Management Report

2020

JBS

MESSAGE FROM THE CEO

Feeding the world and people with the best there is and in an increasingly sustainable manner. That is our aspiration at JBS.

As we present our results for 2020, it is fair to say that this year has probably been one of the most challenging of our lives. For us, closing our door or working from home was not an option. As a result, JBS set a priority: to ensure the health and safety of our team members in order to fulfill our responsibility of providing food for the world. But we went much further by also supporting the communities where we are located.

Around the world, we invested R$ 2.8 billion during 2020, in preventive measures for our workforce and in social responsibility initiatives. Thanks to the *Fazer o Bem faz Bem in Brazil*, and Hometown Strong in the USA and Canada, we made a positive impact on hundreds of local communities where we live and work. This work continues in 2021.

It was only thanks to these initiatives and the dedication of our worldwide team that we were able to achieve the strong results we are presenting today.

We achieved a net revenue of R$270 billion, EBITDA of R$29.6 billion and free cash flow of R$17.8 billion.

With a low leverage, we channeled our strong free cash flow generation towards: 1) making important acquisitions, like the Bunge margarine business and the case-ready manufacturing units of Empire Packing; 2) organic growth, investing in expanding our production capacity; 3) shareholder returns, by distributing dividends and the share repurchase plan and 4) reducing our net debt in dollar terms.

Our business model of diversification in both our portfolio and geographic presence in 13 countries, turned out to be the right strategic choice. We showed agility and flexibility in adapting to new consumer habits. A decisive factor was our ability to innovate, the fruit of our consistent investments in research and development, where value-added options always are a priority.

We are strengthening our position as a value-added product company with over 70 brands present in 190 countries. Our objective is to have 10 global brands with sales over US$1 billion.

However, successful operations are not enough. The population of the world is growing, and we need to continue to produce more food using fewer resources. At JBS, sustainability is the primary focus of our entire business strategy.

We have just announced our commitment to be Net Zero by 2040. We are going to achieve net zero greenhouse gas emissions by reducing direct and indirect emission intensities, while offsetting residual emissions. Global warming is one humanity's greatest challenges, and we want to be part of the change. As a first step, we will present a science-based plan that is consistent with the criteria established by the Science-Based Targets initiative (SBTi).

The initiative reflects our long-standing commitment to sustainability. In Brazil, for example, for more than ten years, we have managed one of the world's largest supplier monitoring systems. We are setting up a ground-breaking system that uses blockchain technology to reach other links in our supply chain. We are at the final stages of testing for the system and, in the weeks ahead, we will begin registration of the first producer participants. We now have 3 Green Offices operating, and we will open another 10 in April to support supplier partners in complying with our strict socioenvironmental criteria.

In 2020, we also launched the JBS Fund for the Amazon, part of which includes investments that will be directed to science and innovation projects. We want to be the driver of the bio-economy, demonstrating that protected forests produce even more wealth. We have just approved the first projects for support.

We are investing in the circular economy by creating companies within JBS that will enable us to innovate and minimize environmental impact. We have transformed our waste management into a profitable business that generates jobs and income. And we have received international recognition for our efforts. Today, we are the best-placed Brazilian company in our sector in the respected sustainability ranking of CDP. In the Coller Fairr Protein Producer Index, we are among the top 10 in the ranking.

The issue of governance continued to evolve in 2020. We undertook 190,000 training sessions for our team members around the world. Our global Code of Ethics has been revised to ensure it continues to evolve, and we have launched our Global Anticorruption Policy.

All these actions and initiatives have helped us make it to this moment. Of course, we could not have achieved these accomplishments without resilience, responsibility and innovation. The horizon holds many challenges, but I remain optimistic, convinced that we are on the right path.

Gilberto Tomazoni, CEO Global JBS

About JBS & Highlights from 2020

COMPANY PROFILE

JBS S.A. is a food company with more than 60 years of tradition and a global leader in the processing of animal protein. With operations in more than 13 countries, the Company serves more than 275,000 customers in approximately 190 countries through a diversified portfolio of products and brands.

Headquartered in Brazil, JBS employs more than 250,000 people throughout its production platforms and sales offices around the world. The structure includes beef, pork, lamb, poultry and leather processing facilities, in addition to cattle and sheep feedlots.

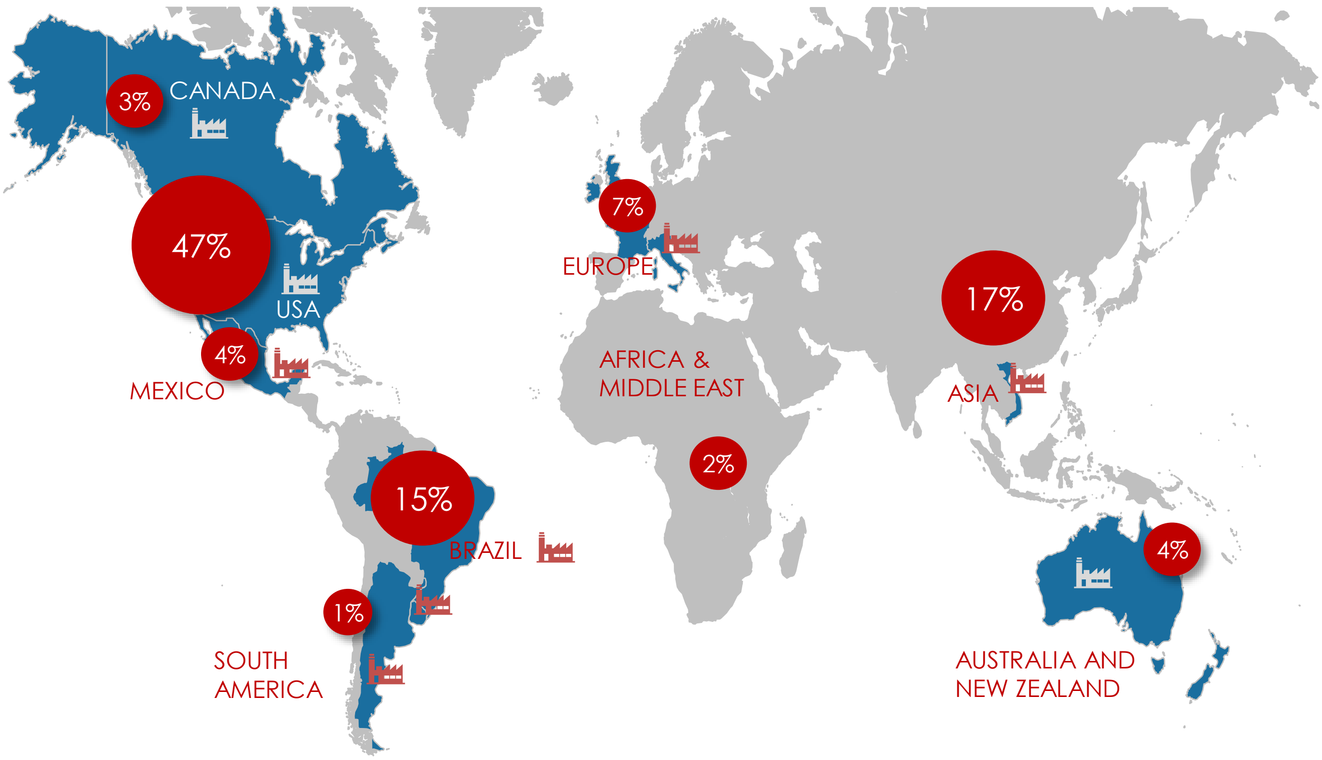
In addition to the food sector, the Company also operates in segments related to the value chain, such as leather, personal care and cleaning products, collagen, metal packaging, casings, biodiesel, transportation, waste management and recycling.

JBS operates through five business units throughout the world, as follows:

- **JBS Brazil:** beef and leather production in Brazil; and related business operations in Brazil.
- **Seara:** poultry and pork processing and production of prepared products in Brazil.
- **JBS USA Beef:** beef processing and prepared foods production in the United States, Australia and Canada.
- **JBS USA Pork:** pork processing and prepared foods production in the United States.
- **Pilgrim's Pride:** poultry and pork processing and prepared foods production in the United States, Europe and Mexico.

GLOBAL PRODUCTION AND SALES PLATFORM

More than 450 production units and sales offices in more than 20 countries



● Percentage of Total Revenue[1]

Note 1. Revenue by region considers domestic sales and imports.

INVESTMENTS AND CORPORATE EVENTS

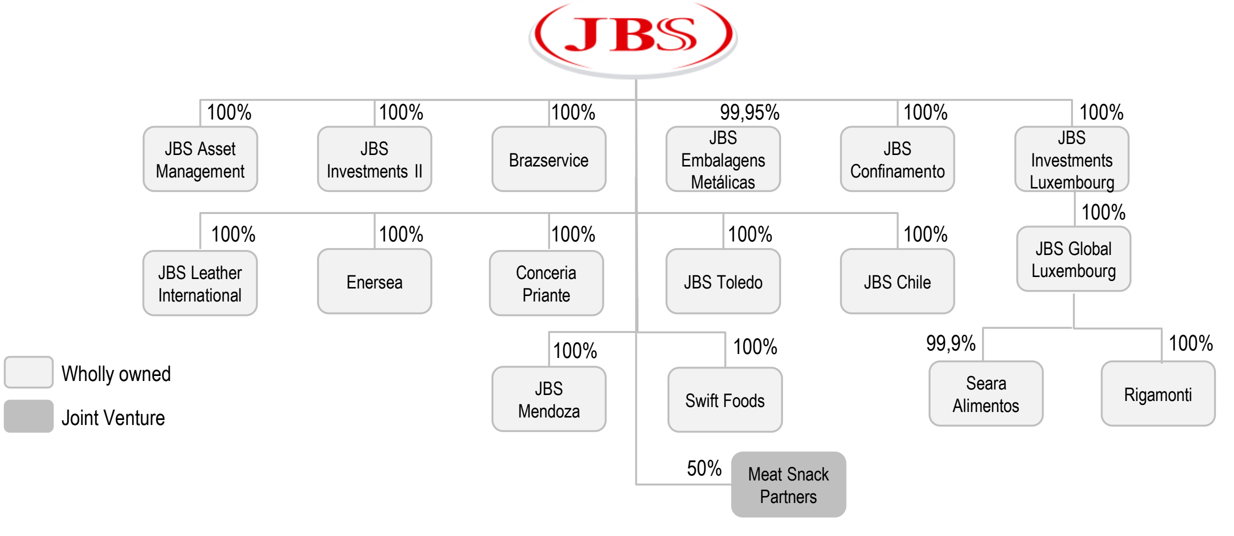
On February 18th, 2020, JBS´ indirect subsidiary JBS USA entered into an equity purchase agreement with Empire Packing Company, L.P. to acquire the company's case ready production facilities and Ledbetter branded retail products for US$238 million. The acquisition was concluded on April 6th, 2020.

On July 10th, 2020, JBS announced the redemption, in cash, of US$425 million, which represented 100% of the aggregate outstanding principal amount, of the Senior Notes due in 2023 issued by JBS Investments GmbH; and US$450 million, which represented 50% of the aggregate outstanding principal amount, of the Senior Notes due in 2024 issued by JBS USA Food Company, JBS USA Lux S.A. and JBS USA Finance, Inc. The redemption of the Senior Notes due in 2023 and in 2024 was concluded on August 10th, 2020.

On September 14th, 2020, JBS announced the redemption, in cash, of the outstanding balance in an aggregate principal amount of US$450 million of the Senior Notes due in 2024 issued by JBS USA Food Company, JBS USA Lux S.A. and JBS USA Finance, Inc. The redemption of the Senior Notes due in 2024 was concluded on October 14th, 2020.

On November 30th, 2020, JBS´ controlled entity Seara Alimentos Ltda. concluded the acquisition of the margarine and mayonnaise assets from Bunge Alimentos S.A. in Brazil. The acquisition was previously announced on December 20th, 2019, and it is aligned with the Company's strategy to expand its portfolio of value-added and branded products.

INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES



CORPORATE GOVERNANCE

With the aim to improve the governance structure and ensure transparency in all of its relationships, JBS continuously promotes the improvement of its corporate practices, creating an environment of trust with its shareholders, investors and other stakeholders.

JBS´ governance structure includes the Board of Directors, the Global Compliance Department, a permanent Fiscal Council and advisory committees focusing on strategic areas, including: Socio-Environmental Responsibility; Statutory Audit; Financial and Risk Management; Governance, Compensation and Nomination; and Related Parties.

There are also five strategic areas, reporting directly to the Global CEO: Food Safety and Quality; Global Sourcing; Human Resources; Marketing; and the Center of Excellence and Innovation.

The Board of Directors is the Company's highest governance body and at the end of 2020 had nine directors, five of whom are independent members, so that the Board is of a majority of independent members, while the percentage required by the Novo Mercado regulation is at least 2 independent directors or 20%, whichever is greater. The directors, elected at an Annual General Shareholders´ Meeting for a unified two-year term, are responsible for, among other issues, defining business policies and guidelines as well as economic, social and environmental commitments.

BOARD OF DIRECTORS

Jeremiah O'Callaghan	Chairman
José Batista Sobrinho	Vice Chairman
Aguinaldo G. Ramos Filho	Director
Gilberto M. Xandó Baptista*	Director
Wesley Mendonça Batista Filho	Director
José Guimarães Monforte*	Director
Alba Pettengill*	Director
Márcio Guedes Pereira Júnior*	Director
Gelson Luiz Merisio*	Director

*independent director

The positions of Chairman of the Board of Directors and the Chief Executive Officer of the Company are not held by the same person. Compensation of the CEO and other JBS leaders are performance-based, encouraging sustainable medium and long-term growth at JBS while incentivizing efforts to reach short-term targets. Surveys are used to periodically compare compensation packages with the general market practices and make sure compensation is aligned with JBS and shareholders interests.

The Company only issues common stock, granting equal rights to all shareholders, while all shareholders enjoy tag along rights in the event of changes in JBS´ control. In the United States, JBS equity is also traded as Level 1 ADRs (American Depositary Receipts) on the OTCQX over-the-counter market. The Investor Relations area is responsible for communicating with shareholders and potential investors; this department has a website (https://ri.jbs.com.br/en/) and releases the Company's results through conference calls and events attended by capital market agents and specialist media outlets.

EXECUTIVE OFFICERS

Gilberto Tomazoni	CEO
Jeremiah O'Callaghan	Director
Eliseo Santiago Perez Fernandez	Administration and Control
Guilherme Perboyre Cavalcanti	CFO and IRO
Wesley Mendonça Batista Filho	Director

ETHICS AND *COMPLIANCE*

For JBS, ethics and compliance are perceived as assets. Since 2017, the Company maintains a global department that leads the subject independently, reporting directly to the Board of Directors. The year of 2020 was an important year to confirm top management´s commitment towards the continuous improvement and the effectiveness of implemented procedures.

The JBS Code of Ethics and Conduct is a global document and consolidates all guidelines related to integrity and good corporate governance practices. The document, which is available in Portuguese, English, Italian, French and Spanish, guides employees to act in accordance with the Company's principles and values, pointing out what are the acceptable and required behaviors by JBS. In 2020, the Code was improved, both with the inclusion of new topics and with the revision of the language, which became clearer and more objective. In addition, the company also improved its Code of Conduct for Business Partners, reinforcing issues related to sustainability and animal welfare.

Throughout the year, the company continued to disseminate and constantly evolve the "Always Do the Right Thing" Compliance program in all spheres of the business.

More than 146,000 employees were trained in the Code of Ethics and Conduct. The training is available in different methodologies, which are developed according to each audience: executives (including the Presidents of the businesses units, and the members of the Board of Directors and advisory committees), administrative positions and operational positions. In addition, 42,000 employees were trained in anti-corruption, antitrust and conflict of interest. The dissemination of training is carried out through campaigns, which include several pieces of communication, also adapted for each audience.

Also with the aim to disseminate the culture of integrity, training was initiated for third parties, focusing on the guidelines of the Code of Conduct for Business Partners. These third parties participate in online training and at the end receive a certificate of completion.

In order to continue to evolve quickly, JBS hired international consultants to improve and update its due diligence software. The tool is proprietary, customized to the needs of the Company, and allows an automated and complete reputational analysis of its partners.

For this, the Compliance area has a team with exclusive dedication to carry out the analysis and has a specific policy on the subject. Throughout the year, more than 5,000 reputational analysis of third parties were carried out.

In order to guide relations globally, the company also adopted internal transversal policies that must be followed in all regions where the Company operates. These are the Global Conflict of Interest Policy and the Global Anti-Corruption Policy, the latter approved in 2020. Additionally, the Company carried out a review of controls for preventing corruption, such as payment control for third parties at risk, individuals, donations, sponsorships, among others.

An important tool in the Compliance area, the JBS Ethics Line played an important role in complying with Covid-19's health protocols, implemented in all offices and operational units. The line, available since 2017, in four languages and 24 hours a day, is the main vehicle for receiving reports related to misconduct. In 2020, the Ethics Line totaled more than 2,900 reports, all of which were properly treated and investigated. For cases considered relevant, disciplinary measures and action plans were applied. The JBS Ethics Line, given its evolution and strength, has helped in the development of several pillars of the compliance program, such as in the content of training, review and creation of policies, among others.

Finally, in 2020, the Compliance area of JBS in Brazil was audited by an independent external audit company, where the area's procedures and activities were tested in accordance with the best market practices and applicable legislation. As a result, the area obtained a 97% adherence.

HUMAN RESOURCES

JBS is a company made of people, focused on the development of its employees, aligned with the Company´s mission, in the different locations in which it operates. JBS also works constantly to promote the well-being, health and safety of the entire team in the work environment, offering equal opportunities to all people and continuously investing in the development of talents and leadership. At the end of 2020, JBS had more than 250 thousand employees in more than 20 countries.

The diversity of ethnicity, culture, religion, languages and country of origin is a hallmark of the Company's team members. In Europe alone, 89% of the team members are immigrants. On top of this scenario, which is typical of a global company, JBS is committed to hiring and promoting the development of professionals regardless of nationality, gender, sexual orientation, gender identity or age and to encourage the inclusion of people with disabilities.

The Human Resources area operates regionally, respecting local laws and regulations, with the support of the Corporate HR. In addition to the effort to attract talents, local programs are developed to encourage the professional growth of JBS´ team members.

In Brazil, the Valued Youth and the In-house Talent Programs, for example, promote this commitment, as well as the JBS without Borders Program. The management of the teams - encouraging new talents, hiring and retaining employees - follow standards that meet the Company's corporate culture. In order to preserve it, the HR area carries out an annual review of people management policies and programs, and of the main health and safety, turnover, absenteeism and overtime indicators, which allows monitoring and improving processes.

At JBS USA, the highlights are the Leadership Warehouse, trainee and internship programs and the Tomorrow Fund - Pilgrim´s Pride scholarship program.

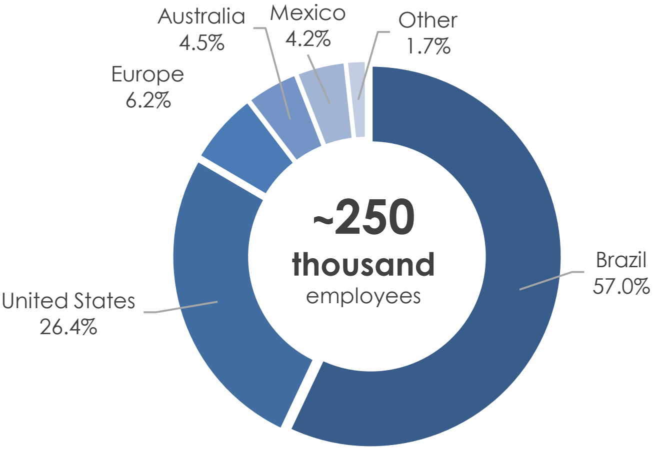
The importance assigned to the dialogue between managers and teams encourages interpersonal relationships, providing support for possible improvements.

In the USA, in addition to the different initiatives implemented for employees´ perceived value and professional growth, JBS maintains the Open Doors Policy, which encourages employees to present any sensitive issues related to the general work environment to their supervisors or to the HR area. Through this policy, it is possible to identify issues related to compensation, benefits, working hours, security and relationship with leaders.

Health and safety

The priority in the health and safety of employees was reinforced with actions aimed at preventing Covid-19 in JBS´ operational units in all countries. Shortly after the first information about the pandemic, a Crisis Committee comprised by the top management was created to evaluate the operation at a global level, which resulted in a global action protocol, adapted by Regional Crisis Committees, in accordance with laws and demands of each country. The strict monitoring of the protocols and the global exchange of experiences allowed adjustments and improvements, guaranteeing the fulfillment of the requests from the operational units and corporate and sales offices.

EMPLOYEES BY REGION



SUSTAINABILITY

JBS searches for value generation in everything it does with the social order, and in doing so, JBS' commitment goes beyond guidelines for reducing and mitigating the effects present in food production and commercial operations. With a focus on long-term results, investments in policies, innovations and programs promote positive impacts on employees, suppliers, clients, consumers, the community and the environment.

Among the Company's global sustainability priorities are the following: product integrity, animal welfare, environmental management and social responsibility.

- Product Integrity

At JBS, product integrity means respecting the highest food safety, quality and sustainability standards. The Company is committed to investing in improving its operation, manufacturing and product supply, from the implementation of socio-environmental practices at the source to certifications of good practices, processes and routines by independent audits.

JBS is aware of the importance of its role in the value chain, and therefore, it establishes a partnership relationship with its suppliers, encouraging and developing actions aimed at improving management and good practices.

Raw material purchase is guided by the principles of responsible procurement, which involves not only compliance with the regulations and legislation of each country, but also with benchmark practices in the sector.

JBS is committed to the efforts to combat deforestation in the Amazon and, in this sense, in 2020, JBS launched Together for the Amazon program, which one of the initiatives is to identify and monitor all links in the cattle supply chain by the end of 2025.

- Social Responsibility

Aware of the role it plays in the communities of the countries in which it operates, whether as a originator of direct and indirect jobs, or as a relevant social investor, the Company directs efforts to produce a positive impact on the qualification of the labor market, in the generation of opportunities, in social projects and sponsorships, according to the demand of each location.

In 2020, due to the Covid-19 pandemic, JBS expanded and reinforced the health and safety of its employees, as well as the investments aimed at communities.

In relation to the communities, the actions were developed regionally, to meet the true needs of each location, investing in projects of long-lasting impact, going far beyond the emergency issues related to the global epidemic.

JBS USA and Pilgrim's, through the Hometown Strong Program, invested US$50 million in actions aimed at education, recreation and health in cities in the United States and Canada.

In Brazil, through the Fazer o Bem Faz Bem program, the Company announced R$400 million in donations and left important legacies to the communities. An example of this is the construction of two permanent hospitals, investments in scientific research, financing for the new factory of the Butantan Institute for the production of vaccines, in addition to donating tests and food, renovating medical clinics, donating equipment and creating hospital beds in public hospitals.

- Environmental Management

In order to achieve continuous reductions in environmental impact and to reaffirm its commitment to producing quality food, JBS sets goals in its management system, in all facilities, in relation to the reduction of water, energy and greenhouse gas emissions.

In the CDP (global non-profit organization, which manages the largest sustainability information platform in the world), JBS occupies the best position among the Brazilian companies in the Food, Beverage and Tobacco sector. The Company was evaluated on three criteria: Climate Change; Water Security; and Forests, the latter being subdivided into the categories Wood, Cattle and Soy.

Among the actions reported on the platform is JBS Biodiesel, which was the first biofuel company in Brazil to obtain a certification for the issuance of decarbonization credits, called CBIOs. It is also worth mentioning that, for the first time, JBS received the Gold Seal from the Brazilian GHG Protocol Program, recognizing the Company's commitment to monitoring greenhouse gases.

- Animal Welfare

The commitment to ensure animal welfare is among the priorities of JBS' global agenda, and follows the demands of clients, consumers the society and the basic condition of valuing life. The practices adopted are in accordance with the best references, such as the five fundamental freedoms of animals, classified by the Farm Animal Welfare Council (FAWC). The Company has specialized teams for each animal breed, which adopt techniques that are constantly revised, as well as global support and actions that incentivize the improvement of animal treatment practiced by producers.

Financial Performance 2020

ECONOMIC OUTLOOK

According to the World Economic Situation and Prospects 2021 report from the United Nations, published on January 25, 2021, the world economy is still recovering from the COVID-19 pandemic, which brought economic activities to a grinding halt during the second quarter of 2020. Governments around the world introduced social distancing, lockdown and quarantine measures and restricted a wide range of economic activities to slow down the spread of the virus. In the context of this scenario, world gross product fell by an estimated 4.3% in 2020—the sharpest contraction of output since the Great Depression. The pandemic clearly hit the developed economies the hardest, with many countries in Europe and several states of the United States of America adopting strict lockdown measures early on during the outbreak. Looking forward, according to the report, a recovery is expected for 2021 and 2022, with an average world gross product growth projected at 4.7% and 3.4%, respectively. The baseline scenario of this forecast assumes that infection rates will slowly begin to decline during the first quarter of 2021 with growing shares of the population in developed countries receiving a vaccination. However, it is important to note that these projections may be significantly impacted given the pandemic has not ended yet.

In Brazil, according to data published by IBGE (Brazilian Institute of Geography and Statistics) on March 3, 2021, GDP fell 4.1% in 2020, the worst result of a full year in the entire GDP historical series, reflecting the impact of the COVID-19 pandemic. Among the main sectors, there was an increase only in agriculture (+2.0%), while industry (-3.5%) and services (-4.5%) decreased. On the demand side, in 2020, household consumption fell 5.5%, government consumption dropped 4.7%, and investments fell 0.8%.

In relation to the protein sector, according to the report published in January 2021 by the United States Department of Agriculture (USDA), in 2020, the beef production in Brazil decreased by 1%, despite this the country still maintained its position as the second largest beef producer in the world, behind only the United States. Considering data from the Secretary of Export Trade (SECEX), Brazilian beef exports registered a 14.1% increase in US dollar revenues, with highlight to China, where exports registered an increase of 51% for the period.

For poultry, the Brazilian production showed a modest growth of 1.4%. In the exports of in natura poultry, Brazil maintained its leadership and, according to SECEX data, presented a 1.3% increase in the volume exported in 2020, despite the 13.5% drop in dollar prices given the impact of the pandemic on the food service channel and, as a consequence, on the global demand for chicken.

For 2021, the USDA projects a growth of 3.7% for beef production and 5.2% in exports from Brazil. Regarding poultry, the USDA estimates an increase of 1.7% in production and 4.3% in exports.

In the United States, JBS´ main operational platform, GDP decreased 3.5% in 2020 according to the U.S. Bureau of Economic Analysis report.

The decrease reflects the reductions in personal consumption expenditures, exports, non-public investments, nonresidential fixed investments, and state and local government that were partly offset by increases in federal government spending and home investments.

Beef production in the United States was stable in 2020 compared to the previous year, while domestic consumption showed a slight increase of 1.2%, supported by the higher demand in retail during the pandemic. Exports, on the other hand, decreased by 3.1% for the year, impacted by disruptions in the supply of meat during peak periods of the pandemic, as well as volumes that were directed to the domestic market.

In 2020, Poultry registered a 1.5% increase in both production and domestic consumption in the United States, and a significant increase of 4.1% in exports, mainly due to the positive impact of the reopening of the Chinese market for American poultry.

Lastly, pork production in the United States grew by 2.4% in 2020, a slowdown from the 5% growth in 2019, while domestic consumption remained relatively stable. The highlight goes to exports, with a significant increase of 15.7% in 2020, reflecting the greater demand from China, which practically doubled its American pork imports in relation to the previous year.

For 2021, the USDA estimates a stable beef production (+0.1%) in the United States, with a slight reduction in domestic consumption (-1%), while forecasting an increase of 5.3% in beef exports. It is worth noting that the USDA estimates for 2021 considers a scenario of a 6.5% drop in beef exports from Australia, one of the largest exporters of this protein, in addition to the already recorded drop of 16.3% in Australian beef exports in 2020 due to reduced cattle availability in the country. For chicken, the USDA projects a slight increase in production and domestic consumption of 0.7% and 0.4%, respectively, with stable exports in relation to 2020. Finally, USDA estimates for pork indicate an increase of 1% in the production and 0.8% in the domestic consumption, although it expects a decrease of 1.9% in pork exports after a year of growth, driven by China.

It is important to note that these USDA projections presented above - both for Brazil and the United States - consider a scenario of beginning of recovery in the Chinese pork production, with projected growth of 14.5% for 2021, but still significantly below production levels in years prior to African Swine Fever, a disease that has affected the Asian hog herd since the second half of 2018.

*Source: JBS, IBGE, BEA, United Nations SECEX, USDA.

4Q20 & 2020 CONSOLIDATED HIGHLIGHTS

	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
R$ Million	R$	% NR	R$	% NR	4Q20 vs 3Q20	R$	% NR	4Q20 vs 4Q19	R$	% NR	R$	% NR	2020 vs 2019
Net Revenue	**76,059.4**	***100.0%***	**70,081.1**	***100.0%***	**8.5%**	**57,126.5**	***100.0%***	**33.1%**	**270,204.2**	***100.0%***	**204,523.6**	***100.0%***	**32.1%**
Cost of Goods Sold	(64,441.7)	*-84.7%*	(58,282.8)	*-83.2%*	10.6%	(47,905.6)	*-83.9%*	34.5%	(224,985.9)	*-83.3%*	(172,577.2)	*-84.4%*	30.4%
Gross Profit	**11,617.7**	***15.3%***	**11,798.3**	***16.8%***	**-1.5%**	**9,220.9**	***16.1%***	**26.0%**	**45,218.3**	***16.7%***	**31,946.4**	***15.6%***	**41.5%**
Selling Expenses	(4,039.0)	*-5.3%*	(3,709.5)	*-5.3%*	8.9%	(3,099.5)	*-5.4%*	30.3%	(14,481.5)	*-5.4%*	(11,468.9)	*-5.6%*	26.3%
General and Adm. Expenses	(3,332.8)	*-4.4%*	(3,073.1)	*-4.4%*	8.5%	(2,349.2)	*-4.1%*	41.9%	(10,792.3)	*-4.0%*	(7,313.1)	*-3.6%*	47.6%
Net Financial Income (expense)	1,147.7	*1.5%*	(1,069.7)	*-1.5%*	-	(260.3)	*-0.5%*	-	(12,238.9)	*-4.5%*	(5,985.1)	*-2.9%*	104.5%
Equity in earnings of subsidiaries	13.5	*0.0%*	21.9	*0.0%*	-38.3%	7.3	*0.0%*	84.8%	53.5	*0.0%*	34.2	*0.0%*	56.5%
Other Income (expense)	451.1	*0.6%*	9.0	*0.0%*	4909.8%	257.1	*0.5%*	75.5%	505.0	*0.2%*	284.4	*0.1%*	77.6%
Profit (loss) before taxes	**5,858.3**	***7.7%***	**3,976.9**	***5.7%***	**47.3%**	**3,776.4**	***6.6%***	**55.1%**	**8,264.2**	***3.1%***	**7,497.8**	***3.7%***	**10.2%**
Income and social contribution taxes	(1,835.1)	*-2.4%*	(804.7)	*-1.1%*	128.1%	(1,262.9)	*-2.2%*	45.3%	(3,609.2)	*-1.3%*	(1,032.9)	*-0.5%*	249.4%
Minority interest	(3.8)	*0.0%*	(39.5)	*-0.1%*	-90.3%	(78.0)	*-0.1%*	-95.1%	(56.6)	*0.0%*	(396.5)	*-0.2%*	-85.7%
Net Income (Loss)	**4,019.4**	***5.3%***	**3,132.7**	***4.5%***	**28.3%**	**2,435.4**	***4.3%***	**65.0%**	**4,598.3**	***1.7%***	**6,068.4**	***3.0%***	**-24.2%**
Adjusted EBITDA	**7,034.4**	***9.2%***	**7,996.1**	***11.4%***	**-12.0%**	**5,669.9**	***9.9%***	**24.1%**	**29,554.6**	***10.9%***	**19,881.1**	***9.7%***	**48.7%**
Earnings per Share	**1.53**		**1.17**		**30.8%**	**0.91**		**68.1%**	**1.73**		**2.28**		**-24.1%**

NET REVENUE

In 4Q20, JBS consolidated net revenue was R$76.1 billion, a 33.1% increase over 4Q19, with all businesses growing their revenue in BRL. For the period, approximately 75% of JBS global sales came from markets in which the Company operates and 25% came from exports.

In 2020, consolidated net revenue was R$270.2 billion, a 32.1% growth over 2019.

ADJUSTED EBITDA

Adjusted EBITDA was R$7.0 billion, a 24.1% increase over 4Q19, with PPC, Seara and JBS Brazil being the highlights, posting EBITDA (IFRS R$) growth of 53.5%, 50.8% and 41.2%, respectively. Adjusted EBITDA margin for the quarter was 9.2%.

In 2020, Adjusted EBITDA totaled R$29.6 billion, an increase of 48.7% in relation to 2019, with an Adjusted EBITDA margin of 10.9% for the year.

R$ Million	4Q20	3Q20	Δ%	4Q19	Δ%	2020	2019	Δ%
Net income for the period (including minority interest)	**4,023.2**	**3,172.2**	**26.8%**	**2,513.5**	**60.1%**	**4,654.9**	**6,464.9**	**-28.0%**
Financial income (expense), net	(1,147.7)	1,069.7	-	260.3	-	12,238.9	5,985.1	104.5%
Current and deferred income taxes	1,835.1	804.7	128.1%	1,262.9	45.3%	3,609.2	1,032.9	249.4%
Depreciation and amortization	2,119.5	2,028.8	4.5%	1,573.4	34.7%	7,837.4	6,313.1	24.1%
Equity in subsidiaries	(13.5)	(21.9)	-38.3%	(7.3)	84.8%	(53.5)	(34.2)	56.5%
(=) EBITDA	**6,816.5**	**7,053.5**	-3.4%	**5,602.8**	21.7%	**28,287.0**	**19,761.8**	43.1%
Tax payable in installments	-	-	-	288.1	-	-	288.1	-
Other income / expenses	83.0	14.5	472.3%	(221.0)	-	70.9	(180.6)	-
Extemporaneous tax credits	(421.0)	-	-	-	-	(421.0)	-	-
SEC, DoJ and antitrust Agreements	536.9	746.2	-28.0%	-	-	1,283.1	-	-
Donations - Fazer o Bem Faz Bem	18.9	181.9	-89.6%	-	-	316.1	-	-
Investigation impacts due to the leniency agreement	-	-	-	-	-	-	11.8	-
Bargain purchase gain (Tulip -USA)	-	-	-	-	-	18.5	-	-
(=) Adjusted EBITDA	**7,034.4**	**7,996.1**	**-12.0%**	**5,669.9**	**24.1%**	**29,554.6**	**19,881.1**	**48.7%**

NET FINANCIAL RESULTS

In 4Q20, net financial expenses were R$866.5 million, which in USD corresponds to US$160.6 million and represents a reduction of US$15 million (-8.5%) over 4Q19.

In 2020, this amount was R$3.7 billion, equivalent to US$723.9 million and represents a reduction of US$83.9 million (-10.4%) in relation to 2019.

4Q20 & 2020 CONSOLIDATED HIGHLIGHTS

NET FINANCIAL RESULTS (Cont.)

R$ Million	4Q20	3Q20	Δ%	4Q19	Δ%	2020	2019	Δ%
Exchange rate variation	2,105.5	203.3	935.7%	960.4	119.2%	(7,846.1)	(1,393.3)	463.1%
Fair value adjustments on derivatives	(399.9)	(68.2)	486.0%	(73.5)	443.8%	(319.3)	(91.3)	249.8%
Interest expense	(1,100.4)	(1,212.8)	-9.3%	(1,163.4)	-5.4%	(4,770.3)	(4,532.1)	5.3%
Interest expenses from loans and financings	(890.2)	(987.0)	-9.8%	(793.0)	12.3%	(3,820.7)	(3,346.6)	14.2%
Interest income	632.8	138.2	358.0%	113.9	455.8%	1,004.7	465.1	116.0%
Interest income from investments	23.8	15.2	56.7%	70.4	-66.2%	94.7	173.7	-45.5%
Taxes, contribution, fees and others	(90.3)	(130.2)	-30.6%	(97.6)	-7.5%	(308.0)	(433.5)	-29.0%
Finance income (expense)	**1,147.7**	**(1,069.7)**	-	**(260.3)**	-	**(12,238.9)**	**(5,985.1)**	104.5%

NET INCOME

In 4Q20, JBS recorded net income of R$4 billion, 65% higher than 4Q19 and represents an EPS of R$1.53. In 2020, net income totaled R$4.6 billion with an EPS of R$1.73.

It is important to highlight that, in 2020, JBS returned value to shareholders, posting a dividend yield[1] of 2.4% and a dividend yield + share buybacks[2] of 5.5%.

CASH FLOW FROM OPERATING ACTIVITIES AND FREE CASH FLOW

In 4Q20, JBS generated R$6.8 billion in cash from operating activities, an increase of 34.5% over 4Q19. In 2020, this amount totaled R$27 billion, 57.9% more than 2019.

Free cash flow after investments and net interest was R$3.8 billion for the quarter, 18.6% higher than 4Q19 and R$17.8 billion in 2020, an increase of 87.3% when compared to 2019.

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES

In 4Q20, total cash used in investing activities was R$3.0 billion and in 2020 was R$7.8 billion. Purchase of Property, Plants and Equipment (CAPEX) totaled US$2.3 billion for the quarter and R$6.0 billion for the full year.

INDEBTEDNESS

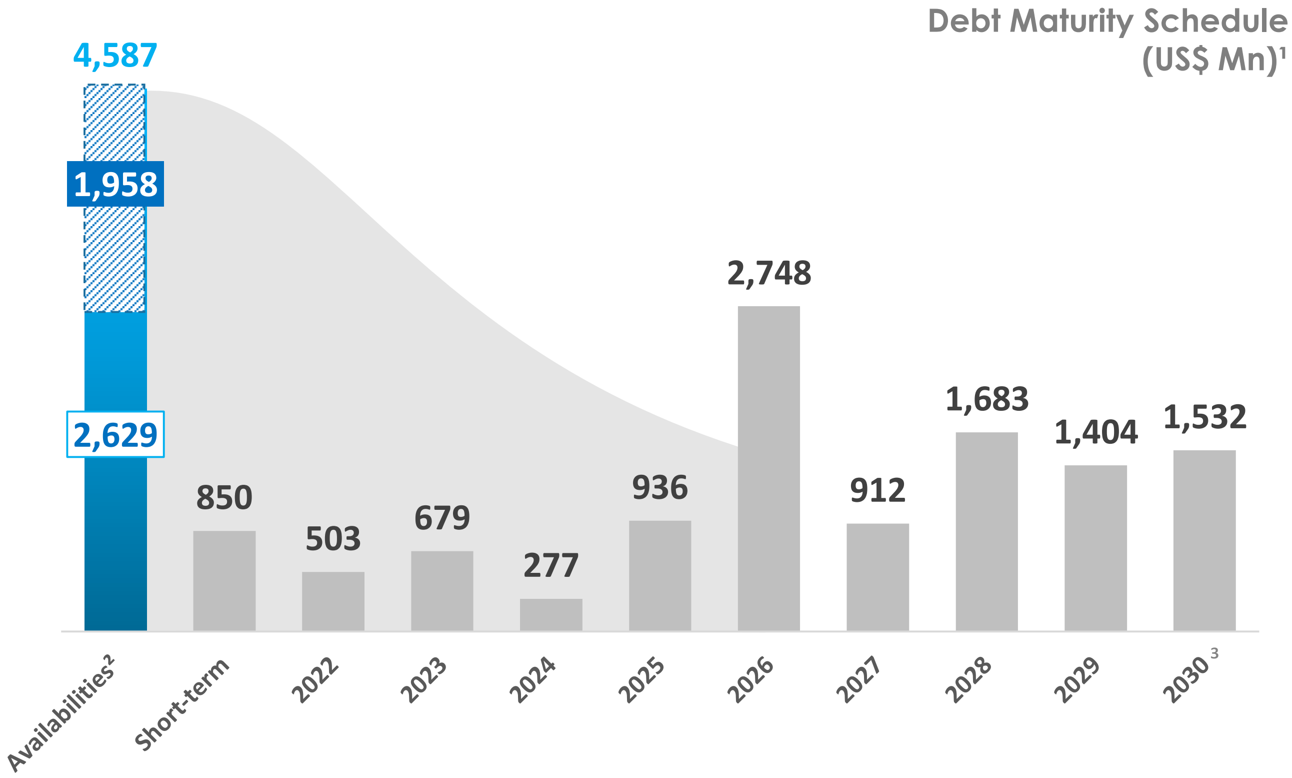
JBS ended 2020 with R$19.7 billion in cash. Additionally, JBS USA has a US$2.0 billion fully-available unencumbered line under revolving credit facilities, equivalent to R$10.2 billion (end of the year exchange rate), providing JBS with total liquidity of R$29.9 billion, more than six times its short-term debt.

Net debt in BRL increased from R$43 billion in 2019 to R$46.2 billion in 2020, due to the devaluation of the Real, while leverage decreased from 2.16x to 1.56x. In US$, net debt decreased by US$1.8 billion, from US$10.7 billion in 2019 to US$8.9 billion in 2020 and leverage decreased from 2.13x to 1.58x for the same period.

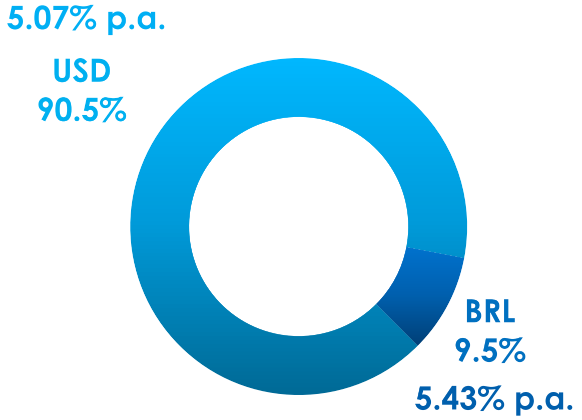
	R$ Million			US$ Million		
	4Q20	4Q19	Var.%	4Q20	4Q19	Var.%
Gross Debt	**65,906.7**	**53,028.0**	**24.3%**	**12,682.4**	**13,156.0**	**-3.6%**
(+) Short Term Debt	4,562.1	2,078.9	119.4%	877.9	515.8	70.2%
% of the Gross Debt	6.9%	3.9%		6.9%	3.9%	
(+) Long Term Debt	61,344.6	50,949.1	20.4%	11,804.5	12,640.3	-6.6%
% of the Gross Debt	93.1%	96.1%		93.1%	96.1%	
(-) Cash and Equivalents	19,679.7	10,034.0	96.1%	3,787.0	2,489.4	52.1%
Net Debt	**46,227.0**	**42,994.1**	**7.5%**	**8,895.4**	**10,666.7**	**-16.6%**
Leverage	**1.56x**	**2.16x**		**1.58x**	**2.13x**	

[1]Considers dividends paid in 2020 divided by the market cap, calculated through average share price in 2020 by the number of shares (ex-treasury) at the end of 2020.
[2]Considers the sum of dividends paid in 2020 and the amount of share buybacks in 2020 of PPC and JBS.

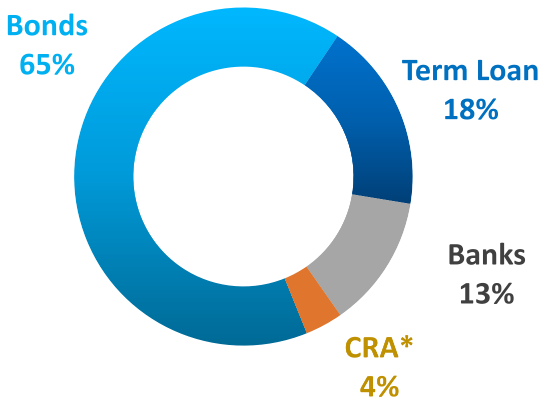
INDEBTEDNESS (Cont.)



