$134.8 million invested in LD Celulose and R\$10.7 million spent on contingency payments related to the acquisition of Cocrisa.

For the semester, even while sustaining the operating performance versus the same period of 1H21, the strong investment in sustaining Capex and the consumption in Working Capital led the Company to end the first six months of the year with a Sustaining Cash Flow of negative R\$138.7 million. It should be noted that the Company ended the period with a Cash Conversion Cycle of 42 days, still at low levels.

BRL millions	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Adjusted and Recurring EBITDA	446.4	500.2	-10.8%	503.7	-11.4%	950.0	996.1	-4.6%
CAPEX Sustaining	(211.4)	(114.2)	85.2%	(197.9)	6.8%	(409.3)	(231.3)	76.9%
Financial Flow	(82.1)	(50.0)	64.2%	8.1	N/A	(74.0)	(45.7)	61.9%
Income tax and social contribution paid	(25.3)	(84.8)	-70.1%	(24.6)	2.8%	(50.0)	(136.6)	-63.4%
Working Capital	(218.8)	(38.3)	470.8%	(338.0)	N/A	(556.8)	(186.5)	198.6%
Others	7.5	(19.0)	N/A	(6.2)	N/A	1.3	(14.9)	N/A
Free Cash Flow Sustaining	(83.7)	193.9	N/A	(55.0)	N/A	(138.7)	381.1	N/A
Projects ⁽¹⁾	(287.0)	(89.5)	220.7%	(243.9)	17.7%	(531.0)	(98.8)	437.6%
Free Cash Flow Total	(370.8)	104.4	N/A	(298.9)	N/A	(669.6)	282.3	N/A
Cash Conversion Ratio ⁽²⁾	N/A	38.8%		N/A	0.0%	N/A	38.3%	

(1) Projects: **2Q22:** Dissolving Wood Pulp (-) R\$153.6 million, Cecrisa Acquisition (-) R\$10.7 million, Debottlenecking, BP Madeira Lines Acquisition (-) R\$29.5 million; Deca mix expansion and improvement: (-) R\$ 28.4 million, Crockery expansion and automation (-) 16.2 million, Ceramic coatings expansion (-) R\$ 60.7 million. **1Q22:** DX Ventures (-) R\$9,200k, Dissolving Wood Pulp R\$ (-) 93,300k. Castelatto Acquisition (-) R\$103.6 million, Sale of assets (+) R\$6,300k, Acquisition BP Wood Lines (-) R\$13,200k, Forestry expansion (-) R\$4,700k, Expansion and mx improvement Deca (-) R\$3,200k, Ceramic Tiles Expansion R\$22,300k; **2Q21:** disposal of land and forests (+) R\$ 9,700 thousand; acquisition of BP Madeira line (-) 46,200 thousand; debottlenecking Wood (-) R\$ 4,600 thousand, modernization of Ceramic Tiles R\$ 19,400 thousand; Dissolving Wood Pulp Project (-) R\$ 17,700 thousand; Hydra Expansion (-) R\$ 3,900 thousand, efficiency improvement projects San. Ware (-) R\$ 7,300. **1Q21:** Acquisition of BP Wood Line and others (-) 2,500k; modernization Ceramic Tiles (-) R\$6,200k, receipt; disposal of land and forests (+) R\$6,900k; Refiring of Deca kilns (-) R\$4,400k; Expansion Hydra (-) R\$2,600k.

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

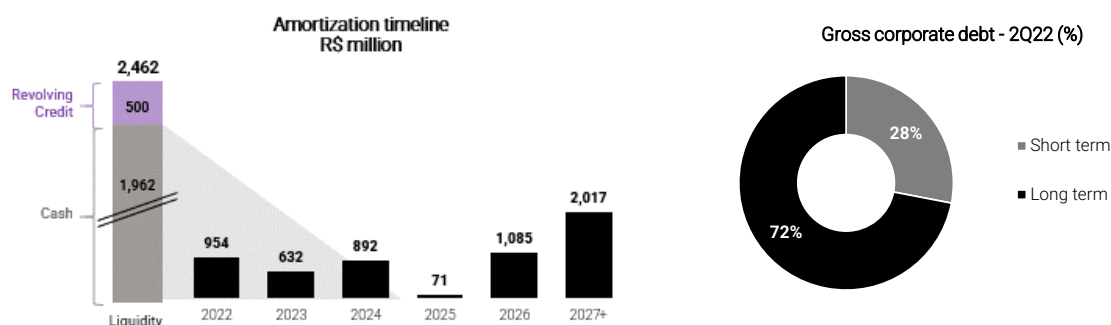
CORPORATE DEBT

The Company ended the second quarter of the year with a consolidated Corporate Debt of R\$5,650.9 million and Net Debt of R\$3,689.3 million.

In relation to 1Q22, there was a nominal increase of R\$429.4 million in Net Debt, explained mainly by the greater consumption of cash in the period, arising from investment in expansion projects. These effects, together with a slight drop off in the results over the last twelve months led to an increase in leverage, which closed the period at 1.7x Net Debt/Adjusted and Recurring EBITDA, which still represents a low level.

Continuing the strategy of liability management, in this quarter Agribusiness Receivables Credits (CRA's) were issued for the total amount of R\$800.0 million, with an approximate cost of 107.3% of the CDI (interbank deposit rate) and an average term of 8.3 years. In addition to contributing to extending the Company's average payment term by 0.6 years, this financing will contribute to the payments that will come due during the 2nd half of 2022.

The average cost of financing closed the period at 109.0% of the CDI, a fall of 3.0 p.p. versus 1Q22, with an average payment term of 4.1 years.



BRL'000	06/30/2022	06/30/2021	Var R\$	03/31/2022	Var R\$	12/31/2021	Var R\$
Short-Term debt	1,506,163	505,295	1,000,868	1,487,870	18,293	849,252	656,911
Long-Term debt	4,029,456	2,591,760	1,437,696	3,231,894	797,562	3,020,396	1,009,060
Financial instruments	115,243	-	N/A	111,333	3,910	-	N/A
Total debt	5,650,862	3,097,055	2,553,807	4,831,097	819,765	3,869,648	1,781,214
Cash and equivalent	1,961,518	1,326,340	635,178	1,571,158	390,360	1,421,302	540,216
Net debt	3,689,344	1,770,715	1,918,629	3,259,939	429,405	2,448,346	1,240,998
Net debt/Adjusted and Recurring EBITDA (LTM)	1.72	0.91		1.48		1.12	
Net debt/Equity (in %)	64.3%	31.3%		59.2%		42.7%	

MANAGEMENT STRATEGY AND INVESTMENT

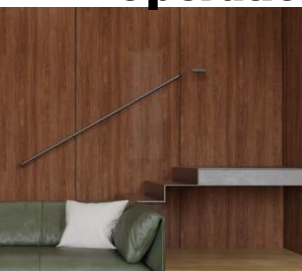
Dexco ended the second quarter of the year with total investment of R\$ 211.4 million in its operations, of which R\$93.0 million was assigned to the rebuilding of forestry assets, and R\$118.5 million to maintenance, factory modernization and digitalization. Dexco remains focused on its New Investment Cycle, which saw investment of R\$134.8 million, of which R\$ 29.5 million was assigned to the Wood Division for debottlenecking projects, an improved mix (new panel coating lines), and expansion of forestry assets in the Northeast. R\$ 44.8 million was invested in Deca and R\$ 60.2 million in the construction of the new Ceramic Tiles unit in Botucatu (RS).

Leveraged by the significant investment in rebuilding forestry assets mentioned above, Sustaining CAPEX during the semester was R\$409.3 million, an increase of 76.9% versus the same period last year. Regarding expansion projects, in addition to investment of R\$182.4 million as part of the New Investment Cycle, 103.6 million was invested in the acquisition of Castelatto. R\$10.7 million was allocated for contingencies related to the acquisition of Cecrisa/Portinari and R\$9.2 million was invested in DX Ventures.

Finally, Dexco invested R\$246.3 million in LD Celulose during the semester, as part of the scheduled investment plan, of which R\$153.0 million was invested in 2Q22.

