



# JBS delivers R\$2Bn in Net Income in 1Q21 with record Revenues and EBITDA

São Paulo, May 12th, 2021 – JBS S.A. (B3: JBSS3; OTCQX: JBSAY) announces today its first quarter 2021 results. The comments made herein are in Brazilian Reals, in accordance with international accounting standards (IFRS), unless otherwise specified.

## 1Q21 HIGHLIGHTS

JBS (JBSS3)  
Price  
**R\$31.28**  
Market cap  
**R\$78.5 Billion**

Conference Call  
Thursday  
05.13.2021

Portuguese  
9h BRT | 8 ET  
English  
11h BRT | 10 ET

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### CONSOLIDATED

- Net Revenue: R\$75.3 bn (+33.2% yoy)
- Adjusted EBITDA: R\$6.9 bn (+75.8% yoy)
- Adjusted EBITDA margin: 9.1% (+2.2 p.p. yoy)
- Net income: R\$2 bn

### OPERATIONAL AND FINANCIAL HIGHLIGHTS IN IFRS



#### JBS USA BEEF

Net Revenue: R\$30.4 bn (+32.2% yoy)  
EBITDA: R\$2.7 bn (+148.5% yoy)  
EBITDA margin: 9% (+4.2 p.p. yoy)



#### JBS USA PORK

Net Revenue: R\$8.8 bn (+32.7% yoy)  
EBITDA: R\$1 bn (+212.6% yoy)  
EBITDA margin: 11.7% (+6.7 p.p. yoy)



#### PPC

Net Revenue: R\$17.9 bn (+30.7% yoy)  
EBITDA: R\$1.9 bn (+68.8% yoy)  
EBITDA margin: 10.7% (+2.4 p.p. yoy)



#### SEARA

Net Revenue: R\$7.8 bn (+34.4% yoy)  
EBITDA: R\$932.6 mn (-5.2% yoy)  
EBITDA margin: 11.9% (-5.0 p.p. yoy)



#### JBS BRASIL

Net Revenue: R\$11.5 bn (+41.3% yoy)  
EBITDA: R\$236.3 mn (-30.1% yoy)  
EBITDA margin: 2% (-2.1 p.p. yoy)

- Shareholder Return: Dividend Yield of 3.1% and Dividend Yield + Buyback of 7.9% in 2021
- Lowest level of average cost of debt at 4.9% p.a., and reduction of net financial expenses of US\$17.9 million in relation to 1Q20
- Leverage of 1.67x in USD and 1.76x in Reais
- Total financial liquidity of R\$20.8 billion, including revolving credit facility lines in the amount of US\$1.8 billion, enough to pay all debt until mid 2026
- Announcement of the acquisition of Vivera, the third largest plant-based products company in Europe, with an ample portfolio available in more than 25 countries, for the amount of €341 million



# MESSAGE FROM THE CEO

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We entered 2021 leveraging what we learned from a challenging last year for all of us. We continued to serve our role with the conviction that we have the responsibility to take even greater, bolder steps to create value for all our team members, shareholders, customers, consumers and society as a whole. To be successful, a company must deliver short, medium and long-term sustainable results on behalf of all stakeholders.

We believe that businesses are agents of transformation and our focus is on being a healthy company, comprised of healthy people, on a healthy planet. That is why we have put sustainability at the heart of our strategy and have assumed what is the most significant commitment in the history of JBS: to become a Net Zero company by 2040.

We have committed to achieve net zero greenhouse gas emissions across our entire value chain, reducing our direct and indirect emissions, and offsetting all residual emissions. We were the first major global company in our industry to take on this commitment. It reinforces our purpose of feeding people around the world in an increasingly sustainable manner.

Our platform, diversified by geography and type of protein, has demonstrated important resilience in our results. Regardless of the challenges we face, our business units have responded well and made progress in every important financial indicator, including net revenues, EBITDA and net income.

JBS operations in the USA turned in an exceptional performance, with record numbers in comparison with all previous first quarters, driven by strong domestic demand from a gradual resurgence of the foodservice sector and by growth in export demand, led by the Asian market.

Pilgrim's Pride also had a sound first quarter, following the recovery in demand in the United States. The foodservice business is improving and we have maintained pace in the retail sector. The diversified portfolio and global consolidated operations have enabled us to weather the market challenges that the pandemic has presented.

Seara continues its rise, due to our focus on high value-added products supported by well-established brands and innovation. The business recently rolled out a new category of products within the cold cuts segment, Levíssimo Seara, produced 100% from pork loin, resulting in a significantly lower fat and sodium content. Seara has also ventured into the fish and seafood segment.

In Brazil, notwithstanding a challenging scenario, our cattle business has focused on strengthening the brand, building closer relationships with our clients and getting a better understanding of our consumers. In addition, we have managed to implement an efficient strategy, taking advantage of the geographical locations of our manufacturing facilities to absorb production and preserve our processing capacity.

In the U.S., our new Italian specialties plant already has found a home in Columbia, Missouri. Investments announced for organic growth at Seara and other businesses around the world are ahead of schedule.

In line with our strategy of being an important global player in the plant-based segment, we announced a proposed acquisition of Vivera in Europe. With sales of €85 million, Vivera is the third leading plant-based company in terms of market share in Europe, with a presence in 25 countries. In addition, Vivera brings technological knowledge that will accelerate our innovation in this strategic segment, which includes our Incrível brand by Seara in Brazil, and our OZO brand by Planterra in the United States.

Our low financial leverage and comfortable debt maturity schedule have enabled us to continue generating significant shareholder returns, repurchasing R\$3.9 billion in shares between January and April of this year, as well as a record dividend payment of R\$ 2.5 billion, representing a yield of 7.9%.

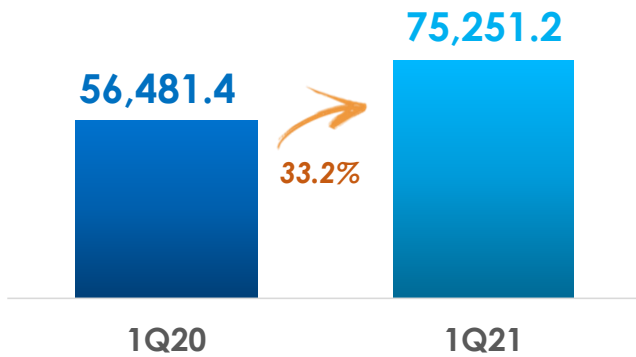
We also made significant sustainability advancements. During the quarter, Pilgrim's Pride became the first global meat and poultry company to offer a Sustainability-Linked Bond. The US\$1 billion bond is tied to the company's greenhouse gas emission reduction targets. JBS is also investing in the circular economy, by using ensuring that waste and byproducts are used as raw materials to create sustainable value. In Brazil, we are building a fertilizer factory, a biodiesel plant and an extension to our plastic packaging recycling plant.

Another significant advancement made during the quarter was bringing online our Transparent Livestock Farming Platform in the Amazon Biome region. This tool, which employs blockchain technology, enables us to extend our socio-environmental monitoring system to the suppliers of our cattle suppliers. We have also opened Green Offices at 13 of our processing units across Brazil. These offices will be used to help ranchers improve the environmental performance of their properties. We believe this inclusive, collaborative approach will contribute to the advancement of livestock farming in Brazil.

The company's continued commitment and tangible initiatives demonstrate that sustainability is no longer merely a pillar underpinning our business strategy, but the criterion by which all our initiatives are guided. We are confident this is the best approach to create value and contribute to society. Our size and global scale give us the opportunity to have a tremendous positive impact on our supply chain and our sector. We know that trust is vital in this process of transformation and we will build it through dialogue, listening and transparency. We believe this is not only the right thing to do, but the only option for the future of our shared society.