CURRENCY & COST BREAKDOWN



SOURCE BREAKDOWN



[1] Proforma considering the redemption of 2025 Senior Notes from JBS USA totaling US$1.05 billion.
[2] Includes cash on hand and JBS USA fully available unencumbered line under revolving credit facilities.
[3] Includes US$13 million thereafter 2030.
* Agribusiness Credit Receivables Certificates.

2020 ESG HIGHLIGHTS

ENVIRONMENT

JBS invests globally around R$2.0 billion each year in sustainability, one of its strategic pillars. In 2020, the following initiatives were the highlights:

- Co-developer of the Protocol for Monitoring Cattle Suppliers in partnership with the Federal Public Ministry and Imaflora, a set of rules and technical procedures for the adoption of socioenvironmental criteria in monitoring the cattle supply chain.
- Launching of the project that uses block chain to allow the Company to extend the scope of its monitoring system to the suppliers of its suppliers. JBS‘ unprecedented initiative will address, until 2025, a definitive solution that will be shared will all companies and other players in the sector.
- As part of this initiative, Green Offices will provide legal, environmental and agricultural advice to assist cattle ranchers in the promotion of environmental regularization and and in the increase of sustainable productivity - which reduces carbon emissions and improves local biodiversity.
- JBS For the Amazon Fund: its mission is to finance the sustainable development of local communities and entities that are present in the Amazon Biome. Initiatives that promote the bioeconomy, reforestation and technological development in the region will be the funds' priority. The Company is committed to invest R$250 million in the first five years. Additionally, JBS will attract partners to invest and also double what each of them invest.
- In 2020, JBS joined the Tropical Forest Alliance (TFA), an initiative from the World Economic Forum, which encourages and promotes actions aimed at ending deforestation around the world. The Company is also a member of the Sustainable Livestock Working Table (GTPS) and the Global Roundtable for Sustainable Beef (GRSB), initiatives that support actions to end deforestation and contribute to improving sustainability throughout the value chain.
- JBS currently is the best-positioned Brazilian company in its sector in the CDP (Carbon Disclosure Project) index.
- Coller Fairr Protein Producer Index, which assesses 60 global publicly listed companies linked to the production of meat, fish and dairy, listed JBS among the top 10 companies in the rank and, among Brazilian companies, JBS was the one that presented the best improvement in performance, jumping eight positions from one year to the next.
- B3 Carbon Efficient Index: JBS was once again listed in the index that encourages debate on climate change.
- In 2020, Friboi entered into a partnership with Liga do Araguaia, composed by 60 cattle ranchers in the region of “Vale do Araguaia”, located in the state of Mato Grosso. The objective is to promote the development of sustainable cattle farming in the region with the support of local producers. The Company believes that monitoring plus development is what will promote an efficient and sustainable production chain.
- Additionally, Friboi developed Grade 10 Farm program, that offers training for high performance management that allows maximizing profitability in cattle farms in Brazil and, consequently, reducing the carbon emissions of the activity. Developed by Friboi in partnership with Inttegra Institute, the program is aimed at cattle ranchers across the country.
- Finally, the innovative Kind Leather, a JBS business model that unifies the main initiatives to reduce the impact in environment with lower CO^2 emission, 35% reduction in water use, 62% reduction in the consumption of energy and 40% reduction in chemical products use. The complete process reduces solid waste generation by 93% in all stages.

JBS is also investing in the circular economy. Highlights being:

- Renewable energy represents approximately 90% of the total consumed by JBS facilities in Brazil. JBS Biodiesel runs two biodiesel plants with the Social Biofuel Seal, in Lins (SP), and Campo Verde (MT), with total authorized annual capacity of around 350 million liters. In June 2020, the Company began constructing its new nova biodiesel plant at Mafra (SC), which will more than double its current biodiesel production capacity.
- JBS Biodiesel was the first biofuel company in the country to obtain certification for the issuance of decarbonization credits (CBIOs) through its plant in Lins (SP), and had another facility certified in 2020, in Campo Verde (MT).

2020 ESG HIGHLIGHTS

ENVIRONMENT (Cont.)

- 50% of the waste produced by JBS operations worldwide was reused in 2020, totaling 1 million tons.
- Swift began an environmental compensation project for 100% of its packaging. Through a partnership with the Eureciclo certifier, the company starts to recycle waste equivalent to its own, in weight and material, in order to neutralize possible impacts of its packaging after consumption (https://jbs.com.br/en/jbs-news-en/swift-will-offset-100-of-its-packaging-to-recycling/).
- JBS is building a fertilizer facility in Guaiçara (SP) and will be the first food company in Brazil to use organic waste generated in its operations to produce fertilizers.
- JBS received the Gold Seal from the Brazilian GHG Protocol Program.
- More than 3 billion litters of water were reused by JBS global operations.

JBS commitment with animal well-being is another fundamental aspect of its ESG policies. The practices aligned with the Company's Animal Well-being Policy are adopted from the birth of the animal to slaughter. All professionals that have contact with animals receive specific training on animal handling and humane slaughter, whether they are JBS team members or contract growers. There were more than 19,000 training sessions last year alone. In addition, the following stand out:

- In accordance with the last report published by Business Benchmark on Farm Animal Welfare (BBFAW), JBS was positioned among the best companies in the sector in Animal Welfare practices, being in Tier3 of the report.
- The Company acquired in Brazil a new fleet of trucks projected to ensure higher comfort to animals during transportation from farm to processing facilities.
- Another highlight is Seara´s evolution in its commitment towards use of collective gestation cages for sows, which provide more comfort when compared to individual stalls. The company's goal is to achieve 100% of production in this system by 2025.
- In addition, Seara made solid investments in modernization and air conditioning of poultry houses, expansion or replacement of infrastructure, completing the construction of an area of over one million square meters for the breeding flock.
- JBS USA set important welfare goals, based on a scorecard system that combines 19 indicators, selected for their importance to the health and welfare of animals, across eight main areas of importance, including compliance, annual audits (internal and third-party), losses, priority indicators, investment, transportation, management and health.

SOCIAL RESPONSIBILITY

Against the covid-19 pandemic, JBS stablished one priority: ensure the health and safety of its team members – 145,000 in Brazil and 250,000 globally – and support communities where it is present. For that, **JBS invested R$2.8 billion in 2020 in the following initiatives:**

- <u>To take care of its team members:</u> among the initiatives that are part of the protocol adopted by JBS, defined in accordance with health authorities guidelines and third party expert advisory, were:
    - Removing vulnerable populations from our facilities
    - Temperature testing all team members prior to entering facilities, including the use of hands-free thermometers and thermal imaging testing technology
    - Increasing sanitation and disinfection efforts, including whole facility deep-cleaning every day
    - Expansion of the hired fleet and reduction in the number of passengers per vehicle
    - New safety and protective equipment items and promotion of physical distancing by staggering starts, shifts and breaks
    - New cafeterias were built to extend capacity to serve people with safe distancing among team members
    - Additional healthcare and ambulatory services

2020 ESG HIGHLIGHTS

SOCIAL RESPONSIBILITY (Cont.)

  - Extension of resting areas with alternated break times and repositioning of furniture with safe distancing, installed in areas with natural ventilation
  - Know more at https://jbs.com.br/en/communication/covid-19-main-protective-measures/
- To support communities where JBS is present:
  - In Brazil, the program Fazer o Bem faz Bem – Feeding the World With Solidarity announced R$400 million in donations, that allowed JBS to contribute with the society with: 2 permanent hospitals in less than 40 days, in addition to donate 18 million PPEs, 365 respirators, 400 oxygen cylinders, more than 1,800 ICU beds and more than 500,000 food baskets (https://jbs.com.br/fazerobemfazbem/en/)
  - In the US and in Canada, Hometown Strong invested US$50 million (https://hometownstrong.jbssa.com/).
  - Considering these two projects alone, 344 cities were positively impacted in initiatives such as the construction of two permanent hospitals, donation of meals and investments in scientific research focused on the fight against the pandemic, including R$5 million donated for the construction of a new vaccines production facility of Butantan Institute in Brazil.

GOVERNANCE

Since 2017, JBS maintains one of the largest Compliance programs ever implemented by a private company in Brazil. The Compliance Area leads the topic independently, reporting directly to the Board of Directors.

The Company automated the third party due diligence process with the implementation of a proprietary software for reputational assessments. The company has a specific policy on this topic and a dedicated team for this activity. The non-compliant third parties are automatically blocked and undergo a second check procedure by the Compliance department.

JBS 'global Code of Ethics, launched in 2018, was revised in 2020 to continue its process of change.

In addition to these initiatives, there are eight Ethics Committees (7 in Brazil and one in the United States). The JBS Ethics Line is available 24 hours a day, 7 days a week, in different languages.

Compliance figures for 2020:

- More than 146,000 employees (including members of the Board of Directors and advisory committees) trained in the Code of Conduct and Ethics.
- More than 42,000 employees (administrative and leadership) trained in anti-corruption, conflict of interest and antitrust.
- More than 2,900 reports received by the JBS Ethics Line.
- 27,310 due diligence analysis (including companies and partners).
- 97% adherence in an audit of best compliance practices carried out by an independent company.

True to its commitment to transparency, J&F Investimentos, the parent company of JBS, announced in 2020 that it had reached an agreement with the United States Department of Justice in relation to the same facts and conduct that are the subject of the leniency agreement entered into with the Brazilian Federal Prosecutor in 2017.

Also in 2020, JBS and its controlling shareholders reached an agreement with the SEC related to the Conduct for violations of United States securities laws that resulted in JBS' indirect subsidiary, Pilgrim's Pride Corporation, failing to maintain accurate books and records and internal accounting controls.

The General Shareholders Meeting is scheduled for April 28th, 2021.

DIVERSITY

Diversity is very important for the Company, given that its success is based on the collective skills and experiences of its employees. JBS values the diversity of origins, languages and cultures, thus it promotes diversity and inclusion in all its plants and offices in search of a reliable, pleasant and productive work environment.

JBS employs labor from several regions, including Africa, South and Central America and the Middle East, as well as indigenous people. For foreigners, the Company customize documents, employment contracts and manuals in their native language, in addition to promoting their inclusion within the units. In 2020, JBS employed more than 2,500 team members from different countries. For people with disabilities, JBS developed a training program, contributing to their insertion both in its operations and in the labor market.

Also in 2020, JBS and other several companies in the consumer goods sector signed the Public Commitment for Racial Equality. The purpose of the commitment is to reinforce actions to combat structural racism. Along with organizations and experts on the subject, the companies will create an effective and transparent action plan to promote racial equality.

JBS understands that it is important to evaluate leadership positions by category, in order to encourage equality between gender and race. This whole process is in line with the Diversity and Inclusion Policy. The guidelines of this policy are based on three main pillars: Diversity and Inclusion, Equal Opportunities and Respect for Diversity. All actions aim to maintain an increasingly inclusive and welcoming space for differences, the adoption of measures that guarantee and promote equal access, opportunities in all areas and positions for any and all team members, as well as constant awareness of the impacts of these actions.

To assist in the development of the actions, the Company hired RM Consulting, a consultancy led by Rachel Maia, who will act towards the instruction of the Company's top leadership on issues of racial, gender and people with disabilities equality. On another front, JBS joined the Movimento Mulheres 360, an initiative that brings together more than 60 large companies. The objective is to increase female participation in the corporate environment.

4Q20 & 2020 BUSINESS UNITS

BUSINESS UNITS – IFRS R$

Million		4Q20	3Q20	Δ%	4Q19	Δ%	2020	2019	Δ%
Net Revenue									
Seara	R$	7,541.0	6,964.5	8.3%	5,720.0	31.8%	26,730.8	20,360.9	31.3%
JBS Brazil	R$	13,396.1	11,430.6	17.2%	9,578.0	39.9%	41,707.3	31,960.1	30.5%
JBS USA Beef	R$	30,287.2	28,757.6	5.3%	23,869.4	26.9%	112,120.3	87,202.6	28.6%
JBS USA Pork	R$	9,314.6	7,689.4	21.1%	6,316.0	47.5%	32,171.1	23,469.0	37.1%
Pilgrim's Pride	R$	16,807.7	16,527.2	1.7%	12,598.4	33.4%	62,227.7	45,005.9	38.3%
Others	R$	828.6	842.9	-1.7%	635.1	30.5%	2,899.9	2,432.2	19.2%
Eliminations	R$	-2,115.8	-2,131.1	-0.7%	-1,590.4	33.0%	-7,652.7	-5,907.1	29.6%
Total	**R$**	**76,059.4**	**70,081.1**	**8.5%**	**57,126.5**	**33.1%**	**270,204.2**	**204,523.6**	**32.1%**
Adjusted EBITDA									
Seara	R$	1,064.5	1,096.1	-2.9%	706.0	50.8%	4,223.9	2,252.8	87.5%
JBS Brazil	R$	687.9	856.9	-19.7%	487.0	41.2%	3,082.2	1,736.8	77.5%
JBS USA Beef	R$	2,784.7	2,772.8	0.4%	2,613.1	6.6%	12,901.6	8,014.3	61.0%
JBS USA Pork	R$	844.6	1,157.8	-27.1%	886.7	-4.7%	3,388.0	2,594.8	30.6%
Pilgrim's Pride	R$	1,606.7	2,095.8	-23.3%	1,046.6	53.5%	5,954.9	5,327.7	11.8%
Others	R$	48.6	19.4	150.6%	-68.0	-	15.0	-36.2	-
Eliminations	R$	-2.7	-2.7	0.0%	-1.7	65.1%	-11.0	-9.2	19.1%
Total	**R$**	**7,034.4**	**7,996.1**	**-12.0%**	**5,669.9**	**24.1%**	**29,554.6**	**19,881.1**	**48.7%**
Adjusted EBITDA Margin									
Seara	%	14.1%	15.7%	-1.6 p.p.	12.3%	1.8 p.p.	15.8%	11.1%	4.7 p.p.
JBS Brazil	%	5.1%	7.5%	-2.4 p.p.	5.1%	0.1 p.p.	7.4%	5.4%	2.0 p.p.
JBS USA Beef	%	9.2%	9.6%	-0.4 p.p.	10.9%	-1.8 p.p.	11.5%	9.2%	2.3 p.p.
JBS USA Pork	%	9.1%	15.1%	-6.0 p.p.	14.0%	-5.0 p.p.	10.5%	11.1%	-0.5 p.p.
Pilgrim's Pride	%	9.6%	12.7%	-3.1 p.p.	8.3%	1.3 p.p.	9.6%	11.8%	-2.3 p.p.
Others	%	5.9%	2.3%	3.6 p.p.	-10.7%	16.6 p.p.	0.5%	-1.5%	2.0 p.p.
Total	**%**	**9.2%**	**11.4%**	-2.2 p.p.	**9.9%**	-0.7 p.p.	**10.9%**	**9.7%**	1.2 p.p.

BUSINESS UNITS – USGAAP US$

Million		4Q20	3Q20	Δ%	4Q19	Δ%	2020	2019	Δ%
Net Revenue									
JBS USA Beef	US$	5,612.4	5,345.0	5.0%	5,797.3	-3.2%	21,698.4	22,069.4	-1.7%
JBS USA Pork	US$	1,726.1	1,429.1	20.8%	1,534.0	12.5%	6,226.5	5,940.5	4.8%
Pilgrim's Pride	US$	3,117.8	3,075.1	1.4%	3,063.5	1.8%	12,091.9	11,409.2	6.0%
Adjusted EBITDA									
JBS USA Beef	US$	503.4	502.9	0.1%	580.3	-13.3%	2,385.9	1,945.2	22.7%
JBS USA Pork	US$	175.2	136.2	28.6%	208.9	-16.1%	607.2	561.9	8.1%
Pilgrim's Pride	US$	205.4	305.0	-32.7%	161.6	27.1%	788.1	973.7	-19.1%
Adjusted EBITDA Margin									
JBS USA Beef	%	9.0%	9.4%	-0.4 p.p.	10.0%	-1.0 p.p.	11.0%	8.8%	2.2 p.p.
JBS USA Pork	%	10.2%	9.5%	0.6 p.p.	13.6%	-3.5 p.p.	9.8%	9.5%	0.3 p.p.
Pilgrim's Pride	%	6.6%	9.9%	-3.3 p.p.	5.3%	1.3 p.p.	6.5%	8.5%	-2.0 p.p.

4Q20 & 2020 BUSINESS UNITS

SEARA

IFRS - R$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**7,541.0**	***100.0%***	**6,964.5**	***100.0%***	**8.3%**	**5,720.0**	***100.0%***	**31.8%**	**26,730.8**	***100.0%***	**20,360.9**	***100.0%***	**31.3%**
Cost of Goods Sold	(6,144.6)	*-81.5%*	(5,502.2)	*-79.0%*	11.7%	(4,500.6)	*-78.7%*	36.5%	(20,863.2)	*-78.0%*	(16,296.6)	*-80.0%*	28.0%
Gross Profit	1,396.4	*18.5%*	1,462.4	*21.0%*	-4.5%	1,219.4	*21.3%*	14.5%	5,867.5	*22.0%*	4,064.3	*20.0%*	44.4%
Adjusted EBITDA	**1,064.5**	**14.1%**	**1,096.1**	**15.7%**	**-2.9%**	**706.0**	**12.3%**	**50.8%**	**4,223.9**	**15.8%**	**2,252.8**	**11.1%**	**87.5%**

In 4Q20, Seara's net revenue was R$7.5 billion, an increase of 31.8% in relation to 4Q19, due to a growth of 5.6% in volume sold and 24.9% in average sales prices.

Sales in the domestic market, which corresponded to 54% of Seara's revenue, totaled R$4.1 billion, 33.2% higher than 4Q19. Once again, prepared foods category was the highlight, recording an increase of 13.3% in volume sold and 23.2% in average sales prices for the period. This performance is also a result of all the innovations launched by the Company since 2019, which have increased their share in the business' results by three times since then. Seara's Holiday Campaign had the best sell-out of its history, reaching an 18.3% increase yoy in sales, mainly due to a 16.7% increase in prices.

In the export market, net revenue was R$3.5 billion, a 30.2% increase over 4Q19, due to 26.8% higher prices as well as 2.7% higher volumes.

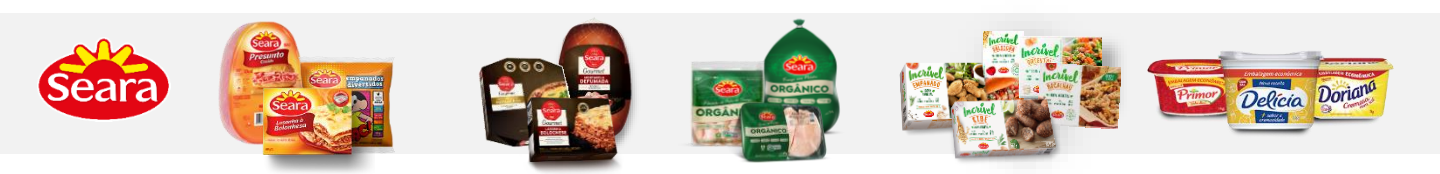
Adjusted EBITDA totaled R$1.1 billion in 4Q20, a 50.8% increase over 4Q19. Despite the more challenging scenario in relation to production costs, EBITDA margin expanded from 12.3% in 4Q19 to 14.1% in 4Q20, as a result of the focus on operational efficiency coupled with an increase in volumes and prices and a better mix in terms of markets, channels and products. **Considering the impact from the extemporaneous tax credit in the amount of R$253.6 million, EBITDA was R$1.3 billion, with a 17.8% margin.**

In 2020, Seara posted net revenue of R$26.7 billion, 31.3% higher than 2019 and an expansion of 87.5% in EBITDA, from R$2.3 billion with a margin of 11.1% in 2019 to R$4.2 billion and a margin of 15.8% in 2020.

Results for the quarter and the year include the acquisition of Bunge's margarine operations, concluded in November 2020. This transaction included three facilities located in Gaspar (SC), São Paulo (SP) and Suape (PE) and several brands, Delícia, Primor and Gradina among them, strengthening Seara's position in the margarine market in Brazil, in addition to optimize its production platform.

Furthermore, Seara is following its expansion plan, having already delivered two out of its 12 ongoing projects, according to the timeline. In addition, Seara has been harvesting the results of its investments in operational efficiency and innovation, which allowed it to launch unique products in the Brazilian market, such as Fiesta Organic and Incrível Cod Fish, the first organic and plant-based holiday products. Seara also launched Seara Gourmet Pizza, Hot Hit Wrap Seara and new meatless dishes in the Incrível Seara line.

The Seara brand increased its advantage in 3.4 p.p. in market share in comparison with the second brand in frozen food category, being the leader by the second year in a row. Seara also reached the leadership in portioned sausage meat and frozen vegetables categories and have been maintaining the growth of the consumer preference, increasing its presence in Brazilian households. In 2020, it recorded a 7.0 p.p increase in penetration and 5.0 p.p. in repurchase ratios, respectively.



4Q20 & 2020 BUSINESS UNITS

JBS BRASIL

IFRS - R$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**13,396.1**	***100.0%***	**11,430.6**	***100.0%***	**17.2%**	**9,578.0**	***100.0%***	**39.9%**	**41,707.3**	***100.0%***	**31,960.1**	***100.0%***	**30.5%**
Cost of Goods Sold	(11,058.1)	*-82.5%*	(9,268.7)	*-81.1%*	19.3%	(7,835.0)	*-81.8%*	41.1%	(33,502.9)	*-80.3%*	(26,076.4)	*-81.6%*	28.5%
Gross Profit	2,338.0	*17.5%*	2,161.9	*18.9%*	8.1%	1,742.9	*18.2%*	34.1%	8,204.4	*19.7%*	5,883.7	*18.4%*	39.4%
Adjusted EBITDA	**687.9**	**5.1%**	**856.9**	**7.5%**	**-19.7%**	**487.0**	**5.1%**	**41.2%**	**3,082.2**	**7.4%**	**1,736.8**	**5.4%**	**77.5%**

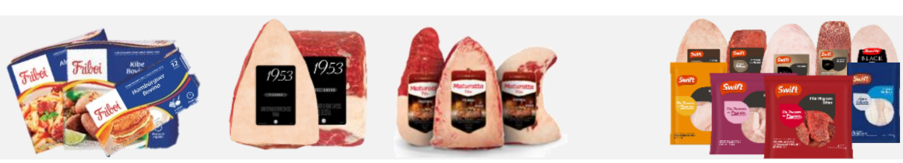
JBS Brazil posted in 4Q20 net revenue of R$13.4 billion, 39.9% higher than 4Q19, as a result of an increase of 38.8% in average sales prices with stable volumes, despite the reduction of 5.6% in the number of animals processed in the period.

In the domestic market, sales represented 56% of this business net revenue and totaled R$7.6 billion, 46.3% higher than 4Q19. This increase results mainly from the beef business, Friboi, that posted an increase both in volume of fresh beef as well as in average sales prices, of 15% and 30%, respectively.

In the export market, revenue increased by 32.4% compared with 4Q19, reaching R$5.8 billion. Fresh beef sales, which corresponded to 84% of the sales in the export market, grew both in volumes and prices, of 3.2% and 19.8%, respectively, with China and Hong Kong revenues increasing around 60% in the period.

Adjusted EBITDA totaled R$687.9 million, with a 5.1% margin and considering the impact from the extemporaneous tax credit in the amount of R$167.4 million, EBITDA was R$855.3 billion, with a 6.4% margin. Despite the increase in EBITDA for the period, EBITDA margin was impacted by an increase in production costs, notably in cattle prices which, according to CEPEA-Esalq, increased by 42% in the period.

In 2020, net revenue was R$41.7 billion, 30.5% higher than 2019, and EBITDA was R$3.1 billion, an increase of 77.5%, with margin growing from 5.4% to 7.4% in the period. This result was boosted by the Company's performance in the export market and by the strategic partnerships it has been focusing on with its key customers in Brazil, such as Açougue Nota 10 and Açougue Gourmet 1953 Friboi – customer relationship programs in which JBS provides tailor-made services to its customers and higher convenience to its consumers. Additionally, the constant pursuit for operational efficiency, which includes focus on higher value added products, also contributed to the improved performance for the year.



4Q20 & 2020 BUSINESS UNITS

JBS USA BEEF

IFRS - R$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**30,287.2**	***100.0%***	**28,757.6**	***100.0%***	**5.3%**	**23,869.4**	***100.0%***	**26.9%**	**112,120.3**	***100.0%***	**87,202.6**	***100.0%***	**28.6%**
Cost of Goods Sold	(26,128.3)	*-86.3%*	(24,869.4)	*-86.5%*	5.1%	(20,286.8)	*-85.0%*	28.8%	(94,412.7)	*-84.2%*	(75,668.1)	*-86.8%*	24.8%
Gross Profit	4,158.9	*13.7%*	3,888.2	*13.5%*	7.0%	3,582.6	*15.0%*	16.1%	17,707.6	*15.8%*	11,534.5	*13.2%*	53.5%
Adjusted EBITDA	**2,784.7**	**9.2%**	**2,772.8**	**9.6%**	**0.4%**	**2,613.1**	**10.9%**	**6.6%**	**12,901.6**	**11.5%**	**8,014.3**	**9.2%**	**61.0%**

USGAAP[1] - US$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	US$	% NR	US$	% NR	QoQ	US$	% NR	YoY	US$	% NR	US$	% NR	YoY
Net Revenue	**5,612.4**	***100.0%***	**5,345.0**	***100.0%***	**5.0%**	**5,797.3**	***100.0%***	**-3.2%**	**21,698.4**	***100.0%***	**22,069.4**	***100.0%***	**-1.7%**
Cost of Goods Sold	(5,054.9)	*-90.1%*	(4,813.8)	*-90.1%*	5.0%	(5,173.7)	*-89.2%*	-2.3%	(19,090.8)	*-88.0%*	(19,969.4)	*-90.5%*	-4.4%
Gross Profit	557.5	*9.9%*	531.2	*9.9%*	5.0%	623.6	*10.8%*	-10.6%	2,607.6	*12.0%*	2,100.0	*9.5%*	24.2%
Adjusted EBITDA	**503.4**	**9.0%**	**502.9**	**9.4%**	**0.1%**	**580.3**	**10.0%**	**-13.3%**	**2,385.9**	**11.0%**	**1,945.2**	**8.8%**	**22.7%**

Considering the results in IFRS and Reais, JBS USA Beef posted in 4Q20 net revenue of R$30.3 billion, which represents an increase of 26.9% in relation to 4Q19 and an EBITDA of R$2.8 billion, 6.6% higher than 4Q19, with an EBITDA margin of 9.2%. These results were impacted by the 23.7% devaluation of the average exchange rate (BRL vs USD), which went from R$4.12 to R$5.40 in the period.

In 2020, net revenue was R$112.1 billion, which corresponds to an increase of 28.6% over 2019, while EBITDA was R$12.9 billion, with 11.5% margin. These results were impacted by the 23.5% devaluation of the average exchange rate (BRL vs USD), which went from R$3.95 in 2019 to R$5.16 in 2020.

In USGAAP and US$, JBS USA Beef reported net revenue of US$5.6 billion in the quarter, a reduction of 3.2% compared to 4Q19, driven by a decrease of 3.7% in the volume sold, despite the slight increase of 0.5% in average sales prices. EBITDA in USGAAP was US$503.4 million, with EBITDA margin of 9.0% in the period.

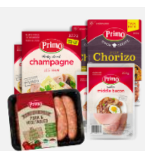
In 2020, net revenue was US$21.7 billion, 1.7% lower than 2019, while EBITDA was US$2.4 billion with an 11% EBITDA margin.

In North America, the industry's fundamentals remained solid during the quarter and throughout 2020, supported by the good cattle availability and beef demand. Despite the reduction in volume produced - a consequence of the pandemic impact in the first half of the year - sales revenue surpassed the previous year due to increased demand, both in the domestic and international markets, which boosted the price of products sold. In addition, there was an improvement in the product mix, resulting from innovation in value-added programs, such as, Clear River Premium, Natural Angus and new portioned products under the Swift brand, as well as the traditional Aspen Ridge Natural Beef, Grass Run Farms and Imperial Wagyu programs and products from the Adaptable brand. The volumes of these programs showed significant growth of 20% in the annual comparison, an acceleration in relation to the growth of 16% in the previous year.

In line with the strategy of increasing exposure to higher value-added products, in 2020, JBS USA: (i) acquired the Empire Packing Company, with case-ready production units in the United States and the Ledbetter brand, placing the Company among the three largest players in the segment; (ii) repurchased the sheep processing plant in Colorado, transforming it entirely into a CVA - Consumer Value Added plant, with a production capacity of 2 million pounds per week; (iii) acquired, in Canada, a case-ready plant to serve one of the largest retailers in this country; (iv) launched plant based products, under the OZO brand, which are already being sold in more than 3,000 stores in the United States, reinforcing the diversification strategy and meeting new trends in the consumption of high quality products.

In exports, the highlight was the volume and mix of products exported from the United States and Canada to China, which became the 5th and 3rd largest market for the Company's beef exports, respectively, in 2020. It is worth mentioning that, considering data released by the USDA, in 2020, JBS represented more than 50% of the total volume of beef exported from the United States to China, and showed a significant improvement in the sale price given the quality of the products exported.

The low availability of cattle in Australia throughout 2020 has significantly reduced beef production and, consequently, the business margin in this region. On the other hand, Primo Foods - the prepared food and branded products operation - maintained its consistency of performance and presented very positive results, with an increase in sales volume as a result of the strong investment in innovation, expanding the mix of high quality products.



[1]The difference in JBS USA Beef EBITDA in IFRS and USGAAP, in addition to the FX, is attributed to the adoption of IFRS16 from 1Q19 onwards and different accounting criteria in relation to inventories: in IFRS they are measured through the average cost while in USGAAP they are marked-to-market. Volume and price calculations exclude the impact of acquisitions.

4Q20 & 2020 BUSINESS UNITS

JBS USA PORK

IFRS - R$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**9,314.6**	***100.0%***	**7,689.4**	***100.0%***	**21.1%**	**6,316.0**	***100.0%***	**47.5%**	**32,171.1**	***100.0%***	**23,469.0**	***100.0%***	**37.1%**
Cost of Goods Sold	(7,859.3)	*-84.4%*	(5,955.5)	*-77.5%*	32.0%	(5,060.6)	*-80.1%*	55.3%	(26,514.5)	*-82.4%*	(19,582.5)	*-83.4%*	35.4%
Gross Profit	1,455.3	*15.6%*	1,733.9	*22.5%*	-16.1%	1,255.4	*19.9%*	15.9%	5,656.6	*17.6%*	3,886.5	*16.6%*	45.5%
Adjusted EBITDA	**844.6**	**9.1%**	**1,157.8**	**15.1%**	**-27.1%**	**886.7**	**14.0%**	**-4.7%**	**3,388.0**	**10.5%**	**2,594.8**	**11.1%**	**30.6%**

USGAAP[1] - US$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	US$	% NR	US$	% NR	QoQ	US$	% NR	YoY	US$	% NR	US$	% NR	YoY
Net Revenue	**1,726.1**	***100.0%***	**1,429.1**	***100.0%***	**20.8%**	**1,534.0**	***100.0%***	**12.5%**	**6,226.5**	***100.0%***	**5,940.5**	***100.0%***	**4.8%**
Cost of Goods Sold	(1,539.3)	*-89.2%*	(1,288.3)	*-90.1%*	19.5%	(1,321.2)	*-86.1%*	16.5%	(5,570.9)	*-89.5%*	(5,372.1)	*-90.4%*	3.7%
Gross Profit	186.8	*10.8%*	140.8	*9.9%*	32.7%	212.8	*13.9%*	-12.2%	655.6	*10.5%*	568.4	*9.6%*	15.3%
Adjusted EBITDA	**175.2**	**10.2%**	**136.2**	**9.5%**	**28.6%**	**208.9**	**13.6%**	**-16.1%**	**607.2**	**9.8%**	**561.9**	**9.5%**	**8.1%**

Considering the results in IFRS and Reais, in 4Q20 JBS USA Pork recorded net revenue of R$9.3 billion, which represent an increase of 47.5% in relation to 4Q19 and an EBITDA of R$844.6 million, with a margin of 9.1%. Such results were impacted by the 23.7% devaluation of the average exchange rate (BRL vs USD), which went from R$4.12 to R$5.40 in the period.

In 2020, net revenue was R$32.2 billion, 37.1% higher than 2019, while EBITDA totaled R$3.4 billion with a 10.5% margin. These results carry the impact of the 23.5% devaluation of the average exchange rate (BRL vs USD), which went from R$3.95 in 2019 to R$5.16 in 2020.

In US GAAP and USD, JBS USA Pork reported net revenue of US$1.7 billion, an increase of 12.5% over 4Q19, due to increases of 9.5% in average sales price and 2.7% in volume sold for the period. EBITDA totaled US$175.2 million in 4Q20, with EBITDA margin of 10.2%. In 2020, net revenue was US$6.2 billion, an increase of 4.8% over 2019, while EBITDA was US$607.2 million, with a 9.8% margin.

JBS USA Pork presented solid performance in the fourth quarter and throughout the year, with a slightly higher EBITDA margin in 2020 in comparison with 2019. Pork production also increased in the annual comparison, thus recovering the gap caused in the first half of the year due to the impact of the pandemic.

Throughout the quarter, pork production and prices also increased, due to a certain seasonality, but mainly due to the growing demand in the domestic and international markets. Such increase in demand has affected the inventory level of pork cuts in the United States, which was among its lowest levels seen in recent years.

Highlight went for exports in 2020, where volumes during the year exceeded significantly the previous year. According to USDA data, China has become the main consumer market for American pork. At JBS USA, 32% of the total pork export volume was directed to China. Japan, Mexico and Canada were also highlights of JBS USA Pork exports throughout the year, as well as other smaller markets that increased their participation, such as the Philippines and Chile.

JBS USA Pork maintains its relentless focus on operational performance, with cost control in its production units and an outstanding ability to convert commodity items into higher value-added products, contributing to better margins. In addition to operational performance, is the establishment and maintenance of relevant commercial partnerships in the domestic and international markets, which have differentiated the unit's performance.

The former Plumrose, now rebranded to SWIFT Prepared Foods, remains focused on the organic growth of its operations, investing in the expansion of its production lines and in greenfield projects. In 2020, new bacon production lines were added at the Ottumwa plant as well as the construction of a new pre-cooked and cooked bacon plant in Missouri, which will start operating in mid-2021, with the capacity to process 11 thousand tons per year. Additionally, JBS USA Pork continued to make progress, on the already announced project of a new plant for the production of Italian meats and charcuterie ready-to-eat products, with an estimated investment of US$200 million, and which is expected to be operating by the end of 2022.

[1]The difference in JBS USA Pork EBITDA in IFRS and USGAAP, in addition to the FX, is attributed to the adoption of IFRS16 from 1Q19 onwards and different accounting criteria. In IFRS, the inventories are measured through the average cost while in USGAAP they are marked-to-market and biological assets are marked to market, while in USGAAP they are measured through the average cost. Volume and price calculations exclude the impact of acquisitions.

4Q20 & 2020 BUSINESS UNITS

PILGRIM'S PRIDE CORPORATION

IFRS - R$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**16,807.7**	***100.0%***	**16,527.2**	***100.0%***	**1.7%**	**12,598.4**	***100.0%***	**33.4%**	**62,227.7**	***100.0%***	**45,005.9**	***100.0%***	**38.3%**
Cost of Goods Sold	(14,689.7)	*-87.4%*	(14,063.9)	*-85.1%*	4.4%	(11,216.0)	*-89.0%*	31.0%	(54,799.6)	*-88.1%*	(38,674.5)	*-85.9%*	41.7%
Gross Profit	2,117.9	*12.6%*	2,463.3	*14.9%*	-14.0%	1,382.4	*11.0%*	53.2%	7,428.0	*11.9%*	6,331.4	*14.1%*	17.3%
Adjusted EBITDA	**1,606.7**	**9.6%**	**2,095.8**	**12.7%**	**-23.3%**	**1,046.6**	**8.3%**	**53.5%**	**5,954.9**	**9.6%**	**5,327.7**	**11.8%**	**11.8%**

USGAAP[1] - US$ Million	4Q20		3Q20		Δ%	4Q19		Δ%	2020		2019		Δ%
	US$	% NR	US$	% NR	QoQ	US$	% NR	YoY	US$	% NR	US$	% NR	YoY
Net Revenue	**3,117.8**	***100.0%***	**3,075.1**	***100.0%***	**1.4%**	**3,063.5**	***100.0%***	**1.8%**	**12,091.9**	***100.0%***	**11,409.2**	***100.0%***	**6.0%**
Cost of Goods Sold	(2,890.4)	*-92.7%*	(2,761.3)	*-89.8%*	4.7%	(2,862.1)	*-93.4%*	1.0%	(11,253.7)	*-93.1%*	(10,338.8)	*-90.6%*	8.8%
Gross Profit	227.4	*7.3%*	313.8	*10.2%*	-27.5%	201.4	*6.6%*	12.9%	838.1	*6.9%*	1,070.4	*9.4%*	-21.7%
Adjusted EBITDA	**205.4**	**6.6%**	**305.0**	**9.9%**	**-32.7%**	**161.6**	**5.3%**	**27.1%**	**788.1**	**6.5%**	**973.7**	**8.5%**	**-19.1%**

Considering results in IFRS and Reais, for the 4Q20 PPC posted a net revenue of R$16.8 billion, a 33.4% growth in comparison to 4Q19 and EBITDA of R$1.6 billion, with EBITDA margin of 9.6%. These results include a 23.7% impact of the average FX rate (BRL vs USD), which was R$4.12 in 4Q19 and R$5.40 in 4Q20.

In 2020, net revenue was R$62.2 billion, 38.3% higher than 2019, and EBITDA was R$6.0 billion with a 9.6% margin. These results include a 23.5% impact of the average FX rate (BRL vs USD), which was R$3.95 in 2019 and R$5.16 in 2020.

In US GAAP and USD, net revenue in the quarter totaled US$3.1 billion, 1.8% higher than 4Q19, and EBITDA was US$205.4 million with a 6.6% margin.

In 2020, PPC's net revenue was US$12.1 billion, a 6% increase over 2019 and EBITDA totaled US$788.1 million, with a 6.5% margin.

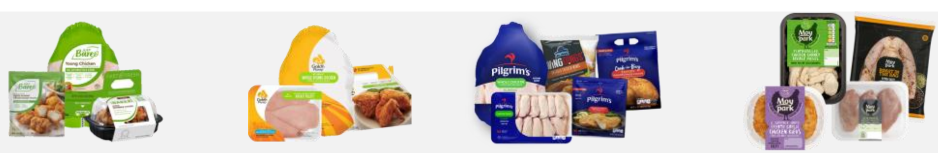
In the US, PPC's operating performance has continued to be resilient, driven by its partnerships with Key Customers and the relentless focus on executing and delivering the best results possible despite the volatility and changes in market conditions. Within its case-ready and small bird businesses, strong Key Customer demand from QSR and retail customers, has continued to remain strong. While the commodity sector has continued to be challenging, the Company continues to improve its operating efficiency in that business. The U.S. Prepared Foods continues to evolve in anticipation of even stronger results in 2021, reflecting the investments made over the last few years.

For the full year, PPC's legacy European operations produced an EBITDA that was 6% higher than the previous year, reflecting the strength and consistency of its business model despite the significant hit of Covid-19. The Company's management expects to continue to improve its results driven by increased operational efficiencies, investments in automation, focus on higher yields, and better mitigation of input costs.

The performance of the newly acquired European operations has continued to improve with EBITDA on a positive momentum. It has now been profitable on an EBITDA basis for the last seven quarters in a row. The robust performance was driven by strong pork exports and good domestic demand, as well as from the continuing implementations of operational improvements.

In Mexico, after a very challenging first half during 2020, operations have continued to rebound strongly and deliver great results in the second half including Q4 to end the year in-line with prior years. More normalized economic activities, continued good supply/demand balance in the market, PPC's increased share of non-commodity products, fewer imported chicken, and a very good operational performance, all contributed to the strength of its results.

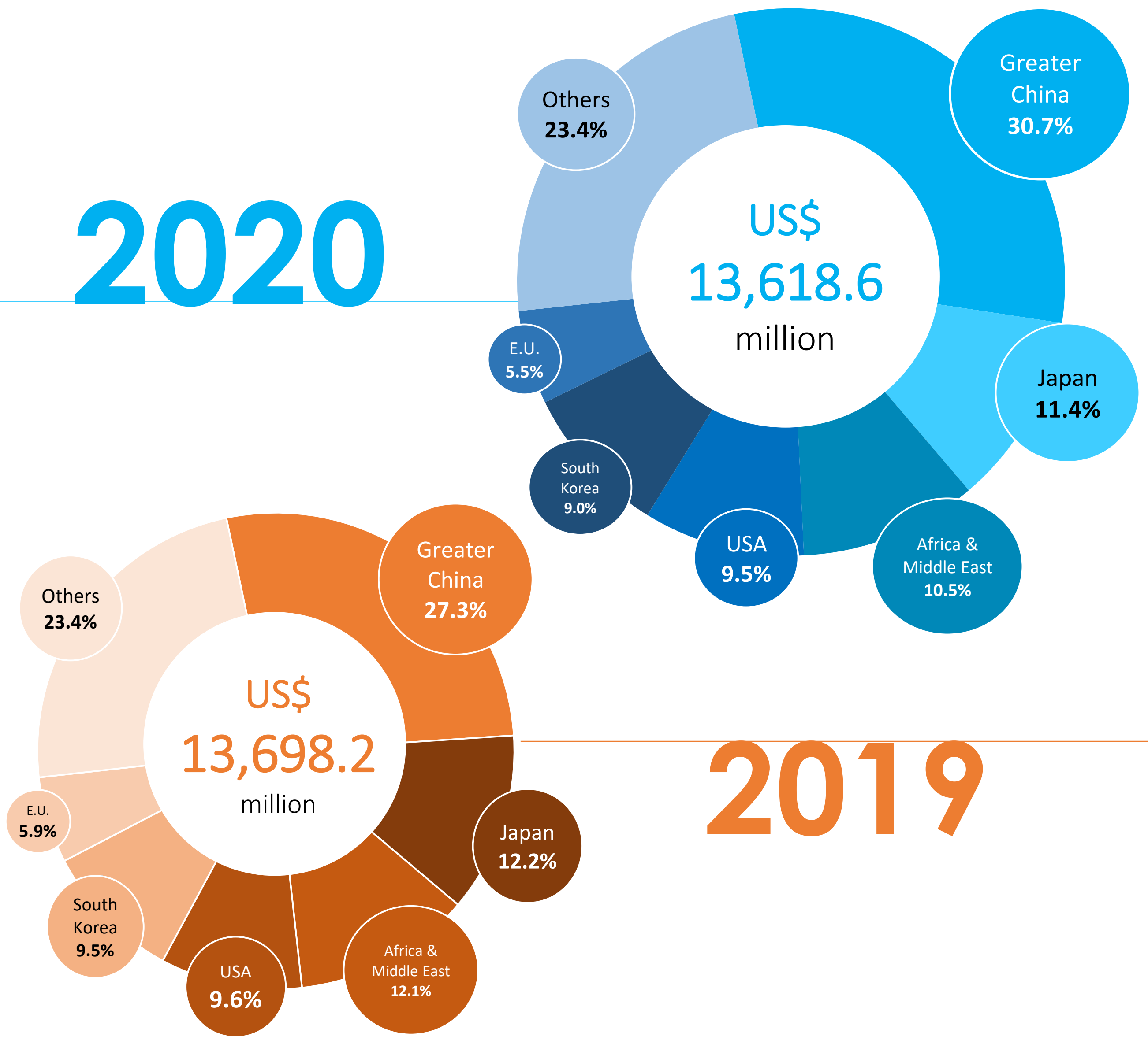
Pilgrim's



[1]The difference in PPC's EBITDA in IFRS and USGAAP, in addition to the FX, is attributed to the adoption of IFRS 16 from 1Q19 onwards and to different accounting criteria in relation to breeding flock amortization: in IFRS, amortization of the breeding flock, due to its long term nature, is considered as an expense that can be adjusted in EBITDA, while in USGAAP amortization of the breeding flock is accounted as cost of goods sold and not adjustable in EBITDA. In IFRS, the inventories are measured through the average cost while in USGAAP they are marked-to-market and biological assets are marked to market, while in USGAAP they are measured through the average cost.

