



**Earnings Release
1Q22**



Eusébio (CE), May 13, 2022 - M. Dias Branco S.A. Indústria e Comércio de Alimentos (B3: MDIA3), the leader in Brazil's cookies & crackers and pasta markets, announces today its results for the first quarter of 2022 (1Q22). Consolidated interim financial information has been developed pursuant to CPC 21 - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

1Q22 WEBINAR RESULTS

May 16, 2022

Time:

> Portuguese

11:00 a.m. (Brasília time)

10:00 a.m. (New York time)

Zoom Meetings registration:

[Click here](#)

> English

11:00 a.m. (Brasília time)

10:00 a.m. (New York time)

Zoom Meetings registration:

[Click here](#)

Stock price:

Closing on 05/04/2022

MDIA3: R\$23.95 per share

Market cap: R\$8.1 billion

IR CONTACT

Gustavo Lopes Theodozio

Vice-President of Investments and Controllershship

Phone: (85) 4005-5667

Email: gustavo.theodozio@mdiasbranco.com.br

Fabio Cefaly

New Business and Investor Relations Officer

Phone: (11) 3883-9273

Email: fabio.cefaly@mdiasbranco.com.br

Rodrigo Ishiwa

Investor Relations Manager

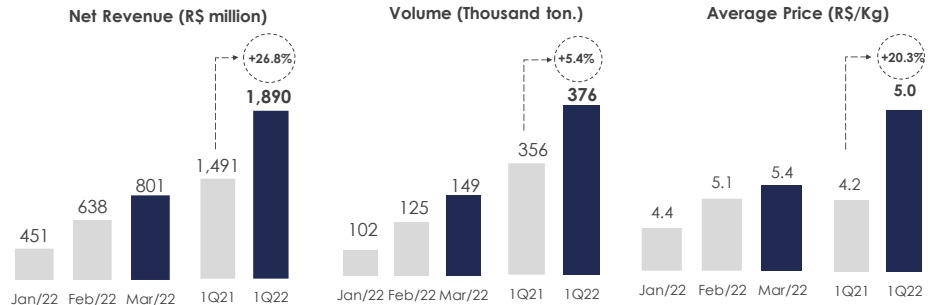
Phone: (11) 3883-9225

Email: ri@mdiasbranco.com.br

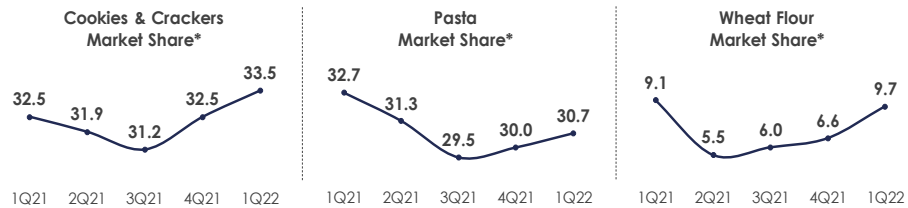
Net Revenue grows 26.8%, with expansion in volumes and average price. Net income rose 152%.

Net revenue.

Highlights include the sequential increase in volumes and average price over 1Q22. Compared to 1Q21, we grew in the two commercial regions (Attack and Defense). Volumes grew 5.4% and the average price was 20.3% higher.



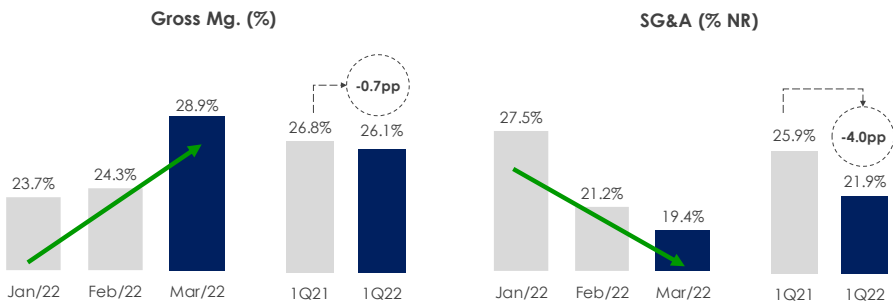
Sequential recovery of **market share volume Brazil¹** in the three main categories: Cookies, Pastas and Wheat Flour, both in the Attack and Defense region. In Cookies, we also showed expansion compared to 1Q21.



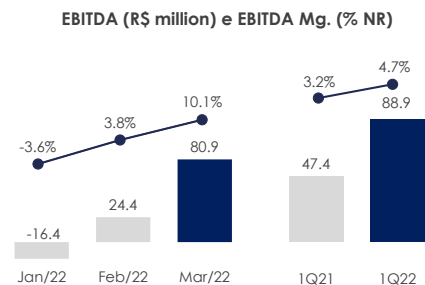
Gross margin increase throughout 1Q22, as a result of pricing and hedging policies (foreign exchange and commodities).

Administrative and selling expenses (SG&A % of Net Revenue) were both lower than in 1Q21,

with a favorable evolution throughout 1Q22, as a result of the productivity and efficiency programs implemented since 2020.



EBITDA and EBITDA margin grew sequentially throughout 1Q22. Weaker results in January were due to the temporary mismatch between cost increases and price adjustments.



¹ Source: Nielsen – Retail Index. Total Brasil. INA+C&C.

INTRODUCTION

The main indicators of the consolidated results for 1Q22, in comparison with 1Q21 and 4Q21, contemplating Latinex results as of November 2021, are shown below.

Financial and Operating Results	1Q22	1Q21	Variation	4Q21	Variation
Net Revenue (R\$ million)	1,890.4	1,491.1	26.8%	2,164.5	-12.7%
Total Sales Volume (thousand tonnes)	375.5	356.4	5.4%	439.9	-14.6%
Cookies and Crackers Sales Volume (thousand tonnes)	107.6	97.0	10.9%	140.3	-23.3%
Pasta Sales Volume (thousand tonnes)	76.6	71.6	7.0%	101.6	-24.6%
Market Share of Cookies and Crackers (volume)*	33.5%	32.5%	1 p.p	32.5%	1 p.p
Market Share of Pasta (volume)*	30.7%	32.7%	-2 p.p	30.0%	0.7 p.p
Net Income (R\$ million)	37.8	15.0	152.0%	151.1	-75.0%
EBITDA (R\$ million)	88.9	47.4	87.6%	182.7	-51.3%
EBITDA Margin	4.7%	3.2%	1.5 p.p	8.4%	-3.7 p.p
Net Cash (Debt) (R\$ million)	-1,012.0	-384.9	n/a	-140.4	n/a
Net Cash (Debt) / EBITDA (last 12 months)	-1.4	-0.5	n/a	-0.2	n/a
Capex (R\$ million)	50.2	40.7	23.3%	72.7	-30.9%
Net Cash generated from operating activities	27.9	11.6	n/a	165.3	-83.1%

* The values presented in 1Q22 and 1Q21 are from the period of Jan/Feb 2022 and 2021.

The values presented in 4Q21 are from the period of Nov/Dec 2021.

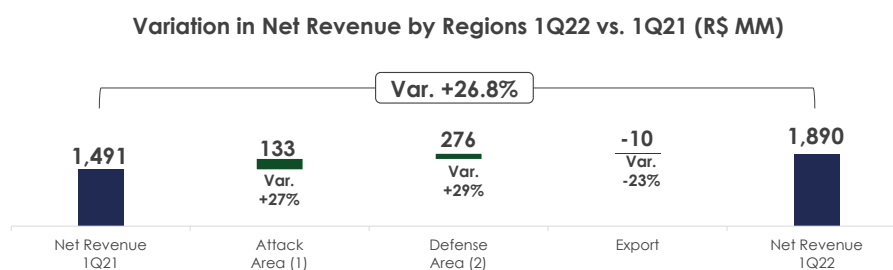
Note: The values presented were updated by Nielsen.

• Net Revenue

Average price growth in all product categories and volume expansion in cookies, pasta, and flour and bran.



Double-digit growth all over Brazil, in the Attack (South, Southeast, and Midwest) and Defense (North and Northeast) regions. Exports declined due to increased freight costs, enhanced by the conflict between Russia and Ukraine, the comparison basis of 1Q21, which reflects non-recurring sales and by the appreciation of the Real vs. Dólar.



⁽¹⁾ Note: Attack Region comprises South, Southeast and Midwest.

⁽²⁾ Note: Defense Region comprises North and Northeast.

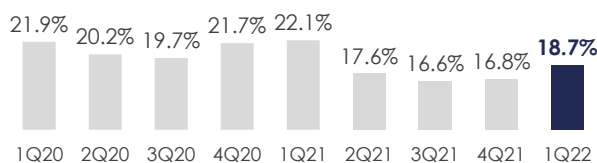


Following the expansion strategy in the Attack region, we launched Adria brand Premium Flour, our Top Of Mind brand in pasta. Launching this product initiates the company's entry into a new category in the segment of high-quality household flours.

