



M. Dias Branco

CORPORATE
PRESENTATION

OCTOBER 2023

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▶ youtube.com/rimdias

OVERVIEW



70 YEARS OF OPERATION



R\$ 10 BILLION NET REVENUE IN 2022



16 THOUSAND EMPLOYEES



1 IN BRAZIL IN COOKIES AND PASTA



93% HOUSEHOLD PENETRATION



+20 BRANDS



CONSUMERS FROM ALL SOCIAL CLASSES



EXPORTS TO MORE THAN 40 COUNTRIES



STRONG TRACK RECORD OF ACQUISITIONS



VERTICALIZED PRODUCTION PROCESS



R\$ 2.4 BILLION CAPEX INVESTMENT
BETWEEN 2015-2022



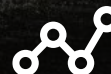
AAA RATING, STABLE OUTLOOK, REAFFIRMED
BY FITCH (FOR THE SIXTH YEAR)



SUSTAINABILITY AGENDA IN LINE WITH
THE BUSINESS STRATEGY

MDIA
B3 LISTED NM

LISTED IN THE NOVO MERCADO



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

OUR GOVERNANCE

BOARD OF DIRECTORS WITH 7 MEMBERS

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

HIGHLIGHTS 2022



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



The 100+
Innovative
Companies in
the use of IT
ranking



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



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



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



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

RELEVANT POSITION IN THE MARKETS IN WHICH WE OPERATE

COOKIES

MIX Net Revenue

51%

1st

Place in Brazil
Share Volume

*Mix Net Revenue 1H23

PASTA

MIX Net Revenue

21%

1st

Place in Brazil
Share Volume

WHEAT FLOUR AND BRAN

MIX Net Revenue

18%

3rd

Place in Brazil
Share Volume

MARGARINE AND VEGETABLE SHORTENING

MIX Net Revenue

6%

3rd

Place in Brazil
Share Volume

OTHERS

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

MIX Net Revenue

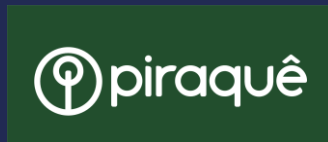
4%

Granola and
Gluten-free bread

1st Place in Brazil
Share Volume

MORE THAN 20 BRANDS IN DIFFERENT PRICE RANGES AND CONSUMPTION OCCASIONS

PREMIUM BRANDS AND NEW TRENDS



MAINSTREAM



ENTRY BRANDS



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

OVER
R\$ 1 BILLION

OVER
R\$ 500 MILLION



REVENUE BY REGION 1H23



DEFENSE
North and Northeast

64%

ATTACK
South, Southeast and Midwest

34%

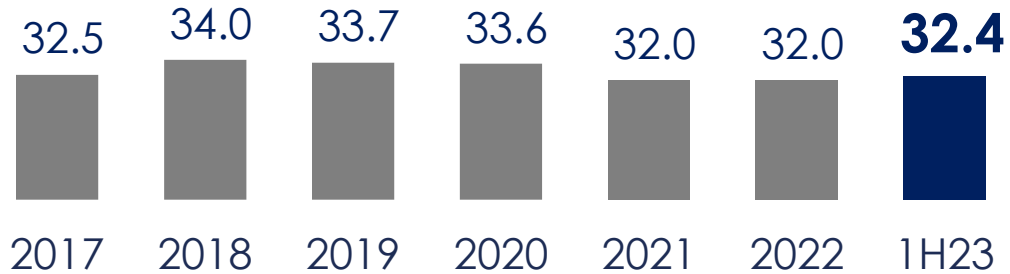


EXPORT
2%

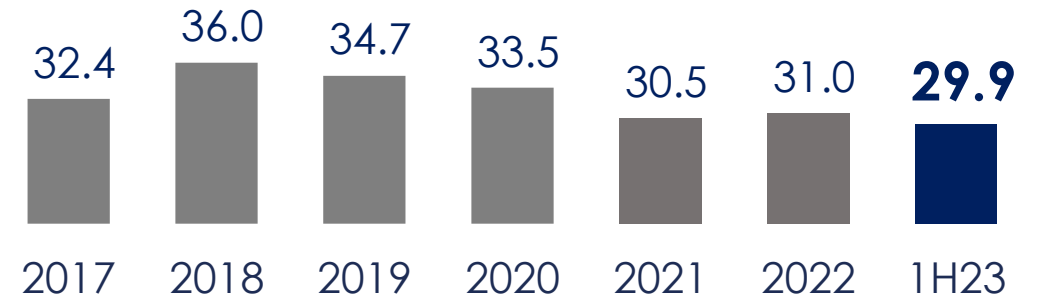
1 IN COOKIES & CRACKERS AND PASTA

(MARKET SHARE BRAZIL - NIELSEN)

COOKIES & CRACKERS



PASTA



M. DIAS BRANCO x COMPETITORS



M. DIAS BRANCO x COMPETITORS



WE OPERATE ON A DIVERSIFIED BASE OF SALES CHANNELS

REVENUE BY SALES CHANNEL	1H22	1H23
SMALL RETAIL	20%	18%
WHOLESALE	18%	18%
KEY ACCOUNTS / REGIONAL CHAINS	22%	22%
CASH AND CARRY	22%	23%
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



28

DISTRIBUTION
CENTERS

17

INDUSTRIAL
UNITS



1 DISTRIBUTION CENTER AND 1 INDUSTRIAL UNIT IN URUGUAY

THE ACQUISITIONS HAVE LEVERAGED OUR GROWTH AND ENRICHED OUR PRODUCT PORTFOLIO

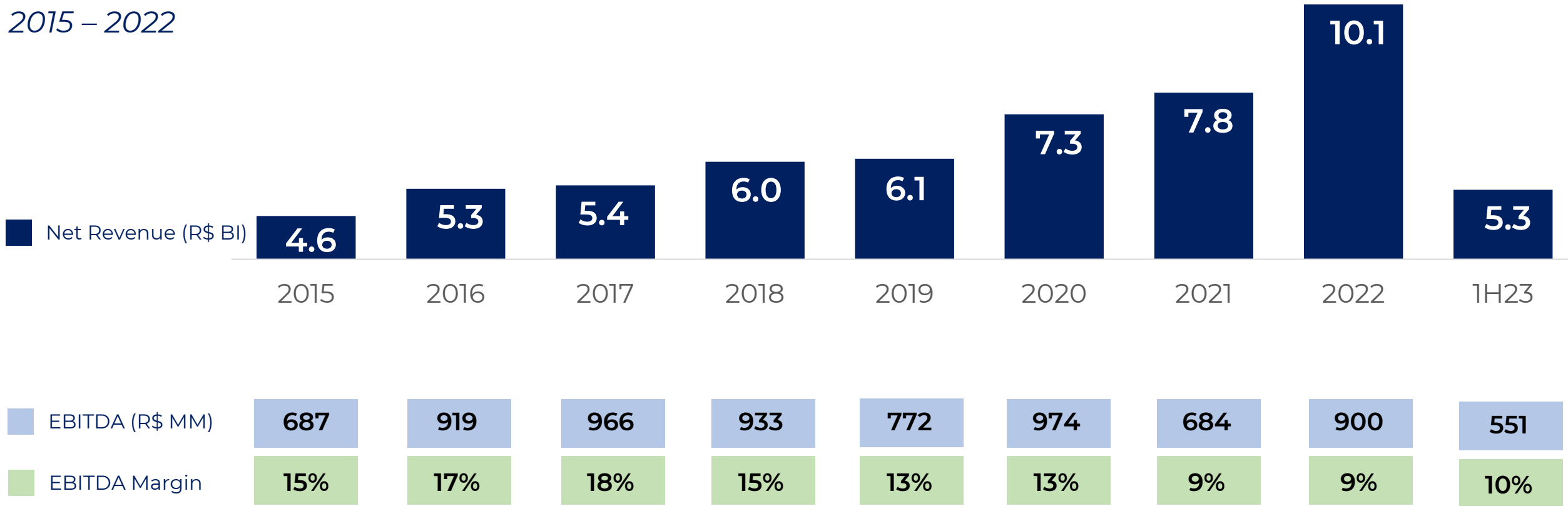


55%
OF THE REVENUE
FROM THE
ACQUIRED BRANDS

STRONG GROWTH HISTORY

Net Revenue CAGR 12%

2015 – 2022



PROFITABLE GROWTH STRATEGY



EFFICIENCY AND PRODUCTIVITY PROGRAM

CURRENT BUSINESS

1

DEFENSE

ATTACK

OTHER CATEGORIES

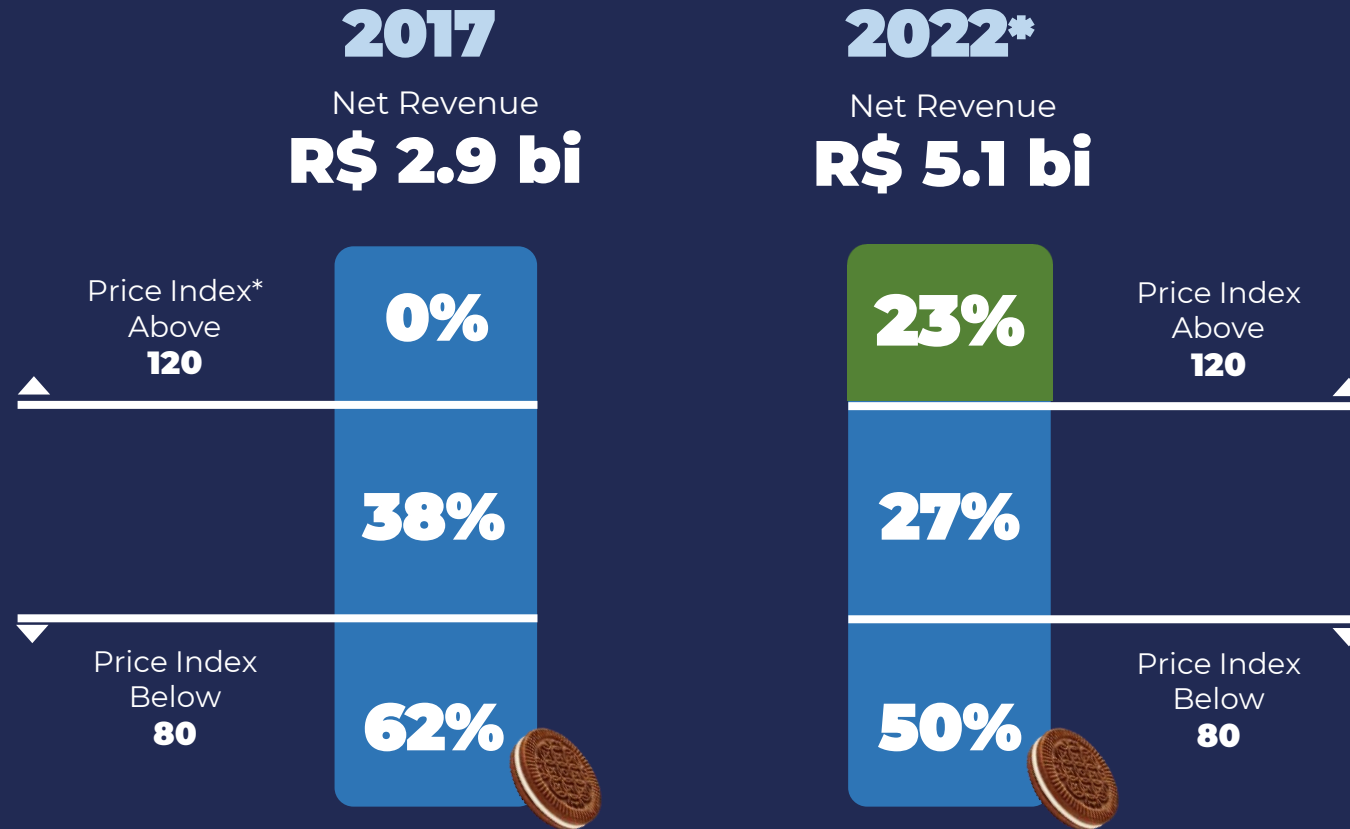
2

INTERNATIONAL

3

PRODUCTIVITY AND EFFICIENCY

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



*Source: Nielsen

CURRENT BUSINESS

1

DEFENSE

ATTACK

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

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

OTHER CATEGORIES

2

INTERNATIONAL

3

PRODUCTIVITY AND EFFICIENCY





- **Diversify operating channels**

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



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

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



- **Strengthen the priority brands**



CURRENT BUSINESS
DEFENSE

1



ATTACK

OTHER CATEGORIES

2



INTERNATIONAL

3



PRODUCTIVITY AND EFFICIENCY



HEALTHY PRODUCTS



SNACKS



SAUCES AND CONDIMENTS





- R\$ 18MM Net Revenue in 2015 and R\$ 161MM in 2022



- Sales to 37 countries in 2022

- Specific products for export, such as *shelf stable* margarine

- Las Acacias acquisition in Uruguay





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



- **SAP implementation for early 2024**
- **Improved service level (OTIF); 65% in 4Q22 and target at 80% in 2024**



- **Improved Working Capital, longer average supplier terms**
 - 13 days in 2019 to 57 days in 2022



- **Debt Lengthening**
 - 38% in the long term in 2019 and 75% in the long term in 2022
 - Hedge Policy

ESG



3rd CONSECUTIVE
YEAR IN THE MAIN
BRAZILIAN
SUSTAINABILITY INDEX

MSCI ESG RATING
UPGRADED FROM
"A" TO "AA" IN 2022

WE CONTINUED IN THE
PORTFOLIO OF TEVA
WOMEN IN LEADERSHIP
INDEX

OUR COMMITMENT IS
40% WOMEN IN
LEADERSHIP BY 2030

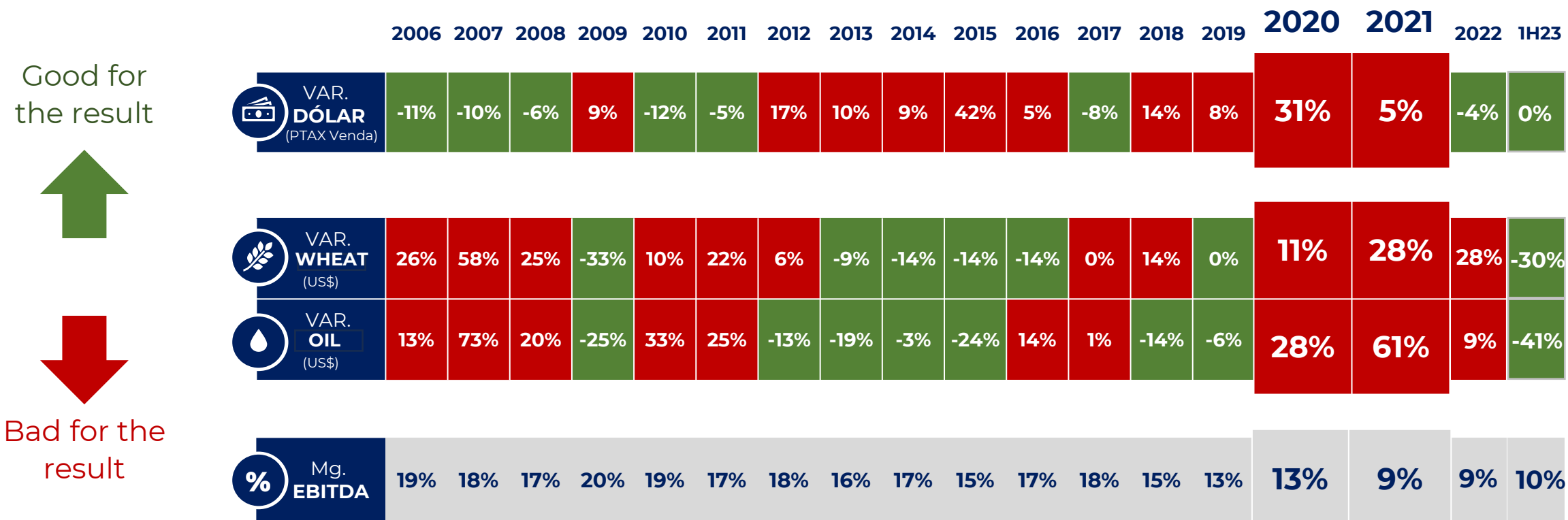
EVOLUTION IN THE
CDP SCORE FROM
"B-" TO "B" IN 2022



M. Dias Branco

Back-up

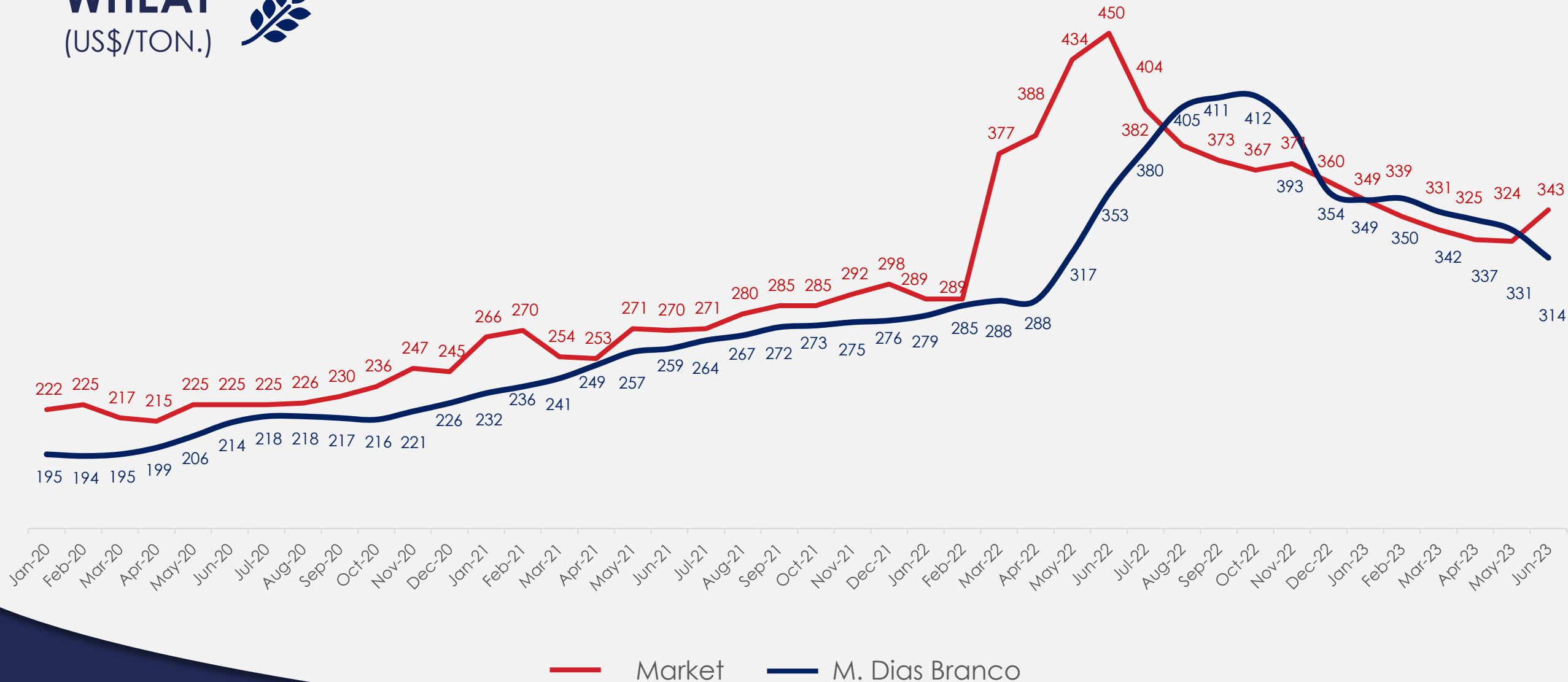
ATYPICAL SITUATION IN THE DYNAMICS OF COMMODITIES AND THE EXCHANGE RATE IN 2020 AND 2021, WITH PRICE INCREASE IN US\$ AND DEPRECIATION OF BRAZILIAN REAL, LEADING TO A DECLINE IN OUR MARGINS



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

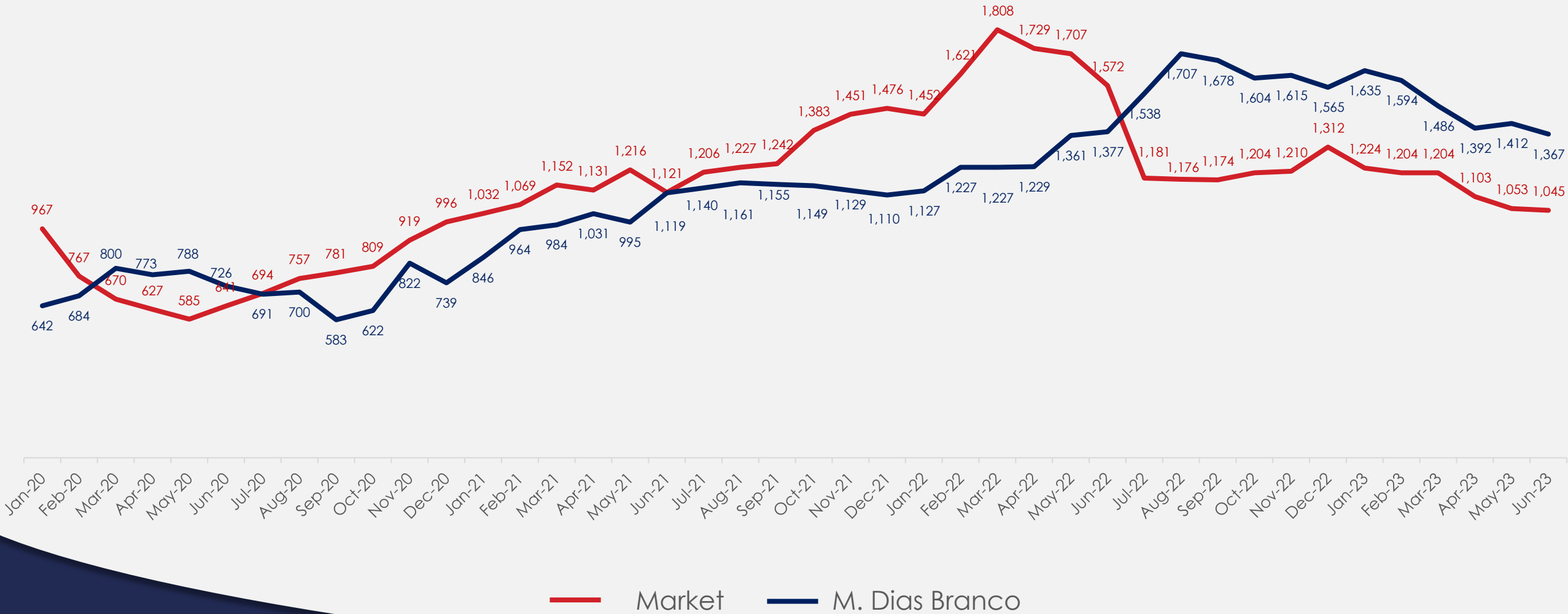
WHEAT

(US\$/TON.)



