

Interim Financial Information
Individual and Consolidated
(A free translation of the original in Portuguese)

June 30, 2023



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Statements of Financial Position

ASSETS	Note	Parent company		Consolidated		LIABILITIES	Note	Parent company		Consolidated	
		06.30.23	12.31.22	06.30.23	12.31.22			06.30.23	12.31.22	06.30.23	12.31.22
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	4	3,647,795	3,984,071	7,494,269	8,130,929	Loans and borrowings	15	4,858,964	3,379,835	5,184,652	3,879,874
Marketable securities	5	388,233	364,543	426,993	418,373	Trade accounts payable	16	11,248,194	12,605,606	12,545,386	14,128,765
Trade receivables	6	4,755,793	6,022,298	3,417,526	4,187,756	Lease liability	17	632,088	521,544	761,436	676,864
Notes receivable	6	92,244	27,351	92,244	27,351	Payroll, related charges and employee profit sharing		807,321	679,097	863,398	720,799
Inventories	7	5,257,158	6,107,041	7,375,341	8,660,891	Taxes payable		217,604	268,666	442,191	522,846
Biological assets	8	2,868,761	3,003,258	2,980,963	3,151,551	Derivative financial instruments	23	363,726	78,276	363,726	82,468
Recoverable taxes	9	1,187,412	1,016,949	1,474,658	1,402,868	Provision for tax, civil and labor risks	20	722,821	863,313	725,723	867,294
Derivative financial instruments	23	227,682	120,865	262,572	120,865	Employee benefits	19	49,445	49,445	62,481	64,367
Prepaid expenses		161,712	84,680	205,597	109,716	Customer advances		10,522	5,825	196,334	75,832
Advances		67,754	60,707	143,227	187,342	Advances from related parties	29	7,861,078	8,655,905	-	-
Assets held for sale		-	-	14,289	21,909	Other current liabilities		199,761	904,298	543,632	1,278,830
Other current assets		56,867	64,608	64,893	84,795						
Total current assets		18,711,411	20,856,371	23,952,572	26,504,346	Total current liabilities		26,971,524	28,011,810	21,688,959	22,297,939
NON-CURRENT ASSETS						NON-CURRENT LIABILITIES					
LONG-TERM RECEIVABLES						Loans and borrowings					
Marketable securities	5	15,134	15,505	332,263	406,402		15	15,513,961	17,007,023	18,648,567	19,637,126
Trade receivables	6	6,122	5,059	6,122	5,307	Trade accounts payable	16	6,289	7,459	6,289	7,459
Notes receivable	6	3,465	11,092	3,465	11,092	Lease liability	17	2,223,887	2,105,419	2,402,128	2,368,070
Recoverable taxes	9	4,819,248	5,155,061	4,837,453	5,171,844	Taxes payable		93,059	96,666	95,875	97,735
Deferred income taxes	10	2,022,664	2,476,334	2,126,160	2,566,461	Provision for tax, civil and labor risks	20	483,342	505,863	523,708	548,243
Judicial deposits	11	401,773	441,751	411,715	450,676	Deferred income taxes	10	-	-	79,515	111,463
Biological assets	8	1,574,032	1,558,349	1,645,663	1,649,133	Liabilities with related parties	29	51,028	49,367	-	-
Derivative financial instruments	23	344,190	10,283	344,190	10,283	Employee benefits	19	312,352	297,175	429,305	456,945
Restricted cash		29,229	27,515	95,474	89,717	Derivative financial instruments	23	27,280	174,699	27,280	174,699
Other non-current assets		128,358	158,216	132,073	162,628	Other non-current liabilities		263,342	261,138	771,358	331,899
Total long-term receivables		9,344,215	9,859,165	9,934,578	10,523,543	Total non-current liabilities		18,974,540	20,504,809	22,984,025	23,733,639
						EQUITY					
						21					
						Capital					
						12,835,915					
						12,835,915					
						12,835,915					
						12,835,915					
						Capital reserves					
						2,338,476					
						2,338,476					
						2,338,476					
						2,338,476					
						Other equity transactions					
						(73,805)					
						(77,825)					
						(73,805)					
						(77,825)					
						Accumulated losses					
						(4,756,000)					
						(2,363,073)					
						(4,756,000)					
						(2,363,073)					
						Treasury shares					
						(105,958)					
						(109,727)					
						(105,958)					
						(109,727)					
						Other comprehensive loss					
						(1,085,982)					
						(1,353,758)					
						(1,085,982)					
						(1,353,758)					
						Attributable to controlling shareholders					
						9,152,646					
						11,270,008					
						9,152,646					
						11,270,008					
						Non-controlling interests					
						-					
						453,537					
						552,861					
						552,861					
						552,861					
						552,861					
						Total equity					
						9,152,646					
						11,270,008					
						9,606,183					
						11,822,869					
Total non-current assets						36,387,299					
38,930,256						30,326,595					
31,350,101						57,854,447					
TOTAL ASSETS						55,098,710					
59,786,627						54,279,167					
57,854,447						55,098,710					
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59,786,627						54,279,167					
57,854,447						55,098,710					

The accompanying notes are an integral part of the interim financial information.
(In thousands of Brazilian Reais)

Statements of Income (Loss)

	Note	Parent company				Consolidated			
		2023		2022		2023		2022	
		Apr-jun	Jan-jun	Apr-jun	Jan-jun	Apr-jun	Jan-jun	Apr-jun	Jan-jun
CONTINUING OPERATIONS									
NET SALES	25	11,290,156	23,288,016	11,261,985	21,333,844	12,204,971	25,382,940	12,939,112	24,980,354
Cost of sales	28	(9,519,480)	(19,239,866)	(9,654,428)	(19,012,457)	(10,719,235)	(22,223,991)	(10,956,264)	(21,884,493)
GROSS PROFIT		1,770,676	4,048,150	1,607,557	2,321,387	1,485,736	3,158,949	1,982,848	3,095,861
OPERATING INCOME (EXPENSES)									
Selling expenses	28	(1,556,583)	(3,141,147)	(1,443,676)	(2,715,788)	(1,737,638)	(3,508,279)	(1,662,357)	(3,152,959)
General and administrative expenses	28	(103,268)	(198,354)	(116,757)	(203,497)	(159,444)	(319,251)	(177,436)	(320,948)
Impairment loss on trade receivables	6	(1,847)	(7,392)	(1,591)	(4,988)	(2,025)	(8,532)	(187)	(3,490)
Other operating income (expenses), net	26	57,188	134,646	(6,840)	(12,779)	52,953	137,351	(2,541)	(5,214)
Income from associates and joint ventures	12	(1,141,686)	(2,165,467)	1,224,140	(644,546)	(865)	(882)	80	80
INCOME (LOSS) BEFORE FINANCIAL RESULTS AND INCOME TAXES		(975,520)	(1,329,564)	1,262,833	(1,260,211)	(361,283)	(540,644)	140,407	(386,670)
Financial income		151,223	308,783	163,869	355,338	216,089	414,219	183,480	397,505
Financial expenses		(1,152,516)	(2,210,821)	(876,079)	(1,687,074)	(1,127,976)	(2,164,164)	(894,345)	(1,697,013)
Foreign exchange and monetary variations		470,968	671,020	(1,214,663)	611,637	(187,445)	(209,458)	100,832	(84,827)
FINANCIAL INCOME (EXPENSES), NET	27	(530,325)	(1,231,018)	(1,926,873)	(720,099)	(1,099,332)	(1,959,403)	(610,033)	(1,384,335)
LOSS BEFORE TAXES		(1,505,845)	(2,560,582)	(664,040)	(1,980,310)	(1,460,615)	(2,500,047)	(469,626)	(1,771,005)
Income taxes	10	146,937	167,655	121,289	(100,349)	123,341	139,146	18,509	(226,573)
LOSS FROM CONTINUING OPERATIONS		(1,358,908)	(2,392,927)	(542,751)	(2,080,659)	(1,337,274)	(2,360,901)	(451,117)	(1,997,578)
LOSS FROM DISCONTINUED OPERATIONS		-	-	(16,408)	(50,948)	-	-	(16,408)	(50,948)
LOSS FOR THE PERIOD		(1,358,908)	(2,392,927)	(559,159)	(2,131,607)	(1,337,274)	(2,360,901)	(467,525)	(2,048,526)
Net Income (loss) from Continuing Operation Attributable to									
Controlling shareholders		(1,358,908)	(2,392,927)	(542,751)	(2,080,659)	(1,358,908)	(2,392,927)	(542,751)	(2,080,659)
Non-controlling interest		-	-	-	-	21,634	32,026	91,634	83,081
		(1,358,908)	(2,392,927)	(542,751)	(2,080,659)	(1,337,274)	(2,360,901)	(451,117)	(1,997,578)
Net Loss From Discontinued Operations Attributable to									
Controlling shareholders		-	-	(16,408)	(50,948)	-	-	(16,408)	(50,948)
Non-controlling interest		-	-	-	-	-	-	-	-
		-	-	(16,408)	(50,948)	-	-	(16,408)	(50,948)
LOSS PER SHARE FROM CONTINUED OPERATIONS									
Weighted average shares outstanding - basic						1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Loss per share - basic	22					(1.26)	(2.22)	(0.50)	(2.03)
Weighted average shares outstanding - diluted						1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Loss per share - diluted	22					(1.26)	(2.22)	(0.50)	(2.03)
LOSS PER SHARE FROM DISCONTINUED OPERATIONS									
Weighted average shares outstanding - basic						1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Loss per share - basic	22					-	-	(0.02)	(0.05)
Weighted average shares outstanding - diluted						1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Loss per share - diluted	22					-	-	(0.02)	(0.05)

The accompanying notes are an integral part of the interim financial information.
(In thousands of Brazilian Reais)

Statements of Comprehensive Income (Loss)

	Note	Parent company				Consolidated			
		2023		2022		2023		2022	
		Apr-jun	Jan-jun	Apr-jun	Jan-jun	Apr-jun	Jan-jun	Apr-jun	Jan-jun
Loss for the period		(1,358,909)	(2,392,927)	(559,159)	(2,131,607)	(1,337,274)	(2,360,901)	(467,525)	(2,048,526)
Other comprehensive income (loss), net of taxes									
Gain (loss) on foreign currency translation of foreign operations		(219,824)	(191,711)	135,718	55,391	(382,915)	(326,446)	267,781	111,847
Gain (loss) on net investment hedge		99,867	152,809	(119,361)	91,043	99,867	152,809	(119,361)	91,043
Cash flow hedges – effective portion of changes in fair value	23	(98,124)	(96,873)	(281,064)	(56,741)	(96,147)	(96,139)	(281,543)	(56,865)
Cash flow hedges – reclassified to profit or loss	23	447,030	391,081	364,879	249,171	447,030	391,081	364,879	249,171
Items that are or may be reclassified subsequently to profit or loss		228,949	255,306	100,172	338,864	67,835	121,305	231,756	395,196
Actuarial gains on pension and post-employment plans	19	9,475	12,470	10,843	14,596	14,353	15,215	16,559	20,232
Items that will not be reclassified to profit or loss		9,475	12,470	10,843	14,596	14,353	15,215	16,559	20,232
Comprehensive income (loss) for the period		(1,120,485)	(2,125,151)	(448,144)	(1,778,147)	(1,255,086)	(2,224,381)	(219,210)	(1,633,098)
Attributable to									
Controlling shareholders		(1,120,485)	(2,125,151)	(448,144)	(1,778,147)	(1,120,484)	(2,125,151)	(448,144)	(1,778,147)
Non-controlling interest		-	-	-	-	(134,602)	(99,230)	228,934	145,049
		(1,120,485)	(2,125,151)	(448,144)	(1,778,147)	(1,255,086)	(2,224,381)	(219,210)	(1,633,098)

Items above are stated net of deferred taxes on income and the related taxes are disclosed in note 10.

The accompanying notes are an integral part of the interim financial information.

(In thousands of Brazilian Reais)

Statements of Changes in Equity

	Attributed to controlling shareholders										
	Capital	Capital reserves	Other equity transactions	Treasury shares	Other comprehensive income (loss)			Accumulated losses	Total equity	Non-controlling interest	Total shareholders' equity (consolidated)
					Accumulated foreign currency translation adjustments	Gains (losses) on cash flow hedge (1)	Actuarial gains (losses)				
BALANCES AT DECEMBER 31, 2021	12,460,471	141,834	(67,531)	(127,286)	(1,162,066)	(583,904)	(66,756)	(2,132,230)	8,462,532	363,091	8,825,623
Restatement by hyperinflation	-	-	-	-	-	-	-	216,193	216,193	135,260	351,453
Comprehensive income (loss) (1)											
Gains on foreign currency translation of foreign operations	-	-	-	-	49,240	-	-	-	49,240	47,283	96,523
Gains on net investment hedge	-	-	-	-	87,929	-	-	-	87,929	-	87,929
Unrealized gains (losses) in cash flow hedge	-	-	-	-	-	276,515	-	-	276,515	(933)	275,582
Actuarial gains (losses) on pension and post-employment plans	-	-	-	-	-	-	61,293	-	61,293	(16,568)	44,725
Income (loss) for the year	-	-	-	-	-	-	-	(3,166,403)	(3,166,403)	24,777	(3,141,626)
SUB-TOTAL COMPREHENSIVE INCOME (LOSS)	-	-	-	-	137,169	276,515	61,293	(3,166,403)	(2,691,426)	54,559	(2,636,867)
Employee benefits remeasurement - defined benefit	-	-	-	-	-	-	(16,009)	16,009	-	-	-
Capital increase through issuance of shares	500,000	4,900,000	-	-	-	-	-	-	5,400,000	-	5,400,000
Expenses with public exchange offer of shares	(124,556)	-	-	-	-	-	-	-	(124,556)	-	(124,556)
Appropriation of income (loss)											
Dividends	-	-	-	-	-	-	-	-	-	(49)	(49)
Compensation of accumulated losses with capital reserve	-	(2,703,358)	-	-	-	-	-	2,703,358	-	-	-
Share-based payments	-	-	(10,294)	17,559	-	-	-	-	7,265	-	7,265
BALANCES AT DECEMBER 31, 2022	12,835,915	2,338,476	(77,825)	(109,727)	(1,024,897)	(307,389)	(21,472)	(2,363,073)	11,270,008	552,861	11,822,869
Comprehensive income (loss) (1)											
Gains on foreign currency translation of foreign operations	-	-	-	-	(191,711)	-	-	-	(191,711)	(134,735)	(326,446)
Gain on net investment hedge	-	-	-	-	152,809	-	-	-	152,809	-	152,809
Unrealized gains in cash flow hedge	-	-	-	-	-	294,208	-	-	294,208	734	294,942
Actuarial gains on pension and post-employment plans	-	-	-	-	-	-	12,470	-	12,470	2,745	15,215
Income (loss) for the period	-	-	-	-	-	-	-	(2,392,927)	(2,392,927)	32,026	(2,360,901)
SUB-TOTAL COMPREHENSIVE INCOME (LOSS)	-	-	-	-	(38,902)	294,208	12,470	(2,392,927)	(2,125,151)	(99,230)	(2,224,381)
Appropriation of income (loss)											
Dividends	-	-	-	-	-	-	-	-	-	(94)	(94)
Share-based payments	-	-	4,020	3,769	-	-	-	-	7,789	-	7,789
BALANCES AT JUNE 30, 2023	12,835,915	2,338,476	(73,805)	(105,958)	(1,063,799)	(13,181)	(9,002)	(4,756,000)	9,152,646	453,537	9,606,183

(1) All changes in other comprehensive income are presented net of taxes.

The accompanying notes are an integral part of the interim financial information.

(In thousands of Brazilian Reais)

Statements of Cash Flows

	Parent company		Consolidated	
	2023	2022	2023	2022
	Jan-jun	Jan-jun	Jan-jun	Jan-jun
OPERATING ACTIVITIES				
Loss from continuing operations	(2,392,927)	(2,080,659)	(2,360,901)	(1,997,578)
Adjustments for:				
Depreciation and amortization	680,084	671,380	870,917	855,331
Depreciation and depletion of biological assets	650,996	542,909	693,301	580,191
Result on disposal of property, plant and equipments and investment	(111,879)	(2,331)	(113,615)	(2,176)
Write-down of inventories to net realizable value	(32,678)	144,515	(22,198)	62,322
Provision for tax, civil and labor risks	144,985	187,647	142,794	188,891
Income from investments under the equity method	2,165,467	644,546	882	(80)
Financial results, net	1,231,018	720,099	1,959,403	1,384,335
Tax recoveries and gains in tax lawsuits	(388)	(30,766)	(388)	(34,215)
Deferred income tax	(166,969)	100,734	(149,390)	88,108
Gratuities for the employees	51,463	47,267	59,671	40,608
Other provisions	14,440	(8,268)	15,580	(9,772)
	2,233,612	937,073	1,096,056	1,155,965
Trade accounts and notes receivables	1,316,453	1,562,190	619,926	144,798
Inventories	882,561	742,375	1,141,556	660,626
Biological assets - current	134,497	(97,791)	119,135	(172,239)
Trade accounts payable	(2,113,765)	(1,330,729)	(2,361,234)	(1,353,492)
Cash generated by operating activities	2,453,358	1,813,118	615,439	435,658
Investments in securities at FVTPL (1)	-	-	(242,221)	(142,200)
Redemptions of securities at FVTPL (1)	-	14,870	258,251	143,510
Interest received	130,028	147,382	185,794	145,308
Dividends and interest on shareholders' equity received	(851)	-	(851)	-
Payment of tax, civil and labor provisions	(276,247)	(139,898)	(276,244)	(137,222)
Derivative financial instruments	(50,905)	(1,356,966)	(414,129)	(1,318,118)
Other operating assets and liabilities (2)	(451,856)	(2,530,619)	1,211,647	144,050
Net cash provided by (used in) operating activities	1,803,527	(2,052,113)	1,337,686	(729,014)
INVESTING ACTIVITIES				
Additions on investments in securities at amortized cost	-	-	(123,940)	(6,098)
Redemptions of securities at amortized cost	-	-	58,332	-
Redemption of restricted cash	-	(2,074)	-	(2,074)
Additions to property, plant and equipment	(408,648)	(683,619)	(462,836)	(764,548)
Additions to biological assets - non-current	(679,318)	(623,701)	(732,456)	(660,879)
Proceeds from disposals of property, plant, equipments and investment	134,737	6,487	134,737	6,487
Additions to intangible assets	(115,375)	(130,317)	(117,188)	(134,675)
Capital increase in affiliates	(388)	(67,266)	(388)	(67,266)
Capital increase in subsidiaries	-	(281,949)	-	-
Net cash used in investing activities	(1,068,992)	(1,782,439)	(1,243,739)	(1,629,053)
FINANCING ACTIVITIES				
Proceeds from debt issuance	1,617,155	299,804	2,968,409	536,095
Repayment of debt	(1,350,436)	(1,440,387)	(1,967,219)	(1,669,510)
Payment of interest	(671,427)	(690,412)	(772,659)	(790,330)
Payment of interest derivatives - fair value hedge	(407,570)	(62,418)	(407,570)	(62,418)
Capital increase through issuance of shares	-	5,277,329	-	5,277,329
Payment of lease liabilities	(260,804)	(229,576)	(353,332)	(309,516)
Net cash provided by (used in) financing activities	(1,073,082)	3,154,340	(532,371)	2,981,650
EFFECT OF EXCHANGE RATE VARIATION ON CASH AND CASH EQUIVALENTS	2,271	(71,679)	(198,236)	(264,762)
Net increase in cash and cash equivalents	(336,276)	(751,891)	(636,660)	358,821
Balance at the beginning of the period	3,984,071	4,633,816	8,130,929	7,528,820
Balance at the end of the period	3,647,795	3,881,925	7,494,269	7,887,641

(1) FVTPL: Fair Value Through Profit and Loss.

(2) In the Parent Company, contemplates mainly the effects of prepayments of exports with subsidiaries in the amount of R\$(905,629) for the period ended June 30, 2023 (R\$3,166,768 in the same period of the previous year).

The accompanying notes are an integral part of the interim financial information.
(In thousands of Brazilian Reais)

Statements of Value Added

	Parent company		Consolidated	
	2023	2022	2023	2022
	Jan-jun	Jan-jun	Jan-jun	Jan-jun
1 - REVENUES	25,825,840	24,172,894	28,107,642	28,049,905
Sales of goods and products	25,295,367	23,509,330	27,538,061	27,322,266
Other income	134,339	(11,908)	137,044	(4,343)
Revenue related to construction of own assets	403,526	680,460	441,069	735,472
Expected credit losses	(7,392)	(4,988)	(8,532)	(3,490)
2 - SUPPLIES ACQUIRED FROM THIRD PARTIES	(18,471,908)	(18,383,047)	(21,285,763)	(21,141,962)
Costs of goods sold	(15,711,910)	(15,642,334)	(18,391,530)	(18,195,720)
Materials, energy, third parties services and other	(2,792,676)	(2,668,395)	(2,915,080)	(2,882,115)
Reversal for inventories losses	32,678	(72,318)	20,847	(64,127)
3 - GROSS ADDED VALUE (1-2)	7,353,932	5,789,847	6,821,879	6,907,943
4 - DEPRECIATION AND AMORTIZATION	(1,331,080)	(1,214,289)	(1,564,218)	(1,435,522)
5 - NET ADDED VALUE (3-4)	6,022,852	4,575,558	5,257,661	5,472,421
6 - VALUE ADDED RECEIVED THROUGH TRANSFER	(1,856,377)	(290,078)	413,644	396,715
Income from associates and joint ventures	(2,165,467)	(644,546)	(882)	80
Financial income	308,783	355,338	414,219	397,505
Others	307	(870)	307	(870)
7 - ADDED VALUE TO BE DISTRIBUTED (5+6)	4,166,475	4,285,480	5,671,305	5,869,136
8 - DISTRIBUTION OF ADDED VALUE	4,166,475	4,285,480	5,671,305	5,869,136
Payroll	2,783,517	2,644,175	3,168,346	3,063,584
Salaries	1,972,529	1,885,155	2,312,036	2,215,088
Benefits	664,075	622,813	695,739	700,408
Government severance indemnity fund for employees	146,913	136,207	160,571	148,088
Taxes, Fees and Contributions	2,090,723	2,503,693	2,304,380	2,833,118
Federal	662,138	1,098,069	762,251	1,298,972
State	1,402,199	1,381,439	1,510,945	1,506,028
Municipal	26,386	24,185	31,184	28,118
Capital Remuneration from Third Parties	1,685,162	1,218,271	2,559,480	1,970,012
Interests, including exchange variation	1,571,711	1,123,092	2,409,343	1,833,524
Rents	113,451	95,179	150,137	136,488
Interest on Own-Capital	(2,392,927)	(2,080,659)	(2,360,901)	(1,997,578)
Loss for the period from continuing operations	(2,392,927)	(2,080,659)	(2,392,927)	(2,080,659)
Non-controlling interest	-	-	32,026	83,081

The accompanying notes are an integral part of the interim financial information.
(In thousands of Brazilian Reais)

Quarterly Financial Indicators


Net Revenue
R\$ 12,205

R\$ million
12,939 million in 2Q22

Gross Profit
R\$ 1,486

R\$ million
1,983 million in 2Q22

Gross Margin
12.2%

15.3% in 2Q22


Net Result Continued Op.
R\$ (1,337)

R\$ million
(451) million in 2Q22

Adjusted EBITDA
R\$ 1,006

R\$ million
1,496 million in 2Q22

**Adjusted EBITDA
Margin**
8.2%

11.6% in 2Q22


**Operational Cash
Flow**
R\$ 1,166

R\$ million
961 in 2Q22

Net leverage
3.75 x

2.98 x in 2Q22


Debt Average Term
7.2

years
9.0 years in 2Q22

Market Cap
R\$ 16,74
US\$ 3,45

billion
Base: 08/11/2023

Stock Prices
BRFS3 R\$ 9.95
BRFS US\$ 2.05

Base: 08/11/2023


Issued Shares
1,682,473,246
3,817,179

ON Shares/Treasury Shares
Base: 08/11/2023

Conference Call

08/15/2023 - Tuesday
10:00 AM BRT | 9:00 AM US ET

Access on:

[Click here](#)

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Message from Management

Dear Sir(s)/Madam(s),

In the second quarter of 2023, we reported **consolidated net revenue** of R\$ 12,205 million, an adjusted **EBITDA** of R\$ 1,006 million reaching a margin of **8.2%**, **3.6 percentage points** higher than the previous quarter. The improvement in operational indicators, the good performance of the processed category in Brazil and the gradual increase in dollar prices contributed to the **recovery of margins**.

We remain focused on the execution of our **efficiency plan, BRF+**, which will complete one year of implementation in September and has made **consistent progress** on all work fronts with the capture of **R\$ 540 million** this quarter, totaling R\$ 1.2 billion since its implementation. Our gains are materializing faster than we expected, **exceeding the target set for the first semester of BRF+**. In many of the indicators, we exceeded the targets set. The feed conversion ratio, for example, is already among **the best in BRF's history**.

We reduced **animal mortality indices** by 1.8 percentage points compared to 2Q22 and also advanced in **industry productivity** as a **in natura meat yield**, which grew 2.5 percentage points compared to the same period in 2022. We also decreased **our operating losses** by 36.8% and advanced 8 percentage points in **logistics service** level in the same comparison periods.

In Brazil, we continue to improve our **commercial execution**. We added **4,500 active clients in the quarter**. In addition, we expanded the presence of our promoters in the main retail stores, which contributed to the **expansion of the shelf space** and to **greater adherence to suggested prices**. We also improved our EBITDA margin by 1.6 percentage points, driven by the growing profitability trajectory of the processed products portfolio.

In the International market, we partially recovered our margins and maintained the **leadership in chicken exports** in the **Halal** market to the **GCC countries**, with a 50% market share. In this region, we recorded a 26% share of value-added products in our sales volume. In the period, we obtained **15 qualifications** for exports to Asia (China, Japan and Singapore), South Africa and Argentina.

Our **brands** are consumer **favorites**. Sadia remains the **most valuable brand** in the food sector, Perdigão is the **most chosen and sold** and Qualy and Deline, the **most sold spreads** in the country. BRF was recognized again by the Valor Inovação ranking among the five **most innovative companies** in the food sector.

We continue to make progress on our **sustainability agenda**, which was recognized in the **Merco ESG Responsibility ranking**, where we are among the Top 5 food companies and the 1st in the protein segment. According to our Net Zero strategy, Sadia's portfolio now has three new **zero-carbon products**. As of 2023, we have committed to adopting the **cage-free** model for housing swine stock in all new projects, reinforcing our commitment to **animal welfare**.

Our **people** also remain a priority. Over the course of this year, more than **a thousand leaders**, who are essential to building results, have already undergone **development** programs. Our **safety indicators** are at historic highs. We reduced the severity rate by 71.3% and the frequency rate by 6.4% in the first half of the year compared to the same period in 2022, with a focus on promoting an increasingly **safe internal environment** and **engaging** our employees with the Company's objectives.