TABLES AND GRAPHS

GRAPH 1 – JBS EXPORTS IN 2020 AND 2019



Note 1. Considers China and Hong Kong

TABLE 1- COGS BREAKDOWN

4Q20 (%)	Consolidated	JBS Brazil	Seara	JBS USA Beef	JBS USA Pork	PPC
Raw material (livestock)	75.0%	90.6%	67.2%	82.2%	72.9%	51.2%
Processing (including ingredients and packaging)	13.8%	5.4%	20.3%	7.6%	13.2%	32.2%
Labor Cost	11.2%	4.0%	12.6%	10.2%	13.9%	16.6%

DIVIDEND POLICY

DIVIDEND DISTRIBUTION EVOLUTION

The declaration of annual dividends, including dividends in excess of the minimum mandatory dividend, requires approval at the Annual General Shareholders Meeting by a majority vote of the shareholders of JBS and will depend on various factors.

These factors include operational results, financial conditions, cash requirements and future prospects of the Company among other factors that the board of directors and shareholders of JBS deem relevant.

The minimum mandatory dividend of JBS is 25% of net income as provided for in the Corporations Act and by the Company's bylaws, based upon the non consolidated financial statements.

There were no dividend payments for 2010 and 2011, since the Company recorded losses for these periods.

Reference year	Total amount (R$ million)	Amount per share(R$)
12/31/2019	1,441.2	0.5405951400
12/31/2018	6.0	0.0022457200
12/31/2017	126.9	0.0467762540
12/31/2016	89.4	0.0329777380
12/31/2015	1,102.0	0.4054588810
12/31/2014	483.5	0.1673795780
12/31/2013	220.1	0.0767453370
12/31/2012	170.7	0.0595100000
12/31/2009	61.5	0.0243617747

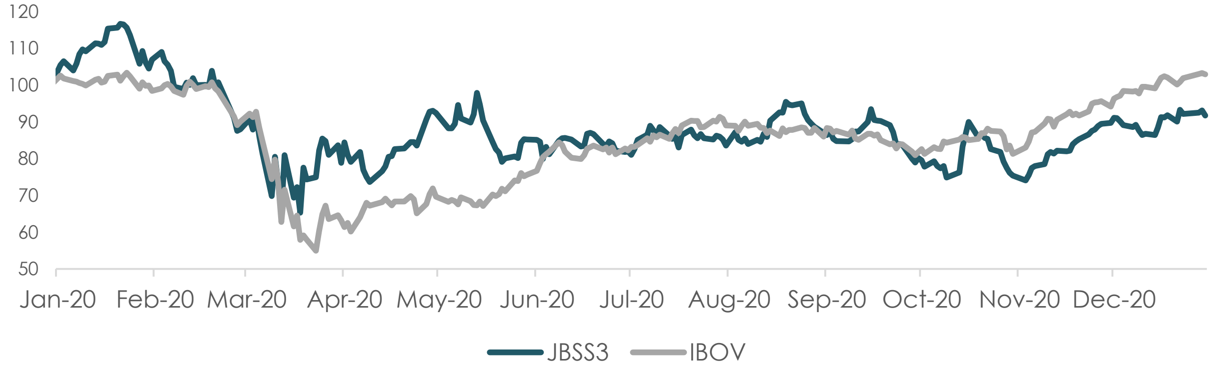
The company has accrued dividends in December 31, 2020 of R$1,092.1 million to be submitted at the General Meeting of Shareholders, calculated as follows (in R$ thousands). The Company will submit for approval to the Annual Shareholders' Meeting, which will take place on April 28, 2021, the distribution of dividends equivalent to R$ 1.00 per share in the total amount of R$ 2.5 billion. Accordingly, the Company provisioned the mandatory 25% and highlighted the additional dividend of R$ 1.4 billion in shareholders 'equity as can be seen in the statement of change in equity.

December 31, 2020	
Net income	**4,598,311**
Legal reserves – (5%)	(229,916)
Adjusted base for dividend calculation	**4,368,395**
Mandatory dividends (25%)	1,092,099
Declared dividends	**1,092,099**

OTHER RELEVANT INFORMATION

SHARE PERFORMANCE (base 100)

JBS share price ended 2020 quoted at R$23.66 in the São Paul Stock Exchange (B3). The Company's market value totaled R$62.1 billion at the end of the year.



ADHERENCE TO THE ARBITRATION CHAMBER

The Company, its shareholders, directors and members of the Fiscal Council undertake to resolve through arbitration any dispute or controversy that may arise between them related to or resulting from in particular the application, validity, effectiveness, interpretation, violation and effects of the provisions contained in the Contract of the Novo Mercado, the Listing Rules of the Novo Mercado, the Bylaws, the shareholders' agreements filed at the Company's headquarters under Corporate Law, the regulations issued by the National Monetary Council, by the Central Bank of Brazil, by the CVM, by BOVESPA and any other rules applicable to the operation of the capital market in general to the market Arbitration Chamber in accordance with Commitment Clauses and Arbitration Rules, conducted in accordance with the Chamber Regulation.

RELATIONSHIP WITH EXTERNAL AUDIT

Grant Thornton Auditores was hired by JBS S.A. for the provision of external audit services related to audits of financial statements of JBS S.A., individual and consolidated. JBS' policy to hire eventual services not related to external audit from the independent auditor is based on principles that preserve the independency of the auditor, such as: (a) the auditor should not audit its own work, (b) the auditor should not exercise managerial functions in its client and (c) the auditor should not promote the interests of its client.

The auditor's payment refers to professional services related to the audit process of consolidated financial statements, quarterly revisions of the Company's financial statements, corporate audits and some temporary revisions of certain subsidiaries, as per request by the appropriate legislation.

Payments related to the audit process refer to services of due diligence traditionally performed by an external auditor in acquisitions and advisory regarding accountancy standards and transactions.

Payments not related to audit process corresponds to, mainly, services provided of compliance with the tax requirements to the Company's subsidiaries outside of Brazil.

Aiming to be in compliance with CVM Instruction 381/2003, JBS S.A. informs that Grant Thornton Auditores did not provide any other services unrelated to the audit that represented more than 5% of its total payment regarding audit process during 2020.

JBS S.A.

Financial statements and Independent auditors' report

As of December 31, 2020 and 2019

Index

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Independent auditor's report on the individual and consolidated financial statements

Grant Thornton Auditores Independentes

Av. Eng. Luís Carlos Berrini, 105 - 12º andar Itaim Bibi, São Paulo (SP) Brasil

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To the Management, Board of Directors and Shareholders of
JBS S.A.
São Paulo – SP

Opinion

We have audited the individual and consolidated financial statements of JBS S.A. ("Company"), identified as Company and Consolidated, respectively, which comprise the balance sheet as at December 31, 2020, and the related statement of income, comprehensive income, changes in equity and cash flows for the year then ended, and the corresponding explanatory notes, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the individual and consolidated financial position of JBS S.A. as of December 31, 2020, and its individual and consolidated financial performance and respective individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements set forth in the Code of Ethics for Professional Accountants and the professional standards issued by the Federal Accounting Council and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our judgment, were of most significance in our audit of the financial statements in the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements taken as a whole and in forming our opinion on such individual and consolidated financial statements, and, therefore, we do not provide a separate opinion on these matters.

1. Investigation Proceedings (Notes No. 2 and 23)

Why the matter was determined to be a KAM

A As described in Notes 2 and 23 to the individual and consolidated financial statements, during 2017, certain executives and former executives of J&F Investments S.A. Group ("J&F") entered into Plea Bargain Agreements ("Plea Bargain") with the Attorney General´s Office ("PGR"). Subsequently, J&F entered into a Leniency Agreement ("Agreement") confirmed by the Federal Public Prosecutor's Office ("MPF"). As a result, in order to protect itself from the financial impacts that are fully assumed by J&F, the Company and its subsidiaries joined the "Agreement", thus, initiating an internal investigation of prior years' activities, led by the Independent Oversight Committee ("Committee" or "CSI") supported by specialized, external, and independent professionals, in order to investigate facts involving the Company in Brazil and abroad in relation to the plea bargain and leniency agreements and other proceedings being conducted, including by the Brazilian Securities Commission (CVM).

In September 2020, based on the findings of the work performed by the specialized professionals on the several documents submitted and in light of the reports made available to the MPF, the Company's Management considered that all the reported events have been measured and properly recognized and disclosed in the financial statements as of December 31, 2017 and that, therefore, there are no other events that have not already been recognized, or disclosed, or that may impact these financial statements to date.

Accordingly, due to the risks and uncertainties involved in processes of this nature which prevent us from obtaining any assurance that no new facts will come to light and, mainly, for taking most part of our attention and audit efforts on the latest lawyers' reports made available to the MPF, together with our shadow procedures over the procedures of the external and independent experts, we again considered this matter to be a key audit matter.

How the matter was addressed in the audit of the financial statements

Our audit procedures included, among others:

- We reviewed our understanding of the Company's compliance policies in order to verify, among other aspects relating to governance, if they are operating effectively and, also, if they are in accordance and consistent with what the Company had committed itself and agreed upon with government agencies and oversight bodies;
- We held meetings and assessed the Company's main investigations conducted by the independent law firm and related forensic experts to determine whether, or not, there were other impacts and/or risks on the procedures and results described in the latest reports submitted to the MPF;
- We reviewed the working papers prepared by the auditors of the significant components that impact the consolidated financial statements for the conclusions obtained on the forensic procedures that have been applied since the external investigation process was initiated in 2017 and on the procedures applied by them throughout the year ended December 31, 2020;
- We obtained and read the reports issued by the auditors of the significant components on the financial statements that support the Company's consolidated financial statements, to identify new facts and/or processes and evidence-gathering procedures eventually not identified by Management and/or not presented in these financial statements;

- We held meetings and discussions with the Company’s internal and external legal counsel to understand and review if there were other impacts and/or risks on the pending litigation and results obtained so far;
- We assessed whether the Company’s Management’s position on the accounting impacts recognized to date, and its estimates and assumptions, remain adequate and up-to-date;
- We obtained representations from the Company’s management and access to the representations of its significant consolidated components regarding the inexistence of new facts about the ongoing investigations that could result in new significant impacts compared to those already known, recognized, and disclosed in the respective explanatory notes to the financial statements;
- We involved our forensic specialists to assist us in assessing the scope and extent of the investigation by critically assessing the procedures and methodologies used by the independent investigators, including the procedures used to collect and analyze documents and/or critical information, and assessing whether it would be necessary to perform further procedures and monitor relevant information disclosed on the media;
- We obtained access to J&F's Management representation letter confirming that the Agreement remains valid and effective.

Based on the evidence obtained through the procedures described above, we consider that the accounting impacts recognized so far, as well as the disclosures related to the proceedings and activities involving the investigations, are consistent in the context of the individual and consolidated financial statements taken as a whole.

2. Donations to mitigate Covid-19 impacts (Note No. 1.a)

Why the matter was determined to be a KAM

In May 2020, the company announced that its Board of Directors had unanimously approved donations as a contribution to the efforts to tackle the social impacts of Covid-19. In Brazil this plan provided for the donation of R$400 million (of which R$316 million donated in 2020) to public health, welfare, and science and technology support efforts; these funds would be used to build hospitals, increase the number of hospital beds, buy medicines, medical equipment, sanitizers and provide food and donations to nonprofit social organizations that serve vulnerable communities in Brazil, among other uses. As a result, this matter was considered to be a key audit matter due to its characteristic of a “significant unusual transaction”, due to the materiality of the donations, for taking most part of our attention and audit efforts and, primarily, in light of the historical sensitivity of the Company and its Compliance department to matters related to donations.

How the matter was addressed in the audit of the financial statements

Our audit procedures included, among others:

- Perform substantive auditing procedures aimed at the records and related internal documentation prepared by Management;
- Assess the appropriate supporting documentation, related system registrations of transactions, requisitions and approvals, and the approval of the donations by the external Advisory Committee;
- For the related impacts on the taxes, our approach included involving our tax specialists in the assessment of possible impacts and the review of the related supporting documentation, donation agreements, tax classification, and donation recipient-related documentation;
- Assess the evidence obtained regarding said donations through services rendered, donations in kind, or financial donations;

- Involve our forensic specialists to assist us in the assessing the integrity due diligence procedures regarding suppliers of the services, equipment, and products intended for donation, as well as assessing and checking the integrity of the recipients, including with regards to the need to perform additional procedures and request additional information.

Based on the evidence obtained through the procedures described above, we believe that the procedures adopted by the Company related to the records of the donations to mitigate Covid-19 impacts are consistent in the context of the financial statements taken as a whole.

3. Evaluation of impairment (Notes No. 13, 15 and 16)

Why the matter was determined to be a KAM

The individual and consolidated financial statements are prepared in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Accordingly, some of the significant subsidiaries in Brazil and abroad are audited by other independent auditors, causing us to consider the risks and related key audit matters in those locations that, in the current year, are primarily represented by Management's monitoring and assessment of antitrust ongoing legal proceedings, corporate restructurings and tax regulations globally. This matter was considered to be significant for purposes of our audit due to the materiality of these subsidiaries' operations as a whole, their restructurings, and their related tax impacts on the Company's consolidated financial statements, and mainly due to the various audit procedures that we are required to perform and our supervision work to determine whether the quality and competence of the group auditor and the component auditor are uniform, as required by the relevant standards on auditing.

How the matter was addressed in the audit of the financial statements

Our audit procedures included, among others:

- Evaluation of internal or external evidence that may indicate that assets are impaired;
- Involvement of our internal specialists to assist in the review of the impairment tests; evaluation of the assumptions and methodologies used by the Company's Management in conjunction with its external specialists engaged to prepare the appraisal reports and related analyses;
- Ongoing challenge of the assumptions used by Management in order to corroborate if there are assumptions not consistent and/or that might be revised;
- Analysis of the disclosures required in the individual and consolidated financial statements.

Based on the procedures performed, we considered that the assumptions and methodologies used by the Company to evaluate the recoverable value of such assets are reasonable, and the information presented in the individual and consolidated financial statements is appropriate in the context of the individual and consolidated financial statements taken as a whole.

4. Audit of group financial statements (Note No. 12)

Why the matter was determined to be a KAM

The individual and consolidated financial statements are prepared in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Accordingly, some of the significant subsidiaries in Brazil and abroad are audited by other independent auditors, causing us to consider the risks and related key audit matters in those locations that, in the current year, are primarily represented by Management's monitoring and assessment of antitrust ongoing legal proceedings, corporate restructurings, and tax regulations globally. This matter was considered to be significant for purposes of our audit due to the materiality of these subsidiaries' operations as a whole, their restructurings, and their related tax impacts on the Company's consolidated financial statements, and mainly due to the various audit procedures that we are required to perform and our supervision work to determine whether the quality and competence of the group auditor and the component auditor are uniform, as required by the relevant standards on auditing.

How the matter was addressed in the audit of the financial statements

Our audit procedures included, among others:

- Review the working papers and, especially, extensive communication with the component auditors of the significant subsidiaries in order to discuss audit risks and the focus, scope, timing and extent of the audit work performed;
- We applied the concepts prescribed by and according to NBC TA 600 (R1)/ ISA 600 – Special considerations – Audits of group financial statements, besides performing other procedures, we issued audit instructions requesting the required analyses and declarations and reviewed the components' working papers and discussed the auditing procedures performed and findings reached to conclude whether they had been properly planned in a manner to address the risks of material misstatements and/or required additional testing procedures;
- We performed additional independent addressed tests on certain significant components of the Company to cover any deficiencies that might significantly impact the financial statements referred to above;
- Regarding the key audit matters identified, we discussed with the components´ auditors and evaluated any impacts on the individual and consolidated financial statements, including as to any effects on the disclosure of the consolidated financial statements;
- We involved international tax professionals with specialized skills and know-how to assess the application of tax regulations on business operations, as well as the related accounting recognition of significant transactions and restructurings.

Based on the evidence obtained by performing the procedures described above, we consider that the accounting records relating to the accounting information of significant components and their effects on the individual and consolidated financial statements as well as on their respective disclosures are consistent in the context of 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 Management and presented as supplemental information for IFRS purposes, have been subject to auditing procedures which were performed together with the audit of the Company's financial statements. In forming our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in NBC TG 09 – Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, according to the criteria defined in said technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Information other than the individual and consolidated financial statements and auditor's report thereon

The Company's Management is responsible for this other information that is included in the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not, and will not, express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in Management Report, we are required to report this fact. We have nothing to report in this regard.

Grant Thornton

Responsibility of management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements, unless Management either intends to liquidate the Company and its subsidiary or to cease operations, or has no realistic alternative to avoid doing so.

Those charged with the Company’s and its subsidiaries’ governance are those responsible for overseeing the financial reporting process.

Auditor’s responsibility for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. 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 users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

- 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 override of internal control, collusion, forgery, intentional omissions or misrepresentations;
- 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 Management;
- Conclude on the appropriateness of management’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 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 individual and consolidated 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 to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit and, consequently, for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we may have identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements for the current year and are, therefore, the key audit matters. We describe these matters in our audit report, unless laws or regulations preclude public disclosure of 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, March 24, 2021

Alcides Afonso Louro Neto
Assurance Partner

Grant Thornton Auditores Independentes

JBS S.A.

Statements of financial position
In thousands of Brazilian Reais - R$

		Company		Consolidated	
	Note	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	**3,351,911**	1,883,135	**19,679,743**	10,033,967
Trade accounts receivable	6	**2,871,612**	2,609,254	**14,001,211**	11,136,622
Inventories	7	**2,959,086**	2,575,154	**17,586,744**	13,439,591
Biological assets	8	–	–	**5,115,720**	3,906,004
Recoverable taxes	9	**1,059,635**	933,085	**2,849,898**	2,351,152
Derivative assets	31	**51**	–	**228,840**	62,053
Other current assets		**135,042**	184,622	**1,075,143**	994,985
TOTAL CURRENT ASSETS		**10,377,337**	**8,185,250**	**60,537,299**	**41,924,374**
NON-CURRENT ASSETS					
Recoverable taxes	9	**5,843,965**	4,821,787	**8,546,495**	7,001,480
Related party receivables	10	**1,872,127**	715,527	**382,019**	275,178
Deferred income taxes	11	–	–	**1,590,194**	1,506,129
Other non-current assets		**638,711**	399,187	**1,135,882**	931,989
		8,354,803	**5,936,501**	**11,654,590**	**9,714,776**
Biological assets	8	–	–	**1,778,565**	1,382,559
Investments in subsidiaries, associate and joint venture	12	**37,658,807**	29,455,450	**171,096**	93,633
Property, plant and equipment	13	**11,576,487**	11,151,059	**46,926,617**	38,099,818
Right of use assets	14	**68,786**	198,671	**5,784,709**	4,573,523
Intangible assets	15	**49,982**	76,663	**7,702,309**	6,052,954
Goodwill	16	**9,085,970**	9,085,970	**29,246,621**	24,497,750
TOTAL NON-CURRENT ASSETS		**66,794,835**	**55,904,314**	**103,264,507**	**84,415,013**
TOTAL ASSETS		**77,172,172**	**64,089,564**	**163,801,806**	**126,339,387**

The accompanying notes are an integral part of these financial statements.

JBS S.A.

Statements of financial position
In thousands of Brazilian Reais - R$

	Note	Company		Consolidated	
		December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payable	17	**4,037,346**	3,009,662	**22,197,441**	15,438,843
Supply chain finance	17	**473,525**	557,031	**2,101,001**	2,011,463
Loans and financing	18	**1,700,815**	208,984	**4,562,101**	2,078,899
Income taxes	19	–	–	**206,433**	384,594
Accrued income taxes and other taxes	19	**312,888**	325,754	**676,620**	559,046
Accrued payroll and social charges	20	**893,008**	914,539	**5,677,401**	4,051,824
Lease liabilities	14	**22,452**	22,421	**1,293,073**	945,791
Dividends payable	21	**1,092,174**	1,441,259	**1,093,230**	1,442,581
Other financial liabilities	22	**21,193**	22,193	**45,622**	45,709
Derivative liabilities	31	**21,087**	22,194	**287,536**	251,964
Other current liabilities		**543,462**	854,199	**2,694,773**	1,246,978
TOTAL CURRENT LIABILITIES		**9,117,950**	**7,378,236**	**40,835,231**	**28,457,692**
NON-CURRENT LIABILITIES					
Loans and financings	18	**3,659,318**	2,521,966	**61,344,604**	50,949,144
Accrued income taxes and other taxes	19	**658,923**	771,489	**840,175**	977,993
Accrued payroll and social charges	20	**2,852,408**	3,032,811	**4,115,068**	3,653,033
Lease liabilities	14	**50,014**	184,854	**4,811,416**	3,769,653
Other financial liabilities	22	**4,950**	11,550	**78,668**	104,807
Deferred income taxes	11	**3,105,833**	2,416,149	**6,186,715**	4,093,599
Provisions	23	**522,480**	489,143	**1,413,438**	1,315,826
Related party payables	10	**17,074,822**	17,641,379	–	–
Other non-current liabilities		**6,152**	5,021	**632,302**	535,591
TOTAL NON-CURRENT LIABILITIES		**27,934,900**	**27,074,362**	**79,422,386**	**65,399,646**
EQUITY	24				
Share capital - common shares		**23,576,206**	23,576,206	**23,576,206**	23,576,206
Capital reserve		**(434,913)**	(233,707)	**(434,913)**	(233,707)
Other reserves		**49,430**	54,374	**49,430**	54,374
Profit reserves		**6,862,731**	4,614,776	**6,862,731**	4,614,776
Accumulated other comprehensive income		**10,065,868**	1,625,317	**10,065,868**	1,625,317
Attributable to company shareholders		**40,119,322**	**29,636,966**	**40,119,322**	**29,636,966**
Attributable to non-controlling interest		–	–	**3,424,867**	2,845,083
TOTAL EQUITY		**40,119,322**	**29,636,966**	**43,544,189**	**32,482,049**
TOTAL LIABILITIES AND EQUITY		**77,172,172**	**64,089,564**	**163,801,806**	**126,339,387**

The accompanying notes are an integral part of these financial statements.

JBS S.A.

Statements of income for the years ended December 31, 2020 and 2019
In thousands of Brazilian Reais - R$

		Company		Consolidated	
	Note	2020	2019	2020	2019
NET REVENUE	25	**40,284,473**	**31,721,730**	**270,204,212**	**204,523,575**
Cost of sales	29	**(33,304,762)**	(25,841,289)	**(224,985,889)**	(172,577,224)
GROSS PROFIT		**6,979,711**	**5,880,441**	**45,218,323**	**31,946,351**
General and administrative	29	**(2,939,627)**	(2,881,937)	**(10,792,292)**	(7,313,060)
Selling	29	**(2,233,349)**	(2,253,258)	**(14,481,462)**	(11,468,935)
Other expense		**(15,751)**	(25,219)	**(333,580)**	(165,645)
Other income		**176,544**	8,784	**838,627**	450,002
OPERATING EXPENSES		**(5,012,183)**	**(5,151,630)**	**(24,768,707)**	**(18,497,638)**
OPERATING PROFIT		**1,967,528**	**728,811**	**20,449,616**	**13,448,713**
Finance income	26	**2,731,025**	1,194,113	**3,557,443**	2,081,827
Finance expense	26	**(7,280,561)**	(4,311,860)	**(15,796,346)**	(8,066,906)
		(4,549,536)	**(3,117,747)**	**(12,238,903)**	**(5,985,079)**
Share of profit of equity-accounted investees, net of tax	12	**7,252,953**	8,076,494	**53,479**	34,166
PROFIT BEFORE TAXES	11	**4,670,945**	**5,687,558**	**8,264,192**	**7,497,800**
Current income taxes	11	**617,050**	943,780	**(2,387,038)**	(1,110,003)
Deferred income taxes	11	**(689,684)**	(562,970)	**(1,222,205)**	77,057
		(72,634)	**380,810**	**(3,609,243)**	**(1,032,946)**
NET INCOME		**4,598,311**	**6,068,368**	**4,654,949**	**6,464,854**
ATTRIBUTABLE TO:					
Company shareholders				**4,598,311**	6,068,368
Non-controlling interest				**56,638**	396,486
				4,654,949	**6,464,854**
Basic earnings per share - common shares (R$)	27	**1.73**	2.28	**1.73**	2.28
Diluted earnings per share - common shares (R$)	27	**1.73**	2.28	**1.73**	2.28

The accompanying notes are an integral part of these financial statements.

JBS S.A.

Statements of comprehensive income for the years ended December 31, 2020 and 2019
In thousands of Brazilian Reais - R$

		Company		Consolidated	
	Reference	2020	2019	2020	2019
Net income	IS	**4,598,311**	6,068,368	**4,654,949**	6,464,854
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss:					
Foreign currency translation adjustments	SCSE	**8,885,554**	1,233,555	**9,768,649**	1,383,885
Exchange rate variation on net investment	SCSE	**(445,003)**	—	**(445,003)**	—
Gains associated with control loss/sale/disposal of subsidiaries	SCSE	—	(2,941)	—	(2,941)
Total other comprehensive income		**8,440,551**	**1,230,614**	**9,323,646**	**1,380,944**
Comprehensive income		**13,038,862**	**7,298,982**	**13,978,595**	**7,845,798**
Total comprehensive income attributable to:					
Company shareholders	SCSE	**13,038,862**	7,298,982	**13,038,862**	7,298,982
Non-controlling interest	SCSE	—	—	**939,733**	546,816
		13,038,862	**7,298,982**	**13,978,595**	**7,845,798**

The accompanying notes are an integral part of these financial statements.

JBS S.A.
Statements of changes in equity for the years ended December 31, 2020 and 2019
In thousands of Brazilian Reais - R$

			Capital reserves				Profit reserves				Other comprehensive income					
	Note	Share capital	Premium on issue of shares	Capital transaction [1]	Stock options	Other reserves	Treasury shares	Legal	Investments statutory	Additional proposed dividends	VAE [2]	ATA [3]	Retained earnings	Total	Non-controlling interest	Total equity
DECEMBER 31, 2018		23,576,206	211,879	(522,691)	55,113	62,480	(624,139)	470,631	2,022,814	–	26,410	368,293	–	25,646,996	2,299,213	27,946,209
IFRIC 23 Initial adoption [4]		–	–	–	–	–	–	–	(1,908,796)	–	–	–	–	(1,908,796)	–	(1,908,796)
JANUARY 1, 2019		23,576,206	211,879	(522,691)	55,113	62,480	(624,139)	470,631	114,018	–	26,410	368,293	–	23,738,200	2,299,213	26,037,413
Net income		–	–	–	–	–	–	–	–	–	–	–	6,068,368	6,068,368	396,486	6,464,854
Gain associated with control loss/sale/disposal of subsidiaries		–	–	–	–	–	–	–	–	–	–	(2,941)	–	(2,941)	–	(2,941)
Comprehensive income	12	–	–	–	–	–	–	–	–	–	(19,222)	1,252,777	–	1,233,555	150,330	1,383,885
Total comprehensive income		–	–	–	–	–	–	–	–	–	(19,222)	1,249,836	6,068,368	7,298,982	546,816	7,845,798
Share-based compensation	24 b2	–	–	32,045	8,304	–	–	–	–	–	–	–	–	40,349	8,843	49,192
Treasury shares used in stock option plan	24 b3	–	–	–	(18,470)	–	18,417	–	53	–	–	–	–	–	–	–
Realization of other reserves	24 c	–	–	–	–	(8,106)	–	–	–	–	–	–	8,106	–	–	–
Legal reserve	24 d	–	–	–	–	–	–	303,418	–	–	–	–	(303,418)	–	–	–
Investments statutory reserve	24 d	–	–	–	–	–	–	–	4,332,378	–	–	–	(4,332,378)	–	–	–
Declared dividends	21	–	–	–	–	–	–	–	–	–	–	–	(1,441,238)	(1,441,238)	–	(1,441,238)
Dividends reversal	21	–	–	–	–	–	–	–	–	–	–	–	560	560	–	560
PPC share repurchase		–	–	–	–	–	–	–	–	–	–	–	–	–	(11,357)	(11,357)
Scott dividend to non-controlling interest		–	–	–	–	–	–	–	–	–	–	–	–	–	(7,844)	(7,844)
White Stripe acquisition		–	–	–	–	–	–	–	–	–	–	–	–	–	13,034	13,034
White Stripe dividend to non-controlling interest		–	–	–	–	–	–	–	–	–	–	–	–	–	(1,949)	(1,949)
Others		–	–	113	–	–	–	–	–	–	–	–	–	113	(1,673)	(1,560)
DECEMBER 31, 2019		23,576,206	211,879	(490,533)	44,947	54,374	(605,722)	774,049	4,446,449	–	7,188	1,618,129	–	29,636,966	2,845,083	32,482,049
Net income		–	–	–	–	–	–	–	–	–	–	–	4,598,311	4,598,311	56,638	4,654,949
Exchange rate variation on net investment [5]		–	–	–	–	–	–	–	–	–	–	(445,003)	–	(445,003)	–	(445,003)
Comprehensive income	12	–	–	–	–	–	–	–	–	–	(36,457)	8,922,011	–	8,885,554	883,095	9,768,649
Total comprehensive income		–	–	–	–	–	–	–	–	–	(36,457)	8,477,008	4,598,311	13,038,862	939,733	13,978,595
Purchase of treasury shares	24 b3	–	–	–	–	–	(1,272,751)	–	40	–	–	–	–	(1,272,711)	–	(1,272,711)
Cancellation of treasury shares	24 b3	–	–	–	–	–	1,565,036	–	(1,565,036)	–	–	–	–	–	–	–
Share-based compensation	24 b2	–	–	(1,820)	(3,181)	–	–	–	–	–	–	–	–	(5,001)	(249)	(5,250)
Treasury shares used in stock option plan	24 b3	–	–	–	(9,504)	–	9,872	–	(368)	–	–	–	–	–	–	–
Realization of other reserves	24 c	–	–	–	–	(4,944)	–	–	–	–	–	–	4,944	–	–	–
Legal reserve	24 d	–	–	–	–	–	–	229,916	–	–	–	–	(229,916)	–	–	–
Investments statutory	24 d	–	–	–	–	–	–	–	1,862,209	–	–	–	(1,862,209)	–	–	–
Declared dividends	21	–	–	–	–	–	–	–	–	–	–	–	(1,092,099)	(1,092,099)	–	(1,092,099)
Additional proposed dividends	21	–	–	–	–	–	–	–	–	1,419,037	–	–	(1,419,037)	–	–	–
Dividends reversal	21	–	–	–	–	–	–	–	–	–	–	–	6	6	–	6
PPC share repurchase		–	–	(185,426)	–	–	–	–	–	–	–	–	–	(185,426)	(361,464)	(546,890)
PPC dissolution of noncontrolling interest.		–	–	–	–	–	–	–	–	–	–	–	–	–	4,727	4,727
Scott' dividend to non-controlling interest		–	–	–	–	–	–	–	–	–	–	–	–	–	(3,491)	(3,491)
Increase in JBS Embalagens Metálicas' participation	12	–	–	(1,275)	–	–	–	–	–	–	–	–	–	(1,275)	–	(1,275)
Others		–	–	–	–	–	–	–	–	–	–	–	–	–	528	528
DECEMBER 31, 2020		23,576,206	211,879	(679,054)	32,262	49,430	(303,565)	1,003,965	4,743,294	1,419,037	(29,269)	10,095,137	–	40,119,322	3,424,867	43,544,189

[1] Refers to changes in the equity of investees arising from PPC's share repurchase and share-based compensation.
[2] Valuation adjustments to equity.
[3] Accumulated translation adjustments and exchange variation in subsidiaries.
[4] Refers to the impacts from the retrospective adoption of IFRIC 23 - Uncertainty over income tax treatments, as disclosed in December 31, 2019 financial statements in note 3 item j2 - Basis of preparation.
[5] Refers to the capitalization of exchange variation of intercompany balances between JBS S.A. and JBS Investments II, which will be converted into capital in JBS Investments II. Thus, since the balances are an extension of that entity's investment, they are considered as equity instruments.

The accompanying notes are an integral part of these financial statements.

JBS S.A.
Statements of cash flows for the years ended December 31, 2020 and 2019
In thousands of Brazilian Reais - R$

	Notes	Company 2020	Company 2019	Consolidated 2020	Consolidated 2019
Cash flows from operating activities					
Net income		4,598,311	6,068,368	4,654,949	6,464,854
Adjustments for:					
Depreciation and amortization	8, 13, 14 and 15	671,362	758,888	7,837,405	6,313,062
Allowance for doubtful accounts	6	18,860	19,080	33,173	70,723
Share of profit of equity-accounted investees	12	(7,252,953)	(8,076,494)	(53,479)	(34,166)
(Gain) loss on assets sales		13,224	16,436	(41,606)	(19,852)
Tax expense	11	72,634	(380,810)	3,609,243	1,032,946
Finance expense (income), net	26	4,549,536	3,117,747	12,238,903	5,985,079
Share-based compensation	24	(3,181)	8,304	(5,250)	49,192
Provisions	23	203,222	260,495	340,453	427,815
Impairment	13	–	–	19,870	1,412
(Gain) loss with the sale of subsidiaries		–	–	–	8,759
Net realizable value inventory adjustments	7	(1,420)	4,729	25,434	(60,615)
SEC, DOJ and Antitrust agreements	23	151,546	–	1,283,142	–
Gain on bargain purchase	4	–	–	15,538	–
Taxes payments in installments		–	248,342	–	288,105
Fair value (market to market) of biological assets	8	–	–	158,003	(291,914)
Extemporaneous tax credits impacts	9	(167,359)	–	(421,014)	–
Impacts from the leniency agreement		–	11,787	–	11,787
		2,853,782	2,056,872	29,694,764	20,247,187
Changes in assets and liabilities:					
Trade accounts receivable		518,142	331,519	778,491	(259,217)
Inventories		(480,859)	(574,872)	(764,905)	(1,442,179)
Recoverable taxes		(34,613)	49,704	(143,645)	215,513
Other current and non-current assets		(189,639)	127,415	(30,542)	78,304
Biological assets		–	–	(2,767,811)	(1,688,264)
Trade accounts payable and supply chain finance		841,058	1,134,742	3,342,405	2,996,675
Taxes payments in installments		(541,680)	(769,398)	(545,946)	(810,288)
Other current and non-current liabilities		(253,548)	(132,629)	767,511	(60,924)
Income taxes paid		–	–	(3,328,749)	(2,178,416)
Changes in operating assets and liabilities		(141,139)	166,481	(2,693,191)	(3,148,796)
Cash provided by operating activities		2,712,643	2,223,353	27,001,573	17,098,391
Interest paid		(444,674)	(1,174,850)	(3,504,686)	(3,604,988)
Interest received		59,903	138,518	284,923	275,079
Net cash of interest provided by operating activities		2,327,872	1,187,021	23,781,810	13,768,482
Cash flow from investing activities					
Purchases of property, plant and equipment	13	(786,422)	(726,860)	(5,986,801)	(4,265,741)
Purchases of intangible assets	15	(12,650)	(14,434)	(48,034)	(17,683)
Proceeds from sale of property, plant and equipment	13	70,558	44,684	364,316	194,492
Additional investments in joint-ventures and subsidiaries	12	(34,064)	(197,961)	–	–
Acquisitions, net of cash acquired		–	–	(2,185,482)	(2,240,164)
Dividends received	12	30,000	4,396,127	30,000	25,500
Related party transactions		224,991	8,458,995	(8,064)	450,433
Other		886	(2,941)	931	(1,321)
Cash provided by (used in) investing activities		(506,701)	11,957,610	(7,833,134)	(5,854,484)
Cash flow from financing activities					
Proceeds from loans and financings		4,944,803	3,549,220	11,030,414	35,014,055
Payments of loans and financings		(3,075,379)	(16,564,467)	(15,051,175)	(40,056,673)
Derivatives instruments received/settled	31	(72,538)	(1,538)	(161,806)	(877)
Dividends paid	21	(1,441,177)	(5,983)	(1,441,177)	(5,983)
Dividends paid to non-controlling interest		–	–	(3,491)	(9,793)
PPC share repurchase		–	–	(546,890)	(11,357)
Purchase of treasury shares	24 b3	(1,272,711)	–	(1,272,711)	–
Payments of leases	14	(27,286)	(45,182)	(1,574,941)	(1,356,991)
Others		–	–	(347)	(16,741)
Cash used in financing activities		(944,288)	(13,067,950)	(9,022,124)	(6,444,360)
Effect of exchange rate changes on cash and cash equivalents		591,893	42,261	2,719,224	(371,450)
Net change in cash and cash equivalents		1,468,776	118,942	9,645,776	1,098,188
Cash and cash equivalents beginning of period		1,883,135	1,764,193	10,033,967	8,935,779
Cash and cash equivalents at the end of period		3,351,911	1,883,135	19,679,743	10,033,967

Non-cash transactions:

	Notes	Company 2020	Company 2019	Consolidated 2020	Consolidated 2019
Increase/decrease in share capital in subsidiaries' through assumption of credit	12	6,843,469	(327,604)	–	–
Increase/decrease in share capital in subsidiaries' through PPE	12	503,157	–	–	–
Reclassification of negative investments	12	(404,068)	(104,589)	–	–
Treasury shares used in stock option plan	24 b2	9,504	18,470	9,504	18,470
Mercado da Carne's PP&E transference to Seara	13	195,842	–	–	–
Mercado da Carne's intangible assets transference to Seara	15	16,276	–	–	–
Mercado da Carne's inventory transference to Seara	7	98,347	–	–	–
Mercado da Carne's recoverable taxes transference to Seara	9	2,038	–	–	–
Dividends declared but not paid	21	(1,092,099)	(1,441,238)	(1,092,099)	(1,441,238)
Additional dividends proposed	21	(1,419,037)	–	(1,419,037)	–
Reversal of dividends	21	6	560	6	560
Capitalised interests	13	(40,660)	–	(130,043)	–
New lease contracts	14	54,929	20,488	1,810,490	677,551
PP&E reclassification to right of use asset		–	–	–	81,306
Intangible disposal due to subsidiaries liquidation		–	–	–	2,170
PP&E disposal due to subsidiaries liquidation		–	–	–	6,589
Tax assessment payment using tax credits		–	(1,597,061)	–	(1,597,061)
Donation of PP&E as payment for Seberi's acquisition		–	–	–	80,000
Installments to be paid related to Safrio´s aquisition		–	–	–	(111,813)
PP&E reclassification to biological assets		–	–	–	7,695
IFRIC 23 Initial adoption		–	(1,662,472)	–	(1,908,796)
IFRS 16 Initial adoption		–	215,053	–	4,881,940

The accompanying notes are an integral part of these financial statements.

JBS S.A.

Economic value added the years ended December 31, 2020 and 2019
In thousands of Brazilian Reais - R$

	Company		Consolidated	
	2020	**2019**	**2020**	**2019**
Revenue				
Sales of goods and services	**41,132,754**	32,395,224	**272,830,267**	206,579,928
Other income (expense)	**(7,729)**	(12,535)	**83,746**	110,545
Allowance for doubtful accounts	**(18,860)**	(19,080)	**(33,173)**	(70,723)
	41,106,165	**32,363,609**	**272,880,840**	**206,619,750**
Goods				
Cost of services and goods sold	**(30,747,645)**	(22,969,139)	**(159,456,161)**	(123,601,768)
Materials, energy, services from third parties and others	**(4,432,569)**	(4,277,672)	**(47,109,521)**	(34,651,873)
	(35,180,214)	**(27,246,811)**	**(206,565,682)**	**(158,253,641)**
Gross added value	**5,925,951**	**5,116,798**	**66,315,158**	**48,366,109**
Depreciation and Amortization	**(671,362)**	(758,888)	**(7,837,405)**	(6,313,062)
Net added value generated	**5,254,589**	**4,357,910**	**58,477,753**	**42,053,047**
Net added value by transfer				
Share of profit of equity-accounted investees, net of tax	**7,252,953**	8,076,494	**53,479**	34,166
Financial income	**2,731,025**	1,194,113	**3,557,443**	2,081,827
Others	**(8,770)**	(2,244)	**61,321**	257,062
	9,975,208	**9,268,363**	**3,672,243**	**2,373,055**
NET ADDED VALUE TOTAL TO DISTRIBUTION	**15,229,797**	**13,626,273**	**62,149,996**	**44,426,102**
DISTRIBUTION OF ADDED VALUE				
Labor				
Salaries	**2,232,242**	2,223,936	**29,110,185**	20,822,119
Benefits	**327,238**	285,469	**5,434,820**	4,111,985
FGTS (Brazilian Labor Social Charge)	**142,285**	143,091	**338,997**	310,500
	2,701,765	**2,652,496**	**34,884,002**	**25,244,604**
Taxes and contribution				
Federal	**(139,443)**	(315,939)	**3,886,021**	1,798,515
State	**744,458**	856,164	**1,811,687**	1,934,237
Municipal	**18,659**	18,598	**20,404**	19,934
	623,674	**558,823**	**5,718,112**	**3,752,686**
Capital Remuneration from third parties				
Interests and exchange variation	**7,106,828**	4,041,862	**15,383,830**	7,488,102
Rents	**57,001**	60,187	**514,168**	432,428
Others	**142,218**	244,537	**994,935**	1,043,428
	7,306,047	**4,346,586**	**16,892,933**	**8,963,958**
Owned capital remuneration				
Dividends	**1,092,099**	1,441,238	**1,092,099**	1,441,238
Net income attributable to company shareholders	**3,506,212**	4,627,130	**3,506,212**	4,627,130
Non-controlling interest	—	—	**56,638**	396,486
	4,598,311	**6,068,368**	**4,654,949**	**6,464,854**
ADDED VALUE TOTAL DISTRIBUTED	**15,229,797**	**13,626,273**	**62,149,996**	**44,426,102**

The accompanying notes are an integral part of these financial statements.

(Expressed in thousands of Brazilian reais)

1 Operating activities

JBS S.A ("JBS" or the "Company"), is a company listed on the "Novo Mercado" segment of the São Paulo Stock Exchange (B3 - Bolsa de Valores, Mercadorias & Futuros) under the ticker symbol "JBSS3". JBS also trades it's American Depository Receipts over-the-counter under the symbol "JBSAY".

The Company along with its subsidiaries ("Company" or "Consolidated") is the world's largest company in processing animal protein as measured by total revenue.

The issuance of these individual and consolidated financial statements was authorized by the Board of Directors on March 24, 2021.

