IMPORTANT NOTICE

THIS OFFERING MEMORANDUM AS SUPPLEMENTED BY THE SUPPLEMENT (THE "OFFERING MEMORANDUM") IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS ("QIBs") WITHIN THE MEANING OF RULE 144A ("RULE 144A") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR (2) NON-U.S. PERSONS OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT (AND, IN THIS CASE, IF INVESTORS ARE RESIDENT IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM, A QUALIFIED INVESTOR).

IMPORTANT: You must read the following before continuing. The following applies to the Offering Memorandum following this notice, whether received by email or otherwise received as a result of electronic communication. You are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA, NO OFFER OF SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING MEMORANDUM HAS BEEN, OR WILL BE MADE TO THE PUBLIC IN THAT MEMBER STATE, OTHER THAN UNDER THE FOLLOWING EXEMPTIONS UNDER THE PROSPECTUS REGULATION: (I) TO ANY LEGAL ENTITY WHICH IS A "QUALIFIED INVESTOR" AS DEFINED IN THE PROSPECTUS REGULATION; (II) TO FEWER THAN 150 NATURAL OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS REGULATION), SUBJECT TO OBTAINING THE PRIOR CONSENT OF THE JOINT BOOK-RUNNING MANAGERS FOR ANY SUCH OFFER; OR
(III) IN ANY OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 1(4) OF THE PROSPECTUS REGULATION; PROVIDED THAT NO SUCH OFFER OF SECURITIES REFERRED TO IN (I) THROUGH (III) ABOVE SHALL RESULT IN A REQUIREMENT FOR THE ISSUER OR ANY OF THE GUARANTORS OR ANY JOINT BOOK-RUNNING MANAGER TO PUBLISH A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS REGULATION.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE PUBLISHED, FORWARDED, DISTRIBUTED OR OTHERWISE MADE AVAILABLE IN WHOLE OR IN PART TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED HEREIN.

Confirmation of your representation: In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the securities described therein, investors must be either (1) QIBs or (2) non-U.S. persons purchasing such securities in an offshore transaction outside the United States in reliance on Regulation S; *provided* that investors resident in a member state of the European Economic Area ("EEA") must be a "qualified investor" ("Qualified Investor") within the meaning of the Regulation (EU) 2017/1129 ("Prospectus Regulation"). The Offering Memorandum is being sent at your request. By accepting the e-mail and accessing the Offering Memorandum, you shall be deemed to have represented to us that:

1. you consent to delivery of such Offering Memorandum by electronic transmission,

2. either:

   (a) you and any customers you represent are QIBs; or

   (b) you are a non-U.S. person and the e-mail address that you gave us and to which the e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States or the District of Columbia; and

3. if you are a resident in a member state of the EEA, you are not a "retail investor." For the purposes of this paragraph (3), the expression "retail investor" means a person who is one (or more) of the following:

   (a) a "retail client" as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II");

   (b) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(c) not a Qualified Investor.

4. if you are a resident in the United Kingdom, you are not a "retail investor." For the purposes of this paragraph (4), the expression "retail investor" means a person who is one (or more) of the following:

   (a) a "retail client", as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 ("EUWA");

   (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

   (c) not a Qualified Investors defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Prospective purchasers that are QIBs are hereby notified that the seller of the securities will be relying on the exemption from the provisions of Section 5 of the Securities Act pursuant to Rule 144A.

This Offering Memorandum is not a prospectus for the purposes of the Prospectus Regulation. This Offering Memorandum has been prepared on the basis that any offer of Notes in any Member State of the EEA will only be made to a legal entity which is a Qualified Investor. Accordingly any person making or intending to make an offer in that Member State of Notes which are the subject of the offering contemplated in this Offering Memorandum may only do so with respect to Qualified Investors. Neither Minerva S.A., nor its subsidiaries, nor the initial purchasers have authorized, nor do they authorize, the making of any offer of Notes other than to Qualified Investors.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS—The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of "MiFID II"; (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a Qualified Investor. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

You are reminded that the Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchaser or any affiliate of the initial purchaser is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchaser or such affiliate on behalf of the issuers in such jurisdiction.

Under no circumstances shall the Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PROHIBITION OF SALES TO UNITED KINGDOM RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA or (ii) a customer within the meaning of the provisions of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

The communication of the Offering Memorandum and any other document or materials relating to the issue of the Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the FSMA, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The Offering Memorandum is for distribution only to persons who (i) are outside the United Kingdom, (ii) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order")), (iii) are persons falling

within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services Markets Act 2000) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Offering Memorandum is directed only at relevant persons and must not be acted or relied upon by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

The Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the initial purchaser, nor any person who controls the initial purchaser, nor any of its directors, officers, employees, agents and affiliates, accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the initial purchaser.

SUPPLEMENT TO THE OFFERING MEMORANDUM DATED SEPTEMBER 6, 2023

U.S.$100,000,000

MINERVA LUXEMBOURG S.A.

(a public limited liability company (société anonyme) incorporated in the Grand Duchy of Luxembourg)

8.875% Senior Notes due 2033

Guaranteed by

MINERVA S.A.

(a corporation (sociedade anônima) incorporated in the Federative Republic of Brazil)

Minerva Luxembourg S.A., or the issuer, is offering U.S.$100,000,000 million aggregate principal amount of its 8.875% senior notes due 2033, or the New Notes. The New Notes will be guaranteed by Minerva S.A., or the Guarantor. Interest on the New Notes will accrue from September 13, 2023 and will be payable on March 13 and September 13 of each year, beginning on March 13, 2024. The New Notes will mature on September 13, 2033.

This supplement, or the Supplement, is qualified in its entirety by reference to the offering memorandum dated September 6, 2023, or the Offering Memorandum, attached to this Supplement, relating to the Existing Notes (as defined below). The information in this Supplement supplements the Offering Memorandum and updates and supersedes the information in the Offering Memorandum to the extent inconsistent with the information in the Offering Memorandum. Terms used and not defined herein have the meanings assigned to such terms in the Offering Memorandum.

The New Notes will be issued under the indenture dated September 13, 2023, or the Indenture, governing the U.S.$900.0 million in aggregate principal amount of 8.875% Senior Notes due 2033 that were issued on September 13, 2023, or the Existing Notes and, together with the New Notes, the Notes. The New Notes will have identical terms and conditions as the Existing Notes, other than the issue date and issue price, and will constitute part of the same series as, and vote together as a single class with, the Existing Notes for all purposes under the Indenture. The New Notes will have the same CUSIP, ISIN and Common Code numbers as, and will be fungible with, the Existing Notes (except that any New Notes offered and sold in compliance with Regulation S will have temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on the date of issuance of the New Notes).

We intend to use the net proceeds from this offering to fund up to the remaining balance of the purchase price of industrial plants and commercial operations in Brazil, Argentina, Chile and Uruguay, which include 16 industrial and commercial facilities and one distribution center (the "Marfrig Asset Acquisition"), pursuant to stock purchase agreements we entered into with the sellers (the "Marfrig SPAs"). See "Summary—Recent Developments—Marfrig Asset Acquisition" in the Offering Memorandum and "Use of Proceeds" in this Supplement.

Within five business days from the closing of this offering, we will deposit the net proceeds received from this offering into a *real*-denominated escrow account and, except as set forth as follows, the funds may be released only to pay the balance of the purchase price due in connection with the completion of the Marfrig Asset Acquisition. If the Marfrig Asset Acquisition has not been completed by the earlier of (i) the termination of the Marfrig SPAs prior to the consummation of the Marfrig Asset Acquisition or (ii) February 28, 2025 (if the Marfrig Asset Acquisition in respect of the assets in Brazil, Argentina and Chile is not consummated prior to this date) (a "Mandatory Debt Repayment Event"), then Minerva will be required to repay outstanding debt of Minerva or its subsidiaries in the U.S. dollar equivalent amount of the gross proceeds raised by Minerva Luxembourg in the offering of the Existing Notes and this offering of the New Notes. Such repayment may include, without limitation, the redemption of all or a portion of the Notes then outstanding, at a redemption price (the "Special Redemption Price") equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but not including, the redemption date; provided that amounts on deposit in the escrow account shall only be permitted to be used to repay debt of Minerva or any of its subsidiaries that is outstanding on that date that is 30 days prior to the Mandatory Debt Repayment Event. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment" in the Offering Memorandum.

Prior to September 13, 2028, the issuer may redeem the Notes, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of Notes to be redeemed plus the "make-whole" premium. On or after such date, the issuer may redeem the Notes, in whole or in part, at any time, at the redemption price set forth in the offering memorandum, plus accrued and unpaid interest. On or prior to September 13, 2026, the issuer may also redeem up to 35% of the aggregate principal amount of the Notes with the proceeds from certain equity offerings at a redemption price set forth in the offering memorandum, plus accrued and unpaid interest. In addition, the issuer may redeem the Notes, in whole but not in part, at any time upon the occurrence of specified events relating to tax laws. See "Description of Notes" in the Offering Memorandum.

There is currently no public market for the Notes. The issuer intends to apply to list the Notes on the Singapore Exchange Securities Trading Limited, or the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Supplement and the Offering Memorandum. Admission to the official list of the SGX-ST is not to be taken as an indication of the merits of the notes, the issuer or our company.

This Supplement and the Offering Memorandum have been prepared on the basis that any offer of the Notes in any Member State of the European Economic Area, or the EEA, will be made pursuant to an exemption under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, or the Prospectus Regulation, from the requirement to publish a prospectus for offers of Notes.

This Supplement and the Offering Memorandum are not a prospectus for purposes of the Prospectus Regulation and have not been approved by a competent authority within the meaning of the Prospectus Regulation. This Supplement and Offering Memorandum have been prepared on the basis that any offer of the Notes in the United Kingdom, will be made pursuant to an exemption from the obligation to publish a prospectus under s.86 of the Financial Services and Markets Act 2000, as amended, or the FSMA, in the United Kingdom. This Supplement and Offering Memorandum is not a prospectus for purposes of the U.K. Prospectus Regulation (meaning Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, or the EUWA) and has not been approved by the U.K. Financial Conduct Authority, or the FCA.

Neither the U.S. Securities and Exchange Commission, or the SEC, nor any state securities commission or regulatory authority has approved or disapproved of these Notes or the guarantee or determined if this Supplement and the Offering Memorandum are accurate or complete. Any representation to the contrary is a criminal offense.

Investing in the notes involves risks. See "Risk Factors" beginning on page 27 of the Offering Memorandum for a discussion of certain factors you should consider before investing in the notes.

Offering Price:100.500% plus accrued interest from September 13, 2023.

Delivery of the New Notes in book-entry form will be made on or about September 21, 2023. Purchasers of the New Notes will be required to pay accrued interest totaling U.S.$197,222.22, from and including September 13, 2023 up to, but excluding, September 21, 2023, the date we expect to deliver the New Notes.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the Securities Act, and are being offered and sold in the United States only to "qualified institutional buyers" in reliance on Rule 144A under the Securities Act and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act. Prospective purchasers that are "qualified institutional buyers" are hereby notified that the seller of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Notes are not transferable except in accordance with the restrictions described under "Notice to Investors" in the Offering Memorandum.

The issuer expects that the New Notes will be ready for delivery in book entry form through The Depository Trust Company, or DTC, and its direct and indirect participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Euroclear, and Clearstream Banking S.A., or Clearstream, on or about September 21, 2023.

Global Coordinators and Joint Bookrunners

J.P. Morgan **Itaú BBA**

The date of this Supplement is September 14, 2023.

TABLE OF CONTENTS

SUPPLEMENT

Page

Pricing Terms S-5
Risk Factors S-10
Recent Developments S-11
Use of Proceeds S-12
Capitalization S-13
Description of New Notes S-14
U.S. Federal Income Taxation S-15
Plan of Distribution S-16

OFFERING MEMORANDUM

Notice to Investors ii
Enforcement of Civil Liabilities iv
Presentation of Financial and Other Information vii
Forward-Looking Statements x
Exchange Rates xii
Summary 1
The Offering 21
Summary Financial and Other Information 24
Risk Factors 27
Use of Proceeds 51
Capitalization 52
Selected Financial and Other Information 53
Management's Discussion and Analysis of Financial Condition and Results of Operations 56
Industry 82
Business 86
Management 121
Principal Shareholders 128
The Issuer 131
Related Party Transactions 135
Description of Notes 137
Form of the Notes 168
Taxation 171
Plan of Distribution 179
Legal Matters 185
Independent Auditors 186
Listing and General Information 187
Index to Financial Statements F-1

For the purposes of this supplement, references to the initial purchasers are to J.P. Morgan Securities LLC and Itau BBA USA Securities, Inc.

This information does not purport to be a complete description of these securities or the offering. Please refer to the Offering Memorandum, together with this Supplement, for a complete description.

We have not authorized anyone to provide any information other than that contained in this Supplement and the Offering Memorandum prepared by us. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should assume that the information in this Supplement and the Offering Memorandum is accurate only as of the date on the front cover of this Supplement and the Offering Memorandum (respectively), regardless of time of delivery of this Supplement, the Offering Memorandum or any sale of the New Notes. Our business, financial condition, results of operations and prospects may change after the date on the front cover of this Supplement. Neither we nor the initial purchasers are making an offer to sell the New Notes in any jurisdiction where the offer or sale is not permitted.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The distribution of this Supplement and the Offering Memorandum and the offering and sale of the New Notes in certain jurisdictions may be restricted by law. Minerva Luxembourg and the initial purchasers require persons in whose possession this Supplement and the Offering Memorandum come to inform themselves about and to observe any such restrictions. This Supplement and the Offering Memorandum do not constitute an offer of, or an invitation to purchase, any of the New Notes in any jurisdiction in which such offer or invitation would be unlawful.

Notwithstanding anything herein to the contrary, investors may disclose to any and all persons, without limitation of any kind, the U.S. federal or state income tax treatment and tax structure of the offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the U.S. federal income tax treatment or tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the U.S. federal or state income tax treatment of the offering but does not include information relating to the identity of the issuer of the securities, the issuer of any assets underlying the securities, or any of their respective affiliates.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Supplement and the Offering Memorandum. Nothing contained in this Supplement and the Offering Memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future. The initial purchasers assume no responsibility for the accuracy or completeness of any such information.

Notice to Investors

Because of the following restrictions, you are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the New Notes offered hereby.

Each purchaser of the New Notes offered hereby will be deemed to have represented and agreed as follows (terms used herein that are defined in Rule 144A or Regulation S are used herein as defined therein):

(1) You (A) (i) are a qualified institutional buyer, (ii) are aware that the sale of the New Notes to you is being made in reliance on Rule 144A and (iii) are acquiring such New Notes for your own account or for the account of a qualified institutional buyer, as the case may be, or (B) are not a U.S. person, as such term is defined in Rule 902 under the Securities Act and are purchasing the New Notes in accordance with Regulation S.

(2) You understand that the New Notes have not been and will not be registered under the Securities Act and may not be reoffered, resold, pledged or otherwise transferred except (A) (i) to a person who you reasonably believe is a qualified institutional buyer acquiring for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, (iii) pursuant to an exemption from registration under the Securities Act (if available), or (iv) pursuant to an effective registration statement under the Securities Act, and (B) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

(3) The New Notes will bear a legend to the following effect, unless Minerva Luxembourg determines otherwise in compliance with applicable law:

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE), OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

(4) With respect to your acquisition, holding and disposition of the New Notes, or any interest therein, you will not sell or otherwise transfer the New Notes, or any interest therein, otherwise than to a purchaser or transferee that makes or is deemed to make these same representations, warranties and agreements with respect to its purchase, holding and disposition of the New Notes.

The New Notes will be available initially only in book-entry form. The New Notes will be issued in the form of one or more global notes in fully registered form without interest coupons bearing the legend set forth above.

Notice to Prospective Investors in the European Economic Area ("EEA") and the United Kingdom

The New Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"), (ii) a customer within the meaning of Directive 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This Supplement and the Offering Memorandum have been prepared on the basis that any offer of New Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of New Notes.

The New Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it

forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Supplement and the Offering Memorandum have been prepared on the basis that any offer of New Notes in the UK will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of New Notes.

This Supplement and the Offering Memorandum summarize certain documents and other information and we refer you to them for a more complete understanding of what we discuss in this Supplement and the Offering Memorandum. In making an investment decision, you must rely on your own examination of our company and the terms of this offering and the New Notes, including the merits and risks involved.

We and the initial purchasers are not making any representation to any purchaser of the New Notes regarding the legality of an investment in the New Notes under any investment law or similar laws or regulations. You should not consider any information in this Supplement or in the Offering Memorandum to be advice whether legal, business, accounting or tax. You should consult your own attorney or other professional for any legal, business, accounting or tax advice regarding an investment in the New Notes.

PRICING TERMS

Issuer	Minerva Luxembourg S.A.
Guarantor	Minerva S.A.
Notes offered	U.S.$100,000,000 aggregate principal amount of 8.875% Senior Notes due 2033 (increasing the total aggregate principal amount of outstanding Notes to U.S.$1,000 million).
Guarantee	Minerva will guarantee all of Minerva Luxembourg's obligations pursuant to the Notes. See "Description of Notes—Guarantee" in the Offering Memorandum.
Ranking	The Notes will be unsecured, unsubordinated obligations of the issuer. Minerva will guarantee the Notes on an unsecured basis. The guarantee will rank equally in right of payment with our unsecured and unsubordinated indebtedness. The guarantee will be effectively junior to our secured indebtedness and the indebtedness of any of Minerva's subsidiaries (other than the issuer).
Issue price	100.500% of the principal amount of the New Notes plus accrued interest from and including September 13, 2023.
Issue date	September 21, 2023.
Maturity	September 13, 2033.
Interest	The New Notes will bear interest from September 13, 2023 at 8.875% per annum, payable on March 13 and September 13, of each year, beginning on March 13, 2024. Interest will accrue from September 13, 2023.
Escrow Account	Within five business days from the closing of this offering, we will deposit the net proceeds received from this offering into a *real*-denominated escrow account and, except as described below, the funds may be released only to pay the balance of the purchase price due in connection with the completion of the Marfrig Asset Acquisition. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment" in the Offering Memorandum.
Mandatory Debt Repayment	If the Marfrig Asset Acquisition has not been completed by the earlier of (1) the termination of the Marfrig SPAs prior to the consummation of the Marfrig Asset Acquisition or (2) February 28, 2025 (if the Marfrig Asset Acquisition in respect of the assets in Brazil, Argentina and Chile is not consummated prior to this date), then Minerva will be required to repay outstanding debt of Minerva or its subsidiaries in the U.S. dollar equivalent amount of the gross proceeds raised by Minerva Luxembourg in the offering of the Existing Notes and this offering. Such outstanding debt includes, without limitation, the redemption of all or a portion of

	the Notes then outstanding, at a redemption price (the "Special Redemption Price") equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but not including, the redemption date; provided that amounts on deposit in the escrow account shall only be permitted to be used to repay debt of Minerva or any of its subsidiaries that is outstanding on that date that is 30 days prior to the Mandatory Debt Repayment Event. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment" in the Offering Memorandum.
Optional redemption	On or after September 13, 2028, the issuer may redeem some or all of the Notes at any time at the redemption price set forth in "Description of Notes—Optional Redemption" in the Offering Memorandum. In addition, prior to September 13, 2028, the issuer may redeem the Notes at a redemption price equal to 100% of the principal amount plus a "make-whole" premium. Any time on or prior to September 13, 2026, the issuer may also redeem up to 35% of the aggregate principal amount of the Notes with the proceeds from certain equity offerings at a redemption price equal to 108.875% of the principal amount of the Notes. Any such optional redemption may, at Minerva Luxembourg's discretion, be subject to one or more conditions precedent. See "Description of Notes—Optional Redemption Procedures" in the Offering Memorandum. In addition, in connection with any tender offer (including in connection with a change of control as described below), if holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw Notes in such tender offer and Minerva Luxembourg, or any third party making such tender offer in lieu of Minerva Luxembourg, purchases all of the Notes validly tendered and not withdrawn by such holders, Minerva Luxembourg or such third party will have the right to redeem or purchase all the Notes that remain outstanding following such purchase at a price equal to the price paid to each other holder in such tender offer plus. See "Description of Notes—Optional Redemption" in the Offering Memorandum.
Additional amounts	Minerva Luxembourg or Minerva, as the case may be, will pay additional amounts in respect of any payments of interest or principal so that the amount you receive under the Notes or the guarantee, after applicable withholding tax, if any, will equal the amount that you would have received if no withholding tax had been applicable, subject to some exceptions as described under "Description of Notes—Payment of Additional Amounts" in the Offering Memorandum.

Tax redemption	Minerva Luxembourg may redeem the Notes, in whole but not in part, at any time upon the occurrence of specified events relating to tax laws at 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of redemption, and additional amounts, if any. See "Description of Notes—Redemption for Taxation Reasons" in the Offering Memorandum.
Change of control offer	Upon the occurrence of a change of control that results in a ratings decline, you will have the right, as a holder of the notes, subject to certain exceptions, to require the issuer to repurchase some or all of your notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the repurchase date. See "Description of Notes—Certain Covenants—Repurchase of Notes upon a Change of Control Triggering Event" in the Offering Memorandum.
Clearance and settlement	The New Notes will be issued in book-entry form through the facilities of DTC for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as the operator of the Euroclear System, and Clearstream Banking S.A., and will trade in DTC's same day funds settlement system. Beneficial interests in notes held in book-entry form will not be entitled to receive physical delivery of certificated notes, except in certain limited circumstances. For a description of certain factors relating to clearance and settlement, see "Form of the Notes" in the Offering Memorandum.
Form and denomination	Any New Notes sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act will be in fully registered form without interest coupons attached only in minimum denominations of U.S.$200,000 and in integral multiples of U.S.$1,000 in excess thereof. Any New Notes sold pursuant to Rule 144A under the Securities Act will be issued in fully registered form in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Certain covenants	The terms of the Notes limit our ability and the ability of our subsidiaries (as described in "Description of Notes" in the Offering Memorandum) to, among other provisions: • incur additional indebtedness; • pay dividends; • create liens; • enter in a merger, sale or consolidation transaction; and • enter into certain transactions with our shareholders

	or affiliates. These and other covenants are subject to important exceptions and qualifications, which are described under the heading "Description of Notes—Certain Covenants" in the Offering Memorandum.
Use of proceeds	We intend to use the net proceeds from this offering to fund up to the remaining balance of the consideration to be paid by us in connection with the Marfrig Asset Acquisition or, in the event that the Marfrig Asset Acquisition does not close, to repay debt or redeem the Notes, subject to certain conditions and any devaluation of the net proceeds while they are held in a *reais*-denominated account. We intend to use any remaining net proceeds for general corporate purposes. For additional information, see "Summary—Recent Developments—Marfrig Asset Acquisition" in the Offering Memorandum and "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment" in the Offering Memorandum.
Transfer restrictions	The New Notes have not been registered under the Securities Act and are subject to certain restrictions on transfer. See "Notice to Investors" in the Offering Memorandum. In addition, there are restrictions on investors to which the New Notes can be sold, and on the distribution of this Supplement and the Offering Memorandum, as described in "Plan of Distribution" in the Offering Memorandum, as supplemented hereby.
Trustee	The Bank of New York Mellon
Paying agent, transfer agent and registrar	The Bank of New York Mellon
Singapore listing agent	CNPLaw LLP
Listing	The issuer intends to apply to list the Notes on the SGX-ST. The issuer cannot provide any assurances, however, that this application will be accepted, or if accepted, that the Notes will remain so listed. The Notes will be traded in a minimum board lot size of U.S.$200,000 as long as the Notes are listed on the SGX-ST.
Governing law	The Indenture is, and the New Notes and the guarantee will be, governed by the laws of the State of New York. The provisions of Articles 470-1 to 470-19 (included) of the Luxembourg law dated August 10, 1915 on commercial companies, as amended, are excluded.
Selling restrictions	There are restrictions on persons to whom New Notes can be sold, and on the distribution of this Supplement and the Offering Memorandum, as described in "Plan of Distribution" in the Offering Memorandum.

Risk Factors	Prospective investors should carefully consider all of the information contained in the Offering Memorandum, as supplemented hereby, prior to investing in the New Notes. In particular, we urge prospective investors to carefully consider the information set forth under "Risk Factors" in the Offering Memorandum for a discussion of risks and uncertainties relating to us, our subsidiaries, our business and an investment in the New Notes.

RISK FACTORS

You should carefully consider all of the information contained in this Supplement and the Offering Memorandum prior to investing in the New Notes. In particular, we urge you to carefully consider the information set forth under "Risk Factors" in the Offering Memorandum for a discussion of risks and uncertainties relating to us, our subsidiaries, our business and an investment in the New Notes.

RECENT DEVELOPMENTS

Offering of Notes due 2033

On September 13, 2023, we issued U.S.$900 million in aggregate principal amount of Existing Notes, as described in the Offering Memorandum. Delivery of the Existing Notes was made to investors on September 13, 2023. The U.S.$ million in aggregate principal amount of New Notes offered hereby will be issued as additional notes under the Indenture governing the Existing Notes, and will have identical terms and conditions as the Existing Notes, other than the issue date and issue price, and will constitute part of the same series as, and vote together as a single class with, the Existing Notes.

USE OF PROCEEDS

We intend to use the net proceeds from this offering to fund up to the remaining balance of the consideration to be paid by us in connection with the Marfrig Asset Acquisition or, in the event that the Marfrig Asset Acquisition does not close, to repay debt or redeem the Notes, subject to certain conditions and any devaluation of the net proceeds while they are held in a *reais*-denominated account. We intend to use any remaining net proceeds for general corporate purposes. For additional information, see "Summary—Recent Developments—Marfrig Asset Acquisition" in the Offering Memorandum and "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment" in the Offering Memorandum.

CAPITALIZATION

Minerva Luxembourg S.A.

The issuer was established by Minerva S.A. on July 29, 2011. As of the date of this Supplement, the aggregate amount of the issuer's share capital is U.S.$5,060,000, represented by 5,060,000 common shares, with nominal value of U.S.$1.00 per common share, all of which are subscribed and fully paid-up. After giving *pro forma* effect to the offering of the New Notes, substantially all of the issuer's capitalization will be in the form of long-term indebtedness, in an aggregate amount equivalent to the aggregate gross proceeds of the offering of the Existing Notes, the aggregate outstanding amounts under the 2028 Notes, the 2031 Notes and the New Notes offered hereby. As of June 30, 2023, the aggregate outstanding amount of the 2028 Notes and the 2031 Notes was R$6,053.8 million.

Minerva S.A.

The table below shows our capitalization as of June 30, 2023:

- on an actual basis;
- as adjusted to give effect to our payment of dividends on August 23, 2023 in the aggregate amount of R$114.0 million. For more information, see "Summary—Recent Developments—Interim Dividends" in the Offering Memorandum; and
- as further adjusted to give effect to the issuance of the (i) Existing Notes described in "Recent Developments," assuming net proceeds from the issuance of approximately U.S.$880.4 million, after deducting estimated commissions and expenses payable by us and (ii) New Notes, assuming net proceeds from the issuance of approximately U.S.$99.6 million, after deducting estimated commissions and expenses payable by us.

The information set forth below in the "Actual" column is derived from our Consolidated Financial Statements. You should read this section together with "Presentation of Financial and Other Information," "Summary Financial Information," "Selected Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our Consolidated Financial Statements included in the Offering Memorandum.

	As of June 30, 2023					
	Actual*		**As Adjusted(1)***		**As Further Adjusted(2)***	
			(*unaudited*)			
	(in millions of U.S.$)[3]	*(in millions of R$)*	*(in millions of U.S.$)*[3]	*(in millions of R$)*	*(in millions of U.S.$)*[3]	*(in millions of R$)*
Loans and financing - current	673.8	3,246.8	673.8	3,246.8	673.8	3,246.8
Loans and financing – non-current	2,209.3	10,646.6	2,209.3	10,646.6	3,189.3	15,369.2
Shareholders' equity	188.0	905.9	164.3	791.9	164.3	791.8
Total capitalization(4)	**3,071.0**	**14,799.3**	**3,047.4**	**14,685.3**	**4,027.4**	**19,407.8**

* Does not take into consideration the Marfrig Asset Acquisition.

(1) As adjusted to reflect our payment of dividends on August 23, 2023 in the aggregate amount of R$114.0 million. For more information, see "Summary—Recent Developments—Interim Dividends" in the Offering Memorandum.

(2) As further adjusted to reflect the issuance of the (i) Existing Notes, assuming net proceeds from the issuance of approximately U.S.$880.4 million, after deducting estimated commissions and expenses payable by us and (ii) New Notes offered hereby, assuming net proceeds from the issuance of approximately U.S.$99.6 million, after deducting estimated commissions and expenses payable by us.

(3) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" in the Offering Memorandum for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included in the Offering Memorandum.

(4) Total capitalization corresponds to the sum of current and non-current loans and financing and shareholders' equity on a consolidated basis, as of June 30, 2023.

DESCRIPTION OF NEW NOTES

The 8.875% Senior Notes due 2033 offered hereby, or the New Notes, are to be issued under the Indenture dated as of September 13, 2023, among Minerva Luxembourg, as issuer, Minerva, as guarantor, and The Bank of New York Mellon, as trustee, paying agent, transfer agent and registrar. We issued U.S.$900.0 million in aggregate principal amount of 8.875% Senior Notes due 2033 under the Indenture on September 13, 2023, or the Existing Notes. The New Notes will be issued as additional notes under the Indenture, will have identical terms as the Existing Notes, other than issue price and issue date, and will be treated as a single series as, and vote together as a single class with, the Existing Notes for all purposes under the Indenture.

The New Notes will be issued in an aggregate principal amount of U.S.$100,000,000 million; will accrue interest from September 13, 2023 at the rate of 8.875% per year, payable semi-annually on March 13 and September 13 of each year, commencing on March 13, 2024; will mature on September 13, 2033; will be unconditionally guaranteed by Minerva (subject to the terms of the Indenture) and will be the issuer's and the guarantor's senior unsecured obligations. See "Description of Notes" in the Offering Memorandum for a summary of the other material terms of the notes and the Indenture.

The New Notes will have the same CUSIP, ISIN and Common Code numbers as, and will be fungible with, the Existing Notes, except that the New Notes offered and sold in compliance with Regulation S will have temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on the date of the issuance of the New Notes. After such 40-day distribution compliance period, the New Notes offered and sold in compliance with Regulation S will have the same CUSIP, ISIN and Common Code numbers as, and will be fungible with, the Existing Notes offered and sold in compliance with Regulation S.

U.S. FEDERAL INCOME TAXATION

This disclosure is limited to the U.S. federal income tax issues addressed herein. Additional issues may exist that are not addressed in this disclosure and that could affect the U.S. federal income tax treatment of the Notes. Holders should seek their own advice based on their particular circumstances from an independent tax advisor.

Certain U.S. federal income tax consequences relating to acquiring, owning and disposing of New Notes are described in the Offering Memorandum under the heading "Taxation—Certain U.S. Federal Income Tax Consequences." In addition, the following U.S. federal income tax consequences apply to a U.S. Holder (as defined in "Taxation—Certain U.S. Federal Income Tax Consequences" in the Offering Memorandum) who purchases a New Note pursuant to this offering for a price set forth on the cover of this Supplement.

Same Issue. The New Notes should be treated as part of the same "issue" and deemed to have the same issue date and issue price as the Existing Notes for U.S. federal income tax purposes.

Pre-Acquisition Accrued Interest. A portion of the price paid for the New Notes will be allocable to interest that will have accrued prior to the date the New Notes are purchased, or the pre-acquisition accrued interest. Amounts treated as a return of pre-acquisition accrued interest should not be taxable when received. Under this treatment, a U.S. Holder's adjusted basis in a New Note generally will be equal to the cost of the New Note reduced by the amount of any pre-acquisition accrued interest.

Amortizable Bond Premium. If a U.S. Holder purchases a New Note for an amount that is greater than its principal amount (disregarding any pre-acquisition accrued interest), it will be considered to have purchased the New Note with amortizable bond premium. In general, the amortizable bond premium with respect to any New Note is the excess of the purchase price over the principal amount. A U.S. Holder may elect to amortize this bond premium, using a constant-yield method, over the remaining term of the New Note. If an election to amortize bond premium is made, amortizable bond premium taken into account on a current basis will reduce interest income. An election to amortize premium applies to all taxable debt obligations held or acquired in or after the first taxable year to which the election applies and may be revoked only with the consent of the IRS. With respect to a U.S. Holder that does not elect to amortize premium, the amount of premium will be included in the U.S. Holder's tax basis when the New Note matures or is disposed of by the U.S. Holder. Therefore, a U.S. Holder that does not elect to amortize such premium and that holds the New Note to maturity generally will be required to treat the premium as capital loss when the New Note matures. However, because the New Notes may be redeemed prior to maturity at a premium, special rules apply that may change the amount or timing of premium that a U.S. Holder may amortize with respect to the New Notes.

Market Discount. If a U.S. Holder purchases a New Note for an amount that is less than its principal amount (disregarding any pre-acquisition accrued interest), the difference generally will be treated as market discount for U.S. federal income tax purposes, unless this difference is less than a specified "*de minimis*" amount. If a U.S. Holder is treated as purchasing a New Note with market discount, it will generally be required to treat any gain on the sale, retirement at maturity or other taxable disposition of the New Note as ordinary income to the extent of the market discount accrued on the New Note at the time of the payment or disposition, unless the U.S. Holder has elected to include this market discount in income (as ordinary income) as it accrues. Market discount will accrue on a straight line basis or, at the election of the U.S. Holder, on a constant yield basis. A U.S. Holder will increase its tax basis in the New Note by any accrued market discount that is included in income. If a U.S. Holder disposes of a New Note that it purchased with market discount in one of certain nontaxable transactions, accrued market discount will be includible as ordinary income as if the U.S. Holder had sold the New Note in a taxable transaction at its then fair market value. In addition, a U.S. Holder may be required to defer, until the maturity of the New Note or its earlier disposition (including in one of certain nontaxable transactions), the deduction of all or a portion of the interest expense on any indebtedness incurred or maintained to purchase or carry the New Note.

Adjusted Tax Basis. A U.S. Holder's adjusted tax basis in a New Note generally will be its cost to the U.S. Holder (excluding any amount attributable to pre-acquisition accrued interest), decreased (but not below zero) by the amount of any amortizable premium previously amortized by the U.S. Holder with respect to the New Note.

PLAN OF DISTRIBUTION

For purposes of the New Notes, the first and ninth paragraphs of the section entitled "Plan of Distribution" appearing in the Offering Memorandum are hereby amended and restated in their entirety as follows. The remaining paragraphs of such section remain unchanged.

The issuer, Minerva and the initial purchasers named below have entered into a purchase agreement dated September 14, 2023 with respect to the New Notes. Subject to certain conditions, each initial purchaser will severally and not jointly agree to purchase, and the issuer will agree to sell to such initial purchasers, the principal amount of New Notes indicated in the following table:

Initial Purchasers	Principal Amount of the New Notes
J.P. Morgan Securities LLC	U.S.$83,333,000
Itau BBA USA Securities, Inc.	U.S.$16,667,000
Total	**U.S.$100,000,000**

We expect that delivery of the New Notes will be made against payment therefor on or about the closing date specified on the cover page of this Supplement, which will be the fifth business day following the date of pricing of the New Notes (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade New Notes more than two business days prior to delivery will be required, by virtue of the fact that the New Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of New Notes who wish to trade New Notes more than two business days prior to delivery should consult their own advisor.

OFFERING MEMORANDUM **STRICTLY CONFIDENTIAL**

U.S.$900,000,000



MINERVA LUXEMBOURG S.A.

(a public limited liability company (société anonyme) incorporated in the Grand Duchy of Luxembourg)

8.875% Senior Notes due 2033

Guaranteed by

MINERVA S.A.

(a corporation (sociedade anônima) incorporated in the Federative Republic of Brazil)

Minerva Luxembourg S.A., or the issuer, is offering U.S.$900,000,000 million aggregate principal amount of its 8.875% senior notes due 2033, or the notes. The notes will be guaranteed by Minerva S.A., or the guarantor. See "Description of Notes—Guarantee."

The issuer will pay interest on the notes on March 13 and September 13 of each year, beginning on March 13, 2024. The notes will mature on September 13, 2033.

We intend to use the net proceeds from this offering to fund up to the remaining balance of the purchase price of industrial plants and commercial operations in Brazil, Argentina, Chile and Uruguay, which include 16 industrial and commercial facilities and one distribution center (the "Marfrig Asset Acquisition"), pursuant to stock purchase agreements we entered into with the sellers (the "Marfrig SPAs"). See "Summary—Recent Developments—Marfrig Asset Acquisition" and "Use of Proceeds."

Within five business days from the closing of this offering of notes, we will deposit the net proceeds received from this offering into a *real*-denominated escrow account and, except as set forth as follows, the funds may be released only to pay the balance of the purchase price due in connection with the completion of the Marfrig Asset Acquisition. If the Marfrig Asset Acquisition has not been completed by the earlier of (i) the termination of the Marfrig SPAs prior to the consummation of the Marfrig Asset Acquisition or (ii) February 28, 2025 (if the Marfrig Asset Acquisition in respect of the assets in Brazil, Argentina and Chile is not consummated prior to this date) (a "Mandatory Debt Repayment Event"), then Minerva will be required to repay outstanding debt of Minerva or its subsidiaries in the U.S. dollar equivalent amount of the gross proceeds raised by Minerva Luxembourg in this offering. Such outstanding debt includes, without limitation, the redemption of all or a portion of the notes then outstanding, at a redemption price (the "Special Redemption Price") equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest to, but not including, the redemption date; provided that amounts on deposit in the escrow account shall only be permitted to be used to repay debt of Minerva or any of its subsidiaries that is outstanding on that date that is 30 days prior to the Mandatory Debt Repayment Event. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment."

Prior to September 13, 2028, the issuer may redeem the notes, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of notes to be redeemed plus the "make-whole" premium. On or after such date, the issuer may redeem the notes, in whole or in part, at any time, at the redemption price set forth in this offering memorandum, plus accrued and unpaid interest. On or prior to September 13, 2026, the issuer may also redeem up to 35% of the aggregate principal amount of the notes with the proceeds from certain equity offerings at a redemption price set forth in this offering memorandum, plus accrued and unpaid interest. In addition, the issuer may redeem the notes, in whole but not in part, at any time upon the occurrence of specified events relating to tax laws. See "Description of Notes."

There is currently no public market for the notes. The issuer intends to apply to list the notes on the Singapore Exchange Securities Trading Limited, or the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. Admission to the official list of the SGX-ST is not to be taken as an indication of the merits of the notes, the issuer or our company.

This offering memorandum has been prepared on the basis that any offer of the notes in any Member State of the European Economic Area, or the EEA, will be made pursuant to an exemption under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, or the Prospectus Regulation, from the requirement to publish a prospectus for offers of notes.

This offering memorandum is not a prospectus for purposes of the Prospectus Regulation and has not been approved by a competent authority within the meaning of the Prospectus Regulation. This offering memorandum has been prepared on the basis that any offer of the notes in the United Kingdom, will be made pursuant to an exemption from the obligation to publish a prospectus under s.86 of the Financial Services and Markets Act 2000, as amended, or the FSMA, in the United Kingdom. This offering memorandum is not a prospectus for purposes of the U.K. Prospectus Regulation (meaning Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, or the EUWA) and has not been approved by the U.K. Financial Conduct Authority, or the FCA.

Neither the U.S. Securities and Exchange Commission, or the SEC, nor any state securities commission or regulatory authority has approved or disapproved of these notes or the guarantee or determined if this offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

Investing in the notes involves risk. See "Risk Factors" beginning on page 27 for a discussion of certain factors you should consider before investing in the notes.

Offering Price: 100.000% plus accrued interest, if any, from September 13, 2023

The offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from September 13, 2023. If the notes are delivered after September 13, 2023, accrued interest must be paid by the purchaser until the time of delivery.

The notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the Securities Act, and are being offered and sold in the United States only to "qualified institutional buyers" in reliance on Rule 144A under the Securities Act and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act. Prospective purchasers that are "qualified institutional buyers" are hereby notified that the seller of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The notes are not transferable except in accordance with the restrictions described under "Notice to Investors."

The issuer expects that the notes will be ready for delivery in book entry form through The Depository Trust Company, or DTC, and its direct and indirect participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Euroclear, and Clearstream Banking S.A., or Clearstream, on or about September 13, 2023.

Sole Global Coordinator and Lead Bookrunner

J.P. Morgan

Joint Bookrunners

J.P. Morgan	**Itaú BBA**	**BofA Securities**	**Bradesco BBI**
HSBC	**Morgan Stanley**	**Rabo Securities**	**BB Securities**
Mizuho	**MUFG**		**XP Inc.**

Offering Memorandum dated September 6, 2023.

TABLE OF CONTENTS

Page

NOTICE TO INVESTORS II
ENFORCEMENT OF CIVIL LIABILITIES IV
PRESENTATION OF FINANCIAL AND OTHER INFORMATION VII
FORWARD-LOOKING STATEMENTS X
EXCHANGE RATES XII
SUMMARY 1
THE OFFERING 21
SUMMARY FINANCIAL AND OTHER INFORMATION 24
RISK FACTORS 27
USE OF PROCEEDS 51
CAPITALIZATION 52
SELECTED FINANCIAL AND OTHER INFORMATION 53
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 56
INDUSTRY 82
BUSINESS 86
MANAGEMENT 121
PRINCIPAL SHAREHOLDERS 128
THE ISSUER 131
RELATED PARTY TRANSACTIONS 135
DESCRIPTION OF NOTES 137
FORM OF THE NOTES 168
TAXATION 171
PLAN OF DISTRIBUTION 179
LEGAL MATTERS 185
INDEPENDENT AUDITORS 186
LISTING AND GENERAL INFORMATION 187
INDEX TO FINANCIAL STATEMENTS F-1

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this offering memorandum. You must not rely on any unauthorized information or representations. This offering memorandum is an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this offering memorandum is current only as of its date.

Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to "Minerva S.A.," "Minerva," "our company," "we," "our," "ours," "us" or similar terms refer to Minerva S.A. All references to "Minerva Luxembourg" or "the issuer" refer to Minerva Luxembourg S.A., a wholly owned subsidiary of Minerva S.A. and the issuer of the notes. All references to "Athena Foods" refer to Athena Foods S.A., a wholly owned subsidiary of Minerva S.A. References to the "initial purchasers" are to J.P. Morgan Securities LLC, BB Securities Ltd., BofA Securities, Inc., Banco Bradesco BBI S.A., HSBC Securities (USA) Inc., Itau BBA USA Securities, Inc., Mizuho Securities USA LLC, Morgan Stanley & Co. LLC, MUFG Securities Americas Inc., Rabo Securities USA, Inc. and XP Investimentos Corretora de Câmbio, Títulos e Valores Mobiliários S.A.

The term "Brazil" refers to the Federative Republic of Brazil, and the phrase "Brazilian government" refers to the federal government of Brazil. All references to "*real*," "*reais*," "Brazilian *real*," "Brazilian *reais*," or "R$" are to the Brazilian *real*, the official currency of Brazil, and all references to "U.S. dollar," "U.S. dollars," or "U.S.$" are to U.S. dollars, the official currency of the United States.

Unless otherwise stated, all numbers included in this offering memorandum are expressed in *reais*. This offering memorandum contains translations of various *real* amounts into U.S. dollars at specified rates solely for your convenience. You should not construe these translations as representations by us that the *real* amounts actually represent U.S. dollar amounts that have been or could be converted into U.S. dollars at the rates indicated or any other rates. Unless otherwise indicated, solely for your convenience, we have translated the *real* amounts into U.S. dollars using a rate of R$4.819 to U.S.$1.00, the U.S. dollar selling rate as of June 30, 2023, as reported by the Central Bank. See "Exchange Rates."

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The distribution of this offering memorandum and the offering and sale of the notes in certain jurisdictions may be restricted by law. Minerva Luxembourg and the initial purchasers require persons in whose possession this offering memorandum comes to inform themselves about and to observe any such restrictions. This offering memorandum does not constitute an offer of, or an invitation to purchase, any of the notes in any jurisdiction in which such offer or invitation would be unlawful.

Notwithstanding anything herein to the contrary, investors may disclose to any and all persons, without limitation of any kind, the U.S. federal or state income tax treatment and tax structure of the offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the U.S. federal income tax treatment or tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the U.S. federal or state income tax treatment of the offering but does not include information relating to the identity of the issuer of the securities, the issuer of any assets underlying the securities, or any of their respective affiliates.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future. The initial purchasers assume no responsibility for the accuracy or completeness of any such information.

NOTICE TO INVESTORS

Because of the following restrictions, you are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the notes offered hereby.

Each purchaser of the notes offered hereby will be deemed to have represented and agreed as follows (terms used herein that are defined in Rule 144A or Regulation S are used herein as defined therein):

(1) You (A) (i) are a qualified institutional buyer, (ii) are aware that the sale of the notes to you is being made in reliance on Rule 144A and (iii) are acquiring such notes for your own account or for the account of a qualified institutional buyer, as the case may be, or (B) are not a U.S. person, as such term is defined in Rule 902 under the Securities Act and are purchasing the notes in accordance with Regulation S.

(2) You understand that the notes have not been and will not be registered under the Securities Act and may not be reoffered, resold, pledged or otherwise transferred except (A) (i) to a person who you reasonably believe is a qualified institutional buyer acquiring for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, (iii) pursuant to an exemption from registration under the Securities Act (if available), or (iv)

pursuant to an effective registration statement under the Securities Act, and (B) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

(3) The notes will bear a legend to the following effect, unless Minerva Luxembourg determines otherwise in compliance with applicable law:

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE), OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

(4) With respect to your acquisition, holding and disposition of the notes, or any interest therein, you will not sell or otherwise transfer the notes, or any interest therein, otherwise than to a purchaser or transferee that makes or is deemed to make these same representations, warranties and agreements with respect to its purchase, holding and disposition of the notes.

The notes will be available initially only in book-entry form. The notes will be issued in the form of one or more global notes in fully registered form without interest coupons bearing the legend set forth above.

Notice to Prospective Investors in the European Economic Area ("EEA") and the United Kingdom

The notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"), (ii) a customer within the meaning of Directive 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes.

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This offering memorandum has been prepared on the basis that any offer of notes in the UK will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of notes.

ENFORCEMENT OF CIVIL LIABILITIES

Brazil

We have been advised by Stocche, Forbes Advogados, our Brazilian counsel, that a final conclusive judgment rendered by non-Brazilian courts and by arbitral tribunals with a seat outside of Brazil for the payment of money, subject to certain requirements described below, may be enforced in Brazil. A judgment obtained outside Brazil would be enforceable in Brazil against us without review on the merits, provided that such judgment has been previously ratified by the Brazilian Superior Court of Justice (*Superior Tribunal de Justiça*), or the STJ, except if a treaty signed by Brazil and the country where the judgment was issued provides otherwise. That recognition generally will occur if the foreign judgment, in accordance with Brazilian law, including Article 15 of Decree Law No. 4,657/42 and Articles 960 to 965 of Brazilian Civil Procedure Code (Law No. 13.105/2015):

- fulfills all formalities required for enforceability under the laws of the jurisdiction where it was rendered;
- is issued by a competent court after proper service of process on the parties, which service must comply with Brazilian law if made in Brazil, or must be in accordance with the laws of the country where it was rendered, or, in case of service by publication, after sufficient evidence that the parties are in an unknown place, as required by applicable law;
- is final and therefore not subject to appeal;
- is apostilled by the appropriate authority of the state rendering such foreign judgment in accordance with the Hague Convention of October 5, 1961 Abolishing the Requirement of Legalization for Foreign Public Documents, or the Apostille Convention, or, if the rendering state is not a signatory to the Apostille Convention, is duly authenticated by the appropriate Brazilian consulate;
- is not equal to a proceeding in Brazil involving the same parties, based on the same grounds and with the same object, which has been ruled by a Brazilian court and the decision is final (the foreign judgment must not violate *res judicata*);
- does not violate the exclusive jurisdiction of the Brazilian judiciary authority;
- is translated into Portuguese by a sworn translator in Brazil, unless an exemption is provided by an international treaty to which Brazil is a signatory; and
- does not violate Brazilian public policy, good morals, human dignity or national sovereignty.

Notwithstanding the foregoing, no assurance can be given that such recognition would be granted, or that the process described above could be conducted in a timely manner. The recognition process may be time consuming and may also give rise to difficulties in enforcing the foreign judgment in Brazil.

We have also been advised that civil actions may be brought before Brazilian courts in connection with this offering memorandum based solely on the federal securities laws of the United States and that Brazilian courts may enforce such liabilities in such actions against us (provided that provisions of the federal securities laws of the United States do not contravene Brazilian public policy, good morals or national sovereignty). We have been further advised that a plaintiff, whether Brazilian or non-Brazilian, who resides outside Brazil or is outside Brazil during the course of the litigation in Brazil and who does not own real property in Brazil must post a bond to guarantee the payment of the defendant's legal fees and court expenses, according to Article 83 of the Brazilian Civil Procedure Code, except in case of collection claims based on an instrument (which do not include the notes issued hereunder) that may be enforced in Brazilian courts without previous judgment (*título executivo extrajudicial*) in counterclaims or if a treaty signed by Brazil provides otherwise. This requirement does not apply to the enforcement of foreign judgments that have been confirmed by the Brazilian Superior Court of Justice.

Grand Duchy of Luxembourg

Enforcement of Judgments in Luxembourg

The issuer is a company incorporated and established under the laws of the Grand Duchy of Luxembourg, or Luxembourg, under the form of a public limited liability company (*société anonyme*) and it may be difficult for you to obtain or enforce judgments against it or its directors in the United States.

The issuer is organized under the laws of Luxembourg. Most of its assets are located outside the United States. Furthermore, none of the issuer's directors resides in the United States. As a result, investors may find it difficult to effect service of process within the United States upon the issuer or these persons or to enforce outside the United States judgments obtained against the issuer or these persons in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the U.S. federal securities laws. Likewise, it may also be difficult for an investor to enforce in U.S. courts judgments obtained against us or these persons in courts located in jurisdictions outside the United States, including actions predicated upon the civil liability provisions of the U.S. federal securities laws. It may also be difficult for an investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against the issuer or these persons. Luxembourg law, furthermore, does not recognize a shareholder's right to bring a derivative action on behalf of the issuer. It may be possible for investors to effect service of process within Luxembourg upon the issuer provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with.

As there is no treaty in force governing the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and Luxembourg, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U.S. court. However, a party who received such favorable judgment in a U.S. court may initiate enforcement proceedings in Luxembourg (*exequatur*) by requesting enforcement of the U.S. judgment by the District Court (*Tribunal d'Arrondissement*) pursuant to Section 678 of the New Luxembourg Code of Civil Procedure. The District Court will authorize the enforcement in Luxembourg of the U.S. judgment if it is satisfied that all of the following conditions are met:

- the judgment of the U.S. court is enforceable (*exécutoire*) in the United States;
- the U.S. court had full jurisdiction over the subject matter leading to the judgment (that is, its jurisdiction was in compliance both with Luxembourg private international law rules and with the applicable domestic U.S. federal or state jurisdictional rules);
- the U.S. court has applied to the dispute the substantive law which would have been applied by Luxembourg courts or, at least, the order must not contravene the principles underlying those rules (based on case law and legal doctrine it is not certain that this condition would still be required for an exequatur to be granted by a Luxembourg court);
- the judgment must not have been obtained subsequent to a breach of Luxembourg law (*fraude à la loi*) and must have been granted in compliance with the rights of the defendant to appear, and if the defendant appeared, to present its defense;
- the U.S. court has acted in accordance with its own procedural laws; and
- the considerations of the foreign order, as well as the judgment, do not contravene international public policy (*ordre public international*) as understood under the laws of Luxembourg or have been given proceedings of a penal, criminal or tax nature (which would include awards of damages made under civil liabilities provisions of the U.S. federal securities laws, or other laws, to the extent that the same would be classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages)) or rendered subsequent to an evasion of Luxembourg law (*fraude à la loi*). Ordinarily an award of monetary damages would not be considered as a penalty, but if the monetary damages include punitive damages such punitive damages may be considered as a penalty.

If an original action is brought in Luxembourg, without prejudice to specific conflict of law rules, Luxembourg courts may refuse to apply the designated law (i) if the choice of such foreign law was not made bona fide or (ii) if the foreign law was not pleaded and proved or (iii) if pleaded and proved, such foreign law as contrary to mandatory Luxembourg laws or incompatible with Luxembourg public policy rules. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought.

In practice, Luxembourg courts now tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review.

Further, in the event of any proceedings being brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than the Euro, a Luxembourg court would have power to give judgment expressed as an order to pay a currency other than the Euro. However, enforcement of the judgment against any party in Luxembourg would be available only in Euros and, for such purposes, all claims or debts would be converted into Euros.

Registration in Luxembourg

The registration of the notes, the indenture, the guarantee and the transaction documents (and any document in connection therewith) with the *Administration de l'Enregistrement, des Domaines et de la TVA* in Luxembourg may be required in the event that the notes, the indenture and the transaction documents (and any document in connection therewith) are either (i) attached as an annex to an act (*annexés à un acte*) that itself is subject to mandatory registration, (ii) deposited in the minutes of a notary (*déposés au rang des minutes d'un notaire*) or (iii) registered on a voluntary basis. In such case, either a nominal registration duty or an ad valorem duty (of, for instance, 0.24% of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered.

The Luxembourg courts or the official Luxembourg authority may require that the notes, the indenture, the guarantee and the transaction documents (and any document in connection therewith) and any judgment obtained in a foreign court be translated into French or German.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references in this offering memorandum to the "*real*," "*reais*" or "R$" are to the Brazilian *real*, the official currency of Brazil. All references to "U.S. dollars," "dollars" or "U.S.$" are to U.S. dollars, or the official currency of the United States of America.

On September 1, 2023, the exchange rate for *reais* into U.S. dollars was R$4.9318 to U.S.$1.00, based on the selling rate as reported by the Brazilian Central Bank (*Banco Central do Brasil*), or the Central Bank. The selling rate was R$4.819 to U.S.$1.00 as of June 30, 2023, R$5.218 to U.S.$1.00 as of December 31, 2022, R$5.581 to U.S.$1.00 as of December 31, 2021 and R$5.197 to U.S.$1.00 as of December 31, 2020, in each case, as reported by the Central Bank. The *real*/U.S. dollar exchange rate may fluctuate widely, and the selling rate as of September 1, 2023 may not be indicative of future exchange rates. See "Exchange Rates" for information regarding exchange rates for the Brazilian currency.

Solely for the convenience of the reader, we have translated some amounts included in "Summary Financial and Other Information," "Capitalization," "Selected Financial and Other Information" and elsewhere in this offering memorandum from *reais* into U.S. dollars using the selling rate as reported by the Central Bank as of June 30, 2023 of R$4.819 to U.S.$1.00. These translations should not be considered as representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate, or that the *real* amounts represent or have been or could be converted into U.S. dollars as of that or any other date.

Financial Statements and Financial Information

Issuer

Minerva is the direct parent of the issuer, which is a finance subsidiary. The issuer will not publish financial statements, except for such financial statements that the issuer may be required under the laws of Luxembourg to publish, and we have not included any financial statements of the issuer in this offering memorandum. In addition, the issuer does not intend to furnish to the trustee or the holders of the notes any of its financial statements except as otherwise requested under Luxembourg law. The issuer's obligations under the notes will be guaranteed by the guarantor.

Minerva

We maintain our books and records in *reais.*

The financial information contained in this offering memorandum has been derived from our records and financial statements included elsewhere in this offering memorandum and includes (in each case prepared in accordance with Brazilian accounting practices, or Brazilian GAAP, which includes the rules and regulations of the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*), or the CVM and the procedures specified by the accounting standards issued by the Brazilian Accounting Standards Committee (*Comitê de Pronunciamentos Contábeis*), or the CPC), and in accordance with International Financial Reporting Standards, or IFRS, issued by the International Accounting Standards Board:

- the unaudited interim consolidated and individual (company) financial statements of Minerva S.A. as of June 30, 2023 and for the six-month periods ended June 30, 2023 and 2022, and the related notes thereto, or our Unaudited Interim Condensed Consolidated Financial Statements;

- the audited consolidated and individual (company) financial statements of Minerva S.A. as of and for the years ended December 31, 2022 and 2021, and the related notes thereto, or our 2022 Audited Consolidated Financial Statements; and

- the audited consolidated and individual (company) financial statements of Minerva S.A. as of and for the years ended December 31, 2021 and 2020, and the related notes thereto, or our 2021 Audited Consolidated Financial Statements.

Our 2022 Audited Consolidated Financial Statements and our 2021 Audited Consolidated Financial Statements are collectively referred to herein as the Audited Consolidated Financial Statements. Our Audited Consolidated Financial Statements and our Unaudited Interim Condensed Consolidated Financial Statements are collectively referred to as our Consolidated Financial Statements.

Brazilian GAAP differs in certain significant respects from generally accepted accounting principles in the United States, or U.S. GAAP and IFRS. These differences may be material to the Consolidated Financial Statements included in this offering memorandum prepared in accordance with Brazilian GAAP and IFRS. We have made no attempt to identify or quantify the impact of those differences. In making an investment decision, investors must rely upon their own examination of us, the terms of the offering and the financial information included in this offering memorandum. Potential investors should consult their own professional advisors for an understanding of the differences between Brazilian GAAP and U.S. GAAP and how those differences might affect the financial information included in this offering memorandum.

Gross Sales Revenue Structure

In order to improve our disclosures to the market and to position Minerva Foods as a global company, our management implemented a new structure for disclosing our revenues, consolidating our performance metrics and segregating our gross revenue and sales volume of our meat division by operating country beginning in 2023. Within this structure, our "others" division comprises our cattle exports, protein and energy trading, third party product resale and Australian operations.

From 2018 until 2022, we disclosed our gross sales revenue in accordance with the following business divisions:

- *Brazil Industrial Division*. Comprises our production in Brazil of fresh beef and cattle by-products, such as offal, tripe, tallow, bone meal, biodiesel and leather and processed products from suppliers or prepared by us, for sale in the domestic market and export markets.

- *Athena Foods Division*. Comprises (1) our production in Paraguay, Uruguay, Argentina and Colombia of fresh beef and cattle by-products, such as offal, tripe, tallow, bone meal, biodiesel and leather, and processed products from suppliers or prepared by Swift Argentina S.A. in Argentina, for sale in the respective domestic markets and export markets, and (2) our distribution activities in Paraguay, Argentina, Colombia and Chile.

- *Trading Division*. Comprises certain businesses located across South America and Oceania, including live cattle, protein trading in the external markets, protein trading and resale of protein supplied by third-parties in the domestic markets and energy trading in the Brazilian energy market.

Special Note Regarding the Marfrig Asset Acquisition

On August 28, 2023, we and our subsidiary, Athn Foods Holdings S.A., or Athn Foods, entered into with Marfrig Chile S.A. and Marfrig Global Foods S.A., or Marfrig, stock purchase agreements, or the Marfrig SPAs, to acquire on an "as is, where is" basis industrial plants and commercial operations in Brazil, Argentina, Chile and Uruguay, or the Marfrig Brazil and South America Operations, which include 16 industrial and commercial facilities (three of which are currently not operational) and one distribution center. We refer to this acquisition as the Marfrig Asset Acquisition. The total purchase price of the Marfrig Asset Acquisition is R$7.5 billion, subject to certain price adjustments set forth in the Marfrig SPAs. Pursuant to the Marfrig SPAs, the Marfrig Asset Acquisition is also subject to antitrust approval in several jurisdictions and certain other conditions.

Minerva S.A. has determined that the inclusion of *pro forma* financial statements of Minerva S.A. giving effect to the Marfrig Asset Acquisition or separate historical financial statements of the Marfrig Brazil and South America Operations would be required under Article 11 and Rule 3-05 of Regulation S-X of the Securities Act if the offering of the notes were registered with the SEC.

Under SEC rules, *pro forma* and historical financial statements are required to be included in a registration statement and prospectus for an acquisition that has not yet been consummated or that has been consummated not more than 74 days before the date of the prospectus if the business to be acquired exceeds the 50% level under at least one of three tests related to (1) the issuer's investment in the business to be acquired as a percentage of the aggregate worldwide market value of its common equity (in the case of Minerva S.A.) the "investment test"), (2) the issuer's proportionate share of the total assets of the business to be acquired as a percentage of its consolidated total assets (the "asset test") and (3) the lower of (i) the net income of the business to be acquired as a percentage of such income of the issuer (the "income test") and (ii) the consolidated total revenues (after intercompany eliminations) of the business to be acquired as a percentage of such revenues of the issuer (the "total revenues test"). Based on the purchase price, the Marfrig Asset Acquisition triggers the investment test above the 50% threshold amount. We do not, however, have the full information necessary to calculate the asset test or the lower of the income test or total revenue test.

In considering an investment in the notes offered hereby, you should be aware that we do not have the financial information that would be needed to prepare, and therefore have not included, any *pro forma* or historical financial statements reflecting the Marfrig Asset Acquisition in this offering memorandum.

For additional information, see "Summary—Recent Developments—Marfrig Asset Acquisition" and "Risk Factors—Risks Relating to the Marfrig Asset Acquisition."

Special Note Regarding Non-GAAP Financial Measures

The body of generally accepted accounting principles is commonly referred to as "GAAP." We have disclosed EBITDA, Adjusted EBITDA, Adjusted EBITDA margin and net debt in this offering memorandum, which are non-GAAP financial measures. See "Summary Financial and Other Information" and "Selected Financial and Other Information." We define EBITDA as net income before income and social contribution taxes, financial income (expenses) and depreciation and amortization. We define Adjusted EBITDA, a performance measure used by our management, as net income *plus* or *less* income taxes, impairment loss, financial expenses net of financial revenue and exchange gains or losses, depreciation and amortization, *plus* non-recurring items. We define Adjusted EBITDA margin as Adjusted EBITDA *divided by* net operating revenue. We define net debt as the sum of our current and non-current loans and financing *minus* cash and cash equivalents (including marketable securities). EBITDA, Adjusted EBITDA, Adjusted EBITDA margin and net debt are neither Brazilian GAAP, nor IFRS nor U.S. GAAP measurements, do not have standard definitions and are not comparable to similar measurements prepared by other companies. None of EBITDA, Adjusted EBITDA, Adjusted EBITDA margin or net debt should be considered by itself, or as an alternative to net income, as an indicator of our operating performance or as an alternative to cash flows, as an indicator of liquidity or our ability to pay outstanding indebtedness, which is comprised of current and non-current loans and financing. The non-GAAP financial measures disclosed in this offering memorandum are not a substitute for the GAAP measures of earnings, cash flows and liquidity, for which the initial purchasers have no responsibility.

We believe that disclosure of EBITDA, Adjusted EBITDA, Adjusted EBITDA margin and net debt provides useful information to investors, financial analysts and the public in their review of our operating performance and their comparison of our operating performance to the operating performance of other companies in the same industry and other industries.

A reconciliation of Adjusted EBITDA can be found elsewhere in this offering memorandum under "Summary Financial and Other Information" and "Selected Financial and Other Information."

Rounding

We have made rounding adjustments to reach some of the figures included in this offering memorandum. As a result, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them.

Market Share and Other Information

We have obtained the market and competitive position data, including market forecasts, used throughout this offering memorandum, from internal surveys, market research, publicly available information and industry publications. We include data from reports prepared by: ourselves, including through our research department, Minerva Foods Research; the Central Bank; the United States Department of Agriculture, or USDA; the Brazilian Geography and Statistics Institute (*Instituto Brasileiro de Geografia e Estatística*, or IBGE); the Brazilian National Economic and Social Development Bank (*Banco Nacional de Desenvolvimento Econômico e Social*), or BNDES; the Center for Advanced Studies on Applied Economics (*Centro de Estudos Avançados em Economia Aplicada*), or CEPEA; the Brazilian Secretary of External Commerce (*Secretaria de Comércio Exterior*), or SECEX; Ministry of Agriculture, Livestock and Fisheries (*Ministério de Agricultura, Ganadería y Pesca*), or MAGyP; the Paraguayan National Service for Animal Quality and Health (*Servicio Nacional de Calidad y Salud Animal*), or SENACSA; the Getúlio Vargas Foundation (*Fundação Getúlio Vargas*), or FGV; B3 S.A. – Brasil, Bolsa, Balcão – Segmento Cetip UTVM, or B3; World Beef Report; the Colombian Administrative Department of Statistics (*Departamento Administrativo Nacional de Estadística – Colombia*), or DANE; the Institute for the Promotion of Argentine Beef (*Instituto de Promoción de la Carne Vacuna Argentina*), or IPCVA; the Brazilian Ministry of Agriculture, Livestock and Supply (*Ministério da Agricultura, Pecuária e Abastecimento*), or MAPA; the World Health Organization for Animal Health, or OIE; the Good Food Institute; Image Processing and Geoprocessing Laboratory (*Laboratório de Processamento de Imagens e Geoprocessamento*), or LAPIG; the Food and Agriculture Organization of the United Nations, or FAO; the Organisation for Economic Co-operation Development, or OECD; the Natural Resources and Environment Institute (*Instituto Brasileiro do Meio Ambiente e de Recursos Naturais*), or IBAMA; and Meat & Livestock Australia, or the MLA. Industry publications, including those referenced here, generally state that the information presented therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and neither we nor the initial purchasers make any representations as to the accuracy of such information. Except as disclosed in this offering memorandum, we have not sought or obtained the consent of any of the abovementioned sources to include market data in this offering memorandum.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements. Some of the matters discussed concerning our business operations and financial performance include forward-looking statements within the meaning of the Securities Act or the Exchange Act.

Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates" and similar expressions are forward-looking statements. Although we believe that these forward-looking statements are based upon reasonable assumptions, these statements are subject to several risks and uncertainties and are made in light of information currently available to us.

Our forward-looking statements may be influenced by factors, including, without limitation, the following:

- global economic, political and social conditions, including, for example, the military conflict between Russia and Ukraine and the potential outbreaks of communicable diseases around the world, and their impacts on the global economy and consumer spending patterns, particularly in Brazil (including, but not limited to, unemployment rates, interest rates, monetary policies and inflation rates);
- the impact of pandemics and/or outbreaks of other similar diseases or threats to public health (including COVID-19) on the economy and business conditions in Brazil and elsewhere, as well as restrictive measures imposed by governmental authorities to combat the pandemic. Our ability to timely and efficiently implement any measures necessary to respond to, or to mitigate the impacts of such pandemics on our business, cash flow, prospects, liquidity and financial condition;
- the political instability related to the recent election of the President of Brazil, whose mandate began in 2023, including uncertainties in relation to the implementation by the new government of monetary, fiscal and social security policies and the political climate after the election, which has resulted in massive demonstrations and/or strikes;
- general economic, political, demographic and business conditions in Brazil and the other countries in which we operate and to which we export our products;
- fluctuations of interest rates, exchange rates and inflation in Brazil and the other countries in which we operate;
- developments in, or changes to, the laws, regulations and governmental policies governing our business, including sanitary, trade and cybersecurity regulations and environmental liabilities;
- current and future government policies, particularly with respect to tax legislation;
- health risks related to the industry in which we operate;
- the outbreak of any diseases affecting beef and other food products;
- future recalls or problems related to the consumption and safety of our products;
- fluctuations in the selling prices of our products;
- trends in our industry, including changes in production capacity and pricing;
- our management's expectations regarding our future financial performance, financing plans and the effects of competition and supply and demand for our products;
- our ability to implement and execute our operational, financial and growth strategies, including with respect to recent and potential acquisitions, and its effect on our capital structure;
- our ability to produce and deliver our products within the period required by our customers;
- changes in our customers' consumption patterns;
- our ability to maintain and improve our logistics;

- our ability to maintain our business relationships with our suppliers and employees;
- adverse outcomes of legal proceedings to which we are or may become a party;
- our level of indebtedness and the cost and availability of financing on terms acceptable to us;
- our capital expenditure plans; and
- the other factors discussed under “Risk Factors” in this offering memorandum.

Our forward-looking statements are not guarantees of future performance, and our actual results or other developments may differ materially from the expectations expressed in the forward-looking statements. As for forward-looking statements that relate to future financial results and other projections, actual results will differ due to the inherent uncertainty of estimates, forecasts and projections. Because of these uncertainties, potential investors should not rely on these forward-looking statements. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

EXCHANGE RATES

The Brazilian foreign exchange system allows the purchase and sale of foreign currency and the international transfer of *reais* by any person or legal entity, regardless of the amount, subject to certain regulatory procedures.

Since 1999, the Central Bank has allowed the U.S. dollar/*real* exchange rate to float freely, and, since then, the U.S. dollar/*real* exchange rate has fluctuated considerably.

In the past, the Central Bank has intervened occasionally to control unstable movements in foreign exchange rates. We cannot predict whether the Central Bank or the Brazilian government will continue to permit the *real* to float freely or will intervene in the exchange rate market through the return of a currency band system or otherwise. The *real* may depreciate or appreciate against the U.S. dollar substantially. Furthermore, Brazilian law provides that, whenever there is a serious imbalance in Brazil's balance of payments or there are substantial reasons to foresee a serious imbalance, temporary restrictions may be imposed on remittances of foreign capital abroad. We cannot assure you that such measures will not be taken by the Brazilian government in the future. See "Risk Factors—Risks Relating to Brazil—We are subject to fluctuations in exchange and interest rates."

The following table sets forth the period end, average, high and low Foreign Exchange Market selling rates published by the Central Bank on its electronic information system (*Sistema de Informações do Banco Central – SISBACEN*), expressed in *reais* per U.S. dollar for the periods and dates indicated. The information in the "Average" column for a fiscal year represents the average of the exchange rates each day during the years presented.

	Exchange Rates of R$ per U.S.$1.00			
	Period-End	**Average[(1)]**	**High**	**Low**
Year				
2018	3.875	3.884	3.933	3.829
2019	4.031	3.946	4.260	3.651
2020	5.197	5.158	5.937	4.021
2021	5.581	5.396	5.840	4.921
2022	5.218	5.166	5.704	4.618
Month				
March 2023	5.080	5.212	5.298	5.080
April 2023	5.001	5.020	5.083	4.910
May 2023	5.096	4.983	5.096	4.910
June 2023	4.819	4.852	5.035	4.770
July 2023	4.742	4.801	4.898	4.720
August 2023	4.922	4.904	4.985	4.775
September 2023 (through September 1)	4.932	4.932	4.932	4.932

Source: Central Bank.

(1) Calculated as the average of the daily exchange rates during the specific period.

SUMMARY

This summary highlights information contained elsewhere in this offering memorandum about our business, financial and operating data, our strengths, strategies and operating history. It does not contain all of the information that you should consider before making an investment decision in the notes. Before investing in the notes, you should read this offering memorandum in its entirety, including the information contained in "Risk Factors," "Selected Financial and Other Information," and "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as our Consolidated Financial Statements and their related notes, included elsewhere in this offering memorandum.

Overview

We are one of the leading Brazilian producers of fresh and frozen beef, industrialized protein products (including beef, pork and poultry), live cattle and cattle by-products (including treated leather and offal) according to data from SECEX. In addition, we are the leading exporters of beef in South America, with an export market share in South America of approximately 20% as of June 30, 2023 and as of December 31, 2022, based on our export volumes and data from SECEX, Penta-transaction, OCIT and Legiscomex. During the six-month period ended June 30, 2023 and year ended December 31, 2022, exports represented 64.3% and 68.6%, respectively, of our gross revenue.

As of the date of this offering memorandum, our cattle slaughtering and deboning operations are strategically located in six Brazilian states, as well as in Paraguay, Argentina, Uruguay, Colombia, which we believe enables us to minimize the risks relating to outbreaks of cattle infections and to adapt our exports to current market conditions. In addition, we own four industrial units for the production of sheep products in Australia. We further believe that the location of our processing facilities provides us with a competitive advantage over foreign competitors located in countries in which labor is more costly and less skilled and where costs relating to cattle and other raw materials are higher.

In addition to fresh and frozen beef, we produce industrialized beef products, such as canned beef products (cubed beef and roast beef) for sale primarily to supermarket chains in export markets, in addition to beef cuts sold in the domestic market. We also market and sell beef by-products, such as meat meal, bones, blood and tallow.

Moreover, through our distribution division, we resell and distribute in the domestic market a variety of products produced by third-parties (including vegetable, poultry, lamb and fish products, among others) to industrial food companies, retailers (primarily small- to medium-sized retailers) and other clients in the domestic industrial food processing industry.

The following table summarizes our main financial and operational information for the periods indicated:

	As of and for the Six-Month Period Ended June 30,			As of and for the Year Ended December 31,			
Consolidated Financial Information	**2023**	**2023**	**2022**	**2022**	**2022**	**2021**	**2020**
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)[1]	*(in millions of R$, except as otherwise indicated)*		*(in millions of U.S.$)*[1]	*(in millions of R$, except as otherwise indicated)*		
Gross sales revenue	3,023.3	14,569.3	16,589.9	6,826.7	32,897.9	28,572.3	20,554.3
Domestic market	1,079.1	5,200.1	4,864.8	2,146.6	10,344.3	9,260.2	6,688.8
% of gross revenue	35.7%	35.7%	29.3%	31.4%	31.4%	32.4%	32.5%
Export market	1,944.2	9,369.2	11,725.1	4,680.1	22,553.6	19,312.1	13,865.5
% of gross revenue	64.3%	64.3%	70.7%	68.6%	68.6%	67.6%	67.5%
Net operating revenue	2,834.2	13,658.0	15,700.9	6,428.3	30,977.8	26,965.4	19,406.3
Net income	48.7	234.7	539.3	135.9	655.1	598.9	697.1
Non-GAAP Measures and Operational Information							
Adjusted EBITDA (unaudited)[2]	286.3	1,379.6	1,424.0	643.3	3,100.2	2,413.2	2,142.8
Adjusted EBITDA margin (unaudited) (%)[3]	9.1%	9.1%	9.1%	10.0%	10.0%	8.9%	11.0%
Net debt (unaudited)[4]	1,597.0	7,696.2	6,603.6	1,389.3	6,695.0	6,102.7	5,180.6
Net debt/Adjusted EBITDA ratio (unaudited)[5]	2.76x	2.76x		2.16x	2.16x	2.53x	2.41x
Slaughter (in thousands of cattle)		1,857.0	1,910.2		3,749.3	3,572.2	3,173.5
Volume of sales (in thousands of tons)		602.3	597.4		1,223.7	1,161.0	1,051.8

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

(2) Adjusted EBITDA, a performance measure used by our management, is defined as net income *plus* or *less* income taxes, impairment loss, financial expenses net of financial revenue and exchange gains or losses, depreciation and amortization and non-recurring items. See "Summary Financial and Other Information" and "Selected Financial and Other Information" for further information about, and a reconciliation of income to, Adjusted EBITDA for the applicable periods.

(3) Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net operating revenue for the applicable year. For the six-month periods ended June 30, 2023 and 2022, Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net revenue for the six-month period ended on such date.

(4) Net debt is calculated as follows: the sum of our current and non-current loans and financing *less* cash and cash equivalents (including marketable securities). See "—Our Strategy—Expand Our Production Capacity in a Financially Disciplined Manner."

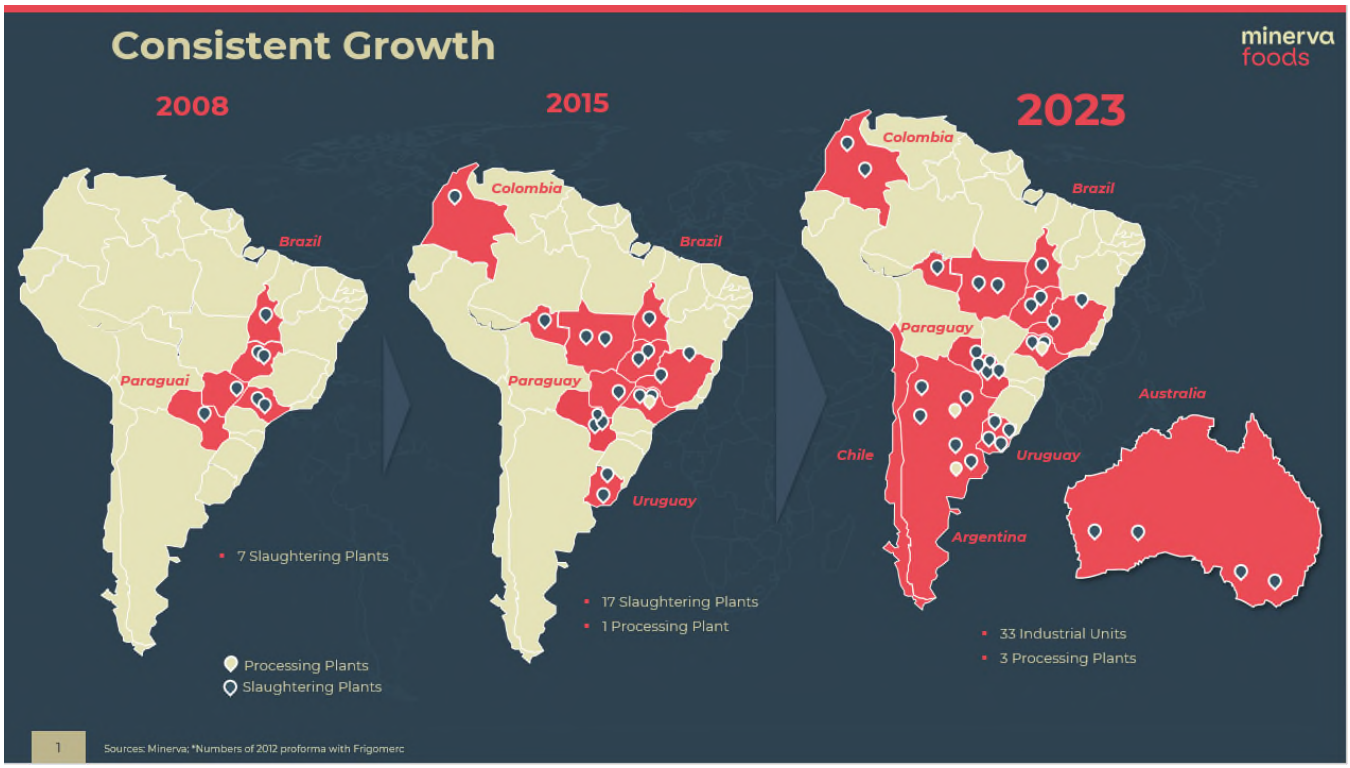
(5) Net debt/Adjusted EBITDA ratio is net debt as of the end of the period *divided by* Adjusted EBITDA for the prior twelve-month period.

Our Operations

As of the date of this offering memorandum, we have 32 processing facilities, three of which are protein processing plants (one located in Brazil and the other two in Argentina) and 25 of which are deboning and slaughtering plants, all located in South America, with ten plants strategically positioned across six Brazilian states, five plants in Paraguay in the cities of Asunción, San Antonio, Tablada and Belén; three plants in Uruguay in the cities of Melo, Canelones and Montevideo; five plants in Argentina in the cities of Rosario, Berazategui, Colonia Caroya, Venado Tuerto and Pontevedra; two plants in Colombia in the cities of Ciénaga de Oro and Bucaramanga and four plants in Australia, that exclusively produce lamb products, in the cities of Tammin, Esperance, Cola and Sunshine. Our facilities are geographically dispersed and are located in close proximity to the ports from which we export our products and to our main domestic markets. This geographic diversification is an essential aspect of our strategy, which we believe allows us to: (1) benefit from abundant pastures that reduce our dependence on agricultural commodities for cattle feed, therefore reducing our exposure to variations in grain prices (principally corn and soy), (2) minimize our raw material acquisition costs, and (3) minimize the risk of illness in the cattle we purchase. Our plants in Australia complement our operations in South America, maximizing commercial opportunities and operational synergies, reducing risks and contributing to our consolidation strategy in the export market.

As of June 30, 2023, our processing facilities had a total daily slaughter capacity of 29,540 head of cattle.

The following map presents the geographic growth of our processing facilities between 2008 and the date of this offering memorandum:



Note: Includes BPU operations acquired as of August 31, 2023. Does not include the Marfrig Brazil and South America Operations.

Our processing facilities use modern equipment that we believe meets the highest standards of sanitary and safety control. These factors, in conjunction with the work of our research and development department, allow us to produce customized and high-value-added products to meet the needs of our customers in the food-service industry, which has experienced increased growth rates in the internal markets in South America.

We believe that we manage a very efficient logistics network, using various channels that allow us to reach a wide spectrum of customers in domestic and export markets. Our focus is on reaching small- and medium-sized retailers and food services clients, which we believe allows us to obtain higher margins. We believe that our diversified logistics infrastructure provides us with the flexibility required to benefit from fluctuations in demand and prices, contributing to our strategy of maximizing our margins.

We export our products to approximately 100 countries. We focus principally on developing countries through our sales offices located in Chile, the United States, Algeria, Lebanon, Russia, Italy, China, Egypt, United Kingdom, Taiwan, Australia and Dubai.

In the Brazilian domestic market, we offer a "one-stop-shop" concept through which we serve approximately 50,000 clients, offering several types of frozen or chilled perishable products produced by us or supplied by third parties (including poultry, pork, fish, French fries and frozen vegetables, among others). We focus on small- and medium-sized retailers and food services clients through a distribution network present in Brazil's Federal District and the Brazilian states of São Paulo, Ceará, Pernambuco, Minas Gerais, Goiás, Santa Catarina and Espírito Santo, as well as in Paraguay, Argentina and Chile. We believe that this strategy results in increased loyalty of our customers and extends the reach of our products.

Our controlling shareholder has been active in the Brazilian cattle industry for over 60 years, developing relationships with and gaining the confidence of our principal suppliers. We currently work with approximately 25,000 registered ranchers. We develop these relationships mainly by sharing knowledge and using social media, which helps to reduce the information imbalance between agents. Furthermore, we offer a wide range of support to our suppliers, including financial instruments, such as term contracts, minimum pricing and financing for selected suppliers, in addition to providing periodic market reports (regarding grains, climate and technology).

We have a sophisticated risk management structure, which we refer to as our "Beef Desk," a group that meets daily with representatives from our sales, planning and production, cattle purchasing, treasury and market research areas. At these daily meetings, we discuss the risks and opportunities of market arbitrage, mitigate the effects of various risk factors and optimize our financial and operational results.

Our Strengths

Strong Growth Aligned with a Consistent Strategy and Efficient Risk Management

Over the last thirteen years, we have invested significantly in the expansion of our production capacity, raising our daily slaughter capacity from 8,940 head of cattle per day as of December 31, 2010 to 29,540 head of cattle as of June 30, 2023, a compound annual growth rate, or CAGR, of 9.6%. We have also invested significantly in the expansion of our distribution network and in the diversification of our product portfolio. As a result, our net operating revenue has grown from R$3.4 billion in 2010 to R$28.9 billion in the twelve-month period ended June 30, 2023, a CAGR of 17.9%.

We make investments in accordance with a defined strategic plan that focuses on production platforms in South American countries without sanitary risk. As of the date of this offering memorandum, our processing facilities are strategically located in six Brazilian states as well as in Paraguay, Argentina, Uruguay and Colombia. Geographic diversification is an important tool for mitigating sanitary risks and reducing concentration of our supply base.

In addition, in 2021, we entered the Australian market through the acquisition of Shark Lake and Great Eastern Abattoir; specialized sheep slaughterhouses located on the west coast of Australia. In 2022, we continued our expansion in the Australian market, acquiring Australian Lamb Company Pty, or ALC, one of the main sheep processors in Australia. ALC had two cold storage units in the state of Victoria which, collectively with the Shark Lake and Great Eastern Abattoir units acquired in 2021, make up approximately 15% of the total sheep slaughter in the Australian market according to the MLA in July 2022. For additional information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditures."

As of the date of this offering memorandum, Australia is the largest global exporter of processed sheep according to the MLA in July 2023, and is recognized worldwide for the tradition and quality of its products, as well as access to high-growth destinations such as Asia and the Middle East, but also premium markets such as the United States, Europe, Japan and South

Korea, among others. The acquisition of our Australian operations is consistent with our strategic direction, complements our operations in South America maximizing commercial opportunities and operational synergies, reduces risks and contributes to our consolidation strategy in the export market and to our financial discipline.

During this period of rapid expansion, we have sought to maintain a balanced capital structure, using funding sources such as our own capital (including the net proceeds from our initial offering of common shares in 2007, our capital increase in 2009, our mandatorily convertible debentures in 2011, our follow-on offering of common shares in 2012, a private investment in our company in 2016, a capital increase in 2018 and our January 2020 Offering (see "—Our History and Corporate Structure—History")), as well as long-term financing from third parties (including our notes issued in the international capital markets and maturing in 2026, 2028 and 2031), always aiming to maintain a minimum cash balance sufficient to purchase raw materials for at least a two-month period and repay our short-term debt. This financial discipline has allowed us to maintain stability during the 2008 global economic crisis and the COVID-19 pandemic.

In addition, we adhere to a conservative risk management policy, comprised of daily meetings of our "Beef Desk," during which we make all material operational, commercial and financial decisions. At these meetings, we consider all of our short-term risks and opportunities in order to generate margins that we believe best take advantage of market conditions. For more information about our risk management, see "Business—Compliance and Risk Management."

We believe that the results of implementing and consistently following our strategy over the years are reflected in the growth of our operating results, primarily through our: (1) stable operating margins (Adjusted EBITDA margin was 9.1%, 9.1%, 10.0%, 8.9% and 11.0% in the six-month period ended June 30, 2023 and 2022, and in the years ended December 31, 2022, 2021 and 2020, respectively); (2) consistently increased net operating revenue, growing from R$3.4 billion in 2010 to R$28.9 billion in the twelve-month period ended June 30, 2023, representing a CAGR of 17.9%; and (3) reduced working capital funding needs. In addition, we reached a 12.3 cash conversion cycle as of June 30, 2023, which we believe to be a benchmark for our sector. Notwithstanding the above, we cannot assure you that our future results, levels of activity, performance or achievement will remain at the same or higher levels.

Efficiency and Return on Capital

Our production platform, financial discipline and careful planning of investments to expand have allowed us to maintain our high capacity utilization rates, even during periods of significant expansion of our capacity. We believe that we are among the most efficient companies in our sector due to our: (1) increased operating margins; (2) high utilization of our production capacity, as demonstrated by our average slaughtering capacity utilization of 78.4% in the six-month period ended June 30, 2023 and 76.1% in the year ended December 31, 2022; and (3) working capital management. Our operating efficiency combined with our differentiated risk management generally results in increased generation of operating cash and net cash per share. In the six-month period ended June 30, 2023 and the year ended December 31, 2022, we generated cash from our operations of R$570.0 million and R$3,134.7 million, respectively.

Strategically Located Operations

We have a highly diversified operating base. As of the date of this offering memorandum, we have 32 processing facilities, three of which are protein processing plants (one located in Brazil and the other two in Argentina) and 29 of which are deboning and slaughtering plants strategically located in the Brazilian states of Goiás, Mato Grosso, Rondônia, São Paulo, Tocantins and Minas Gerais and the cities of: Asunción, San Antonio, Tablada and Belén in Paraguay; Melo, Canelones and Montevideo in Uruguay; Rosario, Berazategui, Colonia Caroya, Venado Tuerto and Pontevedra in Argentina; Ciénaga de Oro and Bucaramanga in Colombia; and Tammin, Esperance, Cola and Sunshine in Australia, are geographically dispersed and are located in close proximity to the ports from which our products are exported (notably the ports of Santos and Montevideo) and our main domestic markets. The geographic dispersion also helps us manage sanitary risks and extend our supply network, which is composed of a base of over 25,000 ranchers, focused on small- and medium-sized producers. Our processing facilities are also located near our cattle suppliers (within an average distance of 300 kilometers).

On October 2, 2012, we completed the acquisition of Frigomerc S.A., or Frigomerc, a company based in the city of Asunción, Paraguay, which is mainly active in producing, selling, importing and exporting agricultural products, primarily beef. This acquisition reinforced our strategic focus on South America generally.

Since the beginning of 2014, we have taken important steps to geographically diversify our operations:

- In October 2014, we acquired two cattle slaughtering and deboning plants, Várzea Grande and Mirassol D'Oeste, from BRF S.A., or BRF, in exchange for 29 million of our common shares (equivalent to 16.8% of our total capital

stock at the time or 15.2% after taking into consideration the conversion of our convertible debentures into our common shares on June 15, 2015).

- In February 2014, we completed the acquisition of a slaughtering and deboning facility in the city of Janaúba, Minas Gerais, at a total cost of R$40.0 million, through a judicial auction of the assets of Frigorífico Kaiowa S.A. This plant has an estimated daily slaughter capacity of approximately 900 head of cattle and is located in the state of Minas Gerais, the Brazilian state with the second largest total cattle herd.

- In May 2014, we completed the acquisition of 100% of the shares of Frigorífico Matadero Carrasco S.A., or Frigorífico Carrasco, a leading Uruguayan producer of fresh beef, live cattle and cattle by-products. The total cost of this acquisition was U.S.$37.0 million. Frigorífico Carrasco has a cattle slaughtering and processing plant in Montevideo and is a well-known brand in the Uruguayan market. This plant has a daily slaughter capacity of approximately 900 head of cattle. The acquisition of Frigorífico Carrasco has created synergy gains with our existing Uruguayan plant (Frigorífico Pul), primarily in certain administrative areas, as well as in centralizing cattle purchasing and distribution channels.

- In August 2015, we completed the acquisition of the Red Cárnica plant located in the city of Ciénaga de Oro in the Córdoba region of Colombia, which has a daily slaughter and deboning capacity of approximately 850 head of cattle and export capabilities to the Middle East, Russia, Hong Kong, Venezuela, Peru and Angola, among other countries and regions. The total cost of this acquisition was U.S.$30 million. Also in August 2015, we initiated operations at our third plant in Paraguay (Expacar), which we lease. Our Expacar plant has a daily slaughter capacity of 600 head of cattle.

- In July 2017, our subsidiaries, Pul Argentina S.A., Frigomerc S.A. and Pulsa S.A., completed the acquisition of JBS Paraguay S.A. (which we subsequently renamed BEEF Paraguay S.A.), Indústria Paraguaya Frigorifica S.A., Frigorifico Canelones S.A. and JBS Argentina S.A. (which we subsequently renamed Swift Argentina S.A.) (together, the "Mercosur Assets"), companies which were previously owned by JBS S.A. and JBS Handels GmbH. A total of nine deboning and slaughtering plants (five in Argentina, three in Paraguay and one in Uruguay) were acquired, in addition to two protein processing facilities and a distribution center in Argentina.

- In January 2019, we entered into an agreement with Marfrig whereby we received a cattle slaughtering and deboning plant in Paranatinga, together with a payment of R$46.0 million from Marfrig, in exchange for our cattle slaughtering and deboning plant located in Várzea Grande. Both are located in the state of Mato Grosso, a state with the largest cattle herd in Brazil. These two plants have a slaughtering capacity of 2,600 head of cattle per day.

- In August 2020, Athena Foods acquired a deboning and slaughtering plant in Colombia from Frigorifico Vijagual S.A., located at Bucaramanga, for approximately U.S.$26.0 million. This plant has a slaughtering capacity of 700 head of cattle per day and commenced operations in September 2020.

- In August 2021, we acquired two sheep-focused deboning and slaughtering plants in Australia. Moreover, in October 2022, we acquired from ALC two additional sheep-focused meatpacking plants in Australia located in the cities of Sunshine and Colac. These plants have a consolidated slaughtering capacity of 19,216 head of cattle per day.

As a result of these acquisitions, we increased our daily slaughtering capacity of bovines by 157.3% from 11,480 head of cattle per day as of December 31, 2012 to 29,540 head of cattle per day as of June 30, 2023.

Efficient and Integrated Distribution Logistics

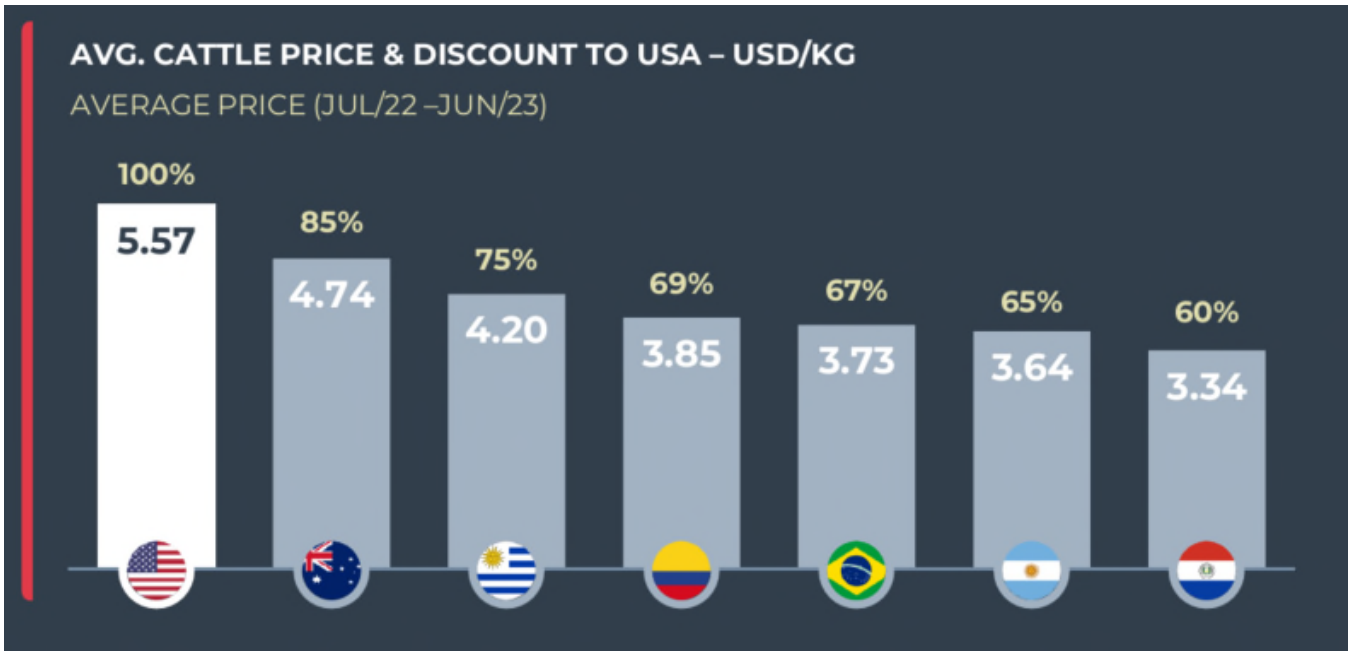
We believe that our efficient and integrated distribution logistics system allows us to target the most attractive markets and provides us flexibility to take advantage of changes in product demand and cattle prices by focusing on increasing our sales of higher-margin products.

We believe that our logistics network for exports, which includes using third-party private storage, transportation services and insurance and our strong relationships with ship owners and ports in Brazil, gives us the necessary operating efficiency to ensure that our high-quality products are delivered on a timely basis. We export most of our products on a CIF (cost, insurance and freight) basis, utilizing break-bulk (charters) and containers that enable us to obtain economies of scale in negotiating freight, storage and insurance for our products. We export our products directly to our end customers at the final points of destination in order to avoid payment of fees and other costs payable to trading companies and other intermediaries.

Also, we believe our highly efficient and flexible logistics network allows us to sell our frozen and chilled beef products to many different export markets around the world, including in Europe, the Middle East, Africa and Asia.

In addition, we believe that we have an efficient logistics network serving the domestic market, which allows us to reach the retail market through our eleven distribution centers located throughout Brazil. We have adopted a "one-stop-shop" concept through which we serve approximately 50,000 small- and medium-sized retail customers in Brazil, offering several types of frozen or chilled perishable products produced by us or supplied by third parties (including poultry, pork, fish, French fries and frozen vegetables, among other products). We seek to enhance customer loyalty through regular and efficient deliveries that allow us to operate with higher margins.

The below graph sets forth the average cattle price and discount of the beef sector in certain countries relative to the United States, measured in U.S. dollars per kilogram.



Sources: Worldwide Business Research, CCDH, INAC, CEPEA and Central Medellin.

Experienced Management and Differentiated Management Strategy

Our controlling shareholder has been active in the Brazilian cattle sector since 1957, the year in which the Vilela de Queiroz family (currently one of our controlling shareholders through VDQ Holding S.A., or VDQ, became active in the breeding and transportation of cattle and began developing an enduring relationship with important players in the Brazilian livestock sector. Our first acquisition of a slaughter and deboning facility occurred in 1992 with the purchase of the then-bankrupt industrial-refrigeration company, Minerva, in the city of Barretos, in the state of São Paulo.

During our controlling shareholder's more than 62 years of experience in the cattle industry and our 27 years of experience in industrial food processing, we have become the third largest processor of beef in terms of slaughter capacity in Brazil and the second largest exporter of fresh beef in Brazil, and market leader in terms of exports in Paraguay, Colombia and Argentina, according to information from SECEX, IPCVA, DANE and SENACSA.

Furthermore, we believe that we follow best practices in our sector in terms of operating efficiency, risk management and financial discipline, fostering our ability to attract and retain highly qualified and recognized professionals. We currently have approximately 23,000 employees.

Our Strategy

Expand Our Production Capacity in a Financially Disciplined Manner

Since 2010, we have invested approximately R$6.5 billion in the expansion of our production capacity and in the diversification of our product mix, through selective acquisitions and the construction of new processing facilities, increasing

our production capacity and modernizing all of our plants. The focus of our growth strategy has been guided by the sourcing of our raw materials in Brazil and elsewhere in the main producing regions such as South America and Australia. We have undertaken strategic investments in order to mitigate risks and diversify our portfolio, while maintaining high standards of productivity, quality and food safety.

Given that some of these investments are still not mature, our financial leverage has increased over time. As of June 30, 2023, our consolidated total debt was R$13,893.4 million. Our non-current loans and financing comprised 76.6% of our total loans and financing as of June 30, 2023.

We expect to continue to reduce our financial leveraging by: (1) generating free cash flows from operations; and (2) generating higher EBITDA as the investments we have made continue to mature.

In addition, we will continue to focus on efficiently managing our working capital, managing risks and generating free cash flows. We also intend to leverage our experience in acquisitions to continue participating in the consolidation of the main global beef markets, without compromising our financial stability or profitability.

Expand Our Domestic and International Customer Base

We seek to continue to strengthen our domestic and international customer base through superior service and quality as well as adding value to our domestic distribution process through increased offerings of our own and third-party products.

We believe there are considerable opportunities to increase our market share in emerging markets with higher levels of beef consumption, as well as to raise our exposure in the South American domestic markets through the opening of new distribution centers that allow us to increase our sales of fresh beef and processed products in addition to food-service channels.

Enhance Operating Efficiencies and Lower Operating Costs

We are committed to maintaining our position as a low-cost producer of beef and beef by-products. We have implemented internal controls and state-of-the-art software systems in all of our facilities in order to increase our overall operating efficiency. We inform our employees regarding our low-cost strategy and offer variable compensation based on higher productivity and capacity utilization rates. We believe that our average slaughtering capacity utilization is among the highest in our sector. We intend to continue to focus on maintaining our operating efficiencies, modernizing our plants, reducing our operating costs, increasing our economies of scale and integrating our logistics network.

Our History and Corporate Structure

History

Our history demonstrates our consistent and sustainable growth over the years, from our early experiences transporting and raising cattle, through our controlling shareholder VDQ, since 1957, through our entry into the field of industrial refrigeration. Below are some highlights of our history:

1992 The Vilela de Queiroz family acquired Frigorífico Minerva do Brasil S.A., in the city of Barretos, state of São Paulo (our current headquarters) on March 9, 1992. In addition, we established Indústria e Comércio de Carnes Minerva Ltda.

1998 We initiated operations at our distribution centers in the city of Jundiaí, Cajamar, São Bernardo and São Paulo, all in the state of São Paulo.

1999 We leased and later acquired a slaughterhouse and processing facility in the city of José Bonifácio, state of São Paulo.

2004 We concluded the construction of a new slaughtering and deboning facility in the city of Palmeiras de Goiás, in the state of Goiás. In addition, we began operations at our distribution center in Olímpia, in the state of São Paulo, which in 2010 was transferred to the city of Araraquara, in the state of São Paulo.

2006 We entered into a lease agreement for a slaughtering and deboning facility in the city of Batayporã, in the state of Mato Grosso do Sul.

2007 We began construction of the unit of Rolim de Moura, in the state of Rondônia. We purchased processing facilities in the States of Tocantins and Pará. We began operations at a distribution center in Palmeiras de Goiás,

in the state of Goiás. We conducted an initial public offering of our common shares on the *Novo Mercado* segment of the B3 (formerly the BM&FBOVESPA), using the name "Minerva S.A." We also issued notes in the international capital markets in an aggregate principal amount of U.S.$200.0 million due 2017. We also opened sales offices in Russia, Lebanon, Algeria, Chile and Iran (the latter of which we closed in 2008).

2008 In February 2008, we acquired 100% of the equity of Lord Meat Ltda., a company that owned a slaughterhouse located in the city of Goianésia, in the state of Goiás, which was subsequently merged into our company. We began operating a distribution center in the city of Itajaí, in the state of Santa Catarina, and in the city of Viana, in the state of Espírito Santo. We acquired 70% of the capital stock of Friasa S.A. or Friasa, a Paraguayan company that owns a slaughterhouse located in the city of Asunción, in Paraguay. We opened a sales office in Saudi Arabia.

2009 We began operating our distribution center in the city of Araguaína, in the state of Tocantins. We commenced deboning operations at our plant in the city of Rolim de Moura, state of Rondônia. Our shareholders approved an increase in our capital stock in the aggregate amount of R$159.0 million through their subscription of 30 million newly issued common shares.

2010 We purchased a slaughtering facility in the city of Campina Verde, in the state of Minas Gerais. We began operating our distribution centers in the Federal District of Brasília and in Bauru, in the state of São Paulo. We opened a cattle confinement area in the city of Araguaína, in the state of Tocantins. We purchased additional shares of Friasa, increasing our participation to 92% of its capital stock. We incorporated our subsidiary Redi Neto. We began slaughter operations in Rolim de Moura. We issued notes in the international capital markets in an aggregate principal amount of U.S.$250.0 million due 2019, and we completed an exchange offer to enable holders to tender their notes due 2017 for our notes due 2019. We opened our sales offices in Italy and Chile. We increased our stake in our subsidiary Minerva Dawn Farms Indústria e Comércio de Proteínas S.A. from 50% to 80%.

2011 We purchased Pulsa S.A., or Pulsa, owner of Frigorífico Pul, a company in Uruguay. We launched our Level 1 American Depositary Receipt, or ADR, Program. We began operating our distribution centers in the city of Belo Horizonte, in the state of Minas Gerais, and in the city of Fortaleza, in the state of Ceará. In acquiring Pulsa we also acquired a sales office in the United States. We also opened a sales office in Colombia and issued our mandatorily convertible debentures due 2015, in an aggregate principal amount of R$200.0 million and re-purchased 27,767,678 subscription warrants.

2012 In February and March 2012, we issued notes in the international capital markets in an aggregate principal amount of U.S.$450.0 million due 2022, or the 2022 notes. In August 2012, we presented our new brand identity (unifying all of the companies within our group under one concept), which came to incorporate the logo "MinervaFoods" into each of the brands of our group, notably Minerva, Pulsa, and Friasa. In October, we acquired 99.9% of Frigomerc, a company based in Paraguay. In December 2012, we and our controlling shareholder conducted a follow-on equity offering of 45,262,900 of our common shares for the total amount of R$497.9 million. In December 2012, we increased our stake in Brascasing Comercial Ltda., or Brascasing, from 55% to our current 100%, for a purchase price of U.S.$1.8 million.

2013 In January 2013, we exercised the early redemption option in full for all of our unsecured non- convertible debentures issued on July 7, 2010 in an aggregate principal amount of R$200.0 million, which were guaranteed by VDQ, and we issued notes in the international capital markets in an aggregate principal amount of U.S.$850.0 million due 2023. In February 2013, we concluded our cash tender offers for: (1) our 9.50% notes due 2017, of which R$21.0 million, or 32%, of the 2017 notes outstanding, were tendered, (2) our 10.875% notes due 2019, of which R$625.5 million, or 85%, of the 2019 notes outstanding, were tendered, and (3) our 12.250% 2022 notes, of which R$629.7 million, or 71%, of the 2022 notes outstanding, were tendered. In May 2013, we increased our equity stake in Friasa from 92% to 99.99%, for a purchase price of U.S.$4.2 million. In June 2013, we issued debentures in an aggregate principal amount of R$300.0 million, maturing on June 15, 2018. In the second quarter of 2013, we inaugurated two distribution centers located in the Brazilian states of Rondônia and Minas Gerais. In September 2013, the International Finance Corporation, or IFC, acquired 4.3 million of our common shares held in treasury, which represented 2.93% of our capital stock, for R$46.9 million. This sale was conducted through a public auction of our common shares listed on the São Paulo stock exchange. In September, we also entered into a loan agreement with the IFC in the aggregate principal amount of R$137.7 million, which was disbursed on October 24, 2013.

2014 In October 2014, we acquired two slaughtering and deboning plants from BRF, Várzea Grande and Mirassol D'Oeste, in exchange for 29 million of our common shares (equivalent to 16.8% of our total capital stock at the time or 15.2% after taking into consideration the conversion of our convertible debentures into our common shares on June 15, 2015). Both plants are located in the state of Mato Grosso. In February 2014, we completed our acquisition of a cattle slaughtering and deboning facility in the city of Janaúba, Minas Gerais, for R$40.0 million, through a judicial auction of the assets of Frigorífico Kaiowa S.A. The plant has an estimated daily slaughter capacity of approximately 900 head of cattle. In May 2014, we completed the acquisition of 100% of the shares of Frigorífico Carrasco, a leading Uruguayan producer of fresh beef. The total cost of this acquisition was U.S.$37.0 million. Frigorífico Carrasco has a cattle slaughtering and processing plant in Montevideo and a well- known brand in the Uruguayan market.

2015 In August 2015, we completed the acquisition of the Red Cárnica plant located in the city of Ciénaga de Oro in the Córdoba region of Colombia, which has a daily slaughter and deboning capacity of approximately 850 head of cattle and export capabilities to the Middle East, Russia, Hong Kong, Venezuela, Peru and Angola, among other countries and regions. The total cost of this acquisition was U.S.$30 million. Also in August 2015, we initiated operations at our third plant in Paraguay (Expacar), which we lease. Our Expacar plant has a daily slaughter capacity of 600 head of cattle.

In December 2015, our controlling shareholder, VDQ, entered into an investment agreement with SALIC (UK) Limited, a limited liability company incorporated in London, the United Kingdom and controlled by the Saudi Agricultural and Livestock Investment Company, pursuant to which SALIC (UK) Limited agreed to acquire 19.95% of our outstanding equity capital.

2016 In February 2016, we acquired Intermeat – Assessoria e Comércio Ltda., or Intermeat. Located in the city of São Paulo, state of São Paulo, Intermeat primarily provides consulting and advisory services to the beef industry in relation to foreign trade. In addition to acquiring Intermeat, we also formed Minerva Comercializadora de Energia Ltda. Located in the city of São Paulo, state of São Paulo, this subsidiary is primarily engaged in electricity trading.

Also in the first half of 2016, our shareholders approved at an extraordinary meeting an increase in our equity capital in the aggregate amount of R$746.5 million through the issuance of 47,850,097 common shares at a price per share of R$15.60 (representing 19.95% of our equity capital), the entirety of which was acquired by SALIC (UK) Limited.

2017 In January 2017, we organized a new subsidiary in England, Minerva Europe Ltd, in order to provide consulting services and export assistance.

In July 2017, our subsidiaries, Pul Argentina S.A., Frigomerc S.A. and Pulsa S.A., acquired a direct and indirect equity interest representing 100% of the capital stock of JBS Paraguay S.A. (which we subsequently renamed BEEF Paraguay S.A. in October 2019), Indústria Paraguaya Frigorifica S.A., Frigorifico Canelones S.A. and JBS Argentina S.A. (which we subsequently renamed Swift Argentina S.A.), in the amount of U.S.$300 million, previously held by JBS S.A. and JBS Handels Gmbh, pursuant to a purchase and sale agreement entered into on June 5, 2017. A total of nine deboning and slaughtering plants (five in Argentina, three in Paraguay and one in Uruguay) were acquired, in addition to two protein processing facilities and a distribution center in Argentina. In October 2017, we changed the name of JBS Argentina S.A. to "Swift Argentina S.A."

2018 On July 5, 2018, we formed our subsidiary Athena Foods S.A., or Athena Foods, with headquarters in Santiago, Chile. Athena Foods holds all our operations outside of Brazil. The following entities are direct subsidiaries of Athena Foods: Pulsa S.A and Frigorífico Carrasco S.A in Uruguay; Frigomerc S.A in Paraguay; Pul Argentina S.A in Argentina; Red Cárnica S.A.S. and Red Industrial Colombiana S.A.S in Colombia and Minerva Foods Chile SPA in Chile.

In December 2018, our board of directors approved, and we concluded, a private capital increase in an amount of R$965 million, with certain of our existing shareholders exercising their preemptive rights.

2019 In January 2019, we entered into an agreement with Marfrig whereby we received a cattle slaughtering and deboning plant in Paranatinga, in the state of Mato Grosso, together with a payment of R$46.0 million, in exchange for our cattle slaughtering and deboning plant in Várzea Grande. The Paranatinga facility has a slaughtering capacity of 1,500 head of cattle per day.

In October 2019, we changed the name of JBS Paraguay S.A. to "BEEF Paraguay S.A." We also entered into a memorandum of understanding, or the MOU, with the Chinese representatives Xuefang Chen and Wenbo Ge to explore commercial opportunities in the Chinese markets, particularly with respect to importing and distributing beef in China.

In October, November and December 2019, our board of directors approved private capital increases in the amounts of R$0.8 million, R$7.8 million and R$163.4 million, respectively, with existing shareholders exercising their preemptive rights.

In December 2019, we terminated our operations at the slaughtering and deboning facility in the city of Batayporã in the state of Mato Grosso do Sul and liquidated two subsidiaries, Friasa S.A. and Intermeat Assessoria e Comércio Ltda.

2020 In January 2020, we and VDQ, our controlling shareholder, conducted the January 2020 Offering, a follow-on equity offering of 95,000,000 of our common shares, consisting of 80,000,000 newly issued common shares sold by us and 15,000,000 existing common shares sold by VDQ, for a total amount of R$1,235.0 million.

In August 2020, we acquired a deboning and slaughtering plant from Frigorifico Vijagual S.A. in Colombia for approximately R$26.0 million. This plant has a slaughtering capacity of 700 head per day and commenced operations in September 2020.

In October 2020, we announced an investment of U.S.$4.0 million in Clara Foods Co., or Clara Foods, our first venture capital investment. Clara Foods is an innovative start up that develops protein products through fermentation and the use of animal by-products. One of Clara Foods' early investors is IndieBio, a leading science accelerator devoted to biology start-ups.

In addition, over the course of 2020, our board of directors approved monthly private capital increases in an aggregate amount of R$410.8 million, in each case with existing shareholders exercising their preemptive rights.

2021 In January and February 2021, our board of directors approved private capital increases in the amounts of R$7.4 million and R$0.3 million, respectively, with existing shareholders exercising their preemptive rights.

In February 2021, we and SALIC (UK) Limited executed a supply agreement for the sale and export of our products to SALIC. Under the terms of this agreement, SALIC (UK) Limited may purchase up to 25,000 tons of our products per year. Also in February 2021, we entered into a non-binding memorandum of understanding with SALIC (UK) Limited to consider potential asset acquisitions and establish a joint venture with the purpose of raising, processing and exporting sheep and cattle in Australia, or the SALIC MOU.

On February 1, 2021, we reported that we had repurchased on the open market U.S.$20,718,000 in aggregate principal amount of our 5.875% senior notes due 2028, or the 2028 Notes, which we then cancelled. On May 4, 2021, we reported that we had repurchased on the open market U.S.$41,180,000 in aggregate principal amount of the 2028 Notes.

On March 9, 2021, we announced an investment agreement with Shopper. Shopper.com.br is an online platform used for the purchase and restocking of household items, such as food, cleaning and personal hygiene products through its unique business model, that offers greater productivity and efficiency in the distribution chain. We intend to invest R$29 million in Shopper, leading the startup's new funding round (Series B), which will total R$120 million.

On March 15, 2021, we purchased U.S.$911,719,000 in aggregate principal amount of our 6.500% notes due 2026, or the 2026 Notes, pursuant to a tender offer. On April 30, 2021, we redeemed all of our outstanding 2026 Notes pursuant to our exercise of a call option.

On March 16, 2021, we announced that we signed a memorandum of understanding with Amyris, Inc., a Nasdaq-listed biotechnology company, aimed at creating a joint venture that will focus on the development of several new products, especially, in the recombinant protein segment through the fermentation process and animal-free protein, including naturally fermented preservatives that allow for significant changes in the process of beef storing and transporting. The molecules fermentation process is one of the most advanced and efficient alternatives in the search for a food production model that causes less carbon impact and therefore contributes to the sustainability of our planet. We plan to make an initial investment of U.S.$5 million in the joint venture, provide its distribution channels and access to the market, and develop its go-to-market strategy. We will have an

initial stake of 60% in the joint venture's total share capital. We expect that the first initiative of this partnership will be market ready within 18 months, while another four products remain in the initial research and development phase.

On March 18, 2021, we completed the initial issuance of senior unsecured guaranteed notes due 2031, or the 2031 Notes, in the international capital markets in an aggregate principal amount of U.S.$1,000.0 million. On July 6, 2021, we issued additional notes in a reopening of the 2031 Notes in an aggregate principal amount of U.S.$400.0 million.

On April 15, May 13 and June 15, 2021, our board of directors approved capital increases. As a result, the aggregate amount of our issued and outstanding capital stock increased to R$1,371.4 million, represented by 549,634,220 common shares, without par value.

On April 16, 2021, we concluded our tenth issuance of unsecured debentures in two tranches in an aggregate principal amount of R$1.6 billion.

On May 4, 2021, we reported that we had repurchased on the open market U.S.$41,180,000 in aggregate principal amount of the 2028 Notes.

On June 1, 2021, our Sustainability and Innovation Advisory Board convened for the first time. This advisory board is responsible for monitoring and deliberating practices related to socio-environmental sustainability, corporate governance and innovation in order to increase the transparency, efficiency and assertiveness of our initiatives.

In August 2021, we announced the acquisition of two sheep-focused deboning and slaughtering plants in Australia.

In September 2021, as part of our corporate venture capital initiatives, we announced an investment in Traive, a company that seeks to offer financial solutions for small and medium-sized rural producers.

2022 In March 2022, we entered into a memorandum of understanding with Biofílica Ambipar Environmental Investments S.A., establishing the main terms and conditions of a partnership for the development of carbon projects along the agribusiness production chain in South America, excluding Brazil and Peru.

In March 2022, we reported that we had repurchased in the open market U.S.$89.4 million in aggregate principal amount of the 2028 Notes and U.S.$42.2 million in aggregate principal amount of the 2031 Notes. In addition, in July 2022, we reported that we had repurchased in the open market U.S.$12.8 million in aggregate principal amount of the 2028 Notes and U.S.$55.9 million in aggregate principal amount of the 2031 Notes.

In July 2022, we entered into a supply agreement with Hilton Food Solutions, the protein division of Hilton Food Group PLC, in order to expand our beef supply operations in the food service, processed food industry and retail segments in the United Kingdom.

In July 2022, we concluded our twelfth issuance of unsecured debentures in an aggregate principal amount of R$1.5 billion.

In July 2022, we initiated our fresh beef export shipments to Canada, an important global importer of beef

In October 2022, our board of directors approved our acquisition of two additional sheep-focused meatpacking plants in Australia, increasing the number of our plants in the country from two to four. We also announced an investment of U.S.$5.0 million in Liv Up, a Brazilian foodtech company specialized in ready-to-eat and healthy meals.

2023 In January 2023, we announced that six of our Brazilian plants received approval to export beef to Indonesia. These plants have an aggregate slaughtering capacity of more than 8,000 heads/day. With approximately 275 million inhabitants, Indonesia is one of the largest consumer markets for Halal certified beef in the world according to FAMBRAS Halal in 2023, which we believe has significant growth potential.

In January 2023, we announced the acquisition of Breeders and Packers Uruguay, BPU Meat, a subsidiary of NH Foods Croups, located in the municipality of Durazno, in Uruguay. On August 31, 2023, we announced the

successful closing of the acquisition.

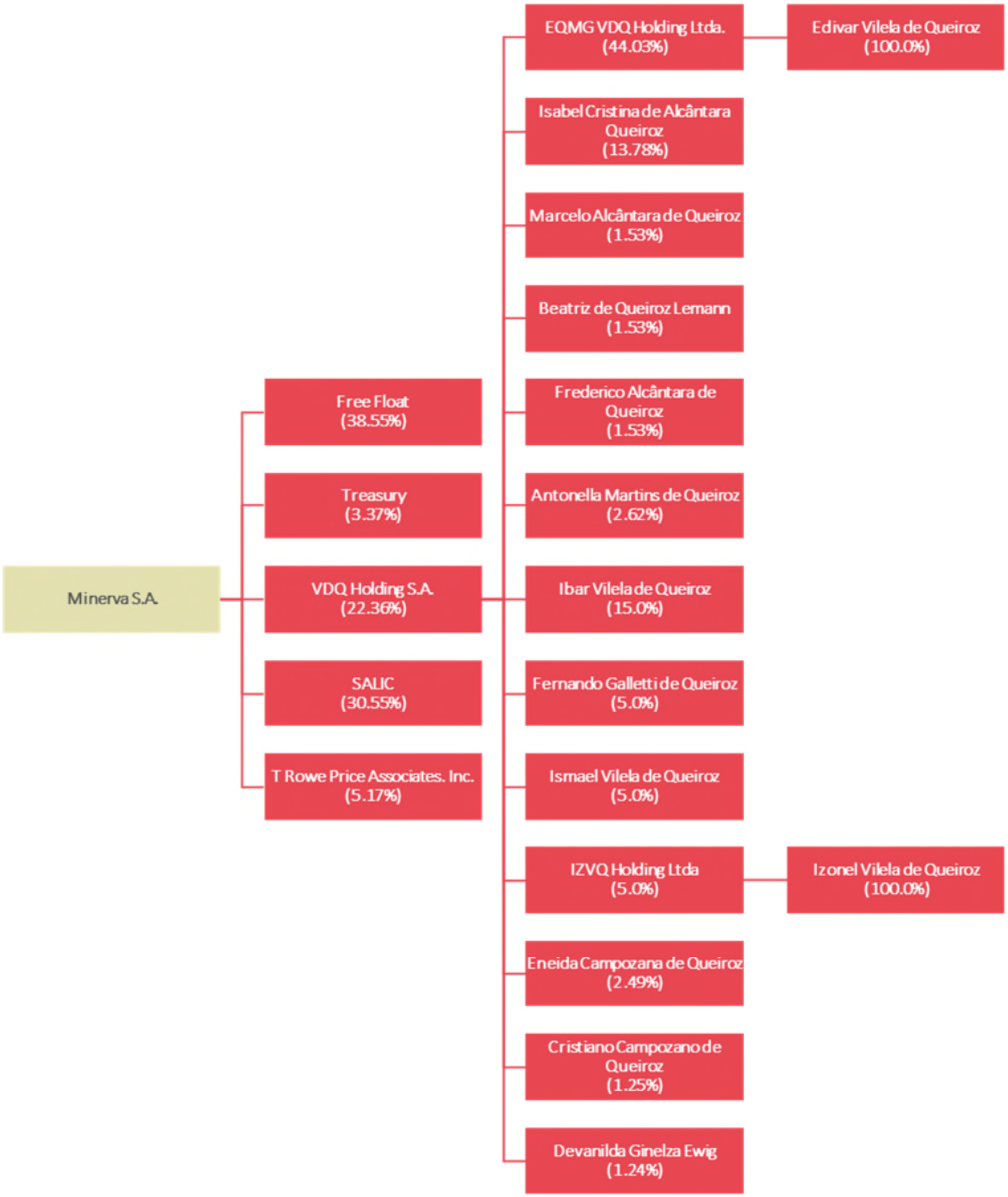
In March 2023, we were notified of the opening of the Mexican market for beef exports.

In May, we announced a seed investment of U.S.$2.0 million in Bluebell, a Brazilian climate-tech company specialized in the development of environmental assets, called Bluebells, which consolidate carbon, hydrology, soil and biodiversity in a single environmental measure, in order to seek to maximize revenue from rural properties.

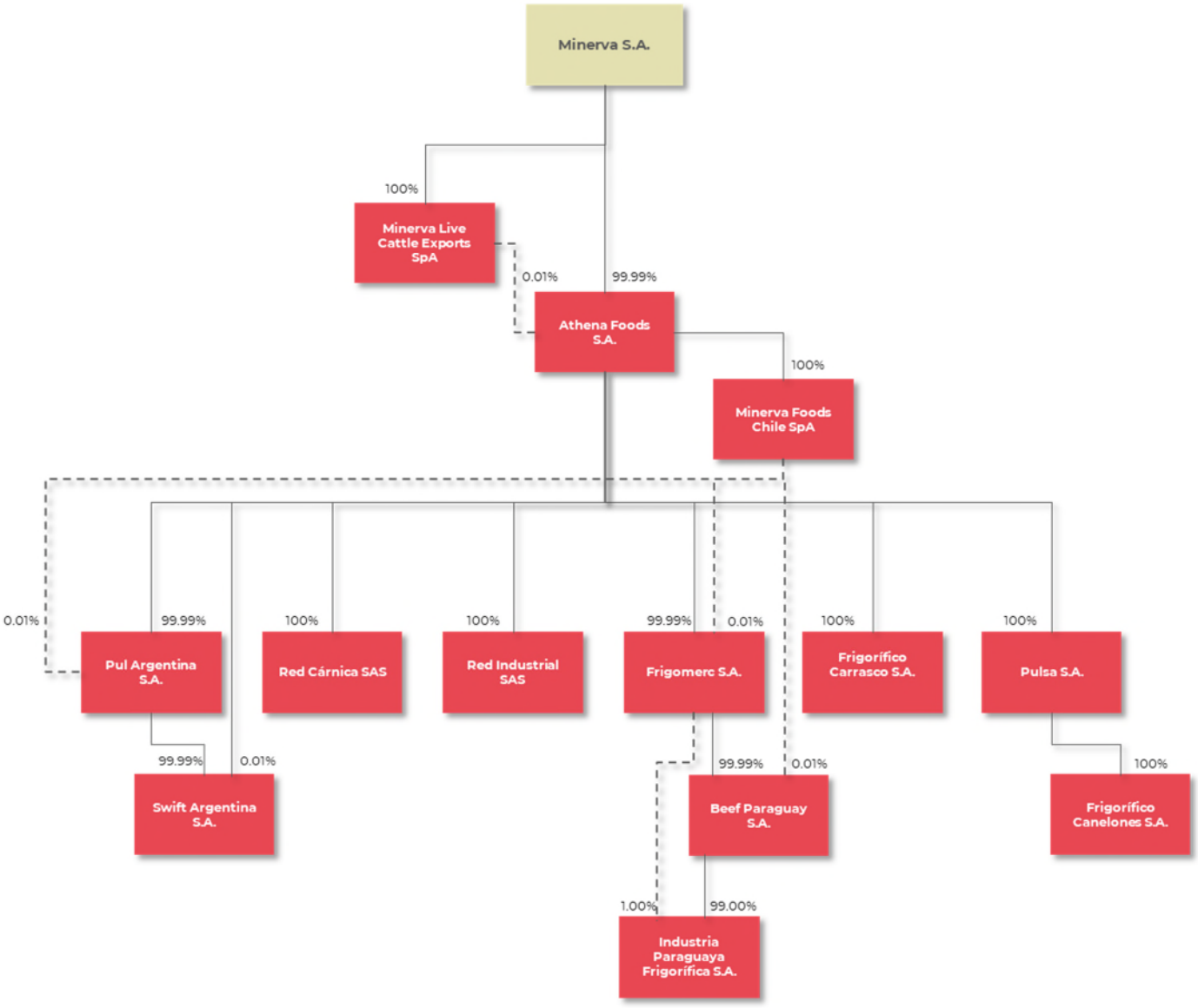
On August 28, 2023, we and our subsidiary Athn Foods entered into the Marfrig SPAs to acquire “as is, where is” the Marfrig Brazil and South America Operations for R$7.5 billion, subject to certain price adjustments set forth in the Marfrig SPAs, antitrust approval in several jurisdictions and certain other conditions. The Marfrig Brazil and South America Operations include 16 industrial and commercial facilities (three of which are currently not operational) and one distribution center.

Corporate Structure

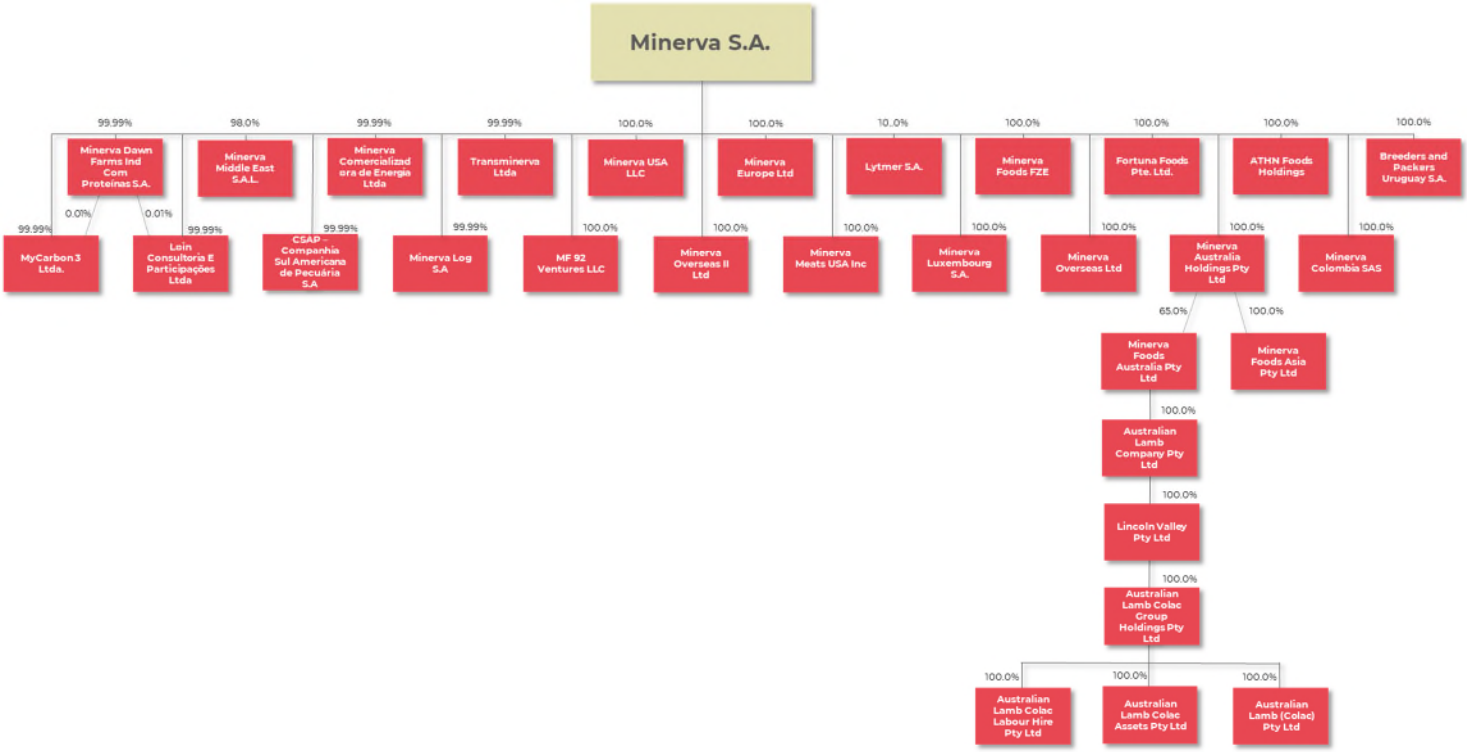
The following chart sets forth our current corporate structure (percentage numbers reflect the percentage ownership of total capital stock of our shareholders) as of the date of this offering memorandum:



Athena Foods



Other Subsidiaries



Recent Developments

Marfrig Asset Acquisition

On August 28, 2023, we and our subsidiary Athn Foods entered into the Marfrig SPAs to acquire the Marfrig Brazil and South America Operations on an "as is, where is" basis. One Marfrig SPA was entered into in respect of industrial plants and commercial operations acquired in Brazil, Argentina and Chile, while the other Marfrig SPA was entered into in respect of the industrial plants and commercial operations acquired in Uruguay. The Marfrig Brazil and South America Operations include 16 industrial and commercial facilities (three of which are currently not operational) and one distribution center. The total purchase price of the Marfrig Asset Acquisition is R$7.5 billion, subject to certain price adjustments set forth in the Marfrig SPAs. Pursuant to the Marfrig SPAs, the Marfrig Asset Acquisition is also subject to antitrust approval in several jurisdictions and certain other conditions.

Upon the signing of the Marfrig SPAs, we paid R$1.5 billion of the acquisition price in cash as an advance of the acquisition price. The remainder of the acquisition price will be paid at closing, which must occur within 18 months of the signing of the Marfrig SPAs, subject to a six-month extension so long as the committed bridge financing provided in connection with the Marfrig Asset Acquisition is also extended over the same period. In addition, to the extent that the buyer raises capital and deposits it in an escrow account in accordance with the Marfrig SPA, the amount of committed bridge financing required to be maintained under the Marfrig SPAs will be reduced accordingly. Moreover, the closing of the acquisition of the industrial and commercial facilities and operations in Uruguay is conditioned upon the closing of the acquisition of the industrial and commercial facilities and operations located in Brazil, Argentina and Chile.

Marfrig SPAs

In connection with the Marfrig SPA entered into by Minerva S.A., the buyer has agreed to acquire 13 industrial and commercial facilities (three of which are currently not operational) owned by the seller in Brazil, Argentina and Chile. Prior and as a condition to the closing, Marfrig must incorporate a new Brazilian company, or Marfrig NewCo, for the sole purpose of receiving and owning such assets prior to the acquisition of Marfrig NewCo by us. With respect to the Marfrig SPA entered into by Athn Foods, the buyer has agreed to acquire the equity interests held by the seller in the Uruguayan companies that own the remaining three acquired industrial and commercial facilities in Uruguay.

Pursuant to the Marfrig SPAs, the acquired assets are being acquired "as is, where is" and, therefore, certain liabilities and contingencies related to the assets and their operations will be transferred to us in connection with the Marfrig Asset Acquisition, including certain liabilities arising before and/or after the closing of the Marfrig Asset Acquisition. In particular, we have agreed to assume certain costs and liabilities (irrespective of when the underlying fact occurred) relating the condition of the acquired assets, including, but not limited to (1) any nonconformities (*inconformidades*), failures (*falhas*), wear (*desgastes*) or inadequacies (*inadequações*) identified in respect of such assets and (2) any failure to obtain required permits, licenses, approvals, charters, authorizations and registrations that had not been obtained prior to the execution of the Marfrig SPAs.

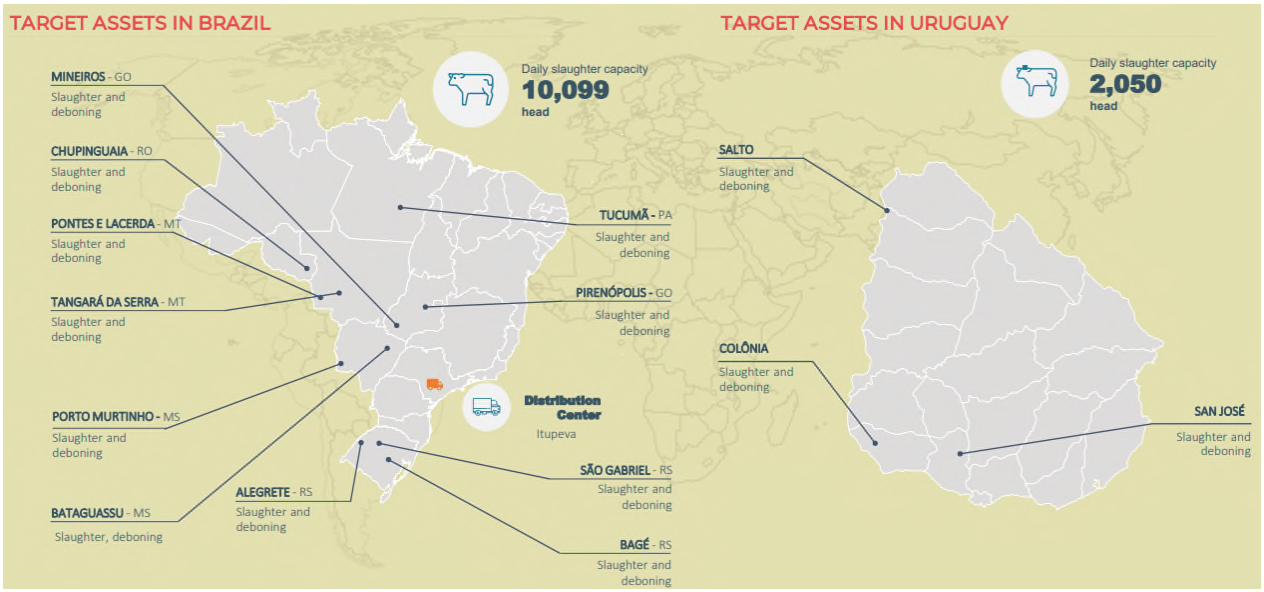
Pursuant to the Marfrig SPAs, we are entitled to receive indemnification from the sellers regarding certain contingencies and liabilities, including, among others, (1) environmental losses that derive from an environmental criminal offense (in which case, the sellers' indemnification is limited to 50% of the value of the loss), (2) tax-related losses, (3) losses arising from certain labor lawsuits and (4) losses that are transferred to us pursuant to corporate laws of succession (*sucessão*) and that are unrelated to the acquired assets, but rather, arise from operations retained by the seller. Furthermore, prior to the closing, a corporate restructuring will take place to facilitate the transfer of assets and capital stock, as applicable, to Marfrig NewCo, with such transfer structured to exclude prior operations, liabilities and obligations. As a result, any liabilities unrelated to the assets we acquire in connection with the Marfrig Asset Acquisition should be segregated and retained by the sellers.

Importantly, certain indemnification obligations of the seller under the Marfrig SPAs (including obligations arising from tax, environmental and labor liabilities) may be subject to one or more of the following limitations: an aggregate maximum indemnification amount (20% of the applicable purchase price), "deductibles" (R$8 million for assets located in Brazil or U.S.$2 million for assets located outside Brazil), a minimum claim/de minimis amount (R$250,000) and an indemnification expiration date (six years), each of which may effectively reduce the indemnification we recover from the seller for such liabilities.

The Marfrig Asset Acquisition is subject to antitrust approval in certain jurisdictions, including Brazil, Argentina, Chile and Uruguay. Moreover, given its significance, the Marfrig Asset Acquisition is also subject to the ratification of our shareholders at a shareholders' meeting that we will duly convene. As of the date of this offering memorandum, our controlling shareholder has announced its commitment to vote in favor the Marfrig Asset Acquisition. In addition, should the acquisition price per share of Marfrig NewCo exceed certain thresholds established under Brazilian law, our shareholders will be entitled to certain shareholder withdrawal rights.

Operating Highlights

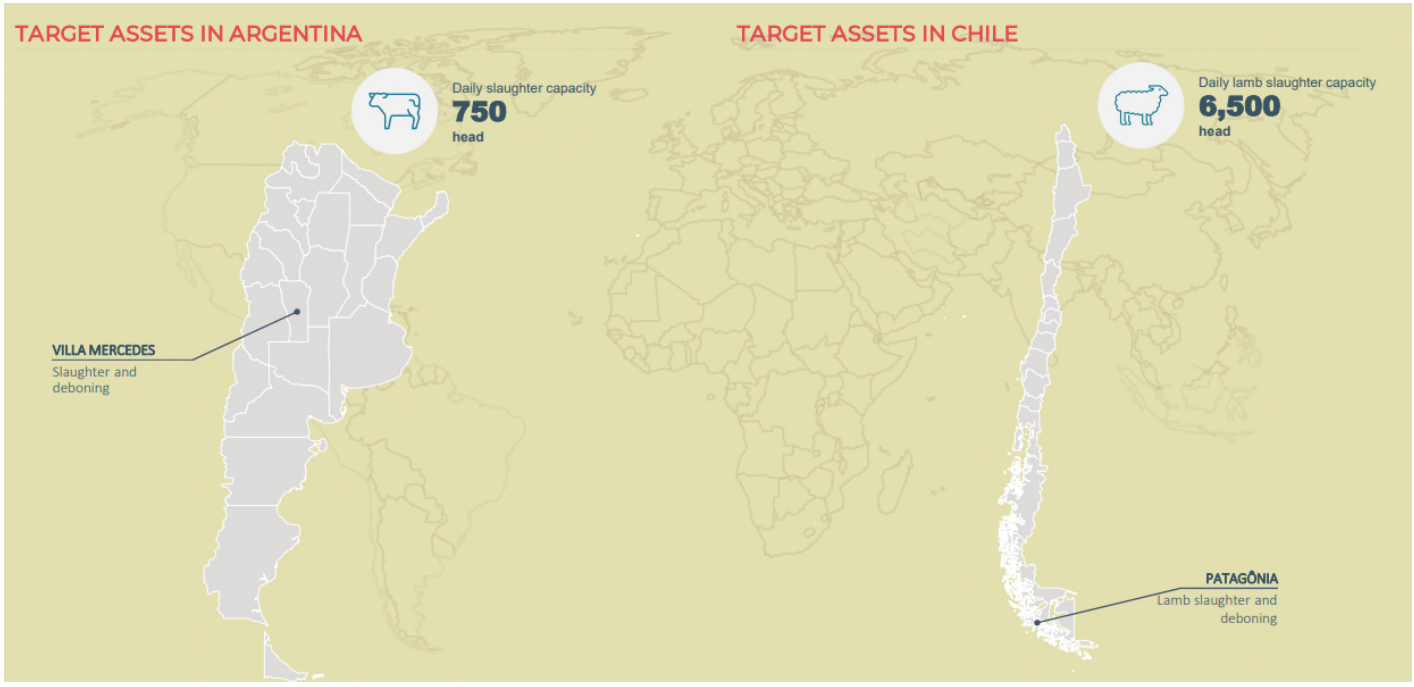
Upon conclusion of the Marfrig Asset Acquisition, we will acquire 16 industrial and commercial facilities (three of which—Porto Murtinho, Pirenópolis, Tucumã—are not operational) and one distribution center, of which 11 plants and the distribution center are located in Brazil and three plants are located in Uruguay, as illustrated below:



* Estimated slaughtering capacity reflects nominal capacity based on historical data reported by Marfrig (which differs from the effective capacity figures reported by Marfrig in the Marfrig SPAs) and is subject to confirmation by Minerva.

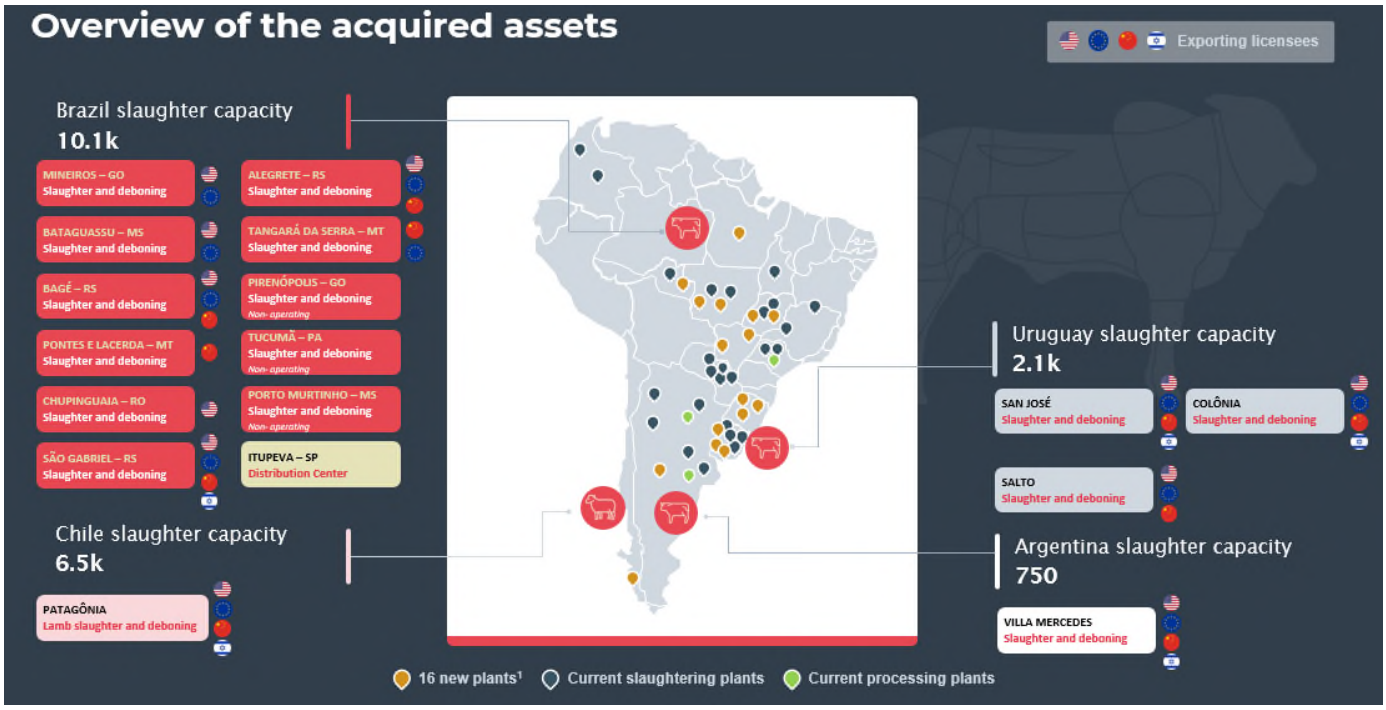
According to estimates provided by Marfrig within the context of the Marfrig SPAs, the aggregate deboning capacity of the Brazilian industrial and commercial facilities that will be acquired in connection with the Marfrig Asset Acquisition is 27.2 thousand head of cattle per day.

In addition to Brazilian and Uruguayan assets, the Marfrig Brazil and South America Operations include one plant in Argentina and one plant in Chile, as illustrated below:



* Estimated slaughtering capacity reflects nominal capacity based on historical data reported by Marfrig (which differs from the effective capacity figures reported by Marfrig in the Marfrig SPAs) and is subject to confirmation by Minerva.

As illustrated below, the estimated slaughtering capacity of the acquired assets totals approximately 19,399 heads per day (corresponding to 12,899 head of cattle and 6,500 head of lamb), which include plants that have export licenses to some of the significant consumer markets around the world, such as the United States, the European Union and Israel:

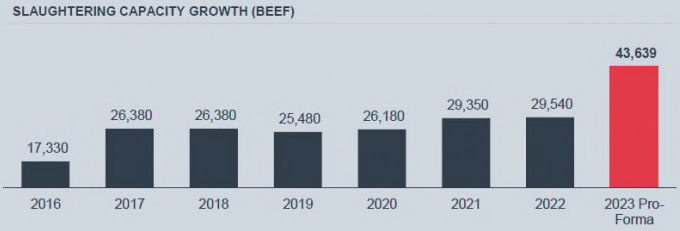


*Estimated slaughtering capacity reflects nominal capacity based on historical data reported by Marfrig (which differs from the effective capacity figures reported by Marfrig in the Marfrig SPAs) and is subject to confirmation by Minerva.
Note: Capacity measured in heads per day; (1) Includes operating and currently non operational plants, and does not consider the acquired distribution center located in Itupeva.

Upon completion, the Marfrig Asset Acquisition is anticipated to increase our cattle slaughtering capacity by 42% to 43,639 head of cattle from 30,740 head of cattle as of the date of this offering memorandum. The Marfrig Asset Acquisition is also anticipated to increase our global footprint, as illustrated below:

Minerva pro-forma geographic footprint



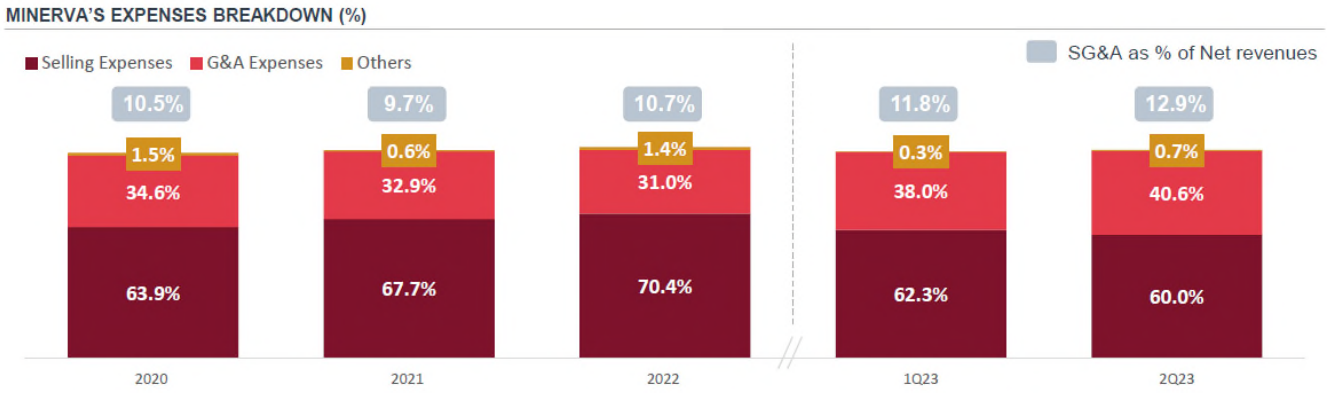


	Minerva foods		Target assets		New Minerva Foods	
	# plants	heads/day	# plants	heads/day	# plants	heads/day
Brazil	10	12,237	11	10,099	21	22,336
Paraguay	5	8,025	–	–	5	8,025
Argentina	5	5,228	1	750	6	5,978
Uruguay²	4	3,700	3	2,050	7	5,750
Colombia	2	1,550	–	–	2	1,550
Total	**26**	**30,740**	**15**	**12,899**	**41**	**43,639**
Australia	4	19,216	–	–	4	19,216
Chile	–	–	1	6,500	1	6,500
Total	**4**	**19,216**	**1**	**6,500**	**5**	**25,716**

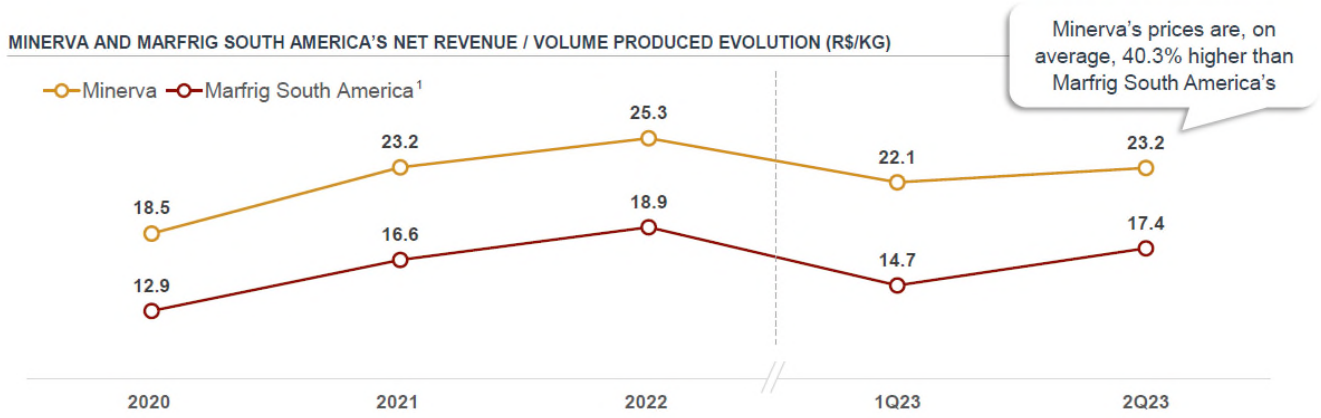
*Estimated slaughtering capacity reflects nominal capacity based on historical data reported by Marfrig (which differs from the effective capacity figures reported by Marfrig in the Marfrig SPAs) and is subject to confirmation by Minerva.

Notes: (1) Does not consider the acquired distribution center located in the city of Itupeva in the State of São Paulo. (2) Includes the acquisition of BPU in Uruguay.

The Marfrig Asset Acquisition is limited to the physical assets, licenses and employees of the acquired operations, and as such, has been structured to limit additional administrative costs. General and administrative expenses account for a significant portion of a beef company's revenues and the structure of the Marfrig Asset Acquisition as an asset purchase was therefore intended to enable us to realize substantial synergies. The following chart sets forth a breakdown of our selling, general and administrative (G&A) and other expenses as a percentage of our net revenues for the period indicated:



The graph below sets forth an historical comparison of the evolution of our prices and the prices of Marfrig's South American operations over the period indicated:



Notes: (1) Based on publicly disclosed information. Data above for Marfrig South America comprises results from all of Marfrig's South America operations, including assets not subject to the Marfrig Asset Acquisition.

In particular, we believe that the Marfrig Asset Acquisition will enable us to:

- strengthen our position as the leading "pure" beef exporter in South America, with an export market share in South America of approximately 20% as of June 30, 2023 and as of December 31, 2022, based on our export volumes and data from SECEX, Penta-transaction, OCIT and Legiscomex.
- achieve operating and commercial synergies and capitalize on business opportunities, including:
    - the dilution of select fixed expenses, particularly general and administrative expenses;
    - the optimization of our commercial strategy, which may potentially allow us to charge premium prices in relation to the additional beef we produce;
    - synergies in general and administrative expenses and commercial synergies (particularly with respect to exports);

    - synergies in the acquisition of inputs and in our logistics operations;
    - opportunities to expand and enhance our product distribution; and
    - opportunities to increase our global sales capabilities.
- reinforce our leadership position in the Latin American beef market, including through
    - opportunities to increase our total beef production volume from 1.2 million tons of as of the date of this offering memorandum to approximately 2.6 million tons following the completion of the Marfrig Asset Acquisition, in addition to an increase in our revenues; and
    - opportunities to expand into key premium beef markets around the world.

