

Results Presentation

3Q23 | 9M23

MDIA3

November 13th, 2023

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M. Dias Branco

Sonhar, realizar, crescer



The statements contained in this document related to the management's perspectives on M. Dias Branco's business are merely trends and, as such, are based exclusively on the management's perspectives on the continuity of past and present actions, and on facts that have already occurred. These trends do not constitute projections or estimates and can be substantially altered by changes in market conditions and in the performance of the Brazilian economy, the sector and international markets.



3Q23 Net Income +33% vs. 3Q22

EBITDA of R\$441 million

EBITDA Margin of 16,1%

R\$973 million in operating cash generation

9M23 In 9M23, we recorded growth in Revenue, Volumes, Average Price, EBITDA, Net Income, Margins, and Operating Cash Generation

Payout ratio increased, from 60% to 80% and fixed quarterly payment from R\$0.05 to R\$0.06 per share





Net Revenue
(R\$ Billion)

3Q23

2.7

-8.1% vs. 3Q22
-4.0% vs. 2Q23

9M23

8.1

+9.6% vs. 9M22



Variable Costs
(R\$ /Kg)

3.2

R\$ 3.9 | 3Q22
R\$ 3.6 | 2Q23

3.5

R\$ 3.5 | 9M22



SG&A
(% of Net Revenue)

20.5%

18.4% | 3Q22
20.2% | 2Q23

20.4%

19.7% | 9M22



EBITDA
(R\$ Million)

441

+32.3% vs. 3Q22
+17.0% vs. 2Q23

991

+27.2% vs. 9M22



Cash Flow
(R\$ Million)

973

-91 MM | 3Q22
+512 MM | 2Q23

1,542

-219 MM | 9M22



Revision in the Policy of Shareholders Remuneration

Increased payout ratio



FREQUENCY

5 payments
per year

(4 fixed e 1 variable)



VALUE

**2023
NEW** — **R\$0.06**/share

2021 / 2022 — **R\$0.05**/share

(for each fixed payment)



PAYOUT*

**2023
NEW** — **80%**

2021 / 2022 — **60%**

Until 2020 — **40%**

RESULTS 2021 - 2023

M. Dias Branco

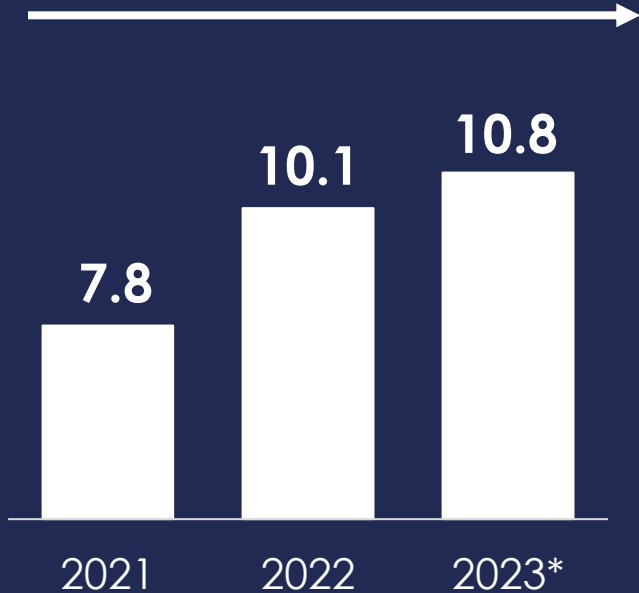


Consistent and continuous growth in Net Revenue



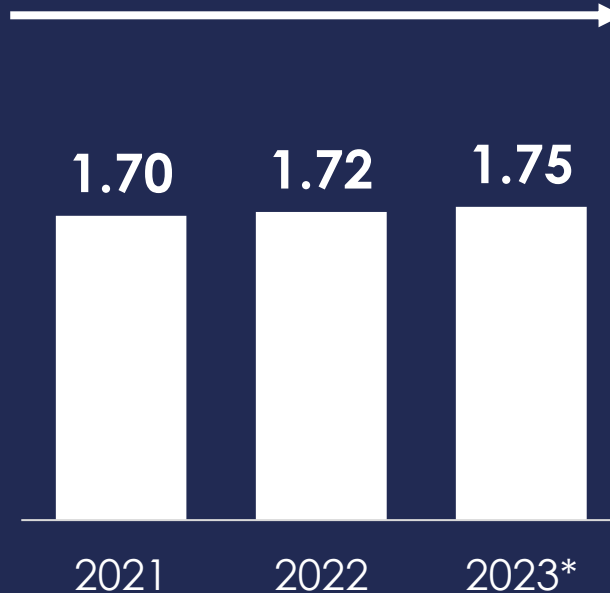
Net Revenue
(R\$ billion)

+38.7%



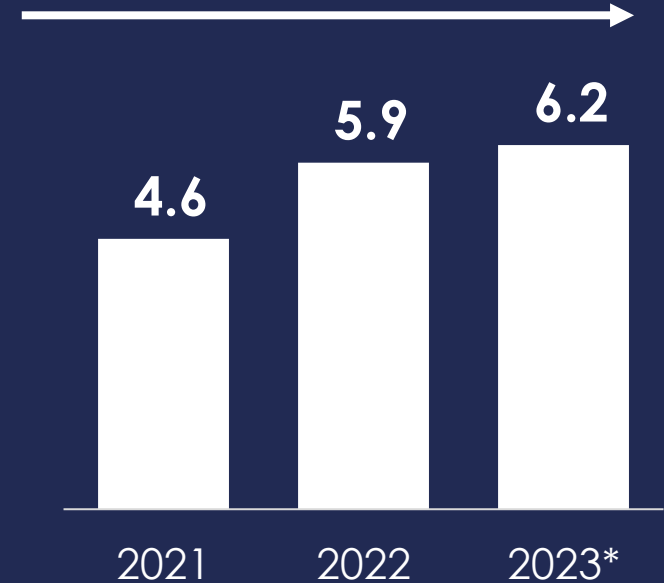
Sales Volume
(Million Ton.)

