



M. Dias Branco

CORPORATE PRESENTATION

MAY 2022

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 youtube.com/rimdias

CORPORATE IDENTITY

“ Feeding and inspiring people by making dreams come true ”

MISSION

Offer quality, innovative, healthy, nutritious and tasty food with competitive prices, providing people with well-being and happiness.

VISION

To be a large Brazilian food company with a global presence, diversified operations, sustainable growth, respecting our origins.

VALUES

Simplicity
Attitude
Collaboration
Respect
Excellence

OVERVIEW



+ 65 YEARS OF OPERATION



R\$ 7,8 BILLION NET REVENUE IN 2021



15.6 THOUSAND EMPLOYEES



1 IN BRAZIL IN COOKIES AND PASTA



+20 BRANDS



CONSUMERS FROM ALL SOCIAL CLASSES



EXPORTS TO MORE THAN 40 COUNTRIES



STRONG TRACK RECORD OF ACQUISITIONS



VERTICALIZED PRODUCTION PROCESS



R\$ 2,1 BILLION CAPEX INVESTMENT BETWEEN 2015–2021



AAA RATING, STABLE OUTLOOK, REAFFIRMED BY FITCH (FOR THE FOURTH YEAR)



SUSTAINABILITY AGENDA IN LINE WITH THE BUSINESS STRATEGY

MDIA
B3 LISTED NM

LISTED IN THE NOVO MERCADO



MDIA3 +375% SINCE THE IPO (2006 TO 2022)

Management team with a mix of internal and market experience

Ivens Dias Branco Jr.



CEO

46 Years



Gustavo Theodózio



CFO and IRO

3 Years



Cláudio Dias Branco



Industrial VP - Mills

30 Years



Adil Dallago



Supply Chain VP

1 Year



Regina Dias Branco



Management, Development and Sustainability VP

33 Years



Graça Dias Branco



Financial VP

19 Years



Romulo Dantas



Commercial VP

3 Years



Daniel Gutiérrez



Legal, Governance, Risks and Compliance VP

15 Years





40%

Our goal for **2030** of
leadership positions
held by women



M. DIAS BRANCO IS RECOGNIZED FOR ITS PERFORMANCE AND STRENGTH OF ITS BRANDS



Best Company
in the Foods
category

**2nd YEAR
CONSECUTIVE**



Cream
Cracker
Category
(Salvador/BA)



Pasta
Category
(Brasil)

1st PLACE



Largest Company

“Food and
Beverage Sector”
Northeast Region

1º LUGAR



**Ranking of 100
Leading
Companies**
in Innovation

**2nd YEAR
CONSECUTIVE**



**Among the Most
Transparent in
Brazil**
In the DFs
Quality

**5th YEAR
CONSECUTIVE**

REVENUE BY CATEGORY 2021

COOKIES

51%

PASTA

22%

WHEAT FLOUR
AND BRAN

18%

MARGARINE
AND
VEGETABLE
SHORTENING

7%

OTHERS

2%

MORE THAN 20 BRANDS



...SOME BRANDS WITH
ANNUAL SALES OVER
R\$ 500 MILLION (2021)



REVENUE BY REGION



DEFENSE
North and Northeast

64%

ATTACK
South, Southeast and Midwest

34%



EXPORT
2%

1 IN COOKIES & CRACKERS AND PASTA

(*MARKETS SHARE BRAZIL - NIELSEN*)

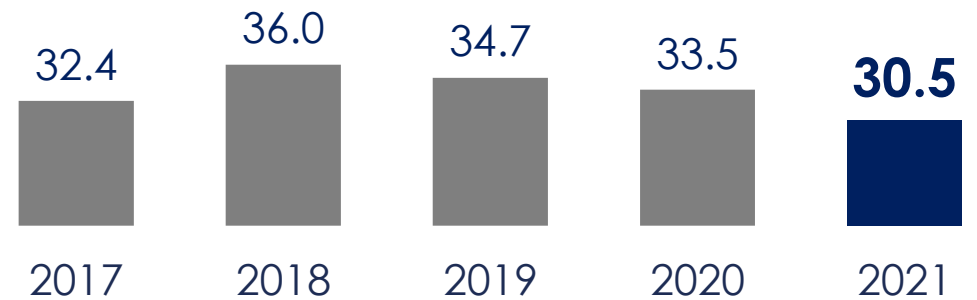
COOKIES & CRACKERS



M. DIAS BRANCO x COMPETITORS



PASTA



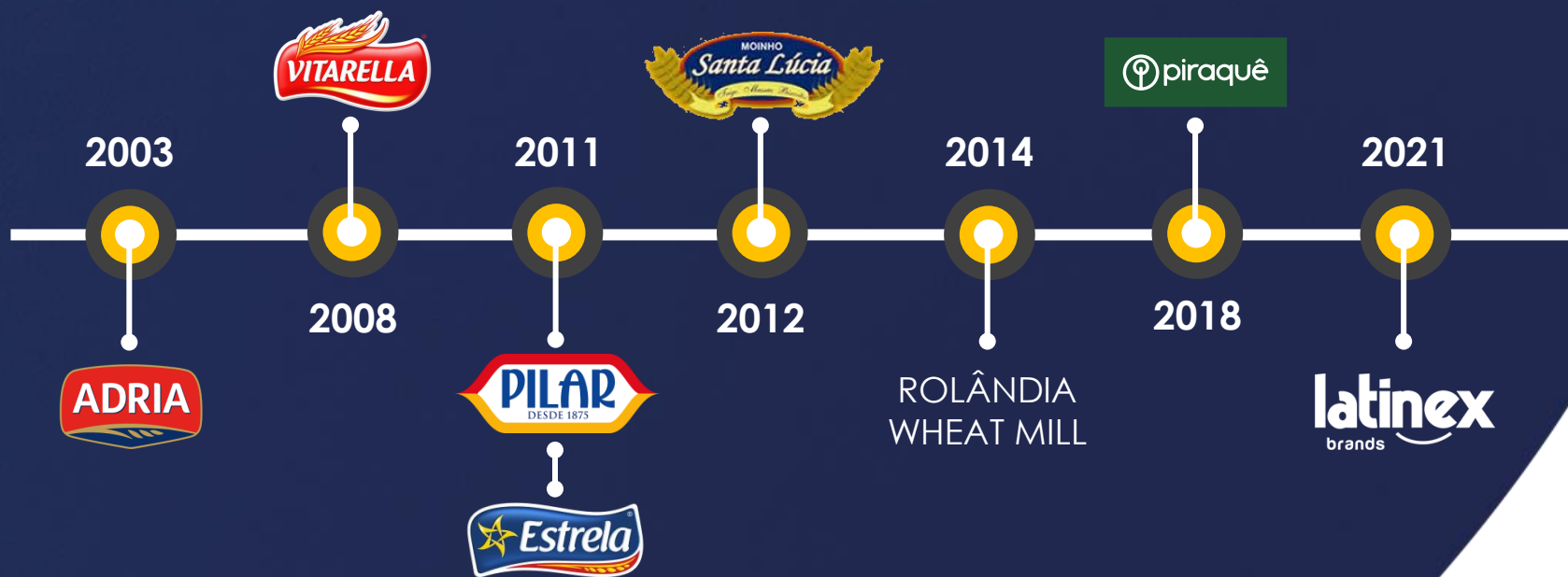
M. DIAS BRANCO x COMPETITORS



WE OPERATE ON A DIVERSIFIED BASE OF SALES CHANNELS

REVENUE BY SALES CHANNEL	2018	2019	2020	2021
SMALL RETAIL	27%	30%	27%	25%
WHOLESALE	25%	24%	22%	21%
KEY ACCOUNTS / REGIONAL CHAINS	21%	21%	21%	23%
CASH AND CARRY	19%	19%	18%	16%
DISTRIBUTORS	6%	5%	7%	9%
INDUSTRY	1%	1%	1%	2%
OTHER	1%	1%	4%	4%