Operations

GRI 102-45



WOOD

HIGHLIGHTS	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
SHIPMENTS (in m³)								
STANDARD	405,948	434,622	-6.6%	366,061	10.9%	772,009	905,156	-14.7%
COATED	316,809	321,280	-1.4%	366,913	-13.7%	683,722	652,334	4.8%
TOTAL	722,757	755,902	-4.4%	732,974	-1.4%	1,455,731	1,557,490	-6.5%
FINANCIAL HIGHLIGHTS (BRL '000)								
NET REVENUE	1,285,907	1,118,402	15.0%	1,349,461	-4.7%	2,635,368	2,211,158	19.2%
DOMESTIC MARKET	922,667	845,960	9.1%	931,396	-0.9%	1,854,063	1,633,032	13.5%
FOREIGN MARKET	363,240	272,442	33.3%	418,065	-13.1%	781,305	578,126	35.1%
Net revenue per unit (BRL/m³ shipped)	1,779.2	1,479.6	20.2%	1,841.1	-3.4%	1,810.3	1,419.7	27.5%
Cash cost per unit (BRL/m³ shipped)	(1,124.9)	(823.6)	36.6%	(1,090.4)	3.2%	(1,107.5)	(775.6)	42.8%
Cash cost per unit (BRL/m³ shipped) Pro Forma⁽¹⁾	(1,124.9)	(840.8)	33.8%	(1,090.4)	3.2%	(1,107.5)	(783.9)	41.3%
Gross profit	464,103	435,772	6.5%	481,056	-3.5%	945,159	833,964	13.3%
Gross profit Pro Forma ⁽¹⁾	464,103	422,808	9.8%	481,056	-3.5%	945,159	821,000	15.1%
Gross margin	36.1%	39.0%		35.6%		35.9%	37.7%	
Gross margin Pro Forma ⁽¹⁾	36.1%	37.8%		35.6%		35.9%	37.1%	
Selling expenses	(181,193)	(122,831)	47.5%	(177,818)	1.9%	(359,011)	(237,623)	51.1%
General and administrative expenses	(27,944)	(29,439)	-5.1%	(28,921)	-3.4%	(56,865)	(51,394)	10.6%
General and administrative expenses Pro Forma ⁽²⁾	(27,944)	(25,870)	8.0%	(28,921)	-3.4%	(56,865)	(47,825)	18.9%
Operating profit before financial results	239,374	529,456	-54.8%	280,326	-14.6%	519,700	784,556	-33.8%
Depreciation, amortization and depletion	134,096	104,262	28.6%	111,320	20.5%	245,416	213,377	15.0%
Depletion tranche of biological assets	39,740	32,684	21.6%	38,047	4.4%	77,787	59,714	30.3%
EBITDA according to CVM No. 527/12 ⁽³⁾	413,210	666,402	-38.0%	429,693	-3.8%	842,903	1,057,647	-20.3%
EBITDA margin according to CVM No. 527/12	32.1%	59.6%		31.8%		32.0%	47.8%	
Variation in fair value of biological assets	(155,617)	(67,625)	130.1%	(71,092)	118.9%	(226,709)	(85,454)	165.3%
Effect of the variation in fair value of biological assets - Caetex	4,133	-	N/A	-	N/A	4,133	-	N/A
Employee benefits	(706)	(436)	61.9%	449	N/A	(257)	(409)	-37.2%
Non-recurring events ⁽⁴⁾	(754)	(265,635)	-99.7%	-	N/A	(754)	(263,121)	-99.7%
Adjusted and Recurring EBITDA	260,266	332,706	-21.8%	359,050	-27.5%	619,316	708,663	-12.6%
Adjusted and Recurring EBITDA margin	20.2%	29.7%		26.6%		23.5%	32.0%	

(1) Cost of Goods Sold: 2Q21: exclusion of ICMS from the PIS and COFINS calculation basis (-) R\$ 12,964 thousand

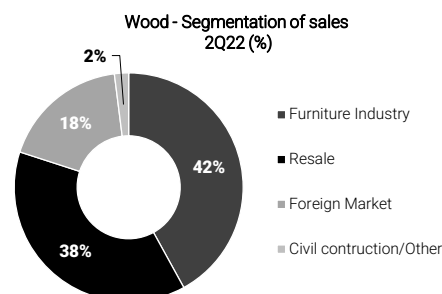
(2) General and Admin Expenses: 2Q21: Brand restructuring (+) R\$3,569k.

(2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM Instruction 527/12.

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

According to data from the IBÁ, the wood panel market closed out the second quarter of the year with a 7.0% fall in sales volumes versus 2Q21, with the domestic market showing a fall of 14.2%, while exports grew 46.7%. The shrinking of the domestic market observed arose from greater instability in retail sales, and with MDF in particular. For the semester, according to the IBÁ, there was a 10.0% drop off in sales in relation to the same period of 2021, the domestic market shrinking 16.3% and exports growing 34.5%. The result, in addition to the effects arising in 2Q22, can also be explained by factory shutdowns for collective vacation during the period.

Dexco, for its part, reported a smaller drop off in domestic sales than the market as a whole, with gains in market share, which led to a fall of only 4.4% in 2Q22 and of 6.5% for the semester, when compared to the same periods in 2021.

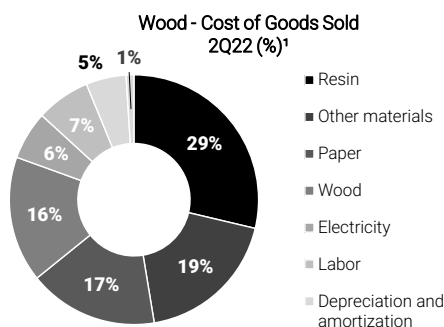


The Wood Division ended the quarter with 722.8k m³ of panels sold, of which approximately 25.0% was channeled to the Colombian operation and the external market. For the quarter, Dexco also noticed greater instability in retail sales, but was able to offset this effect with the increase in sales in the industry channel, which showed a strong recovery from the previous quarter. Regarding exports, the high cost of maritime shipping coupled with greater local demand led the Company to reduce its exports during the quarter, especially when compared to the first quarter of 2022. For the semester, the volume sold was 1,455.7k m³, 6.5% less than for 1H21, with an emphasis on export, which increased by almost 12.0% versus the previous year.

The pricing policy was able to offset the slight deterioration in the mix resulting from an increase in sales to the industry channel, for which the main product is untreated MDP, and to bring the unit Net Revenue to R\$1,779.2 million, 20.2% greater than for 2Q21, but slightly less than for 1Q22. As a result, Net Revenue ended the period at R\$1,285.9 million, 15.0% higher than in 2Q21. On a half-year comparison, the well-implemented sales strategy and price increases carried out in 2021 raised prices for 1H22 by 27.5%, even allowing for the exchange rate fluctuations during the period, which directly influenced the prices achieved in external markets.

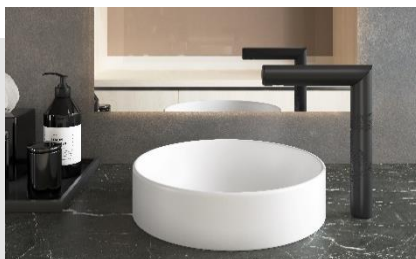
Inflationary pressure on the cost of the main inputs to panel production, especially urea, which has been significantly impacted by the conflict between Russia and Ukraine, exceeded operational gains and led the Unit Cash Cost to increase 33.8% versus 2Q21 and 3.2% versus 1Q22. In addition, increases in international and domestic freight costs have also put pressure on the Division's results, leading to a 47.5% increase in Sales Expenses versus 2Q21 and 1.9% increase versus 1Q22. On the other hand, General and Administrative Expenses, as well as the consolidated result, were impacted by expenses related to digitalization and higher base salaries, arising from the 2021 collective bargaining agreement, but this item fell by 3.4% versus 1Q22.

Despite demand levels remaining similar to those of the prior year, and the significant increase in Net Revenue, pressure on the cost of inputs, raw materials and freight led to an Adjusted and Recurring EBITDA



of R\$260.3 million, 21.8% lower than for 2Q21, with the margin shrinking by 9.5 p.p.. With this result, the Wood Division closed out the semester with an Adjusted and Recurring EBITDA of R\$619.3 million, 12.6% lower than for the same period in 2021. With costs returning to normal, Dexco hopes to reverse this dip in performance.

Reinforcing the strategy of differentiation, during the semester R\$51.7 million was invested in the plant debottlenecking project, in the acquisition of equipment to expand panel coating capacity, and in building the forestry asset base in the Northeast.