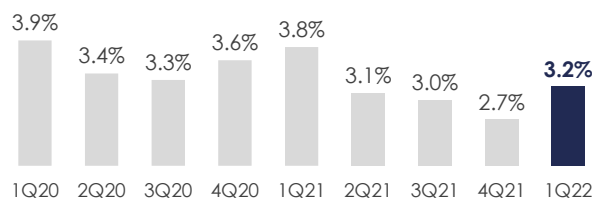
• **Selling and Administrative Expenses**

We maintained sales and administrative expenses at levels lower than those observed in previous years, as shown in the graphs below, as a result of the efficiency and productivity programs conducted over the past two years.

Selling Expenses (% NR)



Administrative Expenses (% NR)

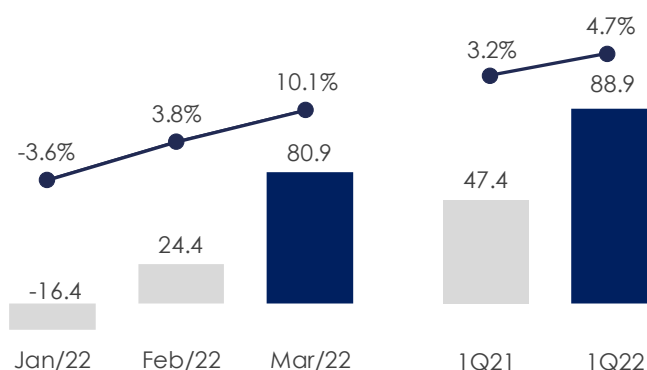


• **EBITDA**

We ended 1Q22 with **EBITDA of R\$88.9 million, growth of 87.6% vs. 1Q21** and **EBITDA margin of 4.7%, increase of 1.5pp**. EBITDA and margin increase are due to sales growth, with average price increase and volume growth, and to productivity and efficiency gains in our cost and expense structure.

January's weaker result was due to a temporary discrepancy between cost increases and price adjustments, as shown in the graph beside, in which the recovery of EBITDA and EBITDA margin over 1Q21 is evident.

EBITDA (R\$ million) e EBITDA Mg. (% NR)



• **Net Income**

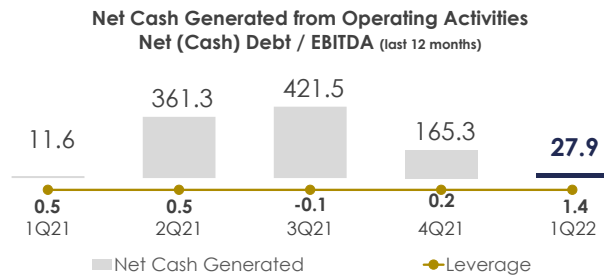
We ended 1Q22 with R\$37.8 million in net income, a growth of 152.0% vs. 1Q21, driven mainly by the 87.6% growth in EBITDA.

• **Investments**

Investments totaled R\$ 50.2 million in 1Q22 (+23.3% vs. 1Q21). Highlights for: (i) investments in systems; (ii) equipment for the Bento Gonçalves grinding unit; and (iii) for reducing net weight of some items.

• **Debt, Capitalization, and Cash**

In 1Q22, net cash generated by operating activities totaled R\$27.9 million (+141% vs. 1Q21), with a leverage of 1.4x (net debt by EBITDA last 12 months), higher than that recorded in the last quarters due to the Extraordinary interest on equity capital of R\$588.2 million paid on 02/18/22. The company is classified as AAA with stable outlook by Fitch Ratings.

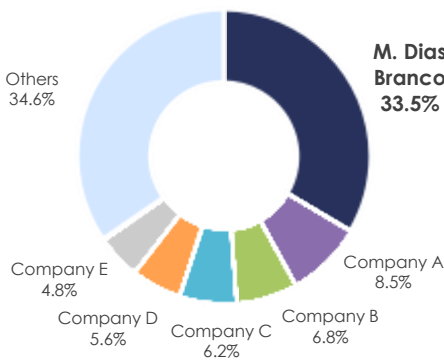


HIGHLIGHTS

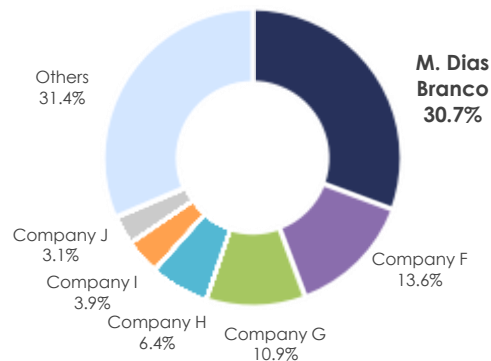
MARKET SHARE

The charts below show the Brazilian market share (in % of sales volume) of M. Dias Branco, the national leader in the cookies & crackers and pasta markets, and its main competitors (from January to February 2022).

Market Share Cookies and Crackers* - Brazil
(% of volume sold)



Market Share Pasta* - Brazil
(% of volume sold)



*Source: Nielsen – Retail Index. Total Brazil. INA+C&C. Cookies and Crackers / Pasta.

SALES CHANNELS

When comparing 1Q22 vs. 1Q21, all channels presented revenue growth, especially the Distributors, with a 2.0p.p. expansion in the channel mix, in line with our strategy of increasing the distribution capillarity in the Attack region.

Client Mix	1Q22	1Q21	Variation	4Q21	Variation
Key Accounts / Regional Chains	21.6%	20.7%	0.9 p.p	21.4%	0.2 p.p
Cash and Carry	20.5%	19.3%	1.2 p.p	22.9%	-2.4 p.p
Wholesale	19.0%	19.9%	-0.9 p.p	18.5%	0.5 p.p
Small Retail	21.9%	23.5%	-1.6 p.p	20.1%	1.8 p.p
Distributors	10.2%	8.2%	2 p.p	10.9%	-0.7 p.p
Industry	3.5%	4.0%	-0.5 p.p	3.0%	0.5 p.p
Other	3.3%	4.4%	-1.1 p.p	3.2%	0.1 p.p
TOTAL	100.0%	100.0%		100.0%	

Note: Client mix, considering gross revenue excluding discounts and returns. It should be noted that there was a review of the classification of customers by the Company's sales channels, with a restatement of the amounts referring to 1Q21 and 4Q21.

Major Clients		Sales 1Q22 (R\$ million)*	Gross revenue excluding discounts and returns (%)	
Sequence	Accumulated		Individual	Accumulated
Major Client	1	171.8	7.8%	7.8%
49 Subsequent	50	650.2	29.4%	37.2%
50 Subsequent	100	175.1	7.9%	45.1%
900 Subsequent	1,000	700.1	31.7%	76.8%
Other Clients	All clients	512.5	23.2%	100.0%
TOTAL		2,209.7		

*Gross revenue excluding discounts and returns.

PRODUCTION CAPACITY UTILIZATION RATE

We ended 1Q22 with a level of capacity utilization of 51.6%, a level that enables us in our growth strategy, focusing on expansion in the Attack region, accelerated growth in the foreign market and the introduction of new categories and higher value-added items.

Effective Production / Production Capacity*	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products**		Total	
	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21
Total Production	111.5	101.8	78.4	78.3	332.5	322.1	37.9	39.5	3.8	3.8	564.1	545.5
Total Production Capacity	238.4	216.7	137.0	135.8	617.3	609.1	90.0	90.0	10.6	9.8	1,093.3	1,061.4
Capacity Utilization	46.8%	47.0%	57.2%	57.7%	53.9%	52.9%	42.1%	43.9%	35.8%	38.8%	51.6%	51.4%

*Thousand tonnes.

**Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

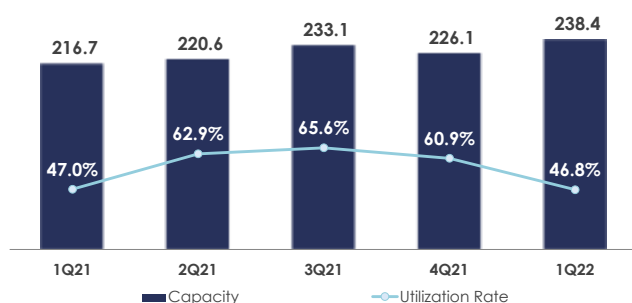
Effective Production / Production Capacity*	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products**		Total	
	1Q22	4Q21	1Q22	4Q21	1Q22	4Q21	1Q22	4Q21	1Q22	4Q21	1Q22	4Q21
Total Production	111.5	137.8	78.4	91.9	332.5	363.4	37.9	45.1	3.8	3.7	564.1	641.9
Total Production Capacity	238.4	226.1	137.0	142.7	617.3	622.9	90.0	90.0	10.6	8.8	1,093.3	1,090.5
Capacity Utilization	46.8%	60.9%	57.2%	64.4%	53.9%	58.3%	42.1%	50.1%	35.8%	42.0%	51.6%	58.9%

*Thousand tonnes.

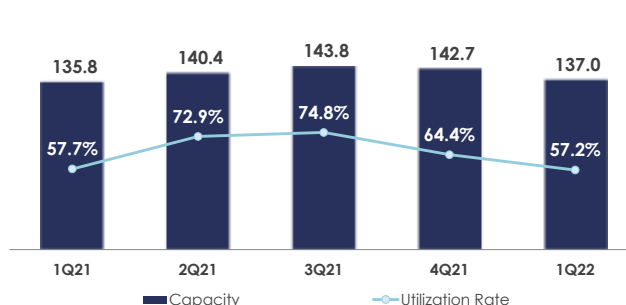
**Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

Note: Total production capacity refers to the maximum yield that can be extracted from the equipment considering the losses caused by maintenance stoppages, setup time, line clean-up, restrictions on the maximum number of shifts in the plants, etc.