THE ACQUISITIONS HAVE LEVERAGED OUR GROWTH AND ENRICHED OUR PRODUCT PORTFOLIO



55%
OF THE REVENUE
FROM THE
ACQUIRED BRANDS

ACQUISITION OF LATINEX FOR R\$ 180 MILLION, REACHING UP TO R\$ 272 MILLION, REINFORCES M. DIAS BRANCO'S PRESENCE IN HEALTHY FOODS AND SNACKS, SEASONING, SAUCES AND CONDIMENTS SEGMENTS (DEAL CLOSING IN 11/03/21)



“Opções Nutritivas de healthy foods”



“Linha de Snacks e Tex/Mex”



“Acompanhamentos e Molhos”



“Sais e Temperos”



“Batatas Chips Artesanais (Licença de Distribuição)”



PRESENT ALL OVER BRAZIL WITH STRONG DISTRIBUTION AND INFRASTRUCTURE



+3.240
CITIES IN BRAZIL



+100K
SALES POINT



28

DISTRIBUTION
CENTERS

15

INDUSTRIAL
UNITS



STRATEGY

GROWTH WITH PROFITABILITY

CORE BUSINESS

1

DEFENSE

ATTACK

A map of Brazil is shown with the southern and southeastern regions shaded in grey. The word 'DEFENSE' is written in the upper right corner of the map area, and 'ATTACK' is written in the lower left corner.

EXPORT

2

An icon of a globe with a hand holding it from the bottom, symbolizing export or international trade.

OTHER CATEGORIES

3

An icon of a fork and knife crossed, representing other categories or dining.

EFFICIENCY AND PRODUCTIVITY PROGRAM

Highliths 2020 & 2021


M. Dias Branco



INTERNAL EVOLUTION AND EXTERNAL EVENTS



UNFAVORABLE EXTERNAL CONTEXT

- Impact of the Pandemic
- Commodity Rise
- BRL devaluation
- High Inflation (10.1% in 2021)



INTERNAL EVOLUTIONS

- Productivity and efficiency gains
- Governance Evolution
- More marketing investments
- Entry into new categories

Impact of the unfavorable external context

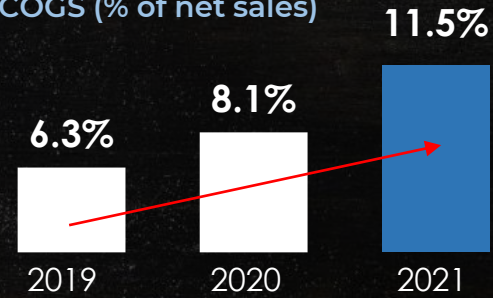


PALM OIL

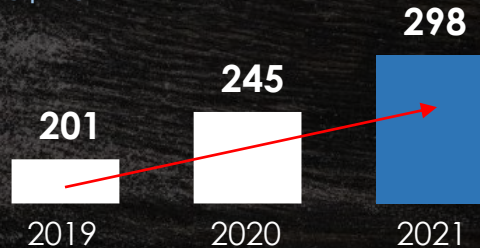
US\$ TON. Market



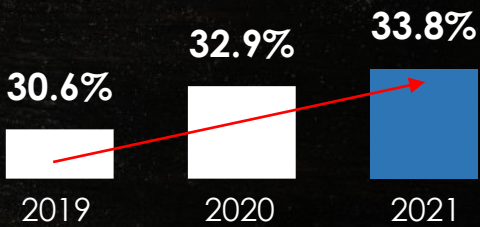
COGS (% of net sales)



US\$ TON. Market

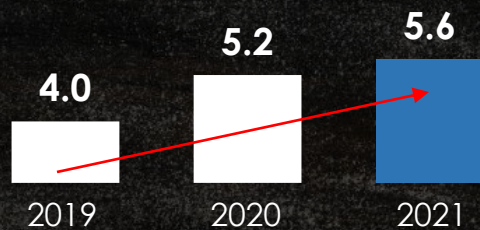


COGS (% of net sales)

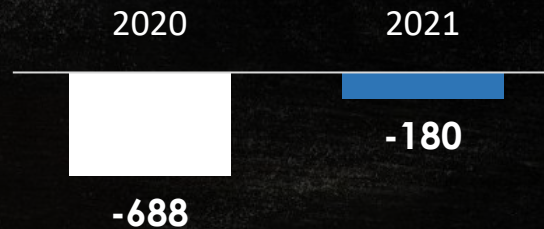


WHEAT

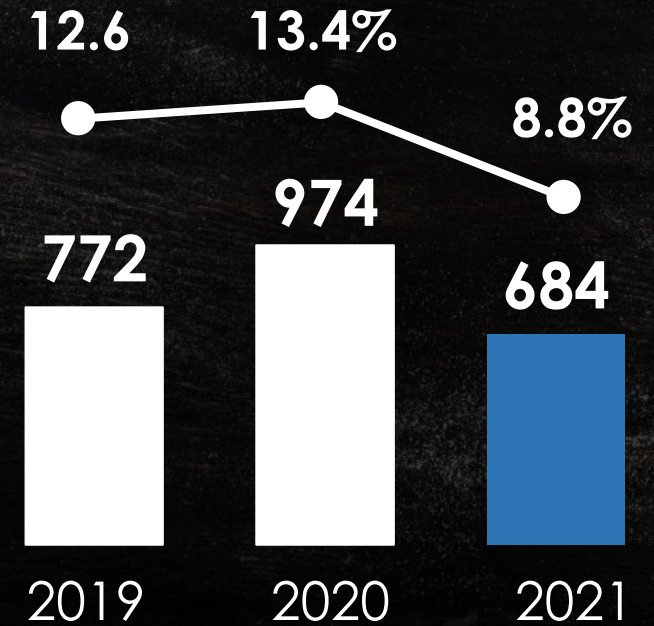
PETAX rate



EBITDA IMPACT (R\$MM)



AVERAGE DOLLAR



EBITDA (R\$ MM)
 EBITDA Mg. (%)

PRODUCTIVITY AND EFFICIENCY GAINS 2020 AND 2021

2020



More than 200 initiatives to capture structural savings in costs and expenses, in all areas and processes, with the support of external consultancy

RECURRING SAVINGS RECOGNIZED IN 2020

R\$ 184 MM

ANNUALIZED RECURRING SAVINGS

R\$ 438 MM

2021



CORPORATE RESTRUCTURING

ANNUALIZED
RECURRING SAVINGS **R\$ 80 MM**



LOGISTIC/PRODUCTION NETWORK DESIGN

ANNUALIZED
RECURRING SAVINGS **R\$ 42 MM**

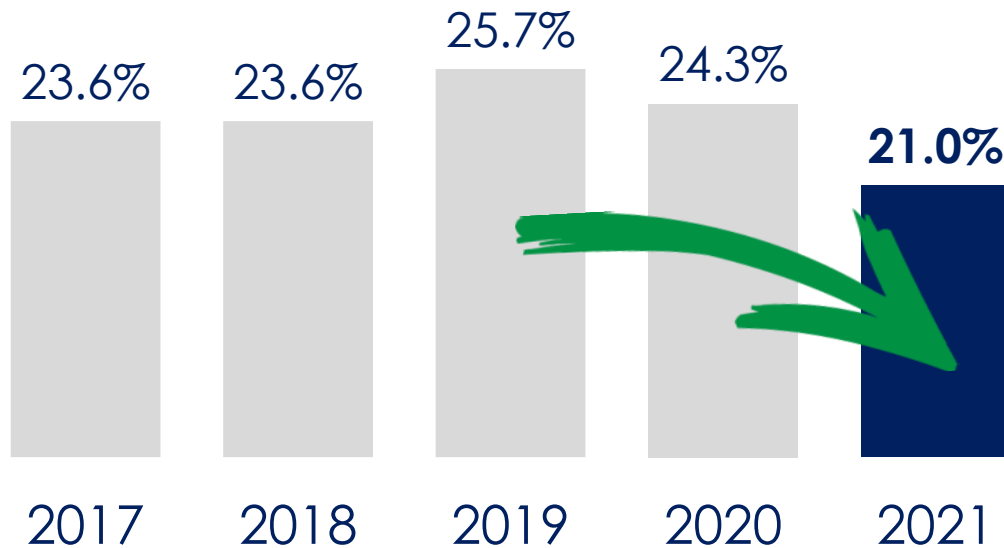
PRODUCTIVITY AND EFFICIENCY GAINS 2020 AND 2021



