



# Interim Financial Information

September 30, 2021

(A free translation of the original in Portuguese)

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## STATEMENT OF FINANCIAL POSITION

ASSETS	Note	Parent company		Consolidated		LIABILITIES	Note	Parent company		Consolidated	
		09.30.21	12.31.20	09.30.21	12.31.20			09.30.21	12.31.20	09.30.21	12.31.20
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	4	4,231,435	3,876,139	6,889,844	7,576,625	Loans and borrowings	15	2,421,940	811,919	2,861,250	1,059,984
Marketable securities	5	318,893	312,515	343,182	314,158	Trade accounts payable	16	9,922,746	8,156,231	11,077,197	8,996,206
Trade and other receivables	6	8,781,558	5,254,064	3,586,751	4,136,421	Supply chain finance	17	1,889,219	1,452,637	1,889,219	1,452,637
Inventories	7	7,158,067	5,161,261	9,258,921	6,802,759	Lease liability	18	367,085	302,946	485,905	383,162
Biological assets	8	2,569,929	2,044,288	2,668,065	2,129,010	Payroll, related charges and employee profit sharing		949,188	860,836	1,003,089	940,816
Recoverable taxes	9	776,456	812,338	883,740	899,120	Taxes payable		213,438	268,347	372,343	395,630
Recoverable income taxes	9	46,383	28,888	94,936	43,840	Derivative financial instruments	24	185,270	378,543	186,147	384,969
Derivative financial instruments	24	79,921	361,315	83,144	377,756	Provision for tax, civil and labor risks	21	1,046,122	860,889	1,050,188	865,338
Restricted cash		24,529	1	24,529	1	Employee benefits	20	114,938	114,938	125,312	125,230
Assets held for sale		5,000	15,637	21,773	186,025	Advances from related parties	30	14,250,968	8,960,394	-	-
Other current assets		303,320	348,722	387,341	446,269	Liabilities directly associated with assets held for sale		-	-	-	21,718
						Other current liabilities		247,447	335,137	1,183,243	814,638
Total current assets		24,295,491	18,215,168	24,242,226	22,911,984	Total current liabilities		31,608,361	22,502,817	20,233,893	15,440,328
NON-CURRENT ASSETS						NON-CURRENT LIABILITIES					
LONG-TERM RECEIVABLES						Loans and borrowings					
Marketable securities	5	14,966	15,044	375,906	344,577	Trade accounts payable	16	11,999	13,781	11,999	13,781
Trade and other receivables	6	41,550	49,569	41,886	49,864	Lease liability	18	1,843,364	1,965,748	2,069,305	2,153,519
Recoverable taxes	9	4,734,542	4,868,219	4,743,657	4,868,198	Taxes payable		132,815	141,252	133,560	141,252
Recoverable income taxes	9	54,327	54,123	59,864	54,859	Provision for tax, civil and labor risks	21	499,421	837,106	508,353	837,382
Deferred income taxes	10	2,454,669	2,068,769	2,505,005	2,109,064	Deferred income taxes	10	-	-	34,482	26,527
Judicial deposits	11	539,770	553,276	543,106	553,341	Liabilities with related parties	30	45,001	41,892	-	-
Biological assets	8	1,310,156	1,154,726	1,382,832	1,221,749	Employee benefits	20	551,809	521,855	696,862	651,325
Receivables from related parties	30	340	315	-	-	Derivative financial instruments	24	36,077	727	36,077	727
Derivative financial instruments	24	2,139	234	2,139	234	Other non-current liabilities		255,882	249,691	330,719	242,089
Restricted cash		1	24,357	1	24,357						
Other non-current assets		71,152	77,829	77,528	82,123						
Total long-term receivables		9,223,612	8,866,461	9,731,924	9,308,366	Total non-current liabilities		21,711,827	22,270,387	25,138,709	25,411,044
						EQUITY					
						22					
						Capital		12,460,471	12,460,471	12,460,471	12,460,471
						Capital reserves		141,834	141,834	141,834	141,834
						Other equity transactions		(80,313)	246	(80,313)	246
Investments	12	12,710,877	11,922,325	6,911	8,874	Accumulated losses		(3,062,798)	(2,594,028)	(3,062,798)	(2,594,028)
Property, plant and equipment, net	13	11,482,643	11,168,558	12,822,742	12,215,580	Treasury shares		(105,620)	(123,938)	(105,620)	(123,938)
Intangible assets	14	3,207,412	3,186,476	6,245,045	5,220,102	Other comprehensive loss		(1,753,727)	(1,298,801)	(1,753,727)	(1,298,801)
						Attributable to controlling shareholders		7,599,847	8,585,784	7,599,847	8,585,784
						Non-controlling interests		-	-	76,399	227,750
Total non-current assets		36,624,544	35,143,820	28,806,622	26,752,922	Total equity		7,599,847	8,585,784	7,676,246	8,813,534
TOTAL ASSETS						TOTAL LIABILITIES AND EQUITY					
		60,920,035	53,358,988	53,048,848	49,664,906			60,920,035	53,358,988	53,048,848	49,664,906

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

## STATEMENT OF INCOME (LOSS)

	Note	Parent company				Consolidated			
		2021		2020		2021		2020	
		Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
CONTINUING OPERATIONS									
NET SALES	26	11,082,728	30,605,434	8,204,499	22,716,953	12,389,985	34,618,863	9,942,591	27,995,582
Cost of sales	29	(8,828,583)	(24,499,439)	(6,621,317)	(18,633,112)	(9,765,303)	(27,573,239)	(7,598,133)	(21,419,255)
GROSS PROFIT		2,254,145	6,105,995	1,583,182	4,083,841	2,624,682	7,045,624	2,344,458	6,576,327
OPERATING INCOME (EXPENSES)									
Selling expenses	29	(1,336,551)	(3,685,525)	(1,059,722)	(3,150,070)	(1,647,761)	(4,624,899)	(1,366,469)	(4,011,692)
General and administrative expenses	29	(151,101)	(376,954)	(150,800)	(360,690)	(221,707)	(573,966)	(217,348)	(550,373)
Impairment loss on trade receivables	6	(2,318)	(8,034)	2,228	(6,850)	(3,135)	(11,627)	(3,371)	(15,126)
Other operating income (expenses), net	27	(66,689)	34,700	1,249	(82,861)	(21,599)	103,581	(13,193)	(113,193)
Income from associates and joint ventures	12	767,247	72,400	1,118,703	7,192,215	-	-	-	-
INCOME BEFORE FINANCIAL RESULTS AND INCOME TAXES		1,464,733	2,142,582	1,494,840	7,675,585	730,480	1,938,713	744,077	1,885,943
Financial income		110,336	285,777	59,604	232,713	133,806	340,283	72,702	267,413
Financial expenses		(715,619)	(2,192,668)	(749,766)	(1,942,389)	(1,047,189)	(2,470,878)	(591,666)	(1,327,579)
Foreign exchange and monetary variations		(1,109,200)	(691,061)	(544,720)	(5,396,236)	(71,575)	(216,381)	82,545	(173,025)
FINANCIAL INCOME (EXPENSES), NET	28	(1,714,483)	(2,597,952)	(1,234,882)	(7,105,912)	(984,958)	(2,346,976)	(436,419)	(1,233,191)
INCOME (LOSS) BEFORE TAXES		(249,750)	(455,370)	259,958	569,673	(254,478)	(408,263)	307,658	652,752
Income taxes	10	(25,850)	1,356	(43,167)	(94,933)	(16,505)	(38,818)	(88,949)	(165,146)
INCOME (LOSS) FROM CONTINUING OPERATIONS		(275,600)	(454,014)	216,791	474,740	(270,983)	(447,081)	218,709	487,606
LOSS FROM DISCONTINUED OPERATIONS									
INCOME (LOSS) FOR THE PERIOD		(282,116)	(501,816)	216,791	474,740	(277,499)	(494,883)	218,709	487,606
Net Income (loss) from Continuing Operation Attributable to									
Controlling shareholders		(275,600)	(454,014)	216,791	474,740	(275,600)	(454,014)	216,791	474,740
Non-controlling interest		-	-	-	-	4,617	6,933	1,918	12,866
		(275,600)	(454,014)	216,791	474,740	(270,983)	(447,081)	218,709	487,606
Net Loss From Discontinued Operations Attributable to									
Controlling shareholders		(6,516)	(47,802)	-	-	(6,516)	(47,802)	-	-
Non-controlling interest		-	-	-	-	-	-	-	-
		(6,516)	(47,802)	-	-	(6,516)	(47,802)	-	-
INCOME (LOSS) PER SHARE FROM CONTINUED OPERATIONS									
Weighted average shares outstanding - basic						807,709,278	808,013,781	807,406,368	809,583,921
Income (loss) per share - basic	23	(0.34)	(0.56)					0.27	0.59
Weighted average shares outstanding - diluted						807,709,278	808,013,781	807,464,700	809,642,253
Income (loss) per share - diluted	23	(0.34)	(0.56)					0.27	0.59
LOSSES PER SHARE FROM DISCONTINUED OPERATIONS									
Weighted average shares outstanding - basic						807,709,278	808,013,781	-	-
Losses per share - basic	23	(0.01)	(0.06)					-	-
Weighted average shares outstanding - diluted						807,709,278	808,013,781	-	-
Losses per share - diluted	23	(0.01)	(0.06)					-	-

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

## STATEMENT OF COMPREHENSIVE INCOME (LOSS)

	Note	Parent company				Consolidated			
		2021		2020		2021		2020	
		Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Income (loss) for the period		(282,116)	(501,816)	216,791	474,740	(277,499)	(494,883)	218,709	487,606
Other comprehensive income (loss)									
Loss on foreign currency translation of foreign operations		(62,480)	(159,117)	(91,751)	(240,273)	(64,635)	(204,216)	(90,273)	(195,970)
Loss on net investment hedge		(106,956)	(61,079)	(43,428)	(385,539)	(106,956)	(61,079)	(43,428)	(385,539)
Gain (loss) on cash flow hedge	24	(296,679)	(239,566)	197,296	(544,187)	(296,612)	(239,499)	197,296	(544,187)
Gain on debt investments measured at FVTOCI (1)	5	-	-	348	178	-	-	348	178
Net other comprehensive income (loss), to be reclassified to the statement of income in subsequent periods		(466,115)	(459,762)	62,465	(1,169,821)	(468,203)	(504,794)	63,943	(1,125,518)
Gain (loss) on equity investments measured at FVTOCI (1)	5	-	26,030	(924)	4,079	-	26,030	(924)	4,079
Actuarial gains on pension and post-employment plans	20	3,753	11,852	7,194	20,229	3,694	11,729	7,170	20,134
Net other comprehensive income, with no impact into subsequent statement of income		3,753	37,882	6,270	24,308	3,694	37,759	6,246	24,213
Comprehensive income (loss), net of taxes		(744,478)	(923,696)	285,526	(670,773)	(742,008)	(961,918)	288,898	(613,699)
Attributable to									
Controlling shareholders		(744,478)	(923,696)	285,526	(670,773)	(744,478)	(923,696)	285,526	(670,773)
Non-controlling interest		-	-	-	-	2,470	(38,222)	3,372	57,074
		(744,478)	(923,696)	285,526	(670,773)	(742,008)	(961,918)	288,898	(613,699)

(1) FVTOCI: Fair Value Through Other Comprehensive Income.

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

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

## STATEMENT OF CHANGES IN EQUITY

	Attributed to controlling shareholders										Non-controlling interest	Total shareholders' equity (consolidated)
	Other comprehensive income (loss)											
	Capital	Capital reserves	Other equity transactions (4)	Treasury shares	Accumulated foreign currency translation adjustments	Gains (losses) on marketable securities at FVTOCI (2)	Gains (losses) on cash flow hedge	Actuarial gains (losses)	Retained losses	Total equity		
BALANCES AT DECEMBER 31, 2019	12,460,471	141,834	51,011	(38,239)	(193,379)	4,454	(356,721)	(176,823)	(3,996,985)	7,895,623	252,726	8,148,349
Comprehensive income (loss) (1)												
Gains (losses) on foreign currency translation of foreign operations	-	-	-	-	(207,734)	-	-	-	-	(207,734)	28,308	(179,426)
Loss on net investment hedge	-	-	-	-	(277,856)	-	-	-	-	(277,856)	-	(277,856)
Unrealized gains on marketable securities at FVTOCI (2)	-	-	-	-	-	2,562	-	-	-	2,562	-	2,562
Unrealized losses in cash flow hedge	-	-	-	-	-	-	(81,500)	-	-	(81,500)	-	(81,500)
Actuarial losses on pension and post-employment plans	-	-	-	-	-	-	-	7,589	-	7,589	(468)	7,121
Income for the year	-	-	-	-	-	-	-	-	1,383,564	1,383,564	6,505	1,390,069
SUB-TOTAL COMPREHENSIVE INCOME (LOSS)	-	-	-	-	(485,590)	2,562	(81,500)	7,589	1,383,564	826,625	34,345	860,970
Employee benefits remeasurement - defined benefit	-	-	-	-	-	-	-	(19,393)	19,393	-	-	-
Appropriation of income (loss)												
Dividends	-	-	-	-	-	-	-	-	-	-	(4,458)	(4,458)
Share-based payments	-	-	180	20,371	-	-	-	-	-	20,551	-	20,551
Acquisition of non-controlling interests	-	-	(50,945)	-	-	-	-	-	-	(50,945)	(54,863)	(105,808)
Acquisition of treasury shares	-	-	-	(106,070)	-	-	-	-	-	(106,070)	-	(106,070)
BALANCES AT DECEMBER 31, 2020	12,460,471	141,834	246	(123,938)	(678,969)	7,016	(438,221)	(188,627)	(2,594,028)	8,585,784	227,750	8,813,534
Comprehensive income (loss) (1)												
Losses on foreign currency translation of foreign operations	-	-	-	-	(159,117)	-	-	-	-	(159,117)	(45,099)	(204,216)
Losses on net investment hedge	-	-	-	-	(61,079)	-	-	-	-	(61,079)	-	(61,079)
Unrealized gains on marketable securities at FVTOCI (2)	-	-	-	-	-	26,030	-	-	-	26,030	-	26,030
Unrealized gains (losses) in cash flow hedge	-	-	-	-	-	-	(239,566)	-	-	(239,566)	67	(239,499)
Actuarial gains (losses) on pension and post-employment plans	-	-	-	-	-	-	-	11,852	-	11,852	(123)	11,729
Income (loss) for the period	-	-	-	-	-	-	-	-	(501,816)	(501,816)	6,933	(494,883)
SUB-TOTAL COMPREHENSIVE INCOME (LOSS)	-	-	-	-	(220,196)	26,030	(239,566)	11,852	(501,816)	(923,696)	(38,222)	(961,918)
Realized gain in marketable securities at FVTOCI (2)	-	-	-	-	-	(33,046)	-	-	33,046	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	(80)	(80)
Share-based payments	-	-	(886)	18,318	-	-	-	-	-	17,432	-	17,432
Acquisition of non-controlling interests (3)	-	-	(79,673)	-	-	-	-	-	-	(79,673)	(113,049)	(192,722)
BALANCES AT SEPTEMBER 30, 2021	12,460,471	141,834	(80,313)	(105,620)	(899,165)	-	(677,787)	(176,775)	(3,062,798)	7,599,847	76,399	7,676,246

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

(2) FVTOCI: Fair Value Through Other Comprehensive Income.

(3) Acquisition of remaining participation in the subsidiary AFC (note 1.1).

(4) Comparative period was restated as described in note 22.2.

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

## STATEMENT OF CASH FLOWS

	Parent company		Consolidated	
	2021	2020	2021	2020
	Jan - Sep	Restated (4) Jan - Sep	Jan - Sep	Restated (4) Jan - Sep
<b>OPERATING ACTIVITIES</b>				
Income (loss) from continuing operations	(454,014)	474,740	(447,081)	487,606
<b>Adjustments for:</b>				
Depreciation and amortization	1,023,786	936,404	1,301,510	1,127,954
Depreciation and depletion of biological assets	689,098	578,814	754,783	645,551
Result on disposal of property, plant and equipments and investment	(16,790)	15,778	(89,775)	24,279
Write-down of inventories to net realizable value	54,950	70,454	68,965	96,916
Provision for tax, civil and labor risks	74,065	259,250	73,645	260,311
Income from investments under the equity method	(72,400)	(7,192,215)	-	-
Financial results, net	2,597,952	7,105,912	2,346,976	1,233,191
Tax recoveries and gains in tax lawsuits	(64,877)	(294,890)	(64,877)	(294,890)
Deferred income tax	(257,446)	94,933	(271,803)	118,451
Employee profit sharing	49,624	162,526	65,255	159,669
Other provisions	2,199	258,920	5,790	271,994
	<b>3,626,147</b>	<b>2,470,626</b>	<b>3,743,388</b>	<b>4,131,032</b>
Trade accounts receivable	(3,472,227)	(295,819)	849,748	827,060
Inventories	(2,051,756)	(1,970,849)	(2,385,327)	(1,980,815)
Biological assets - current	(525,641)	(284,663)	(551,526)	(295,995)
Trade accounts payable	1,095,564	1,384,016	1,181,000	1,521,185
Supply chain finance	443,092	282,351	443,092	282,351
<b>Cash generated (applied) by operating activities</b>	<b>(884,821)</b>	<b>1,585,662</b>	<b>3,280,375</b>	<b>4,484,818</b>
Investments in securities at FVTPL (1)	(23,894)	2,800	(46,695)	-
Redemptions of securities at FVTPL (1)	36,628	99,264	66,797	102,172
Interest received	60,108	69,305	61,872	77,686
Dividends and interest on shareholders' equity received	10	304,055	-	-
Payment of tax, civil and labor provisions	(269,701)	(215,439)	(269,704)	(215,439)
Derivative financial instruments	(55,913)	1,253,570	(35,097)	1,285,272
Payment of income taxes	-	-	-	(152)
Other operating assets and liabilities (2)	4,101,282	(133,030)	(123,894)	378,166
<b>Net cash provided by operating activities</b>	<b>2,963,699</b>	<b>2,966,187</b>	<b>2,933,654</b>	<b>6,112,523</b>
<b>INVESTING ACTIVITIES</b>				
Investments in securities at amortized cost	-	-	(4,060)	-
Redemptions of securities at amortized cost	-	-	166,112	-
Investments in securities at FVTOCI (3)	-	-	(12,866)	-
Redemptions of securities at FVTOCI (3)	-	-	86,059	26,352
Redemption of restricted cash	400	285,622	400	285,622
Additions to property, plant and equipment	(958,688)	(512,105)	(1,050,838)	(542,600)
Additions to biological assets - non-current	(843,281)	(656,499)	(922,801)	(725,484)
Proceeds from disposals of property, plant, equipments and investment	49,340	69,696	49,340	69,696
Additions to intangible assets	(137,760)	(82,437)	(133,436)	(74,384)
Business combination, net of cash	(581)	-	(983,709)	-
Sale of participation in subsidiaries with loss of control	-	-	132,951	38,546
Acquisition of participation in joint ventures and subsidiaries	1,973	(819)	1,974	(819)
Capital increase in associates	(87,398)	(5,000)	-	-
<b>Net cash used in investing activities</b>	<b>(1,975,995)</b>	<b>(901,542)</b>	<b>(2,670,874)</b>	<b>(923,071)</b>
Net cash provided by investing activities from discontinued operations	-	-	(17,550)	-
<b>Net cash used in investing activities</b>	<b>(1,975,995)</b>	<b>(901,542)</b>	<b>(2,688,424)</b>	<b>(923,071)</b>
<b>FINANCING ACTIVITIES</b>				
Proceeds from debt issuance	1,578,249	8,041,948	1,831,117	8,666,404
Repayment of debt	(894,772)	(5,975,345)	(980,677)	(6,360,934)
Payment of interest	(911,775)	(851,575)	(1,021,601)	(1,002,146)
Payment of interest derivatives - fair value hedge	(1,086)	-	(1,086)	-
Treasury shares acquisition	-	(106,070)	-	(106,070)
Acquisition of non-controlling interests	-	-	(238,421)	(100,390)
Payment of lease liabilities	(415,266)	(339,198)	(548,911)	(402,259)
<b>Net cash provided by (used in) financing activities</b>	<b>(644,650)</b>	<b>769,760</b>	<b>(959,579)</b>	<b>694,605</b>
<b>EFFECT OF EXCHANGE RATE VARIATION ON CASH AND CASH EQUIVALENTS</b>				
Net increase (decrease) in cash and cash equivalents	355,296	3,132,837	(686,781)	7,160,802
Balance at the beginning of the period	3,876,139	1,368,980	7,576,625	4,237,785
Balance at the end of the period	<b>4,231,435</b>	<b>4,501,817</b>	<b>6,889,844</b>	<b>11,398,587</b>

(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\$(4,998,148) in the nine-month period ended on September 30, 2021 (R\$2,592,522) in the same period of the previous year).

