



## Operator

Good morning, ladies and gentlemen. Welcome to MBRF 2025 earnings call. This call is being recorded. You can watch the replay at [ri.mbrf.com](https://ri.mbrf.com).

The slide deck is also available for download. All participants are in listen-only mode. We will then have a Q&A session. Further instructions will be given then. Let me remind you that these forward-looking statements are based on beliefs and projections of the MBRF management, as well as information currently available.

They involve risks and uncertainties because they relate to future events, and therefore they depend on circumstances that may or may not occur. Investors, analysts have to take into account that industry factors, macroeconomic situation can make these forward-looking statements materialize substantially differently.

We have Miguel Gularte, CEO, Mr. Tim Klein, and Mr. José Ignacio Scoseria, our CFO.

I'll give the floor to Mr. Gularte for his presentation.

## Miguel Gularte

Welcome to MBRF's quarterly earnings call. Today, we are presenting for the first time the full year consolidated results of a company that was formed in 2025 already as one of the world's leading food companies with more than 130,000 employees, 425,000 customers, and a portfolio of iconic brands widely recognized. We reached record results with a net revenue reaching 164 billion in 2025, up 12% year over year, and volume growing 4%. These results reflect the strength of our strategy and the consistency of our investments.

We expanded capacity to keep up with growing global protein demand with a clear focus on driving revenue through higher value-added products in line with our long-term strategy. Despite a tougher backdrop with avian influenza bringing poultry exports and U.S. cattle cycling weighing on supply, our operating model proved resilient.

Adjusted EBITDA for the year came in at \$13.2 billion. with an 8% margin. Net income reached \$359 million, underscoring the strength of our operating model and the progress we've made on efficiency, with \$1 billion captured over the year. To walk you through the 2025 results for the fourth quarter, I'd like to invite our CFO, José Ignacio Scoseria, and I'll come back for the closing remarks.

## Jose Ignacio

Good morning, everyone. Thank you for joining MBRF's earnings call. We'll walk you through our 2025 consolidated results, covering North America beef, South America beef, and BRF.

Let me highlight a few key figures for 2025. We delivered 164 billion reais in net revenue, up 11.9% year over year. Adjusted EBITDA came in at 13.2 billion with an 8% margin. Net income totaled 358 million for the year. Operating cash flow reached \$13.1 billion. We closed the year with leverage of 3.3 LTM EBITDA.

On the next slide, on the left-hand side, you can see total volume and segment performance year over year. Volumes were up 3.9% versus 2024, driven by South America beef and BRF.

Of the reported revenue in 2025, which amounted to \$164 billion, North America beef accounted for 47%, BRF for 39%, and South America beef for 14%.

Adjusted EBITDA totaled \$13.2 billion in 2025, with BRF contributing 78%, South America 17%, and North America 5%.

In terms of currency, 71% of our revenue is dollar-linked, and 27% is in reais.

Reinforcing our geographic diversification and multi-protein footprint, revenue is split as follows, 45% from the US, 25% from Brazil, and the remainder mainly across Asia, the Middle East, and Europe. Value-added processed products accounted for 39% of total volumes. Let's now move to performance by segment.

I'll turn it over to Tim Klein to walk you through North America.

## Tim Klein

Let's begin on slide 6, where I will comment on the results for the year. Starting on the first chart on the left, sales volume was 2.3% lower than the same period of the previous year. Industry slaughter volume was down 5.9% as a result of reduced cattle placements and extended feeding periods.

High fat cattle prices relative to feed cost of gain, coupled with high replacement cattle prices, contributed to reduced cattle placements and extended feeding periods. As a result, live weights have increased significantly. Net sales were \$13.8 billion, an increase of 11.8% versus last year.

EBITDA was 133 million, 54% lower than last year, with an EBITDA margin of 1%. Beef demand in fiscal 2025 was strong, with the wholesale demand index higher by 12.7%. Although box beef prices have increased, it was not enough to offset higher cattle prices.

Now move to slide 7, where I will talk about U.S. market data. Starting on the left, USDA reported Kansas live cattle prices averaged 230.42 a hundredweight, up 22% versus last year. The USDA comprehensive cutout averaged 368-36 per hundredweight, up 19.3%, while the USDA reported drop credit increased 1.9% to an average of 11,48 per hundredweight.

The USDA cutout ratio was 1.60 versus 1.64 last year. As expected, the cyclical decline in cattle supplies, exacerbated by the drought conditions in recent years, has resulted in record prices and reduced capacity utilization across the industry. We continue to be encouraged by strong beef demand and expect this to continue as we move through this part of the cycle.

Now I will pass to Ignácio.

## Jose Ignacio

Thank you, Tim. Let's move to slide 8 for South America's performance in 2025. Volumes

exceeded 1 million tons, up 14.6% year over year. In the middle chart, net revenue reached 22.2 billion, up 20% versus 2024.

On the right, adjusted EBITDA came in at 2.2 billion reais, up 28.1% year over year. This resulted in an EBITDA margin of 10.1%, up 60 bps year over year.

This performance reflects productivity gains from recent investments, higher plant utilization, and a stronger focus on value-added products. On to the next slide on the left. Volumes are up more than 40% versus Q1 2024.