+2.7%



Average Price
(R\$/Kg)

+35.0%



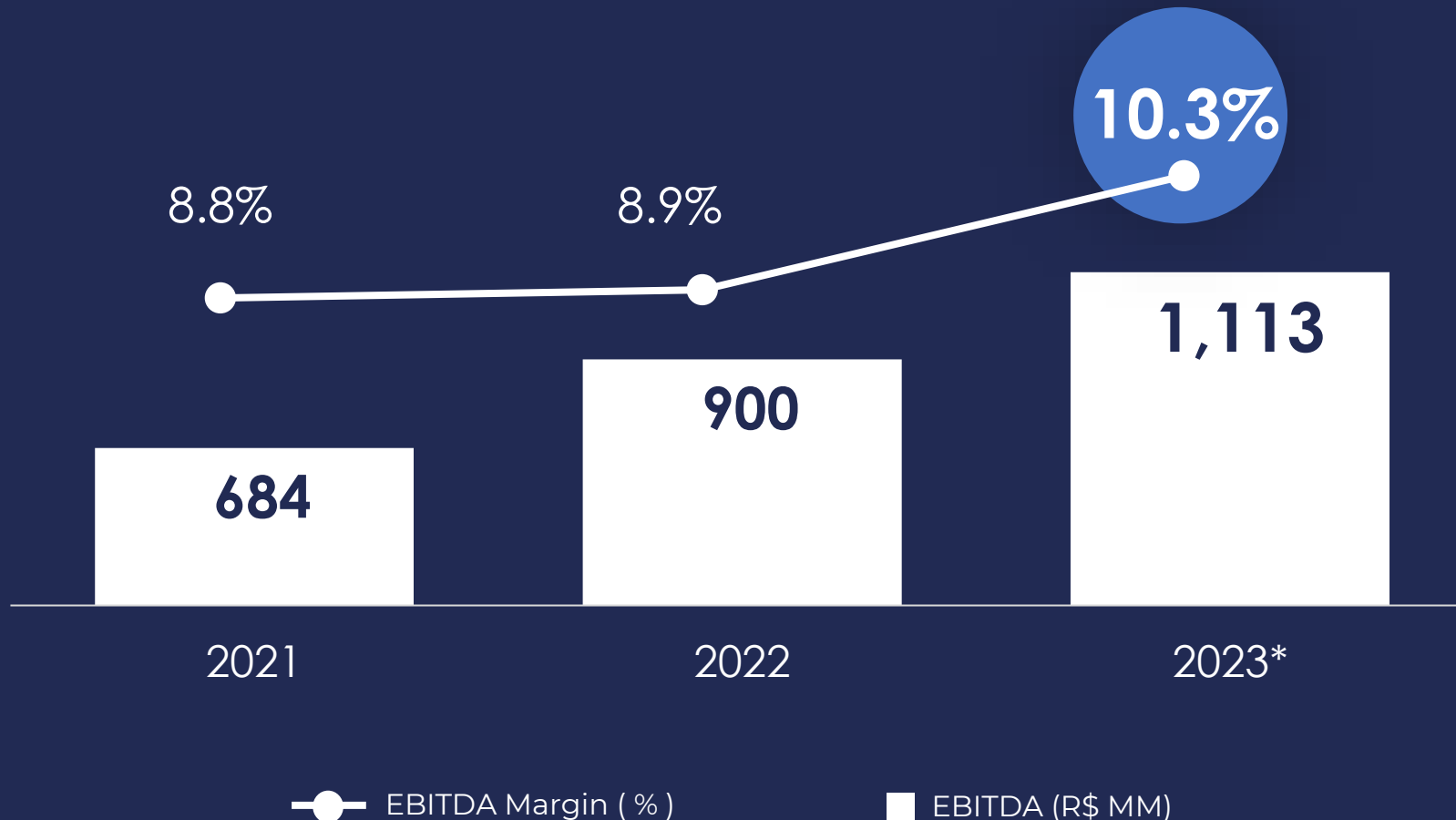
*12 months accumulated until Sep/23

High COGS growth in the last three years



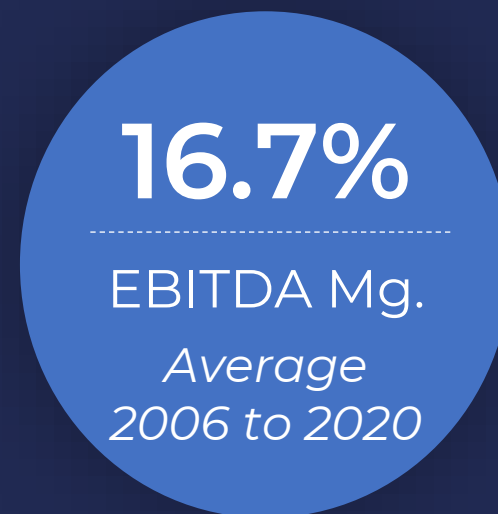
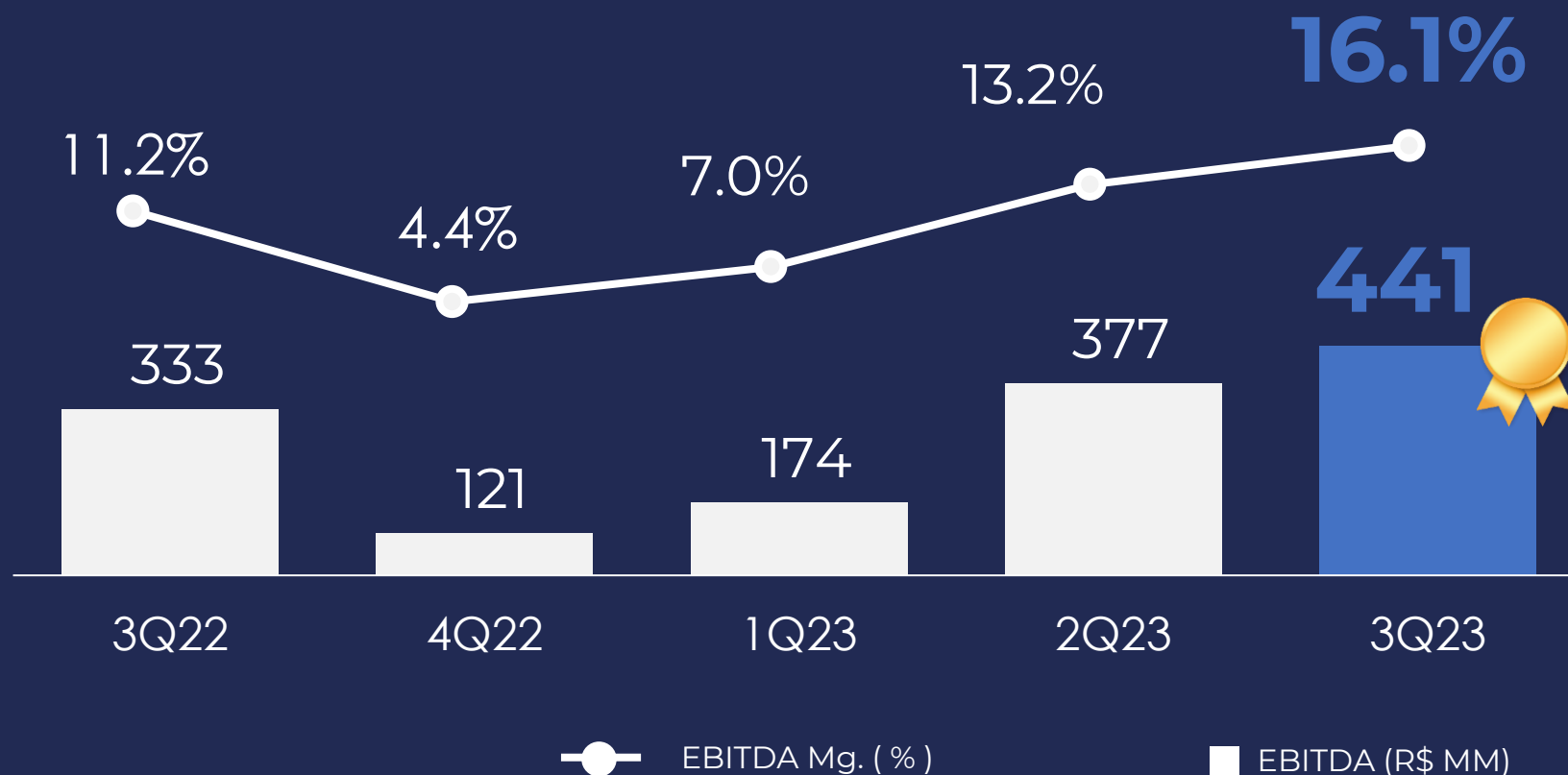
*12 months accumulated until Sep/23