In considering an investment in the notes offered hereby, you should be aware that we do not have the financial information that would be needed to prepare, and therefore have not included, any pro forma or historical financial statements reflecting the Marfrig Asset Acquisition in this offering memorandum.

For additional information, see "Risk Factors—Risks Relating to the Marfrig Asset Acquisition."

Interim Dividends

On August 9, 2023, our board of directors approved the payment of interim dividends in the amount of R$114.0 million or R$0.19 per common share, excluding 20.5 million treasury shares. We paid these dividends on August 23, 2023. As a result, dividends paid by us and distributed to our shareholders since 2020 totaled R$1.4 billion or R$2.49 per common share.

Corporate Information

Our headquarters are located at Av. Antonio Manço Bernardes, s/nº, Rotatória Família Vilela de Queiroz, Chácara Minerva, Mailbox 181, CEP 14781-545, Barretos, state of São Paulo, Brazil. Our telephone number at this address is +55-17-3321-3355 and our facsimile number is +55-17-3323-3041.

Our website is www.minervafoods.com/ri and our email address is ri@minervafoods.com. . None of the information available on our website is incorporated in, nor is part of, this offering memorandum and should not be relied upon in making a decision to invest in the notes.

THE OFFERING

This summary highlights information presented in greater detail elsewhere in this offering memorandum. This summary is not complete and does not contain all the information you should consider before investing in the notes. You should carefully read this entire offering memorandum before investing in the notes, including "Risk Factors," "Description of Notes" and our financial statements.

Issuer	Minerva Luxembourg S.A.
Guarantor	Minerva S.A.
Notes offered	U.S.$900 million aggregate principal amount of 8.875% senior notes due 2033.
Guarantee	Minerva will guarantee all of Minerva Luxembourg's obligations pursuant to the notes. See "Description of Notes—Guarantee."
Ranking	The notes will be unsecured, unsubordinated obligations of the issuer. Minerva will guarantee the notes on an unsecured basis. The guarantee will rank equally in right of payment with our unsecured and unsubordinated indebtedness. The guarantee will be effectively junior to our secured indebtedness and the indebtedness of any of Minerva's subsidiaries (other than the issuer).
Issue price	100.000% plus accrued interest, if any, from September 13, 2023
Issue date	September 13, 2023.
Maturity	September 13, 2033.
Interest	8.875% per annum, payable on March 13 and September 13, of each year, beginning on March 13, 2024.
Escrow Account	Within five business days from the closing of this offering of notes, we will deposit the net proceeds received from this offering into a *real*-denominated escrow account and, except as described below, the funds may be released only to pay the balance of the purchase price due in connection with the completion of the Marfrig Asset Acquisition. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment."
Mandatory Debt Repayment	If the Marfrig Asset Acquisition has not been completed by the earlier of (1) the termination of the Marfrig SPAs prior to the consummation of the Marfrig Asset Acquisition or (2) February 28, 2025 (if the Marfrig Asset Acquisition in respect of the assets in Brazil, Argentina and Chile is not consummated prior to this date), then Minerva will be required to repay outstanding debt of Minerva or its subsidiaries in the U.S. dollar equivalent amount of the gross proceeds raised by Minerva Luxembourg in this offering. Such outstanding debt includes, without limitation, the redemption of all or a portion of the notes then outstanding, at a redemption price (the "Special Redemption Price") equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest to, but not including, the redemption date; provided that amounts on deposit in the escrow account shall only be permitted to be used to repay debt of Minerva or any of its subsidiaries that is outstanding on that date that is 30 days prior to the Mandatory Debt Repayment Event. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment."
Optional redemption	On or after September 13, 2028, the issuer may redeem some or all of the notes at any time at the redemption price set forth in "Description of Notes—Optional Redemption." In addition, prior to September 13, 2028, the issuer may redeem the notes at a redemption price equal to 100% of the principal amount plus a "make-whole" premium. Any time on or prior to September 13, 2026, the issuer may also redeem up to 35% of the aggregate principal amount of the notes with the proceeds from certain equity

offerings at a redemption price equal to 108.875% of the principal amount of the notes.

Any such optional redemption may, at Minerva Luxembourg's discretion, be subject to one or more conditions precedent. See "Description of Notes—Optional Redemption Procedures."

In addition, in connection with any tender offer (including in connection with a change of control as described below), if holders of not less than 90% in aggregate principal amount of the outstanding notes validly tender and do not withdraw notes in such tender offer and Minerva Luxembourg, or any third party making such tender offer in lieu of Minerva Luxembourg, purchases all of the notes validly tendered and not withdrawn by such holders, Minerva Luxembourg or such third party will have the right to redeem or purchase all the notes that remain outstanding following such purchase at a price equal to the price paid to each other holder in such tender offer plus. See "Description of Notes—Optional Redemption."

Additional amounts ..... Minerva Luxembourg or Minerva, as the case may be, will pay additional amounts in respect of any payments of interest or principal so that the amount you receive under the notes or the guarantee, after applicable withholding tax, if any, will equal the amount that you would have received if no withholding tax had been applicable, subject to some exceptions as described under "Description of Notes—Payment of Additional Amounts."

Tax redemption..... Minerva Luxembourg may redeem the notes, in whole but not in part, at any time upon the occurrence of specified events relating to tax laws at 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of redemption, and additional amounts, if any. See "Description of Notes—Redemption for Taxation Reasons."

Change of control offer..... Upon the occurrence of a change of control that results in a ratings decline, you will have the right, as a holder of the notes, subject to certain exceptions, to require the issuer to repurchase some or all of your notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the repurchase date. See "Description of Notes—Certain Covenants—Repurchase of Notes upon a Change of Control Triggering Event."

Clearance and settlement ..... The notes will be issued in book-entry form through the facilities of DTC for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as the operator of the Euroclear System, and Clearstream Banking S.A., and will trade in DTC's same day funds settlement system. Beneficial interests in notes held in book-entry form will not be entitled to receive physical delivery of certificated notes, except in certain limited circumstances. For a description of certain factors relating to clearance and settlement, see "Form of the Notes."

Form and denomination..... Any notes sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act will be in fully registered form without interest coupons attached only in minimum denominations of U.S.$200,000 and in integral multiples of U.S.$1,000 in excess thereof. Any notes sold pursuant to Rule 144A under the Securities Act will be issued in fully registered form in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.

Certain covenants ..... The terms of the notes limit our ability and the ability of our subsidiaries (as described in "Description of Notes") to, among other provisions:

- incur additional indebtedness;
- pay dividends;

- create liens;
- enter in a merger, sale or consolidation transaction; and
- enter into certain transactions with our shareholders or affiliates.

These and other covenants are subject to important exceptions and qualifications, which are described under the heading "Description of Notes—Certain Covenants" in this offering memorandum.

Use of proceeds..... We intend to use the net proceeds from this offering to fund up to the remaining balance of the consideration to be paid by us in connection with the Marfrig Asset Acquisition or, in the event that the Marfrig Asset Acquisition does not close, to repay debt or redeem the notes offered hereby, subject to certain conditions and any devaluation of the net proceeds while they are held in a *reais*-denominated account. We intend to use any remaining net proceeds for general corporate purposes. For additional information, see "Summary—Recent Developments—Marfrig Asset Acquisition" and "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment."

Transfer restrictions..... The notes have not been registered under the Securities Act and are subject to certain restrictions on transfer. See "Notice to Investors." In addition, there are restrictions on investors to which the notes can be sold, and on the distribution of this offering memorandum, as described in "Plan of Distribution."

Trustee ..... The Bank of New York Mellon

Paying agent, transfer agent and registrar ..... The Bank of New York Mellon

Singapore listing agent ..... CNPLaw LLP

Listing ..... The issuer intends to apply to list the notes on the SGX-ST. The issuer cannot provide any assurances, however, that this application will be accepted, or if accepted, that the notes will remain so listed. The notes will be traded in a minimum board lot size of U.S.$200,000 as long as the notes are listed on the SGX-ST.

Governing law..... The indenture, the notes and the guarantee will be governed by the laws of the State of New York. The provisions of Articles 470-1 to 470-19 (included) of the Luxembourg law dated August 10, 1915 on commercial companies, as amended, are excluded.

Selling restrictions ..... There are restrictions on persons to whom notes can be sold, and on the distribution of this offering memorandum, as described in "Plan of Distribution."

Risk Factors..... Prospective investors should carefully consider all of the information contained in this offering memorandum prior to investing in the notes. In particular, we urge prospective investors to carefully consider the information set forth under "Risk Factors" for a discussion of risks and uncertainties relating to us, our subsidiaries, our business and an investment in the notes.

SUMMARY FINANCIAL AND OTHER INFORMATION

Our summary financial information as of and for the six-month periods ended June 30, 2023 and 2022, and as of and for the years ended December 31, 2022, 2021 and 2020 has been derived from our Consolidated Financial Statements, each of which have been prepared in accordance with Brazilian GAAP and IFRS and included elsewhere in this offering memorandum.

You should read our summary financial information in conjunction with our Unaudited Interim Condensed Consolidated Financial Statements, our 2022 Audited Consolidated Financial Statements and our 2021 Audited Consolidated Financial Statements, each of which are included in this offering memorandum. Also see "Presentation of Financial and Other Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	For the Six-Month Period Ended June 30,			For the Year Ended December 31,			
	2023	2023	2022	2022	2022	2021	2020
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)[1]	*(in millions of R$)*		*(in millions of U.S.$)*[1]	*(in millions of R$)*		
Net operating revenue	**2,834.2**	**13,658.0**	**15,700.9**	**6,428.3**	**30,977.8**	**26,965.4**	**19,406.3**
Cost of goods sold	(2,280.9)	(10,991.7)	(12,957.2)	(5,237.7)	(25,240.4)	(22,320.3)	(15,571.4)
Gross profit	**553.3**	**2,666.3**	**2,743.7**	**1,190.6**	**5,737.4**	**4,645.0**	**3,834.9**
Operating revenue (expenses):							
Selling expenses	(214.6)	(1,034.2)	(1,090.0)	(484.3)	(2,333.7)	(1,766.6)	(1,304.0)
General and administrative expenses	(138.7)	(668.4)	(474.3)	(212.9)	(1,026.1)	(857.6)	(705.8)
Other operating revenue (expenses), net	1.8	8.6	42.7	9.5	45.6	14.5	(31.3)
Financial expenses	(141.1)	(680.0)	(892.0)	(428.9)	(2,066.9)	(939.7)	(623.0)
Financial revenue	17.2	82.9	51.5	38.4	185.2	75.0	74.9
Monetary correction	(5.9)	(28.2)	(104.6)	(32.2)	(155.4)	(179.9)	(63.0)
Exchange rate variation, net	(17.8)	(85.7)	(4.7)	0.4	2.1	(405.3)	(416.7)
Income before taxes	**54.2**	**261.2**	**272.3**	**80.5**	**388.1**	**585.6**	**766.0**
Current income tax and social contribution	(2.2)	(10.6)	(20.2)	(13.4)	(64.8)	(64.9)	(93.7)
Deferred income tax and social contribution	(3.3)	(15.9)	287.2	68.8	331.8	78.2	24.8
Income before non-controlling shareholders	**48.7**	**234.7**	**539.3**	**135.9**	**655.1**	**598.9**	**697.1**
Net income attributable to controlling shareholders	49.3	237.8	539.3	135.4	652.5	598.9	697.1
Non-controlling shareholders	(0.6)	(3.1)	—	0.5	2.5	—	—
Net income	**48.7**	**234.7**	**539.3**	**135.9**	**655.1**	**598.9**	**697.1**

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

	As of June 30,		As of December 31,			
	2023	2023	2022	2022	2021	2020
	(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)[1]	*(in millions of R$)*	*(in millions of U.S.$)*[1]	*(in millions of R$)*		
Balance Sheet Data:						
Current assets:						
Cash and cash equivalents	1,286.0	6,197.3	1,467.4	7,071.5	7,302.0	6,391.4
Trade accounts receivable	433.3	2,088.3	516.2	2,487.5	2,598.6	2,144.0
Inventories	349.7	1,685.3	344.2	1,658.5	2,115.3	998.0
Biological assets	86.4	416.2	90.2	434.9	468.0	351.2
Recoverable taxes	147.0	708.6	155.8	750.7	805.1	1,011.8
Other receivables	117.3	565.4	121.1	583.7	478.2	389.9
Total current assets	**2,419.8**	**11,661.1**	**2,694.9**	**12,986.7**	**13,767.1**	**11,286.3**
Non-current assets:						
Other receivables	32.8	158.3	30.5	146.8	148.2	53.5
Recoverable taxes	24.8	119.5	24.0	115.5	106.9	192.3
Deferred tax assets	164.1	790.6	164.5	792.8	415.7	448.8
Judicial deposits	4.5	21.8	4.6	22.0	22.2	22.3
Investments	50.2	242.1	50.2	242.1	199.8	21.4
Property, plant and equipment	1,078.1	5,195.5	1,086.3	5,234.7	4,581.4	4,122.5
Intangible assets	348.2	1,677.8	385.9	1,859.5	828.2	776.2
Total non-current assets	**1,702.7**	**8,205.5**	**1,745.9**	**8,413.4**	**6,302.4**	**5,636.9**
Total assets	**4,122.6**	**19,866.7**	**4,440.8**	**21,400.1**	**20,069.5**	**16,923.3**
Liabilities and shareholders' equity:						
Current liabilities:						
Loans and financing	673.7	3,246.8	431.2	2,077.9	1,488.4	2,199.6
Leases	1.6	7.7	2.0	9.7	10.4	10.3
Trade payables	616.3	2,970.0	730.3	3,519.5	3,724.2	2,344.6
Payroll, related charges and taxes payable	87.2	420.3	77.4	373.0	400.7	325.0
Other payables	229.2	1,104.6	446.1	2,149.6	1,614.6	1,516.2
Total current liabilities	**1,608.1**	**7,749.5**	**1,687.0**	**8,129.7**	**7,238.4**	**6,395.7**
Non-current liabilities:						
Loans and financing	2,209.3	10,646.6	2,425.5	11,688.5	11,916.3	9,372.5
Leases	5.1	24.6	6.0	28.7	29.3	36.6
Labor and tax liabilities	7.8	37.7	8.3	40.1	53.2	59.7
Provisions for contingencies	7.4	35.9	12.2	58.9	43.4	40.3
Accounts payable	28.2	136.1	2.4	11.4	18.5	31.1
Deferred tax liabilities	68.6	330.4	78.9	380.2	116.3	147.4
Total non-current liabilities	**2,326.5**	**11,211.3**	**2,533.3**	**12,207.9**	**12,177.0**	**9,687.5**
Shareholders' equity:						
Capital stock	336.0	1,619.1	336.0	1,619.1	1,616.1	1,304.0
Capital reserves	28.5	137.2	28.8	138.7	118.3	118.3
Revaluation surplus	(44.8)	(215.7)	9.5	46.0	47.5	49.1
Profit reserves	9.4	45.2	139.3	671.3	353.9	153.4
Additional proposed dividend	139.3	671.3	37.6	181.3	200.0	376.1
Treasury shares	(44.8)	(215.7)	(48.8)	(235.4)	(242.8)	(242.8)
Retained earnings	49.5	238.6	—	—	—	—
Other comprehensive income	(432.8)	(2,085.9)	(397.2)	(1,914.1)	(1,438.9)	(918.0)
Total shareholders' equity attributed to controlling interest	**85.0**	**409.8**	**105.2**	**506.8**	**654.1**	**840.1**
Non-controlling interest	102.9	496.1	115.3	555.7	—	—
Total shareholders' equity	**188.0**	**905.9**	**220.5**	**1,062.5**	**654.1**	**840.1**
Total liabilities and shareholders' equity	**4,122.6**	**19,866.7**	**4,440.8**	**21,400.1**	**20,069.5**	**16,923.3**

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

	As of and for the Six-Month Period Ended June 30,			As of and for the Year Ended December 31,			
	2023	2023	2022	2022	2022	2021	2020
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$,)[1]	*(in millions of R$, except as otherwise indicated)*		*(in millions of U.S.$,)*[1]	*(in millions of R$, except as otherwise indicated)*		
Other Data:							
Adjusted EBITDA (unaudited)[2]	286.3	1,379.6	1,424.0	643.3	3,100.2	2,413.2	2,142.8
Adjusted EBITDA Margin (%) (unaudited)[3]	9.1%	9.1%	9.1%	10.0%	10.0%	8.9%	11.0%
Current loans and financing	673.7	3,246.8		431.2	2,077.9	1,488.4	2,199.6
Non-current loans and financing	2,209.3	10,646.6		2,425.5	11,688.5	11,916.3	9,372.5
Total debt[4]	**2,883.0**	**13,893.4**		**2,856.7**	**13,766.4**	**13,404.7**	**11,572.1**
(−) Cash and cash equivalents (including marketable securities)	(1,286.0)	(6,197.3)		(1,467.4)	(7,071.5)	(7,302.0)	(6,391.4)
Net debt (unaudited)[5]	**1,597.0**	**7,696.2**		**1,389.3**	**6,695.0**	**6,102.7**	**5,180.6**
Net debt/Adjusted EBITDA (unaudited)[6]	2.76x	2.76x		2.16x	2.16x	2.53x	2.41x

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

(2) Adjusted EBITDA, a performance measure used by our management, is defined as net income *plus* or *less* income taxes, impairment loss, financial expenses net of financial revenue and exchange gains or losses, depreciation and amortization and non-recurring items. Adjusted EBITDA (unaudited) is calculated as follows:

	For the Six-Month Period Ended June 30,			For the Year Ended December 31,			
	2023	2023	2022	2022	2022	2021	2020
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)	*(in millions of R$)*		*(in millions of U.S.$)*	*(in millions of R$)*		
Net income	48.7	234.7	539.3	135.9	655.1	598.9	697.1
(+/−) Income and social contribution taxes	5.5	26.5	(267.0)	(55.4)	(267.0)	(13.3)	68.9
(+) Net financial result	147.6	711.1	949.7	422.3	2,035.1	1,449.8	1,027.8
(+) Depreciation and amortization	56.2	270.8	202.0	86.0	414.5	346.8	308.7
EBITDA (unaudited)	**257.9**	**1,243.0**	**1,424.0**	**588.9**	**2,837.8**	**2,382.2**	**2,102.5**
(+) Other non-recurring items[b]	—	—	—	—	—	31.0	40.4
(+) *Pro forma* Australian Lamb Company Pty (unaudited) [c]	**28.3**	**136.5**	—	54.5	262.4	—	—
Adjusted EBITDA (unaudited)	**286.3**	**1,379.6**	**1,424.0**	**643.3**	**3,100.2**	**2,413.2**	**2,142.8**

(a) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

(b) Represents effects of non-recurring items of the period such as buy-back warrants, tax proceedings expenses, deposits for contingency, and increase in labor contingency.

(c) Represents the *pro forma* performance of the Australian Lamb Company Pty acquired in October of 2022.

(3) Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net operating revenue for the applicable year. For the six-month periods ended June 30, 2023 and 2022, Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net revenue for the six-month period ended on such date.

(4) Total debt excludes lease liabilities, which are insignificant and do not materially affect any ratios derived from net debt.

(5) Net debt is calculated as follows: the sum of our current and non-current loans and financing *less* cash and cash equivalents (including marketable securities). See "Summary—Our Strategy—Expand Our Production Capacity in a Financially Disciplined Manner."

(6) Net debt/Adjusted EBITDA ratio is net debt as of the end of the period *divided by* Adjusted EBITDA for the prior twelve-month period.

RISK FACTORS

Prospective purchasers of the notes should carefully consider the risks and uncertainties described below, as well as the other information in this offering memorandum, before deciding to purchase any notes. Our business, results of operations, financial condition or prospects could be negatively affected if any of these risks occurs, and as a result, the trading price of the notes could decline and you could lose all or part of your investment. The risks described below are those that we currently believe may materially affect us. Additional risks not presently known to us or that we currently consider immaterial may also materially adversely affect us.

Risks Relating to the Marfrig Asset Acquisition

Minerva S.A. may not achieve the benefits we anticipate from the Marfrig Asset Acquisition, or it may encounter difficulties in integrating the acquired businesses.

On August 28, 2023, Minerva S.A. entered into the Marfrig SPAs to acquire the Marfrig Brazil and South America Operations for R$7.5 billion, subject to certain price adjustments set forth in the Marfrig SPAs, antitrust approval in several jurisdictions and certain other conditions. The Marfrig Brazil and South America Operations include 16 industrial and commercial facilities (three of which are currently not operational) and one distribution center.

Achieving the expected benefits of the Marfrig Asset Acquisition will depend on the timely and efficient integration of the operations, business cultures, marketing practices, branding and personnel of the Marfrig Brazil and South America Operations into Minerva S.A.'s business. This integration may not be completed as quickly as expected, and any failure to effectively integrate the Marfrig Brazil and South America Operations or any delay in that integration could increase Minerva S.A.'s costs, adversely affect its margins, adversely affect its financial condition or have other negative consequences. The challenges involved in the integration include, among others, the following:

- integrating the distribution networks of the Marfrig Brazil and South America Operations with Minerva S.A.'s existing production and distribution capabilities;
- managing the Marfrig Brazil and South America Operations' brands and devising a coherent marketing and branding strategy in our domestic and export markets that avoids confusion with Minerva S.A.'s existing brands;
- integrating the production facilities of the Marfrig Brazil and South America Operations with Minerva S.A.'s existing supply chain and production operations; and
- aligning the standards, processes, procedures and controls of the Marfrig Brazil and South America Operations with those of Minerva S.A.

Although Minerva S.A. expects to achieve synergies from the integration of the Marfrig Brazil and South America Operations with those of its business, those synergies may not compensate for unanticipated costs. Minerva S.A. may not achieve the full amount of the projected synergies, or it may take it longer to achieve these synergies than it currently anticipates.

Any difficulty in integrating the Marfrig Brazil and South America Operations could materially increase Minerva S.A.'s costs, adversely affect its ability to achieve expected synergies and execute its strategy and adversely affect its financial condition, results of operations or prospects.

Minerva S.A. agreed to purchase the Marfrig Brazil and South America Operations "as is, where is" and it may encounter unforeseen liabilities for which it will be responsible.

Pursuant to the Marfrig SPAs, Minerva S.A. agreed to purchase the Marfrig Brazil and South America Operations on an "as is, where is" basis. Minerva S.A. has also agreed to assume certain liabilities, contingent or otherwise, exclusively arising from the acquired assets, including liabilities arising both before and/or after the closing of the acquisition.

Minerva S.A.'s due diligence of the Marfrig Brazil and South America Operations was limited to reviewing certain publicly available information. Minerva S.A. was not given the opportunity to conduct extensive due diligence of the financial condition, operational, results of operations, contingent liabilities or corporate or other records of the Marfrig Brazil and South America Operations or to evaluate the internal controls over financial reporting of the Marfrig Brazil and South America Operations. As such, we have a limited amount of verifiable operating information about the target assets, and

information that we are able to disclose relating to the target assets may be incomplete and insufficient for investors to make an informed decision in relation to investing in our securities.

Once Minerva S.A. integrates the Marfrig Brazil and South America Operations into its operations and financial reporting systems, it may encounter internal control deficiencies or environmental, labor, litigation or other contingent liabilities that were not disclosed in the publicly available information reviewed by Minerva S.A. or that are more significant or costly than had been publicly disclosed. Minerva S.A. cannot predict whether any internal control deficiencies, litigation, environmental issues, regulatory issues or other contingent liabilities may have a material adverse effect on Minerva S.A.'s consolidated business and financial condition.

Moreover, certain indemnification obligations of the seller under the Marfrig SPAs (including obligations arising from tax, environmental and labor liabilities) may be subject to one or more of the following limitations: an aggregate maximum indemnification amount (20% of the applicable purchase price), "deductibles" (R$8 million for assets located in Brazil or U.S.$2 million for assets located outside Brazil), a minimum claim/de minimis amount (R$250,000) and an indemnification expiration date (six years), each of which may effectively reduce the indemnification we recover from the seller for such liabilities. We may be materially adversely affected to the extent we are unable to recover the full amount of losses from liabilities that arise in connection with the Marfrig Asset Acquisition.

No historical financial statements for the Marfrig Brazil and South America Operations are available, and we are unable to provide pro forma financial statements of Minerva S.A. reflecting the Marfrig Asset Acquisition.

The financial condition and results of operations of the Marfrig Brazil and South America Operations were not separately reported by Marfrig in the past, and no separate or carve-out financial statements for those businesses were prepared in connection with the Marfrig Asset Acquisition or this offering of the notes.

Minerva S.A. has determined that the inclusion of *pro forma* financial statements of Minerva S.A. giving effect to the Marfrig Asset Acquisition or separate historical financial statements of the Marfrig Brazil and South America Operations would be required under Article 11 and Rule 3-05 of Regulation S-X of the Securities Act if the offering of the notes were registered with the SEC.

Under SEC rules, *pro forma* and historical financial statements are required to be included in a registration statement and prospectus for an acquisition that has not yet been consummated or that has been consummated not more than 74 days before the date of the prospectus if the business to be acquired exceeds the 50% level under at least one of three tests related to (1) the issuer's investment in the business to be acquired as a percentage of the aggregate worldwide market value of its common equity (in the case of Minerva S.A.) the "*investment test*"), (2) the issuer's proportionate share of the total assets of the business to be acquired as a percentage of its consolidated total assets (the "*asset test*") and (3) the lower of (i) the net income of the business to be acquired as a percentage of such income of the issuer (the "*income test*") and (ii) the consolidated total revenues (after intercompany eliminations) of the business to be acquired as a percentage of such revenues of the issuer (the "*total revenues test*"). Based on the purchase price, the Marfrig Asset Acquisition triggers the investment test above the 50% threshold amount. We do not, however, have the full information necessary to calculate the asset test or the lower of the income test or total revenue test. In considering an investment in the notes offered hereby, you should be aware that we do not have the financial information that would be needed to prepare, and therefore have not included, any *pro forma* or historical financial statements reflecting the Marfrig Asset Acquisition in this offering memorandum.

The Marfrig Asset Acquisition is subject to antitrust approvals, and any antitrust approval could be conditioned on divestments or other actions.

The Marfrig Asset Acquisition is subject to approval by Brazilian, Argentinian, Chilean and Uruguayan antitrust authorities and potentially other antitrust authorities the approval of which may be required. We cannot predict when such authorities will make a decision or whether their decision will be favorable or subject to conditions. Any failure or delay in approving the Marfrig Asset Acquisition by any relevant antitrust authority or any decision by any authority to condition approval of the Marfrig Asset Acquisition upon the divestiture by us of any of the Marfrig Brazil and South America Operations may adversely affect our business, results of operations and financial condition, and in particular, our ability to achieve the anticipated synergies resulting from the Marfrig Asset Acquisition.

If we are unable to complete the Marfrig Asset Acquisition in a timely manner or at all, our business may be adversely affected.

The completion of the Marfrig Asset Acquisition is subject to the satisfaction or waiver of certain customary conditions that are outside of our control, including the receipt of antitrust clearance from relevant antitrust authorities (see "—The Marfrig Asset Acquisition is subject to antitrust approvals, and any antitrust approval could be conditioned on divestments or other actions").

We cannot assure you that the conditions required for the completion of the Marfrig Asset Acquisition will be satisfied (or waived, as applicable) in a timely manner or at all, which may affect when and whether the Marfrig Asset Acquisition will be completed. If the Marfrig Asset Acquisition is not completed, we may suffer consequences that could adversely affect our business and results of operations, including but not limited to the following:

- we have incurred and will continue to incur costs relating to the Marfrig Asset Acquisition (including significant legal, financial and advisory fees) and many of these costs are payable by us whether or not the Marfrig Asset Acquisition is completed;

- we may be subject to fines and penalties if we fail to complete the Marfrig Asset Acquisition as a result of our action(s) or inaction(s), and the seller is in compliance with its obligations under the acquisition agreement, in which case (1) the application of such fines and penalties may preclude our ability to recover the R$1.5 billion paid at closing as part of the purchase price and (2) we may be subject to fines and penalties in excess of such R$1.5 billion; and

- the failure to consummate the Marfrig Asset Acquisition may result in negative publicity and a negative impression of us in the investment community.

Any prolonged delay in completing the Marfrig Asset Acquisition could adversely affect the Brazil and South America Operations, which may in turn materially adversely affect us following the completion of the Marfrig Asset Acquisition.

We may not be able to successfully integrate the operations of other companies we acquire or benefit from growth opportunities.

In addition to the Marfrig Asset Acquisition, we intend to pursue selected growth opportunities and acquisitions in the future. These types of opportunities may expose us to successor liability relating to actions involving any acquired entities, their respective management or contingent liabilities incurred prior to our involvement, in addition to transaction related expenses. A material liability associated with these types of opportunities, or our failure to successfully integrate any acquired entities into our business, could adversely affect our reputation and have a material adverse effect on us.

Undisclosed liabilities from our acquisitions may harm our financial condition and operating results. If we make acquisitions in the future, such transactions may be structured in such a manner that would result in the assumption of undisclosed liabilities or liabilities not identified during pre-acquisition due diligence. These obligations and liabilities could harm our financial condition and operating results.

We may not be able to successfully integrate any growth opportunities we may undertake in the future or successfully implement appropriate operational, financial and administrative systems and controls to achieve the benefits that we expect to result therefrom. These risks include: (1) failure of the acquired entities to achieve expected results; (2) possible inability to retain or hire key personnel of the acquired entities; and (3) possible inability to achieve expected synergies and/or economies of scale. In addition, the process of integrating businesses could cause interruption of, or loss of momentum in, the activities of our existing business. The diversion of our management's attention and any delays or difficulties encountered in connection with the integration of these businesses could adversely affect our business, results of operations, prospects and the market price of the notes.

Risks Relating to our Business and the Beef and Food Industries

We are required to dedicate a significant portion of our cash flow to make payments of principal and interest on our consolidated indebtedness. Our cash flow and financial resources may be insufficient to make the necessary payments on our present and future indebtedness.

We have a substantial amount of indebtedness and require large amounts of cash to meet our debt service obligations. As of June 30, 2023, our total consolidated loans and financing amounted to R$13,893.4 million, 76.6% of which was non-current loans and financing. Our capacity to generate cash to satisfy scheduled payments or to refinance our obligations with respect to our debt depends on our financial and operational performance, which is subject to the following financial and business factors, some of which may be beyond our control:

- unforeseen operational difficulties, including technology failures, cyber-attacks and plant shutdowns, among other things;
- increases in operational and input costs;
- general economic conditions;
- decreased demand for our products;
- market cycles;
- tariffs;
- the market prices of our products;
- the actions of our competitors;
- changes in regulations; and
- delays in the implementation of our strategic projects.

Our level of indebtedness could have significant consequences for us, including:

- limiting our ability to obtain necessary financing in the future for working capital, capital expenditures, debt service requirements or other purposes;
- requiring that a substantial portion of our cash flow from operations be dedicated to the payment of principal and interest on our indebtedness and not for other purposes;
- limiting our flexibility in planning for or reacting to changes in our business; and
- making us more vulnerable in the event of a downturn in our business.

In addition, if our cash flow or financial resources are insufficient to finance our debt service obligations, we may face substantial liquidity problems and be forced to reduce or delay capital expenditures, to dispose of material assets or operations, to seek additional capital and/or to restructure or refinance our indebtedness.

Further, our existing debt agreements (and certain other financing documents) contain or may contain clauses that could limit our capacity to dispose of material assets or operations or to restructure or refinance our debt. We cannot guarantee that we will be able to restructure or refinance any of our debt or to obtain additional financing, given the uncertainty of prevailing market conditions at any given time. These alternative measures may not be successful or may not allow us to fulfill our regular debt service obligations. If we were able to restructure or refinance our debt or obtain additional financing, we anticipate that the economic conditions under which our debt would be restructured, refinanced or obtained would not be as favorable as the conditions of our existing debt, which would materially and adversely affect our business and results of operations.

As of the date of this offering memorandum, we have a significant level of indebtedness, and we may incur additional debt in the future. In the six-month period ended June 30, 2023 and the years ended December 31, 2022, 2021 and 2020, we financed a portion of our operations through short- and long-term debt financing.

If our operating cash flow does not increase as we expect, or if it significantly decreases for any reason, we may not be able to fulfill our debt service obligations.

Outbreaks of foot-and-mouth disease, or FMD, or bovine spongiform encephalopathy, or BSE, and any future outbreaks of this or other diseases of cattle, swine or poultry in the countries where we may operate, may materially adversely affect our ability to export fresh beef products and, consequently, our results of operations.

FMD is a highly contagious and infectious disease that can infect cattle and swine. On October 11, 2005, Brazilian authorities detected the foot-and-mouth virus on a cattle ranch in the state of Mato Grosso do Sul. FMD was subsequently detected in a number of surrounding cattle ranches in the state of Mato Grosso do Sul. In the beginning of 2006, FMD was also detected in Paraná. As a result of this outbreak of FMD in Brazil, approximately 60 countries at the time indefinitely suspended or restricted fresh beef imports from those two Brazilian states. Some nations (including the majority of countries in the European Union) banned imports of fresh beef from the neighboring state of São Paulo.

In Paraguay, outbreaks of FMD occurred between September 2011 and January 2012, and led the OIE to suspend Paraguay's status as an FMD-free zone. As a result of this outbreak, Chile temporarily suspended the import of fresh beef from Paraguay for some months and reopened its market in the second quarter of 2013.

In Colombia, outbreaks of FMD occurred in June 2017 and Colombia lost its status as an FMD-free zone. Since the outbreak was identified in a border region isolated from the major livestock populations, Colombia subsequently regained its FMD-free zone status with vaccination. More recently, Colombia's favorable status as an FMD-free zone was again suspended by the OIE, following a new outbreak of the virus in October 2018. Colombia subsequently regained its status as an FMD-free zone on February 5, 2020.

According to the information provided by the MAGyP, Argentina holds the status of an FMD-free zone under two distinct classifications: most of Argentina is considered a free zone with vaccination; while the Patagonia region is considered a free zone without vaccination. This sanitary status is reconfirmed annually by the Argentine government.

BSE, commonly referred to as mad cow disease, is a progressive neurological disease that affects cattle and results in a transmissible infectious agent named a prion, which can attack the animal's central nervous system. It is divided into classic BSE and atypical BSE. Atypical BSE is a rare form of the disease that is commonly characterized as a spontaneous manifestation in the organism of older animals that is not related to the ingestion of contaminated food by cattle, which commonly characterizes classical BSE

In Brazil, there have been six cases of BSE confirmed by the OIE, all of which were atypical BSE, which are not considered serious, and have not damaged the country's sanitary status, as the condition develops spontaneously in older animals. The first confirmed incident occurred in the State of Paraná, in 2010 and, after investigations, the OIE confirmed in 2012 that the incident was an atypical BSE case of the disease. The animal affected had been raised with an extensive, pasture-based diet and was approximately 13 years old. The second incident was confirmed by the OIE in 2014. The infected animal was 12 years old living in the state of Mato Grosso.

According to MAPA, evidence also proved it to be a case of atypical BSE, given that the animal was also fed by grazing and mineral salt, and had an advanced age. The third incident was confirmed by MAPA in May 2019. The infected animal was 17 years old and was in the state of Mato Grosso. According to MAPA, evidence showed this also to be a case of atypical BSE, given that the animal was of an advanced age. In addition, the most recent atypical BSE cases, all involving cattle over 10 years old, were verified in September 2021 in the states of Mato Grosso and Minas Gerais, and in February 2023 in the state of Pará.

We cannot predict future outbreaks of classical BSE, which arises when cattle consume feed contaminated with the infectious prion agent, in the countries in Latin America in which we operate, and we cannot guarantee that such Latin American countries will continue to be classified as having an insignificant risk of BSE in the OIE. Future outbreaks of FMD, BSE or other diseases affecting cattle may lead to additional restrictions on sales in the domestic and international markets, order cancellations by our customers and negative publicity that could have a material adverse effect on consumer demand and, consequently, on our results of operations.

Our exported products are inspected by food safety authorities abroad, and any violation by us may result in a partial or total return or destruction of the products and increased costs due to delays in delivering products to our customers.

Additional restrictions in health regulations may result in additional costs, materially adversely affecting our business and our results of operations.

Governmental policies in Brazil and other jurisdictions may materially adversely affect the prices of supply of and demand for beef, pork and poultry products and may restrict our ability to do business in existing and target domestic and export markets, which would materially adversely affect our results of operations. Our operations in Brazil are subject to extensive regulation and oversight by MAPA, and other state, local and foreign authorities regarding the processing, packaging, storage, distribution, advertising and labeling of our products, including food safety standards. For example, on May 5, 2005, MAPA temporarily suspended exports of processed beef to the United States following recommendations made by a team of veterinarians from the United States that the Brazilian government improve sanitary and monitoring procedures at Brazilian slaughterhouses. In addition, the USDA suspended all imports of fresh beef from Brazil on June 22, 2017 following high import rejection rates of Brazilian fresh beef products due to public health concerns, sanitary conditions and animal health issues. The suspension was lifted on February 21, 2020 after an audit of Brazil's inspection system for beef slaughter and processing. Therefore, any suspensions or restrictions imposed by various countries in light of outbreaks of FMD in Brazil or other South American countries and any future suspensions or restrictions imposed by Brazilian governmental authorities or governmental authorities in other jurisdictions could have a material adverse effect on us, our financial position and our results of operations. Any changes in such regulations or in the interpretations of such regulations may have a material adverse effect on us.

Our operating margins may be adversely affected by fluctuations in raw material costs, selling prices of our products and other factors beyond our control.

Our operating margins depend on the purchase prices of raw materials (primarily cattle) and the prices at which our beef products are sold. These prices can vary significantly, including over relatively short periods of time, as a result of a number of factors, including government regulations, fluctuations in foreign exchange rates, and the relative supply and demand for beef and the market for other protein products, such as poultry and pork. The supply and market prices of cattle, our principal raw material, which represents approximately 80% of our total cost of goods sold for the six-month period ended June 30, 2023 and the year ended December 31, 2022, are dependent upon a variety of factors over which we have little or no control, including outbreaks of diseases, such as FMD, the relative cost of cattle feed and economic and meteorological conditions (such as periods of drought in months normally characterized by good rainfall), diseases such as FMD and any outbreaks of new diseases, supplementation costs and economic conditions, among others factors.

As such, our operational margins could be materially adversely affected by fluctuations in the cost of raw materials, selling prices and other factors that are beyond our control. In addition, other factors may adversely affect our operating margins, such as changes in exchange rates, logistics, infrastructure and our ability to integrate new business units acquired by us our subsidiaries. Our results of operations may be materially adversely affected to the extent our operating margins are negatively impacted by such factors.

Failure to successfully implement our business strategy, including to integrate our past and future acquisitions, may affect our plans to increase our revenue and profitability.

Our growth and financial performance will depend on our success in implementing numerous elements of our strategy that are dependent on factors that are beyond our control.

We cannot assure you that our business strategies will be fully or successfully implemented. The beef industry is particularly susceptible to changes in customer preferences, consumer eating habits, governmental regulations, regional and national economic conditions, demographic trends and sales practices by retailers. Certain aspects of our strategy may result in higher operating costs, which may not be offset by a corresponding increase in revenue, which would result in a decrease in our operating margins.

In addition, we have acquired equity interests in other companies and beef processing plants in the past, and we may in the future acquire additional businesses or enter into new strategic alliances and/or joint ventures as part of our strategy to expand our presence in South America and diversify our product base. Our ability to continue to expand successfully through acquisitions and strategic alliances depends on many factors, including the general availability of suitable targets, as well as our ability to identify such targets, negotiate favorable terms, obtain financings and regulatory approvals for the acquisitions and close the transactions. We may also be unable to predict whether or when we may pursue any additional acquisitions or alliances, or the likelihood of a material transaction or acquisition being completed on terms favorable to us.

Moreover, we may not be able to successfully integrate our past and future acquisitions with our other assets and operations within the anticipated costs or timeframe or successfully implement appropriate operational, financial and administrative systems and controls to achieve the anticipated revenues, cost savings, operational synergies and other expected benefits of future acquisitions in a timely manner, or at all, and any failure to do so could have a material adverse effect on our results of operations and financial condition. In addition, the diversion of our management's attention and any delays or difficulties

encountered in connection with the integration of any of these businesses or assets could also materially adversely impact our business.

Therefore, if we do not successfully execute our business strategy, our plans to increase our revenue and profitability may be materially adversely affected.

We face significant competition in our industry, which may materially adversely affect our market share and profitability.

The beef industry is highly competitive. Our major beef competitors are JBS S.A. and Marfrig Global Foods S.A in Brazil, Frigorífico Concepción S.A. in Paraguay, ArreBeef S.A. and Quickfood S.A. in Argentina and Alimentos Carnicos S.A.S. in Colombia. In international beef markets, we also compete with numerous producers, including companies based in Brazil (such as JBS S.A. and Marfrig), in the United States (such as JBS USA Holdings, Tyson Foods Inc., Cargill Inc. and National Beef Packing Company, LLC) and in Australia (such as Australian Meat and Live-Stock Corporation, Teys Bros Pty Ltd. and Nippon Meat Packers Ltd.). Many factors influence our position in the market, including our operating efficiency and the availability, quality and cost of raw materials and labor. Some of our competitors have greater financial and marketing resources, larger customer bases and a greater range of product offerings than we do. If we are unable to remain competitive with any of these other beef producers in the future, our market share and profitability may be materially adversely affected. In addition, we face competition in the purchase of cattle, pork and poultry, and in the sale of products. Moreover, our beef, pork and poultry products compete with other sources of protein, such as fish.

Adverse economic, political and business conditions or other developments, as well as other geopolitical risks, such as terrorism, in the countries in which we operate, may significantly and negatively affect our revenues, profitability and results of operations.

We sell our products in Latin America, Northern America, Europe, Asia and the Middle East, and our business is therefore subject to a variety of risks and uncertainties related to trading in many different countries, including political, economic or social upheaval. This upheaval could lead governments to make changes, including the imposition of import, investment or currency restrictions, such as tariffs and import quotas and restrictions on the repatriation of earnings and capital, or changes in trade regulation. In addition, the loosening of any such restrictions affecting our competitors could lead to increased competition in some of our markets, could negatively impact our market share and could significantly adversely affect our sales, profitability and results of operations.

Global economic conditions, including conditions in the markets in which we do business, could substantially affect our sales and profitability. Many markets where our products are sold may face significant economic challenges resulting from the global economic downturn.

The markets in which we do business are subject to events that include, among others (i) the financial crisis and political instability in the United States, (ii) the conflict between Ukraine and Russia, which triggered Russia's invasion in certain areas of Ukrainian territory, starting a military and geopolitical crisis with global repercussions, (iii) the trade war between the United States and China, and (iv) the financial crisis experienced in Europe. Those events affected the global economy and resulted in a variety of impacts that directly and indirectly affected the economy and capital markets in the countries in which we operate, including variations in the trading price of the securities, a decline in the availability of credit, a generalized de-acceleration of the global economy, exchange rate instability and inflationary pressures, among others.

In addition, the COVID-19 pandemic had a severe and negative impact on the Chinese and the global economy since 2020. Whether this will lead to a prolonged downturn in the economy is still unknown. In addition to the COVID-19 pandemic, the global macroeconomic environment was facing numerous challenges. The growth rate of the Chinese economy had already been slowing since 2012 compared to the previous decade and the trend may continue. According to the National Bureau of Statistics of China, China's gross domestic product, or GDP, growth was slowing down in recent years. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies which had been adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China, even before 2020. Unrest, terrorist threats and the potential for war in the Middle East and elsewhere may increase market volatility across the globe. There is significant uncertainty about the future relationship between the United States and China with respect to trade policies, treaties, government regulations and tariffs. It is unclear whether these challenges and uncertainties will be contained or resolved and what effects they may have on the global political and economic conditions in the long term. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. Any severe or prolonged slowdown in the global or Chinese economy may materially and adversely affect our business, results of operations and financial condition.

Moreover, in Argentina, a decrease in the competitiveness of the Argentine *peso* relative to other currencies, as well as low consumer confidence, low investor confidence (from both local and foreign investors) and high inflation rates, among other factors, may affect the development and growth of the Argentine economy and could adversely affect the business and financial condition of Argentine companies.

In particular, the Argentine economy continues to be vulnerable to several factors, including: volatility in the growth rate of the economy; a high rate of government expenditures; high inflation rates; regulatory uncertainty for certain economic activities and sectors; decreases in the prices for commodities as the economic recovery has depended on high prices for commodities, which prices are volatile and beyond the control of the government; the effects of a restrictive U.S. monetary policy, which could generate an increase in financial costs for Argentina; and uncertainty with respect to exchange and capital controls.

It is difficult to determine the breadth and duration of the economic and financial market problems and the many ways in which they may affect our business in general. Certain of our key markets may be adversely affected by these conditions, resulting in decreased sales of our products.

Further, even as the economy recovers in certain markets, consumers may continue to curtail spending and make more value-driven and price-sensitive purchasing choices. In addition, governments may impose taxes and implement other austerity measures to manage the economic conditions in ways that adversely affect our business. A continuation or further worsening of these difficult financial and macroeconomic conditions, or one or more of the related trends noted above, could significantly adversely affect our sales, profitability and results of operations and could require us to realize brand impairment charges to reflect any decline in the fair value of our brands.

Certain of our financial contracts contain cross-default clauses and covenant restrictions.

The contracts that govern our indebtedness contain cross-default clauses or cross-acceleration clauses, which provide that the occurrence of an event of default on any of our outstanding debt could trigger an event of default on other debt or allow the creditors of our other debt to accelerate our debt and cause it to be due immediately. As such, the acceleration of any of our outstanding debt could trigger the immediate maturity of other debt, which could materially adversely affect our ability to make payments, financial position, results of operation and the market price of our notes.

In addition, certain of our subsidiaries' debt instruments contain, among other things, covenants that restrict their ability to finance future operations or capital needs, incur additional indebtedness, and create liens on or sell their assets. A breach of any of these covenants or failure to maintain certain financial ratios could result in an event of default under the relevant credit facility, and any such event of default or resulting acceleration under such credit facilities could result in an event of default under our other debt instruments. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness."

Future recalls or problems related to the consumption and safety of our products could have a material adverse effect on our business.

We may be required to recall products that are contaminated, spoiled or inappropriately labeled. We may be subject to significant liability in the jurisdictions in which our products are sold if the consumption of any of our products causes injury, illness or death. Any health risk, real or potential, that is associated with our products, including adverse publicity about health risks from consuming our products, may cause loss of confidence among our customers regarding the safety and quality of our products. The beef industry could be subject to adverse publicity if third-party products were to become contaminated, resulting in a decrease in demand for our products in the affected market. The systems that we use to comply with governmental regulations may not be sufficient to eliminate the risks related to food safety. If our products were to become contaminated, we could be subject to product liability claims, product recalls and negative media attention that would materially and adversely affect our business and results of operations. We were not required to recall products during the year ended December 31, 2022.

We are subject to various risks relating to worker safety.

Given the nature of our operations, we are subject to various risks relating to worker safety. We conduct training and educational campaigns to improve awareness of risks and safety in the workplace and strive to improve safety conditions in the workplace, but we cannot assure you that accidents will not occur. As of June 30, 2023, we were party to 2,154 labor claims in the countries in which we operate, which typically were filed by former employees at our facilities and related to working hours, hours in transit, occupational hazard pay and mandatory thermal control breaks. If our efforts to improve worker safety and reduce the frequency and number of workplace accidents are not successful, we may be subject to fines or

penalties or third-party lawsuits, and may be required to incur costs to address any such deficiencies at our facilities or with respect to our management systems, which may have a material adverse effect on our business, financial condition and results of operations.

Our performance depends on favorable labor relations with our employees. Any deterioration of those relations or increase in labor costs could adversely affect our business.

As of June 30, 2023, we had 22,962 employees. Most of our employees in Brazil are represented by unions, regardless of any affiliation, and the benefits and labor conditions laid down in the corresponding collective bargaining agreements are mandatorily applied. Any significant increase in labor costs, deterioration in relations with our employees, slowdowns or work stoppages at any of our plants, whether due to union activities, employee turnover or otherwise, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, we and other frozen food producers are subject to extensive labor regulations, including federal laws, regulations and ordinances promulgated by the Ministry of the Labor and Social Security (*Ministério do Trabalho e Previdência*), or the Labor Public Prosecutor's Office (*Ministério Público do Trabalho*) that have significant financial impacts. In the event we do not comply with applicable employment rules, we may be subject to penalties imposed by Brazilian Department of Labor and/or proceedings filed, or investigations conducted by the Labor Public Prosecutor's Office (*Ministério Público do Trabalho*) against us, which may result in the assessment of penalties against us and materially adversely affect us.

In addition, the sectors in which we operate in Argentina are highly unionized and subject to extensive labor regulations under the supervision of the Ministry of Labor, Employment and Social Security of the Nation (*Ministerio de Trabajo, Empleo y Seguridad Social de la Nación*). We cannot assure you that our subsidiaries in Argentina will not experience labor disruptions or strikes in the future, which could result in a material adverse effect on our business and returns.

In addition, non-compliance with labor regulations may also result in public civil actions brought by the Labor Public Prosecutor's Office and class actions brought by the relevant labor unions, seeking indemnification in respect of collective moral damages and other affirmative obligations, or other proceedings filed by the Labor Public Prosecutor's Office in which we may sign adjustment of conduct agreements (*Termos de Ajustamento de Conduta*), or TACs, in which the Labor Public Prosecutor's Office may impose penalties if we do not comply with the terms and conditions established in such adjustment of conduct agreements, which may materially adversely affect our business, financial condition and results of operations.

Our ability to attract, train and retain executives and other qualified employees is critical to our business, operating results and future growth.

Our business and future success depend to a significant extent on the continued service of our senior management, comprised of key executives and other key personnel, whose knowledge of our operations and expertise in the beef and food industries are critical for appropriate decision-making, forecasting business opportunities and conducting our operations on a daily basis. The specialized skills we require in our business can be time-consuming and expensive to acquire and/or develop and, as a result, these skills are often in short supply. In order for us to be able to retain our key executives and key personnel, we may need to make changes to our remuneration policy in order to remain competitive in the talent market, which could lead to an increase in our costs. There is no guarantee that we will be successful in attracting or retaining key executives and personnel. The loss of one or more of our key executives or our inability to attract, integrate and retain other qualified personnel could have a material adverse effect on our business and operating results.

We do not generally enter into long-term sales agreements with our beef customers and, as a result, the prices at which we sell our products are determined in large part by market conditions.

We do not normally enter into long-term sales agreements with our customers, and as a result, the prices at which we sell our products are determined in large part by market conditions that prevail from time to time. A significant decrease in beef prices for a sustained period could have a material adverse effect on our net operating revenue. Price increases in our raw materials, and the resulting impact on our cost of producing our products, could materially and adversely affect our financial condition, results of operations and the market price of our notes. In addition, if we face increased costs, we may not be able to pass these higher costs along to our customers, which could materially and adversely affect our net operating revenue.

Changes in consumer preferences could materially adversely affect our business.

In general, the food industry is subject to consumer trends, demands and preferences. Our products compete with other sources of protein, including fish and plant-based meat substitutes. According to the Good Food Institute, sales of plant-based meat, fermentation-derived products and the seafood market grew 118% between 2017 and 2022, from $2.8 billion to $6.1

billion. The food sector's trends change frequently, and the fact that we cannot foresee, identify, or react to these changes in trends could trigger a reduction in the demand for and prices of our products, possibly having a material adverse effect on our business, financial condition, results of operations, and the market price of our notes.

Unfavorable findings in certain judicial or administrative proceedings could have a material adverse effect on our business, our financial condition, and our results of operations.

We are a defendant in certain judicial or administrative proceedings, including with respect to non-compliance with environmental, labor and sanitation laws, and we cannot guarantee that the outcome of these proceedings will be favorable or in any case that we have made adequate provisions for any such claims. Unfavorable judicial decisions can involve substantial liability and may prevent us from entering into or benefitting from transactions as initially planned, and could have a material adverse effect on our business, financial condition, and results of operations. Moreover, one or more of our managers may become parties to lawsuits. The filing of, or a negative outcome from such lawsuits, particularly criminal proceedings, may render such manager unable to perform his or her duties and may, directly or indirectly, adversely affect our reputation. For additional information regarding our judicial or administrative proceedings, see "Business—Legal and Administrative Proceedings."

The consolidation of our customers may have a material adverse effect on our business.

Many of our customers in Brazil, such as supermarkets, wholesale clubs and food distributors, have consolidated during the past several years. This consolidation has created larger, more sophisticated customers with greater buying power that are, therefore, better able to operate with less inventory while negotiating lower prices, greater promotional programs and more personalized products. These customers may also display their own brand-name products in certain spaces otherwise dedicated to our products. If we do not adapt to these trends, our sales volume may not increase or we may be required to lower our prices or increase expenditures to promote our products, any of which could materially adversely affect our results of operations.

Our foreign operations impose certain risks on our business and operations.

In addition to our operations in Brazil, we have operations in Paraguay, Uruguay, Argentina, Australia and Colombia, which diversify our risk exposure. In August 2018, we formed a subsidiary, Athena Foods S.A., headquartered in Santiago, Chile, which covers our operations in Paraguay, Argentina, Uruguay and Colombia, producing meat and meat by- products such as giblets, casings, bone meal, biodiesel, leather and processed products, sold both domestically and abroad.

For the six-month period ended June 30, 2023, gross revenues from our Athena Foods operations represented 43% of our total gross revenue. An adverse impact on the operations of Athena Foods may adversely affect our financial conditions. We are subject to economic, political and economic factors affecting the markets in these countries, some of which are beyond our control, including inflation, interest rates, changes in exchange rate policies, government interference in policies and currency devaluation, any of which could have a material adverse effect on our business and results of operations.

In addition, we may also be adversely affected by economic, political and social factors that affect the markets in which we operate and that are beyond our control, such as the effects of the COVID-19 pandemic on the global economy and international demand for beef, inflation, interest rates, changes in exchange rate policies, government interference in economic policies, strikes at ports, customs and tax authorities, changes in transport and slaughter market regulations, energy and water shortages and rationing, increases in prices of our inputs, new tax regulations, including taxes or dividend distributions, and currency devaluation. These factors may particularly impact our operations in Argentina. The Argentine economy has been characterized by frequent and occasionally extensive interventions by the Argentine government, as well as unstable economic cycles. The Argentine government has frequently changed monetary, tax, credit, tariff and other policies to influence the course of its economy. We cannot predict what policies the Argentine government may adopt or change or the effect such policies could have on our business and on the Argentine economy. Any new policies or changes to current policies could have a material adverse effect on our business, results of operations and financial condition.

The interests of our controlling shareholder may conflict with the interests of other investors.

VDQ, our controlling shareholder, currently has the power to elect and remove a majority of the members of the board of directors, control our management and our policies and determine the outcome of most corporate transactions or other matters submitted for shareholder approval, including mergers, consolidations, sales of all or substantially all of our assets or withdrawal of registration of our common shares from the *Novo Mercado* segment of the B3, which is the listing segment with the highest corporate governance practices and disclosure requirements. Our controlling shareholder may also be

interested in pursuing acquisitions, divestitures, partnerships, seeking financing or entering into similar transactions that may conflict with the interests of investors in our notes.

Our use of derivative financial instruments could affect our results of operations, especially in a volatile and uncertain market.

We have used derivative financial instruments to manage our risk profile associated with interest rates and currency exposure in respect of our outstanding indebtedness. As a result of the volatility and variation of the *real* in relation to the U.S. dollar, significant changes could occur in the fair value of our derivative instruments portfolio, and we could sustain net losses on our derivative financial instruments. The fair value of derivative instruments fluctuates with the volatility of the financial market. Because the valuation is imprecise and variable, it is difficult to foresee the exact magnitude of the risk arising from our use of derivative instruments. We could be materially adversely affected by our use of derivative financial instruments.

Our exports are subject to a wide range of risks.

Our exports represent a significant portion of our gross revenues. In the six-month periods ended June 30, 2023 and 2022 and in the years ended December 31, 2022, 2021 and 2020, our exports represented 64.3%, 70.7%, 68.6%, 67.6%, and 67.5% of our gross revenue, respectively. We are subject to similar risks in our principal export markets as we are in Brazil. Our future financial performance will depend significantly on the economic scenario and the current political and social conditions in our principal export markets. Our ability to export our products in the future may be adversely affected by factors that are beyond our control, such as:

- exchange rate variations;
- a downturn in the economy of a given export market;
- imposition of increased tariffs (including anti-dumping tariffs) or commercial or sanitary barriers;
- imposition of exchange controls and restrictions on foreign exchange transactions;
- strikes or other events that may affect the availability of ports and transportation;
- compliance with different foreign laws; and
- tampering with or sabotage of our products.

Our operations may be adversely affected by strikes by port employees, customs agents, sanitary inspection agents and other public or private employees, including at the Brazilian ports from where we export our products. A strike by any of these workers in the future may materially adversely impact our business and our results of operations.

In addition, countries to which we export our products may prohibit the purchase of our products for indefinite periods, for various reasons, including changes in applicable laws. For instance, in May 2010, MAPA temporarily suspended exports of Brazilian processed beef to the United States following sanitary concerns by U.S. authorities relating to Brazilian processed beef exported to the United States by one of our Brazilian competitors, and the USDA suspended all imports of fresh beef from Brazil from June 2017 to February 2020 due to public health concerns, sanitary conditions and animal health issues. Moreover, in November 2017, Russia temporarily suspended beef imports from Brazil. However, thanks to Minerva's geographical diversification in South America, we reallocated exports to Russia from Brazil to other countries and the Russian demand was redirected to our units in Paraguay, Uruguay and Argentina. Russian foreign relations have been turbulent in recent years, and the risk of unforeseen changes in this region may be greater than in other countries to which we export. For example, Russia and the Ukraine are experiencing significant unrest, which has escalated into armed conflict and resulted in the imposition of economic sanctions against Russia by the United States and the European Union. Any blockade of imports or similar measures may adversely impact our sales to Russia and, consequently, our total gross revenue from exports. We may not be able to timely adjust to these changes or find new markets for our products to compensate for a country that prohibits or reduces the purchase of our products. Our future financial development will depend to a significant extent on the existing economic, political and social conditions of our principal export markets.

Other countries could create legal barriers on the importation of beef from the countries in which we operate.

Outbreaks of diseases affecting cattle, such as FMD, may result in the imposition of commercial restrictions on our products or on the purchase of cattle from suppliers located in affected regions. For example, as a result of occurrences of FMD in certain regions of Brazil, the United States, Japan, Canada, Australia, South Korea and New Zealand do not permit imports of

fresh beef from Brazil (with the most recent outbreak occurring in 2006), Paraguay (with the most recent outbreak occurring between September 2011 and January 2012) and Colombia (with the most recent outbreak occurring in 2018), as they assert that FMD cannot be eradicated on a regional (as opposed to national) basis. These prohibitions, as well as any future prohibitions or suspensions imposed by Brazilian, Paraguayan, Uruguayan, Argentine or Colombian governmental authorities or governmental authorities in other jurisdictions, could have a material adverse effect on the beef industry in the countries in which we operate and, consequently, our financial condition and results of operations. For more information, see "Industry—BSE (Bovine Spongiform Encephalopathy)."

Any commercial restrictions arising from concerns regarding the occurrence and spread of these diseases, any future suspensions imposed by Brazilian, Paraguayan, Uruguayan, Argentinean, Colombian governmental authorities or governmental authorities in other jurisdictions and any significant cancellation of orders by customers could have a material adverse effect on the beef industry in these countries and, consequently, on our results of operations.

Government policies and regulations that affect the cattle and beef industries could materially adversely affect our operations and profitability.

Cattle production and trade flows are significantly affected by government policies and regulations, such as taxes, customs tariffs, duties, subsidies and import and export restrictions and limitations (i.e., export quotas based on commercial agreements between countries) on beef and/or cattle by-products. Such governmental policies and regulations can influence industry profitability, the use of land resources, the location and size of cattle production, whether frozen, chilled or processed, and the volume and types of imports and exports.

Our facilities and products are subject to periodic inspections by federal, state and municipal authorities and to comprehensive food regulations, including controls over processed food. In Brazil, we are subject to extensive regulation from the Brazilian Health Regulatory Agency (*Agência Nacional de Vigilância Sanitária*), or ANVISA, and MAPA, which are responsible for the inspection of all food products: (1) transported outside the state where the food products were produced; (2) exported from Brazil; and (3) imported into Brazil. We are also subject to state and municipal sanitary regulations (including inspections by MAPA local offices) with respect to food products that are produced or distributed within the state or municipality, as the case may be. In addition, we are subject to extensive regulation by (1) SENACSA in Paraguay; (2) SENASA (*Servicio Nacional de Sanidad y Calidad Agroalimentaria*), the Argentine Secretariat of Agriculture, Livestock and Fisheries (*Secretaria de Agricultura, Ganadería y Pesca*), or SALF, under the supervision of the MAGyP, the Argentine Undersecretariat for Livestock and Animal Production (*Subsecretaría de Ganadería y Producción Animal*), the Argentine Health Ministry (*Ministerio de Salud*) and the Argentina Administration of Medicine, Foods and Medical Technology (*Administración Nacional de Medicamentos, Alimentos y Tecnologia Medica*) in Argentina; (3) MGAP (*Ministerio de Ganadería, Agricultura y Pesca*) and the MSP (*Ministerio de Salud Pública*) in Uruguay; and (4) ICA (*Instituto Colombiano Agropecuario*) and INVIMA (*Instituto Nacional de Vigilancia de Medicamentos y Alimentos*) in Colombia. Changes in governmental regulations related to food safety issues may require us to increase our investments or incur additional costs. Stricter sanitary regulations may result in higher operating costs and/or required investments that may have an adverse effect on our business and results of operations. We may also be subject to legal and administrative proceedings due to governmental regulations, which litigation may adversely affect our business and results of operations.

Our international and export operations expose us to risks relating to currency fluctuations, as well as political and economic and health risks in other countries.

Our international activities expose us to risks not faced by companies that operate solely in Brazil. Our international operations may be affected by restrictions and import tariffs or other protectionist measures and the requirements to obtain import or export licenses. Our future financial development will depend significantly on the economic, political and social conditions in our principal markets (the Middle East, the Americas and the Commonwealth of Independent States, or the CIS). Other risks associated with our international operations include: (1) variations in exchange rates and inflation in foreign countries in which we operate; (2) foreign exchange controls; (3) changes in the political or economic conditions in a specific country or region, in particular in emerging markets and Arab countries, including those arising from international conflicts, such as those that occurred recently between the United States and the Middle East; (4) potentially negative consequences resulting from changes to regulatory requirements; (5) difficulties and costs associated with the observance and execution of different laws, treaties and complex international regulations; (6) rise in tax rates and/or gains that may be subject to withholding regimes and an increase in repatriation taxes; (7) higher distribution costs, interruptions in transportation or a reduction in the availability of freight transportation and (8) disruptions in supply and demand arising from the effects of spreading coronavirus infections.

The occurrence of any of these events may materially adversely affect our results of operations and our ability to conduct business in certain of our existing or developing markets.

Our insurance may not cover all of our liabilities associated with our operations.

We maintain insurance designed to provide coverage for ordinary risks associated with our operations, which we believe to be customary for our industry. The coverage provided by such insurance may not be adequate for all claims we may make or may be contested by our insurance carriers. If our insurance is not adequate or available to pay liabilities associated with our operations, or if we are unable to purchase adequate insurance at reasonable rates in the future, our business, financial condition, results of operations or cash flows may be materially adversely impacted.

We depend on our information technology systems, and any failure of these systems could adversely affect our business.

We depend on information technology systems for significant elements of our operations, including to store data and retrieve critical business information. Our information technology systems are vulnerable to damage from various sources, including network failures, malicious human acts, and natural disasters. Moreover, despite network security and back-up measures, some of our servers are potentially vulnerable to physical or electronic break-ins, computer viruses, and similar disruptive problems. Failures or significant disruptions to our information technology systems or those used by our third-party service providers could prevent us from conducting our general business operations. Any disruption or loss of information technology systems on which critical aspects of our operations depend could have an adverse effect on our business, results of operations, and financial condition. Further, we store highly confidential information on our information technology systems, including information related to our products. If our servers or the servers of the third party on which our data is stored are attacked by a physical or electronic break-in, computer virus or other malicious human action, our confidential information could be stolen or destroyed. Any security breach involving the misappropriation, loss or other unauthorized disclosure or use of confidential information of our suppliers, customers, or others, whether by us or a third party, could (1) subject us to civil and criminal penalties, (2) have a negative impact on our reputation, or (3) expose us to liability vis-à-vis our suppliers, customers, other third parties or government authorities. Any such developments could have a material adverse impact on our business, financial condition and results of operations.

We are exposed to failures, deficiencies or inadequacies in our information technology systems, internal processes, human error or misconduct and cyber-attacks. All of these factors could adversely affect us.

Due to the high volume of information, we process daily and our digital transformation efforts, we are dependent on technology and information management systems, which exposes us to potential system and infrastructure downtime resulting from power outages, disruption of telecommunications services, widespread system failures and events arising from broader political or social issues, such as cyber-attacks or the unauthorized disclosure of personal data in our possession. We manage and store certain proprietary information and sensitive or confidential data relating to our suppliers, customers and our operations. We may be subject to breaches in the technology systems we use for these purposes. In addition, we have operations in multiple geographic locations and are frequently subject to events beyond our control. Despite contingency plans and high availability for critical systems, our ability to conduct business in any of these locations could be adversely affected by failures in the information technology infrastructure that supports our business. We are highly dependent on technology, which makes us vulnerable to viruses, malware and other malicious software, including bugs and other issues that could unexpectedly interfere with the operation of our systems and result in the unauthorized disclosure of the data we store and process.

Operational failures, including those resulting from human error or fraud, not only increase our costs and cause losses, but also lead to disputes with our suppliers, customers, lawsuits, regulatory fines, sanctions, government interference, reimbursements and other compensation costs. We also rely on external data management providers, whose potential security issues and vulnerabilities may have a similar effect on us.

As a result of the COVID-19 pandemic, we have increased the number of employees working remotely. This increase may result in in the downtime of our systems and infrastructure, disruptions in telecommunications services, widespread systems failures and increased vulnerability to cyber-attacks. As a result, our ability to conduct our business may be adversely affected.

Failure to adequately protect against cybersecurity-related risks could materially and adversely affect us. We are subject to various cybersecurity risks, including, but not limited to: (1) the hacking of our systems and our platforms by malicious third parties, (2) the infiltration of malware (such as computer viruses) into our systems, (3) the contamination (whether intentional or accidental) of our networks and our systems by third parties with whom we exchange information, (4) the unauthorized access to confidential customer information and/or proprietary information by persons inside or outside our company, and (5) cyber attacks that compromise our systems or limit the availability of our services and that may result in business losses.

In recent years, business systems and organizations have been targeted not only by cybercriminals, but also by activists and rogue states. We define a cyber-attack as any type of offensive maneuver employed by states, nations, individuals, groups or organizations that seeks to target computer systems, infrastructure, networks and/or personal devices, by various means, such as denial of service, malware and phishing, with the purpose of stealing, altering or destroying a specific target by hacking a susceptible system. Cyber-attacks range from installing viruses on a personal computer to attempts to destroy the infrastructure of entire nations. We are exposed to this risk throughout the information lifecycle, from the moment it is collected to its processing, transmission, storage, analysis and destruction.

A successful cyber-attack could limit the availability of our services and compromise the integrity of our information and result in unauthorized access to data we process and store, potentially causing loss of significant amounts of customer data and other sensitive information, and damaging our image, which may directly affect our customers and partners. In addition, cyber-attacks could render our systems unusable.

As attacks continue to increase in scope and sophistication, we may incur significant costs in attempting to modify or enhance our measures to protect against such attacks, or to investigate and remediate any resulting vulnerability or breach.

If we fail to effectively manage cybersecurity risk, by, for example, failing to update our systems and processes in response to new threats, our reputation, results of operations, financial condition and prospects may be adversely affected, including as a result of damages we may be required to pay, regulatory penalties and fines and/or the loss of assets. In addition, we are also subject to cyber-attacks against critical infrastructure in Brazil and other countries in which we operate. Our systems depend on this critical infrastructure and any cyber-attack against our infrastructure could adversely affect our ability to serve our customers.

In addition, failure to protect personal information could adversely affect us. We manage and maintain sensitive personal information of identified or identifiable individuals. Although we have procedures and controls in place to safeguard the personal information in our possession, unauthorized disclosures or security breaches could subject us to legal proceedings and administrative sanctions, as well as losses that could materially adversely affect our results of operations, reputation, financial condition and prospects.

Administrative sanctions include, among others, sanctions for non-compliance with the General Data Protection Law (*Lei Geral de Proteção de Dados*, or LGPD), Law No. 13,709/2018, which entered into force in September 2020. The LGPD establishes the basis on which personal data may be processed, irrespective of whether the data is stored physically or through digital media, and protects data owners from the inappropriate use of their data.

In addition, we are subject to risks arising from our failure to comply with policies, employee misconduct, or negligence and fraud, which could result in regulatory sanctions, reputational damage or financial loss.

Moreover, we may be required to report cybersecurity-related events, events in which customer information may be compromised, unauthorized access and other security breaches, to the relevant regulatory authority and the affected data subjects.

We may face unknown risks regarding possible corrupt acts carried out by others in the past with respect to the Mercosur Assets.

In July 2017, certain of our subsidiaries acquired the Mercosur Assets, which comprise certain entities previously owned by JBS S.A. On May 31, 2017, J&F, the controlling shareholder of JBS S.A., announced that it had entered into the J&F Leniency Agreement with the Federal Prosecutor's Office in Brazil (*Ministério Público Federal*), or the MPF, in connection with anti-corruption investigations undertaken by the MPF. J&F has indicated that the J&F Leniency Agreement provides for J&F to pay a fine of R$10.3 billion over a period of 25 years. J&F further indicated that the J&F Leniency Agreement related to plea agreements settled by the owners of J&F that J&F and certain of its subsidiaries effected bribes over a period of years in an aggregate amount of approximately R$600 million to approximately 1,900 politicians. J&F has stated that it expects the J&F Leniency Agreement to provide immunity to JBS S.A. and its subsidiaries in connection with the investigations specified in the J&F Leniency Agreement. While we are not aware of any allegations with respect to corrupt acts practiced by or on behalf of the Mercosur Assets, there can be no assurance that any allegations will not arise in the future. If any such allegations were to arise, however, there can be no assurance that relevant competent authorities in the jurisdictions in which the Mercosur Assets operate would not commence anti-corruption investigations with respect to the respective Mercosur Assets, or that the respective Mercosur Assets would not be subject to fines or penalties related to corrupt acts that may have been carried out prior to the consummation of such acquisition. We would be entitled to indemnity from JBS S.A. under the share purchase agreement only in certain limited circumstances, and any claim, charge or

fine related to possible corrupt acts carried out by others, could have a material adverse impact on our business, financial condition or results of operations and cash flows.

Risks Relating to Brazil

Brazilian economic and political conditions and perceptions of these conditions in the international market have a direct impact on our business and our access to international equity and debt markets, and could materially adversely affect our results of operations and financial condition.

As of June 30, 2023, approximately 40% of our operations are in Brazil. As a result, our financial situation and operating results are substantially dependent on economic conditions in Brazil. Future developments in the Brazilian economy may affect Brazil's growth rates, and consequently, the consumption of our products, what could adversely affect our business strategies, operating results, and our financial condition.

The Brazilian political environment influenced and continues to influence the economic performance of the country. The political crises affected and continue to affect the trust of investors and general public, causing economic slowdowns and an increase in volatility of securities issued by Brazilian companies.

Brazil has experienced economic instabilities caused by a variety of political and economic events, as reflected by a slowdown in GDP growth and variations in supply and demand.

The Brazilian economy remains subject to government policies and acts, which, if not successful or implemented, may affect the operations and financial performance of companies, including us.

Recent political and economic instabilities have led to a negative perception of the Brazilian economy and an increase in volatility in the Brazilian securities market, which may also adversely affect our businesses and shares. Any recurring economic instability and political uncertainties may adversely affect our business and shares. The Brazilian economy has experienced a sharp downturn in recent years due, in part, to the interventionist economic and monetary policies of the Brazilian government. The current Brazilian federal government is expected to propose general terms of fiscal reform to stimulate the economy and reduce the projected budget deficit, but it is uncertain whether the Brazilian government will be able to gain the necessary support in the Brazilian congress to pass additional specific reforms.

Political and economic uncertainty and any new policies or changes to current policies could have a material adverse effect on our business, results of operations, financial condition and prospects. Uncertainty over whether the Brazilian government will implement policy or regulatory changes that affect these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in securities issued abroad by Brazilian companies. Historically, the political scenario in Brazil has influenced the performance of the Brazilian economy. In particular, political crises affected the confidence of investors and the general public, which adversely affected economic development in Brazil.

Furthermore, Luis Inácio Lula da Silva was elected president in October 2022, for a four-year term that began in January 2023. Following the 2022 election results, there were protests by supporters of the former president Jair Bolsonaro contesting the election results. On January 8, 2023, protesters invaded government buildings in Brasília, including congress, the Federal Supreme Court (STF) and the Planalto Palace, which led the STF to order the arrest of participants and some politicians, which resulted in new investigations. There is no assurance as to whether such political and social tensions will dissipate or intensify, while the country awaits the ongoing definition and implementation of the new government's political and economic agenda, which may contribute to an increase in macroeconomic and political instability. Considering that the majority of legislative power is concentrated in opposition parties, uncertainties regarding the implementation by the new government of changes related to monetary, fiscal and social security policies, as well as the political climate established after the elections, may contribute to economic instability. These uncertainties and new measures may increase the volatility of the Brazilian securities market.

The president of Brazil has the power to establish policies and perform governmental acts related to the conduction of the Brazilian economy and, consequently, affect our operations and financial performance. We cannot predict which policies the President will adopt, much less whether such policies or changes in current policies could have an adverse effect on us or on the Brazilian economy.

The Brazilian government has historically exercised, and continues to exercise, significant influence over the Brazilian economy. Brazilian political and economic conditions could have a material adverse effect on us.

The Brazilian economy has been characterized by frequent and occasionally extensive intervention by the government and unstable economic cycles. The Brazilian government has often changed monetary, taxation, credit, tariff and other policies to

influence the course of Brazil's economy. For example, the Brazilian government's actions to control inflation have at times involved setting wage and price controls, blocking access to bank accounts, imposing exchange controls and limiting imports into Brazil. We have no control over and cannot predict what policies or actions the Brazilian government may take in the future. Our business, financial performance and results of operations may be adversely affected by changes in policy and regulations involving or affecting certain factors, such as:

- foreign exchange rate movements;
- exchange controls and restrictions on remittances abroad;
- inflation;
- interest rate fluctuations;
- liquidity available in the domestic capital, credit and financial markets;
- social and economic instability;
- energy and water shortages;
- price instability;
- fiscal policies and tax laws and regulations; and
- other political, diplomatic, social and economic developments in or affecting Brazil.

Uncertainty over whether the Brazilian government will implement changes in policy or regulation affecting these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in the Brazilian securities markets. These and other future developments in the Brazilian economy and governmental policies could have a material adverse effect on us. We have no control over and cannot predict the measures and policies the Brazilian government may adopt in the future.

The ongoing economic and political crisis in Brazil may have a material adverse effect on our business, operations and financial condition.

Brazil's political environment has historically influenced, and continues to influence, the performance of the country's economy. Political crises have affected and continue to affect the confidence of investors and the general public and have historically resulted in economic deceleration and heightened volatility in the securities issued by Brazilian companies. The recent economic instability in Brazil caused by increased inflation in recent years, slowing GDP growth and uncertainty regarding whether the Brazilian government will be able to enact economic reforms needed to stem the deterioration of the public accounts and the economy have led to a decline in market confidence in the Brazilian economy and a crisis in the government.

The Brazilian economy remains subject to government policies and acts, which, if not successful or implemented, may affect the operations and financial performance of companies, including us. Recent political and economic instabilities have led to a negative perception of the Brazilian economy and an increase in volatility in the Brazilian securities market, which may also adversely affect our businesses and securities.

The Brazilian economy has experienced a sharp downturn in recent years due, in part, to the interventionist economic and monetary policies of the Brazilian government and the global decline in commodity prices. The current Brazilian federal government is expected to propose general terms of fiscal reform to stimulate the economy and reduce the projected budget deficit, but it is uncertain whether the Brazilian government will be able to muster the necessary support in the Brazilian congress to pass additional specific reforms. Political and economic uncertainty and any new policies or changes to current policies could have a material adverse effect on our business, results of operations, financial condition and prospects. Uncertainty over whether the Brazilian government will implement policy or regulatory changes that affect these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in securities issued abroad by Brazilian companies. Historically, the political scenario in Brazil has influenced the performance of the Brazilian economy. In particular, political crises affected the confidence of investors and the general public, which adversely affected economic development in Brazil.

Furthermore, Luis Inácio Lula da Silva was elected president in October 2022, for a four-year term that began in January 2023. Following the 2022 election results, there were protests by supporters of the former president Jair Bolsonaro contesting the election results. On January 8, 2023, protesters invaded government buildings in Brasília, including congress, the Federal Supreme Court (STF) and the Planalto Palace, which led the STF to order the arrest of participants and some politicians, which resulted in new investigations. There is no assurance as to whether such political and social tensions will dissipate or intensify in the coming months, while the country awaits the definition of the new government's political and economic agenda, which may contribute to an increase in macroeconomic and political instability. Considering that the majority of the legislative power is from the opposition party, uncertainties regarding the implementation, by the new government, of changes related to monetary, fiscal and social security policies, as well as the political climate established after the elections, can contribute to economic instability. These uncertainties and new measures may increase the volatility of the Brazilian securities market.

The president of Brazil has the power to establish policies and perform governmental acts related to the conduction of the Brazilian economy and, consequently, affect our operations and financial performance. We cannot predict which policies the President will adopt, much less whether such policies or changes in current policies could have an adverse effect on us or on the Brazilian economy.

Any recurring economic instability and political uncertainties may adversely affect our business and the trading price of our notes.

Inflation, and the measures to combat inflation implemented by the governments of Brazil or other countries in which we operate, may significantly contribute to economic uncertainty in Brazil or the other countries in which we operate and may have material adverse effects on our business and results of operations.

Brazil has historically experienced high rates of inflation. Inflation, as well as the Brazilian government's efforts to combat inflation, has had significant negative effects on the Brazilian economy, particularly prior to 1995.

Brazil experienced higher inflation rates in recent years, including due to the effects and developments of the COVID-19 pandemic. According to the IPCA, published by the IBGE, Brazil's inflation rates were 5.45%, 10.05% and 4.5% for the twelve-month periods ended December 2022, 2021 and 2020, respectively. Our operating costs and expenses are substantially denominated in *reais* and tend to increase with Brazilian inflation because our suppliers and providers generally increase prices to reflect the depreciation of the currency. If the rate of inflation in Brazil increases more rapidly than the rate of appreciation of the U.S. dollar, then our operating expenses may increase. In addition, high inflation generally leads to higher domestic interest rates and, as a result, our costs of *real*-denominated debt may increase. The Brazilian government's measures to control inflation have often included maintaining a tight monetary policy with high interest rates, thereby restricting the availability of credit and reducing economic growth. Actions to combat inflation and public speculation about possible additional actions may also contribute significantly to economic uncertainty in Brazil and consequently weaken investor confidence in Brazil.

Brazil may experience high levels of inflation in the future, which may impact domestic demand for our products. Inflationary pressures may also curtail our ability to access foreign financial markets and may lead to government intervention in the economy, including the introduction of government policies that may materially affect the overall performance of the Brazilian economy, which in turn may materially affect our business and results of operations.

Moreover, the Argentine government has implemented programs to control inflation and monitor prices for essential goods and services, including attempts to freeze the price of certain supermarket products by means of price support arrangements between the government and the private sector. These programs, however, do not address the structural causes for Argentina's inflation and, consequently, failed to reduce inflation.

The Argentine government reported a primary fiscal deficit of 1.7% GDP in 2019, 6.5% GDP in 2020, 3.0% in 2021 and 2.4% in 2022. However, one of the principal aims of the Argentine government policy is a gradual reduction of the fiscal deficit. It includes a strategy with the objective of reaching a primary fiscal deficit of 2.5% of GDP in 2022, and expect it to be reduced to 1.9% of GDP in 2023 and 0.9 of GDP in 2024.

Controlling inflation remains a challenge for Argentina. If the Argentine government continues adopting mere control and restriction measures but continues failing to address Argentina's structural inflationary imbalance, the current levels of inflation may continue to rise, which may have an adverse effect on Argentina's economy.

High inflation rates affect Argentina's foreign competitiveness, increase social and economic inequality, negatively impact employment, consumption and the level of economic activity, and undermine confidence in Argentina's banking system, which could further limit the availability of and access by local companies to domestic and international credit.

Inflation rates could continue to grow in the future, and there is uncertainty regarding the effects that any measures adopted by the government could have to control inflation.

Economic and market conditions in other countries, including in developing countries, may materially and adversely affect the Brazilian economy and, therefore, the market value of our notes.

The market for securities issued by Brazilian companies is influenced by economic and market conditions in Brazil, and, to varying degrees, market conditions in other countries, including Latin American and developing countries. Although economic conditions are different in each country, the reaction of investors to developments in one country may cause the capital markets in other countries to fluctuate.

Developments or conditions in countries outside Brazil, including developing countries, may significantly affect the availability of credit in the Brazilian economy and have at times resulted in considerable outflows of resources and reductions in the amount of foreign currency invested in Brazil, as well as limited access to international capital markets, all of which may materially and adversely affect our ability to borrow funds at an acceptable interest rate or to raise equity capital when and if there should be a need for us to do so. The volatility in market prices for Brazilian securities has increased from time to time, and investors' perception of increased risk due to crises in other countries, including developing countries, may also lead to a reduction in the market price of our notes.

We are subject to fluctuations in exchange and interest rates.

As of June 30, 2023, R$7,520.8 million (or 54.1%) of our total indebtedness was denominated in foreign currency. Exchange rate variations result from factors that we cannot control. See "Exchange Rates." If the Brazilian *real* were to continue to depreciate, our financial expenses would continue to increase, and we may not have sufficient access to new financing or funding to refinance our existing indebtedness, which may have a material adverse effect on our financial condition and results of operations.

Our financial expenses are affected by changes in the interest rates that apply to our floating rate debt. As of June 30, 2023, we had R$13,893.4 million of loans, financings and debentures, certain of which were subject to (i) the Interbank Certificate of Deposit (*Certificado de Depósito Interbancário*), or CDI, rate, an interbank rate, (ii) the Long-Term Interest Rate (*Taxa de Juros de Longo Prazo*), or TJLP, a long-term interest rate, or (iii) LIBOR, an average of the interbank interest rate from a selection of banks on the London money market. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness." The TJLP includes an inflation factor and is determined quarterly by the National Monetary Council (*Conselho Monetário Nacional*). In particular, the TJLP and the CDI rate have fluctuated significantly in the past in response to the expansion or contraction of the Brazilian economy, inflation, Brazilian government policies and other factors.

Deterioration of economic conditions could materially adversely affect our business.

Our business may be adversely affected by changes in domestic or global economic conditions, including inflation, interest rates, disruptions in the capital markets, consumer spending rates, energy availability and costs (including fuel surcharges) and the effects of Brazilian governmental initiatives to manage economic conditions. Any such changes could adversely affect the demand for our products both in domestic and export markets, or the cost and availability of our needed raw materials, thereby materially adversely affecting our business, financial condition and results of operations.

Disruptions in credit and other financial markets and deterioration of national and global economic conditions, could, among other things: (1) adversely affect global demand for protein products, which could result in a reduction of our sales and operating revenue and adversely impact our cash flows; (2) cause our customers or end consumers of our products to "trade down" to lower-priced products sources, putting pressure on our profit margins; (3) make it more difficult or costly for us to obtain financing for our operations or investments or to refinance our debt in the future; (4) cause our lenders to modify credit risk practices and make it more difficult or expensive for us to obtain any technical or other waivers under our debt agreements to the extent we may attempt to seek them in the future; (5) impair the financial condition of some of our customers or suppliers; or (6) decrease the value of our financial investments.

Compliance with environmental regulations and obtaining or renewing the necessary permits to operate in the beef industry may result in significant costs, and failure to comply with environmental regulations may result in administrative as well as criminal penalties and civil liability for damages.

We are required to comply with the applicable legal requirements in each of the countries in which we operate. All companies with activities that may have an environmental impact must obtain and renew, as needed, licenses from the relevant environmental agencies, as required in each jurisdiction. In Brazil, we are subject to extensive federal, state and municipal regulations pertaining to the discharge of liquid effluents that have undergone treatment, monitoring of air emissions, the handling and disposal of waste products and use of water resources, among others. In most cases, the authority to grant such licenses rests with state environmental agencies. As a result, local, state and federal environmental authorities that license our operations continuously monitor our plants.

Our failure to comply with these regulations and obtain or renew the necessary licenses, or our failure to comply with the technical conditions set forth therein, may result in criminal and administrative penalties (that could potentially include orders from competent administrative bodies or judges to stop certain activities that do not comply with such environmental regulations), negative publicity and the obligation to repair and compensate for any damages caused to the environment. We have incurred and will continue to incur capital and operating expenditures to continue to comply with these laws and regulations. Environmental authorities may also create more rigorous regulations or seek more restrictive interpretations of existing laws and regulations, which could require us to incur additional costs, negatively affecting the availability of funds for capital expenditures and other uses. Compliance with new environmental regulations may increase our costs and decrease our profits.

Additional environmental requirements that may be imposed in the future and our inability to obtain or renew environmental licenses could require us to incur significant additional costs and could have a material adverse effect on our business, financial condition, results of operations and the market value of our notes.

Compliance with occupational health and safety regulations and other authorizations necessary for the conduct of our operations may result in significant increases in our costs, and failure to comply with occupational health and safety regulations may result in administrative as well as criminal penalties and civil liability for damages. In addition, our business may materially adversely affect the health and safety of the communities in which we operate, resulting in liability to us.

We must comply with occupational health and safety regulations promulgated in the countries in which we operate. In Brazil, particularly considering recent changes in applicable regulations, we must maintain strict controls and carry out substantial investments in order to comply with a variety of rules and regulations relating to occupational health and safety in the workplace. Any failure to comply with the requirements imposed by applicable legislation, or with the rules imposed by the aforementioned regulations, may expose our employees and service providers to health and safety risks and result in administrative or criminal penalties, as well as legal proceedings and public civil actions and the imposition of adjustment of conduct agreements proposed by the Labor Public Prosecutor's Office. It may also result in negative publicity and the obligation to indemnify against any damage caused due to the noncompliance with such regulations, including collective moral damages to our employees.

Moreover, the competent governmental authorities may also create more rigorous labor regulations or seek more restrictive interpretations of existing laws and regulations, which could require us to incur additional costs, negatively affecting the availability of funds for capital expenditures and other uses, resulting in a material adverse effect on our business, financial condition, results of operations and the market value of our notes.

In addition, our business may materially adversely affect the health and safety of the communities in which we operate, including through the impact of effluents in connection with the supply of water, odor and noise disturbances, the leakage of ammonia, as well as explosions and fires. The occurrence of any of these or other associated risks may result in liability to us, which may materially adversely affect our business, financial condition and results of operations.

Further, any loss of employees essential to our risk management functions, particularly with respect to employee training, may result in our failure to comply with applicable legislation, rules and procedures, as well as in accidents for which we may be subject to administrative, civil and criminal liability.

Our failure to comply with certain environmental commitments under settlement and other privately negotiated agreements may materially adversely affect us.

Real estate speculation in connection with livestock operations are recognized as a primary driver of deforestation in regions experiencing expansion, including for example the Amazon and Chaco regions of South America, and both slave and child labor have been well documented in our sector and these regions, particularly with respect to pasture operations. As a result, the private sector, including agribusinesses, have been required to participate in industry-wide agreements and programs to reduce the negative impact of their production chains on these problems.

We have voluntarily entered into such agreements, including (1) the Brazilian National Pact for the Eradication of Slave Labor (*Pacto Nacional Pela Erradicação do Trabalho Escravo*), (2) an agreement (*Termo de Ajustamento de Conduta – TAC*) in 2009 with the Brazilian Public Prosecutor's Office (*Ministério Público Federal*) and the of State of Pará to ensure that we do not acquire cattle from (a) farms that unlawfully occupy environmentally protected areas or indigenous land, (b) farmers listed by the government as employers who use slave labor, (c) farmers involved in land conflict, (d) farms located in areas prohibited by IBAMA and (e) farms that occupy areas that were illegally deforested after July 22, 2008, and (3) a public agreement in 2009 with Greenpeace Brazil, known as the Beef Moratorium (*Moratória da Carne*), to only purchase cattle from farmers in good standing with social and environmental regulations.

In 2021, we entered into a term of commitment (*termo de compromisso*) with the Federal Public Prosecutor's Office of the state of Tocantins in order to establish socio-environmental criteria for purchasing cattle in the state.

Also in 2021, we publicly released our Commitment to Sustainability principles, which include a set of actions within the environmental pillar of our environmental, social and corporate governance, or ESG, initiatives. Our goal is to obtain zero net emissions in our operations by 2035, 15 years earlier than envisaged under the Paris agreement. Our ability to achieve this goal is contingent on supply chain engagement and monitoring, which may not be successful.

If we do not comply with these or any other environmental agreements or commitments, including the Public Prosecutor's agreement, the Beef Moratorium or the Brazilian National Pact for the Eradication of Slave Labor, our business, financial condition, results of operations, reputation and public image may be materially adversely affected. See "Business—Environmental and Regulatory Matters—Sustainability."

Changes in tax laws and regulations may result in increases in certain direct and indirect taxes, which could reduce our operating margin and materially adversely affect our financial performance.

From time to time, the Brazilian government modifies tax laws and regulations, which can increase our and our customers' tax burden. These modifications may include changes in the incidence and issuance of certain temporary taxes, the resources of which may be earmarked for specific governmental purposes. We are unable to predict whether any proposed changes in Brazilian tax laws and regulations are likely to be implemented, or the impact of any such changes on us. In addition, governmental authorities in foreign countries in which we operate may also modify their respective tax laws and regulations thereby increasing our tax burden.

Future modifications in tax laws and regulations may result in an increase in our tax burden, which could reduce our operating margin and materially adversely affect our financial condition and results of operations.

We are subject to anticorruption, anti-bribery, anti-money laundering and other international trade laws and regulations. Our existing compliance processes and internal control systems may be insufficient to prevent violations of anti-corruption laws, fraud and other irregular practices by our executives, employees and suppliers, which could result in regulatory fines and damage to our reputation.

We are subject to anticorruption, anti-bribery, anti-money laundering and other international trade laws and regulations. We may be subject to investigations and proceedings by authorities for alleged infringements of these laws. These proceedings may result in fines or other forms of liability and could have a material adverse effect on our reputation, business, financial condition and results of operations.

Our existing compliance processes and internal control systems may not be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by any such persons, employees or officers. We may in the future discover instances in which we have failed to comply with applicable laws and regulations or internal controls. If any such subsidiaries, employees or other persons engage in fraudulent, corrupt or other unfair business practices or otherwise violate applicable laws, regulations or internal controls, we could become subject to one or more enforcement actions or otherwise be found to

be in violation of such laws, which may result in penalties, fines and sanctions and in turn adversely affect our reputation, business, financial condition and results of operations.

Alleged fraudulent practices in the meat-processing industry in Brazil may have a material adverse effect on our results of operations.

In the last few years, the Brazilian meat-processing industry has come under scrutiny by Brazilian regulatory authorities and the Brazilian Federal Police due to alleged instances of fraudulent practices and corruption in the industry. See "—We are subject to anticorruption, anti-bribery, anti-money laundering and other international trade laws and regulations. Our existing compliance processes and internal control systems may be insufficient to prevent violations of anti-corruption laws, fraud and other irregular practices by our executives, employees and suppliers, which could result in regulatory fines and damage to our reputation." Also, in March 2017, under the auspices of an investigation dubbed "Weak Meat" the Brazilian Federal Police accused more than 100 people, mostly federal sanitation inspectors, of taking bribes in exchange for allowing the sale of rancid products, falsifying export documents or failing to inspect meat-packing plants at all. While none of our meat-packing plants were involved in the "Weak Meat" investigation, Brazil's meat exports fell sharply as a result of these allegations. Restrictions imposed by several key importers of Brazilian meat caused a significant drop in weekly average exports of pork and poultry, and also led to a drop in beef exports at that time. Any ongoing or future allegations of fraud or corruption in the meat-processing industry could harm our reputation in Brazil and abroad, and could result in decreased purchases of, and additional import restrictions with respect to, our products, which would have a material adverse impact on our financial condition and results of operations.

Risks Relating to the Offering, Our Notes and the Guarantee

The issuer's ability to make payments on the notes depends on its receipt of payments from us.

The ability of the issuer to make payments of principal, interest and any other amounts due on the notes is contingent on its receipt from us of amounts sufficient to make these payments, and, in turn, on our ability to make these payments. In the event that we are unable to make such payments for any reason, the issuer may not have sufficient resources to satisfy its obligations under the indenture governing the notes.

Laws governing Brazilian bankruptcies, including judicial reorganizations, may be less favorable to investors than bankruptcy and insolvency laws in other jurisdictions.

If we are unable to pay our indebtedness, including our obligations under the notes, we may become subject to a bankruptcy proceeding, including a judicial reorganization, in Brazil. The bankruptcy laws of Brazil currently in effect are significantly different from, and may be less favorable to creditors than, those of certain other jurisdictions. Noteholders may have limited voting rights at creditors' meetings in the context of a court reorganization proceeding. In addition, any judgment obtained against us in Brazilian courts in respect of any payment obligations under the guarantee normally would be expressed in the *real* equivalent of the U.S. dollar amount of such sum at the exchange rate in effect (1) on the date of actual payment, (2) on the date on which such judgment is rendered or (3) on the date on which collection or enforcement proceedings are started against us. In addition, creditors of the issuer and/or of the guarantor may hold negotiable instruments or other instruments governed by local law that grant rights to attach the assets of the issuer and/or of the guarantor at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the notes.

Consequently, in the event of our bankruptcy liquidation, all of our debt obligations, including the guarantee of the notes, which are denominated in foreign currency, will be converted into *reais* at the prevailing exchange rate on the date of declaration of our bankruptcy by the court. In an event of a judicial reorganization, debt obligations denominated in foreign currency will be converted into *reais* only for voting purposes at the general creditor's meeting. Any payment, in this case, will follow the provisions of the judicial reorganization plan, or the RJ Plan, and can be made in *reais* or in foreign currency, as set forth in the RJ Plan and approved by the creditors. We cannot assure investors that such rate of exchange will afford full compensation of the amount invested in the notes plus accrued interest.

Downgrading of Brazil's credit rating could adversely affect the trading price of the notes.

Credit ratings affect investors' perceptions of risk and, as a result, the yields required on debt issuances in the financial markets. Rating agencies regularly evaluate Brazil and its sovereign ratings, taking into account a number of factors including macroeconomic trends, fiscal and budgetary conditions, indebtedness and the prospect of change in these factors. In January 2018, Standard & Poor's downgraded Brazil's sovereign debt credit rating from BB to BB-minus with a stable outlook in light of doubts regarding the presidential election and social security reform efforts. In February 2019, Standard &

Poor's affirmed Brazil's sovereign credit rating at BB-minus with a stable outlook. In December 2019, Standard & Poor's affirmed Brazil's sovereign credit rating at BB minus with a positive outlook. In April 2020, Standard & Poor's maintained Brazil's sovereign credit rating at BB-minus and revised the outlook on this rating to stable, which were reaffirmed in November 2021. In April 2018, Moody's maintained Brazil's sovereign debt credit rating at Ba2, but changed its prospect from negative to stable, maintaining it in September 2018, citing the expected new government spending cuts. In May 2019, Moody's affirmed Brazil's sovereign credit rating at Ba2 and changed the outlook to stable. The latest rating by Moody's was in April 2022, reaffirming Brazil's sovereign credit rating at Ba2 with a stable outlook. In February 2018, Fitch downgraded Brazil's sovereign credit rating again to BB-negative, citing, among other reasons, fiscal deficits, the increasing burden of public debt and an inability to implement reforms that would structurally improve Brazil's public finances. In November 2019, Fitch maintained Brazil's sovereign credit rating at BB-minus, citing the risk of tax and economic reforms and political instability. In May 2020, Fitch changed its outlook to negative in the context of developments relating to the COVID-19 pandemic, which was reaffirmed in May and in December 2021 and in December 2022. As of the date of this offering memorandum, Brazil's sovereign credit ratings were BB- with a positive outlook, Ba2 with a stable outlook and BB with a stable outlook by S&P, Moody's and Fitch, respectively, which is below investment grade.

Within five business days from the closing of this offering of notes, the issuer will escrow the net proceeds received from this offering into a Brazilian real-denominated escrow account, and may be required, under certain circumstances, to repay its outstanding debt in an amount in U.S. dollars equivalent to the gross proceeds of this offering, which may include a redemption of the notes. The issuer may not have sufficient funds to repay its debt or redeem the notes. In addition, upon an early redemption, you may realize a lower return on your investment than if the notes had been held through maturity.

Within five business days from the closing of this offering of notes, we will deposit the net proceeds received from this offering into an escrow account and, except as set forth as follows, the funds may be released only to pay the balance of the purchase price due in connection with the completion of the Marfrig Asset Acquisition. If the Marfrig Asset Acquisition has not been competed by the earlier of (1) the termination of the Marfrig SPAs prior to the consummation of the Marfrig Asset Acquisition or (2) February 28, 2025 (if the Marfrig Asset Acquisition in respect of the assets in Brazil, Argentina and Chile is not consummated prior to this date), then Minerva will be required to repay indebtedness in an amount equivalent in U.S. dollars to the gross proceeds raised from this offering. See "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment." Because the issuer will deposit only the net proceeds into the escrow account, and also because the escrowed proceeds will be deposited in a *real*-denominated account and the *real* could depreciate from the time at which funds are deposited into escrow until they are required to be used to repay indebtedness, there may not be sufficient funds on deposit in the escrow account for Minerva to pay indebtedness in an amount in U.S. dollars equivalent to the gross proceeds raised in this offering and Minerva will be required to use cash on hand to pay any such difference. There can be no assurance that Minerva will have sufficient cash to make any such payment, which would cause it to be in breach of its covenants under the indenture governing the notes, which could have an adverse effect on our financial condition. Moreover, such repayment of indebtedness could involve a redemption of the notes offered hereby. Upon such redemption, you may not be able to reinvest the proceeds from the redemption in an investment that yields comparable returns. Additionally, you may suffer a loss on your investment if you purchase the notes at a price greater than the price at which they are redeemed.

The guarantee of the notes will be unsecured and will rank equally with our existing and future unsecured unsubordinated indebtedness.

The guarantee of the notes will not be secured by collateral and will constitute our unsubordinated and unsecured obligations that we have agreed will rank *pari passu* in priority of payment with all our other present and future unsubordinated and unsecured obligations. Although the guarantee will provide the noteholders with a direct, but unsecured, claim on our assets and property, the guarantee will be effectively junior to our secured debt, to the extent of the assets and property securing such debt. As of June 30, 2023, we had total loans and financing of R$13,893.4 million, of which approximately R$13,881.7 million was unsecured, and approximately R$11.7 million was secured. The guarantee will also be effectively junior to the indebtedness of any of our subsidiaries that do not provide guarantee of the notes.

In addition, we may in the future, grant additional liens to secure indebtedness without equally and ratably securing the guarantees. If we become insolvent or are liquidated, or default in the payment of these obligations, these secured creditors will be entitled to exercise the remedies available to them under applicable law. These creditors will have a prior claim on our assets covered by their liens.

Changes in our credit ratings may adversely affect the value of the notes.

We cannot provide assurance as to the credit ratings that may be assigned to the notes or that any such credit ratings will remain in effect for any given period of time or that any such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in each rating agency's judgment, circumstances warrant such an action. Further, any such ratings will be limited in scope and will not address all material risks relating to an investment in the notes, but rather will reflect only the view of each rating agency at the time the rating is issued. An explanation of the significance of such rating may be obtained from such rating agency. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could adversely affect the market value of the notes and increase our corporate borrowing costs.

The guarantor's obligations under the guarantee of the notes will be subordinated to certain statutory liabilities.

Under Brazilian, our obligations under the guarantee of the notes are subordinated to certain statutory preferences. In the event of our liquidation or bankruptcy, these statutory preferences, including motions for restitution, post-petition claims, claims for salaries, wages, social security, taxes and court fees and expenses and claims secured by collateral, among others, will have preference and priority over any other claims, including any claims in respect of the guarantee.

We may not be able to repurchase the notes upon a change of control that results in a ratings decline.

Upon a "change of control," as defined in the indenture governing the notes, that results in a ratings decline, the issuer will be required to make an offer to repurchase the notes at a price equal to 101% of the principal amount thereof, together with any accrued and unpaid interest to the date of repurchase. If a change of control that results in a ratings decline were to occur, there can be no assurance that the issuer would have sufficient funds to pay the purchase price for all of the notes that the issuer might be required to purchase. The issuer's failure to purchase, or give notice of purchase of, the notes would be a default under the indenture governing the notes. A default under the indenture would result in an event of default under our other indebtedness if such default relates to a payment default or if the noteholders were to vote to accelerate the debt under our notes. If the foregoing occurs, we may not have enough assets to satisfy all obligations under the indenture governing the notes and our other indebtedness.

We cannot assure you that a judgment of a United States court for liabilities under U.S. securities laws would be enforceable in Brazil, or that an original action can be brought in Brazil against us for liabilities under U.S. securities laws.

We are organized under the laws of Brazil and substantially all of our assets are located in Brazil. In addition, all or substantially all of our directors and officers and certain advisors named herein reside in Brazil. As a result, it may not be possible for investors to effect service of process within the United States upon us or our directors, officers and advisors or to enforce against them in U.S. courts any judgments predicated upon the civil liability provisions of the U.S. federal securities laws. See "Enforcement of Civil Liabilities."

An active trading market for the notes may not be maintained.

The initial notes are currently listed on the SGX-ST. Although the issuer intends to apply to list the notes on the SGX-ST, the issuer cannot provide any assurances that the notes will be or remain listed. The initial purchasers are not under any obligation to make a market with respect to the notes, and we cannot assure you that trading markets will develop or be maintained. We cannot assure you of the liquidity of any market that may develop for the notes, the ability of the holders of the notes to sell them or the price at which the notes may be sold. The liquidity of any market for the notes will depend on the number of noteholders, prevailing interest rates, the market's performance and prospects, as well as recommendations of securities analysts. If an active trading market were to develop, the notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, our results of operations and financial condition, prospects for other companies in our industry, political and economic developments in and affecting Brazil, the risk associated with Brazilian issuers of similar securities and the market for similar securities. If an active trading market for the notes does not develop or is interrupted, the market price and liquidity of the notes may be materially adversely affected.

The liquidity of, and trading market for, the notes may also be adversely affected by declines in the market for high yield or emerging markets securities generally. Such a decline may affect any liquidity and trading of the notes independent of our financial performance and prospects.

The notes are subject to transfer restrictions.

The notes have not been registered under the Securities Act or the securities laws of any U.S. state or any other jurisdiction, and, unless so registered, may not be offered, sold or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, we have not authorized any offer of notes to the public in the United Kingdom within the meaning of the Regulations. Accordingly, the notes may not lawfully be offered or sold to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which do not and will not result in an offer to the public in the United Kingdom within the meaning of the FSMA. See "Notice to Investors."

USE OF PROCEEDS

We intend to use the net proceeds from this offering to fund up to the remaining balance of the consideration to be paid by us in connection with the Marfrig Asset Acquisition or, in the event that the Marfrig Asset Acquisition does not close, to repay debt or redeem the notes offered hereby, subject to certain conditions and any devaluation of the net proceeds while they are held in a *reais*-denominated account. We intend to use any remaining net proceeds for general corporate purposes. For additional information, see "Summary—Recent Developments—Marfrig Asset Acquisition" and "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment."

CAPITALIZATION

Minerva Luxembourg S.A.

The issuer was established by Minerva S.A. on July 29, 2011. As of the date of this offering memorandum, the aggregate amount of the issuer's share capital is U.S.$5,060,000, represented by 5,060,000 common shares, with nominal value of U.S.$1.00 per common share, all of which are subscribed and fully paid-up. After giving *pro forma* effect to the offering of the notes, substantially all of the issuer's capitalization will be in the form of long-term indebtedness, in an aggregate amount equivalent to the aggregate gross proceeds of this offering and the aggregate outstanding amounts under the 2028 Notes, the 2031 Notes and the notes offered hereby. As of June 30, 2023, the aggregate outstanding amount of the 2028 Notes and the 2031 Notes was R$6,053.8 million.

Minerva S.A.

The table below shows our capitalization as of June 30, 2023:

- on an actual basis;
- as adjusted to give effect to our payment of dividends on August 23, 2023 in the aggregate amount of R$114.0 million. For more information, see "Summary—Recent Developments—Interim Dividends"; and
- as further adjusted to give effect to the issuance of the notes offered hereby, assuming net proceeds from the issuance of approximately U.S.$880.4 million, after deducting estimated commissions and expenses payable by us.

The information set forth below in the "Actual" column is derived from our Consolidated Financial Statements. You should read this section together with "Presentation of Financial and Other Information," "Summary Financial Information," "Selected Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our Consolidated Financial Statements included elsewhere in this offering memorandum.

	As of June 30, 2023					
	Actual*		**As Adjusted(1)***		**As Further Adjusted(2)***	
			(*unaudited*)			
	(in millions of U.S.$)[3]	*(in millions of R$)*	*(in millions of U.S.$)*[3]	*(in millions of R$)*	*(in millions of U.S.$)*[3]	*(in millions of R$)*
Loans and financing - current	673.8	3,246.8	673.8	3,246.8	673.8	3,246.8
Loans and financing – non-current	2,209.3	10,646.6	2,209.3	10,646.6	3,089.7	14,889.3
Shareholders' equity	188.0	905.9	164.3	791.9	164.3	791.9
Total capitalization(4)	**3,071.0**	**14,799.3**	**3,047.4**	**14,685.3**	**3,927.8**	**18,928.0**

* Does not take into consideration the Marfrig Asset Acquisition.

(1) As adjusted to reflect our payment of dividends on August 23, 2023 in the aggregate amount of R$114.0 million. For more information, see "Summary—Recent Developments—Interim Dividends."

(2) As further adjusted to reflect the issuance of the notes offered hereby, assuming net proceeds from the issuance of approximately U.S.$880.4 million, after deducting estimated commissions and expenses payable by us.

(3) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

(4) Total capitalization corresponds to the sum of current and non-current loans and financing and shareholders' equity on a consolidated basis, as of June 30, 2023.

SELECTED FINANCIAL AND OTHER INFORMATION

Our selected financial information as of and for the six-month periods ended June 30, 2023 and 2022, and as of and for the years ended December 31, 2022, 2021 and 2020 has been derived from our Consolidated Financial Statements, each of which have been prepared in accordance with Brazilian GAAP and IFRS and included elsewhere in this offering memorandum.

You should read our selected financial information in conjunction with our Unaudited Interim Condensed Consolidated Financial Statements, our 2021 Audited Consolidated Financial Statements and our 2020 Audited Consolidated Financial Statements, each of which are included in this offering memorandum. Also see "Presentation of Financial and Other Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	For the Six-Month Period Ended June 30,			For the Year Ended December 31,			
	2023	**2023**	**2022**	**2022**	**2022**	**2021**	**2020**
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)[1]	*(in millions of R$)*		*(in millions of U.S.$)*[1]	*(in millions of R$)*		
Net operating revenue	**2,834.2**	**13,658.0**	**15,700.9**	**6,428.3**	**30,977.8**	**26,965.4**	**19,406.3**
Cost of goods sold	(2,280.9)	(10,991.7)	(12,957.2)	(5,237.7)	(25,240.4)	(22,320.3)	(15,571.4)
Gross profit	**553.3**	**2,666.3**	**2,743.7**	**1,190.6**	**5,737.4**	**4,645.0**	**3,834.9**
Operating revenue (expenses):							
Selling expenses	(214.6)	(1,034.2)	(1,090.0)	(484.3)	(2,333.7)	(1,766.6)	(1,304.0)
General and administrative expenses	(138.7)	(668.4)	(474.3)	(212.9)	(1,026.1)	(857.6)	(705.8)
Other operating revenue (expenses), net	1.8	8.6	42.7	9.5	45.6	14.5	(31.3)
Financial expenses	(141.1)	(680.0)	(892.0)	(428.9)	(2,066.9)	(939.7)	(623.0)
Financial revenue	17.2	82.9	51.5	38.4	185.2	75.0	74.9
Monetary correction	(5.9)	(28.2)	(104.6)	(32.2)	(155.4)	(179.9)	(63.0)
Exchange rate variation, net	(17.8)	(85.7)	(4.7)	0.4	2.1	(405.3)	(416.7)
Income before taxes	**54.2**	**261.2**	**272.3**	**80.5**	**388.1**	**585.6**	**766.0**
Current income tax and social contribution	(2.2)	(10.6)	(20.2)	(13.4)	(64.8)	(64.9)	(93.7)
Deferred income tax and social contribution	(3.3)	(15.9)	287.2	68.8	331.8	78.2	24.8
Income before non-controlling shareholders	**48.7**	**234.7**	**539.3**	**135.9**	**655.1**	**598.9**	**697.1**
Net income attributable to controlling shareholders	49.3	237.8	539.3	135.4	652.5	598.9	697.1
Non-controlling shareholders	(0.6)	(3.1)	—	0.5	2.5	—	—
Net income	**48.7**	**234.7**	**539.3**	**135.9**	**655.1**	**598.9**	**697.1**

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

	As of June 30,		As of December 31,			
	2023	2023	2022	2022	2021	2020
	(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)[1]	*(in millions of R$)*	*(in millions of U.S.$)*[1]	*(in millions of R$)*		
Balance Sheet Data:						
Current assets:						
Cash and cash equivalents	1,286.0	6,197.3	1,467.4	7,071.5	7,302.0	6,391.4
Trade accounts receivable	433.3	2,088.3	516.2	2,487.5	2,598.6	2,144.0
Inventories	349.7	1,685.3	344.2	1,658.5	2,115.3	998.0
Biological assets	86.4	416.2	90.2	434.9	468.0	351.2
Recoverable taxes	147.0	708.6	155.8	750.7	805.1	1,011.8
Other receivables	117.3	565.4	121.1	583.7	478.2	389.9
Total current assets	**2,419.8**	**11,661.1**	**2,694.9**	**12,986.7**	**13,767.1**	**11,286.3**
Non-current assets:						
Other receivables	32.8	158.3	30.5	146.8	148.2	53.5
Recoverable taxes	24.8	119.5	24.0	115.5	106.9	192.3
Deferred tax assets	164.1	790.6	164.5	792.8	415.7	448.8
Judicial deposits	4.5	21.8	4.6	22.0	22.2	22.3
Investments	50.2	242.1	50.2	242.1	199.8	21.4
Property, plant and equipment	1,078.1	5,195.5	1,086.3	5,234.7	4,581.4	4,122.5
Intangible assets	348.2	1,677.8	385.9	1,859.5	828.2	776.2
Total non-current assets	**1,702.7**	**8,205.5**	**1,745.9**	**8,413.4**	**6,302.4**	**5,636.9**
Total assets	**4,122.6**	**19,866.7**	**4,440.8**	**21,400.1**	**20,069.5**	**16,923.3**
Liabilities and shareholders' equity:						
Current liabilities:						
Loans and financing	673.7	3,246.8	431.2	2,077.9	1,488.4	2,199.6
Leases	1.6	7.7	2.0	9.7	10.4	10.3
Trade payables	616.3	2,970.0	730.3	3,519.5	3,724.2	2,344.6
Payroll, related charges and taxes payable	87.2	420.3	77.4	373.0	400.7	325.0
Other payables	229.2	1,104.6	446.1	2,149.6	1,614.6	1,516.2
Total current liabilities	**1,608.1**	**7,749.5**	**1,687.0**	**8,129.7**	**7,238.4**	**6,395.7**
Non-current liabilities:						
Loans and financing	2,209.3	10,646.6	2,425.5	11,688.5	11,916.3	9,372.5
Leases	5.1	24.6	6.0	28.7	29.3	36.6
Labor and tax liabilities	7.8	37.7	8.3	40.1	53.2	59.7
Provisions for contingencies	7.4	35.9	12.2	58.9	43.4	40.3
Accounts payable	28.2	136.1	2.4	11.4	18.5	31.1
Deferred tax liabilities	68.6	330.4	78.9	380.2	116.3	147.4
Total non-current liabilities	**2,326.5**	**11,211.3**	**2,533.3**	**12,207.9**	**12,177.0**	**9,687.5**
Shareholders' equity:						
Capital stock	336.0	1,619.1	336.0	1,619.1	1,616.1	1,304.0
Capital reserves	28.5	137.2	28.8	138.7	118.3	118.3
Revaluation surplus	(44.8)	(215.7)	9.5	46.0	47.5	49.1
Profit reserves	9.4	45.2	139.3	671.3	353.9	153.4
Additional proposed dividend	139.3	671.3	37.6	181.3	200.0	376.1
Treasury shares	(44.8)	(215.7)	(48.8)	(235.4)	(242.8)	(242.8)
Retained earnings	49.5	238.6	—	—	—	—
Other comprehensive income	(432.8)	(2,085.9)	(397.2)	(1,914.1)	(1,438.9)	(918.0)
Total shareholders' equity attributed to controlling interest	**85.0**	**409.8**	**105.2**	**506.8**	**654.1**	**840.1**
Non-controlling interest	102.9	496.1	115.3	555.7	—	—
Total shareholders' equity	**188.0**	**905.9**	**220.5**	**1,062.5**	**654.1**	**840.1**
Total liabilities and shareholders' equity	**4,122.6**	**19,866.7**	**4,440.8**	**21,400.1**	**20,069.5**	**16,923.3**

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

.

	As of and for the Six-Month Period Ended June 30,			As of and for the Year Ended December 31,			
	2023	2023	2022	2022	2022	2021	2020
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$,)[1]	*(in millions of R$, except as otherwise indicated)*		*(in millions of U.S.$,)*[1]	*(in millions of R$, except as otherwise indicated)*		
Other Data:							
Adjusted EBITDA (unaudited)[2]	286.3	1,379.6	1,424.0	643.3	3,100.2	2,413.2	2,142.8
Adjusted EBITDA Margin (%) (unaudited)[3]	9.1%	9.1%	9.1%	10.0%	10.0%	8.9%	11.0%
Current loans and financing	673.7	3,246.8		431.2	2,077.9	1,488.4	2,199.6
Non-current loans and financing	2,209.3	10,646.6		2,425.5	11,688.5	11,916.3	9,372.5
Total debt[4]	**2,883.0**	**13,893.4**		**2,856.7**	**13,766.4**	**13,404.7**	**11,572.1**
(−) Cash and cash equivalents (including marketable securities)	(1,286.0)	(6,197.3)		(1,467.4)	(7,071.5)	(7,302.0)	(6,391.4)
Net debt (unaudited)[5]	**1,597.0**	**7,696.2**		**1,389.3**	**6,695.0**	**6,102.7**	**5,180.6**
Net debt/Adjusted EBITDA (unaudited)[6]	2.76x	2.76x		2.16x	2.16x	2.53x	2.41x

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

(2) Adjusted EBITDA, a performance measure used by our management, is defined as net income *plus* or *less* income taxes, impairment loss, financial expenses net of financial revenue and exchange gains or losses, depreciation and amortization and non-recurring items. Adjusted EBITDA (unaudited) is calculated as follows:

	For the Six-Month Period Ended June 30,			For the Year Ended December 31,			
	2023	2023	2022	2022	2022	2021	2020
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)	*(in millions of R$)*		*(in millions of U.S.$)*	*(in millions of R$)*		
Net income for the period	48.7	234.7	539.3	135.9	655.1	598.9	697.1
(+/−) Income and social contribution taxes	5.5	26.5	(266.9)	(55.4)	(267.0)	(13.3)	68.9
(+) Net financial result	147.6	711.1	949.7	422.3	2,035.1	1,449.8	1,027.8
(+) Depreciation and amortization	56.2	270.8	202.0	86.0	414.5	346.8	308.7
EBITDA (unaudited)	**257.9**	**1,243.0**	**1,424.0**	**588.9**	**2,837.8**	**2,382.2**	**2,102.5**
(+) Other non-recurring items[(b)]	—	—	—	—	—	31.0	40.4
(+) *Pro forma* Australian Lamb Company Pty (unaudited) [(c)]	28.3	136.5	—	54.5	262.4	—	—
Adjusted EBITDA (unaudited)	**286.3**	**1,379.6**	**1,424.0**	**643.3**	**3,100.2**	**2,413.2**	**2,142.8**

(a) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates. These convenience translations are not part of our financial statements included elsewhere in this offering memorandum.

(b) Represents effects of non-recurring items of the period such as buy-back warrants, tax proceedings expenses, deposits for contingency, and increase in labor contingency.

(c) Represents the *pro forma* performance of the Australian Lamb Company Pty acquired in October of 2022.

(3) Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net operating revenue for the applicable year. For the six-month periods ended June 30, 2023 and 2022, Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net revenue for the six-month period ended on such date.

(4) Total debt excludes lease liabilities, which are insignificant and do not materially affect any ratios derived from net debt.

(5) Net debt is calculated as follows: the sum of our current and non-current loans and financing *less* cash and cash equivalents (including marketable securities). See "Summary—Our Strategy—Expand Our Production Capacity in a Financially Disciplined Manner."

(6) Net debt/Adjusted EBITDA ratio is net debt as of the end of the period *divided by* Adjusted EBITDA for the prior twelve-month period.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our consolidated financial condition and results of operations should be read together with our Consolidated Financial Statements prepared in accordance with Brazilian GAAP and IFRS and included elsewhere in this offering memorandum, in addition to the information under "Presentation of Financial and Other Information," "Summary Financial and Other Information" and "Selected Financial and Other Information."

The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those discussed in the forward-looking statements for several reasons, including, without limitation, the risks described in "Forward-Looking Statements" and "Risk Factors."

Overview

We are one of the leading Brazilian producers of fresh and frozen beef, industrialized protein products (including beef, pork and poultry), live cattle and cattle by-products (including treated leather and offal) according to data from SECEX. In addition, we are the leading exporters of beef in South America, with an export market share in South America of approximately 20% as of June 30, 2023 and as of December 31, 2022, based on our export volumes and data from SECEX, Penta-transaction, OCIT and Legiscomex. During the six-month period ended June 30, 2023 and year ended December 31, 2022, exports represented 64.3% and 68.6%, respectively, of our gross revenue.

As of the date of this offering memorandum, our cattle slaughtering and deboning operations are strategically located in six Brazilian states, as well as in Paraguay, Argentina, Uruguay and Colombia, which we believe enables us to minimize the risks relating to outbreaks of cattle infections and to adapt our exports to current market conditions. In addition, we own four industrial units for the production of sheep products in Australia. We further believe that the location of our processing facilities provides us with a competitive advantage over foreign competitors located in countries in which labor is more costly and less skilled and where costs relating to cattle and other raw materials are higher.

In addition to fresh and frozen beef, we produce industrialized beef products, such as canned beef products (cubed beef and roast beef) for sale primarily to supermarket chains in export markets, in addition to beef cuts sold in the domestic market. We also market and sell beef by-products, such as meat meal, bones, blood and tallow.

Moreover, through our distribution division, we resell and distribute in the domestic market a variety of products produced by third-parties (including vegetable, poultry, lamb and fish products, among others) to industrial food companies, retailers (primarily small- to medium-sized retailers) and other clients in the domestic industrial food processing industry.

Special Note Regarding the Marfrig Asset Acquisition

On August 28, 2023, we and our subsidiary Athn Foods entered into the Marfrig SPAs to acquire the Marfrig Brazil and South America Operations on an "as is, where is" basis. The Marfrig Brazil and South American Operations include 16 industrial and commercial facilities (three of which are currently not operational) and one distribution center. The total purchase price of the Marfrig Asset Acquisition is R$7.5 billion, subject to certain price adjustments set forth in the Marfrig SPAs. Pursuant to the Marfrig SPAs, the Marfrig Asset Acquisition is also subject to antitrust approval in several jurisdictions and certain other conditions.

Minerva S.A. has determined that the inclusion of *pro forma* financial statements of Minerva S.A. giving effect to the Marfrig Asset Acquisition or separate historical financial statements of the Marfrig Brazil and South America Operations would be required under Article 11 and Rule 3-05 of Regulation S-X of the Securities Act if the offering of the notes were registered with the SEC.

Under SEC rules, *pro forma* and historical financial statements are required to be included in a registration statement and prospectus for an acquisition that has not yet been consummated or that has been consummated not more than 74 days before the date of the prospectus if the business to be acquired exceeds the 50% level under at least one of three tests related to (1) the issuer's investment in the business to be acquired as a percentage of the aggregate worldwide market value of its common equity (in the case of Minerva S.A.) the "investment test"), (2) the issuer's proportionate share of the total assets of the business to be acquired as a percentage of its consolidated total assets (the "asset test") and (3) the lower of (i) the net income of the business to be acquired as a percentage of such income of the issuer (the "income test") and (ii) the consolidated total revenues (after intercompany eliminations) of the business to be acquired as a percentage of such revenues of the issuer (the "total revenues test"). Based on the purchase price, the Marfrig Asset Acquisition triggers the investment test above the 50%

threshold amount. We do not, however, have the full information necessary to calculate the asset test or the lower of the income test or total revenue test.

In considering an investment in the notes offered hereby, you should be aware that we do not have the financial information that would be needed to prepare, and therefore have not included, any *pro forma* or historical financial statements reflecting the Marfrig Asset Acquisition in this offering memorandum.

For additional information, see "Summary—Recent Developments—Marfrig Asset Acquisition" and "Risk Factors—Risks Relating to the Marfrig Asset Acquisition."

Principal Factors Affecting Our Results of Operations

We believe that our results of operations are principally affected by the following factors:

Brazilian Economic Environment

Gross domestic market revenue represented 35.7%, 29.3%, 31.4%, 32.4% and 32.5% of our gross sales revenue for the six-month periods ended June 30, 2023 and 2022 and the years ended December 31, 2022, 2021 and 2020, respectively. Accordingly, our financial condition and results of operations are affected by macroeconomic developments, including among other metrics, the unemployment rate, availability of credit, interest rates, exchange rates and average wages in the countries in which we operate. These variables can positively or negatively affect our revenue and may directly affect consumers' purchasing power. In addition, supply and demand for labor may, positively or negatively, affect our operating costs and administrative expenses. The availability of credit and management of our liabilities may positively or negatively affect our financial costs, as well as our ability to make certain short- and medium-term investments. An increase in disposable income, especially in emerging market countries, has generally resulted in increased consumption and demand for beef. We believe that our results of operations and financial condition will continue to be affected by the Brazilian GDP growth rate and by fluctuations in the demand for our products in Brazil. Brazilian GDP growth has fluctuated significantly in recent years, and we believe that it will continue to fluctuate in the future.

The following table sets forth selected economic indicators for the periods indicated:

	As of and for the Six-Month Period Ended June 30,	As of and for the year ended December 31,		
	2023	2022	2021	2020
GDP growth (reduction)	3.7%	2.9%	4.6%	(4.1)%
Inflation (IGP-M)	(4.5)%	5.5%	17.8%	23.1%
Inflation (IPCA)[1]	2.9%	5.8%	10.1%	4.5%
Interbank rate – CDI (average)[2]	6.5%	12.4%	4.4%	2.8%
TJLP (average)[3]	7.3%	6.8%	4.8%	4.9%
Exchange rate at the end of the period per U.S.$1.00	R$4.82	R$5.22	R$5.58	R$5.20
Average exchange rate per U.S.$1.00	R$5.07	R$5.30	R$5.40	R$5.16
Appreciation (depreciation) of the *real* against the U.S. dollar[4]	7.6%	6.5%	(7.4)%	(28.9)%

Sources: IBGE, Central Bank, the B3 and FGV.

(1) The IPCA is a consumer price index calculated by the IBGE.

(2) The CDI rate refers to the average overnight interbank loan rates in Brazil.

(3) The TJLP is the rate applicable to long-term loans by BNDES.

(4) Comparing the PTAX exchange rate (the rate calculated by the Central Bank) at the end of the period's last day with the day immediately prior to the first day of the period discussed. PTAX is the exchange rate calculated at the end of each day by the Central Bank. It is the average rate of all business conducted in U.S. dollars on the specified date in the interbank exchange market.

Economic factors such as changes in Brazilian GDP and beef price fluctuations have a direct impact on our operations. Increases in cattle prices, however, may mitigate higher domestic consumption despite increases in economic capacity. In adverse scenarios such as those experienced in the six-month period ended June 30, 2023, and the years ended December 31, 2022, 2021 and 2020 (with depreciation of the Brazilian *real* against the U.S. dollar and a limited increase or reduction in Brazilian GDP), production is driven towards the export market as consumers in the domestic market seek protein substitutes. However, in our view, domestic demand tends to adjust with time as we expect the domestic consumer to return to beef proteins.

We believe that despite the challenging global and Brazilian economic environment in recent years, we have adapted well to the many conditions imposed by the current environment, as demonstrated by the growth of our operations and increasing

operating income. The strong international demand, increase in market price for our products due to a strong U.S. dollar exchange rate and measures we adopted to improve our capital structure contributed to our positive results.

Effects of Fluctuations in Cattle and Beef Prices

Fluctuations in the domestic and international market prices of beef may significantly affect our net operating revenue, and fluctuations in the domestic market prices of cattle may significantly impact our costs of goods sold.

Our domestic beef prices are generally set by market conditions, which are outside of our control. The domestic and international market prices of our products have fluctuated significantly in the recent past, and we believe that they will continue to do so. Many factors result in the price fluctuations of commodities and these factors may significantly affect our margins. Prices fluctuations in certain regions of Brazil are typical in the cattle industry because of cattle raising cycles, which are determined by the weather, as period of rain and drought affect the levels of supply and demand that determine market prices. Any changes in sanitary restrictions or outbreaks of FMD may also result in losses for cattle ranchers.

Significant increases in the domestic or export prices of our products would likely increase our gross sales revenue and our results of operations if we are able to maintain our operating margins and higher prices do not reduce the sales volumes of our products. Conversely, significant decreases in the domestic or export prices of our products would likely reduce our net operating revenue and our results of operations if we are unable to increase our operating margins and reduced prices do not result in higher sales volumes of our products.

We believe that despite the significant fluctuations in the cost of cattle during the six-month periods ended June 30, 2023 and 2022 and the years ended December 31, 2022, 2021 and 2020, our attention to risk management with respect to our acquisition of cattle, our efforts to reduce operational costs and our detailed analysis of the optimal sales mix between the domestic and export markets, make it possible for us to reduce the effects of these fluctuations and increase our sales.

Effect of Export Levels

In general, the prices of our products sold outside Brazil are higher than the prices of our products sold in the domestic market. The difference in prices is due to several factors, including:

- higher prices of certain commodities in developed countries, compared to prices of the same commodities in developing countries;
- higher costs of transporting products outside Brazil;
- warehousing and other logistics costs; and
- tariffs and duties.

Our ability to export our products depends on several factors, including: (1) economic growth in our export markets, (2) other economic conditions in our export markets (including prevailing inflation rates, interest rates and foreign currency exchange rates), and (3) fluctuations in the global demand for our products, including as a result of outbreaks of cattle diseases and trade restrictions. Any changes in these or other factors that affect our exports may negatively impact our results of operations.

Our exports represent a significant portion of our gross revenues. Our revenues from exports represented 64.3%, 70.7%, 68.6%, 67.6% and 67.5% of our gross sales revenue in the six-month periods ended June 30, 2023 and 2022 and in the years ended December 31, 2022, 2021 and 2020, respectively. In addition, we believe that these variations in our exports are consistent with our strategy to shift sales to the most profitable markets, seeking to constantly improve our margins. The strong growth of the market and our technology systems enable us to make timely decisions in defining the best markets to focus on to improve our margins. In addition, beef products are subject to import restrictions by certain countries to which we export our products.

The countries to which we export our products may prohibit the purchase of our products for indefinite periods of time due to applicable legislative changes and diseases that affect beef, pork and poultry in the countries in which we operate, among other reasons. For more information see “Risk Factors—Risks Relating to our Business and the Beef and Food Industries—Government policies and regulations that affect the cattle and beef industries could materially adversely affect our operations and profitability” and “Risk Factors—Risks Relating to our Business and the Beef and Food Industries—Outbreaks of foot-and-mouth disease, or FMD, or bovine spongiform encephalopathy, or BSE, and any future outbreaks of this or other

diseases of cattle, swine or poultry in the countries where we may operate may materially adversely affect our ability to export fresh beef products and, consequently, our results of operations."

Effects of Taxes on our Revenues, Income and Sales

We are subject to a variety of generally applicable Brazilian federal and state taxes on our operations and results. We are generally subject to Brazilian federal income tax and social contribution at a combined rate of 34%, which is the standard corporate tax rate in Brazil.

In addition, Brazilian legislation provides for the collection of the Brazilian Social Integration Program (*Programa de Integração Social*), or PIS, the Brazilian Contribution to Social Security Financing (*Contribuição para o Financiamento da Seguridade Social*), or COFINS, which are both federal value-added taxes created to fund unemployment payments, social security and other social programs, and ICMS. As a general rule, PIS and COFINS may be charged under a cumulative system (where no tax credits are allowed) or under a non-cumulative system (where the taxpayers, including exporters, may register tax credits on the acquisition of certain inputs and other assets). Until October 2009, we were subject to PIS and COFINS under the non-cumulative system previously mentioned, at the rates of 1.65% and 7.6%, respectively, on the gross revenues deriving from the domestic sales of our beef products. However, on November 1, 2009, pursuant to Law No. 12,058/09, the collection of PIS and COFINS in connection with domestic sales of beef products in the wholesale market was suspended. With the enactment of Law No. 12,839/13, the aforementioned suspension was revoked, but the rate of the contributions attributable to these transactions was reduced to 0%.

In turn, our export sales are currently exempt from PIS and COFINS, and therefore we had accumulated PIS and COFINS tax credits in an aggregate amount of R$326.2 million, R$327.0 million, R$236.8 million and R$407.5 million as of June 30, 2023 and as of December 31, 2022, 2021 and 2020, respectively. Before Law No. 12,058/09 took effect, we were authorized to use our PIS and COFINS credits to pay other federal taxes. Our management and legal counsel have been taking the relevant measures to allow us to utilize these tax credits.

In addition, our domestic sales are subject to ICMS, at rates that vary depending on the origin state and destination state of our products. ICMS is also a value-added tax, meaning that we are entitled to register ICMS credits which can be used to offset our ICMS debits. Our effective ICMS liabilities result from the difference between tax credits registered by us in connection with the purchase of live cattle, cattle quarters, packaging materials, chemical products and other related products in all states in which we operate our facilities, and the tax debits resulting from the sales of our products in the domestic market. Because products that we export are exempt from ICMS and 64.3% of our gross sales revenue was derived from exports in the six-month period ended June 30, 2023, we have accumulated ICMS tax credits in an aggregate amount of R$99.5 million as of June 30, 2023, compared to R$112.2 million, R$120.8 million and R$108.7 million as of December 31, 2022, 2021 and 2020, respectively, which we sell to third parties or exchange for materials, packaging materials, equipment, vehicles and electricity for use in our production processes.

Product sales prices and volumes sold

Our revenue is directly impacted by variations in the demand for, and the prices of, our products.

Our net operating revenue for the six-month period ended June 30, 2023 was R$13,658.0 million, a 13.0% decrease compared to R$15,700.9 million in the corresponding period of 2022. This decrease was mainly due to a decrease in sales volumes in China, which we believe to be an outlier. In addition, our net operating revenue was R$30,977.8 million, R$26,965.4 million and R$19,406.4 million for the years ended December 31, 2022, 2021 and 2020, respectively. These variations resulted from, among other factors, an increase in our export of products and an increase in volume of our products sold mainly in the Asian and North American markets. Fluctuations in our domestic and export beef prices may significantly affect our gross sales revenue. Our domestic beef prices are set generally by market conditions, which we do not control. The domestic and international market prices of our products have fluctuated significantly, and we believe that they will continue to do so. Many factors determine the price fluctuations of commodities, and these factors may significantly affect the margins of the agribusiness industry. Prices fluctuations in certain regions of Brazil are typical in the agribusiness industry because of the livestock cycle, which is affected by climate changes, such as periods of rain and drought that affect the levels of supply and demand and impact market prices.

Since the end of 2022, Brazil, one of our main origination markets, has experienced an increase in the availability of female cows for slaughter, resulting in an increase in the total volume of cows available for slaughter and positively impacting the price per arroba as seen over the past 6 months according to IBGE and CEPEA data. Historically, cattle cycles have a duration of 24-36 months.

Changes in inflation and interest rates

Since a significant proportion of our operating costs and expenses are affected by inflation, we believe our financial income and results of operations may be adversely affected by inflation. Our gross sales revenue is also affected by inflation because we generally try to pass increases in our costs to our customers through higher prices of our products; however, we cannot predict whether we will be able to continue to pass higher costs to our customers in the future. In addition, increased inflation rates may lead to higher domestic interest rates, adversely impacting our financing costs.

Exchange rate variations

We believe our results and financial condition will continue to be affected by the depreciation or appreciation of the *real* against the U.S. dollar, given that a substantial part of our net sales revenue is U.S. dollar-denominated, and we have debt exposed to exchange rate variations, which requires payment of the principal debt and interest in foreign currency. We believe that our risk management policy helps protect us from these market risk exposures. For more information about our risk management policy, see "Business—Compliance and Risk Management."

As of June 30, 2023 and as of December 31, 2022, 2021 and 2020, our foreign currency-denominated loans and financing accounted for 54.1%, 56.4%, 73.3% and 78.5% of our total debt, respectively. As a result, when the *real* depreciates against the U.S. dollar, our financial expenses in respect of our U.S. dollar denominated indebtedness increase in *reais*, which adversely affects our results of operations expressed in *reais*. Moreover, the amount of our debt service in *reais* increases and our financial expenses also tend to increase as a result of currency losses. Conversely, when the *real* appreciates against the U.S. dollar, our financial expenses on our foreign currency-denominated indebtedness decrease in *reais*, which positively affects our result of operations expressed in *reais*. Moreover, the amount of our actual debt service decreases and our financial costs tend to decline as a result of currency gains. Any depreciation of the Brazilian *real* against the U.S. dollar would significantly increase our financial expenses and short- and long-term indebtedness, as expressed in *reais*. On the other hand, any significant appreciation of the *real* against the U.S. dollar would significantly decrease our financial expenses and short- and long-term indebtedness, as expressed in *reais*.

Our export sales enable us to generate receivables payable in foreign currencies and tend to provide a natural hedge against a portion of our foreign currency-denominated debt service obligations. Our management regularly monitors and adjusts the level of our hedging of our foreign currency exposure in respect of our indebtedness.

Effect of our Level of Indebtedness

Our level of indebtedness results in significant expenses in relation to debt service payments and gains and losses from currency fluctuations. The interest rates payable on our indebtedness depend on a variety of factors, including prevailing Brazilian and international interest rates, the evaluation of our credit risk by third parties and factors generally affecting the agribusiness industry and the Brazilian economy. See "Risk Factors—Risks Relating to our Business and the Beef and Food Industries—We are required to dedicate a significant portion of our cash flow to make payments of principal and interest on our consolidated indebtedness. Our cash flow and financial resources may be insufficient to make the necessary payments on our present and future indebtedness." The table below sets forth certain information relating to our indebtedness, including our total indebtedness outstanding and our financial and interest expense, as of and for the periods indicated:

	As of and for the Six-Month Period Ended June 30,	**As of and for the Year Ended December 31,**		
	2023	**2022**	**2021**	**2020**
	(*unaudited*) *(in millions of R$)*	*(in millions of R$)*		
Total loans and financing	13,893.4	13,766.5	13,404.7	11,572.1
Total loans and financing denominated in foreign currencies	7,520.8	7,764.9	9,821.6	9,083.9
Financial expenses (result)	(711.1)	(2,035.1)	(1,449.8)	(1,027.8)
Interest expense	(586.7)	(1,222.4)	(1,013.9)	(1,046.3)
Financial revenue	82.9	185.2	75.0	74.9
Net gains (losses) from foreign currency fluctuations	(85.7)	2.1	(405.3)	(416.7)

Critical Accounting Policies

Our preparation of our financial statements in accordance with Brazilian GAAP and IFRS generally requires our management to make certain assumptions and estimates in connection with matters relating to the value of our assets, liabilities, revenues and expenses. Our actual results may differ materially from such estimates and assumptions. We regularly revise these estimates and assumptions and any related revisions are recognized in the same period and in any future periods affected by these estimates and assumptions. Certain of our main estimates and assumptions are described below.

Acquisitions

We measure goodwill as the fair value of the consideration transferred, including the recognized value of any non-controlling interest in the acquired party, deducting the recognized amount, net of identifiable assets and liabilities assumed, all measured as of the acquisition date. For every business combination we enter into, we choose whether to measure non-controlling interest at fair value or at the proportionate interest in the identifiable net assets corresponding to the non-controlling interest, calculated as of the acquisition date. Transaction costs, other than those associated with the issuance of debt or equity securities, which we and our subsidiaries incur for a business combination, are recognized as expenses as they are incurred.

Biological Assets

We measure our biological assets at their fair value. We recognize changes in the fair value of the derivative as income (loss). Agricultural activities, such as raising herds (cattle feedlot operations or livestock grazing), and various agriculture crops are subject to the valuation of their assets, in order to determine the fair value thereof, based on the concept of "marking-to-market."

Intangible Assets

Intangible assets acquired separately are initially recognized at their purchase price and, subsequently, less accumulated amortization and impairment, when applicable. Intangible assets with a finite useful life are amortized according to their estimated useful lives, and, when signs of impairment are identified, are tested for impairment. Intangible assets with indefinite useful lives are not amortized; however, they are tested annually for impairment.

Financial Instruments

Our financial instruments are recorded in accordance with CPC 48 (IFRS 9).

Financial assets

Financial assets are classified into the following specific categories: assets measured at amortized cost; fair value through profit or loss and fair value through other comprehensive income. Assets are classified based on our business model and the cash flow characteristics of the financial asset.

- **Amortization cost:** Assets should be measured at amortized cost if both of the following conditions are met: (i) the financial asset is held within the business model whose objective is to hold assets in order to collect contractual cash flow; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. We should recognize its interest income, exchange gains and losses, and impairment directly in profit or loss;

- **Fair value through profit or loss:** Financial assets should be measured at fair value through profit or loss only if they may not be classified as assets measured at amortized cost or fair value through other comprehensive income. We should recognize its interest income, exchange gains and losses, and impairment together with other net profit or loss, directly in profit or loss; and

- **Fair value through other comprehensive income:** Financial assets should be measured at fair value through comprehensive income only if the following conditions are met: (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash when contractual cash flows are collected from the sale of financial assets; and (ii) the contractual terms of the financial asset give rise on specified dates to interest on the principal amount outstanding.

Assets measured at fair value through other comprehensive income are classified into two categories: (i) debt instruments: interest income calculated under the effective interest method, exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized directly in our equity, in "other comprehensive income." In the

derecognition, the cumulative gains or losses in other comprehensive income is reclassified to profit or loss; or (ii) equity instruments are measured at fair value. Dividends are recognized as gains in profit or loss, unless the dividend clearly represents a recovery of a portion of the investment cost.

Other net gains and losses are recognized directly in our equity, in "other comprehensive income" and are never classified to profit or loss.

Fair values of investments quoted in a public market are based on current purchase prices. If the market of a financial asset (and bonds not listed on the stock exchange) is not active, we establish the fair value through valuation techniques.

These techniques include using recent arm's length market transactions between knowledgeable, willing parties, reference to other instruments that are substantially the same, the analysis of discounted cash flows, and option pricing models that make maximum use of market inputs and rely as little as possible on entity-specific inputs.

Regular-way purchases and sales of financial assets are recognized on a trade date basis, i.e., the date on which we agree to buy or sell the asset.

Financial assets are written off when the rights to receive cash flows from the investments expire or are transferred; in the latter case, provided that we have significantly transferred all the risks and rewards of the ownership. If we retain substantially all the risks and rewards of ownership of the financial asset, we should continue to recognize the financial asset.

Financial liabilities

Financial assets are classified into the following categories: financial liabilities at amortized cost or fair value through profit or loss. Management determines the classification of its financial liabilities at the time of initial recognition.

- **Financial liability at amortized cost:** We should classify all of our financial liabilities as amortized cost, except financial liabilities classified at fair value through profit or loss, derivative liabilities warranty agreement. Other financial liabilities are measured at amortized cost under the effective interest method. Interest expense, exchange gains and losses are recognized in profit or loss. We have the following non-derivative financial liabilities: borrowings, financing and debentures and trade payables. We have the following non-derivative financial liabilities: borrowings, financing and debentures and trade payables.

- **Financial liabilities at fair value through profit or loss:** Financial liabilities classified into the fair value through profit or loss category are financial liabilities held for trading or those designated at initial recognition. Derivatives are also classified as trading securities, unless they have been designated as effective hedging instruments. Gains and losses on financial liabilities classified at fair value through profit or loss are recognized in profit or loss.

- **Derecognition of financial liabilities:** Financial liabilities are derecognized only when the obligation specified in the relevant contract is discharged, cancelled or expires. We also derecognize a financial liability when the terms are modified and the liability cash flow are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value.

Offset of financial instruments

Financial assets and financial liabilities are offset and the net amount is disclosed in the balance sheet when there is a legally enforceable right to set off recognized amounts and the intention to either settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments

The fair value of derivative financial instruments is calculated by our treasury department based on information on each transaction and related market inputs at the end of the reporting period, such as interest rates and exchange coupon. When applicable, this information is compared to the positions informed by the trading desks of each financial institution involved.

Transactions involving derivative financial instruments that were contracted by us can be summarized as cattle futures contracts, options on cattle contracts and Non-Deliverable Forward (NDF), all aiming exclusively to minimize the impact of price fluctuations per "*arroba*" of cattle in the statement of profit or loss, and to hedge against exchange risks related to statement of financial position accounts plus cash flows projected in foreign currency.

Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair values at the commencement of the derivative agreement and are subsequently remeasured at fair value, whose changes in fair value are recorded in profit or loss.

Although we use derivatives for hedging purposes, it did not choose the hedge accounting method. This accounting method is optional and, therefore, not mandatory.

Description of Main Income Statement Line Items

Net Operating Revenue

Our net operating revenue is composed of revenues from our sales of fresh beef, processed beef, offal, live cattle, leather and our resale of other products, including fish, vegetables and processed proteins from fowl, pork and cattle.

Cost of Goods Sold

A significant portion (approximately 80% in the six-month periods ended June 30, 2023 and 2022 and in the years ended December 31, 2022, 2021 and 2020) of our cost of goods sold consists of the cost of purchasing raw materials, primarily cattle. In addition to cattle, our cost of goods sold also includes other production costs (such as packaging, materials and electricity) and direct and indirect labor costs, which we refer to as general costs of production.

Operating Expenses

Our operating expenses consist primarily of:

- *General and administrative expenses:* expenses related to our management and administration.
- *Selling expenses:* expenses related to advertising, sales equipment, selling commissions, allowances for doubtful accounts and other related expenses.

Financial Income (Expenses), Net

Financial income (expenses), net includes income and expenses from interest, taxes on financial revenue, gains or losses from exchange rate variations and gains or losses realized from derivative financial instruments.

Income Tax and Social Contribution on Net Profits

Income tax and social contribution, both current and deferred, can reach up to a maximum rate of 34% on our taxable income and include: (1) a tax rate of 15% on all taxable income; (2) an additional 10% for taxable income exceeding R$240,000; and (3) a 9% social contribution tax on net income. In addition, Brazilian tax legislation provides for the offset of tax losses and negative social contribution base.

Deferred Income Tax and Social Contribution

We record deferred income tax and social contribution for tax losses and negative social contribution in connection with the temporary differences between the book values of our assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes.

Results of Operations

Six-month period ended June 30, 2023 compared with six-month period ended June 30, 2022

Income Statement Data	For the Six-Month Period Ended June 30, 2023	2022
	(*unaudited*)	
	(in millions of R$)	
Net operating revenue	**13,658.0**	**15,700.9**
Cost of goods sold	(10,991.7)	(12,957.2)
Gross profit	**2,666.3**	**2,743.7**
Selling expenses	(1,034.2)	(1,090.0)
General and administrative expenses	(668.4)	(474.3)
Other operating expenses, net	8.6	42.7
Financial expenses	(680.0)	(892.0)
Financial revenue	82.9	51.5
Monetary correction	(28.2)	(104.6)
Exchange rate variation, net	(85.7)	(4.7)
Income before taxes	**261.2**	**272.3**
Current income tax and social contribution	(10.6)	(20.2)
Deferred income tax and social contribution	(15.9)	287.2
Net income for the period	**234.7**	**539.3**
Company shareholders	237.8	539.3
Non-controlling shareholders	(3.1)	—
Net income for the period	**234.7**	**539.3**

Gross sales revenue

Beginning in 2023, we breakdown our gross sales revenue into our meat division and our others division. We further breakdown the gross revenue generated by our meat division by the countries in which we operate (i.e., Brazil, Paraguay, Uruguay, Argentina, Colombia and Australia). See "Presentation of Financial and Other Information—Financial Statements and Financial Information—Gross Sales Revenue Structure."

	For the Six-Month Period Ended March 31, 2023	2022
	(*unaudited*)	
	(in millions of R$)	
Gross sales revenue	14,569.3	16,589.9
Gross sales revenue in domestic markets	5,200.1	4,864.8
Gross sales revenue in export markets	9,369.2	11,725.1
Brazil	6,525.9	8,216.1
Argentina	1,894.2	2,208.1
Colombia	593.2	585.3
Paraguay	2,088.6	2,472.5
Uruguay	1,618.5	2,124.6
Australia	1,030.1	—
Others	818.8	983.3
Deductions from revenue – tax and others	(911.3)	(889.0)
Net operating revenue	**13,658.0**	**15,700.9**

Our gross sales revenue decreased by 12.2%, from R$16,589.9 million in the six-month period ended June 30, 2022 to R$14,569.3 million in the six-month period ended June 30, 2023. This decrease was primarily due a decline in export market conditions in the six-month period ended June 30, 2023 compared to the six-month period ended June 30, 2022, which was impacted by favorable export conditions with respect to the Chinese market by that time.

- Our gross sales revenue from domestic markets increased by 6.9% to R$5,200.1 million in the six-month period ended June 30, 2023, compared to R$4,864.8 million in the corresponding period in 2022.

- Our gross sales revenue from export markets decreased by 20.1% to R$9,369.2 million in the six-month period ended June 30, 2023, compared to R$11,725.1 million in the corresponding period in 2022.

We disclose our gross sales revenue from our meat division by country of operation:

- Our gross sales revenue from Brazil decreased by 20.6% to R$6,525.9 million in the six-month period ended June 30, 2023, compared to R$8,216.1 million in the corresponding period in 2022.This decrease was primarily the result of a decrease in our exports from Brazil.

- Our gross sales revenue from Argentina decreased by 14.2% to R$1,894.2 million in the six-month period ended June 30, 2023, compared to R$2,208.1 million in the corresponding period in 2022. This decrease was primarily a result of the adverse effect of inflation on Argentina's economy.

- Our gross sales revenue from Colombia remained relatively stable, increasing by 1.3% to R$593.2 million in the six-month period ended June 30, 2023, compared to R$585.3 million in the corresponding period in 2022.

- Our gross sales revenue from Paraguay decreased by 15.5% to R$2,088.6 million in the six-month period ended June 30, 2023, compared to R$2,472.5 million in the corresponding period in 2022. This decrease was primarily a result of a decrease in sales volume in this market.

- Our gross sales revenue from Uruguay decreased by 23.8% to R$1,618.5 million in the six-month period ended June 30, 2023, compared to R$2,124.6 million in the corresponding period in 2022. This decrease was primarily a result of a decrease in sales volume in this market.

- Our gross sales revenue from Australia was R$1,030.1 million in the six-month period ended June 30, 2023.

Deductions from revenue – tax and others

Our deductions from revenue consist of cancellations, discounts and taxes imposed on our revenue.

Deductions from revenue – tax and others increased by 2.5%, from R$889.0 million in the six-month period ended June 30, 2022 to R$911.3 million in the six-month period ended June 30, 2023.

Net operating revenue

As a result of the foregoing, our net operating revenue decreased by 13.0%, from R$15,700.9 million in the six-month period ended June 30, 2022 to R$13,658.0 million in the six-month period ended June 30, 2023.

Cost of goods sold

Our cost of goods sold decreased by 15.2%, from R$12,957.2 million in the six-month period ended June 30, 2022 to R$10,991.7 million in the six-month period ended June 30, 2023. This decrease was primarily a result of the increased availability of livestock for slaughter, which resulted in an increase in supply and a decrease in the price of livestock.

As a percentage of our net operating revenue, our cost of goods sold decreased to 80.5% in the six-month period ended June 30, 2023 from 82.5% in the six-month period ended June 30, 2022.

Gross profit

As a result of the foregoing, our gross profit decreased by 2.8%, from R$2,743.7 million in the six-month period ended June 30, 2022 to R$2,666.3 million in the six-month period ended June 30, 2023. This decrease reflects the decrease in gross sales revenue for the period.

As a percentage of net operating revenue, our gross profit increased to 19.5% in the six-month period ended June 30, 2023 from 17.5% in the six-month period ended June 30, 2022, which we believe reflects our ability to maintain costs.

Selling expenses

Our selling expenses decreased by 5.1% from R$1,090.0 million in the six-month period ended June 30, 2022 to R$1,034.2 million in the six-month period ended June 30, 2023.

As a percentage of net operating revenue, our selling expenses increased to 7.6% in the six-month period ended June 30, 2023 from 6.9% in the six-month period ended June 30, 2022 due to increased logistical costs such as international freight and fuel.

