



# JBS ENDS 2Q21 WITH A RECORD NET INCOME AND EBITDA AND ANTICIPATES DIVIDENDS OF R\$2.5 BN

São Paulo, August 11th, 2021 – JBS S.A. (B3: JBSS3; OTCQX: JBSAY) announces today its second quarter 2021 results. The comments made herein are in Brazilian Reals, in accordance with international accounting standards (IFRS), unless otherwise specified.

## 2Q21 HIGHLIGHTS

JBS (JBSS3)  
Price  
**R\$33.01**  
Market cap  
**R\$82.9 Billion**

Conference Call  
Thursday  
08.12.2021

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

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### CONSOLIDATED

- Net Revenue: R\$85.6 bn (+26.7% yoy)
- Adjusted EBITDA: R\$11.7 bn (+10.3% yoy)
- Adjusted EBITDA margin: 13.7% (-2.0 p.p. yoy)
- Reported Net Income: R\$4.4 bn (+29.7% yoy)
- Free Cash Flow Generation: R\$3.2 bn (-66.5% yoy)

### OPERATIONAL AND FINANCIAL HIGHLIGHTS IN IFRS



#### JBS USA BEEF

Net Revenue: R\$35.7 bn (+18.8% yoy)  
EBITDA: R\$7.1 bn (+13% yoy)  
EBITDA margin: 19.8% (-1.0 p.p. yoy)



#### JBS USA PORK

Net Revenue: R\$10.7 bn (+25.6% yoy)  
EBITDA: R\$853.9 mn (-19.2% yoy)  
EBITDA margin: 8% (-4.4 p.p. yoy)



#### PPC

Net Revenue: R\$19.2 bn (+26.6% yoy)  
EBITDA: R\$2.5 bn (+125.3% yoy)  
EBITDA margin: 13.1% (+5.7 p.p. yoy)



#### SEARA

Net Revenue: R\$8.9 bn (+39.8% yoy)  
EBITDA: R\$808.7 mn (-25.1% yoy)  
EBITDA margin: 9% (-7.8 p.p. yoy)



#### JBS BRAZIL

Net Revenue: R\$12.7 bn (+46% yoy)  
EBITDA: R\$439.4 mn (-63.4% yoy)  
EBITDA margin: 3.4% (-10.3 p.p. yoy)



- Anticipation of an interim dividend distribution, totaling R\$2.5 bn, which represents R\$1 per share to be paid on August 24, 2021
- Announcement of an agreement to acquire Huon, Australia's second largest salmon aquaculture company, marking the entry of JBS into this sector; of the Meats and Meals business of Kerry Consumer Foods, UK's leading chilled and frozen ready meals food company; and Rivalea, Australia's second largest hog breeding and pork processing company
- Conclusion of acquisition of Vivera, Europe's third largest plant-based protein producer
- Upgrade by Fitch to investment grade BBB-
- US\$1 billion in a Sustainability Linked Bond tied to a KPI to reduce greenhouse gas emissions, with a coupon of 3.625% p.a., and maturity in 2032, the best issuance in the company's history

# MESSAGE FROM THE CEO

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In this second quarter of 2021, we produced yet another robust financial result, exceeding the already historical performance in the same period of 2020.

While it is true that market conditions in North America favored several of our businesses, our focus at all times is on operational excellence. A constant across our business is the excellence with which we carry out our operations, focusing on people and foster a culture of ownership. And this operational excellence perseveres irrespective of market conditions.

What makes us confident regarding the soundness of our sustainable growth are the pillars on which we have built our trajectory: the team, financial discipline, innovation and the brand. We have taken important steps at JBS with an eye towards the future, without losing sight of the short term. Market recognition of these strategic movements can be seen in our share price, which we believe is but the beginning of a promising cycle.

Looking to the future, we have placed sustainability at the heart of our strategy. We were the first major company in our sector to make the commitment to be Net Zero by 2040, in other words, to achieve net zero greenhouse gas emissions across our entire value chain. We have a zero tolerance for illegal deforestation and we are advancing our monitoring system well beyond our suppliers, using blockchain technology in our “Transparent Livestock Farming Platform” and creating Green Offices to support farmers in improving the environmental performance of their properties.

Because we recognize that our social responsibility goes well beyond our value chain, we created the JBS Fund for the Amazon, dedicated to fostering and financing the sustainable development of the biome, with an emphasis on communities and smallholders. The first six projects were rolled out this quarter and are intended to promote low-carbon farming, reforestation and the development of the bioeconomy to include smallholders in what we believe can be a new green revolution.

Our long-term strategy is already under way, and it is also visible in our investments for deepening both geographical and portfolio diversification. We have prioritized investments in our brands and added-value products by accelerating the expansion of Seara in Brazil, the new Italian specialty meats plant in the United States, the acquisition of the Meats and Meals businesses of Kerry Consumer Foods in the United Kingdom and Ireland, and Rivalea in Australia. It can also be seen in the investment in diversifying proteins, like plant-based and aquaculture, following the acquisition of Vivera in Europe, the creation of Planterra in the United States, the advancement of the Incrível brand in Brazil, and the proposed acquisition of Huon Aquaculture in Australia.

Since 2020, factoring in shareholder returns (US\$ 2.3 billion in dividends and share buybacks), the acquisitions undertaken (US\$ 2.2 billion), the expansion, modernization and maintenance of our operations (US\$ 997 million), and our ESG investments (US\$ 970 million), amounted to US\$ 6.4 billion. Despite this robust investment, our financial prudence has allowed us to end the second quarter with a leverage of 1.73x in US dollars, and we have been less than 2x for 12 consecutive months.

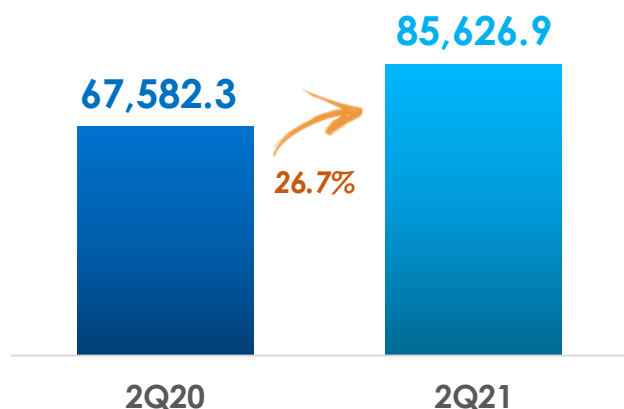
The company’s long-term growth and perpetuity strategy go hand-in-hand with our focus on the short term, as shown by the results presented today.

All these strategic initiatives, the committed manner in which we carry out our business, and the fruits of the labor of our more than 250,000 team members have also been recognized by the rating agencies. In June of this year, we achieved investment grade from Fitch, which among other factors, highlighted the Company’s strong business profile, low leverage, strong liquidity and positive free cash flow generation. Moody’s has also raised the rating of JBS, due to the company’s continuing strong operating performance, which has resulted in an improvement in liquidity and lower refinancing risk.

The paths we have taken have shown that it is not only possible, but also absolutely necessary, to protect the planet with a robust operation that can grow in a consistent and sustainable manner, creating value for all stakeholders and society. We remain optimistic regarding the future, steadfast in our aspiration to feed the world with the best there is and in an increasingly sustainable manner.

**Gilberto Tomazoni, Global CEO JBS**

# 2Q21 CONSOLIDATED HIGHLIGHTS



NET REVENUE

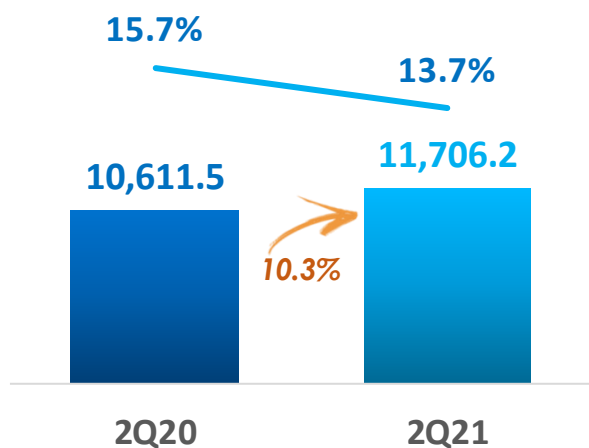
## R\$85.6Bn

26.7% increase compared with 2Q20

ADJUSTED EBITDA

## R\$11.7Bn

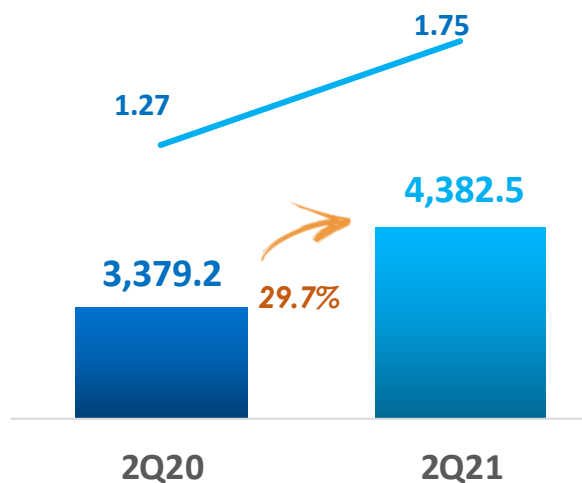
Increase in EBITDA of 10.3% compared with 2Q20