Finally, we have to highlight the offer of shares, concluded in July, that contributed to the injection of **R\$ 5.4 billion in liquidity**, reinforcing the capital structure and enhancing the reduction of the Company's financial expenses. This was the **largest follow-on held in Latin America** this year.

Focused on the Culture of performance focused on **simplicity, agility and efficiency**, we thank the commitment of our more than 100 thousand employees and the trust of our chairman Marcos Molina and the Board of Directors, shareholders, integrated producers, customers, suppliers and communities where BRF is present.

Miguel Gularte
CEO

Efficiency Plan

We remain focused on the execution of our **efficiency plan**, which, next month, completes one year and has **consistently advanced** on all fronts with the capture of **R\$ 540 million** this quarter, totaling **R\$ 1.2 billion** since its implementation.

Miguel Gularte
CEO

Operational and financial performance

Highlights (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Volume (Thousand Tons)	1,180	1,157	1.9%	1,176	0.3%
Net Revenues	12,205	12,939	(5.7%)	13,178	(7.4%)
Average Price (R\$/kg)	10.34	11.18	(7.5%)	11.20	(7.7%)
COGS	(10,719)	(10,956)	(2.2%)	(11,505)	(6.8%)
COGS/Kg	(9.09)	(9.47)	(4.0%)	(9.78)	(7.1%)
Gross Profit	1,486	1,983	(25.1%)	1,673	(11.2%)
Gross Margin (%)	12.2%	15.3%	(3.2) p.p.	12.7%	(0.5) p.p.
Net (Loss) Income - Continued Operations	(1,337)	(451)	196.4%	(1,024)	30.6%
Net Margin (%)	(11.0%)	(3.5%)	(7.5) p.p.	(7.8%)	(3.2) p.p.
Net (Loss) Income Total Consolidated	(1,337)	(468)	186.0%	(1,024)	30.6%
Net Margin - Total Consolidated (%)	(11.0%)	(3.6%)	(7.3) p.p.	(7.8%)	(3.2) p.p.
Adjusted EBITDA	1,006	1,496	(32.7%)	607	65.8%
EBITDA Adjusted Margin (%)	8.2%	11.6%	(3.3) p.p.	4.6%	3.6 p.p.
EBITDA	419	897	(53.3%)	604	(30.6%)
EBITDA Margin (%)	3.4%	6.9%	(3.5) p.p.	4.6%	(1.2) p.p.
Cash Generation (Consumption)	(695)	(12)	5645.2%	(1,002)	(30.7%)
Net Debt	15,268	14,266	7.0%	15,295	(0.2%)
Leverage (Net Debt/Adj.EBITDA LTM)	3.75x	2.98x	25.5%	3.35x	11.8%

The consolidated results of 2Q23 were impacted by two events, with no impact on the free cash flow statement, which deserve to be highlighted as follows:

i) Debt designated as hedge accounting: negative impact of R\$ 549 million on Net Revenue of international markets. This effect comes from the accounting designation in 2013 of the Senior Unsecured Note maturing in May 2023 as an instrument of exchange protection of future export revenue (*hedge accounting*). This designation was discontinued in December 2021, due to the change in the Financial Risk Management Policy. With the maturity of the debt, the result of the exchange rate variation of the Senior Unsecured Note between the date of designation until its discontinuation was reclassified from Net Equity (Other Comprehensive Result) to Net Revenue, according to note 23.2.1 ii to the Interim Financial Information.

ii) Turkey's Hyperinflation: impact of monetary correction of the financial statement of its subsidiary in Turkey, whose economy has come to be considered hyperinflationary. In addition to monetary correction, as per the applicable accounting rule, it is necessary to convert each line of the statement of retained earnings in Turkish lira to Brazilian real at the rate at the end of the reporting period.

Highlights (Million R\$)	Consolidated Results	Debt Designated as Hedge Accounting	Turkey Hyperinflation	Consolidated Managerial Results
Volume (Thousand Tons)	1,180	-	-	1,180
Net Revenues	12,205	549	408	13,161
Average Price (R\$/kg)	10.34	-	-	11.16
COGS	(10,719)	-	(350)	(11,070)
COGS/Kg	(9.09)	-	-	(9.38)
Gross Profit	1,486	549	57	2,092
Gross Margin (%)	12.2%	-	-	15.9%
EBITDA	419	549	37	1,005
EBITDA Margin (%)	3.4%	-	-	7.6%
Adjusted EBITDA	1,006	-	-	1,006
EBITDA Adjusted Margin (%)	8.2%	-	-	7.6%
Net (Loss) Income Total Consolidated	(1,337)	362	(24)	(1,000)
Net Margin - Total Consolidated (%)	(11.0%)	-	-	(7.6%)

Next, we will present the results by segment, in the managerial view, that is, eliminating the accounting effects of debt designated as hedge accounting and hyperinflation in Turkey.



**BRAZIL
SEGMENT**



Brazil Segment (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Net Operating Revenues	6,495	6,536	(0.6%)	6,418	1.2%
Average price (R\$/kg)	12.09	11.95	1.2%	12.25	(1.3%)
COGS	(5,222)	(5,499)	(5.0%)	(5,272)	(0.9%)
COGS/kg	(9.72)	(10.05)	(3.3%)	(10.06)	(3.4%)
Gross Profit	1,273	1,037	22.7%	1,146	11.0%
Gross Margin (%)	19.6%	15.9%	3.7 p.p.	17.9%	1.7 p.p.
Adjusted EBITDA	627	427	46.8%	513	22.1%
Adjusted EBITDA Margin (%)	9.6%	6.5%	3.1 p.p.	8.0%	1.6 p.p.

In this quarter, we increased our sales volume in the domestic market, which translated into a 1.2% q/q expansion in net revenue. We achieved an EBITDA margin of 9.6%, 1.6 p.p. above the previous quarter. Our portfolio of processed products continues to evolve in volume and profitability, gradually approaching its historical margins each quarter. Another positive highlight is the 3.4% q/q drop in our cost per kilo, which, among other factors, reflects the impacts of our efficiency program, BRF+, which continues to deliver excellent results such as improved industrial yield and agricultural indicators of hatching, mortality, and feed conversion. We also evidenced significant advances in the capillarity of our commercial service, with the growth of 4,500 active clients in 2Q23 compared to the previous quarter. We also made progress in the productivity of our sales force through the greater presence of our promoters in the main retail stores, which resulted in the expansion of shelf space and greater adherence to suggested prices.

The average selling price fell by 1.3% q/q, explained by the price in natura protein in Brazil, which is still below the historical average, reflecting the over-supply of global chicken and the liquidation of the inventories in the sector, mitigating the effects of the price adjustments we applied in some categories of processed products.

During this quarter, the consumption scenario in Brazil continued to show signs of recovery with the consumer confidence index reaching 92.3¹ points in June, surpassing the 90-point barrier for the first time since the beginning of the pandemic of the COVID-19. Brazil also presented an unemployment rate of 8.0%² in the rolling quarter ended June with the best rate for the period since 2014. These factors, combined with the reduction in the inflation rate³, enabled an improvement in the average revenue of the Brazilian consumer compared to last year⁴, which stimulates the consumption of our processed products portfolio.

Highlights Brands

The second quarter was a period of strong presence of Sadia in the media, starting with actions aimed at young people. The HOT BOWLS Sadia campaign – the brand's major innovation of the year – reached more than 127 million people and, together with commercial efforts, made the product reach 8 p.p. of market share value in ready meals. The NBA campaign entered with national strength in the period of the final games, reinforcing attributes of superiority of value-added products such as Nuggets and Pizzas. Sadia also brought connection with consumers in a Mother's Day campaign, watched by more than 36 million people. To close the quarter, we celebrated with the partner McDonald's, the 40th anniversary of Chicken McNuggets, a product supplied exclusively by the Sadia brand. The brands came together in actions that took place over the last month to celebrate with who matters most: our consumer!

In June, new Sadia packages began to arrive on the shelf, attracting consumer attention. They are more modern, didactic, and unique in relation to the competitors. With variant bands that help in choosing flavors on the shelf. The new packaging also offers digital connection via QR Code.

For Perdigão, we started the quarter with a campaign on Barbecue Day and the following month, we attended the "Churrasqueadas Festival" in Indaiatuba - SP, focused on the public specialized in barbecue. We closed the quarter with a documentary film that reached more than 20 million views, opening the doors of our Ponta Grossa industrial facility to show how lasagnas, pizzas and Perdigão pasta are produced.

¹Source: Consumer Confidence Index (ICC): FGV IBRE

²Source: Unemployment rate: IBGE

³Source: Accumulated variation 12 months. Source: Brazilian Institute of Geography and Statistics – IPCA 3.2% in June 2023 versus 11.9% in June 2022

⁴Source: Usual real average income, IBGE, which reached R\$ 2,921 in June 2023 x R\$ 2,750 in June 2022

In spreads, we kept investing in the category with the "Cafés da Manhã Inesperados" campaign, reinforcing that Qualy is Brazil's favorite margarine and it is present in 7 out of 10 Brazilian houses, through contextualized actions on TV and digital. In May and June, Deline, the leader brand in the Northeast and the 2nd best-selling brand in Brazil, ran the "São João Deline" campaign.

During APAS (Paulista Association of Supermarkets) we promoted the relaunch of our portfolio of the Sadia Veg&Tal line of plant-based products. The strategic move, which aims to offer the largest and most complete portfolio in the market to consumers seeking flavor, practicality, and indulgence, involves an unprecedented partnership with PlantPlus Foods, a plant-based foodtech created by Marfrig and the American ADM.

We closed the quarter achieving important recognition for our brands, Sadia won the position of 7th most chosen brand in Latin America in 2022; and in the overall ranking of Brazil, Qualy leads among spreads. In the food ranking, Perdigão is the most chosen food brand in Brazil (Kantar Brand Footprint LATAM 2023 ranking). In addition to this great achievement, Sadia also reaches the position of 10th most valuable brand in Brazil, the first food brand in the Brand Finance Brazil 2023 ranking, strengthening the power of our brands.



**INTERNATIONAL
SEGMENT**

International Segment (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Net Operating Revenues	6,058	6,116	(0.9%)	6,143	(1.4%)
Average price (R\$/kg)	11.51	12.80	(10.1%)	11.48	0.3%
COGS	(5,391)	(4,802)	12.3%	(5,782)	(6.8%)
COGS/kg	(10.24)	(10.05)	1.9%	(10.80)	(5.2%)
Gross Profit	667	1,314	(49.2%)	361	84.9%
Gross Margin (%)	11.0%	21.5%	(10.5) p.p.	5.9%	5.1 p.p.
Adjusted EBITDA	241	963	(75.0%)	(106)	n.m.
Adjusted EBITDA Margin (%)	4.0%	15.7%	(11.8) p.p.	(1.7%)	5.7 p.p.

In the second quarter of 2023, we could see an improvement in dollar prices in most of the international markets in which we operate, showing a recovery compared to the last quarter. According to the Secretary of Foreign Trade (SECEX), the price in dollars of chicken meat increased by 1.0%⁵ q/q while pork protein recovered 3.6%⁶ q/q. However, despite this recovery in 2Q23, our net revenue decreased 1.4% q/q, mainly due to: i) the depreciation of the dollar against the real, where we observed the average Ptax of 1Q23 at R\$ 5.20 versus R\$ 4.95 in 2Q23⁷, a decrease of 4.8%, and ii) the reduction in volumes in the Halal segment due to the seasonal effect of Ramadan that positively impacted the 1st quarter of 2023. In the annual comparison, volumes grew significantly, however, the drop in protein prices influenced by changes in supply, especially chicken, in the period justified the decrease in net revenue by 0.9%.

In the Halal market, we observed an increase in the dollar price of the griller, the main product we sell in the region in which we have a 60% share of Brazil's export to the Middle East. Despite this improvement, during 2Q23, prices remained very pressured by the still-existing imbalance between supply and demand of chicken in this geography. In Turkey, our strategy of scaling back production and prioritizing the value-added portfolio has translated into higher prices and margin recovery.

The Asian market showed the greatest price recovery. According to SECEX, chicken meat increased by 2.4%⁸ q/q for Japan, 3.5%⁹ q/q for South Korea and remained stable in China, with a marginal increase of 0.1%¹⁰ q/q. Just remembering that during the first quarter of 2023 China was the best market in Asia in terms of price and volumes. We emphasize that the recently won export authorizations to China of the Lajeado Minuano (chicken), Marau (chicken) and Lucas do Rio Verde (chicken and pork) facilities provide us with relevant protein production and marketing capacity, in addition to promoting flexibility and greater agility to capture the best market opportunities.

In Direct Exports, we achieved a gradual recovery compared to 1Q23, due to the reversal of the protein price trend in international markets. However, we were impacted by the effect of the product mix and the depreciation of the dollar against the real. We continue to prospect market opportunities to expand business alternatives and maximize export incomes. In 2Q23, we gained 15 export authorizations to Asia (China, Japan and Singapore), South Africa and Argentina.

We continued to increase BRF's share of Brazilian exports, highlighting the 3.2¹¹ p.p. increase in chicken meat exports to the countries of the Americas and 5.4¹² p.p. in pork exports to China.

Highlights Brands

The second quarter was marked by a successful Ramadan campaign that effectively communicated the convenience and versatility of the Sadia Easy & Juicy line. The campaign achieved high performance, ensuring a strong Sadia presence during Ramadan, employing a diverse media mix, and reaching an audience of 32 million people in GCC countries. The creative campaign effectively conveyed the functional benefits of the product and established an emotional connection, resulting in high audience and consumer engagement. Consequently, the Easy & Juicy line delivered substantial growth in terms of volume and net sales value during Ramadan, aligning with our value-added strategy in the region. In this

5Source: Secretary of Foreign Trade – SECEX – Change in the price in dollars of Brazilian chicken exports 2Q23 vs 1Q23

6Source: Secretary of Foreign Trade – SECEX – Change in the price in dollars of Brazilian pork exports 2Q23 vs 1Q23

7 Source: Central Bank of Brazil

8Source: Secretary of Foreign Trade – SECEX – Change in the price in dollars of Brazilian exports of chicken meat to Japan 2Q23 vs 1Q23

9Source: Secretary of Foreign Trade – SECEX – Change in the price in dollars of Brazilian exports of chicken meat to South Korea 2Q23 vs 1Q23

10Source: Secretary of Foreign Trade – SECEX – Change in the price in dollars of Brazilian exports of chicken meat to China 2Q23 vs 1Q23

11Source: Secretary of Foreign Trade – SECEX and internal data BRF - June/23 vs 1Q23

12Source: Secretary of Foreign Trade – SECEX and BRF internal data – June/23 vs 1Q23

quarter, we achieved an 18% share of value-added products in our sales volume in the GCC and market share remained stable at 36,7%¹³.

We launched 2 new SKUS in line with the strategy of increasing added value in the portfolio, complementing the Easy & Juicy line with traditional local flavors widely consumed in the region – Tikka and Tawook.

BRF remains the leader in all subcategories in the Turkish market in the accumulated 2023 in market share value. Banvit reached 19.1% Fresh Chicken and 24.6% in Ready-made Meal.

¹³ Source: Nielsen



**OTHER
SEGMENTS**



Other Segments

Other Segments (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Net Operating Revenues	609	678	(10.2%)	630	(3.4%)
Average price (R\$/kg)	5.24	5.12	2.3%	5.39	(2.8%)
COGS	(457)	(503)	(9.2%)	(455)	0.5%
COGS/kg	(3.93)	(3.80)	3.5%	(3.89)	1.1%
Gross Profit	152	175	(13.1%)	175	(13.4%)
Gross Margin (%)	25.0%	25.8%	(0.8) p.p.	27.8%	(2.9) p.p.
Adjusted EBITDA	101	130	(22.5%)	118	(14.6%)
Adjusted EBITDA Margin (%)	16.6%	19.2%	(2.6) p.p.	18.8%	(2.2) p.p.

The result of Other Segments presented a decrease of 3.4% q/q in net revenue, and of 2.2 p.p. q/q in the adjusted EBITDA margin, being the main reasons for the lower profitability, the volumes and prices of Ingredients. The evolution of the performance indicator of the BRF+ efficiency program automatically reduces the offer of products available for the Ingredients segment, which positively impacts the Company's core portfolio, maximizing total incomes. The price reduction continues to be influenced by the current protein scenario and product mix variations. However, in Ingredients we continue to expand the diversification of export destinations for animal flours and fats, strengthening our presence in Southeast Asia, in addition to expanding the production capacity of hydrolysed protein, a product with high added value, in our Concordia facility.

In Pet Food, we increased sales volume by 5.3% and the average price by 0.6% with an important contribution from the expansion of direct sales with the new *Go to Market* model that has already allowed, in the states of São Paulo and Rio de Janeiro, a growth of more than 50% in the volumes of the Super Premium segment with the strengthening of the service level. In the second quarter of 2023, we also implemented the direct distribution model in the South region.

Highlights Brands

Pet: In 2Q23, we started a national advertising campaign for the GranPlus brand, premiering an advertising film on open TV as well as YouTube and social networks, with more than 72 million views in the first month of broadcasting. The brand is the only one in the segment specialized in national TV communication and we also signed a partnership with MasterChef chef and judge Rodrigo Oliveira, owner of the acclaimed Mocotó Restaurant and brand ambassador on digital channels, reinforcing the nutritional quality and flavor attributes of the brand. The Super Premium Naturals brands, Biofresh and Guabi Natural, on the other hand, remain leaders in the most profitable segment of the market and sponsored the main events of veterinary medicine in the country, Anclivepa and Cat Congress, in addition to winning for BRF Pet the second position¹⁴ in the ranking of best value perceived by veterinary professionals.

Corporate

Corporate (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Gross Profit	(0)	0	n.m.	0	n.m.
Adjusted EBITDA	38	(24)	n.m.	82	(54.0%)

In this quarter, the result of the Corporate segment is mainly explained by the capital gain accounted for the sale of non-core assets and other net effects. Further details are available in note 24 of the Interim Financial Information.

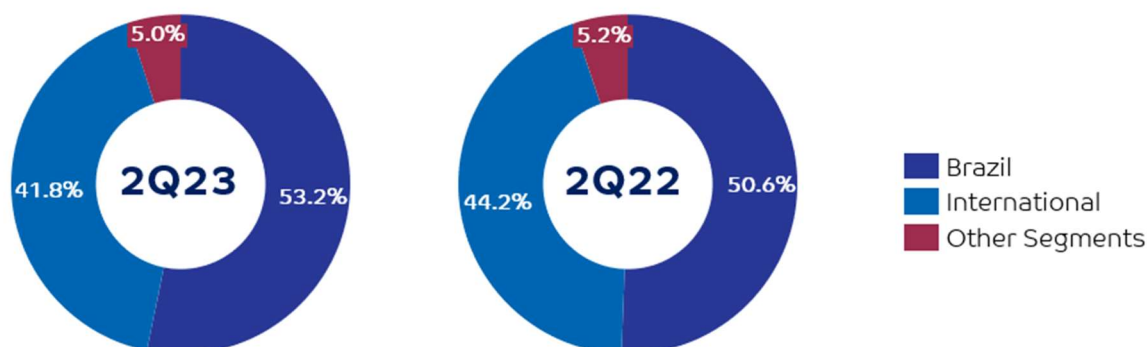
¹⁴Source: CVA Veterinary Survey 2023



**CONSOLIDATED
PERFORMANCE**

1- Net Operating Revenue

NOR (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Volume (Thousand Tons)	1,180	1,157	1.9%	1,176	0.3%
Net Operational Revenues	12,205	12,939	(5.7%)	13,178	(7.4%)
Average Price (NOR)	10.34	11.18	(7.5%)	11.20	(7.7%)



In this quarter, there was a 7.4% decrease in net revenue compared to the previous quarter, mainly explained by the exchange rate effect of the devaluation of the dollar against the real, affecting our incomes in international markets, the impacts of Turkey's hyperinflation by R\$ 408 million and the accounting for the exchange rate variation of the debt designated as hedge accounting by R\$ 549 million.

Eliminating the effects of Turkey's hyperinflation and debt designated as hedge accounting, consolidated managerial net revenue reached R\$ 13,161 million in 2Q23¹⁵.

Operating Income Protection Strategy – hedge accounting

The effects of financial instruments for foreign exchange protection of the result totaled + R\$ 100.7 million in 2Q23, according to Explanatory Note 23.2 of the Interim Financial Information and are due to the positions settled in the quarter, whose contracting occurred over the 12 months prior to its settlement.

Build-up of Derivatives Instruments Settled in 2Q23	3Q22	4Q22	1Q23	2Q23
Cummulative Notional Exposure (US\$ Million)	20	75	388	553
Average Strike Price (BRL/USD)*	5.56	5.53	5.36	5.27

* Weighted average rate

Similarly, the position to be matured, according to Explanatory Note 23.2.1.ii to the Interim Financial Information, is found below.

Derivatives Instruments by Expiry Date (Million US\$)	3Q23	4Q23	1Q24	2Q24
Notional to be settled in each period	422	113	58	5
Strike Price (BRL/USD)*	5.18	5.40	5.47	5.27

* Weighted average rate

The Company may contract additional cash flow protection, as provided for in its Financial Risk Management Policy, always backed by future export incomes, as their probability evolves and assuming a defined time horizon of up to 12 months. For cash flow hedge purposes, we emphasize that its objective is to protect operating revenue and reduce volatility, not allowing, under any circumstances, the contracting of derivative financial instruments for speculative purposes.

¹⁵See reconciliation between corporate and managerial results on page 5 of this report.

2- Cost, Expenses and Other Operating Results

Cost of Goods Sold (COGS)

COGS (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Cost of Goods Sold	(10,719)	(10,956)	(2.2%)	(11,505)	(6.8%)
COGS/kg	(9.09)	(9.47)	(4.0%)	(9.78)	(7.1%)

In 2Q23, we observed a significant reduction in unit cost both compared to the same period in 2022, with a reduction of 4.0%, and compared to the previous quarter, with a reduction of 7.1%, mainly explained by:

i) the effects of our efficiency program, BRF+, which advanced on practically all fronts, with the most relevant progress and with the greatest impact on the result, the evolution of agricultural indicators, such as hatching, which evolved 3.6 p.p. y/y and 1.8 p.p. q/q., as well as chicken mortality, which reduced 1.8 p.p. y/y and 0.4 p.p. q/q. We can also highlight the reduction of 2.3% y/y and 1.8% q/q in the feed conversion of chickens and 1.3% y/y and 0.7% q/q in pork. In the industry, we can highlight the in natura yield indicator, which evolved 2.5 p.p. y/y and 1.8 p.p. q/q. Just remembering that the capture values will always be reflected in the result, obeying the inventory cycle of our chain.

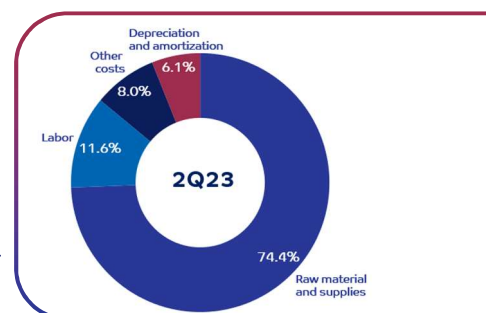
ii) reducing the price of oils used as a raw material in margarines, with the most relevant effect on soybean oil dropping 35.1%¹⁶ y/y and 16.1%¹⁷ q/q. There was also a reduction compared to the same period last year, in palm and palm kernel oils.

iii) the reduction in fuel prices compared to 1Q23 (ANP diesel -11.6%¹⁸ q/q and VLSFO bunker of -8.5%¹⁹ q/q), impacting our freight costs in the domestic and international markets.

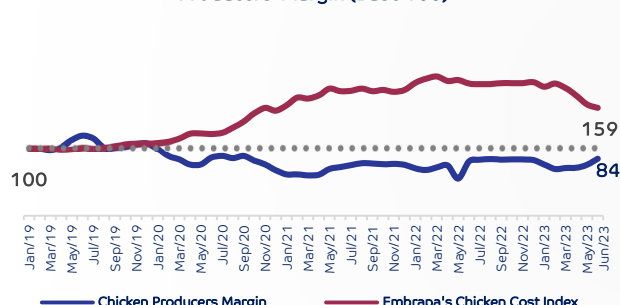
iv) the positive impact of R\$ 350 million from Turkey's hyperinflation.

Eliminating the effect of Turkey's hyperinflation, pro forma cost of goods sold reached R\$ 11,070 million (R\$ 9.38/kg) in 2Q23.

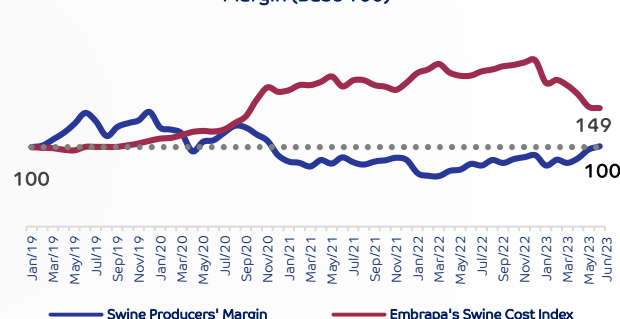
When analyzing the Embrapa ICP theoretical cost index²⁰, there is a reduction in the cost of chicken and pork production, mainly explained by the reduction in costs under the heading's "nutrition" and "transport", causing a resumption in the margins of chicken and pork producers²¹. However, the margins for chicken production remain below the historical average.



Evolution of Embrapa Cost Index and Chicken Producers' Margin (Base 100)



Evolution of Embrapa Cost Index and Swine Producers' Margin (Base 100)



¹⁶Change in the 6-month moving average of the price of soybean oil, 2Q23 vs 2Q22. Source: Bloomberg and Cepea/ESALQ

¹⁷Change in the 6-month moving average of the price of soybean oil, 2Q23 vs 1Q23. Source: Bloomberg and Cepea/ESALQ

¹⁸Source: ANP - National Agency of Petroleum, Natural Gas and Biofuels (average 2Q23 vs average 1Q23).

¹⁹Change in the quarterly average (2Q23 x 1Q23) of the price of the VLSFO bunker in the ports of Rotterdam, Fujairah, Houston, Singapore.

²⁰Variation of the Embrapa production cost index (ICP Chicken and ICP Pork), publicly available on the website www.embrapa.br

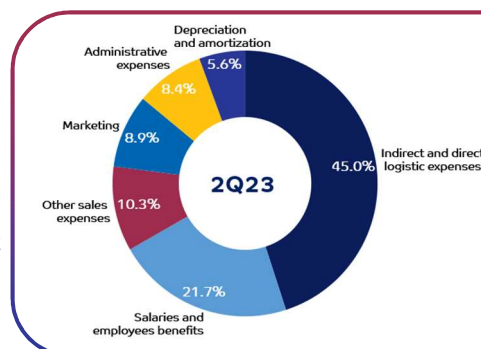
²¹Source: Bloomberg, CEPEA-Esalq, SECEX and IBGE. Price of whole chicken and pork carcass in relation to feed cost adjusted by the chicken and swine cycle.

