

M. Dias Branco



EARNINGS RELEASE 3Q21 & 9M21



Eusébio (CE), November 05, 2021 – M. Dias Branco S. A. Indústria e Comércio de Alimentos (B3: MDIA3), the leader in the Brazilian cookies & crackers and pasta markets, announces today its results for the third quarter (3Q21) and first nine months of 2021 (9M21). The Company's consolidated interim financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting practices adopted in Brazil (BR GAAP).

WEBINAR 3Q21 RESULTS

November 08, 2021

Time:

> Portuguese (BR GAAP)

11h00 (Brasilia Time)

10h00 (NY Time)

Registration in Zoom Meetings:

[Click Here](#)

> English (BR GAAP)

11h00 (Brasilia Time)

10h00 (NY Time)

Registration in Zoom Meetings:

[Click Here](#)

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

Victor O. Torres

Investor Relations Analyst

Phone: (11) 3883-9225

Email: ri@mdiasbranco.com.br

Stock Price:

Closing on 09/30/2021

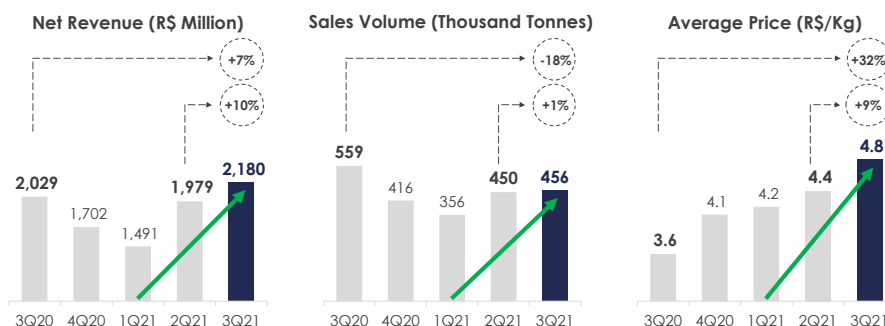
MDIA3: R\$ 33.04 per share

Market Cap.: R\$ 11.2 billion

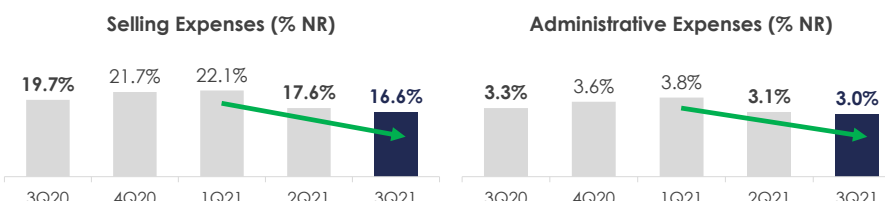
Website: www.mdiasbranco.com.br/ri

M. Dias Branco reaches R\$2.2 billion in net revenue, a record for a quarter, EBITDA margin returns to double-digit levels, and cash generated by operating activities increased 200%

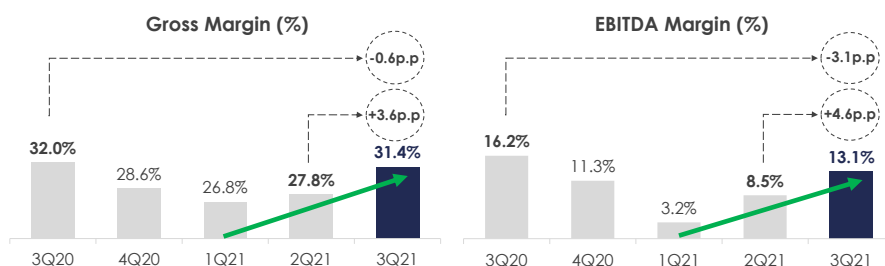
Net Revenue has been increasing throughout 2021, with recoveries in volumes and average prices. The reduction in volume compared to 3Q20 was due to the atypical and temporary increase in demand during the said period.



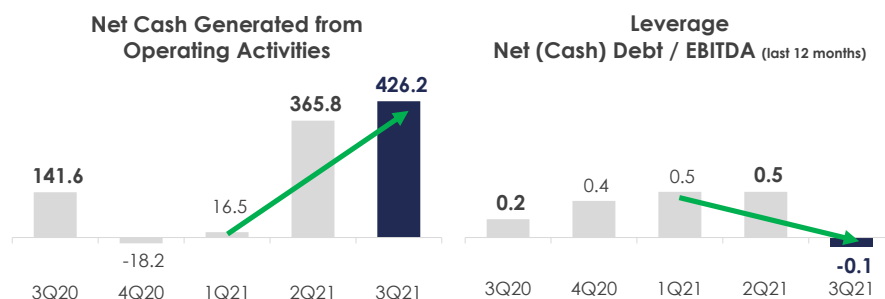
The structural reduction in expenses (as % of Net Revenue) arises from the productivity and efficiency programs carried out over the past quarters.



EBITDA margin returned to double-digit levels due to the recovery in volumes, pricing policy, control of expenses, and a higher dilution of fixed costs.



Cash generated by operating activities reached R\$426 million in 3Q21 due to improved results and availability of working capital. We ended the quarter with a net cash position and a AAA Rating with a Stable Outlook, reaffirmed by Fitch Ratings.



M. Dias Branco is recognized regionally and across Brazil for its performance and the strength of its brands



Best company in the Brazilian food category

Melhores da Dinheiro Awards



Largest food industry in the Northeast

Valor 1000 Award



For the 5th consecutive year, M. Dias Branco was among the most transparent companies in Brazil in the quality of financial statements

ANEFAC-FIPECAFI 2021
Transparency Trophy



Awarded as one of the leading companies in Open Innovation with startups in Brazil;

Ranking 100 Open Startups 2021



Vitarella, #1 in the Cream Cracker category (Salvador/BA)

Adria, #1 in the Pasta category (Brasil)

Folha Top of Mind 2021

LATINEX ACQUISITION



The acquisition of Latinex reinforces the presence of M. Dias Branco in the healthy foods and snacks segment, in addition to entering the seasoning, sauces, and condiments segments. In line with our profitable growth strategy, it adds to our portfolio products with high growth potential and added value. The closing of the operation was announced on 11/03/21, through a notice to the market.

Latinex has four proprietary brands and one licensed brand (Tyrrell's): +100 items in its portfolio.



Healthy Snacks,
Pasta, and Cookies.



Potato Chips and
Tex/Mex Snacks



Sauces



Salts and
Spices



Hand Cooked English Crisps
Note: Holds the Right to Distribute the Brand in Brazil

Potato Chips

INTRODUCTION

The table below illustrates the evolution of the main result indicators in 3Q21 compared to 3Q20 and 2Q21.

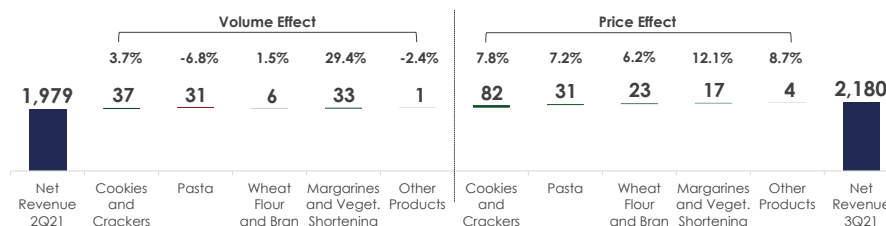
Financial and Operating Results	3Q21	3Q20	Variation	2Q21	Variation	9M21	9M20	Variation
Net Revenue (R\$ million)	2,179.8	2,029.0	7.4%	1,978.6	10.2%	5,649.5	5,550.9	1.8%
Total Sales Volume (thousand tonnes)	456.4	558.6	-18.3%	450.2	1.4%	1,263.0	1,571.2	-19.6%
Cookies & Crackers Sales Volume (thousand tonnes)	143.6	156.9	-8.5%	138.5	3.7%	379.1	448.2	-15.4%
Pasta Sales Volume (thousand tonnes)	96.4	122.0	-21.0%	103.4	-6.8%	271.4	356.6	-23.9%
Market share of Cookies & Crackers (volume)*	31.3%	34.2%	-2.9 p.p	32.2%	-0.9 p.p	32.0%	34.1%	-2.1 p.p
Market share of Pasta (volume)*	29.5%	34.1%	-4.6 p.p	31.3%	-1.8 p.p	31.0%	33.5%	-2.5 p.p
Net Income (R\$ million)	196.6	265.4	-25.9%	142.3	38.2%	353.9	554.8	-36.2%
EBITDA (R\$ million)	286.6	328.0	-12.6%	167.2	71.4%	501.2	782.1	-35.9%
EBITDA Margin	13.1%	16.2%	-3.1 p.p	8.5%	4.6 p.p	8.9%	14.1%	-5.2 p.p
Net Cash (Debt) (R\$ million)	103.0	-255.5	n/a	-361.5	n/a	103.0	-255.5	n/a
Net Cash (Debt) / EBITDA (last 12 months)	0.1	-0.2	n/a	-0.5	n/a	0.1	-0.2	n/a
Capex (R\$ million)	43.1	54.4	-20.8%	51.6	-16.5%	135.4	155.5	-12.9%
Net Cash generated from operating activities	426.2	141.6	201.0%	365.8	16.5%	808.5	711.4	13.6%

* The values presented in 3Q21 and 3Q20 are from the period of Jul/Aug 2021 and 2020.
The values presented in 2Q21 are from the period of May/Jun 2021.
The values presented in 9M21 and 9M20 are from the period of Jan to Aug 2021 and 2020.
Note: Nielsen updated numbers before Jun/21.

• Revenue

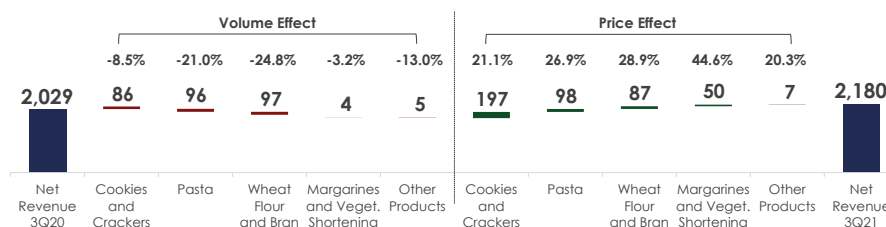
Net revenue grew 10.2% in 3Q21 vs. 2Q21, with an 8.9% increase in average prices and a 1.4% increase in volume, in which we highlight the Cookies & Crackers and Margarines and Vegetable Shortening categories.

Net Revenue Variation 3Q21 vs. 2Q21 (R\$ MM)



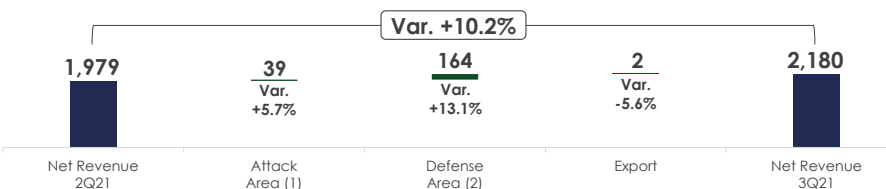
The increase in relation to 3Q20 was due to higher average prices. In terms of volumes, it is important to highlight the difficulty in the comparison base since we had an atypical and temporary increase in demand in that period.

Net Revenue Variation 3Q21 vs. 3Q20 (R\$ MM)



In the regional analysis, as observed on the chart to the side, net revenues in the Attack (South, Southeast, and Midwest) and Defense (North and Northeast) regions, compared to 2Q21, increased 5.7% and 13.1%, respectively.

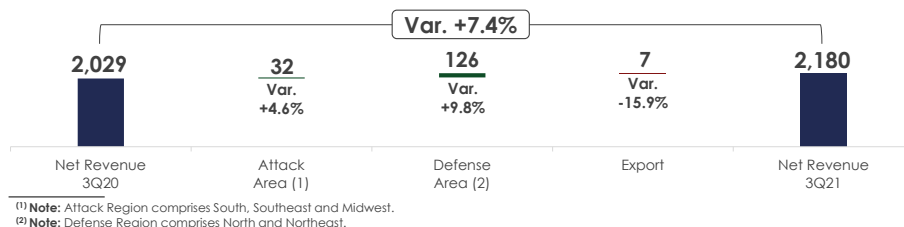
Variation in Net Revenue by Regions 3Q21 vs. 2Q21 (R\$ MM)



(1) Note: Attack Region comprises South, Southeast and Midwest.
(2) Note: Defense Region comprises North and Northeast.

