Management Report

2021

MESSAGE FROM THE CEO

The past year included several great achievements for JBS. We have excelled in our purpose to feed people around the world, providing the best products in a sustainable way. At the same time, we invested in strengthening the foundation that will fuel the company's growth in the coming years.

JBS, previously a Brazil-focused company specializing in one type of protein, has evolved into a global food company with a diversified footprint that includes a vast portfolio of strong brands and value-added products.

Within this context, 2021 has set the stage for JBS's trajectory in the coming years. We made strategic acquisitions that allowed us to increase our relevance in segments and businesses where we see significant growth opportunities. The purchase of **Vivera**, for example, has positioned us as a leader in Europe's plant-based market, providing a structure to leverage growth and synergies within our global plant-based operations.

In Australia, the acquisition of **Huon** signaled our entry into the aquaculture market with an industry leader that will provide a solid foundation for global expansion. Also, in Australia, **the purchase of Rivalea** has not only made us leaders in the country's pork farming and processing industry, but also offered a boost to our **Primo Foods** business.

In Europe, the acquisition of **Kerry Consumer Foods' Meats and Meals** business has added valuable brands to our portfolio, in addition to a wide-ranging prepared foods platform to our UK and Irish operations. Similarly, the purchase of **King's Group,** in Italy, has allowed us to access high-value markets in Europe and the United States with artisanal charcuterie products and specialties. With **Sunnyvalley Smoked Meats**, we've also added high-value branded product capabilities in North America. On top of all of this, the year also marked our entry into the cultured meat space with the purchase of a controlling stake in **Biotech Foods.** Our investments in research and the construction of a production facility in Spain will help accelerate the development of the cultivated protein market.

As we grow through acquisitions, we're also reinforcing our organic and greenfield investments in our brands and value-added products. In Brazil, **Seara** introduced new products, continuing to expand choices for consumers. To meet growing demand, we accelerated efforts to expand and modernize 15 Seara production units, a process that is now in its final stage. In the United States, with **Swift Prepared Foods**, we focused on the potential for growing our margins and invested in the construction of two specialty plants in the state of Missouri – one for Italian products in Columbia and another for cooked bacon in Moberly.

While we were increasing our production capacity, we were also transforming customer and consumer relations. Over the past two years, we have experienced unprecedented growth in e-commerce, through both direct sales platforms and with our partners. For instance, **Friboi Online, Loja Seara, Comer Bem,** and **Swift Online** allow our brands to be delivered to consumers in various regions of Brazil. In the United States, **Wild Fork Foods** offers consumers the opportunity to purchase ready-to-eat meals and various types of protein online, all available for immediate delivery.

At the same time, we have strengthened our relationship with commercial partners, introducing Swift to important Brazilian retail chains. We also doubled down on the growth of the already established **Açougue Nota 10 from Friboi and Seara,** which support the fresh meat category for large supermarket groups.

MESSAGE FROM THE CEO

All the while, we greatly improved JBS's financial profile. Our liability management moves were essential to achieve the healthiest financial standing in our company's history, with a debt extension secured through successful bond issuances that included a November 2021 issuance marking the lowest spread in history for a Brazilian corporation. With this, our leverage fell to its lowest level, 1.52 in reais and 1.46 in dollars. This has been crucial in paving the way for future growth.

As a result of our expansion efforts, we recognize that our global responsibility has also increased. Our recent acquisitions have brought 7,500 team members and their families into our fold – families who rely on JBS's strength for their livelihoods. We have more than 250,000 team members around the world and have solidifed our position as the largest employer in Brazil, our home country, with more than 150,000 team members. With this, we have strengthened our position as the main force driving wealth generation and economic development in nearly all cities and regions in which we operate.

Undoubtedly, building our future is based on our strong ESG standards. Our dedication to society and the future of the planet is constant. In 2021, we took on what I consider to be JBS's most important commitment: to be Net Zero by 2040. Accordingly, we have already taken decisive steps, like launching our Transparent Livestock Platform and the Green Offices program – both aimed at addressing sustainability challenges in Brazil's livestock supply chain, our most pressing industry challenge. We have also made progress in reducing methane emissions associated with cattle production by testing dietary additives, as well as supporting additional research.

In the social sphere, we continue to offer direct support to vulnerable people in the regions in which we operate. This is evident in Brazil, where the "Fazer o Bem Faz Bem" program has given more than R$400 million to highly vulnerable regions, and the JBS Fund for the Amazon is already funding initiatives to promote sustainable socioeconomic development in both the Amazon region and the communities within it.

The same applies in our operations around the world, particularly in the United States, where, over the past two years, Hometown Strong has committed $100 million to initiatives supporting the communities surrounding JBS's operations. During the two-year period, we have partnered with local rural communities to invest in more than 200 projects across the United States and donated more than $10 million worth of in-kind contributions of meat and poultry products to food banks and others in need around the country. In addition, our support for the Germinare School in Brazil, which has 800 students full time, and the Better Futures program in the United States, which offers a free community college education to all of our U.S. team members and their children, furthers our commitment to encouraging education, entrepreneurship, and the development of future generations.

To that end, changes we've made to our governance structure have resonated with our main stakeholders. In 2021, we reached a majority of independent directors on our Board of Directors – seven out of nine members. Moreover, we're incredibly proud that we earned the Women on Board certification last year.

In conclusion, we ended 2021 with unprecedented recognition, such as the **Full Investment Grade** achievement, record operating results, consolidated revenue of R$ 350.7 billion, EBITDA of R$45.7 billion and a net income of R$ 20.5 billion. These results demonstrate our operational excellence, the excellent work of our 250,000 team members and our capacity to deliver GROWTH and VALUE at the same time.

Gilberto Tomazoni, Global CEO JBS

About JBS & 2021 Highlights

COMPANY PROFILE

JBS S.A. is a food company with more than 60 years of tradition and a global leader in the processing of animal protein. With operations in 20 countries, the Company serves more than 275,000 clients in approximately 190 countries through a diversified portfolio of products and brands.

Headquartered in Brazil, it has more than 250,000 employees – in production platforms and commercial offices around the world. The structure includes beef, pork, lamb, poultry and leather processing facilities, in addition to cattle and sheep feedlots.

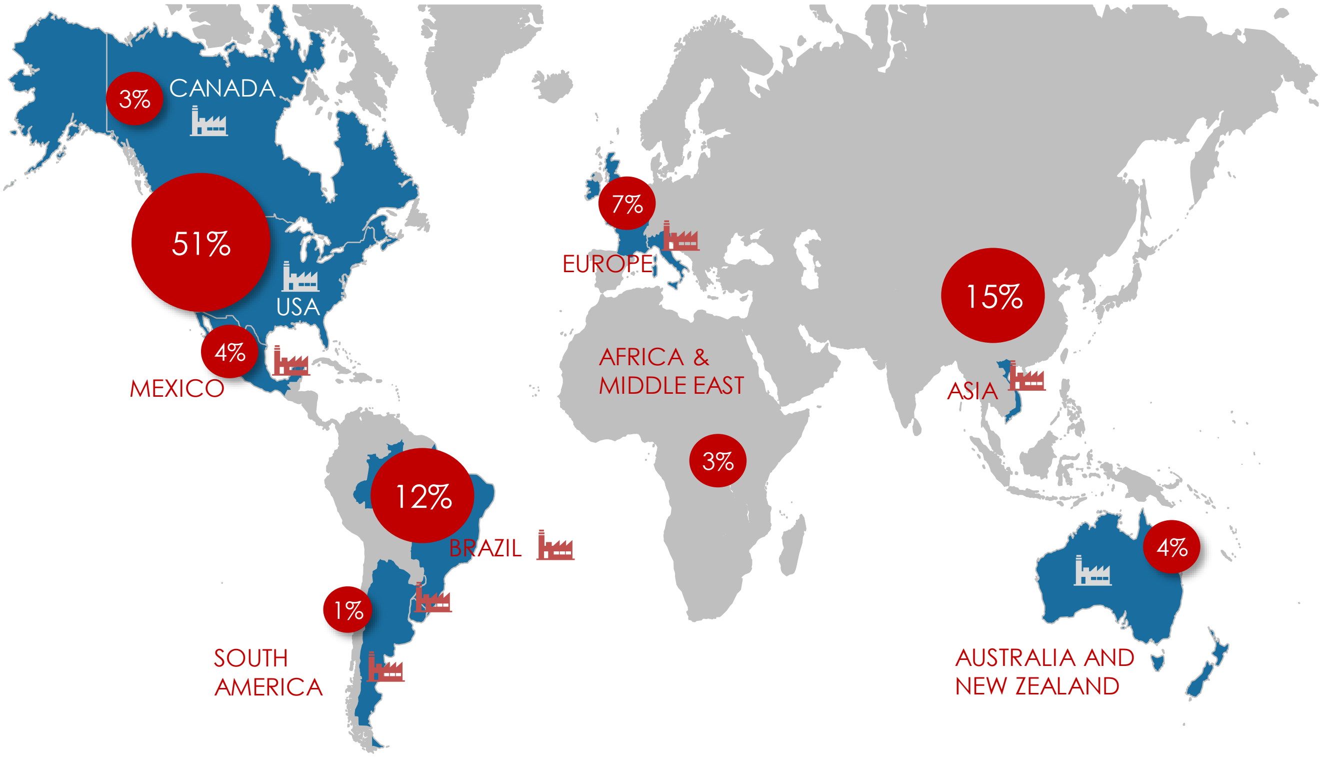
In addition to the food sector, the Company also operates in segments related to the value chain, such as leather, personal care and cleaning products, collagen, metal packaging, casings, biodiesel, transportation, waste management and recycling.

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

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

GLOBAL PRODUCTION AND SALES PLATFORM

More than 500 production units and sales offices in more than 20 countries



● Percentage of Total Revenue[1]

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

INVESTMENTS AND CORPORATE EVENTS

On January 15, 2021, JBS announced redemption, in cash, of 100% of the outstanding balance in an aggregate principal amount of the US$1.05 billion of the 5.750% Senior Notes due in 2025 issued by JBS USA Food Company, JBS USA Lux S.A. and JBS USA Finance, Inc. Redemption of the 2025 notes was completed on February 16, 2021.

On April 8, 2021, the Company's indirect subsidiary Pilgrim's Pride Corporation issued US$1.0 billion of its 4.250% Sustainability-Linked Senior Notes maturing 2031, associated with greenhouse gas reduction targets. The use of proceeds were used to tender, on the same date, the balance of the US$1.0 billion Senior Notes issue maturing 2025, with 5.750% coupon.

On April 19, 2021, JBS signed an agreement for the acquisition of 100% of the shares of Vivera, Europe's third largest producer of plant-based food products, for an enterprise value of €341 million. The acquisition was completed on June 17, 2021.

On May 14, 2021, the company's subsidiaries JBL USA Lux S.A., JBS USA Finance, Inc., and JBS USA Food Company announced the issuance of US$500 million in Senior Notes, with coupon of 3.75% p.a.

On June 8, 2021, JBS signed an agreement to acquire 100% of Rivalea Holdings Pty Ltd., and 100% of Oxdale Dairy Enterprise Pty Ltd. (jointly, 'Rivalea'), the Australian leader in hog breeding and processing, for an enterprise value of AU$175 million. This acquisition was completed on January 4, 2022.

On the same date, JBS, through its subsidiary JBL Finance, Luxembourg S.à r.l., issued and priced an offering of US$1.0 billion in Unsecured Sustainability-Linked Senior Notes in the international market, in connection to the Company's commitment to reduce greenhouse gas emissions, with coupon of 3.625% p.a.

On June 17, 2021 Pilgrim's Pride Corporation, an indirect subsidiary of the Company, signed an agreement to acquire the prepared foods business (Kerry Meats) and meals business (Kerry Meals) of Kerry Consumer Foods in the United Kingdom and Ireland, for enterprise value of £680 million. The acquisition was completed on September 27, 2021.

On August 6, 2021, JBS signed an agreement with the Australian salmon aquaculture company Huon Aquaculture Group Limited, to acquire its entire equity for a market valuation of AU$425 million. The acquisition was completed on November 17, 2021.

On August 12, 2021 JBS presented a proposal for acquisition of the balance of the free float of Pilgrim's Pride Corporation. However, it was not possible to reach an agreement with the Special Committee of the Board of Directors of PPC on the terms of the proposed transaction, and JBS withdrew the proposal on February 17, 2022.

One September 2, 2021, Pilgrim's Pride Corporation closed an offering of $900.0 million in aggregate principal amount of its 3.500% Senior Notes due 2032.

On October 15, 2021, JBS's indirect subsidiary Swift Prepared Foods announced it had reached agreement to acquire Sunnyvalley Smoked Meats, Inc., a prepared products company in the USA, for US$90 million.

On November 16, 2021, JBS priced an issue of US$2.0 billion in the international market, comprising: US$1.0 billion, through its subsidiary JBS Finance Luxembourg S.à r.l, with 2.5% annual coupon, maturing 2027; and US$1.0 billion through its subsidiaries JBS USA Lux S.A., JBS USA Finance, Inc. and JBS USA Food Company in Sustainability-Linked Unsecured Senior Notes with greenhouse gas reduction emission commitments, maturing 2032, with annual coupon of 3.0%. On the same date, the intention was announced of redeeming the totality of the remaining US$1.0 billion principal balance of the Senior Notes maturing 2026, with 7.0% coupon, issued by JBS USA Food Company. Redemption of the 2026 notes was completed on December 1, 2021.

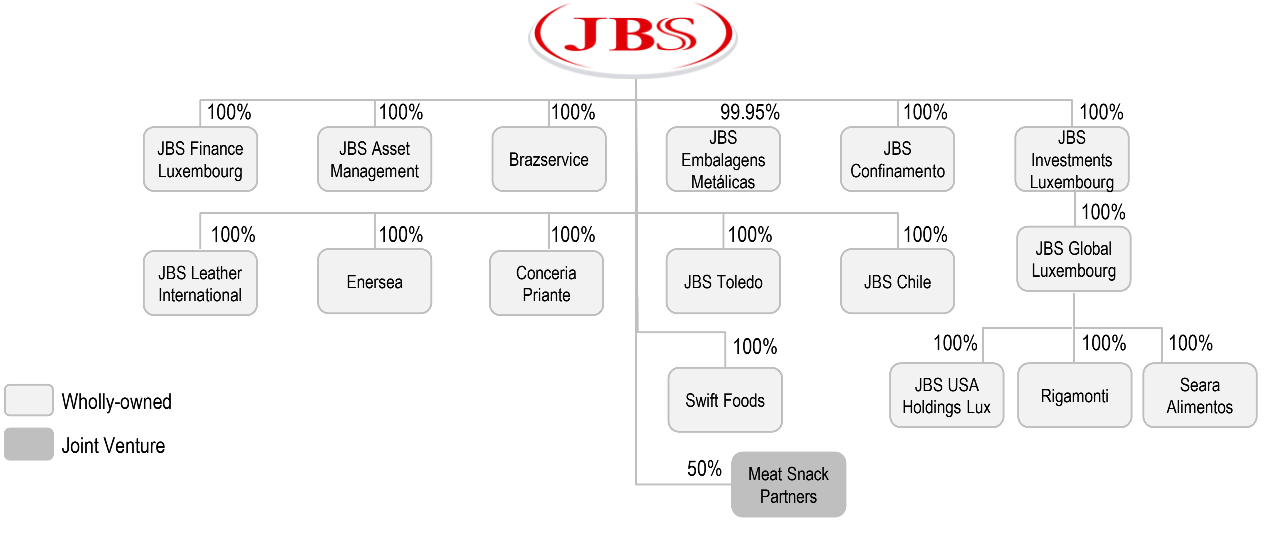
On November 17, 2021, JBS Global Luxembourg S.à r.l., a subsidiary of JBS, entered into an agreement for acquisition of control of the Spanish company Biotech Foods, S.L., marking the Company's entry into the cultivated protein market.

On December 13, 2021, Rigamonti, a subsidiary of JBS, signed an agreement to acquire 100% of King's Group, a producer of Italian specialty products, with investment of €82 million. The acquisition was concluded on February 7, 2022.

On January 19, 2022, the company's subsidiaries JBS USA Lux S.A., JBS USA Finance, Inc. and JBS USA Food Company priced Senior Notes in the international market, comprising US$600 million with coupon of 3.0% p.a. maturing 2029, and US$900 million with 4.375% coupon maturing 2052 – JBS's first Issue with maturity of 30 years.

INVESTMENTS AND CORPORATE EVENTS

INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES



CORPORATE GOVERNANCE

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

The governance structure of JBS comprises: the Board of Directors, the Global Compliance Department, a permanently established Audit Board, and the following committees advising the Board of Directors on specific strategic subjects: Socio- Environmental Responsibility Committee; the Statutory Audit Committee; the Financial and Risk Management Committee; the Governance, Compensation and Nomination Committee; the Related Parties Committee; and the Diversity and Inclusion Committee.

The Diversity and Inclusion Committee was created in 2021, to advise the Board of Directors on compliance with its duties in relation to people management principles and processes, through decision, implementation and management of diversity and inclusion programs. These are to include the processes of recruitment, hiring, training, promotion and dismissal – aiming to create a work environment of inclusion, aligned with the company’s strategy, culture and values, and achieve an increasingly diverse and inclusive working environment. The Committee will also be responsible for (i) development of affirmative actions, based on work by internal groups within the Company, to put in place the practice of active listening to employees; and (ii) creating action plans based on the opportunities for improvement that are detected.

The Board of Directors is the Company’s highest governance body. At the end of 2021 it had nine members, of which 7 were independent – that is to say the majority of its members are independent.

The Members of the Board of Directors, elected at an Annual General Shareholders´Meeting for a unified two-year term, are responsible for, among other issues, defining business policies and guidelines as well as economic, social and environmental commitments.

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

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

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

Jeremiah O'Callaghan	Chairman
José Batista Sobrinho	Vice Chairman
Francisco Turra	Independent Director
Carlos Hamilton Vasconcelos Araújo	Independent Director
Cledorvino Belini	Independent Director
Leila Abraham Loria	Independent Director
Alba Pettengill	Independent Director
Márcio Guedes Pereira Júnior	Independent Director
Gelson Luiz Merisio	Independent Director

EXECUTIVE OFFICERS

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

ETHICS AND COMPLIANCE

For JBS, ethics and compliance are perceived as assets. Since 2017, the Company maintains a global department that leads the subject independently, reporting directly to the Board of Directors. The year of 2021 was an important year to confirm top management´s commitment towards the continuous improvement and the effectiveness of implemented procedures.

The JBS Code of Ethics and Conduct is a global document and consolidates all guidelines related to integrity and good corporate governance practices. The document, which is available in Portuguese, English, Italian, French and Spanish, guides employees to act in accordance with the Company's principles and values, pointing out what are the acceptable and required behaviors by JBS. In 2021, more than 118,000 employees were trained in the Code of Ethics and Conduct. The training is made available through a variety of methodologies, developed for each public: executives (including heads of business divisions, members of the Board of Directors, and members of the Advisory Committees); administrative staff; and operational workers.

Over the course of the year the Company disseminated and developed the “Always Do the Right Thing” (*Faça Sempre o Certo*) compliance program in all the spheres of the business. Also, in June, the company joined the Agribusiness Collective Anticorruption Drive of the UN Global Compact.

Also in 2021, more than 24,000 administrative and leadership employees received training in anticorruption practices, moral harassment, sexual harassment, and diversity and inclusion. These trainings are publicized internally by campaigns, comprising a range of items of communication, also adapted for each public.

Also with the aim to disseminate the culture of integrity, training was initiated for third parties, focusing on the guidelines of the Code of Conduct for Business Partners. These third parties participate in online training and at the end receive a certificate of completion. More than 9,000 business partners received this training in 2021.

In order to continue to evolve quickly, JBS hired international consultants to improve and update its due diligence software.

This is a proprietary tool, customized to the Company’s needs, and enables a complete automated reputational analysis of the Company’s business partners. For this purpose, JBS’s compliance area has a team exclusively dedicated to carrying out these analyses, and a specific policy on the subject. More than 6,300 reputation analyses were carried out in the year.

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

One of the Compliance area’s important tools is the JBS Ethics Channel. This played an important part in complying with the health protocols required by Covid-19 – which were put in place in all environments, and all operations. The Ethics Channel, which is the principal vehicle used for reporting of inappropriate conduct, was made available in 2017, in four languages, 24 hours per day. A total of 3,000 reports were filed with the channel in 2021: all were duly dealt with and investigated. For those that were found to be valid, disciplinary measures and plans of action were applied. The JBS Ethics Channel, due to its development and solidity, has helped in building various pillars of the compliance program – such as in the conduct of training, and in review and creation of policies.

More than 1,600 people accompanied the second online *Compliance Encounter*: the videos were seen more than 12,000 times – indicating the degree of engagement with the subject.

HUMAN CAPITAL

The success of JBS starts with the success of its people. In the last decade we have concentrated on providing a safe and well-managed workplace that enables employees to prosper and have a better future. The Company is very proud of its committed and dedicated workforce – which numbered more than 250,000 employees at the end of 2021, in more than 20 countries.

The diversity of ethnicity, culture, religion, languages and country of origin is a hallmark of the Company's team members. In Brazil, there are immigrants from several countries in the team – including for example Senegal, Haiti and Venezuela – as well as the traditional (indigenous) populations. Meanwhile in Canada, employees communicate through 100 languages and dialects. All the employees who are from foreign cultures receive documents written in their native language. In 2021, JBS employed more than 2,500 professionals from countries other than their place of work.

As well as this scenario, which is appropriate for a global company, JBS has the commitment to hire and propel the development of professionals independent of nationality, sex, affective orientation, gender identity or age, and to encourage inclusion of people who are disabled.

The Human Resources area operates regionally, respecting local laws and regulations, with the support of the Corporate HR and the global head of the area. Management of teams – creating incentives to find new talents, hiring and retention of employees – follows standards that are aligned with the Company's corporate culture. To ensure these standards, the HR area carries out an annual review of the people management policies and programs, and of the main indicators of health and safety, turnover, absenteeism and overtime, enabling to monitor and improve processes.

As well as working to attract talents, local programs incentivate employees' professional growth. In Brazil, two programs – *Valued Youth* and the *In-house Talent Programs* serve as examples to promote this commitment. Another is the JBS Without Borders program, which takes professionals to Canada.

In the USA, as part of the Hometown Strong initiative, JBS USA and Pilgrim's U.S. are building *Better Futures*, the largest free college tuition program in rural America. Under this program, JBS workers and their children or dependents have the opportunity to achieve their dream of a higher education diploma, or a commercial qualification certificate, in technical and community colleges. The Better Futures program offers significant investments in the futures of the employees, their families and the communities where the companies operate.

In 2021 the Company published its Diversity and Inclusion Policy – reflecting its belief that it is important to assess leadership positions by category in a way that promotes equality of genders and race. The directives of this policy are based on three primary pillars: Diversity and Inclusion; Equality of Opportunity; and Respect for Diversity. All actions aim to create a space that is always increasingly inclusive and welcoming to differences, taking measures to promote and maintain equality of access, a continuing supply of opportunities in all areas and jobs for all of the Company's professionals, and constant raising of awareness on the effects of these actions.

This is why JBS created the Diversity and Inclusion Committee, which will advise the Board of Directors on compliance with its responsibilities in relation to rules and principles for processes in people management, by defining, implementing and managing programs of diversity and inclusion.

HUMAN CAPITAL

To assist in deciding actions relating to human capital, the Company has contracted specialized consultants whose role will be to educate the company's senior management on all matters relating to Diversity and Inclusion. On another front, JBS has joined the *Movimento Mulheres 360* – a movement that brings together more than 60 large companies. The goal is to expand female participation in the corporate environment.

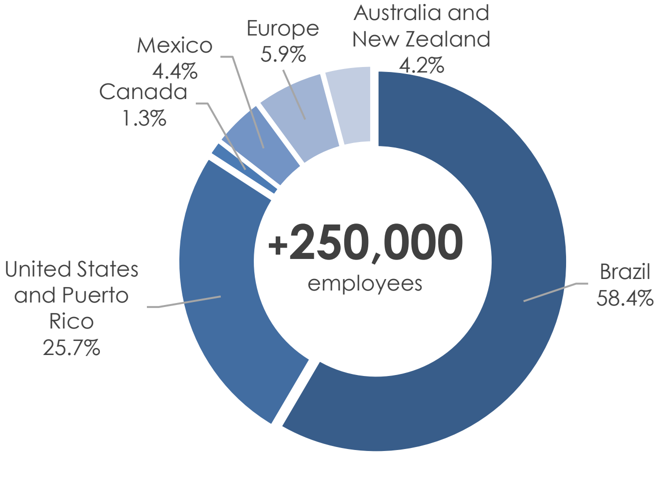
In recognition of its continuing efforts, in 2021 JBS received WOB certification, from Women On Board, an Independent initiative supported by UN Women, which seeks to promote good practices in corporate environments.

JBS has also became a member of MOVER (*Movimento pela Equidade Racial – Movement for Racial Equity*), which focuses on dismantling structural and institutional racism. MOVER intends to create 10,000 leadership positions for African-Brazilians in the next 3 years.

Health and safety

The priority in the health and safety of employees was reinforced with actions aimed at preventing Covid-19 in JBS´operational units in all countries. Rigid monitoring of protocols and global exchange of experiences enabled adaptations and enhancements, and ensure proper protection of administrative, operational and commercial units, enabling the Company to maintain its essential activity as a supplier of foods. Since the beginning of the pandemic, JBS has maintained continuous partnerships with epidemiologists and specialists in medicine to evaluate its protocols, as well as maintaining a safe work environment for its teams. The measures put in place include: temperature verification; additional IPE; application of social distancing measures; staggered shift timing; installation of space dividers on the factory floor and in common areas; tests of vigilance of team members; contact tracing; and installation of ultraviolet sanitizing technologies in the plants.

EMPLOYEES BY REGION



SUSTAINABILITY

With the eyes on the future, we keep sustainability at the center of the strategy, and as a result the Company has taken even larger, more audacious steps forward to generate value for all stakeholders – shareholders, clients, employees, consumers and the general public.

JBS has two urgent challenges to face: the need to slow global warming; and the need to guarantee food supply for the growing world population. These challenges cannot be faced in isolation, but only with the union of all people together – and food production is a crucial part of the solution. Only the transition to more sustainable and low-carbon farming will enable the business to be perennial, and ensure both food security and preservation of the planet. Companies are agents of transformation, and the focus is to be a healthy company, with healthy people, on a healthy planet.

Among the Company's global sustainability priorities are: environmental management, social responsibility, inclusion and diversity, and animal well-being.

Environmental Management

In March 2021, JBS announced a significant and pioneering commitment in the industry – to become Net Zero by 2040. JBS was the first global company in the protein sector to commit to achieve net zero greenhouse gas emissions, and is developing an action plan, sustained by science-based targets, consistent with the criteria established by the Science-Based Targets initiative (SBTi). JBS also participated in the UN's Race to Zero campaign, which aims to bring world leaders together to achieve zero net greenhouse gas emissions.

The Swift stores in Brazil, have taken an important step for this target: by adopting solar energy in 100% of its stores in Brazil. This initiative is at an advanced stage of implementation, with photovoltaic panels already functioning in numerous stores. The entire network will be supplied by solar energy by the second half of 2025.

Another important step towards JBS´ goal was the launching of the Transparent Livestock Platform, a tool that uses blockchain technology, to advance the Company´s efforts of cattle traceability and monitor the entire supply chain by 2025, for all biomes in Brazil. JBS also installed Green Offices in 15 processing units in the Amazon Region and the Cerrado. This will enable the Company to support producers in the process of regularization of their properties, including environmental, legal and property support services. As part of this achievement, JBS announced two important partnerships: (i) with Banco do Brasil and Bradesco for the financing of environmental regularization activities; and (ii) with the Onça-Pintada Institute (named after the word for the Brazilian jaguar) for preservation of the Araguaia corridor – the world's largest biodiversity corridor.

At COP26 in Glasgow, JBS signed a joint declaration with the governments of the United Kingdom and the United States, undertaking to develop a sector plan to contain global warming below 1.5°C for the next COP27. At the same event JBS announced its partnership with Royal DSM to develop a scalable project to produce a feed additive to reduce cattle digestive methane emissions, worldwide.

JBS issued US$3 billion in Sustainability Linked Bonds in the international markets, and a domestic sustainability-target-linked Agribusiness Receivables Certificates ('CRAs') for more than R$1 billion. These securities are linked to carbon emission reduction targets and to monitor suppliers using blockchain technology. JBS has also invested in the circular economy, expanding its operations in recycling plastic packaging, collagen, organic fertilizers and bio-diesel – inaugurating plants that use waste and industrial byproducts as raw material.

SUSTAINABILITY

In the Forest 500 Ranking, JBS was classified as the Brazilian protein company with the lowest risk of links to deforestation in its operations. In the 2021, Coller Fairr Protein Producer Index, JBS improved its position in the global sustainability ranking for the third consecutive year, with an increase of 10% in its score. Finally, the Company was once more part of the ICO2 Carbon Efficiency Index of the São Paulo stock exchange (B3), demonstrating its commitment towards best practices in management of greenhouse gas emissions.

Social Responsability

Since 2020, JBS's social responsibility program "Fazer o Bem Faz Bem" ("Doing Good Does You Good") has distributed more than R$700 million in donations, globally, in combating the Covid-19 pandemic: of this total, R$400 million was donated in Brazil. Also, during these last 2 years, JBS has donated more than 530 tons of protein. The program has donated more than R$20 million into NGOs and social institutions, benefiting thousands of people in more than 300 municipalities.

In the United States, JBS has strengthened its Hometown Strong program to support communities where it works with a range of different actions including financial donations, study grants and housebuilding support. The most recent donation, in October, was to Green Bay, Wisconsin, where JBS is enabling construction of 200 housing units. Also as part of the Hometown Strong initiative, JBS USA and Pilgrim's have built Better Futures – the largest free college tuition program in North America. Employees and their dependent children have the opportunity to attend short duration courses in higher education. So far 2,500 people have benefited from the program.

The JBS for the Amazon fund, dedicated to fostering and financing sustainable development of the Amazon biome, with a focus on communities and small producers, has approved six projects to invest in. These concentrate on developing low-carbon agriculture, reforestation, and development of the bio-economy to include small-scale producers, in what is expected to be a 'green revolution'.

Inclusion and Diversity

In 2021, JBS created its Diversity and Inclusion Committee, linked to the Board of Directors, including a Diversity and Inclusion (D&I) Commission, and four affinity groups – for: Women; LGBTQIAP+; ethnic and racial affinity groups; and disabled people.

JBS fostered more than 600 hours' training on the subjects of Diversity and Inclusion to directors of the Company, communication teams, and Human Resources.

JBS became a member of Mover (*Movimento pela Equidade Racial – Movement for Racial Equity*), of which some 50 companies in the consumer goods sector are members, and which seeks to generate 10,000 new leadership positions for African-Brazilians, as well as generating opportunities for 3 million people in the coming years through practical actions.

Animal Well-Being

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

Financial Performance 2021

THE ECONOMIC CONTEXT

According to the 2022 UN report on the World Economic Situation and Prospects (published January 13, 2022), global economic recovery from the Covid-19 pandemic will depend on a delicate balance amid new waves of infection, challenges in the labor market, persistent supply-side restrictions, and growing inflationary pressures which will weigh heavily on the outlook for growth in the short term. After contracting by 3.4% in 2020, the global economy grew 5.5% in 2021 – the highest year-on-year growth since 1976. World GDP in 2021 was 1.9% higher than in 2019, but still 3.3% lower than the level projected before Covid-19. The recovery of production in 2021 largely represented resumption of household spending and investment, which had stopped in 2020 due to the various lockdown rules all over the world. The world economy is now expected to grow 4% in 2022, and 3.5% in 2023, converging to its long-term trend of approximately 3% per year over the period 2010–2019. But these aggregate numbers mask a strong divergence in outlooks for growth – as a significant number of developing countries will be fighting to recover from the pandemic.

In Brazil, on March 4, 2022, according to data published by IBGE (Brazilian Institute of Geography and Statistics) the country's GDP growth in 2021 increased 4.6%. This growth recovered the losses of 2020, when the Brazilian economy shrank by 3.9% due to the pandemic. The 4.6% GDP growth in 2021 was led by services (up 4.7%), and industry (4.5%) – these two sectors together represent 90% of Brazil's GDP. On the other hand, agriculture decreased 0.2% from 2020 – mainly due to climate problems such as drought, as well as the embargo from China, which mainly affected the beef sector. On the demand side, private consumption increased by 3.6%, and government consumption by 2%. Investments, however, rose by 17.2%, led by two sectors: machinery and equipment, and construction.

In the protein sector, according to the report published in January 2022 by the US Department of Agriculture (USDA), Brazilian beef output in 2021 was down 7.7% from 2020 – but Brazil continued to be the world's second largest beef producer, after the United States. On the other hand, figures from the Brazilian Secretary of Export Trade (Secex), Brazilian beef exports increased 7.0% year-on-year in 2021, in US dollars, led by China, which continued to be the main destination, even with its suspension in September–December 2021.

Brazilian production of chicken grew 4.5% in 2021: Brazil maintained its lead in exports of in-natura chicken, with Secex reporting exports up 7.9% from 2020, and prices up 16.1% in US dollars – reflecting the more fragile market due to the impact of the pandemic.

The USDA projects 4.6% growth in Brazilian beef production in 2022, and 15.5% growth in Brazilian beef exports. For chicken, the USDA estimates Brazilian production growth of 1.7%, and 2.4% growth in exports, in 2022.

According to the second estimate published by the U.S. Bureau of Economic Analysis, GDP in the United States – the main region of JBS's operations – grew 5.7% in 2021. This increase reflects increases in all the main components – led by higher personal consumption, non-residential fixed investment, exports, residential fixed investment and investments in private inventory.

*Fonte: JBS, IBGE, BEA, ONU, SECEX, USDA.

THE ECONOMIC CONTEXT

US beef production grew 2.8% in 2021, while domestic beef consumption grew by 1.5%, supported by the beginning of economic recovery after the cooling of the economy caused by Covid-19. Exports were up 17.0% in the year, led by global demand for beef, mainly in the Asian countries – where demand from China continues to grow every year – it increased from 4% of the total exported in 2020 to 16% in 2021, becoming the third largest destination of US beef exports.

In the US, chicken production was up 0.6% in 2021, with domestic consumption up 0.7%, and exports up by a significant 3.6%, due to the strong global demand.

US pork production was 2.2% lower in 2021, after growing 2.4% in 2020 and 5.0% in 2019, while US domestic pork consumption remained relatively unchanged. Exports were down 2.6%, reflecting re-establishment of Chinese herd numbers, which resulted in China importing less pork in 2021 than 2020.

The USDA expects US beef production to be 2.8% lower in 2022, with domestic consumption also falling (by 2.6%), while exports were down 5.4%. The USDA expects a positive scenario in 2022 for Australia, one of the world's largest producers of beef protein: it expects growth of 11.3% year-on-year, with exports up 11.4% and domestic consumption up 9.9%. For chicken, the USDA expects US production to be up 1.9% year-on-year in 2022, with domestic consumption up 2.0% and exports up 5.7%. For pork, the USDA expects US production in 2022 to be up 2.3% year-on-year, with domestic consumption up 2.5%, and exports unchanged.

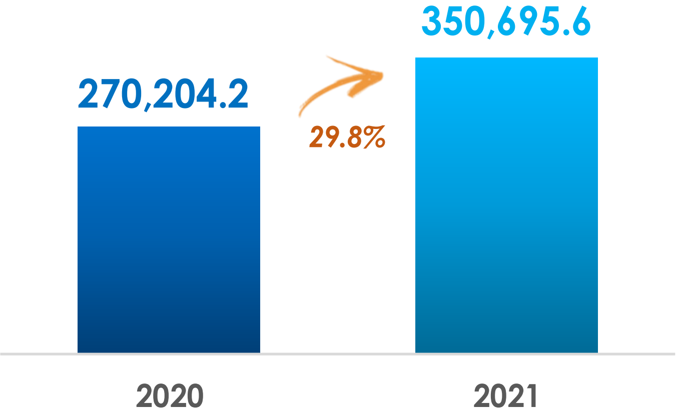
*Fonte: JBS, IBGE, BEA, ONU, SECEX, USDA.