(3) FVTOCI: Fair Value Through Other Comprehensive Income.

(4) Restated according to reclassifications described in note 3.

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



## STATEMENT OF VALUE ADDED

	Parent company		Consolidated	
	2021	2020	2021	2020
	Jan - Sep	Jan - Sep	Jan - Sep	Jan - Sep
<b>1 - REVENUES</b>	<b>34,975,944</b>	<b>26,089,939</b>	<b>39,166,633</b>	<b>31,326,797</b>
Sales of goods and products	33,945,439	25,508,872	37,991,120	30,790,075
Other income	87,409	81,208	171,921	47,123
Revenue related to construction of own assets	951,130	506,709	1,015,219	504,725
Expected credit losses	(8,034)	(6,850)	(11,627)	(15,126)
<b>2 - SUPPLIES ACQUIRED FROM THIRD PARTIES</b>	<b>(23,495,331)</b>	<b>(17,059,228)</b>	<b>(26,993,361)</b>	<b>(20,165,551)</b>
Costs of goods sold	(19,821,566)	(14,343,665)	(22,672,153)	(16,908,250)
Materials, energy, third parties services and other	(3,682,625)	(2,714,804)	(4,330,871)	(3,245,659)
Reversal for inventories losses	8,860	(759)	9,663	(11,642)
<b>3 - GROSS ADDED VALUE (1-2)</b>	<b>11,480,613</b>	<b>9,030,711</b>	<b>12,173,272</b>	<b>11,161,246</b>
<b>4 - DEPRECIATION AND AMORTIZATION</b>	<b>(1,712,884)</b>	<b>(1,515,218)</b>	<b>(2,056,293)</b>	<b>(1,773,505)</b>
<b>5 - NET ADDED VALUE (3-4)</b>	<b>9,767,729</b>	<b>7,515,493</b>	<b>10,116,979</b>	<b>9,387,741</b>
<b>6 - RECEIVED FROM THIRD PARTIES</b>	<b>355,092</b>	<b>7,423,384</b>	<b>337,198</b>	<b>266,854</b>
Income from associates and joint ventures	72,400	7,192,215	-	-
Financial income	285,777	232,713	340,283	267,413
Others	(3,085)	(1,544)	(3,085)	(559)
<b>7 - ADDED VALUE TO BE DISTRIBUTED (5+6)</b>	<b>10,122,821</b>	<b>14,938,877</b>	<b>10,454,177</b>	<b>9,654,595</b>
<b>8 - DISTRIBUTION OF ADDED VALUE</b>	<b>10,122,821</b>	<b>14,938,877</b>	<b>10,454,177</b>	<b>9,654,595</b>
<b>Payroll</b>	<b>3,878,029</b>	<b>3,830,054</b>	<b>4,321,717</b>	<b>4,208,504</b>
Salaries	2,762,931	2,756,864	3,110,366	3,058,122
Benefits	917,495	886,717	999,659	949,287
Government severance indemnity fund for employees	197,603	186,473	211,692	201,095
<b>Taxes, Fees and Contributions</b>	<b>3,684,511</b>	<b>3,187,053</b>	<b>3,782,102</b>	<b>3,281,743</b>
Federal	1,472,503	1,345,060	1,543,434	1,432,862
State	2,177,722	1,810,829	2,197,618	1,810,774
Municipal	34,286	31,164	41,050	38,107
<b>Capital Remuneration from Third Parties</b>	<b>3,014,295</b>	<b>7,447,030</b>	<b>2,797,439</b>	<b>1,676,742</b>
Interests, including exchange variation	2,920,349	7,352,370	2,723,879	1,514,349
Rents	93,946	94,660	73,560	162,393
<b>Interest on Own-Capital</b>	<b>(454,014)</b>	<b>474,740</b>	<b>(447,081)</b>	<b>487,606</b>
Income (loss) for the period from continuing operations	(454,014)	474,740	(454,014)	474,740
Non-controlling interest	-	-	6,933	12,866

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



## EARNINGS RELEASE

Sadia



Qualy



ساديا  
Sadia



Claybom

Deline

3Q21

## QUARTER HIGHLIGHTS



**R\$12,390** million  
Net Revenues  
+ 24.6% YoY



**R\$2,625** million  
Gross Profit  
+12.0% YoY



**21.2%**  
Gross Margin  
-2.4 p.p YoY



**R\$ 271** million  
Net Loss Continued Op.  
R\$ 219 million Net Income in 3Q20



**R\$1,367** million  
Adjusted EBITDA  
+3.9% YoY



**11.0%**  
EBITDA Adjusted Margin  
-2.2 p.p YoY



**R\$ 1.567** million  
Operating Cash Flow  
R\$ 1,770 million in 3Q20



**3.06x**  
Net Leverage  
3.01x Proforma  
2.90x in 3Q20



**R\$9.3** years  
Debt Average Term  
+7.5 years YoY



**R\$19.13** bi  
**US\$ 3.50** bi  
Market Cap



**BRFS3 R\$23.54**  
**BRFS US\$ 4.31**  
Stock Prices



**812,473,246** common shares  
**4,061,680** treasury shares  
Base: 09/30/2021  
Shares Outstanding

### Conference Call

11/11/2021 - Thursday  
10:00 a.m. BRT | 8:00 a.m. US ET

### Acesso em:

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São Paulo, November 10, 2021 – BRF S.A. (B3: BRFS3; NYSE:BRF) – referred to as “BRF” or “Company” is today announcing its results for the 3<sup>rd</sup> quarter of 2021. This report includes results recorded in Brazilian Reais, pursuant to Brazilian corporation law and the accounting practices adopted in Brazil. These results comply with the International Financial Reporting Standards (IFRS) and are comparable to the same periods of 2020 and/or previous years, as indicated.

## Disclaimer

The statements included in this report concerning the Company’s prospective business, projections and potential growth are merely forecasts based on management’s expectations regarding to the Company’s future. These estimates are highly dependent on market changes and the general economic performance of the country, the industry, and international markets, and are therefore subject to change.

## Message from Management

To our shareholders,

Our third quarter results reflect the productivity gains of recent years, which are translated into solid margins and nominal growth of Gross Profit and EBITDA, even in a sharp inflationary environment. We present a winning brand management strategy with increased preference, as per Sadia reaching the leadership on the ranking of the Food brands in Brazil in September 2021.

We are enthusiastically celebrating the 50th anniversary of Lek Trek, our charismatic mascot representing one of our leading brands, Sadia, and the 30th anniversary of Qualy, which became the preferred margarine brand in Brazil. The success of our brands over decades as the leading ones in the market, innovating and expanding their positions, reflects our unquestionable competitive advantage.

We are moving forward with the 2030 Vision: In the pet food segment, with the approval of the Brazilian Competition Authority (CADE) in September and in connection with the acquisition of Grupo Hercosul, we began integrating our operations, sharing knowledge and best practices. We acquired strong brands and our focus is to boost the business strategy in the specialized distribution channel. We are also investing in campaigns focusing on the versatility of pork recipes and on demystifying old concepts, to encourage its consumption. In ready-to-eat-meals, we keep up with our investment plan to increase its production capacity. Finally, for meat substitutes, we launched and expanded the Sadia Veg&Tal line, with pea, soybean, and bean protein-based products.

With investments of approximately R\$ 300 million, we expanded our production capacity with our new plant in Seropédica, in Rio de Janeiro. It is the Company’s 40th production site; the first exclusively dedicated to the production of franks and one of the most advanced in Industry 4.0, using clean energy, minimal generation of solid waste, and water reuse and waste in several processes.

We announced two investments in our ESG Agenda: In association with AES Brasil Energia, we will build a wind power plant in Rio Grande do Norte; and, with Pontoon, a solar power plant in Ceará, both for energy self-generation. The partnerships intend to ensure clean energy at competitive costs, which, added to the current clean energy portfolio at BRF, will provide 88% of electricity from clean, renewable sources in Brazil. With this, we reinforce our commitment to become Net Zero in Greenhouse effect gases (GHG) until 2040 in our operations and production chain. Also, in this quarter, Global Reporting Initiative (GRI) elected us as one of the most transparent companies in sustainability, and that demonstrates our constant evolution in business management and transparency.

In this quarter, in which we celebrate 87 years, Forbes listed us as one of the best companies to work for in the world, and the top-ranked among the three Brazilian corporations listed in the ranking. We reinforce our belief in Sustainability, specially in people management, with the evolution of our cultural transformation and solidness of our practices.

On my behalf and of our Executive Committee, I would like to thank the Board of Directors and our shareholders for their support, in addition to our employees, integrated farmers, suppliers, partners, customers, communities and consumers to support our progress in this journey to make BRF a global food company, with increasingly practical and tastier high value-added products, all underpinned by quality, safety, and integrity.

**Lorival Nogueira Luz Jr.**  
Global CEO

## OPERATING AND FINANCIAL PERFORMANCE

See below our results by segment and related quarterly comparisons.

Highlights ( Million R\$)	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
Volume (Thousand Tons)	1,168	1,112	5.1%	1,148	1.8%
<b>Net Revenues</b>	<b>12,390</b>	<b>9,943</b>	<b>24.6%</b>	<b>11,637</b>	<b>6.5%</b>
Average Price (R\$/kg)	10.61	8.94	18.6%	10.14	4.6%
COGS	(9,765)	(7,598)	28.5%	(9,411)	3.8%
COGS/Kg	(8.36)	(6.84)	22.3%	(8.20)	2.0%
<b>Gross Profit</b>	<b>2,625</b>	<b>2,344</b>	<b>12.0%</b>	<b>2,226</b>	<b>17.9%</b>
Gross Margin	21.2%	23.6%	(2.4) p.p.	19.1%	2.1 p.p.
<b>Net (Loss) Income Continued Operations</b>	<b>(271)</b>	<b>219</b>	<b>n.m.</b>	<b>(199)</b>	<b>36.5%</b>
Net Margin - Continued Op. (%)	(2.2%)	2.2%	(4.4) p.p.	(1.7%)	(0.5) p.p.
<b>Net (Loss) Income Total Consolidated</b>	<b>(277)</b>	<b>219</b>	<b>n.m.</b>	<b>(240)</b>	<b>15.7%</b>
Net Margin - Total Consolidated (%)	(2.2%)	2.2%	(4.4) p.p.	(2.1%)	(0.1) p.p.
<b>Adjusted EBITDA</b>	<b>1,367</b>	<b>1,317</b>	<b>3.9%</b>	<b>1,271</b>	<b>7.6%</b>
EBITDA Adjusted Margin (%)	11.0%	13.2%	(2.2) p.p.	10.9%	0.1 p.p.
<b>Cash Generation (Consumption)</b>	<b>(308)</b>	<b>987</b>	<b>n.m.</b>	<b>(2,168)</b>	<b>(85.8%)</b>
Net Debt	16,682	14,557	14.6%	14,791	12.8%
<b>Leverage (Net Debt/Adj.EBITDA LTM)</b>	<b>3.06x</b>	<b>2.90x</b>	<b>5.4%</b>	<b>2.73x</b>	<b>11.9%</b>

## BRAZILIAN SEGMENT

Brazil Segment	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
Volume (Thousand Tons)	577	581	(0.6%)	570	1.4%
Poultry (In Natura)	119	111	7.0%	111	7.1%
Pork and Others (In Natura)	34	32	4.2%	31	9.0%
Processed foods	425	438	(2.9%)	428	(0.7%)
<b>Net Operating Revenues (R\$, Million)</b>	<b>6,392</b>	<b>5,326</b>	<b>20.0%</b>	<b>5,817</b>	<b>9.9%</b>
Average price (R\$/kg)	11.07	9.17	20.7%	10.21	8.4%
COGS	(4,911)	(3,983)	23.3%	(4,761)	3.2%
COGS/Kg	(8.51)	(6.86)	24.1%	(8.36)	1.8%
<b>Gross Profit (R\$, Million)</b>	<b>1,481</b>	<b>1,344</b>	<b>10.2%</b>	<b>1,056</b>	<b>40.2%</b>
Gross Margin (%)	23.2%	25.2%	(2.0) p.p.	18.2%	5.0 p.p.
<b>EBITDA Adjusted</b>	<b>878</b>	<b>831</b>	<b>5.7%</b>	<b>492</b>	<b>78.4%</b>
EBITDA Adjusted Margin (%)	13.7%	15.6%	(1.9) p.p.	8.5%	5.2 p.p.

The 3Q21 results displays the effectiveness of BRF's strategy in the Brazilian market. We conducted a price pass-through to balance the industry margins in the face of accelerated global inflation. We reported the second consecutive quarter with sales volume expansion, with similar results to the same period of the previous year, which represents the highest result in a third quarter since 2015. In addition to improving our value-added mix, innovation, business execution, and disciplined expenses management, we had a prompt recovery of the EBITDA Margin in the Brazil business segment.

The scenario is still challenging, and we see different variables that can have impacts on consumption such as high inflation, loss of the consumer's confidence, and economic outlook. However, our experience and focus on execution are essential. That materializes in our quarterly results, as (i) an increase of the consumers' preference for our brands; ii) an increase of capillarity and multichannel initiatives; iii) excellence in business execution, and iv) innovation.

During the quarter, Sadia became the leading food brand<sup>1</sup> for the first time, while Perdigão remained in the third position and Qualy is the leading margarine brand. We expanded our scope of sales through a partnership with Magazine Luiza, with which we are offering our products on its marketplace. With the announcement of the partnership with Ambev, our products can be found on the Bees platform, in bars and restaurants, reinforcing our presence in the digital retail. We launched our sales platform via WhatsApp for our B2B customers, and we will open new Mercado Sadia stores by December 2021. Our service levels have an accumulated on-time indicator of 90% and a growth rate of 31,500 clients y/y, reaching 293,700 clients served.

Finally, we observed the continuous trend of the increased consumption per capita of chicken<sup>2</sup> from 45.3 kg to 46.0 kg (+1.5% y/y), and pork from 16.1 kg to 16.9 kg (+4.7% y/y). On the other hand, the substantial decrease in the consumption of beef per capita reached the lowest number since 1996 according to Conab<sup>3</sup>, of 26.4 kg per capita per year (-4.5% y/y), as a result of difficulties in reestablishing the prices of such protein to the prices registered before 2019. In 3Q21, we launched campaigns on the versatility of pork in the Brazilians' plate, with a campaign starred by Chef Felipe Bronze and, with Perdigão, with the Na Brasa sub-brand. We will keep investing in innovation, seeking new ways to meet the demands of our consumers, expanding the share of the products of our portfolio, which accounted for 83% of the revenue earned in this quarter.

## INTERNATIONAL SEGMENT

International Segment	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Volume (Thousand Tons)</b>	<b>496</b>	<b>461</b>	<b>7.5%</b>	<b>499</b>	<b>(0.7%)</b>
<i>Poultry (In Natura)</i>	<i>377</i>	<i>355</i>	<i>6.4%</i>	<i>380</i>	<i>(0.9%)</i>
<i>Pork and Others (In Natura)</i>	<i>50</i>	<i>51</i>	<i>(1.7%)</i>	<i>53</i>	<i>(4.7%)</i>
<i>Processed foods</i>	<i>68</i>	<i>55</i>	<i>23.3%</i>	<i>66</i>	<i>3.4%</i>
<b>Net Operating Revenues (R\$, Million)</b>	<b>5,449</b>	<b>4,309</b>	<b>26.4%</b>	<b>5,428</b>	<b>0.4%</b>
<i>Average price (R\$/Kg)</i>	<i>10.99</i>	<i>9.35</i>	<i>17.6%</i>	<i>10.87</i>	<i>1.1%</i>
<b>COGS</b>	<b>(4,469)</b>	<b>(3,387)</b>	<b>31.9%</b>	<b>(4,365)</b>	<b>2.4%</b>
<i>COGS/Kg</i>	<i>(9.02)</i>	<i>(7.34)</i>	<i>22.7%</i>	<i>(8.75)</i>	<i>3.1%</i>
<b>Gross Profit (R\$, Million)</b>	<b>980</b>	<b>923</b>	<b>6.2%</b>	<b>1,063</b>	<b>(7.8%)</b>
<i>Gross Margin (%)</i>	<i>18.0%</i>	<i>21.4%</i>	<i>(3.4) p.p.</i>	<i>19.6%</i>	<i>(1.6) p.p.</i>
<b>Adjusted EBITDA (R\$, Million)</b>	<b>411</b>	<b>476</b>	<b>(13.7%)</b>	<b>619</b>	<b>(33.6%)</b>
<i>Adjusted EBITDA Margin (%)</i>	<i>7.5%</i>	<i>11.0%</i>	<i>(3.5) p.p.</i>	<i>11.4%</i>	<i>(3.9) p.p.</i>

### 1. Asia

Asia	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Volume (Thousand Tons)</b>	<b>143</b>	<b>136</b>	<b>5.2%</b>	<b>151</b>	<b>(5.3%)</b>
<i>Poultry (In Natura)</i>	<i>98</i>	<i>90</i>	<i>8.4%</i>	<i>103</i>	<i>(5.4%)</i>
<i>Pork and Others (In Natura)</i>	<i>41</i>	<i>42</i>	<i>(2.3%)</i>	<i>43</i>	<i>(6.2%)</i>
<i>Processed foods</i>	<i>5</i>	<i>4</i>	<i>10.4%</i>	<i>4</i>	<i>6.0%</i>
<b>Net Operating Revenues (R\$, Million)</b>	<b>1,589</b>	<b>1,406</b>	<b>13.0%</b>	<b>1,777</b>	<b>(10.6%)</b>
<i>Average price (R\$/Kg)</i>	<i>11.12</i>	<i>10.35</i>	<i>7.4%</i>	<i>11.78</i>	<i>(5.6%)</i>
<b>COGS</b>	<b>(1,415)</b>	<b>(1,029)</b>	<b>37.6%</b>	<b>(1,431)</b>	<b>(1.1%)</b>
<i>COGS/Kg</i>	<i>(9.90)</i>	<i>(7.57)</i>	<i>30.8%</i>	<i>(9.48)</i>	<i>4.4%</i>
<b>Gross Profit (R\$, Million)</b>	<b>174</b>	<b>377</b>	<b>(53.9%)</b>	<b>346</b>	<b>(49.8%)</b>
<i>Gross Margin (%)</i>	<i>10.9%</i>	<i>26.8%</i>	<i>(15.9) p.p.</i>	<i>19.5%</i>	<i>(8.6) p.p.</i>
<b>Adjusted EBITDA (R\$, Million)</b>	<b>74</b>	<b>335</b>	<b>(77.8%)</b>	<b>268</b>	<b>(72.3%)</b>
<i>Adjusted EBITDA Margin (%)</i>	<i>4.7%</i>	<i>23.8%</i>	<i>(19.1) p.p.</i>	<i>15.1%</i>	<i>(10.4) p.p.</i>

In 3Q21, we perceived that the food demand is still booming, with China and Japan presenting a growth rate of 19% and 15% y/y, respectively. The USD prices for Japan and South Korea have increased since 1Q21 due to lower local inventories and the limited supply from Thailand. On the other hand, the decrease of pork prices in

<sup>1</sup> Kantar Insights | Food Tracking

<sup>2</sup> Estimated beef consumption per capita in 2020 and 2021 by Associação Brasileira de Proteína Animal (ABPA)

<sup>3</sup> Companhia Nacional de Abastecimento (Conab) – Meet Offer and Demand – April 2021

China had a negative impact on the average price in the region, in the opposite direction to the movement of costs and freight, pressuring margins in this market.

