

M. Dias Branco

Earnings Release
3Q22 | 9M22



Jasmine



Eusébio (CE), November 11, 2022 M. Dias Branco S. A. Indústria e Comércio de Alimentos (B3: MDIA3), the leader in Brazil's cookies & crackers and pasta markets, announces today its results for the third quarter of 2022 (3Q22) and first nine months of 2022 (9M22). The consolidated interim financial information has been developed pursuant to CPC 21 - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

3Q22 WEBINAR RESULTS

November 14, 2022

Time:

> Portuguese

11:00 a.m. (Brasília time)

09:00 a.m. (New York time)

Zoom Meetings registration:

[Click Here](#)

> English

11:00 a.m. (Brasília time)

09:00 a.m. (New York time)

Zoom Meetings registration:

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Stock price:

Closing on 11/01/2022

MDIA3: R\$ 43.50 per share

Market cap: R\$ 14.7 billion

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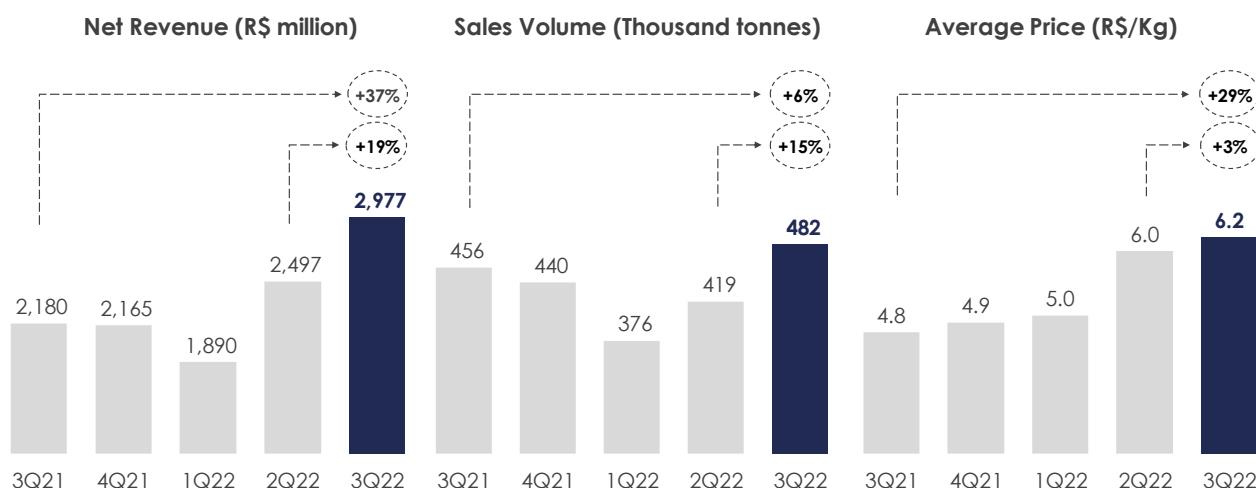
Investor Relations Intern

Phone: (85) 4005-5730

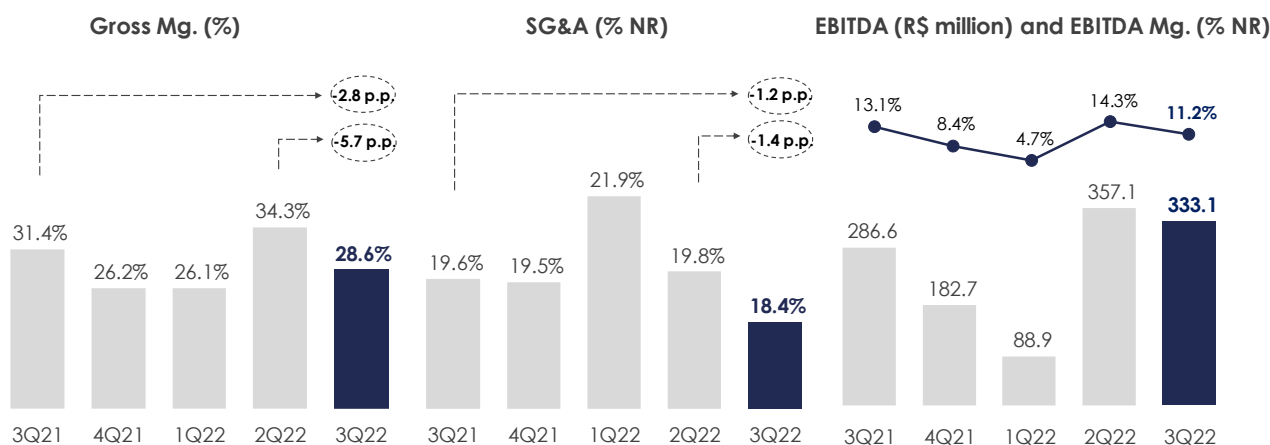
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With higher average prices for the fourth consecutive quarter and volume growth, net revenue reaches R\$2.9 billion, the highest ever recorded. EBITDA grows 16.2%.

Net revenue grows two digits QoQ and YoY, with higher volumes and average price.



With **controlled Administrative and Sales Expenses** (SG&A as a percentage of Net Revenue), we mitigated the impact of the rise in commodity prices in the Gross Margin, delivering an EBITDA of R\$333.1 million, 16.2% higher than in 3Q21.



Furthermore, in 3Q22:



On August 31, 2022, we announced the **closing of the acquisition** of 100% of NUTRITION & SANTE DO BRASIL LTDA. shares, which owns **JASMINE**, reinforcing our share in the health food market, featuring the granola and gluten-free bread categories.



On August 30, 2022, we announced the **closing of the contract with Omega Geração S.A.**, an alliance whose purpose is to generate power for M. Dias Branco's consumption at more competitive prices.



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



M. Dias Branco is part of **The 100+ Innovative Companies in the use of IT in 2022 ranking**, an award that recognizes companies that best use technology to implement innovative projects.



With Adria, we won the **Top of Mind award in the Pasta category for the third consecutive year.**



We continued in the portfolio of the **Teva Women in Leadership® Index**, the first in Brazil to select companies with the highest share of women in governance.



In 2022, we upgraded our ESG rating to AA in the MSCI ESG Ratings assessment.

ACQUISITION OF LAS ACACIAS

On October 31, 2022, we announced the acquisition of Las Acacias, a company founded in Montevideo in 1952, that is among the three major pasta brands in Uruguay.



The acquisition strengthens our internationalization strategy, which until then was exclusively focused on exporting to over 40 countries, including Uruguay, with the brands Isabela, Piraquê, and Nikito, among others.

Profitable growth strategy



See below the key consolidated results indicators for 3Q22 and 9M22, which include the results of Latinex as of November 2021 and Jasmine as of September 2022.

Financial and Operating Results	3Q22	3Q21	Variation	2Q22	Variation	9M22	9M21	Variation
Net Revenue (R\$ million)	2,976.6	2,179.8	36.6%	2,497.2	19.2%	7,364.2	5,649.5	30.4%
Total Sales Volume (thousand tonnes)	482.2	456.4	5.7%	418.5	15.2%	1,276.2	1,263.0	1.0%
Cookies and Crackers Sales Volume (thousand tonnes)	153.2	143.6	6.7%	132.1	16.0%	392.9	379.1	3.6%
Pasta Sales Volume (thousand tonnes)	99.4	96.4	3.1%	89.4	11.2%	265.4	271.4	-2.2%
Market Share of Cookies and Crackers (volume)*	29.9%	31.2%	-1.3 p.p	29.9%	0 p.p	31.3%	31.8%	-0.5 p.p
Market Share of Pasta (volume)*	30.1%	29.5%	0.6 p.p	31.0%	-0.9 p.p	30.7%	31.0%	-0.3 p.p
Net Income (R\$ million)	195.0	196.6	-0.8%	233.5	-16.5%	466.3	353.9	31.8%
EBITDA (R\$ million)	333.1	286.6	16.2%	357.1	-6.7%	779.1	501.2	55.4%
EBITDA Margin	11.2%	13.1%	-1.9 p.p	14.3%	-3.1 p.p	10.6%	8.9%	1.7 p.p
Net Cash (Debt) (R\$ million)	-1,659.9	103.0	n/a	-1,171.7	41.7%	-1,659.9	103.0	n/a
Net Cash (Debt) / EBITDA (last 12 months)	-1.7	0.1	n/a	-1.3	30.8%	-1.7	0.1	n/a
Capex (R\$ million)	71.3	43.1	65.4%	64.8	10.0%	186.3	135.4	37.6%
Net Cash generated from operating activities	-139.4	421.5	n/a	-70.1	98.9%	-181.6	794.4	n/a

* The values presented in 3Q22 and 3Q21 are from the period of Jul/Aug 2022 and 2021.

The values presented in 2Q22 are from the period of May/June 2022.

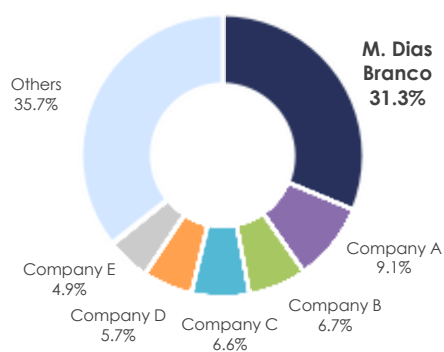
The values presented were updated by Nielsen.