NET INCOME

## R\$4.4Bn

EPS of R\$1.75

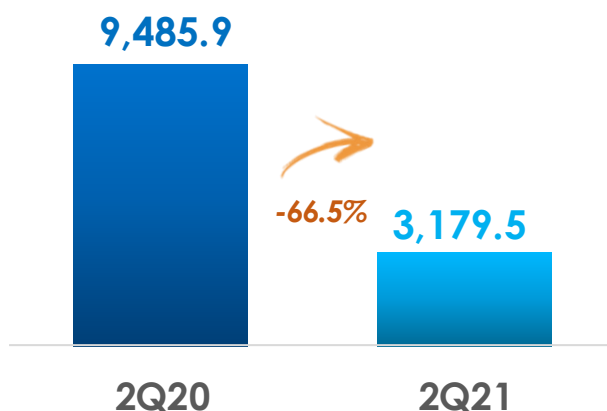


Excluding the impact of provisions for legal settlements in the US, Adjusted Net Income would have been **R\$5.7 billion**

FREE CASH FLOW

## R\$3.2Bn

Reduction of 66.5% compared with 2Q20 as a result of an increase in inventories and accounts receivables



# 2Q21 CONSOLIDATED HIGHLIGHTS

## Consolidated Results

R\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	R\$	% NR	R\$	% NR	2Q21 vs 1Q21	R\$	% NR	2Q21 vs 2Q20	R\$	% NR
<b>Net Revenue</b>	<b>85,626.9</b>	<b>100.0%</b>	<b>75,251.2</b>	<b>100.0%</b>	<b>13.8%</b>	<b>67,582.3</b>	<b>100.0%</b>	<b>26.7%</b>	<b>307,018.6</b>	<b>100.0%</b>
Cost of Goods Sold	(69,146.0)	-80.8%	(64,139.4)	-85.2%	7.8%	(53,052.1)	-78.5%	30.3%	(256,009.9)	-83.4%
<b>Gross Profit</b>	<b>16,481.0</b>	<b>19.2%</b>	<b>11,111.8</b>	<b>14.8%</b>	<b>48.3%</b>	<b>14,530.2</b>	<b>21.5%</b>	<b>13.4%</b>	<b>51,008.8</b>	<b>16.6%</b>
Selling Expenses	(4,478.7)	-5.2%	(4,080.6)	-5.4%	9.8%	(3,547.8)	-5.2%	26.2%	(16,307.8)	-5.3%
General and Adm. Expenses	(4,747.3)	-5.5%	(2,499.6)	-3.3%	89.9%	(2,523.2)	-3.7%	88.1%	(13,652.7)	-4.4%
Net Financial Income (expense)	(1,145.9)	-1.3%	(1,172.7)	-1.6%	-2.3%	(3,229.5)	-4.8%	-64.5%	(2,240.7)	-0.7%
Equity in earnings of subsidiaries	12.2	0.0%	26.7	0.0%	-54.4%	4.9	0.0%	146.9%	74.3	0.0%
Other Income (expense)	126.4	0.1%	96.7	0.1%	30.8%	(19.4)	0.0%	-	683.2	0.2%
<b>Profit (loss) before taxes</b>	<b>6,247.6</b>	<b>7.3%</b>	<b>3,482.2</b>	<b>4.6%</b>	<b>79.4%</b>	<b>5,215.2</b>	<b>7.7%</b>	<b>19.8%</b>	<b>19,565.0</b>	<b>6.4%</b>
Income and social contribution taxes	(2,039.4)	-2.4%	(1,326.7)	-1.8%	53.7%	(1,868.6)	-2.8%	9.1%	(6,005.9)	-2.0%
Minority interest	174.3	0.2%	(110.1)	-0.1%	-	32.6	0.0%	434.5%	20.9	0.0%
<b>Net Income (Loss)</b>	<b>4,382.5</b>	<b>5.1%</b>	<b>2,045.5</b>	<b>2.7%</b>	<b>114.2%</b>	<b>3,379.2</b>	<b>5.0%</b>	<b>29.7%</b>	<b>13,580.1</b>	<b>4.4%</b>
<b>Adjusted EBITDA</b>	<b>11,706.2</b>	<b>13.7%</b>	<b>6,876.8</b>	<b>9.1%</b>	<b>70.2%</b>	<b>10,611.5</b>	<b>15.7%</b>	<b>10.3%</b>	<b>33,613.4</b>	<b>10.9%</b>
<b>Earnings per Share</b>	<b>1.75</b>		<b>0.81</b>		<b>116.0%</b>	<b>1.27</b>		<b>37.8%</b>	<b>-</b>	

## NET REVENUE

In 2Q21, JBS recorded a consolidated net revenue of R\$85.6 billion, which represents an increase of 26.7% in relation to 2Q20. Highlight for the business units JBS Brazil, Seara and PPC which registered revenue growth in Reais of 46%, 39.8% and 26.6%, respectively, in the period.

For the 2Q21, 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\$307 billion (US\$57 billion).

## ADJUSTED EBITDA

Adjusted EBITDA was R\$11.7 billion, an increase of 10.3% in relation to 2Q20, with PPC and JBS USA Beef being the highlights with an increase of 125.3% and 13.0% in EBITDA (in IFRS and Reais), respectively. Adjusted EBITDA margin for the quarter was 13.7%.

In the last 12 months, adjusted EBITDA reached R\$33.6 billion (US\$6.3 billion), with EBITDA Margin of 10.9%.

R\$ Million	2Q21	1Q21	?	2Q20	?	LTM 2Q21
<b>Net income for the period (including minority interest)</b>	<b>4,208.2</b>	<b>2,155.6</b>	<b>95.2%</b>	<b>3,346.6</b>	<b>25.7%</b>	<b>13,559.2</b>
Financial income (expense), net	1,145.9	1,172.7	-2.3%	3,229.5	-64.5%	2,240.7
Current and deferred income taxes	2,039.4	1,326.7	53.7%	1,868.6	9.1%	6,005.9
Depreciation and amortization	2,157.5	2,082.0	3.6%	2,015.6	7.0%	8,387.8
Equity in subsidiaries	(12.2)	(26.7)	-54.4%	(4.9)	146.9%	(74.3)
<b>(=) EBITDA</b>	<b>9,538.9</b>	<b>6,710.3</b>	<b>42.2%</b>	<b>10,455.4</b>	<b>-8.8%</b>	<b>30,119.2</b>
Other income / expenses	20.0	0.0	-	40.8	-51.0%	117.5
Extemporaneous tax credits	(55.6)	(54.0)	3.0%	-	-	(530.6)
Antitrust Agreements	2,188.9	192.4	1037.9%	-	-	3,664.4
Fund for the Amazon	6.0	0.9	545.9%	-	-	6.9
Donations - Fazer o Bem Faz Bem	8.0	27.2	-70.7%	115.27	-93.1%	236.0
<b>(=) Adjusted EBITDA</b>	<b>11,706.2</b>	<b>6,876.8</b>	<b>70.2%</b>	<b>10,611.5</b>	<b>10.3%</b>	<b>33,613.4</b>

# 2Q21 CONSOLIDATED HIGHLIGHTS

## NET FINANCIAL RESULTS

In 2Q21, net debt financial expenses were R\$881.1 million, which correspond to US\$166.4 million and represent a reduction of US\$28.9 million (-14.8%) in relation to 2Q20.

R\$ Million	2Q21	1Q21	Δ%	2Q20	Δ%	LTM 2Q21
Exchange rate variation	629.1	(101.8)	-	(1,947.1)	-	2,836.1
Fair value adjustments on derivatives	(639.9)	145.5	-	(95.1)	573.1%	(962.6)
Interest expense <sup>1</sup>	(1,154.6)	(1,187.7)	-2.8%	(1,242.9)	-7.1%	(4,655.6)
Interest income <sup>1</sup>	199.8	187.9	6.4%	100.6	98.5%	1,158.6
Taxes, contribution, fees and others	(180.3)	(216.5)	-16.7%	(45.1)	299.5%	(617.3)
<b>Finance income (expense)</b>	<b>(1,145.9)</b>	<b>(1,172.7)</b>	-2.3%	<b>(3,229.5)</b>	-64.5%	<b>(2,240.7)</b>
Interest expenses from loans and financings	(899.9)	(941.4)	-4.4%	(1,078.0)	-16.5%	(3,718.5)
Interest income from investments	18.8	13.9	35.2%	25.6	-26.6%	71.6
<b>Net debt financial expense<sup>1</sup></b>	<b>(881.1)</b>	<b>(927.6)</b>	-5.0%	<b>(1,052.4)</b>	-16.3%	<b>(3,646.9)</b>

<sup>1</sup>Includes the interest expenses from loans and financings which are included in the interest expense and interest income lines.