In 2025, exports accounted for 59% of total revenue. Asia represented 47% of South America beef exports, with China accounting for roughly 4% percent of consolidated net revenue.

We've been working to broaden our go-to-market options. In this context, Europe grew 4 percentage points from 15 in 24 to 19% today.

Exports from South America to the U.S. represented 22% in the period. On slide 10, BRF delivered record volumes this quarter up 4.3% year over year.

In the domestic market, volumes continued to grow, with processed products gaining share in the mix. In international markets, strong execution helped offset poultry exports restrictions.

Net revenue totaled 64.7 billion reais, up 5.8% year over year. EBITDA came in at 10.4 billion in line with 2024 numbers, with a solid 16.1% margin. On the next page, on your left, we highlight consistent execution in the domestic market, with the customer base up 8%, volumes up 18% versus 2023, and market share gains in processed foods.

Innovation continues to support results. On the right, our seasonal portfolio maintains brand leadership, during the Christmas season in Brazil. On slide 12, we highlight BRF's performance in international markets.

Volumes grew in GCC markets, processed products reached record levels and gained 1.3 percentage points in market share. Our competitive edge in the region remains a key driver of performance.

In Turkey and the Southern Cone, process volumes also reached record levels, supported by our strong brands in these regions. For direct exports, we have secured 230 new plant approvals since 2022.

At the end of 2025, we were cleared to resume poultry exports to the EU, improving our sales mix and with positive impacts on profitability. On the next slide, we outline our key investment projects. We stepped up investments to strengthen competitiveness amid rising demand for protein and value-added products, reinforcing our value creation strategy built on efficiency, scale, and global reach.

In processed foods, we highlight the new plant in Jeddah, Saudi Arabia, expected to come online in the second half of 26, and expansions in breaded lines in Uberlandia and Kezad at the UAE, or in the UAE. In poultry, we are expanding slaughter capacity at our Lucas do Rio Verde facility. In beef, we continue to expand slaughter capacity across Brazil, Argentina, and Uruguay.

and we announced the expansion of the pouch line at Pompeiano. On the right, we highlight the three M&As transactions completed in 2025, totally 1.1 billion reais. Processed foods plant in Henan Province, China, launch of local slaughter operations in Saudi Arabia through a Doha poultry company, expansion into gelatin and collagen through a 50% stake in Gel Prime, increasing exposure to higher value-added products, and boosting margins.

From slide 14 onward, we cover our capital structure. On slide 15, we report roughly 1 billion reais in free cash flow for 2025. Full-year operating cash flow came in at \$13.1 billion.

CAPEX totaled \$5.3 billion and M&A investments \$1.1 billion. Financial expenses totaled \$5.7

billion. It's worth noting that CAPEX in 2025 was over 2 billion higher than in 2024, mainly driven by M&As, activities, and capacity expansion projects at BRF, positioning the company for future growth and rising protein demand, as shown on slide 13.

On the next slide, we show consolidated net debt at year-end 2025. Net debt stood at 43.4 billion at the end of Q4 2025, up 5.1% quarter over quarter. FX effects were the main driver of this increase. Leverage came in at 3.3 times. It's important to note that current leverage reflects The U.S. cattle cycle, with North America beef delivering 1% EBITDA margin in the last 12 months.

On slide 18, we highlight key ESG progress, 100% monitoring of the cattle supply chain, CDP AAA rating, climate, water security, and forests. We are now at 100% in cage-free eggs across all operations, 80% renewable energy across operations. Thank you. And now I'll hand it over to our CEO, Mr. Miguel Gularte, for his closing remarks.

## **Miguel Gularte**

Thank you, Ignacio. As a wrap-up, I'd like to reaffirm our commitment with sustainable growth and consistent value creation. MBRF continues to deliver record performance, strengthening its protein platform to meet increasingly strong demand.

In North America, the beef business delivered steady revenue growth throughout the year, supported by resilient beef demand even in a tighter cattle supply environment. In South America, beef, four-year performance clearly reflects the capacity expansion investments, with solid gains in volume, revenue, and margins, strengthening the business's competitiveness. At BRF, record volumes in the period reinforce its growth trajectory, particularly in processed foods.

The resumption of exports to the EU opens up new opportunities to expand our footprint in key markets. We also completed the acquisition of 50% stake in GelPrime, expanding our presence in gelatin and collagen and reinforcing our diversification strategy with a focus on higher margin value-added categories. By the end of 2025, we made solid progress in optimizing our corporate structure, including commercial integration.

Now, with most of Brazil covered by a single sales team, as well as supply chain and value engineering initiatives, we remain focused on delivering the identified energy synergies, with 600 million expected to be captured in 2026. Backed by the continued operational improvement and disciplined execution, our efficiency program delivered 1 billion BRLs in gains in 2025.

We continue to invest heavily in developing our people. We reached a record 1.8 million training sessions, totaling 4.2 million hours reinforcing our focus on building high-performing teams. We reaffirm our commitment to building one of the world's leading food companies, ready to compete, grow, and create value sustainably. Finally, I'd like to thank our chairman, Marcos Molina, for his strategic guidance, which continues to keep us on the right track.

I also thank our shareholders and the board for their continued support, as well as our customers, integrated producers, suppliers, and the communities where we operate. Also, thank you to those more than 130,000 employees across the globe who were fundamental to deliver our results. Thank you.