MARKET AND OPERATIONAL HIGHLIGHTS

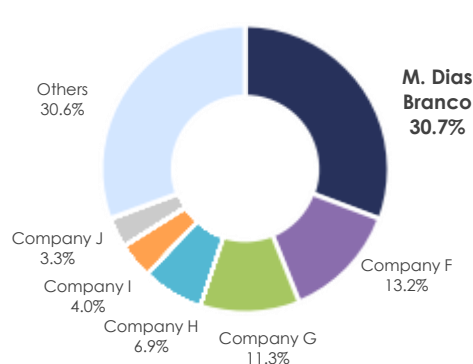
MARKET SHARE

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

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

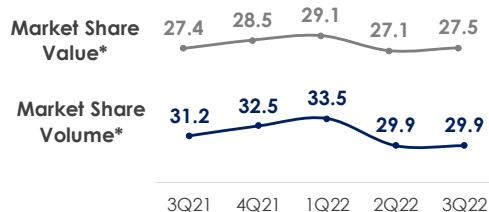


Market Share Pasta* - Brazil
(% of volume sold)

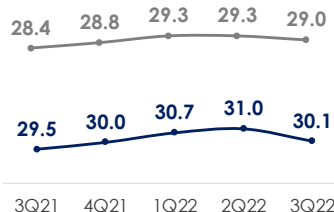


In 3Q22, as shown in the charts below, we increased the market share value in Brazil in all categories compared to last year. In market share volume we increased in the pasta and flour categories, and in the cookies & crackers category we dropped.

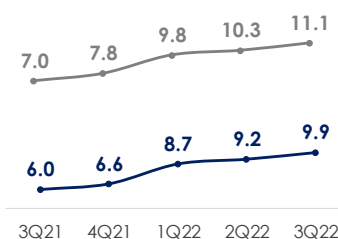
Cookies & Crackers



Pasta



Wheat Flour



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

SALES CHANNELS

Revenue recorded QoQ growths in all channels in 3Q22. It is worth highlighting the higher share of Key Account/Regional Networks, a strategic channel for building and strengthening brands, and Distributors, focused on increasing the distribution capillarity in the Attack region (South, Southeast, and Mid-West).

Client Mix	3Q22	3Q21	Variation	2Q22	Variation	9M22	9M21	Variation
Key Accounts / Regional Chains	22.5%	20.6%	1.9 p.p	22.4%	0.1 p.p	22.3%	20.7%	1.6 p.p
Cash and Carry	24.3%	23.1%	1.2 p.p	23.6%	0.7 p.p	23.1%	21.8%	1.3 p.p
Wholesale	18.2%	18.4%	-0.2 p.p	17.6%	0.6 p.p	18.2%	18.8%	-0.6 p.p
Small Retail	17.9%	21.1%	-3.2 p.p	19.3%	-1.4 p.p	19.3%	21.9%	-2.6 p.p
Distributors	11.4%	9.9%	1.5 p.p	11.3%	0.1 p.p	11.1%	9.3%	1.8 p.p
Industry	2.8%	3.6%	-0.8 p.p	2.8%	0 p.p	3.0%	3.8%	-0.8 p.p
Other	2.9%	3.3%	-0.4 p.p	3.0%	-0.1 p.p	3.0%	3.7%	-0.7 p.p
TOTAL	100.0%	100.0%		100.0%		100.0%	100.0%	

Note: Client mix, considering gross revenue excluding discounts and returns. It should be noted that there was a review of the classification of customers by the Company's sales channels, with a restatement of the amounts referring to 3Q21 and 9M21.

Major Clients		Sales 3Q22 (R\$ million)*	Gross revenue excluding discounts and returns (%)		Sales 9M22 (R\$ million)*	Gross revenue excluding discounts and returns (%)	
Sequence	Accumulated		Individual	Accumulated		Individual	Accumulated
Major Client	1	323.4	9.3%	9.3%	776.8	9.0%	9.0%
49 Subsequent	50	1,124.8	32.2%	41.5%	2,682.0	31.1%	40.1%
50 Subsequent	100	275.1	7.9%	49.4%	686.6	8.0%	48.1%
900 Subsequent	1,000	1,083.5	31.0%	80.4%	2,674.8	31.1%	79.2%
Other Clients	All clients	685.4	19.6%	100.0%	1,792.7	20.8%	100.0%
TOTAL		3,492.2			8,612.9		

*Gross revenue excluding discounts and returns.

PRODUCTION CAPACITY UTILIZATION RATE

We closed 3Q22 with higher capacity utilization both QoQ and YoY, due to higher sales, which increased 15.2% and 5.7%, respectively.

Even with a higher capacity utilization rate, the Company is still at healthy levels that allow us to continue with the growth strategy focusing on the expansion of the Attack region (South, Southeast, and Mid-West), with accelerated growth in the export market, and with the introduction of new higher added-value categories and items.

Effective Production / Production Capacity*	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products**		Total	
	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21
Total Production	158.4	152.8	107.4	107.5	425.9	409.7	50.8	48.9	4.5	4.2	747.0	723.1
Total Production Capacity	237.9	233.1	141.1	143.8	631.1	622.9	90.0	90.0	10.3	9.0	1,110.4	1,098.8
Capacity Utilization	66.6%	65.6%	76.1%	74.8%	67.5%	65.8%	56.4%	54.3%	43.7%	46.7%	67.3%	65.8%

*Thousand tonnes.

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

Effective Production / Production Capacity*	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products**		Total	
	3Q22	2Q22	3Q22	2Q22	3Q22	2Q22	3Q22	2Q22	3Q22	2Q22	3Q22	2Q22
Total Production	158.4	147.9	107.4	98.7	425.9	387.6	50.8	44.0	4.5	5.2	747.0	683.4
Total Production Capacity	237.9	244.5	141.1	143.2	631.1	624.2	90.0	90.0	10.3	10.1	1,110.4	1,112.0
Capacity Utilization	66.6%	60.5%	76.1%	68.9%	67.5%	62.1%	56.4%	48.9%	43.7%	51.5%	67.3%	61.5%

*Thousand tonnes.

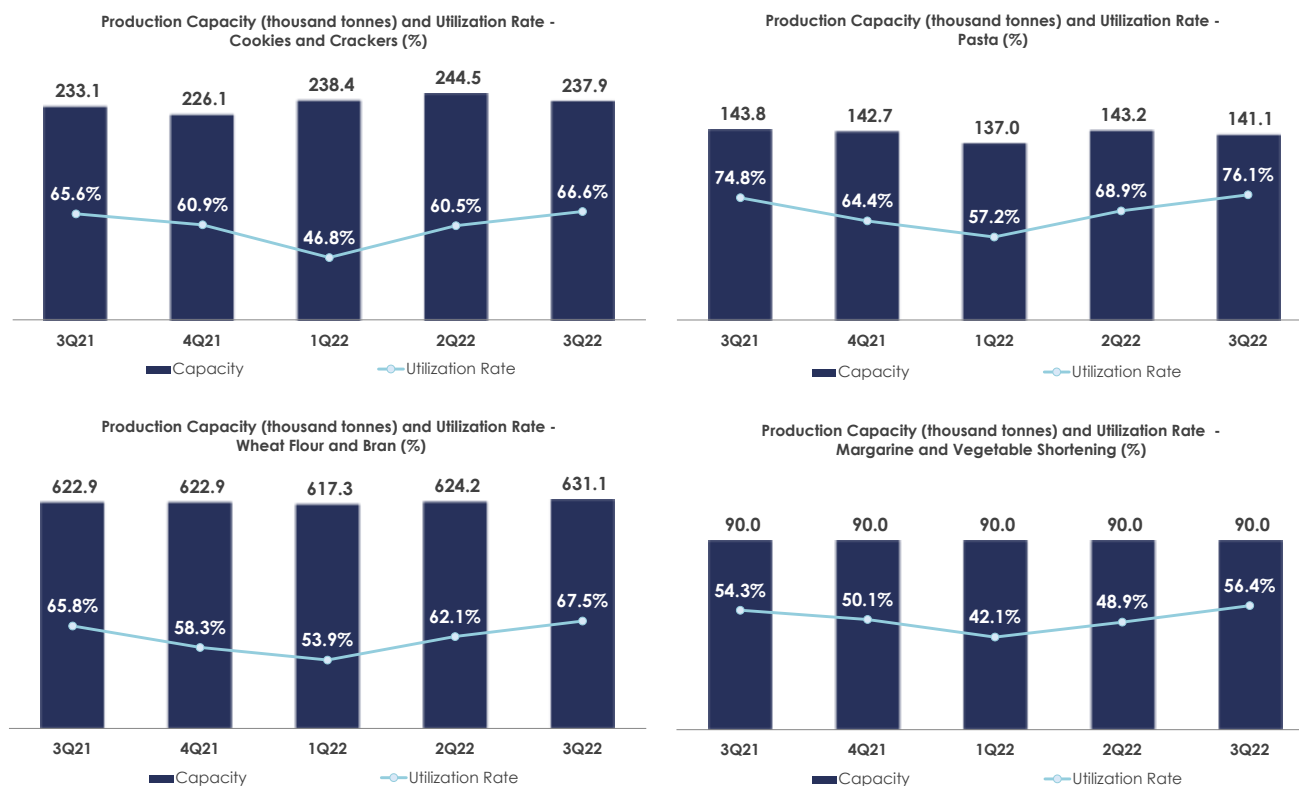
**Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

Effective Production / Production Capacity*	Cookies and Crackers		Pasta		Wheat Flour and Bran		Margarine and Vegetable Shortening		Other products**		Total	
	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21
Total Production	417.7	393.3	284.5	288.1	1,146.0	1,129.7	132.7	130.9	13.5	12.6	1,994.4	1,954.6
Total Production Capacity	720.8	670.4	421.3	420.0	1,872.6	1,848.0	270.0	270.0	31.0	27.5	3,315.7	3,235.9
Capacity Utilization	57.9%	58.7%	67.5%	68.6%	61.2%	61.1%	49.1%	48.5%	43.5%	45.8%	60.2%	60.4%

*Thousand tonnes.