## NET INCOME

In 2Q21, JBS recorded a net income of R\$4.4 billion, an increase of 29.7% in relation to 2Q20, and which represents an earnings per share of R\$1.75. Excluding the impact of provisions for legal settlements in the US, Adjusted Net Income would have been R\$5.7 billion, 68.9% higher compared to 2Q20.

## CASH FLOW FROM OPERATING ACTIVITIES AND FREE CASH FLOW

In 2Q21, the cash flow from operating activities was R\$5.8 billion, a reduction of 49.3%, impacted by an increase in accounts receivable due to higher average sales price in all units, combined with a growth in volumes exported, especially from Brazil, impacted by the slowness in the country's ports which increased inventories.

Free cash flow, after investments and net interest, was R\$3.2 billion.

## NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES

In 2Q21, the total cash used in investment activities was R\$4 billion. Purchase of Property, Plants and Equipment (CAPEX) totaled R\$2 billion in the quarter and the acquisition of subsidiaries, net of cash obtained from acquisitions, totaled R\$2.1 billion.

## INDEBTEDNESS

JBS ended 2Q21 with R\$16.8 billion in cash. Additionally, JBS USA has US\$1.9 billion available in secured revolving credit lines, equivalent to R\$9.6 billion considering quarter-end exchange rate, which secures JBS a total availability of R\$26.4 billion, more than three times its short-term debt.

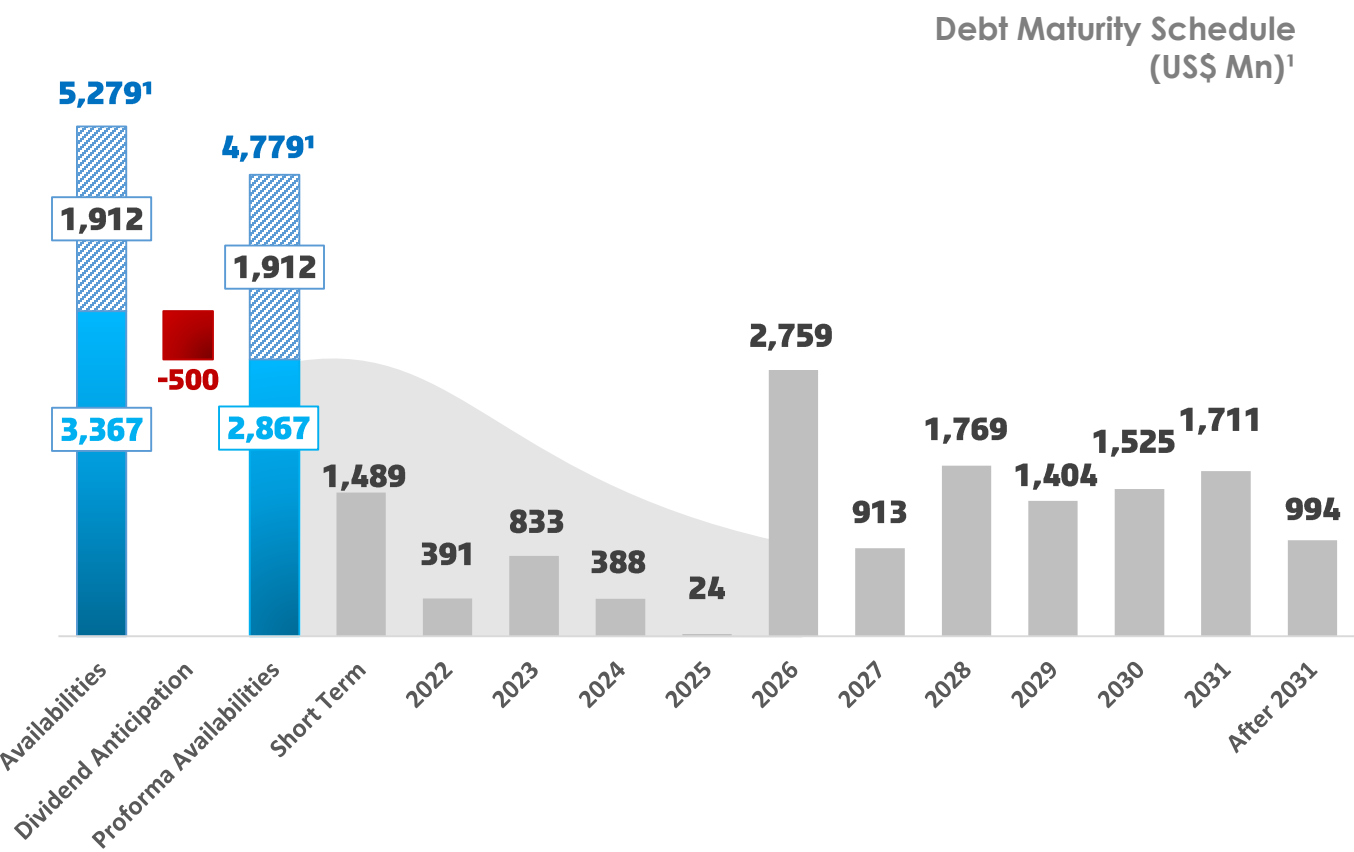
Net debt in Reais reduced from R\$54.5 billion in the 2Q20 to R\$54.2 billion in 2Q21, with leverage decreasing from 2.09x to 1.61x in the period.

In Dollar terms, net debt went from US\$10 billion in 2Q20 to US\$10.8 billion in 2Q21 and leverage reduced slightly from 1.74x to 1.73x in the same period.

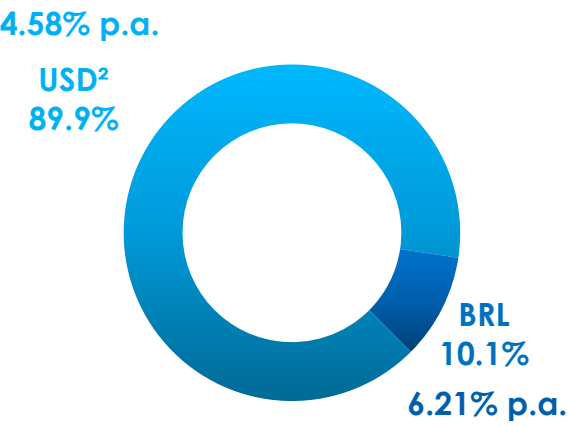
	R\$ Million					US\$ Million				
	2Q21	1Q21	Δ%	2Q20	Δ%	2Q21	1Q21	Δ%	2Q20	Δ%
<b>Gross Debt</b>	<b>71,032.8</b>	<b>67,431.6</b>	<b>5.3%</b>	<b>77,192.7</b>	<b>-8.0%</b>	<b>14,200.3</b>	<b>11,835.7</b>	<b>20.0%</b>	<b>14,096.6</b>	<b>0.7%</b>
(+) Short Term Debt	7,449.1	6,308.3	18.1%	4,917.4	51.5%	1,489.2	1,107.3	34.5%	898.0	65.8%
% of the Gross Debt	10.5%	9.4%		6.4%		10.5%	9.4%		6.4%	
(+) Long Term Debt	63,583.7	61,123.3	4.0%	72,275.3	-12.0%	12,711.2	10,728.5	18.5%	13,198.6	-3.7%
% of the Gross Debt	89.5%	90.6%		93.6%		89.5%	90.6%		93.6%	
(-) Cash and Equivalents	16,840.6	10,258.5	64.2%	22,675.6	-25.7%	3,366.6	1,800.6	87.0%	4,140.9	-18.7%
<b>Net Debt</b>	<b>54,192.2</b>	<b>57,173.1</b>	<b>-5.2%</b>	<b>54,517.2</b>	<b>-0.6%</b>	<b>10,833.7</b>	<b>10,035.1</b>	<b>8.0%</b>	<b>9,955.7</b>	<b>8.8%</b>
Leverage	<b>1.61x</b>	<b>1.76x</b>		<b>2.09x</b>		<b>1.73x</b>	<b>1.67x</b>		<b>1.74x</b>	

# 2Q21 CONSOLIDATED HIGHLIGHTS

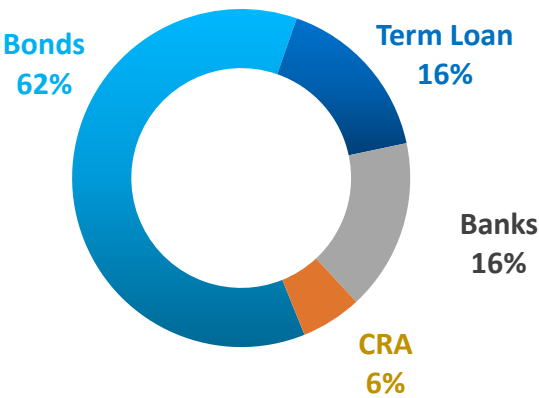
## INDEBTEDNESS (Cont.)



### CURRENCY & COST BREAKDOWN



### SOURCE BREAKDOWN



<sup>1</sup> Includes funds available in cash and revolving guaranteed credit lines from JBS USA.

<sup>2</sup> Includes debts in other currencies, such as Euros and Canadian Dollars. The debt denominated in US Dollars corresponds to 99.4% of this total.