General and administrative expenses

Our general and administrative expenses increased by 40.9%, from R$474.3 million in the six-month period ended June 30, 2022 to R$668.4 million in the six-month period ended June 30, 2023, primarily as a result of (1) approximately R$28.1 million in amortization of intangibles, such as customer relationships, suppliers, non-compete agreements, among others, expenses arising in connection with our acquisition of ALC and (2) approximately R$35.3 million in expenses arising from our long-term incentive plan, approved in 2022.

As a percentage of our net operating revenue, our general and administrative expenses increased to 4.9% in the six-month period ended June 30, 2023 from 3.0% in the six-month period ended June 30, 2022.

Other operating revenue (expenses), net

Other operating expenses, net decreased by 80.0%, from R$42.7 million in the six-month period ended June 30, 2022 to R$8.6 million in the six-month period ended June 30, 2023.

Financial expenses

Our financial expenses decreased by 23.8%, from R$892.0 million in the six-month period ended June 30, 2022 to R$680.0 million in the six-month period ended June 30, 2023, mainly due to a decrease in our indebtedness dominated in foreign currency.

Financial revenue

Our financial revenue increased by 60.8%, from R$51.5 million in the six-month period ended June 30, 2022 to R$82.9 million in the six-month period ended June 30, 2023.

Monetary correction

Our monetary correction losses decreased by 73.0%, from R$104.6 million in the six-month period ended June 30, 2022 to R$28.2 million in the six-month period ended June 30, 2023. This monetary correction was primarily due to monetary restatements resulting from Argentina's hyperinflationary economy

Exchange rate variation, net

Exchange rate variation, net increased by 1,735.2%, from R$4.7 million in the six-month period ended June 30, 2022 to R$85.7 million in the six-month period ended June 30, 2023. This increase is primarily due to the U.S. dollar devaluation against the Brazilian *real*.

Income before taxes

As a result of the foregoing, our income before taxes decreased by 4.1%, from R$272.3 million in the six-month period ended June 30, 2022 to R$261.2 million in the six-month period ended June 30, 2023.

As a percentage of net operating revenue, our income before taxes increased to 1.9% in the six-month period ended June 30, 2023 from 1.7% in the six-month period ended June 30, 2022.

Current income tax and social contribution

Our current income tax and social contribution decreased by 47.6% from R$20.2 million in the six-month period ended June 30, 2022 to R$10.6 million in the six-month period ended June 30, 2023.

Deferred income tax and social contribution

We recorded deferred income tax and social contribution expenses of R$15.9 million in the six-month period ended June 30, 2023, compared to deferred income tax and social contribution revenue of R$287.2 million in the six-month period ended June 30, 2022.

Net income for the period

As a result of the foregoing, our net income decreased by 56.5%, from R$539.3 million in the six-month period ended June 30, 2022 to R$234.7 million in the six-month period ended June 30, 2023.

Year ended December 31, 2022 compared with year ended December 31, 2021

	For the Year Ended December 31,	
Income Statement Data	**2022**	**2021**
	(in millions of R$)	
Net operating revenue	**30,977.8**	**26,965.4**
Cost of goods sold	(25,240.4)	(22,320.3)
Gross profit	**5,737.4**	**4,645.0**
Selling expenses	(2,333.7)	(1,766.6)
General and administrative expenses	(1,026.1)	(857.6)
Other operating expenses, net	45.6	14.5
Financial expenses	(2,066.9)	(939.7)
Financial revenue	185.2	75.0
Monetary correction	(155.4)	(179.9)
Exchange rate variation, net	2.1	(405.3)
Income before taxes	**388.1**	**585.6**
Current income tax and social contribution	(64.8)	(64.9)
Deferred income tax and social contribution	331.8	78.2
Net income for the year	**655.1**	**598.9**
Company shareholders	652.5	598.9
Non-controlling shareholders	2.5	—
Net income for the year	**655.1**	**598.9**

Gross sales revenue

In the years ended December 31, 2022 and 2021, we disclosed our gross sales revenue in accordance with three business divisions: Brazil Industrial Division, Athena Foods Division and Trading Division. See "Presentation of Financial and Other Information—Financial Statements and Financial Information—Gross Sales Revenue Structure."

	For the Year Ended December 31,	
	2022	**2021**
	(in millions of R$)	
Gross sales revenue	**32,897.9**	**28,572.3**
Gross sales revenue in domestic markets	10,344.3	9,260.2
Gross sales revenue in export markets	22,553.6	19,312.1
Brazil Industrial Division	16,229.7	11,882.5
Athena Foods Division	14,291.1	14,935.6
Trading Division	2,377.1	1,754.2
Deductions from revenue – tax and others	(1,920.2)	(1,606.9)
Net operating revenue	**30,977.8**	**26,965.4**

Our gross sales revenue increased by 15.1%, from R$28,572.3 million in the year ended December 31, 2021 to R$32,897.9 million in the year ended December 31, 2022. This increase was primarily due to (1) a strong demand for exports in the period mainly from Southeast Asia and the North American markets, and (2) appreciation in beef prices in the international market.

- Our gross sales revenue from domestic markets increased by 11.7% to R$10,344.3 million in year ended December 31, 2022, compared to R$9,260.2 million in the year ended December 31, 2021.

- Our gross sales revenue from export markets increased by 16.8% to R$22,553.6 million in year ended December 31, 2022, compared to R$19,312.1 million in the year ended December 31, 2021.

In the years ended December 31, 2022 and 2021, we disclosed our gross sales revenue in accordance with three business divisions: Brazil Industrial Division, Athena Foods Division and Trading Division.

- Our gross sales revenue from our Brazil Industrial Division increased by 36.6% to R$16,229.7 million in the year ended December 31, 2022, compared to R$11,882.5 million in the year ended December 31, 2021, of which R$7,560.3 million, or 69.8%, was attributable to exports and R$4,909.0 million, or 30.2%, was attributable to sales in the domestic market. This increase was primarily the result of favorable export conditions attributable to new clients.

- Our gross sales revenue from our Athena Foods Division decreased by 4.3% to R$14,291.1 million in the year ended December 31, 2022, compared to R$14,935.6 million in the year ended December 31, 2021, of which R$10,449.8 million, or 73.1%, was attributable to exports and R$4,909.0 million, or 26.9%, was attributable to sales in the domestic market. This decrease was primarily the result of a decrease in sales volumes in Uruguay and Paraguay.

- Our gross sales revenue from our Trading Division increased by 35.5% to R$2,377.1 million in the year ended December 31, 2022, compared to R$1,754.2 million in the year ended December 31, 2021.

Deductions from revenue – tax and others

Our deductions from revenue consist of cancellations, discounts and taxes imposed on our revenue.

Deductions from revenue – tax and others increased by 19.5%, from R$1,606.9 million in the year ended December 31, 2021 to R$1,920.2 million in the year ended December 31, 2022, in line with an increase in revenues during the same period.

Net operating revenue

As a result of the foregoing, our net operating revenue increased by 14.9%, from R$26,965.4 million in the year ended December 31, 2021 to R$30,977.8 million in the year ended December 31, 2022.

Cost of goods sold

Our cost of goods sold increased by 13.1%, from R$22,320.3 million in the year ended December 31, 2021 to R$25,240.4 million in the year ended December 31, 2022, in line with an increase in revenues during the same period, primarily as a result of (1) a decrease in the slaughter of females in order to incentivize reproduction in Brazil, which is one of our main origination markets, reducing the availability of livestock for slaughter and increasing the price per *arroba*, and (2) an increase in the number of slaughtering.

As a percentage of our net operating revenue, our cost of goods sold decreased to 81.5% in the year ended December 31, 2022 from 82.8% in the year ended December 31, 2021.

Gross profit

As a result of the foregoing, our gross profit increased by 23.5%, from R$4,645.0 million in the year ended December 31, 2021 to R$5,737.4 million in the year ended December 31, 2022. This increase reflects the increase in gross sales revenue for the period.

As a percentage of net operating revenue, our gross profit increased to 18.5% in the year ended December 31, 2022 from 17.2% in the year ended December 31, 2021.

Selling expenses

Our selling expenses increased by 32.1% to R$2,333.7 million in the year ended December 31, 2022 from R$1,766.6 million in the year ended December 31, 2021, as a result of an increase in logistics expenses, such as international freight and fuel.

As a percentage of net operating revenue, our selling expenses increased to 7.5% in the year ended December 31, 2022 from 6.6% in the year ended December 31, 2021.

General and administrative expenses

Our general and administrative expenses increased by 19.7%, from R$857.6 million in the year ended December 31, 2021 to R$1,026.1 million in the year ended December 31, 2022, primarily as a result of an increase in staff costs, depreciation and other expenses.

As a percentage of our net operating revenue, our general and administrative expenses increased to 3.3% in the year ended December 31, 2022 from 3.2% in the year ended December 31, 2021.

Other operating revenue (expenses), net

Other operating expenses, net increased by 213.6%, from R$14.5 million in the year ended December 31, 2021 to R$45.6 million in the year ended December 31, 2022.

Financial expenses

Our financial expenses decreased by 120.0%, from R$939.7 million in the year ended December 31, 2021 to R$2,066.9 million in the year ended December 31, 2022, mainly due to higher interest rates, which impacted, in particular, currency protection financial instruments.

Financial revenue

Our financial revenue increased by 146.8%, from R$75.0 million in the year ended December 31, 2021 to R$185.2 million in the year ended December 31, 2022, mainly due to an increase in income from financial investments.

Monetary correction

Our monetary correction losses decreased by 13.6%, from R$179.9 million in the year ended December 31, 2021 to R$155.4 million in the year ended December 31, 2022. This monetary correction was primarily due to monetary restatements resulting from Argentina's hyperinflationary economy.

Exchange rate variation, net

We recorded net exchange rate gains of R$2.1 million in the year ended December 31, 2022 compared to net exchange rate losses of R$405.3 million in the year ended December 31, 2022. This increase is primarily due to the appreciation of the U.S. dollar against the *real*.

Income before taxes

As a result of the foregoing, we recorded income before taxes R$585.6 million in the year ended December 31, 2021, compared to an income before taxes of R$388.1 million in the year ended December 31, 2022.

As a percentage of net operating revenue, our gain before taxes was 1.3% in the year ended December 31, 2021 compared to 2.2% in the year ended December 31, 2021.

Current income tax and social contribution

Our current income tax and social contribution decreased by 0.2% to R$64.8 million in the year ended December 31, 2022 from R$64.9 million in the year ended December 31, 2021.

Deferred income tax and social contribution

Deferred income tax and social contribution gains increased by 324.3% to R$331.8 million in the year ended December 31, 2022 from R$78.2 million in the year ended December 31, 2021, mainly as a result of constitution of deferred tax assets, related to our prospective future profitability.

Net income for the year

As a result of the foregoing, we recorded a net income of R$598.9 million in the year ended December 31, 2021, compared to a net income of R$655.1 million in the year ended December 31, 2022.

Year ended December 31, 2021 compared with year ended December 31, 2020

Income Statement Data	For the Year Ended December 31, 2021	2020
	(in millions of R$)	
Net operating revenue	**26,965.4**	**19,406.4**
Cost of goods sold	(22,320.3)	(15,571.4)
Gross profit	**4,645.0**	**3,834.9**
Selling expenses	(1,766.6)	(1,304.0)
General and administrative expenses	(857.6)	(705.8)
Other operating expenses, net	14.5	(31.3)
Financial expenses	(939.7)	(623.0)
Financial revenue	75.0	74.9
Monetary correction	(179.9)	(63.0)
Exchange rate variation, net	(405.3)	(416.7)
Income before taxes	**585.6**	**766.0**
Current income tax and social contribution	(64.9)	(93.7)
Deferred income tax and social contribution	78.2	24.8
Net income for the year	**598.9**	**697.1**
Company shareholders	598.9	697.1
Non-controlling shareholders	—	—
Net income for the year	**598.9**	**697.1**

Gross sales revenue

In the years ended December 31, 2021 and 2020, we disclosed our gross sales revenue in accordance with three business divisions: Brazil Industrial Division, Athena Foods Division and Trading Division. See "Presentation of Financial and Other Information—Financial Statements and Financial Information—Gross Sales Revenue Structure."

	For the Year Ended December 31, 2021	2020
	(in millions of R$)	
Gross sales revenue	**28,572.3**	**20,554.3**
Gross sales revenue in domestic markets	9,260.2	6,688.8
Gross sales revenue in export markets	19,312.1	13,865.5
Brazil Industrial Division	11,882.5	9,998.0
Athena Foods Division	14,935.6	8,811.1
Trading Division	1,754.2	1,745.2
Deductions from revenue – tax and others	(1,606.9)	(1,147.9)
Net operating revenue	**26,965.4**	**19,406.4**

Our gross sales revenue increased by 39.0%, from R$20,554.3 million in the year ended December 31, 2020 to R$28,572.3 million in the year ended December 31, 2021. This increase was primarily due to the strong demand for exports in the period, coming mainly from Southeast Asian and North American markets and the high price of beef in the international market.

- Our gross sales revenue from domestic markets increased by 38.4% to R$9,260.2 million in year ended December 31, 2021, compared to R$6,688.8 million in the year ended December 31, 2020.

- Our gross sales revenue from export markets increased by 39.3% to R$19,312.1 million in year ended December 31, 2021, compared to R$13,865.5 million in the year ended December 31, 2020.

In the years ended December 31, 2021 and 2020, we disclosed our gross sales revenue in accordance with three business divisions: Brazil Industrial Division, Athena Foods Division and Trading Division.

- Our gross sales revenue from our Brazil Industrial Division increased by 18.8% to R$11,882.5 million in the year ended December 31, 2021, compared to R$9,998.0 million in the year ended December 31, 2020, of which R$7,560.3 million, or 63.6%, was attributable to exports and R$4,322.1 million, or 36.4%, was attributable to sales in the domestic market. This increase was primarily the result of (1) the growing global demand for beef, which, together with restrictions in beef supply, benefitted South America's export markets, and (2) an increase in end-of-

year seasonal demand arising from holidays and vacations, and the increased price of our products, which benefited from our ability to pass on increases in raw material acquisition costs.

- Our gross sales revenue from our Athena Foods Division increased by 69.5% to R$14,935.6 million in the year ended December 31, 2021, compared to R$8,811.1 million in the year ended December 31, 2020, of which R$11,314.0 million, or 75.8%, was attributable to exports and R$3,621.6 million, or 24.2%, was attributable to sales in the domestic market. As was the case in the Brazilian Industrial Division, this increase was primarily a result of the resilient demand for beef in the international market.

- Our gross sales revenue from our Trading Division increased by 0.5% to R$1,754.2 million in the year ended December 31, 2021, compared to R$1,745.2 million in the year ended December 31, 2020.

Deductions from revenue – tax and others

Our deductions from revenue consist of cancellations, discounts and taxes imposed on our revenue.

Deductions from revenue – tax and others increased by 40.0%, from R$1,147.9 million in the year ended December 31, 2020 to R$1,606.9 million in the year ended December 31, 2021, in line with an increase in revenues during the same period.

Net operating revenue

As a result of the foregoing, our net operating revenue increased by 39.0%, from R$19,406.4 million in the year ended December 31, 2020 to R$26,965.4 million in the year ended December 31, 2021.

Cost of goods sold

Our cost of goods sold increased by 43.3%, from R$15,571.4 million in the year ended December 31, 2020 to R$22,320.3 million in the year ended December 31, 2021, in line with an increase in revenues during the same period, primarily as a result of a decrease in the slaughter of females in order to incentivize reproduction breeding in Brazil, which is one of our main origination markets, reducing the availability of livestock for slaughter and increasing the price per *arroba*.

As a percentage of our net operating revenue, our cost of goods sold decreased to 82.8% in the year ended December 31, 2021 from 80.2% in the year ended December 31, 2020.

Gross profit

As a result of the foregoing, our gross profit increased by 21.1%, from R$3,834.9 million in the year ended December 31, 2020 to R$4,645.0 million in the year ended December 31, 2021. This increase reflects the increase in gross sales revenue for the period.

As a percentage of net operating revenue, our gross profit increased to 17.2% in the year ended December 31, 2021 from 19.8% in the year ended December 31, 2020.

Selling expenses

Our selling expenses increased by 35.5% to R$1,766.6 million in the year ended December 31, 2021 from R$1,304.0 million in the year ended December 31, 2020, in line with an increase in revenues during the same period.

As a percentage of net operating revenue, our selling expenses increased to 6.6% in the year ended December 31, 2021 from 6.7% in the year ended December 31, 2020.

General and administrative expenses

Our general and administrative expenses increased by 21.5%, from R$705.8 million in the year ended December 31, 2020 to R$857.6 million in the year ended December 31, 2021, primarily as a result of our organic expansion.

As a percentage of our net operating revenue, our general and administrative expenses decreased to 3.2% in the year ended December 31, 2021 from 3.6% in the year ended December 31, 2020.

Other operating revenue (expenses), net

Other operating expenses, net decreased by 146.5%, from an expense of R$31.3 million in the year ended December 31, 2020 to a revenue of R$14.5 million in the year ended December 31, 2021.

Financial expenses

Our financial expenses increased by 50.8%, from R$623.0 million in the year ended December 31, 2020 to R$939.7 million in the year ended December 31, 2021, mainly due to the increase in our total indebtedness and a decrease in our results from currency hedging.

Financial revenue

Our financial revenue increased by 0.2%, from R$74.9 million in the year ended December 31, 2020 to R$75.0 million in the year ended December 31, 2021.

Monetary correction

Our monetary correction losses increased by 185.6%, from R$63.0 million in the year ended December 31, 2020 to R$179.9 million in the year ended December 31, 2021. This monetary correction was primarily due to monetary restatements resulting from Argentina's hyperinflationary economy.

Exchange rate variation, net

Net exchange rate losses decreased by 2.7%, from R$416.7 million in the year ended December 31, 2020 to R$405.3 million in the year ended December 31, 2021. This decrease was primarily due to a decrease in the devaluation of the Brazilian *real* against the U.S. dollar.

Income before taxes

As a result of the foregoing, our income before taxes decreased by 23.6% to R$585.6 million in the year ended December 31, 2021 from R$766.0 million in the year ended December 31, 2020.

As a percentage of net operating revenue, our income before taxes decreased to 2.2% in the year ended December 31, 2021, from 3.9% in the year ended December 31, 2020.

Current income tax and social contribution

Our current income tax and social contribution decreased by 30.7% to R$64.9 million in the year ended December 31, 2021 from R$93.7 million in the year ended December 31, 2020.

Deferred income tax and social contribution

Deferred income tax and social contribution gains increased by 215.1% to R$78.2 million in the year ended December 31, 2021 from R$24.8 million in the year ended December 31, 2020.

Net income for the year

Net loss decreased by 14.1% from R$697.1 million in the year ended December 31, 2020 compared to R$598.9 million in the year ended December 31, 2021.

Liquidity and Capital Resources

General

We believe that our financial condition is adequate for the implementation of our business plan to meet our short- and long-term obligations.

Our strategy for the management of our financial condition is based on the following:

- risk management, through which we seek to mitigate the principal factors affecting the sales of commodities, including risks related to fluctuations in foreign currencies and the prices of raw materials;

- maintenance of a liquidity policy. As of June 30, 2023 and as of December 31, 2022, 2021 and 2020, we had cash, cash equivalents (including marketable securities) of R$6,197.3 million, R$7,071.5 million, R$7,302.0 million and R$6,391.4 million, respectively;

- focus on liability management to extend maturities on loans and financing and maintain a high level of liquidity in the short-term. As of June 30, 2023, the average maturity of our non-current loans and financing was approximately six years. As of June 30, 2023 and as of December 31, 2022, 2021 and 2020, our non-current loans and financing represented 76.6%, 84.9%, 88.9% and 81.0%, respectively, of our total indebtedness.

- preservation of our status as a producer of low-cost beef and beef by-products, by maintaining operational efficiency, modernizing our facilities, strategically managing our sales, reducing costs, capturing economies of scale and integrating our logistics network; and

- focus on obtaining higher selling prices in domestic and export markets, relative to our major domestic competitors, as a result of our differentiated management of value-added products and commodities, with an emphasis on the most profitable markets and continuing to improve the efficiency of and expand our distribution network.

The following tables set forth our current liquidity, dry liquidity and net debt to EBITDA ratios, which are non-GAAP financial measures, as of the dates indicated:

Financial Indicators of Liquidity	**As of June 30,**	**As of December 31,**		
	2023	**2022**	**2021**	**2020**
Current liquidity ratio (unaudited) [(1)(2)]	1.50x	1.60x	1.90x	1.76x
Dry liquidity ratio (unaudited) [(2)(3)]	1.23x	1.34x	1.55x	1.55x

(1) Current liquidity ratio means current assets *divided by* current liabilities.
(2) Non-GAAP information.
(3) Dry liquidity ratio means current assets *minus* the sum of inventories and biological assets the result of which is divided by current liabilities.

Financial Indicators of Liquidity	**As of June 30,**	**As of the Year Ended December 31,**		
	2023	**2022**	**2021**	**2020**
Net debt/Adjusted EBITDA (unaudited) [(1)(2)]	2.76x	2.16x	2.53x	2.41x

(1) Net debt/Adjusted EBITDA ratio is net debt as of the end of the period *divided by* Adjusted EBITDA for the prior twelve-month period.
(2) Non-GAAP information.

Capital Structure

Our shareholders' equity was R$1,062.5 million as of December 31, 2022 and R$905.9 million as of June 30, 2023. As of December 31, 2022, we had a less onerous capital structure with a lower risk profile in light of liability management transactions we completed in line with our commitment to financial discipline and aligned with our strategy of generating value for our shareholders.

The table below sets forth the composition of our capital structure:

Capital Structure	**As of June 30,**	**As of December 31,**		
	2023	**2022**	**2021**	**2020**
	(*unaudited*)			
		(in millions of R$)		
Current liabilities	7,749.5	8,129.7	7,238.4	6,395.7
Non-current liabilities	11,211.3	12,207.9	12,177.0	9,687.5
Total liabilities	18,960.8	20,337.6	19,415.4	16,083.2
Shareholders' equity	905.9	1,062.5	654.1	840.1
Capital stock	1,619.1	1,619.1	1,616.1	1,304.0

We believe that our capital structure as of June 30, 2023 and as of December 31, 2022, 2021 and 2020 was consistent with our regular course of business and investments. Our non-current loans and financing represented 76.6%, 84.9%, 88.9% and 81.0% of our total indebtedness as of June 30, 2023 and as of December 31, 2022, 2021 and 2020, respectively.

We do not rely exclusively on third-party debt for our financing needs. The decision to use own capital or seek third-party financing is based on what is most attractive to the company based on market conditions at the time of the respective transaction.

Payment Capacity

We believe that our capacity to generate cash, aligned with our conservative financial policy, efficient management of working capital and sound risk management provides us with liquidity and resources adequate to cover our investment needs, expenses, debts and other amounts to be paid for in the near term.

As of June 30, 2023, our net debt was R$7,696.2 million, compared to R$6,695.0 million as of December 31, 2022, R$6,102.7 million as of December 31, 2021 and R$5,180.6 million as of December 31, 2020. As of June 30, 2023, our cash and cash equivalents (including marketable securities) were R$6,197.3 million, compared to R$7,071.5 million as of December 31, 2022, R$7,302.0 million as of December 31, 2021, and R$6,391.4 million as of December 31, 2020.

As of June 30, 2023, our net debt was 2.76 times our adjusted EBITDA for the twelve-month period ended June 30, 2023. As of December 31, 2022, our net debt was 2.16 times our adjusted EBITDA for the year, as of December 31, 2021, our net debt was 2.53 times our adjusted EBITDA for the year, and as of December 31, 2020, our net debt was 2.41 times our adjusted EBITDA for the year.

We have undertaken efforts to financially deleverage since 2018. In 2018, we increased our shareholders' equity. In 2020, we completed a follow-on equity offering, and in 2021 and 2022 we completed a series of liability management transactions through which we exchanged higher-interest debt for lower-interest debt or repurchased notes in the international market from 2020 to 2022, totaling R$2,628 million in repurchased and cancelled notes.

Sources of Financing for Working Capital and Non-Current Assets

We believe that our principal source of financing for our working capital and non-current assets is our generation of operating cash flow, as well as short- and long-term loans and financing. We also maintain working capital lines of credit from financial institutions, together with financing options in the Brazilian and international capital markets, to finance our working capital and short-term asset investments.

Historically, our principal sources of working capital have been: (1) cash generated from our operating activities; and (2) short-term loans and financing. However, we believe that it will not be necessary to raise any additional funding for our ongoing working capital needs because we have gradually reduced such needs. For our investments in non-current assets, we seek financing through long-term financings available in the market, such as lines of credit from development banks, issuances of securities in the international capital markets, issuances of debentures and bank credit notes (*Cédula de Crédito Bancário*) or CCBs, and debt and equity financing from the IFC, among others.

We maintain lines of credit with various Brazilian and international banks in order to finance our working capital and investment needs.

Cash Flows

The table below sets forth our cash flows for the periods indicated:

Cash Flows	**Six-Month Period Ended June 30,**		**Year Ended December 31,**		
	2023	**2022**	**2022**	**2021**	**2020**
	(*unaudited*)				
			(in millions of R$)		
Cash flows provided by (used in):					
Operating activities	570.0	945.8	3,134.7	2,594.7	3,223.8
Investing activities	(558.6)	(351.8)	(1,658.1)	(568.5)	(376.1)
Financing activities	(699.6)	(1,529.6)	(1,451.9)	(1,972.4)	(1,828.3)
Exchange rate changes on cash and cash equivalents	(186.0)	(163.2)	(255.2)	856.8	902.4
(Decrease) Net increase in cash and cash equivalents	**(874.2)**	**(1,098.7)**	**(230.5)**	**910.6**	**1,921.7**

Operating Activities

Net cash provided by operating activities for the six-month period ended June 30, 2023 was R$570.0 million, compared to net cash provided by operating activities of R$945.8 million in the corresponding period in 2022. The variation in cash flow from operating activities between these periods was mainly due to variations in our working capital variation, particularly in relation to the line item "suppliers".

Net cash provided by operating activities for the year ended December 31, 2022 was R$3,134.7 million, compared to net cash provided by operating activities of R$2,594.7 million in the year ended December 31, 2021. The variation in cash flow from operating activities between these periods was mainly due to the positive effect of (1) inventories, which benefited our working capital, as we significantly reduced the inventory of our finished products, reflecting a strong demand for beef exports; and (2) other accounts payable, which primarily include amounts received in advance from our customers in accordance with the credit policy established by our management. These variations increased our cash by R$465.8 million in the other payables account and were positively impacted by our increased exposure to Southeast Asia, where we require larger customer advances.

Net cash provided by operating activities for the year ended December 31, 2021 was R$2,594.7 million, compared to net cash provided by operating activities of R$3,223.8 million in the year ended December 31, 2020. The variation in cash flow from operating activities between these periods was mainly due to increased inventory levels as a result of favorable export conditions, particularly in relation to our exports to China.

Investing Activities

Net cash used in investing activities in the six-month period ended June 30, 2023 was R$558.6 million, compared to net cash used in investing activities of R$351.8 million in the corresponding period in 2022. This variation was primarily due the consideration we paid in connection with our acquisition of our Australian operations.

Net cash used in investing activities in the year ended December 31, 2022 was R$1,658.1 million, compared to net cash used in investing activities of R$568.5 million in the corresponding period in 2021. This variation was primarily due to our operational expansions, particularly in operations outside Brazil and mainly as a result of a R$802.9 million disbursement made in connection with our acquisition of our Australian operations.

Net cash used in investing activities in the year ended December 31, 2021 was R$568.5 million, compared to net cash used in investing activities of R$376.1 million in the corresponding period in 2020. This variation was primarily due to geographical expansion in Australia.

Financing Activities

Net cash used in financing activities in the six-month period ended June 30, 2023 was R$699.6 million, compared to net cash used in financing activities of R$1,529.6 million in the six-month period ended March 31, 2022. This variation was primarily due to payments of loans and financing.

Net cash used in financing activities in the year ended December 31, 2022 was R$1,451.9 million, compared to net cash used in financing activities of R$1,972.4 million in the corresponding period in 2021. This decrease was primarily due to the efforts that our management has been making over the last few years to restructure our capital structure, in order to seek to ensure that it is less costly, more liquid and adequate.

Net cash used in financing activities in the year ended December 31, 2021 was R$1,972.4 million, compared to net cash used in financing activities of R$1,828.3 million in the corresponding period in 2020. This variation was primarily due to payments of loans and financing.

Capital Expenditures

Historically, the principal sources of financing for our capital expenditures to expand our capacity and improve our processing facilities have been lines of credit we have obtained from financial institutions. We also use cash and cash equivalents that we generate from our operations.

Our capital expenditures primarily include investments we have made to improve our operational efficiency and maintain our processing facilities. During the six-month period ended June 30, 2023, we incurred capital expenditures of R$558.6 million, of which R$201.2 million was allocated to maintenance and R$357.4 million was allocated to the expansion of our operations. During the year ended December 31, 2022, we incurred capital expenditures of R$1,658.1 million, of which

R$426.5 million was allocated to maintenance and R$1,231.7 million was allocated to the expansion of our operations, mainly as a result of a R$802.9 million disbursement related to the acquisition of ALC.

On October 20, 2022, we announced the acquisition of ALC, one of the leading sheep processors in the Australian market. The acquisition of our interest in ALC was structured through a joint venture in which we hold an indirect interest of 65%, with the remaining 35% held by SALIC. In connection with the acquisition of ALC, we and SALIC contributed an aggregate of approximately AUD$400.0 million, or U.S.$260.0 million, proportionally to our respective indirect interest in the joint venture (i.e., AUD$260.0 million, or U.S.$169.0 million was contributed by us and AUD$140.0 million, or U.S.$91.0 million was contributed by SALIC).

In accordance with the payment schedule for the acquisition, a first installment in cash in the aggregate amount of AUD$283.0 million was paid upon completion of the acquisition, a second installment in the aggregate amount of AUD$72.0 million was paid in February 2023 and a third installment in the aggregate amount of AUD$40.0 million was withheld and will be paid in four annual installments of AUD$10.0 million each from 2023 to 2026.

ALC has more than 30 years of experience in its market and is managed by an experienced board of directors, serving Australia's primary customers in its sector and certain premium markets around the world. ALC has a sheep slaughtering capacity of 3,780,000 head/year, which added to our Shark Lake and Great Eastern Abattoir units in Australia, enables us to achieve an aggregate nominal capacity of 4,780,000 head/year, which corresponds to approximately 15% of the total sheep slaughter in the Australian market according to the MLA in July 2022.

Moreover, in January 2023, we announced the acquisition of Breeders and Packers Uruguay, BPU Meat, a subsidiary of NH Foods Croups, located in the municipality of Durazno, in Uruguay and one of the most modern meatpacking companies in South America, with a slaughter capacity of 1,200 head/day. BPU Meat employs advanced technology in its industrial processes, producing and exporting beef from Uruguay of high quality and sanitary safety levels. We acquired BPU Meat for aggregate consideration totaling U.S.$40 million. The acquisition closed on August 31, 2023.

Indebtedness

We have strategies and controls relating to the level of our indebtedness, and we believe that careful management of our levels of indebtedness is the foundation of strategic planning and the continuation and success of our business.

Based on our strategic and business planning, we believe that we have an adequate debt structure, divided between short and long-term indebtedness, providing us a favorable position with respect to available cash and allowing us to manage our operations and maintain our investment plan.

We have various lines of credit with first-tier banks and are not dependent on any single financial institution. We have also been successful in obtaining funding in the international capital markets. As the date of this offering memorandum, we were in compliance with the covenants set forth in the abovementioned financing agreements.

The following table sets forth our principal outstanding non-current loans and financing (including current and non-current obligations) as of June 30, 2023:

	Interest and other charges	As of June 30, 2023
		(*unaudited*)
***Real*-denominated**		*(in millions of R$)*
Debentures – 7th issuance	IPCA(*)	641.6
Debentures – 8th issuance	IPCA(*)	702.8
Debentures – 9th issuance	IPCA(*)	750.3
Debentures – 10th issuance	IPCA(*)	1,863.0
Debentures – 11th issuance	IPCA(*)	384.9
Debentures – 12th issuance	IPCA(*) + spread	1,597.7
Bank credit note	CDI + spread	257.4
NCE	CDI + spread	1,037.9
Rural product note	109% to 116% per annum CDI	916.3
CRA	CDI + spread	281.0
Export credit bills	11.4% per annum	221.0
Hedging derivatives	CDI + spread	(2,281.5)
		6,372.6
U.S. Dollar-denominated		
ACC	6.21% to 6.71% per annum (*)	412.0
NCE	2.22% to 2.51% per annum	121.0
Unsecured senior notes (2)	exchange rate variation + pre-fixed interest rates	6,053.8
PPE	LIBOR + 2.0% per annum	2,118.3
Secured loan agreement (1)	exchange rate variation+ pre-fixed interest rates	11.7
Other (2)(3)	exchange rate variation+ pre-fixed interest rates	239.8
Hedging derivatives		(1,435.8)
		7,520.8
Total loans and financing		**13,893.4**
Current		3,246.8
Non-current		10,646.6

(*) Transactions with CDI % swaps.

Our obligations are guaranteed as follows:

(1) Promissory notes guaranteed by controlled companies, Pulsa S.A. and Frigomerc S.A.;
(2) Guaranteed by Minerva S.A.;
(3) Standby letter of credit or corporate guarantee.

Principal Financing Agreements

We maintain lines of credit with various Brazilian and international financial institutions to finance our working capital needs and non-current asset investments. Set forth below is a summary of our principal financing agreements as of June 30, 2023:

2024 Debentures (Seventh Issuance of Debentures)

On November 22, 2019, we issued non-convertible unsecured debentures in one tranche in the aggregate principal amount of R$500.0 million, maturing on December 12, 2024 and bearing an interest rate of IPCA plus 4.5% per year. We used the net proceeds of these debentures to develop our agribusiness activities and relationships with rural producers in the meat industry and within the scope of our trading operations.

As of June 30, 2023, the aggregate outstanding balance of our seventh issuance of debentures was R$641.6 million.

2026 Debentures (Eighth Issuance of Debentures)

On May 22, 2020, we issued non-convertible unsecured debentures in two tranches in an aggregate principal amount of R$600.0 million. The first tranche has an aggregate principal amount of R$400.0 million, maturing on May 13, 2025. The second tranche has an aggregate principal amount of R$200.0 million, maturing on May 13, 2026. The debentures have a CDI percentage swap, resulting in a final interest rate of 160% of the CDI rate. The net proceeds of the debentures were used to develop our agribusiness activities and relationships with rural producers in the meat industry and within the scope of our trading operations.

As of June 30, 2023, the aggregate outstanding balance of our eighth issuance of debentures was R$702.8 million.

2025 Debentures (Ninth Issuance of Debentures)

On June 12, 2020, we issued non-convertible unsecured debentures in one tranche in the aggregate principal amount of R$600.0 million, maturing on June 12, 2025. The debentures have a CDI percentage swap, and as a result, the final interest rate is 160% of the CDI rate. The net proceeds of the debentures were used to develop our agribusiness activities and relationships with rural producers in the meat industry and within the scope of our trading operations.

As of June 30, 2023, the aggregate outstanding balance of our ninth issuance of debentures was R$750.3 million.

2028 Debentures (Tenth Issuance of Debentures)

On April 15, 2021, we issued non-convertible unsecured debentures in two tranches in the aggregate principal amount of R$1,600.0 million and maturing on April 12, 2028. The first tranche has an aggregate principal amount of R$1,200.0 million, matures on April 12, 2028 and bears an interest rate of 5.5% per year adjusted by the IPCA rate. The second tranche has an aggregate principal amount of R$400.0 million, matures on April 10, 2031 and bears an interest rate of 5.6% per year adjusted by the IPCA rate. The net proceeds of the debentures were used to strengthen our capital structure by reducing foreign currency debts subject to higher interest rates.

As of June 30, 2023, the aggregate outstanding balance of our tenth issuance of debentures was R$1,863.0 million.

2026 Debentures (Eleventh Issuance of Debentures)

On October 15, 2021, we issued non-convertible unsecured debentures in one tranche in the aggregate principal amount of R$400.0 million, maturing on October 15, 2026 and bearing an interest rate of CDI plus 1.6% per year. The net proceeds of the debentures were used for the repayment of our sixth issuance of debentures maturing on May 15, 2022 and bearing an interest rate of CDI plus 1.80% per year, resulting in the extension of our debt profile and reducing the annual cost of this debt.

As of June 30, 2023, the aggregate outstanding balance of our eleventh issuance of debentures was R$384.9 million.

2025 Debentures (Twelfth Issuance of Debentures)

On July 13, 2022, we issued non-convertible unsecured debentures in one tranche in the aggregate principal amount of R$1,500.0 million, maturing on July 12, 2029. The debentures have a CDI percentage swap, and as a result, the final interest rate is 113.5% of the CDI rate. The net proceeds of the debentures were used to develop our agribusiness activities and relationships with rural producers.

As of June 30, 2023, the aggregate outstanding balance of our twelfth issuance of debentures was R$1,597.7 million.

Export Credit Notes (NCE)

We issued *real*-denominated and dollar-denominated export credit notes, or NCEs, which bear interest at fixed rates. Certain of our *real*-denominated NCEs were guaranteed by VDQ and the U.S. dollar-denominated NCEs were hedged against fluctuations of the U.S. dollar against the *real* through foreign exchange swaps.

As of June 30, 2023, the aggregate outstanding balance on our *real*-denominated NCEs or our dollar-denominated NCEs was R$1,037.9 million.

Advance on Foreign Exchange Agreement (ACC)

We have entered into advance on foreign exchange agreements, or ACCs, with commercial banks, which bear interest at fixed rates. Certain of our ACCs contain financial covenants limiting our net debt to EBITDA ratio to 3.5x.

As of June 30, 2023, the aggregate outstanding balance of our ACCs was R$412.0 million.

Notes Issuances in International Markets

The table below sets forth our outstanding notes issuances in the international capital markets as of June 30, 2023:

Year of Issuance	Securities Issued	Issued Principal Amount
		(in U.S.$)
2017	Notes due 2028	500,000,000
2021	Notes due 2031	1,000,000,000

Year of Issuance	Securities Issued	Issued Principal Amount
		(in U.S.$)
2021	Re-tap of Notes due 2031	400,000,000

Notes due 2028

In December 2017, Minerva Luxembourg issued 5.875% senior notes due 2028, or the 2028 Notes, in the aggregate principal amount of U.S.$500.0 million. The 2028 Notes bear interest at 5.875% per annum and are guaranteed by Minerva and Athena Foods. We used the net proceeds of these notes to extend our debt profile and finance a tender offer of our then-outstanding 2023 notes.

Notes due 2031

On March 3, 2021, Minerva Luxembourg issued the initial notes in the aggregate principal amount of U.S.$1,000.0 million. On July 6, 2021, we issued additional notes in a reopening of in the aggregate principal amount of U.S.$400.0 million. We refer to the initial notes plus the additional notes as the 2031 Notes. The 2031 Notes bear interest at 4.375% per annum and are guaranteed by Minerva. We used the net proceeds of these notes primarily to finance a tender of 75.81% of the then outstanding notes due 2026 in the aggregate amount of U.S.$911.7 million.

The main events of default under the 2028 Notes and 2031 Notes include: (1) breach of covenant obligations; and (2) non-payment of interest or principal on any note. The notes also restrict changes of control and transfers of assets unless certain requirements specified in their indentures are met. The notes include financial covenants that limit our ability to (1) incur debt, subject to our compliance with a net debt ratio that does not exceed 3.5 times our EBITDA for the prior 12-month period, and (2) to distribute dividends or allow our subsidiaries to pay dividends, subject to important exceptions.

As of June 30, 2023, the aggregate outstanding amount of the 2028 Notes and the 2031 Notes was R$6,053.8 million.

Contractual Commitments

The following table sets forth the maturity profile of our outstanding indebtedness as of June 30, 2023:

	Less than One Year	One to Three Years	Three to Five Years	More than Five Years	Total
			(in millions of R$)		
Loans and financing	1.0	2.2	2.7	5.8	11.7
Debt securities	3,245.8	3,634.3	1,443.0	5,558.6	13,881.7
Total loans and financing	**3.246.8**	**3,636.5**	**1,445.7**	**5,564.4**	**13,893.4**

The following table sets forth the maturity profile of our outstanding indebtedness as of December 31, 2022:

	Less than One Year	One to Three Years	Three to Five Years	More than Five Years	Total
			(in millions of R$)		
Loans and financing	1.3	-	3.0	6.2	10.5
Debt securities	2,076.6	3,642.1	290.9	7,746.4	13,756.0
Total loans and financing	**2,077.9**	**3,642.1**	**293.9**	**7,752.6**	**13,766.5**

Off-Balance Sheet Arrangements

As of the date of this offering memorandum, we do not have any off-balance sheet arrangements.

Quantitative and Qualitative Disclosure of Market Risks

Risk Management Strategy

We are exposed to a number of market risks arising from our normal business activities. These market risks represent potential losses arising from adverse changes in market rates and prices. Our risk management strategy seeks to identify and analyze risks to which we are exposed in order to define limits and appropriate risk controls and to monitor risk and adherence to such limits. Accordingly, we have a formal policy for risk management controlled and managed by our treasury

department. We use certain financial instruments to control our exposure to risks through systems that measure, analyze and manage risk. Because we have a centralized financial structure which requires all financial decisions, contracts and any cash flow to pass through our treasury department, we believe that the operating structure and internal controls set up to verify the effectiveness of our hedging policies adopted is effective.

Under our risk management policy, our treasury department manages the nature and our general position of our financial risks. The treasury department is supervised and monitored by our finance and risk committee, which is composed of members of our board of executive officers, employees and external consultants, and reports to our chief executive officer, or CEO, and our board of directors. Our finance and risk committee is responsible for:

- limiting our exposure to credit risks from our customers and the market through credit analysis and management of client portfolios; and
- monitoring our market exposure through regular meetings with our different commercial segments to analyze and control our portfolio.

Hedging Policies and Practices

Our hedging policy is approved by our board of directors and mainly addresses currency and cattle price fluctuations. Our executives in charge of risk management report directly to our CEO and finance and risk committee and are responsible for implementing, supervising and monitoring our hedging policy.

Risks are monitored daily and the treasury department is responsible for consolidating the information and protecting our operations in the stock market and deciding on the course of action to neutralize such risks. Our treasury department must act within the limitations provided by our board of directors and within the parameters of the value at risk, or VaR, analysis of our derivatives portfolio.

We use various hedging instruments to protect our assets against fluctuation in interest rates, foreign exchange rates and price of cattle, such as exchange rate swaps, U.S. dollar forward contracts on the Brazilian Mercantile and Futures Exchange, or BM&F, and options on the same, non-deliverable forwards, or NDFs, funding in foreign currencies, retention of cash in U.S. dollars, purchasing resources in U.S. dollars and Euros and options on the same, futures on cattle contracts on the BM&F and options on the same.

We manage market risks using two modeling techniques: (1) the statistical calculation system known as VaR, utilizing the Parametric VaR and Monte Carlo VaR models; and (2) the impact calculation system through the application of different stress scenarios. We also conduct economic analyses of the Brazilian and global scenarios and their potential effects on their financial positions.

Interest Rate Risk

Certain of our liabilities bear interest at fluctuating rates, which exposes us to interest rate fluctuations. As of June 30, 2023, we had R$13,893.4 million of indebtedness, certain of which were subject to instruments linked to the CDI and TJLP rates (for domestic loans) or to LIBOR (for cross-border loans). For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness."

With respect to interest hedges, our interest rate hedging policy protects us against interest rate fluctuations on our investments, loans and financing through the use of derivative financial instruments based on futures contracts which are traded through the stock exchanges, interest rate swaps, NDFs, options and other stock exchanges instruments. To manage interest rate risks, we use parameters that take into account the relevance of the net exposure, based on values, terms and interest rates compared with the CDI rate. Our internal controls for risk management and hedging utilize spreadsheets to monitor our operations and calculate VaR.

Cattle Price Risk

Cattle, our primary raw material, is subject to price volatility resulting from factors outside our control, such as climate, supply volume, transportation costs, agricultural policies and other factors. In the six-month period ended June 30, 2023, we purchased approximately 1,859 thousand head of cattle from cattle breeders in Brazil, Paraguay, Uruguay, Argentina and Colombia.

Generally, we buy cattle on the spot market, where prices are quoted by *arroba* in Brazil and kilos of carcass in Uruguay, Argentina, Paraguay and Colombia. The price of cattle varies in each country in which we operate, based on the livestock's

profitability in prior years, the slaughter of heifer, exportation of live animals, climate conditions and cost of production, among other factors, that directly affect the purchase price of the raw materials.

Our cattle price hedging policy seeks to minimize the impact of the fluctuation in the price of beef per *arroba*. The policy is divided into two segments: (1) ensuring sufficient raw materials, especially for the off-season; and (2) guaranteeing the cost of the raw materials used in meat production. To manage cattle purchase price risks, we have established a sophisticated risk management structure, which we refer to as our "Beef Desk," an internal group that meets daily with representatives from our sales, planning and production, cattle purchasing, treasury and market research areas to discuss the risks and opportunities of market arbitrage, mitigate the effects of various risk factors and optimize our financial and operational results.

Foreign Exchange Rate Risk

We are subject to the possibility of loss resulting from fluctuations in exchange rates, which may increase the amount of our financial debt from borrowings in foreign currencies or reduce our accounts receivable denominated in foreign currencies. For the six-month period ended June 30, 2023, 64.3% of our gross sales revenues were derived from exports linked to amounts denominated in foreign currency and R$7,520.8 million of our loans and financing was denominated in U.S. dollars.

Our foreign exchange rate hedging policy is designed to protect us from currency fluctuations and is divided into flow and balance hedges. Flow hedges take advantage of market fluctuations to improve our operating results and protect against fluctuations of non-*real* currencies, consider a period of up to one-year. With balance hedges, we balance our foreign-denominated currency assets in order to reduce excessive exposure to exchange rate risk and protect our balance sheet. Our internal controls for risk management and hedging use spreadsheets to monitor our operations and calculate VaR.

Credit Risk

We are subject to credit risks related to our customers' accounts receivables and our short-term investments. We limit our exposure to credit risks through credit analysis and management of our client portfolio. Therefore, we seek to reduce economic exposure to a particular client or market which may cause significant losses for our company if an event of default occurs or if a country to which we export imposes health or commercial barriers. In addition, we adopted a credit policy limiting credit to 30% of a client's bill and requiring a minimum one year relationship. We diversify our sales to our clients so that no client represents more than 10% of our gross sales. We also monitor credit risk through: (1) a detailed analysis of the financial conditions of our clients; (2) an internal risk rating of our customers; and (3) consultations with credit rating agencies.

For additional information about market risks to which we are exposed, see note 26 of our Unaudited Interim Condensed Consolidated Financial Statements, note 26 of our 2022 Audited Consolidated Financial Statements and note 25 of our 2021 Audited Consolidated Financial Statements included elsewhere in this offering memorandum.

.

INDUSTRY

World Beef and Cattle Industry

Production and Consumption

Although beef and veal consumption has remained stable in recent years, it is expected to grow in the medium and long terms according to the FAO. Between 2022 and 2032, the global demand is estimated to increase by an average of 8.4%, mainly driven by the African and Asian markets, which may increase their respective demands by 26% and 16%. This growth is expected to be driven by population increase and higher incomes in developing countries, since beef consumption is strongly correlated to economic growth. Moreover, improvements in sanitary conditions have led to a decrease in the spread of cattle diseases, including BSE and FMD, and eased concerns about the quality of beef. As consumers become increasingly concerned about the quality and origin of meat they buy, exporting countries have taken enhanced measured to ensure the best quality of their products and business continuity.

The following table sets forth the detailed projections made by FAO:

	Beef Consumption			Beef Imports Country		
Country	**2032 (Projected)**	**2022**	**Variation**	**2032 (Projected)**	**2022**	**Variation**
			(thousands of tons)			
Global	**77,631**	**71,626**	**8.38%**	**14,833**	**13,369**	**10.95%**
North America	**13,900**	**13,995**	**(0.68)%**	**2,119**	**2,165**	**(2.14)%**
United States	12,881	12,983	(0.78)%	1,862	1,921	(3.06)%
Latin America	**14,037**	**13,284**	**5.66%**	**987**	**1,001**	**(1.38)%**
Argentina	2,185	2,180	0.20%	7	7	(1.00)%
Brazil	5,885	5,809	1.32%	63	63	0.00%
Colombia	708	678	4.45%	13	10	24.75%
Paraguay	204	145	40.82%	8	10	(24.32)%
European Union	**6,281**	**6,661**	**(5.70)%**	**379**	**356**	**6.40%**
Africa	**8,553**	**6,765**	**26.42%**	**1,248**	**849**	**46.92%**
Asia	**30,392**	**26,279**	**15.65%**	**9,428**	**8,177**	**15.30%**
Oceania	**718**	**776**	**(7.49)%**	**37**	**34**	**9.56%**
Australia	632	691	(8.46)%	18	18	0.00%
New Zealand	71	71	0.38%	9	6	35.76%
Developed countries	30,147	30,136	0.04%	4,464	4,584	(2.63)%
Developing countries	47,484	41,490	14.45%	10,369	8,785	18.03%

Source: OECD-FAO Agricultural Outlook 2023-2032.

World beef production is expected to grow in the coming years within the context of growing appeal for sustainable (i.e., less land use and less natural resources) and healthy (i.e., grass-fed and without use of synthetic inputs and growth promoters) production.

In South America, the livestock market is primarily developed on cultivated land and has been increasing production year by year through increased productivity, freeing areas for other crops and/or for the restoration of natural vegetation. In Brazil, for example, according to LAPIG, there were 209 million head of cattle (IBGE) on 183 million hectares of cultivated land in 2009, meaning that in each hectare there were 1.14 cattle. In 2019, there were 215 million head of cattle on 169.0 million hectares of land resulting in 1.27 animals per hectare indicating a 13% improvement in land use efficiency.

Other South American countries show similar growth potential, and we believe productivity gains will be possible with simple improvements in management. In Uruguay, the grazing stock is lower than in Brazil, with 0.70 head per hectare (MGAP, 2019), with animals raised mostly in native fields. Using cultivated land can sometimes increase this number. Paraguay and Colombia also use low technology. In Argentina, a large portion of the herd is slaughtered as young animals (up to 24 months). In recent years, the herd has grown in size following the reversal of certain public policies that had adversely affected our activities in the past. According to IPCVA, between 2011 and 2020, the herd grew 23%. According to the USDA, Argentina's beef exports increased by 197.0% between 2011 and 2020.

Meanwhile, in the rest of the world, the potential for increases in beef production is quite limited. The United States, in addition to being near the top of productivity, has a production based on confined animals, which makes producers dependent on the grain market, especially corn, thus competing with the production of ethanol, which uses corn as a raw material. In addition, the use of synthetic hormones is allowed to cattle farmers in the United States.

Australia regularly faces problems with droughts to the point of leading part of the country into a process of desertification. Europe is slowing its production, and India, which has emerged as a potential long-term competitor, has a number of processes and products that require improvement, as well as a religious barrier to commercial cattle production.

The table below sets forth estimates of the evolution of beef production between 2022 and 2032:

	Beef Production		
Country	**2032 (Projected)**	**2022**	**Variation**
		(thousands of tons)	
Global	**77,812**	**71,759**	**8.43%**
North America	**14,195**	**14,130**	**0.46%**
United States	12,603	12,529	0.59%
Latin America	**19,552**	**17,934**	**9.02%**
Argentina	3,233	3,070	5.30%
Brazil	8,935	8,423	6.08%
Colombia	842	796	5.81%
Paraguay	767	555	37.99%
European Union	**6,708**	**7,045**	**(4.79)%**
Africa	**7,646**	**6,227**	**22.78%**
Asia	**22,963**	**20,018**	**14.71%**
Oceania	**3,188**	**2,798**	**13.94%**
Australia	2,429	2,032	19.58%
New Zealand	752	759	(0.89)%
Developed countries	32,120	31,374	2.38%
Developing countries	45,692	40,386	13.14%

Source: OECD-FAO Agricultural Outlook 2023-2032.

Exports

Beef

The market share of Latin American countries is expected to continue increasing in the coming years. According to FAO, the total export to other countries is expected to grow by more than 15%, the second significant among the world's beef players, as set forth in the table below:

	Beef Exports		
Country	**2032 (Projected)**	**2022**	**Variation**
		(thousands of tons)	
Global	**15,018**	**13,554**	**10.80%**
North America	**2,413**	**2,331**	**3.51%**
United States	1,583	1,494	5.98%
Latin America	**6,502**	**5,651**	**15.06%**
Argentina	1,055	897	17.65%
Brazil	3,112	2,677	16.27%
Colombia	147	128	14.49%
Paraguay	570	420	35.55%
European Union	**805**	**744**	**8.19%**
Africa	**341**	**311**	**9.59%**
Asia	**2,003**	**1,913**	**4.74%**
Oceania	**2,506**	**2,074**	**20.83%**
Australia	1,815	1,359	33.57%
New Zealand	690	713	(3.35)%
Developed countries	6,442	5,874	9.66%
Developing countries	8,576	7,680	11.66%

Source: OECD-FAO Agricultural Outlook 2023-2032,

BSE (Bovine Spongiform Encephalopathy)

Beef consumption patterns are and will continue to be influenced by food safety issues. The first BSE crisis began in March 1996 when the British government announced a link between BSE and a disease afflicting humans, Creutzfeldt-Jakob disease. This discovery caused an immediate reduction of beef consumption on a worldwide basis. Several measures were introduced to control the spread of BSE among cattle and to minimize the risk of human exposure. These control measures included the "Over Thirty Months Scheme," or the OTMS, which involved the slaughter and disposal of all U.K. cattle over thirty months of age, the "Calf Processing Aid Scheme," or the CPAS, which involved the destruction of European Union calves less than 20 days old, the selective cull measure, which required killing cattle most at risk of BSE, and the cattle identification and traceability schemes.

Europe's struggle with BSE continues to impact the European beef industry, as per capita beef consumption has declined. BSE is linked to cattle that are fed animal-based feeds. According to the World Organization for Animal Health, the BSE risk to Brazil, Argentina, Uruguay, Paraguay and Colombia is negligible, similar to other major market players such as Australia. South America's leading beef producers are considered less vulnerable to the disease due to their pasture-based production system. When animals are supplemented, rations of vegetable ingredients are used for this purpose.

Sanitary and Trade Restrictions

The international beef market can be divided between the Pacific block (North and Central America, Australia and New Zealand and the Far East) and the Atlantic block (Europe, Africa, the Middle East and South America). This division not only reflects historical and geographical ties but also certain sanitary criteria. The Pacific block prohibits imports of beef (except for pre-cooked, processed products) from countries or regions where there are active FMD vaccination programs. The United States permits beef imports from countries with FMD vaccination programs (such as Uruguay), but do not accept the regionalization criteria as it exists in Brazil, where the states located in midwestern, southeastern and southern regions of the country are free of FMD with vaccination. The European Union permits imports of fresh beef from certain regions within countries that have been affected by FMD, if those regions are not registered as the focus of infection. However, the European Union has restricted the importation of beef treated with hormones and anabolic steroids. In the past, the European Union banned U.S. beef imports, citing the use of hormones and health concerns. However, today the European Union permits a small amount of imports of beef from the United States provided the beef producer guarantees that the beef does not contain hormones used to promote growth. Cattles from Brazil, Uruguay, Paraguay, Columbia and Argentina are not treated with growth hormones and accordingly may benefit from any extension of the existing European Union ban on U.S. beef.

South American Beef Industry

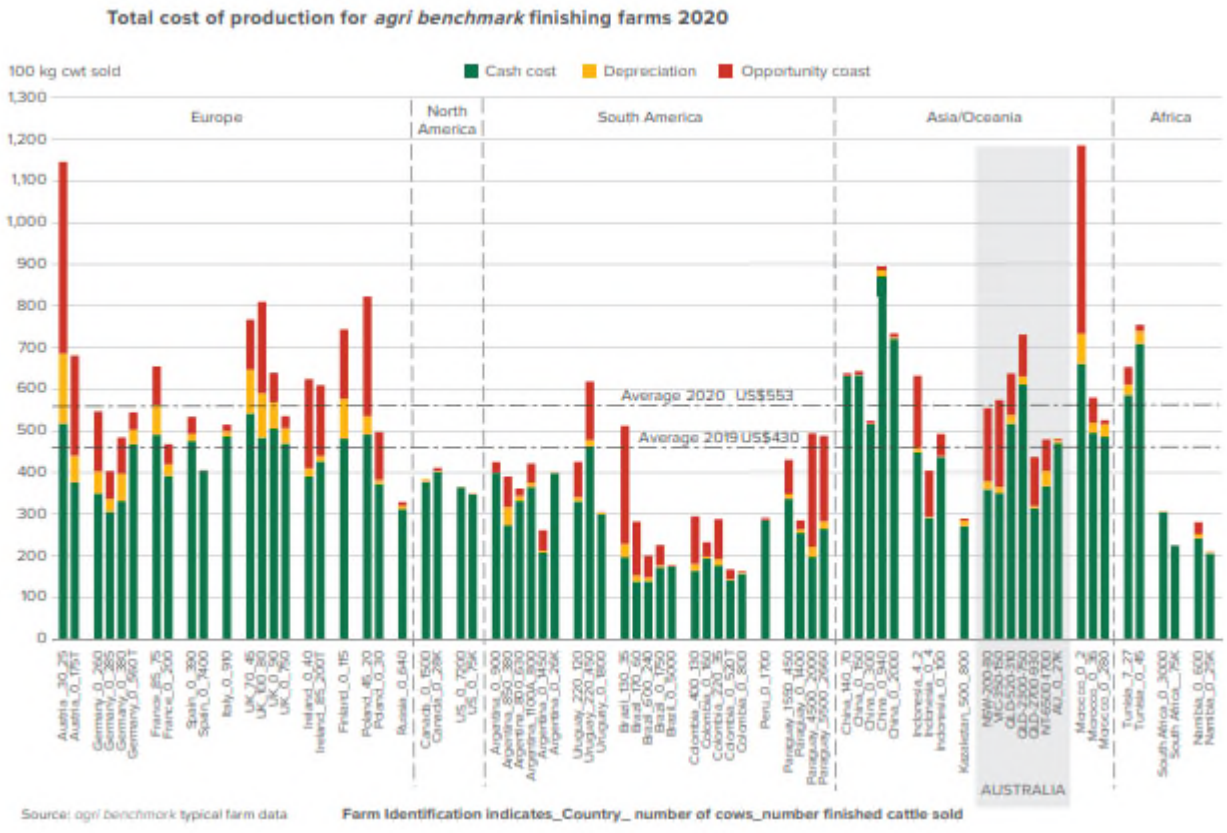
Livestock in South America is extremely diverse, allowing it to attend different markets, from the most demanding in quality to those that demand large volumes of commodity of meat. According to the USDA, Brazil has the largest cattle herd in the world for commercial purposes. Although India's cattle herd is technically larger, most of the herd is not destined for meat production, nor does India's beef reach demanding markets such as Europe, a region that Brazil has exported to for over 10 years.

Argentina and Uruguay are recognized for producing high value-added meat. The herd is basically composed of bullfighting animals, which produce meat with a high degree of marbling and tenderness. This is one of the reasons why they are able to export fresh meat to markets such as the United States and, in the case of Uruguay, to Japan.

Paraguay, like Brazil, has potential for increased production through increased productivity. Paraguayan beef producers already export to Europe and, according to the FAO, is the second fastest growing country in terms of beef consumption, with consumption expected to increase by 40% by 2032. Colombia is a relatively new player in the livestock market, but presents large production potential and has one of the lowest cost of raw materials among world beef market players. It is also the only country with access to two oceans (the Atlantic and Pacific), which facilitates the flow of products.

The common characteristic to all South American countries, which promotes competitive advantage, is the significantly lower cost of production than other producers such as the United States and Europe. Pasture production and comparatively lower land prices guarantee a cheaper carcass weight.

The following chart compares costs of livestock in different countries.



As reflected above, South American livestock has low production costs, extremely competitive raw material prices, high growth potential and product (proven health and sanitation) and process (industry) quality.

Sanitary Control and Quality Control

Food safety is essential and fundamental for us. In addition to the sanitary controls and restrictions established by the competent agencies of each country, we have also implemented our own chemical waste control program aimed at identifying possible chemical hazards arising from animals still in farms that can generate waste in the finished products.

With respect to food safety, we have certifications recognized by the Global Food Safety Initiative, or GFSI including the BRC certification, a global food safety standard that signifies our level of competence in hygiene, food safety and quality systems.

Moreover, in order to guarantee quality throughout the production process, the origin of the animals purchased by the raw material sector varies according to the production goal, determined by each respective consumer market.

BUSINESS

Overview

We are one of the leading Brazilian producers of fresh and frozen beef, industrialized protein products (including beef, pork and poultry), live cattle and cattle by-products (including treated leather and offal) according to data from SECEX. In addition, we are the leading exporters of beef in South America, with an export market share in South America of approximately 20% as of June 30, 2023 and as of December 31, 2022, based on our export volumes and data from SECEX, Penta-transaction, OCIT and Legiscomex. During the six-month period ended June 30, 2023 and year ended December 31, 2022, exports represented 64.3% and 68.6%, respectively, of our gross revenue.

As of the date of this offering memorandum, our cattle slaughtering and deboning operations are strategically located in six Brazilian states, as well as in Paraguay, Argentina, Uruguay, Colombia, which we believe enables us to minimize the risks relating to outbreaks of cattle infections and to adapt our exports to current market conditions. In addition, we own four industrial units for the production of sheep products in Australia. We further believe that the location of our processing facilities provides us with a competitive advantage over foreign competitors located in countries in which labor is more costly and less skilled and where costs relating to cattle and other raw materials are higher.

In addition to fresh and frozen beef, we produce industrialized beef products, such as canned beef products (cubed beef and roast beef) for sale primarily to supermarket chains in export markets, in addition to beef cuts sold in the domestic market. We also market and sell beef by-products, such as meat meal, bones, blood and tallow.

Moreover, through our distribution division, we resell and distribute in the domestic market a variety of products produced by third-parties (including vegetable, poultry, lamb and fish products, among others) to industrial food companies, retailers (primarily small- to medium-sized retailers) and other clients in the domestic industrial food processing industry.

The following table summarizes our main financial and operational information for the periods indicated:

	As of and for the Six-Month Period Ended June 30,			As of and for the Year Ended December 31,			
Consolidated Financial Information	**2023**	**2023**	**2022**	**2022**	**2022**	**2021**	**2020**
		(*unaudited*)		(*unaudited*)			
	(in millions of U.S.$)[1]	*(in millions of R$, except as otherwise indicated)*		*(in millions of U.S.$)*[1]	*(in millions of R$, except as otherwise indicated)*		
Gross sales revenue	3,023.3	14,569.3	16,589.9	6,826.7	32,897.9	28,572.3	20,554.3
Domestic market	1,079.1	5,200.1	4,864.8	2,146.6	10,344.3	9,260.2	6,688.8
% of gross revenue	35.7%	35.7%	29.3%	31.4%	31.4%	32.4%	32.5%
Export market	1,944.2	9,369.2	11,725.1	4,680.1	22,553.6	19,312.1	13,865.5
% of gross revenue	64.3%	64.3%	70.7%	68.6%	68.6%	67.6%	67.5%
Net operating revenue	2,834.2	13,658.0	15,700.9	6,428.3	30,977.8	26,965.4	19,406.3
Net income	48.7	234.7	539.3	135.9	655.1	598.9	697.1
Non-GAAP Measures and Operational Information							
Adjusted EBITDA (unaudited)[2]	286.3	1,379.6	1,424.0	643.3	3,100.2	2,413.2	2,142.8
Adjusted EBITDA margin (unaudited) (%)[3]	9.1%	9.1%	9.1%	10.0%	10.0%	8.9%	11.0%
Net debt (unaudited)[4]	1,597.0	7,696.2	6,603.6	1,389.3	6,695.0	6,102.7	5,180.6
Net debt/Adjusted EBITDA ratio (unaudited)[5]	2.76x	2.76x		2.16x	2.16x	2.53x	2.41x
Slaughter (in thousands of cattle)		1,857.0	1,910.2		3,749.3	3,572.2	3,173.5
Volume of sales (in thousands of tons)		602.3	597.4		1,223.7	1,161.0	1,051.8

(1) Solely for the convenience of the reader, Brazilian *real* amounts have been translated into U.S. dollars at the selling rate at June 30, 2023 of R$4.819 to U.S.$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

(2) Adjusted EBITDA, a performance measure used by our management, is defined as net income *plus* or *less* income taxes, impairment loss, financial expenses net of financial revenue and exchange gains or losses, depreciation and amortization and non-recurring items. See "Summary Financial and Other Information" and "Selected Financial and Other Information" for further information about, and a reconciliation of income to, Adjusted EBITDA for the applicable periods.

(3) Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net operating revenue for the applicable year. For the six-month periods ended June 30, 2023 and 2022, Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net revenue for the six-month period ended on such date.

(4) Net debt is calculated as follows: the sum of our current and non-current loans and financing *less* cash and cash equivalents (including marketable securities). See "—Our Strategy—Expand Our Production Capacity in a Financially Disciplined Manner."
(5) Net debt/Adjusted EBITDA ratio is net debt as of the end of the period *divided by* Adjusted EBITDA for the prior twelve-month period.

Our Strengths

Strong Growth Aligned with a Consistent Strategy and Efficient Risk Management

Over the last thirteen years, we have invested significantly in the expansion of our production capacity, raising our daily slaughter capacity from 8,940 head of cattle per day as of December 31, 2010 to 29,540 head of cattle as of June 30, 2023, a CAGR, of 9.6%. We have also invested significantly in the expansion of our distribution network and in the diversification of our product portfolio. As a result, our net operating revenue has grown from R$3.4 billion in 2010 to R$28.9 billion in the twelve-month period ended June 30, 2023, a CAGR of 17.9%.

We make investments in accordance with a defined strategic plan that focuses on production platforms in South American countries without sanitary risk. As of the date of this offering memorandum, our processing facilities are strategically located in six Brazilian states as well as in Paraguay, Argentina, Uruguay and Colombia. Geographic diversification is an important tool for mitigating sanitary risks and reducing concentration of our supply base.

In addition, in 2021, we entered the Australian market through the acquisition of Shark Lake and Great Eastern Abattoir; specialized sheep slaughterhouses located on the west coast of Australia. In 2022, we continued our expansion in the Australian market, acquiring ALC, one of the main sheep processors in Australia. ALC had two cold storage units in the state of Victoria which, collectively with the Shark Lake and Great Eastern Abattoir units acquired in 2021, make up approximately 15% of the total sheep slaughter in the Australian market according to the MLA in July 2022. For additional information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditures."

As of the date of this offering memorandum, Australia is the largest global exporter of processed sheep according to the MLA in July 2023, and is recognized worldwide for the tradition and quality of its products, as well as access to high-growth destinations such as Asia and the Middle East, but also premium markets such as the United States, Europe, Japan and South Korea, among others. The acquisition of our Australian operations is consistent with our strategic direction, complements our operations in South America maximizing commercial opportunities and operational synergies, reduces risks and contributes to our consolidation strategy in the export market and to our financial discipline.

During this period of rapid expansion, we have sought to maintain a balanced capital structure, using funding sources such as our own capital (including the net proceeds from our initial offering of common shares in 2007, our capital increase in 2009, our mandatorily convertible debentures in 2011, our follow-on offering of common shares in 2012, a private investment in our company in 2016, a capital increase in 2018 and our January 2020 Offering (see "—Our History and Corporate Structure—History")), as well as long-term financing from third parties (including our notes issued in the international capital markets and maturing in 2026, 2028 and 2031), always aiming to maintain a minimum cash balance sufficient to purchase raw materials for at least a two-month period and repay our short-term debt. This financial discipline has allowed us to maintain stability during the 2008 global economic crisis and the COVID-19 pandemic.

In addition, we adhere to a conservative risk management policy, comprised of daily meetings of our "Beef Desk," during which we make all material operational, commercial and financial decisions. At these meetings, we consider all of our short-term risks and opportunities in order to generate margins that we believe best take advantage of market conditions. For more information about our risk management, see "Business—Compliance and Risk Management."

We believe that the results of implementing and consistently following our strategy over the years are reflected in the growth of our operating results, primarily through our: (1) stable operating margins (Adjusted EBITDA margin was 9.1%, 9.1%, 10.0%, 8.9% and 11.0% in the six-month period ended June 30, 2023 and 2022, and in the years ended December 31, 2022, 2021 and 2020, respectively); (2) consistently increased net operating revenue, growing from R$3.4 billion in 2010 to R$28.9 billion in the twelve-month period ended June 30, 2023, representing a CAGR of 17.9%; and (3) reduced working capital funding needs. In addition, we reached a 12.3 cash conversion cycle as of June 30, 2023, which we believe to be a benchmark for our sector. Notwithstanding the above, we cannot assure you that our future results, levels of activity, performance or achievement will remain at the same or higher levels.

Efficiency and Return on Capital

Our production platform, financial discipline and careful planning of investments to expand have allowed us to maintain our high capacity utilization rates, even during periods of significant expansion of our capacity. We believe that we are among the most efficient companies in our sector due to our: (1) increased operating margins; (2) high utilization of our production capacity, as demonstrated by our average slaughtering capacity utilization of 78.4% in the six-month period ended June 30, 2023 and 76.1% in the year ended December 31, 2022; and (3) working capital management. Our operating efficiency combined with our differentiated risk management generally results in increased generation of operating cash and net cash per share. In the six-month period ended June 30, 2023 and the year ended December 31, 2022, we generated cash from our operations of R$570.0 million and R$3,134.7 million, respectively.

Strategically Located Operations

We have a highly diversified operating base. As of the date of this offering memorandum, we have 32 processing facilities, three of which are protein processing plants (one located in Brazil and the other two in Argentina) and 29 of which are deboning and slaughtering plants strategically located in the Brazilian states of Goiás, Mato Grosso, Rondônia, São Paulo, Tocantins and Minas Gerais and the cities of: Asunción, San Antonio, Tablada and Belén in Paraguay; Melo, Canelones and Montevideo in Uruguay; Rosario, Berazategui, Colonia Caroya, Venado Tuerto and Pontevedra in Argentina; Ciénaga de Oro and Bucaramanga in Colombia; and Tammin, Esperance, Cola and Sunshine in Australia, are geographically dispersed and are located in close proximity to the ports from which our products are exported (notably the ports of Santos and Montevideo) and our main domestic markets. The geographic dispersion also helps us manage sanitary risks and extend our supply network, which is composed of a base of over 25,000 ranchers, focused on small- and medium-sized producers. Our processing facilities are also located near our cattle suppliers (within an average distance of 300 kilometers).

On October 2, 2012, we completed the acquisition of Frigomerc, a company based in the city of Asunción, Paraguay, which is mainly active in producing, selling, importing and exporting agricultural products, primarily beef. This acquisition reinforced our strategic focus on South America generally.

Since the beginning of 2014, we have taken important steps to geographically diversify our operations:

- In October 2014, we acquired two cattle slaughtering and deboning plants, Várzea Grande and Mirassol D'Oeste, from BRF, in exchange for 29 million of our common shares (equivalent to 16.8% of our total capital stock at the time or 15.2% after taking into consideration the conversion of our convertible debentures into our common shares on June 15, 2015).

- In February 2014, we completed the acquisition of a slaughtering and deboning facility in the city of Janaúba, Minas Gerais, at a total cost of R$40.0 million, through a judicial auction of the assets of Frigorífico Kaiowa S.A. This plant has an estimated daily slaughter capacity of approximately 900 head of cattle and is located in the state of Minas Gerais, the Brazilian state with the second largest total cattle herd.

- In May 2014, we completed the acquisition of 100% of the shares of Frigorífico Carrasco, a leading Uruguayan producer of fresh beef, live cattle and cattle by-products. The total cost of this acquisition was U.S.$37.0 million. Frigorífico Carrasco has a cattle slaughtering and processing plant in Montevideo and is a well-known brand in the Uruguayan market. This plant has a daily slaughter capacity of approximately 900 head of cattle. The acquisition of Frigorífico Carrasco has created synergy gains with our existing Uruguayan plant (Frigorífico Pul), primarily in certain administrative areas, as well as in centralizing cattle purchasing and distribution channels.

- In August 2015, we completed the acquisition of the Red Cárnica plant located in the city of Ciénaga de Oro in the Córdoba region of Colombia, which has a daily slaughter and deboning capacity of approximately 850 head of cattle and export capabilities to the Middle East, Russia, Hong Kong, Venezuela, Peru and Angola, among other countries and regions. The total cost of this acquisition was U.S.$30 million. Also in August 2015, we initiated operations at our third plant in Paraguay (Expacar), which we lease. Our Expacar plant has a daily slaughter capacity of 600 head of cattle.

- In July 2017, our subsidiaries, Pul Argentina S.A., Frigomerc S.A. and Pulsa S.A., completed the acquisition of JBS Paraguay S.A. (which we subsequently renamed BEEF Paraguay S.A.), Indústria Paraguaya Frigorifica S.A., Frigorifico Canelones S.A. and JBS Argentina S.A. (which we subsequently renamed Swift Argentina S.A.) (together, the "Mercosur Assets"), companies which were previously owned by JBS S.A. and JBS Handels GmbH. A total of nine deboning and slaughtering plants (five in Argentina, three in Paraguay and one in Uruguay) were acquired, in addition to two protein processing facilities and a distribution center in Argentina.

- In January 2019, we entered into an agreement with Marfrig whereby we received a cattle slaughtering and deboning plant in Paranatinga, together with a payment of R$46.0 million from Marfrig, in exchange for our cattle slaughtering and deboning plant located in Várzea Grande. Both are located in the state of Mato Grosso, a state with the largest cattle herd in Brazil. These two plants have a slaughtering capacity of 2,600 head of cattle per day.

- In August 2020, Athena Foods acquired a deboning and slaughtering plant in Colombia from Frigorifico Vijagual S.A., located at Bucaramanga, for approximately U.S.$26.0 million. This plant has a slaughtering capacity of 700 head of cattle per day and commenced operations in September 2020.

- In August 2021, we acquired two sheep-focused deboning and slaughtering plants in Australia. Moreover, in October 2022, we acquired from ALC two additional sheep-focused meatpacking plants in Australia located in the cities of Sunshine and Colac. These plants have a consolidated slaughtering capacity of 19,216 head of cattle per day.

As a result of these acquisitions, we increased our daily slaughtering capacity of bovines by 157.3% from 11,480 head of cattle per day as of December 31, 2012 to 29,540 head of cattle per day as of June 30, 2023.

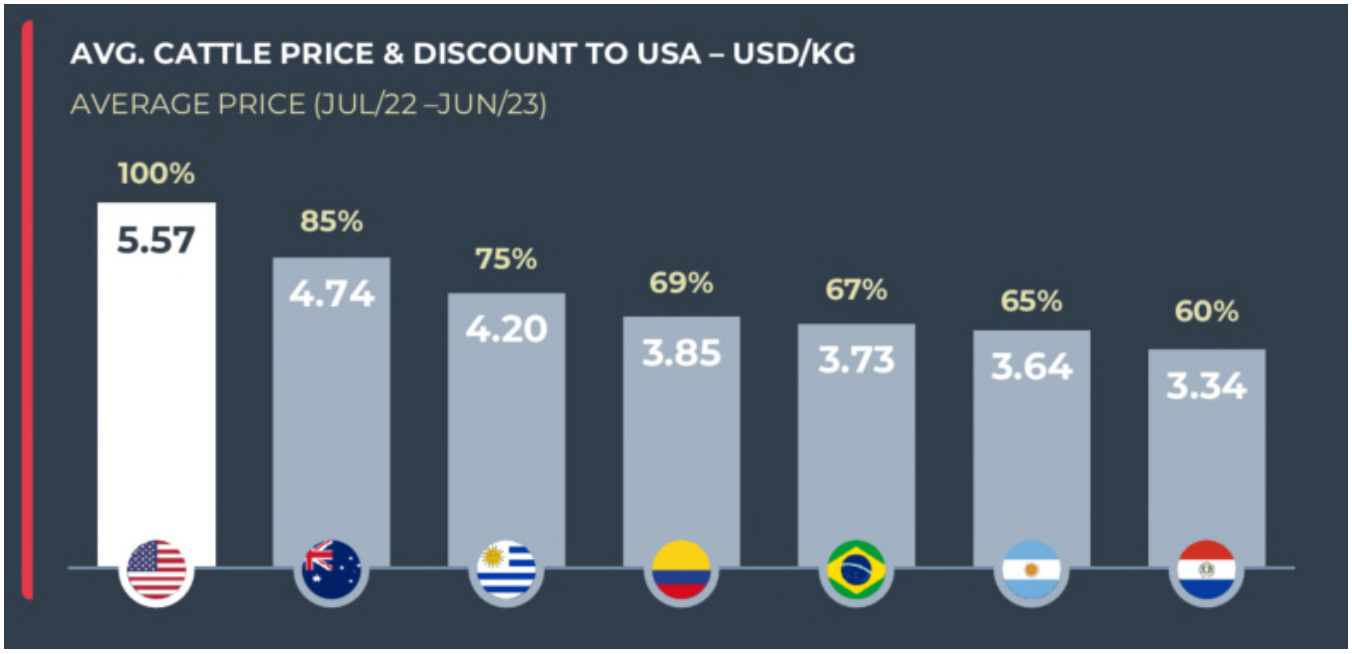
Efficient and Integrated Distribution Logistics

We believe that our efficient and integrated distribution logistics system allows us to target the most attractive markets and provides us flexibility to take advantage of changes in product demand and cattle prices by focusing on increasing our sales of higher-margin products.

We believe that our logistics network for exports, which includes using third-party private storage, transportation services and insurance and our strong relationships with ship owners and ports in Brazil, gives us the necessary operating efficiency to ensure that our high-quality products are delivered on a timely basis. We export most of our products on a CIF (cost, insurance and freight) basis, utilizing break-bulk (charters) and containers that enable us to obtain economies of scale in negotiating freight, storage and insurance for our products. We export our products directly to our end customers at the final points of destination in order to avoid payment of fees and other costs payable to trading companies and other intermediaries. Also, we believe our highly efficient and flexible logistics network allows us to sell our frozen and chilled beef products to many different export markets around the world, including in Europe, the Middle East, Africa and Asia.

In addition, we believe that we have an efficient logistics network serving the domestic market, which allows us to reach the retail market through our eleven distribution centers located throughout Brazil. We have adopted a “one-stop-shop” concept through which we serve approximately 50,000 small- and medium-sized retail customers in Brazil, offering several types of frozen or chilled perishable products produced by us or supplied by third parties (including poultry, pork, fish, French fries and frozen vegetables, among other products). We seek to enhance customer loyalty through regular and efficient deliveries that allow us to operate with higher margins.

The below graph sets forth the average cattle price and discount of the beef sector in certain countries relative to the United States, measured in U.S. dollars per kilogram.



Sources: Worldwide Business Research, CCDH, INAC, CEPEA and Central Medellin.

Experienced Management and Differentiated Management Strategy

Our controlling shareholder has been active in the Brazilian cattle sector since 1957, the year in which the Vilela de Queiroz family (currently one of our controlling shareholders through VDQ, became active in the breeding and transportation of cattle and began developing an enduring relationship with important players in the Brazilian livestock sector. Our first acquisition of a slaughter and deboning facility occurred in 1992 with the purchase of the then-bankrupt industrial-refrigeration company, Minerva, in the city of Barretos, in the state of São Paulo.

During our controlling shareholder's more than 62 years of experience in the cattle industry and our 27 years of experience in industrial food processing, we have become the third largest processor of beef in terms of slaughter capacity in Brazil and the second largest exporter of fresh beef in Brazil, and market leader in terms of exports in Paraguay, Colombia and Argentina, according to information from SECEX, IPCVA, DANE and SENACSA.

Furthermore, we believe that we follow best practices in our sector in terms of operating efficiency, risk management and financial discipline, fostering our ability to attract and retain highly qualified and recognized professionals. We currently have approximately 23,000 employees.

Our Strategy

Expand Our Production Capacity in a Financially Disciplined Manner

Since 2010, we have invested approximately R$6.5 billion in the expansion of our production capacity and in the diversification of our product mix, through selective acquisitions and the construction of new processing facilities, increasing our production capacity and modernizing all of our plants. The focus of our growth strategy has been guided by the sourcing of our raw materials in Brazil and elsewhere in the main producing regions such as South America and Australia. We have undertaken strategic investments in order to mitigate risks and diversify our portfolio, while maintaining high standards of productivity, quality and food safety.

Given that some of these investments are still not mature, our financial leverage has increased over time. As of June 30, 2023, our consolidated total debt was R$13,893.4 million. Our non-current loans and financing comprised 76.6% of our total loans and financing as of June 30, 2023.

We expect to continue to reduce our financial leveraging by: (1) generating free cash flows from operations; and (2) generating higher EBITDA as the investments we have made continue to mature.

In addition, we will continue to focus on efficiently managing our working capital, managing risks and generating free cash flows. We also intend to leverage our experience in acquisitions to continue participating in the consolidation of the main global beef markets, without compromising our financial stability or profitability.

Expand Our Domestic and International Customer Base

We seek to continue to strengthen our domestic and international customer base through superior service and quality as well as adding value to our domestic distribution process through increased offerings of our own and third-party products.

We believe there are considerable opportunities to increase our market share in emerging markets with higher levels of beef consumption, as well as to raise our exposure in the South American domestic markets through the opening of new distribution centers that allow us to increase our sales of fresh beef and processed products in addition to food-service channels.

Enhance Operating Efficiencies and Lower Operating Costs

We are committed to maintaining our position as a low-cost producer of beef and beef by-products. We have implemented internal controls and state-of-the-art software systems in all of our facilities in order to increase our overall operating efficiency. We inform our employees regarding our low-cost strategy and offer variable compensation based on higher productivity and capacity utilization rates. We believe that our average slaughtering capacity utilization is among the highest in our sector. We intend to continue to focus on maintaining our operating efficiencies, modernizing our plants, reducing our operating costs, increasing our economies of scale and integrating our logistics network.

Our History and Corporate Structure

History

Our history demonstrates our consistent and sustainable growth over the years, from our early experiences transporting and raising cattle, through our controlling shareholder VDQ, since 1957, through our entry into the field of industrial refrigeration. Below are some highlights of our history:

1992 The Vilela de Queiroz family acquired Frigorífico Minerva do Brasil S.A., in the city of Barretos, state of São Paulo (our current headquarters) on March 9, 1992. In addition, we established Indústria e Comércio de Carnes Minerva Ltda.

1998 We initiated operations at our distribution centers in the city of Jundiaí, Cajamar, São Bernardo and São Paulo, all in the state of São Paulo.

1999 We leased and later acquired a slaughterhouse and processing facility in the city of José Bonifácio, state of São Paulo.

2004 We concluded the construction of a new slaughtering and deboning facility in the city of Palmeiras de Goiás, in the state of Goiás. In addition, we began operations at our distribution center in Olímpia, in the state of São Paulo, which in 2010 was transferred to the city of Araraquara, in the state of São Paulo.

2006 We entered into a lease agreement for a slaughtering and deboning facility in the city of Batayporã, in the state of Mato Grosso do Sul.

2007 We began construction of the unit of Rolim de Moura, in the state of Rondônia. We purchased processing facilities in the States of Tocantins and Pará. We began operations at a distribution center in Palmeiras de Goiás, in the state of Goiás. We conducted an initial public offering of our common shares on the *Novo Mercado* segment of the B3 (formerly the BM&FBOVESPA), using the name "Minerva S.A." We also issued notes in the international capital markets in an aggregate principal amount of U.S.$200.0 million due 2017. We also opened sales offices in Russia, Lebanon, Algeria, Chile and Iran (the latter of which we closed in 2008).

2008 In February 2008, we acquired 100% of the equity of Lord Meat Ltda., a company that owned a slaughterhouse located in the city of Goianésia, in the state of Goiás, which was subsequently merged into our company. We began operating a distribution center in the city of Itajaí, in the state of Santa Catarina, and in the city of Viana, in

the state of Espírito Santo. We acquired 70% of the capital stock of Friasa S.A. or Friasa, a Paraguayan company that owns a slaughterhouse located in the city of Asunción, in Paraguay. We opened a sales office in Saudi Arabia.

2009 We began operating our distribution center in the city of Araguaína, in the state of Tocantins. We commenced deboning operations at our plant in the city of Rolim de Moura, state of Rondônia. Our shareholders approved an increase in our capital stock in the aggregate amount of R$159.0 million through their subscription of 30 million newly issued common shares.

2010 We purchased a slaughtering facility in the city of Campina Verde, in the state of Minas Gerais. We began operating our distribution centers in the Federal District of Brasília and in Bauru, in the state of São Paulo. We opened a cattle confinement area in the city of Araguaína, in the state of Tocantins. We purchased additional shares of Friasa, increasing our participation to 92% of its capital stock. We incorporated our subsidiary Redi Neto. We began slaughter operations in Rolim de Moura. We issued notes in the international capital markets in an aggregate principal amount of U.S.$250.0 million due 2019, and we completed an exchange offer to enable holders to tender their notes due 2017 for our notes due 2019. We opened our sales offices in Italy and Chile. We increased our stake in our subsidiary Minerva Dawn Farms Indústria e Comércio de Proteínas S.A. from 50% to 80%.

2011 We purchased Pulsa, owner of Frigorífico Pul, a company in Uruguay. We launched our Level 1 ADR Program. We began operating our distribution centers in the city of Belo Horizonte, in the state of Minas Gerais, and in the city of Fortaleza, in the state of Ceará. In acquiring Pulsa we also acquired a sales office in the United States. We also opened a sales office in Colombia and issued our mandatorily convertible debentures due 2015, in an aggregate principal amount of R$200.0 million and re-purchased 27,767,678 subscription warrants.

2012 In February and March 2012, we issued notes in the international capital markets in an aggregate principal amount of U.S.$450.0 million due 2022, or the 2022 notes. In August 2012, we presented our new brand identity (unifying all of the companies within our group under one concept), which came to incorporate the logo "MinervaFoods" into each of the brands of our group, notably Minerva, Pulsa, and Friasa. In October, we acquired 99.9% of Frigomerc, a company based in Paraguay. In December 2012, we and our controlling shareholder conducted a follow-on equity offering of 45,262,900 of our common shares for the total amount of R$497.9 million. In December 2012, we increased our stake in Brascasing, from 55% to our current 100%, for a purchase price of U.S.$1.8 million.

2013 In January 2013, we exercised the early redemption option in full for all of our unsecured non- convertible debentures issued on July 7, 2010 in an aggregate principal amount of R$200.0 million, which were guaranteed by VDQ, and we issued notes in the international capital markets in an aggregate principal amount of U.S.$850.0 million due 2023. In February 2013, we concluded our cash tender offers for: (1) our 9.50% notes due 2017, of which R$21.0 million, or 32%, of the 2017 notes outstanding, were tendered, (2) our 10.875% notes due 2019, of which R$625.5 million, or 85%, of the 2019 notes outstanding, were tendered, and (3) our 12.250% 2022 notes, of which R$629.7 million, or 71%, of the 2022 notes outstanding, were tendered. In May 2013, we increased our equity stake in Friasa from 92% to 99.99%, for a purchase price of U.S.$4.2 million. In June 2013, we issued debentures in an aggregate principal amount of R$300.0 million, maturing on June 15, 2018. In the second quarter of 2013, we inaugurated two distribution centers located in the Brazilian states of Rondônia and Minas Gerais. In September 2013, the IFC, acquired 4.3 million of our common shares held in treasury, which represented 2.93% of our capital stock, for R$46.9 million. This sale was conducted through a public auction of our common shares listed on the São Paulo stock exchange. In September, we also entered into a loan agreement with the IFC in the aggregate principal amount of R$137.7 million, which was disbursed on October 24, 2013.

2014 In October 2014, we acquired two slaughtering and deboning plants from BRF, Várzea Grande and Mirassol D'Oeste, in exchange for 29 million of our common shares (equivalent to 16.8% of our total capital stock at the time or 15.2% after taking into consideration the conversion of our convertible debentures into our common shares on June 15, 2015). Both plants are located in the state of Mato Grosso. In February 2014, we completed our acquisition of a cattle slaughtering and deboning facility in the city of Janaúba, Minas Gerais, for R$40.0 million, through a judicial auction of the assets of Frigorífico Kaiowa S.A. The plant has an estimated daily slaughter capacity of approximately 900 head of cattle. In May 2014, we completed the acquisition of 100% of the shares of Frigorífico Carrasco, a leading Uruguayan producer of fresh beef. The total cost of this acquisition was U.S.$37.0 million. Frigorífico Carrasco has a cattle slaughtering and processing plant in Montevideo and a well- known brand in the Uruguayan market.

2015 In August 2015, we completed the acquisition of the Red Cárnica plant located in the city of Ciénaga de Oro in the Córdoba region of Colombia, which has a daily slaughter and deboning capacity of approximately 850 head of cattle and export capabilities to the Middle East, Russia, Hong Kong, Venezuela, Peru and Angola, among other countries and regions. The total cost of this acquisition was U.S.$30 million. Also in August 2015, we initiated operations at our third plant in Paraguay (Expacar), which we lease. Our Expacar plant has a daily slaughter capacity of 600 head of cattle.

In December 2015, our controlling shareholder, VDQ, entered into an investment agreement with SALIC (UK) Limited, a limited liability company incorporated in London, the United Kingdom and controlled by the Saudi Agricultural and Livestock Investment Company, pursuant to which SALIC (UK) Limited agreed to acquire 19.95% of our outstanding equity capital.

2016 In February 2016, we acquired Intermeat. Located in the city of São Paulo, state of São Paulo, Intermeat primarily provides consulting and advisory services to the beef industry in relation to foreign trade. In addition to acquiring Intermeat, we also formed Minerva Comercializadora de Energia Ltda. Located in the city of São Paulo, state of São Paulo, this subsidiary is primarily engaged in electricity trading.

Also in the first half of 2016, our shareholders approved at an extraordinary meeting an increase in our equity capital in the aggregate amount of R$746.5 million through the issuance of 47,850,097 common shares at a price per share of R$15.60 (representing 19.95% of our equity capital), the entirety of which was acquired by SALIC (UK) Limited.

2017 In January 2017, we organized a new subsidiary in England, Minerva Europe Ltd, in order to provide consulting services and export assistance.

In July 2017, our subsidiaries, Pul Argentina S.A., Frigomerc S.A. and Pulsa S.A., acquired a direct and indirect equity interest representing 100% of the capital stock of JBS Paraguay S.A. (which we subsequently renamed BEEF Paraguay S.A. in October 2019), Indústria Paraguaya Frigorifica S.A., Frigorifico Canelones S.A. and JBS Argentina S.A. (which we subsequently renamed Swift Argentina S.A.), in the amount of U.S.$300 million, previously held by JBS S.A. and JBS Handels Gmbh, pursuant to a purchase and sale agreement entered into on June 5, 2017. A total of nine deboning and slaughtering plants (five in Argentina, three in Paraguay and one in Uruguay) were acquired, in addition to two protein processing facilities and a distribution center in Argentina. In October 2017, we changed the name of JBS Argentina S.A. to "Swift Argentina S.A."

2018 On July 5, 2018, we formed our subsidiary Athena Foods, with headquarters in Santiago, Chile. Athena Foods holds all our operations outside of Brazil. The following entities are direct subsidiaries of Athena Foods: Pulsa S.A and Frigorífico Carrasco S.A in Uruguay; Frigomerc S.A in Paraguay; Pul Argentina S.A in Argentina; Red Cárnica S.A.S. and Red Industrial Colombiana S.A.S in Colombia and Minerva Foods Chile SPA in Chile.

In December 2018, our board of directors approved, and we concluded, a private capital increase in an amount of R$965 million, with certain of our existing shareholders exercising their preemptive rights.

2019 In January 2019, we entered into an agreement with Marfrig whereby we received a cattle slaughtering and deboning plant in Paranatinga, in the state of Mato Grosso, together with a payment of R$46.0 million, in exchange for our cattle slaughtering and deboning plant in Várzea Grande. The Paranatinga facility has a slaughtering capacity of 1,500 head of cattle per day.

In October 2019, we changed the name of JBS Paraguay S.A. to "BEEF Paraguay S.A." We also entered into a MOU with the Chinese representatives Xuefang Chen and Wenbo Ge to explore commercial opportunities in the Chinese markets, particularly with respect to importing and distributing beef in China.

In October, November and December 2019, our board of directors approved private capital increases in the amounts of R$0.8 million, R$7.8 million and R$163.4 million, respectively, with existing shareholders exercising their preemptive rights.

In December 2019, we terminated our operations at the slaughtering and deboning facility in the city of Batayporã in the state of Mato Grosso do Sul and liquidated two subsidiaries, Friasa S.A. and Intermeat Assessoria e Comércio Ltda.

2020 In January 2020, we and VDQ, our controlling shareholder, conducted the January 2020 Offering, a follow-on equity offering of 95,000,000 of our common shares, consisting of 80,000,000 newly issued common shares sold by us and 15,000,000 existing common shares sold by VDQ, for a total amount of R$1,235.0 million.

In August 2020, we acquired a deboning and slaughtering plant from Frigorifico Vijagual S.A. in Colombia for approximately R$26.0 million. This plant has a slaughtering capacity of 700 head per day and commenced operations in September 2020.

In October 2020, we announced an investment of U.S.$4.0 million in Clara Foods, our first venture capital investment. Clara Foods is an innovative start up that develops protein products through fermentation and the use of animal by-products. One of Clara Foods' early investors is IndieBio, a leading science accelerator devoted to biology start-ups.

In addition, over the course of 2020, our board of directors approved monthly private capital increases in an aggregate amount of R$410.8 million, in each case with existing shareholders exercising their preemptive rights.

2021 In January and February 2021, our board of directors approved private capital increases in the amounts of R$7.4 million and R$0.3 million, respectively, with existing shareholders exercising their preemptive rights.

In February 2021, we and SALIC (UK) Limited executed a supply agreement for the sale and export of our products to SALIC. Under the terms of this agreement, SALIC (UK) Limited may purchase up to 25,000 tons of our products per year. Also in February 2021, we entered into a non-binding memorandum of understanding with SALIC (UK) Limited to consider potential asset acquisitions and establish a joint venture with the purpose of raising, processing and exporting sheep and cattle in Australia, or the SALIC MOU.

On February 1, 2021, we reported that we had repurchased on the open market U.S.$20,718,000 in aggregate principal amount of our 5.875% senior notes due 2028, or the 2028 Notes, which we then cancelled. On May 4, 2021, we reported that we had repurchased on the open market U.S.$41,180,000 in aggregate principal amount of the 2028 Notes.

On March 9, 2021, we announced an investment agreement with Shopper. Shopper.com.br is an online platform used for the purchase and restocking of household items, such as food, cleaning and personal hygiene products through its unique business model, that offers greater productivity and efficiency in the distribution chain. We intend to invest R$29 million in Shopper, leading the startup's new funding round (Series B), which will total R$120 million.

On March 15, 2021, we purchased U.S.$911,719,000 in aggregate principal amount of our 6.500% notes due 2026, or the 2026 Notes, pursuant to a tender offer. On April 30, 2021, we redeemed all of our outstanding 2026 Notes pursuant to our exercise of a call option.

On March 16, 2021, we announced that we signed a memorandum of understanding with Amyris, Inc., a Nasdaq-listed biotechnology company, aimed at creating a joint venture that will focus on the development of several new products, especially, in the recombinant protein segment through the fermentation process and animal-free protein, including naturally fermented preservatives that allow for significant changes in the process of beef storing and transporting. The molecules fermentation process is one of the most advanced and efficient alternatives in the search for a food production model that causes less carbon impact and therefore contributes to the sustainability of our planet. We plan to make an initial investment of U.S.$5 million in the joint venture, provide its distribution channels and access to the market, and develop its go-to-market strategy. We will have an initial stake of 60% in the joint venture's total share capital. We expect that the first initiative of this partnership will be market ready within 18 months, while another four products remain in the initial research and development phase.

On March 18, 2021, we completed the initial issuance of senior unsecured guaranteed notes due 2031, or the 2031 Notes, in the international capital markets in an aggregate principal amount of U.S.$1,000.0 million. On July 6, 2021, we issued additional notes in a reopening of the 2031 Notes in an aggregate principal amount of U.S.$400.0 million.

On April 15, May 13 and June 15, 2021, our board of directors approved capital increases. As a result, the aggregate amount of our issued and outstanding capital stock increased to R$1,371.4 million, represented by 549,634,220 common shares, without par value.

On April 16, 2021, we concluded our tenth issuance of unsecured debentures in two tranches in an aggregate principal amount of R$1.6 billion.

On May 4, 2021, we reported that we had repurchased on the open market U.S.$41,180,000 in aggregate principal amount of the 2028 Notes.

On June 1, 2021, our Sustainability and Innovation Advisory Board convened for the first time. This advisory board is responsible for monitoring and deliberating practices related to socio-environmental sustainability, corporate governance and innovation in order to increase the transparency, efficiency and assertiveness of our initiatives.

In August 2021, we announced the acquisition of two sheep-focused deboning and slaughtering plants in Australia.

In September 2021, as part of our corporate venture capital initiatives, we announced an investment in Traive, a company that seeks to offer financial solutions for small and medium-sized rural producers.

2022 In March 2022, we entered into a memorandum of understanding with Biofílica Ambipar Environmental Investments S.A., establishing the main terms and conditions of a partnership for the development of carbon projects along the agribusiness production chain in South America, excluding Brazil and Peru.

In March 2022, we reported that we had repurchased in the open market U.S.$89.4 million in aggregate principal amount of the 2028 Notes and U.S.$42.2 million in aggregate principal amount of the 2031 Notes. In addition, in July 2022, we reported that we had repurchased in the open market U.S.$12.8 million in aggregate principal amount of the 2028 Notes and U.S.$55.9 million in aggregate principal amount of the 2031 Notes.

In July 2022, we entered into a supply agreement with Hilton Food Solutions, the protein division of Hilton Food Group PLC, in order to expand our beef supply operations in the food service, processed food industry and retail segments in the United Kingdom.

In July 2022, we concluded our twelfth issuance of unsecured debentures in an aggregate principal amount of R$1.5 billion.

In July 2022, we initiated our fresh beef export shipments to Canada, an important global importer of beef

In October 2022, our board of directors approved our acquisition of two additional sheep-focused meatpacking plants in Australia, increasing the number of our plants in the country from two to four. We also announced an investment of U.S.$5.0 million in Liv Up, a Brazilian foodtech company specialized in ready-to-eat and healthy meals.

2023 In January 2023, we announced that six of our Brazilian plants received approval to export beef to Indonesia. These plants have an aggregate slaughtering capacity of more than 8,000 heads/day. With approximately 275 million inhabitants, Indonesia is one of the largest consumer markets for Halal certified beef in the world according to FAMBRAS Halal in 2023, which we believe has significant growth potential.

In January 2023, we announced the acquisition of Breeders and Packers Uruguay, BPU Meat, a subsidiary of NH Foods Croups, located in the municipality of Durazno, in Uruguay. On August 31, 2023, we announced the successful closing of the acquisition.

In March 2023, we were notified of the opening of the Mexican market for beef exports.

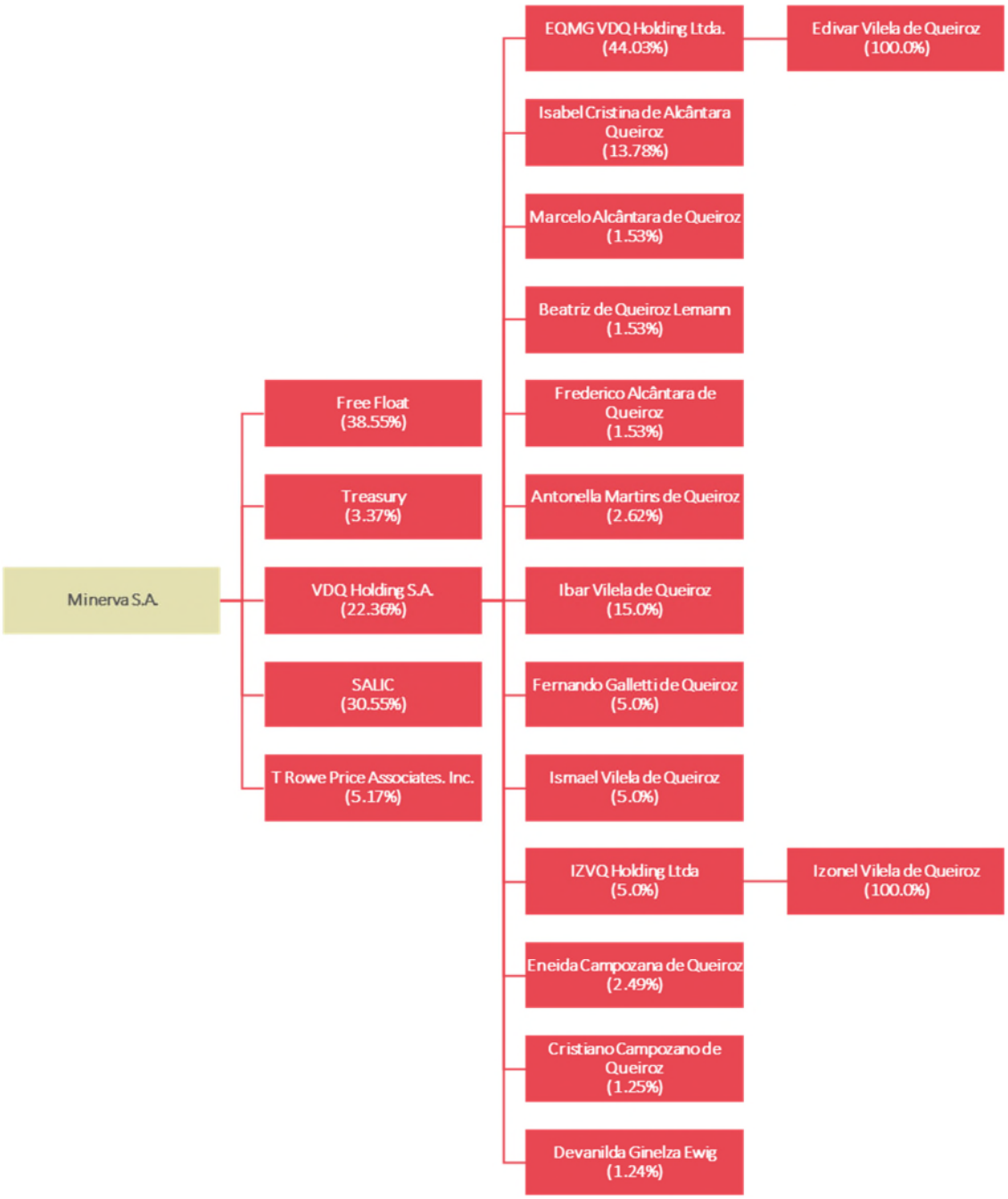
In May, we announced a seed investment of U.S.$2.0 million in Bluebell, a Brazilian climate-tech company specialized in the development of environmental assets, called Bluebells, which consolidate carbon, hydrology, soil and biodiversity in a single environmental measure, in order to seek to maximize revenue from rural properties.

On August 28, 2023, we and our subsidiary Athn Foods entered into the Marfrig SPAs to acquire “as is, where is” the Marfrig Brazil and South America Operations for R$7.5 billion, subject to certain price adjustments set forth in the Marfrig SPAs, antitrust approval in several jurisdictions and certain other conditions. The Marfrig Brazil and South America Operations include 16 industrial and commercial facilities (three of which are currently not

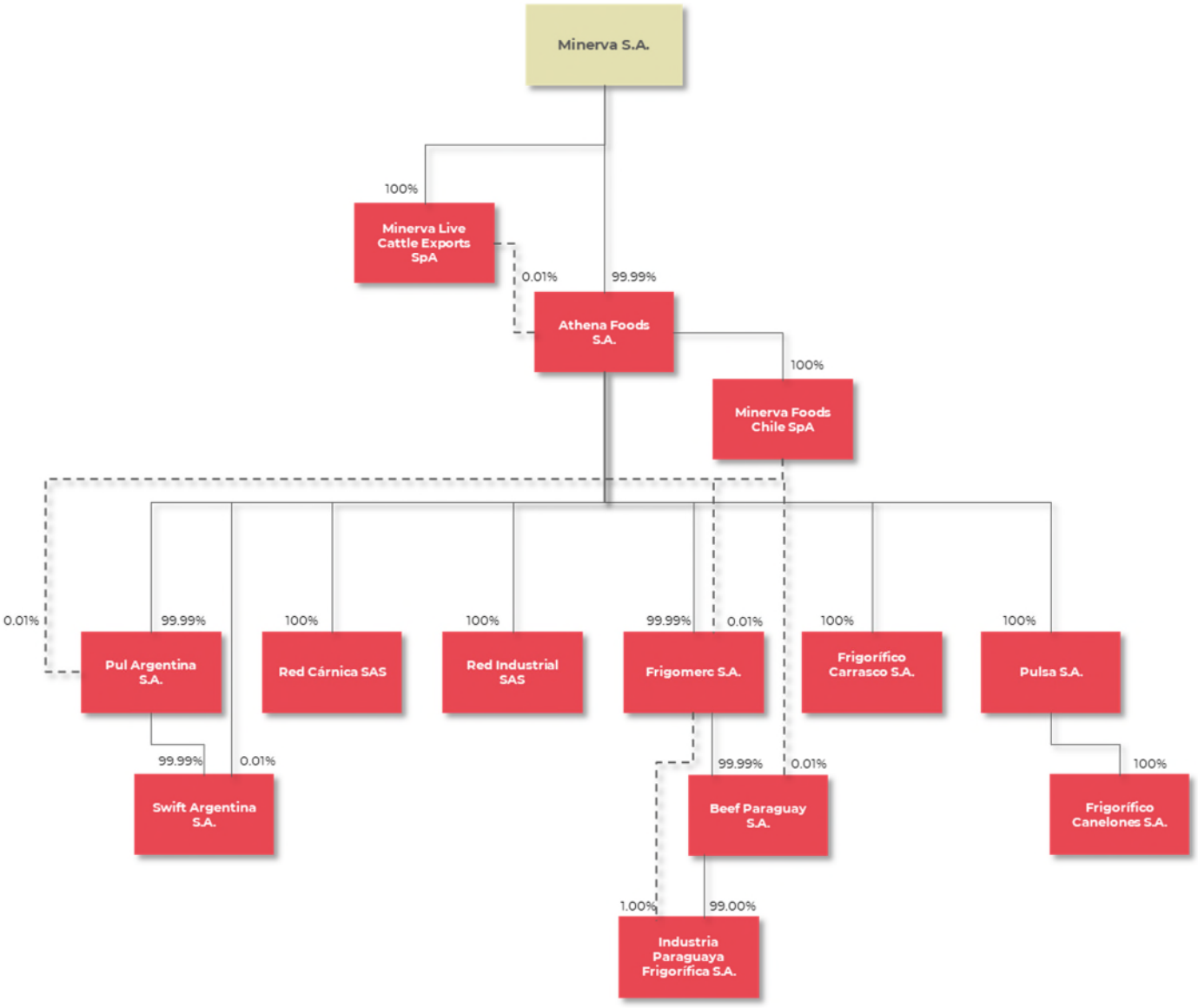
operational) and one distribution center.

Corporate Structure

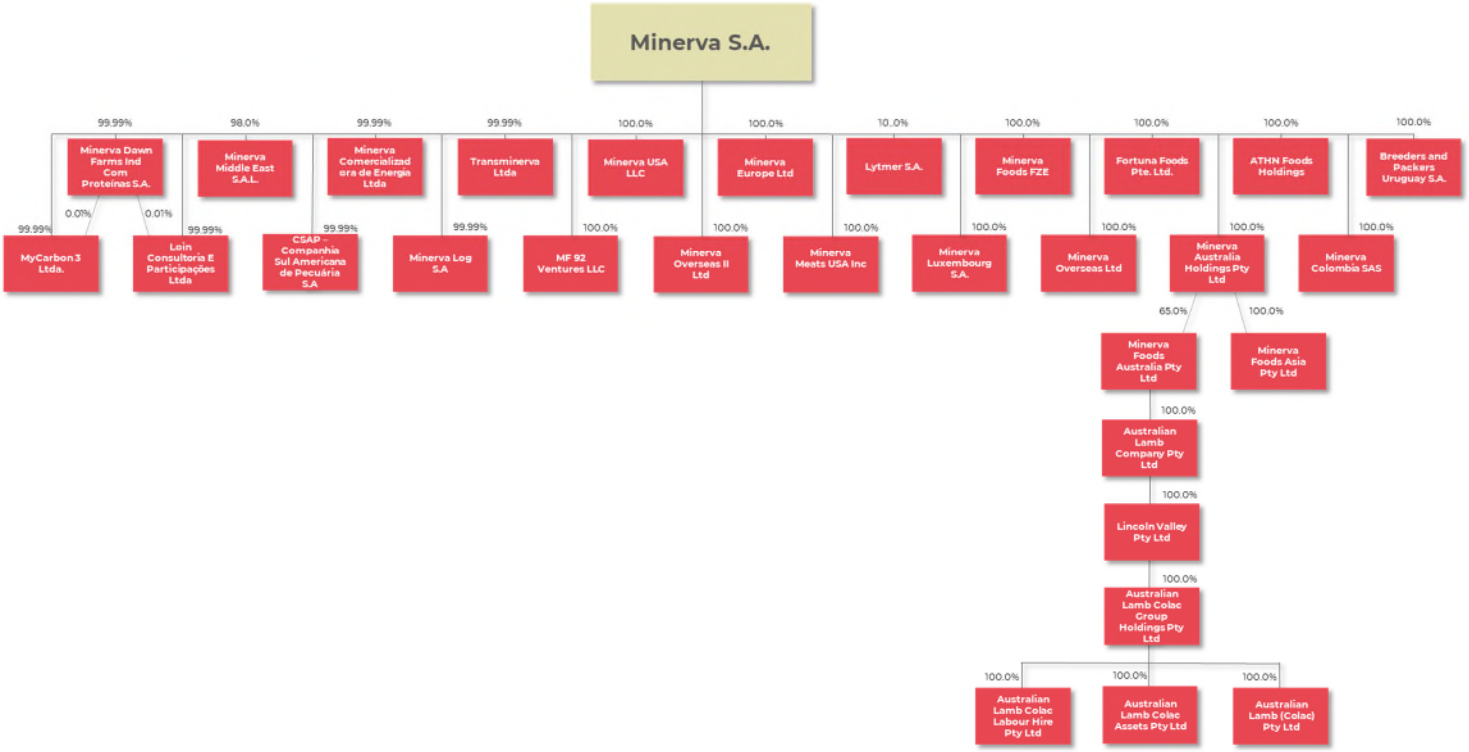
The following chart sets forth our current corporate structure (percentage numbers reflect the percentage ownership of total capital stock of our shareholders) as of the date of this offering memorandum:



Athena Foods



Other Subsidiaries



Business Segments

As of June 30, 2023, we had two business segments:

- Beef: this segment includes (1) the production of frozen and chilled beef in the countries in which we operate (Brazil, Argentina, Paraguay, Uruguay and Colombia) and (2) slaughter by-products derived from beef production, such as leather, offal and others. Our products are sold both in the internal markets of these countries and in the foreign market; and

- Others: this segment includes trading services for the sale of food products.

Beef Segment

Production Process

Stage 1: Acquisition of Raw Materials, Cattle

Each of our slaughtering and deboning facilities employ specialized teams that purchase cattle. Except for certain activities related to feedlots, we do not participate in cattle-raising. We purchase cattle from over 25,000 cattle breeders in Brazil, Argentina, Colombia, Paraguay and Uruguay. Our purchased cattle are transported to our processing facilities by specialized cargo trucks adapted for the transport of live animals.

Acquisition of cattle for slaughter represented between 75% and 85% of our cost of goods sold in our beef operations for the six-month period ended June 30, 2023 and the year ended December 31, 2022.

When purchasing cattle, our buyers verify issues relating to animal quality and compliance with socio- environmental rules and regulations by the breeding farms from which we purchase our cattle.

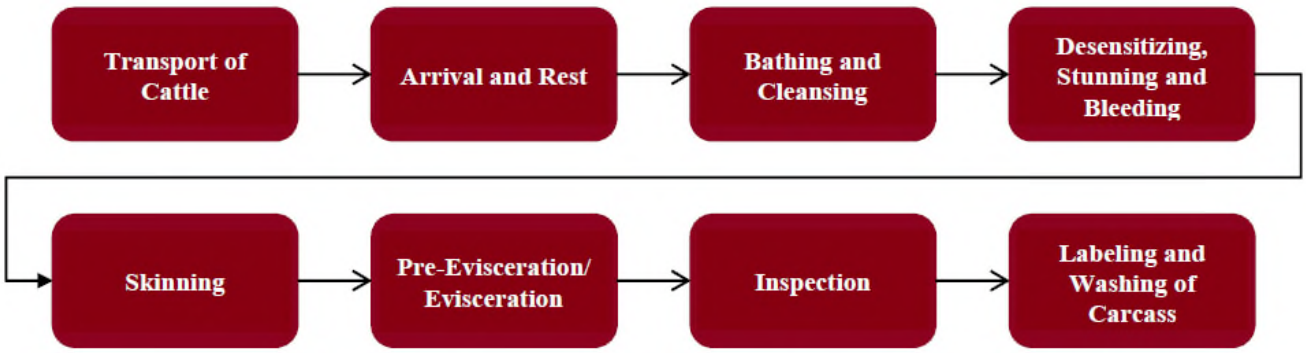
The cattle that we acquire and deliver to our facilities are transformed into beef and beef by-products within an average period of 60 hours.

The high quality of our beef products results directly from the quality of the cattle that we slaughter, a rigid monitoring system that allows us to track the origins of the cattle we purchase and our emphasis on offering products that have been

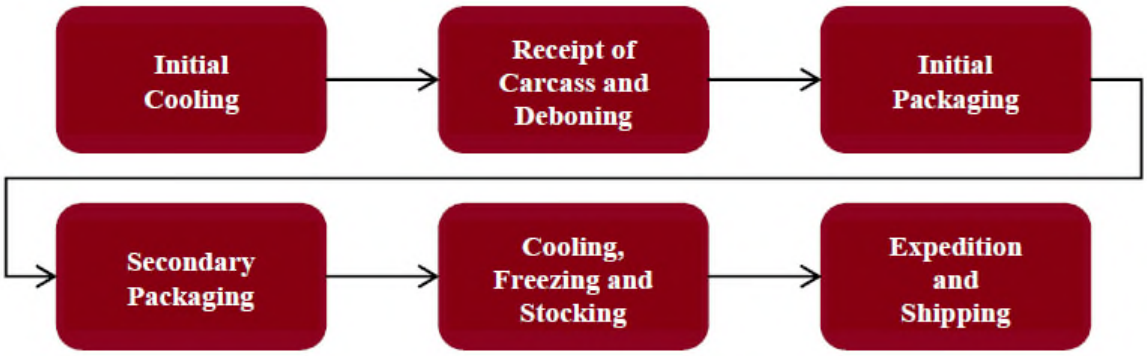
strictly inspected and certified. We possess the technology and know-how that allows us to produce and offer over 17,000 products.

Stage 2: Slaughter and Deboning

This diagram demonstrates our slaughtering process:



Following these steps, carcasses are then deboned:



Technology

We believe that we possess some of the most modernized facilities in South America. Each of our plants uses highly automated equipment to process and package beef products. Moreover, our industrial facilities are equipped with generators to supply energy during outages for the required time to allow for the storage of carcasses and products in refrigerated units. We continually invest in the maintenance of our facilities given the importance of cleanliness to our business and to prolong the useful life of machinery and equipment, which are regularly replaced.

The technology employed at our processing facilities in Brazil consists primarily of domestically purchased specialized machinery and equipment. Except for certain of our processed protein operations, which use certain imported machinery and equipment, none of our machinery is patented. Instead, our modern processing facilities are differentiated by the arrangement, design and layout of the machinery and equipment, which permits processing tasks to be carried out smoothly within the conventional restraints of food safety. Our key domestic suppliers of processing and refrigeration equipment in Brazil include Torfresma Industrial Ltda, Cryovac Brasil Ltda, Foss do Brasil Instrumentos Analíticos e Soluções Dedicadas Ltda, Geza Ltda, Cmp-Industria E Serviços De Componentes De Refrigeração Industrial Ltda., Abb Ltda, Haarslev Industries Ltda, Bertolini Sistemas De Armazenagem S.A., Mef Maringa Equipamentos Para Frigoríficos Ltda, and Johnson Controls Be Do Brasil Ltda.

Slaughtering and Processing Facilities

As of June 30, 2023, we operated 32 industrial units, (3 of which are protein processing plants, including one in Brazil and two in Argentina; and 25 slaughter plants) all located in South America. Of these industrial units, ten plants are strategically located in six Brazilian states, five in Paraguay in the cities of Asuncion, San Antonio, Tablada and Belén, three in Uruguay, in the cities of Melo, Canelones and Montevideo, five in Argentina, in the cities of Rosario, Berazategui, Colonia Caroya, Venato Tuerto and Pilar, and two in Colombia, in the cities of Ciénaga de Oro and Bucaramanga. In addition, we had four more sheep-focused plants located in Australia. Our facilities are located in close proximity to the ports from which our products are exported and to our main domestic markets, as illustrated in the map below. Moreover, our processing facilities are strategically located near their suppliers (within an average distance of up to 300 kilometers).



Our plants geographical diversification is an essential aspect of our strategy as it allows us to: (1) take advantage of the abundance of pastures and reduce dependence on agricultural commodities in our herd's diet; (2) implement arbitrage, in connection with which we evaluate increasing or reducing our purchase of cattle in different regions of Brazil, based on the differential between the price indicator for the state of São Paulo (CEPEA indicator) and the price of cattle in the applicable region, in order to minimize the cost of acquiring the raw material; and (3) mitigate health risks.

As of June 30, 2023, we had an installed slaughtering capacity of 29,540 head of cattle per day and deboning capacity of 26,201 head of cattle per day as demonstrated below. We believe this processing flexibility enables us to maximize our profitability given that processing adds more value to beef.

Installed Capacity as of August 31, 2023					
Facilities	**State/Country**	**Slaughtering Capacity (head of cattle per day)**	**Deboning Capacity (head of cattle per day)**	**Year in Which Operations Began**	**Ownership**
Barretos	São Paulo	1,309	850	1992	Own
José Bonifácio	São Paulo	700	600	1999	Own
Palmeiras de Goiás	Goiás	2,000	1,650	2004	Own
Araguaína	Tocantins	1,138	960	2007	Own
Goianésia	Goiás	500	791	2008	Own
Rolim de Moura	Rondônia	1,750	900	2009	Own
Campina Verde	Minas Gerais	840	689	2010	Own
Paranatinga	Mato Grosso	1,300	1,500	2019	Own
Mirassol D'Oeste	Mato Grosso	2,000	1,200	2014	Own
Janaúba	Minas Gerais	700	650	2014	Own
Paraguay Friasa (Asunción)	Paraguay	1,015	823	2008	Own
Paraguay Frigomerc (Asunción)	Paraguay	1,840	1,840	2012	Own
Paraguay (Tablada)	Paraguay	750	750	2017	Own
Paraguay (San Antonio)	Paraguay	1,420	1,420	2017	Own
Paraguay (Belén)	Paraguay	3,000	3,000	2017	Own
Argentina (Rosario)	Argentina	2,498	2,498	2017	Own
Argentina (Berazategui)	Argentina	900	500	2017	Own
Argentina (Colonia Caroya)	Argentina	500	400	2017	Own
Argentina (Pontevedra)	Argentina	700	500	2017	Own
Argentina (Venado Tuerto)	Argentina	630	630	2017	Own
Uruguay (Pul)	Uruguay	900	900	2011	Own
Uruguay (Carrasco)	Uruguay	800	800	2014	Own
Uruguay (Canelones)	Uruguay	800	800	2017	Own
Uruguay (Durazno)	Uruguay	1,200	1,200	2023	Own
Colombia (Red Cárnica)	Colombia	850	850	2015	Own
Colombia (Bucaramanga)	Colombia	700	700	2020	Own
Total		**30,740**	**27,401**		

In June 2023, our four sheep-focused plants located in Australia had an aggregate slaughtering capacity of 19,216 heads per day.

Logistics

We believe that our efficient and integrated distribution logistics system allows us to focus on the most attractive markets and gives us the flexibility to take advantage of changes in product demand and cattle prices, by increasing our sales of products with higher margins.

- *Export Market.* We believe that our logistics network for exports, which includes private storage options contracted from third parties, transportation services, insurance and strong cooperation with ship owners and ports in Brazil, gives us the necessary operating efficiency to ensure that our high-quality products are delivered on a timely basis. We export most of our products on break-bulk (charters) and containers, which enable us to obtain economies of scale in negotiating freight, storage and insurance for our products. We export our products directly to our end customers at the point of destination, therefore minimizing payment of fees and other costs payable to trading companies and other intermediaries. In addition, we believe our highly efficient and flexible logistics network allows us to sell our frozen and chilled beef products to many different export markets around the world, including countries in Europe, the Middle East, Africa and Asia.

- *Domestic Market.* We use third-party services and our own fleet of trucks to efficiently transport cattle from farms to our processing facilities for domestic sales. We believe we have an efficient logistics system, which allows us to directly supply the wholesale market from our processing facilities and the retail market through our 14 distribution centers, eleven of which are located in Brazil and one in each of Paraguay and Argentina. We offer the "one-stop-shop" concept through which we offer several types of frozen or chilled perishable products produced by us or supplied by third parties (including frozen vegetables, chicken, lamb and fish) to approximately 50,000 customers in Brazil (mostly food service companies, small and medium-sized retail customers). We seek to enhance customer loyalty through regular deliveries to become the primary supplier to these customers. As a result of this approach, we are able to maximize our deliveries through the distribution of a wide range of products.

Sales and Markets

We classify our beef operations into the domestic and export markets, and we further classify our beef exports into two markets:

- *Export Market.* We export our products from Brazil to approximately 100 countries, including countries in Europe, the Middle East, Africa and Asia. In order to further consolidate our market share in important export markets and provide better service to our customers, we maintain sales offices in Algeria, Chile, United States, Italy, Lebanon, Egypt, Singapore, Hong Kong, Taiwan, Australia, New Zealand, England, Russia and China. In addition, to ensure close proximity to our end consumers, our sales in developed countries are focused on three types of customers: (1) companies in the food processing industry; (2) companies in the food service industry, such as catering services, fast-food chains, restaurants and hotels; and (3) retail customers (small-and medium-sized retailers as well as large retail chains). In emerging markets, we segment our coverage geographically and by ethnicity. In addition, we pioneered the export of kosher and halal beef products to several markets around the world.

    - *Developed Markets*: in developed markets, we typically utilize two strong distributors in a particular region. In addition, in order to ensure close proximity to our final end consumers, our sales in developed markets are carried out through three different channels: (1) food processors; (2) companies in the food service and food ingredient industries, such as catering services, fast-food chains, restaurants and hotels; and (3) retail customers (with a focus on small retailers).

    - *Emerging Markets*: in emerging markets, we focus on geographical and ethnic coverage. For instance, we export salted kosher beef products and halal products to several markets. In order to consolidate our market share in important markets and provide customized service, we maintain our own sales offices in Algeria, Chile, the United States of America, Italy, England, Lebanon, Egypt, Singapore, Hong Kong, Taiwan, Australia, New Zealand, Russia and China.

- *Domestic Market.* We channel our domestic sales to companies in the food service industry, including wholesalers and supermarkets. We directly sell our products through slaughterhouses and processing facilities to approximately 50,000 small and medium-sized retail customers. We provide our products to customers in each state of Brazil. Our customer base in Brazil is diversified and focused on small retailers and food services clients. We adopted a "one-stop-shop" concept to small and medium-sized retail customers in Brazil, through which we offer through the same seller a broad range of perishable products, such as poultry, fish, lamb and frozen vegetables, among others. As a result, we are able to maximize our deliveries through a greater distribution of products. We seek to enhance customer loyalty through regular deliveries to become the primary supplier to these customers. As a result of this approach, we are able to maximize our deliveries through the distribution of a wide range of products.

Our processing facilities and distribution centers are located near the principal domestic consumer markets, which promotes logistical efficiencies.

The tables below detail our gross revenues by countries that we have operations, volume and average price by market.

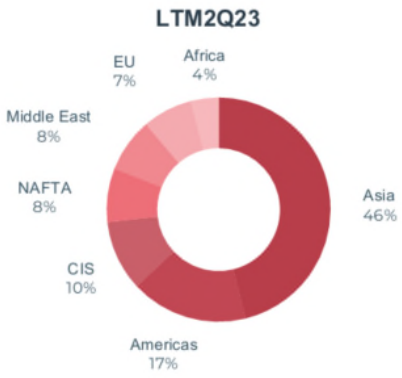
	For the Six-Month Period Ended June 30,		**For the Year Ended December 31,**		
Gross Revenues	**2023**	**2022**	**2022**	**2021**	**2020**
	(unaudited)			*(R$ millions)*	
Brazil	6,525.9	8,216.1	16,229.7	11,882.5	9,998.1
Argentina	1,894.2	2,208.1	4,388.1	3,921.8	2,671.9
Colombia	593.2	585.3	1,475.5	1,769.5	948.6
Paraguay	2,088.6	2,472.5	4,910.6	5,187.0	3,314.8
Uruguay	1,618.5	2,124.6	3,516.9	4,057.3	1,875.7
Australia	1,030.1	—	—	—	—
Trading	818.8	983.3	2,377.1	1,754.2	1,745.1
Total	**14,569.3**	**16,589.9**	**32,897.9**	**28,572.3**	**20,554.3**

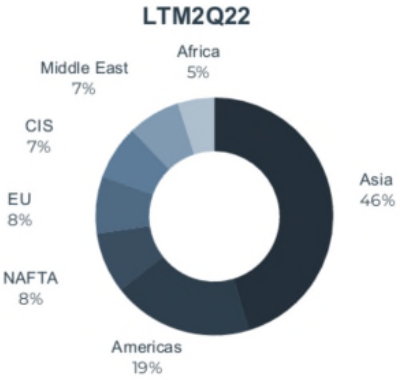
Gross Revenues	For the Six-Month Period Ended June 30,		For the Year Ended December 31,		
	2023	2022	2022	2021	2020
	(unaudited)			*(R$ millions)*	
Export Market	9,369.2	11,725.1	22,553.6	19,312.1	13,865.5
Domestic market	5,200.1	4,864.8	10,344.3	9,260.2	6,688.8
Total	**14,569.3**	**16,589.9**	**32,897.9**	**28,572.3**	**20,554.3**

Volume	For the Six-Month Period Ended June 30,		For the Year Ended December 31,		
	2023	2022	2022	2021	2020
			(in thousands of tons)		
Export market	375.1	390.8	794.2	750.3	670.7
Domestic market	227.2	206.6	429.5	410.7	381.1
Total	**602.3**	**597.4**	**1,223.7**	**1,161.0**	**1,051.8**

Average Price	For the Six-Month Period Ended June 30,		For the Year Ended December 31,		
	2023	2022	2022	2021	2020
Export market (U.S.$/kg)	5.0	6.1	5.5	4.8	4.0
Domestic market (R$/kg)	22.9	23.5	24.1	22.5	17.6

The charts below illustrate the breakdown of our export sales by region, excluding Australia, for the twelve-month periods ended June 30, 2023 and 2022:





Asia

Asia is currently our largest export market and the main destination for our exports. Beef exports to Asia accounted for 46% of our total exports during the twelve-month period ended June 30, 2023, stable when compared to the twelve-month period ended June 30, 2022. Approximately 37% of our total exports during the twelve-month period ended June 30, 2023 were to China.

Americas

Our exports to the Americas, comprised of countries in the Americas other than the United States, Mexico and Canada, and the second main destination for our exports, accounted for 17% of our total exports during the twelve-month period ended June 30, 2023, a decrease of 2 p.p. when compared to the twelve-month period ended June 30, 2022.

CIS (Commonwealth of Independent States)

Our beef exports to the CIS, represented mainly by Russia, accounted for 10% of our total exports during the twelve-month period ended June 30, 2023, an increase of 3 p.p. when compared to the twelve-month period ended June 30, 2022.

Middle East

Our beef exports to the Middle East accounted for 8% of our total exports during the twelve-month period ended June 30, 2023, stable when compared to the twelve-month period ended June 30, 2022.

Europe

Our beef exports to Europe accounted for 7% of our total exports during the twelve-month period ended June 30, 2023, stable when compared to the twelve-month period ended June 30, 2022.

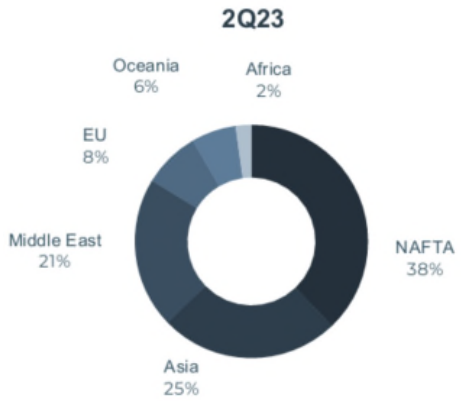
North America

Our beef exports to North America, comprised of the United States of America, Mexico and Canada, accounted for 8% of our total exports during the twelve-month period ended June 30, 2023, stable when compared to the twelve-month period ended June 30, 2022.

Africa

Our exports to Africa accounted for 4% of our consolidated exports during the twelve-month period ended June 30, 2023, stable when compared to the twelve-month period ended June 30, 2022.

The chart below illustrates the breakdown of our export sales from Australia by region for the three-month periods ended June 30, 2023:



In the three-months ended June 30, 2023, the breakdown of our export revenue for our lamb operations in Australia was as follows: NAFTA, representing 38%, followed by Asia with 25%, the Middle East with 21%, the EU with 8%, and Oceania, which reached a 6% share of exports.

Competition

The domestic and international beef industry is highly competitive, both with respect to the purchase of live cattle and in the sale of natural and processed beef products. Our products also compete with other sources of protein, including poultry and pork; however, our main competitors are other beef processors.

In Latin America, our principal competitors in the beef segments are JBS and Marfrig. In the international market, we compete with various producers, including Cargill, Tyson Foods, National Beef, Smithfield Foods and JBS USA in the United States, and Australian Meat, Teys Bros and Nippon Meat Packers in Australia.

The competitiveness of a beef producer on the domestic and international market is significantly impacted by its cost structure. The two main components of the overall industry cost structure are raw material costs and processing costs. The net effective cost of a producer takes into account revenues generated from the sale of by-products from beef production, such as hides and offal. The competitiveness of a plant in the international market is also affected by transportation and

distribution costs. As of December 31, 2022, Brazil had one of the lowest overall cost structures among the largest beef exporting countries, as shown in the table below.

Exporting Country	Average Cost
	(U.S.$ per kilogram of carcass weight)
Brazil	4.11
USA	5.07

Source: CEPEA and World Beef Report, January through December 2022.

The low costs of beef production in Brazil are mainly due to its favorable climate, relatively cheap land, economies of scale as a result of increased production and availability of skilled workers, which contribute to greater international competitiveness of Brazilian producers. Although some countries' beef production costs are lower than those in Brazil, these countries also have lower economies of scale, such that they normally produce a lower volume of beef compared to Brazil, according to the USDA. These advantages, among others, allow Brazil to produce higher quality beef at more competitive prices.

The revenues generated from sales of by-products extracted from cattle following slaughter are an important factor in reducing a beef producer's net operating costs. Revenues from the sales of these by-products, generally known as "fifth quarter," can be substantial and, in certain cases, a significant portion of the fixed costs of operating a slaughterhouse. In certain cases, fifth quarter income can exceed the total marginal costs of operating a slaughterhouse. Fifth quarter products can be divided into the following categories: offal (including liver, heart, tongue, pancreas, intestine and stomach), fats and others (including blood, bone and hides).

Despite the inherent competitiveness of the beef industry, we believe that the quality of our products allows us to benefit from competitive price in our markets.

Opening of Asian, Middle Eastern and North American Markets

Chinese Market

In June 2019, MAPA, through its Department of Inspection of Animal Origin Products, notified us that China would permit Brazilian beef exports to China. We certified three slaughtering plants, with a capacity of 4,340 head of cattle per day, for export to China.

In addition, in November 2020, we entered into a memorandum of understanding with Greenland Global Commodity Trading to establish a joint venture that would allow us to explore commercial opportunities in China.

Indonesian Market

In August 2019, MAPA, through its Department of Inspection of Animal Origin Products, notified us of the opening of the Indonesian market for fresh beef exports from Brazil. We certified five slaughtering plants, namely our plants in José Bonifácio, in the state of São Paulo, Rolim de Moura, in the state of Rondônia, Araguaína, in the state of Tocantins, Mirassol d'Oeste, in the state of Mato Grosso and Palmeiras de Goiás, in the state of Goiás. With approximately 260 million inhabitants, Indonesia stands out as one of the largest Halal meat-consuming markets in the world. In 2018, Indonesia imported approximately 150 million tons of beef, with Australia supplying nearly 40% of this amount.

Saudi Market

In November 2019, Athena Foods certified its slaughtering plant in Colombia to export to Saudi Arabia. With approximately 34 million residents, Saudi Arabia is one of the largest Halal meat-consuming markets in the world. Colombia has a large growth potential, with a herd of approximately 24 million head.

U.S. Market

In February 2020, MAPA, was notified by the USDA of the reauthorization to export Brazilian fresh beef to the United States. This approval may create new opportunities to export to countries with sanitary requirements similar to those in the United States and improves the share of Brazil's exports in the global market. As of the date of this offering memorandum, five of our plants, with total capacity of 6,040 head of cattle per day, are authorized to export products to the United States.

Others Segment

Our "others" segment, which accounts for less than 10% of our consolidated revenue, includes protein trading operations and is therefore susceptible to variations in protein prices and global demand for these products. We use internal trading services in order to reduce commissions charged by external service providers.

Athena Foods Assets

On July 5, 2018, we formed our subsidiary Athena Foods S.A., with headquarters in Santiago, Chile. Athena Foods holds our main operations outside of Brazil in the region encompassing the southern common market (*El Mercado Común del Sur*), or Mercosur. In September 2018, the board of directors of Athena Foods approved a capital decrease in an aggregate amount of U.S.$260 million. In May 2020, we concluded a capital decrease in an amount of R$40 million in connection with such capital reduction.

Our operations outside of Brazil, or the Athena Foods Assets, are held by Athena Foods, our subsidiary headquartered in Chile, as set forth in the table below:

Company	Ownership	Country
Pulsa S.A.	Direct	Uruguay
Frigorífico Carrasco S.A.	Direct	Uruguay
Frigorífico Canelones S.A.	Indirect	Uruguay
Frigomerc S.A.	Direct	Paraguay
BEEF Paraguay S.A.	Indirect	Paraguay
Industria Paraguaya Frigorífica S.A.	Indirect	Paraguay
Pul Argentina S.A.	Direct	Argentina
Swift Argentina S.A.	Indirect	Argentina
Red Cárnica S.A.S.	Direct	Colombia
Red Industrial Colombiana S.A.S.	Direct	Colombia
Minerva Foods Chile SpA	Direct	Chile

Products and Markets

The Athena Foods Assets produce fresh beef (including fresh and frozen chuck cuts, rib cuts, loin cuts, round cuts, thin meats, ground beef, offal and other products) and further processed and value-added beef products (including frozen cooked and pre-cooked beef, beef cubes and consumer-ready products, such as hamburgers).

The Athena Foods Assets sell their products domestically and abroad. Their plants are certified to export products to more than 30 countries around the world. Their customers include: national and regional retailers (including grocery store chains and independent grocers), wholesale distributors and food processors; international retailers and wholesale distributors (including in China, Hong Kong, the United States, the Middle East, Europe and emerging markets); and the foodservice industry, including foodservice distributors, fast food and other restaurants, hotel chains and other institutional customers.

Raw Materials

The Athena Foods Assets purchase cattle from ranchers in Argentina, Paraguay and Uruguay that are generally located within 500 kilometers of one or more of their beef processing plants. The close proximity of their cattle suppliers to their beef processing facilities results in reduced transportation costs and reduces the risk of weight loss and bruising of cattle during transportation. The Athena Foods Assets employ experienced cattle buyers who purchase cattle in the principal cattle raising areas in Argentina, Paraguay and Uruguay. They may also enter into livestock purchase agreements with cattle suppliers.

Facilities

The Athena Foods Assets own and operate: (1) in Argentina (in the cities of Rosario, Pontevedra, Venado Tuerto, Berazategui and Colonia Caroya), two active and three inactive fresh and frozen beef processing facility, with an aggregate daily slaughter capacity of 5,050 head of cattle; (2) in Paraguay (in the cities of Asunción, San António, Tablada and Belén), four active and one inactive fresh and frozen beef processing facilities, with an aggregate daily slaughter capacity of 5,400 head of cattle; (3) in Uruguay (in the city of Canelones), two active and one inactive fresh and frozen beef processing facility, with a daily slaughter capacity of 3,200 head of cattle; and (4) in Colombia (in the cities of Ciénaga de Oro and Bucaramanga), two active fresh and frozen beef processing facilities with a daily slaughter capacity of 1,550 head of cattle. In addition, in Argentina, the Athena Foods Assets own and operate two active industrialized beef products facilities (in the

cities of Rosario and Pilar), with an aggregate daily processing capacity of 217 tons, and one active distribution center (in the city of Pilar).

Transportation

The Athena Foods Assets' transportation network in Argentina, Paraguay and Uruguay primarily consists of outsourced trucks and other vehicles for distribution and transportation. The Athena Foods Assets use this fleet to transport cattle to their processing plants and export finished products to various ports throughout South America.

Employees

As of the date of this offering memorandum, the Athena Foods Assets have approximately 9,497 employees throughout Argentina, Paraguay, Uruguay, Colombia and Chile.

Our Australian Operations

In addition, in 2021, we entered in the Australian market through the acquisition of Shark Lake and Great Eastern Abattoir specialized sheep slaughterhouses located on the west coast of Australia. In 2022, we continued our expansion in the Australian market, acquiring Australian Lamb Company Pty, or ALC, one of the main sheep processors in Australia. For additional information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditures."

Products and Markets of our Australian Operations

Our Australian operations produce lamb products in four facilities.

The Australian operations sell their products domestically and abroad. Their plants are certified to export products to more than 70 countries around the world. Their customers include: USA, Japan, South Korea and countries in Europe and Middle East.

Facilities of our Australian Operations

Our Australian operations own and operate: four facilities located in the cities of Esperance, Tammin, Sunshine and Colac.

Employees of our Australian Operations

As of the date of this offering memorandum, our Australian operations have approximately 1,026 employees throughout the cities of Esperance, Tammin, Sunshine and Colac in Australia.

Seasonality

Seasonality affects both the purchasing of cattle and the sale of our products. However, the effects of seasonality cannot be measured through fluctuations in our gross sales revenue because our gross sales revenue is affected by other factors, such as volatility in the foreign exchange rate.

Purchase of raw material. In the northern region of Brazil, the supply of cattle decreases in the second half of the year due to droughts, as cattle lose weight during this period. In the southeast and midwestern regions of Brazil, where livestock production is more intense and cattle feeding is complemented in the dry season, cattle supply is more constant throughout the year. In the southern region, the harvest of animals ready for slaughter is concentrated in the second semester, since the largest number of animals for slaughter come from areas that combine agriculture and livestock, taking advantage of the rainy winter to cultivate annual forages in temperate climates. Lean cattle are supply in the winter, since the breeding season is usually concentrated in the summer.

Sale of our products. There is a strong correlation between demand for beef and per capita income, with beef demand having increased over the past few years. Seasonal variations affect the demand for beef due to religious, cultural and climate factors. In the Middle East, beef consumption increases during the Ramadan religious holidays. In Eastern Europe, beef consumption increases during the winter months, when protein consumption increases, and in Western Europe, beef consumption is higher during the summer months. In Brazil, beef consumption generally increases during national and other holidays, particularly during year-end holidays.

Raw Materials

We generally purchase cattle in spot market transactions, but we also use futures market instruments to fix the prices that we pay for cattle, which helps to protect us and cattle breeders from fluctuations in the market.

Our controlling shareholders owned the largest cattle transporting business in Brazil during the 1960's and 1970's, creating strong relationships based on trust with cattle farmers. We believe these relationships provide us with very good access to the types of cattle we purchase and encourage our suppliers to tailor their production to our needs.

The types of cattle we purchase comply with the primary legal requirements and certifications that seek to ensure the standard of quality required by the markets to which they are destined. In order to verify the quality of our products, a significant portion of the cattle slaughtered in Brazil for sale in international markets and for sale in the domestic market is part of the national cattle tracking system in Brazil (*Sistema Brasileiro de Identificação Individual de Bovinos e Búfalos*), or SISBOV.

Supply chain management, particularly with respect to ensuring safety and transparency of cattle purchases from our suppliers, is one of the pillars of our relationship with our stakeholders. We have adopted sustainable livestock practices to enhance our social and environmental responsibility by establishing criteria, performance indicators and programs that ensure greater product safety and traceability.

Our facilities in Paraguay, Uruguay, Argentina and Colombia are subject to regular inspections and specific protocols related to food, including the production of processed foods in Argentina, where we have a processing unit. Such regulations are derived from the guidance published by the SENACSA in Paraguay, Ministry of Public Health (*Ministerio de Salud Pública*) in Uruguay, the Argentine Health Ministry (*Ministerio de Salud*), the SENASA and the Argentina Administration of Medicine, Foods and Medical Technology (*Administración Nacional de Medicamentos, Alimentos y Tecnologia Medica*) in Argentina and INVIMA in Colombia.

Cattle Care

According to Brazilian legislation, cattle suppliers are required to document the quality of their operations and to verify that the antibiotics and agricultural chemical products they use follow the standards of the relevant manufacturers. All of the cattle that we purchase are inspected by veterinarians and physicians of the SIF, which authorizes the production and processing of beef. In addition, in order to obtain approval for export of beef to the European Union, cattle raisers must meet stringent auditing requirements, which are necessary for certification through the SISBOV.

Price Volatility

A significant portion of our production costs consists of the cost of raw materials. Our main raw material is cattle, the prices of which in the domestic market vary based on the supply and demand of cattle. Generally, we purchase cattle on the spot market, with prices based on the cash price per *arroba*. Significant increases in the prices of cattle and, consequently, our cost of production, can reduce our gross margins and our results of operations if we are unable to pass these increased costs on to our customers. Inversely, significant reductions in the price of cattle and consequent reductions in cost of our products could increase our gross margins and results of operations, which could result in an increase in volume sold.

The average Brazilian market cash price per *arroba* of cattle for the spot market in São Paulo was R$275.5, R$333.1, R$317.7, R$305.9 and R$226.2 during the six-month periods ended June 30, 2023 and 2022, and during the years ended December 31, 2022, 2021 and 2020, respectively, according to CEPEA. The Brazilian market price per *arroba* of cattle has fluctuated significantly over time, and we believe will continue to fluctuate in the future due to seasonal changes in the supply and demand of cattle and climate conditions, among other factors.

Energy

In 2015, we created a new business department to manage our energy matrix. Our energy department is responsible for identifying opportunities to mitigate risks, reduce costs, improve initiatives and structure clean and sustainable energy matrices for our units in Brazil and abroad that apply to us, our business partners and customers. During 2018, we analyzed and renegotiated the terms of our existing energy contracts, which resulted in substantial cost savings. Due to the success of our energy activities, we subsequently began trading with several companies and on the free energy market in Brazil.

Subsidiaries

The following describes our operating and finance subsidiaries' core businesses:

- *Minerva Dawn Farms Indústria e Comércio de Proteínas S.A.* Located in the city of Barretos, state of São Paulo, this subsidiary produces and sells beef, pork and chicken protein products for the food-service industry in domestic and export markets, and is equipped for production at various scales.

- *Pulsa S.A.* We acquired Pulsa, located in city of Melo, capital of the province of Cerro Largo, Uruguay, in March 2011. This subsidiary's activities include industrial refrigeration, slaughter, deboning and beef processing, and 85% of its sales are in the export market, mainly to the European and American markets.

- *Frigomerc S.A.* Located in the city of Asunción, Paraguay, this subsidiary's activities include industrial refrigeration, slaughtering, deboning and beef processing for both the domestic and export market.

- *Frigorífico Carrasco S.A.* Located in the city of Montevideo, Uruguay, this subsidiary's activities include refrigeration, slaughtering, deboning and beef processing for both the domestic and export market.

- *Loin Consultoria e Participações Ltda.* Located in the city and state of São Paulo, provides consultancy and advisory services to third parties, including investment funds, in financial and business matters in general, nationally or internationally.

- *Lytmer S.A.* located in the city of Montevideo, Uruguay, this subsidiary exports live cattle and provides consulting and advisory services to the beef industry in relation to foreign trade.

- *Minerva Foods Chile SpA.* Located in the city of Santiago, Chile, this subsidiary is primarily engaged in the marketing of our products.

- *Minerva Foods FZE.* Located in Dubai, UAE, this subsidiary assists in the marketing and sale of our products.

- *Minerva Live Cattle Exports S.A.* located in the city of Santiago, Chile, this subsidiary exports live cattle.

- *Companhia Sul Americana de Pecuária S.A.* located in the city of Barretos, state of São Paulo, this subsidiary has agricultural, livestock and agribusiness activities related to the raising, fattening and industrialization of cattle.

- *Minerva Overseas Ltd*. This subsidiary was incorporated in the Cayman Islands in 2006 as a special purpose finance vehicle for the issuance of bonds in January 2007, in the amount of U.S.$200 million. On December 5, 2011, Minerva Luxembourg S.A. replaced Minerva Overseas Ltd. as the issuer of these bonds. This subsidiary is a finance subsidiary and does not have any operations.

- *Minerva Overseas II Ltd*. This subsidiary was incorporated in the Cayman Islands in 2010 as a special purpose finance vehicle for the issuance of bonds in January 2010, in the amount of U.S.$250 million. On December 5, 2011, Minerva Luxembourg S.A. replaced Minerva Overseas II Ltd. as the issuer of these bonds. This subsidiary is a finance subsidiary and does not have any operations.

- *Minerva Luxembourg S.A.* This subsidiary was incorporated in Luxembourg on July 29, 2011 to replace Minerva Overseas Ltd. and Minerva Overseas II Ltd. as the issuer of their respective bonds, in the aggregate principal amount of U.S.$350 million and U.S.$100 million in February and March 2012, respectively. This subsidiary is a finance subsidiary, and does not have any operations.

- *Minerva Middle East S.A.L.* Located in Lebanon, this subsidiary markets and sells our products.

- *Transminerva Ltda*. Located in the city of Barretos, state of São Paulo, this subsidiary transports live cattle in order to reduce our freight expenses in Brazil.

- *Minerva Colombia S.A.S.* Located in the city of Barranquilla, Colombia, this subsidiary exports live cattle.

- *Minerva Log S.A.* Located in the city of Belem, state of Pará, this subsidiary explores opportunities in maritime trade.

- *Minerva Meats USA.* Located in Chicago, State of Illinois, this subsidiary's activities include importing frozen meet and canned meats.

- *Red Cárnica S.A.S.* Located in Cordoba, Colombia, this subsidiary operates a slaughtering and processing facility with slaughtering and deboning capacity of 850 head of cattle per day. It also has a plant located in Bucaramanga, Colombia, with a slaughter and deboning capacity of 700 head of cattle per day.

- *Red Industrial Colombia S.A.S.* Located in Cordoba, Colombia, this subsidiary primarily processes beef by-products.

- *Minerva Comercializadora de Energia Ltda*. Located in the city of São Paulo, state of São Paulo, this subsidiary's main activity is electricity trading.

- *Minerva Australia Holdings, Pty Ltd*. Located in the city of Brisbane, Australia, this subsidiary is a holding company authorized to hold equity or partnership interests in domestic and foreign companies.

- *Minerva Foods Asia Pty Ltd*. Located in the city of Brisbane, Australia, this subsidiary's main activities include providing consulting and advisory services to the beef industry in relation to foreign trade.

- *Minerva USA L.L.C.* Located in Miami, USA, this subsidiary assists in the marketing and sales of the Company's products.

- *Minerva Europe Ltd.* Located in England, UK, this subsidiary dedicates itself to consulting and advisory services in the area of foreign trade for all branches of activity in the food sector.

- *BEEF Paraguay S.A.* This subsidiary's main activities include carrying out slaughter and deboning. It carries out operations in the domestic market with two plants located in the cities of San Antonia and Belen in Paraguay and was acquired from JBS S.A. in 2017.

- *Industria Paraguay Frigorifica S.A.* Located in the city of Asuncion, Paraguay, this subsidiary's main activities include. This subsidiary's main activities include carrying out slaughter, deboning and meat processing activities. This subsidiary carries out operations in domestic and foreign markets through a plant located in Asunción, Paraguay and was acquired from JBS S.A. in 2017.

- *Pul Argentina S.A.* Located in Buenos Aires, Argentina, this subsidiary is a holding company authorized to hold equity or partnership interests in domestic and foreign companies.

- *Swift Argentina S.A.* This subsidiary's main activities include carrying out slaughter, deboning and meat processing activities. This subsidiary carries out operations in domestic and foreign markets through five plants located in Argentina and was acquired from JBS S.A. in 2017.

- *Frigorifico Canelones S.A.* This subsidiary's main activities include carrying out slaughter and deboning. This subsidiary carries out operations in the domestic market with a plant located in Canelones, Uruguay and was acquired from JBS S.A. in 2017.

- *Athena Foods S.A.* This subsidiary is a holding company that holds our main operations in Mercosur outside of Brazil. Athena Foods has fourteen industrial units located in Paraguay, Uruguay, Colombia and Argentina, where it also has two protein processing plants. Athena Foods has five distribution centers in Paraguay, Argentina, Colombia and Chile that are strategically located near major ports and highways in Latin America.

- *Fortuna Foods Pte. Ltd.* Located in Singapore, this subsidiary is a holding company authorized to hold equity or partnership interests in domestic and foreign companies.

- *ATHN Foods Holdings S.A.* Located in Madrid, Spain, this subsidiary's activities include acting as a holding company through participation in the capital of resident and non-resident entities in Spanish territory; managing and administering said companies; and the acquisition, assignment and disposal, in its own name and under any other title, of all kinds of transferable and financial securities and shares.