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

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

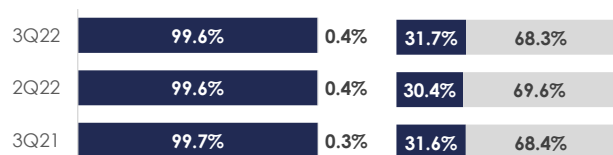


VERTICAL INTEGRATION

We maintained the high vertical integration level of the two main inputs. In 3Q22, 99.6% of wheat flour and 100.0% of vegetable shortening consumed were internally produced.



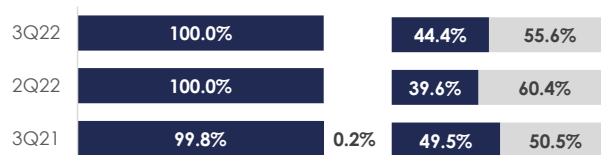
Wheat flour



■ Own Production ■ External Source ■ Sale ■ Internal Consumption



Vegetable shortening



■ Own Production ■ External Source ■ Sale ■ Internal Consumption

ECONOMIC AND FINANCIAL HIGHLIGHTS

NET REVENUE

Net Revenue grew by 36.6% YoY in 3Q22, due to the 29.1% rise in average price and volumes 5.7% higher. We recorded average price increases in all categories. In other product, revenue grew by 109%, as a result of the Latinex and Jasmine acquisitions, which introduced new categories with high added value products to our portfolio.

Segment	3Q22			3Q21			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	1,560.7	153.2	10.19	1,128.9	143.6	7.86	38.2%	6.7%	29.6%
Pasta	606.5	99.4	6.1	459.1	96.4	4.76	32.1%	3.1%	28.2%
Wheat Flour and Bran	518.4	200.7	2.580	386.7	188.2	2.05	34.1%	6.6%	25.9%
Margarine and Vegetable Shortening	200.2	23.3	8.59	161.7	24.2	6.68	23.8%	-3.7%	28.6%
Other products**	90.8	5.6	16.21	43.4	4.0	10.85	109.2%	40.0%	49.4%
TOTAL	2,976.6	482.2	6.17	2,179.8	456.4	4.78	36.6%	5.7%	29.1%

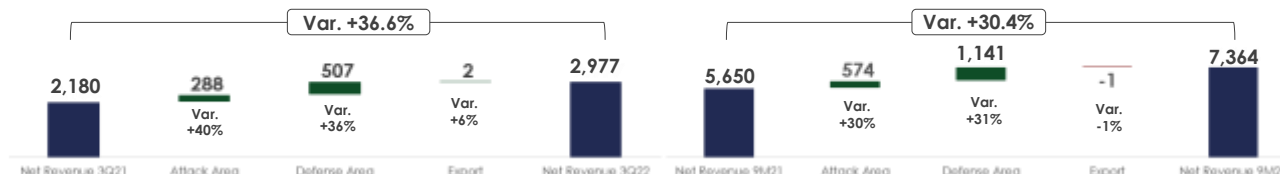
*Net revenue in R\$ million, weight excluding sales returns in thousand tonnes and net average price in R\$/Kg.

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

Reinforcing the growth strategy, the Company recorded two-digit growth in the Defense (North and Northeast) and Attack (South, Southeast, and Mid-West) regions. In 9M22, exports reflect the effects of one-time sales, especially in early 2021, because of the pandemic.

Variation in Net Revenue by Regions 3Q22 vs. 3Q21 (R\$ million)

Variation in Net Revenue by Regions 9M22 vs. 9M21 (R\$ million)



We present below launches and sales and marketing initiatives carried out in 3Q22:

Launches: 15 products, expanding the cookies & crackers and pasta portfolio of the Vitarella brand, as well as cookies & crackers for export, such as wafers, maria/maisena, and salt crackers.



Investments in marketing and sales: It is worth emphasizing Fortaleza's campaign "Espalhe o Amor que Fortalece"; Adria's Campaign 360° focused on the Grano Duro line; and Treloso's action "Super Escorrego Treloso" for the Children's day.

Participation in events: we participated in the SIAL Paris 2022 Fair with our complete portfolio, in Expoagas, the largest fair of the supermarket sector of the South region of Brazil; in the Super Mix Fair, with the brands that stand out in the North and Northeast regions; and in the Abrafarma Future Trends Congress, with the brands Fit Food and Piraquê.



Net revenue grew by 19.2% QoQ in 3Q22, due to sales 15.2% higher and 3.4% rise in average prices.

Segment	3Q22			2Q22			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	1,560.7	153.2	10.19	1,303.1	132.1	9.86	19.8%	16.0%	3.3%
Pasta	606.5	99.4	6.1	534.6	89.4	5.98	13.4%	11.2%	2.0%
Wheat Flour and Bran	518.4	200.7	2.58	441.0	175.4	2.51	17.6%	14.4%	2.8%
Margarine and Vegetable Shortening	200.2	23.3	8.59	146.0	17.0	8.59	37.1%	37.1%	0.0%
Other products**	90.8	5.6	16.21	72.5	4.6	15.76	25.2%	21.7%	2.9%
TOTAL	2,976.6	482.2	6.17	2,497.2	418.5	5.97	19.2%	15.2%	3.4%

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

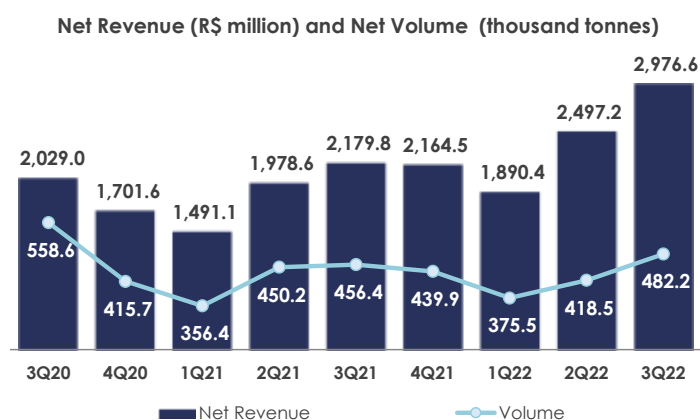
**Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

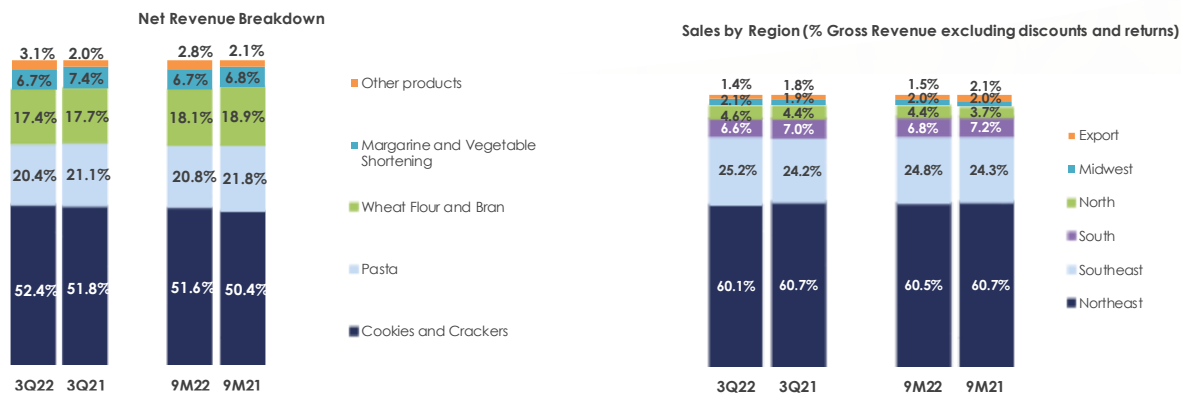
Net revenue rose by 30.4% YoY in 9M22, due to average prices 29.1% higher and 1.0% increase in volumes.

Segment	9M22			9M21			Variation		
	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price	Net Revenue	Weight	Average Price
Cookies and Crackers	3,796.8	392.9	9.66	2,845.8	379.1	7.51	33.4%	3.6%	28.6%
Pasta	1,531.0	265.4	5.77	1,233.8	271.4	4.55	24.1%	-2.2%	26.8%
Wheat Flour and Bran	1,333.1	546.2	2.44	1,070.0	537.5	1.99	24.6%	1.6%	22.6%
Margarine and Vegetable Shortening	491.2	58.0	8.47	382.8	63.4	6.04	28.3%	-8.5%	40.2%
Other products**	212.1	13.7	15.48	117.1	11.6	10.09	81.1%	18.1%	53.4%
TOTAL	7,364.2	1,276.2	5.77	5,649.5	1,263.0	4.47	30.4%	1.0%	29.1%

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

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



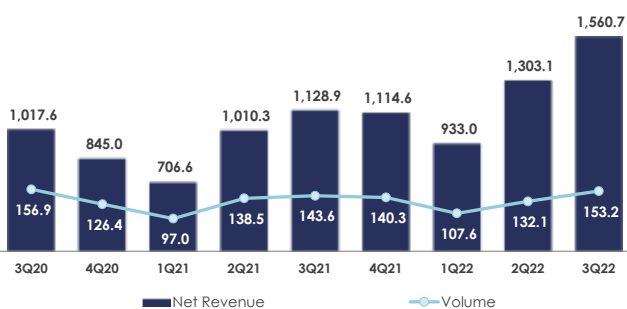


HIGHLIGHTS – COOKIES & CRACKERS | PASTA

Revenue growth in cookies & crackers and pasta in the two commercial regions both YoY and QoQ, due to higher average prices and volumes. In the cookies & crackers category, the gross revenue from products/flavors launched in the last 24 months reached R\$44.4 million in 3Q22, totaling 117 launches.