Operating Expenses

Operating Expenses (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Selling Expenses	(1,740)	(1,663)	4.6%	(1,777)	(2.1%)
% of the NOR	(14.3%)	(12.8%)	(1.4) p.p.	(13.5%)	(0.8) p.p.
General and Administrative Expenses	(159)	(177)	(10.1%)	(160)	(0.2%)
% of the NOR	(1.3%)	(1.4%)	0.1 p.p.	(1.2%)	(0.1) p.p.
Operating Expenses	(1,899)	(1,840)	3.2%	(1,937)	(2.0%)
% of the NOR	(15.6%)	(14.2%)	(1.3) p.p.	(14.7%)	(0.9) p.p.

The percentage of operating expenses over net revenue indicator varied negatively by 0.9 p.p compared to 1Q23 influenced by the impacts on revenue of debt designated as hedge accounting and hyperinflation in Turkey. Excluding the mentioned impacts, the indicator remained stable between the periods.

Compared to the same period in 2022, we observed a negative variation of 1.3 p.p. in operating expenses on revenue, mainly explained by the significant increase in logistics expenses due to the readjustment of freight and fuel tariffs that occurred from the 2nd half of 2022 and were renegotiated during the current quarter. In the managerial view, the variation was negative by 0.9 p.p. in the observed period.



For more details on this item, see note 28 to the Interim Financial Information.

Other Operating Results

Other Operating Results (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Other Operating Results	53	(3)	n.m	84	(37.3%)
% of the NOR	0.4%	(0.0%)	0.5 p.p.	0.6%	(0.2) p.p.

This performance is mainly explained by the recovery of expenses and the disposal of non-core assets. For more details on this item, see note 26 to the Interim Financial Information for the period ended June 30, 2023.

3- Net Financial Result

Financial Results (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Financial Income	216	183	17.8%	198	9.1%
Interest on cash and cash equivalents	119	85	40.6%	110	8.4%
Interest on recoverable taxes	77	82	(6.0%)	66	17.0%
Interest on other assets	20	17	18.2%	23	(10.5%)
Financial Expenses	(1,131)	(895)	26.4%	(1,039)	8.9%
Interests on loans and borrowings	(576)	(430)	33.8%	(537)	7.3%
Interest on contingencies, leasing and actuarial liabilities	(149)	(121)	22.9%	(99)	50.1%
Adjustment to present value	(264)	(239)	10.6%	(263)	0.2%
Other financial expenses	(142)	(104)	36.5%	(140)	1.8%
Exchange variation and derivative results, net	(184)	101	(282.0%)	(19)	871.5%
Exchange rate variation on monetary assets and liabilities	140	(656)	(121.4%)	143	(1.9%)
Exchange variation on derivatives	(253)	661	(138.3%)	(109)	132.3%
Interest and fair value of derivatives	(126)	(178)	(29.3%)	(137)	(8.5%)
Net monetary gains or losses	54	275	(80.4%)	84	(36.0%)
Net Financial Results	(1,099)	(610)	80.2%	(860)	27.8%
Exchange variation on monetary assets and liabilities and derivatives	(112)	4	(2708.3%)	34	(426.4%)

The main components of the net financial result were grouped into the following categories:

Financial revenue:

Financial gain of R\$ 33 million in 2Q23 compared to 2Q22 due to better remuneration on the liquidity position due to the higher interest rate (CDI) observed in the period and better cash profitability.

Financial expenses:

They arise from the effect of the following accounts described below:

- **Interest on loans and financing:** Increase in interest expenses in 2Q23 by R\$ 145 million, mainly due to the higher CDI in the period (DI accrued 3.25% in 2Q23 vs. 2.95% in 2Q22) and the higher balance of debt exposed to CID that includes new bilateral debt funding and the result of the swaps strategy.
- **Interest on contingencies and leases:** Higher expenses in 2Q23 by R\$ 28 million mainly due to higher interest on civil and tax contingencies.
- **Adjusted Present Value (APV):** Increase reflects higher interest rates in the comparison between periods. The APV refers to the financial charge associated with the payment terms of customer and supplier accounts, with a corresponding entry in gross profit.
- **Other financial expenses:** It includes bank fees, expenses with assignment and credit insurance, taxes on financial revenue, provision for tax credit discount, among other effects. Higher financial expenses in 2Q23 mainly due to Selic's correction of the Leniency Agreement by -R\$ 38MM.

Monetary and exchange variations and result of derivatives:

The Company has financial assets and liabilities denominated in foreign currencies, whose exchange variations affect the financial result. The Company contracts derivative financial instruments to hedge this net foreign exchange balance sheet exposure, according to note 23.2.1 to the Interim Financial Information. In 2Q23, the impact of exchange rate variations on monetary assets and liabilities, including the exchange rate variation of derivatives to protect the foreign exchange balance sheet exposure, totaled R\$ 112 million, mainly due to the fluctuations of emerging currencies to which the company has moderate exposure, such as the Turkish Lira and the Angolan Kwanza, which presented important variations in this quarter. The amount of interest and fair value of derivatives totaled R\$ 126 million. Finally, monetary gains of +R\$ 54 million were recognized for the impact related to hyperinflation of operations in Turkey.

4- Net Income (Loss)

Net Income (Loss) (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Consolidated Net / (Loss) Income - Continued Op.	(1,337)	(451)	196.4%	(1,024)	30.6%
Net Margin (%) - Continued Op.	(11.0%)	(3.5%)	(7.5) p.p.	(7.8%)	(3.2) p.p.
Consolidated Net / (Loss) Income - Total Consolidated	(1,337)	(468)	186.0%	(1,024)	30.6%
Net Margin (%) - Total Consolidated	(11.0%)	(3.6%)	(7.3) p.p.	(7.8%)	(3.2) p.p.

The Company recorded a loss of R\$ 1,337 million in 2Q23, mainly explained by i) operating result greatly affected by the price of proteins, especially chicken, which remains fragile in several locations, compromising the profitability of the in natura portfolio globally, ii) the impact of debt designated as hedge accounting, and iii) net financial expenses of R\$ 1,099 million.

In this quarter, the net managerial result, in which we excluded the effects of debt designated as hedge accounting and Turkey's hyperinflation, was a loss of R\$ 1,000 million.

5- Adjusted EBITDA

EBITDA (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Consolidated Net Income - Continued Op.	(1,337)	(451)	196.4%	(1,024)	30.6%
Income Tax and Social Contribution	(123)	(19)	566.4%	(16)	680.4%
Net Financial	1,099	610	80.2%	860	27.8%
Depreciation and Amortization	781	757	3.1%	784	(0.4%)
EBITDA	419	897	(53.3%)	604	(30.6%)
EBITDA Margin (%)	3.4%	6.9%	(3.5) p.p.	4.6%	(1.2) p.p.
Impacts of Carne Fraca/Trapaça operations	0.7	0.2	n.m.	2	(68.2%)
Corporate Restructuring	-	12	n.m.	-	n.m.
Expenses with mergers and acquisitions	-	0.3	-	-	n.m.
Hedge Accounting - Debts	549	445	-	-	n.m.
Effects of Hyperinflation	37	142	(73.9%)	0.3	11178.3%
Income from Associates and Joint Ventures	0.9	(0.1)	(1181.3%)	0.02	4988.2%
Adjusted EBITDA	1,006	1,496	(32.7%)	607	65.8%
Adjusted EBITDA Margin (%)	8.2%	11.6%	(3.3) p.p.	4.6%	3.6 p.p.

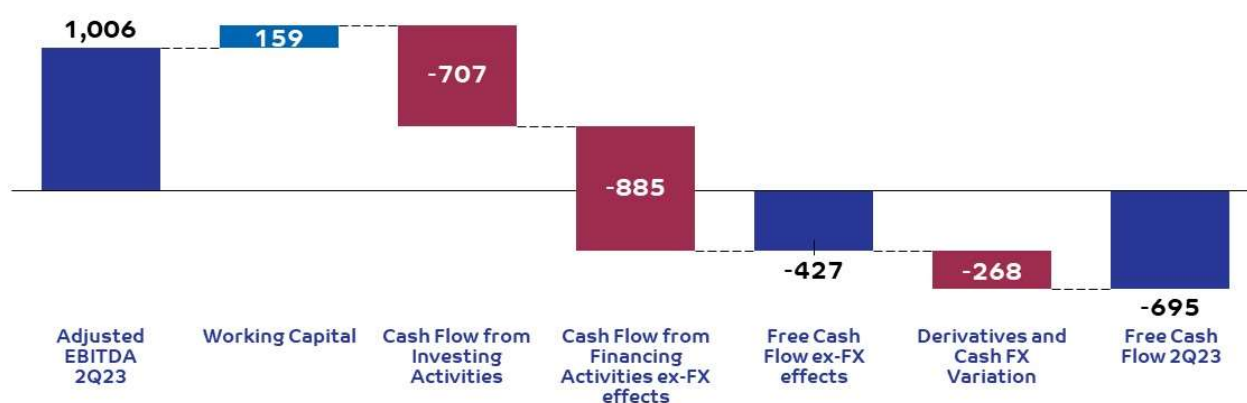
6- Cash Flow

Free Cash Flow (Million R\$)	2Q23	2Q22	LTM
Adjusted EBITDA	1,006	1,496	4,077
Working Capital	31	(437)	368
Δ Accounts Receivable	60	(452)	47
Δ Inventories	990	(93)	1,310
Δ Suppliers	(1,018)	107	(989)
Other variations	128	(98)	294
Cash Flow from Operating Activities	1,166	961	4,739
CAPEX with IFRS16	(839)	(989)	(3,509)
Cash Flow from Operations with Capex	327	(28)	1,229
M&A and Sale of Assets	131	5	60
Cash Flow from Investments	(707)	(983)	(3,449)
Cash - Financial Results	(504)	(470)	(1,401)
Interest Income	131	87	501
Interest Expenses	(512)	(365)	(2,098)
Cash Flow from Financing Activities - ex Currency Effects	(885)	(747)	(2,998)
Free Cash Flow ex-Currency Effects	(427)	(770)	(1,708)
Derivatives (cash)	(164)	409	(70)
Variation on Cash and Cash Equivalents	(104)	349	(212)
Cash Flow from Financing Activities	(1,153)	11	(3,280)
Free Cash Flow	(695)	(12)	(1,991)
New Debt Amortizations	(346)	(1,060)	1,543
Cash Variations	(1,041)	(1,072)	(448)

* The free cash flow statement above does not follow the same methodology as the accounting cash flow statement presented in the Interim Financial Information, see reconciliation on page 27 of this report.

Free Cash Flow

The expansion of operating cash flow, combined with lower Capex expenditures, led to the evolution of free cash flow ex-change effects, which ended the quarter higher by R\$ 343 million compared to the same period last year and higher by R\$ 484 million compared to 1Q23. Below, we present the breakdown of the components of free cash flow:



Operating Cash Flow and Cash Conversion Cycle

In 2Q23, operating cash flow reached +R\$ 1,166 million, an increase of R\$ 205 million compared to 2Q22 and R\$ 293 million compared to 1Q23, reflecting the continuous reduction in the cash conversion cycle.

The Company's cash conversion cycle ended 2Q23 among the lowest historical levels, with 5.6 days, a decrease of 9.5 days compared to the same period of the previous year and a decrease of 2.0 days compared to 1Q23. The variation against 2Q22 was mainly due to the reduction in the average inventory term.

Investment Cash Flow

Investment cash flow totaled R\$ 707 million in 2Q23, R\$ 276 million lower than in 2Q22 due to lower Capex expenditures and the receipt for the sale of the farms, which are part of the Company's demobilization plan.

Capex in the quarter totaled R\$ 839 million, an increase of 1.5% compared to the previous quarter. There was a balance in the fixed asset investment portfolio, with an increase in the participation of efficiency and support projects in total investments, when compared to 1Q23.

R\$ 305 million was allocated for growth, efficiency and support; R\$ 344 million for biological assets and R\$ 189 million for leasing and others, as shown in the table below:

CAPEX (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Growth	(36)	(156)	(76.8%)	(73)	(50.4%)
Efficiency	(78)	(100)	(21.7%)	(41)	90.9%
Support	(191)	(210)	(9.1%)	(151)	26.4%
Biological Assets	(344)	(319)	7.9%	(358)	(3.8%)
Commercial Lease and Others	(189)	(204)	(7.3%)	(204)	(7.3%)
Total	(839)	(989)	(15.2%)	(827)	1.4%
Total M&A and sales of assets	131	5	2304.4%	3	3930.5%
Total - CAPEX + M&A and sales of assets	(707)	(984)	(28.1%)	(824)	(14.1%)

Among the main projects of 2Q23, the following stand out:

Growth:

- Projects to enable qualification in new markets;
- Expenses for completion of the expansion of production capacity in the foreign market at the Bandirma – Turkey unit; increase in the capacity of hydrolyzed proteins at the Concórdia – SC unit; and processed lines in Concórdia - SC and Videira – SC;

- Investments to increase feed production in Gaurama – RS and Uberlândia – MG, to serve, respectively, the pork and poultry chains.

Efficiency:

- Investments to increase yield and productivity in the units of Capinzal – SC, Concórdia – SC, Chapecó – SC, Lucas do Rio Verde – MT, Rio Verde – GO, Campos Novos – SC and Uberlândia – MG;
- Projects to improve feed conversion and agricultural efficiency in feed factories with emphasis on the units of: Carambeí – PR, Catanduvas – SC, Chapecó – SC, Concórdia – SC, Dourados – MS, Nova Mutum – MT and Uberlândia – MG;
- Projects to increase efficiency in the consumption of utilities in Industries;
- Increase in the volume of ham production in the units of Toledo – PR and Uberlândia – MG;
- Advancement in the digital journey with management tools linked to operational efficiency in Controllershship, Logistics and Production Planning processes.

Support:

- Renewal of licenses necessary to maintain the Company's activities related to Information Technology;
- Replacement of industrial park assets;
- Projects to adapt the units to standards and legislation, renew operating licenses and mitigate operational risks;
- Projects to improve the working conditions of employees in production processes;
- Projects of the digital journey in the implementation of management programs and operational support, with emphasis on industrial maintenance processes and video audits.
- Maintenance of forestry and poultry transport operations.

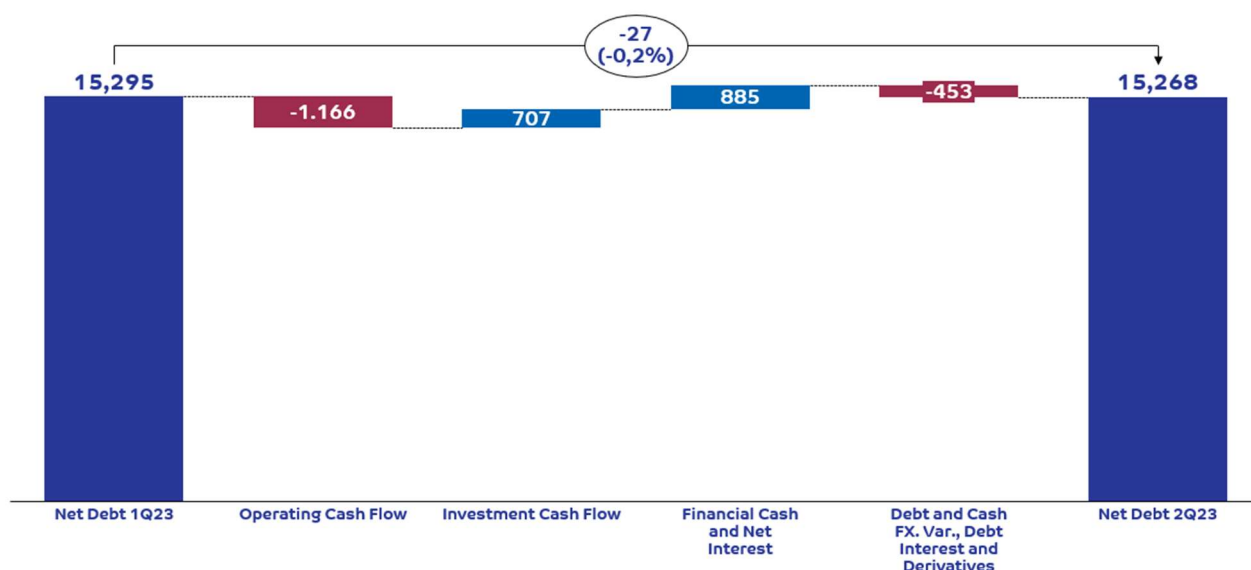
Financial Cash Flow

Expenses with net interest and cash-effect financial expenses increased by R\$ 138 million compared to 2Q22, mainly due to the higher expenditure on net interest of R\$ 104 million due to the environment of higher interest rates and an increase in net debt in the comparison between periods. By incorporating the exchange effects of balance sheet protection derivatives and Exchange Variation of Cash and Cash equivalents, financial cash flow totaled a cash consumption of R\$ 1.15 billion in 2Q23 influenced by the exchange rate appreciation of 5.1% in the quarter.

7- Indebtedness

Debt (Million R\$)	In 06.30.2023			In 03.31.2023	
	Current	Non-current	Total	Total	Δ %
Local Currency	(1,885)	(7,856)	(9,741)	(9,386)	3.8%
Foreign Currency	(3,400)	(10,476)	(13,876)	(15,299)	(9.3%)
Gross Debt	(5,286)	(18,332)	(23,617)	(24,685)	(4.3%)
Cash Investments*					
Local Currency	4,398	111	4,509	5,724	(21.2%)
Foreign Currency	3,523	317	3,840	3,667	4.7%
Total Cash Investments	7,921	428	8,349	9,390	(11.1%)
Net Debt	2,635	(17,904)	(15,268)	(15,295)	(0.2%)

* The cash considered consists of: Cash and Cash Equivalents, Financial Investments and Restricted Cash.



Funding for the quarter totaled R\$ 1.2 billion, concentrated in bilateral lines, and settlements totaled R\$ 1.5 billion, mainly due to the amortization of the senior unsecured note (bond 2023). The average debt term ended 2Q23 at 7.2 years, down 0.1 year compared to 1Q23.

Net debt totaled R\$ 15,268 million in 2Q23, a decrease of R\$ 27 million when compared to 1Q23. The Company's net leverage, measured by the ratio of net debt to Adjusted EBITDA for the last twelve months, reached 3.75 x in 2Q23 vs. 3.35 x in 1Q23 (USD equivalent leverage reached 4.00 in 2Q23 vs. 3.39 in 1Q23). In the pro forma view, considering the effects of the follow-on, the Company reaches a net leverage of 2.42 x in 2Q23.

In the normal course of business, the Company may consider, from time to time, the repurchase of any of its senior unsecured notes (bonds), debentures or Agribusiness Receivables Certificates (CRA), subject to market conditions, as an alternative to reduce the cost of capital and better equalize the exchange rate indexation of the debt profile. Such repurchases may even occur through transactions in the open market. In compliance with applicable laws, such transactions may be carried out at any time and the Company is under no obligation to acquire any specific amount of the securities mentioned above.

The Company reiterates that it does not have restrictive clauses (covenants) for financial leverage and reaffirms that it will continue to act in a disciplined manner in the management of its capital, liquidity, and leverage structure.

Rating

Agency	Domestic	Global	Outlook
Standard & Poor's	AA+(bra)	BB-	Positive
Fitch Ratings	AA+(bra)	BB	Stable
Moody's Investors Service	-	Ba3	Stable



ESG Highlights

We consolidated relevant advances with ESG at the center of BRF's business strategy, with the following highlights:



Net Zero

In line with our Net Zero strategy, and to expand the marketing of plant-based products, Sadia's portfolio now has three zero-carbon items: cauliflower wings; vegetable nuggets and vegetable protein nuggets.



Animal Welfare

Reinforcing our pioneering spirit in animal welfare, from 2023 we are committed to adopting the cage-free model for sow in all new projects. The measure promotes a higher and more natural level of female interaction.



MSCI ESG

We advanced from BB category to BBB in the MSCI ESG Rating, an instrument that measures the resilience of companies to ESG risks with relevant long-term impacts. In addition, we are in the Top 5 in the food sector of the Merco ESG Responsibility Ranking and 1st in the protein segment, which reinforces our commitment to the sustainability agenda and transparency of our actions.



2022 Integrated Report

For the first time, we carried out the dual materiality process that guided the publication of our 2022 Integrated Report, ensured by a third party and in line with the guidelines of the Global Reporting Initiative (GRI) and the IFRS Foundation, as well as the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD).



BRF Institute

The BRF Institute continues to support initiatives that foster entrepreneurship and socioeconomic inclusion, promoting education to reduce food waste.



Annexes

Consolidated Income Statement

Statements of Income (Loss) (Million R\$)	2Q23	2Q22	Chg. % y/y	1Q23	Chg. % q/q
Net Operating Revenues	12,205	12,939	(5.7%)	13,178	(7.4%)
Cost of Sales	(10,719)	(10,956)	(2.2%)	(11,505)	(6.8%)
% of the NOR	(87.8%)	(84.7%)	(3.2) p.p.	(87.3%)	(0.5) p.p.
Gross Profit	1,486	1,983	(25.1%)	1,673	(11.2%)
% of the NOR	12.2%	15.3%	(3.2) p.p.	12.7%	(0.5) p.p.
Operating Expenses	(1,899)	(1,840)	3.2%	(1,937)	(2.0%)
% of the NOR	(15.6%)	(14.2%)	(1.3) p.p.	(14.7%)	(0.9) p.p.
Selling Expenses	(1,740)	(1,663)	4.6%	(1,777)	(2.1%)
% of the NOR	(14.3%)	(12.8%)	(1.4) p.p.	(13.5%)	(0.8) p.p.
Fixed	(1,042)	(1,059)	(1.6%)	(1,029)	1.3%
Variable	(697)	(603)	15.6%	(749)	(6.8%)
General and Administrative Expenses	(159)	(177)	(10.1%)	(160)	(0.2%)
% of the NOR	(1.3%)	(1.4%)	0.1 p.p.	(1.2%)	(0.1) p.p.
Honorary of our Administrators	(12)	(15)	(21.1%)	(13)	(11.6%)
% of the NOR	(0.1%)	(0.1%)	0.0 p.p.	(0.1%)	0.0 p.p.
General and Administrative	(148)	(162)	(9.1%)	(146)	0.8%
% of the NOR	(1.2%)	(1.3%)	(0.1) p.p.	(1.1%)	(0.1) p.p.
Operating Income	(413)	143	(389.3%)	(264)	56.7%
% of the NOR	(3.4%)	1.1%	(4.5) p.p.	(2.0%)	(1.4) p.p.
Other Operating Results	53	(3)	n.m.	84	(37.3%)
Income from Associates and Joint Ventures	(1)	0	n.m.	(0)	n.m.
EBIT	(361)	140	(357.3%)	(179)	101.4%
% of the NOR	(3.0%)	1.1%	(4.0) p.p.	(1.4%)	(1.6) p.p.
Net Financial Expenses	(1,099)	(610)	80.2%	(860)	27.8%
Income before Taxes	(1,461)	(470)	211.0%	(1,039)	40.5%
% of the NOR	(12.0%)	(3.6%)	(8.3) p.p.	(7.9%)	(4.1) p.p.
Income Tax and Social Contribution	123	19	566.4%	16	680.4%
% of Income before Taxes	(8.4%)	(3.9%)	(4.5) p.p.	(1.5%)	(6.9) p.p.
Consolidated Net Income (Loss) - Continued Op.	(1,337)	(451)	196.4%	(1,024)	30.6%
% of the NOR	(11.0%)	(3.5%)	(7.5) p.p.	(7.8%)	(3.2) p.p.
Consolidated Net Income (Loss) - Total Consolidated	(1,337)	(468)	186.0%	(1,024)	30.6%
% of the NOR	(11.0%)	(3.6%)	(7.3) p.p.	(7.8%)	(3.2) p.p.
EBITDA	419	897	(53.3%)	604	(30.6%)
% of the NOR	3.4%	6.9%	(3.5) p.p.	4.6%	(1.2) p.p.
Adjusted EBITDA	1,006	1,496	(32.7%)	607	65.8%
% of the NOR	8.2%	11.6%	(3.3) p.p.	4.6%	3.6 p.p.

Consolidated Balance Sheet

Statements of Financial Position - Assets (Million R\$)	06.30.23	12.31.22
Current Assets		
Cash and cash equivalents	7,494	8,131
Marketable securities	427	418
Trade receivables	3,418	4,188
Notes receivable	92	27
Inventories	7,375	8,661
Biological assets	2,981	3,152
Recoverable taxes	1,475	1,403
Derivative financial instruments	263	121
Prepaid expenses	206	110
Advances	143	187
Assets held for sale	14	22
Other current assets	65	85
Total Current Assets	23,953	26,504
Non-Current Assets		
Long-term assets	9,935	10,524
Marketable securities	332	406
Trade and other receivables	6	5
Notes receivable	3	11
Recoverable taxes	4,837	5,172
Deferred income taxes	2,126	2,566
Judicial deposits	412	451
Biological assets	1,646	1,649
Derivative financial instruments	344	10
Restricted cash	95	90
Other non-current assets	132	163
Investments	100	101
Property, Plant and Equipment	14,158	14,291
Intangible	6,134	6,435
Total Non-Current Assets	30,327	31,350
Total Assets	54,279	57,854

Consolidated Balance Sheet

Balance Sheet - R\$ Million	06.30.23	12.31.22
Current Liabilities		
Loans and borrowings	5,185	3,880
Trade accounts payable	12,545	14,129
Lease liability	761	677
Payroll, related charges and employee profit sharing	863	721
Taxes payable	442	523
Derivative financial instruments	364	82
Provision for tax, civil and labor risks	726	867
Employee benefits	62	64
Customer advances	196	76
Other current liabilities	544	1,279
Total Current Liabilities	21,689	22,298
Non-Current Liabilities		
Loans and borrowings	18,649	19,637
Trade accounts payable	6	7
Lease liability	2,402	2,368
Taxes payable	96	98
Provision for tax, civil and labor risks	524	548
Deferred income taxes	80	111
Employee benefits	429	457
Derivative financial instruments	27	175
Other non-current liabilities	771	332
Other non-current liabilities	22,984	23,734
Total Liabilities	44,673	46,032
Equity		
Capital	12,836	12,836
Capital reserves	2,338	2,338
Other equity transactions	(74)	(78)
Accumulated losses	(4,756)	(2,363)
Treasury shares	(106)	(110)
Other comprehensive loss	(1,086)	(1,354)
Attributable to controlling shareholders	9,153	11,270
Non-controlling interests	454	553
Total Equity	9,606	11,823
Total Liabilities and Equity	54,279	57,854

Statement of Consolidated Cash Flow

Statements of Cash Flows (R\$ Millions)	2Q23	2Q22
Income (loss) from continuing operations	(1,337)	(451)
Adjustments to reconcile net income to cash generated	1,805	1,266
Changes in balance sheet balances	(314)	(399)
Trade accounts receivable	72	(270)
Inventories	892	173
Biological assets - current	25	(112)
Trade accounts payable	(1,303)	(190)
Cash generated by operating activities	154	416
Redemption (Investments) in securities measured at FVTPL	8	(17)
Interest received	94	92
Payment of tax, civil and labor provisions	(149)	(39)
Derivative financial instruments	(306)	294
Other operating assets and liabilities	942	141
Net cash provided by operating activities	743	887
Redemption (investments) of securities measured at amortized cost	(48)	(6)
Restricted box redemption	0	(2)
Additions to property, plant and equipment	(225)	(410)
Additions to biological assets - non-current	(363)	(332)
Proceeds from disposals of property, plant, equipments and investment	131	5
Additions to intangible assets	(68)	(79)
Capital increase in affiliates	(0)	(7)
Net cash used in investing activities	(573)	(831)
Proceeds from debt issuance	1,185	327
Repayment of debt	(1,532)	(1,387)
Payment of interest	(244)	(336)
Payment of interest derivatives - fair value hedge	(268)	(29)
Capital increase through issuance of shares	0	(5)
Payment of lease liabilities	(182)	(161)
Net cash provided by (used in) financing activities	(1,041)	(1,591)
Effect of exchange rate variation on cash and cash equivalents	(101)	340
Net increase (decrease) in cash and cash equivalents	(972)	(1,195)

The table below shows the reconciliation between the accounting cash flow view and the management free cash flow (page 19 of this report).