- *MyCarbon 3 Ltda.* This subsidiary formed in 2021 aims to support companies in meeting their targets for neutralizing greenhouse gas emissions through carbon offsetting, in a manner that is transparent, reliable and

sustainable. This subsidiary develops projects; originates and sells carbon credits in line with international standards, creating financial opportunities for the preservation of nature, accelerating action to combat climate change and promoting a low-carbon future.

- *Minerva Foods Australia Pty Ltd*. This is a joint venture formed between Minerva Australia Holdings and SALIC. In 2021, this joint venture acquired a lamb slaughterhouse located in Esperance and Tammin, Australia. In 2022, this joint venture also acquired ALC, which owns two slaughterhouses located in Sunshine and Colac. The operations of this joint venture are focused on the slaughtering, deboning and processing of lamb meat, with operations in the domestic and foreign markets.

- *MF 92 Ventures LLC*. This subsidiary was formed to engage in any transaction or business for which limited liability companies may be formed under the terms of the law.

- *Australian Lamb Company Pty*. This subsidiary, acquired in 2022 through Minerva Foods Australia Pty Ltd, produces sheep products in the cities of Sunshine and Colac in Australia.

- *Breeders and Packers Uruguay*. This subsidiary, acquired in 2023, located in Uruguay, produces and exports beef from Uruguay.

- *Lincoln Valley Pty Ltd*. This is an ALC's subsidiary holding company for shares in Colac operations and property, plant and equipment.

- *Australian Lamb Colac Group Holdings Pty Ltd*. This direct subsidiary of ALC consolidates the Colac operations.

- *Australian Lamb (Colac) Pty Ltd*. This direct subsidiary of ALC has entered into a service processing agreement with Cloes and employs most of Colac's employees.

- *Australian Lamb Colac Assets Pty Ltd*. This direct subsidiary of ALC owns freehold property, buildings, plant and equipment and other assets at Colac's facilities.

- *Australian Lamb Colac Labour Hire Pty*. This direct subsidiary of ALC employs certain visa sponsored employees.

Employees

As of June 30, 2023, we had 22,962 full-time employees providing administrative, sales and industrial/operational services. The following table sets forth our number of employees by area of operations as of the dates indicated:

	As of June 30,	As of December 31,		
	2023	**2022**	**2021**	**2020**
Administrative	3,056	3,467	2,331	2,319
Sales	566	591	625	579
Industrial/Operational	19,340	19,139	18,290	17,052
Total	**22,962**	**23,197**	**21,246**	**19,950**

The following table sets forth our employees by country and state in Brazil as of the dates indicated:

	As of June 30,	As of December 31,		
	2023	2022	2021	2020
Argentina	2,724	2,626	2,609	2,712
Australia	1,026	1,014	31	0
Ceará	49	49	41	44
Chile	16	18	25	27
Colombia	1,412	1,497	1,490	1,226
Distrito Federal	17	18	16	16
Espírito Santo	54	53	45	47
Goiás	2,206	2,234	2,210	1,913
Mato Grosso do Sul	0	0	0	0
Mato Grosso	1,898	1,891	1,743	1,958
Minas Gerais	826	1,005	1,001	831
Pará	157	142	133	135
Paraguay	3,247	3,139	2,912	2,568
Rondônia	1,640	1,646	1,383	1,305
Rio Grande do Sul	0	0	0	0
Pernambuco	0	0	5	29
Santa Catarina	0	0	0	0
São Paulo	4,668	4,783	4,551	4,386
Tocantins	924	979	913	875
Uruguay	2,098	2,103	2,138	1,878
Total	**22,962**	**23,197**	**21,246**	**19,950**

As of June 30, 2023, we had 281 outsourced workers providing administrative, sales and industrial/operational services. The following table sets forth the number of our subcontracted employees by area of operations as of the dates indicated:

	As of June 30,	As of December 31,		
	2023	2022	2021	2020
Administrative	100	72	132	72
Sales	1	—	4	2
Industrial/Operational	180	1,016	631	738
Total	**281**	**1,088**	**767**	**812**

Our employee turnover rates as of June 30, 2023 and as of December 31, 2022, 2021 and 2020 were 2.27%, 2.55%, 1.46% and 2.80%, respectively.

Our employees are represented by various labor unions. In Brazil, labor unions are regional and organized by type of activity. We believe that we have good relations with our employees and the unions that represent them. We are party to several collective bargaining agreements, which have either one-year or two-year terms and are subject to annual renewal at the end of each calendar year (including annual salary adjustments).

Employee Compensation and Benefit Policy

Our employees receive a fixed monthly salary, subject to periodic revision in accordance with the applicable collective bargaining agreement. Compensation is paid to employees according to their qualifications, abilities and efforts, and it is clear to our employees what steps they need to take for continued growth, with higher salaries as a function of the individual employee's performance and our operating results.

We offer our employees a restaurant in the workplace, allowances for meals and transportation, in addition to other benefits required by law and the collective agreements entered into with labor unions. Furthermore, we have agreements with commercial establishments in the cities where our facilities and offices are located (including pharmacies, gas stations, butcher shops, dentists and hairdressers) through which these commercial establishments agree to grant discounts and special payment options for their services to our employees.

The compensation package we offer to our employees in respect of the agreements made under collective bargaining is competitive with the market in addition to being merit-based. In addition, the annual adjustment to fixed monthly salaries follows the percentages agreed to under collective bargaining arrangements. We do not have a variable compensation plan.

We participate in periodic surveys to monitor salary in relation to market trends. In 2018, we implemented the Mercer method to support the establishment of compensation policies. With a focus on efficiency, we have established compensation programs based on individual goals, corporate goals, best practices in process and results in an effort to reach our goals.

Certain of our key employees may receive matching stock options and stock options pursuant to our matching stock option plan and stock option plan. For further information see "Management—Stock Option Plans."

Information Technology

Our integrated system of accounts receivable, accounts payable, inventory, accounting, payroll and purchases, operates in all our facilities and ensures a precise management of our overall cash flow, accounts receivable and accounts payable. We continue to explore new alternatives to increase our efficiency and cut costs through additional investments in information technology. See "Risk Factors—Risks Relating to our Business and the Beef and Food Industries—We depend on our information technology systems, and any failure of these systems could adversely affect our business."

Insurance

We believe that our insurance coverage is sufficient to cover the main risks we encounter through our activities and operations. We have purchased insurance for all of our industrial facilities in order to cover certain buildings, machinery, equipment, tools, merchandise and raw materials. The basic coverage insures property damage resulting from fire hazards and direct losses from rioting, explosions of any nature and lightning.

We also have an insurance policy to cover civil liability of our management, including our directors, executive officers and employees who serve in management positions.

Intellectual Property

We have applied for the registration of several trademarks with the Brazilian Industrial Property Institute (*Instituto Nacional da Propriedade Industrial*), or INPI, as well as with the Argentine, Paraguayan, Chilean, Uruguayan and Colombian trademark authorities, including "MINERVA," "BRASÍLIA," and "MINERVA FOODS" trademarks, which we use locally and abroad in connection with the marketing of our products. Although the INPI has granted registration for several of the trademarks we have requested, as of the date of this offering memorandum, other such trademarks remain under analysis, which poses certain risks to us given that third parties have applied for, or obtained registration of, these trademarks for similar products. Therefore, we may be prevented from using certain of our trademarks in the future. Although we believe that our trademarks are important for our business, we are currently not dependent on any particular trademark to conduct our operations.

Awards

Since 2007, we have received the following awards:

- In 2007: We were considered one of the 200 largest commercial groups in Brazil by *Valor Econômico*.
- In 2007 and 2008: we were ranked 35th and 34th, respectively, among the 50 largest Brazilian exporters by the journal *Revista.*
- In 2010: we won the "Best of Agribusiness 2010" award in the "Animal Slaughter" category granted by *Globo Rural* magazine.
- In 2011, 2012, 2013 and 2014, we won the *Chico Mendes* International Research and Social Responsibility Award. The award is part of the Socio-environmental Certification Program (Procert) and linked to THE GLOBAL COMPACT – UN.
- In 2012, we ranked 37th among the 50 largest Brazilian export companies by revenue, 27th among the 50 largest Brazilian agribusiness companies, and second among the Brazilian meat industries by *Exame* magazine. Also in 2012, we were voted Best Company, in the "Slaughter" category by *Globo Rural* magazine.
- In 2013, we received for the second consecutive year the "Sector Highlight Award 2013 – Food," presented by the Brazilian Association of Listed Companies (*Associação Brasileira das Companhias Abertas*), or ABRASCA, as the best case of value creation in 2012, through a rigorous technical and selective process applied to all companies listed on the B3. We were elected by a committee of 14 market entities.

- In 2014, we won the LIDE Award in the Beef category, as a global reference in this segment. In addition, we received the *Apas Popai Brasil* Award in the Activation category at the Apas 2014 Fair, the largest supermarket event in the world, organized by the Paulista Supermarkets Association (*Associação Paulista de Supermercados*).

- In 2015, we received the Best Company in the Meat Industry sector award at the 11th Best Agribusiness Award by *Editora Globo*. We also received the Companies that Best Communicate with Journalists Award by *Revista Comunicação*. Also, for the fifth consecutive year, we received the *Chico Mendes* Socio-environmental Institute award, created to encourage and disseminate the application of sustainable development practices.

- In 2017, we received the Best Agribusiness Company award from *Exame* Magazine, and was elected for the second consecutive year as the best company in the beef sector.

- In 2018, we won the 1st place in the Refrigerator - Mega Company category for Best Companies of *Dinheiro Rural*. In addition, were awarded the "Best of Agribusiness" distinction in the Beef Industry sector by *Globo Rural*.

- In 2019, we received the *Touro de Ouro* award from *AG* Magazine and the Leadership in Asset Index from *Trajetórias FDC de Internacionalização das Empresas Brasileiras*. We were also listed among the Biggest and Greatest (*Maiores e Melhores*) by *Exame* magazine, a ranking that identifies and compares market leaders in different industry sectors in Brazil based on their financial record and performance.

- In 2020, we received the Public Commitment to Cattle Raising (*Conformidade com o Compromisso Público da Pecuária*) award from BDO RCS Auditores Independentes SS Ltda. for the seventh time, a green seal by *Meio Ambiente* Journal and silver seal certification by *Programa Brasileiro GHG*. We were also listed among the largest charity donors in Brazil by Forbes, the best in agribusiness by *Globo Rural*, the most notable companies in the annual lists published by the newspapers *Valor Econômico* and *O Estado de São Paulo*. The B3 also added us to its Sustainable Companies Index (*Índice de Sustentabilidade Empresarial*).

- In 2021, we received the Renewable Energy Seal, given by the Brazilian Association of Clean Energy Generation (*Associação Brasileira de Geração de Energia Limpa* – Abragel) and the Brazilian Association of Wind Energy (*Associação Brasileira de Energia Eólica e Novas Tecnologias* – ABEEólica). We were the first Brazilian company to receive global recognition for our operations, taking into consideration all of our units in Brazil. For the fifth consecutive year, we received the "Exporter of the Year" award in Paraguay from the 5días news publication. In Colombia, we won the 2021 Portafolio Prize in the export efforts category.

- In 2022, we were evaluated by the Forest 500 Ranking and were named one of the companies in the protein sector with the lowest rising of risk deforestation or potential exposure to forest commodity risk in our supply chain. Our 2021 Sustainability Report, disclosed in 2022, received two awards: "ESG Reporting Awards – Best Sustainability Reporting 2022", awarded by the media platform ESG Investing, and "Best in the World", awarded by Hallbars. Both prizes recognize the best Sustainable Reports disclosed by companies around the world. For the sixth consecutive year, we received the "Exporter of the Year" award in Paraguay from 5días news publication.

- In 2023, we were named the "Most Honored Company" prize, awarded by National Investor a financial publication. In the same edition, we were also awarded the 1st place in the CEO Latam category (given to Fernando Queiroz) and 2nd place in the following categories: CFO Latam (Edison Ticle); Latam IR Executive (Danilo Cabrera); Latam IR Team, IR Program, ESG Program and COVID-19 crisis management. We were also evaluated by the Forest 500 Ranking and, for the second consecutive year, we were elected one of the companies in the protein sector that presents the lowest risks of link with deforestation or potential exposure to supply chains of forest risk commodities. Our operations in Brazil were certified as an excellent place to work by the Great Place to Work Institute. The certification is valid for one year. For the third consecutive year, in 2023 we received the Renewable Energy Seal, given by the Brazilian Association of Clean Energy Generation (Abragel) and the Brazilian Association of Wind Energy (ABEEólica). We are the first Brazilian company to receive global recognition for our operations, taking into consideration all of our units in Brazil.

Environmental and Regulatory Matters

Environmental Regulations

Strict compliance with all environmental laws, whether federal, state or municipal, including maintaining our licenses in full force and effect, is one of our top priorities. To control the environmental impact of our operations, we maintain a preventive maintenance process for our equipment and filters. In addition, we have established key performance indicators, such as

wastewater quality, water consumption, energy consumption, wood/biomass and fuel consumption, wastes generation, as part of our implementation of an integrated environmental, health and safety, or EHS, management system. Our EHS system helps us to identify and evaluate environmental risks and impacts, allowing us to adopt a mitigation hierarchy to anticipate and avoid, or where not possible, minimize adverse impacts, promoting improved environmental performance while helping us to prevent environmental claims against us. Through our EHS system, we monitor air emissions and institute measures to bring them into compliance with local regulations. In addition, we monitor the wastewater produced by all of our slaughterhouses in accordance with legal requirements. We have our own team of trained professionals and retain consultants specialized in environmental management, which periodically evaluate the environmental impact of our products, processes, operations, and services, in order to determine those that cause or could cause material environmental damages, as well as to suggest constant improvements to our EHS processes. On February 23, 2015, we established our Quality, Environmental and Occupational Health and Safety Policy, as a part of the implementation of our integrated EHS management system. See "Risk Factors—Risks Relating to Brazil—Compliance with environmental regulations and obtaining or renewing the necessary permits to operate in the beef industry may result in significant costs, and failure to comply with environmental regulations may result in administrative as well as criminal penalties and civil liability for damages."

Environmental Liability

Our operations in Brazil are subject to Brazilian federal, state and municipal environmental laws and regulations. In the event of a conflict between environmental regulations, the regulation providing a greater level of environmental protection will normally prevail.

Environmental laws and regulations require that we obtain certain environmental permits for the installation and operation of our facilities, such as the operational permit and water grants for use of water resources. The operation of our activities without the proper environmental permits may be subject to administrative and criminal liability, in addition to the obligation to remediate damages arising from such activities. We are also subject to this risk in the event we do not timely renew our permits and they expire, or if we fail to obtain any additional required environmental permits and consents from environmental authorities.

Environmental permits require us to comply at all times with a number of conditions, including technical standards. Accordingly, we may be required to incur significant expense. Failure to comply with such conditions may lead to the same penalties applicable in the case of failure to obtain or renew the required environmental permits.

Under Brazilian environmental laws, any individual or legal entity (whether public or private) that directly or indirectly causes harm to the environment may be held liable for the recovery, remediation and/or compensation of the damages caused, irrespective of fault. Therefore, we could be held liable for the remediation of environmental damage caused by our service providers during their execution of the contracted activities.

There are three types of liabilities under Brazilian environmental law that may be applied cumulatively: (i) civil, (ii) criminal and (iii) administrative.

Civil liability for environmental damages is strict, i.e., it applies irrespective of fault or intent by those that have caused the damage, requiring that the responsible parties remediate the damage in full or pay compensation when remediation is not possible. Civil liability also applies jointly and severally to those who facilitate, benefit from and contribute to the occurrence of environmental damages given that the concept of polluter includes the individual or legal entity that is either directly or indirectly connected to the activities that caused the environmental degradation. As a result of this joint and several liability, the party bringing the environmental claim may freely choose whom to sue.

There is no limit to the amount that Brazilian courts may award to cover the costs of repairing the damage. If the damage cannot be repaired, Brazilian courts may order the payment of an indemnity. Environmental civil liability is not subject to statute of limitations under Brazilian law.

With respect to criminal liability, Federal Law 9,605/98 provides that individuals and legal entities can be held liable for criminal offences against the environment. Criminal sanctions applicable to legal entities include fines, the partial or total suspension of activities and temporary shutdowns, prohibition on contracting with governmental entities, as well as on obtaining subsidies, grants or donations, for a maximum period of 10 years. Officers, controllers, directors, managers, auditors, nominees (shareholders or not) may also be held criminally liable. The criminal liability of legal entities is independent of the criminal liability of these individuals.

Individuals are subject to fines and imprisonment, but the latter may be substituted in certain circumstances for the imposition of restrictions on certain rights.

Finally, the administrative liability arises from any action or omission in violation of Brazilian federal, state and municipal environmental laws and regulations, including Federal Decree No. 6,514/2008, which establishes the administrative environmental infractions and the corresponding penalties, setting fines amounting to a maximum of R$50.0 million, as well as suspension of activities.

See "Risk Factors—Risks Relating to Brazil—Compliance with environmental regulations and obtaining or renewing the necessary permits to operate in the beef industry may result in significant costs, and failure to comply with environmental regulations may result in administrative as well as criminal penalties and civil liability for damages."

Regulatory Matters

Our processing facilities in Brazil are continuously inspected by veterinarians, federal agribusiness and MAPA inspectors. Depending on certain qualifications, industrial operations may face bi-monthly or quarterly audits by MAPA technicians that are located in Brasilia; they audit both the business as well as the work of inspectors in the industry. In addition to these audits by the Brazilian government, our industrial units are also audited by international organizations in order to verify compliance with requirements for export to certain countries and other specific measures. Our operations in Paraguay, Uruguay, Argentina and Colombia are also monitored by the regulatory bodies and inspectors of the respective sanitation institutions in each country.

Our facilities are subject to audits by clients and certifying organizations in order to verify our food production safety management system. Changes in government regulations relating to food safety may require us to incur additional costs in respect of investments necessary to comply with these regulations. Stricter health regulations may also result in increased costs and/or investments, which may have a material adverse effect on our business and results of operations. In addition, we are party to legal proceedings in connection with government regulations that may also materially adversely affect our business and results of operations. See "Risk Factors—Risks Relating to our Business and the Beef and Food Industries—Government policies and regulations that affect the cattle and beef industries could materially adversely affect our operations and profitability."

Cattle raising and trading are significantly impacted by government regulations and policies. Governmental policies that impact the cattle industry, such as taxes, tariffs, subsidies and restrictions on the import and export of beef and beef by-products may influence the profitability of the industry, the use of land resources, and the location and availability of cattle required in the production of frozen, chilled or processed meat products.

Sanitary and Quality Control

Food safety is an essential and fundamental component of our business. In addition to participating in certain programs geared toward the inspection and monitoring of foods for chemical residues and established by the applicable governmental authorities in the countries in which we operate, we have also implemented our proprietary program to control chemical residues. The goal of this program is to identify dangerous chemicals originating in farmed animals and that may leave chemical residues in our products.

We hold certifications recognized by the GFSI, such as the BRCGS certificate, a global food safety standard that allows businesses to demonstrate their adherence to recommended sanitation, food safety and quality assurance controls. Moreover, we maintain our quality standards during the production process by purchasing raw materials that comply with the production standards set forth in the respective markets in which we operate.

Sustainability

Sustainability is at the core of our relationships with our employees, customers and surrounding community. As such, we are committed to supporting sustainable practices from farm to table, respecting the environment and encouraging the development of all stakeholders in our production chain. Our goal is to feed the world, preserve the environment and add human value. We believe that taking the lead in the fight against deforestation, climate change and human rights abuses is in accordance with our social purpose. Because of that, we have taken actions to address and mitigate risks to our sustainability goals established in our sustainability commitment that we announced in 2021. We have entered into environmental and human rights agreements to improve our sustainability record, such as the Beef Moratorium with the Greenpeace, an agreement with the Brazilian Prosecutor's Office and the state of Pará to prevent illegal deforestation and the Brazilian Pact

for the Eradication of Slave Labor. In addition, we have been participants in the UN Global Compact since 2021 and are committed to achieve the ten principles of the initiative.

Our facilities in Brazil are located in six states and five different biomes: the Atlantic rainforest (*Mata Atântica*), *Cerrado, Caatinga, Pantanal* and the Amazon rainforest. Before any procurements, we conduct compliance procedures on environmental and labor matters, including verifying whether our potential suppliers are operating on land protected by the Environmental Ministry, have engaged in illegal deforestation on their property or have engaged with actors blacklisted by the Labor Ministry for using forced labor. We also verify the environmental land registry (*Cadastro Ambiental Rural*), or CAR, and other land tenure documents before any engagement in order to prevent the acquisition of animals associated with the invasion of indigenous lands and traditional communities. As a result of these efforts, more than 2,300 producers have been blacklisted by our sustainability department to ensure that we only engage with farmers who meet the socio-environmental criteria established in our procurement policy. We have implemented the same monitoring system in other countries in which we operate in South America, subject to variations to adapt our policies to local legislation.

Our supply chain has been subject to an annual third-party audit since 2013. The most recent BDO RCS Auditores Independentes SS Ltda. external audit for 2021 concluded, for the ninth consecutive year, that we comply with sustainable supply chain management standards. Our operations in Paraguay have also been audited by a third party every year since 2019.

We have also received positive results from audits conducted by the Brazilian Public Prosecutor's Office. These audits are supervised by public authorities, and the data is compiled and provided by the government. According to the reports issued in connection with our two most recent audits in 2021 and 2020, we achieved all of our commercial transactions involving animals complied with both processes, attesting that our cattle was acquired without any evidence of irregularities.

We have been a member of the Global Roundtable for Sustainable Beef, or GRSB, since June 2019. This roundtable is composed of specialists, academics and large companies from four continents. It aims at allowing members to share good management practices and have a constructive dialogue on sustainability in the global beef industry. We are also interacted with our investors and customers at various events in Brazil and abroad, and institutions such as the GRSB chapters in Brazil, Colombia and Paraguay, by participating in corporate events and presentations.

Developments in our ESG initiatives

In 2023, we accelerated the progress of our environmental, social and corporate governance, or ESG, initiatives. We led efforts to combat illegal deforestation and climate change in South America, driven by the goal of achieving carbon neutrality by 2035 as set out in our commitment to sustainability announced in 2021.

Fighting Illegal Deforestation

Pioneering efforts to combat illegal deforestation in the value chain had already positioned us as the first company to monitor 100% of our direct suppliers in Paraguay by 2021. In Brazil, we had already monitored 100% of our direct suppliers in all biomes through cattle trade agreements. In 2023, we made progress in the monitoring of our direct suppliers in Colombia, where we also monitor 100% of our suppliers. In Argentina, approximately 90% of our direct suppliers are being monitored, with the aim of reaching 100% by the end of 2030. In Uruguay, more than 20% of our direct suppliers are monitored, with the aim of reaching 100% by the end of 2025.

In 2021, we launched the SMGeo Prospec® application to improve traceability in the value chain in a partnership with Niceplanet Geotecnologia. The tool allows rural producers to carry out in-depth research, with access to historical data and socio-environmental compliance analysis, enabling them to map risks prior to the commercialization of their products. In 2023, we focused our efforts on training our suppliers on the importance of using the tool and we have so far distributed more than 2,000 vouchers for free use of the application.

Renove Program

Renove, a program to engage cattle ranchers in implementing low-carbon cattle ranching practices, achieved significant results throughout 2022. This program enabled us to export certified carbon neutral meat products from Brazil and Uruguay to customers in countries that include the United States, Spain, Italy and Chile. The carbon footprints of partnering ranches, industrial units and logistics operations were measured, audited and certified by an independent organization. The emissions offset required to neutralize the entire process were traded through our subsidiary, MyCarbon. These carbon credits derived from tree planting and forest conservation projects.

The Renove program has also made progress in generating carbon credits from the livestock sector in Brazil. Technical cooperation agreements have been signed with cattle ranchers transforming conventional livestock management practices into regenerative practices that increase productivity, reduce greenhouse gas (GHG) emissions and store carbon in soil and biomass.

As part of the Renove program, we began participating in the *Floresta Viva* initiative, led by BNDES, for the ecological restoration of Brazil's biomes. We aim to contribute to the restoration of degraded areas in the states of Rondônia, Mato Grosso and Goiás through our participation in this initiative.

MyCarbon

Our subsidiary MyCarbon aims to help companies achieve their greenhouse gas emission neutralization goals through carbon offsetting in a transparent, reliable and sustainable manner. MyCarbon develops high-quality projects in accordance with international standards.

MyCarbon assisted the e-commerce company *Meu Minerva* (My Minerva) in achieving carbon neutrality in its operations, becoming the first in the protein segment in Brazil to achieve this milestone.

MyCarbon was also responsible for 20% of all carbon credits traded in the inaugural voluntary market auction held by Saudi Arabia's sovereign wealth fund. This was the first voluntary carbon market initiative in the region and resulted in the trading of more than one million tons of greenhouse gases in the form of audited and certified carbon credits.

Recognition

For the third consecutive year, we were listed in the 2023 portfolio of the Carbon Efficient Index (ICO2) and the Corporate Sustainability Index (ISE) promulgated by the B3. In 2022, we were also included in the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70). These indices are tools used to compare the performance of companies listed on the B3 in relation to corporate sustainability.

We rank among the five best Brazilian companies in 2023 according to Forest 500 rankings. This assessment attests that we have among the lowest risk of ties to deforestation or potential exposure to forest commodity risk in our supply chains. The ranking is conducted annually by Global Canopy and strives to accelerate progress towards a global deforestation-free economy through greater transparency, innovative finance, and strategic communications. The ranking evaluates the overall approach to deforestation, the strength of sustainability policies/commitments, social initiatives, including commitment to human rights and the reporting and implementation of commitments made, for which we achieved positive results.

In 2023, we achieved additional recognition for our ESG initiatives through our second place ranking in the European Sustainable Food Awards in the category "Sustainability Pioneer". We were evaluated alongside companies from France, the United States and Holland, and were the first and only Brazilian company to win the award, having been recognized globally as a pioneer in sustainability as a result of our efforts to play an important role in building a more sustainable food industry. We competed for the award in connection with our production chain traceability processes and geo-monitoring systems, particularly our SMGeo Prospec application, a pioneering initiative that shares with rural producers the same technology used to monitor their suppliers under socio-environmental criteria.

Innovation

In 2020, we launched an innovation department organized into three segments: (1) advanced analytics, (2) e-commerce and marketplace analytics, and (3) venture capital. The advance analytics segment is responsible for producing and managing statistical data and developing artificial tools to assist us in making operational, financial and risk management decisions. The e-commerce and marketplace analytics segment is intended to develop global initiatives to improve our digital sales channels, targeting initially Brazil, Argentina and Paraguay. The venture capital segment is a recently created investment vehicle focused on start-ups and tech companies strictly related to our value chain.

In 2020, we also invested U.S.$4.0 million in Clara Foods, a San Francisco-based food startup focused on developing animal free proteins using fermentation. One of Clara Foods' early investors is IndieBio, a leading science accelerator devoted to biology start-ups.

In September 2021, as part of our corporate venture capital initiatives, we announced an investment in Traive, a company that seeks to offer financial solutions for small and medium-sized rural producers.

In March 2022, we entered into a memorandum of understanding with Biofílica Ambipar Environmental Investments S.A., establishing the main terms and conditions of a partnership for the development of carbon projects along the agribusiness production chain in South America, excluding Brazil and Peru.

In May 2023, we announced a seed investment of U.S.$2.0 million in Bluebell, a Brazilian climate-tech company specialized in the development of environmental assets, called Bluebells, which consolidate carbon, hydrology, soil and biodiversity in a single environmental measure, in order to seek to maximize revenue from rural properties.

Compliance and Risk Management

On September 24, 2019, our board of directors approved our risk management policy, which established the principles, guidelines and responsibilities to identify, evaluate and handle strategic, market, credit, liquidity and compliance risks in our business. Pursuant to the risk management policy, we have implemented a risk management process across all levels of the Company to monitor and measure risks and take decisions to mitigate and/or neutralize any identified risks.

Our non-statutory finance and risk committee, composed of certain members of our management bodies, employees and external consultants, is responsible for assisting our board of executive officers and board of directors in implementing measures that mitigate the risks to which we are exposed.

Our management and the finance and risk committee regularly evaluate the risks that could adversely affect our business, financial condition and results of operations and regularly monitor changes in the macroeconomic scenario and industry activities that could affect our business activities. For more information about our risk committee, see "Management—Board Committees—Finance and Risk Committee."

We maintain high standards of governance and transparency. We adopt measures to avoid, mitigate and manage the impacts and risks to which we are exposed and seek to maximize our operational efficiency, employee health and safety, compliance with environmental controls and product quality to ensure that our products are produced under appropriate sanitary conditions in accordance with international standards and animal welfare practices.

We have a confidential hotline that enables employees and the public to make complaints and compliments and preserves the anonymity and ensures the protection of good-faith complainants. ICTS Global, an independent external company, manages the hotline and sends the feedback to our ombudsman, who evaluates the feedback and reports to the Ethics Committee comprised of certain officers nominated by our CEO. We monitor the efficiency and execution of our primary internal control practices, identify any weaknesses and propose remedial steps.

Legal and Administrative Proceedings

We are a party to a number of legal and administrative proceedings arising in the normal course of our business, including tax, labor, civil and social security proceedings. We record provisions on our balance sheets for contingencies based on the estimated probability of loss by our external legal counsel. Pursuant to Brazilian GAAP, which is based on the Brazilian Corporations Law as well as securities and accounting regulations, we are required to maintain reserves for any losses deemed probable by our external legal counsel, and to record a provision for contingencies where the amount of probable loss can be reasonably estimated.

Although we are also a party to other proceedings to which our external legal counsel believes the possibility of loss is possible and remote, we only record provisions for the contingencies estimated by our external legal counsel as probable losses.

As of June 30, 2023, we were party to legal proceedings assessed as having a probable risk of loss involving an aggregate amount of R$35.9 million, for which we have provisioned an equal amount. For the proceedings assessed by our external counsel as having a possible or remote risk of loss, we have not recorded any provision.

Although the amount of any liability that could arise with respect to these proceedings cannot be accurately predicted, we do not believe any of these proceedings is reasonably likely to individually or in the aggregate have a material adverse effect on our financial condition or results of operations, except as set forth below in "—Material Disputes." We cannot assure, however, that the current proceedings will be resolved in our favor or that additional proceedings will not arise in the future.

Tax Proceedings

As of June 30, 2023, we were not a party to any tax-related judicial and administrative proceeding for which our risk of loss was deemed probable. As of June 30, 2023, we were a party to tax-related judicial and administrative proceedings for which

our risk of loss was deemed possible that we believe would have a financial impact on our business in an aggregate amount of up to R$414.1 million. In addition, we are involved in 61 other judicial and administrative proceedings in which our probability of loss was deemed remote.

Labor Proceedings

As of June 30, 2023, we were party to approximately 2,150 labor claims, including individual labor lawsuits, class actions (*ações coletivas*) and civil public actions (*ações civis públicas*), which mostly relate to overtime, commuting time, hazard pay and mandatory thermal control breaks.

The aggregate amount in dispute as of June 30, 2023 was approximately R$296 million, and we do not believe that any of our labor proceedings on an individual basis is material to our business or results of operations. Based on the opinion of our external legal counsel, as of June 30, 2023 we have recorded a provision for probable losses in the amount of R$30.4 million in respect of our labor proceedings.

Civil and Tax Proceedings

As of June 30, 2023, we are party to approximately 51 civil lawsuits, none of which, on an individual or consolidated basis, we consider material to our business or results of operations. Based on the opinion of our external legal counsel, we have recorded a provision for probable losses in the amount of R$5.5 million in respect of our civil proceedings.

Material Disputes

Funrural

On March 12, 2003, we filed for an injunction to suspend the withholding and collection of the Social Contribution for Rural Workers (*Contribuição Social Rural*), or Funrural, and the Brazilian Service for Rural Apprenticeship (*Serviço Nacional de Aprendizagem Rural*), or SENAR. In order to avoid forfeiting its right to collect Funrural and SENAR, the National Institute of Social Security (*Instituto Nacional do Seguro Social*), or INSS, issued several assessments against us. In May 2018, we settled our claims in connection Funrural using certain tax credits. Our claims in connection with withholding and collection for SENAR remain pending. As of June 30, 2023, the aggregate amount involved in these assessments was approximately R$80.4 million and our probability of loss was possible.

Argentina – Riachuelo Case

This environmental case before the National Supreme Court of Justice, or NSCJ, involves a claim for compensation to restore the environmental conditions of the polluted Matanza-Riachuelo River. In 2018, the NSCJ issued a decision regarding the summoning of third parties to appear in the proceeding (*citación de terceros*). The NSCJ ordered the Cuenca Matanza Riachuelo Authority (*Autoridad de Cuenca Matanza Riachuelo*), or ACUMAR, to provide a list of companies deemed by ACUMAR to be polluting agents. One of our subsidiaries appears in this list, along with hundreds of other companies deemed polluting agents (from more than 5,000 doing business in the basin) submitted by ACUMAR, in connection with our Pontevedra facility. As of the date of this offering memorandum, the NSCJ has not rendered a resolution on this dispute and Swift Argentina S.A. is not a party to the case. In August 2022, the plaintiff petitioned to the NSCJ for a list of the defendants in the case. As of to date of this offering memorandum, no decision on the petition has been rendered.

Operation Lucas and Operation Vegas

In 2017, the Brazilian Federal Police and the Brazilian Prosecutor's Office (*Ministério Público Federal*) launched two investigations, known as "Operation Lucas" and "Operation Vegas," involving alleged illicit payments made to former alternate superintendents of MAPA in the State of Tocantins in Northern Brazil. We cooperated with the authorities and none of our employees were indicted in relation to "Operation Lucas" and "Operation Vegas". Accordingly, the criminal case was closed in relation to us and our employees. Separately, administrative proceedings were initiated by MAPA that are currently being conducted through the Office of the Comptroller General of the Union. As of the date of this offering memorandum, it is unclear whether these administrative proceedings could adversely affect us. For additional information regarding risks relating to these proceedings, see "Risk Factors—Risks Relating to Brazil—We are subject to anticorruption, anti-bribery, anti-money laundering and other international trade laws and regulations. Our existing compliance processes and internal control systems may be insufficient to prevent violations of anti-corruption laws, fraud and other irregular practices by our executives, employees and suppliers, which could result in regulatory fines and damage to our reputation."

MANAGEMENT

Pursuant to our bylaws, we are managed by our board of directors (*conselho de administração*) and by our board of executive officers (*diretoria*). Our bylaws also provide for a non-permanent fiscal council, which members have been elected for a term ending on the date of the annual shareholders' meeting in 2024.

Board of Directors

Our board of directors is a decision-making body composed of ten directors, as well as alternate members, who are elected by our shareholders at a general meeting for a two-year term, subject to reelection. Our board member is required to have (1) one Chairman, (2) two Vice-Chairmen, and (3) a minimum of two independent board members, or 20% of our board, whichever is greater, in accordance with the *Novo Mercado* Listing Rules. The members of our board of directors may occupy more than one position in our management. The same person, however, may not serve as both Chairman of our board of directors and our Chief Executive Officer.

Board members elected in accordance with our shareholders' agreements must cast votes in accordance with the provisions of the relevant shareholders' agreement. For more information see "Principal Shareholders— Shareholders' Agreements."

The following table sets forth the name, age, position and most recent election date of each of the members of our board of directors:

Name	Position	Age	Election date
Norberto Lanzara Giangrande Jr.	Chairman	54	April 25, 2022
Abdulaziz Saleh Al-Rebdi	Vice-Chairman	60	April 25, 2022
Frederico Alcântara de Queiroz	Vice-Chairman	46	April 25, 2022
Baker Almohana	Member	39	April 25, 2022
Alexandre Lahoz Mendonça de Barros	Member	55	April 25, 2022
Marcos Prado Troyjo	Member	57	April 25, 2022
Suzanne Karen Camargo de Colón	Member	59	April 25, 2022
Mohammed Mansour A. Almousa	Member	51	April 25, 2022
José Luis Rêgo Glaser	Independent Member	68	April 25, 2022
Gabriel Jaramillo Sanint	Independent Member	73	April 25, 2022
Rafael Vicentini de Queiroz	Alternate	37	April 25, 2022
Ibar Vilela de Queiroz	Alternate	79	April 25, 2022

The terms of the directors listed above will expire at our annual shareholders' meeting in 2024.

The following is a summary of the business experience of the current members of our board of directors.

Norberto Lanzara Giangrande Jr. Mr. Giangrande Jr. has been a member of our board of directors since April 2018 and is currently the chairman of our board of directors. As of the date of this offering memorandum, Mr. Giangrande Jr. does not hold a management position with us. He is a founding partner and CEO of Rico Investimentos, and is currently a partner of Yellow Ventures, Neon Means of Payment, San Francisco Farming and Blu Real Estate. He served as managing director of brokerage firm Octo CTVM S/A (securities broker), and has also held the position of CEO and partner of Link Investimentos CTVM S/A since 2014. He is a member of the board of directors of the Brazilian Mercantile Exchange BBM (a non-profit civil association that organizes and develops trading systems and transactions in merchandise, goods and services). As of the date of this offering memorandum, Mr. Giangrande Jr. does not hold a management position with us. Mr. Giangrande Jr. has a bachelor's degree in agronomy from Universidade de São Paulo and a degree in finance from Fundação Getulio Vargas.

Abdulaziz Saleh Al-Rebdi. Mr. Al-Rebdi has been a member of our board of directors since March 2017 and is currently the vice-chairman of our board of directors. Mr. Abdulaziz Saleh Al-Rebdi is currently a member of the Board of Directors of the Saudi Agriculture & Livestock Investment Company, or SALIC. In addition to SALIC, Mr. Abdulaziz Saleh Al-Rebdi, serves as CEO at ASR Consulting, a company based in Saudi Arabia, with focus on financial consulting, including access to financing, restructuring, merger and acquisition, as well as project development for the petrochemical, oil refinery, mining, manufacturing of construction materials sectors. For three years he served as General Manager at NADEC, a Saudi Arabia based company with focus on the production of dairy products, and while there, he was in charge of the company's restructuring project, which was aimed at making the company more competitive on the market. Mr. Abdulaziz Saleh Al-Rebdi holds a degree in Industrial Management from King Fahd University of Petroleum and Minerals in Saudi Arabia.

Frederico Alcântara de Queiroz. Mr. Queiroz has served as a member of our board of directors since March 2018 and is currently the vice-chairman of our board of directors. In addition, he has served as our executive officer since April 27, 2012.

He began his career with us in 1998 working on capital markets matters and since 2003 he has been responsible for the live cattle exports. Mr. Queiroz has a business administration degree and an MBA in Management and Finances from FGV.

Baker Almohana. Mr. Almohana has been a member of our board of directors since March 2020. He is a senior vice president at the Saudi Public Investment Fund, or PIF, a member of the investment committee of SALIC and also holds the following positions: member of the board of directors and executive committee of Saudi Milling Companies, member of the board, executive investment committee and nominating and compensation committee of National Gas and Industrialization Co. and member of the board of directors of Tatweer Education. In addition, Mr. Almohana served as director of associate investments at Dussur, director of investments at King Abdullah City for Atomic and Renewable Energy and was an associate at Deutsche Bank. Mr. Almohana holds a degree in information systems management from King Fahd University of Petroleum and Minerals.

Alexandre Lahoz Mendonça de Barros. Mr. Lahoz Mendonça de Barros has been a member of our board of directors since April 2010. He is also a member of the Committee for External Assistance of the Brazilian Enterprise for Agricultural Research (*Empresa Brasileira de Pesquisa Agropecuária*) and a member of the Superior Council of Agribusiness of the Federation of Industries of the State of São Paulo (*Federação das Indústrias do Estado de São Paulo*), or FIESP. He was a member of the board of directors of Fosfértil and is currently a member of the boards of directors of the Schoenmaker/Terra Viva Group and the Otávio Lage Group, which are both privately-held agriculture companies. He has been a professor of agricultural economics at FGV since 2005 and is a consulting partner of the companies MB Agro and Ruralcon Consultoria em Gestão Agropecuária. Mr. Lahoz Mendonça de Barros was a professor of macroeconomics, economic development and agricultural economics in the department of economics, management and sociology of ESALQ. Mr. Lahoz Mendonça de Barros holds a bachelor's degree in Agricultural Engineering and a doctorate degree in Economics from ESALQ.

Marcos Prado Troyjo. Mr. Marcos Troyjo holds a bachelor's degree in Economics from the School of Economics, Finances, and Administration of São Paulo (*Faculdade de Economia, Finanças e Administração de São Paulo*) and in Political and Social Science from the School of Sociology and Politics of São Paulo (*Escola de Sociologia e Política de São Paulo*). He has a graduate degree from the Kennedy School at Harvard University, a master's degree and a Ph.D. in Sociology of International Relations from the University of São Paulo, and a post-doctoral fellowship from Columbia University, in New York. Mr. Troyjo was the President of the New Development Bank from 2020 to 2023 and Special Secretary of Foreign Trade and International Affairs at the Ministry of Economy from 2018 to 2020. He founded and directed BRICLab at Columbia University a forum on emerging markets. He has taught international relations and public policy at Columbia-SIPA, where he is a licensed researcher fellow at the Center for Global Economic Governance (CGEG). He also managed the ITTI (Intelligent Tech & Trade Initiative) developed within the International Chamber of Commerce (ICC). He worked as a diplomat and served in the Brazilian Mission to the UN in New York, where he was part of the Brazilian delegation to the UN Security Council. He was also head of the Press and Publicity Section of the Brazilian Mission to the UN, and acted as a Brazilian delegate in several negotiations, such as the UN Commission on International Trade Law (UNCITRAL). In addition, Mr. Troyjo was chief of staff of the Department of Scientific, Technical, and Technological Cooperation of the Brazilian Ministry of Foreign Affairs.

Suzanne Karen Camargo de Colón. Ms. Camargo de Colón completed her undergraduate studies in applied sciences, institutional management and law at the Cambridge College of Advanced Technology and the University of Cambridge. She has been CEO of a private office of the sovereign of Dubai, prime minister and vice-president of the United Arab Emirates, board member of private family businesses and special advisor to EXPO 2020. Her experience includes working on sovereign wealth strategy and guiding investment projects in renewable energy, aerospace and economic diversity. As an independent consultant and management advisor, she has supported boards and the C-suite of global organizations navigating geopolitics, crisis and risk. Her experience spans China, the Middle East, Latin America, Africa, Europe and the United Kingdom. Since 1990, she has developed expertise incorporating innovation and sustainability practice. She is a Board Member and Trustee of The Great Generation, United Kingdom, a Member of the Advisory Board of Fundação Dom Cabral, Brazil and a Member of the Science and Technology in Society Forum, Japan.

Mohammed Mansour A. Almousa. Mr. Almousa has been a member of our board of directors since March 2020. He is the chief financial officer of SALIC and serves as a consultant at SALIC Ukraine LLC, United Farmers Investment Co., SALIC Canada Ltd. and as an observer consultant at Hummingbird Technologies Ltd. Mr. Almousa has 20 years of professional experience in corporate finance, having previously served as chief financial officer of Al Faisaliah Group Holding, director of financial controls, manager of finance and accounting, member of boards and committees of several organizations, in addition to having worked in the education, banking and consulting sectors. Mr. Almousa holds a bachelor's degree in business administration and accounting from King Saud University and a master's degree in accounting from Missouri State University. He also holds certifications in the financial sector, including certified public accountant (CPA) and a general securities qualification certificate (CME1).

José Luiz Rêgo Glaser. Mr. Rêgo Glaser has been a member of our board of directors since March 2011. He started working in the agribusiness sector in 1984, and served as director of Trading Cargill Agrícola S.A., or Cargill, a privately-held agricultural, financial and industrial products company. He was a member of the boards of directors of the Industry Association of Vegetable oil (*Associação da Indústria de Óleo Vegetais*), or ABIOVE, the National Association of Grain Exporters (*Associação Nacional de Exportadores de Cereais*), or ANEC, the Brazilian Association of Ports (*Associação Brasileira dos Terminais Portuários*), or ABTP, and since 2005 he has been a member of the Brazilian Institute of Capital Markets (*Instituto Brasileiro de Mercado de Capitais*), or Ibmec. Mr. Rêgo Glaser holds a bachelor's degree in business administration from FGV and a master's degree from the Food Research Institute of Stanford University.

Gabriel Jaramillo Sanint. Mr. Gabriel Jaramillo has been a member of our board of directors since January 2018. Mr. Jaramillo has a large financial experience and led during his career several integrations of institutions in the Americas such as the Banco Internacional de Colombia, Banco Comercial Antioqueno and Invercredito in Colombia, Banco Santander in Brazil with the Banco Meridional, Bozano Simonsen and Banco do Estado de São Paulo – BANESPA, and the integration of Banco Santander in the United States with Sovereign Bank. Mr. Gabriel Jaramillo was President of Citibank in Colombia and Mexico, and President of Banco Santander in Colombia, Brazil and in the United States. In addition, he gained international recognition by transforming Banco Santander into the third largest financial institution in Brazil. Mr. Gabriel Jaramillo holds a bachelor's degree in marketing and an MBA from California State University and received honorary degrees from North Eastern University.

Sergio Carvalho Mandim Fonseca. Mr. Fonseca has been a member of our board of directors since August 2016. Mr. Fonseca has a degree in Production Engineering from the Polytechnic School of the University of São Paulo (USP), and completed a specialization course in Strategic Sales Management at the University of Berkeley, California and the Advanced Management Program at FDC/INSEAD. He was CEO of BRF S.A. from September 2013 to April 2015 and Vice-President for Brazil of Sadia S.A. from 2004 to 2009. Between 1987 and 2013, he was the Planning, Sales and BU Officer at Martins Comércio e Distribuição. He was previously a member of our board of directors until November 2013 and has served on the boards of Excelcior Alimentos, Rio Grande do Sul, and Start Química and ACIUB, in Uberlândia MG, among others. Between 2009 and 2013, he also acted as a management consultant.

Ibar Vilela de Queiroz. Mr. Vilela de Queiroz has been a member of our board of directors since May 2007. He started his career working for Frota "C" Transportes de Gado Ltda., where he served as partner and officer. Mr. Vilela de Queiroz became a shareholder of our company in 1992, and since 1993, he has served as supply officer, in charge of our cattle purchases.

Mr. Ibar Vilela de Queiroz is the uncle of Mr. Fernando Galletti de Queiroz and Mr. Rafael Vicentini de Queiroz, all of whom are our indirect controlling shareholders. Mr. Fernando Galletti de Queiroz and Mr. Rafael Vicentini de Queiroz are cousins.

Board of Executive Officers

Our board of executive officers is our executive management body. The members of our board of executive officers are our legal representatives and are responsible, among other matters, for the internal organization, decision-making, day-to-day operations and the implementation of the general policies and guidelines established from time to time by our board of directors.

Our board of executive officers is comprised of a minimum of two and a maximum of eight executive officers, each of whom must be a resident of Brazil, but is not required to be a shareholder. Our executive officers are elected by our board of directors for a two-year term, subject to reelection. The board of directors may remove any executive officer at any time with or without cause.

The following table sets forth the name, age, position and most recent election date of each of the members of our board of executive officers:

Name	Position	Age	Date of Election
Fernando Galletti de Queiroz	Chief Executive Officer	55	April 26, 2022
Edison Ticle de Andrade Melo e Souza Filho	Chief Financial Officer and Investor Relations Officer	44	April 26, 2022
Luis Ricardo Alves Luz	Chief Operating Officer	51	April 26, 2022
Wagner José Augusto	Supply Officer	66	April 26, 2022
Frederico Alcântara de Queiroz	Executive Officer	46	April 26, 2022

The terms of the executive officers listed above will expire at the first board meeting following our annual shareholders' meeting in 2024.

The following is a summary of the business experience of the members of our board of executive officers:

Fernando Galletti de Queiroz. Mr. Galletti de Queiroz has served as our CEO since May 2007. Before joining Minerva in 1992, he served as a trader for Cargill, a privately-held agricultural, financial and industrial goods company, and as an intern for Cotia Trading S.A., a privately-held company in the field of international logistics. Mr. Galletti de Queiroz holds a bachelor's degree in business administration from FGV.

Edison Ticle de Andrade Melo e Souza Filho. Mr. Ticle has served as a member of our board of directors since April 2010, when he was elected Chief Financial Officer, and he was also elected as our Investor Relations Officer in March 2019. Mr. Ticle started his career with us in February 2009. Previously He worked as senior manager of portfolio in the Constellation Asset Management and Black River Gestão de Investimentos (a Cargill company). He also worked at Banco Safra until 2007, where he held served as chief treasurer and chief treasury officer. Mr. Ticle holds a bachelor's degree in business from FGV and a bachelor's degree in business economics from the University of São Paulo (USP). He holds a master's degree in economics from FGV and an MBA in business economics from USP.

Luis Ricardo Alves Luz. Mr. Luz has served as our business director since January 2009. He started his career with us in 1999, when he served in both our departments of costs, planning and control of production as well as our department of international logistics, and in 2009 he became our supply chain director. From August 2008 to December 2008, he also served as general director of bovines at Perdigão S.A., a publicly-held poultry, pork and frozen meats company. Mr. Luz has a bachelor's degree in agro-industrial production engineering from the University of São Carlos (*Universidade de São Carlos*).

Wagner José Augusto. Mr. Augusto serves as our board of executive officers as supply officer since December 31, 2011. He has worked for us since 2000, first as a business manager and later as our director of procurement in charge of managing and purchasing our livestock. In addition, Ms. Augusto is a director of Mato Grosso Cattle S.A. From 1978 to 1991, Mr. Augusto worked at Expresso Barretos Ltda. specializing in livestock transportation, and from 1991 to 1996, he purchased livestock for Frigorífico Anglo S.A. Mr. Augusto graduated with a degree in business administration.

Frederico Alcântara de Queiroz. See "Board of Directors" above.

Fiscal Council

Under the Brazilian Corporations Law, a fiscal council is a separate governance body, independent of management and the independent auditors. Our bylaws provide for a non-permanent fiscal council, whose members have been elected for a term ending on the annual shareholders' meeting in 2023. The principal responsibilities of a fiscal council are to monitor our management's activities, opine on certain proposals of the management that will be submitted to a general shareholders' meeting, examine our financial statements and point out any misconduct, fraud or crimes of which they are aware.

Our fiscal council is comprised of a minimum of three and a maximum of five members, as well as alternate members, who are elected by our shareholders at a general meeting for a one-year term, subject to reelection.

The following table lists the current members of our fiscal council:

Name	Position	Age	Election date
Franklin Saldanha Neiva Filho	Member	56	April 18, 2023
Pedro Teixeira Dall'agnol	Alternate	43	April 18, 2023
Dorival Antonio Bianchi	Member	81	April 18, 2023
Marcelo Scaff Padilha	Alternate	56	April 18, 2023
Luiz Manoel Gomes Junior	Member	51	April 18, 2023
Ricardo Alves de Oliveira	Alternate	51	April 18, 2023

The terms of the member of our fiscal council listed above will expire at the annual shareholders' meeting in 2024.

Franklin Saldanha Neiva Filho. Mr. Neiva Filho has been a member our fiscal council since April 2019. He has been a practicing litigation and advisory lawyer since 1991 and is currently partner of the law firm De Vivo Advocacia. He is also a member of the civil procedure committee of the Law Firm Study Center (CESA).

Pedro Teixeira Dall'agnol. Mr. Dall'agnol has been a member of our fiscal council since April 2019. He is currently a partner at the law firm Dall'agnol & Alves Advogados Associados S/S. He was a solo practitioner from 2005 to 2009 and

practiced as a civil lawyer from 2003 to 2005 at the law firm Advocacia José Raimundo Canto Advocacia S/S. Mr. Dall'agnol holds a bachelor's degree in law from the Federal University of Pará (UFPA).

Dorival Antonio Bianchi. Mr. Bianchi has been a member of our fiscal council since April 2016. Since 2009, he has been a member of the board of directors of Dan-Herbert Engineering S.A., a privately held company that operates in the construction industry. Mr. Bianchi holds management positions in several companies, including Fides Factoring Fomento Mercantil Ltda., Guiar Gestão de Carteiras de Valores Ltda., TWC Assistência Técnica e Importação de Peças Ltda., Harvard Enterprise Importadora Ltda., Porto Empreendimentos e Participações and Alvorada Distribuidora de Títulos e Valores Mobiliários S.A. Mr. Bianchi holds a degree in economics from USP.

Marcelo Scaff Padilha. Mr. Padilha has been an alternate member of our fiscal council since April 2014. Mr. Padilha practices in the areas of tax planning, litigation and civil and commercial law, and is a member of the São Paulo Bar Association Arbitration Tribunal. He holds a bachelor's degree in law and a postgraduate degree from Universidade Mackenzie.

Luiz Manoel Gomes Junior. Mr. Gomes Junior has been a member of our fiscal council since April 2014. He previously served as an alternate member from April 2013 to April 2014. Mr. Gomes Junior is also a member of the Editorial Board of *Revista de Processo and Revista de Direito Privado* (*Editora dos Tribunais RT*) and serves as Advisor of Undergraduate Law Programs of the Anísio Teixeira Institute for Educational Studies and Research – INEP/MEC. Before becoming a fiscal council member, he served as an advisor to the Ministry of Justice and Coordinator of the Ethics and Discipline Commission of the Brazilian Bar Association, or OAB. Mr. Gomes Junior teaches at several universities, including Pontifícia Universidade Católica de São Paulo, or PUC/SP. Between 2008 and 2010, he served as consultant for the United Nations Development Program (UNDP). He has worked at OAB since 1998, where he initially served as Regional Coordinator of the Bar Exam of the Barretos 7th Subsection. Mr. Gomes Junior holds a bachelor's degree in Legal and Social Sciences, with a specialty in corporate law, from Universidade de Ribeirão Preto – UNAERP, and master's and doctoral degrees in law from PUC/SP.

Ricardo Alves de Oliveira. Mr. Ricardo Alves de Oliveira has been an alternate member of our fiscal council since April 2021. Mr. Alves de Oliveira holds a bachelor's degree in Legal and Social Sciences from Centro Universitário do São José de Rio Preto – UNIRP, a specialization degree in civil law and civil procedure from Centro Universitário do São José de Rio Preto – UNIRP and a master's degree in collective rights from Universidade de Ribeirão Preto – UNAERP. He was a professor of legal practice of civil and criminal procedural law at Faculdades Integradas Padre Albino de Catanduva – FIPA and of general theory of procedure and succession law at Faculdades Integradas de Bebedouro – FAFIBE. He also served as legal advisor for the legislative branch of Barretos in 2004. He is currently practicing law in the State of São Paulo and in the Federal District (Brasília), and has been a member of the São Paulo State Bar Association – OAB/SP since 1999 and of the São Paulo State Lawyers Association – AASP since 1999.

Board Committees

Finance and Risk Committee

Our management and our finance and risk committee continuously monitor risks that could adversely affect our business, financial condition and results of operations, as well as changes in the industry and in Brazil's macroeconomic scenario that can affect our activities.

Our finance and risk committee is an advisory composed of a minimum of three and a maximum of seven members and currently has six members. This committee is responsible for:

- assisting our board of directors in monitoring and evaluating the effectiveness of financial policies applied by us;
- issuing recommendations to our board of directors on risk mitigation and strategies for greater efficiency and quality of the decisions of our board of directors;
- advising the board of directors on matters related to risk management, providing an overview of the relevant risks and their potential effects;
- drafting, assessing and monitoring our risk matrix, proposing improvements to our risk mitigation plan for strategic, operational, financial and compliance risks;
- drafting our risk management policy and ensuring compliance therewith;

- provide the board of directors with a macro and microeconomic analysis, as well as their possible effects on our debt profile, and, therefore, assess any opportunities and risks in the definition of strategies to be adopted by us, in order to optimize its debt structure;

- periodically analyze and review our economic and financial indices, in order to suggest any changes and adjustments whenever deemed necessary;

- providing annual recommendations to our board of directors regarding (a) financial strategies, (b) policies, strategies and risk management limitations, as well as procedures aimed at maintaining (i) the excellence of our financial structure, and (ii) our risk exposure at or below the levels set forth by our board of directors; and

- submitting to our board of directors proposed amendments to our finance and risk committee charter.

Our finance and risk committee is comprised of certain of our directors and executive officers, as well as an external consultant. As of the date of this offering memorandum, the members of our finance and risk committee are Fernando Galletti de Queiroz, Gabriel Jaramillo Sanint, José Luiz Rêgo Glaser, Norberto Lanzara Giangrande Júnior, Mohammed Al-Obaid and Mansoor Alhelabi.

Strategic and Investment Committee

Our strategic and investment committee is responsible for assisting our board of directors in analyzing and issuing recommendations for our strategic and business plans, as well as identifying potential business opportunities and other matters that our board of directors deems pertinent.

Our strategic and investment committee is composed of a minimum of three and a maximum of seven members and, as of the date of this offering memorandum, has the following six members: João de Almeida Sampaio Filho, Alexandre Lahoz Mendonça de Barros, Edison Ticle de Andrade Melo e Souza Filho, Mohammed Mansour A. Almousa, Mohammed Al-Obaid and Fernando Galletti de Queiroz.

Personnel and Organizational Development Committee

Our personnel and organizational development committee is responsible for assisting our board of directors in analyzing and monitoring human resources practices to ensure quality and efficiency in our human resources functions. Our personnel and organizational development committee is composed of a minimum of three and a maximum of nine members and, as of the date of this offering memorandum, has the following eight members: Flávia Regina Ribeiro da Silva Villa, Edison Ticle de Andrade Melo e Souza Filho, Frederico Alcântara de Queiroz, Francisco de Assis Ferreira Filho, Fernando Galletti de Queiroz, Mohammed Mansour A. Almousa, Suzanne Karen Camargo de Colón and Adriano Brito da Costa Lima.

Compensation

According to the Brazilian Corporations Law and our bylaws, the aggregate compensation of our directors, executive officers and members of the fiscal council, when established, is annually determined by our shareholders at our annual shareholders' meeting. The Brazilian Corporations Law requires that the members of the fiscal council receive remuneration of at least 10% of the average remuneration of the board of directors, not including benefits, allowances or bonuses.

The members of our board of directors, executive officers and members of our fiscal council earned a total aggregate compensation of R$49.8 million, R$34.3 million and R$32.6 million for the years ended December 31, 2022, 2021 and 2020, respectively. The expected compensation of our directors, executive officers and members of our fiscal council for the year ending December 31, 2023 is R$71.0 million.

The main component of our management compensation is fixed salary. Our officers are also entitled to health insurance as an indirect benefit. Directors and officers are eligible beneficiaries of our stock option plans and may receive stock options.

We believe that our compensation policy is effective in attracting and retaining qualified key personnel due to its transparency. We also believe that we benefit from the fact that our headquarters and most of our subsidiaries' offices are located in rural areas of Brazil where the cost of living is generally lower than in larger and more competitive cities.

Stock Option Plans

Second Stock Option Plan

On April 12, 2017, our shareholders at an extraordinary shareholders' meeting approved a new stock option plan, or the Second Stock Option Plan, effective as of January 1, 2017, which replaced and cancelled our former stock option plan from 2013. The Second Stock Option Plan grants stock options in respect of our common shares to eligible beneficiaries, which include our and our subsidiaries' officers, superintendents and other employees that we consider key personnel. The Second Stock Option Plan is administered by our board of directors (or by a committee appointed by our board of directors), which also selects the beneficiaries from among those eligible to participate and approves the distribution of the options to the beneficiaries. The Second Stock Option Plan is limited to a maximum of 5.0% of our total shares.

On March 5, 2018, our board of directors approved the creation of the First Program and Second Program, in each case pursuant to and within the scope of our Second Stock Option Plan. The First Program and Second Program were created to acquire new shares issued by us, pursuant to our bylaws. On June 25, 2018, the First Program was amended to change the maximum number of share option purchases issued by us, pursuant to Second Stock Option Plan.

On September 13, 2018, our board of directors approved our capital increase within the limit of the authorized capital provided for in our bylaws, through the private subscription of 2.8 million new shares as a result of the exercise by certain beneficiaries of their respective stock options, granted under the amended First Program.

On September 24, 2019, or board of directors approved the transfer of 400,000 of our shares held in treasury to certain beneficiaries of our stock option program as a result of the exercise by such beneficiaries of their respective stock options, granted under the Second Stock Option Program.

On February 10, 2020, our board of directors approved the transfer of 1,000,000 of our shares held in treasury to certain beneficiaries of our stock option program as a result of the exercise by such beneficiaries of their respective stock options, granted under the First Program of the Second Stock Option Plan.

Matching Stock Option Plan

On April 25, 2022, our shareholders at an extraordinary shareholders' meeting approved our first matching stock option plan, or the Matching Stock Option Plan, which grants matching stock options in respect of our common shares to eligible beneficiaries, which include our and our subsidiaries' officers, superintendents and other employees that our board of directors or designated committee deem key personnel.

Our board of directors is responsible for managing our Matching Stock Option Plan. Participation in our matching stock options program is voluntary for the selected beneficiaries. Beneficiaries must acquire common shares directly on the B3 using amount they receive as bonuses and/or their own financial resources and agree to the terms of the respective matching options program. Under the terms of the Matching Stock Option Plan, as consideration for the acquisition of matching common shares, the participant will pay us R$0.01 for each matching common share.

The matching stock options granted under the Matching Stock Option Plan and the related matching option programs approved by our board of directors may not entitle the holders to receive in the aggregate more than 3% of the total number of our shares issued on the date of approval of the Matching Stock Option Plan.

PRINCIPAL SHAREHOLDERS

Principal Shareholders

Our capital stock is represented solely by common shares. As of the date of this offering memorandum, the aggregate amount of our issued and outstanding capital stock is R$1,678.8 million, represented by 607,283,407 common shares, without par value.

We are controlled by SALIC and the Vilela de Queiroz family, which own their common shares through the VDQ holding company. For additional information about familial relationships among our board members and management, see "Management."

The following table sets forth the number of common shares held by our shareholders as of the date of this offering memorandum:

Shareholders	Common Shares	(%)
SALIC International Investment Company	185,536,600	30.55%
VDQ Holding S.A.(1)	135,801,295	22.36%
Compass Group LLC	33,150,141	5.46%
Others(2)	230,442,171	37.95%
Shares held in treasury	22,353,200	3.68%
Total	**607,283,407**	**100.00%**

(1) The members of the Vilela de Queiroz family currently own all of the capital stock of VDQ Holding S.A. as follows: (1) EQMG Participações S.A., or EQMG, 44.04%; (2) Ibar Vilela de Queiroz, 15.0%; (3) Isabel Cristina de Alcântara Queiroz, 13.75%; (4) IZVQ Holdings Ltda, or IZVQ, 5.0%; (5) Fernando Galletti de Queiroz, 5.00%; (6) Ismael Vilela de Queiroz, 5.00%; (7) Antonella Martins de Queiroz, 2.6%; (8) Eneida Campozana de Queiroz, 2.50%; (9) Beatriz de Queiroz Lemann, 1.53%; (10) Frederico Alcântara de Queiroz, 1.53% (11) Marcelo Alcantara de Queiroz, 1.53%; (12) Cristiano Campozana de Queiroz, 1.25%; (13) Devanilda Ginelza Ewig, 1.24%. In addition, one member of the Vilela de Queiroz family, Edivar Vilela de Queiroz, currently owns 100.00% of the capital stock of EQMG, and one member of the Vilela de Queiroz family, Izonel Vilela de Queiroz, currently owns 100.00% of the capital stock of IZVQ.

(2) Consists of shares that are publicly traded on the B3.

Shareholders' Agreement

On December 22, 2015, VDQ, SALIC International Investment Company, or Salic, and Minerva S.A. entered into a shareholders' agreement, or the Salic Shareholders' Agreement, which was subsequently amended on December 20, 2018 and January 15, 2020. The Salic Shareholders' Agreement became effective on April 11, 2016 and will remain in effect until the earlier of January 22, 2031 or the date one of the parties ceases to hold any shares subject to the Salic Shareholders' Agreement, subject to the termination provisions described below.

Termination

The Salic Shareholders' Agreement will terminate if either of the parties to the Salic Shareholders' Agreement holds less than 10% of our total capital stock. Termination will be effective 15 days after notice of such change in shareholding is made.

In addition, Salic may terminate the Salic Shareholders' Agreement in the event of a change of control of VDQ, provided that Salic must give notice of such intent to terminate.

Election of Directors

The parties to the Salic Shareholders' Agreement are entitled to appoint a certain number of our directors, as follows:

- For so long as VDQ holds shares subject to the Salic Shareholders' Agreement representing at least 15% of our share capital, VDQ has the exclusive right to appoint five of our directors and their respective alternates, including the Chairman and one Vice-Chairman;

- In the event VDQ becomes the holder of shares subject to the Salic Shareholders' Agreement representing less than 15%, but more than 10% or more of our share capital, VDQ has the exclusive right to appoint four of our directors and their respective alternates, including the Chairman and one Vice-Chairman;

- In the event VDQ becomes the holder of shares subject to the Salic Shareholders' Agreement representing less than 10% of our share capital, VDQ has the exclusive right to appoint three of our directors and their respective alternates, including the Chairman and one Vice-Chairman.

- For as long as Salic holds shares subject to the Salic Shareholders' Agreement representing at least 15% of our share capital, Salic has the exclusive right to appoint three of our directors, including one Vice- Chairman; and

- In the event Salic becomes the holder of shares subject to the Salic Shareholders' Agreement representing less than 15% but more than 10% of our share capital, Salic has the exclusive right to appoint two of our directors and their respective alternates, including one Vice-Chairman.

With respect to the election of the chief executive officer and chief financial officer, VDQ and Salic will convene a committee to elect alternates for such positions, pursuant to the terms of the Salic Shareholders' Agreement.

With respect to the election and removal of members of our board of directors, VDQ and Salic have committed to vote all shares held by them (including shares that are not subject to the Salic Shareholders' Agreement) at the time votes in respect of such matters are casted. Salic may request the removal of the chief financial officer, with or without just cause, subject to certain conditions set forth in the Salic Shareholders' Agreement.

With respect to the removal of directors, a majority vote by our board of directors is required for a removal for just cause.

Voting Rights

Pursuant to the Salic Shareholders' Agreement, VDQ and Salic are required to hold a meeting prior to meetings of our shareholders or of our board of directors called in respect of the following matters, among others:

- approval of transactions and business arrangements between us and our subsidiaries, on the one hand, and any of the parties to the Salic Shareholders' Agreement and their respective related parties, on the other hand, with the exception of certain businesses relating to confinement, livestock and transport operations under certain conditions;

- granting of guarantees in favor of third parties, including sureties by us or any of our subsidiaries, to guarantee any transactions that fall outside of the scope of our or our subsidiaries' corporate purposes, as the case may be;

- any changes to our or our subsidiaries' share capital, including capital increases or decreases, stock splits, reverse stock splits, cancellations or redemptions of shares, as well as any merger, merger of shares, consolidation, spin-off, change of corporate entity, reorganization or consolidation involving us and/or our subsidiaries, except as where such transactions involve only us and/or any of our subsidiaries and do not result in changes to the equity held by the parties directly in the our share capital or indirectly in the share capital of our subsidiaries;

- any change to our corporate purpose;

- delisting from the *Novo Mercado* segment of the B3, going private and other related measures;

- approval of changes to our mandatory minimum dividend or the creation of new bylaw reserves;

- approval of amendments and changes to our or our subsidiaries' bylaws or articles of association, as the case may be, which negatively affect the interest of Salic as set forth in the Salic Shareholders' Agreement;

- entering into any derivative transactions other than transactions in the ordinary course of business that are true hedges for our subsidiaries activities and in accordance with our hedging policy;

- entering into any debt instruments (including the issuance of debt or equity securities) conditioned upon approval by our board of directors that are not in the ordinary course of business;

- any expansion or acquisition capital expenditure (as defined in the Salic Shareholders' Agreement) that exceeds the amount approved in the annual budget, as provided in the Salic Shareholders' Agreement, by more than U.S.$2 million in any fiscal year;

- entry into any new markets outside of the countries in which we already operate, but only to the extent that such entry is through the acquisition or development of production facilities in such market;

- approval of or modifications to our business plan;
- any increase in the power of our board of executive officers to commence any form of judicial insolvency; and
- our liquidation or winding-up.

Matters subject to approval in a prior meeting require a favorable vote of at least 51% of the shares subject to the Salic Shareholders' Agreement, and in certain cases (for example any changes to our or our subsidiaries' share capital), favorable vote of at least 80% of the shares subject to the Salic Shareholders' Agreement.

All decisions taken by the parties during a prior meeting is binding on all the votes and actions of the parties, our company and the members of our board of directors elected by them, which must vote in accordance with the decisions taken in the relevant previous meeting.

Lock-up Period and Permitted Transfers

Salic may not transfer any of the shares held by them and subject to the Salic Shareholders' Agreement for a period of five years from December 20, 2018. However, this restriction will no longer apply in the event (1) there is a direct or indirect transfer of our control or VDQ's control during the lock-up period, or (2) the totality of the losses incurred by Salic that are subject to indemnification pursuant to the investment agreement, dated December 22, 2015, by and among VDQ, Salic and our company exceeds R$440 million.

During the lock-up period, restrictions on the transfer of shares subject to the Salic Shareholders' Agreement do not apply if the shares to be transferred represent in any consecutive 12 months, less than (1) 2.5% of our total share capital, in the case of transfers by VDQ; or (2) 1.99% of our total share capital, in the case of transfers by Salic.

After the lock-up period, restrictions on the transfer of shares will not apply if the shares to be transferred represent in any consecutive 12 months less than 2.5% of our total capital.

Right of First Refusal

The parties to the Salic Shareholders' Agreement may transfer all or part of the shares held by them and subject to the Salic Shareholders' Agreement to any entity under their control. In addition, VDQ may transfer shares held by it and subject to the Salic Shareholders' Agreement to related parties, subject to certain exceptions set forth in the Salic Shareholders' Agreement. If, however, following the expiration of the lock-up period any of the parties to the Salic Shareholders' Agreement determines to transfer to a third party, in whole or in part, shares subject to this agreement in a transaction which is not to an authorized assignee or a permitted transfer in accordance with the shareholders' agreement, such party must first offer such shares to the other parties to the Salic Shareholders' Agreement at the same price and under the same conditions offered to the third party.

Secondary Public Offering

Salic may request that our management to take all necessary steps to carry out a secondary public offering of our shares on the B3 in respect of any or all of our shares held by Salic.

Share Buyback Program

In October 2020, our board of directors approved a repurchase plan of up to 20,000,000 common shares to remain in treasury, for cancellation or subsequent disposal in the stock market or allocation to exercise in the future pursuant to our stock program. These shares represent approximately 3.7% of the total number of shares outstanding as of such date, and, when considered together with the shares already in treasury, up to 10% of our outstanding shares. Pursuant to this program, we could repurchase the shares, at our discretion, in one or more trades on the B3, at market prices from October 5, 2020 and April 4, 2022.

THE ISSUER

Minerva Luxembourg is a special purpose finance company and our wholly owned subsidiary, incorporated in Luxembourg as a company in the form of a public limited liability company (*société anonyme*) on July 29, 2011 for an unlimited period. The registered office of Minerva Luxembourg is 6C, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg and Minerva Luxembourg is registered with the Luxembourg Trade and Companies Register under number B162707. As of the date of this offering memorandum, Minerva Luxembourg's share capital was U.S.$5,060,000, represented by 5,060,000 common shares, with nominal value of U.S.$1.00 per common share, all of which are subscribed and fully paid-up.

The issuer does not have subsidiaries or an equity participation in any other person or entity.

Directors are appointed by us, as Minerva Luxembourg's sole shareholder. The board of directors is vested with the broadest powers to act on behalf of Minerva Luxembourg and to perform or authorize all acts of administrative or ancillary nature necessary or useful to accomplish Minerva Luxembourg's corporate purpose. All powers not expressly reserved by law to the sole shareholder fall within the competence of the board of directors of Minerva Luxembourg. The directors of Minerva Luxembourg are Maxime Roberti, Eric Lie, Nathan de Mello Fortunato Freire and Vitor Hidalgo Bonafim.

Pursuant to Minerva Luxembourg's articles of association, Minerva Luxembourg's corporate purpose, among others, is to invest in, acquire, dispose of, grant or issue loans, bonds, notes debentures and other debt instruments and derivatives including, but not limited to swaps and any combination of the foregoing, in each case whether readily marketable or not, and obligations (including but not limited to synthetic securities obligations) in any type of company, entity or other legal person. Minerva Luxembourg may grant pledges, guarantees, liens, mortgages and any other form of security interests as well as any form of indemnities, to Luxembourg or foreign entities, in respect of its own obligations and debts. Minerva Luxembourg may also provide assistance in any form (including but not limited to the granting of advances, loans, money deposits and credits as well as the providing of pledges, guarantees, liens, mortgages and any other form of securities, in any kind of form) to direct or indirect subsidiaries of its shareholder. On a more occasional basis, Minerva Luxembourg may provide the same kind of assistance to undertakings which are part of the same group of companies which Minerva Luxembourg belongs to or to third parties, provided that doing so falls within Minerva Luxembourg's best interest and does not trigger any license requirements.

Pursuant to Minerva Luxembourg's articles of association, Minerva Luxembourg's annual general meeting shall be held in accordance with the provisions of Article 450-8 of the Luxembourg Act dated 10 August 1915 on commercial companies, as amended (the "Luxembourg Companies Act").

The indenture governing the notes includes certain restrictions on the operations of Minerva Luxembourg. See "Description of Notes."

We have not included any financial statements of Minerva Luxembourg in this offering memorandum. Minerva Luxembourg will not publish financial statements, except for such financial statements which Minerva Luxembourg may be required to publish under the laws of Luxembourg. Minerva Luxembourg is required to file statutory financial statements with the Luxembourg authorities by July 31 of each year. Minerva Luxembourg has not yet filed its financial statements for the year ended December 31, 2022 and expects to make this filing during the fourth quarter of 2023.

Insolvency Proceedings in Luxembourg

The issuer is incorporated under the laws of Luxembourg, and as such any insolvency proceedings applicable to such companies are in principle governed by Luxembourg law. The insolvency laws of Luxembourg may not be as favorable to your interests as creditors as the laws of the United States or other jurisdictions with which you may be familiar.

The following is a brief description of certain aspects of insolvency law in Luxembourg. In the event that the issuer incorporated under the laws of Luxembourg experiences financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings.

The issuer is incorporated under the laws of Luxembourg and has its registered office in Luxembourg. Accordingly, Luxembourg courts should have, in principle, jurisdiction to open main insolvency proceedings with respect to the issuer, as an entity having its registered office and central administration (*administration centrale*) and center of main interest ("COMI"), as used in the Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast), as amended (the "EU Insolvency Regulation"), in Luxembourg, such proceedings to be governed by Luxembourg insolvency laws. According to the EU Insolvency Regulation, there is a rebuttable presumption

that a company has its COMI in the jurisdiction in which it has the place of its registered office. As a result, there is a rebuttable presumption that the COMI of the issuer is in Luxembourg and consequently that any "main insolvency proceedings" (as defined in the EU Insolvency Regulation) would be opened by a Luxembourg court and be governed by Luxembourg law.

However, the determination of where the issuer has its COMI is a question of fact, which may change from time to time. Article 3 of the EU Insolvency Regulation states that the COMI of a debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties.

Under Luxembourg insolvency laws, the following types of proceedings may be opened against the issuer:

- bankruptcy proceedings (*faillite*), the opening of which is initiated by the issuer, by any of its creditors or by Luxembourg courts ex officio. The directors of the issuer have the obligation to file for bankruptcy within one month in case it is in a state of cessation of payment (*cessation des paiements*). Following such a request, the Luxembourg courts having jurisdiction may open bankruptcy proceedings, if the issuer (i) is in cessation of payment (*cessation des paiements*) and (ii) has lost its commercial creditworthiness (*ébranlement de crédit*). If a court finds that these conditions are satisfied, it may also open ex officio bankruptcy proceedings, absent a request made by the issuer. The main effects of such proceedings are (i) the suspension of all measures of enforcement against the issuer, except, subject to certain limited exceptions, for secured creditors and (ii) the payment of the issuer's creditors in accordance with their ranking upon the realization of its assets;

- controlled management proceedings (*gestion contrôlée*), the opening of which may only be requested by the issuer and not by its creditors; and

- composition proceedings (*concordat préventif de faillite*), the obtaining of which is requested by the issuer only after having received a prior consent from a majority of its creditors holding 75% at least of the claims against the issuer. The obtaining of such composition proceedings will trigger a provisional stay on enforcement of claims by creditors.

In addition to these proceedings, the ability of the holders of notes to receive payment on the notes may be affected by a decision of a Court to grant a reprieve from payment (*sursis de paiement*) or to put the issuer into judicial liquidation (*liquidation judiciaire*). Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or that are in serious breach or violation of the commercial code or of the Luxembourg Companies Act. The management of such liquidation proceedings will generally follow similar rules as those applicable to bankruptcy proceedings.

In addition to the above, the Luxembourg law of 7 August 2023 on business preservation and modernization of bankruptcy law, which aims to modernize Luxembourg's insolvency laws, implementing the EU Directive 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks (the "Business Preservation and Insolvency Modernization Act" or "BPIM Act")) will come into effect on 1 November 2023.

The BPIM Act reforms the insolvency laws by implementing new mechanisms designed to ensure that distressed companies do not automatically resort to bankruptcy and are provided with support measures and tools to allow them to continue carrying out their activities. The BPIM Act also abolishes proceedings like controlled management (*gestion contrôlée*), composition with creditors (*concordat préventif de faillite*) and reprieve from payment (*sursis de paiement*).

The voluntary reorganization possibilities made available to distressed companies include both out-of-court and in-court (*judicial*) proceedings, adapted to the needs and size of distressed companies.

Out-of-court Reorganization

A distressed company can seek to reach an agreement on a payment plan with two or more creditors, aiming at reorganizing all or part of its assets or activities. To that end, the distressed company is entitled to request the appointment of a business conciliator (*conciliateur enterprises*) to facilitate an amicable agreement. This agreement will then be certified by the District court sitting in commercial matters (*Tribunal d'arrondissement siégeant en matière commerciale*) upon petition of the distressed company. Should it be certified by the court, said agreement will become enforceable and claw-back provisions will not be applicable even if the creditors were aware of the company's state of suspension of payments (*cessation des paiements*). The agreement will remain enforceable in the event of a subsequent bankruptcy even if it was concluded during the hardening period (*période suspecte*).

In-court Reorganization

The BPIM Act provides for three different in-court proceedings, depending on the situation at hand and intended goal:

Collective agreement

A distressed company that intends to reach an agreement with some of its creditors on a reorganization plan (*accord collectif*) can petition the court to that effect. The plan needs to present the current financial situation and the solutions proposed to resolve the difficulties. This new tool provides for a cross-class cram down mechanism allowing to secure a reorganization plan that will bind dissenting creditor classes under specific circumstances. The collective agreement becomes enforceable when the court rules on the plan and, if the company does not comply with its terms, a creditor or the public prosecutor may request the court to repeal the agreement.

Court-ordered stay of payments

Under this option, a distressed company may apply to the court to obtain a stay of all payments on debts contracted prior to the application. This procedure gives the distressed company time to either negotiate a mutual agreement with some creditors or start collective agreement or court-supervised reorganization proceedings. The maximum duration of a stay of payments is six months, and in order to avoid recurring proceedings, a company that has already applied for and obtained a stay may no longer do so for three years, unless it requests the total or partial transfer of its business or activities.

Court-supervised transfer

This procedure is initiated either by the distressed company or the State public prosecutor. The court appoints a legal representative to organize the transfer of all or some of the distressed company's assets to ensure the continuity of its business (or a part thereof) and job preservation by one or several third-party purchasers. The legal representative should identify the offer that will ensure preservation of the most jobs and present various offers to both the company and the court. The court must give its approval to the legal representative before the latter can proceed with the transfer.

The issuer's liabilities in respect of the notes will, in the event of a liquidation of the issuer following bankruptcy or judicial liquidation proceedings, rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and those of the concerned obligor's debts that are entitled to priority under Luxembourg law. For example, preferential debts under Luxembourg law include, among others:

- certain amounts owed to the Luxembourg tax authorities;
- value added tax and other taxes and duties owed to the Luxembourg Customs and Excise;
- social security contributions; and
- remuneration owed to employees.

For the avoidance of doubt, the above list is not exhaustive.

Assets in the form of shares or receivables over which a security interest has been granted and perfected will in principle not be available for distribution to unsecured creditors (except after enforcement and to the extent a surplus is realized), and subject to application of the relevant priority rule and liens and privileges arising mandatorily by law.

During insolvency proceedings, all enforcement measures by unsecured creditors are suspended.

Luxembourg insolvency laws may also affect transactions entered into or payments made by Luxembourg issuers during the period before bankruptcy, the so-called "suspect period" (*période suspecte*), which is a maximum of six months, as from the date on which the Commercial Court formally adjudicates a person bankrupt, and, as for specific payments and transactions, during an additional period of ten days before the commencement of such period preceding the judgment declaring bankruptcy, except that in certain specific situations the court may set the start of the suspect period at an earlier date, if the bankruptcy judgment was preceded by another insolvency proceedings (e.g., a suspension of payments or controlled management proceedings) under Luxembourg law.

In particular:

- pursuant to article 445 of the Luxembourg code of commerce, specified transactions (such as, in particular, the granting of a security interest for antecedent debts; the payment of debts which have not fallen due, whether

payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange; the sale of assets or entering into transactions generally without consideration or with substantially inadequate consideration) entered into during the suspect period (or the 10 days preceding it) will be set aside or declared null and void, if so requested by the insolvency receiver;

- pursuant to article 446 of the Luxembourg code of commerce, payments made for matured debts for considerations, as well as other transactions concluded during the suspect period, are subject to cancellation by the court upon proceedings instituted by the insolvency receiver if they were concluded with the knowledge of the bankrupt's cessation of payments;

- regardless of the suspect period, article 448 of the Luxembourg code of commerce and article 1167 of the Luxembourg civil code (*action paulienne*) give any creditor the right to challenge any fraudulent payments and transactions made prior to the bankruptcy.

After having converted all available assets of the company into cash and after having determined all the company's liabilities, the insolvency receiver will distribute the proceeds of the sale to the creditors further to their priority ranking as set forth by law, after deduction of the receiver fees and the bankruptcy administration costs.

Any international aspects of Luxembourg bankruptcy, controlled management and composition proceedings may be subject to the EU Insolvency Regulation. Insolvency proceedings may hence have a material adverse effect on the issuer's obligations under the notes.

In principle, a bankruptcy order rendered by a Luxembourg court does not result in automatic termination of contracts except for *intuitu personae* contracts, that is, contracts for which the identity of the company or its solvency were crucial. The contracts, therefore, subsist after the bankruptcy order. However, the insolvency receiver may choose to terminate certain contracts as to avoid worsening the financial situation of the company. As of the date of adjudication of bankruptcy, no interest on any unsecured claim will accrue vis-à-vis the bankruptcy estate. Insolvency proceedings may hence have a material adverse effect on the issuer's business and assets and the issuer's obligations under the notes.

The bankruptcy receiver decides whether or not to continue performance under ongoing contracts (i.e., contracts existing before the bankruptcy order). The bankruptcy receiver may elect to continue the business of the issuer, provided the bankruptcy receiver obtains the authorization of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply:

- the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an early termination or acceleration event; and

- *intuitu personae* contracts (i.e., contracts whereby the identity of the other party constitutes an essential element upon the signing of the contract) are automatically terminated as of the bankruptcy judgment since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts.

The bankruptcy receiver may elect not to perform the obligations of the bankrupt party which are still to be performed after the bankruptcy under any agreement validly entered into by the bankrupt party prior to the bankruptcy. The counterparty to that agreement may make a claim for damages in the bankruptcy and such claim will rank *pari passu* with claims of all other unsecured creditors and/or seek a court order to have the relevant contract dissolved. The counterparty may not require specific performance of the contract.

RELATED PARTY TRANSACTIONS

In the ordinary course of our business, we enter into related party transactions on an arm's length basis and in accordance with our bylaws, of which Article 19 provides that our board of directors must approve any agreements, contracts or arrangements between us and any parties related to, or affiliated with, members of our board of directors or board of executive officers. Other related party transactions, including intercompany loans, are made in connection with our operations in the ordinary course of business. Our intercompany loans do not bear interest and therefore have a different economic profile than our loans with non-related parties.

For additional information with respect to our related party transactions, see note 10 to our Unaudited Interim Condensed Consolidated Financial Statements, note 10 to our 2020 Audited Consolidated Financial Statements and note 9 to our 2019 Audited Consolidated Financial Statements. In this section, references to "we," "us," "our" or "the company" refer to Minerva S.A. only and does not include its subsidiaries.

Our Related Party Transaction Policy

We adopt corporate governance practices as recommended and/or required by law, including those provided under CVM regulations and the *Novo Mercado* Listing Rules.

The Brazilian Corporations Law prohibits members of the board of directors and company management from: (1) carrying out any acts detrimental to the company; (2) taking loans from the company or leasing its assets for the benefit of companies in which they hold interest without the prior consent of the company's shareholders or board of directors; (3) receiving any type of direct or indirect personal advantage or gain from third parties, unless authorized pursuant to the company's bylaws or its shareholders; and (4) participating in any operation or business in which there is a conflict of interest with company, or in any resolutions taken by the board of directors.

The Brazilian Corporations Law also provides that any person who has a conflict of interest with the company may only be elected to the board if such election is waived at our general shareholder's meeting. Board members are prohibited from intervening in any corporate transaction in which they have a conflict of interest with the company, and are required to inform us of the nature and extent of their interest in the minutes of the relevant board of directors or board of executive officers meeting. Nevertheless, any such board member is permitted to enter into agreements with us on arms-length terms equivalent to those we enter into with third parties under ordinary market conditions. Board members who are also our shareholders may not vote in the resolutions at the general shareholder's meeting concerning the appraisal report of assets that contribute to the formation our capital stock, nor deliberate on the approval of their accounts as board members nor any other measure that may benefit them in their individual capacity or otherwise involve a conflict of interest with us. Any decision made as a result of a vote in which a shareholder has a conflicting interest with us is voidable, and the shareholder may be held liable for damages caused and is required to transfer to us any benefits accrued as a result.

In addition, our related party transaction policy, which was approved at our board of directors meeting held on December 6, 2018, is intended to establish the rules and procedures to be followed to ensure that all decisions involving related party transactions and other situations with potential conflicts of interest are made with full transparency and in accordance with best corporate governance policies and other applicable laws.

In accordance with our bylaws, the execution, amendment or termination of any contracts, agreements or arrangements between us and any parties related to, or affiliated with, members of our board of directors or board of executive officers, must be approved by our board of directors. Failure to approve the execution, amendment or termination of such contracts, agreements or arrangements renders such measures void. All of our transactions carried out with related parties were duly submitted to our decision-making bodies according to the rules in effect.

Pursuant to the *Novo Mercado* Listing Rules, we are required to disclose information concerning all and any agreements between us and our subsidiaries or affiliates, our management and controlling shareholders in our year-end financial statements and interim financial information. In addition, pursuant to CVM regulations, we are required to disclose all our related party transactions, including the nature of the transaction, amount, outstanding balance, termination provisions and other main terms and conditions.

Except for our related party loans that do not bear any interest, we believe all other related party transactions impacting our results for the six-month period ended June 30, 2023 and the years ended December 31, 2022, 2021 and 2020, were entered into under ordinary market conditions for similar transactions.

Loans

We have entered into certain loans with our related parties, which typically comply with arm's-length principles. As of June 30, 2023, we were creditors to loans made to our related parties with an aggregate outstanding balance of R$3,563.1 million and were borrowers in loans from our related parties with an aggregate outstanding balance of R$823.3 million. We may terminate any of the loans prior to its maturity (1) in the event the counterparty defaults on any of its obligations, or (2) at any time, in our discretion.

Commercial Transactions

We regularly engage in commercial transactions with our related parties, including certain members of the Vilela Queiroz Family, our board of directors and our board of executive officers. These transactions, which are carried out at market prices and under market conditions, primarily relate to the purchasing of beef or cattle for slaughter.

DESCRIPTION OF NOTES

In this Description of Notes, the term "Minerva Luxembourg" refers only to Minerva Luxembourg S.A. and any successor obligor of the notes, and not to any of its Affiliates. The term "Minerva" refers only to Minerva S.A. and any successor guarantor of the notes, and not to any of its Subsidiaries or Affiliates. You can find the definitions of certain terms used in this description under "—Certain Definitions."

Minerva Luxembourg, a wholly-owned subsidiary of Minerva incorporated under the laws of Luxembourg, will issue the notes under an indenture to be dated as of September 13, 2023, among Minerva Luxembourg, as issuer, Minerva, as guarantor, and The Bank of New York Mellon, as trustee, paying agent, transfer agent and registrar. The terms of the notes include those stated in the indenture. The indenture is not required to be nor will it be qualified under the Trust Indenture Act.

The following is a summary of the material provisions of the indenture. Because this is a summary, it may not contain all the information that is important to you. You should read the indenture in its entirety. Copies of the proposed form of the indenture are available as described under "Listing and General Information" in this offering memorandum.

Basic Terms of Notes

The notes will have the following basic terms:

- the notes will be unsecured, unsubordinated obligations of Minerva Luxembourg;
- the notes will be fully and unconditionally guaranteed by Minerva on an unsecured, unsubordinated basis;
- the notes will be issued in an initial aggregate principal amount of U.S.$900 million and in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 above such amount;
- the notes will mature on September 13, 2033;
- the notes will bear interest from the date of issue at 8.875% *per annum*;
- interest on the notes is payable semi-annually on March 13 and September 13 of each year, commencing on March 13, 2024, to holders of record on the March 11 and September 11 immediately preceding the corresponding interest payment date (whether or not a business day); and
- the notes bear interest on overdue principal, and pay interest on overdue interest, at 1% per annum higher than the *per annum* rate set forth on the cover of this offering memorandum.

Interest will be computed on the basis of a 360-day year of twelve 30-day months. If a payment is not a business day, payment shall be made on the immediately succeeding business day. Payments postponed to the next business day in this situation will be treated under the indenture as if they were made on the original payment date. No interest will accrue on the postponed amount from the original payment date to the next day that is a business day.

Escrow of Proceeds; Mandatory Debt Repayment

Prior to or as of the Issue Date, the Guarantor will enter into an escrow agreement with Banco JPMorgan S.A., as escrow agent, Marfrig Global Foods S.A. and Marfrig Chile S.A., which will provide, among other things, that within five business days of the payment by the initial purchasers to Minerva Luxembourg of the net proceeds of the offering (net of the initial purchaser's discount) (the "Escrow Amount"), Minerva Luxembourg or Minerva shall cause such proceeds to be deposited into a *reais*-denominated, interest-bearing escrow account (the "Escrow Account") established in Brazil, to be held in such account pending consummation of the Marfrig Asset Acquisition. The Escrow Account shall serve as cash collateral for the purchase price payments required to be made by or on behalf of Minerva or Athn Foods under the Marfrig Assets Acquisition SPAs on the closing date of the Marfrig Main Acquisition (the "Main Acquisition Closing Date") and the closing date of the Marfrig Uruguay Acquisition (the "Uruguay Acquisition Closing Date"). The Escrow Amount will be held in the Escrow Account in accordance with the terms and provisions set forth in the Escrow Agreement, and (i) the amount of the purchase price for the Marfrig Main Acquisition will be released on the Main Acquisition Closing Date, and (ii) the amount of the purchase price for the Uruguay Acquisition will be released on the Uruguay Acquisition Closing Date, in each case if the conditions to the release of the Escrowed Amounts set forth in the Escrow Agreement have been satisfied. **The Escrow Account will not be pledged or secured for the benefit of Holders of the notes offered hereby.**

If a Mandatory Debt Repayment Event occurs, then on or prior to the Special Repayment Date, Minerva shall be required to repay or redeem outstanding Debt of Minerva or its subsidiaries in the U.S. dollar equivalent amount of the gross proceeds raised by Minerva Luxembourg in this offering (the "Offering Amount"), and Minerva shall be permitted to use all amounts then on deposit in the Escrow Account to repay Debt of Minerva or any of its subsidiaries, including, without limitation, to redeem all or a portion of the notes then outstanding, at a redemption price (the "Special Redemption Price") equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest to, but not including, the Special Repayment Date; *provided* that amounts on deposit in the Escrow Account shall only be permitted to be used to repay Debt of Minerva or any of its subsidiaries that is outstanding on that date that is 30 days prior to the Mandatory Debt Repayment Event. We refer to such Debt repayment or redemption of notes as a "Special Mandatory Debt Repayment."

If funds on deposit in the Escrow Account are insufficient to pay Debt equivalent to the Offering Amount pursuant to a Special Mandatory Debt Repayment, Minerva shall pay, or cause its subsidiaries to pay, the difference required to repay its Debt in the Offering Amount using Minerva's or its subsidiaries available Cash Equivalents (and, for the avoidance of doubt, not through the incurrence of any additional Debt). If funds in the Escrow Account exceed the amount required to pay Debt equivalent to the Offering Amount, after such amounts have been used the satisfy a Special Mandatory Debt Repayment, any excess amount shall be released to Minerva.

If Minerva Luxembourg redeems the notes pursuant to a Special Mandatory Debt Repayment, it shall cause notice of redemption to be mailed, with a copy to the trustee, to each holder by first-class mail, postage prepaid or otherwise in accordance with the procedures of the DTC. Unless Minerva Luxembourg defaults in payment of the Special Redemption Price on the notes, on and after the Special Repayment Date, interest will stop accruing on the repurchased amount of notes (subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date).

Upon the consummation of the Marfrig Assets Acquisition, the foregoing provisions regarding Special Mandatory Debt Repayment will cease to apply.

Additional Notes

Subject to the covenants described below, Minerva Luxembourg may, from time to time and without your consent as a holder of the notes, issue additional notes under the indenture having the same terms in all respects as the initial notes except that the issue date, the issue price and the first payment of interest thereon may differ. The notes offered hereby and any additional notes will be treated as a single class for all purposes under the indenture and will vote together as one class on all matters with respect to the notes.

Additional notes may be issued with original issue discount for U.S. federal income tax purposes ("OID"). Purchasers of notes after the issue date of any additional notes will not be able to differentiate between notes sold as part of the additional issuance and previously sold notes. Therefore, purchasers of notes after an additional issuance may be required to accrue OID (or greater amounts of OID than they would have otherwise accrued) for U.S. federal income tax purposes with respect to their notes. This may affect the price of outstanding notes following an additional issuance. Because of the possible application of the U.S. federal income tax rules regarding OID to an additional issuance of notes, purchasers are advised to consult their own tax advisors prior to purchasing such notes.

Payment of Additional Amounts

All payments by Minerva Luxembourg in respect of the notes or Minerva in respect of the Guaranty will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments, or other governmental charges of whatever nature imposed or levied by or on behalf of Luxembourg or Brazil, or any political subdivision or taxing authority therein or thereof having power to tax in the case of payments under the notes or the Guaranty or any other jurisdiction in which Minerva Luxembourg or Minerva (or any successor thereof) is organized or is a resident for tax purposes having power to tax in the case of payments under the notes or the Guaranty (a "Taxing Authority"), except as required by law. In such event, Minerva Luxembourg or Minerva, as the case may be, will (i) make such withholding or deduction, (ii) make payment of the amount so withheld to the appropriate governmental authority and (iii) pay such additional amounts as may be necessary to ensure that the net amounts receivable by holders of notes after such withholding or deduction shall equal the respective amounts of principal and interest that would have been receivable in respect of the notes in the absence of such withholding or deduction. However, no such additional amounts shall be payable:

- to, or to a third party on behalf of, a holder or a beneficial owner who is liable for such taxes, duties, assessments or governmental charges in respect of such note by reason of the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of such holder, if such holder is an estate, a trust, a partnership, or a corporation) or such beneficial owner and the relevant Taxing

Authority, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member or shareholder) or such beneficial owner being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, other than the mere holding of the note, the exercise or enforcement of rights and the receipt of payments with respect to the note;

- in respect of notes surrendered (if surrender is required) more than 30 days after the Relevant Date (as defined below) except to the extent that payments under such note would have been subject to withholdings and the holder of such note would have been entitled to such additional amounts, on surrender of such note for payment on the last day of such period of 30 days;

- to, or to a third party on behalf of, a holder or a beneficial owner who is liable for such taxes, duties, assessments or other governmental charges by reason of such holder's or such beneficial owner's failure to comply with any certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with the relevant Taxing Authority, if (1) compliance is required by such relevant Taxing Authority, as a precondition to, exemption from, or reduction in the rate of, the tax, duty, assessment or other governmental charge, (2) Minerva Luxembourg or Minerva, as the case may be, has given the holders at least 30 days' notice that holders will be required to provide such certification, identification or other requirement and (3) such holders or beneficial owners are legally entitled to provide such certification, identification or other requirement;

- in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property or similar tax, duty, assessment or governmental charge;

- in respect of any tax, duty, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of or interest on the note; or

- in respect of any combination of the above.

Notwithstanding anything to the contrary in the preceding paragraph, none of Minerva Luxembourg, Minerva, any paying agent or any other person shall be required to pay any additional amounts with respect to any withholding or deduction imposed on or in respect of any note pursuant to Section 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended and the U.S. Treasury regulations thereunder ("FATCA"), any treaty, law, regulation or other official guidance enacted by Brazil or Luxembourg implementing FATCA, or any agreement between the Minerva Luxembourg and/or Minerva and the United States or any authority thereof entered into for FATCA purposes.

In addition, no additional amounts shall be paid with respect to any payment on a note to a holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the relevant Taxing Authority to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in a limited liability company or a beneficial owner who would not have been entitled to the additional amounts had that beneficiary, settlor, member or beneficial owner been the holder.

"Relevant Date" means, with respect to any payment on a note, whichever is the later of: (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the trustee on or prior to such due date, the date on which notice is given to the holders that the full amount has been received by the trustee.

Each holder is subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation with respect to the notes. Except as specifically provided above, neither Minerva Luxembourg nor Minerva shall be required to make a payment with respect to any tax, duty, assessment or governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

Any reference in this offering memorandum, the indenture or the notes to principal, interest or any other amount payable in respect of the notes by Minerva Luxembourg or the Guaranty by Minerva will be deemed also to refer to any additional amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this subsection.

The foregoing obligation will survive termination or discharge of the indenture.

Optional Redemption

Except as set forth below and under "*—Escrow of Proceeds; Mandatory Debt Repayment*," and "*—Redemption for Taxation Reasons*," the notes are not redeemable at the option of Minerva Luxembourg.

At any time prior to September 13, 2028, Minerva Luxembourg may, at its option, on one or more occasions redeem the notes, in whole or in part, by paying a redemption price equal to 100% of the principal amount of the notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

At any time on or after September 13, 2028, Minerva Luxembourg may, at its option, on one or more occasions redeem the notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on September 13 of the years set forth below:

Period	Percentage
2028	104.438%
2029	102.958%
2030	101.479%
2031 and thereafter	100.000%

Any redemption of the notes by Minerva Luxembourg pursuant to the previous two paragraphs will be subject to either (i) there being at least U.S.$100.0 million in aggregate principal amount of the notes (including any additional notes) outstanding after such redemption or (ii) Minerva Luxembourg redeeming all the then outstanding principal amount of the notes.

At any time on or prior to September 13, 2026, Minerva Luxembourg may, at its option, on one or more occasions redeem notes in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the outstanding notes (including any additional notes) at a redemption price (expressed as a percentage of principal amount) of 108.875%, plus accrued and unpaid interest to, but excluding, the redemption date, with the Net Cash Proceeds from one or more Eligible Equity Offerings; provided, however, that:

(1) at least 65% of such aggregate principal amount of notes (including any additional notes) remains outstanding immediately after the occurrence of each such redemption; and

(2) Minerva Luxembourg gives notice of such redemption not more than 90 days after the consummation of the related Eligible Equity Offering.

Notwithstanding the foregoing, in connection with any tender offer (including any Offer to Purchase in connection with a Change of Control Triggering Event or Asset Sale made in accordance with the terms of the indenture) for notes, if holders of not less than 90% in aggregate principal amount of the outstanding notes validly tender and do not withdraw notes in such tender offer and Minerva Luxembourg, or any third party making such tender offer in lieu of Minerva Luxembourg, purchases all of the notes validly tendered and not withdrawn by such holders, Minerva Luxembourg or such third party will have the right upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase date, to redeem or purchase all the notes that remain outstanding following such purchase at a price equal to the price paid to each other holder in such tender offer plus, to the extent not included in the purchase price, accrued and unpaid interest and additional amounts, if any, on the notes that remain outstanding, to, but excluding, the date of redemption.

Redemption for Taxation Reasons

If as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of the relevant Taxing Authority, or any amendment to or change in an official interpretation, administration or application of such laws, treaties, rules, or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective or, in the case of a change in official position, is formally announced on or after the Issue Date of the notes or on or after the date a successor assumes the obligations under the notes, (i) Minerva Luxembourg has or will become obligated to pay any additional amounts as described under "*—Payment of Additional Amounts*" or (ii) Minerva has or will become obligated to pay additional amounts as described above under "*—Payment of Additional Amounts*" in excess of the additional amounts Minerva would be obligated to pay if payments were subject to withholding or deduction at a rate of 15%, or at a

rate of 25% in case the holder of the notes is resident in a tax haven jurisdiction (i.e., countries which do not impose any income tax or which impose it at a maximum rate lower than 20% or where the laws impose restrictions on the disclosure of ownership composition or securities ownership), as a result of the taxes, duties, assessments and other governmental charges described above (the "Minimum Withholding Level"), Minerva Luxembourg may, at its option, redeem all, but not less than all, of the notes, at a redemption price equal to 100% of their principal amount, together with interest accrued to the date fixed for redemption, upon giving irrevocable notice of redemption to the holders of the notes not less than 10 days nor more than 90 days prior to the date fixed for redemption. No notice of such redemption may be given earlier than 90 days prior to the earliest date on which Minerva Luxembourg or Minerva, as the case may be, would, but for such redemption, be obligated to pay the additional amounts above the Minimum Withholding Level. Minerva Luxembourg shall not have the right to so redeem the notes in the event it becomes obliged to pay additional amounts which are less than the additional amounts payable at the Minimum Withholding Level. Notwithstanding the foregoing, Minerva Luxembourg shall not have the right to so redeem the notes unless: (i) it or Minerva, as the case may be, has taken reasonable measures to avoid the obligation to pay additional amounts; *provided*, *however*, that for this purpose reasonable measures shall not include Minerva Luxembourg or Minerva, as the case may be, changing or moving jurisdictions; and (ii) it or Minerva, as the case may be, has complied with all necessary regulations to legally effect such redemption.

In the event that Minerva Luxembourg elects to so redeem the notes, it will deliver to the trustee: (1) a certificate, signed in the name of Minerva Luxembourg, stating that Minerva Luxembourg is entitled to redeem the notes pursuant to their terms and setting forth a statement of facts showing that the condition or conditions precedent to the right of Minerva Luxembourg to so redeem have occurred or been satisfied; and (2) an opinion of counsel, who is reasonably acceptable to the trustee, to the effect that Minerva Luxembourg or Minerva, as the case may be, has or will become obligated to pay additional amounts in excess of the additional amounts payable at the Minimum Withholding Level as a result of the change or amendment, and that all governmental requirements necessary for Minerva Luxembourg or Minerva, as the case may be, to effect the redemption have been complied with.

Optional Redemption Procedures

Notice of any redemption will be mailed by first-class mail, postage prepaid, at least 10 but not more than 90 days before the redemption date to holders of notes to be redeemed at their respective registered addresses or otherwise in accordance with the procedures of the DTC.

Notice of any redemption of notes (including upon an Eligible Equity Offering or in connection with another transaction (or series of related transactions) or an event that constitutes a Change of Control) may, at Minerva Luxembourg's discretion, be given prior to the completion or the occurrence thereof and any such redemption or notice may, at Minerva Luxembourg's discretion, be subject to one or more conditions precedent (other than any redemption pursuant to a Special Mandatory Debt Repayment), including, but not limited to, completion or occurrence of the related Eligible Equity Offering or other transaction or event, as the case may be. Minerva Luxembourg will pay the redemption price for any note together with accrued and unpaid interest and additional amounts, if any, thereon through, but excluding, the redemption date. On and after the redemption date, interest will cease to accrue on notes as long as Minerva Luxembourg has deposited with the paying agent funds in satisfaction of the applicable redemption price pursuant to the indenture. Upon redemption or repurchase of any notes by Minerva Luxembourg, at the option of Minerva, such redeemed or repurchased notes may be cancelled or remain outstanding.

No Mandatory Redemption or Sinking Fund

There will be no mandatory redemption or sinking fund payments for the notes.

Guaranty

Minerva will unconditionally guarantee the full and prompt payment of principal and interest on the notes and all other payment obligations of Minerva Luxembourg under the indenture, when and as the same become due and payable, whether at maturity, upon redemption or repurchase, by declaration of acceleration or otherwise, including any additional amounts required to be paid in connection with certain taxes. Any obligation of Minerva Luxembourg to make a payment may be satisfied by causing Minerva to make such payment. Minerva will comply with all then-applicable Central Bank of Brazil (*Banco Central do Brasil*) ("Central Bank") regulations to legally effect any payments under the Guaranty.

Ranking

The notes will be unsecured, unsubordinated obligations of Minerva Luxembourg and will rank equally with all of its other existing and future unsecured, unsubordinated obligations, subject to preferred obligations under mandatory applicable laws.

The Guaranty will be an unsecured, unsubordinated obligation of Minerva and will rank equally with all other existing and future unsecured, unsubordinated obligations of Minerva, subject to preferred obligations under mandatory applicable laws.

The Guaranty will effectively rank junior to any and all secured debt of Minerva to the extent of the assets securing such debt. Although the indenture contains limits on the ability of Minerva to incur secured Debt, the limitation is subject to a number of significant exceptions. If we become insolvent or are liquidated, or default in the payment of these obligations, our secured creditors will be entitled to exercise the remedies available to them under the law. These creditors will have a prior claim on our assets covered by their liens. See "*—Certain Covenants—Limitation on Liens*."

Open Market Purchases

Minerva or its Affiliates may at any time purchase the notes in the open market or otherwise at any price; *provided* that any such purchased notes will not be resold, except in compliance with applicable requirements or exemptions under the relevant securities laws.

Certain Covenants

The indenture will contain covenants including, among others, the following:

Ownership Restriction on Minerva Luxembourg

Minerva will covenant that Minerva Luxembourg will remain a Wholly Owned Subsidiary of Minerva.

Limitation on Debt

(a) Minerva will not, and will not permit any of its Subsidiaries to, Incur any Debt unless, on the date of the Incurrence, after giving effect to the Incurrence and the receipt and the application of the proceeds therefrom, the Net Debt to EBITDA Ratio at the date of such issuance would be no greater than 3.50 to 1.00.

(b) Notwithstanding the foregoing, Minerva and any Subsidiary may Incur the following ("Permitted Debt"):

(1) Debt of Minerva or any Subsidiary held by Minerva or a Subsidiary and which, if the obligor is Minerva, is subordinated in right of payment to the notes; *provided* that any Debt owed to Minerva pursuant to this clause will not be so subordinated;

(2) Debt of Minerva Luxembourg pursuant to the notes (other than additional notes) and Debt of Minerva (or any additional Guarantor) pursuant to a Guaranty of the notes (including additional notes);

(3) Debt ("Permitted Refinancing Debt") constituting an extension or renewal of, replacement of, or substitution for, or issued in exchange for, or the net proceeds of which are used to repay, redeem, repurchase, refinance or refund, including by way of defeasance (all of the above, for purposes of this clause, "refinance") then outstanding Debt in an amount not to exceed the principal amount of the Debt so refinanced, plus premiums, fees and expenses; *provided* that

(A) in case the Debt to be refinanced is subordinated in right of payment to the notes, the new Debt, by its terms or by the terms of any agreement or instrument pursuant to which it is outstanding, is expressly made subordinate in right of payment to the notes at least to the extent that the Debt to be refinanced is subordinated to the notes,

(B) the new Debt does not have a Stated Maturity prior to the earlier of (i) Stated Maturity of the Debt to be refinanced and (ii) the Stated Maturity of the notes,

(C) in no event may Debt of Minerva be refinanced pursuant to this clause by means of any Debt of any Subsidiary that is not a Guarantor, and

(D) Debt Incurred pursuant to clauses (1), (4), (5), (9), (10) and (11) may not be refinanced pursuant to this clause;

(4) Hedging Agreements entered into for non-speculative purposes;

(5) Debt of Minerva or any Subsidiary with respect to letters of credit and bankers' acceptances issued in the ordinary course of business and not supporting Debt, including letters of credit supporting performance, surety or appeal bonds;

(6) Acquired Debt, *provided* that after giving effect to the Incurrence thereof, Minerva (i) could Incur at least U.S.$1.00 of Debt under the Net Debt to EBITDA Ratio test set forth in paragraph (a) of this covenant or (ii) would have a Net Debt to EBITDA Ratio less than or equal to the Net Debt to EBITDA Ratio immediately prior to such transaction;

(7) Debt of Minerva or any Subsidiary outstanding on the Issue Date;

(8) Debt of Minerva or any Subsidiary, which may include Capital Leases, Incurred on or after the Issue Date and no later than 365 days after the date of purchase or completion of construction or improvement of property for the purpose of financing all or any part of the purchase price or cost of construction or improvement, *provided* that the principal amount of any Debt Incurred pursuant to this clause may not exceed (A) U.S.$75.0 million (or the equivalent thereof at the time of determination) less (B) the aggregate outstanding amount of Permitted Refinancing Debt Incurred to refinance Debt Incurred pursuant to this clause;

(9) Debt of Minerva or any Subsidiary Incurred to pay all or a portion of the purchase price or lease of (A) equipment and vehicles up to an aggregate amount not to exceed U.S.$10.0 million (or the equivalent thereof at the time of determination), and (B) aircraft up to an aggregate amount not to exceed U.S.$10.0 million (or the equivalent thereof at the time of determination); *provided* that in each case, the equipment, vehicles or aircraft are used in the ordinary course of business of Minerva or its Subsidiaries;

(10) Debt of Minerva, any Guarantor or any Subsidiary consisting of guarantees of Debt of Minerva, any Guarantor or any Subsidiary incurred under any other clause of this covenant;

(11) Debt of Minerva or any Subsidiary Incurred for working capital purposes (including any refinancing) in an aggregate principal amount at any time outstanding not to exceed the greater of (i) U.S.$100.0 million (or the equivalent thereof at the time of determination) and (ii) 3.0% of Minerva's aggregate consolidated net sales revenue, determined on a consolidated basis in conformity with GAAP, for the four fiscal quarters immediately prior to the transaction for which internal financial statements are available, with such pro forma adjustments as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of "Net Debt to EBITDA Ratio;"

(12) Debt of Minerva or any Subsidiary not otherwise permitted in an aggregate principal amount at any time outstanding not to exceed the greater of (i) U.S.$250.0 million (or the equivalent thereof at the time of determination) and (ii) 10.0% of Minerva's Consolidated Total Assets.

(c) Notwithstanding anything to the contrary in this covenant, the maximum amount of Debt that Minerva and its Subsidiaries may Incur pursuant to this covenant shall not be deemed to be exceeded, with respect to any outstanding Debt, solely as a result of fluctuations in the exchange rate of currencies.

(d) For purposes of determining compliance with this covenant, in the event that any proposed Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (12) of paragraph (b) above, or is entitled to be Incurred pursuant to paragraph (a) above, Minerva and its Subsidiaries will be permitted to classify such item of Debt at the time of its Incurrence in any manner that complies with this covenant or to later reclassify all or a portion of such item of Debt. In addition, with respect to any amounts incurred in reliance on a provision of the indenture that does not require compliance with a financial ratio (any such amounts, the "Fixed Amounts") substantially concurrently with any amounts incurred in reliance on a provision of the indenture that requires compliance with any such financial ratio (any such amounts, the "Incurrence-Based Amounts"), it is understood and agreed that any Fixed Amount shall be disregarded in the calculation of the financial ratio or test applicable to the relevant Incurrence-Based Amount in connection with such substantially concurrent incurrence.

(e) For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Debt, the U.S. dollar-equivalent principal amount of Debt denominated in a non-U.S. currency will be calculated based on the relevant currency exchange rate in effect on the date such Debt was Incurred or, in the case of revolving credit Debt, first committed; *provided* that if such Debt is Incurred to refinance other Debt denominated in a non-U.S. currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-

denominated restriction will be deemed not to have been exceeded so long as the principal amount of such Permitted Refinancing Debt does not exceed the principal amount of such Debt being refinanced. The principal amount of any Debt Incurred to refinance other Debt, if Incurred in a different currency from the Debt being refinanced, will be calculated based on the currency exchange rate applicable to the currencies in which such Permitted Refinancing Debt is denominated that is in effect on the date of such refinancing.

Limitation on Restricted Payments

(a) Minerva will not, and will not permit any Subsidiary to, directly or indirectly (the payments and other actions described in the following clauses being collectively "Restricted Payments"):

- declare or pay any dividend or make any distribution on its Equity Interests held by Persons other than Minerva or any of its Subsidiaries (other than (A) dividends or distributions paid in Minerva's Qualified Equity Interests and (B) dividends or distributions by a Subsidiary payable, on a pro rata basis or on a basis more favorable to Minerva, to all holders of any class of Capital Stock of such Subsidiary a majority of which is held, directly or indirectly, by Minerva);

- purchase, redeem or otherwise acquire or retire for value any Equity Interests of Minerva held by Persons other than Minerva or any of its Subsidiaries; or

- repay, redeem, repurchase, defease or otherwise acquire or retire for value any Subordinated Debt (other than (x) a payment of interest or principal at Stated Maturity or (y) a repayment, redemption, repurchase, defeasance or acquisition or retirement in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of such repurchase, defeasance or acquisition or retirement);

unless, at the time of, and after giving effect to, the proposed Restricted Payment:

(1) no Event of Default has occurred and is continuing;

(2) Minerva could Incur at least U.S.$1.00 of Debt under the Net Debt to EBITDA Ratio test set forth in the first paragraph of the covenant described above under the caption "*—Limitation on Debt*;" and

(3) the aggregate amount expended for all Restricted Payments made on or after the Issue Date would not, subject to paragraph (d), exceed the sum of:

(A) 50% of the aggregate amount of the Consolidated Net Income (or, if the Consolidated Net Income is a loss, minus 100% of the amount of the loss) accrued on a cumulative basis during the period, taken as one accounting period, beginning on January 1, 2019 (the "Measurement Date") and ending on the last day of Minerva's most recently completed fiscal quarter for which financial statements have been provided (or if not timely provided, required to be provided) pursuant to the indenture, *plus*

(B) subject to paragraph (c), the aggregate net cash proceeds, and the fair market value of any property (other than cash), received by Minerva (other than from a Subsidiary) after the Measurement Date from

(i) the issuance and sale of its Qualified Equity Interests, including by way of issuance of its Disqualified Equity Interests or Debt to the extent since converted into or exchanged for Qualified Equity Interests of Minerva, and

(ii) as a contribution to the common equity capital of Minerva.

(b) The foregoing clauses (1), (2) and (3) will not prohibit the declaration and payment of mandatory dividends, in an amount equivalent to not more than 25% of Minerva's (or such Subsidiary's) adjusted Consolidated Net Income (as defined under Brazilian corporate law), including in the form of interest on outstanding capital, *provided* that the payment of such amounts is required under Brazilian corporate law and Minerva's (or such Subsidiary's) then- by-laws and that Minerva's (or such Subsidiary's) then-board of directors has not reported to the general shareholders' meeting that the distribution would be inadvisable given the financial condition of Minerva.

(c) The foregoing will not prohibit:

(1) the payment of any dividend or distribution within 60 days after the date of declaration thereof if, at the date of declaration, such payment would comply with paragraph (a);

(2) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Debt, the incurrence of which was permitted under clause (1) of the definition of "Permitted Debt";

(3) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Debt with the proceeds of, or in exchange for, Permitted Refinancing Debt;

(4) any Restricted Payment in exchange for, or out of the proceeds of the substantially concurrent issuance or sale of, Qualified Equity Interests; *provided, however*, the net cash proceeds from such sale of Qualified Equity Interests, to the extent such net cash proceeds are used for such Restricted Payment, will be excluded from clause (a)(3)(B) of this covenant;

(5) repurchases of Equity Interests of Minerva deemed to occur upon exercise of warrants, options or rights to acquire Equity Interests if such Equity Interests represent a portion of the exercise price of such warrants, options or rights or nominal cash payments in lieu of issuances of fractional shares;

(6) repurchase, redemption or other acquisition or retirement for value of any of Minerva's Equity Interests or any Equity Interests of any of its Subsidiaries held by any then-existing or former director, officer, employee, independent contractor or consultant or their respective assigns, estates or heirs; *provided, however*, that the price paid for all repurchased, redeemed, acquired or retired Equity Interests in all cases does not exceed U.S.$5.0 million in the aggregate in any fiscal year; and

(7) other Restricted Payments in an aggregate amount not to exceed an amount equal to the greater of (i) U.S.$100.0 million and (ii) 25.0% of Minerva's EBITDA, determined on a consolidated basis in conformity with GAAP, for the four fiscal quarters immediately prior to the transaction for which internal financial statements are available.

(d) In determining the aggregate amount of Restricted Payments made subsequent to the Issue Date, only amounts expended pursuant to clause (1) of paragraph (c) will be included in such calculation under paragraph (a).

Ranking

Each of Minerva Luxembourg and Minerva will ensure that its respective obligations under the indenture, the notes and the Guaranty will at all times constitute direct and unconditional obligations of Minerva Luxembourg or Minerva, ranking at all times at least *pari passu* in priority of payment among themselves and with all other unsecured Debt of such Person, subject to preferred obligations under mandatory applicable laws and except to the extent any such other Debt ranks above such obligations by reason of Liens permitted under the covenant described under "*—Limitation on Liens*."

Limitation on Liens

Minerva will not, and will not permit any Subsidiary to, incur or permit to exist any Lien securing the payment of Debt on any of its properties or assets, whether owned at the Issue Date or thereafter acquired, other than Permitted Liens, without effectively providing that the notes are secured equally and ratably with (or, if the obligation to be secured by the Lien is subordinated in right of payment to the notes or the Guaranty, prior to) the obligations so secured for so long as such obligations are so secured.

For purposes of determining compliance with this covenant, (A) a Lien securing an item of Debt need not be permitted solely by reference to one category of Permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant but may be permitted in part under any combination thereof and (B) in the event that a Lien securing an item of Debt (or any portion thereof) meets the criteria of one or more of the categories of Permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant, Minerva shall, in its sole discretion, classify or reclassify, or later divide, classify or reclassify (as if Incurred at such later time), such Lien securing such item of Debt (or any portion thereof) in any manner that complies with this covenant and will be entitled to include the amount and type of such Lien or such item of Debt secured by such Lien (or portion thereof) in one of the categories of Permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant and, in such event, such Lien securing such item of Debt (or any

portion thereof) will be treated as being Incurred or existing pursuant to only such clause or clauses (or any portion thereof) or pursuant to the first paragraph hereof without giving *pro forma* effect to such item (or portion thereof) when calculating the amount of Liens or Debt that may be Incurred pursuant to any other clause or paragraph.

With respect to any Lien securing Debt that was permitted to secure such Debt at the time of the Incurrence of such Debt, such Lien shall also be permitted to secure any Increased Amount of such Debt. The "*Increased Amount*" of any Debt shall mean any increase in the amount of such Debt in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Debt with the same terms or in the form of common stock of Minerva, the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock of the same class, accretion of original issue discount or liquidation preference and increases in the amount of Debt outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Debt described in the definition of "Debt."

Limitation on Sale and Leaseback Transactions

Minerva will not, and will not permit any Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any property unless Minerva or such Subsidiary would be entitled to:

(a) Incur Debt in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction pursuant to the covenant described under the heading "*—Limitation on Debt*," and

(b) create a Lien on such property or asset securing such Attributable Debt without equally and ratably securing the notes pursuant to the covenant described under the heading "*—Limitation on Liens*,"

in which case, the corresponding Debt and Lien will be deemed incurred pursuant to those provisions.

Limitation on Dividend and Other Payment Restrictions Affecting Subsidiaries

(a) Except as provided in paragraph (b), Minerva will not, and will not permit any Subsidiary to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Subsidiary to:

  (1) pay dividends or make any other distributions on any Equity Interests of the Subsidiary owned by Minerva to Minerva or any Subsidiary,

  (2) pay any Debt or other obligation owed to Minerva or any other Subsidiary,

  (3) make loans or advances to Minerva or any other Subsidiary, or

  (4) transfer any of its property or assets to Minerva or any other Subsidiary.

(b) The provisions of paragraph (a) do not apply to any encumbrances or restrictions

  (1) existing on the Issue Date as provided for in the indenture or any other agreements in effect on the Issue Date, and any extensions, renewals, replacements or refinancings of any of the foregoing; *provided* that the encumbrances and restrictions in the extension, renewal, replacement or refinancing are, taken as a whole, no less favorable in any material respect to the noteholders than the encumbrances or restrictions being extended, renewed, replaced or refinanced;

  (2) existing under or by reason of applicable law or governmental rule, regulation or order;

  (3) existing with respect to any Person, or to the property or assets of any Person, at the time the Person or property or assets is acquired by Minerva or any Subsidiary, which encumbrances or restrictions: (i) are not applicable to any other Person or the property or assets of any other Person; and (ii) were not put in place in anticipation of such event, and any extensions, renewals, replacements or refinancings of any of the foregoing; *provided* that the encumbrances and restrictions in the extension, renewal, replacement or refinancing are, taken as a whole, no less favorable in any material respect to the noteholders than the encumbrances or restrictions being extended, renewed, replaced or refinanced;

  (4) with respect to any agreement governing Debt of any Subsidiary that is permitted to be Incurred by the covenant described under the heading "*—Limitation on Debt*"; *provided* that Minerva determines that on the

date of the Incurrence of such Debt, that such encumbrance or restriction would not be expected to materially impair Minerva's ability to make principal or interest payments on the notes when it becomes due;

(5) of the type described in clause (a)(4) arising or agreed to in the ordinary course of business (i) that restrict in a customary manner the subletting, assignment or transfer of any property that is subject to a lease or license or (ii) by virtue of any Lien on, or agreement to transfer, option or similar right with respect to any property of, Minerva or any Subsidiary;

(6) with respect to a Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of, or property of, the Subsidiary that is permitted by the covenant described under the heading "*—Limitation on Asset Sales*";

(7) with respect to a Subsidiary and imposed pursuant to a customary provision in a joint venture or other similar agreement with respect to such Subsidiary that was entered into in the ordinary course of business;

(8) by reason of Liens that secure Debt otherwise permitted to be incurred under the provisions of the covenant described under "*—Limitation on Liens*" above and that limit the right of the debtor to dispose of the assets subject to such Liens;

(9) imposed by the standard loan documentation in connection with loans from (a) *Banco Nacional de Desenvolvimento Econômico e Social—BNDES* (including loans from *Financiadora de Estudos e Projectos—FINEP*), or any other Brazilian governmental development bank or credit agency or (b) any international or multilateral development bank, government-sponsored agency, export-import bank or official export-import credit insurer; or

(10) required pursuant to the indenture.

Repurchase of Notes upon a Change of Control Triggering Event

Not later than 30 days following a Change of Control that results in a Rating Decline, Minerva Luxembourg will make an Offer to Purchase all outstanding notes at a purchase price equal to 101% of the principal amount plus accrued interest to, but excluding, the date of purchase.

An "Offer to Purchase" must be made by written offer (with a copy to the trustee), which will specify the principal amount of notes subject to the offer and the purchase price. The offer must specify an expiration date (the "expiration date") not less than 30 days or more than 60 days after the date of the offer and a settlement date for purchase (the "purchase date") not more than five business days after the expiration date. The offer must include information concerning the business of Minerva and its Subsidiaries which Minerva in good faith believes will enable the holders to make an informed decision with respect to the Offer to Purchase. The offer will also contain instructions and materials necessary to enable holders to tender notes pursuant to the offer.

A holder may tender all or any portion of its notes pursuant to an Offer to Purchase, subject to the minimum denomination requirement and the requirement that any portion of a note tendered must be in the minimum amount of U.S.$200,000 and a multiple of U.S.$1,000 in excess thereof. Holders are entitled to withdraw notes tendered up to the close of business on the expiration date. On the purchase date, the purchase price will become due and payable on each note accepted for purchase pursuant to the Offer to Purchase, and interest on notes purchased will cease to accrue on and after the purchase date.

Minerva Luxembourg will comply with Rule 14e-1 under the Exchange Act (to the extent applicable) and all other applicable laws in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance.

Minerva Luxembourg will agree in the indenture to obtain all necessary consents and approvals from the Central Bank for any required remittance of funds outside of Brazil in connection with any Offer to Purchase.

Minerva Luxembourg is only required to offer to repurchase the notes in the event that a Change of Control results in a Rating Decline. Consequently, if a Change of Control were to occur which does not result in a Rating Decline, Minerva Luxembourg would not be required to offer to repurchase the notes. In addition, neither Minerva Luxembourg nor Minerva will be required to make an Offer to Purchase upon a Change of Control if (1) a third party makes the Offer to Purchase in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to an Offer to Purchase made by Minerva Luxembourg or Minerva and purchases all notes properly tendered and not withdrawn under the Offer to Purchase or (2) notice of redemption for all outstanding notes has been given pursuant to the indenture unless and

until there is a default in payment of the applicable redemption price.

Notwithstanding anything to the contrary contained herein, an Offer to Purchase may be made in advance of a Change of Control and conditioned upon the consummation of such Change of Control and/or Ratings Decline, if a definitive agreement is in place for the Change of Control at the time the Offer to Purchase is made.

Future debt of Minerva may provide that a Change of Control is a default or require repurchase upon a Change of Control. Moreover, the exercise by the noteholders of their right to require Minerva Luxembourg to purchase the notes could cause a default under other Debt, even if the Change of Control itself does not, due to the financial effect of the purchase on Minerva Luxembourg. In addition, the remittance of funds outside of Brazil to holders or the trustee requires the consent of the Central Bank, which may not be granted. Finally, Minerva Luxembourg's ability to pay cash to the holders following the occurrence of a Change of Control may be limited by Minerva Luxembourg's or Minerva's then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the notes.

Except as described above with respect to a Change of Control, the indenture does not contain provisions that permit the holder of the notes to require that Minerva Luxembourg purchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

The provisions under the indenture relating to Minerva's obligation to make an offer to repurchase the notes as a result of a Change of Control may be waived or amended as described in "*—Amendments and Waivers*."

Limitation on Asset Sales

Minerva will not, and will not permit any Subsidiary to, make any Asset Sale unless the following conditions are met:

(a) The Asset Sale is for fair market value, as determined in good faith by Minerva;

(b) At least 75% of the consideration consists of cash or Cash Equivalents, Marketable Securities and/or Productive Assets received at closing. (For purposes of this clause (b), the assumption by the purchasers of Debt or other obligations (other than Subordinated Debt in the case of Minerva or any Guarantor) of Minerva or a Subsidiary pursuant to a customary novation agreement, and instruments or securities received from the purchasers that are within 90 days of receipt converted by Minerva or Subsidiaries to cash, to the extent of the cash actually so received, shall be considered to be cash received at closing);

(c) Within 360 days after the receipt of any Net Available Proceeds from an Asset Sale, the Net Available Proceeds may be used:

(1) to permanently repay Debt (other than Subordinated Debt) of Minerva or any Guarantor or any Debt of a Subsidiary that is not a Guarantor (and in the case of a revolving credit, permanently reduce the commitment thereunder by such amount), in each case owing to a Person other than Minerva or any Subsidiary;

(2) to (i) acquire (or within the 360-day period set out in this clause above, Minerva or its Subsidiary shall have entered into a memorandum of understanding or contractual commitment to acquire, which acquisition shall be consummated prior to the second anniversary of such Asset Sale) all or substantially all of the assets of a Permitted Business, a majority of the Voting Stock of another Person that thereupon becomes a Subsidiary engaged in a Permitted Business or Productive Assets or (ii) make (or within the 360-day period set out in this clause above, Minerva or its Subsidiary shall have entered into a memorandum of understanding or contractual commitment to make, which capital expenditure shall be made prior to the second anniversary of such Asset Sale) capital expenditures or otherwise acquire long-term assets that are to be used in a Permitted Business;

(d) Notwithstanding clauses (a)-(c) above, Minerva and its Subsidiaries will be permitted to consummate an Asset Sale without complying with such clauses to the extent:

(1) at least 75% of the consideration for such Asset Sale constitutes Productive Assets, cash, Cash Equivalents and/or Marketable Securities; and

(2) the Asset Sale is for fair market value, as determined in good faith by Minerva;

provided that any consideration not constituting Productive Assets received by Minerva or any Subsidiary in connection with any Asset Sale permitted to be consummated under this clause shall be applied (in the case of cash,

Cash Equivalents and Marketable Securities within 360 days after the receipt thereof) in accordance with the provisions of clause (c) above; and

(e) The Net Available Proceeds of an Asset Sale not applied pursuant to clause (c) within 360 days of the Asset Sale (or, to the extent such 360-day period has been extended pursuant to the parenthetical in clause (c)(2), with respect to which the relevant memorandum of understanding or contractual commitment (1) has been terminated or (2) has expired and, in each of case (1) and (2), has not been extended) constitute "Excess Proceeds." Excess Proceeds of less than U.S.$20.0 million (or the equivalent thereof at the time of determination) will be carried forward and accumulated. When accumulated Excess Proceeds equals or exceeds such amount, Minerva Luxembourg or Minerva must, within 30 days, make an Offer to Purchase (or cause an Affiliate of Minerva to make an Offer to Purchase) notes having a principal amount equal to:

(1) accumulated Excess Proceeds, multiplied by

(2) a fraction (x) the numerator of which is equal to the outstanding principal amount of the notes and (y) the denominator of which is equal to the outstanding principal amount of the notes and all *pari passu* Debt similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale, rounded down to the nearest U.S.$1,000.

The purchase price for the notes will be 100% of the principal amount plus accrued interest to the date of purchase. If the Offer to Purchase is for less than all of the outstanding notes and notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, Minerva Luxembourg or Minerva (or an Affiliate of Minerva) will purchase notes having an aggregate principal amount equal to the purchase amount on a pro rata basis, with adjustments so that only notes in multiples of U.S.$1,000 with a minimum denomination of U.S.$200,000 remain outstanding. Minerva will agree in the indenture to obtain all necessary consents and approvals from the Central Bank for the remittance of funds outside of Brazil in connection with any Offer to Purchase. Upon completion of the purchase of the notes pursuant to an Asset Sale, Excess Proceeds will be reset at zero.

Minerva will comply with Rule 14e-1 under the Exchange Act (to the extent applicable) and all other applicable laws in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance. Pending application in accordance with this covenant, Net Available Proceeds may be applied to temporarily reduce revolving credit borrowings, if any, or invested in Cash Equivalents.

Limitation on Transactions with Affiliates

(a) Minerva will not, and will not permit any Subsidiary to, enter into, renew or extend any transaction or arrangement including the purchase, sale, lease or exchange of property or assets, or the rendering of any service, involving an aggregate amount in excess of U.S.$5.0 million (or the equivalent thereof at the time of determination), with any Affiliates that are not its Subsidiaries (a "Related Party Transaction"), except upon fair and reasonable terms no less favorable to Minerva or the Subsidiary than could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of Minerva.

(b) In any Related Party Transaction or series of Related Party Transactions with an aggregate value in excess of U.S.$25.0 million (or the equivalent thereof at the time of determination), Minerva must first deliver to the trustee a certificate from Minerva's governing body to the effect that such transaction or series of related transactions are on fair and reasonable terms no less favorable to Minerva or its Subsidiaries than could be obtained in a comparable arm's-length transaction and is otherwise compliant with the terms of the indenture.

(c) The foregoing paragraphs do not apply to:

(1) any transaction between Minerva and any Subsidiary or between Subsidiaries;

(2) the payment of reasonable and customary regular fees to directors of Minerva who are not employees of Minerva;

(3) any Restricted Payments made in accordance with "*—Limitation on Restricted Payments*";

(4) any issuance or sale of Equity Interests (other than Disqualified Stock);

(5) transactions or payments pursuant to any employee, officer or director compensation or benefit plans, customary indemnifications or arrangements entered into in the ordinary course of business;

(6) transactions pursuant to agreements in effect on the Issue Date and described in this offering memorandum, as amended, modified or replaced from time to time so long as the amended, modified or new agreements, taken as a whole, are no less favorable in any material respect to Minerva and its Subsidiaries than the agreement being amended, modified or replaced;

(7) any Sale and Leaseback Transaction otherwise permitted under the caption "*—Limitation on Sale and Leaseback Transactions*" if such transaction is on market terms; and

(8) (A) transactions with purchasers or sellers of goods or services, in each case, in the ordinary course of business and on market terms, or (B) transactions with joint ventures or other similar arrangements entered into in the ordinary course of business and on market terms.

Line of Business

Minerva will not, and will not permit any of its Subsidiaries, to engage in any business other than a Permitted Business, except to an extent that doing so would not be material to Minerva and its Subsidiaries, taken as a whole.

Financial Reports

(a) Minerva shall furnish to the trustee (and will also provide the trustee with sufficient copies of the following reports referred to in (1) and (2) below for distribution, at Minerva's expense, to all holders of notes);

(1) no later than 120 days after the end of each fiscal year of Minerva, annual audited consolidated financial statements in English of Minerva, prepared in accordance with GAAP and accompanied by an opinion of internationally recognized independent public accountants; and

(2) no later than 60 days after the end of each of the first three fiscal quarters of Minerva, quarterly unaudited consolidated financial statements in English of Minerva, prepared in accordance with GAAP, and to the extent Minerva's equity is listed on the B3 S.A., accompanied by a "limited review" (*revisão limitada*) report of internationally recognized independent public accountants selected by Minerva.

For so long as any of the notes are listed on the SGX-ST and the rules of such exchange require, copies of Minerva's published annual report (in English) and all documents annexed thereto shall be provided to the SGX-ST as soon as it is issued.

The above reports may be delivered by Minerva to the trustee in physical or electronic form, as determined by Minerva. If Minerva files the reports described in clauses (1) or (2) with the U.S. Securities and Exchange Commission or makes such reports available on its website and notifies the trustee of such filing and/or availability, it will be deemed to have satisfied the reporting requirement set forth in such applicable clause.

Delivery of such reports, information and documents to the trustee shall be for informational purposes only and the trustee's receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including Minerva's compliance with any of the covenants contained in the indenture (as to which the trustee will be entitled to conclusively rely upon an officer's certificate).

(b) For so long as the notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, Minerva will furnish to any noteholder, or to any prospective purchasers designated by such noteholder, financial and other information described in paragraph (d)(4) of Rule 144A with respect to Minerva.

Minerva's obligations pursuant to this covenant may, at Minerva's option, be suspended and instead provided by any direct or indirect parent of Minerva (any such entity, a "Company Reporting Entity") as of any date, and for so long as, all of the following conditions are satisfied:

(1) the Company Reporting Entity beneficially owns directly or indirectly at least 95% (less any director's qualifying shares or shares owned by foreign nationals to the extent mandated by applicable law) of the Voting Stock of Minerva; and

(2) Company Reporting Entity makes the reports and financial information referred to in the first paragraph of this covenant available on its website (or otherwise permitted above), or otherwise publicly available within the time periods specified in the first paragraph of this covenant, except that such reports and financial information may be with respect to Company Reporting Entity instead of Minerva; *provided* that, if the Company Reporting Entity has

material operating assets (other than Minerva and its Subsidiaries), the quarterly and annual financial statements of Company Reporting Entity shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in "Management's Discussion and Analysis of Financial Condition and Results of Operations," of the financial condition and results of operations of Minerva and its Subsidiaries separate from the financial condition and results of operations of the Company Reporting Entity (any period during which the reporting obligations pursuant to the first paragraph of this covenant are suspended pursuant to this clause being referred to herein as a "Reporting Suspension Period"). The requirements of the first paragraph of this covenant above shall resume as of the end of any Reporting Suspension Period, but no Default or Event of Default shall be deemed to have occurred or be continuing due to non-compliance during any Reporting Suspension Period with the requirements of the first paragraph of this covenant.

Reports to Trustee. Minerva will deliver to the trustee:

(a) within 120 days after the end of each fiscal year an officer's certificate stating that Minerva has fulfilled its obligations under the indenture or, if there has been a Default, specifying the Default and its nature and status; and

(b) as soon as possible and in any event within 30 days after Minerva becomes aware of the occurrence of a Default, an officer's certificate setting forth the details of the Default, and the action which Minerva proposes to take with respect thereto.

Consolidation, Merger or Sale of Substantially All Assets

The indenture further provides as follows regarding consolidation, merger or sale of all or substantially all of the assets of Minerva:

(a) Minerva will not

- consolidate with or merge with or into any Person; or
- sell, convey, transfer, or otherwise dispose of all or substantially all of its assets (determined on a consolidated basis of Minerva and its Subsidiaries), in one transaction or a series of related transactions, to any Person or
- permit any Person to merge with or into Minerva;

unless

(1) either: (x) Minerva is the continuing Person or (y) the resulting, surviving or transferee Person is a corporation organized and validly existing under the laws of Brazil or any political subdivision thereof, the United States of America or any state thereof or the District of Columbia or any other country member of the Organization for Economic Co-operation and Development (OECD) and expressly assumes by supplemental indenture all of the obligations of Minerva under the indenture and its Guaranty;

(2) immediately after giving effect to the transaction, no Default has occurred and is continuing;

(3) immediately after giving effect to the transaction on a *pro forma* basis, Minerva or the resulting surviving or transferee Person (i) could Incur at least U.S.$1.00 of Debt under the covenant described in the first paragraph under the caption "*—Limitation on Debt*" or (ii) would have a Net Debt to EBITDA Ratio less than or equal to Minerva immediately prior to such transaction; and

(4) Minerva, or the surviving entity, as the case may be, delivers to the trustee an officer's certificate and an opinion of counsel, each stating that the consolidation, merger or transfer and the supplemental indenture (if any) comply with the indenture;

provided, that clauses (2) and (3) do not apply to the consolidation or merger of Minerva with or into a Substantially Wholly-Owned Subsidiary or the consolidation or merger of a Substantially Wholly-Owned Subsidiary with or into Minerva.

(b) Minerva shall not lease all or substantially all of its assets, whether in one transaction or a series of transactions, to one or more other Persons, except to the extent permitted under "—Limitation on Sale and Leaseback Transactions."

(c) Upon the consummation of any transaction effected in accordance with these provisions, if Minerva is not the continuing Person, the resulting, surviving or transferee Person will succeed to, and be substituted for, and may

exercise every right and power of, Minerva under the indenture, the notes and the Guaranty with the same effect as if such successor Person had been named as Minerva in the indenture. Upon such substitution, unless the successor is one or more of Minerva's Subsidiaries, Minerva will be released from its obligations under the indenture and its Guaranty.

Substitution of Minerva Luxembourg as the Issuer

Notwithstanding any other provision contained in the indenture, Minerva Luxembourg (and any future Substituted Debtor) may, without the consent of the holders of the notes (and by subscribing for any notes, each holder of the notes expressly consents to it), be replaced and substituted by (i) Minerva or (ii) any Wholly-Owned Subsidiary of Minerva as principal debtor (in such capacity, the "Substituted Debtor") in respect of the notes provided that:

(i) such documents shall be executed by the Substituted Debtor, Minerva Luxembourg, Minerva and the trustee as may be necessary to give full effect to the substitution, including a supplemental indenture whereby the Substituted Debtor assumes all of Minerva Luxembourg's obligations under the indenture (together, the "Issuer Substitution Documents");

(ii) without prejudice to the generality of the preceding paragraph, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than Luxembourg, the Issuer Substitution Documents shall contain a covenant by the Substituted Debtor and/or such other provisions as may be necessary to ensure that each holder of the notes has the benefit of a covenant in terms corresponding to the obligation of Minerva Luxembourg in respect of the payment of additional amounts set forth in "—Additional Amounts," with the substitution of such other jurisdiction for Luxembourg;

(iii) Minerva Luxembourg shall have delivered, or procured the delivery to the trustee of, an opinion of counsel addressed to the trustee and the Substituted Debtor from a leading firm of New York lawyers and an opinion of counsel from a leading firm of the jurisdiction of organization of the Substituted Debtor to the effect that the Issuer Substitution Documents are enforceable and constitute valid and binding obligations of the parties hereto;

(iv) the Substituted Debtor shall have appointed a process agent in the Borough of Manhattan, the City of New York to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the notes or the Issuer Substitution Documents;

(v) no outstanding Event of Default has occurred and is continuing;

(vi) the substitution will comply with all applicable requirements under Brazilian law; and

(vii) the Substituted Debtor and Minerva Luxembourg shall deliver to the trustee an officer's certificate both certifying that the terms of this section have been complied with and attaching copies of all documents contemplated herein.

(b) Upon the execution of the Issuer Substitution Documents as referred to in paragraph (a) (i) above and compliance with the other conditions in paragraph (a), the Substituted Debtor shall be deemed to be named in the notes as the principal debtor in place of Minerva Luxembourg and Minerva Luxembourg will be released from all of its obligations under the notes and the indenture. In addition, Minerva Luxembourg and the Substituted Debtor (unless such Substituted Debtor is an entity with no operations and was created solely for the purpose of becoming the issuer of the notes) will not be subject to the provisions of the covenants described under "Ownership Restriction on Minerva Luxembourg".

(c) Not later than 10 business days after the execution of the Issuer Substitution Documents, the Substituted Debtor shall give notice thereof to the holders of the notes in accordance with the provisions described under "*—Notices*".

Covenant Suspension

From and during any time that:

(a) the notes have an Investment Grade rating from any two Rating Agencies, and

(b) no Default has occurred and is continuing (the occurrence of the events described in the foregoing clauses (a) and (b) being collectively referred to as a "Covenant Suspension Event"), Minerva and its Subsidiaries will not be subject to the following provisions of the indenture (collectively, the "Suspended Covenants"):

"—Limitation on Debt";

"—Limitation on Restricted Payments";

"—Limitation on Dividend and Other Payment Restrictions Affecting Subsidiaries"; "—Limitation on Asset Sales";

"—Limitation on Transactions with Affiliates";

"—Line of Business"; and

clause (a)(3) of "—Consolidation, Merger or Sale of Substantially All Assets".

In the event that Minerva and its Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date"), the notes cease to have an Investment Grade Rating from any two Rating Agencies, then Minerva and its Subsidiaries will thereafter again be subject to the Suspended Covenants. The period of time between the occurrence of a Covenant Suspension Event and the Reversion Date is referred to as the "Suspension Period." Notwithstanding that the Suspended Covenants may be reinstated, no Default or Event of Default will be deemed to have occurred as a result of a failure to comply with any of the Suspended Covenants during the Suspension Period (or upon termination of the Suspension Period or after that time based solely on events that occurred during the Suspension Period).

On the Reversion Date, all Debt incurred during the Suspension Period will be classified to have been incurred pursuant to paragraph (a) of "*—Limitation on Debt*" or one of the clauses set forth in paragraph (b) of "*—Limitation on Debt*" (to the extent such Debt would be permitted to be incurred thereunder as of the Reversion Date and after giving effect to the Debt incurred prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Debt would not be permitted to be incurred pursuant to either paragraph (a) or paragraph (b) of "*— Limitation on Debt*," such Debt will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (7) of paragraph (b) of "*—Limitation on Debt*." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under "*—Limitation on Restricted Payments*" will be made as though the covenant described under "*—Limitation on Restricted Payments*" had been in effect since the Issue Date and throughout the Suspension Period.

Minerva or Minerva Luxembourg will give the trustee written notice of any Covenant Suspension Event. Minerva or Minerva Luxembourg will give the trustee written notice of any occurrence of a Reversion Date. Until the trustee's receipt of notice of a Covenant Suspension Event, the trustee shall assume the Suspended Covenants apply and are in full force and effect.

Default and Remedies

Events of Default

An "Event of Default" occurs if:

(1) Minerva Luxembourg defaults in the payment of the principal of any note when the same becomes due and payable at maturity, upon acceleration or redemption, or otherwise;

(2) Minerva Luxembourg defaults in the payment of interest on any note when the same becomes due and payable, and the default continues for a period of 30 days;

(3) Minerva fails to comply with the covenant described under the caption "—Consolidation, Merger or Sale of Assets";

(4) Minerva Luxembourg or Minerva defaults in the performance of or breaches any other covenant or agreement in the indenture or under the notes and the default or breach continues for a period of 60 consecutive days after written notice to Minerva Luxembourg and Minerva by the trustee or to Minerva Luxembourg, Minerva and the trustee by the holders of 25% or more in aggregate principal amount of the notes;

(5) there occurs with respect to any Debt of Minerva Luxembourg, Minerva or any of its Significant Subsidiaries having an outstanding principal amount of U.S.$75.0 million (at any time prior to the consummation of the Marfrig

Main Acquisition) or U.S.$100.0 million (at any time following the consummation of the Marfrig Main Acquisition) (in each case, or the equivalent thereof at the time of determination) or more in the aggregate for all such Debt of all such Persons (i) an event of default that results in such Debt being due and payable prior to its scheduled maturity or (ii) failure to make a principal payment when due and such defaulted payment is not made, waived or extended within the applicable grace period;

(6) one or more final, non-appealable judgments or orders for the payment of money are rendered against Minerva Luxembourg, Minerva or any of its Significant Subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.$75.0 million (at any time prior to the consummation of the Marfrig Main Acquisition) or U.S.$100.0 million (at any time following the consummation of the Marfrig Main Acquisition) in each case, or the equivalent thereof at the time of determination (in excess of amounts which applicable insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

(7) an involuntary case or other proceeding is commenced against Minerva Luxembourg, Minerva or any Significant Subsidiary with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a trustee, receiver, sindico, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 days; or an order for relief is entered against Minerva Luxembourg, Minerva or any Significant Subsidiary under the bankruptcy, insolvency or other similar laws as now or hereafter in effect and such order is not being contested by Minerva Luxembourg, Minerva or such Significant Subsidiary, as the case may be, in good faith or has not been dismissed, discharged or otherwise stayed, in each case within 60 days of being made;

(8) Minerva Luxembourg, Minerva or any of its Significant Subsidiaries (i) commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, sindico, liquidator, assignee, custodian, trustee, sequestrator or similar official of Minerva Luxembourg, Minerva or any of its Significant Subsidiaries or for all or substantially all of the property of Minerva Luxembourg, Minerva or any of its Significant Subsidiaries or (iii) effects any general assignment for the benefit of creditors (an event of default specified in clause (7) or (8), a "bankruptcy default");

(9) the Guaranty of Minerva ceases to be in full force and effect, other than in accordance with the terms of the indenture, it is or will become unlawful for Minerva Luxembourg or Minerva to perform or comply with any of its material obligations under or in respect of the notes or the indenture, or Minerva denies or disaffirms its obligations under its Guaranty;

(10) Minerva fails to (i) deposit, or cause to be deposited, the Escrow Amount into the Escrow Account within five business days of the Issue Date or (ii) make, or cause to be made, a Special Mandatory Debt Repayment on a Special Repayment Date, to the extent required as described under "—Escrow of Proceeds; Mandatory Debt Repayment"; or

(12) all or substantially all of the undertaking, assets and revenues of Minerva is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or Minerva is prevented by any such Person from exercising normal control over all or substantially all of its respective undertakings, assets and revenues.

Consequences of an Event of Default

If an Event of Default (other than a bankruptcy default with respect to Minerva) occurs and is continuing under the indenture, the trustee or the holders of at least 25% in aggregate principal amount of the notes then outstanding, by written notice to Minerva Luxembourg (and to the trustee if the notice is given by the holders), may, and the trustee at the written request of such holders shall, declare the unpaid principal of and accrued interest on the notes to be immediately due and payable. Upon a declaration of acceleration, such principal and interest will become immediately due and payable. If a bankruptcy default occurs with respect to Minerva, the unpaid principal of and accrued interest on the notes then outstanding will become immediately due and payable without any declaration or other act on the part of the trustee or any holder. In this case, Minerva will be required, and will agree in the indenture, to duly comply with any and all then-applicable Central Bank regulations for remittance of funds outside of Brazil.

The holders of a majority in principal amount of the outstanding notes by written notice to Minerva Luxembourg and to the trustee may waive all past defaults and rescind and annul a declaration of acceleration and its consequences if

(1) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the notes that have become due solely by the declaration of acceleration, have been cured or waived,

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction, and

(3) a sum sufficient to pay all sums paid or advanced by the trustee and the reasonable fees, expenses, disbursements and advances of the trustee, its agents and counsel incurred in connection with such Event of Default has been deposited with the trustee.

Except as otherwise provided in "*—Consequences of an Event of Default*" or "*—Amendments and Waivers— Amendments with Consent of Holders*," the holders of a majority in principal amount of the outstanding notes may, by notice to the trustee, waive an existing Default and its consequences. Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

The holders of a majority in principal amount of the outstanding notes may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee. However, the trustee may refuse to follow any direction that conflicts with law or the indenture, that may involve the trustee in personal liability, or that the trustee determines in good faith may be unduly prejudicial to the rights of holders of notes not joining in the giving of such direction, and may take any other action it deems proper that is not inconsistent with any such direction received from holders of notes.

A holder may not institute any proceeding, judicial or otherwise, with respect to the indenture or the notes, or for the appointment of a receiver or trustee, or for any other remedy under the indenture or the notes, unless:

(1) the holder has previously given to the trustee written notice of a continuing Event of Default;

(2) holders of at least 25% in aggregate principal amount of outstanding notes have made written request to the trustee to institute proceedings in respect of the Event of Default in its own name as trustee under the indenture;

(3) holders have offered to the trustee indemnity reasonably satisfactory to the trustee against any costs, liabilities or expenses to be incurred in compliance with such request;

(4) the trustee within 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) during such 60-day period, the holders of a majority in aggregate principal amount of the outstanding notes have not given the trustee a direction that is inconsistent with such written request.

Notwithstanding anything to the contrary, the right of a holder of a note to receive payment of principal of or interest on its note on or after the Stated Maturities thereof, or to bring suit for the enforcement of any such payment on or after such dates, may not be impaired or affected without the consent of that holder.