Continuous and consistent recovery of EBITDA Margin



*12 months accumulated until Sep/23

In 3Q23, we reached 16.1% of EBITDA Margin,
returning to the historical average



Profitable Growth Strategy



REVENUE & MARKET SHARE



M. Dias Branco




The cookies & crackers and pasta market in Brazil (sell-out | retail sales to consumers) increased in value vs. 3Q22, and grew in value and volume vs. 2Q23





COOKIES & CRACKERS



	3Q23 vs. 3Q22	3Q23 vs. 2Q23
 Value Sold	9%	4%
 Volume Sold	-1%	4%
 Units Sold	0%	4%
 Average Price (R\$/Kg)	10%	0%
 Volume per Units	-1%	0%

PASTA



	3Q23 vs. 3Q22	3Q23 vs. 2Q23
 Value Sold	9%	2%
 Volume Sold	1%	2%
 Units Sold	4%	4%
 Average Price (R\$/Kg)	8%	0%
 Volume per Units	-3%	-1%

Source: Nielsen – Retail Index. Total Brazil. INA+C&C.

On the other hand, sell-in (sales from the manufacturer to retailers) were negatively impacted by the fact that retailers operated with lower inventory levels in 3Q23



Alta de custos faz varejo enxugar estoques, enquanto indústrias lidam com excesso de produtos *

Comerciantes reduzem volumes nas prateleiras para escapar do alto custo dos financiamentos, destinados a cobrir despesas do dia a dia



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* Increase in costs force retailers to reduce inventories, while industries deal with excess products



Atacarejos e supermercados diminuem estoques de olho na deflação **

Produtos presos nos galpões em momentos de queda do preço tendem a impactar negativamente margens das companhias

** Cash and Carry/Retail reduce inventories in view of deflation

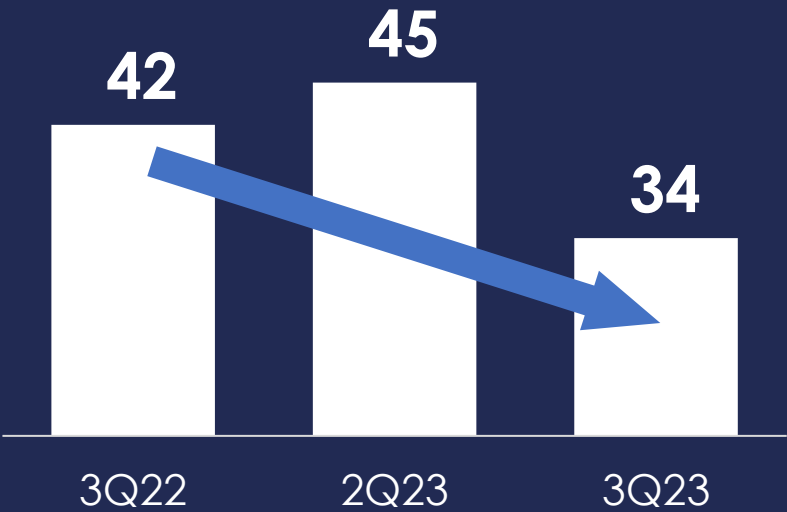




Even with higher demand, there was a drop in inventory levels for M. Dias Branco's products at Retail