The performance of Piraguê should be noted, as its net revenue from cookies & crackers grew by 49% compared to 3Q21, higher than the 38% total cookies & crackers net revenue of M. Dias Branco, due to the expansion strategy and launch of high added-value products.

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



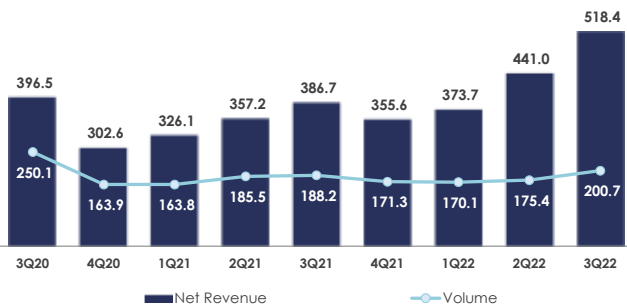
Pasta - Net Revenue (R\$ million) and Net Volume (thousand tonnes)



HIGHLIGHTS – WHEAT FLOUR AND BRAN | MARGARINE AND VEGETABLE SHORTENING

Revenue growth in wheat flour and bran both YoY and QoQ, due to higher prices and volumes. Margarine and vegetable shortening reported revenue growth of 23.8% YoY, due to higher average prices, and revenue growth of 37.1% QoQ due to higher volumes sold.

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



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



COSTS

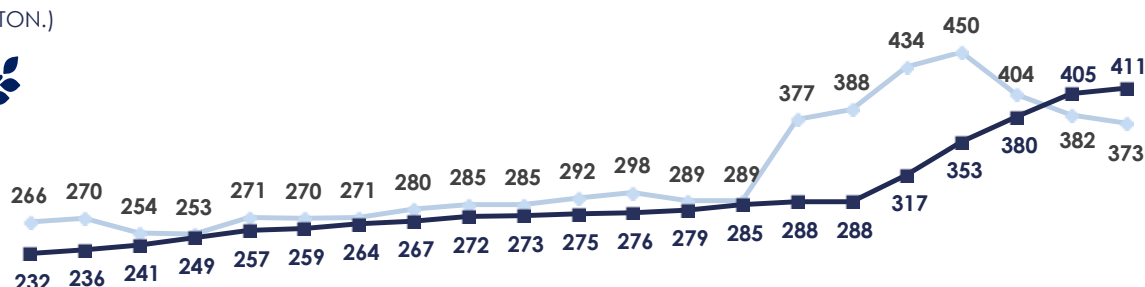
COGS (R\$ million)	3Q22	% Net Rev.	3Q21	% Net Rev.	Variation	2Q22	% Net Rev.	Variation	9M22	% Net Rev.	9M21	% Net Rev.	Variation
Raw material	1,699.6	57.1%	1,134.3	52.0%	49.8%	1,234.5	49.4%	37.7%	3,968.1	53.9%	2,962.8	52.4%	33.9%
Wheat	1,085.2	36.5%	699.6	32.1%	55.1%	775.3	31.0%	40.0%	2,520.1	34.2%	1,878.3	33.2%	34.2%
Vegetable Oil	373.8	12.6%	262.3	12.0%	42.5%	267.8	10.7%	39.6%	855.2	11.6%	634.0	11.2%	34.9%
Sugar	80.4	2.7%	59.7	2.7%	34.7%	68.2	2.7%	17.9%	208.6	2.8%	155.1	2.7%	34.5%
Third Party Flour	2.5	0.1%	1.8	0.1%	38.9%	2.0	0.1%	25.0%	5.8	0.1%	5.5	0.1%	5.5%
Third Party Vegetable Shortening	0.1	0.0%	0.5	0.0%	-80.0%	0.0	0.0%	n/a	0.2	0.0%	1.3	0.0%	-84.6%
Other	157.6	5.3%	110.4	5.1%	42.8%	121.2	4.9%	30.0%	378.2	5.1%	288.6	5.1%	31.0%
Packages	188.5	6.3%	149.7	6.9%	25.9%	159.1	6.4%	18.5%	475.6	6.5%	376.5	6.7%	26.3%
Labor	189.1	6.4%	157.1	7.2%	20.4%	169.3	6.8%	11.7%	522.7	7.1%	478.1	8.5%	9.3%
Indirect costs	173.6	5.8%	130.8	6.0%	32.7%	147.5	5.9%	17.7%	454.3	6.2%	372.3	6.6%	22.0%
Depreciation and amortization	46.4	1.6%	44.6	2.0%	4.0%	43.6	1.7%	6.4%	135.1	1.8%	135.7	2.4%	-0.4%
Other	17.4	0.6%	0.0	0.0%	n/a	16.3	0.7%	6.7%	36.9	0.5%	0.0	0.0%	n/a
Total	2,314.6	77.8%	1,616.5	74.2%	43.2%	1,770.3	70.9%	30.7%	5,592.7	75.9%	4,325.4	76.6%	29.3%

COGS accounted for 77.8% of net revenue in 3Q22, with growths of 3.6 p.p. and 6.9 p.p. over 3Q21 and 2Q22 respectively, due to the higher cost of wheat and palm oil, which were impacted by the sharp rise in prices in 2Q22 because of the conflict between Russia and Ukraine.

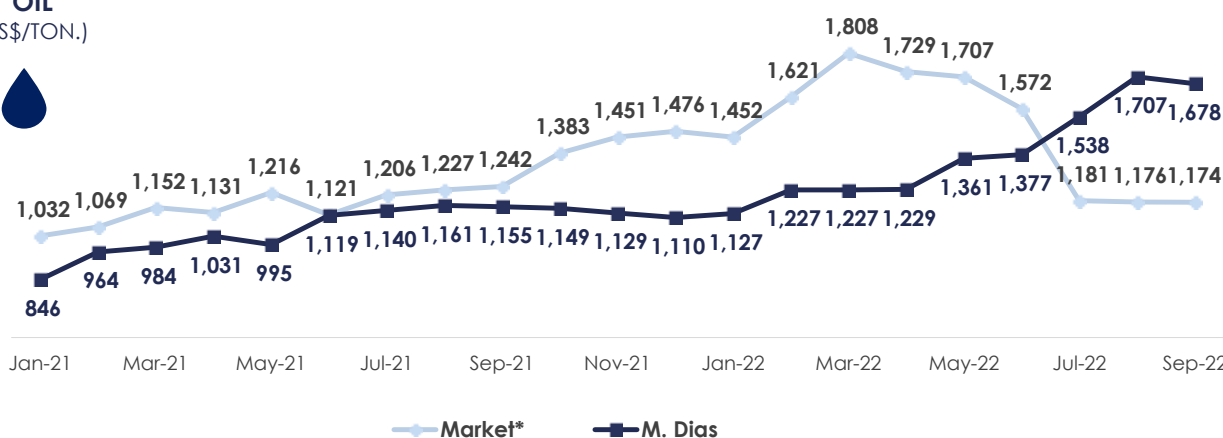
WHEAT
(US\$/TON.)



Average Purchase Price M. Dias Branco x Market Price



PALM OIL
(US\$/TON.)



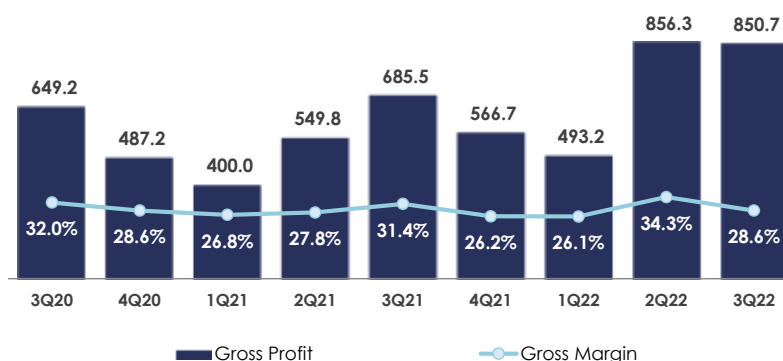
*Source: Wheat - SAFRAS & Mercado; Palm oil - Rotterdam.

GROSS PROFIT

Nominal YoY growth of 24.1% in 3Q22, due to higher volumes and average prices. The gross margin fell by 2.9 p.p., due to the strong increase of the prices of the main commodities in 2Q22, as explained before.

Gross profit includes subsidies for state investments, which totaled R\$188.7 million in 3Q22 (R\$122.2 million in 3Q21), which are recorded in the income statement according to accounting pronouncement CPC 07 – Government Subsidies.