Reconciliation of Consolidated Cash Flow vs. Managerial Cash Flow	Variation of accounting cash	APV e Derivatives	Commercial leasing	Interest Income, Cash Exchange Variation and Others	Withdrawals and Applications	Managerial cash variation ¹	(-) Funding and Amortization	Free Cash Flow
Cash Flow from Operating Activities	743	570	-	(139)	(8)	1,166	-	1,166
Cash Flow from Investments	(573)	-	(182)	-	48	(707)	-	(707)
Cash Flow from Financing Activities	(1,041)	(570)	182	(72)	-	(1,500)	346	(1,153)
Exchange variation on cash and cash equivalents	(101)	-	-	101	-	-	-	-
Total	(972)	-	-	(109)	40	(1,041)	346	(695)

¹ Accounting and Managerial cash changes have different methodologies in relation to determining the group of accounts that make up cash: the accounting cash change considers the change in the Cash and cash equivalents account, while the Managerial cash change considers the change accounting accounts for Cash and cash equivalents, Financial investments and Restricted cash.

1. Company's Operations

BRF S.A. ("BRF"), and its subsidiaries (collectively the "Company") is a publicly traded company, listed on the segment Novo Mercado of Brasil, Bolsa, Balcão ("B3"), under the ticker BRFS3, and listed on the New York Stock Exchange ("NYSE"), under the ticker BRFS. The Company's registered office is at 475 Jorge Tzachel Street, Fazenda District, Itajaí - Santa Catarina and the main business office is in the city of São Paulo.

BRF is a Brazilian multinational company, with global presence, which owns a comprehensive portfolio of products, and it is one of the world's largest companies of food products. The Company operates by raising, producing and slaughtering poultry and pork for processing, production and sale of fresh meat, processed products, pasta, margarine, pet food and others.

The Company holds as main brands Sadia, Perdigão, Qualy, Chester®, Kidelli, Perdix, Banvit, Biofresh and Gran Plus, present mainly in Brazil, Turkey and Middle Eastern countries.

1.1. Equity Interest

Entity	Main activity	Country (1)	% equity interest		Equity interest
			06.30.23	12.31.22	
BRF GmbH	Holding	Austria	100.00	100.00	Direct
BRF Foods GmbH	Industrialization, import and commercialization of products	Austria	100.00	100.00	Indirect
Al Khan Foodstuff LLC ("AKF")	(b) Import, commercialization and distribution of products	Oman	70.00	70.00	Indirect
TBQ Foods GmbH	Holding	Austria	60.00	60.00	Indirect
Banvit Bandırma Vitaminli	Import, industrialization and commercialization of products	Turkey	91.71	91.71	Indirect
Banvit Enerji ve Elektrik Üretim Ltd. Sti.	Generation and commercialization of electric energy	Turkey	100.00	100.00	Indirect
Nutrinvestments BV	Holding	The Netherlands	100.00	100.00	Indirect
Banvit ME FZE	(d) Marketing and logistics services	UAE	-	100.00	Indirect
BRF Foods LLC	(a) Import, industrialization and commercialization of products	Russia	100.00	100.00	Indirect
BRF Global Company Nigeria Ltd.	Marketing and logistics services	Nigeria	100.00	100.00	Indirect
BRF Global Company South Africa Proprietary Ltd.	Administrative, marketing and logistics services	South Africa	100.00	100.00	Indirect
BRF Global GmbH	Holding and trading	Austria	100.00	100.00	Indirect
BRF Japan KK	Marketing and logistics services, import, export, industrialization and commercialization of products	Japan	100.00	100.00	Indirect
BRF Korea LLC	Marketing and logistics services	Korea	100.00	100.00	Indirect
BRF Shanghai Management Consulting Co. Ltd.	Provision of consultancy and marketing services	China	100.00	100.00	Indirect
BRF Shanghai Trading Co. Ltd.	Import, export and commercialization of products	China	100.00	100.00	Indirect
BRF Singapore Foods PTE Ltd.	Administrative, marketing and logistics services	Singapore	100.00	100.00	Indirect
Eclipse Holding Cooperatief U.A.	Holding	The Netherlands	100.00	100.00	Indirect
Buenos Aires Fortune S.A.	(a) Holding	Argentina	100.00	100.00	Indirect
Eclipse Latam Holdings	Holding	Spain	100.00	100.00	Indirect
Perdigão Europe Lda.	Import, export of products and administrative services	Portugal	100.00	100.00	Indirect
ProudFood Lda.	Import and commercialization of products	Angola	100.00	100.00	Indirect
Sadia Chile S.A.	Import, export and commercialization of products	Chile	100.00	100.00	Indirect
Wellax Food Logistics C.P.A.S.U. Lda.	(g) Import, commercialization of products and administrative services	Portugal	100.00	100.00	Indirect
One Foods Holdings Ltd.	Holding	UAE	100.00	100.00	Indirect
Al-Wafi Food Products Factory LLC	Import, export, industrialization and commercialization of products	UAE	100.00	100.00	Indirect
Badi Ltd.	Holding	UAE	100.00	100.00	Indirect
Al-Wafi Al-Takamol International for Foods Products	Import and commercialization of products	Saudi Arabia	100.00	100.00	Indirect
Joody Al Sharqiya Food Production Factory LLC	Import and commercialization of products	Saudi Arabia	100.00	100.00	Indirect
BRF Kuwait Food Management Company WLL	(b) Import, commercialization and distribution of products	Kuwait	49.00	49.00	Indirect
One Foods Malaysia SDN. BHD.	(a) Marketing and logistics services	Malaysia	100.00	100.00	Indirect
Federal Foods LLC	(b) Import, commercialization and distribution of products	UAE	49.00	49.00	Indirect
Federal Foods Qatar	(b) Import, commercialization and distribution of products	Qatar	49.00	49.00	Indirect
Establecimiento Levino Zaccardi y Cia. S.A.	(f) Industrialization and commercialization of dairy products	Argentina	100.00	100.00	Indirect
BRF Energia S.A.	Commercialization of electric energy	Brazil	100.00	100.00	Direct
BRF Pet S.A.	(e) Industrialization, commercialization and distribution of feed and nutrients for animals	Brazil	100.00	100.00	Direct
Hercosul Alimentos Ltda.	(e) Manufacturing and sale of animal feed	Brazil	100.00	100.00	Indirect
Hercosul Distribuição Ltda.	(e) Import, export, wholesale and retail sale of food products for animals	Brazil	100.00	100.00	Indirect
Hercosul Internacional S.R.L.	(e) Manufacturing, export, import and sale of feed and nutrients for	Paraguay	99.00	99.00	Indirect
Hercosul Soluções em Transportes Ltda.	(e) Road freight	Brazil	100.00	100.00	Indirect
Mogiana Alimentos S.A.	(e) Manufacturing, distribution and sale of Pet Food products	Brazil	100.00	100.00	Indirect
Potengi Holdings S.A.	(c) Holding	Brazil	50.00	50.00	Affiliate
PR-SAD Administração de bem próprio S.A.	Management of assets	Brazil	33.33	33.33	Affiliate
PSA Laboratório Veterinário Ltda.	Veterinary activities	Brazil	100.00	100.00	Indirect
Sadia Alimentos S.A.	Holding	Argentina	100.00	100.00	Indirect
Sadia Uruguay S.A.	Import and commercialization of products	Uruguay	100.00	100.00	Direct
Vip S.A. Empreendimentos e Participações Imobiliárias	Commercialization of owned real state	Brazil	100.00	100.00	Direct
BRF Investimentos Ltda.	Holding, management of companies and assets	Brazil	100.00	100.00	Indirect

(1) UAE – United Arab Emirates.

(a) Dormant subsidiaries. The Company is evaluating the liquidation of these subsidiaries.

(b) For these entities, the Company has agreements that ensure full economic rights, except for AKF, in which the economic rights are of 99%.

(c) Affiliate with subsidiary of AES Brasil Energia S.A. (note 12).

(d) On March 21, 2023, the subsidiary Banvit ME FZE was dissolved.

(e) The Company is carrying out a competitive process, at an early stage, for the sale of its pet food operation reported under Other Segments in note 24.

(f) On July 7, 2023, the subsidiary Establecimiento Levino Zaccardi y Cia. S.A. was dissolved.

(g) On July 21, 2023, the subsidiary Wellax Food Logistics C.P.A.S.U. Lda. was dissolved.

Except for the associates PR-SAD Administração de bem próprio S.A. and Potengi Holdings S.A., in which the Company recognizes the investments by the equity method, all other entities presented in the table above were consolidated.

1.2. Leniency Agreement

On December 28, 2022, BRF has entered into a Leniency Agreement with the Brazilian authorities – Controladoria Geral da União (“CGU”) and the Advocacia Geral da União (“AGU”) (as note 1.3 of financial statements of the year ended on December 31, 2022), in which it assumed the commitment to pay the amount of R\$583,977. That amount, updated according the agreement, was settled in June 30, 2023, as follows: (i) 70% with tax losses in the amount of R\$435,128; (ii) 30% with PIS and COFINS and IRPJ tax credits in the amount of R\$186,483.

1.3. Seasonality

During the months of November and December of each year, the Company is impacted by seasonality in the Brazil operating segment due to Christmas and New Year’s Celebrations. The products that are relevant contributors are: turkey, Chester®, ham and pork cuts (hind leg/pork loin).

In the International operating segment, seasonality is due to Ramadan, which is the holy month of the Muslim calendar. The beginning of Ramadan depends on the beginning of the moon cycle and in 2023 occurred between, March 22, 2023 and April 21, 2023.

2. Basis of Preparation and Presentation of Interim Financial Information

The Parent Company’s and Consolidated interim financial information (“interim financial information”) were prepared in accordance with the CPC 21 (R1) – Interim Financial Statements and the IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) as well as with the standards issued by the Brazilian Securities and Exchange Commission. All the relevant information applicable to the interim financial information, and only them, are being evidenced and correspond to those used by administration in its management.

The interim financial information are expressed in thousands of Brazilian Reais (“R\$”), unless otherwise stated. For disclosures of amounts in other currencies, the values were also expressed in thousands, unless otherwise stated.

The preparation of financial information requires Management to make judgments, use estimates and adopt assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosures of contingent liabilities. The uncertainty inherent to these judgments, assumptions and estimates could result in material adjustments to the carrying amount of certain assets and liabilities in future periods.

Any judgments, estimates and assumptions are reviewed at each reporting period.

The interim financial information were prepared based on the recoverable historical cost, except for the following material items recognized in the statements of financial position:

- (i) derivative financial instruments and non-derivative financial instruments measured at fair value;
- (ii) shared-based payments and employee benefits measured at fair value;
- (iii) biological assets measured at fair value; and
- (iv) assets held for sale in instances where the fair value is lower than historical cost.

The Company prepared financial statements under the going concern assumption and disclosed all relevant information in its explanatory notes, in order to clarify and complement the accounting basis adopted.

3. Summary of Significant Accounting Policies

The interim financial information, in this case quarterly financial information, aim to provide updated information based on the last annual financial statements disclosed. Therefore, the quarterly financial information focus on new activities, events and circumstances and do not repeat the information previously disclosed, except when Management judges that the maintenance of the information is relevant.

The interim financial information was prepared based on the accounting policies and estimates calculation methodologies adopted in the preparation of the annual financial statements for the year ended December 31, 2022 (note 3), on a uniform basis for all group entities. Except for the income taxes, which were measured according to CPC 21 / IAS 34 by applying the estimated annual effective tax rate to the Income (Loss) Before Taxes for the interim period.

4. Cash and Cash Equivalents

	Average rate (1)	Parent company		Consolidated	
		06.30.23	12.31.22	06.30.23	12.31.22
Cash and bank accounts					
Brazilian Reais	-	117,360	139,928	126,596	154,399
U.S. Dollar	-	486	539	384,128	946,999
Saudi Riyal	-	-	-	197,241	307,440
Euro	-	1,022	141	54,660	93,321
Turkish Lira	-	-	-	63,799	83,339
Other currencies	-	401	116	207,744	279,579
		119,269	140,724	1,034,168	1,865,077
Cash equivalents					
In Brazilian Reais					
Investment funds	13.54%	3,916	3,492	3,916	3,492
Bank deposit certificates	13.66%	3,277,078	3,675,037	3,840,756	3,754,202
		3,280,994	3,678,529	3,844,672	3,757,694
In U.S. Dollar					
Term deposit	5.61%	216,864	154,025	1,835,229	2,469,028
Overnight	5.19%	30,668	10,793	720,570	12,720
Other currencies					
Term deposit (2)		-	-	59,630	26,410
		247,532	164,818	2,615,429	2,508,158
		3,647,795	3,984,071	7,494,269	8,130,929

(1) Weighted average annual rate.

(2) Amounts are substantially denominated in Turkish Lira (TRY) at a weighted average annual rate of 41.64% and in Dirhan (AED) at a weighted average annual rate of 4.80%.

5. Marketable Securities

	WAM (1)	Currency	Average rate (2)	Parent company		Consolidated	
				06.30.23	12.31.22	06.30.23	12.31.22
Fair value through other comprehensive income							
Equity securities (3)	-	USD	-	-	-	11,105	11,752
Fair value through profit and loss							
Financial treasury bills	1.29	R\$	13.65%	388,233	364,543	388,233	364,543
Investment funds - FIDC BRF	1.09	R\$	-	15,134	15,505	15,134	15,505
Repurchase agreement	0.06	R\$	10.92%	-	-	38,740	53,809
Other	0.08	R\$ / ARS	-	-	-	20	21
				403,367	380,048	442,127	433,878
Amortized cost							
Sovereign bonds and other (4)	2.49	AOA	-	-	-	306,024	379,145
				403,367	380,048	759,256	824,775
Current				388,233	364,543	426,993	418,373
Non-current (5)				15,134	15,505	332,263	406,402

(1) Weighted average maturity in years.

(2) Weighted average annual rate.

(3) It's comprised of Aleph Farms Ltd. stocks.

(4) It's comprised of private securities and sovereign securities of the Angola Government and are presented net of expected credit losses in the amount of R\$12,015 (R\$15,231 on December 31, 2022). Amounts are substantially denominated in Angolan kwanza (AOA) at a weighted average annual rate of 11.68% and marketable securities indexed to the U.S. Dollar at a weighted average annual rate of 5.48%.

(5) Maturity until March of 2026.

On June 30, 2023, the amount of R\$87,327 (R\$92,857 on December 31, 2022) classified as cash and cash equivalents and marketable securities were pledged as guarantee, with no use restrictions, for future contracts traded on B3.

6. Trade Accounts and Notes Receivable

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Trade accounts receivable				
Domestic market				
Third parties	707,602	1,357,535	825,493	1,473,921
Related parties	29,339	42,162	9,854	11,566
Foreign market				
Third parties	498,171	556,882	3,149,369	3,315,772
Related parties	4,073,140	4,651,972	28,848	20,789
	5,308,252	6,608,551	4,013,564	4,822,048
(-) Adjustment to present value	(15,399)	(22,866)	(17,315)	(24,818)
(-) Expected credit losses	(530,938)	(558,328)	(572,601)	(604,167)
	4,761,915	6,027,357	3,423,648	4,193,063
Current	4,755,793	6,022,298	3,417,526	4,187,756
Non-current	6,122	5,059	6,122	5,307
Notes receivable	118,401	54,472	118,401	54,472
(-) Adjustment to present value	(7,158)	(386)	(7,158)	(386)
(-) Expected credit losses	(15,534)	(15,643)	(15,534)	(15,643)
	95,709	38,443	95,709	38,443
Current	92,244	27,351	92,244	27,351
Non-current (1)	3,465	11,092	3,465	11,092

(1) Weighted average maturity of 1.44 year.

The Company has insurance for trade accounts receivable from exports in the amount of R\$958,167.

The Company performs credit assignments with no right of return to the BRF Clients' Credit Rights Investment Fund ("FIDC BRF"), which has the sole purpose to acquire credit rights arising from commercial transactions carried out between the Company and its clients in Brazil. On June 30, 2023, FIDC BRF had an outstanding balance of R\$844,405 (R\$947,488 on December 31, 2022) in the Parent Company and Consolidated related to such credit rights, which were written-off of the Company's statement of financial position when the credits were sold.

On June 30, 2023, other receivables are mainly represented by receivables from the sale of farms and various properties not linked to production.

The movements of the expected credit losses are presented below:

	Parent company	Consolidated
	06.30.23	06.30.23
Beginning balance	(558,328)	(604,167)
(Additions) Reversals	(7,392)	(8,532)
Write-offs	2,184	3,259
Exchange rate variation	32,598	36,839
Ending balance	(530,938)	(572,601)

The aging of trade accounts receivable is as follows:

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Not overdue	4,753,755	6,027,068	3,056,065	4,045,146
Overdue				
01 to 60 days	22,452	11,774	357,524	125,082
61 to 90 days	1,683	2,364	5,440	7,629
91 to 120 days	3,439	1,291	7,955	17,084
121 to 180 days	3,162	6,976	10,316	18,536
181 to 360 days	5,249	7,678	24,965	17,902
More than 360 days	518,512	551,400	551,299	590,669
(-) Adjustment to present value	(15,399)	(22,866)	(17,315)	(24,818)
(-) Expected credit losses	(530,938)	(558,328)	(572,601)	(604,167)
	4,761,915	6,027,357	3,423,648	4,193,063

7. Inventories

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Finished goods	2,910,868	2,753,055	4,705,474	4,885,465
Work in progress	355,593	396,083	393,799	435,018
Raw materials	1,009,851	1,863,819	1,158,459	2,086,963
Packaging materials	139,794	130,797	177,708	181,193
Secondary materials	644,195	658,953	684,797	705,692
Supplies	160,132	164,963	218,765	230,092
Imports in transit	118,344	229,886	118,992	230,133
Other	89,150	111,242	89,210	111,648
(-) Adjustment to present value (1)	(170,769)	(201,757)	(171,863)	(205,313)
	5,257,158	6,107,041	7,375,341	8,660,891

(1) The adjustment refers to the counter-entry of the adjustment of present value from trade accounts payable and is carried out for cost according to inventories turnover.

The movements of estimated losses for realizable value of inventories accrual, for which the additions, reversals and write-offs were recorded against Cost of Sales, are presented in the table below:

	Parent company			
	06.30.23			
	Realizable value through sale	Impaired inventories	Obsolete inventories	Total
Beginning balance	(62,269)	(64,584)	(5,299)	(132,152)
Additions	(228,687)	(59,542)	(3,290)	(291,519)
Reversals	229,155	-	-	229,155
Write-offs	-	91,914	3,128	95,042
Ending balance	(61,801)	(32,212)	(5,461)	(99,474)

	Consolidated		
	06.30.23		
	Realizable value through sale	Impaired inventories	Obsolete inventories
Beginning balance	(66,671)	(73,694)	(9,944)
Additions	(296,182)	(70,471)	(4,140)
Reversals	284,804	-	-
Write-offs	-	103,456	4,731
Monetary correction by Hyperinflation	(1)	(112)	(22)
Exchange rate variation	(1,819)	407	196
Ending balance	(79,869)	(40,414)	(9,179)

8. Biological Assets

The live animals are represented by poultry and pork and segregated into consumables and animals for production. The rollforward of the biological assets are presented below:

	Parent company		
	06.30.23		
	Current	Non-current	
	Live animals		
	Total	Live animals	Forests
Beginning balance	3,003,258	1,211,187	347,162
Additions/Transfer	13,446,881	338,576	31,439
Changes in fair value (1)	1,419,805	(185,334)	-
Harvest	-	-	(27,974)
Write-off	-	-	(14,297)
Transfer between current and non-current	126,727	(126,727)	-
Transfer to inventories	(15,127,910)	-	-
Ending balance	2,868,761	1,237,702	336,330

	Consolidated		
	06.30.23		
	Current	Non-current	
	Live animals		
	Total	Live animals	Forests
Beginning balance	3,151,551	1,301,971	347,162
Additions/Transfer	14,500,162	354,458	31,439
Changes in fair value (1)	1,586,176	(184,531)	-
Harvest	-	-	(27,974)
Write-off	-	-	(14,297)
Transfer between current and non-current	132,580	(132,580)	-
Transfer to inventories	(16,338,053)	-	-
Exchange variation	(54,177)	(31,881)	-
Monetary correction by Hyperinflation	2,724	1,896	-
Ending balance	2,980,963	1,309,333	336,330

- (1) The change in the fair value of biological assets includes depreciation of breeders and depletion of forests in the amount of R\$650,996 in the Parent Company and R\$693,301 in the Consolidated (R\$542,909 in the Parent Company and R\$580,191 in the Consolidated in the same period of the previous year).

The estimated quantities of live animals on June 30, 2023 are 184,064 thousand head of poultry and 4,799 thousand head of pork at the Parent Company (192,700 thousand head of poultry and 4,885 thousand head of pork on December 31, 2022). In the Consolidated, there are 204,525 thousand heads of poultry and 4,799

thousand heads of pork (213,491 thousand heads of poultry and 4,885 thousand heads of pork on December 31, 2022).

The Company has forests pledged as collateral for financing and tax and civil contingencies on June 30, 2023 in the amount of R\$69,695 in the Parent Company and in the Consolidated (R\$59,388 in the Parent Company and in the Consolidated on December 31, 2022).

9. Recoverable Taxes

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Recoverable ICMS and VAT	2,040,301	1,937,175	2,250,286	2,219,457
Recoverable PIS and COFINS	2,338,330	2,569,574	2,352,662	2,588,574
Recoverable IPI	1,067,223	1,014,643	1,068,959	1,016,373
Recoverable INSS	364,961	366,224	364,973	366,236
Recoverable income taxes	272,244	335,034	351,364	434,392
Other recoverable taxes	85,001	106,532	85,998	107,583
(-) Impairment	(161,400)	(157,172)	(162,131)	(157,903)
	6,006,660	6,172,010	6,312,111	6,574,712
Current	1,187,412	1,016,949	1,474,658	1,402,868
Non-current	4,819,248	5,155,061	4,837,453	5,171,844

9.1. ICMS – Tax on Movement of Goods and Services and VAT – Value Added Taxes

As result of the activity, the Company generates recoverable ICMS balances that are offset against ICMS payables arising from sales in the domestic market or that are transferred to third parties.

The Company has recoverable ICMS balances in the States of Paraná, Santa Catarina, Mato Grosso do Sul, Minas Gerais and Amazonas, which will be realized in the short and long term, based on the recoverability study reviewed and approved by the Management.

In other jurisdictions outside Brazil, value added taxes (VAT) are due in regular operations of the Company with goods and services, with expectations of achievement in the short and long term.

9.2. PIS and COFINS – Social Integration Plan and Contribution for Social Security

The accumulated recoverable PIS and COFINS balances arise from taxes on raw material purchases subsequently used in the production of exported products or products for which sale is not taxed, as well as recoverable taxes on commercial and labor expenses. The realization of these balances usually occurs through the offsetting with taxes payable on sales of taxed products in the domestic market, with other federal taxes and social security contributions payable, or even, if necessary, through refund or reimbursement requests.

As of June 30, 2023, the updated balance of the processes related to the exclusion of the ICMS from the PIS and COFINS calculation basis recognized by the Company is R\$1,846,727 (R\$2,091,340 as of December 31,

2022). The amount of R\$226,172 related do these credits was offset against other federal taxes for the six-month period ended June 30, 2023 (R\$202,462 in the same period of the previous year). Additionally, the amount of R\$81,334 was used to settle the Leniency Agreement (note 1.2).

9.3. IPI – Industrialized Product Tax

The Company recognized tax assets as result of gains from lawsuits related to IPI, specially “*crédito prêmio*”. The balance referring to these assets in the Parent Company and Consolidated on June 30, 2023 is R\$1,081,957 (R\$1,030,940 for the year ended December 31, 2022), of which R\$1,059,700 (R\$1,008,683 for the year ended December 31, 2022) is recorded as Recoverable Taxes and the remainder, referring to cases in which the government will reimburse in cash, is recorded as Other Non-Current Assets, in the amount of R\$22,257 (R\$22,257 for the year ended December 31, 2022).

9.4. Income Taxes

The accumulated recoverable income taxes arise, mostly, from withholding taxes on securities, interest and prepayments of income tax and social contribution in Brazil. The realization occurs through the offset with federal taxes and contributions payable. Additionally, the amount of R\$105,149 was used to settle the Leniency Agreement (note 1.2).

9.5. Realization of Brazilian Federal Tax Credits

The Company used PIS, COFINS, IPI, and other recoverable taxes to offset federal taxes payable such as INSS, Income Taxes and other in the amount of R\$752,450 in the Parent Company and Consolidated for the six-month period ended June 30, 2023 (R\$417,097 in the Parent Company and Consolidated in the same period of the previous year), preserving its liquidity and optimizing its capital structure.

10. Deferred Income Taxes

10.1. Breakdown

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Assets				
Tax losses carryforward	2,450,979	2,770,926	2,483,288	2,800,162
Negative calculation basis (social contribution)	882,352	997,533	893,984	1,008,058
Temporary differences - Assets				
Provisions for tax, civil and labor risks	375,469	417,613	377,652	420,470
Expected credit losses	168,993	178,815	172,834	183,504
Impairment on tax credits	59,779	57,083	59,779	57,083
Provision for other obligations	86,095	129,821	100,653	146,652
Write-down to net realizable value of inventories	33,822	44,932	38,559	48,744
Employees' benefits plan	123,011	117,851	132,293	138,451
Lease basis difference	157,041	132,841	163,475	132,841
Other temporary differences	19,456	14,924	37,265	31,930
	4,356,997	4,862,339	4,459,782	4,967,895
Temporary differences - Liabilities				
Goodwill amortization basis difference	(323,005)	(323,005)	(337,174)	(323,005)
Depreciation (useful life) basis difference	(870,581)	(926,094)	(852,042)	(947,303)
Business combination (1)	(975,861)	(987,477)	(975,861)	(1,003,955)
Monetary correction by Hyperinflation	-	-	(57,970)	(85,997)
Unrealized gains on derivatives, net	(44,738)	(75,046)	(44,738)	(73,998)
Unrealized fair value gains, net	(105,875)	(71,086)	(114,895)	(71,617)
Other temporary differences	(14,273)	(3,297)	(30,457)	(7,022)
	(2,334,333)	(2,386,005)	(2,413,137)	(2,512,897)
Total deferred taxes	2,022,664	2,476,334	2,046,645	2,454,998
Total Assets	2,022,664	2,476,334	2,126,160	2,566,461
Total Liabilities	-	-	(79,515)	(111,463)
	2,022,664	2,476,334	2,046,645	2,454,998

(1) The deferred tax liability on business combination is substantially represented by the allocation of goodwill to property, plant and equipment, brands and contingent liabilities.