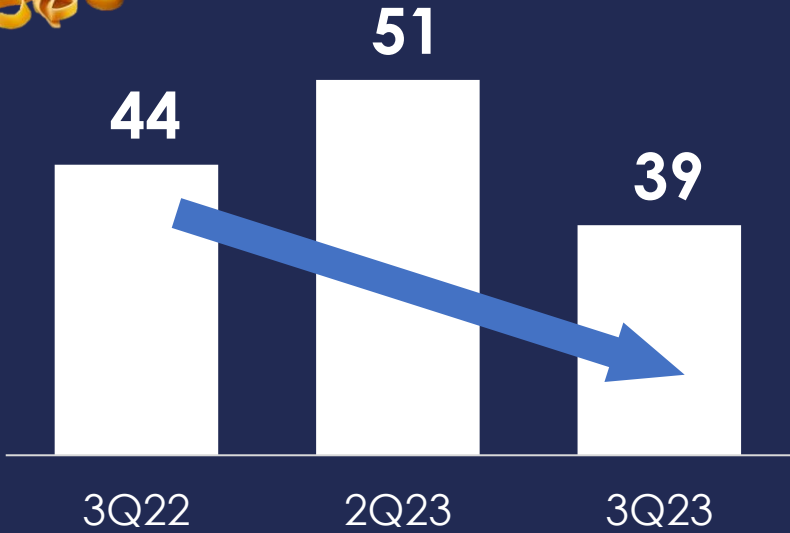
Days* of inventory at Retail
(Cookies & Crackers - M. Dias Branco)



**Source: Neogrid Direct/Indirect + Estimate C&C*



Days* of inventory at Retail
(Pasta - M. Dias Branco)



Market share value and volume expansion in Cookies & Crackers and Wheat Flour vs. 3Q22; stability in Pasta vs. 2Q23

Market
share %
Value
Brazil

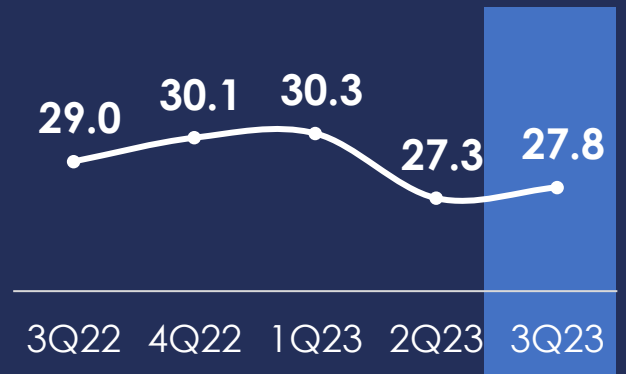
Cookies & Crackers



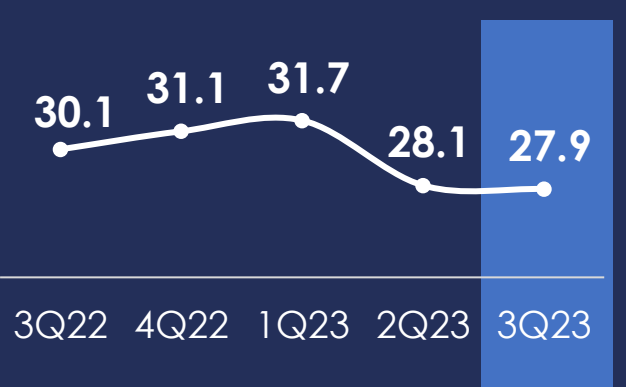
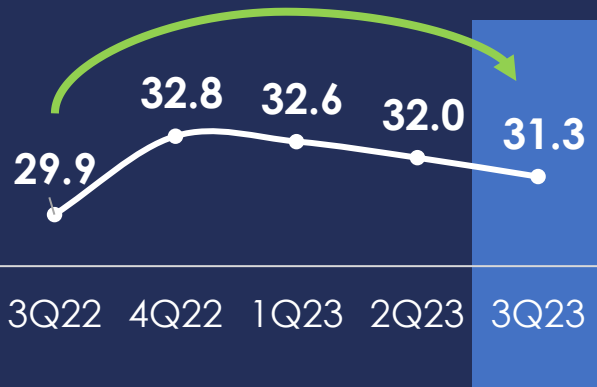
Wheat Flour



Pasta



Market
share %
Volume
Brazil



Source: Nielsen – Retail Index. Total Brazil. INA+C&C.



Operating Categories

3Q23 vs. 3Q22



Net Revenue
(R\$ million)

-8.1%
R\$2,735

Sales Volume
(Thousand ton.)

-6.6%
451

Average Price
(R\$/Kg)

-1.6%
R\$6.1

**COOKIES &
CRACKERS**

-8.2%
R\$1,432

-15.3%
130

+8.3%
R\$11.0

PASTA

-6.9%
R\$565

-11.9%
88

+5.7%
R\$6.5

**WHEAT
FLOUR AND
BRAN**

-7.8%
R\$478

+3.5%
208

-10.9%
R\$2.3

**MARGARINE
AND VEGETABLE
SHORTENING**

-20.8%
R\$159

-14.6%
20

-7.3%
R\$8.0

OTHERS

+11.9%
R\$102

0.0%
6

+11.9%
R\$18.1

latinex

Jasmine
GOSTO DE VIVER BEM

ALIMENTO
**Las
Acacias**

Operating Categories

3Q23 vs. 2Q23



Net Revenue
(R\$ million)

-4.0%
R\$2,735

Sales Volume
(Thousand ton.)

-0.8%
451

Average Price
(R\$/Kg)

-3.2%
R\$6.1

COOKIES &
CRACKERS

-2.3%
R\$1,432

-2.6%
130

+0.2%
R\$11.0

PASTA

-4.3%
R\$565

-2.8%
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OTHERS

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R\$102

-21.1%
6

+7.3%
R\$18.1

latinex

Jasmine
GOSTO DE VIVER BEM

ALIMENTO
Las Acacias

Operating Categories

9M23 vs. 9M22



Net Revenue
(R\$ million)

+9.6%
R\$8,070

Sales Volume
(Thousand ton.)