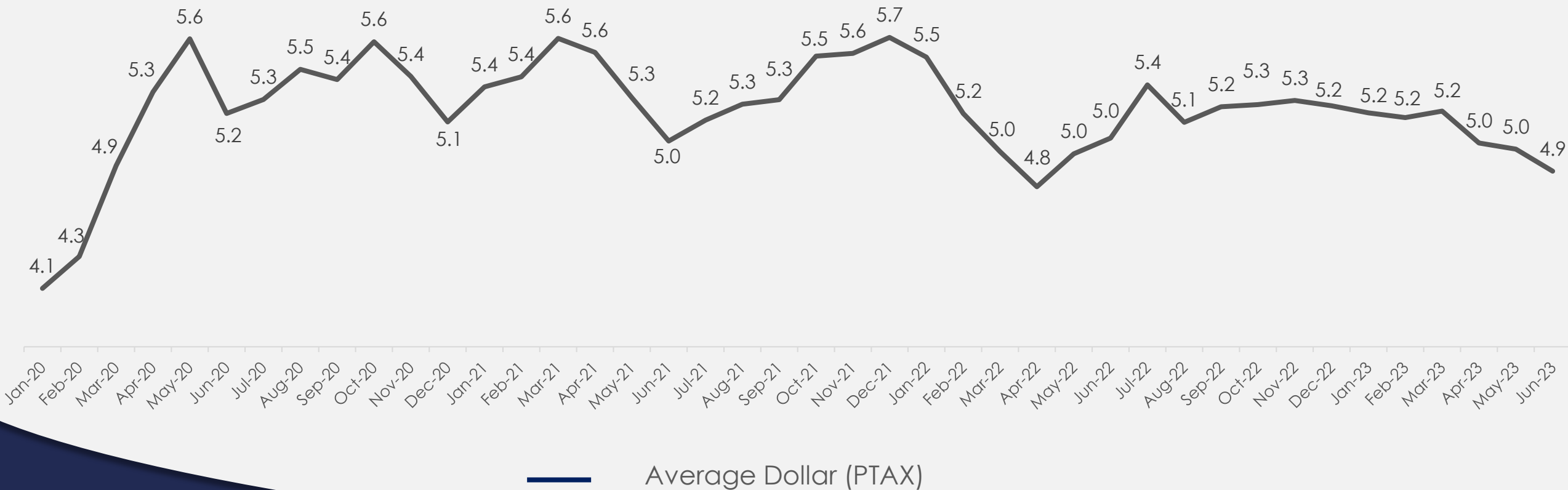
PALM OIL

(US\$/TON.)

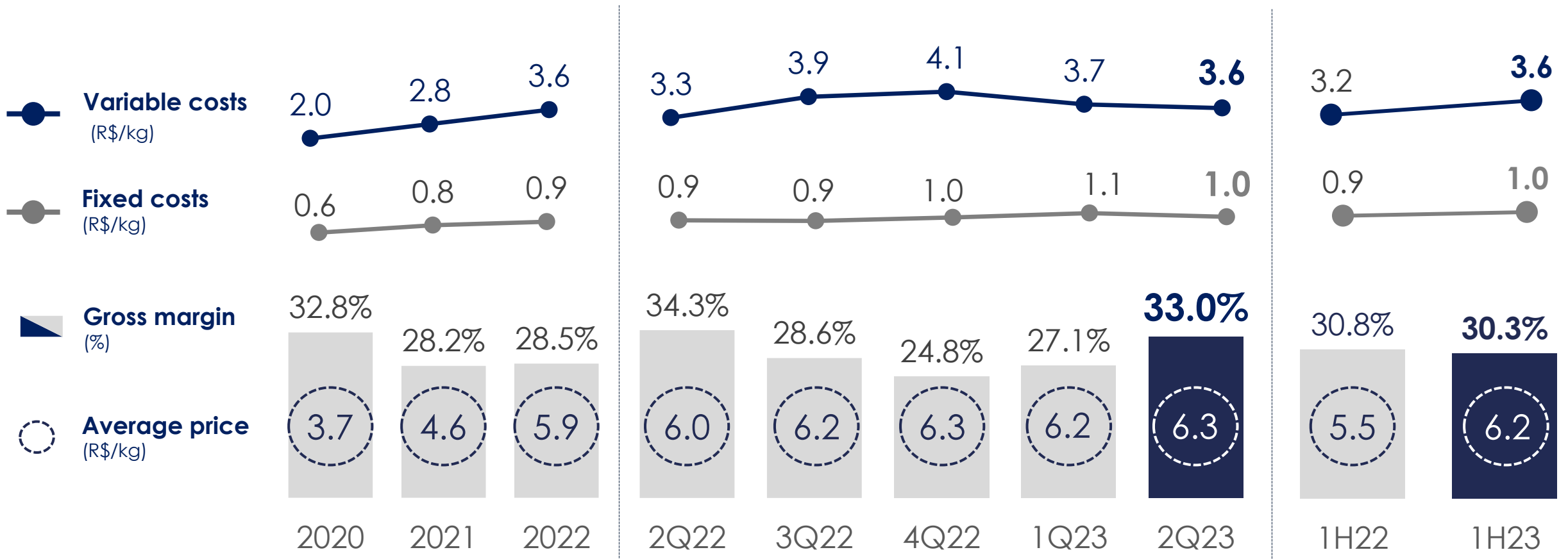


— Market — M. Dias Branco

DOLLAR



INCREASE IN GROSS MARGIN VS. 1Q23 DUE TO THE DECREASE IN COMMODITY PRICES. IN COMPARISON WITH 2Q22, IMPACT OF THE CONFLICT BETWEEN RUSSIA AND UKRAINE



In 2Q23, the cookies & crackers and pasta markets grew in value, volume and average price versus 1Q23



Cookies & Crackers

2T23 vs. 2T22 2T23 vs. 1T23

	Value Sold	14%	11%
	Volume Sold	-2%	9%
	Units Sold	0%	8%
	Average Price (R\$/Kg)	16%	2%
	Volume per Units	-1%	0%



Pastas

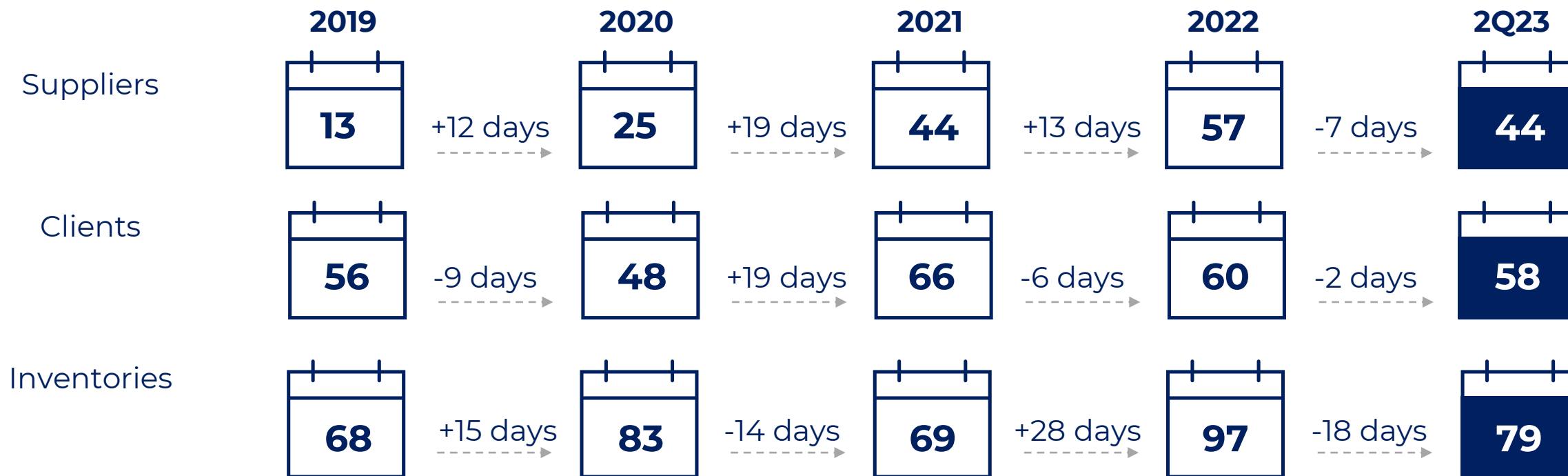
2T23 vs. 2T22 2T23 vs. 1T23

	Value Sold	12%	8%
	Volume Sold	-1%	7%
	Units Sold	1%	7%
	Average Price (R\$/Kg)	13%	1%
	Volume per Units	-3%	0%

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

WORKING CAPITAL RELEASE WITH IMPROVEMENT IN AVERAGE SUPPLIER AS OF 2021 AND INVENTORY TERMS IN 2Q23

Average term in days



ACQUISITION OF LAS ACACIAS

Accelerate our internationalization strategy

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



THE COMPANY

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



STRATEGY

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



LAS ACACIAS

INITIATIVES FOR 2023 PORTFOLIO

REPLACEMENT OF SUPPLIERS

4 SKUs
In Cake Mix



4 SKUs
In Ramen
Noodle Soup



INSERTION OF LAS ACACIAS PRODUCTS IN THE MDB PORTFOLIO



Transfer price analysis for Adria and Isabela brands



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



EVALUATE MDB PRODUCTS TO INCORPORATE LAS ACACIAS PORTFOLIO



ACQUISITION OF LATINEX FOR R\$ 180 MILLION, REACHING UP TO R\$ 272 MILLION, REINFORCES M. DIAS BRANCO'S PRESENCE IN HEALTHY FOODS AND SNACKS, SEASONING, SAUCES AND CONDIMENTS SEGMENTS (DEAL CLOSING IN 11/03/21)



"Healthy foods"



"Snacks"



"Salts and Spices"



"Sauces and Condiments"



"Handicraft Potato Chips
(License Distribution)"





JASMINE ACQUISITION

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



PRODUCTIVITY AND EFFICIENCY GAINS 2020 AND 2021

2020



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

RECURRING SAVINGS RECOGNIZED IN 2020

R\$ 184 MM

ANNUALIZED RECURRING SAVINGS

R\$ 438 MM

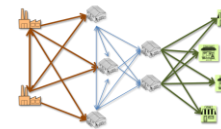
2021



CORPORATE RESTRUCTURING

ANNUALIZED
RECURRING SAVINGS

R\$ 80 MM



LOGISTIC/PRODUCTION NETWORK DESIGN

ANNUALIZED
RECURRING SAVINGS

R\$ 42 MM

PRODUCTIVITY AND EFFICIENCY GAINS 2020 AND 2021



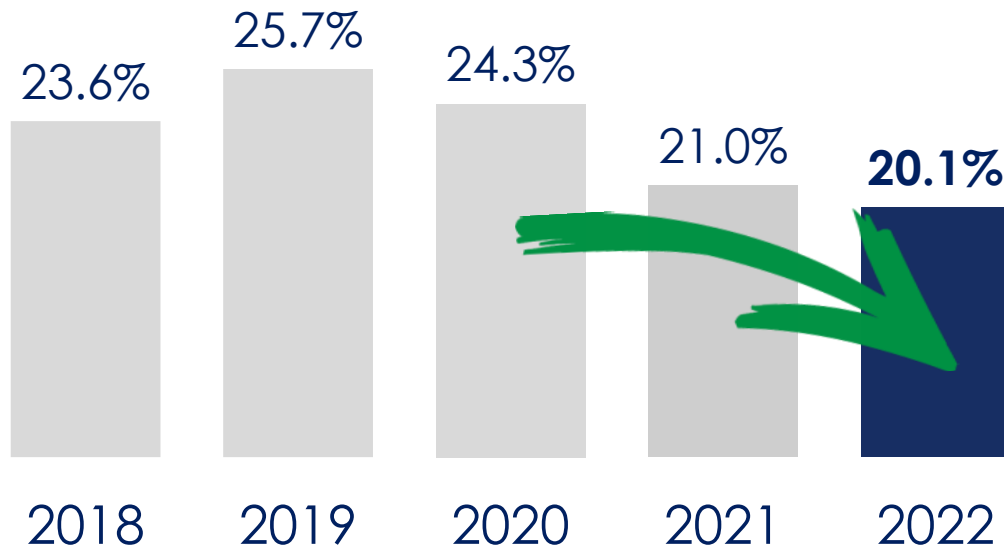
CORPORATE
RESTRUCTURING



NETWORK
DESIGN

EXAMPLES:

SG&A (% Net Revenue)



COMMERCIAL

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

LOGISTICS AND INDUSTRY

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

ADMINISTRATIVE

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

CORPORATE RESTRUCTURING

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

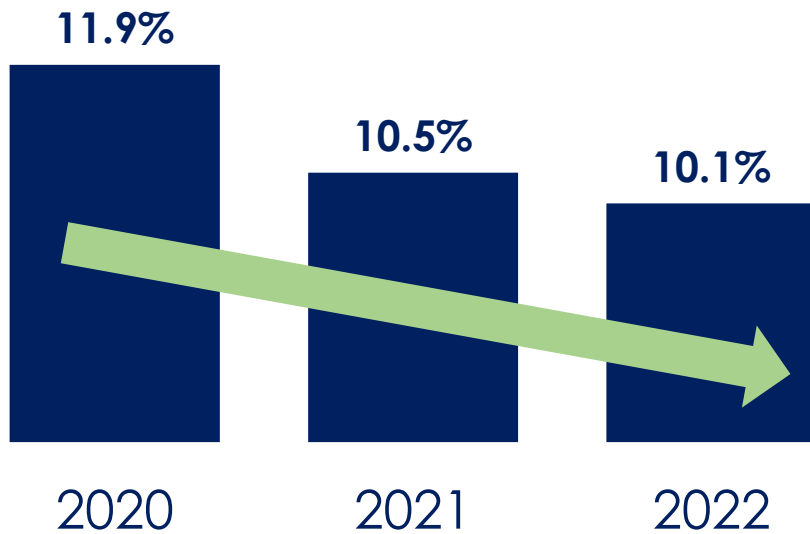
Logistic Efficiency



CORPORATE
RESTRUCTURING

NETWORK
DESIGN

Logistic Expenses (% Net Revenue)



2020



2Q22

Productivity and Efficiency Drivers

Footprint

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

Distribution

- ✓ Fleet resizing
- ✓ 294 trucks less

Storage

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

TRANSFORMATION OF THE SERVICE LEVEL

Service level KPIs

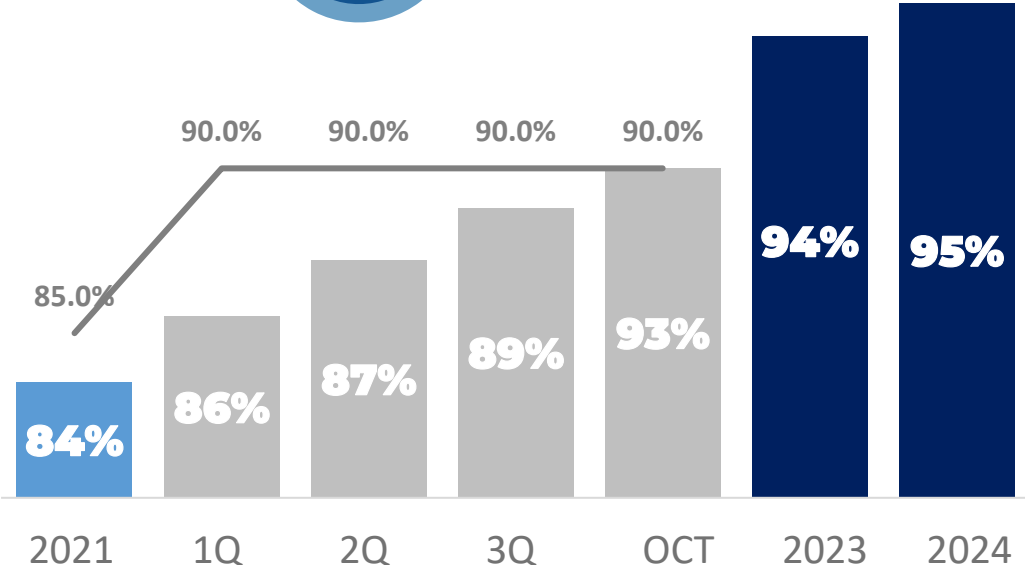
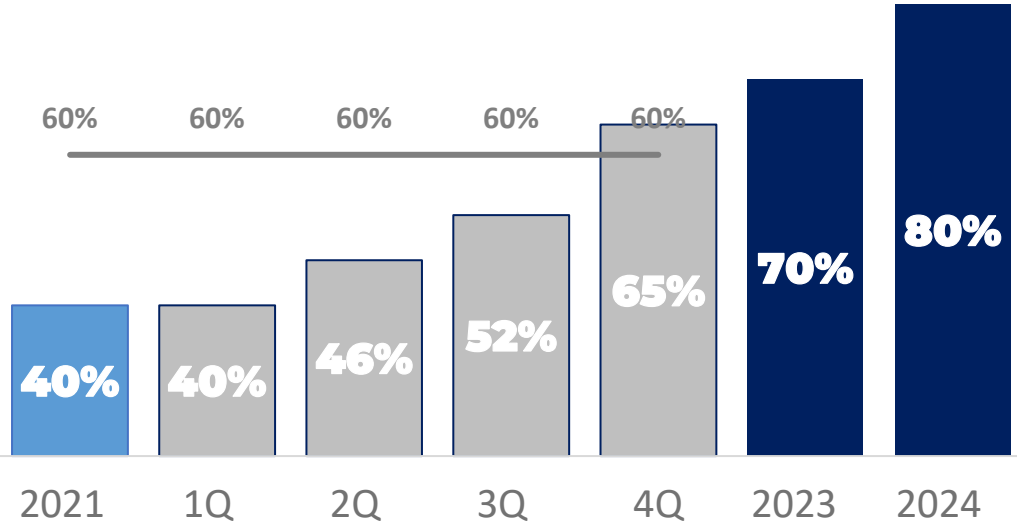
Service level improvement supports: (1) Commercial strategy and (2) E2E efficiency* of the company



OTIF
(On time in full)

