



# CORPORATE PRESENTATION

**JUNE 2023**

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# OVERVIEW



70 YEARS OF OPERATION



R\$ 10 BILLION NET REVENUE IN 2022



16 THOUSAND EMPLOYEES



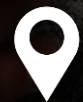
#1 IN BRAZIL IN COOKIES AND PASTA



93% HOUSEHOLD PENETRATION



+20 BRANDS



CONSUMERS FROM ALL SOCIAL CLASSES



EXPORTS TO MORE THAN 40 COUNTRIES



STRONG TRACK RECORD OF ACQUISITIONS



VERTICALIZED PRODUCTION PROCESS



R\$ 2.4 BILLION CAPEX INVESTMENT  
BETWEEN 2015–2022



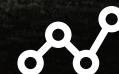
AAA RATING, STABLE OUTLOOK, REAFFIRMED  
BY FITCH (FOR THE FIFTH YEAR)



SUSTAINABILITY AGENDA IN LINE WITH  
THE BUSINESS STRATEGY

**MDIA**  
B3 LISTED NM

LISTED IN THE NOVO MERCADO



MDIA3 +700% SINCE THE IPO (2006 TO 2022)



# OUR GOVERNANCE

## BOARD OF DIRECTORS WITH 7 MEMBERS

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**43%** INDEPENDENT

**43%** WOMEN

## NOVO MERCADO SINCE 2006, WITH 100% COMMON SHARES AND TAG ALONG

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**MDIA**  
B3 LISTED NM

## MANAGEMENT TEAM COMBINING IN-HOUSE AND MARKET EXPERIENCE

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## COMMITTEES TO ADVISE THE BOARD OF DIRECTORS

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- Audit Committee
- People and Management Committee
- ESG Committee

## SUPPORT AREAS

---

- Internal Audit
- External Audit
- Risks
- Compliance

## GOVERNANCE FORUMS TO SUPPORT DECISION-MAKING

---

- Executive
- Ethics
- Health and workplace safety
- Sustainability
- Image Management

# HIGHLIGHTS 2022



Adria Brand  
Top of Mind  
award in the  
Pasta category,  
for the third  
consecutive year



The 100+  
Innovative  
Companies in  
the use of IT  
ranking



TOP 10 among the  
consumer goods  
and food  
companies that  
relate the most with  
startups in Brazil



Evolution of the  
ESG rating to AA  
in the MSCI ESG  
Ratings  
assessment



Teva Women in  
Leadership®  
Index,  
commitment to  
have 40% women  
in leadership by  
2030



Corporate  
Sustainability Index  
(ISE) of B3, for the  
third consecutive  
year



# RELEVANT POSITION IN THE MARKETS IN WHICH WE OPERATE

## COOKIES

MIX Net Revenue

51%

1st

Place in Brazil  
Share Volume

## PASTA

MIX Net Revenue

21%

1st

Place in Brazil  
Share Volume

## WHEAT FLOUR AND BRAN

MIX Net Revenue

18%

4th

Place in Brazil  
Share Volume

## MARGARINE AND VEGETABLE SHORTENING

MIX Net Revenue

7%

3rd

Place in Brazil  
Share Volume

## OTHERS

Snacks, Granola,  
Gluten-free bread,  
Toast, Healthy  
products, Sauces,  
Seasonings, Cakes  
and Cake Mix

MIX Net Revenue

3%

Granola and  
Gluten-free bread

1st Place in Brazil  
Share Volume



# MORE THAN 20 BRANDS IN DIFFERENT PRICE RANGES AND CONSUMPTION OCCASIONS

## PREMIUM BRANDS AND NEW TRENDS



## MAINSTREAM



## ENTRY BRANDS





# BRANDS WITH ANNUAL SALES OVER R\$ 1 BILLION AND R\$ 500 MILLION

OVER  
**R\$ 1 BILLION**

OVER  
**R\$ 500 MILLION**





# REVENUE BY REGION 2022



**DEFENSE**  
North and Northeast

**64%**

**ATTACK**

South, Southeast and Midwest

**34%**



**EXPORT**

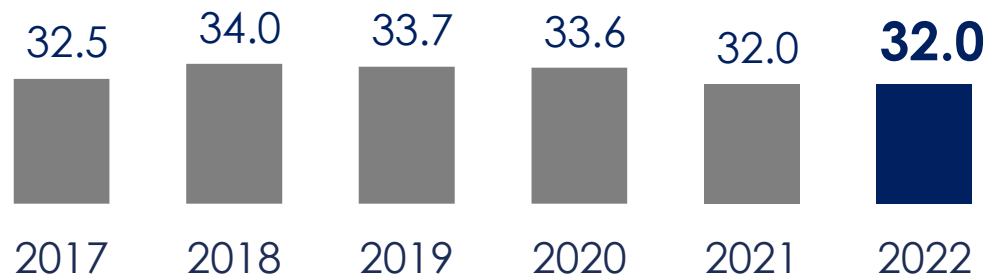
**2%**



# # 1 IN COOKIES & CRACKERS AND PASTA

## (*MARKET SHARE BRAZIL - NIELSEN*)

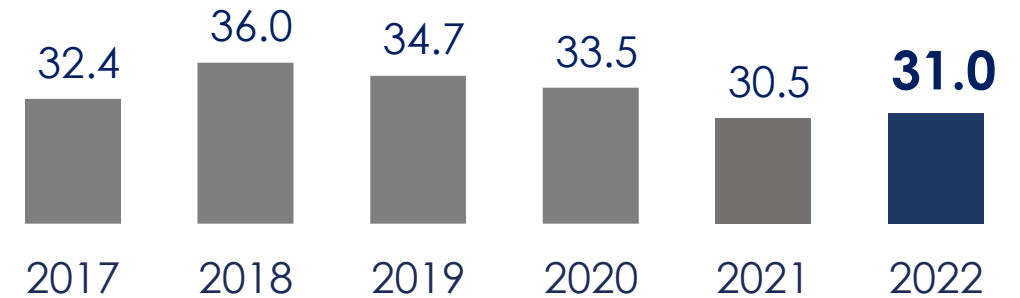
### COOKIES & CRACKERS



### M. DIAS BRANCO x COMPETITORS



### PASTA



### M. DIAS BRANCO x COMPETITORS





# WE OPERATE ON A DIVERSIFIED BASE OF SALES CHANNELS

REVENUE BY SALES CHANNEL	2021	2022
SMALL RETAIL	<b>21%</b>	<b>19%</b>
WHOLESALE	<b>19%</b>	<b>18%</b>
KEY ACCOUNTS / REGIONAL CHAINS	<b>21%</b>	<b>23%</b>
CASH AND CARRY	<b>22%</b>	<b>23%</b>
DISTRIBUTORS	<b>10%</b>	<b>11%</b>
INDUSTRY	<b>4%</b>	<b>3%</b>
OTHER	<b>4%</b>	<b>3%</b>





# PRESENT ALL OVER BRAZIL WITH STRONG DISTRIBUTION AND INFRASTRUCTURE



**+3,240**  
CITIES IN BRAZIL



**+300K**  
POINTS OF SALES  
100k DIRECT



**28**

DISTRIBUTION  
CENTERS

**17**

INDUSTRIAL  
UNITS





# THE ACQUISITIONS HAVE LEVERAGED OUR GROWTH AND ENRICHED OUR PRODUCT PORTFOLIO



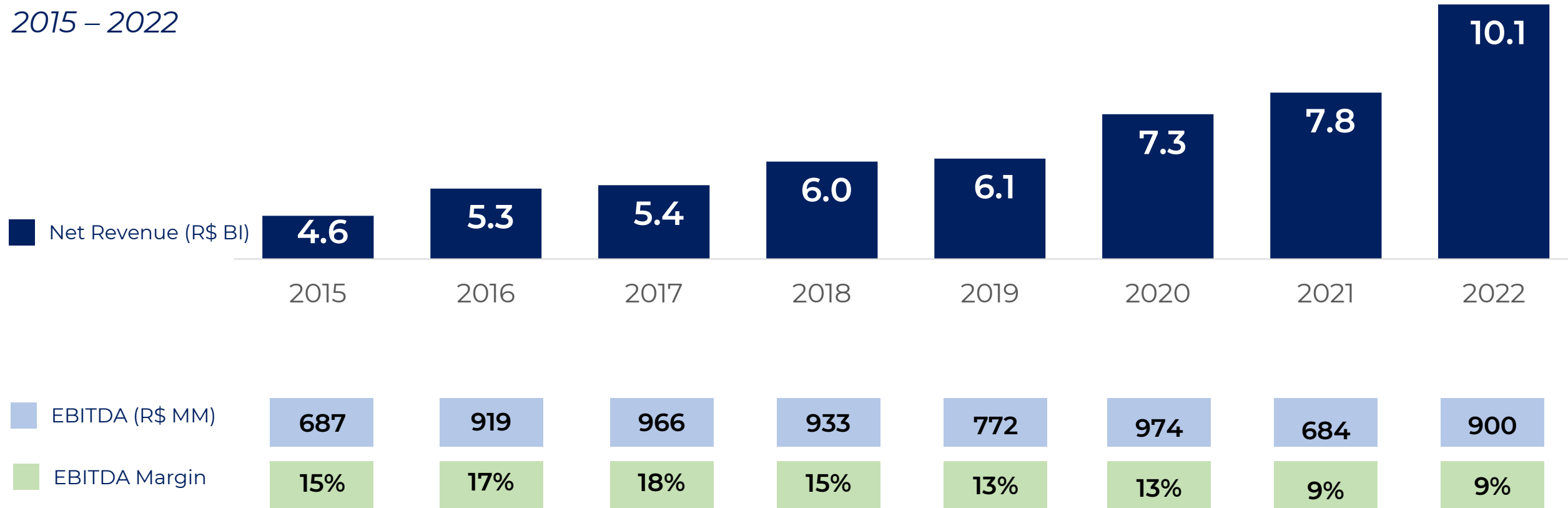
# 55%

**OF THE REVENUE  
FROM THE  
ACQUIRED BRANDS**

# STRONG GROWTH HISTORY

## Net Revenue CAGR 12%

2015 – 2022





# PROFITABLE GROWTH STRATEGY



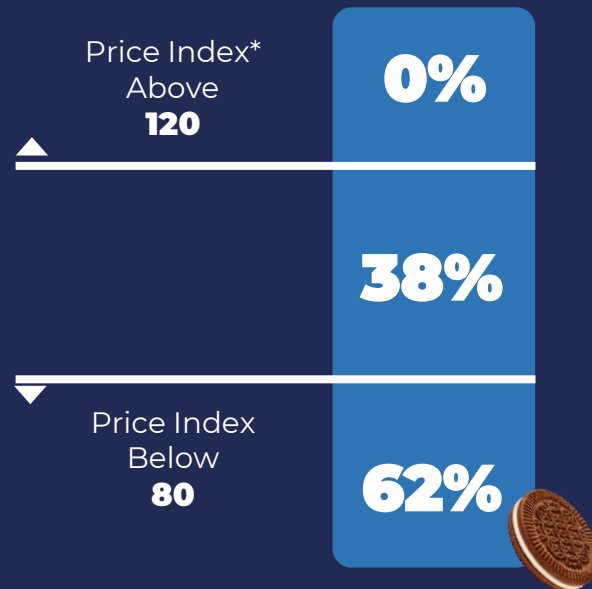
EFFICIENCY AND PRODUCTIVITY PROGRAM



## In crackers and cookies, we complemented the portfolio higher added-value items



**2017**  
Net Revenue  
**R\$ 2.9 bi**



**2022\***  
Net Revenue  
**R\$ 5.1 bi**







The average price has increased, with the contribution of innovation higher added-value items and smart pricing



Average Price Increase  
2022 vs. 2021 **29%**



## CURRENT BUSINESS

1



DEFENSE

ATTACK

## OTHER CATEGORIES

2



## INTERNATIONAL

3

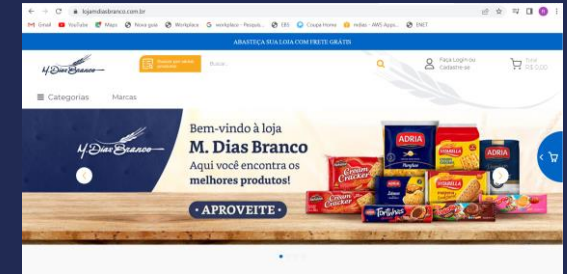


## PRODUCTIVITY AND EFFICIENCY



### ● Diversify operating channels

- Distributors, 11.3% of revenue in 2022 vs. 9.7% in 2021
- E-commerce, starting in 2020 and operating on the main platforms



### ● Improve execution at the point of sale

- Perfect store: focus on assortment, shelf, merchandising and price



### ● Strengthen the priority brands





CURRENT BUSINESS  
DEFENSE

1

ATTACK

OTHER  
CATEGORIES

2

F

INTERNATIONAL

3

PRODUCTIVITY AND  
EFFICIENCY

## HEALTHY PRODUCTS



## SNACKS



## SAUCES AND CONDIMENTS



CURRENT BUSINESS

DEFENSE



OTHER CATEGORIES



INTERNATIONAL



PRODUCTIVITY AND EFFICIENCY



- R\$ 18MM Net Revenue in 2015 and R\$ 161MM in 2022
- Sales to 37 countries in 2022
- Specific products for export, such as *shelf stable* margarine
- Las Acacias acquisition in Uruguay







- **R\$ 560 MM expense reduction between 2020 and 2021 (Multiplique Project)**
  - SG&A at 25.7% in 2019, 21.0% in 2021 and 20.1% in 2022
- **SAP implementation for early 2024**
- **Improved service level (OTIF); 65% in 4Q22 and target at 80% in 2024**
- **Improved Working Capital, longer average supplier terms**
  - 13 days in 2019 to 57 days in 2022
- **Debt Lengthening**
  - 38% in the long term in 2019 and 75% in the long term in 2022
  - Hedge Policy



3rd CONSECUTIVE  
YEAR IN THE MAIN  
BRAZILIAN  
SUSTAINABILITY INDEX

MSCI ESG RATING  
UPGRADED FROM  
“A” TO “AA” IN 2022

WE CONTINUED IN THE  
PORTFOLIO OF TEVA  
WOMEN IN LEADERSHIP  
INDEX

OUR COMMITMENT IS  
40% WOMEN IN  
LEADERSHIP BY 2030

EVOLUTION IN THE  
CDP SCORE FROM  
“B-” TO “B” IN 2022





**Back-up**

# ATYPICAL SITUATION IN THE DYNAMICS OF COMMODITIES AND THE EXCHANGE RATE IN 2020 AND 2021, WITH PRICE INCREASE IN US\$ AND DEPRECIATION OF BRAZILIAN REAL, LEADING TO A DECLINE IN OUR MARGINS



Source: Bloomberg (Dollar - Ptax, Wheat - W1 Comdty and Oil - KO1 Comdty).