# 2Q21 BUSINESS UNITS

## BUSINESS UNITS – IFRS R\$

Million		2021	1Q21	Δ%	2Q20	Δ%	LTM 2Q21
<b>Net Revenue</b>							
Seara	R\$	8,937.7	7,842.2	14.0%	6,391.7	39.8%	31,285.4
JBS Brazil	R\$	12,736.7	11,533.3	10.4%	8,721.0	46.0%	49,096.6
JBS USA Beef	R\$	35,711.2	30,419.0	17.4%	30,063.0	18.8%	125,175.0
JBS USA Pork	R\$	10,728.2	8,787.9	22.1%	8,542.2	25.6%	36,520.0
Pilgrim's Pride	R\$	19,246.1	17,897.9	7.5%	15,201.9	26.6%	70,478.9
Others	R\$	933.0	850.9	9.6%	567.1	64.5%	3,455.4
Eliminations	R\$	-2,665.9	-2,079.9	28.2%	-1,904.6	40.0%	-8,992.7
<b>Total</b>	<b>R\$</b>	<b>85,626.9</b>	<b>75,251.2</b>	<b>13.8%</b>	<b>67,582.3</b>	<b>26.7%</b>	<b>307,018.7</b>
<b>Adjusted EBITDA</b>							
Seara	R\$	808.7	932.6	-13.3%	1,079.7	-25.1%	3,901.9
JBS Brazil	R\$	439.4	236.3	85.9%	1,199.3	-63.4%	2,220.6
JBS USA Beef	R\$	7,057.7	2,728.2	158.7%	6,246.3	13.0%	15,343.5
JBS USA Pork	R\$	853.9	1,026.3	-16.8%	1,057.2	-19.2%	3,882.6
Pilgrim's Pride	R\$	2,517.3	1,916.2	31.4%	1,117.3	125.3%	8,136.1
Others	R\$	31.9	39.8	-20.0%	-84.0	-	139.7
Eliminations	R\$	-2.7	-2.7	0.0%	-4.4	-38.3%	-11.0
<b>Total</b>	<b>R\$</b>	<b>11,706.2</b>	<b>6,876.8</b>	<b>70.2%</b>	<b>10,611.5</b>	<b>10.3%</b>	<b>33,613.4</b>
<b>Adjusted EBITDA Margin</b>							
Seara	%	9.0%	11.9%	-2.8 p.p.	16.9%	-7.8 p.p.	12.5%
JBS Brazil	%	3.4%	2.0%	1.4 p.p.	13.8%	-10.3 p.p.	4.5%
JBS USA Beef	%	19.8%	9.0%	10.8 p.p.	20.8%	-1.0 p.p.	12.3%
JBS USA Pork	%	8.0%	11.7%	-3.7 p.p.	12.4%	-4.4 p.p.	10.6%
Pilgrim's Pride	%	13.1%	10.7%	2.4 p.p.	7.4%	5.7 p.p.	11.5%
Others	%	3.4%	4.7%	-1.3 p.p.	-14.8%	18.2 p.p.	4.0%
<b>Total</b>	<b>%</b>	<b>13.7%</b>	<b>9.1%</b>	<b>4.5 p.p.</b>	<b>15.7%</b>	<b>-2.0 p.p.</b>	<b>10.9%</b>

## BUSINESS UNITS – USGAAP US\$

Million		2021	1Q21	Δ%	2Q20	Δ%	LTM 2Q21
<b>Net Revenue</b>							
JBS USA Beef	US\$	6,744.2	5,558.1	21.3%	5,579.0	20.9%	23,259.7
JBS USA Pork	US\$	2,026.1	1,605.7	26.2%	1,585.3	27.8%	6,787.0
Pilgrim's Pride	US\$	3,637.7	3,273.4	11.1%	2,824.0	28.8%	13,104.1
<b>Adjusted EBITDA</b>							
JBS USA Beef	US\$	1,397.2	531.9	162.7%	1,135.4	23.1%	2,935.4
JBS USA Pork	US\$	159.6	127.5	25.2%	167.0	-4.4%	598.5
Pilgrim's Pride	US\$	371.6	253.8	46.4%	112.2	231.2%	1,135.8
<b>Adjusted EBITDA Margin</b>							
JBS USA Beef	%	20.7%	9.6%	11.1 p.p.	20.4%	0.4 p.p.	12.6%
JBS USA Pork	%	7.9%	7.9%	-0.1 p.p.	10.5%	-2.7 p.p.	8.8%
Pilgrim's Pride	%	10.2%	7.8%	2.5 p.p.	4.0%	6.2 p.p.	8.7%



# 2Q21 BUSINESS UNITS

## SEARA

IFRS - R\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	R\$	% NR	R\$	% NR		R\$	% NR		R\$	% NR
<b>Net Revenue</b>	<b>8,937.7</b>	<b>100.0%</b>	<b>7,842.2</b>	<b>100.0%</b>	<b>14.0%</b>	<b>6,391.7</b>	<b>100.0%</b>	<b>39.8%</b>	<b>31,285.4</b>	<b>100.0%</b>
Cost of Goods Sold	(7,244.2)	-81.1%	(6,214.6)	-79.2%	16.6%	(4,645.0)	-72.7%	56.0%	(24,476.4)	-78.2%
Gross Profit	1,693.5	18.9%	1,627.6	20.8%	4.0%	1,746.6	27.3%	-3.0%	6,809.0	21.8%
<b>Adjusted EBITDA</b>	<b>808.7</b>	<b>9.0%</b>	<b>932.6</b>	<b>11.9%</b>	<b>-13.3%</b>	<b>1,079.7</b>	<b>16.9%</b>	<b>-25.1%</b>	<b>3,901.9</b>	<b>12.5%</b>

In 2Q21, Seara posted net revenue of R\$8.9 billion, 39.8% higher than 2Q20, as a result of an increase of 21.8% in volumes and 14.8% in prices<sup>1</sup>.

Sales in the domestic market, which represented 47% of the business revenue, totaled R\$4.2 billion, 45.8% higher than 2Q20. The prepared foods category continues to be the highlight for successive quarters and, following this trend in the 2Q21, the category posted a growth of 4.7% in volume sold and 22.6% in prices<sup>2</sup>.

**Seara Levíssimo**, which has 38% less sodium, 30% less fat and is made of 100% pork loin, launches a new category in the cold cuts segment. The product has been exceeding expectations and bringing new consumers to the Seara brand. Seara continues leading innovation in the sector, launching the new **Delícia**, the only margarine made with cream in the country, and expanding the **Seara Gourmet** portfolio with new products made for barbecues. Seara also consolidated its leadership in plant-based hamburgers with the **Incrível Seara** brand, which has more than 50% market share, and in frozen pizzas, with 40% market share. In frozen foods, Seara increased its advantage to 5.3 p.p. in market share (value) compared to the second brand, completing 24 consecutive months in the leadership, as well as a reduction of 8.6 p.p. in the price gap in relation to the competition, when compared to the same period of last year.

In the export market, net revenue totaled R\$4.7 billion, 35% higher than 2Q20, due to an increase of 24.6% in volume sold and 8.3% in prices. It is important to highlight that average FX increased by 1.8%, going from R\$5.39 in 2Q20 to R\$5.30 in 2Q21, in addition to the temporary suspension in certifications to export to Saudi Arabia, negatively impacting exports profitability.

In 2Q21, the environment for production costs, especially animal feed, remained challenging. In accordance with ESALQ, the average cost of soymeal and corn in 2Q21 was around 50% and 90% higher than 2Q20, respectively. The increase in cost has been partially offset by an increase in sales prices, coupled with a better mix of markets, channels and products, in addition to management's focus on operational efficiency and innovation. Thus, adjusted EBITDA reached R\$808.7 million, with a 9% margin.





# 2Q21 BUSINESS UNITS

## JBS BRAZIL

IFRS - R\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR
<b>Net Revenue</b>	<b>12,736.7</b>	<b>100.0%</b>	<b>11,533.3</b>	<b>100.0%</b>	<b>10.4%</b>	<b>8,721.0</b>	<b>100.0%</b>	<b>46.0%</b>	<b>49,096.6</b>	<b>100.0%</b>
Cost of Goods Sold	(11,140.3)	-87.5%	(10,306.2)	-89.4%	8.1%	(6,595.8)	-75.6%	68.9%	(42,402.4)	-86.4%
Gross Profit	1,596.5	12.5%	1,227.1	10.6%	30.1%	2,125.1	24.4%	-24.9%	6,694.2	13.6%
<b>Adjusted EBITDA</b>	<b>439.4</b>	<b>3.4%</b>	<b>236.3</b>	<b>2.0%</b>	<b>85.9%</b>	<b>1,199.3</b>	<b>13.8%</b>	<b>-63.4%</b>	<b>2,163.6</b>	<b>4.4%</b>

In 2Q21, JBS Brazil net revenue was R\$12.7 billion, 46% higher than 2Q20, boosted by an increase of 17.3% in the number of animals processed in the period.