**Gilberto Tomazoni, Global CEO JBS**

# 1Q21 CONSOLIDATED HIGHLIGHTS



NET REVENUE

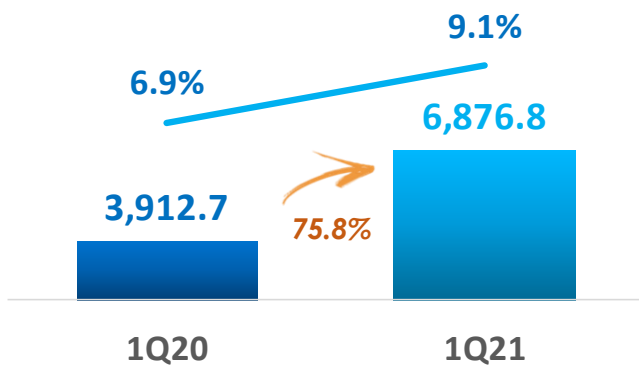
**R\$75.3Bn**

33.2% Increase compared with 1Q20

ADJUSTED EBITDA

**R\$6.9Bn**

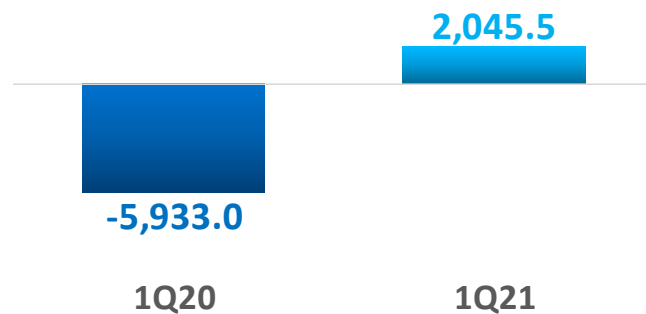
Increase in EBITDA margin from 6.9% in 1Q20 to 9.1% in 1Q21



NET INCOME

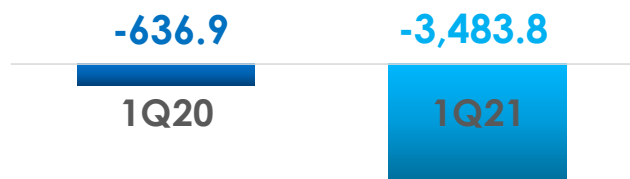
**R\$2.0Bn**

EPS of R\$0.81



FREE CASH FLOW

**-R\$3.5Bn**



# 1Q21 CONSOLIDATED HIGHLIGHTS

## Consolidated Results

R\$ Million	1Q21		4Q20		Δ%	1Q20		Δ%	LTM 1Q21	
	R\$	% NR	R\$	% NR	1Q21 vs 4Q20	R\$	% NR	1Q21 vs 1Q20	R\$	% NR
Net Revenue	75,251.2	100.0%	76,059.4	100.0%	-1.1%	56,481.4	100.0%	33.2%	288,974.1	100.0%
Cost of Goods Sold	(64,139.4)	-85.2%	(64,441.7)	-84.7%	-0.5%	(49,209.3)	-87.1%	30.3%	(239,916.0)	-83.0%
Gross Profit	11,111.8	14.8%	11,617.7	15.3%	-4.4%	7,272.1	12.9%	52.8%	49,058.0	17.0%
Selling Expenses	(4,080.6)	-5.4%	(4,039.0)	-5.3%	1.0%	(3,185.2)	-5.6%	28.1%	(15,376.8)	-5.3%
General and Adm. Expenses	(2,499.6)	-3.3%	(3,332.8)	-4.4%	-25.0%	(1,863.2)	-3.3%	34.2%	(11,428.7)	-4.0%
Net Financial Income (expense)	(1,172.7)	-1.6%	1,147.7	1.5%	-	(9,087.4)	-16.1%	-87.1%	(4,324.3)	-1.5%
Equity in earnings of subsidiaries	26.7	0.0%	13.5	0.0%	97.4%	13.1	0.0%	103.8%	67.1	0.0%
Other Income (expense)	96.7	0.1%	451.1	0.6%	-78.6%	64.4	0.1%	50.1%	537.3	0.2%
Profit (loss) before taxes	3,482.2	4.6%	5,858.3	7.7%	-40.6%	(6,786.2)	-12.0%	-	18,532.6	6.4%
Income and social contribution taxes	(1,326.7)	-1.8%	(1,835.1)	-2.4%	-27.7%	899.1	1.6%	-	(5,835.0)	-2.0%
Minority interest	(110.1)	-0.1%	(3.8)	0.0%	2776.6%	(45.9)	-0.1%	139.7%	(120.8)	0.0%
Net Income (Loss)	2,045.5	2.7%	4,019.4	5.3%	-49.1%	(5,933.0)	-10.5%	-	12,576.8	4.4%
Adjusted EBITDA	6,876.8	9.1%	7,034.4	9.2%	-2.2%	3,912.7	6.9%	75.8%	32,518.7	11.3%
Earnings per Share	0.81		1.53		-47.1%	n.a.		-	-	

## NET REVENUE

In 1Q21, JBS recorded a consolidated net revenue of R\$75.3 billion, which represents an increase of 33.2% in relation to 1Q20, with all business units registering revenue growth in Reais. For the 1Q21, around 75% of JBS global sales were in the domestic markets where the Company operates and 25% through exports. In the last 12 months, revenue reached R\$289 billion (US\$53.4 billion), a record for the period.

## ADJUSTED EBITDA

Adjusted EBITDA was R\$6.9 billion, an increase of 75.8% in relation to 1Q20, with JBS USA Pork, JBS USA Beef and PPC being the highlights, an increase of 212.6%, 148.5% and 68.8%, in EBITDA respectively, (in IFRS and Reais). The adjusted EBITDA margin for the quarter was 9.1%. In the last 12 months, adjusted EBITDA reached R\$32.5 billion (US\$6 billion), a record for the period, with EBITDA Margin of 11.3%.

R\$ Million	1Q21	4Q20	Δ%	1Q20	Δ%	LTM 1Q21
Net income for the period (including minority interest)	2,155.6	4,023.2	-46.4%	(5,887.1)	-	12,697.6
Financial income (expense), net	1,172.7	(1,147.7)	-	9,087.4	-87.1%	4,324.3
Current and deferred income taxes	1,326.7	1,835.1	-27.7%	(899.1)	-	5,835.0
Depreciation and amortization	2,082.0	2,119.5	-1.8%	1,673.6	24.4%	8,245.8
Equity in subsidiaries	(26.7)	(13.5)	97.4%	(13.1)	103.8%	(67.1)
(=) EBITDA	6,710.3	6,816.5	-1.6%	3,961.7	69.4%	31,035.6
Other income / expenses	0.9	83.0	-98.9%	(49.0)	-	139.3
Extemporaneous tax credits	(54.0)	(421.01)	-87.2%	-	-	(475.0)
SEC, DoJ and antitrust Agreements	192.4	536.9	-64.2%	-	-	1,475.5
Donations - Fazer o Bem Faz Bem	27.2	18.9	43.4%	-	-	343.3
(=) Adjusted EBITDA	6,876.8	7,034.4	-2.2%	3,912.7	75.8%	32,518.7

# 1Q21 CONSOLIDATED HIGHLIGHTS

## NET FINANCIAL RESULTS

In 1Q21, net debt financial expenses were R\$927.6 million, which correspond to US\$169.5 million and represents a reduction of US\$17.9 million (-9.5%) in relation to 1Q20.

R\$ Million	1Q21	4Q20	Δ%	1Q20	Δ%	LTM 1T21
Exchange rate variation	(101.8)	2,105.5	-	(8,207.8)	-98.8%	259.9
Fair value adjustments on derivatives	145.5	(399.9)	-	243.9	-40.3%	(417.7)
Interest expense	(1,187.7)	(1,100.4)	7.9%	(1,214.2)	-2.2%	(4,743.8)
Interest expenses from loans and financings	(941.4)	(890.2)	5.7%	(899.7)	4.6%	(3,862.4)
Interest income	187.9	632.8	-70.3%	133.1	41.2%	1,059.5
Interest income from investments	13.9	23.8	-41.7%	30.2	-54.1%	78.4
Taxes, contribution, fees and others	(216.5)	(90.3)	139.8%	(42.4)	411.0%	(482.1)
<b>Finance income (expense)</b>	<b>(1,172.7)</b>	<b>1,147.7</b>	-	<b>(9,087.4)</b>	<b>-87.1%</b>	<b>(4,324.3)</b>

## NET INCOME

In 1Q21, JBS recorded a net income of R\$2 billion, which represents an earnings per share of R\$0.81 and reversed the loss of the 1Q20, which had been impacted by a negative exchange rate variation.

## CASH FLOW FROM OPERATING ACTIVITIES AND FREE CASH FLOW

In 1Q21, the Company presented a negative variation of R\$629.4 million in cash flow from operating activities, mainly due to the payment of DOJ and Antitrust agreements in the quarter in the amount of R\$1.1 billion. Free cash flow, after investments and net interest, was negative by R\$3.5 billion in the quarter.

It is worth mentioning that the first quarter of the year has the characteristic of consuming cash, due to the concentration of payments to suppliers and the build up of inventories.

## NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES

In 1Q21, the total cash used in investment activities was R\$1.6 billion. Purchase of Property, Plants and Equipment (CAPEX) totaled R\$1.7 billion for the quarter.