The Parent Company has tax losses carryforward in Brazil, which at current tax rates represent R\$6,669,138 on June 30, 2023 (R\$7,131,786 on December 31, 2022). Within this amount, R\$3,333,331 on June 30, 2023 and (R\$3,768,459 on December 31, 2022) are recognized as an asset, according to the recoverability expectation.

The roll-forward of deferred income taxes, net, is set forth below:

	Parent company 06.30.23	Consolidated 06.30.23
Beginning balance	2,476,334	2,454,998
Deferred income taxes recognized in income	166,969	149,390
Deferred income taxes recognized in other comprehensive income	(154,232)	(154,232)
Deferred income and social contribution taxes used in the Leniency Agreement (1)	(435,128)	(435,128)
Other	(31,279)	31,617
Ending balance	2,022,664	2,046,645

- (1) In June 2023, the Company used deferred taxes on tax losses in the amount of R\$435,128 to settle the debt resulting from the Leniency Agreement entered into with the Federal Government (note 1.2).

10.2. Effective income tax rate reconciliation

	Parent company				Consolidated			
	2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Loss before taxes - continued operations	(1,505,846)	(2,560,582)	(664,040)	(1,980,310)	(1,460,615)	(2,500,047)	(469,626)	(1,771,005)
Nominal tax rate	34%	34%	34%	34%	34%	34%	34%	34%
Benefit at nominal rate	511,988	870,598	225,774	673,305	496,609	850,016	159,673	602,142
Adjustments to income taxes								
Income from associates and joint ventures	(388,172)	(736,258)	416,207	(219,147)	(294)	(300)	27	27
Difference of tax rates on results of foreign subsidiaries	-	-	-	-	(204,194)	(506,451)	182,749	305,181
Difference of functional currency of foreign subsidiaries	-	-	-	-	(190,285)	(235,559)	196,729	(579,165)
Deferred tax assets not recognized (1)	885	(3,759)	(535,785)	(639,419)	(720)	(5,694)	(535,785)	(639,419)
Interest on taxes	24,150	44,930	24,904	44,621	24,180	44,991	24,927	44,663
Share-based payment	(3,664)	(8,027)	(4,032)	(10,034)	(3,664)	(8,027)	(4,032)	(10,034)
Penalties	2,961	(1,006)	(764)	(1,647)	2,961	(1,006)	(764)	(1,647)
Investment grant	43,872	43,872	17,538	44,576	43,872	43,872	17,538	44,576
Other permanent differences	(45,083)	(42,695)	(22,553)	7,396	(45,124)	(42,696)	(22,553)	7,103
	146,937	167,655	121,289	(100,349)	123,341	139,146	18,509	(226,573)
Effective rate	9.8%	6.5%	18.3%	-5.1%	8.4%	5.6%	3.9%	-12.8%
Current tax	686	686	205	385	(5,858)	(10,244)	(106,844)	(138,465)
Deferred tax	146,251	166,969	121,084	(100,734)	129,199	149,390	125,353	(88,108)

- (1) Amount related to the non-recognition of deferred tax on tax losses carryforward in the Parent Company and in the Consolidated, due to limited capacity of realization.

The Company's management determined that the total profits recorded by the holdings of its wholly-owned subsidiaries abroad will not be redistributed. Such funds will be used for investments in the wholly-owned subsidiaries.

Income tax returns in Brazil are subject to review by the tax authorities for a period of five years from the date of their delivery. The Company may be subject to additional collection of taxes, fines and interest as a result of these reviews. The results obtained by subsidiaries abroad are subject to taxation in accordance with the tax laws of each country.

11. Judicial Deposits

The rollforward of the judicial deposits is set forth below:

	Parent company			
	06.30.23			
	Tax	Labor	Civil, commercial and other	Total
Beginning balance	188,431	193,350	59,970	441,751
Additions	529	33,284	1,957	35,770
Release in favor of the Company	(11,880)	(17,217)	(219)	(29,316)
Release in favor of the counterparty	(4,382)	(52,046)	(2,670)	(59,098)
Interest	7,556	3,843	1,267	12,666
Ending balance	180,254	161,214	60,305	401,773

	Consolidated			
	06.30.23			
	Tax	Labor	Civil, commercial and other	Total
Beginning balance	191,161	194,906	64,609	450,676
Additions	606	33,753	1,958	36,317
Release in favor of the Company	(11,880)	(17,217)	(219)	(29,316)
Release in favor of the counterparty	(4,382)	(52,051)	(2,670)	(59,103)
Interest	7,735	3,850	1,568	13,153
Exchange rate variation	-	(12)	-	(12)
Ending balance	183,240	163,229	65,246	411,715

12. Investments

12.1. Composition and rollforward the investments

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Investments	11,061,833	13,269,785	99,136	100,481
Investment in subsidiaries	10,962,697	13,169,304	-	-
Investment in affiliates	99,136	100,481	99,136	100,481
Other investments	583	583	583	583
	11,062,416	13,270,368	99,719	101,064

The rollforward of the direct investments in subsidiaries and affiliates of the Parent Company is set forth below:

												Subsidiaries		Affiliates		Total
	BRF Energia S.A.	BRF GmbH	Establec. Levino Zaccardi	BRF Pet S.A.	PSA Labor. Veter. Ltda	Hercosul International S.R.L.	Sadia Alimentos S.A.	Proud Food Ltda	Sadia Uruguay S.A.	Sadia Chile S.A.	Eclipse Holding Cooperatief	VIP S.A. Empr. e Particip. Imob	Potengi Holdings S.A. (1)	PR-SAD Adm. Bem próprio S.A.		
a) Participation as of June 30, 2023																
% of participation	100.00%	100.00%	99.99%	100.00%	99.99%	1.00%	43.10%	10.00%	100.00%	60.00%	0.01%	100.00%	50.00%	33.33%		
Total quantity of shares and quotas	7,176,530	1,897,145	9,918,875	2,087,898,669	5,563,850	200,000	594,576,682	150,000	2,352,881,073	3,027,987,368	10,000	14,249,459	184,199,688	2,826,940		
Quantity of shares and quotas held	7,176,530	1,897,145	9,918,538	2,087,898,669	5,563,849	2,000	256,253,695	15,000	2,352,881,073	1,816,792,421	1	14,249,459	92,090,655	942,313		
b) Information as of June 30, 2023																
Share capital	7,177	6,523	1,765	1,323,088	5,564	94,080	338,054	3	497,012	16,169	334,999	1,311	-	-		
Shareholders' equity	439	9,597,170	35	1,261,259	9,007	62,233	3,089	4,757	90,542	(51,701)	(1,347)	1,427	-	-		
Fair value of assets and liabilities acquired	-	-	-	-	-	117	-	-	-	-	-	-	-	-		
Goodwill	-	-	-	-	-	272	-	-	-	-	-	-	-	-		
Income (loss) for the period	(69)	(2,163,124)	73	(8,054)	340	5,321	60	1,070	(1,173)	14,056	(786)	125	-	-		
c) Movements of investments																
Beginning balance (12.31.22)	508	11,785,221	58	1,276,539	8,667	1,038	2,134	721	91,907	-	-	2,511	93,167	7,314	13,269,785	
Result Movements																
Income (loss)	(69)	(2,163,124)	73	(8,054)	340	47	(1,760)	107	(1,029)	8,759	-	125	(882)	-	(2,165,467)	
Dividends and interests on shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	(1,210)	(851)	-	(2,061)	
Capital movements																
Capital increase (reduction)	-	-	-	-	-	-	-	-	-	-	-	-	-	388	388	
Goodwill movements																
Exchange rate variation on goodwill	-	-	-	-	-	(30)	-	-	-	-	-	-	-	-	(30)	
Other																
Other comprehensive income	-	(24,926)	(96)	(7,226)	-	(44)	957	(352)	(336)	449	-	-	-	-	(31,574)	
Constitution (reversal) of provision for loss	-	-	-	-	-	-	-	-	-	(9,208)	-	-	-	-	(9,208)	
Ending balance (06.30.23)	439	9,597,171	35	1,261,259	9,007	1,011	1,331	476	90,542	-	-	1,426	91,434	7,702	11,061,833	

(1) Economic participation of 24%.

On June 30, 2023, these subsidiaries and affiliates do not have any restriction to amortize their loans or advances to the Company.

13. Property, Plant and Equipment

The rollforward of property, which include right-of-use assets balances (note 17.1), plant and equipment is set forth below:

						Parent company
	Average rate (1)	12.31.22	Additions	Disposals	Transfers (2)	06.30.23
Cost						
Land		562,476	6,024	(8,564)	16	559,952
Buildings, facilities and improvements		11,588,488	456,886	(536,865)	279,851	11,788,360
Machinery and equipment		8,778,379	22,734	(84,891)	496,509	9,212,731
Furniture and fixtures		129,479	351	(647)	3,361	132,544
Vehicles		246,604	20,132	(19,352)	229	247,613
Construction in progress		958,198	403,526	-	(785,795)	575,929
Advances to suppliers		1,426	2,578	-	(3,987)	17
		22,265,050	912,231	(650,319)	(9,816)	22,517,146
Depreciation						
Land (3)	5.00%	(25,058)	(3,156)	5,689	-	(22,525)
Buildings, facilities and improvements	2.60%	(4,733,193)	(334,223)	407,329	-	(4,660,087)
Machinery and equipment	5.26%	(4,721,154)	(196,524)	56,444	-	(4,861,234)
Furniture and fixtures	5.08%	(60,703)	(3,775)	505	-	(63,973)
Vehicles	13.67%	(176,604)	(40,047)	18,035	-	(198,616)
		(9,716,712)	(577,725)	488,002	-	(9,806,435)
		12,548,338	334,506	(162,317)	(9,816)	12,710,711

(1) Weighted average annual rate.

(2) Refers to the transfer of R\$9,816 to intangible assets.

(3) Land depreciation refers to right-of-use assets. The amount of R\$1,656 of depreciation was recognized in the cost of formation of forests and will be realized in the result according to the depletion (note 17.1).

								Consolidated
	Average rate (1)	12.31.22	Additions	Disposals	Monetary correction by Hyperinflation	Transfers (2)	Exchange rate variation	06.30.23
Cost								
Land		751,551	6,025	(8,564)	11,027	16	(33,404)	726,651
Buildings, facilities and improvements		12,620,828	469,761	(556,216)	27,403	331,224	(124,328)	12,768,672
Machinery and equipment		9,730,038	24,740	(86,060)	75,559	576,340	(190,283)	10,130,334
Furniture and fixtures		187,609	434	(786)	8,473	27,548	(19,740)	203,538
Vehicles		627,672	20,191	(47,165)	1,920	228	(30,599)	572,247
Construction in progress		1,095,143	441,069	-	1,973	(905,299)	(22,079)	610,807
Advances to suppliers		31,886	15,733	-	-	(40,809)	(2,410)	4,400
		25,044,727	977,953	(698,791)	126,355	(10,752)	(422,843)	25,016,649
Depreciation								
Land (3)	5.00%	(44,434)	(5,768)	5,689	241	-	1,615	(42,657)
Buildings, facilities and improvements	2.78%	(5,130,376)	(381,035)	425,957	(34,034)	-	41,533	(5,077,955)
Machinery and equipment	5.58%	(5,121,757)	(224,716)	57,986	(26,378)	-	66,806	(5,248,059)
Furniture and fixtures	6.81%	(90,543)	(5,074)	645	(1,896)	-	7,240	(89,628)
Vehicles	14.70%	(366,733)	(92,700)	45,486	(5,369)	-	18,895	(400,421)
		(10,753,843)	(709,293)	535,763	(67,436)	-	136,089	(10,858,720)
		14,290,884	268,660	(163,028)	58,919	(10,752)	(286,754)	14,157,929

(1) Weighted average annual rate.

(2) Refers to the transfer of R\$10,752 to intangible assets.

(3) Land depreciation refers to right-of-use assets. The amount of R\$1,656 of depreciation was recognized in the cost of formation of forests and will be realized in the result according to the depletion (note 17.1).

The amount of capitalized borrowing costs during the six-month ended June 30, 2023 was of R\$31,910 in the Parent Company and R\$35,721 in the Consolidated (R\$47,655 in the Parent Company and R\$51,684 in the Consolidated in the same period of the previous year) and during the three-month ended June 30, 2023 was of R\$14,889 in the Parent Company and R\$15,138 in the Consolidated (R\$23,734 in the Parent Company and R\$25,837 in the Consolidated in the same period of the previous year).

The weighted average rate used to determine the amount of borrowing costs subject to capitalization during the six-month ended June 30, 2023 was 10.31% p.a. in the Parent Company and 10.63% p.a. in the Consolidated (8.79% p.a. in the Parent Company and 9.05% p.a. in the Consolidated in the same period of the previous year).

The book value of the property, plant and equipment items that are pledged as collateral for transactions of different natures are set forth below:

	Type of collateral	Parent company		Consolidated	
		06.30.23	12.31.22	06.30.23	12.31.22
Land	Financial/Tax	90,284	90,757	90,284	90,757
Buildings, facilities and improvements	Financial/Tax	1,374,321	1,296,008	1,376,640	1,298,326
Machinery and equipment	Financial/Labor/Tax/Civil	1,478,826	1,375,162	1,479,850	1,376,186
Furniture and fixtures	Financial/Tax	15,767	15,632	15,767	15,632
Vehicles	Financial/Tax	127	160	127	160
		2,959,325	2,777,719	2,962,668	2,781,061

14. Intangible Assets

The intangible assets rollforward, which include right-of-use assets balances (note 17.1), is set forth below:

		Parent company				
		12.31.22	Additions	Disposals	Transfers	06.30.23
Average rate (1)						
Cost						
Goodwill		1,783,655	-	-	-	1,783,655
Trademarks		1,152,885	-	-	-	1,152,885
Non-compete agreement		14,185	465	-	-	14,650
Outgrowers relationship		517	-	-	-	517
Patents		2,485	-	-	-	2,485
Software		847,875	-	(5,109)	141,155	983,921
Intangible in progress		69,119	114,910	-	(131,339)	52,690
		3,870,721	115,375	(5,109)	9,816	3,990,803
Amortization						
Non-compete agreement	40.04%	(1,379)	(3,953)	-	-	(5,332)
Outgrowers relationship	16.45%	(347)	(36)	-	-	(383)
Patents	5.26%	(2,324)	(12)	-	-	(2,336)
Software	44.79%	(614,286)	(100,014)	1,505	-	(712,795)
		(618,336)	(104,015)	1,505	-	(720,846)
		3,252,385	11,360	(3,604)	9,816	3,269,957

(1) Weighted average annual remaining rate.

	Average rate (1)							Consolidated
		12.31.22	Additions	Disposals	Transfers	Monetary correction by Hyperinflation	Exchange rate variation	06.30.23
Cost								
Goodwill		3,474,103	-	-	-	35,798	(160,746)	3,349,155
Trademarks		1,881,199	-	-	-	42,331	(94,437)	1,829,093
Non-compete agreement		57,426	465	-	-	-	(3,147)	54,744
Outgrowers relationship		517	-	-	-	-	-	517
Patents		4,878	-	-	-	399	(892)	4,385
Customer relationship		1,340,251	-	-	-	68,243	(235,405)	1,173,089
Software		930,090	13	(5,865)	148,513	8,029	(20,150)	1,060,630
Intangible in progress		77,263	116,710	-	(137,761)	(466)	(458)	55,288
		7,765,727	117,188	(5,865)	10,752	154,334	(515,235)	7,526,901
Amortization								
Non-compete agreement	45.18%	(39,336)	(5,945)	-	-	-	2,957	(42,324)
Outgrowers relationship	16.45%	(347)	(36)	-	-	-	-	(383)
Patents	8.42%	(3,824)	(204)	-	-	(86)	560	(3,554)
Customer relationship	6.67%	(622,106)	(51,228)	-	-	(26,448)	116,747	(583,035)
Software	46.15%	(665,504)	(105,869)	2,232	-	(3,619)	9,524	(763,236)
		(1,331,117)	(163,282)	2,232	-	(30,153)	129,788	(1,392,532)
		6,434,610	(46,094)	(3,633)	10,752	124,181	(385,447)	6,134,369

(1) Weighted average annual remaining rate.

15. Loans and Borrowings

										Parent company
	Charges (p.a.)	Average rate (1)	WAMT (2)	12.31.22	Borrowing	Amortization	Interest paid	Interest accrued (3)	Exchange rate variation	06.30.23
Local currency										
Working capital	Fixed	13.06% (10.75% on 12.31.22)	0,39	401.661	250.000	(70.388)	(4.089)	27.680	-	604.864
Certificate of agribusiness receivables (4)	IPCA	10.06% (11.80% on 12.31.22)	0,47	999.646	-	-	-	67.805	-	1.067.451
Export credit facility	Fixed / CDI	15.29% (15.15% on 12.31.22)	4,18	1.593.689	-	-	(123.492)	114.729	-	1.584.926
Debentures	CDI / IPCA	10.61% (12.09% on 12.31.22)	6,24	5.940.146	-	-	(220.820)	699.734	-	6.419.060
Fiscal incentives	Fixed	2.40% (2.40% on 12.31.22)	-	5.286	53.975	-	(371)	428	-	59.318
				8.940.428	303.975	(70.388)	(348.772)	910.376	-	9.735.619
Foreign currency										
Bonds	Fixed / FX USD and EUR	5.23% (5.06% on 12.31.22)	14,43	9.293.677	-	(1.161.904)	(275.265)	310.052	(685.407)	7.481.153
Export credit facility	Fixed / SOFR / FX USD	5.44% (4.42% on 12.31.22)	3,76	2.152.753	1.006.496	(118.144)	(47.386)	50.508	(186.351)	2.857.876
Advances for foreign exchange rate contracts	Fixed / FX USD	7.78% (0.00% on 12.31.22)	0,62	-	306.684	-	-	9.309	(17.716)	298.277
				11.446.430	1.313.180	(1.280.048)	(322.651)	369.869	(889.474)	10.637.306
				20.386.858	1.617.155	(1.350.436)	(671.423)	1.280.245	(889.474)	20.372.925
Current				3.379.835						4.858.964
Non-current				17.007.023						15.513.961

(1) Weighted average annual rate.

(2) Weighted average maturity in years.

(3) Includes interest amounts, monetary restatement of the principal and coupon.

(4) The Certificates of Agribusiness Receivables ("CRA") issued by the Company are backed by receivables of BRF S.A. from certain subsidiaries abroad.

										Consolidated
	Charges (p.a.)	Average rate (1)	WAMT (2)	12.31.22	Borrowing	Amortization	Interest paid	Interest accrued (3)	Exchange rate variation	06.30.23
Local currency										
		13.03%								
Working capital	Fixed / CDI	(10.72% on 12.31.22)	0,40	409.186	250.000	(72.246)	(4.106)	27.678	-	610.512
		10.06%								
Certificate of agribusiness receivables (4)	IPCA	(11.80% on 12.31.22)	0,47	999.646	-	-	-	67.805	-	1.067.451
		15.29%								
Export credit facility	Fixed / CDI	(15.15% on 12.31.22)	4,18	1.593.689	-	-	(123.492)	114.729	-	1.584.926
		10.61%								
Debentures	CDI / IPCA	(12.09% on 12.31.22)	6,24	5.940.146	-	-	(220.820)	699.734	-	6.419.060
		2.40%								
Fiscal incentives	Fixed	(2.40% on 12.31.22)	-	5.286	53.975	-	(371)	428	-	59.318
				8.947.953	303.975	(72.246)	(348.789)	910.374	-	9.741.267
Foreign currency										
		5.01%								
Bonds	Fixed / FX USD	(4.91% on 12.31.22)	11,70	11.902.290	-	(1.161.904)	(330.861)	367.662	(884.794)	9.892.393
		5.44% (4.42% on								
Export credit facility	Fixed / SOFR / FX USD	12.31.22)	3,76	2.152.753	1.006.496	(118.144)	(47.386)	50.508	(186.351)	2.857.876
		7.78% (0.00% on								
Advances for foreign exchange rate contracts	Fixed / FX USD	12.31.22)	0,62	-	306.684	-	-	9.309	(17.716)	298.277
		12.02% (16.83% on								
Working capital	Fixed / EIBOR3M + 1,8% FX TRY and AED	12.31.22)	2,01	514.004	1.351.254	(614.926)	(45.622)	56.430	(217.734)	1.043.406
				14.569.047	2.664.434	(1.894.974)	(423.869)	483.909	(1.306.595)	14.091.952
				23.517.000	2.968.409	(1.967.220)	(772.658)	1.394.283	(1.306.595)	23.833.219
Current				3.879.874						5.184.652
Non-current				19.637.126						18.648.567

(1) Weighted average annual rate.

(2) Weighted average maturity in years.

(3) Includes interest amounts, monetary restatement of the principal and coupon.

(4) The Certificate of Agribusiness Receivable ("CRA") issued by the Company are backed by receivables of BRF S.A. from certain subsidiaries abroad.

The maturity schedule of the loans and borrowings is presented on note 23.1.

On June 30, 2023 and on December 31, 2022 the Company did not have any financial covenant clauses related to its loans and borrowings agreements.

15.1. Guarantees

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Total loans and borrowings	20,372,925	20,386,858	23,833,219	23,517,000
Mortgage guarantees				
Related to tax incentives and other	59,318	5,286	59,318	5,286

On June 30, 2023, the amount of bank guarantees contracted by the Company was of R\$350,190 (R\$447,736 as of December 31, 2022) which were offered mainly in litigations involving the Company's use of tax credits. These guarantees have an average cost of 1.76% p.a. (1.92% p.a. as of December 31, 2022).

16. Trade Accounts Payable

	Parent company		Consolidated	
	06.30.23	12.31.22	06.30.23	12.31.22
Trade accounts payable				
Domestic market				
Third parties	10,430,688	11,410,219	10,607,359	11,595,543
Related parties	84,005	44,209	35,675	26,970
Foreign market				
Third parties	946,127	1,364,885	2,117,037	2,723,797
Related parties	684	1,519	-	42
	11,461,504	12,820,832	12,760,071	14,346,352
(-) Adjustment to present value	(207,021)	(207,767)	(208,396)	(210,128)
	11,254,483	12,613,065	12,551,675	14,136,224
Current	11,248,194	12,605,606	12,545,386	14,128,765
Non-current	6,289	7,459	6,289	7,459

The Company has agreements with several financial institutions that allow the suppliers to anticipate their receivables and, therefore, transfer the right to receive invoices with financial institutions (**"Supply Chain Finance"** or **"Program"**). The suppliers may choose whether to participate and if so, with which financial institution, with no participation by BRF.

The Program can generate benefits in the commercial relations of BRF and its suppliers, such as preference and priority of supply in case of restricted supply, better commercial conditions, among others, without modification to the commercial essence of the transaction.

Invoices included in the Program are paid according to the same price and term conditions negotiated with its suppliers, without incurring any charge to the Company, so that there are no changes in commercial conditions after negotiation and invoicing of goods or services.

Invoices included in the Supply Chain Finance are R\$5,062,380 in the Parent Company and R\$5,258,061 in the Consolidated on June 30, 2023 (R\$5,588,453 in the Parent Company and R\$5,794,841 in the Consolidated on December 31, 2022).

The Company measures and discriminates the adjustment to present value for all its commercial operations carried out in installments, specifying financial and operational items.

In order to improve the presentation, since the interim information of the period ended on March 31, 2023, the Company grouped the balances of December 31, 2022 that were segregated in the statement of financial position as Supply Chain Finance to Suppliers in the amount of R\$1,393,137 in the Parent Company and Consolidated.

17. Leases

The Company is lessee in several lease agreements for forest lands, offices, distribution centers, outgrowers, vehicles, among others. Some contracts have a renewal option for an additional period at the end of the agreement, established by contractual amendments. Automatic renewals or renewals for undetermined periods are not allowed.

The contract clauses mentioned, with respect to renewal, readjustment and purchase option, are contracted according to market practices. In addition, there are no clauses of contingent payments or restrictions on dividends distribution, payments of interest on shareholders' equity or obtaining debt.

17.1. Right-of-use Assets

The right-of-use assets as set forth below are part of the balances of property, plant and equipment and intangible assets (notes 13 and 14).

	Parent company				
	Average rate (1)	12.31.22	Additions	Disposals	06.30.23
Cost					
Land		46,088	5,983	(6,083)	45,988
Buildings		3,620,769	455,428	(435,780)	3,640,417
Machinery and equipment		41,893	22,040	(10,747)	53,186
Facilities		-	54		54
Vehicles		239,309	20,132	(19,281)	240,160
Software		12,303	-	-	12,303
		3,960,362	503,637	(471,891)	3,992,108
Depreciation					
Land	4.62%	(24,631)	(3,118)	5,686	(22,063)
Buildings	13.19%	(1,513,478)	(237,946)	368,728	(1,382,696)
Machinery and equipment	21.89%	(22,900)	(5,401)	7,781	(20,520)
Facilities	-	-	(9)		(9)
Vehicles	10.67%	(170,357)	(39,825)	17,964	(192,218)
Software	36.36%	(10,814)	(910)	-	(11,724)
		(1,742,180)	(287,209)	400,159	(1,629,230)
		2,218,182	216,428	(71,732)	2,362,878

(1) Weighted average annual rate.

								Consolidated
	Average rate (1)	12.31.22	Additions	Disposals	Transfer	Monetary correction by Hyperinflation	Exchange rate variation	06.30.23
Cost								
Land		139,740	5,983	(6,084)	-	644	(9,064)	131,219
Buildings		4,031,143	466,962	(455,097)	(27,655)	6,610	(30,016)	3,991,947
Machinery and equipment		47,688	22,040	(10,746)	27,655	286	(567)	86,356
Facilities		-	54	-	-	-	-	54
Vehicles		602,116	20,132	(47,094)	-	3,236	(30,432)	547,958
Software		12,303	-	-	-	-	-	12,303
		4,832,990	515,171	(519,021)	-	10,776	(70,079)	4,769,837
Depreciation								
Land	8.22%	(44,006)	(5,729)	5,686	-	240	1,615	(42,194)
Buildings	14.23%	(1,784,777)	(275,675)	387,242	15,686	836	14,349	(1,642,339)
Machinery and equipment	21.99%	(27,283)	(8,742)	7,792	(15,686)	(680)	403	(44,196)
Facilities	-	-	(9)	-	-	-	-	(9)
Vehicles	33.40%	(346,907)	(91,028)	45,410	-	(5,208)	17,328	(380,405)
Software	36.36%	(10,814)	(910)	-	-	-	-	(11,724)
		(2,213,787)	(382,093)	446,130	-	(4,812)	33,695	(2,120,867)
		2,619,203	133,078	(72,891)	-	5,964	(36,384)	2,648,970

(1) Weighted average annual rate.