## **Question and Answer Session**

### **Gustavo Troyano – Itaú BBA**

Good morning. Thank you for taking my questions. I have two.

The first one is about BRF. It's a more prospective question focusing on the Middle East, since

the company has a lot of exposure and we have the conflict raging in that region. Can you give us an update on the possible or potential impacts? Do you believe this impact is going to be long-lasting if the conflict continues?

What's going on today and what could happen if the war keeps raging? I would like to approach that both from the logistics and supply, as well as from the demand side. Have there been any major changes?

My second question is for Tim about spreads in the U.S. What's your take on what's behind the increase in spreads in March? Can that be attributed to better supply, shutting down accounts at Tyson, or the strike at JBS? What would be behind those spreads, and is that improvement enough to change the outlook for 2026?

Thank you.

## **Miguel Gularte**

Good morning, this is Miguel.

Gustavo. Let me now address the Middle East. We have to go back in time a little. As of 2024, due to strategic reasons because of the Newcastle disease and then that possibility of the avian flu outbreak in Brazil, we made that decision strategically to keep operational inventory in the destination countries. By doing so, our inventory levels raised gradually. So costs to store abroad is higher than that of storing in Brazil. We made that decision back then.

Now, we're now through that conflict. Those measures we took due to sanitary reasons remain valid. So we do have the possibility now during a war, our inventory is kept in those countries of destination. But let me point out that BRF has had operations in that region since the 1970s. So we do have logistics expertise in the area. That expertise allows us to not only provide that inventory that is already there, but as well as the fact that closing the Strait of Hormuz. The meats or the beef that were in the ocean were redirected to operational ports. And once they got there, we distributed that internally through maritime freight or by land using trucks. And we were able to distribute the products throughout the Middle East.

That was very important to us because this is a proof of two very important characteristics. Number one, we did not have any major problems in delivery to these regions. So we are shipping according to business as usual. In the segments we provide can be distributed through the land or the highway grid we have available. There have been no disruptions to these markets and our customers there. In other words, we are reaching our goals 100%, which is to supply the demand.

On the other hand, as far as prices are concerned, that market was demanding more and prices were on the rise. When the war broke out, this was strengthened, actually. The first thing that people do is to buy water and buy food. If you have that availability like we did, we can actually adjust prices accordingly. On to the costs side. Well, the war freight that the maritime companies are imposing now, that was absorbed by the market fully, even beyond that.

So the situation in the Middle East indicates a market that was growing, already correcting prices. A company that has been there since the 1970s. We are very well positioned. We do have the logistics expertise that has come to be vital now. So we can operate that logistics infrastructure. Ports that are after the Strait of Hormuz are not operational, but we can redirect those products to other ports.

I think Tim can now answer his question, your second question, actually.

## **Tim Klein**

Yes, thank you. What we saw when we came into the year of January and February, we had, as you know, record losses.

The improvement we saw in March are really driven by two events. Number one are the plant closures that were announced that took place in mid to late January, which really rebalanced the capacity across the industry, improving the utilization rates and the margin outlook for 2026 and beyond.

The real positive has been beef demand has been very positive through this whole time period as we go into the March period. The plant closures along with reduced hours across the industry tighten the supply of boxed beef. Boxed beef prices went up. So is it enough to change our outlook? Yes. We feel the capacity reductions that have taken place are going to put us in a good position for 2026. In fact, we're expecting numbers to be at or above where 2025 ended up.

## **Henrique Brustolin – Bradesco BBI**

Good morning. Thank you for taking my question. I actually have two questions about BRF.

Number one. Can you elaborate on Q1 performance? Especially when we look at that small margin contraction that occurred sequentially. What was the role of the season package, international and domestic performances? I have the impression that the domestic performance was a little slower. Is my interpretation correct? What is behind that and what's your take for the start of 2026?

My second question is about investments that have been made in recent years. Volumes were very strong throughout the year. So here's my question. What is our, or should be our take in 2026 when we look at BRF volumes?

Thank you.

## **Jose Ignacio**

Good morning, Henrique. Well, what we can say as far as Q4 performance was for BRF, I think your reading is correct. When we compare quarter over quarter, margins were being reduced, partially offset by the season campaign, which was good. And there was some positive contribution from the international markets, especially halal, as Miguel said.

The prices were positive in that region. Both the CRF and the distribution businesses provided a positive contribution and some EBITDA expansion. This is more than offset the worst quarter of the year in Turkey. Performance was not good, but has already been showing signs of improvement in 2026. Your interpretation was correct. Brazil was offset because of that seasonal campaigns. But we had some effects from the avian flu that impacted prices of in-natura products that ends up impacting the pricing policy we implement. Q4 was under the pressure of the in-natura products, and consumers were skeptical, despite the record of processed products in December. Well, the demand was there. There was a pressure from the in-natura products that was impacted by the avian flu ended up putting pressure on the domestic prices.

## **Miguel Gularte**

So before you answer the second question, let me just piggyback on that answer. I think we have to take into account Q4 numbers, but it's of course connected to what happened after international markets were under some price adjustments that was made clear earlier this year.

We chose to reduce our inventories at the beginning of the year, as we always do, so that we can improve prices, and we did. And now, 2026, we were operating at a scale. There were some margin compressions for the market, but not troublesome. That was not a trend. This was a one-off event. And now this minor limitation is now being corrected.