+2.4%
1,307

Average Price
(R\$/Kg)

+6.9%
R\$6.2

COOKIES &
CRACKERS

+9.4%
R\$4,153

-3.4%
380

+13.3%
R\$10.9

PASTA

+8.3%
R\$1,658

-3.2%
257

+11.8%
R\$6.5

WHEAT
FLOUR AND
BRAN

+8.7%
R\$1,449

+8.6%
593

0.0%
R\$2.4

MARGARINE
AND VEGETABLE
SHORTENING

-1.7%
R\$483

+1.2%
59

-2.8%
R\$8.2

OTHERS

+54.3%
R\$327

+38.0%
19

+11.9%
R\$17.3

latinex

Jasmine
GOSTO DE VIVER BEM

ALIMENTO
Las Acacias



In 9M23, faster growth in the Attack region. In 3Q23, a challenging scenario due to the lower level of inventories at retailers

9M23 vs. 9M22

+ 8%



+6%
Price



+2%
Volume

+ 13%



+8%
Price



+5%
Volume

3Q23 vs. 3Q22

- 10%



-3%
Price



-7%
Volume

- 5%



+1%
Price



-5%
Volume





packaging with a
closing seal to
**preserve the
crunchiness**

R\$ 31.7

R\$/Kg
3Q23

TRULY LIGHT:
**Only 23 calories
per cookie!**

R\$ 60.7

R\$/Kg
3Q23

biscoito de
tapioca



sem
glúten



LIGHT, HEALTHY
AND PRACTICAL
Ideal portion for those
times when hunger
strikes suddenly



sem
lactose

vegano



Since the acquisition (May/2018), Piraquê has grown rapidly throughout Brazil, improving our mix and average price

NET REVENUE (R\$ Million)

DEFENSE

+10times

ATTACK

+58%

TOTAL

+78%

2023
(12 months)

R\$ 153

R\$ 1,062

R\$ 1,215

2017
(Pre-acquisition)

R\$ 14

R\$ 670

R\$ 684



Piraquê continues to have a gross margin 5 p.p. higher than the other brands of M. Dias Branco



In 3Q23, Piraquê represented 13% of M. Dias Branco's revenue, being also the third most chosen food brand by Brazilians for out of home consumption, according to Kantar*



Sales Volume

+6%

3Q23 vs. 3Q22

+7%

9M23 vs. 9M22



Net Revenue

+13%

3Q23 vs. 3Q22

+18%

9M23 vs. 9M22



Gross Margin

39.6%

3Q23

35.9%

9M23

*Source: Kantar, Brand Footprint 2023, Filter Brazil

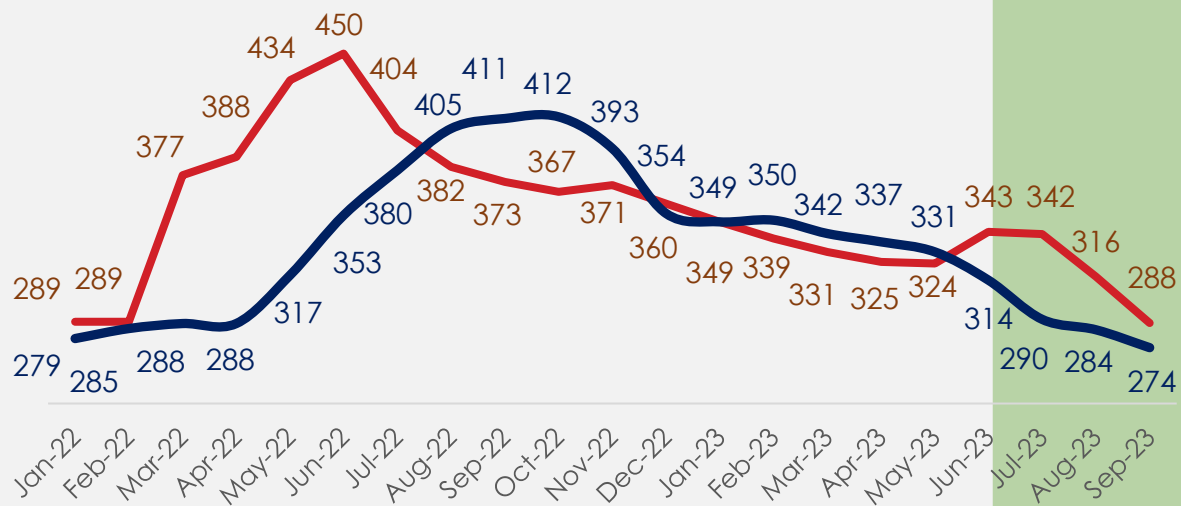
COSTS & EXPENSES

M. Dias Branco

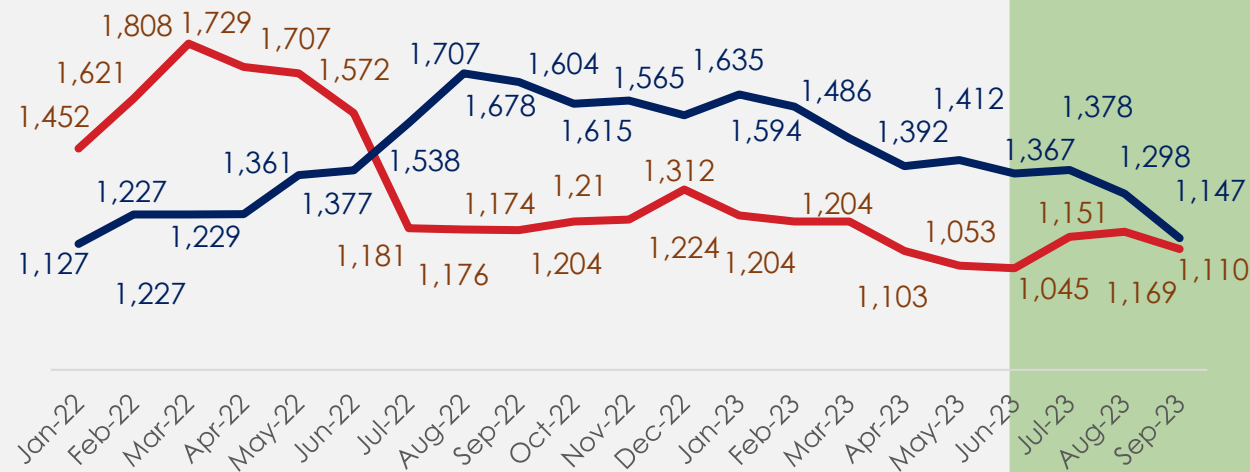


Lower average cost of M. Dias Branco due to the reduction of wheat and palm oil prices

WHEAT (US\$/TON.)