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



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)	3Q22	% Net Rev.	3Q21	% Net Rev.	Variation	2Q22	% Net Rev.	Variation	9M22	% Net Rev.	9M21	% Net Rev.	Variation
Selling*	471.9	15.9%	361.1	16.6%	30.7%	428.0	17.1%	10.3%	1,252.5	17.0%	1,038.0	18.4%	20.7%
Administrative	73.6	2.5%	65.2	3.0%	12.9%	67.0	2.7%	9.9%	201.7	2.7%	183.4	3.2%	10.0%
Donations	3.8	0.1%	3.0	0.1%	26.7%	5.8	0.2%	-34.5%	14.0	0.2%	23.1	0.4%	-39.4%
Taxes	8.5	0.3%	9.5	0.4%	-10.5%	8.3	0.3%	2.4%	22.7	0.3%	26.0	0.5%	-12.7%
Depreciation and amortization	34.9	1.2%	25.8	1.2%	35.3%	31.2	1.2%	11.9%	98.4	1.3%	75.0	1.3%	31.2%
Other operating expenses/(revenue)	4.9	0.2%	4.1	0.2%	19.5%	33.2	1.3%	-85.2%	62.3	0.8%	-3.7	-0.1%	n/a
TOTAL	597.6	20.1%	468.7	21.5%	27.5%	573.5	23.0%	4.2%	1,651.6	22.4%	1,341.8	23.8%	23.1%

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

Operating expenses are controlled, reflecting the productivity and efficiency gains achieved in the last two years. Operating expenses as a percentage of net revenue came to 20.1% in 3Q22, down by 1.4 p.p. from 3Q21 and by 2.9 p.p. from 2Q22.

In nominal terms, operating revenues grew by 27.5% YoY in 3Q22, due to rising inflation, especially in fuel prices, the inclusion of the operating expenses from Latinex and Jasmine that have been recognized in results since November 2021 and September 2022, respectively, and non-recurring expenses with acquisitions. Compared to 2Q22, the 4.2% increase reflects the 15.2% sales increase in the period.

FINANCIAL RESULT

Financial Result (R\$ million)	3Q22	3Q21	Variation	2Q22	Variation	9M22	9M21	Variation
Financial Revenue	64.0	40.9	56.5%	71.4	-10.4%	268.1	208.8	28.4%
Financial Expenses	-133.5	-43.5	n/a	-98.4	35.7%	-397.9	-210.4	89.1%
TOTAL	-69.5	-2.6	2573.1%	-27.0	157.4%	-129.8	-1.6	8012.5%

We reported a negative result of R\$69.5 million in 3Q22 (a negative result of R\$2.6 million in 3Q21). The increase is due to higher costs of contracting hedge operations and negative result of swap with the rise in the CDI rate in the period.

TAXES ON INCOME

We closed 3Q22 with income tax and social contribution reversal of R\$12.7 million, compared to the provision of R\$17.0 million reported in 3Q21, with 14.7% decrease in the income before taxes, while state tax incentives grew by 54.4%.

Income and Social Contribution Taxes (R\$ million)	3Q22	3Q21	Variation	9M22	9M21	Variation
Income and Social Contribution Taxes	-12.7	19.0	-167.0%	-51.0	-63.0	-19.0%
Income Tax Incentive	0.0	-2.0	-100.0%	0.5	-2.0	n/a
TOTAL	-12.7	17.0	-174.7%	-50.5	-65.0	-22.3%

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\$230.5 million, which will be amortized over a minimum period of five years. This amount considers the effectively paid portion of the acquisition price (acquisition price of R\$1.5 billion, less the retained portion of the acquisition price of R\$123.2 million). However, we expect to fully use the transaction goodwill, in the amount of R\$361.6 million.

In 3Q22, the Company recorded R\$3.9 million in tax benefit from amortization. This amount was R\$11.7 million in 9M22.

EBITDA AND NET INCOME

We closed 3Q22 with a net income of R\$195.0 million, down by 0.8% from 3Q21 and by 16.5% from 2Q22. EBITDA totaled R\$333.1 million, up by 16.2% over 3Q21 and down by 6.7% from 2Q22. In 9M22 over 9M21 we recorded growth in net income and EBITDA of 32% and 55% respectively.

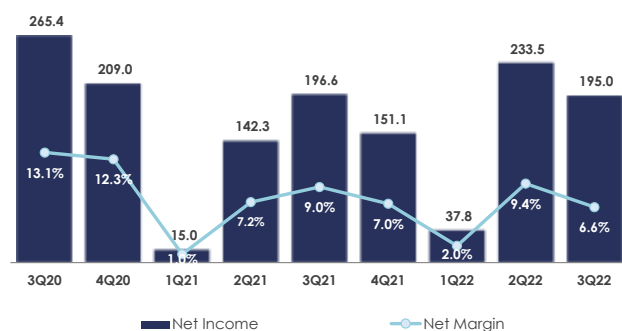
EBITDA – NET INCOME

EBITDA CONCILIATION (R\$ million)	3Q22	3Q21	Variation	2Q22	Variation	9M22	9M21	Variation
Net Profit	195.0	196.6	-0.8%	233.5	-16.5%	466.3	353.9	31.8%
Income Tax and Social Contribution	-12.7	19.0	n/a	21.8	n/a	-51.0	-63.0	-19.0%
Income Tax Incentive	0.0	-2.0	-100.0%	0.0	n/a	0.5	-2.0	n/a
Financial Revenue	-64.0	-40.9	56.5%	-71.4	-10.4%	-268.1	-208.8	28.4%
Financial Expenses	133.5	43.5	n/a	98.4	35.7%	397.9	210.4	89.1%
Depreciation and Amortization of cost of goods	46.4	44.6	4.0%	43.6	6.4%	135.1	135.7	-0.4%
Depreciation and Amortization of expenses	34.9	25.8	35.3%	31.2	11.9%	98.4	75.0	31.2%
EBITDA	333.1	286.6	16.2%	357.1	-6.7%	779.1	501.2	55.4%
EBITDA Margin	11.2%	13.1%	-1.9 p.p	14.3%	-3.1 p.p	10.6%	8.9%	1.7 p.p

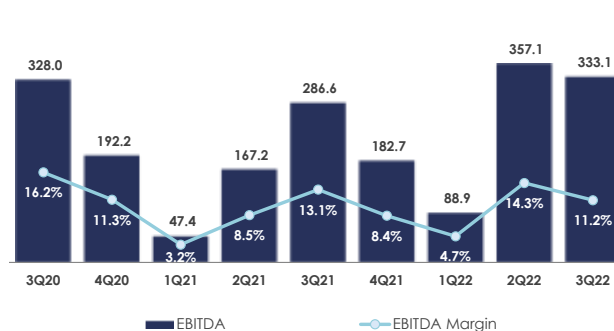
EBITDA – NET REVENUE

EBITDA CONCILIATION (R\$ million)	3Q22	3Q21	Variation	2Q22	Variation	9M22	9M21	Variation
Net Revenue	2,976.6	2,179.8	36.6%	2,497.2	19.2%	7,364.2	5,649.5	30.4%
Cost of goods sold	-2,314.6	-1,616.5	43.2%	-1,770.3	30.7%	-5,592.7	-4,325.4	29.3%
Depreciation and Amortization of cost of goods	46.4	44.6	4.0%	43.6	6.4%	135.1	135.7	-0.4%
Tax Incentive (ICMS)	188.7	122.2	54.4%	129.4	45.8%	428.7	311.2	37.8%
Operating Expenses	-597.6	-468.7	27.5%	-573.5	4.2%	-1,651.6	-1,341.8	23.1%
Equity in net income of subsidiaries	-1.3	-0.6	n/a	-0.5	n/a	-3.0	-3.0	0.0%
Depreciation and Amortization of expenses	34.9	25.8	35.3%	31.2	11.9%	98.4	75.0	31.2%
EBITDA	333.1	286.6	16.2%	357.1	-6.7%	779.1	501.2	55.4%
EBITDA Margin	11.2%	13.1%	-1.9 p.p	14.3%	-3.1 p.p	10.6%	8.9%	1.7 p.p

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



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

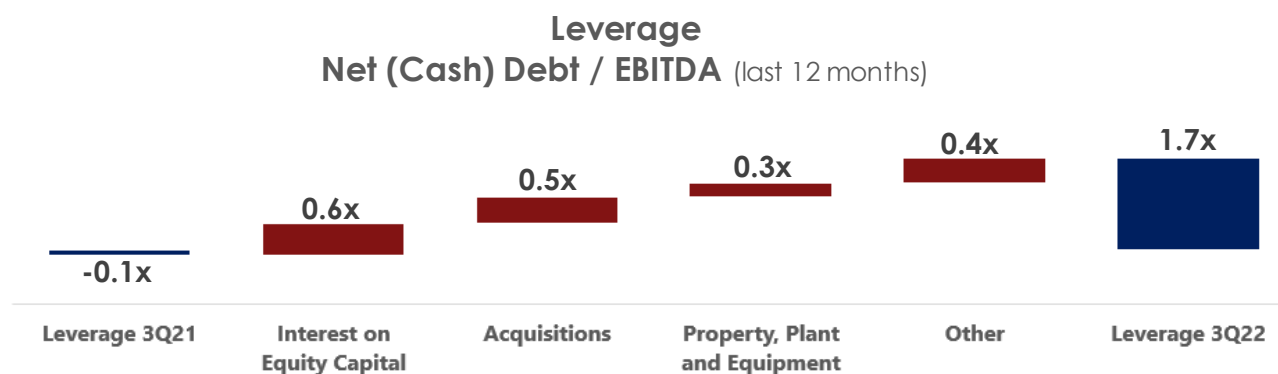


DEBT, CAPITALIZATION AND CASH

The Company closed the period with a cash position of R\$0.4 billion (R\$1.9 billion in 3Q21) and gross debt of R\$2.1 billion (R\$1.8 billion in 3Q21), resulting in a leverage (net debt/LTM EBITDA) of 1.7x (net cash of 0.1x in 3Q21).