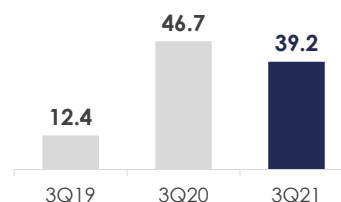
When compared to 3Q20, the Attack and Defense regions increased 4.6% and 9.8%, respectively.

Variation in Net Revenue by Regions 3Q21 vs. 3Q20 (R\$ MM)



Exports levels are in line with our growth strategy. The reduction vs. 3Q20, was due to adverse conditions related to international freight, shortage of containers and higher costs.

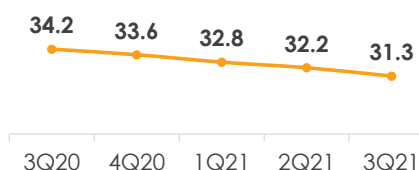
Net Revenue – Exports (R\$ Million)



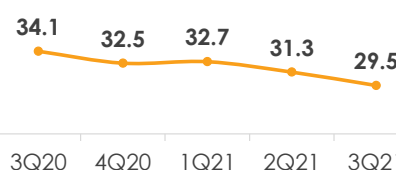
• Market Share

M. Dias Branco continues as the leading player in the national ¹ Cookies & Crackers and Pasta markets. The retraction, shown below, is related to price adjustments carried out to recover margins.

Cookies & Crackers Market Share*



Pasta Market Share*



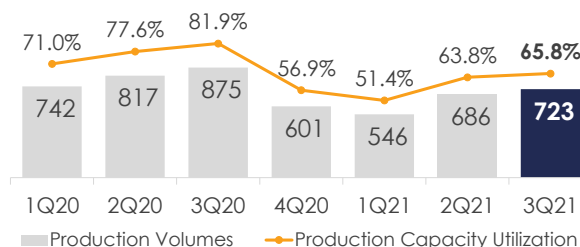
* Source: Nielsen – Retail Index, Total Brazil, INA+C&C.
 Note: Nielsen updated numbers before Jun/21.

— Share Volume

• Production

The resumption in sales volumes in 2Q21 contributed to the increase in our production capacity utilization rate.

Production Volumes (Thousand Tonnes) and Production Capacity Utilization (%)



¹ NIELSEN data from Jan/21 to Aug/21.

EVOLUTION OF 2021 ACTION PLAN

In 1Q21, we announced six tactical measures, all of which are aligned with our strategy and aimed at resuming profitable growth.

• Sales Growth

Onda Verde Piraquê (Piraquê's Green Wave):

- ✓ In 3Q21, we increased brand's visibility with influencers and content creators through the "Comida di Buteco" media campaign;
- ✓ Incentive campaign for the sales team focused on expanding Piraquê cookies throughout Brazil;
- ✓ Launching of high value-added products: Chocowafers – Chocolate Covered (Average Price: R\$ 21.9/Kg); and
- ✓ Initial sales for the Piraquê brand in Chile and Paraguay.

New Partnerships:

- ✓ Bees – sales growth (concentrated in RJ), with an expected roll-out to be carried out across Brazil;
- ✓ Zé Delivery – sales began in Sep/21 with the Piraquê and Adria brands; and
- ✓ Amazon – sales are expected to begin on Nov/21.

Leverage Opportunities in the Foreign Market:

- ✓ In 3Q21, we launched 13 new products exclusively for the foreign market, 9 of which were in the Cookies & Crackers category.

• Productivity and Efficiency

Optimization of the Number of SKUs:

- ✓ 122 SKUs discontinued until 09/30/2021.

Adjustment of the Industrial and Logistics Footprint

- ✓ Two distribution centers were shut down in 2Q21; and
- ✓ Plans for stoppage of lines have been suspended since 2Q21 due to recovery in volumes.

Corporate Restructuring

- ✓ In April of this year, M. Dias Branco decided to hire a consultancy specialized in productivity (Gradus) to redesign its organizational structure in order to adapt it to the strategy and market challenges. The project involved the participation of leaders from all areas of the company and, so far, has resulted in a recurring and structural reduction of more than R\$50 MM in personnel expenses per year, including in-house and outsourced employees.

This reduction will be fully materialized in 2022 as the highest volume of dismissals occurred in the 3Q21. Until September, the amount with terminations of dismissals was offset by the respective reductions in personnel expenses per year.

• EBITDA

We ended 3Q21 with an EBITDA of R\$286.6 million and an EBITDA margin of 13.1%. The increase in EBITDA over 2Q21 reflects our growth in sales, our productivity and efficiency programs, and a higher dilution of fixed costs and expenses. In comparison to 3Q20, we had unfavorable impacts arising from exchange rate and lower volumes. In terms of non-recurring items, we had a positive impact of R\$17.3 million (R\$9.9 million in adjustment of the acquisition value of Piraquê, R\$3.2 million in extemporaneous tax credits, and R\$4.2 million in other gains) and a negative impact of R\$19.2 million (R\$5.8 million from COVID-19 expenses and R\$13.4 million in restructuring expenses).

EBITDA 2Q21 (R\$ MM)	167.2	EBITDA 3Q20 (R\$ MM)	328.0
Operational Effects ⁽¹⁾	114.4	Operational Effects ⁽¹⁾	-29.1
Subtotal	281.6	Subtotal	298.9
Exchange ⁽²⁾	6.9	Exchange ⁽²⁾	-10.4
Subtotal	288.5	Subtotal	288.5
Non-Recurring Gains ⁽³⁾	17.3	Non-Recurring Gains ⁽³⁾	17.3
Expenses with COVID-19	-5.8	Expenses with COVID-19	-5.8
Restructuring Expenses	-13.4	Restructuring Expenses	-13.4
EBITDA 3Q21 (R\$ MM)	286.6	EBITDA 3Q21 (R\$ MM)	286.6

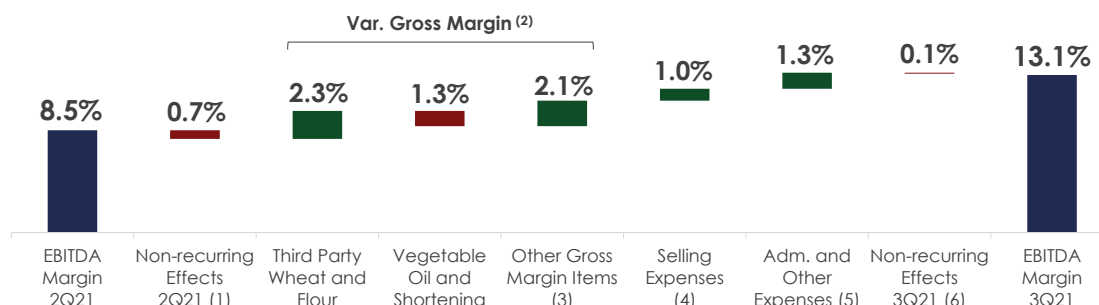
(1) Price Effect, Sales Volume, Recurring Expenses, Costs (without Exchange Effect) and Recurring Gains with Efficiency and Productivity Program.

(2) Impact of the Real against the Dollar. It does not take into account the price variations of commodities in Dollars.

(3) Non-Recurring Gains: (i) adjustment of the acquisition value of Piraquê, (ii) PIS/COFINS credit and (iii) others.

When comparing 3Q21 versus 2Q21, as shown below, the improvement in EBITDA margin was due to a higher dilution of fixed costs and expenses, higher production volumes, and recurring gains in productivity and efficiency. The positive effect from third-party wheat and flour was due to a better mix of products sold, in particular for Cookies & Crackers.

Variation of EBITDA Margin (%NR) 3Q21 vs. 2Q21



⁽¹⁾ Note: Non-recurring effects of 2Q21.

⁽²⁾ Note: % Variation in gross margin without considering the representativeness of the depreciation of the COGS over net revenue.

⁽³⁾ Note: Disregards the non-recurring effects on the cost with COVID-19 (R\$ 4.8 million).

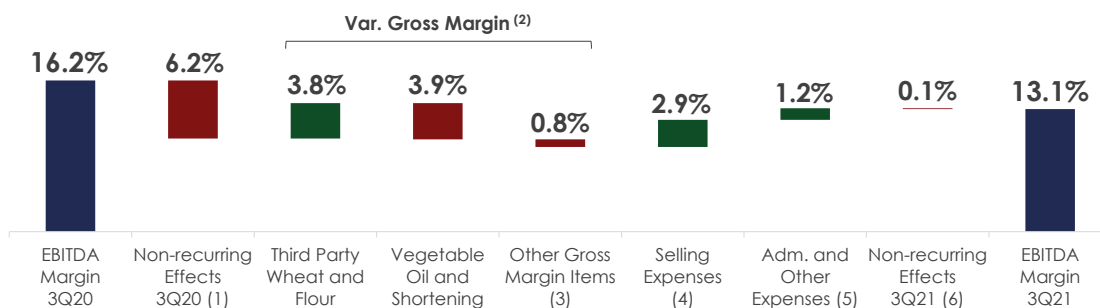
⁽⁴⁾ Note: Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million) and restructuring expenses (R\$ 1.7 million).

⁽⁵⁾ Note: Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million), restructuring expenses (R\$ 11.7 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

⁽⁶⁾ Note: Non-recurring effects of 3Q21 with expenses and costs with COVID-19 (R\$ 5.8 million), restructuring expenses (R\$ 13.4 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

Compared to 3Q20, the drop in volumes and increase in commodities pressured our margins. On the other hand, productivity and efficiency initiatives resulted in structural and recurring gains.

Variation of EBITDA Margin (%NR) 3Q21 vs. 3Q20



(1) Note: Non-recurring effects of 3Q20.

(2) Note: % Variation in gross margin without considering the representativeness of the depreciation of the COGS over net revenue.

(3) Note: Disregards the non-recurring effects on the cost with COVID-19 (R\$ 4.8 million).

(4) Note: Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million) and restructuring expenses (R\$ 1.7 million).

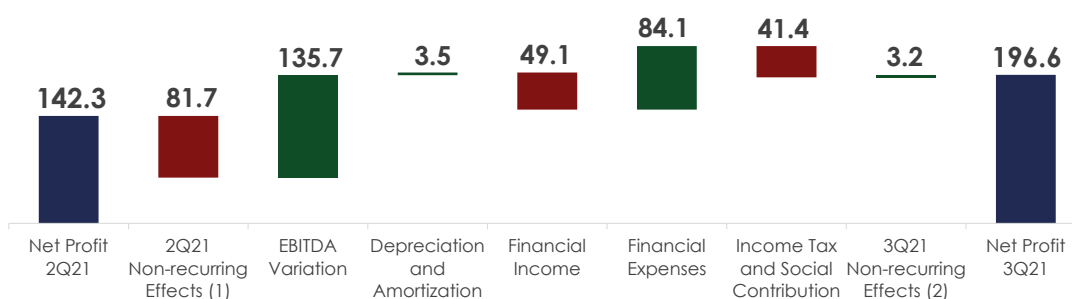
(5) Note: Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million), restructuring expenses (R\$ 11.7 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

(6) Note: Non-recurring effects of 3Q21 with expenses and costs with COVID-19 (R\$ 5.8 million), restructuring expenses (R\$ 13.4 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

• Net Income

Net income totaled R\$196.6 million, 38.2% higher than in 2Q21 and 25.9% lower than in 3Q20. When compared to 2Q21, we highlight the growth in EBITDA, as mentioned above. In relation to 3Q20, the drop was due to non-recurring effects from extemporaneous tax credits recognized in 3Q20, in the amount of R\$151.1 million (R\$3.2 million in 3Q21).