In the domestic market, despite a challenging scenario for beef consumption, JBS continues to enter in strategic partnerships with its key customers, especially through Açougue Nota 10 and Cogue Gourmet programs. These initiatives contributed to this quarter's performance, with the business reaching a net revenue of R\$7.3 billion, 68.5% higher than 2Q20, with fresh beef posting an increase of 23.8% in volume sold and 34.6% in prices.

In the export market, net revenue was 24.1% higher than 2Q20, totaling R\$5.5 billion, mainly as a result of an improved performance for beef, which had a 41.1% increase in volume sold and 17% in average sales prices.

EBITDA totaled R\$439.4 million in 2Q21, 63.4% lower than 2Q20, but 85.9% higher than 1Q21, with an EBITDA margin of 3.4%. This quarter's results, although better sequentially, were impacted by an increase in production costs, especially cattle prices, which according to CEPEA-ESALQ, increased 55.1% from 2Q20 to 2Q21.

For over 10 years, JBS Brazil has had zero tolerance with deforestation among its cattle suppliers. Since April 2021, the Transparent Livestock Farming Platform is online and using blockchain technology to expand JBS' monitoring system, using satellite imagery, to monitor the suppliers of its suppliers. This technology allows JBS to work with data security, reliability and producer engagement.

Thanks to the rapid progress made in joining the Transparent Livestock Platform, it was possible to bring forward from 2030 to 2025 the goal of zero illegal deforestation for the suppliers of JBS suppliers, also for the Cerrado, Pantanal, Atlantic Forest and Caatinga biomes. This is the same commitment that had already been established for the Amazon. With the opening of the Green Offices network, the Company is also helping and including producers who seek to improve the social and environmental performance and regulatory compliance of their properties. There are already 13 offices in operation in the Amazon and Cerrado.



# 2Q21 BUSINESS UNITS

## JBS USA BEEF

IFRS - R\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR
<b>Net Revenue</b>	<b>35,711.2</b>	<b>100.0%</b>	<b>30,419.0</b>	<b>100.0%</b>	<b>17.4%</b>	<b>30,063.0</b>	<b>100.0%</b>	<b>18.8%</b>	<b>125,175.0</b>	<b>100.0%</b>
Cost of Goods Sold	(27,063.0)	-75.8%	(26,266.5)	-86.3%	3.0%	(22,569.4)	-75.1%	19.9%	(104,327.1)	-83.3%
Gross Profit	8,648.2	24.2%	4,152.6	13.7%	108.3%	7,493.7	24.9%	15.4%	20,847.9	16.7%
<b>Adjusted EBITDA</b>	<b>7,057.7</b>	<b>19.8%</b>	<b>2,728.2</b>	<b>9.0%</b>	<b>158.7%</b>	<b>6,246.3</b>	<b>20.8%</b>	<b>13.0%</b>	<b>15,343.5</b>	<b>12.3%</b>

USGAAP <sup>1</sup> - US\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR
<b>Net Revenue</b>	<b>6,744.2</b>	<b>100.0%</b>	<b>5,558.1</b>	<b>100.0%</b>	<b>21.3%</b>	<b>5,579.0</b>	<b>100.0%</b>	<b>20.9%</b>	<b>23,259.7</b>	<b>100.0%</b>
Cost of Goods Sold	(5,259.8)	-78.0%	(4,964.5)	-89.3%	5.9%	(4,372.3)	-78.4%	20.3%	(20,093.0)	-86.4%
Gross Profit	1,484.4	22.0%	593.6	10.7%	150.1%	1,206.7	21.6%	23.0%	3,166.7	13.6%
<b>Adjusted EBITDA</b>	<b>1,397.2</b>	<b>20.7%</b>	<b>531.9</b>	<b>9.6%</b>	<b>162.7%</b>	<b>1,135.4</b>	<b>20.4%</b>	<b>23.1%</b>	<b>2,935.4</b>	<b>12.6%</b>

Considering results in IFRS and Reais, JBS USA Beef posted net revenue of R\$35.7 billion in 2Q21, 18.8% higher than in 2Q20 and an EBITDA of R\$7.1 billion, an increase of 13.0% when compared to 2Q20, with the EBITDA margin reaching 19.8% in the period. These results include the impact of the 1.8% appreciation of the average exchange rate (BRL vs. USD), which went from R\$5.39 to R\$5.30 in the period.

In USGAAP and US\$, net revenue was US\$6.7 billion, an increase of 20.9% compared to 2Q20, due to a 10.9% increase in volume sold and 9% increase in average sales price. EBITDA was a record US\$1.4 billion, with a margin of 20.7%.

**North America** - The strong demand in the domestic and international markets sustained beef prices at high levels, providing good margins for Beef US and Canada. In the domestic markets, demand was driven by strong retail performance and recovery of the foodservice channel. The US and Canada beef exports grew in volume and revenue, at levels significantly higher, compared to a year ago, according to data published by the USDA and CIMTD, respectively. For the US, China continues to lead beef exports and to date already represents 13.9% of the total US beef exports volume, compared to 1.4% in the same period of the previous year. It is worth mentioning that the Company's exports grew at a faster pace than the industry in the US and in Canada, with a gain in market share. Also, JBS USA has been improving the sales mix through value-added programs, achieving better export results.

According to the USDA, in the 2Q21, beef production in the US was 14.8% higher compared to a year ago and surpassed pre-Covid levels by 2%, when compared to the 2Q19, despite the labor shortages that continue to affect the industry's ability to operate at full capacity.

Cattle availability remained stable. The price of cattle ready to be processed increased compared to 1Q21, given the growing demand and the higher number of cattle harvested in the period.

In the plant-based protein segment, JBS USA completed the acquisition of Vivera, one of the market leaders in this segment in Europe – for EUR341 million – thus expanding its global plant-based protein platform. In the United States, the Company continues to develop new products and expand business with the OZO brand, currently distributed in more than 3,000 stores across the country.

During the period, JBS USA Beef increased investment in its Hometown Strong social program by US\$12 million, further strengthening its relationship with the local communities that are home of its beef processing plants. Such funds will be applied exclusively to affordable housing projects.

**Australia and New Zealand** - The performance of the beef business in the region continues to be impacted by the lower availability of cattle. However, it has been showing sequential improvement in quarterly results. In June, the Company announced the agreement to acquire Australia's second largest pork producer and processor – Rivalea – with a 26% market share, for AUD175 million. This strategic acquisition enhances JBS' business in the region, as well as creates a competitive supply advantage for Primo Foods – JBS' prepared food business in Australia and New Zealand – that continues to grow production volumes and sales (12% for both in 2Q21) and to produce very positive results, as consequence of its focus on innovation and high quality products. Also, last week, the Company announced an offer to acquire Huon Aquaculture – Australia's second largest salmon producer – for the implied asset value of AUD425 million (enterprise value of AUD546 million). This is a strategic movement that marks the entry of JBS into the aquaculture business and expands the diversification of the Company's protein offerings.



# 2Q21 BUSINESS UNITS

## JBS USA PORK

IFRS - R\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR
<b>Net Revenue</b>	<b>10,728.2</b>	<b>100.0%</b>	<b>8,787.9</b>	<b>100.0%</b>	<b>22.1%</b>	<b>8,542.2</b>	<b>100.0%</b>	<b>25.6%</b>	<b>36,520.0</b>	<b>100.0%</b>
Cost of Goods Sold	(9,222.4)	-86.0%	(7,120.9)	-81.0%	29.5%	(6,846.7)	-80.2%	34.7%	(30,158.1)	-82.6%
Gross Profit	1,505.7	14.0%	1,667.0	19.0%	-9.7%	1,695.6	19.8%	-11.2%	6,362.0	17.4%
<b>Adjusted EBITDA</b>	<b>853.9</b>	<b>8.0%</b>	<b>1,026.3</b>	<b>11.7%</b>	<b>-16.8%</b>	<b>1,057.2</b>	<b>12.4%</b>	<b>-19.2%</b>	<b>3,882.6</b>	<b>10.6%</b>

USGAAP <sup>1</sup> - US\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR
<b>Net Revenue</b>	<b>2,026.1</b>	<b>100.0%</b>	<b>1,605.7</b>	<b>100.0%</b>	<b>26.2%</b>	<b>1,585.3</b>	<b>100.0%</b>	<b>27.8%</b>	<b>6,787.0</b>	<b>100.0%</b>
Cost of Goods Sold	(1,846.0)	-91.1%	(1,464.7)	-91.2%	26.0%	(1,395.7)	-88.0%	32.3%	(6,138.3)	-90.4%
Gross Profit	180.1	8.9%	141.0	8.8%	27.7%	189.6	12.0%	-5.0%	648.7	9.6%
<b>Adjusted EBITDA</b>	<b>159.6</b>	<b>7.9%</b>	<b>127.5</b>	<b>7.9%</b>	<b>25.2%</b>	<b>167.0</b>	<b>10.5%</b>	<b>-4.4%</b>	<b>598.5</b>	<b>8.8%</b>

Considering results in IFRS and Reais, JBS USA Pork posted net revenue of R\$10.7 billion in 2Q21, 25.6% higher than 2Q20 and EBITDA of R\$853.9 million, a reduction of 19.2%, with EBITDA margin of 8.0%. These results include the impact of the 1.8% appreciation of the average exchange rate (BRL vs. USD), which went from R\$5.39 to R\$5.30 in the period.

