

M. Dias Branco

CORPORATE
PRESENTATION

JUNE 2024

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▶ youtube.com/rimdias

MARKET LEADER

MDIA
B3 LISTED NM
2006

IPO

ADRIA
2003

First Acquisition

1980

New Headquarter

1951

Bakery in Fortaleza

SIMPLICITY
ATTITUDE
COLLABORATION
RESPECT
EXCELLENCE



BRAZILIAN COMPANY
 + 16.000 EMPLOYEES



93% HOUSEHOLD PENETRATION

55% OF THE REVENUE FROM THE ACQUIRED BRANDS

22
INDUSTRIAL UNITS

29
DISTRIBUTION CENTERS

+300K
POINTS OF SALES

+3.2K
CITIES IN BRAZIL

+ 20 BRANDS

Cookies, Pasta, Wheat Flour, Snacks, Margarine

SOME WITH ANNUAL SALES OVER
R\$ 1 BILLION



R\$ 10.8
NET REVENUE
(R\$ billion)

2023



15.7%
EBITDA MG.

Historical Average from 2006 to 2023



0.5x
LEVERAGE



AAA
RATING

Stable Outlook by Fitch Ratings

PROFITABLE GROWTH STRATEGY



EFFICIENCY AND PRODUCTIVITY PROGRAM

MDIA
B3 LISTED NM

IBRA B3
IGCT B3

IBRX100 B3
INDX B3

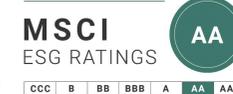
ICO2 B3
ISE B3

ICON B3
ITAG B3

IGC-NM B3
SMLL B3

IDIVERSA B3
IGC B3

IGPTWB3





TRANSFORMATION IN PROGRESS

Management team with internal and external experiences

LARGEST MARKETING INVESTMENT | 2% NR



BRAND STRENGTHENING

	2021	2023
piraque Total Knowledge	90	96
Consideration	59	73
Last 3 months Purchase	42	58
Preference	9	13

NEW CATEGORIES | INNOVATION



Local Green Bond

76% LONG-TERM DEBT (2023)



PERFECT STORE for 70% of the revenue

We discontinued 300 SKUs in 2020 and 2021

New channels E-COMMERCE DISTRIBUTORS

Implementation of a Revenue Management team

NEW ERP SAP - JAN/24

INDUSTRY 4.0

STRATEGIC SOURCING

HEDGE POLICY

65% renewable energy (2023) and 90% target by 2030 (In partnership with OMEGA)

Total Shareholder Return as a long-term incentive for the executive team



GOVERNANCE

BOARD OF DIRECTORS WITH 7 MEMBERS

43% INDEPENDENT

43% WOMEN

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

MDIA
B3 LISTED NM

MANAGEMENT TEAM COMBINING IN-HOUSE AND MARKET EXPERIENCE



COMMITTEES TO ADVISE THE BOARD OF DIRECTORS

- Audit Committee
- People and Management Committee
- ESG Committee

SUPPORT AREAS

- Internal Audit
- External Audit
- Risks
- Compliance

GOVERNANCE FORUMS TO SUPPORT DECISION-MAKING

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



RELEVANT POSITION IN THE MARKETS IN WHICH WE OPERATE





MORE THAN 20 BRANDS IN DIFFERENT PRICE RANGES AND CONSUMPTION OCCASIONS

PREMIUM BRANDS AND NEW TRENDS



MAINSTREAM



ENTRY BRANDS





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

OVER
R\$ 1 BILLION

OVER
R\$ 500 MILLION



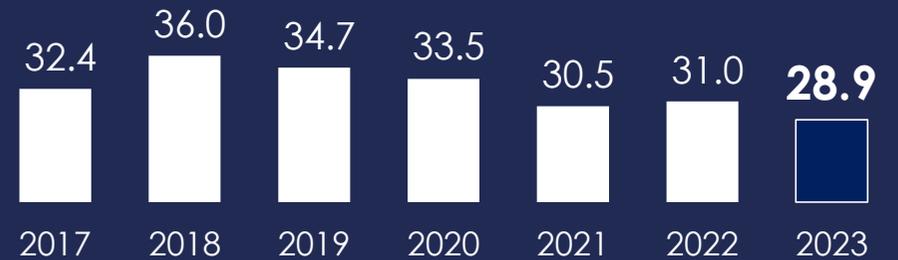


1 IN COOKIES & CRACKERS AND PASTA (MARKET SHARE BRAZIL - NIELSEN)

COOKIES & CRACKERS



PASTA



M. DIAS BRANCO x COMPETITORS

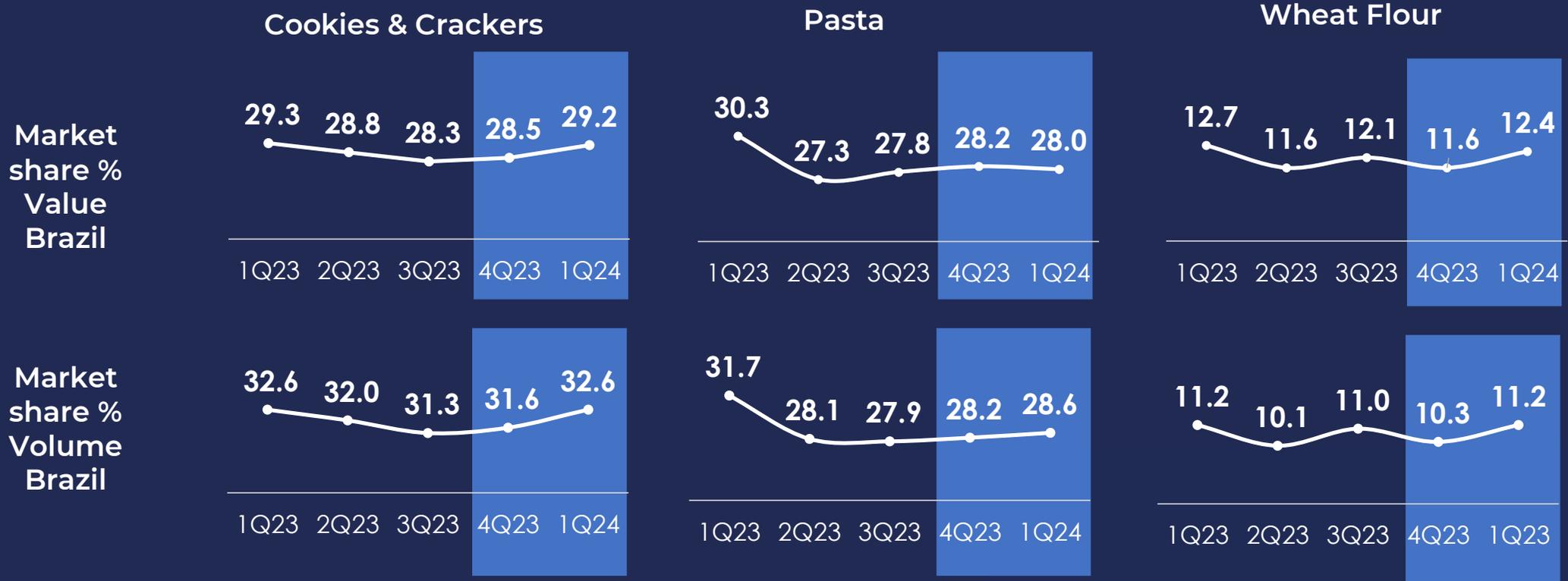


M. DIAS BRANCO x COMPETITORS





We expanded the market share in volume vs. 4Q23 in Cookies & Crackers, Pasta and Wheat Flour



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



REVENUE BY REGION 2023



EXPORT

2%



DEFENSE

North and Northeast

MIX NET REVENUE

64%



Share Volume:

51%

52%

MIX NET REVENUE

ATTACK

South, Southeast and Midwest

34%



Share Volume:

22%

18%



WE OPERATE ON A DIVERSIFIED BASE OF SALES CHANNELS

REVENUE BY SALES CHANNEL	2022	2023
SMALL RETAIL	19%	18%
WHOLESALE	18%	17%
KEY ACCOUNTS / REGIONAL CHAINS	23%	22%
CASH AND CARRY	23%	24%
DISTRIBUTORS	11%	13%
INDUSTRY	3%	3%
OTHER	3%	3%





PRESENT ALL OVER BRAZIL WITH STRONG DISTRIBUTION AND INFRASTRUCTURE



+3,240
CITIES IN BRAZIL



+300K
POINTS OF SALES
100k DIRECT



29

DISTRIBUTION CENTERS



22

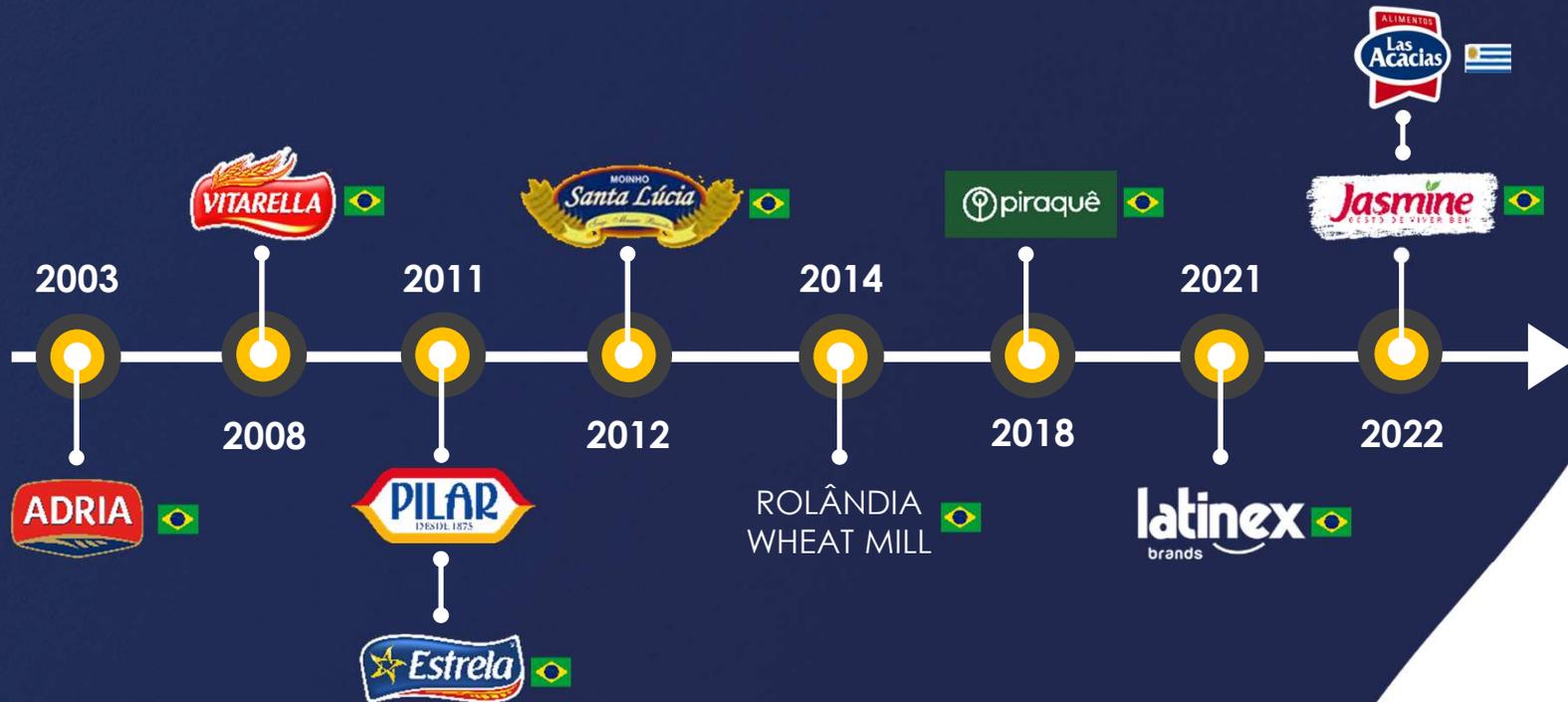
INDUSTRIAL UNITS

13 FACTORIES OF PASTA, COOKIES & CRACKERS AND OTHER FOODS;
07 WHEAT MILLS; AND
02 FACTORIES OF MARGARINE AND VEGETABLE SHORTENING





THE ACQUISITIONS HAVE LEVERAGED OUR GROWTH AND ENRICHED OUR PRODUCT PORTFOLIO



55%
OF THE REVENUE
FROM THE
ACQUIRED BRANDS



STRONG GROWTH HISTORY

Net Revenue CAGR 11%
2015 – 2023



PROFITABLE GROWTH STRATEGY



EFFICIENCY AND PRODUCTIVITY PROGRAM

CURRENT BUSINESS

1

DEFENSE

ATTACK



OTHER CATEGORIES

2



INTERNATIONAL

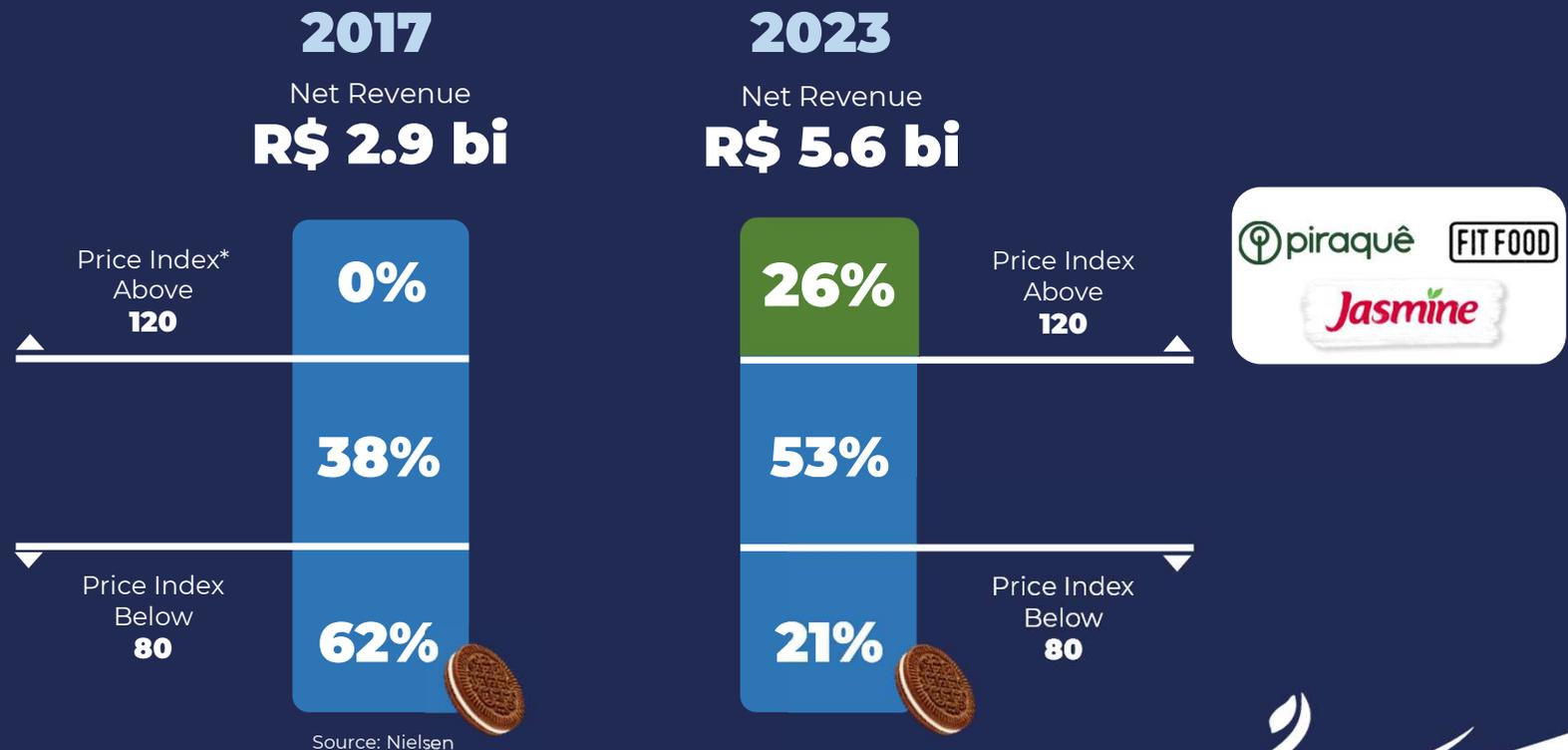
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PRODUCTIVITY AND EFFICIENCY



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





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





● **Diversify operating channels**

- Distributors, 12.5% of revenue in 2023 vs. 11.3% in 2022
- E-commerce, starting in 2020 and operating on the main platforms



● **Improve execution at the point of sale**

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



● **Strengthen the priority brands**



CURRENT BUSINESS
DEFENSE

1



ATTACK

OTHER CATEGORIES

2



INTERNATIONAL

3



PRODUCTIVITY AND EFFICIENCY



HEALTHY PRODUCTS



SNACKS



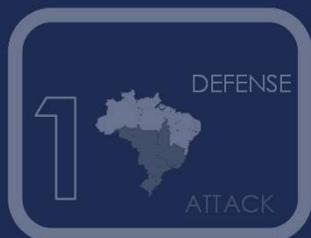
SAUCES AND CONDIMENTS





- R\$ 18MM Net Revenue in 2015 and R\$ 184MM in 2023
- Sales to 44 countries in 2023
- Specific products for export, such as *shelf stable* margarine
- Las Acacias acquisition in Uruguay





- **R\$ 560 MM expense reduction between 2020 and 2021 (Multiplique Project)**
 - SG&A at 25.7% in 2019, 21.0% in 2021; 20.1% in 2022 and 20.5% in 2023



- **SAP implementation in Jan/2024**
- **Improved service level (OTIF); 76% in 2023 and target at 80% in 2024**



- **Improved Working Capital, longer average supplier terms**
 - 13 days in 2019 to 56 days in 4Q23