CORPORATE RESTRUCTURING

NETWORK DESIGN

SG&A (% RL)



EXAMPLES

COMMERCIAL

- ✓ Adequacy of the number of promoters
- ✓ Renegotiation of marketing contracts

LOGISTICS AND INDUSTRY

- ✓ Direct shipment from the factory to clients
- ✓ Temporary interruption of production lines (i.e. pasta from Marcanau plant do Fábrica Fortaleza)
- ✓ Closure of 4 CDs

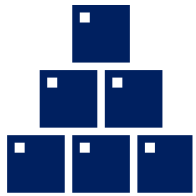
ADMINISTRATIVE

- ✓ Payroll Outsourcing
- ✓ Optimization in the hiring of general services

CORPORATE RESTRUCTURING

- ✓ Fewer Director position. Ex: Internal Audit and Risks combined with Legal and Governance and extinction of Administrative Director position
- ✓ Extinction of one of the three management levels of the factories

OPTIMIZATION OF SKUs AND BRANDS



SKU OPTIMIZATION

179

DISCONTINUED SKUs

CONCLUDED



BRAND GROUPING



IN PROGRESS



DISCONTINUATION OF BRANDS



IN PROGRESS

IN 2020 and 2021 WE CARRIED OUT THE LARGEST MARKETING CAMPAIGNS IN THE HISTORY OF M. DIAS BRANCO

piraquê



“Merchandising at BBB21”

“Original Creations”

11%

Of Total Revenue

ADRIA



“Merchandising at BBB21”

21%

Of Total Revenue



“Show, Life Happens in the Details”

6%

Of Total Revenue



“Every Woman is a Stronghold”

9%

Of Total Revenue

isabela.



“Affection Recipe”

5%

Of Total Revenue



“Evolved with Richester”

8%

Of Total Revenue



NEW

PARTNERSHIPS

“First steps in e-commerce, with products sold on the main platforms.”



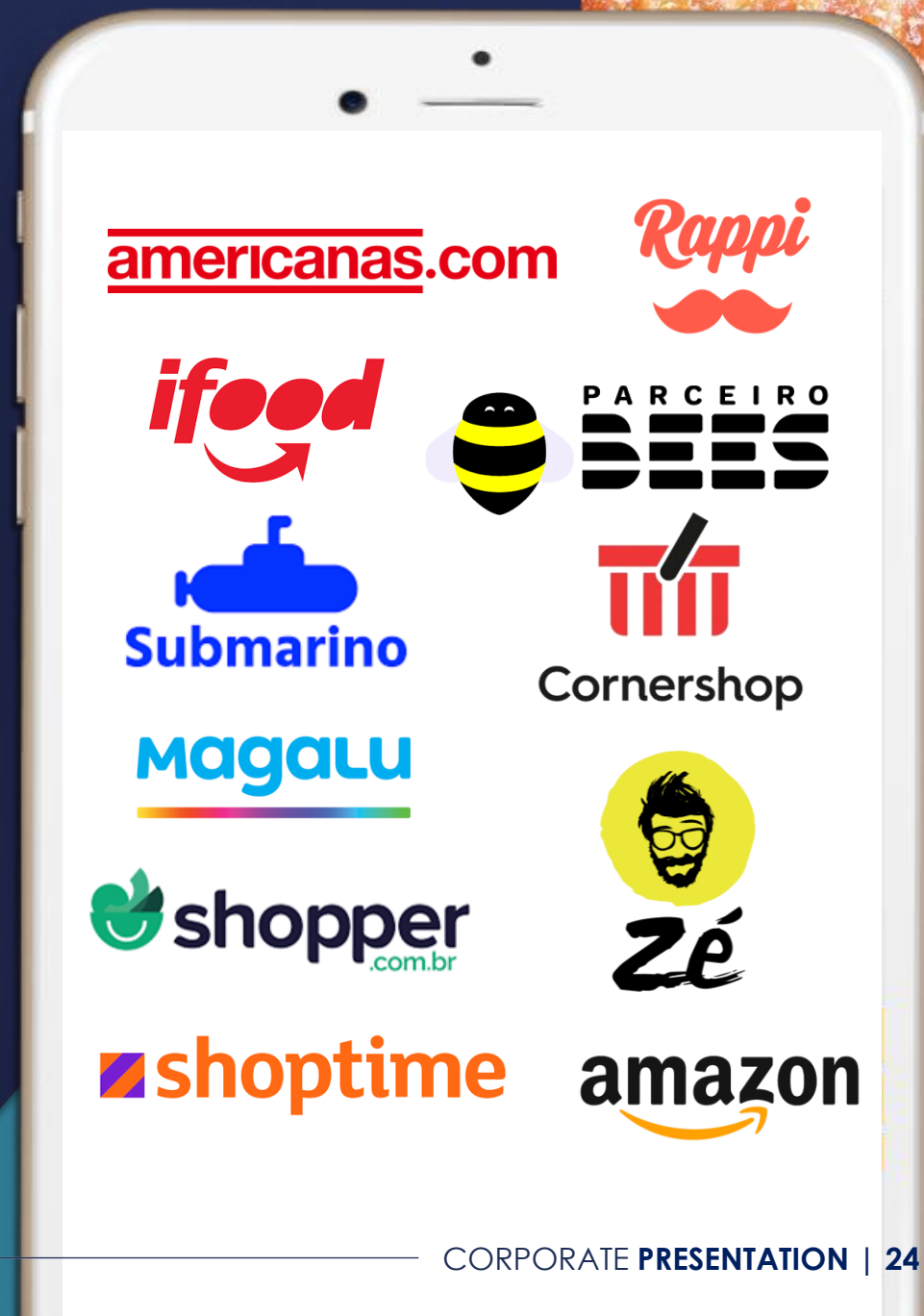
+176% sell-out growth on digital platforms (2021)



24 partners (retailers and delivery apps)



We launched our official Piraquê, Adria and Vitarella stores on the open market



PRICING STRATEGY

AVERAGE PRICE GROWTH

“Increase in the average price over the years, with contribution of the launches items with higher added value”