The financial statements presented herein include the Company's individual operations in Brazil as well as the activities of its subsidiaries. Below is a summary of the Company's main operating activities by entity and geographic location, as well as ownership percentage as of December 31, 2020:

At the Company:

Description	Activities	Units	State
JBS S.A. (JBS, Company)	- Beef processing: slaughtering, refrigerating, industrializing and production of canned beef by-products. - Leather production, processing and commercialization. - Production and commercialization of steel cans, plastic resin, soap base for production, soap bar, biodiesel, glycerin, olein, oily acid, collagen and wrapper derived from cattle tripe; industrial waste management; purchase and sale of soy beans, tallow, palm oil, caustic soda, stearin; transportation services; dog biscuits; eletric power production, cogeneration and commercialization. - Distribution centers and harbors.	75	AC, BA, CE, GO, MG, MS, MT, PA, PE, PR, RJ, RO, RS, SC, SP, TO

Consolidated: Main activities in Brazil

Description	Activities	Units	State	Participation	December 31, 2020	December 31, 2019
Seara Alimentos Ltda. (Seara Alimentos)	- Chicken and pork processing: raising, slaughtering and processing of broiler chickens and hogs; production and commercialization of beef and food products; and production of pet food and concentrates. - Distribution centers, transportation services and harbors.	70	AM, BA, CE, DF, ES, GO, MG, MS, MT, PE, PR, RJ, RS, SC and SP	Indirect	100%	100%
	'- Direct sales to customers of beef and by-products in stores named "Mercado da Carne".	133	SP and DF.			
Meat Snacks Partners do Brasil Ltda (Meat Snacks)	- Beef Jerky production.	2	SP	Indirect	50%	50%
Enersea Comercializadora de Energia Ltda. (Enersea)	-Eletric power commercialization.	2	SC and SP	Direct	100.00%	99.99%
JBS Confinamento Ltda. (JBS Confinamento)	- Cattle fattening services.	9	SP, GO, MS and MT	Direct	100%	100%
Brazservice Wet Leather S.A (Brazservice)	- Wet blue leather production, processing and commercialization.	1	MT	Direct	100%	100%

Consolidated: Main activities outside of Brazil

Description	Activities	Units	Country	Participation	December 31, 2020	December 31, 2019
JBS USA Holding Lux, S.à.r.l. (JBS USA)	- Beef processing: slaughtering, refrigerating, industrializing and, production of by-products; - Cattle fattening services; - Transportation services.	67	Australia, Canada, Luxembourg, Mexico, Netherlands, United Kingdom and United States of America	Indirect	100%	100%
	- Pork processing: raising, slaughtering, industrializing and and commercialization of by-products derived from processing operations;	20				
	'- Chicken processing: raising, slaughtering and processing of broiler chickens, production and commercialization of by-products derived from processing operations.	167				
JBS Global (UK) Ltd. (JBS Global UK)	- Trading fresh and processed beef, pork, lamb and chicken products for the European market.	1	United Kingdom	Indirect	100%	100%
JBS Toledo NV (Toledo)	-Trading operations for the European market; cooked frozen meat commercialization; logistic operations; warehousing.	1	Belgium	Direct	100%	100%
Rigamonti Salumificio SpA (Rigamonti)	-Production and commercialization of bresaola and pork by-products: ham, cooked ham, mortadella, among others.	4	Italy	Indirect	100%	100%
Conceria Priante (Priante)	- Semi-finished and finished leather production.	1	Italy	Direct	100%	100%
JBS Leather International (Leather International)	- Wet blue, semi-finished and finished leather production.	11	Argentina, Germany, Hong Kong, Netherlands and Uruguay	Direct	100%	100%

(Expressed in thousands of Brazilian reais)

Seara Holding Europe B.V. (Seara Holding)	- Animal protein products trading.	9	China, Netherlands, Saudi Arabia, South Africa, United Arab Emirates, United Kingdom and Singapore	Indirect	100%	100%

a. **Analysis of the impacts from Covid-19 pandemic and "Fazer o Bem Faz Bem" program:** The Covid-19 pandemic remains active, although many restrictions was imposed by the Brazilian authorities have been relaxed. The effects of the pandemic on the global economy, as well as the course of the pandemic, are still uncertain despite the various actions to combat the proliferation of the new Coronavirus. Given the profile of our operational and industrial footprint, the Company had flexibility to redirect part of the products that would have served the food service channel (restaurants, hotels, etc.) to the retail channel, noticing as well an increase in online sales channel, both channels have been experiencing increased usage by consumers. Furthermore, as the restrictions are relaxed, JBS is able to meet its demand, which is quite diversified JBS reiterates that it will maintain its efforts to continuously meet the demand for food in the world. At this moment, there is no way to precisely predict the medium and long-term impacts on the economic scenario and on the Company's operations.

JBS continues with the program “Fazer o Bem Faz Bem”, which benefited 280 municipalities in 26 Brazilian states, impacting around 77 million people. The program carried out the construction of 2 permanent hospitals, with 131 beds, and 15 expansion works for hospitals, medical centers and health posts, besides the donation of 88 ambulances, 365 respirators, 1.479 multiparameter monitors, 1.880 ICU beds, 556 thousand basic-needs grocery package, 1 million liters of hygiene and cleaning products and 18 million PPE. In addition, through the program, 40 pulmonary physiotherapists were hired, 39 scientific and technological researches were supported and more than 2 million people were assisted by 80 benefited NGOs. Also, during January and February of 2021, the Company donated 400 oxygen cylinders to the city of Manaus, Amazonas, due to the city's crises during the second wave of the pandemic, and R$5,000 to the Butantan Institute to contribute in the construction of a new vaccine factory. In Brazil, up to the approval of these financial statements, the donations reached a total amount of approximately R$316,105. Abroad, JBS USA, with Pilgrim’s Pride Corporation ("PPC"), is investing more than US$200 million (equivalent to R$1.039 billion at December 31, 2020) in initiatives to support its employees and communities where is present in the United States, in line with its continued efforts in sustainability and social responsibility.

The initiatives to combat the proliferation of the new Coronavirus remain strict given the various investments made by the Company in order to protect its employees, including greater hygiene and disinfection of offices and plant, health and temperature verification, training, social distance, reduction in the production lines, in the plant air purification in the ventilation systems, among others.

In the United States, during the first quarter of 2020, the Cares Act was enacted which included changes to limit tax deductions in addition to extend the maturity of payroll taxes. The new tax deductions limit reduced the current IT expense by US$154.2 millions (R$801,331 at December 31, 2020) and, on the other hand, there was a reduction in the deferred tax credit by the same amount, with no effect on the effective rate for the period. The Company estimates that the amount of US$133.4 millions (R$693,240 at December 31, 2020) of taxes on the payroll will be paid 50% by December 31, 2021 and the other 50% by December 31, 2022.

As presented in footnote 31 - Risk management and financial instruments, during the year ended December 31, 2020, the volatility in exchange rates and commodity prices increased, partly due to the uncertainties arising from Covid-19, as well as due to the measures taken by governments and central banks. The Company's Management expects the volatility of exchange rates and commodity prices to continue into 2020, however, it is unable to estimate the duration, extent or impacts of such volatility. The Company can use financial instruments to mitigate such exposures aforementioned.

Finally, considering all subsequent events that occurred up to the issuance date of these financial statements, there were no material impacts identified that might have affected the recoverability of assets or changed the measurement of expected changes in these financial statements.

b. **Together for the Amazon and the JBS Fund For The Amazon:** In September 23, 2020, the Company announced the program “Together for the Amazon”, a series of innovative, long-term initiatives that build on the company’s legacy of conservation and sustainable development in the Amazon Biome, engaging the segment and proposing meaningful actions that will strengthen the value chain. The fundamental pillars of the Together for the Amazon program are: (i) responsible value chain development; (ii) forest conservation and restoration; (iii) support for local communities in the Amazon region; and (iv) scientific research and technology development.

The first pillar consists of three key initiatives: (i) the JBS Green Platform, a blockchain platform that will enable the Company to track the providers of livestock to its direct suppliers in the supply chain by 2025. The Platform is an unprecedented initiative that will crossreference data regarding the company’s suppliers with livestock transportation data and will provide an essential layer of information to enable cattle to be traced throughout their lives and ensure any cattle from producers involved in illegal deforestation cannot enter the JBS supply chain; (ii) the second initiative is the sharing of the company’s supplier monitoring technology and its responsible sourcing policy with the value chain, including the entire food industry, livestock producers, family farmers, financial institutions, and the agribusiness sector; (iii) the third initiative will provide farmers and ranchers with environmental, animal husbandry and legal support to help producers improve the stewardship of their land. The Company will expand its sustainability educational activities for livestock suppliers and increase investments to develop digital platforms that help ensure properties can gain compliance with the Company’s policies.

The remaining pillars will be achieved by the creation of the JBS Fund For The Amazon, a philanthropic fund that will finance important projects and actions to stimulate sustainable development in the Amazon Biome. The Fund will support important sustainability projects in three principal areas: forest conservation and restoration; socioeconomic development of communities, and scientific research and technology development, aiming to reach R$1 billion by 2030 of donations. The Company will contribute R$250.000 over the first 5 years, and as much R$500.000 million by 2030.

2 Plea bargain agreement, Leniency agreement and the impacts in the financial statements

As is public knowledge, in May 2017 certain executives and former executives of J&F Investimentos S.A. (“J&F”), the holder of a group of companies that belong to the “J&F Group,” took over certain obligations in the Plea Bargain Agreement with the District Attorney General's Office and in 2017, J&F entered in a Leniency Agreement (“Agreement”) with the Federal Public Prosecutor’s Office ("MPF"). The Company and its Brazilian subsidiaries entered the Agreement in September 6, 2017.

In the Agreement, J&F, on behalf of itself and its subsidiaries, committed to reimburse R$10.3 billion over the next 25 years and to cooperate voluntarily with the Government. Carrying out internal investigations and providing proof to ensure the materiality and origin of the actions committed and confessed was one of the Agreement's conditions. J&F hired legal advisors, on behalf of itself and its subsidiaries, to conduct independent internal investigations which began in the third quarter of 2017. At September 30, 2020, three years after the initiation of the investigation , review of several documents, meeting the requests of the forensic specialists and in the documents and evidence delivered to the MPF, the Company understands that all the events reported were measured and duly recognized and disclosed in the financial statements of December 31, 2017 and that, based on the current results presented by the independent law firm and also based on the procedures adopted to this date, Management is not aware of new events that have not already been recognized, or disclosed, which have an impact on the Company's current financial statements.

The Company structured a compliance program named "Always Do It Right", created to prevent conducts of employees and third parties that might disagree with the Company's Code of Conduct and Ethics, laws, regulations and/or internal procedures. The program is constantly developing and it reports directly to the Board of Directors, acting independently. Their are also responsible for monitoring and implementing trainings related to compliance matters, management of the complaints channel, periodical risk assessments, internal control implementation including anti-corrupting matters, reputation analysis of third parties (due diligence), among other activities related to the Management.

3 Basis of preparation and presentation of financial statements

The consolidated financial statements were prepared in accordance with accounting practices adopted in Brazil (BRGAAP), in compliance with the law of joint stock companies (Lei das sociedades por ações - Leis das SA's), pronouncements, interpretations and orientations issued by the Brazilian Accounting Pronouncements Committee (Comitê de Pronunciamentos Contábeis) - CPC, requirements of the Brazilian Securities Commission - CVM and with the International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB). The accounting practices adopted in Brazil require the disclosure of the Economic Value Added (Demonstração do Valor Adicionado - DVA), individual and consolidated, while the IFRS rules do not require its disclosure. As a consequence, due to IFRS rules, DVA is disclosed as supplementary information without any loss to these consolidated financial statements. The Company individual financial statements are identified as "Company" and the consolidated financial statements are identified as "Consolidated".

The presentation of our financial position requires that certain judgments and estimates be made regarding the effects of matters that are inherently uncertain and that impact the carrying value of assets and liabilities. Significant assets and liabilities that are subject to these estimates include the useful life of property, plant and equipment, right of use asset and lease provision, biological assets, estimated fair value and value in-use of long-lived assets, allowance for doubtful accounts, realizable value of inventories, deferred income taxes realization, provisions for tax, civil, and labor liabilities, determining the fair value of financial instruments (assets and liabilities) and other similar estimates related to interest rate risk and derivatives valuation. The settlement of a transaction involving these estimates may result in values that are different from those estimated. Certain of our accounting policies require higher degrees of judgment than others in their application. Actual results may differ from those estimated depending upon the variables, assumptions or conditions used by Management.

Significant accounting policies related to property plant and equipment, inventory, revenue recognition, reportable segments, loans and financings and other items are described within the primary footnotes of the consolidated financial statements.

In order to provide an understanding regarding how Management forms its judgments about future events, including the variables and assumptions underlying the estimates and the sensitivity of those judgments to different variables and conditions, below are demonstrated the most significant policies:

a. Accounting for business combinations and impairment of goodwill and intangible assets

According to International Financial Reporting Standards (IFRS) 3 “Business Combinations”, the excess of the acquisition price, the amount of any non-controlling interest in the acquiree (when applicable) and the fair value at the acquisition date of any previous equity interest in the acquiree over the fair value of the net identifiable asset acquired at that date is recognized as goodwill. The acquisition price consists of cash paid, the fair value of equity issued and the fair value of contingent consideration. IFRS 3 does not allow that in a business combination, goodwill and intangible assets with indefinite useful lives be amortized. However, they should be tested at least annually for impairment at December 31.

Management uses judgment to identify tangible and intangible assets and liabilities, valuing such assets and liabilities determining their remaining useful lives. The valuation of these assets and liabilities is based on assumptions which include in some cases estimates of future cash flows discounted at the appropriate rates. The use of different assumptions used for valuation purposes may result in differences in the estimates of the value of assets acquired and liabilities assumed.

Assets and liabilities are initially recognized at the best estimate of fair value. Third party valuation firms are usually engaged to assist in valuing the acquired assets and liabilities. When third parties are involved in developing these estimates, Management evaluates the appropriateness of the significant assumptions used in the valuation, which often involves an interactive process with the appraisers. The qualifications and reputation of the appraisers are also evaluated and assess the reasonableness of the overall fair value measurements through comparison to other acquisitions. Through this process, sufficient information are obtained to ascertain that the valuation methodologies used comply with IFRS 13 “Fair Value Measurement”.

The assumed fair value estimatives of assets and liabilities acquired are adjusted during the measurement period (which shall not exceed one year from the acquisition date) or additional assets and liabilities are recognized to reflect new information relating to the facts and circumstances existing at the acquisition date which, if known, would have affected the amounts recognized on that date. These adjustments are infrequent and have historically not been material.

For impairment testing, assets are sorted into group of assets which generates cash inflows from continuing use and are largely independent of the cash inflows of other assets or cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

CGUs are tested for impairment annually or whenever events and circumstances indicate that the recoverable amount of the CGU is less than its carrying amount. The recoverable amount is the higher of fair value less cost to sell or value in-use. The Company first estimates the value in-use of the CGUs and if it is lower than the carrying amount, the Company will estimate the fair value less cost to sell. During the years ended December 31, 2020 and 2019, our estimates of the CGU groups’ value in-use exceeded their carrying amounts and therefore estimates of fair value less cost to sell were not determined. Our estimates of value in-use contain uncertainties due to judgment in assumptions, including revenue growth, costs and expenses, capital expenditures, working capital and discount rates as described in Note 16. The assumptions are based on Management's estimatives as well as comparable data from the available market and economic conditions which generate the cash flows.

b. Biological Assets

Management uses estimates and judgments in determining the fair value of live assets that include market prices, average lifecycle growth, as well as the laying and reproduction profile. The fair value from assets already includes all losses related to the breeding process.

c. Deferred and Current Income Taxes

The Company recognizes deferred tax effects of tax loss carry forwards and cumulative temporary differences between the financial statement carrying amounts and the tax basis of our assets and liabilities. Income taxes are estimated based on regulations in the various jurisdictions where we conduct business. This requires us to estimate our actual current tax exposure and to assess temporary differences that result from different treatment of certain items for tax and accounting purposes.

A portion of the tax benefit corresponding to the tax losses carried forward may not be recognized as an asset, as Management cannot determine whether realization is probable but might be recognized if there is any change of scenery.. Deferred tax assets are regularly reviewed for recoverability and will only be recognized if it is probable that there will be sufficient taxable profit based on historical taxable income based on projected future taxable income and the expected timing of the reversals of existing temporary differences.

Tax losses assessed in Brazil do not expire, however, they are limited to a use of 30% of taxable income of the year. The use of tax losses in other jurisdictions are limited to 10 to 20 years.

The deferred tax expenses over goodwill amortization only will be recognized if there is goodwill tax amortization in the tax calculation.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. The carrying amount of a deferred tax asset is written off when is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be used. The carrying amount will be recognized when sufficient taxable profits are probable.

d. Provisions

The elaboration of these consolidated financial statements require Management to make estimates and assumptions regarding civil, labor and tax matters which affect the valuation of assets and liabilities at the reporting period, as well as the revenues and expenses during the reported period. Due to the uncertain nature of Brazilian tax legislation, the assessment of potential tax liabilities requires significant judgment from the Management and the outcome may differ when the realization occurs.

The Company is subject to lawsuits, investigations and other claims related to employment, environmental, product, taxes and other matters. Management is required to assess the likelihood of any adverse judgments or outcomes, as well as the amount of probable losses, for these matters.

Provisions are recognized when losses are considered to be probable and the amount can be reliably measured. No provision is recognized if the risk of loss is assessed to be reasonably possible but not probable. Reasonably possible losses are disclosed in the notes to these financial statements. If the risk of loss is assessed as remote, no provision or disclosure is necessary.

e. Financial Instruments

The Company and its subsidiaries recognize their financial assets and liabilities at fair value in the initial recognition, except for trade accounts receivable that measures at the transaction price and subsequently at amortized cost or at fair value through profit or loss based on the business model for asset management and the contractual cash flow characteristics of the financial asset.

e1. Classification

The Company and its subsidiaries classify their financial assets according to the business model adopted for their financial assets management, as amended by CPC 48 / IFRS 9, measured at fair value through profit or loss and at amortized cost, as follows:

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated at initial recognition at fair value through profit or loss. In this category the Company classifies mainly "CDBs and treasury bills" and "Derivative financial instruments".

ii. Amortized cost

Represent financial assets and liabilities which Company's business model is to maintain financial assets in order to receive contractual cash flows and that exclusively constitute principal and interest payments on the principal amount outstanding. Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized when the asset is written off, modified or has a reduction in its recoverable value. In this category the Company classifies mainly "Trade accounts receivable", "Cash and cash equivalents", "Trade accounts payable" and "Loans and financing".

Financial assets and liabilities are compensated and the net amount is presented in the balance sheet when there is a legal right to offset the amounts recognized and there is an intention to liquidate them on a net basis or to realize the asset and settle the liability simultaneously. The legal right should not be contingent on future events and should be applicable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

f. Foreign currency translation

f1. Functional and representation currency

The functional currency of a company is the local currency within the primary economic environment in which it operates. These individual and consolidated financial statements are presented in Brazilian reais (R$), which is the Company’s presentation and functional currency. All financial information is presented in thousands of reais, except when indicated otherwise.

Transactions in foreign currencies other than the Company’s functional currency are initially measured in the respective functional currencies of each entity using the exchange rates effective at the dates of the transactions. Balance sheet accounts are translated by the exchange rate effective at the statement of closing date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are remeasured at the closing exchange rate on the statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, under the caption “Finance income” or “Finance expense”.

f2. Group companies with a different functional currency

The consolidated financial statements of the subsidiaries located abroad are prepared using each subsidiary’s respective functional currency. The results and financial position of all entities with a functional currency different from its immediate parent's functional currency and the Group’s presentation currency (R$) are translated into the parent's functional and Group's presentation currency as follows:

i. assets and liabilities are translated at the current rate at the date of each closing period;
ii. income and expenses are translated at the average rate at the date of each closing period; and
iii. all exchange rate translation differences are recognized in other comprehensive income (loss), and are presented in the statement of comprehensive income (loss) as foreign currency translation adjustments with in equity.

g. Individual financial statements

The individual financial statements presents the evaluation of investments in associates, subsidiaries and joint ventures by the equity method. In order to reach the same income statement and equity attributable to the Company shareholders in the individual and consolidated financial statements, the same adjustments of accounting practices upon the adoption of IFRS and CPCs, were done on both financial statements. The carrying value of these investments includes the breakdown of acquisition costs and goodwill.

h. Consolidated financial statements and investments in associates and joint ventures

The Company consolidates all majority-owned subsidiaries. The Company controls an entity when it assumes the risks and benefits or is entitled to variable returns resulting with its involvement with the entity and has the ability to affect those returns through its ownership over the entity. Subsidiaries are consolidated from the date that the control is transferred to the Group. Consolidation is discontinued from the date that control ceases.

Investments in associates and joint ventures are recognized by the equity method. An associate is an entity over which the Company has significant influence but does not exercise effective control. Joint ventures are all entities over which the Company shares control with one or more parties.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with policies adopted by the Group. Intercompany transactions, balances, income and expenses transactions between group companies are eliminated in consolidation.

The non-controlling interest represents the portion of consolidated subsidiaries not owned by the Group and is presented in the consolidated financial statements as a part of shareholder's equity. The net income (loss) attributable to non-controlling interest is presented in the statement of income.

When the Company acquires or disposes of shares of an entity that it already controls, any gains or losses arising from the difference between the amount paid or received and the carrying amount of the non-controlling interest on a per share basis is kept at shareholder's equity in the caption of "Capital transactions".

i. Present value adjustment in assets and liabilities

When significant, assets and liabilities are adjusted at present value considering the following assumptions for the calculation: i) the amount to be discounted; ii) the dates of realization and settlement; and iii) the discount rate.

j. Standards, amendments and interpretations that are effective and were adopted by the Company

j1. IFRS 3/CPC 15 (R1) - Business combinations

As of January 1, 2020, became effective changes that establish new requirements to determine whether a transaction should be recognized as a business acquisition or as an asset acquisition. The amendments are applicable prospectively to all business combinations and acquisitions of assets with the acquisition date from January 1, 2020. For acquisitions from that date on, the Company has already adapted to the definition of business presented in accordance with the current rule.

j2. IFRS 9/CPC 48 and IFRS 7/CPC 40 (R1) - Financial instruments

As of January 1, 2020, became effective changes which treat the inclusion of temporary exceptions to the current requirements of hedge accounting came into force to neutralize the effects of uncertainties caused by the reform of the benchmark interest rate (LIBOR). The anticipated changes may generate changes in the basis for determining the contractual cash flows of financial assets, financial liabilities and liabilities and hedge accounting liabilities. The Company has not identified any significant impacts, as it does not have interest rate hedge transactions.

j3. IAS 1/CPC 26 (R1) and IAS 8/CPC 23 - Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors

As of January 1, 2020, the standards changed the definition of "material", establishing that an information is material if its omission, distortion or obscurity can reasonably influence the decision making of the users of the financial statements. The materiality threshold that influences users has also been changed from 'possible influence' to 'possible reasonable influence'. The Company has not identified any significant impacts as a result of this new statement.

j4. IFRS 16/CPC 06 (R2) - Leases

As of May 2020, the IASB issued the Covid-19 Related Rental Concessions standard (Amendments to IFRS 16) which establishes practical measures for tenants in accounting for rental concessions that occurred during the COVID-19 pandemic. The change allows the lessee to choose not to treat it as a contract modification if the modification is related to COVID-19. The Company has not identified significant impacts as a result of this change in the standard.

k. New standards, amendments and interpretations that are not yet effective and will be adopted by the Company

k1. IAS 39/CPC 38, IFRS 7/CPC 40 (R2) and IFRS 9/CPC 48 - Reference interest rate reform - Phase 2

As of January 1, 2021, a change is expected, due to the reform of the reference interest rate, related to the forecast to discontinue the use of the London Interbank Offered Rate (LIBOR) as a reference interest rate after 2021. The Company is following the discussions and so far has not identified significant impacts as a result of this change.

k2. IAS 37/CPC 25 - Provisions, Contingent Liabilities and Contingent Assets

As of January 1, 2022, changes specify what costs the Company must include when assessing whether a contract is onerous. The costs directly related to the fulfillment of the contract must be considered in the cash flow assumptions (Ex: Cost of labor, materials and other expenses related to the operation of the contract). The Company is following the discussions and has so far not identified any significant impacts as a result of this change.

There are no other standards, changes in standards and interpretations that are not in force that the Company expects to have a material impact arising from its application in its financial statements.

4 Business Combination

The Company applies the acquisition method of account allocation for business combinations with entities which are not not under common control. The consideration transferred in a subsidiary acquisition is measured at fair value which is calculated by the sum of the assets transferred, the liabilities incurred to the former owners of the acquiree and the cash or equity interests issued by the group. The measurement period should not exceed a year from the acquisition date. Generally all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values as of the acquisition date. The Company recognizes any non-controlling interest in the acquiree on an acquisition, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

Goodwill is initially measured as the excess of the consideration transferred; at the fair value of any non-controlling interest in the acquiree (when applicable); and at the fair value at the acquisition date of any previous equity interest in the acquisition, over the fair value of net assets acquired. When the consideration is less than the fair value of the net assets acquired, the gain is recognized directly in the statement of income of the period as "Gain on bargain purchase".

For materiality purposes, business combinations are considered significant when the total of assets exceeds R$100,000, occurred during the current and comparative years'.

In November 30, 2020, the Company's indirect subsidiary Seara Alimentos, acquired assets of margarine business ("Margarinas"), for the amount paid in cash of approximately R$843,988, subject to working capital adjustments. The Margarine business strengthens Seara's position in the margarine market in Brazil by optimizing its distribution platform and is in line with the strategy of expanding the portfolio of products with higher added value and with brand. The goodwill generated in the transaction of R$374,085 is only eligible for tax deductibility for the incorporation or sale of the assets and liabilities assumed.

(Expressed in thousands of Brazilian reais)

On April 6, 2020, the Company's indirect subsidiary JBS USA Food Company, acquired case ready facilities and Ledbetter branded retail products from Empire Packing Company, L.P. ("Empire") by the amount paid in cash of approximately US$250,6 million (R$1.315 billion at the transaction date), subject to final working capital adjustments. Empire's acquisition expands the presence in the case ready and branded product categories. The goodwill generated from this business combination of US$55.4 million (R$290,829 at the transaction date) is partially eligible to be deducted for tax purposes in the United States of America.

In December, 2019, the Company's indirect subsidiary Seara Alimentos acquired 100% of the membership interest of Frigorífico Marba Ltda. ("Marba") for a cash purchase of R$129,943, subject to customary working capital adjustments. Marba processes meat, trading products such as smoked meat, cold cuts, beef jerky, mortadellas and sausages in Brazil. During the first quarter of 2020, the allocation of the acquisition price of Marba was completed. The allocation of the price is demonstrated in the changes of the year, and not in the acquisition balance since the difference in the initial allocation is immaterial, with a reduction in goodwill of R$16,590, and adjustment in inventory, property, plant and equipment and intangible assets. Deferred taxes have not been recognized due to Marba's incorporation at December 2020.

In October, 2019, the Company's indirect subsidiary Pilgrim's Pride Corporation ("PPC") acquired 100% of the membership interest of Tulip Ltd. ("Tulip") for a cash purchase of US$393,288 million (R$1,631,437 at the transaction date). Tulip a leading pork and prepared foods supplier with operations in the United Kingdom and expands the European prepared foods portfolio of PPC's global sales. The transaction generated a gain on bargain purchase of US$53,134 (R$220,412 at the transaction date), which a gain of US$56,880 million (R$235,950 million at the transaction date) was recognized during the year of 2019; a loss of US$3,7 million (R$15.538 at the transaction date) was recognized during the year of 2020.

The assets acquired and liabilities assumed in the Empire and Tulip's business combinations were measured at fair value as presented below:

	Acquisitions			
	2020		2019	
FAIR VALUE	**Margarine assets**	**Empire**	**Marba**	**Tulip**
Cash and cash equivalents	—	65,849	2,165	28,432
Trade accounts receivable	—	72,821	26,166	607,392
Inventories	172,137	28,300	19,626	235,684
Biological assets	—	—	—	261,432
Property, plant and equipment	304,747	502,085	109,214	1,302,879
Right of use assets	—	2,220	677	23,284
Intangible assets	21,168	476,130	36,777	167,662
Other assets	—	1,784	12,584	88,050
ASSETS	**498,052**	**1,149,189**	**207,209**	**2,714,815**
Trade accounts payable	—	71,043	47,786	668,043
Loans and financing	—	—	37,220	—
Accrued income taxes, other taxes, payroll and social charges	28,149	—	—	97,553
Lease liabilities	—	2,220	971	23,284
Current and deferred income taxes	—	44,957	5,946	69,706
Other liabilities	—	6,695	31,558	4,380
LIABILITIES	**28,149**	**124,915**	**123,481**	**862,966**
Net assets and liabilities	**469,903**	**1,024,274**	**83,728**	**1,851,849**
Acquisition price	843,988	1,315,103	129,943	1,631,437
Goodwill/(Gain on bargain purchase)	**374,085**	**290,829**	**46,215**	**(220,412)**

The individual net revenue and net income from the acquisition date through each period end for all business combinations are presented below:

	2020		2019	
Company	**Net revenue**	**Net income (loss)**	**Net revenue**	**Net income (loss)**
Empire	**1,089,207**	**112,573**	—	—
Margarine assets	**61,304**	**8,765**	—	—
Tulip	**7,028,905**	**49,187**	1,262,708	(17,688)
Marba	**236,651**	**13,170**	4,402	(2,300)

Consolidated pro-forma information:

Net sales and net income for the Company is presented below on a pro-forma basis assuming the acquisitions occurred at the beginning of the year of each acquisition:

	2020	**2019**
Pro-forma net revenue	**271,442,907**	208,972,993
Pro-forma net income (loss)	**4,787,460**	6,568,681

This pro-forma financial information is presented for informational purposes only and does not purport to represent what the Company's results of operations would have been had it completed the acquisition on the date assumed, nor is it necessarily indicative of the results that may be expected in future periods.

The non-material acquisitions for the years ended December 31, 2020 and 2019 are demonstrated below:

(Expressed in thousands of Brazilian reais)

Business	Acquirer	Acquisition date	% of voting interests acquired	Acquisition price	Goodwill	Goodwill deductible for tax
FAMPAT/Plan Pro	Pilgrim's Pride Corporation	April/2020	100%	15,599	11,513	No
White Stripe	Andrews Meat Industries Pty. Ltd.	February/2019	60%	19,560	17,759	No
Imperial Beef	Swift Beef Company, Inc.	March/2019	100%	22,219	—	—
Safrio	Seara Alimentos Ltda.	March/2019	100%	130,000	77,802	—
Normaclass	Scott Techonology Ltd	May/2019	100%	7,541	1,944	Yes
Seberi	Seara Alimentos Ltda.	July/2019	100%	235,000	28,934	—
Brianza	Rigamonti Salumificio S.p.A	October/2019	100%	58,041	—	—

The excess of the acquisition cost over the fair value of the net tangible assets and identifiable intangible assets was recorded as goodwill and the acquisition price was settled with cash and cash equivalents, unless otherwise indicated.

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5 Cash and cash equivalents

Includes cash on hand and at banks as well as financial investments with original maturities of three months or less, high liquidity and are readily convertible to known amounts of cash and which are subject to an immaterial risk of changes in fair value.

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Cash on hand and at banks	**3,066,208**	1,571,702	**15,496,570**	4,759,656
CDB (bank certificates of deposit) and National Treasury Bill (Tesouro Selic)	**285,703**	311,433	**4,183,173**	5,274,311
	3,351,911	**1,883,135**	**19,679,743**	**10,033,967**

The Brazilian bank certificates of deposit – CDB are held at high quality financial institutions and earn interest based on floating rates that approximate the overnight interbank lending rate (Certificado de Depósito Interbancário). In the Consolidated are included investments similar to CDB's with fixed income.

Brazilian national treasury bills, also known as Tesouro Selic, are bonds purchased from financial institutions having conditions and characteristics that are similar to CDB's.

(Expressed in thousands of Brazilian reais)

6 Trade accounts receivable, net

Trade accounts receivable correspond to amounts owed by customers in the ordinary course of business. If the receivable is due within one year or less the account receivable is classified as a current asset, otherwise the receivable is classified as a non-current asset. Accounts receivable are presented at amortized cost less any impairment. Accounts receivable denominated in currencies other than the entities' functional currency are remeasured using the exchange rate in effect at the end of the reporting period. The age of accounts receivable along with the allowance for doubtful accounts and present value adjustment are as follows:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Current receivables	**2,624,145**	2,135,343	**11,621,728**	9,257,146
Overdue receivables:				
From 1 to 30 days	**239,427**	388,308	**2,069,211**	1,586,957
From 31 to 60 days	**12,803**	59,907	**144,492**	153,964
From 61 to 90 days	**2,642**	13,306	**48,390**	32,904
Above 90 days	**234,632**	223,186	**541,910**	460,787
Allowance for doubtful accounts	**(233,708)**	(204,601)	**(413,856)**	(345,473)
Present value adjustment	**(8,329)**	(6,195)	**(10,664)**	(9,663)
	247,467	**473,911**	**2,379,483**	**1,879,476**
	2,871,612	**2,609,254**	**14,001,211**	**11,136,622**

The diversity of the trade accounts receivable portfolio significantly reduces our exposure to credit risk. To further mitigate our risk, parameters have been put in place when credit is provided to customers such as requiring minimum financial ratios, analyzing the operational health of customers, and reviewing references from credit monitoring entities.

The allowance for doubtful accounts is estimated based on an analysis of the age of the receivable balances and the client's current situation. An allowance is recognized for long standing and overdue receivables, considering the probability of loss based on expected losses estimatives. The resulting bad debt expense is recognized in the statement of income within "Selling Expenses". Below are the changes in the allowance for doubtful accounts:

Changes in allowance for doubtful accounts:	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Initial balance	**(204,601)**	**(204,719)**	**(345,473)**	**(316,987)**
Acquired in business combination	–	–	–	(2,266)
Additions	**(18,860)**	6,440	**(33,173)**	(70,723)
Exchange variation	**(43,306)**	(25,520)	**(84,387)**	(2,924)
Write-offs	**33,059**	19,198	**49,177**	47,427
Closing balance	**(233,708)**	**(204,601)**	**(413,856)**	**(345,473)**

7 Inventories

Inventories are stated at the lower of the average cost of acquisition or production and the net realizable value. In the case of finished products and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Biological assets are transferred into inventory at the point of slaughter based on their carrying amounts, which is either historical cost or market value depending on the Company's accounting policies described in Note 8.

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Finished products	**2,213,424**	2,000,285	**11,126,005**	8,816,177
Work in process	**187,425**	196,259	**1,138,863**	1,003,454
Raw materials	**315,878**	204,710	**2,239,584**	1,597,514
Warehouse spare parts	**242,359**	173,900	**3,082,292**	2,022,446
	2,959,086	**2,575,154**	**17,586,744**	**13,439,591**

The changes in the net realizable value inventory adjustments accrual, which its offset is under the caption "Cost of sales", are presented below:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Initial balance	**(8,166)**	**(2,086)**	**(137,436)**	**(189,527)**
Acquired in business combination	–	–	–	(1,113)
Additions	(6,027)	(20,390)	(163,591)	(177,108)
Write-offs	7,447	14,310	138,157	233,656
Exchange variation	–	–	(19,539)	(3,344)
Closing balance	**(6,746)**	**(8,166)**	**(182,409)**	**(137,436)**

(Expressed in thousands of Brazilian reais)

8 Biological assets

The Company's live animals consist of cattle, chickens and hogs and segregated into consumables and bearer assets. Animals for slaughter are designated for "in natura" meat production and/or processed and by-products, until they reach the appropriate weight for slaughter they are classified as immature. The slaughtering and production processes occur in a very short period of time and, as a consequence, only live animals transferred to slaughter are classified as mature. The animals designated for production (breeder chickens and hogs), are those which are intended to produce biological assets. Until they reach the age of reproduction they are classified as immature and when they are able to start the reproductive cycle are classified as mature. The forests are eucalyptus plantations used for sanitary barriers and when they reach maturity, the wood is used in the production process.

The Company and its subsidiaries determined that the cost approach is the most appropriate method to valuate at fair value its biological assets due their short period of life, as well the amount that would be received in a sale on an active market based on the cost to produce an asset in the same level of maturity in its life cycle. For assets kept for production the cost is reduced over time, considering the reduction already recognized during its life cycle. Regarding the forests, the Company used discounted cash flows methodology since there is no active market. The main assumptions used in the fair value calculation were the age of the harvest, weighted average sale price at market value and a discount rate of 8.8% per year.

Chicken and eggs:

Current (consumable) - are broiler chickens that will be slaughtered upon maturity. Broiler chickens remain in development for a period of 30 to 48 days to produce fresh meat and/or commercialized products.

Non-current (bearer assets) - are breeder chickens that are set aside for breeding and have an estimated useful life of 68 weeks (476 days). The animals in this category are segregated between mature, when they are in the breeding stage and immature when they are under development. The costs associated to breeder chickens are accumulated up to the production stage (immature) and amortized over their productive lives based on an estimate of their capacity to produce eggs (mature). Amortization of the mature hen is included under the caption "Cost of sales" in the statement of income.

Cattle:

Current (consumable) - are owned cattle in feedlots and grass-fed cattle which remains under development for 90 to 120 days.

Non-current (bearer assets) - are breeder bulls that are set aside for breeding and have an estimated useful life of 5 years (1,825 days). The costs associated to breeder bulls are accumulated up to the production stage (immature) and amortized over their productive lives based on an estimate of their capacity to produce new assets (mature). Amortization of the mature hen is included under the caption "Cost of sales" in the statement of income.

Hogs:

Current (consumable) - are hogs that will be slaughtered upon maturity. Hogs remain in development for a period of 170 to 175 days to produce fresh meat and/or industrialized products.

Non-current (bearer assets) - Refers to hogs that are set aside for breeding which have an estimated useful life of 27 months (810 days). The costs associated with breeder hogs are accumulated up to the production stage and amortized over their productive lives based on an estimate of their capacity to produce new assets (hogs). Amortization of breeder hogs is included under the caption "Cost of sales" in the statement of income.

The fair value measurement of biological assets are categorized as ‘Level 2’ within the fair value hierarchy. Refer to Note 31 for information on fair value hierarchy.

Forests:

Non-current - Refers to eucalyptus forests.

	Consolidated			
Current biological assets (consumable):	**December 31, 2020**		**December 31, 2019**	
	Amount	**Quantity (thousands)**	**Amount**	**Quantity (thousands)**
Chicken and eggs	**2,590,938**	**550,430**	1,900,770	554,567
Hogs	**2,200,435**	**7,391**	1,795,802	5,510
Cattle	**324,347**	**72**	209,432	64
Total current	**5,115,720**	**557,893**	**3,906,004**	**560,141**

	Consolidated			
Non-current biological assets (bearer assets):	**December 31, 2020**		**December 31, 2019**	
	Amount	**Quantity (thousands)**	**Amount**	**Quantity (thousands)**
Mature chickens (breeding stage), net of amortization	**694,300**	**22,482**	544,688	20,883
Immature chickens (in development)	**687,019**	**17,709**	538,606	18,145
Hogs	**381,688**	**521**	286,309	499
Cattle	**4,838**	–	2,656	–
Forests	**10,720**	**(*)**	10,300	(*)
Total non-current	**1,778,565**	**40,712**	**1,382,559**	**39,527**
Total of biological assets:	**6,894,285**	**598,605**	**5,288,563**	**599,668**

(*) 2,187 acres at December 31, 2020 (2,373 acres at December 31, 2019).

(Expressed in thousands of Brazilian reais)

	Consolidated	
Changes in biological assets:	**Current**	**Non-current**
Balance at December 31, 2019	**3,906,004**	**1,382,559**
Increase by reproduction (born) and cost to reach maturity	38,600,959	2,407,343
Reduction for slaughter, sale or consumption	(40,029,277)	(237,973)
Increase by purchase	1,398,551	866,676
Decrease by death	(192,359)	(46,109)
Fair value adjustments	(158,955)	952
Changes from current to non-current	900,139	(900,139)
Exchange rate variation	690,658	309,748
Amortization	—	(2,004,492)
Balance at December 31, 2020	**5,115,720**	**1,778,565**

	Consolidated	
Changes in biological assets:	**Current**	**Non-current**
Balance at December 31, 2018	**3,190,953**	**1,168,454**
Acquired in business combination	196,604	67,189
Increase by reproduction (born) and cost to reach maturity	29,191,465	1,918,700
Reduction for slaughter, sale or consumption	(30,511,742)	(159,229)
Increase by purchase	695,475	647,818
Decrease by death	(55,969)	(26,334)
Transfer of wood to inventories	—	(219)
Fair value adjustments	288,912	3,002
Changes from non-current to current	797,145	(797,145)
Exchange rate variation	113,161	41,090
Amortization	—	(1,480,767)
Balance at December 31, 2019	**3,906,004**	**1,382,559**

9 Recoverable taxes

	Company		Consolidated	
	December 31, 2020	**December 31, 2019**	**December 31, 2020**	**December 31, 2019**
Value-added tax on sales and services - ICMS	**1,371,291**	1,198,703	**3,524,264**	2,933,404
Social contribution on billings - PIS and COFINS	**1,909,867**	1,623,780	**2,906,283**	2,307,600
Withholding income tax - IRRF/IRPJ	**3,421,832**	2,807,198	**4,507,261**	3,761,577
Excise tax - IPI	**154,151**	77,389	**299,751**	240,625
Reintegra	**30,372**	30,911	**48,061**	60,929
Other	**16,087**	16,891	**110,773**	48,497
	6,903,600	**5,754,872**	**11,396,393**	**9,352,632**
Current	**1,059,635**	933,085	**2,849,898**	2,351,152
Non-current	**5,843,965**	4,821,787	**8,546,495**	7,001,480
	6,903,600	**5,754,872**	**11,396,393**	**9,352,632**

Value-added tax on sales and services - ICMS: Refers to excess credits derived from purchases of raw materials, packaging and other materials over tax charges due on domestic sales, since exports are not subject to it. Since these credits do not expire, the Company expects to recover the total amount of the tax credit, including Brazilian ICMS credits from other states (based on the difference between the statutory rate of tax and the effective rate for ICMS collection in the state of origin) either through the use of the credits to offset tax charges on domestic sales or the credits can be used to pay purchases of fixed assets, packaging, electricity, and other vendors. .

Social contribution on billings - PIS and COFINS: Refers to Brazilian federal value added taxes (non-cumulative PIS and COFINS credits) arising from purchases of raw materials, packaging and other materials used in products sold in markets outside of Brazil. Such credits do not expire and can be offset against other federal taxes, such as income taxes, or in cash, administrative or judicial. Through Law 13.670, the Company started to offset the PIS and COFINS credits generated, starting in August 2018 with social security debts.

In March 2017, the Federal Supreme Court (STF) decided that the inclusion of ICMS (tax on the circulation of goods and services) was unconstitutional in the calculation basis of PIS (social integration program) and COFINS (Contribution to the financing of social security). The Company and its subsidiaries had filed a lawsuit requesting the reimbursement of this matter, and in 2020, the Company had several successful lawsuits.

Based on these decisions, in December 31, 2020, the Company and its subsidiaries elaborated an assessment of these credits and calculated the amounts for reimbursement, resulting in an amount of R$324,586 in the Company and R$785,719 in the Consolidated recognized under "Recoverable taxes - PIS and COFINS " in non-current assets, of which a principal in the amount of R$167,359 in the Company and R$446,103 in the Consolidated recognized under " Other income " and the interest and monetary correction in the amount of R$157,227 in the Company and R$339,616 in the Consolidated recorded in "Financial income".

Also, at December 31, 2020 the Company recognized R$96,309 related to SELIC on the tax credits approved from lawsuit which has already became final. The gain was recognized under "Financial income".

(Expressed in thousands of Brazilian reais)

Withholding income tax - IRRF/IRPJ: Refers mainly to income tax paid from foreign subsidiaries, Brazilian withholding income tax levied on short-term investments and income tax and social contribution prepayments paid by estimate. In the Consolidated, R$3,392,827 relates to income taxes prepayment in foreign jurisdictions, which do not expire.

Excise tax – IPI: Refers to value added taxes incurred upon the production of foreign and domestic goods in Brazil. The rates may differ according to the type of product, volume or selling price. These credits do not expire and can be used to pay other federal taxes or reimbursed in cash.

At December 31, 2020 the Company recognized R$79,128 related to SELIC on the tax credits approved from lawsuit which has already became final. The gain was recognized under "Financial income".

Reintegration of the Special Tax Values - Reintegra: Refers to tax incentives for exports which can be reimbursed fully or partially. Tax credit amounts are calculated by multiplying the statutory rate by gross revenue from the export of certain commercial products. These credits do not expire and can be offset against other federal taxes, such as income taxes, or in cash.