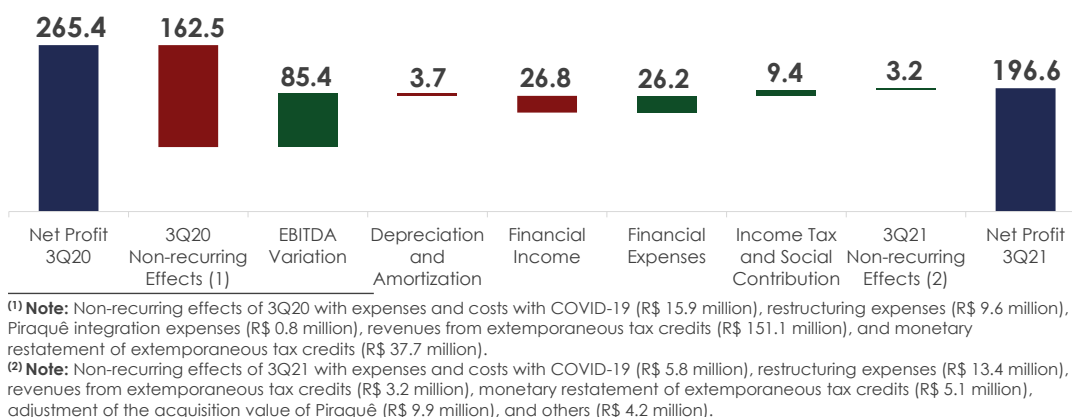
Net Income Variation 3Q21 vs. 2Q21 (R\$ MM)



(1) Note: Non-recurring effects of 2Q21 with expenses and costs with COVID-19 (R\$ 6.7 million), restructuring expenses (R\$ 8.7 million), revenues from extemporaneous tax credits (R\$ 29.6 million), monetary restatement of extemporaneous tax credits (R\$ 37.8 million), and credits from the final and unappealable decision of a lawsuit for the exclusion of IRPJ/CSLL taxes on a tax calculation basis (R\$ 29.7 million).

(2) Note: Non-recurring effects of 3Q21 with expenses and costs with COVID-19 (R\$ 5.8 million), restructuring expenses (R\$ 13.4 million), revenues from extemporaneous tax credits (R\$ 3.2 million), monetary restatement of extemporaneous tax credits (R\$ 5.1 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

Net Income Variation 3Q21 vs. 3Q20 (R\$ MM)



• **Investments**

In 3Q21, we invested R\$43.1 million (20.8% lower than in 3Q20), and investments totaled R\$135.4 million in 9M21 (12.9% lower than in 9M20). We highlight the following: (i) the acquisition of equipment for the Bento Gonçalves (RS) unit; (ii) adjustments for the storage of inputs and packaging at the distribution center in Madureira (RJ); and (iii) implementation of a managing production system at the Fábrica Fortaleza (CE) unit.

• **Debt, Capitalization and Cash**

In the quarter, net cash generated by operating activities totaled R\$426.2 million (3x higher than in 3Q20). We ended the quarter with a cash position of R\$1.9 billion (R\$1.3 billion in 3Q20) and a gross debt of R\$1.8 billion (R\$1.7 billion in 3Q20), resulting in a net cash position of 0.1x over the result for the last 12 months. The increase in cash was due to better working capital management, in which we emphasize the renegotiation of terms with supplier.

MDIA
B3 LISTED NM

IBRAB3 ICONB3 IGC B3 IGC-NMB3
IGCTB3 INDXB3 ISEB3 ITAGB3 SMLLB3

MSCI*
ESG RATINGS
A

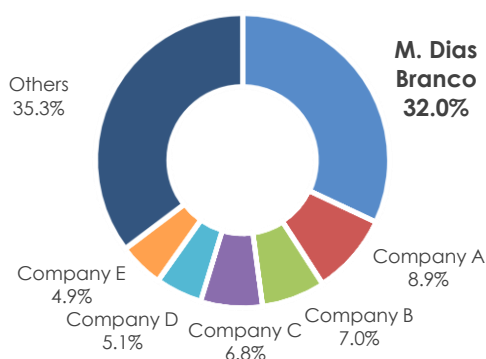
As of 2021, M. Dias Branco received an MSCI ESG Rating of A (on a scale of AAA-CCC). More information available at: <https://ri.mdiasbranco.com.br/en/noticia/msci-esg-rating-of-a/>

MARKET HIGHLIGHTS

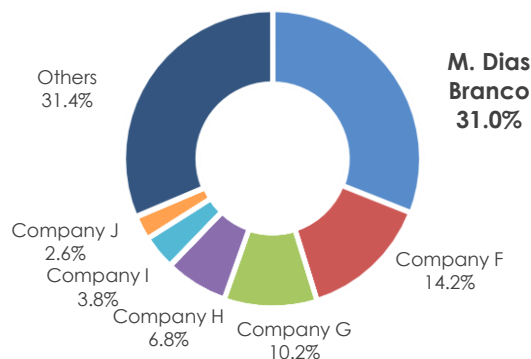
MARKET SHARE

The graphs below illustrate the Brazilian market share (in % of sales volume) of M. Dias Branco, the Brazilian leader in the Cookies & Crackers and Pasta categories, against its main competitors between January and August 2021.

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



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



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

Note: Nielsen updated numbers before Jun/21.

SALES CHANNELS

When comparing 3Q21 to 3Q20, the Key Account and Regional Networks channels gained more representativeness in our customer mix. On the other hand, the Cash & Carry channel, which is more sensitive to price readjustments, reduced in representativeness.

Client Mix	3Q21	3Q20	Variation	2Q21	Variation	9M21	9M20	Variation
Small Retail	25.7%	26.4%	-0.7 p.p	25.5%	0.2 p.p	26.2%	26.9%	-0.7 p.p
Wholesale	20.8%	21.6%	-0.8 p.p	20.8%	0 p.p	21.0%	23.1%	-2.1 p.p
Key Accounts / Regional Chains	24.4%	20.1%	4.3 p.p	22.9%	1.5 p.p	23.1%	20.0%	3.1 p.p
Cash and Carry	16.5%	19.8%	-3.3 p.p	16.8%	-0.3 p.p	16.2%	18.8%	-2.6 p.p
Distributors	8.6%	7.7%	0.9 p.p	8.6%	0 p.p	8.4%	7.0%	1.4 p.p
Industry	1.3%	1.0%	0.3 p.p	1.8%	-0.5 p.p	1.6%	0.9%	0.7 p.p
Other	2.7%	3.4%	-0.7 p.p	3.6%	-0.9 p.p	3.5%	3.3%	0.2 p.p
TOTAL	100.0%	100.0%		100.0%		100.0%	100.0%	

Note: Client mix, considering gross revenue excluding discounts and returns.

Major Clients		Sales 3Q21 (R\$ million) *	Gross Revenue Excluding Discounts and Returns (%)		Sales 9M21 (R\$ million) *	Gross Revenue Excluding Discounts and Returns (%)	
Sequence	Accumulated		Individual	Accumulated		Individual	Accumulated
Major Client	1	239.0	9.3%	9.3%	597.6	9.0%	9.0%
49 Subsequent	50	791.9	30.9%	40.2%	1,965.3	29.7%	38.7%
50 Subsequent	100	187.4	7.3%	47.5%	494.7	7.5%	46.2%
900 Subsequent	1,000	763.0	29.8%	77.3%	1,966.4	29.8%	76.0%
Other Clients	All clients	581.8	22.7%	100.0%	1,582.6	24.0%	100.0%
TOTAL		2,563.1			6,606.6		

* Gross revenue excluding discounts and returns.

OPERATIONAL HIGHLIGHTS

PRODUCTION CAPACITY UTILIZATION RATE

In 3Q21, production volume and capacity utilization levels decreased by 17.4% and 16.1 p.p., respectively, over 3Q20. The drop was due to a more difficult comparison base in 3Q20, since we had a temporary and atypical increase in demand during this period.

When compared to 2Q21, production volume increased by 5.4%, mainly in the Cookies & Crackers and Margarine and Vegetable Shortening categories. The increase in production volumes resulted in better utilization levels, which improved by 2 p.p., increasing from 63.8% in 2Q21 to 65.8% in 3Q21.

Effective Production / Production Capacity *	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products **		Total	
	3Q21	3Q20	3Q21	3Q20	3Q21	3Q20	3Q21	3Q20	3Q21	3Q20	3Q21	3Q20
Total Production	152.8	176.0	107.5	128.5	409.7	511.5	48.9	54.0	4.2	5.1	723.1	875.1
Total Production Capacity	233.1	233.1	143.8	151.5	622.9	579.9	90.0	93.7	9.0	9.9	1,098.8	1,068.1
Capacity Utilization	65.6%	75.5%	74.8%	84.8%	65.8%	88.2%	54.3%	57.6%	46.7%	51.5%	65.8%	81.9%

* Thousand tonnes

** Cakes, snacks, cake mix and packaged toast

Effective Production / Production Capacity *	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products **		Total	
	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21
Total Production	152.8	138.7	107.5	102.3	409.7	397.9	48.9	42.5	4.2	4.6	723.1	686.0
Total Production Capacity	233.1	220.6	143.8	140.4	622.9	616.0	90.0	90.0	9.0	8.7	1,098.8	1,075.7
Capacity Utilization	65.6%	62.9%	74.8%	72.9%	65.8%	64.6%	54.3%	47.2%	46.7%	52.9%	65.8%	63.8%

* Thousand tonnes

** Cakes, snacks, cake mix and packaged toast

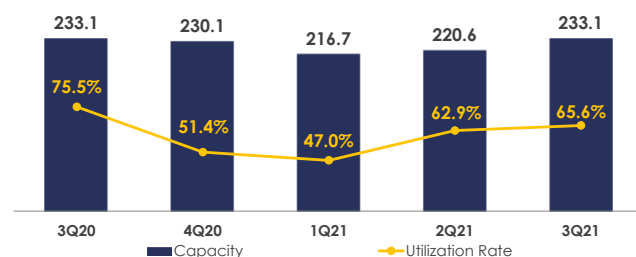
Effective Production / Production Capacity *	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products **		Total	
	9M21	9M20	9M21	9M20	9M21	9M20	9M21	9M20	9M21	9M20	9M21	9M20
Total Production	393.3	480.2	288.1	369.4	1,129.7	1,426.6	130.9	144.6	12.6	13.3	1,954.6	2,434.1
Total Production Capacity	670.4	666.0	420.0	434.8	1,848.0	1,739.7	270.0	295.7	27.5	29.0	3,235.9	3,165.2
Capacity Utilization	58.7%	72.1%	68.6%	85.0%	61.1%	82.0%	48.5%	48.9%	45.8%	45.9%	60.4%	76.9%

* Thousand tonnes

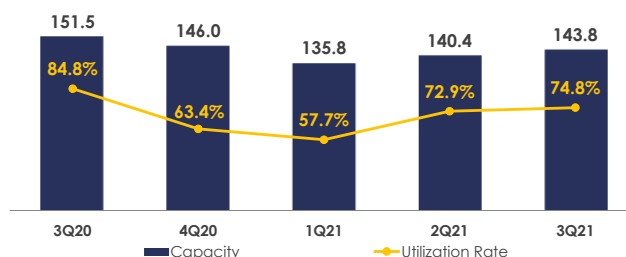
** Cakes, snacks, cake mix and packaged toast

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..

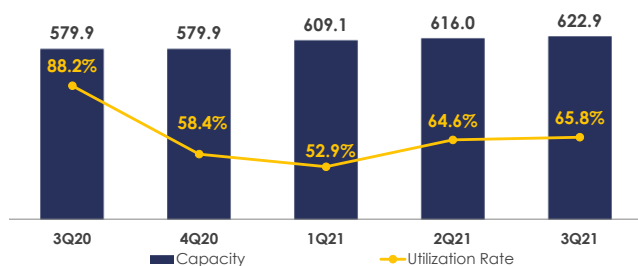
Production Capacity ('000 tonnes) and Utilization Rate - Cookies and Crackers (%)



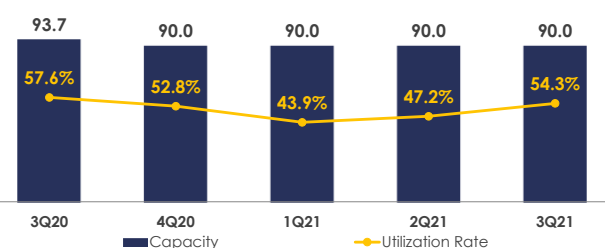
Production Capacity ('000 tonnes) and Utilization Rate - Pasta (%)



Production Capacity ('000 tonnes) and Utilization Rate - Wheat Flour and Bran (%)



Production Capacity ('000 tonnes) and Utilization Rate - Margarine and Vegetable (%)

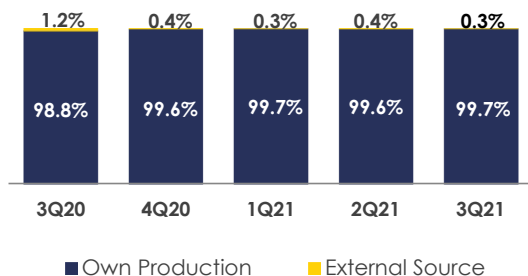


VERTICAL INTEGRATION

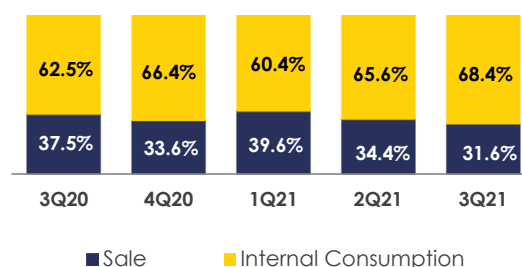
Maintained high levels for both wheat flour and vegetable shortening.