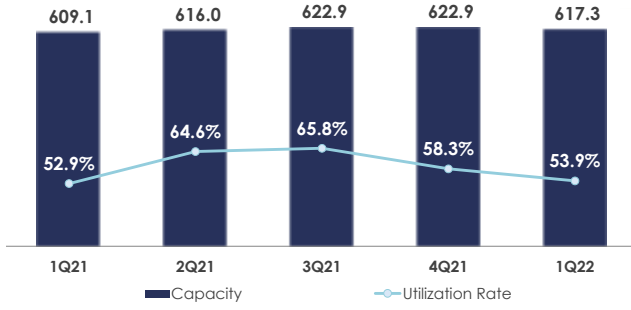
Production Capacity (thousand tonnes) and Utilization Rate - Cookies and Crackers (%)



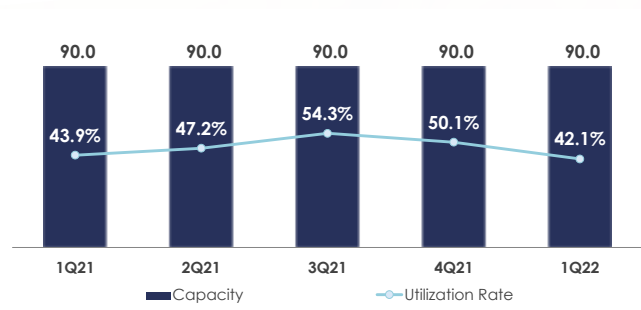
Production Capacity (thousand tonnes) and Utilization Rate - Pasta (%)



Production Capacity (thousand tonnes) and Utilization Rate - Wheat Flour and Bran (%)



Production Capacity (thousand tonnes) and Utilization Rate - Margarine and Vegetable Shortening (%)



VERTICAL INTEGRATION

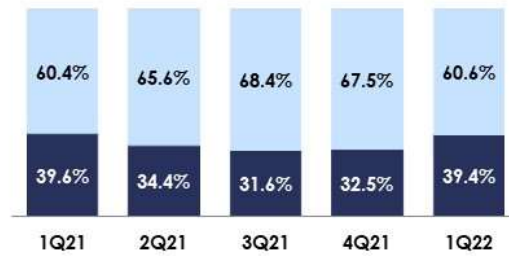
Maintained high levels for both wheat flour and vegetable shortening.

WHEAT FLOUR

COMPANY'S CONSUMPTION



PRODUCTION ALLOCATION



■ Own Production ■ External Source ■ Sale ■ Internal Consumption

VEGETABLE SHORTENING

COMPANY'S CONSUMPTION



PRODUCTION ALLOCATION



■ Own Production ■ External Source ■ Sale ■ Internal Consumption

Note: The Company's consumption charts shows the origin of the wheat flour and vegetable shortening consumed in the period, with a breakdown of own production and purchases from third parties. In the production destination graphs, we show the percentage of wheat flour and vegetable shortening that was allocated to sales and to the production of Cookies & Crackers and Pasta, etc. (internal consumption).

ECONOMIC AND FINANCIAL HIGHLIGHTS

NET REVENUE

In 1Q22, net revenue grew 26.8% vs. 1Q21, due to a 20.3% increase in average price and a 5.4% increase in volumes sold.

Segment	1Q22			1Q21			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	933.0	107.6	8.67	706.6	97.0	7.28	32.0%	10.9%	19.1%
Pasta	389.9	76.6	5.09	315.9	71.6	4.41	23.4%	7.0%	15.4%
Wheat Flour and Bran	373.7	170.1	2.20	326.1	163.8	1.99	14.6%	3.8%	10.6%
Margarine and Vegetable Shortening	145.0	17.7	8.19	109.7	20.5	5.35	32.2%	-13.7%	53.1%
Other products**	48.8	3.5	13.94	32.8	3.5	9.37	48.8%	0.0%	48.8%
TOTAL	1,890.4	375.5	5.03	1,491.1	356.4	4.18	26.8%	5.4%	20.3%

*Net revenue in R\$ million, weight excluding sales returns in thousand tonnes and net average price in R\$/Kg.

**Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

our launches and sales and marketing initiatives carried out in 1Q22:

We present below some of

Launches: 11 products, 8 of which focused on the export market. We continue to expand our portfolio of higher value-added items, highlighting Piraquê's vanilla and chocolate-flavored cookies, as well as the Adria brand's entry into the flour category with the 1Kg Premium wheat flour.



Investments in marketing and sales: several initiatives for the Piraquê and Vitarella brands. The highlight for Piraquê is the campaign "Zeca – Isso tem um Q de Piraquê", at Vitarella, the highlight was the TV campaign "Abraça as diferenças".

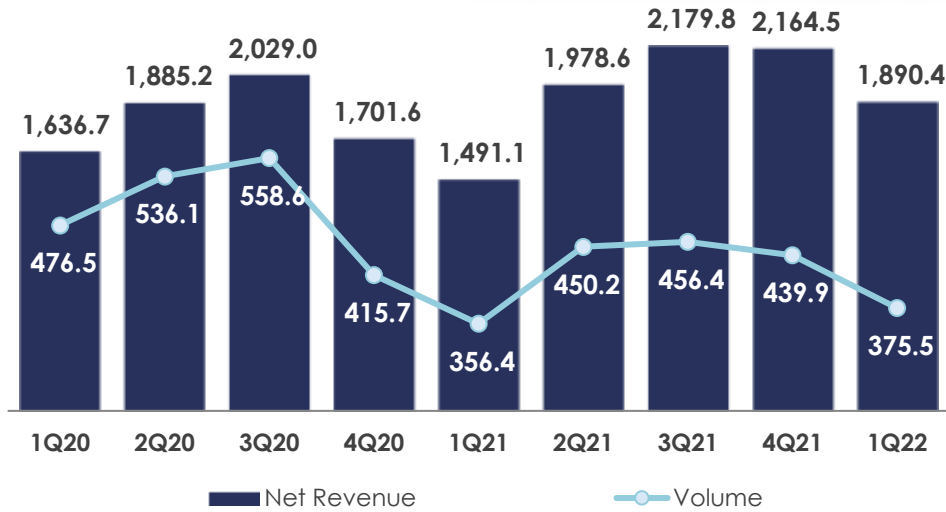
Net revenue decreased 12.7% in 1Q22 vs. 4Q21, reflecting the drop in volumes sold, partially offset by a 2.2% increase in the average price.

Segment	1Q22			4Q21			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	933.0	107.6	8.67	1,114.6	140.3	7.94	-16.3%	-23.3%	9.2%
Pasta	389.9	76.6	5.09	479.7	101.6	4.72	-18.7%	-24.6%	7.8%
Wheat Flour and Bran	373.7	170.1	2.20	355.6	171.3	2.08	5.1%	-0.7%	5.8%
Margarine and Vegetable Shortening	145.0	17.7	8.19	162.9	22.4	7.27	-11.0%	-21.0%	12.7%
Other products**	48.8	3.5	13.94	51.7	4.3	12.02	-5.6%	-18.6%	16.0%
TOTAL	1,890.4	375.5	5.03	2,164.5	439.9	4.92	-12.7%	-14.6%	2.2%

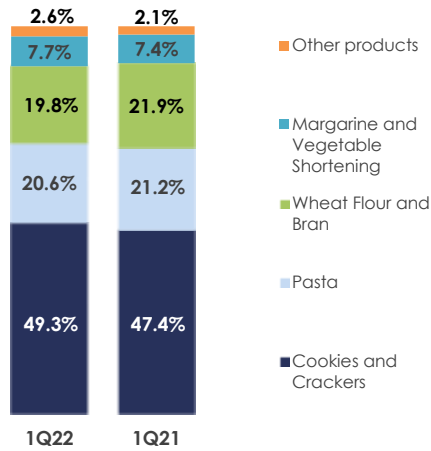
*Net revenue in R\$ million, weight excluding sales returns in thousand tonnes and net average price in R\$/Kg.

**Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

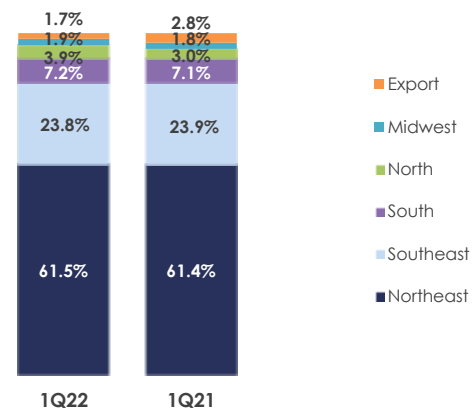
Net Revenue (R\$ million) and Net Volume (thousand tonnes)



Net Revenue Breakdown



Sales by Region (% Gross Revenue excluding discounts and returns)

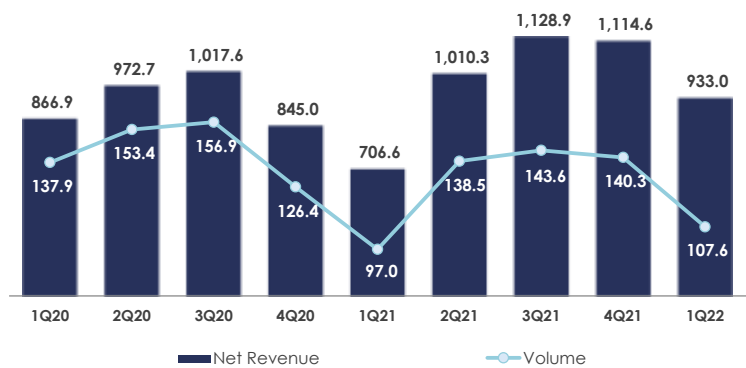


HIGHLIGHTS – COOKIES & CRACKERS

Cookies net revenue grew 32.0% in 1Q22 vs. 1Q21, with average price increase of 19.1%, and volume growth of 10.9%. Highlight for the category of stuffed products, which grew 18%, with growth both in the attack region and in the defense region with the brands Vitarella, Treloso and Piraquê.

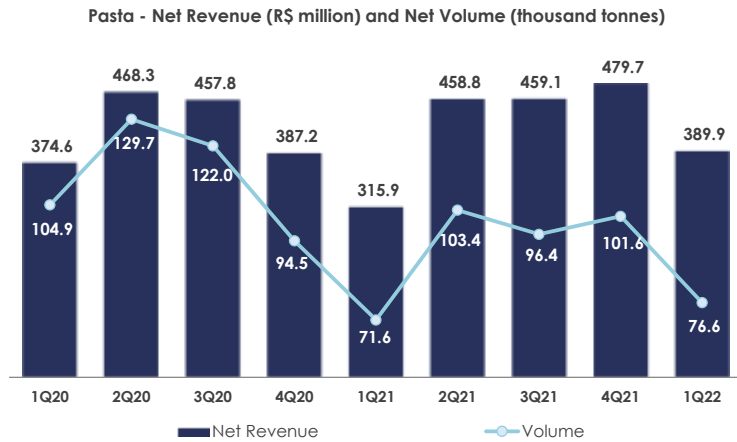
In line with the strategy of growth with profitability, we continue adding products with high value added and potential for growth to the portfolio. The gross revenue from new products/flavors launched in the last 24 months totaled R\$59.5 million in 1Q22, increases of 25.0% vs 1Q21 and -37.7% vs 4Q21, totaling 118 launches (107 in 1Q21 and 133 in 4Q21).

Cookies and Crackers - Net Revenue (R\$ million) and Net Volume (thousand tonnes)



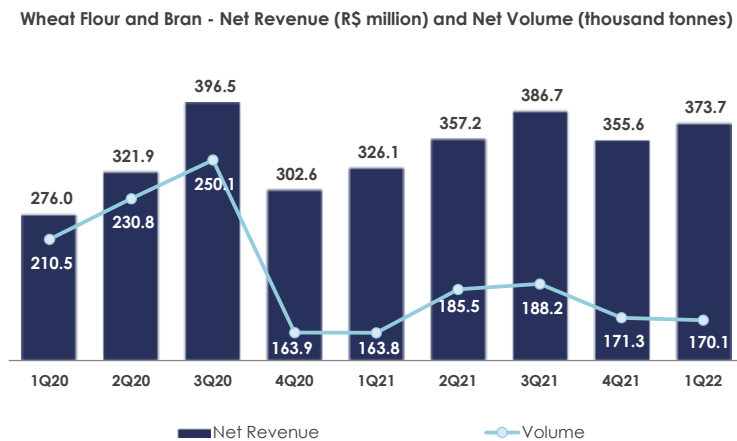
HIGHLIGHTS – PASTA

Net pasta revenue grew by 23.4% in the comparison between 1Q22 vs. 1Q21, with an average price increase of 15.4% and volume growth of 7.0%. Highlights include the egg pasta category that grew 28%, with growth in both the attack and defense regions.



HIGHLIGHTS – WHEAT FLOUR AND BRAN

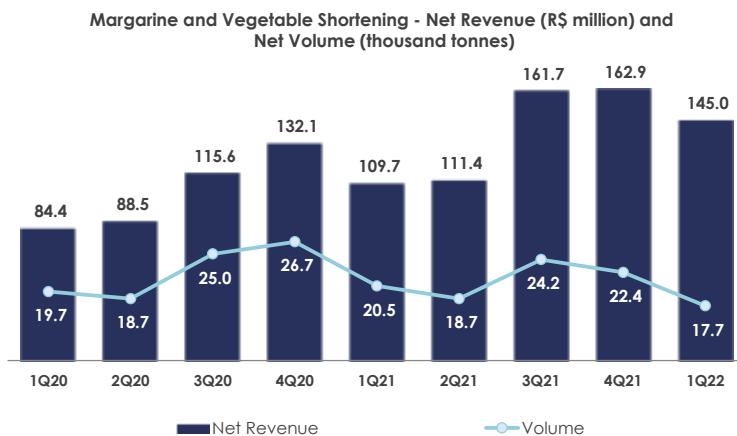
Net revenue for flour and bran grew 14.6%, with an average price increase of 10.6% and a volume growth of 3.8%. Highlight for the growth of industrial flour in the defense region.



HIGHLIGHTS – MARGARINE AND VEGETABLE SHORTENING

Net revenue from margarine and vegetable shortening grew by 32.2% vs 1Q21, as the average price grew by 53.1% and volumes fell by 13.7%.

The decrease in volume is a consequence of the price increase required to compensate for the sharp rise in palm oil costs



COSTS

COGS (R\$ million)	1Q22	% Net Rev.	1Q21	% Net Rev.	Variation	4Q21	% Net Rev.	Variation
Raw material	1,034.0	54.7%	774.5	51.9%	33.5%	1,208.7	55.8%	-14.5%
Wheat	659.6	34.9%	498.2	33.4%	32.4%	752.4	34.8%	-12.3%
Vegetable Oil	213.6	11.3%	158.6	10.6%	34.7%	265.5	12.3%	-19.5%
Sugar	60.0	3.2%	38.7	2.6%	55.0%	70.1	3.2%	-14.4%
Third Party Flour	1.3	0.1%	1.5	0.1%	-13.3%	2.0	0.1%	-35.0%
Third Party Vegetable Shortening	0.1	0.0%	0.3	0.0%	-66.7%	0.4	0.0%	-75.0%
Other	99.4	5.3%	77.2	5.2%	28.8%	118.3	5.5%	-16.0%
Packages	128.0	6.8%	95.5	6.4%	34.0%	154.0	7.1%	-16.9%
Labor	164.3	8.7%	148.2	9.9%	10.9%	167.9	7.8%	-2.1%
Indirect costs	133.2	7.0%	107.1	7.2%	24.4%	141.7	6.5%	-6.0%
Depreciation and amortization	45.1	2.4%	42.4	2.8%	6.4%	48.8	2.3%	-7.6%
Other	3.2	0.2%	0.0	0.0%	n/a	1.5	0.1%	n/a
Total	1,507.8	79.8%	1,167.7	78.3%	29.1%	1,722.6	79.6%	-12.5%

In 1Q22, the cost of goods sold grew by 29.1% in absolute terms, accounting for 79.8% of net revenue, an increase of 1.5 p.p compared to 1Q21.

We list below the main impacts on the cost of goods sold.

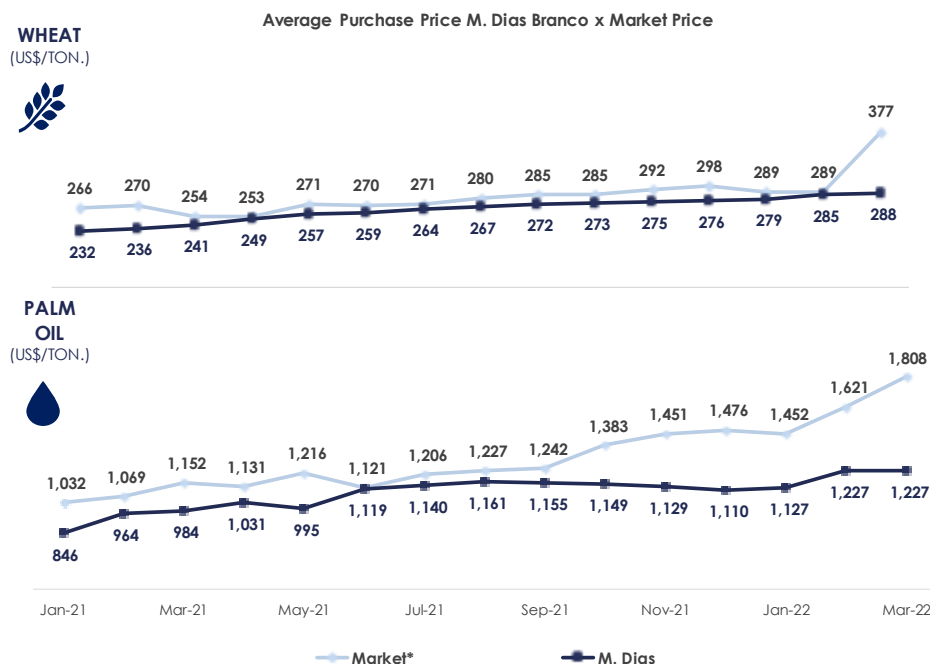
1Q22 vs. 1Q21

Negative Impacts

- Increases of 27.5%, 29.3%, and 37.7% in the average cost (R\$) of wheat, oil, and sugar, respectively.