10 Related parties transactions

The main balances of assets and liabilities, as well as the transactions resulting in income (loss) for any period, that relate to transactions between related parties or arose from transactions at prices and conditions established between the related parties. Transference of costs includes borrowing costs, interest and management fee, when applicable. The following table includes balances and net effect on income of intercompany financing transactions between the Company and its subsidiaries:

	December 31, 2020	December 31, 2019
Related party receivables	**1,872,127**	715,527
Related party payables	**(17,074,822)**	(17,641,379)
	(15,202,695)	**(16,925,852)**

COMPANY	Currency	Costs transfer (administrative and funding)	Statement of financial position accounts December 31, 2020	December 31, 2019	Effect on net income 2020	2019
Direct subsidiaries						
JBS Confinamento Ltda.	R$	CDI + 4% p.y.	**73,708**	66,819	**5,127**	7,177
Brazservice Ltda.	R$	CDI + 4% p.y.	**16,922**	137,433	**7,670**	18,939
JBS Investments Lux S.à.r.l.	US$	–	**14,926**	6,531	–	–
Enersea Ltda.	R$	CDI + 4% p.y.	**1,005**	982	**(71)**	(86)
JBS Embalagens Metálicas Ltda	R$	CDI + 4% p.y.	**7**	193,202	**10,032**	24,736
JBS Leather International N.V.	US$	–	–	28,488	–	490
Conceria Priante S.p.a	EUR	–	–	–	–	6,457
JBS Mendoza	US$	–	–	(15)	–	–
JBS Investments II GMBH (1)	US$	5,75% to 7,3% p.y.	**(17,074,822)**	(11,887,339)	**(767,978)**	(363,191)
Indirect subsidiaries						
Seara Alimentos Ltda. (2)	R$	CDI + 4% p.y.	**1,384,241**	(2,764,846)	**(250,009)**	(253,929)
JBS Leather Paraguay Srl (3)	GUA	7,00% p.y.	**9,417**	6,894	**486**	196
JBS USA Holding Lux S.à.r.l (4)	US$	5,11% p.y.	–	(2,989,179)	**(106,401)**	(220,364)
JBS Vianden S.à.r.l (4)	US$	2% to 5,1% p.y.	–	–	**(51,090)**	–
JBS Leather Asia Limited	US$	–	–	–	–	8,648
Zendaleather S.A. de C.V.	US$	–	–	–	–	3,122
JBS Leather Uruguay S.A.	US$	–	–	–	–	356
Gideny S.A.	US$	–	–	–	–	119
Other related parties						
J&F Oklahoma Holdings, Inc. (5)	US$	3,4% p.y.	**371,901**	275,178	**17,034**	–
			(15,202,695)	**(16,925,852)**	**(1,135,200)**	**(767,330)**

Credit with related parties - Consolidated

	December 31, 2020	December 31, 2019
J&F Oklahoma Holdings Inc (5)	**371,901**	275,178
JBS Foods Canada (6)	**10,118**	–
	382,019	**275,178**

The transactions above refer to working capital funding. Settlement in the future shall be through a capital contribution, reduction and/or dividends distribution, except for the transactions following below:

(1) During the years ended at 2018 and 2019, the Company received funds from the direct subsidiary JBS Investments II GmbH, raised from senior notes in the amount of US$1,750 billion (R$9,094 billions at December 31, 2020) and funds from JBS USA Holding Lux of US$1.520 billion (R$7.899 billions at December 31, 2020).

(2) In August 2020, the Company transferred its direct participation in the subsidiary Seara Alimentos, as described in the footnote 12 - Investments in subsidiaries, associate and joint venture.

(Expressed in thousands of Brazilian reais)

(3) In August 2020, the intercompany loan currency changed from American dollars to guaranis.

(4) In December 2020, the Company transferred the intercompany loans with JBS USA and JBS Vianden to JBS Investments Lux, through capital increase.

(5) In December 2019, the Company undertook the credits previously held by its indirect subsidiary Moyer Distribution with J&F Oklahoma arising from a credit line granted due to the cattle purchase operation in the USA.

(6) Refers to the intercompany loan with the associate JBS Ontario, as described in footnote 12 - Investments in subsidiaries, associate and joint venture.

The disclosure of significant related parties commercial transactions is in accordance with the criteria established by the Management of presenting individually transaction balances equal or higher than 2% of the total of these transactions (sale of products, purchases, accounts receivable and accounts payable). Additionally, transactions which are below the described criteria will be disclosed if relevant. This analysis is performed for each related party. If any related party has not meet this criteria in the past and in the current period they do, the comparative balance will be disclosed.

Additional information among the transactions between related parties are pointed such as the purchase of cattle for slaughter between JBS and the related party JBJ Agropecuária and JBS Confinamento, the purchase of electricity from the subsidiary Enersea, the purchase and sale of supplies for the industrialization of products with Seara Alimentos, the sale of finished products to "trading companies" JBS Toledo, JBS Global UK, Sampco, Swift & Company Trade Group and other JBS USA subsidiaries, sale of raw material for beef jerky production to Meat Snacks Partners, sale of bovine tallow and industrialization services to Flora and sale of leather in several stages to Brazservice, Conceria Priante and JBS Leather Asia. Such transactions are made at regular price and market conditions in their region because it takes the market prices applied with third parties clients.

	Accounts receivable		Accounts payable		Purchases/Services rendered		Sale of products/Services provided	
COMPANY	**December 31, 2020**	**December 31, 2019**	**December 31, 2020**	**December 31, 2019**	**2020**	**2019**	**2020**	**2019**
Direct subsidiaries								
JBS Confinamento	**1,745**	976	**59,860**	41,779	**864,254**	347,324	**14,817**	7,821
Brazservice	**12,813**	5,947	**8,320**	1,401	**36,349**	27,571	**117,229**	99,822
Conceria Priante	**14,087**	1,959	–	–	–	–	**22,554**	89,356
Enersea	–	–	**13**	–	**135,042**	135,427	**93,598**	89,091
Toledo	**22,795**	38,442	–	–	**8**	40	**353,648**	269,437
Indirect subsidiaries								
Seara Alimentos	**140,489**	21,184	**45,120**	54,611	**248,352**	111,321	**1,226,893**	624,321
JBS Global UK	**66,821**	52,377	–	–	–	–	**291,107**	234,637
JBS Aves	**3,130**	1,385	**20,665**	21,049	**4,558**	4,127	**18,133**	16,333
Weddel	**5,710**	11,253	–	–	–	–	**60,137**	31,171
Sampco	**77,526**	92,168	–	–	–	–	**745,783**	534,857
Meat Snacks Partners	**23,752**	2,174	**16**	–	**236**	111	**499,325**	253,862
JBS Leather Asia	**10,255**	26,424	–	–	–	16	**163,211**	80,802
JBS USA	**19,517**	29	–	–	**1,327**	17,487	**113,605**	30
Seara Comércio de Alimentos	**640**	25	**1,344**	4,213	**17,327**	69,676	**6,877**	6,243
Swift & Company Trade Group	**1,187**	3,408	–	–	–	2,799	**119,893**	91,311
Other related parties								
JBJ Agropecuária	**1,455**	999	**13,851**	–	**517,908**	485,693	**13,120**	11,335
Flora Produtos	**26,723**	12,774	–	3	**371**	48	**226,483**	133,910
Eldorado Celulose	**983**	809	**10**	–	**137**	54	**15,530**	18,761
Banco Original	–	17	–	–	–	–	**65**	256
	429,628	**272,350**	**149,199**	**123,056**	**1,825,869**	**1,201,694**	**4,102,008**	**2,593,356**

Other financial transactions in the Company

The Company and a few of its subsidiaries entered into an agreement in which Banco Original (related party) acquires trade accounts receivables held against certain of the Company's customers in the domestic and foreign markets. The assignments are done at market value through a permanent transfer to Banco Original of the risks and benefits of all trade accounts receivable. At December 31, 2020 and December 31, 2019, the unpaid balance of transferred receivables was R$524,088 and R$594,424 in the Company, and R$1,498,079 and R$1,500,494 in the Consolidated, respectively. During the years ended December 31, 2020 and 2019, JBS incurred financial costs related to this operation in the amount of R$57,530 and R$82,756 in the Company, and R$114,667 and R$147,518 in the Consolidated, respectively, recognized in the consolidated financial statements under the caption "Financial expenses".

The Company has a livestock purchase agreement for future delivery with certain suppliers, including JBJ Agropecuária, as described in footnote 17 - Trade accounts payable. At December 31, 2020 and December 31, 2019, this balance of this transaction was R$100,559 and R$30,000.

At December 31, 2020 and December 31, 2019, the Company holds investments with Banco Original, in the amount of R$591,186 and R$93,760 in the Company and R$1,836,669 and R$323,262 in the Consolidated, recognized under the caption "Cash and cash equivalents", respectively. The cash investments, CDB and similar investments have similar earnings to CDI (Certificado de Depósito Interbancário). For the years ended December 31, 2020 and 2019, the Company earned interest from these investments in the amount of R$1,569 and R$3,212 in the Company, and R$4,209 and R$8,648 in the Consolidated, respectively, recognized in the consolidated financial statements under the caption "Financial income".

The Company is the sponsor of Instituto Germinare, a business school youth-directed, whose goal is to educate future leaders by offering free, high-quality education. During the years ended December 31, 2020 and 2019, the Company made donations in the amounts of R$23,073 and R$16,396, respectively, recognized in the financial statements under the caption "Administrative expenses".

No expense for doubtful accounts or bad debts relating to related-party transactions were recorded during the years ended December 31, 2020 and 2019.

(Expressed in thousands of Brazilian reais)

Remuneration of key management

The Company's key management is comprised of its Executive Officers. The aggregate amount of compensation received by the Company's key management during the years ended December 31, 2020 and 2019 is the following:

	2020	2019
Salaries and wages	**28,654**	23,621
Variable cash compensation	**44,500**	27,500
	73,154	51,121

The Chief Executive Officer, the Administrative and Control Officer, the Chief Financial Officer and the Executive Officers are parties to the Brazilian employment contract regime referred to as CLT (which is the Consolidation of Labor Laws), which follows all the legal prerogatives of payments and benefits.

Except for those described above, the Board of Directors members are not part to any employment contract or any other contracts for additional business benefits such as post-employment benefits or other long-term benefits, termination of work that does not conform to those requested by the CLT.

11 Income taxes

The Company and the subsidiaries located in Brazil are taxed based on their taxable income. The subsidiaries located outside of Brazil use methods established by the respective local jurisdictions. Income taxes have been calculated and recognized considering the applicable statutory tax rates in effect at the balance sheet date.

Current taxes

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

The current income tax charge is calculated on the basis of enacted or substantively enacted tax laws at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in which applicable tax regulation is subject to interpretation and recognizes an accrual, if needed to a probable tax payment of income tax.

Deferred taxes

Deferred income tax is recognized using the asset and liability method, for temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group which are annual subjected to the Company's Management and its subsidiaries, when applicable.

Deferred tax assets and liabilities are presented net in the statement of financial position when there is a legally enforceable right to offset current tax assets against liabilities and when they are related to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

In accordance to Law n° 12.973/14, the foreign subsidiaries' pre-tax book income, except for the foreign exchange, at the end of the fiscal year at the statutory rate of 34%. Income tax paid by a foreign subsidiary can be deducted up to the amount of tax payable in Brazil in relation to the foreign income.

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Deferred income taxes assets	—	—	**1,590,194**	1,506,129
Deferred income taxes liabilities	**(3,105,833)**	**(2,416,149)**	**(6,186,715)**	(4,093,599)
	(3,105,833)	**(2,416,149)**	**(4,596,521)**	**(2,587,470)**

a. Deferred income tax and social contribution

a1. Unrecognized tax benefit

The Company's unrecognized tax benefits as of December 31, 2020 and 2019 in the amount of R$1.892.331 and R$696,730, respectively. These net operating losses were generated primarily in Brazil and do not expire under Brazilian tax regulations. Deferred tax assets will be recognized to net operating losses in periods when the availability of future taxable profits are probable to realize the deferred tax asset.

(Expressed in thousands of Brazilian reais)

a2. Composition of deferred tax income and social contribution

	Company		
	December 31, 2019	Income statement	December 31, 2020
Tax losses and negative basis of social contribution	35,643	(35,643)	—
Allowance for doubtful accounts	72,761	9,809	**82,570**
Provisions	164,253	13,390	**177,643**
Present value adjustment - Trade accounts receivable	2,106	726	**2,832**
Share-based payment	6,708	(5,394)	**1,314**
Right of use asset	2,925	(1,674)	**1,251**
Other temporary differences assets	113,901	(32,919)	**80,982**
Goodwill amortization	(2,552,929)	(643,321)	**(3,196,250)**
Present value adjustment - Trade accounts payable	1,504	76	**1,580**
Realization of other reserves/deemed cost	(266,234)	2,547	**(263,687)**
Other temporary differences liabilities	3,213	2,719	**5,932**
Deferred taxes, net	**(2,416,149)**	**(689,684)**	**(3,105,833)**

	Consolidated				
	December 31, 2019	Income statement	Exchange variation	Other adjustments (1)	December 31, 2020
Tax losses and negative basis of social contribution	1,851,565	(70,126)	89,269	5,332	**1,876,040**
Allowance for doubtful accounts	92,771	17,676	856	—	**111,303**
Provisions	451,491	51,497	—	—	**502,988**
Present value adjustment - Trade accounts receivable	11,255	18,260	—	—	**29,515**
Tax credits - Foreign subsidiaries	47,893	(11,159)	14,283	—	**51,017**
Biological assets - Foreign subsidiaries	43,333	3,935	12,552	—	**59,820**
Labor accidents accruals - Foreign subsidiaries	153,142	9,874	46,212	—	**209,228**
Pension plan - Foreign subsidiaries	109,666	33,839	32,382	—	**175,887**
Trade accounts payable accrual - Foreign subsidiaries	392,804	461,826	88,418	—	**943,048**
Share-based payment	6,708	(5,394)	—	—	**1,314**
Non-deductible interests - Foreign subsidiaries	508,645	(603,830)	97,687	—	**2,502**
Right of use asset	39,988	(9,130)	9,721	—	**40,579**
Other temporary differences assets	429,401	51,096	30,708	—	**511,205**
Goodwill amortization	(2,867,011)	(475,333)	(98,784)	(181,351)	**(3,622,479)**
Present value adjustment - Trade accounts payable	(13,292)	14,872	—	—	**1,580**
Business combination	(1,141,235)	199,498	(738,901)	(1,431)	**(1,682,069)**
Customer returns accruals - Foreign subsidiaries	(127,541)	(5,360)	(36,923)	—	**(169,824)**
Inventory valuation - Foreign subsidiaries	(241,102)	(211,390)	(52,071)	—	**(504,563)**
Realization of other reserves/deemed cost	(605,696)	(1,841)	—	—	**(607,537)**
Depreciation and Amortization	(1,514,227)	(575,177)	(79,676)	—	**(2,169,080)**
Other temporary differences liabilities	(216,028)	(115,838)	(56,061)	30,932	**(356,995)**
Deferred taxes, net	**(2,587,470)**	**(1,222,205)**	**(640,328)**	**(146,518)**	**(4,596,521)**

(1) Variances in the deferred taxes accounts which do not impact directly profit and loss accounts are demonstrated in a specific column in the foootnotes. Such variances refer to business combinations made by the Company and its subsidiaries.

	Company		
	December 31, 2018	Income statement	December 31, 2019
Tax losses and negative basis of social contribution	—	35,643	**35,643**
Allowance for doubtful accounts	72,889	(128)	**72,761**
Provisions	204,520	(40,267)	**164,253**
Present value adjustment - Trade accounts receivable	1,057	1,049	**2,106**
Share-based payment	9,604	(2,896)	**6,708**
Right of use asset	—	2,925	**2,925**
Other temporary differences assets	50,328	63,573	**113,901**
Goodwill amortization	(1,909,608)	(643,321)	**(2,552,929)**
Present value adjustment - Trade accounts payable	(3,550)	5,054	**1,504**
Realization of other reserves / deemed cost	(270,186)	3,952	**(266,234)**
Other temporary differences liabilities	(8,233)	11,446	**3,213**
Deferred taxes, net	**(1,853,179)**	**(562,970)**	**(2,416,149)**

(Expressed in thousands of Brazilian reais)

	Consolidated				
	December 31, 2018	Income statement	Exchange variation	Other adjustments	December 31, 2019
Tax losses and negative basis of social contribution	1,561,728	470,593	14,090	(194,846)	**1,851,565**
Allowance for doubtful accounts	83,259	9,156	42	314	**92,771**
Provisions	393,125	56,776	—	1,590	**451,491**
Present value adjustment - Trade accounts receivable	4,183	6,704	—	368	**11,255**
Tax credits - Foreign subsidiaries	48,816	(2,919)	1,996	—	**47,893**
Biological assets - Foreign subsidiaries	—	44,264	(931)	—	**43,333**
Labor accidents accruals - Foreign subsidiaries	128,712	19,073	5,357	—	**153,142**
Pension plan - Foreign subsidiaries	100,878	4,963	3,825	—	**109,666**
Accounts payable accrual - Foreign subsidiaries	384,631	(6,810)	14,983	—	**392,804**
Share-based payment	9,604	(2,896)	—	—	**6,708**
Non-deductible taxes - US tax reform	317,037	171,229	20,379	—	**508,645**
Right of use asset	—	40,548	(560)	—	**39,988**
Other temporary differences assets	378,529	41,756	7,714	1,401	**429,400**
Goodwill amortization	(2,170,643)	(704,486)	8,118	—	**(2,867,011)**
Present value adjustment - Trade accounts payable	(12,560)	(732)	—	—	**(13,292)**
Business combination	(1,246,209)	333,376	(147,797)	(80,605)	**(1,141,235)**
Customer returns accruals - Foreign subsidiaries	(116,104)	(6,488)	(4,949)	—	**(127,541)**
Inventory valuation - Foreign subsidiaries	(209,390)	(27,134)	(4,578)	—	**(241,102)**
Realization of other reserves / deemed cost	(651,297)	46,752	—	(1,151)	**(605,696)**
Depreciation/ Amortization	(1,139,428)	(429,706)	63,155	(8,248)	**(1,514,227)**
Other temporary differences liabilities	(188,965)	13,038	(22,018)	(18,082)	**(216,027)**
Deferred taxes, net	**(2,324,094)**	**77,057**	**(41,174)**	**(299,259)**	**(2,587,470)**

Government subventions

The Company and its subsidiaries recognizes investments grants given by State governments which are mainly presumed and/or granted ICMS (Value-added tax on sales and services) credits which are granted as a encouragement to implement or expand economic enterprises. In other jurisdictions, the Company recognizes investments grants of energy and training. When the income tax expense reduces and reflects the deductibility of these incentives, all conditions related to the government grants were in compliance in the year ended December 31, 2020.

b. Reconciliation of income tax and social contribution expense:

	Company		Consolidated	
	2020	2019	2020	2019
Profit before income taxes (PBT)	**4,670,945**	**5,687,558**	**8,264,192**	**7,497,800**
Nominal rate	**(34)%**	**(34)%**	**(34)%**	**(34)%**
Expected tax expense	**(1,588,121)**	(1,933,770)	**(2,809,825)**	(2,549,252)
Adjustments to reconcile taxable income:				
Earnings and losses due to equity method	**2,466,004**	2,746,008	**18,183**	11,616
Prior years loss carryfowards	—	—	—	95,827
Investments grants	**325,716**	907,034	**580,248**	1,427,505
Difference on tax rates under taxable income from foreign subsidiaries	—	—	**1,554,834**	938,489
Net income arising from foreign subsidiaries [(1)]	**(1,119,237)**	(1,392,206)	**(1,119,237)**	(1,392,206)
Transfer pricing adjustment	**(16,090)**	(22,131)	**(16,799)**	(24,278)
Unrecognized tax benefits	**(1,823)**	—	**(2,187,509)**	(607,559)
Non-taxable interest - Foreign subsidiaries	—	—	**543,475**	462,749
Taxation of dual jurisdiction subsidiaries - Foreign subsidiaries	—	—	**41,156**	401,228
Deferred tax realization arising from surplus value	—	—	**(2,705)**	123,655
Administrative fines and penalties	**(51,526)**	—	**(199,944)**	—
"Fazer o Bem Faz Bem" program	**(91,292)**	—	**(91,292)**	—
Decarbonization credits	**4,454**	—	**4,454**	—
Other permanent differences	**(719)**	75,875	**75,718**	79,280
Current and deferred income tax (expense) benefit	**(72,634)**	**380,810**	**(3,609,243)**	**(1,032,946)**
Current income tax	**617,050**	943,780	**(2,387,038)**	(1,110,003)
Deferred income tax	**(689,684)**	(562,970)	**(1,222,205)**	77,057
	(72,634)	**380,810**	**(3,609,243)**	**(1,032,946)**
% IT/PBT	**(1.56)%**	**6.70%**	**(43.67)%**	**(13.78)%**

(Expressed in thousands of Brazilian reais)

	Company		Consolidated	
	2020	2019	2020	2019
Adjustments to reconcile taxable income [(2)]				
Current and deferred income tax (expense) benefit	**(72,634)**	**380,810**	**(3,609,243)**	**(1,032,946)**
Goodwill amortization - Deferred	**643,321**	643,321	**475,333**	643,321
Prior years loss carryfowards - deferred	**35,643**	(35,643)	**70,126**	(470,593)
Unrecognized tax benefits	**1,823**	–	**2,187,509**	607,559
Deferred tax from prior years	–	–	–	(95,827)
Realization of deferred tax from surplus value - Incorporations	–	–	**2,705**	(123,655)
Administrative fines and penalties	**51,526**	–	**199,944**	–
"Fazer o Bem Faz Bem" program	**91,292**	–	**91,292**	–
Income tax on realization of other reserves	**(2,547)**	(3,952)	**1,841**	(46,752)
Current and deferred income tax (expense) benefit - ADJUSTED	**748,424**	**984,536**	**(580,493)**	**(518,893)**
Effective income tax rate	**16.02 %**	**17.31 %**	**(7.02)%**	**(6.92)%**

(1) The impacts from IFRIC 23 are classified under the caption "Net income arising from foreign subsidiaries".

(2) The Company believes that due to the origin and non-recurrence of specific events certain items should be excluded from the effective tax rate disclosure such as: i) deferred tax effects on goodwill amortization; ii) recognition of deferred tax from current year; iii) unrecognized tax benefits; iv) withholding income tax arising from foreign subsidiaries; v) deferred taxes realization in incorporations; vi) income tax on realization of the other reserves (since it is not relate to the net operating income); vii) penalties related to the agreements both the Company and its indirect subsidiary PPC entered with the SEC and the DOJ, respectively, in the United States; and viii) Donations on behalf of the program "Fazer o Bem Faz Bem".

12 Investments in subsidiaries, associate and joint venture

Relevant information for investments in the year ended December 31, 2020:

	Participation	Total assets	Share capital	Equity + Goodwill	Net revenue	Net income (loss)
i. In subsidiaries:						
JBS Embalagens Metálicas	99.95%	85,409	203,243	79,603	–	(10,232)
JBS Confinamento	100%	618,624	343,999	110,619	901,454	(8,677)
Conceria Priante	100%	218,723	17,858	155,857	124,182	(15,679)
JBS Global Luxembourg [(*)]	100%	–	–	–	155,683,740	8,560,807
JBS Leather International	100%	743,095	106,956	715,521	540,693	(33,222)
Brazservice	100%	98,968	173,010	48,281	139,961	(11,123)
Seara Alimentos	100%	–	–	–	12,622,181	(4,458,554)
Rigamonti	100%	–	–	–	331,352	(20,354)
Enersea	100%	855	1,275	(354)	391,316	218
JBS Mendoza	100%	–	50	–	–	(20)
Midup Participações	100%	–	–	–	–	(223)
JBS Asset Management	100%	103,030	111,878	103,030	7,031	(8,317)
JBS Investments II	100%	17,159,938	223	17,218,374	–	148,679
JBS Investments Luxembourg	100%	148,324,946	182	18,897,423	63,825,039	3,053,238
Swift Foods	100%	476	263	401	–	(638)
JBS Toledo	100%	207,272	22,703	202,721	94,419	3,895
JBS Chile	100%	33,938	33	13,265	47,576	2,935
ii. In joint ventures:						
Meat Snack Partners	50%	344,453	23,762	227,502	881,638	100,236

(*) In December 2020, the indirect subsidiary JBS Global Luxembourg was transferred to JBS Investments Luxembourg, through capital contribution.

(Expressed in thousands of Brazilian reais)

Changes in the Company's investments:

				Equity		
	December 31, 2019	Addition (disposal)	Exchange rate variation	Changes in the equity of investees	Proportionate share of income (loss)	December 31, 2020
JBS Embalagens Metálicas (1)	(112,272)	203,241	–	(1,275)	(10,130)	**79,564**
JBS Confinamento (1) (2)	526,691	(407,395)	–	–	(8,677)	**110,619**
Conceria Priante	122,450	–	49,086	–	(15,679)	**155,857**
JBS Global Luxembourg (3) (9)	24,442,655	(37,164,883)	5,652,233	(1,490,812)	8,560,807	–
JBS Leather International (1)	(165,443)	935,726	(17,214)	(4,326)	(33,222)	**715,521**
Brazservice (1)	(90,543)	149,947	–	–	(11,123)	**48,281**
Seara Alimentos (3)	3,987,977	(430,822)	–	901,399	(4,458,554)	–
Meat Snack Partners (5)	93,633	(30,000)	–	–	50,118	**113,751**
Rigamonti (3)	174,238	(224,365)	70,481	–	(20,354)	–
Enersea	(572)	–	–	–	218	**(354)**
JBS Mendoza (6)	18	–	2	–	(20)	–
Midup Participações (7)	17,298	(17,075)	–	–	(223)	–
JBS Asset Management	86,461	–	24,886	–	(8,317)	**103,030**
JBS Investments II GmbH (4)	3,780	16,621,772	554,050	(109,907)	148,679	**17,218,374**
JBS Investments Luxembourg (4)	(35,593)	12,825,407	141,803	2,912,568	3,053,238	**18,897,423**
Swift Foods (8)	249	654	140	(4)	(638)	**401**
JBS Toledo (9)	–	186,233	12,593	–	3,895	**202,721**
JBS Chile (9)	–	9,000	1,330	–	2,935	**13,265**
Subtotal	**29,051,027**	**(7,342,560)**	**6,489,390**	**2,207,643**	**7,252,953**	**37,658,453**
Accrual for loss on investments (*)	404,423					**354**
Total	**29,455,450**					**37,658,807**

(*) Transfer of the negative investments for other current liabilities.

(1) The Company increased share capital in the direct subsidiaries JBS Embalagens Metálicas, JBS Confinamento, Brazservice and JBS Leather International through intercompany loan agreements settlement.
(2) The Company reduced share capital in the direct subsidiary JBS Confinamento through property, plant and equipment transference.
(3) In August 2020, the Company transferred its direct participation in the subsidiaries Rigamonti and Seara Alimentos through share capital increase in the subsidiary JBS Global Luxembourg ("JBS Global Lux"), now detaining indirect participation in those subsidiaries. Also, the indirect subsidiary JBS USA Holding Lux sold its direct participation in JBS Vianden to JBS Global Lux. After the restructure, the intercompany loans between JBS Global Lux and Vianden ("Luxembourg") with Seara will be capitalized in Seara. The exchange rate variation arising from these intercompany loans between related parties was recognized under other comprehensive income in equity once they are an extension of the investment of these entities in Seara.
(4) In December 2020, the Company transferred its direct participation in the subsidiary JBS Global Lux and its intercompany debts to the subsidiary JBS Investments Luxembourg ("JBS Investments Lux"), through investment contribution. In addition, the Company contributed capital reserve in the direct subsidiary JBS Investments II, by transferring its debts to the subsidiary JBS Investments Lux. After the aforementioned restructuring, the amounts receivable from JBS Investments II against the Company will be converted into capital of JBS Investments II. The exchange rate variation arising from these intercompany loans between related parties was recognized under other comprehensive income in equity once they are an extension of the investment of this entity.
(5) The Company's indirect subsidiary Meat Snack Partners distributed dividends to the Company.
(6) The Company's direct subsidiary JBS Mendoza is in liquidation process.
(7) The direct subsidiary Midup was incorporated in the Company.
(8) The Company increased share capital in cash in the subsidiary.
(9) In December 2020, the indirect subsidiary JBS Global Lux transferred its direct participation in the subsidiaries JBS Toledo and JBS Chile to the Company, trough dividends distribution.

Changes in the Consolidated's investments:

				Equity		
	December 31, 2019	Addition	Dividends distribution	Changes in the equity of investees	Proportionate share of income	December 31, 2020
Meat Snack Partners	93,633	–	(30,000)	–	50,118	**113,751**
JBS Ontario (10)	–	58,725	–	(4,741)	3,361	**57,345**
Total	**93,633**	**58,725**	**(30,000)**	**(4,741)**	**53,479**	**171,096**

(10) In May 11, 2020, the Company's indirect subsidiary JBS Foods Canada ULC, acquired 100% of the equity of Vantage Foods, Inc. (after acquisition was named “JBS Ontario”), by the amount paid in cash of approximately US$10,413 million (R$60,341 at the transaction date). JBS Ontario was recognized as an associate because it does not meet the control requirements due to an operating agreement with a third party that provides the third party with substantively all decision making rights and exposure to variability in returns

Relevant information for investments in the year ended December 31, 2019:

(Expressed in thousands of Brazilian reais)

	Participation	Total assets	Share capital	Equity + Goodwill	Net revenue	Net income (loss)
i. In subsidiaries:						
JBS Embalagens Metálicas	99%	85,306	2	(113,406)	–	(30,379)
JBS Confinamento	100%	842,021	751,388	526,691	405,826	(25,542)
Conceria Priante	100%	152,674	12,685	122,450	190,256	(19,629)
JBS Global Luxembourg	100%	85,748,402	4,459,713	24,442,655	153,546,779	7,838,272
JBS Leather International	100%	603,522	82,958	(165,443)	643,518	(147,041)
Brazservice	100%	72,233	23,063	(90,543)	143,923	(18,473)
Seara Alimentos	100%	26,160,836	4,259,089	3,987,977	20,360,899	441,028
Rigamonti	100%	388,136	10,331	174,238	549,664	9,131
Enersea	100%	957	1,275	(572)	361,742	(91)
JBS Mendoza	100%	19	54	18	–	(461)
Midup Participações	100%	17,298	18,969	17,298	–	(668)
JBS Asset Management	100%	86,461	86,776	86,461	6,987	(1,184)
JBS Investments II	100%	11,897,819	159	3,780	–	4,386
JBS Investments Luxembourg	100%	141	141	(35,593)	–	(36,501)
Violet Holdings	100%	249	249	249	–	–
ii. In joint ventures:						
Meat Snack Partners	50.00%	265,332	23,762	187,266	614,324	68,332

Changes in the investments:

	December 31, 2018	Addition (disposal)	Exchange rate variation	Equity: Changes in the equity of investees	Equity: Proportionate share of income (loss)	December 31, 2019
JBS Embalagens Metálicas	(82,197)	–	–	–	(30,075)	**(112,272)**
JBS Confinamento	512,233	40,000	–	–	(25,542)	**526,691**
Conceria Priante	10,026	135,598	(3,545)	–	(19,629)	**122,450**
JBS Holding GmbH	695,580	(695,611)	(29,144)	–	29,175	–
JBS Global Luxembourg	19,716,731	(4,362,188)	1,078,923	170,916	7,838,273	**24,442,655**
JBS Leather International	(354,264)	359,208	(12,129)	(11,217)	(147,041)	**(165,443)**
Brazservice	(72,070)	–	–	–	(18,473)	**(90,543)**
Seara Alimentos	3,728,133	–	–	(181,184)	441,028	**3,987,977**
Meat Snack Partners	84,967	(25,500)	–	–	34,166	**93,633**
Rigamonti	139,236	22,342	3,529	–	9,131	**174,238**
Enersea	(481)	–	–	–	(91)	**(572)**
JBS Mendoza	758	–	(279)	–	(461)	**18**
Midup Participações	17,966	–	–	–	(668)	**17,298**
JBS Milestone	11	(11)	–	–	–	–
JBS Asset Management	84,170	–	3,475	–	(1,184)	**86,461**
JBS Investments II GmbH	114	–	(720)	–	4,386	**3,780**
JBS Investments Luxembourg	–	145	763	–	(36,501)	**(35,593)**
Violet Holdings	–	247	2	–	–	**249**
Subtotal	**24,480,913**	**(4,525,770)**	**1,040,875**	**(21,485)**	**8,076,494**	**29,051,027**
Accrual for loss on investments (*)	509,012					**404,423**
Total	**24,989,925**					**29,455,450**

Changes in the Consolidated's investments:

	December 31, 2018	Equity: Distribution of dividends	Equity: Proportionate share of income	December 31, 2019
Meat Snack Partners	84,967	(25,500)	34,166	**93,633**
Total	**84,967**	**(25,500)**	**34,166**	**93,633**

13 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and losses due to impairment. Historical cost includes expenditures that are directly attributable to the purchase price of the items and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these costs will flow to the Group and they can be measured reliably. The carrying amount of the replaced items or parts are deducted. All other repairs and maintenance are charged to the statement of income during the financial period in which they are incurred.

Depreciation is recognized using the straight-line method over the estimated useful lives of the assets, such that the value of cost less its residual value after the useful life is fully depreciated (except for land and construction in progress).

(Expressed in thousands of Brazilian reais)

The assets' residual values and useful lives are reviewed and adjusted, if needed, at the end of each reporting period.

When an asset's or CGU's (Cash Generating Unit) carrying amount is written down immediately to the recoverable amount when it is higher than its estimated recoverable amount. The recoverable amount is the higher amount of the estimate of the assets' net selling price and value in use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within the statement of income.

The Company's construction in progress relates to investments for expansion, modernization and adaptation of plants for the purposes of increasing productivity and obtaining new certifications required by the market. When these assets are completed and placed in service, they are transferred to property, plant and equipment and depreciation commences.

				Net amount	
Company	**Useful life**	**Cost**	**Accumulated depreciation**	**December 31, 2020**	**December 31, 2019**
Buildings	**10 to 50 years**	5,094,628	(1,249,999)	**3,844,629**	3,456,813
Land	–	1,648,149	–	**1,648,149**	1,648,286
Machinery and equipment	**10 to 25 years**	6,773,249	(3,604,786)	**3,168,463**	3,421,953
Facilities	**10 to 20 years**	2,375,571	(873,514)	**1,502,057**	1,496,653
Computer equipment	**3 to 5 years**	285,505	(252,338)	**33,167**	43,417
Vehicles	**5 to 10 years**	607,573	(230,437)	**377,136**	369,842
Construction in progress	–	941,882	–	**941,882**	650,530
Others	**5 to 10 years**	167,765	(106,761)	**61,004**	63,565
		17,894,322	**(6,317,835)**	**11,576,487**	**11,151,059**

				Net amount	
Consolidated	**Useful life**	**Cost**	**Accumulated depreciation**	**December 31, 2020**	**December 31, 2019**
Buildings	**10 to 50 years**	25,512,424	(8,409,007)	**17,103,417**	13,636,835
Land	–	4,798,421	–	**4,798,421**	4,605,363
Machinery and equipment	**10 to 25 years**	37,182,595	(20,591,232)	**16,591,363**	13,281,113
Facilities	**10 to 20 years**	3,833,083	(1,504,005)	**2,329,078**	2,131,205
Computer equipment	**3 to 12 years**	1,537,943	(1,017,905)	**520,038**	360,956
Vehicles	**5 to 20 years**	1,202,194	(565,149)	**637,045**	559,199
Construction in progress	–	4,116,712	–	**4,116,712**	2,909,243
Others	**5 to 15 years**	2,127,100	(1,296,557)	**830,543**	615,904
		80,310,472	**(33,383,855)**	**46,926,617**	**38,099,818**

(Expressed in thousands of Brazilian reais)

Changes in property, plant and equipment:

Company	December 31, 2019 (*)	Additions net of transferences [(1)]	Incorporations [(2)]	Disposals [(3)]	Depreciation	December 31, 2020
Buildings	3,456,813	580,748	10,145	(94,546)	(108,531)	**3,844,629**
Land	1,648,286	1,388	3,706	(5,231)	–	**1,648,149**
Machinery and equipment	3,421,953	190,480	–	(115,835)	(328,135)	**3,168,463**
Facilities	1,496,653	124,402	3,224	(19,836)	(102,386)	**1,502,057**
Computer equipment	43,417	16,208	–	(9,444)	(17,014)	**33,167**
Vehicles	369,842	99,446	–	(30,354)	(61,798)	**377,136**
Construction in progress	650,530	291,352	–	–	–	**941,882**
Other	63,565	9,140	–	(4,378)	(7,323)	**61,004**
	11,151,059	**1,313,164**	**17,075**	**(279,624)**	**(625,187)**	**11,576,487**

Consolidated	December 31, 2019 (*)	Acquired in business combinations [(4)]	Additions net of transferences [(1)]	Business combination adjustments [(5)]	Disposals [(3)]	Depreciation	Exchange rate variation	December 31, 2020
Buildings	14,122,917	372,434	1,264,956	5,153	(62,635)	(918,246)	2,318,838	**17,103,417**
Land	4,119,281	89,677	97,108	7,114	(75,864)	–	561,105	**4,798,421**
Machinery and equipment	13,281,113	305,745	3,105,627	(850)	(113,488)	(2,401,956)	2,415,172	**16,591,363**
Facilities	2,131,205	20,731	345,505	(7,081)	(21,964)	(144,153)	4,835	**2,329,078**
Computer equipment	360,956	5,727	238,942	88	(863)	(188,625)	103,813	**520,038**
Vehicles	559,199	454	189,992	1,065	(42,317)	(132,455)	61,107	**637,045**
Construction in progress	2,909,243	–	710,456	–	–	–	497,013	**4,116,712**
Other	615,904	26,473	164,258	1,692	(5,579)	(130,426)	158,221	**830,543**
	38,099,818	**821,241**	**6,116,844**	**7,181**	**(322,710)**	**(3,915,861)**	**6,120,104**	**46,926,617**

[(*)] The Company reassessed its allocation between property, plant and equipment lines, and adjusted the initial balance of December 31, 2019.
[(1)] Additions for each category includes transfer from construction in progress during the period.
[(2)] The direct subsidiary Midup was incorporated in the Company.
[(3)] In the Company, the amount of R$195,842 refers to the Mercado do Carne ("MDC") transfer from the Company to Seara. This transference was eliminated in the Consolidated.
[(4)] Refers to FAMPAT/Plan Pro and Empire acquisitions during the second quarter of 2020 and the "Margarine" business during the fourth quarter of 2020.
[(5)] Refers to Frigorífico Marba Ltda. ("Marba"), acquired in December/2019, price allocation conclusion. There was a reduction in goodwill of R$16,590 and an increase in inventories, property, plant and equipment and intangible assets.

Company	December 31, 2018	Additions net of transferences	Disposals	Depreciation	December 31, 2019
Buildings	3,466,381	113,598	(10,379)	(112,787)	**3,456,813**
Land	1,642,442	11,226	(5,382)	–	**1,648,286**
Machinery and equipment	3,601,414	205,042	(18,871)	(365,632)	**3,421,953**
Facilities	1,495,526	108,771	(6,352)	(101,292)	**1,496,653**
Computer equipment	62,008	18,730	(1,912)	(35,409)	**43,417**
Vehicles	295,595	166,373	(17,826)	(74,300)	**369,842**
Construction in progress	558,871	91,659	–	–	**650,530**
Other	64,050	11,461	(398)	(11,548)	**63,565**
	11,186,287	**726,860**	**(61,120)**	**(700,968)**	**11,151,059**

Consolidated	December 31, 2018	Acquired in business combinations	Additions net of transferences	Disposals	Depreciation	Exchange rate variation	December 31, 2019
Buildings	13,171,853	616,767	894,158	(111,640)	(725,109)	276,888	**14,122,917**
Land	3,852,974	206,118	25,997	(31,635)	–	65,827	**4,119,281**
Machinery and equipment	11,986,962	705,029	2,376,278	(89,139)	(1,964,053)	266,036	**13,281,113**
Facilities	2,065,051	33,718	223,044	(16,246)	(175,738)	1,376	**2,131,205**
Computer equipment	343,659	1,938	164,989	(2,425)	(158,445)	11,240	**360,956**
Vehicles	479,931	1,213	216,973	(26,971)	(120,558)	8,611	**559,199**
Construction in progress	2,520,674	3,870	301,150	–	–	83,549	**2,909,243**
Other	688,075	23,285	63,152	(73,586)	(102,798)	17,776	**615,904**
	35,109,179	**1,591,938**	**4,265,741**	**(351,642)**	**(3,246,701)**	**731,303**	**38,099,818**

For the years ended December 31, 2020 and 2019, the amount of capitalized interest added to construction in progress and included in additions was R$40,660 and R$30,017 in the Company, respectively, and in the Consolidated was R$130,043 and R$101,227, respectively.

(Expressed in thousands of Brazilian reais)

Annually, the Company tests the recoverability of its assets that were identified as having an indicator of impairment using the concept of value in use through discounted cash flow models. In the Consolidated, at the year ended December 31, 2020, the Company's indirect subsidiary JBS USA recognized an impairment expense in the amount of US$4.4 millions (R$19,870 at the transaction date). In the Company and remaining subsidiaries, there were no indicates of impairment at the year ended December 31, 2020.

14 Leases

The Group recognizes a right of use asset and a lease liability at the lease's agreement start date. The right of use asset is initially measured at cost and subsequently, at cost less any accumulated depreciation and impairment and adjusted for certain remeasurement of lease liabilities.

The lease liability is initially measured at the present value of the lease payments that were not paid at the start date, discounting the interest rate implied in the lease agreement. When the rate is not implied in the lease agreement, the average rate of the borrowings should be used as discount rate.

The Company, in full compliance with IFRS 16, when measuring and remeasuring its lease liabilities and the right of use asset, proceeded to use the discounted cash flow method without considering future projected inflation in the flows to be discounted in accordance to IFRS 16. Such method generates significant distortions in the information provided, given the current reality of long-term interest rates in the Brazilian economic environment.

The nature of the expenses related to these leases is recognized as cost of depreciation of right of use assets. Financial expenses on lease obligations are recognized and demonstrated as interest expense.

The Company does not recognize a lease asset and liability for contracts with a term of less than 12 months and/or of non material values. The discount rate used for the present value's calculation of the lease provision of the identified assets and, consequently, for the monthly accrual of financial interest was 8.42% to 11.06%, and in the Consolidated 0.44% to 14.43% in accordance with the term of each lease agreement.

14.1 Right of use asset

				Net amount	
Company	**Average lease term**	**Cost**	**Accumulated amortization**	**December 31, 2020**	**December 31, 2019**
Buildings	3 to 20 years	50,131	(18,320)	**31,811**	**184,657**
Operating plants	1 to 4 years	9,390	(2,384)	**7,006**	**11,869**
Machinery and equipment	1 to 4 years	5,060	(1,853)	**3,207**	**1,464**
Equipamento de informática	1 ano	28,940	(2,602)	**26,338**	–
Others	1 to 4 years	505	(81)	**424**	**681**
		94,026	**(25,240)**	**68,786**	**198,671**

				Net amount	
Consolidated	**Average lease term**	**Cost**	**Accumulated amortization**	**December 31, 2020**	**December 31, 2019**
Growing facilities	1 to 12 years	3,500,034	(954,868)	**2,545,166**	**1,896,334**
Buildings	1 to 30 years	2,043,939	(460,034)	**1,583,905**	**1,236,127**
Vehicles and aircraft	1 to 15 years	1,359,260	(567,092)	**792,168**	**668,777**
Machinery and equipment	1 to 7 years	1,134,814	(490,245)	**644,569**	**587,265**
Operating plants	1 to 11 years	134,568	(24,558)	**110,010**	**111,461**
Land	1 to 30 years	166,027	(83,712)	**82,315**	**69,905**
Computer equipment	1 to 4 years	29,552	(3,095)	**26,457**	**3,590**
Furniture and appliances	1 to 3 years	150	(31)	**119**	**64**
		8,368,344	**(2,583,635)**	**5,784,709**	**4,573,523**

(Expressed in thousands of Brazilian reais)

Changes in the right of use asset:

Company	December 31, 2019	Additions [1]	Terminated contracts [2]	Amortization	December 31, 2020
Buildings	184,657	9,966	(147,191)	(15,621)	**31,811**
Operating plants	11,869	9,390	(10,824)	(3,429)	**7,006**
Machinery and equipment	1,464	5,722	(1,841)	(2,138)	**3,207**
Veículos e aeronaves	—	171	—	(34)	**150**
Computer equipment	—	28,940	—	(2,602)	**26,338**
Others	681	622	(663)	(216)	**439**
	198,671	**54,640**	**(160,519)**	**(24,006)**	**68,786**

Consolidated	December 31, 2019	Acquired in business combinations [3]	Additions [1]	Terminated contracts [2]	Amortization	Exchange rate variation	December 31, 2020
Growing facilities	1,896,334	—	731,508	—	(469,610)	386,934	**2,545,166**
Buildings	1,236,127	1,800	417,313	(93,734)	(285,930)	308,329	**1,583,905**
Vehicles and aircraft	668,777	420	333,539	(46,391)	(340,627)	176,450	**792,168**
Machinery and equipment	587,265	—	208,296	(29,447)	(284,976)	163,431	**644,569**
Operating plants	111,461	—	76,246	(67,308)	(18,219)	7,830	**110,010**
Land	69,905	—	2,184	(726)	(9,180)	20,132	**82,315**
Computer equipment	3,590	—	29,584	(518)	(6,203)	4	**26,457**
Furniture and appliances	64	—	176	(66)	(55)	—	**119**
	4,573,523	**2,220**	**1,798,846**	**(238,190)**	**(1,414,800)**	**1,063,110**	**5,784,709**

[1] Additions for each category includes PIS and COFINS to be paid.
[2] In the Company, the amount of R$140,696 refers to the MDC's transfer from the Company to Seara. This transference was eliminated in the Consolidated.
[3] Refers to Empire's acquisition during the second quarter of 2020.