WHEAT FLOUR

COMPANY'S CONSUMPTION

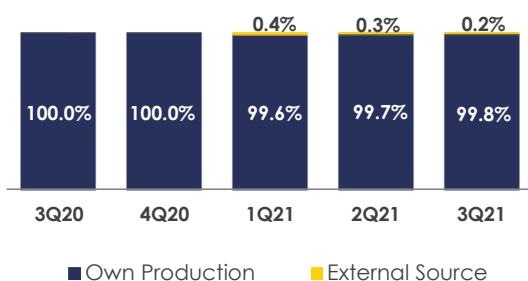


PRODUCTION ALLOCATION

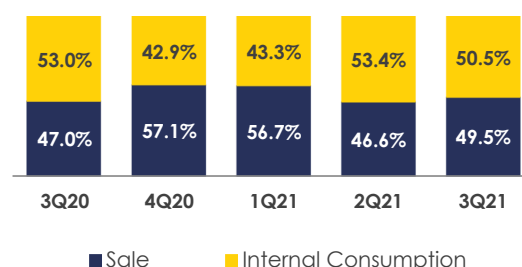


VEGETABLE SHORTENING

COMPANY'S CONSUMPTION



PRODUCTION ALLOCATION



Note: In the Company's consumption charts, we show the origin of the wheat flour and vegetable shortening consumed in the period, highlighting the 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

Net revenue increased 7.4% in 3Q21 over 3Q20, with an average increase of 31.7% in prices, offsetting the 18.3% retraction in volumes.

Segment	3Q21			3Q20			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	1,128.9	143.6	7.86	1,017.6	156.9	6.49	10.9%	-8.5%	21.1%
Pasta	459.1	96.4	4.76	457.8	122.0	3.75	0.3%	-21.0%	26.9%
Wheat Flour and Bran	386.7	188.2	2.05	396.5	250.1	1.59	-2.5%	-24.8%	28.9%
Margarine and Vegetable Shortening	161.7	24.2	6.68	115.6	25.0	4.62	39.9%	-3.2%	44.6%
Other products **	43.4	4.0	10.85	41.5	4.6	9.02	4.6%	-13.0%	20.3%
TOTAL	2,179.8	456.4	4.78	2,029.0	558.6	3.63	7.4%	-18.3%	31.7%

* Net Revenue in R\$ million, Weight excluding sales returns in thousand tonnes and Net Average Price in R\$/Kg.

** Cakes, snacks, cake mix, juice powder and packaged toast.

We present below some of our launches and sales and marketing initiatives carried out in 3Q21:



Launches: 25 products were launched, in which we highlight higher added value items with average prices (R\$/Kg) above the average prices in the cookies category (R\$ 6.49/Kg), such as the chocolate covered wafers from Piraquê and Vitarella brands, with average prices of R\$21.9/Kg and R\$22.3/Kg, respectively, in addition to Richester's chocolate chip cookies (R\$15.4/Kg).

Investments in marketing and sales: We highlight the "Tem diferença tem sabor" campaign for Vitarella, which positioned the brand's new packaging; "Grano Duro – Inverno" for the Adria brand; "Chocowafer" for the Richester brand; and Piraquê's "Comida di Buteco" media campaign.



EARNINGS RELEASE

3Q21 & 9M21



Net revenue increased 10.2% in 3Q21 over 2Q21 due to an 8.9% increase in average price and a 1.4% increase in sales volume.

Segment	3Q21			2Q21			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	1,128.9	143.6	7.86	1,010.3	138.5	7.29	11.7%	3.7%	7.8%
Pasta	459.1	96.4	4.76	458.8	103.4	4.44	0.1%	-6.8%	7.2%
Wheat Flour and Bran	386.7	188.2	2.05	357.2	185.5	1.93	8.3%	1.5%	6.2%
Margarine and Vegetable Shortening	161.7	24.2	6.68	111.4	18.7	5.96	45.2%	29.4%	12.1%
Other products **	43.4	4.0	10.85	40.9	4.1	9.98	6.1%	-2.4%	8.7%
TOTAL	2,179.8	456.4	4.78	1,978.6	450.2	4.39	10.2%	1.4%	8.9%

* Net Revenue in R\$ million, Weight excluding sales returns in thousand tonnes and Net Average Price in R\$/Kg.

** Cakes, snacks, cake mix, juice powder and packaged toast.

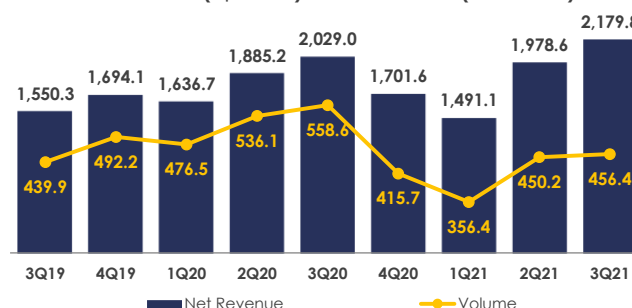
Net revenue grew by 1.8% in 9M21 over 9M20 due to a 26.6% adjustment in average prices, offsetting the 19.6% decrease in volumes.

Segment	9M21			9M20			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	2,845.8	379.1	7.51	2,857.2	448.2	6.37	-0.4%	-15.4%	17.9%
Pasta	1,233.8	271.4	4.55	1,300.7	356.6	3.65	-5.1%	-23.9%	24.7%
Wheat Flour and Bran	1,070.0	537.5	1.99	994.4	691.4	1.44	7.6%	-22.3%	38.2%
Margarine and Vegetable Shortening	382.8	63.4	6.04	288.5	63.4	4.55	32.7%	0.0%	32.7%
Other products **	117.1	11.6	10.09	110.1	11.6	9.49	6.4%	0.0%	6.3%
TOTAL	5,649.5	1,263.0	4.47	5,550.9	1,571.2	3.53	1.8%	-19.6%	26.6%

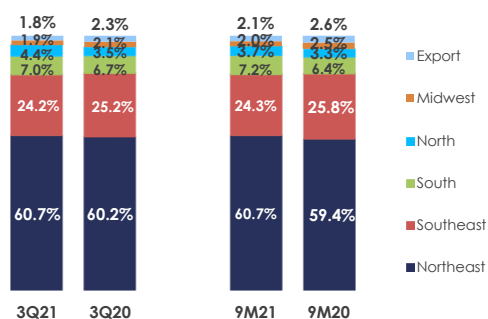
* Net Revenue in R\$ million, Weight excluding sales returns in thousand tonnes and Net Average Price in R\$/Kg.

** Cakes, snacks, cake mix, juice powder and packaged toast.

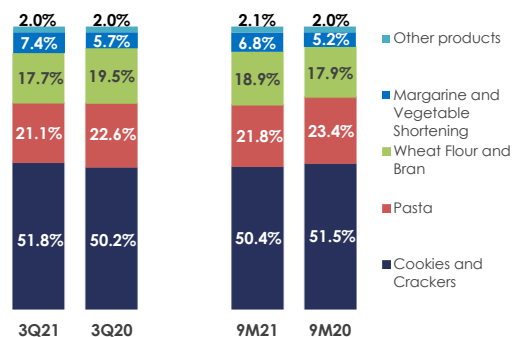
Net Revenue (R\$ million) and Net Volume ('000 tonnes)



Sales by Region (% Gross Revenue excluding Discounts and Returns)



Net Revenue Breakdown



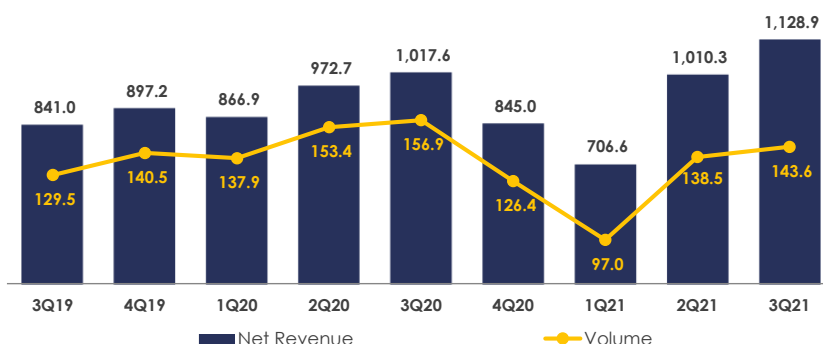
HIGHLIGHTS – COOKIES & CRACKERS

Net revenue for the Cookies & Crackers segment increased 10.9% in 3Q21 over 3Q20, as sales volume fell 8.5% and the average price rose 21.1%.

Net revenue grew 11.7% in 3Q21 compared to 2Q21 due to a 3.7% increase in sales volume and a 7.8% increase in average price. We highlight the increase in volume for the North region and exports, which recorded double-digit growth. In subcategories, we highlight the growth in sales of products such as stuffed cookies and wafers.

In terms of launchings, we recorded a gross revenue of R\$79.7 million for products launched in 3Q21, increasing 29.8% over 3Q20 and 15.7% over 2Q21, totaling 122 new products/flavors launched in the last 24 months (96 in 3Q20 and 116 in 2Q21).

Cookies and Crackers - Net Revenue (R\$ million) and Net Volume ('000 tonnes)

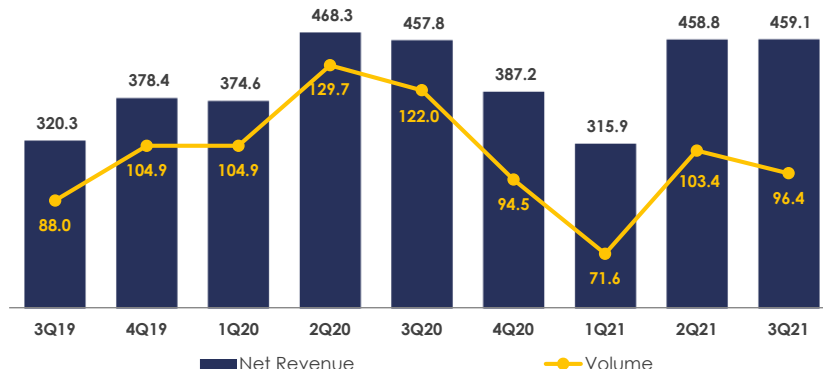


HIGHLIGHTS – PASTA

Net revenue from the Pasta category increased 0.3% in 3Q21 vs. 3Q20, with a 21.0% drop in volume, which was offset by a 26.9% increase in average price.

When compared to 2Q21, net revenue remained stable, with a 6.8% drop in volume and a 7.2% increase in average price. We highlight the growth in volumes for the North region and the growth in the instant pasta subcategory.

Pasta - Net Revenue (R\$ million) and Net Volume ('000 tonnes)

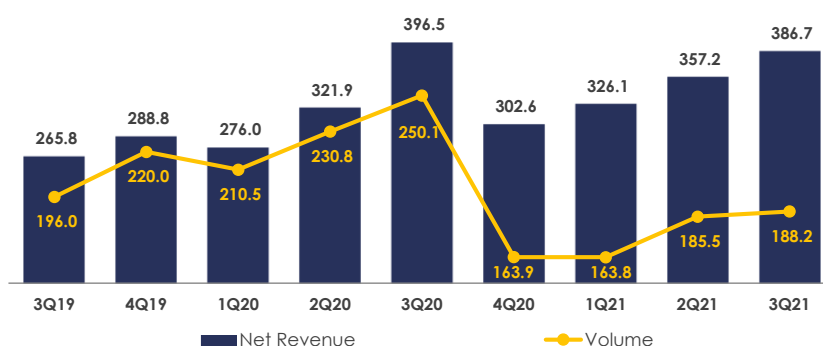


HIGHLIGHTS – WHEAT FLOUR AND BRAN

Net revenue from Wheat Flour and Bran fell 2.5% in 3Q21 vs. 3Q20, with a 24.8% drop in volumes and a 28.9% increase in average price.