- **Debt Lengthening**
 - 38% in the long-term in 2019 and 76% in the long-term in 2023
 - Hedge Policy



ESG





TAX CHANGES

MP 1.185/23 LAW 14.789/23

Taxation of Subsidies

PIS/COFINS (9.25%)

IR/CSLL (34%)

IMPACT - 9M23

R\$ 50MM TO R\$ 70MM

IN NET PROFIT

JSCP

Maximum amount to be distributed as JSCP

Tax incentive reserves must be excluded for distribution calculation purposes

No relevant impact

ICMS

Increase in the ICMS rate to minimize revenue losses from tax reform

Increase of approximately **2%** in the ICMS rate

TAX REFORM

Extinction of five taxes (IPI, PIS, COFINS, ICMS and ISS) and creation of three new ones: **CBS** (Contribution on Goods and Services), **IBS** (Tax on Goods and Services) and **IS** (Selective Taxes)

Eventual impacts will be calculated based on the publication of the Complementary Law



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

Good for the result

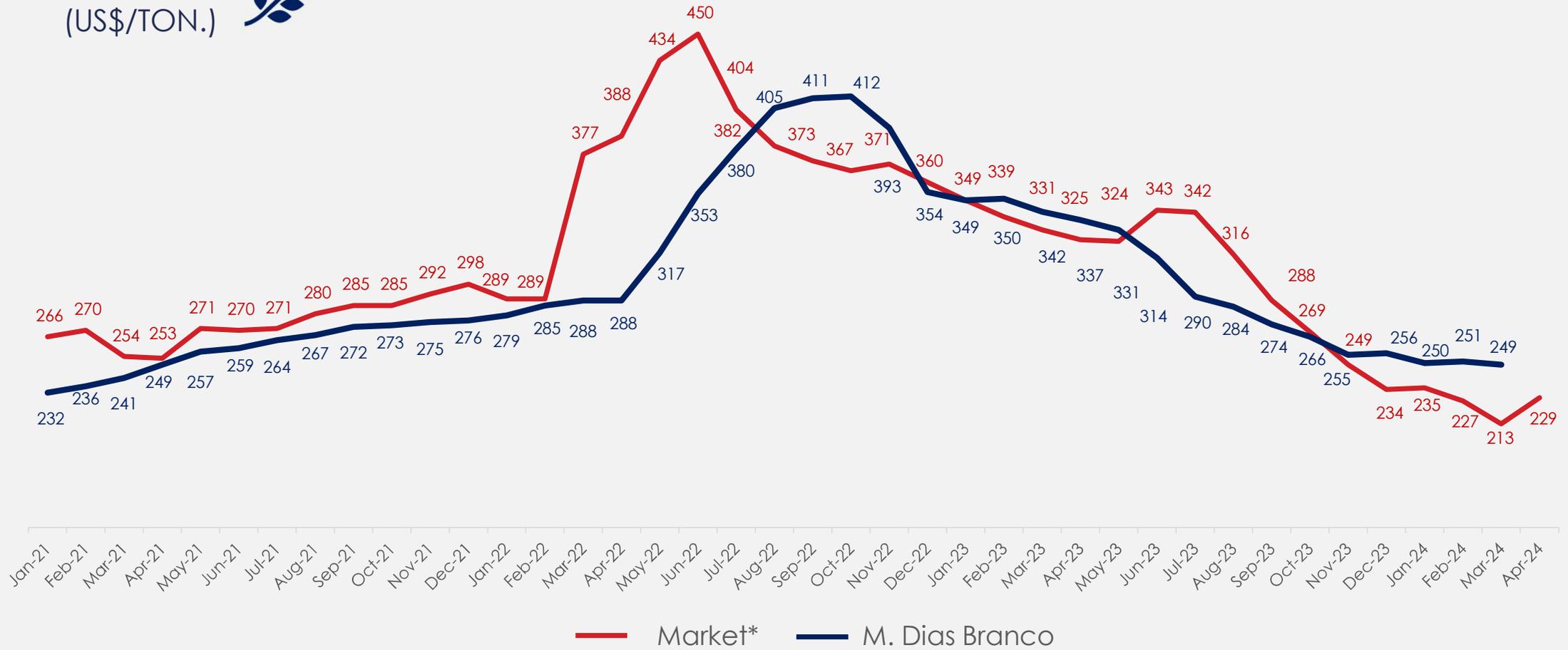


Bad for the result

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
VAR. DÓLAR (PTAX Venda)	-11%	-10%	-6%	9%	-12%	-5%	17%	10%	9%	42%	5%	-8%	14%	8%	31%	5%	-4%	-3%
VAR. WHEAT (US\$)	26%	58%	25%	-33%	10%	22%	6%	-9%	-14%	-14%	-14%	0%	14%	0%	11%	28%	28%	-28%
VAR. OIL (US\$)	13%	73%	20%	-25%	33%	25%	-13%	-19%	-3%	-24%	14%	1%	-14%	-6%	28%	61%	9%	-29%
Mg. EBITDA	19%	18%	17%	20%	19%	17%	18%	16%	17%	15%	17%	18%	15%	13%	13%	9%	9%	13%

Source: Bloomberg (Dollar - Ptax, Wheat - W 1 Comdty and Oil - KO1 Comdty).

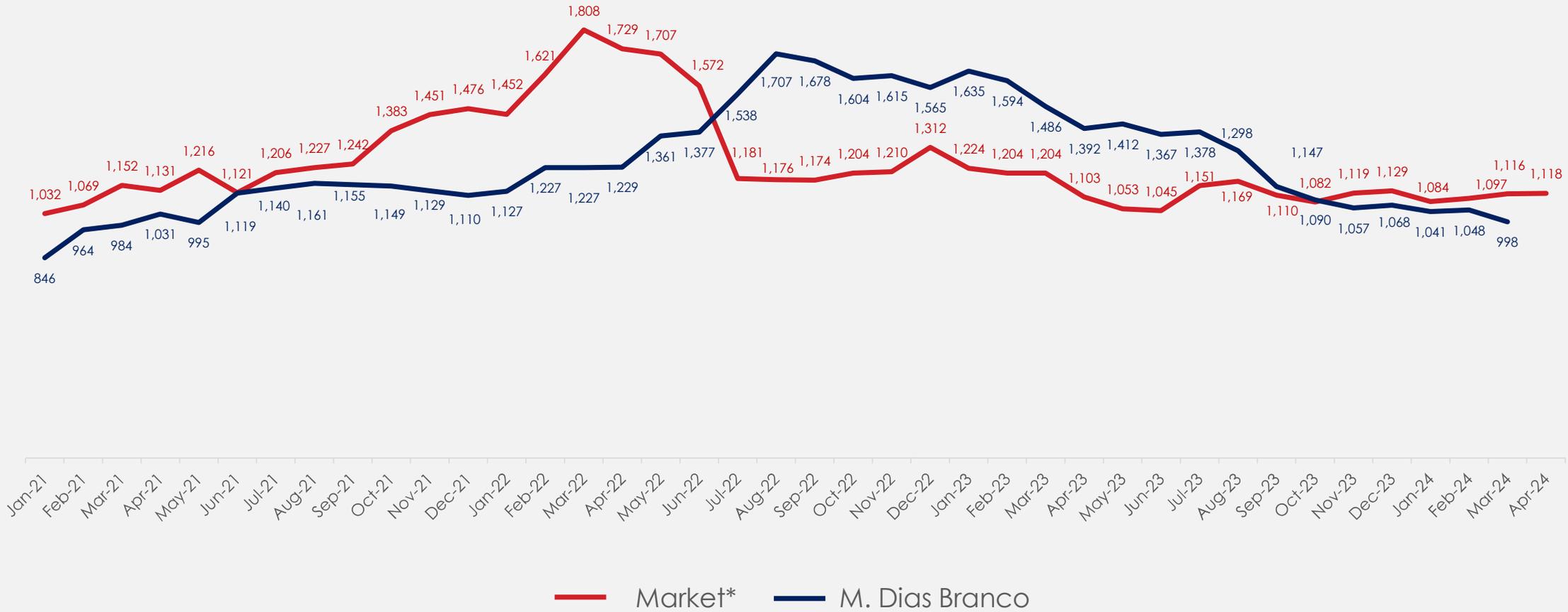
WHEAT (US\$/TON.)



*Source: Wheat - SAFRAS & Mercado.

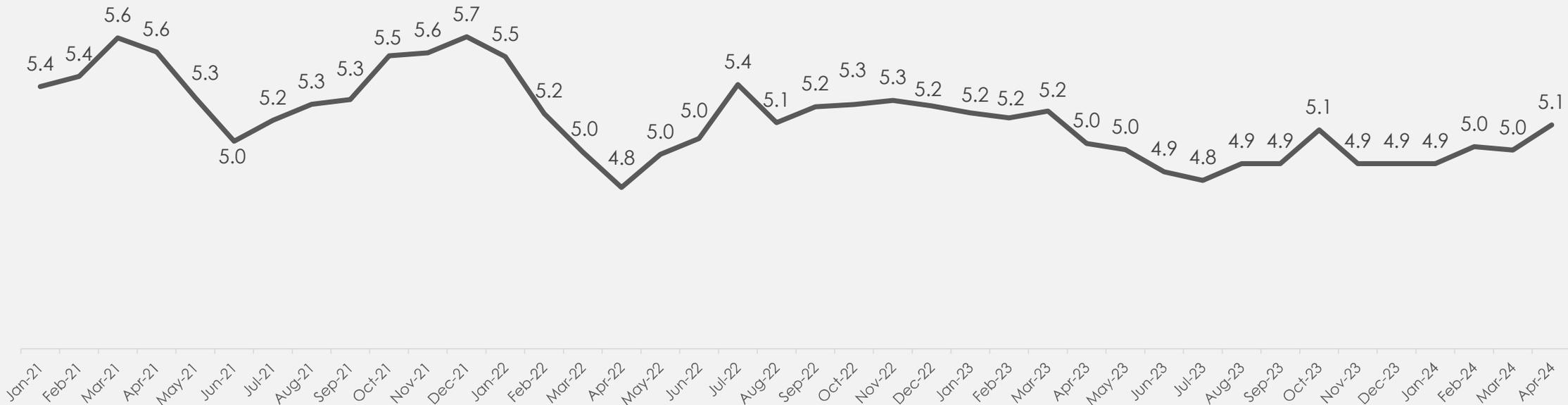
PALM OIL

(US\$/TON.)



*Source: Palm oil - Rotterdam.

DOLLAR



— Average Dollar (PTAX)

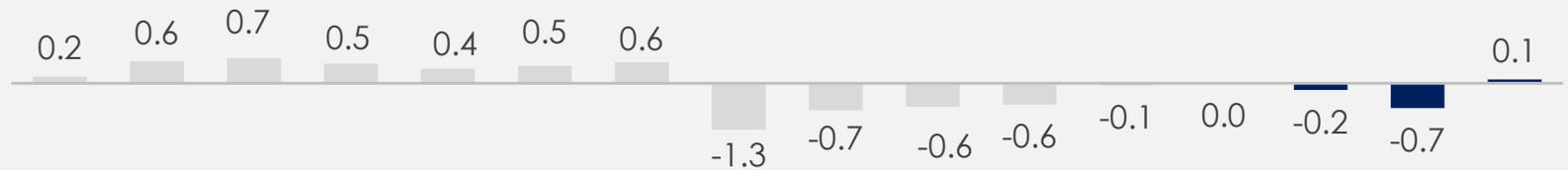
Source: Bloomberg (Dollar - Ptax)



INFLATION



COOKIES & CRACKERS



PASTA



FLOUR



Jan-23

Mar-23

May-23

Jul-23

Sep-23

Nov-23

Jan-24

Mar-24



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Back-up

M. Dias Branco

Marketing & Commercial



FUNDAMENTALS TO KEEP GROWING

Being increasingly relevant TO EVERYONE, EVERYWHERE

1

Protect the Core Scale and Market Share

Weight reductions and smart pricing

New packaging formats: promopacks

Strengthening the priority brands

Portfolio Simplification

2

Growing with Higher Added Value

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

Innovations with increased differentiation

Nationwide expansion of Piraquê, Latinex and Jasmine

3

Diversifying channels

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

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

4

Improving Commercial Execution at the Point of Sale

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

Improving **Smart Pricing and Promotions**

5

Internationalization

Consolidating Las Acacias integration

Keep moving forward with exports

Training and Structure

1

PROTECT THE CORE, SCALE AND MARKET SHARE

Weight reductions



COOKIES

Cream Cracker & Mamai

400g

350g



PASTA

500g

400g

New packaging and branding strategies

PROMOPACKS

Ideas for protecting Share on Cash&Carry channel



BRANDS STRATEGIES

Reintroduction of low-price brands in Cash & Carry

Priority Brands

Focus on 6 priority brands to generate engagement and investment optimization



Portfolio Simplification

REDUCTION NUMBER OF SKUs



300

SKUs excluded (2021-2022)

1

PROTECT THE CORE, SCALE AND MARKET SHARE

COOKIES

Cream Cracker
(Units.)



COOKIES

Maria & Maizena
(Units.)



PASTA

Regular Pasta
(Volume)



2

INNOVATIONS WITH HIGHER ADDED VALUE, DIFFERENTIATION AND HIGH POTENTIAL

Develop new categories



28.7
R\$/Kg

Cookies covered with chocolate



28.6
R\$/Kg

Innovations with increased differentiation

Gluten-free tapioca snacks



63.2
R\$/Kg

Baked Potato Snacks



41.9
R\$/Kg

Nationwide expansion of Piraquê, Latinex and Jasmine



3

DIVERSIFYING OPERATING CHANNELS

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

DISTRIBUTORS

MIX NET REVENUE

12.5%

(2023)



4.5%

(2019)



E-COMMERCE

It started in 2020

We operate on several platforms, including our own platform

▶ [Lojamdiasbranco.com.br](https://lojamdiasbranco.com.br)
R\$ 11.2 million in 2023

49% growth in 2023 vs. 2022

Piraquê is the biggest E-commerce brand with 25% share in the cookies category



4

IMPROVING COMMERCIAL EXECUTION AT POINT OF SALE

Consolidate the perfect store project

Strategy based on 4 key pillars (4 Ps)



Which unfolds into 5 indicators

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

And it results in the Store Score

Perfect Store

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



4

IMPROVING COMMERCIAL EXECUTION AT POINT OF SALE

Consolidate the perfect store project

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

The higher the score, the higher our sell out

	PERFECT STORE	STORE WITH OPPORTUNITY		PERFECT STORE	STORE WITH OPPORTUNITY
STORE	FRANGOLANDIA-Ceará 1	FRANGOLANDIA-Ceará 2	STORE	BISTEK – COSTEIRA DO Santa Catarina 1	Santa Catarina 2
SIZE	Large	Large	SIZE	MEDIUM	MEDIUM
ASSORTMENT (4.0)	3.7	3.7	ASSORTMENT (4.0)	3.1	3.3
SHELF (2.5)	2.5	0.7	SHELF (2.5)	1.9	0.3
MERCHAN 2,5	2.5	1.4	MERCHAN 2,5	0.1	0
PRICE (1.0)	0.1	0.1	PRICE (1.0)	0.3	0.4
NOTE	8.8	5.9	NOTE	5.2	3.6
SELL OUT DEC	R\$ 155,441	R\$ 102,217	SELL OUT DEC	R\$ 56,899	R\$ 33,366

5

INTERNACIONALIZATION

NET REVENUE – Foreign



- Focus on markets with high growth potential
- Products adapted to the export market
- Private Label Market



USA



PARAGUAY

Investments in Marketing to speed up sales and strengthen brands in 2023



“Isso tem um Q de Piraquê” and “Família Maltado” with Ludmilla



“Parece igual, mas tem diferença”



“Neologio” with Claude Troisgros



“Espalhe o amor que fortalece”



“Tem Isabela, tem história pra contar”

Marketing investments contributed to increasing awareness and preference for our two largest brands



BRAZIL

2021	2022	2023
90	95	96
59	71	73
42	53	58
9	11	13



SÃO PAULO

	2021	2022	2023
Total Knowledge	92	93	93
Consideration	51	62	67
Last 3 months Purchase	42	52	57
Preference	6	6	6

Source: IPSOS.