On the other hand, as far as international markets are concerned, prices were on the rise. And when we look ahead, I think it's important to make that disclaimer and look into the future.

Now we are enabling the pre-listing and BRF has 12 plants that have been approved, adding to those 14 that were authorized for the UK. These new 230 destinations that we have opened up in the past three years will show the resilience and the demand we expect. It's well balanced. It will supplement international and domestic markets. Everything is in line with the demand.

We move away from that avian flu scenario. It was difficult to overcome, but we did. We delivered a very good year despite the avian flu.

We executed the merger that was very well thought out, but it's being very well executed. And this is going to take place in the coming quarters. Part of it has already been concluded, and we expect to keep on moving on in Q1, Q2, and Q3 for 2026.

And the market is avid for protein. Protein is the number one focus for consumers and we have to be prepared for the CAPEX that José Ignácio will explain.

We want to meet all the market's requirements with all our brands, like we have been doing. Sadia, Perdigão, and Qualy brands. They'll be on the tables of Brazilian consumers, and it's going to be the number one preferred brand.

And of course, that in-natura prices will impact the quarter. And there's that margin compression. But processed foods account for two-thirds of our portfolio. So we can easily mitigate that pressure from the in-natura market, as we can see in Q4, and it will remain the same in 2026.

## **José Ignácio**

Looking at volumes, as we said before, we were delivering higher volumes of boxed beef.

What I can tell you moving forward, and we emphasize that in our presentation, we have CAPEX for 2025 and 2026, heavily focused on that portfolio of processed food.

In 2025 in Brazil, we added a capacity of almost 100,000 tons a year, mainly cold cuts.

For 2026, the CAPEX project for processed food in Brazil will add an annual capacity of 60,000 tons a year. Between the two years, we are adding 160,000 tons a year to our capacity of processed food, almost 10% increase over the current volume.

In the international market, we created the Kezad market, now the Jeddah plant, and we acquired the Henan plant, the two projects at a capacity of 100,000 tons a year. The international market is performing 300,000 tons of processed food.

So we are going 33% in our international capacity overall, and besides, we have the third line poultry, the third poultry line in Lucas.

So overall, we've already increased our CAPEX in 2025. We delivered different projects that free up capacity. And in 2026, that trend will continue and will give us the possibility to continue that growth path that we delivered in the past few years.

## **Isabella Simonato - BofA**

Good morning. Thank you very much for taking my question.

I'd like to follow up on the question on BRF. Ignácio, if you could just go over the capacity

increase or poultry slaughter in Brazil, I don't think I was able to quite understand the figures. And along those lines, if you could give us some color on the supply scenario and also poultry production. I think that our diverging visions between what you said and the market, but I think in Q2, we will see a more relevant poultry supply in Brazil. If you could go over how you see that production increase and go over your figures again, that's my first question.

The second question has to do with the cost of grains. We see a rise in commodity prices due to the war. There is a discussion on how fertilizer prices can affect production in the next 12 months, not to mention the El Niño effect in Brazil. So how are you positioned vis-a-vis your raw materials, and other drivers that may put more pressure on costs, like freight, that will help us understand margins looking forward. Thank you.

## **Miguel Gularte**

Isabella, I'll start the answer, and Ignácio will chime in. The first point I'd mention is that today, we see a market when supply and demand remain balanced. If you look at the published data yesterday by APINCO, it shows placement that was 11% smaller in february as compared to the previous month. That had already dropped 10.8% compared to december. So the market is adjusting.

We also had, a few days ago, the hatching index that was very low historically, above 75%. From a production standpoint, we don't see any imbalance between supply and demand.

On the other hand, we had a foreign market that is eager for products in all geographies. That certainly, if you have competitive protein like poultry, we can navigate through this scenario and capitalize on those advantages. And by the way, these advantages are also available for beef.

I'd like to remind you that our strategic option made by BRF 2 years ago to create large industries allows us to have competitive costs and that competitive cost, working with differentiated brands and products in different markets.

Another important aspect, irrespective of how important that slaughter reduction is for 2026, we had made the decision in the past to work with our own feedlot between 25% to 30% of the cattle coming from our own feedlots.

To conclude, in the case of cattle, 25% to 30% of cattle coming from our feedlots, irrespective if the slaughter drop is 4% to 6%, that hasn't been defined. We don't have tangible numbers to quantify that, but we are quite confident for our industrial plants that we are fully capable of not only capturing the price advantage that the beef will bring, demand will exceed supply and because of our business model and geographic operations.

It's important to say that the CAPEX that was asked about, Ignácio mentioned very well the investments we made in the case of the Promissão plant. We are still at a ramp up phase. That plant will reach Q2 with a capacity of 30% above what we have today. So we are still at our ramp up phase.

So we do see a balanced supply and demand scenario with international prices on the rise. And that applies to both beef and poultry.

Pork, it begins the year more slowly, but during the year there is a price adjustment. China had the largest and best spring holiday in its history. The growth of delivery platform, the main platform in China grew 100%, fast food restaurants grew 24%, snacks and fast food 42% rather, and full menu restaurants grew 24%.

So we see a scenario where any variation we find in supply will be absorbed by demand. And we see a scenario where supplementary proteins will be present. That is, protein will be the focus of every table in every geography.