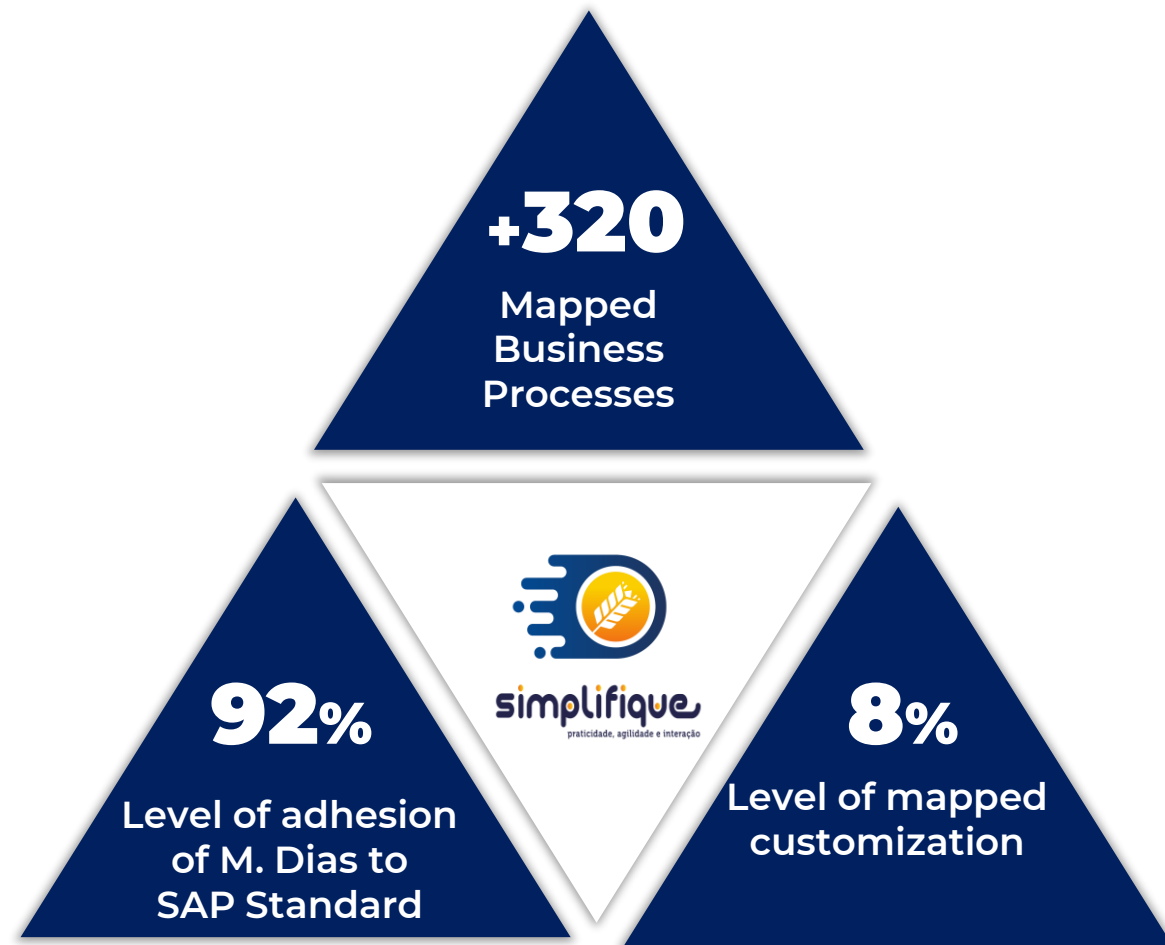
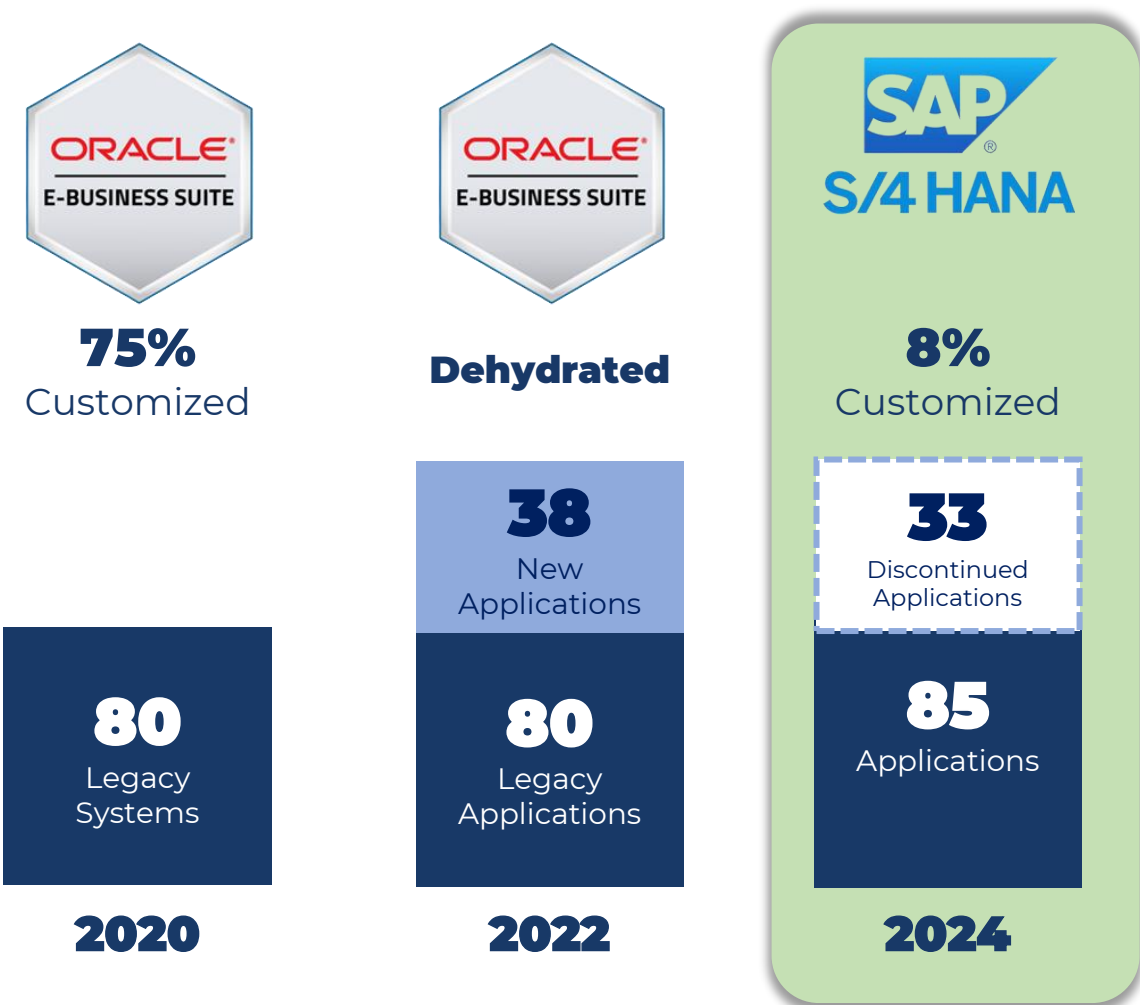


CRF
(Case fill rate)



*End to end.

SIMPLIFY BEYOND ERP



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

piraquê



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

11%
Of Total Revenue*

ADRIA



"Embrace the differences"
"Our sound is different"

20%
Of Total Revenue*



"Grano Duro Adria"
"Details that matter"

6%
Of Total Revenue*



"Spread the love that strengthens"

8%
Of Total Revenue*

isabela



"Affection Recipe"

5%
Of Total Revenue*



#BoraExperimental

9%
Of Total Revenue*

* Total Revenue 2022



GROWTH WITH PROFITABILITY: LAUNCHES AND NEW CATEGORIES ACQUIRED

Cookies launches 2022



New categories acquired



Healthy foods



Sauces and condiments



Snacks & Tex-Mex



Wholefood



Gluten-free



Brand Strengthening - Piraquê

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

CAMPAIGN
"Q DE PIRAQUE"



Big Brother Brasil



LAUNCH ORIGINAL PIRAQUE
CAMPAIGN & CULTURAL CONTEST



DUETO PIRAQUE



LAUNCH DOUBLE MALT
CAMPAIGN



COOKIES
CAMPAIGN & DIGITAL SAMPLING

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

ACEITAR COOKIES

ACEITAR COOKIES COM MAIS GOTAS DE CHOCOLATE DE VERDADE.



Cookies Piraquê com nova receita original.



ZECA PAGODINHO
MASTER ORIGINALITY

Brand Strengthening - Adria



GOAL: Brand reference in detail and selected ingredients

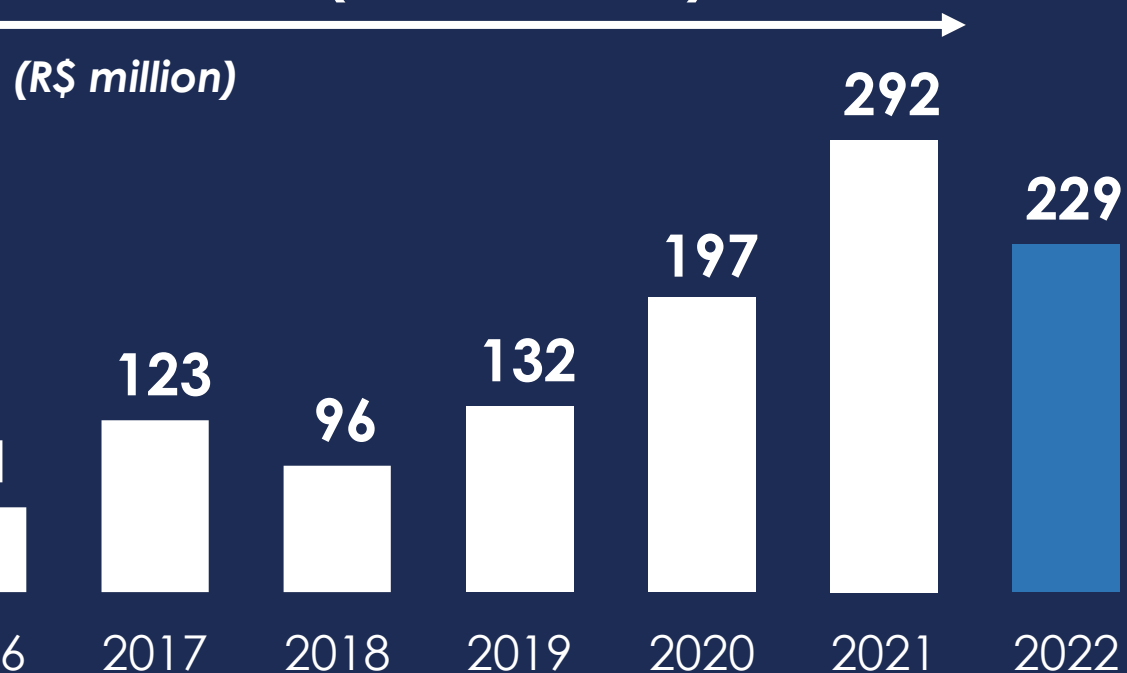
ONLINE

OFFLINE



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

+ 4x (2022 vs. 2015)



* Products / New flavors launched in the last 24 months

E-COMMERCE

“First steps in e-commerce, with products sold on the main platforms.”



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



New Alliances 2022



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

New Alliances



Official Shops



LojaMDiasBranco.com.br

LAUNCH OF THE STORE PILOT ON SEP/13/22

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

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

Partial results (first 70 days of operation)

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

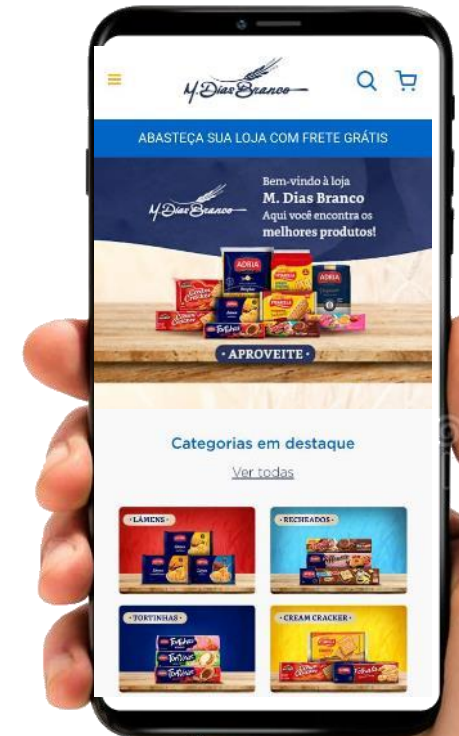
Brands Assortment in Store



Mobilization of
Commercial Team
RJ



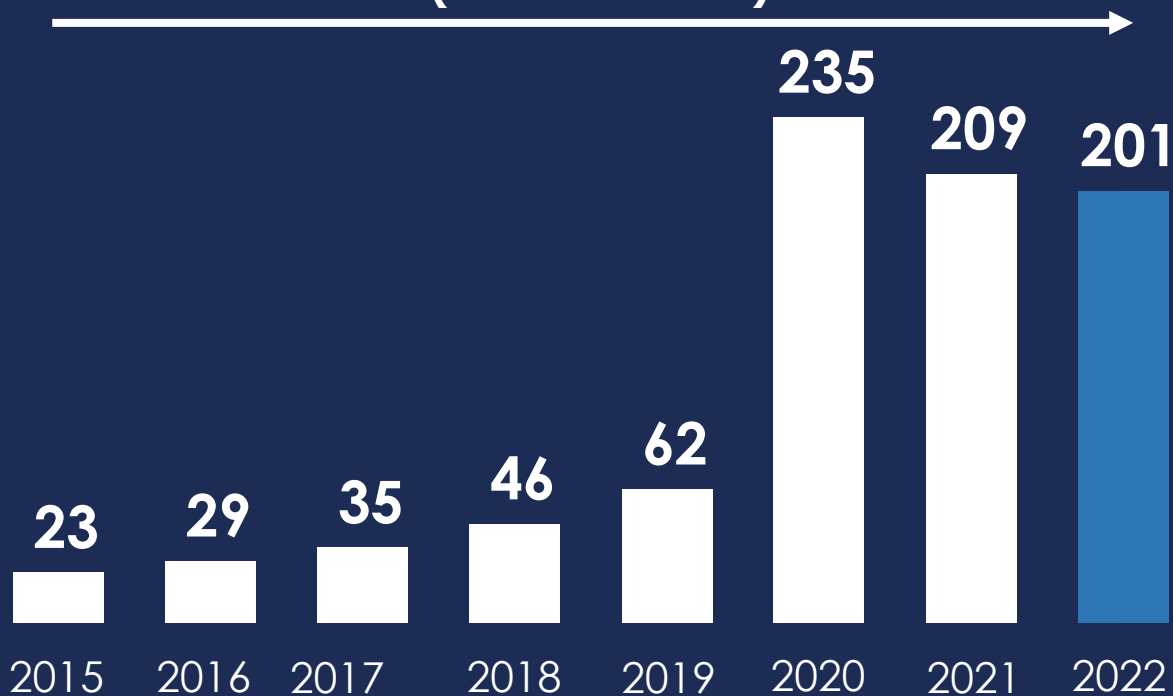
B2B E-commerce
Operation - Belford Roxo



EXPORTS

GROSS INCOME (R\$ million)
REACHED A NEW
LEVEL

+ 9x (2022 vs. 2015)



Focus on markets with high growth potential



Private Label Market



Products adapted to the export market



We exported to **37** countries in 2022



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

PRESENCE ON ALL CONTINENTS

15%
North
America

0.1%
Europe

0.1%
Asia

4%
Central
America

1%
Middle
East

16%
Africa

64%
South
America

0.1%
Oceania

Revenue by
geographic area in
2022 (%)

STRENGTHENING BRANDS AND M. DIAS BRANCO PRESENCE THROUGH POS EXECUTION



USA



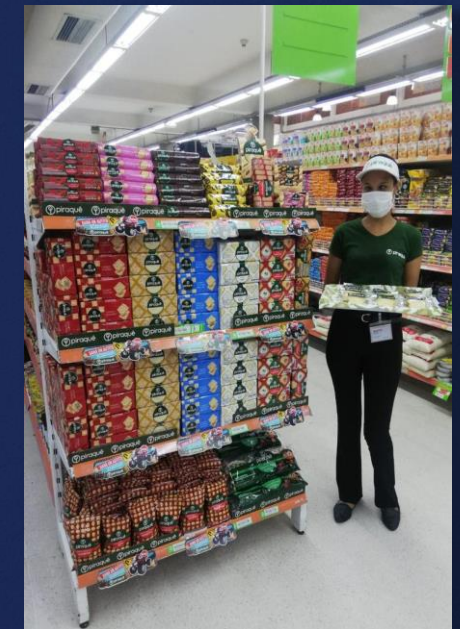
URUGUAY



PARAGUAY



HONDURAS



COLOMBIA

NEW HEDGE POLICY (JUL/20)

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

MODALITIES

FOREIGN EXCHANGE HEDGE

Cash Flow Protection
(NDF and Options)

COMMODITY HEDGE

Commodity Futures Contract

DEBT HEDGE

Foreign Currency Debt Protection
(Swap Contracts)

1st issue of CRAs by M. Dias Branco

(settlement on March 24, 2021)

R\$ 811.6
(million)

TOTAL CAPTURED

R\$ 2.3
(billion)

TOTAL DEMAND
2.9x above the initial value

Green Bond

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

REMUNERATION

1st Series

Maturity: 7 years
Rate: 3.79% + IPCA

2nd Series

Maturity: 10 years
Rate: 4.13% + IPCA

DIVIDEND POLICY

MAIN CHANGES



FREQUENCY

5 payments
per year

(4 fixed and 1 variable)



VALUE

R\$0.05/share

(for each fixed payment)



PAYOUT

60%

FUNDAMENTALS TO KEEP GROWING

Being increasingly relevant TO EVERYONE, EVERYWHERE

1

**Protect the Core
Scale and
Market Share**

**Weight reductions
and smart pricing**

New packaging
formats: **promopacks**

**Strengthening the
priority brands**

**Portfolio
Simplification**

2

**Growing with
Higher Added
Value**

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

Innovations with
increased
differentiation

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

3

**Diversifying
operating
channels**

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

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

4

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

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

Improving **Smart
Pricing and
Promotions**

5

Internationalization

**Consolidating
Las Acacias
integration**

**Keep moving
forward with
exports**

Training and Structure

PROTECT THE CORE, SCALE AND MARKET SHARE

+SMART

Weight reduction and smart pricing

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

+ AFFORDABLE

New packaging formats: **promopacks**

Ideas for protecting *share* on Cash&carry channel



PORTFOLIO SIMPLIFICATION

Increased focus and efficiency



DELIST OF EXCLUSIVE BRANDS

Pelaggio

Adorita

Predilieto
Vem do Coração

Amorela



MIGRATION OF BRANDS

Zabet



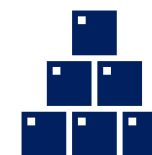
VITARELLA



BASILAR
DESDE 1964



ADRIA



REDUCTION NUMBER OF SKUs

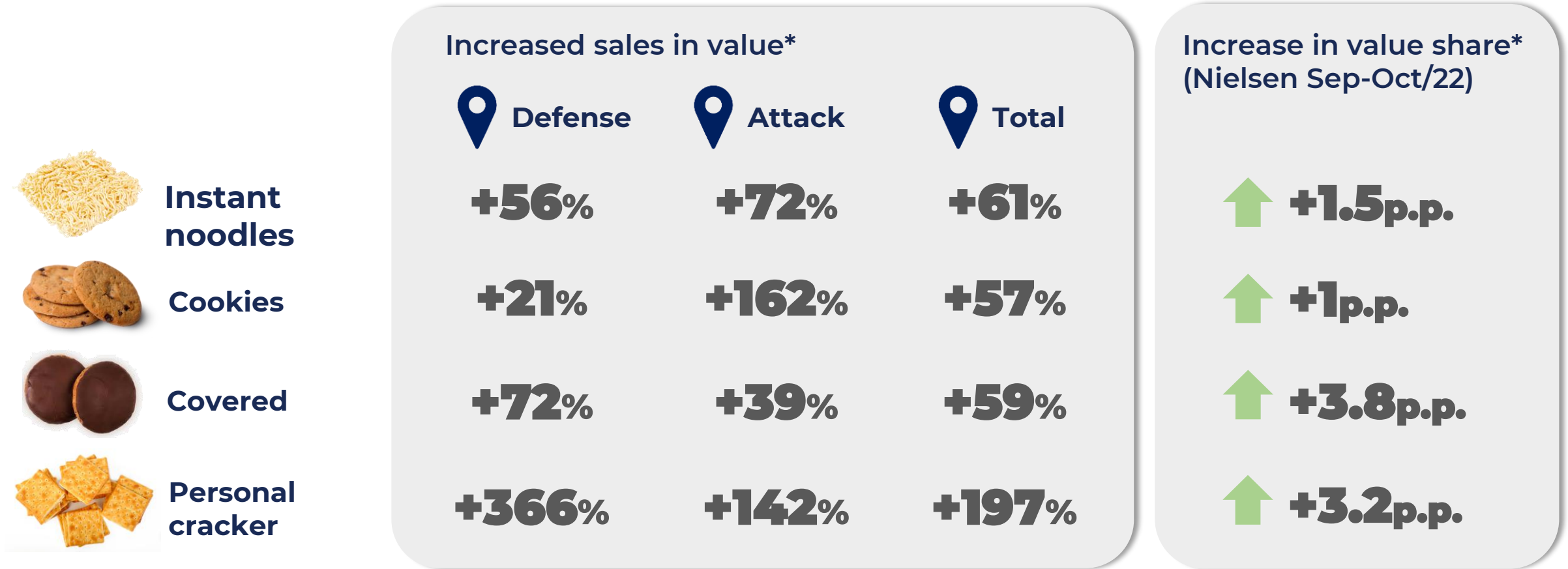
300

SKUs excluídos
(2021-2022)