## INDEBTEDNESS

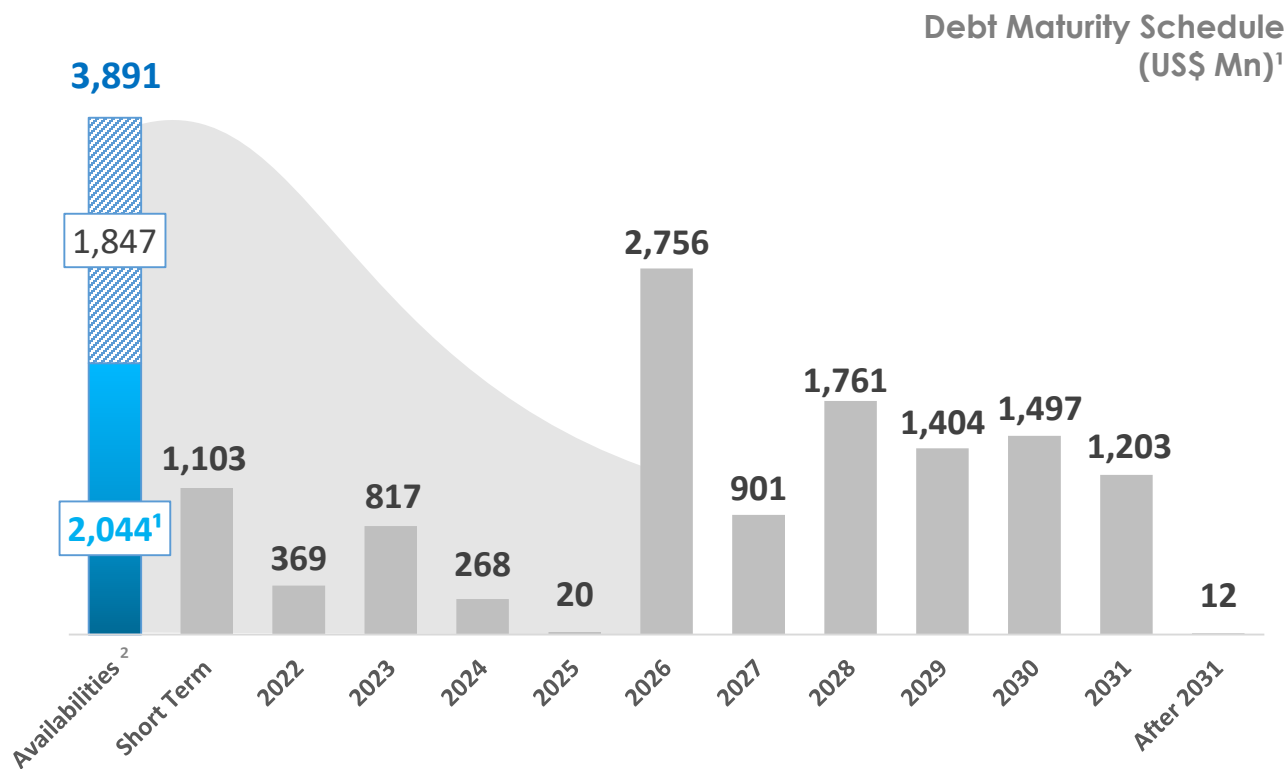
JBS ended 1Q21 with R\$10.3 billion in cash. Additionally, JBS USA has US\$1.8 billion available in secured revolving credit lines, equivalent to R\$10.5 billion considering quarter-end exchange rate, which secures JBS a total availability of R\$20.8 billion, more than three times its short-term debt.

Net debt in Reais increased slightly from R\$57 billion in the 1Q20 to R\$57.2 billion in 1Q21, due to the devaluation of the Real, with leverage decreasing from 2.77x to 1.76x in the period. In Dollar terms, net debt decreased by US\$923.5 million, from US\$11 billion in 1Q20 to US\$10 billion in 1Q21 and leverage decreased from 2.17x to 1.67x for the same period.

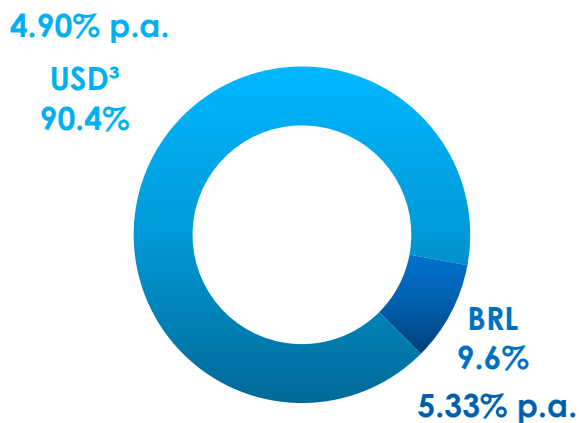
	R\$ Million					US\$ Million				
	1Q21	4Q20	Δ%	1Q20	Δ%	1Q21	4Q20	Δ%	1Q20	Δ%
<b>Gross Debt</b>	<b>67,431.6</b>	<b>65,906.7</b>	<b>2.3%</b>	<b>75,436.6</b>	<b>-10.6%</b>	<b>11,835.7</b>	<b>12,682.4</b>	<b>-6.7%</b>	<b>14,510.7</b>	<b>-18.4%</b>
(+) Short Term Debt	6,308.3	4,562.1	38.3%	4,294.1	46.9%	1,107.3	877.9	26.1%	826.0	34.1%
% of the Gross Debt	9.4%	6.9%		5.7%		9.4%	6.9%		5.7%	
(+) Long Term Debt	61,123.3	61,344.6	-0.4%	71,142.5	-14.1%	10,728.5	11,804.5	-9.1%	13,684.7	-21.6%
% of the Gross Debt	90.6%	93.1%		94.3%		90.6%	93.1%		94.3%	
(-) Cash and Equivalents	10,258.5	19,679.7	-47.9%	18,466.2	-44.4%	1,800.6	3,787.0	-52.5%	3,552.1	-49.3%
<b>Net Debt</b>	<b>57,173.1</b>	<b>46,227.0</b>	<b>23.7%</b>	<b>56,970.4</b>	<b>0.4%</b>	<b>10,035.1</b>	<b>8,895.4</b>	<b>12.8%</b>	<b>10,958.6</b>	<b>-8.4%</b>
Leverage	<b>1.76x</b>	<b>1.56x</b>		<b>2.77x</b>		<b>1.67x</b>	<b>1.58x</b>		<b>2.17x</b>	

# 1Q21 CONSOLIDATED HIGHLIGHTS

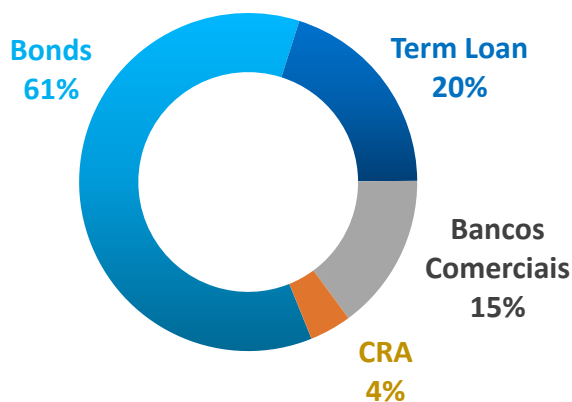
## INDEBTEDNESS (Cont.)



### CURRENCY & COST BREAKDOWN



### SOURCE BREAKDOWN



<sup>1</sup> Proforma considering the proceeds of a CRA settled on May 5th, maturing in 2028 for the amount of R\$442 million and in 2031 for R\$1.2 billion; issuance of US\$1 billion of a SLB for PPC on April 8<sup>th</sup> and maturity in April 2031. The schedule also includes the repurchase of a US\$1 billion PPC bond maturing in 2025.

<sup>2</sup> Includes funds available in cash and revolving guaranteed credit lines from JBS USA.

<sup>3</sup> Includes debts in other currencies, such as Euros and Canadian Dollars. The debt denominated in US Dollars corresponds to 98.7% of this total.