## **Jose Ignacio**

Well, let me address your question too. We'll have 150,000 head of poultry a day in Lucas del Rio Verde. Our slaughter capacity today is almost 100 million heads of 6.3 million, actually. As to the second part of your question about grains, this is our take. We have short-term drivers as to production for both corn and soybeans. This is very positive indeed. Production is expected of 130,000 tons for this year, 27 for the summer, and then double crop corn. They're planting corn for 2026 now. We don't foresee any major environment problem that would impact it.

Soybeans is expected to reach record numbers. Brazil at 100,000 tons. The grain scenario is very positive across the board.

Prices of fertilizers may go up already for the summer crops, and the decision to purchase fertilizers for the double crop will take place in Q3. So we don't see any major problems on the short term. We don't see any major substantial impacts.

Of course, if the war rages on for longer, if it reaches the second-half of the year, and then farmers will have to make a decision for the fertilizer purchases for the double crop, there can be impact there, but there's still time before we get there.

The impact now is not impacting production in the short run.

As far as freight costs, I think it's too soon. It's a very volatile market as we speak. There may be some impacts driven by oil prices, but it's still too early to come to a conclusion. It will be determined by the length and the intensity of the conflict.

## **Lucas Ferreira – J.P. Morgan**

My first question is about China and Europe. Poultry exports and Turkey exports. What does the ramp up look like after the markets re-open, especially China? There was a margin detractor last year. Are flows as expected? And what can you expect for the rest of the year if we don't have major restrictions? I believe we won't have. Do you expect a normal year of exports?

Question number two, you spoke about CAPEX, but I wanted to ask the opposite. Considering the uncertain scenarios, long curves going up, interest rates falling at a slower pace, and all the uncertainties. Isn't your leverage at a level that generates concern? I understand your vision that the leverage is consistent with a lower cycle in the US. But my question is, doesn't your current leverage generate any concern? Is there any room to defer CAPEX to alleviate pressure on leverage?

## **Miguel Gularte**

Lucas, I'll start and then Ignácio will follow.

On China, we are very encouraged because in record time, we were able to approve the Henan plant. Major players operating in the local market, the plant is operational and the operational and commercial schedule is ahead of budget. So the Henan plant, fully operational.

With the substantial demand in the spring holiday, we see that China will positively generate demand, unlike the situation of beef where there are safeguards. And by the way, we are prepared for that. We have a plan to face a possible reduction.

And this reduction, I'd like to say, shouldn't impact the domestic market. We are speaking about 600,000 tons in China reduction of beef year on year. 4% reduction of cattle. We have over 12 million sold. No major problem. An excellent opportunity for poultry and pork.

This is already happening in Q1. China showing to be very active. Adjusted prices, adjusted beef has its price adjusted almost every hour and for poultry and pork, there is a recovery that we already expected and this is truly happening.

So we are very encouraged with the international market and the MBRF operation in China will give us results faster than expected.

Ignácio, second part of the question.

## **José Ignácio**

Good morning, Lucas.

As to CAPEX, yes. Most of the projects we highlighted have impacted our cash flow already. If you look at the LTM CAPEX in Q4 is at 6.4 billion reais. Even with the pipeline of projects that are currently underway, looking ahead, that CAPEX is expected to drop.

Q4 was a one-off event. That was the prime compression and other one-off impacts. Therefore, Q4 number is above the run rate. And LTM for Q4 is above what we can expect from now on. So we couldn't execute on that pipeline with that similar CAPEX.

We expect to keep that down at 1 billion. If you consider a scenario in which you would have more operational deterioration, that CAPEX could be redirected to 3.5 billion. So we have room, we have time to postpone projects if needed. We do have that flexibility.

In other words, we'll keep on monitoring the cash generation, but the projects we selected will provide positive and certain return. Will take into account volumes and the returns of these projects based on the capacity we have already delivered. We are filling up that capacity. We are delivering volumes.

In other words, we remain confident that these projects will provide very attractive results and it's going to be positive to the company.

As to the leverage now, of course, that increase in the quarter was related to the dollar factor. We decided to keep leverage under control. This is one of our top priorities.

With the different perspectives from different businesses and the margins for the 2026, so despite the low cycle at national that, as Tim said, 2026 will be better than 2025 numbers, but still at a very low level and interest rates, that is not going to drop as expected.

So anyway, the company can still generate cash and maintain leverage under control.

On top of that, there's that synergy we are going to deliver. This can be a buffer to absorb any deterioration of the scenario 600 million from synergies that will be delivered in 2026.

Again, leverage is a matter of concern. Yes, but we believe we can both be more flexible and adjust the timing of the CAPEX, but we are very confident that the projects in which we are investing and developing can yield returns because the track record indicates so.

In 2025, for example, we've had results, volumes, and execution in sales as well.

## **Thiago Duarte – BTG Pactual**

Hello, good morning, everyone. Miguel, Ignácio, nice to talk to you. I'd like to touch on three points.

On CAPEX, when we look at the 2025 CAPEX, excluding M&As. I think it was 5.3 billion, right? You mentioned it would be smaller than 6.4 in 2026. Looking at 2026, how can we see the evolution of CAPEX? It was 5.3 last year. Do you envisage a reduction due to the maturity of investments or is this a sustainable level for this year? That's question number one.