In US GAAP and US\$, net revenue was US\$2.0 billion, an increase of 27.8% compared to 2Q20, due to a 26% increase in average sales price and a slight increase of 1.4% in volume sold. EBITDA was US\$159.6 million, with margin of 7.9%.

Pork business margins in the United States remained under pressure throughout the second quarter, mainly due to the increase in hog prices. In turn, hog production costs also increased as result of the higher grain prices and other input costs.

Labor shortages impacted pork production and the deboning capacity which, coupled with higher demand, caused the pork prices in the domestic market to also increase, partially offsetting the increase in hog prices.

US pork exports volumes, in 2Q21, were 7.6% higher than in 2Q20. The higher volume exported more than covered the deficit of the prior quarter and, actually created a surplus of 1% in the year to date performance. Exports to China showed a strong deceleration to 2020, but remain significantly above the pre-ASF (African Swine Fever) levels. Also, exports to countries like Mexico, Japan, South Korea and Canada improved and are performing higher than a year ago.

The Company remains focused on operational efficiency and on increasing volumes of value-added products. During this quarter, Swift Prepared Foods (former Plumrose) officially opened its pre-cooked and cooked bacon processing plant, in Moberly, MO. Also, the Company begun the construction of its new factory for Italian meats products, located in the same state of Missouri, in Columbia, which is targeted to begin its commercial production in January 2023.

Additionally, JBS USA Pork also officially opened in Worthington, Iowa, a new cold storage and distribution center. With capacity to handle more than 27.5 million pounds of product, the new DC will improve the quality of our pork products and increase logistical and distribution efficiencies for domestic and international markets.

Finally, JBS USA Pork increased investments in its Hometown Strong social program by US\$8 million, further strengthening its relationship with the local community that are home for its pork processing plants. Such funds will be applied exclusively to affordable housing projects.



# 2Q21 BUSINESS UNITS

## PILGRIM'S PRIDE CORPORATION

IFRS - R\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR
<b>Net Revenue</b>	<b>19,246.1</b>	<b>100.0%</b>	<b>17,897.9</b>	<b>100.0%</b>	<b>7.5%</b>	<b>15,201.9</b>	<b>100.0%</b>	<b>26.6%</b>	<b>70,478.9</b>	<b>100.0%</b>
Cost of Goods Sold	(16,326.2)	-84.8%	(15,597.9)	-87.1%	4.7%	(13,776.5)	-90.6%	18.5%	(60,677.8)	-86.1%
Gross Profit	2,919.8	15.2%	2,300.0	12.9%	27.0%	1,425.4	9.4%	104.8%	9,801.1	13.9%
<b>Adjusted EBITDA</b>	<b>2,517.3</b>	<b>13.1%</b>	<b>1,916.2</b>	<b>10.7%</b>	<b>31.4%</b>	<b>1,117.3</b>	<b>7.4%</b>	<b>125.3%</b>	<b>8,136.1</b>	<b>11.5%</b>

USGAAP <sup>1</sup> - US\$ Million	2Q21		1Q21		Δ%	2Q20		Δ%	LTM 2Q21	
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR
<b>Net Revenue</b>	<b>3,637.7</b>	<b>100.0%</b>	<b>3,273.4</b>	<b>100.0%</b>	<b>11.1%</b>	<b>2,824.0</b>	<b>100.0%</b>	<b>28.8%</b>	<b>13,104.1</b>	<b>100.0%</b>
Cost of Goods Sold	(3,257.5)	-89.5%	(3,012.2)	-92.0%	8.1%	(2,704.2)	-95.8%	20.5%	(11,921.4)	-91.0%
Gross Profit	380.2	10.5%	261.2	8.0%	45.6%	119.8	4.2%	217.3%	1,182.7	9.0%
<b>Adjusted EBITDA</b>	<b>371.6</b>	<b>10.2%</b>	<b>253.8</b>	<b>7.8%</b>	<b>46.4%</b>	<b>112.2</b>	<b>4.0%</b>	<b>231.2%</b>	<b>1,135.8</b>	<b>8.7%</b>

Considering results in IFRS and Reais, PPC posted net revenue of R\$19.2 billion in the 2Q21, a 26.6% increase in comparison to 2Q20, and Adjusted EBITDA of R\$2.5 billion, with EBITDA margin of 13.1%. These results include a 1.8% impact of the average FX rate (BRL vs USD), which was R\$5.39 in 2Q20 and R\$5.30 in 2Q21.

In US GAAP and US\$, PPC net revenue in the 2Q21 was US\$3.6 billion, 28.8% higher than 2Q20, and Adjusted EBITDA was US\$371.6 million with a 10.2% margin, which excludes the impact of an aggregate legal contingency accrual of US\$396 million in the U.S.

As the world emerges from the COVID-19 pandemic, more of the population gets vaccinated and activities gradually return to normal, dining out, gathering with friends and family for meals and eating lunch at work or at school starts to once again become routine.

In the United States, second quarter results reflect a shift to more normal patterns as a slight increase in retail store trips have been observed and more foodservice locations reopened. As demand continues to recover, with our foodservice business improving year-over-year and sequentially, achieving levels higher than pre-pandemic and retail volumes remaining strong, the U.S. business turned in a solid operational performance despite higher and more volatile input costs and product mix issues resulting from continued, albeit improving, labor challenges. The big bird business performed very well on commodity pricing that has remained consistently near or above historical ranges. PPC also grew the branded consumer packaged foods business in the second quarter by 215% by investing in our Just Bare® and Pilgrim's® brands at retail and in e-commerce.

In Mexico, PPC had another strong quarter, driven by a balanced supply/demand equation and continuous improvements in operational performance, while effectively managing higher grain pricing and supplying our customers with Fresh and Prepared Foods under the Pilgrim's®, Del Dia® and Alamesa® brands.

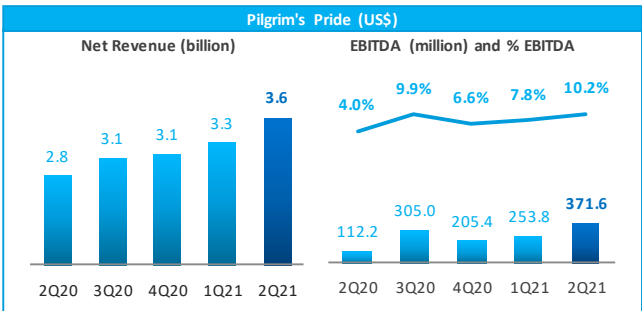
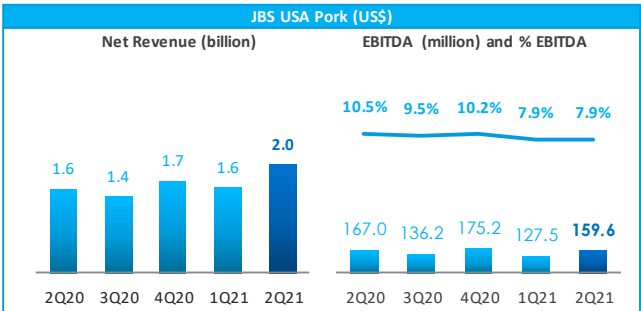
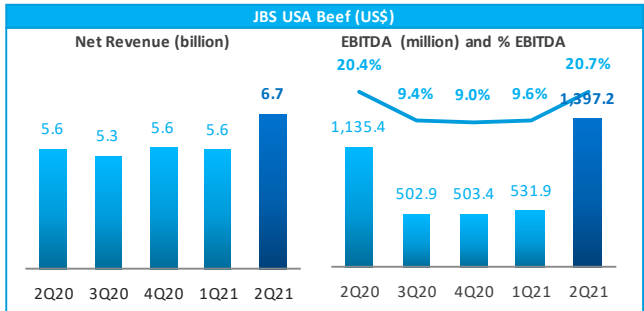
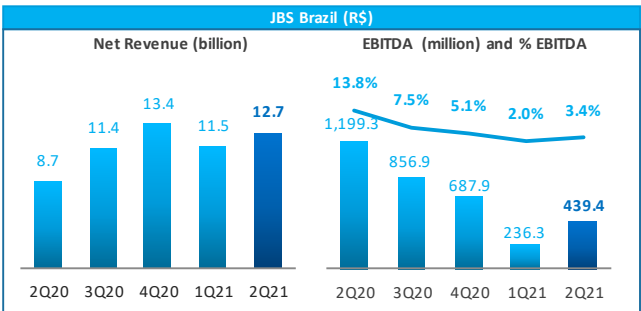
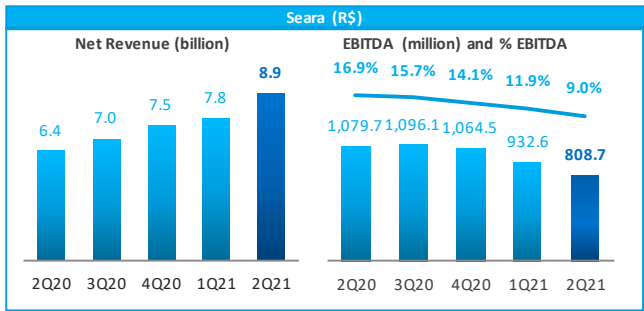
In Europe, although challenged by increasing grain costs, Moy Park continued to deliver operational efficiencies, better agricultural performance and improved yields to help offset grain costs and labor challenges. Despite similar labor challenges and being affected by low hog prices and rising grain costs, the Pilgrim's UK operations have also improved its margins from the same period last year.