-73 SKUs
em 2022

EXPAND SALES OF HIGHER ADDED VALUE ITEMS

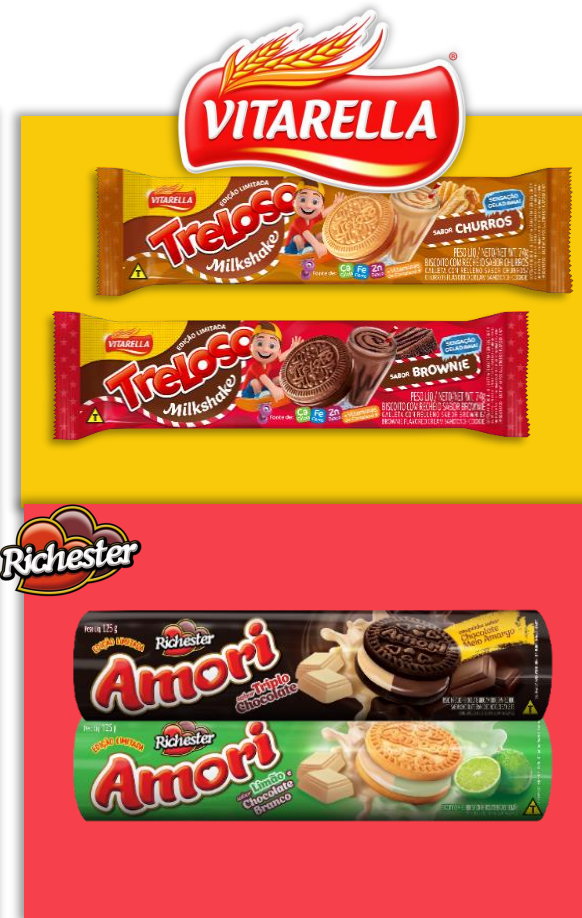
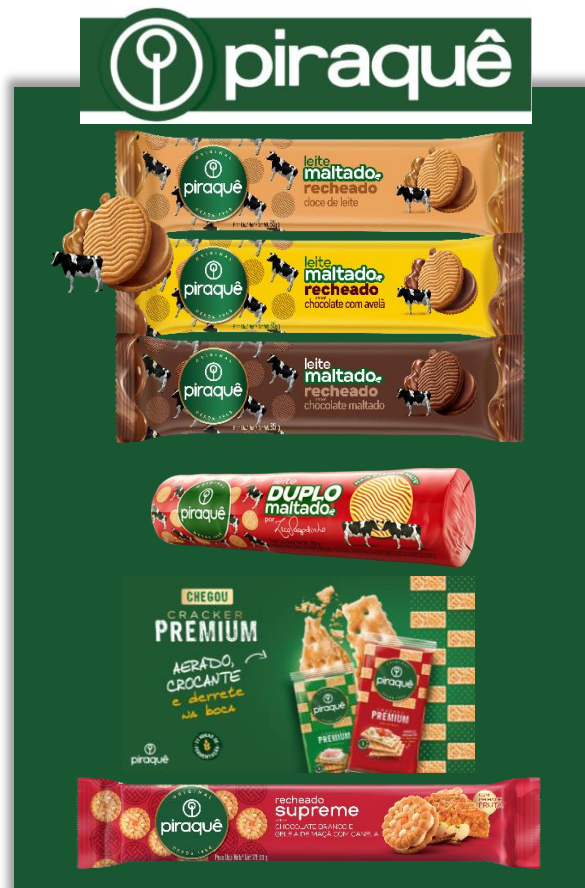
Focus on segments with growth potential



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

INNOVATIONS WITH HIGHER ADDED VALUE, DIFFERENTIATION AND HIGH POTENTIAL

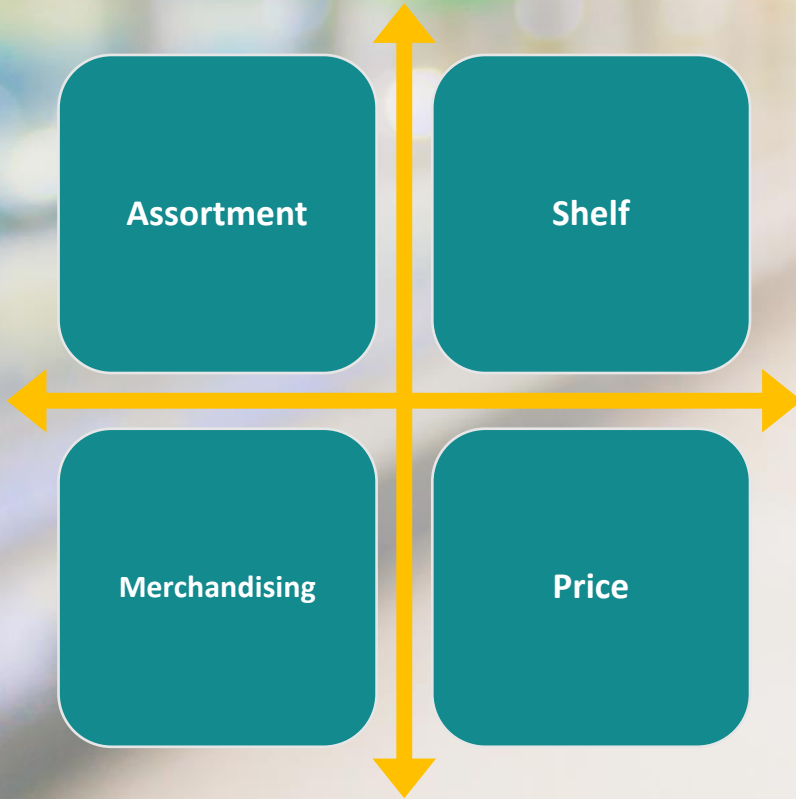
85 new products launched in 2022



CONSOLIDATE THE PERFECT STORE PROJECT

Perfect execution fundamentals

Strategy based on 4 key pillars (4 Ps)



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

Which unfolds into 5 indicators

And it results in the Store Score



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

CONSOLIDATE THE PERFECT STORE PROJECT

Turning execution into results, with follow-up and goals

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

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



Every 1pp = +10% growth in volume

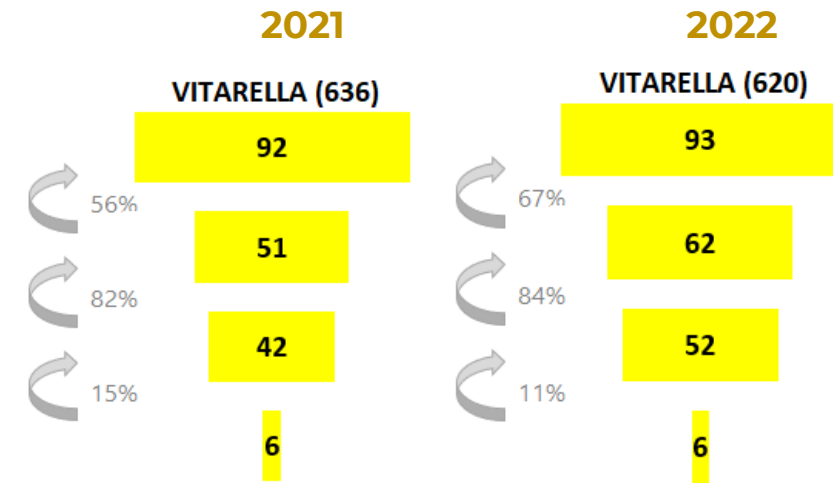
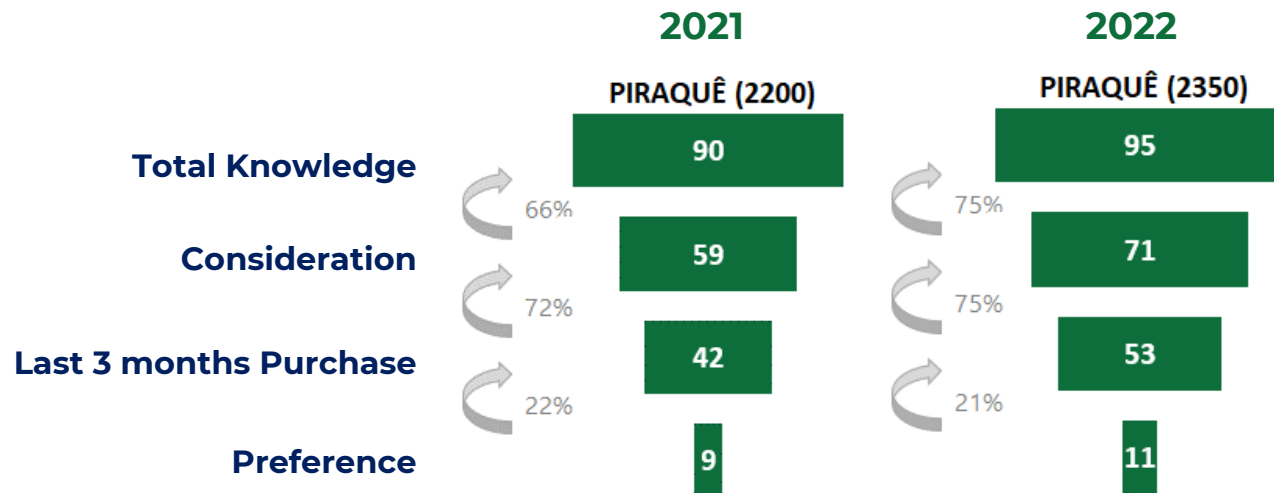
The higher the score, the higher our sell out:

BRAND STRENGTHENING – PIRAQUÊ AND VITARELLA



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

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

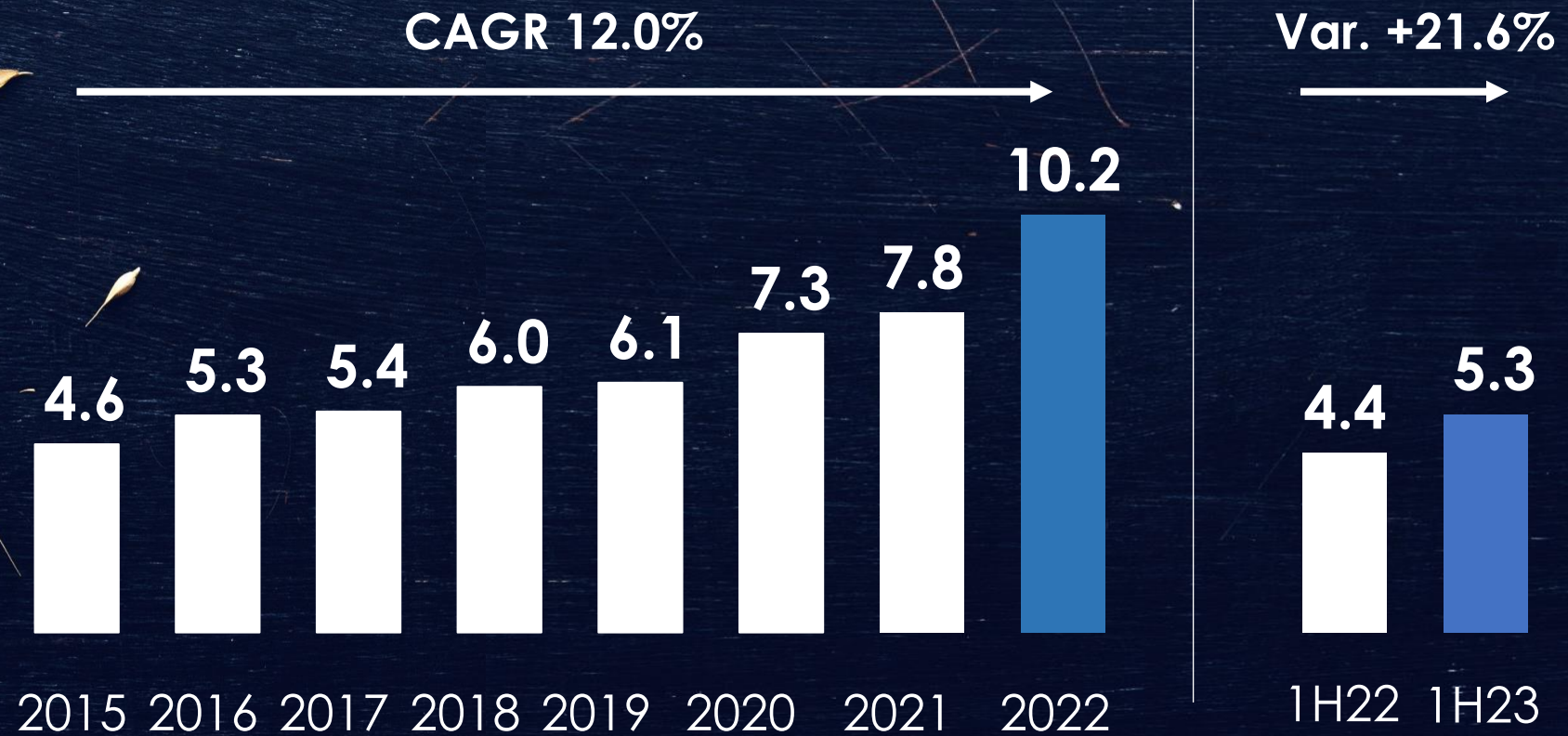


FINANCIAL RESULTS

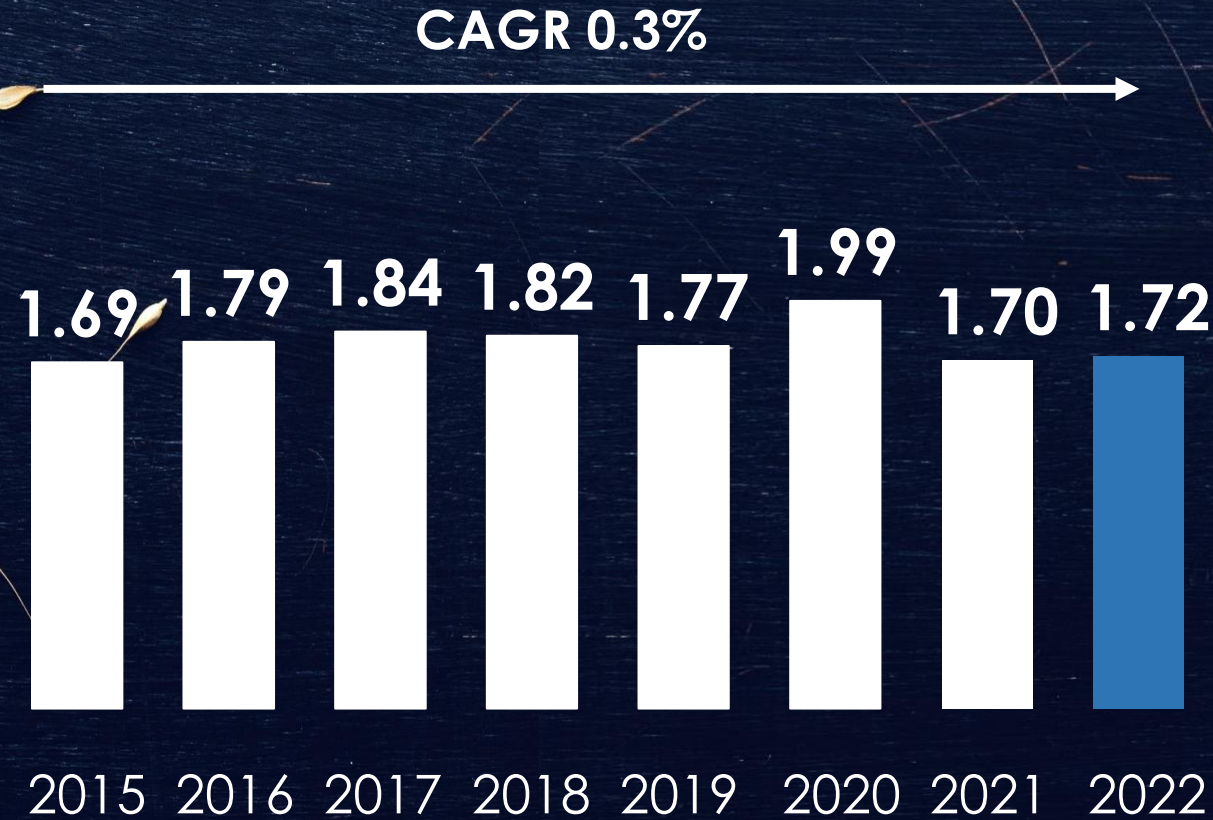

M. Dias Branco



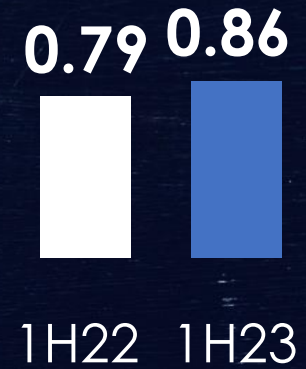
NET REVENUE (R\$ BILLION)



VOLUME (MILLION TON.)