# 1Q21 BUSINESS UNITS

## BUSINESS UNITS – IFRS R\$

Million		1Q21	4Q20	Δ%	1Q20	Δ%	LTM 1Q21
<b>Net Revenue</b>							
Seara	R\$	7,842.2	7,541.0	4.0%	5,833.6	34.4%	28,739.3
JBS Brazil	R\$	11,533.3	13,396.1	-13.9%	8,159.6	41.3%	45,080.9
JBS USA Beef	R\$	30,419.0	30,287.2	0.4%	23,012.5	32.2%	119,526.8
JBS USA Pork	R\$	8,787.9	9,314.6	-5.7%	6,624.8	32.7%	34,334.1
Pilgrim's Pride	R\$	17,897.9	16,807.7	6.5%	13,690.9	30.7%	66,434.7
Others	R\$	850.9	828.6	2.7%	661.2	28.7%	3,089.6
Eliminations	R\$	-2,079.9	-2,115.8	-1.7%	-1,501.3	38.5%	-8,231.4
<b>Total</b>	<b>R\$</b>	<b>75,251.2</b>	<b>76,059.4</b>	<b>-1.1%</b>	<b>56,481.4</b>	<b>33.2%</b>	<b>288,974.1</b>
<b>Adjusted EBITDA</b>							
Seara	R\$	932.6	1,064.5	-12.4%	983.6	-5.2%	4,172.9
JBS Brazil	R\$	236.3	687.9	-65.6%	338.1	-30.1%	2,980.5
JBS USA Beef	R\$	2,728.2	2,784.7	-2.0%	1,097.7	148.5%	14,532.1
JBS USA Pork	R\$	1,026.3	844.6	21.5%	328.3	212.6%	4,086.0
Pilgrim's Pride	R\$	1,916.2	1,606.7	19.3%	1,135.0	68.8%	6,736.1
Others	R\$	39.8	48.6	-18.1%	31.0	28.4%	23.8
Eliminations	R\$	-2.7	-2.7	0.0%	-1.0	163.6%	-12.7
<b>Total</b>	<b>R\$</b>	<b>6,876.8</b>	<b>7,034.4</b>	<b>-2.2%</b>	<b>3,912.7</b>	<b>75.8%</b>	<b>32,518.7</b>
<b>Adjusted EBITDA Margin</b>							
Seara	%	11.9%	14.1%	-2.2 p.p.	16.9%	-5.0 p.p.	14.5%
JBS Brazil	%	2.0%	5.1%	-3.1 p.p.	4.1%	-2.1 p.p.	6.6%
JBS USA Beef	%	9.0%	9.2%	-0.2 p.p.	4.8%	4.2 p.p.	12.2%
JBS USA Pork	%	11.7%	9.1%	2.6 p.p.	5.0%	6.7 p.p.	11.9%
Pilgrim's Pride	%	10.7%	9.6%	1.1 p.p.	8.3%	2.4 p.p.	10.1%
Others	%	4.7%	5.9%	-1.2 p.p.	4.7%	0.0 p.p.	0.8%
<b>Total</b>	<b>%</b>	<b>9.1%</b>	<b>9.2%</b>	<b>-0.1 p.p.</b>	<b>6.9%</b>	<b>2.2 p.p.</b>	<b>11.3%</b>

## BUSINESS UNITS – USGAAP US\$

Million		1Q21	4Q20	Δ%	1Q20	Δ%	LTM 1Q21
<b>Net Revenue</b>							
JBS USA Beef	US\$	5,558.1	5,612.4	-1.0%	5,162.0	7.7%	22,094.5
JBS USA Pork	US\$	1,605.7	1,726.1	-7.0%	1,486.0	8.1%	6,346.2
Pilgrim's Pride	US\$	3,273.4	3,117.8	5.0%	3,074.9	6.5%	12,290.4
<b>Adjusted EBITDA</b>							
JBS USA Beef	US\$	531.9	503.4	5.7%	244.2	117.8%	2,673.6
JBS USA Pork	US\$	127.5	175.2	-27.2%	128.8	-1.0%	605.9
Pilgrim's Pride	US\$	253.8	205.4	23.6%	165.5	53.4%	876.4
<b>Adjusted EBITDA Margin</b>							
JBS USA Beef	%	9.6%	9.0%	0.6 p.p.	4.7%	4.8 p.p.	12.1%
JBS USA Pork	%	7.9%	10.2%	-2.2 p.p.	8.7%	-0.7 p.p.	9.5%
Pilgrim's Pride	%	7.8%	6.6%	1.2 p.p.	5.4%	2.4 p.p.	7.1%

# 1Q21 BUSINESS UNITS

## SEARA

IFRS - R\$ Million	1Q21		4Q20		Δ% QoQ	1Q20		Δ% YoY	LTM 1Q21	
	R\$	% NR	R\$	% NR		R\$	% NR		R\$	% NR
<b>Net Revenue</b>	<b>7,842.2</b>	<b>100.0%</b>	<b>7,541.0</b>	<b>100.0%</b>	<b>4.0%</b>	<b>5,833.6</b>	<b>100.0%</b>	<b>34.4%</b>	<b>28,739.3</b>	<b>100.0%</b>
Cost of Goods Sold	(6,214.6)	-79.2%	(5,772.1)	-76.5%	7.7%	(4,268.1)	-73.2%	45.6%	(21,877.2)	-76.1%
Gross Profit	1,627.6	20.8%	1,768.9	23.5%	-8.0%	1,565.5	26.8%	4.0%	6,862.2	23.9%
<b>Adjusted EBITDA</b>	<b>932.6</b>	<b>11.9%</b>	<b>1,064.5</b>	<b>14.1%</b>	<b>-12.4%</b>	<b>983.6</b>	<b>16.9%</b>	<b>-5.2%</b>	<b>4,172.9</b>	<b>14.5%</b>

In 1Q21, Seara's net revenue totaled R\$7.8 billion, an increase of 34.4% in relation to 1Q20, due to an increase of 18.1% in sales volume and 13.8% in average sales price. Such results include the consolidation of Bunge's margarine business, whose acquisition was concluded in November 2020.

In the domestic market, which accounted for 50% of the business unit's sales, net revenue totaled R\$3.9 billion, which is 33.4% higher than 1Q20. Once again, the prepared foods category was the highlight, with growth of 3.2% in volumes sold and 22.1% in average sales price in the period. This performance is a result of the investments in quality and innovation made by Seara in the recent years. As an example of this, in the 1Q21 Seara launched a new category in the cold cuts segment with a product named Levíssimo Seara, the only product of its category which is as tasty as ham and as light as turkey breast. Levíssimo Seara has 38% less sodium, 30% less fat and is made of 100% pork loin. Seara also recently entered the fish and seafood segment, launching a complete line with ten products in its portfolio. Thus Seara reaches the Brazilian consumer with products that combine the brand's characteristic attributes, such as: quality, innovation, healthiness and sustainability.

In the export market, net revenue was R\$3.9 billion, an increase of 35.4% compared to 1Q20, due to an increase of 14.6% in volumes sold and 18.2% in average sales price.

Adjusted EBITDA for the quarter totaled R\$932.6 million, which represents a 5.2% reduction in the annual comparison, with an EBITDA margin of 11.9% compared to 16.9% in 1Q20. This contraction is mainly due to the challenging scenario in terms of production costs, notably grains, which, according to Esalq data, posted increases of 92.9% and 60.9% in soybean meal and corn, respectively. These increases have been partially mitigated given the focus on operational efficiency, combined with the increase in sales prices, as well as a better mix of markets, channels and products.

Through the consumer preference, the Seara brand has been consolidating its leadership in several categories. In frozen foods, Seara increased its advantage to 3.9 p.p. in market share (value) compared to the second brand, completing 22 consecutive months in the leadership, as well as a reduction of 8.7 p.p. in the price gap in relation to the competition, when compared to the same period of last year.

In relation to its expansion plan, Seara continued to advance, having already delivered three out of its 12 ongoing projects, in accordance to the timeline.





# 1Q21 BUSINESS UNITS

## JBS BRASIL

IFRS - R\$ Million	1Q21		4Q20		Δ% QoQ	1Q20		Δ% YoY	LTM 1Q21	
	R\$	% NR	R\$	% NR		R\$	% NR		R\$	% NR
<b>Net Revenue</b>	<b>11,533.3</b>	<b>100.0%</b>	<b>13,396.1</b>	<b>100.0%</b>	<b>-13.9%</b>	<b>8,159.6</b>	<b>100.0%</b>	<b>41.3%</b>	<b>45,080.9</b>	<b>100.0%</b>
Cost of Goods Sold	(10,306.2)	-89.4%	(11,430.6)	-85.3%	-9.8%	(6,883.5)	-84.4%	49.7%	(37,858.0)	-84.0%
Gross Profit	1,227.1	10.6%	1,965.5	14.7%	-37.6%	1,276.1	15.6%	-3.8%	7,222.9	16.0%
<b>Adjusted EBITDA</b>	<b>236.3</b>	<b>2.0%</b>	<b>687.9</b>	<b>5.1%</b>	<b>-65.6%</b>	<b>338.1</b>	<b>4.1%</b>	<b>-30.1%</b>	<b>2,980.5</b>	<b>6.6%</b>

In 1Q21, JBS Brasil net revenue was R\$11.5 billion, which corresponds to a 41.3% increase in relation to 1Q20.

In the domestic market, which represented 61.5% of the business unit's revenue, net revenue totaled R\$7.1 billion, an increase of 41.4% in the annual comparison, with a highlight for the beef segment, which posted an increase of 22.3% in the average sales price and 6.4% in volumes sold. Friboi continues to expand its portfolio of higher value-added products, with the recent launch of five new cuts from the Maturatta Friboi barbecue line.

In the export market, net revenue registered an increase of 41.2% compared to 1Q20, reaching an amount of R\$4.4 billion. Sales of beef, which represented 85% of the business unit's sales in the foreign market, grew both in volume and in prices, by 17.9% and 24.8%, respectively, with a highlight to China and Hong Kong.

EBITDA totaled R\$236.3 million in the quarter, with an EBITDA margin of 2%, a contraction of 2.1 p.p. when compared to the 1Q20 margin. Despite the revenue growth in the period, the business margin was impacted by the increase in the production cost, notably in the average price of cattle, which, according to CEPEA-ESALQ data, grew circa 51.4% in the period.