DECA

HIGHLIGHTS	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
SHIPMENTS (in '000 items)								
BASIC GOODS	2,378	2,266	4.9%	1,714	38.7%	4,092	4,225	-3.1%
FINISHING GOODS	5,086	5,787	-12.1%	3,144	61.8%	8,230	10,372	-20.7%
TOTAL	7,464	8,053	-7.3%	4,858	53.6%	12,322	14,597	-15.6%
FINANCIAL HIGHLIGHTS (BRL 1,000)								
NET REVENUE (sales in items)	619,580	555,879	11.5%	488,597	26.8%	1,108,177	1,017,145	8.9%
DOMESTIC MARKET	593,976	523,177	13.5%	463,604	28.1%	1,057,580	957,440	10.5%
FOREIGN MARKET	25,604	32,702	-21.7%	24,993	2.4%	50,597	59,705	-15.3%
Net revenue per unit (BRL/ per item shipped)	83.0	69.0	20.3%	100.6	-17.5%	89.9	69.7	29.0%
Cash cost per unit (BRL/ per item shipped)	(55.0)	(44.9)	22.5%	(65.7)	-16.3%	(59.2)	(45.7)	29.6%
Cash cost per unit Pro Forma (BRL/per item shipped)⁽¹⁾	(55.0)	(46.3)	18.8%	(65.7)	-16.3%	(59.2)	(46.4)	27.6%
Gross profit	186,477	171,064	9.0%	146,423	27.4%	332,900	304,697	9.3%
Gross profit - Pro Forma ⁽¹⁾	192,087	160,067	20.0%	146,423	31.2%	338,510	293,700	15.3%
Gross margin	30.1%	30.8%		30.0%		30.0%	30.0%	
Gross margin - Pro Forma ⁽¹⁾	31.0%	28.8%		30.0%		30.5%	28.9%	
Selling expenses	(74,370)	(67,740)	9.8%	(61,280)	21.4%	(135,650)	(134,448)	0.9%
Selling expenses - Pro Forma ⁽²⁾	(74,143)	(67,740)	9.5%	(61,280)	21.0%	(135,423)	(130,058)	4.1%
General and administrative expenses	(33,561)	(30,161)	11.3%	(31,124)	7.8%	(64,685)	(57,714)	12.1%
General and administrative expenses - Pro Forma ⁽³⁾	(33,561)	(26,457)	26.9%	(31,124)	7.8%	(64,685)	(54,010)	19.8%
Operating profit before financial results	78,776	259,903	-69.7%	44,999	75.1%	123,775	294,341	-57.9%
Depreciation and amortization	27,766	27,766	0.0%	27,635	0.5%	55,517	54,659	1.6%
EBITDA according to CVM No. 527/12 ⁽⁴⁾	106,542	287,669	-63.0%	72,634	46.7%	179,292	349,000	-48.6%
EBITDA margin according to CVM No. 527/12	17.2%	51.8%		14.9%		16.2%	34.3%	
Employee benefits	1,052	6	17433.3%	(197)	N/A	739	(2,381)	N/A
Non-recurring events ⁽⁵⁾	5,262	(198,842)	N/A	-	N/A	5,262	(192,777)	N/A
Adjusted and Recurring EBITDA	112,856	88,833	27.0%	72,437	55.8%	185,293	153,842	20.4%
Adjusted and Recurring EBITDA margin	18.2%	16.0%		14.8%		16.7%	15.1%	

(1) Cost of Goods Sold: **2Q22**: Deca Restructuring (+) R\$ 5,610 thousand; **2Q21**: exclusion of ICMS from the PIS and COFINS tax base (-) R\$ 10,997 thousand;

(2) Sales Expenses: **2Q22**: Deca Restructuring (+) R\$ 227 thousand; **1Q21**: Deca Commercial Restructuring (+) R\$ 4,390 thousand.

(3) General and Administrative Expenses: **2Q21**: Brand restructuring (+) R\$ 3,704k;

(4) EBITDA (*Earnings Before Interest, Taxes, Depreciation and Amortization*): measure of operating performance in accordance with CVM Instruction 527/12.

(5) Non-recurring events: detailed in the attachment to this material.



The Deca Division provided the highlight for the second quarter of 2022. While deflated gross revenue for the construction materials sector shrank on average by 6.9% in 2Q22 and by 8.5% in 1H22, compared to the same periods the previous year (according to data published by ABRAMAT), Deca closed out the second quarter of the year with a record performance, delivering the best first quarter in its history.

During the quarter, the Deca Division sold 7,464k pieces, a fall of 7.3% versus 2Q21, arising mainly from a decline in retail sales, but coupled to an increase in market share. For the semester, Deca sold 12,322k pieces, a fall of 15.6% versus 1H21, partly explained by the drop in sales in 1Q22, especially of showers, which showed a strong recovery in 2Q22, and an increase in COVID-19 contagion.

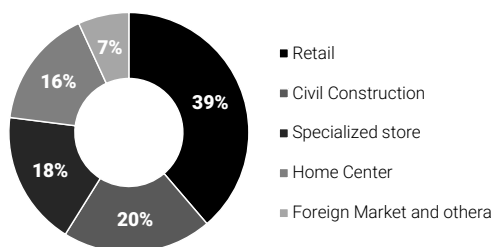
Even faced with the drop in sales, Deca managed to introduce price increases, in keeping with its pricing strategy, with an emphasis on better product positioning in the sanitary ware line, such that unit revenue increased 20.3% versus 2Q21. As a result, the Recurring Net Revenue was R\$619.6 million, 11.5% greater than for 2Q21. This result was reflected in a rise of 8.9% in half-yearly Net Revenue versus 1H21, illustrating both the resilience and the differential in the brand's positioning even under the most diverse of scenarios.

With the stabilization of the cost of the main inputs, albeit at high levels, the Cash Cost of Production increased by 13.5% in 2Q22 versus 2Q21, slightly exceeding inflation in the sector over the period. For the semester this cost increased by only 3.5%, because of factory efficiency gains during the period. The Unit Cost of Goods Sold for the periods mentioned increased significantly versus 2Q21 and 1H21, mainly due to the lower dilution of fixed costs arising from the drop in sales volumes. The resumption of live events, especially the Revestir Fair and CasaCor event, led Sales Expenses to rise by 9.5% versus the same quarter of 2021, partially offset by the fall in sales volumes. The fall in sales also benefited Sales Expenses for the semester, which were only 4.1% higher than for 1H21. On the other hand, General and Administrative Expenses, as with the other divisions, were impacted by the base salary adjustments resulting from the collective bargaining agreement implemented at the end of 2021, and by the higher spending on digitalization and process automation, which explains the 26.9% increase versus 2Q21 and the 19.8% increase on a half-yearly comparison.

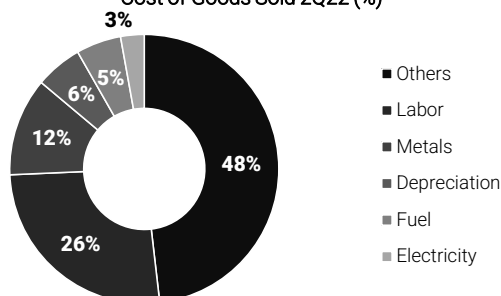
Despite the fall in volumes, the significant increase in Net Revenue and rigid control of costs and expenses led to another record-breaking Adjusted and Recurring EBITDA in the quarter, totaling R\$112.9 million, with a margin of 18.2%, representing growth of 2.2 p.p versus 2Q21. This result also led to the best first semester in the Division's history with an Adjusted and Recurring EBITDA of R\$185.3 million, 20.4% greater than for the same semester in 2021.

The Division recently announced its organic growth projects on capacity expansion and improvements to the mix of its metals lines. In this semester, R\$ 48.0 million were disbursed for the continuity of these projects.

Deca -
Segmentation of Sales 2Q22 (%)



Deca -
Cost of Goods Sold 2Q22 (%)





TILES

HIGHLIGHTS	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
SHIPMENTS (in 'm²)								
FINISHING GOODS	5,188,084	6,927,953	-25.1%	5,363,620	-3.3%	10,551,704	12,313,064	-14.3%
TOTAL	5,188,084	6,927,953	-25.1%	5,363,620	-3.3%	10,551,704	12,313,064	-14.3%
FINANCIAL HIGHLIGHTS (BRL1,000)								
NET REVENUE	308,080	299,848	2.7%	292,944	5.2%	601,024	513,952	16.9%
DOMESTIC MARKET	273,618	272,640	0.4%	264,901	3.3%	538,519	465,944	15.6%
FOREIGN MARKET	34,462	27,208	26.7%	28,043	22.9%	62,505	48,008	30.2%
Net revenue per unit (BRL per m² shipped)	59.4	43.3	37.2%	54.6	8.7%	57.0	41.7	36.5%
Cash cost per unit (BRL per m² shipped)	(32.6)	(25.2)	29.5%	(30.8)	6.0%	(31.7)	(24.6)	28.9%
Cash cost per unit Pro Forma (BRL per m² shipped) ⁽¹⁾	(32.6)	(25.7)	27.1%	(30.8)	6.0%	(31.7)	(24.9)	27.5%
Gross profit	125,164	113,649	10.1%	115,467	8.4%	240,631	188,263	27.8%
Gross profit - Pro Forma ⁽¹⁾	125,716	110,378	13.9%	115,467	8.9%	241,183	184,992	30.4%
Gross margin	40.6%	37.9%		39.4%		40.0%	36.6%	
Gross margin - Pro Forma ⁽¹⁾	40.8%	36.8%		39.4%		40.1%	36.0%	
Selling expenses	(58,423)	(37,029)	57.8%	(43,739)	33.6%	(102,162)	(61,517)	66.1%
General and administrative expenses	(15,518)	(7,112)	118.2%	(13,241)	17.2%	(28,759)	(13,686)	110.1%
General and administrative expenses - Pro Forma ⁽²⁾	(15,518)	(6,685)	132.1%	(13,241)	17.2%	(28,759)	(13,259)	116.9%
Operating profit before financial results	56,803	80,681	-29.6%	57,690	-1.5%	114,493	124,555	-8.1%
Depreciation and amortization	15,810	12,907	22.5%	14,476	9.2%	30,286	25,320	19.6%
EBITDA according to CVM No. 527/12 ⁽³⁾	72,613	93,588	-22.4%	72,166	0.6%	144,779	149,875	-3.4%
EBITDA margin according to CVM No. 527/12	23.6%	31.2%		24.6%		24.1%	29.2%	
Employee benefits	(40)	(1,113)	-96.4%	22	N/A	(18)	(2,444)	-99.3%
Non-recurring events ⁽⁴⁾	552	(13,836)	N/A	-	N/A	552	(13,836)	N/A
Adjusted and Recurring EBITDA	73,125	78,639	-7.0%	72,188	1.3%	145,313	133,595	8.8%
Adjusted and Recurring EBITDA margin	23.7%	26.2%		24.6%		24.2%	26.0%	

(1) Sales expenses: 2Q22: Restructuring Revestimentos (+) R\$ 552 thousand; 2Q21: exclusion of ICMS from the PIS and COFINS tax base (-) R\$ 3,271 thousand;

(2) G&A Expenses: 2Q21: Brand restructuring (+) R\$ 427k;

(3) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM Instruction 527/12.