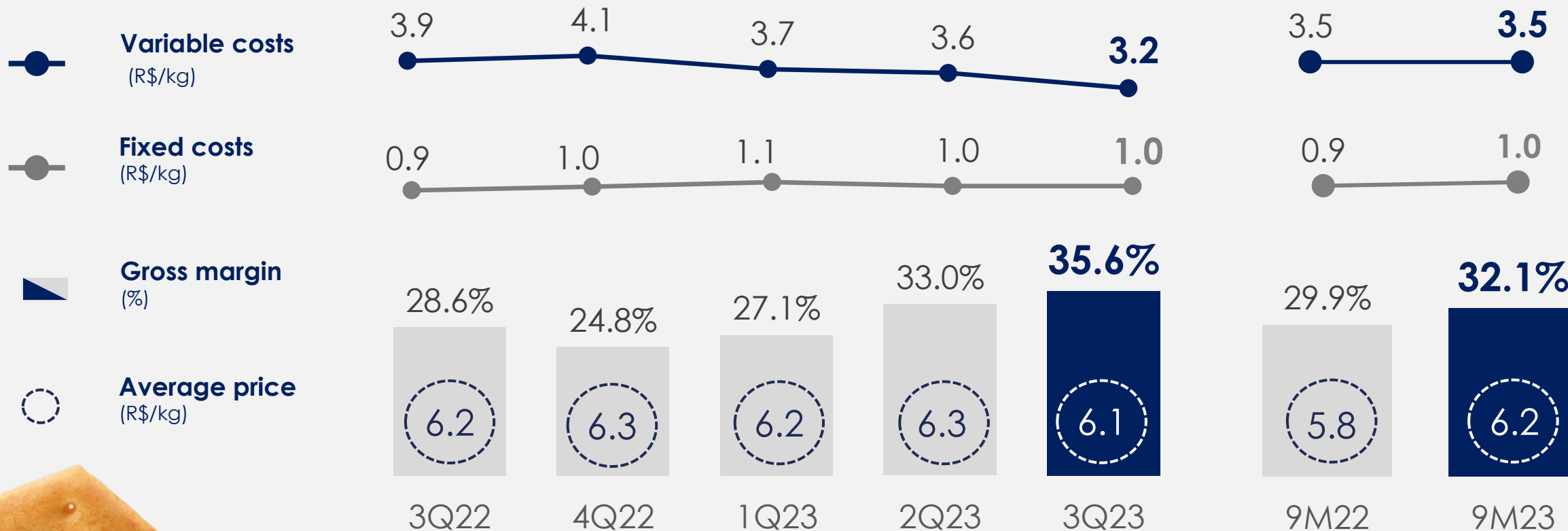
PALM OIL (US\$/TON.)



— Market* — M. Dias Branco

*Source: Wheat - SAFRAS & Mercado; Palm Oil - Rotterdam.

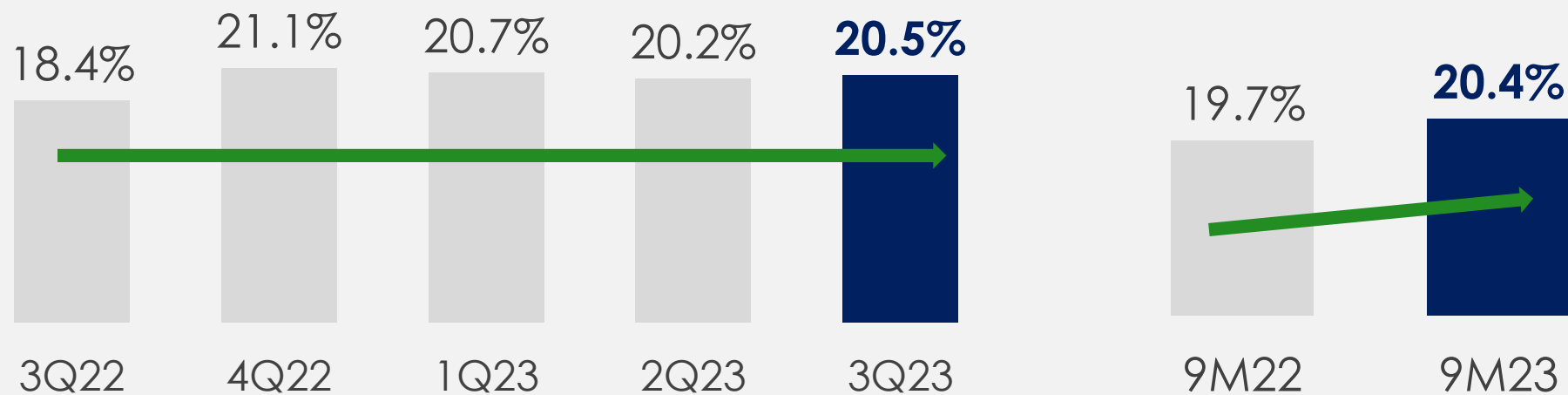
Sequential growth in Gross Margin as commodity prices go down and average price stable YoY