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Operations





PRODUCTIVITY AND EFFICIENCY GAINS 2020 AND 2021

2020



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

RECURRING SAVINGS RECOGNIZED IN 2020

R\$ 184 MM

ANNUALIZED RECURRING SAVINGS

R\$ 438 MM

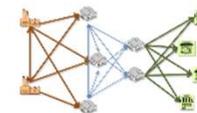
2021



**CORPORATE
RESTRUCTURING**

ANNUALIZED
RECURRING SAVINGS

R\$ 80 MM



**LOGISTIC/PRODUCTION
NETWORK DESIGN**

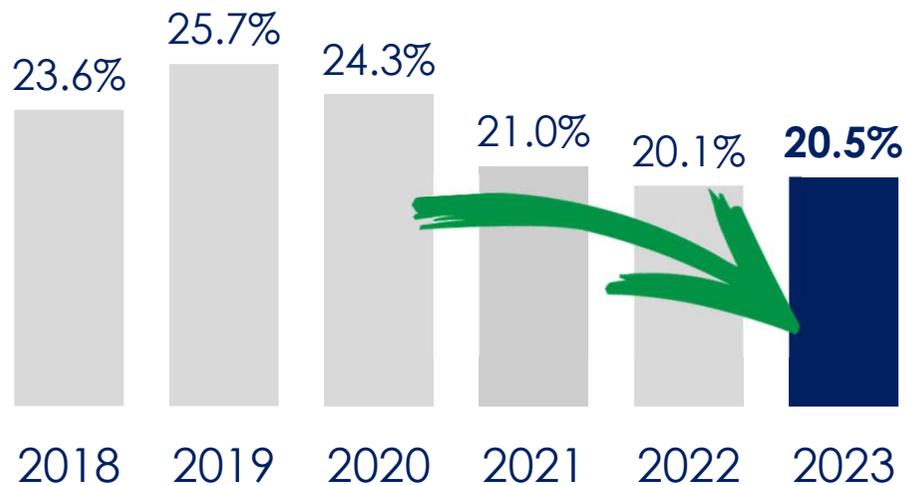
ANNUALIZED
RECURRING SAVINGS

R\$ 42 MM

PRODUCTIVITY AND EFFICIENCY GAINS 2020 AND 2021



SG&A (% Net Revenue)



EXAMPLES:

COMMERCIAL

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

LOGISTICS AND INDUSTRY

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

ADMINISTRATIVE

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

CORPORATE RESTRUCTURING

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

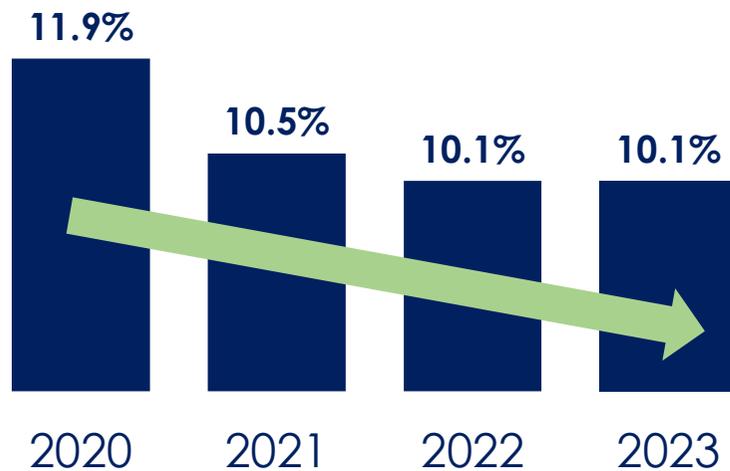
Logistic Efficiency



CORPORATE
RESTRUCTURING

NETWORK
DESIGN

Logistic Expenses (% Net Revenue)



Productivity and Efficiency Drivers

Footprint

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

Distribution

- ✓ Fleet resizing
- ✓ 294 trucks less

Storage

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

TRANSFORMATION OF THE SERVICE LEVEL

Service level KPIs

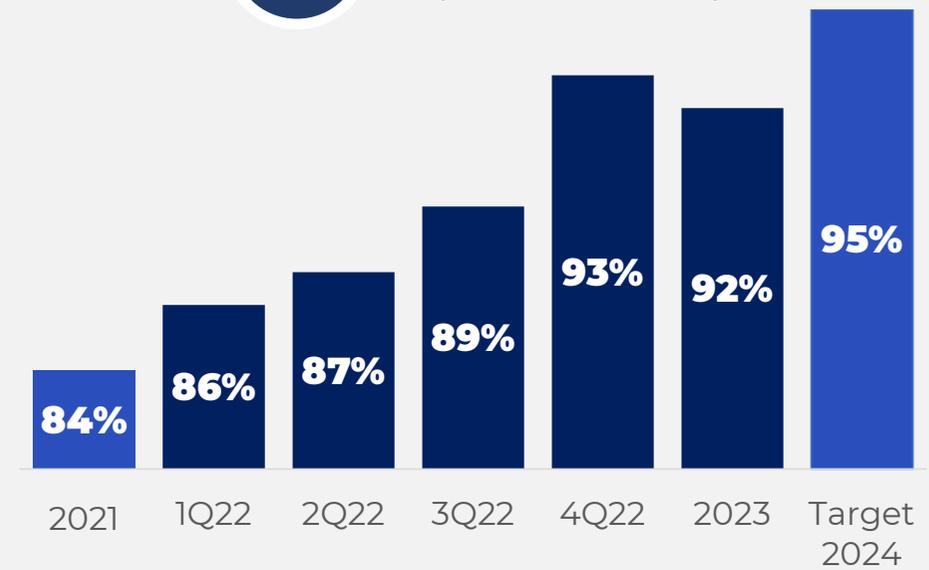
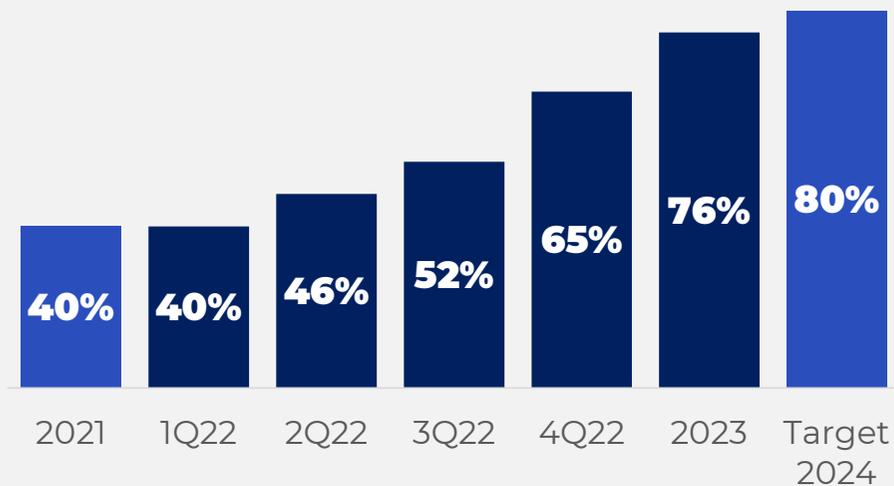
Service level improvement supports: (1) Commercial strategy and (2) E2E efficiency* of the company



OTIF
(On time in full)



CFR
(Case fill rate)



SIMPLIFY BEYOND ERP



75%
Customized

80
Legacy
Systems

2020



Dehydrated

38
New
Applications

80
Legacy
Applications

2022

8%
Customized

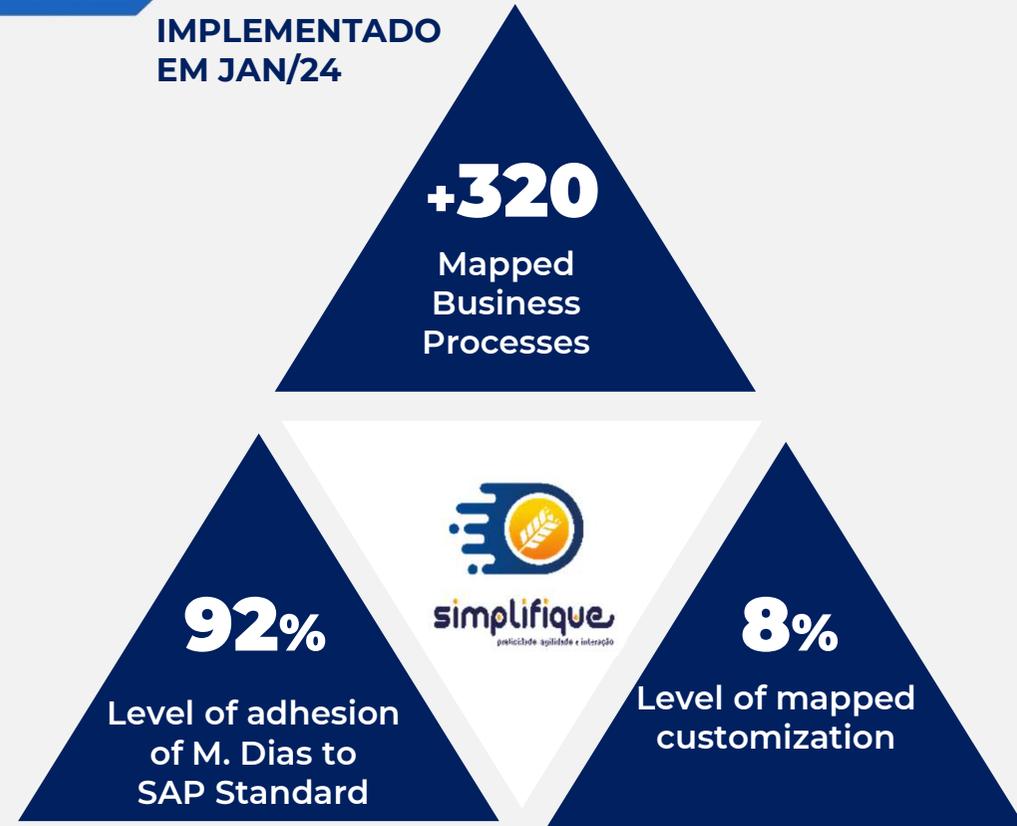
33
Discontinued
Applications

85
Applications

2024



IMPLEMENTADO
EM JAN/24



NEW HEDGE POLICY (JUL/20)

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

MODALITIES

FOREIGN EXCHANGE HEDGE

Cash Flow Protection
(NDF and Options)

COMMODITY HEDGE

Commodity Futures Contract

DEBT HEDGE

Foreign Currency Debt Protection
(Swap Contracts)

1ST ISSUE OF CRAs BY M. DIAS BRANCO

(SETTLEMENT ON MARCH 24, 2021)

R\$ 811.6

(million)

TOTAL CAPTURED

R\$ 2.3

(billion)

TOTAL DEMAND

2.9x above the initial value

Green Bond

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

REMUNERATION

1st Series

Maturity: 7 years

Rate: 3.79% + IPCA

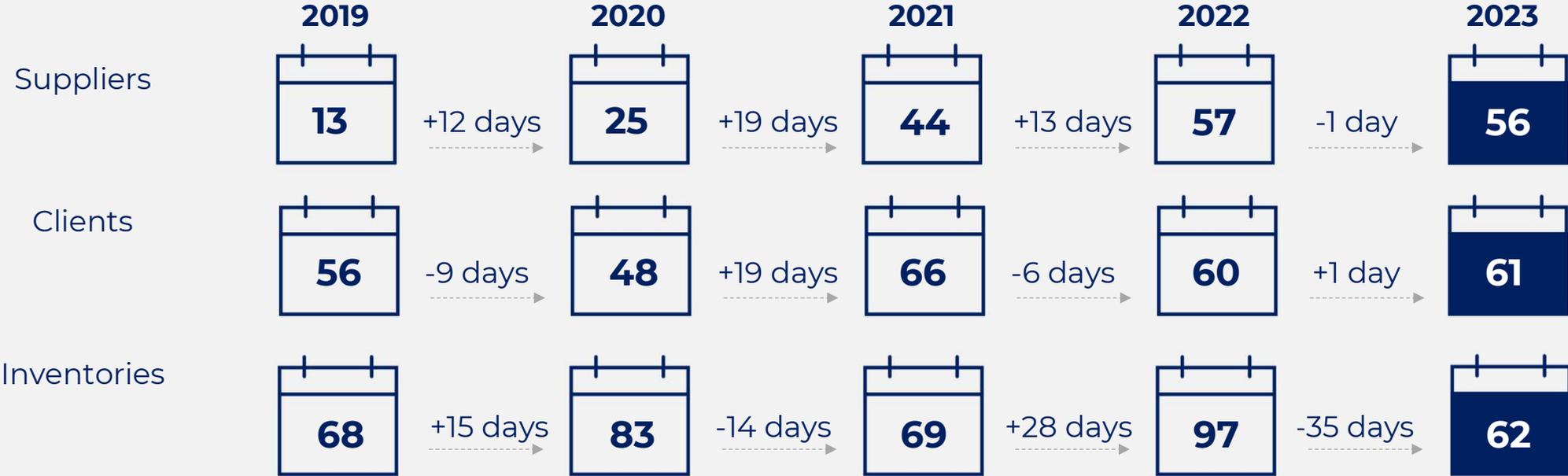
2nd Series

Maturity: 10 years

Rate: 4.13% + IPCA

WORKING CAPITAL RELEASE WITH IMPROVEMENT IN AVERAGE SUPPLIER AND LOWER INVENTORY DAYS IN 2023

Average term in days





Revision in the Policy of Shareholders Remuneration

Increased payout ratio



FREQUENCY

5 payments
per year

(4 fixed e 1 variable)



VALUE

**2023
NEW** — **R\$0.06**/share

2021 / 2022 — **R\$0.05**/share

(for each fixed payment)



PAYOUT*

**2023
NEW** — **80%**

2021 / 2022 — **60%**

Until 2020 — **40%**

*percentage of distributable net income

M. Dias Branco

Acquisitions



LAS ACACIAS

- Acquired in October/2022 for R\$ 105 million;
- Accelerate our internationalization strategy (1 factory and 1 distribution center in Montevideo);
- It is among the top three pasta brands in Uruguay.

INITIATIVES:

- ① Replacement of suppliers;
- ② Insertion of Las Acacias products in M. Dias portfolio;
- ③ Evaluate M. Dias products to incorporate Las Acacias portfolio.



JASMINE

- Acquired in August/2022 for R\$ 344 million;
- Reference brand and leader in the market of granolas and healthy cookies;
- Consolidates M. Dias Branco's positioning in the healthy foods market.



LATINEX

- Acquired in March/2021;
- Initial price of R\$ 180 million reaching up to R\$ 272 million;
- Reinforces our presence in healthy foods and snacks, seasoning, sauces and condiments segments.



HEALTHY
FOODS



SNACKS



SALTS AND
SPICES



SAUCES AND
CONDIMENTS



HANDCRAFT CRISPS
(LICENSE DISTRIBUTION)



PIRAQUÊ

- Acquired in May/2018 for R\$ 1.5 billion;
- The brand, which has high added value, is already the second largest in our portfolio;
- Since the acquisition, Piraquê has grown rapidly throughout Brazil, improving our mix and average price.

NET REVENUE

TOTAL BRAZIL R\$ 684 Million +75% R\$ 1.2 Billion

2017 Pre-acquisition 2023

DEFENSE REGION R\$ 14 Million +12x R\$ 162 Million

2017 Pre-acquisition 2023



ESG

M. Dias Branco



OUR PUBLIC COMMITMENTS UNTIL 2030



Caring for the planet (environmental)

Water consumption reduction to 0.40 m³/t product

Use of renewable energy of 90%

Reutilization of 30% of the water consumed

Adoption of two carbon neutral seal product brands

Absolute greenhouse gas (GHG) emissions reduction by 20%

Water capture in areas of water stress reduction by 30%

Zero waste sent to landfills

Recovery of 38% of post-consumption packaging

Use of 100% recyclable and/or postable and/or biodegradable finished product plastic packaging

Reduced input losses in the production process to 0.94% (reduction by 25%)

Reduced finished product waste by 50%



Believing in people (social)

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

80% in employee satisfaction index evaluated in an external survey

40% women in leadership

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

Accident frequency rate no higher than 0.5 (own employees)

Severity rate at no more than 8% (own employees)

Market share leadership in four categories with health and nutrition attractions



Strengthening alliances (governance)

80% of purchases from local suppliers

OMEGA ALLIANCE



WIND POWER GENERATION



Investment of R\$ 9 million

3 wind energy parks, installed in Paulino Neves/MA

Installed wind capacity of 97.2 MW

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

Target of use of renewable energy of 90% until 2030



PROGRAM

ALLIANCE FOR THE FUTURE



The project seeks the sustainable development of our supply chain through the M. Dias Branco green seal. Launched in 2023, our goal is to have 100% critical suppliers evaluated and monitored by 2030.

Program Pillars

			
ASSESSMENT AND DEVELOPMENT	SOCIAL AND ENVIRONMENTAL MAPPING	COALITIONS AND EXTERNAL CERTIFICATIONS	OTHER INITIATIVES IN SUPPLY MARKETS

M. Dias Branco

Update 2023





TRANSFORMATION IN PROGRESS

Management team with internal and external experiences

LARGEST MARKETING INVESTMENT | 2% NR



BRAND STRENGTHENING

	2021	2023
piraque Total Knowledge	90	96
Consideration	59	73
Last 3 months Purchase	42	58
Preference	9	13

NEW CATEGORIES | INNOVATION



26% SG&A %NR (2019) → 21% SG&A %NR (2023)

ORGANIZATIONAL REDESIGN



Local Green Bond

76% LONG-TERM DEBT (2023)



FINANCIAL CYCLE

112 DAYS (2019)

→ 67 DAYS (2023)



SERVICE LEVELS

CFR (Case fill rate)

84% (2021) → 92% (2023)

OTIF (On time in full)

40% (2021) → 76% (2023)



PERFECT STORE

for 70% of the revenue



We discontinued 300 SKUs in 2020 and 2021



New channels E-COMMERCE DISTRIBUTORS



Implementation of a Revenue Management team



NEW ERP SAP - JAN/24



INDUSTRY 4.0



STRATEGIC SOURCING



HEDGE POLICY

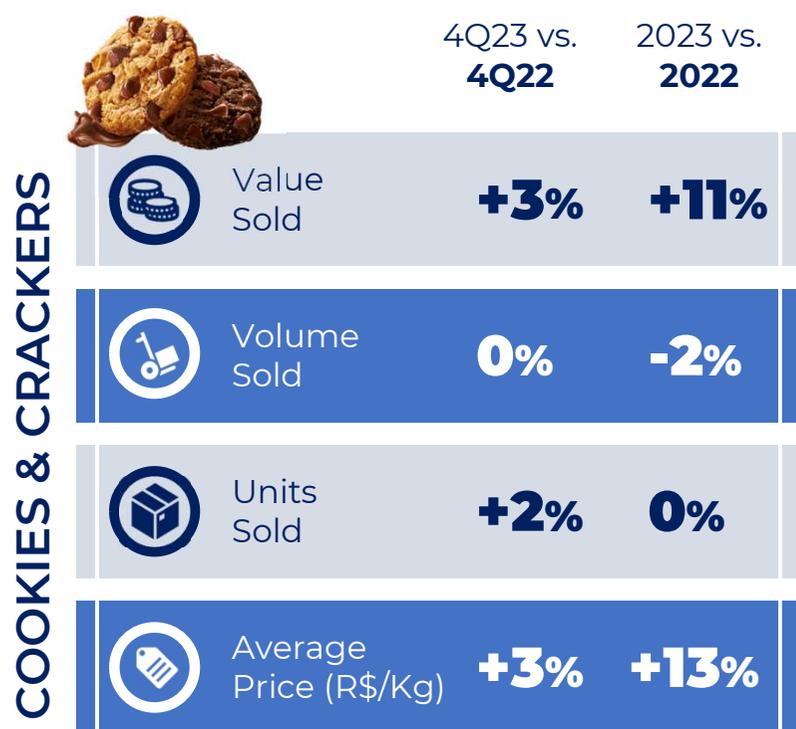


65% renewable energy (2023) and 90% target by 2030 (In partnership with OMEGA)



Total Shareholder Return as a long-term incentive for the executive team

The cookies & crackers and pasta markets grew in 2023 (sell-out)

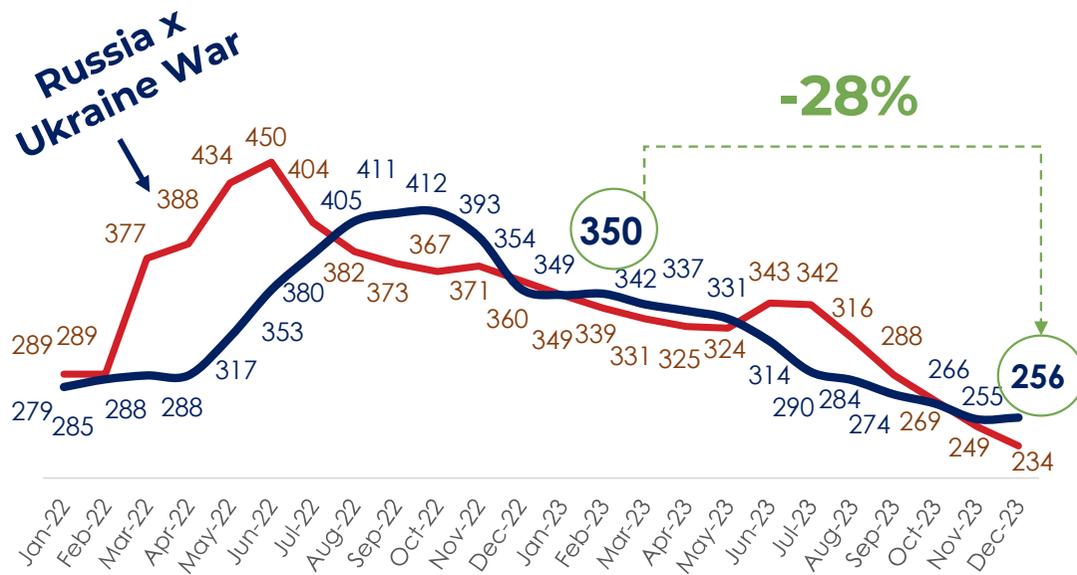


Source: Nielsen – Retail Index. Total Brazil. INA+C&C.