Finally, JBS Brasil remains committed to the sustainability and positive impact of its business on society and launched through its Leather unit a product with nanotechnology that inactivates the Covid-19 virus, ensuring antiviral action on coatings for furniture, accessories and vehicles. Also, through its New Business unit, it developed an innovative product for construction, the "green tiles", made from the recycling of a type of plastic from its operations that was previously destined for landfills.



Note: On March 1, 2020, through a corporate restructuring process, the Swift stores were transferred to the direct subsidiary Seara Alimentos. Despite the fact that the Swift stores are part of Seara Alimentos' corporate structure, for the purposes of analysis and presentation of results, management decided to allocate the Swift stores results to the JBS Brasil operating segment.

# 1Q21 BUSINESS UNITS

## JBS USA BEEF

IFRS - R\$ Million	1Q21		4Q20		Δ%	1Q20		Δ%	LTM 1Q21	
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR
Net Revenue	30,419.0	100.0%	30,287.2	100.0%	0.4%	23,012.5	100.0%	32.2%	119,526.8	100.0%
Cost of Goods Sold	(26,266.5)	-86.3%	(26,128.3)	-86.3%	0.5%	(20,845.7)	-90.6%	26.0%	(99,833.5)	-83.5%
Gross Profit	4,152.6	13.7%	4,158.9	13.7%	-0.2%	2,166.8	9.4%	91.6%	19,693.3	16.5%
Adjusted EBITDA	2,728.2	9.0%	2,784.7	9.2%	-2.0%	1,097.7	4.8%	148.5%	14,532.1	12.2%

USGAAP <sup>1</sup> - US\$ Million	1Q21		4Q20		Δ%	1Q20		Δ%	LTM 1Q21	
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR
Net Revenue	5,558.1	100.0%	5,612.4	100.0%	-1.0%	5,162.0	100.0%	7.7%	22,094.5	100.0%
Cost of Goods Sold	(4,964.5)	-89.3%	(5,054.9)	-90.1%	-1.8%	(4,849.8)	-94.0%	2.4%	(19,205.5)	-86.9%
Gross Profit	593.6	10.7%	557.5	9.9%	6.5%	312.2	6.0%	90.1%	2,889.0	13.1%
Adjusted EBITDA	531.9	9.6%	503.4	9.0%	5.7%	244.2	4.7%	117.8%	2,673.6	12.1%

Considering results in IFRS and Reais, JBS USA Beef posted in the 1Q21 net revenues of R\$30.4 billion, 32.2% higher than in 1Q20 and an EBITDA of R\$2.7 billion, an impressive increase of 148.5% when compared to 1Q20, with the EBITDA margin increasing from 4.8% to 9% in the period. These results include the impact of the 18.5% devaluation of the average exchange rate (BRL vs. USD), which went from R\$ 4.46 to R\$ 5.47 in the period.

In USGAAP and US\$, net revenue was US\$5.6 billion, an increase of 7.7% compared to 1Q20, due to a 2.4% decrease in volumes sold, offset by an increase of 10.3% in the average sales price. EBITDA was US\$531.9 million, with a margin of 9.6%, the highest ever recorded by the unit in a first quarter.

### North America

The business in the region continues to be driven by a wide availability of cattle ready for slaughter, where rates of placement in feedlots remain at levels above that registered for the previous year. Therefore, despite the impact of the increase in the cost of feed, the price of live animals remains lower than in 1Q20.

In relation to demand, the domestic market remains strong thanks to the strong performance in the retail and the beginning of the recovery of the foodservice channel, which boosted the industry's margins. In the international market, although there is some congestion in the ports of the United States, industry exports, notably to China, have benefited from the reduction in beef production in other global regions and registered an exceptional performance in the period. It is worth noting that the Company's sales grew at a faster pace than that of the industry, contributing to a gain in market share in the international market.

In addition, JBS has been investing in the growth of value-added programs, and in the past quarter began operation of a new unit for the production of ground meat and portioned products (case ready) in Greeley, CO, with the capacity to produce more than 900 tons per week.

In the plant-based segment, the OZO brand launched new products in the categories of frozen hamburgers and breakfast sausages, in addition to being available in more than 3,000 stores in the United States and exporting to Canada and Mexico. In the near future, the OZO brand will also be available in Europe and Australia.

In the region, more than 70% of the Company's team members have already taken the second dose of the vaccine against COVID-19.

### Australia and New Zealand

The performance of the beef unit in the region continues to be impacted by the low availability of animals for slaughter. Grass fed cattle production suffered a significant reduction and, consequently, impacted exports to the United States and other relevant countries. On the other hand, feedlot production has been more stable and has guaranteed sales volume to Japan and South Korea.

Primo Foods remains focused on innovative products, increasing its market share in the categories in which it operates and generating solid growth in margins.



# 1Q21 BUSINESS UNITS

## JBS USA PORK

IFRS - R\$ Million	1Q21		4Q20		Δ%	1Q20		Δ%	LTM 1Q21	
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR
<b>Net Revenue</b>	<b>8,787.9</b>	<b>100.0%</b>	<b>9,314.6</b>	<b>100.0%</b>	<b>-5.7%</b>	<b>6,624.8</b>	<b>100.0%</b>	<b>32.7%</b>	<b>34,334.1</b>	<b>100.0%</b>
Cost of Goods Sold	(7,120.9)	-81.0%	(7,859.3)	-84.4%	-9.4%	(5,853.1)	-88.4%	21.7%	(27,782.3)	-80.9%
Gross Profit	1,667.0	19.0%	1,455.3	15.6%	14.6%	771.8	11.6%	116.0%	6,551.8	19.1%
<b>Adjusted EBITDA</b>	<b>1,026.3</b>	<b>11.7%</b>	<b>844.6</b>	<b>9.1%</b>	<b>21.5%</b>	<b>328.3</b>	<b>5.0%</b>	<b>212.6%</b>	<b>4,086.0</b>	<b>11.9%</b>

USGAAP <sup>1</sup> - US\$ Million	1Q21		4Q20		Δ%	1Q20		Δ%	LTM 1Q21	
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR
<b>Net Revenue</b>	<b>1,605.7</b>	<b>100.0%</b>	<b>1,726.1</b>	<b>100.0%</b>	<b>-7.0%</b>	<b>1,486.0</b>	<b>100.0%</b>	<b>8.1%</b>	<b>6,346.2</b>	<b>100.0%</b>
Cost of Goods Sold	(1,464.7)	-91.2%	(1,539.3)	-89.2%	-4.8%	(1,347.6)	-90.7%	8.7%	(5,688.0)	-89.6%
Gross Profit	141.0	8.8%	186.8	10.8%	-24.5%	138.4	9.3%	1.9%	658.2	10.4%
<b>Adjusted EBITDA</b>	<b>127.5</b>	<b>7.9%</b>	<b>175.2</b>	<b>10.2%</b>	<b>-27.2%</b>	<b>128.8</b>	<b>8.7%</b>	<b>-1.0%</b>	<b>605.9</b>	<b>9.5%</b>

Considering results in IFRS and Reais, JBS USA Pork posted net revenues in 1Q21 of R\$8.8 billion, 32.7% higher than in 1Q20 and EBITDA of R\$1 billion, an impressive increase of 212.6% when compared to 1Q20, with the EBITDA margin increasing from 5% to 11.7% in the period. These results include the impact of the 18.5% devaluation of the average exchange rate (BRL vs. USD), which went from R\$4.46 to R\$5.47 in the period.

In US GAAP and US\$, net revenue was US\$1.6 billion, an increase of 8.1% compared to 1Q20, due to a 2.4% decrease in volumes sold, offset by an increase of 10.7% in the average sale price. EBITDA was US\$127.5 million, in line with the 1Q20, with a margin of 7.9%.

The margins of the pork business in the United States began the year under pressure, mainly due to the increase in the price of hogs, which was affected in the period by the challenging weather of the winter conditions which caused logistics disruptions and affected the health of the animals. In addition, the cost of producing hogs has increased with the rise in the price of grains, which are raw material for feed.

On the other hand, the reduction in the volume of pork produced in the period, given the impact of the harsh winter weather conditions and the shortage of labor, combined with the higher than expected demand growth, converted into prices of domestic pork meat that reached levels much higher than those recorded in the previous year, which reduced the impact of the increase in the cost of hogs.

Due to the reduction in production in the country, the volume of American pork exports for the period were also below the annual comparison. There was a slowdown in exports to important markets such as Mexico and South Korea. The reduction in exports from JBS USA to other markets was partially offset by the increase in exports to China during the period.

The Company remains focused on operational efficiency and growth in volumes of higher value added products. Swift Prepared Foods (formerly Plumrose) is due to start production of its cooked bacon unit later in May and has also begun construction on its new Italian meats plant in Columbia, Missouri, which should begin operations in the third quarter of 2022.