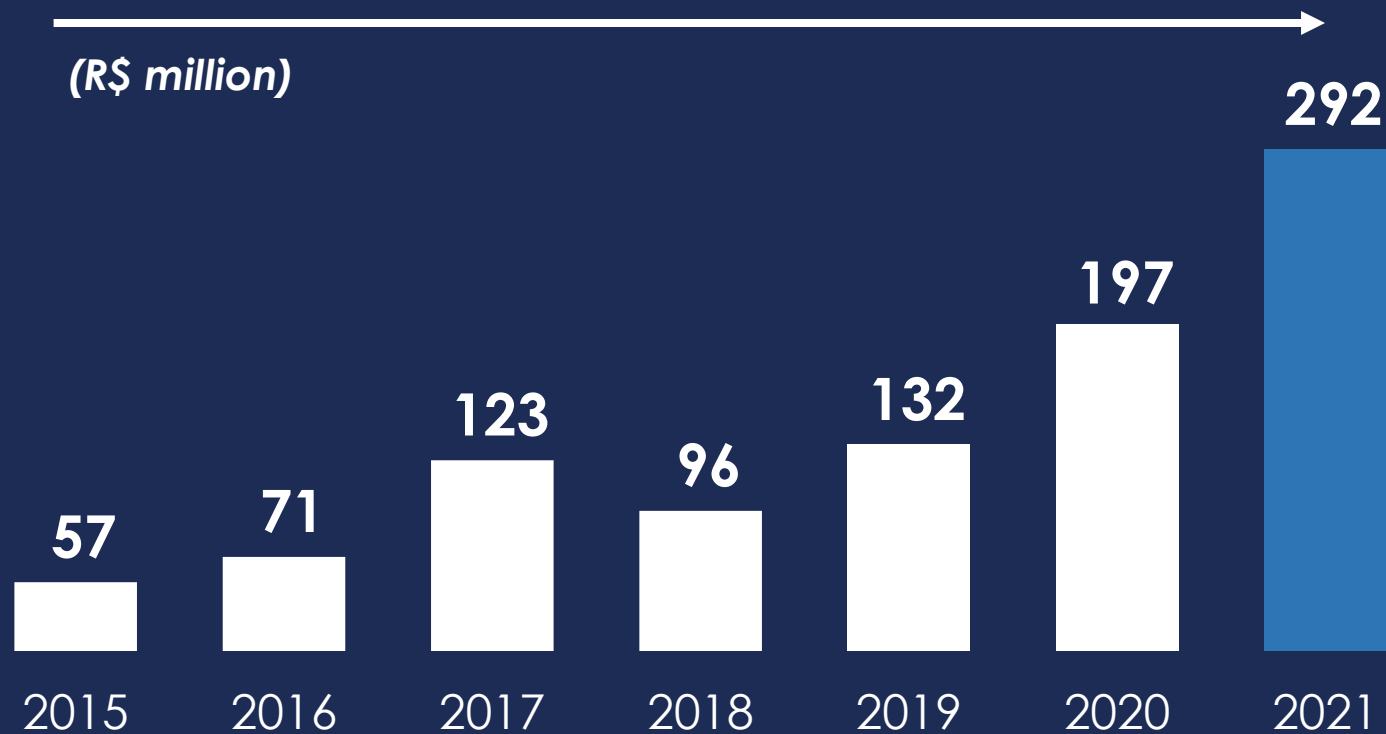
Average price
Lanचे
(R\$/Kg)

Average price M.
Dias Branco
(R\$/Kg)



Innovation >>> With focus on higher value-added items, gross revenue from new cookies * grows sequentially

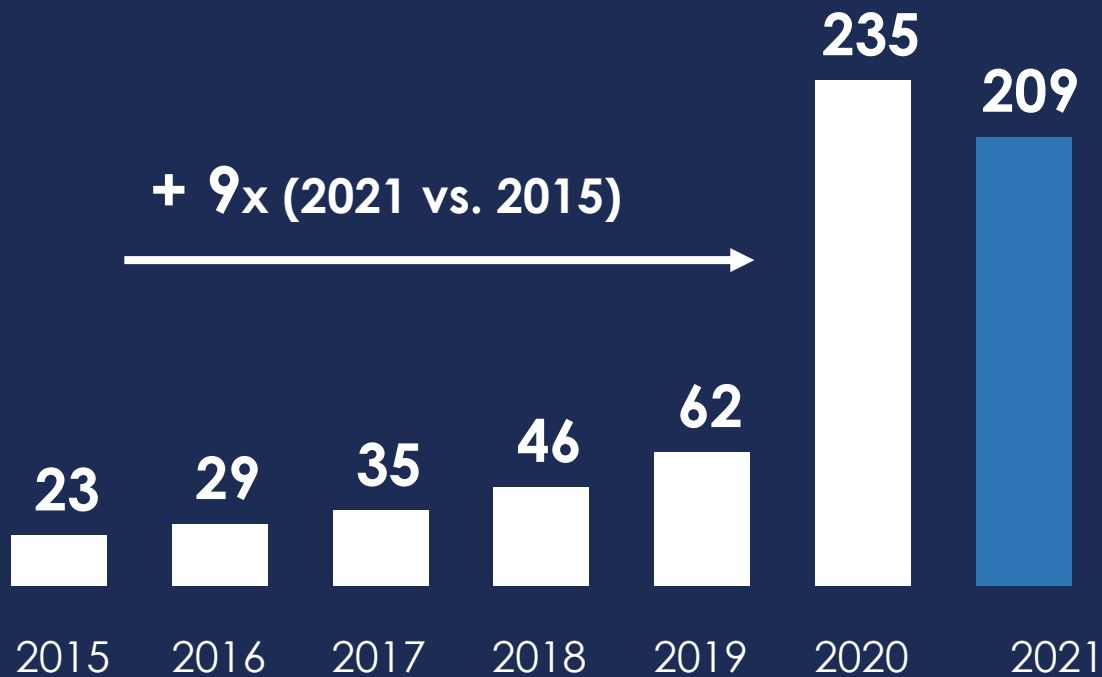
+ 5x (2021 vs. 2015)



* Products / new flavors launched in the last 24 months

THE EXPORTS

REACHED A NEW LEVEL
OF REVENUES



Focus on markets with high growth potential



Private Label Market



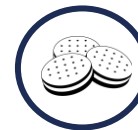
Products adapted to the export market



We exported to **46** countries in 2021



We launched **20** products exclusively for the foreign market in 2021



+14% growth in volumes in the cookies and crackers category in 2021

NEW HEDGE POLICY (JUL/20)

Our policy aims to establish general rules and guidelines to protect and optimize results against fluctuations in exchange rates and commodity prices

MODALITIES

FOREIGN EXCHANGE HEDGE

Cash Flow Protection
(NDF and Options)

COMMODITY HEDGE

Commodity Futures Contract

DEBT HEDGE

Foreign Currency Debt Protection
(Swap Contracts)

1st issue of CRAs by M. Dias Branco

(settlement on March 24, 2021)

R\$ 811.6
(million)

TOTAL CAPTURED

R\$ 2.3
(billion)

TOTAL DEMAND
2.9x above the initial value

Green Bond

National Long Term Rating 'AAA' (bra)
Stable Outlook (Fitch Rating)

REMUNERATION

1st Series

Maturity: 7 years
Rate: 3.79% + IPCA

2nd Series

Maturity: 10 years
Rate: 4.13% + IPCA

Working Capital

R\$ 284 million of working capital released in 2021, with a relevant contribution from the improvement of average payment terms and the use of recoverable taxes

Average term payment



Average term receivable



Average term inventory



NEW DIVIDEND POLICY

MAIN CHANGES



FREQUENCY

5 payments
per year

(4 fixed and 1 variable)



VALUE

R\$0,05/share

(for each fixed payment)