Lower prices in wheat and palm oil in 2023. We closed the year with substantially lower costs than Dec/22

WHEAT
(US\$/TON.) 

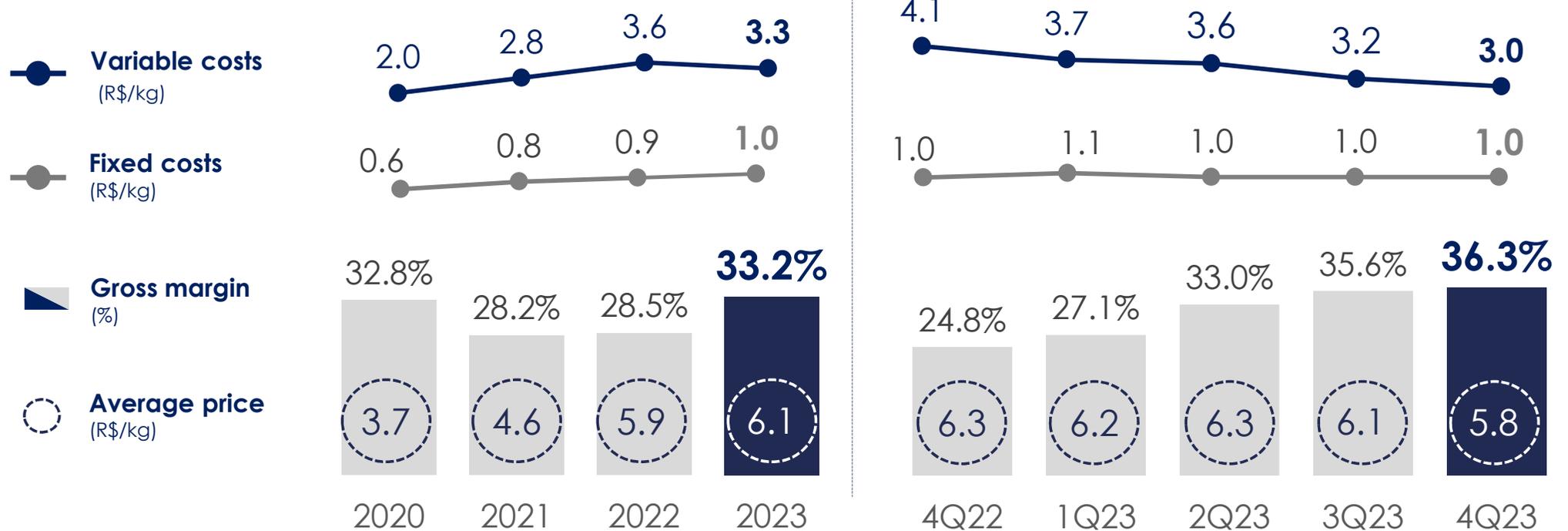
PALM OIL
(US\$/TON.) 



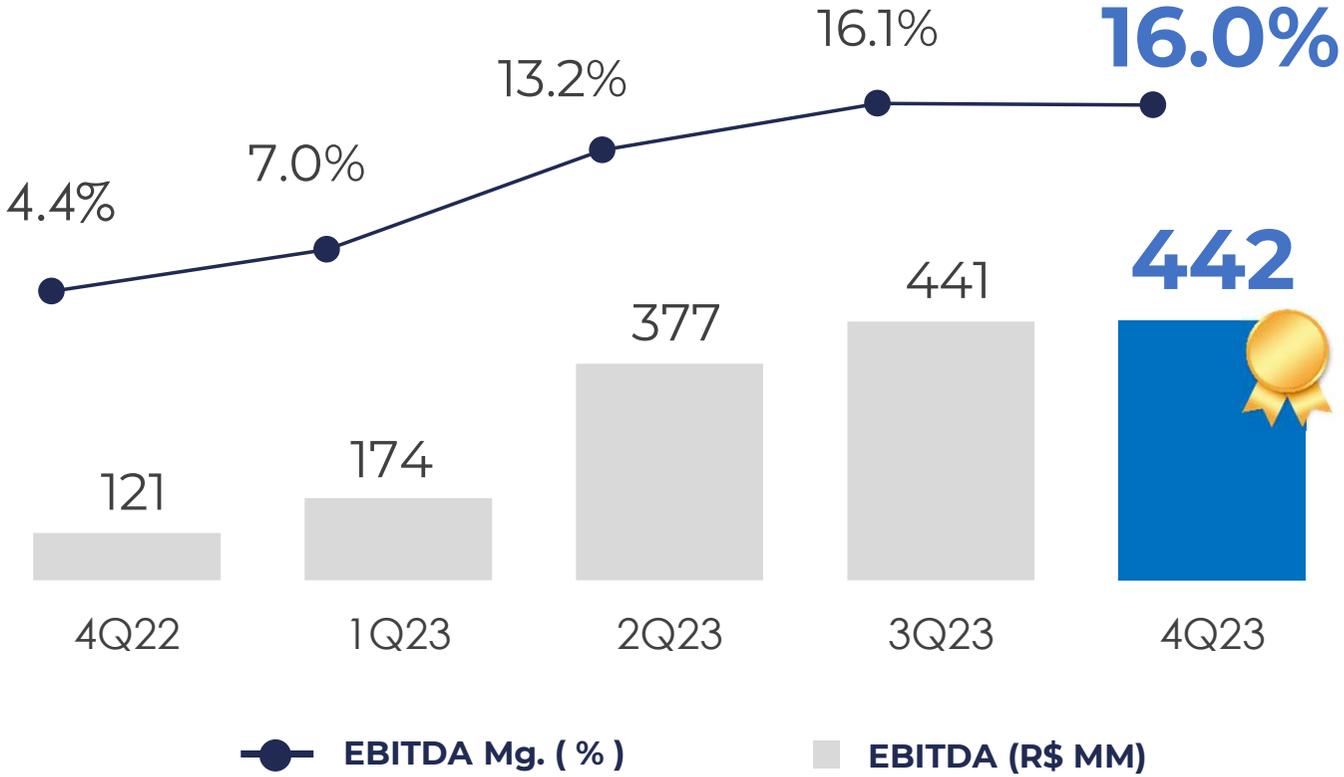
— Market* — M. Dias Branco

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

Increase in gross margin due to the decrease in commodity prices and higher average prices YTD



Sequential growth of EBITDA, reaching R\$ 442.4 million and 16.0% EBITDA Margin in 4Q23



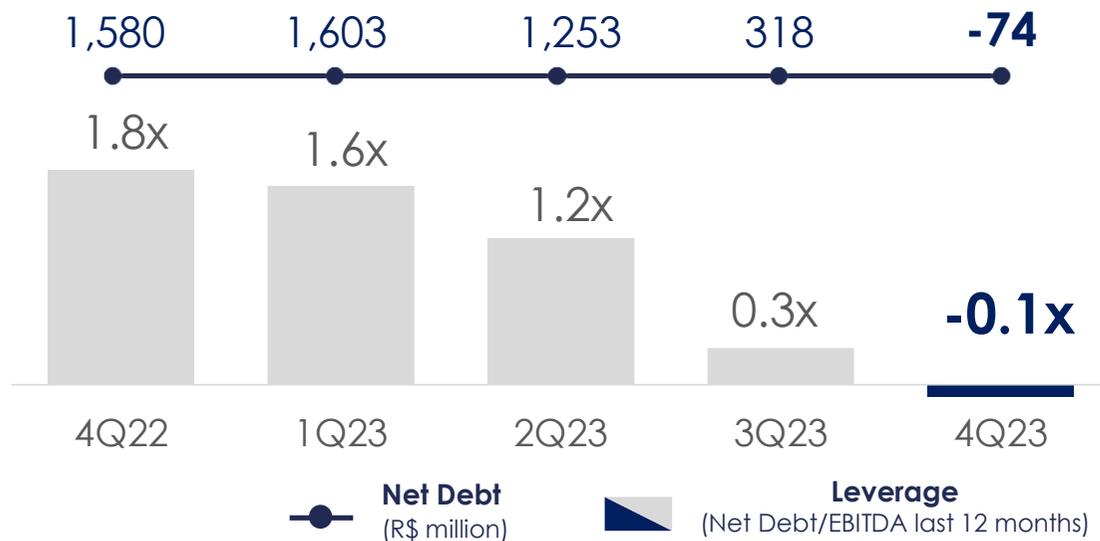
16.7%
EBITDA Mg.
Average
2006 to 2020

Strong cash generation in 2023, maintaining AAA rating and deleveraging

Leverage Net (Cash) Debt / EBITDA (last 12 months)



Acquisitions



R\$ MM	2022	2023
FCFF*	190	1,844
EBITDA	900	1,434

*Free Cash Flow to Firm

FINANCIAL RESULTS 2015-2023

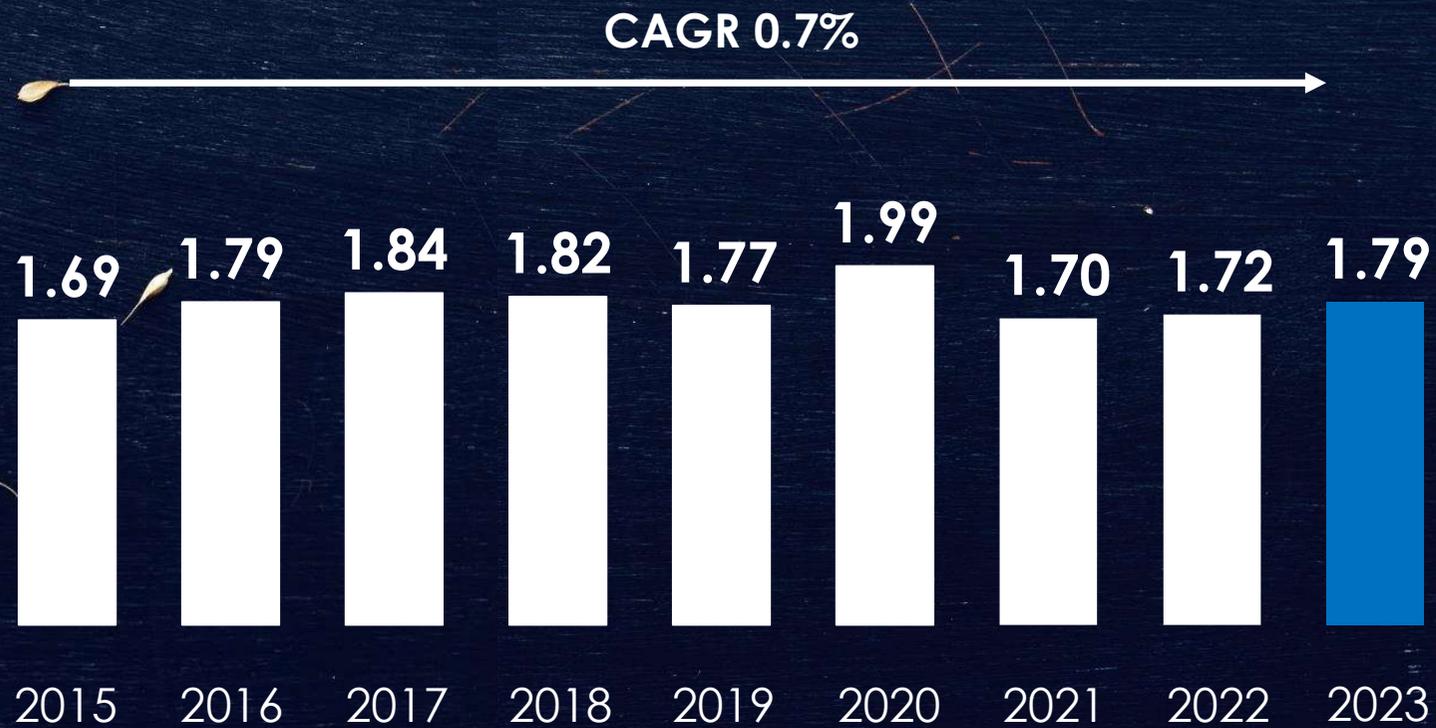

M. Dias Branco



NET REVENUE (R\$ BILLION)



VOLUME (MILLION TON.)