Company	Initial adoption 01.01.19	Additions	Terminated contracts	Amortization	December 31, 2019
Buildings	194,757	18,924	(4,832)	(24,192)	**184,657**
Operating plants	16,217	28	(4)	(4,372)	**11,869**
Machinery and equipment	3,073	155	(288)	(1,476)	**1,464**
Others	1,006	86	(108)	(303)	**681**
	215,053	**19,193**	**(5,232)**	**(30,343)**	**198,671**

Consolidated	Initial adoption 01.01.19	Acquired in business combination	Additions	Terminated contracts	Amortization	Exchange rate variation	December 31, 2019
Growing facilities	2,132,981	—	119,012	—	(457,047)	101,388	**1,896,334**
Buildings	1,226,089	14,782	176,534	(29,389)	(202,358)	50,469	**1,236,127**
Vehicles and aircraft	704,561	372	228,467	(5,847)	(297,750)	38,974	**668,777**
Machinery and equipment	663,944	9,409	83,471	(1,838)	(205,218)	37,497	**587,265**
Operating plants	72,837	—	50,789	(4)	(13,347)	1,186	**111,461**
Land	67,999	—	3,655	—	(6,255)	4,506	**69,905**
Computer equipment	13,268	—	26	(739)	(8,966)	1	**3,590**
Furniture and appliances	103	—	—	—	(39)	—	**64**
Others	158	—	17	(156)	(19)	—	**—**
	4,881,940	**24,563**	**661,971**	**(37,973)**	**(1,190,999)**	**234,021**	**4,573,523**

(Expressed in thousands of Brazilian reais)

14.2 Lease liabilities

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Lease liability	**89,055**	339,000	**7,506,332**	5,766,584
Present value adjustment	**(16,589)**	(131,725)	**(1,401,843)**	(1,051,140)
	72,466	**207,275**	**6,104,489**	**4,715,444**
Breakdown:				
Current liabilities	**22,452**	22,421	**1,293,073**	945,791
Non-current liabilities	**50,014**	184,854	**4,811,416**	3,769,653
	72,466	**207,275**	**6,104,489**	**4,715,444**

Changes in the lease liability:

Company	December 31, 2019	Additions	Interest accrual	Payments	Terminated contracts [1]	December 31, 2020
Lease liability	207,275	54,929	9,068	(27,286)	(171,520)	**72,466**

Consolidated	December 31, 2019	Acquired in business combinations [2]	Additions	Interest accrual	Payments	Terminated contracts [1]	Exchange rate variation	December 31, 2020
Lease liability	4,715,444	2,219	1,810,490	311,110	(1,574,941)	(252,196)	1,092,363	**6,104,489**

[1] In the Company, the amount of R$148,888 refers to the MDC's transfer from the Company to Seara. This transference was eliminated in the Consolidated.
[2] Refers to Empire's acquisition during the second quarter of 2020.

Company	Initial adoption 01.01.19	Additions	Interest accrual	Terminated contracts	Amortization	December 31, 2019
Lease liability	215,053	20,488	22,793	(5,877)	**(45,182)**	**207,275**

Consolidated	Initial adoption 01.01.19	Acquired in business combination	Additions	Interest accrual	Terminated contracts	Amortization	Exchange rate variation	December 31, 2019
Lease liability	4,876,718	24,857	677,551	289,933	(37,062)	(1,356,991)	240,438	**4,715,444**

The non-current portion of the lease liability schedule is as follows:

	December 31, 2020	
	Company	Consolidated
2022	**23,638**	**1,330,785**
2023	**11,326**	**1,051,544**
2024	**11,163**	**822,057**
2025	**7,390**	**656,555**
2026	**1,084**	**478,891**
Maturities thereafter 2026	**5,847**	**1,576,068**
Present value adjustment	**(10,434)**	**(1,104,484)**
	50,014	**4,811,416**

15 Intangible assets

Intangible assets are carried at acquisition cost, net of accumulated amortization and impairment, if applicable. Intangible assets are recognized when it is expected that the assets will generate future economic benefits, taking into consideration the intangible assets' economic and technological viability. Intangible assets are primarily comprised of trademarks, customer relationships, water and mineral rights, supplier contracts, software and others.

Intangible assets with finite useful lives are amortized over the period of effective use using the straight-line method or based on a method that reflects the economic benefits of the asset. Intangible assets that are subject to amortization are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher amount of an asset's fair value less costs to sell and its value in use.

The carrying value of indefinite-lived intangible assets, which refers to trademarks and water rights, are tested at least annually for impairment or more frequently if events or changes in circumstances indicate that the assets may be impaired. If impairment exists, a loss would be recognized to write down the indefinite-lived assets to their recoverable amount.

Management understands that certain trademarks have indefinite lives due to verifiable history and expected use of the asset by the Company. The trademarks acquired have no legal, regulatory or contractual limits linked, and do not depend on the useful life of any asset or group of assets as they existed independently for a substantial time prior to the acquisitions, and they are not related to sectors subject to technological obsolescence or other forms of deterioration in value.

(Expressed in thousands of Brazilian reais)

Intangible assets acquired in a business combination are recognized at fair value based on valuation methodologies and techniques and often involve the use of third party valuation firm's expertise in the calculation of discounted estimates of cash flows. Intangible assets are composed as follows:

	Company			Consolidated		
		Net amount			Net amount	
	Useful life	December 31, 2020	December 31, 2019	Useful life	December 31, 2020	December 31, 2019
Trademarks	**Indefinite**	–	24,800	**Indefinite**	**4,409,555**	3,472,655
Trademarks	**Up to 5 years**	**31,047**	21,281	**2 to 20 years**	**370,813**	266,419
Software	**Up to 5 years**	**18,935**	30,582	**2 to 15 years**	**72,603**	63,125
Water rights	–	–	–	**Indefinite**	**61,191**	41,504
Customer relationships	–	–	–	**4 to 20 years**	**2,597,087**	2,017,589
Supplier contract	–	–	–	**Up to 10 years**	**186,732**	183,064
Other	–	–	–	**2 to 15 years**	**4,328**	8,598
		49,982	**76,663**		**7,702,309**	**6,052,954**

Changes in intangible assets:

Company	December 31, 2019	Additions	Disposals [(1)]	Amortization	December 31, 2020
Amortizing:					
Trademarks	46,081	–	–	(15,034)	**31,047**
Software	30,582	12,650	(17,162)	(7,135)	**18,935**
	76,663	**12,650**	**(17,162)**	**(22,169)**	**49,982**

Consolidated	December 31, 2019	Acquired in business combination [(2)]	Additions	Business combination adjustments [(3)]	Disposals [(1)]	Amortization	Exchange rate variation	December 31, 2020
Amortizing:								
Trademark	291,219	40,744	7,223	–	–	(44,751)	76,378	**370,813**
Software	63,125	46	28,791	–	(931)	(22,506)	4,078	**72,603**
Customer relationships	2,017,589	435,386	–	6,097	–	(410,694)	548,709	**2,597,087**
Supplier contract	183,064	–	–	–	–	(18,248)	21,916	**186,732**
Others	8,598	–	896	–	–	(6,053)	887	**4,328**
Non-amortizing:								
Trademarks	3,447,855	21,122	4,598	2,652	–	–	933,328	**4,409,555**
Water rights	41,504	–	6,526	–	–	–	13,161	**61,191**
	6,052,954	**497,298**	**48,034**	**8,749**	**(931)**	**(502,252)**	**1,598,457**	**7,702,309**

(1) In the Company, the amount of R$16,276 refers to the MDC's transfer from the Company to Seara. This transference was eliminated in the Consolidated.
(2) Refers to FAMPAT/Plan Pro and Empire acquisitions during the second quarter of 2020 and the "Margarina" business during the fourth quarter of 2020.
(3) Refers to Marba, acquired in December/2019, price allocation conclusion. There was a reduction in goodwill of R$16,590 and an increase in inventories, property, plant and equipment and intangible assets.

Company	December 31, 2018	Additions	Amortization	December 31, 2019
Amortizing:				
Trademarks	31,921	–	(10,640)	**21,281**
Software	33,085	14,434	(16,937)	**30,582**
Non-amortizing:				
Trademarks	24,800	–	–	**24,800**
	89,806	**14,434**	**(27,577)**	**76,663**

(Expressed in thousands of Brazilian reais)

Consolidated	December 31, 2018	Acquired in business combination	Additions	Disposal	Amortization	Exchange rate variation and others	December 31, 2019
Amortizing:							
Trademark	254,742	31,442	—	—	(29,842)	10,077	**266,419**
Software	75,115	1,301	17,683	(66)	(31,420)	512	**63,125**
Customer relationships	2,050,258	201,658	—	—	(310,429)	76,102	**2,017,589**
Supplier contract	82,007	109,668	—	—	(11,714)	3,103	**183,064**
Others	14,556	5,886	—	(2,170)	(11,190)	1,516	**8,598**
Non-amortizing:							
Trademarks	3,302,654	24,671	1,252	—	—	144,078	**3,472,655**
Water rights	39,964	—	—	—	—	1,540	**41,504**
	5,819,296	**374,626**	**18,935**	**(2,236)**	**(394,595)**	**236,928**	**6,052,954**

Impairment test:

Annualy, the Company tests the recoverability of its assets using the concept of value in use through cash flow models and at the years ended December 31, 2020 and 2019, the Company did not recognize expenses in the current period and there were no indications of impairment.

16 Goodwill

In the Company, goodwill is recognized under the caption "Investments in subsidiaries, associate and joint venture" because for the investor it is part of its investment in the subsidiary's acquisition; and as goodwill, in the Consolidated because it refers to expectation of future earnings from the acquired subsidiary, which assets and liabilities are consolidated with the Company's. Therefore, in the Company there is only goodwill from incorporations in the amount of R$9,085,970 and in the Consolidated all goodwill are recognized as intangible.

Goodwill is an indefinite lived asset and is required to be tested for impairment annually or whenever there is evidence of a decline in fair value. Assets and liabilities are grouped into CGU's (Cash generating units) for impairment testing purposes. Any impairment loss is recognized immediately in the consolidated statement of income (loss) and cannot be reversed.

Upon the sale of a business, the goodwill or corresponding portion of goodwill is included in the calculation of profit or loss on disposal.

	Useful life	December 31, 2020	December 31, 2019
Goodwill	**Indefinite**	**29,246,621**	24,497,750

Changes in goodwill:

	Consolidated	
	December 31, 2020	December 31, 2019
Initial balance	**24,497,750**	**23,775,575**
Acquired in business combination [1]	676,427	189,245
Business combination adjustments [2]	164,684	—
Exchange rate variation	3,907,760	532,930
Closing balance	**29,246,621**	**24,497,750**

[1] Refers to FAMPAT/Plan Pro and Empire acquisitions during the second quarter of 2020 and the "Margarina" business in the fourth quarter of 2020.
[2] Refers to Marba, acquired in December/2019, price allocation conclusion. There was a reduction in goodwill of R$16,590 and an increase in inventories, property, plant and equipment and intangible assets and deferred tax recognition arising from change in the accounting policies of foreign subsidiaries.

Impairment test of goodwill

At December 31, 2020, the Company tested the recoverability of ts goodwill of each CGU group using the concept of value in use through discounted cash flow models based on the figures from September 30, 2020. The determination of the value in use involves using assumptions about cash flows, such as rates of revenue growth, costs and expenses, capital expenditures, working capital requirements and discount rates.

Management projects cash flows for a maximum period of 5 years for the CGU groups of Brazil Beef and USA Pork, to better reflect the long cycle of each group when it refers to the useful life of the animals used in production. The terminal value was assigned based on an expected growth rate of perpetuity for the CGU groups. The weighted average rate of the cost of capital (WACC), used as discount rate, was estimated on a post-tax basis based on the historical industry performance relative to each CGU group and external sources of information regarding market risks.

For the purposes of impairment testing CGUs have been aggregated into the following groups representing the lowest level within the Company at which the goodwill is monitored for internal management purposes and that have significant goodwill:

(Expressed in thousands of Brazilian reais)

CGU Groups	December 31, 2020	December 31, 2019
Brazil Beef	**9,069,926**	9,069,926
Seara	**4,060,255**	3,702,836
Moy Park	**4,341,869**	3,249,578
USA Pork	**3,609,285**	2,799,458
Australia Meat	**1,630,007**	1,161,567
Australia Smallgoods	**1,802,725**	1,096,890
Others CGUs without significant goodwill	**4,732,554**	3,417,495
Total	**29,246,621**	**24,497,750**

For the years ended December 31, 2020 and 2019 there were no indications that goodwill within any CGU group was impaired.

i. Brazil Beef

The key assumptions used in the estimation of the value in-use are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from external and internal sources.

	2020	2019
Discount rate	9.3 %	9.6 %
Terminal value growth rate	4.3 %	4.6 %
Estimated growth rate (average for the next 5 years)	6.9 %	15.6 %

Estimated growth rate was projected considering past experiences and forecasts as follows:

- Revenue of this CGU group includes sales from beef operations in Brazil. Revenues growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimatives of inflation for the domestic market and exchange rate variation for exports.
- Operating costs and expenses were projected considering the historical performance of the CGU group and prices trends of the primary raw materials, especially cattle. In addition, it was considered efficiency improvements related to the integration of acquisitions.
- Capital expenditures were estimated assuming the maintenance of existing infrastructure in order to continue to be operated for an indefinite period.

For the years ended December 31, 2020 and 2019, estimated value in-use exceeded the carrying amount of the CGU group.

ii. Seara

The key assumptions used in the estimation of the value in-use are set out below:

	2020	2019
Discount rate	9.9 %	10.6 %
Terminal value growth rate	3.3 %	3.6 %
Estimated growth rate (average for the next 5 years)	14.0 %	10.2 %

Estimated growth rate was projected considering past experiences and forecasts as follows:

- Revenue includes sales from pork, chicken and other products in Brazil. Revenue growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimated inflation for the domestic market and exchange rate variation for exports.
- Operating costs and expenses were projected considering the historical performance of the CGU group and prices trends of primary raw materials. In addition, it was considered efficiency improvements related to the integration of acquisitions.
- Capital expenditures were estimated assuming the maintenance of existing infrastructure in order to continue to be operated for an indefinite period.

For the years ended December 31, 2020 and 2019, estimated value in use exceeded the carrying amount of the CGU group.

iii. Moy Park

The key assumptions used in the estimation of the value in-use are set out below:

	2020	2019
Discount rate	7.3 %	7.8 %
Terminal value growth rate	1.5 %	1.5 %
Estimated growth rate (average for the next 5 years)	2.1 %	2.3 %

Estimated growth rate was projected considering past experiences and forecasts as follows:

- Revenue of this CGU group includes sales from chicken operations in Europe, which consists of Moy Park's operations. Revenue growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimated inflation for the domestic market and exchange rate variation for exports.

(Expressed in thousands of Brazilian reais)

- Operating costs and expenses were projected considering the historical performance of the CGU group and prices trends of primary raw materials. In addition, it was considered efficiency improvements related to the integration of acquisitions.
- Capital expenditures were estimated assuming the maintenance of existing infrastructure in order to continue to be operated for an indefinite period.

For the years ended December 31, 2020 and 2019, estimated value in-use exceeded the carrying amount of the CGU group.

iv. USA Pork

The key assumptions used in the estimation of the value in-use are set out below:

	2020	2019
Discount rate	10.0 %	11.0 %
Terminal value growth rate	0.5 %	0.5 %
Estimated growth rate (average for the next 5 years)	(2.4)%	(2.6)%

Estimated growth rate was projected considering past experiences and forecasts as follows:

- Revenue of this CGU group includes sales from pork operations in the U.S. Revenue growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimated inflation for the domestic market and exchange rate variation for exports.
- Operating costs and expenses were projected considering the historical performance of the CGU group and prices trends of primary raw materials.
- Capital expenditures were estimated assuming the maintenance of existing infrastructure in order to continue to be operated for an indefinite period.

For the years ended December 31, 2020 and 2019, estimated value in-use exceeded the carrying amount of the CGU group.

v. Australia Meat

The key assumptions used in the estimation of the value in-use are set out below:

	2020	2019
Discount rate	7.2 %	8.0 %
Terminal value growth rate	2.0 %	2.0 %
Estimated growth rate (average for the next 5 years)	1.9 %	2.1 %

Estimated growth rate was projected considering past experiences and forecasts as follows:

- Revenue of this CGU group includes sales from beef operations in Australia. Revenue growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimated inflation for the domestic market and exchange rate variation for exports.
- Operating costs and expenses were projected considering the historical performance of the CGU group and prices trends of the primary raw materials. In addition, we considered efficiency improvements related to the integration of the acquisition.
- Capital expenditures were estimated assuming the maintenance of existing infrastructure in order to continue operating for an indefinite period.

For the years ended December 31, 2020 and 2019, estimated value in-use exceeded the carrying amount of the CGU group.

vi. Australia Smallgoods

The key assumptions used in the estimation of the value in-use are set out below.

	2020	2019
Discount rate	7.2 %	8.0 %
Terminal value growth rate	2.0 %	2.0 %
Estimated growth rate (average for the next 5 years)	8.8 %	9.1 %

Estimated growth rate was projected considering past experiences and forecasts as follows:

- Revenue of this CGU group includes sales from the Smallgoods operations in Australia, consisting of Primo's operations. Revenue growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimated inflation for the domestic market and exchange rate variation for exports.
- Operating costs and expenses were projected considering the historical performance of the CGU group and prices trends of the primary raw materials, primarily hogs. In addition, we considered efficiency improvements related to the integration of the acquisition.
- Capital expenditures were estimated assuming the maintenance of existing infrastructure in order to continue operating for an indefinite period.

For the years ended December 31, 2020 and 2019, estimated value in-use exceeded the carrying amount of the CGU group.

(Expressed in thousands of Brazilian reais)

17 Trade accounts payable

Trade accounts payable correspond to the amounts owed to suppliers in the ordinary course of business. If the payment period is equivalent to one year or less, the amount is classified as current liabilities, otherwise the corresponding amount is classified as non-current liabilities. Accounts payable are recognized initially at their fair value and are subsequently measured at amortized cost using the effective interest method. Accounts payable by major type of supplier is as follows at December 31, 2020 and 2019:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Commodities	**2,802,807**	2,010,393	**7,523,282**	5,390,373
Materials and services	**1,039,861**	788,343	**14,543,549**	9,928,922
Finished products	**196,283**	213,080	**145,853**	144,358
Present value adjustment	**(1,605)**	(2,154)	**(15,243)**	(24,810)
Subtotal	**4,037,346**	**3,009,662**	**22,197,441**	**15,438,843**
Supply chain finance [1]	**473,525**	557,031	**2,101,001**	2,011,463
Total	**4,510,871**	**3,566,693**	**24,298,442**	**17,450,306**

[1] The Company and its indirect subsidiary Seara Alimentos carry out risk transactions with financial institutions with suppliers in the domestic market. At December 31, 2020 and 2019, the average discount rates of supply chain finance transactions disbursed by our suppliers to financial institutions were 0.50% p.m. and 0.48% p.m. in the Company and 0.42% p.m. and 0.48% p.m. in the Consolidated. Operationally and commercially there was no change in the process and that the referred transaction does not generate changes in the prices applied by suppliers, maintaining the same price composition practiced prior to the risk operation drawn by these same suppliers. In addition, this operation did not bring any other cost to the Company and its subsidiaries and all financial costs of the operation are the responsibility of the suppliers.

In its normal course of business and in order to guarantee cattle supply, the Company enters into purchase agreements for livestock with certain suppliers, including the related party JBJ Agropecuária. This operation allows suppliers to anticipate the receivables with financial institutions in which the Company has an approved credit limit and guarantees cattle purchase for a fixed price without a cash impact in the Company until the maturity date of these commitments. At December 31, 2020 and 2019, the Company had commitments to purchase livestock cattle in the amount of R$128,127 and R$110,348, respectively, of which R$100,559 and R$30,000, were with JBJ Agropecuária, respectively. (Company and Consolidated).

18 Loans and financings

Loans and financing are initially recognized at fair value upon receipt of the proceeds, net of transaction costs, when applicable. Subsequent to the initial recognition of loans and financing, charges, interest and monetary and exchange rate variation incurred that become contractually due are included in the balance, until the end of each period. Below is a chart showing the Company's loans and financing instruments by foreign and local currency. Local currency indicates loans denominated in the functional currency of the borrower. All borrowings denominated in currencies other than our presentation currency of the Brazilian Reais are remeasured each period. Current amounts include accrued but unpaid interest at period-end. Premiums, discounts and transaction costs are amortized to finance expense using the effective interest method.

	Company							
					Current (*)		Non-current	
Type	Average annual interest rate	Currency	Index on variable rate loans	Payment terms / non-current debt	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Foreign currency								
ACC - Advances on exchange contracts	**3.57%**	**USD**	–	(*)	**703,871**	–	–	–
Notes 6.25% JBS S.A 2023	–	–	–	–	–	43,124	–	1,713,048
Capital de giro - Dólar	**3.64%**	**USD**	**Libor**	**2031**	**1,971**	–	**17,721**	–
FINIMP	**3.52%**	**USD and EUR**	**Libor and Euribor**	**2022 - 25**	**101,278**	32,354	**165,278**	22,138
					807,120	**75,478**	**182,999**	**1,735,186**
Local currency								
Credit note - export	**7.33%**	**BRL**	**CDI**	**2022**	**756,575**	–	**895,236**	–
Working capital - Brazilian Reais	**7.73%**	**BRL**	**TJLP**	**2022 - 23**	**587**	–	**136,168**	15,635
FINAME	**5.61%**	**BRL**	**TJLP**	**2022 - 25**	**8,324**	10,595	**12,799**	20,958
FINEP	**7.39%**	**BRL**	–	**2025**	**18,138**	24,916	**16,345**	34,367
CDC - Direct credit to consumers	**8.90%**	**BRL**	–	**2022 - 24**	**75,857**	91,891	**60,896**	163,779
CRA - Agribusiness Credit Receivable Certificates	**5.51%**	**BRL**	**CDI and IPCA**	**2023 - 30**	**34,214**	6,104	**2,354,875**	552,041
					893,695	**133,506**	**3,476,319**	**786,780**
					1,700,815	**208,984**	**3,659,318**	**2,521,966**

(Expressed in thousands of Brazilian reais)

	Consolidated							
					Current (*)		Non-current	
Type	Average annual interest rate	Currency	Indexer	Payment terms / non-current debt	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Foreign currency								
ACC - Advances on exchange contracts	3.57%	USD	–	(*)	703,870	–	–	–
Prepayment	2.77%	USD	Libor	2024	767,607	314,063	2,236,916	2,306,399
Notes 6.25% JBS S.A 2023	–	–	–	–	–	43,124	–	1,713,048
FINIMP	3.46%	USD and EUR	Libor and Euribor	2022 - 25	150,456	32,354	167,587	22,138
Scott credit facilities	4.97%	USD	–	2023	1,803	1,447	6,454	6,618
White Stripe credit facility	3.48%	USD	–	(*)	3,955	–	–	–
Working capital - Dollar	3.64%	USD	Libor	2031	1,971	–	17,721	–
					1,629,662	390,988	2,428,678	4,048,203
Local currency								
FINAME	5.65%	BRL	TJLP	2022 - 25	8,513	10,816	12,799	21,061
FINEP	7.39%	BRL	–	2025	18,138	25,575	16,345	34,367
Notes 5.875% JBS Lux 2024	–	–	–	–	–	97,680	–	3,619,806
Notes 5.75% JBS Lux 2025	5.75%	USD	–	2025	11,329	10,141	5,442,125	4,218,570
Notes 5.75% PPC 2025	5.75%	USD	–	2025	85,491	67,599	5,179,666	4,014,395
Notes 7,0% JBS Lux 2026	7.00%	USD	–	2026	162,174	132,325	5,162,836	3,999,409
Notes 5.875% PPC 2027	5.87%	USD	–	2027	63,436	50,319	4,358,389	3,373,784
Notes 5,75% JBS Lux 2028	5.75%	USD	–	2028	99,884	74,358	3,868,766	2,996,451
Notes 6.75% JBS Lux 2028	6.75%	USD	–	2028	116,635	91,823	4,644,120	3,598,496
Notes 6.5% JBS Lux 2029	6.50%	USD	–	2029	95,895	76,414	7,290,513	5,656,083
Notes 5.50% JBS Lux 2030	5.50%	USD	–	2030	161,768	110,844	6,444,043	4,993,702
Term loan JBS Lux 2026	2.15%	USD	Libor	2026	115,414	101,465	9,535,082	7,448,644
PPC term loan	1.40%	USD	Libor	2023	132,448	105,149	2,188,746	1,778,933
Working capital - Brazilian Reais	7.73%	BRL	TJLP	2022 - 23	587	14,899	136,168	37,946
Working capital - Euros	0.84%	EUR	Euribor	2022 - 23	67,058	77,552	5,407	3,828
Credit note – export	5.82%	BRL	CDI	2022 - 24	784,154	62,867	1,812,616	140,000
CDC - Direct credit to consumers	8.91%	BRL	–	2022 - 24	76,063	92,119	60,983	164,072
Rural - Credit note - Pre fixed	3.46%	BRL	CDI	2022	40,178	–	59,739	–
Rural - Credit note	3.47%	BRL	–	–	788,286	405,176	–	100,000
CRA - Agribusiness Credit Receivable Certificates	5.51%	BRL	CDI and IPCA	2023 - 30	34,214	6,104	2,354,875	552,041
Scott credit facilities	4.53%	USD, EUR and AUD	–	2023	44,240	52,693	2,515	2,289
Beardstown Pace credit facility	2.77%	USD	–	2035 - 50	1,169	–	85,517	–
JBS Australia Feedlot Agreement	7.00%	AUD	–	2023	–	–	197,615	109,816
Other	1.51%	Others	Others	2022 - 26	25,365	21,993	57,061	37,248
					2,932,439	1,687,911	58,915,926	46,900,941
					4,562,101	2,078,899	61,344,604	50,949,144

(*) Balances classified as current which have their maturities up to the next twelve months following the closing period of these financial statements.

Average annual interest rate: Refers to the weighted average nominal cost of interest at the reporting date. The loans and financings are fixed by a fixed rate or indexed to rates: CDI, TJLP, LIBOR and EURIBOR, among others.

The availability under JBS USA revolving credit facilities was US$2 billions (R$10,2 billions at December 31, 2020) and US$1,9 billion (R$7.658 billions at December 31, 2019).

The non-current portion of the principal payment schedule of loans and financing is as follows:

	December 31, 2020	
Maturity	Company	Consolidated
2022	1,136,471	2,615,765
2023	167,246	3,526,654
2024	516,597	1,440,808
2025	8,132	10,740,957
2026	1,894	14,279,929
Maturities thereafter 2026	1,828,978	28,740,491
	3,659,318	61,344,604

Subsequent events:

a. In February 16, 2021, the Company's indirect subsidiary JBS USA redeemed in cash the outstanding balance of 5.75% senior unsecured notes due 2025 in the total amount of US$1.050 billion (R$5.456 billions at December 31, 2020).

b. In March 1, 2021, the Board of Directors approved a new issuance of private debentures by the Company of up to R$1.8 billion, in two series maturing in 7 and 10 years, intended for the formation of Agribusiness Credit Rights that will constitute a guarantee for the Public Offering of Certificates of Agribusiness receivables. The proceeds from this operation will be used to purchase cattle. The settlement of this offer is scheduled for May 5, 2021.

(Expressed in thousands of Brazilian reais)

18.1 Guarantees and contractual restrictions ("covenants")

Type	Issuer and guarantors	Covenants / Guarantees	Events of default	December 31, 2020
Senior Secured Credit Facility JBS Lux	- JBS S.A.; - JBS Global Luxembourg S.à r.l.; - JBS Global Meat Holdings Pty. Limited (formerly Burcher Pty. Limited); - JBS USA Food Company Holdings; - JBS USA Food Company; - JBS Ansembourg Holding S.à r.l.; - JBS Luxembourg S.à r.l.; - JBS USA Holding Lux; - All US subsidiaries of JBS Lux except JBS Wisconsin Properties LLC and certain other immaterial subsidiaries; - JBS Australia Pty Ltd. - JBS Food Canada ULC	'- The borrowings are collateralized by a first priority perfected lien and interest in accounts receivable, finished goods and supply inventories. - The facility contains customary representations, warranties and a springing financial covenant that requires a minimum fixed charge coverage ratio of not less than 1.00 to 1.00. This ratio is applicable if borrowing availability causes a covenant trigger period, which only occurs when borrowing availability falls below the greater of 10% of the maximum borrowing amount and US$70 millions. The facility also contains negative covenants that may limit JBS Lux ability and certain of our subsidiaries ability to, among other things: - incur certain additional indebtedness; - create certain liens on property, revenue or assets; - make certain loans or investments; - sell or dispose of certain assets; - declare or pay any dividends or make any distributions related to securities issued by the Company (except for debt instruments convertible or exchangeable for such amounts), if i) it is not in default in relation to the Notes; ii) the Company can incur at least US$1.00 of debt under the terms of the net debt/EBITDA ratio test established in the indenture of the Notes; and iii) the total value to be paid does not exceed a.US$30 million; b.50% of the amount of the net income accrued on a cumulative basis during a certain period, taken as one accounting period, (as defined in the indenture), or if the aggregate net income is a loss, minus 100% of the amount of the loss; c.100% of the net cash proceeds received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes; d.100% of the fair market value of property other than cash received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes; - prepay or cancel certain indebtedness; - dissolve, consolidate, merge or acquire the business or assets of other entities; - enter into joint ventures other than certain permitted joint ventures or create certain other subsidiaries; - enter into new lines of business; - enter into certain transactions with affiliates; - agree to restrictions on the ability of the subsidiaries to make dividends; - agree to enter into negative pledges in favor of any other creditor; and - enter into certain sale/leaseback transactions.	The facility also contains customary events of default [(1)] and it includes failure of any collateral document to create or maintain a priority lien matters. If an event of default happens, the borrowers may, within other options, cease the agreement, state the entire balance to be paid, with accrued interest.	**(availability up to R$4.677 billions (US$900 million))**
Term loan JBS Lux 2026	- JBS S.A.; - JBS Global Luxembourg S.à r.l.; - JBS Global Meat Holdings Pty. Limited (formerly Burcher PTY Limited); - JBS USA Food Company Holdings; - JBS USA Holding Lux; - JBS USA Food Company; - JBS Ansembourg Holding S.à r.l; - JBS Luxembourg S.à r.l.; and - Each of the U.S. restricted subsidiaries that guarantee the senior secured credit facility (subject to certain exceptions)	- Secured by a perfected first priority security interest in all of JBS Lux and certain of its subsidiaries' fixed assets. The facility also contains negative covenants that may limit JBS Lux ability and certain of our subsidiaries ability to, among other things: - incur certain additional indebtedness; - create certain liens on property, revenue or assets; - make certain loans or investments; - sell or dispose of certain assets; - declare or pay any dividends or make any distributions related to securities issued by the Company (except for debt instruments convertible or exchangeable for such amounts), if i) it is not in default in relation to the Notes; ii) the Company can incur at least US$1.00 of debt under the terms of the net debt/EBITDA ratio test established in the indenture of the Notes; and iii) the total value to be paid does not exceed a.US$30 million; b.50% of the amount of the net income accrued on a cumulative basis during a certain period, taken as one accounting period, (as defined in the indenture), or if the aggregate net income is a loss, minus 100% of the amount of the loss; c.100% of the net cash proceeds received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes; d.100% of the fair market value of property other than cash received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes. - prepay or cancel certain indebtedness; - dissolve, consolidate, merge or acquire the business or assets of other entities; - enter into joint ventures other than certain permitted joint ventures or create certain other subsidiaries; - enter into new lines of business; - enter into certain transactions with affiliates; - agree to restrictions on the ability of the subsidiaries to make dividends; - agree to enter into negative pledges in favor of any other creditor; and - enter into certain sale/leaseback transactions.	The facility also contains customary events of default [(1)], listed under the Amended and Restated Revolving Facility.	**9,650,496**
Notes 5.75% JBS Lux 2025	- JBS S.A.; - JBS Investments II GmbH; - JBS Global Lux; - JBS Global Meat Holdings Pty.Limited (formerly Burcher PTY Limited); - JBS USA Holding Lux; - JBS USA Food Company; - JBS Ansembourg Holding; S.à r.l - JBS Luxembourg S.à r.l.; and - Each of the U.S. restricted subsidiaries that guarantee the senior secured credit facility (subject to certain exceptions)	The Notes contain negative covenants that may limit JBS Lux ability and certain of our subsidiaries ability to, among other things: - incur certain additional indebtedness; - create certain liens; - sell or dispose of certain assets; - declare or pay any dividends or make any distributions related to securities issued by the Company (except for debt instruments convertible or exchangeable for such amounts), if i) it is not in default in relation to the Notes; ii) the Company can incur at least US$1.00 of debt under the terms of the net debt/EBITDA ratio test established in the indenture of the Notes; and iii) the total value to be paid does not exceed a.US$30 million; b.50% of the amount of the net income accrued on a cumulative basis during a certain period, taken as one accounting period, (as defined in the indenture), or if the aggregate net income is a loss, minus 100% of the amount of the loss; c.100% of the net cash proceeds received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes; d.100% of the fair market value of property other than cash received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes; - permit restrictions on dividends and other restricted payments to restricted subsidiaries - prepay or cancel certain indebtedness; - enter into certain transactions with affiliates; - enter into certain sale/leaseback transactions; and - undergo changes of control without making an offer to purchase the Notes. The indenture governing the Notes also restricts JBS S.A. from incurring any debt (subject to certain permitted exceptions), unless on the date of such incurrence and the application of the proceeds therefrom, its net debt to EBITDA ratio is less than 4.75 to 1.00. In addition, the indenture restricts JBS S.A.'s ability to make restricted payments and other distributions.	The indenture also contains customary events of default [(1)]. In case any event of default occurs, the trustee or the holders of at least 25% of the notes principal amount at the time may state to pay immediately the principal and accrued interest on the notes. The notes are unsecured debts.	**5,453,454**
Notes 7.00% JBS Lux 2026				**5,325,010**
Notes 5.75% JBS Lux 2028				**3,968,650**
Notes 6.75% JBS Lux 2028				**4,760,755**
Notes 6.5% JBS Lux 2029				**7,386,408**
Notes 5.50% JBS Lux 2030				**6,605,811**

(Expressed in thousands of Brazilian reais)

<table>
<tr><td rowspan="2">Notes 5,75% PPC 2025</td><td rowspan="4">- PPC;
- One of PPC's subsidiaries.</td><td rowspan="2">The Notes contain negative covenants that may limit PPC's ability and certain of its subsidiaries ability to, among other things:
- incur certain additional indebtedness;
- create certain liens;
- declare or pay any dividends or make any distributions related to securities issued by the Company (except for debt instruments convertible or exchangeable for such amounts), if i) it is not in default in relation to the Notes; ii) the Company can incur at least US$1.00 of debt under the terms of the net debt/EBITDA ratio test established in the indenture of the Notes; and iii) the total value to be paid does not exceed a.US$30 million; b.50% of the amount of the net income accrued on a cumulative basis during a certain period, taken as one accounting period, (as defined in the indenture), or if the aggregate net income is a loss, minus 100% of the amount of the loss; c.100% of the net cash proceeds received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes; d.100% of the fair market value of property other than cash received from the issue or sale of its equity interests or other capital contributions subsequent to the issue date of the Notes;
- sell or dispose of certain assets;
- enter into certain transactions with affiliates;
- consolidate, merge or dissolve substantially all the assets of PPC.</td><td rowspan="2">The facility also contains customary events of default [1]. In case any event of default occurs, the trustee or the holders of at least 25% of the notes principal amount at the time may state to pay immediately the principal and accrued interest on the notes. The notes are unsecured debts.</td><td>5,265,157</td></tr>
<tr><td>4,421,825</td></tr>
</table>

<table>
<tr><td>PPC term loan</td><td rowspan="2">- PPC;
- Certain of PPC's subsidiaries.</td><td rowspan="2">- Secured by a first priority lien on i) the accounts receivable and inventories of PPC and its non-Mexico subsidiaries; ii) 100% of the equity interests in PPC's domestic subsidiaries, To-Ricos, Ltd. and To-Ricos Distribution Ltd., and 65% of the equity interests in PPC's direct foreign subsidiaries; iii) substantially all of the personal property and intangibles of the borrowers and guarantors under the U.S. Credit Facility; and iv) substantially all of the real estate and fixed assets of PPC and the guarantors.
The facility also contains negative covenants that may limit PPC's ability and certain of its subsidiaries ability to, among other things:
- incur certain additional indebtedness;
- create certain liens;
- pay certain dividends and other restricted payments;
- sell or dispose of certain assets;
- enter into certain transactions with affiliates; and
- consolidate, merge or dissolve substantially all the assets of PPC.
Covenants in the facility also require PPC to use the proceeds it receives from certain asset sales and specified debt or equity issuances and upon the occurrence of other events to repay outstanding borrowings under the facility. The PPC Credit Facility also provides that PPC may not incur capital expenditures in excess of US$500 million in any fiscal year.</td><td rowspan="2">The facility also contains customary events of default [1].</td><td>2,321,194</td></tr>
<tr><td>PPC revolving credit facility</td><td>(availability up to R$3.897 billion (US$750 million))</td></tr>
<tr><td>Moy Park Revolving Credit Facility</td><td>- Moy Park Limited
- Moy Park (NewCo) Limited
- Moy Park (Bondco) plc
- Kitchen Range Foods Limited
- Moy Park Holdings (Europe) Limited.</td><td>The facility also contains negative covenants that may limit Moy Park's ability and certain of its subsidiaries ability to, among other things:
- incur certain additional indebtedness;
- create certain liens;
- pay certain dividends and other restricted;
- sell or dispose of certain assets;
- enter into certain transactions with affiliates; and
- consolidate, merge or dissolve substantially all the assets of Moy Park.</td><td>The facility also contains customary events of default [1].</td><td>(availability up to R$710 million (GBP100 million))</td></tr>
<tr><td>Primo ANZ credit facility</td><td>- P&M Quality Small Goods Pty. Ltd.
- Australian Consolidated Food Holdings Pty Limited
- Australian Consolidated Food Investments Pty Limited
- Primo Group Holdings Pty Limited
- Primo Meats Pty. Ltd.
- Certain subsidiaries of Primo Meats Pty Ltd.</td><td>Customary negative covenants that may limit Primo's ability and the ability of certain subsidiaries to, among other things:
- sell or dispose of certain assets;
- change the general nature of the core business of the company;
- incur certain additional indebtedness;
- declare certain dividends, share premiums, or repurchases of equity.</td><td>The facility also contains customary events of default [1]. At the occurrence of an event of default, the lenders may, within other options, cancel the facility commitments, declare all loans and accrued interest immediately payable, or change conditions on the facility.</td><td>(availability up to R$803 million (AUD200 million))</td></tr>
</table>

(1) Customary events of default includes failure to perform or observe terms, covenants or other agreements in the facility, defaults on other indebtedness if the effect is to permit acceleration, failure to make a payment on other indebtedness unless waived or extended within the applicable grace period, entry of unsatisfied judgments or orders against the issuer or its subsidiaries and certain events related to bankruptcy and insolvency matters.

The Company was in compliance with all of its debt covenant restrictions at December 31, 2020 and until the date that these financial statements were approved.