Positive Impacts

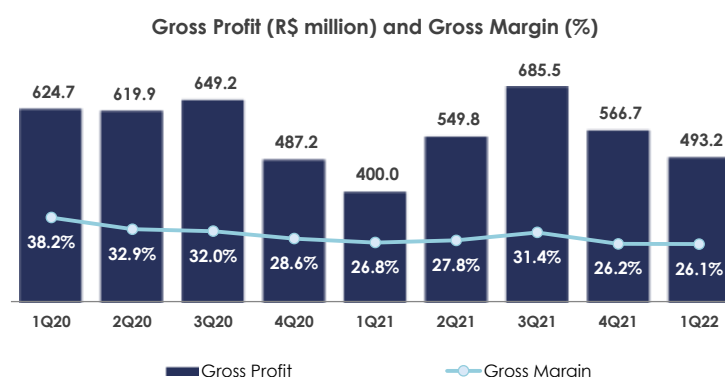
- Increase of 3.4% in production volume.



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

GROSS PROFIT

In 1Q22, gross profit in nominal values grew 23.3% and the gross margin remained stable with a slight retraction of 0.7p.p. Nominal growth is due to the increase in volumes sold and price adjustments, 5.4% and 20.3% respectively, while the gross margin continues to be pressured by the sequential growth in raw material prices in dollars.



It is important to highlight that gross profit includes subsidies for state investments totaling R\$110.6 million in 1Q22 (R\$76.6 million in 1Q21), through profit or loss in compliance with CPC 07 - Government Grants.

OPERATING EXPENSES

To provide a better understanding of the changes in operating expenses, we report depreciation and amortization expenses and tax expenses separately, as shown below:

Operating Expenses (R\$ million)	1Q22	% Net Rev.	1Q21	% Net Rev.	Variation	4Q21	% Net Rev.	Variation
Selling*	352.6	18.7%	329.5	22.1%	7.0%	362.9	16.8%	-2.8%
Administrative	61.1	3.2%	56.6	3.8%	8.0%	59.4	2.7%	2.9%
Donations	4.4	0.2%	10.9	0.7%	-59.6%	4.0	0.2%	10.0%
Taxes	5.9	0.3%	7.1	0.5%	-16.9%	4.8	0.2%	22.9%
Depreciation and amortization	32.3	1.7%	24.0	1.6%	34.6%	27.4	1.3%	17.9%
Other operating expenses/(revenue)	24.2	1.3%	-10.3	-0.7%	n/a	-6.6	-0.3%	n/a
TOTAL	480.5	25.4%	417.8	28.0%	15.0%	451.9	20.9%	6.3%

*Salaries and benefits, freight and other expenses with marketing, sales force and logistics.

Regarding net revenue, selling and administrative expenses were lower than in 1Q21, due to the productivity and efficiency programs implemented in the last two years. Increased selling expenses compared to 4Q21 was due to the concentration in 1Q22 of marketing and advertising campaigns targeting our main brands, such as Piraquê, Adria and Vitarella.

Regarding other expenses and revenues, in 1Q22 we registered expenses of R\$24.2 million vs. R\$10.3 million in revenues in 1Q21. In 1Q21 the positive result was the result of revenues from extemporaneous credits which were 96% lower than in 1Q21.

Additionally, non-recurring expenses of R\$5.6 million with restructuring were recorded in 1Q22 (R\$15.6 million in 1Q21, of which R\$1.1 million with COVID-19 expenses and R\$14.5 million with restructuring expenses).

FINANCIAL RESULT

Financial Result (R\$ million)	1Q22	1Q21	Variation	4Q21	Variation
Financial Revenue	46.7	26.0	79.6%	52.1	-10.4%
Financial Expenses	-50.9	-24.8	n/a	-62.7	-18.8%
Exchange Variation	70.1	-67.0	n/a	-11.8	n/a
Losses/Gains on derivatives	-99.6	72.5	n/a	15.0	n/a
Changes in fair value of financial instruments	0.4	-0.6	n/a	-10.8	n/a
TOTAL	-33.3	6.1	-645.9%	-18.2	-64.5%

In 1Q22, the Company recorded a negative result of R\$33.3 million (positive result of R\$6.1 million in 1Q21). Negative result is due to: (i) negative exchange variations on exports; (ii) increase in financial expenses, due to the increase in the CDI and IPCA; and (iii) increase in the cost of contracting the hedge.

TAXES ON INCOME

We ended 1Q22 with reversal of R\$59.6 million of income tax and CSLL, compared to reversal of R\$27.9 million in 1Q21. This reversal is due to a reduction in pre-tax income of 69% and an increase in state tax incentives of 44.4%.

Income and Social Contribution Taxes (R\$ million)	1Q22	1Q21	Variation
Income and Social Contribution Taxes	-60.1	-27.9	115.0%
Income Tax Incentive	0.5	0.0	n/a
TOTAL	-59.6	-27.9	113.6%

GOODWILL

As of 2020, due to the merger of Piraquê, approved on December 27, 2019, the Company began the tax amortization of goodwill arising from the acquisition, currently totaling R\$224.7 million, which will be amortized over a minimum period of five years. This amount considers the effectively paid portion of the acquisition price (acquisition price of R\$1.5 billion, less the retained portion of the acquisition price of R\$129.0 million). However, we expect to fully use the transaction goodwill, in the amount of R\$361.6 million. In 1Q22, the Company recorded R\$3.9 million in tax benefit from amortization.

EBITDA AND NET INCOME

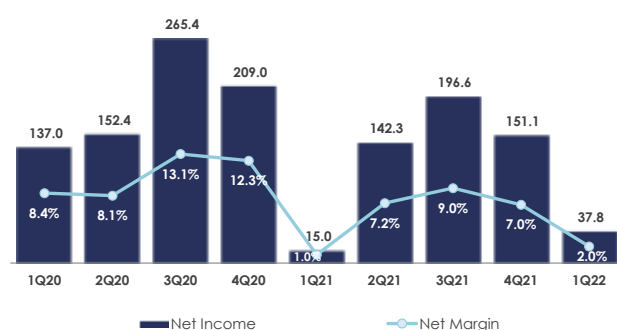
EBITDA – NET INCOME

EBITDA CONCILIATION (R\$ million)	1Q22	1Q21	Variation	4Q21	Variation
Net Profit	37.8	15.0	152.0%	151.1	-75.0%
Income Tax and Social Contribution	-60.1	-27.9	n/a	-62.8	-4.3%
Income Tax Incentive	0.5	0.0	n/a	0.0	n/a
Financial Revenue	-132.7	-45.4	n/a	-71.4	85.9%
Financial Expenses	166.0	39.3	n/a	89.6	85.3%
Depreciation and Amortization of cost of goods	45.1	42.4	6.4%	48.8	-7.6%
Depreciation and Amortization of expenses	32.3	24.0	34.6%	27.4	17.9%
EBITDA	88.9	47.4	87.6%	182.7	-51.3%
EBITDA Margin	4.7%	3.2%	1.5 p.p	8.4%	-3.7 p.p

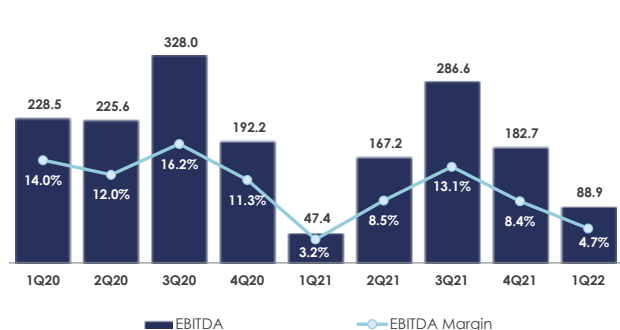
EBITDA – NET REVENUE

EBITDA CONCILIATION (R\$ million)	1Q22	1Q21	Variation	4Q21	Variation
Net Revenue	1,890.4	1,491.1	26.8%	2,164.5	-12.7%
Cost of goods sold	-1,507.8	-1,167.7	29.1%	-1,722.6	-12.5%
Depreciation and Amortization of cost of goods	45.1	42.4	6.4%	48.8	-7.6%
Tax Incentive (ICMS)	110.6	76.6	44.4%	124.8	-11.4%
Operating Expenses	-480.5	-417.8	15.0%	-451.9	6.3%
Equity in net income of subsidiaries	-1.2	-1.2	0.0%	-8.3	-85.5%
Depreciation and Amortization of expenses	32.3	24.0	34.6%	27.4	17.9%
EBITDA	88.9	47.4	87.6%	182.7	-51.3%
EBITDA Margin	4.7%	3.2%	1.5 p.p	8.4%	-3.7 p.p

Net Profit (R\$ million) and Net Margin (%)



EBITDA (R\$ million) and EBITDA Margin (%)



DEBT, CAPITALIZATION AND CASH

Capitalization (R\$ million)	3/31/2022	3/31/2021	Variation
Cash	845.6	1,671.8	-49.4%
Financial Investments Short Term	16.8	16.4	2.4%
Financial Investments Long Term	2.1	2.5	-16.0%
Total Indebtedness	-1,672.5	-2,126.7	-21.4%
(-) Short Term	-103.7	-501.7	-79.3%
(-) Long Term	-1,568.8	-1,625.0	-3.5%
(-) Derivatives Financial Instruments	-204.0	51.1	n/a
(=) Net Cash (Net Debt)	-1,012.0	-384.9	n/a
Shareholder's Equity	6,313.1	6,678.9	-5.5%
Capitalization	7,985.6	8,805.6	-9.3%

Financial Indicator	3/31/2022	3/31/2021	Variation
Cash (Debt) Net / EBITDA (last 12 months)	-1.4	-0.5	n/a
Cash (Debt) Net / Shareholder's Equity	-16.0%	-5.8%	-10.2 p.p
Indebtedness / Total Assets	16.8%	20.4%	-3.6 p.p

The Company closed the period with a cash position of R\$0.8 billion (R\$1.7 billion in 1Q21) and gross indebtedness of R\$1.7 billion (R\$2.1 billion in 1Q21), resulting in a leverage of 1.4x (net debt/LTM EBITDA) (0.5x in 1Q21).