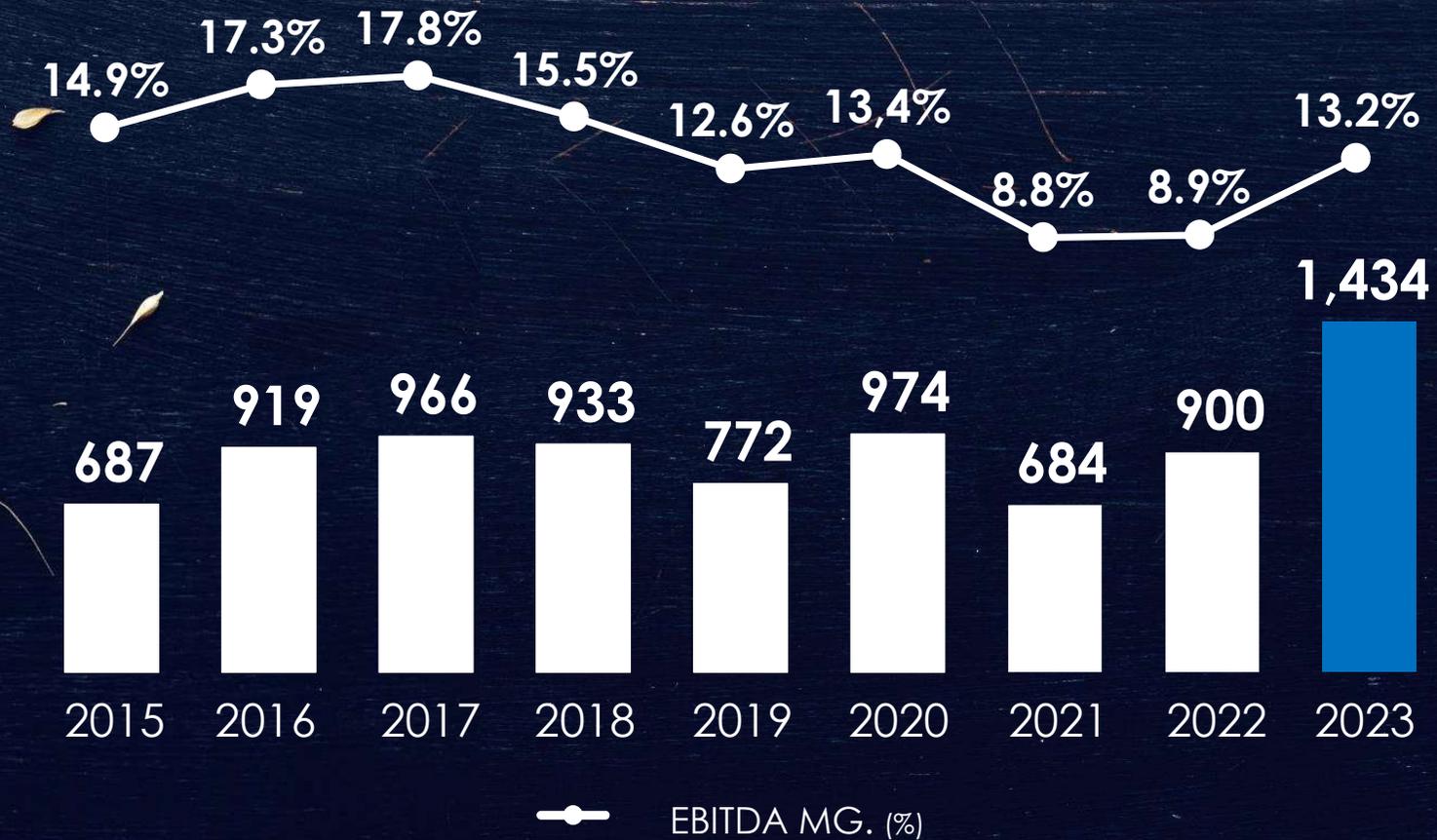


EVOLUTION OF WHEAT PRICE IN US\$

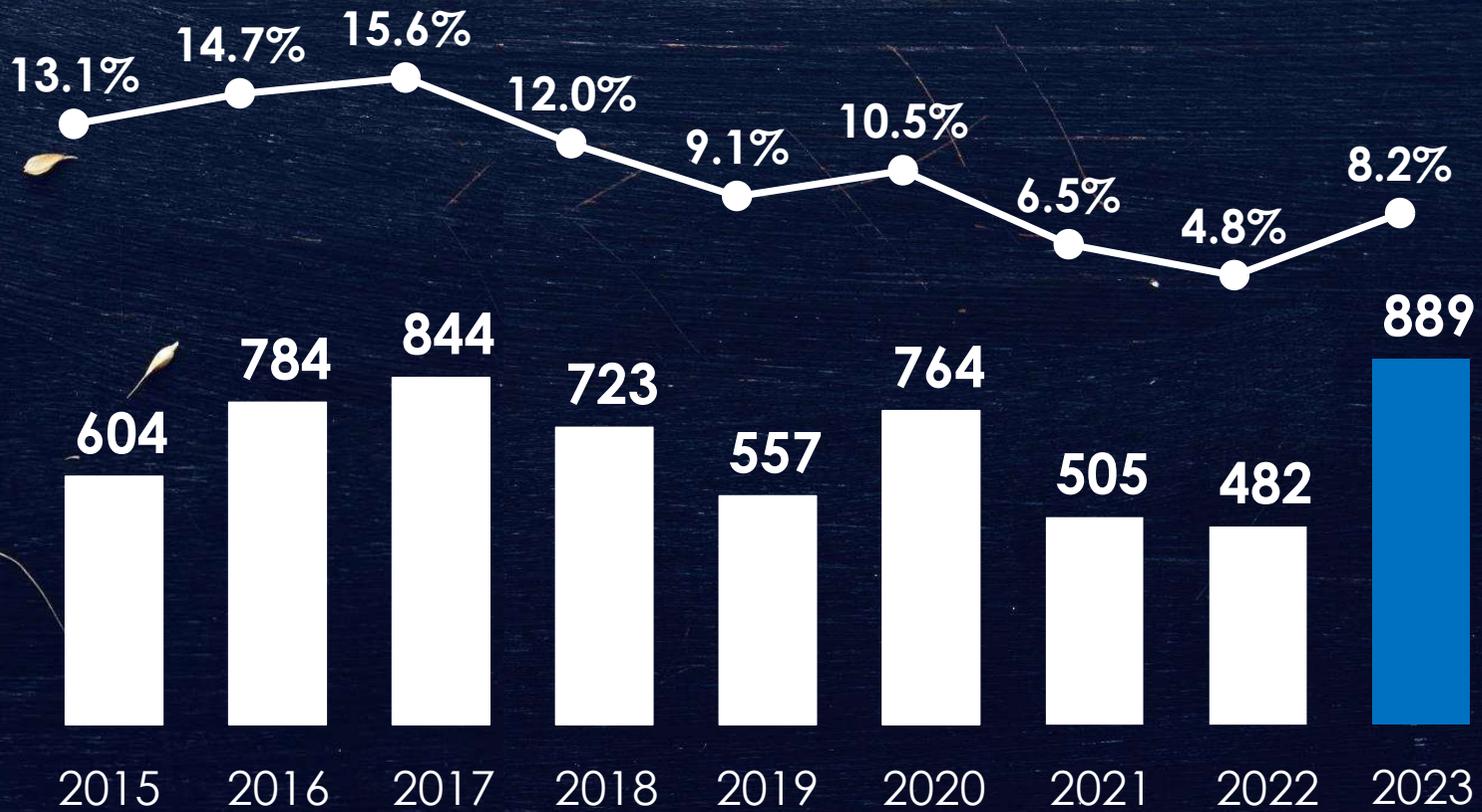


Source: Bloomberg - W1 Comdty.

EBITDA (R\$ MILLION)

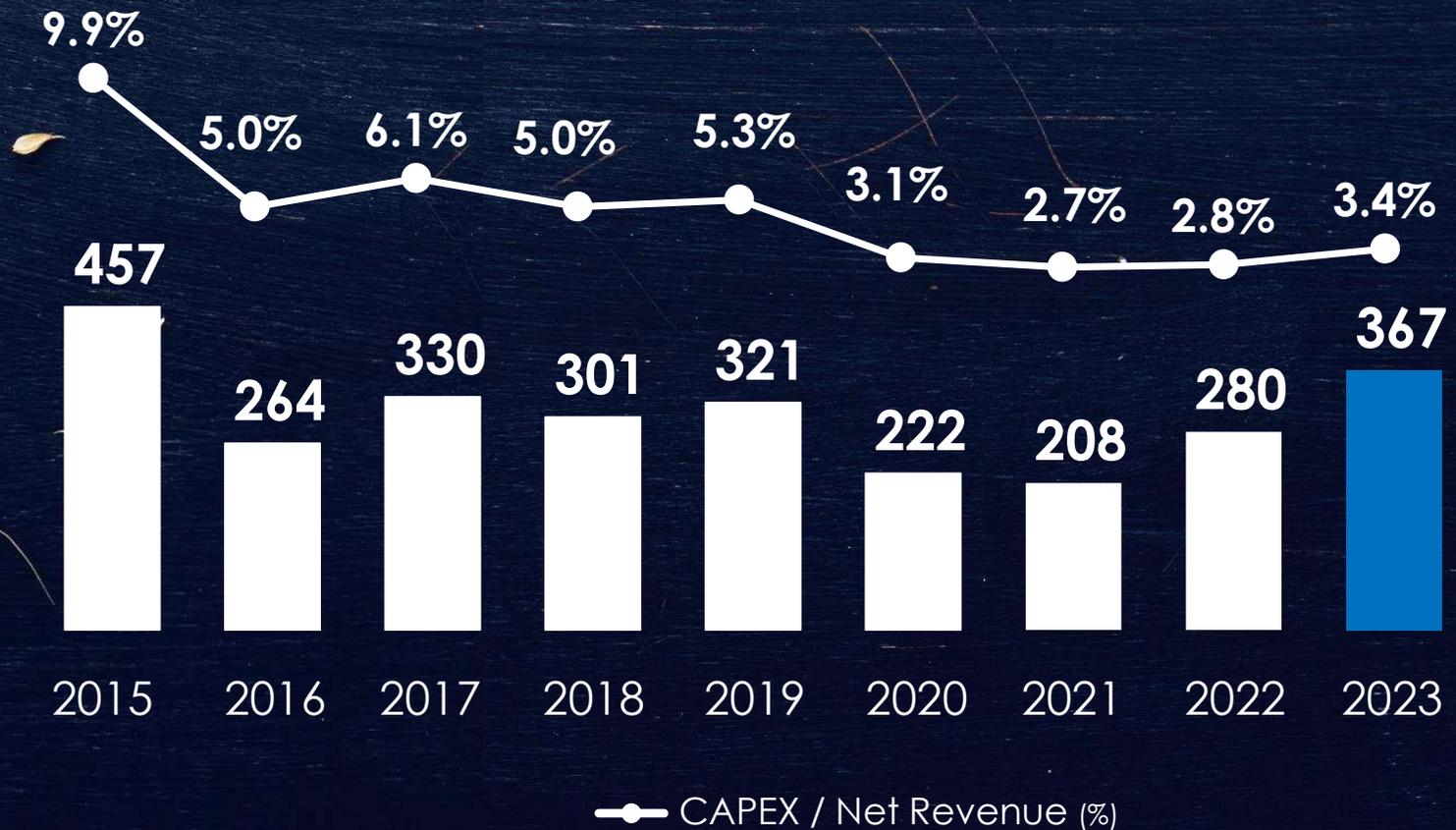


NET INCOME (R\$ MILLION)



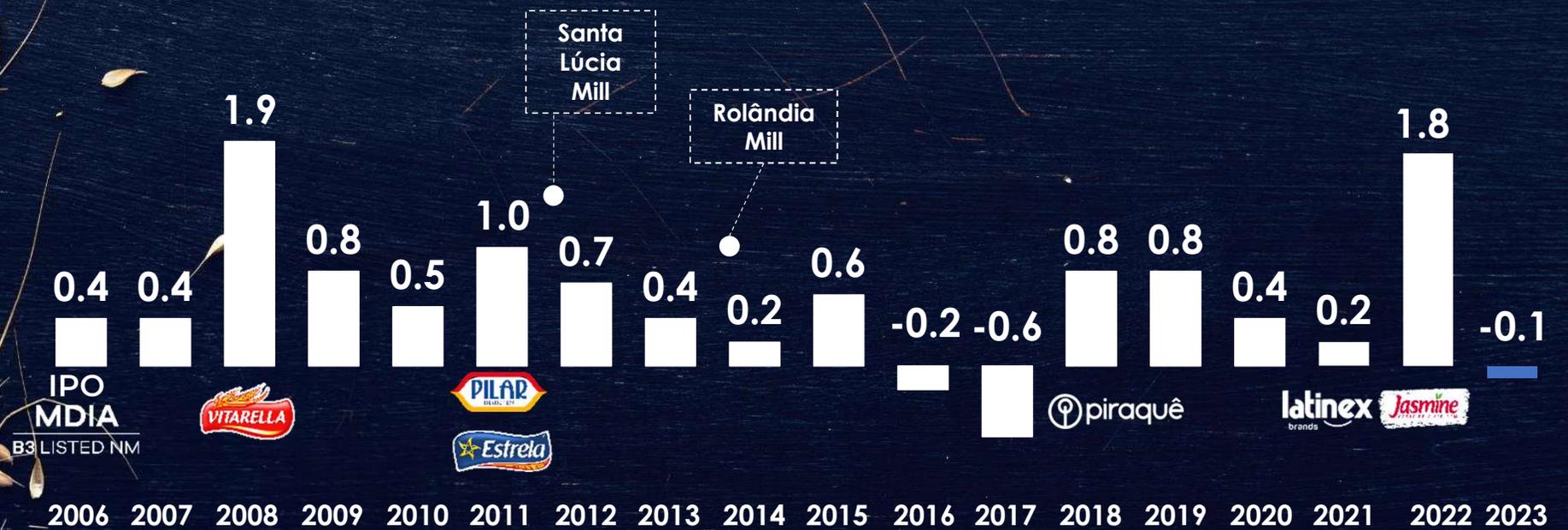
—●— NET INCOME MG. (%)

CAPEX (R\$ MILLION)



LEVERAGE

NET DEBT (CASH) / EBITDA LAST 12 MONTHS



Adria: Acquired in 2003

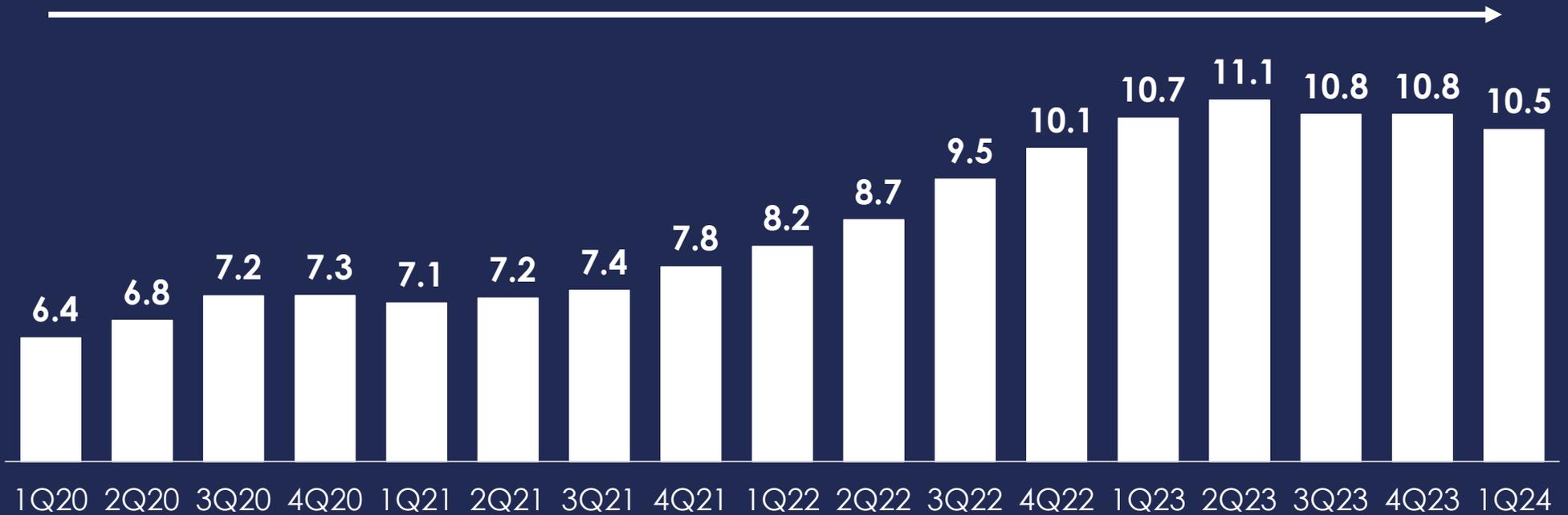
FINANCIAL RESULTS Last 12 Months


M. Dias Branco



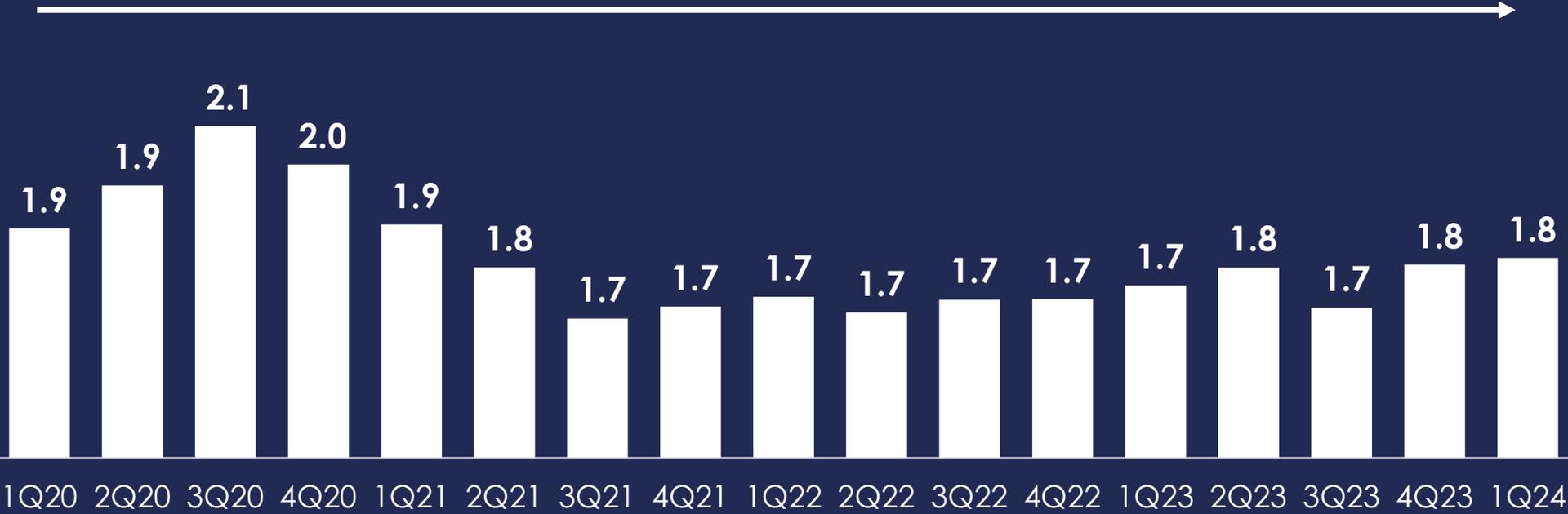
NET REVENUE (Last 12 months R\$ Billion)

+63.4% | 1Q24 vs. 1Q20



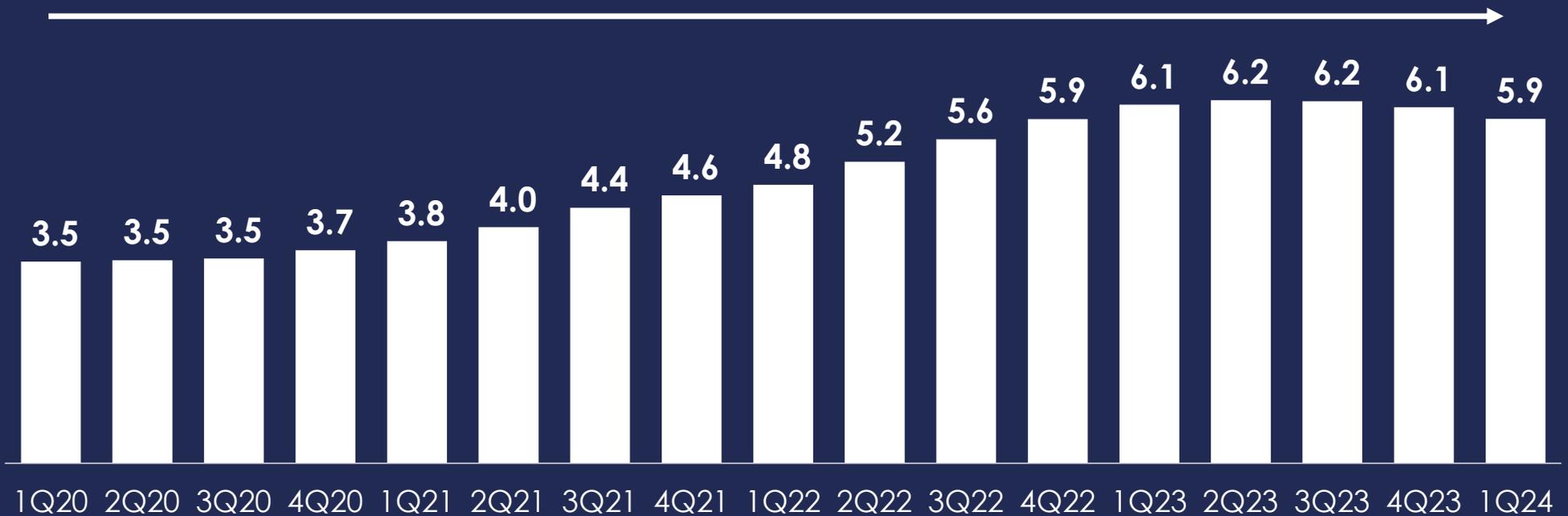
VOLUME (Last 12 months Million Ton.)