If any Event of Default occurs and is continuing and is known to a responsible officer of the trustee, the trustee will send notice of the Event of Default to each holder within 90 days after it receives notice of such Event of Default, unless the Event of Default has been cured; *provided* that, except in the case of a default in the payment of the principal of or interest on any note, the trustee may withhold the notice if and so long as the responsible officer of the trustee in good faith determine that withholding the notice is in the interest of the holders.

The trustee shall not be deemed to have notice of any Default or Event of Default (other than a payment default) unless written notice of any event which is in fact such a default is received by a responsible officer at the Corporate Trust Office of the trustee and such notice references the notes and the indenture.

No Liability of Directors, Officers, Employees, Incorporators, Members and Stockholders

No director, officer, employee, incorporator, member or stockholder of Minerva, as such, will have any liability for any obligations of Minerva under the notes, the Guaranty or the indenture or for any claim based on, in respect of, or by reason of, such obligations. Each holder of notes by accepting a note waives and releases all such liability. This waiver and release

are part of the consideration for issuance of the notes. This waiver may not be effective to waive liabilities under U.S. securities laws, and it is the view of the U.S. Securities and Exchange Commission that such a waiver is against public policy.

Amendments and Waivers

Amendments Without Consent of Holders. Minerva and the trustee may amend or supplement the indenture or the notes without notice to or the consent of any noteholder:

(1) to cure any ambiguity, defect or inconsistency in the indenture or the notes;

(2) to comply with the covenant described under the caption "*—Consolidation, Merger or Sale of Substantially All Assets*";

(3) to evidence and provide for the acceptance of an appointment by a successor trustee;

(4) to provide for uncertificated notes in addition to or in place of certificated notes;

(5) to provide for any Guaranty of the notes, to secure the notes or to confirm and evidence the release, termination or discharge of any Guaranty of or Lien securing the notes when such release, termination or discharge is permitted by the indenture;

(6) to provide for or confirm the issuance of additional notes; or

(7) to make any other change that does not materially and adversely affect the rights of any holder or to conform the indenture to this "Description of Notes."

Amendments With Consent of Holders. (a) Except as otherwise provided in "*—Default and Remedies— Consequences of an Event of Default*" or paragraph (b), Minerva and the trustee may amend the indenture and the notes with the written consent of the holders of a majority in principal amount of the outstanding notes and the holders of a majority in principal amount of the outstanding notes may waive past failure to comply and future compliance by Minerva with any provision of the indenture or the notes.

(b) Notwithstanding the provisions of paragraph (a), without the consent of each holder affected, an amendment or waiver may not (with respect to any notes held by a non-consenting holder):

(1) reduce the principal amount of or change the Stated Maturity of any installment of principal of any note,

(2) reduce the rate of or change the Stated Maturity of any interest payment on any note,

(3) reduce the amount payable upon the redemption of any note or change the time of any mandatory redemption or, in respect of an optional redemption, the times at which any note may be redeemed; *provided* that any amendment to the minimum notice requirement may be made with the consent of the holders of a majority in aggregate principal amount of the notes then outstanding;

(4) after the time an Offer to Purchase is required to have been made, reduce the purchase amount or purchase price, or extend the latest expiration date or purchase date thereunder,

(5) make any note payable in currency other than that stated in the note,

(6) impair the contractual right of any holder of notes to receive any principal payment or interest payment on such holder's notes, on or after the Stated Maturity thereof, or to institute suit for the enforcement of any such payment,

(7) make any change in the percentage of the principal amount of the notes required for amendments or waivers,

(8) modify or change any provision of the indenture affecting the ranking of the notes or the Guaranty by Minerva in a manner adverse to the holders of the notes, or

(9) make any change to the payment provisions in a Guaranty by Minerva that would adversely affect the noteholders.

It is not necessary for noteholders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

Satisfaction and Discharge

Minerva may discharge its obligations under the notes and the indenture by irrevocably depositing in trust with the trustee money and/or U.S. Government Obligations sufficient to pay principal of and interest on the notes to maturity or redemption, subject to meeting certain other conditions.

Defeasance

Minerva Luxembourg may elect to:

(1) discharge most of its obligations in respect of the notes and the indenture, not including obligations related to the defeasance trust or to the replacement of notes or its obligations to the trustee ("legal defeasance") or

(2) discharge its obligations under most of the covenants and under clauses (3) and (4) of the covenant described under the caption "—Certain Covenants—Consolidation, Merger and Sale of Assets" (and the events listed in clauses (3), (4), (5), (6), (7) (as it relates to Significant Subsidiaries), (8) (as it relates to Significant Subsidiaries), (9) and (10) under "—Default and Remedies—Events of Default" will no longer constitute Events of Default) ("covenant defeasance"),

by irrevocably depositing in trust with the trustee U.S. dollars and/or U.S. Government Obligations sufficient to pay principal of and interest on the notes to maturity or redemption and by meeting certain other conditions, including delivery to the trustee of either a ruling received from the Internal Revenue Service or an opinion of counsel to the effect that the beneficial owners of the notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would otherwise have been the case. In the case of legal defeasance, such an opinion could not be given absent a change of law after the Issue Date. The legal defeasance would in each case be effective when 123 days have passed since the date of the deposit in trust.

In the case of either discharge or defeasance, all Guaranties will terminate.

Concerning the Trustee

The Bank of New York Mellon is the trustee under the indenture.

Except during the continuance of an Event of Default, the trustee need perform only those duties that are specifically set forth in the indenture and no others, and no implied covenants or obligations will be read into the indenture against the trustee. In case an Event of Default has occurred and is continuing, the trustee shall exercise those rights and powers vested in it by the indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. No provision of the indenture will require the trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, unless it receives indemnity satisfactory to it against any loss, liability or expense. So long as no Event of Default has occurred and is continuing, Minerva may remove the trustee and promptly appoint a successor trustee, which shall comply, at time of the appointment, with the eligibility requirements set forth in the indenture.

The indenture contains limitations on the rights of the trustee, should it become a creditor of any obligor on the notes, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The trustee is permitted to engage in other transactions with Minerva and its Affiliates; *provided* that if it acquires any conflicting interest it must either eliminate the conflict within 90 days or resign as trustee.

Paying Agent

The trustee will initially act as the paying agent and registrar for the notes. As soon as practicable after any change being made to the register kept by the registrar, the registrar shall provide to Minerva Luxembourg such information concerning such change as shall enable Minerva Luxembourg to keep its register up-to-date and Minerva Luxembourg undertakes that promptly upon receipt of any such information from the registrar it shall update Minerva Luxembourg's register to reflect such change. In the case of inconsistency between the register kept by the registrar and Minerva Luxembourg's register, the registrar's register shall prevail. Minerva may appoint other paying agents and registrars instead of, or in addition to, the trustee. Upon any issuance of definitive notes, Minerva Luxembourg will appoint and maintain a paying agent in Singapore, for so long as the notes are listed on the SGX-ST and the rules of such exchange so require. In such event, an announcement shall be made through the SGX-ST and will include all material information with respect to the delivery of the definitive notes, including details of the paying agent in Singapore. Upon any change in the paying agent or registrar, Minerva will

make an announcement through the SGX-ST and publish a notice in a leading daily newspaper of general circulation in Singapore, which is expected to be The Business Times, Singapore Edition.

Notices

As long as notes in global form are outstanding, notices to be given to holders will be given to the depositary, in accordance with its applicable policies as in effect from time to time. If Minerva Luxembourg issues notes in certificated form, notices to be given to holders will be sent by mail to the respective addresses of the holders as they appear in the registrar's records, and will be deemed given when mailed. For so long as any notes are listed on the SGX-ST and the rules of such exchange require, Minerva Luxembourg will make an announcement through the SGX-ST and publish all notices to holders in a newspaper with general circulation in Singapore, which is expected to be the Business Times, Singapore Edition. Any such notice shall be deemed to have been delivered on the date of first publication.

Neither the failure to give any notice to a particular holder, nor any defect in a notice given to a particular holder, will affect the sufficiency of any notice given to another holder.

Governing Law

The indenture, the notes and the Guaranty shall be governed by, and construed in accordance with, the laws of the State of New York.

The provisions of Articles 470-1 to 470-19 (included) of the Luxembourg law of 10 August 1915 on commercial companies, as amended, are excluded.

Consent to Jurisdiction

Minerva Luxembourg and Minerva will irrevocably submit to the jurisdiction of any New York State or United States Federal court sitting in the City of New York over any suit, action or proceeding arising out of or relating to the indenture or any note or the Guaranty. Minerva Luxembourg and Minerva will irrevocably waive, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such courts and any claim that any such suit, action or proceeding brought in such courts, has been brought in an inconvenient forum and any right to which it may be entitled on account of place of residence or domicile. To the extent that Minerva Luxembourg or Minerva has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process with respect to itself or its property, Minerva Luxembourg and Minerva will irrevocably waive such immunity in respect of (i) its obligations under the indenture and (ii) any note or Guaranty. Minerva Luxembourg and Minerva will agree that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding on them and may be enforced in any court to the jurisdiction of which each of them is subject by a suit upon such judgment, *provided*, that service of process is effected upon Minerva Luxembourg or Minerva in the manner specified in the following paragraph or as otherwise permitted by law.

As long as any of the notes remain outstanding, Minerva Luxembourg and Minerva will at all times have an authorized agent in the City of New York, upon whom process may be served in any legal action or proceeding arising out of or relating to the indenture or any note or Guaranty. Service of process upon such agent and written notice of such service mailed or delivered to Minerva Luxembourg and Minerva shall to the extent permitted by law be deemed in every respect effective service of process upon Minerva Luxembourg or Minerva, as the case may be, in any such legal action or proceeding. Minerva Luxembourg and Minerva will appoint Cogency Global Inc. as their agent for such purpose, and covenants and agrees that service of process in any suit, action or proceeding may be made upon it at the office of such agent at 10 East 40th Street, 10th Floor, New York, NY 10016 (or at such other address or at the office of such other authorized agent as Minerva Luxembourg or Minerva may designate by written notice to the trustee).

Judgment Currency

U.S. dollars are the sole currency of account and payment for all sums due and payable by Minerva Luxembourg and Minerva under the indenture, the notes and the Guaranty. If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due hereunder in United States dollars into another currency, Minerva Luxembourg and Minerva will agree, to the fullest extent that they may legally and effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the trustee determines a Person could purchase United States dollars with such other currency in New York, New York, on the business day immediately preceding the day on which final judgment is given.

The obligation of each of Minerva Luxembourg and Minerva in respect of any sum due to any noteholder or the trustee in

United States dollars shall, to the extent permitted by applicable law, notwithstanding any judgment in a currency other than United States dollars, be discharged only to the extent that on the business day following receipt of any sum adjudged to be so due in the judgment currency such noteholder or trustee may in accordance with normal banking procedures purchase United States dollars in the amount originally due to such Person with the judgment currency. If the amount of United States dollars so purchased is less than the sum originally due to such Person, each of Minerva Luxembourg and Minerva agrees, jointly and severally, as a separate obligation and notwithstanding any such judgment, to indemnify such Person against the resulting loss; and if the amount of United States dollars so purchased is greater than the sum originally due to such Person, such Person will, by accepting a note, be deemed to have agreed to repay such excess.

Certain Definitions

"Acquired Debt" means Debt of a Person existing at the time the Person merges with or into or becomes a Subsidiary and not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Subsidiary.

"Advance Transaction" means an advance from a financial institution involving either (a) a foreign exchange contract (ACC — *Adiantamento sobre Contrato de Câmbio*) or (b) an export contract (ACE —*Adiantamento sobre Contrato de Exportação*).

"Brazil" means the Federative Republic of Brazil.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with") with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Premium" means with respect to any note on any redemption date the greater (i) 1.0% of the principal amount of such note and (ii) the excess (if any) of (a) the present value at such redemption date of (1) the redemption price of such note at September 13, 2028 (as set forth under "*—Optional Redemption*") plus (2) all required interest payments due on such note through September 13, 2028 (excluding accrued but unpaid interest), computed using a discounted rate equal to the Treasury Rate on such redemption date plus 50 basis points over (b) the principal amount of such note.

"Asset Sale" means any sale, lease, transfer or other disposition of any assets by Minerva or any Subsidiary, outside the ordinary course of business, including by means of a merger, consolidation or similar transaction and including any sale or issuance of the Equity Interests of any Subsidiary (each of the above referred to as a "disposition"), *provided* that the following are not included in the definition of "Asset Sale":

(1) a disposition to Minerva or a Subsidiary, including the sale or issuance by Minerva or any Subsidiary of any Equity Interests of any Subsidiary to Minerva or any Subsidiary;

(2) the disposition by Minerva or any Subsidiary in the ordinary course of business of (i) cash and cash management investments, (ii) inventory and other assets acquired and held for resale in the ordinary course of business, (iii) damaged, worn out or obsolete assets, or (iv) rights granted to others pursuant to leases or licenses;

(3) the lease of assets by Minerva or any of its Subsidiaries in the ordinary course of business;

(4) the sale or discount of accounts receivable arising in the ordinary course of business in connection with the compromise or collection thereof;

(5) a transaction covered by the covenant described under the caption "—Certain Covenants—Consolidation, Merger or Sale of Substantially All Assets";

(6) a Restricted Payment permitted under the covenant described under the caption "*—Certain Covenants— Limitation on Restricted Payments*";

(7) a Sale and Leaseback Transaction otherwise permitted under "*—Certain Covenants—Limitation on Sale and Leaseback Transactions*";

(8) any issuance of Disqualified Stock otherwise permitted under "*—Certain Covenants—Limitation on Debt*";

(9) the creation of a Lien not prohibited by the indenture;

(10) any surrender or waiver of contract rights pursuant to a settlement, release, recovery on or surrender of contract, tort or other claims of any kind; or

(11) any disposition or a series of related dispositions of assets with an aggregate fair market value of less than U.S.$25.0 million (or the equivalent thereof at the time of determination).

"Attributable Debt" means, in respect of a Sale and Leaseback Transaction, the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

"Capital Lease" means, with respect to any Person, any lease of any property which, in conformity with GAAP, is required to be categorized as a financing lease on the balance sheet of such Person.

"Capital Stock" means, with respect to any Person, any and all shares of stock of a corporation, partnership interests or other equivalent interests (however designated, whether voting or non-voting) in such Person's equity, entitling the holder to receive a share of the profits and losses, and a distribution of assets, after liabilities, of such Person.

"Cash Equivalents" means:

(1) Brazilian *reais*, U.S. dollars, or money in other currencies received in the ordinary course of business that are readily convertible into U.S. dollars,

(2) any evidence of Debt with a maturity of one year or less issued or directly and fully guaranteed or insured by Brazil or the United States of America or any agency or instrumentality thereof, *provided* that the full faith and credit of Brazil or the United States of America is pledged in support thereof,

(3) (i) demand deposits, (ii) time deposits and certificates of deposit with maturities of one year or less from the date of acquisition, (iii) bankers' acceptances with maturities not exceeding one year from the date of acquisition, and (iv) overnight bank deposits, in each case with any bank or trust company organized or licensed under the laws of Brazil or any political subdivision thereof or the United States or any state thereof having capital, surplus and undivided profits in excess of U.S.$500 million whose short-term debt is rated "A-2" or higher by S&P, "P-2" or higher by Moody's or "A" or higher by Fitch,

(4) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above,

(5) commercial paper rated at least P-1 by Moody's or A-1 by S&P and maturing no later than one year after the date of acquisition, and

(6) money market funds at least 95% of the assets of which consist of investments of the type described in clauses (1) through (5) above.

"Change of Control" means the occurrence of one or more of the following events:

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the consolidated assets of Minerva and its Subsidiaries taken as a whole to any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) other than to one or more of the Permitted Holders; or

(2) that any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) (other than one or more Permitted Holders) becomes the Beneficial Owner (as such term is used in Rule 13d-3 and Rule 13d-5 under the Exchange Act) of a majority of the voting power of the Voting Capital Stock of Minerva.

"Change of Control Triggering Event" means a Change of Control that results in a Ratings Decline.

"Consolidated Net Income" means, for any period, the aggregate net income (or loss) of Minerva and its Subsidiaries for such period determined on a consolidated basis in conformity with GAAP.

"Consolidated Total Assets" means the total amount of assets of Minerva and its Subsidiaries, on a pro forma basis to give effect to any acquisition or disposition of companies, lines of business or operations by such Person, as set forth on the most recent financial statements delivered by Minerva to the trustee pursuant to "*—Certain Covenants—Financial Reports.*"

"Debt" means, with respect to any Person, without duplication,

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments, excluding obligations in respect of trade letters of credit or bankers' acceptances issued in respect of trade accounts payables to the extent not drawn upon or presented, or, if drawn upon or presented, to the extent the resulting obligation of the Person is paid within 10 business days;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, all conditional sale obligations and all obligations of such person under any title retention agreement, excluding trade payables arising in the ordinary course of business;

(5) all obligations of such Person as lessee under Capital Leases;

(6) all Debt of other Persons Guaranteed by such Person to the extent so Guaranteed;

(7) all Debt of other Persons secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person; and

(8) all obligations of such Person under Hedging Agreements;

if and to the extent any of the preceding items (other than letters of credit and obligations under Hedging Agreements) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP.

The amount of Debt of any Person will be deemed to be:

(A) with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation;

(B) with respect to Debt secured by a Lien on an asset of such Person but not otherwise the obligation, contingent or otherwise, of such Person, the lesser of (x) the fair market value of such asset on the date the Lien attached and (y) the amount of such Debt;

(C) with respect to any Debt issued with original issue discount, the face amount of such Debt less the remaining unamortized portion of the original issue discount of such Debt;

(D) with respect to any Hedging Agreement, the net amount payable if such Hedging Agreement terminated at that time due to default by such Person; and

(E) otherwise, the outstanding principal amount thereof.

The principal amount of any Debt or other obligation that is denominated in any currency other than United States dollars (after giving effect to any Hedging Agreement in respect thereof) shall be the amount thereof, as determined in accordance with GAAP.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Disqualified Equity Interests" means Equity Interests that by their terms or upon the happening of any event are:

(1) required to be redeemed or redeemable at the option of the holder prior to the Stated Maturity of the notes for consideration other than Qualified Equity Interests, or

(2) convertible at the option of the holder into Disqualified Equity Interests or exchangeable for Debt; *provided* that Equity Interests will not constitute Disqualified Equity Interests solely because of provisions giving holders thereof the right to require repurchase or redemption upon an "asset sale" or "change of control" occurring prior to the Stated Maturity of the notes if those provisions are no more favorable to the holders than the covenants described under the captions "*—Certain Covenants—Limitation on Asset Sales*" and "*— Repurchase of Notes Upon a Change of Control Triggering Event.*"

"Disqualified Stock" means Capital Stock constituting Disqualified Equity Interests.

"EBITDA" means, for any period:

(1) our consolidated net operating revenue *minus*;

(2) our consolidated cost of goods sold and services rendered *minus*;

(3) our consolidated selling expenses and general and administrative expenses *plus*;

(4) consolidated other operating income, net and non-operating income, net *plus*

(5) any (i) depreciation or amortization and (ii) non-cash or non-recurring losses or expenses, included in consolidated cost of goods sold and services rendered, selling expenses or general and administrative expenses;

as each such item is reported on the most recent consolidated audited financial statements delivered by Minerva to the trustee and prepared in accordance with GAAP.

"Eligible Equity Offering" means the issuance and sale for cash of Capital Stock (other than Disqualified Stock) of Minerva to any Person (other than a Subsidiary) pursuant to (i) a public offering in accordance with applicable laws, rules and regulations, or (ii) a private offering in accordance with Rule 144A, Regulation S and/or another exemption under the Securities Act or other applicable law, rule or regulation.

"Equity Interests" means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Debt convertible into equity.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

"Fitch" means Fitch Ratings Inc. and its successors.

"GAAP" means, as elected from time to time by Minerva, (i) collectively, the generally accepted accounting principles in Brazil, which are based on the Brazilian corporate law, the rules and regulations of the Brazilian securities commission and the accounting standards issued by the Brazilian Institute of Independent Accountants (*Instituto dos Auditores Independentes do Brasil*, IBRACON) (to the extent that Minerva or any of its Subsidiaries is subject to such rules) as in effect as of the Issue Date or (ii) International Financial Reporting Standards, *provided* that the calculations set out in "*Certain Covenants*" herein shall be made under the same reporting standard as that of Minerva's most recently published financial statements.

"Guaranty" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (ii) entered into for purposes of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; *provided* that the term "Guaranty" does not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantor" means (i) Minerva S.A. and (ii) each Subsidiary that executes a supplemental indenture in the form of Exhibit B to the indenture providing for the Guaranty of the payment of the notes, or any successor obligor under its Guaranty pursuant to the covenant described under the caption "*—Consolidation, Merger or Sale of Substantially All Assets*", in each case unless and until such Guarantor is released from its Guaranty pursuant to the indenture.

"Hedging Agreement" means (i) any interest rate swap agreement, interest rate cap agreement or other agreement designed to protect against fluctuations in interest rates or (ii) any foreign exchange forward contract, currency swap agreement or other agreement designed to protect against fluctuations in foreign exchange rates or (iii) any commodity or raw material futures contract or any other agreement designed to protect against fluctuations in raw material prices.

"Incur" means, with respect to any Debt or Capital Stock, to incur, create, issue, assume or Guarantee such Debt or Capital Stock. If any Person becomes a Subsidiary on any date after the Issue Date, the Debt and Capital Stock of such Person outstanding on such date will be deemed to have been Incurred by such Person on such date for purposes of the covenant described under the caption "*—Certain Covenants—Limitation on Debt*," but will not be considered the sale or issuance of Equity Interests for purposes of the covenants described under the captions "*— Certain Covenants—Limitation on Restricted Payments*" or "Limitation on Asset Sales." The accretion of original issue discount or payment of interest in kind will not be

considered an Incurrence of Debt.

“Investment” means

(1) any direct or indirect advance, loan or other extension of credit to another Person, but excluding any such advance, loan or extension of credit having a term not exceeding 180 days arising in connection with the sale of inventory or supplies by that Person in the ordinary course of business,

(2) any capital contribution to another Person, by means of any transfer of cash or other property or in any other form,

(3) any purchase or acquisition of Equity Interests, bonds, notes or other Debt, or other instruments or securities issued by another Person, any acquisitions of all or substantially all the assets of a Person, including the receipt of any of the above as consideration for the disposition of assets or rendering of services, or

(4) any Guaranty of any obligation of another Person.

For purposes of this definition, the term “Person” shall not include any Subsidiary or any Person who would become a Subsidiary as a result of any Investment. If Minerva or any Subsidiary sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary so that, after giving effect to that sale or disposition, such Person is no longer a Subsidiary of Minerva, all remaining Investments of Minerva and the Subsidiaries in such Person shall be deemed to have been made at such time.

“Investment Grade” means BBB- or higher by S&P, Baa3 or higher by Moody’s, or BBB- or higher by Fitch, or the equivalent of such global ratings by S&P, Moody’s or Fitch.

“Issue Date” means the date on which the initial notes are originally issued under the indenture.

“Lien” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or Capital Lease).

“Mandatory Debt Repayment Event” means the first to occur of either (i) the termination of the Marfrig Main Acquisition Agreement prior to the consummation of the Marfrig Main Acquisition, and (ii) February 28, 2025, if the Marfrig Main Acquisition is not consummated on or prior to such date.

“Marfrig Assets Acquisition” means the Marfrig Main Acquisition and the Marfrig Uruguay Acquisition.

“Marfrig Assets Acquisition SPAs” means the Marfrig Main Acquisition Agreement and the Marfrig Uruguay Acquisition Agreement.

“Marfrig Main Acquisition” means the acquisition by Minerva from Marfrig Global Foods S.A. (“Marfrig”) and Marfrig Chile S.A. (“Marfrig Chile”) of all the equity interests in a yet to be incorporated Brazilian company (“Marfrig NewCo”) that, prior to the closing of the Marfig Main Acquisition, will own certain industrial plants and commercial operations in Brazil, Argentina and Chile, pursuant to the Marfrig Main Acquisition Agreement.

“Marfrig Main Acquisition Agreement” means that certain stock purchase agreement dated as of August 28, 2023, among Minerva, Marfrig and Marfrig Chile, pursuant to which Minerva agreed to consummate the Marfrig Main Acquisition.

“Marfrig Uruguay Acquisition” means the acquisition by Minerva and Athn Foods Holding S.A. (“Athn Foods”) from Marfrig of all the equity interests in certain Uruguayan companies (together, “Marfrig Uruguay”) that own individual commercial facilities in Uruguay, pursuant to the Marfrig Uruguay Acquisition Agreement.

“Marfrig Uruguay Acquisition Agreement” means that certain stock purchase agreement dated as of August 28, 2023, among Minerva, and Marfrig, pursuant to which Minerva and Athn Foods agreed to consummate the Marfrig Uruguay Acquisition.

“Marketable Securities” means publicly traded debt or equity securities that are listed for trading on a national securities exchange and that were issued by a corporation with debt securities rated at least “AA-” from S&P, “Aa3” from Moody’s or “A” from Fitch.

“Minimum Legally Required Dividend” means, for any Person and any period, an amount equal to the sum of (a) the minimum dividend required to be distributed under applicable Brazilian law by such Person to holders of its Capital Stock during such period and (b) the minimum dividend required to be distributed to holders of preferred stock in such Person during such period so as not to cause such holders to acquire or maintain any voting rights under Brazilian law.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Net Available Proceeds" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or Cash Equivalents (including (i) payments in respect of deferred payment obligations to the extent corresponding to, principal, but not interest, when received in the form of cash, and (ii) proceeds from the conversion of other consideration received when converted to cash), net of

(1) brokerage commissions and other fees and expenses related to such Asset Sale, including fees and expenses of counsel, accountants and investment bankers;

(2) provisions for taxes as a result of such Asset Sale taking into account the consolidated results of operations of Minerva and its Subsidiaries;

(3) payments required to be made to repay Debt (other than revolving credit borrowings) outstanding at the time of such Asset Sale that is secured by a Lien on the property or assets sold; and

(4) appropriate amounts to be provided as a reserve against liabilities associated with such Asset Sale, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and indemnification obligations associated with such Asset Sale, with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of cash.

"Net Cash Proceeds" with respect to any issuance or sale of Capital Stock or sale or other disposition of any Investment, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees and expenses actually Incurred in connection with such issuance or sale and net of taxes paid or payable in connection with such issuance, sale or disposition.

"Net Debt" means, as of any date of determination, the aggregate amount of Debt of Minerva and its Subsidiaries less the sum of (without duplication) advances from customers, consolidated cash and cash equivalents and consolidated marketable securities recorded as current assets (except for any Capital Stock in any Person) in all cases determined in accordance with GAAP and as set forth in the most recent consolidated balance sheet of Minerva.

"Net Debt to EBITDA Ratio" means, on any date (the "transaction date"), the ratio of:

(x) the aggregate amount of Net Debt at that time to

(y) EBITDA for the four fiscal quarters immediately prior to the transaction date for which internal financial statements are available (the "reference period").

In making the foregoing calculation,

(1) *pro forma* effect will be given to any Debt Incurred (and the application of proceeds thereof) during or after the reference period to the extent the Debt is outstanding or is to be Incurred on the transaction date as if the Debt had been Incurred on the first day of the reference period;

(2) *pro forma* effect will be given to any Debt repaid during or after the reference period to the extent the Debt is no longer outstanding or is to be repaid on the transaction date as if the Debt had been repaid on the first day of the reference period; and

(3) *pro forma* effect will be given to:

(A) the acquisition or disposition of companies, divisions or lines of businesses by Minerva and its Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of the reference period by a Person that became a Subsidiary after the beginning of the reference period, and

(B) the discontinuation of any discontinued operations that have occurred since the beginning of the reference period as if such events had occurred, and, in the case of any disposition, the proceeds thereof applied, on the first day of the reference period.

For purposes of this definition, whenever *pro forma* effect is to be given to any calculation under this definition, the *pro forma* calculations will be determined in good faith by a responsible financial or accounting officer of such Person (and may include, without limitation, for the avoidance of doubt, cost savings and operating expense reductions from such investment, acquisition, merger or consolidation that is being given *pro forma* effect that have been or are expected to be realized);

provided that such calculations are set forth in an officer's certificate stating that such calculations are based on the reasonable good faith beliefs of the officer executing such officer's certificate at the time of such execution. If any Debt bears a floating rate of interest and is being given *pro forma* effect, the interest expense on such Debt will be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Agreement applicable to such Debt if such Hedging Agreement has a remaining term in excess of 12 months). If any Debt that is being given *pro forma* effect bears an interest rate at the option of such Person, the interest rate shall be calculated by applying such optional rate chosen by such Person.

"Permitted Business" means any of the businesses in which Minerva and its Subsidiaries are engaged on the Issue Date, and any business reasonably related, incidental, complementary or ancillary thereto.

"Permitted Holders" means (i) an immediate family member of Edivar Vilela de Queiroz, Antonio Vilela de Queiroz, Ibar Vilela de Queiroz, Fernando Galletti de Queiroz, Ismael Vilela de Queiroz, Izonel Vilela de Queiroz or Edvair Vilela de Queiroz, or any of their respective heirs, or any Affiliate, immediate family member thereof or trusts that are exclusively for the benefit of any of the foregoing, and (ii) SALIC (UK) Limited or any Affiliate thereof.

"Permitted Liens" means:

(1) Liens existing on the Issue Date;

(2) Liens securing the notes or the Guaranty;

(3) Liens incurred in the ordinary course of business not securing Debt and not in the aggregate materially detracting from the value of the properties or their use in the operation of the business of Minerva and its Subsidiaries;

(4) Liens on property (including Capital Stock) that secure Debt Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of such property and which attach within 365 days after the date of such purchase or the completion of construction or improvement;

(5) Liens on property of a Person at the time such Person becomes a Subsidiary of Minerva, *provided* that such Liens were not created in contemplation thereof and do not extend to any other property of Minerva or any Subsidiary;

(6) Liens on property at the time Minerva or any of the Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation with or into Minerva or a Subsidiary of such Person, *provided* that such Liens were not created in contemplation thereof and do not extend to any other Property of Minerva or any Subsidiary;

(7) any Lien in favor of issuers of surety bonds or letters of credit issued pursuant to the request of and for the account of Minerva or any Subsidiary in the ordinary course of business;

(8) any Lien securing taxes, assessments and other governmental charges, the payment of which are not yet due or are being contested in good faith by appropriate proceedings and for which such reserves or other appropriate provisions, if any, have been established as required by GAAP;

(9) any rights of set-off of any person with respect to any deposit account of Minerva or any Subsidiary arising in the ordinary course of business;

(10) Liens securing Hedging Agreements so long as such Hedging Agreements relate to Debt that is, and is permitted to be under the indenture, secured by a Lien on the same property securing such Hedging Agreements;

(11) any Lien imposed by law that was incurred in the ordinary course of business, including, without limitation, carriers', warehousemen's and mechanics' liens and other similar encumbrances arising in the ordinary course of business, in each case for sums not yet due or being contested in good faith by appropriate proceedings;

(12) Liens securing Hedging Agreements so long as such Hedging Agreements are entered into for non-speculative purposes;

(13) extensions, renewals or replacements of any Liens referred to in clauses (1), (4), (5), (6), (13), (17) or (18) in connection with the refinancing of the obligations secured thereby; *provided* that such Lien does not extend to any other property and, except as contemplated by the definition of "Permitted Refinancing Debt," the amount secured by such Lien is not increased;

(14) pledges or deposits in connection with workers' compensation laws, unemployment insurance laws or similar legislation, any deposit to secure appeal bonds in proceedings being contested in good faith to which Minerva or any Subsidiary is a party, good faith deposits in connection with bids, tenders, contracts (other than for the payment of Debt) or leases to which Minerva or any Subsidiary is a party or deposits for the payment of rent, in each case made in the ordinary course of business;

(15) judgment Liens not giving rise to an Event of Default so long as such Lien is bonded in accordance with applicable law and any appropriate legal proceedings which may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(16) any Liens on the inventory or receivables of Minerva or any Subsidiary securing the obligations of such person under any lines of credit or working capital facility or in connection with any export or import financing or other trade transaction; *provided* that the aggregate amount of receivables securing Debt shall not exceed (a) with respect to transactions secured by receivables from export sales, 80% of Minerva's consolidated gross revenues from export sales for the immediately preceding calendar year; or (b) with respect to transactions secured by receivables from domestic (Brazilian) sales, 80% of such Person's consolidated gross revenues from sales within Brazil for the immediately preceding calendar year; and *provided*, *further*, that Advance Transactions will not be deemed transactions secured by receivables for purpose of the above calculation;

(17) any Liens granted to secure borrowing from (i) *Banco Nacional de Desenvolvimento Econômico e Social—BNDES* (including loans from *Financiadora de Estudos e Projetos—FINEP*), or any other Brazilian governmental development bank or credit agency or (ii) any international or multilateral development bank, government-sponsored agency, export-import bank or official export-import credit insurer; and

(18) other Liens securing obligations in an aggregate amount not exceeding 20% of the Consolidated Total Assets.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity, including a government or political subdivision or an agency or instrumentality thereof.

"Productive Assets" means assets (including capital stock or its substantial equivalent or other Investments) that are used or usable by Minerva and its Subsidiaries or by any Guarantor in Permitted Businesses (or in the case of capital stock or its substantial equivalent or other Investments that represent direct, or indirect (via a holding company), ownership or other interests held by Minerva or any Subsidiary or by any Guarantor in entities engaged in Permitted Businesses).

"Qualified Equity Interests" means all Equity Interests of a Person other than Disqualified Equity Interests. "Qualified Stock" means all Capital Stock of a Person other than Disqualified Stock.

"Rating Agency" means S&P, Fitch or Moody's; or if S&P, Fitch or Moody's are not making ratings of the notes publicly available, an internationally recognized U.S. rating agency or agencies, as the case may be, selected by Minerva Luxembourg, which will be substituted for S&P, Fitch or Moody's, as the case may be.

"Rating Decline" means that at any time within 90 days (which period shall be extended so long as the rating of the notes is under publicly announced consideration for possible down grade by either Rating Agency) after the date of public notice of (i) a Change of Control, or of Minerva's intention or that of any Person to effect a Change of Control, the then-applicable rating of the notes is decreased by (ii) if three Rating Agencies are making ratings of the notes publicly available, at least two of the Rating Agencies or (iii) if two or fewer Rating Agencies are making ratings of the notes publicly available, then any one of the Rating Agencies, by one or more categories; *provided* that any such Rating Decline is in whole or in part in connection with a Change in Control.

"S&P" means Standard & Poor's Ratings Group, a division of McGraw Hill, Inc. and its successors.

"Sale and Leaseback Transaction" means, with respect to any Person, an arrangement whereby such Person enters into a lease of property previously transferred by such Person to the lessor.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Significant Subsidiary" means any Subsidiary of Minerva which at the time of determination either (i) had total assets which, based on the consolidated balance sheet of Minerva for the fiscal quarter most recently ended for which internal financial statements are available, constituted at least 10% of Minerva's total assets on a consolidated basis as of such date or (ii) had revenues for the twelve-month period which, based on the consolidated income statements of Minerva for the fiscal quarter most recently ended for which internal financial statements are available, constituted at least 10% of Minerva's total

revenues on a consolidated basis for such period, in each case, (i) measured in accordance with GAAP and (ii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by Minerva and its Subsidiaries subsequent to such date and on or prior to the date of determination.

"Special Repayment Date" means any date that Debt is repaid pursuant to a Special Mandatory Debt Repayment; provided, however, that any such date shall not occur later than the 60th day after a Mandatory Debt Repayment Event.

"Stated Maturity" means (i) with respect to any Debt, the date specified as the fixed date on which the final installment of principal of such Debt is due and payable or (ii) with respect to any scheduled installment of principal of or interest on any Debt, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Debt, not including any contingent obligation to repay, redeem or repurchase prior to the regularly scheduled date for payment.

"Subordinated Debt" means any Debt of Minerva or any Guarantor which is subordinated in right of payment to the notes or the Guaranty, as applicable, pursuant to a written agreement to that effect.

"Subsidiary" means with respect to any Person, any corporation, association or other business entity of which more than 50% of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more Subsidiaries of such Person (or a combination thereof). Except where the context otherwise requires, Subsidiary shall refer to a Subsidiary of Minerva.

"Substantially Wholly-Owned" means, with respect to any Subsidiary of Minerva, a Subsidiary of at least 90% of the outstanding Capital Stock of which (other than director's qualifying shares) is owned by Minerva or one or more Wholly-Owned Subsidiaries (or a combination thereof) of Minerva.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the remaining term of the Notes; *provided*, *however*, that if the period from the redemption date to such date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"U.S. Government Obligations" means obligations issued or directly and fully guaranteed or insured by the United States of America or by any agent or instrumentality thereof, *provided* that the full faith and credit of the United States of America is pledged in support thereof.

"Voting Stock" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

"Wholly-Owned Subsidiary" means any Subsidiary of Minerva of which at least 95% of the outstanding Capital Stock or other ownership interests (other than directors' qualifying shares) of such entity shall at the time be owned by Minerva and/or by one or more Wholly-Owned Subsidiaries of Minerva.

FORM OF THE NOTES

Notes will be represented by a permanent global note or notes in fully registered form without interest coupons and will be registered in the name of a nominee of DTC and deposited with a custodian for DTC.

The notes will be subject to certain restrictions on transfer as described in "Notice to Investors." On or prior to the 40th day after the later of the commencement of the offering and the closing date of this offering, a beneficial interest in a Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Restricted Global Note only upon receipt by the registrar of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes to be a "qualified institutional buyer," within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. After such 40th day, this certification requirement will no longer apply to such transfers.

Beneficial interests in a Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, whether before, on or after such 40th day, only upon receipt by the registrar of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or Rule 144 under the Securities Act. Any beneficial interest in one of the global notes that is transferred to a person who takes delivery in the form of an interest in the other global note will, upon transfer, cease to be an interest in such global note and become an interest in the other global note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other global note for as long as it remains an interest.

Except in the limited circumstances described under "—Global Notes" and "—Individual Definitive Notes," owners of the beneficial interests in global notes will not be entitled to receive physical delivery of individual definitive notes. The notes are not issuable in bearer form.

Global Notes

Upon the issuance of a Regulation S Global Note and a Restricted Global Note, DTC will credit, on its internal system, the respective principal amount of the individual beneficial interests represented by such global note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the initial purchasers. Ownership of beneficial interests in a global note will be limited to persons who have accounts with DTC, or DTC Participants, or persons who hold interests through DTC Participants. Ownership of beneficial interests in the global notes will be shown on, and the transfer of that ownership will be affected only through, records maintained by DTC or its nominee (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to interests of persons other than DTC Participants).

So long as DTC, or its nominee, is the registered owner or holder of a global note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such global note for all purposes under the indenture and the notes. Unless DTC notifies the issuer that it is unwilling or unable to continue as depositary for a global note, or ceases to be a "clearing agency" registered under the Exchange Act, or any of the notes becomes immediately due and payable in accordance with "Description of Notes—Default and Remedies—Events of Default," owners of beneficial interests in a global note will not be entitled to have any portions of such global note registered in their names, will not receive or be entitled to receive physical delivery of notes in individual definitive form and will not be considered the owners or holders of the global note (or any notes represented thereby) under the indenture or the notes. In addition, no beneficial owner of an interest in a global note will be able to transfer that interest except in accordance with DTC's applicable procedures (in addition to the procedures under the indenture referred to herein and, if applicable, those of Euroclear and Clearstream).

Investors may hold interests in the Global Notes through Euroclear or Clearstream, if they are participants in such systems. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their account holders through customers' securities accounts in their respective names on the books of their respective depositaries, which, in turn, will hold such interests in the Global Notes in customers' securities accounts in the depositaries' names on the books of DTC.

Payments of the principal of and interest on global notes will be made to the trustee or the paying agent who will forward such payments to DTC or its nominee as the registered owner thereof. Neither the issuer, nor any initial purchasers nor the trustee, the registrar, any transfer agent or any paying agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the global notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The issuer anticipates that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a global note representing any notes held by its nominee, will credit DTC Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note as shown on the records of DTC or its nominee. The issuer also expects that payments by DTC Participants to owners of beneficial interests in such global note held through such DTC Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC Participants.

Transfers between DTC Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a global note to such persons may be limited. Because DTC can only act on behalf of DTC Participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in a global note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical individual definitive certificate in respect of such interest. Transfers between accountholders in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions available to the notes described above, cross-market transfers between DTC participants, on the one hand, and directly or indirectly through Euroclear or Clearstream account holders, on the other hand, will be effected in DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf, by delivering or receiving interests in the Global Notes in DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Euroclear and Clearstream account holders may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream account holder purchasing an interest in a global note from a DTC Participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream, as the case may be) immediately following the DTC settlement date and such credit of any transactions in interests in a global note settled during such processing day will be reported to the relevant Euroclear or Clearstream accountholder on such day. Cash received in Euroclear or Clearstream as a result of sales of interests in a global note by or through a Euroclear or Clearstream account holder to a DTC Participant will be received for value on the DTC settlement date, but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

DTC has advised that it will take any action permitted to be taken by any holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more DTC Participants to whose account or accounts with DTC interests in the global notes are credited and only in respect of such portion of the aggregate principal amount of the notes as to which such DTC Participant or DTC Participants has or have given such direction. However, in the limited circumstances described above, DTC will exchange the global notes for individual definitive notes (in the case of notes represented by a Restricted Global Note, bearing a restrictive legend), which will be distributed to its participants. Holders of indirect interests in the global notes through DTC Participants have no direct rights to enforce such interests while the notes are in global form.

The giving of notices and other communications by DTC to DTC Participants, by DTC Participants to persons who hold accounts with them and by such persons to holders of beneficial interests in a global note will be governed by arrangements between them, subject to any statutory or regulatory requirements as may exist from time to time.

DTC has advised as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for DTC Participants and to facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book-entry changes in accounts of DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include security brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly, or indirect participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in a Regulation S Global Note and in a Restricted Global Note among participants and accountholders of DTC, Clearstream and Euroclear are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the issuer nor the trustee, the registrar, any transfer agent or any paying agent will have any responsibility for the performance of DTC, Euroclear or Clearstream or their respective participants, indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Individual Definitive Notes

If (1) DTC or any successor to DTC is at any time unwilling or unable to continue as a depositary for the reasons described in "—Global Notes" and a successor depositary is not appointed by the issuer within 90 days or (2) any of the notes have become immediately due and payable in accordance with "Description of Notes—Default and Remedies—Events of Default," the issuer will issue individual definitive notes in registered form in exchange for a Regulation S Global Note and a Restricted Global Note, as the case may be. Upon receipt of such notice from DTC, the issuer will use its best efforts to make arrangements with DTC for the exchange of interests in the global notes for individual definitive notes and cause the requested individual definitive notes to be executed and delivered to the trustee in sufficient quantities and authenticated by the trustee for delivery to holders. Persons exchanging interests in a global note for individual definitive notes will be required to provide (a) written instruction and other information required by the issuer and the trustee to complete, execute and deliver such individual definitive notes and (b) in the case of an exchange of an interest in a Restricted Global Note, certification that such interest is not being transferred or is being transferred only in compliance with Rule 144A under the Securities Act. In all cases, individual definitive notes delivered in exchange for any global note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by DTC.

In the case of individual definitive notes issued in exchange for a Restricted Global Note, such individual definitive notes will bear, and be subject to, the legend described in "Notice to Investors" (unless the issuer determines otherwise in accordance with applicable law). The holder of a restricted individual definitive note may transfer such note, subject to compliance with the provisions of such legend, as provided in "Description of Notes." Upon the transfer, exchange or replacement of notes bearing the legend, or upon specific request for removal of the legend on a note, the issuer will deliver only notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the issuer such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

So long as the notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a global note is exchanged for definitive notes, the issuer shall appoint and maintain a paying agent in Singapore, where the notes may be presented or surrendered for payment or redemption. In addition, in the event that the global note is exchanged for definitive notes, announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive notes, including details of the paying agent in Singapore.

TAXATION

The following summary contains a description of certain Brazilian, Luxembourg and U.S. federal income tax consequences of the acquisition, ownership and disposition of the notes. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the notes, is not applicable to all categories of investors, some of which may be subject to special rules, and does not address all of the Brazilian and U.S. federal income tax considerations applicable to any particular holder. It is based upon the tax laws of Brazil, Luxembourg and the United States as of the date hereof, which are subject to change, possibly retroactively.

Prospective purchasers of the notes should consult their own tax advisors about the particular Brazilian, Luxembourg and U.S. federal, state, local and other tax consequences to them of the acquisition, ownership and disposition of the notes.

Brazilian Tax Considerations

The following discussion summarizes the Brazilian tax considerations related to an investment in the bonds by an individual, entity, trust or organization considered as resident or domiciled outside Brazil for tax purposes (a "Non-Resident Holder"). The discussion contained herein is based on the tax laws of Brazil as in effect on the date hereof and is subject to any possible changes in Brazilian law that may come into effect after such date.

The information set forth below is intended to be a general discussion only and does not address all possible tax consequences related to an investment in the bonds and it is not applicable to all categories of investors, some of which may be subject to special rules. Prospective investors should consult their own tax advisors as to the consequences of purchasing the bonds, including, without limitation, the consequences of the receipt of interest and the sale, redemption or repayment of the bonds.

Payments on the Bonds Made by the Issuer and Gains on the Bonds

Generally, a Non-Resident Holder is taxed in Brazil only when income is derived from Brazilian sources or gains are realized on the disposition of assets located in Brazil. Therefore, based on the fact that the Issuer is considered for tax purposes as domiciled abroad, any income (including interest and original issue discount) paid by the Issuer in respect of the bonds issued in favor of Non-Resident Holders should not generally be subject to withholding or deduction in respect of Brazilian income tax or any other taxes, duties, assessments or governmental charges in Brazil, provided that such payments are made with funds held by the Issuer outside of Brazil.

According to Law No. 10,833, enacted on December 29, 2003, capital gains realized on the disposition of assets located in Brazil by a Non-Resident Holder, are subject to taxation in Brazil. Given that the Issuer is an entity incorporated under the laws of Luxembourg, as well as it is not registered to carry out business in Brazil, it should not qualify as a Brazilian resident for purposes of the Brazilian tax legislation. Thus, and also taking into consideration that the bonds will be issued and registered outside Brazil, the bonds should not fall within the definition of assets located in Brazil for the purposes of Law No. 10,833. Therefore, gains arising from the sale or other disposition of the bonds made outside Brazil by a Non-Resident Holder, other than a branch or a subsidiary of a Brazilian resident, should not be subject to the imposition of Brazilian taxes on capital gains. However, considering the general and unclear scope of Law No. 10,833 and the absence of judicial guidance in respect thereof, it is impossible to confirm whether such interpretation will ultimately prevail in the Brazilian courts. Therefore, in the case the bonds are deemed to be assets located in Brazil by the Brazilian tax authorities, gains recognized by a Non-Resident Holder from the sale or other disposition of the bonds, may be subject to Brazilian withholding income tax, which we refer to as "WHT," at progressive rates ranging from 15% to 22.5%, or 25% flat if such Non-Resident Holder is located in a low tax jurisdiction ("LTJ"), as defined by Brazilian legislation, unless a lower rate is provided for in a applicable tax treaty between Brazil and the country where the non-Brazilian holder of the sale is resident, the same taxation may eventually be imposed by Brazilian tax authorities to gains recognized by a non-Brazilian holder from the sale or other disposition of the bonds.

In certain circumstances, if a given transaction is not subject to WHT and tax authorities take the position that the WHT should have been levied, tax authorities may increase the taxable basis of the WHT, as if the amount actually received by the beneficiary outside Brazil had already been reduced by the applicable WHT (gross-up).

An LTJ is a jurisdiction that (1) does not impose any tax on income or which imposes such tax at a maximum statutory rate lower than 20% or (2) imposes restrictions on the disclosure of shareholding composition or the ownership of the investment. A regulation issued by the Ministry of Treasury on November 28, 2014 (Ordinance 488, of 2014) decreased from 20% to

17% this minimum threshold for certain specific cases. The 17% threshold applies only to countries and regimes aligned with international standards of fiscal transparency in accordance with rules to be established by the Brazilian tax authorities in Normative Ruling 1,530 dated December 19, 2014. Under Brazilian law, the aforementioned commitment is present if the relevant jurisdiction (i) has entered into (or concluded the negotiation of) an agreement or convention authorizing the exchange of information for tax purposes with Brazil and (ii) is committed to the actions discussed in international forums on tax evasion in which Brazil has been participating, such as the Global Forum on Transparency and Exchange of Information.

Law No. 11,727 introduced the concept of a "privileged tax regime" in connection with transactions subject to Brazilian transfer pricing rules and also applicable to thin capitalization/cross border interest deductibility rules, which is broader than the concept of e LTJ. Pursuant to Law No. 11,727, a regime will be considered a "privileged tax regime" if: (i) does not tax income or tax it at a maximum rate lower than 20%, or 17%, as applicable; (ii) grants tax advantages to a non-resident entity or individual (a) without requiring substantial economic activity in the jurisdiction of such non-resident entity or individual or (b) to the extent such non-resident entity or individual does not conduct substantial economic activity in the jurisdiction; (iii) does not tax or taxes foreign-sourced income, or imposes taxes on foreign-sourced income at a maximum rate lower than 20%, or 17%, as applicable or (iv) restricts the ownership disclosure of assets and ownership rights or restricts disclosure about economic transactions carried out. Although we believe that the best interpretation of the current tax legislation should lead to the conclusion that the privileged tax regime concept applies solely for purposes of Brazilian tax rules related to transfer pricing, thin capitalization and taxation of profits of foreign affiliates and controlled entities, we are not able to confirm if this privileged tax regime concept will only be applied to such transactions or whether it will also be used to extend the concept of LTJ. Regulations and a recent binding tax ruling (*Solução de Consulta COSIT n. 575,* dated of December 20, 2017) issued by Brazilian federal tax authorities seem to confirm this interpretation. However, we cannot assure you that subsequent legislation or interpretations by the Brazilian tax authorities regarding the definition of a Privileged Tax Regime provided by Law No. 11,727 will not apply such regime to a Non-Resident Holder's income from the investment in common shares, in which case the WHT applicable to such payments could be assessed at a rate of up to 25%.

On June 4, 2010, the Brazilian Federal Revenue Service enacted Normative Ruling 1,037 listing situations in which an entity or individual shall be considered as (1) LTJ, and (2) a privileged tax regime.

We recommend that prospective purchasers consult their own tax advisors regarding the concepts of LTJ and privileged tax regime listed by Normative Ruling 1,037.

Payments on the Bonds Made by the Guarantor

If the Issuer fails to punctually pay any due amount, including any payment of principal, interest or any other amount that may be due and payable in respect of the bonds, the Guarantor will be required to assume the obligation to pay such due amounts to the Non-Resident Holder.

As there is no specific legal provision dealing with the imposition of the WHT on payments made by Brazilian sources to non-resident beneficiaries under guarantee and no uniform decision from the Brazilian courts, there is a risk that tax authorities may take the position that the funds remitted by the Guarantor to the Non-Resident Holders may be subject to the imposition of the WHT at a general 15% rate, or at a 25% rate, if the Non-Resident Holder is located in an LTJ. In any case, we understand that there are arguments to sustain that (a) payments made under the guarantee structure should be subject to imposition of the WHT according to the nature of the guaranteed payment, in which case only interest should be subject to taxation at the rates of 15% or 25%, in cases of beneficiaries located in LTJ; or (b) that payments made under guarantee by Brazilian sources to non-resident beneficiaries should not be subject to the imposition of the WHT, to the extent that they should qualify as a new credit transaction by the Brazilian party to the borrower. This is however a controversial issue, still not decided by the Brazilian Courts.

Furthermore, fees and commissions payable by a Brazilian source may also be subject to (depending on the nature of the transaction): (i) withholding tax at a rate of up to 25%; (ii) *Contribuição de Intervenção no Domínio Econômico* (CIDE) at a 10% rate (applicable only if in consideration for technical services, technical assistance or similar services or royalties, which are generally subject to the 15% WHT rate); (iii) PIS and COFINS at the total rate of 9.25%; and (iv) Tax on Services (ISS) at rates which may vary from 2% to 5%.

Please note that different rates may apply if the tax treaty between the country of residence of the Non-Resident Holder and Brazil sets forth a lower WHT rate.

Other taxes

Pursuant to Decree No. 6,306 of December 14, 2007 (as amended), conversion into reais of proceeds received in foreign currency by a Brazilian entity and the conversion into foreign currency of proceeds received in reais are subject to the tax on foreign transaction ("IOF") levied upon foreign exchange transactions, which we refer to as "IOF/Exchange".

Currently, IOF/Exchange rate for almost all foreign currency exchange transactions is 0.38%, including foreign exchange transactions in connection with payments made by a Brazilian guarantor to Non-Brazilian Holders. According to Section 15-B, of the Decree No. 6,306, the liquidation of exchange transactions in connection with foreign financing loans for both inflow and outflow of proceeds thereunder into and from Brazil are subject to IOF/Exchange at a zero percent rate. Notwithstanding the above, the Brazilian government may increase the current IOF/Exchange rate at any time up to a maximum rate of 25.0%. Any such new rate would only apply to future exchange transactions.

In the event of withholding or deduction for or on account of Brazilian taxes, the Issuer and the Guarantor will, subject to certain exceptions, pay Additional Amounts in respect of such withholding or deduction so that the net amount received by the Non-Resident Holder after such withholding or deduction equals the amount of principal or interest that would have been received in the absence of such withholding or deduction. See "Description of Notes—Payment of Additional Amounts."

In addition, IOF on credit transactions ("IOF/Credit") applies to credit transactions in general, which may include the performance of guarantee transactions between a guarantor and a guaranteed party (such as a situation in which IOF/Credit would be imposed upon any amount paid in respect of the notes by the guarantor under the guarantee). IOF/Credit is not levied on foreign credit transactions in which the creditor is domiciled outside Brazil, in which case IOF/Exchange applies, as mentioned above. As for international credit transactions in which the creditor is domiciled in Brazil, both IOF/Credit and IOF/Exchange may be levied simultaneously. In this case, IOF/Credit may levy at a daily rate of 0.0041%, up to a limit of 365 days plus an IOF/Credit surtax of 0.38% (sum of approximately 1.88% as IOF/Credit), and IOF/Exchange may levy at a rate of 0.38% both on the remittance of funds and on the liquidation of the loan.

Generally, there are no transfer, inheritance, gift, succession, stamp, or other similar taxes in Brazil with respect to the ownership, transfer, assignment or any other disposition of the bonds by a Non-Resident Holder, except for gift inheritance taxes imposed by some Brazilian states on gifts or bequests by individuals or entities not domiciled or residing in Brazil to individuals or entities domiciled or residing within such states.

Certain Luxembourg Tax Consequences

The following summary is of a general nature and is included herein solely for information purposes and does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase or sell the notes. It is based on the laws, regulations and administrative and judicial interpretations presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. This summary does not take into account the specific circumstances of particular investors. Prospective investors should consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used in the sub-headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers only to Luxembourg tax law and/or concepts. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*). Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers' resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Luxembourg Tax Residency of the Holders of the Notes

A holder of the notes will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes or the execution, performance, delivery and/or enforcement of the notes.

Taxation of the Holders of Notes

Withholding Tax

In principle, Luxembourg does not levy a withholding tax on at-arm's-length interest, except for interest on certain profit sharing bonds or similar instruments and interest paid as a profit share under certain silent partnership type arrangements.

Individuals

All payments of interest, including accrued but unpaid interest, and principal by the issuer in the context of the holding, disposal, redemption or repurchase of the notes which are not profit sharing can be made free of withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein in accordance with applicable law, subject however to the application of the Luxembourg law of December 23, 2005, as amended, introducing a (withholding) tax on certain payments of interest made to certain Luxembourg resident individuals (the "Law").

By virtue of the Law, payments of interest or similar income made or deemed to be made by a paying agent (within the meaning of the Law) established in Luxembourg to or for the benefit of an individual resident of Luxembourg who is not a tax resident of another state and who is the beneficial owner of such payment are subject to a final withholding tax of 20%. Responsibility for the withholding and payment of the tax lies with the Luxembourg paying agent.

An individual beneficial owner of interest or similar income (within the meaning of the Law) who is a resident of Luxembourg and acts in the course of the management of his private wealth may opt for a final tax of 20% when he receives or is deemed to receive such interest or similar income from a paying agent established in another member state of the European Union or in a member state of the European Economic Area which is not a member state of the European Union. Responsibility for the declaration and the payment of the 20% final tax is assumed by the individual resident beneficial owner of interest.

Corporations

There is no Luxembourg withholding tax for Luxembourg resident and non-resident corporations holders of the notes on payments of interest (including accrued but unpaid interest), except for interest paid on certain profit sharing bonds or similar instruments and, arguably, profit-sharing interest paid as a profit share under certain silent partnership type arrangements or payments on instruments that are deemed to be equity from a Luxembourg tax perspective, which is subject to 15% withholding tax, unless on the basis of the tax treaty concluded with Luxembourg and the country in which the corporation is tax resident, a lower tax rate or an exemption is available.

Income Taxation

Non-Resident holders of notes

Non-resident holders of notes, not having a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which or whom the notes or income therefrom are attributable, are not subject to Luxembourg income taxes on income accrued or received, redemption premiums or issue discounts, under the notes nor on capital gains realized on the disposal or redemption of the notes. Non-residents holders who have a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which the notes or income therefrom are attributable are subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the notes and on any gains realized upon the sale or disposal of the notes.

Resident holders of notes

Individuals

A resident individual acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the notes, in its taxable income for Luxembourg income tax assessment purposes.

An individual resident holder of notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under the notes, except if tax has been levied on such payments in accordance with the Law.

A gain realized by an individual holder of notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than 6 months after the notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Law.

Corporation

A resident holder of notes (which is not exempt) from income taxation must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the notes, in its taxable income for Luxembourg income tax assessment purposes.

A Luxembourg resident corporate holder of notes that is governed by (i) the law of 11 May 2007 on family estate management companies, as amended, or by (ii) the law of 17 December 2010 on undertakings for collective investment, as amended, by (iii) the law of 13 February 2007 on specialized investment funds, as amended, or by (iv) the law of 23 July 2016 on reserved alternative investment funds and which does not fall under the special tax regime set out in article 48 thereof is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the notes.

Net Wealth Taxation

An individual holder of notes, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such notes.

A corporate holder of notes is not subject to Luxembourg net wealth tax on such notes, except if:

i. such holder is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions, except if such holder is governed (i) by the law of May 11, 2007 on family estate management companies (as amended), or (ii) by the law of December 17, 2010 on undertakings for collective investment (as amended), or (iii) by the law of February 13, 2007 on specialized investment funds (as amended), or (iv) is a securitization company governed by the law of March 22, 2004 on securitization (as amended), or (v) is a capital company governed by the law of June 15, 2004 on venture capital vehicles (as amended) or (vi) by the law of July 23, 2016, on reserved alternative investment funds, or

ii. such notes are attributable to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative or a fixed place of business in Luxembourg.

Notwithstanding the provisions above, entities mentioned under sub-paragraphs (iv) and (v) (i.e. securitization companies governed by the law of March 22, 2004 on securitization (as amended) and capital companies governed by the law of June 15, 2004 on venture capital vehicles (as amended)) and, notably, entities incorporated as a public limited liability company (*société anonyme*), a private limited liability company (*société à responsabilité limitée*), a corporate partnership limited by shares (*société en commandite par actions*) or a cooperative company set up as a public limited liability company (*société coopérative organisée sous forme de société anonyme*) are however subject to the minimum annual net wealth tax charge applicable as from 1 January 2016. In this respect, a flat annual minimum net wealth tax of EUR 4,815 would be due assuming the Luxembourg company's assets, transferable securities and cash deposits represent at least (i) 90 per cent of its total balance sheet and (ii) EUR 350,000 (the "Asset Test"). Alternatively, should the Asset Test not be met, a progressive annual minimum net wealth tax ranging from EUR 535 to EUR 32,100 depending on the Luxembourg company's total gross assets would be due.

Value added tax

There is no Luxembourg value added tax payable in respect of payments in consideration for the issue of the notes or in respect of the payment of interest or principal under the notes or a transfer of the notes.

Other Taxes

Neither the issuance nor the transfer of notes will give rise to any Luxembourg stamp duty, issuance tax, registration tax, transfer tax or similar taxes or duties, provided that the relevant issue or transfer agreement is not registered in Luxembourg, which is not mandatory.

Where a holder of notes is a resident of Luxembourg for tax purposes at the time of his/her death, the notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of notes if embodied in a Luxembourg deed or registered in Luxembourg.

Foreign Account Tax Compliance Act

To implement the Foreign Account Tax Compliance Act, or FATCA in Luxembourg, Luxembourg entered into a so-called Model 1 Intergovernmental Agreement (the "Luxembourg IGA") with the United States and a memorandum of understanding in respect thereof, on 28 March 2014. The Luxembourg IGA was implemented in Luxembourg domestic law by the law of 24 July 2015 (the "Luxembourg FATCA Law"). The Luxembourg IGA and the Luxembourg FATCA Law may impose obligations on the issuer and the holder of the notes, if the issuer is considered as a Luxembourg Reporting Financial Institution (e.g. an Investment Entity) under FATCA, so that the latter could be required to conduct due diligence and obtain (among other things) information or documentation, including self-certification forms, a global intermediary identification number, if applicable, or any other valid evidence of an investor's FATCA registration with the U.S. Internal Revenue Service ("IRS") or a corresponding exemption, in order to fulfil its own legal obligations.

Common Reporting Standard

The Organization for Economic Co-operation and Development has developed a new global standard for the automatic exchange of financial information between tax authorities (the "CRS"). Luxembourg is a signatory jurisdiction to the CRS and has conducted its first exchange of information with tax authorities of other signatory jurisdictions in September 2017, as regards reportable financial information gathered in relation to fiscal year 2016. The CRS has been implemented in Luxembourg via the law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU.

The regulations may impose obligations on the issuer and the Noteholders, if the issuer is considered as a Reporting Financial Institution (e.g., an Investment Entity) under the CRS, so that the latter could be required to conduct due diligence and obtain (among other things) confirmation of the tax residency, tax identification number and CRS classification of Noteholders in order to fulfil its own legal obligations.

Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain U.S. federal income tax considerations relevant to U.S. Holders (as defined below) of the acquisition, ownership and disposition of notes. The following discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated thereunder, and the judicial decisions and administrative pronouncements, all as in effect on the date hereof and all of which are subject to change, perhaps with retroactive effect. The discussion addresses only U.S. Holders that purchase notes in this offering and hold the notes as a capital asset, within the meaning of Section 1221 of the Code, and that use the U.S. dollar as their functional currency. The discussion does not consider the circumstances of particular holders, some of which (such as banks, financial institutions, insurance companies, dealers in securities or currencies, partnerships and other pass-through entities (and investors in such partnerships or entities), tax-exempt entities, traders who elect to mark their investment to market, persons required to accelerate the recognition of any item of income with respect to the notes as a result of such income being recognized on applicable financial statements, persons holding the notes as part of a hedge, straddle, conversion, constructive sale or integrated transaction and U.S. expatriates and former long-term residents of the United States) are subject to special tax regimes. This summary does not address U.S. federal tax considerations other than income tax considerations, (e.g., estate or gift tax considerations, alternative minimum tax considerations, the Medicare contribution tax on investment income or non-U.S., state or local tax considerations) and does not address the U.S. federal income tax treatment of holders that do not acquire the notes as part of the initial distribution at the offering price indicated on the cover of this offering memorandum.

For purposes of this discussion, "U.S. Holder" means the beneficial owner of a note that is for U.S. federal income tax purposes (1) a citizen or resident of the United States, (2) a corporation (or other business entity treated as a corporation for

U.S. federal income tax purposes) organized in or under the laws of the United States or any political subdivision thereof, (3) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or (4) a trust (a)(i) the administration over which a U.S. court can exercise primary supervision and (ii) all of the substantial decisions of which one or more U.S. persons have the authority to control, or (b) that has made a valid election under U.S. Treasury regulations to be treated as a domestic trust.

If any entity treated as a partnership for U.S. federal income tax purposes holds notes, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. A partnership considering an investment in the notes, and partners in such a partnership should consult their own tax advisors with regard to the U.S. federal income tax consequences of the acquisition, ownership and disposition of the notes.

Prospective investors should consult their own tax advisors regarding the specific U.S. federal tax consequences of acquiring, holding and disposing of the notes, as well as the effects of state, local and non-U.S. tax law and any proposed tax law changes.

Characterization of the notes

In certain circumstances (see "Description of Notes—Escrow of Proceeds; Mandatory Debt Repayment", "Description of Notes—Optional Redemption" and "Description of Notes—Certain Covenants—Repurchase of Notes upon a Change of Control Triggering Event"), we may be obligated to redeem the notes prior to maturity or to pay amounts on the notes that are in excess of stated interest or principal on the notes. These potential payments may implicate the provisions of U.S. Treasury regulations relating to "contingent payment debt instruments". According to the applicable U.S. Treasury regulations, certain contingencies will not cause a debt instrument, as of the date of issuance, to be treated as a contingent payment debt instrument if such contingencies, as of the date of issuance, are remote or incidental. We intend to take the position that the foregoing contingencies are remote and/or incidental, and therefore we do not intend to treat the notes as contingent payment debt instruments. It is possible that the IRS may take a different position, in which case, if such position is sustained, a U.S. Holder might be required to accrue ordinary interest income at a higher rate than the stated interest rate and to treat as ordinary income rather than capital gain any gain realized on the taxable disposition of the notes. The remainder of this discussion assumes that the notes will not be treated as contingent payment debt instruments. U.S. Holders are encouraged to consult their own tax advisors regarding the possible application of the contingent payment debt instrument rules to the notes.

Interest

Stated interest on the notes (including any additional amounts paid in respect of withholding taxes and without reduction for any amounts withheld) will be includible in the gross income of a U.S. Holder as ordinary interest income in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the notes will be issued without original issue discount for U.S. federal income tax purposes. The interest will constitute foreign source income for U.S. federal income tax purposes, which may be relevant to a U.S. Holder in calculating such U.S. Holder's foreign tax credit limitation. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, interest paid on the notes generally will constitute "passive category income" or, in the case of certain U.S. Holders, "general category income." As an alternative to the tax credit, a U.S. Holder may elect to deduct such taxes (the election would apply to all foreign income taxes such U.S. Holder paid in that taxable year). The rules governing the foreign tax credit are complex. Recently issued Treasury regulations require non-U.S. income tax laws to meet certain requirements in order for taxes imposed under such laws to be eligible for credit. The issuer has not determined whether these requirements have been met with respect to any such non-U.S. withholding taxes. A recent notice from the IRS indicates, however, that the U.S. Department of the Treasury ("Treasury") and the IRS are considering proposing amendments to such U.S. Treasury Regulations and allows, subject to certain conditions, taxpayers to defer the application of many aspects of such Treasury regulations for taxable years ending on or before December 31, 2023 (the notice also indicates that the Treasury and the IRS are considering whether, and under what conditions, to provide additional temporary relief for later taxable years). U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Disposition of the notes

A U.S. Holder generally will recognize gain or loss on the sale, exchange, retirement or other taxable disposition of a note equal to the difference between the amount realized on the sale, exchange, retirement or other disposition (other than payments attributable to accrued but unpaid interest which will be taxable as such) and such holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will be its cost to the U.S. Holder.

Any gain or loss recognized upon the sale or other taxable disposition of a note by a U.S. Holder generally will be U.S. source capital gain or loss, and will be treated as long-term capital gain or loss if, at the time of the sale or other taxable disposition, the U.S. Holder held the note for more than one year. Long-term capital gains recognized by an individual U.S. Holder generally are subject to U.S. federal income taxation at preferential rates. Capital gains of a corporate U.S. Holder generally are taxable at the regular rates applicable to corporations. The deductibility of capital losses is subject to significant limitations.

Substitution of the Issuer

The issuer may, subject to certain conditions, be replaced and substituted by Minerva or any Wholly- Owned Subsidiary of Minerva as principal debtor in respect of the notes (see "Description of Notes—Substitution of Minerva Luxembourg as the Issuer"), which may result in certain adverse tax consequences to U.S. Holders (including possible recognition of capital gain or loss for U.S. federal income tax purposes). U.S. Holders are urged to consult their own tax advisors regarding any potential adverse tax consequences to them that may result from a substitution of the issuer.

Information reporting and backup withholding

Generally, information reporting and backup withholding of U.S. federal income tax may apply to payments made by a paying agent in the United States or a United States middleman to U.S. Holders, or to proceeds from the sale by such holders of the notes, if such holder is not an "exempt recipient" and fails to provide certain identifying information (such as the owner's taxpayer identification number) in the required manner, or the IRS otherwise directs the paying agent to withhold. Generally, individuals are not exempt recipients, but corporations and certain other entities generally are exempt recipients.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from payments to a U.S. Holder would be allowed as a refund or a credit against such holder's U.S. federal income tax provided the required information is furnished to the IRS in a timely manner.

Foreign Asset Reporting

Certain U.S. Holders are required to report information relating to an interest in the notes, subject to certain exceptions (including an exception for notes held in accounts maintained by U.S. financial institutions). U.S. Holders are urged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of the notes.

The above description is not intended to constitute a complete analysis of all tax consequences relating to the ownership of notes. Prospective purchasers of notes should consult their own tax advisors concerning the tax consequences of their particular situations.

PLAN OF DISTRIBUTION

The issuer, Minerva and the initial purchasers named below have entered into a purchase agreement dated September 6, 2023 with respect to the notes. Subject to certain conditions, each initial purchaser will severally and not jointly agree to purchase, and the issuer will agree to sell to such initial purchasers, the principal amount of notes indicated in the following table:

Initial Purchasers	Principal Amount of the Notes
J.P. Morgan Securities LLC	U.S.$329,268,000
Itau BBA USA Securities, Inc.	U.S.$65,854,000
BofA Securities, Inc.	U.S.$65,854,000
Banco Bradesco BBI S.A.	U.S.$65,854,000
HSBC Securities (USA) Inc.	U.S.$65,854,000
Morgan Stanley & Co. LLC	U.S.$65,854,000
Rabo Securities USA, Inc.	U.S.$65,854,000
BB Securities Ltd.	U.S.$43,902,000
Mizuho Securities USA LLC	U.S.$43,902,000
MUFG Securities Americas Inc.	U.S.$43,902,000
XP Investimentos Corretora de Câmbio, Títulos e Valores Mobiliários S.A.	U.S.$43,902,000
Total	**U.S.$900,000,000**

The purchase agreement provides that the initial purchasers are obligated to purchase all of the notes if any are purchased. The purchase agreement also provides that if an initial purchaser defaults the purchase commitments of non-defaulting initial purchasers may be increased or the offering may be terminated. Also, the initial purchasers may offer and sell the notes through certain of their affiliates.

The initial purchasers propose to offer the notes initially at the offering price on the cover page of this offering memorandum and may also offer the notes to selling group members at the offering price less a selling concession. After the initial offering, the offering price may be changed. The offering of the notes by the initial purchasers is subject to receipt and acceptance and subject to the initial purchasers' right to reject any offer in whole or in part.

The notes, including the guarantee, have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except to qualified institutional buyers in reliance on Rule 144A and to persons in offshore transactions in reliance on Regulation S. Each of the initial purchasers will agree that, except as permitted by the purchase agreement, it will not offer, sell or deliver the notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each broker/dealer to which it sells the notes in reliance on Regulation S during such 40-day period, a confirmation or other notice detailing the restrictions on offers and sales of the notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S. Resales of the notes are restricted as described under "Notice to Investors."

In addition, until 40 days after the commencement of the offering, an offer or sale of notes within the United States by a broker/dealer (whether or not it is participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to Rule 144A.

The issuer and the guarantor will agree to indemnify the several initial purchasers against liabilities, including liabilities under the Securities Act, or to contribute to payments which they may be required to make in that respect.

We have agreed that, for a period of 30 days after the date of the initial offering of the notes by the initial purchasers, we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file a registration statement relating to any U.S. dollar-denominated debt securities issued or guaranteed by the issuer or Minerva S.A. and having a maturity of more than one year from the date of issue, or publicly disclose the intention to make any such offer, sale, pledge, disposition or filing, without the prior written consent of J.P. Morgan Securities LLC.

The issuer intends to apply to list the notes on the SGX-ST. The initial purchasers may make a market in the notes as permitted by applicable law. They are not obligated, however, to make a market in the notes and any market-making may be discontinued at any time at their sole discretion and without notice. In addition, market making activity will be subject to the limits imposed by the Exchange Act, and may be limited. Accordingly, no assurance can be given as to the liquidity of any

market for the notes, that you will be able to sell your notes at a particular time or that the prices that you receive if you sell will be favorable.

We expect that delivery of the notes will be made against payment therefor on or about the closing date specified on the cover page of this offering memorandum, which will be the fifth business day following the date of pricing of the notes (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes more than two business days prior to delivery will be required, by virtue of the fact that the notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of notes who wish to trade notes more than two business days prior to delivery should consult their own advisor.

The initial purchasers may engage in over-allotment, stabilizing transactions, covering transactions in accordance with applicable law.

- Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers.
- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions.

These stabilizing transactions, covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of these transactions. These transactions, if commenced, may be discontinued at any time.

The initial purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the initial purchasers and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the initial purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. If any of the initial purchasers or their affiliates has a lending relationship with us, certain of those initial purchasers or their affiliates routinely hedge, and certain other of those initial purchasers, or their affiliates, may hedge their credit exposure to us consistent with their customary risk management policies. Typically, these initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The initial purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. In particular, in connection with the Marfrig Asset Acquisition, an affiliate of J.P. Morgan (one of the initial purchasers) committed to a bridge loan for the outstanding purchase price for the Marfrig Asset Acquisition. The proceeds from the notes offering will reduce the commitment of the bridge loan.

BB Securities Ltd. is not a broker-dealer registered with the SEC, and therefore may not make sales of any notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that BB Securities Ltd. intends to effect sales of the notes in the United States, it will do so only through Banco do Brasil Securities LLC or one or more U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

Bradesco Securities Inc. will act as agent of Banco Bradesco BBI S.A. for sales of the notes in the United States of America. Banco Bradesco BBI S.A. is not a broker-dealer registered with the SEC, and therefore may not make sales of any notes in the United States to U.S. persons. Banco Bradesco BBI S.A. and Bradesco Securities Inc. are affiliates of Banco Bradesco S.A.

XP Investimentos Corretora de Câmbio, Títulos e Valores Mobiliários S.A. is not a broker-dealer registered with the SEC, and therefore may not make sales of any notes in the United States to U.S. persons except in compliance with applicable U.S.

laws and regulations. To the extent that XP Investimentos Corretora de Câmbio, Títulos e Valores Mobiliários S.A. intends to sell the notes in the United States, it will do so only through XP Investments US, LLC or one or more U.S. registered broker-dealers, or otherwise as permitted by applicable U.S. law.

Selling Restrictions

The notes are offered for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers.

Brazil

Neither the issuer nor the issuance of the notes have been or will be registered with the CVM. The notes have not been issued and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets. Therefore, each of the initial purchasers has represented and agreed that it has not offered or sold, and will not offer or sell, the notes in Brazil, except in circumstances that do not constitute a public offering, placement, negotiation or distribution of the notes under Brazilian laws and regulations.

Chile

The offer of the notes will begin on September 4, 2023 and is subject to General Rule No. 336 dated June 27, 2017 of the Chilean Securities Commission, currently the Commission for the Financial Market (*Comisión para el Mercado Financiero*, or the "CMF"). The notes being offered are not registered in the Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry *(Registro de Valores Extranjeros*) of the CMF and, therefore, the notes are not subject to the supervision of the CMF. As unregistered securities, we are not required to disclose public information about the notes in Chile. The notes may not be publicly offered in Chile unless they are registered in the corresponding securities registry.

La oferta de los valores comienza el 4 de septiembre de 2023 y está acogida a la Norma de Carácter General número 336, de fecha 27 de junio de 2012 de la Superintendencia de Valores y Seguros de Chile, hoy Comisión para el Mercado Financiero (la "CMF"). La oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la CMF, por lo que los valores no están sujetos a la fiscalización de dicho organismo. Por tratarse de valores no inscritos, no existe obligación por parte del emisor de entregar en Chile información pública respecto de los valores. Estos valores no pueden ser objeto de oferta pública, a menos que no sean inscritos en el registro de valores correspondiente.

European Economic Area

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For the purpose of this provision, the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"), (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This offering memorandum has been prepared on the basis that any offer of notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This offering memorandum is not a prospectus for the purposes of the Prospectus Regulation.

United Kingdom

Each of the initial purchasers has represented and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by them in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to Issuer and the Guarantor; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by them in relation to the notes in, from or otherwise involving the United Kingdom.

This offering memorandum is only being distributed to and is only directed at (i) persons who are outside the United Kingdom, or (ii) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order, or the Order, (iii) persons falling within Article 49(2) to (d) of the Order (high net worth companies, unincorporated associations etc.), and (iv) other persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any notes may otherwise lawfully be communicated or caused to be communicated (all such persons in items (i) to (iv) above together being referred to as "relevant persons"). The notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire notes will be engaged in only with, relevant persons. This offering memorandum is only available to relevant persons in the United Kingdom in circumstances where section 21(1) of the FSMA does not apply. In addition, this communication is, in any event only directed at persons who are relevant persons and any person who is not a relevant person must not act or rely on this document or any of its contents. This offering memorandum is not a prospectus that had been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000. The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of United Kingdom domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of notes in the United Kingdom will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This offering memorandum is not a prospectus for the purposes of the UK Prospectus Regulation.

Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45–106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Luxembourg

This offering memorandum has not been approved by and will not be submitted for approval to the Luxembourg Financial Sector Supervisory Authority (*Commission de Surveillance du Secteur Financier*) for purposes of a public offering or sale of the notes in Luxembourg or admission to the Official List of the Luxembourg Stock Exchange, or the LxSE, and trading on the LxSE's regulated market of the notes. Accordingly, the notes may not be offered or sold to the public in Luxembourg, directly or indirectly, or listed or traded on the regulated market of the LxSE, and neither this offering memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in or from, or published in, Luxembourg except in circumstances which do not constitute a public

offer of securities to the public, subject to prospectus requirements, in accordance with Prospectus Regulation or applicable Luxembourg law and in particular the Luxembourg act dated 16 July 2019 on prospectuses for securities.

Switzerland

This offering memorandum is not intended to constitute an offer or solicitation to purchase or invest in the notes. The notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") and no application has or will be made to admit the notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the notes constitutes an offering memorandum pursuant to the FinSA, and neither this offering memorandum nor any other offering or marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (which we refer to as "Financial Instruments and Exchange Law") and each initial purchaser has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

Each initial purchaser has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the notes were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

Securities (as defined in Section 2(1) of the SFA) or securities-based derivatives contracts (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or

(b) where no consideration is or will be given for the transfer; or

(c) where the transfer is by operation of law; or

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

United Arab Emirates

Notice to Persons in the United Arab Emirates (excluding the Dubai International Financial Centre)

The notes have not been, and will not be, offered, sold or publicly promoted or advertised in the United Arab Emirates, or the U.A.E., other than in compliance with any of the laws applicable in the U.A.E. Prospective investors in the Dubai International Financial Centre should have regard to the specific notice to prospective investors in the Dubai International Financial Centre set out below. The information contained in this offering memorandum does not constitute a public offer of the notes in the U.A.E. in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 of the U.A.E., as amended) or otherwise and is not intended to be a public offer and the information contained in this offering memorandum is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the U.A.E. This offering memorandum has not been approved by or filed with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the Dubai Financial Services Authority. If you do not understand the contents of this offering memorandum you should consult an authorized financial adviser. This offering memorandum is provided for the benefit of the recipient only, and should not be delivered to, or relied on by, any other person.

Notice to Persons in the Dubai International Financial Centre

This offering memorandum relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This offering memorandum is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this offering memorandum nor taken steps to verify the information set out in it, and has no responsibility for it. The notes to which this offering memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the notes offered should conduct their own due diligence on the notes. If you do not understand the contents of this offering memorandum you should consult an authorized financial adviser. For the avoidance of doubt, the notes are not interests in a "fund" or "collective investment scheme" within the meaning of either the Collective Investment Law (DIFC Law No. 2 of 2010) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

LEGAL MATTERS

White & Case LLP and Stocche and Forbes Advogados will pass on certain U.S. and Brazilian legal matters, respectively, for us. Davis Polk & Wardwell LLP and Pinheiro Neto Advogados will pass on certain U.S. and Brazilian legal matters, respectively, for the initial purchasers. Certain matters of Luxembourg law will be passed upon for us by NautaDutilh Avocats Luxembourg S.à r.l.

INDEPENDENT AUDITORS

The consolidated and individual (company) financial statements of Minerva S.A. as of and for the year ended December 31, 2020 have been audited by Grant Thornton Auditores Independentes Ltda., located at Av. Engenheiro Luís Carlos Berrini, 105, 12º Andar, Itaim Bibi, 04571-900 São Paulo, SP, Brazil, as stated in their audit report. The audit report of Grant Thornton Auditores Independentes Ltda. in respect of the consolidated and individual (company) financial statements of Minerva S.A. as of and for the year ended December 31, 2020 has not been included in this offering memorandum as these financial statements were presented for comparative purposes in the financial statements as of and for the year ended December 31, 2021, which were audited by another independent auditor.

Grant Thornton Auditores Independentes Ltda. is a member of the Brazilian Institute of Accountants (*Instituto dos Auditores Independentes do Brasil*), or IBRACON, and the Brazilian Federal Accounting Council (*Conselho Federal de Contabilidade*), or the CFC.

The consolidated and individual financial statements of Minerva S.A. as of and for the years ended December 31, 2022 and 2021, included elsewhere in this offering memorandum, have been audited by BDO RCS Auditores Independentes SS Ltda., independent auditors, located at Rua Major Quedinho, 90, Consolação, São Paulo, SP – Brasil, 01050-030, as stated in their audit reports appearing herein. Their auditor reports state that amounts corresponding to the consolidated and individual statements of financial position for the year ended December 31, 2020 and the respective statements of income, comprehensive income, changes in equity, cash flows and value added for the year ended December 31, 2020, presented for comparative purposes, were previously audited by other independent auditors.

With respect to our unaudited interim condensed consolidated and individual (company) financial statements of Minerva S.A. as of June 30, 2023 and for the three and six-month periods ended June 30, 2023, included in this offering memorandum, BDO RCS Auditores Independentes S.S. Ltda. reported that they have applied limited procedures in accordance with professional standards for a review of such information. Therefore, their report dated August 9, 2023, included in this offering memorandum, states that they did not audit and do not express an opinion on that unaudited interim condensed consolidated and individual financial statements. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

BDO RCS Auditores Independentes SS Ltda. is a member of IBRACON and the CFC.

LISTING AND GENERAL INFORMATION

1. We and the issuer expect that the notes, including the guarantee, will be delivered in book-entry form through DTC, and its direct and indirect participants, including Clearstream and Euroclear, on September 13, 2023. The CUSIP and ISIN numbers for the notes are as follows:

	Restricted Global Note	Regulation S Global Note
CUSIP.....	603374AH2	L6401PAM5
ISIN	US603374AH26	USL6401PAM51

2. Copies of our latest audited annual consolidated financial statements and unaudited interim condensed consolidated financial information, copies of the issuer's articles of association and our *estatuto social* (by-laws), as well as the indenture (including forms of notes) and the guarantee, will be available (free of charge) at the offices of the trustee (the issuer's articles of association are also available on the website of the Luxembourg Register of Commerce and Companies).

3. Except as disclosed in this offering memorandum, there has been no material adverse change in our financial position since June 30, 2023, the date of our latest consolidated financial statements included in this offering memorandum.

4. The issuer intends to apply to list the notes on the SGX-ST.

5. The issuer shall appoint and maintain a paying agent in Singapore (so long as the notes are listed on the SGX-ST and the rules of the SGX-ST so require), where the notes may be presented or surrendered for payment or redemption, in the event that the global notes are exchanged for definitive notes. In addition, in the event that the global notes are exchanged for definitive notes, announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive notes.

6. On September 1, 2023, the issuance of the notes was authorized by the board of directors of the issuer. On September 1, 2023, the issuance of the guarantee of the notes by Minerva was authorized by our board of directors.

INDEX TO FINANCIAL STATEMENTS

June 30, 2023 Unaudited Interim Condensed Consolidated and Individual Financial Statements

Independent Auditor's Report on the Interim Financial Statements. F-3
Balance Sheets as of June 30, 2023 and December 31, 2022 ..... F-5
Statement of Income for the Three and Six-Month Periods Ended June 30, 2023 and 2022 ..... F-7
Statements of Comprehensive Income (Loss) for the Six-Month Periods Ended June 30, 2023 and 2022 ..... F-8
Statements of Changes in Equity for the Six-Month Periods Ended June 30, 2023 and 2022 ..... F-9
Statements of Cash Flows for the Six-Month Periods Ended June 30, 2023 and 2022 ..... F-11
Statements of Value Added for the Six-Month Periods Ended June 30, 2023 and 2022 ..... F-12
Notes to the Financial Statements F-13

2022 Audited Consolidated and Individual Financial Statements

Report of Independent Auditors F-93
Balance Sheets for the Years Ended December 31, 2022 and 2021 ..... F-99
Statements of Income for the Years Ended December 31, 2022 and 2021 ..... F-101
Statements of Comprehensive Income (Loss) for the Years Ended December 31, 2022 and 2021 ..... F-102
Statements of Changes in Equity for the Years Ended December 31, 2022 and 2021 ..... F-103
Statements of Cash Flows for the Years Ended December 31, 2022 and 2021 ..... F-105
Statements of Value Added for the Years Ended December 31, 2022 and 2021 ..... F-106
Notes to the Financial Statements F-107

2021 Audited Consolidated and Individual Financial Statements

Report of Independent Auditors F-185
Balance Sheets for the Years Ended December 31, 2021 and 2020 ..... F-192
Statements of Profit and Loss for the Years Ended December 31, 2021 and 2020 ..... F-194
Statements of Comprehensive Loss for the Years Ended December 31, 2021 and 2020 ..... F-195
Statements of Changes in Equity for the Years Ended December 31, 2021 and 2020 ..... F-196
Statements of Cash Flows for the Years Ended December 31, 2021 and 2020 ..... F-198
Notes to the Financial Statements F-199

MINERVA S.A.

Auditors' review report

Individual and Consolidated Interim Financial Information
For the quarter ended June 30, 2023

Tel.: + 55 11 3848 5880
Fax: + 55 11 3045 7363
www.bdo.com.br

Rua Major Quedinho, 90
Consolação – São Paulo, SP
Brasil - 01050-030

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION

To
Shareholders, Advisers and Board of Directors of
Minerva S.A.
Barretos - SP

Introduction

We have reviewed the individual and consolidated interim financial information of **Minerva S.A. ("Company")**, identified as the "Parent company" and "Consolidated", respectively, included in the Interim Financial Information Form (ITR) for the quarter ended on June 30, 2023, which comprise the individual and consolidated financial position on June 30, 2023, and the related individual and consolidated statements of income and comprehensive income for the three and six-months period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, as well as a summary of the significant accounting practices and other notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 (R4) – Interim Financial Reporting and with the International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of these interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standard on Review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that causes us to believe that the individual and consolidated interim financial information included in the Quarterly Financial information – ITR referred to above were not prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34 applicable to Quarterly Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

BDO RCS Auditores Independentes SS Ltda., an audit partnership organized according to Brazilian law, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Other matters

Interim statement of value added, individual and consolidated

The interim financial information referred to above includes the individual and consolidated interim statements of value added (SVA) for the six-month period ended June 30, 2023, prepared under the responsibility of Company's Management and presented as supplementary information for IAS 34 purposes. This information have been subject to review procedures performed in conjunction with the review of the interim financial information to conclude whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 – "Statement of Added Value". Based on our review, nothing has come to our attention that causes us to believe that these individual and consolidated interim statements of value added were not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the individual and consolidated interim financial information taken as a whole.

São Paulo, August 09, 2023.

BDO RCS Auditores Independentes SS Ltda.
CRC 2 SP 013846/O-1

Francisco de Paula dos Reis Júnior
Accountant CRC 1 SP 139168/O-6

MINERVA S.A.

Statements of financial position
In June 30, 2023 and December 31, 2022
(In thousands of Brazilian Reais - R$)

ASSETS

		Parent company		Consolidated	
	Note	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current					
Cash and cash equivalents	5	4,422,009	5,454,408	6,197,271	7,071,463
Trade receivables	6	842,168	939,304	2,088,319	2,487,540
Inventories	7	750,827	568,418	1,685,326	1,658,467
Biological assets	8	280,302	291,273	416,228	434,897
Recoverable taxes	9	348,283	370,447	708,615	750,670
Other receivables	-	263,339	217,769	565,380	583,682
		6,906,928	**7,841,619**	**11,661,139**	**12,986,719**
Non-current					
Other receivables	-	124,638	122,869	158,297	146,840
Related parties	10	3,563,136	3,770,742	-	-
Recoverable taxes	9	115,495	110,472	119,490	115,481
Deferred assets	18	764,137	764,169	790,594	792,811
Court deposits	-	14,239	14,751	21,828	22,013
Investments	11	5,345,197	5,526,842	242,092	242,104
Property, plant and equipment	12	2,366,670	2,268,218	5,195,464	5,234,666
Intangible assets	13	354,337	352,539	1,677,764	1,859,494
		12,647,849	**12,930,602**	**8,205,529**	**8,413,409**
Total assets		**19,554,777**	**20,772,221**	**19,866,668**	**21,400,128**

The accompanying notes are an integral part of these individual and consolidated interim financial information.

MINERVA S.A.

Statements of financial position
In June 30, 2023 and December 31, 2022
(In thousands of Brazilian Reais - R$)

Liabilities and equity

		Parent company		Consolidated	
	Note	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current					
Loans and financing	14	3,063,407	1,790,633	3,246,827	2,077,939
Leases	12.b	5,866	6,540	7,740	9,677
Trade payables	15	2,059,632	2,504,315	2,970,031	3,519,543
Payroll, related charges and taxes payable	16	150,011	116,306	420,322	373,011
Other payables	17	717,745	1,424,881	1,104,566	2,149,571
		5,996,661	**5,842,675**	**7,749,486**	**8,129,741**
Non-current					
Loans and financing	14	9,781,893	10,788,701	10,646,610	11,688,535
Leases	12.b	17,357	19,603	24,623	28,688
Payroll, related charges and taxes payable	16	37,683	40,147	37,683	40,147
Provisions for tax, labor and civil risks	19	24,023	23,302	35,930	58,886
Allowances for investment losses	11	2,464,094	2,659,604	-	-
Related parties	10	823,284	891,361	-	-
Other payables	17	-	-	136,100	11,395
Deferred taxes	18	-	-	330,370	380,241
		13,148,334	**14,422,718**	**11,211,316**	**12,207,892**
Equity	20				
Capital stock	20.a.	1,619,074	1,619,074	1,619,074	1,619,074
Capital reserve	20.b.	137,249	138,711	137,249	138,711
Treasury shares	20.g.	(215,699)	(235,396)	(215,699)	(235,396)
Revaluation reserve	20.c.	45,196	45,970	45,196	45,970
Profit reserves		671,267	671,267	671,267	671,267
Additional proposed dividends		-	181,314	-	181,314
Retained earnings		238,569	-	238,569	-
Other comprehensive income		(2,085,874)	(1,914,112)	(2,085,874)	(1,914,112)
		409,782	**506,828**	**409,782**	**506,828**
Non-controlling shareholders		-	-	496,084	555,667
		409,782	**506,828**	**905,866**	**1,062,495**
Total liabilities and equity		**19,554,777**	**20,772,221**	**19,866,668**	**21,400,128**

The accompanying notes are an integral part of these individual and consolidated interim financial information.

MINERVA S.A.

Statements of income
For the three and six-months periods ended at June 30, 2023 and 2022
(In thousands of Brazilian Reais - R$, excepted when indicated otherwise)

		Parent company				Consolidated			
	Note	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022
Net operating revenue	22	3,494,900	6,397,697	4,089,853	7,890,002	7,276,483	13,657,956	8,471,762	15,700,927
Cost of sales	-	(2,592,806)	(4,820,831)	(3,109,294)	(6,081,660)	(5,764,102)	(10,991,675)	(6,954,067)	(12,957,219)
Gross profit		**902,094**	**1,576,866**	**980,559**	**1,808,342**	**1,512,381**	**2,666,281**	**1,517,695**	**2,743,708**
Operating income (expenses):									
Selling expenses	23	(248,015)	(467,615)	(271,081)	(509,045)	(564,994)	(1,034,213)	(609,806)	(1,090,032)
General and administrative expenses	23	(196,851)	(333,025)	(156,157)	(266,302)	(382,176)	(668,362)	(244,170)	(474,322)
Other operating income (expenses)	23	(2,202)	319	8,594	12,663	6,194	8,560	7,324	42,698
Equity in earnings of subsidiaries	11	86,030	134,979	35,722	28,496	-	-	-	-
Income before financial income (loss) and taxes		**541,056**	**911,524**	**597,637**	**1,074,154**	**571,405**	**972,266**	**671,043**	**1,222,052**
Financial expenses	24	(486,753)	(648,455)	(185,740)	(836,952)	(499,892)	(680,008)	(201,287)	(892,019)
Financial revenues	24	26,373	62,185	20,887	38,735	34,095	82,866	27,089	51,547
Monetary correction	24	-	-	-	-	(11,899)	(28,207)	(62,622)	(104,582)
Monetary and Exchange rate variation, net	24	37,023	(87,429)	(10,312)	8,729	50,612	(85,724)	(25,278)	(4,671)
Net financial result		**(423,357)**	**(673,699)**	**(175,165)**	**(789,488)**	**(427,084)**	**(711,073)**	**(262,098)**	**(949,725)**
Income before taxes		**117,699**	**237,825**	**422,472**	**284,666**	**144,321**	**261,193**	**408,945**	**272,327**
Income tax and social contribution - current	18	-	-	(7,383)	(7,383)	(11,319)	(10,607)	(8,079)	(20,244)
Income tax and social contribution - deferred	18	311	(32)	9,583	261,981	(12,270)	(15,890)	23,806	287,181
					-				
Net income for the period		**118,010**	**237,793**	**424,672**	**539,264**	**120,732**	**234,696**	**424,672**	**539,264**
Attributable to:									
Company shareholders		118,010	237,793	424,672	539,264	118,010	237,793	424,672	539,264
Non-controlling shareholders		-	-	-	-	2,722	(3,097)	-	
Net income for the period		**118,010**	**237,793**	**424,672**	**539,264**	**120,732**	**234,696**	**424,672**	**539,264**
Result per share - R$:									
Basic earnings per share - R$	25	0.20111	0.40524	0.72689	0.92303	0.20111	0.40524	0.72689	0.92303
Diluted earnings per share - R$	25	0.20111	0.40524	0.72689	0.92303	0.20111	0.40524	0.72689	0.92303

The accompanying notes are an integral part of these individual and consolidated interim financial information.

MINERVA S.A.

Statements of comprehensive income
For the three and six-month periods ended June 30, 2023 and 2022
(In thousands of Brazilian Reais - R$)

	Parent company				Consolidated			
	2nd Quarter 2023	30/06/2023	2nd Quarter 2022	30/06/2022	2nd Quarter 2023	30/06/2023	2nd Quarter 2022	30/06/2022
Net income for the period	**118,010**	**237,793**	**424,672**	**539,264**	**120,732**	**234,696**	**424,672**	**539,264**
Other comprehensive income to be reclassified to statement of income in subsequent period:								
Cumulative translation adjustments	(73,250)	(171,762)	(12,161)	(298,066)	(73,250)	(171,762)	(12,161)	(298,066)
Total comprehensive income, net of taxes	**44,760**	**66,031**	**412,511**	**241,198**	**47,482**	**62,934**	**412,511**	**241,198**
Comprehensive income attributable to:								
Company shareholders	44,760	66,031	412,511	241,198	44,760	66,031	412,511	241,198
Non-controlling shareholders	-	-	-	-	2,722	(3,097)	-	-
	44,760	**66,031**	**412,511**	**241,198**	**47,482**	**62,934**	**412,511**	**241,198**

As notas explicativas da Administração são parte integrante das informações contábeis intermediárias individuais e consolidadas.

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the six month period ended at June 30, 2023
(In thousands of Brazilian Reais - R$)

				Reserva de lucros										
	Capital stock	Capital reserve	Revaluation reserve	Legal reserve	Statutory reserve	Earnings retention - Art.196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
Balances as of January 1st, 2023	**1,619,074**	**138,711**	**45,970**	**97,426**	**455,258**	**118,583**	**181,314**	**-**	**(235,396)**	**(1,914,112)**	**506,828**	**555,667**	**1,062,495**
Net income for the period	-	-	-	-	-	-	-	237,793	-	-	237,793	(3,097)	234,696
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(171,762)	(171,762)	-	(171,762)
Total comprehensive income, net from taxes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**237,793**	**-**	**(171,762)**	**66,031**	**(3,097)**	**62,934**
Equity instruments granted	-	11,245	-	-	-	-	-	-	-	-	11,245	-	11,245
Granting of treasury shares	-	(12,820)	-	-	-	-	-	-	10,535	-	(2,285)	-	(2,285)
Conversion of treasury shares in ADRs	-	113	-	-	-	-	-	-	9,162		9,275	-	9,275
Realization of revaluation reserve	-	-	(774)	-	-	-	-	776	-	-	2	-	2
Payment of proposed additional dividends	-	-	-	-	-	-	(181,314)	-	-	-	(181,314)	-	(181,314)
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	(56,486)	(56,486)
Balances as of June 31, 2023	**1,619,074**	**137,249**	**45,196**	**97,426**	**455,258**	**118,583**	**-**	**238,569**	**(215,699)**	**(2,085,874)**	**409,782**	**496,084**	**905,866**

The accompanying notes are an integral part of these individual and consolidated interim financial information.

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the six month period ended at June 30, 2022
(In thousands of Brazilian Reais - R$)

				Profit reserves									
	Capital stock	Capital reserve	Revaluation reserve	Legal reserve	Statutory reserve	Earnings retention - Art. 196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
Balances as of January 1st, 2022	**1,616,138**	**118,271**	**47,518**	**64,799**	**170,483**	**118,583**	**200,000**	**-**	**(242,768)**	**(1,438,893)**	**654,131**	**-**	**654,131**
Net income for the period	-	-	-	-	-	-	-	539,264	-	-	539,264	-	539,264
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(298,066)	(298,066)	-	(298,066)
Total comprehensive income, net from taxes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**539,264**	**-**	**(298,066)**	**241,198**	**-**	**241,198**
Capital increase	2,936	-	-	-	-	-	-	-	-	-	2,936	-	2,936
Realization of revaluation reserve	-	-	(774)	-	-	-	-	774	-	-	-	-	-
Payment of proposed additional dividends	-	-	-	-	-	-	(200,000)	-	-	-	(200,000)	-	(200,000)
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	41,061	41,061
Balances as of June 30, 2022	**1,619,074**	**118,271**	**46,744**	**64,799**	**170,483**	**118,583**	**-**	**540,038**	**(242,768)**	**(1,736,959)**	**698,265**	**41,061**	**739,326**

The accompanying notes are an integral part of these individual and consolidated interim financial information.

MINERVA S.A.

Statements of cash flows - Indirect method
For the three month period ended at June 30, 2023 and 2022
(In thousands of Brazilian Reais - R$)

	Note	Parent company		Consolidated	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash flow from operating activities					
Net income for the period	DRE	**237,793**	**539,264**	**234,696**	**539,264**
Adjustments to reconcile net income:					
Depreciation and amortization	12 / 13	115,612	98,400	270,779	201,968
Allowance for expected credit losses	6	4,798	411	6,875	866
Income on sale of fixed assets		59	21,365	538	22,618
Fair value of biological assets	8	4,457	44,998	52,411	44,645
Deferred taxes	18	32	(261,981)	15,890	(287,181)
Equity in earnings of subsidiaries	11	(134,979)	(28,496)	-	-
Finance charges		554,641	382,365	589,132	561,214
Unrealized exchange rate and monetary changes		175,309	45,789	162,435	98,765
Monetary correction	24	-	-	28,207	104,582
Provision for legal claims	19	721	(2,505)	(22,956)	(8,699)
Equity instruments granted	DMPL	11,245	-	11,245	-
Trade and other receivables		44,999	121,876	399,191	(552,585)
Inventories		(182,409)	19,002	(26,859)	286,557
Biological assets		6,514	(17,675)	(33,742)	(29,073)
Recoverable taxes		17,141	(64,212)	38,046	(49,212)
Court deposits		512	65	185	(196)
Trade payables		(444,683)	(104,386)	(549,512)	31,155
Payroll, related charges and taxes payable		31,241	20,518	44,847	(18,645)
Other payables		(707,136)	(126,395)	(651,409)	(213)
Net cash (used in) provided from operating activities		**(264,133)**	**688,403**	**569,999**	**945,830**
Cash flow from investing activities					
Acquisition of investment	11	(50,647)	(1,196,308)	(245,225)	-
Acquisition of intangible assets		(14,587)	(26,333)	(14,767)	(26,697)
Acquisition of property, plant and equipment	12	(200,307)	(239,253)	(298,590)	(325,080)
Net cash used in investing activities		**(265,542)**	**(1,461,894)**	**(558,582)**	**(351,777)**
Cash flow from financing activities					
Raising of loans and financing		948,480	1,717,677	1,037,110	1,965,789
Payments of loans and financing		(1,322,789)	(1,762,562)	(1,497,802)	(3,334,197)
Payments of leases		(3,947)	(4,691)	(4,894)	(5,172)
Related parties		139,529	1,251,336	-	-
Capital stock increase		-	2,936	-	2,936
Payment of proposed additional dividends		(181,314)	(200,000)	(181,314)	(200,000)
Non-controlling shareholders		-	-	(59,583)	41,061
Disposal treasury shares		6,877	-	6,877	-
Net cash (used in) provided from financing activities		**(413,164)**	**1,004,696**	**(699,606)**	**(1,529,583)**
Exchange rate changes on cash and cash equivalents		(89,560)	(126,191)	(186,003)	(163,164)
(Decrease) Net increase in cash and cash equivalents		**(1,032,399)**	**105,014**	**(874,192)**	**(1,098,694)**
Cash and cash equivalents:					
At the begining of period	4	5,454,408	4,894,639	7,071,463	7,302,009
At the end of period	4	4,422,009	4,999,653	6,197,271	6,203,315
(Decrease) Net increase in cash and cash equivalents		**(1,032,399)**	**105,014**	**(874,192)**	**(1,098,694)**

The accompanying notes are an integral part of these individual and consolidated interim financial information.

MINERVA S.A.

Statement of value added
For the six month period ended at June 30, 2023 and 2022
(In thousands of Brazilian Reais - R$)

	Parent company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenue	**5,936,102**	**7,643,591**	**13,450,859**	**15,663,843**
Sales of goods, products and services	5,921,503	7,610,960	13,434,340	15,600,411
Other revenues	14,599	32,631	16,519	63,432
Inputs acquired from third parties	**(5,708,954)**	**(7,062,882)**	**(12,101,871)**	**(14,156,947)**
(includes taxes amounts - ICMS, IPI, PIS, and COFINS)				
Cost of products, goods and services sold	(5,202,061)	(6,497,281)	(10,662,547)	(12,754,296)
Materials, electric power, third-party services and other	(506,893)	(565,601)	(1,439,324)	(1,402,651)
Gross value added	**227,148**	**580,709**	**1,348,988**	**1,506,896**
Depreciation, amortization and depletion	(115,612)	(98,400)	(270,779)	(201,968)
Net added value generated by the company	**111,536**	**482,309**	**1,078,209**	**1,304,928**
Net added value by transfer	**197,164**	**67,231**	**82,866**	**51,547**
Equity in earnings of subsidiaries	134,979	28,496	-	-
Financial income	62,185	38,735	82,866	51,547
Net total added value to be distributed	**308,700**	**549,540**	**1,161,075**	**1,356,475**
Personnel	**200,960**	**155,109**	**679,329**	**611,540**
Taxes, fees and contribution	**(12,341)**	**(303,223)**	**261,496**	**(40,413)**
Capital remuneration from third parties	**(117,712)**	**158,390**	**(14,446)**	**246,084**
Interests	(127,437)	156,944	(26,281)	241,484
Rents	9,725	1,446	11,835	4,600
Remuneration of equity capital	**237,793**	**539,264**	**234,696**	**539,264**
Net income for the period	237,793	539,264	237,793	539,264
Non-controlling interest in retained earnings	-	-	(3,097)	-
Distribution of value added	**308,700**	**549,540**	**1,161,075**	**1,356,475**

The accompanying notes are an integral part of these individual and consolidated interim financial information.

1. General information

Minerva S.A. (Company) is a publicly held company listed at the "Novo Mercado" corporate governance segment with shares are traded on "B3" - Bolsa, Brasil, Balcão. The Company's main activities include the slaughtering of livestock and processing of meat, sale of fresh chilled, frozen and processed meat and the exporting of live cattle.

The Company's shares are traded on "B3" – Bolsa, Brasil, Balcão, under the ticker symbol "BEEF3" and its Level 1 American Depositary Receipts (ADRs) are traded on the OTC market OTCQX International Premier, a segment of the electronic trading platform operated by the OTC Markets Group Inc., in the United States.

Parent company

The Company is headquartered at Av. Antônio Manso Bernardes, S/N - Chácara Minerva, in Barretos (SP) and has manufacturing units located in José Bonifácio (SP), Palmeiras de Goiás (GO), Araguaína (TO), Goianésia (GO), Barretos (SP), Campina Verde (MG), Janaúba (MG), Paranatinga (MT), Mirassol D`Oeste (MT) e Rolim de Moura (RO). The distribution centers for the domestic market are located in the cities of Aparecida de Goiânia (GO), Brasília (DF), Cariacica (ES), São Paulo (SP), Araraquara (SP), Belo Horizonte (MG), Maracanaú (CE), Uberlândia (MG) and Cabo de Santo Agostino (PE).

On June 30, 2023, the Company's consolidated industrial park (consolidated) had a daily slaughtering capacity of 29,350 heads and a deboning capacity equivalent to 26,201 heads/day, taking into account the subsidiaries of Athena Foods S.A. (Chile) abroad – in Uruguay (Pulsa S/A and Frigorífico Carrasco S/A), in Colombia (Red. Cárnica S.A.), in Paraguay (Frigomerc S/A) and in Argentina (Pul Argentina S.A. parent company of Swift Argentina S.A.). All plants are compliant with sanitary requirements applicable to exports to countries across the five continents. The Barretos manufacturing unit (SP) has a beef processing line ("cubedbeef" and "roastbeef"), which is mainly intendend for exports. The Company also has an industrial park for slaughtering and deboning lamb in Australia through its subsidiary Minerva Australia PTY Ltd in the cities of Tammin, Esperance, Colac and Sunshine, with a daily slaughtering and deboning capacity of 19,216 head/day.

Direct and indirect subsidiaries

Direct subsidiaries located in Brazil

- **Minerva Dawn Farms S.A. (Minerva Fine Foods):** located in Barretos (SP), this unit started operations in 2009. to produce, in varying scales, and sell beef, pork and poultry products meeting domestic and foreign demand in the "Food Services" segment;

- **CSAP – Companhia Sul Americana de Pecuária S.A.:** located in Barretos (SP), this unit started operations in 2014 to mainly engage in livestock and farming, by breeding and selling live cattle, lambs, pigs and other live animals;
- **Minerva Comercializadora de Energia Ltda.:** located in São Paulo (SP), this unit started operations in 2016 and is mainly engaged in trading and selling electric power;
- **Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior**: started its activities in 2020 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary MF 92 Ventures LLC;
- **MYCarbom3 Ltda.**: Created in 2021, it is a subsidiary that aims to support companies in meeting their goals of neutralizing greenhouse gas emissions through carbon offsetting, in a transparent, reliable and sustainable manner. The company develops projects, originates and sells carbon credits, in line with international standards, creating financial opportunities for the preservation of nature, accelerating action to combat climate change and promoting a low-carbon future. in 2021, being headquartered in Brazil, its main activity is the trading of carbon credits; and
- **Fundo de Investimento em Quotas de Fundo de Investimentos Multimercado Portifólio 1839**: started its activities in 2021 being headquartered in Brazil, its main activity is investment fund, having as indirect subsidiary Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior;

Direct foreign subsidiaries:

- **Athena Foods S.A.:** Based in Santiago, Chile (CL), Athenas Foods S.A. started operations in 2018 primarily to manage equity interests and own assets in Mercosur. The company has the following direct subsidiaries: Pulsa S.A. (UY), Frigorífico Carrasco S.A. (UY), Frigomerc S.A. (PY), Pul Argentina S.A. (AR), Red Cárnica S.A.S (CO), Red Industrial Colombiana S.A.S (CO), and Minerva Foods Chile SPA (CL);
- **Lytmer S.A.:** located in Montevideo, Uruguay (UY), engaged in selling live cattle to the foreign market and trading food products;
- **Friasa S.A.:** located in Asunción, Paraguay (PY);
- **Minerva Middle East**: office located in Lebanon to market and sell the Company's products;
- **Minerva Colômbia SAS:** Based in Ciénaga de Oro, next to Montería, in the Córdoba region, Colombia, mainly engaged in the dale of livestock to the foreign market;
- **Minerva Live Cattle Export SPA:** located in Santiago, Chile, primarily engaged in selling live cattle to the foreign market;
- **Minerva Meats USA.**: located in Chicago (USA), this unit started operations in 2015 and is mainly engaged in trading food products;

- **Minerva Austrália Holdings PTY Ltd.**: Located in Brisbane (Australia), this unit started operations in 2016 and has Minerva Ásia Foods PTY Ltd. as its direct subsidiary;
- **Minerva Europe Ltd.**: Based in London, England, this unit started operations in 2017 and is mainly engaged in trading food products;
- **Minerva Foods FZE**: Based in the Arab Emirates, the company started operations in 2020 and is mainly engaged in trading food products;
- **Athn Foods Holdings S.A**: Started its activities in 2021 and is headquartered in Spain, its main activity is the management of equity interests and the administration of its own assets;
- **Fortuna Foods PTE. LTD.**: Started its activities in 2021 being headquartered in Singapore, its main activity is the management of equity interests and administration of own assets.

Indirect foreign subsidiaries:

- **Pulsa S.A.:** meatpacking company acquired in January 2011, located in the Province of Cerro Largo, near the capital Melo, in Uruguay (UY). Engaged in slaughtering and deboning activities, with 85% of its sales intended for the foreign market, primarily the North American and the European markets;
- **Frigorífico Canelones S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Pulsa S.A., located in Canelones, Uruguay (UY). Engaged in the cattle slaughtering and deboning and processing of meat, especially fresh chilled and frozen meat for exports;
- **Frigorífico Carrasco S.A.:** meatpacking company acquired in April 2014, located in Montevideo, Uruguay (UY). Engaged in slaughtering, deboning and processing beef and sheep meat, with approximately 68% of its sales intended for the foreign market;
- **Frigomerc S.A.:** Meatpacking company acquired in October 2012, located in Asunción, Paraguay (PY), engaged in slaughtering, deboning and processing activities, operating in the domestic and foreign markets;
- **BEEF Paraguay S.A.**: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- **Indústria Paraguaya Frigorífica S.A.**: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- **Pul Argentina S.A.**: Based in Buenos Aires, Argentina, the company started activities in 2016 and has Swift Argentina S.A. as its direct subsidiary;
- **Swift Argentina S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Pul Argentina S.A. located in Buenos Aires (AR) to process and produce meat and sell own and third parties' brands, especially Swift products;

- **Red. Cárnica SAS:** a meatpacking company acquired in July 2015, located in Ciénaga de Oro, near Montería, Córdoba region, in Colombia (CO) having also acquired on August 5, 2020 an industrial plant belonging to Vijagual meatpacking located in Bucaramanga in the department of Santander in Colombia (CO). They operate in slaughter, deboning and processing activities in the domestic and foreign markets;
- **Red. Industrial Colombiana SAS:** plant acquired in July 2015, located in Ciénaga de Oro, near Montería, in the Córdoba region, Colombia (CO), whose main purpose is the preparation of products for animals, specifically, meat/bone meal, blood and tallow;
- **Minerva Foods Chile SPA:** Located in Santiago, Chile, primarily engaged in trading and selling the Company's products;
- **Minerva Ásia Foods PTY Ltd**: this unit is mainly engaged in trading food products;
- **MF 92 Ventures LLC**: Located in the United States, this unit started operations in 2020 and is mainly engaged in holding investments;
- **Minerva Australia PTY Ltd:** lamb slaughter house purchased in 2021, located in Esperance and Tammin in Australia. Operates in the slaughter, desisa and processing of lamb meats, acting in the domestic and foreign market;
- **Australian Lamb Company Pty Ltd**: lamb slaughterhouse acquired in October 2022, located in Sunshine and Colac in Australia. Operates in the slaughter, deboning and processing of lamb meat, operating in the domestic and foreign markets.

Cargo transportation

- **Transminerva Ltda.:** located in Barretos (SP), it is engaged in cargo transportation to support the Company, reducing its freight expenses in Brazil.

Special Purpose Entities (SPE) for fundraising

- **Minerva Overseas I:** located in the Cayman Islands, it was incorporated in 2006 to issue Bonds and receive the respective financial resources, totaling US$200 million, in January 2007;
- **Minerva Overseas II:** Located in the Cayman Islands, it was incorporated in 2010 to issue Bonds and receive the respective financial resources, totaling US$250 million, on that date;
- **Minerva Luxembourg S.A.:** located in Luxembourg, incorporated in 2011 for the specific purpose of issuing "Bonds" and receiving financial.

Other subsidiaries in pre-operational stage

- **Minerva Log S.A. (logistics).**

The direct and indirect subsidiaries mentioned above are included in the Company's individual and consolidated interim financial information. The equity interest in each subsidiary is as shown below:

	06/30/2023	12/31/2022
Direct subsidiaries		
Minerva Dawn Farms S.A.	100.00%	100.00%
Minerva Overseas I	100.00%	100.00%
Minerva Overseas II	100.00%	100.00%
Minerva Middle East	100.00%	100.00%
Transminerva Ltda.	100.00%	100.00%
Minerva Log	100.00%	100.00%
Minerva Colômbia S.A.S	100.00%	100.00%
Lytmer S.A.	100.00%	100.00%
Minerva Luxembourg S.A.	100.00%	100.00%
Minerva Live Cattle Export Spa	100.00%	100.00%
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	100.00%
Minerva Meats USA Inc.	100.00%	100.00%
Minerva Comercializadora de Energia Ltda	100.00%	100.00%
Minerva Australia Holdings PTY Ltd	100.00%	100.00%
Minerva Europe Ltd.	100.00%	100.00%
Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior	100.00%	100.00%
Minerva Foods FZE	100.00%	100.00%
Athena Foods S.A.	100.00%	100.00%
Athn Foods Holdings S.A.	100.00%	100.00%
Fortuna Foods PTE. LTD.	100.00%	100.00%
Fundo de Investimento em Quotas de Fundo de Investimento Multimercado Portifolio 18939	100.00%	100.00%

	06/30/2023	12/31/2022
Indirect subsidiaries		
Frigorifico Carrasco S.A.	100.00%	100.00%
Minerva Foods Chile Spa	100.00%	100.00%
Red Cárnica S.A.S	100.00%	100.00%
Red Industrial Colombiana S.A.S	100.00%	100.00%
Pulsa S.A.	100.00%	100.00%
Frigorífico Canelones S.A.	100.00%	100.00%
Frigomerc S/A	100.00%	100.00%
BEEF Paraguay S.A.	99.99%	99.99%
Industria Paraguaya Frigorífica S.A.	99.99%	99.99%
Pul Argentina S.A.	100.00%	100.00%
Swift Argentina S.A.	99.99%	99.99%
Minerva Ásia Foods PTY Ltd	100.00%	100.00%
MF 92 Ventures LLC	100.00%	100.00%
Minerva Australia PTY Ltd	65.00%	65.00%
Australian Lamb Company Pty Ltd	65.00%	65.00%

Hyperinflarionary economy - Argentina

On June 30, 2018, according to the assessment carried out by different market participants, the Argentine economy was considered hyperinflationary since July 1, 2018, as a result of the devaluation of the Argentine peso and the increase in the general price level observed in recent periods. Accumulated inflation over the last three years has surpassed the 100% mark. In accordance with IAS 29, (CPC 42), non-monetary assets and liabilities, equity and the income statement of subsidiaries operating in a highly inflationary economy must be restated for the changes in the pricing power of the functional currency by applying a general price index.

We concluded that the effects of this hyperinflationary impact, certainly not relevant, arising from our Argentinean subsidiaries, were initially determined on a consistent basis and accounted for in our individual and consolidated financial statements for the year ended December 31, 2018.

ESG

The Company's management has carried out all its planning and actions aimed at the continuity of its business, thus assessing that it is able to make all resources available for the continuity of its operations, including evaluating the environmental and climate impacts and of COVID-19 on its operation with structural and non-structural actions aimed at mitigating its effects.

The first semester of 2023 recorded, once again, advances in the ESG agenda, in line with the Commitment to Sustainability announced in 2021. The commitment focused on the environmental pillar 'Dedication to the Planet' has three main axes: environmental efficiency in operations; fight against illegal deforestation; and development of the Renew program, aimed at low carbon emissions in the value chain. All goals are aligned with one of the five values of the Company Culture – Sustainability.

The Company's pioneering spirit in combating illegal deforestation in the supply chain in Latin America was highlighted during this period by advancing geographic monitoring for more than 90% of the farms that directly supply the operations in Colombia. In Uruguay, the Company made progress after starting the monitoring project and now has more than 20% of the farms that directly supply it monitored in accordance with the socio-environmental criteria defined by the Company.

In addition, after launching the SMGeo Prospec application at the end of 2021, developed in partnership with Niceplanet Geotecnologia, which gives rural producers access to the same analysis technology on socio-environmental compliance that the industry adopts, the Company kept focused its efforts on engaging of its direct suppliers and training on the use of the tool during field visits. More than 1,600 vouchers were distributed free of charge for livestock partners to carry out socio-environmental analyses, encouraging them to verify the compliance of their own suppliers (an action that goes against the monitoring program for the Company's indirect suppliers).

Advances in value chain monitoring were recognized by the European organization Ecovia Intelligence. The Company was the first and only Brazilian company to be recognized in the 'Sustainable Foods Awards'. Minerva Foods won second place in the 'Pioneering in Sustainability' category for playing an important role in building a more sustainable food industry.

The Renove program also advanced, in a pioneering way, in the generation and sale of carbon credits from agriculture in Brazil. To this end, technical cooperation agreements were signed with livestock farmers that supply the Company, confirming the interest of both parties in converting conventional livestock management practices into regenerative practices that increase productivity and remove or reduce greenhouse gas emissions (GHG). The farms, located in six Brazilian states, are being evaluated in the field by the program's technical team, with a view to recovering degraded pasture, implementing integrated systems — Crop-Livestock-Forest Integration (ILPF) — and the use of food additives in animal feed for the reduction of enteric methane.
To make the implementation of these practices feasible, partnerships were established with large input, financing and technological innovation companies, committed to this common objective: a highly productive agricultural sector with low carbon emissions.

Also within the program, the Company continues with exports of certified carbon neutral product from operations in Brazil and Uruguay. With the inclusion of the 'CO_2 Neutral' seal, granted by an independent organization with certification systems in more than 100 countries, the Company can ensure the measurement, reduction and compensation of greenhouse gas emissions from the entire meat production process , that is, from the farm, through the industry and all logistics emissions. The emissions offset necessary to neutralize residual emissions was carried out by MyCarbon, a subsidiary of the Company, through carbon credits from tree planting and forest preservation projects.

At the institutional level, in May, the Company published its 12th Sustainability Report, base year 2022, once again being the first company in the sector to publish the annual report. This edition underwent an audit process carried out by an independent body and was developed based on the main sustainability reporting frameworks - the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD).

For the third consecutive year, the Company's Brazilian operations received the 'Renewable Energy' seal. Since 2020, the Company has acquired Renewable Energy Certificates (I-REC) that guarantee the renewable origin of the energy consumed and that generating companies also adopt differentiated practices in social aspects and relationship with communities. The seal is issued by the Totum Institute, in partnership with the Brazilian Association of Wind Energy (ABEEólica) and the Brazilian Association of Clean Energy (Abragel). For certification, the Totum Institute performs an audit based on the seal's regulations.

2. Acquisition of shares in companies (Business combination)

Australian Lamb Company Pty Ltd

On October 20, 2022, its subsidiary Minerva Foods Australia Pty Ltd acquired 100% of the share capital of Australian Lamb Company Pty LTd, and after the conclusion of the "Due Diligence" on October 31, 2022, it signed the "Purchase Sale of shares", starting to hold control of said company from that date. The Company holds an indirect interest of 65% in this investee, with the remaining 35% belonging to SALIC. Therefore, the Company is responsible for 65% of the consideration described below.

The purchase was completed for the total amount of AUD$ 400,000 million (equivalent to R$ 1,344,760 on October 31, 2022), with AUD$ 5,000 million (equivalent to R$ 16,809 on October 31, 2022) deducted as capital and following the financial payment schedule.

- 1st Installment - Cash – AUD$ 283,000 million: paid upon acquisition of the company, which took place on October 20, 2022;
- 2nd Installment – AUD$72,000 million to be paid in February 2023;
- 3rd Installment – AUD$40,000 million that will be withheld and released on four dates as shown below:

  - ✓ AUD$10 million in October of 2023;
  - ✓ AUD$10 million in October of 2024;
  - ✓ AUD$10 million in October of 2025; and
  - ✓ AUD$10 million in October of 2026.

"Australia Lamb" has a daily slaughtering and deboning capacity of 19,216 heads.

The following are the combined balance sheet accounts of Australian Lamb Company Pty Ltd as at 31 October 2022 impacted by the fair value measurement effect:

	Book account	FVA[1]	Fair Value
Current assets			
Cash and cash equivalents	27,550	-	27,550
Trade receivables	198,429	-	198,429
Inventories	67,399	-	67,399
Other receivables	6,616	-	6,616
Non-current assets			
Deferred tax	-	9,158	9,158
Net fixed assets	225,012	147,789	372,801
Intangibles – Customer Relationship	-	215,162	215,162
Intangibles – Contract with Clients	-	73,962	73,962
Intangible – Relationship Suppliers	-	94,133	94,133
Intangible – Brand	-	70,600	70,600
Intangible – Non-competition	-	3,362	3,362
Current liabilities			
Loans and financing - Current	(884)	-	(884)
Suppliers	(79,079)	-	(79,079)
Labor and tax obligations	(23,833)	-	(23,833)
Other payables	(33,963)	-	(33,963)
Non-current liabilities			
Loans and financing – non-current	(709)	-	(709)
Installment tax obligations	(4,821)	-	(4,821)
Deferred tax liabilities	-	(159,774)	(159,774)
Other payables	(817)	-	(817)
Net Assets	**380,900**	**454,392**	**835,292**

[1] During the 1st quarter of 2023, the Company completed the fair value adjustments (FVA) of the assets and liabilities acquired, which resulted in a total FVA amount of R$454,392 (R$550,210, initially recorded in 2022).

Below we present the calculation of goodwill, on October 31, 2022:

	Fair Value
Consideration – Controller	862,318
Fair Value – Non-controlling	464,783
Total Consideration	**1,327,101**
(-) Net Assets	(835,292)
Goodwill[1]	**491,809**

[1] During the 1st quarter of 2023, the Company completed the fair value adjustments (FVA) of the assets and liabilities acquired, which resulted in a total FVA amount of R$454,392 (R$550,210, initially recorded in 2022).

Fair values were obtained through fair value measurement techniques prepared by an independent specialized company hired to support Management's conclusion, resulting in an adjustment to the fair value of property, plant and equipment of R$ 147,789, assessed using the cost method, as well as intangible assets in the total amount of R$457,219, appraised using traditional methods derived from the income approach.

The non-controlling interest was calculated using the fair value method, which was based on the price paid for the acquisition, which corresponds to the fair value calculated using the discounted cash flow method, on the base date, according to the purchase price allocation report.

Revenue included in the consolidated income statement between 1 November and 31 December 2022 includes the amount of revenue generated by Australia Lamb of R$ 298,863. ALC also contributed a profit of R$ 27,664 in the same period.

If Australia Lamb had been consolidated from January 1, 2022, the consolidated statement of income would show, in December 31, 2022, pro forma net income of R$ 2,227,092 and pro forma EBITDA of R$ 322,408. This information on net revenue and income was obtained by simply adding the acquired amounts to the Company's consolidated income and does not represent the actual consolidated amounts for the year. Such information is not audited or reviewed.

- Exchange rate AUD 3.3619 – Ptax of sale (Source Central Bank).

3. Basis of preparation

Statement of compliance (with IFRSs and CPC standards)

The individual and consolidated interim financial information were prepared in accordance with CPC 21 (Interim Financial Information) and also In accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and are being presented in accordance with the accounting practices adopted in Brazil, which include the provisions contained in the Brazilian Corporation Law, rules of the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements of the Accounting Pronouncements Committee ("CPC"), as well as international accounting standards (International Financial Reporting Standards), or "IFRS" issued by the International Accounting Standards Board ("IASB").

The Company's individual and consolidated interim financial information are being presented in accordance with Technical Guidance OCPC 07, which deals with the basic requirements for preparation and disclosure to be observed when disclosing the accounting and financial reports, especially those contained in the explanatory notes. Management confirms that all relevant information specific to the individual and consolidated interim financial information is being evidenced and that this corresponds to those used in its management.

The presentation of the statement of Added Value (DVA), individual and consolidated, is required by the Brazilian Corporate Law and the accounting practices adopted in Brazil applicable to publicly-held companies, in accordance with CPC 09 – Statement of Added Value. IFRS standards do not require the presentation of this statement. As a result, under IFRS, this statement is presented as supplementary information, without prejudice to the set of individual and consolidated interim financial information.

The individual and consolidated interim financial information are presented in Brazilian reais (R$), which also is the Company's functional currency.

The significant accounting policies adopted in preparing the individual and consolidated interim financial information are summarized below. These accounting policies were applied consistently to all periods reported, unless stated otherwise.

The individual and consolidated interim financial information were approved for issue by the Company's Management on August 09, 2023.

4. Summary of significant accounting policies

a) Basis of measurement

The individual and consolidated interim financial information have been prepared using historical cost as the basis of value, except for recognized revaluations and for the valuation of certain assets and liabilities such as financial instruments and biological assets, which are measured at fair value.

b) Functional and presentation currency

The interim financial information of each subsidiary included in the Company's consolidation and those used as a basis for valuing investments using the equity method are prepared using the functional currency of each entity. An entity's functional currency is the currency of the primary economic environment in which it operates.

When defining the functional currency of each of its subsidiaries, Management considered the currency that significantly influences the sales price of its products and services, and the currency in which most of the cost of its production inputs is paid or incurred.

The interim financial information are presented in reais (R$), which is the parent company's functional and presentation currency. All accounting information is presented in thousands of reais, unless otherwise stated.

c) Foreign operations

The foreign direct and indirect subsidiaries adopted the following functional currencies for the Interim Financial Information as of June 30, 2023:

- **US dollar currency (US$) –** Athena Foods S.A.**,** Frigomerc S.A., Pulsa S.A., Frigorífico Carrasco S.A., Lytmer S.A.; Minerva Overseas I, Minerva Overseas II, Minerva Meat USA, Minerva USA LLC, Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior, MF92 Venture LLC e Minerva Luxembourg;
- **Currency Pound Sterling (GBP) –** Minerva Europe Ltd.;
- **Peso/chilean currency –** Minerva Foods Chile SpA e Minerva Live Cattle Export SPA;
- **Peso/Colombian currency –** Minerva Colômbia S.A.S, Red Cárnica S.A.S e Red Industrial Colombiana S.A.S;
- **Australian dollar currency –** Minerva Austrália Holdings PTY Ltd.; Minerva Asia Foods PTY Ltd.; Minerva Australia PTY Ltd
- **Peso/argentinian –** Pul Argentina S.A.
- **Euro –** Athn Foods Holdings S.A.
- **Singapore dollar currency:** Fortuna Foods PTE. LTD.

The individual and consolidated interim financial information, when applicable, are adjusted to conform to the accounting practices adopted in Brazil and translated into Brazilian reais (R$) by applying the following procedures:

- Monetary assets and liabilities are translated using the closing rate of the respective currency for the Brazilian real (R$) at the end of the respective balance sheets;
- In the last balance sheet corresponding to equity translated at the historical exchange rate prevailing at that time and the changes in equity for the current period/year are translated at the historical exchange rates on the dates of the transactions, and the profit earned or loss incurred is translated and accumulated at an average historical monthly exchange rate, as indicated in the topic below;
- Revenues, costs and expenses for the current period are translated and accrued at an average historical monthly exchange rate;
- The changes in foreign exchange balances arising from the items above are recognized in a specific equity account, under “Other comprehensive income”; and
- The balances of investments, assets and liabilities, revenues and expenses from transactions between “Minerva Group” companies included in the consolidated interim financial information are eliminated.

d) Foreign currency-denominated transactions and balances

Transactions and balances in foreign currency, that is, all transactions that are not carried out in the established functional currency, are converted at the historical exchange rate of the dates of each transaction, as determined by CPC 02 (R2) - Effects of changes in exchange rates and conversion of statements.

Assets and liabilities subject to exchange variation are updated at the rates of the respective currencies in force on the last working day of each period presented. Gains and losses arising from changes in investments abroad are recognized directly in the equity in the "other comprehensive results" and recognized in the income statement when such investments are divested, in whole or in part.

Non-monetary items that are measured in terms of historical costs in foreign currency are converted at the exchange rate calculated on the transaction date.

e) Use of estimates and judgment

The preparation of the individual and consolidated interim financial information in conformity with IFRS and CPC standards requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions related to accounting estimates are recognized in the year in which estimates are revised and in any affected future periods.

f) Basis of consolidation

Business combinations

Acquisitions completed on or after January 1, 2009

For acquisitions made as of or after January 01, 2009, the Company measured goodwill as the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquired company, less the net recognized value of the identifiable assets and liabilities assumed at fair value, all measured as at the acquisition date.

For each business combination, the Company assesses if it will measure the non-controlling interests at their fair value or based on the proportionate equity interest of the noncontrolling interests on the identifiable net assets determined on the acquisition date.

Transaction costs, whether or not associated to the issuance of debt securities or equity securities, incurred by the Company and its subsidiaries on a business combination, are recognized as expenses as they are incurred.

Subsidiaries and jointly controlled subsidiaries

The subsidiaries' interim financial information are included in the consolidated interim financial information from the date the inspection starts until the date on which the inspection ceases to exist.

Transactions eliminated in consolidation

Balances and transactions between the companies of the "Group", and any revenues or expenses derived from intragroup transactions, are eliminated in the preparation of consolidated interim financial information. Unrealized gains arising from transactions with invested companies registered by equity are eliminated against the investment in proportion to the Company's participation in the investees. Unrealized losses are not eliminated in the same way as unrealized gains are eliminated, but only to the extent that there is no evidence of loss by reduction in recoverable value.

g) Cash and cash equivalents and securities and real estate values

Cash and cash equivalents include cash, bank deposit and accounting applications of immediate liquidity. See Explanatory Note No. 4 for further details of the cash and cash equivalents of the Company and its subsidiaries.

h) Financial instruments

The financial instruments of the Company and its subsidiaries are in accordance with the accounting pronouncement adopted as of January 1, 2018, CPC 48 – Financial Instruments, in which all assets and liabilities are recorded according to their practice.

Financial assets

Financial assets are classified under the following categories: assets measured at amortized cost; fair value through income, or fair value through other comprehensive results. The assets are classified according to the definition of the business model adopted by the Company and the cash flow characteristics of the financial asset.

Recognition and measurement

The Company classifies its financial assets on initial recognition into three categories:

(i) Assets measured at amortized cost;
(ii) Fair value through profit or loss;
(iii) Fair value through Other comprehensive income.

- **Amortized cost:** Assets should be measured at amortized cost if both of the following conditions are met: i) the financial asset is held within the business model whose objective is to hold assets in order to collect contractual cash flow; and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company should recognize its interest income, exchange gains and losses, and impairment directly in profit or loss.
- **Fair value through profit or loss:** Financial assets should be measured at fair value through profit or loss only if they may not be classified as assets measured at amortized cost or fair value through other comprehensive income. The Company should recognize its interest income, exchange gains and losses, and impairment together with other net profit or loss, directly in profit or loss;
- **Fair value through other comprehensive income:** Financial assets should be measured at fair value through comprehensive income only if the following conditions are met: **i)** the financial asset is held within a business model whose objective is achieved by both collecting contractual cash when contractual cash flows are collected from the sale of financial assets; and ii) the contractual terms of the financial asset give rise on specified dates to interest on the principal amount outstanding.

Assets measured at fair value through other comprehensive results are classified into two categories: i) debt instruments: interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the result. Other net results are recognized directly in the Company's shareholders' equity, in "Other comprehensive results". In the waiver of recognition, the accumulated result in other comprehensive results is reclassified to the result; or (ii) equity instruments are measured at fair value. Dividends are recognized as gain in income, unless the dividend clearly represents a recovery of part of the cost of the investment.

Other net results are recognized directly in the Company's shareholders' equity, in "other comprehensive results" and are never reclassified to the result.

The fair values of investments with public quotation are based on current purchase prices. If the market for a financial asset (and securities not listed on the Stock Exchange) is not active, the Company establishes fair value through valuation techniques.

These techniques include the use of recent operations contracted with third parties, reference to other instruments that are substantially similar, analysis of discounted cash flows and pricing models of options that make the greatest possible use of information generated by the market and count as little as possible with information generated by the management of the entity itself.

Regular purchases and sales of financial assets are recognized on the trading date, i.e. the date on which the Company undertakes to buy or sell the asset.

- **Derecognition of financial assets:** financial assets are lowered when the rights to receive cash flows from investments have expired or have been transferred; in the latter case, provided that the Company has significantly transferred all the risks and benefits of the property. If the entity substantially owns all the risks and benefits of ownership of the financial asset, it shall continue to recognize the financial asset.

Financial liabilities

Financial liabilities are classified under the following categories: financial liabilities at amortized cost or fair value through income. Management determines the classification of its financial liabilities in the initial recognition.

- **Financial liabilities at amortized cost:** the Company shall classify all its financial liabilities as amortized cost except financial liabilities classified at fair value through income, passive derivatives and guarantee contracts. Other financial liabilities are measured at the amortized cost amount using the effective interest method. Interest expenses, gains and exchange losses are recognized in the income. The Company has the following non-derivative financial liabilities: loans, financing and debentures and suppliers;
- **Financial liabilities at fair value through income:** financial liabilities classified in the fair value category through income are financial liabilities held for trading or those designated in the initial recognition. Derivatives are also categorized as held for trading and are thus classified in this category, unless they have been designated as effective hedging instruments. Gains and losses related to financial liabilities classified at fair value through income are recognized in income.
- **Derecognition of financial liabilities:** financial liabilities are lowered only when it is extinguished, i.e., when the obligation specified in the contract is settled, cancelled or expires. The Company also waives the recognition of a financial liability when terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally applicable right to offset the recognized amounts and there is an intention to liquidate them on a net basis, or realize the asset and settle the liability simultaneously.

Derivative financial instruments

The fair value of derivative financial instruments is calculated by the Company's treasury based on the information of each contracted transaction and their respective market information on the closing dates of the interim financial information, such as interest rate and foreign exchange coupon and monetary correction index. Where applicable, such information is compared with the positions informed by the operating tables of each financial institution involved.

Transactions with derivative financial instruments, contracted by the Company and its subsidiaries, are summarized in ox futures contracts, options on ox contracts and non-term purchase forward (NDF), which aim exclusively to minimize the impacts of the oscillation of the price of the bovine ate in the result and the protection against foreign exchange risks associated with positions in the balance sheet plus the cash flows projected in foreign currencies.

Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair values at the commencement of the derivative agreement and are subsequently remeasured at fair value, whose changes in fair value are recorded in profit or loss.

Although the Company uses derivatives for hedging purposes, it did not choose the hedge accounting method. This accounting method is optional and, therefore, not mandatory.

i) Trade receivables

They are presented to present and realization values, and the receivables of customers in the foreign market are updated based on the exchange rates in force on the date of the individual and consolidated interim financial information. Expected Losses with Doubtful Accounts (PECLD) are constituted in an amount considered sufficient by management with the monitoring of overdue credits and duplicates and the risk of not receiving the amounts arising from long-term sales operations.

j) Inventories

Inventories are measured at the lowest value between cost and net realisable value, adjusted to market value and by any losses, when applicable. It includes expenses incurred in purchasing inventories, production and processing costs, and other costs incurred in bringing them to their existing locations and conditions.

k) Biological assets

Biological assets are measured at fair value less selling expenses at the time of initial recognition and at the end of each period. Changes in fair value are recognized in the profit or loss under cost of goods sold. Agricultural activities, such as increased herd stemming from cattle or cattle feedlot operations and from various agricultural crops, are subject to the determination of their fair values based on the concept of market value "Mark to market - MtM".

l) Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at the historical purchase or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses.

The cost of certain items of the property, was calculated by reference to the revaluation carried out on a date prior to the enactment of Law No. 11,638/2007, in force since January 1, 2008, thus not being necessary at the time to evaluate the deemed cost assigned (Cost).

The cost includes expenses that are directly attributable to the acquisition of an asset. The cost of assets built by the Company itself and its subsidiaries includes the cost of materials and direct labor, any other costs to place the asset on the spot and condition necessary for them to be able to operate in the manner intended by management. Borrowing costs on qualifying assets have been capitalized since January 1, 2009.

The rights that have as object tangible assets intended for the maintenance of the activities of the Company and its subsidiaries, originated from leasing operations, are recorded as a right of use recognizing at the beginning of each operation a fixed asset and a financing liability, and the assets are also subject to depreciation calculated according to the estimated useful lives of the respective assets or lease term.

Gains and losses on disposal of an item of the asset are determined by comparing the proceeds arising from the disposal with the net book value of the asset and are recognized net within other income/expenses in profit or loss.

Depreciation

Depreciation is recognized in the result, based on the linear method based on the estimated useful lives of each part of an asset item, since this method is the closest to reflect the pattern of consumption of future economic benefits incorporated into the asset.

The average useful lives estimated by the Company's Management, supported by technical studies for the current and comparative period are as follows:

	Parent company (annual rate)	Consolidated (annual rate)
Buildings	3.22%	2.65%
Machinery and equipment	8.84%	8.25%
Furniture and fixtures	11.67%	10.04%
Vehicles	7.38%	7.11%
Computer hardware	19.31%	17.13%

The depreciation methods, useful lives, and residual values are updated and revised at a minimum each period end, and any adjustments are recognized as changing accounting estimates.

The balance of the revaluation reserve, as provided by the 11,638/07 and mentioned in Note 20, will be maintained until its full amortization, by full depreciation or disposal of the assets.

m) Leases

Contracts are considered as leases when meeting both of the following conditions:

- An identifiable asset specified explicitly or implicitly. In this case, the supplier does not have the practice of replacing the asset, or the replacement would not bring any economic benefit to the supplier;
- The right to control the use of the asset during the contract. In this case, the Company must have authority to make decisions about the use of the asset and the ability to substantially obtain all economic benefits by using the asset.

The right-of-use asset is initially measured at cost and comprises the initial amount of lease liabilities adjusted for any payment made prior to the commencing of the contract, added to any initial direct cost incurred and cost estimate of disassembly, removal, restoration of the asset at the location where it is located, minus any incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the useful life of the right of use or the end of the lease term.

The lease liability is initially measured at the present value of unmade payments, discounted at the incremental loan rate. The lease liability is subsequently measured at the amortized cost using the effective interest method.

A lessee recognizes a right-of-use asset that represents his right to use the leased asset and a lease liability that represents his obligation to make lease payments. Optional exemptions are available for short-term rentals and low-value items.

n) Intangible

Intangible assets acquired separately are measured in the initial recognition at acquisition cost and subsequently deducted from accumulated amortization and recoverable value losses, where applicable.

Intangible assets with defined useful life are amortized according to their estimated economic useful life and, when indications of loss of their recoverable value are identified, submitted to recoverable value assessment test. Intangible assets with an indefinite useful life are not amortized but are subject to annual test to reduce their recoverable value.

Goodwill on acquisition of subsidiaries

Goodwill represents the excess of acquisition cost over the net fair value of assets acquired, liabilities assumed and identifiable contingent liabilities of a subsidiary, jointly-controlled entity, or associate, on the respective acquisition date. Goodwill is recorded as an asset and included in the accounts "Investments accounted for by the equity method", in the parent company, and "Goodwill", in the consolidated.

o) Impairment test

Financial assets

The Company annually assesses whether there is any objective evidence that determines whether the financial asset or group of financial assets is not recoverable. A financial asset or group of financial assets is considered as non-recoverable when there is an indication of loss of economic value of the asset.

Non-financial assets

Management periodically reviews the net book value of the assets, with the objective of evaluating events or changes in economic, operational or technological circumstances that may indicate deterioration or loss of their recoverable value. If such evidence is identified, and it is verified that the net book value exceeds the recoverable value, it is immediately constituted provision for devaluation, adjusting the net book value to its recoverable value.

The recoverable value of an asset, or a given Cash Generating Unit (UCG), is defined as the largest between the value in use and the net selling value.

In estimating the value in use of the asset, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the weighted average cost of capital for the industry in which the cash generating unit operates.

The net selling value is determined, where possible, on the basis of a firm sales contract in a transaction on a commutative basis, between knowledgeable and interested parties, adjusted for expenses attributable to the sale of the asset, or, where there is no firm sales contract, based on the market price, defined in an active market, or the price of the most recent transaction with similar assets.

The following criterion is also applied to assess loss by reduction to recoverable value of specific assets:

Goodwill based on expected future earnings

Loss test by reduction to recoverable goodwill value is done at least annually, or when circumstances indicate loss by devaluation of book value.

Intangible assets with indefinite useful lives

Intangible assets with an indefinite useful life are tested in relation to the loss by reduction to recoverable value at least annually, individually or at the level of the Cash Generating Unit (UCG), as the case may be or when circumstances indicate loss by devaluation of book value.

p) Other current and noncurrent assets and liabilities

An asset is recognized in the balance sheet when it is likely that its future economic benefits will be generated in favor of the Company and its subsidiaries, and its cost or value can be measured safely.

A liability is recognized in the balance sheet when the Company has a legal obligation or constituted as a result of a past event, and an economic resource is likely to be required to liquidate it. They shall be added, where applicable, to the corresponding charges, monetary or exchange variations incurred and adjustments to present value. The provisions are recorded based on the best estimates of the risk involved.

Assets and liabilities are classified as current when their realization or settlement is likely to occur in the next twelve months. Otherwise, they are demonstrated as non-circulating.

q) Adjust the present value of assets and liabilities

Non-current monetary assets and liabilities are adjusted, where relevant, to their present value, and short-term assets, when the effect is considered relevant in relation to individual and consolidated interim financial information.

For the calculation of the adjustment to present value, the Company and its subsidiaries consider the amount to be discounted, the dates of realization and settlement based on discount rates that reflect the cost of money in time for the Company and its subsidiaries, which was around a discount rate of 8.1% per year, calculated based on the weighted average cost of capital of the Company and its subsidiaries, as well as the specific risks related to the cash flows scheduled for the financial flows in question.

The terms of receipts and payments of accounts receivable and payable, arising from the operational activities of the Company and its subsidiaries are low, thus resulting in a discount amount considered irrelevant for registration and disclosure, because the cost of generating information exceeds its benefit. For non-current assets and liabilities, where applicable and relevant, they are calculated and recorded.

Calculations and analyses are reviewed quarterly.

r) Income tax and social contribution

Income tax and the current and deferred income contribution of the Companies and their subsidiaries located in Brazil are calculated based on the rates of 15%, plus the additional 10% on the taxable income surplus of R$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the compensation of tax losses and negative basis of social contribution, limited to 30% of the real profit.

The expense of income tax and social contribution comprises current and deferred income taxes. Current tax and deferred tax are recognized in profit or loss, unless they are related to the combination of business, or items directly recognized in equity or other comprehensive results.

Deferred tax is recognized with respect to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets and liabilities in a transaction that is not a business combination and that does not affect either accounting or taxable profit or loss, and differences related to investments in subsidiaries and controlled entities when they are likely not to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax liabilities and assets, and they relate to income taxes imposed by the same tax authority on the same entity subject to taxation.

A deferred income tax and social contribution asset is recognized for tax losses, tax credits, differences in accounting practices (IFRS) and unused deductible temporary differences, when future profits subject to taxation are likely to be available and against which they will be used.

Deferred income tax and social contribution assets are reviewed at each reporting date and will be reduced to the extent that their realization is no longer likely.

s) Contingent assets and contingent liabilities, and legal obligations

Accounting practices for the registration and disclosure of contingent assets and liabilities and legal obligations are as follows: (i) contingent assets are recognized only when there are real guarantees or favorable judicial decisions, final. Contingent assets with probable successes are only disclosed in an explanatory note; (ii) contingent liabilities are provisioned when losses are assessed as probable, and the amounts involved are measurable with sufficient security.

Contingent liabilities assessed as possible losses are only disclosed in an explanatory note and contingent liabilities assessed as remote losses are not provisioned or disclosed; and (iii) legal obligations are recorded as enforceable, regardless of the assessment of the probabilities of success, for lawsuits in which the Company questioned the unconstitutionality of taxes.

t) Employee benefits

The Company does not have post-employment benefits, such as contribution plans and/or defined benefits. It should be noted that all short-term benefits and paid leave, as well as profit and gratuity sharing are in accordance with the requirements of the respective accounting pronouncements.

u) Revenue recognition

The Company's and its subsidiaries revenues and derive mainly from the sale of products, which are recognized when the performance obligation is met and whose goods are destined to the domestic and foreign markets.

The revenues recognized both in the domestic and foreign markets are subject to evaluations and judgments by the Company's Management in determining its accounting recognition.

Sales revenue is presented net of taxes and discounts on this. Sales taxes are recognized when sales are billed, and sales discounts when known. Product sales revenues are recognized by the value of the consideration to which the Company and its subsidiaries expects to be entitled, deducted from returns, discounts, rebates and other deductions, if applicable, being recognized as the Company and its subsidiaries satisfies its performance obligation. The opening of sales revenue is shown in Note 22.

v) Earnings per share

The basic income per share is calculated through the results of the period attributable to the Controlling Shareholders of the Company and the weighted average of the common shares outstanding in the respective period. The result per diluted share is calculated by means of the said average of the shares in circulation, adjusted by the instruments potentially convertible into shares, with dilutive effect, in the periods presented.

w) Segment reporting

The report by operating segments is presented in a manner consistent with the internal report provided to the Company's Executive Board, responsible for the allocation of resources and performance evaluation by operating segment and strategic decision-making. This information is prepared in a manner consistent with the accounting policies used in the preparation of interim financial information.

x) New and revised standards and interpretations:

The IASB issued/revised some IFRS standards, which have their adoption for the year 2024 or after, and the Company is evaluating the impacts on its Individual and Consolidated Interim Financial Information of the adoption of these standards:

- **Amendment to IFRS 16 – Lease Liabilities in a Sale and Return Lease:** Clarifies aspects to be considered for treating an asset transfer as a sale. This rule change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Interim Financial Statements; and

- **Amendment to IAS 1 – Non-Current Liabilities with "Covenants":** Clarifies aspects of separate classifications in the balance sheet of current and non-current assets and liabilities, establishing presentation based on liquidity when providing reliable and more relevant information. This rule change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Interim Financial Statements.
- **Amendment to IAS 7 – Statement of Cash Flows**: Clarifies aspects related to requirements for disclosing qualitative and quantitative information about supplier finance arrangements. This standard change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Interim Financial Statements.

y) Statements of value added

The Company prepared the individual and consolidated interim financial information of value added (DVA) in accordance with CPC 09 – Statement of Value Added, which are presented as an integral part of the interim financial information according to the accounting practices adopted in Brazil applicable to publicly-held companies, whereas they are considered by IFRS as supplemental financial statements, required as part of the interim financial information taken as a whole.

The objective of a statement of value added is to show the wealth created by the Company and its subsidiaries, its distribution to those that contributed to generate such wealth, such as employees, financial institutions, shareholders, government, as well as the undistributed portion of wealth.

5. Cash and cash equivalents

The financial assets of the Company and its subsidiaries are composed as follows:

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash	250	288	503	1,013
Banks	2,748	2,549	1,402,176	1,195,803
Cash and cash equivalents in foreign currencies	2,518,492	4,021,004	2,529,818	4,037,640
Total	**2,521,490**	**4,023,841**	**3,932,497**	**5,234,456**
Financial investments				
In local currency				
Bank Certificates of Deposit (CDB)	437,450	656,850	470,403	702,555
Debentures	1,446,786	753,170	1,468,541	790,696
Other financial assets	16,283	20,547	325,830	343,756
Total	**1,900,519**	**1,430,567**	**2,264,774**	**1,837,007**
Total	**4,422,009**	**5,454,408**	**6,197,271**	**7,071,463**

The financial investments of the Company and its subsidiaries were classified according to their characteristics and intention, measured at fair value through profit or loss, which correspond to level 2 of the fair value hierarchy and are briefly demonstrated as follows:

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Measured at fair value through profit or loss (Level 2 of the Fair Value Hierarchy)	1,900,519	1,430,567	2,264,774	1,837,007
Total	**1,900,519**	**1,430,567**	**2,264,774**	**1,837,007**

6. Trade receivables

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade receivables - domestic customers	208,141	194,050	926,592	921,245
Trade receivables - foreign customers	375,703	400,833	1,201,998	1,602,146
Receivables - related parties	283,171	364,887	-	-
Total	**867,015**	**959,770**	**2,128,590**	**2,523,391**
(-) Allowance for expected credit losses	(24,847)	(20,466)	(40,271)	(35,851)
Total	**842,168**	**939,304**	**2,088,319**	**2,487,540**

The following are the balances of accounts receivable by maturity age:

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current receivables	**769,213**	**816,358**	**1,835,538**	**2,175,421**
Overdue receivables:				
Up to 30 days	22,506	61,806	161,309	200,775
From 31 to 60 days	12,946	29,271	40,965	50,281
From 61 to 90 days	6,692	3,756	10,032	8,379
Above 90 days	55,658	48,579	80,746	88,535
Total	**867,015**	**959,770**	**2,128,590**	**2,523,391**

Expected losses are estimated based on historical analyzes and also in relation to the current situation of customers. Expected losses on doubtful accounts, as well as their reversals, are recorded in the statement of income under "Selling expenses". Changes in expected credit losses for the period ended June 30, 2023 and December 31, 2022 are represented as follows:

	Parent company	Consolidated
Balances as of January 1, 2022	**(25,175)**	**(42,140)**
Provisioned credits	(2,862)	(3,435)
Credits recovered	7,192	8,303
Exchange rate variation	379	1,421
Balances as of December 31, 2022	**(20,466)**	**(35,851)**
Provisioned credits	(4,798)	(6,875)
Credits recovered	-	909
Exchange rate variation	417	1,546
Balances as of June 30, 2023	**(24,847)**	**(40,271)**

The Company has a Receivables Investment Fund (FIDC) for sale of part of its domestic receivables, in the amount of R$ 305,040 (as of December 31, 2022, R$ 315,685), without co-obligation or right of return, of which R$ 31,538 (as of December 31, 2022, R$ 29,696) consisting of subordinated shares.