# ACQUISITION OF LAS ACACIAS

Accelerate our internationalization strategy

(closing of the transaction on 10/31/2022)



## THE COMPANY

- Founded in 1952
- It is among the top three pasta brands in Uruguay
- It has one factory and one distribution center in Montevideo



## STRATEGY

- Accelerate our internationalization
- Diversification of results in other currencies
- Great infrastructure
- Joins our other brands in Uruguay



# LAS ACACIAS

## INITIATIVES FOR 2023 PORTFOLIO

### REPLACEMENT OF SUPPLIERS

4 SKUs  
In Cake Mix



4 SKUs  
In Ramen  
Noodle Soup



### INSERTION OF LAS ACACIAS PRODUCTS IN THE MDB PORTFOLIO



Transfer price  
analysis for Adria  
and Isabela  
brands

Analysis of the  
incorporation of  
Las Acacias  
products in the  
Attack and  
Defense portfolio



### EVALUATE MDB PRODUCTS TO INCORPORATE LAS ACACIAS PORTFOLIO





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)



"Healthy foods"



"Snacks"



"Salts and Spices"



"Sauces and Condiments"



"Handicraft Potato Chips  
(License Distribution)"



## JASMINE ACQUISITION

REFERENCE BRAND AND LEADER  
IN THE MARKET OF GRANOLAS,  
GLUTEN-FREE BREADS AND  
WHOLEWEIGHT COOKIES,  
CONSOLIDATING M. DIAS  
BRANCO'S POSITIONING IN THE  
HEALTHY FOODS MARKET  
(CLOSING OF THE OPERATION ON  
08/31/2022)

**Jasmine**  
GOSTO DE VIVER BEM



# 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

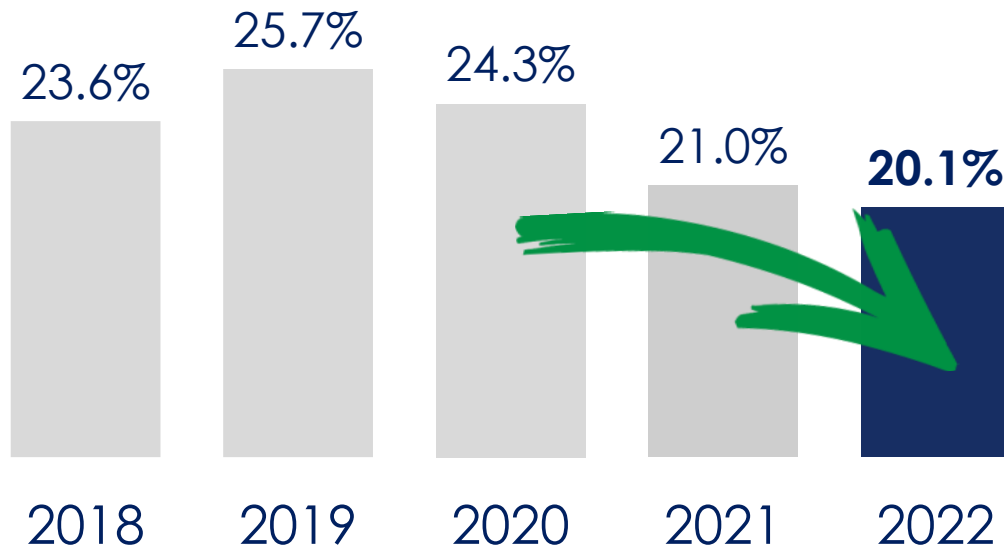


**CORPORATE  
RESTRUCTURING**

**NETWORK  
DESIGN**

## EXAMPLES:

### **SG&A** (% Net Revenue)



### **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 Maracanaú plant of 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

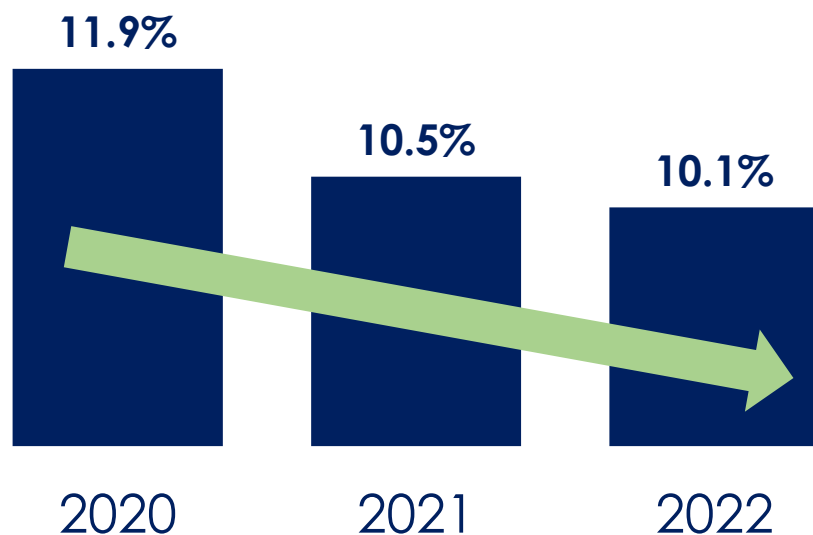
# Logistic Efficiency



CORPORATE  
RESTRUCTURING

NETWORK  
DESIGN

## Logistic Expenses (% Net Revenue)



2020



2Q22

## Productivity and Efficiency Drivers

### Footprint

- ✓ 4 DCs reduction 21/22
- ✓ Maximization of direct distribution from the factories

### Distribution

- ✓ Fleet resizing
- ✓ 294 trucks less

### Storage

- ✓ 12% increase in the internal productivity of the DCs (Ton/HC) with management and use of technology (WMS)

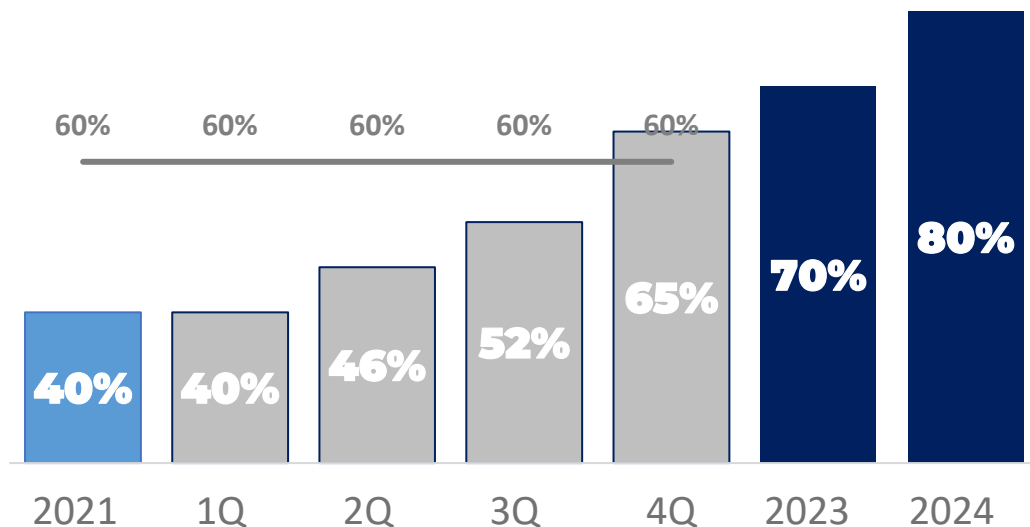
# TRANSFORMATION OF THE SERVICE LEVEL

## Service level KPIs

Service level improvement supports: (1) Commercial strategy and (2) E2E efficiency\* of the company



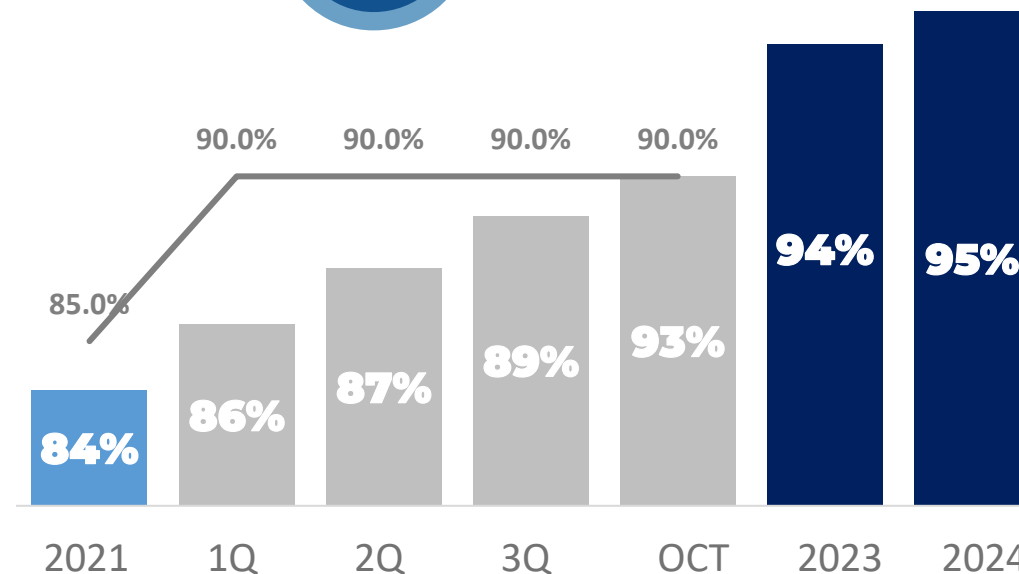
**OTIF**  
(On time in full)



\*End to end.

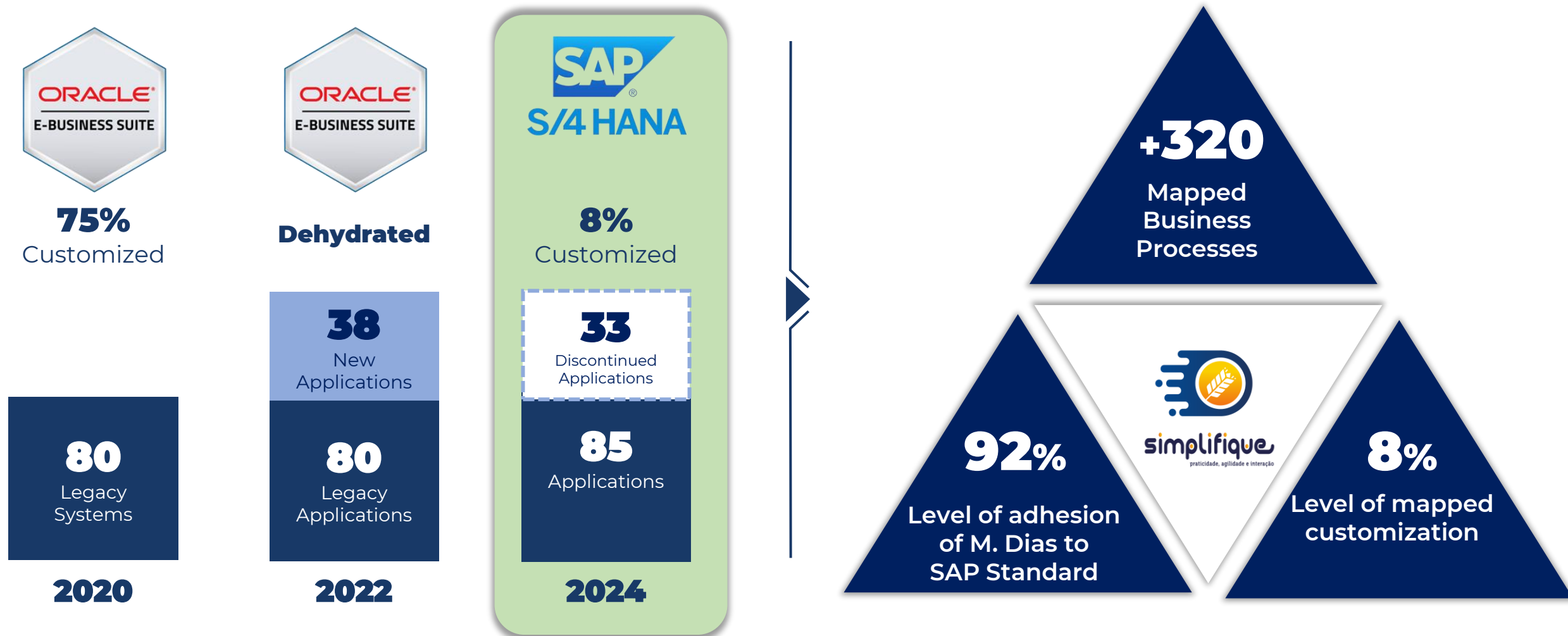


**CRF**  
(Case fill rate)





# SIMPLIFY BEYOND ERP



# WHAT IS THE SIMPLIFY PROJECT?

**Simplify** is the technological modernization project of our main information system (ERP), the **Oracle EBS**.

In this project we will implement **SAP** (*System Application and Products*)

Simplify aims at a new implementation, starting **from scratch**, with the adoption of **best market practices** in terms of processes, analytics and tools.

## Current ERP



# FROM 2020 TO 2022 WE CARRIED OUT THE LARGEST MARKETING CAMPAIGNS IN THE HISTORY OF M. DIAS BRANCO

piraquê



"This has a Q for Piraquê"  
"Merchandising at BBB"

**11%**

Of Total Revenue\*

VITARELLA



"Embrace the differences"  
"Our sound is different"

**20%**

Of Total Revenue\*

ADRIA



"Grano Duro Adria"  
"Details that matter"

**6%**

Of Total Revenue\*

ff FORTALEZA



"Spread the love that  
strengthens"

**8%**

Of Total Revenue\*

isabela



"Affection Recipe"

**5%**

Of Total Revenue\*

Richester



#BoraExperimental

**9%**

Of Total Revenue\*

\* Total Revenue 2022

M. Dias Branco



# GROWTH WITH PROFITABILITY: LAUNCHES AND NEW CATEGORIES ACQUIRED

## Cookies launches 2022

 piraquê



 Richester



 M. Dias Branco

## New categories acquired

 FIT FOOD



Healthy  
foods

 smart



Sauces and  
condiments



Snacks &  
Tex-Mex

 Jasmine

Wholefood



Gluten-free



# Brand Strengthening - Piraquê

Expansion of Piraquê in Brazil as a high-value brand appropriating the universe of originality

## CAMPAIGN "Q DE PIRAQUE"



Big Brother  
Brasil



ZECA PAGODINHO  
MASTER ORIGINALITY

## LAUNCH ORIGINAL PIRAQUE CAMPAIGN & CULTURAL CONTEST



## LAUNCH DOUBLE MALT CAMPAIGN



## COOKIES CAMPAIGN & DIGITAL SAMPLING

Utilizamos cookies essenciais e tecnologias semelhantes de acordo com a nossa [Política de Privacidade](#) e, ao continuar navegando, você concorda com estas condições.