-4.2% | 1Q24 vs. 1Q20



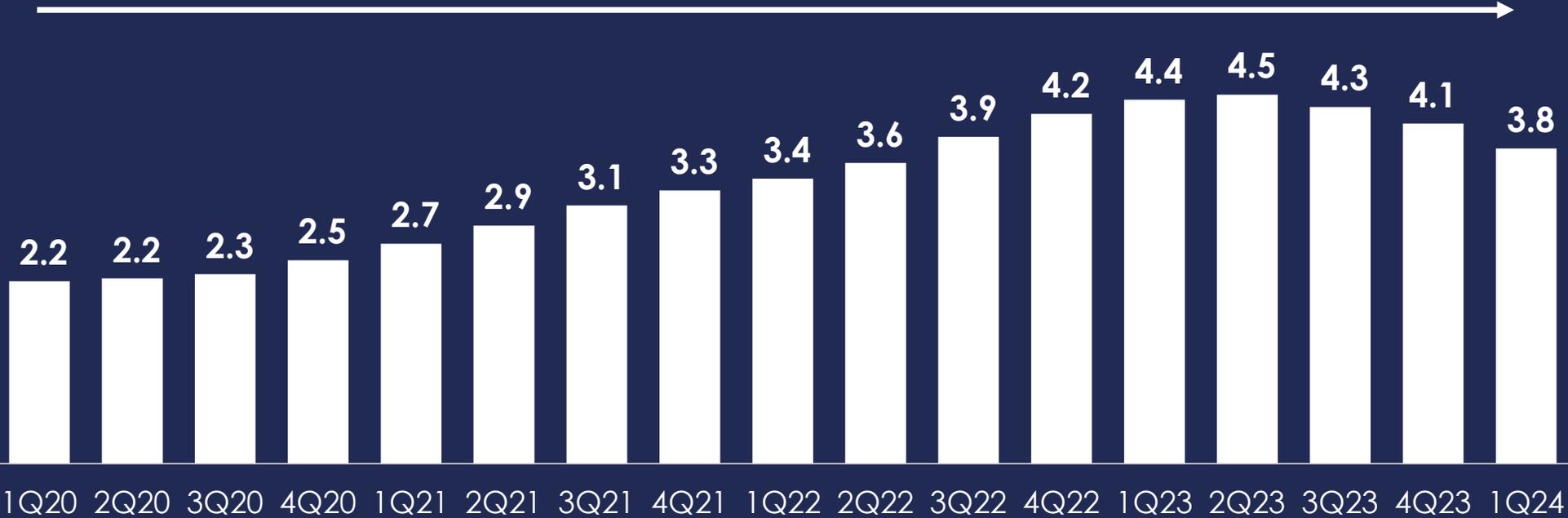
AVERAGE PRICE R\$/Kg (Last 12 months)

+70.5% | 1Q24 vs. 1Q20



COGS R\$/Kg (Last 12 months)

+73.3% | 1Q24 vs. 1Q20



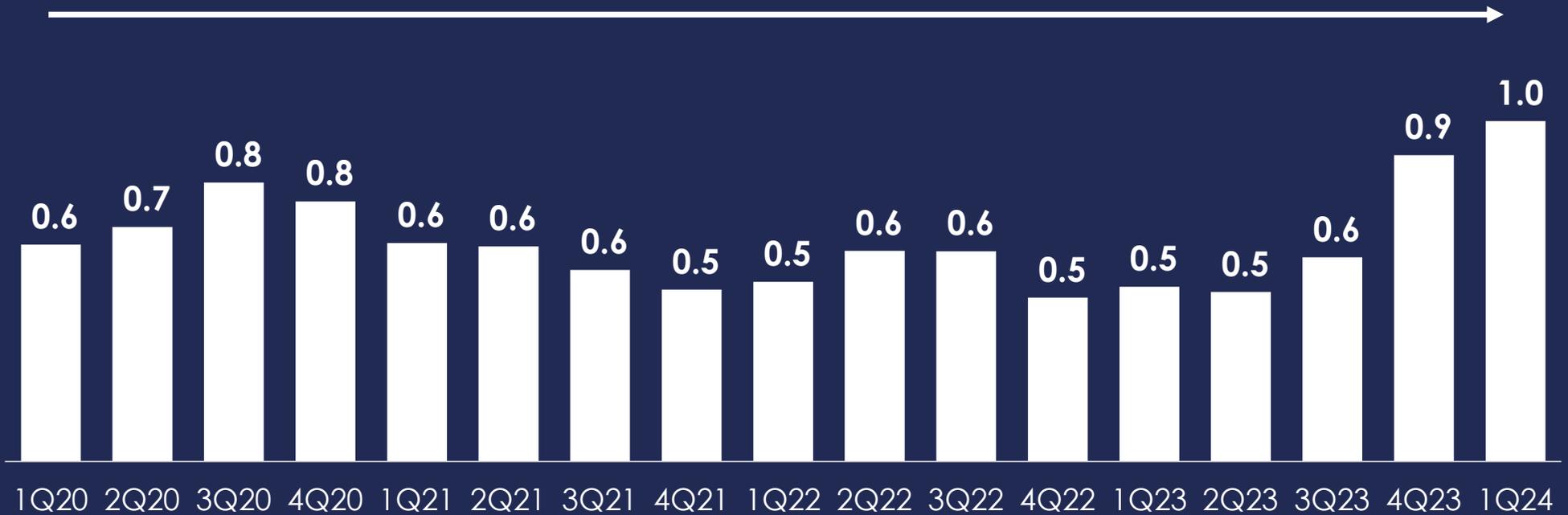
EBITDA (Last 12 months R\$ Billion)

+73.0% | 1Q24 vs. 1Q20



NET INCOME (Last 12 months R\$ Billion)

+52.9% | 1Q24 vs. 1Q20



M. Dias Branco

COOKIES & PASTA MARKETS



Growth opportunities



Cookies & Crackers



Pasta



Noodles

Market

(R\$ billion – Sell-out)

32,5

22,4

10,1

9,3

6,4

3,0

5,8

Market

(thousand tonnes)

1.528

992

536

1.093

729

364

218

Opportunity

(R\$ billion – Sell-out)

23,2

17,9

5,3

6,7

5,3

1,4

5,5

Share volume

(%)

31,8%

21,5%

50,9%

28,9%

17,5%

51,7%

10,0%

Total

Attack

Defense

Total

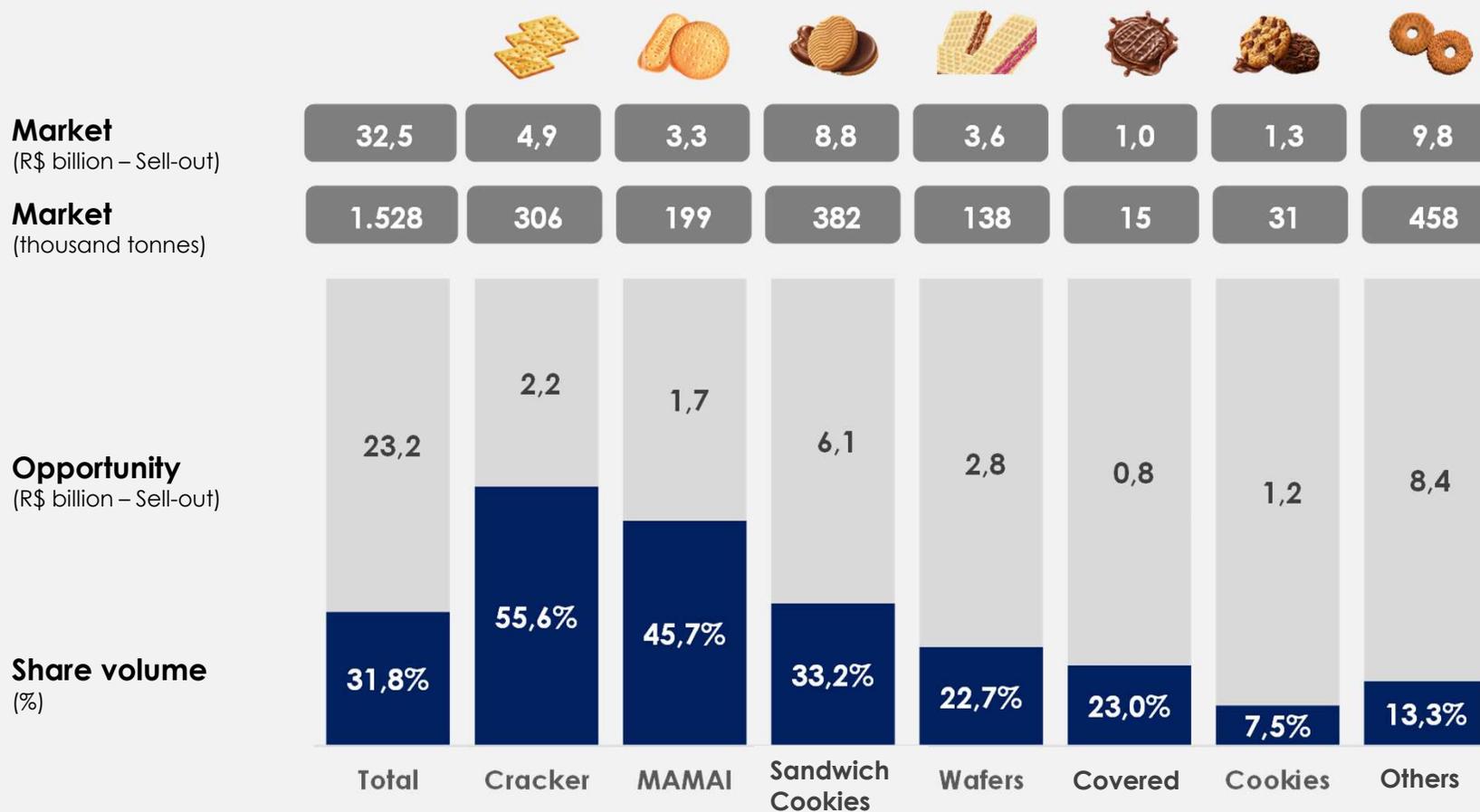
Attack

Defense

Total

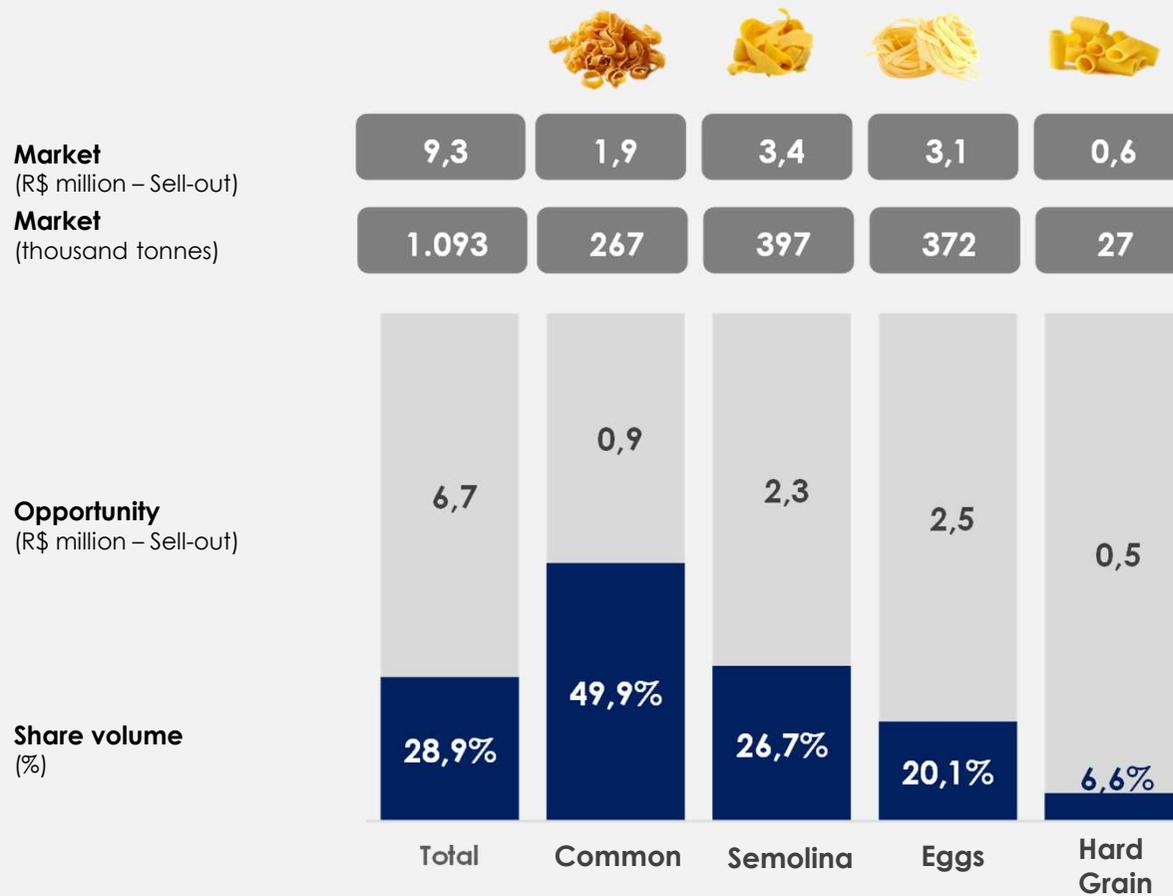
Source: ABIMAPI + Nielsen + M. Dias Branco estimates.

Growth opportunities – Cookies & Crackers



Source: ABIMAPI + Nielsen + M. Dias Branco estimates.

Growth opportunities – Pasta



Source: ABIMAPI + Nielsen + M. Dias Branco estimates.



M. Dias Branco

Results
Presentation
1Q24

MDIA3
May 13th, 2024

Novo Lámen.

ZERO FRITURA. MUITO SABOR.

 youtube.com/rimdias

 ri.mdiasbranco.com.br

 ri@mdiasbranco.com.br



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





Net Revenue

R\$ 2.1
Billion

-13.9%
vs. 1Q23



EBITDA

Record for a first
quarter

R\$ 277
Million

+60%
vs. 1Q23



Net Income

R\$ 155
Million

+122%
vs. 1Q23



Cash Flow

R\$ 138
Million

2.4x higher
vs. 1Q23



Exchange of the EBS management system for SAP S4 Hana with Go Live in Jan/24.

The system change was successful and in less than three months we resumed growth, recovered margins and gained market share. The necessary and scheduled interruption of operations at the beginning of Jan/24, as usual in this type of system exchange, represented a reduction of 31 thousand tons of sales, equivalent to R\$60 million in contribution margin

Estimated impact of Scheduled Interruptions

31
thousand
ton.

Variation in Volumes
Jan/23 vs. Jan/24

5.2
R\$/kg

Average Price of Jan/24

37%

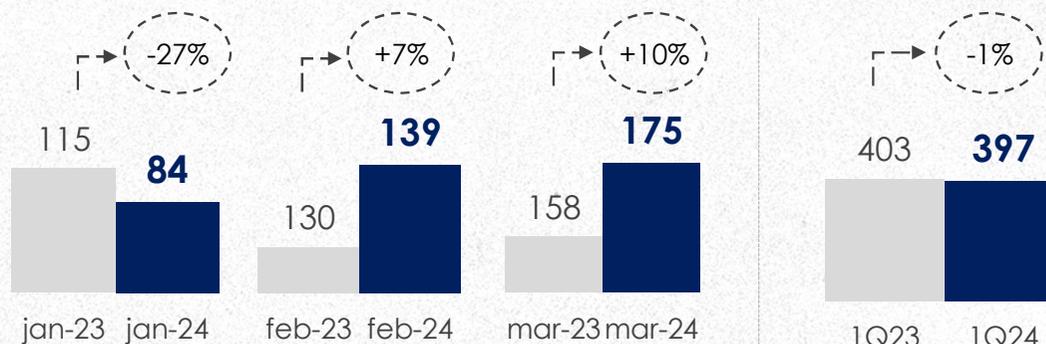
Contribution Mg. of Jan/24

R\$60 MM

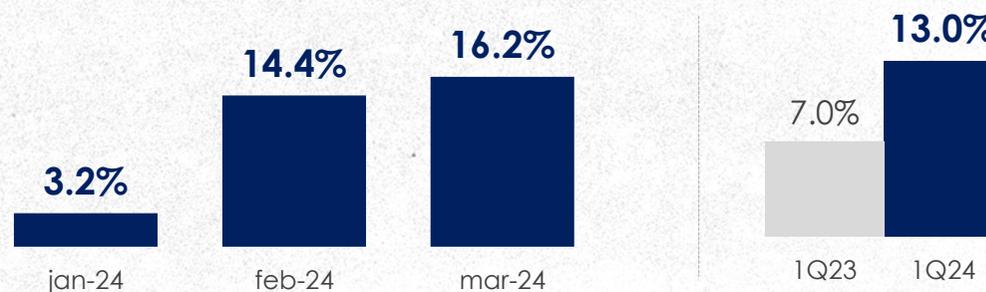
Impact on contribution Mg.