Number two, I'd like to hear your take on the profitability evolution for Beef South America, considering the spike in cattle prices we see this year. And I'd like to mention the positive impact you had in the past three years due to the nature of our portfolio of more processed food, longer contracts. So when the price of cattle dropped, that gave you better margins. Is the opposite also true? Or if you understand, you can mitigate problems in your profitability in South America.

And question number three, about BRF's margin in the domestic market. Miguel, you said that the pressure we saw in Q4 was mainly based on fresh products. I'd like to hear from you the profitability of your regular processed food portfolio looking at Q4 compared to previous quarters, and if possible, your projections for 2026?

## **Miguel Gularte**

Thiago, let me start answering on beef margins, and then I'll turn it over to Ignácio. What do we see in the beef market? Irrespective of the geography, Uruguay, Brazil, and Argentina, we see reduced supply, but Brazilian cattle is still competitive.

The kilogram of carcass in dollars ahead in Brazil is \$4.2 per kilogram. In Argentina, it's over \$6.3 or \$6.4 per kilogram of carcass weight. In Uruguay, there has been an adjustment, but Uruguay reached \$5.50 and today, \$5.10 per kilogram of carcass weight, added to the Chinese safeguards that was the major destination of South American beef.

Because of our operations in Brazil and Argentina and Uruguay, we can mitigate quotas and navigate this wave of higher prices that the safeguards brought. Why do I say that? Uruguay received quotas of over 300,000 tons. Uruguay usually sells 150,000. Argentina received 420,000 tons, if I'm not mistaken. And today they sell more than 400,000. And Argentina received 180,000 tons from the US.

So looking at the beef market, we do have a good expectations that these margins are not only sustainable, but they can also grow. If you look at our model, adding value through our brands like Sadia, Montana, having one commercial team working on all proteins, that also has a positive effect and the possibility we have to redirect part of our beef production to a higher demand in the Middle East because of the logistics expertise we have there and also, in the case of Uruguay and Argentina, we can occupy the space Brazil might lose in the beef market.

As for the margin in processed food, I'll give you more details. What I meant to say is that fresh products was the main reason for that value reduction in the quarter. When there is a drop in fresh products, it also leads to a drop of values in processed food.

What we saw as we planned, we wanted to start a new price list in January 2026 for some categories. Obviously, the year always starts more slowly. That's expected already. So January, we had one situation. It evolved in February, and the same applied to March.

So processed food prices are expected. We observe that evolution. The same applies to margarines. We increased price significantly and those powers came into force as planned. Another important aspect about the Brazilian market is that we started 2026 with low product and raw material inventories to capitalize on that situation that we expected. And we believe that the year would improve quarter over quarter and we want to deliver 2026 better than 2025.

## **José Ignácio**

Good morning, Thiago. The question about CAPEX, the answer is yes. It makes sense to think about an organic CAPEX based on what you said, similar to the levels we had in 2025, just like you said.

I have to point out that we do have options. If the scenario worsens, we can reduce that CAPEX and maybe cut down on projects or extend them or bring that number lower at the 4 billion level if necessary according to the market conditions.

But again, the number you pointed out makes sense.

## **Thiago Bortolucci – Goldman Sachs**

Good morning, Miguel Ignácio, and thank you for taking my questions. I would like to address 2 topics.

The first question is maybe to you, Ignácio. I think it was clear when you talk about leverage and capital discipline, but that curve would involve some things that are not under your control. But there's some that you can control actively. That's the liability management portion of it.

We've seen sequential growth in debt level in Q4, part of it is related to exchange rates, but you've had positive origination, right? How are you preparing the balance sheet for the amortizations you have scheduled for the next 12 months?

Just yesterday, you announced these numbers, but my interest is to better identify what the best debt costs would play out throughout the year? That's my first question, and then I'll ask another, if I may.

## **Jose Ignacio**

Good morning, Thiago. Well, as you said, both gross debt and the cash is up in Q4. The company policy was to accelerate that origination, especially in an election year.

As you said, we announced the cancellation of \$80 million in bonds. Well, we capital raised the 30-year series and the bond that we are repurchasing, about 200 bps as far as costs are concerned.

Some bonds are maturing this year between may and september, amounting over 500 million U.S. at both Marfrig and BRF. In other words, we have an increase in the short-term debt that is maturing this year. That's why we decided to increase funding.

As of Q3, that debt level is going to come down and that additional cash will be used to amortize that debt. It's a matter of timing. We anticipated some of that capital raising when prices were attractive and we'll keep on monitoring whenever opportunity arises.

At lower costs than our debt costs, we are going to make good use of those windows of opportunity. But we wanted to be prepared. We want to adopt A conservative approach to face that maturing curve.

## **Thiago Bortolucci – Goldman Sachs**

My second question is to Miguel about South America. Of course, we have two important factors in 2026.

One is availability and the capacity ramp up that you've already explained fully. My question is to help us understand the composition of your revenue in South America in 2026.

What's the contribution of the growth volume? What would be possible taking into account these two factors? I want to understand, I want to predict what the additional capacity could be in a more pressured scenario in Brazil.

## **Miguel Gularte**

Well, Tiago, let me start to talk about Brazil. But we have to take that into account in the South America scenario.