Capitalization (R\$ million)	9/30/2022	9/30/2021	Variation	Financial Indicator	9/30/2022	9/30/2021	Variation
Cash	420.7	1,864.4	-77.4%	Cash (Debt) Net / EBITDA (last 12 months)	-1.7	0.1	n/a
Security deposits	203.6	0.0	n/a	Cash (Debt) Net / Shareholder's Equity	-25.2%	1.5%	-26.7 p.p
Financial Investments Short Term	18.6	17.3	7.5%	Indebtedness / Total Assets	18.5%	17.5%	1 p.p
Financial Investments Long Term	2.2	0.0	n/a				
Total Indebtedness	-2,071.0	-1,848.9	12.0%				
(-) Short Term	-414.6	-304.9	36.0%				
(-) Long Term	-1,656.4	-1,544.0	7.3%				
(-) Derivatives Financial Instruments	-234.0	70.2	n/a				
(=) Net Cash (Net Debt)	-1,659.9	103.0	n/a				
Shareholder's Equity	6,592.0	6,893.9	-4.4%				
Capitalization	8,663.0	8,742.8	-0.9%				

In the last 12 months, the increase in leverage was mainly due to the Extraordinary Interest on Equity Capital of R\$ 560.9 million (net), the acquisitions of Latinex and Jasmine totaling R\$ 523.6 million and investments in Capex of R\$259.0 million, as shown below.



Consolidated Debt (R\$ million)	Index	Interest (year)	9/30/2022	% Debt	9/30/2021	% Debt	Variation
Domestic Currency:			1,307.3	63.1%	1,302.0	70.4%	0.4%
BNDES - FINAME	TJLP	2.17%	7.2	0.3%	11.2	0.6%	-35.7%
BNDES - PSI	R\$	3.16% (3.01% on 09/30/21)	20.5	1.0%	50.8	2.7%	-59.6%
BNDES - FINEM	IPCA	8.57% (8.57% on 09/30/21)	20.2	1.0%	28.0	1.5%	-27.9%
BNDES - PROGEREN	IPCA	6.28%	24.3	1.2%	45.0	2.4%	-46.0%
(PROVIN) Financing of state taxes	100% TJLP	-	19.0	0.9%	10.9	0.6%	74.3%
(FUNDOPEM) Financing of state taxes	IPCA/IBGE	-	5.0	0.2%	2.7	0.1%	85.2%
Working Capital	100% CDI	0.76% (0.94% on 09/30/21)	101.3	4.9%	200.3	10.8%	-49.4%
Investment of assignment of Pilar's shares	100% CDI	-	4.5	0.2%	3.9	0.2%	15.4%
Investment of assignment of Estrela's shares	100% CDI	-	11.4	0.6%	10.0	0.5%	14.0%
Investment of assignment of Moinho Santa Lúcia's shares	100% CDI	-	0.7	0.0%	0.7	0.0%	0.0%
Investment of assignment of Piraquê's shares	100% CDI	-	148.9	7.2%	130.1	7.0%	14.5%
Investment of assignment of Latinex's shares	100% CDI	-	99.0	4.8%	0.0	0.0%	n/a
Investment of assignment of Jasmine's shares	100% CDI	-	15.0	0.7%	0.0	0.0%	n/a
Debentures	IPCA	3.80% and 4.14%	830.3	40.1%	808.4	43.7%	2.7%
Foreign Currency:			763.7	36.9%	546.9	29.6%	39.6%
(FINIMP) Imports Financing and Working Capital - Law 4,131	USD	2.36% (1.66% on 09/30/21)	763.7	36.9%	546.9	29.6%	39.6%
TOTAL			2,071.0	100.0%	1,848.9	100.0%	12.0%

On September 30, 2022, the Company had three swap contracts to hedge working capital financing in foreign currency maturing until December 22, 2025, in which the long leg receives, on average, the dollar plus 2.65%, and the short leg pays, on average, 1.26% p.a. of the CDI rate with a notional reference value of R\$717.0 million and fair value payable of R\$65.1 million.

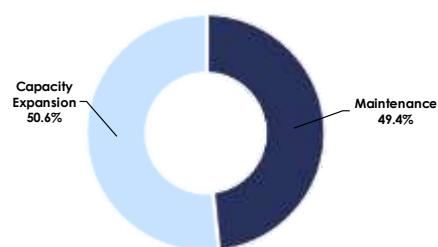
To hedge the debenture issues, the Company had 42 swap contracts, all of which maturing until March 17, 2031, in which the long leg receives, on average, the IPCA plus 4.02% p.a., and the short leg pays, on average, the CDI plus 0.28% p.a. The notional reference values totaled R\$811.6 million for current contracts, and the gross fair value receivable of all derivative instruments totaled R\$19.7 million on September 30, 2022.

At the end of 3Q22, debentures totaled R\$830.3 million net of the unamortized balance of transaction costs totaling R\$37.6 million.

INVESTMENTS

Investments (R\$ million)	3Q22	3Q21	Variation	9M22	9M21	Variation
Buildings	6.8	5.4	25.9%	19.6	15.5	26.5%
Machinery and equipment	35.7	17.8	n/a	78.7	60.0	31.2%
Construction in progress	6.9	10.4	-33.7%	19.2	34.5	-44.3%
Vehicles	0.4	0.0	n/a	0.7	0.0	n/a
IT Equipment	3.1	1.4	n/a	6.7	5.4	24.1%
Furniture and Fixtures	1.9	0.9	n/a	5.8	3.9	48.7%
Software Use License	15.8	6.7	n/a	54.3	14.8	n/a
Others	0.7	0.5	40.0%	1.3	1.3	0.0%
Total	71.3	43.1	65.4%	186.3	135.4	37.6%

Investments 3Q22 - R\$71.3 million

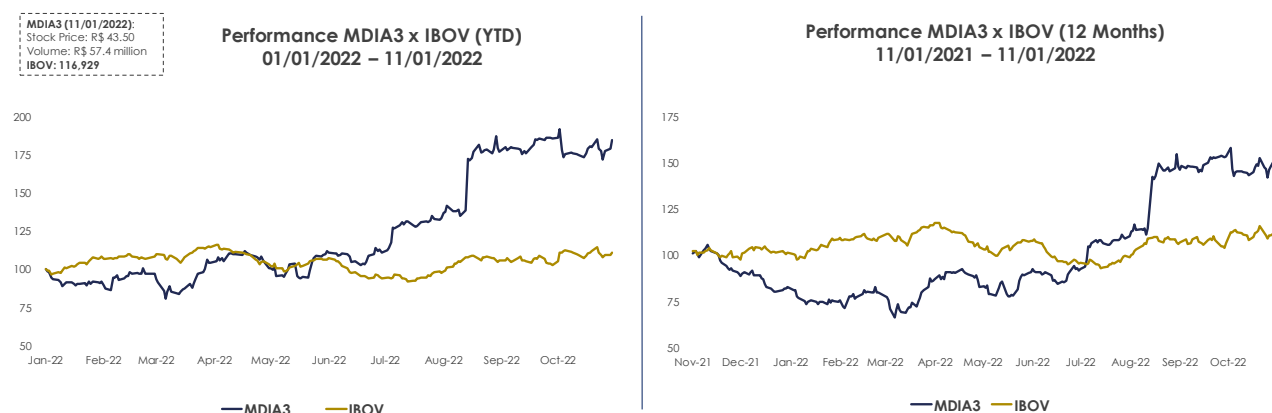


Investments totaled R\$71.3 million in 3Q22 (+65.4% vs. 3Q21) and R\$186.3 million in 9M22 (+37.6% vs. 9M21). We highlight investments with the deployment of the SAP system (Simplifique project) and adaptation of machinery to weight reduction and flow pack.

CAPITAL MARKET

The Company's shares (**MDIA3**) appreciated **66.2%** in 2022, while the main index of the Brazilian Stock Exchange (B3) **IBOV** appreciated **7.1%**.

On **September 30, 2022**, there were 69,464,642 outstanding shares, representing 20.4% of the Company's share capital, priced at **R\$43.81** each, totaling **R\$3,043.2 million**. The average number of trades of MDIA3 shares was 7,622 in 3Q22 (5,315 in 3Q21), and the average daily trading financial volume was R\$53.8 million (R\$31.8 million in 3Q21).



MDIA **IBRA B3** **IBRX100 B3** **ICO2 B3** **ICON B3** **IGCB3** **IGC-NMB3** **MSCI** **ESG RATINGS** **AA**
B3 LISTED NM **IGCT B3** **INDX B3** **ISE B3** **ITAG B3** **SMLL B3** **CCC** **D** **BB** **BBB** **A** **AA** **AAA**

MAIN ADMINISTRATIVE FACTS

Approval of the Financial Statements

At the meeting of the Board of Directors held on November 11, 2022, the following was approved: (i) the Interim Financial Information (ITR) for the period ended September 30, 2022; and (ii) other provisions.