17.2. Lease Liabilities

	Weighted average interest rate (p.a.)	WAM (1)							Parent company
			12.31.22	Additions	Payments	Interest paid	Interest accrued	Disposals	06.30.23
Land	13.4%	8.2	27,451	5,983	(3,407)	(1,836)	1,836	(1,743)	28,284
Buildings	9.0%	7.4	2,495,987	455,428	(218,196)	(62,652)	119,497	(62,533)	2,727,531
Machinery and equipment	12.3%	4.3	20,158	22,040	(4,246)	(2,075)	2,075	(3,076)	34,876
Facilities	12.9%	1.9	-	54	(10)	(3)	3	-	44
Vehicles	9.3%	1.4	81,763	20,132	(33,994)	(2,932)	2,932	(3,314)	64,587
Software	11.7%	0.3	1,604	-	(951)	(37)	37	-	653
			2,626,963	503,637	(260,804)	(69,535)	126,380	(70,666)	2,855,975
Current			521,544						632,088
Non-current			2,105,419						2,223,887

(1) Weighted average maturity in years.

	Weighted average interest rate (p.a.)	WAM (1)							Consolidated	
			12.31.22	Additions	Payments	Interest paid	Interest accrued	Disposals	Exchange rate variation	06.30.23
Land	9.1%	11.4	112,476	5,983	(4,464)	(4,716)	4,716	(1,743)	(6,767)	105,485
Buildings	8.9%	1.7	2,634,074	466,962	(257,805)	(66,666)	123,511	(63,249)	(9,213)	2,827,614
Machinery and equipment	12.5%	1.8	22,565	22,040	(5,165)	(2,185)	2,185	(3,076)	(283)	36,081
Facilities	12.9%	1.9	-	54	(10)	(3)	3	-	-	44
Vehicles	7.1%	1.4	274,215	20,132	(84,937)	(6,724)	6,724	(3,641)	(12,082)	193,687
Software	11.7%	0.3	1,604	-	(951)	(37)	37	-	-	653
			3,044,934	515,171	(353,332)	(80,331)	137,176	(71,709)	(28,345)	3,163,564
Current			676,864							761,436
Non-current			2,368,070							2,402,128

(1) Weighted average maturity in years.

17.3. Lease liabilities maturity schedule

The maturity schedule of the minimum required future payments is presented below:

	Parent company	Consolidated
	06.30.23	06.30.23
Current	632,088	761,436
Non-current	2,223,887	2,402,128
2024	259,565	307,707
2025	441,000	497,074
2026	355,654	367,178
2027	281,021	285,221
2028 onwards	886,647	944,948
	2,855,975	3,163,564

17.4. Amounts recognized in the statement of income

The amounts directly recognized in the statement of income presented below relate to items not capitalized, including: low-value assets, short-term leases and leases with variable payments.

	Parent Company		Consolidated	
	2023		2023	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Variable payments not included in the lease liabilities	21,520	37,029	47,259	105,867
Expenses related to short-term leases	15,149	27,706	21,370	45,492
Expenses related to low-value assets	5,169	11,034	5,234	11,160
	41,838	75,769	73,863	162,519

18. Share-based Payment

The rules for the restricted shares plans granted to executives were disclosed in the financial statements for the year ended December 31, 2022 (note 19).

The breakdown of the outstanding shares granted is set forth as follows:

Date		Quantity		Grant (1)
Grant	Vesting date	Shares granted	Outstanding shares	Fair value of the shares
01/07/21	01/07/24	2,883,737	808,197	28.58
01/07/22	01/07/25	4,703,472	3,290,576	14.11
		7,587,209	4,098,773	

(1) Amounts expressed in Brazilian Reais.

The rollforward of the granted options and shares for the six-month period ended on June 30, 2023, is presented as follows:

	Consolidated
Outstanding stocks as of December 31, 2022	5,132,532
Exercised / Delivered:	
Restricted stocks – grant of June, 2020	(149,618)
Forfeiture (1) :	
Restricted stocks – grant of July, 2022	(465,559)
Restricted stocks – grant of July, 2021	(130,063)
Restricted stocks – grant of June, 2020	(288,519)
Outstanding stocks as of June 30, 2023	4,098,773

(1) The forfeitures are related to the resignation of eligible executive before the end of the vesting period.

The Company has registered under shareholders' equity, the fair value of share-based compensation plans in the amount of R\$199,675 (R\$195,655 as of December 31, 2022) and in the amount of R\$16,944 under non-current liabilities (R\$15,584 of December 31, 2022). In the statement of income for the six-month period ended on June 30, 2023 the amount recognized as expense was R\$12,100 in the Parent Company and R\$12,919 in the Consolidated (R\$27,772 in the Parent Company and R\$30,996 in the Consolidated in the same period of the previous year) and for the three-month period ended on June 30, 2023 the amount recognized as expense was R\$10,440 in the Parent Company and R\$11,259 in the Consolidated (R\$2,314 in the Parent Company and R\$909 in the Consolidated in the same period of the previous year).

19. Employees Benefits Plans

The Company offers pension and other post-employment plans to the employees. The characteristics of such benefits were disclosed in the annual financial statements for the year ended on December 31, 2022 (note 20) and have not been changed during the following periods. The actuarial liabilities are presented below:

	Parent company		Consolidated	
	Liabilities		Liabilities	
	06.30.23	12.31.22	06.30.23	12.31.22
Medical assistance	124,888	119,197	125,446	119,729
F.G.T.S. Penalty (1)	63,183	60,657	63,183	60,657
Award for length of service	117,277	112,225	117,277	112,225
Other	56,449	54,541	185,880	228,701
	361,797	346,620	491,786	521,312
Current	49,445	49,445	62,481	64,367
Non-current	312,352	297,175	429,305	456,945

(1) FGTS – Government Severance Indemnity Fund for Employees.

The Company estimated costs for pension and post-employment plans for the year of 2023, according to an appraisal report prepared in 2022 by an actuarial expert, recorded an expense of R\$12,470 in the Parent Company and R\$15,215 in Consolidated for the six-month period ended on June 30, 2023, (expense of R\$14,596 in the Parent Company and R\$20,232 in Consolidated in the same period of the previous year) and for the three-month period ended on June 30, 2023 an expense of R\$9,475 in the Parent Company and R\$14,353 in Consolidated (expense of R\$10,843 in the Parent Company and R\$16,559 in Consolidated in the same period of the previous year), net of taxes, in the statement of income.

20. Provision for tax, civil and labor risks

The Company and its subsidiaries are involved in certain legal matters arising in the normal course of business, which include tax, social security, labor, civil, environmental, administrative and other processes.

Company's Management believes that, based on the elements existing at the base date of these interim financial information, the provision for tax, labor, civil, environmental, administrative and other risks, is sufficient to cover eventual losses with administrative and legal proceedings, as set forth below.

The rollforward of the provisions for tax, labor, civil, environmental, administrative and other risks, classified as with probable loss, and contingent liabilities is presented below:

					Parent company
					06.30.23
	Tax	Labor	Civil and other	Contingent liabilities (1)	Total
Beginning balance	396,118	520,976	355,125	96,956	1,369,175
Additions	69,386	181,947	28,581	-	279,914
Reversals	(42,009)	(114,191)	(24,315)	(28,188)	(208,703)
Payments	(153,373)	(142,883)	(22,064)	-	(318,320)
Interest	23,826	35,421	24,850	-	84,097
Ending balance	293,948	481,270	362,177	68,768	1,206,163
Current					722,821
Non-current					483,342

(1) Contingent liabilities recognized at fair value as of the acquisition date, arising from the business combination with Sadia.

					Consolidated
					06.30.23
	Tax	Labor	Civil and other	Contingent liabilities (1)	Total
Beginning balance	399,675	526,710	358,305	130,848	1,415,538
Additions	69,386	182,725	28,581	-	280,692
Reversals	(44,695)	(114,315)	(24,478)	(28,188)	(211,676)
Payments	(153,373)	(142,883)	(22,064)	-	(318,320)
Interest	24,005	35,537	25,035	-	84,577
Exchange rate variation	(23)	(1,164)	(193)	-	(1,380)
Ending balance	294,975	486,610	365,186	102,660	1,249,431
Current					725,723
Non-current					523,708

(1) Contingent liabilities recognized at fair value as of the acquisition date, arising from the business combination with Sadia, Hercosul and Mogiana.

The Company is involved in contingencies for which losses are possible, in accordance with the assessment prepared by Management with support from legal advisors. Such contingencies have the same characteristics of those disclosed on December 31, 2022 financial statements and on June 30, 2023, had balances of R\$13,998,904 (R\$13,247,512 as of December 31, 2022) for tax risks, R\$262,966 for labor risks and (R\$257,365 as of December 31, 2022) and R\$1,824,720 (R\$1,838,183 as of December 31, 2022) for civil risks, and, of which solely the ones arising from the business combination with Sadia, Hercosul and Mogiana are provisioned, measured by the estimated fair value at the business combination date: R\$102,660 (R\$130,848 as of December 31, 2022).

21. Equity

21.1. Capital Stock

On June 30, 2023, the subscribed and paid capital of the Company was R\$13,053,418, which is composed of 1,082,473,246 common book-entry shares with no par value. The value of the capital stock is net of the public offering expenses of R\$217,503.

21.1.1. Rollforward of outstanding shares

Outstanding shares are determined by the number of common shares reduced by the number of shares held in treasury.

	Parent company	
	Quantity of outstanding of shares	
	06.30.23	12.31.22
Beginning balance	1,078,116,849	807,419,692
Issue of shares on 02.01.22	-	270,000,000
Delivery of restricted shares	149,618	697,157
Ending balance	1,078,266,467	1,078,116,849

21.2. Treasury shares

The Company has 4,206,779 shares held in treasury, with an average cost of R\$25.19, expressed in Reais, per share and corresponding market value of R\$37,482 on June 30, 2023.

	Parent company	
	Quantity of outstanding of shares	
	06.30.23	12.31.22
Shares at the beggining of the period	4,356,397	5,053,554
Delivery of restricted shares	(149,618)	(697,157)
Shares at the end of the period	4,206,779	4,356,397

The Company has share buyback program, approved on September 30, 2021 up to the limit of 3,696,858 common shares, with an 18-month term which ended on April 1st, 2023. There were no share buybacks in 2023 under this program.

21.3. Capital reserves and Other equity transactions

The capital reserves contemplate only the balances related with results on the sale and exchange of stocks, in compatibility with the Law 6.404/1976 (*“Lei das S.A”*) – Brazilian Corporate Law.

	Parent company and Consolidated	
	06.30.23	12.31.22
Capital reserves	2,338,476	2,338,476
Other equity transactions	(73,805)	(77,825)
Share-based payments	199,675	195,655
Acquisition of non-controlling interest	(273,260)	(273,260)
Capital transactions with controlled entities	(220)	(220)
	2,264,671	2,260,651

22. Earnings (Loss) per Share

	Continued operations			
	2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Basic numerator				
Net loss for the period attributable to controlling shareholders	(1,358,909)	(2,392,927)	(542,751)	(2,080,659)
Basic denominator				
Weighted average number of outstanding shares - basic	1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Net loss per share basic - R\$	(1.26)	(2.22)	(0.50)	(2.03)
Diluted denominator				
Weighted average number of outstanding shares - diluted (1)	1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Net loss per share diluted - R\$	(1.26)	(2.22)	(0.50)	(2.03)

(1) Shares linked to share-based payment plans have an anti-dilutive effect in the periods.

	Discontinued operations			
	2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Basic numerator				
Net loss for the year attributable to controlling shareholders	-	-	(16,408)	(50,948)
Basic denominator				
Weighted average number of outstanding shares - basic	1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Net loss per share basic - R\$	-	-	(0.02)	(0.05)
Diluted denominator				
Weighted average number of outstanding shares - diluted (1)	1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Net loss per share diluted - R\$	-	-	(0.02)	(0.05)

(1) Shares linked to share-based payment plans have an anti-dilutive effect in the periods.

	Continued and discontinued operations			
	2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Basic numerator				
Net loss for the period attributable to controlling shareholders	(1,358,908)	(2,392,927)	(559,159)	(2,131,607)
Basic denominator				
Weighted average number of outstanding shares - basic	1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Net earnings (loss) per share basic - R\$	(1.26)	(2.22)	(0.52)	(2.08)
Diluted denominator				
Weighted average number of outstanding shares - diluted (1)	1,078,140,954	1,078,140,954	1,077,638,897	1,026,529,295
Net loss per share diluted - R\$	(1.26)	(2.22)	(0.52)	(2.08)

(1) Shares linked to share-based payment plans have an anti-dilutive effect in the periods.

23. Financial Instruments and Risk Management

23.1. Overview

In the ordinary course of business, the Company is exposed to credit, liquidity and market risks, which are actively managed in compliance with the Financial Risk Management Policy ("Risk Policy") and internal guidelines and strategic documents subject to such policy. The Risk Policy was approved by the Board of Directors on December 15, 2022, valid for one year and is available at the Company's website.

The Company's risk management strategy, guided by the Risk Policy, has as main objectives:

- » To protect the Company's operating and financial results, as well as its equity from adverse changes in the market prices, particularly commodities, foreign exchange and interests;
- » To protect the Company against counterparty risks in existing financial operations as well as to establish guidelines for sustaining the necessary liquidity to fulfil its financial commitments;
- » To protect the cash of Company against price volatilities, adverse conditions in the markets in which the Company acts and adverse conditions in its production chain.

The Risk Policy defines the governance of the bodies responsible for the execution, tracking and approval of the risk management strategies, as well as the limits and instruments that can be used.

Additionally, the Management of the Company approved the following policies on November 10, 2021, which are available at the Company's website:

- » Financial Policy, which aims to: (i) establish guidelines for the management of the Company's financial debt and capital structure; and (ii) guide the Company's decision-making in connection with cash management (financial investments).
- » Profit Allocation Policy, which aims to establish the practices adopted by the Company regarding the allocation of its profits, providing, among others, the periodicity of payment of dividends and the baseline used to establish the respective amount.

i) Indebtedness

The ideal capital structure definition at BRF is essentially associated with (i) strong cash position as a tolerance factor for liquidity shocks, which includes minimum cash analysis; (ii) net indebtedness; and (iii) minimization of the capital opportunity cost.

On June 30, 2023, the non-current consolidated gross debt, as presented below, represented 77.62% (83.75% as of December 31, 2022) of the total gross debt, which has an average term higher than seven years.

The Company monitors the gross debt and net debt as set forth below:

	06.30.23			Consolidated
	Current	Non-current	Total	12.31.22 Total
Foreign currency loans and borrowings	(3,299,154)	(10,792,798)	(14,091,952)	(14,569,047)
Local currency loans and borrowings	(1,885,498)	(7,855,769)	(9,741,267)	(8,947,953)
Derivative financial instruments, net	(101,154)	316,910	215,756	(126,019)
Gross debt	(5,285,806)	(18,331,657)	(23,617,463)	(23,643,019)
Cash and cash equivalents	7,494,269	-	7,494,269	8,130,929
Marketable securities	426,993	332,263	759,256	824,775
Restricted cash	-	95,474	95,474	89,717
	7,921,262	427,737	8,348,999	9,045,421
Net debt	2,635,456	(17,903,920)	(15,268,464)	(14,597,598)

ii) Derivative financial instruments

Summarized financial position of derivative financial instruments, that aim to protect the risks described below:

	Note	Parent company		Consolidated	
		06.30.23	12.31.22	06.30.23	12.31.22
Assets					
Designated as hedge accounting					
Foreign exchange risk on operating income	23.2.1 ii)	197,519	8,726	197,519	8,726
Commodities price risk	23.2.2	44,831	108,966	44,831	108,966
Interest rate risk	23.2.3	329,522	9,517	329,522	9,517
Not designated as hedge accounting					
Foreign exchange risk on statement of financial position	23.2.1 i)	-	3,939	34,890	3,939
		571,872	131,148	606,762	131,148
Current assets		227,682	120,865	262,572	120,865
Non-current assets		344,190	10,283	344,190	10,283
Liabilities					
Designated as hedge accounting					
Foreign exchange risk on statement of financial position	23.2.1 i)	(248,131)	(84,633)	(248,131)	(84,633)
Foreign exchange risk on operating income	23.2.1 ii)	(7,343)	(17,551)	(7,343)	(17,551)
Commodities price risk	23.2.2	(44,406)	(26,730)	(44,406)	(26,730)
Interest rate risk	23.2.3	-	(122,002)	-	(122,002)
Not designated as hedge accounting					
Foreign exchange risk on statement of financial position	23.2.1 i)	(91,126)	(2,059)	(91,126)	(6,251)
		(391,006)	(252,975)	(391,006)	(257,167)
Current liabilities		(363,726)	(78,276)	(363,726)	(82,468)
Non-current liabilities		(27,280)	(174,699)	(27,280)	(174,699)
Position of derivative financial instruments - net		180,866	(121,827)	215,756	(126,019)

iii) Financial commitments

The table below summarizes the significant commitments and contractual obligations that may impact the Company's liquidity:

	Parent company 06.30.23							
	Book value	Contractual cash flow	Up to 12 months	Jul - Dec 2024	2025	2026	2027	2028 onwards
Non derivative financial liabilities								
Loans and borrowings	20,372,925	29,994,716	5,822,953	792,575	2,259,436	1,598,380	3,772,136	15,749,236
Principal		20,279,041	4,471,152	307,457	1,343,443	744,771	2,970,826	10,441,392
Interest		9,715,675	1,351,801	485,118	915,993	853,609	801,310	5,307,844
Trade accounts payable	11,254,483	11,461,504	11,455,216	3,074	1,627	1,587	-	-
Lease liabilities	2,855,975	3,684,142	675,386	296,343	537,975	463,581	391,392	1,319,465
Derivative financial liabilities								
Financial instruments designated hedge accounting for protection of:								
Foreign exchange risk	255,474	255,474	255,474	-	-	-	-	-
Commodities price risk	44,406	44,406	44,406	-	-	-	-	-
Financial instruments not designated as hedge accounting for protection of:								
Foreign exchange risk	91,126	91,126	63,846	-	-	27,280	-	

Consolidated 06.30.23								
	Book value	Contractual cash flow	Up to 12 months	Jul - Dec 2024	2025	2026	2027	2028 onwards
Non derivative financial liabilities								
Loans and borrowings	23,833,219	33,973,694	6,288,146	880,054	2,419,199	4,860,819	3,776,240	15,749,236
Principal		23,733,196	4,770,726	315,080	1,351,108	3,880,231	2,974,659	10,441,392
Interest		10,240,498	1,517,420	564,974	1,068,091	980,588	801,581	5,307,844
Trade accounts payable	12,551,675	12,760,071	12,753,783	3,074	1,627	1,587	-	-
Lease liabilities	3,163,564	4,053,350	813,594	351,307	606,380	478,602	397,241	1,406,226
Derivative financial liabilities								
Financial instruments designated hedge accounting for protection of:								
Foreign exchange risk	255,474	255,474	255,474	-	-	-	-	-
Commodities price risk	44,406	44,406	44,406	-	-	-	-	-
Financial instruments not designated as hedge accounting for protection of:								
Foreign exchange risk	91,126	91,126	63,846	-	-	27,280	-	-

The Company does not expect that the cash outflows to fulfill the obligations shown above will be significantly anticipated by factors unrelated to its best interests, or have its value substantially modified outside the normal course of business.

23.2. Market risk management

23.2.1. Foreign exchange risk

The risk is the one that may cause unexpected losses to the Company resulting from volatility of the FX rates, reducing its assets and revenues, or increasing its liabilities and costs. The Company's exposure is managed in three dimensions: statement of financial position exposure, operating income exposure and investments exposure.

i) Statement of financial position exposure

The Risk Policy regarding statement of financial position exposure has the objective to balance assets and liabilities denominated in foreign currencies, hedging the Company's statement of financial position by using natural hedges, over-the-counter derivatives and exchange traded futures.

Assets and liabilities denominated in foreign currency for which the exchange variations are recognized in the Financial Results are as follows, summarized in Brazilian Reais:

	Consolidated	
	06.30.23	12.31.22
Cash and cash equivalents	3,082,188	3,691,668
Trade accounts receivable	4,918,549	6,013,713
Trade accounts payable	(1,138,952)	(1,484,810)
Loans and borrowings	(11,341,539)	(12,241,309)
Other assets and liabilities, net	(66,493)	35,371
Exposure of assets and liabilities in foreign currencies	(4,546,247)	(3,985,367)
Derivative financial instruments (hedge)	4,944,926	3,721,930
Exposure in result, net	398,679	(263,437)

The net exposure in Reais is mainly composed of the following currencies:

Net Exposure (1)	06.30.23	12.31.22
Chilean Pesos (CLP)	283,425	256,121
Euros (EUR)	148,939	(43,445)
Angolan kwanza (AOA)	58,594	53,723
Yen (JPY)	(2,838)	(3,268)
Argentinian Peso (ARS)	(3,561)	(4,614)
Turkish Liras (TRY)	(13,949)	214,936
U.S. Dollars (USD)	(71,931)	(736,890)
Total	398,679	(263,437)

(1) The Company is exposed to other currencies, although they have been grouped in the currencies above due to its high correlation or for not being individually significant.

The Company holds more financial liabilities in foreign currencies than assets and, therefore, holds derivative financial instruments to reduce such exposure.

As a result of this protection strategy the Company recognized as Financial Expenses in the Consolidate an expense of R\$624,538 for the six-month period ended on June 30, 2023 (expense of R\$1,015,355 in the same period of the previous year), and for the three-month period ended on June 30, 2023 an expense of R\$378,398 (an expense of R\$482,814 in the same period of the previous year), compensating a foreign exchange income over assets and liabilities in the Consolidate of R\$282,898 for the six-month period ended on June 30, 2023 (R\$657,387 in the same period of the previous year) and a foreign exchange income over assets and liabilities in the Consolidate of R\$139,704 for the three-month period ended on June 30, 2023 (expense of R\$656,319 in the same period of the previous year).

The derivative financial instruments acquired to hedge the foreign currency statement of financial position exposure on June 30, 2023 and are set forth below:

06.30.23						
Derivative instruments not designated	Asset	Liability	Maturity	Notional	Exercise rate	Fair value (R\$)
Parent company						
Non-deliverable forward	EUR	BRL	3rd Qtr. 2023	EUR 90,000	5.5320	(20,863)
Non-deliverable forward	USD	BRL	3rd Qtr. 2023	USD 180,000	5.0391	(34,280)
Futures - B3	USD	BRL	3rd Qtr. 2023	USD 120,500	4.9398	(8,703)
Swap	USD + 4.35% p.a.	CDI - 0,51% p.a.	3rd Qtr. 2026	USD 115,000	N/A	(27,280)
						(91,126)
Subsidiaries						
Non-deliverable forward	EUR	TRY	3rd Qtr. 2023	EUR 9,400	24.3447	7,278
Non-deliverable forward	USD	TRY	3rd Qtr. 2023	USD 34,500	22.7924	20,415
Non-deliverable forward	USD	TRY	4nd Qtr. 2023	USD 12,400	24.0073	7,197
						34,890
Total Consolidated						(56,236)

06.30.23							
Derivative instruments designated - Fair value hedge	Hedged Object	Maturity	Asset	Liability	Notional	Fair value (R\$)	
						Instrument	Object (1)
Parent company and Consolidated							
FX and interest rate swap	USD debt	1st Qtr. 2024	FX + 8% p.a.	100% CDI + 2.21% p.a.	89,943 USD	(27,785)	69,076
FX and interest rate swap	USD debt	2nd Qtr. 2024	FX + 6.32% p.a.	100% CDI + 1,61% p.a.	130,000 USD	(25,025)	117,628
FX and interest rate swap	BRF SA BRFSBZ 4 3/4	2nd Qtr. 2024	FX + 4.75% p.a.	104.48% CDI	295,363 USD	(195,321)	20,770
					515,306	(248,131)	207,474

(1) Corresponds to the accumulated amount of fair value hedge adjustments on the hedged items, included in the carrying amount of the senior unsecured notes.

ii) Operating income exposure

The Risk Policy regarding operating income exposure has the objective to hedge revenues and costs denominated in foreign currencies. The Company is supported by internal models to measure and monitor these risks, and uses financial instruments for hedging, designating the relations as cash flow hedges.

The Company has more sales in foreign currency than expenditures and, therefore, holds derivative financial instruments to reduce such exposure.

As a result of this protection strategy the Company recognized in the Consolidate Net Revenue an income of R\$155,901 for the six-month period ended on June 30, 2023 (R\$189,336 in the same period of the previous year) and R\$100,695 for the three-month period ended on June 30, 2023 (R\$78,670 in the same period of the previous year).

The derivative financial instruments designated as cash flow hedges for foreign exchange operating income exposure on June 30, 2023 are set forth below:

								06.30.23
Cash flow hedge - Derivative instruments	Hedged object	Asset	Liability	Maturity	Notional	Designation rate	Fair value (1)	
Parent company and consolidated								
Non-deliverable forward	USD Exports	BRL	USD	3rd Qtr. 2023	USD 64,000	5.5047	41,681	
Non-deliverable forward	USD Exports	BRL	USD	4rd Qtr. 2023	USD 73,000	5.5384	45,079	
Non-deliverable forward	USD Exports	BRL	USD	1st Qtr. 2024	USD 58,000	5.4684	28,381	
Non-deliverable forward	USD Exports	BRL	USD	2st Qtr. 2024	USD 5,000	5.2695	1,321	
Collar	USD Exports	BRL	USD	3rd Qtr. 2023	USD 358,000	5.1255	66,402	
Collar	USD Exports	BRL	USD	4rd Qtr. 2023	USD 40,000	5.1445	7,312	
					598,000		190,176	

(1) Correspond to the not realized portion of the hedge which is registered in Other comprehensive income.

In the period ended June 30, 2023, the Bond BRF SA BRFSBZ 3.95 loan, designated as an export protection instrument, was settled and the amount of R\$(548,639) previously accumulated in Other Comprehensive Income was reclassified to income for the year under Net Revenue.

iii) Investments exposure

The Company holds both investments (net assets) and loans (financial liabilities) denominated in foreign currency. To balance the accounting effects of such exposures, some non-derivative financial liabilities are designated as hedging instruments for the investments exposure.

As a result of this strategy, the Company recognized revenue of R\$152,809 under Other comprehensive income for the six-month period ended on June 30, 2023 (R\$91,043 in the same period of the previous year) and revenue of R\$99,867 for the three-month period ended on June 30, 2023 (expense of R\$119,361 in the same period of the previous year).