Var. +7.9%

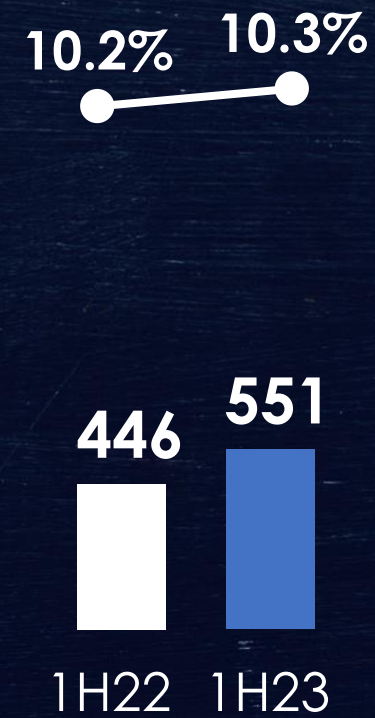
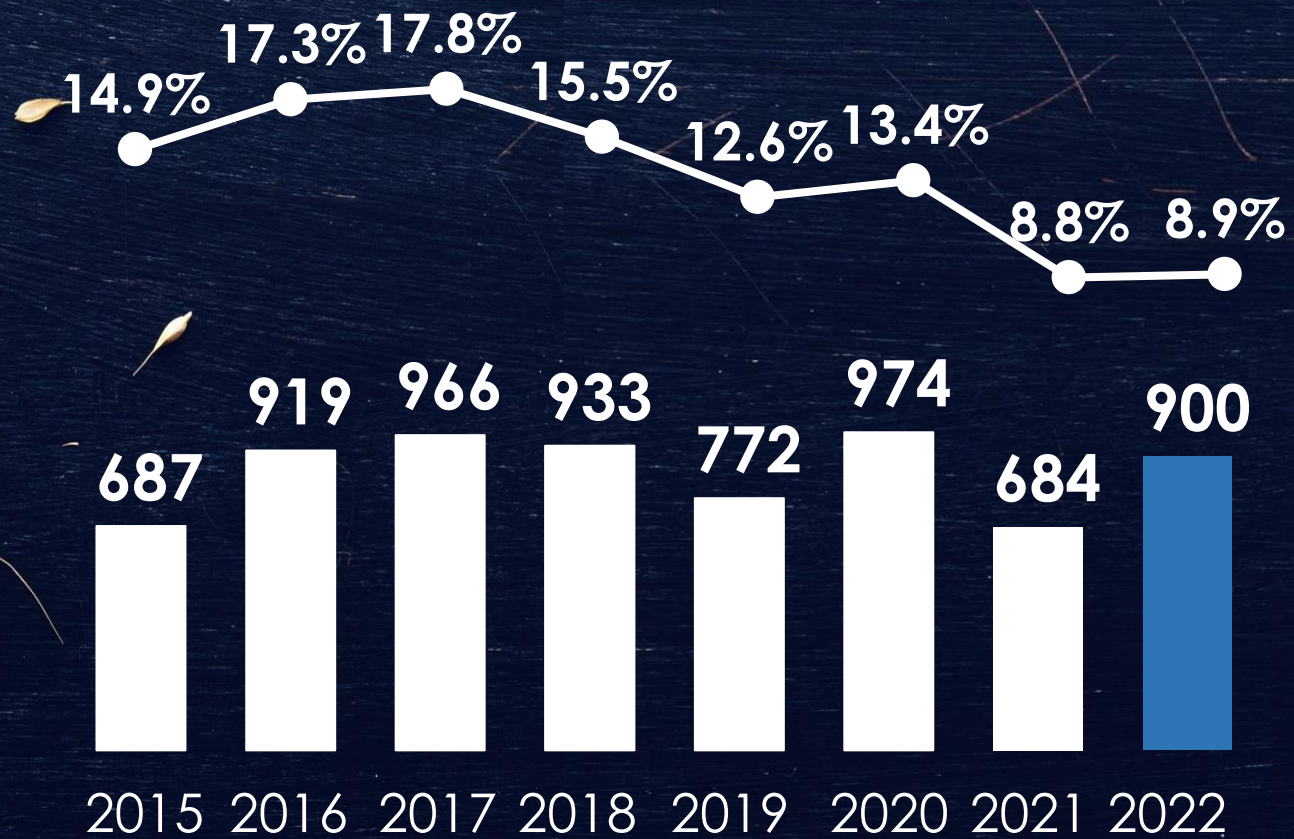


EVOLUTION OF WHEAT PRICE IN US\$



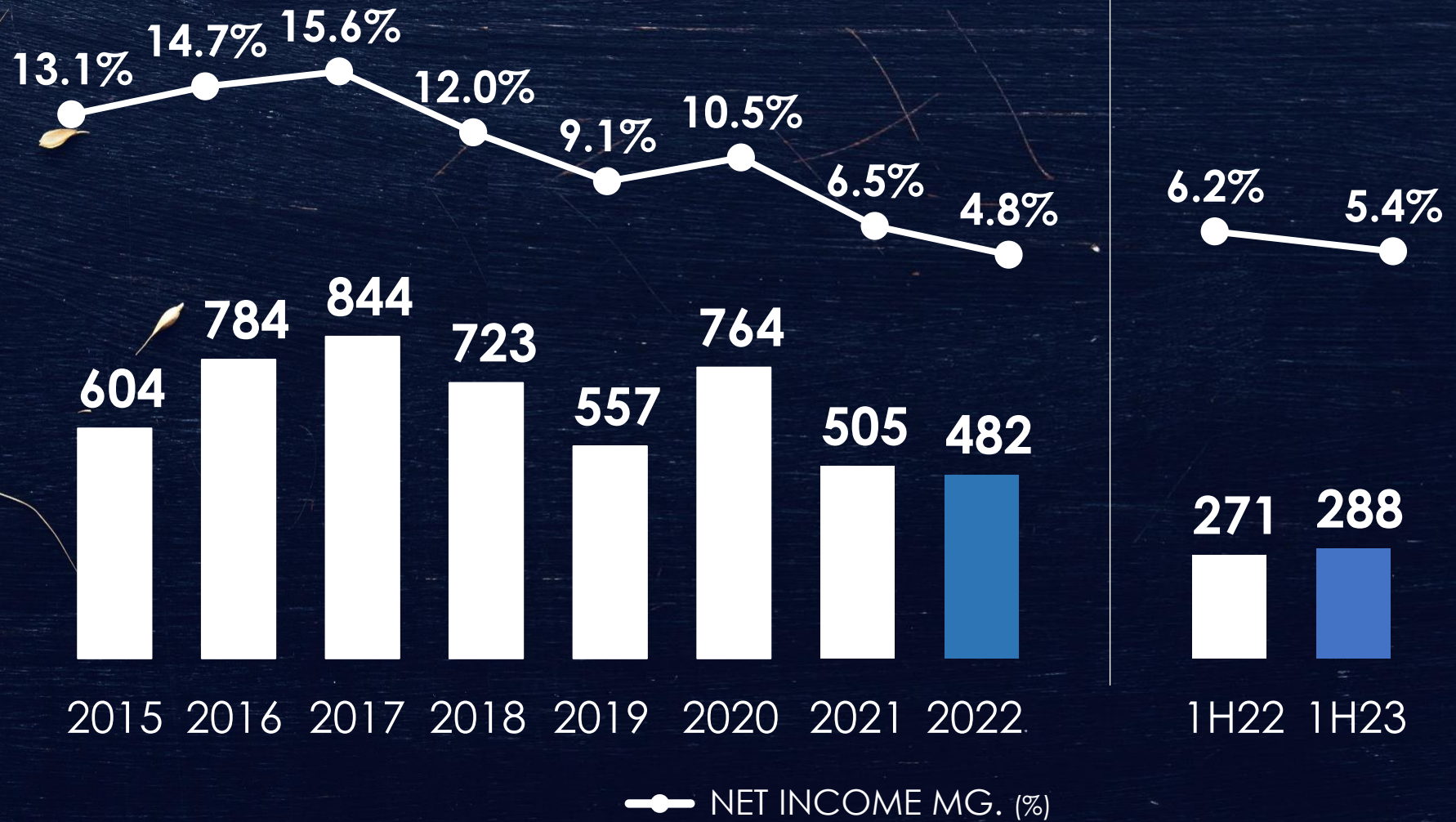
Source: Bloomberg - W1 Comdty.

EBITDA (R\$ MILLION)

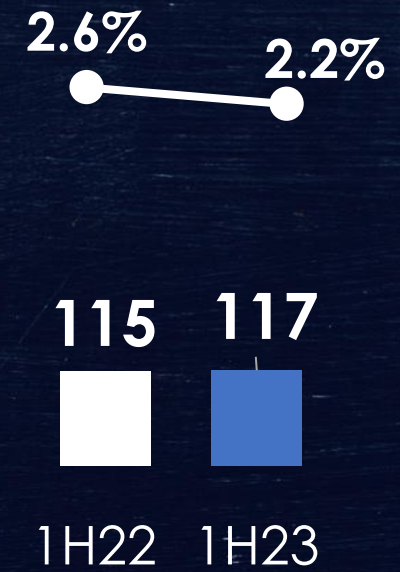
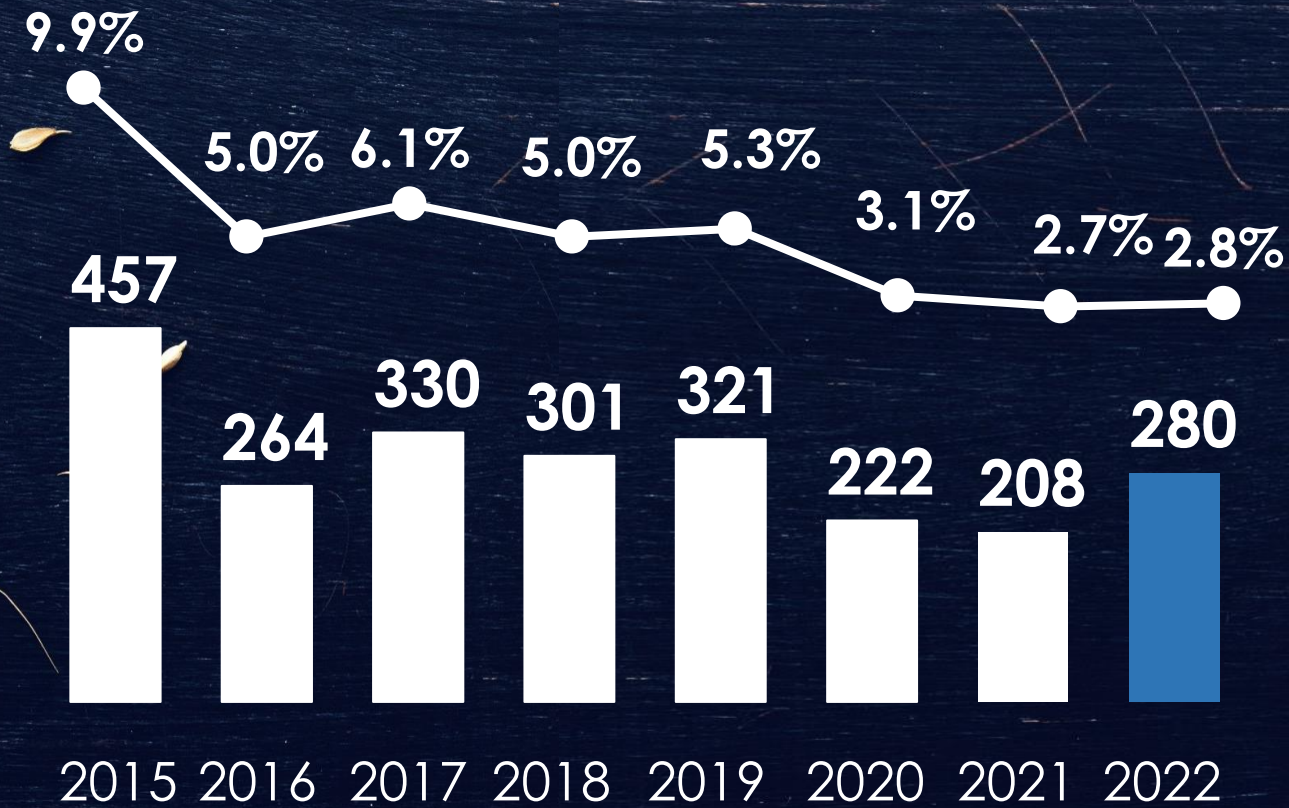


—●— EBITDA MG. (%)

NET INCOME (R\$ MILLION)



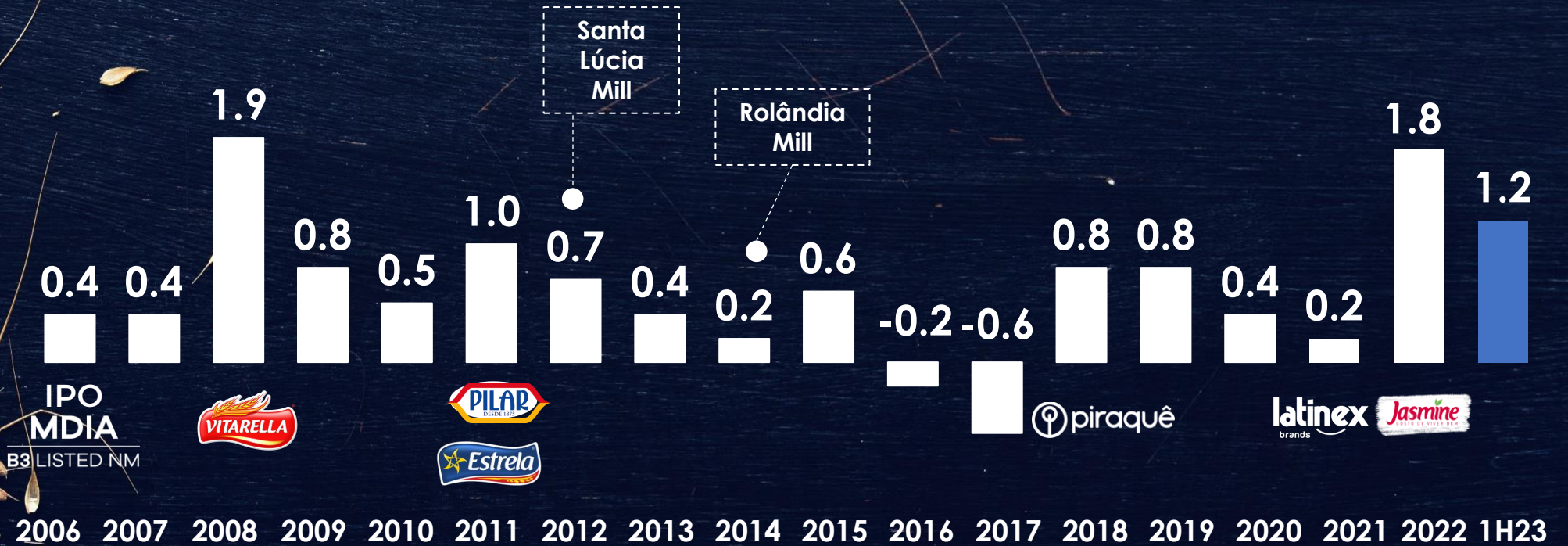
CAPEX (R\$ MILLION)



—●— CAPEX / Net Revenue (%)

LEVERAGE

(NET DEBT / EBITDA LAST 12 MONTHS)



Adria: Acquired in 2003

ESG


M. Dias Branco



Main Indicators – Performance 2022 vs. 2021



CARING FOR THE PLANET

Water consumption (m ³ /Ton.)	+7.1%
Waste sent to landfills (%)	-2.8p.p.
Input losses in the production process (%)	+0.01p.p.
Finished product waste (R\$)	-52.3%



BELIEVING IN PEOPLE

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



STRENGTHENING ALLIANCES

Purchases from local suppliers (%)	+2.5p.p.
------------------------------------	-----------------

OMEGA ALLIANCE



WIND POWER GENERATION



Investment of R\$ 9 million

3 wind energy parks, installed in Paulino Neves/MA

Installed wind capacity of 97.2 MW

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

Target of use of renewable energy of 90% until 2030

OUR PUBLIC COMMITMENTS UNTIL 2030



Caring for the planet (environmental)

Water consumption reduction to 0.40 m³/t product

Use of renewable energy of 90%

Reutilization of 30% of the water consumed

Adoption of two carbon neutral seal product brands

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

Zero waste sent to landfills

Recovery of 28% of post-consumption packaging

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

Reduced input losses in the production process by 25%

Reduced finished product waste by 50%



Believing in people (social)

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

80% in employee satisfaction index evaluated in an external survey

40% women in leadership

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

Accident frequency rate no higher than 0.5 (own employees)

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

Market share leadership in four categories with health and nutrition attractions



Strengthening alliances (governance)

80% of purchases from local suppliers

M. Dias Branco

Results Presentation 2Q23 | 1H23

August 14th, 2023

MDIA3

 youtube.com/rimdias

 ri.mdiasbranco.com.br

 ri@mdiasbranco.com.br



Cannes
Lions
2023

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

2.8
R\$ Billion

+14% vs. 2Q22
+15% vs. 1Q23



Average Price

6.3
R\$/kg

+5% vs. 2Q22
+2% vs. 1Q23



Sales Volume

454
Thousand ton.

+9% vs. 2Q22
+13% vs. 1Q23



Variable Costs

3.6
R\$/kg

R\$ 3.3 | 2Q22
R\$ 3.7 | 1Q23



SG&A
(% of Net Revenue)

20.2%

19.8% | 2Q22
20.7% | 1Q23



EBITDA and EBITDA Mg.

377
R\$ Million

+6% vs. 2Q22
+117% vs. 1Q23

13.2%
Margin

14.3% | 2Q22
7.0% | 1Q23



Cash Flow

RECORD
512
R\$ Million

2Q22 1Q23
-R\$ 142 Million +R\$ 57 Million





Net Revenue

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+15% vs. 1Q23



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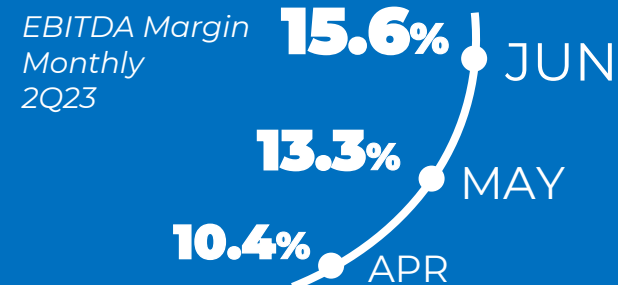
13.2%
Margin



Cash Flow

RECORD
512
R\$ Million

2Q22 1Q23
-R\$ 142 Million +R\$ 57 Million



Profitable Growth Strategy



EFFICIENCY AND PRODUCTIVITY PROGRAM



REVENUE & MARKET SHARE

M. Dias Branco

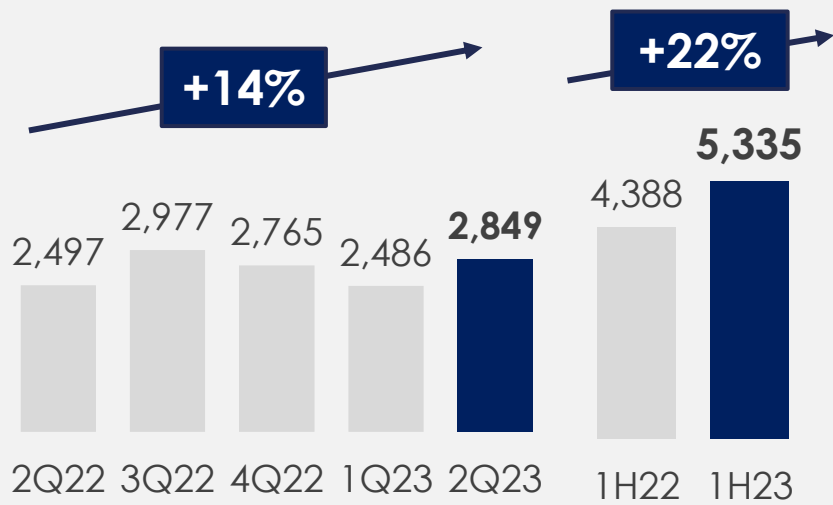




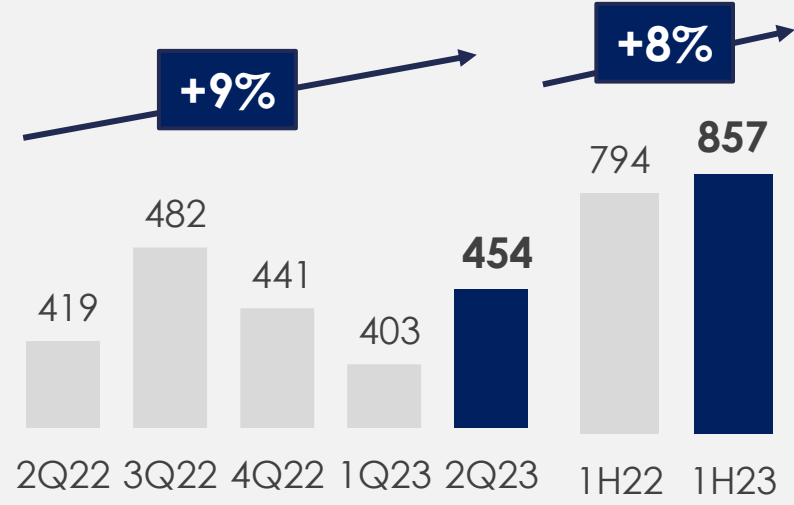
R\$ 2.8 billion Net Revenue, with increased volumes and average price



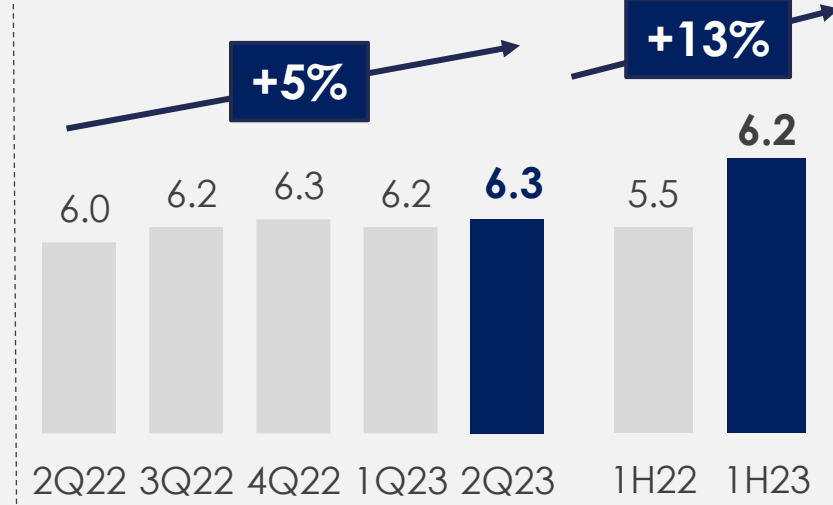
Net Revenue (R\$ million)



Sales Volume (Thousand Ton.)