Conclusion of the alliance with Omega for wind power generation

On August 30, 2022, the Company announced to the market the conclusion of the partnership for the generation of wind power by three wind farms controlled by Omega Geração S.A. for the Company's consumption at its production units.

Closing of the acquisition of Jasmine

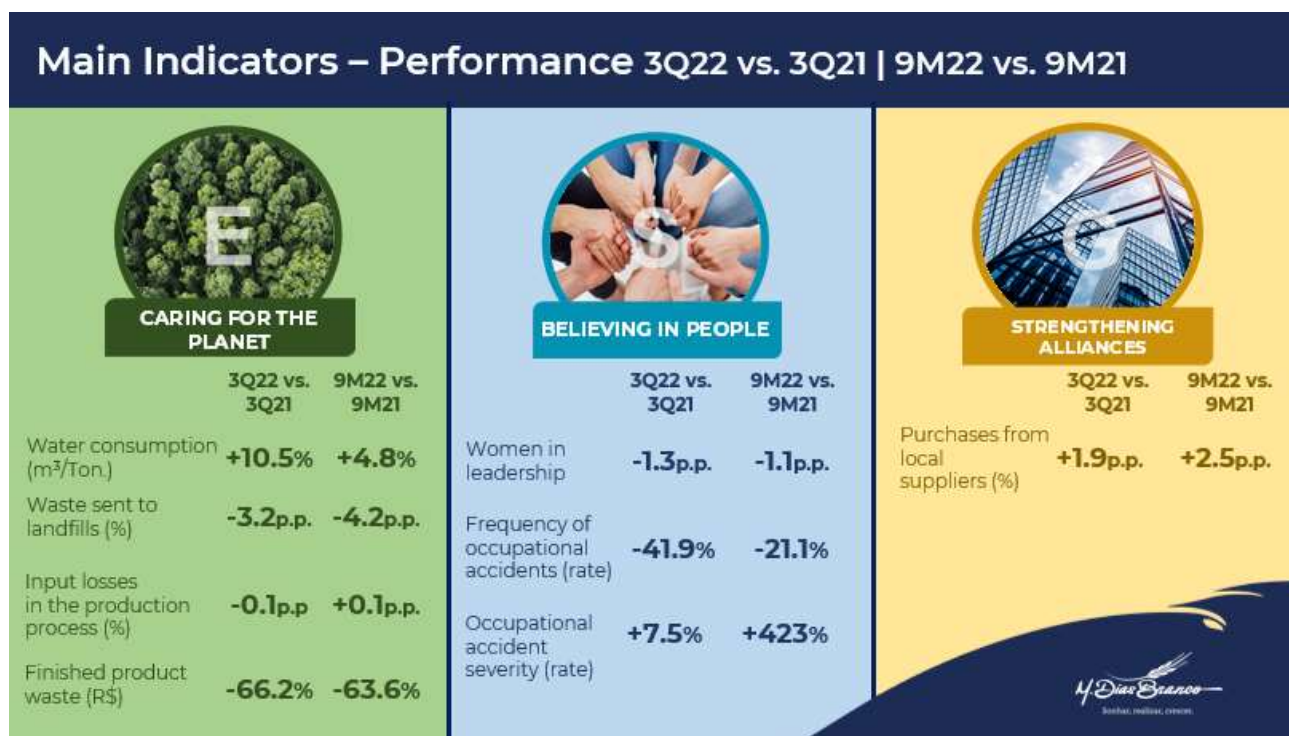
On August 31, 2022, the Company announced the conclusion of the acquisition of 100% of Nutrition & Sante do Brasil Ltda. shares, the owner of JASMINE brand. The acquisition was conducted by Latinex Importação e Exportação de Alimentos S.A., a subsidiary of M. Dias Branco, and the conclusion was approved with no restrictions by the Brazilian antitrust authority (CADE).

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

On September 19, the Company announced to the market that Fitch Ratings reaffirmed our 'AAA(bra)' National Long-term Rating with a stable outlook, classified by Fitch Ratings, for the fifth consecutive year.

SOCIAL AND ENVIRONMENTAL HIGHLIGHTS

Below are the **main indicators and highlights** of 3Q22 and 9M22.



Water consumption: increase in 3Q22 influenced by higher volumes produced in the period and hybrid work conditions with the return of employees to the units since 1Q22.

Waste sent to landfills in all operations: the indicator continues progressing with waste destination and selective collection in the units, aiming at reaching the Zero Landfill goal. In 3Q22, we highlight that all waste produced in the cafeteria was sent for composting at the Lençóis Paulista unit (SP).

Input loss in the production process: fell in 3Q22, due to initiatives for intensification of process controls. In 9M22, the growth reflects the decrease in the net weight of packages in the period.

Reduction of finished product waste: the reduction in 3Q22 and 9M22 shows the improvement of processes, optimization of inventories, efficiency in food donation, and expansion of data systems in priority units.

Women in leadership: the indicator was impacted by changes in staff. However, the adoption of increasingly inclusive practices in selection processes, training, and career development are being implemented and should contribute to achieving the goal in the medium and long terms.

Frequency and severity of occupational accidents: we continue reducing the frequency of accidents with campaigns to raise awareness regarding the prevention of accidents, and incentives for the opening of security alerts, among other initiatives of the Positivo Program in all units. In 9M22, the indicator continued impacted by the fatality of a traffic accident involving the company's charter bus in the Timon unit.

Purchases from domestic suppliers: the indicator increased due to higher purchases of raw materials from domestic suppliers.

MAIN HIGHLIGHTS:

- ✓ World Clean-up Day initiative with the Volunteer Factory Program and the participation of employees in the cleaning-up of beaches and mangroves, when more than 1.5 tons of solid waste were removed from the environment;
- ✓ Implementation of the *Alimentando Sonhos* program, which aims at promoting training in Entrepreneurship and professionalization in the food sector;
- ✓ Promotion of Diversity, Equality, and Inclusion with the Diversity Week, and the creation of the *Mistura para Todos* diversity program;
- ✓ Actions to promote health with the 2022 Health Journey and Light Mind Program, focusing on Yellow September;
- ✓ Donation of 415 tons of food to surrounding communities;
- ✓ Holding of the Compliance Week, a week with initiatives on training and development in Compliance, with training sessions and speeches on our policies and business ethics.



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 28 of the Company's Financial Statements.

INCOME STATEMENT (R\$ million)	3Q22	3Q21	Variation	2Q22	Variation	9M22	9M21	Variation
NET REVENUES	2,976.6	2,179.8	36.6%	2,497.2	19.2%	7,364.2	5,649.5	30.4%
COST OF GOODS SOLD	-2,314.6	-1,616.5	43.2%	-1,770.3	30.7%	-5,592.7	-4,325.4	29.3%
TAX INCENTIVES (ICMS)	188.7	122.2	54.4%	129.4	45.8%	428.7	311.2	37.8%
GROSS PROFIT	850.7	685.5	24.1%	856.3	-0.7%	2,200.2	1,635.3	34.5%
OPERATING REVENUES (EXPENSES)	-597.6	-468.7	27.5%	-573.5	4.2%	-1,651.6	-1,341.8	23.1%
Sales expenses	-493.1	-376.8	30.9%	-445.7	10.6%	-1,309.1	-1,083.4	20.8%
Administrative and general expenses	-89.8	-77.3	16.2%	-85.1	5.5%	-253.9	-233.0	9.0%
Other net income (expenses)	-14.7	-14.6	0.7%	-42.7	-65.6%	-88.6	-25.4	n/a
OPERATING INCOME BEFORE FINANCIAL RESULTS	253.1	216.8	16.7%	282.8	-10.5%	548.6	293.5	86.9%
Financial income	64.0	40.9	56.5%	71.4	-10.4%	268.1	208.8	28.4%
Financial expenses	-133.5	-43.5	n/a	-98.4	35.7%	-397.9	-210.4	89.1%
OPERATING INCOME AFTER FINANCIAL RESULTS	183.6	214.2	-14.3%	255.8	-28.2%	418.8	291.9	43.5%
Equity in net income of subsidiaries	-1.3	-0.6	n/a	-0.5	n/a	-3.0	-3.0	0.0%
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	182.3	213.6	-14.7%	255.3	-28.6%	415.8	288.9	43.9%
Income tax and social contribution	12.7	-17.0	n/a	-21.8	n/a	50.5	65.0	-22.3%
NET INCOME	195.0	196.6	-0.8%	233.5	-16.5%	466.3	353.9	31.8%