2021 CONSOLIDATED HIGHLIGHTS

NET REVENUE

R$350.7Bn

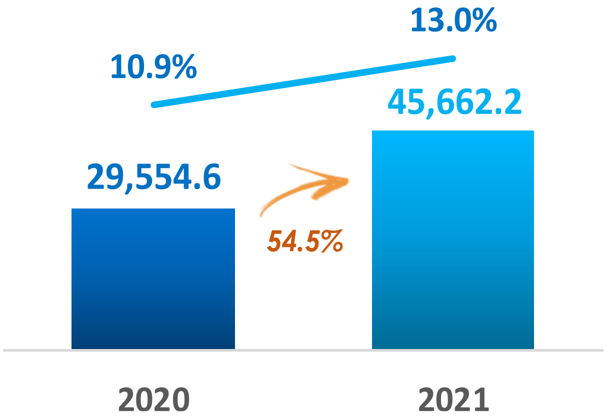
A 29.8% increase compared with 2020



ADJUSTED EBITDA

R$45.7Bn

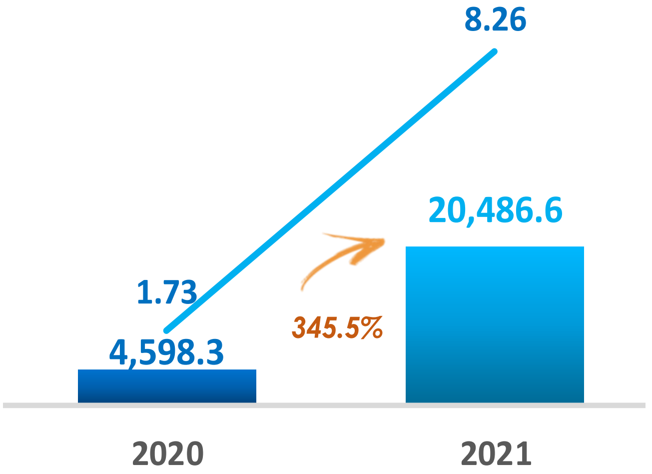
Increase in EBITDA margin from 10.9% in 2020 to 13.0% in 2021



NET INCOME

R$20.5Bn

EPS of R$8.26



FREE CASH FLOW

R$11.9Bn

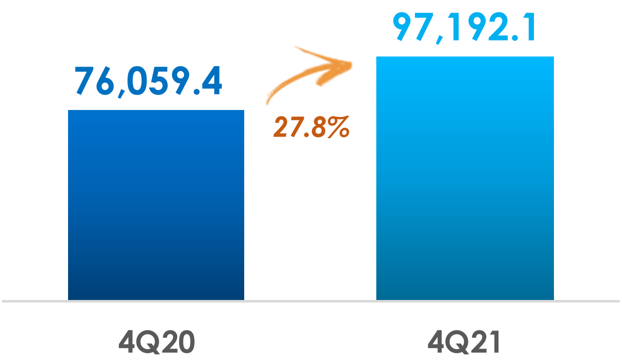
Reduction of 33.4% compared with 2020

4Q21 CONSOLIDATED HIGHLIGHTS

NET REVENUE

R$97.2Bn

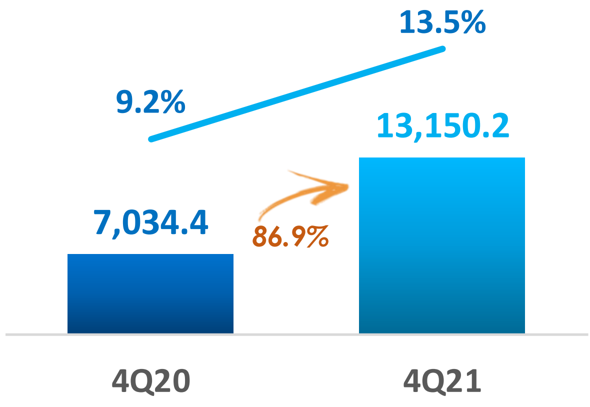
27.8% increase compared with 4Q20



ADJUSTED EBITDA

R$13.2Bn

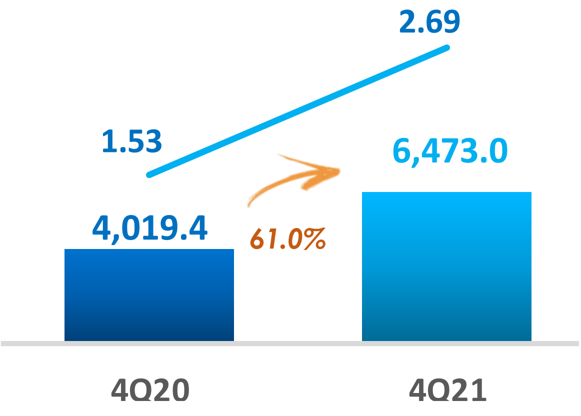
Increase in EBITDA margin from 9.2% in 4Q20 to 13.5% in 4Q21



NET INCOME

R$6.5Bn

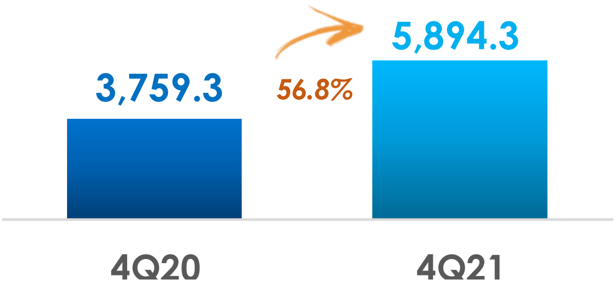
EPS of R$2.69



FREE CASH FLOW

R$5.9Bn

56.8% increase compared with 4Q20



2021 CONSOLIDATED HIGHLIGHTS

INVESTMENT GRADE

In 2021 JBS reached an important milestone, with its rating as full investment grade – placing it in the group of the world's most solid and respected companies. This achievement shows the right path JBS is following in its strategy of advancing worldwide, with a value-added portfolio, strong brands, strong financial discipline and significant advances in commitments to an ESG agenda.

- **On June 8, 2021, Fitch Ratings raised its rating for JBS S.A. ('JBS') from BB+ to BBB–, with outlook stable**. In its report, Fitch highlighted "JBS's strong business profile, low leverage, strong liquidity and positive FCF generation, favorable debt amortizing profile, track record of access to the international market and the recent settlement with the US Department of Justice".
- **On November 5, 2021, Moody's Investors Service ('Moody's') increased its rating for JBS S.A. ('JBS') from Ba1 to Baa3, with outlook stable**. In its report Moody's highlighted "JBS's strategy of expanding its global presence in the prepared foods and higher added value segments, which has improved its business profile and resulted in greater stability of operational margins and cash flow over time, while the conservative debt amortization timetable reduces liquidity risk;" – and commented: "Moody's recognizes that JBS has improved its corporate governance", and "the establishment of an independent statutory audit committee and financial and compliance policies are considered to be positive for the company's governance and support this rating upgrade. Since 2018 JBS has put in place a group of compliance policies, including a Global Code of Conduct, a Global Conflict of Interests Policy, and a Global Anticorruption Policy."

ACQUISITIONS

Following JBS´ strategy of geographic and protein diversification, and getting closer to the consumer, the Company announced 7 acquisitions in 2021 that contributed with a Net Revenue of approximately US$396 million and US$30 million of EBITDA for the period.

On June 17, 2021, the Company completed the acquisition of **Vivera**, the third largest plant-based producer in Europe, present in more than 25 countries, with a broad portfolio of branded products. The enterprise value was US$406 million.

On September 27, 2021, PPC completed the acquisition of **Kerry Meats and Kerry Meals** business of Kerry Consumer Foods. This business was renamed Pilgrim's Food Masters and will serve key-customers by providing a range of value-added products and prepared foods with a portfolio of strong brands. The enterprise value was US$952 million.

On November 17, 2021, the Company acquired **HUON**, an Australian salmon aquaculture company with vertically integrated operations situated in Tasmania, including hatcheries, marine farming, processing and distribution in the retail, wholesale and export channels. The enterprise value was US$302 million.

On November 17, 2021, JBS entered into an agreement to acquire the control of the Spanish company **BioTech Foods**, one of the leaders in the development of biotechnology for the production of cultivated protein. The Company will invest approximately US$100 million in the construction of a new plant in Spain to increase production and in the implementation of the first Center for Research & Development (R&D) in biotechnology and cultivated protein in Brazil.

On December 1, 2021, JBS completed the purchase of **Sunnyvalley Smoked Meats Inc.**, a company that produces a variety of products, such as smoked bacon, ham and turkey breast, for retail and wholesale customers under the Sunnyvalley brand. The acquisition includes a production facility in Manteca, California. The enterprise value of the company was US$90 million.

On January 4, 2022, the Company completed the acquisition of **Rivalea**, leader in hog breeding and processing in Australia. With this acquisition, JBS becomes a leader in pork processing in the country. The enterprise value was US$135 million.

On February 4, 2022, JBS completed the acquisition of **King's Group**, the market leader in the production of Italian charcuterie, which has operations in Italy and the United States. The operation strengthens the Company's position in the production and distribution of Italian specialties, placing the Company among the leaders in the production of Italian *salumeria*. The King's Group is the market leader in the production of Prosciutto di San Daniele D.O.P. and has a relevant role in the production of Prosciutto di Parma D.O.P., in addition of having two historic brands, the King's and Principe brands, as well as the Vincenza's brand. The investment was US$92.5 million.

4Q21 & 2021 CONSOLIDATED RESULTS

Consolidated Results

	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
R$ Million	R$	% NR	R$	% NR	4Q21 vs 3Q21	R$	% NR	4Q21 vs 4Q20	R$	% NR	R$	% NR	2021 vs 2020
Net Revenue	**97,192.1**	***100.0%***	**92,625.3**	***100.0%***	**4.9%**	**76,059.4**	***100.0%***	**27.8%**	**350,695.6**	***100.0%***	**270,204.2**	***100.0%***	**29.8%**
Cost of Goods Sold	(77,870.7)	*-80.1%*	(73,354.5)	*-79.2%*	6.2%	(64,441.7)	*-84.7%*	20.8%	(284,510.6)	*-81.1%*	(224,985.9)	*-83.3%*	26.5%
Gross Profit	**19,321.4**	***19.9%***	**19,270.8**	***20.8%***	**0.3%**	**11,617.7**	***15.3%***	**66.3%**	**66,185.0**	***18.9%***	**45,218.3**	***16.7%***	**46.4%**
Selling Expenses	(5,635.3)	*-5.8%*	(4,972.6)	*-5.4%*	13.3%	(4,039.0)	*-5.3%*	39.5%	(19,167.3)	*-5.5%*	(14,481.5)	*-5.4%*	32.4%
General and Adm. Expenses	(4,467.3)	*-4.6%*	(3,491.8)	*-3.8%*	27.9%	(3,332.8)	*-4.4%*	34.0%	(15,205.9)	*-4.3%*	(10,792.3)	*-4.0%*	40.9%
Net Financial Income (expense)	(1,652.3)	*-1.7%*	(1,107.7)	*-1.2%*	49.2%	1,147.7	*1.5%*	-	(5,078.7)	*-1.4%*	(12,238.9)	*-4.5%*	-58.5%
Equity in earnings of subsidiaries	21.0	*0.0%*	32.6	*0.0%*	-35.5%	13.5	*0.0%*	55.4%	92.5	*0.0%*	53.5	*0.0%*	73.0%
Other Income (expense)	57.2	*0.1%*	85.6	*0.1%*	-33.2%	451.1	*0.6%*	-87.3%	365.8	*0.1%*	505.0	*0.2%*	-27.6%
Profit (loss) before taxes	**7,644.7**	***7.9%***	**9,816.9**	***10.6%***	**-22.1%**	**5,858.3**	***7.7%***	**30.5%**	**27,191.5**	***7.8%***	**8,264.2**	***3.1%***	**229.0%**
Income and social contribution taxes	(1,128.7)	*-1.2%*	(2,167.0)	*-2.3%*	-47.9%	(1,835.1)	*-2.4%*	-38.5%	(6,661.8)	*-1.9%*	(3,609.2)	*-1.3%*	84.6%
Minority interest	(43.0)	*0.0%*	(64.3)	*-0.1%*	-33.2%	(3.8)	*0.0%*	1023.9%	(43.1)	*0.0%*	(56.6)	*0.0%*	-23.9%
Net Income (Loss)	**6,473.0**	***6.7%***	**7,585.6**	***8.2%***	**-14.7%**	**4,019.4**	***5.3%***	**61.0%**	**20,486.6**	***5.8%***	**4,598.3**	***1.7%***	**345.5%**
Adjusted EBITDA	**13,150.2**	***13.5%***	**13,929.1**	***15.0%***	**-5.6%**	**7,034.4**	***9.2%***	**86.9%**	**45,662.2**	***13.0%***	**29,554.6**	***10.9%***	**54.5%**
Earnings per Share	**2.69**		**3.01**		**-10.6%**	**1.53**		**75.8%**	**8.26**		**1.73**		**377.5%**

NET REVENUE

In 4Q21, JBS recorded a consolidated net revenue of R$97.2 billion, which represents an increase of 27.8% in relation to 4Q20, with growth in all business units: Seara (+34.2%), JBS Brasil (+5.1%), JBS USA Beef (+38.3%), JBS USA Pork (+14.1%), and PPC (+34.0%).

For the 4Q21, around 76% of JBS global sales were in the domestic markets where the Company operates and 24% were through exports.

In 2021, net revenue reached a record of R$350.7 billion (US$65.0 billion), of which 74.8% were sales in the domestic markets and 25.2% were through exports.

ADJUSTED EBITDA

In 4Q21, adjusted EBITDA was R$13.2 billion, an increase of 86.9% in relation to 4Q20, with highlight to JBS USA Beef. EBITDA margin for the quarter was 13.5%.

In 2021, adjusted EBITDA reached a new record of R$45.7 billion (US$8.5 billion), with record EBITDA Margin of 13%.

R$ Million	4Q21	3Q21	Δ%	4Q20	Δ%	2021	2020	Δ%
Net income for the period (including minority interest)	**6,516.0**	**7,649.9**	**-14.8%**	**4,023.2**	**62.0%**	**20,529.7**	**4,654.9**	**341.0%**
Financial income (expense), net	1,652.3	1,107.7	49.2%	(1,147.7)	-	5,078.7	12,238.9	-58.5%
Current and deferred income taxes	1,128.7	2,167.0	-47.9%	1,835.1	-38.5%	6,661.8	3,609.2	84.6%
Depreciation and amortization	2,503.7	2,284.5	9.6%	2,119.5	18.1%	9,027.8	7,837.4	15.2%
Equity in subsidiaries	(21.0)	(32.6)	-35.5%	(13.5)	55.4%	(92.5)	(53.5)	73.0%
(=) EBITDA	**11,779.6**	**13,176.5**	-10.6%	**6,816.5**	72.8%	**41,205.4**	**28,287.0**	45.7%
Other income / expenses	92.9	39.5	135.3%	83.0	11.9%	152.3	70.9	115.0%
Extemporaneous tax credits	2.3	6.2	-62.8%	(421.0)	-	(101.1)	(421.0)	-76.0%
Antitrust Agreements	1,170.1	703.4	66.3%	536.9	117.9%	4,254.7	1,283.1	231.6%
Fund for the Amazon	41.5	1.5	2666.7%	0.0	-	50.0	0.0	-
Donations and social projects	63.8	2.0	3091.4%	18.9	236.9%	100.9	316.1	-68.1%
(=) Adjusted EBITDA	**13,150.2**	**13,929.1**	**-5.6%**	**7,034.4**	**86.9%**	**45,662.2**	**29,554.6**	**54.5%**

4Q21 & 2021 CONSOLIDATED RESULTS

NET FINANCIAL RESULTS

In 4Q21, net debt financial expenses were R$1.1 billion, which correspond to US$201.1 million. In 2021, net debt financial expenses were R$3.9 billion, which correspond to US$731.3 million, stable in relation to 2020 net debt financial expenses, despite net debt having grown by 39.6% y/y.

R$ Million	4Q21	3Q21	Δ%	4Q20	Δ%	2021	2020	Δ%
Exchange rate variation	(157.7)	(379.4)	-58.4%	2,105.5	-	(9.8)	(7,846.1)	-99.9%
Fair value adjustments on derivatives	184.6	564.4	-67.3%	(399.9)	-	254.5	(319.3)	-
Interest expense[1]	(1,547.0)	(1,375.3)	12.5%	(1,100.4)	40.6%	(5,264.6)	(4,770.3)	10.4%
Interest income[1]	236.5	156.3	51.3%	632.8	-62.6%	780.5	1,004.7	-22.3%
Taxes, contribution, fees and others	(368.7)	(73.8)	399.7%	(90.3)	308.4%	(839.3)	(308.0)	172.5%
Finance income (expense)	**(1,652.3)**	**(1,107.7)**	49.2%	**1,147.7**	-	**(5,078.7)**	**(12,238.9)**	-58.5%
Interest expenses from loans and financings	(1,193.5)	(1,041.6)	14.6%	(890.2)	34.1%	(4,076.5)	(3,820.7)	6.7%
Interest income from investments	71.1	25.2	182.8%	23.8	198.9%	128.9	94.7	36.1%
Net debt financial expense[1]	**(1,122.4)**	**(1,016.5)**	10.4%	**(866.4)**	29.5%	**(3,947.6)**	**(3,725.9)**	5.9%

[1]Includes the interest expenses from loans and financings which are included in the interest expense and interest income lines.

NET INCOME

In 4Q21, JBS posted a net income of R$6.5 billion, an increase of 61% in relation to 4Q20, which represents an earnings per share of R$2.69. In 2021, net income was R$20.5 billion (+345.5% y/y), which represents an earnings per share of R$8.26.

CASH FLOW FROM OPERATING ACTIVITIES AND FREE CASH FLOW

In 4Q21, the cash flow from operating activities was R$10.3 billion, an increase of 50%, mainly due to the improvement in the operational performance. In 2021, the cash flow from operating activities was R$25.2 billion, stable in relation to 2020.

Free cash flow, after investments and net interest, totaled R$5.9 billion (+56.8% y/y) for the 4Q21 and R$11.9 billion in 2021, a reduction of 33.4% due to non-recurring items and additions to PP&E.

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES

In 4Q21, the total cash used in investment activities was R$5.5 billion. Purchase of Property, Plants and Equipment (PP&E) totaled R$3.3 billion in the quarter and the acquisition of subsidiaries, net of cash obtained from acquisitions, totaled R$2.2 billion. In 2021, the cash flow from investments was R$18.9 billion, of which PP&E totaled 9.6 billion and acquisition of subsidiaries, net of cash, totaled R$9.3 billion.

4Q21 & 2021 CONSOLIDATED RESULTS

INDEBTEDNESS

JBS ended 4Q21 with R$23.2 billion in cash. Additionally, JBS USA has US$2.2 billion available in secured revolving credit lines, equivalent to R$12.2 billion (considering quarter-end exchange rate), which secures JBS a total availability of R$35.4 billion, more than three times its short-term debt.

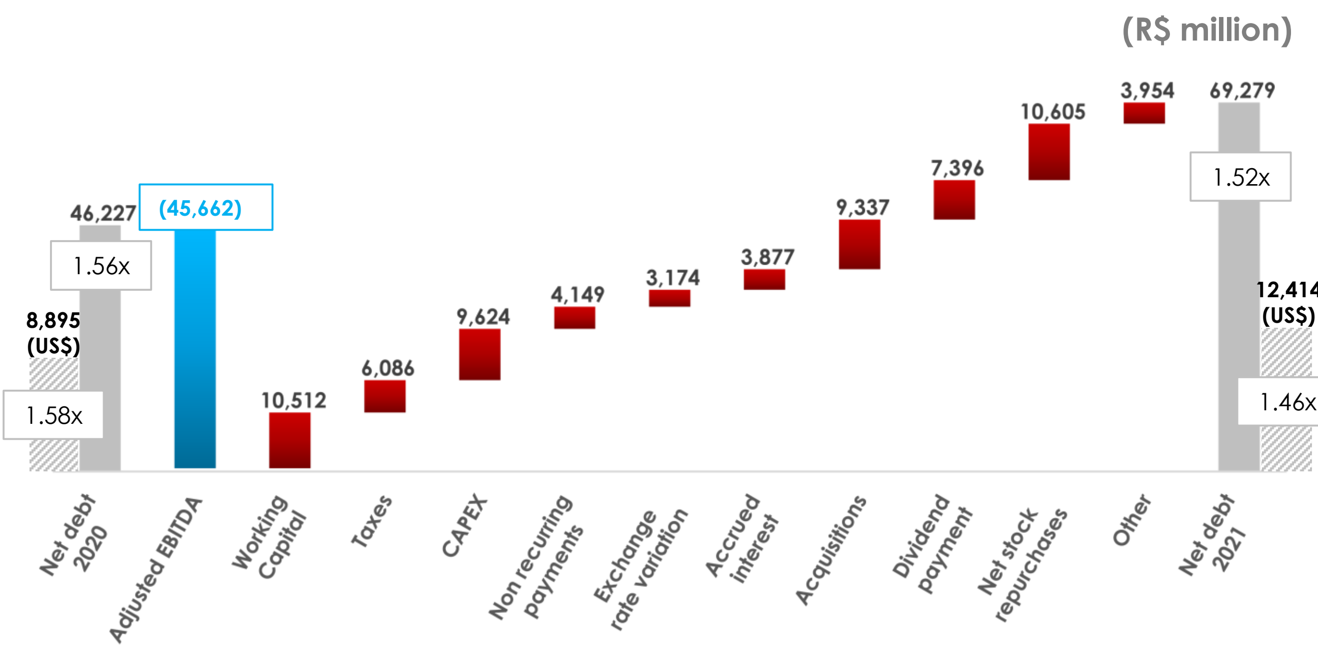
Net Debt in USD went from US$8.9 billion in 4Q20 to US$12.4 billion in 4Q21 and leverage decreased from 1.58x to 1.46x for the same period.

In Reais, net debt increased from R$46.2 billion in 4Q20 to R$69.3 billion in 4Q21, with leverage decreasing from 1.56x to 1.52x in the period.

	R$ Million					US$ Million				
	4Q21	3Q21	Δ%	4Q20	Δ%	4Q21	3Q21	Δ%	4Q20	Δ%
Gross Debt	**92,518.2**	**84,360.3**	**9.7%**	**65,906.7**	**40.4%**	**16,578.8**	**15,509.1**	**6.9%**	**12,682.4**	**30.7%**
(+) Short Term Debt	11,914.3	10,201.4	16.8%	4,562.1	161.2%	2,135.0	1,875.5	13.8%	877.9	143.2%
% of the Gross Debt	12.9%	12.1%		6.9%		12.9%	12.1%		6.9%	
(+) Long Term Debt	80,603.9	74,158.9	8.7%	61,344.6	31.4%	14,443.8	13,633.7	5.9%	11,804.5	22.4%
% of the Gross Debt	87.1%	87.9%		93.1%		87.1%	87.9%		93.1%	
(-) Cash and Equivalents	23,239.2	23,332.1	-0.4%	19,679.7	18.1%	4,164.3	4,289.5	-2.9%	3,787.0	10.0%
Net Debt	**69,279.0**	**61,028.1**	**13.5%**	**46,227.0**	**49.9%**	**12,414.5**	**11,219.6**	**10.6%**	**8,895.4**	**39.6%**
Leverage[1]	**1.52x**	**1.52x**		**1.56x**		**1.46x**	**1.49x**		**1.58x**	

[1]Leverage considers Adjusted EBITDA.

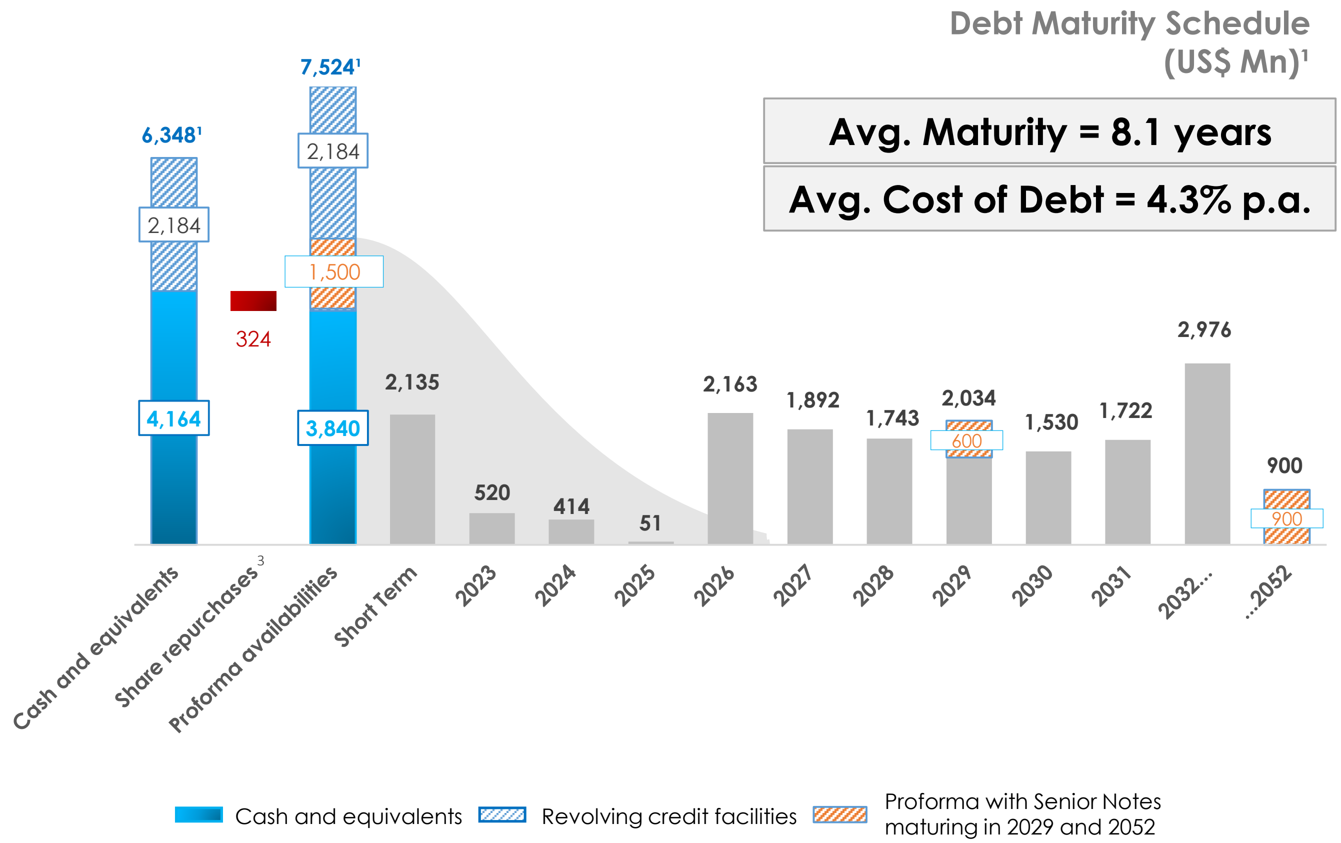
NET DEBT BRIDGE



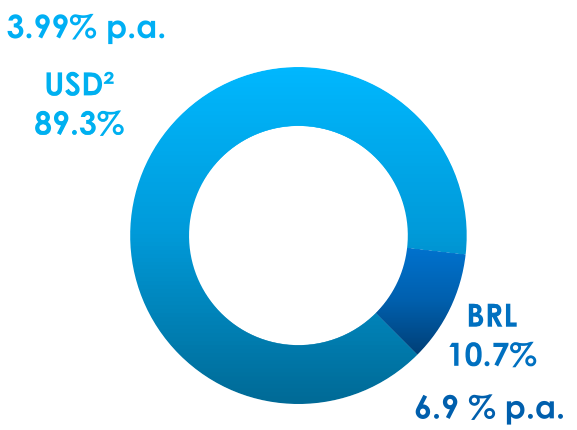
In 2021, net debt was R$69.3 billion, an increase of R$23.1 billion in the annual comparison, due to: (i) share buybacks in the amount of R$10.6 billion; (ii) M&As in the total amount of R$9.3 billion; and (iii) R$6.3 billion in additional and anticipation of dividends.

4Q21 & 2021 CONSOLIDATED RESULTS

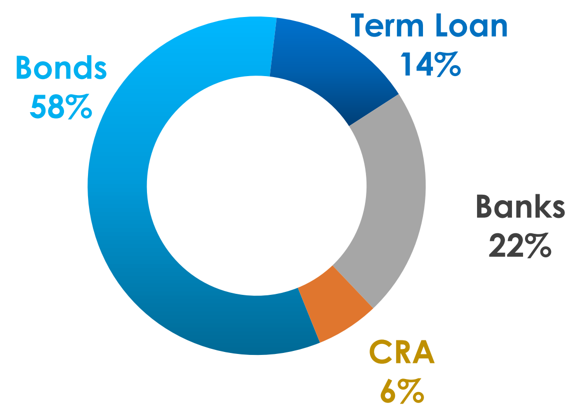
INDEBTEDNESS (Cont.)



CURRENCY & COST BREAKDOWN



SOURCE BREAKDOWN



[1] Includes funds available in cash and revolving guaranteed credit lines from JBS USA.
[2] Includes debts in other currencies, such as Euros and Canadian Dollars.
[3] Converted to dollars considering the approved value of R$1,810 million in 2022.

4Q21 & 2021 BUSINESS UNITS

BUSINESS UNITS – IFRS R$

Million		4Q21	3Q21	Δ%	4Q20	Δ%	2021	2020	Δ%
Net Revenue									
Seara	R$	10,121.4	9,622.1	5.2%	7,541.0	34.2%	36,523.5	26,730.8	36.6%
JBS Brazil	R$	14,072.9	15,460.4	-9.0%	13,396.1	5.1%	53,803.3	41,707.3	29.0%
JBS USA Beef	R$	41,874.6	38,587.9	8.5%	30,287.2	38.3%	146,592.7	112,120.3	30.7%
JBS USA Pork	R$	10,624.4	10,936.7	-2.9%	9,314.6	14.1%	41,077.1	32,171.1	27.7%
Pilgrim's Pride	R$	22,530.5	19,999.2	12.7%	16,807.7	34.0%	79,673.6	62,227.7	28.0%
Others	R$	1,109.6	954.7	16.2%	828.6	33.9%	3,848.1	2,899.9	32.7%
Eliminations	R$	-3,141.3	-2,935.7	7.0%	-2,115.8	48.5%	-10,822.8	-7,652.7	41.4%
Total	**R$**	**97,192.1**	**92,625.3**	**4.9%**	**76,059.4**	**27.8%**	**350,695.6**	**270,204.2**	**29.8%**
Adjusted EBITDA									
Seara	R$	1,135.0	984.2	15.3%	1,064.5	6.6%	3,860.5	4,223.9	-8.6%
JBS Brazil	R$	696.7	946.1	-26.4%	687.9	1.3%	2,318.6	3,082.2	-24.8%
JBS USA Beef	R$	7,797.3	8,426.9	-7.5%	2,784.7	180.0%	26,010.1	12,901.6	101.6%
JBS USA Pork	R$	1,177.4	1,183.5	-0.5%	844.6	39.4%	4,241.1	3,388.0	25.2%
Pilgrim's Pride	R$	2,314.3	2,361.4	-2.0%	1,606.7	44.0%	9,109.3	5,954.9	53.0%
Others	R$	90.0	29.6	203.5%	48.6	85.0%	191.3	15.0	1175.4%
Eliminations	R$	-60.5	-2.7	2108.2%	-2.7	2109.0%	-68.7	-11.0	527.3%
Total	**R$**	**13,150.2**	**13,929.1**	**-5.6%**	**7,034.4**	**86.9%**	**45,662.2**	**29,554.6**	**54.5%**
Adjusted EBITDA Margin									
Seara	%	11.2%	10.2%	1.0 p.p.	14.1%	-2.9 p.p.	10.6%	15.8%	-5.2 p.p.
JBS Brazil	%	5.0%	6.1%	-1.2 p.p.	5.1%	-0.2 p.p.	4.3%	7.4%	-3.1 p.p.
JBS USA Beef	%	18.6%	21.8%	-3.2 p.p.	9.2%	9.4 p.p.	17.7%	11.5%	6.2 p.p.
JBS USA Pork	%	11.1%	10.8%	0.3 p.p.	9.1%	2.0 p.p.	10.3%	10.5%	-0.2 p.p.
Pilgrim's Pride	%	10.3%	11.8%	-1.5 p.p.	9.6%	0.7 p.p.	11.4%	9.6%	1.9 p.p.
Others	%	8.1%	3.1%	5.0 p.p.	5.9%	2.2 p.p.	5.0%	0.5%	4.5 p.p.
Total	**%**	**13.5%**	**15.0%**	-1.5 p.p.	**9.2%**	4.3 p.p.	**13.0%**	**10.9%**	2.1 p.p.

BUSINESS UNITS – USGAAP US$

Million		4Q21	3Q21	Δ%	4Q20	Δ%	2021	2020	Δ%
Net Revenue									
JBS USA Beef	US$	7,500.7	7,379.1	1.6%	5,612.4	33.6%	27,182.1	21,698.4	25.3%
JBS USA Pork	US$	1,903.0	2,091.4	-9.0%	1,726.1	10.2%	7,626.2	6,226.5	22.5%
Pilgrim's Pride	US$	4,038.8	3,827.6	5.5%	3,117.8	29.5%	14,777.5	12,091.9	22.2%
Adjusted EBITDA									
JBS USA Beef	US$	1,344.5	1,613.9	-16.7%	503.4	167.1%	4,887.5	2,385.9	104.8%
JBS USA Pork	US$	229.8	248.9	-7.7%	175.2	31.2%	765.8	607.2	26.1%
Pilgrim's Pride	US$	316.7	346.9	-8.7%	205.4	54.2%	1,289.0	788.1	63.6%
Adjusted EBITDA Margin									
JBS USA Beef	%	17.9%	21.9%	-3.9 p.p.	9.0%	9.0 p.p.	18.0%	11.0%	7.0 p.p.
JBS USA Pork	%	12.1%	11.9%	0.2 p.p.	10.2%	1.9 p.p.	10.0%	9.8%	0.3 p.p.
Pilgrim's Pride	%	7.8%	9.1%	-1.2 p.p.	6.6%	1.3 p.p.	8.7%	6.5%	2.2 p.p.

4Q21 & 2021 BUSINESS UNITS

SEARA

IFRS - R$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**10,121.4**	***100.0%***	**9,622.1**	***100.0%***	**5.2%**	**7,541.0**	***100.0%***	**34.2%**	**36,523.5**	***100.0%***	**26,730.8**	***100.0%***	**36.6%**
Cost of Goods Sold	(7,905.7)	*-78.1%*	(7,673.0)	*-79.7%*	3.0%	(5,772.1)	*-76.5%*	37.0%	(29,037.5)	*-79.5%*	(19,930.7)	*-74.6%*	45.7%
Gross Profit	2,215.8	*21.9%*	1,949.1	*20.3%*	13.7%	1,768.9	*23.5%*	25.3%	7,486.0	*20.5%*	6,800.1	*25.4%*	10.1%
Adjusted EBITDA	**1,135.0**	**11.2%**	**984.2**	**10.2%**	**15.3%**	**1,064.5**	**14.1%**	**6.6%**	**3,860.5**	**10.6%**	**4,223.9**	**15.8%**	**-8.6%**

In 4Q21, Seara posted net revenue of R$10.1 billion, 34.2% higher than 4Q20, as a result of an increase of 15.1% in volumes and 16.6% in prices[1]. In 2021, Seara posted net revenue of R$36.5 billion, 36.6% higher than 2020

Sales in the domestic market, which accounted for 53% of the business unit's revenue in the period, totaled R$5.3 billion, 30.7% higher than 4Q20. The prepared foods category maintained its growth trend and registered an increase of 5% in volumes sold and 10.8% in prices[2]. Despite a more challenging scenario at the end of the year, Seara's holiday campaign was successful, with a 24% growth in kits sold in the annual comparison and positively contributing to the results. In the year, net revenue was R$18.3 billion (+36.6%). The prepared food category volumes increased by 4.4% and prices grew 18.3%, in comparison to 2020.

In the frozen food segment, the Seara brand completed 30 consecutive months as market leader reaching 29.6% of market share value, expanding its advantage to 10 p.p. in relation to the second player. In the pizza segment, Seara achieved the leadership as a brand, with 36.7% of market share value. In addition to the market share gain, Seara was the brand that most expanded penetration in households in 2021 and continues gaining even more consumer preference.

In the export market, net revenue totaled R$4.8 billion, 38.4% higher compared to 4Q20, due to an increase of 14.8% in the volumes sold and a 20.5% increase in the average sales price. In 2021, net revenue was R$18.2 billion (+35.3% y/y) on the back of higher volumes (+18.5%) and prices (+14.2%). It is worth noting that the Company faced a temporary suspension in certifications to export to Saudi Arabia as well as a slowdown in pork exports to China given the recovery of the hog herd, impacting profitability in the export market.

In 4Q21, the scenario for production costs, especially animal feed, remained challenging, a trend observed throughout the year. According to ESALQ data, the average cost of corn grew by around 15%, reaching the level of R$87/60kg bag. For the year, corn grew 56% compared to 2020, while soybean meal grew by 31% in the same period. The increase in cost has been partially offset by the increase in sales prices, coupled with a better mix of markets, channels and products, in addition to management´s focus on operational efficiency. As a result, adjusted EBITDA reached R$1.1 billion, with a margin of 11.2% in 4Q21 and adjusted EBITDA of R$3.9 billion and a margin of 10.6% in 2021.

Seara continues to make consistent progress in its strategic plan. The innovation agenda included: (i) the first line of cuts 100% based on vegetable protein in Brazil, which included: chicken cubes, chicken fillets, ground beef, beef and beef strips, through the Incrível Seara brand; (ii) Levíssimo Seara, launching a new cold cuts category, produced with 100% pork loin, 38% less sodium and 30% less fat; (iii) Frango de Padaria, a product that delivers convenience and flavor; (iv) complete line in the fish and seafood segment; (v) the new Delícia, the only margarine with cream; (vi) new barbecue products under the Seara Gourmet brand, among others. In the expansion agenda, Seara has already completed three projects out of a total of 11, in line with its schedule. In addition to investing in the brand, innovation and superior quality, the commercial execution linked to the greater number of points of sale has also contributed positively to the results.

[1]4Q21 and 2021 includes the consolidation of Bunge's margarine business, which acquisition was concluded in November 2020.
[2]Excluding the margarine business

4Q21 & 2021 BUSINESS UNITS

JBS BRAZIL

IFRS - R$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**14,072.9**	***100.0%***	**15,460.4**	***100.0%***	**-9.0%**	**13,396.1**	***100.0%***	**5.1%**	**53,803.3**	***100.0%***	**41,707.3**	***100.0%***	**29.0%**
Cost of Goods Sold	(11,917.4)	*-84.7%*	(13,154.8)	*-85.1%*	-9.4%	(11,430.6)	*-85.3%*	4.3%	(46,518.6)	*-86.5%*	(34,435.4)	*-82.6%*	35.1%
Gross Profit	2,155.5	*15.3%*	2,305.6	*14.9%*	-6.5%	1,965.5	*14.7%*	9.7%	7,284.7	*13.5%*	7,271.9	*17.4%*	0.2%
Adjusted EBITDA	**696.7**	**5.0%**	**946.1**	**6.1%**	**-26.4%**	**687.9**	**5.1%**	**1.3%**	**2,318.6**	**4.3%**	**3,082.2**	**7.4%**	**-24.8%**

In 4Q21, JBS Brazil recorded net revenue of R$14.1 billion, 5.1% higher than in 4Q20, despite the 3% reduction in the number of cattle processed for the period, which is explained by the shortage of raw material and by the temporary suspension of Brazilian exports to China in early September which ended in mid-December.

In the domestic market, which represented 64% of this business unit, net revenue grew 13.3% year-on-year, mainly due an increase in the average selling price. This result was mainly driven by the strengthening of Açougue Nota 10 (loyalty program), which has already surpassed 1,700 stores, being served with a superior service level and bringing greater convenience to consumers.

The export market reported net revenue of R$5.1 billion, a decrease of 6.9% in relation to the same period of the previous year. The main impact in the quarter was the suspension of beef exports from Brazil to China, the main importer of Brazilian products, which lasted approximately 3.5 months.

The adjusted EBITDA totaled R$696.7 million in 4Q21, an increase of 1.3% compared to 4Q20, with EBITDA margin of 5.0% in 4Q21. The result for the quarter continued to be impacted by the increase in production costs, notably the average price of cattle which, according to data published by CEPEA-ESALQ, increased circa 9% from 4Q20 to 4Q21.

In 2021, net revenue was R$53.8 billion, 29.0% higher than in 2020, and adjusted EBITDA was R$2.3 billion, a decrease of 24.8%, with a margin of 4.3%. Despite the growth in revenue in the period, the margin was impacted by the increase in production costs, notably in the average price of cattle acquisition, which, according to data published by CEPEA-ESALQ, grew by around 35.1% in the period and by the China's temporary suspension. On the other hand, JBS continued with the strategy of: (i) boosting the value-added portfolio, bringing new cuts and solutions to consumers, such as portioned products; (ii) increase in the number of key customers, mainly with a high service level through Açougue Nota 10 program; (iii) increase brand awareness, especially through the Maturatta and Friboi brands; (iv) maintain focus on operational efficiency and commercial execution; and (v) continue to diversify volumes exported to countries such as Indonesia, the USA and Israel.