The percentage of participation and the number of quotas in FIDC refer to the guarantee and limit of risk under the Company's responsibility, which correspond to all subordinated shares paid by the Company with FIDC.

According to CVM circular letter No. 01/2017, for the purpose of filing the definitive sale of receivables, the transferor may not have any management, involvement, or future hit with the overdue FIDC securities, and consequently, exposure to the risks arising from it. In this way, the Company is exposed to the risk of default limited to its subordinated quotas. It is worth noting that, the Company has a very strict credit granting policy, which causes low levels of default, which are verified by the low value of provisioned credits, when compared to sales revenues made by the Company and its subsidiaries.

The Company has no collaterals for past-due trade notes receivable.

7. Inventories

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Finished products	707,833	523,551	1,434,474	1,428,055
Warehouse and secondary materials	42,994	44,867	250,852	230,412
Total	**750,827**	**568,418**	**1,685,326**	**1,658,467**

8. Biological assets

The Company and its subsidiaries that have cattle activities, such as cattle herd growth arising from the confinement of cattle or grazing cattle operations, are subject to revaluation of its assets, in order to determine their fair value based on the mark to market (MtM) concept, less estimated selling expenses, at least on a quarterly basis, recognizing the effects of such revaluations directly in profit or loss, in the under of "Cost of sales". The measurement of the fair value of biological assets falls within Level 1 of the measurement hierarchy at fair value, in accordance with the hierarchy of CPC 46, as these are assets with prices quoted on the market.

Operations related to the Company and its subsidiaries biological assets are represented by grazing cattle (extensive) and short-term confinement cattle (intensive). The operation is conducted through the acquisition of biological assets for resale, whose mark to market is reliably measured due to the existence of active markets, and are represented as follows:

	Herd	
	Parent company	Consolidated
Balance as of January 1, 2022	**342,334**	**467,960**
Increase due to acquisitions	148,012	635,637
Decrease due to sales	(117,141)	(608,300)
Net decrease due to births (deaths)	(251)	(859)
Conversion adjustment	-	(15,103)
Change in fair value minus estimated selling expenses	(81,681)	(44,438)
Balance as December 31, 2022	**291,273**	**434,897**
Increase due to acquisitions	-	243,024
Decrease due to sales	(6,442)	(199,688)
Net decrease due to births (deaths)	(72)	(571)
Conversion adjustment	-	(9,023)
Change in fair value minus estimated selling expenses	(4,457)	(52,411)
Balance as June 30, 2023	**280,302**	**416,228**

As of June 30, 2023, farm animals kept for sale were composed of 65,987 cattle (as of December 31, 2022, 54,730 cattle), the animals kept in feedlot were composed of 23,511 cattle (as of December 31, 2022, 21,723 cattle).

As of June 30, 2023 and December 31, 2022, the Company did not have any types of biological assets with restricted ownership or data as a guarantee of enforceability, and there were no other risks (financial, commitment and climate) that impacted the Company's biological assets.

Changes in gains and losses in the fair value of biological assets are recognized under "Cost of Sales".

9. Recoverable taxes

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
PIS – Social Integration Program	108,468	92,468	110,754	94,779
COFINS - Contribution for the Financing of Social Security (COFINS)	204,974	221,590	215,449	232,188
Reintegra (Special tax for exporting companies)	-	-	11,654	11,656
State VAT (ICMS)	78,898	91,314	99,488	112,248
Income tax and social contribution	60,922	65,064	66,370	70,242
VAT	-	-	197,218	195,439
Other recoverable tax	10,516	10,483	127,172	149,599
Total	**463,778**	**480,919**	**828,105**	**866,151**
Current	348,283	370,447	708,615	750,670
Non-current	115,495	110,472	119,490	115,481

PIS and COFINS (taxes on revenue)

The credits of PIS and COFINS come from the change in tax legislation, according to Laws no. 10,637/02 and 10,833/03, which established non-cumulation for these taxes, generating credit for exporting companies. On May 30, 2018, the Brazilian Internal Revenue Service (RFB) issued Law No. 13,670, which allowed the compensation of these credits for payment of social security debts, thus significantly reducing the accumulation of credits.

Currently, the Company and its subsidiaries have finalized the inspection by the Brazilian Internal Revenue Service (RFB) of most of the claims for reimbursement of these credits, were duly approved by the Brazilian Internal Revenue Service (RFB), which has generated a significant amount of restitution of these credits, to continue during the years 2023 and 2024.

Based on studies conducted by the Company's Management, regarding the expectation of restitution of said tax credits, part of these current assets were segregated to non-current assets, on June 30, 2023, in the amount of R$ 93,592 in the parent company and consolidated. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

State VAT (ICMS)

ICMS credits are caused by the fact that the Company's exports reach values higher than sales in the domestic market, generating credits that, after being approved by the Secretary of State Treasury, are used for the purchase of production materials, and can also be sold to third parties, as provided for in the current legislation.

Of the mentioned creditor balance, a substantial part is in the process of inspection and approval by the Department of Finance of the State of São Paulo, and the Company's Management expects to recover a significant part of these credits during the 2023 and 2024 financial years. Based on the studies carried out by the Company's Management, it was segregated from current assets to non-current assets, a percentage considered sufficient to represent slower processes, which totals the amount of R$ 21,903 in the parent company and consolidated, of these credits. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

10. Related parties

Transactions with related parties, carried out under market conditions, are summarized in the tables shown below:

	Parent company	
Related parties receivables	**06/30/2023**	**12/31/2022**
Minerva Overseas Ltd **(a)**	641,827	694,899
Minerva Luxembourg S.A. **(b)**	1,861,217	1,928,081
Athena S.A. **(c)**	1,060,092	1,147,762
Total	**3,563,136**	**3,770,742**

(a) Loan granted to Minerva Overseas Ltda. to be reimbursed;
(b) Loan granted to Minerva Luxembourg S.A. to be reimbursed; and
(c) Loan granted to Atena S.A., to be reimbursed.

	Parent copmany	
Related parties payables	**06/30/2023**	**12/31/2022**
Minerva Overseas II **(a)**	823,282	891,359
Minerva Log S.A. **(b)**	2	2
Total	**823,284**	**891,361**

(a) Loan made by Minerva Overseas II to the parent company; and
(b) Loan made by Minerva Log S.A. to the parent company.

The Company, in understanding the full integration of its operations with its subsidiaries, carries out cash transfer transactions as part of Minerva Group's business plan, always seeking to minimize the cost of its funding.

The other balances and transactions with related parties are presented below:

	Parent company		Consolidated	
Payables - Suppliers	**06/30/2023**	**12/31/2022**	**06/30/2023**	**12/31/2022**
Minerva Dawn Farms S.A.	6,947	5,204	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	-	1,567	-	-
Minerva Comercializadora de Energia Ltda.	160	-	-	-
Athena S.A.	35,817	16,285	-	-
Acquisition of other related parties	4,181	17,265	4,870	28,457
Total	**47,105**	**40,321**	**4,870**	**28,457**

	Parent company		Consolidated	
Trade receivables	**06/30/2023**	**12/31/2022**	**06/30/2023**	**12/31/2022**
Minerva Dawn Farms S.A.	641	145	-	-
Transminerva Ltda	195	-	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	17,698	17,733	-	-
Athena S.A.	129,826	106,209	-	-
Minerva Meats USA, INC.	134,811	240,800	-	-
Total	**283,171**	**364,887**	-	**-**

	Parent company		Consolidated	
Suppliers advances	**06/30/2023**	**12/31/2022**	**06/30/2023**	**12/31/2022**
CSAP - Companhia Sul Americana de Pecuária S.A.	96,927	-	-	-
Total	**96,927**	**-**	**-**	**-**

	Parent company		Consolidated	
Customers advances	**06/30/2023**	**12/31/2022**	**06/30/2023**	**12/31/2022**
Athena S.A.	7,077	-	-	-
Total	**7,077**	**-**	-	**-**

	Parent company		Consolidated	
	06/30/2023	**06/30/2022**	**06/30/2023**	**06/30/2022**
Revenue				
Minerva Dawn Farms S.A.	2,262	8	-	-
Minerva Comercializadora de Energia Ltda.	14,270	5,317	-	-
Athena S.A.	34,280	38,390	-	-
Minerva Live Cattle Export S.A.	-	2,058	-	-
Minerva Meats USA, INC.	343,985	425,768	-	-
Total	**394,797**	**471,541**	-	-
Purchase				
Minerva Dawn Farms S.A.	36,849	31,558	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	66,652	109,814	-	-
Minerva Comercializadora de Energia Ltda.	26,010	16,778	-	-
Athena S.A.	153,146	169,193	-	-
Total	**282,657**	**327,343**	**-**	**-**
Cattle purchases:				
Acquisition of other related parties **(a)**	15,785	15,570	16,643	15,570
Total acquisition of other related parties	**15,785**	**15,570**	**16,643**	**15,570**

(a) Balance payable to other related parties, refers to the acquisition of cattle with companies belonging to the Company's shareholders, transactions are carried out on the basis of normal market conditions.

During the period ended June 30, 2023, no provisions were recorded for expected losses on credits, as well as no uncollectible debt expenses related to related party transactions were not recognized.

Management Remuneration

On June 30, 2023, the Company recorded expenses with the remuneration of its key personnel (Director of Directors, Audit Committee and Statutory Directors of the Company) in the amount of R$46,639 (R$24,890 on June 30, 2022). All remuneration is short-term, as shown below:

	Members 2023	06/30/2023	06/30/2022
Executive Board and Board of Directors and Fiscal	23	46,639	24,890
Total	**23**	**46,639**	**24,890**

The global annual compensation for the Company's managers and members of the Fiscal Council for the year 2023 was approved at the Ordinary General Meeting (AGO) of April 18, 2023, in the global amount of R$70,982.

Alternate members of the Board of Directors and Audit Committee are compensated for each Board meeting they attend. In case of termination of employment contract there are no post-mandate benefits.

The Company's key personnel also receive share-based compensation, as detailed in note 20 (j). Stock option plan expenses are recognized in income during the vesting period until the shares granted benefit their holders. Expenses in the amount of R$ 7,204 were recognized, referring to the members of the Executive Board and Board of Directors. In December 31, 2022, were granted 2,905,144 stock options to Management members, of which 449,994 have a 3-year vesting period and 2,455,150 require 4 years.

11. Investments

The movement of Minerva S.A.'s investments in subsidiaries is shown below:

	Equity Interest	Balances on 12/31/2022	Transfers	Translation adjustments	Capital payment	Equity method	Balances on 06/30/2023
Goodwill based on expected future earnings		**133,667**	-	-	-	-	**133,667**
Minerva Overseas Ltd	100.00%	**256,104**	-	(19,562)	-	(3)	**236,539**
Minerva Middle East	100.00%	**37**	-	-	-	-	**37**
Minerva Log S.A.	100.00%	**22**	-	-	-	-	**22**
Minerva Dawn Farms S.A.	100.00%	**83,144**	-	-	14,780	(7,139)	**90,785**
Minerva Colombia SAS	100.00%	**3,932**	-	290	-	(20)	**4,202**
Lytmer S.A.	100.00%	**20,372**	-	(1,551)	-	(77)	**18,744**
Minerva Live Cattle Export S.A.	100.00%	**11,553**	-	(740)	-	253	**11,066**
Minerva Meats USA LLC	100.00%	**295,754**	-	(25,129)	-	38,948	**309,573**
Minerva Comercializadora de Energia Ltda.	100.00%	**55,970**	-	-	-	30,510	**86,480**
Minerva Australia Holdings PTY Ltd. **(*)**	100.00%	**1,101,323**	-	(103,079)	-	(5,752)	**992,492**
Minerva Europe Ltd	100.00%	**2,951**	-	(72)	-	-	**2,879**
Transminerva Ltda.	100.00%	**152**	-	-	-	(110)	**42**
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	**57,045**	-	-	-	(49,814)	**7,231**
Athena Foods S.A. **(*)**	100.00%	**3,153,694**	-	(179,504)	-	98,705	**3,072,895**
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	100.00%	**224,153**	-	-	11,322	(395)	**235,080**
Athn Foods Holdings S.A.	100.00%	**306**	-	(16)	-	(59)	**231**
Fortuna Foods PTE. LTD.	100.00%	**1,634**	-	-	-	-	**1,634**
Minerva FOODS FZE	100.00%	**10,658**	-	-	-	-	**10,658**
Mycarbom 3 Ltda.	100.00%	**93,857**	-	-	24,545	(7,961)	**110,441**
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	**20,514**	-	-	-	(15)	**20,499**
Investments		**5,526,842**	**-**	**(329,363)**	**50,647**	**97,071**	**5,345,197**
Minerva Luxembourg S.A.	100.00%	**(1,933,733)**	-	102,162	-	37,912	**(1,793,659)**
Minerva Overseas Ltd II	100.00%	**(725,871)**	-	55,440	-	(4)	**(670,435)**
Provision for investments losses		**(2,659,604)**	**-**	**157,602**	**-**	**37,908**	**(2,464,094)**
Net Investments		**2,867,238**	**-**	**(171,761)**	**50,647**	**134,979**	**2,881,103**

(*) Consolidated information of the following companies (see Explanatory Note no. 1):

- **Pulsa S.A.:** consolidates subsidiary Frigorífico Canelones S.A.;

- **Frigomerc S/A.**; consolidates subsidiaries BEEF Paraguay S.A. and Industria Paraguaya Frigorífica S.A.;
- **Minerva Australia Holdings PTY Ltd.:** consolidates subsidiary Minerva Ásia Foods PTY Ltd.; Minerva Australia PTY Ltd. and Australian Lamb Company Pty Ltd.;
- **Pul Argentina S.A.:** consolidates subsidiary Swift Argentina S.A.;
- **Athena Foods S.A.:** consolidates subsidiaries Pulsa S.A., Frigorifíco Carrasco S.A., Frigomerc S.A, Pul Argentina S.A., Red Cárnica S.A.S., Red Industrial Colombiana S.A.S., and Minerva Foods Chile SPA;
- **Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior:** consolidates subsidiary MF 92 Ventures LLC.

Summary of the subsidiaries' interim financial information as of June 30, 2023:

	Equity interest	Current asset	Non-current asset	Current liability	Non-current liability	Equity
Minerva Overseas Ltd.	100.00%	9	878,357	-	641,827	236,539
Minerva Overseas II Ltd.	100.00%	59	823,282	-	1,493,776	(670,435)
Minerva Middle East Ltd.	100.00%	37	-	-	-	37
Minerva Dawn Farms S.A.	100.00%	21,720	81,930	10,971	1,894	90,785
Minerva Luxemburg S.A.	100.00%	260,465	6,666,042	99,189	8,620,977	(1,793,659)
Transminerva Ltda.	100.00%	68	223	195	54	42
Minerva Log S.A.	100.00%	20	2	-	-	22
Lytmer S.A.	100.00%	19,808	-	1,064	-	18,744
Minerva Colombia SAS	100.00%	4,204	-	2	-	4,202
CSAP - Companhia Sul-Americana de Pecuária S.A.	100.00%	165,941	25,031	177,262	6,479	7,231
Minerva Live Cattle Export Spa	100.00%	12,803	9,758	11,495	-	11,066
Minerva Meats USA LLC	100.00%	457,250	27,924	174,784	817	309,573
Minerva Comercializadora de Energia Ltda.	100.00%	172,871	-	86,390	-	86,481
Minerva Australia Holdings PTY Ltd.	100.00%	621,766	1,312,438	171,506	274,122	992,492
Minerva Europe Ltd	100.00%	2,879	-	-	-	2,879
Athena Foods S.A. **(*)**	100.00%	3,318,588	2,727,229	1,604,572	1,368,350	3,072,895
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	100.00%	1,322	255,001	45	-	256,278
Athn Foods Holdings S.A.	100.00%	125	119	12	-	232
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	1,634
Minerva Foods FZE	100.00%	10,658	-	-	-	10,658
Mycarbom 3 Ltda.	100.00%	111,017	47	622	-	110,442
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	1,066	21,050	10	-	22,106
Total		**5,184,310**	**12,828,433**	**2,338,119**	**12,408,296**	**2,770,244**

(*) Consolidated information of the following companies (see Explanatory Note no. 1):

- **Athena Foods S.A.:** consolidated subsidiaries Pulsa S.A., Frigorífico Carrasco S.A., Frigomerc S.A., Pul Argentina S.A., Red Cárnica S.A.S, Red Industrial Colombiana S.A.S and Minerva Foods Chile SPA.

The following is the results of the subsidiaries that had movements during the period ended June 30, 2023 and 2022:

	06/30/2023		06/30/2022	
	Net revenue	Profit (Loss) for the period	Net revenue	Profit (Loss) for the period
Minerva Overseas Ltd	-	(3)	-	(16)
Minerva Overseas II Ltd	-	(2)	-	(18)
Minerva Dawn Farms S.A.	35,835	(7,141)	31,573	(7,682)
Minerva Luxembourg S.A.	-	37,910	-	30,017
Transminerva Ltda.	-	(110)	-	108
Minerva Log S.A.	-	-	-	-
Lytmer S.A.	-	(77)	-	(6,226)
Minerva Colombia SAS	-	(20)	-	(40)
CSAP - Companhia Sul Americana de Pecuária S.A.	173,541	(49,813)	141,807	(3,656)
Minerva Live Cattle Spa	-	255	-	735
Minerva Meats USA LLC	677,776	38,948	857,380	11,194
Minerva Comercializadora de Energia Ltda.	227,822	30,508	275,305	(51,500)
Minerva Australia Holdings PTY Ltd.	1,132,259	(8,848)	224,189	(15,341)
Minerva Europe Ltd	410	-	398	-
Athena S.A.	5,827,711	98,707	7,124,901	70,304
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	-	(395)	-	(139)
Athn Foods Holdings S.A.	-	(59)	-	(30)
Fortuna Foods PTE. LTD.	-	-	-	-
Minerva FOODS FZE	-	-	-	-
Mycarbom 3 Ltda	1,804	(7,962)	2,329	816
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	-	(15)	-	(31)
Total	**8,077,158**	**131,883**	**8,657,882**	**28,495**

All amounts are stated as 100% of the subsidiaries' profit (loss).

Investments not eliminated in the consolidated balance, refer to subsidiaries in which the Company does not have corporate control, which corresponds to the amount of R$ 242,092, which are: Clara Foods Co., Shopper Holdings LLC, Traive INC, Liv Up Limited and Bluebell Index, valued at fair value each year.

12. Property, plant and equipment

a) Composition of propert, plant and equipment as of June 30, 2023 and December 31, 2022*:

Parent company

Description	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	06/30/2023 Net amount	12/31/2022 Net amount
Buildings	3.22% p.y.	1,372,813	(311,277)	1,061,536	1,043,419
Machinery and equipment	8.84% p.y.	1,809,797	(751,540)	1,058,257	978,350
Furniture and fixtures	11.67% p.y.	19,238	(9,730)	9,508	9,757
Vehicles	7.38% p.y.	24,295	(8,049)	16,246	16,469
Computer hardware	19.31% p.y.	48,430	(25,001)	23,429	20,498
Land	-	78,344	-	78,344	78,344
Construction in progress	-	121,161	-	121,161	120,239
Impairment of assets	-	(21,518)	-	(21,518)	(21,518)
Total		**3,452,560**	**(1,105,597)**	**2,346,963**	**2,245,558**

Consolidated

Description	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	06/30/2023 Net amount	12/31/2022 Net amount
Buildings	2.65% p.y.	3,010,979	(699,828)	2,311,151	**2,374,043**
Machinery and equipment	8.25% p.y.	3,627,159	(1,595,350)	2,031,809	**2,020,865**
Furniture and fixtures	10.04% p.y.	57,573	(22,033)	35,540	**39,468**
Vehicles	7.11% p.y.	69,598	(45,702)	23,896	**25,814**
Computer hardware	17.13% p.y.	77,106	(46,773)	30,333	**28,549**
Land	-	419,310	-	419,310	**443,757**
Construction in progress	-	337,030	-	337,030	**289,207**
Impairment of assets	-	(21,518)	-	(21,518)	**(21,518)**
Total		**7,577,237**	**(2,409,686)**	**5,167,551**	**5,200,185**

(*) Property, plant and equipment must be considered by adding the value of the right-of-use asset in Note 12.1. (a).

b) Summary of changes in property, plant and equipment from January 1, 2023 to June 30, 2023:

Parent company	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance on January 1, 2023	**1,043,419**	**978,350**	**9,757**	**16,469**	**20,498**	**78,344**	**120,239**	**(21,518)**	**2,245,558**
Additions	-	-	-	-	130	-	200,177	-	**200,307**
Transfers	38,493	153,043	838	590	6,291	-	(199,255)	-	**-**
Disposal	-	(56)	(2)	-	(1)	-	-	-	**(59)**
Depreciation	(20,376)	(73,080)	(1,085)	(813)	(3,489)	-	-	-	**(98,843)**
Balance on June 30, 2023	**1,061,536**	**1,058,257**	**9,508**	**16,246**	**23,429**	**78,344**	**121,161**	**(21,518)**	**2,346,963**

Consolidated	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance on January 1, 2023	**2,374,043**	**2,020,865**	**39,468**	**25,814**	**28,549**	**443,757**	**289,207**	**(21,518)**	**5,200,185**
Additions	169	3,471	6	266	481	-	294,197	-	**298,590**
Transfers	52,249	165,060	1,039	590	6,470	-	(225,408)	-	-
Disposal	-	(172)	(2)	-	(1)	-	-	-	**(175)**
Depreciation	(50,942)	(150,594)	(2,520)	(4,224)	(4,758)	-	-	-	**(213,038)**
Translation adjustments	(207,257)	(193,242)	(5,391)	(762)	(408)	(84,894)	(20,966)	-	**(512,920)**
Monetary correction of balance	142,889	186,421	2,940	2,212	-	60,447	-	-	**394,909**
Balance on June 30, 2023	**2,311,151**	**2,031,809**	**35,540**	**23,896**	**30,333**	**419,310**	**337,030**	**(21,518)**	**5,167,551**

c) Works and installations in progress

On June 30, 2023, the balance of works and installations in progress refer to the following main projects: Expansion of the rendering plants to improve operational efficiency and meet the most profitable markets, compliance with regulatory standards (NR's), work safety, expansions in the machine room to supply the expansion of the capacity for freezing and storage of finished products, improvements to the refrigeration plants.

d) Allowance for impairment of assets

e) As required by accounting practices adopted in Brazil and international standards (IFRS), the Company and its subsidiaries annually assess the recoverability of their assets. In this sense, since 2013 the industrial plant of Goianésia (GO), for strategic reasons, has been underutilized. Thus, the analysis of the value of the plant by cash generation was impaired, in this sense it was decided to evaluate the net sales value of sales expenses. Based on evaluation carried out by an independent company, it was identified that this plant has a value higher than its value of realization per sale of R$ 34,175, being R$ 21,518 of fixed assets and R$ 12,657 per expectation for future profitability, which resulted in the registration of provision for recoverable value.

f) Amounts pledged as collateral

Property, plant and equipment items pledged as collateral for borrowings and financing on June 30, 2023, in the amount of R$ 11,688 (R$ 10,460 as of December 31, 2022).

12.1. Right to use lease assets and liabilities

As of January 1, 2019, the Company and its subsidiaries adopted initially adopted CPC 06 (R2) / IFRS 16 - Leases, which introduces a single lease model, replacing the concept of classification between operating and financial leasing. This standard replaces existing rental standards, including CPC 06 (R1) / IAS 17 - Leasing Operations and ICPC 03/IFRIC 4, SIC 15 and SIC 27 - Complementary Aspects of Leasing Operations.

The main objective is to define whether there is a lease on the contracts or whether the contract is a service provision.

The Company's Management and its subsidiaries evaluated the impacts of the new standard and opted for the simplified modified retrospective transition approach, without re-presentations of the comparative exercises.

The following criteria were adopted in the initial recognition and measurement of assets and liabilities:

- Recognition of lease liabilities on the date of initial application for leases previously classified as operating leases. The measurement of leasing liabilities was carried out at the present value of the remaining lease payments; and
- Recognition of right-of-use assets on the date of initial application for leases previously classified as operating leases. The measurement of the right-of-use asset at the amount equivalent to the lease liabilities, adjusted by the value of any advance or accumulated lease payments relating to that lease that has been recognized in the balance sheet immediately prior to the date of initial application.

CPC 06 (R2)/IFRS 16 includes two recognition exemptions for tenants that were applied by the Company and its subsidiaries at the initial adoption on January 1, 2019:

i. Contracts the remaining term on the date of adoption was equal to or less than 12 months: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease;
ii. Contracts for which the underlying assets were of low value: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease.

The following table shows the table with a summary of the impacts on the transition and movement of the period ended June 30, 2023.

a) Right of use - Lease

Parent company	Buildings	Machinery and equipment	Vehicles	Hardware	Land	Total
Balance as of January 1, 2022	**18,775**	**443**	**6,961**	**25**	**3,575**	**29,779**
Additions	122	234	2,463	-	-	**2,819**
Depreciation	(3,364)	(487)	(5,544)	(25)	(518)	**(9,938)**
Balances as of December 31, 2022	**15,533**	**190**	**3,880**	**-**	**3,057**	**22,660**
Additions	-	-	1,027	-	-	**1,027**
Depreciation	(1,617)	(157)	(1,948)	-	(258)	**(3,980)**
Balances as of June 30, 2023	**13,916**	**33**	**2,959**	**-**	**2,799**	**19,707**

Consolidated	Buildings	Machinery and equipment	Vehicles	Hardware	Terrenos	Total
Balances as of January 1, 2022	**19,844**	**560**	**6,961**	**126**	**8,304**	**35,795**
Additions	2,578	234	2,463	14	3,624	**8,913**
Aditions in business	1,403	-	-		-	**1,403**
Translation adjustments	76	-	-	-	-	**76**
Depreciations	(4,187)	(604)	(5,544)	(52)	(1,319)	**(11,706)**
Balances as of December 31, 2022	**19,714**	**190**	**3,880**	**88**	**10,609**	**34,481**
Additions	54	-	1,027	-	-	1,081
Write-offs	(2,464)	-	-	(88)	-	(2,552)
Translation adjustments	(119)	-	-	-	-	(119)
Depreciation	(1,934)	(157)	(1,948)	-	(939)	(4,978)
Balances as of June 30, 2023	**15,251**	**33**	**2,959**	**-**	**9,670**	**27,913**

b) Rental liabilities

Parent company	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Balances as of January 1, 2022	**21,243**	**3,848**	**7,510**	**26**	**445**	**33,072**
Additions	122	-	2,463	-	234	**2,819**
Interest settled in the period (income)	1,896	322	528	-	28	**2,774**
Payments	(4,891)	(744)	(6,349)	(26)	(512)	**(12,522)**
Balances as of December 31, 2022	**18,370**	**3,426**	**4,152**	**-**	**195**	**26,143**
Additions	-	-	1,027	-	-	**1,027**
Interest settled in the period (income)	842	147	179	-	4	**1,172**
Payments	(2,377)	(372)	(2,207)	-	(163)	**(5,119)**
Balances as of June 30, 2023	**16,835**	**3,201**	**3,151**	**-**	**36**	**23,223**
Current liabilities	3,083	486	2,261	-	36	**5,866**
Non-current liabilities	13,752	2,715	890	-	-	**17,357**
Total of the liabilities	**16,835**	**3,201**	**3,151**	**-**	**36**	**23,223**

Consolidated	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Balances as of January 1, 2022	**22,332**	**9,176**	**7,510**	**125**	**564**	**39,707**
Additions	5,686	3,624	2,463	-	234	**12,007**
Interest settled in the period (income)	3,588	888	528	498	30	**5,532**
Payments	(8,113)	(1,949)	(6,349)	(376)	(633)	**(17,420)**
Translation adjustments	(1,461)	-	-	-	-	**(1,461)**
Balances as of January 31, 2022	**22,032**	**11,739**	**4,152**	**247**	**195**	**38,365**
Additions	55	-	1,027	-	-	**1,082**
Write-offs	(1,890)	-	-	(247)	-	**(2,137)**
Interest settled in the period (income)	923	509	179	-	4	**1,615**
Payments	(2,818)	(1,321)	(2,207)	-	(163)	**(6,509)**
Translation adjustments	(53)	-	-	-	-	**(53)**
Balances as of June 30, 2023	**18,248**	**10,927**	**3,151**	**-**	**36**	**32,362**
Current liabilities	3,680	1,763	2,261	-	36	7,740
Non-current liabilities	14,569	9,164	890	-	-	24,623
Total of the liabilities	**18,249**	**10,927**	**3,151**	**-**	**36**	**32,363**

13. Intangible

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Goodwill (a)	259,691	259,691	1,092,484	1,060,278
Relationship with customers	-	-	191,803	223,392
Contract with Clients	-	-	58,867	184,387
Relationship with Suppliers	-	-	83,913	124,107
Non-Competition Agreement	-	-	2,678	3,546
Right to use aircraft (a)	1,793	1,793	1,793	1,793
Assignment of right of way (a)	250	250	250	250
Brands and patents	-	-	152,481	169,902
Software	92,603	90,805	93,495	91,839
Total	**354,337**	**352,539**	**1,677,764**	**1,859,494**

(a) Intangible assets with an indefinite useful life.

The movement in the intangible during the period ended June 30, 2023 is shown below:

	Parent company								
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Software	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances as of January 1, 2023	**259,691**	**1,793**	**250**	**90,805**	**-**	**-**	**-**	**-**	**352,539**
Acquisition	-	-	-	14,587	-	-	-	-	**14,587**
Amortization	-	-	-	(12,789)	-	-	-	-	**(12,789)**
Balances as of June 30, 2023	**259,691**	**1,793**	**250**	**92,603**	**-**	**-**	**-**	**-**	**354,337**

	Consolidated									
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Brands and patents	Software	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances as of March 1, 2023	**1,060,278**	**1,793**	**250**	**169,902**	**91,839**	**223,392**	**184,387**	**124,107**	**3,546**	**1,859,494**
Acquisition	-	-	-	-	14,767	-	-	-	-	14,767
Amortization	-	-	-	(6,208)	(13,063)	(14,338)	(12,321)	(6,273)	(560)	(52,763)
Business combination (note 2)	100,630	-	-	3,551	-	3,551	(106,539)	(24,859)	-	(23,666)
Translation adjustments	(68,424)	-	-	(42,600)	(48)	(20,802)	(6,660)	(9,062)	(308)	(147,904)
Monetary correction	-	-	-	27,836	-	-	-	-	-	27,836
Balances as of June 30, 2023	**1,092,484**	**1,793**	**250**	**152,481**	**93,495**	**191,803**	**58,867**	**83,913**	**2,678**	**1,677,764**

The Company and its subsidiaries record the amortization of their software, according to the period contractually determined by the "use license", when acquired from third parties or, for the period of use estimated by the Company and its subsidiaries, for software developed internally. As of June 30, 2023, the weighted average amortization rate is 20.31% (20.92% as of December 31, 2022). Other intangible assets with defined useful lives are amortized as follows: (i) brands at a rate of 10.00% per year.; (ii) customer relationship at a rate of 10.00% per year; (iii) contract with customers at a rate of 25.00% p.a.; (iv) relationship with suppliers at a rate of 10.00% per year; and (v) non-compete agreement at a rate of 25.00% per year.

Goodwill based on expected future profitability

	Consolidated	
	06/30/2023	12/31/2022
In direct subsidiaries:		
Minerva Dawn Farms (MDF) **(i)**	147,649	147,649
Brascasing Industria e Comércio Ltda. **(ii)**	74,596	74,596
Athena S.A. **(iii)**	215,018	232,795
Mato Grosso Bovinos S/A **(iv)**	73,734	73,734
Other **(v)**	97,379	97,379
In indirect subsidiaries:		
Australian Lamb Company Pty Ltd (vi)	470,016	418,561
Other **(vii)**	14,092	15,564
Total	**1,092,484**	**1,060,278**

(i) In compliance with the precepts defined in CVM Resolution no. 580/09 – CPC 15 (R1), the Company reviewed the calculations of identifiable assets acquired and liabilities assumed at the time of registration at fair value of the acquisition of an additional 30% of the shares representing the share capital of the subsidiary Minerva Dawn Farms (MDF), which was framed as a "combination of business in stages", verifying the need for segregation of capital gains (goodwill) calculated in the initial (provisional) record at fair value of the Company's stake in said transaction, in the total amount of R$ 188,391 (R$ 188,391 as of December 31, 2012). As previously described, during the fourth quarter of 2012, the Company acquired a residual stake in 20% of the MDF shares that were held by Dawn Farms, holding 100% of the control of the MDF. On December 31, 2015, it made a provision for the recoverable amount in the amount of R$ 21,904. On December 31, 2018, it made a provision for the recoverable amount in the amount of R$ 18,838;

(ii) In December 2011, the Company acquired 5% of the shares of the company's joint share capital, up to the date of such transaction, Brascasing Comercial Ltda., and now has 55% of the shares representing the share capital of that company, and consequently its control. Because it is an operation framed as a "combination of business in stages", the Company registered its participation and the participation of the shareholders, at their fair value, which led to the record of an added value (goodwill for expectation of future profitability) of R$ 93,185. After the full acquisition of the Company, the goodwill increased to R$ 98,094.

On December 31, 2015, it made a provision for the recoverable amount in the amount of R$ 23,498, due to overproduction/supply, with the reduction of world consumption, mainly slowdown by China and the fall in the price of oil, directly impacting markets such as Russia, one of the main markets for its business;

(iii) On September 30, 2018, the Company transferred its existing industrial investments in Mercosur through capital payment in the subsidiary Athena S.A., thereby transferring the existing goodwill that were registered with the parent company. The investments transferred were Frigomerc S/A, Pulsa S/A, Frigorifico Carrasco and the indirect subsidiary Beef Paraguay S.A. and amounts transferred from goodwill by expectation of profitability future were: Frigorífico Pulsa S/A US$ 15,396 (As of June 30, 2023 R$ 74,196); Frigomerc S/A US$ 15,516 (As of June 30, 2023 R$ 74,775); Frigorífico Carrasco S.A. US$ 11,932 (As of June 30, 2023 R$ 57,503); and the subsidiary Frigomerc S.A. had a direct investment of 100% of the common shares of Beef Paraguay S.A., which had a premium of US$ 1,773 (As of June 301, 2023 R$ 89,008544) which was transferred indirectly to Athena S.A.;

(iv) During the year ended December 31, 2014, the Company incorporated 100% of the voting shares of Mato Grosso Bovinos S.A., through the exchange of 29 million common shares issued by the Company (BEEF3), which occurred on October 1, 2014 through the realization of AGEs (Extraordinary General Meeting) of the two companies, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R$ 174,278. During the second quarter of 2019, the Company lowered R$100,545 from goodwill related to the baixa of Várzea Grande, as part of the business combination for the acquisition of the Paranatinga/MT plant, leaving a goodwill balance of R$ 73,734, as of June 30, 2023;

(v) During the second quarter of 2013, the Company acquired the remainder of the 8% of the shares of Friasa S/A, which caused a goodwill record of R$ 7,233, totaling R$ 9,298 on June 30, 2013. During the first quarter of 2016, the Company acquired 100% of the share capital of the subsidiary Minerva Foods Asia Assessoria Ltda, which occurred on February 5, 2016, 2016, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R$ 217,000. During the second quarter of 2019, the Company acquired through a business combination the plant located in Paranatinga/MT, which caused a goodwill record of R$ 87,864;

(vi) During the 4th quarter of 2022, through its subsidiary Minerva Australia Holdings Pty Ltd, it acquired 100% of the share capital of its indirect subsidiary Australia Lamb Company Pty Ltd, which occurred on October 31, 2022, which caused a goodwill record for expected future profitability (goodwill) in the amount of AUD$ 118,041 (BRL 418,561 on December 31, 2022), which became AUD$ 146,376 (R$ 470,016, on June 30, 2023), after the effects of completing the fair value adjustments (FVA); and

(vii) During the 2nd quarter of 2016, through its subsidiary Minerva Australia Holdings Pty Ltd, it acquired 100% of the capital stock of its indirect subsidiary IMTP Pty Ltd, which occurred on July 22, 2016, which led to the recording of goodwill by expectation of future profitability (goodwill) in the amount of R$14,092 (R$15,564 on December 31, 2022).

As required by accounting practices adopted in Brazil and international standards (IFRS), annually the Company evaluates the recoverability of its assets. As a result of the impairment test, on June 30, 2023, no losses were identified for the Company's Cash Generating Units (UGC).

The Company used the value method in use to perform the impairment test. For all UGCs, 05 years of projection were considered, with no growth in perpetuity, and the financial budgets prepared by the Administration were observed for the beginning of the projection of cash flows (2023). The discount rate applied was 8.1%.

In previous years, the Company recognized impairment losses for some UGCs. In this sense, the industrial plant of Goianésia (GO), a company formerly called "Lord Meat", for strategic reasons, is underutilized and recorded loss by impairment, according to Explanatory Note no. 12. On December 31, 2016 and 2018, the Company recorded a provision for impairment loss for UGC MFF, in the amount of R$ 21,904 and R$ 18,838, respectively.

14. Loans and financing

		Parent company		Consolidated	
Types	**Financial charges**	**06/30/2023**	**12/31/2022**	**06/30/2023**	**12/31/2022**
Debentures 7th issue	IPCA **(*)**	641,631	618,828	641,631	618,828
Debêntures 8th issue	IPCA **(*)**	702,786	683,299	702,786	683,299
Debentures 9th issue	IPCA **(*)**	750,327	723,640	750,327	723,640
Debêntures 10th issue	IPCA **(*)**	1,863,028	1,800,613	1,863,028	1,800,613
Debêntures 11th issue	IPCA **(*)**	384,902	381,100	384,902	381,100
Debêntures 12th issue	IPCA **(*)** + spread	1,597,700	1,534,428	1,597,700	1,534,428
Bank Credit Notes (CCB)	CDI + *spread*	257,444	257,444	257,444	257,444
NCE	CDI + *spread*	1,037,905	824,287	1,037,905	824,287
Rural Product Notes	109% to 116% CDI p.y.	916,280	853.187	916,280	853,187
Certificate of Agribusiness Credit Rights	CDI + spread	281,046		281,046	
Export Credit Bills	Interest of 11.4 % p.y.	221,027	209,563	221,027	209,563
Subtotal		**8,654,076**	**7,886,389**	**8,654,076**	**7,886,389**
Financial Instruments of hedge - derivatives	CDI + *spread*	(2,281,464)	(1,884,798)	(2,281,464)	(1,884,798)
Total		**6,372,612**	**6,001,591**	**6,372,612**	**6,001,591**
Foreign currency (US Dollar)					
ACCs	Interest of 6.21% to 6.71% p.y.+ exchange rate variation	411,962	279,862	411,962	279,862
NCE	Interest of 2.22% to 2.51% p.y.	120,992	393,536	120,992	393,536
Senior Unsecured Notes - **(2)**	Exchange rate variation + Interest	3,882,155	4,157,567	6,053,844	6,520,486
PPE	Exchange rate variation + spread	1,363,363	1,415,348	-	-
PPE	Interest of 2.0% p.y. + Libor	2,118,311	1,175,818	2,118,311	1,175,818
Secured Loan Agreement **(1)**	Exchange rate variation + Interest	11,688	13,215	11,688	13,215
Other financings **(2/3)**	Exchange rate variation + Interest	-	-	239,811	239,569
Subtotal		**7,908,471**	**7,435,346**	**8,956,608**	**8,622,486**
Financial Instruments of hedge - derivatives		(1,435,783)	(857,603)	(1,435,783)	(857,603)
Total		**6,472,688**	**6,577,743**	**7,520,825**	**7,764,883**
Total of the loans and financing		**12,845,300**	**12,579,334**	**13,893,437**	**13,766,474**
Current		3,063,407	1,790,633	3,246,827	2,077,939
Non-current		9,781,893	10,788,701	10,646,610	11,688,535

(*) Transactions hedged by *swap* % CDI.

The liability financial instruments of loans and financing at book value approximate fair value, considering that interest rates and market conditions have not changed, except for the Notes issued under Rules 144A and Reg S (Regulation S), considering that there are an active market for these financial instruments.

The Company offered the following guarantees to the loans and financiang:

1. Promissory notes guaranteed by the subsidiaries, Pulsa and Frigomerc;
2. Company surety or guarantee;
3. STLC (*Stand by letter of Credit*) or Corporate Guarantee.

As of June 30, 2023, the noncurrent portion of the Company's (Parent company) Loans and financing matures as follows:

	2024	2025	2026	2027	2028	2029	2030	2031	Total
ACC - Advance on the exchange contract	-	411,962	-	-	-	-	-	-	**411,962**
Credit Notes to Exportation	66,667	66,667							**133,334**
Certificate of Agribusiness Credit Rights	-	275,000	-	-	-	-	-	-	**275,000**
Rural Product Notes	442,813	-	-	-	-	-	-	-	**442,813**
Debentures	626,363	623,535	562,426	-	1,423,982	1,704,351	237,364	21,854	**5,199,875**
NCE	162,773	166,029	150,000	-	-	-	-	-	**478,802**
Pre-Shipment	2,107,238	361,750	3,755,776	96,384	-	-	-	-	**6,321,148**
Secured loan agreement	519	1,112	1,218	1,334	1,461	1,600	1,752	1,717	**10,713**
Financial instruments of hedge - derivatives	(86,154)	(459,828)	(273,991)	(515,557)	(525,111)	(1,405,668)	(121,337)	(104,108)	**(3,491,754)**
Total	**3,320,219**	**1,446,227**	**4,195,429**	**(417,839)**	**900,332**	**300,283**	**117,779**	**(80,537)**	**9,781,893**

As of June 30, 2023, the noncurrent portion of consolidated loans and financing matures as follows:

	2024	2025	2026	2027	2028	2029	2030	2031	Total
ACC - Advance on the exchange contract	-	411,962	-	-	-	-	-	-	**411,962**
Credit Notes to Exportation	66,667	66,667	-	-	-	-	-	-	**133,334**
Certificate of Agribusiness Credit Rights	-	275,000	-	-	-	-	-	-	**275,000**
Rural Product Notes	442,813	-	-	-	-	-	-	-	**442,813**
Debentures	626,363	623,535	562,426	-	1,423,982	1,704,351	237,364	21,854	**5,199,875**
NCE	162,773	166,029	150,000	-	-	-	-	-	**478,802**
Pre-Shipment	72,288	361,750	700,403	96,384	-	-	-	-	**1,230,825**
Secured loan agreement	519	1,112	1,218	1,334	1,461	1,600	1,752	1,717	**10,713**
Other loans and financing	385	-	-	-	-	-	-	-	**385**
Senior Unsecured Notes	-	-	-	-	735,599	-	-	5,219,056	**5,954,655**
Financial instruments of hedge - derivatives	(86,154)	(459,828)	(273,991)	(515,557)	(525,111)	(1,405,668)	(121,337)	(104,108)	**(3,491,754)**
Total	**1,285,654**	**1,446,227**	**1,140,056**	**(417,839)**	**1,635,931**	**300,283**	**117,779**	**5,138,519**	**10,646,610**

Below we detail the main loans and financing of the Company and its subsidiaries as of June 30, 2023, as well as highlighted that it complied on that date with all the restrictive contractual clauses (covenants) shown below in each type of loans and financing:

***International Finance Corporation* (IFC)**

In September 2013, IFC and the Company entered into a 10-year financing agreement, in the amount of R$137,718, disbursed on October 24, 2013. The debt balance on June 30, 2022, was anticipated and settled, whose interest is calculated using the CDI + Spread, paid semiannually. The debt matures on April 15, 2023.

Debt notes/bonds abroad

On September 20, 2016, the Company concluded the "bonds" representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with due dates for 2023. Through the "early repurchase offer" repurchased US$617,874 (R$2,010,562 at that date) of the principal amount of the 2023 Notes, equivalent to approximately 71% of the outstanding 2023 Notes.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2026 (on which interest of 6.50% per year will accrue) and is part of a clear liability management strategy, which aims to constantly improve the Company's cost of debt.

Part of this offer consisted of the payment of a premium to the holders of the bonds, embedded and implicit in the transaction and in the proposed exchange ratios, in the amount of US$ 40,143 thousand and transaction costs in the amount of US$ 28,859, totaling a total cost of US$ 69,002, which will be amortized in the financial expenses account during the term of said Notes 2026.

On February 10, 2017, the Company exercised the early purchase option of its debt securities that bear annual interest of 12.250% and mature in 2022 (Notes 2022). The total amount of this debt was US$ 105,508 (R$ 328,710, on that date), the price paid was US$ 106,125 of the face value, plus interest accrued to date.

In June 2017, the Company concluded the Re-Tap of the note's transaction maturing in September 2026, in the amount of US$ 350,000 thousand, on which interest of 6.50% per year will accrue (Notes 2026).

On December 19, 2017, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with maturities scheduled for 2023. Through the "offer for early repurchase" repurchased US$198,042 (R$605,103 at that date) of the principal amount of the Notes 2023, equivalent to approximately 79% of the outstanding Notes 2023.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2028 (on which interest of 5.875% per year will accrue) and is part of a clear liability management strategy, which aims to constant improvement in the Company's cost of debt.

Part of this offer consisted of the payment of a premium to the holders of the securities, embedded and implicit in the transaction and proposed exchange ratios, in the amount of US$ 9,209 and transaction costs in the amount of US$ 20,271, totaling a total cost of US$ 20,271. US$ 29,480, which will be amortized in the financial expenses account during the term of said Notes 2028.

On January 31, 2018, the Company exercised the early purchase option of its debt securities that bear annual interest of 7.75% and mature in 2023 (Notes 2023). The total amount of this debt was US$ 52,099 (R$ 164,919 on that date), the price paid was 103,875% of the face value, plus accrued interest to date.

On June 8, 2020, the Company concluded the “bonds” representing debt issued abroad, with maturity scheduled for 2026. Through the “early repurchase offer”, US$ 85,668 (R $464,878 as of that date). On the same date, the Company concluded the “offer to repurchase securities” representing debt issued abroad (Bonds), with maturity scheduled for 2028. Through the “offer for early repurchase” US$ 11,005 (R$ 59,030 on that date).

In March 2021, the Company, through its subsidiary, Minerva Luxembourg, issued debt securities abroad in the amount of US$ 1,000,000 (R$ 5,546,880 at that date The note is guaranteed by the Company and matures in 2031. Notes issued by Minerva Luxembourg (Bonds 2031) pay biannual coupons at a rate of 4.375% per annum. The Company will provide a guarantee for all the Issuer's obligations, within the scope of said issuance.

At the same time, the Company concluded the “bonds” representing debt issued abroad, with maturity scheduled for 2026. Through the “early repurchase offer”, US$ 911,719 (R$ 5,021,931 on that date) were repurchased.

In November 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 through the "offer for early repurchase", US$ 70,606 (R$ 398,430, at that time) were repurchased.

In December 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US$ 48,084 (R$ 268,333) were repurchased, on that date) referring to the 2028 bonds and US$ 10,735 (R$ 59,907, on that date) referring to the 2031 bonds.

In March 2022, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "early repurchase offer", US$ 89,405 (R$ 423,583 were repurchased, on that date) referring to bonds 2028 and US$ 42,217 (R$ 200,016, on that date) referring to bonds 2031.

In July 2022, the Company completed the "offer to repurchase and cancel bonds" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US$ 12,758 (R $69,850, on that date) for the 2028 bonds and US$55,857 (R$305,817, on that date) for the 2031 bonds.

The liability related to the Notes, as of June 30, 2023, in the consolidated interim financial information, is R$ 6,053,844 (R$ 6,520,486 as of December 31, 2022).

The Notes contain provision for the maintenance of a financial covenant through which the debt coverage capacity is measured in relation to EBITDA (net earnings before interest, taxes, depreciation and amortization).

The contractual ratio of both instruments indicates that the level of debt coverage cannot exceed 3.5 times the EBITDA of the last 12 months. For these purposes, it is considered: (I) "Net Debt" - means the sum of the balance of loans and financing, disregarding the exchange rate variations that occurred in the periods since the debt was raised, less the sum of: (i) cash and cash equivalents (according to defined below); and (ii) "purges" (as defined below); (II) "Cash and cash equivalents" – means the sum of the balance of the following accounts on the Company's balance sheet: "Cash and cash equivalents" and "Securities"; (III) "Purges" – means a series of exceptions, including, but not limited to, the exchange rate variation since the issuance of the security and/or permitted debts, related to specific operational transactions, totaling US$ 308,000 thousand. (iv) "EBITDA" – means the amount calculated on the accrual basis over the last 12 months, equal to the sum of net revenues, less: (i) cost of services provided; (ii) administrative expenses, plus: (a) depreciation and amortization expenses, (b) net financial result; (c) equity-accounted earnings; and (d) direct taxes.

It is also worth mentioning that the financial covenants refer to the permission or not to incur new debts, executing all new debts related to refinancing, in addition to a pre-defined amount for working capital lines and investments. Covenants are calculated based on the consolidated interim financial information.

i) Level of subordination

As of June 30, 2023, 0.08% of the total debt of the Company and its subsidiaries was guaranteed by real guarantees (0.08% as of December 31, 2022). Any restrictions imposed on the issuer in relation to indebtedness limits and contracting new debts, the distribution of dividends, the sale of assets, the issuance of new securities and the sale of corporate control.

The Notes also have clauses that limit the Company to: (i) new indebtedness if the net debt/EBITDA ratio is greater than 3.75/1.00 and 3.50/1.00, respectively; (ii) the distribution of dividends, in this regard, Minerva undertakes not to make and not to allow its subsidiaries to make the payment of any distribution of dividends or make any distribution of its interest on invested capital held by others other than its subsidiaries (except: (a) dividends or distributions paid to qualified interests of Minerva; and (b) dividends or distributions owed by a subsidiary, on a pro rata basis or a basis more favorable to Minerva; (iii) the change in corporate control ; and (iv) the sale of assets, which can only be carried out by complying with the established requirements, among them, in the case of sale of assets, it is necessary that the sale value is the market value.

7th issue of non-convertible debentures

On November 19, 2019, the Company offered non-convertible debentures in the amount of R$500,000, maturing on August 15, 2024. The total principal amount is R$500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 4.50% p.a. The proceeds from this issue were used to lengthen the debt profile and improve the Company's capital structure. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$12,926, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of June 30, 2023, the amount is R$ 641,631 (R$ 618,828 as of December 31, 2022).

8th issue of non-convertible debentures

On May 22, 2020, the Company offered non-convertible debentures in the amount of R$600,000, with the first series maturing on May 13, 2025, in the amount of R$400,000 and the second series maturing on May 13, 2026 in the amount of 200,000. The total principal amount of the issuances of the first series is R$ 400,000 and its remuneration corresponds to the IPCA, whereas the principal amount of the issuances of the second series is R$ 200,000 and its remuneration corresponds to the DI rate.

This funding has a Swap of the % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$ 21,930, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of June 30, 2023, the amount is R$ 702,786 (R$ 683,299 as of December 31, 2022).

9th issue of non-convertible debentures

On June 12, 2020, the Company offered non-convertible debentures in the amount of R$600,000, maturing on June 12, 2025. The total principal is R$600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$14,787, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of June 30, 2023, the amount is R$ 750,327 (R$ 723,640 as of December 31, 2022).

10th Issue of non-convertible debentures

On April 15, 2021, the Company offered non-convertible debentures in the amount of R$1,600,000, maturing on April 12, 2028. The total principal is R$1,600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 128% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing these debentures, the Company incurred transaction costs in the amount of R$ 55,389, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of June 30, 2023, the amount is R$ 1,863,028 (R$ 1,800,613 as of December 31, 2022).

11th Issue of non-convertible debentures

On October 15, 2021, the Company made an offering of non-convertible debentures in the amount of R$400,000, maturing on October 15, 2026. The total principal is R$400,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 100% of CDI. The proceeds from this issue were used to pay the debentures of the first series, on their respective maturity date, issued by the Company within the scope of the 6th Issue, resulting, once carried out, in the lengthening of the Company's indebtedness profile. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$ 22,012, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of June 30, 2023, the amount is R$ 384,902 (R$ 381,100 as of December 31, 2022).

12th Issue of non-convertible debentures

On July 13, 2022, the Company carried out an offering of non-convertible debentures in the amount of R$1,500,000, maturing on July 12, 2029. The total principal is R$1,500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 7.2063% per year. Said funding has a Swap of % CDI, in which the final cost of the operation was 113.5% of CDI. The funds obtained from this issue were fully and exclusively allocated to its agribusiness activities and relations with rural producers, within the meat industry and trade, in particular through the use of funds in investments, costs and expenses related to production, processing, industrialization, commercialization, purchase, sale, import, export, distribution and/or improvement of (a) cattle, sheep, pigs, poultry and other animals, live or slaughtered, as well as meat, offal, products and derivatives by-products of the same, whether in their natural state, whether manufactured or manipulated in any way or manner, and (b) proteins and food products in general, fresh or prepared, processed or not, for the Brazilian and foreign markets. In the process of issuing said debentures, the Company incurred transaction costs in the amount of R$43,973, accounted for in its interim financial information as a reduction in liabilities, to be amortized over the term of these debentures. On June 30, 2023, the amount is R$ 1,597,700 (R$ 1,534,428 as of December 31, 2022).

15. Trade payables

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Domestic suppliers	581,830	693,279	1,537,726	1,653,094
Foreign suppliers	33,725	35,005	30,463	102,282
Agreement suppliers **(i)**	1,396,972	1,735,710	1,396,972	1,735,710
Related Parties	47,105	40,321	4,870	28,457
Total	**2,059,632**	**2,504,315**	**2,970,031**	**3,519,543**

Aging list of trade payables:

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current	2,053,526	2,498,420	2,902,284	3,456,738
Overdue payables:				
Up to 30 days	852	2,005	54,427	48,963
From 31 to 60 days	3,174	764	5,685	4,119
From 61 to 90 days	1,389	-	2,170	188
Above 90 days	691	3,126	5,465	9,535
Total	**2,059,632**	**2,504,315**	**2,970,031**	**3,519,543**

(i) Agreement suppliers

"Agreement suppliers" is formed from recurring commercial transactions between the Company and its raw material suppliers. The signed agreements meet the mutual interests in terms of liquidity and working capital of each party, and are signed as a result of possible conjunctural variations in the level of demand and supply of raw materials. From the commercial negotiation between suppliers and the Company, financial liabilities are generated that are part of fundraising programs through the Company's credit lines with financial institutions, which allows suppliers to anticipate receivables in the normal course of purchases made by the Company , with an average financial cost of 1.27% p.m. on June 30, 2023 (1.19% p.m. on December 31, 2022).

As it preserves business conditions with suppliers, these transactions were evaluated by management and it was concluded that they have commercial characteristics, therefore, the Company maintains these operations classified under "Suppliers".

16. Payroll, related charges, and taxes payable

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Payroll and related charges				
Salaries and management fees	318	503	54,288	46,444
Payroll taxes - FGTS and INSS (employees and third parties)	22,042	18,153	23,370	19,478
Accrued vacation/13th salary	76,939	56,289	169,756	134,049
Other wages and charges	20,142	17,728	47,859	41,427
Total payroll	**119,441**	**92,673**	**295,273**	**241,398**
Taxes payables				
State VAT (ICMS)	8,028	9,572	9,191	10,973
Federal taxes in installments - **(i)**	43,486	45,951	43,486	45,951
Income tax (IRPJ)	-	-	12,694	51,666
Value added tax (VAT)	-	-	7,542	6,611
Funrural	2,681	609	2,818	680
Other taxes and fees	14,058	7,648	87,001	55,879
Total taxes	**68,253**	**63,780**	**162,732**	**171,760**
Total geral	**187,694**	**156,453**	**458,005**	**413,158**
Current	150,011	116,306	420,322	373,011
Non-current	37,683	40,147	37,683	40,147

(i) The Company's federal installments are as follows:

Special Tax Debt Settlement Program (PERT)

As of June 30, 2023, the outstanding balance in the parent company was R$ 12,748.

Rural Tax Debt Refinancing Program (PRR)

As of June 30, 2023, the outstanding balance in the parent company was R$ 30,738.

17. Other payables

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Advances received **(a)**	667,232	1,373,099	957,822	1,660,706
Dividends payable **(b)**	24	27,307	24	27,307
Payables - acquisitions **(c)**	-	-	141,437	365,525
Other operating provisions	50,489	24,475	141,383	107,429
Total	**717,745**	**1,424,881**	**1,240,666**	**2,160,966**
Current	717,745	1,424,881	1,104,566	2,149,571
Non-current	-	-	136,100	11,395

(a) Amounts received in advance from the Company's customers in accordance with the credit policy defined by Management;
(b) Amounts of interest on equity and mandatory dividends payable; and
(c) Amounts payable for the acquisition of the plants of the Frigorífico Vijagual S.A. in Colombia R$12,997 (R$17,578 as of December 31, 2022); and, Australian Lamb Company Ltd. R$128,440 (R$347,947 as of December 31, 2022).

18. Deferred taxes

	Parent company		Consolidated	
Assets	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Tax losses - IRPJ	640,449	640,449	709,812	715,539
Negative basis of social contribution	230,562	230,562	230,562	230,562
Total	**871,011**	**871,011**	**940,374**	**946,101**
Temporary differences - assets				
Provisions for tax, civil and labor risks	8,169	7,924	12,458	12,996
Impairment of assets	7,316	7,316	7,596	7,519
Allowance for expected credit losses	8,448	6,958	8,525	7,047
Other	2,393	2,393	50,679	52,148
Total temporary differences - assets	**897,337**	**895,602**	**1,019,632**	**1,025,811**
Liabilities				
Temporary differences - liabilities				
Unrealized gains on the fair value of biological assets	(28,206)	(29,721)	(28,206)	(29,721)
Business combination	(33,096)	(33,096)	(33,096)	(33,096)
Revaluation reserve	(21,462)	(21,860)	(21,462)	(21,860)
Added value in subsidiaries	-	-	(407,707)	(460,191)
Other temporary deductions	(50,436)	(46,756)	(68,937)	(68,373)
Total temporary differences - liabilities	**(133,200)**	**(131,433)**	**(559,408)**	**(613,241)**
Total deferred taxes:				
Total deferred taxes assets	764,137	764,169	790,594	792,811
Total deferred taxes liabilities	-	-	(330,370)	(380,241)
Total	**764,137**	**764,169**	**460,224**	**412,570**

18.1. Composition of income tax and social contribution on deferred net income

Below, we present the movement of tax credits on tax loss carryforwards and negative basis of social contribution:

	Parent company			
	Balance as of December 31, 2022	Recognized in income (loss)	Realization of deferred taxes	Balance as of June 30, 2023
Deferred taxes on income and social contribution tax losses	871,011	-	-	871,011
Total deferred tax assets	**871,011**	**-**	**-**	**871,011**

	Consolidated				
	Balance as of December 31, 2022	Recognized in income (loss)	Realization of deferred taxes	Accumulated conversion adjustment	Balance as of June 30, 2023
Deferred taxes on income and social contribution tax losses	946,101	-	-	(5,727)	940,374
Total deferred tax assets	**946,101**	**-**	**-**	**(**5,727**)**	**940,374**

Deferred tax assets arising from tax losses and negative basis of social contribution were recognized for the year from December 31, 2022 to June 30, 2023 in the consolidated.

The accumulated amount as of June 30, 2023, is R$940,374 (as of December 31, 2022 it is R$946,101). The decision of the Management of the Company and its subsidiaries to record the aforementioned deferred tax assets, on tax losses and negative basis of social contribution, was based on the business plan and the internal budget and financial projections prepared by the management, in which they are reviewed at least annually.

The projections of these realizations presented the following expectations of realization of said deferred tax assets:

	06/30/2023	
	Parent company	Consolidated
2024	79,669	86,013
2025	80,952	87,399
2026	56,998	61,537
2027	92,822	100,214
2028 onwards	560,570	605,211
Total	**871,011**	**940,374**

The Company expects to realize the temporary differences in Income Tax and Social Contribution within a maximum of 10 years. We emphasize that these technical studies that supported the decision to record or maintain deferred tax assets on tax losses and negative basis of social contribution were duly reviewed and approved at meetings of the Board of Directors.

The effects of changes in deferred taxes on income for the years are as follows:

	Parent company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Temporary additions				
Sundry provisions	6,692	2,988	6,692	77,106
Fair value of biological assets	522,711	977,711	522,711	977,711
Temporary deductions				
Sundry provisions	(417)	(6,207)	(47,058)	(6,207)
Depreciation - tax basis differences	(10,825)	(11,241)	(10,825)	(11,241)
Fair value of biological assets	(518,254)	(932,714)	(518,254)	(932,714)
Deferred tax basis	**(93)**	**30,537**	**(46,734)**	**104,655**
Deferred income tax and social contribution – Temporary difference	(32)	10,383	(15,890)	35,583
Deferred income tax and social contribution on tax loss	-	251,598	-	251,598
IR/CS diferidos total	**(32)**	**261,981**	**(15,890)**	**287,181**

Below, we present the movement of deferred tax taxes, related to tax loss carryforwards and temporary differences as follows:

	Parent company				
	Balance on January 01, 2023	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Balance as of June 30, 2023
Tax loss	**871,011**	**-**	**-**	**-**	**871,011**
Provisions for tax, civil and labor risks	**7,924**	245	**-**	**-**	**8,169**
Other temporary additions	**2,393**	**-**	**-**	**-**	**2,393**
Impairment of assets	**7,316**	**-**	**-**	**-**	**7,316**
Allowance for expected credit losses	**6,958**	1,490	**-**	**-**	**8,448**
Unrealized gains on the fair value of biological assets	**(29,721)**	**-**	1,515	**-**	**(28,206)**
Business combination	**(33,096)**	**-**	**-**	**-**	**(33,096)**
Revaluation reserve	**(21,860)**	**-**	398	**-**	**(21,462)**
Other temporary deductions	**(46,756)**	(3,680)	**-**	**-**	**(50,436)**
Total deferred tax assets	**764,169**	**(1,945)**	**1,913**	**-**	**764,137**

	Consolidated				
	Balance on January 01, 2023	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Balance as of June 30, 2023
Tax loss	**946,101**	**-**	**-**	(5,727)	**940,374**
Provisions for tax, civil and labor risks	**12,996**	245	(213)	(570)	**12,458**
Other temporary additions	**52,148**	10,691	(11,671)	(489)	**50,679**
Impairment of assets	**7,519**	**-**	(30)	107	**7,596**
Allowance for expected credit losses	**7,047**	1,490	(1)	(11)	**8,525**
Unrealized gains on the fair value of biological assets	**(29,721)**	**-**	1,515	**-**	**(28,206)**
Business combination	**(33,096)**	**-**	**-**	**-**	**(33,096)**
Revaluation reserve	**(21,860)**	**-**	398	**-**	**(21,462)**
Added value in subsidiaries	**(460,191)**	**-**	27,476	25,008	**(407,707)**
Other temporary deductions	**(68,373)**	(4,178)	**-**	3,614	**(68,937)**
Total deferred tax assets	**412,570**	**8,248**	**17,474**	**21,932**	**460,224**

a) Current – payable

Income tax and social contribution are calculated and recorded based on taxable income, including tax incentives that are recognized as taxes are paid and considering the rates provided for by current tax legislation.

b) Reconciliation of income tax and social contribution balances and expenses

The provisioned balance and the result of taxes levied on income are as follows:

	Parent company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income before taxes	**237,824**	**284,666**	**261,193**	**272,327**
Additions:				
Temporary differences	6,692	2,988	6,692	2,988
Permanent differences	101,009	102,526	523,741	351,373
Effect of the first-time adoption of IFRS	6,856,490	1,131,212	6,967,984	1,221,262
Deductions:				
Temporary differences	(417)	(9,593)	(417)	(9,593)
Permanent differences	(220,774)	(122,947)	(682,354)	(379,276)
Effect of the first-time adoption of IFRS	(7,837,703)	(1,357,224)	(7,884,482)	(1,447,628)
Tax calculation basis	**(856,879)**	**31,628**	**(807,644)**	**11,453**
Compensation	-	(9,488)	-	(9,488)
Tax Calculation basis after loss to be compensated	(856,879)	22,140	(807,644)	1,965
Income taxes on the income				
Income tax	-	(5,390)	(10,607)	(18,141)
Social contribution payable	-	(1,993)	-	(2,103)
Income taxes - current	**-**	**(7,383)**	**(10,607)**	**(20,244)**
Effective tax rate (%)	**-**	**2.59%**	**4.06%**	**7.43%**

Income tax and social contribution on profit were calculated in accordance with current legislation, in accordance with current legislation, read Law No. 12,973/2014.

The calculations of income tax and social contribution on profit and their respective declarations, when required, are subject to review by the tax authorities for years and varying periods in relation to the respective date of payment or delivery of the income declaration.

Based on studies and projections made for the following periods and considering the limits established by current legislation, the Company's Management expects the existing tax credits to be realized within a maximum period of ten years.

Accounting net income is not directly related to taxable income for income tax and social contribution due to differences between accounting criteria and the relevant tax legislation. Therefore, we recommend that the evolution of the realization of tax credits arising from tax losses, negative basis and temporary differences are not taken as an indication of future net profits.

19. Provisions for tax, labor and civil procedural risks

Summaries of contingent liabilities

The Company and its subsidiaries are parties to several lawsuits that are part of the normal course of their business, for which provisions were set up based on the estimates of their legal advisors and the best estimates of their Management. The main information of these processes is represented as follows:

	Parent company		Consolidated	
Provisions	**06/30/2023**	**12/31/2022**	**06/30/2023**	**12/31/2022**
Provisions for labor lawsuits	24,023	23,302	30,386	32,331
Provision for civil risks	-	-	5,544	26,555
Total	**24,023**	**23,302**	**35,930**	**58,886**

Parent company	**Labor lawsuits**	**Civil and Tax lawsuits**	**Total**
Balance as of January 01, 2022	**24,573**	**3,386**	**27,959**
Provisions recognized in the year	881	-	**881**
Provisions reversed in the year	(2,152)	(3,386)	**(5,538)**
Balance as of December 31, 2022	**23,302**	**-**	**23,302**
Provisions recognized in the period	721	-	**721**
Balance as of June 30, 2023	**24,023**	**-**	**24,023**

Consolidated	**Labor lawsuits**	**Civil and Tax lawsuits**	**Total**
Balance as of January 01, 2022	**37,314**	**6,063**	**43.377**
Provisions recognized in the year	1,749	24,746	**26,495**
Provisions reversed in the year	(5,900)	(3,929)	**(9,829)**
Translation adjustments for the year	(832)	(325)	**(1,157)**
Balance as of December 31, 2022	**32,331**	**26,555**	**58,886**
Provisions recognized in the period	813	2,576	**3,389**
Provisions reversed in the period	(2,294)	(20,933)	**(23,227)**
Translation adjustments for the period	(464)	(2,654)	**(3,118)**
Balance as of June 30, 2023	**30,386**	**5,544**	**35,930**

Civil and tax risks

They refer to the questioning about the constitutionality of the use of reduced rates on gross revenues and also to the tax discussion about the lack of collection of tax on export revenue, whose estimate is probable of loss, as of June 30, 2023 there was no significant amount of losses recorded in the parent company and R$5,544 in the consolidated, (R$26,555 in the consolidated, as of December 31, 2022).

Labor lawsuits

Most of these labor claims involve overtime, commuting time, health hazard premium and mandatory thermal comfort breaks. Based on the opinion of the legal counsel that handles these lawsuits and Management's experience in similar cases, provisions were recognized for labor lawsuits assessed as probable loss which. As of June 30, 2023, in the amount of R$24,023 in the parent company and R$30,386 in the consolidated, (R$23,302 in the parent company and R$32,331 in the consolidated, as of December 31, 2022).

Other lawsuits (possible loss expectation)

As of June 30, 2023, the Company and its subsidiaries had other labor lawsuits (Public Civil Actions) and social security lawsuits in progress, in the amount of approximately R$3,580 (R$3,579 as of December 31, 2022), whose probability loss is possible, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Senar

In March 2003, the Company filed Writs of Mandamus to suspend the enforceability of the retention and transfer of Senar. In order to avoid and lose the right to demand contributions from Senar, the INSS has issued several tax notices against the Company to date. The updated amount involved in these notifications, whose probability of loss is possible based on the opinion of the Company's legal advisors, is approximately R$80,402 (R$79,340 as of December 31, 2022). Such proceedings involve a significant degree of uncertainty about the future prognosis of certain matters, the discussions of which have been ongoing for some time in the judicial spheres.

State VAT (ICMS)

The Company has some tax assessment notices referring to the divergence in the calculation memory on the basis of ICMS and ICMS-ST, applying the reduction to its operations in the states of Minas Gerais, São Paulo and Goiás. As of June 30, 2023, the amount involved in these proceedings, whose probability of loss is possible, is approximately R$236,572 (R$202,223 as of December 31, 2022).

Other tax, civil and environmental lawsuits

As of June 30, 2023, the Company and its subsidiaries had other tax, civil and environmental proceedings in progress, in the amount of approximately R$98,598, R$21,978 and R$4,312, (R$98,594, R$21,978 and R$4,312 as of December 31, 2022) respectively, whose materialization, in the opinion of the legal advisors, is a possible loss, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Decision of the Federal Supreme Court (STF) on res judicata in tax matters

On February 8, 2023, the Federal Supreme Court (STF) ruled on Items 881 – Extraordinary Appeal No. 949,297 and 885 – Extraordinary Appeal No. 955,227. The Plenary of the Federal Supreme Court unanimously concluded that judicial decisions taken in a final "res judicata" manner in favor of taxpayers lose their effects if, afterwards, the Supreme Court has a different understanding on the subject. That is, if years ago a company obtained authorization from the Court to stop paying any tax, this permission will expire if, and when, the STF decides otherwise.

Management assessed with its internal legal advisors the possible impacts of this STF decision and concluded that the decision, based on management's assessment supported by its legal advisors, and in line with CPC 25/IAS 37 Provisions, Contingent Liabilities and Contingent Assets and CPC 24/IAS 10 Subsequent Events, does not result in impacts on its individual and consolidated interim financial information for the period ended as of June 30, 2023.

20. Equity

a. Capital stock

The Company's subscribed capital, as of June 30, 2023, is represented by the amount of R$1,678,785 (R$1,678,785 as of December 31, 2022), represented by 607,283,407 (607,283,407 as of December 31, 2022). December 2021) common, book-entry shares, without par value, all free and clear of any liens or encumbrances. During 2016, there were expenses on the issuance of new shares in the amount of R$5,898 and of R$53,813 during 2020, therefore, the balance under the heading "Share Capital" in the interim financial information is R$1,619,074.

In the first quarter of 2022, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 2,936 (two million, nine hundred and thirty-six thousand), representing 582,579 (five hundred and eighty-two thousand five hundred and seventy-nine) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose from R$1,675,849, representing 606,700,828 shares, to R$1,678,785, representing 607,283,407 common shares.

b. Capital reserve

Capital reserves are made up of amounts received by the Company and which do not pass through the income statement as revenue, as they refer to amounts intended to reinforce its capital, without having as a counterpart any effort by the Company in terms of delivery of goods or provision of services. On June 30, 2023, the Company's capital reserve is R$137,249 (R$138,711 as of December 31, 2022).

c. Revaluation reserve

The Company carried out a revaluation of the assets comprising its property, plant and equipment, in 2003 and 2006. The remaining balance. As of June 30, 2023, of R$45,196 (R$45,970 as of December 31, 2022), net of tax effects.

As previously mentioned, and in accordance with the provisions of Law No. 11,638 of 2007, the Company opted to maintain the revaluation reserve constituted until December 31, 2007, until its complete realization, which must occur through depreciation or disposal of the revalued assets.

d. Legal reserve

It is constituted at the rate of 5% of the calculated net income and fiscal year, pursuant to art. 193 of Law 6,404/76, up to the limit of 20% of the capital stock. In the year in which the balance of the legal reserve, plus the amounts of capital reserves referred to in § 1 of art. 182 of Law No. 6,404/76 exceeds 30% of the capital stock, the allocation of part of the net income for the year to the legal reserve will not be mandatory.

e. Statutory reserve

The statutory reserve comes from the remaining balance of net income after all the Company's allocations. The amount on June 30, 2023 was R$455,258 (R$455,258 on December 31, 2022).

f. Earnings retention reserve

This profit reserve was constituted based on the remaining balance of net income after the allocations for the constitution of the legal reserve and distribution of dividends, with the objective of application in future investments, pursuant to article 196 of Law 6,404/76. The retention accumulated until June 30, 2023 is R$118,583 (R$118,583 as of December 31, 2022). According to art. 199 of Law 6,404/76, the balance of this reserve, plus the other profit reserves, cannot exceed the Company's capital stock.

g. Treasury shares

On October 2, 2020, the Company's Board of Directors approved a share buyback program, in accordance with article 19, item XVI of the Company's Bylaws, § 1 of article 30 of Law No. 6,404 of December 15 of 1976, as amended (“Corporate Law”), CVM Instruction No. 567, of September 17, 2015 (“ICVM 567/15”) and other applicable rules, effective for eighteen (18) months from October 5, 2020, ending on April 4, 2022, for the application of the Company's profits and/or available reserves for the acquisition, in a single operation or in a series of operations, of up to 20,000,000 (twenty million) of common shares issued by the Company, to be held in treasury, canceled or sold.

On this effective date of the new plan, the Company held 3,150,000 (three million, one hundred and fifty thousand) common, nominative, book-entry shares with no par value in treasury, as well as 259,351,910 (two hundred and fifty and nine million, three hundred and fifty-one thousand, nine hundred and ten) common, nominative, book-entry shares with no par value, issued by the Company.

Trading under the buyback program will be supported by the global amount:

(a) profit and capital reserves, excluding the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve; and
(b) the realized income for the current year, excluding the amounts to be allocated to the formation of the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve and the payment of the dividend mandatory.

The following shows the movement of treasury shares:

	Number	Amount (R$)	Average Cost R$	Average market value
Balance as of January 1, 2022	**23,053,200**	**242,768**	**10.53**	**9.80**
Share buyback	-	-	-	-
Disposal of shares	700,000	7,372	10.53	13.60
Balance as of December 31, 2022	**22,353,200**	**235,396**	**10.53**	**12.60**
Granting of shares in treasury	1,000,406	(10,535)	10.53	12.95
Disposal of shares - Conversion in ADR	870,000	(9,162)	10.53	10.66
Balance as of June 30, 2023	**22,353,200**	**235,396**	**10.53**	**11.06**

h. Dividends and interest on equity

The Company's Bylaws determine the distribution of a mandatory minimum dividend of 25% of the result, adjusted in accordance with the law.

In the year in which the Company's Leverage Ratio is equal to or less than 2.5x (two and a half times), the Board of Directors will submit to the General Meeting a proposal for the payment of an additional dividend to the mandatory corresponding to at least 25% (twenty-five percent) of the annual net income adjusted by the deductions and additions provided for in the Company's income allocation policy.

i. Valuation Adjustment Equity

Pursuant to CPC 02 (R2)/IAS 21 - Effects of changes in exchange rates and conversion of financial statements for the period/year, changes in instruments (direct and reflex) in foreign currency and which are valued by the equity method are basically recorded. (MEP).

In accordance with CPC 37 (R1)/IFRS 1 – Initial Adoption of International Accounting Standards, due to the effectiveness of CPC 02 (R2) before the date of initial adoption, first-time adopters of IFRS must reset the balances of exchange variation of investments recorded in shareholders' equity (under the accrued conversion adjustments item) transferring them to retained earnings or losses (under the earnings reserve item), as well as disclosing the earnings distribution policy applicable to such balances. It should be noted that the Company does not compute these adjustments for profit distribution.

j. Stock option plan

Within the scope of the Plan, executives, members of the Board of Directors, statutory and non-statutory directors, managers, supervisors, employees and employees of the Company and its subsidiaries are eligible to receive stock options key in the development of the business of the Company and its subsidiaries, as they may be chosen by the Company's Board of Directors or a special committee created to manage the Plan to receive the options ("Participants").

The Company's Board of Directors or the Committee, as the case may be, may create Stock Option Programs, which will include the specific conditions regarding the Participants, the total number of shares of the Company object of the grant, the division of the grant into lots and the respective rules specific to each lot, including the exercise price and terms for exercising the option ("Programs").

The Option Agreements and Programs shall also provide that, in the event of the Participant's Termination during the restriction period, the Company may, at its sole discretion, repurchase all the shares held by the Participant subject to the restriction period, for the amount of R$ 0.01 per share, under the terms of the Plan.

On April 25, 2022, the Ordinary General Meeting of shareholders approved the creation of the Matching Options Plan, which is part of the context of updating and improving the Company's compensation strategy, with a view to optimizing the alternatives available to compose the structure of incentives for administrators, employees, collaborators, service providers or other holders of strategic positions in the Company.

The Matching Options Plan offers potential eligible beneficiaries the option of voluntarily joining the Plan and its programs, following the model for granting purchase options. In summary, the Matching Options Plan governs minimum investments in the Company by the Participants, through the acquisition of shares issued by the Company, which may be linked to the granting of options, by the Company to the participant, that guarantee the right to acquire, in the future, a certain number of shares issued by the Company.

It should be noted that the Matching Options Plan will be managed by the Board of Directors (which may appoint a committee to advise it, delegating powers to this administration), and it is responsible, among other things, to approve the creation of programs, decide participants among the eligible persons and establish the conditions of each grant.

Finally, it is noted that the Matching Option Plan defines the granting limit, establishing that a maximum number of options may be granted that give participants the right to acquire a maximum number of shares equivalent to 3% (three percent) of the total number of shares issued by the Company, on a fully diluted basis, pursuant to the Matching Option Plan.

In the period ended June 30, 2023, no stock options were granted. In the year ended December 31, 2022, stock options were granted to beneficiaries. A total of 4,774,522 stock options were granted, each granting the right to convert into 1 (one) common share of the Company, after the vesting period. Of the total grants, 449,994 of the options granted to employees require a period of 3 years of service (vesting period), with the remaining 4,324,528 requiring a period of 4 years. The options will mature annually, that is, they can be exercised by the beneficiary within 60 days of each anniversary year. The exercise price of the granted options is R$0.01 per share to be acquired. Regarding these grants, in the period ended June 30, 2023, expenses in the amount of R$ 11,245 (R$ 18,292 in December 31, 2022) were recognized in the caption "General and administrative expenses" with the corresponding entry in "Capital reserve".

Stock options have the following expiration dates:

Number of options Expiration date:

- 1,231,124: June 13, 2023 (*);
- 1,231,124: June 13, 2024;
- 1,231,127: June 13, 2025;
- 1,081,147: June 13, 2026.

(*) Already settled in the period.

The weighted average fair value of the options granted during the year, determined based on the Black-Scholes valuation model, was R$12.67 per option. The main assumptions follow: weighted average share price of R$13.15; volatility of 33.76%; dividend yield of 1.5%; expected life of the option of 3 and 4 years; 12% annual risk-free rate. Volatility is measured by the standard deviation of continuously compounded stock returns based on statistical analysis of daily stock prices over the past 5 years.

21. Segment reporting

Business segments

	Meat		Other		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net revenue	12,839,205	14,717,592	818,751	983,335	13,657,956	15,700,927
Gross profit	939,925	1,181,244	32,341	40,808	972,266	1,222,052

There are no revenues from transactions with a single external customer that represent 10% or more of total revenues.

The Company's Management defined the reportable operating segments based on the reports used to make strategic decisions. The Company defined its management structure, and information by segment was prepared considering the business segments of production and sale of fresh meat and trading.

Meat

The meat division refers to the production of frozen and chilled beef from the slaughter of cattle (which are purchased from cattle ranchers) in the countries where it has operations (Brazil, Paraguay, Uruguay, Colombia and Argentina). Additionally, the Company produces slaughter by-products, such as hides, offal, among others. The products are sold both in the internal markets of these countries and in the foreign market.

Others

The Others division, which corresponds to less than 10% of the consolidated, consists of the Company's subsidiaries that provide services for the sale of food products, called “Trading”.

22. Net operating revenue

The Company presents the explanatory note of net operating revenue in accordance with CPC 47 – Revenue from Contracts with Customers, as per item 112A, disclosing the reconciliation of gross taxable revenue and other control accounts.

	Parent company				Consolidated			
	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022
Revenues from domestic sales	1,398,113	2,606,747	1,416,215	2,646,890	2,650,693	5,200,086	2,596,485	4,864,805
Revenues from foreign sales	2,357,568	4,255,446	2,913,108	5,703,379	5,108,429	9,369,200	6,365,837	11,725,125
Deductions from revenue - taxes and other	(260,781)	(464,496)	(239,470)	(460,267)	(482,639)	(911,330)	(490,560)	(889,003)
Receita operacional líquida	**3,494,900**	**6,397,697**	**4,089,853**	**7,890,002**	**7,276,483**	**13,657,956**	**8,471,762**	**15,700,927**

23. Expenses by nature

	Parent company				Consolidated			
	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022
Classified as:								
Selling expenses	(248,015)	(467,615)	(271,081)	(509,045)	(564,994)	(1,034,213)	(609,806)	(1,090,032)
General and administrative expenses	(196,851)	(333,025)	(156,157)	(266,302)	(382,176)	(668,362)	(244,170)	(474,322)
Other operating income	(2,202)	319	8,594	12,663	6,194	8,560	7,324	42,698
Total	**(447,068)**	**(800,321)**	**(418,644)**	**(762,684)**	**(940,976)**	**(1,694,015)**	**(846,652)**	**(1,521,656)**
Expenses by nature:								
Variable selling expenses	(223,889)	(419,786)	(243,971)	(456,631)	(534,584)	(974,236)	(567,987)	(1,022,090)
General administrative and selling expenses	(63,014)	(117,709)	(62,662)	(112,573)	(126,440)	(252,573)	(105,649)	(222,407)
Personnel and commercial expenses	(141,551)	(230,507)	(106,380)	(178,044)	(225,777)	(371,346)	(156,561)	(272,363)
Depreciation and amortization	(16,412)	(32,638)	(14,225)	(28,099)	(59,921)	(104,420)	(23,779)	(47,494)
Other operating income (expenses)	(2,202)	319	8,594	12,663	5,746	8,560	7,324	42,698
Total	**(447,068)**	**(800,321)**	**(418,644)**	**(762,684)**	**(940,976)**	**(1,694,015)**	**(846,652)**	**(1,521,656)**

24. Net financial result

	Parent company				Consolidated			
	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022	2nd Quarter 2023	06/30/2023	2nd Quarter 2022	06/30/2022
Financial income								
Income from financial investments	26,373	62,185	20,887	38,735	34,095	82,866	27,089	51,547
	26,373	**62,185**	**20,887**	**38,735**	**34,095**	**82,866**	**27,089**	**51,547**
Financial expense								
Interest on loans and financing	(322,009)	(631,643)	(226,196)	(437,500)	(292,639)	(586,673)	(296,634)	(561,214)
Other financial (expenses) income (i)	(164,744)	(16,812)	40,456	(399,452)	(207,253)	(93,335)	95,347	(330,805)
	(486,753)	**(648,455)**	**(185,740)**	**(836,952)**	**(499,892)**	**(680,008)**	**(201,287)**	**(892,019)**
Monetary correction of balance **(ii)**	-	-	-	-	(11,899)	(28,207)	(62,622)	(104,582)
Exchange rate and monetary changes, net	37,023	(87,429)	(10,312)	8,729	50,612	(85,724)	(25,278)	(4,671)
Resultado financeiro líquido	**(423,357)**	**(673,699)**	**(175,165)**	**(789,488)**	**(427,084)**	**(711,073)**	**(262,098)**	**(949,725)**

(i) Refers to the mark-to-market of the Company and its subsidiaries financial instruments to hedge against foreign exchange exposure and monetary. The variation between the comparative periods is linked to the appreciation/devaluation of the Real against other currencies; and

(ii) Refers to the monetary correction of a hyperinflationary economy, in this case, Argentina, and in accordance with accounting standards, gains and losses in the net monetary position must be included in income and disclosed separately.

25. Earnings per share

a) Earnings per share

The Company's basic earnings per share are calculated by dividing the net income attributable to the Company's shareholders by the weighted average number of common shares issued during the period, excluding common shares purchased by the Company and held as treasury shares:

Basic	06/30/2023	06/30/2022
Net income attributable to Company's shareholders	**237,793**	**539,264**
Weighted average number of common shares issued (thousands)	607,283	607,283
Weighted average number of treasury shares (thousands)	(20,483)	(23,053)
Weighted average number of outstanding common shares (thousands)	586,800	584,230
Basic earnings per share - R$	**0.40524**	**0.92303**

b) Diluted earnings per share of the Company

The Company's diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding, assuming the conversion of all potential common shares that would cause dilution. The Company has only one category of potential common shares that would cause dilution:

Diluted	06/30/2023	06/30/2022
Net income attributable to Company's shareholders	**237,793**	**539,264**
Weighted average number of outstanding common shares (thousands)	586,800	584,230
Weighted average number of shares of common stock to diluted earnings per share – thousands	586,800	584,230
Diluted earnings per share - R$	**0.40524**	**0.92303**

26. Risk management and financial instruments

The Company's operations are exposed to market risks, mainly in relation to changes in exchange and interest rates, credit and price risks in the purchase of cattle. In its investment management policy, the Company provides for the use of derivative financial instruments to hedge against these risk factors.

Additionally, the Company may also contract derivative financial instruments in order to implement operational and financial strategies defined by the Executive Board and duly approved by the Board of Directors.

Market risk management is carried out through the application of two models, namely: calculation of Value at Risk (VaR) and calculation of impacts through the application of stress scenarios. In the case of VaR, Management uses two different models: Parametric VaR and Monte Carlo Simulation VaR. It is noteworthy that risk monitoring is constant, being calculated at least twice a day.

It is worth mentioning that the Company does not use exotic derivatives and does not have any such instrument in its portfolio.

a. Policy on the treasury's hedging transactions

The management of the Company's hedge policy is the responsibility of the Treasury Department and follows the decisions taken by the Risk Committee, which is composed of members of the Company's Executive Board and employees.

Supervision and monitoring of compliance with the guidelines outlined by the hedge policy are the responsibility of the Executive Risk Management, subordinated to the Presidency and the Risk Committee.

The Company's hedging policy is approved by its Board of Directors and takes into account its two main risk factors: exchange rate and live cattle.

I. Currency hedging policy

The exchange hedge policy aims to protect the Company from currency fluctuations, divided into two segments:

(i) Flow

Flow hedging strategies are discussed daily in the Markets Committee.

The purpose of the flow hedge is to guarantee the Company's operating income and protect its flow of currencies other than the Brazilian Real, with a horizon of up to one year.

Financial instruments available in the market can be used to carry out these hedges, such as: futures dollar transactions on B3, NDFs, funding in foreign currency, options and inflow of funds in dollars.

(ii) Balance sheet

The balance sheet hedge is discussed monthly at the Board of Directors' meeting.

The balance sheet hedge policy aims to protect the Company from its long-term foreign currency indebtedness.

Balance sheet exposure is the flow of US dollar-denominated debt with a maturity of more than one year.

Financial instruments available in the market can be used, such as: cash retention in US dollars, bond repurchase, NDFs, futures contracts on B3, swaps and options.

II. Cattle hedging policy

The cattle hedge policy aims to minimize the impacts of the bovine arroba price fluctuation on the Company's results. The policy is divided into two topics:

i) Cattle foward contracts

With the objective of guaranteeing raw material, mainly for the bovine off-season period, the Company buys cattle for future delivery and uses B3 to sell future contracts, minimizing the directional risk of bovine arroba.

Live cattle instruments available on the market can be used, such as: live cattle futures contracts on B3 and options on live cattle futures contracts on B3.

ii) Hedging of meat sold

In order to guarantee the cost of the raw material used in the production of meat, the Company uses the "B3" to purchase futures contracts, minimizing the directional risk of the bovine arroba and locking its operating margin obtained in the act of selling the beef.

Live cattle instruments available on the market may be used, such as: live cattle futures contracts on "B3" and options on live cattle futures contracts on "B3".

Statements of derivative positions

The tables showing the positions in derivative financial instruments were prepared in order to present those contracted by the Company in the period and year, respectively, ended June 30, 2023 and December 31, 2022, according to their purpose (equity protection and other purposes), which fall into Level 2 of the fair value measurement hierarchy, in accordance with the hierarchy of CPC 46:

Asset Hedge Protection

Description	/ Thousand 06/30/2023	12/31/2022	Notional in R$ thousand 06/30/2023	12/31/2022	Cumulative effect in R$/ thousand Amount receivable / (received)	Amount payable / (paid)
Future contracts:	-	-	-	-	-	-
Purchase commitment	-	-	-	-	-	-
DOL (US$)	-	17,500	-	92,904	3,341	-
Mini Dollar (dol x 0,10)	2,320	3,120	11,177	16,345	307.4	-
Other	-	-	-	-	-	-
BGI (arroba)	1,547	1	408,886	190	-	4,796
Sales commitment	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US$)	2,000	2,500	9,633	13,044	1,389	-
Mini Dollar (US$ x 0.10)	-	(1,800)	-	9,583	-	-
BGI (arroba)	891	457	235,514	131,918	-	981
Option contracts:	-	-	-	-	-	-
Long Position - Purchase	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arroba)	-	-	27,034	-	-	43,381
Short position - Sale	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US$)	65	-	5,854	-	-	13,487
Other	-	-	-	-	-	-
BGI (arroba)	1,403	330	2,930	500	-	17,447
Bidding purchase - Purchase	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	-	-	-	19,874	-
Bidding purchase - Sale	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US$)	-	-	-	-	5,690	-
Other	-	-	-	-	-	-
BGI (arroba)	-	-	-	-	11,167	-
Terms contracts:	-	-	-	-	-	-
Long Position - Purchase	-	-	-	-	-	-
NDF (Dollar)	550,000	550,000	2,650,560	2,869,735	-	106,461
NDF (Euro)	-	-	-	-	-	13
NDF (CLP)	-	3,589	-	18,729	-	-
Short Position - Sale						
NDF (boz2)	4,709	2,466	5,183	2,383	1,592	-
NDF (euro)	417	456	2,196	2,538	286	-
NDF (dollar)	66,310	375,704	319,563	1,960,310	214,348	-
NDF (cop)	43,000	46,000	207,226	240,014	36,730	9,253

The reference values are those that represent the base value, that is, the starting value, contracting the operation, for calculating positions and market value.

Fair values were calculated as follows:

- **USD futures contracts:** the US dollar futures contracts traded on the BM&F have a value of U$ 50,000 (fifty thousand US dollars) per notional contract and daily adjustment, the fair value is calculated through the product of the "notional" in dollar by the reference dollar for the contract disclosed by B3;
- **Finished cattle futures contracts (BGI):** Live cattle futures contracts traded on B3 have a value of 330 arrobas, the fair value is calculated through the product of the "notional" in reais per arroba by the reference value for the contract disclosed by B3;
- **Short Position Forward Contracts - NDF (Euro):** contracts are carried out on the over-the-counter market, therefore they do not have standardization and daily adjustment, their fair value is calculated through the product of the notional value traded and the market rate in force on the date, if loaded to maturity, the PTAX EURO sale published by the Central Bank will be used;

- **Short Position Forward Contracts - NDF (Dollar):** The contracts are carried out on the "over-the-counter" market, so they do not have standardization and daily adjustment, their fair value is calculated through the product of the notional value traded and the market rate in force on the date, if carried to maturity, the PTAX 800 will be used, sale announced by the Central Bank.

Fair values were estimated at the closing date of the interim financial information, based on "relevant market information". Changes in assumptions and changes in financial market operations may significantly affect the estimates presented.

The mark-to-market of open over-the-counter (OTC) NDF operations, swaps and options on B3 – "Bolsa – Brasil – Balcão" is accounted for in equity accounts. As of period ended June 30, 2023 and December 31, 2022, under the headings "NDF receivable/payable", "swap" and "Options receivable" consecutively:

	06/30/2023	12/31/2022
Derivative financial instruments	**Mark-to-market**	**Mark-to-market**
Options	29,957	500
Swap	2,278,411	1,732,571
NDF (EUR+DOL+LIVESTOCK)	1,408,879	1,009,330
Grand Total	**3,717,247**	**2,742,401**

b. Currency and interest rate risks

The exchange rate and monetary and interest rate risk on loans and financing, financial investments, accounts receivable in foreign currencies arising from exports, investments in foreign currency and other obligations denominated in foreign currency are managed through the use of derivative financial instruments traded on exchanges, or over-the-counter operations such as swaps, Non Deliverable Forwards (NDFs) and options.

In the table below, we present the Company's consolidated equity position, specifically related to its financial assets and liabilities, divided by currency and foreign exchange exposure, allowing the visualization of the net position of assets and liabilities by currency, compared with the net position of derivative financial instruments intended to protect and manage the risk of foreign exchange exposure:

	Consolidated 06/30/2023 Currency		
	Domestic	**Foreign**	**Total**
Asset			
Cash	503	-	503
Bank accounts	1,194,061	2,737,933	3,787,418
Financial investments	1,938,944	325,830	2,264,774
Trade receivables	906,787	1,181,532	2,088,319
Total current assets	**4,040,295**	**4,245,295**	**8,285,590**
Total Assets	**4,040,295**	**4,245,295**	**8,285,590**

	Consolidated 06/30/2023 Currency		
	Domestic	**Foreign**	**Total**
Liabilities			
Financing – current	2,124,251	1,348,069	3,472,320
Suppliers	2,939,568	30,463	2,970,031
Total current liabilities	**5,063,819**	**1,378,532**	**6,442,351**
Financing – non-current	6,529,825	7,608,539	14,138,364
Total non-current liabilities	**6,529,825**	**7,608,539**	**14,138,364**
Total liabilities	**11,593,644**	**8,987,071**	**20,580,715**
Net financial debt	7,553,349	4,741,776	12,295,125
Hedging derivatives - Net position	**(2,281,464)**	**(1,435,783)**	**(3,717,247)**
Net currency position	**5,271,885**	**3,305,993**	**8,577,878**

The net notional position of derivative financial instruments is composed as follows:

Financial Instruments (net)	**Asset position (liabilities) net on 06/30/2023**	**Asset position (liabilities) net on 12/31/2022**
Futures contracts - DOL (Dollar)	1,544	86,621
Futures contracts - BGI (Finished Cattle)	173,372	(131,728)
Options contracts (Dollar, Cattle, Corn and IDI)	35,818	500
Swap contracts	2,278,411	1,732,571
NDF (dollar + EURO + cattle + COP + CLP)	2,116,392	683,218
Total net	**4,605,536**	**2,371,182**

Financial assets and liabilities are represented in the individual and consolidated financial statements for the period and year ended, respectively, on June 30, 2023 and December 31, 2022 at approximate market values, with the respective income and expenses being appropriated and are presented on these dates in accordance with their expectation of realization or settlement.

It should be noted that the amounts related to export orders (firm sales commitments) refer to approved customer orders not yet invoiced (therefore not accounted for), but which are already protected from the risk of foreign currency variation (dollar or other currency foreign exchange) by derivative financial instruments.

The following are the NDF contracts owned by the Company and in force as of June 30, 2023:

Type	Position	Currency	Maturity	Notional
NDF	Sale	DOLLAR	07/03/2023	(1,200)
NDF	Sale	DOLLAR	07/25/2023	(977)
NDF	Purchase	DOLLAR	08/01/2023	538,400
NDF	Sale	DOLLAR	09/01/2023	(491)
NDF	Sale	DOLLAR	11/01/2023	(42,043)
NDF	Sale	DOLLAR	12/01/2023	(10,000)
NDF	Sale	EURO	07/03/2023	(200)
NDF	Sale	EURO	08/07/2023	(217)
NDF	Sale	COP	07/05/2023	(28,000)
NDF	Sale	COP	07/07/2023	(10,000)
NDF	Sale	COP	08/09/2023	(5,000)

Credit Risks

The Company is potentially subject to credit risk related to accounts receivable from its customers, minimized by the dispersion of the customer portfolio, given that the Company does not have a customer or business group that represents more than 10% of its revenue and is subject to concession of loans to customers with good financial and operational ratios.

c. Price risks in the purchase of cattle

The Company's line of business is exposed to the volatility of cattle prices, the main raw material, whose variation results from factors beyond Management's control, such as weather factors, supply volume, transportation costs, agricultural policies and others.

The Company, in accordance with its inventory policy, maintains its strategy for managing this risk, acting in physical control, which includes advance purchases, confinement of cattle and entering into future settlement contracts (over-the-counter and exchange), which guarantee the realization of their stocks at a certain price level:

Over the counter (OTC) market	**06/30/2023 Fair value**
Forward contract purchased	
Notional value (@)	892,840
Futures Contract Price (R$/@)	220
Total R$/1,000	**196,129**

	06/30/2023 Fair value
BM&F Market	
Futures Contracts Sold	
Notional value (@)	891,340
Futures Contract Price (R$/@)	263
Total R$/1,000	**234,534**

d. Demonstration chart of cash sensitivity

The purpose of the sensitivity analysis demonstrative tables is to disclose, in a segregated manner, the derivative financial instruments that, in the Company's opinion, are intended to protect against exposure to risks. These financial instruments are grouped according to the risk factor they are intended to protect (price, exchange rate, credit risk, etc.).

The scenarios were calculated with the following assumptions:

- **Upward movement:** characterizes an increase in prices or risk factors on June 30, 2023;
- **Downward movement:** characterizes a drop in prices or risk factors on June 30, 2023;
- **Probable scenario:** impact of 6%; Scenario oscillation of 12%; and 18% oscillation scenario.

Below, we present the cash sensitivity charts, considering only positions in derivative financial instruments and their impacts on cash:

Transaction	Movement	Risk	Probable scenario 6% fluctuation	Possible scenario 12% fluctuation	Remote scenario 18% fluctuation
Hedge Derivatives	High	Cattle	10,402	20,805	31,207
Cattle	High	Cattle	11,768	23,536	35,303
Net			**22,170**	**44,340**	**66,510**
Hedge Derivatives	High	Dollar	(187,358)	(374,716)	(562,074)
Invoices + cash - in US$	High	Dollar	140,745	281,490	422,235
Net			**(46,613)**	**(93,226)**	**(139,839)**
Hedge Derivatives	High	Euro	(132)	(264)	(395)
Invoices – in $EUR	High	Euro	4,912	9,823	14,735
Net			**4,780**	**9,560**	**14,339**
Hedge Derivatives	High	Dollar	52,167	104,334	156,501
Borrowings in US$	High	Dollar	(107,083)	(214,166)	(321,248)
Net			**(54,916)**	**(109,831)**	**(164,747)**

- **Exchange rate USD 4.8192** – Sale Ptax (Source: Central Bank of Brazil)**;**
- **Exchange rate EUR 5.2626** – Sales Ptax (Source: Central Bank of Brazil).

Result of the asset protection framework

- Derivatives Hedge x Cattle: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$ 22,170, already in the scenario with 12% oscillation of R$ 44,340 of gain and in the 18% oscillation gain of R$66,510;

- Derivatives Hedge x Invoices + Cash in US$: In the probable scenario where the market movement is 6%, the Company could incur a loss of R$46,613, already in the scenario with a 12% oscillation of R$93,226 of loss and in the 18% oscillation of R$ 139,839 of loss;
- Derivatives Hedge x Invoices + Cash in EUR: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$4,780, already in the scenario with a 12% oscillation of R$9,560 of gain and in the oscillation of 18% of R$ 14,339 of gain.
- Derivatives Hedge and Funding: In the probable scenario where the market movement is 6%, the Company could incur a loss of R$54,916, already in the scenario with oscillation of 12%, loss of R$109,831, and in the oscillation of 18 %, loss of R$ 164,747.

e. Call margin

In exchange operations, there is the incidence of guarantee margin calls, and to cover margin calls, the Company uses public and private fixed income securities, such as CDBs, belonging to its portfolio, thus mitigating impacts on its flow Of box.

On June 30, 2023, the amounts deposited in margin represented R$ 50,000.

27. Statements of comprehensive income (loss)

In compliance with the provisions of CPC 26 (R1) (IAS 1) - Presentation of individual and consolidated interim financial information, the Company shows below the change in comprehensive income for the period ended June 30, 2023 and 2022:

	Parent company		Consolidated	
	06/30/2023	**06/30/2022**	**06/30/2023**	**06/30/2022**
Net income for the period	237,793	539,264	234,696	539,264
Cumulative translation adjustments	(171,762)	(298,066)	(171,762)	(298,066)
Total comprehensive income	**66,031**	**241,198**	**62,934**	**241,198**
Comprehensive income (loss) attributable to:				
Company's owners	66,031	241,198	66,031	241,198
Noncontrolling interests	-	-	(3,097)	-
Total comprehensive income	**66,031**	**241,198**	**62,934**	**241,198**

28. Insurance

The Company and its subsidiaries adopt an insurance policy that mainly takes into account the risk concentration, relevance and replacement value of assets. The main information on insurance coverage in force on June 30, 2023 can be demonstrated as follows:

Description	Type of Coverage	Insured amount
Buildings	Fire and sundry risks	1,260,606
Facilities, equipment, and inventories	Fire and sundry risks	1,559,935
Company cars and aircraft	Fire and sundry risks	274,823
Overseas transportation	Fire and sundry risks	96,384
Civil liability	Risks in operations	38,554
Total		**3,230,302**

The Company and its subsidiaries maintain coverage for all products transported in Brazil and abroad. The risk assumptions adopted, given their nature, are not part of the audit scope and, consequently, were not reviewed by the Company's auditors.

The Company has building property insurance for all its factories and distribution centers.

MINERVA S.A.

Independent auditors' report

Individual and Consolidated Financial statement as of December 31, 2022

Tel.: + 55 11 3848 5880
Fax: + 55 11 3045 7363
www.bdo.com.br

Rua Major Quedinho, 90
Consolação – São Paulo, SP
Brasil 01050-030

INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To
Shareholders, Advisers and Board of Directors of
Minerva S.A.
São Paulo - SP

Opinion on the individual and consolidated financial statements

We have examined the individual and consolidated financial statements of **Minerva S.A. ("Company")**, identified as the "Parent company" and "Consolidated", respectively, which comprise the statement of financial position as of December 31, 2022 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the related explanatory notes, including a summary of the main accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the individual and consolidated financial position of **Minerva S.A.** as of December 31, 2022, the individual and consolidated performance of its operations and their respective individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion on the individual and consolidated financial statements

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the following section entitled "Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements." We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles set forth in the Professional Code of Ethics of the Accountant and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to substantiate our opinion.

Key audit matter

Key audit matter (KAMs) are those matters that, in our professional judgment, were the most significant in our audit of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion on these individual and consolidated financial statements and therefore, we do not express a separate opinion on these matters.

BDO RCS Auditores Independentes SS Ltda., an audit partnership organized according to Brazilian law, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Derivative Financial Instruments

As disclosed in Notes 4 (h) and 26, the Company uses derivative financial instruments to hedge the risks associated with certain financial exposures related to the business, resulting in financial impacts on its individual and consolidated financial statements.

The Company's Management is responsible for monitoring and managing financial risks, evaluating the exposure to interest rate risks, indices of fluctuation in the bovine arroba price and exchange rate existing in the assets, liabilities and operations that are being covered, as a result of of different factors, such as, among others, the differences between the contracting dates and the maturity and settlement dates, or differences in spreads on the financial assets and liabilities to be hedged and the spreads corresponding to the differences between the dates of the transactions. Such derivative financial instruments are measured at fair value through valuation methodologies, which take into account professional judgment. The use of different market information and/or valuation methodologies may have a material effect on the estimated fair value amount and, consequently, on the Company's individual and consolidated financial statements. For these reasons, we considered this matter to be significant in our audit, again in the current year.

Audit response to the matter

Our audit procedures included, among others:

- The evaluation and understanding of the process, operational controls and risk Management strategies adopted by the Company's management in derivative financial instrument contracts, as well as their measurement and accounting recognition;
- We evaluated the adequacy of the documentation supporting the records, the measurement and the form of recognition of derivative financial instruments in the individual and consolidated financial statements;
- Additionally, we analyzed the methodology and the reasonableness of the main assumptions used by the Company's Management, such as rates, terms, among other information. We also examined the adequacy of disclosures on derivative financial instruments and calculation methodology for measurement and recording in the individual and consolidated financial statements;
- We carry out confirmation procedures with counterparties of derivative contracts in order to confirm the existence, completeness and integrity of operations, as well as confirm the main contractual clauses.

Based on the audit approach and the procedures performed, we understand that the balances presented in the individual and consolidated financial statements by the Company related to the measurement and recognition of derivative financial instruments and the corresponding disclosures are reasonable in the context of the individual and consolidated financial statements, taken together, taken as a whole.

Revenue Recognition

According to Explanatory Notes 4 (u) No. 22, the Company's revenues derive essentially from the sales of products to domestic and foreign markets. The Company has significant amounts of revenue recognized for the foreign market, subject to evaluations and judgments in determining the accounting recognition by the Company's Management based on estimates of average delivery terms. Considering the scope of transactions in the foreign market that requires judgment by the Company's management in determining the controls for the identification and measurement of invoiced and undelivered sales at the end of the year, we consider the recognition of sales revenue as one of the main issues of audit again in the current year.

Audit response to the matter

Our audit procedures included, among others:

- The understanding and evaluation of the processes and operational controls aimed at the recognition of revenue from sales to the foreign market, as well as the design of relevant internal controls related to the sales process at the end of the year;
- We carry out substantive procedures for product sales through statistical sampling, with the objective of analyzing and validating the recognition and measurement of revenues;
- Additionally, we analyzed the settlement and realization in subsequent periods, in addition to evaluating the average delivery terms used by the Company to estimate the calculation of invoiced and undelivered sales at the end of the year;
- Review of adequate disclosure in the notes to the individual and consolidated financial statements.

Based on the results of the audit procedures performed, we understand that the criteria and assumptions adopted by the Company for the measurement, recognition and disclosure performed are reasonable in the context of the individual and consolidated financial statements taken as a whole.

Intangible assets with indefinite useful lives (Goodwill) - Impairment

According to Explanatory Notes No. 4 (o) and No. 13, the Company has recorded, on December 31, 2022, goodwill for expected future profitability ("Goodwill") in the amounts of R$ 259,691 thousand and R$ 1,060,278 thousand, respectively, parent company and consolidated, resulting from acquisitions of companies, whose recoverable value must be evaluated annually, as required by Technical Pronouncement NBC TG 01 (R4)/IAS 36 – Reduction to the Recoverable Value of Assets.

Determining the recoverable amount of these non-financial assets involves significant judgments in defining the assumptions used in cash flow projections, with a high degree of subjectivity on the part of the Company's Management based on the discounted cash flow method, which considers assumptions such as discount rates, economic growth, inflation projection, among other estimates. In this context, the Company's Management performs impairment test and prepared a specific report on this matter, aiming to comply with the accounting standard. These determinations and measurements are based on assumptions that may change due to future and unexpected conditions, whether due to internal factors, market or macroeconomic conditions, which is why we considered the matter relevant for our audit.

Audit response to the matter

Our audit procedures included, among others:

- Involvement of our internal specialists in corporate finance to evaluate and challenge the cash flow projections of the Cash Generating Units (CGUs), including the comparison with the strategic business plans approved by the Company's Board of Directors;
- We question the main assumptions adopted by Management, such as the long-term growth rates in the projections, comparing them with economic forecasts for the sector, as well as the discount rates used and other macroeconomic conditions;
- Additionally, we compared the recoverable amount calculated based on the discounted cash flows of the CGUs with the respective book values and evaluated the disclosures related to the recoverable amount of goodwill arising from business combinations and other non-financial assets recorded in the individual and consolidated.

Based on the audit approach and procedures performed, we consider that the methodology and assumptions used by the Company to assess the recoverable amount of said assets are reasonable, with the information being properly recognized and presented in the individual and consolidated financial statements taken as a whole.

Other matters

Statements of Value Added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2022, prepared under the responsibility of the Company's Executive Board, and presented as supplementary information for IFRS purposes, were subject to jointly executed auditing procedures with the audit of the Company's financial statements. For the purposes of forming our opinion, we assess whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content comply with the criteria set forth in Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria set forth in this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the auditor's report

The Company's Executive Board is responsible for such other information that includes the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

In connection with the audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in so doing, to consider whether this report is materially inconsistent with the financial statements or with our knowledge obtained in the audit or otherwise appear to be materially misstated. If, based on our work we have performed, we concluded that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Board and those charged with governance by the individual and consolidated financial statements

The Executive Board is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and for such internal control which it has determined as necessary to enable the preparation of financial statements free of material misstatement, whether due to fraud or error.

In the preparation of the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting in the preparation of the financial statements, unless Executive Board either intends to liquidate the Company and its subsidiaries or cease its operations, or has no realistic alternative but to do so.

Those responsible for the governance of the Company and its subsidiaries are those responsible for supervising the process of preparing the individual and consolidated financial statements.

Responsibilities of the auditor for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance that the individual and consolidated financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that included our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted in accordance with Brazilian and international auditing standards will always detect a material misstatement when it exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users take on the basis of these referred financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of the internal controls relevant to the audit to plan audit procedures appropriate to the circumstances, but not, in order to express an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Board;
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of financial statements, including disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;

We communicate with those responsible for governance regarding, among others aspects, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we have identified during our work.

We also provide those responsible for governance with a statement that we have complied with the relevant ethical requirements, including the applicable requirements for independence, and communicate with them all possible relationships or other matters that may reasonably be thought to bear on our independence, including and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that we were of the most significance in the audit of the individual and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 23, 2023.

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/0-1

Francisco de Paula dos Reis Junior
Accountant CRC 1 SP 139168/O-6

MINERVA S.A.

Statements of financial position
In December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

ASSETS

	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current					
Cash and cash equivalentes	5	5,454,408	4,894,639	7,071,463	7,302,009
Trade receivables	6	939,304	1,251,602	2,487,540	2,598,563
Inventories	7	568,418	654,618	1,658,467	2,115,294
Biological assets	8	291,273	342,334	434,897	467,960
Recoverable taxes	9	370,447	374,157	750,670	805,076
Other receivables	-	217,769	216,644	583,682	478,198
Total current assets		**7,841,619**	**7,733,994**	**12,986,719**	**13,767,100**
Non-current					
Other receivables	-	122,869	125,232	146,840	148,165
Related parties	10	3,770,742	5,847,272	-	-
Recoverable taxes	9	110,472	106,942	115,481	106,942
Deferred assets	18	764,169	467,739	792,811	415,665
Court deposits	-	14,751	15,626	22,013	22,202
Investments	11	5,526,842	4,389,650	242,104	199,841
Property, plant and equipment	12	2,268,218	1,947,378	5,234,666	4,581,352
Intangible assets	13	352,539	324,572	1,859,494	828,195
Total non-current assets		**12,930,602**	**13,224,411**	**8,413,409**	**6,302,362**
Total assets		**20,772,221**	**20,958,405**	**21,400,128**	**20,069,462**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of financial position
In December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

LIABILITIES AND EQUITY

		Parent company		Consolidated	
	Notes	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Current					
Loans and financing	14	1,790,633	1,547,580	2,077,939	1,488,416
Leases	12.b	6,540	9,265	9,677	10,435
Trade payables	15	2,504,315	2,511,018	3,519,543	3,724,242
Payroll, related charges and taxes payable	16	116,306	122,699	373,011	400,727
Other payables	17	1,424,881	1,306,668	2,149,571	1,614,550
Total current liabilities		**5,842,675**	**5,497,230**	**8,129,741**	**7,238,370**
Non-current					
Loans and financing	14	10,788,701	9,916,964	11,688,535	11,916,289
Leases	12.b	19,603	23,807	28,688	29,272
Payroll, related charges and taxes payable	16	40,147	45,112	40,147	53,179
Provisions for tax, labor and civil risks	19	23,302	27,959	58,886	43,377
Allowances for investment losses	11	2,659,604	3,472,062	-	-
Related parties	10	891,361	1,321,140	-	-
Other payables	17	-	-	11,395	18,524
Deferred taxes	18	-	-	380,241	116,320
Total non-current liabilities		**14,422,718**	**14,807,044**	**12,207,892**	**12,176,961**
Equity	20				
Capital stock		1,619,074	1,616,138	1,619,074	1,616,138
Capital reserve		138,711	118,271	138,711	118,271
Revaluation reserve		45,970	47,518	45,970	47,518
Profit reserves		671,267	353,865	671,267	353,865
Additional proposed dividends		181,314	200,000	181,314	200,000
Treasury shares		(235,396)	(242,768)	(235,396)	(242,768)
Other comprehensive income		(1,914,112)	(1,438,893)	(1,914,112)	(1,438,893)
Total equity attributable to Company's shareholders		**506,828**	**654,131**	**506,828**	**654,131**
Non-controlling shareholders		-	-	555,667	-
Total equity		**506,828**	**654,131**	**1,062,495**	**654,131**
Total liabilities and equity		**20,772,221**	**20,958,405**	**21,400,128**	**20,069,462**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of income
For the years ended December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$, excepted when indicated otherwise)

	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net operating revenue	22	**15,780,981**	**12,113,113**	**30,977,769**	**26,965,360**
Cost of sales		**(12,208,821)**	**(9,745,007)**	**(25,240,352)**	**(22,320,336)**
Gross profit		**3,572,160**	**2,368,106**	**5,737,417**	**4,645,024**
Operating income (expenses):					
Selling expenses	23	(1,078,678)	(676,312)	(2,333,667)	(1,766,570)
General and administrative expenses	23	(548,423)	(432,532)	(1,026,128)	(857,581)
Other operating income (expenses)	23	17,219	1,975	45,613	14,545
Equity in earnings of subsidiaries	11	117,942	799,935	-	-
Income (loss) before financial income (loss) and taxes		**2,080,220**	**2,061,172**	**2,423,235**	**2,035,418**
Financial expenses	24	(1,922,873)	(1,105,833)	(2,066,939)	(939,685)
Financial revenues	24	152,459	49,605	185,169	75,015
Monetary correction	24	-	-	(155,446)	(179,854)
Exchange rate variation, net	24	46,297	(426,263)	2,090	(405,287)
Net financial result		**(1,724,117)**	**(1,482,491)**	**(2,035,126)**	**(1,449,811)**
Income before taxes		**356,103**	**578,681**	**388,109**	**585,607**
Income tax and social contribution - current	18	-	-	(64,808)	(64,918)
Income tax and social contribution - deferred	18	296,430	20,198	331,763	78,190
Net income for the year		**652,533**	**598,879**	**655,064**	**598,879**
Attributable to:					
Company shareholders		652,533	598,879	652,533	598,879
Non-controlling shareholders		-		2,531	
Net income for the period		**652,533**	**598,879**	**655,064**	**598,879**
Result per share - R$:					
Basic earnings per share - R$	25	1.11557	1.02610	1.11557	1.02610
Diluted earnings per share - R$	25	1.11557	1.02610	1.11557	1.02610

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of comprehensive income
For the years ended December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net income for the year	**652,533**	**598,879**	**655,064**	**598,879**
Other comprehensive income to be reclassified to income statement in subsequent period:				
Cumulative translation adjustments	(475,219)	(520,882)	(475,219)	(520,882)
Total comprehensive income, net of taxes	**177,314**	**77,997**	**179,845**	**77,997**
Comprehensive income attributable to:				
Company shareholders	177,314	77,997	177,314	77,997
Non-controlling shareholders	-	-	2,531	-
Compreensive income for the year	**177,314**	**77,997**	**179,845**	**77,997**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the years ended December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

				Profit reserves									
	Capital stock	Capital reserve	Revaluation reserve	Legal reserve	Statutory reserve	Earnings retention - Art.196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
Balances as of January 1st, 2022	**1,616,138**	**118,271**	**47,518**	**64,799**	**170,483**	**118,583**	**200,000**	**-**	**(242,768)**	**(1,438,893)**	**654,131**	**-**	**654,131**
Net income for the year	-	-	-	-	-	-	-	652,533	-	-	652,533	2,531	**655,064**
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(475,219)	(475,219)	-	**(475,219)**
Total comprehensive income, net from taxes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**652,533**	**-**	**(475,219)**	**177,314**	**2,531**	**179,845**
Capital increase	2,936	-	-	-	-	-	-	-	-	-	2,936	-	**2,936**
Legal reserve	-	-	-	32,627	-	-	-	(32,627)	-	-	-	-	**-**
Statutory reserve	-	-	-	-	284,775	-	-	(284,775)	-	-	-	-	**-**
Equity instruments granted	-	18,292	-	-	-	-	-	-	-	-	18,292	-	**18,292**
(-) Treasury shares	-	2,148	-	-	-	-	-	-	7,372	-	9,520	-	**9,520**
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	-	-	**-**
Payment of proposed additional dividends	-	-	-	-	-	-	(200,000)	-	-	-	(200,000)	-	**(200,000)**
Interim dividend distribution	-	-	-	-	-	-	-	(128,077)	-	-	(128,077)	-	**(128,077)**
Mandatory dividends	-	-	-	-	-	-	-	(27,288)	-	-	(27,288)	-	**(27,288)**
Additional proposed dividend	-	-	-	-	-	-	181,314	(181,314)	-	-	-	-	**-**
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	553,136	**553,136**
Balances as of December 31, 2022	**1,619,074**	**138,711**	**45,970**	**97,426**	**455,258**	**118,583**	**181,314**	**-**	**(235,396)**	**(1,914,112)**	**506,828**	**555,667**	**1,062,495**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the years ended December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

				Profit reserves									
	Capital stock	Capital reserve	Revaluation reserve	Legal reserve	Statutory reserve	Earnings retention - Art.196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
Balances as of January 1st, 2021	**1,303,984**	**118,271**	**49,066**	**34,855**	**-**	**118,583**	**376,092**	**-**	**(242,768)**	**(918,011)**	**840,072**	**-**	**840,072**
Net income for the year	-	-	-	-	-	-	-	598,879	-	-	598,879	-	**598,879**
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(520,882)	(520,882)	-	**(520,882)**
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	598,879	-	(520,882)	**77,997**	-	**77,997**
Capital increase	312,154	-	-	-	-	-	-	-	-	-	312,154	-	**312,154**
Legal reserve	-	-	-	29,944	-	-	-	(29,944)	-	-	-	-	**-**
Statutory reserve	-				170,483	-	-	(170,483)				-	**-**
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	-	-	**-**
Payment of proposed additional dividends	-	-	-	-	-	-	(376,092)	-	-	-	(376,092)	-	**(376,092)**
Interim dividend distribution	-	-	-	-	-	-	-	(200,000)	-	-	(200,000)	-	**(200,000)**
Additional proposed dividend	-	-	-	-	-	-	200,000	(200,000)	-	-	-	-	**-**
Balances as of December 31, 2021	**1,616,138**	**118,271**	**47,518**	**64,799**	**170,483**	**118,583**	**200,000**	**-**	**(242,768)**	**(1,438,893)**	**654,131**	**-**	**654,131**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of cash flows - Indirect method
For the years ended December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash flow from operating activities					
Net income for the year		**652,533**	**598,879**	**655,064**	**598,879**
Adjustments to reconcile net income:					
Depreciation and amortization	12 and 13	205,847	168,450	414,525	346,786
Allowance for expected credit losses	6	2,862	6,819	3,435	7,039
Income on sale of fixed assets		34,207	2,864	71,241	4,955
Fair value of biological assets	8	81,681	(47,767)	44,438	(40,341)
Deferred taxes	18	(296,430)	(20,198)	(331,763)	(78,190)
Equity in earnings of subsidiaries	11	(117,942)	(799,935)	-	-
Finance charges		793,231	745,485	1,222,732	1,013,896
Unrealized exchange rate changes		(9,867)	363,906	(12,654)	543,698
Monetary correction	24	-	-	155,446	179,854
Provision for legal claims	19	(4,657)	(9)	15,509	3,103
Equity instruments granted	20.j	18,291	-	18,291	-
Trade and other receivables		310,674	(461,030)	208,475	(644,620)
Inventories		86,200	(192,811)	524,226	(1,117,331)
Biological assets		(30,620)	(31,346)	(11,375)	(76,389)
Recoverable taxes		180	333,081	45,867	292,082
Court deposits		875	558	189	48
Trade payables		(6,703)	862,208	(283,778)	1,379,649
Payroll, related charges and taxes payable		(11,358)	2,535	(70,995)	69,210
Other payables		90,926	(77,208)	465,819	112,333
Net cash provided from operating activities		**1,799,930**	**1,454,481**	**3,134,692**	**2,594,661**
Cash flow from investing activities					
Acquisition of investment, net of cash obtained on acquisition			-	(802,618)	-
Additions to investments in subsidiaries and joint ventures		(2,306,927)	(123,749)	(42,263)	(64,336)
Acquisition of intangible assets		(49,260)	(35,995)	(49,672)	(36,283)
Acquisition of property, plant and equipment		(536,782)	(247,122)	(763,591)	(467,902)
Net cash used in investing activities		**(2,892,969)**	**(406,866)**	**(1,658,144)**	**(568,521)**
Cash flow from financing activities					
Raising of loans and financing		4,205,307	4,425,055	5,745,669	7,031,604
Payments of loans and financing		(3,756,984)	(3,643,278)	(6,923,978)	(8,702,320)
Payments of leases		(9,748)	(10,192)	(13,349)	(11,137)
Related parties		1,646,751	(2,781,578)	-	-
Capital stock increase		2,936	312,154	2,936	312,154
Payment of proposed additional dividends		(200,000)	(383,441)	(200,000)	(383,441)
Distribution of interim dividends		(128,078)	(200,000)	(128,078)	(200,000)
Payment of interest on equity		-	(19,240)	-	(19,240)
Non-controlling shareholders		-	-	55,357	-
Disposal of treasury shares		9,521	-	9,521	-
Net cash provided from (used in) financing activities		**1,769,705**	**(2,300,520)**	**(1,451,922)**	**(1,972,380)**
Exchange rate changes on cash and cash equivalents		(116,897)	724,789	(255,172)	856,820
Net increase (decrease) in cash and cash equivalents		**559,769**	**(528,116)**	**(230,546)**	**910,580**
Cash and cash equivalents:					
At the begining of period		4,894,639	5,422,755	7,302,009	6,391,429
At the end of period		5,454,408	4,894,639	7,071,463	7,302,009
Net increase (decrease) in cash and cash equivalents		**559,769**	**(528,116)**	**(230,546)**	**910,580**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statement of value added
For the years ended December 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenue	**15,286,570**	**12,062,958**	**31,191,282**	**27,906,848**
Sales of goods, products and services	15,235,557	12,011,103	31,064,727	27,824,321
Others revenues	51,013	51,855	126,555	82,527
Inputs acquired from third parties	**(14,234,403)**	**(11,229,358)**	**(28,042,015)**	**(24,897,878)**
(includes taxes amounts - ICMS, IPI, PIS, and COFINS)				
Cost of products, goods and services sold	(13,040,295)	(10,456,358)	(25,070,699)	(22,567,184)
Materials, electric power, third-party services and other	(1,194,108)	(773,000)	(2,971,316)	(2,330,694)
Gross value added	**1,052,167**	**833,600**	**3,149,267**	**3,008,970**
Depreciation, amortization and depletion	(205,847)	(168,450)	(414,525)	(346,786)
Net added value generated by the company	**846,320**	**665,150**	**2,734,742**	**2,662,184**
Net added value by transfer	**270,401**	**849,540**	**185,169**	**75,015**
Equity in earnings of subsidiaries	117,942	799,935	-	-
Financial income	152,459	49,605	185,169	75,015
Net total added value to be distributed	**1,116,721**	**1,514,690**	**2,919,911**	**2,737,199**
Distribution of value added	**1,116,721**	**1,514,690**	**2,919,911**	**2,737,199**
Personnel	310,090	246,568	1,225,024	1,161,093
Taxes, fees and contribution	(359,331)	13,373	240,123	322,493
Capital remuneration from third parties	**513,429**	**655,870**	**799,700**	**654,734**
Interests	511,799	652,250	791,745	645,257
Rents	1,630	3,620	7,955	9,477
Remuneration of equity capital	**652,533**	**598,879**	**655,064**	**598,879**
Net income for the year	652,533	598,879	652,533	598,879
Non-controlling interest in retained earnings (consolidation only)	-	-	2,531	-

The accompanying notes are an integral part of these individual and consolidated financial statements.

1. General information

Minerva S.A. (Company) is a publicly held company listed at the "Novo Mercado" corporate governance segment with shares are traded on "B3" - Bolsa, Brasil, Balcão. The Company's main activities include the slaughtering of livestock and processing of meat, sale of fresh chilled, frozen and processed meat and the exporting of live cattle.

The Company's shares are traded on "B3" – Bolsa, Brasil, Balcão, under the ticker symbol "BEEF3" and its Level 1 American Depositary Receipts (ADRs) are traded on the OTC market OTCQX International Premier, a segment of the electronic trading platform operated by the OTC Markets Group Inc., in the United States.

Parent company

The Company is headquartered at Av. Antônio Manso Bernardes, S/N - Chácara Minerva, in Barretos (SP) and has manufacturing units located in José Bonifácio (SP), Palmeiras de Goiás (GO), Araguaína (TO), Goianésia (GO), Barretos (SP), Campina Verde (MG), Janaúba (MG), Paranatinga (MT), Mirassol D`Oeste (MT) e Rolim de Moura (RO). The distribution centers for the domestic market are located in the cities of Aparecida de Goiânia (GO), Brasília (DF), Cariacica (ES), São Paulo (SP), Araraquara (SP), Belo Horizonte (MG), Maracanaú (CE), Uberlândia (MG) and Cabo de Santo Agostino (PE).

On December 31, 2022, the Company's consolidated industrial park (consolidated) had a daily slaughtering capacity of 29,350 heads and a deboning capacity equivalent to 26,201 heads/day, taking into account the subsidiaries of Athena Foods S.A. (Chile) abroad – in Uruguay (Pulsa S/A and Frigorífico Carrasco S/A), in Colombia (Red. Cárnica S.A.), in Paraguay (Frigomerc S/A) and in Argentina (Pul Argentina S.A. parent company of Swift Argentina S.A.). All plants are compliant with sanitary requirements applicable to exports to countries across the five continents. The Barretos manufacturing unit (SP) has a beef processing line ("cubedbeef" and "roastbeef"), which is mainly intendend for exports.

Direct and indirect subsidiaries

Direct subsidiaries located in Brazil

- **Minerva Dawn Farms S.A. (Minerva Fine Foods):** located in Barretos (SP), this unit started operations in 2009. to produce, in varying scales, and sell beef, pork and poultry products meeting domestic and foreign demand in the "Food Services" segment;

- **CSAP – Companhia Sul Americana de Pecuária S.A.:** located in Barretos (SP), this unit started operations in 2014 to mainly engage in livestock and farming, by breeding and selling live cattle, lambs, pigs and other live animals;
- **Minerva Comercializadora de Energia Ltda.:** located in São Paulo (SP), this unit started operations in 2016 and is mainly engaged in trading and selling electric power;
- **Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior**: started its activities in 2020 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary MF 92 Ventures LLC;
- **MYCarbom3 Ltda.**: Created in 2021, it is a subsidiary that aims to support companies in meeting their goals of neutralizing greenhouse gas emissions through carbon offsetting, in a transparent, reliable and sustainable manner. The company develops projects, originates and sells carbon credits, in line with international standards, creating financial opportunities for the preservation of nature, accelerating action to combat climate change and promoting a low-carbon future. in 2021, being headquartered in Brazil, its main activity is the trading of carbon credits; and
- **Fundo de Investimento em Quotas de Fundo de Investimentos Multimercado Portifólio 1839**: started its activities in 2021 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior;

Direct foreign subsidiaries:

- **Athena Foods S.A.:** Based in Santiago, Chile (CL), Athenas Foods S.A. started operations in 2018 primarily to manage equity interests and own assets in Mercosur. The company has the following direct subsidiaries: Pulsa S.A. (UY), Frigorífico Carrasco S.A. (UY), Frigomerc S.A. (PY), Pul Argentina S.A. (AR), Red Cárnica S.A.S (CO), Red Industrial Colombiana S.A.S (CO), and Minerva Foods Chile SPA (CL);
- **Lytmer S.A.:** located in Montevideo, Uruguay (UY), engaged in selling live cattle to the foreign market and trading food products;
- **Friasa S.A.:** located in Asunción, Paraguay (PY);
- **Minerva Middle East**: office located in Lebanon to market and sell the Company's products;
- **Minerva Colômbia SAS:** Based in Ciénaga de Oro, next to Montería, in the Córdoba region, Colombia, mainly engaged in the dale of livestock to the foreign market;
- **Minerva Live Cattle Export SPA:** located in Santiago, Chile, primarily engaged in selling live cattle to the foreign market;
- **Minerva Meats USA.**: located in Chicago (USA), this unit started operations in 2015 and is mainly engaged in trading food products;

- **Minerva Austrália Holdings PTY Ltd.**: Located in Brisbane (Australia), this unit started operations in 2016 and has Minerva Ásia Foods PTY Ltd. as its direct subsidiary;
- **Minerva Europe Ltd.**: Based in London, England, this unit started operations in 2017 and is mainly engaged in trading food products;
- **Minerva Foods FZE**: Based in the Arab Emirates, the company started operations in 2020 and is mainly engaged in trading food products;
- **Athn Foods Holdings S.A**: Started its activities in 2021 and is headquartered in Spain, its main activity is the management of equity interests and the administration of its own assets;
- **Fortuna Foods PTE. LTD.**: Started its activities in 2021 being headquartered in Singapore, its main activity is the management of equity interests and administration of own assets.

Indirect foreign subsidiaries:

- **Pulsa S.A.:** meatpacking company acquired in January 2011, located in the Province of Cerro Largo, near the capital Melo, in Uruguay (UY). Engaged in slaughtering and deboning activities, with 85% of its sales intended for the foreign market, primarily the North American and the European markets;
- **Frigorífico Canelones S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Pulsa S.A., located in Canelones, Uruguay (UY). Engaged in the cattle slaughtering and deboning and processing of meat, especially fresh chilled and frozen meat for exports;
- **Frigorífico Carrasco S.A.:** meatpacking company acquired in April 2014, located in Montevideo, Uruguay (UY). Engaged in slaughtering, deboning and processing beef and sheep meat, with approximately 68% of its sales intended for the foreign market;
- **Frigomerc S.A.:** Meatpacking company acquired in October 2012, located in Asunción, Paraguay (PY), engaged in slaughtering, deboning and processing activities, operating in the domestic and foreign markets;
- **BEEF Paraguay S.A.**: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- **Indústria Paraguaya Frigorífica S.A.**: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- **Pul Argentina S.A.**: Based in Buenos Aires, Argentina, the company started activities in 2016 and has Swift Argentina S.A. as its direct subsidiary;
- **Swift Argentina S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Pul Argentina S.A. located in Buenos Aires (AR) to process and produce meat and sell own and third parties' brands, especially Swift products;

- **Red. Cárnica SAS:** a meatpacking company acquired in July 2015, located in Ciénaga de Oro, near Montería, Córdoba region, in Colombia (CO) having also acquired on August 5, 2020 an industrial plant belonging to Vijagual meatpacking located in Bucaramanga in the department of Santander in Colombia (CO). They operate in slaughter, deboning and processing activities in the domestic and foreign markets;
- **Red. Industrial Colombiana SAS:** plant acquired in July 2015, located in Ciénaga de Oro, near Montería, in the Córdoba region, Colombia (CO), whose main purpose is the preparation of products for animals, specifically, meat/bone meal, blood and tallow;
- **Minerva Foods Chile SPA:** Located in Santiago, Chile, primarily engaged in trading and selling the Company's products;
- **Minerva Ásia Foods PTY Ltd**: this unit is mainly engaged in trading food products;
- **MF 92 Ventures LLC**: Located in the United States, this unit started operations in 2020 and is mainly engaged in holding investments;
- **Minerva Australia PTY Ltd:** lamb slaughter house purchased in 2021, located in Esperance and Tammin in Australia. Operates in the slaughter, desisa and processing of lamb meats, acting in the domestic and foreign market;
- **Australian Lamb Company Pty Ltd**: lamb slaughterhouse acquired in October 2022, located in Sunshine and Colac in Australia. Operates in the slaughter, deboning and processing of lamb meat, operating in the domestic and foreign markets.

Cargo transportation

- **Transminerva Ltda.:** located in Barretos (SP), it is engaged in cargo transportation to support the Company, reducing its freight expenses in Brazil.

Special Purpose Entities (SPE) for fundraising

- **Minerva Overseas I:** located in the Cayman Islands, it was incorporated in 2006 to issue Bonds and receive the respective financial resources, totaling US$200 million, in January 2007;
- **Minerva Overseas II:** Located in the Cayman Islands, it was incorporated in 2010 to issue Bonds and receive the respective financial resources, totaling US$250 million, on that date;
- **Minerva Luxembourg S.A.:** located in Luxembourg, incorporated in 2011 for the specific purpose of issuing "Bonds" and receiving financial.

Other subsidiaries in pre-operational stage

- **Minerva Log S.A. (logistics).**

The direct and indirect subsidiaries mentioned above are included in the Company's individual and consolidated financial statements. The equity interest in each subsidiary is as shown below:

	12/31/2022	12/31/2021
Direct subsidiaries		
Minerva Dawn Farms S.A.	100.00%	100.00%
Friasa S.A.	-	99.99%
Minerva Overseas I	100.00%	100.00%
Minerva Overseas II	100.00%	100.00%
Minerva Middle East	100.00%	100.00%
Transminerva Ltda.	100.00%	100.00%
Minerva Log	100.00%	100.00%
Minerva Colômbia S.A.S	100.00%	100.00%
Lytmer S.A.	100.00%	100.00%
Minerva Luxembourg S.A.	100.00%	100.00%
Minerva Live Cattle Export Spa	100.00%	100.00%
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	100.00%
Minerva Meats USA Inc.	100.00%	100.00%
Minerva Comercializadora de Energia Ltda	100.00%	100.00%
Minerva Australia Holdings PTY Ltd	100.00%	100.00%
Minerva Europe Ltd.	100.00%	100.00%
Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior	100.00%	100.00%
Minerva Foods FZE	100.00%	100.00%
Athena Foods S.A.	100.00%	100.00%
Athn Foods Holdings S.A.	100.00%	100.00%
Fortuna Foods PTE. LTD.	100.00%	100.00%
Fundo de Investimento em Quotas de Fundo de Investimento Multimercado Portifolio 18939	100.00%	100.00%

	12/31/2022	12/31/2021
Indirect subsidiaries		
Frigorifico Carrasco S.A.	100.00%	100.00%
Minerva Foods Chile Spa	100.00%	100.00%
Red Cárnica S.A.S	100.00%	100.00%
Red Industrial Colombiana S.A.S	100.00%	100.00%
Pulsa S.A.	100.00%	100.00%
Frigorífico Canelones S.A.	100.00%	100.00%
Frigomerc S/A	100.00%	100.00%
BEEF Paraguay S.A.	99.99%	99.99%
Industria Paraguaya Frigorífica S.A.	99.99%	99.99%
Pul Argentina S.A.	100.00%	100.00%
Swift Argentina S.A.	99.99%	99.99%
Minerva Ásia Foods PTY Ltd	100.00%	100.00%
MF 92 Ventures LLC	100.00%	100.00%
Minerva Australia PTY Ltd	65.00%	65.00%
Australian Lamb Company Pty Ltd	65.00%	-

Hyperinflarionary economy - Argentina

On June 30, 2018, according to the assessment carried out by different market participants, the Argentine economy was considered hyperinflationary since July 1, 2018, as a result of the devaluation of the Argentine peso and the increase in the general price level observed in recent periods. For the year ended December 31, 2022, inflation is estimated at around 100%.

In accordance with IAS 29, (CPC 42), non-monetary assets and liabilities, equity and the income statement of subsidiaries operating in a highly inflationary economy must be restated for the changes in the pricing power of the functional currency by applying a general price index.

We concluded that the effects of this hyperinflationary impact, certainly not relevant, arising from our Argentinean subsidiaries, were initially determined on a consistent basis and accounted for in our individual and consolidated financial statements for the year ended December 31, 2018.

Covid-19

Economic impacts

The pandemic forced the Company to make adjustments to its facilities, as well as to incur some expenses related to the acquisition of PPE, employee testing and community support initiatives, related to donations of equipment, food and health and personal hygiene utensils. Until December 31, 2022, there were no significant amounts of expenses related to COVID-19 (R$ 30,992 on December 31, 2021).

Regarding operations, there was a substantial drop in purchases from the "food service" segment in Brazil and Europe, which were offset by increases in foreign sales to Asian countries, with emphasis on China. Company reached R$ 32,897,959 on December 31, 2022 (R$ 28,572,294 on December 31, 2021). In 2022, exports reached 68.56% of gross revenue (67.59% on December 31, 2021), keeping the Company as the leader in beef exports in South America.

Additionally, the Company remains committed to financial discipline and the search for a less onerous capital structure, with a lower risk profile, having reduced indebtedness in the fourth quarter of 2022.

Despite a scenario of uncertainties resulting from the pandemic, the Company's management prioritized identifying risks, assessing impacts and adapting operations. All our efforts were directed towards ensuring the supply of products, while protecting our employees and supporting our customers and suppliers.

The Company continues to contribute to the fight against the new Coronavirus, through solidarity actions, donations and support for our communities. The Company's Management evaluated, based on the available information, the impacts caused by Covid-19 on the Company's individual and consolidated operations and financial position on December 31, 2022 and concluded that, to date, there are no relevant updates to be disclosed.

ESG

The Company's management has carried out all its planning and actions aimed at the continuity of its business, thus assessing that it is able to make all resources available for the continuity of its operations, including evaluating the impacts of COVID-19 and the environmental impacts of its operation and climatic/environmental effects that may impact the Company with structural and non-structural actions aimed at mitigating its effects.

The fourth quarter of 2022 recorded, once again, advances in the ESG agenda, in line with the Commitment to Sustainability announced in 2021. The commitment focused on the environmental pillar 'Dedication to the Planet' has three main axes: environmental efficiency in operations; fight against illegal deforestation; and development of the Renew program, aimed at low carbon emissions in the value chain. All goals are aligned with one of the five values of the Company Culture – Sustainability.

The Company's pioneering spirit in combating illegal deforestation in the supply chain in Latin America was highlighted during this period the advance in geographic monitoring to more than 80% of farms that directly supply operations in Colombia. In Uruguay, the Company continues with a study on local socio-environmental legislation and geographic diagnosis, with the aim of analyzing the size of rural properties in different regions of Uruguayan territory and the applicable parameters for geospatial monitoring. The work has been carried out in collaboration with the local cattle purchasing team and the company Niceplanet Geotecnologia.

The effectiveness of the geomonitoring system used by the Company was once again proven through third-party audits carried out in 2022. In the last quarter, it was disclosed that Minerva Foods achieved 100% compliance with the Conduct Adjustment Term (TAC) of the Pará, the only audit under the supervision of the Federal Public Ministry, maintaining one of the best results among the main players in the market, and also registered 100% compliance in the third third party audit carried out in Paraguay.

In addition, after launching the SMGeo Prospec application at the end of 2021, developed in partnership with Niceplanet Geotecnologia, which gives rural producers access to the same analysis technology on socio-environmental compliance that the industry adopts, the Company focused its efforts on engaging of its direct suppliers and training on the use of the tool during field visits. More than 700 vouchers were distributed free of charge for livestock partners to carry out socio-environmental analyses, encouraging them to verify the compliance of their own suppliers.

The Renove program also advanced, in a pioneering way, in the generation and sale of carbon credits from agriculture in Brazil. To this end, technical cooperation agreements were signed with livestock farmers that supply the Company, confirming the interest of both parties in converting conventional livestock management practices into regenerative practices that increase productivity and remove or reduce greenhouse gas emissions (GHG). The farms, located in six Brazilian states, are being evaluated in the field by the program's technical team, with a view to recovering degraded pasture, implementing integrated systems — Crop-Livestock-Forest Integration (ILPF) — and the use of food additives in animal feed for the reduction of enteric methane. To make the implementation of these practices feasible, partnerships were established with large input, financing and technological innovation companies, committed to this common objective: a highly productive agricultural sector with low carbon emissions.

Also within the program, the Company carried out the first export of a certified carbon neutral product from operations in the Brazil, the same had already been in Uruguay. With the inclusion of the 'CO_2 Neutral' seal, granted by an independent organization with certification systems in more than 100 countries, the Company can ensure the compensation of greenhouse gas emissions from the entire meat production process, that is, from farm emissions to industry emissions and all logistics emissions. Furthermore, it is known that just offsetting emissions is not enough. The emissions compensation necessary to neutralize the entire process was transacted by MyCarbon, a subsidiary of the Company, through carbon credits from tree planting and forest preservation projects.

At the institutional level, the Company's environmental performance was analyzed in the Carbon Disclosure Project (CDP) and maintained the management level, reached in 2021, in the three project questionnaires: climate change, forests and water security. The 2021 result included the Company in the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70). For the third consecutive year, the Company was also listed in the 2022/2023 portfolios of the Corporate Sustainability Index (ISEB3) and the Carbon Efficient Index (ICO2B3), both of the Brazilian stock exchange B3.

2. Acquisition of shares in companies (Business combination)

Australian Lamb Company Pty Ltd

On October 20, 2022, its subsidiary Minerva Foods Australia Pty Ltd acquired 100% of the share capital of Australian Lamb Company Pty LTd, and after the conclusion of the "Due Diligence" on October 31, 2022, it signed the "Purchase Sale of shares", starting to hold control of said company from that date. The Company holds an indirect interest of 65% in this investee, with the remaining 35% belonging to SALIC. Therefore, the Company is responsible for 65% of the consideration described below.

The purchase was completed for the total amount of AUD$ 400,000 million (equivalent to R$ 1,344,760 on October 31, 2022), with AUD$ 5,000 million (equivalent to R$ 16,809 on October 31, 2022) deducted as capital and following the financial payment schedule.

- 1st Installment - Cash – AUD$ 283,000 million: paid upon acquisition of the company, which took place on October 20, 2022;
- 2nd Installment – AUD$72,000 million to be paid in February 2023;
- 3rd Installment – AUD$40,000 million that will be withheld and released on four dates as shown below:

  - ✓ AUD$10 million in 2023;
  - ✓ AUD$10 million in 2024;
  - ✓ AUD$10 million in 2025; and
  - ✓ AUD$10 million in 2026.

"Australia Lamb" has a daily slaughtering and deboning capacity of 19,216 heads.

The following are the combined balance sheet accounts of Australian Lamb Company Pty Ltd as at 31 October 2022 impacted by the fair value measurement effect:

	Book account	FVA	Fair Value
Current assets			
Cash and cash equivalents	27,550	-	27,550
Trade receivables	198,429	-	198,429
Inventories	67,399	-	67,399
Other receivables	6,616	-	6,616
Non-current assets			
Net fixed assets	225,012	147,789	372,801
Intangibles – Customer Relationship	-	211,800	211,800
Intangibles – Contract with Clients	-	174,819	174,819
Intangible – Relationship Suppliers	-	117,667	117,667
Intangible – Brand	-	67,238	67,238
Intangible – Non-competition	-	3,362	3,362
Current liabilities			
Loans and financing - Current	(884)	-	(884)
Suppliers	(79,079)	-	(79,079)
Labor and tax obligations	(23,833)	-	(23,833)
Other payables	(33,963)	-	(33,963)
Non-current liabilities			
Loans and financing – non-current	(709)	-	(709)
Installment tax obligations	(4,821)	-	(4,821)
Deferred tax liabilities	-	(172,465)	(172,465)
Other payables	(817)	-	(817)
Net Assets	**380,900**	**550,210**	**931,110**

Below we present the calculation of goodwill, on October 31, 2022:

	Fair Value
Consideration – Controller	863,169
Fair Value – Non-controlling	464,783
Total Consideration	**1,327,952**
(-) Net Assets	(931,110)
Goodwill	**396,842**

Fair values were obtained through fair value measurement techniques prepared by an independent specialized company hired to support Management's conclusion, resulting in an adjustment to the fair value of property, plant and equipment of R$ 147,789, assessed using the cost method, as well as intangible assets in the total amount of R$574,886, appraised using traditional methods derived from the income approach.

The non-controlling interest was calculated using the fair value method, which was based on the price paid for the acquisition, which corresponds to the fair value calculated using the discounted cash flow method, on the base date, according to the purchase price allocation report.

Revenue included in the consolidated income statement between 1 November and 31 December 2022 includes the amount of revenue generated by Australia Lamb of R$ 298,863. ALC also contributed a profit of R$ 27,664 in the same period.

If Australia Lamb had been consolidated from January 1, 2022, the consolidated income statement would show pro forma net income of R$ 2,227,092 and pro forma EBITDA of R$ 322,408. This information on net revenue and income was obtained by simply adding the acquired amounts to the Company's consolidated income and does not represent the actual consolidated amounts for the year.

- ✓ Exchange rate AUD 3.3619 – Ptax of sale (Source Central Bank).

3. Basis of preparation

Statement of compliance (with IFRSs and CPC standards)

The individual and consolidated financial statements were prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the provisions contained in the Brazilian Corporation Law, rules of the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements of the Accounting Pronouncements Committee ("CPC"), as well as international accounting standards (International Financial Reporting Standards), or "IFRS" issued by the International Accounting Standards Board ("IASB").

The Company's individual and consolidated financial statements are being presented in accordance with Technical Guidance OCPC 07, which deals with the basic requirements for preparation and disclosure to be observed when disclosing the accounting and financial reports, especially those contained in the explanatory notes. Management confirms that all relevant information specific to the individual and consolidated financial statements is being evidenced and that this corresponds to those used in its management.

The presentation of the statement of Added Value (DVA), individual and consolidated, is required by the Brazilian Corporate Law and the accounting practices adopted in Brazil applicable to publicly-held companies, in accordance with CPC 09 – Statement of Added Value. IFRS standards do not require the presentation of this statement. As a result, under IFRS, this statement is presented as supplementary information, without prejudice to the set of individual and consolidated financial statements.

The individual and consolidated financial statements are presented in Brazilian reais (R$), which also is the Company's functional currency.

The significant accounting policies adopted in preparing the individual and consolidated financial statements are summarized below. These accounting policies were applied consistently to all years reported, unless stated otherwise.

The individual and consolidated financial statements were approved for issue by the Company's Management on February 23, 2023.

4. Summary of significant accounting policies

a) Basis of measurement

The individual and consolidated financial statements have been prepared using historical cost as the basis of value, except for recognized revaluations and for the valuation of certain assets and liabilities such as financial instruments and biological assets, which are measured at fair value.

b) Functional and presentation currency

The financial statements of each subsidiary included in the Company's consolidation and those used as a basis for valuing investments using the equity method are prepared using the functional currency of each entity. An entity's functional currency is the currency of the primary economic environment in which it operates.

When defining the functional currency of each of its subsidiaries, Management considered the currency that significantly influences the sales price of its products and services, and the currency in which most of the cost of its production inputs is paid or incurred.

The financial statements are presented in reais (R$), which is the parent company's functional and presentation currency. All accounting information is presented in thousands of reais, unless otherwise stated.

c) Foreign operations

The foreign direct and indirect subsidiaries adopted the following functional currencies for the Financial Statements as of December 31, 2022:

- **Guarani currency (Paraguai-PY) –** Friasa S.A.;
- **US dollar currency (US$) –** Athena Foods S.A.**,** Frigomerc S.A., Pulsa S.A., Frigorífico Carrasco S.A., Lytmer S.A.; Minerva Overseas I, Minerva Overseas II, Minerva Meat USA, Minerva USA LLC, Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior, MF92 Venture LLC e Minerva Luxembourg;
- **Currency Pound Sterling (GBP) –** Minerva Europe Ltd.;

- **Peso/chilean currency –** Minerva Foods Chile SpA e Minerva Live Cattle Export SPA;
- **Peso/Colombian currency –** Minerva Colômbia S.A.S, Red Cárnica S.A.S e Red Industrial Colombiana S.A.S;
- **Australian dollar currency –** Minerva Austrália Holdings PTY Ltd.; Minerva Asia Foods PTY Ltd.; Minerva Australia PTY Ltd
- **Peso/argentinian –** Pul Argentina S.A.
- **Euro –** Athn Foods Holdings S.A.
- **Singapore dollar currency:** Fortuna Foods PTE. LTD.

The individual and consolidated financial statements, when applicable, are adjusted to conform to the accounting practices adopted in Brazil and translated into Brazilian reais (R$) by applying the following procedures:

- Monetary assets and liabilities are translated using the closing rate of the respective currency for the Brazilian real (R$) at the end of the respective balance sheets;
- In the last balance sheet corresponding to equity translated at the historical exchange rate prevailing at that time and the changes in equity for the current period/year are translated at the historical exchange rates on the dates of the transactions, and the profit earned or loss incurred is translated and accumulated at an average historical monthly exchange rate, as indicated in the topic below;
- Revenues, costs and expenses for the current year are translated and accrued at an average historical monthly exchange rate;
- The changes in foreign exchange balances arising from the items above are recognized in a specific equity account, under “Other comprehensive income”:
- The balances of investments, assets and liabilities, revenues and expenses from transactions between “Minerva Group” companies included in the consolidated financial statements are eliminated.

d) Foreign currency-denominated transactions and balances

Transactions and balances in foreign currency, that is, all transactions that are not carried out in the established functional currency, are converted at the historical exchange rate of the dates of each transaction, as determined by CPC 02 (R2) - Effects of changes in exchange rates and conversion of statements.