Pork production in China had fluctuated over the year, especially due to the African swine fever impacts. Two relevant actions taken by the swine farmers resulted in increased local inventory and lower prices. The first action was the adoption, by the swine farmers, of a prudent attitude towards the virus and anticipated slaughter. The second action was to keep animals on the field for the price increase. Since there was no price reaction, heavier animals were slaughtered, increasing the supply in the market. Given a challenging cost scenario pegged to the prices of commodities and the worsening of the energy, real estate, and logistics crisis, the market had a negative margin, which had impacts on the Company's profitability in the region.

## 2. Halal Distribution – Halal DDP

Halal DDP	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Volume (Thousand Tons)</b>	<b>174</b>	<b>173</b>	<b>0.2%</b>	<b>172</b>	<b>0.8%</b>
<i>Poultry (In Natura)</i>	<i>141</i>	<i>144</i>	<i>(1.9%)</i>	<i>140</i>	<i>0.6%</i>
<i>Others (In Natura)</i>	<i>0</i>	<i>1</i>	<i>(48.6%)</i>	<i>0</i>	<i>(34.9%)</i>
<i>Processed foods</i>	<i>32</i>	<i>29</i>	<i>11.8%</i>	<i>32</i>	<i>1.8%</i>
<b>Net Operating Revenues (R\$, Million)</b>	<b>2,120</b>	<b>1,836</b>	<b>15.5%</b>	<b>2,101</b>	<b>0.9%</b>
<i>Average price (R\$/Kg)</i>	<i>12.21</i>	<i>10.60</i>	<i>15.2%</i>	<i>12.19</i>	<i>0.1%</i>
COGS	(1,568)	(1,375)	14.1%	(1,568)	(0.0%)
<i>COGS/Kg</i>	<i>(9.03)</i>	<i>(7.93)</i>	<i>13.8%</i>	<i>(9.10)</i>	<i>(0.8%)</i>
<b>Gross Profit (R\$, Million)</b>	<b>552</b>	<b>461</b>	<b>19.7%</b>	<b>533</b>	<b>3.6%</b>
<i>Gross Margin (%)</i>	<i>26.0%</i>	<i>25.1%</i>	<i>0.9 p.p.</i>	<i>25.4%</i>	<i>0.6 p.p.</i>
<b>Adjusted EBITDA (R\$, Million)</b>	<b>245</b>	<b>155</b>	<b>58.4%</b>	<b>278</b>	<b>(11.9%)</b>
<i>Adjusted EBITDA Margin (%)</i>	<i>11.5%</i>	<i>8.4%</i>	<i>3.1 p.p.</i>	<i>13.2%</i>	<i>(1.7) p.p.</i>

Net revenue in Halal Distribution is expanding with increased prices in USD both in GCC and Turkish markets, at +18.2% and +19.7% y/y, respectively. We highlight the increased market share of our processed and value-added products, and the leading positions of our brands, with Sadia having a 36.3% market share in GCC, and Banvit having a 23.6% market share in the Turkish market, more than 7 p.p. above the second competitor. The better EBITDA Margin in the region reflects increased prices in GCC and improved margins in Turkey, resulting from better business operation, increased brand preference, and investments in the region.

The advanced pace of vaccination in those economies gives room to a more optimistic scenario with the return to school, resumption of tourism, and major events such as the Expo 2020 in Dubai, United Arab Emirates, contributing to the recovery of the Food Service, our main channel in the region. Moreover, other countries that had adopted more restrictive border control measures, e.g., Kuwait, already authorized the return of expatriates who are fully vaccinated from August 2021.

## 3. Direct Exports

Direct Exports	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Volume (Thousand Tons)</b>	<b>179</b>	<b>152</b>	<b>17.9%</b>	<b>176</b>	<b>1.8%</b>
<i>Poultry (In Natura)</i>	<i>139</i>	<i>121</i>	<i>14.7%</i>	<i>137</i>	<i>1.1%</i>
<i>Pork and Others (In Natura)</i>	<i>9</i>	<i>9</i>	<i>3.9%</i>	<i>9</i>	<i>4.6%</i>
<i>Processed foods</i>	<i>31</i>	<i>22</i>	<i>40.8%</i>	<i>30</i>	<i>4.6%</i>
<b>Net Operating Revenues (R\$, Million)</b>	<b>1,740</b>	<b>1,068</b>	<b>62.9%</b>	<b>1,550</b>	<b>12.2%</b>
<i>Average price (R\$/Kg)</i>	<i>9.71</i>	<i>7.02</i>	<i>38.3%</i>	<i>8.81</i>	<i>10.2%</i>
COGS	(1,486)	(983)	51.1%	(1,367)	8.7%
<i>COGS/Kg</i>	<i>(8.29)</i>	<i>(6.47)</i>	<i>28.2%</i>	<i>(7.77)</i>	<i>6.7%</i>
<b>Gross Profit (R\$, Million)</b>	<b>254</b>	<b>84</b>	<b>201.3%</b>	<b>183</b>	<b>38.6%</b>
<i>Gross Margin (%)</i>	<i>14.6%</i>	<i>7.9%</i>	<i>6.7 p.p.</i>	<i>11.8%</i>	<i>2.8 p.p.</i>
<b>Adjusted EBITDA (R\$, Million)</b>	<b>92</b>	<b>(14)</b>	<b>n.m.</b>	<b>73</b>	<b>26.3%</b>
<i>Adjusted EBITDA Margin (%)</i>	<i>5.3%</i>	<i>(1.3%)</i>	<i>6.6 p.p.</i>	<i>4.7%</i>	<i>0.6 p.p.</i>

In 3Q21, we had continuous growth of exports with prices in USD +32% y/y, reflection from higher demand for food in the foreign market, especially in the Middle East, North Africa, and the Americas. Higher prices partially offset the increased costs and the accentuated higher sea freight rates. BRF is the leading brand in exports to Saudi Arabia and increasing the development of our businesses in the region. Furthermore, several initiatives

have already taken place, such as obtaining export quotas to Mexico, larger volumes to Europe, the Americas, and Africa, and a greater share of value-added products.

## OTHER SEGMENTS

Other Segments + Ingredients	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Volume (Thousand Tons)</b>	<b>95</b>	<b>70</b>	<b>36.9%</b>	<b>79</b>	<b>20.3%</b>
<i>Ingredients</i>	<i>56</i>	<i>44</i>	<i>27.4%</i>	<i>55</i>	<i>2.4%</i>
<i>Pet</i>	<i>28</i>	<i>15</i>	<i>90.1%</i>	<i>12</i>	<i>128.5%</i>
<i>Others Sales</i>	<i>11</i>	<i>11</i>	<i>4.0%</i>	<i>12</i>	<i>(7.2%)</i>
<b>Net Operating Revenues (R\$, Million)</b>	<b>549</b>	<b>307</b>	<b>78.8%</b>	<b>392</b>	<b>40.2%</b>
COGS	(385)	(229)	68.3%	(284)	35.8%
COGS/Kg	(4.05)	(3.29)	22.9%	(3.58)	12.9%
<b>Gross Profit (R\$, Million)</b>	<b>164</b>	<b>78</b>	<b>109.7%</b>	<b>108</b>	<b>52.0%</b>
Gross Margin (%)	29.8%	25.5%	4.3 p.p.	27.5%	2.3 p.p.
<b>Adjusted EBITDA (R\$, Million)</b>	<b>134</b>	<b>65</b>	<b>108.2%</b>	<b>93</b>	<b>45.2%</b>
Adjusted EBITDA Margin (%)	24.5%	21.0%	3.5 p.p.	23.6%	0.9 p.p.

The result of 'Other Segments'<sup>4</sup> was mainly driven by the Ingredients business, which operates by-products of the Company, through the creation of high value-added, and sustainable products. The portfolio has products such as animal meals and fats for our own animals' nutrition, and for sale in specific markets, such as aquaculture, pet food, and swine farming, in addition to pharmaceuticals and chemicals, and human nutrition, e.g., natural aromas.

The PET results positively contributed to the profitability in the 'Other Segments'. We expanded our portfolio with eight new products, seven of which under the Three Dogs and Three Cats brands, for senior dogs and cats, a segment that becomes even more demanding, considering the pets' increasing life expectancy. In 3Q21, we will move forward with the integration of Hercosul and Mogiana management, and, following the completion of the acquisition, the quarterly results will include one month of the results of both companies.

## CORPORATE

Corporate - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
Gross Profit	0	0	n.m.	(1)	n.m.
<b>Adjusted EBITDA</b>	<b>(56)</b>	<b>(55)</b>	<b>2.8%</b>	<b>67</b>	<b>n.m.</b>

This segment was impacted by: (i) - R\$ 35.2 million from the net result of provisions for civil and tax contingencies (as per note 25 to the Interim Financial Statements); (ii) + R\$4.2 million related to the disposal and write-off of fixed assets; and (iii) - R\$28.3 million arising from actions to prevent and combat the effects of Covid-19.

## BRANDS AND INNOVATION

### Brazil:

BRF brands continue to advance in consumer preference. In September Sadia became the leading food brand according to Kantar Insights tracking – the ideal gift to celebrate the 50 years of our beloved mascot Lek Trek and the 87<sup>th</sup> anniversary of BRF. Perdigão is the third brand in the food ranking, and Qualy is the most preferred margarine brand.

<sup>4</sup> 'Other Segments' comprise the following results: (i) Ingredients (solutions in natural, innovative ingredients for health and nutrition industries); (ii) Global Desk (in charge of the liquidation of some products in natura, energy agreement negotiations, and others) and (iii) Pet Food (animal feed).



Those achievements were possible thanks to the continuous investments in our brands. This quarter alone, Sadia announced the launch of the Veg&Tal campaign, starred the line's ambassador Ana Clara, and a campaign for encouraging the consumption of pork by Chef Felipe Bronze, with merchandising actions and sponsorship of Top Chef. Perdigão carried out several actions with the brand ambassador Ivete Sangalo, with the live stream that advertised Smoked Sausages (for cooking Feijoada), reaching over 26 million people, and created merchandising with Record and SBT Brazilian TV channels, reaching over 15 million people. Perdigão sponsored Rede Globo's TV show *The Masked Singer*, featuring the brand in every episode, with two exclusive brand content merchandising actions, and made other three actions on *É de Casa* TV show, reaching over 90.3 Million people.

We invested in educative actions on the consumption of pork with Perdigão with our Na Brasa sub-brand by presenting recipes and information on the benefits of consuming pork, and co-branding actions with renowned brands such as Evino, for the Father's Day, and Diageo, on how to pair pork and drinks.

Among our margarine brands, we made the *Casa Nova Qualy* promotion featuring actors Taís Araujo and Lázaro Ramos, reaching approximately 72 Million people, a digital activation with recipes and influences, and launched our delicious *Pão de Queijo Qualy Multigrãos*. In the North and Northeast regions, we launched the '*Quem ama prêmio, prefere Deline*' promotion, with singer Joelma, reaching 28 million people.

With a fast pace of innovations, we reached 7.0% of accumulated revenues with innovation in 3Q21 vs. 5.6% in 2020, with particular reference to the launch of Sadia's Livre&Lev, a new concept of practical, delicious, coloring-free food with fewer ingredients.

### International:

We kept our focus on categories with more value-added products, with a strong innovation agenda concentrated in processed foods, with 29 new products launched in the international market in this quarter.

BRF is leading with a clear advantage in its main categories in GCC, with a growing market share in processed foods when compared to the previous quarter (+0.2p.p.), and grilled chicken (+1.6p.p.), according to Nielsen. We relaunched the *Sadia Mini Chef* campaign, with a portfolio for children, with new playful, fun products, including fried chicken pizza and veggie-loaded chicken nuggets. We also launched the *Back to School* campaign, which had strong support of our consumers at the points of sale, with advertising materials and promotions, and an online initiative reaching over 70% of the target audience. Furthermore, Sadia launched a new premium offer with the *Angus Beef Burger*.

In Turkey, Banvit is the leading brand in all the categories in the domestic market, with a market share of 23.6%, according to Nielsen, with an increase of two percentage points when compared to 2Q21. During the quarter, we launched many brands such as *Turkey Bird*, *BBQ Sucuk*, and *Turkey Bird Mini Franks*, which received reinforced investments in digital communication.

In the Asian and Direct Export Markets, we expanded our portfolio by launching 19 products to capture new volumes and meet the needs of our customers, expanding our market share in international markets, with a portfolio with an increased share of value-added products.

**Other Segments:** In the pet food market we are top three in share value in Brazil and are the leading company in Paraguay and Uruguay, with a portfolio of brands such as Three Dogs, Three Cats, Herói, Guabi Natural, Gran Plus, Apolo, Faro, Bônos, Balance, PrimoGato, Biofresh, Átila, and others. Focusing on increasing our market share in the segment, we have an active innovation agenda in which we launched eight new products in the market, of which seven are for the *Three Dogs* and *Three Cats Original* senior line and expanded the Gran Plus line.

## 2030 VISION

The quarter was marked by important evolutions towards our 2030 Vision, namely:

**Pet Food:** We had important achievements towards our 2030 Vision, with a fast pace of innovation in the segment, with actions that ensure proper eating for the pets' life cycle, from milk-flavored treats for puppies to special food for senior pets, expanding our operations in the Pet Food segment.

**Pork:** We observed an increase in pork consumption per capita, which is growing at an annual rate of 1.3% in the ten latest years according to ABPA (Brazilian Association of Animal Protein), being a healthy, delicious alternative



for proteins such as beef. We believe that pork has even greater potential, and therefore we implemented new campaigns that present its benefits and encourage its consumption.

**Ready-to-eat meals:** we keep focusing on growth and value-added products with the Sadia Livre&Lev line, bringing a new concept of practical, delicious, colorant-free food. We launched our Chester Lasagna, a delicious new option for our consumers' tables.

## ESG Highlights:

We reinforce our commitment to the ESG Agenda, ensuring that our actions are made with consistency and innovation, delivering positive impacts on the environment, the production chain, and the communities in the locations where we operate.

- We invested approximately R\$ 130 million in clean energy, with estimated savings of R\$ 1.7 billion at present value, in partnerships with AES Brasil Energia and Pontoon, with which we will achieve almost 90% of electric energy from clean sources in our operations in Brazil until 2024.
- We are the top-ranked ranked Brazilian company in the global ranking World's Best Employers, by Forbes magazine, and the only company in the food sector in Brazil to make the 2021 list.
- Elected by the Global Reporting Initiative (GRI) as one of the most transparent companies in sustainability.
- Publication of the Sustainable Grain Purchasing Policy that aims to ensure the traceability of 100% of the grains purchased from the Amazon and Cerrado by 2025.
- Our turkey processing plant in Izmir, Turkey, has been awarded the Zero Waste Certificate by the Turkish Ministry of Environment, for its efficient factory waste management.
- Instituto BRF launched the *Programa Ecco Comunidades*, which will implement solutions against food waste and develop social organizations in five cities where BRF operates. Selection of 8 startups to accelerate the initiatives.
- Support to the project *#100MilSemFome* led by food tech Eats for You, to fight against hunger in the city of São Paulo due to the scenario of vulnerability caused by the Covid-19 pandemic.
- We became signatories of *Empresários pelo Clima* commitment, idealized by the Brazilian Business Council for Sustainable Development (CEBDS), which will be submitted by the Brazilian business sector in the UN Climate Change Conference (COP-26) in Glasgow, in November.
- Our executives Lorival Luz and Grazielle Parenti were mentioned in Bloomberg's list of the 500 most influential people in Latin America.
- Expenses on Covid-19 prevention and combating totaled R\$ 72 million in 3Q21, as follows:

### 3Q21

R\$ Million	Total	Brazil	Halal DDP	Asia	Direct Exp.	Corporate
Additional personnel expenses	9	5	2	1	1	0
Prevention and control expenses	30	18	3	5	4	0
Donations	23	0	0	0	0	23
Others	9	5	2	2	1	0
<b>Total 3Q21</b>	<b>72</b>	<b>27</b>	<b>7</b>	<b>8</b>	<b>6</b>	<b>23</b>
<b>Total 3Q20</b>	<b>145</b>	<b>65</b>	<b>13</b>	<b>15</b>	<b>12</b>	<b>41</b>

# CONSOLIDATED PERFORMANCE

## Net Operating Revenue (NOR)

Volumes - Thousand Tons	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<i>Poultry (In Natura)</i>	496	466	6.5%	491	0.9%
<i>Pork and Others (In Natura)</i>	84	83	0.3%	83	0.3%
<i>Processed/Elaborated</i>	490	493	(0.7%)	493	(0.8%)
<i>Others Sales</i>	99	70	42.0%	80	24.0%
<b>Total</b>	<b>1,168</b>	<b>1,112</b>	<b>5.1%</b>	<b>1,148</b>	<b>1.8%</b>
<b>NOR (R\$ Million)</b>	<b>12,390</b>	<b>9,943</b>	<b>24.6%</b>	<b>11,637</b>	<b>6.5%</b>
<i>Average Price (NOR)</i>	10.61	8.94	18.6%	10.14	4.6%

Our increasing Net Operating Revenue takes us to a higher level, and the main factors are: (i) better commercial performance in Brazil derived from the price pass-through strategies and sales growth; (ii) increasing net revenue from the International Segment due to the higher volumes in direct export and price dynamics both in direct exports and in Halal DPP distribution; iii) positive hedge income of R\$ 318 million y/y; and iii) higher volumes and revenues in the Ingredients business.

## Hedge accounting strategy

The effects of financial instruments for foreign exchange hedging of earnings totaled + R\$ 40.8 million in 3Q21, as per note 24.5 to the Interim Financial Statements, and result from positions settled in the quarter, which had been acquired in the 12 months preceding their settlement.

Build-up of Derivatives Instruments Settled in 2Q21	3Q20	4Q20	1Q21	2Q21	3Q21
Cummulative Notional Exposure (US\$ Million)	10	50	68	276	461
Average Strike Price (BRL/USD)*	5.63	5.61	5.72	5.41	5.34

Similarly, as per note 24.4.2.ii to the Interim Financial Statements, the position falling due is as follows.

Derivatives Instruments by Expiry Date - US\$ Million	4Q21	1Q22	2Q22
Notional to be settled in each period	357	93	15
Strike Price (BRL/USD)*	5.35	5.53	5.67

The company can enter into additional contracts for cash flow hedge, as provided in the Company's Financial Risk Management Policy, always backed by future export revenues, to the extent its probability increases and assuming a time frame of up to 12 months. For cash flow hedge, we inform that its objective is to hedge its operational result and reduce volatility, not allowing, under any circumstance, the contracting of derivative financial instruments for speculation purposes.