In the region, more than 75% of the Company's team members have already taken the second dose of the vaccine against COVID-19.



<sup>1</sup>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.

# 1Q21 BUSINESS UNITS

## PILGRIM'S PRIDE CORPORATION

IFRS - R\$ Million	1Q21		4Q20		Δ% QoQ	1Q20		Δ% YoY	LTM 1Q21	
	R\$	% NR	R\$	% NR		R\$	% NR		R\$	% NR
<b>Net Revenue</b>	<b>17,897.9</b>	<b>100.0%</b>	<b>16,807.7</b>	<b>100.0%</b>	<b>6.5%</b>	<b>13,690.9</b>	<b>100.0%</b>	<b>30.7%</b>	<b>66,434.7</b>	<b>100.0%</b>
Cost of Goods Sold	(15,597.9)	-87.1%	(14,689.7)	-87.4%	6.2%	(12,269.5)	-89.6%	27.1%	(58,128.0)	-87.5%
Gross Profit	2,300.0	12.9%	2,117.9	12.6%	8.6%	1,421.3	10.4%	61.8%	8,306.7	12.5%
<b>Adjusted EBITDA</b>	<b>1,916.2</b>	<b>10.7%</b>	<b>1,606.7</b>	<b>9.6%</b>	<b>19.3%</b>	<b>1,135.0</b>	<b>8.3%</b>	<b>68.8%</b>	<b>6,736.1</b>	<b>10.1%</b>

USGAAP <sup>1</sup> - US\$ Million	1Q21		4Q20		Δ% QoQ	1Q20		Δ% YoY	LTM 1Q21	
	US\$	% NR	US\$	% NR		US\$	% NR		US\$	% NR
<b>Net Revenue</b>	<b>3,273.4</b>	<b>100.0%</b>	<b>3,117.8</b>	<b>100.0%</b>	<b>5.0%</b>	<b>3,074.9</b>	<b>100.0%</b>	<b>6.5%</b>	<b>12,290.4</b>	<b>100.0%</b>
Cost of Goods Sold	(3,012.2)	-92.0%	(2,890.4)	-92.7%	4.2%	(2,897.8)	-94.2%	3.9%	(11,368.1)	-92.5%
Gross Profit	261.2	8.0%	227.4	7.3%	14.9%	177.1	5.8%	47.5%	922.3	7.5%
<b>Adjusted EBITDA</b>	<b>253.8</b>	<b>7.8%</b>	<b>205.4</b>	<b>6.6%</b>	<b>23.6%</b>	<b>165.5</b>	<b>5.4%</b>	<b>53.4%</b>	<b>876.4</b>	<b>7.1%</b>

Considering results in IFRS and Reais, PPC posted net revenues of R\$17.9 billion in the 1Q21, a 30.7% increase in comparison to 1Q20, and EBITDA of R\$1.9 billion, with EBITDA margin of 10.7%. These results include a 18.5% impact of the average FX rate (BRL vs USD), which was R\$4.46 in 1Q20 and R\$5.47 in 1Q21.

In US GAAP and US\$, PPC net revenue in the 1Q21 was US\$3.3 billion, 6.5% higher than 1Q20, and EBITDA was US\$253.8 million with a 7.8% margin.

In the United States, the market environment improved throughout the quarter, including a challenging February in part due to the weather event in the southeast of the country, before a very strong recovery in the end of the quarter. Additionally, with the gradual loosening of restrictions, as a result of the increase in vaccinations, the market demand has been incrementally improving, especially in foodservice channel, while demand in the retail and QSR channels remains strong due to PPC strategic partnerships. The market for commodity large bird deboning experienced the largest improvement relative to the same period a year ago, with increase in prices throughout the quarter. The prepared foods business continued to grow its sales in the branded segment, reflecting the investments made over the past few years, and management anticipates stronger results as Covid-19 restrictions are gradually lifted throughout 2021.

In Europe, despite the significant impact from Covid-19 and the increase in the cost of feed ingredients, Moy Park operations continue to show improvement in the result. PPC management expects to continue strengthening results through better operational efficiencies, investments in automation, focus on improving yield and better cost mitigation. The performance of the newly acquired business in the region continues to positively contribute to the results. During the quarter, PPC experienced a reduction in volume of exports to China due to the suspension of PPC export license at two plants as a result of Covid-19. PPC has been working diligently with the applicable authorities to reinstate these licenses. In addition, hog prices in the EU and UK were under pressure because of ASF in Germany; however, prices have already started to recover.

Compared to a very challenging 1Q last year, Mexico had another strong quarter following a robust performance during the second half of 2020, driven by a balanced supply/demand and continuous improvements in operational performance. The prepared foods operations also performed well, with improved demand. PPC remains focused on its strategy to invest in branded products, in both fresh and prepared food business, seeking to establish strong and differentiated products, and at the same time increase its share in modern channels with more stable margins over time, consistent with its vision for growth in Mexico.

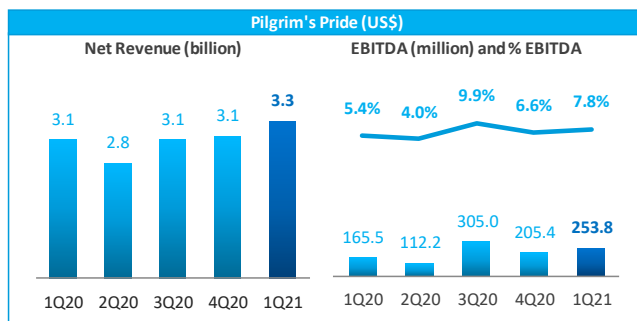
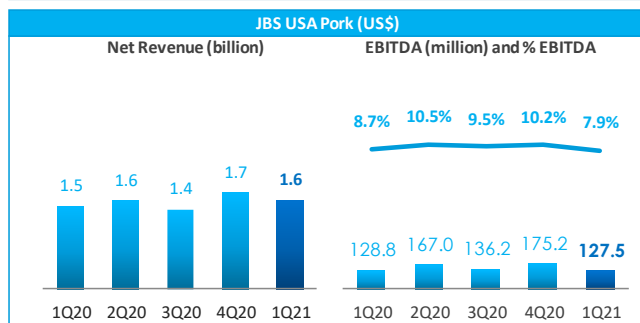
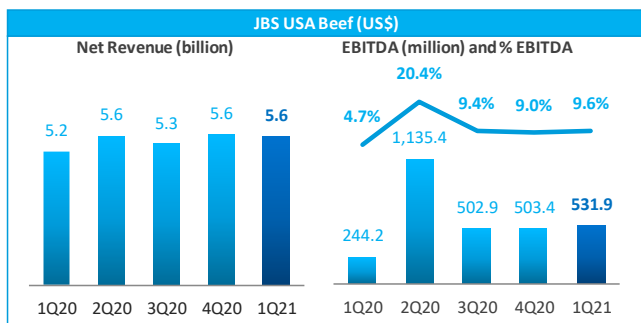
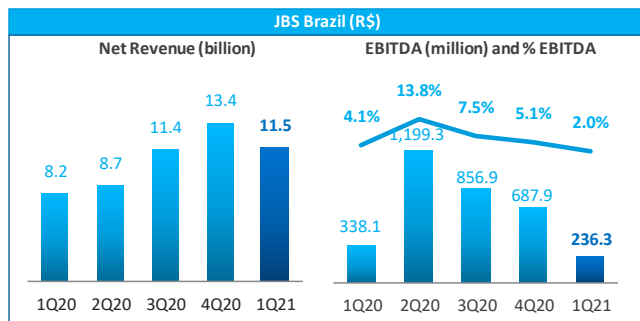
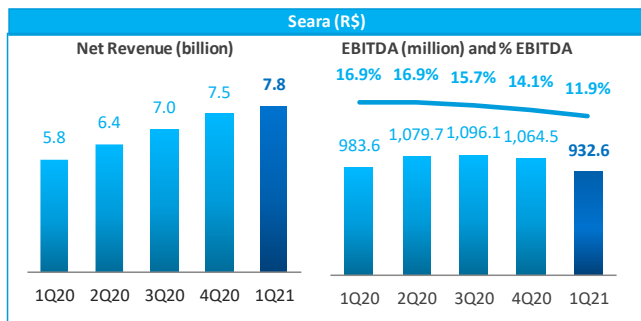
Furthermore, PPC demonstrates its leadership in ESG as a responsible company by committing itself to achieve net-zero GHG emissions by 2040. In line with this, in march of 2021, PPC successfully issued a US\$1 billion sustainability-linked bond tied to efforts to reduce greenhouse gas emission intensity across its global operations. The bond is the first of its kind to be issued by a global poultry company.



<sup>1</sup>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.