In 2021, the Friboi brand was certified by the National Institute of Industrial Property (INPI) as a High Renown brand, a seal that guarantees the exclusive use of its name in any segment of activity and was elected the most remembered meat brand in Brazil, according to a Top of Mind 2021 survey.

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 Brazil operating segment.

4Q21 & 2021 BUSINESS UNITS

JBS USA BEEF

IFRS - R$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**41,874.6**	***100.0%***	**38,587.9**	***100.0%***	**8.5%**	**30,287.2**	***100.0%***	**38.3%**	**146,592.7**	***100.0%***	**112,120.3**	***100.0%***	**30.7%**
Cost of Goods Sold	(32,155.5)	*-76.8%*	(28,358.4)	*-73.5%*	13.4%	(26,128.3)	*-86.3%*	23.1%	(113,843.4)	*-77.7%*	(94,412.7)	*-84.2%*	20.6%
Gross Profit	9,719.1	*23.2%*	10,229.5	*26.5%*	-5.0%	4,158.9	*13.7%*	133.7%	32,749.3	*22.3%*	17,707.6	*15.8%*	84.9%
Adjusted EBITDA	**7,797.3**	**18.6%**	**8,426.9**	**21.8%**	**-7.5%**	**2,784.7**	**9.2%**	**180.0%**	**26,010.1**	**17.7%**	**12,901.6**	**11.5%**	**101.6%**

USGAAP[1] - US$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	US$	% NR	US$	% NR	QoQ	US$	% NR	YoY	US$	% NR	US$	% NR	YoY
Net Revenue	**7,500.7**	***100.0%***	**7,379.1**	***100.0%***	**1.6%**	**5,612.4**	***100.0%***	**33.6%**	**27,182.1**	***100.0%***	**21,698.4**	***100.0%***	**25.3%**
Cost of Goods Sold	(6,086.0)	*-81.1%*	(5,663.4)	*-76.7%*	7.5%	(5,054.9)	*-90.1%*	20.4%	(21,973.7)	*-80.8%*	(19,090.8)	*-88.0%*	15.1%
Gross Profit	1,414.7	*18.9%*	1,715.7	*23.3%*	-17.5%	557.5	*9.9%*	153.8%	5,208.4	*19.2%*	2,607.6	*12.0%*	99.7%
Adjusted EBITDA	**1,344.5**	**17.9%**	**1,613.9**	**21.9%**	**-16.7%**	**503.4**	**9.0%**	**167.1%**	**4,887.5**	**18.0%**	**2,385.9**	**11.0%**	**104.8%**

Considering results in IFRS and Reais, JBS USA Beef posted net revenue of R$41.9 billion in 4Q21, 38.3% higher than in 4Q20, an adjusted EBITDA of R$7.8 billion and a margin of 18.6% for the period. These results include the impact of the 3.4% depreciation of the average exchange rate (BRL vs. USD), which went from R$5.40 to R$5.58 in the period. In 2021, net revenue was R$146.6 billion, 30.7% higher than in 2020, an adjusted EBITDA of R$26.0 billion and margin of 17.7% for the period. These results include the impact of the 4.7% depreciation of the average exchange rate (BRL vs. USD), which went from R$5.16 to R$5.40 in the period.

In USGAAP and US$, net revenue was US$7.5 billion, an increase of 33.6% compared to 4Q20, and an adjusted EBITDA of US$1.3 billion, with a margin of 17.9%. In 2021, net revenue was US$27.2 billion, an increase of 25.3% compared to 2020, and an adjusted EBITDA of US$4.9 billion, with a margin of 18%.

North America - In the U.S., availability of cattle remained adequate throughout the year, but the average price, according to the USDA, showed an increase of 22% in 4Q21 vs. 4Q20 and 13% in 2021 vs. 2020. Higher beef demand than supply, both in the domestic market and in the international market, supported the results for the year and the quarter.

In the domestic market, demand was driven by the strong performance in the retail channel and the recovery of the food service channel.

In the international market, demand from Asia, which is now responsible for more than 75% of the total U.S. beef exports, remained strong, causing the global volume of US beef exports in the year to exceed the volume exported in 2020 in more than 16%. The highlight continues to be China, which increases its share month after month, and has already become the third largest destination for American beef exports. US exports in 2021 were not only better due to logistics impacts, mainly on the back of congestion in American ports during the period.

On the other hand, operating costs were also higher, mainly due to significant increases in labor, logistics and packaging costs. In the quarter, the inflationary impact on the segment's total operating cost was approximately 40% higher per head, and in 2021, the Company invested more than US$160 million in annualized pay to workers across 10 beef plants in the US and Canada.

JBS made important investments throughout 2021 as part of the company's long-term strategic commitment to the success and future growth of the U.S. beef industry. JBS invested in expanding production capacity, in increasing the volume of value-added products, in the infrastructure of the animal welfare areas and employees.

Australia and New Zealand – JBS Australia performance continues to improve sequentially, as a result of the good management in the region. Cattle availability is still low, but strong domestic and international demand has increased beef prices and therefore improved results.

Primo Foods continues increasing sales volume through its brands, focusing on quality and innovative consumer products. With the integration of the new acquisitions, Huon and Rivalea, JBS Australia becomes the largest food company in that country.

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

4Q21 & 2021 BUSINESS UNITS

JBS USA PORK

IFRS - R$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**10,624.4**	***100.0%***	**10,936.7**	***100.0%***	**-2.9%**	**9,314.6**	***100.0%***	**14.1%**	**41,077.1**	***100.0%***	**32,171.1**	***100.0%***	**27.7%**
Cost of Goods Sold	(8,786.1)	*-82.7%*	(9,214.7)	*-84.3%*	-4.7%	(7,859.3)	*-84.4%*	11.8%	(34,344.1)	*-83.6%*	(26,514.5)	*-82.4%*	29.5%
Gross Profit	1,838.2	*17.3%*	1,722.0	*15.7%*	6.7%	1,455.3	*15.6%*	26.3%	6,733.0	*16.4%*	5,656.6	*17.6%*	19.0%
Adjusted EBITDA	**1,177.4**	**11.1%**	**1,183.5**	**10.8%**	**-0.5%**	**844.6**	**9.1%**	**39.4%**	**4,241.1**	**10.3%**	**3,388.0**	**10.5%**	**25.2%**

USGAAP[1] - US$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	US$	% NR	US$	% NR	QoQ	US$	% NR	YoY	US$	% NR	US$	% NR	YoY
Net Revenue	**1,903.0**	***100.0%***	**2,091.4**	***100.0%***	**-9.0%**	**1,726.1**	***100.0%***	**10.2%**	**7,626.2**	***100.0%***	**6,226.5**	***100.0%***	**22.5%**
Cost of Goods Sold	(1,670.2)	*-87.8%*	(1,829.5)	*-87.5%*	-8.7%	(1,539.3)	*-89.2%*	8.5%	(6,810.4)	*-89.3%*	(5,570.9)	*-89.5%*	22.2%
Gross Profit	232.8	*12.2%*	261.9	*12.5%*	-11.1%	186.8	*10.8%*	24.6%	815.8	*10.7%*	655.6	*10.5%*	24.4%
Adjusted EBITDA	**229.8**	**12.1%**	**248.9**	**11.9%**	**-7.7%**	**175.2**	**10.2%**	**31.2%**	**765.8**	**10.0%**	**607.2**	**9.8%**	**26.1%**

Considering results in IFRS and Reais, JBS USA Pork posted net revenue of R$10.6 billion in 4Q21, 14.1% higher than 4Q20, and an adjusted EBITDA of R$1.2 billion, with an EBITDA margin of 11.1%. These results include the impact of the 3.4% depreciation of the average exchange rate (BRL vs. USD), which went from R$5.40 to R$5.58 in the period. In 2021, net revenue was R$41.1 billion, 27.7% higher than 2020, and an adjusted EBITDA of R$4.2 billion, with an EBITDA margin of 10.3%. These results include the impact of the 4.7% depreciation of the average exchange rate (BRL vs. USD), which went from R$5.16 to R$5.40 in the period.

In US GAAP and US$, net revenue was US$1.9 billion, an increase of 10.2% compared to 4Q20, due to an increase of 17.3% in price, despite a decrease of 6% in volume. Adjusted EBITDA was US$229.8 million, with a margin of 12.1%. In 2021, net revenue was US$7.6 billion, an increase of 22.5% compared to 2020, and adjusted EBITDA was US$765.8 million (+26.1% y/y), with a margin of 10%.

The strong demand for pork boosted prices and was important to sustain margin growth in the quarterly comparison and to keep margins stable in the annual comparison, even in the face of a much more challenging cost scenario, especially labor costs, packaging and transport. In the quarter, the segment's total operating cost increased by approximately 30% per head. The shortage of labor and logistics also impacted production growth and a better mix of products. According to the USDA, the production volume of the pork industry in 4Q21 decreased by 4.4% compared to 4Q20 and decreased by 2.2% in the annual comparison.

In 2021, USDA figures show that US pork export volumes dropped 3.4% y/y, while dollar prices rose 6.8%, keeping sales at the same levels of 2020. Exports to China declined significantly in 2021 (-46.0%), as their pork production has recovered from the African Swine Fever (ASF) outbreak that severely damaged their pork industry between 2018 and 2020. On the other hand, sales to other traditional markets, such as Mexico (+31.4%), Colombia (+60.5%) and the Philippines (+83.5%), in addition to other international destinations increased, sustaining US exports at high levels when compared to historical levels pre-ASF.

Following the long-term strategy of increasing the value-added portfolio, branded products, offering even more diversified products to customers and consumers and greater operational efficiency, JBS announced: (i) the acquisition of Sunnyvalley Smoked Meats, Inc., which produces a variety of cured meat products, such as smoked bacon, bringing in an additional US$134 million in gross revenue; (ii) investments to expand production capacity and in new segments, such as charcuterie products, through the acquisition/construction of new processing units; and (iii) investments to implement and improve automation in the slaughtering areas in the plants, generating greater operational efficiency.

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

4Q21 & 2021 BUSINESS UNITS

PILGRIM'S PRIDE CORPORATION

IFRS - R$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	R$	% NR	R$	% NR	QoQ	R$	% NR	YoY	R$	% NR	R$	% NR	YoY
Net Revenue	**22,530.5**	***100.0%***	**19,999.2**	***100.0%***	**12.7%**	**16,807.7**	***100.0%***	**34.0%**	**79,673.6**	***100.0%***	**62,227.7**	***100.0%***	**28.0%**
Cost of Goods Sold	(19,279.4)	*-85.6%*	(17,041.0)	*-85.2%*	13.1%	(14,689.7)	*-87.4%*	31.2%	(68,244.6)	*-85.7%*	(54,799.6)	*-88.1%*	24.5%
Gross Profit	3,251.0	*14.4%*	2,958.3	*14.8%*	9.9%	2,117.9	*12.6%*	53.5%	11,429.0	*14.3%*	7,428.0	*11.9%*	53.9%
Adjusted EBITDA	**2,314.3**	**10.3%**	**2,361.4**	**11.8%**	**-2.0%**	**1,606.7**	**9.6%**	**44.0%**	**9,109.3**	**11.4%**	**5,954.9**	**9.6%**	**53.0%**

USGAAP[1] - US$ Million	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
	US$	% NR	US$	% NR	QoQ	US$	% NR	YoY	US$	% NR	US$	% NR	YoY
Net Revenue	**4,038.8**	***100.0%***	**3,827.6**	***100.0%***	**5.5%**	**3,117.8**	***100.0%***	**29.5%**	**14,777.5**	***100.0%***	**12,091.9**	***100.0%***	**22.2%**
Cost of Goods Sold	(3,686.3)	*-91.3%*	(3,455.7)	*-90.3%*	6.7%	(2,890.4)	*-92.7%*	27.5%	(13,411.6)	*-90.8%*	(11,253.7)	*-93.1%*	19.2%
Gross Profit	352.5	*8.7%*	371.8	*9.7%*	-5.2%	227.4	*7.3%*	55.0%	1,365.9	*9.2%*	838.1	*6.9%*	63.0%
Adjusted EBITDA	**316.7**	**7.8%**	**346.9**	**9.1%**	**-8.7%**	**205.4**	**6.6%**	**54.2%**	**1,289.0**	**8.7%**	**788.1**	**6.5%**	**63.6%**

Considering results in IFRS and Reais, PPC posted a net revenue of R$22.5 billion in the 4Q21, a 34% increase in comparison to 4Q20, and an adjusted EBITDA of R$2.3 billion, with a EBITDA margin of 10.3%. These results include the impact of the 3.4% depreciation of the average exchange rate (BRL vs. USD), which went from R$5.40 to R$5.58 in the period. In 2021, net revenue was R$79.7 billion in 2021, a 28.0% increase in comparison to 2020, and an adjusted EBITDA of R$9.1 billion (+53.0% y/y), with a EBITDA margin of 11.4%. These results include the impact of the 4.7% depreciation of the average exchange rate (BRL vs. USD), which went from R$5.16 in 2020 to R$5.40 in 2021.

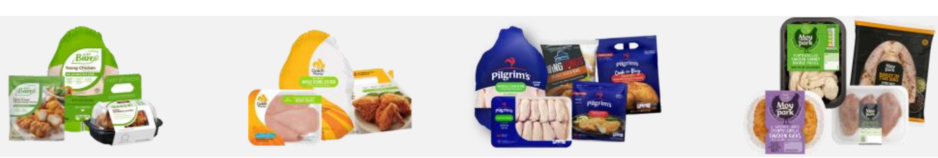
In US GAAP and US$, PPC net revenue in 4Q21 was US$4.0 billion, 29.5% higher than 4Q20, and an adjusted EBITDA of US$316.7 million with a 7.8% margin, which excludes the impact of an aggregate legal contingency accrual of US$132 million in the U.S. In 2021, net revenue was US$14.8 billion, 22.2% higher than 2020, and adjusted EBITDA of US$1.3 billion (+63.6%) with margin of 8.7%.

Despite a challenging and volatile market due to rising costs, supply chain disruption, labor shortages and the COVID-19 pandemic, Pilgrim's significantly improved quarterly and yearly results as a consequence of well executed strategy and a strong and balanced portfolio.

In the United States, demand and prices have remained at robust levels. The food service business continues to advance when compared to the same period a year ago, while retail sales remained strong and were above pre-pandemic levels. The prepared foods category continues improving, and the Pilgrim's and Just Bare brands have grown significantly in both the retail and e-commerce channels. Margins also continued improving in the big bird operation, despite higher raw material and operating costs, in addition to a sub-optimal product mix, due to the significant shortage of labor.

In Mexico, solid results were also consequence of excellent commercial execution throughout the year, despite a scenario of high grain costs. In addition, the Company continued expanding the presence of the Pilgrim's, Del Dia and Alamesa brands in the retail and food service channels.

In Europe, the scenario remains quite adverse. Thus, the results were strongly impacted by high inflationary costs and shortage of labor. On the other hand, the recently acquired Pilgrim's Food Masters, consolidated at the end of September 2021, has already contributed positively to the result, despite still passing through its moment of integration.



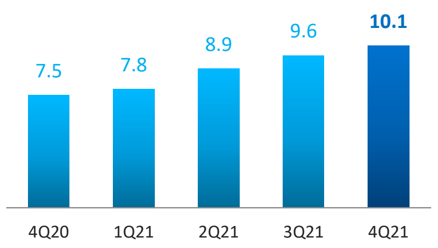
[1]The difference in PPC's EBITDA in IFRS and USGAAP, in addition to the FX, is attributed to the adoption of IFRS 16 from 1Q19 onwards and to different accounting criteria in relation to breeding flock amortization: in IFRS, amortization of the breeding flock, due to its long term nature, is considered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

4Q21 BUSINESS UNITS

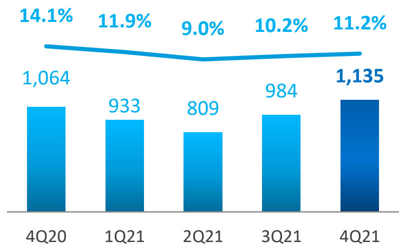
LOCAL GAAP AND CURRENCY

Seara (R$)

Net Revenue (billion)

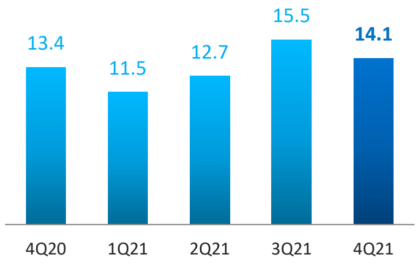


EBITDA (million) and % EBITDA

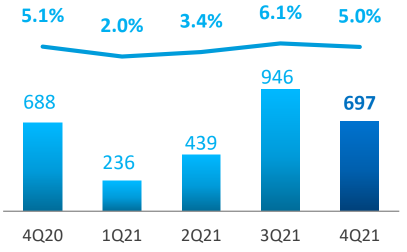


JBS Brasil (R$)

Net Revenue (billion)

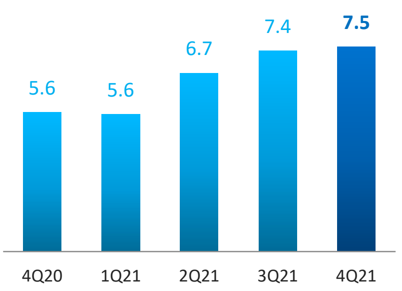


EBITDA (million) and % EBITDA

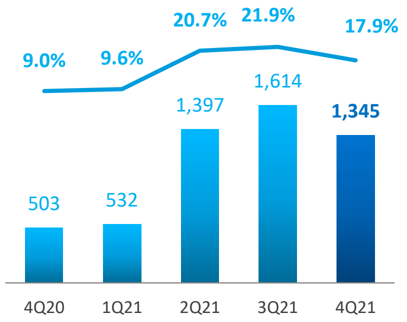


JBS USA Beef (US$)

Net Revenue (billion)

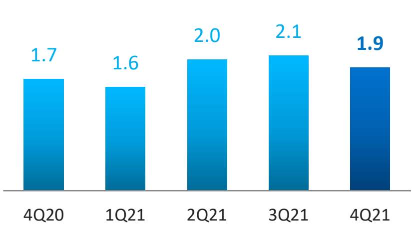


EBITDA (million) and % EBITDA

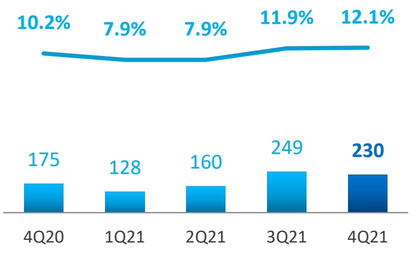


JBS USA Pork (US$)

Net Revenue (billion)

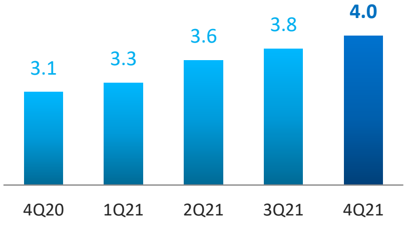


EBITDA (million) and % EBITDA

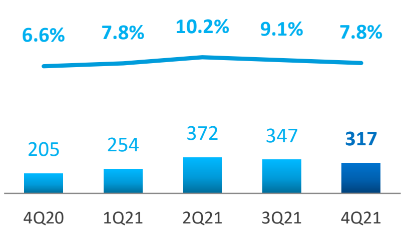


Pilgrim's Pride (US$)

Net Revenue (billion)

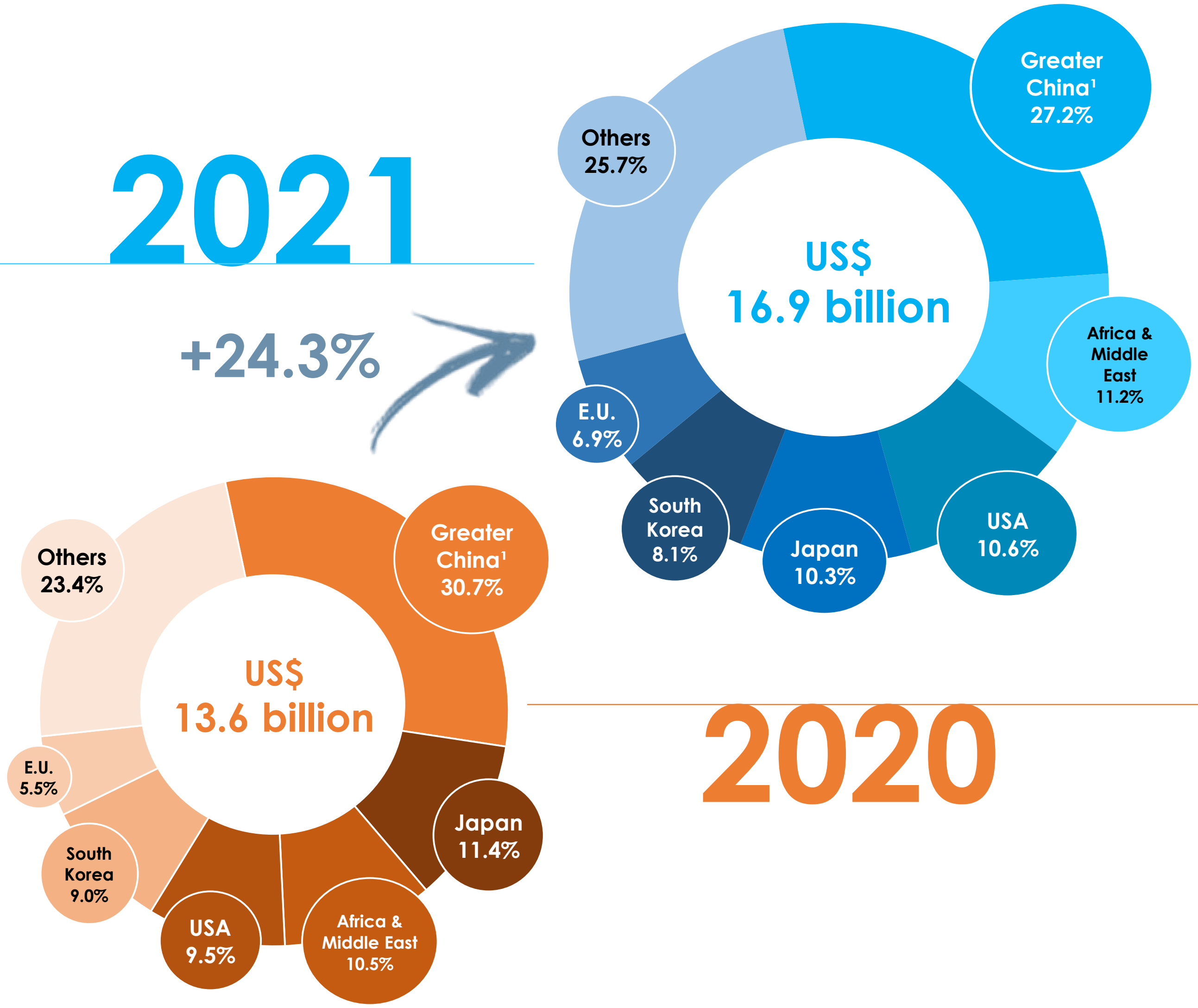


EBITDA (million) and % EBITDA



TABLES AND GRAPHS

GRAPH 1 – JBS EXPORTS IN 2021 AND 2020



Nota 1. Considera China e Hong Kong

TABLE 1 - CAPEX

	4Q21		3Q21		Δ%	4Q20		Δ%	2021		2020		Δ%
R$ Million	R$	% CAPEX	R$	% CAPEX	4Q21 vs 3Q21	R$	% CAPEX	4Q21 vs 4Q20	R$	% CAPEX	R$	% CAPEX	2021 vs 2020
CAPEX	**3,349.2**	***100.0%***	**2,583.3**	***100.0%***	**29.7%**	**2,320.7**	***100.0%***	**44.3%**	**9,623.6**	***100.0%***	**5,986.8**	***100.0%***	**60.7%**
Expansion	1,906.5	*56.9%*	1,400.8	*54.2%*	36.1%	1,326.1	*57.1%*	43.8%	5,349.4	*55.6%*	3,184.0	*53.2%*	68.0%
Maintenance	1,442.8	*43.1%*	1,182.5	*45.8%*	22.0%	994.6	*42.9%*	45.1%	4,274.1	*44.4%*	2,802.8	*46.8%*	52.5%

TABLE 2 - COGS BREAKDOWN

4Q21 (%)	Consolidated	JBS Brazil	Seara	JBS USA Beef	JBS USA Pork	PPC
Raw material (livestock)	73.9%	90.3%	71.5%	82.8%	72.7%	45.2%
Processing (including ingredients and packaging)	15.7%	6.1%	19.1%	7.7%	14.4%	38.8%
Labor Cost	10.4%	3.6%	9.5%	9.5%	12.9%	16.0%

DIVIDEND POLICY

DIVIDEND PAYMENT HISTORY

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

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

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

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

Reference year	Total amount (R$ million)	Amount per share(R$)
12/31/2020	2,511.1	1.0166796900
12/31/2019	1,441.2	0.5405951400
12/31/2018	6.0	0.0022457200
12/31/2017	126.9	0.0467762540
12/31/2016	89.4	0.0329777380
12/31/2015	1,102.0	0.4054588810
12/31/2014	483.5	0.1673795780
12/31/2013	220.1	0.0767453370
12/31/2012	170.7	0.0595100000
12/31/2009	61.5	0.0243617747

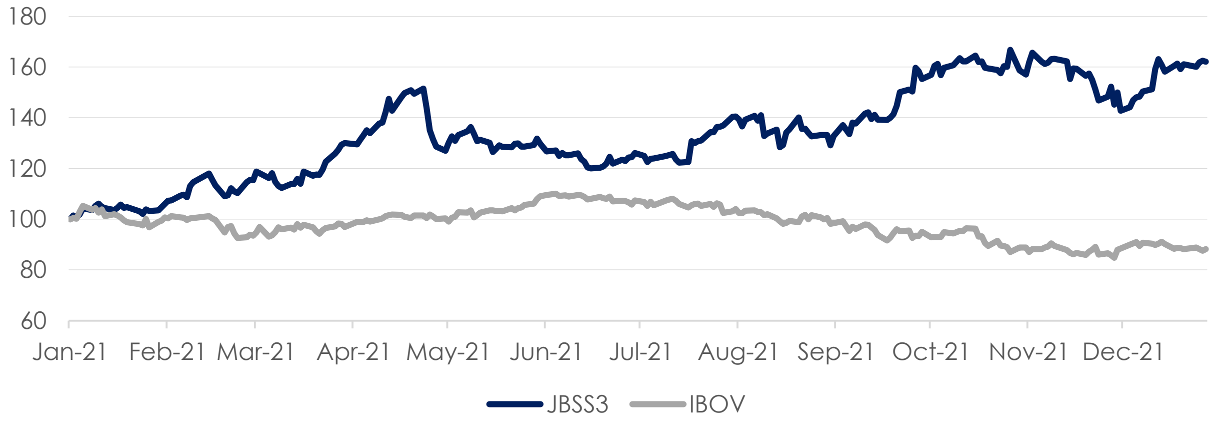
For the business year ended December 31, 2021, the Company distributed interim dividends during the year totaling R$ 4,884.8 million, which is equal to 25.1% of the net profit for the year. The Board of Directors will submit this distribution of dividends for approval by the Annual General Meeting on April 22, 2022.

December 31, 2021 (R$ '000)	
Net income	**20,486,562**
Legal reserves – (5%)	(1,024,328)
Adjusted base for dividend calculation	**19,462,234**
Mandatory dividends (25%)	4,865,558
Declared interim dividends	**4,884,805**

OTHER RELEVANT INFORMATION

SHARE PERFORMANCE (BASE 100)

JBS share price ended 2021 quoted at R$37.95 in the São Paul Stock Exchange (B3). The Company's market value totaled R$90,088.2 million at the end of the year.



ADHERENCE TO THE ARBITRATION CHAMBER

The Company, its shareholders, directors and members of the Fiscal Council undertake to resolve through arbitration all and any dispute or controversy that may arise between them related to or arising from, especially, the application, validity, effectiveness, interpretation, violation and effects of the provisions contained in the Contract to Participate in the Novo Mercado, the Listing Regulations of the Novo Mercado, the Bylaws, the shareholders' agreement filed at the Company's headquarter under Corporate Law, the regulation issued by the National Monetary Council, the Brazilian Central Bank or the CVM, the regulations of the São Paulo stock exchange, the other rules applicable to the functioning of the capital markets in general, and the Commitment Clauses and Regulations of the Market Arbitration Chamber, such proceedings to be carried out in accordance with the said Market Arbitration Chamber Regulations.

RELATIONSHIP WITH EXTERNAL AUDITORS

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

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

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

Aiming to be in compliance with CVM Instruction 381/2003, JBS S.A. informs that Grant Thornton Auditores did not provide any other services unrelated to the audit that represented more than 5% of its total payment regarding audit process during 2021.

JBS S.A.

Financial statements and Independent auditors' report

As of December 31, 2021 and 2020

Index

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

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

Grant Thornton Auditores Independentes

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

T +55 11 3886-5100

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

Opinion

We have audited the individual and consolidated financial statements of JBS S.A. ("Company"), identified as Company and Consolidated, respectively, which comprise the balance sheet as at December 31, 2021, and the related statement of income, comprehensive income, changes in equity and cash flows for the year then ended, and the corresponding explanatory notes, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the individual and consolidated financial position of JBS S.A. as of December 31, 2021, and its individual and consolidated financial performance and respective individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

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

Key audit matters

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

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

Why the matter was determined to be a KAM

As of December 31, 2021, the Company has assets, including goodwill based on expected future profitability, whose recoverable value must be appraised on an annual basis, as required by Technical Pronouncement CPC 01(R1)/IAS 36 – Impairment of assets. As mentioned in said Notes, the Company performs impairment tests, which involves a high degree of subjectivity and judgment by Management, based on the discounted cash flow method, which considers several assumptions, such as discount rate, inflation projection, economic growth, among others. Accordingly, this matter was considered an area of risk due to the uncertainty inherent in the process of determining the estimates and judgments involved in preparing future cash flows discounted to present value, such as market demand, operating margin, and discount rate projections that can significantly change the expected realization of the assets.

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

Our audit procedures included, among others:

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

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

2. Audit of group financial statements - ISA600 (Note No. 12)

Why the matter was determined to be a KAM

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

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

Our audit procedures included, among others:

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

Based on the evidence obtained by performing the procedures described above, we consider that the accounting records relating to the accounting information of significant components and their effects on the individual and consolidated financial statements as well as on their respective disclosures are consistent in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2021, prepared under the responsibility of the Company's Management and presented as supplemental information for IFRS purposes, have been subject to auditing procedures which were performed together with the audit of the Company's financial statements. In forming our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in NBC TG 09 – Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, according to the criteria defined in said technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

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

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

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve override of internal control, collusion, forgery, intentional omissions or misrepresentations;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements for the current year and are, therefore, the key audit matters. We describe these matters in our audit report, unless laws or regulations preclude public disclosure of the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 21, 2022

Alcides Afonso Louro Neto
Assurance Partner

Grant Thornton Auditores Independentes

JBS S.A.

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

	Note	Company		Consolidated	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	**2,654,374**	3,351,911	**23,239,150**	19,679,743
Margin cash	5	**168,808**	—	**1,245,354**	—
Trade accounts receivable	6	**4,259,402**	2,871,612	**19,877,408**	14,001,211
Inventories	7	**5,108,044**	2,959,086	**26,542,009**	17,586,744
Biological assets	8	—	—	**7,420,848**	5,115,720
Recoverable taxes	9	**1,139,385**	1,059,635	**3,204,923**	2,849,898
Derivative assets		—	51	**468,292**	228,840
Other current assets		**276,306**	135,042	**1,927,978**	1,075,143
TOTAL CURRENT ASSETS		**13,606,319**	**10,377,337**	**83,925,962**	**60,537,299**
NON-CURRENT ASSETS					
Recoverable taxes	9	**4,982,893**	5,843,965	**7,890,699**	8,546,495
Biological assets	8	—	—	**2,245,019**	1,778,565
Related party receivables	10	**4,032,213**	1,872,127	**417,702**	382,019
Deferred income taxes	11	—	—	**1,730,122**	1,590,194
Derivative assets		**218,409**	41,769	**246,703**	41,769
Other non-current assets		**505,537**	596,942	**1,186,038**	1,094,113
		9,739,052	**8,354,803**	**13,716,283**	**13,433,155**
Investments in subsidiaries, associate and joint venture	12	**60,496,030**	37,658,453	**243,190**	171,096
Property, plant and equipment	13	**12,268,840**	11,576,487	**56,916,306**	47,173,505
Right of use assets	14	**45,583**	68,786	**7,958,911**	5,784,709
Intangible assets	15	**33,439**	49,982	**11,783,916**	7,816,434
Goodwill	16	**9,085,970**	9,085,970	**32,564,548**	28,885,608
TOTAL NON-CURRENT ASSETS		**91,668,914**	**66,794,481**	**123,183,154**	**103,264,507**
TOTAL ASSETS		**105,275,233**	**77,171,818**	**207,109,116**	**163,801,806**

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

JBS S.A.

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

	Note	Company		Consolidated	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payable	17	**5,277,159**	4,037,346	**30,217,201**	22,197,441
Supply chain finance	17	**709,630**	473,525	**2,687,974**	2,101,001
Loans and financing	18	**8,739,280**	1,700,815	**11,914,284**	4,562,101
Income taxes	19	—	—	**988,897**	206,433
Other taxes payable	19	**321,853**	312,888	**744,094**	676,620
Accrued payroll and social charges	20	**997,438**	893,008	**6,963,119**	5,677,401
Lease liabilities	14	**22,412**	22,452	**1,625,889**	1,293,073
Dividends payable	21	**108**	1,092,174	**156**	1,093,230
Other financial liabilities	22	**10,189**	21,193	**37,187**	45,622
Provisions	23	—	—	**1,338,422**	—
Derivative liabilities		**285,837**	21,087	**773,279**	287,536
Other current liabilities		**1,483,956**	543,108	**2,521,736**	2,694,773
TOTAL CURRENT LIABILITIES		**17,847,862**	**9,117,596**	**59,812,238**	**40,835,231**
NON-CURRENT LIABILITIES					
Loans and financings	18	**7,022,860**	3,659,318	**80,603,870**	61,344,604
Accrued income taxes and other taxes	19	**409,056**	658,923	**569,596**	840,175
Accrued payroll and social charges	20	**1,909,835**	2,852,408	**2,930,082**	4,115,068
Lease liabilities	14	**30,187**	50,014	**6,718,391**	4,811,416
Other financial liabilities	22	—	4,950	**54,047**	78,668
Deferred income taxes	11	**3,141,465**	3,105,833	**6,573,946**	6,186,715
Provisions	23	**482,593**	522,480	**1,329,419**	1,413,438
Related party payables	10	**30,273,357**	17,074,822	—	—
Derivative liabilities		—	—	—	9,207
Other non-current liabilities		**38,726**	6,152	**720,807**	623,095
TOTAL NON-CURRENT LIABILITIES		**43,308,079**	**27,934,900**	**99,500,158**	**79,422,386**
EQUITY	24				
Share capital - common shares		**23,576,206**	23,576,206	**23,576,206**	23,576,206
Capital reserve		**(385,856)**	(434,913)	**(385,856)**	(434,913)
Other reserves		**43,957**	49,430	**43,957**	49,430
Profit reserves		**10,447,755**	6,862,731	**10,447,755**	6,862,731
Accumulated other comprehensive income		**10,437,230**	10,065,868	**10,437,230**	10,065,868
Attributable to company shareholders		**44,119,292**	**40,119,322**	**44,119,292**	**40,119,322**
Attributable to non-controlling interest		—	—	**3,677,428**	3,424,867
TOTAL EQUITY		**44,119,292**	**40,119,322**	**47,796,720**	**43,544,189**
TOTAL LIABILITIES AND EQUITY		**105,275,233**	**77,171,818**	**207,109,116**	**163,801,806**

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

JBS S.A.

Statements of income for the years ended at December 31, 2021 and 2020
In thousands of Brazilian Reais - R$

		Company		Consolidated	
	Note	2021	2020	2021	2020
NET REVENUE	25	**51,444,960**	**40,284,473**	**350,695,561**	**270,204,212**
Cost of sales	29	**(44,540,466)**	(33,304,762)	**(284,510,576)**	(224,985,889)
GROSS PROFIT		**6,904,494**	**6,979,711**	**66,184,985**	**45,218,323**
General and administrative expense	29	**(2,700,180)**	(2,939,627)	**(15,205,901)**	(10,792,292)
Selling expense	29	**(2,739,739)**	(2,233,349)	**(19,167,311)**	(14,481,462)
Other expense		**(12,807)**	(15,751)	**(177,160)**	(333,580)
Other income		**52,892**	176,544	**542,979**	838,627
OPERATING EXPENSES		**(5,399,834)**	**(5,012,183)**	**(34,007,393)**	**(24,768,707)**
OPERATING PROFIT		**1,504,660**	**1,967,528**	**32,177,592**	**20,449,616**
Finance income	26	**1,526,393**	2,731,025	**2,304,091**	3,557,443
Finance expense	26	**(3,148,669)**	(7,280,561)	**(7,382,742)**	(15,796,346)
		(1,622,276)	**(4,549,536)**	**(5,078,651)**	**(12,238,903)**
Share of profit of equity-accounted investees, net of tax	12	**21,149,346**	7,252,953	**92,511**	53,479
PROFIT BEFORE TAXES	11	**21,031,730**	**4,670,945**	**27,191,452**	**8,264,192**
Current income taxes	11	**(509,537)**	617,050	**(7,573,118)**	(2,387,038)
Deferred income taxes	11	**(35,632)**	(689,684)	**911,319**	(1,222,205)
		(545,169)	**(72,634)**	**(6,661,799)**	**(3,609,243)**
NET INCOME		**20,486,561**	**4,598,311**	**20,529,653**	**4,654,949**
ATTRIBUTABLE TO:					
Company shareholders				**20,486,561**	4,598,311
Non-controlling interest				**43,092**	56,638
				20,529,653	**4,654,949**
Basic and diluted earnings per share - common shares (R$)	27	**8.26**	1.73	**8.26**	1.73

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

JBS S.A.