## Cost of Goods Sold (COGS)

COGS - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Cost of Goods Sold</b>	<b>(9,765)</b>	<b>(7,598)</b>	<b>28.5%</b>	<b>(9,411)</b>	<b>3.8%</b>
<i>R\$/Kg</i>	8.36	6.84	22.3%	8.20	2.0%

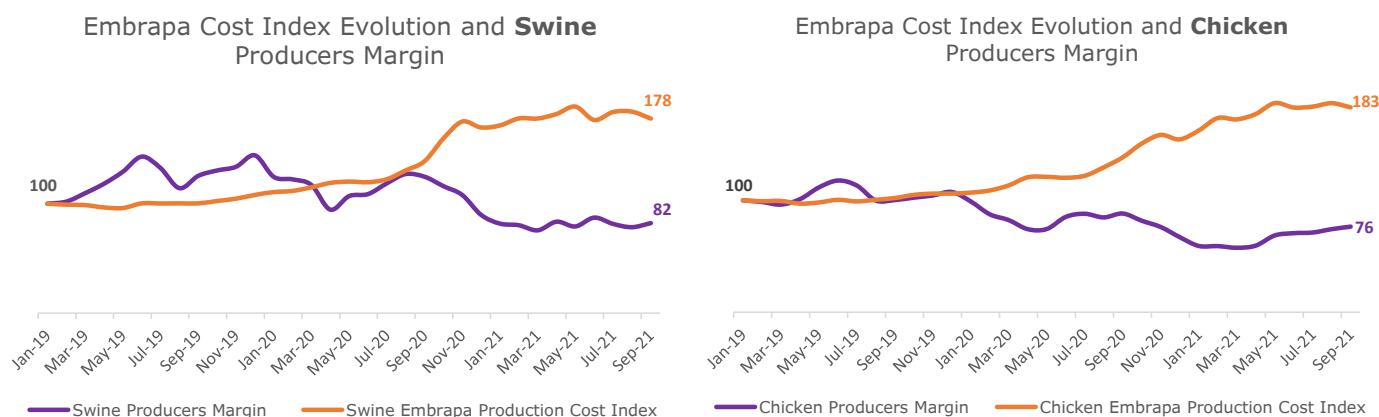
In comparison to 3Q20, we have: (i) increase of grain prices; (ii) inflation effects on main production inputs ,e.g., plastic packaging and cardboard packaging; (iii) higher costs with fuel, freight, storage and port services, and (iv) R\$ 41 million related to fighting and preventing Covid-19 pandemic (- R\$ 58 million y/y).

We observe that the scenario for the food processing sector remains adverse due to the behavior of raw materials, with chicken and swine farmers' margins still below the historical average. The main factors are i) the price of grains, especially corn (+ 74% y/y)<sup>5</sup>; (ii) high inflation on production inputs such as plastic packaging and

<sup>5</sup> Source: Centro de Estudos Avançados em Economia Aplicada - CEPEA-Esalq/USP

cardboard; (iii) increase of diesel prices in 40% y/y<sup>6</sup>; and (iv) higher labor costs due to labor agreements and bargaining, given the inflationary context.

Embrapa's Producer Cost Index ("PCI") presents a slight decrease in costs in the last months of the quarter due to the deceleration of grain prices in the domestic market, impacting the costs with animal nutrition. However, variations comparing the same period of the previous year remain high, +42.0% and +39.4%<sup>7</sup> y/y in 3Q21 for chicken and swine, respectively. The charts below present the PCI-Embrapa breakdown and the producer's margin index, with a considerable gap between the theoretical cost index and the producer's margin<sup>8</sup>.



In this context, BRF managed to partially mitigate the industry's costs, with an increased rate of 28.5% y/y, as a result of: (i) sales mix with higher added value; (ii) efficient raw materials management; (iv) operating excellence, and (v) applied technology that allows a less volatile cost and below market price and ensures the supply of our operations by expanding the storage capacity, optimal feed production levels and boosted consumption of alternative inputs.

## Gross Profit

Gross Profit - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Gross Profit</b>	<b>2,625</b>	<b>2,344</b>	<b>12.0%</b>	<b>2,226</b>	<b>17.9%</b>
Gross Margin (%)	21.2%	23.6%	(2.4) p.p.	19.1%	2.1 p.p.

The gross margin was mainly affected by higher costs with raw materials and lower swine prices in China, and partially compensated by higher average costs.

## Operating Expenses

Operating Expenses - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Selling Expenses</b>	<b>(1,651)</b>	<b>(1,370)</b>	<b>20.5%</b>	<b>(1,549)</b>	<b>6.6%</b>
% of the NOR	(13.3%)	(13.8%)	0.5 p.p.	(13.3%)	(0.0) p.p.
<b>General and Administrative Expenses</b>	<b>(222)</b>	<b>(217)</b>	<b>2.0%</b>	<b>(192)</b>	<b>15.3%</b>
% of the NOR	(1.8%)	(2.2%)	0.6 p.p.	(1.7%)	(0.1) p.p.
<b>Operating Expenses</b>	<b>(1,873)</b>	<b>(1,587)</b>	<b>18.0%</b>	<b>(1,741)</b>	<b>7.5%</b>
% of the NOR	(15.1%)	(16.0%)	0.9 p.p.	(15.0%)	(0.1) p.p.

Operating Expenses as a percentage of net revenue improved 0.9 p.p., reaching one of the lowest levels in the last years, a reflection of cost management and strict expense control – through our Expense Management Matrix

<sup>6</sup> Source: Brazilian Petroleum Agency (ANP).

<sup>7</sup> Variation of the Embrapa average production cost index (ICP Chicken e ICP Pork) between 3Q20 and 3Q21, available on the website [www.embrapa.br](http://www.embrapa.br)

<sup>8</sup> Source: Bloomberg, CEPEA-Esalq. Whole chicken and pork carcass prices over ration costs adjusted by chicken and pork cycles.

- in addition to operating excellence programs and specification and process re-engineering, resulting in a mere growth rate of 2% y-y, well below the impact of inflation<sup>9</sup>.

## Other Operating Results

Other Operating Results - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Other Operating Results</b>	<b>(22)</b>	<b>(13)</b>	<b>63.7%</b>	<b>96</b>	<b>n.m.</b>
<i>% of the NOR</i>	<i>(0.2%)</i>	<i>(0.1%)</i>	<i>(0.1) p.p.</i>	<i>0.8%</i>	<i>(1.0) p.p.</i>

In 3Q21, we had a net negative result of R\$ 22 million under "Other Operating Results", which mainly includes: (i) net result of provisions for tax and civil contingencies, in R\$ 32 million; (ii) results in the sale of non-financial assets in the amount of R\$ 54 million; and (iii) employees and management profit shares and other benefits in the amount of - R\$ 44 million; for more details, see note 27 to the Interim Financial Statements.

## Net Financial Result

Financial Results - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Financial Income</b>	<b>134</b>	<b>73</b>	<b>84.0%</b>	<b>84</b>	<b>59.6%</b>
Interest on cash and cash equivalents	47	35	34.0%	31	50.6%
Income with marketable securities	14	7	115.7%	12	19.7%
Interest on recoverable taxes	61	19	225.3%	34	76.9%
Interest on other assets	12	13	(4.2%)	7	83.3%
<b>Financial Expenses</b>	<b>(1,047)</b>	<b>(592)</b>	<b>77.0%</b>	<b>(797)</b>	<b>31.3%</b>
Interests on loan and borrowings	(361)	(491)	(26.4%)	(431)	(16.2%)
Interest with related parties	(124)	(86)	44.7%	(148)	(15.8%)
Written option - Business combination (Banvit)	(353)	143	n.m	(28)	1154.5%
Adjustment to present value	(171)	(110)	55.7%	(143)	19.8%
Other	(38)	(48)	(21.5%)	(48)	(20.9%)
<b>Monetary, exchange and derivative results, net</b>	<b>(72)</b>	<b>83</b>	<b>(186.7%)</b>	<b>(46)</b>	<b>55.8%</b>
Exchange rate variation on monetary assets and liabilities	(626)	4	n.m	859	n.m
Derivative results	554	78	609.2%	(905)	n.m
<b>Net Financial Results</b>	<b>(985)</b>	<b>(436)</b>	<b>125.7%</b>	<b>(759)</b>	<b>29.7%</b>

The main components of net financial income (loss) were grouped into the following categories:

**Financial Income:** totaled R\$ 134 million in 3Q21 due to a higher yield on the liquidity position given the higher interest rate observed in the period (Interbank Deposit (DI) rate), in addition to the positive effect of the monetary adjustment of recoverable taxes.

**Financial Expenses:** result from the following changes:

(i) **Interest on loans and borrowings:** reduced interest expenses in other currencies by R\$ 140 million, mainly due to: (i) the exchange rate appreciation observed in the period (average exchange rate of R\$ 5.23/US\$ in 3Q21 vs. R\$ 5.38/US\$ in 3Q20) which reduces the balance payable of interest in BRL of the debt in foreign currency; (ii) the cost of anticipation of debt amortization in foreign currency ("tender offer") in 3Q20 by - R\$ 149 million. Such variations, however, were offset by higher expenses with interest expenses in Brazilian Reais tied to the increase in the balance of debt indexed to the IPCA (year-to-date, 7.10% in 3Q21 vs. 1.86% in 3Q20), and a higher Interbank Deposit (DI) rate in the period (annual DI at 5.40% in 3Q21 vs. 1.90% in 3Q20).

(ii) **Interest with related parties:** higher spending on tax and civil contingent liabilities of R\$ 40 million.

(ii) **Adjustment to present value (APV):** reflects the highest balance of suppliers in the comparison between the quarters. The APV denotes the net financial income (cost) linked to receivable and payable accounts. This amount is offset in gross profit.

(iv) **Written Option - Business combination (Banvit):** the fair value of the sale option related to the business combination (Banvit 'put option') varies according to Banvit's results. This option is valid until 4Q21, and further details can be seen in Note 24.8.1 to the Interim Financial Statements.

<sup>9</sup> The accumulated IPCA variation reached 10.25% in September 2021, against 3.14% in September 2020.

(v) **Monetary and exchange variance, monetary liabilities, and derivatives results:** The Company has assets and liabilities denominated in foreign currency, a part of which is designated as hedge accounting. For the part not designated as such, the Company hires derivative financial instruments to hedge net foreign exchange exposure, with impact on financial results (see note 24.4.2). In 3Q21, the BRL depreciation at 8.7% in the period (end of period FX - R\$ 5.44/US\$ in Sep/21 vs. R\$ 5.00/US\$ in Jun/21) on the balance sheet was neutralized with derivative instruments, whose settlement in the quarter generated a positive result, leading to a combined net effect of - R\$ 72 million.

### Net Income (Loss)

Net Income / (Loss) - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Consolidated Net / (Loss) Income - Continued Op.</b>	<b>(271)</b>	<b>219</b>	<b>n.m.</b>	<b>(199)</b>	<b>36.5%</b>
<i>Net Margin (%)</i>	<i>(2.2%)</i>	<i>2.2%</i>	<i>(4.4) p.p.</i>	<i>(1.7%)</i>	<i>(0.5) p.p.</i>
<b>Consolidated Net / (Loss) Income - Total Consolidated</b>	<b>(277)</b>	<b>219</b>	<b>n.m.</b>	<b>(240)</b>	<b>15.7%</b>

The net corporate loss is mainly due to the financial results, given the restatement of the fair value of the Banvit put option relating to the business combination (- R\$ 353 million in 3Q21 vs. R\$ 143 million in 3Q20).

### Adjusted EBITDA

EBITDA - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Consolidated Net (Loss)</b>	<b>(271)</b>	<b>219</b>	<b>n.m.</b>	<b>(199)</b>	<b>36.5%</b>
Income Tax and Social Contribution	17	89	(81.4%)	20	(15.4%)
Net Financial	985	436	125.7%	759	29.7%
Depreciation and Amortization	681	612	11.3%	714	(4.7%)
<b>EBITDA</b>	<b>1,411</b>	<b>1,356</b>	<b>4.1%</b>	<b>1,294</b>	<b>9.0%</b>
<i>EBITDA Margin (%)</i>	<i>11.4%</i>	<i>13.6%</i>	<i>(2.2) p.p.</i>	<i>11.1%</i>	<i>0.3 p.p.</i>
Impacts of Carne Fraca/Trapaça operations	0	5	(91.8%)	3	(85.9%)
Tax recoveries	(10)	(68)	(85.8%)	1	n.m.
Expenses with mergers and acquisitions	22	0	n.m.	0	n.m.
Others*	(57)	24	(337.8%)	(28)	105.8%
<b>Adjusted EBITDA</b>	<b>1,367</b>	<b>1,317</b>	<b>3.9%</b>	<b>1,271</b>	<b>7.6%</b>
<i>Adjusted EBITDA Margin (%)</i>	<i>11.0%</i>	<i>13.2%</i>	<i>(2.2) p.p.</i>	<i>10.9%</i>	<i>0.1 p.p.</i>

\* Other refers to income and loss adjustments when selling minority shareholders' business and interest

Even in an extremely adverse and challenging scenario during 3Q21, still with the effects of the pandemic and inflationary environment, the Company reported a consistent Adjusted EBITDA, reflecting its ability to deliver results, without losing its focus on the long-term vision.

# CAPITAL STRUCTURE

Million BRL	3Q21	3Q20	LTM
<b>EBITDA</b>	<b>1,411</b>	<b>1,356</b>	<b>5,577</b>
<b>Working Capital</b>	<b>-50</b>	<b>109</b>	<b>-921</b>
Δ Accounts Receivable	-346	-97	-551
Δ Inventories	-1,309	-1,196	-3,629
Δ Suppliers	1,604	1,401	3,260
<b>Taxes and Others</b>	<b>206</b>	<b>306</b>	<b>-596</b>
<b>Cash Flow from Operating Activities</b>	<b>1,567</b>	<b>1,770</b>	<b>4,060</b>
CAPEX with IFRS16	-991	-662	-3,373
<b>Cash Flow from Operations with Capex</b>	<b>577</b>	<b>1,108</b>	<b>687</b>
M&A and Sale of Assets	-779	4	-951
<b>Cash Flow from Investments</b>	<b>-1,770</b>	<b>-658</b>	<b>-4,324</b>
Financials, derivatives and Net Interest	-306	-379	-2,617
FX Variation on Cash	200	254	-390
<b>Cash Flow from Financing Activities</b>	<b>-106</b>	<b>-125</b>	<b>-3,007</b>
<b>Free Cash Flow</b>	<b>-308</b>	<b>987</b>	<b>-3,271</b>
New Debt Amortizations	126	587	-1,282
<b>Cash Variations</b>	<b>-183</b>	<b>1,575</b>	<b>-4,553</b>

\* The cash flow above does not follow the same classification that the cash flow does, especially concerning: (i) derivative instruments for protecting exchange rate exposure, reclassified from operating flow to financial flow; and (ii) amortizations and loans and borrowings not classified as financial flow in the accounting statements, but not included as free cash flow in the managerial flow, comprising the total cash variation.

## Free Cash Flow

Free cash flow totaled - R\$ 308 million in 3Q21, R\$ 1,296 million below 3Q20. The largest variations result from the Investment Cash Flow, which in 3Q21 totaled a cash consumption of R\$ 1,770 million, due to the disbursement of an amount R\$ 1,112 million higher than the same quarter of the previous year, for the payment of acquisitions in the PET segment - Hercosul and Mogiana Alimentos; from the Operating Cash Flow, which totaled a cash generation of R\$ 1,567 million in 3Q21, R\$ 203 million lower than 3Q20; and the Financial Cash Flow, which totaled a cash consumption of R\$ 106 million in 3Q21, R\$ 19 million higher than 3Q20, detailed as follows:

## Operating Cash Flow and Financial Cycle

Operating cash flow totaled R\$ 1,567 million in 3Q21, generating R\$ 203 million less cash than in 3Q20. Despite a higher EBITDA of R\$ 56 million, the operating cash flow decreased year-over-year as a result of the R\$ 159 million increase in working capital allocation in the quarter, mainly caused by: (i) the increased cost of grains and inflation of other inputs used in the production process, impacting the cost of inventory of raw materials and finished products; and (ii) higher sales volumes. Other variations in working capital resulted in a cash generation of R\$ 206 million in 3Q21, R\$ 98 million below the same period of the previous year, which is mainly explained by the following factors: (i) higher payment (- R\$ 152 million) in ICMS and IPI (- R\$ 115 million) and (ii) FX effects of other assets and liabilities, totaling R\$ 184 million<sup>10</sup>. The Company emphasizes that it compensated with credits the payment of federal and state taxes in an amount of R\$ 455 million in 3Q21.

The Company's financial cycle closed 3Q21 at 16.5 days, an addition of 2.5 days when compared to 3Q20. The variance presented is essentially explained by: (i) increased grain and finished products inventories; (ii) higher

<sup>10</sup> Effect of exchange rate change by the conversion of working capital items in foreign currency having the financial results and equity as a provision.

sales volumes, resulting in increased receivables; (iii) partially offset by higher balance payable of commodities. Compared to the previous quarter, the cycle had a discrete reduction of 0.2 days.

### Investment Cash Flow

The investment cash flow amounted to R\$ 1,770 million in 3Q21 vs. R\$ 658 million in 3Q20, due to the acquisition of Hercosul and Mogiana Alimentos. CAPEX increased by R\$ 329 million compared to the same period of the previous year, as a result of: (i) acceleration of investments in expansion and modernization of production units, energy and operational efficiency projects, and advances in Industry 4.0 projects, among others, as shown in the table below.

CAPEX - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
Growth	233	142	63.7%	155	50.3%
Efficiency	66	12	442.0%	33	100.0%
Support	151	98	53.9%	184	(17.9%)
Biological Assets	333	248	34.2%	299	11.5%
Commercial Lease and Others	208	161	28.7%	258	(19.7%)
<b>Total</b>	<b>991</b>	<b>662</b>	<b>49.6%</b>	<b>929</b>	<b>6.6%</b>
Total M&A	779	(4)	n.m.	(47)	n.m.
<b>Total</b>	<b>1,770</b>	<b>658</b>	<b>168.9%</b>	<b>882</b>	<b>100.5%</b>

The main projects in 3Q21 are as follows:

- **Growth:**
  - (i) Projects to meet the demand for processed products in the Domestic Market, especially investments to increase capacity in the breaded products line in Toledo-PR, and in the ready-to-eat meals line in Tatuí-SP, and cold cuts line in Concórdia-SC.
  - (ii) Increase in the production of *in natura* products to meet the demands of the International and Domestic Markets, with emphasis on investments in adaptation in the Nova Mutum-MT and Jataí-GO units.
- **Efficiency:**
  - (i) Projects to increase operational efficiency, aiming at diluting fixed costs and reducing expenses.
  - (ii) Energy Efficiency projects for the production sites.
  - (iii) Projects in connection with Industry 4.0 in chicken processing plants.
- **Support/IT:**
  - (i) Asset replacement projects for the industrial park.
  - (ii) Improvements in the work conditions of employees in production processes.
  - (iii) Process optimization and control projects related to the commercial and Supply Chain areas.
  - (iv) Information Technology Projects aimed at meeting the Compliance and Corporate Governance requirements, and Human Resources policies.
  - (v) Renewal of permits required for maintaining the Company's activities related to Information Technology.
- **Support/Quality:**
  - (i) Improvement of control and quality processes in meatpacking plants, factories, and farms.