ACEITAR COOKIES

ACEITAR COOKIES COM MAIS GOTAS DE CHOCOLATE DE VERDADE

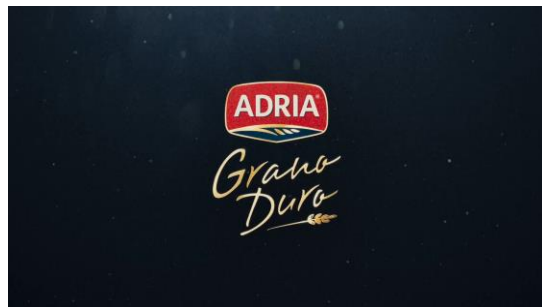




# Brand Strengthening - Adria

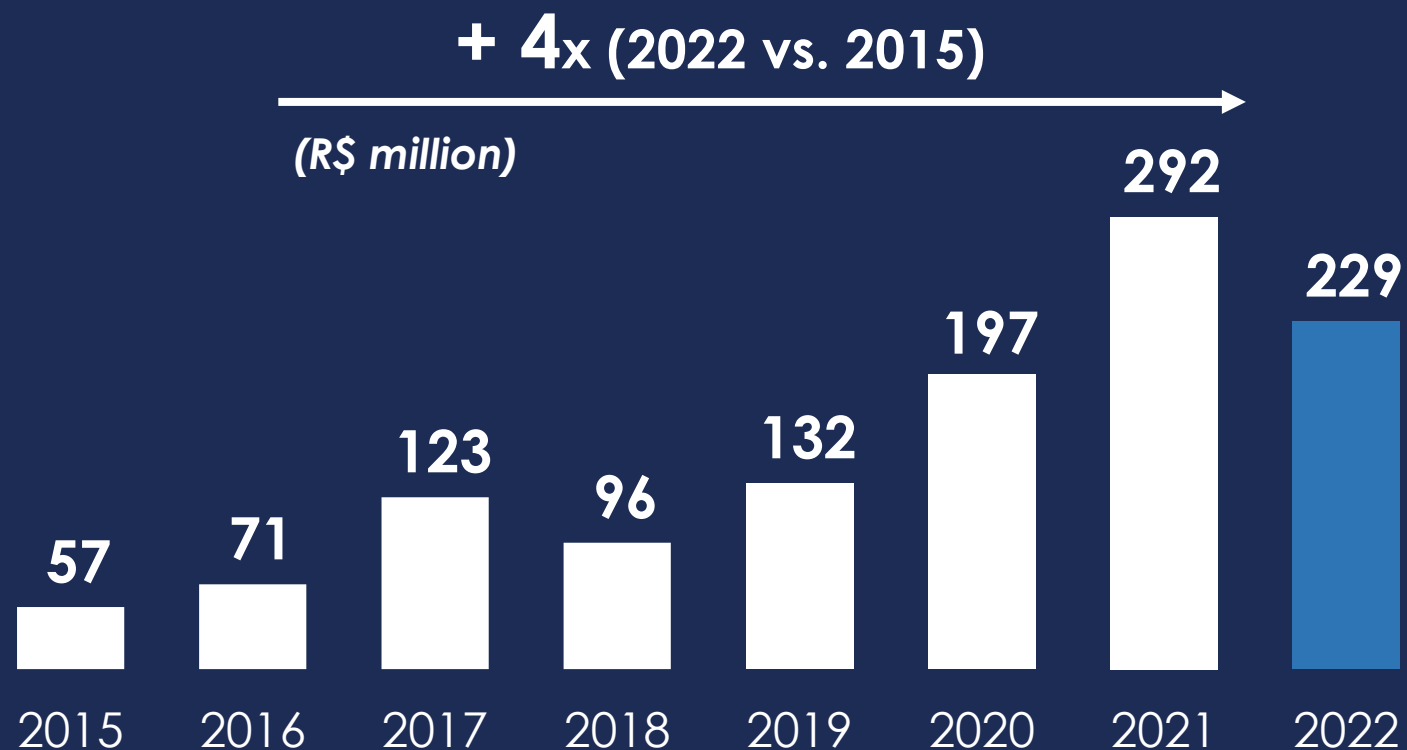


GOAL: Brand reference in detail and selected ingredients


































**INNOVATION >>>** WITH FOCUS ON HIGHER VALUE-ADDED ITEMS, GROSS REVENUE FROM NEW COOKIES\* GROWS SEQUENTIALLY



\* Products / New flavors launched in the last 24 months

# Value generation agenda with results and above the industry average in 2022

M. Dias Branco with the best performance in costs management versus price adjustments, well above other companies

 Company	 Region	Net revenue H1 2022 (MM USD)	H1 2022 vs. H1 2021			
			COGS Variation	Price Variation	Gap between price and cost increase	Volume Variation
	Chile	\$ 831 (+11%)	28.9%	7.8%	-21% 	 3%
	Brazil	\$ 2,384 (+11%)	25.5%	11.7%	-14% 	-1% 
	Brazil - NAB	\$ 583 (+40%)	28.4%	19.9%	-9% 	 17%
	Brazil - Beer	\$ 3,074 (+18%)	18.2%	12.1%	-6% 	 5%
	LATAM	\$ 1,246 (+18%)	19.6%	13.9%	-6% 	 4%
	LATAM + Central America	\$ 5,374 (+17%)	9.2%	5.7%	-4% 	 11%
	Global (excl. Brazil)	\$ 2,229 (+13%)	14.5%	15.5%	 1%	-2% 
	Brazil	\$ 358 (Q1'22) (+6%)	5.9%	10.9%	 5%	-4% 
	Brazil	\$ 842 (+26%)	22.9%	28.5%	 6%	-2% 

# E-COMMERCE

*"First steps in e-commerce, with products sold on the main platforms."*



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



## New Alliances 2022



We have launched our official Piraquê, Adria and Vitarella stores on Mercado Livre, Amazon e Shopee

## New Alliances



## Official Shops





# LojaMDiasBranco.com.br

## LAUNCH OF THE STORE PILOT ON SEP/13/22

Aim to serve small customers/retailers, such as grocery stores, bakeries and restaurants;

Online platform for the Commercial Team to increase sales with an assortment complementary to what is currently offered.

### Partial results (first 70 days of operation)

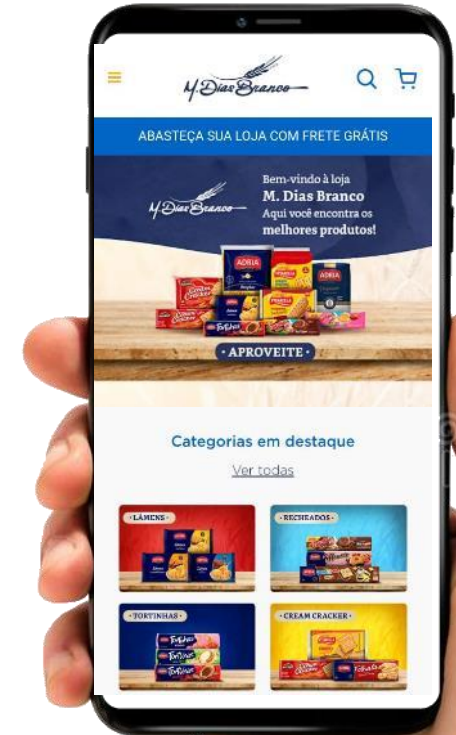
- ~ 1,500 customers prospected
- ~ 1,000 invoiced orders
- ~ \$450k in revenue

### Brands Assortment in Store



Mobilization of  
Commercial Team  
RJ

B2B E-commerce  
Operation - Belford Roxo

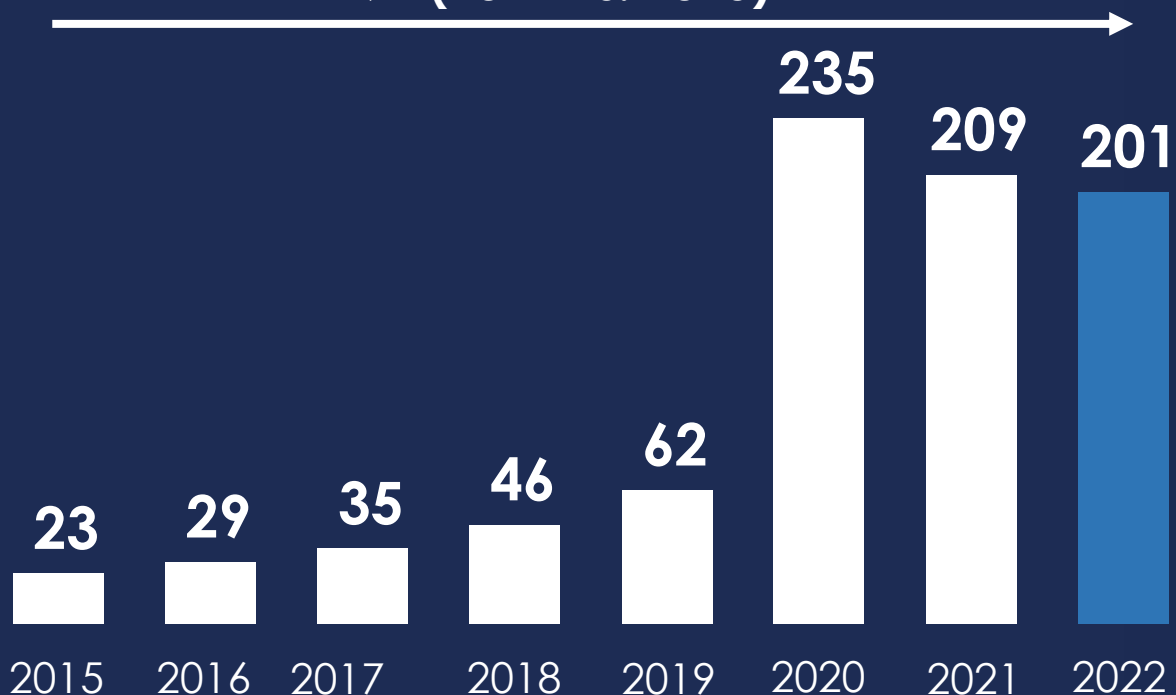


# EXPORTS

GROSS INCOME (R\$ million)

REACHED A NEW  
LEVEL

+ 9x (2022 vs. 2015)



Focus on markets with high growth potential



Private Label Market



Products adapted to the export market



We exported to **37** countries in 2022



We launched **35** products exclusively for the foreign market in 2022

# PRESENCE ON ALL CONTINENTS

**15%**  
North  
America

**0.1%**  
Europe

**0.1%**  
Asia

**4%**  
Central  
America

**1%**  
Middle  
East

**16%**  
Africa

**64%**  
South  
America

**0.1%**  
Oceania

Revenue by  
geographic area in  
2022 (%)



# STRENGTHENING BRANDS AND M. DIAS BRANCO PRESENCE THROUGH POS EXECUTION



USA



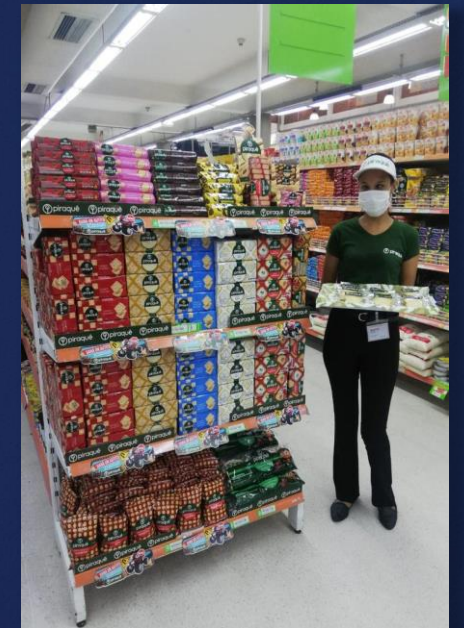
URUGUAY



PARAGUAY



HONDURAS



COLOMBIA

# 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



# 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%**

# FUNDAMENTALS TO KEEP GROWING

Being increasingly relevant TO EVERYONE, EVERYWHERE

1

**Protect the Core  
Scale and  
Market Share**

**Weight reductions  
and smart pricing**

New packaging  
formats: **promopacks**

**Strengthening the  
priority brands**

**Portfolio  
Simplification**

2

**Growing with  
Higher Added  
Value**

Growing the  
**strategic items and  
develop new  
categories**

Innovations with  
increased  
differentiation

**Nationwide  
expansion of  
Piraquê, Latinex and  
Jasmine**

3

**Diversifying  
operating  
channels**

Strengthening  
strategic channels  
(Distributors, Food  
Service, E-commerce)

**More relevant  
presence in the  
market with a  
go-to-market model**

4

**Improving  
Commercial  
Execution at the  
Point of Sale and  
evolve in revenue  
management  
model**

Consolidating **Perfect  
Store** project and new  
go-to-market model

Improving **Smart  
Pricing and  
Promotions**

5

**Internationalization**

**Consolidating  
Las Acacias  
integration**

**Keep moving  
forward with  
exports**

**Training and Structure**

# PROTECT THE CORE, SCALE AND MARKET SHARE

## +SMART

Weight reduction and smart pricing

- ⇒ Pricepack remodeling
- ⇒ Commercial Policy Adjustments
- ⇒ SKUs optimization
- ⇒ Mix Management Strategies
- ⇒ Trade Promotion Tools

## + AFFORDABLE

New packaging formats: **promopacks**

Ideas for protecting *share* on Cash&carry channel





# PORTFOLIO SIMPLIFICATION

Increased focus and efficiency



DELIST OF  
EXCLUSIVE BRANDS

*Pelaggio*

*Adorita*

*Predilieto*  
Vem do Coração

*Amorela*



MIGRATION  
OF BRANDS

*Zabet*



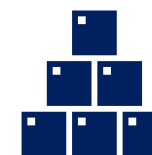
*VITARELLA*



*BASILAR*  
DESDE 1964



*ADRIA*



REDUCTION  
NUMBER OF SKUs

**300**

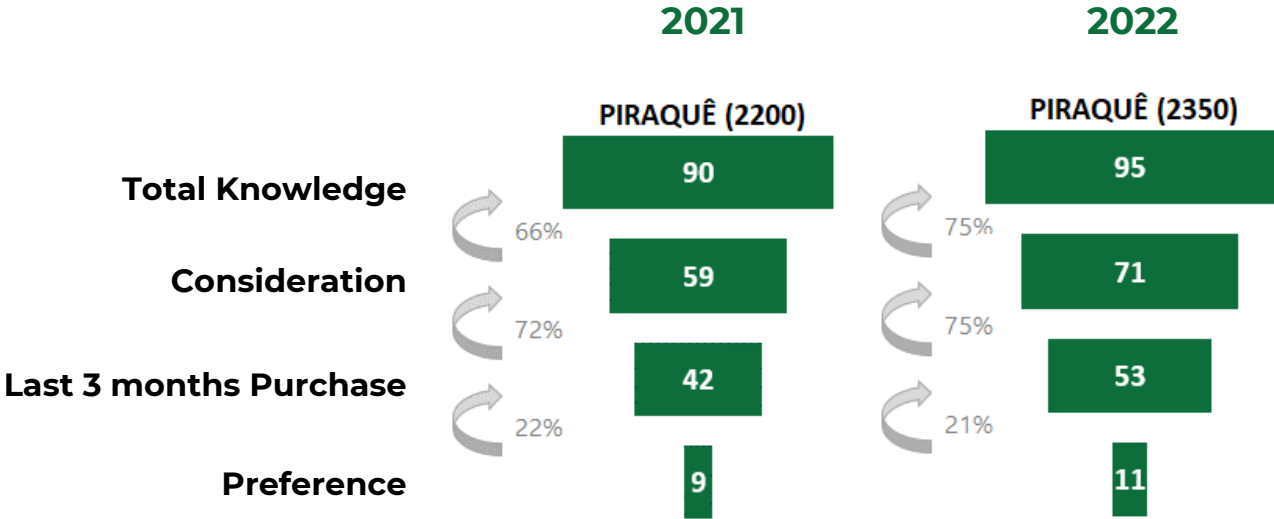
SKUs excluídos  
(2021-2022)