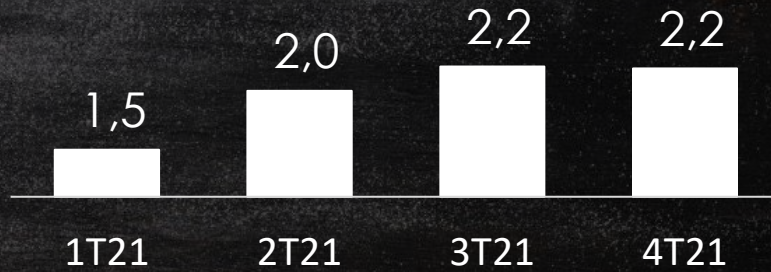
PAYOUT

60%

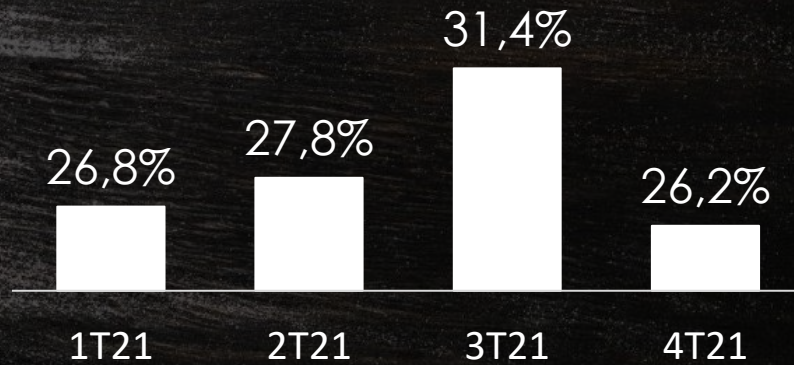
RECOVERY OF RESULTS THROUGHOUT IN 2021



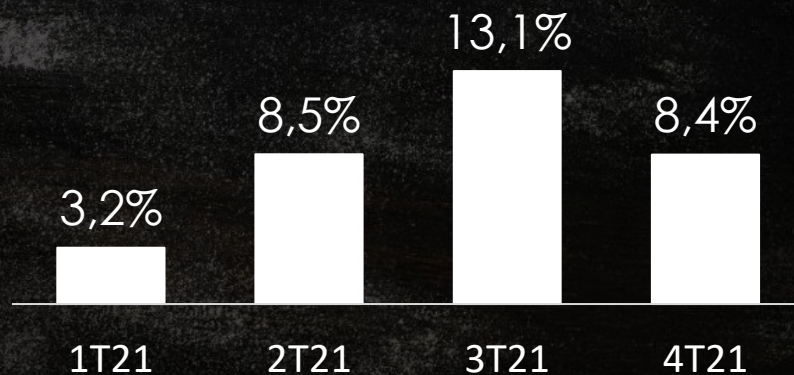
NET REVENUE (R\$MM)



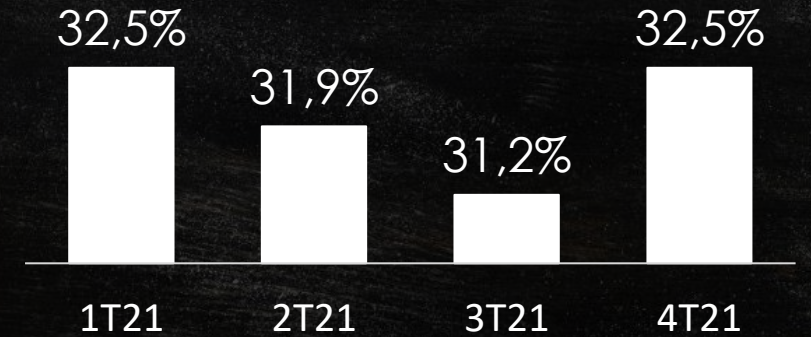
GROSS MG.



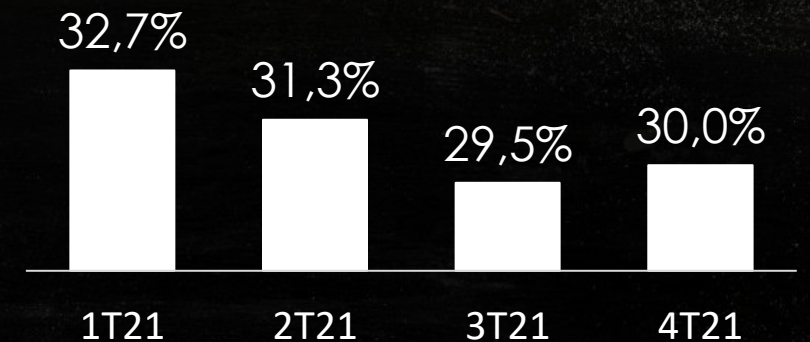
EBITDA MG.



MARKET SHARE VOLUME (COOKIES)



MARKET SHARE VOLUME (PASTA)