### Financial Cash Flow

Financial Cash Flow amounted to cash consumption of R\$ 106 million in 3Q21, R\$ 19 million lower when compared to 3Q20, mainly due to: (i) interest payments of R\$ 375 million in the period, R\$ 73 million lower when compared to 3Q20, as a result of a less concentrated payment schedule; (ii) financial cash effect of - R\$ 213 million vs. - R\$ 149 million in 3Q20, essentially explained by a higher present value adjustment directly related to the higher balance of suppliers when compared to the same period of the previous year; and (iii) currency depreciation observed in 3Q21 as well as in 3Q20, with an impact on the cash position in hard currency and derivatives of R\$ 421 million in the period.



## Debt

R\$ Million Debt	In 09.30.2021		In 12.31.2020		
	Current	Non-current	Total	Total	Δ %
Local Currency	(527)	(7,386)	(7,912)	(6,665)	18.7%
Foreign Currency	(2,521)	(13,968)	(16,488)	(16,125)	2.3%
<b>Gross Debt</b>	<b>(3,047)</b>	<b>(21,353)</b>	<b>(24,401)</b>	<b>(22,790)</b>	<b>7.1%</b>
<b>Cash Investments*</b>					
Local Currency	4,570	15	4,585	4,461	2.8%
Foreign Currency	2,770	363	3,133	4,177	-25.0%
Total Cash Investments	7,341	378	7,719	8,638	-10.6%
<b>Net Debt</b>	<b>4,293</b>	<b>(20,975)</b>	<b>(16,682)</b>	<b>(14,152)</b>	<b>17.9%</b>

\* Cash consists of: Cash and Cash Equivalents, Financial Investments, Restricted Cash, and Derivative Financial Assets

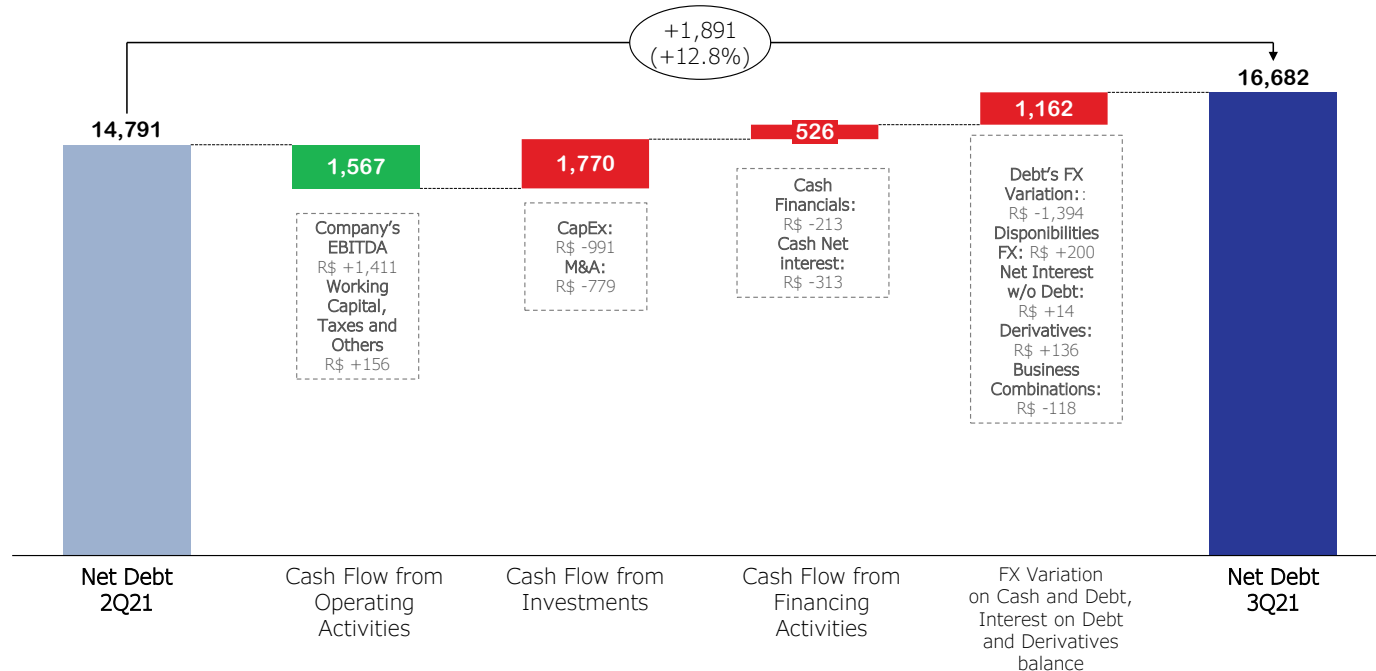
Total gross indebtedness of R\$ 24,401 million includes Current and Non-current Derivative Financial Instruments Liabilities in the aggregate amount of R\$ 222 million, as per note 24.5 of the Interim Financial Statements (ITR). The Company's gross leverage ended the quarter in 4.47x vs. 5.35x in the same period of the previous year. Borrowings totaled R\$ 567 million in the quarter, and settlements totaled R\$ 441 million. Additionally, the average debt maturity was extended to 9.3 years in 3Q21, an increase of 1.8 years compared to 3Q20.

In line with the strategy of diversifying funding sources and optimizing the term/cost ratio, we concluded the following operations in 3Q21: (i) issuance of R\$ 300 million via *Crédito Rural*, and (ii) issuance of R\$ 249 million in Trade Finance operations.

Net indebtedness totaled R\$ 16,682 million in 3Q21, an increase of R\$ 1,891 million when compared to 2Q21, while the Company's net leverage, measured by the net indebtedness over equity ratio and the last twelve months Adjusted EBITDA, reached 3.06x in 3Q21, vs. 2.73x in 2Q21 (net leverage in USD reached 3.00, vs. 2.95 in 2Q21). Considering the Company's most recent acquisitions in the PET segment (Hercosul and Moginana Alimentos) last twelve months Adjusted EBITDA, net leverage would have reached 3.01x in 3Q21.

### NET DEBT EVOLUTION

Values presented in R\$ millions



The Company reiterates it does not have financial leverage covenants and reaffirms its discipline in the management of capital structure, liquidity and leverage.



## RELATIONSHIP WITH INDEPENDENT AUDITORS

Pursuant to CVM Directive No. 381, dated January 14, 2003, the Company reports that its policy for engaging services not related to the independent audit is based on principles that protect auditor independence.

Pursuant to CVM Directive 381/03, in the nine-month period ended September 30, 2021, KPMG Auditores Independentes was not engaged in providing services unrelated to our independent audit.

Pursuant to CVM Directive 480/09, Company Management states that at a meeting held on 11/10/2021 it discussed, reviewed, and agreed with the information included in the independent auditors' review report on the Interim Financial Information for the third quarter of 2021.

# CONSOLIDATED INCOME STATEMENT

Financial Statement - R\$ Million	3Q21	3Q20	Chg. % y/y	2Q21	Chg. % q/q
<b>Net Operating Revenues</b>	<b>12,390</b>	<b>9,943</b>	<b>24.6%</b>	<b>11,637</b>	<b>6.5%</b>
Cost of Sales	(9,765)	(7,598)	28.5%	(9,411)	3.8%
% of the NOR	(78.8%)	(76.4%)	(2.4) p.p.	(80.9%)	2.1 p.p.
<b>Gross Profit</b>	<b>2,625</b>	<b>2,344</b>	<b>12.0%</b>	<b>2,226</b>	<b>17.9%</b>
% of the NOR	21.2%	23.6%	(2.4) p.p.	19.1%	2.1 p.p.
<b>Operating Expenses</b>	<b>(1,873)</b>	<b>(1,587)</b>	<b>18.0%</b>	<b>(1,741)</b>	<b>7.5%</b>
% of the NOR	(15.1%)	(16.0%)	0.9 p.p.	(15.0%)	(0.1) p.p.
<b>Selling Expenses</b>	<b>(1,651)</b>	<b>(1,370)</b>	<b>20.5%</b>	<b>(1,549)</b>	<b>6.6%</b>
% of the NOR	(13.3%)	(13.8%)	0.5 p.p.	(13.3%)	(0.0) p.p.
Fixed	(958)	(844)	13.5%	(931)	2.9%
Variable	(693)	(526)	31.7%	(619)	12.1%
<b>General and Administrative Expenses</b>	<b>(222)</b>	<b>(217)</b>	<b>2.0%</b>	<b>(192)</b>	<b>15.3%</b>
% of the NOR	(1.8%)	(2.2%)	0.6 p.p.	(1.7%)	(0.1) p.p.
Honorary of our Administrators	(15)	(12)	20.9%	(14)	10.3%
% of the NOR	(0.1%)	(0.1%)	0.0 p.p.	(0.1%)	(0.0) p.p.
General and Administrative	(207)	(205)	0.9%	(179)	15.7%
% of the NOR	(1.7%)	(2.1%)	0.4 p.p.	(1.5%)	(0.2) p.p.
<b>Operating Income</b>	<b>752</b>	<b>757</b>	<b>(0.7%)</b>	<b>485</b>	<b>55.2%</b>
% of the NOR	6.1%	7.6%	(1.5) p.p.	4.2%	1.9 p.p.
<b>Other Operating Results</b>	<b>(22)</b>	<b>(13)</b>	<b>63.7%</b>	<b>96</b>	<b>n.m.</b>
<b>EBIT</b>	<b>730</b>	<b>744</b>	<b>(1.8%)</b>	<b>580</b>	<b>25.9%</b>
% of the NOR	5.9%	7.5%	(1.6) p.p.	5.0%	0.9 p.p.
<b>Net Financial Income</b>	<b>(985)</b>	<b>(436)</b>	<b>125.7%</b>	<b>(759)</b>	<b>29.7%</b>
<b>Income before Taxes</b>	<b>(254)</b>	<b>308</b>	<b>n.m.</b>	<b>(179)</b>	<b>42.1%</b>
% of the NOR	(2.1%)	3.1%	(5.0) p.p.	(1.5%)	(0.4) p.p.
Income Tax and Social Contribution	(17)	(89)	(81.4%)	(20)	(15.4%)
% of Income before Taxes	6.5%	(28.9%)	35.4 p.p.	10.9%	(4.4) p.p.
<b>Consolidated Net Income (Loss) - Continued Op.</b>	<b>(271)</b>	<b>219</b>	<b>n.m.</b>	<b>(199)</b>	<b>36.5%</b>
% of the NOR	(2.2%)	2.2%	(4.4) p.p.	(1.7%)	(0.5) p.p.
<b>Consolidated Net Income (Loss) - Total Consolidated</b>	<b>(277)</b>	<b>219</b>	<b>n.m.</b>	<b>(240)</b>	<b>15.7%</b>
% of the NOR	(2.2%)	2.2%	(4.4) p.p.	(2.1%)	(0.1) p.p.
<b>EBITDA</b>	<b>1,411</b>	<b>1,356</b>	<b>4.1%</b>	<b>1,294</b>	<b>9.0%</b>
% of the NOR	11.4%	13.6%	(2.2) p.p.	11.1%	0.3 p.p.
<b>Adjusted EBITDA</b>	<b>1,367</b>	<b>1,317</b>	<b>3.9%</b>	<b>1,271</b>	<b>7.6%</b>
% of the NOR	11.0%	13.2%	(2.2) p.p.	10.9%	0.1 p.p.

# CONSOLIDATED BALANCE SHEET

Balance Sheet - R\$ Million	09.30.21	06.30.21
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	6,890	6,942
Financial Investments	343	316
Accounts Receivable	3,587	2,997
Recoverable Taxes	979	910
Inventories	9,259	7,955
Biological Assets	2,668	2,560
Other Financial Assets	83	276
Other Receivables	221	366
Anticipated expenses	166	231
Restricted Cash	25	24
Current Assets held to sale	22	21
<b>Total Current Assets</b>	<b>24,242</b>	<b>22,598</b>
<b>Non-Current Assets</b>		
Long-term assets	9,732	9,622
Cash Investments	376	333
Accounts and other Receivable	42	43
Judicial Deposits	543	544
Biological Assets	1,383	1,315
Recoverable Taxes	4,804	4,946
Deferred Taxes	2,505	2,361
Restricted Cash	0	0
Other Receivables	78	70
Other Financial Assets	2	10
Permanent Assets	19,075	17,398
Investments	7	9
Property, Plant and Equipment	12,823	12,337
Intangible	6,245	5,052
<b>Total Non-Current Assets</b>	<b>28,807</b>	<b>27,020</b>
<b>Total Assets</b>	<b>53,049</b>	<b>49,618</b>

Balance Sheet - R\$ Million	09.30.21	06.30.21
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Loans and Financing	2,861	2,530
Suppliers*	11,563	10,232
Supply Chain Risk	1,889	1,451
Payroll and Mandatory Social Charges	1,003	864
Taxes Payable	372	638
Other Financial Liabilities	186	130
Provisions	1,050	888
Employee Pension Plan	125	125
Other Liabilities	1,183	563
<b>Total Current Liabilities</b>	<b>20,234</b>	<b>17,420</b>
<b>Non-Current Liabilities</b>		
Loans and Financing	21,317	20,025
Suppliers*	2,081	2,042
Taxes and Social Charges Payable	134	135
Provision for Tax, Civil and Labor Contingencies	508	634
Deferred Taxes	34	30
Employee Pension Plan	697	670
Other Liabilities	367	250
<b>Total Non-Current Liabilities</b>	<b>25,139</b>	<b>23,786</b>
<b>Total Liabilities</b>	<b>45,373</b>	<b>41,207</b>
<b>Shareholders' Equity</b>		
Capital Stock	12,460	12,460
Capital Reserves and Other reserves	62	55
Other Related Results	(1,754)	(1,291)
Retained Profits	(3,063)	(2,781)
Treasury Shares	(106)	(106)
Non-Controlling Shareholders	76	74
<b>Total Shareholders' Equity</b>	<b>7,676</b>	<b>8,411</b>
<b>Total Liabilities and Shareholders</b>	<b>53,049</b>	<b>49,618</b>

\* Includes R\$ 486 million of current leasing liability and R\$ 2,069 million of non-current, according to Interim Financial Information (ITR).

## 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 Rua Jorge Tzachel, nº 475, Bairro Fazenda, 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 and others.

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

## 1.1. Equity interest

Entity	Main activity	Country (1)	% equity interest	
			09.30.21	12.31.20
BRF GmbH	Holding	Austria	100.00	100.00
BRF Foods LLC	(g) Import, industrialization and commercialization of products	Russia	99.99	99.90
BRF Global Company Nigeria Ltd.	Marketing and logistics services	Nigeria	99.00	99.00
BRF Global Company South Africa Proprietary Ltd.	Administrative, marketing and logistics services	South Africa	100.00	100.00
BRF Global Company Nigeria Ltd.	Marketing and logistics services	Nigeria	1.00	1.00
BRF Global GmbH	Holding and trading	Austria	100.00	100.00
BRF Foods LLC	(h) Import, industrialization and commercialization of products	Russia	0.01	0.10
BRF Japan KK	Marketing and logistics services, import, export, industrialization and commercialization of products	Japan	100.00	100.00
BRF Korea LLC	Marketing and logistics services	Korea	100.00	100.00
BRF Shanghai Management Consulting Co. Ltd.	Provision of consultancy and marketing services	China	100.00	100.00
BRF Shanghai Trading Co. Ltd.	Import, export and commercialization of products	China	100.00	100.00
BRF Singapore Foods PTE Ltd.	Administrative, marketing and logistics services	Singapore	100.00	100.00
Eclipse Holding Coöperatief U.A.	Holding	The Netherlands	99.99	99.99
Buenos Aires Fortune S.A.	Holding	Argentina	4.36	4.36
Eclipse Latam Holdings	Holding	Spain	100.00	100.00
Buenos Aires Fortune S.A.	Holding	Argentina	95.64	95.64
Perdigão Europe Lda.	Import, export of products and administrative services	Portugal	100.00	100.00
Perdigão International Ltd.	(d) Import and export of products	Cayman Island	-	100.00
ProudFood Lda.	Import and commercialization of products	Angola	90.00	90.00
Sadia Chile S.A.	Import, export and commercialization of products	Chile	40.00	40.00
Wellax Food Logistics C.P.A.S.U. Lda.	Import, commercialization of products and administrative services	Portugal	100.00	100.00
BRF Austria GmbH	(o) Holding	Austria	100.00	100.00
One Foods Holdings Ltd.	Holding	UAE	100.00	100.00
Al-Wafi Food Products Factory LLC	Import, export, industrialization and commercialization of products	UAE	49.00	49.00
Badi Ltd.	Holding	UAE	100.00	100.00
Al-Wafi Al-Takamol International for Foods Products	Import and commercialization of products	Saudi Arabia	100.00	100.00
Joody Al Sharqiya Food Production Factory LLC	(b) Import and commercialization of products	Saudi Arabia	100.00	-
BRF Al Yasra Food K.S.C.C. ("BRF AFC")	(c) Import, commercialization and distribution of products	Kuwait	100.00	75.00
BRF Foods GmbH	Industrialization, import and commercialization of products	Austria	100.00	100.00
Al Khan Foodstuff LLC ("AKF")	Import, commercialization and distribution of products	Oman	70.00	70.00
FFQ GmbH	(e) Industrialization, import and commercialization of products	Austria	-	100.00
TBQ Foods GmbH	Holding	Austria	60.00	60.00
Banvit Bandırma Vitaminli	Import, industrialization and commercialization of products	Turkey	91.71	91.71
Banvit Enerji ve Elektrik Üretim Ltd. Sti.	(a) Generation and commercialization of electric energy	Turkey	100.00	100.00
Banvit Foods SRL	(f) Industrialization of grains and animal feed	Romania	-	0.01
Nutrinvestments BV	Holding	The Netherlands	100.00	100.00
Banvit ME FZE	Marketing and logistics services	UAE	100.00	100.00
Banvit Foods SRL	(f) Industrialization of grains and animal feed	Romania	-	99.99
One Foods Malaysia SDN. BHD.	Marketing and logistics services	Malaysia	100.00	100.00
Federal Foods LLC	Import, commercialization and distribution of products	UAE	49.00	49.00
Federal Foods Qatar	Import, commercialization and distribution of products	Qatar	49.00	49.00
BRF Hong Kong LLC	(a) Import, commercialization and distribution of products	Hong Kong	100.00	100.00
Eclipse Holding Coöperatief U.A.	Holding	The Netherlands	0.01	0.01
Establecimiento Levino Zaccardi y Cia. S.A.	(a) Industrialization and commercialization of dairy products	Argentina	99.99	99.99
BRF Energia S.A.	Commercialization of electric energy	Brazil	100.00	100.00
BRF Pet S.A.	Industrialization, commercialization and distribution of feed and nutrients for animals	Brazil	100.00	100.00
Affinity Petcare Brasil Participações Ltda.	(n) Holding	Brazil	100.00	-
Mogiana Alimentos S.A.	(i) Manufacturing, distribution and sale of Pet Food products	Brazil	50.00	-
Gewinner Participações Ltda.	(i) Industrialization, distribution and sale of feed and nutrients for animals	Brazil	100.00	-
Hercosul Alimentos Ltda.	(i) Manufacturing and sale of animal feed	Brazil	100.00	-
Hercosul Distribuição Ltda.	(i) Import, export, wholesale and retail sale of food products for animals	Brazil	100.00	-
Hercosul Soluções em Transportes Ltda.	(i) Road freight	Brazil	100.00	-
Hercosul International S.R.L.	(i) Manufacturing, export, import and sale of feed and nutrients for animals	Paraguay	99.00	-
Paraguassu Participações S.A.	(m) Holding	Brazil	100.00	-
Mogiana Alimentos S.A.	(i) Manufacturing, distribution and sale of Pet Food products	Brazil	50.00	-
Hercosul International S.R.L.	(k) Manufacturing, export, import and sale of feed and nutrients for animals	Paraguay	1.00	-
PP-BIO Administração de bem próprio S.A.	(i) Management of assets	Brazil	-	33.33
PR-SAD Administração de bem próprio S.A.	Management of assets	Brazil	33.33	33.33
ProudFood Lda.	Import and commercialization of products	Angola	10.00	10.00
PSA Laboratório Veterinário Ltda.	Veterinary activities	Brazil	99.99	99.99
Sino dos Alpes Alimentos Ltda.	(a) Industrialization and commercialization of products	Brazil	99.99	99.99
Sadia Alimentos S.A.	Holding	Argentina	43.10	43.10
Sadia Chile S.A.	Import, export and commercialization of products	Chile	60.00	60.00
Sadia International Ltd.	(i) Import and commercialization of products	Cayman Island	-	100.00
Sadia Uruguay S.A.	Import and commercialization of products	Uruguay	100.00	100.00
Sadia Alimentos S.A.	Holding	Argentina	56.90	56.90
Vip S.A. Empreendimentos e Participações Imobiliárias	Commercialization of owned real state	Brazil	100.00	100.00
Establecimiento Levino Zaccardi y Cia. S.A.	(a) Industrialization and commercialization of dairy products	Argentina	0.01	0.01
PSA Laboratório Veterinário Ltda.	Veterinary activities	Brazil	0.01	0.01
Sino dos Alpes Alimentos Ltda.	(a) Industrialization and commercialization of products	Brazil	0.01	0.01

(1) UAE – United Arab Emirates.