Consolidated Debt (R\$ million)	Index	Interest (year)	3/31/2022	% Debt	3/31/2021	% Debt	Variation
Domestic Currency:			1,192.4	71.3%	1,428.3	67.2%	-16.5%
BNDES - FINAME	TJLP	2.17%	9.2	0.6%	13.2	0.6%	-30.3%
BNDES - PSI	R\$	3.06% (2.99% on 03/31/21)	35.6	2.1%	66.0	3.1%	-46.1%
BNDES - FINEM	IPCA	8.57% (8.63% on 03/31/21)	30.9	1.8%	41.0	1.9%	-24.6%
BNDES - PROGEREN	IPCA	6.28%	23.1	1.4%	41.8	2.0%	-44.7%
FINIMP	100% CDI	3.80%	0.0	0.0%	64.9	3.1%	-100.0%
(PROVIN) Financing of state taxes	100% TJLP	-	14.6	0.9%	10.4	0.5%	40.4%
(FUNDOPEM) Financing of state taxes	IPCA/IBGE	-	3.6	0.2%	0.0	0.0%	n/a
Working Capital	100% CDI	1.30%	0.0	0.0%	202.4	9.5%	-100.0%
Investment of assignment of Pilar's shares	100% CDI	-	4.5	0.3%	3.9	0.2%	15.4%
Investment of assignment of Estrela's shares	100% CDI	-	11.1	0.7%	8.4	0.4%	32.1%
Investment of assignment of Moinho Santa Lúcia's shares	100% CDI	-	0.7	0.0%	0.7	0.0%	0.0%
Investment of assignment of Piraquê's shares	100% CDI	-	148.8	8.9%	206.7	9.7%	-28.0%
Investment of assignment of Latinex's shares	100% CDI	-	95.7	5.7%	0.0	0.0%	n/a
Debentures	IPCA	3.7992% e 4.1369%	814.6	48.7%	768.9	36.2%	5.9%
Foreign Currency:			480.1	28.7%	698.4	32.8%	-31.3%
(FINIMP) Imports Financing and Working Capital - Law 4,131	USD	1.69% (1,90% on 03/31/21)	480.1	28.7%	698.4	32.8%	-31.3%
TOTAL			1,672.5	100.0%	2,126.7	100.0%	-21.4%

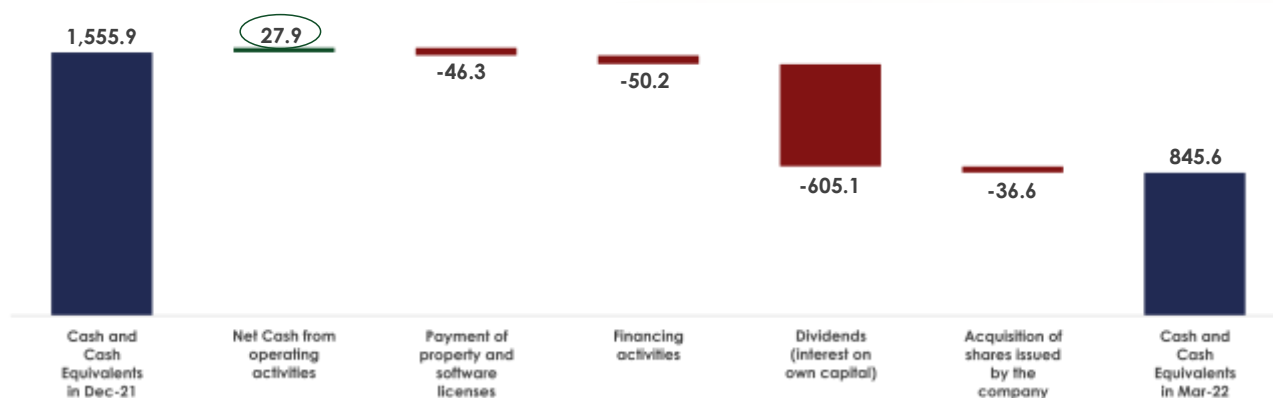
On March 31, 2022, the Company had a swap contract to hedge working capital financing in foreign currency maturing on December 22, 2025, in which the long leg receives, on average, the dollar plus 1.9475%, and the short leg pays, on average, 1.50% p.a. of the CDI rate with a notional reference value of R\$510.0 million and fair value payable of R\$89.6 million.

To protect the debenture issues, on March 31, 2022, the Company had 42 swap contracts, all of which maturing until March 17, 2031, in which the long leg receives, on average, the IPCA plus 4.02% p.a., and the short leg pays, on average, the CDI plus 0.28% p.a. The notional reference values totaled R\$811.6 million for current contracts, and the gross fair value receivable of all derivative instruments totaled R\$6.9 million on March 31, 2022.

At the end of 1Q22, debentures totaled R\$814.6 million net of the unamortized balance of transaction costs totaling R\$40.1 million.

R\$ million

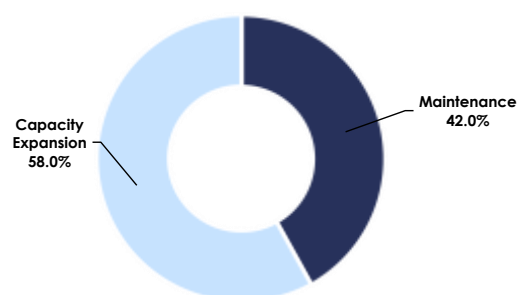
1.5% of Net Revenue



INVESTMENTS

Investments (R\$ million)	1Q22	1Q21	Variation
Buildings	7.0	4.4	59.1%
Machinery and equipment	15.1	20.7	-27.1%
Construction in progress	6.8	10.1	-32.7%
Vehicles	0.2	0.0	n/a
IT Equipment	0.8	0.8	0.0%
Furniture and Fixtures	1.5	1.7	-11.8%
Software Use License	18.6	2.8	n/a
Others	0.2	0.2	0.0%
Total	50.2	40.7	23.3%

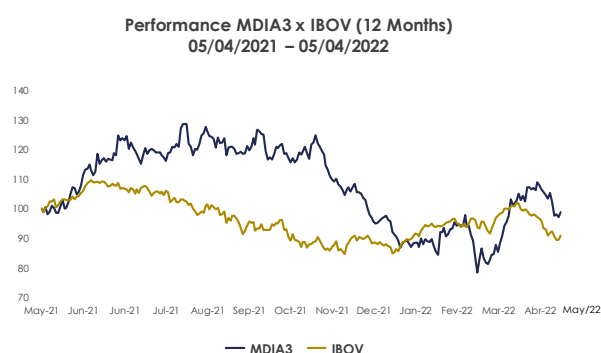
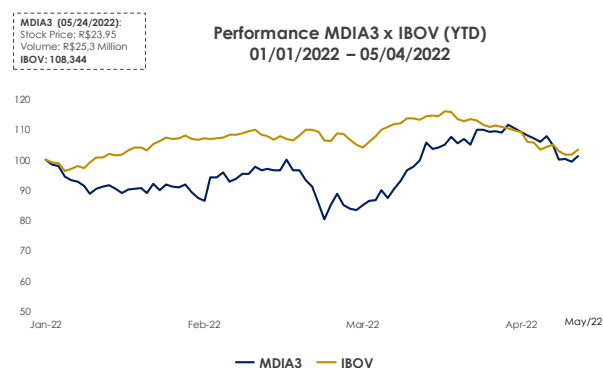
Investments 1Q22 - R\$ 50.2 million



Investments totaled R\$50.2 million in 1Q22 (+23.3% vs. 1Q21). Highlights for: (i) investments in systems; (ii) equipment for the Bento Gonçalves grinding unit; and (iii) weight reduction investment.