Furthermore, PPC continued its growth strategy with the announcement of the intended acquisition of the Kerry Consumer Foods' Meats and Meals business in the U.K. and Ireland. Following the acquisition, Pilgrim's will be a leading food company with a significant value-added protein and integrated prepared foods business anchored by a portfolio of strong brands.



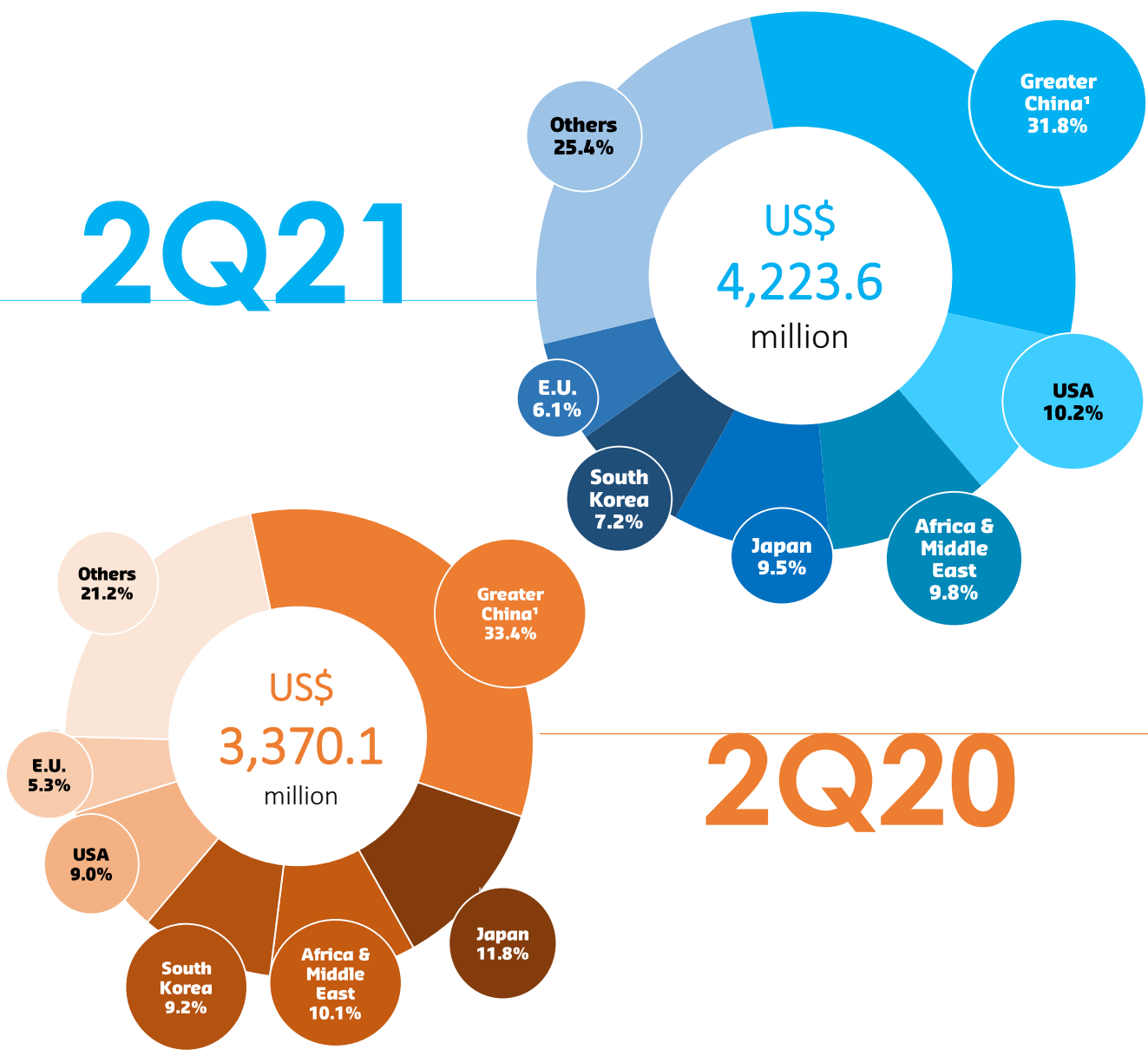
# 2Q21 BUSINESS UNITS

## LOCAL GAAP AND CURRENCY



# TABLES AND GRAPHS

GRAPH 1 – JBS EXPORTS IN 2Q21 AND 2Q20



Note 1. Considers China and Hong Kong

TABLE 1- COGS BREAKDOWN

2Q21 (%)	Consolidated	JBS Brazil	Seara	JBS USA Beef	JBS USA Pork	PPC
Raw material (livestock)	76.9%	91.4%	70.9%	82.8%	79.4%	54.5%
Processing (including ingredients and packaging)	13.0%	5.2%	18.9%	7.2%	10.4%	30.3%
Labor Cost	10.1%	3.4%	10.2%	10.0%	10.3%	15.2%

# 2Q21 FINANCIAL STATEMENTS

## Balance Sheet

In thousands of Brazilian Reais - R\$

	Company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
<b>Current Assets</b>				
Cash and cash equivalents	5,249,492	3,351,911	16,840,600	19,679,743
Margin cash	48,984	-	1,281,133	-
Trade accounts receivable	2,774,960	2,871,612	16,414,935	14,001,211
Inventories	5,079,378	2,959,086	22,402,897	17,586,744
Biological assets	-	-	6,436,192	5,115,720
Recoverable taxes	1,101,585	1,059,635	2,857,507	2,849,898
Derivative assets	10,100	51	505,487	228,840
Other current assets	227,816	135,042	1,417,624	1,075,143
<b>TOTAL CURRENT ASSETS</b>	<b>14,492,315</b>	<b>10,377,337</b>	<b>68,156,375</b>	<b>60,537,299</b>
<b>Non-Current Assets</b>				
Recoverable taxes	4,897,257	5,843,965	7,746,291	8,546,495
Biological assets	-	-	1,854,795	1,778,565
Related party receivables	3,527,880	1,872,127	366,131	382,019
Deferred income taxes	-	-	1,641,979	1,590,194
Derivativos a receber	83,810	41,769	97,368	41,769
Other non-current assets	622,050	596,942	1,107,621	1,094,113
	<b>9,130,997</b>	<b>8,354,803</b>	<b>12,814,185</b>	<b>13,433,155</b>
Investments in subsidiaries and joint ventures	44,167,770	37,658,807	200,803	171,096
Property, plant and equipment	11,854,011	11,576,487	47,785,418	47,106,444
Right of use asset	58,247	68,786	5,678,907	5,784,709
Intangible assets	42,080	49,982	7,273,435	7,702,309
Goodwill	9,085,970	9,085,970	30,374,143	29,066,794
<b>TOTAL NON-CURRENT ASSETS</b>	<b>74,339,075</b>	<b>66,794,835</b>	<b>104,126,891</b>	<b>103,264,507</b>
<b>TOTAL ASSETS</b>	<b>88,831,390</b>	<b>77,172,172</b>	<b>172,283,266</b>	<b>163,801,806</b>