BALANCE SHEET (R\$ million)	M. DIAS (Consolidated)				
	9/30/2022	9/30/2021	Variation	12/31/2021	Variation
ASSETS					
CURRENT	4,761.7	4,677.7	1.8%	4,443.1	7.2%
Cash and cash equivalents	420.7	1,864.4	-77.4%	1,555.9	-73.0%
Linked deposits	203.6	0.0	n/a	0.0	n/a
Trade accounts receivable	1,613.6	1,148.7	40.5%	1,439.0	12.1%
Inventories	2,163.7	1,274.2	69.8%	1,154.2	87.5%
Taxes recoverable	270.8	188.5	43.7%	127.9	n/a
Income tax and social contribution	1.5	75.9	-98.0%	71.2	-97.9%
Financial investments	18.6	17.3	7.5%	16.6	12.0%
Derivatives financial instruments	17.7	82.0	-78.4%	51.1	-65.4%
Prepaid expenses	10.4	7.4	40.5%	7.8	33.3%
Other current assets	41.1	19.3	n/a	19.4	n/a
NON CURRENT	6,416.6	5,910.4	8.6%	6,214.0	3.3%
Long-term	531.8	677.6	-21.5%	750.6	-29.2%
Financial investments	2.2	0.0	n/a	2.1	4.8%
Judicial deposits	257.6	222.6	15.7%	233.8	10.2%
Taxes recoverable	159.6	396.8	-59.8%	440.1	-63.7%
Income tax and social contribution	40.9	0.0	n/a	0.0	n/a
Derivatives financial instruments	0.0	1.5	-100.0%	10.2	-100.0%
Indemnity assets	66.7	52.1	28.0%	59.8	11.5%
Other non-current assets	4.8	4.6	4.3%	4.6	4.3%
Investments	59.1	44.3	33.4%	35.9	64.6%
Investments properties	55.8	54.3	2.8%	56.1	-0.5%
Property, plant and equipment	3,537.1	3,415.7	3.6%	3,418.0	3.5%
Intangible	2,232.8	1,718.5	29.9%	1,953.4	14.3%
TOTAL ASSETS	10,178.3	10,588.1	5.6%	10,657.1	4.9%
LIABILITIES AND SHAREHOLDERS EQUITY					
CURRENT	2,311.2	1,463.2	58.0%	1,329.1	73.9%
Suppliers	1,080.4	661.4	63.4%	741.4	45.7%
Financing and borrowings from financial institutions	381.5	271.2	40.7%	74.5	n/a
Tax financing	4.1	3.7	10.8%	3.1	32.3%
Direct financing	27.4	28.5	-3.9%	28.2	-2.8%
Debentures	1.6	1.5	6.7%	10.2	-84.3%
Lease	68.8	48.4	42.1%	52.8	30.3%
Social security and labor liabilities	250.4	210.0	19.2%	176.9	41.5%
Tax liabilities	140.6	100.6	39.8%	102.6	37.0%
Income tax and social contribution	1.8	1.8	0.0%	1.8	0.0%
Government grant	20.8	10.6	96.2%	10.8	92.6%
Derivatives financial instruments	181.9	0.1	n/a	0.0	n/a
Other current liabilities	151.9	125.4	21.1%	126.8	19.8%
NON CURRENT LIABILITIES	2,275.1	2,231.0	1.5%	2,295.6	-0.9%
Financing and borrowings from financial institutions	555.7	611.0	-9.1%	607.2	-8.5%
Tax financing	19.9	9.9	n/a	13.9	43.2%
Direct financing	252.1	116.2	n/a	228.9	10.1%
Debentures	828.7	806.9	2.7%	801.5	3.4%
Lease	265.0	203.4	30.3%	193.0	37.3%
Tax liabilities	0.6	0.0	n/a	0.8	-25.0%
Deferred taxes	42.5	216.2	-80.3%	195.4	-78.2%
Derivatives financial instruments	69.8	13.2	n/a	8.8	n/a
Provisions for civil, labor and tax risks	220.9	218.3	1.2%	221.2	-0.1%
Other non-current liabilities	19.9	35.9	-44.6%	24.9	-20.1%
SHAREHOLDERS' EQUITY	6,592.0	6,893.9	-4.4%	7,032.4	-6.3%
Capital	2,597.7	2,597.7	0.0%	2,597.7	0.0%
Capital reserves	36.8	30.8	19.5%	33.4	10.2%
Accumulated conversion adjustments	0.2	0.2	0.0%	0.2	0.0%
Equity valuation adjustment	-196.5	39.9	n/a	41.6	n/a
Revenue reserves	3,819.1	3,970.8	-3.8%	4,408.2	-13.4%
(-) Treasury shares	-81.1	-48.7	66.5%	-48.7	66.5%
Accrued profit	415.8	303.2	37.1%	0.0	n/a
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	10,178.3	10,588.1	5.6%	10,657.1	4.9%

CASH FLOW (R\$ million)	3Q22	3Q21	Variation	9M22	9M21	Variation
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income before income tax and social contribution	182.3	213.7	-14.7%	415.8	289.0	43.9%
Adjustments to reconcile net income with cash from operating activities:						
Depreciation and amortization	81.2	70.4	15.3%	233.5	210.7	10.8%
Cost on sale of permanent assets	0.2	0.7	-71.4%	1.4	0.7	100.0%
Equity in net income of subsidiaries	1.3	0.6	n/a	3.0	3.0	0.0%
Updated financing, debentures and exchange rate variations	46.2	71.3	-35.2%	75.8	122.3	-38.0%
Updated financial investment in the long term	-0.1	0.0	n/a	-0.2	0.0	n/a
Tax credits and updates	-18.4	-19.0	-3.2%	-45.9	-161.4	-71.6%
Updated judicial deposits	-4.3	-1.5	n/a	-10.6	-3.2	231.3%
Appropriate interest on lease	7.3	5.1	43.1%	19.1	14.9	28.2%
Provision and update for civil, labor and tax risks/others	10.0	8.3	20.5%	25.2	25.1	0.4%
Provision (reversion) for expenses/indemnity assets	-3.3	2.6	n/a	-5.7	3.4	n/a
Recognized shares granted	2.9	2.7	7.4%	8.1	7.1	14.1%
Provision (reversion) for losses of clients	2.4	3.7	-35.1%	12.9	-5.9	n/a
Provision for income tax of loans	0.4	0.4	0.0%	1.2	3.2	-62.5%
Provision (reversion) for losses in inventories	5.1	-0.4	n/a	15.2	7.8	94.9%
Losses (gains) on derivative contracts	47.6	-49.0	n/a	141.1	-48.1	n/a
Provision (reversion) for impairment of assets	-0.1	0.7	n/a	-0.1	0.7	n/a
Gain on acquisition of equity interest	-16.8	0.0	n/a	-16.8	0.0	n/a
Changes in assets and liabilities						
(Increase) in linked deposits	-203.6	0.0	n/a	-203.6	0.0	n/a
(Increase) in trade accounts receivable	-89.8	-67.5	33.0%	-163.8	-182.7	-10.3%
(Increase) decrease in inventories	-163.4	-50.5	n/a	-1,056.9	-76.5	n/a
(Increase) decrease in financial investments	-1.9	-0.8	n/a	-2.0	-0.9	n/a
Decrease in taxes recoverable	109.8	166.6	-34.1%	296.7	270.4	9.7%
(Increase) decrease in judicial deposits	-14.9	52.7	n/a	-13.1	44.5	n/a
(Increase) decrease in prepaid expenses	5.8	5.7	1.8%	-2.5	2.9	n/a
Decrease in indemnity assets	0.0	0.0	n/a	0.0	8.1	-100.0%
(Increase) decrease in other assets	-11.1	-5.3	n/a	-21.1	12.9	n/a
Increase in suppliers	81.7	75.0	8.9%	324.8	299.6	8.4%
Increase (decrease) in taxes and contributions	-39.9	-31.2	27.9%	-33.6	12.4	n/a
Increase in social and labor obligations	31.6	19.3	63.7%	68.2	33.4	n/a
(Decrease) in provisions for civil, labor and tax risks	-6.8	-5.7	19.3%	-26.1	-25.9	0.8%
Increase (decrease) in government grants	-3.5	-1.4	n/a	10.0	-1.7	n/a
(Decrease) in other liabilities	-15.9	-27.5	-42.2%	-8.4	-20.8	-59.6%
Interests paid	-44.3	-26.1	69.7%	-65.1	-67.1	-3.0%
Exchange variations paid	0.0	0.0	n/a	0.0	-40.0	-100.0%
Receipts of funds for settlement of derivative transactions	-117.1	7.9	n/a	-158.1	56.5	n/a
Net cash generated from operating activities	-139.4	421.5	n/a	-181.6	794.4	n/a
CASH FLOWS FROM INVESTMENT ACTIVITIES						
Purchase of property, plant, equipment and intangible	-57.0	-41.7	36.7%	-166.7	-125.3	33.0%
Payment of debt from purchase of company	0.0	-57.7	-100.0%	-6.0	-64.9	-90.8%
Acquisition of equity interest	-314.1	0.0	n/a	-314.1	0.0	n/a
Redemption of long-term financial investment	0.0	0.0	n/a	0.0	3.3	-100.0%
Net cash (used) in investment activities	-371.1	-99.4	n/a	-486.8	-186.9	n/a
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividends paid	-16.8	-16.9	-0.6%	-638.7	-205.2	n/a
Financing obtained	307.0	3.6	n/a	307.0	817.2	-62.4%
Payment of financing	6.1	-10.4	n/a	-53.1	-525.0	-89.9%
Acquisition of treasury shares	0.0	0.0	n/a	-36.6	-12.9	183.7%
Lease payments	-21.2	-10.2	n/a	-45.4	-30.2	50.3%
Net cash used in financing activities	275.1	-33.9	n/a	-466.8	43.9	n/a
Increase (decrease) in cash and cash equivalents	-235.4	288.2	n/a	-1,135.2	651.4	n/a
At the start of the period	656.1	1,576.2	-58.4%	1,555.9	1,213.0	28.3%
At the end of the period	420.7	1,864.4	-77.4%	420.7	1,864.4	-77.4%
Increase (decrease) in cash and cash equivalents	-235.4	288.2	n/a	-1,135.2	651.4	n/a

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