Statements of comprehensive income for the years ended at December 31, 2021 and 2020
In thousands of Brazilian Reais - R$

		Company		Consolidated	
	Reference	2021	2020	2021	2020
Net income	**IS**	**20,486,561**	4,598,311	**20,529,653**	4,654,949
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss:					
Foreign currency translation adjustments	**SCSE**	**1,295,522**	8,922,011	**1,485,994**	9,832,630
Net exchange differences from translation of foreign operations taken to equity	**SCSE**	**(1,288,075)**	(445,003)	**(1,288,075)**	(445,003)
Gain (loss) on cash flow hedge	**SCSE**	**140,520**	—	**140,520**	—
Valuation adjustments to equity in subsidiaries	**SCSE**	**223,395**	(36,457)	**260,454**	(63,981)
Total other comprehensive income		**371,362**	**8,440,551**	**598,893**	**9,323,646**
Comprehensive income		**20,857,923**	**13,038,862**	**21,128,546**	**13,978,595**
Total comprehensive income attributable to:					
Company shareholders	**SCSE**	**20,857,923**	13,038,862	**20,857,923**	13,038,862
Non-controlling interest	**SCSE**	—	—	**270,623**	939,733
		20,857,923	**13,038,862**	**21,128,546**	**13,978,595**

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

JBS S.A.
Statements of changes in equity for the years ended at December 31, 2021 and 2020
In thousands of Brazilian Reais - R$

			Capital reserves				Profit reserves				Other comprehensive income					
	Note	Share capital	Premium on issue of shares	Capital transaction (1)	Stock options	Other reserves	Treasury shares	Legal	Investments statutory	Additional dividends	VAE	ATA	Retained earnings	Total	Non-controlling interest	Total equity
DECEMBER 31, 2019		23,576,206	211,879	(490,533)	44,947	54,374	(605,722)	774,049	4,446,449	–	7,188	1,618,129	–	29,636,966	2,845,083	32,482,049
Net income		–	–	–	–	–	–	–	–	–	–	–	4,598,311	**4,598,311**	56,638	**4,654,949**
Net exchange differences from translation of foreign operations taken to equity (4)		–	–	–	–	–	–	–	–	–	–	(445,003)	–	**(445,003)**	–	**(445,003)**
Foreign currency translation adjustments (2)	12	–	–	–	–	–	–	–	–	–	–	8,922,011	–	**8,922,011**	910,619	**9,832,630**
Valuation adjustments to equity in subsidiaries (3)		–	–	–	–	–	–	–	–	–	(36,457)	–	–	**(36,457)**	(27,524)	**(63,981)**
Total comprehensive income (expense)		–	–	–	–	–	–	–	–	–	**(36,457)**	**8,477,008**	**4,598,311**	**13,038,862**	**939,733**	**13,978,595**
Purchase of treasury shares	24 d1	–	–	–	–	–	(1,272,751)	–	40	–	–	–	–	**(1,272,711)**	–	**(1,272,711)**
Cancellation of treasury shares	24 d1	–	–	–	–	–	1,565,036	–	(1,565,036)	–	–	–	–	**–**	–	**–**
Share-based compensation	24 b2	–	–	(1,820)	(3,181)	–	–	–	–	–	–	–	–	**(5,001)**	(249)	**(5,250)**
Treasury shares used in stock option plan	24 d1	–	–	–	(9,504)	–	9,872	–	(368)	–	–	–	–	**–**	–	**–**
Realization of other reserves	24 c	–	–	–	–	(4,944)	–	–	–	–	–	–	4,944	**–**	–	**–**
Legal reserve	24 d2	–	–	–	–	–	–	229,916	–	–	–	–	(229,916)	**–**	–	**–**
Investments statutory reserve	24 d3	–	–	–	–	–	–	–	1,862,209	–	–	–	(1,862,209)	**–**	–	**–**
Declared dividends	21	–	–	–	–	–	–	–	–	–	–	–	(1,092,099)	**(1,092,099)**	–	**(1,092,099)**
Additional dividends distributed	21	–	–	–	–	–	–	–	–	1,419,037	–	–	(1,419,037)	**–**	–	**–**
Dividends reversal	21	–	–	–	–	–	–	–	–	–	–	–	6	**6**	–	**6**
PPC share repurchase		–	–	(185,426)	–	–	–	–	–	–	–	–	–	**(185,426)**	(361,464)	**(546,890)**
PPC dissolution of non-controlling interest		–	–	–	–	–	–	–	–	–	–	–	–	**–**	4,727	**4,727**
Scott' dividend to non-controlling interest		–	–	–	–	–	–	–	–	–	–	–	–	**–**	(3,491)	**(3,491)**
Increase in JBS Embalagens Metálicas' participation	12	–	–	(1,275)	–	–	–	–	–	–	–	–	–	**(1,275)**	–	**(1,275)**
Others		–	–	–	–	–	–	–	–	–	–	–	–	**–**	528	**528**
DECEMBER 31, 2020		**23,576,206**	**211,879**	**(679,054)**	**32,262**	**49,430**	**(303,565)**	**1,003,965**	**4,743,294**	**1,419,037**	**(29,269)**	**10,095,137**	–	**40,119,322**	**3,424,867**	**43,544,189**
Net income		–	–	–	–	–	–	–	–	–	–	–	20,486,561	**20,486,561**	43,092	**20,529,653**
Foreign currency translation adjustments (2)	12	–	–	–	–	–	–	–	–	–	–	1,295,522	–	**1,295,522**	190,472	**1,485,994**
Net exchange differences from translation of foreign operations taken to equity (4)		–	–	–	–	–	–	–	–	–	–	(1,288,075)	–	**(1,288,075)**	–	**(1,288,075)**
Gain (loss) on cash flow hedge (5)	31 c3.1	–	–	–	–	–	–	–	–	–	140,520	–	–	**140,520**	–	**140,520**
Valuation adjustments to equity in subsidiaries (3)		–	–	–	–	–	–	–	–	–	223,395	–	–	**223,395**	37,059	**260,454**
Total comprehensive income		–	–	–	–	–	–	–	–	–	**363,915**	**7,447**	**20,486,561**	**20,857,923**	**270,623**	**21,128,546**
Purchase of treasury shares	24 d1	–	–	–	–	–	(10,604,975)	–	–	–	–	–	–	**(10,604,975)**	–	**(10,604,975)**
Sale of treasury shares	24 d1	–	–	–	–	–	3,980	–	(3,980)	–	–	–	–	**–**	–	**–**
Cancellation of treasury shares	24 d1	–	–	–	–	–	7,862,199	–	(7,862,199)	–	–	–	–	**–**	–	**–**
Share-based compensation	24 b2	–	–	50,855	–	–	–	–	–	–	–	–	–	**50,855**	12,571	**63,426**
Treasury shares used in stock option plan	24 d1	–	–	–	(1,798)	–	4,523	–	(2,725)	–	–	–	–	**–**	–	**–**
Realization of other reserves	24 c	–	–	–	–	(5,473)	–	–	–	–	–	–	5,473	**–**	–	**–**
Legal Reserve	24 d2	–	–	–	–	–	–	1,024,328	–	–	–	–	(1,024,328)	**–**	–	**–**
Investments statutory	24 d3	–	–	–	–	–	–	–	14,582,910	–	–	–	(14,582,910)	**–**	–	**–**
Additional dividends distributed	21	–	–	–	–	–	–	–	–	(1,419,037)	–	–	–	**(1,419,037)**	–	**(1,419,037)**
Dividends distributed	21	–	–	–	–	–	–	–	–	–	–	–	(4,884,805)	**(4,884,805)**	(29,431)	**(4,914,236)**
Dividends reversal	21	–	–	–	–	–	–	–	–	–	–	–	9	**9**	–	**9**
Others		–	–	–	–	–	–	–	–	–	–	–	–	**–**	(1,202)	**(1,202)**
DECEMBER 31, 2021		**23,576,206**	**211,879**	**(628,199)**	**30,464**	**43,957**	**(3,037,838)**	**2,028,293**	**11,457,300**	–	**334,646**	**10,102,584**	–	**44,119,292**	**3,677,428**	**47,796,720**

(1) Refers to changes in the equity of investees arising from PPC's share repurchase and share-based compensation.
(2) Accumulated translation adjustments and exchange variation in subsidiaries
(3) Valuation adjustments to equity arising from derivative financial instruments and defined benefit plans in the indirect subsidiary JBS USA.
(4) Refers to the capitalization of exchange variation of intercompany balances between JBS S.A. and JBS Investments II, which will be converted into capital in JBS Investments II. Thus, since the balances are an extension of that entity's investment, they are considered as equity instruments.
(5) Refers to the hedge accounting in the indirect subsidiary Seara Alimentos.

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

JBS S.A.
Statements of cash flows for the years ended at December 31, 2021 and 2020
In thousands of Brazilian Reais - R$

		Company		Consolidated	
	Notes	2021	2020	2021	2020
Cash flows from operating activities					
Net income		20,486,561	4,598,311	20,529,653	4,654,949
Adjustments for:					
Depreciation and amortization	8, 13, 14 and 15	718,460	671,362	9,027,770	7,837,405
Allowance for doubtful accounts	6	35,539	18,860	65,460	33,173
Share of profit of equity-accounted investees	12	(21,149,346)	(7,252,953)	(92,511)	(53,479)
(Gain) loss on assets sales		17	13,224	(26,750)	(41,606)
Tax expense	11	545,169	72,634	6,661,799	3,609,243
Finance expense (income), net	26	1,622,276	4,549,536	5,078,651	12,238,903
Share-based compensation	24	–	(3,181)	63,426	(5,250)
Provisions	23	119,823	203,222	250,183	340,453
Impairment		–	–	–	19,870
Net realizable value inventory adjustments	7	(4)	(1,420)	58,855	25,434
DOJ and Antitrust agreements		–	151,546	4,254,697	1,283,142
Taxes payments in installments		–	–	–	15,538
Fair value (market to market) of biological assets	8	–	–	174,616	158,003
Extemporaneous tax credits impacts		(34,421)	(167,359)	(101,073)	(421,014)
		2,344,074	2,853,782	45,944,776	29,694,764
Changes in assets and liabilities:					
Trade accounts receivable		(908,945)	518,142	(4,272,233)	778,491
Inventories		(2,148,954)	(480,859)	(7,885,888)	(764,905)
Recoverable taxes		352,102	(34,613)	(24,783)	(143,645)
Other current and non-current assets		(121,174)	(189,639)	(1,171,626)	(30,542)
Biological assets		–	–	(3,899,421)	(2,767,811)
Trade accounts payable and supply chain finance		1,316,755	841,058	6,550,102	3,342,405
Taxes payments in installments		(345,775)	(541,680)	(345,775)	(545,946)
Other current and non-current liabilities		(59,182)	(253,548)	537,874	767,511
DOJ and Antitrust agreements payment		–	–	(4,149,067)	–
Income taxes paid		–	–	(6,086,477)	(3,328,749)
Changes in operating assets and liabilities		(1,915,173)	(141,139)	(20,747,294)	(2,693,191)
Cash provided by operating activities		428,901	2,712,643	25,197,482	27,001,573
Interest paid		(565,035)	(444,674)	(3,944,154)	(3,504,686)
Interest received		53,437	59,903	226,981	284,923
Net cash of interest provided by (used in) operating activities		(82,697)	2,327,872	21,480,309	23,781,810
Cash flow from investing activities					
Purchases of property, plant and equipment	13	(1,395,181)	(786,422)	(9,623,572)	(5,986,801)
Purchases of intangible assets	15	(5,402)	(12,650)	(53,155)	(48,034)
Proceeds from sale of property, plant and equipment	13	77,522	70,558	234,665	364,316
Additional investments in joint-ventures and subsidiaries	12	(1,169)	(34,064)	(6,165)	–
Acquisitions, net of cash acquired	4	–	–	(9,337,447)	(2,185,482)
Dividends received	12	31,000	30,000	31,000	30,000
Related party transactions		8,655,540	224,991	–	(8,064)
Other		898	886	(103,691)	931
Cash provided by (used in) investing activities		7,363,208	(506,701)	(18,858,365)	(7,833,134)
Cash flow from financing activities					
Proceeds from loans and financings		14,788,078	4,944,803	53,781,509	11,030,414
Payments of loans and financings		(5,157,165)	(3,075,379)	(34,108,712)	(15,051,175)
Derivatives instruments received/settled		418,609	(72,538)	182,461	(161,806)
Margin cash		(168,808)	–	(730,185)	–
Dividends paid		(7,395,932)	(1,441,177)	(7,395,932)	(1,441,177)
Dividends paid to non-controlling interest		–	–	(29,431)	(3,491)
PPC share repurchase		–	–	–	(546,890)
Purchase of treasury shares	24 d1	(10,604,975)	(1,272,711)	(10,604,975)	(1,272,711)
Payments of leases	14	(30,208)	(27,286)	(1,940,995)	(1,574,941)
Others		–	–	1,756	(347)
Cash used in financing activities		(8,150,401)	(944,288)	(844,504)	(9,022,124)
Effect of exchange rate changes on cash and cash equivalents		172,353	591,893	1,781,967	2,719,224
Net change in cash and cash equivalents		(697,537)	1,468,776	3,559,407	9,645,776
Cash and cash equivalents beginning of period		3,351,911	1,883,135	19,679,743	10,033,967
Cash and cash equivalents at the end of period		2,654,374	3,351,911	23,239,150	19,679,743

Non-cash transactions:

	Notes	Company 2021	Company 2020	Consolidated 2021	Consolidated 2020
New lease contracts	14.2	**8,228**	54,929	**3,437,056**	1,810,490
Treasury shares used in stock option plan	24 b2	**1,798**	9,504	**1,798**	9,504
Dividends reversal	21	**9**	6	**9**	6
Reclassification of negative investments	12	**—**	(404,068)	**—**	—
Reclassification of customer relationships to the intangible		**—**	—	**(8,720)**	—
Capitalised interests	13	**(43,876)**	(40,660)	**(199,812)**	(130,043)
Hedge accounting - MTM derivatives recognized under OCI		**—**	—	**432,258**	—
Hedge accounting - Transference from OCI to inventories		**—**	—	**(219,349)**	—
Hedge accounting - Deferred tax		**—**	—	**(72,389)**	—
Cancellation of treasury shares	24 d1	**(7,862,199)**	(1,565,036)	**(7,862,199)**	(1,565,036)
Increase/decrease in share capital subsidiaries through assumption of debt		**—**	6,843,469	**—**	—
Increase/decrease in share capital in subsidiaries through PP&E		**—**	503,157	**—**	—
Mercado da Carne's PP&E transference to Seara		**—**	195,842	**—**	—
Mercado da Carne's inventory transference to Seara		**—**	98,347	**—**	—
Mercado da Carne's intangible assets transference to Seara		**—**	16,276	**—**	—
Mercado da Carne's recoverable taxes transference to Seara		**—**	2,038	**—**	—
Declared dividends not paid		**—**	(1,092,099)	**—**	(1,092,099)

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

JBS S.A.

Economic value added the years ended at December 31, 2021 and 2020
In thousands of Brazilian Reais - R$

	Company		Consolidated	
	2021	2020	2021	2020
Revenue				
Sales of goods and services	**52,594,027**	41,132,755	**354,440,345**	272,830,267
Other income (expense)	**3,765**	(7,729)	**131,583**	83,746
Allowance for doubtful accounts	**(35,539)**	(18,860)	**(65,460)**	(33,173)
	52,562,253	**41,106,166**	**354,506,468**	**272,880,840**
Goods				
Cost of services and goods sold	**(42,024,003)**	(30,747,646)	**(205,060,832)**	(159,456,161)
Materials, energy, services from third parties and others	**(5,069,878)**	(4,432,569)	**(64,107,534)**	(47,109,521)
	(47,093,881)	**(35,180,215)**	**(269,168,366)**	**(206,565,682)**
Gross added value	**5,468,372**	**5,925,951**	**85,338,102**	**66,315,158**
Depreciation and Amortization	**(718,460)**	(671,362)	**(9,027,770)**	(7,837,405)
Net added value generated	**4,749,912**	**5,254,589**	**76,310,332**	**58,477,753**
Net added value by transfer				
Share of profit of equity-accounted investees, net of tax	**21,149,346**	7,252,953	**92,511**	53,479
Financial income	**1,526,393**	2,731,025	**2,304,091**	3,557,443
Others	**(2,924)**	(8,770)	**95,207**	61,321
	22,672,815	**9,975,208**	**2,491,809**	**3,672,243**
NET ADDED VALUE TOTAL TO DISTRIBUTION	**27,422,727**	**15,229,797**	**78,802,141**	**62,149,996**
DISTRIBUTION OF ADDED VALUE				
Labor				
Salaries	**2,315,344**	2,232,242	**32,964,924**	29,110,185
Benefits	**357,390**	327,238	**6,558,404**	5,434,820
FGTS (Brazilian Labor Social Charge)	**152,544**	142,285	**391,300**	338,997
	2,825,278	**2,701,765**	**39,914,628**	**34,884,002**
Taxes and contribution				
Federal	**24,027**	(139,443)	**6,950,401**	3,886,021
State	**884,898**	744,458	**2,499,163**	1,811,687
Municipal	**19,621**	18,659	**21,429**	20,404
	928,546	**623,674**	**9,470,993**	**5,718,112**
Capital Remuneration from third parties				
Interests and exchange variation	**3,071,278**	7,106,828	**6,635,167**	15,383,830
Rents	**51,661**	57,001	**600,580**	514,168
Others	**59,403**	142,218	**1,651,120**	994,935
	3,182,342	**7,306,047**	**8,886,867**	**16,892,933**
Owned capital remuneration				
Dividends	**4,884,805**	2,511,136	**4,884,805**	2,511,136
Net income attributable to company shareholders	**15,601,756**	2,087,175	**15,601,756**	2,087,175
Non-controlling interest	–	–	**43,092**	56,638
	20,486,561	**4,598,311**	**20,529,653**	**4,654,949**
ADDED VALUE TOTAL DISTRIBUTED	**27,422,727**	**15,229,797**	**78,802,141**	**62,149,996**

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

(Expressed in thousands of Brazilian reais)

1 Operating activities

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

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

The issuance of these individual and consolidated financial statements was authorized by the Board of Directors on March 21, 2022.

The financial statements presented herein include the Company's individual operations in Brazil as well as the activities of its subsidiaries. Below is a summary of the Company's main operating activities by entity and geographic location, as well as ownership percentage as of December 31, 2021:

At the Company:

Description	Activities	Units	State
JBS S.A. (JBS, Company)	- Beef processing: slaughtering, refrigerating, industrializing and production of canned beef by-products. - Leather production, processing and commercialization. - Production and commercialization of steel cans, plastic resin, soap base for production, soap bar, biodiesel, glycerin, olein, oily acid, collagen and wrapper derived from cattle tripe; industrial waste management; purchase and sale of soy beans, tallow, palm oil, caustic soda, stearin; transportation services; dog biscuits; eletric power production, cogeneration and commercialization.	64	AC, BA, CE, GO, MG, MS, MT, PA, PE, PR, RJ, RO, RS, SC, SP, TO
	- Distribution centers and harbors.	14	

Consolidated: Main activities in Brazil

Description	Activities	Units	State	Participation	December 31, 2021	December 31, 2020
Seara Alimentos Ltda. (Seara Alimentos)	- Chicken and pork processing: raising, slaughtering and processing of broiler chickens and hogs; production and commercialization of beef and food products; and production of pet food and concentrates.	47	AM, BA, CE, DF, ES, GO, MG, MS, MT, PE, PR, RJ, RS, SC and SP	Indirect	100%	100%
	- Distribution centers, transportation services and harbors.	24				
	'- Direct sales to customers of beef and by-products in stores named "Mercado da Carne".	195	SP, DF, GO and RJ			
Meat Snacks Partners do Brasil Ltda (Meat Snacks)	- Beef Jerky production.	2	SP	Indirect	50%	50%
JBS Confinamento Ltda. (JBS Confinamento)	- Cattle fattening services.	11	SP, GO, MS, MT and MG	Direct	100%	100%
Brazservice Wet Leather S.A (Brazservice)	- Wet blue leather production, processing and commercialization.	1	MT	Direct	100%	100%

Consolidated: Main activities outside of Brazil

Description	Activities	Units	Country	Participation	December 31, 2021	December 31, 2020
JBS USA Holding Lux, S.à.r.l. (JBS USA)	- Beef processing: slaughtering, refrigerating, industrializing and, production of by-products; - Cattle fattening services; - Transportation services.	67	Australia, Canada, Luxembourg, Mexico, New Zealand, Netherlands, United Kingdom and United States of America.	Indirect	100%	100%
	- Pork processing: raising, slaughtering, industrializing and commercialization of by-products derived from processing operations.	36				
	- Chicken processing: raising, slaughtering and processing of broiler chickens, production and commercialization of by-products derived and prepared meal from processing operations.	160				
	- Fishing processing: raising, slaughtering, industrializing and commercialization of by-products derived from processing operations.	3				
	- Plant based processing: industrializing and commercialization of by-products derived from processing operations.	4				
JBS Global (UK) Ltd. (JBS Global UK)	- Trading fresh and processed beef, pork, lamb, chicken and fish products for the European market.	1	United Kingdom	Indirect	100%	100%
JBS Toledo NV (Toledo)	-Trading operations for the European market; cooked frozen meat commercialization; logistic operations; warehousing.	1	Belgium	Direct	100%	100%
Rigamonti Salumificio SpA (Rigamonti)	-Production and commercialization of bresaola and pork products: ham, cooked ham, mortadella, among others.	4	Italy	Indirect	100%	100%
Conceria Priante (Priante)	- Semi-finished and finished leather production.	1	Italy	Direct	100%	100%

(Expressed in thousands of Brazilian reais)

JBS Leather International (Leather International)	- Wet blue, semi-finished and finished leather production.	11	Argentina, Germany, China, Uruguay and Vietnam.	Direct	100%	100%
Seara Holding Europe B.V. (Seara Holding)	- Animal protein products trading.	11	China, Netherlands, Saudi Arabia, South Africa, United Arab Emirates, United Kingdom, Japan and Singapore	Indirect	100%	100%

a. Analysis of the impacts from Covid-19 pandemic and social programs:

The Covid-19 pandemic remains active, although many restrictions which were once imposed by the authorities wordwide are now more flexible. The initiatives to combat the proliferation of the new Coronavirus remain strict given the various investments made by the Company in order to protect its employees, including greater hygiene and disinfection of offices and operating plants, health and temperature verification, training, social distancing, speed reduction in the production lines, air purification in the ventilation systems, among others. The Company reiterates that it will maintain its efforts to continuously meet the demand for food in the world. At this moment, there were no significant impacts in the Company's operation.

Since the year of 2020 the Company continues with the program "Fazer o Bem Faz Bem", which benefited 300 municipalities in 26 Brazilian states and the Federal District, impacting around 77 million people. The program carried out the construction of 2 permanent hospitals, with 131 beds, and 15 expansion works for hospitals, medical and health centers, besides the donation of 88 ambulances, 561 respirators, 1,612 multiparameter monitors, 2,022 ICU beds, 400 oxygen cylinders, 575 thousand basic-needs grocery packages, 1,4 million liters of hygiene and cleaning products and 19,5 million PPE. In addition, through the program, 40 pulmonary physiotherapists were hired, 39 scientific and technological researches were supported and more than 2 million people were assisted by 80 benefited NGOs and R$5,000 were donated to the Butantan Institute to contribute in the construction of a new vaccine factory. In Brazil, up to this date, the donations reach a total amount of R$356,858 (R$40,753 at the year ended at December 31, 2021 and R$316,105 at the year ended at December 31, 2020). Abroad, through Hometown Strong program, JBS USA, with Pilgrim's Pride Corporation ("PPC"), already invested more than, approximately, US$760 million (R$4,241 billion at December 31, 2021) and US$200 millions (R$1,039 billions at December 31, 2020) in initiatives to support its employees and communities where is present in the United States, in line with its continued efforts in sustainability and social responsibility.

In Brazil, JBS and its subsidiaries entered in a FGTS (Brazilian Labor Social Charge) tax installment program presented in the Provisional Measure 1,046/21. Thus, the amount of R$113,000 arising from April up to July of 2021, was not paid at its original maturity and was paid from September to December, 2021.

In the United States, during the first quarter of 2020, the U.S. government enacted the CARES Act which provided a payment delay of employer payroll taxes during 2020 after the date of enactment. On December, 30 2021 the Company paid the first installment of US$66,7 million (R$372,219 at December 31, 2021) of payroll taxes that were deferred in 2020. The remaining balance of US$66,7 million will be paid by December 31, 2022.

As presented in footnote 31 - Risk management and financial instruments, in this period, the volatility in exchange rates and commodity prices increased, partly due to the uncertainties arising from Covid-19, as well as due to the measures taken by governments and central banks. The Company's Management expects the volatility of exchange rates and commodity prices to continue into 2022, however, it is unable to estimate the duration, extent or impacts of such volatility. The Company can use financial instruments to mitigate such exposures aforementioned.

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

b. Together for the Amazon and the JBS Fund For The Amazon:

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

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

The remaining pillars will be achieved by the creation of the JBS Fund For The Amazon, a philanthropic fund that will finance important projects and actions to stimulate sustainable development in the Amazon Biome. The Fund will support important sustainability projects in three principal areas: forest conservation and restoration; socioeconomic development of communities, and scientific research and technology development, aiming to reach R$1 billion by 2030 of donations. The Company will contribute R$250.000 over the first 5 years, and as much R$500.000 million by 2030. During the years ended at December 31, 2021, the Company and its indirect subsidiary Seara Alimentos donated R$50,000 to the JBS Fund For The Amazon.

c. Relevant events in the period:

Cancellation of shares held in treasury and a new share buyback program (Footnote 24 items a and d) – During the year ended at December 31, 2021, the Company canceled the total amount of 249.507.076 commom shares held in treasury, approved by the Board of Directors. As result of the cancellation, the capital stock at December 31, 2021 is divided into 2.373.866.570 commom shares in the amount of R$23.576.206. In addition, a new Share Buyback Program was approved which the Company may acquire up tp 10% of the outstanding shares, in compliance with the CVM Instruction 567. The expiration date in connection with the share buyback program is in 18 months from November 10, 2021.

Upgraded to investment grade (Footnote 18.1) – The rating agency Moody's Investors Service ("Moody's") upgraded the Company´s credit rating from Ba1 to Baa3, with a stable outlook. The rating agency Fitch Ratings ("Fitch") also upgraded the Company credit rating to investment grade. Thus, with the same classification by the two agencies, The Company is now classified as Full Investment Grade.

New global presidents of operations – There was a change in the Company´s global structure to reflects it´s growth, expansion into new business and geographies. As of January, 2022. the Global Presidency of Operations was reinstated and jointly by two executives: André Nogueira, who leads the operations in the North of America and Wesley Batista Filho, who leads the operations in Latin America and Oceania, and the global plant-based business. In addition, Tim Schellpeper, assumed as CEO of JBS USA, Gilberto Xandó is the CEO of JBS Brazil and João Campos assumed the Seara´s presidency.

Global sustainability ranking – The Company has been recognized for the evolution in the sustainability criteria for the 4th edition of the Coller Fairr Protein Producer and recorded an overall score of 57%. The ranking assesses 60 publicly traded global companies linked to the production of food products, derived from meat, fish and dairy. With this score, the Company obtained an improvement of 10.1% when compared to the 2020 index and reached the 11th place in the global ranking and is placed among the best Brazilian publicly traded companies.

Subsequent Events:

a. At January 14, 2022, the member of the Company's Board of Directors Gilberto Xandó, resigned his position and assumed the JBS Brazil presidency. In the same meeting, the remaining members of the Board of Directors elected Mr. Carlos Hamilton Vasconcelos Araújo as independent member of Board of Directors to serve his term of office until the next Shareholders' Meeting of the Company, in substitution of Mr. Gilberto Xandó.

b. In reference to the conflict in Eastern Europe between Russia and Ukraine, the Company continues to monitor the evolution and development and its potential impacts on its operations. The Company does not have a manufacturing operation in these countries, and its monitoring the economic effects in the sector and on its operations as a result of this conflict, until the date of presentation of these financial statements, no significant impacts have been measured.

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

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

In the Agreement, J&F, on behalf of itself and its subsidiaries, committed to reimburse R$10.3 billion over the next 25 years and to cooperate voluntarily with the Government. Carrying out internal investigations and providing proof to ensure the materiality and origin of the actions committed and confessed was one of the Agreement's conditions. J&F hired legal advisors, on behalf of itself and its subsidiaries, to conduct independent internal investigations which began in the third quarter of 2017. On September 30, 2020, three years after the initiation of the investigation, review of several documents, meeting the requests of the forensic specialists and the documents and evidence delivered to the MPF, the Company understands that all the events reported were measured, recognized and disclosed since the financial statements of December 31, 2017. On June 7, 2021, the Company was notified by its shareholder J&F regarding the conclusion of the independent internal investigations conclusion, which was a requirement in the Leniency Agreement. The report and the independent internal investigation conclusions were presented to the MPF and no new facts or ilicit actions were pointed out from those already presented in the Leniency Agreement annexes.

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

3 Basis of preparation and presentation of financial statements

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

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

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

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

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

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

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

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

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

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

CGUs are tested for impairment annually or whenever events and circumstances indicate that the recoverable amount of the CGU is less than its carrying amount. The recoverable amount is the higher of fair value less cost to sell or value in-use. The Company first estimates the value in-use of the CGUs and if it is lower than the carrying amount, the Company will estimate the fair value less cost to sell. During the years ended at December 31, 2021 and 2020, our estimates of the CGU groups' value in-use exceeded their carrying amounts and therefore estimates of fair value less cost to sell were not determined. Our estimates of value in-use contain uncertainties due to judgment in assumptions, including revenue growth, costs and expenses, capital expenditures, working capital and discount rates as described in Note 16. The assumptions are based on Management's estimatives as well as comparable data from the available market and economic conditions which generate the cash flows.

b. Biological Assets

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

c. Deferred and Current Income Taxes

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

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

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

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

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

The Company applies the requirements in the ICPC 22/IFRIC 23 - Uncertainty over Income Tax Treatments, related to the income taxes calculation that conflict in some way with the positions of higher courts. The impacts of this adoption are described in the Footnote 11 - Income taxes.

d. Provisions

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

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

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

e. Financial Instruments

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

e1. Classification

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

i. Financial assets at fair value through profit or loss

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

ii. Amortized cost

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

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

e2. Hedge accounting

The indirect subsidiary Seara Alimentos applies the cash flow hedge for the firm grains purchase commitments. The effective amount of the instrument's gain or loss is recognized under the caption "Other comprehensive income".

f. Foreign currency translation

f1. Functional and representation currency

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

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

f2. Group companies with a different functional currency

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

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

g. Individual financial statements

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

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

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

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

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

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

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

i. Present value adjustment in assets and liabilities

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

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

j1. IAS 39/CPC 38, IFRS 7/CPC 40 (R2) and IFRS 9/CPC 48 - Reference interest rate reform - Phase 2

As of January 1, 2021, entered into force, the change due to the reform of the reference interest rate, related to the forecast to discontinue the use of the London Interbank Offered Rate (LIBOR) as a reference interest rate after 2021. The Company is following the discussions and direction of global authorities, industries and the market in general in order to negotiate with banks the rate transition with the least possible impacts in the 2022 financial year.

j2. IAS 37/CPC 25 - Provisions, Contingent Liabilities and Contingent Assets

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

(Expressed in thousands of Brazilian reais)

j3. IAS 8/CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors

As of January 1, 2023, the changes clarify about the distinction between changes in accounting estimates and changes accounting policies and errors correction, to correctly apply the standards. The Company is following the discussions and has so far not identified any significant impacts as a result of this change.

j4. IAS 12/CPC 32 - Income Taxes

As of January 1, 2023, the changes are aimed at limit the scope of the exemption from recognition of deferred tax assets and deferred tax liabilities, so that it no longer applies to transactions that, among other things, on initial recognition, give rise to equal taxable and deductible temporary differences. So, a deferred tax asset and a deferred tax liabilities should be recognized for temporary differences generated at time of the initial recognition of a lease or a liability provision for dismantling and removal of leased equipments. The Company is following the discussions and has so far not identified any significant impacts as a result of this change.

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

4 Business Combination

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

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

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

Acquired company	Acquiror	(%) of voting interests acquired	Background and rationale for aquisition	Goodwill deductible for tax	Date of acquisition	Acquisition price	Goodwill
Sunnyvalley Smoked Meats, Inc. ("Sunnyvalley")	Plumrose USA, Inc.	100%	Operates in the United States and produces a variety of quality smoked bacon, ham and turkey products for sale to retail and wholesale customers. Expand the Company´s presence in the value-added and branded product categories.	No	12.01.21	527,732	101,722
Huon Aquaculture Group Ltd. ("Huon")	JBS Aquaculture Pty Ltd.	100%	Operates in Australia and it´s the second largest salmon aquaculture company with vertically integrated operations situated in Tasmania´s pristine environment spanning across hatcheries, marine farming, harvesting, processing, marketing, sales and distribution. Expand the Company´s presence in Australia and enter into the the salmon business..	No	11.17.21	1,658,353	—
Pilgrim's Food Masters ("PFM")	Pilgrim's Pride Corporation	100%	Operates in the United Kingdom. The transaction strengthens PPC´s position as one of the leading food companies in Europe, creating one of the largest integrated platforms in the world, with a branded portfolio of value-added products.	No	09.24.21	5,097,446	1,862,265
Vivera Topholding B.V ("Vivera")	Planterra Holdings B.V.	100%	Operates in the Netherlands and expand the Company´s presence in the value-added and branded product categories and strengthen global plant-based food platform.	No	06.17.21	2,059,327	708,155

(Expressed in thousands of Brazilian reais)

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

	Acquisitions					
	2021				2020	
FAIR VALUE	Sunnyvalley	Huon (1)	PFM (2)	Vivera (3)	Margarine assets (4)	Empire
Cash and cash equivalents	8,042	69,080	604	56,496	–	65,849
Trade accounts receivable	57,779	130,286	39,468	53,566	–	72,821
Inventories	35,629	101,138	322,396	59,356	175,761	28,300
Biological assets	–	1,033,574	–	–	–	–
Deferred income taxes assets	–	397,638	–	–	–	–
Property, plant and equipment	175,136	1,044,830	1,320,406	144,352	551,634	502,085
Right of use assets	–	696,647	78,261	26,632	–	2,220
Intangible assets	269,319	71,472	2,218,144	1,426,898	135,293	476,130
Other assets	1,561	60,266	11,017	26,954	–	1,784
ASSETS	**547,466**	**3,604,931**	**3,990,296**	**1,794,254**	**862,688**	**1,149,189**
Trade accounts payable	36,893	338,164	26,832	89,069	–	71,043
Loans and financing	–	667,135	–	–	–	–
Accrued income taxes, other taxes, payroll and social charges	–	–	–	–	33,617	–
Lease liabilities	–	622,623	101,494	26,637	–	2,220
Current and deferred income taxes	78,936	232,699	612,836	295,346	–	44,957
Other liabilities	5,627	85,957	13,953	32,030	–	6,695
LIABILITIES	**121,456**	**1,946,578**	**755,115**	**443,082**	**33,617**	**124,915**
Net assets and liabilities	**426,010**	**1,658,353**	**3,235,181**	**1,351,172**	**829,071**	**1,024,274**
Acquisition price	527,732	1,658,353	5,097,446	2,059,327	843,988	1,315,103
Goodwill	**101,722**	**–**	**1,862,265**	**708,155**	**14,917**	**290,829**

(1) The Huon was acquired at fair value, so there was no goodwill generated in the transaction in the allocation of asset and liability balances.
(2) The acquisition price was paid with the funds raised from the Notes 3,50% PPC 2032, issued by PPC, together with other existing borrowings.
(3) The acquisition price was paid with the funds raised from the Notes 3,75% JBS Lux 2031, issued by JBS USA.
(4) On August 31, 2021, the allocation of the acquisition price of the Margarine business was completed. Regarding the comparative period of 2020, the amount of R$361,013 was recognized, as a surplus in property, plant and equipment and intangible assets and a reduction in goodwill.

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

	2021		2020	
Company	Net revenue	Net income (loss)	Net revenue	Net income (loss)
Sunnyvalley	**68,333**	**3,496**	–	–
Huon	**207,477**	**(29,430)**	–	–
PFM	**1,584,007**	**12,549**	–	–
Vivera	**278,988**	**(35,122)**	–	–
Margarine assets	–	–	61,304	(8,765)
Empire	–	–	1,089,207	(112,573)

Consolidated pro-forma information:

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

	2021	2020
Pro-forma net revenue	**356,973,692**	271,442,907
Pro-forma net income (loss)	**20,381,550**	4,787,460

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

The non-material acquisitions for the years ended December 31, 2021 and 2020 are demonstrated below:

Business	Acquirer	Acquisition date	% of voting interests acquired	Acquisition price	Goodwill	Goodwill deductible for tax
Randall Parker	Pilgrim's Pride Corporation	November/2021	100%	72,516	9,831	No
BMF	Seara Alimentos Ltda.	May/2021	48.8%	21,412	8,421	Yes
FAMPAT/Plan Pro	Pilgrim's Pride Corporation	April/2020	100%	15,599	11,513	No

Relevant Event - acquisition in progress: On November 17, 2021, the Company's through its indirect subsidiary JBS Global Luxembourg S.à.r.l, entered into an agreement to purchase 51% of BioTech Foods, SL ("BioTech") shares, for an amount of approximately US$100 million (R$558,050 millions at December 31, 2021), subject to the approval to the local authorities. BioTech Foods is one of the leaders in the development of biotechnology for the production of cultivated protein.The acquisition marks the company's entry into the cultivated protein market, which consists of the production of food from animal cells, and includes a construction of two new plants in Spain and Brazil to scale up production.

(Expressed in thousands of Brazilian reais)

Subsequent events:

a. On January 4, 2022, the Company's through its indirect subsidiary Primo Foods Pty. Ltd., acquired the totality of Rivalea Holdings Pty Ltd e da Oxdale Dairy Enterprise Pty Ltd ("Rivalea"), for an amount of approximately US$125.9 millions (R$702,585 at December 31, 2021), subject to working capital adjustments. As part of the agreement a deposit of US$6.7 millions (R$37,389 at December 31, 2021) was paid on June, 2021, included in other non-current assets. With Rivalea acquisition the Company will becoming the leader in pork processing in Australia.

b. On February 4, 2022, the Company's through its indirect subsidiary Rigamonti, acquired the totality of Grupo King´s for an amount of approximately €84 millions (R$530,964 at December 31, 2021), subject to working capital adjustments., the amount of €65 millions (R$410,865 at December 31, 2021) was paid in cash and the amount of €19 millions (R$120,099 at December 31, 2021) will be paid until 2024. The King's Group is a market leader in the production of Prosciutto di San Daniele D.O.P. (raw ham) and is an important player in the production of Prosciutto di Parma D.O.P.(raw ham) The acquisition of King´s Group puts the company among the leaders in Italian 'salumeria' and it´s strategic to the expansion of JBS in the United States and Europe.