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

(b) On January 18, 2021, 100% of the capital stock of Joody Al Sharqiya Food Production Factory LLC was acquired (note 1.2.1).

- (c) On March 9, 2021, the minority stake on BRF AFC was acquired, as described below.
- (d) On March 24, 2021, the subsidiary Perdigão International Ltd. was dissolved.
- (e) On March 30, 2021, the subsidiary FFQ GmbH was dissolved.
- (f) On May 4, 2021 the sale of shares held in Banvit Foods SRL was concluded, as described below.
- (g) On May 31, 2021, BRF GmbH became owner of 99.99% of BRF Food LLC.
- (h) On May 31, 2021, BRF Global GmbH became owner of 0.01% of BRF Food LLC.
- (i) On July 30, 2021, BRF S.A. sold all the shares held in PP-BIO Administração de bem próprio S.A.
- (j) On August 02, 2021, 99% of the capital stock of Hercosul International S.R.L. was acquired by BRF Pet S.A., as per note 1.2.2
- (k) On August 02, 2021, 1% of the capital stock of Hercosul International S.R.L. was acquired by BRF S.A., as per note 1.2.2
- (l) On August 19, 2021, the subsidiary Sadia International Ltd. was dissolved.
- (m) On September 01, 2021, Paraguassu Participações S.A. was acquired by BRF Pet S.A., as per note 1.2.3
- (n) On September 01, 2021, Affinity Petcare Brasil Participações Ltda. was acquired by BRF Pet S.A., as per note 1.2.3
- (o) On October 21, 2021 it was approved the merger of BRF Austria GmbH into BRF GmbH retroactively to 01 January 2021 according to the Austrian law.

On March 9, 2021 the Company, through its wholly-owned subsidiary One Foods Holdings Ltd. ("One Foods") acquired from Al Yasra Food Company W.L.L the minority stake of 25% of BRF Al Yasra Food K.S.C.C. ("BRF AFC"), entity located in Kuwait, responsible for the distribution of BRF products in the country. The transaction was concluded for the amount equivalent to R\$238,421 (USD40,828) and from this date, BRF AFC became a wholly-owned subsidiary of One Foods. The amount paid is presented in the financing activities on the statement of cash flows and the difference between the amount paid and the book value of the participation acquired was recorded in Equity as Other Reserves, in the amount of R\$79,673.

On May 4, 2021, Nutrinvestment BV and Banvit Bandirma Vitaminli, indirectly controlled subsidiaries of the Company, concluded the sale to Aaylex System Group S.A. of 100% of the shares held in Banvit Foods SRL, engaged in the activities of manufacture of animal feed and egg hatchery in Romania. The sale amount, received on that date, was equivalent to R\$132,425 (EUR 20,300). In June, the parties established a price adjustment due to net debt and working capital, in the amount equivalent to R\$13,059 (EUR2,157). In the nine-month period ended on September 30, 2021, the Company recognized a gain with the sale of R\$76,148, mainly due to the write-off of the currency translation adjustment and to the price adjustment, recorded under Other Operating Income.

Except for the associate PR-SAD in which the Company records the investments by the equity method, all other entities shown in the table above were consolidated.

## 1.2. Business combinations

### 1.2.1. Joody Al Sharqiya Food Production Factory

On January 18, 2021, through its wholly-owned subsidiary Badi Limited ("Badi"), the Company concluded the acquisition of 100% of the capital stock of Joody Al Sharqiya Food Production Factory ("Joody Al"), a food processing company in Saudi Arabia. The initial fair value of the consideration transferred was equivalent to R\$41,620 (SAR29,793) paid in cash, and from this date, Joody Al has become a wholly-owned subsidiary of Badi. The consideration paid may be adjusted according to certain conditions established in the purchase agreement.

The goodwill of R\$12,376 arising from the business combination consists mainly of the synergies expected with the combination of the operations of BRF and Joody Al, strengthening the Company's presence in the Saudi Arabian market. The results and the goodwill are presented in the International segment (note 25).

The fair value of the acquired assets and assumed liabilities in the business combination is presented below:

	Fair value at the acquisition date
<b>Assets</b>	
Cash and cash equivalents	408
Inventories	832
Advances	232
Property, plant and equipment, net	30,128
	31,600
<b>Liabilities</b>	
Trade accounts payable	1,420
Taxes payable	550
Employee benefits	286
Other current liabilities	100
	2,356
<b>Net assets acquired</b>	29,244
<b>Fair value of consideration transferred</b>	41,620
<b>Preliminary goodwill</b>	12,376



## 1.2.2. Hercosul Group

On August 2, 2021 the Company concluded the acquisition of 100% of the capital stock of the companies that compose the Hercosul Group, after with the fulfillment of the conditions precedent. From this date, BRF Pet S.A. ("BRF Pet") became owner of 100% of Gewinner Participações Ltda. and 99% of Hercosul International S.R.L. ("Hercosul International") and BRF S.A. became owner of 1% of Hercosul International.

The initial fair value of the consideration transferred was of R\$794,535 of which R\$675,355 was paid in cash and R\$119,180 will be paid in the next 4 years. The installments value was recorded as other liabilities and is subject to interest, which will be recorded as financial expenses. According to conditions established in the acquisition contract, which are common to transactions of this nature, the value of the consideration may be adjusted based on the net debt, working capital and contingent assets of the Hercosul Group.

The Company incurred in expenses with advisors, lawyers and other related to the acquisition and integration of Hercosul Group in the amount of R\$14,335 for the nine-month period ended on September 30, 2021, which were recognized under administrative expenses.

The preliminary goodwill of R\$766,183 recognized in the acquisition consists mainly of the value of the synergies expected from the combination of the operations of BRF Pet, Hercosul Group and Mogiana Group and the value of the acquired brands, which are strong in this market and reinforce BRF's presence in the pet food sector. The results, intangible assets with indefinite useful life and goodwill arising from this business combination are presented in Other segments (note 25).

Due to the size and complexity of the Hercosul Group operations, at the disclosure date of this interim financial information, the evaluation by an independent party of the fair value of the assets acquired and liabilities assumed is in progress. The Company's current best estimate of the fair value of the assets and liabilities is presented below and reflected in the Company's consolidated interim financial information:

	Fair value at the acquisition date	
	Gewinner Participações Consolidated	Hercosul International
<b>Assets</b>		
Cash and cash equivalents	17,743	4,402
Trade and other receivables	40,838	8,475
Inventories	34,355	9,623
Recoverable taxes	15,771	4,078
Advances	29,103	-
Property, plant and equipment, net	23,829	59,135
Intangible assets	647	393
Other assets	773	2,805
	163,059	88,911
<b>Liabilities</b>		
Social and Labor Obligations	6,681	200
Trade accounts payable	66,760	8,320
Taxes payable	14,879	200
Loans and borrowings	65,825	29,555
Other liabilities	10,720	20,478
	164,865	58,753
<b>Net assets acquired</b>	<b>(1,806)</b>	<b>30,158</b>
<b>Fair value of consideration transferred</b>	<b>726,186</b>	<b>68,349</b>
<b>Preliminary goodwill</b>	<b>727,992</b>	<b>38,191</b>

In addition to the information presented above, the following assets will probably have fair value allocations in the business combination and have not yet been measured: inventories, trademarks, customer relationship and

fixed assets. Management expects this report to be completed during 2021, when the final allocation of the purchase price and its respective accounting effects will be determined.

This business combination contributed with net revenue of R\$32,458 and net income of R\$2,016 from the acquisition date to September 30, 2021 in the consolidated statement of income. If the business combination had taken place at the beginning of the nine-month period ended September 30, 2021, the consolidated net revenues for this period would have increased by R\$198,168 and the consolidated net loss for the period would have increased by R\$36,258.

### **1.2.3. Mogiana Group**

On September 1, 2021, the Company, through its wholly-owned subsidiary BRF Pet dedicated to the pet food sector, concluded the acquisition of Paraguassu Participações S.A. ("Paraguassu") and Affinity Petcare Brasil Participações Ltda. ("Affinity"), both owner of 100% of the capital stock of Mogiana Alimentos S.A. (together form the "Mogiana Group"), after fulfillment of all conditions precedent. Therefore, from this date, Paraguassu and Affinity became wholly-owned subsidiaries of BRF Pet.

The initial fair value of the consideration transferred was of R\$435,773 of which R\$290,225 was paid in cash and R\$145,548 will be paid in the next 6 years. The installments value was recorded as other liabilities and is subject to interest, which will be recorded as financial expenses. In addition, from the term value, R\$60,000 will be deposited in an escrow account after the first anniversary of the acquisition, as a guarantee for BRF Pet in case of eventual indemnities provided for in the acquisition contract. According to conditions established in the acquisition contract, which are common to transactions of this nature, the value of the consideration may be adjusted based on the net debt, working capital and contingent assets of Mogiana Alimentos S.A.

The Company incurred in expenses with advisors, lawyers and other related to the acquisition and integration of Mogiana in the amount of R\$8,146 for the nine-month period ended on September 30, 2021, which were recognized under administrative expenses.

The preliminary goodwill of R\$283,426 recognized in the acquisition consists mainly of the value of the synergies expected from the combination of the operations of BRF Pet, Mogiana Group and Hercosul Group and the value of the acquired brands, which are strong in this market and reinforce BRF's presence in the pet food sector. The results, intangible assets with indefinite useful life and goodwill arising from this business combination are presented in Other segments (note 25).

Due to the size and complexity of the Mogiana Group operations, at the disclosure date of this interim financial information, the evaluation by an independent party of the fair value of the assets acquired and liabilities assumed is in progress. The Company's current best estimate of the fair value of the assets and liabilities is presented below and reflected in the Company's consolidated interim financial information:

Mogiana Group Combined	Fair value at the acquisition date
<b>Assets</b>	
Cash and cash equivalents	938
Marketable securities	29,842
Trade and other receivables	61,184
Inventories	55,334
Recoverable taxes	29,020
Property, plant and equipment, net	101,618
Intangible assets	1,064
Other assets	5,500
	284,500
<b>Liabilities</b>	
Trade accounts payable	55,838
Loans and borrowings	22,734
Lease liability	11,147
Taxes payable	10,438
Labor Obligations	6,296
Contingencies	8,363
Employee benefits	2,081
Deferred Taxes	750
Other liabilities	14,506
	132,153
<b>Net assets acquired</b>	152,347
<b>Fair value of consideration transferred</b>	435,773
<b>Preliminary goodwill</b>	283,426

In addition to the information presented above, the following assets will probably have fair value allocations in the business combination and have not yet been measured: inventories, trademarks, customer relationship, non-compete agreement and fixed assets. Management expects this report to be completed during 2021, when the final allocation of the purchase price and its respective accounting effects will be determined.

This business combination contributed with net revenue of R\$41,438 and net income of R\$1,901 from the acquisition date to September 30, 2021 in the consolidated statement of income. If the business combination had taken place at the beginning of the nine-month period ended on September 30, 2021, the consolidated net revenues for this period would have increased by R\$329,418 and the consolidated net loss for the period would be reduced by R\$27,955.

### 1.3. Discontinued Operations

In the nine-month period ended on September 30, 2021, the Company completed the price adjustment process related to sale of Campo Austral S.A. and determined a preliminary price adjustment related to the sale of Avex S.A., which is subject to modifications until the final agreement is signed between the parties.

The referred price adjustment totaled an expense of R\$59,270 (R\$47,802 net of taxes) and are presented in Net Loss of Discontinued Operations, consistently with the practice adopted in the sale of the operations in 2019.

## 1.4. Partnership – self-generation of energy

### 1.4.1. Partnership with AES

On August 16, 2021, the Company executed an investment agreement with a subsidiary of AES Brasil Energia S.A. to incorporate a joint venture for the construction of a wind energy park for self-generation in the wind farm complex of Cajuína, Rio Grande do Norte, with an installed capacity of 160MWm (average Megawatt), generating 80MWm to be supplied to the Company by means of a 15-year power purchase agreement.

Through this partnership, the Company will meet about a third of its energy needs for the Brazilian operations. The estimated investment is approximately R\$5.2 million/MW (Megawatt) installed, and BRF will directly invest approximately R\$80 million, to be disbursed during the Project's development. The operation of the park is scheduled to begin by 2024.

The closing of this partnership is subject to approval of the competent authorities and the verification of other usual conditions in operations of this nature.

### 1.4.2. Partnership with PontoOn

On September 16, 2021, the Company executed with Intrepid Participações S.A. ("Intrepid") a 15-year renewable energy power purchase agreement together with a call option agreement, which provides for the entry of BRF, through a holding company jointly held with Intrepid, aiming the construction of a sun energy self-generation plant in Mauriti and Milagres, Ceará, with an installed capacity of 320MWp (Megawatt-peak) generating, on average, 80MWm. The Project's estimated investment is approximately R\$ 1.1 billion (R\$3.7 million/MWp installed).

The call option agreement provides BRF with the right to acquire participation in Intrepid for a fixed price. Should BRF exercise the option, the Company will directly invest the approximate amount of R\$50 million, to be disbursed during the Project's development. The operation of the complex is scheduled to begin by 2024.

## 1.5. Investigations involving BRF

### 1.5.1. *Carne Fraca* and *Trapaça* operations

The Company has been subject to two investigations conducted by Brazilian governmental entities, denominated "*Carne Fraca Operation*" in 2017 and "*Trapaça Operation*" in 2018, as detailed in the financial statements for the year ended on December 31, 2020 (note 1.2). The Company's Audit and Integrity Committee conducted independent investigations, along with the Independent Investigation Committee, composed of external members and with external legal advisors in Brazil and abroad with respect to the allegations involving BRF employees and former employees.

The main impacts observed as result of the referred investigations were recorded in Other Operating Expenses in the amount of R\$8,554 for the nine-month period ended on September 30, 2021 (R\$28,099 in the same period of the previous year) and R\$412 for the three-month period ended on September 30, 2021 (R\$4,027 in the same period of the previous year) mostly related to expenditures with lawyers, legal advisors and consultants.

In addition to the impacts already recorded, there are uncertainties about the outcome of these investigations which may result in penalties, fines and normative sanctions, right restrictions and other forms of liabilities, for which the Company is not able to make a reliable estimate of the potential losses. The outcomes may result in payments of substantial amounts, which may cause a material adverse effect on the Company's financial position, results and cash flows in the future.

Regarding the investigations conducted by regulators offices and governmental entities in the United States of America about these operations, on February 25, 2021, the Division of Enforcement of the U.S. Securities and Exchange Commission ("SEC") issued a letter to the Company stating that it has concluded its investigation and, based on information to date, does not intend to recommend an enforcement action by the SEC against the Company. On May 5, 2021, the U.S. Department of Justice ("DOJ") issued a letter stating that it has closed its investigation against BRF, based on information to date. No sanctions or penalties were imposed against the Company.

### 1.5.2. Governance enhancement

The Company has been taking actions to strengthen the compliance with its policies, procedures and internal controls.

The Company believes that its efforts strengthens and consolidates its governance to ensure the highest levels of safety standards, integrity and quality.

Among the actions implemented, are: (i) strengthening in the risk management, specially compliance, (ii) continuous improvement of the Compliance, Internal Audit and Internal Controls departments, (iii) review and issuance of new policies and procedures specifically related to applicable anticorruption laws, (iv) review and enhancement of the procedures for reputational verification of business partners, (v) review and enhancement of the processes of internal investigation, (vi) expansion of the independent reporting channel, (vii) review of transactional controls, and (viii) review and issuance of new consequence policy for misconduct.

## 1.6. Coronavirus (COVID-19)

On January 31, 2020 the World Health Organization announced that the COVID-19 is a global health emergency and on March 11, 2020 declared it a global pandemic. The outbreak has triggered significant decisions from governments and private sector entities, which in addition to the potential impact, increased the uncertainty level for the economic agents and may cause effects in the amounts recognized in the interim financial information.

BRF continues to operate its industrial complexes, distribution centers, logistics, supply chain and administrative offices, even if temporarily and partially under remote work regime in some of the corporate offices. Therefore, until the date of approval of this interim financial information, there has been no relevant change in its production plan, operation and/or commercialization. Additionally, management has developed and implemented contingency plans to maintain the operations and monitors the effects of the pandemic through a permanent multidisciplinary monitoring committee, formed by executives, specialists in the public health area and consultants.

Due to the pandemic, the Company has incurred in direct expenditures, such as transportation, personnel, prevention, control and donations, which are presented in the statement of income (loss) within the following line items:

	2021		Consolidated 2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Cost of sales	(41,391)	(163,047)	(99,019)	(273,308)
Selling expenses	(27,315)	(51,405)	(2,241)	(48,558)
General and administrative expenses	(3,714)	(20,661)	(43,911)	(69,976)
	(72,420)	(235,113)	(145,171)	(391,842)

The management considered in its projections of results and cash flows, to the best of its knowledge, the effects and uncertainties regarding the pandemic. Due to the high volatility and uncertainty around the length and the impact of the pandemic, the Company will continue to monitor the situation and evaluate the impacts on assumptions and estimates used in preparing our financial reporting.

## 1.7. 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 2021 occurred between April 13, 2021 and May 12, 2021.

## 2. BASIS OF PREPARATION AND PRESENTATION OF INTERIM FINANCIAL INFORMATION

The parent company's and consolidated interim financial information was 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 parent company's and consolidated interim financial information is expressed in thousands of Brazilian Reals ("R\$"), unless otherwise stated. For disclosures of amounts in other currencies, the values were also expressed in thousands, unless otherwise stated.

The preparation of the parent company's and consolidated interim financial information require 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 parent company's and consolidated interim financial information was 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) share-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 parent company's and consolidated interim financial information 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, 2020 (note 3), except for: (i) the income taxes, which were measured according to CPC 21 / IAS 34 by applying the estimated annual effective tax rate to the pre-tax profit or loss for the interim period; and (ii) reclassification of payment of interest in the statements of cash flows, as described below.

In the nine-month period ended on September 30, 2021, the Company changed the classification of payment of interest in the statement of cash flows, reclassifying this item from Operating Activities to Financing Activities. This change was made for better presentation of the Company's cash flows and convergence with the reports used by the administration in its management.