(Expressed in thousands of Brazilian reais)

18.2 Financing activities

		Company					
		Liabilities				Assets	Equity
	Note	Loans and financings - short and long term	Lease provision	Derivative liabilities	Other liabilities	Derivative assets	Profit reserve: Treasury shares
Balance at December 31, 2019		**(2,730,951)**	**(207,275)**	**(22,194)**	**(2,295,458)**	**–**	**605,722**
Changes in financing cash flows:							
Proceeds from loans and financings	18	(4,944,803)	–	–	–	–	–
Payments of loans and financings	18	3,075,379	–	–	–	–	–
Payments of lease	14.2	–	27,286	–	–	–	–
Derivatives instruments received/settled	31	–	–	72,538	–	–	–
Dividends paid	12	–	–	–	1,441,177	–	–
Purchase of treasury shares	24 b3	–	–	–	–	–	1,272,711
Total of changes in financing cash flows		**(1,869,424)**	**27,286**	**72,538**	**1,441,177**	**–**	**1,272,711**
Exchange rate variation changes		(681,497)	–	–	1,554	–	–
Other changes:							
Derivatives fair value adjustment	26	–	–	–	–	71,380	–
Interest expenses	26	(338,952)	(9,068)	–	(4,839)	–	–
Interest paid	26	260,690	–	–	–	–	–
Changes in operating activities		–	–	–	61,500	–	–
Non-cash transactions		–	116,591	(71,431)	252,522	(71,431)	(1,574,868)
Dividends declared	21	–	–	–	(1,092,092)	–	–
Total of other liabilities changes		**(78,262)**	**107,523**	**(71,431)**	**(782,909)**	**(51)**	**–**
Total of other equity changes		**–**	**–**	**–**	**–**	**–**	**(1,574,868)**
Balance at December 31, 2020		**(5,360,134)**	**(72,466)**	**(21,087)**	**(1,635,636)**	**(51)**	**303,565**

		Consolidated							
		Liabilities				Assets	Equity		
	Note	Loans and financings - short and long term	Lease provision	Derivatives liabilities	Other liabilities	Derivatives assets	Profit reserve: Treasury shares	Non-controlling interest	Others
Balance at December 31, 2019		**(53,028,044)**	**(4,715,444)**	**(251,964)**	**(2,689,558)**	**62,053**	**605,722**	**(2,845,083)**	**–**
Changes in financing cash flows:									
Proceeds from loans and financings	18	(11,030,414)	–	–	–	–	–	–	–
Payments of loans and financings	18	15,051,175	–	–	–	–	–	–	–
Payments of lease	14.2	–	1,574,941	–	–	–	–	–	–
Derivatives instruments received/settled	31	–	–	72,538	–	89,268	–	–	–
Dividends paid	12	–	–	–	1,441,177	–	–	–	–
Dividends paid to non-controlling interest		–	–	–	(966)	–	–	4,457	–
PPC share repurchase		–	–	–	–	–	–	361,464	185,426
Purchase of treasury shares	24 b3	–	–	–	–	–	1,272,711	–	–
Other changes		–	–	–	–	–	–	347	–
Total of changes in financing cash flows		**4,020,761**	**1,574,941**	**72,538**	**1,440,211**	**89,268**	**1,272,711**	**366,268**	**185,426**
Exchange rate variation changes		(16,182,531)	(1,092,363)	(132,186)	(166,375)	229,334	–	**(889,662)**	–
Other changes:									
Derivatives fair value adjustment	26	–	–	(1,055)	–	(318,229)	–	–	–
Interest expenses	26	(3,852,362)	(336,353)	–	(4,432)	–	–	–	–
Interest paid	26	3,219,320	25,243	–	–	–	–	–	–
Changes in operating activities		–	–	209,557	(695,608)	(18,012)	–	1,274	–
Net income attributable to non-controlling interest		–	–	–	–	–	–	(56,638)	–
Non-cash transactions		**(83,849)**	**(1,560,513)**	**(184,426)**	**(580,142)**	**184,426**	**(1,574,868)**	**(1,026)**	**–**
Dividends declared	21	–	–	–	(1,092,099)	–	–	–	–
Total of other liabilities changes		**(716,891)**	**(1,871,623)**	**24,076**	**(2,372,281)**	**(151,815)**	–	–	–
Total of other equity changes		–	–	–	–	–	**(1,574,868)**	**(56,390)**	–
Balance at December 31, 2020		**(65,906,705)**	**(6,104,489)**	**(287,536)**	**(3,788,003)**	**228,840**	**303,565**	**(3,424,867)**	**185,426**

(Expressed in thousands of Brazilian reais)

		Company					
		Liabilities				Assets	Equity
	Note	Loans and financings - short and long term	Lease provision	Derivative liabilities	Other liabilities	Derivative assets	Profit reserve: Treasury shares
Balance at December 31, 2018		**(15,542,268)**	**–**	**(23,602)**	**(903,985)**	**6,303**	**624,139**
Changes in financing cash flows:							
Proceeds from loans and financings	18	(3,549,220)	–	–	–	–	–
Payments of loans and financings	18	16,564,467	–	–	–	–	–
Payments of lease	14.2	–	45,182	–	–		
Derivatives instruments received/settled	31	–	–	(142,991)	–	144,529	–
Dividends paid	12	–	–	–	5,983	–	–
Total of changes in financing cash flows		**13,015,247**	**45,182**	**(142,991)**	**5,983**	**144,529**	**–**
Exchange rate variation changes		(394,663)	–	–	(46)	–	–
Other changes:							
Derivatives fair value adjustment	26	–	–	–	–	(6,431)	–
Interest expenses	26	(635,793)	(22,793)	–	(2,438)	–	–
Imterest paid	26	826,526	–	–	–	–	–
Changes in operating activities		–	–	–	(58,882)	–	–
Non-cash transactions		–	(229,664)	144,399	105,148	(144,401)	(18,417)
Dividends declared	21	–	–	–	(1,441,238)		
Total of other liabilities changes		**190,733**	**(252,457)**	**144,399**	**(1,397,410)**	**(150,832)**	**–**
Total of other equity changes		**–**	**–**	**–**	**–**	**–**	**(18,417)**
Balance at December 31, 2019		**(2,730,951)**	**(207,275)**	**(22,194)**	**(2,295,458)**	**–**	**605,722**

		Consolidated						
		Liabilities				Assets	Equity	
	Note	Loans and financings - short and long term	Lease provision	Derivatives liabilities	Other liabilities	Derivatives assets	Profit reserve: Treasury shares	Non-controlling interest
Balance at December 31, 2018		**(56,153,528)**	**–**	**(210,015)**	**(1,111,143)**	**52,797**	**624,139**	**(2,299,213)**
Changes in financing cash flows:								
Proceeds from loans and financings	18	(35,014,055)	–	–	–	–	–	–
Payments of loans and financings	18	40,056,673	–	–	–	–	–	–
Payments of lease	14.2	–	1,356,986	–	–	–	–	–
Derivatives instruments received/settled	31	–	–	(170,772)	–	171,649	–	–
Dividends paid	12	–	–	–	5,984	–	–	–
Dividends paid to non-controlling interest		–	–	–	–	–	–	9,793
PPC share repurchase		–	–	–	–	–	–	11,357
Other changes		–	–	–	–	–	–	16,741
Total of changes in financing cash flows		**5,042,618**	**1,356,986**	**(170,772)**	**5,984**	**171,649**	**–**	**37,891**
Exchange rate variation changes		(1,573,166)	(240,314)	(2,819)	(38,913)	13,766	–	(167,154)
Other changes:								
Derivatives fair value adjustment	26	–	–	(63,290)	–	(27,984)	–	–
Interest expenses	26	(3,304,188)	(282,228)	–	(2,697)	–	–	–
Interest paid	26	3,026,093	–	–	–	–	–	–
Changes in operating activities		–	–	43,851	(105,303)	2,906	–	1,590
Adjustments in net income for cash flows		–	–	–	–	–	–	(8,676)
Net income attributable to non-controlling interest		–	–	–	–	–	–	(396,487)
Non-cash transactions		**(65,872)**	**(5,549,888)**	**151,081**	**3,751**	**(151,081)**	**(18,417)**	**(13,034)**
Dividends declared	21	–	–	–	(1,441,238)	–	–	–
Total of other liabilities changes		**(343,967)**	**(5,832,116)**	**131,642**	**(1,545,487)**	**(176,159)**	**–**	**–**
Total of other equity changes		**–**	**–**	**–**	**–**	**–**	**(18,417)**	**(416,607)**
Balance at December 31, 2019		**(53,028,043)**	**(4,715,444)**	**(251,964)**	**(2,689,559)**	**62,053**	**605,722**	**(2,845,083)**

(Expressed in thousands of Brazilian reais)

19 Accrued income taxes and other taxes

Accrued income and other taxes are comprised of the following:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Taxes payable in installments	**792,968**	961,411	**839,863**	1,016,968
PIS / COFINS tax payable	**88,355**	75,629	**157,890**	119,366
ICMS / VAT / GST tax payable	**60,576**	31,799	**124,862**	88,531
Withholding income taxes	**27,163**	26,052	**80,154**	81,732
Others	**2,749**	2,352	**314,026**	230,442
Subtotal	**971,811**	**1,097,243**	**1,516,795**	**1,537,039**
Accrued income taxes	–	–	**206,433**	384,594
Total	**971,811**	**1,097,243**	**1,723,228**	**1,921,633**
Breakdown:				
Current liabilities	**312,888**	325,754	**883,053**	943,640
Non-current liabilities	**658,923**	771,489	**840,175**	977,993
	971,811	**1,097,243**	**1,723,228**	**1,921,633**

Decree 8,426/2015 - PIS/COFINS over financial income: In July 2015, the Company and its subsidiaries filed an injunction to suspend the enforceability of PIS and COFINS debts over financial income. The Decree 8,426/2015 reestablished the levy of PIS and COFINS on financial revenues obtained by companies subject to the PIS and COFINS noncumulative regime, at the rates of 4.65%. As of December 31, 2020 and 2019, the Company has recognized under the caption "Accrued income taxes and other taxes" the amount of R$88,355 and R$68,871 in the Company, respectively, and in the Consolidated R$149,054 and R$103,593, respectively, regarding to PIS/ COFINS over financial income.

At December 31, 2020, the Company had state tax installments related to ICMS, due up to 2027.

20 Accrued payroll and social charges

Accrued payroll and social charges are comprised of the following:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Taxes payable in installments	**3,106,335**	3,317,467	**3,170,262**	3,385,021
Bonus and vacation along with related social charges	**219,684**	229,765	**3,979,650**	2,637,990
Salaries and related social charges	**410,704**	392,682	**2,392,508**	1,498,963
Others	**8,693**	7,436	**250,049**	182,883
	3,745,416	**3,947,350**	**9,792,469**	**7,704,857**
Breakdown:				
Current liabilities	**893,008**	914,539	**5,677,401**	4,051,824
Non-current liabilities	**2,852,408**	3,032,811	**4,115,068**	3,653,033
	3,745,416	**3,947,350**	**9,792,469**	**7,704,857**

At December 31, 2020, the Company had federal and social security tax installments related to the programs PERT ("Programa Especial de Regularização Tributária") entered in September 2017 and PRR ("Programa de Regularização Rural") entered in September 2018, due up to 2038.

21 Dividends payable

The Company's bylaws requires the payment of dividends equal to at least 25% of the annual net income attributable to company shareholders. The Company recognizes a liability at year-end for the minimum unpaid yearly dividend amount. Dividends payable are recognized as a liability at December 31 of each year.

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Declared dividends on 2016 - Residual	–	6	–	6
Declared dividends on 2017 - Residual	**12**	13	**12**	13
Declared dividends on 2018 - Residual	**2**	2	**2**	2
Declared dividends on 2019 - Residual	**61**	1,441,238	**61**	1,442,560
Declared dividends on 2020	**1,092,099**	–	**1,093,155**	–
	1,092,174	**1,441,259**	**1,093,230**	**1,442,581**

The residual amount of dividends corresponds to the unpaid dividends due to a lack of updated payment information. This pending information related to some minority shareholders precludes the Company from fully paying the dividends declared. The Company has sent notification to such shareholders to update their payment information so the amount can be paid. The reversal of dividends are absorbed under the caption "Profit reserves" due to the non-distribution after three years.

A liability for unpaid dividends will be maintained during the statutory period and classified as short term, since once the shareholder's information is updated, the payment will be made.

The Company has accrued dividends in December 31, 2020 of R$1,092,099 (R$1,441,238 in December 31, 2019) according to the calculation presented below:

(Expressed in thousands of Brazilian reais)

	December 31, 2020	December 31, 2019
Net income attributable to company shareholders for the year	**4,598,311**	**6,068,368**
Legal reserve – (5%)	(229,916)	(303,418)
Adjusted base for dividends calculation	**4,368,395**	**5,764,950**
Mandatory dividends (25%)	1,092,099	1,441,238
Declared dividends	**1,092,099**	**1,441,238**

Subsequent event: On March 24, 2021, the Company cancelled 112,237,876 treasury shares. Therefore, the remaining balance of common shares is 2,511,135,770. The Company will subject to approval at the Annual General Meeting, which will take place on April 28, 2021, a dividend distribution equivalent to R$1.00 per share in the total amount of R$2,511,136. The Company declared the mandatory 25% and an additional of R$1,419,037 in equity as demonstrated in the statements of changes in equity.

22 Other financial liabilities

Other financial liabilities includes contingent consideration related to seller-financed payables on the purchase of assets. If the payment term is equivalent to one year or less, the balances are classified in current liabilities; otherwise, it is classified in non-current liabilities. When applicable, charges are added.

		Current		Non-current	
Company	Description of the acquisitions	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
JBS	- Assets and other industrial complexes.	**21,193**	22,193	**4,950**	11,550
Seara	- Company Agrovêneto.	**904**	885	**2,875**	3,806
Seara	- Assets from the company Safrio.	**23,525**	22,363	**70,576**	89,451
Seara	- Company Novagro.	–	184	**184**	–
Seara	- Assets from the company Céu Azul.	–	84	**83**	–
	Total	**45,622**	**45,709**	**78,668**	**104,807**

23 Provisions

The Company and its subsidiaries are party to several lawsuits arising in the ordinary course of business for which provisions are recognized based on estimated costs determined by management as follows:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Labor	**319,018**	332,400	**665,439**	687,986
Civil	**46,279**	33,438	**290,257**	237,243
Tax and Social Security	**157,183**	123,305	**457,742**	390,597
Total	**522,480**	**489,143**	**1,413,438**	**1,315,826**

Changes in provisions

	Company				
	December 31, 2019	Additions, disposals and changes in prognosis	Payments	Monetary correction	December 31, 2020
Labor	332,400	136,266	(166,055)	16,407	**319,018**
Civil	33,438	37,732	(35,028)	10,137	**46,279**
Tax and social security	123,305	29,224	(600)	5,254	**157,183**
Total	**489,143**	**203,222**	**(201,683)**	**31,798**	**522,480**

	Consolidated					
	December 31, 2019	Additions, disposals and changes in prognosis	Payments	Monetary correction	Exchange rate variation	December 31, 2020
Labor	687,986	242,373	(306,889)	41,907	62	**665,439**
Civil	237,243	69,616	(65,475)	24,983	23,890	**290,257**
Tax and social security	390,597	28,464	(600)	39,379	(98)	**457,742**
Total	**1,315,826**	**340,453**	**(372,964)**	**106,269**	**23,854**	**1,413,438**

(Expressed in thousands of Brazilian reais)

	Company				
	December 31, 2018	Additions, disposals and changes in prognosis	Payments	Monetary correction	December 31, 2019
Labor	221,826	263,921	(158,989)	5,642	**332,400**
Civil	16,535	17,840	(9,702)	8,765	**33,438**
Tax and social security	1,707,761	(9,479)	(1,582,529)	7,552	**123,305**
Total	**1,946,122**	**272,282**	**(1,751,220)**	**21,959**	**489,143**

	Consolidated						
	December 31, 2018	Acquired in business combination	Additions, disposals and changes in prognosis	Payments	Monetary correction	Exchange rate variation	December 31, 2019
Labor	453,227	4,669	493,842	(303,388)	39,704	(68)	**687,986**
Civil	197,840	6	30,820	(23,159)	31,736	–	**237,243**
Tax and social security	2,045,578	–	(85,060)	(1,592,057)	22,287	(151)	**390,597**
Total	**2,696,645**	**4,675**	**439,602**	**(1,918,604)**	**93,727**	**(219)**	**1,315,826**

In the Company:

a. Tax and Social Security Proceedings

a1. ICMS - Value Added Tax (Imposto sobre Operações Relativas à Circulação de Mercadorias e sobre a Prestação de Serviços de Transporte Interestadual e Intermunicipal e de Comunicação): The Tax Authority of the state of São Paulo (Secretaria da Fazenda do Estado de São Paulo) filed 232 administrative proceedings (263 administrative proceedings at December 31, 2019) against JBS, under which the Tax Authority challenges the amount of the Company's ICMS tax credits arising from the purchase of cattle and meat transfer by the Company in other Brazilian states. The Tax Authority of the state of São Paulo claims that the tax incentives should be approved by Confaz , and are known as a "Tax War". The Tax Authority of the state of São Paulo does not recognize the Company's ICMS tax credits up to the amount of the ICMS tax guaranteed in such other states. JBS estimates that the claims under these administrative proceedings amount to R$2.50 on December 31, 2020 (R$2.68 at December 31, 2019). In addition to presenting its defense in such administrative proceedings, the Company has filed legal proceedings seeking the payment of damages from such other states if the Tax Authority of the state of São Paulo prevails in these administrative proceedings. The subject awaits judgment by the Federal Supreme Court (Theme 490 - general repercussion). There is a relevant extra-procedural element: Complementary Law n. 160/2017 which provided for the possibility of ratifying the credits that were not considered with the consequent remission of debts. Currently, administrative procedures are outstanding by the States that transfer the benefits, which will result in the cancellation of debts. Management believes, based on the advice of its legal counsel, that its arguments will prevail in these procedures, which is the reason why no provision has been made, considering as a remote loss.

a2. Profits earned by foreign subsidiaries: During 2020, the Company suffered assessments originating from charges related to profits earned abroad, which supposedly should be included in the income tax calculation basis, disallowance of guides paid by foreign subsidiaries, on the grounds that they could not been used for compensation purposes, as well as for disallowance of goodwill. These charges also involve the imposition of a fine, an isolated fine plus interest. The Company clarifies that the major part related to the collection of profits abroad refers to the formal requirements required by the inspection for the purpose of consolidating the results abroad of its direct or indirect investees, being certain that the Company disagrees with the criteria applied by the inspection The Company filed administrative objections that are awaiting judgment. Management understands that, considering historical values related to the dates of the assessments, for R$867,907, there are remote chances of loss and for the amount of R$3.23 billion there are possible chances of loss.

a3. Other tax and social security procedures: The Company is part in additional 1,138 tax and social security proceedings (1,175 proceedings in December 31, 2019), which individually are not material. We highlight that the ones with probable loss risk have a provision of an aggregate amount of R$157,183 (R$123,305 In December 31, 2019).

a4. Plea bargain agreement impacts: The accounting impacts from the events described in the Plea Bargain Agreement were recognized at December 31, 2017 and reviewed quarterly. The Company received tax assessments based on the information provided in the Plea Bargain Agreement attachments which mention expenses paid without service rendering and supplies purchase, their impacts in withholding taxes and the deductibility of these expenses, plus interest and fines.

Based on the estimatives from legal advisors, there is no amount which has probable loss after the payment of these tax assessments. The Plea Bargain agreement accrual was fully settled.

b. Labor Proceedings

As of December 31, 2020 JBS was party to 6,389 labor proceedings, (8,344 labor proceedings at December 31, 2019) involving total claims of R$1.3 billion (R$1.4 billion at December 31, 2019). Based on the opinion of the Company's legal counsel, JBS has provisioned an aggregate amount of R$319,018 (R$332,400 at December 31, 2019) for losses arising from these proceedings, which includes payroll taxes. Most of these lawsuits were filed by former employees of JBS seeking overtime payments and payments relating to their exposure to health hazards, commuting time, alleged work accidents and recovery time. Among other labor proceedings, there are ongoing proceedings filed by the Labor Ministry (Ministério do Trabalho) related to labor issues.

c. Civil Proceedings

As of December 31, 2020, the Company was party to 1,679 civil proceedings (1,522 civil proceedings at December 31, 2019). In the opinion of the Management and its legal advisors, the expected loss of R$46,279 (R$33,438 at December 31, 2019), has been accrued.

c1. SEC Agreement: As announced to the market, on October 14, 2020, JBS and its controlling shareholders reached an agreement with the Securities and Exchange Comission ("SEC") related to the conduct for violations of U.S. securities laws which resulted in the Company's' indirect subsidiary, Pilgrim's Pride Corporation ("PPC"), failing to maintain accurate books and records and internal accounting controls. The agreement required the Company to pay a fine of US$26,867 millions (R$151,546 at the transaction date) to the SEC. The amount was recognized under the caption "General and administrative expenses". The Company is required, for a term of 3 years, to review, evaluate and report to the SEC on the effectiveness of the Company's anti-corruption policies, procedures, practices, internal accounting controls, recordkeeping and financing reporting processes for JBS and any issuers of securities in the United States that are under JBS' direct or indirect control.

d. Other proceedings with possible outcome

As of December 31, 2020, the Company had other ongoing proceedings in the amount of R$7.95 billions (R$6 billions at December 31, 2019) which refer mainly to civil and labor proceedings in the Company, and in the Consolidated in the amount of R$12.22 billions (R$6.1 billions at December 31, 2019) whose loss potential, according to the evaluation of its legal advisors, is possible, but not probable, for which the Company's Management has not set an accrual for possible loss.

e. Other investigative and judicial related procedures

The Company and its subsidiaries are part of several proceedings or relevant repercussions related to the facts described in the Plea bargain agreement as demonstrated below:

e1. Criminal procedures:

In criminal investigations and proceedings, legal entities do not suffer any criminal penalties arising from the events committed by its executives and/or representatives, who are subjected to the law (including deprivation of liberty), in case of any proof of effective participation in illegal facts involving the Company and/or its subsidiaries.

The operations, police inquiries and criminal proceeding Bullish, Carne Fraca, Porteira Aberta I and II and Tendão de Aquiles are procedures protected by judicial secrecy and the Company is not part of these proceedings and actions.

- Lama Asfáltica operation (police inquiry): Investigation due to suspicions of improper payments made to get tax incentives in the state of Mato Grosso do Sul. The investigations into the facts related to the Company arose to two criminal actions under the Federal Court and the Electoral Court. Given the existence of the Plea Bargain Agreement, none of the employees were reported, having started to act as prosecution witnesses.

e2. Class actions

The class actions **n° 1001502-51.2017.4.01.3700 (**9ª Vara Cível federal de São Paulo), **n° 5007526-48.2017.4.03.6100** (5ª Vara Cível Federal de São Paulo); **n° 5007521-26.2017.4.03.6100** (9ª Vara Cível Federal de São Paulo); and **n° 1019930-11.2017.4.01.3400** (14ª Vara Cível Federal do Distrito Federal) had favorable outcomes for the Company therefore they were classified as remote loss. The class action **n° 820215-58.2017.8.12.0001 (**1ª Vara de Direitos Difusos, Coletivos e Individuais da Comarca de Campo Grande) awaits judgment in first degree.

e3. Corporate lawsuits

- CVM - Administrative Sanction Proceeding 19957.005388/2017-11 (5388/2017): Determines the possible liability the Company and its subsidiary Seara Alimentos to allegedly being a beneficiary of purchases of US dollar derivative contracts using unfair practices, in violation of CVM Instruction No. 8/1979, II, d. The parties presented its defense and requested for the production of evidence, which remains with the process' rapporteur for consideration. At December 2020, the Rapporteur granted a deadline for the parties to present a list of witnesses and to bring documentary evidence to the file.

- Arbitration proceedings n° 93/17, 110/18 and 94/17: Such proceedings were initiated by the Company's shareholders, based on corporate requests (action of responsibility from the Company's administrator for losses and damages / shareholder voting rights at an extraordinary general meeting). The Company, however, appears in these procedures only as an interested party. Therefore, there is no economic expression that is accounted to the shares. In September 2020, the proceeding 94/17 ended, on an ongoing basis, BNDESPAR notified the Company's Board of Directors to call a meeting in order to resolve on the filing of a liability action against former executives and certain other employees of Justice and, also, of the direct and/or indirect controller of the Company, pursuant to articles 159 and 246 of the Public Limited Companies Act. In September 23, 2020, the Company disclosed a relevant fact about the receipt of BNDESPAR's request and the call for Meeting of the Board of Directors to address the issue. In September 29, 2020, following approval by the Company's Board of Directors, a call notice for the general meeting was published. The Meeting was held on October 30, 2020 and resolved on the inclusion of liability actions in the face of former managers and the Company's direct or indirect controller.

The Company also informs that there are administrative sanctioning proceedings ongoing at CVM, which deals with the Company related matters but seek to hold accountable former members and members of their Management for alleged violations of the capital market regulation regarding: conflict of interest, duty of care, use and disclosure of information to the market. The Company, however, does not appear as an accused in any of the aforementioned cases, being only an interested party. In this sense, nothing relevant to report for the year ended in December 31, 2020 in this regard.

In subsidiary Seara Alimentos:

a. Labor Proceedings

As of December 31, 2020, Seara Alimentos subsidiaries were party to 13,414 labor proceedings (13,786 labor proceedings at December 31, 2019) labor proceedings, involving the total amount of R$1.880 billion (R$1.881 billion at December 31, 2019). Based on the opinion of the Company's legal counsel, an accrual has been made in the amount of R$346,269 (R$354,776 at December 31, 2019) for losses arising from such proceedings, already including payable social charges by the employee and Seara Alimentos. Most of these lawsuits were filed by former employees of Seara Alimentos seeking overtime payments and payments relating to their exposure to health hazards, commuting time, alleged work accidents and recovery time. Among other labor proceedings, there are ongoing proceedings filed by the Labor Ministry (Ministério do Trabalho) related to labor issues.

b. Civil proceedings

As of December 31, 2020, Seara Alimentos subsidiaries were party to 2,984 civil and administrative proceedings (2,684 civil an administrative proceedings at December 31, 2019), involving the total amount of R$843,098 (R$755,618 at December 31, 2019). Based on the opinion of the Company's legal counsel, an accrual has been made in the amount of R$243,978 (R$203,805 at December 31, 2019) for losses arising from such proceedings. Most of these lawsuits are related to indemnity for collective moral damage, moral damage for improper protest, repairing damages for poultry partnership or pigs integration, cancellation of industry or trade mark complaints and consumer contracts - product quality.

c. Tax Proceedings

As of December 31, 2020, Seara Alimentos and its subsidiaries are party to 819 (759 at December 31, 2019) tax and social security proceedings, in which the individual amount of the contingencies are not relevant. Proceedings with a probable loss risk have contingencies, in the amount of R$293,916 (R$261,098 at December 31, 2019).

d. Other proceedings with possible outcome

As of December 31, 2020, Seara Alimentos and its subsidiaries had other ongoing proceedings in the amount of R$4,1 billions (R$4 billions at December 31, 2019) which refer to labor, civil and tax and social security proceedings, whose loss potential according to the evaluation of its legal advisors is possible but not probable, therefore there is no accrual recognized.

(Expressed in thousands of Brazilian reais)

In the subsidiary JBS USA:

a. Civil proceedings

a1. DOJ Agreement: In October 14, 2020, the Company's indirect subsidiary PPC, entered into a plea agreement with the United States Department of Justice Antitrust Division in respect to its investigation into the sales of broiler chicken products in the United States. In the plea agreement, PPC agreed to a fine of US$110,524 millions (R$574,360 at December 31, 2020) for restraint of competition that affected three contracts for the sale of chicken products to one customer in the United States. The amount was recognized under the caption "General and administrative expenses".

a2. Antitrust Agreement - Chicken: During 2016, a series of purported federal class action lawsuits were filed with the US District Court for the Northern District of Illinois, USA, against PPC and 19 other defendants by and on behalf of direct and indirect purchasers of broiler chickens alleging violations of federal and state antitrust and unfair competition laws. PPC entered into an agreement to settle all claims to a fine in the amount of US$75,000 millions (R$389,753 at December 31, 2020). The amount was recognized under the caption "General and administrative expenses".

a3. Antitrust Agreement - Pork: During 2018, nine purported class action lawsuits were filed against JBS USA and a number of other pork producers on behalf of direct and indirect purchasers of pork alleging violations of federal and state antitrust, unfair competition, unjust enrichment, deceptive trade practice, and consumer protection laws. In November 17, 2020, JBS USA agreed to a fine with the putative plaintiff class in the amount of US$24,500 millions (R$127,319 at December 31, 2020). The amount was recognized under the caption "General and administrative expenses".

Subsequent event: All the fines related to the Agreements aforementioned were paid in the beginning of 2021.

24 Equity

a. Share capital: Share capital on December 31, 2020 and 2019 was R$23,576,206, represented by 2,623,373,646 common shares, having no nominal value. The share capital amount is net of R$54,865 capitalized transaction costs related to expenses incurred in 2010 consisting of R$37,477 related to the transaction costs for the Company's Initial Public Offering, and expenses in the amount of R$17,388 regarding the issuance of debentures during 2011. The Company is authorized to increase its capital by an additional 1,375,853,183 common shares. According to statute, the Board of Directors shall determine the number, price, payment term and other conditions of the issuance of shares. The Company may grant options to purchase shares to directors, employees or persons who will provide services, or the directors, employees or person providing the services under its control.

	December 31, 2020		31.12.19	
	Quantity	R$ thousand	Quantity	R$ thousand
Initial balance	**2,728,747,412**	**23,576,206**	**2,728,747,412**	**23,576,206**
Cancellation of treasury shares (1)	(105,373,766)	—	—	—
Closing balance	**2,623,373,646**	**23,576,206**	**2,728,747,412**	**23,576,206**

(1) In August and December of 2020, the Company announced the cancellations, approved by the Board of Directors, of its treasury shares in the total amount of 105,373,766 common shares issued by the Company, without par value and not reducing the Company's capital stock. The buyback shares program remains ongoing.

b. Capital reserves:

b1. Premium on issue of shares: refers to the difference between the subscription price that the stockholders pay for the shares and their fair value;

b2. Share-based compensation:

The Company has a stock option plan settled in shares. The Company grants stock options to employees as an incentive intended to create a sense of ownership and personal involvement with the development and financial success of JBS. Executive officers, directors and general managers are eligible to receive stock options under the plan. The Company's Chairman establishes the criteria of granting the options and selecting the employees. The number of grantable shares authorized to be granted under the plan is limited to 2% of the Company's share capital, and also limited to 0.4% of the increase in the Company's share capital per year.

The program's fair value is recognized as an expense with an offset to capital reserves. The total amount of expense is recognized during the period in which the right to exercise the stock option is acquired, which generally occurs when the options are granted. The number of stock options that each employee is entitled to was calculated based on the average of the Company's stock price for the three months prior to the grant date. The stock option program has the maximum term of ten years varying in accordance with each individual agreement. All options must be exercised by physical delivery of the shares of common stock.

The fair value of each stock option granted was estimated at the grant date based on the Black-Scholes-Merton pricing model.

(Expressed in thousands of Brazilian reais)

The primary assumptions considered in the model were:

Grants						Fair value assumptions			
Program		Quantity of options	Fair value of the option	Exercise price in R$	Expected exercise term	Risk free interest rate	Volatility	Share price on the grant date	Dividend Yield
2017B	May-17	1,004,722	R$ 11,72 to R$ 11,82	0.000002	1 to 3 years	9,31% to 9,64%	46.15%	11.86	0.45%
2017C	May-17	2,315,842	R$ 11,10 to R$ 11,15	1.00000	1 to 3 years	9,31% to 9,64%	46.15%	12.07	0.45%
2018A	Apr-18	317,127	R$ 7,50 to R$ 7,57	0.00001	1 to 3 years	6,22% to 7,07%	41.38%	7.57	0.53%
2018B	May-18	264,201	R$ 7,50 to R$ 7,57	0.00001	1 to 3 years	6,25% to 6,99%	38.49%	7.57	0.54%
2018C	May-18	771,071	R$ 9,66 to R$ 9,75	0.000004	1 to 3 years	6,25% to 6,99%	38.49%	9.75	0.54%
2018D	May-18	1,500,000	R$ 9,66 to R$ 9,75	0.000002	1 to 3 years	6,25% to 6,99%	38.49%	9.75	0.54%
2018E	Jun-18	153,846	R$ 9,62 to R$ 9,72	0.00002	1 to 3 years	6,74% to 8,81%	41.40%	9.75	0.50%
2018F	Jul-18	35,897	R$ 9,63 to R$ 9,73	0.00008	1 to 3 years	6,79% to 9,25%	47.53%	9.75	0.51%
	Total	6,362,706							

December 31, 2020					
Program		Grant	Vesting terms	Options outstanding	Remaining contractual life (years)
2018C	May-18	05.01.18	1/3 per year with final maturity in January 2, 2021	135,042	–
2018E	Jun-18	06.01.18	1/3 per year with final maturity in January 2, 2021	51,282	–
				186,324	–

Risk free interest rate: The Company uses as a risk free interest rate the projection obtained from Interpolation of fixed x floating interest rate swap (B3's index Pre x DI).

Volatility: The Company estimated the volatility of its own shares by calculating historical volatility over the expected term.

Dividends yield: The dividend yield was estimated based on the payment expectation of dividends per share for the next 12 months divided by the share price.

The outstanding options changes and average exercise price per share are demonstrated, as follows:

	December 31, 2020		December 31, 2019	
	Quantity of options	Average exercise price per share	Quantity of options	Average exercise price per share
Initial balance	**1,513,690**	**9.51**	**3,975,719**	**9.51**
Exercised [1]	(1,013,117)	9.66	(1,932,682)	9.75
Cancelled	(314,249)	9.75	(529,347)	11.12
Closing balance	**186,324**	**23.63**	**1,513,690**	**9.51**

[1] The exercised shares during the years ended December 31, 2020 and 2019 totaled in the amounts of R$9,504 and R$18,470.

During the years ended December 31, 2020 and 2019, the expense with options plan totaled R$3,181 and R$8,304 in the Company and in the Consolidated in the amount of R$5,250 and R$49,192. The expenses were recognized in the net income (loss) under the caption "General and administrative expenses", with the respective offset in "Capital Reserves."

Subsequent event: In January 2021, the remaining stock options under the plans 2018C and 2018E were exercised in the total balance of 186,324, therefore liquidating all stock options plans.

b3. Treasury shares:

Treasury share activity during the years ended December 31, 2020 and 2019 were as follows:

	December 31, 2020		December 31, 2019	
	Quantity	R$ thousand	Quantity	R$ thousand
Initial balance	**63,706,683**	**605,722**	65,639,365	624,139
Purchase of treasury shares	55,528,700	1,272,751	–	–
Treasury shares used in stock option plan [1]	(1,013,117)	(9,872)	(1,932,682)	(18,417)
Cancellation of treasury shares	(105,373,766)	(1,565,036)	–	–
Closing balance	**12,848,500**	**303,565**	63,706,683	605,722

[1] Refers to treasury shares exercised effectively.

Subsequent event: Until the approval of these financial statements, the Company purchased 99,575,700 treasury shares in the amount of R$2.58 billion under the buyback shares purchase program approved in March 25, 2020.

b4. Capital transaction: see note 3, item h - Basis of preparation and presentation of financial statements.

c. **Other reserves:** Refers to revaluations of fixed assets prior to CPC/IFRS adoption. Other reserves are transferred to retained earnings in proportion with the realization of revalued assets through depreciation, disposal and retirement.

(Expressed in thousands of Brazilian reais)

d. Profit reserves:

Legal reserve: Credited annually with 5% of the profit of the year.

Investments statutory: Consists of the remaining balance of the net income accumulated over time after the computation of the legal reserve and dividend distribution. The purpose of this reserve is to provide funds for the investment in assets.

e. Other comprehensive income (loss): Composed by valuation adjustments to equity reflex from the subsidiaries and accumulated translation adjustments referred to exchange rate variation in the translation of the subsidiaries' financial statements. In the financial statement which includes the foreign entity, such exchange variations must be recognized, initially, in other comprehensive income in a specific equity account, and must be transferred from equity to the income statement when the net investment is written off.

f. Non-controlling interest: Material non-controlling interest at December 31, 2020 and 2019 consisted of the 19.8% and 21.7%, respectively, of PPC common stock not owned by JBS USA. JBS USA's voting rights in PPC are limited to 80.2 % at December 31, 2020 (78.3% at December 31, 2019) of the total. PPC is one of the largest chicken producers in the world, with operations in the United States, Mexico and Puerto Rico.

The profit allocated to the PPC non-controlling interest was US$10.9 millions (R$56,281 at December 31, 2020) and US$98.5 millions (R$388,678 at December 31, 2019), respectively. The accumulated non-controlling interest in PPC was US$652.9 millions (R$3.392 billions at December 31, 2020) and US$699.7 millions (R$2.800 billions at December 31, 2019), respectively. Below are the PPC total net sales, net income, cash provided by operations, total assets and total liabilities for the years indicated.

	2020	2019
NET REVENUE	**62,343,903**	45,010,354
NET INCOME	**488,552**	1,798,660
Net cash provided by operating activities	**3,734,101**	2,629,483

	December 31, 2020	December 31, 2019
Total assets	**38,842,719**	28,627,499
Total liabilities	**25,459,413**	18,405,402

25 Net revenue

Revenue is recognized when the risks and inherent benefits are transferred to the customer or when it is probable that the economic benefits to be received by the Company can be measured reliably. Revenue is measured at the fair value of the payment received or receivable for the sale of products and services in the Company's normal course of business. The Company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognized at the point that the risks and rewards of the inventory have passed to the customer, which is either at the point of dispatch or on delivery of the products. This varies from customer to customer according to the terms of sale. In the statement of income, revenue is presented net of taxes associated with the sales, returns, rebates and discounts.

	Company		Consolidated	
	2020	2019	2020	2019
GROSS REVENUE				
Sales of products				
Domestic sales	**24,283,521**	19,710,911	**208,377,421**	156,947,174
Export sales	**18,157,914**	13,926,415	**70,357,066**	54,215,945
	42,441,435	**33,637,326**	**278,734,487**	**211,163,119**
SALES DEDUCTION				
Returns and discounts	**(1,308,680)**	(1,242,102)	**(5,862,145)**	(4,583,193)
Sales taxes	**(848,282)**	(673,494)	**(2,668,130)**	(2,056,351)
	(2,156,962)	**(1,915,596)**	**(8,530,275)**	**(6,639,544)**
NET REVENUE	**40,284,473**	**31,721,730**	**270,204,212**	**204,523,575**

25.1 Customer contract balances

The Company's indirect subsidiary, JBS USA, receives payment from customers based on terms established with the customer. Payments are typically due within seven days of delivery for domestic accounts and 30 days for international accounts. Customer contract liabilities relate to payments received in advance of satisfying the performance obligation under the contract.

	Consolidated	
	2020	2019
Initial balance	**759,557**	**674,661**
Revenue recognized during the year	(348,180)	(743,208)
Cash received, excluding amounts recognized as revenue during the year	467,799	802,902
Exchange rate variation	209,226	25,202
Closing balance	**1,088,402**	**759,557**

26 Finance income (expense)

Finance income (expense) includes (i) interest payable on borrowings and direct issue costs; (ii) results from the daily settlements of future contracts used to protect assets and liabilities, as well as the fair value adjustments for derivative instruments that are described within note 31, (iii) interest receivable on funds invested which is recognized in profit or loss as it accrues using the effective interest method; and (iv) gains and losses associated with transactions denominated in foreign currencies.

Finance income (expense) consisted of the following for the years ended December 31, 2020 and 2019 are as follows:

	Company		Consolidated	
	2020	2019	2020	2019
Exchange rate variation	**(3,051,110)**	(1,022,459)	**(7,846,065)**	(1,393,348)
Fair value adjustments on derivatives	**(71,380)**	(6,431)	**(319,284)**	(91,274)
Interest expense [1]	**(1,847,033)**	(2,046,058)	**(4,770,269)**	(4,532,120)
Interest income [2] [3]	**611,945**	269,736	**1,004,673**	465,127
Taxes, contribution, fees and others [4]	**(191,958)**	(312,535)	**(307,958)**	(433,464)
	(4,549,536)	**(3,117,747)**	**(12,238,903)**	**(5,985,079)**
Finance income	**2,731,025**	1,194,113	**3,557,443**	2,081,827
Finance expense	**(7,280,561)**	(4,311,860)	**(15,796,346)**	(8,066,906)
	(4,549,536)	**(3,117,747)**	**(12,238,903)**	**(5,985,079)**

[1] For the years ended December 31, 2020 and 2019, the amounts of R$338,798 and R$635,793 in the Company and R$3,820,665 and R$3,346,557 in the Consolidated refers to interest expenses from loans and financings recognized under the caption "Interest expense".

[2] For the years ended December 31, 2020 and 2019, the amounts of R$26,512 and R$41,085 in the Company and R$94,744 and R$173,726 in the Consolidated refers to interest income from short investments recognized under the caption "Interest income".

[3] At the year ended December 31, 2020, were recognized R$332,664 in the Company and R$515,053 in the Consolidated, related to interest and monetary correction from PIS and COFINS excluded from ICMS tax base and SELIC tax credits.

[4] Under the caption "Taxes, contribution, fees and others" in the year ended December 31, 2020, includes the premium payments, in the Company, of the senior notes due 2023 in the amount of R$23,662 and, in the Consolidated, of the senior notes due 2024 in the amount of R$71,009.

27 Earnings per share

Basic: Earnings (loss) per share is calculated by dividing net income (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the year, excluding common shares purchased and held as treasury shares (shares in thousands).

	2020	2019
Net income attributable to shareholders	**4,598,311**	**6,068,368**
Weighted average common shares outstanding	**2,702,834**	2,728,747
Weighted average - treasury shares	**(47,740)**	(63,847)
Weighted average - common shares outstanding (basic)	**2,655,094**	**2,664,900**
Basic earnings per share - (R$)	**1.73**	**2.28**

Diluted: Diluted earnings (loss) per share is calculated by dividing net income (loss) of the period attributable to common shareholders by the weighted average number of common shares outstanding during the year, adjusted for the effects of all potential common shares that are dilutive and adjusted for treasury shares held. From May 2015, the Company had only one category of potential common shares that would cause dilution: outstanding options to purchase shares (shares in thousands).

	2020	2019
Net income attributable to shareholders	**4,598,311**	**6,068,368**
Weighted average common shares outstanding (basic) - R$	**2,655,094**	2,664,900
Dilutive effect of outstanding stock options	—	1,165
Weighted average - common shares outstanding (diluted)	**2,655,094**	**2,666,065**
Diluted earnings per shares - (R$)	**1.73**	**2.28**

At December 31, 2020, 186,324 shares related to outstanding stock options have been excluded from the calculation of diluted weighted average common shares.

28 Operating segments and geographic reporting

The Company's Management established the operating segments based on the reports that are used to make strategic decisions. Starting from 2018, the Company changed its management structure, and the information per segment started to be elaborated considering the following segments: Brazil, Seara, Beef USA, Pork USA, Chicken USA and Others.

Brazil: this segment includes all the operating activities from Company and its subsidiaries, mainly represented by slaughter facilities, cold storage and meat processing, fat, feed and production of beef by-products such as leather, collagen and others products produced in Brazil.

(Expressed in thousands of Brazilian reais)

Seara: this segment includes all the operating activities of Seara and its subsidiaries, mainly represented by chicken and pork processing, production and commercialization of food products.

Beef USA: this segment includes JBS USA's operations, including Australia and Canada as well, related to beef processing: slaughter, cold storage, production and others beef by-products, besides cattle fattening services.

Pork USA: this segment includes JBS USA's pork operations, including Plumrose and Australia as well, related to slaughter, cold storage, production and commercialization of food products.

Chicken USA: this segment includes PPC's operations, including Moy Park and Tulip as well, mainly represented by chicken processing, production and commercialization of food products in the United States of America, Mexico, United Kingdom and France.

Due to the volume's substantial percentage of the operating segments above, the others segments and activities in which the Company operates do not have a major share. Those segments are included in "Others". Furthermore, the eliminations between the companies of the group are presented separately.

The accounting policies of the reportable segments are the same as described in these financial statements. The Company evaluates its performance per segment, which according to its accounting policies, are disclosed with the breakdown of net revenue, net operating income and depreciation.

There are no revenues arising out of transactions with any single customer that represents 5% or more of the total revenues.

The segment profitability reviewed by the Executive Officers is operating income, which does not include finance income (expense), share of profit or loss of equity accounted investees, or income taxes. The Company manages its loans and financing and income taxes at the corporate level and not by segment.

The information by consolidated operational segment are as follows:

	Net revenue		Operating income (loss) [1]		Depreciation	
	2020	2019	2020	2019	2020	2019
Segments						
Brazil	**41,707,285**	31,960,098	**2,317,231**	972,476	**722,928**	764,336
Seara	**26,730,782**	20,360,899	**3,243,714**	1,069,801	**980,184**	1,182,972
Beef USA	**112,120,290**	87,202,591	**11,554,649**	7,020,986	**1,346,919**	993,331
Pork USA	**32,171,067**	23,469,048	**2,537,124**	1,955,239	**850,870**	639,603
Chicken USA	**62,227,655**	45,005,859	**2,114,330**	2,667,066	**3,840,577**	2,660,647
Others	**2,899,877**	2,432,163	**(47,994)**	(116,231)	**105,070**	80,074
Intercompany elimination	**(7,652,744)**	(5,907,083)	**(1,810)**	(1,297)	**(9,143)**	(7,901)
Total	**270,204,212**	**204,523,575**	**21,717,244**	**13,568,040**	**7,837,405**	**6,313,062**

	December 31, 2020	December 31, 2019
Total assets		
Brazil	**40,989,826**	35,297,025
Seara	**34,137,413**	26,160,836
Beef USA	**31,733,149**	21,885,042
Pork USA	**13,969,791**	11,080,766
Chicken USA	**39,897,085**	29,627,716
Others	**88,784,867**	48,066,357
Intercompany elimination	**(85,710,325)**	(45,778,355)
Total	**163,801,806**	**126,339,387**

Below is net revenue, operating income and depreciation and amortization based on geography, presented for supplemental information.

Geographic reporting

	Net revenue		Operating income (loss) [1]		Depreciation	
	2020	2019	2020	2019	2020	2019
United States of America	**202,848,854**	152,668,286	**16,137,026**	11,611,901	**6,090,427**	4,338,233
South America	**67,285,118**	51,627,153	**5,573,058**	1,989,723	**1,721,644**	1,962,598
Others	**2,588,614**	2,076,737	**9,628**	(32,287)	**34,477**	20,132
Intercompany elimination	**(2,518,374)**	(1,848,601)	**(2,468)**	(1,297)	**(9,143)**	(7,901)
Total	**270,204,212**	**204,523,575**	**21,717,244**	**13,568,040**	**7,837,405**	**6,313,062**

Total assets by geographic area:

	December 31, 2020	December 31, 2019
Total assets		
United States of America	**138,480,816**	94,109,941
South America	**73,975,311**	58,951,382
Others	**35,389,020**	16,169,167
Intercompany elimination	**(84,043,341)**	(42,891,103)
Total	**163,801,806**	**126,339,387**

(Expressed in thousands of Brazilian reais)

(1) - The operating income is reconciled with the consolidated net income, as follows below:

	Operating income	
	2020	2019
Net income	**4,654,949**	6,464,854
Income tax and social contribution - current and deferred	**3,609,243**	1,032,946
Finance (income) expense, net	**12,238,903**	5,985,079
Share of profit of equity-accounted investees, net of tax	**(53,479)**	(34,166)
Operating profit	**20,449,616**	**13,448,713**
Investigation impacts due to the leniency agreement	–	11,787
Gain on bargain purchase	–	(234,168)
Tax payable in installments	–	288,105
SEC, DOJ and Antitrust agreements (2)	**1,283,142**	–
"Fazer o Bem Faz Bem" program (3)	**316,105**	–
Extemporaneous tax credit impacts (4)	**(421,014)**	–
Other operating expense/income (5)	**89,395**	**53,603**
Net operating profit	**21,717,244**	**13,568,040**

(2) Refers to the agreements entered by the Company and its subsidiaries with North-American authorities, as described in footnote 23 - Provisions, in subsidiary JBS USA.

(3) As described in footnote 1 item a - Analysis of the impacts from Covid-19 pandemic and "Fazer o Bem Faz Bem" program.