CAPITAL MARKET

The Company's shares are traded on B3 (Brasil, Bolsa e Balcão) under the ticker MDIA3 and are listed in the Novo Mercado segment. On **March 31, 2022**, there were 78,230,379 outstanding shares in the market, 23.1% of the Company's total capital, quoted at R\$24.62 each, totaling **R\$1,926.0 million**. In 1Q22, average number of trades with MDIA3 shares was **8,186** (5,827 in 1Q21) and the average daily financial value of trades was **R\$40.8 million** (R\$34.4 million in 1Q21).



MAIN ADMINISTRATIVE FACTS

Approval of the Financial Statements

At the meeting of the Board of Directors held on May 13, 2022, the following was approved:

- (i) the Interim Financial Information (ITR) for the period ended March 31, 2022; and
- (ii) other provisions.

Shareholders' Meeting

At the Annual and Extraordinary Shareholders' Meeting held on April 22, 2022, the following resolutions were approved by a majority vote: (i) the annual management report and the financial statements accompanied by the independent auditors' report for the fiscal year ended on December 31, 2021; (ii) the allocation of net income for 2021, as proposed by the Board of Directors at a meeting held on March 18, 2022; and, (iii) setting the annual overall compensation of the Company's management for fiscal year 2022; (v) the acquisition of the mercantile company LATINEX IMPORTAÇÃO E EXPORTAÇÃO DE ALIMENTOS S.A. by the Company, according to the material fact disclosed on September 28, 2021; (vi) a proposal to execute an indemnity agreement; and, (vii) a proposal for statutory amendments and consolidation of the bylaws.

* In 2021, M. Dias Branco was rated A (on a scale of AAA-CCC) in MSCI ESG Ratings. More information available at: <https://ri.mdiasbranco.com.br/noticia/msci-esg-ratings/>

SOCIAL AND ENVIRONMENTAL HIGHLIGHTS

The integration of Sustainability into the business' main strategies is our priority.

Since 2013, we have **adopted a Sustainability Agenda**, driving sustainable practices throughout our company's value chain. From 2022 on, we will begin a new cycle, prioritizing **15 themes** distributed over **three pillars: caring for the planet (Environmental), believing in people (Social), and strengthening alliances (Governance):**

Priority themes of the 2022-2030 cycle of the Sustainability Agenda - M. Dias Branco

CARING FOR THE PLANET (ENVIRONMENTAL)	BELIEVING IN PEOPLE (SOCIAL)	STRENGTHENING ALLIANCES (GOVERNANCE)
<ul style="list-style-type: none"> • Water • Energy • Climate Changes • Waste • Sustainable plastic packaging and materials • Combating food loss and waste 	<ul style="list-style-type: none"> • Relationship with communities • Human Capital • Diversity and inclusion • Health and safety • Healthy and nutritious food • Food Safety 	<ul style="list-style-type: none"> • Risks and opportunities in sustainability • Governance, ethics and integrity • Sustainable value chain

For each theme, we have established **indicators and targets up to 2030**, aiming to further connect our initiatives with today's social, environmental, and governance priorities, including long-term public commitments.

Our Commitments up to 2030:

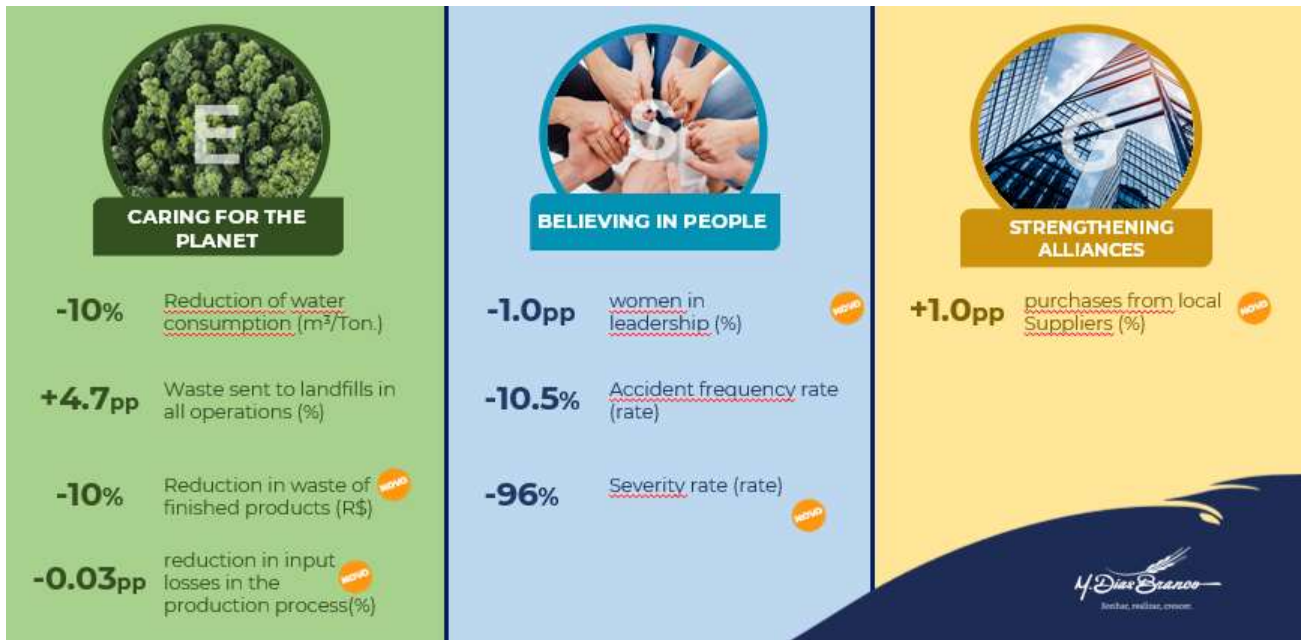
- Water consumption reduction to 0.40 m3/t product;
- Reutilization of 30% of the water consumed;
- Zero waste sent to landfills;
- Recovery of 28% of post-consumption packaging;
- Achieving science-based targets, which are under development with the Science Based Targets Initiative (SBTI), for absolute 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 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.

With this new cycle of the Sustainability agenda (2022-2030), the priority themes are addressed by Working Groups (WGs), composed of professionals from several areas of the company, as well as by

specific areas that incorporate sectorial indicators. Within this governance, initiative results are reported periodically to the Sustainability Committee, at the quarterly meetings of the ESG Committee and Board of Directors.

We present below the **main indicators of results** during the 1Q22.

Main Indicators - 1Q22



Water consumption reduction: decrease reflects an increase in production volumes of 3.4%.

Waste disposed of in landfills in all operations: relevant improvement is the result of the implementation of the waste composting unit at the CE Unit.

Reduction in waste of finished products: the reduction is the result of the drop in the amount of products at a critical date, and a reduction in the disposal process with the donation to the surrounding communities.

Reduction of input losses in the production process: the reduction is a reflection of the intensification of process controls, use of equipment for reprocessing processing and use of equipment to reduce waste.

Women in leadership: Some transactions were made in the company since the end of the year 2021, prior to establishing a goal of women in leadership.

Frequency and severity of Workplace Accidents: the frequency and severity rate of occupational accidents was impacted due to the casualty occurring with a Traffic (road) accident involving the company's charter bus (Timon branch).

Purchases from local suppliers: we experienced an increase in domestic input in the oils category. Promoting the purchase of local suppliers (Brazil).

MAIN HIGHLIGHTS:

- ✓ We have joined the Brazilian Business Council for Sustainable Development (CEBEDS);
- ✓ Disclosure of the new M. Dias Branco Sustainability Agenda, containing its commitments and goals until 2030 for the internal public through the Leader Development Program and Live in the Workplace;
- ✓ Donation of 602 tons of foods to surrounding communities, to benefit more than 90 institutions in Brazil;
- ✓ We have initiated a project in partnership with Connecting Food to work on reducing food losses and food waste in the company, as a result of our work with the "Everyone at the Table" movement;
- ✓ We are working in partnership with Senai, offering professionalization courses for the unemployed. In March, we started two classes: Pastry Chef and Administrative Assistant;
- ✓ We were awarded the Sister Company Seal for the donations made to the Obras Sociais Irmã Dulce (OSID) in Bahia;
- ✓ Launch of the POSITIVO Program at the Queimados unit, concluding the implementation process in the industrial units producing Pastas, Cookies, Cakes & Snacks and Vegetable Shortening & Margarines.



FINANCIAL STATEMENTS

Pursuant to CPC 26 – Presentation of Financial Statements, we classify expenses by function in the Income Statement. Depreciation and amortization expenses were included in selling and administrative expenses, and tax expenses were added to other expenses (income), net. For further information, please see note 29 of the Company's Financial Statements.