The non-derivative financial instruments designated as net investment hedge instruments on June 30, 2023 are set forth below:

							06.30.23
Net investment hedge - Non-derivative instruments	Object (Investment)	Liability	Maturity	Notional	Rate		Exchange variation (1)
Parent company and consolidated							
Bond - BRF SA BRFSBZ 4.35	Federal Foods LLC	USD	3rd Qtr. 2026	USD (2)	75,673	3.7649	(80,504)
Bond - BRF SA BRFSBZ 4.35	BRF Kuwait Food Management Company WLL	USD	3rd Qtr. 2026	USD (2)	108,757	3.7649	(95,518)
Bond - BRF SA BRFSBZ 4.35	Al Khan Foodstuff LLC	USD	3rd Qtr. 2026	USD (2)	65,570	3.7649	(68,647)
Bond - BRF SA BRFSBZ 4.35	BRF Foods GmbH	USD	3rd Qtr. 2026	USD (3)	90,000	5.1629	34,530
Bond - BRF SA BRFSBZ 4.35	Al-Wafi Al-Takamol International for Foods Products	USD	3rd Qtr. 2026	USD (3)	40,000	5.1629	9,647
380,000							(200,492)

(1) Corresponds to the effective portion of the hedge result accumulated in Other Comprehensive Income.

(2) Designated on August 1st, 2019.

(3) Designated on November 9, 2022.

23.2.2. Commodities price risk

The Company uses commodities as production inputs and is exposed to commodities price risk arising from future purchases. The management of such risk is performed through physical inventories, future purchases at fixed price and through derivative financial instruments.

The Risk Policy establishes coverage limits to the flow of purchases of corn, meal and soy, soybeans and soybean oil with the purpose of reducing the impact due to a price increase of these raw materials. The hedge may be reached using derivatives or by inventory management.

As a result of this protection strategy the Company recognized in the Consolidate Cost of goods sold an income of R\$19,307 for the six-month period ended on June 30, 2023 (expense of R\$453,263 in the same period of the previous year) and income of R\$4,894 for the three-month period ended on June 30, 2023 (expense of R\$47,067 in the same period of the previous year).

The Company performs purchases at variable prices in future and spot markets and, to hedge such exposure, it holds derivative financial instruments in long position (buy) to fix these prices in advance.

The financial instruments designated as cash flow hedges for the variable commodities price exposure on June 30, 2023 are set forth below:

06.30.23						
Cash flow hedge - Derivative instruments	Hedged object	Index	Maturity	Quantity	Exercise price (1)	Fair value
Parent company and consolidated						
Non-deliverable forward - buy	Soybean purchase - floating price	Soybean - CBOT	3rd Qtr. 2023	30,000 ton	514.42	(2,345)
Non-deliverable forward - buy	Soybean purchase - floating price	Soybean - CBOT	4th Qtr. 2023	45,000 ton	504.60	(2,254)
Collar - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	3rd Qtr. 2023	27,996 ton	476.10	(1,041)
Collar - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	4th Qtr. 2023	19,997 ton	435.69	(15)
Collar - buy	Corn purchase - floating price	Corn - CBOT	3rd Qtr. 2023	54,994 ton	241.66	(9,765)
Collar - buy	Corn purchase - floating price	Corn - CBOT	4th Qtr. 2023	134,995 ton	236.87	(22,925)
Corn future - buy	Corn purchase - floating price	Corn - B3	3rd Qtr. 2023	27,189 ton	1,065.96	(634)
Corn future - buy	Corn purchase - floating price	Corn - B3	4th Qtr. 2023	141,831 ton	1,299.76	(2,367)
Collar - buy	Corn purchase - floating price	Corn - B3	1st Qtr. 2024	9,990 ton	1,100.00	(105)
Non-deliverable forward - buy	Soybean oil purchase - floating price	Soybean oil - CBOT	2nd Qtr. 2023	8,996 ton	1,349.30	(653)
Non-deliverable forward - buy	Soybean oil purchase - floating price	Soybean oil - CBOT	4th Qtr. 2023	501 ton	1,360.69	(143)
Collar - buy	Soybean oil purchase - floating price	Soybean oil - CBOT	3rd Qtr. 2023	2,000 ton	1,410.85	(67)
503,489						(42,314)

(1) Base price of each commodity in USD/ton, except for Corn – B3 denominated in R\$/ton.

In certain cases, the Company performs futures purchases at fixed prices and, to hedge such exposure, it holds derivative financial instruments in short position (sell) to keep these prices at market value. The financial instruments designated as fair value hedges for the fixed commodities price exposure on June 30, 2023 are set forth below:

06.30.23						
Fair value hedge - Derivative instruments	Hedged object	Index	Maturity	Quantity	Exercise price (1)	Fair value
Parent company and consolidated						
Non-deliverable forward - sell	Soybean purchase - fixed price	Soybean - CBOT	1st Qtr. 2024	14,996 ton	481.72	(384)
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	4th Qtr. 2023	25,795 ton	217.68	2,787
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	1st Qtr. 2024	79,846 ton	224.74	9,414
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	2nd Qtr. 2024	3,999 ton	246.88	824
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	3rd Qtr. 2024	89,773 ton	214.90	7,689
Corn future - sell	Corn purchase - fixed price	Corn - B3	4th Qtr. 2023	9,990 ton	1,520.03	1,556
Corn future - sell	Corn purchase - fixed price	Corn - B3	1st Qtr. 2024	24,300 ton	1,497.95	65
Corn future - sell	Corn purchase - fixed price	Corn - B3	3rd Qtr. 2024	13,473 ton	1,351.20	-
262,172						21,951

(1) Base price of each commodity in USD/ton, except for Corn – B3 denominated in R\$/ton.

The Company assessed that part of its cost, commodity future physical purchases in American dollars, also generates foreign exchange exposure and therefore has the following derivatives which were designated as cash flow hedge:

06.30.23							
Fair value hedge - Derivative instruments	Protection object	Assets	Liabilities	Maturity	Notional	Exercise price	Fair value
Parent company and consolidated							
Non-deliverable forward	Cost in USD	BRL	USD	4th Qtr. 2023	USD 5,615	5.2999	2,145
Non-deliverable forward	Cost in USD	BRL	USD	1st Qtr. 2024	USD 25,168	5.4134	10,879
Non-deliverable forward	Cost in USD	BRL	USD	2nd Qtr. 2024	USD 987	5.8548	784
Non-deliverable forward	Cost in USD	BRL	USD	3rd Qtr. 2024	USD 15,333	5.5516	6,980
47,103							20,788

The open and liquidated derivative financial instrument still generate impacts in the statement of financial position of: i) Consolidate Inventory a debit in the amount of R\$17,302 on June 30, 2023 (R\$18,853 on December 31, 2022); ii) Other comprehensive income a debit amount of R\$217,830 on June 30, 2023 (credit of R\$43,398 on December 31, 2022).

23.2.3. Interest rate risk

The interest rate risk may cause economic losses to the Company resulting from volatility in interest rates that affect its assets and liabilities.

The Company's Risk Policy does not restrict exposure to different interest rates, neither establishes limits for fixed or floating rates. However, the Company continually monitors the market interest rates in order to evaluate any need to enter into hedging transactions to protect from the volatility of such rates and manage the mismatch between its financial assets and liabilities.

As a result of this protection strategy the Company recognize in the Consolidated Financial Income and Expenses an income of R\$262,919 for the six-month period ended on June 30, 2023 (expense of R\$24,180 in the same period of the previous year) and an income of R\$249,410 for the three-month period ended on June 30, 2023 (expense of R\$56,881 in the same period of the previous year).

The derivative financial instruments used to hedge the exposure to interest rates as of June 30, 2023 are presented in the table below:

06.30.23								
Fair value hedge - Derivative instruments						Fair value (R\$)		
	Hedged Object	Maturity	Asset	Liability	Notional			
						Instrument		Object (1)
Parent company and Consolidated								
Interest rate swap	Debenture - 1st Issue - 3rd series - IPCA + 5.50% p.a.	2nd Qtr. 2026	IPCA + 5.50% p.a.	CDI + 0.29% p.a.	400,000	BRL	38,124	(2,832)
Interest rate swap	Debenture - 2nd Issue - 1st series - IPCA + 5.30% p.a.	3rd Qtr. 2027	IPCA + 5.30% p.a.	CDI + 2.20% p.a.	400,000	BRL	37,834	41,453
Interest rate swap	Debenture - 2nd Issue - 2nd series - IPCA + 5.60% p.a.	3rd Qtr. 2030	IPCA + 5.60% p.a.	CDI + 2.29% p.a.	595,000	BRL	42,449	136,094
Interest rate swap	Debenture - 3rd Issue - single series - IPCA + 4.78% p.a.	2nd Qtr. 2031	IPCA + 4.78% p.a.	CDI + 0.12% p.a.	1,000,000	BRL	117,770	18,003
Interest rate swap	Debenture - 1st Issue - 1st series - IPCA + 6.83% p.a.	3rd Qtr. 2032	IPCA + 6.83% p.a.	109.32% CDI	990,000	BRL	93,345	(59,911)
					3,385,000		329,522	132,807

(1) Corresponds to the accumulated amount of fair value hedge adjustments on the hedged items, included in the carrying amount of the debentures.

23.3. Credit risk management

The Company is exposed to the credit risk related to the financial assets held: trade and non-trade accounts receivable, marketable securities, derivative instruments and cash and equivalents. The Company's credit risk exposure can be assessed in notes 4, 5 and 6.

23.3.1. Credit risk in accounts receivable

The credit risk associated with trade accounts receivable is actively managed through specific systems and is supported by internal policies for credit analysis. The significant level of diversification and geographical dispersion of the customer portfolio significantly reduces the risk. However, the Company chooses to complement the risk management by contracting insurance policies for specific markets. The impairment of these financial assets is carried out based on expected credit losses.

23.3.2. Counterparty credit risk

The credit risk associated with marketable securities, cash and cash equivalents and derivative instruments in general is directed to counterparties with Investment Grade ratings. The maintenance of assets with counterparty risk is constantly assessed according to credit ratings and the Company's portfolio concentration, aligned with the applicable impairment requisites.

23.4. Capital management and liquidity risk

The Company is exposed to liquidity risk as far as it needs cash or other financial assets to settle its obligations in the respective terms. The Company's cash and liquidity strategy takes into consideration historical volatility scenarios of results as well as simulations of sectorial and systemic crisis. It is grounded on allowing resilience in scenarios of capital restriction.

23.5. Sensitivity analysis

Management believes that the most relevant risks that may affect the Company's results are the volatility of commodities prices and foreign exchange rates. Currently the fluctuation of the interest rates does not affect significantly the Company's results since Management has chosen to keep at fixed rates a considerable portion of its debts.

The amounts below represent the possible impacts (incremental results) of the hedging instruments and their respective hedged positions, considering situations of increase and decrease in the selected risk factors.

The information used in the preparation of the analysis is based on the position as of June 30, 2023, which has been described in the items above. The estimated values may differ significantly to numbers and results that will be effectively registered by the Company. Positive values indicate gains and negative values indicate losses.

Exchange rate - Balance	Scenario						
	Base	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
USD	4.8192	2.4096	3.6144	4.3373	5.3011	6.0240	7.2288
Monetary Assets and Liabilities		2,384,623	1,192,311	476,925	(476,925)	(1,192,311)	(2,384,623)
Derivative Instruments - Not designated		(2,348,656)	(1,174,328)	(469,731)	469,731	1,174,328	2,348,656
Net effect		35,967	17,983	7,194	(7,194)	(17,983)	(35,967)
EUR	5.2626	2.6313	3.9470	4.7363	5.7889	6.5783	7.8939
Monetary Assets and Liabilities		192,344	96,172	38,469	(38,469)	(96,172)	(192,344)
Derivative Instruments - Not designated		(266,814)	(133,407)	(53,363)	53,363	133,407	266,814
Net effect		(74,470)	(37,235)	(14,894)	14,894	37,235	74,470
JPY	0.0334	0.0167	0.0250	0.0300	0.0367	0.0417	0.0500
Monetary Assets and Liabilities		1,419	709	284	(284)	(709)	(1,419)
Net effect		1,419	709	284	(284)	(709)	(1,419)
TRY	0.1849	0.0925	0.1387	0.1664	0.2034	0.2311	0.2774
Monetary Assets and Liabilities		(136,032)	(68,016)	(27,206)	27,206	68,016	136,032
Derivative Instruments - Not designated		143,007	71,504	28,601	(28,601)	(71,504)	(143,007)
Net effect		6,975	3,488	1,395	(1,395)	(3,488)	(6,975)
AOA	0.0058	0.0029	0.0044	0.0053	0.0064	0.0073	0.0088
Monetary Assets and Liabilities		(29,297)	(14,648)	(5,859)	5,859	14,648	29,297
Net effect		(29,297)	(14,648)	(5,859)	5,859	14,648	29,297
ARS	0.0188	0.0094	0.0141	0.0169	0.0207	0.0235	0.0282
Monetary Assets and Liabilities		1,779	890	356	(356)	(890)	(1,779)
Net effect		1,779	890	356	(356)	(890)	(1,779)
CLP	0.0060	0.0030	0.0045	0.0054	0.0066	0.0075	0.0090
Monetary Assets and Liabilities		(141,712)	(70,856)	(28,342)	28,342	70,856	141,712
Net effect		(141,712)	(70,856)	(28,342)	28,342	70,856	141,712

Exchange rate - Operating results	Scenario						
	Base	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
USD	4.8192	2.4096	3.6144	4.3373	5.3011	6.0240	7.2288
Revenue in USD		(1,440,941)	(720,470)	(288,188)	288,188	720,470	1,440,941
NDF		481,920	240,960	96,384	(96,384)	(240,960)	(481,920)
Collar		481,920	240,960	96,384	(74,826)	(149,227)	(390,187)
Net effect		(477,101)	(238,550)	(95,420)	116,978	330,284	568,834

Exchange rate - Operating results	Scenario						
	Base (1)	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
USD	4.8192	2.4096	3.6144	4.3373	5.3011	6.0240	7.2288
Cost of Sales		(113,500)	(56,750)	(22,700)	22,700	56,750	113,500
NDF		113,500	56,750	22,700	(22,700)	(56,750)	(113,500)
Net effect		-	-	-	-	-	-
Soy Grain - CBOT	489	244	366	440	537	611	733
Cost of Sales		14,657	7,329	2,931	(2,931)	(7,329)	(14,657)
NDF		(14,657)	(7,329)	(2,931)	2,931	7,329	14,657
Net effect		-	-	-	-	-	-
Soybean Meal - CBOT	476	238	357	429	524	595	714
Cost of Sales		11,426	5,713	2,285	(2,285)	(5,713)	(11,426)
Collar		3	-	-	-	-	-
Net effect		11,429	5,713	2,285	(2,285)	(5,713)	(11,426)
Soybean Oil - CBOT	1,209	605	907	1,088	1,330	1,512	1,814
Cost of Sales		6,952	3,476	1,390	(1,390)	(3,476)	(6,952)
Collar		(17)	-	-	-	-	-
NDF		(5,734)	(2,867)	(1,147)	1,147	2,867	5,734
Net effect		1,201	609	244	(244)	(609)	(1,218)
Corn - CBOT	223	111	167	200	245	278	334
Cost of Sales		(1,050)	(525)	(210)	210	525	1,050
Collar		(45)	-	-	-	-	-
NDF		22,059	11,030	4,412	(4,412)	(11,030)	(22,059)
Net effect		20,965	10,505	4,202	(4,202)	(10,505)	(21,010)
Corn - B3	1,273	636	955	1,146	1,400	1,591	1,909
Cost of Sales		83,535	41,767	16,707	(16,707)	(41,767)	(83,535)
Future		(77,177)	(38,588)	(15,435)	15,435	38,588	77,177
Net effect		6,358	3,179	1,272	(1,272)	(3,179)	(6,358)

(1) Base price of each commodity in USD/ton, except for Corn – B3 denominated in R\$/ton.

23.6. Financial instruments by category

	Parent company		
	06.30.23		
	Amortized cost	Fair value through profit and loss	Total
Assets			
Cash and bank	119,269	-	119,269
Cash equivalents	-	3,528,526	3,528,526
Marketable securities	-	403,367	403,367
Restricted cash	29,229	-	29,229
Trade accounts receivable	4,450,564	311,351	4,761,915
Notes receivables	95,709	-	95,709
Derivatives designated as hedge accounting (1)	-	571,872	571,872
Liabilities			
Trade accounts payable	(11,254,483)	-	(11,254,483)
Loans and borrowings (2)	(15,133,827)	(5,239,098)	(20,372,925)
Derivatives not designated	-	(91,126)	(91,126)
Derivatives designated as hedge accounting (1)	-	(299,880)	(299,880)
	(21,693,539)	(814,988)	(22,508,527)

- (1) All derivatives are classified at fair value through profit and loss. Those designated as hedge accounting instruments have their gains and losses also affecting Equity and Inventories.
- (2) The part of the loans and borrowings that is object in a fair value hedge is classified as Fair value through profit and loss. The rest of the loans and borrowings balance is classified as amortized cost and those designated as cash flow or net investment hedge accounting instruments have their gains and losses also affecting Equity.

	Consolidated			
	06.30.23			
	Amortized cost	FVTOCI (3) Equity instruments	Fair value through profit and loss	Total
Assets				
Cash and bank	1,034,168	-	-	1,034,168
Cash equivalents	-	-	6,460,101	6,460,101
Marketable securities	306,024	11,105	442,127	759,256
Restricted cash	95,474	-	-	95,474
Trade accounts receivable	3,112,297	-	311,351	3,423,648
Notes receivables	95,709	-	-	95,709
Derivatives not designated	-	-	34,890	34,890
Derivatives designated as hedge accounting (1)	-	-	571,872	571,872
Liabilities				
Trade accounts payable	(12,551,675)	-	-	(12,551,675)
Loans and borrowings (2)	(18,594,121)	-	(5,239,098)	(23,833,219)
Derivatives not designated	-	-	(91,126)	(91,126)
Derivatives designated as hedge accounting (1)	-	-	(299,880)	(299,880)
	(26,502,124)	11,105	2,190,237	(24,300,782)

- (1) All derivatives are classified at fair value through profit and loss. Those designated as hedge accounting instruments have their gains and losses also affecting Equity and Inventories.
- (2) The part of the loans and borrowings that is object in a fair value hedge is classified as Fair value through profit and loss. The rest of the loans and borrowings balance is classified as amortized cost and those designated as cash flow or net investment hedge accounting instruments have their gains and losses also affecting Equity.
- (3) FVTOCI: Fair Value Through Other Comprehensive Income.

23.7. Fair value of financial instruments

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Depending on the inputs used for measurement, the financial instruments at fair value may be classified into 3 hierarchy levels:

- » Level 1 - Uses quoted prices (unadjusted) for identical instruments in active markets. In this category are classified investments in stocks, savings accounts, overnights, term deposits, Financial Treasury Bills ("LFT") and investment funds;
- » Level 2 - Uses prices quoted in active markets for similar instruments, prices quoted for identical or similar instruments in non-active markets and evaluation models for which inputs are observable. In this level are classified the investments in Bank Deposit Certificates ("CDB") and derivatives, which are measured by well-known pricing models: discounted cash flows and Black-Scholes. The observable inputs are interest rates and curves, volatility factors and foreign exchange rates;
- » Level 3 - Instruments for which significant inputs are non-observable. The Company does not have financial instruments in this category.

The table below presents the overall classification of financial instruments accounted at fair value by measurement hierarchy. For the six-month ended June 30, 2023, there were no changes among the 3 levels of hierarchy.

	06.30.23			Parent company		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial Assets						
Fair value through profit and loss						
Savings account and overnight	30,668	-	30,668	10,793	-	10,793
Term deposits	216,864	-	216,864	154,025	-	154,025
Bank deposit certificates	-	3,277,078	3,277,078	-	3,675,037	3,675,037
Financial treasury bills	388,233	-	388,233	364,543	-	364,543
Investment funds	19,050	-	19,050	18,997	-	18,997
Trade accounts receivable	-	311,351	311,351	-	274,493	274,493
Derivatives	-	571,872	571,872	-	131,148	131,148
Financial Liabilities						
Fair value through profit and loss						
Derivatives	-	(391,006)	(391,006)	-	(252,975)	(252,975)
Loans and borrowings	-	(5,239,098)	(5,239,098)	-	(7,461,296)	(7,461,296)
	654,815	(1,469,803)	(814,988)	548,358	(3,633,593)	(3,085,235)

	06.30.23			Consolidated 12.31.22		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial Assets						
Fair value through other comprehensive income						
Stocks	11,105	-	11,105	11,752	-	11,752
Fair value through profit and loss						
Savings account and overnight	720,570	-	720,570	12,720	-	12,720
Term deposits	1,894,859	-	1,894,859	2,495,438	-	2,495,438
Bank deposit certificates	-	3,840,756	3,840,756	-	3,754,202	3,754,202
Financial treasury bills	388,233	-	388,233	364,543	-	364,543
Investment funds	19,070	-	19,070	19,018	-	19,018
Trade accounts receivable	-	311,351	311,351	-	274,493	274,493
Derivatives	-	606,762	606,762	-	131,148	131,148
Other titles	38,740	-	38,740	53,809	-	53,809
Financial Liabilities						
Fair value through profit and loss						
Derivatives	-	(391,006)	(391,006)	-	(257,167)	(257,167)
Loans and borrowings	-	(5,239,098)	(5,239,098)	-	(7,461,296)	(7,461,296)
	3,072,577	(871,235)	2,201,342	2,957,280	(3,558,620)	(601,340)

Except for the items set forth below, the fair value of all other financial instruments is approximate to their book value. The fair value of the bonds set forth below is based on prices observed in active markets, level 1 of the fair value hierarchy, while the debentures are based on level 2 and are measured by discounted cash flows.

	Parent company and Consolidated					
	Currency	Maturity	06.30.23		12.31.22	
			Book value	Fair value	Book value	Fair value
BRF S.A.						
BRF SA BRFSBZ 4 3/4	USD	2024	(1,408,426)	(1,460,947)	(1,525,727)	(1,513,221)
BRF SA BRFSBZ 3.95	USD	2023	-	-	(1,185,479)	(1,209,990)
BRF SA BRFSBZ 4 7/8	USD	2030	(2,880,560)	(2,475,502)	(3,119,390)	(2,602,599)
BRF SA BRFSBZ 5 3/4	USD	2050	(3,192,167)	(2,295,076)	(3,463,081)	(2,503,033)
Debenture - 1st Issue	BRL	2032	(2,871,022)	(2,613,356)	(2,571,080)	(2,521,309)
Debenture - 2nd Issue	BRL	2030	(2,419,355)	(2,417,364)	(2,355,427)	(2,319,296)
Debenture - 3rd Issue	BRL	2031	(1,128,683)	(966,307)	(1,013,639)	(877,103)
Parent company			(13,900,213)	(12,228,551)	(15,233,823)	(13,546,551)
BRF GmbH						
BRF SA BRFSBZ 4.35	USD	2026	(2,411,240)	(2,264,456)	(2,608,613)	(2,367,075)
Consolidated			(16,311,453)	(14,493,007)	(17,842,436)	(15,913,626)

24. Segment Information

The operating segments are reported consistently with the management reports provided to the main strategic and operational decision makers for assessing the performance of each segment and allocation of resources. The operating segments information is prepared considering three reportable segments, being: Brazil, International and Other Segments.

The operating segments include the sales of all distribution channels and are subdivided according to the nature of the products, for which the characteristics are described below:

- » **In-natura**: production and sale of whole poultry and cuts and pork and other cuts.
- » **Processed**: production and sale of processed food, frozen and processed products derived from poultry, pork and beef, margarine, vegetables and soybean-based products.
- » **Other sales**: sale of flour for food service and others.

Other segments are comprised of commercialization and development of animal nutrition ingredients, human nutrition, plant nutrition (fertilizers), healthcare (health and wellness), pet food, as well as commercialization of agricultural products.

The items not allocated to the segments are presented as Corporate and refer to relevant events not attributable to the operating segments.

The net sales by nature for each reportable operating segment is set forth below:

Net sales	Consolidated			
	2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Brazil				
In-natura	1,475,840	2,939,256	1,473,912	2,908,247
Processed	4,948,855	9,769,030	5,054,004	9,496,684
Other sales	69,911	204,592	8,110	14,253
	6,494,606	12,912,878	6,536,026	12,419,184
International				
In-natura	4,170,592	9,277,474	4,843,288	9,417,485
Processed	880,926	1,855,998	776,239	1,641,010
Other sales	50,077	97,561	105,425	162,984
	5,101,595	11,231,033	5,724,952	11,221,479
Other segments	608,770	1,239,029	678,134	1,339,691
	12,204,971	25,382,940	12,939,112	24,980,354

The gross profit and income (loss) before financial results for each segment and for Corporate are set forth below:

	Consolidated							
	Gross profit				Income (loss) before financial results and income taxes			
	2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Brazil	1,272,770	2,419,193	1,037,023	1,229,651	242,909	379,097	14,248	(748,644)
Margin (%)	19.6%	18.7%	15.9%	9.9%	3.7%	2.9%	0.2%	-6.0%
International	61,075	412,409	771,111	1,542,776	(722,089)	(1,217,543)	38,264	189,367
Margin (%)	1.2%	3.7%	13.5%	13.7%	-14.2%	-10.8%	0.7%	1.7%
Other segments	151,891	327,347	174,714	323,434	81,090	181,656	112,443	198,686
Margin (%)	25.0%	26.4%	25.8%	24.1%	13.3%	14.7%	16.6%	14.8%
Subtotal	1,485,736	3,158,949	1,982,848	3,095,861	(398,090)	(656,790)	164,955	(360,591)
Corporate	-	-	-	-	36,807	116,146	(24,548)	(26,079)
Total	1,485,736	3,158,949	1,982,848	3,095,861	(361,283)	(540,644)	140,407	(386,670)
Margin (%)	12.2%	12.4%	15.3%	12.4%	-3.0%	-2.1%	1.1%	-1.6%

The composition of the main effects not allocated to the operating segments and presented as Corporate is set forth below:

Corporate	Consolidated			
	2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Results with sale and disposal of fixed assets	42,643	123,850	2,361	4,352
Reversal/(provision) for tax and civil contingencies	(559)	4,424	(19,849)	(23,697)
Expenses with demobilization	398	1,357	(5,608)	(5,551)
Investigations involving the Company	(706)	(2,928)	(175)	(355)
Expenses COVID-19	-	(364)	82	(1,128)
Other	(4,969)	(10,193)	(1,359)	300
	36,807	116,146	(24,548)	(26,079)

No customer individually or in aggregate (economic group) accounted for more than 5% of net sales for the six-month period ended June 30, 2023 and 2022.

The goodwill arising from business combinations and the intangible assets with indefinite useful life (trademarks) were allocated to the reportable operating segments, considering the economic benefits generated by such intangible assets. The allocation of these intangible assets is presented below:

	Consolidated					
	Goodwill		Trademarks		Total	
	06.30.23	12.31.22	06.30.23	12.31.22	06.30.23	12.31.22
Brazil	1,151,498	1,151,498	982,478	982,478	2,133,976	2,133,976
International	1,742,499	1,865,390	371,718	423,846	2,114,217	2,289,236
Other segments	455,158	457,215	474,897	474,875	930,055	932,090
	3,349,155	3,474,103	1,829,093	1,881,199	5,178,248	5,355,302

Information related to total assets by reportable segment is not disclosed, as it is not included in the set of information made available to the Company's management, which makes investment decisions and determine allocation of resources based on information about the consolidated assets.