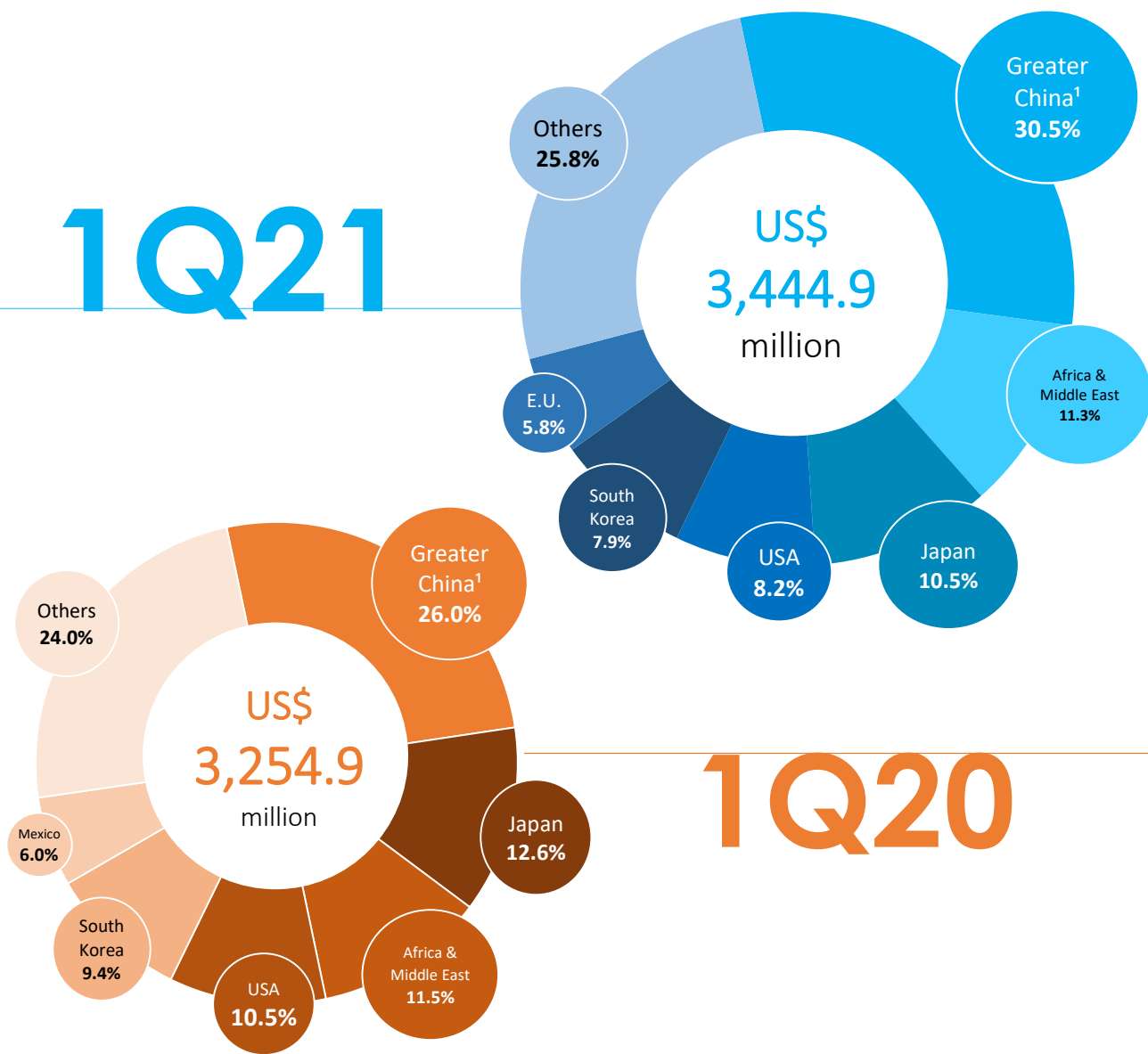
# 1Q21 BUSINESS UNITS

## LOCAL GAAP AND CURRENCY



# TABLES AND GRAPHS

## GRAPH 1 – JBS EXPORTS IN 1Q21 AND 1Q20



Note 1. Considers China and Hong Kong

## TABLE 1- COGS BREAKDOWN

1Q21 (%)	Consolidated	JBS Brazil	Seara	JBS USA Beef	JBS USA Pork	PPC
Raw material (livestock)	75.0%	90.9%	68.5%	82.3%	72.2%	52.0%
Processing (including ingredients and packaging)	14.1%	5.3%	20.8%	7.6%	13.9%	31.9%
Labor Cost	10.9%	3.8%	10.6%	10.1%	13.9%	16.1%

# 1Q21 FINANCIAL STATEMENTS

## Balance Sheet

In thousands of Brazilian Reals - R\$

	Company		Consolidated	
	03/31/21	12/31/20	03/31/21	12/31/20
<b>Current Assets</b>				
Cash and cash equivalents	1,599,651	3,351,911	10,258,532	19,679,743
Trade accounts receivable	2,358,764	2,871,612	15,161,157	14,001,211
Inventories	3,586,045	2,959,086	21,168,543	17,586,744
Biological assets	-	-	6,490,745	5,115,720
Recoverable taxes	1,059,739	1,059,635	2,880,028	2,849,898
Derivative assets	583	51	513,532	228,840
Other current assets	184,066	135,042	1,333,769	1,075,143
<b>TOTAL CURRENT ASSETS</b>	<b>8,788,848</b>	<b>10,377,337</b>	<b>57,806,306</b>	<b>60,537,299</b>
<b>Non-Current Assets</b>				
Recoverable taxes	5,479,368	5,843,965	8,227,744	8,546,495
Biological assets	-	-	1,980,302	1,778,565
Related party receivables	1,837,032	1,872,127	412,342	382,019
Deferred income taxes	-	-	1,548,112	1,590,194
Other non-current assets	455,410	638,711	984,298	1,135,882
	<b>7,771,810</b>	<b>8,354,803</b>	<b>13,152,798</b>	<b>13,433,155</b>
Investments in subsidiaries and joint ventures	43,209,399	37,658,807	205,806	171,096
Property, plant and equipment	11,643,299	11,576,487	50,428,192	47,106,444
Right of use asset	63,611	68,786	6,126,452	5,784,709
Intangible assets	44,667	49,982	8,264,908	7,702,309
Goodwill	9,085,970	9,085,970	30,702,507	29,066,794
<b>TOTAL NON-CURRENT ASSETS</b>	<b>71,818,756</b>	<b>66,794,835</b>	<b>108,880,663</b>	<b>103,264,507</b>
<b>TOTAL ASSETS</b>	<b>80,607,604</b>	<b>77,172,172</b>	<b>166,686,969</b>	<b>163,801,806</b>

# 1Q21 FINANCIAL STATEMENTS

## Balance Sheet

In thousands of Brazilian Reais - R\$

	Company		Consolidated	
	03/31/21	12/31/20	03/31/21	12/31/20
<b>Current Liabilities</b>				
Trade accounts payable	3,452,348	4,037,346	22,087,939	22,197,441
Supply chain finance	486,226	473,525	2,478,045	2,101,001
Loans and financing	3,238,510	1,700,815	6,308,341	4,562,101
Income taxes	-	-	533,724	206,433
Accrued income taxes and other taxes	373,062	312,888	716,782	676,620
Accrued payroll and social charges	712,056	893,008	5,401,310	5,677,401
Lease liabilities	23,045	22,452	1,454,231	1,293,073
Dividends payable	1,092,173	1,092,174	1,093,228	1,093,230
Other financial liabilities	11,839	21,193	36,872	45,622
Derivative liabilities	64,697	21,087	821,418	287,536
Other current liabilities	678,185	543,462	1,937,634	2,694,773
<b>TOTAL CURRENT LIABILITIES</b>	<b>10,132,141</b>	<b>9,117,950</b>	<b>42,869,524</b>	<b>40,835,231</b>
<b>Non-Current Liabilities</b>				
Loans and financing	4,222,235	3,659,318	61,123,278	61,344,604
Accrued income taxes and other taxes	693,778	658,923	886,365	840,175
Accrued payroll and social charges	2,693,725	2,852,408	3,854,855	4,115,068
Lease liabilities	45,222	50,014	5,025,713	4,811,416
Other financial liabilities	3,300	4,950	72,569	78,668
Deferred income taxes	3,145,780	3,105,833	6,652,651	6,186,715
Provisions	513,619	522,480	1,391,724	1,413,438
Related party payables	18,935,257	17,074,822	-	-
Other non-current liabilities	13,263	6,152	685,954	632,302
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>30,266,179</b>	<b>27,934,900</b>	<b>79,693,109</b>	<b>79,422,386</b>
<b>Equity</b>				
Share capital - common shares	23,576,206	23,576,206	23,576,206	23,576,206
Capital reserve	(427,367)	(434,913)	(427,367)	(434,913)
Other reserves	48,233	49,430	48,233	49,430
Profit reserves	3,744,064	6,862,731	3,744,064	6,862,731
Accumulated other comprehensive income	11,221,430	10,065,868	11,221,430	10,065,868
Retained earnings	2,046,718	-	2,046,718	-
<b>Attributable to company shareholders</b>	<b>40,209,284</b>	<b>40,119,322</b>	<b>40,209,284</b>	<b>40,119,322</b>
<b>Attributable to non-controlling interest</b>	<b>-</b>	<b>-</b>	<b>3,915,052</b>	<b>3,424,867</b>
<b>TOTAL EQUITY</b>	<b>40,209,284</b>	<b>40,119,322</b>	<b>44,124,336</b>	<b>43,544,189</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>80,607,604</b>	<b>77,172,172</b>	<b>166,686,969</b>	<b>163,801,806</b>