Net revenue grew 8.3% in 3Q21 compared to 2Q21 due to a 1.5% increase in sales volume and a 6.2% increase in the average price. We highlight the performance of our domestic wheat flour category, which recorded higher revenues, volumes, and average price in the Northeast region.

Wheat Flour and Bran - Net Revenue (R\$ million) and Net Volume ('000 tonnes)

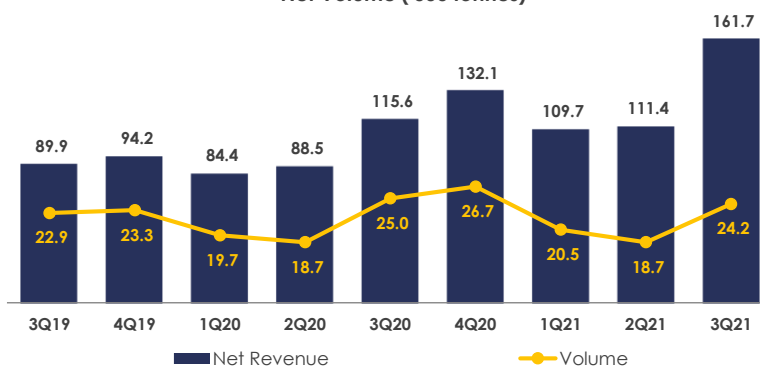


HIGHLIGHTS – MARGARINE AND VEGETABLE SHORTENING

Net revenue from the Margarine and Vegetable Shortening category increased 39.9% in 3Q21 over 3Q20, as sales volume declined 3.2% and the average price rose 44.6%.

Net revenue grew 45.2% in 3Q21 over 2Q21, due to a 29.4% increase in sales volume and a 12.1% increase in average price. We highlight the increase in volumes in the North and Northeast regions.

Margarine and Vegetable Shortening - Net Revenue (R\$ million) and Net Volume ('000 tonnes)



COSTS

COGS (R\$ million)	3Q21	% Net Rev.	3Q20	% Net Rev.	Variation	2Q21	% Net Rev.	Variation	9M21	% Net Rev.	9M20	% Net Rev.	Variation
Raw material	1,134.3	52.0%	1,050.6	51.8%	8.0%	1,054.0	53.3%	7.6%	2,962.8	52.4%	2,659.9	47.9%	11.4%
Wheat	699.6	32.1%	726.6	35.8%	-3.7%	680.5	34.4%	2.8%	1,878.3	33.2%	1,810.7	32.6%	3.7%
Vegetable Oil	262.3	12.0%	166.2	8.2%	57.8%	213.1	10.8%	23.1%	634.0	11.2%	418.0	7.5%	51.7%
Sugar	59.7	2.7%	49.4	2.4%	20.9%	56.7	2.9%	5.3%	155.1	2.7%	138.0	2.5%	12.4%
Third Party Flour	1.8	0.1%	2.9	0.1%	-37.9%	2.2	0.1%	-18.2%	5.5	0.1%	14.0	0.3%	-60.7%
Third Party Vegetable Shortening	0.5	0.0%	0.1	0.0%	n/a	0.5	0.0%	0.0%	1.3	0.0%	2.9	0.1%	-55.2%
Other	110.4	5.1%	105.4	5.2%	4.7%	101.0	5.1%	9.3%	288.6	5.1%	276.3	5.0%	4.5%
Packages	149.7	6.9%	132.5	6.5%	13.0%	131.3	6.6%	14.0%	376.5	6.7%	362.7	6.5%	3.8%
Labor	157.1	7.2%	155.6	7.7%	1.0%	172.8	8.7%	-9.1%	478.1	8.5%	467.2	8.4%	2.3%
Indirect costs	130.8	6.0%	116.6	5.7%	12.2%	134.4	6.8%	-2.7%	372.3	6.6%	334.5	6.0%	11.3%
Depreciation and amortization	44.6	2.0%	43.3	2.1%	3.0%	48.7	2.5%	-8.4%	135.7	2.4%	130.7	2.4%	3.8%
Total	1,616.5	74.2%	1,498.6	73.9%	7.9%	1,541.2	77.9%	4.9%	4,325.4	76.6%	3,955.0	71.2%	9.4%

In 3Q21, the cost of goods sold increased 7.9% over 3Q20, in absolute terms, and accounted for 74.2% of net revenue in the period (73.9% in 3Q20). We list below the main impacts on the cost of goods sold.

3Q21 vs. 3Q20

Negative Impacts

- A 17.4% decrease in production volume; and
- Increase of 26.4%, 77.7%, and 36.0% in the average cost (R\$) of wheat, oil, and sugar, respectively.

Positive Impacts

- Improvement in the mix of volumes sold, in particular for the Cookies & Crackers category.

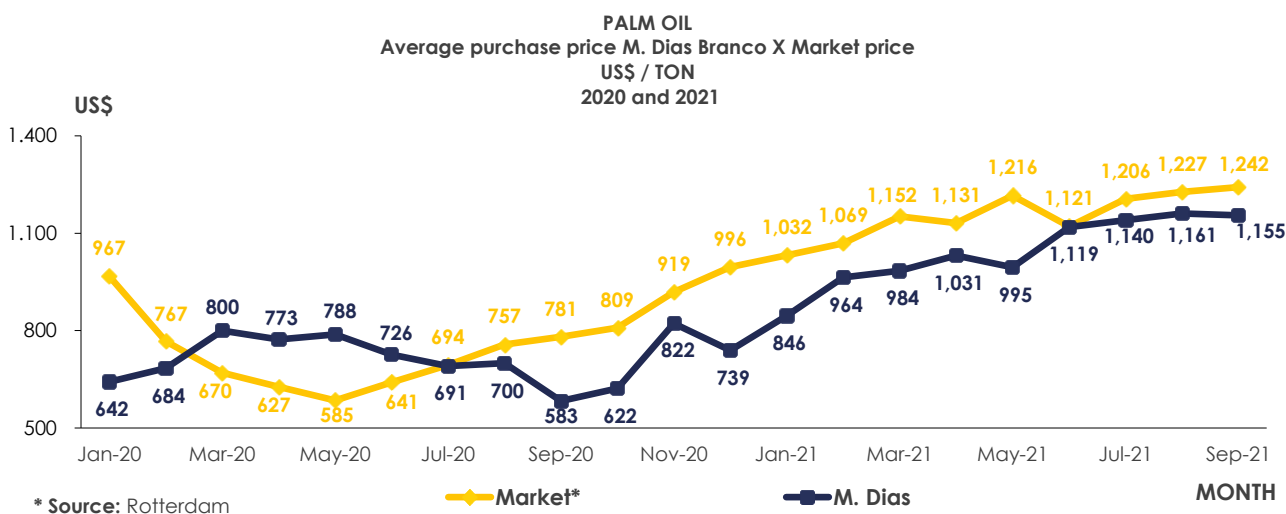
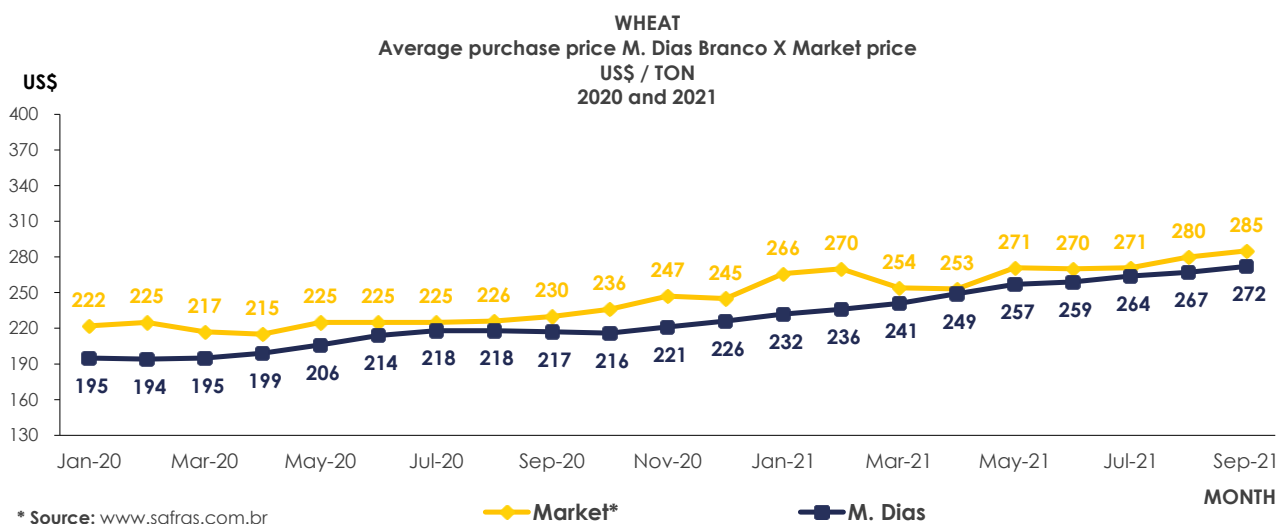
3Q21 vs. 2Q21

Negative Impacts

- Increase of 8.4%, 7.5%, and 3.4% in the average cost (R\$) of wheat, oil, and sugar, respectively.

Positive Impacts

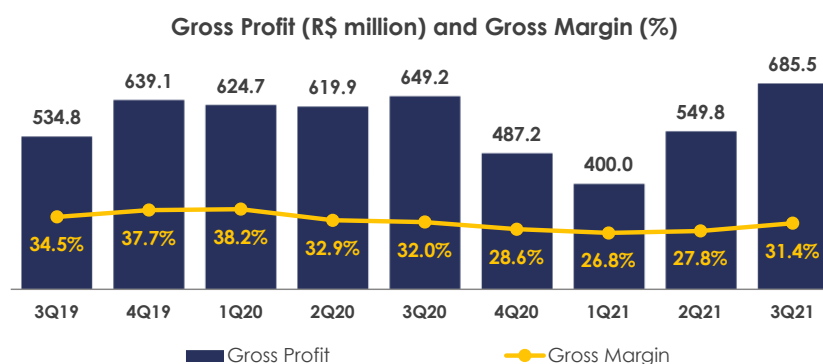
- A 5.4% increase in production volume, resulting in a better dilution of fixed costs; and
- Improvement in the mix of volumes sold, in particular for the Cookies & Crackers category.



GROSS PROFIT

Gross profit increased 5.6% in 3Q21 over 3Q20, with a 0.6 p.p. decline in gross margin. The drop was caused by lower volumes sold and higher costs for main commodities. When compared to 2Q21, as shown in the chart below, we show a recovery in margin due to better price management, higher dilution of fixed costs, improvement in the mix of categories sold, in which we highlight the Cookies & Cracker category, and the productivity and efficiency initiatives.