5 Cash and cash equivalents

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Cash on hand and at banks	**2,371,119**	3,066,208	**17,287,352**	15,496,570
CDB (bank certificates of deposit) and National Treasury Bill (Tesouro Selic)	**283,255**	285,703	**5,951,798**	4,183,173
	2,654,374	**3,351,911**	**23,239,150**	**19,679,743**

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Margin cash [1]	–	–	**451,784**	–
Treasury bills [1]	**168,808**	–	**793,570**	–
	168,808	–	**1,245,354**	–

[1] Margin cash refers to the margin that kept as collateral at the bank when hiring exchange traded futures contracts. Treasury bills bound to the consumer price index ("CPI"). The bills guarantee protection against inflation (deflation as well) when carried out up to its maturity. The cash is redeemable when the contracts are settled, therefore they are not considered as cash and cash equivalents.

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

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

6 Trade accounts receivable, net

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020 (*)	December 31, 2021	December 31, 2020 (*)
Current receivables				
Domestic sales	**916,333**	1,007,382	**10,925,146**	8,730,955
Foreign sales	**2,877,587**	1,616,763	**6,138,726**	2,890,773
Subtotal	**3,793,920**	**2,624,145**	**17,063,872**	**11,621,728**
Overdue receivables:				
From 1 to 30 days	**313,547**	239,427	**2,109,894**	2,069,211
From 31 to 60 days	**82,983**	12,803	**391,861**	144,492
From 61 to 90 days	**48,028**	2,642	**140,951**	48,390
Above 90 days	**294,152**	234,632	**655,633**	541,910
Allowance for doubtful accounts	**(262,431)**	(233,708)	**(459,378)**	(413,856)
Present value adjustment	**(10,797)**	(8,329)	**(25,425)**	(10,664)
Subtotal	**465,482**	**247,467**	**2,813,536**	**2,379,483**
	4,259,402	**2,871,612**	**19,877,408**	**14,001,211**

(*) Prior year amounts under current receivables have been reclassified to the current year presentation between domestic and foreign markets under the caption "Current receivable".

(Expressed in thousands of Brazilian reais)

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

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

Changes in allowance for doubtful accounts:	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Initial balance	**(233,708)**	**(204,601)**	**(413,856)**	**(345,473)**
Acquired in business combinations [1]	–	–	**(107)**	–
Additions	**(35,539)**	(18,860)	**(65,460)**	(33,173)
Write-offs	**25,779**	33,059	**45,121**	49,177
Exchange rate variation	**(18,963)**	(43,306)	**(25,076)**	(84,387)
Closing balance	**(262,431)**	**(233,708)**	**(459,378)**	**(413,856)**

[1] Refers to the BMF (Bait Almakoolat Food Industries) acquisition, during the second quarter of 2021, as described in the Footnotes 4 - Business Combination.

7 Inventories

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Finished products	**3,801,574**	2,213,424	**16,871,878**	11,126,005
Work in process	**683,679**	187,425	**2,042,101**	1,138,863
Raw materials	**279,817**	315,878	**3,502,493**	2,239,584
Warehouse spare parts	**342,974**	242,359	**4,125,537**	3,082,292
	5,108,044	**2,959,086**	**26,542,009**	**17,586,744**

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Initial balance	**(6,746)**	**(8,166)**	**(182,409)**	**(137,436)**
Additions	**(937)**	(6,027)	**(234,876)**	(163,591)
Write-offs (reversal)	**941**	7,447	**176,021**	138,157
Exchange rate variation	–	–	**(7,373)**	(19,539)
Closing balance	**(6,742)**	**(6,746)**	**(248,637)**	**(182,409)**

8 Biological assets

The Company's live animals consist of cattle, chickens, hogs and fish and segregated into consumables and bearer assets. Animals for slaughter are designated for "in natura" meat production and/or processed and by-products, until they reach the appropriate weight for slaughter they are classified as immature. The slaughtering and production processes occur in a very short period of time and, as a consequence, only live animals transferred to slaughter are classified as mature. The animals designated for production (breeder chickens, hogs, fish), are those which are intended to produce biological assets.

The Company and its subsidiaries determined that the cost approach is the most appropriate method to valuate at fair value its biological assets due their short period of life, as well the amount that would be received in a sale on an active market based on the cost to produce an asset in the same level of maturity in its life cycle. For assets kept for production the cost is amortized over time, considering the reduction already recognized during its life cycle.

The forests are eucalyptus plantations used for sanitary barriers and when they reach maturity, the wood is used in the production process. The Company used discounted cash flows methodology since there is no active market that makes possible to obtain enough comparisons for the application of the market's comparative method.

Chicken and eggs:

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

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

Cattle:

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

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

(Expressed in thousands of Brazilian reais)

Hogs:

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

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

Fish and eggs:

Current (consumable) - Refers to live finfish weighting more than 1kg, approximately, that are destined for slaughter after the maturation period. Finfish at this stage is measured at fair value less cost to sell.

Non-current (developing stage) - Refers to eggs, juveniles, smolt and live finfish below approximately 1kg. Estimated time period for eggs developing to fish being placed at sea is approximately 24 months. These biological assets are measured at cost.

Non-current (bearer assets) - Refers to breed stock that are set aside for breeding which have an estimated useful life of 36 months (1.095 days). The costs associated with breed stock fish are accumulated up to the production stage and amortized over their productive lives based on an estimate of their capacity to produce new assets. Amortization of breed stock fish is included under the caption "Cost of goods sold" in the Consolidated Statement of Income.

	Consolidated			
Current biological assets (consumable):	**December 31, 2021**		**December 31, 2020**	
	Amount	**Quantity (thousands)**	**Amount**	**Quantity (thousands)**
Chicken and eggs	**3,313,591**	**562,314**	2,590,938	550,430
Cattle	**308,891**	**57**	324,347	72
Hogs	**2,827,733**	**5,961**	2,200,435	7,391
Fish (biomass)	**970,633**	**25,407**	—	—
Total current	**7,420,848**		**5,115,720**	

	Consolidated			
Non-current biological assets (bearer assets):	**December 31, 2021**		**December 31, 2020**	
	Amount	**Quantity (thousands)**	**Amount**	**Quantity (thousands)**
Mature chickens (breeding stage)	**774,549**	**23,716**	694,300	22,482
Immature chickens (in development) and eggs	**895,171**	**19,322**	687,019	17,709
Cattle	**6,842**	—	4,838	—
Hogs	**465,667**	**561**	381,688	521
Fish (biomass) and eggs	**91,983**	**534**	—	—
Eucalyptus Forests (*)	**10,807**	**2,232**	10,720	2,187
Total non-current	**2,245,019**		**1,778,565**	
Total of biological assets:	**9,665,867**		**6,894,285**	

(*) Expressed in hectares.

	Consolidated			
Changes in biological assets:	**Current**		**Non-current**	
	December 31, 2021	**December 31, 2020**	**December 31, 2021**	**December 31, 2020**
Initial balance	**5,115,720**	**3,906,004**	**1,778,565**	**1,382,559**
Acquired in business combination (1)	**952,738**	—	**80,836**	—
Increase by reproduction (born) and cost to reach maturity	**54,243,224**	38,600,959	**3,198,452**	2,407,343
Reduction for slaughter, sale or consumption	**(56,177,174)**	(40,029,277)	**(285,443)**	(237,973)
Increase by purchase	**2,287,634**	1,398,551	**865,509**	866,676
Decrease by death	**(180,346)**	(192,359)	**(52,435)**	(46,109)
Fair value adjustments	**(175,014)**	(158,955)	**398**	952
Changes from current to non-current	**1,138,400**	900,139	**(1,138,400)**	(900,139)
Exchange rate variation	**215,666**	690,658	**98,307**	309,748
Amortization	—	—	**(2,300,770)**	(2,004,492)
Closing balance	**7,420,848**	**5,115,720**	**2,245,019**	**1,778,565**

(1) Refers to Huon acquisition, in the fourth quarter 2021, as described in the Footnote 4 - Business Combination.

(Expressed in thousands of Brazilian reais)

9 Recoverable taxes

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Value-added tax on sales and services - ICMS	**1,573,970**	1,371,291	**4,370,426**	3,524,264
Social contribution on billings - PIS and COFINS	**1,422,265**	1,909,867	**2,507,232**	2,906,283
Withholding income tax - IRRF/IRPJ	**3,032,564**	3,421,832	**3,963,352**	4,507,261
Excise tax - IPI	**40,063**	154,151	**165,950**	299,751
Reintegra	**29,832**	30,372	**47,069**	48,061
Other	**23,584**	16,087	**41,593**	110,773
	6,122,278	**6,903,600**	**11,095,622**	**11,396,393**
Current	**1,139,385**	1,059,635	**3,204,923**	2,849,898
Non-current	**4,982,893**	5,843,965	**7,890,699**	8,546,495
	6,122,278	**6,903,600**	**11,095,622**	**11,396,393**

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

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

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

Withholding income tax - IRRF/IRPJ: Refers mainly to income tax paid from foreign subsidiaries, Brazilian withholding income tax levied on short-term investments and income tax and social contribution prepayments paid by estimate. In the Consolidated, R$2,883,290 ((R$3.392.827 at December 31, 2020) relates to income taxes prepayment in foreign jurisdictions, which do not expire.

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

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

10 Related parties transactions

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

	December 31, 2021	December 31, 2020
Related party receivables	**4,032,213**	1,872,127
Related party payables	**(30,273,357)**	(17,074,822)
	(26,241,144)	**(15,202,695)**

COMPANY	Currency	Costs transfer (administrative and funding)	Statement of financial position accounts: December 31, 2021	Statement of financial position accounts: December 31, 2020	Effect on net income: 2021	Effect on net income: 2020
Direct subsidiaries						
JBS Confinamento Ltda.	R$	CDI + 4% p.y.	**447,083**	73,708	**23,549**	5,127
Brazservice Ltda.	R$	CDI + 4% p.y.	**43,959**	16,922	**2,384**	7,670
JBS Investments Luxembourg S.à.r.l.	US$	–	**17,615**	14,926	**(194,896)**	–
Enersea Ltda.	R$	CDI + 4% p.y.	**8,881**	1,005	**306**	(71)
JBS Embalagens Metálicas Ltda	R$	CDI + 4% p.y.	**23**	7	**1**	10,032
JBS Finance Luxembourg S.à.r.l (1)	US$	3,64% p.y.	**(11,079,225)**	–	**(123,874)**	–
JBS Investments II GMBH (2)	US$	–	–	(17,074,822)	**(612,648)**	(767,978)
Indirect subsidiaries						
Seara Alimentos Ltda.	R$	CDI + 4% p.y.	**3,086,263**	1,384,241	**211,054**	(250,009)
JBS Leather Paraguay Srl	GUA	7,00% p.y.	**10,687**	9,417	**532**	486
JBS Luxembourg S.à.r.l (2)	US$	1,83% a 7,3% p.y.	**(19,194,132)**	–	**(23,688)**	(106,401)
JBS Vianden S.à.r.l	US$	2% a 5,1% a.a.	–	–	–	(51,090)
Other related parties						
J&F Oklahoma Holdings, Inc. (3)	US$	3,4% (*)	**417,702**	371,901	**17,751**	17,034
Total			**(26,241,144)**	**(15,202,695)**	**(699,529)**	**(1,135,200)**

(*) Rate for the contract period.

(Expressed in thousands of Brazilian reais)

Credit with related parties

	Consolidated	
	December 31, 2021	December 31, 2020
J&F Oklahoma Holdings Inc [3]	**417,702**	371,901
JBS Ontario	–	10,118
	417,702	**382,019**

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

(1) In June 2021, the Company received funds from the direct subsidiary JBS Finance Luxembourg S.à.r.l, raised from senior notes in the amount of US$1 billion (R$5,581 billion at December 31, 2021).

(2) During the years ended at 2018 and 2019, the Company received funds from the direct subsidiary JBS Investments II GmbH, raised from senior notes in the amount of US$1.750 billion (R$9,766 billion at December 31, 2021) and funds from the indirect subsidiary JBS USA Holding Lux of 1.520 billion (R$8,482 billions at December 31, 2021). In December 2021, the open balances with JBS Investments II were transfer to the indirect subsidiary JBS Luxembourg S.à.r.l., as described in the footnote 12- Investments in subsidiaries, associate and joint venture.

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

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

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

	Accounts receivable		Accounts payable		Purchases/Services rendered		Sale of products/Services provided	
COMPANY	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	2021	2020	2021	2020
Direct subsidiaries								
JBS Confinamento	**1,552**	1,745	**174,284**	59,860	**1,611,187**	864,254	**18,649**	14,817
Brazservice	**14,929**	12,813	**10,596**	8,320	**104,122**	36,349	**216,614**	117,229
Conceria Priante	**10,223**	14,087	–	–	–	–	**37,579**	22,554
Enersea	–	–	–	13	**95,851**	135,042	**77,717**	93,598
Toledo	**62,240**	22,795	–	–	–	8	**299,657**	353,648
Indirect subsidiaries								
Seara Alimentos	**181,310**	140,489	**47,522**	45,120	**166,212**	248,352	**2,019,083**	1,226,893
JBS Global UK	**71,831**	66,821	–	–	–	–	**324,525**	291,107
JBS Aves	**6,033**	3,130	**20,911**	20,665	**8,917**	4,558	**82,988**	18,133
Weddel	**18,381**	5,710	–	–	–	–	**75,818**	60,137
Sampco	**167,687**	77,526	**3**	–	**3**	–	**1,082,043**	745,783
Meat Snacks Partners do Brasil	**15,939**	23,752	**44**	16	**49**	236	**760,611**	499,325
JBS Asia	–	–	**25,584**	–	**31,397**	–	–	–
JBS Leather Asia	**130,275**	10,255	–	–	–	–	**323,205**	163,211
JBS USA	**431,135**	19,517	–	–	**518**	1,327	**920,738**	113,605
Seara Comércio de Alimentos	**2,111**	640	**1,690**	1,344	**19,479**	17,327	**23,313**	6,877
Swift & Company Trade Group	**15,647**	1,187	–	–	–	–	**195,653**	119,893
Other related parties								
JBJ Agropecuária	**2,063**	1,455	**2,562**	13,851	**944,872**	517,908	**16,629**	13,120
Flora Produtos	**34,460**	26,723	**699**	–	**704**	371	**268,756**	226,483
Eldorado Celulose	**182**	983	–	10	**207**	137	**11,991**	15,530
Banco Original	–	–	–	–	–	–	**50**	65
	1,165,998	**429,628**	**283,895**	**149,199**	**2,983,518**	**1,825,869**	**6,755,619**	**4,102,008**

Other financial transactions in the Company

The Company and a few of its subsidiaries entered into an agreement in which Banco Original (Related party) acquires trade accounts receivables held against certain of the Company's customers in the domestic and foreign markets. The assignments are measured at market value through a permanent transfer of the risks and benefits to Banco Original of all trade accounts receivable. At December 31, 2021, the unpaid balance of transferred receivables was R$751,912 (R$524,088 at December 31, 2020) in the Company, and R$1,834,625 (R$1,498,079 at December 31, 2020) in the Consolidated, respectively. At December 31, 2021, the Company incurred financial costs related to this operation in the amount of R$71,340 (R$57,530 at December 31, 2020) in the Company, and R$192,117 (R$114,667 at December 31, 2020) in the Consolidated, respectively, recognized in these financial statements as financial expenses.

At December 31, 2021, the Company held investments with Banco Original, in the amount of R$497,314 (R$591,186 at December 31, 2020) in the Company and R$1,913,998 (R$1,836,669 at December 31, 2020) in the Consolidated, recognized as cash and cash equivalents, respectively. The cash investments, CDB and similar investments have similar earnings to CDI (Certificado de Depósito Interbancário). For the year ended at December 31, 2021, the Company earned interest from these investments in the amount of R$2,539 (R$1,569 at December 31, 2020) in the Company, and R$5,844 (R$4,209 at December 31, 2020) in the Consolidated, respectively, recognized in these financial statements as financial income.

The Company has a livestock purchase agreement for future delivery with certain suppliers, including JBJ Agropecuária. At December 31, 2021 the balance of this transaction was R$167,700 (R$100,559 at December 31, 2020), as described in the Footnote 17.

(Expressed in thousands of Brazilian reais)

The Company is the sponsor of Institute Germinare, a business school youth-directed, whose mission is to educate future leaders by offering free, high-quality education. During the years ended at December 31, 2021 and 2020, the Company made donations in the amounts of R$101,233 and R$23,073, respectively, recognized in these financial statements as general and administrative expenses.

The Company includes the related party Original Corporate Corretora de Seguros Ltda. on the bid for insurance renewal. If hired, the contracts are carried out at market value.

PicPay salary advance - Employees from the Company can opt to receive a salary advance every day 15 of each month. This advance will be deducted from the employee's salary when the total payroll is paid at month end, without financial charges on the amount advanced.

No expense for doubtful accounts or bad debts relating to related-party transactions were recorded during the years ended at December 31, 2021 and 2020.

Remuneration of key management

The Company's key management is comprised of its Executive Officers. The aggregate amount of compensation received by the Company's key management during the years ended at December 31, 2021 and 2020 is the following:

	2021	2020
Salaries and wages	**33,450**	28,654
Variable cash compensation	**56,891**	44,500
	90,341	**73,154**

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

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

11 Income taxes

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

Current taxes

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

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

Deferred taxes

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

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

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

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Deferred income taxes assets	—	—	**1,730,122**	1,590,194
Deferred income taxes liabilities	**(3,141,465)**	(3,105,833)	**(6,573,946)**	(6,186,715)
	(3,141,465)	**(3,105,833)**	**(4,843,824)**	**(4,596,521)**

a. Deferred income tax and social contribution

a1. Unrecognized tax benefit

The Company's unrecognized tax benefits as of December 31, 2021 in the amount of R$2,458,975 (R$1,892,331 at December 31, 2020), respectively. These net operating losses were generated primarily in Brazil and do not expire under Brazilian tax regulations. Deferred tax assets will be recognized to net operating losses in periods when the availability of future taxable profits are probable to realize the deferred tax asset.

The deferred income taxes assets on such amounts will be recognized on the extent of it is probable that future taxable profits will be received in the future. The deferred income taxes assets is reduced on the extent of it is not probable that future taxable profits will be received in the future.

(Expressed in thousands of Brazilian reais)

a2. Composition of deferred tax income and social contribution

	Company		
	December 31, 2020	Income statement	December 31, 2021
Allowance for doubtful accounts	82,570	9,270	**91,840**
Provisions	177,643	(13,561)	**164,082**
Present value adjustment - Trade accounts receivable	2,832	839	**3,671**
Share-based payment	1,314	(1,314)	**–**
Right of use assets	1,251	2,371	**3,622**
Other temporary differences assets	88,014	30,540	**118,554**
Goodwill amortization	(3,196,250)	(81,512)	**(3,277,762)**
Present value adjustment - Trade accounts payable	1,580	1,114	**2,694**
Hedge operations	(7,032)	23,268	**16,236**
Realization of other reserves	(263,687)	2,820	**(260,867)**
Other temporary differences liabilities	5,932	(9,467)	**(3,535)**
Deferred taxes, net	**(3,105,833)**	**(35,632)**	**(3,141,465)**

	Consolidated				
	December 31, 2020	Income statement	Exchange variation	Other adjustments [1]	December 31, 2021
Tax losses and negative basis of social contribution	1,876,040	506,219	25,730	–	**2,407,989**
Allowance for doubtful accounts	111,303	15,533	(27)	–	**126,809**
Provisions	502,988	41,144	–	–	**544,132**
Present value adjustment - Trade accounts receivable	29,515	16,049	–	–	**45,564**
Tax credits - Foreign subsidiaries	51,017	18,385	5,497	94	**74,993**
Biological assets - Foreign subsidiaries	59,820	(19,858)	3,650	–	**43,612**
Labor accidents accruals - Foreign subsidiaries	209,228	(7,811)	17,358	–	**218,775**
Pension plan - Foreign subsidiaries	175,058	(15,673)	13,639	(52,054)	**120,970**
Trade accounts payable accrual - Foreign subsidiaries	943,048	228,129	75,805	–	**1,246,982**
Share-based payment	1,314	(1,314)	–	–	**–**
Non-deductible interests - Foreign subsidiaries	2,502	30,637	(250)	–	**32,889**
Right of use assets	40,579	(8,008)	1,252	–	**33,823**
Other temporary differences assets	510,584	18,911	9,508	–	**539,003**
Goodwill amortization	(3,622,479)	(290,557)	(24,818)	–	**(3,937,854)**
Present value adjustment - Trade accounts payable	1,580	(35,148)	–	–	**(33,568)**
Business combinations	(1,682,069)	135,542	(163,789)	(854,980)	**(2,565,296)**
Customer returns accruals - Foreign subsidiaries	(169,824)	(1,295)	(15,359)	–	**(186,478)**
Inventory valuation - Foreign subsidiaries	(504,563)	667,737	(31,581)	–	**131,593**
Hedge operations	1,450	(78,494)	1,222	(74,864)	**(150,686)**
Realization of other reserves	(607,537)	15,333	–	–	**(592,204)**
Depreciation and amortization	(2,169,080)	(427,422)	(152,283)	–	**(2,748,785)**
Other temporary differences liabilities	(356,995)	103,280	57,598	30	**(196,087)**
Deferred taxes, net	**(4,596,521)**	**911,319**	**(176,848)**	**(981,774)**	**(4,843,824)**

[1] Changes in the deferred tax balance sheet accounts that do not directly impact profit & loss accounts, are shown in a specific column in the footnotes. These changes refer mainly to deferred taxes on cash flow hedge operations recognized in equity, carried out by the subsidiary Seara Alimentos and impacts related to the acquisitions of the meat and meals businesses of Houn in the Australia, PFM Consumer Foods in the United Kingdom and Ireland, and of Vivera in Europe, carried out by foreign subsidiaries.

	Company		
	December 31, 2019	Income statement	December 31, 2020
Tax losses and negative basis of social contribution	35,643	(35,643)	–
Allowance for doubtful accounts	72,761	9,809	82,570
Provisions	164,253	13,390	177,643
Present value adjustment - Trade accounts receivable	2,106	726	2,832
Share-based payment	6,708	(5,394)	1,314
Right of use asset	2,925	(1,674)	1,251
Other temporary differences assets	107,356	(19,342)	88,014
Goodwill amortization	(2,552,929)	(643,321)	(3,196,250)
Present value adjustment - Trade accounts payable	1,504	76	1,580
Hedge operations	6,545	(13,577)	(7,032)
Realization of other reserves	(266,235)	2,547	(263,688)
Other temporary differences liabilities	3,214	2,719	5,933
Deferred taxes, net	**(2,416,149)**	**(689,684)**	**(3,105,833)**

(Expressed in thousands of Brazilian reais)

	Consolidated				
	December 31, 2019	Income statement	Exchange variation	Other adjustments	December 31, 2020
Tax losses and negative basis of social contribution	1,851,565	(70,126)	89,269	5,332	1,876,040
Allowance for doubtful accounts	92,771	17,676	856	—	111,303
Provisions	451,491	51,497	—	—	502,988
Present value adjustment - Trade accounts receivable	11,255	18,260	—	—	29,515
Tax credits - Foreign subsidiaries	47,893	(11,159)	14,283	—	51,017
Biological assets - Foreign subsidiaries	43,333	3,935	12,552	—	59,820
Labor accidents accruals - Foreign subsidiaries	153,142	9,874	46,212	—	209,228
Pension plan - Foreign subsidiaries	109,666	3,627	33,499	28,266	175,058
Trade accounts payable accrual - Foreign subsidiaries	392,804	461,826	88,418	—	943,048
Share-based payment	6,708	(5,394)	—	—	1,314
Non-deductible interests - Foreign subsidiaries	508,645	(603,830)	97,687	—	2,502
Right of use asset	39,988	(9,130)	9,721	—	40,579
Other temporary differences assets	422,856	56,656	31,072	—	510,584
Goodwill amortization	(2,867,011)	(475,333)	(98,784)	(181,351)	(3,622,479)
Present value adjustment - Trade accounts payable	(13,292)	14,872	—	—	1,580
Business combination	(1,141,235)	199,498	(738,901)	(1,431)	(1,682,069)
Customer returns accruals - Foreign subsidiaries	(127,541)	(5,360)	(36,923)	—	(169,824)
Inventory valuation - Foreign subsidiaries	(241,102)	(211,390)	(52,071)	—	(504,563)
Hedge operations	6,545	(8,999)	(236)	4,140	1,450
Realization of other reserves	(605,696)	(1,841)	—	—	(607,537)
Depreciation and Amortization	(1,514,227)	(575,177)	(79,676)	—	(2,169,080)
Other temporary differences liabilities	(216,028)	(82,187)	(57,307)	(1,473)	(356,995)
Deferred taxes, net	**(2,587,470)**	**(1,222,205)**	**(640,329)**	**(146,517)**	**(4,596,521)**

(Expressed in thousands of Brazilian reais)

b. Reconciliation of income tax and social contribution expense:

	Company		Consolidated	
	2021	2020	2021	2020
Profit before income taxes (PBT)	**21,031,730**	4,670,945	**27,191,452**	8,264,192
Nominal rate	**(34)%**	(34)%	**(34)%**	(34)%
Expected tax expense	**(7,150,788)**	(1,588,121)	**(9,245,094)**	(2,809,825)
Adjustments to reconcile taxable income:				
Earnings and losses due to equity method	**7,190,778**	2,466,004	**31,453**	18,183
Investments grants (1)	**562,597**	325,716	**889,157**	580,248
Difference on tax rates under taxable income from foreign subsidiaries	**—**	—	**2,739,338**	1,554,834
Transfer pricing adjustment	**(31,466)**	(16,090)	**(32,281)**	(16,799)
Net income arising from foreign subsidiaries (2)	**(1,219,068)**	(1,119,237)	**(1,314,679)**	(1,119,237)
Unrecognized tax benefits	**1,731**	(1,823)	**(854,598)**	(2,187,509)
Non-taxable interest - Foreign subsidiaries	**—**	—	**598,432**	543,475
Administrative fines and penalties	**—**	(51,526)	**—**	(199,944)
"Fazer o Bem Faz Bem" program and JBS Found For The Amazon	**(13,532)**	(91,292)	**(13,702)**	(91,292)
SELIC interests on tax credits (3)	**147,395**	—	**288,349**	—
Other permanent differences	**(32,816)**	3,735	**251,826**	118,623
Current and deferred income tax (expense) benefit	**(545,169)**	**(72,634)**	**(6,661,799)**	**(3,609,243)**
Current income tax	**(509,537)**	617,050	**(7,573,118)**	(2,387,038)
Deferred income tax	**(35,632)**	(689,684)	**911,319**	(1,222,205)
	(545,169)	**(72,634)**	**(6,661,799)**	**(3,609,243)**
% IT/PBT	**(2.59)%**	**(1.56)%**	**(24.50)%**	**(43.67)%**

	Company		Consolidated	
	2021	2020	2021	2020
Adjustments to reconcile taxable income (4)				
Current and deferred income tax (expense) benefit	**(545,169)**	**(72,634)**	**(6,661,799)**	**(3,609,243)**
Goodwill amortization - Deferred	**81,512**	643,321	**290,557**	475,333
Prior years loss carryfowards - deferred	**—**	35,643	**(506,219)**	70,126
Unrecognized tax benefits	**(1,731)**	1,823	**854,598**	2,187,509
Realization of deferred tax from surplus value - Incorporations	**—**	—	**3,030**	(2,705)
Income tax on realization of other reserves	**(2,820)**	(2,547)	**(15,333)**	1,841
Administrative fines and penalties	**—**	51,526	**—**	199,944
Current and deferred income tax (expense) benefit - ADJUSTED	**(468,208)**	**657,132**	**(6,035,166)**	**(677,195)**
Effective income tax rate	**(2.23)%**	**14.07 %**	**(22.20)%**	**(8.19)%**

(1) The Company and its subsidiaries recognizes investments grants given by State governments which are mainly presumed and/or granted ICMS (Value-added tax on sales and services) credits which are granted as a encouragement to implement or expand economic enterprises. In other jurisdictions, the Company recognizes investments grants of energy and training. When the income tax expense reduces and reflects the deductibility of these incentives, all conditions related to the government grants were in compliance in the year ended at December 31, 2021.

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

(3) Recognition of the effects of the non-levy of income taxes on the amounts related to the adjustment by the SELIC rate on taxes undue paid, due to the judgment of the STF (Federal Court of Justice), at September 23, 2021.

(4) The Company believes that due to the origin and non-recurrence of specific events certain items should be excluded from the effective tax rate disclosure such as: i) deferred tax effects on goodwill amortization; ii) recognition of deferred tax from current year; iii) unrecognized tax benefits;; iv) deferred taxes realization in incorporations; v) income tax on realization of the other reserves (since it is not relate to the net operating income); vi) penalties related to the agreements both the Company and its indirect subsidiary PPC entered with the SEC and the DOJ in the USA.

(Expressed in thousands of Brazilian reais)

12 Investments in subsidiaries, associate and joint venture

Relevant information for investments in the year ended at December 31, 2021:

	Participation	Total assets	Share capital	Equity + Goodwill	Net revenue	Net income (loss)
i. In subsidiaries:						
JBS Embalagens Metálicas	99.95%	84,744	203,243	80,892	–	1,288
JBS Confinamento	100%	899,992	343,999	5,029	1,701,856	(105,590)
Conceria Priante	100%	208,704	17,699	151,113	196,288	(3,259)
JBS Leather International	100%	952,158	115,302	806,120	799,647	27,993
Brazservice	100%	119,302	173,010	45,376	234,173	(2,905)
Enersea	100%	1,725	1,275	(7,193)	262,919	(6,839)
JBS Asset Management	100%	115,423	120,141	114,814	18,088	3,997
JBS Investments II [(3)]	100%	–	–	–	–	608,764
JBS Investments Luxembourg	100%	181,651,063	421	58,900,478	224,521,564	20,521,514
Swift Foods	100%	330	283	109	–	(302)
JBS Toledo	100%	253,074	22,500	211,470	369,858	10,712
JBS Chile	100%	93,317	30	18,431	274,540	7,171
JBS Finance Luxembourg	100%	11,089,693	837	381	–	504
ii. In joint ventures:						
Meat Snack Partners	50%	459,208	23,762	338,100	1,358,489	172,593

Changes in the Company's investments:

				Equity		
	December 31, 2020 [(*)]	Addition (disposal)	Exchange rate variation	Changes in the equity of investees	Proportionate share of income (loss)	December 31, 2021
JBS Embalagens Metálicas	79,564	–	–	–	1,288	**80,852**
JBS Confinamento	110,619	–	–	–	(105,590)	**5,029**
Conceria Priante	155,857	–	(1,485)	–	(3,259)	**151,113**
JBS Leather International [(1)]	715,521	416	53,537	8,653	27,993	**806,120**
Brazservice	48,281	–	–	–	(2,905)	**45,376**
Meat Snacks Partners [(2)]	113,751	(31,000)	–	–	86,299	**169,050**
Enersea	(354)	–	–	–	(6,839)	**(7,193)**
JBS Asset Management	103,030	–	7,787	–	3,997	**114,814**
JBS Investments II [(3)]	17,218,374	(18,635,064)	(247,405)	1,055,331	608,764	**–**
JBS Investments Luxembourg [(3)]	18,897,423	18,635,064	2,622,322	(1,775,843)	20,521,512	**58,900,478**
Swift Foods	401	–	12	(2)	(302)	**109**
JBS Toledo	202,721	–	(1,963)	–	10,712	**211,470**
JBS Chile	13,265	–	(2,005)	–	7,171	**18,431**
JBS Finance Luxembourg [(4)]	–	753	(61)	(816)	505	**381**
Subtotal	**37,658,453**	**(29,831)**	**2,430,739**	**(712,677)**	**21,149,346**	**60,496,030**

(Expressed in thousands of Brazilian reais)

(*) To allow better presentation, the negative balances from the subsidiary Enersea are disclosure as "Investments in subsidiaries, associate and joint venture" and were not transfer to the caption "Other current assets", as these investments are not considered relevant.

(1) The Company increased capital in cash in the direct subsidiary JBS Leather International.
(2) The indirect subsidiary Meat Snack Partners distributed dividends to the Company.
(3) In September, 2021, the Company´s indirect subsidiary JBS Investments II was incorporated to the direct subsidiary JBS Investments Luxembourg.
(4) The Company constituted JBS Finance Luxembourg.

Changes in the Consolidated's investments:

				Equity		
	December 31, 2020	**Addition**	**Dividends distribution**	**Changes in the equity of investees**	**Proportionate share of income**	**December 31, 2021**
Meat Snacks Partners	113,751	–	(31,000)	–	86,299	**169,050**
JBS Ontario	57,345	6,165	–	4,418	6,212	**74,140**
Total	**171,096**	**6,165**	**(31,000)**	**4,418**	**92,511**	**243,190**

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

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

(Expressed in thousands of Brazilian reais)

Changes in the Company's investments:

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

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

13 Property, plant and equipment

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

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

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

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

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

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

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

(Expressed in thousands of Brazilian reais)

Company	Useful life	Cost	Accumulated depreciation	Net amount December 31, 2021	Net amount December 31, 2020
Buildings	**5 to 40 years**	5,165,644	(1,419,031)	**3,746,613**	3,844,629
Land	–	1,748,561	–	**1,748,561**	1,648,149
Machinery and equipment	**3 to 30 years**	6,999,738	(3,868,516)	**3,131,222**	3,168,463
Facilities	**10 years**	2,618,183	(937,798)	**1,680,385**	1,502,057
Computer equipment	**2 to 5 years**	294,189	(258,960)	**35,229**	33,167
Vehicles (land and air)	**5 to 35 years**	691,430	(248,811)	**442,619**	377,136
Construction in progress	–	1,419,799	–	**1,419,799**	941,882
Others	**2 to 15 years**	175,170	(110,758)	**64,412**	61,004
		19,112,714	**(6,843,874)**	**12,268,840**	**11,576,487**

Consolidated	Useful life	Cost	Accumulated depreciation	Net amount December 31, 2021	Net amount December 31, 2020
Buildings	**10 to 50 years**	28,951,224	(9,448,914)	**19,502,310**	17,141,017
Land	–	5,291,972	–	**5,291,972**	4,848,897
Machinery and equipment	**3 to 25 years**	43,489,949	(23,298,548)	**20,191,401**	16,747,022
Facilities	**10 to 20 years**	4,324,464	(1,606,606)	**2,717,858**	2,333,026
Computer equipment	**2 to 15 years**	1,908,197	(1,228,186)	**680,011**	519,600
Vehicles (land and air)	**3 to 10 years**	1,352,734	(637,563)	**715,171**	637,099
Construction in progress	–	6,805,741	–	**6,805,741**	4,116,712
Others	**5 to 25 years**	2,646,189	(1,634,347)	**1,011,842**	830,132
		94,770,470	**(37,854,164)**	**56,916,306**	**47,173,505**

Changes in property, plant and equipment:

Company	December 31, 2020	Additions net of transferences (1)	Disposals	Depreciation	December 31, 2021
Buildings	3,844,629	85,307	(5,926)	(177,397)	**3,746,613**
Land	1,648,149	103,310	(2,898)	–	**1,748,561**
Machinery and equipment	3,168,463	298,366	(24,209)	(311,398)	**3,131,222**
Facilities	1,502,057	270,985	(566)	(92,091)	**1,680,385**
Computer equipment	33,167	17,708	(592)	(15,054)	**35,229**
Vehicles (land and air)	377,136	173,231	(42,246)	(65,502)	**442,619**
Construction in progress	941,882	477,917	–	–	**1,419,799**
Other	61,004	12,233	(1,102)	(7,723)	**64,412**
	11,576,487	**1,439,057**	**(77,539)**	**(669,165)**	**12,268,840**

Consolidated	December 31, 2020 (*)	Acquired in business combinations (2)	Additions net of transferences (1)	Business combination adjustments (3)	Disposals	Depreciation	Exchange rate variation	December 31, 2021
Buildings	17,141,017	701,185	2,153,337	(217)	(73,547)	(1,103,573)	684,108	**19,502,310**
Land	4,848,897	153,197	158,114		(21,326)	–	153,090	**5,291,972**
Machinery and equipment	16,747,022	1,740,864	3,726,593	237	(55,991)	(2,733,783)	766,459	**20,191,401**
Facilities	2,333,026	–	529,759	–	(2,861)	(145,953)	3,887	**2,717,858**
Computer equipment	519,600	16,990	330,391	(3)	(1,377)	(219,352)	33,762	**680,011**
Vehicles (land and air)	637,099	1,414	246,377	–	(45,722)	(142,277)	18,280	**715,171**
Construction in progress	4,116,712	114,836	2,398,556	–	–	–	175,637	**6,805,741**
Other	830,132	10,844	280,257	(2)	(7,091)	(153,384)	51,086	**1,011,842**
	47,173,505	**2,739,330**	**9,823,384**	**15**	**(207,915)**	**(4,498,322)**	**1,886,309**	**56,916,306**

(*) The Company reviewed and change the balances in December 31, 2020 in the amount of R$246,888 referring to the "Margarinas" business final goodwill allocation, according to IFRS 3 - Business Combinations, the adjustment is disclosed retrospectively.

(1) Additions for each category includes transfer from construction in progress during the period.

(Expressed in thousands of Brazilian reais)

(2) Refers to the acquisitions during the year ended at December 31, 2021, Vivera and BMF (Bait Almakoolat Food Industries), in the second quarter, PFM, in the third quarter, and Huon, Sunnyvalley and Randall Park, in the fourth quarter, as described in footnote 4 - Business combination.

(3) Refers to Marba's business combination adjustments.

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

Consolidated	December 31, 2019	Acquired in business combinations	Additions net of transferences	Business combination adjustments	Disposals	Depreciation	Exchange rate variation	December 31, 2020
Buildings	14,122,917	410,034	1,264,956	5,153	(62,635)	(918,246)	2,318,838	**17,141,017**
Land	4,119,281	140,153	97,108	7,114	(75,864)	—	561,105	**4,848,897**
Machinery and equipment	13,281,113	461,404	3,105,627	(850)	(113,488)	(2,401,956)	2,415,172	**16,747,022**
Facilities	2,131,205	24,679	345,505	(7,081)	(21,964)	(144,153)	4,835	**2,333,026**
Computer equipment	360,956	5,289	238,942	88	(863)	(188,625)	103,813	**519,600**
Vehicles (land and air)	559,199	508	189,992	1,065	(42,317)	(132,455)	61,107	**637,099**
Construction in progress	2,909,243	—	710,456	—	—	—	497,013	**4,116,712**
Other	615,904	26,062	164,258	1,692	(5,579)	(130,426)	158,221	**830,132**
	38,099,818	**1,068,129**	**6,116,844**	**7,181**	**(322,710)**	**(3,915,861)**	**6,120,104**	**47,173,505**

For the year ended at December 31, 2021, the amount of capitalized interest added to construction in progress and included in additions was R$43,876 (R$40,660 at December 31, 2020) in the Company, and R$199,812 (R$130,043 at December 31, 2020), in the Consolidated.