**-73** SKUs  
em 2022

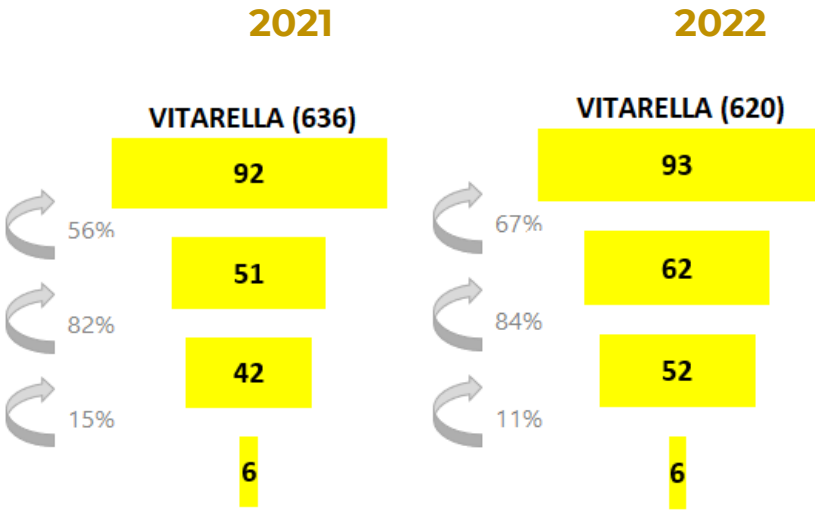
# BRAND STRENGTHENING – PIRAQUÊ AND VITARELLA



Piraquê with strong progress in **Knowledge, Consideration, Buying Frequency, and Preference**, with progress in all Brazilian regions.

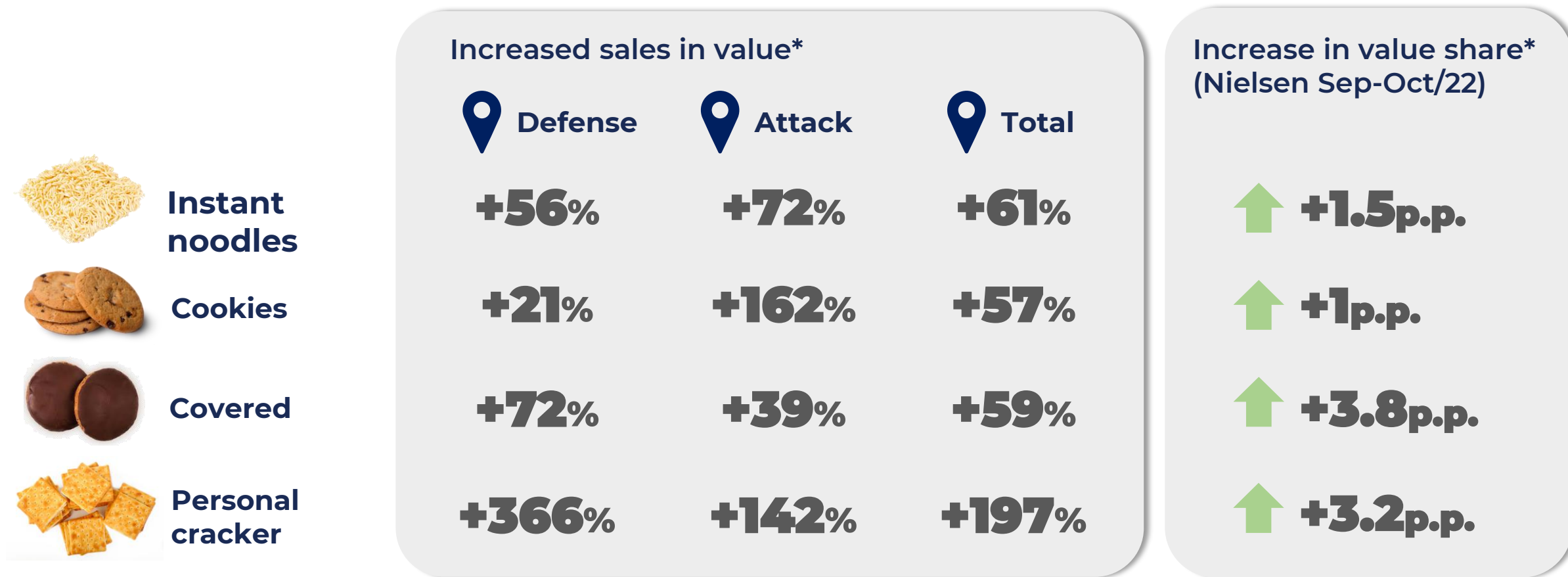


Vitarella with strong progress in **Consideration and Buying Frequency** in São Paulo.



# EXPAND SALES OF HIGHER ADDED VALUE ITEMS

Focus on segments with growth potential

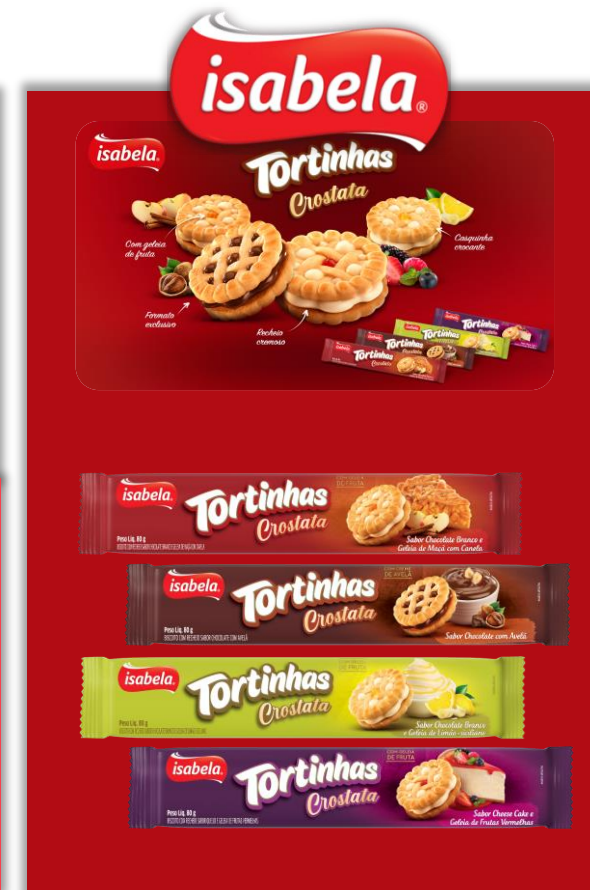
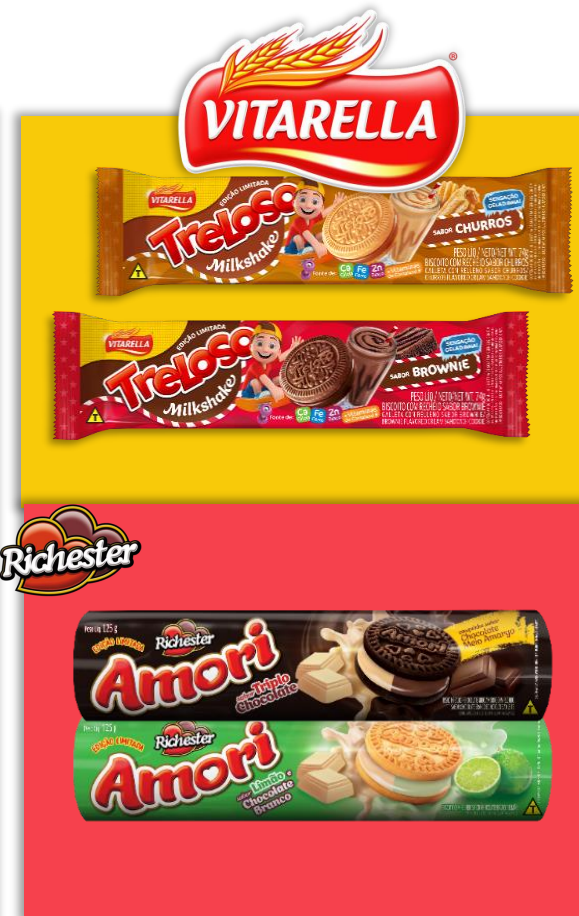
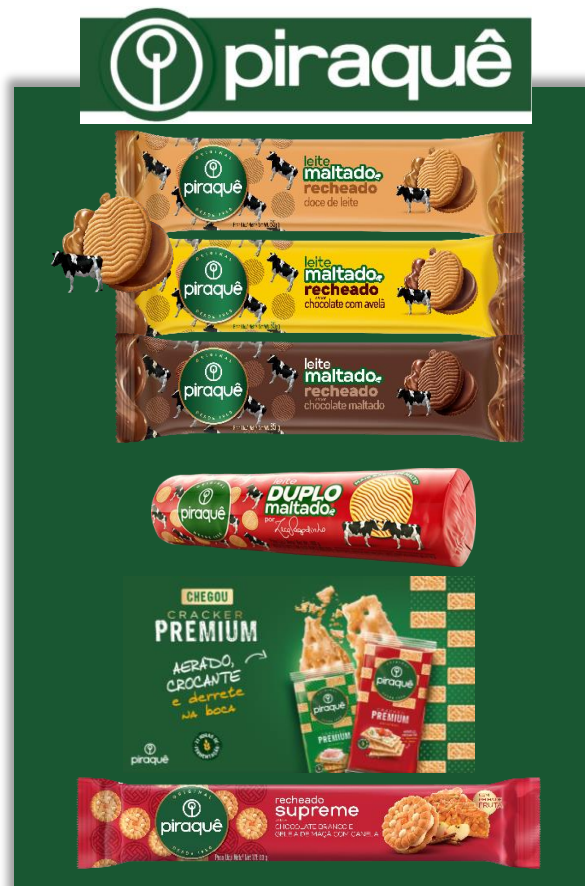


Source: Nielsen Retail Index | INA+C&C | Jan-Oct'21 vs. Jan-Oct'22



# INNOVATIONS WITH HIGHER ADDED VALUE, DIFFERENTIATION AND HIGH POTENTIAL

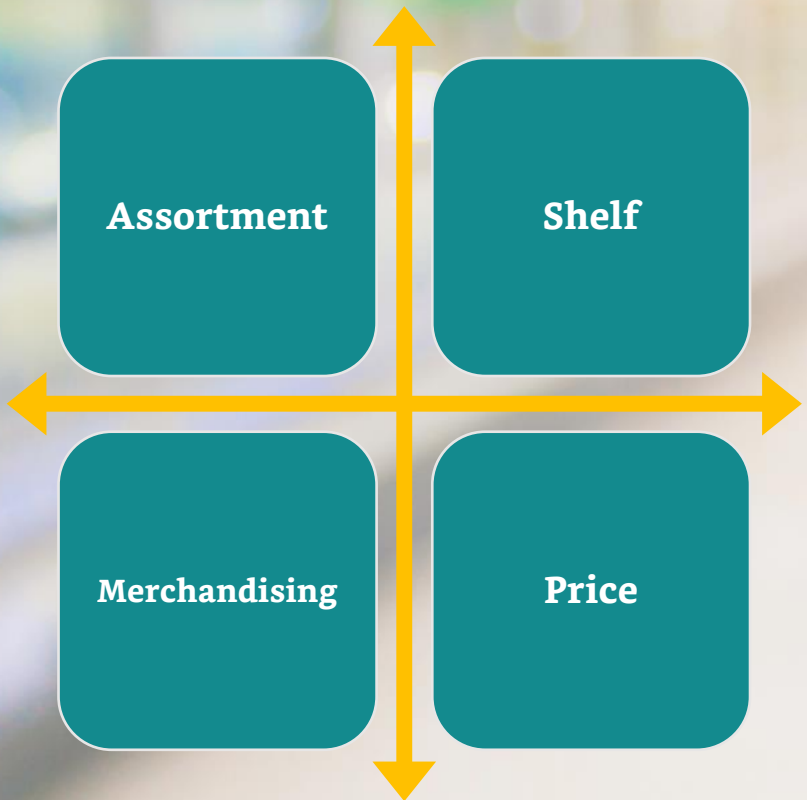
85 new products launched in 2022



# CONSOLIDATE THE PERFECT STORE PROJECT

Perfect execution fundamentals

Strategy based on 4 key pillars (4 Ps)



Pillar	Indicator	Score
Assortment	Priority Presence and Launches	40%
	Strategic Families	
Shelf	Shelf share	25%
Merchandising	# Extra Points	25%
Price	Average Price	10%

Which unfolds into 5 indicators

And it results in the Store Score

Perfect Store			
0 - 10%	Note 1	51 - 60%	Note 6
11 - 20%	Note 2	61 - 70%	Note 7
21 - 30%	Note 3	71 - 80%	Note 8
31 - 40%	Note 4	81 - 90%	Note 9
41 - 50%	Note 5	91 - 100%	Note 10

# CONSOLIDATE THE PERFECT STORE PROJECT

Turning execution into results, with follow-up and goals

By breaking down the Pillars, we were able to draw up action plans and direct investments

	PERFECT STORE	STORE WITH OPPORTUNITY		PERFECT STORE	STORE WITH OPPORTUNITY
STORE	FRANGOLANDIA-Ceará 1	FRANGOLANDIA-Ceará 2	STORE	BISTEK – COSTEIRA DO Santa Catarina 1	Santa Catarina 2
SIZE	Large	Large	SIZE	MEDIUM	MEDIUM
STORE PROFILE	A	A	STORE PROFILE	B	B
CONTRACT	PGP	PGP	CONTRACT	WITHOUT PGP	WITHOUT PGP
ASSORTMENT (4.0)	3.7	3.7	ASSORTMENT (4.0)	3.1	3.3
SHELF (2.5)	2.5	0.7	SHELF (2.5)	1.9	0.3
MERCHAN 2,5	2.5	1.4	MERCHAN 2,5	0.1	0
PRICE (1.0)	0.1	0.1	PRICE (1.0)	0.3	0.4
NOTE	8.8	5.9	NOTE	5.2	3.6
SELL OUT DEC	R\$ 155,441.17	R\$ 102,217.54	SELL OUT DEC	R\$ 56,899.37	R\$ 33,366.13