Sales Volume (Thousand Ton.)



EBITDA Margin (%)



HIGHLIGHTS

M. Dias Branco





RELAUNCH OF THE SHARE BUYBACK PROGRAM



OBJETIVO

Maximize the creation of value and comply with the Company's Long-Term Incentive Program



TERM

18
Months

Apr/24 – Oct/25



AMOUNT

3.58
Million
Shares



LAUNCH



NEW ZERO FRYING LAMEN



PRODUCT

Innovative product:



Zero frying

Made in a **hot air process**, like an airfryer



Less Sodium

25% less sodium vs fried



AND SO MUCH

TASTE!



MARKET 2023

SHARE VOLUME (%)



Source: Nielsen.



PROJECT



3 years



Up to R\$ 100 million investment



FINEP financing framed as "Innovation for Competitiveness"



M. Dias Branco



LÁMEN
LANÇAMENTO
INÉDITO
ZERO
FRITURA

ADRIA
lámen sabor **carne**

NOVO

zero **FRITURA**

menos **SÓDIO****

muito **SABOR**

2 min
E PRONTO!

PESO LÍQ. / NETO 75 g
CONTÉM 70 g DE MACARRÃO E 5 g DE TEMPERO
CONTIENE 70 g DE PASTA Y 5 g DE CONDIMENTO
MACARRÃO INSTANTÂNEO COM TEMPERO SABOR CARNE
PASTA INSTANTÂNEA CON CONDIMENTO SABOR CARNE

*No fogão, após o fervura do líquido. **En la estufa, después de la ebullición del líquido. ***Menos sódio, quando comparado ao lámen frito do mesmo fabricante. Contém aromatzante sintético e ácido cítrico natural. Contiene aromatizante sintético e ácido cítrico natural.

Imagem Ilustrativa | Imagen Ilustrativa

ADRIA
lámen sabor **galinha caipira**

NOVO

zero **FRITURA**

menos **SÓDIO****

muito **SABOR**

2 min
E PRONTO!

PESO LÍQ. / NETO 75 g
CONTÉM 70 g DE MACARRÃO E 5 g DE TEMPERO
CONTIENE 70 g DE PASTA Y 5 g DE CONDIMENTO
MACARRÃO INSTANTÂNEO COM TEMPERO SABOR GALINHA CAIPIRA
PASTA INSTANTÂNEA CON CONDIMENTO SABOR POLLO CAMPERO

*No fogão, após o fervura do líquido. **En la estufa, después de la ebullición del líquido. ***Menos sódio, quando comparado ao lámen frito do mesmo fabricante. Contém aromatzante sintético e ácido cítrico natural. Contiene aromatizante sintético e ácido cítrico natural.

Imagem Ilustrativa | Imagen Ilustrativa

ADRIA
lámen sabor **tomate**

NOVO

zero **FRITURA**

menos **SÓDIO****

com **VITAMINAS**
B1 B2 B3 B6

2 min
E PRONTO!

PESO LÍQ. 75 g
CONTÉM 70 g DE MACARRÃO E 5 g DE TEMPERO
MACARRÃO INSTANTÂNEO COM TEMPERO SABOR TOMATE

*No fogão, após o fervura do líquido. **Menos sódio, quando comparado ao lámen frito do mesmo fabricante. Contém aromatzante sintético e ácido cítrico natural. Contiene aromatizante sintético e ácido cítrico natural.

Imagem Ilustrativa | Imagen Ilustrativa



REVENUE & MARKET SHARE

M. Dias Branco





The cookies & crackers and pasta markets grew in the 1Q24 vs. 1Q23 (sell-out | retail sales to consumers)



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

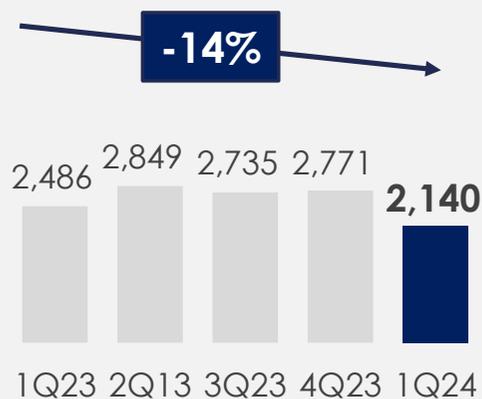




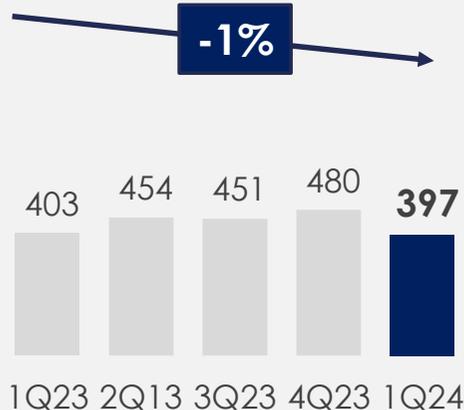
Net revenue of R\$2.1 billion, down by 13.9% from 1Q23, due to reductions in average price and the gradual resumption of revenue in mid-January after the scheduled interruption at the beginning of the month for the implementation of the SAP system



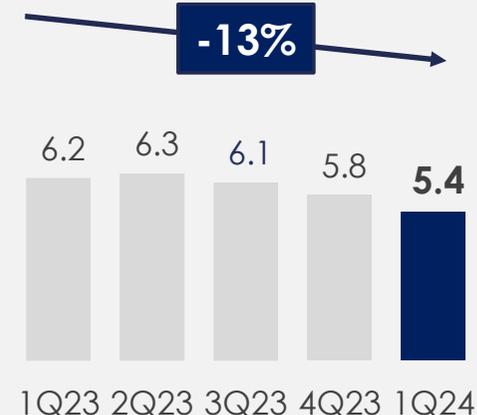
Net Revenue
(R\$ million)



Sales Volume
(Thousand Ton.)



Average Price
(R\$/Kg)



...

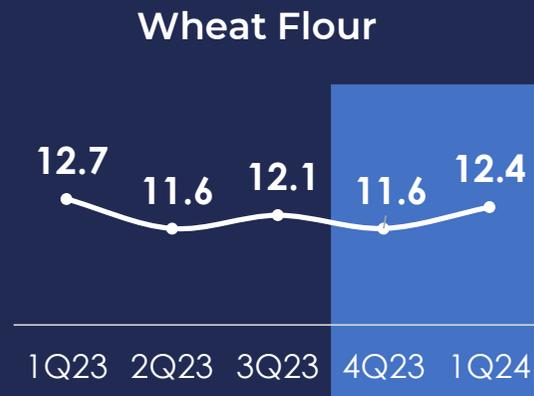
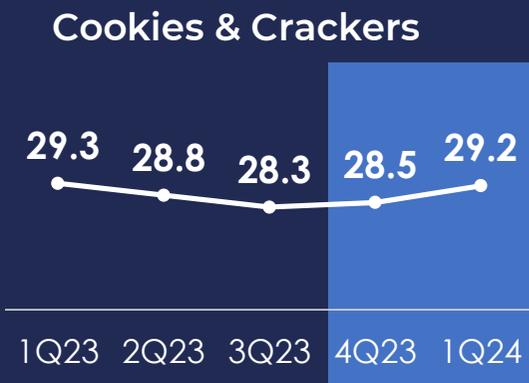
We estimate that in 1Q24 we had an unfavorable impact on volumes of around 31 thousand tons.





We expanded the market share in volume vs. 4Q23 in Cookies & Crackers, Pasta and Wheat Flour

Market share %
Value
Brazil



Market share %
Volume
Brazil



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



In 1Q24, revenue decrease in both the Attack and Defense regions was mainly due to lower volumes



 **-12%**
Price

 **-1%**
Volume

 **-14%**
Price

 **-3%**
Volume



COSTS & EXPENSES

M. Dias Branco





Lower prices in wheat and palm oil vs. dec/23. With the scheduled pauses due to the implementation of SAP, the consumption of wheat in stock increased gradually from February/2024 onwards, momentarily postponing the meeting of our prices with market prices.

WHEAT (US\$/TON.)



PALM OIL (US\$/TON.)



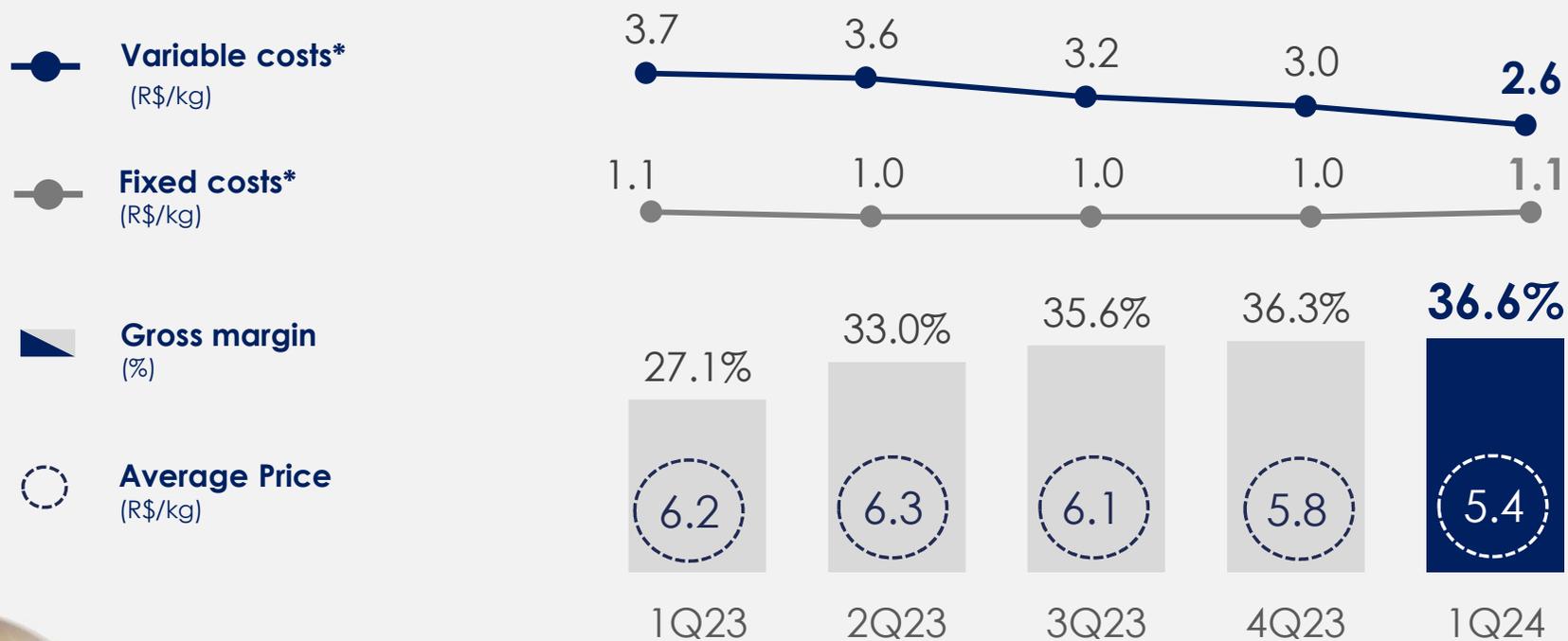
*Source: Wheat - SAFRAS & Mercado; Palm Oil - Rotterdam.



— Market* — M. Dias Branco



Gross margin growth vs. 1Q23 and 4Q23. The reduction in variable costs was more than enough to offset the reduction in average price.



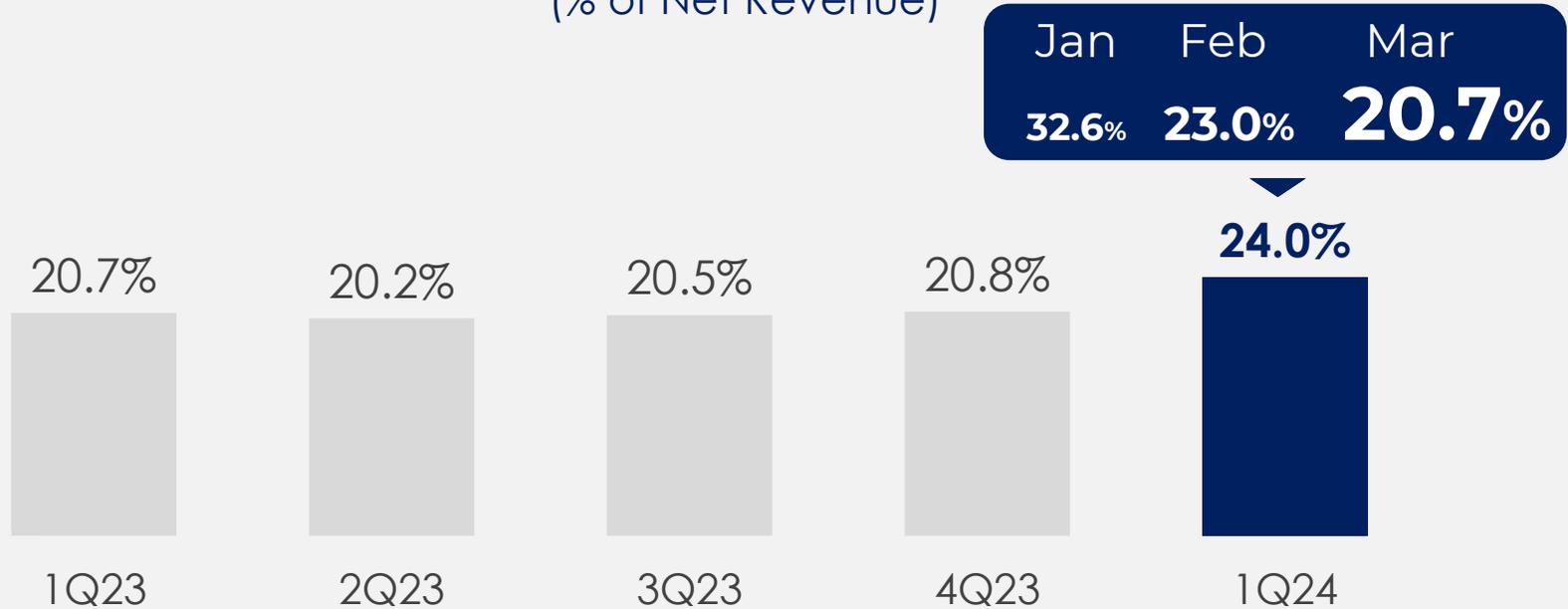
*Without incentives.





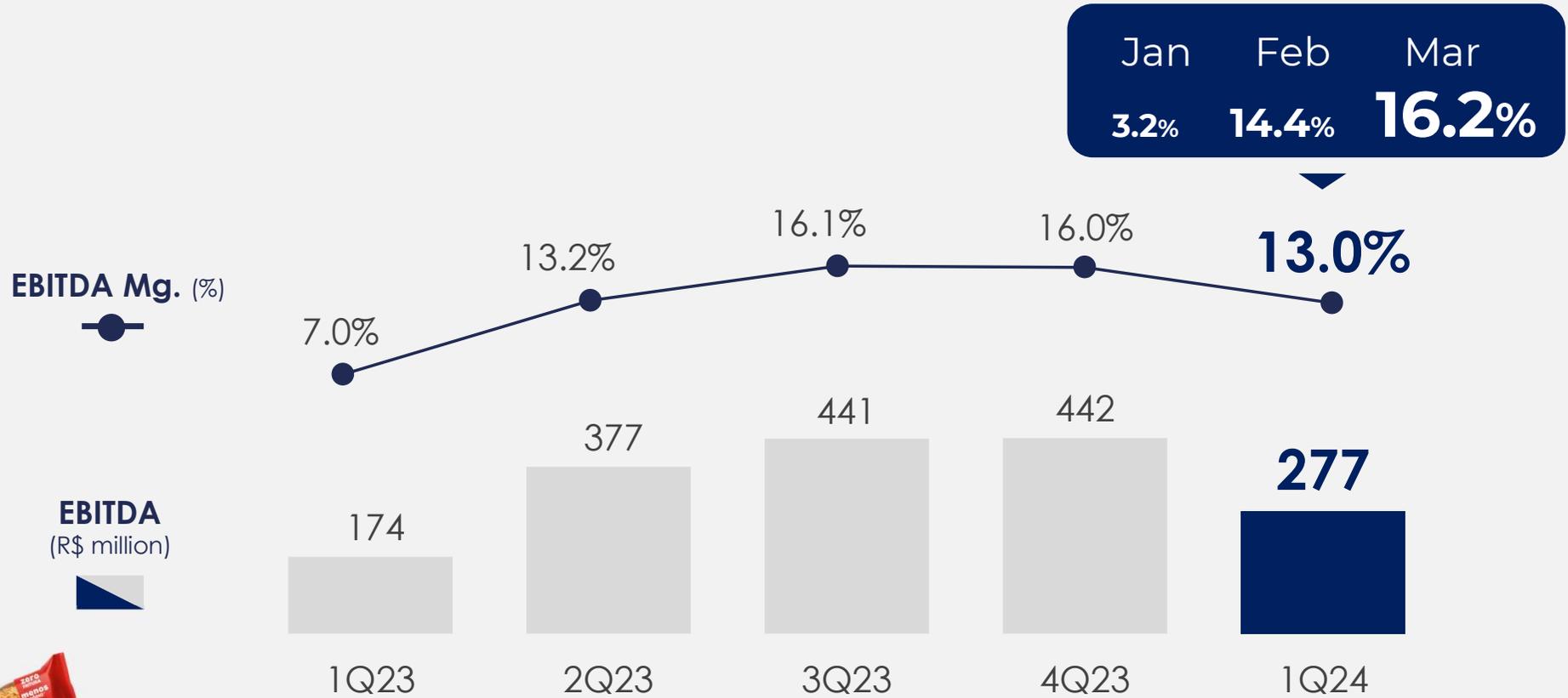
Sales and administrative expenses (SG&A) at 24.0% of Net Revenue, impacted by the drop in volumes, mainly in January, and the lower average price.