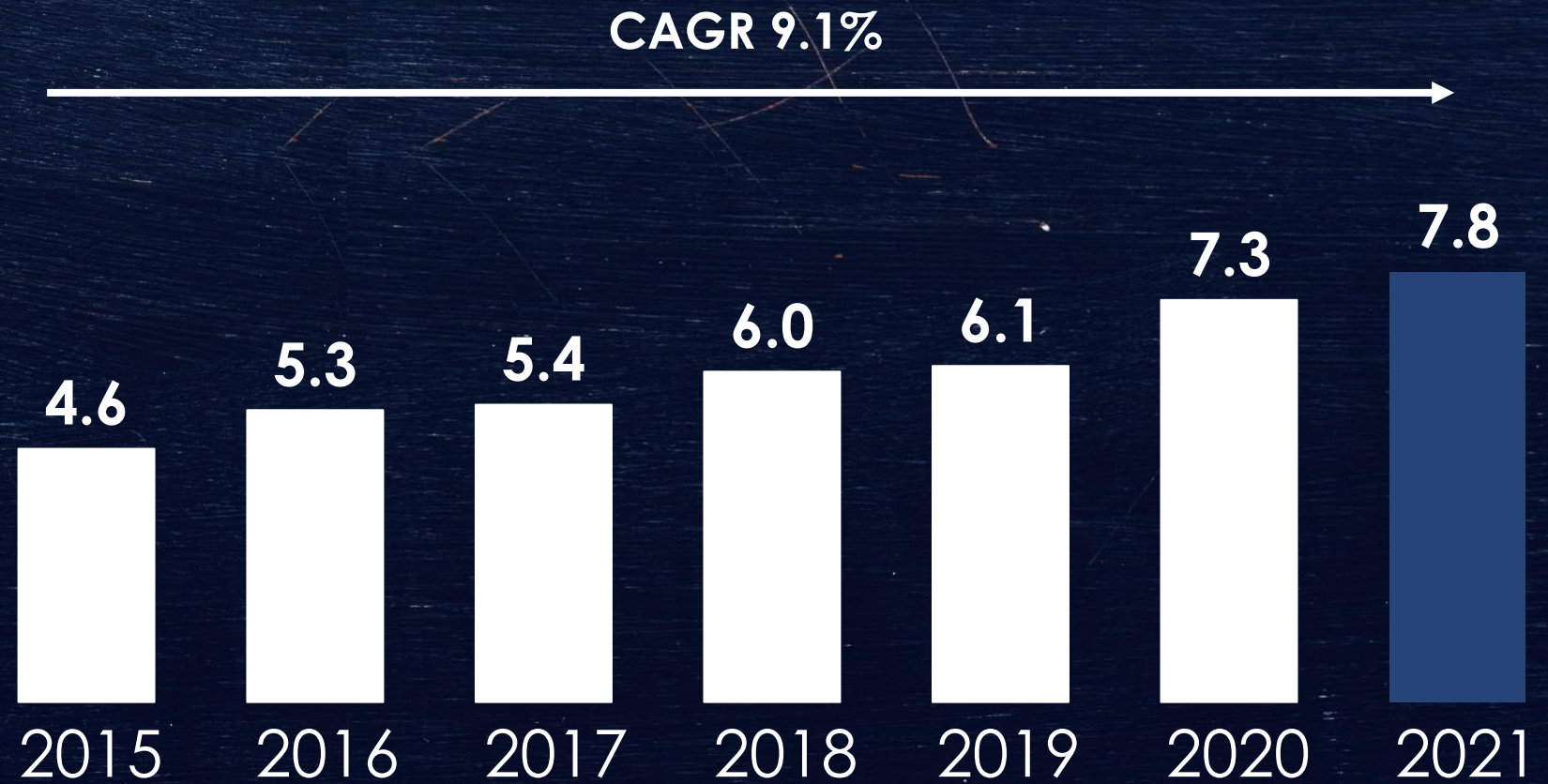


Financial Results

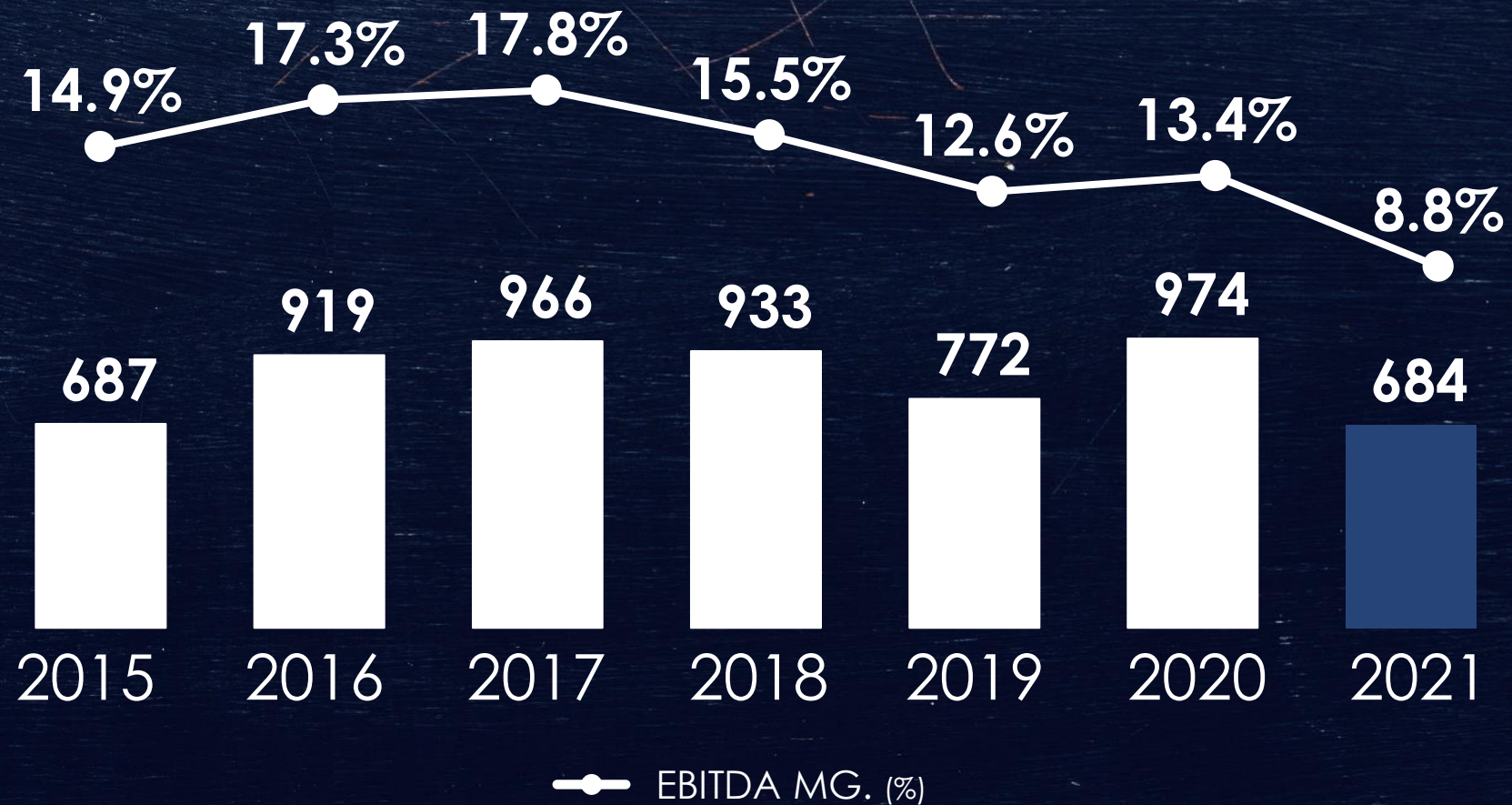
M. Dias Branco



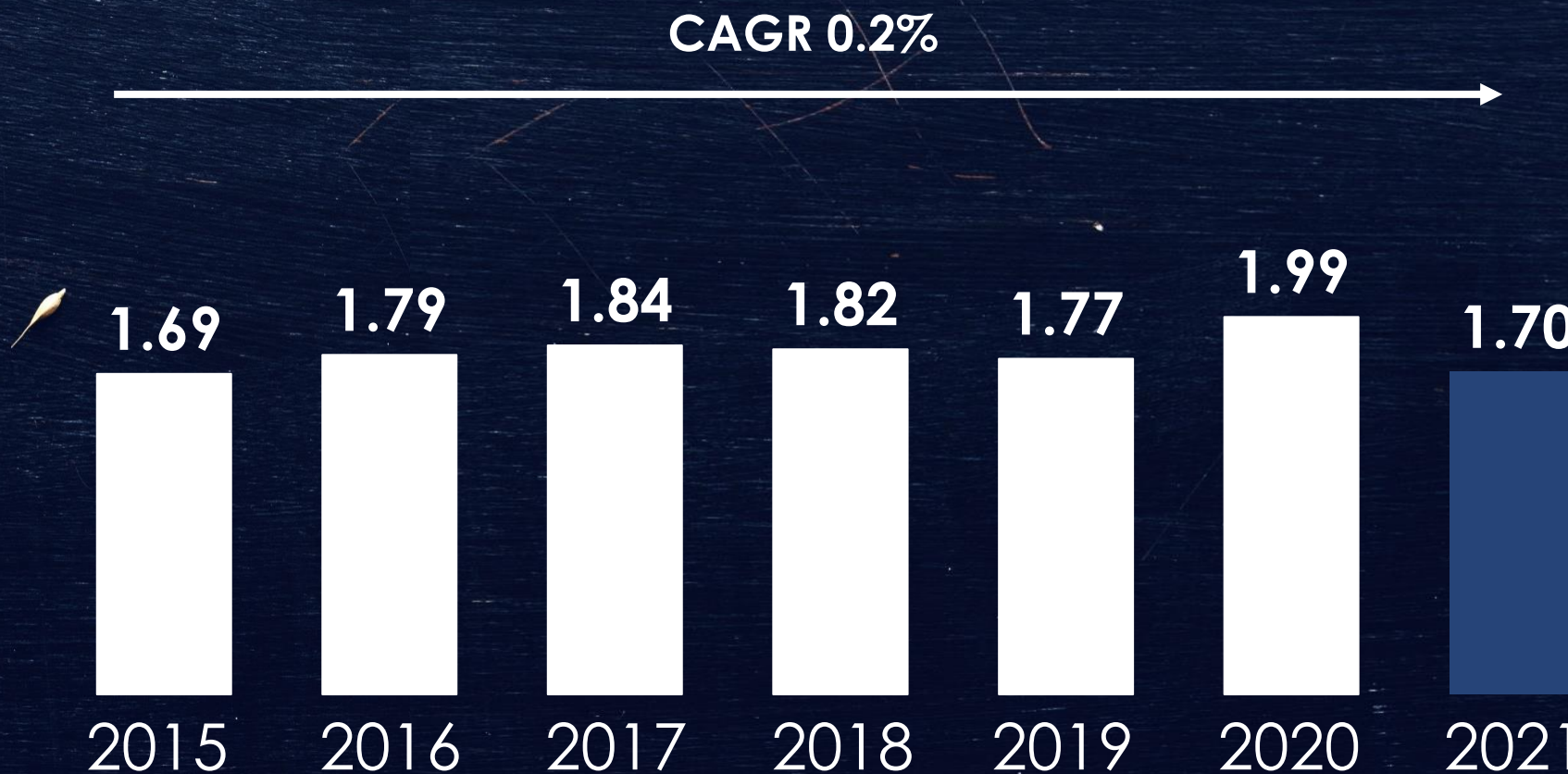
NET REVENUE (R\$ BILLIONS)