It is important to highlight that gross profit includes subsidies for state investments totaling R\$122.2 million in 3Q21 (R\$118.8 million in 3Q20), which pass through results in compliance with CPC 07 and IAS 20 - 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:

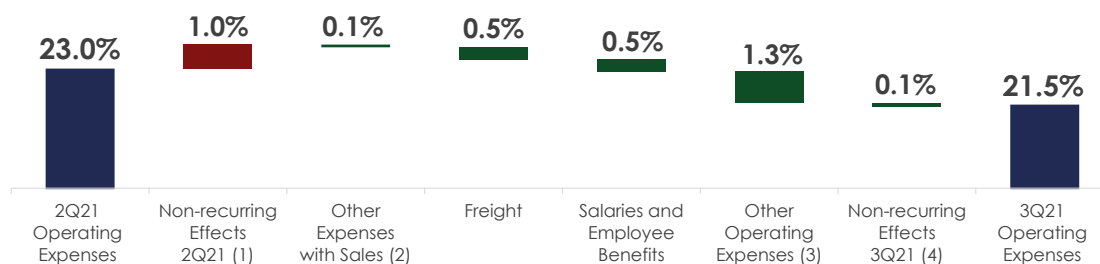
Operating Expenses (R\$ million)	3Q21	% Net Rev.	3Q20	% Net Rev.	Variation	2Q21	% Net Rev.	Variation	9M21	% Net Rev.	9M20	% Net Rev.	Variation
Selling*	361.1	16.6%	400.1	19.7%	-9.7%	347.4	17.6%	3.9%	1,038.0	18.4%	1,139.0	20.5%	-8.9%
Administrative	65.2	3.0%	66.4	3.3%	-1.8%	61.6	3.1%	5.8%	183.4	3.2%	193.6	3.5%	-5.3%
Donations	3.0	0.1%	8.1	0.4%	-63.0%	9.2	0.5%	-67.4%	23.1	0.4%	13.7	0.2%	68.6%
Taxes	9.5	0.4%	8.1	0.4%	17.3%	9.4	0.5%	1.1%	26.0	0.5%	19.4	0.3%	34.0%
Depreciation and amortization	25.8	1.2%	23.4	1.2%	10.3%	25.2	1.3%	2.4%	75.0	1.3%	61.0	1.1%	23.0%
Other operating expenses/(revenue)	4.1	0.2%	-119.9	-5.9%	n/a	2.5	0.1%	64.0%	-3.7	-0.1%	-127.2	-2.3%	-97.1%
TOTAL	468.7	21.5%	386.2	19.0%	21.4%	455.3	23.0%	2.9%	1,341.8	23.8%	1,299.5	23.4%	3.3%

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

In 3Q21, we recorded favorable effects from the productivity and efficiency programs. Selling and administrative expenses as a percentage of net revenue fell in 3Q20 over 2Q21.

It is important to remember that in 3Q20, we had favorable non-recurring effects (R\$134.8 million), mainly due to revenue from extemporaneous tax credits, which create a more difficult comparison base.

Evolution Operating Expenses 3Q21 vs. 2Q21 (%NR)



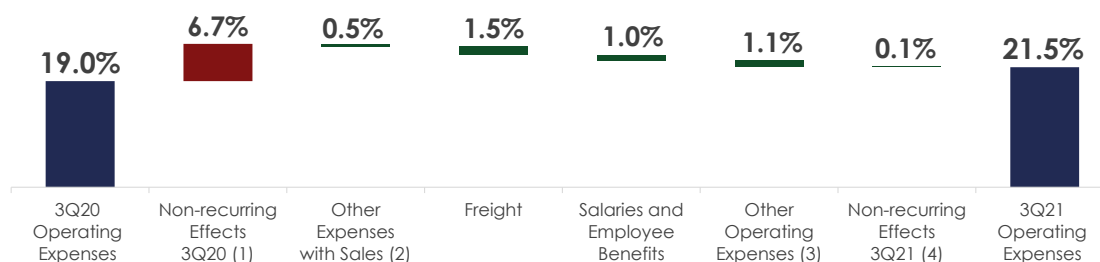
(1) **Note:** Non-recurring effects of 2Q21.

(2) **Note:** Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million) and restructuring expenses (R\$ 1.7 million).

(3) **Note:** Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million), restructuring expenses (R\$ 11.7 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

(4) **Note:** Non-recurring effects of expenses with COVID-19 (R\$ 1.0 million), restructuring expenses (R\$ 13.4 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

Evolution Operating Expenses 3Q21 vs. 3Q20 (%NR)



(1) **Note:** Non-recurring effects of 3Q20.

(2) **Note:** Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million) and restructuring expenses (R\$ 1.7 million).

(3) **Note:** Disregards the non-recurring effects of expenses with COVID-19 (R\$ 0.5 million), restructuring expenses (R\$ 11.7 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

(4) **Note:** Non-recurring effects of expenses with COVID-19 (R\$ 1.0 million), restructuring expenses (R\$ 13.4 million), revenues from extemporaneous tax credits (R\$ 3.2 million), adjustment of the acquisition value of Piraquê (R\$ 9.9 million), and others (R\$ 4.2 million).

FINANCIAL RESULT

Financial Income (R\$ million)	3Q21	3Q20	Variation	2Q21	Variation	9M21	9M20	Variation
Financial Revenue	33.9	48.0	-29.4%	54.4	-37.7%	114.3	71.8	59.2%
Financial Expenses	-51.9	-31.1	66.9%	-46.7	11.1%	-123.4	-68.8	79.4%
Exchange Variation	-33.6	-19.3	74.1%	60.0	n/a	-40.6	-222.1	-81.7%
Losses/Gains on derivatives	49.0	32.9	48.9%	-72.8	n/a	48.1	243.0	-80.2%
TOTAL	-2.6	30.5	-108.5%	-5.1	-78.7%	-1.6	23.9	-106.7%

The negative result in 3Q21 vs. 3Q20 was mainly due to: (i) lower financial income arising from the reduction in monetary restatements on extemporaneous credits; (ii) higher financial interest expenses and monetary restatement on debentures; and (iii) increase in negative exchange rate variation due to the devaluation of the Real against the Dollar, offset by gains on protection derivatives financial instruments.

TAXES ON INCOME

In 3Q21, we recorded provisions for income tax and social contribution (IRPJ and CSLL) of R\$17.0 million against a provision of R\$26.4 million in 3Q20. This 35.6% reduction was due to the 25.9% drop in net income.

Income and Social Contribution Taxes (R\$ million)	3Q21	3Q20	Variation	9M21	9M20	Variation
Income and Social Contribution Taxes	19.0	56.1	-66.1%	-63.0	95.1	n/a
Income Tax Incentive	-2.0	-29.7	-93.3%	-2.0	-35.6	-94.4%
TOTAL	17.0	26.4	-35.6%	-65.0	59.5	n/a

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 value 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 3Q21, was recognized R\$ 3.5 million about tax benefit resulting from amortization. This amount was R\$9.1 million in 9M21.

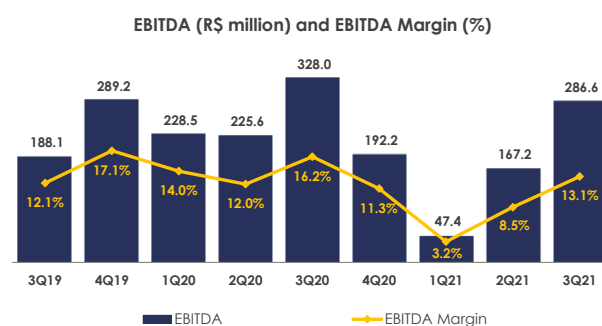
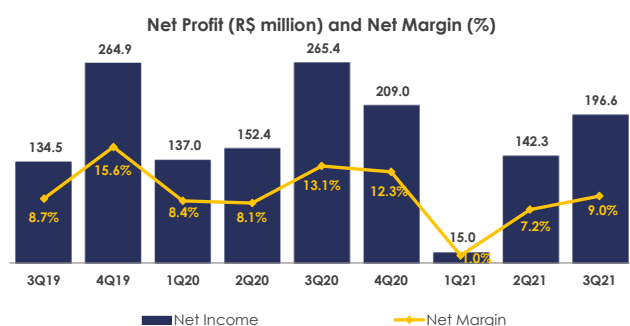
EBITDA AND NET INCOME

EBITDA – NET INCOME

EBITDA CONCILIATION (R\$ million)	3Q21	3Q20	Variation	2Q21	Variation	9M21	9M20	Variation
Net Profit	196.6	265.4	-25.9%	142.3	38.2%	353.9	554.8	-36.2%
Income Tax and Social Contribution	19.0	56.1	-66.1%	-54.1	n/a	-63.0	95.1	n/a
Income Tax Incentive	-2.0	-29.7	-93.3%	0.0	n/a	-2.0	-35.6	-94.4%
Financial Revenue	-40.9	-100.2	-59.2%	-122.5	-66.6%	-208.8	-137.6	51.7%
Financial Expenses	43.5	69.7	-37.6%	127.6	-65.9%	210.4	113.7	85.0%
Depreciation and Amortization of cost of goods	44.6	43.3	3.0%	48.7	-8.4%	135.7	130.7	3.8%
Depreciation and Amortization Adm/Com Expenses	25.8	23.4	10.3%	25.2	2.4%	75.0	61.0	23.0%
EBITDA	286.6	328.0	-12.6%	167.2	71.4%	501.2	782.1	-35.9%
EBITDA Margin	13.1%	16.2%	-3.1 p.p	8.5%	4.6 p.p	8.9%	14.1%	-5.2 p.p

EBITDA – NET REVENUE

EBITDA CONCILIATION (R\$ million)	3Q21	3Q20	Variation	2Q21	Variation	9M21	9M20	Variation
Net Revenue	2,179.8	2,029.0	7.4%	1,978.6	10.2%	5,649.5	5,550.9	1.8%
Cost of goods sold	-1,616.5	-1,498.6	7.9%	-1,541.2	4.9%	-4,325.4	-3,955.0	9.4%
Depreciation and Amortization of cost of goods	44.6	43.3	3.0%	48.7	-8.4%	135.7	130.7	3.8%
Tax Incentive (ICMS)	122.2	118.8	2.9%	112.4	8.7%	311.2	297.9	4.5%
Operating Expenses	-468.7	-386.2	21.4%	-455.3	2.9%	-1,341.8	-1,299.5	3.3%
Equity in net income of subsidiaries	-0.6	-1.7	-64.7%	-1.2	-50.0%	-3.0	-3.9	-23.1%
Depreciation and Amortization Adm/Com Expenses	25.8	23.4	10.3%	25.2	2.4%	75.0	61.0	23.0%
EBITDA	286.6	328.0	-12.6%	167.2	71.4%	501.2	782.1	-35.9%
EBITDA Margin	13.1%	16.2%	-3.1 p.p	8.5%	4.6 p.p	8.9%	14.1%	-5.2 p.p



DEBT, CAPITALIZATION AND CASH

Capitalization (R\$ million)	9/30/2021	9/30/2020	Variation	Financial Indicator	9/30/2021	9/30/2020	Variation
Cash	1,864.4	1,306.4	42.7%	Cash (Debt) Net / EBITDA (last 12 months)	0.1	-0.2	n/a
Financial Investments Short Term	17.3	16.4	5.5%	Cash (Debt) Net / Shareholder's Equity	1.5%	-3.9%	5.4 p.p
Financial Investments Long Term	0.0	3.3	-100.0%	Indebtedness / Total Assets	17.3%	17.1%	0.2 p.p
Total Indebtedness	-1,848.9	-1,650.3	12.0%				
(-) Short Term	-304.9	-1,330.6	-77.1%				
(-) Long Term	-1,544.0	-319.7	n/a				
(-) Derivatives Financial Instruments	70.2	68.7	2.2%				
(=) Net Cash (Net Debt)	103.0	-255.5	n/a				
Shareholder's Equity	6,893.9	6,502.6	6.0%				
Capitalization	8,742.8	8,152.9	7.2%				

The Company ended the period with cash and cash equivalents of R\$1.9 billion (R\$1.3 billion in 3Q20) and Net Cash / EBITDA (last 12 months) of 0.1x (Net Debt of 0.2x 0.2x in 3Q20).