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



The Ceramic Tiles market ended the second quarter of 2022 with a fall in sales volumes of 13.3% versus the second quarter of 2021, while capacity utilization for the sector was 85.0%, according to the data published by ANFACER. For the semester, the sector saw a fall of 12.4%. Dexco's Tiles Division reported a performance in line with that of the market, with its operations running at 88.0% utilization in the quarter.

Total sales volume for 2Q22 was 5,188,100m² sold, 25.1% lower than for the same period in 2021, a performance impacted by a strong base comparison following complications from the implementation of SAP/4Hana during the first quarter of 2021, which resulted in an increase in sales in 2Q21. In addition, as with the Deca Division, retail sales volumes shrank, with volumes fluctuating throughout the quarter in a sector in which the Division has wide exposure. This was the main explanation for the 14.3% drop off in sales over the semester versus 1H21.

Despite this tail off, the Division was successful in implementing price increases and improving the mix of products sold, increasing its exposure in the large format market with the Portinari brand. These factors led to Net Unit Revenue increasing by 37.2% compared to 2Q21 and by 8.7% when compared to 1Q22. For the semester, Net Unit Revenue Unit increased by 36.5% versus the same period in 2021.

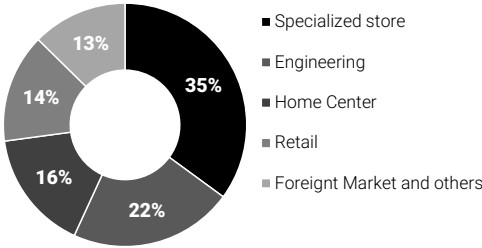
In terms of costs and expenses, increases to the cost of natural gas continued to make an impact, the Pro Forma Unit Cash Cost increasing by 27.1% during the quarter and by 27.5% for the semester, which was less than the increase in Revenue, thus maintaining the Gross Margin levels for the Division. Sales Expenses, meanwhile, increased by 57.8% on a quarterly basis and by 66.1% on a half-yearly comparison, due to the resumption of live events, such as the Revestir Fair and CasaCor event, and to greater expenditure on marketing and travel. In addition, there was an increase in exports, which represent around 14.0% of the Division's sales, and a concomitant increase in freight expenses. General and Administrative Expenses totaled R\$15.5 million, resulting from the higher allocation of corporate expenses, especially those related to the digitalization process, and from the increase in employees' base salaries, as seen with the other divisions.

The increase in Net Revenue for the quarter was not sufficient to compensate the increase in the Division's costs and expenses, which led to an Adjusted and Recurring EBITDA for the Division of R\$73.1 million, 7.0% lower than for 2Q21. For the half-year, the increase in Net Revenue not only offset the increase in costs and

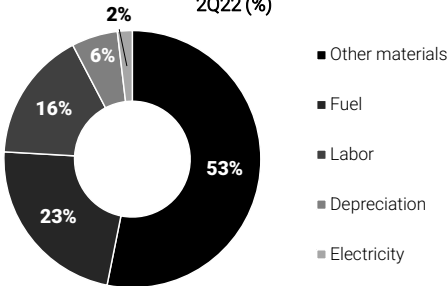
expenses, but also led the Division to its best 1st semester in its history, with an Adjusted and Recurring EBITDA of R\$145.3 million and a margin of 24.2%.

It should be noted that the Tiles Division has announced its new organic growth project, with which it intends to increase production capacity for giant formats by 35.0%. Furthermore, the Division announced the investment in the modernization of its current lines and in a new factory. Of this amount, R\$82.8 million was invested in 1H22.

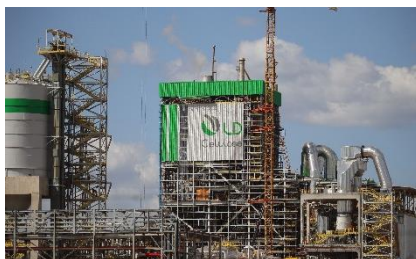
**Tiles¹ - Segmentation of Sales
2Q22 (%)**



**Tiles¹ - Cost of Goods Sold
2Q22 (%)**



1 – Ceusa and Portinari brands.

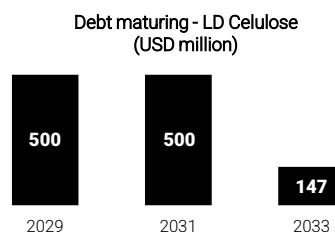
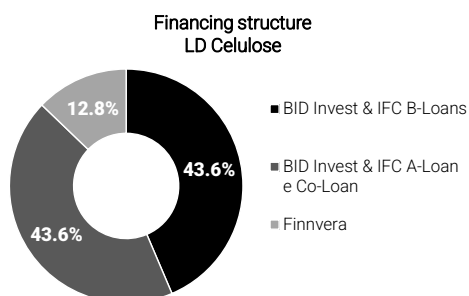


DISSOLVING WOOD PULP

In an event that took place after the end of the second quarter, when the Company announced the launch and ramp up of operations at LD Celulose's new Dissolving Wood Pulp unit (Material Fact disclosed on 04/12/2022), Dexco has announced the first sale of LD Celulose's dissolving wood pulp. The results for this business are already reflected in Dexco's results via the equity method reflecting the proportion to Dexco's shareholding (49%).

Located in the Triângulo Mineiro, with 500k tons capacity, LD Celulose is the fruit of a Joint Venture between Dexco and the Austrian company Lenzing AG, which will receive 100% of the volume sold. Investment in the project was approximately USD 1.38 billion, including the infrastructure and taxes incurred. It should be noted that the project was completed both on time and to budget, in line with initial estimates.

With this project, the Company has invested R\$623.6 million, of which R\$246.3 million was invested in the first semester of 2022, in addition to a contribution of 43.0k hectares of forest, valued at R\$487.0 million. In the quarter, LD Celulose had a positive impact of R\$30.6 million, allowing for consulting expenses, exchange rate variation and structuring of the new company. It should be noted that the results were treated as a non-recurring event, given that they represent only accounting effects and this is an investment project.



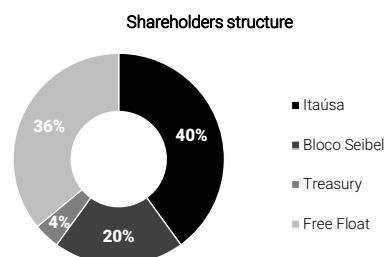
Capital Markets GRI 102-5

SHAREHOLDER RETURN

At the end of second quarter of 2022, the Company had a market value of R\$7,249.5 million, with a closing share price of R\$ 9.87 on 06/30/2022.

The final share price fell by 32.8% versus the prior quarter, while the Ibovespa index showed a decrease of 17.9% over the period, impacted by the uncertainties surrounding the macroeconomic scenario.

In the quarter, 682,267 trades were carried out with B3's shares on the spot market, which represented a financial turnover of approximately R\$2.6 billion or a daily average of R\$41.7 million in trading.



Socio-environmental Performance (ESG)

In line with Dexco's strategic vision for Sustainability, we have advanced discussions that involve economic and social themes, the impact of the Company on the environment and best practices in Corporate Governance. Thus, we have introduced into the quarterly results report the Global Reporting Initiative (GRI) indicators, as a transparent means of measuring progress against the Company's sustainability targets

In addition, for the third year in a row, the Company has published its Integrated Report, following the main guidelines and best practices in corporate governance, including international standards of disclosure, the main highlights being: history and results of the new Sustainability Strategy, socio-environmental guidelines and investment in the Company's Divisions, 70 years of Dexco, and the change to the corporate brand.