The higher the score, the higher our sell out: **Every 1pp = +10% growth in volume**



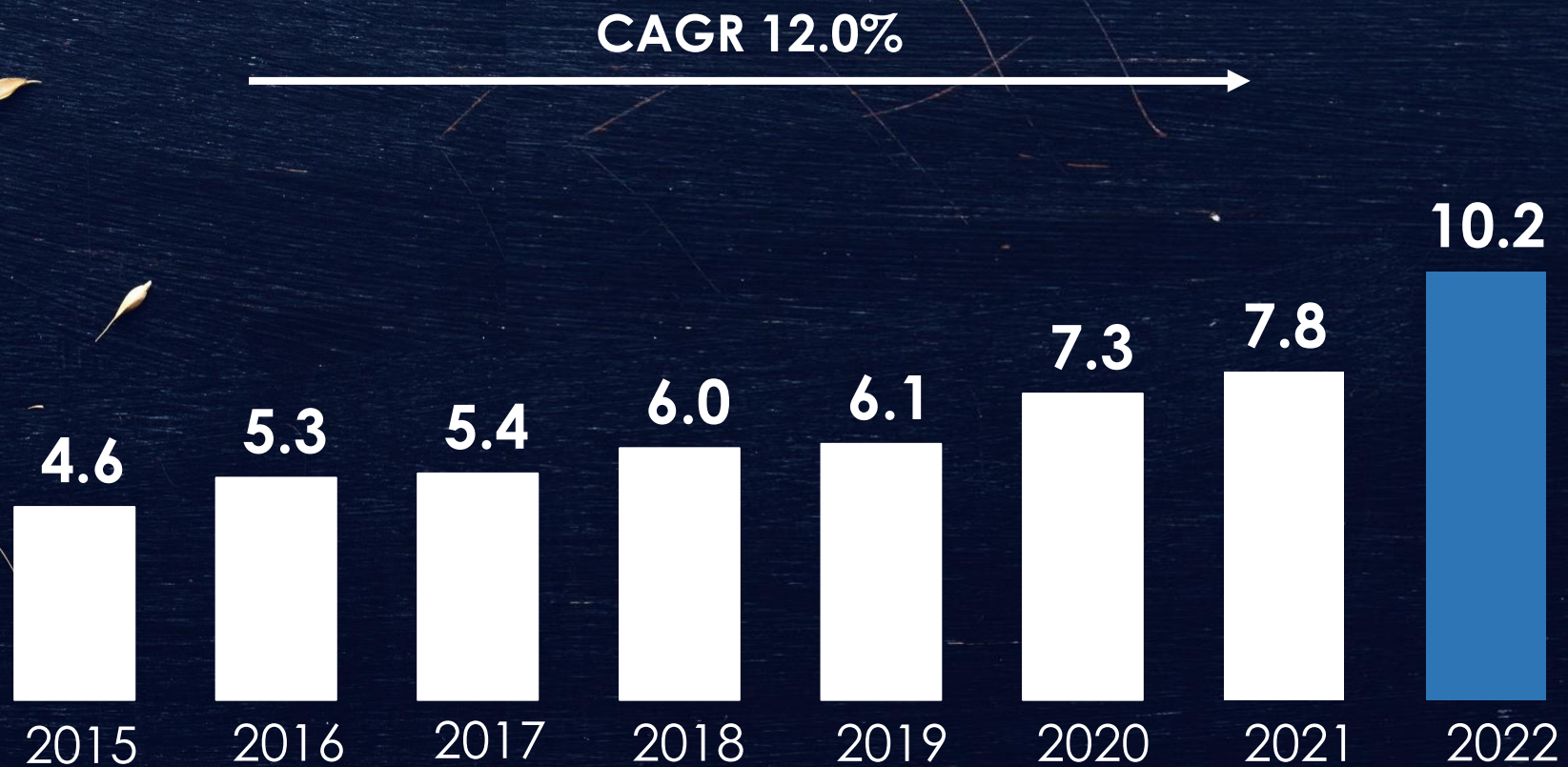
# FINANCIAL RESULTS

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*M. Dias Branco*



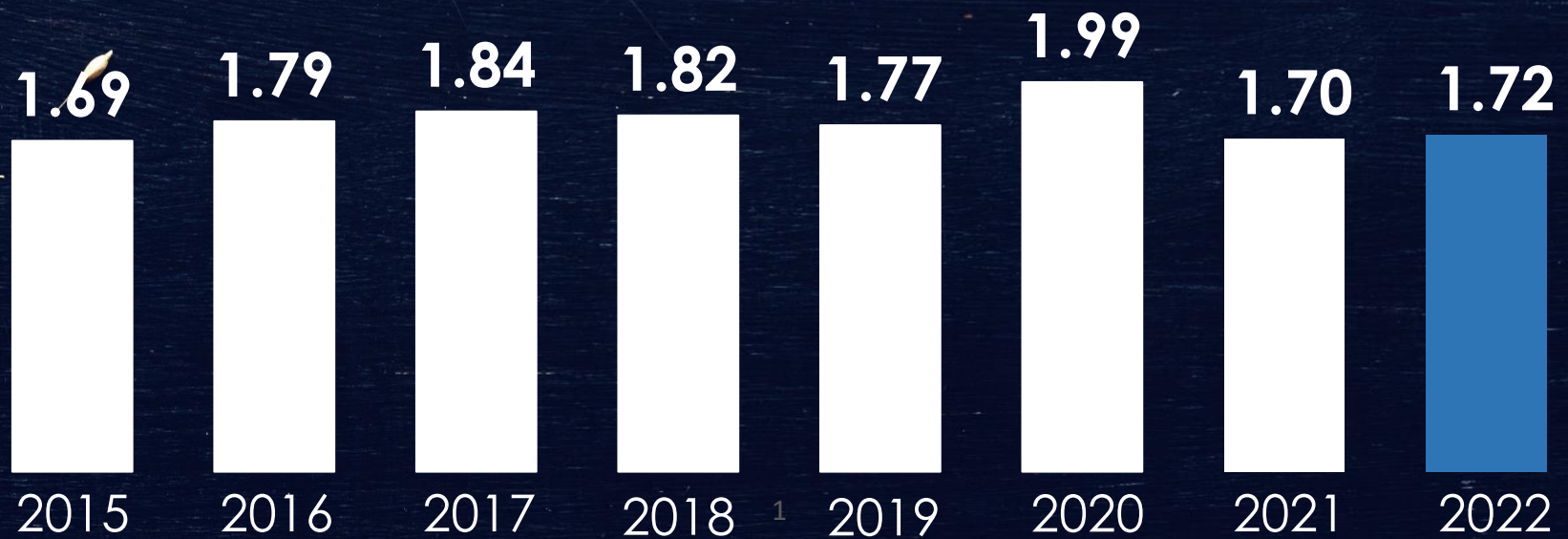
# NET REVENUE (R\$ BILLION)





# VOLUME (MILLION TON.)

CAGR 0.3%





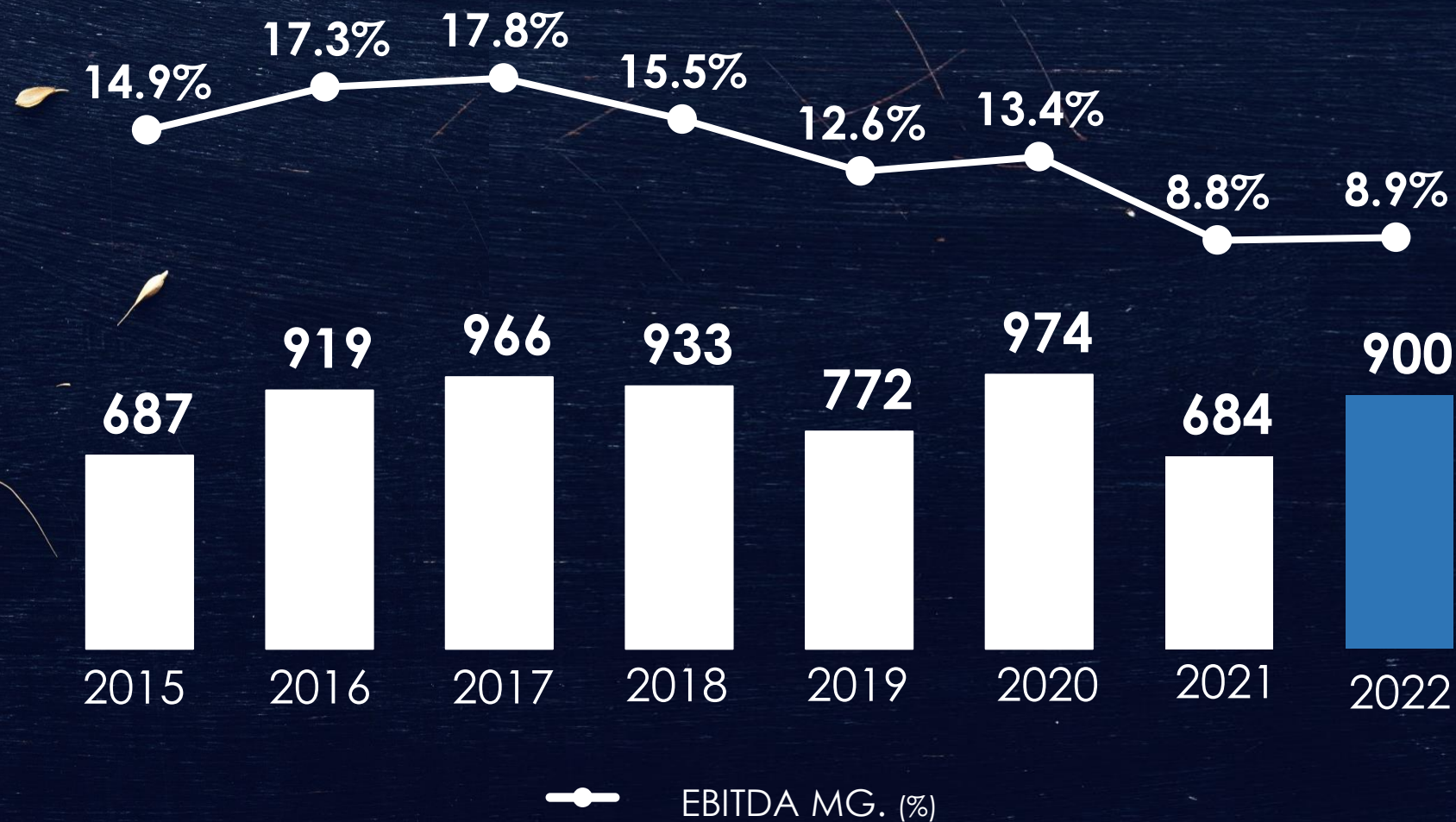
# EVOLUTION OF WHEAT PRICE IN US\$



Fonte: Bloomberg - W 1 Comdty.