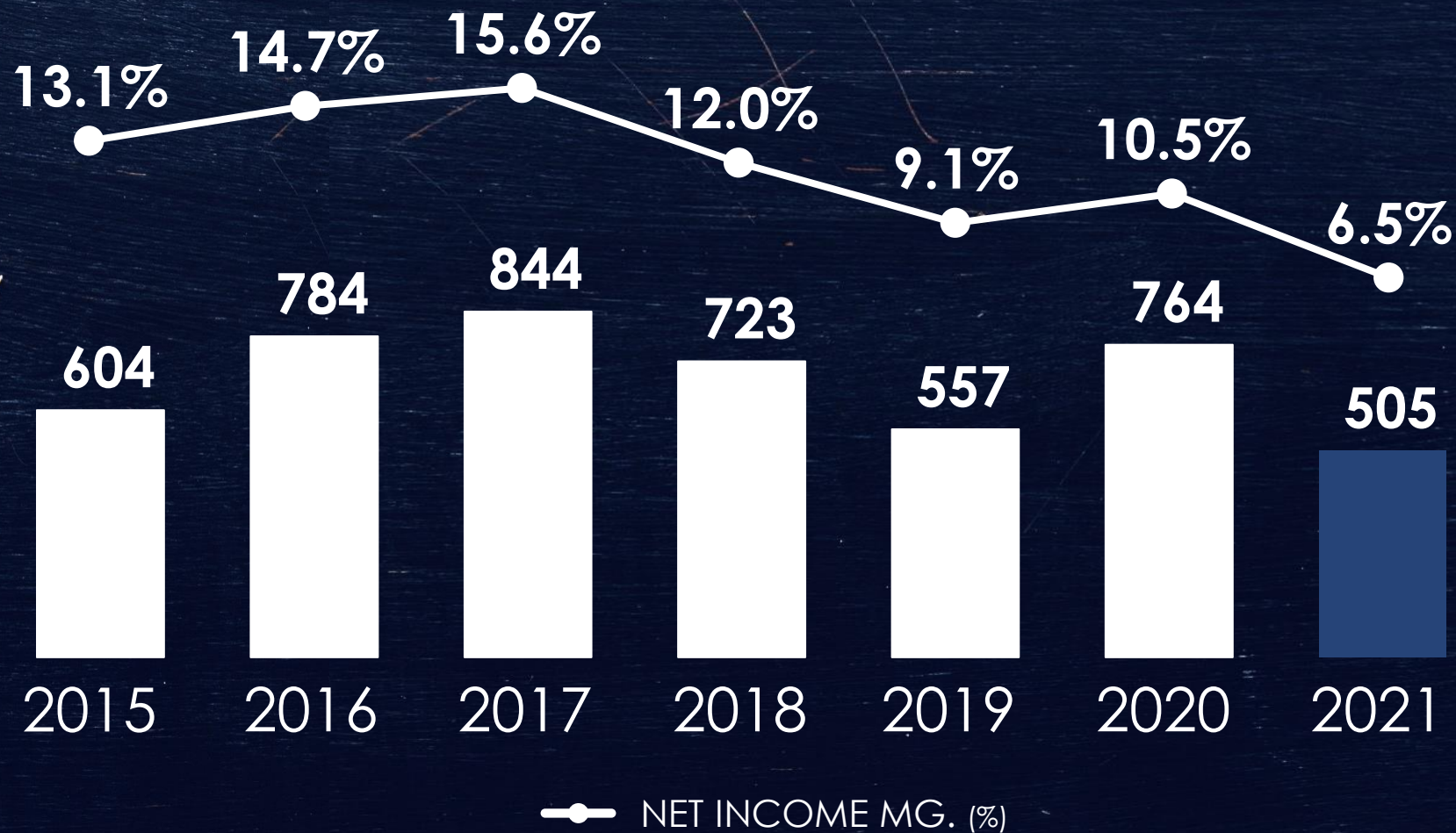
EBITDA (R\$ MILLION)



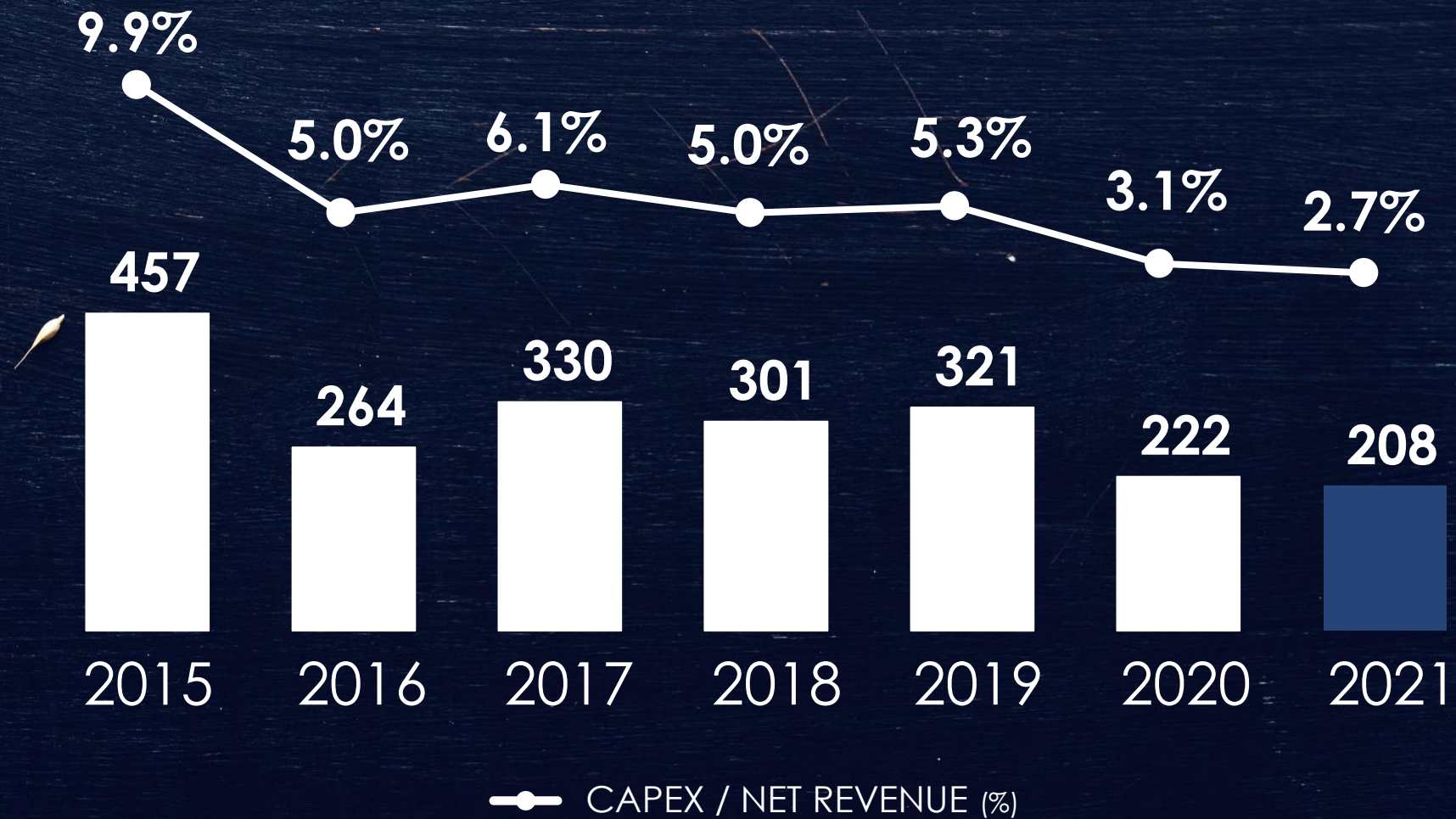
VOLUME (MILLION TON.)