VALUE ADDED GRI 201-1

Value Added for 1H22 totaled R\$2.078,7 million, with 34.7% of this total paid to the federal, state and municipal governments in the form of tax and social security contributions.

PEOPLE MANAGEMENT GRI 102-8

The Company ended the second quarter of 2022 with 13,344 employees, a slight fall in the number reported for the same period in the previous year and in 1Q22.

(R\$ '000)	2022	2Q21	%	1Q22	%	1H22	1H21	%
Employees (quantity)	13,344	14,081	-5.2%	14,188	-5.9%	13,344	14,081	-5.2%
Remuneration	163,271	154,281	5.8%	157,848	3.4%	321,119	293,685	9.3%
Obligatory legal charges	94,124	87,237	7.9%	86,042	9.4%	180,166	163,245	10.4%
Differentiated benefits	45,206	36,688	23.2%	43,708	3.4%	88,914	72,506	22.6%

ACCIDENT RATE GRI 403-9

The rate of Lost Time Accidents (LTA) indicates the frequency of injuries in relation to the total time worked by all employees during a given period. In the period January through June of 2022, the Company reported a total of 61 lost time accidents, and 57 accidents that did not involve lost time, in more than 11 million man-hours worked at the units in Brazil and Colombia.

Work-Accident GRI 403-9		YTD 2022	2021	%
	Deaths Resulting from Work Accidents	-	-	-
Brazil	Mandatory Communication Work Accidents	9.62	3.30	191.4%
	Occupational Accidents with Serious Consequences (except deaths)	-	-	-
	Deaths Resulting from Work Accidents	-	-	-
Colombia	Mandatory Communication Work Accidents	17.22	32.70	-47.3%
	Occupational Accidents with Serious Consequences (except deaths)	-	-	-
Work-related injuries		YTD 2022	2021	%
Brazil	Deaths Resulting from Work Accidents	4.45	1.97	125.6%
Colombia	Accident Frequency Rate (TFA)	17.22	23.31	-26.1%

EMISSION OF GREENHOUSE GASES (GEE) GRI 305-1, 305-2 e 305-3

Dexco tracks and controls the Company's emissions, in keeping with the accepted guidelines of Scopes 1, 2 and 3, with the Annual Inventory audit by a third-party. The greenhouse gas emissions are published annually in the Public Registry of Emissions of the Brazilian GHG Protocol Program. The Company also reports the intensities of direct emissions, thus enabling tracking of the evolution of performance in each business of the company.

With a view to continuous improvement, the Company has expanded the number of parameters monitored in Scope 3, which has led to greater accuracy and transparency for the data reported this year. Regarding emissions in Scope 2, the indicator was directly impacted by the return of administrative employees to the office workplace. In the Wood Division, consumption of electricity and combustibles was impacted by the high level of moisture in the raw material, necessitating the extended use of dryers.

Direct and indirect GHG emissions GRI 305-1 GRI 305-2 GRI 305-3		YTD 2022	YTD 2021	%
Brazil	Scope 1 (tCO2e)	153,299	155,093	-1.2%
	Scope 2 (tCO2e)	44,801	41,001	9.3%
	Scope 3 (tCO2e)	54,621	46,307	18.0%
Colombia	Scope 1 (tCO2e)	8,150	9,753	-16.4%
	Scope 3 (tCO2e)	6,138	6,014	2.1%
	Scope 2 (tCO2e)	1,563	1,614	-3.1%
Total (Brazil + Colombia)		268,572	259,782	3.4%
GHG emissions intensity GRI 305-4		YTD 2022	YTD 2021	%
Brazil	Deca Metals (tCO2e/piece)	0.000551	0.000482	14.3%
	Deca Sanitary Ware (tCO2e/kg)	0.000514	0.000439	17.0%
	Hydra (tCO2e/piece)	0.000171	0.000112	52.5%
	Pannels (tCO2e/m³)	0.038282	0.027648	38.5%
	Tiles (tCO2e/m²)	0.008727	0.007166	21.8%
Colombia	Pannels (tCO2e/m³)	0.120226	0.138250	-13.0%
Direct and indirect GHG emissions GRI 305-1 GRI 305-2 GRI 305-3		YTD 2022	YTD 2021	%
Brazil	Deca (tCO2e)	34,974	34,110	2.5%
	Wood (tCO2e)	94,667	92,247	2.6%
	Tiles (tCO2e)	123,080	116,044	6.1%
Colombia	Wood (tCO2e)	15,851	17,381	-8.8%

(1) Scope 1: Direct emissions from the Company, including the consumption of fuel in our factories, such as, for example, in the operations for generating energy, or transporting materials, generators, own vehicles used for the transfer of goods between units, cooling gases used in air conditioning, carbon from fire extinguishers, etc. (2) Scope 2: Indirect emissions, originating from the purchase of mains electricity.

ENERGY CONSUMPTION GRI 302-1

The total electricity consumption of the operations includes the consumption of renewable and non-renewable fuels. The proportion of renewable electricity consumed is also reported, as is the energy intensity of the units.

Renewable energy consumption remains significant at the Company, representing more than 54.0% of the energy matrix in the year, both in Brazil and in Colombia operations, mainly driven by the proportion of biomass consumption in the Panel units. Energy intensity has increased in our business units, except for Tiles and Colombian Panels, explained by the need to sustain equipment and infrastructure. In the Wood, Deca Metals and Tiles businesses, production shutdowns were carried out for maintenance, which generated energy losses. At the Hydra unit vehicles were exchanged as a way of improving energy efficiency. At the Brazilian Wood unit, consumption increased due to the start-up of the new panel coating line. There was also an exchange of ethanol consumption for gasoline in some of the units, due to its energy efficiency.

Energy consumption GRI 302-1								
A. Energy generated by fuel consumption	Brazil			Colombia			Total (Brazil + Colombia)	
	YTD 2022	YTD 2021	%	YTD 2022	YTD 2021	%	YTD 2022	YTD 2021
Acetylene	40	94	-57.1%	-	-	-	40	94
biomass	1,349,844	1,558,726	-13.4%	102,796	157,342	-34.7%	1,452,640	1,716,068
sub-bituminous coal	460,535	465,054	-1.0%	-	-	-	460,535	465,054
Diesel	121,474	149,109	-18.5%	3,695	3,788	-2.5%	125,169	152,897
Biodiesel	-	-	-	-	-	-	-	-
Ethanol	373	439	-15.1%	-	-	-	373	439
Natural gas	1,387,694	1,486,839	-6.7%	41,214	38,655	6.6%	1,428,908	1,525,494
Gasoline	6,621	8,504	-22.1%	-	-	-	6,621	8,504
LPG	46,059	49,408	-6.8%	76,376	102,447	-25.4%	122,435	151,855
GMP oil	17,009	42,855	-60.3%	-	-	-	17,009	42,855
Propane	184	496	-62.8%	-	-	-	184	496
A. Subtotal of Renewable Fuels (Biomass, Biodiesel and Ethanol)	1,350,217	1,559,165	-13.4%	102,796	157,342	-34.7%	1,453,013	1,716,508
Total energy generated by fuel consumption	3,389,834	3,761,525	-9.9%	224,081	302,232	-25.9%	3,613,915	4,063,757
B. Electricity (Acquired Energy)	1,566,818	1,540,898	1.7%	92,696	106,654	-13.1%	1,659,514	1,647,552
Total renewable energy (A + B)	2,917,035	3,100,063	-5.9%	195,492	263,996	-25.9%	3,112,527	3,364,059
Total energy consumed	4,956,652	5,302,422	-6.5%	316,777	408,887	-22.5%	5,273,429	5,711,309
Percentage of energy from renewable sources on the total energy consumed (%)	54.1%	54.1%		56.2%	59.6%		54.2%	58.9%

GRI 302-3 – Energy Intensity		YTD 2022	YTD 2021	%
Brazil	Deca Metals (GJ/piece)	0.0155	0.0140	10.1%
	Deca Sanitary Ware (GJ/kg)	0.0103	0.0088	17.0%
	Hydra (GJ/piece)	0.0058	0.0040	44.3%
	Pannels (GJ/m³)	1.9613	1.9101	2.7%
	Tiles (GJ/m²)	0.1383	0.1450	-4.6%
Colombia	Pannels (GJ/m³)	2.9653	3.5852	-17.3%
Energy consumption GRI 302-1		YTD 2022	YTD 2021	%
Brazil	Deca (GJ)	591,270	599,702	-1.4%
	Wood (GJ)	2,815,295	2,878,392	-2.2%
	Tiles (GJ)	1,830,646	1,813,104	1.0%
Colombia	Wood (GJ)	352,419	408,887	-13.8%

WATER CONSUMPTION GRI 303-5

The water consumed by Dexco is mostly subterranean in origin, followed by water supplied by utility companies and surface water. The volume of water reuse at the Company is very significant, especially due to the large volume of water reused in the Tiles Division processes.

Compared to the same period of the previous year, there was a reduction in the percentage of reuse due to maintenance shutdowns at the units and operational adjustments to the recycling system in the Metals business.