Annually, the Company tests the recoverability of its assets that were identified as having an indicator of impairment using the concept of value in use through discounted cash flow models). The tests for recoverability of assets are applied at the end of each fiscal year on December 31, follow by indications of impairment during the course of the year. For the year ended at December 31, 2021 in the Company and subsidiaries, there were no indicates of impairment.

14 Leases

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

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

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

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

The Company does not recognize a lease asset and liability for contracts with a term of less than 12 months and/or of non material values. The average discount rate used for the present value's calculation of the lease provision of the identified assets and, consequently, for the monthly accrual of financial interest was 10.75% in the Company and 7.86% in the Consolidated, in accordance with the term of each lease agreement.

(Expressed in thousands of Brazilian reais)

14.1 Right of use asset

Company	Average lease term	Cost	Accumulated amortization	Net amount December 31, 2021	Net amount December 31, 2020
Buildings	2 to 6 years	49,272	(30,483)	**18,789**	31,811
Operating plants	3 years	9,353	(5,988)	**3,365**	7,006
Machinery and equipment	1 a 5 years	7,276	(3,130)	**4,146**	3,207
Computer equipment	3 a 5 years	28,940	(10,409)	**18,531**	26,338
Land	1 a 3 years	720	(283)	**437**	170
Vehicles (land)	1 a 3 years	620	(398)	**222**	135
Furniture and appliances	1 to 5 years	151	(58)	**93**	119
		96,332	**(50,749)**	**45,583**	**68,786**

Consolidated	Average lease term	Cost	Accumulated amortization	Net amount December 31, 2021	Net amount December 31, 2020
Growing facilities	1 to 11 years	4,738,743	(1,332,347)	**3,406,396**	2,545,166
Buildings	1 to 30 years	2,949,410	(786,528)	**2,162,882**	1,583,905
Vehicles (land, air and sea)	1 to 15 years	1,963,951	(868,685)	**1,095,266**	792,168
Machinery and equipment	1 to 10 years	1,764,702	(1,016,065)	**748,637**	644,569
Operating plants	1 to 11 years	155,958	(42,353)	**113,605**	110,010
Land	1 to 30 years	498,226	(133,199)	**365,027**	82,315
Computer equipment	1 to 5 years	82,692	(15,688)	**67,004**	26,457
Furniture and appliances	1 to 3 years	152	(58)	**94**	119
		12,153,834	**(4,194,923)**	**7,958,911**	**5,784,709**

Changes in the right of use asset:

Company	December 31, 2020	Additions (1)	Terminated contracts	Amortization	December 31, 2021
Buildings	31,811	1,545	(2,237)	(12,330)	**18,789**
Computer equipment	26,338	–	–	(7,807)	**18,531**
Operating plants	7,006	–	–	(3,641)	**3,365**
Machinery and equipment	3,207	3,850	(124)	(2,787)	**4,146**
Land	170	604	–	(337)	**437**
Vehicles (land)	135	2,173	(1,670)	(416)	**222**
Furniture and appliances	119	23	–	(49)	**93**
	68,786	**8,195**	**(4,031)**	**(27,367)**	**45,583**

Consolidated	December 31, 2020	Acquired in business combinations (2)	Additions (1)	Terminated contracts	Amortization	Exchange rate variation	December 31, 2021
Growing facilities	2,545,166	–	1,812,926	(525,004)	(560,472)	133,780	**3,406,396**
Buildings	1,583,905	189,037	732,651	(60,637)	(320,361)	38,287	**2,162,882**
Vehicles (land, air and sea)	792,168	279,191	450,631	(43,451)	(423,693)	40,420	**1,095,266**
Machinery and equipment	644,569	49,931	322,242	(7,902)	(301,835)	41,632	**748,637**
Operating plants	110,010	4,760	22,907	(4,359)	(19,734)	21	**113,605**
Land	82,315	283,381	1,766	(85)	(9,780)	7,430	**365,027**
Computer equipment	26,457	–	53,281	(47)	(12,678)	(9)	**67,004**
Furniture and appliances	119	–	23	–	(49)	1	**94**
	5,784,709	**806,300**	**3,396,427**	**(641,485)**	**(1,648,602)**	**261,562**	**7,958,911**

(*) To allow better presentation, the comparative balances at December 31, 2020 were more detailed in their respective lines.

(1) Additions for each category includes PIS and COFINS to be paid.

(2) Refers to the acquisitions during the year ended at December 31, 2021, Vivera and BMF (Bait Almakoolat Food Industries), in the second quarter, PFM, in the third quarter, and Huon, Sunnyvalley and Randall Park, in the fourth quarter, as described in footnote 4 - Business combination.

(Expressed in thousands of Brazilian reais)

Company	December 31, 2019	Additions [1]	Terminated contracts [2]	Amortization	December 31, 2020
Buildings	184,657	9,966	(147,191)	(15,621)	**31,811**
Computer equipment	—	28,940	—	(2,602)	**26,338**
Machinery and equipment	1,464	5,722	(1,841)	(2,138)	**3,207**
Operating plants	11,869	9,390	(10,824)	(3,429)	**7,006**
Land	617	275	(595)	(127)	**170**
Vehicles (land)	—	171	(2)	(34)	**135**
Furniture and appliances	64	176	(66)	(55)	**119**
	198,671	**54,640**	**(160,519)**	**(24,006)**	**68,786**

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

[*] To allow better presentation, the comparative balances at December 31, 2020 were segregated in their respective lines.

14.2 Lease liabilities

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Lease liability	**63,006**	89,055	**10,129,125**	7,506,332
Present value adjustment	**(10,407)**	(16,589)	**(1,784,845)**	(1,401,843)
	52,599	**72,466**	**8,344,280**	**6,104,489**
Breakdown:				
Current liabilities	**22,412**	22,452	**1,625,889**	1,293,073
Non-current liabilities	**30,187**	50,014	**6,718,391**	4,811,416
	52,599	**72,466**	**8,344,280**	**6,104,489**

Changes in the lease liability:

Company	December 31, 2020	Additions	Interest accrual	Payments	Terminated contracts	December 31, 2021
Lease liability	72,466	8,228	6,401	(30,208)	(4,288)	**52,599**

Consolidated	December 31, 2020	Acquired in business combinations [2]	Additions	Interest accrual	Payments	Terminated contracts	Exchange rate variation	December 31, 2021
Lease liability	6,104,489	755,663	3,437,056	348,273	(1,940,995)	(647,455)	287,249	**8,344,280**

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

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

(Expressed in thousands of Brazilian reais)

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

	December 31, 2021	
	Company	**Consolidated**
2023	**11,997**	**1,382,957**
2024	**11,643**	**1,108,018**
2025	**7,621**	**883,991**
2026	**1,190**	**708,039**
2027	**724**	**569,629**
Maturities thereafter 2027	**3,292**	**3,371,564**
Present value adjustment	**(6,280)**	**(1,305,807)**
	30,187	**6,718,391**

15 Intangible assets

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

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

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

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

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

	Company			Consolidated		
		Net amount			Net amount	
	Useful life	December 31, 2021	December 31, 2020	Useful life	December 31, 2021	December 31, 2020
Trademarks	**Indefinite**	–	–	**Indefinite**	**5,962,710**	4,513,933
Trademarks	**Up to 5 years**	**15,448**	31,047	**2 to 20 years**	**1,871,992**	380,613
Software	**Up to 5 years**	**17,991**	18,935	**2 to 15 years**	**92,689**	72,550
Water rights	–	–	–	**Indefinite**	**64,706**	61,191
Customer relationships	–	–	–	**3 to 20 years**	**3,602,262**	2,597,087
Supplier contract	–	–	–	**10 to 17 years**	**183,974**	186,732
Other	–	–	–	**3 to 15 years**	**5,583**	4,328
		33,439	**49,982**		**11,783,916**	**7,816,434**

Changes in intangible assets:

Company	December 31, 2020	Additions	Disposals	Amortization	December 31, 2021
Amortizing:					
Trademarks	31,047	–	–	(15,599)	**15,448**
Software	18,935	5,402	(17)	(6,329)	**17,991**
	49,982	5,402	(17)	(21,928)	33,439

Consolidated	December 31, 2020 (*)	Acquired in business combination (1)	Additions	Disposals	Amortization	Exchange rate variation	December 31, 2021
Amortizing:							
Trademark	380,613	1,514,192	–	–	(103,717)	80,904	**1,871,992**
Software	72,550	33	42,088	(109)	(22,723)	850	**92,689**
Customer relationships	2,597,087	1,248,091	–	–	(431,041)	188,125	**3,602,262**
Supplier contract	186,732	–	11,000	–	(19,700)	5,942	**183,974**
Others	4,328	4,044	–	–	(2,895)	106	**5,583**
Non-amortizing:							
Trademarks	4,513,933	1,219,506	8,787	–	–	220,484	**5,962,710**
Water rights	61,191	–	–	–	–	3,515	**64,706**
	7,816,434	3,985,866	61,875	(109)	(580,076)	499,926	11,783,916

(Expressed in thousands of Brazilian reais)

(*) The Company reviewed and change the balances in December 31, 2020 in the amount of R$ 114,125 referring to the "Margarinas" business final goodwill allocation, according to IFRS 3 - Business Combinations, the adjustment is disclosed retrospectively.

(1) Refers to the acquisitions during the year ended at December 31, 2021, Vivera and BMF (Bait Almakoolat Food Industries), in the second quarter, PFM, in the third quarter, and Huon, Sunnyvalley and Randall Park, in the fourth quarter, as described in footnote 4 - Business combination.

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

Consolidated	December 31, 2019	Acquired in business combination	Additions	Business combination adjustments	Disposals	Amortization	Exchange rate variation	December 31, 2020
Amortizing:								
Trademark	291,219	50,544	7,223	—	—	(44,751)	76,378	**380,613**
Software	63,125	—	28,791	—	(931)	(22,506)	4,071	**72,550**
Customer relationships	2,017,589	435,386	—	6,097	—	(410,694)	548,709	**2,597,087**
Supplier contract	183,064	—	—	—	—	(18,248)	21,916	**186,732**
Others	8,598	—	896	—	—	(6,053)	887	**4,328**
Non-amortizing:								
Trademarks	3,447,855	125,500	4,598	2,652	—	—	933,328	**4,513,933**
Water rights	41,504	—	6,526	—	—	—	13,161	**61,191**
	6,052,954	**611,430**	**48,034**	**8,749**	**(931)**	**(502,252)**	**1,598,450**	**7,816,434**

Impairment test:

Annualy, the Company tests the recoverability of its assets using the concept of value in use through cash flow models and at the years ended at December 31, 2021, there were no indications of impairment.

16 Goodwill

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

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

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

	Useful life	December 31, 2021	December 31, 2020 (*)
Goodwill	**Indefinite**	**32,564,548**	28,885,608

Changes in goodwill:	Consolidated	
	December 31, 2021	December 31, 2020 (*)
Initial balance	**28,885,608**	**24,497,750**
Acquired in business combination (1)	2,690,393	315,414
Business combination adjustments (2)	1,827	164,684
Exchange rate variation	986,720	3,907,760
Closing balance	**32,564,548**	**28,885,608**

(Expressed in thousands of Brazilian reais)

(*) The Company reviewed and change the balances in December 31, 2020 in the amount of R$ 361,013 referring to the "Margarinas" business goodwill allocation, according to IFRS 3 - Business Combinations, the adjustment is disclosed retrospectively.

(1) Refers to the acquisitions during the year ended at December 31, 2021, Vivera and BMF (Bait Almakoolat Food Industries), in the second quarter, PFM, in the third quarter, and Huon, Sunnyvalley and Randall Park, in the fourth quarter, as described in footnote 4 - Business combination.

(2) Refers to Margarina's business combination adjustments during the years ended at December 31, 2021.

Impairment test of goodwill

At 31 de dezembro de 2021, the Company tested the recoverability of ts goodwill of each CGU group using the concept of value in use through discounted cash flow models based on the figures from September 30, 2021. The determination of the value in use involves using assumptions about cash flows, such as rates of revenue growth, costs and expenses, capital expenditures, working capital requirements and discount rates.

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

The impairment testing were assigned to the CGUs groups which were allocated.

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

CGU Groups	December 31, 2021	December 31, 2020 (*)
Brazil Beef	**9,069,926**	9,069,926
Seara (*)	**3,709,233**	3,699,242
Moy Park	**4,612,311**	4,341,869
USA Pork	**3,875,847**	3,609,285
Australia Meat	**1,664,540**	1,630,007
Australia Smallgoods	**1,840,449**	1,802,725
Vivera (1)	**740,499**	–
PFM (1)	**1,892,839**	–
Others CGUs without significant goodwill	**5,158,904**	4,732,554
Total	**32,564,548**	**28,885,608**

(*) The Company reviewed and change the balances in December 31, 2020 in the amount of R$ 361,013 referring to the "Margarinas" business goodwill allocation, according to IFRS 3 - Business Combinations, the adjustment is disclosed retrospectively.

(1) The Vivera e PFM UCGs were not tested by impairment in the years ended at December 31, 2021, since their acquisitions occurred in the same year and their their tests were carried out within the acquisition document.

For the years ended at December 31, 2021 and 2020 there were no indications that goodwill within any CGU group was impaired.

i. Brazil Beef

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

	2021	2020
Discount rate (pre tax)	**12.0 %**	11.8 %
Terminal value growth rate	**4.2 %**	4.3 %
Estimated growth rate (average for the next 5 years)	**6.4 %**	6.9 %

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

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

For the years ended December 31, 2021 and 2020, estimated value in-use exceeded the carrying amount of the CGU group.

ii. Seara

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

	2021	2020
Discount rate (pre tax)	**13.2 %**	13.5 %
Terminal value growth rate	**3.1 %**	3.3 %
Estimated growth rate (average for the next 5 years)	**13.4 %**	14.0 %

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

• Revenue includes sales from pork, chicken and other products in Brazil. Revenue growth was projected considering the availability of livestock, total slaughtering capacity and utilization of facilities related to production, and price increases/decreases based on estimated inflation for the domestic market and exchange rate variation for exports.

(Expressed in thousands of Brazilian reais)

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

For the years ended December 31, 2021 and 2020, estimated value in use exceeded the carrying amount of the CGU group.

iii. Moy Park

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

	2021	2020
Discount rate (pre tax)	**9.2 %**	8.7 %
Terminal value growth rate	**2.0 %**	1.5 %
Estimated growth rate (average for the next 5 years)	**9.5 %**	2.1 %

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

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

For the years ended December 31, 2021 and 2020, estimated value in-use exceeded the carrying amount of the CGU group.

iv. USA Pork

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

	2021	2020
Discount rate (pre tax)	**12.1 %**	13.5 %
Terminal value growth rate	**0.5 %**	0.5 %
Estimated growth rate (average for the next 5 years)	**(1.8)%**	(2.4)%

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

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

For the years ended December 31, 2021 and 2020, estimated value in-use exceeded the carrying amount of the CGU group.

v. Australia Meat

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

	2021	2020
Discount rate (pre tax)	**9.4 %**	9.7 %
Terminal value growth rate	**2.0 %**	2.0 %
Estimated growth rate (average for the next 5 years)	**1.9 %**	1.9 %

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

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

For the years ended December 31, 2021 and 2020, estimated value in-use exceeded the carrying amount of the CGU group.

vi. Australia Smallgoods

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

	2021	2020
Discount rate (pre tax)	**9.4 %**	9.6 %
Terminal value growth rate	**2.0 %**	2.0 %
Estimated growth rate (average for the next 5 years)	**9.0 %**	8.8 %

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

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

For the years ended December 31, 2021 and 2020, estimated value in-use exceeded the carrying amount of the CGU group.

(Expressed in thousands of Brazilian reais)

17 Trade accounts payable

Trade accounts payable correspond to the amounts owed to suppliers in the ordinary course of business. If the payment period is equivalent to one year or less, the amount is classified as current liabilities, otherwise the corresponding amount is classified as non-current liabilities. Accounts payable are recognized initially at their fair value and are subsequently measured at amortized cost using the effective interest method. Accounts payable by major type of supplier is as follows at December 31, 2021 and 2020:

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Domestic:				
Commodities	**3,719,867**	2,802,807	**8,835,488**	7,071,936
Materials and services	**1,130,352**	854,456	**19,536,239**	13,416,872
Finished products	**226,827**	194,769	**171,439**	136,588
Present value adjustment	**(10,920)**	(1,605)	**(73,919)**	(15,243)
	5,066,126	**3,850,427**	**28,469,247**	**20,610,153**
Foreign:				
Commodities	—	—	**630,511**	451,346
Materials and services	**210,981**	185,405	**1,103,529**	1,126,677
Finished products	**52**	1,514	**13,914**	9,265
	211,033	**186,919**	**1,747,954**	**1,587,288**
	5,277,159	**4,037,346**	**30,217,201**	**22,197,441**
Supply chain finance [1]	**709,630**	473,525	**2,687,974**	2,101,001
Total	**5,986,789**	**4,510,871**	**32,905,175**	**24,298,442**

(*) To allow better presentation, the comparative balances for the year 2020 were segregated between domestic and foreign markets.

[1] The Company and its indirect subsidiary Seara Alimentos carry out risk transactions with financial institutions with suppliers in the domestic market. At December 31, 2021 the average discount rates of supply chain finance transactions disbursed by our suppliers to financial institutions were 0.72% p.m. (0.50% p.m. at December 31, 2020) in the Company and 0.64% p.m. (0.42% p.m. at December 31, 2020) in the Consolidated. Operationally and commercially there was no change in the process and that the referred transaction does not generate changes in the prices applied by suppliers, maintaining the same price composition practiced prior to the risk operation drawn by these same suppliers. In addition, this operation did not bring any other cost to the Company and its subsidiaries and all financial costs of the operation are the responsibility of the suppliers.

In its normal course of business and in order to guarantee cattle supply, the Company enters into purchase agreements for livestock with certain suppliers, including the related party JBJ Agropecuária, ensuring a fixed price when purchasing cattle, without a cash impact in the Company until the maturity date of these commitments. At December 31, 2021 the Company had commitments to purchase livestock cattle in the amount of R$237,051 (R$128,127 at December 31, 2020), of which R$167,700 (R$100,559) were with JBJ Agropecuária, respectively. (Company and Consolidated).

18 Loans and financings

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

	Company							
					Current (*)		Non-current	
Type	Average annual interest rate	Currency	Index on variable rate loans	Payment terms / non-current debt	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Foreign currency								
ACC - Advances on exchange contracts	**3.08%**	**USD**	—	**2023 - 25**	**5,681,086**	703,871	**1,124,259**	—
Prepayment	**3.00%**	**USD**	—	**2024**	**669**	—	**306,928**	—
Credit note - export	**2.68%**	**USD**	—	*****	**427,540**	—	—	—
FINIMP	**3.49%**	**USD and EUR**	**Libor and Euribor**	**2023 - 25**	**398,672**	101,278	**44,890**	165,278
Working capital - Dollar	**3.59%**	**USD**	**Libor**	**2030**	**1,853**	1,971	**17,513**	17,721
					6,509,820	**807,120**	**1,493,590**	**182,999**
Local currency								
CRA - Agribusiness Credit Receivable Certificates	**6.10%**	**BRL**	**CDI and IPCA**	**2023 - 36**	**455,722**	34,214	**5,029,888**	2,354,875
Credit note - export	**10.05%**	**BRL**	**CDI**	**2023**	**1,653,400**	756,575	**304,682**	895,236
CDC - Direct credit to consumers	**6.70%**	**BRL**	—	**2023 - 24**	**109,222**	75,857	**38,196**	60,896
FINAME	**5.25%**	**BRL**	—	**2023 - 25**	**5,930**	8,324	**6,960**	12,799
FINEP	**9.00%**	**BRL**	—	**2025**	**4,634**	18,138	**11,784**	16,345
Working capital - Brazilian Reais	**7.73%**	**BRL**	**TJLP**	**2023**	**552**	587	**137,760**	136,168
					2,229,460	**893,695**	**5,529,270**	**3,476,319**
					8,739,280	**1,700,815**	**7,022,860**	**3,659,318**

(Expressed in thousands of Brazilian reais)

	Consolidated							
					Current (*)		Non-current	
Type	Average annual interest rate	Currency	Indexer	Payment terms / non-current debt	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Foreign currency								
ACC - Advances on exchange contracts	3.07%	USD	–	2023 - 25	5,736,093	703,870	1,124,259	–
Prepayment	2.70%	USD	Libor	2023 - 24	818,234	767,607	1,909,535	2,236,916
Credit note – export	2.68%	USD	–	*	427,540	–	–	–
FINIMP	3.49%	USD and EUR	Libor and Euribor	2023 - 25	401,071	150,456	44,890	167,587
White Stripe credit facility	3.33%	USD and CAD	–	*	18,332	3,955	–	–
Working capital - Dollar	3.59%	USD	Libor	2030	1,853	1,971	17,513	17,721
Scott credit facilities	4.97%	USD	–	2023	–	1,803	7,651	6,454
					7,403,123	1,629,662	3,103,848	2,428,678
Local currency								
FINAME	5.25%	BRL	TJLP	2023 - 25	5,930	8,513	6,960	12,799
FINEP	9.00%	BRL	–	2025	4,634	18,138	11,784	16,345
Notes 5.75% JBS Lux 2025		–	–	–	–	11,329	–	5,442,125
Notes 5.75% PPC 2025		–	–	–	–	85,491	–	5,179,666
Notes 7,0% JBS Lux 2026		–	–	–	–	162,174	–	5,162,836
Notes 5.88% PPC 2027	5.88%	USD	–	2027	67,345	63,436	4,689,557	4,358,389
Notes 5,75% JBS Lux 2028	5.75%	USD	–	2028	108,295	99,884	4,154,385	3,868,766
Notes 6.75% JBS Lux 2028	6.75%	USD	–	2028	124,306	116,635	4,984,921	4,644,120
Notes 6.5% JBS Lux 2029	6.50%	USD	–	2029	101,565	95,895	7,815,714	7,290,513
Notes 5.50% JBS Lux 2030	5.50%	USD	–	2030	172,650	161,768	6,915,881	6,444,043
Notes 3,75% JBS Lux 2031	3.75%	USD	–	2031	7,556	–	2,766,014	–
Notes 3,00% JBS Lux 2032	3.00%	USD	–	2032	12,093	–	5,455,469	–
Notes 2,50% JBS Finance 2027	2.50%	USD	–	2027	15,114	–	5,471,002	–
Notes 3,63% JBS Finance 2032	3.63%	USD	–	2032	112,385	–	5,485,833	–
Notes 4,25% PPC 2031	4.25%	USD	–	2031	47,434	–	5,483,528	–
Notes 3,50% PPC 2032	3.50%	USD	–	2032	56,157	–	4,973,945	–
Term loan JBS Lux 2026	1.33%	USD	Libor	2026	123,502	115,414	10,153,296	9,535,082
PPC term loan	1.33%	USD	Libor	2026	144,753	132,448	2,666,419	2,188,746
Working capital - Brazilian Reais	7.73%	BRL	TJLP	2023	552	587	137,760	136,168
Working capital - Euros	0.58%	EUR	Euribor	2023	43,668	67,058	3,569	5,407
Credit note – export	10.17%	BRL	CDI	2023 - 24	2,076,285	784,154	823,772	1,812,616
CDC - Direct credit to consumers	6.70%	BRL	–	2023 - 24	109,329	76,063	38,196	60,983
Rural - Credit note	10.71%	BRL	CDI	*	60,959	40,178	–	59,739
Rural - Credit note - Pre fixed	5.50%	BRL	–	*	582,549	788,286	–	–
CRA - Agribusiness Credit Receivable Certificates	6.10%	BRL	CDI e IPCA	2023 - 36	455,721	34,214	5,029,891	2,354,875
Scott credit facilities	4.95%	USD, EUR e AUD	–	2023	42,568	44,240	335	2,515
Beardstown Pace credit facility	3.43%	USD	–	2036 - 50	2,349	1,169	126,856	85,517
JBS Australia Feedlot Agreement	7.75%	AUD	–	2023	–	–	201,774	197,615
Other	0.93%	Diversos	Diversos	2023 - 31	33,462	25,365	103,161	57,061
					4,511,161	2,932,439	77,500,022	58,915,926
					11,914,284	4,562,101	80,603,870	61,344,604

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

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

The availability under JBS USA revolving credit facilities was US$2.2 billion (R$12.2 billion at December 31, 2021) and US$2.0 billion (R$10.40 billion at December 31, 2020).

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

	December 31, 2021	
Maturity	Company	Consolidated
2023	1,334,912	2,899,854
2024	1,166,770	2,307,676
2025	10,532	286,428
2026	2,140	12,071,094
2027	389,223	10,558,089
Maturities thereafter 2027	4,119,283	52,480,729
	7,022,860	80,603,870

JBS S.A.

Notes to the financial statements for the years ended at December 31, 2021 and 2020
(Expressed in thousands of Brazilian reais)

Subsequent Event:

a. In January 19, 2022, the Companies´s indirect subsidiaries JBS USA Lux. S.A, JBS USA Finance, Inc. and JBS USA Food Company issued seniors notes in the amount of US$600 millions (R$3.35 billions at December 31, 2021), at 3.263% per year, due 2029 ("Notes 3,263% JBS Lux 2029"), and US$900 millions (R$5.02 billions at December 31, 2021), at 4.375% per year, due 2052 ("Notes 4,375% JBS Lux 2052"). The Company used the net proceeds to the payment of the Notes 5,75% JBS Lux 2028.

18.1 Guarantees and contractual restrictions ("covenants")

Type	Issuer and guarantors	Covenants / Guarantees	Events of default	December 31, 2021
ABL Revolving Facility of JBS Lux	**'Borrower:** JBS USA LUX S.A. (JBS LUX) JBS USA Food Company (JBS USA) JBS Australia Pty. Limited JBS Food Canada ULC **Guarantors:** JBS S.A. (JBS S.A.) JBS USA Holding Lux S.à. r.l.(JBS Holding Lux) JBS Global Luxembourg S.à r.l (JBS Global Lux) JBS Holding Luxembourg S.à. r.l. JBS Global Meat Holdings Pty. Limited (JBS Global Meat) S&C Resale Company Swift Beef Company Miller Bros. Co., Inc. Swift & Company International Sales Corporation Swift Pork Company Swift Brands Company JBS Green Bay, Inc. JBS Carriers, Inc. JBS Plainwell, Inc. JBS Packerland, Inc. JBS Souderton, Inc. Mopac of Virginia, Inc. JBS Tolleson, Inc. Cattle Production Systems, Inc. Skippack Creek Corporation JBS USA Food Company Holdings JBS Live Pork, LLC Plumrose Holdings, Inc. Plumrose USA, Inc.	'Both the ABL Revolving Facility and Term Loan contain negative covenants that limit JBS Lux's and its restricted subsidiaries' ability to, among other things: - incur additional indebtedness; - create liens; - sell or dispose of assets; - declare or pay dividends or make distributions related to securities issued by JBS Lux; - permit restrictions on dividends and other restricted payments to restricted subsidiaries; - prepay or cancel certain indebtedness; - enter into certain transactions with affiliates; - enter into certain sale/leaseback transactions; and - undergo a changes of control. However, these restrictions are subject to certain exceptions, which can be significant. These facilities also restricts JBS S.A. and its restricted subsidiaries from incurring any debt and making restricted payments and other distributions, in each case, subject to certain exceptions, which can be significant.	The facility contains customary events of default. (1)	**(availability up to US$900 million, subject to the borrowing base)**
Term loan JBS Lux 2026			The facility contains customary events of default. (1)	**10,276,798**
Notes 2.500% JBS SA 2027	**Issuer:** JBS Finance Luxembourg S.a. r.l. **Guarantor:** JBS S.A.	There are covenants that restrict our ability and the ability of our significant restricted subsidiaries that guarantee the notes to create certain liens on future principal property and merge, consolidate, sell or otherwise dispose of all or substantially all of our assets. However, these restrictions are subject to certain significant exceptions.	The covenants contains customary events of default. (1)	**5,486,116**
Notes 3.625% JBS SA 2032	**Issuer:** JBS Finance Luxembourg S.a. r.l. **Guarantor:** JBS S.A.	There are covenants that provides that substantially all of the covenants under the indenture may be suspended if, at our option, two of Standard & Poor's Ratings Group, Moody's and Fitch assign the notes an investment grade rating and no default exists under the indenture. Because Moody's and Fitch have rated these notes investment grade substantially all of the covenants in the indenture have been suspended and will remain suspended as long as neither rating agency withdraws its investment grade rating nor downgrades the rating assigned to the notes below investment grade. As a result of these notes being rated investment grade from at least two ratings agencies, the negative covenants that apply include restrictions on our ability and the ability of our restricted subsidiaries that guarantee the notes to create certain liens and our abilty to merge, consolidate, sell or otherwise dispose of all or substantially all of our assets. However, these restrictions are subject to certain significant exceptions.		**5,598,218**
Notes 5.75% JBS USA 2028	**Issuer:** JBS USA Food Company (JBS USA) **Guarantors:** JBS S.A.	We used the net proceeds from the offering of the JBS Lux 3.000% Senior Notes due 2029 and 4.375% Senior Notes due 2052, both series of notes were issued by JBS Lux, JBS USA Food Company and JBS USA Finance, Inc. on February 2, 2022 to fund the redemption of our 5.750% Senior Notes due 2028 that were issued by JBS USA Food Company, as substituted issuer of JBS Investments II GmbH, and are guaranteed by JBS S.A. These notes were redeemed on February 2, 2022.	'The facility contains customary events of default. (1)	**4,262,680**

(Expressed in thousands of Brazilian reais)

Notes 6.75% JBS Lux 2028	**Issuer:** JBS USA Lux S.A. (JBS Lux) JBS USA Food Company (JBS USA) JBS USA Finance Inc. **Guarantors:** JBS S.A. (JBS S.A.) JBS USA Holding Lux S.à. r.l.(JBS Holding Lux) JBS Global Luxembourg S.à r.l (JBS Global Lux) JBS Holding Luxembourg S.à. r.l. JBS Global Meat Holdings Pty. Limited (JBS Global Meat) S&C Resale Company Swift Beef Company Miller Bros. Co., Inc. Swift & Company International Sales Corporation Swift Pork Company Swift Brands Company JBS Green Bay, Inc. JBS Carriers, Inc. JBS Plainwell, Inc. JBS Packerland, Inc. JBS Souderton, Inc. Mopac of Virginia, Inc. JBS Tolleson, Inc. Cattle Production Systems, Inc. Skippack Creek Corporation JBS USA Food Company Holdings JBS Live Pork, LLC Plumrose Holdings, Inc. Plumrose USA, Inc.	The covenants governing these notes provides that substantially all of the covenants under the indentures governing such notes may be suspended if, at our option, two of Standard & Poor's Ratings Group, Moody's and Fitch assign the notes an investment grade rating and no default exists under the indentures governing such notes. Because Moody's and Fitch have rated these notes investment grade substantially all of the covenants in the indentures governing such notes have been suspended and will remain suspended as long as neither rating agency withdraws its investment grade rating nor downgrades the rating assigned to the notes below investment grade. As a result of these notes being rated investment grade from at least two ratings agencies, the indentures governing these notes restrict JBS Lux's ability and the ability of JBS Lux's restricted subsidiaries that guarantee the notes to create certain liens and JBS Lux's ability to merge, consolidate, sell or otherwise dispose of all or substantially all of JBS Lux's assets. However, these restrictions are subject to certain significant exceptions.	'The facility contains customary events of default [1].	**5,109,227**
Notes 6.5% JBS Lux 2029				**7,917,279**
Notes 5.50% JBS Lux 2030				**7,088,531**
Notes 3.75% JBS Lux 2031				**2,773,570**
Notes 3% JBS Lux 2032		There are covenants that restrict JBS Lux's ability and the ability of JBS Lux's significant restricted subsidiaries that guarantee the notes to create certain liens on future principal property and JBS Lux's ability to merge, consolidate, sell or otherwise dispose of all or substantially all of its assets. However, these restrictions are subject to certain significant exceptions.		**5,467,562**
Notes 5.875% PPC 2027	'Issuer: Pilgrim's Pride Corporation	There are covenants that limit PPC's and its restricted subsidiaries' ability to, among other things: - incur additional indebtedness; - create liens; - sell or dispose of assets; - declare or pay dividends or make distributions related to securities issued by JBS Lux; - permit restrictions on dividends and other restricted payments to restricted subsidiaries; - prepay or cancel certain indebtedness; - enter into certain transactions with affiliates; - enter into certain sale/leaseback transactions; and - undergo a changes of control. However, these restrictions are subject to certain exceptions, which can be significant.	'The facility contains customary events of default. [1]	**4,756,902**
Notes 4.25% PPC 2031				**5,530,962**
Notes 3.50% PPC 2032				**5,030,102**
Term loan PPC	**Borrowers:** Pilgrims Pride Corporation To-Ricos Ltd. To-Ricos Distribution, LTD.	- Secured by a first priority lien on i) the accounts receivable and inventories of PPC and its non-Mexico subsidiaries; ii) 100% of the equity interests in PPC's domestic subsidiaries, To-Ricos, Ltd. and To-Ricos Distribution Ltd., and 65% of the equity interests in PPC's direct foreign subsidiaries; iii) substantially all of the personal property and intangibles of the borrowers and guarantors under the U.S. Credit Facility; and iv) substantially all of the real estate and fixed assets of PPC and the guarantors. The facility also contains negative covenants that may limit PPC's ability and certain of its subsidiaries ability to, among other things: - incur certain additional indebtedness; - create certain liens; - pay certain dividends and other restricted payments; - sell or dispose of certain assets; - enter into certain transactions with affiliates; and - consolidate, merge or dissolve substantially all the assets of PPC. Covenants in the facility also require PPC to use the proceeds it receives from certain asset sales and specified debt or equity issuances and upon the occurrence of other events to repay outstanding borrowings under the facility.	The facility also contains customary events of default. [1]	**2,811,172**
PPC revolving credit facility (US Credit facility)				**(availability up to US$800 million)**
Moy Park Revolving Credit Facility	**Borrowers:** Moy Park Limited Moy Park (NewCo) Limited Moy Park (Bondco) PLC Kitchen Range Foods Limited Moy Park Holdings (Europe) Limited.	The facility also contains covenants that may limit Moy Park's ability and certain of its subsidiaries ability to, among other things: - incur certain additional indebtedness; - create certain liens; - pay certain dividends and other restricted; - sell or dispose of certain assets; - enter into certain transactions with affiliates; and - consolidate, merge or dissolve substantially all the assets of Moy Park.	The facility also contains customary events of default.	**(availability up to (GBP100 million)**
Primo ANZ credit facility	**Borrowers:** P&M Quality Small Goods Pty. Ltd. **Guarantors:** Australian Consolidated Food Holdings Pty Limited Australian Consolidated Food Investments Pty Limited Primo Group Holdings Pty Limited Primo Meats Pty. Ltd. Certain subsidiaries of Primo Meats Pty Ltd.	Customary covenants that may limit Primo's ability and the ability of certain subsidiaries to, among other things: - sell or dispose of certain assets; - change the general nature of the core business of the company; - incur certain additional indebtedness; - declare certain dividends, share premiums, or repurchases of equity.	The facility also contains customary events of default.	**(availability up to AUD200 million)**

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

The Company was in compliance with all of its debt covenant restrictions at December 31, 2021 and until the date that these financial statements were approved.