Assets and liabilities subject to exchange variation are updated at the rates of the respective currencies in force on the last working day of each period presented. Gains and losses arising from changes in investments abroad are recognized directly in the equity in the "other comprehensive results" and recognized in the income statement when such investments are divested, in whole or in part.

Non-monetary items that are measured in terms of historical costs in foreign currency are converted at the exchange rate calculated on the transaction date.

e) Use of estimates and judgment

The preparation of the individual and consolidated financial statements in conformity with IFRS and CPC standards requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions related to accounting estimates are recognized in the year in which estimates are revised and in any affected future periods.

f) Basis of consolidation

Business combinations

Acquisitions completed on or after January 1, 2009

For acquisitions made as of or after January 01, 2009, the Company measured goodwill as the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquired company, less the net recognized value of the identifiable assets and liabilities assumed at fair value, all measured as at the acquisition date.

For each business combination, the Company assesses if it will measure the non-controlling interests at their fair value or based on the proportionate equity interest of the noncontrolling interests on the identifiable net assets determined on the acquisition date.

Transaction costs, whether or not associated to the issuance of debt securities or equity securities, incurred by the Company and its subsidiaries on a business combination, are recognized as expenses as they are incurred.

Subsidiaries and jointly controlled subsidiaries

The subsidiaries' financial statements are included in the consolidated financial statements from the date the inspection starts until the date on which the inspection ceases to exist.

Transactions eliminated in consolidation

Balances and transactions between the companies of the "Group", and any revenues or expenses derived from intragroup transactions, are eliminated in the preparation of consolidated financial statements. Unrealized gains arising from transactions with invested companies registered by equity are eliminated against the investment in proportion to the Company's participation in the investees. Unrealized losses are not eliminated in the same way as unrealized gains are eliminated, but only to the extent that there is no evidence of loss by reduction in recoverable value.

g) Cash and cash equivalents and securities and real estate values

Cash and cash equivalents include cash, bank deposit and accounting applications of immediate liquidity. See Explanatory Note No. 4 for further details of the cash and cash equivalents of the Company and its subsidiaries.

h) Financial instruments

The financial instruments of the Company and its subsidiaries are in accordance with the accounting pronouncement adopted as of January 1, 2018, CPC 48 – Financial Instruments, in which all assets and liabilities are recorded according to their practice.

Financial assets

Financial assets are classified under the following categories: assets measured at amortized cost; fair value through income, or fair value through other comprehensive results. The assets are classified according to the definition of the business model adopted by the Company and the cash flow characteristics of the financial asset.

Recognition and measurement

The Company classifies its financial assets on initial recognition into three categories:

(i) Assets measured at amortized cost;

(ii) Fair value through profit or loss;

(iii) Fair value through Other comprehensive income

- **Amortized cost:** Assets should be measured at amortized cost if both of the following conditions are met: i) the financial asset is held within the business model whose objective is to hold assets in order to collect contractual cash flow; and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company should recognize its interest income, exchange gains and losses, and impairment directly in profit or loss.

- **Fair value through profit or loss:** Financial assets should be measured at fair value through profit or loss only if they may not be classified as assets measured at amortized cost or fair value through other comprehensive income. The Company should recognize its interest income, exchange gains and losses, and impairment together with other net profit or loss, directly in profit or loss;

- **Fair value through other comprehensive income:** Financial assets should be measured at fair value through comprehensive income only if the following conditions are met: **i)** the financial asset is held within a business model whose objective is achieved by both collecting contractual cash when contractual cash flows are collected from the sale of financial assets; and ii) the contractual terms of the financial asset give rise on specified dates to interest on the principal amount outstanding.

Assets measured at fair value through other comprehensive results are classified into two categories: i) debt instruments: interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the result. Other net results are recognized directly in the Company's shareholders' equity, in "Other comprehensive results". In the waiver of recognition, the accumulated result in other comprehensive results is reclassified to the result; or (ii) equity instruments are measured at fair value. Dividends are recognized as gain in income, unless the dividend clearly represents a recovery of part of the cost of the investment.

Other net results are recognized directly in the Company's shareholders' equity, in "other comprehensive results" and are never reclassified to the result.

The fair values of investments with public quotation are based on current purchase prices. If the market for a financial asset (and securities not listed on the Stock Exchange) is not active, the Company establishes fair value through valuation techniques.

These techniques include the use of recent operations contracted with third parties, reference to other instruments that are substantially similar, analysis of discounted cash flows and pricing models of options that make the greatest possible use of information generated by the market and count as little as possible with information generated by the management of the entity itself.

Regular purchases and sales of financial assets are recognized on the trading date, i.e. the date on which the Company undertakes to buy or sell the asset.

- **Derecognition of financial assets:** financial assets are lowered when the rights to receive cash flows from investments have expired or have been transferred; in the latter case, provided that the Company has significantly transferred all the risks and benefits of the property. If the entity substantially owns all the risks and benefits of ownership of the financial asset, it shall continue to recognize the financial asset.

Financial liabilities

Financial liabilities are classified under the following categories: financial liabilities at amortized cost or fair value through income. Management determines the classification of its financial liabilities in the initial recognition.

- **Financial liabilities at amortized cost:** the Company shall classify all its financial liabilities as amortized cost except financial liabilities classified at fair value through income, passive derivatives and guarantee contracts. Other financial liabilities are measured at the amortized cost amount using the effective interest method. Interest expenses, gains and exchange losses are recognized in the income. The Company has the following non-derivative financial liabilities: loans, financing and debentures and suppliers;
- **Financial liabilities at fair value through income:** financial liabilities classified in the fair value category through income are financial liabilities held for trading or those designated in the initial recognition. Derivatives are also categorized as held for trading and are thus classified in this category, unless they have been designated as effective hedging instruments. Gains and losses related to financial liabilities classified at fair value through income are recognized in income.
- **Derecognition of financial liabilities:** financial liabilities are lowered only when it is extinguished, i.e., when the obligation specified in the contract is settled, cancelled or expires. The Company also waives the recognition of a financial liability when terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Offset of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally applicable right to offset the recognized amounts and there is an intention to liquidate them on a net basis, or realize the asset and settle the liability simultaneously.

Derivative financial instruments

The fair value of derivative financial instruments is calculated by the Company's treasury based on the information of each contracted transaction and their respective market information on the closing dates of the financial statements, such as interest rate and foreign exchange coupon. Where applicable, such information is compared with the positions informed by the operating tables of each financial institution involved.

Transactions with derivative financial instruments, contracted by the Company and its subsidiaries, are summarized in ox futures contracts, options on ox contracts and non-term purchase forward (NDF), which aim exclusively to minimize the impacts of the oscillation of the price of the bovine ate in the result and the protection against foreign exchange risks associated with positions in the balance sheet plus the cash flows projected in foreign currencies.

Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair values at the commencement of the derivative agreement and are subsequently remeasured at fair value, whose changes in fair value are recorded in profit or loss.

Although the Company uses derivatives for hedging purposes, it did not choose the hedge accounting method. This accounting method is optional and, therefore, not mandatory.

i) Trade receivables

They are presented to present and realization values, and the receivables of customers in the foreign market are updated based on the exchange rates in force on the date of the individual and consolidated financial statements. Expected Losses with Doubtful Accounts (PECLD) are constituted in an amount considered sufficient by management with the monitoring of overdue credits and duplicates and the risk of not receiving the amounts arising from long-term sales operations.

j) Inventories

Inventories are measured at the lowest value between cost and net realisable value, adjusted to market value and by any losses, when applicable. It includes expenses incurred in purchasing inventories, production and processing costs, and other costs incurred in bringing them to their existing locations and conditions.

k) Biological assets

Biological assets are measured at fair value less selling expenses at the time of initial recognition and at the end of each period. Changes in fair value are recognized in the profit or loss under cost of goods sold. Agricultural activities, such as increased herd stemming from cattle or cattle feedlot operations and from various agricultural crops, are subject to the determination of their fair values based on the concept of market value "Mark to market - MtM".

l) Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at the historical purchase or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses.

The cost of certain items of the property, was calculated by reference to the revaluation carried out on a date prior to the enactment of Law No. 11,638/2007, in force since January 1, 2008, thus not being necessary at the time to evaluate the deemed cost assigned (Cost).

The cost includes expenses that are directly attributable to the acquisition of an asset. The cost of assets built by the Company itself and its subsidiaries includes the cost of materials and direct labor, any other costs to place the asset on the spot and condition necessary for them to be able to operate in the manner intended by management. Borrowing costs on qualifying assets have been capitalized since January 1, 2009.

The rights that have as object tangible assets intended for the maintenance of the activities of the Company and its subsidiaries, originated from leasing operations, are recorded as a right of use recognizing at the beginning of each operation a fixed asset and a financing liability, and the assets are also subject to depreciation calculated according to the estimated useful lives of the respective assets or lease term.

Gains and losses on disposal of an item of the asset are determined by comparing the proceeds arising from the disposal with the net book value of the asset and are recognized net within other income/expenses in profit or loss.

Depreciation

Depreciation is recognized in the result, based on the linear method based on the estimated useful lives of each part of an asset item, since this method is the closest to reflect the pattern of consumption of future economic benefits incorporated into the asset.

The average useful lives estimated by the Company's Management, supported by technical studies for the current and comparative year are as follows:

	Parent company (annual rate)	Consolidated (annual rate)
Buildings	3.17%	2.61%
Machinery and equipment	8.94%	8.35%
Furniture and fixtures	10.85%	9.40%
Vehicles	7.15%	6.90%
Computer hardware	21.45%	19.17%

The depreciation methods, useful lives, and residual values are updated and revised at a minimum each year end, and any adjustments are recognized as changing accounting estimates.

The balance of the revaluation reserve, as provided by the 11,638/07 and mentioned in Note 20, will be maintained until its full amortization, by full depreciation or disposal of the assets.

m) Leases

Contracts are considered as leases when meeting both of the following conditions:

- An identifiable asset specified explicitly or implicitly. In this case, the supplier does not have the practice of replacing the asset, or the replacement would not bring any economic benefit to the supplier;

- The right to control the use of the asset during the contract. In this case, the Company must have authority to make decisions about the use of the asset and the ability to substantially obtain all economic benefits by using the asset.

The right-of-use asset is initially measured at cost and comprises the initial amount of lease liabilities adjusted for any payment made prior to the commencing of the contract, added to any initial direct cost incurred and cost estimate of disassembly, removal, restoration of the asset at the location where it is located, minus any incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the useful life of the right of use or the end of the lease term.

The lease liability is initially measured at the present value of unmade payments, discounted at the incremental loan rate. The lease liability is subsequently measured at the amortized cost using the effective interest method.

A lessee recognizes a right-of-use asset that represents his right to use the leased asset and a lease liability that represents his obligation to make lease payments. Optional exemptions are available for short-term rentals and low-value items.

n) Intangible

Intangible assets acquired separately are measured in the initial recognition at acquisition cost and subsequently deducted from accumulated amortization and recoverable value losses, where applicable.

Intangible assets with defined useful life are amortized according to their estimated economic useful life and, when indications of loss of their recoverable value are identified, submitted to recoverable value assessment test. Intangible assets with an indefinite useful life are not amortized but are subject to annual test to reduce their recoverable value.

Goodwill on acquisition of subsidiaries

Goodwill represents the excess of acquisition cost over the net fair value of assets acquired, liabilities assumed and identifiable contingent liabilities of a subsidiary, jointly-controlled entity, or associate, on the respective acquisition date. Goodwill is recorded as an asset and included in the accounts "Investments accounted for by the equity method", in the parent company, and "Goodwill", in the consolidated.

o) Impairment test

Financial assets

The Company annually assesses whether there is any objective evidence that determines whether the financial asset or group of financial assets is not recoverable. A financial asset or group of financial assets is considered as non-recoverable when there is an indication of loss of economic value of the asset.

Non-financial assets

Management periodically reviews the net book value of the assets, with the objective of evaluating events or changes in economic, operational or technological circumstances that may indicate deterioration or loss of their recoverable value. If such evidence is identified, and it is verified that the net book value exceeds the recoverable value, it is immediately constituted provision for devaluation, adjusting the net book value to its recoverable value.

The recoverable value of an asset, or a given Cash Generating Unit (UCG), is defined as the largest between the value in use and the net selling value.

In estimating the value in use of the asset, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the weighted average cost of capital for the industry in which the cash generating unit operates.

The net selling value is determined, where possible, on the basis of a firm sales contract in a transaction on a commutative basis, between knowledgeable and interested parties, adjusted for expenses attributable to the sale of the asset, or, where there is no firm sales contract, based on the market price, defined in an active market, or the price of the most recent transaction with similar assets.

The following criterion is also applied to assess loss by reduction to recoverable value of specific assets:

Goodwill based on expected future earnings

Loss test by reduction to recoverable goodwill value is done at least annually, or when circumstances indicate loss by devaluation of book value.

Intangible assets with indefinite useful lives

Intangible assets with an indefinite useful life are tested in relation to the loss by reduction to recoverable value at least annually, individually or at the level of the Cash Generating Unit (UCG), as the case may be or when circumstances indicate loss by devaluation of book value.

p) Other current and noncurrent assets and liabilities

An asset is recognized in the balance sheet when it is likely that its future economic benefits will be generated in favor of the Company and its subsidiaries, and its cost or value can be measured safely.

A liability is recognized in the balance sheet when the Company has a legal obligation or constituted as a result of a past event, and an economic resource is likely to be required to liquidate it. They shall be added, where applicable, to the corresponding charges, monetary or exchange variations incurred and adjustments to present value. The provisions are recorded based on the best estimates of the risk involved.

Assets and liabilities are classified as current when their realization or settlement is likely to occur in the next twelve months. Otherwise, they are demonstrated as non-circulating.

q) Adjust the present value of assets and liabilities

Non-current monetary assets and liabilities are adjusted, where relevant, to their present value, and short-term assets, when the effect is considered relevant in relation to individual and consolidated financial statements.

For the calculation of the adjustment to present value, the Company and its subsidiaries consider the amount to be discounted, the dates of realization and settlement based on discount rates that reflect the cost of money in time for the Company and its subsidiaries, which was around a discount rate of 8.1% per year, calculated based on the weighted average cost of capital of the Company and its subsidiaries, as well as the specific risks related to the cash flows scheduled for the financial flows in question.

The terms of receipts and payments of accounts receivable and payable, arising from the operational activities of the Company and its subsidiaries are low, thus resulting in a discount amount considered irrelevant for registration and disclosure, because the cost of generating information exceeds its benefit. For non-current assets and liabilities, where applicable and relevant, they are calculated and recorded.

Calculations and analyses are reviewed quarterly and annually.

r) Income tax and social contribution

Income tax and the current and deferred income contribution of the Companies and their subsidiaries located in Brazil are calculated based on the rates of 15%, plus the additional 10% on the taxable income surplus of R$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the compensation of tax losses and negative basis of social contribution, limited to 30% of the real profit.

The expense of income tax and social contribution comprises current and deferred income taxes. Current tax and deferred tax are recognized in profit or loss, unless they are related to the combination of business, or items directly recognized in equity or other comprehensive results.

Deferred tax is recognized with respect to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets and liabilities in a transaction that is not a business combination and that does not affect either accounting or taxable profit or loss, and differences related to investments in subsidiaries and controlled entities when they are likely not to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax liabilities and assets, and they relate to income taxes imposed by the same tax authority on the same entity subject to taxation.

A deferred income tax and social contribution asset is recognized for tax losses, tax credits, differences in accounting practices (IFRS) and unused deductible temporary differences, when future profits subject to taxation are likely to be available and against which they will be used.

Deferred income tax and social contribution assets are reviewed at each reporting date and will be reduced to the extent that their realization is no longer likely.

s) Contingent assets and contingent liabilities, and legal obligations

Accounting practices for the registration and disclosure of contingent assets and liabilities and legal obligations are as follows: (i) contingent assets are recognized only when there are real guarantees or favorable judicial decisions, final. Contingent assets with probable successes are only disclosed in an explanatory note; (ii) contingent liabilities are provisioned when losses are assessed as probable, and the amounts involved are measurable with sufficient security.

Contingent liabilities assessed as possible losses are only disclosed in an explanatory note and contingent liabilities assessed as remote losses are not provisioned or disclosed; and (iii) legal obligations are recorded as enforceable, regardless of the assessment of the probabilities of success, for lawsuits in which the Company questioned the unconstitutionality of taxes.

t) Employee benefits

The Company does not have post-employment benefits, such as contribution plans and/or defined benefits. It should be noted that all short-term benefits and paid leave, as well as profit and gratuity sharing are in accordance with the requirements of the respective accounting pronouncements.

u) Revenue recognition

The Company's and its subsidiaries revenues and derive mainly from the sale of products, which are recognized when the performance obligation is met and whose goods are destined to the domestic and foreign markets.

The revenues recognized both in the domestic and foreign markets are subject to evaluations and judgments by the Company's Management in determining its accounting recognition.

Sales revenue is presented net of taxes and discounts on this. Sales taxes are recognized when sales are billed, and sales discounts when known. Product sales revenues are recognized by the value of the consideration to which the Company and its subsidiaries expects to be entitled, deducted from returns, discounts, rebates and other deductions, if applicable, being recognized as the Company and its subsidiaries satisfies its performance obligation. The opening of sales revenue is shown in Note 22.

v) Earnings per share

The basic income per share is calculated through the results of the year attributable to the Controlling Shareholders of the Company and the weighted average of the common shares outstanding in the respective year. The result per diluted share is calculated by means of the said average of the shares in circulation, adjusted by the instruments potentially convertible into shares, with dilutive effect, in the periods presented.

w) Segment reporting

The report by operating segments is presented in a manner consistent with the internal report provided to the Company's Executive Board, responsible for the allocation of resources and performance evaluation by operating segment and strategic decision-making. This information is prepared in a manner consistent with the accounting policies used in the preparation of financial statements.

x) New and revised standards and interpretations:

During the year of 2022, the IASB issued/revised some IFRS standards, which have their adoption for the year 2023 or after, and the Company is evaluating the impacts on its Individual and Consolidated Financial Statements of the adoption of these standards:

During the 2021 and the third quarter of 2022, the IASB issued/revised some IFRS standards, which have its adoption for the year 2022 or later, and the Company is evaluating the impacts on its Interim Financial Information from the adoption of these standards:

- **Amendment to IAS 1 standards - Classification of liabilities as Current or Non-current.** Clarifies aspects to be considered for the classification of liabilities as Current Liabilities or Non-Current Liabilities. This amendment to the standard is effective for years beginning on or after 01/01/2023. The Company does not expect significant impacts on its Financial Statements;

- **Amendment to IAS 1 and Disclosure of Accounting Practices 2 – Disclosure of Accounting Policies:** Clarifies aspects to be considered in the disclosure of accounting policies. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;

- **Amendment to IAS 8- Definition of accounting estimates:** Clarifies aspects that should be considered when defining accounting estimates. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;

- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction:** Clarifies aspects to be considered in the recognition of deferred taxes assets and liabilities related to taxable temporary differences and deductible temporary differences. This standard change is effective for exercises starting on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;
- **Amendment to IFRS 16 – Lease Liabilities in a Sale and Return Lease:** Clarifies aspects to be considered for treating an asset transfer as a sale. This rule change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Financial Statements; and
- **Amendment to IAS 1 – Non-Current Liabilities with "Covenants":** Clarifies aspects of separate classifications in the balance sheet of current and non-current assets and liabilities, establishing presentation based on liquidity when providing reliable and more relevant information. This rule change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Financial Statements.

y) Statements of value added

The Company prepared the individual and consolidated interim financial information of value added (DVA) in accordance with CPC 09 – Statement of Value Added, which are presented as an integral part of the financial statements according to the accounting practices adopted in Brazil applicable to publicly-held companies, whereas they are considered by IFRS as supplemental financial statements, required as part of the financial statements taken as a whole.

The objective of a statement of value added is to show the wealth created by the Company and its subsidiaries, its distribution to those that contributed to generate such wealth, such as employees, financial institutions, shareholders, government, as well as the undistributed portion of wealth.

5. Cash and cash equivalents

The financial assets of the Company and its subsidiaries are composed as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash	288	249	1,013	1,237
Banks - checking accounts	2,549	2,226	1,195,803	2,090,958
Cash and cash equivalents in foreign currencies	4,021,004	3,981,478	4,037,640	3,983,438
Total	**4,023,841**	**3,983,953**	**5,234,456**	**6,075,633**
Short-term investments				
In local currency				
Bank Certificates of Deposit (CDB)	656,850	329,655	702,555	365,070
Debentures	753,170	515,649	790,696	556,635
Other financial assets	20,547	65,382	343,756	304,671
Total	**1,430,567**	**910,686**	**1,837,007**	**1,226,376**
Total	**5,454,408**	**4,894,639**	**7,071,463**	**7,302,009**

The financial investments of the Company and its subsidiaries were classified according to their characteristics and intention, measured at fair value through profit or loss, which correspond to level 2 of the fair value hierarchy and are briefly demonstrated as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Measured at fair value through profit or loss (Level 2 of the Fair Value Hierarchy)	1,430,567	910,686	1,837,007	1,226,376
Total	**1,430,567**	**910,686**	**1,837,007**	**1,226,376**

6. Trade receivables

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade notes - domestic customers	194,050	273,313	921,245	809,043
Trade notes - foreign customers	400,833	241,128	1,602,146	1,831,660
Receivables - related parties	364,887	762,336	-	-
Total	**959,770**	**1,276,777**	**2,523,391**	**2.640.703**
(-) Allowance for expected credit losses	(20,466)	(25,175)	(35,851)	(42,140)
Total	**939,304**	**1,251,602**	**2,487,540**	**2,598,563**

The following are the balances of accounts receivable by maturity age:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current	**816,358**	**1,190,073**	**2,175,421**	**2,348,912**
Overdue:				
Up to 30 days	61,806	39,811	200,775	160,261
From 31 to 60 days	29,271	1,240	50,281	23,194
From 61 to 90 days	3,756	509	8,379	2,808
Above 91 days	48,579	45,144	88,535	105,528
Total	**959,770**	**1,276,777**	**2,523,391**	**2,640,703**

Expected losses are estimated based on historical analyzes and also in relation to the current situation of customers. Expected losses on doubtful accounts, as well as their reversals, are recorded in the statement of income under "Selling expenses". Changes in expected credit losses for the years ended December 31, 2022 and 2021 are represented as follows:

	Parent company	Consolidated
Balances as of January 1, 2021	**(30,121)**	**(50,939)**
Provisioned credits	(6,819)	(7,039)
Credits recovered	12,167	17,879
Exchange variation	(402)	(2,041)
Balances as of December 31, 2021	**(25,175)**	**(42,140)**
Provisioned credits	(2,862)	(3,435)
Credits recovered	7,192	8,303
Exchange variation	379	1,421
Balances as of December 31, 2022	**(20,466)**	**(35,851)**

The Company has a Receivables Investment Fund (FIDC) for sale of part of its domestic receivables, in the amount of R$ 315,685 (as of December 31, 2021, R$ 202,384), without co-obligation or right of return, of which R$ 29,696 (as of December 31, 2021, R$ 21,015) consisting of subordinated shares.

The percentage of participation and the number of quotas in FIDC refer to the guarantee and limit of risk under the Company's responsibility, which correspond to all subordinated shares paid by the Company with FIDC.

According to CVM circular letter No. 01/2017, for the purpose of filing the definitive sale of receivables, the transferor may not have any management, involvement, or future hit with the overdue FIDC securities, and consequently, exposure to the risks arising from it. In this way, the Company is exposed to the risk of default limited to its subordinated quotas. It is worth noting that, the Company has a very strict credit granting policy, which causes low levels of default, which are verified by the low value of provisioned credits, when compared to sales revenues made by the Company and its subsidiaries.

The Company has no collaterals for past-due trade notes receivable.

7. Inventories

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Finished products	523,551	617,069	1,428,055	1,885,560
Warehouse and secondary materials	44,867	37,549	230,412	229,734
Total	**568,418**	**654,618**	**1,658,467**	**2,115,294**

8. Biological assets

The Company and its subsidiaries that have cattle activities, such as cattle herd growth arising from the confinement of cattle or grazing cattle operations, are subject to revaluation of its assets, in order to determine their fair value based on the mark to market (MtM) concept, less estimated selling expenses, at least on a quarterly basis, recognizing the effects of such revaluations directly in profit or loss for the years. The measurement of the fair value of biological assets falls within Level 1 of the measurement hierarchy at fair value, in accordance with the hierarchy of CPC 46, as these are assets with prices quoted on the market.

Operations related to the Company and its subsidiaries biological assets are represented by grazing cattle (extensive) and short-term confinement cattle (intensive). The operation is conducted through the acquisition of biological assets for resale, whose mark to market is reliably measured due to the existence of active markets, and are represented as follows:

	Herd	
	Parent company	Consolidated
Balance as of January 1, 2021	**263,221**	**351,230**
Increase due to acquisitions	100,894	603,572
Decrease due to sales	(68,746)	(523,229)
Net decrease due to births (deaths)	(803)	(6,655)
Conversion adjustment	-	2,700
Change in fair value minus estimated selling expenses	47,768	40,342
Balance as December 31, 2021	**342,334**	**467,960**
Increase due to acquisitions	148,012	635,637
Decrease due to sales	(117,141)	(608,300)
Net decrease due to births (deaths)	(251)	(859)
Conversion adjustment	-	(15,103)
Change in fair value minus estimated selling expenses	(81,681)	(44,438)
Balance as December 31, 2022	**291,273**	**434,897**

As of December 31, 2022, farm animals kept for sale were composed of 54,730 cattle (as of December 31, 2021, 54,229 cattle), the animals kept in feedlot were composed of 21,723 cattle (as of December 31, 2021, 26,901 cattle).

As of December 31, 2022 and 2021, the Company did not have any types of biological assets with restricted ownership or data as a guarantee of enforceability, and there were no other risks (financial, commitment and climate) that impacted the Company's biological assets.

Changes in gains and losses in the fair value of biological assets are recognized under “Cost of Goods Sold (COGS)”.

9. Recoverable taxes

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
PIS – Social Integration Program	92,468	51,312	94,779	52,289
Contribuição para o COFINS – Contribution for the Financing of Social Security	221,590	180,079	232,188	184,557
Reintegra (Special tax for exporting companies)	-	-	11,656	19,991
State VAT (ICMS)	91,314	103,504	112,248	120,761
Income tax and social contribution	65,064	135,708	70,242	187,777
VAT	-	-	195,439	235,092
Other recoverable tax	10,483	10,496	149,599	111,551
Total	**480,919**	**481,099**	**866,151**	**912,018**
Current	370,447	374,157	750,670	805,076
Non-current	110,472	106,942	115,481	106,942

PIS and COFINS (taxes on revenue)

The credits of PIS and COFINS come from the change in tax legislation, according to Laws no. 10.637/02 and 10.833/03, which established non-cumulation for these taxes, generating credit for exporting companies. On May 30, 2018, the Brazilian Internal Revenue Service (RFB) issued Law No. 13,670, which allowed the compensation of these credits for payment of social security debts, thus significantly reducing the accumulation of credits.

Currently, the Company and its subsidiaries have finalized the inspection by the Brazilian Internal Revenue Service (RFB) of most of the claims for reimbursement of these credits, were duly approved by the Brazilian Internal Revenue Service (RFB), which has generated a significant amount of restitution of these credits, to continue during the years 2023 and 2024.

Based on studies conducted by the Company's Management, regarding the expectation of restitution of said tax credits, part of these current assets were segregated to non-current assets, on December 31, 2022, in the amount of R$ 81,127 in the parent company and consolidated. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

State VAT (ICMS)

ICMS credits are caused by the fact that the Company's exports reach values higher than sales in the domestic market, generating credits that, after being approved by the Secretary of State Treasury, are used for the purchase of production materials, and can also be sold to third parties, as provided for in the current legislation.

Of the mentioned creditor balance, a substantial part is in the process of inspection and approval by the Department of Finance of the State of São Paulo, and the Company's Management expects to recover a significant part of these credits during the 2023 and 2024 financial years. Based on the studies carried out by the Company's Management, it was segregated from current assets to non-current assets, a percentage considered sufficient to represent slower processes, which totals the amount of R$ 29,345 in the parent company and consolidated, of these credits. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

10. Related parties

Transactions with related parties, carried out under market conditions, are summarized in the tables shown below:

	Parent company	
Related parties receivables	**12/31/2022**	**12/31/2021**
Minerva Dawn Farms S.A. **(a)**	-	34,128
Minerva Overseas Ltd **(b)**	694,899	743,218
Minerva Luxembourg S.A. **(c)**	1,928,081	3,842,348
Athena S.A. **(d)**	1,147,762	1,227,578
Total	**3,770,742**	**5,847,272**

(a) Working capital loan granted to Minerva Dawn Farms S.A.;
(b) Loan granted to Minerva Overseas Ltda. to be reimbursed;
(c) Loan granted to Minerva Luxembourg S.A. to be reimbursed; and
(d) Loan granted to Atena S.A., to be reimbursed.

	Parent Company	
Related parties payables	**12/31/2022**	**12/31/2021**
Minerva Overseas II **(a)**	891,359	1,321,138
Minerva Log S.A. **(b)**	2	2
Total	**891,361**	**1,321,140**

(a) Loan made by Minerva Overseas II to the parent company; and
(b) Loan made by Minerva Log S.A. to the parent company.

The Company, in understanding the full integration of its operations with its subsidiaries, carries out cash transfer transactions as part of Minerva Group's business plan, always seeking to minimize the cost of its funding.

The other balances and transactions with related parties are presented below:

	Parent company		Consolidated	
Payables - Suppliers	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Minerva Dawn Farms S.A.	5,204	5,190	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	1,567	6,434	-	-
Athena S.A.	16,285	35,348	-	-
Acquisition of other related parties	17,265	8,565	28,457	8,565
Total	**40,321**	**55,537**	**28,457**	**8,565**

	Parent company		Consolidated	
Trade receivables	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Minerva Dawn Farms S.A.	145	2,315	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	17,733	17,698	-	-
Athena S.A.	106,209	41,515	-	-
Minerva Live Cattle Export S.A.	-	11,134	-	-
Minerva Meats USA, INC.	240,800	689,674	-	
Total	**364,887**	**762,336**	-	**-**

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenue				
Minerva Dawn Farms S.A.	774	2,172	-	-
Minerva Comercializadora de Energia Ltda.	5,317	13,657	-	-
Athena S.A.	81,894	23,648	-	-
Minerva Live Cattle Export S.A.	2,058	-	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	9,925	-	-	-
Minerva Meats USA, INC.	748,976	1,194,939	-	-
Total	**848,944**	**1,234,416**	-	-
Purchases				
Minerva Dawn Farms S.A.	66,583	44,240	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	314,568	281,173	-	-
Minerva Comercializadora de Energia Ltda.	40,468	11,111	-	-
Minerva Australia Holdings PTY LTD	1,433	-	-	-
Athena S.A.	395,792	330,388	-	-
Total	**818,844**	**666,912**	**-**	**-**
Cattle purchases:				
Acquisition of other related parties **(a)**	46.232	103.561	57.447	103.561
Total acquisition of other parties Related	**46.232**	**103.561**	**57.447**	**103.561**

(a) Balance payable to other related parties, refers to the acquisition of cattle with companies belonging to the Company's shareholders, transactions are carried out on the basis of normal market conditions.

During the year ended December 31, 2022, no provisions were recorded for expected losses on credits, as well as no uncollectible debt expenses related to related party transactions were not recognized.

Management Remuneration

On December 31, 2022, the Company recorded expenses with the remuneration of its key personnel (Director of Directors, Audit Committee and Statutory Directors of the Company) in the amount of R$49,802 (R$34,256 on December 31, 2021). All remuneration is short-term, as shown below:

	Members 2022	12/31/2022	12/31/2021
Executive Board and Board of Directors and Fiscal	22	49,802	34,256
Total	**22**	**49,802**	**34,256**

Alternate members of the Board of Directors and Audit Committee are compensated for each Board meeting they attend. In case of termination of employment contract there are no post-mandate benefits.

The Company's key personnel also receive share-based compensation, as detailed in note 20 (j). Stock option plan expenses are recognized in income during the vesting period until the shares granted benefit their holders. Expenses in the amount of R$ 11,245 were recognized, referring to the members of the Executive Board and Board of Directors. During the year ended December 31, 2022, 2,905,144 stock options were granted to Management members, of which 449,994 have a 3-year vesting period and 2,455,150 require 4 years.

11. Investments

The movement of Minerva S.A.'s investments in subsidiaries is shown below:

	Equity interest	Balance on 12/31/2021	Transfers	Translation adjustments	Capital payment	Equity method	Balance on 12/31/2022
Goodwill based on expected future earnings		133,667	-	-	-	-	**133,667**
Minerva Overseas Ltd	100.00%	273,933	-	(17,810)	-	(19)	**256,104**
Minerva Middle East	100.00%	37	-	-	-	-	**37**
Minerva Log S.A.	100.00%	22	-	-	-	-	**22**
Minerva Dawn Farms S.A.	100.00%	56,117	-	-	46,201	(19,174)	**83,144**
Minerva Colombia SAS	100.00%	5,070	-	(1,086)	-	(52)	**3,932**
Lytmer S.A.	100.00%	29,796	-	(2,278)	-	(7,146)	**20,372**
Minerva Live Cattle Export S.A.	100.00%	11,779	-	(705)	-	479	**11,553**
Minerva Meats USA LLC	100.00%	93,630	-	(8,585)	111,455	99,254	**295,754**
Minerva Comercializadora de Energia Ltda.	100.00%	105,106	-	-	-	(49,136)	**55,970**
Minerva Australia Holdings PTY Ltd. **(*)**	100.00%	122,831	-	46,742	927,049	4,701	**1,101,323**
Minerva Europe Ltd	100.00%	3,536	-	(585)	-	-	**2,951**
Transminerva Ltda.	100.00%	46	-	-	-	106	**152**
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	10,083	-	-	10,053	36,909	**57,045**
Athena Foods S.A. **(*)**	100.00%	3,320,698	-	(122,786)	-	(44,218)	**3,153,694**
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior	100.00%	183,065	-	-	15,939	25,149	**224,153**
Athn Foods Holdings S.A.	100.00%	171	-	(8)	328	(185)	**306**
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	-	**1,634**
Minerva FOODS FZE	100.00%	5,356	-	-	5,302	-	**10,658**
Mycarbom 3 Ltda.	100.00%	13,379	-	-	79,687	791	**93,857**
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	19,694	-	-	-	820	**20,514**
Investments		4,389,650	**-**	**(107,101)**	**1,196,014**	**48,279**	**5,526,842**
Minerva Luxembourg S.A.	100.00%	(3,063,558)	-	(50,788)	1,110,914	69,699	**(1,933,733)**
Minerva Overseas Ltd II	100.00%	(408,504)	-	(317,331)	-	(36)	**(725,871)**
Provision for investment losses		**(3,472,062)**	**-**	**(368,119)**	**1,110,914**	**69,663**	**(2,659,604)**
Net investments		**917,588**	**-**	**(475,220)**	**2,306,928**	**117,942**	**2,867,238**

(*) Consolidated information of the following companies (see Explanatory Note no. 1):

- **Pulsa S.A.:** consolidates subsidiary Frigorífico Canelones S.A.;
- **Frigomerc S/A**.; consolidates subsidiaries BEEF Paraguay S.A. and Industria Paraguaya Frigorífica S.A.;

- **Minerva Australia Holdings PTY Ltd.:** consolidates subsidiary Minerva Ásia Foods PTY Ltd.; Minerva Australia PTY Ltd. and Australian Lamb Company Pty Ltd.;
- **Pul Argentina S.A.:** consolidates subsidiary Swift Argentina S.A.;
- **Athena Foods S.A.:** consolidates subsidiaries Pulsa S.A., Frigorifíco Carrasco S.A., Frigomerc S.A, Pul Argentina S.A., Red Cárnica S.A.S., Red Industrial Colombiana S.A.S., and Minerva Foods Chile SPA;
- **Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas – Investimento no Exterior:** consolidates subsidiary MF 92 Ventures LLC.

Summary of the subsidiaries' financial statements as of December 31, 2022:

	Participação percentual	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity
Minerva Overseas Ltd.	100.00%	13	950,990	-	694,899	256,104
Minerva Overseas II Ltd.	100.00%	67	891,359	-	1,617,297	(725,871)
Minerva Middle East Ltd.	100.00%	37	-	-	-	37
Minerva Dawn Farms S.A.	100.00%	18,248	74,541	7,714	1,931	83,144
Minerva Luxemburg S.A.	100.00%	275,612	7,110,902	109,411	9,210,837	(1,933,734)
Transminerva Ltda.	100.00%	69	138	-	55	152
Minerva Log S.A.	100.00%	20	2	-	-	22
Lytmer S.A.	100.00%	11,325	10,456	1,409	-	20,372
Minerva Colombia SAS	100.00%	916	3,018	2	-	3,932
CSAP - Companhia Sul-Americana de Pecuária S.A.	100.00%	224,320	25,601	185,585	7,291	57,045
Minerva Live Cattle Export Spa	100.00%	13,263	10,056	11,766	-	11,553
Minerva Meats USA LLC	100.00%	476,201	30,536	209,813	1,170	295,754
Minerva Comercializadora de Energia Ltda.	100.00%	159,401	-	103,440	-	55,961
Minerva Australia Holdings PTY Ltd.	100.00%	821,594	1,503,783	459,027	209,360	1,101,323
Minerva Europe Ltd	100.00%	2,951	-	-	-	2.951
Athena Foods S.A. **(*)**	100.00%	3,419,712	2,769,827	1,648,072	1,387,773	3,153,694
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	100.00%	1,537	243,848	34	-	245,351
Athn Foods Holdings S.A.	100.00%	249	126	69	-	306
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	1,634
Minerva Foods FZE	100.00%	10,658	-	-	-	10,658
Mycarbom 3 Ltda	100.00%	94,128	53	324	-	93,857
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	1,088	21,050	17	-	22,121
Total		**5,533,043**	**13,646,286**	**2,736,683**	**13,130,613**	**2,756,366**

(*) Consolidated information of the following companies (see Explanatory Note no. 1):

- **Athena Foods S.A.:** consolidated subsidiaries pulsa S.A., Frigorífico Carrasco S.A., Frigomerc S.A., Pul Argentina S.A., Red Cárnica S.A.S, Red Industrial Colombiana S.A.S and Minerva Foods Chile SPA.

The following is the results of the subsidiaries that had movements during the years ended December 31, 2022 and 2021:

	12/31/2022		12/31/2021	
	Net revenue	Profit (loss) of the year	Net revenue	Profit (Loss) of the Year
Minerva Overseas Ltd	-	(20)	-	(5)
Minerva Overseas II Ltd	-	(36)	-	(8)
Minerva Dawn Farms S.A.	64,350	(19,174)	42,415	(26,724)
Minerva Luxembourg S.A.	-	69,700	-	332,076
Transminerva Ltda.	-	106	-	88
Minerva Log S.A.	-	-	-	-
Lytmer S.A.	-	(7,147)	5	(8,971)
Minerva Colombia SAS	-	(51)	-	(156)
CSAP - Companhia Sul Americana de Pecuária S.A.	419,406	36,909	313,390	(8,754)
Minerva Live Cattle Spa	-	479	-	1,431
Minerva Meats USA LLC	1,382,255	99,254	948,743	(9,017)
Minerva Comercializadora de Energia Ltda.	570,368	(49,133)	440,660	(140,003)
Minerva Australia Holdings PTY Ltd.	783,417	7,231	464,450	9,044
Minerva Europe Ltd	871	-	1,504	(438)
Athena S.A.	13,743,114	(44,219)	14,563,873	534,997
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior	25,461	25,149	116,739	116,215
Athn Foods Holdings S.A.	-	(184)	-	(209)
Fortuna Foods PTE. LTD.	-	-	-	-
Minerva FOODS FZE	-	-	-	-
Mycarbom 3 Ltda	18,569	791	2,055	379
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	855	819	-	(6)
Total	**17,008,666**	**120,474**	**16,893,834**	**799,939**

All amounts are stated as 100% of the subsidiaries' profit (loss).

Investments not eliminated in the consolidated balance, refer to subsidiaries in which the Company does not have corporate control, which corresponds to the amount of R$ 242,104, which are: Clara Foods Co., Shopper Holdings LLC, Traive INC and Liv Up Limited.

12. Property, plant and equipment

a) Composition of propert, plant and equipment as of December 31, 2022 and 2021*:

Parent company

Description	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2022 Net amount	12/31/2021 Net amount
Buildings	3.17% p.y.	1,334,320	(290,901)	1,043,419	932,988
Machinery and equipment	8.94% p.y.	1,656,828	(678,478)	978,350	821,149
Furniture and fixtures	10.85% p.y.	18,404	(8,647)	9,757	9,222
Vehicles	7.15% p.y.	23,750	(7,281)	16,469	18,039
Computer hardware	21.45% p.y.	42,020	(21,522)	20,498	17,556
Land	-	78,344	-	78,344	84,031
Construction in progress	-	120,239	-	120,239	56,132
Impairment of assets		(21,518)	-	(21,518)	(21,518)
Total	**-**	**3,252,387**	**(1,006,829)**	**2,245,558**	**1,917,599**

Consolidated

Description	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2022 Net amount	12/31/2021 Net amount
Buildings	2.61% p.y.	3,044,855	(670,812)	2,374,043	**2,203,615**
Machinery and equipment	8.35% p.y.	3,444,898	(1,424,033)	2,020,865	**1,567,301**
Furniture and fixtures	9.40% p.y.	55,922	(16,454)	39,468	**36,157**
Vehicles	6.90% p.y.	59,028	(33,214)	25,814	**20,304**
Computer hardware	19.17% p.y.	65,320	(36,771)	28,549	**24,520**
Land	-	443,757	-	443,757	**432,895**
Construction in progress	-	289,207	-	289,207	**282,283**
Impairment of assets		(21,518)	-	(21,518)	**(21,518)**
Total	-	**7,381,469**	**(2,181,284)**	**5,200,185**	**4,545,557**

(*) Property, plant and equipment must be considered by adding the value of the right-of-use asset in Note 12.1. (a).

b) Summary of changes in property, plant and equipment from January 1, 2022 to December 31, 2022

Parent Company	Buildings	Machinery. and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance January 1, 2022	**932,988**	**821,149**	**9,222**	**18,039**	**17,556**	**84,031**	**56,132**	**(21,518)**	**1,917,599**
Additions	3	2,828	6	-	1,390	-	532,555	-	**536,782**
Transfers	162,870	293,375	2,178	35	8,304	-	(466,762)	-	**-**
Disposal	(16,756)	(9,839)	(84)	(11)	(144)	(5,687)	(1,686)	-	**(34,207)**
Depreciation	(35,686)	(129,163)	(1,565)	(1,594)	(6,608)	-	-	-	**(174,616)**
Balance December 31, 2022	**1,043,419**	**978,350**	**9,757**	**16,469**	**20,498**	**78,344**	**120,239**	**(21,518)**	**2,245,558**

Consolidated	Buildings	Machinery. and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance January 1, 2022	**2,203,615**	**1,567,301**	**36,157**	**20,304**	**24,520**	**432,895**	**282,283**	**(21,518)**	**4,545,557**
Additions	26,739	48,768	6,980	1,384	2,379	2,931	675,813	-	**764,994**
Additions in business combination	125,735	236,687	67	5,245	2,521	-	1,143	-	371,398
Transfers	202,282	409,786	(21,083)	1,512	8,822	16,699	(618,018)	-	-
Disposal	(52,684)	(14,779)	(5)	(64)	(123)	(1,884)	(1,702)	-	**(71,241)**
Depreciation	(99,483)	(260,397)	(4,025)	(5,502)	(8,672)	-	-	-	**(378,079)**
Translation adjustments	(262,935)	(237,341)	17,552	(697)	(898)	(108,687)	(49,164)	-	**(642,170)**
Monetary correction of balance	230,774	270,840	3,825	3,632	-	101,803	(1,148)	-	**609,726**
Balance December 31, 2022	**2,374,043**	**2,020,865**	**39,468**	**25,814**	**28,549**	**443,757**	**289,207**	**(21,518)**	**5,200,185**

c) Works and installations in progress

On December 31, 2022, the balance of works and installations in progress refer to the following main projects: Expansion of the rendering plants to improve operational efficiency and meet the most profitable markets, compliance with regulatory standards (NR's), work safety, expansions in the machine room to supply the expansion of the capacity for freezing and storage of finished products, improvements to the refrigeration plants.

d) Allowance for impairment of assets

As required by accounting practices adopted in Brazil and international standards (IFRS), annually the Company evaluates the recoverability of its assets. In this sense, since 2013 the industrial plant of Goianésia (GO), for strategic reasons, has been underutilized. Thus, the analysis of the value of the plant by cash generation was impaired, in this sense it was decided to evaluate the net sales value of sales expenses. Based on evaluation carried out by an independent company, it was identified that this plant has a value higher than its value of realization per sale of R$ 34,175, being R$ 21,518 of fixed assets and R$ 12,657 per expectation for future profitability, which resulted in the registration of provision for recoverable value.

e) Amounts pledged as collateral

Property, plant and equipment items pledged as collateral for borrowings and financing on December 31, 2022, in the amount of R$ 10,460 (R$ 39,006 as of December 31, 2021).

12.1. Right to use lease assets and liabilities

As of January 1, 2019, the Company and its subsidiaries adopted initially adopted CPC 06 (R2) / IFRS 16 - Leases, which introduces a single lease model, replacing the concept of classification between operating and financial leasing. This standard replaces existing rental standards, including CPC 06 (R1) / IAS 17 - Leasing Operations and ICPC 03/IFRIC 4, SIC 15 and SIC 27 - Complementary Aspects of Leasing Operations.

The main objective is to define whether there is a lease on the contracts or whether the contract is a service provision.

The Company's Management and its subsidiaries evaluated the impacts of the new standard and opted for the simplified modified retrospective transition approach, without re-presentations of the comparative exercises.

The following criteria were adopted in the initial recognition and measurement of assets and liabilities:

- Recognition of lease liabilities on the date of initial application for leases previously classified as operating leases. The measurement of leasing liabilities was carried out at the present value of the remaining lease payments; and
- Recognition of right-of-use assets on the date of initial application for leases previously classified as operating leases. The measurement of the right-of-use asset at the amount equivalent to the lease liabilities, adjusted by the value of any advance or accumulated lease payments relating to that lease that has been recognized in the balance sheet immediately prior to the date of initial application.

CPC 06 (R2)/IFRS 16 includes two recognition exemptions for tenants that were applied by the Company and its subsidiaries at the initial adoption on January 1, 2019:

i. Contracts the remaining term on the date of adoption was equal to or less than 12 months: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease;

ii. Contracts for which the underlying assets were of low value: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease.

The following table shows the table with a summary of the impacts on the transition and movement of the period ended December 31, 2022.

a) Right of use - Lease

Parent Company	Buildings	Machinery and equipment	Vehicles	Hardware	Land	Total
Balance January 1, 2021	**21,460**	**134**	**13,226**	**415**	**3,211**	**38,446**
Additions	483	488	193	297	745	**2,206**
Disposals	-	-	-	-	-	**-**
Depreciation	(3,168)	(179)	(6,458)	(687)	(381)	**(10,873)**
Balances December 31,2021	**18,775**	**443**	**6,961**	**25**	**3,575**	**29,779**
Additions	122	234	2,463	-	-	**2,819**
Disposals	-	-	-	-	-	**-**
Depreciation	(3,364)	(487)	(5,544)	(25)	(518)	**(9,938)**
Balances December 31, 2022	**15,533**	**190**	**3,880**	**-**	**3,057**	**22,660**

Consolidated	Buildings	Machinery and equipment	Vehicles	Hardware	Land	Total
Balances as of January 1, 2021	**21,460**	**134**	**13,226**	**415**	**8,610**	**43,845**
Additions	1,811	776	193	428	745	**3,953**
Disposals	-	-	-	-	-	**-**
Depreciation	(3,427)	(350)	(6,458)	(717)	(1,051)	**(12,003)**
Balances as of December 31, 2021	**19,844**	**560**	**6.961**	**126**	**8,304**	**35,795**
Additions	2,578	234	2,463	14	3,624	**8,913**
Additions in business combination	1,403	-	-		-	**1,403**
Translation adjustments	76	-	-	-	-	**76**
Depreciation	(4,187)	(604)	(5,544)	(52)	(1,319)	**(11,706)**
Balances as of December 31, 2021	**19,714**	**190**	**3,880**	**88**	**10,609**	**34,481**

b) Rental liabilities

Parent company	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Balances as of January 1, 2021	**23,310**	**3,378**	**13,779**	**455**	**136**	**41,058**
Addition	483	745	193	297	488	**2,206**
Interest settled in the period (income)	2,134	303	953	36	10	**3,436**
Payments	(4,684)	(578)	(7,415)	(762)	(189)	**(13,628)**
Balances as of December 31, 2021	**21,243**	**3,848**	**7,510**	**26**	**445**	**33,072**
Addition	122	-	2,463	-	234	**2,819**
Interest settled in the period (income)	1,896	322	528	-	28	**2,774**
Payments	(4,891)	(744)	(6,349)	(26)	(512)	**(12,522)**
Balances as of December 31, 2022	**18,370**	**3,426**	**4,152**	**-**	**195**	**26,143**
Current liabilities	3,058	466	2,821	-	195	**6,540**
Non-current liabilities	15,312	2,960	1,331	-	-	**19,603**
Total of the liabilities	**18,370**	**3,426**	**4,152**	**-**	**195**	**26,143**

Consolidated	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Balances as of January 1, 2021	**23,311**	**9,211**	**13,779**	**455**	**136**	**46,892**
Addition	1,811	745	193	428	776	**3,953**
Interest settled in the period (income)	2,133	838	953	36	19	**3,979**
Payments	(4,923)	(1,618)	(7,415)	(794)	(367)	**(15,117)**
Balances as of January 31, 2021	**22,332**	**9,176**	**7,510**	**125**	**564**	**39,707**
Addition	5,686	3,624	2,463	-	234	**12,007**
Interest settled in the period (income)	3,588	888	528	498	30	**5,532**
Payments	(8,113)	(1,949)	(6,349)	(376)	(633)	**(17,420)**
Translation adjustments	(1,461)	-	-	-	-	**(1,461)**
Balances as of January 31, 20212	**22,032**	**11,739**	**4,152**	**247**	**195**	**38,365**
Current liabilities	4,790	1,690	2,821	181	195	9,677
Non-current liabilities	17,242	10,049	1,331	66	-	28,688
Total of the liabilities	**22,032**	**11,739**	**4,152**	**247**	**195**	**38,365**

13. Intangible

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Goodwill (a)	259,691	259.691	1.060.278	659.390
Relationship with customers	-	-	223.392	-
Contract with Clients	-	-	184.387	-
Relationship with Suppliers	-	-	124.107	-
Non-Competition Agreement	-	-	3.546	-
Right to use aircraft (a)	1,793	1.793	1.793	1.793
Assignment of right of way (a)	250	250	250	250
Brands and patents	-	-	169.902	102.123
Software	90,805	62.838	91.839	64.639
Total	**352,539**	**324.572**	**1.859.494**	**828.195**

(a) Intangible assets with an indefinite useful life.

The movement in the intangible during the period ended December 31, 2022 is shown below:

	Parent company								
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Software	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances January 1, 2022	**259,691**	**1,793**	**250**	**62,838**	**-**	**-**	**-**	**-**	**324,572**
Acquisition	-	-	-	49,260	**-**	**-**	**-**	**-**	**49,260**
Amortization	-	-	-	(21,293)	**-**	**-**	**-**	**-**	**(21,293)**
Balances as of December 31, 2022	**259,691**	**1,793**	**250**	**90,805**	**-**	**-**	**-**	**-**	**352,539**

	Consolidated									
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Brands and patents	Softwares	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances January 1, 2022	**659,390**	**1,793**	**250**	**102,123**	**64,639**	**-**	**-**	**-**	**-**	**828,195**
Acquisition	292	-	-	-	49,381	**-**	**-**	**-**	**-**	**49,673**
Amortization	-	-	-	(2,760)	(21,980)	**-**	**-**	**-**	**-**	**(24,740)**
Business combination (note 2)	396,842	-	-	67,238	-	**211,800**	**174,819**	**117,667**	**3,362**	**971,728**
Translation adjustments	3,754	-	-	(43,074)	(201)	**11,592**	**9,568**	**6,440**	**184**	**(11,736)**
Monetary correction of balance	-	-	-	46,375	-	**-**	**-**	**-**	**-**	**46,375**
Balances as of December 31, 2022	**1,060,278**	**1.793**	**250**	**169,902**	**91,839**	**223,392**	**184,387**	**124,107**	**3,546**	**1,859,494**

The Company and its subsidiaries record the amortization of their software, according to the period contractually determined by the "use license", when acquired from third parties or, for the period of use estimated by the Company and its subsidiaries, for software developed internally. As of December 31, 2022, the weighted average amortization rate is 20.92% (21.25% as of December 31, 2021). Other intangible assets with defined useful lives are amortized as follows: (i) brands at a rate of 10.00% per year.; (ii) customer relationship at a rate of 10.00% per year; (iii) contract with customers at a rate of 7.14% p.a.; (iv) relationship with suppliers at a rate of 10.00% per year; and (v) non-compete agreement at a rate of 25.00% per year.

Goodwill based on expected future profitability

	Consolidated	
	12/31/2022	12/31/2021
In direct subsidiaries:		
Minerva Dawn Farms (MDF) **(i)**	147,649	147,649
Brascasing Industria e Comércio Ltda. **(ii)**	74,596	74,596
Athena S.A. **(iii)**	232,795	248,985
Mato Grosso Bovinos S/A **(iv)**	73,734	73,734
Other **(v)**	97,379	97,379
In indirect subsidiaries:		
Australian Lamb Company Pty Ltd	418,561	-
Other (vi)	15,564	17,047
Total	**1,060,278**	**659,390**

(i) In compliance with the precepts defined in CVM Resolution no. 580/09 – CPC 15 (R1), the Company reviewed the calculations of identifiable assets acquired and liabilities assumed at the time of registration at fair value of the acquisition of an additional 30% of the shares representing the share capital of the subsidiary Minerva Dawn Farms (MDF), which was framed as a "combination of business in stages", verifying the need for segregation of capital gains (goodwill) calculated in the initial (provisional) record at fair value of the Company's stake in said transaction, in the total amount of R$ 188,391 (R$ 188,391 as of December 31, 2012). As previously described, during the fourth quarter of 2012, the Company acquired a residual stake in 20% of the MDF shares that were held by Dawn Farms, holding 100% of the control of the MDF. On December 31, 2015, it made a provision for the recoverable amount in the amount of R$ 21,904. On December 31, 2018, it made a provision for the recoverable amount in the amount of R$ 18,838;

(ii) In December 2011, the Company acquired 5% of the shares of the company's joint share capital, up to the date of such transaction, Brascasing Comercial Ltda., and now has 55% of the shares representing the share capital of that company, and consequently its control. Because it is an operation framed as a "combination of business in stages", the Company registered its participation and the participation of the shareholders, at their fair value, which led to the record of an added value (goodwill for expectation of future profitability) of R$ 93,185. After the full acquisition of the Company, the goodwill increased to R$ 98,094.

On December 31, 2015, it made a provision for the recoverable amount in the amount of R$ 23,498, due to overproduction/supply, with the reduction of world consumption, mainly slowdown by China and the fall in the price of oil, directly impacting markets such as Russia, one of the main markets for its business;

(iii) On September 30, 2018, the Company transferred its existing industrial investments in Mercosur through capital payment in the subsidiary Athena S.A., thereby transferring the existing goodwill that were registered with the parent company. The investments transferred were Frigomerc S/A, Pulsa S/A, Frigorifico Carrasco and the indirect subsidiary Beef Paraguay S.A. and amounts transferred from goodwill by expectation of profitability future were: Frigorífico Pulsa S/A US$ 15,396 (As of December 31, 2022 R$ 80,332); Frigomerc S/A US$ 15,516 (As of December 31, 2022 R$ 80,958); Frigorífico Carrasco S.A. US$ 11,932 (As of December 31, 2022 R$ 62,258); and the subsidiary Frigomerc S.A. had a direct investment of 100% of the common shares of Beef Paraguay S.A., which had a premium of US$ 1,773 (As of December 31, 2022 R$ 9,251) which was transferred indirectly to Athena S.A.;

(iv) During the year ended December 31, 2014, the Company incorporated 100% of the voting shares of Mato Grosso Bovinos S.A., through the exchange of 29 million common shares issued by the Company (BEEF3), which occurred on October 1, 2014 through the realization of AGEs (Extraordinary General Meeting) of the two companies, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R$ 174,278. During the second quarter of 2019, the Company lowered R$100,545 from goodwill related to the baixa of Várzea Grande, as part of the business combination for the acquisition of the Paranatinga/MT plant, leaving a goodwill balance of R$ 73,734, as of December 31, 2022;

(v) During the second quarter of 2013, the Company acquired the remainder of the 8% of the shares of Friasa S/A, which caused a goodwill record of R$ 7,233, totaling R$ 9,298 on June 30, 2013. During the first quarter of 2016, the Company acquired 100% of the share capital of the subsidiary Minerva Foods Asia Assessoria Ltda, which occurred on February 5, 2016, 2016, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R$ 217,000. During the second quarter of 2019, the Company acquired through a business combination the plant located in Paranatinga/MT, which caused a goodwill record of R$ 87,864;

(vi) During the second quarter of 2016, through its subsidiary Minerva Australia Holdings Pty Ltd acquired 100% of the share capital of its indirect subsidiary IMTP Pty Ltd, which occurred on July 22, 2016, which led to a goodwill record for expectation of future profitability (goodwill) in the amount of R$ 15,564 (R$ 17,416 as of December 31, 2021).

(vii) During the 4th quarter of 2022, through its subsidiary Minerva Australia Holdings Pty Ltd, it acquired 100% of the share capital of its indirect subsidiary Australia Lamb Company Pty Ltd, which occurred on October 31, 2022, which caused a goodwill record for expected future profitability (goodwill) in the amount of BRL 396,842 (on December 31, 2022 418,561.

As required by accounting practices adopted in Brazil and international standards (IFRS), annually the Company evaluates the recoverability of its assets. As a result of the impairment test, on December 31, 2022, no losses were identified for the Company's Cash Generating Units (UGC).

The Company used the value method in use to perform the impairment test. For all UGCs, 05 years of projection were considered, with no growth in perpetuity, and the financial budgets prepared by the Administration were observed for the beginning of the projection of cash flows (2022). The discount rate applied was 8.1%.

In previous years, the Company recognized impairment losses for some UGCs. In this sense, the industrial plant of Goianésia (GO), a company formerly called "Lord Meat", for strategic reasons, is underutilized and recorded loss by impairment, according to Explanatory Note no. 11. On December 31, 2016 and 2018, the Company recorded a provision for impairment loss for UGC MFF, in the amount of R$ 21,904 and R$ 18,838, respectively.

14. Loans and financing

		Parent company		Consolidated	
Type	**Financial charges**	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Debentures 7th issue	IPCA + 4.5% p.y.	618,828	577,186	618,828	577,186
Debentures 8th issue	IPCA **(*)**	683,299	651,172	683,299	651,172
Debentures 9th issue	IPCA **(*)**	723,640	593,330	723,640	593,330
Debentures 10th issue	IPCA **(*)**	1,800,613	1,685,644	1,800,613	1,685,644
Debentures 11th issue	IPCA **(*)**	381,100	385,023	381,100	385,023
Debentures 12th issue	IPCA **(*)** + spread	1,534,428	-	1,534,428	-
Bank credit card **(3)**	Rate fixed	-	-	-	21,121
Bank credit card **(3)**	CDI + *spread*	257,444	360,066	257,444	360,066
NCE **(3)**	CDI + *spread*	824,287	356,604	824,287	356,604
IFC **(2/3/4)**	CDI + *spread*	-	26,399	-	26,399
Rural Product Note	116% CDI p.y.	853,187	-	853,187	-
Export Credit Bills	Interest of 11.4 % p.y.	209,563	-	209,563	-
Subtotal		**7,886,389**	**4,635,424**	**7,886,389**	**4,656,545**
Financial instruments of hedge – derivatives	CDI + *spread*	(1,884,798)	(1,073,457)	(1,884,798)	(1,073,457)
Total		**6,001,591**	**3,561,967**	**6,001,591**	**3,583,088**
Foreign currency (US dollar)					
ACCs **(3)**	Interest of 2.20% to 2.8% p.y.+ exchange rate variation	279,862	495,214	279,862	495,214
NCE	Interest of 2.22% to 2.51% p.y.	393,536	420,806	393,536	420,806
Senior Unsecured Notes – **(3)**	Exchange variation + Interest	4,157,567	4,487,925	6,520,486	8,024,658
PPE	Exchange variation + spread	1,415,348	1,875,027	-	-
PPE **(3)**	Interest of 2.0% p.y. + libor	1,175,818	1,468,810	1,175,818	1,468,810
Secured Loan Agreement **(2)**	Exchange variation + interest	13,215	15,438	13,215	15,438
Other types **(3/5)**	Exchange variation + interest	-	-	239,569	257,334
Subtotal		**7,435,346**	**8,763,220**	**8,622,486**	**10,682,260**
Financial instruments of hedge – derivatives		(857,603)	(860,643)	(857,603)	(860,643)
Total		**6,577,743**	**7,902,577**	**7,764,883**	**9,821,617**
Total dos empréstimos		**12,579,334**	**11,464,544**	**13,766,474**	**13,404,705**
Current		**1,790,633**	**1,547,580**	**2,077,939**	**1,488,416**
Non-current		**10,788,701**	**9,916,964**	**11,688,535**	**11,916,289**

(*) Transactions hedged by *swap* % CDI.

The liability financial instruments of loans and financing at book value approximate fair value, considering that interest rates and market conditions have not changed, except for the Notes issued under Rules 144A and Reg S (Regulation S), considering that there are an active market for these financial instruments.

The Company offered the following guarantees to the borrowings:

1. Mortgage;
2. Promissory notes guaranteed by the subsidiaries Minerva Alimentos, Pulsa and Frigomerc;
3. Company surety or guarantee;
4. Guarantee of the subsidiaries Minerva Alimentos, Pulsa and Frigomerc guaranteeing the Company;
5. STLC (*Stand by letter of Credit*) or Corporate Guarantee.

As of December 31, 2022, the noncurrent portion of the Company's (Parent) borrowings and financing matures as follows:

	2024	2025	2026	2027	2028	2029	2030	2031	Total
CCB	250,000	-	-	-	-	-	-	-	**250,000**
Credit Note to Exportation	66,667	66,667	-	-	-	-	-	-	**133,334**
Rural Product Note	853,187	-	-	-	-	-	-	-	**853,187**
Debentures	1,225,425	600,850	556,562	-	1,381,794	1,639,086	230,333	13,586	**5,647,636**
NCE	685,094	-	-	-	-	-	-	-	**685,094**
Pre-shipment	2,790,986	-	3,308,022	-	-	-	-	-	**6,099,008**
Secured loan agreement	1,350	1,405	1,462	1,521	1,583	1,648	1,715	1,231	**11,915**
Financial instruments of hedge – derivatives	(354,397)	(341,871)	(28,284)	(237,423)	(598,243)	(1,124,921)	(104,014)	(102,320)	**(2,891,473)**
Total	**5,518,312**	**327,051**	**3,837,762**	**(235,902)**	**785,134**	**515,813**	**128,034**	**(87,503)**	**10,788,701**

As of December 31, 2022, the noncurrent portion of consolidated borrowings and financing matures as follows:

	2024	2025	2026	2027	2028	2029	2030	2031	Total
CCB	250,000	-	-	-	-	-	-	-	**250,000**
Credit Note to Exportation	66,667	66,667	-	-	-	-	-	-	**133,334**
Rural Product Note	853,187	-	-	-	-	-	-	-	**853,187**
Debentures	1,225,425	600,850	556,562	-	1,381,795	1,639,086	230,333	13,586	**5,647,637**
NCE	685,094	-	-	-	-	-	-	-	**685,094**
Pre-shipment	587,765	-	-	-	-	-	-	-	**587,765**
Secured loan agreement	1,350	1,405	1,462	1,521	1,583	1,648	1,715	1,231	**11,915**
Senior Unsecured Notes	-	-	-	-	784,430	-	-	5,626,646	**6,411,076**
Financial instruments of hedge – derivatives	(354,397)	(341,871)	(28,284)	(237,423)	(598,243)	(1,124,921)	(104,014)	(102,320)	**(2,891,473)**
Total	**3,315,091**	**327,051**	**529,740**	**(235,902)**	**1,569,565**	**515,813**	**128,034**	**5,539,143**	**11,688,535**

Below we detail the main loans and financing of the Company and its subsidiaries as of December 31, 2022, as well as highlighted that it complied on that date with all the restrictive contractual clauses (covenants) shown below in each type of loans and financing:

***International Finance Corporation* (IFC)**

In September 2013, IFC and the Company entered into a 10-year financing agreement, in the amount of R$137,718, disbursed on October 24, 2013. The debt balance on June 30, 2022, was anticipated and settled (as of December 31, 2021 it was R$26,399), whose interest is calculated using the CDI + Spread, paid semiannually. The debt matures on April 15, 2023.

Debt notes/bonds abroad

On September 20, 2016, the Company concluded the "bonds" representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with due dates for 2023. Through the "early repurchase offer" repurchased US$617,874 (R$2,010,562 at that date) of the principal amount of the 2023 Notes, equivalent to approximately 71% of the outstanding 2023 Notes.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2026 (on which interest of 6.50% per year will accrue) and is part of a clear liability management strategy, which aims to constantly improve the Company's cost of debt.

Part of this offer consisted of the payment of a premium to the holders of the bonds, embedded and implicit in the transaction and in the proposed exchange ratios, in the amount of US$ 40,143 thousand and transaction costs in the amount of US$ 28,859, totaling a total cost of US$ 69,002, which will be amortized in the financial expenses account during the term of said Notes 2026.

On February 10, 2017, the Company exercised the early purchase option of its debt securities that bear annual interest of 12.250% and mature in 2022 (Notes 2022). The total amount of this debt was US$ 105,508 (R$ 328,710, on that date), the price paid was US$ 106,125 of the face value, plus interest accrued to date.

In June 2017, the Company concluded the Re-Tap of the note's transaction maturing in September 2026, in the amount of US$ 350,000 thousand, on which interest of 6.50% per year will accrue (Notes 2026).

On December 19, 2017, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with maturities scheduled for 2023. Through the "offer for early repurchase" repurchased US$198,042 (R$605,103 at that date) of the principal amount of the Notes 2023, equivalent to approximately 79% of the outstanding Notes 2023.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2028 (on which interest of 5.875% per year will accrue) and is part of a clear liability management strategy, which aims to constant improvement in the Company's cost of debt.

Part of this offer consisted of the payment of a premium to the holders of the securities, embedded and implicit in the transaction and proposed exchange ratios, in the amount of US$ 9,209 and transaction costs in the amount of US$ 20,271, totaling a total cost of US$ 20,271. US$ 29,480, which will be amortized in the financial expenses account during the term of said Notes 2028.

On January 31, 2018, the Company exercised the early purchase option of its debt securities that bear annual interest of 7.75% and mature in 2023 (Notes 2023). The total amount of this debt was US$ 52,099 (R$ 164,919 on that date), the price paid was 103,875% of the face value, plus accrued interest to date.

On June 8, 2020, the Company concluded the "bonds" representing debt issued abroad, with maturity scheduled for 2026. Through the "early repurchase offer", US$ 85,668 (R $464,878 as of that date). On the same date, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028. Through the "offer for early repurchase" US$ 11,005 (R$ 59,030 on that date).

In March 2021, the Company, through its subsidiary, Minerva Luxembourg, issued debt securities abroad in the amount of US$ 1,000,000 (R$ 5,546,880 at that date The note is guaranteed by the Company and matures in 2031. Notes issued by Minerva Luxembourg (Bonds 2031) pay biannual coupons at a rate of 4.375% per annum. The Company will provide a guarantee for all the Issuer's obligations, within the scope of said issuance.

At the same time, the Company concluded the "bonds" representing debt issued abroad, with maturity scheduled for 2026. Through the "early repurchase offer", US$ 911,719 (R$ 5,021,931 on that date) were repurchased.

In November 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 through the "offer for early repurchase", US$ 70,606 (R$ 398,430, at that time) were repurchased.

In December 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US$ 48,084 (R$ 268,333) were repurchased, on that date) referring to the 2028 bonds and US$ 10,735 (R$ 59,907, on that date) referring to the 2031 bonds.

In March 2022, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "early repurchase offer", US$ 89,405 (R$ 423,583 were repurchased, on that date) referring to bonds 2028 and US$ 42,217 (R$ 200,016, on that date) referring to bonds 2031.

In July 2022, the Company completed the "offer to repurchase and cancel bonds" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US$ 12,758 (R $69,850, on that date) for the 2028 bonds and US$55,857 (R$305,817, on that date) for the 2031 bonds.

The liability related to the Notes, as of December 31, 2022, in the consolidated financial statements, is R$ 6,520,486 (R$ 8,024,658 as of December 31, 2021).

The Notes contain provision for the maintenance of a financial covenant through which the debt coverage capacity is measured in relation to EBITDA (net earnings before interest, taxes, depreciation and amortization).

The contractual ratio of both instruments indicates that the level of debt coverage cannot exceed 3.5 times the EBITDA of the last 12 months. For these purposes, it is considered: (I) "Net Debt" - means the sum of the balance of loans and financing, disregarding the exchange rate variations that occurred in the years since the debt was raised, less the sum of: (i) cash and cash equivalents (according to defined below); and (ii) "purges" (as defined below); (II) "Cash and cash equivalents" – means the sum of the balance of the following accounts on the Company's balance sheet: "Cash and cash equivalents" and "Securities"; (III) "Purges" – means a series of exceptions, including, but not limited to, the exchange rate variation since the issuance of the security and/or permitted debts, related to specific operational transactions, totaling US$ 308,000 thousand. (iv) "EBITDA" – means the amount calculated on the accrual basis over the last 12 months, equal to the sum of net revenues, less: (i) cost of services provided; (ii) administrative expenses, plus: (a) depreciation and amortization expenses, (b) net financial result; (c) equity-accounted earnings; and (d) direct taxes.

It is also worth mentioning that the financial covenants refer to the permission or not to incur new debts, executing all new debts related to refinancing, in addition to a pre-defined amount for working capital lines and investments. Covenants are calculated based on the consolidated financial statements.

i) Level of subordination

As of December 31, 2022, 0.08% of the total debt of the Company and its subsidiaries was guaranteed by real guarantees (0.29% as of December 31, 2021). Any restrictions imposed on the issuer in relation to indebtedness limits and contracting new debts, the distribution of dividends, the sale of assets, the issuance of new securities and the sale of corporate control.

The Notes also have clauses that limit the Company to: (i) new indebtedness if the net debt/EBITDA ratio is greater than 3.75/1.00 and 3.50/1.00, respectively; (ii) the distribution of dividends, in this regard, Minerva undertakes not to make and not to allow its subsidiaries to make the payment of any distribution of dividends or make any distribution of its interest on invested capital held by others other than its subsidiaries (except: (a) dividends or distributions paid to qualified interests of Minerva; and (b) dividends or distributions owed by a subsidiary, on a pro rata basis or a basis more favorable to Minerva; (iii) the change in corporate control ; and (iv) the sale of assets, which can only be carried out by complying with the established requirements, among them, in the case of sale of assets, it is necessary that the sale value is the market value.

7th issue of non-convertible debentures

On November 19, 2019, the Company offered non-convertible debentures in the amount of R$500,000, maturing on August 15, 2024. The total principal amount is R$500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 4.50% p.a. The proceeds from this issue were used to lengthen the debt profile and improve the Company's capital structure. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$12,926, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R$ 618,828 (R$577,186 as of December 31, 2021).

8th issue of non-convertible debentures

On May 22, 2020, the Company offered non-convertible debentures in the amount of R$600,000, with the first series maturing on May 13, 2025, in the amount of R$400,000 and the second series maturing on May 13, 2026 in the amount of 200,000. The total principal amount of the issuances of the first series is R$ 400,000 and its remuneration corresponds to the IPCA, whereas the principal amount of the issuances of the second series is R$ 200,000 and its remuneration corresponds to the DI rate.

This funding has a Swap of the % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$ 21,930, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R$ 683,299 (R$ 651,172 as of December 31, 2021).

9th issue of non-convertible debentures

On June 12, 2020, the Company offered non-convertible debentures in the amount of R$600,000, maturing on June 12, 2025. The total principal is R$600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$14,787, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R$ 723,640 (R$593,330 as of December 31, 2021).

10th Issue of non-convertible debentures

On April 15, 2021, the Company offered non-convertible debentures in the amount of R$1,600,000, maturing on April 12, 2028. The total principal is R$1,600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 128% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing these debentures, the Company incurred transaction costs in the amount of R$ 55,389, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R$ 1,800,613 (R$1,685,644 as of December 31, 2021).

11th Issue of non-convertible debentures

On October 15, 2021, the Company made an offering of non-convertible debentures in the amount of R$400,000, maturing on October 15, 2026. The total principal is R$400,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 100% of CDI. The proceeds from this issue were used to pay the debentures of the first series, on their respective maturity date, issued by the Company within the scope of the 6th Issue, resulting, once carried out, in the lengthening of the Company's indebtedness profile. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R$ 22,012, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R$ 381,100 (R$385,023 as of December 31, 2021).

12th Issue of non-convertible debentures

On July 13, 2022, the Company carried out an offering of non-convertible debentures in the amount of R$1,500,000, maturing on July 12, 2029. The total principal is R$1,500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 7.2063% per year. Said funding has a Swap of % CDI, in which the final cost of the operation was 113.5% of CDI.

The funds obtained from this issue were fully and exclusively allocated to its agribusiness activities and relations with rural producers, within the meat industry and trade, in particular through the use of funds in investments, costs and expenses related to production, processing, industrialization, commercialization, purchase, sale, import, export, distribution and/or improvement of (a) cattle, sheep, pigs, poultry and other animals, live or slaughtered, as well as meat, offal, products and derivatives by-products of the same, whether in their natural state, whether manufactured or manipulated in any way or manner, and (b) proteins and food products in general, fresh or prepared, processed or not, for the Brazilian and foreign markets. In the process of issuing said debentures, the Company incurred transaction costs in the amount of R$43,973, accounted for in its financial statements as a reduction in liabilities, to be amortized over the term of these debentures. On December 31, 2022, the amount is R$1,534,428.

15. Trade payables

	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Domestic suppliers	693,279	868,772	1,653,094	2,044,575
Foreign suppliers	35,005	50,839	102,282	135,232
Agreement suppliers **(i)**	1,735,710	1,535,870	1,735,710	1,535,870
Related Parties	40,321	55,537	28,457	8.565
Total	**2,504,315**	**2,511,018**	**3,519,543**	**3,724,242**

Aging list of trade payables:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current:	2,498,420	2,491,888	3,456,738	3,615,403
Overdue payables:				
Up to 30 days	2,005	14,727	48,963	72,264
From 31 to 60 days	764	428	4,119	5,065
From 61 to 90 days	-	973	188	2,764
Above 90 days	3,126	3,002	9,535	28,746
Total	**2,504,315**	**2,511,018**	**3,519,543**	**3,724,242**

(i) Agreement suppliers

"Agreement suppliers" is formed from recurring commercial transactions between the Company and its raw material suppliers. The signed agreements meet the mutual interests in terms of liquidity and working capital of each party, and are signed as a result of possible conjunctural variations in the level of demand and supply of raw materials. From the commercial negotiation between suppliers and the Company, financial liabilities are generated that are part of fundraising programs through the Company's credit lines with financial institutions, which allows suppliers to anticipate receivables in the normal course of purchases made by the Company , with an average financial cost of 1.19% p.m. on December 31, 2022 (0.85% p.m. on December 31, 2021).

As it preserves business conditions with suppliers, these transactions were evaluated by management and it was concluded that they have commercial characteristics, therefore, the Company maintains these operations classified under "Suppliers".

16. Payroll, related charges, and taxes payable

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Payroll and related charges				
Salaries and management fees	503	354	46,444	53,320
Payroll taxes - FGTS and INSS (employees and third parties)	18,153	15,497	19,478	16,715
Accrued vacation/13th salary	56,289	47,702	134,049	124,971
Other wages and charges	17,728	14,292	41,427	33,656
Total payroll	**92,673**	**77,845**	**241,398**	**228,662**
Taxes payables				
State VAT (ICMS)	9,572	12,164	10,973	12,280
Federal taxes in installments - **(i)**	45,951	50,915	45,951	59,804
State taxes paid in installments	-	4,196	-	4,196
Income tax (IRPJ)	-	-	51,666	68,160
Social contribution on net income	-	-	-	48
Value added tax (VAT)	-	-	6,611	7,902
Funrural	609	3,172	680	3,292
Other taxes and fees	7,648	19,519	55,879	69,562
Total taxes	**63,780**	**89,966**	**171,760**	**225,244**
Total geral	**156,453**	**167,811**	**413,158**	**453,906**
Current	116,306	122,699	373,011	400,727
Non-current	40,147	45,112	40,147	53,179

(i) The Company's federal installments are as follows:

Special Tax Debt Settlement Program (PERT)

As of December 31, 2022, the outstanding balance in the parent company was R$ 13,768.

Rural Tax Debt Refinancing Program (PRR)

As of December 31, 2022, the outstanding balance in the parent company was R$ 32,182.

17. Other payables

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Advances received (a)	1,373,099	1,267,945	1,660,706	1,466,183
Dividends payable (b)	27,307	146	27,307	146
Interest on capital payable (b)	-	4	-	4
Payables - acquisitions (c)	-	199	365,525	26,182
Other operating provisions	24,475	38,374	107,429	140,559
Total	**1,424,881**	**1,306,668**	**2,160,966**	**1,633,074**
Current	1,424,881	1,306,668	2,149,571	1,614,550
Non-current	-	-	11,395	18,524

(a) Amounts received in advance from the Company's customers in accordance with the credit policy defined by Management;

(b) Amounts of interest on equity and mandatory dividends payable;

(c) Amounts payable for the acquisition of the plants in Campina Verde – MG settled during the 3rd quarter of 2022 (on December 31, 2021 R$199); Frigorífico Vijagual S.A. in Colombia R$17,578 (R$25,983 as of December 31, 2021); and, Australian Lamb Company Ltd. R$347,947.

18. Deferred taxes

	Parent company		Consolidated	
Assets	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Tax losses - IRPJ	640,449	436,425	715,539	489,747
Negative basis of social contribution	230,562	157,114	230,562	157,114
Total	**871,011**	**593,539**	**946,101**	**646,861**
Temporary differences - assets				
Provisions for tax, civil and labor risks	7,924	8,355	12,996	14,627
Impairment of assets	7,316	7,316	7,519	7,690
Allowance for expected credit losses	6,958	8,560	7,047	8,778
Other	2,393	2,393	52,148	60,416
Total temporary differences - assets	**895,602**	**620,163**	**1,025,811**	**738,372**
Liabilities				
Temporary differences - liabilities				
Unrealized gains on the fair value of biological assets	(29,721)	(57,493)	(29,721)	(57,493)
Business combination	(33,096)	(33,096)	(33,096)	(33,096)
Revaluation reserve	(21,860)	(22,656)	(21,860)	(22,656)
Added value in subsidiaries	-	-	(460,191)	(261,184)
Other temporary deductions	(46,756)	(39,179)	(68,373)	(64,598)
Total temporary differences - liabilities	**(131,433)**	**(152,424)**	**(613,241)**	**(439,027)**
Total deferred taxes:				
Total deferred taxes assets	764,169	467,739	792,811	415,665
Total deferred taxes liabilities	-	-	(380,241)	(116,320)
Total	**764,169**	**467,739**	**412,570**	**299,345**

18.1. Composition of income tax and social contribution on deferred net income

Below, we present the movement of tax credits on tax loss carryforwards and negative basis of social contribution:

	Parent Company			
	Balance on December 31, 2021	**Recognized in income (loss)**	**Realization of deferred taxes**	**Balance on December 31, 2022**
Deferred taxes on income and social contribution tax losses	593,539	277,472	-	871,011
Total deferred tax assets	**593,539**	**277,472**	**-**	**871,011**

	Consolidated				
	Balance on December 31, 2021	**Recognized in income (loss)**	**Realization of deferred taxes**	**Cumulative translation adjustments**	**Balance on December 31, 2022**
Deferred taxes on income and social contribution tax losses	646,861	328,837	(26,984)	(2,613)	946,101
Total deferred tax assets	**646,861**	**328,837**	**(26,984)**	**(2,613)**	**946,101**

Deferred tax assets arising from tax losses and negative basis of social contribution were recognized for the year from December 31, 2021 to December 31, 2022 in the consolidated.

The accumulated amount as of December 31, 2022, is R$946.101 (as of December 31, 2021 it is R$646,861). The decision of the Management of the Company and its subsidiaries to record the aforementioned deferred tax assets, on tax losses and negative basis of social contribution, was based on the business plan and the internal budget and financial projections prepared by the management, in which they are reviewed at least annually.

The projections of these realizations presented the following expectations of realization of said deferred tax assets:

	12/31/2022	
	Parent company	Consolidated
2024	79,669	86,537
2025	80,952	87,931
2026	56,998	61,912
2027	92,822	100,824
2028 onwards	560,570	608,897
Total	**871,011**	**946,101**

The Company expects to realize the temporary differences in Income Tax and Social Contribution within a maximum of 10 years.

We emphasize that these technical studies that supported the decision to record or maintain deferred tax assets on tax losses and negative basis of social contribution were duly reviewed and approved at meetings of the Board of Directors.

The effects of changes in deferred taxes on income for the years are as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Temporary additions				
Sundry provisions	6,788	12,068	6,788	182,633
Fair value of biological assets	1,658,539	1,825,856	1,658,539	1,825,856
Temporary deductions				
Sundry provisions	(10,423)	(14,677)	(57,576)	(14,677)
Depreciation - tax basis differences	(22,287)	(21,510)	(22,287)	(21,510)
Fair value of biological assets	(1,576,859)	(1,873,622)	(1,576,859)	(1,873,622)
Deferred tax basis	**55,758**	**(71,885)**	**8,605**	**(98,680)**
Deferred income tax and social contribution – Temporary difference	18,958	(24,441)	2,926	33,551
Deferred income tax and social contribution	277,472	44,639	328,837	44,639
Total deferred income tax and social contribution	**296,430**	**20,198**	**331,763**	**78,190**

Below, we present the movement of deferred tax taxes, related to tax loss carryforwards and temporary differences as follows:

	Parent company				
	Balance on January 01, 2022	**Recognition of deferred taxes**	**Realization of deferred taxes**	**Cumulative translation adjustments**	**Balance as of December 31, 2022**
Tax loss	**593.539**	277.472	-	-	**871.011**
Provisions for tax, civil and labor risks	**8.355**	300	(731)	-	**7.924**
Other temporary additions	**2.393**	-	-	-	**2.393**
Impairment of assets	**7.316**	-	-	-	**7.316**
Allowance for expected credit losses	**8.560**	528	(2.130)	-	**6.958**
Unrealized gains on the fair value of biological assets	**(57.493)**	-	27.772	-	**(29.721)**
Business combination	**(33.096)**	-	-	-	**(33.096)**
Revaluation reserve	**(22.656)**	-	796	-	**(21.860)**
Added value in subsidiaries	**-**	-	-	-	**-**
Other temporary deductions	**(39.179)**	(7.577)	-	-	**(46.756)**
Total deferred tax assets	**467.739**	**270.723**	**25.707**	**-**	**764.169**

	Consolidated				
	Balance on January 01, 2022	**Recognition of deferred taxes**	**Realization of deferred taxes**	**Cumulative translation adjustments**	**Balance as of December 31, 2022**
Tax loss	**646.861**	328.837	(26.984)	(2.613)	**946.101**
Provisions for tax, civil and labor risks	**14.627**	921	(2.133)	(419)	**12.996**
Other temporary additions	**60.416**	16.695	-	(24.963)	**52.148**
Impairment of assets	**7.690**	-	(128)	(43)	**7.519**
Allowance for expected credit losses	**8.778**	528	(2.234)	(25)	**7.047**
Unrealized gains on the fair value of biological assets	**(57.493)**	-	27.772	-	**(29.721)**
Business combination	**(33.096)**	-	-	-	**(33.096)**
Revaluation reserve	**(22.656)**	-	796	-	**(21.860)**
Added value in subsidiaries	**(261.184)**	(181.905)	-	(17.102)	**(460.191)**
Other temporary deductions	**(64.598)**	(13.200)	6.134	3.291	**(68.373)**
Total deferred tax assets	**299.345**	**151.876**	**3.223**	**(41.874)**	**412.570**

a) Current – payable

Income tax and social contribution are calculated and recorded based on taxable income, including tax incentives that are recognized as taxes are paid and considering the rates provided for by current tax legislation.

b) Reconciliation of income tax and social contribution balances and expenses

The provisioned balance and the result of taxes levied on income are as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Income before taxes	**356,103**	**578,681**	**388,109**	**585,607**
Additions				
Temporary differences	6,788	12,068	6,788	12,068
Permanent differences	261,697	313,532	784,570	1,465,061
Effect of the first-time adoption of IFRS	5,355,589	6,087,746	5,580,704	6,318,246
Deductions				
Temporary differences	(13,809)	(14,677)	(13,809)	(14,677)
Permanent differences	(386,748)	(1,146,734)	(925,104)	(2,194,933)
Effect of the first-time adoption of IFRS	(6,104,498)	(7,020,994)	(6,366,856)	(7,244,068)
Tax calculation basis	**(524,878)**	**(1,190,378)**	**(545,598)**	**(1,072,696)**
Compensações				
Tax Calculation basis after loss to be compensated	(524,878)	(1,190,378)	(545,598)	(1,072,696)
Income taxes on the income				
Income tax	-	-	(64,704)	(64,870)
Social contribution payable	-	-	(104)	(48)
Income taxes - current	**-**	**-**	**(64,808)**	**(64,918)**
Effective tax rate (%)	**0.00%**	**0.00%**	**16.40%**	**11.09%**

Income tax and social contribution on profit were calculated in accordance with current legislation, in accordance with current legislation, read Law No. 12,973/2014.

The calculations of income tax and social contribution on profit and their respective declarations, when required, are subject to review by the tax authorities for years and varying periods in relation to the respective date of payment or delivery of the income declaration.

Based on studies and projections made for the following years and considering the limits established by current legislation, the Company's Management expects the existing tax credits to be realized within a maximum period of ten years.

Accounting net income is not directly related to taxable income for income tax and social contribution due to differences between accounting criteria and the relevant tax legislation. Therefore, we recommend that the evolution of the realization of tax credits arising from tax losses, negative basis and temporary differences are not taken as an indication of future net profits.

19. Provisions for tax, labor and civil procedural risks

Summaries of contingent liabilities

The Company and its subsidiaries are parties to several lawsuits that are part of the normal course of their business, for which provisions were set up based on the estimates of their legal advisors and the best estimates of their Management. The main information of these processes is represented as follows:

	Parent Company		Consolidated	
Provisions	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/312021**
Provisions for tax risks	-	1,890	-	1,912
Provisions for labor lawsuits	23,302	24,573	32,331	37,314
Provision for civil risks	-	1,496	26,555	4,151
Total	**23,302**	**27,959**	**58,886**	**43,377**

Parent Company	**Labor lawsuits**	**Civil and Tax lawsuits**	**Total**
Balance on January 01, 2021	**24,582**	**3,386**	**27,968**
Provisions recognized in the year	1,774	-	**1,774**
Provisions reversed in the year	(1,783)	-	**(1,783)**
Balance on December 31, 2021	**24,573**	**3,386**	**27,959**
Provisions recognized in the year	881	-	**881**
Provisions reversed in the year	(2,152)	(3,386)	**(5,538)**
Balance on December 31, 2022	**23,302**	**-**	**23,302**

Consolidated	**Labor lawsuits**	**Civil and tax lawsuits**	**Total**
Balance on January 01, 2021	**36,018**	**4,256**	**40,274**
Provisions recognized in the year	2,565	2,264	**4,829**
Provisions reversed in the year	(1,870)	(350)	**(2,220)**
Translation adjustments for the year	601	(107)	**494**
Balance on December 31, 2021	**37,314**	**6,063**	**43,377**
Provisions recognized in the year	1,749	24,746	**26,495**
Provisions reversed in the year	(5,900)	(3,929)	**(9,829)**
Translation adjustments for the year	(832)	(375)	**(1,157)**
Balance on December 31, 2022	**32,331**	**26,555**	**58,886**

Civil and tax risks

They refer to the questioning about the constitutionality of the use of reduced rates on gross revenues and also to the tax discussion about the lack of collection of tax on export revenue, whose estimate is probable of loss, as of December 31, 2022 there was no significant amount of losses recorded in the parent company and R$26,555 in the consolidated, (R$3,386 in the parent company and R$6,063 in the consolidated, as of December 31, 2021).

Labor lawsuits

Most of these labor claims involve overtime, commuting time, health hazard premium and mandatory thermal comfort breaks. Based on the opinion of the legal counsel that handles these lawsuits and Management's experience in similar cases, provisions were recognized for labor lawsuits assessed as probable loss which. As of December 31, 2022, in the amount of R$23,302 in the parent company and R$32,331 in the consolidated, (R$24,573 in the parent company and R$37,314 in the consolidated, as of December 31, 2021).

Other lawsuits (possible loss expectation)

Labor and social security

As of December 31, 2022, the Company and its subsidiaries had other labor lawsuits (Public Civil Actions) and social security lawsuits in progress, in the amount of approximately R$3,579 (R$3,646 as of December 31, 2021), whose probability loss is possible, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Senar

In March 2003, the Company filed Writs of Mandamus to suspend the enforceability of the retention and transfer of Senar. In order to avoid and lose the right to demand contributions from Senar, the INSS has issued several tax notices against the Company to date. The updated amount involved in these notifications, whose probability of loss is possible based on the opinion of the Company's legal advisors, is approximately R$79,340 (R$74,005 as of December 31, 2021). Such proceedings involve a significant degree of uncertainty about the future prognosis of certain matters, the discussions of which have been ongoing for some time in the judicial spheres.

State VAT (ICMS)

The Company has some tax assessment notices referring to the divergence in the calculation memory on the basis of ICMS and ICMS-ST, applying the reduction to its operations in the states of Minas Gerais, São Paulo and Goiás. As of December 31, 2022, the amount involved in these proceedings, whose probability of loss is possible, is approximately R$202,223 (R$196,166 as of December 31, 2021).

Other tax, civil and environmental lawsuits

As of December 31, 2022, the Company and its subsidiaries had other tax, civil and environmental proceedings in progress, in the amount of approximately R$98,594, R$21,978 and R$4,312, (R$67,078, R$8,408 and R$ 2,136 on December 31, 2021) respectively, whose materialization, in the opinion of the legal advisors, is a possible loss, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Decision of the Federal Supreme Court (STF) on res judicata in tax matters

On February 8, 2023, the Federal Supreme Court (STF) ruled on Items 881 – Extraordinary Appeal No. 949,297 and 885 – Extraordinary Appeal No. 955,227.

The Plenary of the Federal Supreme Court unanimously concluded that judicial decisions taken in a final "res judicata" manner in favor of taxpayers lose their effects if, afterwards, the Supreme Court has a different understanding on the subject. That is, if years ago a company obtained authorization from the Court to stop paying any tax, this permission will expire if, and when, the STF decides otherwise.

Management assessed with its internal legal advisors the possible impacts of this STF decision and concluded that the decision, based on management's assessment supported by its legal advisors, and in line with CPC 25/IAS 37 Provisions, Contingent Liabilities and Contingent Assets and CPC 24/IAS 10 Subsequent Events, does not result in impacts on its individual and consolidated financial statements as of December 31, 2022.

20. Equity

a. Capital stock

The Company's subscribed capital, as of December 31, 2022, is represented by the amount of R$1,678,785 (R$1,675,849 as of December 31, 2021), represented by 607,283,407 (606,700,828 as of December 31, 2021). December 2021) common, book-entry shares, without par value, all free and clear of any liens or encumbrances. During 2016, there were expenses on the issuance of new shares in the amount of R$5,898 and of R$53,813 during 2020, therefore, the balance under the heading "Share Capital" in the financial statements is R$1,619.074.

In the first quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of R$ 7,659 (seven million, six hundred and fifty-nine thousand), representing 1,195,195 (one million and one hundred and ninety-five thousand and one hundred and ninety-five) common, registered, book-entry shares with no par value. With the ratification, the capital stock rose from R$1,363,695, representing 548,426,499 shares, to R$1,371,354, representing 549,621,694 common shares.

In the second quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 67 (sixty-seven thousand), representing 1,195,195 (one million and one hundred and ninety-five thousand one hundred and ninety-five) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose from R$1,371,354, representing 549,621,694 shares, to R$1,371,421, representing 549,634,220 common shares.

In the third quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of R$ 63 (sixty-three thousand), representing 11,633 (eleven thousand, six hundred and thirty-three) common, nominative, book-entry shares with no par value. With the ratification, the share capital increased from R$1,371,421, representing 549,634,220 shares, to R$1,371,484, representing 549,645,853 common shares.

In the fourth quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 304,365 (three hundred four million, three hundred and sixty-five thousand), representing 57,054,975 (fifty-seven million and fifty-four thousand and nine hundred seventy-five) common, registered, book-entry shares with no par value. With the ratification, the capital stock rose from R$1,371,484, representing 549,645,853 shares, to R$1,675,849, representing 606,700,828 common shares.

In the first quarter of 2022, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 2,936 (two million, nine hundred and thirty-six thousand), representing 582,579 (five hundred and eighty-two thousand five hundred and seventy-nine) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose from R$1,675,849, representing 606,700,828 shares, to R$1,678,785, representing 607,283,407 common shares.

b. Capital reserve

Capital reserves are made up of amounts received by the Company and which do not pass through the income statement as revenue, as they refer to amounts intended to reinforce its capital, without having as a counterpart any effort by the Company in terms of delivery of goods or provision of services. They also reflect the results of the disposal of September shares that were held in treasury, which totaled R$2,148, as well as the effects of the grant of shares, within the scope of the Company's share plan, in the amount of R$11,245, at the end of 2022. On December 31, 2022, the Company's capital reserve is R$138,711 (R$118,271 as of December 31, 2021).

c. Revaluation reserve

The Company carried out a revaluation of the assets comprising its property, plant and equipment, in 2003 and 2006. The remaining balance. As of December 31, 2022, of R$45,970 (R$47,518 as of December 31, 2021), net of tax effects.

As previously mentioned, and in accordance with the provisions of Law No. 11,638 of 2007, the Company opted to maintain the revaluation reserve constituted until December 31, 2007, until its complete realization, which must occur through depreciation or disposal of the revalued assets.

d. Legal reserve

It is constituted at the rate of 5% of the calculated net income and fiscal year, pursuant to art. 193 of Law 6,404/76, up to the limit of 20% of the capital stock. In the year in which the balance of the legal reserve, plus the amounts of capital reserves referred to in § 1 of art. 182 of Law No. 6,404/76 exceeds 30% of the capital stock, the allocation of part of the net income for the year to the legal reserve will not be mandatory.

e. Statutory reserve

The statutory reserve comes from the remaining balance of net income after all the Company's allocations. The amount on December 31, 2022 was R$455,258 (R$170,483 on December 31, 2021).

f. Earnings retention reserve

This profit reserve was constituted based on the remaining balance of net income after the allocations for the constitution of the legal reserve and distribution of dividends, with the objective of application in future investments, pursuant to article 196 of Law 6,404/76. The retention accumulated until December 31, 2022 is R$118,583 (R$118,583 as of December 31, 2021). According to art. 199 of Law 6,404/76, the balance of this reserve, plus the other profit reserves, cannot exceed the Company's capital stock.

g. Treasury shares

On October 2, 2020, the Company's Board of Directors approved a share buyback program, in accordance with article 19, item XVI of the Company's Bylaws, § 1 of article 30 of Law No. 6,404 of December 15 of 1976, as amended (“Corporate Law”), CVM Instruction No. 567, of September 17, 2015 (“ICVM 567/15”) and other applicable rules, effective for eighteen (18) months from October 5, 2020, ending on April 4, 2022, for the application of the Company's profits and/or available reserves for the acquisition, in a single operation or in a series of operations, of up to 20,000,000 (twenty million) of common shares issued by the Company, to be held in treasury, canceled or sold.

On this effective date of the new plan, the Company held 3,150,000 (three million, one hundred and fifty thousand) common, nominative, book-entry shares with no par value in treasury, as well as 259,351,910 (two hundred and fifty and nine million, three hundred and fifty-one thousand, nine hundred and ten) common, nominative, book-entry shares with no par value, issued by the Company.

Trading under the buyback program will be supported by the global amount:

(a) profit and capital reserves, excluding the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve; and
(b) the realized income for the current year, excluding the amounts to be allocated to the formation of the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve and the payment of the dividend mandatory.

The following shows the movement of treasury shares:

	Number	Amount (R$)	Average Cost (R$)	Average market value
Balance on January 31, 2021	**23,053,200**	**242,768**	**10,53**	**10,18**
Share buyback	-	-	-	-
Disposal of shares	-	-	-	-
Balance on December 31, 2021	**23,053,200**	**242,768**	**10,53**	**9,80**
Share buyback	-	-	-	-
Disposal of shares	700,000	7,372	10,53	13,60
Balance on December 31, 2022	**22,353,200**	**235,396**	**10,53**	**12,60**

h. Dividendos e juros sobre o capital próprio

The Company's Bylaws determine the distribution of a mandatory minimum dividend of 25% of the result, adjusted in accordance with the law.

In the year in which the Company's Leverage Ratio is equal to or less than 2.5x (two and a half times), the Board of Directors will submit to the General Meeting a proposal for the payment of an additional dividend to the mandatory corresponding to at least 25% (twenty-five percent) of the annual net income adjusted by the deductions and additions provided for in the Company's income allocation policy.

On August 10, 2022, the Company's Board of Directors approved the distribution of interim dividends to shareholders, in the total amount of R$128.1 million or R$0.2192204451 per common share issued by the Company, disregarding shares in treasury, with payment made in national currency, in a single installment, on August 29, 2022. The persons registered as shareholders of the Company on the base date of August 17, 2022 were entitled to the declared dividend, respecting the negotiations carried out up to and including that date. The Company's shares were traded “ex-dividends” as of August 18, 2022, inclusive.

On December 31, 2022, after the deductions established by the bylaws and in compliance with the Company's dividend policy, the calculation base for the payment of mandatory dividends in the amount of R$ 621,454 was obtained, which resulted in a dividend amount of payable of R$155,364, of which the amount of R$128,075 had already been paid on August 29, 2022 through interim dividends and a mandatory dividend payable of R$27,289 was constituted. Additionally, the Company's Board of Directors proposed the payment of an additional proposed dividend of R$181,314 for approval at the ordinary general meeting. The final amount of mandatory dividends and proposed additional dividend represents 51.6% of reported net income for the year.

i. Ajuste de avaliação patrimonial

Pursuant to CPC 02 (R2)/IAS 21 - Effects of changes in exchange rates and conversion of financial statements for the period/year, changes in instruments (direct and reflex) in foreign currency and which are valued by the equity method are basically recorded. (MEP).

In accordance with CPC 37 (R1)/IFRS 1 – Initial Adoption of International Accounting Standards, due to the effectiveness of CPC 02 (R2) before the date of initial adoption, first-time adopters of IFRS must reset the balances of exchange variation of investments recorded in shareholders' equity (under the accrued conversion adjustments item) transferring them to retained earnings or losses (under the earnings reserve item), as well as disclosing the earnings distribution policy applicable to such balances. It should be noted that the Company does not compute these adjustments for profit distribution.

j. Stock option plan

Within the scope of the Plan, executives, members of the Board of Directors, statutory and non-statutory directors, managers, supervisors, employees and employees of the Company and its subsidiaries are eligible to receive stock options key in the development of the business of the Company and its subsidiaries, as they may be chosen by the Company's Board of Directors or a special committee created to manage the Plan to receive the options (“Participants”).

The Company's Board of Directors or the Committee, as the case may be, may create Stock Option Programs, which will include the specific conditions regarding the Participants, the total number of shares of the Company object of the grant, the division of the grant into lots and the respective rules specific to each lot, including the exercise price and terms for exercising the option (“Programs”).

The Option Agreements and Programs shall also provide that, in the event of the Participant's Termination during the restriction period, the Company may, at its sole discretion, repurchase all the shares held by the Participant subject to the restriction period, for the amount of R$ 0.01 per share, under the terms of the Plan.

On April 25, 2022, the Ordinary General Meeting of shareholders approved the creation of the Matching Options Plan, which is part of the context of updating and improving the Company's compensation strategy, with a view to optimizing the alternatives available to compose the structure of incentives for administrators, employees, collaborators, service providers or other holders of strategic positions in the Company.

The Matching Options Plan offers potential eligible beneficiaries the option of voluntarily joining the Plan and its programs, following the model for granting purchase options. In summary, the Matching Options Plan governs minimum investments in the Company by the Participants, through the acquisition of shares issued by the Company, which may be linked to the granting of options, by the Company to the participant, that guarantee the right to acquire, in the future, a certain number of shares issued by the Company.

It should be noted that the Matching Options Plan will be managed by the Board of Directors (which may appoint a committee to advise it, delegating powers to this administration), and it is responsible, among other things, to approve the creation of programs, decide participants among the eligible persons and establish the conditions of each grant.

Finally, it is noted that the Matching Option Plan defines the granting limit, establishing that a maximum number of options may be granted that give participants the right to acquire a maximum number of shares equivalent to 3% (three percent) of the total number of shares issued by the Company, on a fully diluted basis, pursuant to the Matching Option Plan.

In the year ended December 31, 2022, stock options were granted to beneficiaries. A total of 4,774,522 stock options were granted, each granting the right to convert into 1 (one) common share of the Company, after the vesting period. Of the total grants, 449,994 of the options granted to employees require a period of 3 years of service (vesting period), with the remaining 4,324,528 requiring a period of 4 years. The options will mature annually, that is, they can be exercised by the beneficiary within 60 days of each anniversary year. The exercise price of the granted options is R$0.01 per share to be acquired. Regarding these grants, in the year ended December 31, 2022, expenses in the amount of R$ 18,292 were recognized in the caption “General and administrative expenses” with the corresponding entry in “Capital reserve”.

Stock options have the following expiration dates:

Number of options Expiration date:

- 1,231,124: June 13, 2023;
- 1,231,124: June 13, 2024;
- 1,231,127: June 13, 2025;
- 1,081,147: June 13, 2026.

The weighted average fair value of the options granted during the year, determined based on the Black-Scholes valuation model, was R$12.67 per option. The main assumptions follow: weighted average share price of R$13.15; volatility of 33.76%; dividend yield of 1.5%; expected life of the option of 3 and 4 years; 12% annual risk-free rate. Volatility is measured by the standard deviation of continuously compounded stock returns based on statistical analysis of daily stock prices over the past 5 years.

21. Segment reporting

Business segments

	Meat		Others		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net revenue	28,600,632	25,211,146	2,377,137	1,754,214	30,977,769	26,965,360
Gross profit	2,322,682	1,941,568	100,553	93,850	2,423,235	2,035,418

There are no revenues from transactions with a single external customer that represent 10% or more of total revenues.

The Company's Management defined the reportable operating segments based on the reports used to make strategic decisions. As of 2021, the Company changed its management structure, and the information by segments began to be prepared considering the business segments the production and sale of fresh meat and trading.

Meat

The meat division refers to the production of frozen and chilled beef from the slaughter of cattle (which are purchased from cattle ranchers) in the countries where it has operations (Brazil, Paraguay, Uruguay, Colombia and Argentina). Additionally, the Company produces slaughter by-products, such as hides, offal, among others. The products are sold both in the internal markets of these countries and in the foreign market.

Others

The Others division, which corresponds to less than 10% of the consolidated, consists of the Company's subsidiaries that provide services for the sale of food products, called “Trading”.

22. Net operating revenue

The Company presents the explanatory note of net operating revenue in accordance with CPC 47 – Revenue from Contracts with Customers, as per item 112, disclosing the reconciliation of gross taxable revenue and other control accounts.

	Parent company		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Revenues from domestic sales	5,566,528	4,826,319	10,344,339	9,260,170
Revenues from foreign sales	11,188,548	8,186,026	22,553,620	19,312,124
Deductions from revenue – taxes and other	(974,095)	(899,232)	(1,920,190)	(1,606,934)
Net operating revenue	**15,780,981**	**12,113,113**	**30,977,769**	**26,965,360**

23. Expenses by nature

	Parent company		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Classified as				
Selling expenses	(1,078,678)	(676,312)	(2,333,667)	(1,766,570)
General and administrative expenses	(548,423)	(432,532)	(1,026,128)	(857,581)
Other operating income	17,219	1,975	45,613	14,545
Total	**(1,609,882)**	**(1,106,869)**	**(3,314,182)**	**(2,609,606)**
Expenses by nature				
Variable selling expenses	(973,309)	(593,047)	(2,196,691)	(1,660,449)
General administrative and selling expenses	(237,262)	(180,756)	(515,194)	(446,666)
Personnel and commercial expenses	(356,555)	(285,399)	(546,122)	(431,189)
Depreciation and amortization	(59,975)	(49,642)	(101,788)	(85,848)
Other operating income and expenses	17,219	1,975	45,613	14,546
Total	**(1,609,882)**	**(1,106,869)**	**(3,314,182)**	**(2,609,606)**

24. Net financial result

	Parent company		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Financial income				
Income from short-term investments	152,459	49,605	185,169	75,015
Total	**152,459**	**49.605**	**185,169**	**75,015**
Financial expense				
Interest on financing	(1,011,187)	(752,045)	(1,221,368)	(1,013,896)
Other financial expenses/income (i)	(911,686)	(353,788)	(845,571)	74,211
Total	**(1,922,873)**	**(1,105,833)**	**(2,066,939)**	**(939,685)**
Exchange rate changes, net	46,297	(426,263)	2,090	(405,287)
Monetary correction of balance **(ii)**	-	-	(155,446)	(179,854)
Net financial result	**(1,724,117)**	**(1,482,491)**	**(2,035,126)**	**(1,449,811)**

(i) Refers to the mark-to-market of the Company and its subsidiaries financial instruments to hedge against foreign exchange exposure. The variation between the comparative years is linked to the appreciation/devaluation of the Real against other currencies; and

(ii) Refers to the monetary correction of a hyperinflationary economy, in this case, Argentina, and in accordance with accounting standards, gains and losses in the net monetary position must be included in income and disclosed separately.

25. Earnings per share

a) Earnings per share

The Company's basic earnings per share are calculated by dividing the net income attributable to the Company's shareholders by the weighted average number of common shares issued during the period, excluding common shares purchased by the Company and held as treasury shares:

Basic	12/31/2022	12/31/2021
Net income attributable to Company's shareholders	**652,533**	**598,879**
Weighted average number of common shares issued (thousands)	607,283	606,701
Weighted average number of treasury shares	(22,353)	(23,053)
Weighted average number of outstanding common shares (thousands)	584,930	583,648
Basic earnings per share - R$	**1.11557**	**1.02610**

b) Diluted earnings per share of the Company

The Company's diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding, assuming the conversion of all potential common shares that would cause dilution. The Company has only one category of potential common shares that would cause dilution:

Diluted	12/31/2022	12/31/2021
Net income attributable to Company's owners	**652,533**	**598,879**
Weighted average number of outstanding common shares (thousands)	584,930	583,648
Weighted average number of common shares used to calculate basic earnings (loss) per share - thousands	584,930	583,648
Diluted earnings per share - R$	**1.11557**	**1.02610**

26. Risk management and financial instruments

The Company's operations are exposed to market risks, mainly in relation to changes in exchange and interest rates, credit and price risks in the purchase of cattle. In its investment management policy, the Company provides for the use of derivative financial instruments to hedge against these risk factors.

Additionally, the Company may also contract derivative financial instruments in order to implement operational and financial strategies defined by the Executive Board and duly approved by the Board of Directors.

Market risk management is carried out through the application of two models, namely: calculation of Value at Risk (VaR) and calculation of impacts through the application of stress scenarios. In the case of VaR, Management uses two different models: Parametric VaR and Monte Carlo Simulation VaR. It is noteworthy that risk monitoring is constant, being calculated at least twice a day.

It is worth mentioning that the Company does not use exotic derivatives and does not have any such instrument in its portfolio.

a. Policy on the treasury's hedging transactions

The management of the Company's hedge policy is the responsibility of the Treasury Department and follows the decisions taken by the Risk Committee, which is composed of members of the Company's Executive Board and employees.

Supervision and monitoring of compliance with the guidelines outlined by the hedge policy are the responsibility of the Executive Risk Management, subordinated to the Presidency and the Risk Committee.

The Company's hedging policy is approved by its Board of Directors and takes into account its two main risk factors: exchange rate and live cattle.

I. Currency hedging policy

The exchange hedge policy aims to protect the Company from currency fluctuations, divided into two segments:

(i) Flow

Flow hedging strategies are discussed daily in the Markets Committee.

The purpose of the flow hedge is to guarantee the Company's operating income and protect its flow of currencies other than the Brazilian Real, with a horizon of up to one year.

Financial instruments available in the market can be used to carry out these hedges, such as: futures dollar transactions on B3, NDFs, funding in foreign currency, options and inflow of funds in dollars.

(ii) Balance sheet

The balance sheet hedge is discussed monthly at the Board of Directors' meeting.

The balance sheet hedge policy aims to protect the Company from its long-term foreign currency indebtedness.

Balance sheet exposure is the flow of US dollar-denominated debt with a maturity of more than one year.

Financial instruments available in the market can be used, such as: cash retention in US dollars, bond repurchase, NDFs, futures contracts on B3, swaps and options.

II. Cattle hedging policy

The cattle hedge policy aims to minimize the impacts of the bovine arroba price fluctuation on the Company's results. The policy is divided into two topics:

i) Cattle foward contracts

With the objective of guaranteeing raw material, mainly for the bovine off-season period, the Company buys cattle for future delivery and uses B3 to sell future contracts, minimizing the directional risk of bovine arroba.

Live cattle instruments available on the market can be used, such as: live cattle futures contracts on B3 and options on live cattle futures contracts on B3.

ii) Hedging of meat sold

In order to guarantee the cost of the raw material used in the production of meat, the Company uses the "B3" to purchase futures contracts, minimizing the directional risk of the bovine arroba and locking its operating margin obtained in the act of selling the beef.

Live cattle instruments available on the market may be used, such as: live cattle futures contracts on "B3" and options on live cattle futures contracts on "B3".

Statements of derivative positions

The tables showing the positions in derivative financial instruments were prepared in order to present those contracted by the Company in the period and years ended December 31, 2022 and 2021, respectively, according to their purpose (equity protection and other purposes), which fall into Level 2 of the fair value measurement hierarchy, in accordance with the hierarchy of CPC 46:

Asset hedge position

Description	/ Thousand		Nocional in R$ thousand		Cumulative effect in R$/ thousand	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	Amount receivable / (received)	Amount payable / (paid)
Future contracts:	-	-	-	-	-	-
Purchase commitment	-	-	-	-	-	-
DOL (US$)	17,500	1,000	92,904	5,617	-	2,506
Mini Dólar (dol x 0.10)	3,120	160	16,345	893	550.3	-
Other	-	-	-	-	-	-
BGI (arrobas)	1	270	190	91,181	-	14,812
Sales commitment	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US$)	2,500	-	13,044	-	456	-
Mini Dólar (US$ x 0,10)	(1,800)	(1,700)	9,583	9,549	-	40
BGI (arrobas)	457	784	131,918	267,117	3,279	-
Option contracts:	-	-	-	-	-	-
Long Position - Purchase	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	165	-	10,606	-	2,851
Short position - Sale	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	330	-	500	-	-	4,802
Bidding purchase - Purchase	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	-	-	-	3,383	-
Bidding purchase - Sale	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	-	-	-	3,429	-
Terms contracts:	-	-	-	-	-	-
Long Position - Purchase	-	-	-	-	-	-
NDF (dólar)	550,000	600,000	2,869,735	3,348,300	-	135,431
NDF (clp)	3,589	-	18,729	-	-	-
Short Position - Sale						
NDF (boz2)	2,466	-	2,383	-	-	1,184
NDF (euro)	456	3,217	2,538	20,338	116	-
NDF (dólar)	375,704	750,977	1,960,310	4,190,828	53,377	-
NDF (cop)	46,000	-	240,014	-	-	13,205

The reference values are those that represent the base value, that is, the starting value, contracting the operation, for calculating positions and market value.

Fair values were calculated as follows:

- **USD futures contracts:** the US dollar futures contracts traded on the BM&F have a value of U$ 50,000 (fifty thousand US dollars) per notional contract and daily adjustment, the fair value is calculated through the product of the "notional" in dollar by the reference dollar for the contract disclosed by B3;
- **Finished cattle futures contracts (BGI):** Live cattle futures contracts traded on B3 have a value of 330 arrobas, the fair value is calculated through the product of the "notional" in reais per arroba by the reference value for the contract disclosed by B3;
- **Short Position Forward Contracts - NDF (Euro):** contracts are carried out on the over-the-counter market, therefore they do not have standardization and daily adjustment, their fair value is calculated through the product of the notional value traded and the market rate in force on the date, if loaded to maturity, the PTAX EURO sale published by the Central Bank will be used;
- **Short Position Forward Contracts - NDF (Dollar):** The contracts are carried out on the "over-the-counter" market, so they do not have standardization and daily adjustment, their fair value is calculated through the product of the notional value traded and the market rate in force on the date, if carried to maturity, the PTAX 800 will be used, sale announced by the Central Bank.

Fair values were estimated at the closing date of the financial statements, based on "relevant market information". Changes in assumptions and changes in financial market operations may significantly affect the estimates presented.

The mark-to-market of open over-the-counter (OTC) NDF operations, swaps and options on B3 – "Bolsa – Brasil – Balcão" is accounted for in equity accounts. As of December 31, 2022 and 2021, under the headings "NDF receivable/payable", "swap" and "Options receivable" consecutively:

	12/31/2022	12/31/2021
Derivative financial instruments	**Mark-to-market**	**Mark-to-market**
Options	500	10,606
Swap	1,732,571	1,008,076
NDF (EUR+DOL+LIVESTOCK)	1,009,330	915,418
Grand Total	**2,742,401**	**1,934,100**

b. Currency and interest rate risks

The exchange rate and interest rate risk on loans and financing, financial investments, accounts receivable in foreign currencies arising from exports, investments in foreign currency and other obligations denominated in foreign currency are managed through the use of derivative financial instruments traded on exchanges, or over-the-counter operations such as swaps, Non Deliverable Forwards (NDFs) and options.

In the table below, we present the Company's consolidated equity position, specifically related to its financial assets and liabilities, divided by currency and foreign exchange exposure, allowing the visualization of the net position of assets and liabilities by currency, compared with the net position of derivative financial instruments intended to protect and manage the risk of foreign exchange exposure:

	Consolidated 12/31/2022 Currency		
	Domestic	**Foreign**	**Total**
Assets			
Cash	1,013	-	1,013
Bank accounts	714,490	4,518,953	5,233,443
Short-term investments	1,493,251	343,756	1,837,007
Trade receivables	906,238	1,581,302	2,487,540
Total current assets	**3,114,992**	**6,444,011**	**9,559,003**
Total Assets	**3,114,992**	**6,444,011**	**9,559,003**

	Consolidated 12/31/2022 Currency		
	Domestic	**Foreign**	**Total**
Liabilities			
Financing - current	317,138	1,611,729	1,928,867
Suppliers	3,417,261	102,282	3,519,543
Total current	**3,734,399**	**1,714,011**	**5,448,410**
Financing – non-current	7,569,251	7,010,757	14,580,008
Total non-current	**7,569,251**	**7,010,757**	**14,580,008**
Total Liabilities	**11,303,650**	**8,724,768**	**20,028,418**
Net financial debt	8,188,658	2,280,757	10,469,415
Hedging derivatives - Net position	**(1,884,798)**	**(857,603)**	**(2,742,401)**
Currency position, net	**6,303,860**	**1,423,154**	**7,727,014**

The net notional position of derivative financial instruments is composed as follows:

Financial Instruments (net)	**Long (short) position, net at 12/31/2022**	**Long (short) position, net at 12/31/2021**
Futures contracts - DOL (Dollar)	86,621	(3,039)
Futures contracts - BGI (Finished Cattle)	(131,728)	(175,935)
Options contracts (Dollar, Cattle, Corn and IDI	500	10,606
Swap contracts	1,732,571	1,008,076
NDF (dollar + EURO + cattle + COP + CLP)	683,218	(862,865)
Total líquido	**2,371,182**	**(23,157)**

Financial assets and liabilities are represented in the individual and consolidated financial statements for the period and year ended, respectively, on December 31, 2022 and 2021 at approximate market values, with the respective income and expenses being appropriated and are presented on these dates in accordance with their expectation of realization or settlement.

It should be noted that the amounts related to export orders (firm sales commitments) refer to approved customer orders not yet invoiced (therefore not accounted for), but which are already protected from the risk of foreign currency variation (dollar or other currency foreign exchange) by derivative financial instruments.

The following are the NDF contracts owned by the Company and in force on December 31, 2022:

Type	Position	Currency	Maturity	Notional
NDF	PURCHASE	DOL	01/02/2023	27,500
NDF	PURCHASE	DOL	01/19/2023	500
NDF	SALE	DOL	02/01/2023	(302,704)
NDF	VENDA	DOL	02/22/2023	(835)
NDF	PURCHASE	DOL	03/01/2023	453,000
NDF	SALE	DOL	04/03/2023	(1,216)
NDF	SALE	DOL	05/02/2023	(1,617)
NDF	SALE	DOL	06/01/2023	(332)
NDF	SALE	EUR	02/06/2023	(68)
NDF	SALE	EUR	02/10/2023	(97)
NDF	SALE	EUR	02/13/2023	(79)
NDF	SALE	EUR	02/22/2023	(115)
NDF	SALE	EUR	03/06/2023	(98)
NDF	SALE	COP	02/23/2023	(39,000)
NDF	SALE	COP	03/01/2023	(7,000)
NDF	SALE	BOH3	02/22/2023	(13)
NDF	SALE	BOH3	02/28/2023	(25)
NDF	PURCHASE	CLP	01/30/2023	257
NDF	PURCHASE	CLP	02/09/2023	514
NDF	PURCHASE	CLP	02/10/2023	1,544
NDF	PURCHASE	CLP	02/14/2023	385
NDF	PURCHASE	CLP	02/15/2023	640
NDF	PURCHASE	CLP	02/27/2023	250

Credit Risks

The Company is potentially subject to credit risk related to accounts receivable from its customers, minimized by the dispersion of the customer portfolio, given that the Company does not have a customer or business group that represents more than 10% of its revenue and is subject to concession of loans to customers with good financial and operational ratios.

c. Price risks in the purchase of cattle

The Company's line of business is exposed to the volatility of cattle prices, the main raw material, whose variation results from factors beyond Management's control, such as weather factors, supply volume, transportation costs, agricultural policies and others.

The Company, in accordance with its inventory policy, maintains its strategy for managing this risk, acting in physical control, which includes advance purchases, confinement of cattle and entering into future settlement contracts (over-the-counter and exchange), which guarantee the realization of their stocks at a certain price level:

Over the counter (OTC) market	**12/31/2022 Fair value**
Forward contract purchased	
Notional value (@)	265,038
Futures Contract Price (R$/@)	304
Total R$/1,000	**80,700**

BM&F Market	**12/31/2022 Fair value**
Futures Contracts Sold	
Notional value (@)	215,160
Futures Contract Price (R$/@)	300
Total R$/1,000	**64,633**

d. Demonstration chart of cash sensitivity

The purpose of the sensitivity analysis demonstrative tables is to disclose, in a segregated manner, the derivative financial instruments that, in the Company's opinion, are intended to protect against exposure to risks. These financial instruments are grouped according to the risk factor they are intended to protect (price, exchange rate, credit risk, etc.).

The scenarios were calculated with the following assumptions:

- **Upward movement:** characterizes an increase in prices or risk factors on December 31, 2022;
- **Downward movement:** characterizes a drop in prices or risk factors on December 31, 2022;
- **Probable scenario:** impact of 6%; Scenario oscillation of 12%; and 18% oscillation scenario.

Below, we present the cash sensitivity charts, considering only positions in derivative financial instruments and their impacts on cash:

Transaction	**Movement**	**Risk**	**Probable scenario 6% fluctuation**	**Possible scenario 12% fluctuation**	**Remote scenario 18% fluctuation**
Hedge Derivatives	High	Cattle	(7,904)	(15,807)	(23,711)
Cattle	High	Cattle	4,842	9,684	14,526
Net			**(3,062)**	**(6,123)**	**(9,185)**
Hedge Derivatives	High	Dollar	(117,012)	(234,023)	(351,035)
Invoices + cash - in $US	High	Dollar	164,056	328,112	492,168
Net			**47,044**	**94,089**	**141,133**
Hedge Derivatives	High	Euro	(152)	(305)	(457)
Invoices – in $EUR	High	Euro	2,432	4,864	7,295
Net			**2.279**	**4,559**	**6,838**
Hedge Derivatives	High	Dollar	34,850	69,701	104,551
Borrowings in $US	High	Dollar	(87,694)	(175,388)	(263,081)
Net			**(52,844)**	**(105,687)**	**(158,531)**

- **Exchange rate USD 5.2177** – Sale Ptax (Source: Central Bank of Brazil)**;**
- **Exchange rate EUR 5.5694** – Sales Ptax (Source: Central Bank of Brazil).

Result of the asset protection framework

- Derivatives Hedge x Cattle: In the probable scenario where the market movement is 6%, the Company could incur a loss of R$ 3,062, already in the scenario with 12% oscillation of R$ 6,123 of loss and in the 18% oscillation loss of R$9,185;
- Derivatives Hedge x Invoices + Cash in US$: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$47,044, already in the scenario with a 12% oscillation of R$94,089 of gain and in the 18% oscillation of R$ 141,133 of gain;
- Derivatives Hedge x Invoices + Cash in EUR: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$2,279, already in the scenario with a 12% oscillation of R$4,559 of gain and in the oscillation of 18% of R$ 6,838 of gain.
- Derivatives Hedge and Funding: In the probable scenario where the market movement is 6%, the Company could incur a loss of R$52,844, already in the scenario with oscillation of 12%, loss of R$105,687, and in the oscillation of 18 %, loss of R$ 158,531.

e. Call margin

In exchange operations, there is the incidence of guarantee margin calls, and to cover margin calls, the Company uses public and private fixed income securities, such as CDBs, belonging to its portfolio, thus mitigating impacts on its flow Of box.

On December 31, 2022, the amounts deposited in margin represented R$ 60,000.

27. Statements of comprehensive income (loss)

In compliance with the provisions of CPC 26 (R1) (IAS 1) - Presentation of individual and consolidated financial statements, the Company shows below the change in comprehensive income for the years ended December 31, 2022 and 2021:

	Parent company		Consoidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Net income for the period	652,533	598,879	655,064	598,879
Cumulative translation adjustments	(475,219)	(520,882)	(475,219)	(520,882)
Total comprehensive income	**177,314**	**77,997**	**179,845**	**77,997**
Comprehensive income (loss) attributable to:				
Company's owners	177,314	77,997	177,314	77,997
Noncontrolling interests	-	-	2,531	-
Total comprehensive income	**177,314**	**77,997**	**179,845**	**77,997**

28. Insurance

The Company and its subsidiaries adopt an insurance policy that mainly takes into account the risk concentration, relevance and replacement value of assets. The main information on insurance coverage in force on December 31, 2022 can be demonstrated as follows:

Description	Type of Coverage	Insured amount
Buildings	Fire and sundry risks	912,092
Facilities, equipment, and inventories	Fire and sundry risks	1,468,875
Company cars and aircraft	Fire and sundry risks	294,678
Overseas transportation	Fire and sundry risks	104,354
Civil liability	Risks in operations	41,742
Total		**2,821,741**

The Company and its subsidiaries maintain coverage for all products transported in Brazil and abroad. The risk assumptions adopted, given their nature, are not part of the audit scope and, consequently, were not reviewed by the Company's auditors.

The Company has building property insurance for all its factories and distribution centers.

29. Events after the reporting period

Acquisition of BPU – Breeders and Packers Uruguay

In January 2023, the subsidiary ATHN Foods announced the acquisition of Breeders and Packers Uruguay ("BPU Meat"), a subsidiary of NH Foods Groups ("NH Foods"), located in the city of Durazno in Uruguay, one of the most modern slaughterhouses in beef from South America, with a slaughtering capacity of 1,200 head/day and using the latest technology in the industrial process, produces and exports beef from Uruguay with the highest levels of quality and health safety. For the acquisition of BPU Meat, the Company will invest US$ 40 million.

Enabling Exports to Indonesia

In January 2023, the Company announced the authorization of the Janaúba (MG) plant to export beef to the Indonesian market, thus, the Company now has 6 (six) plants qualified for this market: Janaúba (MG) , José Bonifácio (SP), Rolim de Moura (RO), Araguaína (TO), Mirassol d'Oeste (MT) and Palmeiras de Goiás (GO), combined, have a total slaughtering capacity of more than 8 thousand head/day.

With approximately 275 million inhabitants, Indonesia stands out as one of the largest consumer markets for Halal meat in the world, and with enormous potential for growth. In 2022, Brazil exported 20.5 thousand tons of beef to Indonesia, an increase of 23.5% compared to the previous year.

Temporary Suspension of Exports to China

The suspension was due to the confirmation of 1 case of Bovine Spongiform Encephalopathy, in the state of Pará, in a 9-year-old animal. The samples were sent to the institution's reference laboratory in Alberta, Canada, which will be able to confirm whether the case is atypical. It is worth mentioning that the suspension is a health protocol signed between MAPA and the General Administration of Quality Supervision, Inspection and Quarantine of China.

The Company informs that, through its operation in Brazil, it exports to China through its units in Barretos (SP), Palmeiras de Goiás (GO) and Rolim de Moura (RO). However, the Company will continue to meet Chinese demand through 4 slaughter plants, 3 in Uruguay and 1 in Argentina, without compromising our market share and the relationship with our customers.

Finally, it is important to point out that since 2015, the World Organization for Animal Health (OIE) excludes the occurrence of cases of atypical BSE for the purpose of recognizing the country's official risk status, and the disease can occur spontaneously and sporadically in all cattle populations in the world. As a result, the Company believes that, as in previous periods, the suspension of Brazilian exports is temporary and should be resumed in a short period of time.

MINERVA S.A.

Independent auditors' report

Individual and Consolidated Financial statement as of December 31, 2021

Tel.: + 55 11 3848 5880
Fax: + 55 11 3045 7363
www.bdo.com.br

Rua Major Quedinho 90
Consolação – São Paulo, SP
Brasil 01050-030

INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To
Shareholders, Advisers and Board of Directors of
Minerva S.A.
São Paulo - SP

Opinion on the individual and consolidated financial statements

We have examined the individual and consolidated financial statements of **Minerva S.A. ("Company")**, identified as the "Parent company" and "Consolidated", respectively, which comprise the statement of financial position as of December 31, 2021 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the related explanatory notes, including a summary of the main accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the individual and consolidated financial position of **Minerva S.A.** as of December 31, 2021, the individual and consolidated performance of its operations and their respective individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion on the individual and consolidated financial statements

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the following section entitled "Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements." We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles set forth in the Professional Code of Ethics of the Accountant and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to substantiate our opinion.

Key audit matter

Key audit matter (KAMs) are those matters that, in our professional judgment, were the most significant in our audit of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion on these individual and consolidated financial statements and therefore, we do not express a separate opinion on these matters.

BDO RCS Auditores Independentes, an audit partnership organized according to Brazilian law, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Derivative Financial Instruments

As disclosed in Notes 3 (h) and 25, the Company uses derivative financial instruments to hedge the risks associated with certain financial exposures related to the business, resulting in financial impacts on its individual and consolidated financial statements.

The Company's management is responsible for monitoring and managing financial risks, evaluating the exposure to interest rate risks, indices of fluctuation in the bovine arroba price and exchange rate existing in the assets, liabilities and operations that are being covered, as a result of of different factors, such as, among others, the differences between the contracting dates and the maturity and settlement dates, or differences in spreads on the financial assets and liabilities to be hedged and the spreads corresponding to the differences between the dates of the transactions. Such derivative financial instruments are measured at fair value through valuation methodologies, which take into account professional judgment. The use of different market information and/or valuation methodologies may have a material effect on the estimated fair value amount and, consequently, on the Company's individual and consolidated financial statements. For these reasons, we considered this matter to be significant in our audit, again in the current year.

Audit response to the matter

Our audit procedures included, among others:

- the evaluation and understanding of the process, operational controls and risk management strategies adopted by the Company's management in derivative financial instrument contracts, as well as their measurement and accounting recognition;
- We evaluated the adequacy of the documentation supporting the records, the measurement and the form of recognition of derivative financial instruments in the individual and consolidated financial statements;
- Additionally, we analyzed the methodology and the reasonableness of the main assumptions used by the Company's management, such as rates, terms, among other information. We also examined the adequacy of disclosures on derivative financial instruments and calculation methodology for measurement and recording in the individual and consolidated financial statements;
- We carry out confirmation procedures with counterparties of derivative contracts in order to confirm the existence, completeness and integrity of operations, as well as confirm the main contractual clauses.

Based on the audit approach and the procedures performed, we understand that the balances presented in the individual and consolidated financial statements by the Company related to the measurement and recognition of derivative financial instruments and the corresponding disclosures are reasonable in the context of the individual and consolidated financial statements, taken together, taken as a whole.

Revenue Recognition

According to Explanatory Notes 3 (v) No. 21, the Company's revenues derive essentially from the sales of products to domestic and foreign markets. The Company has significant amounts of revenue recognized for the foreign market, subject to evaluations and judgments in determining the accounting recognition by the Company's Management based on estimates of average delivery terms. Considering the scope of transactions in the foreign market that requires judgment by the Company's management in determining the controls for the identification and measurement of invoiced and undelivered sales at the end of the year, we consider the recognition of sales revenue as one of the main issues of audit again in the current year.

Audit response to the matter

Our audit procedures included, among others:

- The understanding and evaluation of the processes and operational controls aimed at the recognition of revenue from sales to the foreign market, as well as the design of relevant internal controls related to the sales process at the end of the year;
- We carry out substantive procedures for product sales through statistical sampling, with the objective of analyzing and validating the recognition and measurement of revenues;
- Additionally, we analyzed the settlement and realization in subsequent periods, in addition to evaluating the average delivery terms used by the Company to estimate the calculation of invoiced and undelivered sales at the end of the year;
- Review of adequate disclosure in the notes to the individual and consolidated financial statements.

Based on the results of the audit procedures performed, we understand that the criteria and assumptions adopted by the Company for the measurement, recognition and disclosure performed are reasonable in the context of the individual and consolidated financial statements taken as a whole.

Intangible assets with indefinite useful lives (Goodwill) - Impairment

According to Explanatory Notes No. 3 (p) and No. 12, the Company has recorded, on December 31, 2021, goodwill for expected future profitability ("Goodwill") in the amounts of R$ 259,691 thousand and R$ 659,390 thousand, respectively, parent company and consolidated, resulting from acquisitions of companies, whose recoverable value must be evaluated annually, as required by Technical Pronouncement NBC TG 01 (R4)/IAS 36 – Reduction to the Recoverable Value of Assets.

Determining the recoverable amount of these non-financial assets involves significant judgments in defining the assumptions used in cash flow projections, with a high degree of subjectivity on the part of the Company's management based on the discounted cash flow method, which considers assumptions such as discount rates, economic growth, inflation projection, among other estimates. In this context, the Company's management hired external experts to prepare a specific report on this matter, aiming to comply with the accounting standard. These determinations and measurements are based on assumptions that may change due to future and unexpected conditions, whether due to internal factors, market or macroeconomic conditions, which is why we considered the matter relevant for our audit.

Audit response to the matter

Our audit procedures included, among others:

- Involvement of our specialists in corporate finance to evaluate and challenge the cash flow projections of the Cash Generating Units (CGUs), including the comparison with the strategic business plans approved by the Company's Board of Directors;
- We question the main assumptions adopted by management, such as the long-term growth rates in the projections, comparing them with economic forecasts for the sector, as well as the discount rates used and other macroeconomic conditions;
- Additionally, we compared the recoverable amount calculated based on the discounted cash flows of the CGUs with the respective book values and evaluated the disclosures related to the recoverable amount of goodwill arising from business combinations and other non-financial assets recorded in the individual and consolidated.

Based on the audit approach and procedures performed, we consider that the methodology and assumptions used by the Company to assess the recoverable amount of said assets are reasonable, with the information being properly recognized and presented in the individual and consolidated financial statements taken as a whole.

Other matters

Statements of Value Added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2020, prepared under the responsibility of the Company's Executive Board, and presented as supplementary information for IFRS purposes, were subject to jointly executed auditing procedures with the audit of the Company's financial statements. For the purposes of forming our opinion, we assess whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content comply with the criteria set forth in Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria set forth in this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

Review of amounts corresponding to the previous year

The individual and consolidated financial statements for the year ended December 31, 2020, presented for comparison purposes with the year ended December 31, 2021, were audited by other Independent Auditors, who issued a report without modification of opinion on February 25, 2021

Other information accompanying the individual and consolidated financial statements and the auditor's report

The Company's Executive Board is responsible for such other information that includes the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

In connection with the audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in so doing, to consider whether this report is materially inconsistent with the financial statements or with our knowledge obtained in the audit or otherwise appear to be materially misstated. If, based on our work we have performed, we concluded that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Board and those charged with governance by the individual and consolidated financial statements

The Executive Board is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and for such internal control which it has determined as necessary to enable the preparation of financial statements free of material misstatement, whether due to fraud or error.

In the preparation of the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting in the preparation of the financial statements, unless Executive Board either intends to liquidate the Company and its subsidiaries or cease its operations, or has no realistic alternative but to do so.

Those responsible for the governance of the Company and its subsidiaries are those responsible for supervising the process of preparing the individual and consolidated financial statements.

Responsibilities of the auditor for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance that the individual and consolidated financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that included our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted in accordance with Brazilian and international auditing standards will always detect a material misstatement when it exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users take on the basis of these referred financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of the internal controls relevant to the audit to plan audit procedures appropriate to the circumstances, but not, in order to express an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Board;
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of financial statements, including disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;

We communicate with those responsible for governance regarding, among others aspects, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we have identified during our work.

We also provide those responsible for governance with a statement that we have complied with the relevant ethical requirements, including the applicable requirements for independence, and communicate with them all possible relationships or other matters that may reasonably be thought to bear on our independence, including and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that we were of the most significance in the audit of the individual and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 23, 2022.

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1

Francisco de Paula dos Reis Junior
Accountant CRC 1 SP 139168/O-6

MINERVA S.A.

Statements of financial position
For the years ended December 31, 2021 and 2020
(In thousands of Brazilian Reais)

ASSETS

		Parent company		Consolidated	
	Note	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Current					
Cash and cash equivalentes	5	4,894,639	5,422,755	7,302,009	6,391,429
Trade receivables	6	1,251,602	901,869	2,598,563	2,143,997
Inventories	7	654,618	461,807	2,115,294	997,963
Biological assets	8	342,334	263,221	467,960	351,230
Recoverable taxes	9	374,157	621,895	805,076	1,011,815
Other receivables	-	216,644	189,562	478,198	389,879
		7,733,994	**7,861,109**	**13,767,100**	**11,286,313**
Non-current					
Other receivables	-	125,232	47,836	148,165	53,469
Related parties	10	5,847,272	3,213,680	-	-
Recoverable taxes	9	106,942	192,285	106,942	192,285
Deferred assets	18	467,739	447,540	415,665	448,832
Court deposits	-	15,626	16,184	22,202	22,250
Investments	11	4,389,650	3,425,014	199,841	21,374
Property, plant and equipment	12	1,947,378	1,855,858	4,581,352	4,122,509
Intangible assets	13	324,572	302,083	828,195	776,219
		13,224,411	**9,500,480**	**6,302,362**	**5,636,938**
Total assets		**20,958,405**	**17,361,589**	**20,069,462**	**16,923,251**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of financial position
For the years ended December 31, 2021 and 2020
(In thousands of Brazilian Reais)

LIABILITIES AND EQUITY

		Parent company		Consolidated	
	Nota	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Current					
Loans and financing	14	1,547,580	2,002,767	1,488,416	2,199,564
Leases	12.b	9,265	9,767	10,435	10,280
Trade payables	15	2,511,018	1,648,810	3,724,242	2,344,593
Payroll, related charges and taxes payable	16	122,699	114,521	400,727	324,990
Other payables	17	1,306,668	1,410,464	1,614,550	1,516,235
		5,497,230	**5,186,329**	**7,238,370**	**6,395,662**
Non-current					
Loans and financing	14	9,916,964	6,845,820	11,916,289	9,372,474
Leases	12.b	23,807	31,291	29,272	36,611
Payroll, related charges and taxes payable	16	45,112	50,755	53,179	59,706
Provisions for tax, labor and civil risks	19	27,959	27,968	43,377	40,274
Allowances for investment losses	11	3,472,062	2,910,228	-	-
Related parties	10	1,321,140	1,469,126	-	-
Other payables	17	-	-	18,524	31,095
Deferred taxes	18	-	-	116,320	147,357
		14,807,044	**11,335,188**	**12,176,961**	**9,687,517**
Equity	20				
Capital stock		1,616,138	1,303,984	1,616,138	1,303,984
Capital reserve		118,271	118,271	118,271	118,271
Revaluation reserve		47,518	49,066	47,518	49,066
Profit reserves		353,865	153,438	353,865	153,438
Additional proposed dividends		200,000	376,092	200,000	376,092
Treasury shares		(242,768)	(242,768)	(242,768)	(242,768)
Other comprehensive income		(1,438,893)	(918,011)	(1,438,893)	(918,011)
		654,131	**840,072**	**654,131**	**840,072**
Non-controlling shareholders		-	-	-	-
		654,131	**840,072**	**654,131**	**840,072**
Total equity		**20,958,405**	**17,361,589**	**20,069,462**	**16,923,251**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of profit or loss
For the years ended December 31, 2021 and 2020
(In thousands Brazilian Reais, unless otherwise stated)

	Nota	Parent company		Consolidated	
		12/31/2021	12/31/2020	12/31/2021	12/31/2020
Net operating revenue	22	**12,113,113**	**10,103,374**	**26,965,360**	**19,406,344**
Cost of sales	-	**(9,745,007)**	**(7,913,815)**	**(22,320,336)**	**(15,571,421)**
Gross profit		**2,368,106**	**2,189,559**	**4,645,024**	**3,834,923**
Operating income (expenses):					
Selling expenses	23	(676,312)	(625,570)	(1,766,570)	(1,304,005)
General and administrative expenses	23	(432,532)	(369,264)	(857,581)	(705,834)
Other operating income (expenses)	23	1,975	(29,837)	14,545	(31,311)
Equity in earnings of subsidiaries	11	799,935	245,846	-	-
Income (loss) before financial income (loss) and taxes		**2,061,172**	**1,410,734**	**2,035,418**	**1,793,773**
Financial expenses	24	(1,105,833)	(290,411)	(939,685)	(622,988)
Financial income	24	49,605	48,887	75,015	74,897
Monetary correction	24	-	-	(179,854)	(62,968)
Exchange rate variation, net	24	(426,263)	(478,808)	(405,287)	(416,700)
Net financial result		**(1,482,491)**	**(720,332)**	**(1,449,811)**	**(1,027,759)**
Income before taxes		**578,681**	**690,402**	**585,607**	**766,014**
Income tax and social contribution - current	18	-	(15,264)	(64,918)	(93,734)
Income tax and social contribution - deferred	18	20,198	21,954	78,190	24,812
Net income for the year		**598,879**	**697,092**	**598,879**	**697,092**
Attributable to:					
Company shareholders		598,879	697,092	598,879	697,092
Non-controlling shareholders		-	-	-	-
Net income for the year		**598,879**	**697,092**	**598,879**	**697,092**
Earnings per share:					
Basic earnings per share - R$	**24**	**1.03**	**1.33**	**1.03**	**1.33**
Diluted earnings per share - R$	**24**	**1.03**	**1.33**	**1.03**	**1.33**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of comprehensive income
For the years ended December 31, 2021 and 2020
(In thousands Brazilian Reais)

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Net income	**598,879**	**697,092**	**598,879**	**697,092**
Other comprehensive income to be reclassified to income statement in subsequent period:				
Cumulative translation adjustments	(520,882)	(598,352)	(520,882)	(598,352)
Total other comprehensive income for the year	**77,997**	**98,740**	**77,997**	**98,740**
Comprehensive income attributable to:				
Company shareholders	77,997	98,740	77,997	98,740
Non-controlling shareholders	-	-	-	-
Comprehensive income attributable to:	**77,997**	**98,740**	**77,997**	**98,740**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the year ended December 31, 2021

(In thousands of Brazilian Reais)

				Profit reserves									
	Capital stock	Capital reserve	Revaluation reserve	Legal Reserve	Statutory reserve	Earnings retention - Art.196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
Balances as of January 1st, 2021	**1,303,984**	**118,271**	**49,066**	**34,855**	**-**	**118,583**	**376,092**	**-**	**(242,768)**	**(918,011)**	**840,072**	**-**	**840,072**
Net income for the year	-	-	-	-	-	-	-	598,879	-	-	**598,879**	-	**598,879**
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(520,882)	**(520,882)**	-	**(520,882)**
Total comprehensive income (loss), net from taxes	-	-	-	-	-	-	-	598,879	-	(520,882)	**77,997**	-	**77,997**
Capital increase	312,154	-	-	-	-	-	-	-	-	-	**312,154**	-	**312,154**
Legal reserve	-	-	-	29,944	-	-	-	(29,944)	-	-	**-**	-	**-**
Statutory reserve					170,483	-	-	(170,483)					**-**
Earnings retention - Art. 196	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
(-) Ações em tesouraria	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	**-**	-	**-**
Payment of additional proposed dividends	-	-	-	-	-	-	(376,092)	-	-	-	**(376,092)**	-	**(376,092)**
Interim dividend distribution	-	-	-	-	-	-	-	(200,000)	-	-	**(200,000)**	-	**(200,000)**
Additional proposed dividends	-	-	-	-	-	-	200,000	(200,000)	-	-	**-**		**-**
Balances as of December 31, 2021	**1,616,138**	**118,271**	**47,518**	**64,799**	**170,483**	**118,583**	**200,000**	**-**	**(242,768)**	**(1,438,893)**	**654,131**	**-**	**654,131**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the year ended December 31, 2020
(In thousands of Brazilian Reais)

				Profit reserves								
	Capital stock	Capital reserve	Revaluation reserve	Legal Reserve	Earnings retention - Art.196	Additional proposed dividends	Retained earnings (losses)	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
Balances as of January 1st, 2020	**282,017**	**118,271**	**50,614**	**-**	**-**	**-**	**(380,210)**	**(32,695)**	**(319,659)**	**(281,662)**	**-**	**(281,662)**
Net income for the year	-	-	-	-	-	-	697,092	-	-	**697,092**	-	**697,092**
Cumulative translation adjustments	-	-	-	-	-	-	-	-	(598,352)	**(598,352)**	-	**(598,352)**
Total comprehensive income (loss), net from taxes	-	-	-	-	-	-	697,092	-	(598,352)	**98,740**	-	**98,740**
Capital increase	1,455,990	-	-	-	-	-	-	-	-	**1,455,990**	-	**1,455,990**
(-) Expenses on capital increase	(53,813)	-	-	-	-	-	-	-	-	**(53,813)**	-	**(53,813)**
Absorption of losses from accumulated losses through capital	(380,210)	-	-	-	-	-	380,210	-	-	**-**	-	**-**
Legal reserve	-	-	-	34,855	-	-	(34,855)	-	-	**-**	-	**-**
Earnings retention - Art. 196	-	-	-	-	118,583	-	(118,583)		-	**-**	-	**-**
(-) Treasury shares	-	-	-	-	-	-	-	(210,073)	-	**(210,073)**	-	**(210,073)**
Realization of revaluation reserve	-	-	(1,548)	-	-	-	1,548	-	-	**-**	-	**-**
Interim dividend distribution	-	-	-	-	-	-	(138,454)	-	-	**(138,454)**	-	**(138,454)**
Supplement to the mandatory dividend	-	-	-	-	-	-	(8,204)	-	-	**(8,204)**	-	**(8,204)**
Additional proposed dividends	-	-	-	-	-	376,092	(376,092)	-	-	**-**		**-**
Interest on equity distribution	-	-	-	-	-	-	(22,452)	-	-	**(22,452)**	-	**(22,452)**
Balances as of December 31, 2020	**1,303,984**	**118,271**	**49,066**	**34,855**	**118,583**	**376,092**	**-**	**(242,768)**	**(918,011)**	**840,072**	**-**	**840,072**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MINERVA S.A.

Statements of cash flows - Indirect method
For the years ended December 31, 2021 and 2020
(In thousands Brazilian Reais)

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Cash flow from operating activities				
Net income for the year	**598,879**	**697,092**	**598,879**	**697,092**
Adjustments to reconcile net income:				
Depreciation and amortization	168,450	150,191	346,786	308,662
Allowance for expected credit losses	6,819	12,741	7,039	24,802
Gains on sale of fixed assets	2,864	884	4,955	1,746
Fair value of biological assets	(47,767)	(32,394)	(40,341)	(54,940)
Realization of deferred taxes	(20,198)	(21,954)	(78,190)	(24,812)
Equity in earnings (losses) of subsidiaries	(799,935)	(245,846)	-	-
Finance charges	745,485	657,832	1,013,896	1,047,217
Unrealized exchange rate changes	363,906	876,792	543,698	848,932
Monetary correction	-	-	179,854	62,968
Provision for legal claims	(9)	666	3,103	2,002
Trade and other receivables	(461,030)	(457,814)	(644,620)	(512,767)
Inventories	(192,811)	(31,262)	(1,117,331)	(283,398)
Biological assets	(31,346)	(27,654)	(76,389)	(60,517)
Recoverable taxes	333,081	(97,136)	292,082	(261,486)
Court deposits	558	7,369	48	2,300
Trade payables	862,208	734,382	1,379,649	982,224
Payroll, related charges and taxes payable	2,535	(2,788)	69,210	(13,509)
Other payables	(77,208)	411,218	112,333	457,311
Net cash provided from operating activities	**1,454,481**	**2,632,319**	**2,594,661**	**3,223,827**
Cash flow from investing activities				
Acquisition of investiments	(123,749)	(277,589)	(64,336)	(21,374)
Acquisition of intangible assets, net	(35,995)	(27,461)	(36,283)	(27,697)
Acquisition of property, plant and equipment, net	(247,122)	(110,895)	(467,902)	(327,027)
Net cash used in investing activities	**(406,866)**	**(415,945)**	**(568,521)**	**(376,098)**
Cash flow from financing activities				
Raising of loans and financing	4,425,055	2,876,598	7,031,604	3,464,037
Payments of loans and financing	(3,643,278)	(4,285,662)	(8,702,320)	(6,334,768)
Payments of leases	(10,192)	(10,086)	(11,137)	(11,259)
Related parties	(2,781,578)	(1,193,946)	-	-
Capital stock increase	312,154	1,455,990	312,154	1,455,990
Payment of additional proposed dividends	(383,441)	-	(383,441)	-
Payment of Interim dividend distribution	(200,000)	(138,454)	(200,000)	(138,454)
Treasury of shares	-	(210,073)	-	(210,073)
Transaction costs in the issue of shares	-	(53,813)	-	(53,813)
Payment of Interest on Equity	(19,240)	-	(19,240)	-
Net cash used in financing activities	**(2,300,520)**	**(1,559,446)**	**(1,972,380)**	**(1,828,340)**
Exchange rate changes on cash and cash equivalents	724,789	741,767	856,820	902,353
Net increase (decrease) in cash and cash equivalents	**(528,116)**	**1,398,695**	**910,580**	**1,921,742**
Cash and cash equivalents:				
At the begining of year	5,422,755	4,024,060	6,391,429	4,469,687
At the end of year	4,894,639	5,422,755	7,302,009	6,391,429
Net increase (decrease) in cash and cash equivalents	**(528,116)**	**1,398,695**	**910,580**	**1,921,742**

The accompanying notes are an integral part of these individual and consolidated financial statements.

1. General information

Minerva S.A. (Company) is a publicly held company listed at the "Novo Mercado" corporate governance segment with shares are traded on "B3" - Bolsa, Brasil, Balcão. The Company's main activities include the slaughtering of livestock and processing of meat, sale of fresh chilled, frozen and processed meat and the exporting of live cattle.

The Company's shares are traded on "B3" – Bolsa, Brasil, Balcão, under the ticker symbol "BEEF3" and its Level 1 American Depositary Receipts (ADRs) are traded on the OTC market OTCQX International Premier, a segment of the electronic trading platform operated by the OTC Markets Group Inc., in the United States.

Parent company

The Company is headquartered at Av. Antônio Manso Bernardes, S/N - Chácara Minerva, in Barretos (SP) and has manufacturing units located in José Bonifácio (SP), Palmeiras de Goiás (GO), Araguaína (TO), Goianésia (GO), Barretos (SP), Campina Verde (MG), Janaúba (MG), Paranatinga (MT), Mirassol D'Oeste (MT), and Rolim de Moura (RO). The distribution centers for the domestic market are located in the cities of Aparecida de Goiânia (GO), Brasília (DF), Cariacica (ES), São Paulo (SP), Araraquara (SP), Taboão da Serra (SP), Cubatão (SP), Santos (SP), Belo Horizonte (MG), Maracanaú (CE), Uberlândia (MG), Cabo de Santo Agostinho (PE), Itajaí (SC) and Caraguatatuba (SP).