The consumption of abstracted water increased in the business, in Tiles Division, the units use the gas washing process to reduce the emission of pollutants. In addition, at the Panels units, tests were carried out for the reuse of treated effluents in the chip washer. Furthermore, Deca Metals is adapting its manufacturing processes to improve the use of groundwater, leading to a reduction in consumption due to

the increase in the exchange of the galvanized bath. At Hydra, more test lines are being monitored, specifically the recirculation waters.

Recycled and reused water GRI 303-3 Water withdrawal GRI 303-5		YTD 2021		YTD 2020		%
Uptake by source (m³)		Water stress		Water stress		
	Water category	No	Yes	No	Yes	
Brazil	Surface water	461,631	-	299,952	-	53.9%
	Third party water	182,909	29,483	178,200	31,196	2.6%
	Underground water	1,517,776	-	1,569,717	-	-3.3%
	Total	2,162,316	29,483	2,047,870	31,196	5.6%
Colombia	Surface water	67,529	-	72,588	-	-7.0%
	Third party water	3,315	-	3,413	-	-2.9%
	Underground water	5,905	-	5,656	-	4.4%
	Total	76,749	-	81,657	-	-6.0%
		YTD 2021		YTD 2020		
Brazil	Percentage of water reused (%)	159.97		192.26		-16.8%
Colombia	Percentage of water reused (%)	0.76		0.68		12.9%

Intensity of water consumption		YTD 2022	YTD 2021	%
Brazil	Deca Metls (m³/piece)	0.01027	0.00951	8.1%
	Deca Sanitary Ware (m³/kg)	0.00392	0.00389	0.6%
	Hydra (m³/piece)	0.00368	0.00263	39.8%
	Pannels (m³/m³)	1.04558	0.92338	13.2%
	Tiles (m³/m²)	0.03256	0.03090	5.4%
Colombia	Pannels (m³/m³)	0.64578	0.71598	-9.8%

Water consumption 303-5		YTD 2022	YTD 2021	%
Brazil	Deca (m³)	259,097	299,308	-13.4%
	Wood (m³)	1,500,800	1,391,369	7.9%
	Tiles (m³)	431,901	388,389	11.2%
Colombia	Wood (m³)	76,749	81,657	-6.0%

WASTE GENERATION GRI 306-1

Dexco monitors the generation of waste from its processes, as well as the volume sent by the industrial units to pre-approved receivers, in keeping with the internal guidelines established. Seeking to minimize the volume of waste allocated for landfill, a program of internal re-use is carried out, as well as allocation of waste for recycling, co-processing, reutilization, and the generation of electricity, for example, enabling the tracking of external re-use and new uses for the waste.

In the second quarter of 2022, 28.4% of waste generated was reused internally in our processes, while 49.3% was sent for external reuse and 22.3% has been disposed of.

At the beginning of the year, there were factory maintenance shutdowns, with a greater amount of waste residue disposed of. In Panels, the new line of panel coverings had an impact on waste generation, as highlighted by the relative indicators. In sanitary ware, due to the climate, there was an increase in scrap, and of residue sent to landfill or reused in the production process. At the Sanitary Ware unit, processes are being developed to increase the amount of waste for recycling. In the Metals units, there were expansion projects, increasing their waste destined for disposal. At the units in Colombia, there was less waste generation due to the fall in the production processes.

Waste discharge by quality and destination GRI 306-1

	Location	Destination	Operations	YTD 2021	YTD 2020	%
Brazil	Within the organization	Reused	Other recovery operations	5,567.64	-	-
			Preparation for reuse	43,361.32	41,396.91	4.7%
			Recycling	15,312.37	17,923.38	-14.6%
	Outside organization	Intended for disposition	Containment in landfill	25,303.90	13,079.08	93.5%
			Incineration without energy recovery	3.30	4.22	-21.8%
			Other disposition operations	24,823.35	22,224.95	11.7%
			Other recovery operations	-	-	
	Outside organization	Reused	Other disposition operations	-	-	
			Other recovery operations	6,292.53	3,311.40	90.0%
			Preparation for reuse	24,401.28	20,860.64	17.0%
			Recycling	73,986.16	63,455.00	16.6%
Colombia	Outside organization	Intended for disposition	Containment in landfill	359.58	285.64	25.9%
			Incineration without energy recovery	9.07	7.66	18.4%
			Other disposition operations	-	-	
			Other recovery operations	6.68	2.42	176.0%
	Outside organization	Reused	Other disposition operations	-	-	
			Other recovery operations	0.05	0.09	-44.4%
			Preparation for reuse	106.15	189.28	
			Recycling	6,895.14	7,060.88	-2.3%

Intensity of waste destination		YTD 2022	YTD 2021	%
Brazil	Deca Metals (kg/piece)	0.0004	0.0004	14.0%
	Deca Sanitary ware (kg/kg)	0.0008	0.0005	59.5%
	Hydra (kg/piece)	0.0002	0.0001	14.0%
	Pannels(kg/kg)	0.0377	0.0320	17.7%
	Ceramic Tiles (kg/m²)	0.0039	0.0037	7.6%
Colombia	Pannels (kg/kg)	0.0549	0.0662	-17.0%

Water discharge by quality and destination GRI 306-1		YTD 2022	YTD 2021	%
Brazil	Deca (t)	38,770.0	28,970.3	33.8%
	Wood (t)	54,104.5	48,273.8	12.1%
	Ceramic Tiles (t)	52,048.9	45,691.2	13.9%
Colombia	Wood (t)	6,529.8	7,546.3	-13.5%

Waste discharge (Brazil + Colombia)	YTD 2021	% total	YTD 2020	% total	Var.
Intended for reuse	175,923	77.7%	159,789	81.8%	10.1%
Reused internally	64,241	28.4%	64,912	33.2%	-1.0%
Externally reused	111,681	49.3%	94,877	48.6%	17.7%
Intended for disposal	50,506	22.3%	35,604	18.2%	41.9%
Total waste discharge	226,429	-	195,393	-	15.9%

Attachments

Financial Statements

CONSOLIDATED ASSETS	06/30/2022	AV%	03/31/2022	AV%	12/31/2021	AV%
CURRENT	5,825,703	37.8%	5,167,174	36.5%	4,661,437	34.7%
Cash and cash equivalents	1,961,518	12.7%	1,571,158	11.1%	1,421,302	10.6%
Trade accounts receivable	1,598,858	10.4%	1,445,231	10.2%	1,407,630	10.5%
Related parties accounts receivable	41,333	0.3%	35,349	0.2%	22,535	0.2%
Inventories	1,802,905	11.7%	1,718,096	12.1%	1,433,223	10.7%
Other receivables	80,559	0.5%	68,527	0.5%	73,308	0.5%
Recoverable taxes and contributions	227,728	1.5%	185,749	1.3%	200,172	1.5%
Derivative financial instruments	12,818	0.1%	41,045	0.3%	14,293	0.1%
Other credits	41,596	0.3%	43,561	0.3%	30,516	0.2%
Non current assets available for sale	58,388	0.4%	58,458	0.4%	58,458	0.4%
NON-CURRENT	9,569,416	62.2%	8,994,709	63.5%	8,758,894	65.3%
Restricted deposits	106,486	0.7%	94,814	0.7%	86,586	0.6%
Other receivables	98,056	0.6%	99,643	0.7%	109,151	0.8%
Pension plan credits	99,164	0.6%	98,613	0.7%	98,029	0.7%
Recoverable taxes and contributions	710,115	4.6%	767,673	5.4%	801,194	6.0%
Deferred income tax and social contribution	285,366	1.9%	277,760	2.0%	294,868	2.2%
Marketable securities	48,159	0.3%	49,189	0.3%	39,947	0.3%
Investments in subsidiaries and associates	35,288	0.2%	-	N/A	-	N/A
Derivative financial instruments	1,553,526	10.1%	1,327,137	9.4%	1,311,129	9.8%
Other investments	2,588	0.0%	2,588	0.0%	3,518	0.0%
Property, plant and equipment	3,770,927	24.5%	3,638,505	25.7%	3,628,446	27.0%
Assets of use rights	481,251	3.1%	413,612	2.9%	366,988	2.7%
Biological assets	1,535,906	10.0%	1,387,410	9.8%	1,268,648	9.5%
Intangible assets	842,584	5.5%	837,765	5.9%	750,390	5.6%
TOTAL ASSETS	15,395,119	100.0%	14,161,883	100.0%	13,420,331	100.0%