18.2 Financing activities

(Expressed in thousands of Brazilian reais)

		Company							
		Liabilities				Assets		Equity	
	Note	Loans and financings - short and long term	Lease provision	Derivative liabilities	Other liabilities	Derivative assets	Margin cash	Profit reserve: Treasury shares	Dividends
Balance at 12/31/2020		**(5,360,134)**	**(72,466)**	**(21,087)**	**(1,635,636)**	**(51)**	**–**	**303,565**	**(7,215,727)**
Changes in financing cash flows:									
Proceeds from loans and financings	18	(14,788,078)	–	–	–	–	–	–	–
Payments of loans and financings	18	5,157,165	–	–	–	–	–	–	–
Payments of lease	14	–	30,208	–	–	–	–	–	–
Derivatives instruments received/settled	31	–	–	(418,609)	–	–	–	–	–
Margin cash	5	–	–	–	–	–	168,808	–	–
Dividends paid	21	–	–	–	2,511,127	–	–	–	4,884,805
Purchase of treasury shares	24	–	–	–	–	–	–	10,604,975	–
Total of changes in financing cash flows		**(9,630,913)**	**30,208**	**(418,609)**	**2,511,127**	**–**	**168,808**	**10,604,975**	**4,884,805**
Exchange rate variation changes		(221,197)	–	–	(16,507)	–	–	–	–
Other changes:									
Derivatives fair value adjustment	26	–	–	–	–	(372,217)	–	–	–
Interest expenses	26	(862,220)	(6,401)	–	–	–	–	–	–
Interest paid	26	356,198	–	–	–	–	–	–	–
Capitalised interests	13	(43,874)	–	–	–	–	–	–	–
Changes in operating activities		–	–	–	(924,366)	–	–	–	–
Net income attrbutable to Company shareholders		–	–	–	–	–	–	–	(20,486,561)
Non-cash transactions		**–**	**(3,940)**	**153,859**	**(1,418,683)**	**153,859**	**–**	**(7,870,703)**	**9,287,930**
Sale of treasury shares	24	–	–	–	–	–	–	(7,858,219)	7,858,219
Cancellation of treasury shares	24	–	–	–	–	–	–	(2,879,309)	2,879,309
Dividends reversal	21	–	–	–	9	–	–	2,875,329	(2,875,338)
Non-cash transactions		–	(3,940)	153,859	(1,418,692)	153,859	–	(8,504)	1,425,740
Total of other liabilities changes		**(549,896)**	**(10,341)**	**153,859**	**(2,343,049)**	**(218,358)**	**–**	**–**	**–**
Total of other equity changes		**–**	**–**	**–**	**–**	**–**	**–**	**(7,870,703)**	**(11,198,631)**
Balance at 31/12/2021		**(15,762,140)**	**(52,599)**	**(285,837)**	**(1,484,065)**	**(218,409)**	**168,808**	**3,037,837**	**(13,529,553)**

(Expressed in thousands of Brazilian reais)

		Consolidated									
		Liabilities				Assets		Equity			
	Note	Loans and financings - short and long term	Lease provision	Derivatives liabilities	Other liabilities	Derivatives assets	Margin cash	Profit reserve: Treasury shares	Profit reserve and accumulated income: Dividends	Non-controlling interest	Others
Balance at 12/31/2020		**(65,906,706)**	**(6,104,489)**	**(287,536)**	**(3,788,002)**	**228,840**	**–**	**303,565**	**(7,215,727)**	**(3,424,867)**	**434,913**
Changes in financing cash flows:											
Proceeds from loans and financings	18	(53,781,509)	–	–	–	–	–	–	–	–	–
Payments of loans and financings	18	34,108,712	–	–	–	–	–	–	–	–	–
Payments of lease	14	–	1,940,995	–	–	–	–	–	–	–	–
Derivatives instruments received/settled	31	–	–	(418,609)	–	236,148	–	–	–	–	–
Margin cash	5	–	–	–	–	–	730,185	–	–	–	–
Dividends paid	21	–	–	–	2,511,126	–	–	–	4,884,806	–	–
Dividends paid to non-controlling interest		–	–	–	1,008	–	–	–	–	29,431	(1,008)
Purchase of treasury shares	24	–	–	–	–	–	–	10,604,975	–	–	–
Other changes		–	–	–	–	–	–	–	–	(1,756)	–
Total of changes in financing cash flows		**(19,672,797)**	**1,940,995**	**(418,609)**	**2,512,134**	**236,148**	**730,185**	**10,604,975**	**4,884,806**	**27,675**	**(1,008)**
Exchange rate variation changes		**(5,069,422)**	**(289,008)**	**4,993**	**(422,319)**	**(24,033)**	**75,534**	**–**	**–**	**(184,142)**	**(14,705)**
Other changes:											
Derivatives fair value adjustment	26	–	–	29,170	–	223,914	1,438	–	–	–	–
Interest expenses	26	(4,473,740)	266,272	(1,243)	(10,648)	(737)	–	–	–	–	–
Interest paid	26	3,471,970	(134)	–	4,331	–	–	–	–	–	–
Capitalised Interests	13	(199,812)	–	–	–	–	–	–	–	–	–
Changes in operating activities		–	–	(283,711)	(872,073)	215,432	438,197	–	–	(27,224)	–
Net income attributable to non-controlling interest		–	–	–	–	–	–	–	–	(43,092)	–
Net income attributable to Company shareholders		–	–	–	–	–	–	–	(20,486,561)	–	–
Non-cash transactions		**(667,647)**	**(4,157,916)**	**183,657**	**54,690**	**(164,570)**	**–**	**(7,870,703)**	**9,287,929**	**(25,778)**	(34,400)
Business Combination	4	(667,647)	(755,780)	–	(13,600)	–	–	–	–	(13,631)	–
Sale of treasury shares	24	–	–	–	–	–	–	(7,858,219)	7,858,219	–	–
Cancellation of treasury shares	24	–	–	–	–	–	–	(2,879,309)	(11,703,602)	–	–
Dividends reversal	21	–	–	–	–	–	–	–	(9,325)	–	–
Non-cash transactions		–	(3,402,136)	183,657	68,290	(164,570)	–	2,866,825	13,142,637	(12,147)	(34,400)
Total of other liabilities changes		**(1,869,229)**	**(3,891,778)**	**(72,127)**	**(823,700)**	**274,039**	**439,635**	**–**	**–**	**–**	**–**
Total of other equity changes		**–**	**–**	**–**	**–**	**–**	**–**	**(7,870,703)**	**(11,198,632)**	**(96,094)**	**(14,705)**
Balance at 12/31/2021		**(92,518,154)**	**(8,344,280)**	**(773,279)**	**(2,521,887)**	**714,994**	**1,245,354**	**3,037,837**	**(13,529,553)**	**(3,677,428)**	**(14,705)**

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

(Expressed in thousands of Brazilian reais)

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

19 Accrued income taxes and other taxes

Accrued income and other taxes are comprised of the following:

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Taxes payable in installments	**534,512**	792,968	**578,688**	839,863
PIS / COFINS tax payable	**86,035**	88,355	**151,799**	157,890
ICMS / VAT / GST tax payable	**68,157**	60,576	**163,157**	124,862
Withholding income taxes	**39,291**	27,163	**41,568**	80,154
Others	**2,914**	2,749	**378,478**	314,026
Subtotal	**730,909**	**971,811**	**1,313,690**	**1,516,795**
Accrued income taxes	–	–	**988,897**	206,433
Total	**730,909**	**971,811**	**2,302,587**	**1,723,228**
Breakdown:				
Current liabilities	**321,853**	312,888	**1,732,991**	883,053
Non-current liabilities	**409,056**	658,923	**569,596**	840,175
	730,909	**971,811**	**2,302,587**	**1,723,228**

Decree 8,426/2015 - PIS/COFINS over financial income: In July 2015, the Company and its subsidiaries filed an injunction to suspend the enforceability of PIS and COFINS debts over financial income. The Decree 8,426/2015 reestablished the levy of PIS and COFINS on financial revenues obtained by companies subject to the PIS and COFINS non cumulative regime, at the rates of 4.65%. In March, 2020, the STF (Federal Supreme Court) judged the Extraordinary Appeal n. 1.043.313/RS (Theme 939 of the General Repercussion and ADIN n. 5277/DF) and recognized the constitutionality of the rates established in Decree 8426/15, however, the sentence obtained by the Company has not yet been amended.

At November 11, 2021 the Company received infractions notices for the years 2017 and 2018, related to PIS and COFINS on financial incomes and other incomes in the total amount of R$37,928. The Company paid the amount of R$11,351, that it understood to be due, and presented an objection to the incomes, which it considers to be a zero rate or no incidence of those contributions, and the classification of loss for the contested part is possible.

As of December 31, 2021 the Company has recognized under the caption "Accrued income taxes and other taxes" the amount of R$86,035 (R$88,355 at December 31, 2020) and in the Consolidated R$146,127 (R$149,054 at December 31, 2020) regarding to PIS/COFINS over financial income.

(Expressed in thousands of Brazilian reais)

20 Accrued payroll and social charges

Accrued payroll and social charges are comprised of the following:

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Taxes payable in installments	**2,254,814**	3,106,335	**2,308,503**	3,170,262
Bonus and vacation along with related social charges	**248,653**	219,684	**4,767,693**	3,979,650
Salaries and related social charges	**391,159**	410,704	**2,517,580**	2,392,508
Others	**12,647**	8,693	**299,425**	250,049
	2,907,273	**3,745,416**	**9,893,201**	**9,792,469**
Breakdown:				
Current liabilities	**997,438**	893,008	**6,963,119**	5,677,401
Non-current liabilities	**1,909,835**	2,852,408	**2,930,082**	4,115,068
	2,907,273	**3,745,416**	**9,893,201**	**9,792,469**

21 Dividends payable

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Declared dividends on 2017 - Residual	**—**	12	**—**	12
Declared dividends on 2018 - Residual	**2**	2	**2**	2
Declared dividends on 2019 - Residual	**16**	61	**16**	61
Declared dividends on 2020 - Residual	**29**	1,092,099	**77**	1,093,155
Declared dividends on 2021 - Mandatory	**61**	—	**61**	—
Subtotal	**108**	**1,092,174**	**156**	**1,093,230**

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

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

During the years ended in December 2021 the Company distributed interim dividends in the amount of R$4,884,805 referring to the net income for the current year calculated in the financial statements prepared, reaching a percentage of distributed dividends of 25.1%.

22 Other financial liabilities

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

		Current		Non-current	
Company	Description of the acquisitions	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
JBS	- Assets and other industrial complexes.	**10,189**	21,193	**—**	4,950
Seara	- Company Agrovêneto.	**960**	904	**1,573**	2,875
	- Assets from the company Safrio.	**26,038**	23,525	**52,207**	70,576
	- Company Novagro.	**—**	—	**184**	**184**
	- Assets from the company Céu Azul.	**—**	—	**83**	**83**
	Total	**37,187**	**45,622**	**54,047**	**78,668**

23 Provisions

The Company is part of several lawsuits arising in the ordinary course of business for which provisions are recognized based on estimated costs determined by management as follows:

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Labor	**252,496**	319,018	**538,804**	665,439
Civil	**55,658**	46,279	**1,568,873**	290,257
Tax and Social Security	**174,439**	157,183	**560,164**	457,742
Total	**482,593**	**522,480**	**2,667,841**	**1,413,438**

(Expressed in thousands of Brazilian reais)

Breakdown:	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Current liabilities (*)	—	—	**1,338,422**	—
Non-current liabilities	**482,593**	522,480	**1,329,419**	1,413,438
	482,593	**522,480**	**2,667,841**	**1,413,438**

(*) Given the materiality of the accrual, JBS USA Antitrust Agreements that were recognized under the caption "Other current liabilities", to allow better presentation, are now disclosed as "Provisions".

Changes in provisions

	Company				
	December 31, 2020	Additions, disposals and changes in prognosis	Payments	Monetary correction	December 31, 2021
Labor	319,018	90,141	(168,101)	11,438	**252,496**
Civil	46,279	13,838	(16,851)	12,392	**55,658**
Tax and social security	157,183	15,844	(10,787)	12,199	**174,439**
Total	**522,480**	**119,823**	**(195,739)**	**36,029**	**482,593**

	Consolidated					
	December 31, 2020	Additions, disposals and changes in prognosis	Payments	Monetary correction	Exchange rate variation	December 31, 2021
Labor	665,439	335,563	(486,812)	26,805	(2,191)	538,804
Civil	290,257	4,076,986	(2,901,513)	32,888	70,255	1,568,873
Tax and social security	457,742	92,331	(12,201)	22,475	(183)	560,164
Total	**1,413,438**	**4,504,880**	**(3,400,526)**	**82,168**	**67,881**	**2,667,841**

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

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

In the Company:

a. Tax and Social Security Proceedings

a1. ICMS - Value Added Tax (Imposto sobre Operações Relativas à Circulação de Mercadorias e sobre a Prestação de Serviços de Transporte Interestadual e Intermunicipal e de Comunicação): The Tax Authority of the state of São Paulo (Secretaria da Fazenda do Estado de São Paulo) filed 210 administrative proceedings (232 administrative proceedings at December 31, 2020) against JBS, under which the Tax Authority challenges the amount of the Company's ICMS tax credits arising from the purchase of cattle and meat transfer by the Company in other Brazilian states. The Tax Authority of the state of São Paulo claims that the tax incentives should be approved by Confaz , and are known as a "Tax War". The Tax Authority of the state of São Paulo does not recognize the Company's ICMS tax credits up to the amount of the ICMS tax guaranteed in such other states. JBS estimates that the claims under these administrative proceedings amount to R$2.41 on December 31, 2021 (R$2.50 at December 31, 2020). In addition to presenting its defense in such administrative proceedings, the Company has filed legal proceedings seeking the payment of damages from such other states if the Tax Authority of the state of São Paulo prevails in these administrative proceedings. The subject awaits judgment by the Federal Supreme Court (Theme 490 - general repercussion). There is a relevant extra-procedural element: Complementary Law n. 160/2017 which provided for the possibility of ratifying the credits that were not considered with the consequent remission of debts. Currently, administrative procedures are outstanding by the States that transfer the benefits, which will result in the cancellation of debts. Management believes, based on the advice of its legal counsel, that its arguments will prevail in these procedures, which is the reason why no provision has been made, considering as a remote loss.

a2. Profits earned by foreign subsidiaries: During 2020 and 2021, the Company suffered assessments originating from charges related to profits earned abroad, which supposedly should be included in the income tax calculation basis, disallowance of guides paid by foreign subsidiaries, on the grounds that they could not been used for compensation purposes, as well as for disallowance of goodwill. These charges also involve the imposition of a fine, an isolated fine plus interest. The Company clarifies that the major part related to the collection of profits abroad refers to the formal requirements required by the inspection for the purpose of consolidating the results abroad of its direct or indirect investees, being certain that the Company disagrees with the criteria applied by the inspection The Company filed administrative objections that are awaiting judgment. Management understands that, considering historical values related to the dates of the assessments, for R$867,907, there are remote chances of loss and for the historical amount of R$5.76 billion there are possible chances of loss, which is the reason why no provision has been made.

a3. Other tax and social security procedures: The Company is part in additional 1,162 tax and social security proceedings (1,138 proceedings in December 31, 2020), which individually are not material. We highlight that the ones with probable loss risk have a provision of an aggregate amount of R$174,439 (R$157,183 In December 31, 2020).

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

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

b. Labor Proceedings

As of December 31, 2021 JBS was party to 5,631 labor proceedings, (6,389 labor proceedings at December 31, 2020) involving total claims of R$1.4 billion (R$1.3 billion at December 31, 2020). Based on the opinion of the Company's legal counsel, JBS has provisioned an aggregate amount of R$252,496 (R$319,018 at December 31, 2020) for losses arising from these proceedings, which includes payroll taxes. Most of these lawsuits were filed by former employees of JBS seeking overtime payments and payments relating to their exposure to health hazards, commuting time, alleged work accidents and recovery time. Among other labor proceedings, there are ongoing proceedings filed by the Labor Ministry (Ministério do Trabalho) related to labor issues.

c. Civil Proceedings

As of December 31, 2021, the Company was party to 1,996 civil proceedings (1,679 civil proceedings at December 31, 2020). In the opinion of the Management and its legal advisors, the expected loss of R$55,658 (R$46,279 at December 31, 2020), has been accrued.

d. Other proceedings with possible outcome

As of December 31, 2021, the Company had other ongoing proceedings in the amount of R$9,60 billions (R$7.95 billions at December 31, 2020) which refer mainly to civil and labor proceedings in the Company, and in the Consolidated in the amount of R$13.76 billions (R$12.22 billions at December 31, 2020) whose loss potential, according to the evaluation of its legal advisors, is possible, but not probable, for which the Company's Management has not set an accrual for possible loss.

e. Other investigative and judicial related procedures

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

e1. Criminal procedures:

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

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

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

e2. Class actions

The class action **n° 1001502-51.2017.4.01.3700** (9ª Vara Cível federal de São Paulo) awaits judgment in first degree. On June 2020, the Superior Court of Justice decides that the Court of the State of Maranhão was the competetent authority to analyze the citizen suit. The class action n° 5007526-48.2017.4.03.6100 (5ª Vara Cível Federal de São Paulo) the appelate court confirmed the ruling from the court dismissing the case in favor of the Company. The class actions n° 5007521-26.2017.4.03.6100 (9ª Vara Cível Federal de São Paulo); and n° 1019930-11.2017.4.01.3400 (14ª Vara Cível Federal do Distrito Federal) had favorable outcomes for the Company therefore they were classified as remote loss. The class action n° 820215-58.2017.8.12.0001 (1ª Vara de Direitos Difusos, Coletivos e Individuais da Comarca de Campo Grande) awaits judgment in first degree.

e3. Corporate lawsuits

- CVM - Administrative Sanction Proceeding 19957.005388/2017-11 (5388/2017): Determines the possible liability the Company and its subsidiary Seara Alimentos to allegedly being a beneficiary of purchases of US dollar derivative contracts using unfair practices, in violation of CVM Instruction No. 8/1979, II, d. The parties presented its defense and requested for the production of evidence, which remains with the process' rapporteur for consideration. At December 2020, the Rapporteur granted a deadline for the parties to present a list of witnesses and to bring documentary evidence to the file. In 2021, the case was reassigned to a different reporting director, thus the parties are still awaiting examination of the petition for specification of evidence (testimonial and expert evidence).

- Arbitration proceedings n° 93/17, 110/18 and 186/21: Such proceedings were initiated by the Company's shareholders, based on corporate requests (action of responsibility from the Company's administrator for losses and damages / shareholder voting rights at an extraordinary general meeting). The Company, however, appears in these procedures only as an interested party. Therefore, there is no economic expression that is accounted to the shares. In September 2020, the BNDESPAR notified the Company's Board of Directors to call a meeting in order to resolve on the filing of a liability action against former executives and certain other employees of Justice and, also, of the direct and/or indirect controller of the Company, pursuant to articles 159 and 246 of the Public Limited Companies Act. In September 23, 2020, the Company disclosed a relevant fact about the receipt of BNDESPAR's request and the call for Meeting of the Board of Directors to address the issue. In September 29, 2020, following approval by the Company's Board of Directors, a call notice for the general meeting was published. The Meeting was held on October 30, 2020 and resolved on the inclusion of liability actions in the face of former managers and the Company's direct or indirect controller.Thus, the Company's managers were obliged to adopt all measures necessary to initiate a new arbitration proceeding, on behalf of the Company itself, to pursue compensation for any losses incurred as a result of the facts reported in the Plea Agreements.

On January 27, 2021, the company submitted to arbitration a request against its ultimate controlling shareholders and former executives in accordance with the resolution approved at an extraordinary general meeting of our shareholders held on October 30, 2020 ("Arbitration No. 186/21"). Arbitration No. 186/21 is in the rejoinder phase and given the complexity of the issues under discussion, subject to factors such as: unprecedented legal arguments, timelines yet to be redefined and a substantial production of evidence phase to occur, the Company is not able to produce a conclusive estimate about the potential indemnification to be earned at the end of the arbitration.

Because Arbitration No. 186/21 has begun, company has requested that arbitration proceedings No. 93/17 and No. 110/18 referred to above be dismissed on the grounds that: (i) two minority shareholders of JBS S.A. lost their standing to sue; and (ii) the subject matters of these arbitration proceedings No. 93/17 and No. 110/18 should be solely determined in this arbitration proceeding No. 186/21 as resolved by the shareholders of JBS S.A. at a general shareholders meeting. Furthermore, it is worth informing that on October 7, 2021, two shareholders formulated a request to cancel, enable and suspend the arbitration initiated by the Company, as approved by the meeting shareholders meeting. The Company vigorously opposed the request to terminate Arbitration No. 186/21, as it was in complete disagreement with the rules applicable to the procedure and, in particular, the sovereign resolution of the October 2020 meeting. Since then, the validity and the possibility of continuing these proceedings have been the subject of discussion between the parties.

The Company also informs that there are administrative sanctioning proceedings ongoing at CVM, which deals with the Company related matters but seek to hold accountable former members and members of their Management for alleged violations of the capital market regulation regarding: conflict of interest, duty of care, use and disclosure of information to the market. The Company, however, does not appear as an accused in any of the aforementioned cases, being only an interested party. In this sense, nothing relevant to report for the year ended in December 31, 2021 in this regard.

In subsidiary Seara Alimentos:

a. Labor Proceedings

As of December 31, 2021, Seara Alimentos subsidiaries were party to 12,740 labor proceedings (13,414 labor proceedings at December 31, 2020) labor proceedings, involving the total amount of R$1.66 billion (R$1.88 billion at December 31, 2020). Based on the opinion of the Company's legal counsel, an accrual has been made in the amount of R$286,090 (R$346,269 at December 31, 2020) for losses arising from such proceedings, already including payable social charges by the employee and Seara Alimentos. Most of these lawsuits were filed by former employees of Seara Alimentos seeking overtime payments and payments relating to their exposure to health hazards, commuting time, alleged work accidents and recovery time. Among other labor proceedings, there are ongoing proceedings filed by the Labor Ministry (Ministério do Trabalho) related to labor issues.

b. Civil proceedings

As of December 31, 2021, Seara Alimentos subsidiaries were party to 3,347 civil and administrative proceedings (2,984 civil an administrative proceedings at December 31, 2020), involving the total amount of R$867,578 (R$843,098 at December 31, 2020). Based on the opinion of the Company's legal counsel, an accrual has been made in the amount of R$174,767 (R$243,978 at December 31, 2020) for losses arising from such proceedings. Most of these lawsuits are related to indemnity for collective moral damage, moral damage for improper protest, repairing damages for poultry partnership or pigs integration, cancellation of industry or trade mark complaints and consumer contracts - product quality.

c. Tax and social security proceedings

As of December 31, 2021, Seara Alimentos and its subsidiaries are party to 895 (819 tax and social security proceedings at December 31, 2020), involving the total amount of R$5.35 (R$5.43 at December 31, 2020). Proceedings with a probable loss risk have contingencies, in the amount of R$381,496 (R$293,916 at December 31, 2020).

d. Other proceedings with possible outcome

As of December 31, 2021, Seara Alimentos and its subsidiaries had other ongoing proceedings in the amount of R$3.9 billions (R$$4.1 billions at December 31, 2020) which refer to labor, civil and tax and social security proceedings, whose loss potential according to the evaluation of its legal advisors is possible but not probable, therefore there is no accrual recognized.

In the subsidiary JBS USA:

a. Labor:

a1. Labor Agreement - Chicken: Refers to several purported class action lawsuits against PPC and a number of other chicken producers, alleging that the defendants conspired to fix and depress the compensation paid to Plant Workers in violation of the Sherman Act and seek damages for the workers. During the second quarter of 2021, the indirect subsidiary PPC recognized an accrual in the amount of US$29 million (R$161,835 at December 31, 2021), which was paid during the third quarter of 2021.

b. Civil:

b1. DOJ Agreement: In October 14, 2020, the Company's indirect subsidiary PPC, entered into a plea agreement with the United States Department of Justice Antitrust Division in respect to its investigation into the sales of broiler chicken products in the United States, regarding restraint of competition that affected three contracts for the sale of chicken products to one customer in the United States. On February 23, 2021, the Colorado approved the Plea agreement and assessed an amended fine of US$107.9 milions (R$602,136 at December 31, 2021). The amount was recognized under the caption "General and Administrative expenses" during the years ended in 2020.

b2. Antitrust Agreement - Chicken: During 2016, a series of purported federal class action lawsuits were filed with the US District Court for the Northern District of Illinois, USA, against PPC and 19 other defendants by and on behalf of direct and indirect purchasers of broiler chickens alleging violations of federal and state antitrust and unfair competition laws. The indirect subsidiary PPC recognized an accrual in the amount of US$629.8 million (R$3.51 at December 31, 2021), which US$457,4 million (R$2,55 at December 31, 2021) were paid.

b3. Antitrust Agreement - Pork: Refers to several purported class action lawsuits were filed against JBS USA and a number of other pork producers on behalf of direct and indirect purchasers of pork alleging violations of federal and state antitrust, unfair competition, unjust enrichment, deceptive trade practice, and consumer protection laws. The indirect subsidiary JBS USA recognized an accrual in the amount of US$83,9 million (R$468,204 at December 31, 2021)l, which US$69 million (R$385,055 at December 31, 2021) were paid.

b4. Antitrust Agreement - Cattle: During the years ended in 2020, two purported class action lawsuits were filed against JBS USA and a number of other meatplackers in Minnesota Court, in the USA, on behalf of direct purchases and commercial and industrial indirect purchases of beef, each alleging violations of federal and state laws related to unfair competition, unjust enrichment, unusual business practices, and consumer protection laws in the sale of beef. The indirect subsidiary JBS USA recognize an accrual in the amount of US$52.5 millions (R$292,976 at December 31, 2021).

The Company, together with its legal department and hired external offices, remains to monitor the developments of the antitrust proceedings and understand that the accounting provisions recorded are sufficient to cover the risk until the disclosure of these financial statements.

(Expressed in thousands of Brazilian reais)

24 Equity

a. Share capital: Share capital on December 31, 2021 and 2020 was R$23,576,206, represented by 2,373,866,570 common shares, having no nominal value. The share capital amount is net of R$54,865 capitalized transaction costs related to expenses incurred in 2010 consisting of R$37,477 related to the transaction costs for the Company's Initial Public Offering, and expenses in the amount of R$17,388 regarding the issuance of debentures during 2011. The Company is authorized to increase its capital by an additional 1,375,853,183 common shares. According to statute, the Board of Directors shall determine the number, price, payment term and other conditions of the issuance of shares. The Company may grant options to purchase shares to directors, employees or persons who will provide services, or the directors, employees or person providing the services under its control.

	December 31, 2021		December 31, 2020	
	Quantity	R$ thousand	Quantity	R$ thousand
Initial balance	2,623,373,646	23,576,206	2,728,747,412	23,576,206
Cancellation of treasury shares	(249,507,076)	–	(105,373,766)	–
Final balance	2,373,866,570	23,576,206	2,623,373,646	23,576,206

b. Capital reserves:

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

b2. Share-based compensation:

The Company has until the beginning of the years ended in December 31, 2021, a stock option plan settle in shares. The Company grants stock options to employees as an incentive intended to create a sense of ownership and personal involvement with the development and financial success of JBS. Executive officers, directors and general managers were eligible to receive stock options under the plan. The Company's Chairman established the criteria of granting the options and selecting the employees. The last plan was granted in 2018 and the remaining stock options were exercised during the first quarter of 2021.

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

	December 31, 2021			December 31, 2020		
	Quantity of options	Average exercise price per share		Quantity of options	Average exercise price per share	
Initial balance	**186,324**	**R$**	**23.63**	**1,513,690**	**R$**	**9.51**
Exercised [1]	**(186,324)**	**$**	**9.62**	(1,013,117)	R$	9.66
Cancelled	–		–	(314,249)	R$	9.75
Closing balance	–		–	**186,324**	**R$**	**23.63**

[1] The exercised shares during the year ended at December 31, 2021 totaled in the amount of R$1,798 (R$3,181 at December 31, 2020)

During the years ended at December 31, 2021, the expense with options plan totaled R$50,855 in the Consolidated. The expenses were recognized in the net income (loss) under the caption "General and administrative expenses", with the respective offset in "Capital Reserves".

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

d. Profit reserve:

d1. Treasury shares:

Treasury share activity during the years ended at December 31, 2021 and 2020 were as follows:

	December 31, 2021		December 31, 2020	
	Quantity	R$ thousand	Quantity	R$ thousand
Initial balance	**12,848,500**	**303,565**	**63,706,683**	**605,722**
Purchase of treasury shares	**396,907,500**	**10,604,975**	55,528,700	1,272,751
Disposal of treasury shares	**(80,000,000)**	**(3,980)**	–	–
Treasury shares used in stock option plan [1]	**(186,324)**	**(4,523)**	(1,013,117)	(9,872)
Cancellation of treasury shares	**(249,507,076)**	**(7,862,199)**	(105,373,766)	(1,565,036)
Closing balance	**80,062,600**	**3,037,838**	**12,848,500**	**303,565**

[1] Refers to treasury shares exercised effectively.

__Subsequent Events:__

a. From January 1, 2022 until the approval of these financial statements, the Company repurchased 49.002.100 shares in the amount of approximately R$13.482 billions.

b. On March 21, 2022, the Company announced the cancellation, approved by the Board of Directors, of 129,064,700 shares held in treasury, at the same time was approved a new Share Buyback Program which the Company may acquire up to 10% of the outstanding shares. The expiration date in connection with the share buyback program is in 18 months from May 22th, 2022.

d2. Legal reserve: Credited annually with 5% of the profit of the year.

d3. Investments statutory: Consists of the remaining balance of the net income accumulated over time after the computation of the legal reserve and dividend distribution. The purpose of this reserve is to provide funds for the investment in operating assets and/or repurchase of shares (to be held in treasury or cancelled) and this reserve cannot exceed the share capital.

(Expressed in thousands of Brazilian reais)

d4. Dividends: The Company approved the distribution of interim dividends referring to the net income arising from the current year demonstrated in the financial statements, over the adjusted net income, in the amount of R$4.885 billion, corresponding to R$1,00 per ordinary share, excluding the 44,956,800 commom shares which are held at treasury. The interim dividends was paid to the shareholders in August and November, 2021.

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

f. Non-controlling interest: Material non-controlling interest at December 31, 2021 consisted of the 19.8% (19.8% at December 31, 2020), of PPC common stock not owned by JBS USA. JBS USA's voting rights in PPC are limited to 80.2% at December 31, 2021 ((80,2% at December 31, 2020) of the total. PPC is one of the largest chicken producers in the world, with operations in the United States, Mexico and Puerto Rico. The profit allocated to the PPC non-controlling interest was US$6.9 millions (R$37,280 at December 31, 2021) and US$10.9 millions (R$56,281 at December 31, 2020), respectively. The accumulated non-controlling interest in PPC was US$650.3 millions (R$3.63 billions at December 31, 2021) and US$652.9 millions (R$3.39 billions at December 31, 2020), respectively. Below are the PPC total net sales, net income, cash provided by operations, total assets and total liabilities for the years indicated.

	2021	2020
NET REVENUE	**79,724,791**	45,010,354
NET INCOME	**167,246**	1,798,660
Net cash provided by operating activities	**1,761,255**	2,629,483

	December 31, 2021	December 31, 2020
Total assets	**49,740,141**	38,842,719
Total liabilities	**35,292,594**	25,459,413

Subsequent Event:

On February 17, 2022, the Company announced that it has withdrawn its previously announced proposal to acquire all of the outstanding shares of common stock of Pilgrim's Pride Corporation (PPC) that are not owned by JBS or its subsidiaries.

25 Net revenue

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

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

	Company		Consolidated	
	2021	2020	2021	2020
GROSS REVENUE				
Sales of products				
Domestic sales	**31,398,634**	24,283,521	**270,274,151**	208,377,421
Export sales	**22,786,475**	18,157,914	**91,139,471**	70,357,066
	54,185,109	**42,441,435**	**361,413,622**	**278,734,487**
SALES DEDUCTION				
Returns and discounts	**(1,591,082)**	(1,308,680)	**(6,973,277)**	(5,862,145)
Sales taxes	**(1,149,067)**	(848,282)	**(3,744,784)**	(2,668,130)
	(2,740,149)	**(2,156,962)**	**(10,718,061)**	**(8,530,275)**
NET REVENUE	**51,444,960**	**40,284,473**	**350,695,561**	**270,204,212**

25.1 Customer contract balances

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

	Consolidated	
	2021	2020
Initial balance	**1,088,402**	759,557
Revenue recognized during the year	**(617,652)**	(348,180)
Cash received, excluding amounts recognized as revenue during the year	**359,283**	467,799
Exchange rate variation	**80,772**	209,226
Closing balance	**910,805**	**1,088,402**

26 Finance income (expense)

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

Finance income (expense) consisted of the following for the years ended December 31, 2021 and 2020 are as follows:

	Company		Consolidated	
	2021	**2020**	**2021**	**2020**
Exchange rate variation	**(179,884)**	(3,051,110)	**(9,827)**	(7,846,065)
Fair value adjustments on derivatives	**372,217**	(71,380)	**254,522**	(319,284)
Interest expense [(1)]	**(2,299,629)**	(1,847,033)	**(5,264,596)**	(4,770,269)
Interest income [(2)]	**584,564**	611,945	**780,545**	1,004,673
Taxes, contribution, fees and others [(3)]	**(99,544)**	(191,958)	**(839,295)**	(307,958)
	(1,622,276)	**(4,549,536)**	**(5,078,651)**	**(12,238,903)**
Finance income	**1,526,393**	2,731,025	**2,304,091**	3,557,443
Finance expense	**(3,148,669)**	(7,280,561)	**(7,382,742)**	(15,796,346)
	(1,622,276)	**(4,549,536)**	**(5,078,651)**	**(12,238,903)**

[(1)] For the years ended at December 31, 2021 and 2020, the amounts of R$905,552 and R$338,798, respectively, in the Company and R$4,076,458 and R$3,820,665, respectively, in the Consolidated refers to interest expenses from loans and financings recognized under the caption "Interest expense".

[(2)] For the years ended at December 31, 2021 and 2020, the amounts of R$24,271 and R$26,512, respectively, in the Company and R$128,903 and R$94,744, respectively, in the Consolidated refers to interest income from short investments recognized under the caption "Interest income".

[(3)] Under the caption "Taxes, contribution, fees and others" in the years ended at December 31, 2021, includes the premium payments, in the Consolidated, of the notes 5.75% JBS Lux 2025, notes 5,75% PPC 2025 and notes 7,0% JBS Lux 2026 in the amount of US$57.2 millions (R$554,415 at December 31, 2021).

27 Earnings per share

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

Diluted: Diluted earnings (loss) per share is calculated by dividing net income (loss) of the period attributable to common shareholders by the weighted average number of common shares outstanding during the year, adjusted for the effects of all potential common shares that are dilutive and adjusted for treasury shares held. From May 2015, the Company had only one category of potential common shares that would cause dilution: outstanding options to purchase shares (shares in thousands). Since the first quarter of 2021, the Company does not have commom shares that would cause dilution, therefore, the calculation of diluted earnings per share is the same to the basic earnings per share.

	2021	2020
Net income attributable to shareholders	**20,486,561**	**4,598,311**
Weighted average common shares outstanding	**2,516,008**	2,702,834
Weighted average - treasury shares	**(36,817)**	(47,740)
Weighted average - common shares outstanding (basic)	**2,479,191**	**2,655,094**
Basic and diluted earnings per share - (R$)	**8.26**	**1.73**

28 Operating segments and geographic reporting

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

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

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

Beef USA: this segment includes JBS USA beef processing operations in North America, all the operating activities performed by Australia and the plant-based businesses.

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

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

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

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

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

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

(Expressed in thousands of Brazilian reais)

The information by consolidated operational segment are as follows:

	Net revenue		Operating income (loss) [1]		Depreciation	
	2021	2020	2021	2020	2021	2020
Segments						
Brazil	**53,803,278**	41,707,285	**1,506,311**	2,317,231	**812,145**	722,928
Seara	**36,523,492**	26,730,782	**2,633,596**	3,243,714	**1,227,054**	980,184
Beef USA	**146,592,715**	112,120,290	**24,475,719**	11,554,649	**1,534,425**	1,346,919
Pork USA	**41,077,122**	32,171,067	**3,249,641**	2,537,124	**991,478**	850,870
Chicken USA	**79,673,627**	62,227,655	**4,757,362**	2,114,330	**4,351,928**	3,840,577
Others	**3,848,135**	2,899,877	**71,414**	(47,994)	**119,882**	105,070
Intercompany elimination	**(10,822,808)**	(7,652,744)	**(59,575)**	(1,810)	**(9,142)**	(9,143)
Total	**350,695,561**	**270,204,212**	**36,634,468**	**21,717,244**	**9,027,770**	**7,837,405**

	December 31, 2021	December 31, 2020
Total assets		
Brazil	**46,108,376**	40,989,826
Seara	**44,768,860**	34,137,413
Beef USA	**47,645,544**	31,733,149
Pork USA	**17,405,345**	13,969,791
Chicken USA	**50,730,118**	39,897,085
Others	**76,174,696**	88,784,867
Intercompany elimination	**(75,723,823)**	(85,710,325)
Total	**207,109,116**	**163,801,806**

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

Geographic reporting

	Net revenue		Operating income (loss) [1]		Depreciation	
	2021	2020	2021	2020	2021	2020
United States of America	**263,194,506**	202,848,854	**32,489,928**	16,137,026	**6,935,287**	6,090,427
South America	**88,550,646**	67,285,118	**4,137,929**	5,573,058	**2,056,600**	1,721,644
Others	**3,309,771**	2,588,614	**66,186**	9,628	**45,025**	34,477
Intercompany elimination	**(4,359,362)**	(2,518,374)	**(59,575)**	(2,468)	**(9,142)**	(9,143)
Total	**350,695,561**	**270,204,212**	**36,634,468**	**21,717,244**	**9,027,770**	**7,837,405**

Total assets by geographic area:

	December 31, 2021	December 31, 2020
Total assets		
United States of America	**177,958,642**	138,480,816
South America	**88,049,693**	73,975,311
Others	**13,243,458**	35,389,020
Intercompany elimination	**(72,142,677)**	(84,043,341)
Total	**207,109,116**	**163,801,806**

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

	Operating income	
	2021	2020
Net income	**20,529,653**	4,654,949
Income tax and social contribution - current and deferred	**6,661,799**	3,609,243
Finance (income) expense, net	**5,078,651**	12,238,903
Share of profit of equity-accounted investees, net of tax	**(92,511)**	(53,479)
Operating profit	**32,177,592**	**20,449,616**
DOJ and Antitrust agreements [2]	**4,254,697**	1,283,142
Donations and social programs [3]	**100,930**	316,105
Extemporaneous tax credit impacts [4]	**(101,073)**	(421,014)
JBS Fund For The Amazon [5]	**50,000**	—
Other operating expense/income [6]	**152,322**	89,395
Net operating profit	**36,634,468**	**21,717,244**

[2] Refers to the Agreements entered by JBS USA and its subsidiaries.

[3] As described in footnote 1 - Operating activities, item a. - Analysis of the impacts from Covid-19 pandemic and social programs.

[4] Refers to the recognition of PIS/ COFINS tax credits in the ICMS tax base.

[5] Refers to the donations made by the Company to the JBS Fund For the Amazon, during the current year.

(Expressed in thousands of Brazilian reais)

(6) Refers to several adjustments basically in JBS USA's jurisdiction such as third party advisory expenses related to restructuring projects, marketing of social programs, among others.

29 Expenses by nature

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

	Company		Consolidated	
	2021	2020	2021	2020
Cost of sales				
Cost of inventories, raw materials and production inputs	**(42,487,072)**	(31,407,755)	**(243,353,275)**	(189,076,023)
Salaries and benefits	**(1,669,251)**	(1,512,535)	**(33,355,947)**	(29,107,046)
Depreciation and amortization	**(384,143)**	(384,472)	**(7,801,354)**	(6,802,820)
	(44,540,466)	**(33,304,762)**	**(284,510,576)**	**(224,985,889)**
General and administrative				
Salaries and benefits	**(1,482,424)**	(1,492,875)	**(6,034,326)**	(5,396,190)
Fees, services held and general expenses	**(799,954)**	(776,321)	**(3,844,309)**	(3,023,919)
Depreciation and amortization	**(267,372)**	(202,780)	**(921,639)**	(772,936)
Antitrust agreements	–	(151,546)	**(4,254,697)**	(1,283,142)
Donations and social programs	**(100,930)**	(316,105)	**(100,930)**	(316,105)
JBS Fund For The Amazon	**(49,500)**	–	**(50,000)**	–
	(2,700,180)	**(2,939,627)**	**(15,205,901)**	**(10,792,292)**
Selling				
Freights and selling expenses	**(2,208,399)**	(1,794,781)	**(16,152,190)**	(12,186,357)
Allowance for doubtful accounts	**(35,539)**	(18,860)	**(65,460)**	(33,173)
Salaries and benefits	**(183,407)**	(173,959)	**(968,724)**	(805,911)
Depreciation and amortization	**(66,945)**	(84,110)	**(304,777)**	(261,649)
Advertising and marketing	**(116,194)**	(82,370)	**(1,351,886)**	(960,769)
Commissions	**(129,255)**	(79,269)	**(324,274)**	(233,603)
	(2,739,739)	**(2,233,349)**	**(19,167,311)**	**(14,481,462)**

As of December 31, 2021, other income (expenses) includes gain (losses) of sale of assets and extemporaneous tax credits gain in the Company, and in the Consolidated, gain (losses) of sale of assets, third party advisory expenses related to corporate restructures, extemporaneous tax credits gain, among others.

30 Insurance coverage

At December 31, 2021, JBS S.A. and Seara Alimentos, had as maximum individual limit for coverage R$150,000 (R$150,000 at December 31, 2020). This coverage includes all types of casualties.

The Company's indirect subsidiary JBS USA has a insurance policy with the same aforementioned characteristics; however, the maximum indemnification limit was of US$ 500 million (R$2.790 billions at December 31, 2021) and US$500 million (R$2,598 billions at December 31, 2020).