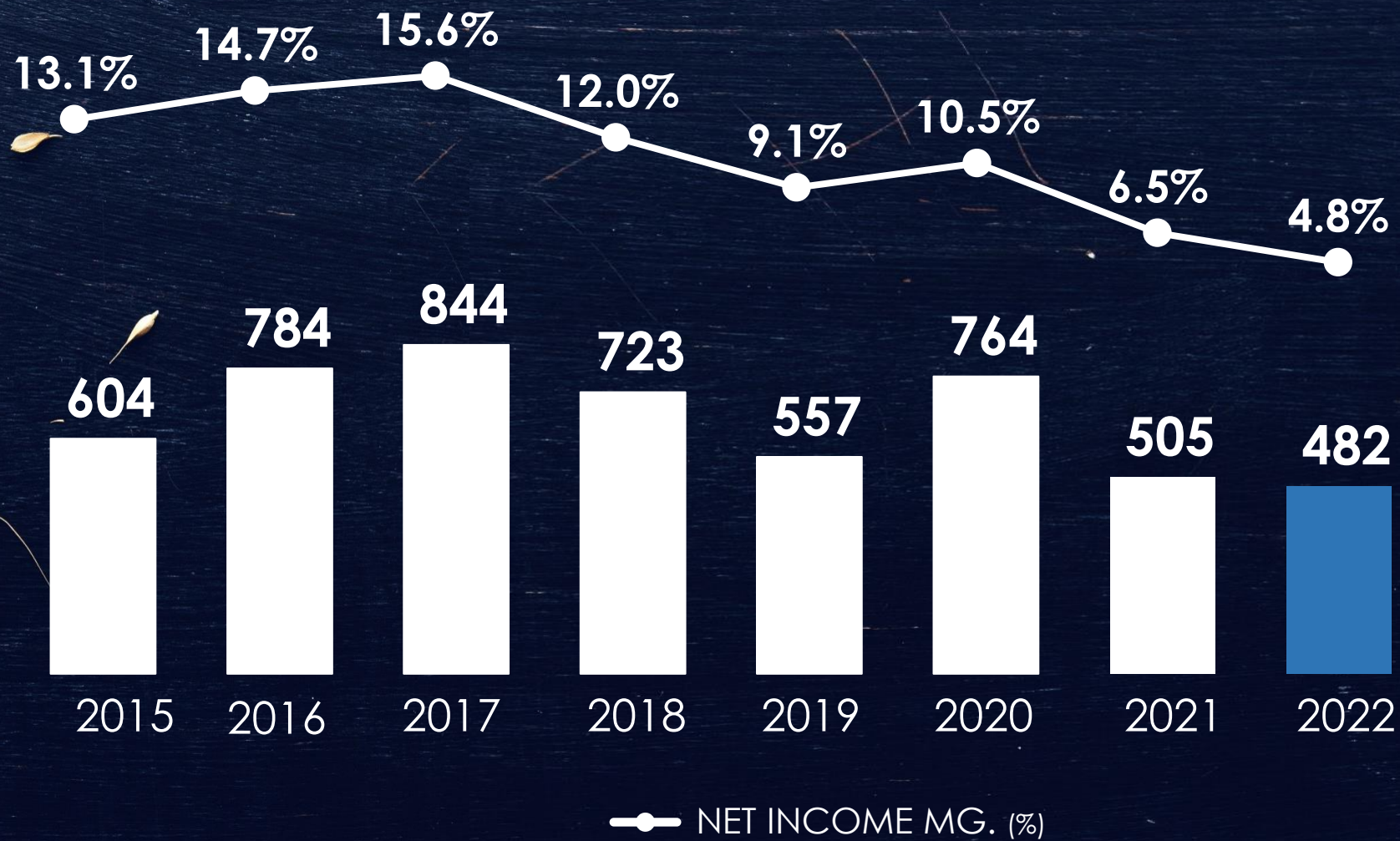


# EBITDA (R\$ MILLION)



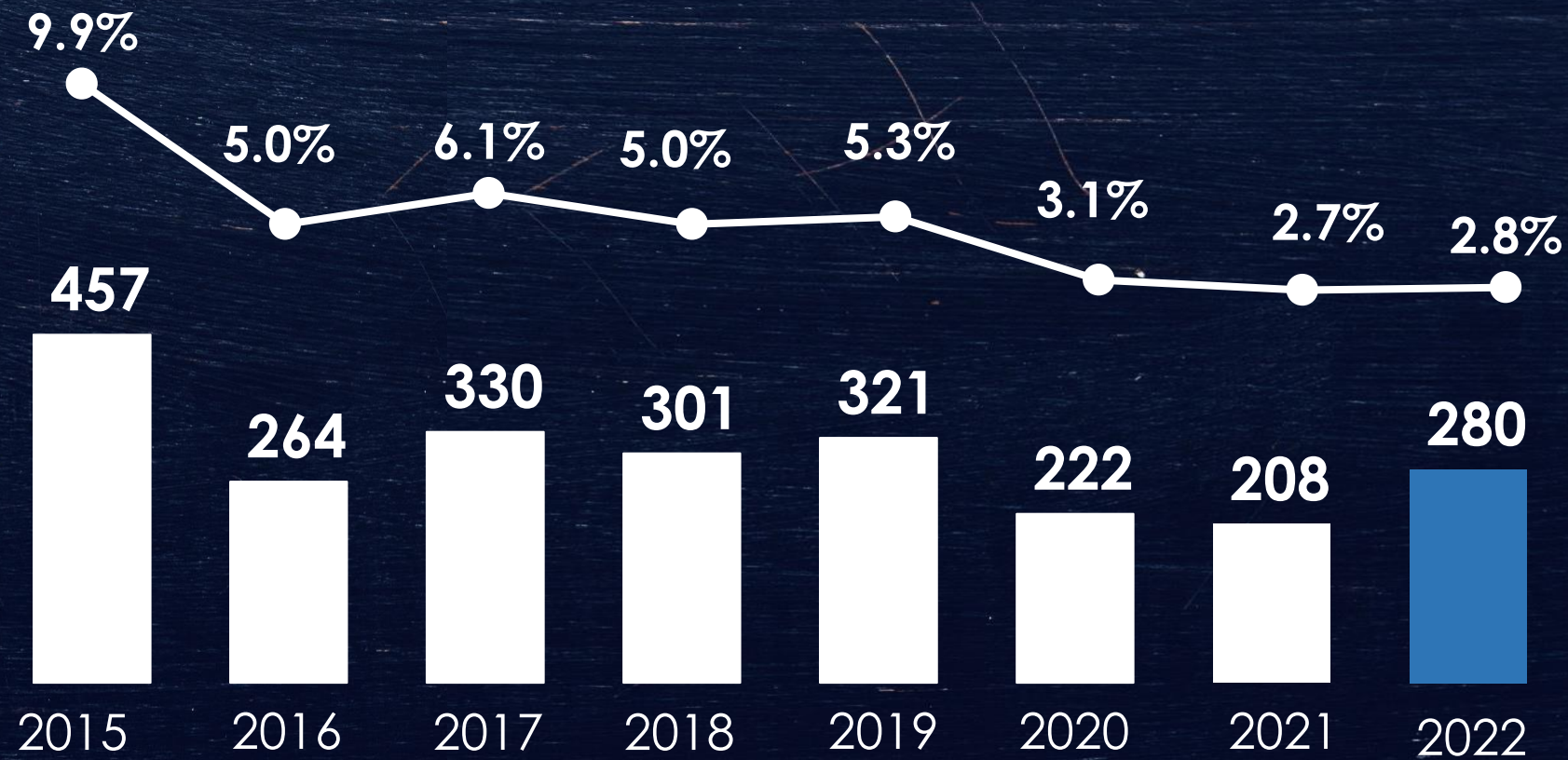


# NET INCOME (R\$ MILLION)





# CAPEX (R\$ MILLION)

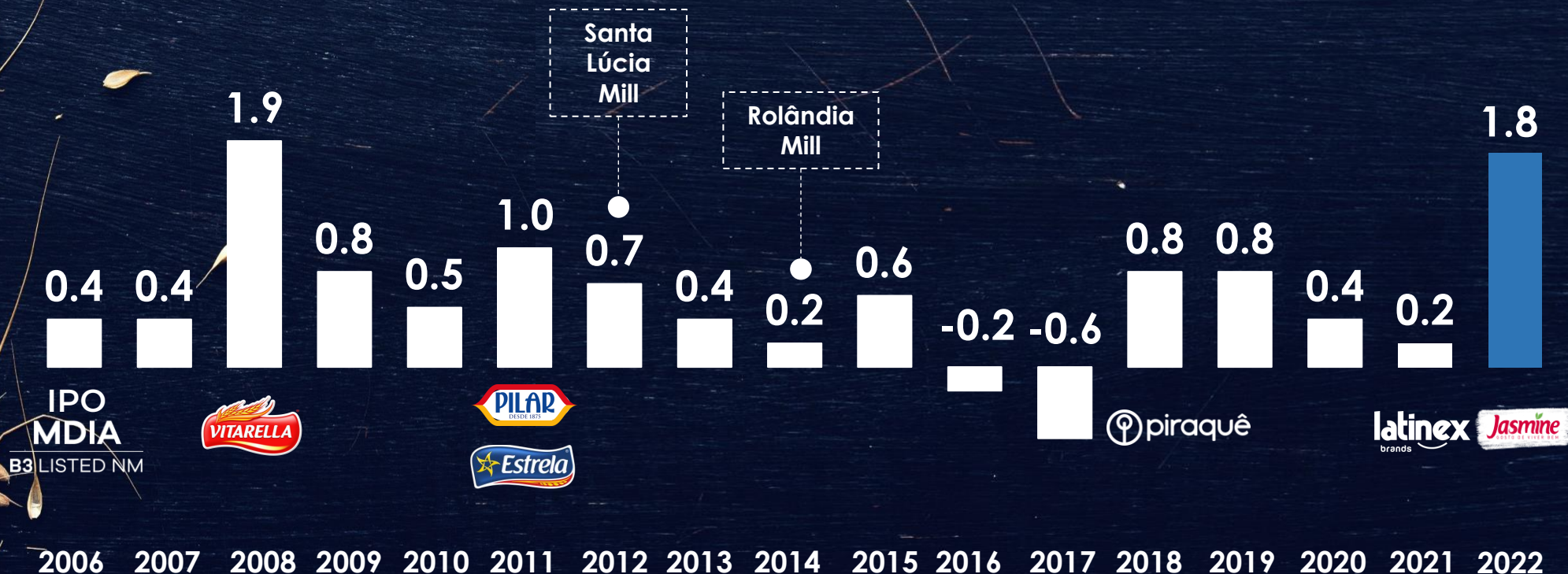


—●— CAPEX / Net Revenue (%)



# LEVERAGE

(NET DEBT / EBITDA LAST 12 MONTHS)



Adria: Acquired in 2003



# ESG

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*M. Dias Branco*





# Main Indicators – Performance 2022 vs. 2021



## CARING FOR THE PLANET

Water consumption (m³/Ton.)	<b>+7.1%</b>
Waste sent to landfills (%)	<b>-2.8p.p.</b>
Input losses in the production process (%)	<b>+0.01p.p.</b>
Finished product waste (R\$)	<b>-52.3%</b>



## BELIEVING IN PEOPLE

Women in leadership (%)	<b>-2.2p.p.</b>
Frequency of occupational accidents (rate)	<b>-10.3%</b>
Occupational accident severity (rate)	<b>+255%</b>



## STRENGTHENING ALLIANCES

Purchases from local suppliers (%)	<b>+2.5p.p.</b>
------------------------------------	-----------------

# OMEGA ALLIANCE



## WIND POWER GENERATION



Investment of R\$ 9 million

3 wind energy parks, installed in Paulino Neves/MA

Installed wind capacity of 97.2 MW

Total redirected to M. Dias Branco: 18 MW (50% of the Company's need)

Target of use of renewable energy of 90% until 2030



# OUR PUBLIC COMMITMENTS UNTIL 2030



## Caring for the planet (environmental)

Water consumption reduction to 0.40 m<sup>3</sup>/t product

Use of renewable energy of 90%

Reutilization of 30% of the water consumed

Adoption of two carbon neutral seal product brands

Reaching science-based targets for absolute greenhouse gas (GHG) emissions reductions

Zero waste sent to landfills

Recovery of 28% of post-consumption packaging

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%



## Believing in people (social)

150,000 people impacted by the program to promote entrepreneurship and professional training

80% in employee satisfaction index evaluated in an external survey

40% women in leadership

10 million people impacted by the nutrition education program for the population

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



## Strengthening alliances (governance)

80% of purchases from local suppliers



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## Results Presentation 1Q23

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May 15<sup>th</sup>, 2023

**Great  
Place  
To  
Work.®**

**Certified**

**Mar/2023 - Mar/2024**

**BRAZIL**

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.

The Great Place To Work logo, which consists of the words "Great Place To Work" in a white, bold, sans-serif font, stacked vertically. A registered trademark symbol (®) is located at the end of the word "Work". The text is set against a solid red rectangular background. The entire slide features a dark blue background on the left and a vibrant, abstract pattern of overlapping geometric shapes (squares, circles, and semi-circles) in yellow, green, blue, and purple on the right side.





Net  
Revenue

**R\$ 2.5**  
Billion  
+32% vs. 1Q22

Record for a  
first quarter



Average  
Price

**R\$ 6.2**  
R\$/kg

**+23%**  
vs. 1Q22



Sales  
Volume

**403**  
Thousand  
ton.

**+7%**  
vs. 1Q22



Variable  
Costs

**R\$ 3.7**  
R\$/kg

R\$ 3.1  
in 1Q22



SG&A  
(% of Net Revenue)

**20.7%**

**21.9%**  
in 1Q22



EBITDA

**R\$ 174**  
Million

**+95%**  
vs. 1Q22



EBITDA  
Mg.

**7.0%** 1Q23

**13%** MAR

**7%** FEB  
**-2%** JAN



# Profitable Growth Strategy



# REVENUE & MARKET SHARE

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*M. Dias Branco*



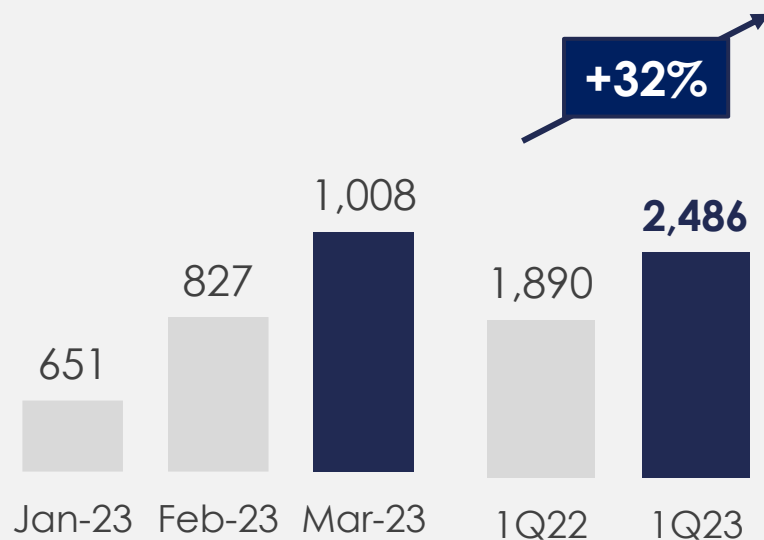


# R\$ 2.5 billion of Net Revenue, record for a first quarter.

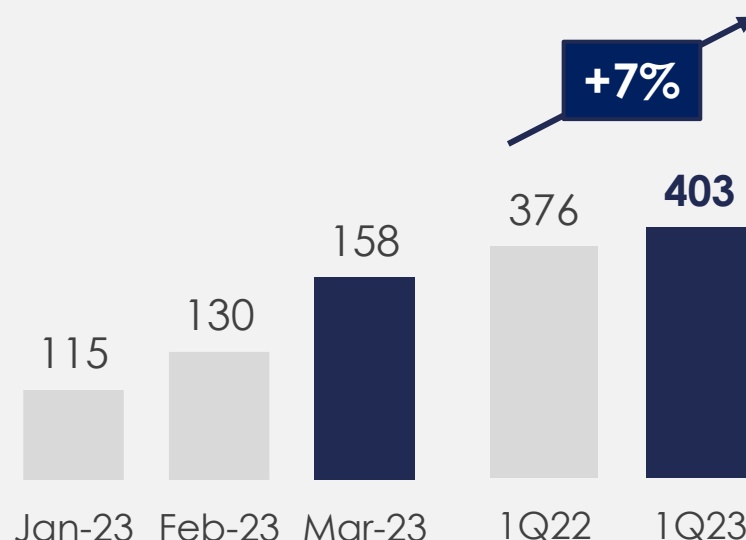
Sequential growth in volumes and average price



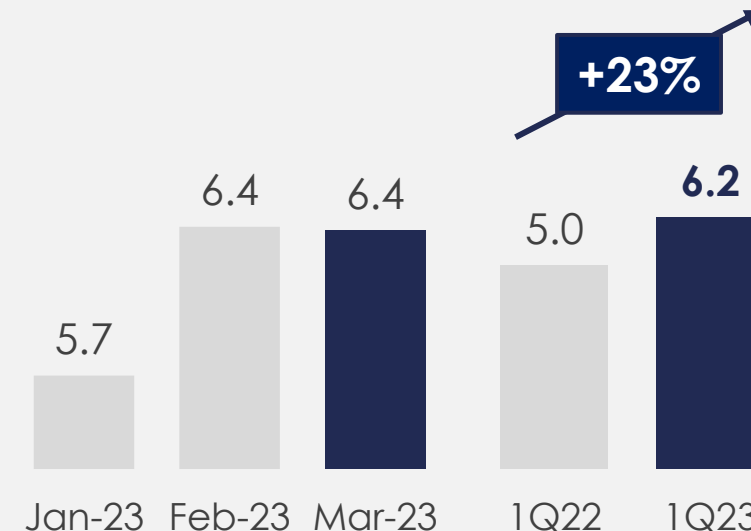
## Net Revenue (R\$ million)