CONSOLIDATED LIABILITIES AND STOCKHOLDERS' EQUITY	06/30/2022	AV%	03/31/2022	AV%	12/31/2021	AV%
CURRENT	4,039,639	26.2%	3,950,413	27.9%	3,371,691	25.1%
Loans and financing	907,499	5.9%	880,416	6.2%	836,277	6.2%
Related parts loans and financing	579,683	3.8%	562,678	4.0%	-	N/A
Debentures	18,981	0.1%	44,776	0.3%	12,975	0.1%
Suppliers	1,498,276	9.7%	1,530,827	10.8%	1,649,162	12.3%
Related parties suppliers	2,145	0.0%	3,137	0.0%	4,499	0.0%
Lease liability	28,907	0.2%	28,587	0.2%	25,794	0.2%
Personnel	218,436	1.4%	195,786	1.4%	203,823	1.5%
Accounts payable	528,922	3.4%	533,857	3.8%	540,743	4.0%
Related parties accounts payable	4,331	0.0%	4,396	0.0%	3,269	0.0%
Taxes and contributions	159,137	1.0%	117,423	0.8%	92,090	0.7%
Dividends and interest on capital	2,729	0.0%	2,735	0.0%	3,059	0.0%
Derivative financial instruments	90,593	0.6%	45,795	0.3%	-	N/A
NON-CURRENT	5,613,335	36.5%	4,706,473	33.2%	4,313,729	32.1%
Loans and financing	2,830,530	18.4%	2,033,059	14.4%	1,275,643	9.5%
Related parts loans and financing	-	N/A	-	N/A	546,010	4.1%
Debentures	1,198,926	7.8%	1,198,835	8.5%	1,198,743	8.9%
Lease liability	456,691	3.0%	384,702	2.7%	339,929	2.5%
Lease liability of Related Parties	33,623	0.2%	34,350	0.2%	31,786	0.2%
Contingencies	335,721	2.2%	322,085	2.3%	323,094	2.4%
Deferred income tax and social contribution	176,926	1.1%	144,347	1.0%	132,832	1.0%
Accounts payable	430,012	2.8%	427,952	3.0%	392,715	2.9%
Related parties	15,400	0.1%	16,800	0.1%	-	N/A
Income tax and social contribution	62,750	0.4%	65,390	0.5%	68,128	0.5%
Derivative financial instruments	72,756	0.5%	78,953	0.6%	4,849	0.0%
STOCKHOLDERS' EQUITY	5,742,145	37.3%	5,504,997	38.9%	5,734,911	42.7%
Capital	2,370,189	15.4%	2,370,189	16.7%	2,370,189	17.7%
Costs on issue of shares	(7,823)	-0.1%	(7,823)	-0.1%	(7,823)	-0.1%
Capital reserves	371,010	2.4%	368,167	2.6%	366,122	2.7%
Capital transactions with partners	(18,731)	-0.1%	(18,731)	-0.1%	(18,731)	-0.1%
Revaluation reserves	34,689	0.2%	34,892	0.2%	35,094	0.3%
Revenue reserves	2,803,638	18.2%	2,634,334	18.6%	2,410,475	18.0%
Carrying value adjustments	(378,017)	-2.5%	501,032	3.5%	681,368	5.1%
Treasury shares	565,832	3.7%	(378,017)	-2.7%	(103,113)	-0.8%
Noncontrolling interests	1,358	0.0%	954	0.0%	1,330	0.0%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	15,395,119	100.0%	14,161,883	100.0%	13,420,331	100.0%

INCOME STATEMENT	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
CONTINUING OPERATIONS								
Gross Income	2,717,347	2,440,358	11.4%	2,611,334	4.1%	5,328,681	4,633,062	15.0%
Domestic Market	2,251,075	2,077,089	8.4%	2,096,101	7.4%	4,347,176	3,881,571	12.0%
Wood	1,164,859	1,086,240	7.2%	1,190,582	-2.2%	2,355,441	2,100,576	12.1%
Deca	744,050	652,121	14.1%	575,232	29.3%	1,319,282	1,200,373	9.9%
Tiles	342,166	338,728	1.0%	330,287	3.6%	672,453	580,622	15.8%
Foreign Market	466,272	363,269	28.4%	515,233	-9.5%	981,505	751,491	30.6%
Wood	406,207	303,359	33.9%	462,195	-12.1%	868,402	643,778	34.9%
Deca	25,604	32,702	-21.7%	24,994	2.4%	50,598	59,705	-15.3%
Tiles	34,461	27,208	26.7%	28,044	22.9%	62,505	48,008	30.2%
Taxes and Sale Contributions	(503,780)	(466,229)	8.1%	(480,332)	4.9%	(984,112)	(890,807)	10.5%
Wood	(285,157)	(271,197)	5.1%	(303,316)	-6.0%	(588,473)	(533,196)	10.4%
Deca	(150,076)	(128,944)	16.4%	(111,629)	34.4%	(261,705)	(242,933)	7.7%
Tiles	(68,547)	(66,088)	3.7%	(65,387)	4.8%	(133,934)	(114,678)	16.8%
NET INCOME FOR THE PERIOD	2,213,567	1,974,129	12.1%	2,131,002	3.9%	4,344,569	3,742,255	16.1%
Domestic Market	1,790,261	1,641,777	9.0%	1,659,901	7.9%	3,450,162	3,056,416	12.9%
Wood	922,667	845,960	9.1%	931,396	-0.9%	1,854,063	1,633,032	13.5%
Deca	593,976	523,177	13.5%	463,604	28.1%	1,057,580	957,440	10.5%
Tiles	273,618	272,640	0.4%	264,901	3.3%	538,519	465,944	15.6%
Foreign Market	423,306	332,352	27.4%	471,101	-10.1%	894,407	685,839	30.4%
Wood	363,240	272,442	33.3%	418,065	-13.1%	781,305	578,126	35.1%
Deca	25,604	32,702	-21.7%	24,993	2.4%	50,597	59,705	-15.3%
Tiles	34,462	27,208	26.7%	28,043	22.9%	62,505	48,008	30.2%
Biological asset	155,617	67,625	130.1%	71,092	118.9%	226,709	85,454	165.3%
Cost of goods sold	(1,392,758)	(1,158,759)	20.2%	(1,283,576)	8.5%	(2,676,334)	(2,177,224)	22.9%
Depreciation/amortization/depletion	(160,942)	(129,826)	24.0%	(137,525)	17.0%	(298,467)	(263,847)	13.1%
Depletion of biological assets	(39,740)	(32,684)	21.6%	(38,047)	4.4%	(77,787)	(59,714)	30.3%
GROSS PROFIT	775,744	720,485	7.7%	742,946	4.4%	1,518,690	1,326,924	14.5%
Selling expenses	(313,986)	(227,600)	38.0%	(282,837)	11.0%	(596,823)	(433,588)	37.6%
General and administrative expenses	(77,544)	(67,274)	15.3%	(73,772)	5.1%	(151,316)	(123,869)	22.2%
Management compensation	(5,167)	(4,721)	9.4%	(4,958)	4.2%	(10,125)	(9,470)	6.9%
Other operating results, net	(4,747)	448,588	N/A	1,150	N/A	(3,597)	442,380	N/A
Equity Equivalence Results	(29,903)	38,191	N/A	26,870	N/A	(3,033)	(5,549)	-45.3%
OPERATING PROFIT BEFORE FINANCIAL RESULTS	344,397	907,669	-62.1%	409,399	-15.9%	753,796	1,196,828	-37.0%
Financial revenues	117,889	202,762	-41.9%	61,312	92.3%	179,201	236,846	-24.3%
Financial expenses	(212,262)	(59,749)	255.3%	(171,036)	24.1%	(383,298)	(113,418)	238.0%
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	250,024	1,050,682	-76.2%	299,675	-16.6%	549,699	1,320,256	-58.4%
Income tax and social contribution - current	(42,242)	(75,572)	-44.1%	(33,287)	26.9%	(75,529)	(150,184)	-49.7%
Income tax and social contribution - deferred	(38,591)	(258,510)	-85.1%	(42,673)	-9.6%	(81,264)	(280,773)	-71.1%
NET INCOME FOR THE PERIOD	169,191	716,600	-76.4%	223,715	-24.4%	392,906	889,299	-55.8%