(4) Refers to the gain of the PIS and COFINS in the ICMS tax base, arising after the Company and its subsidiaries filed a suit requesting the credit's compensation, as described in footnote 9 - Recoverable taxes.

(2) Refers to several adjustments basically in JBS USA's jurisdiction such as Tulip's gain on bargain purchase, impairment expenses, insurance refund, third party advisory expenses related to restructuring projects, marketing of social programs, among others.

29 Expenses by nature

The Company's policy is to present expenses by function on the consolidated statement of income (loss). Expenses by nature are disclosed below:

	Company		Consolidated	
	2020	2019	2020	2019
Cost of sales				
Cost of inventories, raw materials and production inputs	**(31,407,755)**	(23,974,408)	**(189,076,023)**	(146,270,566)
Salaries and benefits	**(1,512,535)**	(1,448,198)	**(29,107,046)**	(20,900,651)
Depreciation and amortization	**(384,472)**	(418,683)	**(6,802,820)**	(5,406,007)
	(33,304,762)	**(25,841,289)**	**(224,985,889)**	**(172,577,224)**
General and administrative				
Salaries and benefits	**(1,492,875)**	(1,510,792)	**(5,396,190)**	(4,178,977)
Fees, services held and general expenses	**(776,321)**	(891,885)	**(3,023,919)**	(2,194,266)
Depreciation and amortization	**(202,780)**	(230,918)	**(772,936)**	(650,300)
SEC, DOJ and Antitrust agreements (1)	**(151,546)**	–	**(1,283,142)**	–
"*Fazer o Bem Faz Bem*" program	**(316,105)**	–	**(316,105)**	–
Tax payable in installments (PEP and Funrural)	–	(248,342)	–	(288,105)
Impairment	–	–	–	(1,412)
	(2,939,627)	**(2,881,937)**	**(10,792,292)**	**(7,313,060)**
Selling				
Freights and selling expenses	**(1,794,781)**	(1,795,499)	**(12,186,357)**	(9,703,431)
Allowance for doubtful accounts	**(18,860)**	(19,080)	**(33,173)**	(70,723)
Salaries and benefits	**(173,959)**	(181,849)	**(805,911)**	(607,228)
Depreciation and amortization	**(84,110)**	(109,287)	**(261,649)**	(256,755)
Advertising and marketing	**(82,370)**	(91,003)	**(960,769)**	(652,115)
Commissions	**(79,269)**	(56,540)	**(233,603)**	(178,683)
	(2,233,349)	**(2,253,258)**	**(14,481,462)**	**(11,468,935)**

(1) Refers to the agreements entered by the Company and its subsidiaries with North-American authorities, as described in footnote 23 - Provisions, in subsidiary JBS USA.

As of December 31, 2020, other income (expenses) includes gain (losses) of sale of assets and extemporaneous tax credits gain in the Company, and in the Consolidated, gain (losses) of sale of assets, third party advisory expenses related to corporate restructures, gain on bargain purchase, insurance refund, impairment expenses, among others.

30 Insurance coverage

At December 31, 2020, JBS S.A. and Seara Alimentos, had as maximum individual limit for coverage R$150,000 (R$150,000 at December 31, 2019). This coverage includes all types of casualties.

(Expressed in thousands of Brazilian reais)

The Company's indirect subsidiary JBS USA has a insurance policy with the same aforementioned characteristics; however, the maximum indemnification limit was of US$500 million (R$2.598 billions at December 31, 2020) and US$500 million (R$2 billions at December 31, 2019).

The assumptions of risk taken, by their nature, are not part of the scope of an audit, therefore, were not audited by independent auditors.

31 Risk management and financial instruments

The Company uses the measurement principles described in note 3 at each statement of financial position date in accordance with the guidelines established under IFRS for each classification type of financial assets and liabilities. The Company has not designated any of its derivatives as hedges.

Financial instruments:

Financial instruments are recognized in the consolidated financial statements as follows:

		Company		Consolidated	
	Notes	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Assets					
Fair value through profit or loss					
Financial investments	5	**142,779**	145,569	**3,939,077**	5,108,446
National treasury bills	5	**142,924**	165,864	**244,096**	165,865
Derivative assets		**51**	—	**228,840**	62,053
Loans and receivables at amortized cost					
Cash at banks	5	**3,066,208**	1,571,702	**15,496,570**	4,759,656
Trade accounts receivable	6	**2,871,612**	2,609,254	**14,001,211**	11,136,622
Related party receivables	10	**1,872,127**	715,527	**382,019**	275,178
Total		**8,095,701**	**5,207,916**	**34,291,813**	**21,507,820**
Liabilities					
Liabilities at amortized cost					
Loans and financing	18	**(5,360,133)**	(2,730,950)	**(65,906,705)**	(53,028,043)
Trade accounts payable and supply chain finance	17	**(4,510,871)**	(3,566,693)	**(24,298,442)**	(17,450,306)
Related party payables [(1)]	10	—	(17,641,379)	—	—
Other financial liabilities	22	**(26,143)**	(33,743)	**(124,290)**	(150,516)
Fair value through profit or loss					
Derivative liabilities		**(21,087)**	(22,194)	**(296,744)**	(251,964)
Total		**(9,918,234)**	**(23,994,959)**	**(90,626,181)**	**(70,880,829)**

[(1)] As described on footnote 12 - Investments in subsidiaries, associate and joint venture, the intercompany receivable balances JBS Investments II has with JBS S.A. will be converted to share capital in JBS Investments II. Therefore, once these balances are an extension of this subsidiary's investment they are considered as equity instruments.

Fair value through profit or loss: (i) CDBs are updated at the effective rate but have a really short-term and negotiated with financial institutions, and their recognition is similar to fair value; (ii) national treasury bill are recognized according to market value.

Amortized cost: (i) loans and receivables are classified as amortized cost, but without any change in their nature or business model; (ii) the accounts receivable are short-term and net from expected losses.

(Expressed in thousands of Brazilian reais)

a. Fair value of assets and liabilities carried at amortized cost:

The fair value of the Notes under Rule 144-A and Regulation S, are estimated using the closing sale price of these securities informed by a financial newswire on December 31, 2020 and 2019, considering there is an active market for these financial instruments. The book value of the remaining fixed-rate loans approximates fair value since the interest rate market, the Company's credit quality, and other market factors have not significantly changed since entering into the loans. The book value of variable-rate loans and financings approximates fair value given the interest rates adjust for changes in market conditions and the quality of the Company's credit rating has not substantially changed. For all other financial assets and liabilities, book value approximates fair value due to the short duration of the instruments. The following details the estimated fair value of loans and financings:

	Company						Consolidated					
	December 31, 2020			December 31, 2019			December 31, 2020			December 31, 2019		
Description	Principal	Price (% of the Principal)	Market Value of the Principal	Principal	Price (% of the Principal)	Market Value of the Principal	Principal	Price (% of the Principal)	Market Value of the Principal	Principal	Price (% of the Principal)	Market Value of the Principal
JBS S.A 6.25% Notes 2023	—	—	—	1,713,048	101.42	1,737,373	—	—	—	1,713,048	101.42	1,737,373
JBS Lux 5.875% Notes 2024	—	—	—	—	—	—	—	—	—	3,627,629	103.30	3,747,341
JBS Lux 5.75% Notes 2025	—	—	—	—	—	—	**5,456,535**	**102.10**	**5,571,123**	4,232,234	103.88	4,396,233
JBS Lux 7.00% Notes 2026	—	—	—	—	—	—	**5,196,700**	**107.95**	**5,609,838**	4,530,500	108.71	4,925,152
JBS Lux 5.75% Notes 2028	—	—	—	—	—	—	**3,897,525**	**108.00**	**4,209,327**	3,397,875	110.77	3,763,656
JBS Lux 6.75% Notes 2028	—	—	—	—	—	—	**4,677,030**	**112.16**	**5,245,944**	3,627,629	111.00	4,026,669
JBS Lux 6.5% Notes 2029	—	—	—	—	—	—	**7,275,380**	**116.43**	**8,470,944**	5,642,979	111.78	6,307,891
JBS Lux 5.50% Notes 2030	—	—	—	—	—	—	**6,495,875**	**114.65**	**7,447,521**	5,038,374	105.88	5,334,480
PPC 5.75% Notes 2025	—	—	—	—	—	—	**5,196,700**	**102.45**	**5,324,071**	4,030,699	103.42	4,168,549
PPC 5.875% Notes 2027	—	—	—	—	—	—	**4,417,195**	**107.29**	**4,739,165**	3,426,095	108.18	3,706,246
	—		—	1,713,048		1,737,373	**42,612,940**		**46,617,933**	39,267,062		42,113,590

b. Finance income (expense) by category of financial instrument:

	Company		Consolidated	
	2020	2019	2020	2019
Fair value through profit or loss	**(45,549)**	31,528	**(227,189)**	24,172
Amortized cost	**(4,503,987)**	(3,149,275)	**(12,011,714)**	(6,009,251)
Total	**(4,549,536)**	**(3,117,747)**	**(12,238,903)**	**(5,985,079)**

Risk management:

The Company and its subsidiaries during the regular course of its operations is exposed to market, credit and liquidity risks. These exposures are managed by the Risk Management Department, following the Financial and Commodities Risk Management Policy defined by the Risk Management Committee and approved by the Board of Directors. The Risk Management Department is responsible for identifying all the risk factors that may cause adverse financial results for the Company and proposing strategies to mitigate those risks. Their proposals are submitted to the Risk Management Committee for submission to the Board of Directors, who supervises the implementation of new solutions, noting limitations of scope and guidelines of the Financial and Commodities Risk Management Policy.

Below are the risks and operations to which the Company is exposed and a sensitivity analysis for each type of risk, consisting in the presentation of the effects in the finance income (expense), net, when subjected to possible changes, of 25% to 50%, in the relevant variables for each risk. For each probable scenario, the Company utilizes the Value at Risk Methodology (VaR),for the confidence interval (C.I.) of 99% and a horizon of one day.

a. Market Risk:

The exposure to market risk is continuously monitored, especially the risks related to foreign exchange, interest rates and commodity prices, which directly affect the value of financial assets and liabilities, future cash flows and net investments in foreign subsidiaries In these cases, Company and its subsidiaries may use financial hedge instruments, including derivatives, with the approval by the Board of Directors.

It is the responsability of the Risk Management Department to ensure that other areas are within the risk exposure limits set by Management to protect against volatility in price, centralize the exposures and apply the Financial and Commodities Risk Management policy.

The Risk Management Department uses proprietary and third party information systems specially developed to control and manage market risk, applying stress scenario and Value at Risk analysis (VaR) to measure Company's net exposure as well as the cash flow risk with the B3 and the Chicago Mercantile Exchange.

a1. Interest rate risk

Interest rate risk is related to potentially adverse results that Company and its subsidiaries may realize from changes in interest rates, which may be caused by economic crisis, changes in sovereign monetary policy, or market movements. The Company primarily has assets and mainly liabilities exposed to variable interest rates like the CDI (Certificado de Depósito Interbancário - Interbank Deposit Certificate), LIBOR (London Interbank Offer Rate), IPCA (Extended National Consumer Price Index) and TJLP (Taxa de Juros de Longo Prazo - Long Term Interest Rate), among others. The Company's Financial and Commodities Risk Management Policy does not define the proportion between float and fixed exposures, but the Risk Management Department monitors market conditions and may propose to the Risk Management Committee strategies to rebalance the exposure.

(Expressed in thousands of Brazilian reais)

For informational purposes and in accordance with our Financial and Commodities Risk Management Policy, the notional amounts of assets and liabilities exposed to floating interest rates are presented below:

	Company		Consolidated	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Liabilities and assets exposure to the CDI rate net:				
CRA - Agribusiness Credit Receivable Certificates	**(59,821)**	(60,149)	**(59,821)**	(263,016)
Credit note - export	**(1,651,811)**	–	**(2,596,770)**	–
Rural - Credit note	–	–	**(99,917)**	(505,176)
Working capital - Brazilian Reais	–	–	–	(37,210)
Related party transactions	**1,475,883**	(2,366,410)	–	–
CDB-DI (Bank certificates of deposit)	**142,779**	145,569	**2,105,833**	1,627,111
National treasury bill	**142,924**	165,865	**142,924**	165,865
Subtotal	**49,954**	**(2,115,125)**	**(507,751)**	**987,574**
Derivatives (DI)	**69,550**	63,784	**69,550**	63,784
Derivatives (Swap)	–	–	**824,304**	20,736
Total	**119,504**	**(2,051,341)**	**386,103**	**1,072,094**
Liabilities exposure to the LIBOR rate:				
Prepayment	–	–	**(3,004,523)**	(2,620,462)
FINIMP	**(195,424)**	–	**(195,424)**	–
Term loan JBS Lux 2026	–	–	**(9,650,496)**	(7,550,111)
PPC term loan	–	–	**(2,321,195)**	(1,897,605)
Working Capital - Dollars	**(19,692)**	–	**(19,692)**	–
Others	–	–	**(390)**	(294)
Subtotal	**(215,116)**	–	**(15,191,720)**	**(12,068,472)**
Derivatives (Swap)	–	–	**10,346,975**	–
Total	**(215,116)**	–	**(4,844,745)**	**(12,068,472)**
Liabilities exposure to the IPCA rate:				
CRA - Agribusiness Credit Receivable Certificates	**(2,329,268)**	(497,997)	**(2,329,268)**	(497,997)
Subtotal	**(2,329,268)**	**(497,997)**	**(2,329,268)**	**(497,997)**
Derivatives (Swap)	**1,093,752**	537,534	**1,093,752**	537,534
Total	**(1,235,516)**	**39,537**	**(1,235,516)**	**39,537**
Liabilities exposure to the TJLP rate:				
CDB-DI (Bank certificates of deposit)	–		**(190)**	
FINAME	**(21,123)**	(31,553)	**(21,123)**	(31,862)
Working capital - Brazilian Reais	**(51,168)**	(15,635)	**(51,168)**	(15,635)
Total	**(72,291)**	**(47,188)**	**(72,481)**	**(47,497)**

Sensitivity analysis:

			Scenario (I) VaR 99% I.C. 1 day			Scenario (II) Interest rate variation - 25%			Scenario (III) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Contracts exposure	Risk	Current scenario	Rate	Company	Consolidated	Rate	Company	Consolidated	Rate	Company	Consolidated
CDI	Decrease	1.9000%	1.8860%	(17)	(54)	1.4250%	(568)	(1,834)	0.9500%	(1,135)	(3,668)
Libor	Increase	0.3424%	0.3425%	–	(4)	0.4280%	(184)	(4,148)	0.5140%	(369)	(8,315)
IPCA	Increase	4.3100%	4.3220%	(148)	(148)	5.3880%	(13,319)	(13,319)	6.4650%	(26,625)	(26,625)
TJLP	Increase	4.5500%	4.5510%	(1)	(1)	5.6880%	(823)	(825)	6.8250%	(1,645)	(1,649)
				(166)	(207)		(14,894)	(20,126)		(29,774)	(40,257)

The Company is exposed to rates such as Euribor and IRS that are not significant since their impact on net income (loss) in a scenario with a interest rate variation of 50% is less than R$10,000.

			Company/Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Quantity	Notional	Fair value	Quantity	Notional	Fair value
Future contracts	DI	Short	**755**	**(69,550)**	**(60)**	755	(63,784)	(112)

(Expressed in thousands of Brazilian reais)

				Company							
				December 31, 2020				December 31, 2019			
Instrument	Risk factor	Start date	Maturity date	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value
	IPCA	11.01.19	10.15.24	**537,534**	**628,896**	**(600,900)**	**27,995**	537,534	599,222	(595,601)	3,621
Swap	IPCA	12.16.20	11.18.30	**200,000**	**232,514**	**(235,963)**	**(3,450)**	–	–	–	
	IPCA	12.17.20	11.18.30	**200,000**	**232,343**	**(236,206)**	**(3,863)**	–	–	–	
				937,534	**1,093,753**	**(1,073,069)**	**20,682**	**537,534**	**599,222**	**(595,601)**	**3,621**

				Consolidated							
				December 31, 2020				December 31, 2019			
Instrument	Risk factor	Start date	Maturity date	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value
	IPCA	11.01.19	10.15.24	**537,534**	**628,896**	**(600,900)**	**27,996**	537,534	599,222	(595,601)	3,621
	IPCA	12.16.20	11.18.30	**200,000**	**232,514**	**(235,963)**	**(3,449)**	–	–	–	–
	IPCA	12.17.20	11.18.30	**200,000**	**232,343**	**(236,206)**	**(3,863)**	–	–	–	–
	CDI	07.18.19	01.18.24	–	–	–	–	20,736	22,690	(22,481)	209
Swap	CDI	02.27.20	02.27.23	**800,000**	**824,304**	**(852,543)**	**(28,239)**	–	–	–	–
	Libor	09.25.20	09.25.24	**1,847,716**	**1,844,168**	**(1,851,388)**	**(7,220)**	–	–	–	–
	Libor	09.25.20	09.25.24	**1,154,822**	**1,137,560**	**(1,143,446)**	**(5,886)**	–	–	–	–
	Libor	05.04.20	05.03.22	**2,143,639**	**2,148,030**	**(2,151,356)**	**(3,326)**	–	–	–	–
	Libor	04.30.20	04.30.23	**5,196,700**	**5,217,217**	**(5,231,025)**	**(13,808)**	–	–	–	–
				12,080,411	**12,265,032**	**(12,302,827)**	**(37,795)**	**558,270**	**621,912**	**(618,082)**	**3,830**

a2. Exchange rate risk:

Exchange rate risk relates to potentially adverse results that the Company may face from fluctuations in foreign currency exchange rates from economic crisis, sovereign monetary policy alterations, or market movements. The Company has assets and liabilities exposed to foreign exchange rates, however the Company's Financial and Commodities Risk Management Policy states these exposures should not always be netted, since other issues should be considered such as maturities mismatches and market volatility.

The Risk Management Department enters into transaction with derivative instruments previously approved by the Board of Directors to protect financial assets and liabilities and future cash flow from commercial activities and net investments in foreign operations. The Board of Directors has approved the use of future contracts, NDFs (non deliverable forwards), DFs (Deliverable forwards), and swaps that may be applied to hedge loans, investments, cash flows from interest payments, export estimate, acquisition of raw material, and other transactions, whenever they are quoted in currencies different than the Company's functional currency. The primary exposures to exchange rate risk are in US Dollars (US$), Euro (€), British Pound (£), Mexican Pesos (MXN) and Australian Dollars (AU$).

The carrying amounts of assets and liabilities and other positions exposed to foreign currency risk at December 31, 2020 and 2019 are presented below along with the notional amounts of derivative contracts intended to offset the exposure, in accordance with the Company's Financial and Commodities Risk Management Policy. The exposure is related to Brazilian Reais.

	Company					
	USD		EUR		GBP	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
OPERATING						
Cash and cash equivalents	**2,962,153**	1,482,787	**49,754**	46,471	**31,876**	3,230
Trade accounts receivable	**2,300,167**	2,581,687	**41,292**	158,819	**88,538**	64,155
Sales orders	**1,893,232**	2,048,983	**48,817**	175,288	**110,896**	109,854
Trade accounts payable	**(124,974)**	(76,485)	**(49,845)**	(21,704)	**(101)**	(72)
Subtotal	**7,030,578**	**6,036,972**	**90,018**	**358,874**	**231,209**	**177,167**
FINANCIAL						
Related parties transaction, net	**386,827**	(14,565,972)	–	–	–	–
Loans and financing	**(918,986)**	(1,782,976)	**(71,131)**	(27,687)	–	–
Subtotal	**(532,159)**	**(16,348,948)**	**(71,131)**	**(27,687)**	–	–
Total exposure	**6,498,419**	**(10,311,976)**	**18,887**	**331,187**	**231,209**	**177,167**
DERIVATIVES						
Future contracts	**(519,150)**	–	–	–	–	–
Future contracts DDI	**519,150**	–		–		–
Total derivatives	–	–	–	–	–	–
NET EXPOSURE IN R$	**6,498,419**	**(10,311,976)**	**18,887**	**331,187**	**231,209**	**177,167**
Net debt in foreign subsidiaries	**(44,270,963)**	(33,742,311)	–	–	–	–

	Consolidated									
	USD		EUR		GBP		MXN		AUD	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
OPERATING										
Cash and cash equivalents	**6,295,296**	2,853,753	**74,795**	100,392	**34,193**	23,609	**1,342,999**	277,131	**1,653**	–
Trade accounts receivable	**4,641,316**	4,531,742	**128,052**	225,424	**113,929**	749,777	**567,423**	426,279	**14,343**	222
Sales orders	**2,021,338**	2,211,775	**48,993**	293,481	**110,896**	109,854	**–**	–	**5,782**	3,061
Trade accounts payable	**(346,252)**	(246,717)	**(292,434)**	(107,834)	**(7,532)**	(473,413)	**(941,128)**	(237,860)	**(9,681)**	(738)
Income tax payable	**–**	–	**–**	–	**–**	–	**–**	–	**(9,572)**	–
Purchase orders	**(196,762)**	(181,686)	**(22,081)**	(43,761)	**–**	–	**–**	–	**–**	–
Subtotal	**12,414,936**	**9,168,867**	**(62,675)**	**467,702**	**251,486**	**409,827**	**969,294**	**465,550**	**2,525**	**2,545**
FINANCIAL										
Related party transactions, net	**2,260,315**	(18,834,094)	**–**	–	**–**	(3,124)	**–**	–	**(40,529)**	16,377
Provisions	**(126,733)**	–	**–**	–	**–**	–	**–**	–	**–**	–
Advances to customers	**(2,414,510)**	–	**(285,849)**	–	**–**	–	**–**	–	**–**	–
Loans and financing	**(4,004,776)**	(11,641,590)	**(116,187)**	(27,687)	**–**	–	**–**	–	**–**	–
Subtotal	**(4,285,704)**	**(30,475,684)**	**(402,036)**	**(27,687)**	**–**	**(3,124)**	**–**	**–**	**(40,529)**	**16,377**
Total exposure	**8,129,232**	**(21,306,817)**	**(464,711)**	**440,015**	**251,486**	**406,703**	**969,294**	**465,550**	**(38,004)**	**18,922**
DERIVATIVES										
Future contracts	**(77,430)**	–	**–**	–	**–**	–	**–**	–	**–**	–
Future contracts DDI	**519,150**	–	**–**	–	**–**	–	**–**	–	**–**	–
Deliverable Forwards (DF´s)	**337,900**	50,001	**322,445**	144,702	**(46,677)**	(63,987)	**(1,163,224)**	(736,622)	**(1,575)**	(9,553)
Non Deliverable Forwards (NDF´s)	**2,338,780**	60	**(84,732)**	32,955	**(73,123)**	(199,092)	**–**	–	**–**	–
Swap	**(13,106)**	–	**–**	–	**–**	–	**–**	–	**–**	–
Total derivatives	**3,105,294**	**50,061**	**237,713**	**177,657**	**(119,800)**	**(263,079)**	**(1,163,224)**	**(736,622)**	**(1,575)**	**(9,553)**
NET EXPOSURE IN R$	**11,234,526**	**(21,256,756)**	**(226,998)**	**617,672**	**131,686**	**143,624**	**(193,930)**	**(271,072)**	**(39,579)**	**9,369**
Net debt in foreign subsidiaries	**(41,874,111)**	(33,742,311)	**–**	–	**–**	–	**–**	–	**–**	–

a2.1. Sensitivity analysis and derivative financial instruments breakdown:

a2.1.1 US Dollar (amounts in thousands of R$):

			Scenario (i) VaR 99% I.C. 1 day			Scenario (ii) Interest rate variation - 25%			Scenario (iii) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Exposure of R$	**Risk**	**Current exchange rate**	**Exchange rate**	**Company**	**Consolidated**	**Exchange rate**	**Company**	**Consolidated**	**Exchange rate**	**Company**	**Consolidated**
Operating	Appreciation	5.1967	5.0361	(217,248)	(383,626)	3.8975	(1,757,638)	(3,103,722)	2.5984	(3,515,289)	(6,207,468)
Financial	Depreciation	5.1967	5.0361	16,444	132,430	3.8975	133,039	1,071,422	2.5984	266,080	2,142,852
Derivatives	Appreciation	5.1967	5.0361	–	(95,955)	3.8975	–	(776,320)	2.5984	–	(1,552,647)

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Interest rate variation - 25%		Scenario (iii) Interest rate variation - 50%	
Exposure of R$	**Risk**	**Current exchange rate**	**Exchange rate**	**Effect on income**	**Exchange rate**	**Effect on income**	**Exchange rate**	**Effect on income**
Net debt in foreign subsidiaries	Depreciation	5.1967	5.0361	1,367,990	3.8975	11,067,698	2.5984	22,135,481

The Company includes the net debt of foreign subsidiaries in the disclosure of economic hedging exposure. Although these debts do not generate foreign exchange gains or losses (since they are foreign debts and in the functional currency of each respective country), they are translated to Brazilian Reais in the consolidation, impacting the equity as exchange variation of investment, influencing the consolidated debt of the Company, and consequently the leverage indicators.

			Company					
			December 31, 2020			December 31, 2019		
Instrument	**Risk factor**	**Nature**	**Quantity**	**Notional (R$)**	**Fair value**	**Quantidade**	**Notional (R$)**	**Fair value**
Future Contract	American dollar	Short	**1,998**	**(519,150)**	**(362)**			
Future Contract	DDI	Long	**1,998**	**519,150**	**374**	–	–	–

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Quantity	Notional (R$)	Fair value	Quantidade	Notional (R$)	Fair value
Future Contract	American dollar	Short	**298**	**(77,430)**	**(1,740)**			
Future Contract	DDI	Long	**1,998**	**519,150**	**374**	–	–	–

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Notional (USD)	Notional (R$)	Fair value	Notional (USD)	Notional (R$)	Fair value
Deliverable Forwards	American dollar	Long	**83,832**	**337,900**	**(14,140)**	12,405	50,001	(3,305)
Non Deliverable Forwards	American dollar	Long	**580,242**	**2,338,780**	**(64,217)**	15	60	218

a2.1.2 € - EURO (amounts in thousands of R$):

			Scenario (i) VaR 99% I.C. 1 day			Scenario (ii) Interest rate variation - 25%			Scenario (iii) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Exposure of R$	Risk	Current exchange	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated
Operating	Depreciation	6.3779	6.5782	2,827	(1,969)	7.9724	22,505	(15,669)	9.5669	45,009	(31,337)
Financial	Depreciation	6.3779	6.5782	(2,234)	(12,628)	7.9724	(17,783)	(100,509)	9.5669	(35,566)	(201,018)
Derivatives	Appreciation	6.3779	6.5782	–	7,467	7.9724	–	59,428	9.5669	–	118,856

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Notional (EUR)	Notional (R$)	Fair value	Notional (EUR)	Notional (R$)	Fair value
Deliverable Forwards	Euro	Long	**50,557**	**322,445**	**(6,839)**	31,940	144,702	(4,522)
Non Deliverable Forwards	Euro	Short	**(13,285)**	**(84,732)**	**2,162**	–	–	–
Non Deliverable Forwards	Euro	Long	–	–		7,274	32,955	(3,781)

a2.1.3 GBP - British Pound (amounts in thousands of R$):

			Scenario (i) VaR 99% I.C. 1 day			Scenario (ii) Interest rate variation - 25%			Scenario (iii) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Exposure of R$	Risk	Current exchange	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated
Operating	Appreciation	7.1008	6.8735	(7,401)	(8,050)	5.3256	(57,802)	(62,872)	3.5504	(115,605)	(125,743)
Derivatives	Depreciation	7.1008	6.8735	–	3,835	5.3256	–	29,950	3.5504	–	59,900

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Notional (GBP)	Notional (R$)	Fair value	Notional (GBP)	Notional (R$)	Fair value
Deliverable Forwards	British pound	Short	**(6,573)**	**(46,677)**	**255**	(12,012)	(63,987)	1,108
Non Deliverable Forwards	British pound	Short	**(10,298)**	**(73,123)**	**(883)**	(37,374)	(199,092)	(1,882)

a2.1.4 MXN - Mexican Peso (amounts in thousands of R$):

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Interest rate variation - 25%		Scenario (iii) Interest rate variation - 50%	
				Effect on income		Effect on income		Effect on income
Exposure of R$	Risk	Current exchange rate	Exchange rate	Consolidated	Exchange rate	Consolidated	Exchange rate	Consolidated
Operating	Appreciation	0.2610	0.2681	26,219	0.3263	242,323	0.3915	484,647
Derivatives	Depreciation	0.2610	0.2681	(31,465)	0.3263	(290,806)	0.3915	(581,612)

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Notional (MXN)	Notional (R$)	Fair value	Notional (MXN)	Notional (R$)	Fair value
Deliverable Forwards	Mexican peso	Short	**(4,456,798)**	**(1,163,224)**	**6,397**	(3,451,839)	(736,622)	(14,599)

a2.1.5 AUD - Australian Dollar (amounts in thousands of R$):

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Interest rate variation - 25%		Scenario (iii) Interest rate variation - 50%	
				Effect on income		Effect on income		Effect on income
Exposure of R$	Risk	Current exchange rate	Exchange rate	Consolidated	Exchange rate	Consolidated	Exchange rate	Consolidated
Operating	Appreciation	4.0139	4.1349	76	5.0174	631	6.0209	1,262
Financial	Appreciation	4.0139	4.1349	(1,222)	5.0174	(10,132)	6.0209	(20,265)
Derivatives	Depreciation	4.0139	4.1349	(47)	5.0174	(394)	6.0209	(787)

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Notional (AUD)	Notional (R$)	Fair value	Notional (AUD)	Notional (R$)	Fair value
Deliverable Forwards	Australian dollar	Short	**(392)**	**(1,575)**	**(47)**	(3,374)	(9,553)	(157)

b. Commodity price risk

The Company operates globally across (the entire livestock protein chain and related business) and during the regular course of its operations brings is exposed to price fluctuations in feeder cattle, live cattle, lean hogs, corn, soybeans, and energy, especially in the American, Australian and Brazilian markets. Commodity markets are characterized by volatility arising from external factors including climate, supply levels, transportation costs, agricultural policies and storage costs, among others. The Risk Management Department is responsible for mapping the exposures to commodity prices of the Company and its subsidiaries and proposing strategies to the Risk Management Committee, in order to mitigate such exposures.

Biological assets are a very important raw material used by the Company. In order to maintain future supply of these materials, the Company participates in forward contracts to anticipate purchases with suppliers. To complement these forward purchases, the Company use derivative instruments to mitigate each specific exposure, most notably futures contracts, to mitigate the impact of price fluctuations - on inventories and sales contracts. The Company takes the historical average amount spent on materials as an indication of the operational value to be protected by firm contracts.

b1. Position balance in commodities (cattle) contracts of the Company:

Given the nature of its operations, the Company is exposed to volatility in cattle prices, where price fluctuations arise from factors beyond the Company's control, such as climate, cattle supply, transportation costs and agricultural policies among others. Forward purchases of cattle can be negotiated at floating (prices marked at the delivery day current price) or fixed prices. The Company may use future contracts traded at the B3 to balance these exposures.

The factors that influence the commodity price risk reduction strategy are the timing of term contracts for cattle purchases considering any negotiated values and terms.

The Company's exposure to cattle price fluctuation as of December 31, 2020 and 2019 are presented below in accordance with the Company's Financial and Commodities Risk Management Policy and are representative of the exposure at each period end.

EXPOSURE in Commodities (Cattle)	December 31, 2020	December 31, 2019
Firm contracts of cattle purchase	**164,106**	285,820
Subtotal	**164,106**	**285,820**
DERIVATIVES		
Future contracts	**(57,457)**	(96,314)
Subtotal	**(57,457)**	**(96,314)**
NET EXPOSURE	**106,649**	**189,506**

Sensitivity analysis:

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) @ Variation - 25%		Scenario (ii) @ Variation - 50%	
				Effect on income		Effect on income		Effect on income
Exposure	Risk	Current price	Price	Company	Price	Company	Price	Company
Operating	Cattle arroba depreciation	267.15	258.36	(5,397)	200.36	(41,026)	133.58	(82,053)
Derivatives	Cattle arroba appreciation	267.15	258.36	1,890	200.36	14,364	133.58	28,728

Derivatives financial instruments breakdown:

			Company					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Quantity	Notional	Fair value	Quantity	Notional	Fair value
Future Contracts	Commodities (Cattle)	Short	**633**	**(57,457)**	**99**	1,481	(96,314)	(2,832)

(Expressed in thousands of Brazilian reais)

b2. Position balance in commodities (grain) derivatives financial instruments of Seara Alimentos:

Seara Alimentos is exposed to price volatility of grain, which changes based on factors beyond the management's control, such as climate, the supply volume, transportation costs, agricultural policies and others.

Seara Alimentos, in accordance with its policy of inventory management, started the strategy of managing the risk of grain's price by actively monitoring the Company´s grains needs, including expectations of future consumption, anticipated purchases, combined with future market operations, by hedging with grain futures on B3, CME and Over the Counter (OTC), through Non Deliverable Forwards (NDFs), in order reduce price volatility.

The internal controls used for coverage and risk management are made through spreadsheets and monitoring of operations performed and calculation of VAR for 1 day, with a confidence interval of 99%.

Management's estimate at the exposure risk to grain's price changes at Seara Alimentos at December 31, 2020 and 2019 are presented below in accordance with the Financial and Commodities Risk Management Policy and are representative of the exposure incurred during the period.

	Seara Alimentos	
EXPOSURE in Commodities (Grain)	**December 31, 2020**	**December 31, 2019**
OPERATING		
Purchase orders	**296,461**	131,192
Subtotal	**296,461**	**131,192**
DERIVATIVES		
Future contracts	**255,377**	12,540
Brazil Cash basis	**4,923**	—
Subtotal	**260,300**	**12,540**
NET EXPOSURE	**556,761**	**143,732**

Sensitivity analysis:

		Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Price variation - 25%		Scenario (ii) Price variation - 50%	
			Effect on income		Effect on income		Effect on income
Exposure	**Risk**	**Price**	**Seara Alimentos**	**Price**	**Seara Alimentos**	**Price**	**Seara Alimentos**
Operating	Depreciation	(2.53)%	(7,492)	(25.00)%	(74,115)	(50.00)%	(148,231)
Derivatives	Depreciation	(2.53)%	(6,578)	(25.00)%	(65,075)	(50.00)%	(130,150)

Derivatives financial instruments breakdown:

			Seara Alimentos					
			December 31, 2020			December 31, 2019		
Instrument	**Risk factor**	**Nature**	**Quantity**	**Notional**	**Fair value**	**Quantity**	**Notional**	**Fair value**
Future contracts	Commodities (Grains)	Long	**1,004**	**255,377**	**84**	369	12,540	138
Brazil Cash basis	Commodities (Grains)	Long	**129,000**	**4,923**	**21,284**	—	—	—

b3. Position balance in commodities derivatives financial instruments of JBS USA:

Management believes that quantitative figures regarding the risk exposure of the commodities price changes of the subsidiary JBS USA at December 31, 2020 and 2019 are accurately presented below in accordance with the Financial and Commodities Risk Management Policy and are representative of exposure incurred during the year.

	JBS USA	
EXPOSURE in Commodities	**December 31, 2020**	**December 31, 2019**
OPERATIONAL		
Firm contracts of cattle purchase	**10,069,506**	10,231,709
Subtotal	**10,069,506**	**10,231,709**
DERIVATIVES		
Deliverable Forwards	**(3,340,319)**	(2,094,928)
Subtotal	**(3,340,319)**	**(2,094,928)**
NET EXPOSURE	**6,729,187**	**8,136,781**

Sensitivity analysis:

		Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Price variation - 25%		Scenario (iii) Price variation - 50%	
			Effect on income		Effect on income		Effect on income
Exposure	**Risk**	**Price**	**JBS USA**	**Price**	**JBS USA**	**Price**	**JBS USA**
Operating	Depreciation	(2.48)%	(249,623)	(25.00)%	(2,517,376)	(50.00)%	(5,034,753)
Derivatives	Apreciation	(2.48)%	82,807	(25.00)%	835,080	(50.00)%	1,670,160

(Expressed in thousands of Brazilian reais)

Derivatives financial instruments breakdown:

			Consolidated					
			December 31, 2020			December 31, 2019		
Instrument	Risk factor	Nature	Notional (USD)	Notional (R$)	Fair value	Notional (USD)	Notional (R$)	Fair value
Deliverable Forwards	Commodities (Cattle)	Short	**(642,777)**	**(3,340,319)**	**27,428**	(519,743)	(2,094,928)	(144,537)

c. Credit risk

The Company and its subsidiaries are potentially subject to credit risk related to accounts receivable, financial investments and derivative contracts.

If the counter party of a financial transaction is a financial institution (financial investments and derivative contracts), the Company establishes exposure limits set by the Risk Management Committee, based on the risk ratings of specialized international agencies.

Amounts invested in private bonds (notably bank certificates of deposit) and receivables transactions contracted with banks must comply with the following table limits such that the total volume does not exceed a specified percentage of the equity of the financial institution (% Equity). Additionally, the maturity of the financial investment should be no longer than the maximum horizon.

Category	% Equity	Maximum horizon
AAA	2.00 %	5 years
AA	1.00 %	3 years
A	0.50 %	2 years
BBB	0.25 %	1 year

The carrying value of financial assets that represent the most significant exposure to credit risk at the financial statement date were:

		Company		Consolidated	
	Note	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Assets					
Cash and cash equivalents	5	**3,351,911**	1,883,135	**19,679,743**	10,033,967
Trade accounts receivable	6	**2,871,612**	2,609,254	**14,001,217**	11,136,622
Related party receivables	10	**1,872,127**	715,527	**382,019**	275,178
		8,095,650	5,207,916	**34,062,979**	21,445,767

d. Liquidity risk

Liquidity risk arises from the Company's working capital management and financing costs amortization, specially debt instruments. This is the risk that the Company might have when meeting its financial obligations when they are due.

The Company manages its capital by focusing on liquidity and leverage metrics that enable a return to shareholders over the medium term, consistent with the risks assumed in the transaction.

The Company manages its liquidity risk manly through evaluating its quick ratio, which is computed as cash plus financial investments divided by short-term debt. Liquidity is maintained by managing the overall leverage of the Company to monitoring the ratio of net debt to "EBITDA" at levels considered to be manageable for continuity of operations.

Based on the analysis of these indicators, management of working capital has been defined to include the natural leverage of the Company at levels equal to or less than the leverage ratio that the Company would like to achieve.

The index of liquidity and leverage at the consolidated are shown below:

	Consolidated	
	December 31, 2020	December 31, 2019
Cash and cash equivalents	**19,679,743**	10,033,967
Loans and financings - Current	**(4,562,102)**	(2,078,899)
Quick ratio	**4.31**	4.83
Leverage indicator (R$)	**1.57 x**	2.16 x
Leverage indicator (USD)	**1.58 x**	2.13 x

(Expressed in thousands of Brazilian reais)

The table below shows the contractual obligation amounts from financial liabilities of the Company and its subsidiaries according to their maturities:

	Company									
	December 31, 2020					December 31, 2019				
	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total
Trade accounts payable	4,510,871	–	–	–	4,510,871	3,566,693	–	–	–	3,566,693
Related party payables	–	–	–	–	–	–	–	–	17,641,379	17,641,379
Loans and financing	1,700,815	1,303,717	524,729	1,830,872	5,360,133	208,984	240,146	2,279,124	2,696	2,730,950
Estimated interest on loans and financing (1)	264,274	381,132	245,748	474,584	1,365,738	169,649	294,993	58,493	71	523,206
Derivatives financing liabilities (assets)	21,087	–	–	–	21,087	22,194	–	–	–	22,194
Other financial liabilities	21,193	4,950	–	–	26,143	22,193	11,550	–	–	33,743

	Consolidated									
	December 31, 2020					December 31, 2019				
	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total
Trade accounts payable	24,298,442	–	–	–	24,298,442	17,450,306	–	–	–	17,450,306
Loans and financing	4,562,102	6,142,420	12,181,765	43,020,420	65,906,707	2,078,899	1,918,477	8,922,496	40,108,171	53,028,043
Estimated interest on loans and financing (1)	3,014,943	6,217,792	5,573,784	5,868,015	20,674,534	2,583,773	5,222,548	5,304,423	5,261,673	18,372,417
Derivatives financing liabilities (assets)	287,536	–	–	–	287,536	251,964	–	–	–	251,964
Other financial liabilities	45,622	4,950	–	–	50,572	45,709	57,839	22,363	–	125,911

(1) Includes interest on all loans and financing outstanding. Payments are estimated for variable rate debt based on effective interest rates at December 31, 2020 and December 31, 2019. Payments in foreign currencies are estimated using the December 31, 2020 and December 31, 2019 exchange rates.

The Company has securities pledged as collateral for derivative transactions with the commodities and futures whose balance at December 31, 2020 is R$141,080 (R$165,941 at December 31, 2019). This guarantee is superior to the need presented for these operations.

The indirect subsidiary JBS USA and its subsidiaries, has securities pledged as collateral for derivative transactions with the commodities and futures whose balance at December 31, 2020 is R$303,487 (R$513,914 at December 31, 2019). This guarantee is larger than its collateral.

Also, the direct subsidiary Seara Alimentos has securities pledged as collateral for derivative transactions with the commodities and futures whose balance at December 31, 2020 is R$99,524 (R$76,861 in December 31, 2019). This guarantee is larger than its collateral.

The Company and its subsidiaries have no guarantees received from third parties deemed relevant.

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(Expressed in thousands of Brazilian reais)

32 Approval of the financial statements

The issuance of these financial statements was authorized by the Board of Directors on March 24, 2021.

BOARD OF DIRECTORS

Chairman:	Jeremiah Alphonsus O'Callaghan
Vice-Chairman:	José Batista Sobrinho
Board Member:	Aguinaldo Gomes Ramos Filho
Board Member:	Wesley Mendonça Batista Filho
Independent Board Member:	Gilberto Meirelles Xandó Baptista
Independent Board Member:	Gelson Luiz Merisio
Independent Board Member:	José Guimarães Monforte
Independent Board Member:	Alba Pettengill
Independent Board Member:	Márcio Guedes Pereira Júnior

STATUTORY AUDIT COMMITTEE REPORT

The Statutory Audit Committee reviewed the financial statements for the year ended December 31, 2020. Based on the procedures performed, also considering Grant Thorton Auditores Independentes' report, as well as the information and clarifications received during the year, it recommends that these documents are in a position to be considered by the Board of Directors.

AUDIT COMMITTEE

Chairman:	Gilberto Meirelles Xandó Baptista
Committee Member:	Paulo Sérgio Cruz Dortas Matos
Committee Member:	Orlando Octávio de Freitas Júnior
Committee Member:	Gelson Luiz Merisio

FISCAL COUNCIL REPORT

The Fiscal Council, in the use of its legal and statutory attributions, examined the Management Report and the and the Company's individual and consolidated financial statements, including the proposal for the earning allocation, for the year ended December 31, 2020, approved by the Company's Board of Directors on this date.

Based on our review, the information and clarifications received during this year and considering Grant Thornton Auditores Independentes' report on the individual and consolidated financial statements, without reservations, issued on this date, the Fiscal Council believes that these documents are in a position to be approved by the General Shareholders' Meeting.

FISCAL COUNCIL

Chairman:	Adrian Lima da Hora
Council Member:	José Paulo da Silva Filho
Council Member:	Demetrius Nichele Macei
Council Member:	Maurício Wanderley Estanislau da Costa

STATEMENT OF OFFICERS ON THE FINANCIAL STATEMENTS AND ON THE INDEPENDENT AUDITORS REPORT

The Company's Officers declare for the purposes of Article 25, paragraph 1, item V and VI of CVM Instruction No. 480 of December 7, 2009, that:

(i) They reviewed, discussed and agreed with the independent auditors report on the financial statements for the year ended December 31, 2020, and

(ii) They reviewed, discussed and agreed with the financial statements for the year ended December 31, 2020.

STATUTORY BOARD

Chief Executive Officer:	Gilberto Tomazoni
Administrative and Control Officer:	Eliseo Santiago Perez Fernandez
Chief Financial Officer:	Guilherme Perboyre Cavalcant
Officer:	Jeremiah Alphonsus O'Callaghan
Officer:	Wesley Mendonça Batista Filho

Accountant:	Agnaldo dos Santos Moreira Jr. (CRC SP: 244207/O-4)

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