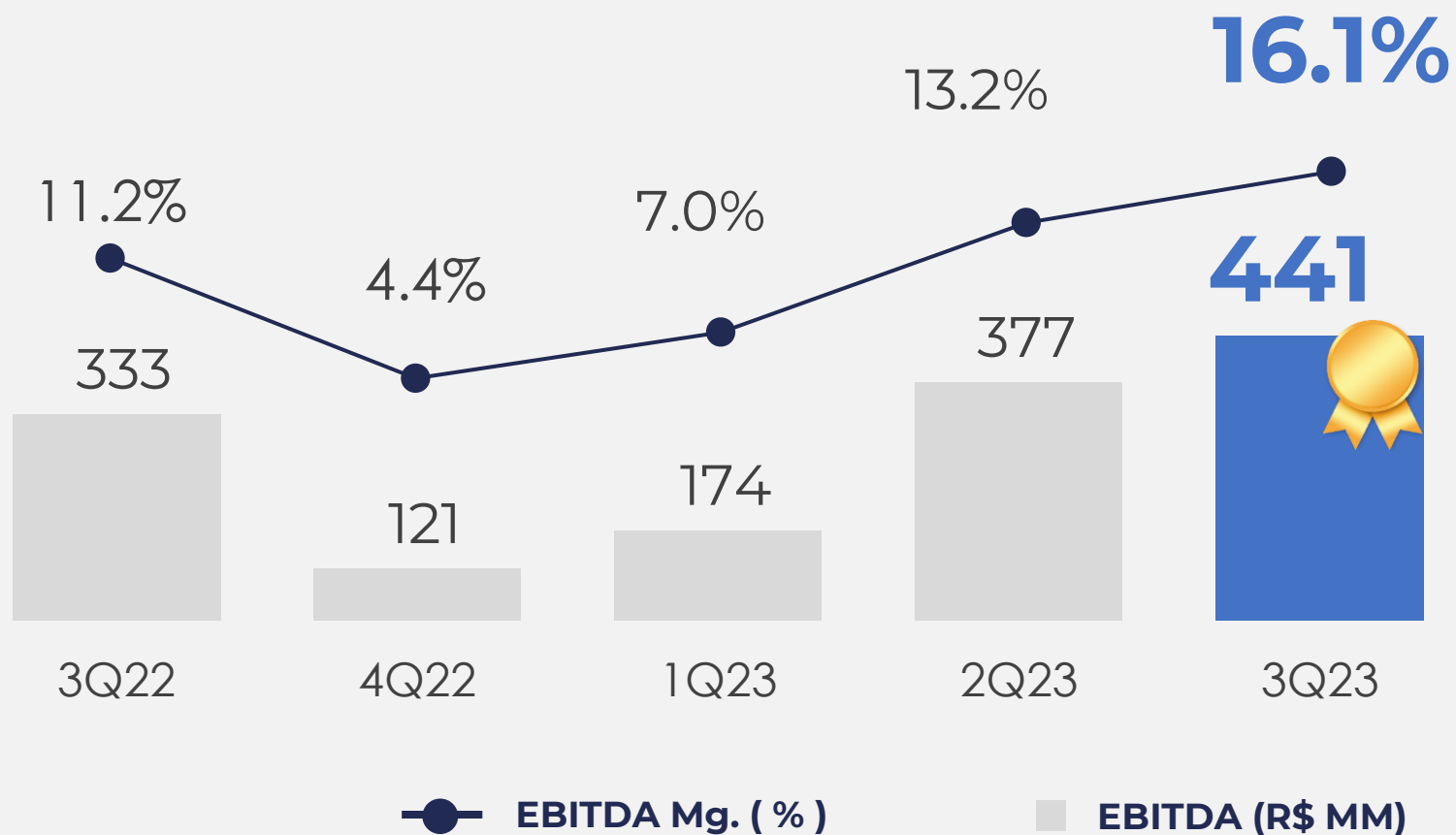
Sales and Administrative Expenses as a percentage of net revenue (SG&A) stayed at the ~20% level

Selling and Administrative Expenses (SG&A) (% of Net Revenue)





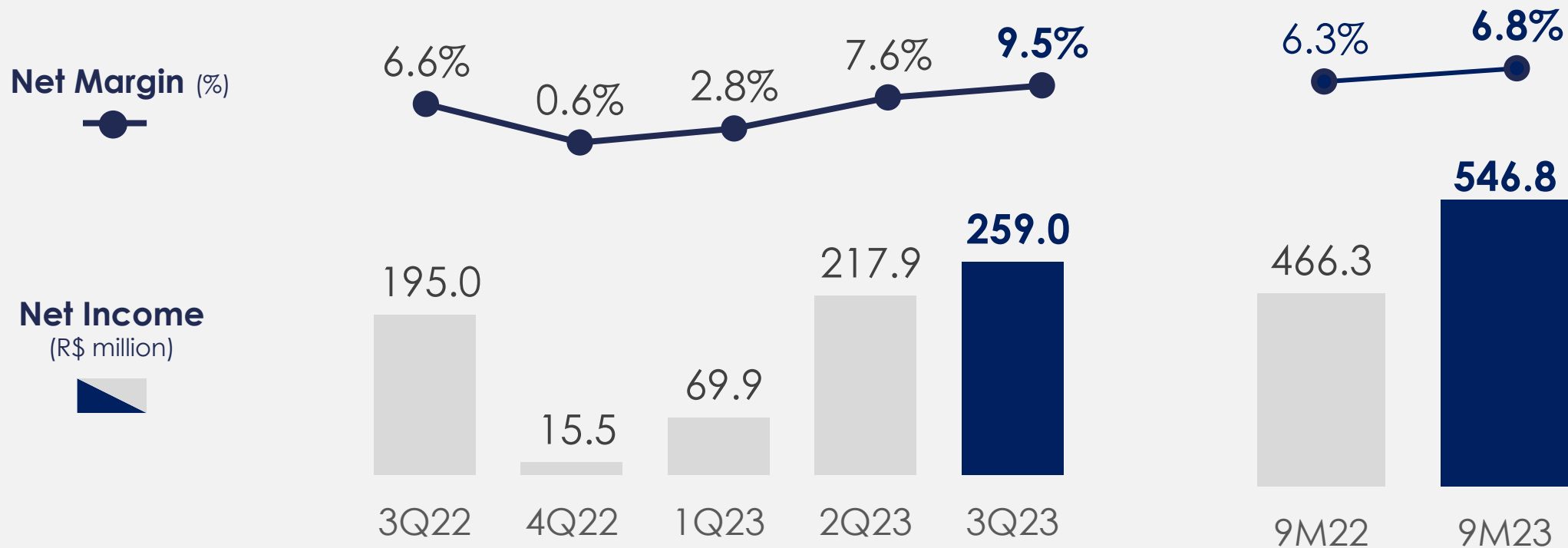
In 3Q23, we reached 16.1% of EBITDA Margin, returning to the historical average



16.7%
EBITDA Mg.
Average
2006 to 2020



Net Income of R\$ 259.0 million, +33% vs. 3Q22 and +19% vs. 2Q23



CASH FLOW, DEBT AND INVESTMENTS


M. Dias Branco





R\$ 973 million of Cash Flow from Operating Activities in 3Q23, because of EBITDA growth and working capital release










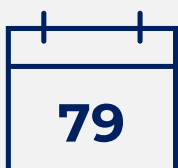


3Q22 vs. 3Q23			9M22 vs. 9M23	
(91)	973	Cash Flow from Operating Activities*	(219)	1,542
333	441	EBITDA	779	991
(273)	594	Assets and Liabilities Variation	(869)	704
(151)	(62)	Others	(129)	(153)