Average Price (R\$/Kg)



Operating Categories

2Q23 vs. 2Q22



Net Revenue
(R\$ million) **+14.1%**
R\$ 2,849

Sales Volume
(Thousand ton.) **+8.5%**
454

Average Price
(R\$/Kg) **+5.0%**
R\$ 6.3

**COOKIES &
CRACKERS**

+12.5%
R\$ 1,466

+0.8%
133

+11.8%
R\$ 11.0

PASTA

+10.3%
R\$ 590

+0.8%
90

+9.5%
R\$ 6.6

**WHEAT
FLOUR AND
BRAN**

+12.2%
R\$ 495

+15.3%
202

-2.8%
R\$ 2.4

**MARGARINE
AND VEGETABLE
SHORTENING**

+22.3%
R\$ 179

+26.5%
22

-3.3%
R\$ 8.3

OTHERS

+65.5%
R\$ 120

+54.3%
7

+7.2%
R\$ 16.9

latinex

Jasmine
GOSTO DE VIVER BEM

ALIMENTO
Las Acacias

80



Operating Categories

2Q23 vs. 1Q23



Net Revenue
(R\$ million) **+14.6%**
R\$ 2,849

Sales Volume
(Thousand ton.) **+12.7%**
454

Average Price
(R\$/Kg) **+1.6%**
R\$ 6.3

**COOKIES &
CRACKERS**

+16.9%
R\$ 1,466

+14.0%
133

+2.6%
R\$ 11.0

PASTA

+17.1%
R\$ 590

+13.6%
90

+3.1%
R\$ 6.6

**WHEAT
FLOUR AND
BRAN**

+3.9%
R\$ 495

+10.4%
202

-6.2%
R\$ 2.4

**MARGARINE
AND VEGETABLE
SHORTENING**

+22.4%
R\$ 179

+24.3%
22

-1.4%
R\$ 8.3

OTHERS

+13.5%
R\$ 120

+14.5%
7

-0.9%
R\$ 16.9

latinex

Jasmine
GOSTO DE VIVER BEM

ALIMENTO
Las Acacias

Operating Categories

1H23 vs. 1H22



Net Revenue
(R\$ million) **+21.6%**
R\$ 5,335

Sales Volume
(Thousand ton.) **+7.9%**
857

Average Price
(R\$/Kg) **+12.7%**
R\$ 6.2

**COOKIES &
CRACKERS**

+21.7%
R\$ 2,721

+4.3%
250

+16.7%
R\$ 10.9

PASTA

+18.3%
R\$ 1,094

+2.0%
169

+16.0%
R\$ 6.5

**WHEAT
FLOUR AND
BRAN**

+19.1%
R\$ 971

+11.6%
386

+6.8%
R\$ 2.5

**MARGARINE
AND VEGETABLE
SHORTENING**

+11.5%
R\$ 325

+11.8%
39

-0.4%
R\$ 8.4

OTHERS

+86.1%
R\$ 226

+64.2%
13

+13.3%
R\$ 17.0

latinex

Jasmine
GOSTO DE VIVER BEM

ALIMENTO
Las Acacias

Net Revenue Growth vs. 2Q22, in the Defense and Attack regions



Defense

+ 14%



+ 6%
Average Price



+ 9%
Volume

Attack

+ 14%



+ 4%
Average Price



+ 11%
Volume





R\$ 31.2
R\$/Kg
2Q23



R\$ 21.0
R\$/Kg
2Q23



A família maltado cresceu!

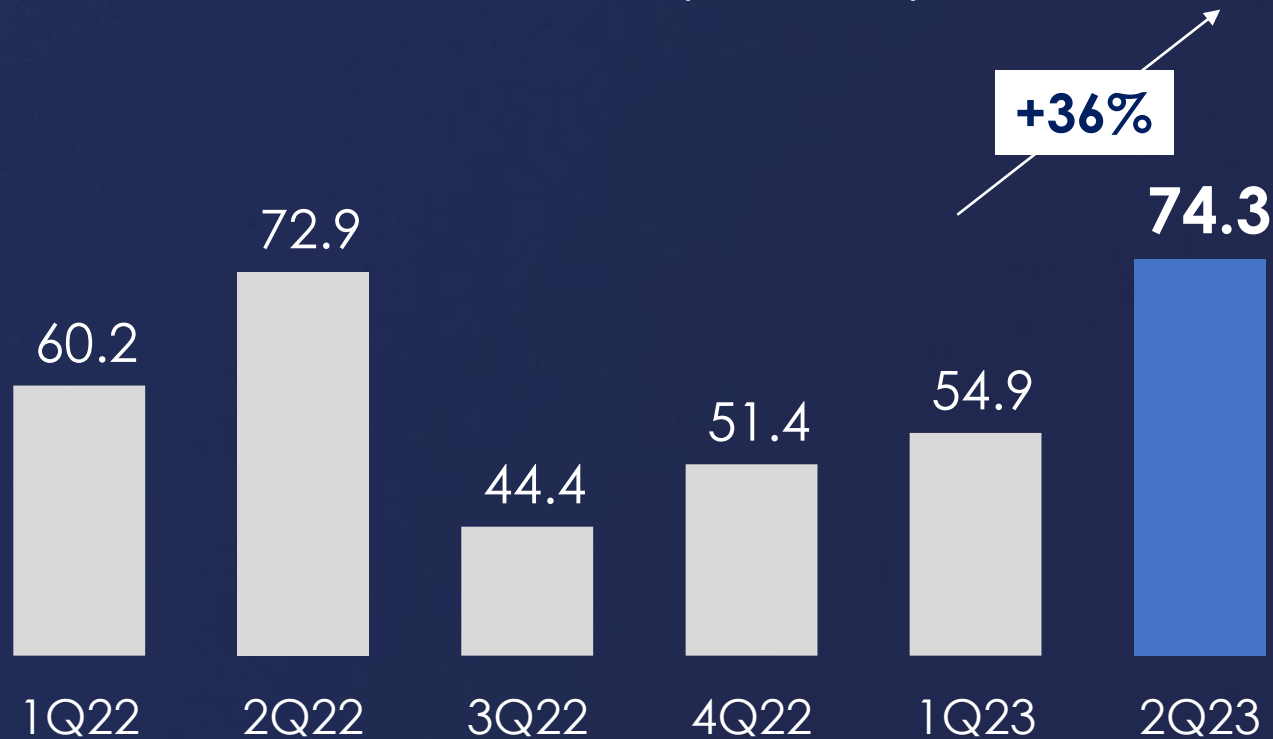
O biscoito da vaquinha agora nas versões BLACK!



R\$ 17.8
R\$/Kg
2Q23

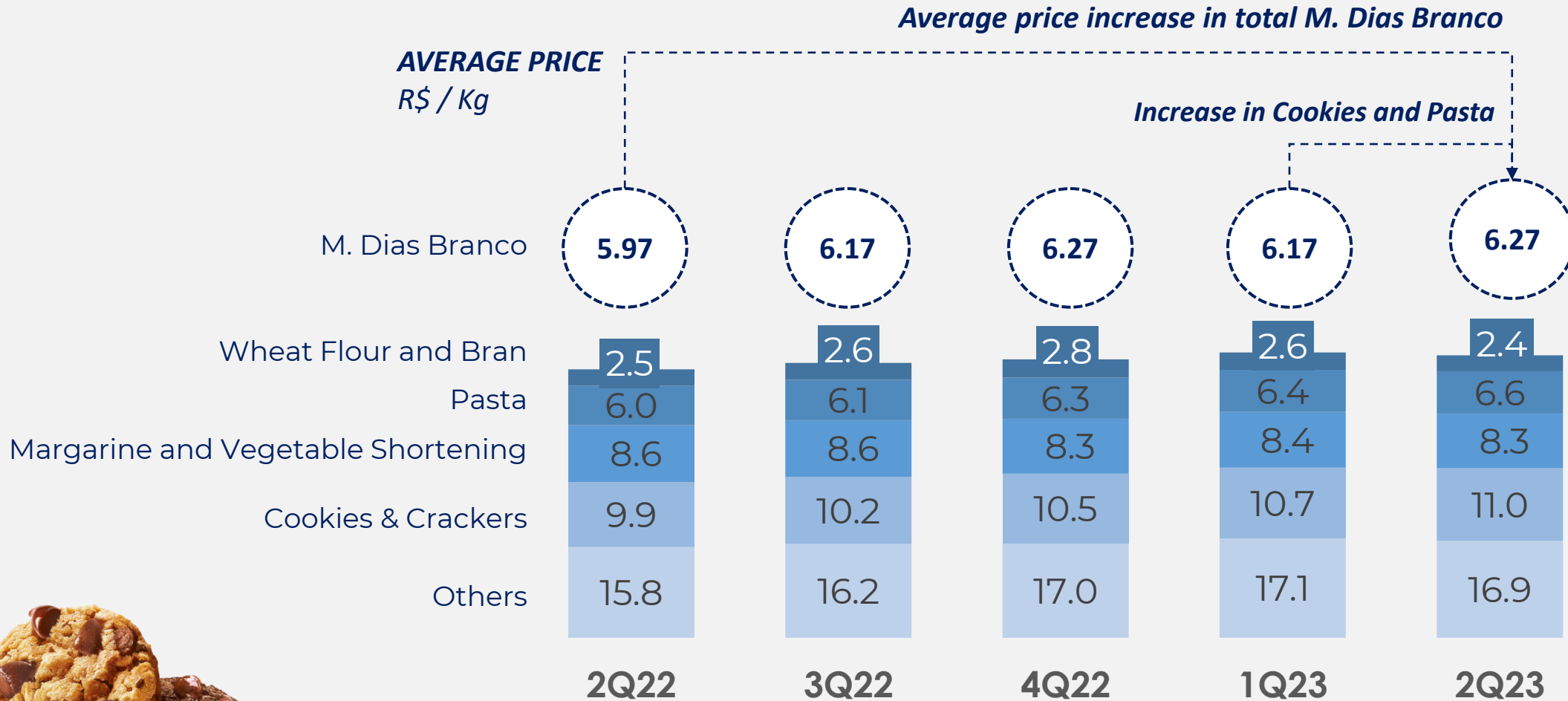
Innovation in cookies & crackers remains at high level, contributing to revenue growth

Gross Revenue from Cookies & Crackers
Launches* (R\$ million)

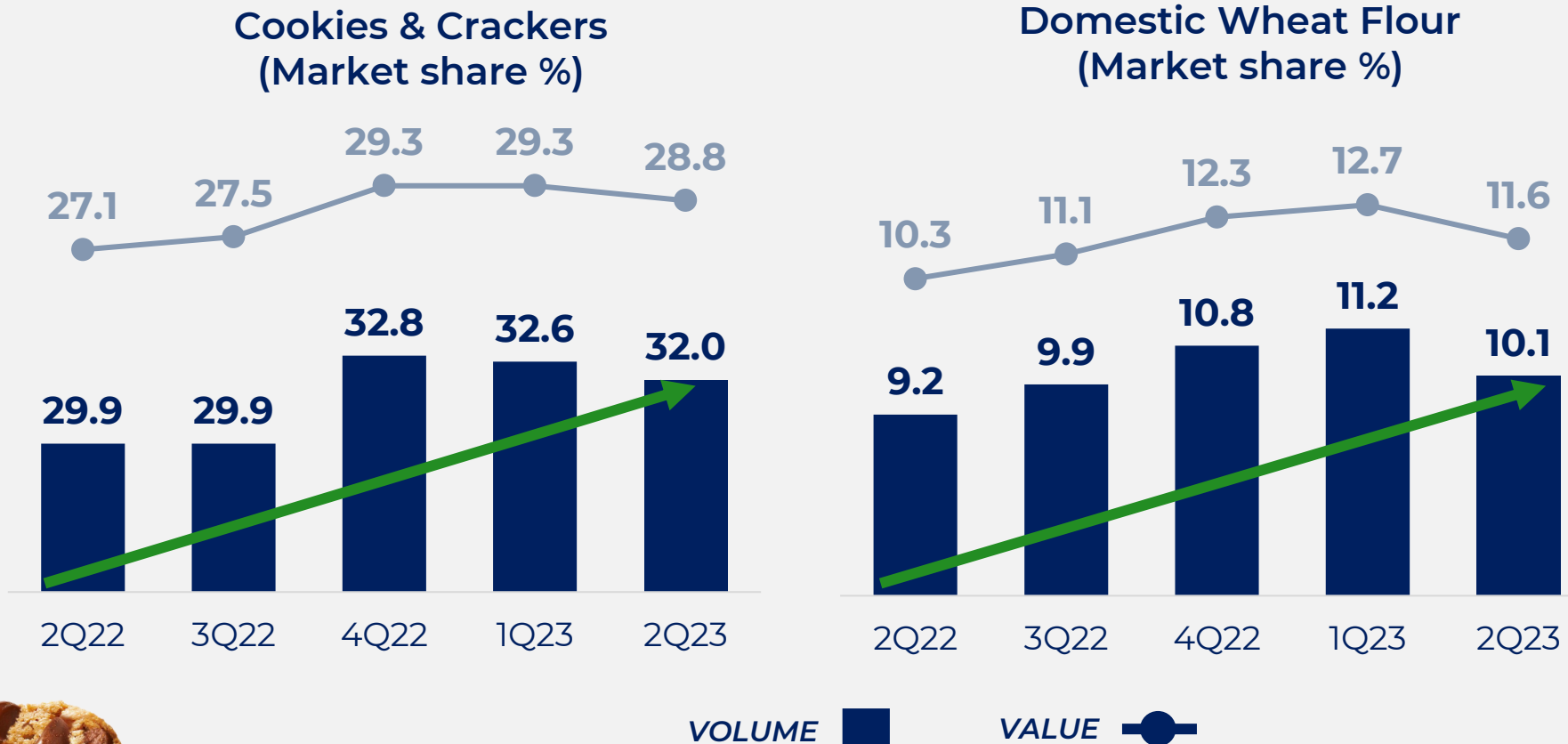




In 2Q23, average price 5% higher than 2Q22 and 1.6% higher than 1Q23



Market share expansion in Cookies & Crackers and Wheat Flour vs. 2Q22



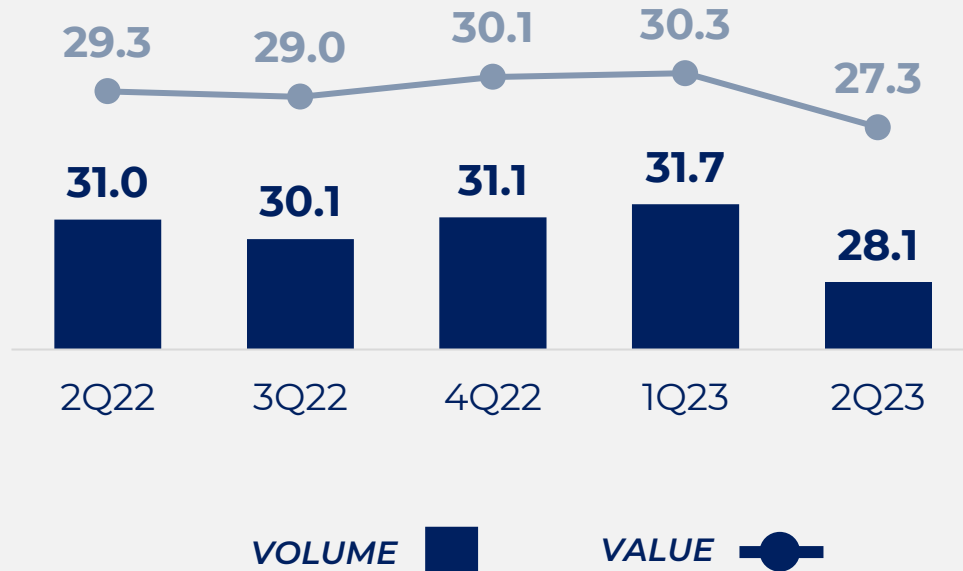
Source: Nielsen – Retail Index. Total Brazil. INA+C&C.





In pasta, due to packaging weight reduction and price adjustments above the market, market share decline

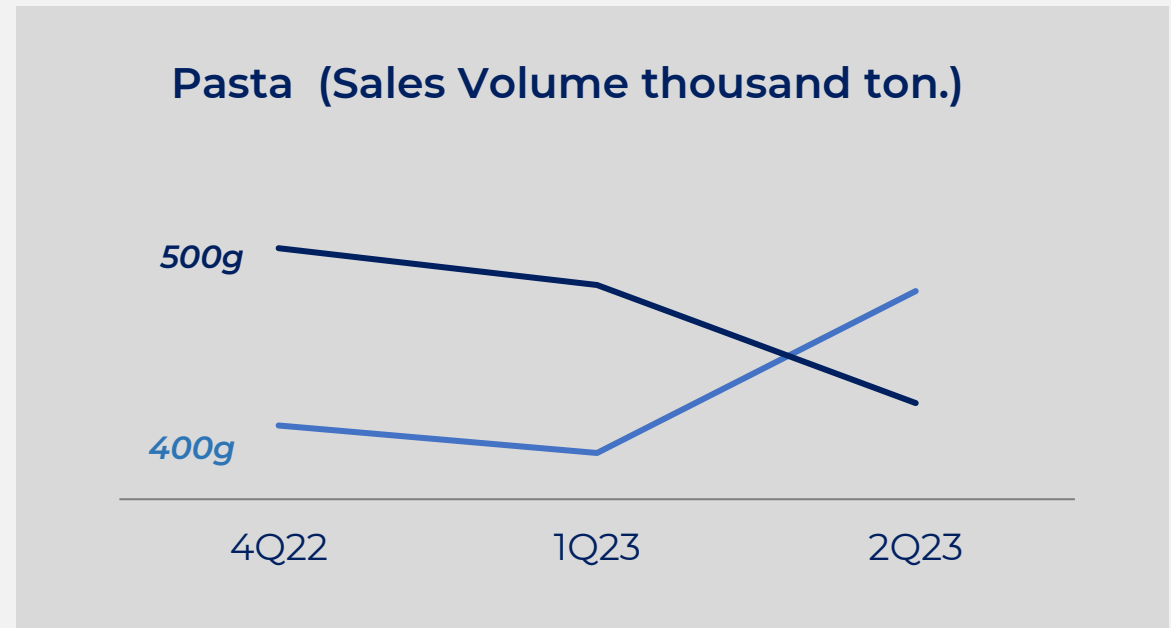
Pasta (Market share %)



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

- 100g reduction in the package volume

Pasta (Sales Volume thousand ton.)



- Average price increase 1H23 vs. 1H22 (Sell out Nielsen):
M. Dias Branco +20.2% vs. Market +17.9%.



Participation in important national and international food fairs



APAS Show

São Paulo, Brazil

Third place in the "Best Sustainability Booth" Category



Naturaltech

São Paulo, Brazil

"Selo Viva Verde" Trophy, for the brand's efforts in exhibiting, generating less waste and residues.