To ensure comparability between the periods presented, the Company performed the following reclassifications for the nine-month period ended on September 30, 2020:

	Parent company			Jan - Sep 2020 Consolidated		
	Previously presented	Reclassification	Restated	Previously presented	Reclassification	Restated
Net cash provided by operating activities	2,114,612	851,575	2,966,187	5,110,377	1,002,146	6,112,523
Net cash used in investing activities	(901,542)	-	(901,542)	(923,071)	-	(923,071)
Net cash provided by (used in) financing activities	1,621,335	(851,575)	769,760	1,696,751	(1,002,146)	694,605
Effect of exchange rate variation on cash and cash equivalents	298,432	-	298,432	1,276,745	-	1,276,745
<b>Net increase in cash and cash equivalents</b>	<b>3,132,837</b>	<b>-</b>	<b>3,132,837</b>	<b>7,160,802</b>	<b>-</b>	<b>7,160,802</b>

There were no other changes on such policies and estimates calculation methodologies. As allowed by CPC 21 / IAS 34, Management decided not to disclose again the details of the accounting policies adopted by the Company. Hence, the interim financial information should be read along with the annual financial statements for the year ended on December 31, 2020, in order to allow the users to further understand the Company's financial conditions and liquidity, as well as its capacity to generate profits and cash flows.

## 4. CASH AND CASH EQUIVALENTS

	Average rate (1)	Parent company		Consolidated	
		09.30.21	12.31.20	09.30.21	12.31.20
<b>Cash and bank accounts</b>					
Turkish lira	-	-	-	660,171	347,740
U.S. Dollar	-	544	520	633,222	1,185,208
Saudi Riyal	-	-	-	351,645	250,879
Brazilian Reals	-	89,141	111,615	117,762	112,181
Euro	-	1,305	6,144	67,973	54,687
Other currencies	-	459	28	372,324	488,377
		<b>91,449</b>	<b>118,307</b>	<b>2,203,097</b>	<b>2,439,072</b>
<b>Cash equivalents</b>					
In Brazilian Reals					
Investment funds	4.12%	4,120	4,684	4,120	4,684
Bank deposit certificates	5.84%	4,059,645	3,650,812	4,082,178	3,662,448
		<b>4,063,765</b>	<b>3,655,496</b>	<b>4,086,298</b>	<b>3,667,132</b>
In U.S. Dollar					
Term deposit	-	-	-	-	198,878
Overnight	0.15%	76,221	102,336	600,449	1,220,232
Other currencies					
Term deposit	-	-	-	-	51,311
		<b>76,221</b>	<b>102,336</b>	<b>600,449</b>	<b>1,470,421</b>
		<b>4,231,435</b>	<b>3,876,139</b>	<b>6,889,844</b>	<b>7,576,625</b>

(1) Weighted average annual rate.



## 5. MARKETABLE SECURITIES

	WAM (1)	Currency	Average rate (2)	Parent company		Consolidated	
				09.30.21	12.31.20	09.30.21	12.31.20
<b>Fair value through other comprehensive income</b>							
Stocks (3)	-	USD / HKD	-	-	-	13,290	42,029
<b>Fair value through profit and loss</b>							
Financial treasury bills	3.29	R\$	1.90%	318,893	312,515	318,893	312,515
Investment funds - FIDC BRF	2.46	R\$	-	14,966	15,044	14,966	15,044
Committed	0.50	R\$	-	-	-	22,810	-
Other	0.02	R\$ / ARS	-	-	-	1,479	1,643
				333,859	327,559	358,148	329,202
<b>Amortized cost</b>							
Sovereign bond and other (4)	1.57	AOA	4.00%	-	-	347,650	287,504
				333,859	327,559	719,088	658,735
Current				318,893	312,515	343,182	314,158
Non-current (5)				14,966	15,044	375,906	344,577

(1) Weighted average maturity in years.

(2) Weighted average annual rate.

(3) It's comprised of Aleph Farms Ltd. stocks on September 30, 2021 and Cofco Meats stocks on December 31, 2020.

(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\$17,943 (R\$9,894 on December 31, 2020).

(5) Maturity until December of 2023.

On September 30, 2021, the amount of R\$281,649 (R\$366,671 on December 31, 2020) classified as cash and cash equivalents and marketable securities were pledged as guarantee, with no use restrictions, for USD denominated future contracts traded on B3.

## 6. TRADE ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	Parent company		Consolidated	
	09.30.21	12.31.20	09.30.21	12.31.20
<b>Trade accounts receivable</b>				
<b>Domestic market</b>				
Third parties	867,196	1,999,807	977,964	2,002,586
Related parties	3,311	6,228	-	-
<b>Foreign market</b>				
Third parties	530,751	537,584	3,218,914	2,716,551
Related parties	7,931,390	3,239,348	-	-
	9,332,648	5,782,967	4,196,878	4,719,137
( - ) Adjustment to present value	(7,076)	(10,026)	(10,867)	(13,316)
( - ) Expected credit losses	(578,940)	(555,712)	(633,850)	(605,940)
	8,746,632	5,217,229	3,552,161	4,099,881
Current	8,740,567	5,210,498	3,545,760	4,092,855
Non-current	6,065	6,731	6,401	7,026
<b>Other receivables</b>				
Other receivables	93,844	113,949	93,844	113,949
( - ) Adjustment to present value	(1,409)	(156)	(1,409)	(156)
( - ) Expected credit losses	(15,959)	(27,389)	(15,959)	(27,389)
	76,476	86,404	76,476	86,404
Current	40,991	43,566	40,991	43,566
Non-current (1)	35,485	42,838	35,485	42,838

(1) Weighted average maturity of 2.00 years.



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 September 30, 2021, FIDC BRF had an outstanding balance of R\$770,894 (R\$549,083 on December 31, 2020) 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 September 30, 2021, other receivables are mainly represented by receivables from the sale of farms and various properties, with a balance of R\$59,468 (R\$78,258 on December 31, 2020).

The movements of the expected credit losses are presented below:

	Parent company 09.30.21	Consolidated 09.30.21
<b>Beginning balance</b>	(555,712)	(605,940)
Business combination (note 1.2)	-	(5,605)
(Additions) Reversals	(8,034)	(11,627)
Write-offs	3,774	9,060
Exchange rate variation	(18,968)	(19,738)
<b>Ending balance</b>	(578,940)	(633,850)

The aging of trade accounts receivable is as follows:

	Parent company		Consolidated	
	09.30.21	12.31.20	09.30.21	12.31.20
Not overdue	8,739,804	5,206,584	3,334,545	4,010,140
<b>Overdue</b>				
01 to 60 days	13,884	29,631	228,974	104,195
61 to 90 days	1,182	1,357	4,837	6,045
91 to 120 days	706	469	3,368	398
121 to 180 days	2,635	458	7,206	7,024
181 to 360 days	4,847	3,448	10,209	15,688
More than 360 days	569,590	541,020	607,739	575,647
( - ) Adjustment to present value	(7,076)	(10,026)	(10,867)	(13,316)
( - ) Expected credit losses	(578,940)	(555,712)	(633,850)	(605,940)
	<b>8,746,632</b>	<b>5,217,229</b>	<b>3,552,161</b>	<b>4,099,881</b>

## 7. INVENTORIES

	Parent company		Consolidated	
	09.30.21	12.31.20	09.30.21	12.31.20
Finished goods	3,374,804	2,162,977	5,211,775	3,610,585
Work in progress	230,778	191,110	234,600	192,335
Raw materials	2,463,263	1,920,891	2,614,888	2,046,681
Packaging materials	147,681	88,359	172,165	92,256
Secondary materials	600,995	522,125	610,494	531,801
Supplies	177,459	173,030	219,876	207,033
Imports in transit	161,922	107,829	162,140	107,829
Other	130,504	75,508	162,378	94,816
(-) Adjustment to present value	(129,339)	(80,568)	(129,395)	(80,577)
	<b>7,158,067</b>	<b>5,161,261</b>	<b>9,258,921</b>	<b>6,802,759</b>

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

				Parent company 09.30.21
	Realizable value through sale	Impaired inventories	Obsolete inventories	Total
Beginning balance	(23,957)	(23,579)	(7,715)	(55,251)
Additions	(97,533)	(57,022)	(5,502)	(160,057)
Reversals	105,107	-	-	105,107
Write-offs	-	59,080	4,730	63,810
Ending balance	(16,383)	(21,521)	(8,487)	(46,391)

				Consolidated 09.30.21
	Realizable value through sale	Impaired inventories	Obsolete inventories	Total
Beginning balance	(31,155)	(29,831)	(14,719)	(75,705)
Additions	(117,668)	(68,608)	(7,254)	(193,530)
Reversals	124,565	-	-	124,565
Write-offs	-	71,824	7,499	79,323
Business combination (note 1.2)	-	(42)	-	(42)
Exchange rate variation	(237)	(190)	(226)	(653)
Ending balance	(24,495)	(26,847)	(14,700)	(66,042)

## 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 09.30.21
	Current			Non-current			
	Live animals			Live animals			Total
	Poultry	Pork	Total	Poultry	Pork	Forests	
Beginning balance	783,706	1,260,582	2,044,288	405,030	425,252	324,444	1,154,726
Additions/Transfer	10,097,690	7,014,758	17,112,448	65,259	331,740	29,489	426,488
Changes in fair value (1)	1,835,941	330,097	2,166,038	84,807	(152,576)	-	(67,769)
Harvest	-	-	-	-	-	(36,945)	(36,945)
Write-off	-	-	-	-	-	(2,067)	(2,067)
Transfer between current and non-current	72,776	91,501	164,277	(72,776)	(91,501)	-	(164,277)
Transfer to inventories	(11,793,780)	(7,123,342)	(18,917,122)	-	-	-	-
Ending balance	996,333	1,573,596	2,569,929	482,320	512,915	314,921	1,310,156

							Consolidated 09.30.21
	Current			Non-current			
	Live animals			Live animals			Total
	Poultry	Pork	Total	Poultry	Pork	Forests	
Beginning balance	868,428	1,260,582	2,129,010	472,053	425,252	324,444	1,221,749
Additions/Transfer	10,109,223	7,014,758	17,123,981	66,375	331,740	29,489	427,604
Changes in fair value (1)	1,850,293	330,097	2,180,390	97,527	(152,576)	-	(55,049)
Harvest	-	-	-	-	-	(36,945)	(36,945)
Write-off	-	-	-	-	-	(2,067)	(2,067)
Transfer between current and non-current	72,776	91,501	164,277	(72,776)	(91,501)	-	(164,277)
Transfer to inventories	(11,793,780)	(7,123,342)	(18,917,122)	-	-	-	-
Exchange variation	(12,471)	-	(12,471)	(8,183)	-	-	(8,183)
Ending balance	1,094,469	1,573,596	2,668,065	554,996	512,915	314,921	1,382,832

(1) The change in the fair value of biological assets includes depreciation of breeders and depletion of forests in the amount of R\$689,098 in the parent company and R\$754,783 in the consolidated.

The estimated balances and quantities of live animals are set forth below:

	09.30.21		Parent company 12.31.20	
	Quantity (thousand of heads)	Book value	Quantity (thousand of heads)	Book value
<b>Consumable biological assets</b>				
Immature poultry	208,670	996,333	178,143	783,706
Immature pork	4,171	1,573,596	4,204	1,260,582
<b>Total current</b>	<b>212,841</b>	<b>2,569,929</b>	<b>182,347</b>	<b>2,044,288</b>
<b>Production biological assets</b>				
Immature poultry	5,653	180,292	6,243	152,632
Mature poultry	10,089	302,028	10,207	252,398
Immature pork	208	126,619	203	93,466
Mature pork	454	386,296	457	331,786
<b>Total non-current</b>	<b>16,404</b>	<b>995,235</b>	<b>17,110</b>	<b>830,282</b>
	<b>229,245</b>	<b>3,565,164</b>	<b>199,457</b>	<b>2,874,570</b>

	09.30.21		Consolidated 12.31.20	
	Quantity (thousand of heads)	Book value	Quantity (thousand of heads)	Book value
<b>Consumable biological assets</b>				
Immature poultry	228,202	1,094,469	199,877	868,428
Immature pork	4,171	1,573,596	4,204	1,260,582
<b>Total current</b>	<b>232,373</b>	<b>2,668,065</b>	<b>204,081</b>	<b>2,129,010</b>
<b>Production biological assets</b>				
Immature poultry	6,525	210,896	7,320	188,967
Mature poultry	11,502	344,100	11,395	283,086
Immature pork	208	126,619	203	93,466
Mature pork	454	386,296	457	331,786
<b>Total non-current</b>	<b>18,689</b>	<b>1,067,911</b>	<b>19,375</b>	<b>897,305</b>
	<b>251,062</b>	<b>3,735,976</b>	<b>223,456</b>	<b>3,026,315</b>

The Company has forests pledged as collateral for financing and tax/civil contingencies on September 30, 2021 in the amount of R\$72,677 in the parent company and in the consolidated (R\$68,381 in the parent company and in the consolidated on December 31, 2020).

## 9. RECOVERABLE TAXES

The rollforward of recoverable taxes are set forth below:

							Parent company
	Note	12.31.20	Additions	Compensations / Reversals	Transfers (1)	Interest	09.30.21
ICMS and VAT							
Recoverable ICMS and VAT		1,483,612	378,212	(47,470)	(134,393)	180	1,680,141
(-) Impairment		(154,721)	(23,020)	28,557	17,102	-	(132,082)
PIS and COFINS	9.1						
Recoverable PIS and COFINS		3,167,001	370,909	(888,029)	-	56,880	2,706,761
(-) Impairment		(14,228)	-	-	-	-	(14,228)
IPI	9.2						
Recoverable IPI		808,524	5,264	(460)	-	76,525	889,853
(-) Impairment		(1,984)	-	-	-	-	(1,984)
INSS							
Recoverable INSS		341,824	13,955	(56,356)	-	3,800	303,223
(-) Impairment		(102)	-	-	-	-	(102)
Other							
Other recoverable taxes		52,115	28,765	-	-	-	80,880
(-) Impairment		(1,484)	-	20	-	-	(1,464)
		5,680,557	774,085	(963,738)	(117,291)	137,385	5,510,998
Current		812,338					776,456
Non-current		4,868,219					4,734,542
		12.31.20	Additions	Compensations / Reversals	Transfers (1)	Restatement	09.30.21
Income taxes							
Recoverable income taxes		91,996	17,572	(8)	-	135	109,695
(-) Impairment		(8,985)	-	-	-	-	(8,985)
		83,011	17,572	(8)	-	135	100,710
Current		28,888					46,383
Non-current		54,123					54,327

- (1) The transfers occur from Recoverable Taxes to Other Current Assets and Other Non-Current Assets when sales of credits are made to third parties.

									Consolidated
	Note	12.31.20	Business combination (note 1.2)	Additions	Compensations / Reversals	Transfers (1)	Interest	Exchange variation	09.30.21
ICMS and VAT									
Recoverable ICMS and VAT		1,568,975	7,523	425,762	(108,947)	(134,393)	180	(2,621)	1,756,479
(-) Impairment		(154,721)	-	(23,020)	28,557	17,104	-	-	(132,080)
PIS and COFINS	9.1								
Recoverable PIS and COFINS		3,168,099	35,268	371,314	(888,864)	-	56,881	-	2,742,698
(-) Impairment		(14,228)	-	-	-	-	-	-	(14,228)
IPI	9.2								
Recoverable IPI		808,528	1,149	5,368	(460)	-	76,526	-	891,111
(-) Impairment		(1,984)	-	-	-	-	-	-	(1,984)
INSS									
Recoverable INSS		341,825	12	13,955	(56,356)	-	3,800	-	303,236
(-) Impairment		(102)	-	-	-	-	-	-	(102)
Other									
Other recoverable taxes		52,889	3,995	28,768	(1,408)	-	-	(34)	84,210
(-) Impairment		(1,963)	-	-	20	-	-	-	(1,943)
		5,767,318	47,947	822,147	(1,027,458)	(117,289)	137,387	(2,655)	5,627,397
Current		899,120							883,740
Non-current		4,868,198							4,743,657
		12.31.20	Business combination	Additions	Compensations / Reversals	Transfers (1)	Interest	Exchange variation	09.30.21
Income taxes									
Recoverable income taxes		107,728	922	69,015	(13,634)	-	135	(337)	163,829
(-) Impairment		(9,029)	-	-	-	-	-	-	(9,029)
		98,699	922	69,015	(13,634)	-	135	(337)	154,800
Current		43,840							94,936
Non-current		54,859							59,864

- (1) The transfers occur from Recoverable Taxes to Other Current Assets and Other Non-Current Assets when sales of credits are made to third parties.

## 9.1. PIS and COFINS –Social Integration Plan and Contribution for Social Security Financing

On December 7, 2020 and July 13, 2021, the processes filed by Batávia S.A. (subsidiary incorporated by BRF S.A.) and UP! Alimentos Ltda. (an entity jointly controlled by BRF S.A., whose operations were closed), respectively, granting the Company the right to exclude ICMS from the PIS and COFINS calculation basis. The Company, supported by its consultants, obtained the fiscal files for the period and reconciled them with the accessory obligations, measuring the credits reliably through the ICMS presented in the invoices. Thus, the amount of R\$90,935 was recognized under Recoverable PIS and COFINS, being R\$40,501 of principal recorded in Other Operating Income and R\$50,434 of interests recorded in Financial Income.

As of September 30, 2021, 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\$2,396,028 (R\$2,818,391 as of December 31, 2020). The amount of R\$554,287 related do these credits was offset against other federal taxes in the nine-month period ended on September 30, 2021 (null in the same period of the previous year).

In the study prepared by the Management, its realization is estimated through offsetting with federal taxes or through reimbursement of the amounts as expected below:

	PIS and COFINS
Current	499,000
Non-current	1,897,028
October to december 2022	327,516
2023	537,000
2024	672,000
2025	360,512
	2,396,028

## 9.2. IPI - Industrialized Product Tax

The Company recognized relevant 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 September 30, 2021 is R\$938,824 (R\$860,820 on December 31, 2020), of which R\$881,527 (R\$805,001 on December 31, 2020) is recorded as Recoverable Taxes and the remainder, referring to cases in which the government will reimburse in cash, is recorded as Other Current Assets, in the amount of R\$40,370 (the same amount on December 31, 2020) and as Other Non-Current Assets, in the amount of R\$16,927 (R\$15,449 on December 31, 2020).

In the study prepared by the Management, its realization is estimated through the refund of the amounts as expected below:

	IPI
Current	40,370
Non-current	898,454
October to december 2022	16,927
2025	647,252
2026	234,275
	938,824

## 9.3. Realization of Brazilian federal tax credits

The Company received in cash, through court orders related to IPI credits, the amount of R\$1,368 in the nine-month period ended on September 30, 2021 in the parent company and consolidated (R\$235,405 in the same period of the previous year).