As of december 31, 2021, the Company's consolidated industrial complex had a daily slaughtering capacity of 26,180 heads and a deboning capacity of 4,616 tons, taking into account subsidiaries Athena Foods S.A (Chile) – in Uruguay (Pulsa S/A and Frigorífico Carrasco S/A), in Colombia (Red. Cárnica S.A.), in Paraguay (Frigomerc S/A) and in Argentina (Pul Argentina S.A., which is the parent of Swift Argentina S.A). All plants are compliant with sanitary requirements applicable to exports to countries across the five continents. The Barretos manufacturing unit (SP) has a beef processing line "cubedbeef" and "roastbeef" which is mainly intendend for exports.

Direct and indirect subsidiaries

Direct subsidiaries located in Brazil:

- **Minerva Dawn Farms S.A. (Minerva Fine Foods):** located in Barretos (SP), this unit started operations in 2009. to produce, in varying scales, and sell beef, pork and poultry products meeting domestic and foreign demand in the "Food Services" segment;

- **CSAP – Companhia Sul Americana de Pecuária S.A.:** located in Barretos (SP), this unit started operations in 2014 to mainly engage in livestock and farming, by breeding and selling live cattle, lambs, pigs and other live animals;
- **Minerva Comercializadora de Energia Ltda.:** located in São Paulo (SP), this unit started operations in 2016 and is mainly engaged in trading and selling electric power;
- **Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior:** started its activities in 2020 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary MF 92 Ventures LLC;
- **MYCarbom3 Ltda.**: Created in 2021, it is a subsidiary that aims to support companies in meeting their goals of neutralizing greenhouse gas emissions through carbon offsetting, in a transparent, reliable and sustainable manner. The company develops projects, originates and sells carbon credits, in line with international standards, creating financial opportunities for the preservation of nature, accelerating action to combat climate change and promoting a low-carbon future. in 2021, being headquartered in Brazil, its main activity is the trading of carbon credits;
- **Fundo de Investimento em Quotas de Fundo de Investimentos Multimercado Portifólio 1839:** started its activities in 2021 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior;

Direct foreign subsidiaries:

- **Athena Foods S.A.:** Based in Santiago, Chile (CL), Athenas Foods S.A. started operations in 2018 primarily to manage equity interests and own assets in Mercosur. The company has the following direct subsidiaries: Pulsa S.A. (UY), Frigorífico Carrasco S.A. (UY), Frigomerc S.A. (PY), Pul Argentina S.A. (AR), Red Cárnica S.A.S (CO), Red Industrial Colombiana S.A.S (CO), and Minerva Foods Chile SPA (CL);
- **Lytmer S.A.:** located in Montevideo, Uruguay (UY), engaged in selling live cattle to the foreign market and trading food products;
- **Friasa S.A.:** located in Asunción, Paraguay (PY);
- **Minerva Middle East:** office located in Lebanon to market and sell the Company's products;
- **Minerva Colombia SAS:** Based in Ciénaga de Oro, next to Montería, in the Córdoba region, Colombia, mainly engaged in the dale of livestock to the foreign market;
- **Minerva Live Cattle Export SPA:** located in Santiago, Chile, primarily engaged in selling live cattle to the foreign market;
- **Minerva Meats USA.:** located in Chicago (USA), this unit started operations in 2015 and is mainly engaged in trading food products;

- **Minerva Australia Holdings PTY Ltd.:** Located in Brisbane (Australia), this unit started operations in 2016 and has Minerva Ásia Foods PTY Ltd. as its direct subsidiary; and
- **Minerva Europe Ltd.:** Based in London, England, this unit started operations in 2017 and is mainly engaged in trading food products;
- **Minerva Foods FZE:** Based in the Arab Emirates, the company started operations in 2020 and is mainly engaged in trading food products; and
- **Athn Foods Holdings S.A.:** Started its activities in 2021 and is headquartered in Spain, its main activity is the management of equity interests and the administration of its own assets.
- **Fortune Foods PTE. LTD.:** Started its activities in 2021 being headquartered in Singapore, its main activity is the management of equity interests and administration of own assets.

Indirect foreign subsidiaries:

- **Pulsa S.A.:** meatpacking company acquired in January 2011, located in the Province of Cerro Largo, near the capital Melo, in Uruguay (UY). Engaged in slaughtering and deboning activities, with 85% of its sales intended for the foreign market, primarily the North American and the European markets;
- **Frigorífico Canelones S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Pulsa S.A., located in Canelones, Uruguay (UY). Engaged in the cattle slaughtering and deboning and processing of meat, especially fresh chilled and frozen meat for exports;
- **Frigorífico Carrasco S.A.:** meatpacking company acquired in April 2014, located in Montevideo, Uruguay (UY). Engaged in slaughtering, deboning and processing beef and sheep meat, with approximately 68% of its sales intended for the foreign market;
- **Frigomerc S.A.:** Meatpacking company acquired in October 2012, located in Asunción, Paraguay (PY), engaged in slaughtering, deboning and processing activities, operating in the domestic and foreign markets;
- **BEEF Paraguay S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- **Indústria Paraguaya Frigorífica S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- **Pul Argentina S.A.:** Based in Buenos Aires, Argentina, the company started activities in 2016 and has Swift Argentina S.A. as its direct subsidiary;
- **Swift Argentina S.A.:** a meatpacking company acquired in July 2017 by the indirect subsidiary Pul Argentina S.A. located in Buenos Aires (AR) to process and produce meat and sell own and third parties' brands, especially Swift products;

- **Red. Cárnica SAS:** a meatpacking company acquired in July 2015, located in Ciénaga de Oro, near Montería, Córdoba region, in Colombia (CO) having also acquired on August 5, 2020 an industrial plant belonging to Vijagual meatpacking located in Bucaramanga in the department of Santander in Colombia (CO). They operate in slaughter, deboning and processing activities in the domestic and foreign markets;
- **Red. Industrial Colombiana SAS:** plant acquired in July 2015, located in Ciénaga de Oro, near Montería, in the Córdoba region, Colombia (CO), whose main purpose is the preparation of products for animals, specifically, meat/bone meal, blood and tallow;
- **Minerva Foods Chile SPA:** Located in Santiago, Chile, primarily engaged in trading and selling the Company's products;
- **Minerva Ásia Foods PTY Ltd:** this unit is mainly engaged in trading food products; and
- **MF 92 Ventures LLC:** Located in the United States, this unit started operations in 2020 and is mainly engaged in holding investments.

Cargo transportation

- **Transminerva Ltda.:** located in Barretos (SP), it is engaged in cargo transportation to support the Company, reducing its freight expenses in Brazil.

Special Purpose Entities (SPE) for fundraising

- **Minerva Overseas I:** located in the Cayman Islands, it was incorporated in 2006 to issue Bonds and receive the respective financial resources, totaling US$200 million, in January 2007;
- **Minerva Overseas II:** Located in the Cayman Islands, it was incorporated in 2010 to issue Bonds and receive the respective financial resources, totaling US$250 million, on that date; and

- **Minerva Luxembourg S.A.:** located in Luxembourg, it was incorporated in 2011 for the specific purpose of issuing Bonds and receiving the respective financial resources, totaling US$350 million, and the subsequent re-tap of US$100 million, occurred in February and March 2012, respectively. Also in the first quarter of 2013, the company conducted the "offer to buyback debt notes" using the proceeds from the issue of 2023 Notes in the amount of US$850 million bearing interest of 7.75% per year. In the third quarter of 2014, the company carried out the re-tap of the 2023 Notes in the amount of US$200 million. During the third quarter of 2016, the company carried out an offering of US$1 billion bearing interest of 6.50% per annum, buying back the 2023 Notes in the amount of US$617,874. In the second quarter of 2017, the company carried out a re-tap operation for its 2026 Notes, in the amount of US$350 million. During the fourth quarter of 2017, the company carried out an offering of US$500 million bearing interest of 5.875% per year, buying back the 2023 Notes in the amount of US$198,042. During the first quarter of 2021, it made an offer of US$1 billion with interest of 4.375% per year, where it repurchased the 2026 notes in the amount of US$911,719. During the 4th quarter of 2021, it repurchased and canceled a portion of the 2028 Notes that were outstanding in the amount of US$ 70,606, which has an interest coupon of 5.875% per year.

Other subsidiaries in pre-operational stage

- **Minerva Log S.A. (logistics)**

The direct and indirect subsidiaries mentioned above are included in the Company's individual and consolidated financial statements. The equity interest in each subsidiary is as shown below:

	12/31/2021	12/31/2020
Direct subsidiaries		
Minerva Dawn Farms S/A	100.00%	100.00%
Friasa S/A	99.99%	99.99%
Minerva Overseas I	100.00%	100.00%
Minerva Overseas II	100.00%	100.00%
Minerva Middle East	100.00%	100.00%
Transminerva Ltda.	100.00%	100.00%
Minerva Log	100.00%	100.00%
Minerva Colômbia S.A.S	100.00%	100.00%
Lytmer S.A.	100.00%	100.00%
Minerva Luxembourg S.A.	100.00%	100.00%
Minerva Live Cattle Export Spa	100.00%	100.00%
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	100.00%
Minerva Meats USA Inc.	100.00%	100.00%
Minerva Comercializadora de Energia Ltda	100.00%	100.00%
Minerva Australia Holdings PTY Ltd	100.00%	100.00%
Minerva Europe Ltd.	100.00%	100.00%
Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior	100.00%	100.00%
Minerva Foods FZE	100.00%	100.00%
Athena Foods S.A.	100.00%	100.00%
Athn Foods Holdings S.A.	100.00%	-
Fortuna Foods PTE. LTD.	100.00%	-
Fundo de Investimento em Quotas de Fundo de Investimento Multimercado Portifolio 1839	100.00%	-

	12/31/2021	12/31/2020
Indirect subsidiaries		
Frigorifico Carrasco S.A.	100.00%	100.00%
Minerva Foods Chile Spa	100.00%	100.00%
Red Cárnica S.A.S	100.00%	100.00%
Red Industrial Colombiana S.A.S	100.00%	100.00%
Pulsa S.A.	100.00%	100.00%
Frigorífico Canelones S.A.	100.00%	100.00%
Frigomerc S/A	100.00%	100.00%
BEEF Paraguay S.A.	99.99%	99.99%
Industria Paraguaya Frigorífica S.A.	99.99%	99.99%
Pul Argentina S.A.	100.00%	100.00%
Swift Argentina S.A.	99.99%	99.99%
Minerva Ásia Foods PTY Ltd	100.00%	100.00%
MF 92 Ventures LLC	100.00%	100.00%

Hyperinflationary economy - Argentina

On June 30, 2018, according to an evaluation conducted by different market players, Argentina's economy was considered hyperinflationary beginning July 01, 2018. The Argentinean peso devaluation and an increase in the overall price level in recent periods resulted in inflation indices exceeding 100% on a three-year cumulative basis.

In accordance with IAS 29, (CPC 42), non-monetary assets and liabilities, equity and the income statement of subsidiaries operating in a highly inflationary economy must be restated for the changes in the pricing power of the functional currency by applying a general price index.

We concluded that the effects of this hyperinflationary impact, certainly not relevant, arising from our Argentinean subsidiaries, were initially determined on a consistent basis and accounted for in our individual and consolidated financial statements for the year ended December 31, 2018.

Covid-19

Economic impacts

The Covid-19 pandemic required the Company to adjust is facilities and incur some expenses relating to the acquisition of personal protection equipment, tests for employees and community support initiatives involving donations of equipment, food and health and personal care items. Through December 31, 2021, these expenses totaled approximately R$ 30,992 (R$40,350 on December 31, 2020).

Regarding operations, there was a sharp decline in purchases of the food service segment in Brazil and Europe, which were offset by a rise in foreign sales to Asian countries, especially China. The Real (BRL) depreciation in the year positively impacted profitability, revenue and the operating profit from export transactions in this period. The Company's gross consolidated revenue reached R$28,572,294 in 2021 (R$20,554,274 on December 31, 2020). In 2021, exports accounted for 67.59% of gross revenue (67.46% on December 31, 2020), reinforcing the Company´s position as the leading exporter of beef to South America.

On the other hand, we also recorded an adverse impact on the total foreign currency debt, which eventually increased. Nevertheless, the Company´s currency hedging policy was efficient, since it amortized the impacts of the currency depreciation, reducing the final effect on the Company's net debt.

In a year full of uncertainty arising from the pandemic, the Company´s management prioritized the identification of risks, assessment of impacts, and adjustment of operations. All our efforts were directed to ensuring the offering of products while protecting our employees and supporting our customers and suppliers.

The Company continues to help fight against the novel coronavirus through solidarity actions, donations and support to our communities.

Based on the information available, Management evaluated the impacts of the Covid-19 on the Company's operations and individual and consolidated financial position as of December 31, 2021, and concluded that, to date, there are no significant information to be disclosed.

ESG

The Company's management has carried out all its planning and actions aimed at the continuity of its business, thus evaluating that it is able to make available all resources for the continuity of its operations, including assessing the impacts of COVID-19 and the environmental impacts of its operation and climatic/environmental effects that may impact the Company with structural and non-structural actions aimed at mitigating their effects.

The year 2021 was marked by relevant advances in the ESG agenda. The company, a sector leader in the fight against climate change, assumed a commitment to society, customers, suppliers, employees and investors, by announcing the goal of becoming a carbon neutral company by 2035 (zero net emissions in scopes 1, 2 and 3). The goal is aligned with one of the five values of the Minerva Foods Culture – Sustainability.

Our goal is based on public results that prove leadership in monitoring the supply chain in South America and in combating illegal deforestation. The Company's commitment to Sustainability is guided by the contribution to a healthy planet and prosperous communities, supporting South American producers in the implementation of practices that sequester and store carbon, protect biodiversity and increase the resilience of their businesses.

The company will work on 3 main axes to reach the goal of net zero emissions by 2035 in scopes 1, 2 and 3:

Scopes 1 and 2 - Environmental Efficiency of operations:

- Reduce the intensity of greenhouse gas emissions by 30% in scopes 1 and 2 by 2030.
- Carbon neutral energy matrix (zero net emissions in scope 2 – target achieved in 2020).

Scope 3 – Combating illegal deforestation through geospatial monitoring of the supply chain:

- Zero illegal deforestation in the entire supply chain (direct and indirect supply farms) for all South American countries of operation by 2030.
- 100% of the geographic monitoring of direct supplier farms in Paraguay until December 2021 (target reached in December), Colombia in 2023, Uruguay in 2025 and expansion to other South American countries until 2030.
- Monitoring program of indirect supplier farms in all countries of operation in South America until 2030, including:

  i. Integration of the Visipec tool in the geographic monitoring system for the Amazon by December 2021 (target reached four months earlier than planned);
  ii. Availability of an application to verify indirect supplier farms in Brazil, in partnership with Niceplanet Geotecnologia, until December 2021 (target reached two months earlier than planned).

Scope 3 – Renew Program - low carbon emission in the production chain:

- 50% of beef suppliers participating in the Renew program by 2030.
- Partnership with research institutions to apply a methodology to monitor, report and verify the carbon balance of supplier farms in the countries of operation in South America, with preliminary results expected in 2021 (target reached with the disclosure during the United Nations Conference on Climate Change – COP26).

The pioneering spirit in combating illegal deforestation in the supply chain was highlighted by the integration of the Visipec tool with the Company's internal systems to analyze the risks of indirect suppliers in the Amazon. This process was brought forward by four months, from December to August 2021. With this action, Minerva Foods improved its analysis of direct and indirect suppliers and made the supply chain risk mapping work even broader, more efficient and agile.

Also in 2021, the Company began to provide rural producers throughout Brazil with the same geospatial technology that it uses to monitor its suppliers, through the SMGeo Prospec application, developed by Niceplanet Geotecnologia. In this way, the Company transfers the highest technology, used in its analysis and monitoring systems, to the palm of the hands of ranchers - the same technology that guarantees Minerva Foods expertise in traceability and, successively, the best results among the major players in the audit of the Federal Public Ministry, the main and most reliable third-party verification procedure in the agricultural chain. The app allows rural producers to carry out detailed research, with access to the history and analysis of socio-environmental compliance of farms.

With the expansion of our geographic monitoring, in 2021 we became the first company in the sector to monitor 100% of the direct supplier farms in Paraguay, achieving yet another goal of our commitment.

With this, the Company guarantees products free from illegal deforestation, overlapping indigenous lands and environmental protection areas in the country. For operations in Colombia, we completed the study of environmental and land legislation applicable to geospatial monitoring and geographic diagnosis through buffer zones, with the aim of analyzing the size of rural properties in different regions of Colombia and the parameters applicable for geospatial monitoring.

In the institutional scope we received important recognitions. We became the first Brazilian company to receive the Renewable Energy Seal, issued by the Totum Institute, in partnership with the Brazilian Wind Energy Association (ABEEólica) and the Brazilian Clean Energy Association (Abragel), for all units in Brazil; we won the Gold Seal in our Corporate Inventory of Greenhouse Gas Emissions of the Brazilian GHG Protocol Program; we are the only company in the beef protein sector listed in the 2021/2022 portfolio of the B3 Corporate Sustainability Index (ISEB3), the fourth sustainability index in the world; for the second year running, we also joined the B3 Carbon Efficient Index (ICO2B3) portfolio. Regarding the Carbon Disclosure Project (CDP), Minerva Foods was evaluated on three fronts: climate change, forests and water security. On the climate change front, our performance rose for the third consecutive year. In addition, we were evaluated by the Forest 500 Ranking as one of the companies in the protein sector that presents the lowest risks of being linked to deforestation or of potential exposure to forest risk commodity supply chains. In 2022, Minerva Foods ranks among the 5 best Brazilian companies in sustainability policies, according to the ranking.

In line with our Sustainability strategy, Minerva Foods became a signatory member of the United Nations (UN) Global Compact. With the adhesion, the Company reinforces the universal principles of the Global Compact in its operating strategy, in addition to reporting, annually, the progress made.

Transparency

We will continue to be engaged with the Sustainability of the Company's value chain in a material way, focused on reducing our carbon footprint, reducing our water footprint and, above all, fighting climate change related to land use conversion. The geographic monitoring of the supply chain proves to be a key path towards achieving our goals, so we will continue to invest in the low carbon emission program in the production chain – Renove, and in geographic monitoring technologies in the countries where we have operations.

The Company's commitment is demonstrated with material results today, now contributing to the sustainability of our planet

2. Basis of preparation

Statement of compliance (with IFRSs and CPC standards)

The individual and consolidated financial statements were prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the provisions contained in the Brazilian Corporation Law, rules of the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements of the Accounting Pronouncements Committee ("CPC"), as well as international accounting standards (International Financial Reporting Standards), or "IFRS" issued by the International Accounting Standards Board ("IASB").

The Company's individual and consolidated financial statements are being presented in accordance with Technical Guidance OCPC 07, which deals with the basic requirements for preparation and disclosure to be observed when disclosing the accounting and financial reports, especially those contained in the explanatory notes. Management confirms that all relevant information specific to the individual and consolidated financial statements is being evidenced and that these correspond to those used in its management.

The presentation of the Statement of Added Value (DVA), individual and consolidated, is required by the Brazilian Corporate Law and the accounting practices adopted in Brazil applicable to publicly-held companies, in accordance with CPC 09 – Statement of Added Value. IFRS standards do not require the presentation of this statement. As a result, under IFRS, this statement is presented as supplementary information, without prejudice to the set of individual and consolidated financial statements.

The individual and consolidated financial statements are presented in Brazilian reais (R$), which also is the Company's functional currency.

The significant accounting policies adopted in preparing the individual and consolidated financial statements are summarized below. These accounting policies were applied consistently to all periods reported, unless stated otherwise.

The individual and consolidated financial statements were approved for issue by the Company's Management on February 23, 2022.

3. Summary of significant accounting policies

a) Basis of measurement

The individual and consolidated financial statements have been prepared using historical cost as the basis of value, except for recognized revaluations and for the valuation of certain assets and liabilities such as financial instruments and biological assets, which are measured at fair value.

b) Functional and presentation currency

The financial statements of each subsidiary included in the Company's consolidation and those used as a basis for valuing investments using the equity method are prepared using the functional currency of each entity. An entity's functional currency is the currency of the primary economic environment in which it operates.

When defining the functional currency of each of its subsidiaries, Management considered the currency that significantly influences the sales price of its products and services, and the currency in which most of the cost of its production inputs is paid or incurred.

The financial statements are presented in reais (R$), which is the parent company's functional and presentation currency. All accounting information is presented in thousands of reais, unless otherwise stated.

c) Foreign operations

The foreign direct and indirect subsidiaries adopted the following functional currencies for the financial statements as of December 31, 2021:

- **Guarani (Paraguai-PY) – Friasa S.A.;**
- **US Dollar (US$) –** Athena Foods S.A.**,** Frigomerc S.A., Pulsa S.A., Frigorífico Carrasco S.A., Lytmer S.A.; Minerva Overseas I, Minerva Overseas II, Minerva Meat USA, Minerva USA LLC, Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior, MF92 Venture LLC, and Minerva Luxembourg;
- **Sterling pound (GBP)** – Minerva Europe Ltd.;
- **Chilean Peso** – Minerva Foods Chile SpA and Minerva Live Cattle Export SPA;
- **Colombian Peso** – Minerva Colombia S.A.S, Red Cárnica S.A.S, and Red Industrial Colombiana S.A.S.;
- **Australian Dollar** – Minerva Australia Holdings PTY Ltd.; Minerva Asia Foods PTY Ltd.;
- **Argentinean Peso** – Pul Argentina S.A.; and
- **Euro** – Athn Foods Holdings S.A.
- **Singapore Dollar Currency**: Fortuna Foods PTE. LTD.

The individual and consolidated financial statements, when applicable, are adjusted to conform to the accounting practices adopted in Brazil and translated into Brazilian reais (R$) by applying the following procedures:

- Monetary assets and liabilities are translated using the closing rate of the respective currency for the Brazilian real (R$) at the end of the respective balance sheets;
- In the last balance sheet corresponding to equity translated at the historical exchange rate prevailing at that time and the changes in equity for the current period/year are translated at the historical exchange rates on the dates of the transactions, and the profit earned or loss incurred is translated and accumulated at an average historical monthly exchange rate, as indicated in the topic below;
- Revenues, costs and expenses for the current year are translated and accrued at an average historical monthly exchange rate;
- The changes in foreign exchange balances arising from the items above are recognized in a specific equity account, under "Other comprehensive income":
- The balances of investments, assets and liabilities, revenues and expenses from transactions between "Minerva Group" companies included in the consolidated financial statements are eliminated.

d) Foreign currency-denominated transactions and balances

Foreign currency-denominated transactions and balances, i.e., all transactions conducted in a currency other than the functional currency, are translated at the exchange rate prevailing on the respective trade date, as required by CPC 02 (R2) – Effects of Changes in Exchange Rates and Translation of Financial Statements.

Assets and liabilities subject to currency fluctuations are adjusted using the exchange rates prevailing on the last business day of each year or reporting periods. Gains and losses arising from changes in foreign investments are recognized directly in equity, under "Other comprehensive income", and recognized in the statement of profit or loss when these investments are fully or partially sold.

Nonmonetary items that are measured at historical cost in a foreign currency are translated using the exchange rates prevailing on the transaction date.

e) Use of estimates and judgment

The preparation of the individual and consolidated financial statements in conformity with IFRS and CPC standards requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions related to accounting estimates are recognized in the year in which estimates are revised and in any affected future periods.

f) Basis of consolidation

Business combinations

Acquisitions completed on or after January 1, 2009

For acquisitions made as of or after January 01, 2009, the Company measured goodwill as the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquired company, less the net recognized value of the identifiable assets and liabilities assumed at fair value, all measured as at the acquisition date.

For each business combination, the Company assesses if it will measure the non-controlling interests at their fair value or based on the proportionate equity interest of the noncontrolling interests on the identifiable net assets determined on the acquisition date.

Transaction costs, whether or not associated to the issuance of debt securities or equity securities, incurred by the Company and its subsidiaries on a business combination, are recognized as expenses as they are incurred.

Subsidiaries and jointly controlled subsidiaries

The subsidiaries' financial statements are included in the consolidated financial statements as from the date control starts to be exercised through the date it ceases to exist.

Transactions eliminated in consolidation

All intragroup transactions, and any intragroup revenue and expenses are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with investees and recorded under the equity method are eliminated against the investment proportionately to the Company's equity interest in the investees. Unrealized losses, if any, are not eliminated the same way as unrealized gains, but only to the extent that there is no indication of impairment.

g) Cash and cash equivalents and securities

Cash and cash equivalents include cash on hand, bank deposits and highly liquid short-term investments. See Note 4 for details on the Company's and its subsidiaries' cash and cash equivalents.

h) Financial instruments

The Company's and its subsidiaries' financial instruments are in accordance with the accounting pronouncement financial instruments (CPC 48), effective beginning January 01, 2018, and were recorded under this standard.

Financial assets

Financial assets are classified into the following specific categories: assets measured at amortized cost; fair value through profit or loss and fair value through other comprehensive income. Assets are classified based on the Company's business model and the cash flow characteristics of the financial asset.

Recognition and measurement

The Company classifies its financial asssets on initial recognition into three categories:

i) assets measured at amortized cost;
ii) fair value through profit or loss; or;
iii) fair value through other comprehensive income.

- **Amortization cost:** Assets should be measured at amortized cost if both of the following conditions are met: **i)** the financial asset is held within the business model whose objective is to hold assets in order to collect contractual cash flow; and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  The Company should recognize its interest income, exchange gains and losses, and impairment directly in profit or loss;
- **Fair value through profit or loss:** Financial assets should be measured at fair value through profit or loss only if they may not be classified as assets measured at amortized cost or fair value through other comprehensive income. The Company should recognize its interest income, exchange gains and losses, and impairment together with other net profit or loss, directly in profit or loss;
- **Fair value through other comprehensive income:** Financial assets should be measured at fair value through comprehensive income only if the following conditions are met: **i)** the financial asset is held within a business model whose objective is achieved by both collecting contractual cash when contractual cash flows are collected from the sale of financial assets; and ii) the contractual terms of the financial asset give rise on specified dates to interest on the principal amount outstanding.

Assets measured at fair value through other comprehensive income are classified into two categories: i) debt instruments: interest income calculated under the effective interest method, exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized directly in the Company´s equity, in "other comprehensive income". In the waiver of recognition, the cumulative gains or losses in other comprehensive income is reclassified to profit or loss; or ii) equity instruments are measured at fair value. Dividends are recognized as gains in profit or loss, unless the dividend clearly represents a recovery of a portion of the investment cost.

Other net gains and losses are recognized directly in the Company´s equity, in "other comprehensive income" and are never classified to profit or loss.

Fair values of investments quoted in a public market are based on current purchase prices. If the market of a financial asset (and bonds not listed on the stock exchange) is not active, the Company establishes the fair value through valuation techniques.

These techniques include using recent arm's length market transactions between knowledgeable, willing parties, reference to other instruments that are substantially the same, the analysis of discounted cash flows, and option pricing models that make maximum use of market inputs and rely as little as possible on entity-specific inputs.

Regular-way purchases and sales of financial assets are recognized on a trade date basis, i.e., the date on which the Company agrees to buy or sell the asset.

- **Derecognition of financial assets:** Financial assets are written off when the rights to receive cash flows from the investments expire or are transferred; in the latter case, provided that the Company has significantly transferred all the risks and rewards of the ownership. If the Entity retains substantially all the risks and rewards of ownerchip of the financial asset, the Company should continue to recognize the financial asset.

Financial liabilities

Financial assets are classified into the following categories: financial liabilities at amortized cost or fair value through profit or loss. Management determines the classification of its financial liabilities at the time of initial recognition.

- **Financial liability at amortized cost:** The Company should classify all of its financial liabilities as amortized cost, except financial liabilities classified at fair value through profit or loss, derivative liabilities warranty agreement. Other financial liabilities are measured at amortized cost under the effective interest method. Interest expense, exchange gains and losses are recognized in profit or loss. The Company has the following non-derivative financial liabilities: borrowings, financing and debentures and trade payables. The Company has the following non-derivative financial liabilities: borrowings, financing and debentures and trade payables.
- **Financial liabilities at fair value through profit or loss:** Financial liabilities classified into the fair value through profit or loss category are financial liabilities held for trading or those designated at initial recognition. Derivatives are also classified as trading securities, unless they have been designated as effective hedging instruments. Gains and losses on financial liabilities classified at fair value through profit or loss are recognized in profit or loss.

- **Derecognition of financial liabilities:** Financial liabilities are derecognized only when the obligation specified in the relevant contract is discharged, cancelled or expires. The Company also waives the recognition of a financial liability when the terms are modified, and the liability cash flow are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value.

Offset of financial instruments

Financial assets and financial liabilities are offset, and the net amount is disclosed in the balance sheet when there is a legally enforceable right to set off recognized amounts and the intention to either settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments

The fair value of derivative financial instruments is calculated by the Company's treasury department based on information on each transaction and related market inputs at the end of the reporting period, such as interest rates and exchange coupon. When applicable, this information is compared to the positions informed by the trading desks of each financial institution involved.

Transactions involving derivative financial instruments that were contracted by the Company and its subsidiaries can be summarized as cattle futures contracts, options on cattle contracts and Non-Deliverable Forward (NDF), all aiming exclusively to minimize the impact of price fluctuations per "arroba" of cattle in the statement of profit or loss, and to hedge against exchange risks related to statement of financial position accounts plus cash flows projected in foreign currency.

Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair values at the commencement of the derivative agreement and are subsequently remeasured at fair value, whose changes in fair value are recorded in profit or loss.

Although the Company uses derivatives for hedging purposes, it did not choose the hedge accounting method. This accounting method is optional and, therefore, not mandatory.

j) Trade receivables

Trade receivables are carried at their present and realizable values. Trade receivables from foreign customers are adjusted based on exchange rates prevailing at the end of the financial statements. An allowance for expected credit losses is recognized in an amount considered sufficient by Management, based on monitoring of past-due receivables and trade notes and the risk of not collecting installment sales.

k) Inventories

Inventories are stated at the lower of cost and net realizable value, adjusted to market value and for any losses, when applicable. The inventory cost includes expenditures incurred on purchase of inventories, manufacturing and transformation costs and other costs incurred in bringing the inventories to their present location and condition.

l) Biological assets

Biological assets are measured at fair value. Changes in fair value are recognized in profit or loss. Agricultural activities, such as cattle herd growth, arising from confinement of cattle or grazing cattle, and growth of different crops, are subject to fair value measurement based on the mark to market (MtM) concept.

m) Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at the historical purchase or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses.

The cost of certain property, plant and equipment items was determined by reference to the revaluation carried out prior to the enactment of Law No. 11.638/2007, effective January 1, 2008, thus not requiring the appraisal of the deemed cost at that time.

Cost includes expenses that are directly attributable to the purchase of an asset. The cost of assets constructed by the Company and its subsidiaries includes the cost of materials and direct labor, as well as any costs incurred to bring the asset to the location and condition necessary for them to be able to operate in the manner intended by Management. Borrowings costs on qualifying assets have been capitalized since January 1, 2009.

Rights on tangible assets intended for the maintenance of the Company's and its subsidiaries' activities, arising from finance lease transactions, are recognized as if they were a financed purchase. At the start of each transaction, a property, plant and equipment item and a financing liability are recognized, with assets being subject to depreciation calculated in accordance with the estimated useful lives of the respective assets or over the lease agreement.

Gains and losses on the disposal of a property, plant and equipment item are calculated by comparing the disposal proceeds with the carrying amount of the item and are recognized in other operating income (expenses), in profit or loss.

Depreciation

Depreciation is recognized in profit or loss on a straight-line basis, based on the estimated useful lives of each part of a property, plant and equipment item, as this method is more representative of the time pattern in which economic benefits from the asset are consumed.

The average useful lives estimated by the Company's Management, based on technical studies for the current and comparative periods, are as follows:

	Parent company (annual rate)	Consolidated (annual rate)
Buildings	2.99%	2.49%
Machinery and equipment	9.15%	8.81%
Furniture and fixtures	10.53%	9.08%
Vehicles	7.31%	7.05%
Computer hardware	26.31%	24.00%

The depreciation methods, the estimated useful lives and the residual values are revised at each yearend, and possible adjustments are recognized as accounting estimates are changed.

As permitted by Law No. 11638/07 and mentioned in Note 20, the revaluation reserve balance will be held until its 100% amortization, either by full depreciation or sale of the assets.

n) Leases

Agreements are considered as leases when the following both conditions are satisfied:

- An identifiable asset explicitly or implicitly specified. In this case, the supplier does not have the practical ability to substitute the asset, or the supplier would not benefit economically from exercising its right to substitute the asset;
- The right of use of the asset over the term of the agreement. In this case, the Company should have authority to make decisions on the use of the asset and the ability to obtain substantially all economic benefits from the use of the asset.

The right of use is initially measured at cost and includes the initial amount of the lease liability adjusted by any payments made on or before the effective date of the agreement, plus any initial direct costs and estimated costs on the disassembly, removal, and restoration of the asset at the place it is located, less any incentive received.

The right-of-use asset is depreciated subsequently using the straight-line method from the start to the end of the useful life of the right of use or the termination of the lease term.

The lease liability is initially measured at the present value of the payments yet to be made, discounting the lessee´s incremental borrowing rate. The lease liability is measured subsequently at the amortized cost using the effective interest method.

A lessee recognizes a right-of-use asset that represents their right to use the leased asset and a lease liability that represents their obligation to make lease payments. Optional exemptions are available for short-term leases and low-value assets.

o) Intangible assets

Intangible assets acquired separately are measured upon initial recognition, at acquisition cost, subsequently, deducted from accumulated amortization and impairment losses, where applicable.

Intangible assets with finite useful lives are amortized over their estimated economic useful lives and, when there are indications of impairment, are tested for impairment. Intangible assets with finite useful life are not amortized and are annually tested for impairment.

Goodwill on acquisition of subsidiaries

Goodwill arising on the acquisition of subsidiaries is carried in intangible assets in the consolidated financial statements.

p) Impairment test

Financial assets

The Company annually analyzes if there is an objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is considered as unrecoverable when there is indication of loss of the asset´s economic value.

Nonfinancial assets

Management annually tests the carrying amount of assets for impairment to determine whether events or changes in economic, operating or technological circumstances indicate that they might be impaired. Whenever an evidence of impairment is identified and the carrying amount exceeds the recoverable value, an allowance for impairment is recognized to adjust the carrying amount of the asset to its recoverable value.

The recoverable amount of an asset or cash-generating unit is the higher of the value in use and net sales price.

In estimating the value in use of an asset, estimated future cash flows are discounted to their present values, using a pretax discount rate that reflects the weighted average cost of capital in the industry where the cash-generating unit operates. Whenever possible, the net sales price is determined based on a binding sale agreement conducted on an arm's length basis between the parties, adjusted by expenses attributable to the asset sale. If there is no such binding agreement, it should be based on the market price defined in an active market, or in the most recent transaction price with similar assets.

The following criterion is also applied for determining impairment losses on specific assets:

Goodwill based on expected future earnings

Goodwill is tested for impairment at least annually, or when circumstances indicate a loss due to impairment of the carrying amount.

Intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are tested for impairment at least annually, individually or at the level of the cash-generating unit, as the case may be or when circumstances indicate a loss due to impairment of the carrying amount.

q) Other current and noncurrent assets and liabilities

An asset is recognized in the balance sheet when it is probable that future economic benefits will be generated in favor of the Company and its subsidiaries, and its cost or value can be reliably estimated.

A liability is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle it. Liabilities include charges, inflation adjustments or exchange rate changes incurred and adjustments to present value. Provisions are recorded based on the best estimates of the risk involved.

Assets and liabilities are classified as current when their realization or settlement is likely to occur within the next twelve months. Otherwise, they are stated as noncurrent.

r) Adjustment to present value of assets and liabilities

Noncurrent monetary assets and liabilities are adjusted, when material, to their present value, and current assets and liabilities are adjusted when the effect is considered material in relation to the individual and consolidated financial statements information.

To calculate the discount to present value, the Company and its subsidiaries consider the amount to be discounted, the realization and settlement dates, according to discount rates that reflect the Company's and its subsidiaries' value of money in time, which was approximately 8.7% per year, calculated according to the Company's and its subsidiaries' weighted average cost of capital, as well as the specific risks related to the expected cash flows for the respective financial flows.

The receipt and payment terms of accounts receivable and payable arising from the Company's and its subsidiaries' operating activities are short, thus resulting in a discount amount considered immaterial for recording and disclosure, since the cost of generating information exceeds its benefit. Noncurrent assets and liabilities are calculated and recorded, when applicable and material.

Calculations and analyses are revised on a quarterly basis.

s) Income tax and social contribution

The current and deferred income tax and social contribution for the current year or period of the Company and its subsidiaries located in Brazil are calculated at the rates of 15%, plus a 10% surtax on taxable income exceeding R$240 for income tax and 9% on taxable income for social contribution, considering the offset of tax loss carryforwards limited to 30% of the annual taxable income.

Income tax and social contribution expenses comprise current and deferred income taxes. Current and deferred taxes are recognized in profit or loss unless they are related to business combinations or items recognized directly in equity or other comprehensive income.

The deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used for tax purposes. Deferred taxes are not accounted for on the following temporary differences: the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and differences related to investments in subsidiaries and controlled entities when it is probable that they will not be reversed in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes imposed by the same tax authority on the same entity subject to taxation.

Deferred income and social contribution tax assets are recognized on tax losses, tax credits, differences in accounting practices (IFRS) and deductible temporary differences that were not utilized, when future taxable profits will be available and against which they can be utilized.

Deferred income tax and social contribution assets are revised at the end of each reporting year and reduced to the extent that their realization is no longer probable.

t) Contingent assets and contingent liabilities, and legal obligations

The accounting policies adopted to record and disclose contingent assets and contingent liabilities and legal obligations are as follows: **(i)** contingent assets are recognized only when there are collaterals or favorable, unappealable court decisions. Contingent assets assessed as probable gain are only disclosed in an explanatory note; **(ii)** a provision for risks on contingent liabilities is recorded when losses are assessed as probable and the involved amounts can be reliably measured.

Contingent liabilities assessed as possible losses are only disclosed in a note to the financial statements and contingent liabilities assessed as remote losses are neither provided for nor disclosed; and (iii) legal obligations are recorded as liabilities, regardless of the evaluation of the probabilities of success, for proceedings whereby the Company has challenged the constitutionality of taxes.

u) Employee benefits

The Company does not have post-employment benefits, such as defined benefit and/or contribution plans. All short-term benefits and paid leaves, as well as profit sharing and bonuses, are in accordance with the respective IFRS requirements.

v) Revenue recognition

The Company's revenues primarily derive from sales of products, are recognized when the performance obligation is satisfied. Goods are sold to domestic and foreign customers.

The revenues recognized in the domestic and foreign markets are subject to evaluations and judgments by the Company's management in determining their recognition by the Company.

Sales revenue is recognized net of related taxes and discounts. Taxes on sales are recognized when sales are billed and discounts are recognized when granted. Revenues from sales of products are recognized at the amount of the consideration to which the Company expects to have right, less returns, discounts and rebates and other deductions, if applicable, and are recognized as the Company fulfills its performance obligations.

The breakdown of sales revenue is shown in Note 21.

w) Earnings per share

Basic earnings per share are calculated by means of the profit for the year attributable to owners of the Company and the weighted average number of common shares outstanding in the related period. Diluted earnings per share are calculated by adjusting the weighted average number of common shares outstanding by instruments potentially convertible into shares with dilutive effect, during the reporting periods.

x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's Board of Executive Officers, which is responsible for allocating funds and evaluating the performance by operating segment and strategic decision-making. This information is prepared in a manner consistent with the accounting policies used in the preparation of the financial statements.

y) New and revised standards and interpretations:

During the years 2020 and 2021, the IASB issued / revised some IFRS standards, which have their adoption for the year 2021 or later, and the Company is evaluating the impacts on its Financial Statements of the adoption of these standards:

- **Amendment to IAS 1 standards - Classification of liabilities as Current or Non-current.** Clarifies aspects to be considered for the classification of liabilities as Current Liabilities or Non-Current Liabilities. This amendment to the standard is effective for years beginning on or after 01/01/2023. The Company does not expect significant impacts on its Financial Statements;
- **Annual improvements in IFRS standards 2018-2020 -** Makes changes to IFRS 1 standards, addressing aspects of first adoption in a subsidiary; IFRS 9, addressing the 10% test criterion for reversing financial liabilities; IFRS 16, covering illustrative examples of leasing and IAS 41, covering aspects of measurement at fair value. These changes are effective for exercises beginning on or after 1/01/2022. The Company does not expect significant impacts on its Financial statements;
- **Amendment to IAS 16 - Property, plant and equipment** - Result generated before reaching the expected conditions of use. Clarifies aspects to be considered for the classification of items produced before the fixed asset is in the projected conditions of use. This amendment to the standard is effective for fiscal years beginning on or after 1/01/2022. The Company does not expect significant impacts on its Financial Statements;
- **Amendment to IAS 37 standard - Onerous contract** - Cost of fulfilling a contract. Clarifies aspects to be considered for the classification of costs related to the fulfillment of an onerous contract. This amendment to the standard is effective for fiscal years beginning on or after 1/01/2022. The Company does not expect significant impacts on its Financial Statements;

- **Amendment to IFRS 3 -** References to the conceptual framework - Clarifies the conceptual alignments of this standard with the conceptual framework of IFRS. This amendment to the standard is effective for fiscal years beginning on or after 1/01/2022. The Company does not expect significant impacts on its Financial Statements;
- **Amendment to IAS 1 and Disclosure of Accounting Practices 2 – Disclosure of Accounting Policies:** Clarifies aspects to be considered in the disclosure of accounting policies. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;
- **Amendment to IAS 8 – Definition of accounting estimates:** Clarifies aspects that should be considered when defining accounting estimates. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;
- **Amendment to IFRS 16 – Leases:** Defines the treatment of changes in lease agreements that are directly related to the Covid-19 pandemic. This rule change is effective for fiscal years beginning on/or after 4/1/2021. The Company does not expect significant impacts on its Financial Statements; and
- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction:** Clarifies aspects to be considered in the recognition of deferred tax assets and liabilities related to taxable temporary differences and deductible temporary differences. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements.

z) Statements of value added

The Company prepared the individual and consolidated statements of value added (DVA) in accordance with CPC 09 – Statement of Value Added, which are presented as an integral part of the financial statements according to the accounting practices adopted in Brazil applicable to publicly-held companies, whereas they are considered by IFRS as supplemental financial information, required as part of the financial statements taken as a whole.

The objective of a statement of value added is to show the wealth created by the Company and its subsidiaries, its distribution to those that contributed to generate such wealth, such as employees, financial institutions, shareholders, government, as well as the undistributed portion of wealth.

4. Cash and cash equivalents

The financial assets of the Company and its subsidiaries are comprised of the following:

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Cash	249	347	1,237	488
Banks - checking accounts	2,226	3,224	2,090,958	516,778
Cash and cash equivalents in foreign currencies	3,981,478	4,270,748	3,983,438	4,271,075
Total	**3,983,953**	**4,274,319**	**6,075,633**	**4,788,341**
Short-term investments				
In local currency				
Bank Certificates of Deposit (CDB)	329,655	1,006,220	365,070	1,102,768
Debentures	515,649	15,005	556,635	30,009
Other financial assets	65,382	127,211	304,671	470,311
Total	**910,686**	**1,148,436**	**1,226,376**	**1,603,088**
Total	**4,894.639**	**5,422,755**	**7,302,009**	**6,391,429**

The short-term investments of the Company and its subsidiaries were classified according to their characteristics and purposes, measured at fair value through profit or loss, that correspond to level 2 of the fair value hierarchy and as summarized below:

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Measured at fair value through profit or loss	910,686	1,148,436	1,226,376	1,603,088
Total	**910,686**	**1,148,436**	**1,226,376**	**1,603,088**

5. Trade receivables

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Trade notes - domestic customers	273,313	264,914	809,043	725,936
Trade notes - foreign customers	241,128	364,511	1,831,660	1,469,000
Receivables - related parties	762,336	302,'565	-	-
Total	**1,276,777**	**931,990**	**2,640,703**	**2,194,936**
(-) Allowance for expected credit losses	(25,175)	(30,121)	(42,140)	(50,939)
Total	**1,251,602**	**901,869**	**2,598,563**	**2,143,997**

The aging list of trade receivables is as follows:

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Current	**1,190,073**	**688,290**	**2,348,912**	**1,841,173**
Overdue:				
Up to 30 days	39,811	120,226	160,261	170,375
From 31 to 60 days	1,240	27.649	23,194	37,972
From 61 to 90 days	509	8,132	2,808	13,364
Above 91 days	45,144	87,693	105,528	132,052
Total	**1,276,777**	**931,990**	**2,640,703**	**2,194,936**

Changes in expected credit losses for the year ended December 31, 2021 and year ended December 31, 2020, are as follows:

	Parent Company	Consolidated
Balances of January 1, 2020	**(20,444)**	**(27,879)**
Allowance recognized	(12,741)	(24,802)
Recovered receivables	3,712	4,019
Written-off receivables	15	15
Exchange loss	(663)	(2,292)
Balances as of December 31, 2020	**(30,121)**	**(50,939)**
Allowance recognized	(6,819)	(7,039)
Recovered receivables	12,167	17,879
Exchange loss	(402)	(2,041)
Balances as of December 31, 2021	**(25,175)**	**(42,140)**

The Company has a Receivables Investment Fund (FIDC) for sale of part of its receivables from domestic customers in the amount of R$202,384 (R$164,735 as of December 31, 2020), without co-obligation or right of recourse, of which R$21,015 (R$10,115 as of December 31, 2020) is comprised of subordinated units.

The percentage of equity interest and the number of FIDC shares refer to the guarantee and risk limit under the Company's responsibility, which correspond to the entirety of the subordinated shares paid in and held by the Company with FIDC.

According to CVM Circular Letter No. 01/2017, for the purpose of presentation of definitive sale of receivables, the transferor cannot have control, involvement, or future settlement regarding the overdue FIDC notes and, consequently, exposure to the risks arising from it. Accordingly, the Company is exposed to default risk limited to its subordinated shares.

The Company follows a strict credit granting policy, which results in low levels of default, which may be evidenced by the low amounts recorded, when compared to the Company's and its subsidiaries' sales revenue.

The Company has no collaterals for past-due trade notes receivable.

6. Inventories

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Finished products	617,069	427,140	1,885,560	862,211
Storeroom supplies and secondary materials	37,549	34,667	229,734	135,752
Total	**654,618**	**461,807**	**2,115,294**	**997,963**

7. Biological assets

The Company and its subsidiaries that have cattle activities, such as cattle herd growth arising from the confinement of cattle or grazing cattle operations, are subject to revaluation of its assets, in order to determine their fair value based on the mark to market (MtM) concept, less estimated selling expenses, at least on a quarterly basis, recognizing the effects of such revaluations directly in profit or loss for the years. The measurement of the fair value of biological assets falls within Level 1 of the measurement hierarchy at fair value, in accordance with the hierarchy of CPC 46, as these are assets with prices quoted on the market.

Operations related to the Company's biological assets are represented by grazing cattle (extensive) and short-term confinement cattle (intensive). The operation is conducted through the acquisition of biological assets for resale, whose mark to market is reliably measured due to the existence of active markets, and are represented as follows:

	Herd	
	Parent Company	Consolidated
Balance as of January 1, 2020	**203,173**	**235,773**
Increase due to acquisitions	234,352	523,025
Decrease due to sales	(205,309)	(462,462)
Net decrease due to births (deaths)	(1,389)	(1,787)
Translation adjustments	-	1,741
Change in fair value less estimated selling expenses	32,394	54,940
Balance as of December 31, 2020	**263,221**	**351,230**
Increase due to acquisitions	100,894	603,572
Decrease due to sales	(68,746)	(523,229)
Net decrease due to births (deaths)	(803)	(6,655)
Translation adjustments	-	2,700
Change in fair value less estimated selling expenses	47,768	40,342
Balance as of December 31, 2021	**342,334**	**467,960**

As of December 31, 2021, farm cattle held for sale was comprised of 54,229 heads (52,521 heads as of December 31, 2020), while confined cattle totaled 26,901 heads (24,744 heads as of December 31, 2020).

As of December 31, 2021 and December 31, 2020, the Company did not have any type of biological assets with restricted ownership or offered as guarantee of obligations, and there were no other risks (financial, commitments, and weather-related) that would impact the Company's biological assets.

8. Recoverable taxes

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
PIS – Social Integration Program	51,312	99,983	52,289	99,988
COFINS – Contribution for the Financing of Social Security	180,079	307,463	184,557	307,509
Reintegra (special tax for exporting companies)	-	1,381	19,991	14,756
State VAT (ICMS)	103,504	92,509	120,761	108,691
Income tax and social contribution	135,708	292,738	187,777	346,336
VAT	-	-	235,092	251,052
Other recoverable tax	10,496	20,106	111,551	75,768
Total	**481,099**	**814,180**	**912,018**	**1,204,100**
Current	374,157	621,895	805,076	1,011,815
Non-current	106,942	192,285	106,942	192,285

PIS and COFINS (taxes on revenue)

PIS and COFINS credits arise from the change in tax legislation, according to Law No. 10.637/02 and Law No. 10.833/03, which established non-cumulativeness for these taxes, thus generating credits for exporting companies. On May 30, 2018, the Federal Revenue Service (RFB) issued Law No. 13.670, which permitted entities to offset these credits to pay social security debts, thus significantly reducing cumulative credits.

Currently, the Brazilian Federal Revenue Service (RFB) completed its inspection of the Company and its subsidiaries, with most of the requests for reimbursement of credits being authorized by the RFB, which has been generating a significant amount of repayment of these credits, to continue throughout the years 2022 and 2023.

Based on studies carried out by the Company's Management regarding the expectation of refund of these tax credits, a portion of these credits was segregated from current assets to noncurrent assets, which as of December 31, 2021, totaled R$75,386, Parent and consolidated. The estimates of realization of the Company's and its subsidiaries' tax credits are revised on a quarterly basis.

State VAT (ICMS)

ICMS credits result from the fact that the Company's exports are greater than its domestic sales, thus generating credits which, after ratified by State Finance Department, are used to purchase inputs for production, which may also be sold to third parties, as provided for in current legislation.

Out of the aforementioned credit balance, a substantial portion is under an inspection and ratification process by São Paulo State's Finance Department. The Company's Management expects to recover a significant portion of said credits throughout 2022 and 2023. Based on studies conducted by Management, an amount deemed sufficient to cover slower lawsuits was transferred from current assets to noncurrent assets, totaling R$31,557, Parent and consolidated. The estimates of realization of the Company's and its subsidiaries' tax credits are revised on a quarterly basis.

9. Related parties

Related-party transactions, conducted under the following conditions, are summarized in the table below and comprise:

	Parent Company	
Intragroup loans	**12/31/2021**	**12/31/2020**
Minerva Dawn Farms S.A. **(a)**	34,128	16,445
Minerva Overseas Ltd **(b)**	743,218	692,103
Minerva Luxembourg S.A. **(c)**	3,842,348	1,361,990
Athena S.A. **(d)**	1,227,578	1,143,142
Total	**5,847,272**	**3,213,680**

(a) Working capital loan granted to Minerva Dawn Farms S.A.;
(b) Loan granted to Minerva Overseas Ltda. to be reimbursed;
(c) Loan granted to Minerva Luxembourg S.A. to be reimbursed; and,
(d) Loan granted to Atena S.A., to be reimbursed.

	Parent Company	
Intragroup borrowings	**12/31/2021**	**12/31/2020**
Minerva Overseas II **(a)**	1,321,138	1,469,124
Minerva Log S.A. **(b)**	2	2
Total	**1,321,140**	**1,469,126**

(a) Loan from Minerva Overseas II to the Parent Company;
(b) Loan from Minerva Log S.A. to the Parent Company.

The Company, understanding the full integration of its operations with its subsidiaries, transfers cash as part of Minerva Group's business plan, always seeking to minimize the cost of its borrowings.

The other balances and transactions with related parties are as follows:

	Parent Company		Consolidated	
Payables - Suppliers	**12/31/2021**	**12/31/2020**	**12/31/2021**	**12/31/2020**
Minerva Dawn Farms S.A.	5,190	5,582	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	6,434	8,575	-	-
Athena S.A.	35,348	27,439	-	-
Lytmer S.A.	-	5	-	-
Minerva Europe Ltd	-	162	-	-
Purchases from other related parties	8,565	14,805	8,565	14,805
Total	**55,537**	**56,568**	**8,565**	**14,805**

	Parent Company		Consolidated	
Trade receivables	**12/31/2021**	**12/31/2020**	**12/31/2021**	**12/31/2020**
Minerva Dawn Farms S.A.	2,315	222	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	17,698	11,737	-	-
Athena S.A.	41,515	27,206	-	-
Minerva Europe Ltd	-	1,416	-	-
Minerva Live Cattle Export S.A.	11,134	-	-	-
Minerva Meats USA, INC.	689,674	261,984		
Total	762,336	302,565	-	

	Parent Company		Consolidated	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Sales revenue				
Minerva Dawn Farms S.A.	2,172	25	-	-
Minerva Comercializadora de Energia Ltda.	13,657	-	-	-
CSAP – Companhia Sul Americana de Pecuária S.A.	-	128		
Athena S.A.	23,648	52,052	-	-
Minerva Europe Ltd	-	2,609	-	-
Minerva Meats USA, INC.	1,194,939	284,844	-	-
Total	**1,234,416**	**339,658**	-	-

	Parent Company		Consolidated	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Purchases				
Minerva Dawn Farms S.A.	44,240	36,502	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	281,173	215,422	-	-
Minerva Comercializadora de Energia Ltda.	11,111	11,091	-	-
Athena S.A.	330,388	213,931	-	-
Total	**666,912**	**476,946**	**-**	**-**
Purchases of cattle				
Purchases from other related parties **(a)**	103,561	96,944	103,561	96,944
Total purchases from other related parties	**103,561**	**96,944**	**103,561**	**96,944**

(a) Balance payable to other related parties for purchases of cattle from companies belonging to the Company's shareholders. The transactions are carried out at usual market conditions.

During the years ended December 31, 2021 and 2020, no provisions for expected credit losses were recorded, and no bad debt expenses related to transactions with related parties were recognized.

Management compensation

As of December 31, 2021, the Company recorded expenses on key management personnel compensation (members of the Company's Board of Directors and Supervisory Board and Statutory Executive Officers) in the amount of R$34,256 (R$33,708 as of December 31, 2020). All compensation is short term, as shown below:

	2021 Members	12/31/2021	12/31/2020
Board of Executive Officers, Board of Directors and Supervisory Board	19	34,256	33,708
Total	**19**	**34,256**	**33,708**

The alternate members of the Board of Directors and Supervisory Board are compensated for each day they attend a Board of Directors' meeting.

The Company does not offer post-employment benefits in case of termination of employment contract. The Company's key management personnel are granted a share-based payment under a Stock Option Plan, as detailed in Note 19 (i). Below are changes in this Plan relating to key management personnel:

	12/31/2021		12/31/2020	
	Number of stock options	Weighted average price	Number of stock options	Weighted average price
Outstanding options at beginning of year	**-**	**-**	**-**	**-**
Options granted during the year	-	-	840,000	6.16
Exercised during the year	-	-	(840,000)	6.16
Forfeited during the year	-	-	-	-
Shares outstanding at period/year end	**-**	**-**	**-**	**-**

10. Investments

Changes in investments in Minerva S.A.'s subsidiaries are as follows:

	Equity interest	Balance on 12/31/2020	Transfers	Translation adjustments	Capital payment	Share of profit (loss) of investees	Balance on 12/31/2021
Goodwill based on expected future profitability		**133,667**	-	-	-	-	**133,667**
Minerva Overseas Ltd	100.00%	**255,096**	-	18,842	-	(5)	**273,933**
Minerva Middle East	100.00%	**37**	-	-	-	-	**37**
Minerva Log S.A.	100.00%	**22**	-	-	-	-	**22**
Minerva Dawn Farms S.A.	100.00%	**82,842**	-	-	-	(26,725)	**56,117**
Minerva Colombia SAS	100.00%	**5,782**	-	(556)	-	(156)	**5,070**
Lytmer S.A.	100.00%	**36,513**	-	2,254	-	(8,971)	**29,796**
Minerva Live Cattle Export S.A.	100.00%	**11,593**	-	(1,245)	-	1,431	**11,779**
Minerva Meats USA LLC	100.00%	**95,171**	-	7,476	-	(9,017)	**93,630**
Minerva Comercializadora de Energia Ltda.	100.00%	**245,109**	-	-	-	(140,003)	**105,106**
Minerva Australia Holdings PTY Ltd. **(*)**	100.00%	**69,697**	-	699	43,391	9,044	**122,831**
Minerva Europe Ltd	100.00%	**3,763**	-	211	-	(438)	**3,536**
Transminerva Ltda.	100.00%	**-**	(286)	-	245	87	**46**
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	**18,836**	-	-	-	(8,753)	**10,083**
Athena Foods S.A. **(*)**	100.00%	**2,440,064**	-	345,638	-	534,996	**3,320,698**
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior	100.00%	**21,466**	-	-	45,387	116,212	**183,065**
Athn Foods Holdings S.A.	100.00%	**-**	-	(13)	393	(209)	**171**
Fortuna Foods PTE. LTD.	100.00%	**-**	-	-	1,634	-	**1,634**
Minerva FOODS FZE	100.00%	**5,356**	-	-	-	-	**5,356**
Mycarbom 3 Ltda.	100.00%	**-**	-	-	13,000	379	**13,379**
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	**-**	-	-	19,700	(6)	**19,694**
Investments		**3,425,014**	**(286)**	**373,306**	**123,750**	**467,866**	**4,389,650**
Transminerva Ltda.	100.00%	**(286)**	286	-	-	-	**-**
Minerva Luxembourg S.A.	100.00%	**(2,768,338)**	-	(627,246)	-	332,076	**(3,063,558)**
inerva Overseas Ltd II	100.00%	**(141,554)**	-	(266,943)	-	(7)	(408,504)
Allowance for investment losses		**(2,910,228)**	**286**	**(894,189)**	**-**	**332,069**	**(3,472,062)**
Investments, net		**514,786**	**-**	**(520,883)**	**123,750**	**799,935**	**917,588**

(*) Consolidated information on the following companies (see Note1):

- **Pulsa S.A.:** consolidates subsidiary Frigorífico Canelones S.A.;
- **Frigomerc S/A.** - consolidates subsidiaries BEEF Paraguay S.A. and Industria Paraguaya Frigorífica S.A.;
- **Minerva Australia Holdings PTY Ltd.:** consolidates subsidiary Minerva Ásia Foods PTY Ltd.
- **Pul Argentina S.A.:** consolidates subsidiary Swift Argentina S.A.;
- **Athena Foods S.A.:** consolidates subsidiaries Pulsa S.A., Frigorifíco Carrasco S.A., Frigomerc S.A, Pul Argentina S.A., Red Cárnica S.A.S., Red Industrial Colombiana S.A.S., and Minerva Foods Chile SPA;
- **Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior:** consolidates subsidiary MF 92 Ventures LLC.

Summary of the subsidiaries' financial statements as of December 31, 2021:

	Equity interest	Current assets	Noncurrent assets	Current liabilities	Non-current liabilities	Equity
Minerva Overseas Ltd.	100.00%	35	1,017,116	-	743,218	273,933
Minerva Overseas II Ltd.	100.00%	110	1,321,138	-	1729,752	(408,504)
Minerva Middle East Ltd.	100.00%	37	-	-	-	37
Minerva Dawn Farms S.A.	100.00%	17,842	81,599	7,236	36,088	56,117
Minerva Luxemburg S.A.	100.00%	1,727,861	8,007,879	138,843	1,2660,455	(3,063,558)
Friasa S.A.	99.99%	-	-	-	-	-
Transminerva Ltda.	100.00%	72	138	-	164	46
Minerva Log S.A.	100.00%	20	2	-	-	22
Lytmer S.A.	100.00%	12,786	18,518	1,508	-	29,796
Minerva Colombia SAS	100.00%	5,076	-	6	-	5,070
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	184,334	12,212	173,214	13,249	10,083
Minerva Live Cattle Export Spa	100.00%	13,360	10,964	12,545	-	11,779
Minerva Meats USA LLC	100.00%	858,650	106	765,126	-	93,630
Minerva Comercializadora de Energia Ltda.	100.00%	108,298	-	3,192	-	105,106
Minerva Australia Holdings PTY Ltd.	100.00%	87,085	69,603	30,501	3,355	122,832
Minerva Europe Ltd	100.00%	3,536	-	-	-	3,536
Athena Foods S.A. **(*)**	100.00%	3,799,378	2,987,900	1,886,300	1,580,279	3,320,699
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	100.00%	1,867	202,449	53	-	204,263
Athn Foods Holdings S.A.	100.00%	369	-	198	-	171
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	1,634
Minerva Foods FZE	100.00%	5,356	-	-	-	5,356
Mycarbom 3 Ltda	100.00%	13,536	-	157	-	13,379
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	1,172	20,195	65	-	21,302
Total		**6,842,414**	**13,749,819**	**3,018,944**	**16,766,560**	**806,729**

(*) Consolidated information on the following companies (see Note1):

- **Athena Foods S.A.:** consolidates subsidiaries Pulsa S.A., Frigorifíco Carrasco S.A., Frigomerc S.A, Pul Argentina S.A., Red Cárnica S.A.S., Red Industrial Colombiana S.A.S., and Minerva Foods Chile SPA.

Changes in subsidiaries' profit (loss) in the periods ended December 31, 2021 and 2020 are as follows:

	12/31/2021		12/31/2020	
	Net revenue	Profit (loss) for the period	Net revenue	Profit (loss) for the period
Minerva Overseas Ltd	-	(5)	-	(18)
Minerva Overseas II Ltd		(8)	-	(19)
Minerva Dawn Farms S.A.	42,415	(26,724)	33,418	(26,864)
Minerva Luxemburg S.A.	-	332,076	-	(208,065)
Friasa S.A.	-	-	-	-
Transminerva Ltda.	-	88	-	(480)
Minerva Log S.A.	-	-	-	-
Lytmer S.A.	5	(8,971)	7,820	(9,022)
Minerva Colombia SAS	-	(156)	-	(369)
CSAP - Companhia Sul Americana de Pecuária S.A.	313,390	(8,754)	218,658	21,328
Minerva Live Cattle Spa	-	1,431	-	(403)
Minerva Meats USA LLC	948,743	(9,017)	382,907	33,542
Minerva Comercializadora de Energia Ltda.	440,660	(140,003)	493,380	18,240
Minerva Australia Holdings PTY Ltd.	464,450	9,044	369,325	4,411
Minerva Europe Ltd	1,504	(438)	9,318	1,331
Athena S.A.	14,563,873	534,997	8,669,606	412,342
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior	116,739	116,215	-	(108)
Athn Foods Holdings S.A.	-	(209)	-	-
Fortuna Foods PTE. LTD.	-	-	-	-
Minerva FOODS FZE	-	-	-	-
Mycarbom 3 Ltda.	2,055	379	-	-
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	-	(6)	-	-
Total	**16,893,834**	**799,939**	**10,184,432**	**245,846**

All amounts are stated as 100% of the subsidiaries' profit (loss).

11. Property, plant and equipment

a) Breakdown of property, plant and equipment as of December 2021 and December 2020*:

Company

Description	Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2021 Net	12/31/2020 Net
Buildings	2,95% p.y.	1,192,674	(259,686)	932,988	870,985
Machinery and equipment	9,01% p.y.	1,376,186	(555,037)	821,149	756,999
Furniture and fixtures	10,41% p.y.	16,328	(7,106)	9,222	6,608
Vehicles	7,30% p.y.	23,735	(5,696)	18,039	22,110
Computer hardware	25,62% p.y.	32,771	(15,215)	17,556	9,407
Land		84,031	-	84,031	84,031
Construction in progress		56,132	-	56,132	88,790
Allowance for impairment of assets		(21,518)	-	(21,518)	(21,518)
Total		**2,760,339**	**(842,740)**	**1,917,599**	**1,817,412**

Consolidated

Description	Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2021 Net	12/31/2020 Net
Buildings	2,46% p.y.	2,838,234	(634,619)	2,203,615	1,997,254
Machinery and equipment	8,68% p.y.	2,905,774	(1,338,473)	1,567,301	1,401,362
Furniture and fixtures	8,98% p.y.	51,204	(15,047)	36,157	28,288
Vehicles	7,05% p.y.	52,924	(32,620)	20,304	24,253
Computer hardware	23,38% p.y.	54,901	(30,381)	24,520	14,360
Land		432,895	-	432,895	381,232
Construction in progress		282,283	-	282,283	253,433
Allowance for impairment of assets		(21,518)	-	(21,518)	(21,518)
Total		**6,596,697**	**(2,051,140)**	**4,545,557**	**4,078,664**

(*) Property, plant and equipment must be considered adding the value of the right-of-use asset in note 11.1. (a).

b) Summary of changes in property, plant and equipment from 01/01/2021 to 12/31/2021:

Parent Company	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Computer hardware	Land	Construction in progress	Impairment of assets	Total
Balance on December 31, 2020	**870,985**	**756,999**	**6,608**	**22,110**	**9,407**	**84,031**	**88,790**	**(21,518)**	**1,817,412**
Additions	-	288	7	-	169	-	246,658	-	**247,122**
Transfers	93,182	169,880	3,778	240	12,236	-	(279,316)	-	**-**
Disposal	-	(519)	(1)	(2,344)	-	-	-	-	**(2,864)**
Depreciation	(31,179)	(105,499)	(1,170)	(1,967)	(4,256)	-	-	-	**(144,071)**
Balance on December 31, 2021	**932,988**	**821,149**	**9,222**	**18,039**	**17,556**	**84,031**	**56,132**	**(21,518)**	**1,917,599**

Consolidated	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Computer hardware	Land	Construction in progress	Impairment of assets	Total
Balance on December 31, 2020	**1,997,254**	**1,401,362**	**28,288**	**24,253**	**14,360**	**381,232**	**253,433**	**(21,518)**	**4,078,664**
Additions	58,232	23,158	1,631	245	1,448	-	383,188	-	**467,902**
Transfers	145,628	228,642	5,971	612	14,419	-	(395,272)	-	-
Disposal	(913)	(1,489)	(11)	(2,537)	(5)	-	-	-	**(4,955)**
Depreciation	(77,656)	(228,987)	(3,201)	(2,498)	(5,998)	-	-	-	**(318,340)**
Translation adjustments	(46,746)	(24,519)	666	106	296	(12,507)	961	-	**(81,743)**
Monetary correction of balance	127,816	169,134	2,813	123	-	64,170	39,973	-	**404,029**
Balance on December 31, 2021	**2,203,615**	**1,567,301**	**36,157**	**20,304**	**24,520**	**432,895**	**282,283**	**(21,518)**	**4,545,557**

c) Works and construction in progress

As of December 31, 2021, works and construction in progress refer to the following main projects: machine room expansions to supply the expansion of the finished product freezing and storage and cold room capacity, compliance with regulatory (NR's), environmental and occupational safety standards, improvements of plants and distribution centers to enhance operating efficiency and meet the demand of most profitable markets.

d) Allowance for impairment of assets

As required by the accounting practices adopted in Brazil and international financial reporting standards (IFRS), the Company annually evaluates whether there is evidence of impairment of its assets. In this regard, the industrial plant of Goianésia (GO) has been underutilized for strategic reasons since 2013. Therefore, the analysis of the value of the plant based on cash generation was impaired; thus, the Company decided to evaluate the net sale value of the selling expenses. Based on an appraisal conducted by an independent firm, such plant's value is higher than its realization value, of R$34,175, of which R$21,518 corresponds to property, plant and equipment and R$12,657, to expected future profitability, which generated the need to recognize an allowance for impairment.

e) Amounts pledged as collateral

Property, plant and equipment items pledged as collateral for borrowings and financing totaled R$39,006 as of December 31, 2021 (R$58,093 as of December 31, 2020).

11.1. Right-of-use assets and lease liabilities

Since January 01, 2019, the Company has adopted CPC 06 (R2) / IFRS 16 Leases, which introduced a single lease model that replaced the concept of classification between operating and finance leases. IFRS 16 replaces the current amendments to standards, including CPC 06 (R1) / (IAS 17) Leases and ICPC 03/IFRIC 4, SIC 15 and SIC 27) - Additional Aspects of Leases. The main objective is to define if the agreement contains a lease or the agreement relates to service provision.

The Company's and its subsidiaries' Management evaluated the impacts of the new standard and elected to use the modified simplified approach of the retrospective transition effect, without restating comparative years. The following criteria were adopted in the initial recognition and measurement of assets and liabilities:

- Recognition of the lease liability on the initial application date for leases formerly classified as operating leases. The lease liability was measured at the present value of the remaining lease payments;

- Recognition of the right-of-use asset on the initial application date to leases formerly classified as operating leases. Measurement of the right-of-use asset at the value equivalent to the lease liability, adjusted by the value of any early or accumulated lease payments relating to this lease that has been recognized in the balance sheet immediately before the date of the initial application.

CPC 06 (R2) / IFRS 16 includes two recognition exemptions for lessees which were applied by the Company and its subsidiaries on the initial application date, January 01, 2019:

i. Agreements whose remaining term on the first-time adoption date was equal or lower than 12 months: the Company continued to recognize lease payments associated to these leases as expenses on a straight-line basis, over the lease term;

ii. Agreements for which underlying assets were low value: the Company continued to recognize lease payments associated to these leases as expenses on a straight-line basis, over the lease term.

The impacts of the transition and changes for the year ended December 31, 2021 are summarized below:

a) Right of use – Lease

Parent Company	Buildings	Land	Vehicles	Computer hardware	Machinery and equipment	Total
Balance on January 1, 2020	**24,455**	**2,081**	**10,477**	**1,439**	**-**	**38,452**
Additions	185	1,373	9,469	-	173	**11,200**
Disposals	(101)	-	(670)	-	-	**(771)**
Depreciation	(3,079)	(243)	(6,050)	(1,024)	(39)	**(10,435)**
Balance on December 31, 2020	**21,460**	**3,211**	**13,226**	**415**	**134**	**38,446**
Additions	483	745	193	297	488	**2,206**
Disposals	-	-	-	-	-	**-**
Depreciation	(3,198)	(381)	(6,458)	(687)	(179)	**(10,873)**
Balance on December 31, 2021	**18,775**	**3,575**	**6,961**	**25**	**443**	**29,779**

Consolidated	Buildings	Land	Vehicles	Computer hardware	Machinery and equipment	Total
Balance on January 1, 2020	**24,455**	**8,341**	**10,477**	**1,447**	**-**	**44,720**
Additions	185	1,876	9,469	-	173	**11,703**
Disposals	(101)	(687)	(670)	(8)	-	**(1,466)**
Depreciation	(3,079)	(920)	(6,050)	(1,024)	(39)	**(11,112)**
Balance on December 31, 2020	**21,460**	**8,610**	**13,226**	**415**	**134**	**43,845**
Additions	1,811	745	193	428	776	**3,953**
Disposals	-	-	-	-	-	**-**
Depreciation	(3,427)	(1,051)	(6,458)	(717)	(350)	**(12,003)**
Balance on December 31, 2021	**19,844**	**8,304**	**6,961**	**126**	**560**	**35,795**

b) Lease liability

Parent Company	Buildings	Land	Vehicles	Computer hardware	Machinery and equipment	Total
Balance on January 1, 2020	**25,391**	**2,166**	**10,880**	**1,507**	**-**	**39,944**
Additions	185	1,373	9,469	-	173	**11,200**
Disposals	(106)	-	(1,033)	-	-	**(1,139)**
Interest recognized in the year (profit and loss)	2,379	323	1,343	100	5	**4,150**
Write-offs due to payment	(4,539)	(484)	(6,880)	(1,152)	(42)	**(13,097)**
Balance on December 31, 2020	**23,310**	**3,378**	**13,779**	**455**	**136**	**41,058**
Additions	483	745	193	297	488	**2,206**
Disposals	-	-	-	-	-	**-**
Interest recognized in the year (profit and loss	2,134	303	953	36	10	**3,436**
Write-offs due to payment	(4,684)	(578)	(7,415)	(762)	(189)	**(13,628)**
Balance on December 31, 2021	**21,243**	**3,848**	**7,510**	**26**	**445**	**33,072**
Current liabilities	2,978	429	5,463	26	369	**9,265**
Non-current liabilities	18,265	3,419	2,047	-	76	**23,807**
Total liabilities	**21,243**	**3,848**	**7,510**	**26**	**445**	**33,072**

Consolidated	Buildings	Land	Vehicles	Computer hardware	Machinery and equipment	Total
Balance on January 1, 2020	**25,392**	**8,668**	**10,880**	**1,507**	**-**	**46,447**
Additions	185	1,876	9,469	-	173	**11,703**
Disposals	(106)	(718)	(1,033)	-	-	(1,857)
Interest recognized in the year (profit and loss)	2,379	921	1,343	100	5	**4,748**
Write-offs due to payment	(4,539)	(1,536)	(6,880)	(1,152)	(42)	(14,149)
Balance on December 31, 2020	**23,311**	**9,211**	**13,779**	**455**	**136**	**46,892**
Additions	1,811	745	193	428	776	**3,953**
Disposals	-	-	-	-	-	**-**
Interest recognized in the year (profit and loss)	2,133	838	953	36	19	**3,979**
Write-offs due to payment	(4,923)	(1,618)	(7,415)	(794)	(367)	**(15,117)**
Balance on December 31, 2021	**22,332**	**9,176**	**7,510**	**125**	**564**	**39,707**
Current liabilities	3,432	992	5,463	60	488	10,435
Non-current liabilities	18,900	8,184	2,047	65	76	29,272
Total liabilities	**22,332**	**9,176**	**7,510**	**125**	**564**	**39,707**

12. Intangible assets

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Goodwill paid on acquisitions (a)	259,691	259,691	659,390	642,502
Right of use - Aircraft (a)	1,793	1,793	1,793	1,793
Assignment of right of way (a)	250	250	250	250
Trademarks and patents (a)	-	-	102,123	89,212
Software licenses	62,838	40,349	64,639	42,462
Total	**324,572**	**302,083**	**828,195**	**776,219**

(a) Intangible assets with an indefinite useful life.

Changes in intangible assets during the year ended December 31, 2021 are as follows:

	Parent Company				
	Goodwill paid on acquisitions	Right of use - aircraft	Assignment of right of way	Software acquired	Total
Balance on December 31, 2020	**259,691**	**1,793**	**250**	**40,349**	**302,083**
Acquisition	-	-	-	35,995	**35,995**
Amortization	-	-	-	(13,506)	**(13,506)**
Balance on December 31, 2021	**259,691**	**1,793**	**250**	**62,838**	**324,572**

	Consolidated					
	Goodwill paid on acquisitions	Right of use - aircraft	Assignment of right of way	Trademarks	Software acquired	Total
Balance on December 31, 2020	**642,502**	**1,793**	**250**	**89,212**	**42,462**	**776,219**
Acquisition	-	-	-	-	36,283	**36,283**
Amortization	-	-	-	(2,221)	(14,222)	**(16,443)**
Translation adjustments	16,888	-	-	(10,728)	116	**6,276**
Monetary correction of balance	-	-	-	25,860	-	**25,860**
Balance on December 31,2021	**659,390**	**1,793**	**250**	**102,123**	**64,639**	**828,195**

The Company records the amortization of its software, the only intangible asset that can be amortized, according to the contractual license period, when purchased from third parties, or for the year estimated by the Company for software internally developed. As of December 31, 2021, the average amortization rate was 21.25% and, as of December 31, 2020, 20.96%.

Goodwill based on expected future profitability

	Consolidated	
	12/31/2021	**12/31/2020**
In direct subsidiaries:		
Minerva Dawn Farms (MDF) **(i)**	147,649	147,649
Brascasing Industria e Comércio Ltda. **(ii)**	74,596	74,596
Athena S.A. **(iii)**	248,985	231,861
Mato Grosso Bovinos S/A **(iv)**	73,734	73,734
Other **(v)**	97,379	97,379
In indirect subsidiaries:		
Other **(vi)**	17,047	17,283
Total	**659,390**	**642,502**

(i) As required by CVM Resolution No. 580/09 – NBC TG 15 (R1), the Company revised the calculations of identifiable assets acquired and liabilities assumed upon recognition at fair value of the acquisition of an additional 30% of the shares representing the capital stock of Minerva Dawn Farms (MDF), which was classified as a "business combination in stages". Therefore, segregating the appreciation (goodwill) calculated at initial (provisional) recognition at fair value of the Company's interest in such transaction, in the amount of R$188,391 (R$188,391 at December 31, 2012), was necessary. As described above, during the fourth quarter of 2012, the Company acquired the residual interest of 20% in MDF shares that were held by Dawn Farms, becoming the holder of 100% of MDF. As of December 31, 2015, an allowance for impairment in the amount of R$21,904 was recognized. As of December 31, 2018, an allowance for impairment in the amount of R$18,838 was recognized;

(ii) In December 2011, the Company acquired 5% of the capital stock of the jointly-owned subsidiary Brascasing Comercial Ltda., and now holds 55% of that company, and consequently, its control. As this transaction is considered as a "business combination in stages", the Company recorded its equity interest and non-controlling interest at their fair value, and recorded goodwill for expected future profitability of R$93,185. After the full acquisition of the Company, goodwill totaled R$98,094.
As of December 31, 2015, the Company recorded an allowance for impairment totaling R$23,498, arising from overproduction/oversupply, due to the reduction of worldwide consumption, mainly from the slowdown in China and the decrease in oil prices, directly impacting markets like Russia, one of the main markets for the Company's business;

(iii) On December 31, 2018, the Company transferred its industrial investments in Mercosur, through a capital contribution to subsidiary Athena S.A. As a result, the goodwill amounts based on expected future profitability that were recorded in the Parent were transferred. The investments transferred were Frigomerc S/A, Pulsa S/A, Frigorífico Carrasco and the indirect subsidiary BEEF Paraguay S.A. and the transferred goodwill amounts based on expected profitability were as follows: Frigorífico Pulsa S/A - US$15,396 (as of December 31, 2021 - R$83,745); Frigomerc S/A US$ (as of December 31, 2021 - R$84,398); Frigorífico Carrasco S.A. US$11,932 (as of December 31, 2021 - R$64,903); and subsidiary Frigomerc S.A. held a direct investment equivalent to 100% of the common shares in BEEF Paraguay S.A., which had a goodwill of US$1,773 (as of December 31, 2021 - R$9,644) which was indirectly transferred to Athena S.A.;

(iv) During the year ended December 31, 2014, the Company merged 100% of the voting shares in Mato Grosso Bovinos S.A. through the exchange of 29 million common shares issued by the Company (BEEF3), occurred on October 01, 2014, through the Extraordinary Shareholders' Meeting (ESM) of both companies, which resulted in the recording of goodwill on expected future profitability of R$174,278. During the second quarter of 2019, the Company written off R$100,545 of goodwill relating to the write-off of Várzea Grande, as part of the business combination for acquisition of Paranatinga plant (MT), remaining a goodwill balance of R$73,734 as of December 31, 2021;

(v) During the second quarter of 2013, the Company acquired the remaining 8% of the shares in Friasa S.A., which resulted in the recording of goodwill on expected future profitability of R$7,233, totaling R$9,298 on June 30, 2013. During the first quarter of 2016, the Company acquired 100% of the capital stock in its subsidiary Minerva Foods Asia Assessoria Ltda., occurred on February 05, 2016, resulting in goodwill on expected future profitability of R$217 thousand. During the second quarter of 2019, the Company acquired through a business combination the plant located in Paranatinga/MT, which resulted in a goodwill of R$87,864 on expected future profitability being recorded.

(vi) During the second quarter of 2016, through its subsidiary Minerva Australia Holdings Pty Ltd acquired 100% of the capital stock of its indirect subsidiary IMTP PTY Ltd., occurred on July 22, 2016, resulting in a goodwill on expected future profitability of R$16,933 (R$17,283 as of December 31, 2020) being recorded.

As required by the accounting practices adopted in Brazil and international financial reporting standards (IFRS), the Company annually evaluates whether there is evidence of impairment of its assets. As a result of impairment tests, as of December 31, 2021, no losses were identified for the Company's cash-generating units (CGU).

The Company used the value in use method to perform the impairment test. For all CGUs, a five-year projection, with no growth in perpetuity, in addition to financial budgets prepared by Management for the start of the cash flow projections (2021) were considered. The discount rate applied was 8.7%.

In prior years, the Company recognized impairment losses for some CGUs. In this regard, the Goianésia (GO) plant, formerly "Lord Meat", for strategic reasons, has been under-utilized and recorded impairment loss, as mentioned in Note 11. As of December 31, 2016 and 2018, the Company recorded an allowance for impairment losses for CGU MFF in the amounts of R$21,904 and R$18,838, respectively.

13. Borrowings and financing

		Parent Company		Consolidated	
Type of transactions	**Annual finance charges**	**12/31/2021**	**12/31/2020**	**12/31/2021**	**12/31/2020**
6th issue debentures	1.8% per year + CDI	-	399,151	-	399,151
7th issue debentures	IPCA + 4.5% p.y	577,186	513,144	577,186	513,144
8th issue debentures	IPCA **(*)**	651,172	594,359	651,172	594,359
9th issue debentures	IPCA **(*)**	593,330	603,697	593,330	603,697
10th issue debentures	IPCA **(*)**	1,685,644	-	1,685,644	-
11st issue debentures	IPCA **(*)**	385,023	-	385,023	-
Bank Credit Note **(4)**	Rate fixed	-	50,761	21,121	71,903
Bank Credit Note **(4)**	CDI + *spread*	360,066	306,417	360,066	306,417
NCE **(1/4)**	CDI + *spread*	356,604	325,144	356,604	325,144
IFC **(2/3/5)**	CDI + *spread*	26,399	43,436	26,399	43,436
Subtotal		**4,635,424**	**2,836,109**	**4,656,545**	**2,857,251**
Financial instruments of protection – derivatives	CDI + *spread*	(1,073,457)	(369,081)	(1,073,457)	(369,081)
Total		**3,561,967**	**2,467,028**	**3,583,088**	**2,488,170**
Foreign currency (US dollar)					
ACCs **(4)**	Interest from 2.20% to 2.8% + exchange rate variation	495,214	352,737	495,214	352,737
NCE	Interest of 2.22% to 2.51% p.y	420,806	-	420,806	-
Senior Unsecured Notes – **(4)**	Exchange rate variation + interest	4,487,925	4,179,267	8,024,658	8,195,956
PPE	Exchange rate variation + spread	1,875,027	1,624,020	-	-
PPE **(4)**	Interest from 2.0% p.y + libor	1,468,810	911,926	1,468,810	911,926
Secured Loan Agreement **(2)**	Exchange rate variation + interest	15,438	14,657	15,438	14,657
Other types **(4/6)**	Exchange rate variation + interest	-	-	257,334	309,640
Subtotal		**8,763,220**	**7,082,607**	**10,682,260**	**9,784,916**
Financial instruments of protection – derivatives		(413,669)	(860,643)	(701,048)	(860,643)
Total		**7,902,577**	**6,381,559**	**9,821,617**	**9,083,868**
Total borrowings and financing		**11,464,544**	**8,848,587**	**13,404,705**	**11,572,038**
Current		1,547,580	2,002,767	1,488,416	2,199,564
Non-current		9,916,964	6,845,820	11,916,289	9,372,474

(*) Transactions hedged by swap % CDI.

The Company provided the following collaterals to borrowings and financing:

1. Surety/letter of guarantee from the parent company VDQ Holdings S.A.
2. Mortgage;
3. Promissory notes signed by subsidiaries Minerva Alimentos, Pulsa and Frigomerc;
4. Surety or letter of guarantee by the Company;
5. Letter of guarantee from subsidiaries Minerva Alimentos, Pulsa and Frigomerc;
6. STLC (Stand-by Letter of Credit) or Corporate Guarantee.

As of December 31, 2021, the noncurrent portion of the Company's (Parent) borrowings and financing matures as follows:

	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
ACC	292,983	-	-	-	-	-	-	-	-	**292,983**
CCB	-	250,000	-	-	-	-	-	-	-	**250,000**
Debentures	-	1,106,632	520,748	562,766	-	1,305,064	145,029	145,029	69,989	**3,855,257**
IFC	8,607	-	-	-	-	-	-	-	-	**8,607**
NCE	523,300	100,000	-	-	-	-	-	-	-	**623,300**
Pre-shipment	1,456,511	1,848,590	-	3,538,037	-	-	-	-	-	**6,843,138**
Secured loan agreement	1,387	1,443	1,502	1,563	1,627	1,693	1,762	1,828	1,295	**14,100**
Financial instruments of protection – derivatives	(45,080)	(389,548)	(368,203)	(106,103)	(257,886)	(55,263)	(540,197)	(100,812)	(107,329)	**(1,970,421)**
Total	**2,237,708**	**2,917,117**	**154,047**	**3,996,263**	**(256,259)**	**1,251,494**	**(393,406)**	**46,045**	**(36,045)**	**9,916,964**

As of December 31, 2021, the noncurrent portion of consolidated borrowings and financing matures as follows:

	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
ACC	292,983	-	-	-	-	-	-	-	-	**292,983**
CCB	-	250,000	-	-	-	-	-	-	-	**250,000**
Debentures	-	1,106,632	520,748	562,766	-	1,305,064	145,029	145,029	69,989	**3,855,257**
IFC	8,607	-	-	-	-	-	-	-	-	**8,607**
NCE	523,300	100,000	-	-	-	-	-	-	-	**623,300**
Pre-shipment	613,855	334,830	-	-	-	-	-	-	-	948,685
Other modalities	5,360	2,603	-	-	-	-	-	-	-	**7,963**
Secured loan agreement	1,387	1,443	1,502	1,563	1,627	1,693	1,762	1,828	1,295	**14,100**
Senior Unsecured Notes	-	-	-	-	-	1,433,301	-	-	6,452,514	**7,885,815**
Financial instruments of protection – derivatives	(45,080)	(389,548)	(368,203)	(106,103)	(257,886)	(55,263)	(540,197)	(100,812)	(107,329)	**(1,970,421)**
Total	**1,400,412**	**1,405,960**	**154,047**	**458,226**	**(256,259)**	**2,684,795**	**(393,406)**	**46,045**	**6,416,469**	**11,916,289**

Below are the Company's and its subsidiaries' main borrowing and financing as of December 31, 2021. On that date, the Company was compliant with all covenants established for each type of borrowing and financing:

International Finance Corporation (IFC)

In September 2013, IFC and the Company entered into a 10-year financing agreement, in the amount of R$137,718, which was released on October 24, 2013. The debt balance as of December 31, 2021 is R$ 26,399 (R$43,436 as of December 31, 2020), subject to semiannual interest on CDI + spread. The debt final maturity date is April 15, 2023.

Debt notes/ bonds abroad

On September 20, 2016, the Company completed the "offer to buyback bonds" issued abroad by its subsidiary Minerva Luxembourg S.A., maturing in 2023. By means of an "early buyback offer", US$617,874 were bought back (R$2,010,562 on that date) of the principal amount of the 2023 Notes, equivalent to approximately 71% of the outstanding 2023 Notes.

The early buyback offer of debt notes was carried out using the proceeds from the issue of the 2026 Notes (which will bear annual interest of 6.50%) and is part of a clear strategy to manage liabilities, aiming at the constant improvement of the Company's debt cost.

Part of this offer consisted in the payment of a premium to the holders of the notes, embedded and implicit in the transaction and in the proposed exchange relations, amounting to US$40,143 thousand, as well as transaction costs in the amount of US$28,859 totaling US$69,002 that will be amortized in 'Finance costs' during the effective term of the 2026 Notes.

On February 10, 2017, the Company exercised the early option to purchase its debt securities bearing annual interest of 12.250% and maturing in 2022 (2022 Notes). The total debt was US$105,508 (R$328,710 on that date). The price paid was 106,125 of the face value, plus interest accrued until that date.

In June 2017, the Company completed the re-tap of the notes maturing in September 2026, totaling US$ 350,000 thousand, which bear interest of 6.50% p.a. (2026 Notes).

On December 19, 2017, the Company completed the "offer to buyback bonds" issued abroad by its subsidiary Minerva Luxembourg S.A., maturing in 2023. By means of an "early buyback offer", US$198,042 were bought back (R$605,103 on that date) of the principal amount of the 2023 Notes, equivalent to approximately 79% of the outstanding 2023 Notes.

The early buyback offer of debt notes was carried out using the proceeds from the issue of the 2028 Notes (which will bear annual interest of 5,875%) and is part of a clear strategy to manage liabilities, aiming at the constant improvement of the Company's debt cost.

Part of this offer consisted of the payment of a premium to the holders of the notes, embedded and implicit in the transaction and in the proposed exchange relations, amounting to US$9,209 thousand, as well as transaction costs in the amount of US$20,271 totaling US$29,480 that will be amortized in 'Finance costs' during the effective term of the 2028 Notes.

On January 31, 2018, the Company exercised the early option to purchase its debt securities bearing annual interest of 7.75% and maturing in 2023 (2023 Notes). The total debt was US$52,099 (R$164,919 on that date). The price paid was 103.875% of the face value, plus interest accrued until that date.

On June 08, 2020, the Company completed the "offer to buyback debt notes" issued abroad (Bonds), maturing in 2026. By means of an "early buyback offer", the amount of US$85,668 was bought back (R$464,878 at that date). On that same date, the Company completed the "offer to buyback debt notes" issued abroad (Bonds), maturing in 2028. By means of an "early buyback offer", the amount of US$11,005 was bought back (R$59,030 at that date).

In March 2021, the Company, through its subsidiary, Minerva Luxembourg, issued debt securities abroad in the amount of US$1,000,000 (R$5,546,880 at that date The Note is guaranteed by the Company and matures in 2031. The Note issued by Minerva Luxembourg (Bonds 2031), pay half-yearly coupons at a rate of 4.375% per year. The Company will guarantee all the Issuer's obligations, within the scope of the said issue.

Simultaneously, the Company concluded the "offer to repurchase bonds" representing debt issued abroad (Bonds), with maturity scheduled for 2026. Through the "early repurchase offer", US$911,719 (R$5,021,931, on that date) were repurchased).

In November 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 through the "offer for early repurchase", US$ 70,606 (R$ 398,430, at that time) were repurchased. date)

In December 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US$ 48,084 (R$ 268,333) were repurchased, on that date) referring to the 2028 bonds and US$ 10,735 (R$ 59,907, on that date) referring to the 2031 bonds.

The liability related to the Notes, as of December 31, 2021, in the consolidated financial statements, is R$8,024,658 (R$8,195,956 as of December 31, 2020).

The Notes contain provision for the maintenance of a financial covenant through which the debt coverage capacity is measured in relation to EBITDA (net earnings before interest, taxes, depreciation and amortization).

For these purposes, the following definitions are considered: (I) "Net debt" means the sum of the balance of loans and financing, without considering exchange rate changes occurred in the year since the contracting of the debt, less the sum of: **(i)** available cash (as defined below) and **(ii)** "inflation adjustment losses" (as defined below); **(II)** "Cash and cash equivalents" - means the sum of the balances of the following Company's balance sheet accounts: "Cash and cash equivalents" and "Securities"; (**III**) "inflation adjustment losses" - means a number of exceptions, including but not limited to exchange rate changes since the issue of the Note and/or allowed debts, related to specific operating transactions, totaling US$308,000 thousand. **(iv)** "EBITDA" means the amount calculated on the accrual basis over the last 12 months, equal to the sum of net revenue, less: **(i)** the cost of services rendered, **(ii)** administrative expenses, plus: **(a)** depreciation and amortization expenses; **(b)** finance income (expenses), net; **(c)** equity in the earnings (losses) of subsidiaries; and **(d)** direct taxes.

The financial covenants refer to authorization or not to incur new debts, by executing all new refinancing-related debts, in addition to a predefined amount for credit facilities of working capital and investments. Covenants are calculated based on the consolidated financial statements.

i) Level of subordination

As of December 31, 2021, 0.29% of the Company's and its subsidiaries' total debt has collaterals (0.50% as of December 31, 2020).

Possible restrictions imposed on the Issuer, particularly with respect to setting indebtedness limits and taking out new debts, the distribution of dividends, the disposal of assets, the issuance of new securities and the sale of shareholding control.

The Notes also have clauses that limit the Company with respect to: **(i)** new debts if the Net Debt/EBITDA ratio is higher than 3.75/1.00 and 3.50/1.00, respectively; **(ii)** distribution of dividends - Minerva undertakes not to pay and not allow its subsidiaries to pay any dividends or interest on invested capital held by others than that of its subsidiaries (except: **(a)** dividends or distributions paid on qualified interests of Minerva, and **(b)** dividends or distributions payable by a subsidiary, on a pro rata basis, or more favorable to Minerva); **(iii)** the change of shareholding control; and **(iv)** the disposal of assets, which can only be achieved by complying with the requirements, among which, in the case of sale of assets, it is necessary that the sale value be the market value.

6th issue of non-convertible debentures

On May 15, 2019, the Company offered debentures not convertible into shares, in the amount of R$400,000, maturing on May 15, 2022. The total principal amount is R$400,000 yielding the equivalent to the cumulative variation (effective rate) of 100% of the daily average rates of the Interbank Deposits (DI) plus a rate of 1.80% p.a. calculated using the bookbuilding procedure. The proceeds from such issue will be used to extend the debt profile and improve the Company's capital structure. In the process of issuing such debentures, the Company incurred transaction costs in the amount of R$5,110, recorded in its financial statements as a reduction of liabilities, to be amortized for the effective term of these debentures. During the 4th quarter of 2021, the 6th issue debentures were settled, thus, as of December 31, 2021, there was no balance payable of said debentures (R$ 399,151 as of December 31, 2020).

7th issue of non-convertible debentures

On November 19, 2019, the Company offered debentures not convertible into shares, in the amount of R$500,000, maturing on August 15, 2024. The total principal amount is R$500,000 yielding the equivalent to IPCA plus a rate of 4.50% p.a. The proceeds from such issue will be used to extend the debt profile and improve the Company's capital structure. In the process of issuing such debentures, the Company incurred transaction costs in the amount of R$12,926, recorded in its financial statements as a reduction of liabilities, to be amortized for the effective term of these debentures. Balance as of December 31, 2021, is R$577,186 (R$513,144 as of December 31, 2020).

8th issue of non-convertible debentures

On May 22, 2020, the Company made an offering of nonconvertible debentures in the amount of R$600,000, the 1st series of which maturing on May 13, 2025, in the amount of R$400,000 and the second series maturing on May 13, 2026, in the amount of 200,000. The total principal amount of the issues of the 1st series is R$400,000, yielding the Extended Consumer Price Index (IPCA), whereas the total principal amount of the issues of the 2nd series is R$200,000, yielding the equivalent to the DI rate.

Such transaction is hedged by a % CDI swap, whereby the final transaction cost stood at 160% of the CDI. The proceeds from this issuance were allocated to agribusiness activities and relations with rural farmers, as part of the industry and trade of meat by the Company. In the process of issuing such debentures, the Company incurred transaction costs in the amount of R$21,930, recorded in its financial statements as a reduction of liabilities, to be amortized for the effective term of these debentures. As of December 31, 2021 the balance is R$651,172 (R$594,359 as of December 31, 2020).

9th issue of non-convertible debentures

On June 12, 2020, the Company offered debentures not convertible into shares, in the amount of R$600,000, maturing on June 12, 2025. The total principal amount is R$600,000 yielding the equivalent to IPCA. Such transaction is hedged by a % CDI swap, whereby the final transaction cost stood at 160% of the CDI. The proceeds from this issuance were allocated to agribusiness activities and relations with rural farmers, as part of the industry and trade of meat by the Company. In the process of issuing such debentures, the Company incurred transaction costs in the amount of R$14,787, recorded in its financial statements as a reduction of liabilities, to be amortized for the effective term of these debentures. As of December 31, 2021 the amount is R$593,330 (R$603,697 as of December 31, 2020).

10th issue of non-convertible debentures

On April 15, 2021, the Company offered non-convertible debentures for R$1,600,000, maturing on April 12, 2028. The total principal is R$1,600,000, and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the transaction was 128% of CDI. The proceeds from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing these debentures, the Company incurred transaction costs of R$55,389, recorded in its interim financial information as a reduction in the liability itself, to be amortized over the effective period of these debentures. As of December 31, 2021, the amount is R$1,685,644.

11th Issue of non-convertible debentures

On October 15, 2021, the Company made an offering of non-convertible debentures in the amount of R$400,000, maturing on October 15, 2026. The total principal is R$400,000 and its remuneration corresponds to the IPCA. Said funding has a Swap of % CDI, in which the final cost of the operation was 100% of CDI. The proceeds from this issue were used to pay the debentures of the first series, on their respective maturity date, issued by the Company within the scope of the 6th Issue, resulting, once carried out, in the lengthening of the Company's indebtedness profile. In the process of issuing the aforementioned debentures, the Company incurred transaction costs in the amount of R$ 22,012, recorded in its financial statements as a reduction of the liability itself, to be amortized over the effective period of these debentures. As of December 31, 2021, the amount is R$385,023.

14. Trade payables

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Domestic suppliers	2,404,642	1,537,705	3,580,445	2,262,100
Foreign suppliers	50,839	54,537	135,232	67,688
Related Parties	55,537	56,568	8,565	14,805
Total	**2,511,018**	**1,648,810**	**3,724,242**	**2,344,593**

Aging list of trade payables:

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Current:	2,491,888	1,612,286	3,615,403	2,186,123
Overdue payables:				
Up to 30 days	14,727	4,212	72,264	74,763
From 31 to 60 days	428	7,582	5,065	37,429
From 61 to 90 days	973	6,832	2,764	24,127
Above 90 days	3,002	17,898	28,746	22,151
Total	**2,511,018**	**1,648,810**	**3,724,242**	**2,344,593**

15. Payroll, related charges, and taxes payable

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Payroll and related charges				
Salaries and management fees	354	464	53,320	36,544
Payroll taxes - FGTS and INSS (employees and third parties)	15,497	13,884	16,715	14,866
Accrued vacation/13th salary and related taxes	47,702	43,866	124,971	89,571
Other wages and charges	14,292	10,543	33,656	30,184
Total payroll and related taxes	**77,845**	**68,757**	**228,662**	**171,165**
Taxes payables				
State VAT (ICMS)	12,164	11,120	12,280	11,123
Federal taxes in installments - **(1)**	50,915	55,843	59,804	65,616
State taxes paid in installments	4,196	2,791	4,196	2,791
IRPJ (Corporate income tax)	-	-	68,160	56,250
Social contribution on net income	-	4,120	48	4,241
Value added tax (VAT)	-	-	7,902	17,804
Funrural	3,172	1,951	3,292	1,989
Other taxes and fees	19,519	20,694	69,562	53,717
Total taxes	**89,966**	**96,519**	**225,244**	**213,531**
Grand total	**167,811**	**165,276**	**453,906**	**384,696**
Current	122,699	114,521	400,727	324,990
Non-current	45,112	50,755	53,179	59,706

(1) The Company joined the following plans to pay federal taxes in installments:

Special Tax Debt Settlement Program (PERT)

As of December 31, 2021, the outstanding balance, Parent and consolidated, is R$15,808 and R$20,436, respectively.

Rural Tax Debt Refinancing Program (PRR)

As of December 31, 2021, the outstanding balance, Parent and consolidated, is R$35,108 and R$39,368, respectively.

16. Other payables

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Advances received **(a)**	1,267,945	1,361,310	1,466,183	1,423,200
Dividends payable **(b)**	146	8,545	146	8,545
Interest on capital payable **(b)**	4	19,288	4	19,288
Payables - acquisitions **(c)**	199	398	26,182	35,574
Other operating provisions	38,374	20,923	140,559	60,723
Total	**1,306,668**	**1,410,464**	**1,633,074**	**1,547,330**
Current	1,306,668	1,410,464	1,614,550	1,516,235
Non-current	-	-	18,524	31,095

(a) Advances from the Company's customers according to the credit policy defined by Management;
(b) Amounts relating to interest on capital and mandatory dividends payable;
(c) Amounts payable for the acquisition of the plants in Campina Verde, State of Minas Gerais (R$199 as of December 31, 2021) and Frigorífico Vijagual S.A. in Colombia (R$25,983 as of December 31, 2021).

17. Deferred taxes

	Parent Company		Consolidated	
Assets	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Tax losses- IRPJ	436,425	403,602	489,747	444,474
Tax loss carryforwards - CSLL	157,114	145,298	157,114	145,298
Total	**593,539**	**548,900**	**646,861**	**589,772**
Temporary differences - assets				
Provisions for tax, civil and labor risks	8,355	8,358	14,627	14,428
Impairment of assets	7,316	7,316	7,690	7,430
Allowance for expected credit losses	8,560	10,241	8,778	10,325
Other	2,393	2,393	60,416	32,043
Total temporary differences - assets	**620,163**	**577,208**	**738,372**	**653,998**
Liabilities				
Temporary differences - liabilities				
Unrealized gains on the fair value of biological assets	(57,493)	(41,252)	(57,493)	(41,252)
Business combination	(33,096)	(33,096)	(33,096)	(33,096)
Revaluation reserve	(22,656)	(23,454)	(22,656)	(23,454)
Added value in subsidiaries	-	-	(261,184)	(200,026)
Other temporary deductions	(39,179)	(31,866)	(64,598)	(54,695)
Total temporary differences - liabilities	**(152,424)**	**(129,668)**	**(439,027)**	**(352,523)**
Total deferred taxes	467,739	447,540	299,345	301,475
Total assets	467,739	447,540	415,665	448,832
Total do liabilities	-	-	(116,320)	(147,357)
Total	**467,739**	**447,540**	**299,345**	**301,475**

17.1. Breakdown of deferred income tax and social contribution

Changes in tax loss carryforwards were as follows:

	Parent Company			
	Balance on December 31, 2020	Recognized in income (loss)	Realization of deferred taxes	Balance on December 31, 2021
Deferred taxes on income and social contribution tax losses	548,900	44,639	-	593,539
Total deferred tax assets	**548,900**	**44,639**	**-**	**593,539**

	Consolidated				
	Balance on December 31, 2020	Recognized in income (loss)	Realization of deferred taxes	Cumulative translation adjustments	Balance on December 31, 2021
Deferred taxes on income and social contribution tax losses	589,772	53,805	-	3,284	646,861
Total deferred tax assets	**589,772**	**53,805**	**-**	**3,284**	**646,861**

The deferred tax asset from tax loss carryforwards was recognized for the year from December 31, 2010 to December 31, 2021, in the consolidated financial statements.

The amount accrued as of December 31, 2021 is R$646,861 (R$589,772 as of December 31, 2020). The decision of the Company's and its subsidiaries' Management to record such deferred tax assets, on social contribution tax loss carryforwards, was based on the business plan and financial and budget projections prepared internally and by independent consultants and revised at least annually.

These deferred income tax and social contribution assets are expected to be realized as follows:

	12/31/2021	
	Parent Company	Consolidated
2021	32,014	34,890
2022	35,227	38,392
2023	59,376	64,710
2024	70,454	76,783
2025 onwards	396,468	432,086
Total	**593,539**	**646,861**

The Company expects to realize temporary income tax and social contribution differences in up to 10 years.

The technical studies that supported the decision to recognize or maintain deferred tax assets and tax loss carryforwards were properly revised and approved at the Board of Directors' Meetings.

The effects of changes in deferred taxes on profit (loss) for the years are as follows:

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Temporary additions				
Sundry provisions	12,068	17,503	182,633	56,921
Fair value of biological assets	1,825,856	1,109,043	1,825,856	1,109,043
Temporary deductions				
Sundry provisions	(14,677)	(4,815)	(14,677)	(35,827)
Depreciation - tax base differences	(21,510)	(19,777)	(21,510)	(19,777)
Fair value of biological assets	(1,873,622)	(1,141,437)	(1,873,622)	(1,141,437)
Deferred tax base	**(71,885)**	**(39,483)**	**(98,680)**	**(31,077)**
Deferred income tax and social contribution - temporary difference	(24,441)	(13,424)	33,551	(10,566)
Realization of deferred income tax and social contribution - temporary difference	-	-	-	-
Deferred income tax and social contribution on tax loss carryforwards	44,639	35,378	44,639	35,378
Total deferred income tax and social contribution	**20,198**	**21,954**	**78,190**	**24,812**

Changes in deferred tax liabilities related to tax losses and temporary differences are as follows:

	Parent Company				
	Balance on January 1, 2021	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Balance on December 31, 2021
Tax loss	**548,900**	44,639	-	-	**593,539**
Provisions for tax, civil and labor risks	**8,358**	603	(606)	-	**8,355**
Other temporary additions	**2,393**	-	-	-	**2,393**
Impairment of assets	**7,316**	-	-	-	**7,316**
Allowance for expected credit losses	**10,241**	427	(2,108)	-	**8,560**
Unrealized gains on the fair value of biological assets	**(41,252)**	(25,156)	8,915	-	**(57,493)**
Business combination	**(33,096)**	-	-	-	**(33,096)**
Revaluation reserve	**(23,454)**	-	798	-	**(22,656)**
Added value in subsidiaries	**-**	-	-	-	**-**
Other temporary deductions	**(31,866)**	(7,313)	-	-	**(39,179)**
Total deferred tax assets	**447,540**	**13,200**	**6,999**	**-**	**467,739**

	Consolidated				
	Balance on January 1, 2021	**Recognition of deferred taxes**	**Realization of deferred taxes**	**Cumulative translation adjustments**	**Balance on December 31, 2021**
Tax loss	**589,772**	53,777	-	3,312	**646,861**
Provisions for tax, civil and labor risks	**14,428**	921	(1,147)	425	**14,627**
Other temporary additions	**32,043**	31,873	(5,427)	1,927	**60,416**
Impairment of assets	**7,430**	270	(11)	1	**7,690**
Allowance for expected credit losses	**10,325**	567	(2,120)	6	**8,778**
Unrealized gains on the fair value of biological assets	**(41,252)**	(25,156)	8,915	-	**(57,493)**
Business combination	**(33,096)**	-	-	-	**(33,096)**
Revaluation reserve	**(23,454)**	-	798	-	**(22,656)**
Added value in subsidiaries	**(200,026)**	-	11,615	(72,773)	**(261,184)**
Other temporary deductions	**(54,695)**	(14,361)	1,071	3,387	**(64,598)**
Total deferred tax assets	**301,475**	**47,891**	**13,694**	**(63,715)**	**299,345**

a) Current – payable

Income tax and social contribution are calculated and recorded based on the taxable result, including tax incentives that are recognized as taxes are paid and taking into consideration the rates established by the prevailing tax legislation.

b) Reconciliation of income tax and social contribution balances and expenses

The accrued balance and the result of the taxes on profit are as follows:

	Parent Company		Consolidated	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Income before taxes	**578,681**	**690,402**	**585,607**	**766,014**
Additions				
Temporary differences	12,068	17,503	12,068	17,503
Permanent differences	313,532	324,576	1,465,061	1,937,838
Realization of temporary differences	-	-	-	-
Realization of revaluation reserve	-	-	-	-
Effect of the first-time adoption of IFRS	6,087,746	6,906,884	6,318,246	7,026,669
Deductions				
Temporary differences	(14,677)	(4,816)	(14,677)	(4,816)
Permanent differences	(1,146,734)	(559,329)	(2,194,933)	(2,179,410)
Effect of the first-time adoption of IFRS	(7,020,994)	(7,287,381)	(7,244,068)	(7,429,712)
Tax calculation basis	**(1,190,378)**	**87,839**	**(1,072,696)**	**134,086**
Compensation	-	(19,616)	-	(22,761)
Tax Calculation basis after loss to be compensated	(1,190,378)	68,223	(1,072,696)	111,325
Income taxes				
Income tax	-	(11,145)	(64,870)	(88,954)
Social contribution payable	-	(4,119)	(48)	(4,780)
Current income tax and social contribution expense	**-**	**(15,264)**	**(64,918)**	**(93,734)**
Effective tax rate (%)	**0.00%**	**22.37%**	**(6.05%)**	**84.20%**

Income tax and social contribution on profit were calculated in accordance with prevailing legislation (Law No. 12.973/2014).

Income tax and social contribution calculations and respective income tax returns, when requested, are open to review by tax authorities for varying periods and statutes of limitations in relation to the related payment date or tax return filing dates.

Based on studies and projections for the following years and considering the limits established by prevailing legislation, Management expects that the existing tax credits will be realized over a maximum term of 10 years.

The net carrying amounts has no direct relationship with the taxable profit for income tax and social contribution due to the differences between the accounting criteria and the pertinent tax legislation. Therefore, we recommend that the evolution of the realization of the tax credits resulting from tax loss carryforwards and temporary differences should not be taken as an indication of future taxable income.

18. Provisions for tax, labor and civil risks

Summary of contingent liabilities recognized

The Company and its subsidiaries are parties to several of lawsuits arising from the normal course of their businesses, for which provisions were recognized based on the assessment of their legal counsel and Management's best estimates. The main information on these lawsuits is shown below:

	Parent Company		Consolidated	
Lawsuits	**12/31/2021**	**12/31/2020**	**12/31/2021**	**12/31/2020**
Provisions for tax risks	1,890	1,890	1,912	1,973
Provisions for labor lawsuits	24,573	24,582	37,314	36,018
Provision for civil risks	1,496	1,496	4,151	2,283
Total	**27,959**	**27,968**	**43,377**	**40,274**

Parent Company	**Labor lawsuits**	**Civil and tax lawsuits**	**Total**
Balance on January 1, 2020	**23,916**	**3,386**	**27,302**
Provisions recognized in the year			
Provisions reversed in the year	1,093	-	**1,093**
	(427)	-	**(427)**
Balance on December 31, 2020	**24,582**	**3,386**	**27,968**
Provisions recognized in the period	1,774	-	**1,774**
Provisions reversed in the period	(1,783)	-	**(1,783)**
Balance on December 31, 2021	**24,573**	**3,386**	**27,959**

Consolidated	Labor lawsuits	Civil and tax lawsuits	Total
Balance on January 1, 2020	**33,829**	**4,443**	**38,272**
Provisions recognized in the year			
Provisions reversed in the year	3,516	2,244	**5,760**
Translation adjustments for the year	(3,871)	(2,640)	**(6,511)**
	2,544	209	**2,753**
Balance on December 31, 2020	**36,018**	**4,256**	**40,274**
Provisions recognized in the period	2,565	2,264	**4,829**
Provisions reversed in the period	(1,870)	(350)	**(2,220)**
Translation adjustments for the period	601	(107)	**494**
Balance on December 31, 2021	**37,314**	**6,063**	**43,377**

Civil and tax risks

These lawsuits refer to claims questioning the constitutionality of the use of reduced taxes on gross revenues and also to the discussion on the non-collection of taxes on export revenue. As of December 31, 2021, these risks were assessed as probable loss and involve the amounts of R$3,386, Company, and R$6,063, consolidated (R$3,386, Parent, and R$4,256, consolidated, as of December 31, 2020).

Labor lawsuits

Most of these labor claims involve overtime, commuting time, health hazard premium and mandatory thermal comfort breaks. Based on the opinion of the legal counsel that handles these lawsuits and Management's experience in similar cases, provisions were recognized for labor lawsuits assessed as probable loss which. As of December 31, 2021, in the amount of R$24,573 in the Company, and R$37,314 in the consolidated (R$24,582 in the Company and R$36,018 in the consolidated, as of December 31, 2020).

Other lawsuits (assessed as possible loss)

Labor and social security

As of December 31, 2021, the Company and its subsidiaries are parties to labor lawsuits (public civil actions) and social security lawsuits, in the total amount of approximately R$3,646, whose likelihood of loss is considered possible, but not probable, and for which Management does not consider necessary to recognize a provision for possible loss.

Senar

In March 2003, the Company filed for a writ of mandamus to suspend the withholding and transfer of SENAR. To avoid losing the right to require the contribution of Funrural and SENAR, the INSS (Social Security Authority) issued various tax assessment notices against the Company to date. The amount involved in these notices, whose likelihood of loss was assessed by the Company's legal counsel as possible, is approximately R$74,005. Such lawsuits involve a significant uncertainty level on the likelihood of loss for certain matters being discussed at the judicial level.

State VAT (ICMS)

The Company was issued tax assessments relating to differences in the computation schedule for the base of ICMS and ICMS-ST by applying the reduction on its operations in the States of Minas Gerais, São Paulo and Goiás. As of December 31, 2021, the amount involved in these lawsuits, assessed as possible loss, is approximately R$196,166.

Other tax, civil and environmental lawsuits

As of December 31, 2021, the Company and its subsidiaries are parties to other tax, civil and environmental lawsuits, in the total amount of approximately R$67,078, R$8,408 and R$2,136, (R$49,235, R$7,277 and R$4,162 as of December 31, 2020), respectively, whose likelihood of loss is considered possible, but not probable, in accordance with the Company's legal counsel, and for which Management does not consider necessary to recognize a provision for possible loss.

19. Equity

a. Capital stock

The Company's subscribed as of December 31, 2021 is represented by the amount of R$1,675,849 (R$1,363,695 as of December 31, 2020), represented by 606,700,828 (548,426,499 as of December 31, 2020) registered, book-entry, common shares with no par value, all of which are free and clear of any burden or encumbrance. During 2016, there were expenses on the issuance of new shares in the amount of R$ 5,898 and R$ 53,813 during 2020, therefore, the balance in the "Share Capital" item in the financial statements is R$ 1,616,138.

The Board of Directors' meeting held on January 15, 2020, approved the primary and secondary public offering of common shares issued by the Company, held by the Selling Shareholder, all registered and book-entry, with no par value, all of them free and unencumbered of any lien or encumbrance, as applicable, with restricted placement efforts, pursuant to CVM Instruction No. 476 ("Offering").

The price per share under the Offering was set at R$13.00, for purposes of capital increase, within the limit of the authorized capital, pursuant to Article 6 of the Company's Bylaws, and for the ratification of the capital increase which were approved at the Company's Board of Directors held on January 23, 2020, whose minutes will be filed with São Paulo State´s Division of Corporations and published on newspapers.

The Offering consisted of: (i) the primary public distribution of 80,000,000 new common shares issued by the Company ("Primary Offering" and "Shares under the Primary Offering"); and (ii) the secondary public distribution of 15,000,000 common shares issued by the Company and held by VDQ Holdings S.A. ("Selling Shareholder", "Secondary Offering" and "Shares under the Secondary Offering", respectively, and the Shares under the Secondary Offering, in conjunction with the Shares under the Primary Offering, the "Shares"), with restricted placement efforts, conducted in the Federative Republic of Brazil ("Brazil"), in an over-the-counter market, under the Agreement for the Underwriting, Placement and Firm Guarantee of Settlement of Common Shares issued by Minerva S.A.", entered into between the company, the Selling Shareholders and the Lead Underwriters. Simultaneously, under the Offering, efforts for placement abroad were also made by BTG Pactual US Capital LLC, J.P. Morgan Securities LLC, Bradesco Securities Inc., Banco do Brasil Securities LLC, and Itau BBA USA Securities, Inc. Morgan Securities LLC, by Bradesco Securities Inc., by Banco do Brasil Securities LLC and by Itaú BBA USA Securities, Inc.

Due to the increase in the Company´s capital resulting from the Offering, capital increased from R$288,493, divided into 403,686,540 registered, book-entry common shares with no par value, to R$1,328,493, divided into 483,686,540 registered, book-entry common shares with no par value.

Commissions, expenses on taxes and other retentions, offering registration with ANBIMA, legal and consulting fees, independent auditors, translation and publicity related to the offering, which totaled R$52,430, were paid by the company and by the Selling Shareholder, to the proportion of the Shares offered by each one in the Offering, under the Placement Agreement and the International Placement Agreement.

The Shares under the Offering are traded on B3 S.A. – Brasil, Bolsa, Balcão ("B3") on January 27, 2020, and the physical and financial settlement of the Shares occurred on January 28, 2020.

On March 10, 2020, the Board of Directors and the Extraordinary Shareholders Meeting approved the reduction of the Company's capital by three hundred eighty million and two hundred ten (R$380,210) to absorb accumulated losses reported in the Company's financial statements for the year December 31, 2019, without cancellation of shares.

Also, in the first quarter of 2020, the Board of Directors' Meetings approved increases in the Company's capital by R$12,735, representing 89,965 book-entry registered common shares with no par value relating to the subscription bonus.

With the approvals in the first quarter of 2020, capital increased from R$287,915, representing 403,596,575 shares, to R$960,440, representing 485,580,177 common shares.

In the second quarter of 2020, the Board of Directors' Meetings approved increases in the Company's capital by R$5,547, representing 898,106 book-entry registered common shares with no par value. With the approval, capital was increased from R$960,440, representing 485,580,177 shares, to R$965,987, representing 486,478,283 common shares.

In the third quarter of 2020, the Board of Directors' Meetings approved increases in the Company's capital by R$397,624, representing 61,935,250 book-entry registered common shares with no par value. With the approval, capital was increased from R$965,987, representing 486,478,283 shares, to R$1,363,612, representing 548,413,533 common shares.

In the fourth quarter of 2020, the Board of Directors' Meetings approved an increase in the Company's capital by R$83, representing 12,966 book-entry registered common shares with no par value. With the approval, capital was increased from R$1,363,612, representing 548,413,533 shares, to R$1,363,695, representing 548,426,499 common shares.

In the first quarter of 2021, the Board of Directors at the Board of Directors' Meetings (RCA) ratified the Company's capital increases in the amount of R$7,659 (seven million and six hundred fifty-nine thousand), representing 1,195,195 (one million, one hundred and ninety-five thousand and one hundred and ninety-five) common, registered, book-entry shares with no par value. With the approval, the capital stock increased from R$1,363,695, representing 548,426,499 shares, to R$1,371,354, representing 549,621,694 common shares.

In the second quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) ratified the Company's capital increases for R$67 (sixty-seven thousand), representing 1,195,195 (one million, one hundred and eighty thousand). ninety-five thousand one hundred and ninety-five) common, registered, book-entry shares with no par value. With the approval, the capital stock changed from R$1,371,354, representing 549,621,694 shares, to R$1,371,421, representing 549,634,220 common shares.

In the third quarter of 2021, the Board of Directors at the Board of Directors' Meetings (RCA) ratified the Company's capital increases in the amount of R$63,000 (sixty-three thousand), representing 11,633 (eleven thousand six hundred and thirty-three three) common, registered, book-entry shares with no par value. With the approval, the capital stock changed from R$1,371,421, representing 549,634,220 shares, to R$1,371,484, representing 549,645,853 common shares.

In the fourth quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of R$ 304,365 (three hundred four million, three hundred and sixty-five thousand), representing 57,054,975 (fifty-seven million fifty-four thousand nine hundred seventy-five) common, registered, book-entry shares with no par value. With the ratification, the capital stock rose from R$1,371,484, representing 549,645,853 shares, to R$1,675,849, representing 606,700,828 common shares.

b. Capital reserve

The capital reserve consists of amounts received by the Company and that are not recorded in profit or loss as revenues, since they are intended to reinforce capital; the Company is not required to make any efforts, such as delivering goods or providing services, in connection with these amounts. As of December 31, 2021, the Company´s capital reserve is R$118,271 (R$118,271 as of December 31, 2020).

c. Revaluation reserve

The Company appraised its fixed assets in 2003 and 2006. The remaining balance totaled R$47,518 as of December 31, 2021 (R$49,066 as of December 31, 2020), net of taxes.

As mentioned above and in compliance with Law No. 11.638/2007, the Company elected to maintain the revaluation reserve through December 31, 2007, until its full realization, which should occur through depreciation or disposal of revalued assets.

d. Legal reserve

Calculated at 5% of profit for the year as provided for in article 193 of Law No. 6404/76, up to the limit of 20% of capital. In the year when the balance of the legal reserve, plus the amounts of capital reserves addressed by paragraph 1 of article 182 of Law No. 6.404/76, exceeds 30% of the capital, the allocation of a portion of the profit for the year to the legal reserve will not be mandatory.

e. Earnings retention reserve

The earnings reserve was recorded based on the remaining balance of the profit for the year, after the allocations to the legal reserve and distribution of dividends, and will be used to finance future investments, under article 196 of Law No. 6.404/76.Accumulated retention until December 31, 2021 is R$289,066 (R$118,583 in December 31, 2020). According to art. 199 of Law No. 6.404/76, the balance of this reserve, plus other earnings reserves, may not exceed the Company’s capital.

f. Treasury shares

On October 2, 2020, the Company´s Board of Directors approved a share buyback program, under Article 19, item XVI, of the Company´s Bylaws, and Paragraph 1 of Article 30 of Law No. 6.404, dated December 15, 1976, as amended ("Brazilian Corporate Law."), CVM Instruction No. 567, dated September 17, 2015 ("ICVM 567/15"), and other applicable standards, effective eighteen (18) months as from October 05, 2020 and ending on April 04, 2022. Under such program, the Company's profits and/or reserves available will be used to acquire in a single transaction or in a single series of transactions, up to 20,000,000 common shares issued by the Company for maintenance in treasury, cancellation or sale. At the beginning of the plan, the Company had 3,150,000 registered, book-entry common shares with no par value held in treasury, and 259,351,910 registered, book-entry common shares with no par value issued by the Company were outstanding.

Under the share buyback plan, trading will be supported by the overall amount:

(a) of the earnings and capital reserves, not considering the legal reserve, the unrealized earnings reserve, the special undistributed dividend reserve, and the tax incentive reserve; and
(b) the earnings realized in the current year, not considering the amounts to be allocated to the legal reserve, the unrealized earnings reserve, the special undistributed dividend reserve, and the tax incentive reserve and the payment of mandatory dividends.

The table below shows the changes in treasury shares:

	Number	Amount (R$)	Average cost (R$)	Average market value
Balance on January 1, 2020	**3,150,000**	**32,695**	**10.38**	**12.84**
Share buyback	19,903,200	210,073	10.55	-
Disposal of share	-	-	-	-
Balance on December 31, 2020	**23,053,200**	**242,768**	**10.53**	**10.18**
Share buyback	-	-	-	-
Disposal of share	-	-	-	-
Balance on December 31, 2021	**23,053,200**	**242,768**	**10.53**	**9.80**

g. Dividends and interest on capital

The Company's bylaws establish the payment of a minimum mandatory dividend of 25% of the profit for the year, adjusted pursuant to the law.

In the year in which the Company's leverage ratio is equal or lower than 2.5x, the Board of directors will propose the Shareholders Meeting to pay dividends additional to the mandatory ones corresponding to at least twenty-five percent (25%) of the annual profit adjusted by the deductions and additions set forth in the Company's profit allocation policies.

h. Valuation adjustment to equity

According to CPC 02 R2/IAS 21 - Effects of Changes in Foreign Exchange Rates and Translation of Financial statements, changes in financial instruments (direct and indirect) are recorded in foreign currency and accounted for under the equity method.

According to CPC 37 R1/IFRS 1 – First-time Adoption of International Financial Reporting Standards, as a result of the application of CPC 02 R2 prior to the date of first-time adoption, IFRS first-time adopters must zero the balances of exchange gains (losses) on investments recorded in equity (on the cumulative translation adjustments item) by transferring them to retained earnings/accumulated losses (on the profit reserve item), and disclose the profit distribution policy applicable to such balances. The Company does not calculate these adjustments for distribution of profit.

i. Stock option plan

Under the plan, the following individuals are eligible to be granted shares issued by the Company: executive, Board of Directors' members, statutory and non-statutory officers, managers, supervisors, and employees of the Company and its subsidiaries who are considered key people for the development of the Company's and its subsidiaries' businesses, as elected by the Company's Board of Directors or a special committee created to manage the Plan to be granted stock options ("Participants").

The Company's Board of Directors or committee, as the case may be, may create Stock Option Programs containing specific conditions applicable to Participants, the total number of Company's shares that may be granted, the stock option division into lots and the respective rules specific to each lot, including the strike price and vesting periods ("Programs").

The Programs and Stock Option Agreements provide for that, in case a Participant is terminated during the vesting period, the Company may, at its sole discretion, buy back all shares held by the Participant, subject to the vesting period, for R$0.01 per share, under the Plan.

1st Stock Option Plan

On March 30, 2020, eight hundred and forty thousand (840,000) stock options were granted to certain beneficiaries under the First Stock Option Program approved at the Company's Board of Directors' Meeting held on March 5, 2018 and amended at the Company's Board of Directors' Meeting held on June 25, 2018 ("First Program"), which is part of the Second Stock Option Plan, approved at the Extraordinary General Meeting of the Company held on April 12, 2017 ("Option Plan"); Said beneficiaries were given 60 days as from the execution of the Stock Option Agreement to exercise such stock options at a strike price of R$6.16, which corresponds to a 20% discount in relation to the weighted average for the last 10 trading sessions prior to the execution of the adhesion agreement.

The stock option exercise by the abovementioned beneficiaries was formalized through a capital increase made on June 15, 2020, as detailed in Note 19 a.

Vesting period: None of the stock options may be transferred before the total vesting period established for the 1st Program. At each anniversary of the grant date, a portion corresponding to 25% will be released for sale by the Participant.

Stock option plan

	12/31/2021		12/31/2020	
	Number of stock options	Weighted average price	Number of stock options	Weighted average price
Free float shares at the beginning of the period			-	-
Granted during the period	-	-	840,000	6.16
Exercised during the period	-	-	(840,000)	6.16
Forfeited during the period	-	-	-	-
Free float shares at the end of the period	-	-	-	-

Fair value measurement criteria

The model used to price the fair value of options under the Stock Option Programs was the Black & Scholes model.

In determining the fair value of the shares under the Stock Option Plan, the following assumptions were used:

	Grant - 1st Program
Number of shares	840,000
Average weighted stock price	11.7562
Strike price	9.40
Stock price volatility	35.0%
Life of the share	60 days
Vesting period	3 years
Expected dividends	-
Risk-free interest rate	4.146%
Fair value	2.10

The Stock Option Plan's expected volatility was calculated based on the annual average of the Company's share's volatility extracted from Bloomberg system.

Costs on stock option plans are recognized in profit during the vesting period for the stock options to be exercised. The total cost of the plan as of the granting date in the year ended December 31, 2020, corresponding to the fair value of the shares, was R$1,764.

20. Segment reporting

Business segments

	Meat		Other		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Net revenue	25,211,146	17,661,287	1,754,214	1,745,057	26,965,360	19,406,344
Gross profit	1,941,568	1,695,177	93,850	98,596	2,035,418	1,793,773

There are no revenues from transactions conducted with a single foreign customer that account for 10% of total revenues or more.

The main business segments of the Company and its subsidiaries are the production and sale of fresh beef and trading.

21. Net operating revenue

The Company presents the explanatory note of net operating revenue in accordance with CPC 47 – Revenue from Contracts with Customers, as per item 112A, disclosing the reconciliation of taxable gross revenue and other control accounts.

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Revenues from domestic sales	4,826,319	3,952.228	9,260,170	6,688,752
Revenues from foreign sales	8,186,026	6,882.874	19,312,124	13,865,522
Deductions from revenue - taxes and other	(899,232)	(731,728)	(1,606,934)	(1,147,930)
Net operating revenue	**12,113,113**	**10,103,374**	**26,965,360**	**19,406,344**

22. Expenses by nature

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Classified as				
Selling expenses	(676,312)	(625,570)	(1,766,570)	(1,304,005)
General and administrative expenses	(432,532)	(369,264)	(857,581)	(705,834)
Other operating income	1,975	(29,837)	14,545	(31,311)
Total	**(1,106,869)**	**(1.024,671)**	**(2,609,606)**	**(2,041,150)**
Expenses by nature				
Variable selling expenses	(593,047)	(547,645)	(1,660,449)	(1,193,219)
General administrative and selling expenses	(180,756)	(156,536)	(446,666)	(351,456)
Personnel and commercial expenses	(285,399)	(247,814)	(431,189)	(367,099)
Depreciation and amortization	(49,642)	(42,839)	(85,848)	(98,065)
Other operating income and expenses	1,975	(29,837)	14,546	(31,311)
Total	**(1,106,869)**	**(1,024,671)**	**(2,609,606)**	**(2,041,150)**

23. Net financial result

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Financial income				
Income from short-term investments	49,605	48,887	75,015	74,897
	49,605	**48,887**	**75,015**	**74,897**
Financial expense				
Interest on financing	(752,045)	(651,782)	(1,013,896)	(1,046,285)
Other financial expenses/income (i)	(353,788)	361,371	74,211	423,297
Total	**(1,105,833)**	**(290,411)**	**(939,685)**	**(622,988)**
Exchange rate changes, net	(426,263)	(478,808)	(405,287)	(416,700)
Monetary correction of balance	-	-	(179,854)	(62,968)
Net financial result	**(1,482,491)**	**(720,332)**	**(1,449,811)**	**(1,027,759)**

(I) Refers to mark-to-market of the Company's financial instruments to hedge against the currency exposure and fall under Level 2 of Hierarchy of fair value measurement. The changes between the comparative periods are attributable to the real depreciation against other currencies.

24. Earnings (loss) per share

a) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to the Company's owners by the weighted average number of common shares issued during the period, excluding the common shares purchased by the Company and held in treasury.

Basic	12/31/2021	12/31/2020
Net income attributable to Company's shareholders	**598,879**	**697,092**
Weighted average number of common shares issued (thousands)	606,701	548,427
Weighted average number of treasury shares	(23,053)	(23,053)
Weighted average number of outstanding common shares (thousands)	583,648	525,374
Basic earnings per share - R$	1.02610	1.32685

b) Diluted earnings (loss) per share

Diluted earnings (loss) per share are calculated by adjusting the weighted average number of outstanding common shares, assuming the conversion of all potential common shares that would result in dilution. The Company has only one class of common shares that would potentially result in dilution: debentures mandatorily convertible into shares:

Diluted	12/31/2021	12/31/2020
Net income attributable to Company's owners	598,879	697,092
Weighted average number of outstanding common shares (thousands)	583,648	525,374
Weighted average number of common shares used to calculate basic earnings (loss) per share - thousands	583,648	525,374
Diluted earnings per share - R$	**1.02610**	**1.32685**

25. Risk and financial instrument management

The Company's operations are exposed to market risks, especially relating to fluctuations in exchange rates and interest, credit risks and livestock's prices. The Company's investment management policy establishes the use of derivative financial instruments for hedging against these risk factors. Additionally, the Company may also contract derivative financial instruments to implement operating and financial strategies defined by the Board of Executive Officers and duly approved by the Board of Directors.

Market risk management is carried out through the use of two models: calculation of VaR (Value at Risk) and calculation of impacts by applying stress scenarios. In the case of VaR, Management uses two distinct models: Parametric VaR and Monte Carlo Simulation VaR. Risks are constantly monitored and calculated at least twice a day.

It is worth noting that the Company does not use exotic derivatives and does not have any such instrument in its portfolio.

a. Policy on the treasury's hedging transactions

The Treasury Department is responsible for the implementation of the Company's hedging management policy and follows the decisions of the Risk Committee, which is composed of the Company's Board of Executive Officers and employees.

The Risk Management Board is responsible for overseeing and monitoring compliance with the guidelines designed by the hedging policy and reports itself to the CEO and the Risk Committee.

The Company's hedging policy, approved by its Board of Directors, takes into consideration its two main risk factors: exchange rate and finished cattle.

I. Currency hedging policy

The currency hedging policy aims to hedge the Company against currency fluctuations and is divided into two segments:

i) Flow

Cash flow hedging strategies are daily discussed with the Market Committee.

The purpose of the cash flow hedging policy is to guarantee the Company's operating profit and hedge its flow of currencies, other than the Brazilian real, within a year.

Hedge operations may use financial instruments available in the market, such as: US dollar futures transactions on B3, NDFs, funds raised in foreign currency, options and inflow of funds in US dollars.

ii) Balance sheet

The balance sheet hedge is monthly discussed at Board of Directors' meetings.

The purpose of the balance sheet hedging policy is to hedge the Company against its long-term debt in foreign currency.

Balance sheet exposure is the flow of US dollar-denominated debt with maturity higher than one year.

Hedge operations may use financial instruments available in the market, such as: US dollar cash withholding, bond buyback, NDFs, futures contracts on the BM&F, swaps, and options.

II. Cattle hedging policy

The objective of the cattle hedging policy is to minimize the impacts of fluctuation in the cattler arroba price on the Company´s profit (loss). The policy is divided into two topics:

i) Cattle forward contracts

In order to guarantee raw material, especially in the cattle offseason, the Company purchases cattle for future delivery and uses B3 to sell futures contracts, minimizing the risk of price fluctuations per arroba of cattle.

Hedge operations may use finished cattle instruments available in the market, such as: finished cattle futures contracts on B3 and options on finished cattle futures contracts on B3.

ii) Hedging of meat sold

In order to guarantee the cost of the raw material used in its meat production, the Company uses the BM&F to purchase futures contracts, minimizing the risk of price fluctuations per arroba of cattle and hedging its operating margins obtained when meat is sold.

Hedge operations may use finished cattle instruments available in the market, such as: finished cattle futures contracts on B3 and options on finished cattle futures contracts on B3.

Statement of derivative positions

The statement of derivative financial instrument positions was prepared to present the derivative financial instruments contracted by the Company in the periods ended December 31, 2021 and December 21, 2020, according to their purpose (asset hedging and other purposes), which fall under Level 2 of the fair value measurement hierarchy, according to the CPC 46 hierarchy:

Asset Heading Position

Description	/ thousand		Nocional em thousand of		Cumulative effect in thousand of R$	
	12/31/21	12/31/21	12/31/21	12/31/21	Amount receivable / (receivable)	Amount payable/ (paid)
Future contracts:	-	-	-	-	-	-
Purchase commitment	-	-	-	-	-	-
DOL (US$)	1,000	-	5,617	-	4,706	-
Mini Dollar (dol x 0,10)	160	-	893	-	412.6	-
Other	-	-	-	-	-	-
BGI (arrobas)	270	122	91,181	33,212	-	9,461
Sale commitment	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-
Mini Dólar (US$ x 0,10)	(1,700)	-	9,549	-	85	-
BGI (arrobas)	784	526	267,117	144,428	-	15,215
Option contracts:	-	-	-	-	-	-
Long position - Compra	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	165	-	10,606	-	-	14,933
Short position - Sale	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-
DOL (US$)	-	925	-	141,663	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	495	-	4,991	-	10,529
Biddging Purchase - purchase	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	-	-	-	10,359	-
Biddging Purchase - sale	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobas)	-	-	-	-	1,498	-
Term Contracts	-	-	-	-	-	-
Purchese position	-	-	-	-	-	-
NDF (US Dollar)	600,000	850,000	3,348,300	4,417,195	195,874	-
NDF (euro)	-	-	-	-	12	-
Sale position						
NDF (euro)	3,217	-	20,338	-	-	107
NDF (US Dollar)	750,977	244,750	4,190,828	1,271,892	-	278,297

The reference values represent the base value, i.e. the opening amount at which the derivative agreement is entered into in order to calculate the positions and market value.

The fair values were measured as follows:

- **USD Futures Contracts:** US dollar futures contracts traded on B3 total fifty thousand US dollars (US$50,000) per notional contract and are adjusted on a daily basis. The fair value is calculated by multiplying the notional amount in US dollars by the reference US dollar for the contract disclosed by B3;
- **Finished cattle futures contracts (BGI):** Finished cattle futures contracts (BGI) traded on B3 have the amount of 330 arrobas; the fair value is calculated through the "notional" value in reais by arroba by the benchmark value for the contract disclosed by B3;
- **Short Position Forward Contracts - NDF (Euro):** The contracts are traded on OTC markets and, therefore, are not standardized neither adjusted on a daily basis. Their fair value is calculated by multiplying the traded notional amount and market rate prevailing on that date. If held through maturity, the PTAX EURO selling rate disclosed by the Central Bank of Brazil;

- **Short Position Forward Contracts - NDF (Dollar):** The contracts are traded on OTC markets and, therefore, are not standardized neither adjusted on a daily basis. Their fair value is calculated by multiplying the traded notional amount and market rate prevailing on that date. If held through maturity, the PTAX 800 selling rate disclosed by the Central Bank of Brazil;

The fair values were estimated on the date of the interim financial statements, based on relevant market inputs. Revisions in assumptions and changes in the financial market operations may significantly affect the estimates presented in the interim financial information.

The outstanding mark-to-market OTC NDF, swap and options transactions traded on B3 – Bolsa, Brasil, Balcão are recorded in the balance sheet accounts as of December 31, 2021, and December 31, 2020 under "NDF receivable/payable", "swaps" and "options receivable", as follows:

	12/31/2021	12/31/2020
Derivative financial instruments	**Mark-to-market**	**Mark-to-market**
Options	10,606	429,431
Swap	1,008,076	350,631
NDF (EUR+DOL+LIVESTOCK)	915,418	290,067
Grand Total	**1,934,100**	**1,070,129**

b. Currency and interest rate risks

The risk of fluctuations in exchange rate and interest rate on loans and financing, short-term investments, receivables in foreign currency arising from exports, investments in foreign currency, and other payables denominated in foreign currency may be managed by using derivative financial instruments traded on stock exchanges, or OTC transactions such as swap, NDFs (Non-Deliverable Forwards), and options.

The table below shows the Company's consolidated position, specifically with respect to its financial assets and liabilities, divided by currency and exchange exposure, thus presenting a picture of the net position of assets and liabilities per currency, compared with the net position of derivative financial instruments intended for hedging and management of the exchange exposure risk:

	Consolidated 12/31/2021 Currencies		
	Domestic	**Foreign**	**Total**
Assets			
Cash	1,237	-	1,237
Banks - checking accounts	598,379	5,476,017	6,074,396
Short-term investments	921,705	304,671	1,226,376
Trade receivables	789,706	1,808,857	2,598,563
Total current assets	**2,311,027**	**7,589,545**	**9,900,572**
Total Assets	**2,311,027**	**7.589.545**	**9,900,572**

	Consolidated 12/31/2021 Currency		
	Domestic	**Foreign**	**Total**
Liabilities			
Financing – current	337,920	1,114,175	1,452,095
Trade payables	3,580,445	135,232	3,715,677
Total current	**3,918,365**	**1.249.407**	**5,167,772**
Financing – noncurrent	4,318,625	9,568,085	13,886,710
Total noncurrent	**4,318,625**	**9,568,085**	**13,886,710**
Total liabilities	**8,236,990**	**10,817,492**	**19,054,482**
Net financial debt	5,925,963	3,227,947	9,153,910
Hedging derivatives – Net position	(1,073,457)	(860,643)	(1,934,100)
Currency position, net	**4,852,506**	**2,367,304**	**7,219,810**

The notional net position of derivative financial instruments is broken down as follows:

Financial Instruments (net)	**Long (short) position, net at 12/31/2021**	**Long (short) position, net at 12/31/2020**
Futures contracts - DOL (Dollar)	(3.039)	-
Futures contracts - BGI (Finished Cattle)	(175.935)	(111,217)
Options contracts (Dollar, Cattle, Corn and IDI)	10.606	146,655
Swap contracts	1.008.076	350,631
NDF (dollar + EURO + cattle + ARS)	(862.865)	3,145,303
Total net	**(23.158)**	**3,531,372**

Financial assets and financial liabilities are restated in the financial information as of December 31, 2021 and December 31, 2020 at amounts that approximate their market values. Their respective income and costs are recognized and presented on these dates according to their expected realization or settlement.

Note that the amounts related to export orders (firm sale commitments) refer to orders from approved customers not invoiced yet (and therefore not accounted for), but which are already hedged against the risk of changes in foreign currency rates (US dollar or another foreign currency) through derivative financial instruments.

Below is a list of NDF agreements held by the Company and effective as of December 31, 2021:

Type	Position	Currency	Due date	Nocional
NDF	Purchase	Dollar	01/03/2022	15,253
NDF	Sale	Dollar	01/04/2022	(25,000)
NDF	Sale	Dollar	01/10/2022	(96)
NDF	Sale	Dollar	01/12/2022	(76)
NDF	Sale	Dollar	01/24/2022	(75)
NDF	Sale	Dollar	02/01/2022	(735,293)
NDF	Sale	Dollar	02/25/2022	(202)
NDF	Purchase	Dollar	03/02/2022	595,012
NDF	Sale	Dollar	04/01/2022	(500)
NDF	Sale	Euro	01/04/2022	(125)
NDF	Sale	Euro	01/10/2022	(228)
NDF	Sale	Euro	01/12/2022	(204)
NDF	Sale	Euro	01/17/2022	(490)
NDF	Sale	Euro	01/18/2022	(193)
NDF	Sale	Euro	01/31/2022	(145)
NDF	Sale	Euro	02/01/2022	(334)
NDF	Sale	Euro	02/21/2022	(880)
NDF	Sale	Euro	02/25/2022	(205)
NDF	Sale	Euro	03/02/2022	(249)
NDF	Sale	Euro	04/01/2022	(165)

Credit risks

The Company is potentially subject to credit risk related to accounts receivable from its customers, which is minimized by the diversification of the customer portfolio, given that the Company does not have a customer or business group that represents more than 10% of its revenue and is based on the concession of loans to customers with good financial and operational indices.

c. Cattle price risks

The Company's line of business is exposed to the volatility of cattle prices, the main raw material, whose variation results from factors beyond Management's control, such as climatic factors, volume of supply, transportation costs, agricultural policies and others.

The Company, in accordance with its inventory policy, maintains its strategy of managing this risk, operating in the physical control, which includes advance purchases, cattle confinement and execution of future settlement contracts (over-the-counter and exchange), which guarantee the realization of their stocks at a certain price level:

	12/31/2021 Fair Value
Over the counter (OTC) market	
Forward contract purchased	
Notional value (@)	759,721
Futures Contract Price (R$/@)	294
Total R$/1000	**223,195**

BM&F Market	**12/31/2021 Fair Value**
Futures Contracts Sold	
Notional value (@)	757,020
Futures Contract Price (R$/@)	332
Total R$/1000	**244,067**

d. Cash sensitivity analysis table

The sensitivity analysis charts are intended to separately disclose derivative financial instruments that, in the Company's assessment, are intended to protect against exposure to risks. These financial instruments are grouped according to the risk factor they are intended to protect (price, exchange rate, credit risk, etc.).

The scenarios were calculated based the following assumptions:

- **An upward movement:** represents an increase in prices or risk factors as of December 31, 2021;
- **A downward movement:** represents a decrease in prices or risk factors as of December 31, 2021;
- **Probable scenario:** 6% impact; 12% fluctuation; and 18% fluctuation.

Below we present the tables showing the sensitivity of cash, considering only the positions in derivative financial instruments and their impacts on cash:

Transaction	Movement	Risk	Probable scenario 6% fluctuation	Possible scenario 12% fluctuation	Remote scenario 18% fluctuation
Hedge derivatives	High	Cattle	(10.556)	(21.112)	(31,668)
Cattle	High	Cattle	13,392	26,783	40,175
Net			**2,836**	**5,671**	**8,507**
Hedge derivatives	High	US Dollar	(258,997)	(517,993)	(776,990)
Invoices + Cash - in US$	High	US Dollar	184,796	369,592	554,388
Net			**(74,201)**	**(148,402)**	**(222,603)**
Hedge derivatives	High	Euro	(1,220)	(2,441)	(3,661)
Invoices - in $EUR	High	Euro	1,321	2,642	3,963
Net			**101**	**201**	**302**
Hedge derivatives	High	US Dollar	51,068	102,135	153,203
Borrowings in $US	High	US Dollar	(100,378)	(200,757)	(301,135)
Net			**(49,311)**	**(98,621)**	**(147,932)**

- **Exchange rate USD 5.5805** – Ptax selling (Source: The Central Bank of Brazil);
- **Exchange rate EUR 6.3210** – Ptax selling (Source: The Central Bank of Brazil).

Statement of gains (losses) on hedging instruments

- **Hedging derivatives x Cattle:** In the probable scenario with a 6% market fluctuation, the Company could lose R$2,836; whereas in a 12% fluctuation scenario, said gain would come to R$11,815, and R$23,630 gain upon a fluctuation of 18%;
- **Hedge derivatives x Invoices + Cash in US$:** In the probable scenario with a 6% market fluctuation, the Company could lose R$74,201; whereas in a 12% fluctuation scenario, said lost would come to R$309,170, and R$618,341 loss upon a fluctuation of 18%;
- **Hedge derivatives x Invoices + Cash in EUR:** In the probable scenario with a 6% market fluctuation, the Company could gain R$101; whereas in a 12% fluctuation scenario, said gain would come to R$420, and R$839 gain upon a fluctuation of 18%;
- **Hedge Derivatives and Fundraising:** In the probable scenario with a 6% market fluctuation, the Company could lose R$49,311; whereas in a 12% fluctuation scenario, the Company could lose R$205,461, and R$410,923 upon a fluctuation of 18%.

e. Call margin

A margin requirement call is applied to exchange transactions, whereby in order to cover margin calls, the Company uses public and private fixed income bonds, such as CDBs (bank deposit certificates) held in its portfolio, thus mitigating impacts on its cash flow.

As of December 31, 2021, the amounts deposited in margin represented R$40,000.

26. Statements of comprehensive income (loss)

As required by CPC 26 (R1) (IAS 1) – Presentation of individual and consolidated financial statements, the Company presents below the changes in comprehensive income (loss) for the periods ended December 31, 2021 and 2020:

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Net income for the period	598,879	697,092	598,879	697,092
Cumulative translation adjustments	(520,882)	(598,352)	(520,882)	(598,352)
Total comprehensive income (loss)	**77,997**	**98,740**	**77,997**	**98,740**
Comprehensive income (loss) attributable to:				
Company's owners	77,997	98,740	77,997	98,740
Noncontrolling interests	-	-	-	-
Total comprehensive income (loss)	**77,997**	**98,740**	**77,997**	**98,740**

27. Insurance

The Company and its subsidiaries have an insurance policy that mainly takes into consideration the concentration of risks, the significance and the replacement value of the assets. The main information on insurance coverage as of December 31, 2021 is as follows:

	Type of Coverage	Insured amount
Buildings	Fire and sundry risks	1,029,649
Facilities, equipment and inventories	Fire and sundry risks	1,704,761
Company cars and aircraft	Fire and sundry risks	173,647
Overseas transportation	Fire and sundry risks	111,610
Civil liability	Risks in operations	20,519
Total		**3,040,186**

The Company and its subsidiaries have coverage for all products transported in Brazil and abroad. The risk assumptions adopted, in view of their nature, are not part of the scope of the audit of the financial statements and, therefore, were not audited by the Company's independent auditors.

The Company contracted insurance policies for all plants and distribution centers.

28. Events after the reporting period

Capital increase due to the exercise of the subscription warrants

According to the Board of Directors' Meeting held on January 12, 2022, the increase in the Company's capital stock was approved, regardless of statutory reform and within the authorized capital limit, pursuant to Article 6 of the Company's Bylaws, from the current R$ 1,675,849, divided into 606,700,828 common, nominative, book-entry shares with no par value to R$ 1,678,786, divided into 607,283,407 common, nominative, book-entry shares with no par value, therefore, an increase in the value of BRL 2,937, through the issuance of 582,579 new common, nominative, book-entry shares with no par value, with an issue price of BRL 5.04 (five reais and four cents), pursuant to the provisions of item 7.3.28.7 of the minutes of EGM 10.15.2018, per share, established pursuant to article 170, § 1, item III of Law No. 6,404, of December 15, 1976, as amended ("Corporate Law"), as a result of the exercise of the Underwriting.

Repurchase/Cancellation Bonds 2028

On January 26, the Company completed the repurchase and cancellation of a portion of Notes 2028 and 2031 that were outstanding in the amount of US$38,055 and US$10,000, the repurchase and early cancellation outstanding on December 31, 2021 of Notes 2028 and 2031, which had an interest coupon of 5.875% per year and 4.375% per year respectively.

REGISTERED OFFICE OF THE ISSUER

Minerva Luxembourg S.A.
6C, rue Gabriel Lippmann
L-5365 Munsbach
Grand-Duchy of Luxembourg

PRINCIPAL EXECUTIVE OFFICES

Minerva S.A.
Avenida Antonio Manço Bernandes
S/N, Rotatória Família Vilela de Queiroz
Chácara Minerva
14781-545, Barretos, SP
Brazil

TRUSTEE

TRUSTEE, PAYING AGENT, TRANSFER AGENT AND REGISTRAR
The Bank of New York Mellon

240 Greenwich Street, 7 East
New York, New York 10286
USA

SINGAPORE LISTING AGENT
CNPLaw LLP
600 North Bridge Road #13-01
Parkview Square (Parkview 2)
Singapore 188778

To the Issuer, Minerva S.A.
as to United States Law

White & Case LLP
Av. Brig. Faria Lima,
2277 – 4th Floor
01452-000 São Paulo, SP
Brazil

To the Issuer, Minerva S.A.
as to Brazilian Law

Stocche, Forbes Advogados
Av. Brigadeiro Faria Lima 4100 –
10° Andar
04538-132 São Paulo, SP
Brazil

To the Issuer, Minerva S.A.
as to Luxembourg Law

NautaDutilh Avocats
Luxembourg S.à r.l.
2, rue Jean Bertholet
L-1233 Luxembourg
Grand Duchy of Luxembourg

To the Bookrunners
as to United States Law

Davis Polk & Wardwell LLP
Av. Presidente Juscelino Kubitschek, 2041
Torre E, CJ 17ª
04543-011 São Paulo, SP
Brazil

To the Bookrunners
as to Brazilian Law

Pinheiro Neto Advogados
R. Hungria, 1100, Jardim Europa
01455-000 São Paulo, SP
Brazil

INDEPENDENT AUDITORS

For financial information as of and for the six-month period ended June 30, 2023 and for the years ended December 31, 2022 and 2021

BDO RCS Auditores Independentes SS Ltda.
Rua Major Quedinho, 90, Consolação
01050-030 São Paulo, SP
Brazil

For financial information as of and for the year ended December 31, 2020

Grant Thornton Auditores Independentes Ltda.
Av. Engenheiro Luís Carlos Berrini, 105, 12º Andar, Itaim Bibi
04571-900 São Paulo, SP
Brazil

U.S.$900,000,000

Minerva Luxembourg S.A.

8.875% Senior Notes due 2033

_____

OFFERING MEMORANDUM



_____

September 6, 2023

Sole Global Coordinator and Lead Bookrunner

J.P. Morgan

Joint Bookrunners

J.P. Morgan	**Itaú BBA**	**BofA Securities**	**Bradesco BBI**
HSBC	**Morgan Stanley**	**Rabo Securities**	**BB Securities**
Mizuho	**MUFG**		**XP Inc.**