NET INCOME (R\$ MILLION)

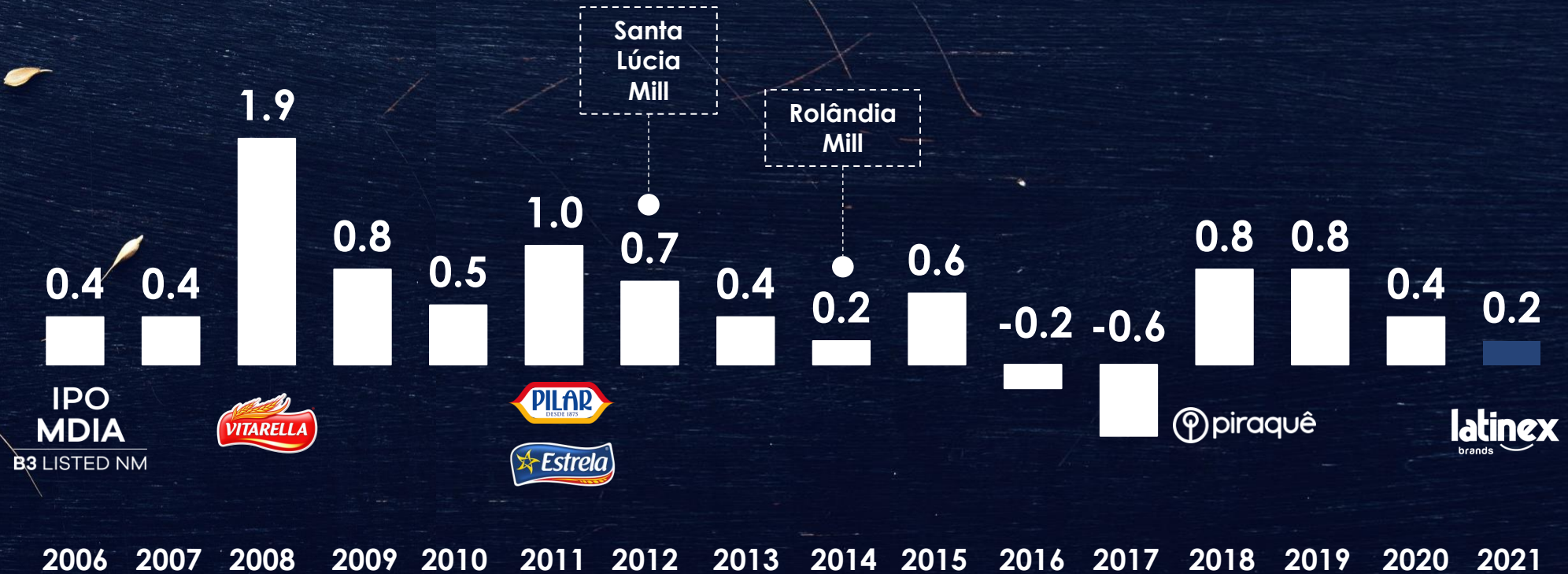


CAPEX (R\$ MILLION)



LEVERAGE

(NET DEBT / EBITDA LAST 12 MONTHS)








Adria: Acquired in 2003

ESG


M. Dias Branco



KPIs ESG

	KPIs (variation %)	2021 vs. 2020
	Energy Intensity (Kwh/Ton.)	-16.6%
	Water Consumption (m³/Ton.)	+5.1%
	Waste Recycling (%)	+3.2p.p.
	Solid Waste Generation (Kg/Ton.)	-1.6%
	Accident Rate (Frequência)	-5.2%

ISE B3



OUR PUBLIC COMMITMENTS UNTIL 2030

- ✓ Water consumption reduction to 0, 40 m³/t product;
- ✓ Reutilization of 30% of the water consumed;
- ✓ Zero waste sent to landfills;
- ✓ Recovery of 28% of post-consumption packaging;
- ✓ Reaching science-based targets for absolute greenhouse gas (GHG) emissions reductions scope 1 and 2;
- ✓ Adoption of two, carbon neutral seal product brands;
- ✓ Use of renewable energy of 90% from scope 2;
- ✓ Use of 100% recyclable and/or postable and/or biodegradable finished product plastic packaging;
- ✓ Reduced input losses in the production process by 25%;
- ✓ Reduced finished product waste by 50%;
- ✓ 150,000 people impacted by the program to promote entrepreneurship and professional training for the food sector in the nearby communities;
- ✓ 80% in employee satisfaction index evaluated in an external survey;
- ✓ 40% women in leadership;
- ✓ Accident frequency rate no higher than 0.5 (own employees);
- ✓ Severity rate at no more than 8 (own employees);
- ✓ Market share leadership in four categories with health and nutrition attractions;
- ✓ 10 million people impacted by the nutrition education program for the population;
- ✓ 80% of purchases from local suppliers.


M. Dias Branco

Thanks!



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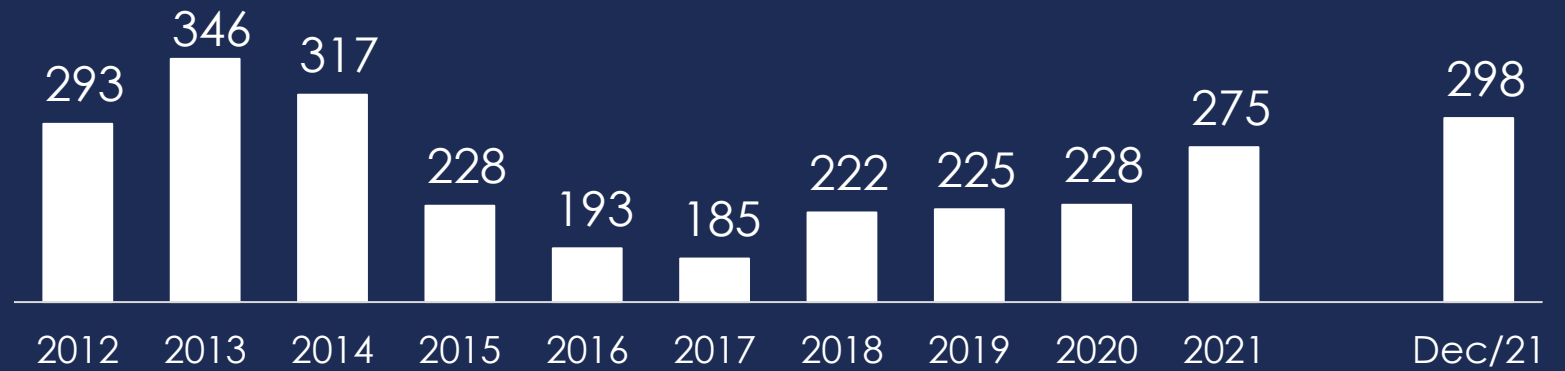
Backup

M. Dias Branco

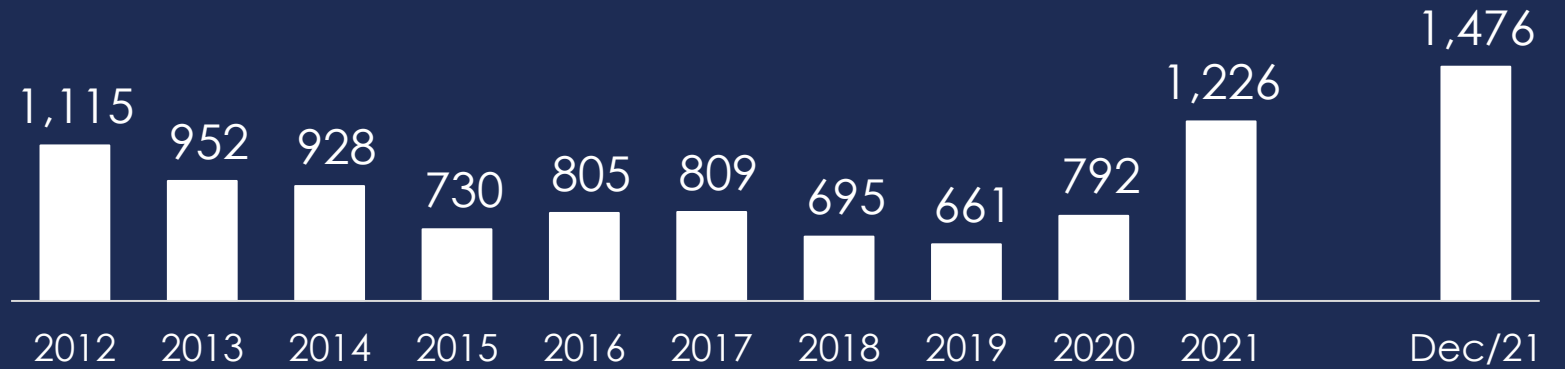


HISTORIC PRICE & DOLLAR

**WHEAT
MARKET**
(US\$/TON – AVERAGE)



**PALM OIL
MARKET**
(US\$/TON – AVERAGE)



DOLAR PTAX
(AVERAGE)