# 2Q21 FINANCIAL STATEMENTS

## Balance Sheet

In thousands of Brazilian Reais - R\$

	Company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
<b>Current Liabilities</b>				
Trade accounts payable	3,731,182	4,037,346	22,073,394	22,197,441
Supply chain finance	487,878	473,525	3,461,127	2,101,001
Loans and financing	4,897,076	1,700,815	7,449,059	4,562,101
Income taxes	-	-	226,076	206,433
Accrued income taxes and other taxes	340,555	312,888	709,667	676,620
Accrued payroll and social charges	892,978	893,008	5,470,708	5,677,401
Lease liabilities	23,682	22,452	1,327,110	1,293,073
Dividends payable	106	1,092,174	154	1,093,230
Other financial liabilities	11,839	21,193	37,420	45,622
Provision for contingencies	-	-	2,043,399	-
Derivative liabilities	242,992	21,087	1,181,995	287,536
Other current liabilities	1,085,231	543,462	1,993,100	2,694,773
<b>TOTAL CURRENT LIABILITIES</b>	<b>11,713,519</b>	<b>9,117,950</b>	<b>45,973,209</b>	<b>40,835,231</b>
<b>Non-Current Liabilities</b>				
Loans and financing	6,547,047	3,659,318	63,583,724	61,344,604
Accrued income taxes and other taxes	686,506	658,923	866,319	840,175
Accrued payroll and social charges	2,562,932	2,852,408	3,516,217	4,115,068
Lease liabilities	40,195	50,014	4,707,821	4,811,416
Other financial liabilities	1,650	4,950	65,672	78,668
Deferred income taxes	3,125,878	3,105,833	6,384,296	6,186,715
Provision for contingencies	512,743	522,480	1,368,659	1,413,438
Related party payables	21,733,965	17,074,822	-	-
Derivative liabilities	-	-	-	9,207
Other non-current liabilities	8,754	6,152	604,734	623,095
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>35,219,670</b>	<b>27,934,900</b>	<b>81,097,442</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	(413,729)	(434,913)	(413,729)	(434,913)
Other reserves	46,882	49,430	46,882	49,430
Profit reserves	2,839,663	6,862,731	2,839,663	6,862,731
Accumulated other comprehensive income	9,418,648	10,065,868	9,418,648	10,065,868
Retained earnings	6,430,531	-	6,430,531	-
<b>Attributable to company shareholders</b>	<b>41,898,201</b>	<b>40,119,322</b>	<b>41,898,201</b>	<b>40,119,322</b>
<b>Attributable to non-controlling interest</b>	<b>-</b>	<b>-</b>	<b>3,314,414</b>	<b>3,424,867</b>
<b>TOTAL EQUITY</b>	<b>41,898,201</b>	<b>40,119,322</b>	<b>45,212,615</b>	<b>43,544,189</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>88,831,390</b>	<b>77,172,172</b>	<b>172,283,266</b>	<b>163,801,806</b>

# 2Q21 FINANCIAL STATEMENTS

Statements of income for the three months period ended June 30

In thousands of Brazilian Reals - R\$

	Company		Consolidated	
	2021	2020	2021	2020
<b>NET REVENUE</b>	12,213,092	8,372,837	85,626,927	67,582,330
Cost of sales	(10,666,276)	(6,333,509)	(69,145,961)	(53,052,106)
<b>GROSS PROFIT</b>	<b>1,546,816</b>	<b>2,039,328</b>	<b>16,480,966</b>	<b>14,530,224</b>
General and administrative expenses	(630,204)	(621,580)	(4,747,269)	(2,523,243)
Selling expenses	(612,478)	(523,895)	(4,478,740)	(3,547,752)
Other expenses	(1,670)	(1,738)	(29,738)	(49,788)
Other income	4,197	5,577	156,151	30,360
<b>OPERATING EXPENSES</b>	<b>(1,240,155)</b>	<b>(1,141,636)</b>	<b>(9,099,596)</b>	<b>(6,090,423)</b>
<b>OPERATING PROFIT</b>	<b>306,661</b>	<b>897,692</b>	<b>7,381,370</b>	<b>8,439,801</b>
Finance income	287,668	70,067	828,909	100,639
Finance expense	(642,229)	(1,409,302)	(1,974,857)	(3,330,160)
	<b>(354,561)</b>	<b>(1,339,235)</b>	<b>(1,145,948)</b>	<b>(3,229,521)</b>
Share of profit of equity-accounted investees, net of tax	5,074,591	3,707,260	12,169	4,929
<b>PROFIT BEFORE TAXES</b>	<b>5,026,691</b>	<b>3,265,717</b>	<b>6,247,591</b>	<b>5,215,209</b>
Current income taxes	(664,131)	-	(1,990,904)	(1,595,894)
Deferred income taxes	19,902	113,519	(48,532)	(272,691)
	<b>(644,229)</b>	<b>113,519</b>	<b>(2,039,436)</b>	<b>(1,868,585)</b>
<b>NET INCOME</b>	<b>4,382,462</b>	<b>3,379,236</b>	<b>4,208,155</b>	<b>3,346,624</b>
<b>ATTRIBUTABLE TO:</b>				
Company shareholders			4,382,462	3,379,236
Non-controlling interest			(174,307)	(32,612)
			<b>4,208,155</b>	<b>3,346,624</b>
<b>Basic earnings per share - common shares (R\$)</b>	<b>1.75</b>	<b>1.27</b>	<b>1.75</b>	<b>1.27</b>

# 2Q21 FINANCIAL STATEMENTS

Statements of cash flows for the three months period ended June 30

In thousands of Brazilian Reais - R\$		Company		Consolidated	
Cash flow	2021	2020	2021	2020	
<b>Net income</b>	<b>4,382,463</b>	<b>3,379,236</b>	<b>4,208,157</b>	<b>3,346,625</b>	
Adjustments for:					
Depreciation and amortization	175,780	156,660	2,157,548	2,015,577	
Allowance for doubtful accounts	9,521	8,382	18,933	9,925	
Share of profit of equity-accounted investees	(5,074,591)	(3,707,260)	(12,169)	(4,929)	
(Gain) loss on assets sales	1,657	886	(18,571)	(11,621)	
Taxes expense	644,229	(113,519)	2,039,436	1,868,585	
Finance expense (income), net	354,561	1,339,235	1,145,947	3,229,522	
Share-based compensation	-	-	17,012	15,041	
Provisions	49,761	27,850	87,626	59,934	
Obsolete inventory accrual	159	(94)	9,164	29,635	
Fair value (market to market) of biological assets	-	-	230,415	21,666	
Antitrust agreements	-	-	2,188,890	-	
Extemporaneous tax credits impacts	-	-	(55,593)	-	
	<b>543,540</b>	<b>1,091,376</b>	<b>12,016,795</b>	<b>10,579,960</b>	
<b>Changes in assets and liabilities:</b>					
Trade accounts receivable	(658,139)	(161,610)	(3,224,825)	751,080	
Inventories	(1,493,493)	(128,177)	(2,976,214)	569,002	
Recoverable taxes	(122,359)	23,902	(109,954)	160,939	
Other current and non-current assets	(210,434)	(254,382)	(171,885)	(255,539)	
Biological assets	-	-	(1,296,923)	(485,219)	
Trade accounts payable and supply chain finance	501,829	(151,820)	2,927,479	(104,482)	
Tax payable in installments	(96,762)	(55,546)	(96,762)	(56,693)	
Other current and non-current liabilities	393,969	(194,236)	590,511	824,038	
Income taxes paid	-	-	(1,646,318)	(574,061)	
Payments of Antitrust agreements	-	-	(223,556)	-	
<b>Changes in operating assets and liabilities</b>	<b>(1,685,389)</b>	<b>(921,869)</b>	<b>(6,228,447)</b>	<b>829,065</b>	
<b>Cash provided by (used in) operating activities</b>	<b>(1,141,849)</b>	<b>169,507</b>	<b>5,788,348</b>	<b>11,409,025</b>	
Interest paid	(123,409)	(64,472)	(675,098)	(733,298)	
Interest received	13,448	20,250	51,278	48,865	
<b>Cash net of interest provided by (used in) operating activities</b>	<b>(1,251,810)</b>	<b>125,285</b>	<b>5,164,528</b>	<b>10,724,592</b>	
<b>Cash flow from investing activities</b>					
Purchases of property, plant and equipment	(386,558)	(225,512)	(1,985,064)	(1,238,658)	
Purchases of intangible assets	(2,923)	(6,122)	(18,481)	(8,741)	
Proceeds from sale of property, plant and equipment	19,884	7,298	66,256	93,181	
Additional investments in joint-ventures and subsidiaries	(753)	-	-	-	
Acquisitions, net of cash acquired	-	-	(2,065,550)	(1,357,351)	
Dividends received	8,500	6,000	8,500	6,000	
Related party transactions	3,286,301	1,167,497	-	-	
Other	3	-	2	-	
<b>Cash provided by (used in) investing activities</b>	<b>2,924,454</b>	<b>949,161</b>	<b>(3,994,337)</b>	<b>(2,505,569)</b>	
<b>Cash flow from financing activities</b>					
Proceeds from loans and financings	5,209,775	305,708	20,141,236	545,691	
Payments of loans and financings	(628,071)	(274,231)	(8,769,877)	(3,134,679)	
Payments of lease	(7,507)	(5,153)	(423,957)	(395,884)	
Derivatives instruments received/settled	(37,527)	(57,935)	(333,579)	22,227	
Dividends paid	(2,511,103)	(1,441,177)	(2,511,103)	(1,441,177)	
Dividends paid to non-controlling interest	-	-	(5,376)	-	
Margin cash	(48,984)	-	(1,281,133)	-	
PPC share repurchase	-	-	-	(258,316)	
Purchase of treasury shares	(944,742)	-	(944,742)	-	
Disposal of treasury shares	1,241,251	-	1,241,251	-	
Others	-	-	-	(2,593)	
<b>Cash used in financing activities</b>	<b>2,273,092</b>	<b>(1,472,788)</b>	<b>7,112,720</b>	<b>(4,664,731)</b>	
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(295,895)</b>	<b>201,826</b>	<b>(1,700,843)</b>	<b>655,070</b>	
Net change in cash and cash equivalents	3,649,841	(196,516)	6,582,068	4,209,362	
Cash and cash equivalents at the beginning of period	1,599,651	4,485,965	10,258,532	18,466,199	
<b>Cash and cash equivalents at the end of period</b>	<b>5,249,492</b>	<b>4,289,449</b>	<b>16,840,600</b>	<b>22,675,561</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.