ISM

Germany

Candy and cookies fair, encompassing the full range of confectionery available worldwide



Summer Fancy Foods

USA

The largest fair exclusively dedicated to the gourmet food and Beverage segment in the USA



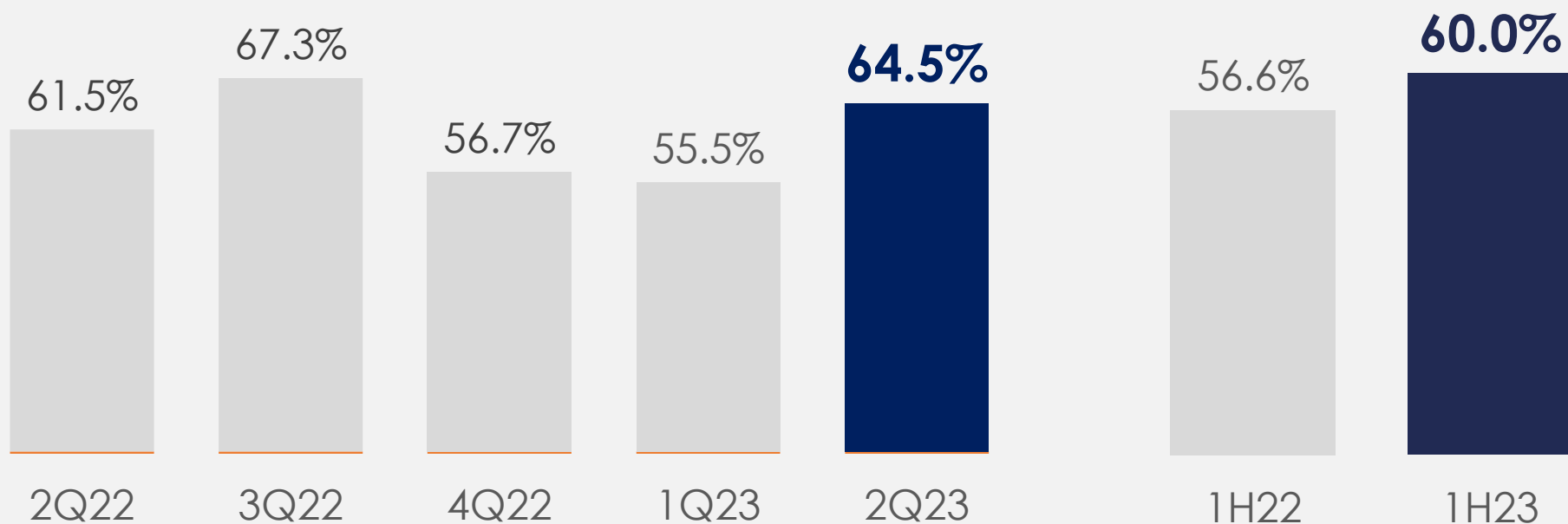
COSTS & EXPENSES


M. Dias Branco



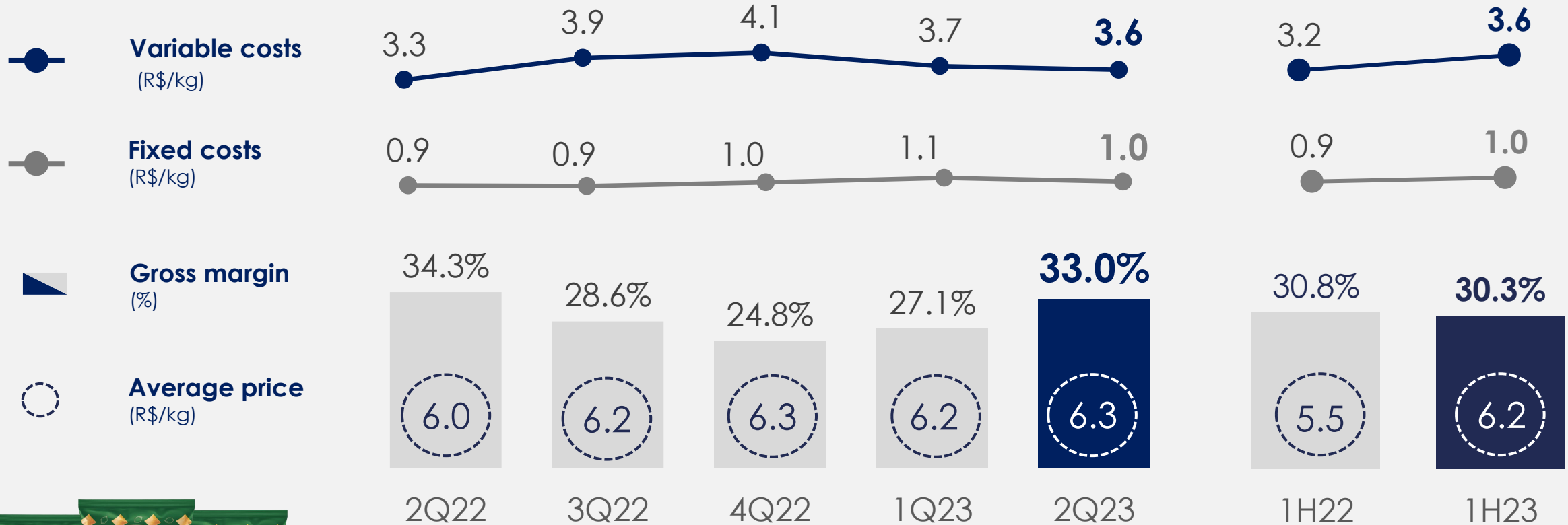
Increase in the production capacity utilization rate, reaching 64.5% in 2Q23 (+3 p.p. vs. 2Q22 and +9 p.p. vs. 1Q23)

Utilization rate(%)
(Total Production/Production Capacity)





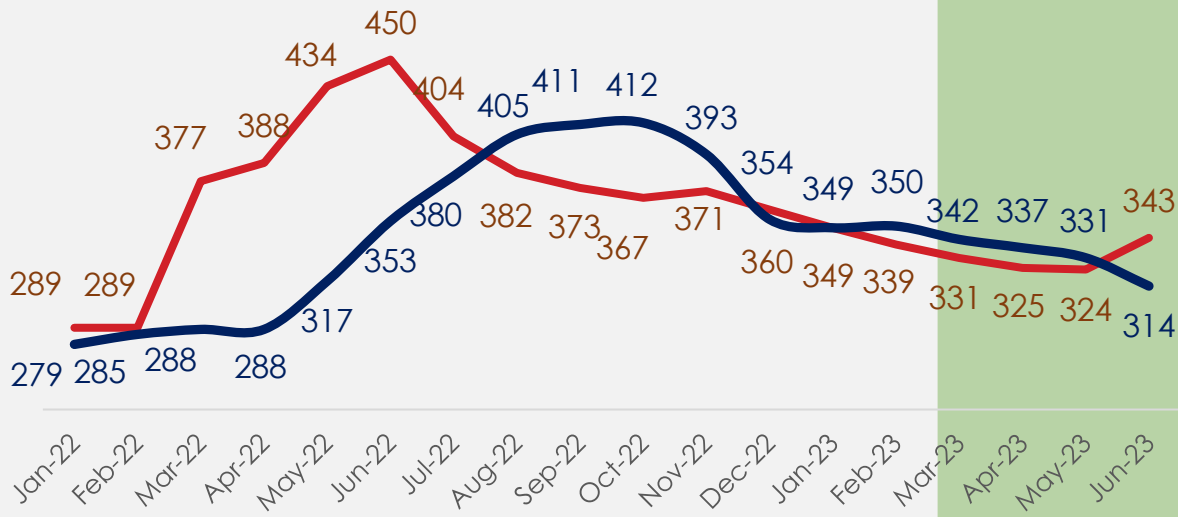
Increase in Gross Margin vs. 1Q23 due to the decrease in commodity prices. In comparison with 2Q22, impact of the conflict between Russia and Ukraine



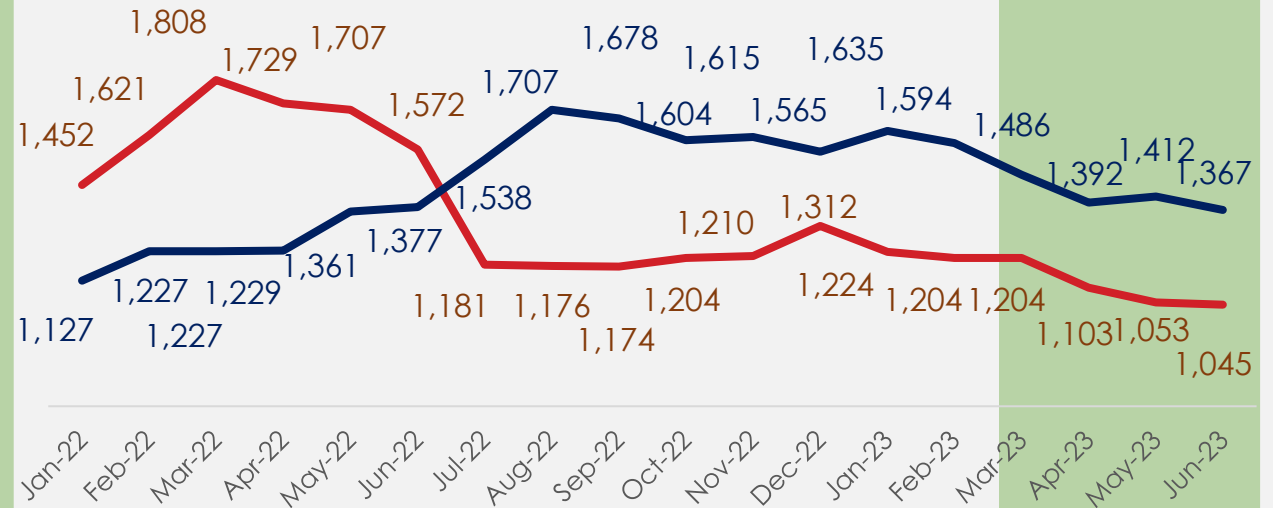


Lower average cost for M. Dias Branco due to the decline in the price of wheat and palm oil commodities. The conflict between Russia and Ukraine impacted our results from 3Q22

WHEAT (US\$/TON.)



PALM OIL (US\$/TON.)



— Market* — M. Dias Branco

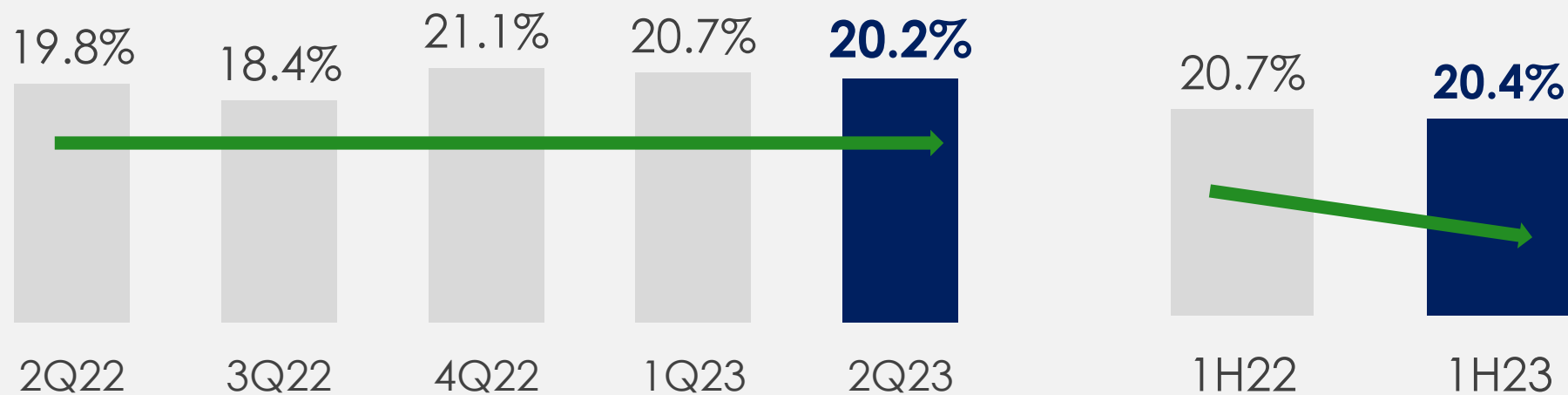
*Source: Wheat - SAFRAS & Mercado; Palm Oil - Rotterdam.





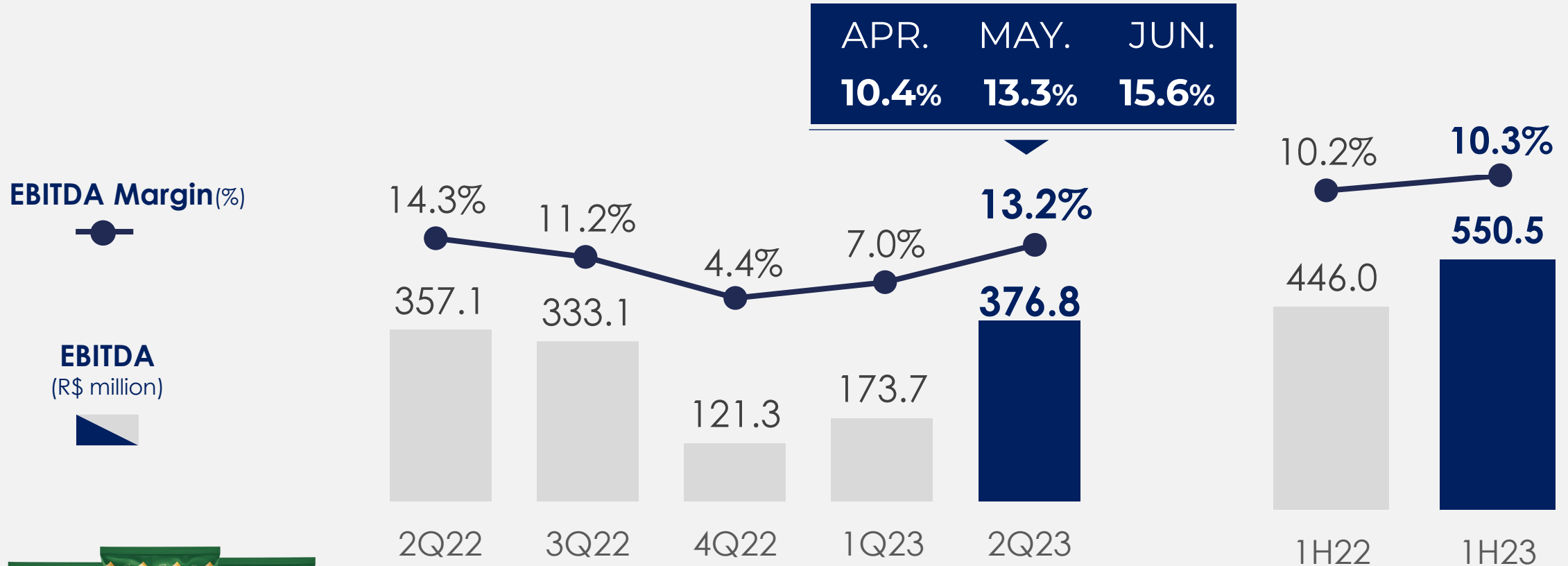
We maintained Sales and Administrative Expenses as a percentage of net revenue (SG&A) at the level of 20%

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



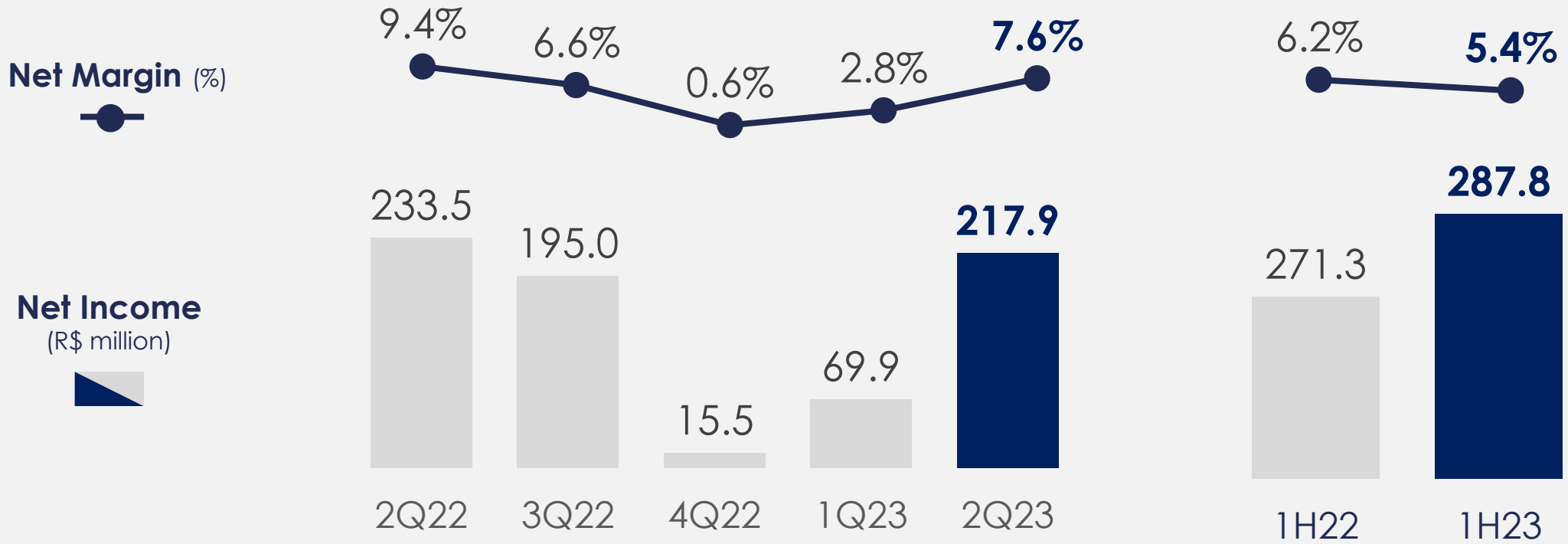


Sequential growth of EBITDA, reaching R\$ 376.8 million and 13.2% EBITDA Margin in 2Q23





R\$ 217.9 million Net Income. Compared to 2Q22, the 7% reduction is a result of increased debt and higher debt cost due to the rise in CDI



CASH FLOW, DEBT AND INVESTMENTS


M. Dias Branco





R\$ 512 million of Cash Flow from Operating Activities in 2Q23 with improved results and working capital release

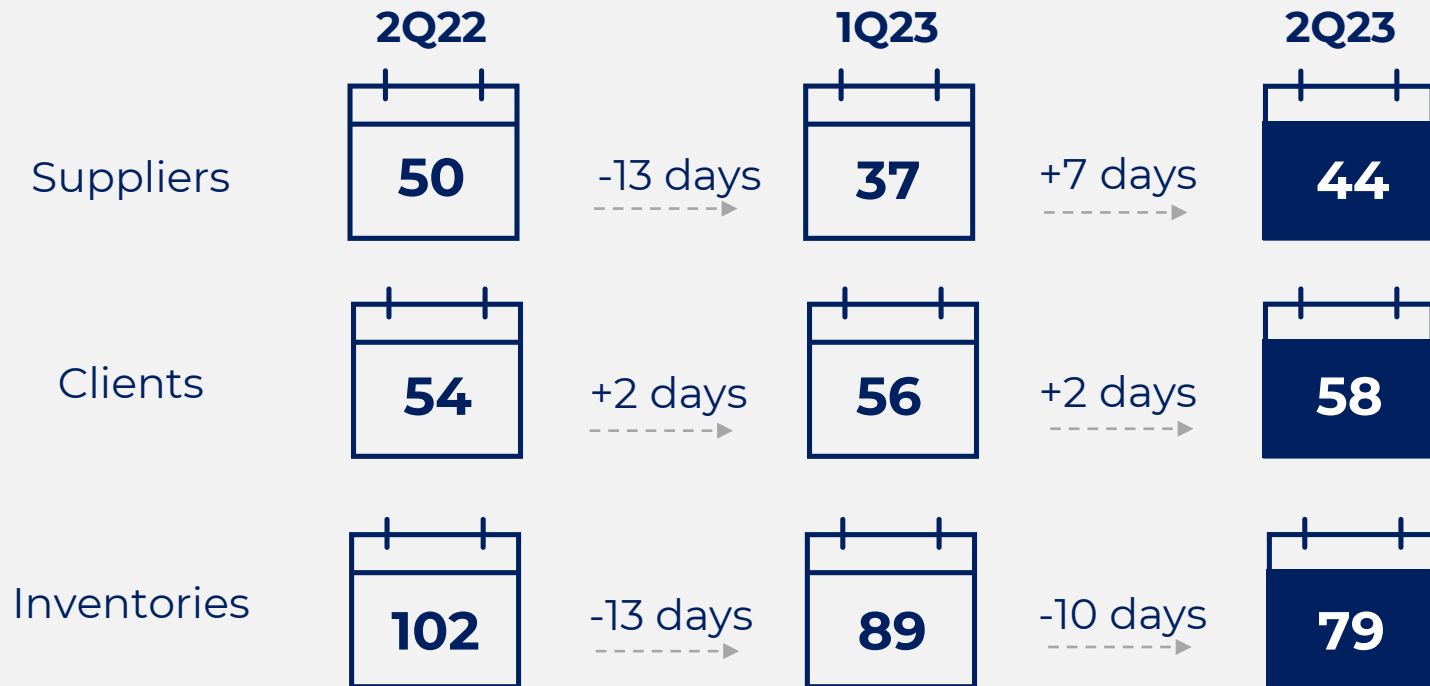
2Q22 vs. 2Q23			1H22 vs. 1H23	
(142)	512	Cash Flow from Operating Activities*	(128)	569
357	377	EBITDA	446	551
(492)	156	Assets and Liabilities Variation	(596)	110
(7)	(21)	Others	22	(92)

* Net Cash provided by (used in) operating activities



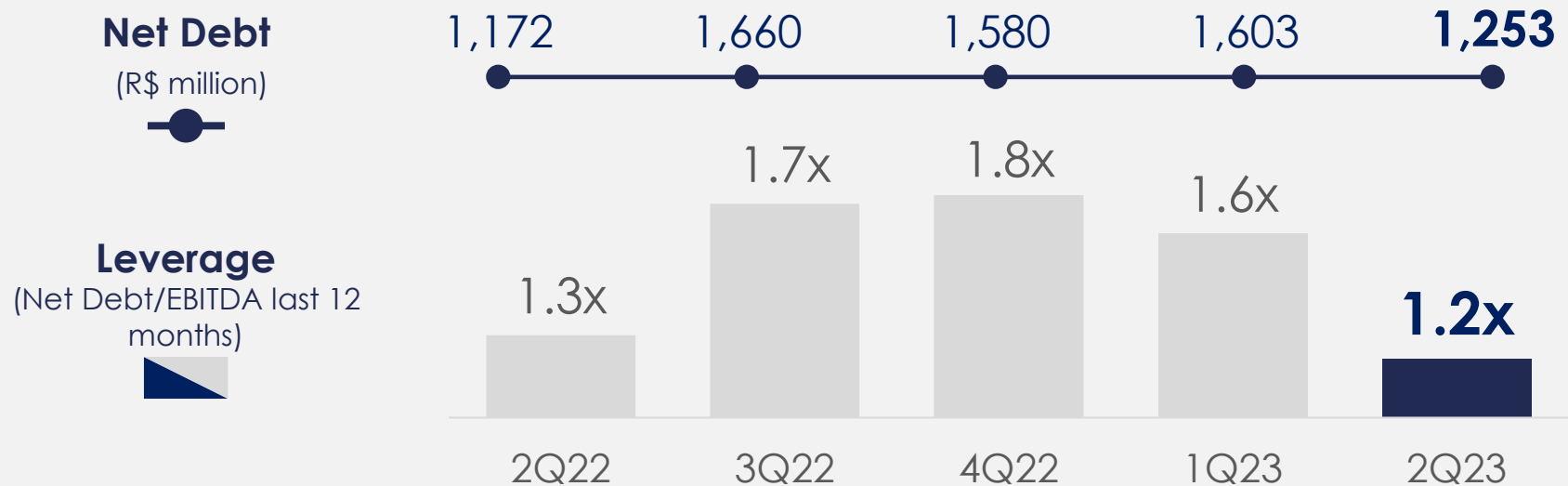
Working capital release with improvement in average supplier and inventory terms vs. 1Q23

Average term in days



Decrease in leverage compared to 1Q23 and 2Q22, reflecting the improvement in operating results and higher cash generation

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



NATIONAL RATING
FITCH RATINGS

AAA

Stable Outlook
Rating Reaffirmed

6th CONSECUTIVE
YEAR





R\$ 72 million in investments in 2Q23, highlighting digital transformation

	2Q22	2Q23	1H22	1H23
Total (R\$ MM)	R\$ 65	R\$ 72	R\$ 115	R\$ 117
	(3% NR)	(3% NR)	(3% NR)	(2% NR)

Variation
(%)

+11%
(2Q23 vs. 2Q22)

+2%
(1H23 vs. 1H22)



ESG


M. Dias Branco



Main Indicators – Performance 2Q23 vs. 2Q22 | 1H23 vs. 1H22



CARING FOR THE PLANET

	2Q23 vs. 2Q22	1H23 vs. 1H22
Water consumption (m ³ /Ton.)	+7.4%	+4.1%
Reclaim of water (%)	-4.7p.p.	-4.4p.p.
Waste send to landfills (%)	+0.3p.p.	+0.5p.p.
Input losses in the production process(%)	-0.6p.p.	-0.5p.p.
Finished product waste (%)	0.0p.p.	0.0p.p.