The Promissão plant alone will have a ramp up possibility of 20%, requiring no additional investments, just allocating the investments we have already set forth. It's at 28% to 20% growth in the first half of 2026.

Now, let me address the other countries. Uruguay is already resuming what their levels organic exports using the national beef platform, the possibility of using safeguards for other countries to have better prices in beef from Uruguay and Argentina.

Now on to Argentina per say, you have the American quota of 80,000 tons adding to the Hilton quota that Argentina is selling at record prices. Both Hilton and Argentina and Brazil and Uruguay, we are now using higher prices, record high prices.

So South America is operating according to plan. When we picked the model of that industrial footprint, that was a decision that will be important if we can focus on areas that have better cattle supply.

You have plants in two producing states that have cattle supply. Of course, if Brazil suffers that, they will be under that pressure too, but we are very well positioned.

You have maybe 30% to 25% of your demand will be self-supplied by our feedlots. So we have these many advantages to work on that feedlot cattle, for those that are special quality that will reach special markets and special customers to produce that branded beef.

So the scenario for South America, as far as beef is concerned, the supply is not smaller. We can grow within our operation and of course implementing healthy prices.

But let me point that out once again. This is going to be an important year. Well, they will buy Mounjaro at the drugstore and they'll buy meat at the supermarket.

## **Thiago Bortolucci – Goldman Sachs**

To your last point, considering everything you mentioned for South America, two-digit growth in volume for 2026 is doable?

## **Miguel Gularte**

That will depend because we must analyze country by country.

In Brazil, we have growth capacity, their growth should be about 20%. There is a daily slaughter growth. The promissão plant that will slaughter 18% more. So our total slaughter would be almost 2 digits, a little less than two digits.

In Uruguay, we can grow, but Uruguay is a country where production is connected to the climate. So let us see the water balance because cattle in Uruguay, 90% is backgrounded and there is no prediction of any major weather events. So Uruguay will resume its slaughter volume. We will be able to capture that volume.

In Argentina, I see a more stable situation. I see an excellent year from the standpoint of demand and stable supply. In Argentina, there is a raw material price misalignment, cattle, that started undergoing adjustment. Argentina was always based on the domestic park market to set prices.

Now with the turmoil in the international market, Hilton quota in record prices, extra 80,000 tons from the US, and the possibility to serve that wave of safeguard volumes that China imposed, Argentina may have an advantage for export packers.

We are beginning the year. We have to wait some more time. In a nutshell, our volume increase should be from 7 to 8% for the total of South America.

## **Ricardo Alves – Morgan Stanley**

Good morning to the whole MBRF team, Miguel, Ignácio. Thank you for the opportunity. I have

two follow-up questions.

One goes to Tim in the U.S. Tim, I'd like to hear your take on steer prices in 2026 compared to 2026. I think the consensus today is an increase of 8% to 10% because of the cycle. But on the other hand, what you mentioned, Tyson, reducing capacity strikes that are talks about the return towards the end of the year of exports into Mexico. So when you add all up, I'd like to hear your vision for steer prices for this year and the cattle supply that you're going to have. That's my first question.

My second question would go to the MBRF team. Miguel already addressed poultry supply in Brazil. On the production side, your message was clear, Miguel, and the situation is under control.

But when we consider the Middle East, I know that this is not visible today. It might be too early to have that discussion, a possible oversupply to the Middle East. It's good to know that you have all that ability to reallocate your operations through different ports, be it because the relationship you started developing in the 70s, but I imagine other players don't have that.

So there may be an increase in local supply. We had a problem with Newcastle some time ago. Avian flew last year and it resulted in higher domestic supply, even if it's temporary.

So despite your comments, when you look at the market as a whole, do you see any risk of excess supply if the crisis extend? What makes you comfortable about the local supply?

## **Tim Klein**

Yes, in answer to your question, I believe the USDA is forecasting 8% to 10% higher on steer prices in 2026.

We're not quite that high given the capacity reductions we've seen, but it will be higher than last year, but I don't think it'll be that much higher.

And part of that will be if we can get Mexico cattle coming across, that'll certainly temper the price increase.

## **Ricardo Alves – Morgan Stanley**

This is a follow-up about poultry supply in the domestic market. As I understand, you feel very comfortable about the local production. You also seem comfortable about BRF's exports to the Middle East.

My question is about a possible supply of poultry from other players that cannot reallocate their international volumes. It happened with the Newcastle and then the avian flew. Do you see that risk happening? A possible oversupply from other competitors?

So, what makes you feel more comfortable about the non-impact of international markets in domestic prices?

That's my question.

## **Miguel Gularte**

Well, the way we see it about the market, it's a balanced market, both on the supply and the demand sides, and it's balanced like that not only in the Brazilian market, but in the market overall.

It's very difficult for me to estimate what the market will look like and what other players will do, other competitors, other companies. We don't see any major movement of containers coming back to Brazil. People are waiting and trying to execute alternative routes. There are no major logistics collapse bringing a lot of Brazilian products back to Brazil.

It's too soon. The war started on March 1st. It's been only 19 days. These processes may scale up or dwindle.

On the other hand, what we have been doing very carefully is to come up with contingency plans. If a problem occurs in the domestic market, we can resort to many other alternatives in international markets. That's what we have been doing.