* Net Cash provided by (used in) operating activities



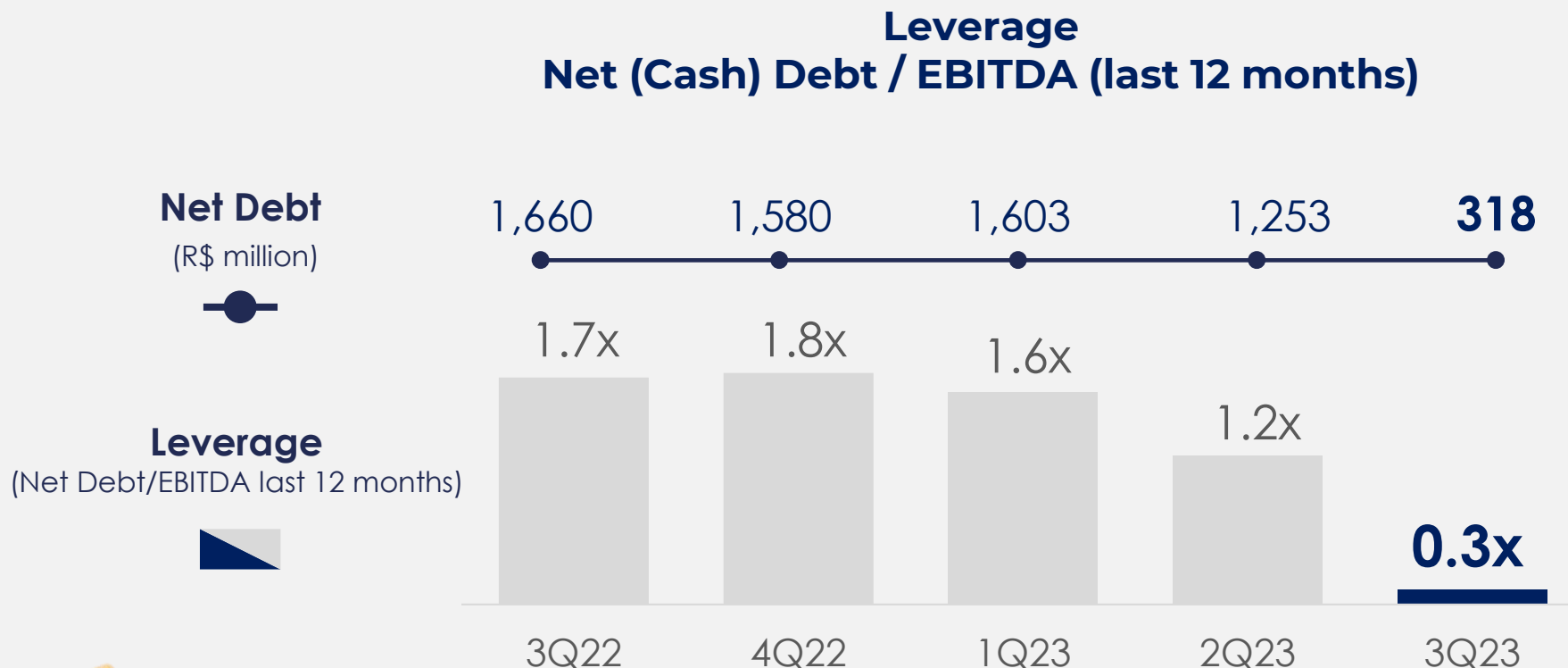
Working capital release with improvement in average supplier and lower inventory costs vs. 2Q23

Average term in days

	3Q22		2Q23		3Q23
Suppliers		+2 days ----->		 +12 days ----->	
Clients		+9 days ----->		 -3 days ----->	
Inventories		-5 days ----->		 -2 days ----->	



Decrease in leverage for the third consecutive quarter, due to recurring improvement in the results and a strong cash generation



NATIONAL RATING
FITCH RATINGS

AAA

Stable Outlook
Rating Reaffirmed

6th CONSECUTIVE
YEAR

Jasmine
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ALIMENTOS
Las Acacias



70% of the debt is in the long term!!!

R\$ 2,163

R\$ MM

**Total
Debt**

R\$ 638

R\$ MM

30%

Due date
**Sep/23 to
Sep/24**

R\$ 4

R\$ MM

0%

Due date
**Oct to
Dec/2024**

R\$ 510

R\$ MM

23%

Due date
2025

R\$ 1,011

R\$ MM

47%

Due date
**2026
onwards**





R\$106 million in investments in 3Q23, highlighting digital transformation

Total (R\$ MM)

3Q22

3Q23

R\$71

R\$106

(2% NR)

(4% NR)

9M22

9M23

R\$186

R\$223

(3% NR)

(3% NR)

Variation (%)

+49%
(3Q23 vs. 3Q22)

+20%
(9M23 vs. 9M22)



ESG

M. Dias Branco



Main Indicators – Performance 3Q23 vs. 3Q22 | 9M23 vs. 9M22



CARING FOR THE PLANET

3Q23 vs.
3Q22 9M23 vs.
9M22

Water consumption (m³/Ton.)	+8.0%	+5.6%
Reclaim of water (%)	+0.9p.p.	-2.6p.p.
Waste send to landfills (%)	-1.2p.p.	-0.1p.p.
Input losses in the production process(%)	-0.2p.p.	-0.4p.p.
Finished product waste (%)	0.0p.p.	0.0p.p.



BELIEVING IN PEOPLE

3Q23 vs.
3Q22 9M23 vs.
9M22

Women in leadership (%)	-0.9p.p.	-0.9p.p.
Frequency of occupational accidents (rate)	+63.7%	+17.9%
Occupational accident severity (rate)	-19.7%	-82.7%



STRENGTHENING ALLIANCES

3Q23 vs.
3Q22 9M23 vs.
9M22

Purchases from local suppliers (%)	+6.8p.p.	+3.6p.p.
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ESG Highlights



2023 Diversity Week with training, speeches and podcasts. More than 8.3 thousand people participated in these actions.



Ethics and Governance Week with the theme “Ethics and governance serving the purpose and longevity of the business”. The actions had more than 4,900 participants.



Approval of the review of the strategic plan by the Board of Directors in August 2023.

IDIVERSA B3

Temos orgulho em fazer parte do 1º índice de diversidade da América Latina, desenvolvido pela B3, a bolsa do Brasil

The Company was listed on IDIVERSA, the first diversity index focused on gender and race launched by the Brazilian stock exchange.





Thanks!



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M. Dias Branco

Q&A



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