Consolidated Debt (R\$ million)	Index	Interest (year)	30/09/2021	% Debt	30/09/2020	% Debt	Variation
Domestic Currency:			1,302.0	70.4%	865.3	52.4%	50.5%
BNDES - FINAME	TJLP	2.17%	11.2	0.6%	15.2	0.9%	-26.3%
BNDES - PSI	R\$	3.01% (2.98% on 09/30/20)	50.8	2.7%	81.2	4.9%	-37.4%
BNDES - FINEM	IPCA	8.57% (8.62% on 09/30/20)	28.0	1.5%	37.4	2.3%	-25.1%
BNDES - PROGEREN	IPCA	6.28%	45.0	2.4%	61.4	3.7%	-26.7%
FINIMP	100% CDI	3.80%	0.0	0.0%	136.1	8.2%	-100.0%
(PROVIN) Financing of state taxes	100% TJLP	-	10.9	0.6%	10.1	0.6%	7.9%
(FUNDOPEM) Financing of state taxes	IPCA	-	2.7	0.1%	0.0	0.0%	n/a
Working Capital	100% CDI	0.94% (2.50% on 09/30/20)	200.3	10.8%	101.9	6.2%	96.6%
Investment of assignment of Pilar's shares	100% CDI	-	3.9	0.2%	2.1	0.1%	85.7%
Investment of assignment of Estrela's shares	100% CDI	-	10.0	0.5%	5.2	0.3%	92.3%
Investment of assignment of Moinho Santa Lúcia's shares	100% CDI	-	0.7	0.0%	0.0	0.0%	n/a
Investment of assignment of Piraquê's shares	100% CDI	-	130.1	7.0%	209.9	12.7%	-38.0%
Commercial notes	100% CDI	3.13%	0.0	0.0%	204.8	12.4%	-100.0%
Debentures	IPCA	3.80% and 4.14%	808.4	43.7%	0.0	0.0%	n/a
Foreign Currency:			546.9	29.6%	785.0	47.6%	-30.3%
(FINIMP) Imports Financing and Working Capital - Law 4,131	USD	1.66% (1.99% on 09/30/20)	546.9	29.6%	785.0	47.6%	-30.3%
TOTAL			1,848.9	100.0%	1,650.3	100.0%	12.0%

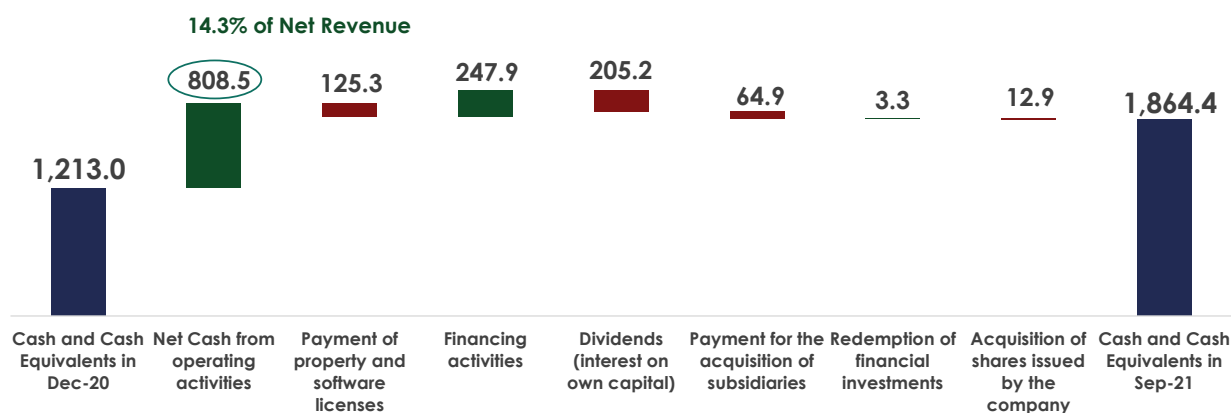
On September 30, 2021, the Company had a swap contract to hedge working capital financing in foreign currency, with maturity on December 22, 2025, in which the long leg receives, on average, the Dollar plus 1.9475% and the short leg pays, on average, the CDI rate plus 1.50% p.a. with a notional reference value of R\$510.0 million and fair value receivable of R\$11.0 million.

To protect the debenture issues, on September 30, 2021, the Company had 39 swap contracts, all of which mature by March 17, 2031, in which the long leg receives, on average, the IPCA plus 4.01% p.a. and the short leg pays, on average, the CDI rate plus 0.47% p.a.. Notional reference values totaled R\$616.8 million for contracts already in force, and the gross fair value payable for all derivative

instruments as of September 30, 2021, totaled R\$13.2 million. On the date, the value of the debentures was represented by an amount of R\$808.4 million net of the unamortized balance of transaction costs totaling R\$42.6 million.

In 9M21, net cash generated by operating activities totaled R\$808.5 million, and net cash generated by financing activities (third-party capital) reached R\$247.9 million, contributing to the cash and cash equivalents figure recorded in 3Q21:

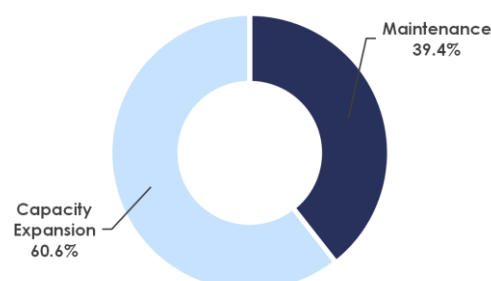
R\$ milhões



INVESTMENTS

Investments (R\$ Million)	3Q21	3Q20	Variation	9M21	9M20	Variation
Buildings	5.4	5.8	-6.9%	15.5	16.9	-8.3%
Machinery and equipment	17.8	32.0	-44.4%	60.0	88.4	-32.1%
Construction in progress	10.4	10.8	-3.7%	34.5	31.0	11.3%
Vehicles	0.0	0.0	n/a	0.0	0.3	-100.0%
IT Equipment	1.4	0.9	55.6%	5.4	2.5	n/a
Furniture and Fixtures	0.9	1.9	-52.6%	3.9	5.6	-30.4%
Land	0.0	1.1	-100.0%	0.0	3.8	-100.0%
Software Use License	6.7	1.6	n/a	14.8	5.4	n/a
Others	0.5	0.3	66.7%	1.3	1.6	-18.8%
Total	43.1	54.4	-20.8%	135.4	155.5	-12.9%

Investments 3Q21 - R\$ 43.1 million



Investments totaled R\$43.1 million in 3Q21 (R\$54.4 million in 3Q20) and R\$135.4 million in 9M21 (-12.9% vs. 9M20), allocated to expansion and maintenance. Among the items that made up investment expenditures, we highlight: (i) the acquisition of equipment for the Bento Gonçalves (RS) unit; (ii) adjustments for the storage of inputs and packaging at the distribution center in Madureira (RJ); and (iii) implementation of a managing production system at the Fábrica Fortaleza (CE) unit.

CAPITAL MARKET

The Company's shares are traded on B3 (Brasil, Bolsa, Balcão) under the ticker MDIA3 and are listed in the Novo Mercado segment. On **September 30, 2021**, there were 82,753,651 outstanding shares, representing 24.4% of the Company's capital stock, priced at **R\$33.04** each, totaling **R\$2.734,2 million**. In 3Q21, the average daily trading volume was **5,315** (5,944 in 3Q20), and the average daily trading financial volume was **R\$31,8 million** (R\$39,5 million in 3Q20).

Performance MDIA3 x IBOV x IGC 01/02/2020 – 10/26/2021



MAIN ADMINISTRATIVE FACTS

Fitch Ratings reaffirmed our 'AAA(bra)' National Long-term Rating

On September 24, the Company announced to the market that Fitch Ratings reaffirmed the 'AAA(bra)' with a stable outlook.

Closing Latinex Acquisition

On November 3, 2021, the Company informed the market that it had completed the acquisition of one hundred percent (100%) of the shares of LATINEX IMPORTAÇÃO E EXPORTAÇÃO DE ALIMENTOS S.A. for the initial price of up to R\$ 180 million, and may reach a total amount of up to R\$ 272 million, if certain performance targets provided for in the acquisition agreement are met.

Share Buyback Program for the Company's Shares

On August 06, 2021, the Company's Board of Directors approved a share buyback program, designed to acquire Company shares to be held in treasury and subsequently cancelled or sold in order to: (a) comply with the Long-Term Incentive Program with Restricted Shares approved at the Company's Extraordinary Shareholders' Meeting held on April 30, 2021; and (b) maximize the creation of value for shareholders.

Approval of the Quarterly Information

At the Company's Board of Directors' meeting held on November 5, 2021, the following was approved: (i) the Quarterly Information (ITR) for the quarter ended September 30, 2021; and (ii) other provisions.

SOCIAL AND ENVIRONMENTAL HIGHLIGHTS

M. Dias Branco is constantly strengthening its commitment to sustainability through actions that fight against corruption, defend human rights, protect the environment and fight against hunger, among other topics.

Below we highlight our social and environmental indicators for 3Q21 and 9M21 compared to the same period of 2020, including data from all our units.

Indicators	3Q21	3Q20	Variation	9M21	9M20	Variation
Average Energy Intensity (kwh/ton)	168.1	154.2	9.0%	179.4	159.2	12.7%
Water Consumption (m³/ton)	0.38	0.36	5.6%	0.42	0.30	40.0%
Waste Recycling Index (%)	90.9	90.5	0.4p.p.	89.8	85.2	4.6p.p.
Solid Waste Generation (kg/ton)	10.9	11.6	-6.0%	12.4	8.4	47.4%
Frequency of Occupational Accidents	0.74	0.63	0.11p.p.	0.71	0.67	0.04p.p.

Energy Intensity (SDGs 7 and 12)

Increased 9.0% in 3Q21 vs. 3Q20 and was 12.7% higher in 9M21 vs. 9M20. The increase was a result of the higher number of stoppages and restarts of lines due to the 17.4% drop in production volumes in the quarterly comparison and the 19.7% drop in the accumulated period.

Water Consumption (SDGs 6, 9 and 12)

Increased 5.6% in 3Q21 vs. 3Q20, and was 40.0% higher in 9M21 vs. 9M20. Water consumption was impacted by operational routines, such as the cleaning of reservoirs, tests on hydrants networks and other equipment that consume water, as well as the higher number of stoppages and restarts of lines caused by the drop in production volumes.

Waste Recycling Rate (SDGs 9 and 12)

The waste recycling rate improved 0.4 p.p. in 3Q21 vs. 3Q20 and was 4.6 p.p. higher in 9M21 vs. 9M20 as a result of the implementation of more sustainable alternatives for waste disposal, such as composting and co-processing. This result reinforces the Company's commitment to reducing the disposal of waste in landfills.

Solid Waste Generation (SDGs 9 and 12)

The indicator fell 6% in 3Q21 over 3Q20, due to the actions implemented by the improvement teams, for example the work at the Madureira and Queimados units, that prevent materials from being reprocessed and do not turn waste, as well as the action on finished product inventories, which avoid the generation of waste from failures and other situations. In the 9M21 vs. 9M20, the increase is due to the drop in volumes produced.

Rate of Occupational Accidents (SDGs 3 and 8)

The rate of occupational accidents increased 0.11 p.p. in 3Q21 over 3Q20 and 0.04p.p. in 9M21 over 9M20. The increase reflects the return of employees who in 2020 were away due to the pandemic.

Other Initiatives and Achievements

- ✓ On September 22, 2021, the Company promoted the 3rd edition of the Development and Sustainability Forum, open to the general public and employees and broadcast on YouTube to discuss how organizations can advance their ESG agenda; **(SDG 17)**
- ✓ In 3Q21, M. Dias Branco donated 421 tons of products to communities living in the vicinity of its industrial units and distribution centers. From January to September, R\$23.1 million was donated, equivalent to 3,778 tons of food, to 137 institutions in 18 states, a fundamental action for the underprivileged population during the pandemic period; **(SDG 2)**
- ✓ M. Dias Branco is concerned about climate change and, in order to understand and deepen the topic, we concluded the Inventory of Greenhouse Gas Emissions for our entire chain; **(SDG 13)**
- ✓ M. Dias Branco is one of the leading companies in open innovation with startups in Brazil and was recognized, for the second time, with the Ranking 100 Open Startups 2021 award for its Germinar program, which supports open innovation through partnerships with startups; **(SDG 9)**
- ✓ Launching of the Supplier Code of Conduct, aimed at establishing guidelines and inspiring suppliers to engage in the construction of good Sustainability and Governance practices; **(SDG 16)**
- ✓ Won the 2021 ANEFAC-FIPECAFI Transparency Trophy for the fifth consecutive year, being recognized in the "Companies with net revenue up to R\$8 billion" category; **(SDG 16)**
- ✓ On World Cleaning Day, employees collected 2.8 tons of garbage at the Salvador/BA unit, located in an Environmental Preservation Area (APA); **(SDG 14)**
- ✓ The Plus Life Salgado Multigrãos lines, from the Adria brand, and the Cream Cracker Integral, from the Piraquê brand, were ranked 1st and 3rd, respectively, as the best Wholegrain Salt Crackers (Source: VivaBem UOL); **(SDG 3)** and
- ✓ The "Aterro Zero" project seeks sustainable alternatives for waste disposal, thus eliminating waste being sent to landfills. The project initiated in Jaboatão dos Guararapes/PE and is being expanded to all units. **(SDG 9)**

M. Dias Branco is a signatory of the United Nations Global Compact, reinforcing the commitment to increasingly align our strategies and operations with the ten universal principles that contribute to facing society's challenges. In 2020, we carried out an in-depth analysis of our connections with the Sustainable Development Goals (SDGs), identifying our impacts on each of them. We present below the SDGs prioritized by the Company.