## **Jose Ignacio**

Good morning. Let me just answer that question to what we have been doing, not only in the Middle East.

We had a record january. february was the best year for poultry exports, and we're expecting march to be the same.

Well, demand overall, international demand, as at a very important level, and when you take into account additional demand, exporting from Rio Grande do Sul to China, now that the Newcastle restriction has been lifted, as well as exports to Europe, in a nutshell, the Middle East may impact exports, but at the same time, exports overall are reaching record number.

This is what the data shows us. This will mitigate the risk of having the domestic market as the sole alternative if a company will run into problems to export to the Middle East.

## **Igor Guedes - Genial**

Good morning, Miguel, Ignácio. Thank you for taking my question.

My first question is about BRF. The issue in Turkey has been impacting results in recent quarters. Prices are coming down due to oversupply. Considering the fact that your operation there does not export that much, what is the strategy you are considering adopting to minimize that impact? Are there any scenarios that the company is thinking about that you could share with us?

And my second question is about synergies after the merger. You talked about 608 million worth of gains in 2026, most of it as a guidance to the market. How is it going to be absorbed? Is it going to be more gradually, distributed throughout the four quarters? Or would that efficiency curve would be more substantial in the second-half of the year?

My question is about the distribution of that synergy gain.

## **Miguel Gularte**

Good morning, Igor. Let me answer the question about Turkey.

Well, there was a supply increase in 2025 in that market. That supply put pressure on local markets. Now it's already being adjusted, and that started in late 2025. Now, Q1, we have positive numbers.

In the case of BRF, we adjusted our lodging. We better priced the product mix, and this has been yielding good results. In other words, the market is adjusting itself overall. BRF is doing the same. And there's that mix adjustment.

We are adding more added value products and processed products. And at the same time, we have sped up the BRF+ program to be more effective in capturing those synergies, both from the operation in Brazil and the operation in Turkey.

Today we have efficiency programs in place that are already effective in Brazil for over 2 years now. We are speeding up those programs in Turkey. There was room, there was possibility to do that and we are speeding things up.

I'll turn it over to Ignácio to answer the second question.

## **José Ignácio**

Good morning, Igor. About synergies, first, in Q4, the impact of restructuring. So the first synergy that we had to do with the structure, the adjustment of our corporate structure. We made that adjustment in Q4 and we have a non-recurring cost that we disclosed in our material.

So 230 million rails in the year, we already concluded 90%. And we will now reap the results over the quarters.

About the commercial block that represented another 60 million during the year, concluding the execution of the plan in Q3, so those 60 million should start giving us results starting in Q2. On supply chain and other initiatives, the intensity should accelerate in the second-half of the year.

If we go pillar by pillar, amounting to 600 million out of the 600 million half should start in Q1 and the other half should have a greater weight in the second-half of the year.

## **Marcos Molina**

Good morning, everyone. Thank you very much. First and foremost, I would like to commend the whole MBRF team in 2025. They generated excellent results on the part of National Beef. I'd like to congratulate Tim and the whole National Beef team.

2025 was a challenging year and we managed to perform positively, making a difference in the whole industry as a result of the investments we made over the past years in added value products and increased efficiency.

For South America beef, we had a ramp up in our plants. In Brazil, mainly, it's not easy to ramp up your plant while it's operating. We had increased capacity that was quite substantial. And for 2026, we expect to conclude that increase in capacity on the BRF side.

We increased the volume of processed foods, an increase in our portfolio, excellent sales during the holiday season. So MBRF was able to increase its share, resuming growth in the past few years, thanks to the effort made by Miguel and the team of putting the company on the right track to make it ready to grow.

On our finances, we raised money in Q4 to make payments in 2026. we increase our inventory of grains and products. We are prepared now with an inventory that is prepared for 2026 to face possible changes because of the war and weather events.

So for 2026, the company has never been so prepared for the year. We see a scenario of a lower cattle supply but increased capacity, our own feedlots, our operations working in profitable levels.

We also see increased protein consumption both in Brazil and internationally because protein has stood out among all commodities.

12 new plants approved to export to Europe. Now, MBRF is going back to the European market after seven years. The new Mercosul cota that is a very important hallmark for Brazil, something we wanted for a long time and we'll be able to participate with the Mercosur PODA. It starts now in may and it will ramp up over the years and that will significantly benefit our business.

There are events like the quota, the effect on taxes of 5,000 reals or income tax, the wave of income tax for those earning less than 5,000 reals, the Middle East. This is an event that shows our flexibility of coming out stronger, showing that despite a war scenario, we were able to serve our customers and provide food security in the Middle East.

So it's an excellent challenge for the company to display its strength.

Overall, for the US, that 2025 was a challenging year. our lowest level since the acquisition in 2018. In South America we are well positioned with our large plants now being a multi-protein company we can use the BRF sales channels with sustainable growth on the poultry side. We see a global poultry demand, the domestic market, consuming more poultry because of increased beef prices.

So my vision for 2026 is quite bullish for the protein market, both in Brazil and globally. The company, as I said, is on the right track. The train is moving already and we are well positioned to make progress with speed in order to show all the effort we made in the past four years.

So thank you very much and I'd like to congratulate our whole team. MBRF's earnings call is now concluded. I hope you all have an excellent day.