BELIEVING IN PEOPLE

	2Q23 vs. 2Q22	1H23 vs. 1H22
Women in leadership (%)	-1.8p.p.	-1.8p.p.
Frequency of occupational accidents (rate)	+8.4%	+1.6%
Occupational accident severity (rate)	-3.3%	-90.1%



STRENGTHENING ALLIANCES

	2Q23 vs. 2Q22	1H23 vs. 1H22
Purchases from local suppliers (%)	+2.6p.p.	+2.7p.p.

ESG Highlights



For the second consecutive year, M. Dias Branco is recognized in the Best of ESG 2023 by EXAME Guide



Awards for the best sustainable booths at APAS and Naturaltech business fairs



Launch of the podcast series “Nossos Compromissos 2030” on YouTube



Achievement of international Quality Assessment (QA) certification in internal auditing

T E | Mulheres V A | na Liderança

Índice que monitora empresas que colaboram na igualdade de oportunidades em posições de liderança

We remain in the Teva Women’s Leadership Index® 2030 portfolio



Thanks!



ri.mdiasbranco.com.br



youtube.com/rimdias



ri@mdiasbranco.com.br

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Investor Relations Analyst

Phone: (85) 4005-5730

E-mail: ri@mdiasbranco.com.br

Fernanda Castilho and Lucas Laport

Investor Relations Interns

Phone: (85) 4005-5730

E-mail: ri@mdiasbranco.com.br

Update 2023

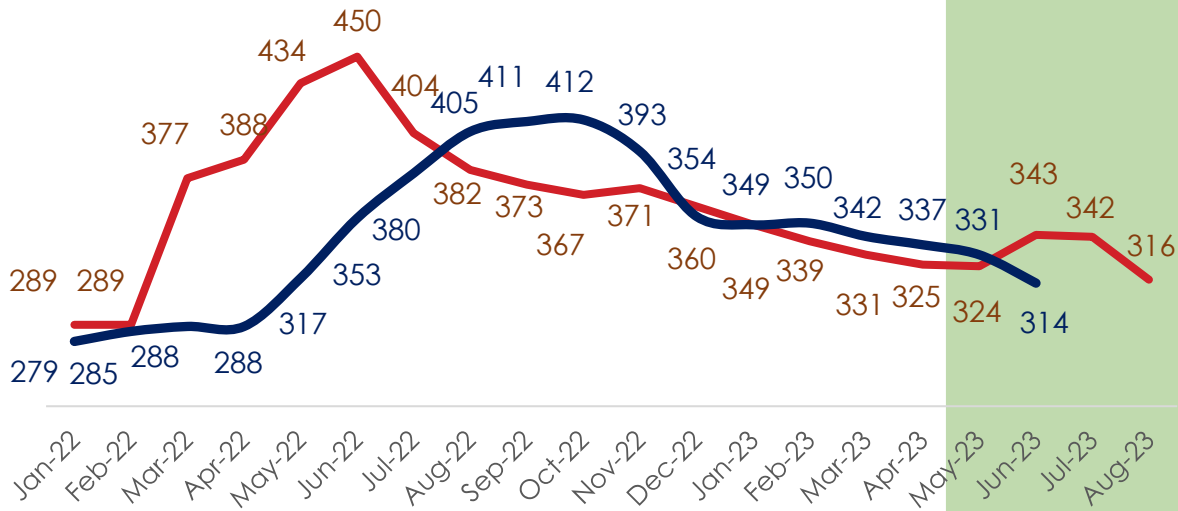

M. Dias Branco



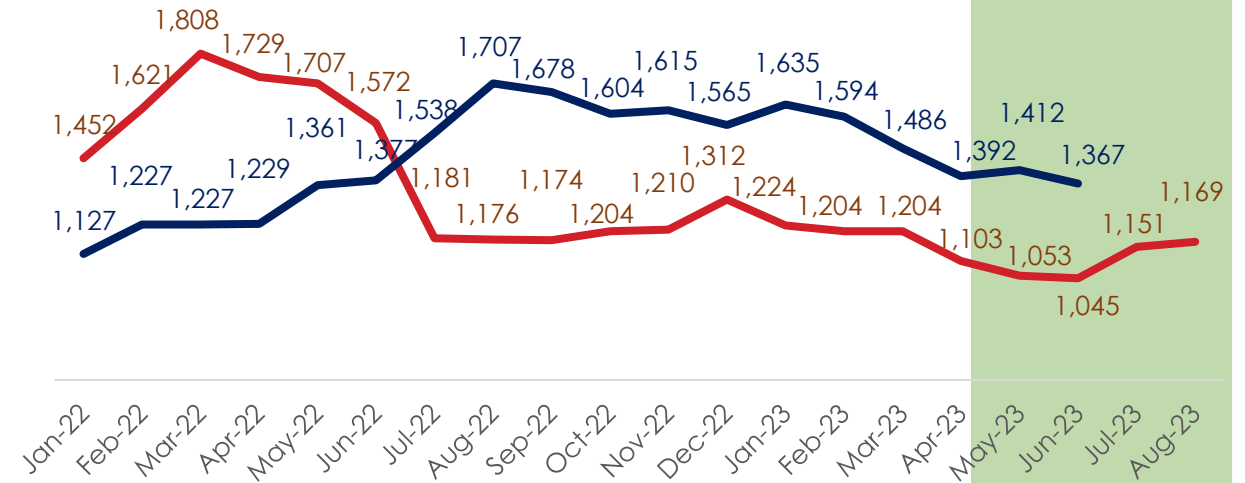
Commodity prices falling in 2023 and we begin to capture this upside in our results



WHEAT (US\$/TON.)



PALM OIL (US\$/TON.)



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

— Market* — M. Dias Branco



The cookies & crackers and pasta markets grow double digits in value in 2023



Cookies & Crackers

1H23 vs. 1H22



Value Sold

18%



Volume Sold

-2%



Units Sold

0%



Average Price (R\$/Kg)

21%



Volume per Units

-3%



Pastas

1H23 vs. 1H22



Value Sold

19%



Volume Sold

1%



Units Sold

2%



Average Price (R\$/Kg)

18%



Volume per Units

-2%

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

Investments in marketing have increased the visibility of our priority brands and contributed to increasing our average price



“Celebrating 70 years of the Fortaleza brand”

Campaigns and Event scheduled for 2023



“Campaigns in the city of São Paulo to expand the brand in the defense region – subway sticker”



“Ludimilla, Brazilian singer and digital influencer”



“Claude, chef, TV show and digital influencer”

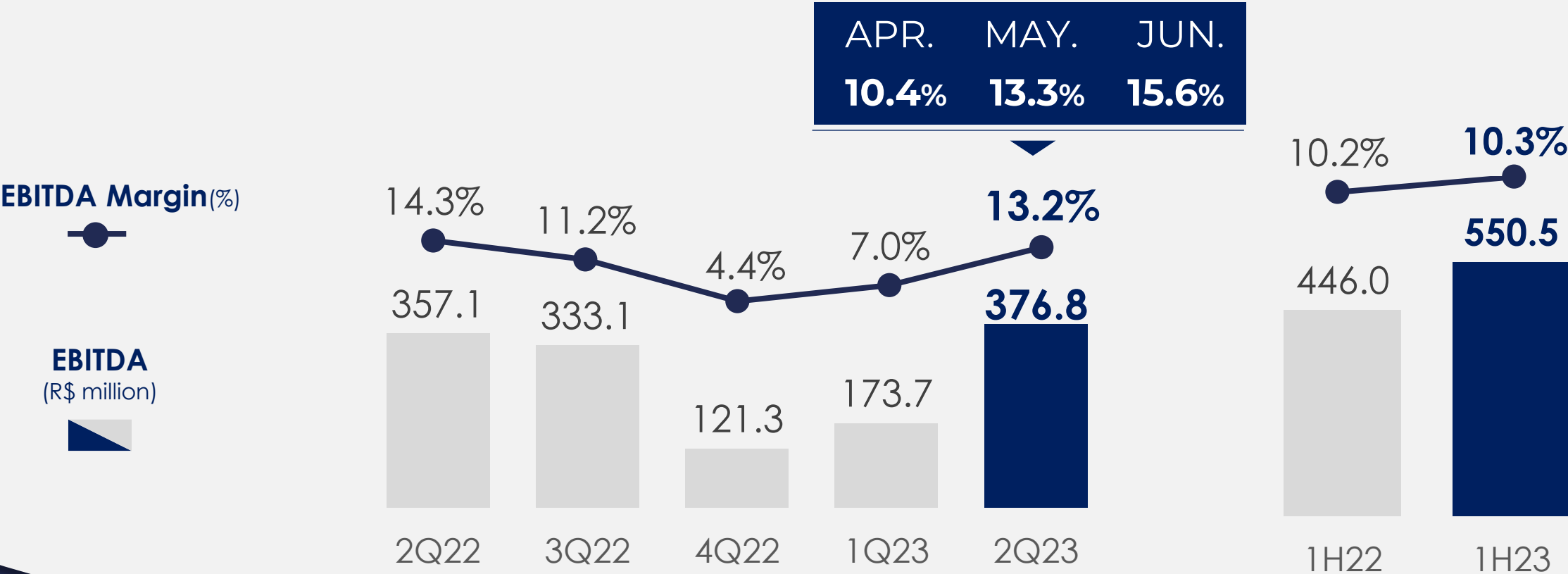


“Campaign on the highest-rated programs in Brazilian TV - BBB (BIG Brother Brazil)”



“One of the biggest Brazilian advertising awards events”

Sequential growth of EBITDA, reaching R\$ 376.8 million and 13.2% EBITDA Margin in 2Q23



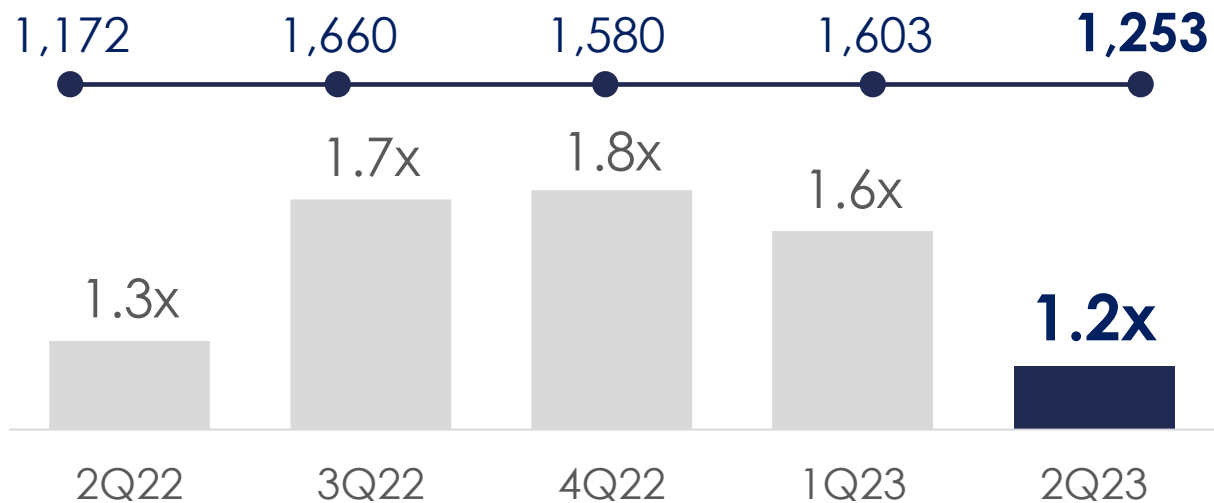
Strong cash generation in 2023, maintaining AAA rating and deleveraging



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



Acquisitions



● Net Debt (R\$ million) ▲ Leverage (Net Debt/EBITDA last 12 months)

NATIONAL RATING
FITCH RATINGS

AAA

Stable Outlook
Rating Reaffirmed

5th CONSECUTIVE
YEAR

R\$ MM	1H22	1H23
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FCFF*	(225)	573
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EBITDA	271	551
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*Free Cash Flow to Firm



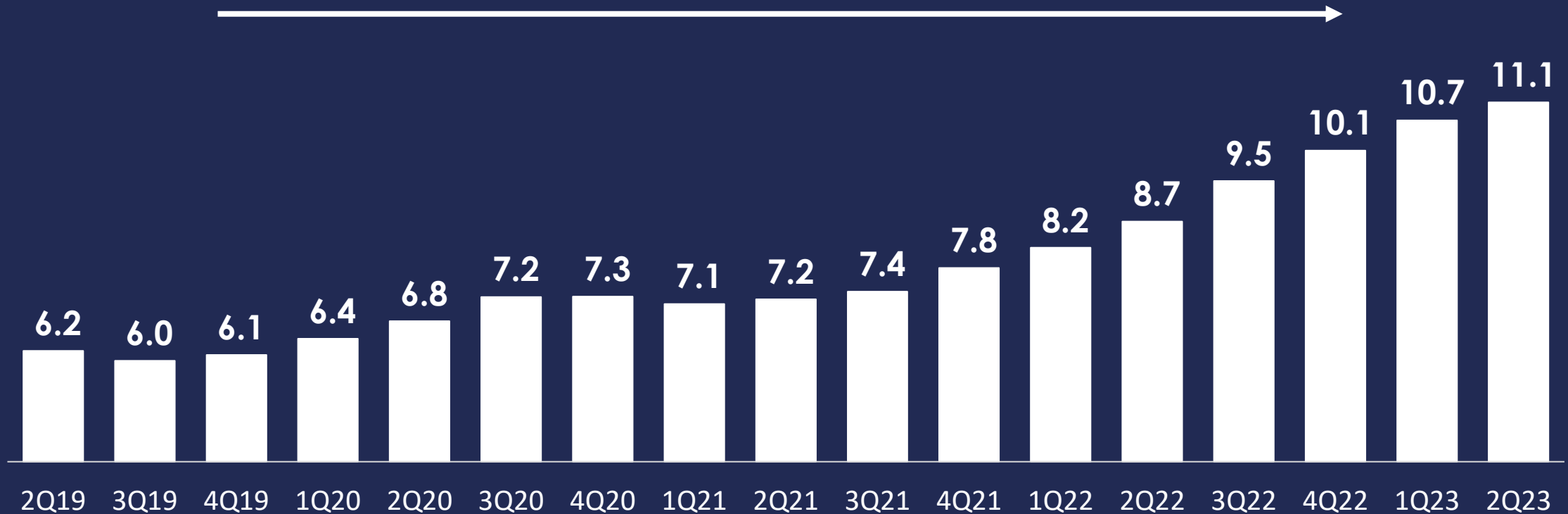
FINANCIAL RESULTS 12 Months


M. Dias Branco



NET REVENUE (Last 12 months R\$ Billion)

79.1% | 2Q23 vs. 2Q19



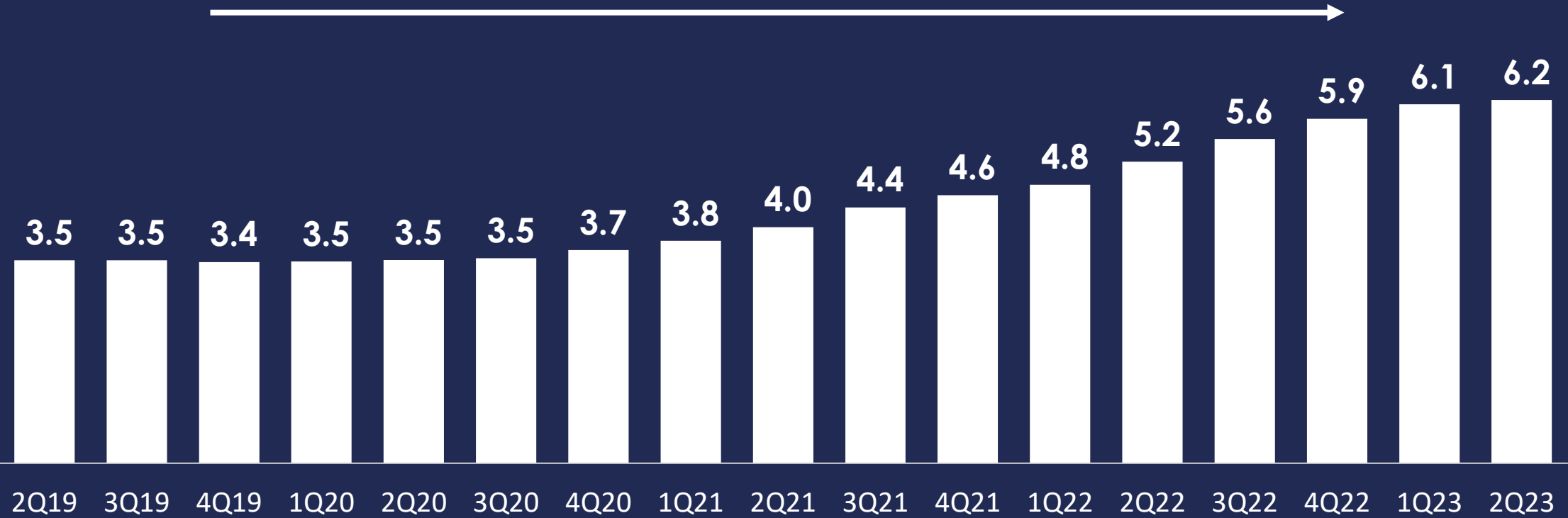
VOLUME (Last 12 months Million Ton.)

-0.1% | 2Q23 vs. 2Q19



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

79.0% | 2Q23 vs. 2Q19



COGS R\$/Kg (Last 12 months)

99.5% | 2Q23 vs. 2Q19



EBITDA (Last 12 months R\$ Billion)

30.8% | 2Q23 vs. 2Q19



NET INCOME (Last 12 months R\$ Billion)

-6.3% | 2Q23 vs. 2Q19