## Sales Volume (Thousand Ton.)



## Average Price (R\$/Kg)



# Operating Categories 1Q23 vs. 1Q22



**Net Revenue**  
(R\$ million) **+31.5%**  
R\$ 2,486

**Sales Volume**  
(Thousand ton.) **+7.3%**  
403

**Average Price**  
(R\$/Kg) **+22.7%**  
R\$ 6.2

**COOKIES &  
CRACKERS**

**+34.4%**  
R\$ 1,254

**+8.6%**  
117

**+23.9%**  
R\$ 10.7

**PASTA**

**+29.2%**  
R\$ 504

**+3.5%**  
79

**+24.8%**  
R\$ 6.4

**WHEAT  
FLOUR  
AND BRAN**

**+27.4%**  
R\$ 476

**+7.7%**  
183

**+18.2%**  
R\$ 2.6

**MARGARINE  
AND VEGETABLE  
SHORTENING**

**+0.6%**  
R\$ 146

**-2.3%**  
17

**+2.9%**  
R\$ 8.4

**OTHERS**

**+116.6%**  
R\$ 106

**+77.1%**  
6

**+22.3%**  
R\$ 17.1

**latinex**

**Jasmine**  
GOSTO DE VIVER BEM

**Las  
Acacias**

# In 1Q23, average price 22.7% higher than 1Q22, with increase in all categories

## AVERAGE PRICE

R\$ / Kg

*Average price increase in total M. Dias Branco and in all categories*

*Increase in all categories except in wheat flour/bran*

M. Dias Branco

5.0

6.0

6.2

6.3

6.2

Wheat Flour and Bran

2.2

2.5

2.6

2.8

2.6

Pasta

5.1

6.0

6.1

6.3

6.4

Margarine and Vegetable Shortening

8.2

8.6

8.6

8.3

8.4

Cookies & Crackers

8.7

9.9

10.2

10.5

10.7

Others

13.9

15.8

16.2

17.0

17.1

1Q22

2Q22

3Q22

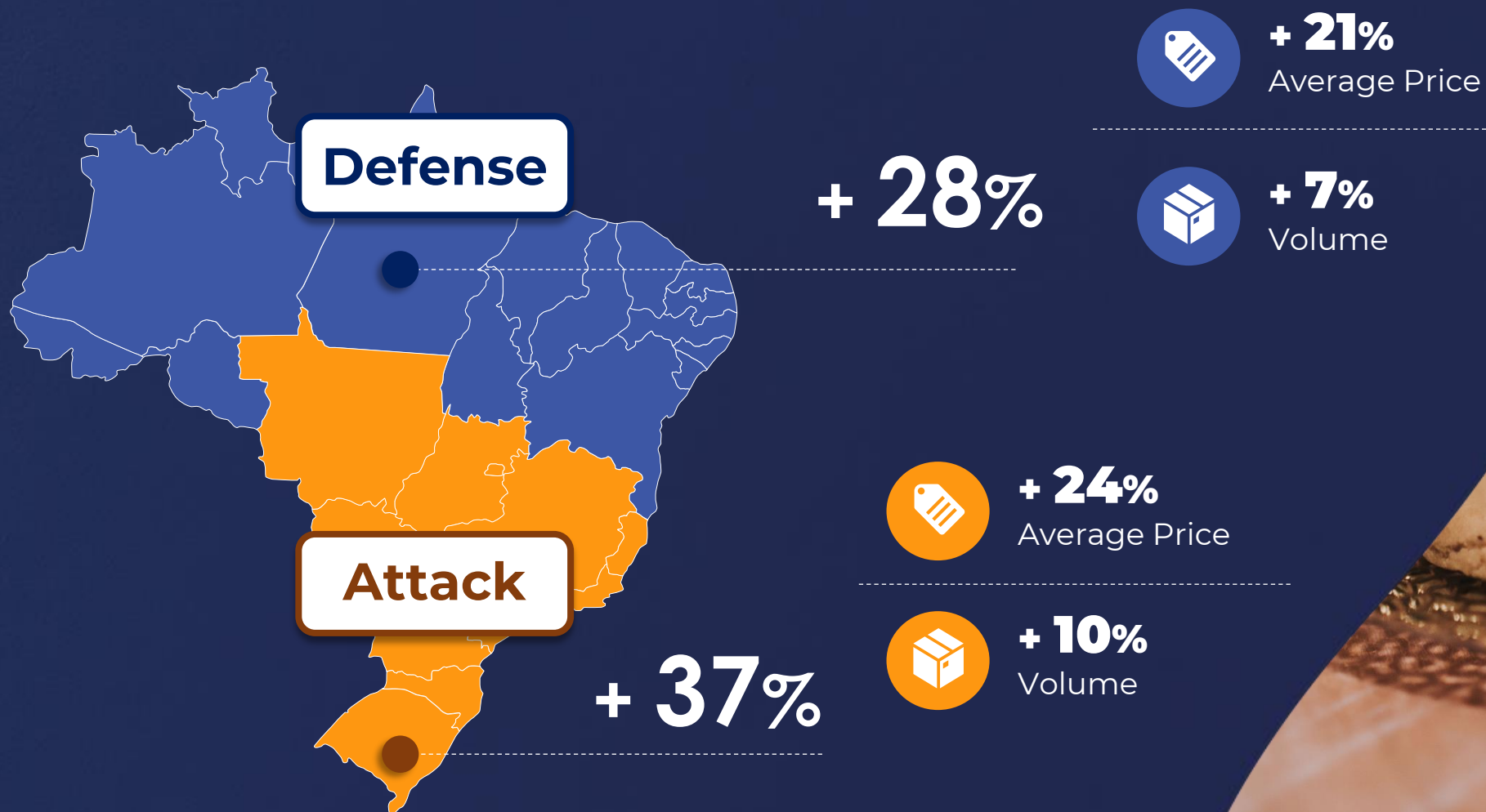
4Q22

1Q23





## Net Revenue Growth vs. 1Q22, in the Defense and Attack regions



# Gain of market share value in all categories compared to 1Q22

Market share % Value Brazil

## Cookie & Crackers



## Pasta



## Domestic Wheat Flour



Market share % volume Brazil



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

# COSTS & EXPENSES

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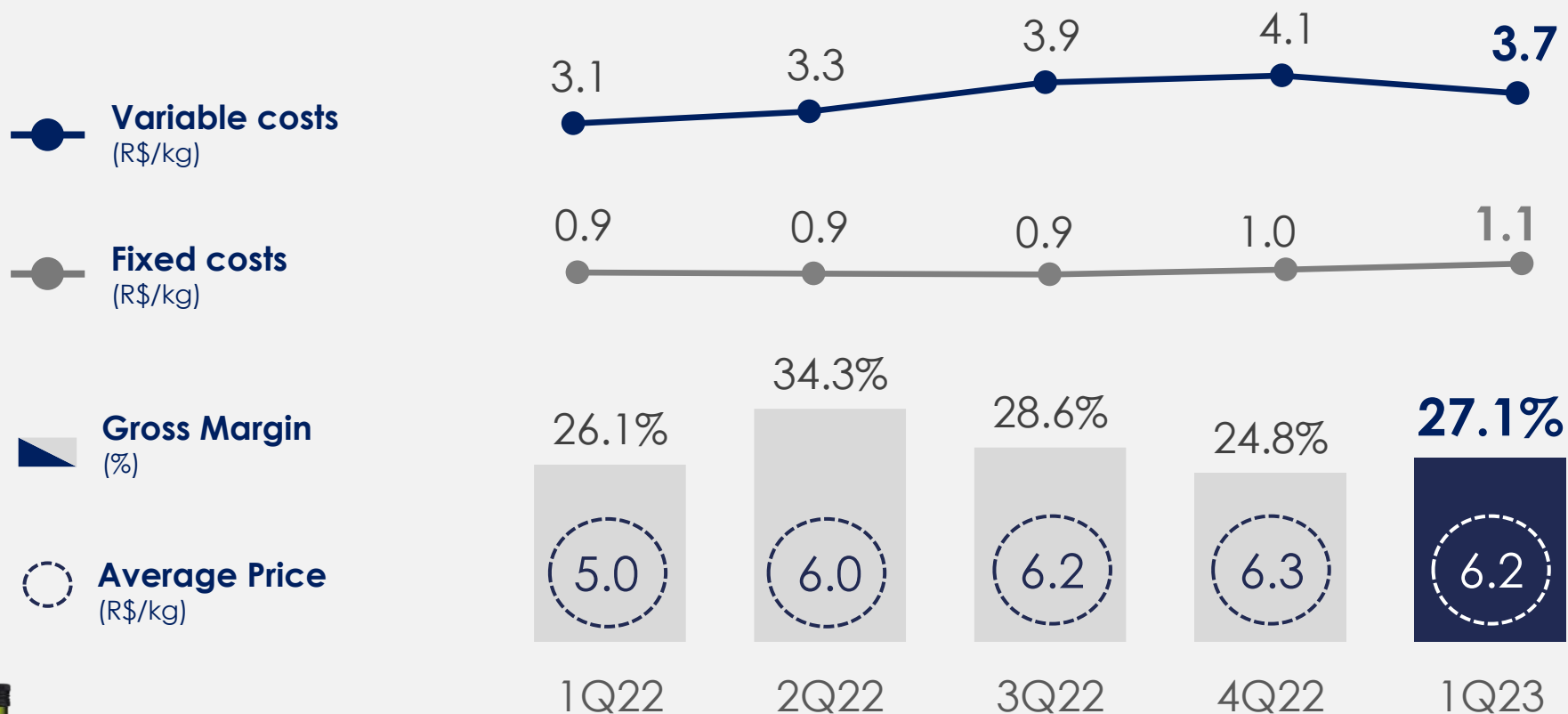
*M. Dias Branco*







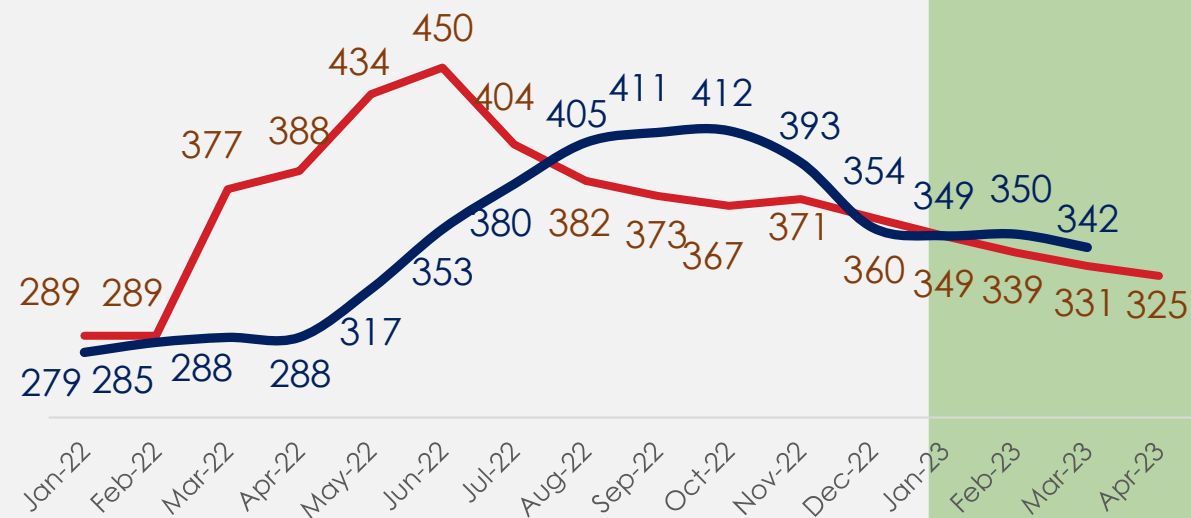
## Increased Gross Margin due to lower commodity prices (vs. 4Q22) and average price expansion (vs. 1Q22)



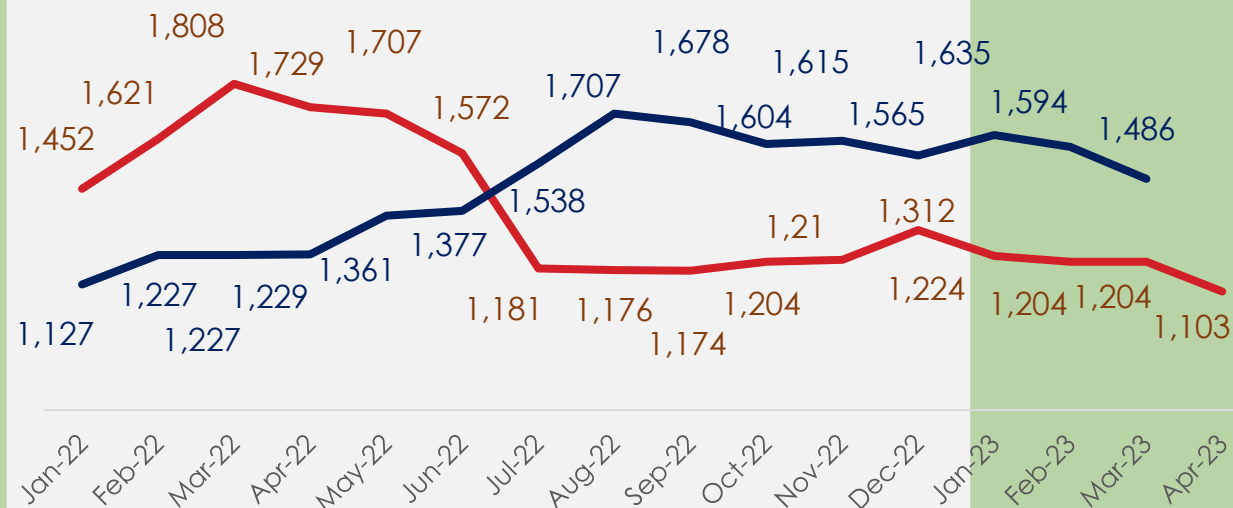


M. Dias Branco's wheat inventories began to reflect the drop in commodity prices. We closed Mar/23 with the lowest cost since Jun/22. Palm oil follows the same trend

WHEAT  
(US\$/TON.)



PALM OIL  
(US\$/TON.)