25. Net Sales

	Parent company				Consolidated			
	2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Gross sales								
Brazil	7,900,921	15,624,277	8,007,688	15,223,124	7,900,921	15,624,277	8,007,688	15,223,124
International	4,461,311	9,651,842	4,332,273	8,149,144	5,379,963	11,866,047	5,972,319	11,706,973
Other segments	408,222	875,332	477,053	944,277	751,112	1,521,131	832,324	1,628,692
	12,770,454	26,151,451	12,817,014	24,316,545	14,031,996	29,011,455	14,812,331	28,558,789
Sales deductions								
Brazil	(1,406,314)	(2,711,399)	(1,471,662)	(2,803,940)	(1,406,315)	(2,711,399)	(1,471,662)	(2,803,940)
International	(28,759)	(50,837)	(29,083)	(76,283)	(278,368)	(635,015)	(247,367)	(485,494)
Other segments	(45,225)	(101,199)	(54,284)	(102,478)	(142,342)	(282,101)	(154,190)	(289,001)
	(1,480,298)	(2,863,435)	(1,555,029)	(2,982,701)	(1,827,025)	(3,628,515)	(1,873,219)	(3,578,435)
Net sales								
Brazil	6,494,607	12,912,878	6,536,026	12,419,184	6,494,606	12,912,878	6,536,026	12,419,184
International	4,432,552	9,601,005	4,303,190	8,072,861	5,101,595	11,231,032	5,724,952	11,221,479
Other segments	362,997	774,133	422,769	841,799	608,770	1,239,030	678,134	1,339,691
	11,290,156	23,288,016	11,261,985	21,333,844	12,204,971	25,382,940	12,939,112	24,980,354

26. Other Operating Income (Expenses)

	Parent company				Consolidated			
	2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Recovery of expenses	25,467	31,797	34,701	101,379	26,264	32,665	36,233	104,983
Provision reversal	513	524	-	1,036	516	534	9	1,051
Scrap sales	3,476	6,830	3,130	5,978	4,647	8,870	4,063	7,532
Provision for civil and tax risks	321	5,419	(19,691)	(74,907)	(1,031)	3,734	(19,865)	(75,360)
Other employees benefits	(3,869)	(7,877)	(6,231)	(11,671)	(3,869)	(7,877)	(6,231)	(11,671)
Insurance claims costs	(5,018)	(6,555)	(10,893)	(26,454)	(5,837)	(7,364)	(10,679)	(26,327)
Gains on the disposal of non-financial assets (1)	37,603	111,879	318	2,331	35,243	113,615	181	2,176
Demobilization expenses	398	1,357	(5,608)	(5,551)	398	1,357	(5,608)	(5,551)
Expected credit losses in other	794	254	(1,257)	(775)	794	148	(1,419)	(936)
Other	(2,497)	(8,982)	(1,309)	(4,145)	(4,172)	(8,331)	775	(1,111)
	57,188	134,646	(6,840)	(12,779)	52,953	137,351	(2,541)	(5,214)

(1) Includes gain on disposal of properties not linked to production.

27. Financial Income (Expenses)

Financial income	Note	Parent company				Consolidated			
		2023		2022		2023		2022	
		Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Interest on cash and cash equivalents	4	46,601	109,773	50,886	145,655	90,388	176,629	54,890	156,167
Income with marketable securities	5	19,172	36,919	17,196	31,994	28,863	52,657	29,947	58,984
Fair value through profit and loss		19,172	36,919	17,196	31,994	19,173	36,920	15,726	30,594
Amortized cost		-	-	-	-	9,690	15,737	14,221	28,390
Interest on recoverable taxes	9	76,563	142,004	81,303	145,130	76,652	142,184	81,567	145,530
Interest on other assets		8,880	19,684	13,929	31,633	11,669	25,288	14,607	33,276
Financial income on other assets and		7	403	555	926	8,517	17,461	2,469	3,548
		151,223	308,783	163,869	355,338	216,089	414,219	183,480	397,505
Financial expenses									
Interests on loans and borrowings	15	(519,639)	(1,000,397)	(384,809)	(767,680)	(575,788)	(1,112,407)	(430,468)	(860,208)
Interest with related parties	29	(115,418)	(227,469)	(57,577)	(123,930)	-	-	-	-
Interest on contingencies	20	(77,778)	(111,788)	(68,282)	(129,052)	(77,778)	(111,788)	(68,282)	(129,052)
Interest on leases	17	(66,673)	(126,379)	(47,628)	(89,897)	(71,570)	(137,027)	(53,199)	(100,330)
Interest on actuarial liabilities		(7,590)	(15,180)	(8,304)	(16,608)	(8,475)	(17,975)	(8,433)	(17,965)
Discount on assignment of credits		(38,800)	(80,726)	(32,819)	(65,886)	(40,573)	(84,240)	(34,254)	(68,718)
Bank expenses		(13,840)	(21,257)	(8,978)	(18,793)	(20,251)	(47,115)	(24,962)	(42,338)
Taxes on financial income		(7,140)	(15,324)	(8,955)	(17,832)	(8,586)	(17,271)	(10,491)	(20,065)
Adjustment to present value (2)	6 and 16	(265,855)	(530,854)	(244,040)	(423,210)	(263,883)	(527,318)	(238,571)	(413,601)
Other financial expenses		(39,783)	(81,447)	(14,687)	(34,186)	(61,072)	(109,023)	(25,685)	(44,736)
		(1,152,516)	(2,210,821)	(876,079)	(1,687,074)	(1,127,976)	(2,164,164)	(894,345)	(1,697,013)
Foreign exchange and monetary variations									
Exchange rate variation on monetary assets and liabilities		890,034	1,333,518	(1,668,456)	1,664,832	140,465	283,659	(656,319)	657,387
Foreign exchange of derivatives		(293,376)	(399,476)	657,950	(715,534)	(252,708)	(361,512)	660,623	(702,532)
Interest and fair value of derivatives		(125,690)	(263,022)	(204,157)	(337,661)	(125,690)	(263,026)	(177,809)	(312,823)
Net Monetary Gains or Losses (1)		-	-	-	-	50,488	131,421	274,337	273,141
		470,968	671,020	(1,214,663)	611,637	(187,445)	(209,458)	100,832	(84,827)
		(530,325)	(1,231,018)	(1,926,873)	(720,099)	(1,099,332)	(1,959,403)	(610,033)	(1,384,335)

- (1) Effects of monetary correction resulting from operations in hyperinflationary economy.
- (2) The adjustment to present value considers the balances of trade accounts receivable and trade accounts payable and the rate used for the six-month period ended on June 30, 2023 was 15.99% p.a. (15.84% p.a. in the same period of the previous year).

28. Expenses by Nature

The Company discloses its statement of income by function and thus presents below the details by nature:

	Parent company				Consolidated			
	2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Costs of sales								
Raw materials and supplies (1)	6,905,449	14,092,225	7,267,778	14,269,716	7,974,418	16,663,627	8,318,710	16,647,286
Salaries and employees benefits	1,202,941	2,307,469	1,097,524	2,150,139	1,240,592	2,465,172	1,181,330	2,335,100
Depreciation	570,562	1,122,184	535,117	1,043,321	602,924	1,198,330	583,056	1,120,193
Amortization	24,488	52,171	21,225	40,513	48,016	102,198	50,676	89,890
Other	816,040	1,665,817	732,784	1,508,768	853,285	1,794,664	822,492	1,692,024
	9,519,480	19,239,866	9,654,428	19,012,457	10,719,235	22,223,991	10,956,264	21,884,493
Sales expenses								
Indirect and direct logistics expenses	913,613	1,879,465	805,085	1,512,598	853,683	1,740,771	755,898	1,437,623
Marketing	136,853	282,291	130,672	223,781	169,550	359,461	176,554	310,747
Salaries and employees benefits	311,494	584,370	299,231	557,618	412,121	784,746	403,568	763,444
Depreciation	46,225	91,097	40,822	82,405	87,853	177,607	88,479	160,077
Amortization	13,558	29,255	13,403	27,286	18,354	39,252	17,795	35,386
Other	134,840	274,669	154,463	312,100	196,077	406,442	220,063	445,682
	1,556,583	3,141,147	1,443,676	2,715,788	1,737,638	3,508,279	1,662,357	3,152,959
Administrative expenses								
Salaries and employees benefits	51,653	91,023	65,056	110,613	80,553	150,184	96,031	171,940
Fees	11,832	25,200	15,005	29,376	11,877	25,318	15,045	29,461
Depreciation	5,259	13,779	5,742	11,427	7,814	18,662	9,145	17,752
Amortization	13,711	22,594	5,072	9,337	15,562	28,169	7,551	12,224
Other	20,813	45,758	25,882	42,744	43,638	96,918	49,664	89,571
	103,268	198,354	116,757	203,497	159,444	319,251	177,436	320,948

- (1) Includes recoveries of ICMS, PIS and COFINS taxes on inputs, INSS credits and export credits in the amount of R\$52,874 for the six-month ended June 30, 2023 (R\$38,772 in the same period of previous year) and \$22,863 for the three-month ended June 30, 2023 (R\$7,566 in the same period of previous year).

The Company incurred in expenses with internal research and development of new products of R\$22,448 for the six-month period ended June 30, 2023 in the Parent Company and in the Consolidated (R\$19,758 in the Parent Company and in the Consolidated in the same period of previous year) and R\$15,905 for the three-month period ended June 30, 2023 in the Parent Company and in the Consolidated (R\$8,601 in the Parent Company and in the Consolidated in the same period of previous year).

29. Related Parties

The balances of the transactions with related parties are as follows:

	Parent company									
	Accounts receivable		Dividends and interest on shareholders' equity receivable		Trade accounts payable		Other rights		Advances and other liabilities	
	06.30.23	12.31.22	06.30.23	12.31.22	06.30.23	12.31.22	06.30.23	12.31.22	06.30.23	12.31.22
Banvit	-	-	-	-	-	-	4,145	2,683	-	-
BRF Energia S.A.	-	-	-	-	(52,977)	(19,925)	-	-	-	-
BRF Foods GmbH	345,120	470,608	-	-	-	-	124	9	-	-
BRF Global GmbH	3,404,719	3,903,189	-	-	-	-	-	-	(6,338,086)	(7,042,333)
BRF GmbH	-	-	-	-	-	-	-	-	(1,522,992)	(1,611,779)
BRF Pet S.A.	-	-	-	-	-	-	130	-	-	-
Hercosul Alimentos Ltda.	9,162	10,662	-	-	-	-	335	-	-	-
Al-Wafi Factory	-	-	-	-	-	-	241	-	-	-
Hercosul International S.R.L.	19	732	-	-	(684)	(1,519)	-	-	-	-
Mogiana Alimentos S.A.	10,323	19,934	-	-	-	(56)	378	-	-	-
Sadia Alimentos S.A.	-	-	-	-	-	-	-	-	(3,738)	(4,019)
Sadia Chile S.A.	284,159	258,116	-	-	-	-	90	90	-	-
Sadia Uruguay S.A.	12,855	-	-	-	-	-	-	-	(47,290)	(47,141)
VIP S.A. Empreendimentos e Partic. Imob.	-	-	1,273	64	-	-	-	-	-	-
Marfrig Global Foods S.A.	9,579	11,251	-	-	(31,028)	(24,228)	-	-	-	-
Marfrig Chile S.A.	1,982	796	-	-	-	-	-	-	-	-
Quickfood S.A.	24,286	18,531	-	-	-	-	-	-	-	-
Marfrig Alimentos S.A.	-	98	-	-	-	-	-	-	-	-
Pampeano Alimentos S.A.	275	217	-	-	-	-	-	-	-	-
Total	4,102,479	4,694,134	1,273	64	(84,689)	(45,728)	5,443	2,783	(7,912,106)	(8,705,272)

- (1) The amount corresponds to export pre-payments, usual operation between the productive units in Brazil with the wholly-owned subsidiaries that operate as trading companies in the international market.
- (2) BRF S.A. performs reimbursement to certain subsidiaries for losses incurred in the normal course of their operations, generating liabilities recorded as Other Obligations with Related Parties.

	Consolidated			
	Accounts receivable		Trade accounts payable	
	06.30.23	12.31.22	06.30.23	12.31.22
Marfrig Global Foods S.A.	9,579	11,251	(35,675)	(26,970)
Marfrig Chile S.A.	2,958	2,258	-	(42)
Quickfood S.A.	24,286	18,531	-	-
Marfrig Alimentos S.A.	-	98	-	-
Weston Importers Ltd.	1,604	-	-	-
Pampeano Alimentos S.A.	275	217	-	-
Total	38,702	32,355	(35,675)	(27,012)

	Parent company											
	Sales				Financial results, net				Purchases			
	2023		2022		2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
BRF Energia S.A.	-	-	-	-	-	-	-	-	(76,413)	(161,721)	(86,515)	(166,072)
BRF Foods GmbH	-	-	94,099	164,960	-	-	-	-	-	-	-	-
BRF Global GmbH	4,611,686	9,423,401	4,180,492	7,582,237	(114,409)	(225,439)	(56,634)	(122,063)	-	-	-	-
BRF Pet S.A.	-	-	3,532	6,746	-	-	-	-	-	-	(193)	(198)
Hercosul Alimentos Ltda.	7,274	15,308	9,940	11,562	-	-	-	-	-	-	(14,848)	(14,848)
Hercosul Distrib. Ltda.	-	-	4,082	4,082	-	-	-	-	-	-	-	-
Hercosul International S.R.L.	-	1,427	1,018	1,205	-	-	-	-	(2,286)	(2,286)	(1,745)	(1,745)
Hercosul Solução em	-	-	-	-	-	-	-	-	-	-	-	-
Transportes	-	-	-	-	-	-	-	-	-	-	(210)	(210)
Mogiana Alimentos S.A.	8,707	29,260	5,565	7,745	-	-	-	-	-	-	-	-
Sadia Alimentos S.A.	-	-	-	-	(43)	(86)	(42)	(83)	-	-	-	-
Sadia Chile S.A.	107,751	222,710	90,036	144,583	-	-	-	-	-	-	-	-
Sadia Uruguay S.A.	27,899	54,615	26,315	51,406	(966)	(1,944)	(901)	(1,784)	-	-	-	-
Marfrig Global Foods S.A.	15,081	35,381	19,496	42,057	-	-	-	-	(93,900)	(179,934)	(104,414)	(215,204)
Marfrig Chile S.A.	2,013	3,807	1,626	3,035	-	-	-	-	-	-	-	-
Quickfood S.A.	25,000	58,055	10,372	23,866	-	-	-	-	-	-	-	-
Marfrig Alimentos S.A.	-	-	-	242	-	-	-	-	-	-	-	-
Pampeano Alimentos S/A	296	296	-	-	-	-	-	-	-	-	-	-
Total	4,805,708	9,844,260	4,446,574	8,043,726	(115,418)	(227,469)	(57,577)	(123,930)	(172,599)	(343,941)	(207,925)	(398,278)

					Consolidated			
	Sales				Purchases			
	2023		2022		2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Marfrig Global Foods S.A.	15,081	35,381	19,496	42,057	(132,951)	(253,992)	(144,002)	(268,777)
Marfrig Chile S.A.	3,005	6,132	4,896	8,370	(466)	(784)	(80)	(192)
Quickfood S.A.	25,000	58,055	13,335	26,829	-	-	-	-
Marfrig Alimentos S.A.	-	-	-	242	-	-	-	-
Weston Importers Ltd.	316	316	-	-	-	-	-	-
Pampeano Alimentos S/A	296	296	-	-	-	-	-	-
Total	43,698	100,180	37,727	77,498	(133,417)	(254,776)	(144,082)	(268,969)

The subsidiaries of the Company enter into loan agreements pursuant its cash management strategy respecting market conditions. As of June 30, 2023 the balance of these transactions was R\$1,689,188 (R\$2,156,987 as of December 31, 2022).

The Company made contributions related to the post-employment benefit plans of its employees to BRF Previdência, which holds these plans (note 19). Additionally, the Company leased properties owned by BRF Previdência, and for the six-month period ended June 30, 2023 the total amount of lease payments was R\$10,170 (R\$10,296 in the same period of the previous year) and for the three-month period ended June 30, 2023 the total amount of lease payments was R\$5,869 (R\$5,148 in the same period of the previous year).

The Company maintains other transactions with related parties resulting from guarantees, transferences and donations to related associations and institutes, as well as leasing and other commercial transactions with related people and entities. Such transactions are compliant with the Related Party Transactions Policy and are not relevant, individually or in aggregate.

On December 16, 2022, BRF issued a guarantee to the promissory commercial notes issued by Potengi, public offering with limited distribution efforts with maturity in eighteen (18) months. The total amount of the Offer is R\$700,000. BRF issued a joint guarantee limited to the amount corresponding to 24% of the Offer amount.

29.1. Management remuneration

The total remuneration and benefits expense with board members, statutory directors and the head of internal audit are set forth below:

	Consolidated			
	2023		2022	
	Apr - Jun	Jan - Jun	Apr - Jun	Jan - Jun
Salary and profit sharing	18,859	29,092	14,843	32,031
Short-term benefits (1)	49	162	313	676
Private pension	185	370	203	445
Termination benefits	1,509	3,028	530	1,060
Share-based payment	5,821	9,156	4,806	13,897
	26,424	41,807	20,695	48,109

(1) Comprises: medical assistance, educational expenses and others.

In addition, the executive officers (non-statutory) received among remuneration and benefits the total amount of R\$9,658 for the six-month ended June 30, 2023 (R\$13,143 in the same period of the previous year) and R\$5,922 for the three-month ended June 30, 2023 (R\$6,686 in the same period of the previous year).

30. Commitments

In the normal course of the business, the Company enters into agreements with third parties for the purchase of raw material, mainly corn and soymeal. The agreed prices in these agreements can be fixed or variable. The Company also enters into other agreements, such as electricity supply, packaging supplies, construction of buildings and others for the supply of its manufacturing activities. The firm commitments schedule is set forth below:

	Parent company	Consolidated
	06.30.23	06.30.23
Current	20,185,242	21,044,346
Non-current	7,387,373	7,590,404
2024	1,834,115	1,995,725
2025	2,366,156	2,407,551
2026	1,183,757	1,183,785
2027	839,170	839,170
2028 onwards	1,164,175	1,164,173
	27,572,615	28,634,750

31. Transactions that do not involve cash

The following transactions did not involve cash or cash equivalents during the six-month period ended June 30, 2023:

- (i) Capitalized loan interest: for the six-month ended June 30, 2023 amounted to R\$31,910 in the Parent Company and R\$35,721 in the Consolidated (R\$47,655 in the Parent Company and R\$51,684 in the Consolidated in the same period of the previous year) and for the three-month ended June 30, 2023 amounted to R\$14,889 in the Parent Company and R\$15,138 in the Consolidated (R\$23,734 in the Parent Company and R\$25,837 in the Consolidated in the same period of the previous year).
- (ii) Addition of lease by right-of-use assets and respective lease liability: for the six-month period ended on June 30, 2023 amounted to R\$503,637 in the parent company and R\$515,171 in the consolidated (R\$357,734 in the parent company and R\$529,204 in the consolidated in the same period of the previous year) for the three-month period ended on June 30, 2023 amounted to R\$215,940 in the parent company and R\$227,148 in the consolidated (R\$217,534 in the parent company and R\$344,700 in the same period of the previous year).
- (iii) Leniency Agreement: On June 30, 2023, the amount of Leniency Agreement, updated according the agreement, was settled, as follows: (i) 70% with tax losses in the amount of R\$435,128 (note 10.1); (ii) 30% with PIS and COFINS and IRPJ tax credits in the amount of R\$186,483 (notes 9.2 and 9.4).

32. Events After the Reporting Period

32.1. Capital Increase through a Public Offering of Shares

On July 3rd, 2023 an Extraordinary General Shareholders' Meeting was held and approved the amendment to the limit of authorization for capital increase by the Board of Directors, from the current 1,325,000,000 common shares to 1,825,000,000 common shares.

On July 13, 2023 the Company's Board of Directors approved: (a) the issuance of 600,000,000 new common shares, all registered, book-entry and without par value, free and clear of any liens or encumbrances; (b) the fixing of the price per share in the amount of R\$9.00 ("Price per Share"). The issuance totaled R\$5,400,000, of which R\$600,000 will be allocated to the capital stock account and R\$4,800,000 will be allocated to the capital reserve.

33. Approval of the Interim Financial Information

The interim financial information were approved and the issuance authorized by the Board of Directors on August 14, 2023.

BOARD OF DIRECTORS	
Global President Office (Non-Independent)	Marcos Antonio Molina dos Santos
Vice-Chairman (Non-Independent)	Sérgio Agapito Lires Rial
Independent Member	Aldo Luiz Mendes
Independent Member	Altamir Batista Mateus da Silva
Independent Member	Deborah Stern Vieitas
Non-Independent Member	Eduardo Augusto Rocha Pocetti
Non-Independent Member	Márcia Aparecida Pascoal Marçal dos Santos
Independent Member	Pedro de Camargo Neto
Independent Member	Augusto Marques da Cruz Filho
Independent Member	Flavia Maria Bittencourt
FISCAL COUNCIL	
Member	Atílio Guaspari
Member	Marco Antônio Peixoto Simões Velozo
Member	Bernardo Szpigel
AUDIT AND INTEGRITY COMMITTEE	
Committee Coordinator	Augusto Marques da Cruz Filho
Member	Deborah Stern Vieitas
Member	Eduardo Augusto Rocha Pocetti
External Member	Manoel Cordeiro Silva Filho
BOARD OF EXECUTIVE OFFICERS	
Global Chief Executive Officer	Miguel de Souza Gulate
Financial and Investor Relations Vice-President	Fábio Luis Mendes Mariano
People, Sustainability and Digital Vice-President	Alessandro Rosa Bonorino
Vice President of Industrial Operations and Logistics	Artemio Listoni
Agribusiness and Product Quality Vice-President	Fabio Duarte Stumpf
International Markets and Planning Vice-President	Leonardo Campo Dallorto
Brazil Commercial Vice-President	Manoel Reinaldo Manzano Martins Junior
Marketing and New Businesses Vice-President	Marcel Sacco

Marcos Roberto Badollato
Accounting Director - CRC 1SP219369/O-4

Breakdown of the Capital by Owner (Not reviewed)

The shareholding position of the shareholders holding more than 5% of the voting stock, management and members of the Board of Directors is presented below:

Shareholders	06.30.23		12.31.22	
	Quantity	%	Quantity	%
Major shareholders				
Marfrig Global Foods S.A.	360,133,580	33.27	360,133,580	33.27
Caixa de Previd. dos Func. do Banco do Brasil	67,560,738	6.24	67,560,738	6.24
Kapitalo Investimentos Ltda.	55,730,079	5.15	55,730,079	5.15
Management				
Board of Directors	518,900	0.05	518,900	0.05
Executives	579,021	0.05	655,163	0.06
Treasury shares	4,206,779	0.39	4,356,397	0.40
Other	593,744,149	54.85	593,518,389	54.83
	1,082,473,246	100.00	1,082,473,246	100.00

INDEPENDENT AUDITORS' REPORT ON REVIEW INTERIM FINANCIAL INFORMATION

To the Board of directors and shareholders of

BRF S.A.

Itajaí - SC

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of BRF S.A. (the Company), comprised in the Quarterly Information Form for the quarter ended June 30, 2023, comprising the balance sheet as of June 30, 2023 and the respective statements of income and of comprehensive income for the three and six month periods then ended and the changes in shareholders' equity and of cash flows for the period of six months then ended, including the footnotes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 – Interim Financial Reporting and with the international standard IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), such as for the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Review scope

We conducted our review in accordance with the Brazilian and International standards on reviews of interim information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). The review of interim information consists of making inquiries, primarily of persons responsible for the financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the audit standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information form referred to above has not been prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of interim financial information and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of value added for the period of six months ended June 30, 2023, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures in conjunction with the review of the Company's interim financial information to conclude they are reconciliated to the interim financial information and to the accounting records, as applicable, and whether the structure and content are in accordance with the criteria established in the NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statements of value added

were not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Audit and review of the corresponding amounts of the fiscal year and comparative period

The audit of the individual and consolidated financial statements of the Company as of December 31, 2022 was conducted under the responsibility of another independent auditor, which issued an audit report without qualifications on February 28, 2023. The review of the individual and consolidated interim financial information for the period of six months ended June 30, 2022 was conducted under the responsibility of another independent auditor, which issued a review report on that quarterly information, without qualifications, on August 10, 2022, including an emphasis of matter paragraph related to investigations concluded by US government entities and investigations conducted, at that time, by Brazilian government entities involving the Company.

São Paulo, August 14, 2023

Grant Thornton Auditores Independentes Ltda.
CRC 2SP-025.583/O-1

Octavio Zampirolo Neto

Accountant CRC 1SP-289.095/O-3

Opinion of the Audit and Integrity Committee

The Audit and Integrity Committee of BRF S.A., in fulfilling its statutory and legal duties, examined the interim financial information (Parent Company and Consolidated) for the six-month period ended on June 30, 2023, the Management Report and the review report issued without modification by Grant Thornton Auditores Independentes Ltda.

There were no situations of significant divergence between the Company's Management, the independent auditors and the Audit Committee in relation to the Company's interim financial information.

Based on the documents reviewed and the explanations provided, the members of the Audit and Integrity Committee, undersigned, issued the opinion that the interim financial information are in a position to be approved.

São Paulo, August 14, 2023.

Augusto Marques da Cruz Filho
Coordinator

Eduardo Augusto Rocha Pocetti
Member

Deborah Stern Vieitas
Member

Manoel Cordeiro Silva Filho
External Member

Statement of Executive Board on the Interim Financial Information and Independent Auditor's Report

In compliance with the dispositions of sections V and VI of the article 25 of the CVM Instruction No. 480/09, the executive board of BRF S.A. states that:

- (i) reviewed, discussed and agreed with the Company's interim financial information for the six-month period ended on June 30, 2023, and
- (ii) reviewed, discussed and agreed with the opinions expressed in the audit report issued by Grant Thornton Auditores Independentes Ltda. for the Company's interim financial information for the six-month period ended on June 30, 2023.

São Paulo, August 14, 2023.

Miguel de Souza Gularte

Global Chief Executive Officer

Fábio Luis Mendes Mariano

Financial and Investor Relations Vice-President

Alessandro Rosa Bonorino

People, Sustainability and Digital Vice-President

Artemio Listoni

Vice President of Industrial Operations and Logistics

Fabio Duarte Stumpf

Agribusiness and Product Quality Vice-President

Leonardo Campo Dallorto

International Markets and Planning Vice-President

Manoel Reinaldo Manzano Martins Junior

Brazil Commercial Vice-President

Marcel Sacco

Marketing and New Businesses Vice-President