Through these actions, a culture of sustainability is developed, making, over time, social and environmental aspects more integrated into the Company's decision-making process and value creation.

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 27 of the Company's Financial Statements.

INCOME STATEMENT (R\$ million)	3Q21	3Q20	Variation	2Q21	Variation	9M21	9M20	Variation
NET REVENUES	2,179.8	2,029.0	7.4%	1,978.6	10.2%	5,649.5	5,550.9	1.8%
COST OF GOODS SOLD	-1,616.5	-1,498.6	7.9%	-1,541.2	4.9%	-4,325.4	-3,955.0	9.4%
TAX INCENTIVES (ICMS)	122.2	118.8	2.9%	112.4	8.7%	311.2	297.9	4.5%
GROSS PROFIT	685.5	649.2	5.6%	549.8	24.7%	1,635.3	1,893.8	-13.6%
OPERATING REVENUES (EXPENSES)	-468.7	-386.2	21.4%	-455.3	2.9%	-1,341.8	-1,299.5	3.3%
Sales expenses	-376.8	-414.1	-9.0%	-362.6	3.9%	-1,083.4	-1,171.7	-7.5%
Administrative and general expenses	-77.3	-82.8	-6.6%	-79.7	-3.0%	-233.0	-232.6	0.2%
Other net income (expenses)	-14.6	110.7	n/a	-13.0	12.3%	-25.4	104.8	n/a
OPERATING INCOME - before financial results	216.8	263.0	-17.6%	94.5	129.4%	293.5	594.3	-50.6%
Financial income	40.9	100.2	-59.2%	122.5	-66.6%	208.8	137.6	51.7%
Financial expenses	-43.5	-69.7	-37.6%	-127.6	-65.9%	-210.4	-113.7	85.0%
OPERATING INCOME - after financial results	214.2	293.5	-27.0%	89.4	139.6%	291.9	618.2	-52.8%
Equity in net income of subsidiaries	-0.6	-1.7	-64.7%	-1.2	-50.0%	-3.0	-3.9	-23.1%
INCOME - before income tax and social contribution	213.6	291.8	-26.8%	88.2	142.2%	288.9	614.3	-53.0%
Income tax and social contribution	-17.0	-26.4	-35.6%	54.1	n/a	65.0	-59.5	n/a
NET INCOME	196.6	265.4	-25.9%	142.3	38.2%	353.9	554.8	-36.2%

EARNINGS RELEASE

3Q21 & 9M21



BALANCE SHEET (R\$ million)	M. DIAS (CONSOLIDATED)				
	9/30/2021	9/30/2020	Variation	12/31/2020	Variation
ASSETS					
CURRENT	4,677.7	3,987.2	17.3%	3,870.6	20.9%
Cash and cash equivalents	1,864.4	1,306.4	42.7%	1,213.0	53.7%
Trade accounts receivable	1,148.7	939.1	22.3%	960.1	19.6%
Inventories	1,274.2	1,240.8	2.7%	1,216.1	4.8%
Taxes recoverable	264.4	379.4	-30.3%	398.9	-33.7%
Financial investments	17.3	16.4	5.5%	16.4	5.5%
Derivatives financial instruments	82.0	68.7	19.4%	23.8	n/a
Other receivables	19.3	22.6	-14.6%	32.0	-39.7%
Prepaid expenses	7.4	13.8	-46.4%	10.3	-28.2%
NON CURRENT	5,910.4	5,690.1	3.9%	5,859.3	0.9%
Long-term	677.6	465.3	45.6%	618.6	9.5%
Financial investments	0.0	3.3	-100.0%	3.3	-100.0%
Judicial deposits	222.6	262.8	-15.3%	263.8	-15.6%
Taxes recoverable	396.8	138.4	n/a	293.0	35.4%
Derivatives financial instruments	1.5	0.0	n/a	0.0	n/a
Tax incentives/other receivables	4.6	4.2	9.5%	4.9	-6.1%
Indemnity assets	52.1	56.6	-8.0%	53.6	-2.8%
Investments	44.3	49.0	-9.6%	47.3	-6.3%
Investments properties	54.3	54.7	-0.7%	54.6	-0.5%
Property, plant and equipment	3,415.7	3,402.8	0.4%	3,419.4	-0.1%
Intangible	1,718.5	1,718.3	0.0%	1,719.4	-0.1%
TOTAL ASSETS	10,588.1	9,677.3	9.4%	9,729.9	8.8%
LIABILITIES AND SHAREHOLDERS EQUITY					
CURRENT	1,463.2	2,210.9	-33.8%	1,634.0	-10.5%
Suppliers	661.4	261.4	n/a	361.7	82.9%
Financing and borrowings from financial institutions	271.2	1,092.8	-75.2%	743.8	-63.5%
Tax financing	3.7	3.6	2.8%	3.3	12.1%
Direct financing	28.5	29.4	-3.1%	29.0	-1.7%
Debentures	1.5	204.8	-99.3%	0.0	n/a
Lease	48.4	36.1	34.1%	41.1	17.8%
Social security and labor liabilities	210.0	238.4	-11.9%	176.6	18.9%
Income tax and social contribution	1.8	0.0	n/a	1.8	0.0%
Tax liabilities	100.6	166.0	-39.4%	53.8	87.0%
Advances from customers	9.6	18.3	-47.5%	11.1	-13.5%
Derivatives financial instruments	0.1	0.0	n/a	18.1	-99.4%
Other accounts payable	115.8	142.8	-18.9%	122.3	-5.3%
Proposed dividends	0.0	0.0	n/a	59.0	n/a
Government grant	10.6	17.3	-38.7%	12.4	-14.5%
NON CURRENT LIABILITIES	2,231.0	963.8	131.4%	1,450.3	53.8%
Financing and borrowings from financial institutions	611.0	125.4	n/a	618.4	-1.2%
Tax financing	9.9	6.5	52.3%	6.6	50.0%
Direct financing	116.2	187.8	-38.1%	188.0	-38.2%
Debentures	806.9	0.0	n/a	0.0	n/a
Lease	203.4	143.4	41.8%	153.9	32.2%
Deferred taxes	216.2	250.8	-13.8%	226.6	-4.6%
Derivatives financial instruments	13.2	0.0	n/a	0.0	n/a
Others accounts payable	35.9	34.4	4.4%	37.7	-4.8%
Provisions for civil, labor and tax risks	218.3	215.5	1.3%	219.1	-0.4%
SHAREHOLDERS' EQUITY	6,893.9	6,502.6	6.0%	6,645.6	3.7%
Capital	2,597.7	2,567.9	1.2%	2,567.9	1.2%
Capital reserves	30.8	25.7	19.8%	27.6	11.6%
Accumulated conversion adjustments	0.2	0.2	0.0%	0.2	0.0%
Equity valuation adjustment	39.9	1.5	n/a	-7.5	n/a
Revenue reserves	3,970.8	3,392.1	17.1%	4,001.4	-0.8%
(-) Treasury shares	-48.7	-39.6	23.0%	-39.6	23.0%
Additional dividend	0.0	0.0	n/a	95.6	-100.0%
Accrued profit	303.2	554.8	-45.3%	0.0	n/a
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	10,588.1	9,677.3	9.4%	9,729.9	8.8%

EARNINGS RELEASE

3Q21 & 9M21



CASH FLOW (R\$ million)	3Q21	3Q20	Variation	9M21	9M20	Variation
CASH FLOWS FROM OPERATING ACTIVITIES						
Net Income before Income Tax and Social Contribution	213.7	291.8	-26.8%	289.0	614.3	-53.0%
Adjustments to Reconcile net income with cash from operating activities:						
Depreciation and amortization	70.4	66.7	5.5%	210.7	191.7	9.9%
Cost on sale of permanent assets	0.7	0.0	n/a	0.7	1.6	-56.3%
Equity in net income of subsidiaries	0.6	1.7	-64.7%	3.0	3.9	-23.1%
Loans, investments and exchange variations interests	71.3	36.0	98.1%	122.3	265.9	-54.0%
Tax credits and updates	-19.0	-191.5	-90.1%	-161.4	-241.9	-33.3%
Updated judicial deposits	-1.5	-0.8	87.5%	-3.2	-3.7	-13.5%
Updated provision for civil, labor and tax risks	1.4	4.4	-68.2%	5.9	7.0	-15.7%
Appropriate interest on lease	5.1	6.8	-25.0%	14.9	12.5	19.2%
Provision for civil, labor and tax risks	9.5	12.8	-25.8%	22.6	24.5	-7.8%
Recognized shares granted	2.7	2.0	35.0%	7.1	4.7	51.1%
Provision (reversion) for losses of clients	3.7	3.0	23.3%	-5.9	18.4	n/a
Estimated losses due to the reduction in the recoverable amount of taxes	0.0	0.0	n/a	0.0	0.8	-100.0%
Provision for income tax of loans	0.4	0.8	-50.0%	3.2	2.7	18.5%
Provision (reversion) for losses in inventories	-0.4	-2.0	-80.0%	7.8	2.8	n/a
Provision of derivative contracts	-49.0	-32.9	48.9%	-48.1	-243.0	-80.2%
Provision (reversion) for impairment of assets	0.7	0.0	n/a	0.7	-7.7	n/a
Changes in assets and liabilities						
(Increase) decrease in trade accounts receivable	-67.5	-78.0	-13.5%	-182.7	0.3	n/a
(Increase) in inventories	-50.5	-137.0	-63.1%	-76.5	-442.6	-82.7%
(Increase) in financial investments	-0.8	0.0	n/a	-0.9	0.0	n/a
Decrease in taxes recoverable	107.9	171.6	-37.1%	141.5	240.5	-41.2%
(Increase) decrease in other credits	50.6	-2.4	n/a	61.9	-6.9	n/a
Increase (decrease) in suppliers	75.0	-38.5	n/a	299.6	112.4	n/a
Increase in taxes and contributions	29.9	25.4	17.7%	155.5	70.5	n/a
Increase (decrease) in government grants	-1.4	6.7	n/a	-1.7	12.5	n/a
Increase (decrease) in accounts payable and provisions	-11.3	2.3	n/a	-6.8	114.6	n/a
Interests paid	-21.4	-6.6	n/a	-53.0	-28.8	84.0%
Exchange variations paid	0.0	-19.9	-100.0%	-40.0	-121.2	-67.0%
Income tax and social contributions paid	-2.5	-9.1	-72.5%	-14.2	-38.8	-63.4%
Receipts of funds for settlement of derivative transactions	7.9	28.3	-72.1%	56.5	144.4	-60.9%
Net Cash generated from operating activities	426.2	141.6	n/a	808.5	711.4	13.6%
CASH FLOWS FROM INVESTMENT ACTIVITIES						
Purchase of property, plant, equipment and intangible	-41.7	-54.4	-23.3%	-125.3	-152.9	-18.1%
Payment of debt from purchase of company	-57.7	0.0	n/a	-64.9	-22.9	n/a
Redemption of long-term financial investment	0.0	0.0	n/a	3.3	0.5	n/a
Net Cash (used) in Investment Activities	-99.4	-54.4	82.7%	-186.9	-175.3	6.6%
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividends paid	-16.9	0.0	n/a	-205.2	-85.0	n/a
Financing obtained	3.6	2.7	33.3%	817.2	1,110.8	-26.4%
Payment of financing	-10.4	-164.4	-93.7%	-525.0	-536.0	-2.1%
Acquisition of treasury shares	0.0	0.0	n/a	-12.9	-43.8	-70.5%
Lease payments	-14.9	-10.3	44.7%	-44.3	-24.1	83.8%
Net Cash used in Financing Activities	-38.6	-172.0	-77.6%	29.8	421.9	-92.9%
Increase (Decrease) in cash and cash equivalents	288.2	-84.8	n/a	651.4	958.0	-32.0%
At the start of the period	1,576.2	1,391.2	13.3%	1,213.0	348.4	n/a
At the end of the period	1,864.4	1,306.4	42.7%	1,864.4	1,306.4	42.7%
Increase (Decrease) in cash and cash equivalents	288.2	-84.8	n/a	651.4	958.0	-32.0%

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.