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

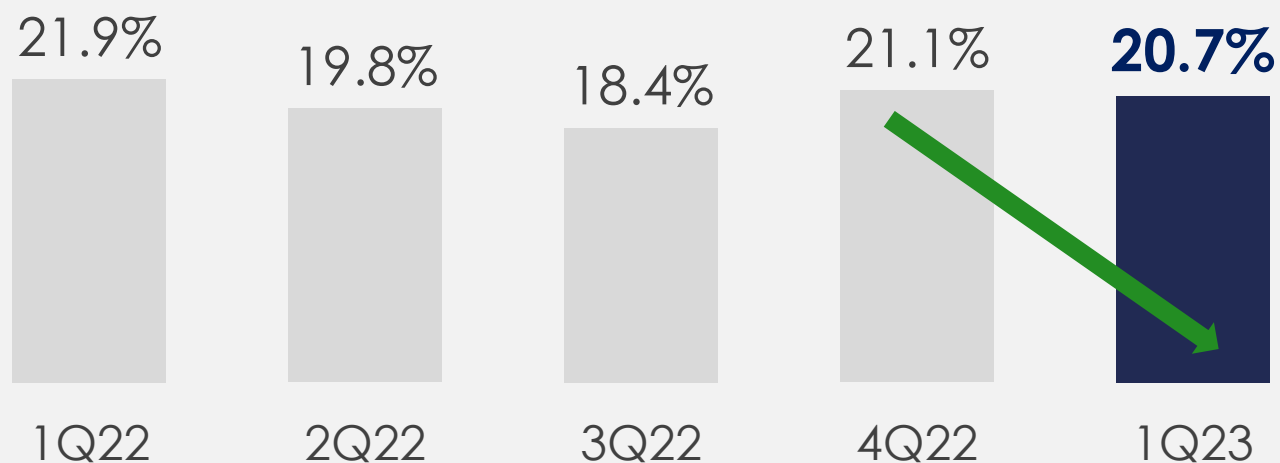
— Market\* — M. Dias Branco





**We maintained Sales and Administrative Expenses as a percentage of net revenue (SG&A) at a 20% level**

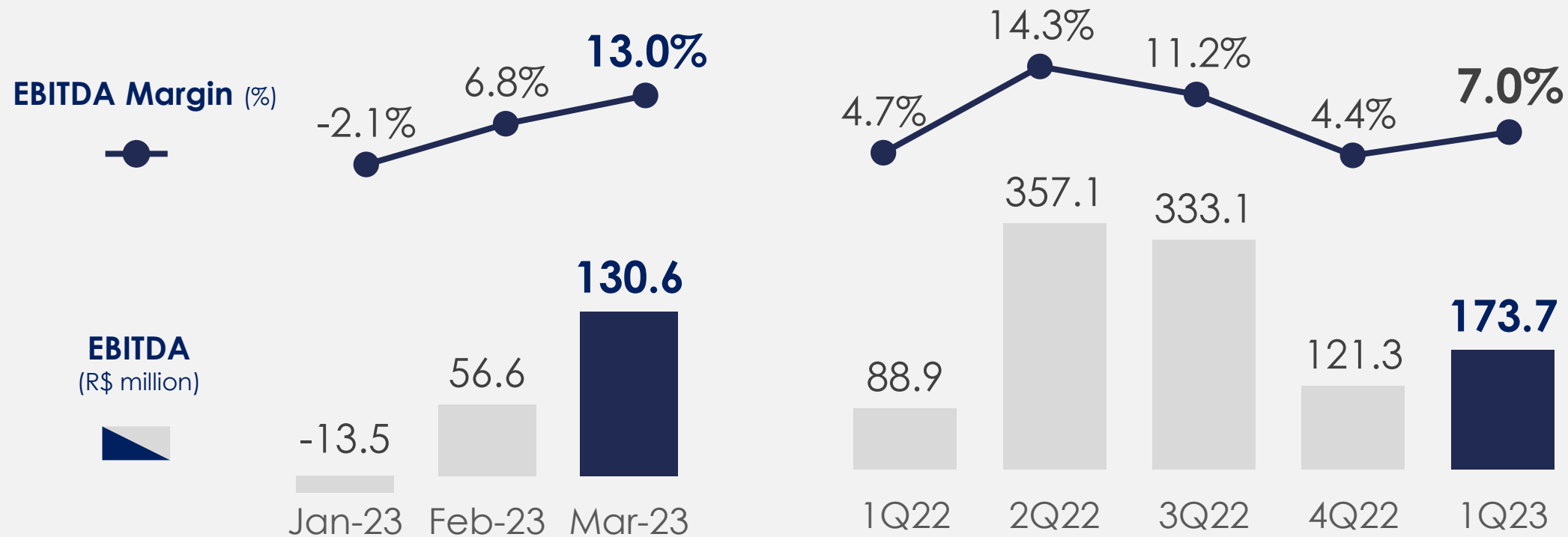
**Selling and Administrative Expenses (SG&A)**  
(% of Net Revenue)







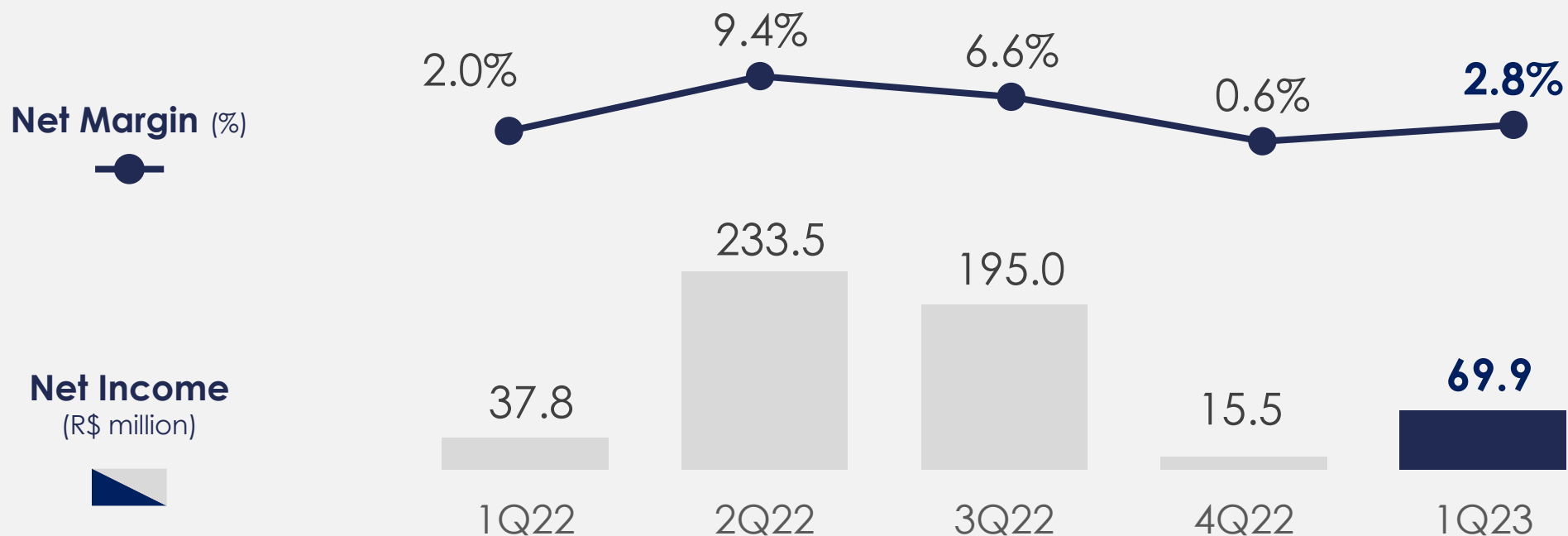
**13% EBITDA Margin in Mar/23.** In 1Q23, EBITDA and EBITDA  
Mg. growth vs. 1Q22 and 4Q22





## Net Income of R\$ 69.9 million (+85% vs. 1Q22).

EBITDA growth (+95.4%, +R\$ 84.8MM) mitigated the higher debt cost due to the increase in the CDI rate



Compared to 4Q22, the higher net income reflects:

- EBITDA growth of +43%, +R\$ 52.4MM; and
- Lower financial expenses with hedge



# CASH FLOW, DEBT AND INVESTMENTS

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*M. Dias Branco*

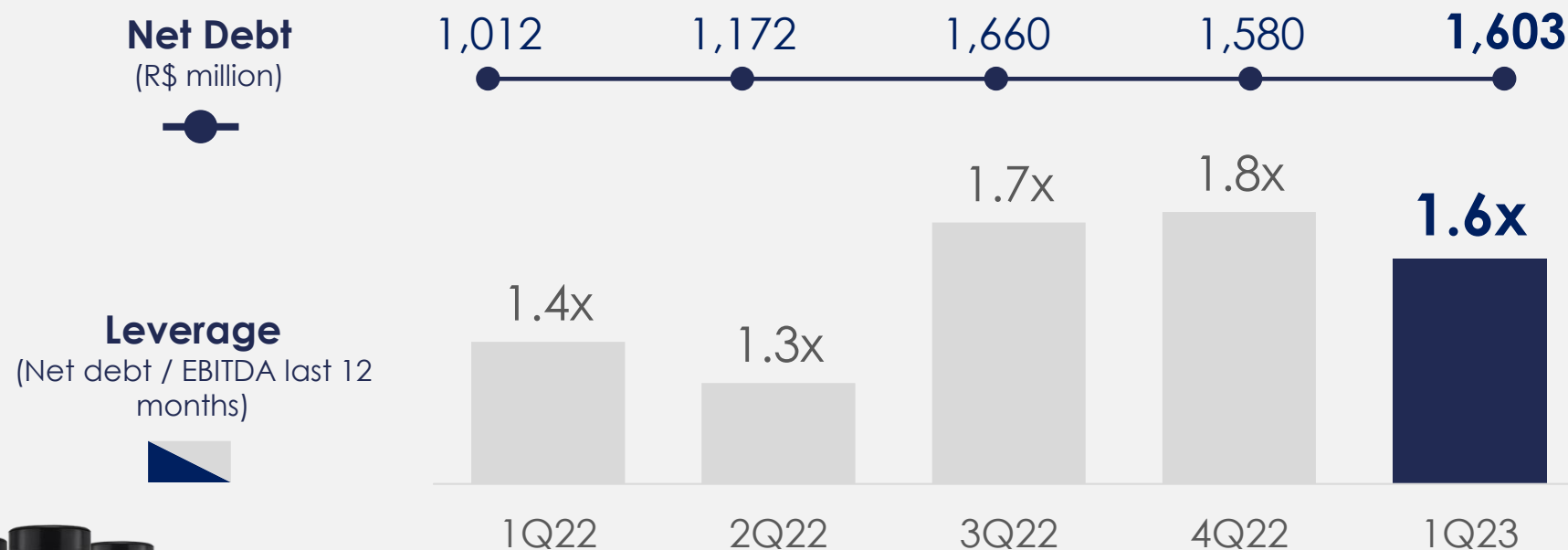






**In 1Q23, decrease in leverage compared to 4Q22,**  
reflecting the improvement in operating results  
(last 12 months EBITDA)

**Leverage**  
Net (Cash) Debt / EBITDA (Last 12 months)



NATIONAL RATING  
FITCH RATINGS

**AAA**

Stable Outlook  
Rating Reaffirmed

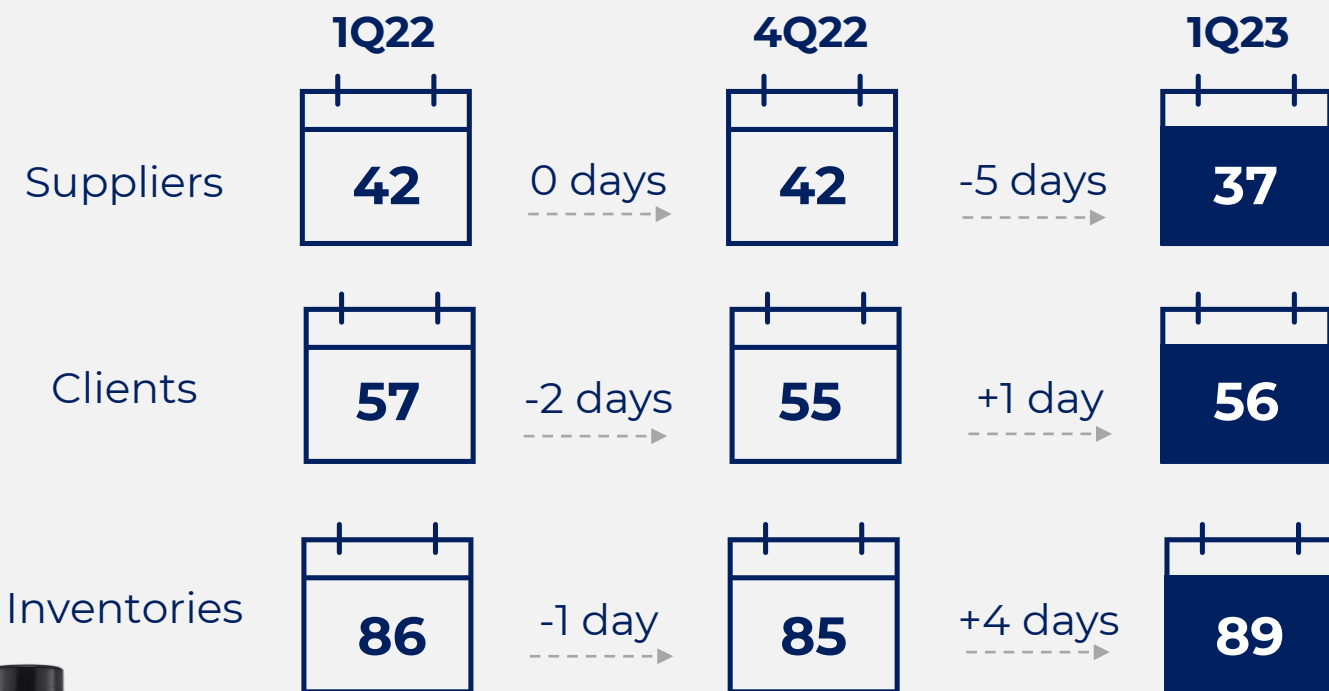
5<sup>th</sup> CONSECUTIVE  
YEAR

IoE



# Working capital investment of R\$46.3MM in 1Q23, lower than the investment made in 1Q22 (R\$103.4MM)

Average term in days



The decrease in the average term of suppliers reflects:

- Lower purchase volume, following the historical trend for the 1<sup>st</sup> quarter; and
- Increased cost of inputs.





## R\$ 45.2 million in investments in 1Q23, highlighting digital transformation

	1Q22	1Q23
<b>Total</b> (R\$ MM)	<b>R\$ 50.2</b> (3% NR)	<b>R\$ 45.2</b> (2% NR)

**Variation**  
(%)

**-10.0%**  
(1Q23 vs. 1Q22)





# ESG

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*M. Dias Branco*





# Main Indicators – Performance 1Q23 vs. 1Q22



## CARING FOR THE PLANET

1Q23 vs. 1Q22

Water consumption (m <sup>3</sup> /Ton.)	<b>0.0%</b>
Reclaim of water (%)	<b>-4.0p.p.</b>
Waste send to landfills (%)	<b>+0.7p.p.</b>
Input losses in the production process(%)	<b>-0.4p.p.</b>
Finished product waste (R\$)	<b>+0.01p.p.</b>



## BELIEVING IN PEOPLE

1Q23 vs. 1Q22

Women in leadership (%)	<b>-2.0p.p.</b>
Frequency of occupational accidents (rate)	<b>-6.0%</b>
Occupational accident severity (rate)	<b>-95.8%</b>



## STRENGTHENING ALLIANCES

1Q23 vs. 1Q22

Purchases from local suppliers (%)	<b>+19.8p.p.</b>
------------------------------------	------------------

# ESG Highlights



We were granted the GPTW Seal as an excellent company to work for, with employee satisfaction index of 77%.



*“Eu Penso Positivo”* Program, initiative carried out in all units, contributed to reduction of the Frequency Rate and Accident Severity Rate.



Adoption of 1,600 hectares, 25% of the total area, of the Serra das Almas Nature Reserve, for the conservation of the Caatinga lands, forests, and waters, in the States of Piauí and Ceará.



Launch of the 5<sup>th</sup> edition of Germinar, open innovation program that establishes partnerships with startups, among which topics related to the Sustainability Strategic Agenda.







# Thanks!



[ri.mdiasbranco.com.br](http://ri.mdiasbranco.com.br)



[youtube.com/rimdias](https://youtube.com/rimdias)



[ri@mdiasbranco.com.br](mailto:ri@mdiasbranco.com.br)

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M. Dias Branco

# Q&A



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