# 1Q21 FINANCIAL STATEMENTS

## Statements of income for the three months period ended March 31

In thousands of Brazilian Reais - R\$

	Company		Consolidated	
	2021	2020	2021	2020
<b>NET REVENUE</b>	10,969,206	8,014,821	75,251,218	56,481,380
Cost of sales	(9,834,972)	(6,736,985)	(64,139,439)	(49,209,295)
<b>GROSS PROFIT</b>	<b>1,134,234</b>	<b>1,277,836</b>	<b>11,111,779</b>	<b>7,272,085</b>
General and administrative expenses	(560,362)	(521,161)	(2,499,579)	(1,863,164)
Selling expenses	(546,240)	(542,641)	(4,080,593)	(3,185,227)
Other expenses	(2,869)	(1,087)	(40,533)	(51,287)
Other income	44,094	1,245	137,188	115,677
<b>OPERATING EXPENSES</b>	<b>(1,065,377)</b>	<b>(1,063,644)</b>	<b>(6,483,517)</b>	<b>(4,984,001)</b>
<b>OPERATING PROFIT</b>	<b>68,857</b>	<b>214,192</b>	<b>4,628,262</b>	<b>2,288,084</b>
Finance income	336,184	110,203	333,372	376,999
Finance expense	(529,155)	(4,149,909)	(1,506,108)	(9,464,382)
	<b>(192,971)</b>	<b>(4,039,706)</b>	<b>(1,172,736)</b>	<b>(9,087,383)</b>
Share of profit of equity-accounted investees, net of tax	2,735,859	(3,366,824)	26,711	13,105
<b>PROFIT BEFORE TAXES</b>	<b>2,611,745</b>	<b>(7,192,338)</b>	<b>3,482,237</b>	<b>(6,786,194)</b>
Current income taxes	(526,277)	-	(1,159,703)	(42,284)
Deferred income taxes	(39,947)	1,259,323	(166,955)	941,387
	<b>(566,224)</b>	<b>1,259,323</b>	<b>(1,326,658)</b>	<b>899,103</b>
<b>NET INCOME</b>	<b>2,045,521</b>	<b>(5,933,015)</b>	<b>2,155,579</b>	<b>(5,887,091)</b>
<b>ATTRIBUTABLE TO:</b>				
Company shareholders			2,045,521	(5,933,015)
Non-controlling interest			110,058	45,924
			<b>2,155,579</b>	<b>(5,887,091)</b>
<b>Basic earnings per share - common shares (R\$)</b>	<b>0.81</b>	<b>(2.23)</b>	<b>0.81</b>	<b>(2.23)</b>

# 1Q21 FINANCIAL STATEMENTS

Statements of cash flows for the three months period ended March 31

In thousands of Brazilian Reals - R\$

Cash flow	Company		Consolidated	
	2021	2020	2021	2020
<b>Net income</b>	<b>2,045,521</b>	<b>(5,933,015)</b>	<b>2,155,579</b>	<b>(5,887,091)</b>
Adjustments for:				
Depreciation and amortization	175,185	161,944	2,082,024	1,673,593
Allowance for doubtful accounts	9,351	3,936	14,300	19,924
Share of profit of equity-accounted investees	(2,735,859)	3,366,824	(26,711)	(13,105)
(Gain) loss on assets sales	(8,052)	212	(16,798)	679
Taxes expense	566,224	(1,259,323)	1,326,658	(899,103)
Finance expense (income), net	192,971	4,039,706	1,172,736	9,087,383
Share-based compensation	-	(3,181)	11,653	(167)
Provisions	14,958	53,243	27,654	77,997
Impairment	-	-	-	19,870
Obsolete inventory accrual	(127)	(5,228)	7,520	(25,130)
Fair value (market to market) of biological assets	-	-	(45,008)	243,356
DOJ and Antitrust agreements	-	-	192,370	-
Extemporaneous tax credits impacts	(34,421)	-	(53,990)	-
	<b>225,751</b>	<b>425,118</b>	<b>6,847,987</b>	<b>4,298,206</b>
<b>Changes in assets and liabilities:</b>				
Trade accounts receivable	718,399	1,379,426	185,084	575,398
Inventories	(626,831)	(584,830)	(2,394,802)	(1,367,505)
Recoverable taxes	(89,089)	26,790	(110,708)	64,350
Other current and non-current assets	29,046	(1,371)	(140,353)	71,373
Biological assets	-	-	(1,606,755)	(468,573)
Trade accounts payable and supply chain finance	(826,518)	(369,548)	(1,484,240)	(1,502,379)
Tax payable in installments	(76,307)	(148,661)	(76,307)	(149,798)
Other current and non-current liabilities	(43,477)	(32,148)	(492,689)	(158,950)
Payments of DOJ and Antitrust agreements	-	-	(1,135,224)	-
Income taxes paid	-	-	(221,357)	(290,194)
<b>Changes in operating assets and liabilities</b>	<b>(914,777)</b>	<b>269,658</b>	<b>(7,477,351)</b>	<b>(3,226,278)</b>
<b>Cash provided by (used in) operating activities</b>	<b>(689,026)</b>	<b>694,776</b>	<b>(629,364)</b>	<b>1,071,928</b>
Interest paid	(103,447)	(94,275)	(1,185,286)	(882,199)
Interest received	10,163	20,022	36,631	53,619
<b>Cash net of interest provided by (used in) operating activities</b>	<b>(782,310)</b>	<b>620,523</b>	<b>(1,778,019)</b>	<b>243,348</b>
<b>Cash flow from investing activities</b>				
Purchases of property, plant and equipment	(233,695)	(132,644)	(1,705,779)	(880,251)
Purchases of intangible assets	(307)	(2,652)	(5,676)	(6,760)
Proceeds from sale of property, plant and equipment	23,402	5,255	106,981	28,752
Additional investments in joint-ventures and subsidiaries	-	(33,799)	(6,168)	-
Acquisitions, net of cash acquired	-	-	(6,222)	(5,669)
Dividends received	4,000	7,500	4,000	7,500
Related party transactions	92,101	(886,317)	-	-
Other	15	-	15	-
<b>Cash provided by (used in) investing activities</b>	<b>(114,484)</b>	<b>(1,042,657)</b>	<b>(1,612,849)</b>	<b>(856,428)</b>
<b>Cash flow from financing activities</b>				
Proceeds from loans and financings	3,361,332	2,452,101	5,783,764	7,260,212
Payments of loans and financings	(1,452,344)	(54,232)	(9,827,187)	(532,227)
Payments of lease	(7,417)	(8,707)	(430,050)	(357,902)
Derivatives instruments received/settled	(7,705)	23,026	63,454	80,175
Dividends paid to non-controlling interest	-	-	(9,315)	-
PPC share repurchase	-	-	-	(120,369)
Purchase of treasury shares	(2,902,338)	-	(2,902,338)	-
Others	-	-	-	4,565
<b>Cash used in financing activities</b>	<b>(1,008,472)</b>	<b>2,412,188</b>	<b>(7,321,672)</b>	<b>6,334,454</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>153,006</b>	<b>612,776</b>	<b>1,291,329</b>	<b>2,710,858</b>
Net change in cash and cash equivalents	(1,752,260)	2,602,830	(9,421,211)	8,432,232
Cash and cash equivalents at the beginning of period	3,351,911	1,883,135	19,679,743	10,033,967
<b>Cash and cash equivalents at the end of period</b>	<b>1,599,651</b>	<b>4,485,965</b>	<b>10,258,532</b>	<b>18,466,199</b>

# DISCLAIMER

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We make statements about future events that are subject to risks and uncertainties. Such statements are based on the beliefs and assumptions of our Management and information to which the Company currently has access. Statements about future events include information about our current intentions, beliefs or expectations, as well as those of the members of the Company's Board of Directors and Officers.

Disclaimers with respect to forward-looking statements and information also include information on possible or presumed operating results, as well as statements that are preceded, followed or that include the words "believe," "may," "will," "continue," "expects," "predicts," "intends," "plans," "estimates," or similar expressions.

Forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events, depending, therefore, on circumstances that may or may not occur. Future results and shareholder value creation may differ materially from those expressed or implied by the forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.