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





EBITDA up by 59.6% over last year, and EBITDA margin of 13.0%





Net Income 121.6% higher than last year

Net Margin (%)



Net Income
(R\$ million)



CASH FLOW, DEBT AND INVESTMENTS

M. Dias Branco





R\$138 million in operating cash generation in 1Q24, with growth in EBITDA

1Q24 vs. 1Q23		
138	57	Cash Flow from Operating Activities*
277	174	EBITDA
(143)	(46)	Assets and Liabilities Variation
4	(71)	Others

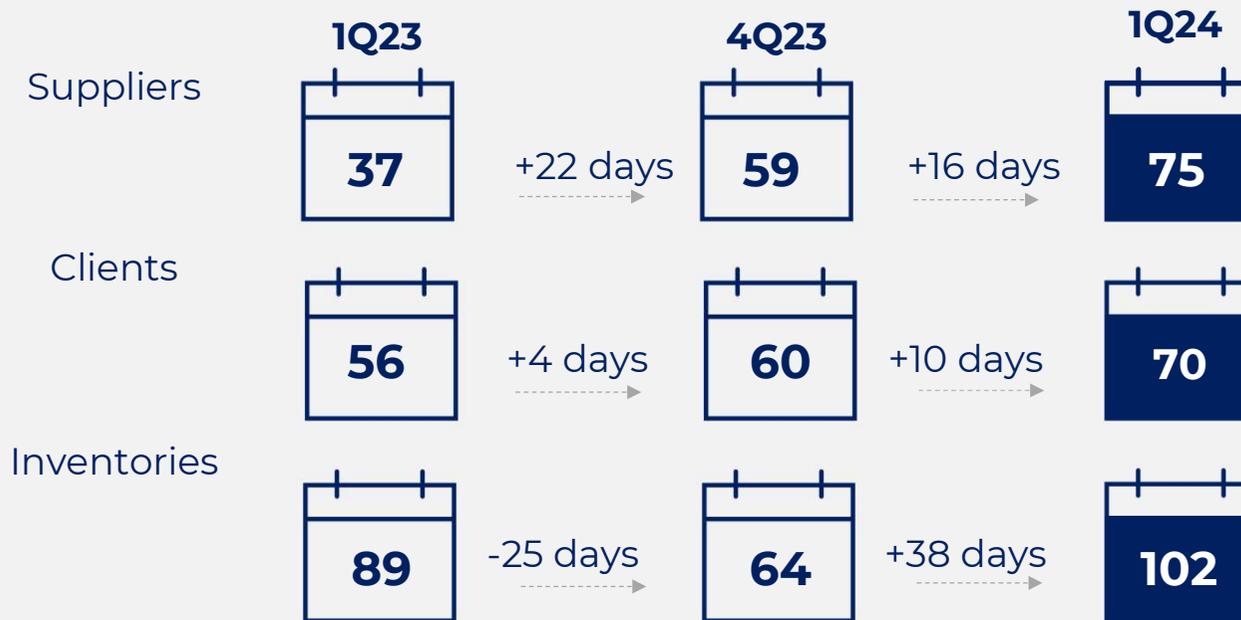
* Net Cash provided by (used in) operating activities





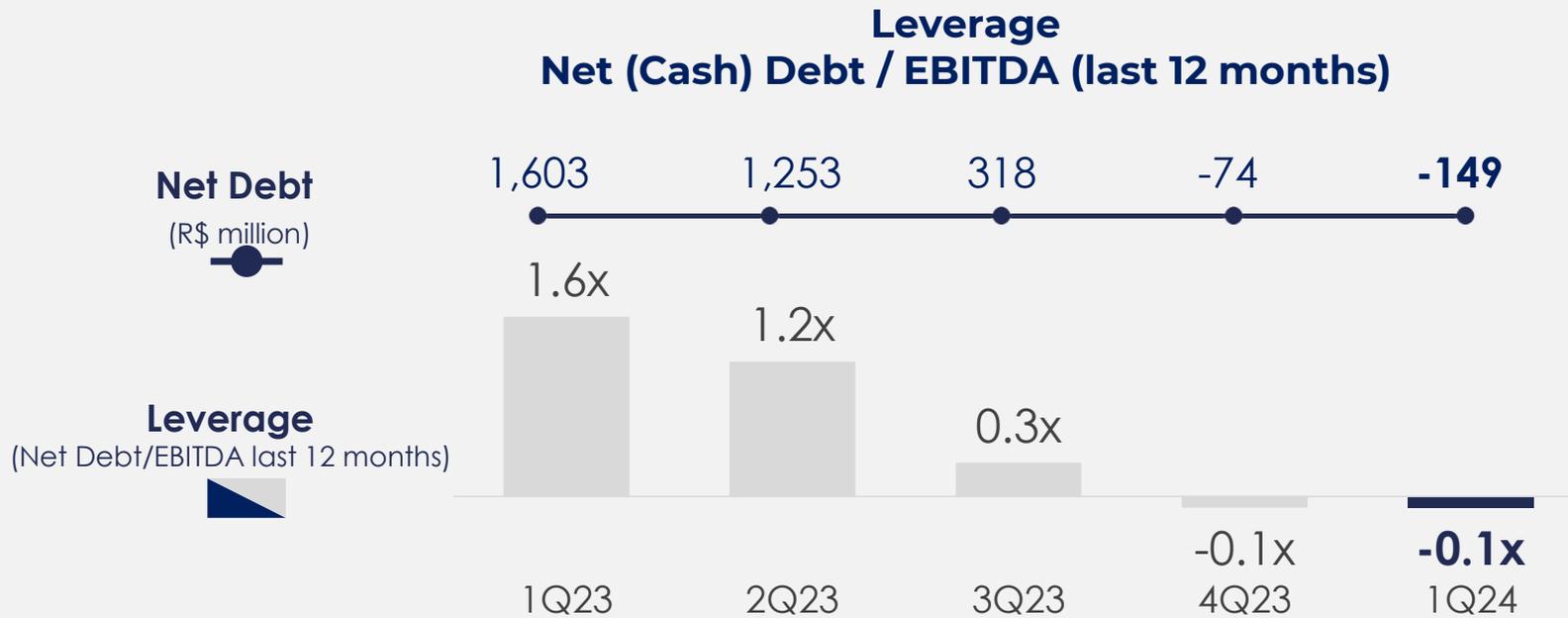
Working capital consumption impacted by the increase in finished product inventory volumes and increase in receivables due to commercial initiatives to replenish inventories at customers

Average term in days





Net Cash position in the quarter. We ended the quarter with R\$2.2 billion in cash!!!



NATIONAL RATING
FITCH RATINGS

AAA

Stable Outlook
Rating Reaffirmed

6th CONSECUTIVE
YEAR





81.7% of the debt is in the long-term!!!

R\$ 2,064

R\$ MM

Total Debt

R\$ 377

R\$ MM

18%
Due date
Short term

R\$ 508

R\$ MM

25%

Due date
2025

R\$ 20

R\$ MM

1%

Due date
2026

R\$ 1,159

R\$ MM

56%

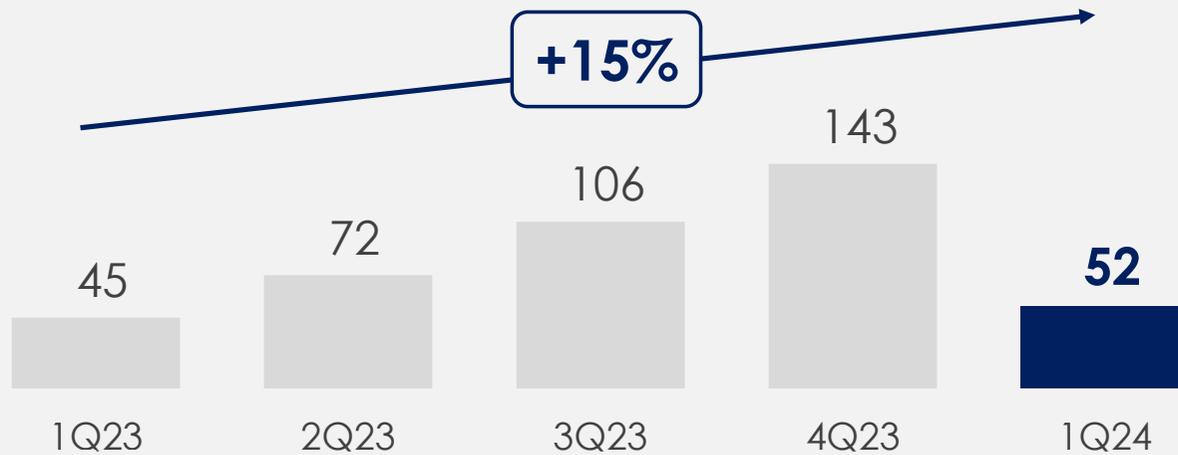
Due date
2027 onwards





R\$ 52 million in investments in 1Q24, with highlight on Digital Transformation

Total Investments
(R\$ Million)



HIGHLIGHT



Implementation of the SAP system





Profitable Growth Strategy

CURRENT BUSINESS

DEFENSE

1



ATTACK

A dark blue rounded square containing a white map of Brazil. The southern and southeastern regions are shaded grey and labeled 'ATTACK'. The northern and central regions are white and labeled 'DEFENSE'. A large white number '1' is on the left.

OTHER CATEGORIES

2

A dark blue rounded square containing a white icon of a vertical line with two arrows pointing left and right. A large white number '2' is on the left.

INTERNATIONAL

3

A dark blue rounded square containing a white icon of a globe with a hand holding it from the bottom. A large white number '3' is on the left.

EFFICIENCY AND PRODUCTIVITY PROGRAM



Drivers and enablers for 2024 growth

DRIVERS

Cross-selling



Innovation



Exclusive brands in Cash & Carry

ENABLERS

Marketing



Commercial Excellence



JBP (Joint Business Plan)



Revenue Management



Service Level



Digital Transformation



ESG

M. Dias Branco





RIO GRANDE DO SUL



Solidarity raising for victims



47 tons of food destined for donation



Advance of the first installment of the 13th salary to employees at the Bento Gonçalves unit



Financial support, product baskets and psychological assistance to employees

Main Indicators– 1Q24 vs. 1Q23



CARING FOR THE PLANET

1Q24 vs. 1Q23

Water consumption (m ³ /Ton.)	-3.1%
Reclaim of water (%)	+0.6p.p.
Waste send to landfills (%)	-3.5p.p.
Input losses in the production process(%)	0.0p.p
Finished product waste (%)	Not available



BELIEVING IN PEOPLE

1Q24 vs. 1Q23

Women in leadership (%)	+0.7p.p.
Frequency of occupational accidents (rate)	-21.3%
Occupational accident severity (rate)	-43.9%



STRENGTHENING ALLIANCES

1Q24 vs. 1Q23

Purchases from local suppliers (%)	-0.2p.p.
------------------------------------	-----------------



DIGITAL TRANSFORMATION

M. Dias Branco

 **simplifique**
praticidade, agilidade e interação



In 2020, M. Dias Branco's IT department decided to develop skills to upgrade the technology team, in order to enable the Digital Transformation and turn M. Dias Branco into a reference of innovation with the use of technology.

ENABLERS



Internalization of Digital Product teams



Focus on value creation and not just on SLA



Open Innovation Program



Attraction and retention of digital talents



Evolution of agile work tools and methodologies



Democratization of Technology at M. Dias Branco

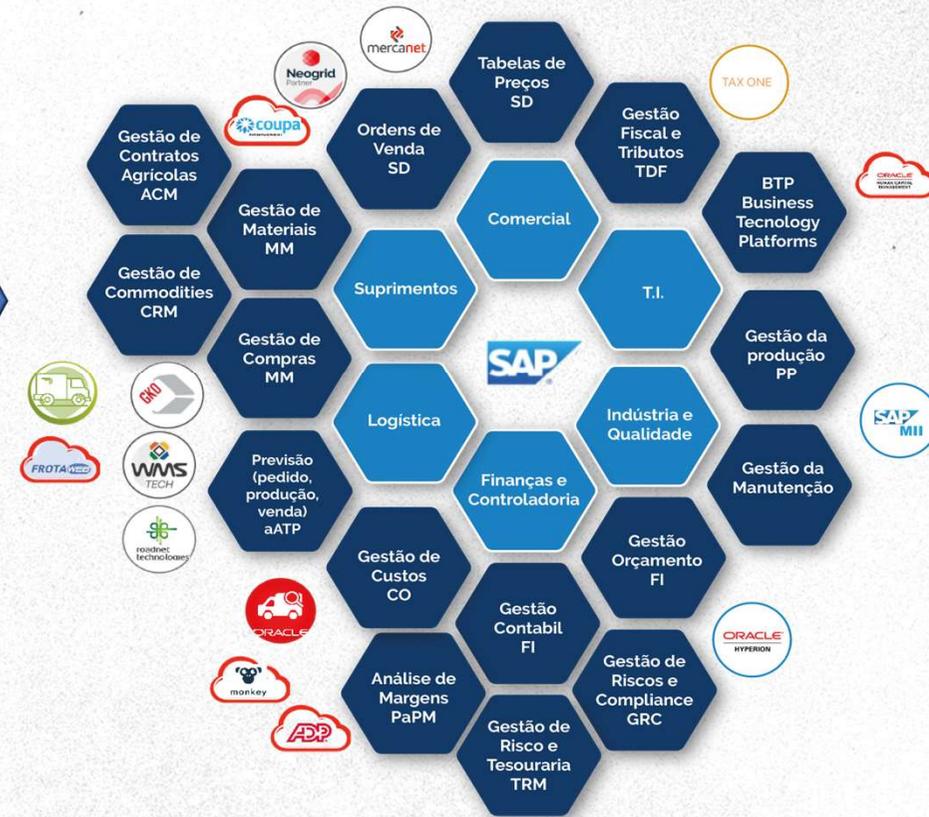
WHAT IS THE SIMPLIFY PROJECT?

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

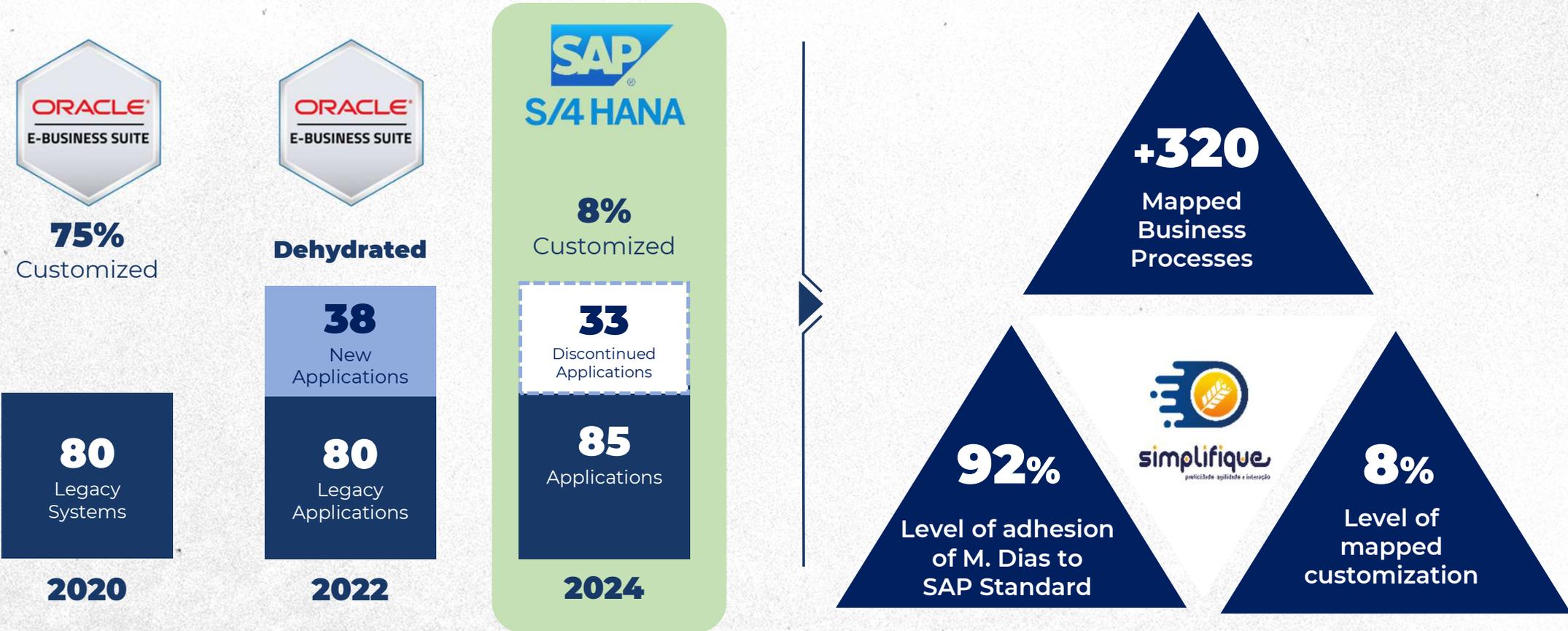
In this project we will implement **SAP S/4 HANA**.

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

ERP Anterior



SIMPLIFY BEYOND ERP



ERP MODERNIZATION BY NUMBERS



ERP MODERNIZATION BY NUMBERS

1st WAVE: TECHNOLOGICAL DEBT

Recovery of M Dias Branco technological debt, creating a hybrid cloud environment, connectivity and architecture for the development of new programs and transformation initiatives with the business.

2nd WAVE: DIGITAL TRANSFORMATION

Transform, Simplify and Improve processes by placing the customer at the center, using a lot of technology through agile methodology, supported by data for better decision making.

3rd WAVE: DIGITAL EFFICIENCY & AI

Efficiency in core processes, strengthening technology in the ESG agenda and increasing productivity with AI.