INCOME STATEMENT (R\$ million)	1Q22	1Q21	Variation	4Q21	Variation
NET REVENUES	1,890.4	1,491.1	26.8%	2,164.5	-12.7%
COST OF GOODS SOLD	-1,507.8	-1,167.7	29.1%	-1,722.6	-12.5%
TAX INCENTIVES (ICMS)	110.6	76.6	44.4%	124.8	-11.4%
GROSS PROFIT	493.2	400.0	23.3%	566.7	-13.0%
OPERATING REVENUES (EXPENSES)	-480.5	-417.8	15.0%	-451.9	6.3%
Sales expenses	-370.3	-343.9	7.7%	-379.7	-2.5%
Administrative and general expenses	-79.1	-76.0	4.1%	-73.0	8.4%
Other net income (expenses)	-31.1	2.1	n/a	0.8	n/a
OPERATING INCOME BEFORE FINANCIAL RESULTS	12.7	-17.8	-171.3%	114.8	-88.9%
Financial income	132.7	45.4	n/a	71.4	85.9%
Financial expenses	-166.0	-39.3	n/a	-89.6	85.3%
OPERATING INCOME AFTER FINANCIAL RESULTS	-20.6	-11.7	76.1%	96.6	-121.3%
Equity in net income of subsidiaries	-1.2	-1.2	0.0%	-8.3	-85.5%
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	-21.8	-12.9	69.0%	88.3	-124.7%
Income tax and social contribution	59.6	27.9	n/a	62.8	-5.1%
NET INCOME	37.8	15.0	152.0%	151.1	-75.0%

BALANCE SHEET (R\$ million)	M. DIAS (Consolidated)				
	3/31/2022	3/31/2021	Variation	12/31/2021	Variation
ASSETS					
CURRENT	3,984.0	4,476.8	-11.0%	4,443.1	-10.3%
Cash and cash equivalents	845.6	1,671.8	-49.4%	1,555.9	-45.7%
Trade accounts receivable	1,193.6	853.2	39.9%	1,439.0	-17.1%
Inventories	1,439.6	1,445.7	-0.4%	1,154.2	24.7%
Taxes recoverable	369.3	362.3	1.9%	127.9	n/a
Income tax and social contribution	19.5	44.9	-56.6%	71.2	-72.6%
Financial investments	16.8	16.4	2.4%	16.6	1.2%
Derivatives financial instruments	52.3	40.1	30.4%	51.1	2.3%
Prepaid expenses	20.2	16.3	23.9%	7.8	n/a
Other current assets	27.1	26.1	3.8%	19.4	39.7%
NON CURRENT	5,987.5	5,946.7	0.7%	6,214.0	-3.6%
Long-term	507.9	715.0	-29.0%	750.6	-32.3%
Financial investments	2.1	2.5	-16.0%	2.1	0.0%
Judicial deposits	239.5	268.5	-10.8%	233.8	2.4%
Taxes recoverable	155.2	373.5	-58.4%	440.1	-64.7%
Income tax and social contribution	38.9	0.0	n/a	0.0	n/a
Derivatives financial instruments	8.1	16.9	-52.1%	10.2	-20.6%
Indemnity assets	59.4	48.2	23.2%	59.8	-0.7%
Other non-current assets	4.7	5.4	-13.0%	4.6	2.2%
Investments	34.7	46.1	-24.7%	35.9	-3.3%
Investments properties	56.0	54.5	2.8%	56.1	-0.2%
Property, plant and equipment	3,427.5	3,413.6	0.4%	3,418.0	0.3%
Intangible	1,961.4	1,717.5	14.2%	1,953.4	0.4%
TOTAL ASSETS	9,971.5	10,423.5	-4.3%	10,657.1	-6.4%
LIABILITIES AND SHAREHOLDERS EQUITY					
CURRENT	1,439.7	1,428.0	0.8%	1,329.1	8.3%
Suppliers	709.1	448.0	58.3%	741.4	-4.4%
Financing and borrowings from financial institutions	71.0	466.8	-84.8%	74.5	-4.7%
Tax financing	2.8	3.8	-26.3%	3.1	-9.7%
Direct financing	28.2	30.5	-7.5%	28.2	0.0%
Debentures	1.7	0.6	n/a	10.2	-83.3%
Lease	57.7	47.0	22.8%	52.8	9.3%
Social security and labor liabilities	161.3	148.4	8.7%	176.9	-8.8%
Tax liabilities	103.0	72.9	41.3%	102.6	0.4%
Income tax and social contribution	1.8	1.8	0.0%	1.8	0.0%
Government grant	13.2	18.1	-27.1%	10.8	22.2%
Derivatives financial instruments	161.7	0.9	n/a	0.0	n/a
Dividends	0.0	59.0	-100.0%	0.0	n/a
Other current liabilities	128.2	130.2	-1.5%	126.8	1.1%
NON CURRENT LIABILITIES	2,218.7	2,316.6	-4.4%	2,295.6	-3.3%
Financing and borrowings from financial institutions	507.9	660.9	-23.2%	607.2	-16.4%
Tax financing	15.4	6.6	n/a	13.9	10.8%
Direct financing	232.6	189.2	22.9%	228.9	1.6%
Debentures	812.9	768.3	5.8%	801.5	1.4%
Lease	228.5	164.1	39.2%	193.0	18.4%
Tax liabilities	0.7	0.0	n/a	0.8	-12.5%
Deferred taxes	75.2	271.8	-72.3%	195.4	-61.5%
Derivatives financial instruments	102.7	5.0	n/a	8.8	n/a
Provisions for civil, labor and tax risks	219.9	212.6	3.4%	221.2	-0.6%
Other non-current liabilities	22.9	38.1	-39.9%	24.9	-8.0%
SHAREHOLDERS' EQUITY	6,313.1	6,678.9	-5.5%	7,032.4	-10.2%
Capital	2,597.7	2,597.7	0.0%	2,597.7	0.0%
Capital reserves	36.0	29.5	22.0%	33.4	7.8%
Accumulated conversion adjustments	0.1	0.2	-50.0%	0.2	-50.0%
Equity valuation adjustment	-76.2	8.8	n/a	41.6	n/a
Revenue reserves	3,819.9	3,971.7	-3.8%	4,408.2	-13.3%
(-) Treasury shares	-85.3	-39.6	n/a	-48.7	75.2%
Additional dividend	0.0	95.6	-100.0%	0.0	n/a
Accrued profit	20.9	15.0	39.3%	0.0	n/a
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	9,971.5	10,423.5	-4.3%	10,657.1	-6.4%

CASH FLOW (R\$ million)	1Q22	1Q21	Variation
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income before income tax and social contribution	-21.9	-12.9	69.8%
Adjustments to reconcile net income with cash from operating activities:			
Depreciation and amortization	77.4	66.4	16.6%
Cost on sale of permanent assets	1.0	0.0	n/a
Equity in net income of subsidiaries	1.2	1.2	0.0%
Loans, investments and exchange variations update	-55.7	87.3	n/a
Tax credits and updates	-7.2	-44.1	-83.7%
Updated judicial deposits	-2.8	-0.6	n/a
Appropriate interest on lease	5.9	5.1	15.7%
Provision and update for civil, labor and tax risks/others	6.4	6.9	-7.2%
Provision (reversion) for expenses/indemnity assets	0.8	-1.2	n/a
Recognized shares granted	2.5	1.9	31.6%
Provision (reversion) for losses of clients	3.4	-7.0	n/a
Provision for income tax of loans	0.3	1.7	-82.4%
Provision (reversion) for losses in inventories	4.2	4.5	-6.7%
Losses (gains) on derivative contracts	109.0	-71.9	n/a
Changes in assets and liabilities			
Decrease in trade accounts receivable	242.0	113.9	n/a
(Increase) in inventories	-313.1	-241.2	29.8%
(Increase) decrease in financial investments	-0.2	0.0	n/a
Decrease in taxes recoverable	118.7	0.8	n/a
(Increase) em judicial deposits	-2.8	-4.1	-31.7%
(Increase) in prepaid expenses	-12.4	-6.0	n/a
Decrease in indemnity assets	0.0	8.1	-100.0%
(Increase) decrease in other assets	-7.6	5.5	n/a
Increase (decrease) in suppliers	-32.3	86.3	n/a
Increase (decrease) in taxes and contributions	-59.2	56.2	n/a
(Decrease) in social and labor obligations	-15.6	-28.2	-44.7%
(Decrease) in provisions for civil, labor and tax risks	-7.8	-13.4	-41.8%
Increase in government grants	2.3	5.7	-59.6%
(Decrease) in other liabilities	-0.9	-4.4	-79.5%
Interests paid	-6.5	-16.6	-60.8%
Exchange variations paid	0.0	-32.5	-100.0%
Receipts of funds for settlement of derivative transactions	-1.2	44.2	n/a
Net cash generated from operating activities	27.9	11.6	n/a
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Purchase of property, plant, equipment and intangible	-46.3	-36.6	26.5%
Redemption of long-term financial investment	0.0	0.8	-100.0%
Net cash (used) in investment activities	-46.3	-35.8	29.3%
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	-605.1	0.0	n/a
Financing obtained	1.8	812.3	-99.8%
Payment of financing	-40.7	-319.4	-87.3%
Acquisition of treasury shares	-36.6	0.0	n/a
Lease payments	-11.3	-9.9	14.1%
Net cash used in financing activities	-691.9	483.0	n/a
Increase (decrease) in cash and cash equivalents	-710.3	458.8	n/a
At the start of the period	1,555.9	1,213.0	28.3%
At the end of the period	845.6	1,671.8	-49.4%
Increase (decrease) in cash and cash equivalents	-710.3	458.8	n/a

The statements contained in this document related to the business prospects, projected operating and financial results and growth outlook of M Dias Branco are merely forecasts and, as such, are based exclusively on the expectations of Management as to the future of the business. These expectations substantially depend on changes in market conditions, the performance of the Brazilian economy, as well as the sector and the international markets, and are thus subject to changes without prior notice.