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

31 Risk management and financial instruments

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

Financial instruments:

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

		Company		Consolidated	
	Notes	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Assets					
Fair value through profit or loss					
Financial investments	5	**143,670**	142,779	**5,812,213**	3,939,077
National treasury bills	5	**308,393**	142,924	**933,156**	244,096
Derivative assets		**218,409**	41,820	**714,995**	270,609
Loans and receivables at amortized cost					
Cash at banks	5	**2,371,119**	3,066,208	**17,287,352**	15,496,570
Margin cash	5	–	–	**451,784**	–
Trade accounts receivable	6	**4,259,402**	2,871,612	**19,877,408**	14,001,211
Related party receivables	10	**4,032,213**	1,872,127	**417,702**	382,019
Total		**11,333,206**	**8,137,470**	**45,494,610**	**34,333,582**
Liabilities					
Liabilities at amortized cost					
Loans and financing	18	**(15,762,140)**	(5,360,133)	**(92,518,154)**	(65,906,705)
Trade accounts payable and supply chain finance	17	**(5,986,789)**	(4,510,871)	**(32,905,175)**	(24,298,442)
Related party payables	10	**(11,079,225)**	–	–	–
Other financial liabilities	22	**(10,189)**	(26,143)	**(91,234)**	(124,290)
Fair value through profit or loss					
Derivative liabilities		**(285,837)**	(21,087)	**(773,279)**	(287,536)
Total		**(33,124,180)**	**(9,918,234)**	**(126,287,842)**	**(90,616,973)**

(Expressed in thousands of Brazilian reais)

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

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

Fair value of assets and liabilities through profit or loss: The Company and its subsidiaries determine fair value measurements in accordance with the hierarchical levels that reflect the significance of the inputs used in the measurement, with the exception of those maturing at short term, equity instruments without an active market and contracts with discretionary characteristics that the fair value can not be measured reliably, according to the following levels:

Level 1 - Quoted prices in active markets (unadjusted) for identical assets or liabilities;
Level 2 - Inputs other than Level 1, in which prices are quoted for similar assets and liabilities, either directly by obtaining prices in active markets or indirectly through valuation techniques that use data from active markets;
Level 3 - Inputs used for fair value calculations which are not derived from an active market. The Company and its subsidiaries do not have any financial instruments that utilize level 3 inputs.

	Company					
	December 31, 2021			December 31, 2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets						
Financial investments	–	143,669	143,669	–	142,779	142,779
National treasury bills	308,394	–	308,394	142,924	–	142,924
Derivative assets	–	218,409	218,409	–	41,820	41,820
Financial liabilities						
Derivative liabilities	–	285,837	285,837	–	21,087	21,087

	Consolidated					
	December 31, 2021			December 31, 2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets						
Financial investments	–	5,812,213	5,812,213	–	3,939,077	3,939,077
National treasury bills	933,156	–	933,156	244,096	–	244,096
Derivative assets	–	714,995	714,995	–	270,609	270,609
Biological assets	–	2,973,033	2,973,033	–	1,870,617	1,870,617
Financial liabilities						
Loans and financing	–	59,021,149	59,021,149	–	43,187,070	43,187,070
Derivative liabilities	–	773,279	773,279	–	296,743	296,743

Fair value of assets and liabilities carried at amortized cost: The fair value of the Notes under Rule 144-A and Regulation S, are estimated using the closing sale price of these securities informed by a financial newswire on December 31, 2021 and 2020, considering there is an active market for these financial instruments. The book value of the remaining fixed-rate loans approximates fair value since the interest rate market, the Company's credit quality, and other market factors have not significantly changed since entering into the loans. The book value of variable-rate loans and financings approximates fair value given the interest rates adjust for changes in market conditions and the quality of the Company's credit rating has not substantially changed. For all other financial assets and liabilities, book value approximates fair value due to the short duration of the instruments. The following details the estimated fair value of loans and financings:

	Consolidated					
	December 31, 2021			December 31, 2020		
Description	Principal	Price (% of the Principal)	Market Value of the Principal	Principal	Price (% of the Principal)	Market Value of the Principal
JBS Lux 5.75% Notes 2025	–	–	–	5,456,535	102.10	5,571,123
JBS Lux 7.00% Notes 2026	–	–	–	5,196,700	107.95	5,609,838
JBS Lux 5.75% Notes 2028	4,185,375	104.49	4,373,299	3,897,525	108.00	4,209,327
JBS Lux 6.75% Notes 2028	5,022,450	108.25	5,436,803	4,677,030	112.16	5,245,944
JBS Lux 6.5% Notes 2029	7,812,701	109.75	8,574,439	7,275,380	116.43	8,470,944
JBS Lux 5.50% Notes 2030	6,975,625	108.66	7,579,505	6,495,875	114.65	7,447,521
JBS Lux 3,75% Notes 2031	2,790,250	101.80	2,840,475	–	–	–
JBS Lux 2032 Notes 3,00%	5,580,500	99.88	5,573,915	–	–	–
JBS Finance Lux 2027 Notes 2,50%	5,521,738	99.39	5,488,055	–	–	–
JBS Finance Lux 3,625% Notes 2032	5,519,840	101.32	5,592,702	–	–	–
PPC 5.75% Notes 2025	–	–	–	5,196,700	102.45	5,324,071
PPC 5,875% Notes 2027	4,743,425	105.91	5,023,525	4,417,195	107.29	4,739,165
PPC 4,25% Notes 2031	5,580,500	105.51	5,888,209	–	–	–
PPC 3,5% Notes 2032	5,022,450	101.68	5,106,828	–	–	–
	58,754,854		61,477,755	42,612,940		46,617,933

Finance income (expense) by category of financial instrument:

	Company		Consolidated	
	2021	2020	2021	2020
Fair value through profit or loss	465,230	(45,549)	420,644	(227,189)
Amortized cost	(2,087,506)	(4,503,987)	(5,499,295)	(12,011,714)
Total	(1,622,276)	(4,549,536)	(5,078,651)	(12,238,903)

(Expressed in thousands of Brazilian reais)

Risk management:

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

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

a. Market Risk:

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

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

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

a1. Interest rate risk

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

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

	Company		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net exposure to the CDI rate:				
CRA - Agribusiness Credit Receivable Certificates	**(34,452)**	(59,821)	**(34,452)**	(59,821)
Credit note - export	**(1,055,709)**	(1,651,811)	**(1,997,684)**	(2,596,770)
Rural - Credit note - Pre fixed	—	—	**(60,959)**	(99,917)
Related party transactions	**3,586,210**	1,475,883	—	—
CDB-DI (Bank certificates of deposit)	**143,670**	142,779	**5,416,483**	2,105,833
Margin cash	—	—	**276,252**	—
Subtotal	**2,639,719**	**(92,970)**	**3,599,640**	**(650,675)**
Derivatives (DI)	—	69,550	—	69,550
Derivatives (Swap)	**(3,709,102)**	—	**(2,880,833)**	824,304
Total	**(1,069,383)**	**(23,420)**	**718,807**	**243,179**
Liabilities exposure to the LIBOR rate:				
Prepayment	—	—	**(2,420,172)**	(3,004,523)
FINIMP	**(310,605)**	(195,424)	**(310,605)**	(195,424)
Term loan JBS Lux 2026	—	—	**(10,276,798)**	(9,650,496)
PPC term loan	—	—	**(2,811,171)**	(2,321,195)
Working Capital - Dollars	**(19,366)**	(19,692)	**(19,366)**	(19,692)
Others	—	—	**(391)**	(390)
Subtotal	**(329,971)**	**(215,116)**	**(15,838,503)**	**(15,191,720)**
Derivatives (Swap)	—	—	**10,348,414**	**10,346,975**
Total	**(329,971)**	**(215,116)**	**(5,490,089)**	**(4,844,745)**
Net exposure to the IPCA rate:				
Treasury bills	**139,586**	142,924	**139,586**	142,924
CRA - Agribusiness Credit Receivable Certificates	**(5,451,159)**	(2,329,268)	**(5,451,159)**	(2,329,268)
Margin cash	**168,808**	—	**289,516**	—
Subtotal	**(5,142,765)**	**(2,186,344)**	**(5,022,057)**	**(2,186,344)**
Derivatives (Swap)	**3,763,522**	1,093,752	**3,763,522**	1,093,752
Total	**(1,379,243)**	**(1,092,592)**	**(1,258,535)**	**(1,092,592)**
Net exposure to the TJLP rate:				
CDB-DI (Bank certificates of deposit)	—	—	—	(190)
FINAME	—	(21,123)	—	(21,123)
Working capital - Brazilian Reais	**(52,760)**	(51,168)	**(52,760)**	(51,168)
Total	**(52,760)**	**(72,291)**	**(52,760)**	**(72,481)**
Net exposure to the CPI rate:				
Margin cash	—	—	**227,802**	—
Total	—	—	**227,802**	—

(Expressed in thousands of Brazilian reais)

Sensitivity analysis:

			Scenario (I) VaR 99% I.C. 1 day			Scenario (II) Interest rate variation - 25%			Scenario (III) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Contracts exposure	Risk	Current scenario	Rate	Company	Consolidated	Rate	Company	Consolidated	Rate	Company	Consolidated
CDI	Decrease	9.1500%	9.0930%	610	(410)	6.8630%	24,457	(16,439)	4.5750%	48,924	(32,885)
Libor	Increase	0.5888%	0.5889%	–	(8)	0.7360%	(486)	(8,084)	0.8830%	(971)	(16,155)
IPCA	Increase	10.7400%	10.7733%	(460)	(419)	13.4250%	(37,033)	(33,792)	16.1100%	(74,065)	(67,583)
TJLP	Increase	5.3200%	5.3211%	(1)	(1)	6.6500%	(702)	(702)	7.9800%	(1,403)	(1,403)
CPI	Decrease	6.8000%	6.7760%	–	(55)	5.1000%	–	(3,873)	3.4000%	–	(7,745)
				149	**(893)**		**(13,764)**	**(62,890)**		**(27,515)**	**(125,771)**

			Company/Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Quantity	Notional	Fair value	Quantity	Notional	Fair value
Future contracts	DI	–	–	–	–	755	(69,550)	(60)

			Company							
			December 31, 2021				December 31, 2020			
Instrument	Risk factor	Maturity	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value
Swap	PRE USD	2022	**431,850**	**429,078**	**(458,544)**	**(29,466)**	–	–	–	–
	IPCA	2024	**537,534**	**623,743**	**(522,002)**	**101,741**	537,534	628,896	(600,900)	27,995
	IPCA	2027	**387,000**	**414,279**	**(419,802)**	**(5,523)**	–	–	–	–
	IPCA	2028	**442,000**	**481,443**	**(490,512)**	**(9,068)**	–	–	–	–
	IPCA	2030	**1,400,000**	**1,553,349**	**(1,621,874)**	**(68,525)**	400,000	464,857	(472,169)	(7,313)
	IPCA	2031	**630,000**	**690,707**	**(718,370)**	**(27,663)**	–	–	–	–
			3,828,384	**4,192,599**	**(4,231,104)**	**(38,504)**	**937,534**	**1,093,753**	**(1,073,069)**	**20,682**

			Consolidated							
			December 31, 2021				December 31, 2020			
Instrument	Risk factor	Maturity	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value	Notional	Fair value (Asset) - R$	Fair value (Liability) - R$	Fair value
Swap	PRE USD	2022	**431,850**	**429,078**	**(458,544)**	**(29,466)**	–	–	–	–
	LIBOR	2022	**2,301,956**	**2,303,670**	**(2,304,217)**	**(547)**	2,143,639	2,148,030	(2,151,356)	(3,326)
	CDI	2023	**800,000**	**828,269**	**(795,802)**	**32,467**	800,000	824,304	(852,543)	(28,239)
	LIBOR	2023	**5,580,500**	**5,625,334**	**(5,602,934)**	**22,400**	5,196,700	5,217,217	(5,231,025)	(13,808)
	LIBOR	2024	**3,224,289**	**2,419,410**	**(2,405,586)**	**13,824**	3,002,538	2,981,728	(2,994,834)	(13,106)
	IPCA	2024	**537,534**	**623,743**	**(522,002)**	**101,741**	537,534	628,896	(600,900)	27,995
	IPCA	2027	**387,000**	**414,279**	**(419,802)**	**(5,523)**	–	–	–	–
	IPCA	2028	**442,000**	**481,443**	**(490,512)**	**(9,068)**	–	–	–	–
	IPCA	2030	**1,400,000**	**1,553,349**	**(1,621,874)**	**(68,525)**	400,000	464,857	(472,169)	(7,313)
	IPCA	2031	**630,000**	**690,707**	**(718,370)**	**(27,663)**	–	–	–	–
			15,735,129	**15,369,282**	**(15,339,643)**	**29,640**	**12,080,411**	**12,265,032**	**(12,302,827)**	**(37,797)**

a1. Exchange rate risk:

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

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

The carrying amounts of assets and liabilities and other positions exposed to foreign currency risk at December 31, 2021 and 2020 are presented below along with the notional amounts of derivative contracts intended to offset the exposure, in accordance with the Company's Financial and Commodities Risk Management Policy. The exposure is related to Brazilian Reais.

(Expressed in thousands of Brazilian reais)

	Company					
	USD		EUR		GBP	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
OPERATING						
Cash and cash equivalents	**2,239,377**	2,962,153	**89,317**	49,754	**19,555**	31,876
Trade accounts receivable	**2,509,942**	2,300,167	**280,361**	41,292	**70,158**	88,538
Sales orders	**3,760,704**	1,893,232	**51,628**	48,817	**73,845**	110,896
Trade accounts payable	**(156,661)**	(124,974)	**(34,364)**	(49,845)	**(109)**	(101)
Operating subtotal	**8,353,362**	**7,030,578**	**386,942**	**90,018**	**163,449**	**231,209**
FINANCIAL						
Loans and financing	**(7,961,049)**	(918,986)	**(42,361)**	(71,131)	–	–
Financial subtotal	**(7,961,049)**	**(918,986)**	**(42,361)**	**(71,131)**	–	–
Operating financial subtotal	**392,313**	**6,111,592**	**344,581**	**18,887**	**163,449**	**231,209**
Related parties transaction, net	**(10,643,909)**	386,827	–	–	–	–
Total exposure	**(10,251,596)**	**6,498,419**	**344,581**	**18,887**	**163,449**	**231,209**
DERIVATIVES						
Future contracts	**412,646**	(519,150)	–	–	–	–
Future contracts DDI	–	519,150	–	–	–	–
Non Deliverable Forwards (NDF´s)	**1,116,100**	–	–	–	–	–
Swap	**429,078**	–	–	–	–	–
Total derivatives	**1,957,824**	–	–	–	–	–
NET EXPOSURE IN R$	**(8,293,772)**	**6,498,419**	**344,581**	**18,887**	**163,449**	**231,209**
Net debt in foreign subsidiaries	**(48,894,979)**	(44,270,963)	–	–	–	–

	Consolidated									
	USD		EUR		GBP		MXN		AUD	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
OPERATING										
Cash and cash equivalents	**8,926,659**	6,295,296	**327,045**	74,795	**178,753**	34,193	**1,018,335**	1,342,999	**268**	1,653
Trade accounts receivable	**5,624,652**	4,641,316	**757,240**	128,052	**368,040**	113,929	**594,625**	567,423	**6,485**	14,343
Sales orders	**4,008,456**	2,021,338	**120,774**	48,993	**73,845**	110,896	–	–	–	5,782
Trade accounts payable	**(1,601,754)**	(346,252)	**(402,598)**	(292,434)	**(2,263)**	(7,532)	**(1,383,188)**	(941,128)	**(15,443)**	(9,681)
Provisions for contingencies	**(40,159)**	(126,733)	–	–	–	–	–	–	–	–
Income tax payable	–	–	–	–	–	–	–	–	–	(9,572)
Purchase orders	**(334,615)**	(196,762)	**(299,587)**	(22,081)	–	–	–	–	–	–
Operating subtotal	**16,583,239**	**12,288,203**	**502,874**	**(62,675)**	**618,375**	**251,486**	**229,772**	**969,294**	**(8,690)**	**2,525**
FINANCIAL										
Margin cash	**165,855**	–	–	–	–	–	–	–	–	–
Advances to customers	**(2,808,487)**	(2,414,510)	**(32,648)**	(285,849)	–	–	–	–	–	–
Loans and financing	**(10,460,179)**	(4,004,776)	**(44,760)**	(116,187)	–	–	–	–	–	–
Financial subtotal	**(13,102,811)**	**(6,419,286)**	**(77,408)**	**(402,036)**	–	–	–	–	–	–
Operating financial subtotal	**3,480,428**	**5,868,917**	**425,466**	**(464,711)**	**618,375**	**251,486**	**229,772**	**969,294**	**(8,690)**	**2,525**
Related party transactions, net	**(11,292,257)**	2,260,315	**1,444,362**	–	–	–	–	–	**2,378,956**	(40,529)
Total exposure	**(7,811,829)**	**8,129,232**	**1,869,828**	**(464,711)**	**618,375**	**251,486**	**229,772**	**969,294**	**2,370,266**	**(38,004)**
DERIVATIVES										
Future contracts	**1,909,106**	(77,430)	–	–	–	–	–	–	–	–
Future contracts DDI	–	519,150	–	–	–	–	–	–	–	–
Deliverable Forwards (DF´s)	**(1,008,129)**	337,900	**785,321**	322,445	**(50,029)**	(46,677)	**(1,215,299)**	(1,163,224)	**(36,597)**	(1,575)
Non Deliverable Forwards (NDF´s)	**3,645,065**	2,338,780	**(202,410)**	(84,732)	**(157,197)**	(73,123)	–	–	–	–
Swap	**442,902**	(13,106)	–	–	–	–	–	–	–	–
Total derivatives	**4,988,944**	**3,105,294**	**582,911**	**237,713**	**(207,226)**	**(119,800)**	**(1,215,299)**	**(1,163,224)**	**(36,597)**	**(1,575)**
NET EXPOSURE IN R$	**(2,822,885)**	**11,234,526**	**2,452,739**	**(226,998)**	**411,149**	**131,686**	**(985,527)**	**(193,930)**	**2,333,669**	**(39,579)**
Net debt in foreign subsidiaries	**(48,894,979)**	(44,270,963)	–	–	–	–	–	–	–	–

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

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

			Scenario (i) VaR 99% I.C. 1 day			Scenario (ii) Interest rate variation - 25%			Scenario (iii) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Exposure of R$	Risk	Current exchange rate	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated
Operating	Appreciation	5.5805	5.7025	182,605	362,510	6.9756	2,088,348	4,145,825	8.3708	4,176,681	8,291,620
Financial	Depreciation	5.5805	5.7025	(174,029)	(286,428)	6.9756	(1,990,269)	(3,275,715)	8.3708	(3,980,524)	(6,551,406)
Related parties	Depreciation	5.5805	5.7025	(232,676)	(246,849)	6.9756	(2,660,987)	(2,823,074)	8.3708	(5,321,954)	(5,646,128)
Derivatives	Appreciation	5.5805	5.7025	42,798	109,059	6.9756	489,458	1,247,241	8.3708	978,912	2,494,473

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Interest rate variation - 25%		Scenario (iii) Interest rate variation - 50%	
Exposure of R$	Risk	Current exchange rate	Exchange rate	Effect on income	Exchange rate	Effect on income	Exchange rate	Effect on income
Net debt in foreign subsidiaries	Depreciation	5.5805	5.7025	(1,068,847)	6.9756	(12,223,789)	8.3708	(24,447,490)

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

			Company					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Quantity	Notional (R$)	Fair value	Quantity	Notional (R$)	Fair value
Future Contract	American dollar	Short	**1,479**	**412,646**	**(15,756)**	1,998	(519,150)	(362)
Future Contract	DDI	–	–	–	–	1,998	519,150	374

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Quantity	Notional (R$)	Fair value	Quantity	Notional (R$)	Fair value
Future Contract	American dollar	Long	**6,842**	**1,909,106**	**(51,188)**	–	–	–
Future Contract	American dollar	Short	–	–	–	298	(77,430)	(1,740)
Future Contract	DDI	–	–	–	–	1,998	519,150	374

			Company					
			31.12.21			31.12.20		
Instrumento	Objeto de proteção	Natureza	Nocional (USD)	Nocional (R$)	Valor justo	Nocional (USD)	Nocional (R$)	Valor justo
Non Deliverable Forwards	American dollar	Long	**200,000**	**1,116,100**	**(12,976)**	–	–	–

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Notional (USD)	Notional (R$)	Fair value	Notional (USD)	Notional (R$)	Fair value
Deliverable Forwards	American dollar	Short	**(180,652)**	**(1,008,129)**	**33,399**	–	–	–
Deliverable Forwards	American dollar	Long	–	–	–	83,832	337,900	(14,140)
Non Deliverable Forwards	American dollar	Long	**653,179**	**3,645,065**	**(43,726)**	580,242	2,338,780	(64,217)

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

			Scenario (i) VaR 99% I.C. 1 day			Scenario (ii) Interest rate variation - 25%			Scenario (iii) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Exposure of R$	Risk	Current exchange	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated
Operating	Appreciation	6.3210	6.1773	(8,795)	(11,431)	4.7408	(96,735)	(125,719)	3.1605	(193,470)	(251,437)
Financial	Depreciation	6.3210	6.1773	963	1,760	4.7408	10,590	19,352	3.1605	21,180	38,704
Related party	Appreciation	6.3210	6.1773	–	(32,831)	4.7408	–	(361,090)	3.1605	–	(722,181)
Derivatives	Appreciation	6.3210	6.1773	–	(13,250)	4.7408	–	(145,728)	3.1605	–	(291,456)

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Notional (EUR)	Notional (R$)	Fair value	Notional (EUR)	Notional (R$)	Fair value
Deliverable Forwards	Euro	Long	**124,240**	**785,321**	**(15,570)**	50,557	322,445	(6,839)
Non Deliverable Forwards	Euro	Short	**(32,022)**	**(202,410)**	**2,288**	(13,285)	(84,732)	2,162

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

			Scenario (i) VaR 99% I.C. 1 day			Scenario (ii) Interest rate variation - 25%			Scenario (iii) Interest rate variation - 50%		
				Effect on income			Effect on income			Effect on income	
Exposure of R$	Risk	Current exchange	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated	Exchange rate	Company	Consolidated
Operating	Appreciation	7.5242	7.3473	(3,843)	(14,538)	5.6432	(40,862)	(154,594)	3.7621	(81,724)	(309,187)
Derivatives	Depreciation	7.5242	7.3473	–	4,872	5.6432	–	51,807	3.7621	–	103,613

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Notional (GBP)	Notional (R$)	Fair value	Notional (GBP)	Notional (R$)	Fair value
Deliverable Forwards	British pound	Short	**(6,649)**	**(50,029)**	**(301)**	(6,573)	(46,677)	255
Non Deliverable Forwards	British pound	Short	**(20,892)**	**(157,197)**	**(5,011)**	(10,298)	(73,123)	(883)

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

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Interest rate variation - 25%		Scenario (iii) Interest rate variation - 50%	
				Effect on income		Effect on income		Effect on income
Exposure of R$	Risk	Current exchange rate	Exchange rate	Consolidated	Exchange rate	Consolidated	Exchange rate	Consolidated
Operating	Appreciation	0.2730	0.2790	5,075	0.3413	57,443	0.4095	114,886
Derivatives	Depreciation	0.2730	0.2790	(26,843)	0.3413	(303,825)	0.4095	(607,650)

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Notional (MXN)	Notional (R$)	Fair value	Notional (MXN)	Notional (R$)	Fair value
Deliverable Forwards	Mexican peso	Short	**(4,451,645)**	**(1,215,299)**	**(19,615)**	(4,456,798)	(1,163,224)	6,397

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

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Interest rate variation - 25%		Scenario (iii) Interest rate variation - 50%	
				Effect on income		Effect on income		Effect on income
Exposure of R$	Risk	Current exchange rate	Exchange rate	Consolidated	Exchange rate	Consolidated	Exchange rate	Consolidated
Operating	Depreciation	4.0447	3.9540	195	3.0335	2,173	2.0224	4,345
Related Party	Appreciation	4.0447	3.9540	(53,335)	3.0335	(594,736)	2.0224	(1,189,478)
Derivatives	Depreciation	4.0447	3.9540	820	3.0335	9,149	2.0224	18,298

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Notional (AUD)	Notional (R$)	Fair value	Notional (AUD)	Notional (R$)	Fair value
Deliverable Forwards	Australian dollar	Short	**(9,048)**	**(36,597)**	**363**	(392)	(1,575)	(47)

b. Commodity price risk

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

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

(Expressed in thousands of Brazilian reais)

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

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

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

The Company's exposure to cattle price fluctuation as of December 31, 2021 and 2020 are presented below in accordance with the Company's Financial and Commodities Risk Management Policy and are representative of the exposure at each period end.

	Company	
EXPOSURE in Commodities (Cattle)	**December 31, 2021**	**December 31, 2020**
Firm contracts of cattle purchase	**78,133**	164,106
Subtotal	**78,133**	**164,106**
DERIVATIVES		
Future contracts	**(74,461)**	(57,457)
Subtotal	**(74,461)**	**(57,457)**
NET EXPOSURE	**3,672**	**106,649**

Sensitivity analysis:

			Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) @ Variation - 25%		Scenario (ii) @ Variation - 50%	
				Effect on income		Effect on income		Effect on income
Exposure	Risk	Current price	Price	Company	Price	Company	Price	Company
Operating	Cattle arroba depreciation	336.50	325.98	(2,441)	252.37	(19,533)	168.25	(39,066)
Derivatives	Cattle arroba appreciation	336.50	325.98	2,326	252.37	18,615	168.25	37,230

Derivatives financial instruments breakdown:

			Company					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Quantity	Notional	Fair value	Quantity	Notional	Fair value
Future Contracts	Commodities (Cattle)	Long	**663**	**(74,461)**	**(192)**	633	(57,457)	99

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

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

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

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

Management's estimate at the exposure risk to grain's price changes at Seara Alimentos atf December 31, 2021 and 2020 are presented below in accordance with the Financial and Commodities Risk Management Policy and are representative of the exposure incurred during the period.

	Seara Alimentos	
EXPOSURE in Commodities (Grain)	**December 31, 2021**	**December 31, 2020**
OPERATING		
Purchase orders	**1,934,054**	296,461
Subtotal	**1,934,054**	**296,461**
DERIVATIVES		
Future contracts	**(96,085)**	255,377
Brazil Cash basis	**19,765**	4,923
Non Deliverable Forwards	**(1,129,356)**	—
Subtotal	**(1,205,676)**	**260,300**
NET EXPOSURE	**728,378**	**556,761**

Sensitivity analysis:

		Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Price variation - 25%		Scenario (ii) Price variation - 50%	
			Effect on income		Effect on income		Effect on income
Exposure	Risk	Price	Seara Alimentos	Price	Seara Alimentos	Price	Seara Alimentos
Operating	Depreciation	(1.76)%	(34,039)	(25.00)%	(483,514)	(50.00)%	(967,027)
Derivatives	Apreciation	(1.76)%	21,220	(25.00)%	301,419	(50.00)%	602,838

(Expressed in thousands of Brazilian reais)

Derivatives financial instruments breakdown:

			Seara Alimentos					
			December 31, 2021			December 31, 2020		
Instrument	Risk factor	Nature	Quantity	Notional	Fair value	Quantity	Notional	Fair value
Future contracts	Commodities (Grains)	Short	1,577	(96,085)	(59,565)	–	–	–
Future contracts	Commodities (Grains)	Long	–	–	–	1,004	255,377	84
Brazil Cash basis	Commodities (Grains)	Long	215,000	19,765	(1,918)	129,000	4,923	21,284
Non Deliverable Forwards	Commodities (Grains)	Short	28,500	(1,129,356)	57,431	–	–	–

b3. Hedge accounting of Seara Alimentos:

The derivative financial instruments designated at the nine month period ended December 31, 2021, 2021, as hedge accounting, according to the Cash Flow method, to protect the operating results in relation to the price of commodities are:

Hedge accounting - Derivative instruments	Risk factor	Quantity - Future purchase	Quantity	Notional	Fair value
Future contracts	Commodities	1,577	1,577	(96,085)	(59,565)
Non Deliverable Forwards	Commodities	28,500	28,500	(1,129,356)	57,431
Future contracts	American dollar	5,363	5,363	1,496,460	(35,432)
Non Deliverable Forwards	American dollar	9,600	9,600	2,678,640	(28,311)
					(65,877)

b3.1. Hedge accounting:

From the third quarter of 2021, the indirect subsidiary Seara Alimentos reviewed its hedge policies and started to apply hedge accounting in grain operations, aiming at bringing stability to the subsidiary's results. The designation of these instruments is based on the guidelines outlined in the Financial and Commodity Risk Management Policy defined by the Risk Management Committee and approved by the Board of Directors.

Financial instruments designated for hedge accounting were classified as cash flow hedge. The effective amount of the instrument's gain or loss is recognized under "Other comprehensive income (expense)" and the ineffective amount under "Financial income (expense), net", and the accumulated gains and losses are reclassified to profit&loss or to the balance sheet when the object is recognized, adjusting the item in which the hedged object was recorded.

Below are the effects on the income statement, after the adoption of hedge accounting:

	December 31, 2021
Income statement:	Seara Alimentos
Cost of sales before hedge accounting adoption	**(30,717,038)**
Derivatives operating income (loss)	**(117,111)**
Currency	(60,442)
Commodities	(56,669)
Cost of sales with hedge accounting	**(30,834,149)**
Financial income (expense), net excluding derivatives	**(1,209,904)**
Derivatives financial income (expense), net	**(192,478)**
Currency	(176,919)
Commodities	(75,052)
Interests	59,493
Financial income (expense), net	**(1,402,382)**

Below are the effects on other comprehensive income (expense), after the adoption of hedge accounting:

	December 31, 2021
Statements of other comprehensive income (expense):	Seara Alimentos
Financial instruments designated as *hedge accounting:*	
Currency	90,442
Commodities	122,467
Gain (loss) on cash flow hedge	**212,909**
Deferred income tax on hedge accounting	(72,389)
Total of other comprehensive income (expense)	**140,520**

(Expressed in thousands of Brazilian reais)

Below are the effects on the balance sheet, after the adoption of hedge accounting:

	December 31, 2021
Balance sheet:	**Seara Alimentos**
Derivative (liabilities)/assets	**(65,877)**
Financial instruments designated as *hedge accounting:*	
Currency	(63,743)
Commodities	(2,134)
Derivative (liabilities)/assets	**44,373**
Financial instruments not designated as *hedge accounting:*	
Commodities	(1,918)
Interests	46,291
Other comprehensive income (expense)	**212,909**
Currency	90,442
Commodities	122,467
Inventories	**(91,876)**
Currency	(47,418)
Commodities	(44,458)

Open balance sheet position of derivative assets and liabilities:

	December 31, 2021
	Seara Alimentos
Assets:	
Designated as hedge accounting	**1,611**
Currency	1,611
Not designated as hedge accounting	**46,291**
Interests	46,291
Current assets	**19,608**
Non-current assets	**28,294**
(Liabilities):	
Designated as hedge accounting	**67,488**
Currency	65,354
Commodities	2,134
Current liabilities	**69,406**

b4. Position balance in commodities derivatives financial instruments of JBS USA:

	JBS USA	
EXPOSURE in Commodities	**December 31, 2021**	**December 31, 2020**
OPERATIONAL		
Firm contracts of cattle purchase	**15,085,588**	10,069,506
Subtotal	**15,085,588**	**10,069,506**
DERIVATIVES		
Deliverable Forwards	**(2,919,550)**	(3,340,319)
Subtotal	**(2,919,550)**	**(3,340,319)**
NET EXPOSURE	**12,166,038**	**6,729,187**

Sensitivity analysis:

		Scenario (i) VaR 99% I.C. 1 day		Scenario (ii) Price variation - 25%		Scenario (iii) Price variation - 50%	
			Effect on income		Effect on income		Effect on income
Exposure	**Risk**	**Price**	**JBS USA**	**Price**	**JBS USA**	**Price**	**JBS USA**
Operating	Depreciation	(2.74)%	(413,798)	(25.00)%	(3,771,397)	(50.00)%	(7,542,794)
Derivatives	Appreciation	(2.74)%	80,083	(25.00)%	729,888	(50.00)%	1,459,775

Derivatives financial instruments breakdown:

			Consolidated					
			December 31, 2021			December 31, 2020		
Instrument	**Risk factor**	**Nature**	**Notional (USD)**	**Notional (R$)**	**Fair value**	**Notional (USD)**	**Notional (R$)**	**Fair value**
Deliverable Forwards	Commodities (Cattle)	Short	**(523,170)**	**(2,919,550)**	**(224,565)**	(642,777)	(3,340,319)	27,428

c. Credit risk

The Company and its subsidiaries are potentially subject to credit risk related to accounts receivable, financial investments and derivative contracts. For the receivable account the Financial and Commodities Risk Policy significantly understand the diversification of the portfolio contribute significantly to the reduction of credit, but also sets parameters for the credit granting observing the measures, financial and operational, supported by consultations with agencies that also monitor credit. The impairment of these financial assets is carried out based on credit analyses.

(Expressed in thousands of Brazilian reais)

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

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

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

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

		Company		Consolidated	
	Note	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Assets					
Cash and cash equivalents	5	**2,654,374**	3,351,911	**23,239,150**	19,679,743
Trade accounts receivable	6	**4,259,402**	2,871,612	**19,877,408**	14,001,211
Related party receivables	10	**4,032,213**	1,872,127	**417,702**	382,019
		10,945,989	**8,095,650**	**43,534,260**	**34,062,973**

d. Liquidity risk

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

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

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

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

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

	Consolidated	
	December 31, 2021	December 31, 2020
Cash and cash equivalents	**23,239,150**	19,679,743
Loans and financings - Current	**(11,914,284)**	(4,562,101)
Quick ratio	**1.95**	4.31
Leverage indicator (R$)	**1.52 x**	1.56 x
Leverage indicator (USD)	**1.46 x**	1.58 x

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

	Company									
	December 31, 2021					December 31, 2020				
	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total
Trade accounts payable	**5,986,789**	–	–	–	**5,986,789**	4,510,871	–	–	–	**4,510,871**
Loans and financing	**8,739,280**	**2,501,682**	**12,672**	**4,508,506**	**15,762,140**	1,700,815	1,303,717	524,729	1,830,872	**5,360,133**
Estimated interest on loans and financing (1)	**1,094,329**	**1,558,281**	**1,373,714**	**2,891,231**	**6,917,555**	264,274	381,132	245,748	474,584	**1,365,738**
Derivatives financing liabilities (assets)	**285,837**	–	–	–	**285,837**	21,087		–	–	**21,087**
Other financial liabilities	**10,189**	–	–	–	**10,189**	21,193	4,950	–	–	**26,143**

	Consolidated									
	December 31, 2021					December 31, 2020				
	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total	Less than 1 year	Between 1 and 3 years	Between 4 and 5 years	More than 5 years	Total
Trade accounts payable	32,905,175	–	–	–	32,905,175	24,298,442	–	–	–	24,298,442
Loans and financing	11,914,284	5,207,529	12,357,523	63,038,818	92,518,154	4,562,102	6,142,420	12,181,765	43,020,418	65,906,705
Estimated interest on loans and financing (1)	3,933,558	7,004,031	6,588,390	10,148,817	27,674,796	3,014,943	6,217,792	5,573,784	5,868,015	20,674,534
Derivatives financing liabilities (assets)	773,279	–	–	–	773,279	287,536	9,207	–	–	296,743
Other financial liabilities	37,187	53,963	84	–	91,234	45,622	53,816	24,852	–	124,290

(1) Includes interest on all loans and financing outstanding. Payments are estimated for variable rate debt based on effective interest rates at December 31, 2021 an 2020. Payments in foreign currencies are estimated using the December 31, 2021 and December 31, 2020 exchange rates.

The Company has securities pledged as collateral for derivative transactions with the commodities and futures whose balance at December 31, 2021 is R$168,808 (R$141,080 at December 31, 2020). This guarantee is superior to the need presented for these operations.

The indirect subsidiary JBS USA and its subsidiaries, has securities pledged as collateral for derivative transactions with the commodities and futures whose balance at December 31, 2021 is R$513,730 (R$303,487 at December 31, 2020). This guarantee is larger than its collateral.

Also, the direct subsidiary Seara Alimentos has securities pledged as collateral for derivative transactions with the commodities and futures whose balance at December 31, 2021 is R$562,816 (R$99,524 in December 31, 2020). This guarantee is larger than its collateral.

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

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(Expressed in thousands of Brazilian reais)

32 Approval of the financial statements

The issuance of these individual and consolidated financial statements was approved by the Board of Directors on March 21, 2022.

BOARD OF DIRECTORS

Chairman:	Jeremiah Alphonsus O'Callaghan
Vice-Chairman:	José Batista Sobrinho
Independent Board Member:	Alba Pettengill
Independent Board Member:	Márcio Guedes Pereira Júnior
Independent Board Member:	Gelson Luiz Merisio
Independent Board Member:	Leila Abraham Loria
Independent Board Member:	Cledorvino Belini
Independent Board Member:	Francisco Turra
Independent Board Member:	Carlos Hamilton Vasconcelos Araújo

STATUTORY AUDIT COMMITTEE REPORT

The Statutory Audit Committee reviewed the individual and consolidated financial statements for the years ended at December 31, 2021. Based on the procedures performed, also considering Grant Thorton Auditores Independentes' audited report, as well as the information and clarifications received during the period, the Committee recommends that these documents are in a position to be considered by the Board of Directors.

STATUTORY AUDIT COMMITTEE

Chairman:	Carlos Hamilton Vasconcelos Araújo
Committee Member:	Paulo Sérgio Cruz Dortas Matos
Committee Member:	Orlando Octávio de Freitas Júnior
Committee Member:	Gelson Luiz Merisio

FISCAL COUNCIL REPORT

The Fiscal Council, in the use of its legal and statutory attributions, examined the Management Report and the Company's individual and consolidated financial statements, including the proposal for the earning allocation, for the years ended at December 31, 2021, approved by the Company's Board of Directors on this date.

Based on our review, the information and clarifications received during this year and considering Grant Thornton Auditores Independentes' report on the individual and consolidated financial statements, without reservations, issued on this date, the Fiscal Council was not aware of any additional fact that would lead us to believe that the aforementioned financial statements do not reflect in all material respects the information contained therein and that are in a position to be disclosed by the Company.

FISCAL COUNCIL

Chairman:	Adrian Lima da Hora
Council Member:	Demetrius Nichele Macei
Council Member:	José Paulo da Silva Filho
Council Member:	Roberto Lamb

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

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

(i) They reviewed, discussed and agreed with the independent auditors report on the individual and consolidated financial statements for the years ended at December 31, 2021, and

(ii) They reviewed, discussed and agreed with the financial statements for the years ended at December 31, 2021.

STATUTORY BOARD

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

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

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