CASH FLOW	2Q22	2Q21	%	1Q22	%	1H22	1H21	%
Profit before tax. Income and Social Contribution	250,024	1,050,682	-76.2%	299,675	-16.6%	549,699	1,320,256	-58.4%
Depreciation, amortization and depletion	217,472	177,619	22.4%	191,534	13.5%	409,006	353,070	15.8%
Change in the fair value of biological assets	(155,617)	(67,625)	130.1%	(71,092)	118.9%	(226,709)	(85,454)	165.3%
Interest, net exchange and monetary variations	20,562	15,843	29.8%	187,784	-89.1%	208,346	39,601	426.1%
Interest on leases	1,614	1,692	-4.6%	1,219	32.4%	2,833	3,275	-13.5%
Equity Income from subsidiaries	29,903	(38,191)	N/A	(26,870)	N/A	3,033	5,549	-45.3%
Impairment of trade accounts receivable	13,748	6,026	128.1%	3,580	284.0%	17,328	8,872	95.3%
Impairment of intangible assets	-	-	0.0%	-	0.0%	-	-	0.0%
Provisions, write-off of assets	514	331	55.3%	(16,772)	N/A	(16,258)	7,950	N/A
Reversal of ICMS provision based on PIS and COFINS	-	(141,754)	N/A	-	N/A	-	(141,754)	N/A
Exclusion of ICMS based on PIS and COFINS	-	(517,551)	N/A	-	N/A	-	(517,551)	N/A
Working Capital Investments	(259,376)	(16,105)	1510.5%	(414,824)	-37.5%	(674,200)	(126,898)	431.3%
Accounts receivable from customers	(171,584)	(124,290)	38.1%	(55,635)	208.4%	(227,219)	(131,342)	73.0%
Stocks	(93,223)	(68,670)	35.8%	(272,781)	-65.8%	(366,004)	(248,159)	47.5%
Other assets	(2,964)	(47,535)	-93.8%	40,721	N/A	37,757	(32,918)	N/A
Providers	(36,013)	89,162	N/A	(113,633)	-68.3%	(149,646)	157,924	N/A
Staff obligations	22,661	33,820	-33.0%	(9,050)	-350.4%	13,611	15,168	-10.3%
Bills to pay	(4,847)	39,287	N/A	32,049	N/A	27,202	56,553	-51.9%
Taxes and contributions	23,254	75,463	-69.2%	266	8642.1%	23,520	92,270	-74.5%
Other liabilities	3,340	(13,342)	N/A	(36,761)	N/A	(33,421)	(36,394)	-8.2%
Cash from Operations	118,844	470,967	-74.8%	154,234	-22.9%	273,078	866,916	-68.5%
Income Tax and Social Contribution Paid	(26,384)	(120,080)	-78.0%	(11,060)	138.6%	(37,444)	(171,027)	-78.1%
Interest Paid	(56,567)	(37,018)	52.8%	(8,376)	575.3%	(64,943)	(43,800)	48.3%
Cash generated by operating activities	35,893	313,869	-88.6%	134,798	-73.4%	170,691	652,089	-73.8%
Atividades de Investimentos	(56,567)	(37,018)	52.8%	(8,376)	575.3%	(64,943)	(43,800)	48.3%
Títulos e valores mobiliários	35,893	313,869	-88.6%	134,798	-73.4%	170,691	652,089	-73.8%
Investments in fixed assets	1,030	-	N/A	(9,193)	N/A	(8,163)	-	N/A
Investments in Intangible Assets	(223,728)	(125,715)	78.0%	(95,252)	134.9%	(318,980)	(202,206)	57.8%
Investments in biological assets	(15,975)	(10,645)	50.1%	(8,265)	93.3%	(24,240)	(18,616)	30.2%
Receipt for sale of fixed assets	(86,970)	(60,361)	44.1%	(126,481)	-31.2%	(213,451)	(108,298)	97.1%
Marketable securities	3,000	12,091	-75.2%	4,900	-38.8%	7,900	21,635	-63.5%
Acquisition of subsidiaries, net of cash acquired	-	-	-	(96,199)	N/A	(96,199)	-	N/A
Capital contribution / Capital increase	(153,027)	(17,151)	7.92	(93,346)	0.64	(246,373)	(17,151)	13.36
Cash Used in Investing Activities	(475,670)	(201,781)	135.7%	(423,836)	12.2%	(899,506)	(324,636)	177.1%
Financing tickets	800,160	171	467829.8%	919,087	-12.9%	1,719,247	1,963	87482.6%
Amortization of the principal amount of financing	49,341	(27,572)	N/A	(174,164)	N/A	(124,823)	(118,058)	5.7%
Amortization of lease liabilities	(20,071)	(14,827)	35.4%	(17,175)	16.9%	(37,246)	(31,012)	20.1%
Interest on own capital and dividends	(5)	-	N/A	-	N/A	(5)	(516,385)	-100.0%
Treasury and other shares	(66)	2,693	N/A	(274,838)	-100.0%	(274,904)	(59,584)	361.4%
Cash Generated (used) in Financing Activities	829,359	(39,535)	N/A	452,910	83.1%	1,282,269	(723,076)	N/A
Exchange variation on cash and cash equivalents	778	(8,214)	N/A	(14,016)	N/A	(13,238)	(6,450)	105.2%
Increase (decrease) in cash in the period / year	390,360	64,339	506.7%	149,856	160.5%	540,216	(402,073)	N/A
Opening balance	1,571,158	1,262,001	24.5%	1,421,302	10.5%	1,421,302	1,728,413	-17.8%
Final balance	1,961,518	1,326,340	47.9%	1,571,158	24.8%	1,961,518	1,326,340	47.9%

Non-recurring events (Adjusted and Recurring EBITDA)

In BRL '000 - Consolidated	2Q22	2Q21	1Q22	1H22	1H21
EBITDA according to CVM No. 527/12	561,809	1,085,288	600,877	1,162,686	1,549,898
Tax contingencies (Extemporaneous Credits)	(1,329)	(4,074)	-	(1,329)	115
Exclusion of ICMS from the PIS COFINS base	-	(480,670)	-	-	(480,670)
Impairment (reversal) of assets	-	(2,929)	-	-	(2,929)
Brands restructuring	-	7,700	-	-	7,700
Deca and Ceramic Tiles restructuring	6,389	-	-	6,389	4,390
Others¹	-	1,660	-	-	1,660
Dissolving Wood Pulp	30,556	(37,629)	(26,384)	4,172	6,624
Change in fair value of biological assets - Caetex	4,133	-	-	4,133	-
Change in fair value of biological assets	(155,617)	(67,625)	(71,092)	(226,709)	(85,454)
Employee benefits	306	(1,543)	274	580	(5,234)
Adjusted and Recurring EBITDA	446,247	500,178	503,675	949,922	996,100
In BRL '000 - Wood	2Q22	2Q21	1Q22	1H22	1H21
EBITDA according to CVM No. 527/12	413,210	666,402	429,693	842,903	1,057,647
Tax contingencies (Extemporaneous Credits)	(754)	(1,385)	-	(754)	1,129
Exclusion of ICMS from the PIS COFINS base	-	(266,550)	-	-	(266,550)
Impairment (reversal) of assets	-	(2,929)	-	-	(2,929)
Brands restructuring	-	3,569	-	-	3,569
Others¹	-	1,660	-	-	1,660
Change in fair value of biological assets - Caetex	4,133	-	-	4,133	-
Change in fair value of biological assets	(155,617)	(67,625)	(71,092)	(226,709)	(85,454)
Employee benefits	(706)	(436)	449	(257)	(409)
Adjusted and Recurring EBITDA	260,266	332,706	359,050	619,316	708,663
In BRL '000 - Deca	2Q22	2Q21	1Q22	1H22	1H21
EBITDA according to CVM No. 527/12	106,542	287,669	72,634	179,176	349,000
Tax contingencies (Extemporaneous Credits)	(575)	(2,689)	-	(575)	(1,014)
Exclusion of ICMS from the PIS COFINS base	-	(199,857)	-	-	(199,857)
Brands restructuring	-	3,704	-	-	3,704
Deca restructuring	5,837	-	-	5,837	4,390
Employee benefits	1,052	6	(197)	855	(2,381)
Adjusted and Recurring EBITDA	112,856	88,833	72,437	185,293	153,842
In BRL '000 - Tiles	2Q22	2Q21	1Q22	1H22	1H21
EBITDA according to CVM No. 527/12	72,613	93,588	72,166	144,779	149,875
Exclusion of ICMS from the PIS COFINS base	-	(14,263)	-	-	(14,263)
Brands restructuring	-	427	-	-	427
Tiles restructuring	552	-	-	552	-
Employee benefits	(40)	(1,113)	22	(18)	(2,444)
Adjusted and Recurring EBITDA	73,125	78,639	72,188	145,313	133,595

Non-recurring events (Recurring Net Income)

In BRL '000 - Consolidated	2Q22	2Q21	1Q22	1H22	1H21
Net Income	169,191	716,600	223,715	392,906	889,299
Tax contingencies (Extemporaneous Credits)	(877)	(2,689)	-	(877)	76
Exclusion of ICMS from the PIS COFINS base	-	(429,703)	-	-	(429,703)
Impairment (reversal) of assets	-	(1,933)	-	-	(1,933)
Brands restructuring	-	5,082	-	-	5,082
Deca and Ceramic Tiles restructuring	4,216	-	-	4,216	2,897
Provisions	-	-	991	991	-
Others ¹	-	1,660	-	-	1,660
Dissolving Wood Pulp	30,379	(37,820)	(26,384)	3,995	6,259
Recurring Net Income	202,909	251,197	198,322	401,231	473,637

¹ Services related to the exclusion of ICMS from the base calculation of PIS COFINS, Wood restructuring, overseas income tax not paid, INSS support and credit lines.

Summary of the GRI Content

GRI 102-55

GRI Indicators	Page
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102-5: Ownership and legal form	17, 21
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