The Company used PIS, COFINS, IPI, IRPJ, CSLL, INSS and other tax credits to offset federal taxes payable such as INSS and Income Taxes in the amount of R\$944,853 in the parent company and consolidated in the nine-month period ended September 30, 2021 (R\$694,206 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	
	09.30.21	12.31.20	09.30.21	12.31.20
<b>Assets</b>				
Tax losses carryforward	2,052,840	2,052,843	2,065,129	2,060,846
Negative calculation basis (social contribution)	769,405	769,402	773,829	772,283
<b>Temporary differences - Assets</b>				
Provisions for tax, civil and labor risks	476,563	458,019	479,238	458,019
Suspended collection taxes	2,754	1,871	2,754	1,871
Expected credit losses	180,720	194,969	180,735	194,977
Impairment on tax credits	56,136	67,900	56,136	67,900
Provision for other obligations	101,457	115,959	106,406	115,959
Employees' profit sharing	24,646	86,752	24,646	86,752
Write-down to net realizable value of inventories	16,092	19,184	17,461	19,189
Employees' benefits plan	226,694	216,510	242,815	216,510
Lease basis difference	111,216	86,308	111,216	86,308
Adjustment to the expected annual rate	557,112	-	557,112	-
Other temporary differences	13,131	10,632	21,624	40,028
	<b>4,588,766</b>	<b>4,080,349</b>	<b>4,639,101</b>	<b>4,120,642</b>
<b>Temporary differences - Liabilities</b>				
Goodwill amortization basis difference	(292,732)	(320,729)	(292,732)	(320,729)
Depreciation (useful life) basis difference	(881,339)	(851,436)	(871,534)	(851,436)
Business combination (1)	(888,918)	(740,385)	(909,127)	(761,429)
Unrealized gains on derivatives, net	(18,045)	(42,493)	(18,045)	(42,493)
Unrealized fair value gains, net	(33,203)	(39,269)	(32,340)	(39,269)
Other temporary differences	(19,860)	(17,268)	(44,800)	(22,749)
	<b>(2,134,097)</b>	<b>(2,011,580)</b>	<b>(2,168,578)</b>	<b>(2,038,105)</b>
<b>Total deferred taxes</b>	<b>2,454,669</b>	<b>2,068,769</b>	<b>2,470,523</b>	<b>2,082,537</b>
<b>Total Assets</b>	<b>2,454,669</b>	<b>2,068,769</b>	<b>2,505,005</b>	<b>2,109,064</b>
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>(34,482)</b>	<b>(26,527)</b>
	<b>2,454,669</b>	<b>2,068,769</b>	<b>2,470,523</b>	<b>2,082,537</b>

- (1) The deferred tax asset on the Sadia business combination was recorded on the amortization difference between the accounting and tax goodwill calculated as of the purchase price allocation date. The deferred tax liability on the Sadia business combination is substantially represented by the allocation of goodwill to property, plant and equipment, brands and contingent liabilities.

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

	Parent company	Consolidated
	09.30.21	09.30.21
<b>Beginning balance</b>	<b>2,068,769</b>	<b>2,082,537</b>
Deferred taxes on profit recognized in income of continuing operations	257,446	271,803
Deferred income taxes recognized in other comprehensive income	116,986	116,986
Deferred taxes on profit recognized in income of discontinued operations	11,468	11,468
Other (1)	-	(12,271)
<b>Ending balance</b>	<b>2,454,669</b>	<b>2,470,523</b>

- (1) Related to the foreign exchange variation effect on the balances in foreign companies.

### 10.2. Estimated period of realization



Deferred tax assets arising from temporary differences will be realized as the differences are settled or realized. The period of settlement or realization of such differences is subject to externalities and is linked to several factors that are not under the control of Management.

In estimating the realization of deferred tax credits on tax losses carryforward, Management considers its budget and strategic plans, which were approved by the Board of Directors, adjusted based on the estimates of the main tax additions and exclusions. The recoverability study is reviewed by the Fiscal Council and approved by the Board of Directors. Based on this estimate, Management believes that it is probable that these deferred tax credits will be realized, as presented below:

	Parent company	Consolidated
2021	111,727	111,727
2022	140,612	140,612
2023	230,254	231,408
2024	288,074	291,677
2025	329,733	335,681
2026 to 2028	1,035,323	1,035,323
2029 onwards	686,522	692,530
	<b>2,822,245</b>	<b>2,838,958</b>

The Company has tax losses carryforward in Brazil, which at current tax rates represent R\$5,381,785 on September 30, 2021 (R\$4,589,674 on December 31, 2020). Within this amount, R\$2,822,245 on September 30, 2021 and on December 31, 2020 are recognized as an asset, according to the recoverability expectation above. The deferred tax credits on tax losses and negative social contribution basis related to the parent company and its subsidiaries domiciled in Brazil do not expire and the use to offset income taxes payable is limited to 30% of future taxable income.

### 10.3. Effective income tax rate reconciliation

	Parent company				Consolidated			
	2021		2020		2021		2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Income (loss) before taxes - continued operations	(249,750)	(455,370)	259,958	569,673	(254,478)	(408,263)	307,658	652,752
Nominal tax rate	34%	34%	34%	34%	34%	34%	34%	34%
<b>Expense at nominal rate</b>	<b>84,915</b>	<b>154,826</b>	<b>(88,386)</b>	<b>(193,689)</b>	<b>86,523</b>	<b>138,809</b>	<b>(104,604)</b>	<b>(221,936)</b>
Adjustments to income taxes								
Income from associates and joint ventures	260,864	24,616	380,359	2,445,353	-	-	-	-
Difference of tax rates on results of foreign subsidiaries	-	-	-	-	3,969	26,062	62,127	1,060,802
Difference of functional currency of foreign subsidiaries	-	-	-	-	264,645	(25,589)	289,404	1,343,322
Deferred tax assets not recognized (1)	(420,364)	(792,387)	(136,621)	(2,427,841)	(420,364)	(792,387)	(136,621)	(2,427,841)
Share-based payment	(6,928)	(18,215)	(11,906)	(16,718)	(6,928)	(18,215)	(11,906)	(16,718)
Penalties	(3,686)	(7,008)	367	(5,813)	(3,690)	(7,012)	367	(5,813)
Investment grant	25,293	59,454	21,441	40,955	25,293	59,454	21,441	40,955
Adjustment to the expected annual rate	38,464	557,112	(216,245)	58,806	38,464	557,112	(216,245)	58,806
Other permanent differences	(4,408)	22,958	7,824	4,014	(4,417)	22,948	7,088	3,277
	<b>(25,850)</b>	<b>1,356</b>	<b>(43,167)</b>	<b>(94,933)</b>	<b>(16,505)</b>	<b>(38,818)</b>	<b>(88,949)</b>	<b>(165,146)</b>
<b>Effective rate</b>	<b>-10.4%</b>	<b>0.3%</b>	<b>16.6%</b>	<b>16.7%</b>	<b>-6.5%</b>	<b>-9.5%</b>	<b>28.9%</b>	<b>25.3%</b>
Current tax	-	(256,090)	-	-	5,020	(310,621)	(8,363)	(46,695)
Deferred tax	(25,850)	257,446	(43,167)	(94,933)	(21,525)	271,803	(80,586)	(118,451)

(1) Amount related to the non-recognition of deferred tax on tax losses carryforward in the amount of R\$2,330,550 in the parent company and in the consolidated, due to limited capacity of realization (note 10.2).

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 09.30.21
	Tax	Labor	Civil, commercial and other	Total
Beginning balance	248,990	269,747	34,539	553,276
Additions	5,002	78,162	8,956	92,120
Release in favor of the Company	(1,728)	(31,309)	(817)	(33,854)
Release in favor of the counterparty	(207)	(93,479)	(3,168)	(96,854)
Interest	2,802	19,972	2,308	25,082
Ending balance	254,859	243,093	41,818	539,770

				Consolidated 09.30.21
	Tax	Labor	Civil, commercial and other	Total
Beginning balance	248,990	269,812	34,539	553,341
Additions	5,005	78,478	8,956	92,439
Release in favor of the Company	(1,728)	(31,350)	(817)	(33,895)
Release in favor of the counterparty	(207)	(93,479)	(3,168)	(96,854)
Business combination (note 1.2)	2,132	859	-	2,991
Interest	2,811	19,972	2,308	25,091
Exchange rate variation	-	(7)	-	(7)
Ending balance	257,003	244,285	41,818	543,106

## 12. INVESTMENTS

The rollforward of the direct investments in subsidiaries and affiliates of the parent company is set forth below:

	BRF Energia S.A.	BRF GmbH	Establec. Levino Zaccardi	BRF Pet S.A.	BRF Austria GmbH	PSA Labor. Veter. Ltda	Hercosul International S.R.L.	Sadia Alimentos S.A.	Proud Food Lda	Sadia International Ltd.	Sadia Uruguay S.A.	Sadia Chile S.A.	Eclipse Holding Cooperatief	Subsidiaries VIP S.A. Empr. e Particip. Imob	PP-BIO Adm. Bem próprio S.A.	Affiliates PR-SAD Adm. Bem próprio S.A.	Total 09.30.21
<b>a) Participation as of September 30, 2021</b>																	
% of participation	100.00%	100.00%	99.99%	100.00%	100.00%	99.99%	1.00%	43.10%	10.00%	100.00%	100.00%	60.00%	0.01%	100.00%	33.33%	33.33%	
Total quantity of shares and quotas	7,176,530	1	9,918,875	228,389,352	100	5,463,850	200,000	594,576,682	150,000	-	2,352,881,073	3,027,987,368	10,000	14,249,459	-	-	
Quantity of shares and quotas held	7,176,530	1	9,918,538	228,389,352	100	5,463,849	2,000	256,253,695	15,000	-	2,352,881,073	1,816,792,421	1	14,249,459	-	-	
<b>b) Information as of September 30, 2021</b>																	
Share capital	1,311	6,523	1,765	151,064	120	5,564	63,362	338,054	3	-	497,012	16,169	334,999	1,311	-	-	
Shareholders' equity	711	11,537,642	(238)	129,728	14,491	5,465	32,264	4,828	5,510	-	91,569	(58,798)	(146)	2,332	-	-	
Goodwill	-	-	-	-	-	-	410	-	-	-	-	-	-	-	-	-	
Income (loss) for the year	193	141,283	(313)	(7,714)	(50,294)	64	252	1,919	3,432	2,219	(758)	(20,370)	(14,376)	25	-	-	
<b>c) Movements of Investments</b>																	
<b>Beginning balance (12.31.20)</b>	518	11,455,186	51	14,412	314,811	5,402	-	1,130	154	29,557	89,924	-	-	2,307	2,591	5,699	<b>11,921,742</b>
<b>Result Movements</b>																	
Income (loss)	193	141,283	(313)	(7,663)	(50,294)	64	3	927	343	2,219	(1,150)	(13,236)	(1)	25	-	-	<b>72,400</b>
<b>Capital movements</b>																	
Capital increase (reduction)	-	-	-	118,400	-	-	-	-	-	(31,002)	-	-	-	-	114	618	<b>88,130</b>
Advance for future capital increase	-	-	-	918,675	-	-	-	-	-	-	-	-	-	-	-	-	<b>918,675</b>
Capital transaction between subsidiaries	-	504	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>504</b>
Acquisition (sale) of equity interest	-	-	-	-	-	-	712	-	-	-	-	-	-	-	(2,705)	-	<b>(1,993)</b>
Goodwill on acquisition of non-controlling interests	-	-	-	-	(79,673)	-	-	-	-	-	-	-	-	-	-	-	<b>(79,673)</b>
<b>Other</b>																	
Other comprehensive income	-	(33,788)	24	4,579	(170,353)	-	18	22	54	(774)	2,795	2,602	-	-	-	-	<b>(194,821)</b>
Constitution (reversal) of provision for loss	-	-	238	-	-	-	-	-	-	-	-	10,634	1	-	-	-	<b>10,873</b>
Discontinued operations	-	(25,543)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>(25,543)</b>
<b>Ending balance (09.30.21)</b>	<b>711</b>	<b>11,537,642</b>	<b>-</b>	<b>1,048,403</b>	<b>14,491</b>	<b>5,466</b>	<b>733</b>	<b>2,079</b>	<b>551</b>	<b>-</b>	<b>91,569</b>	<b>-</b>	<b>-</b>	<b>2,332</b>	<b>-</b>	<b>6,317</b>	<b>12,710,294</b>

The Company owns other investments in the amount of R\$583 in the parent company and R\$593 in the consolidated (R\$583 in the parent company and in the consolidated as of December 31, 2020).

On September 30, 2021, these associates, affiliates and joint ventures do not have any restriction to amortize their loans or advances to the Company.

### 13. PROPERTY, PLANT AND EQUIPMENT, NET

The rollforward of property, plant and equipment is set forth below:

						Parent company
	Average rate (1)	12.31.20	Additions	Disposals	Transfers (2)	09.30.21
Cost						
Land		560,856	3,581	(5,577)	8,043	566,903
Buildings, facilities and improvements		9,772,665	218,296	(114,027)	395,883	10,272,817
Machinery and equipment		7,864,533	102,865	(168,632)	163,071	7,961,837
Furniture and fixtures		106,031	349	(1,824)	6,183	110,739
Vehicles		209,770	1,811	(2,933)	724	209,372
Construction in progress		595,353	951,130	-	(589,285)	957,198
Advances to suppliers		923	2,467	-	-	3,390
		19,110,131	1,280,499	(292,993)	(15,381)	20,082,256
Depreciation						
Land (3)	20.97%	(12,648)	(6,486)	489	-	(18,645)
Buildings, facilities and improvements	9.54%	(3,683,103)	(463,541)	68,303	(3,457)	(4,081,798)
Machinery and equipment	7.04%	(4,127,347)	(370,583)	157,016	2,782	(4,338,132)
Furniture and fixtures	6.67%	(54,722)	(3,953)	1,252	667	(56,756)
Vehicles	27.33%	(63,753)	(42,171)	1,641	1	(104,282)
		(7,941,573)	(886,734)	228,701	(7)	(8,599,613)
		11,168,558	393,765	(64,292)	(15,388)	11,482,643

(1) Weighted average annual rate.

(2) Refers to the transfer of R\$23,431 for intangible assets and R\$8,043 from assets held for sale.

(3) Land depreciation refers to right-of-use assets. The amount of R\$3,083 of depreciation was recognized in the cost of formation of forests and will be realized in the result according to the depletion (note 18.1).

					Business combination (note 1.2)	Transfers (2)	Exchange rate variation	Consolidated 09.30.21
	Average rate (1)	12.31.20	Additions	Disposals				
<b>Cost</b>								
Land		608,389	4,799	(6,879)	11,351	97,103	(1,590)	713,173
Buildings, facilities and improvements		10,444,526	398,380	(123,275)	102,640	307,450	(3,068)	11,126,653
Machinery and equipment		8,395,520	109,967	(184,601)	230,504	186,388	10,509	8,748,287
Furniture and fixtures		157,085	671	(5,020)	5,583	6,480	(3,058)	161,741
Vehicles		346,218	46,355	(23,460)	10,665	724	2,049	382,551
Construction in progress		608,255	1,015,219	(4)	9,915	(613,508)	2,436	1,022,313
Advances to suppliers		12,748	21,934	-	-	(16)	(1,360)	33,306
		<b>20,572,741</b>	<b>1,597,325</b>	<b>(343,239)</b>	<b>370,658</b>	<b>(15,379)</b>	<b>5,918</b>	<b>22,188,024</b>
<b>Depreciation</b>								
Land (3)	15.34%	(13,800)	(8,963)	1,734	-	(11,335)	(1,169)	(33,533)
Buildings, facilities and improvements	9.09%	(3,851,225)	(598,869)	75,706	(34,462)	7,876	(5,586)	(4,406,560)
Machinery and equipment	6.93%	(4,304,007)	(402,819)	166,577	(110,145)	2,777	(7,387)	(4,655,004)
Furniture and fixtures	6.66%	(79,924)	(8,597)	4,023	(2,713)	672	1,529	(85,010)
Vehicles	25.25%	(108,205)	(77,548)	14,653	(8,628)	1	(5,448)	(185,175)
		<b>(8,357,161)</b>	<b>(1,096,796)</b>	<b>262,693</b>	<b>(155,948)</b>	<b>(9)</b>	<b>(18,061)</b>	<b>(9,365,282)</b>
		<b>12,215,580</b>	<b>500,529</b>	<b>(80,546)</b>	<b>214,710</b>	<b>(15,388)</b>	<b>(12,143)</b>	<b>12,822,742</b>

(1) Weighted average annual rate.

(2) Refers to the transfer of R\$23,431 for intangible assets and R\$8,043 from assets held for sale.

(3) Land depreciation refers to right-of-use assets. The amount of R\$3,083 of depreciation was recognized in the cost of formation of forests and will be realized in the result according to the depletion (note 18.1).

The amount of capitalized borrowing costs during the nine-month period ended on September 30, 2021 was of R\$36,620 in the parent company and in the consolidated (R\$13,745 in the parent company and in the consolidated in the same period of the previous year) and during the three-month period ended on September 30, 2021 was of R\$13,278 in the parent company and in the consolidated (R\$5,357 in the parent company and 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 was 7.27% p.a. in the parent company and in the consolidated (6.15% p.a. in the parent company and 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:

		Parent company and Consolidated	
	Type of collateral	09.30.21	12.31.20
Land	Financial/Tax	150,852	223,918
Buildings, facilities and improvements	Financial/Tax	1,204,773	1,491,531
Machinery and equipment	Financial/Labor/Tax/Civil	1,288,772	1,470,295
Furniture and fixtures	Financial/Tax	15,034	15,700
Vehicles	Financial/Tax	305	294
		<b>2,659,736</b>	<b>3,201,738</b>

## 14. INTANGIBLE ASSETS

The intangible assets rollforward is set forth below:

						Parent company
	Average rate (1)	12.31.20	Additions	Disposals	Transfers	09.30.21
<b>Cost</b>						
Goodwill		1,783,655	-	-	-	1,783,655
Trademarks		1,152,885	-	-	-	1,152,885
Non-compete agreement		71,764	378	(3,079)	-	69,063
Outgrowers relationship		5,328	197	-	-	5,525
Patents		6,205	-	(3,720)	-	2,485
Software		613,041	5,214	(575)	142,914	760,594
Intangible in progress		45,918	131,968	-	(119,488)	58,398
		<b>3,678,796</b>	<b>137,757</b>	<b>(7,374)</b>	<b>23,426</b>	<b>3,832,605</b>
<b>Amortization</b>						
Non-compete agreement	42.41%	(69,089)	(2,165)	3,079	-	(68,175)
Outgrowers relationship	15.82%	(4,695)	(439)	-	-	(5,134)
Patents	10.00%	(5,997)	(18)	3,720	-	(2,295)
Software	40.73%	(412,539)	(137,512)	457	5	(549,589)
		<b>(492,320)</b>	<b>(140,134)</b>	<b>7,256</b>	<b>5</b>	<b>(625,193)</b>
		<b>3,186,476</b>	<b>(2,377)</b>	<b>(118)</b>	<b>23,431</b>	<b>3,207,412</b>

(1) Weighted average annual rate.

								Consolidated
	Average rate (1)	12.31.20	Additions	Disposals	Business combination (note 1.2)	Transfers	Exchange rate variation	09.30.21
<b>Cost</b>								
Goodwill		2,935,577	-	(6,145)	1,061,987	-	40,012	4,031,431
Trademarks		1,327,738	-	-	275	-	(21,752)	1,306,261
Non-compete agreement		107,162	378	(3,079)	-	-	1,652	106,113
Outgrowers relationship		5,328	197	-	-	-	-	5,525
Patents		6,205	-	(3,723)	-	-	3	2,485
Customer relationship		1,067,713	-	-	-	-	(3,161)	1,064,552
Software		657,255	5,218	(581)	7,836	143,434	(324)	812,838
Intangible in progress		46,054	132,856	-	-	(120,008)	(14)	58,888
		<b>6,153,032</b>	<b>138,649</b>	<b>(13,528)</b>	<b>1,070,098</b>	<b>23,426</b>	<b>16,416</b>	<b>7,388,093</b>
<b>Amortization</b>								
Non-compete agreement	21.56%	(97,408)	(7,596)	3,079	-	-	(1,447)	(103,372)
Outgrowers relationship	15.82%	(4,695)	(439)	-	-	-	-	(5,134)
Patents	10.00%	(5,999)	(18)	3,723	-	-	(1)	(2,295)
Customer relationship	7.39%	(375,131)	(59,525)	-	-	-	(2,236)	(436,892)
Software	40.48%	(449,697)	(140,218)	463	(6,010)	5	102	(595,355)
		<b>(932,930)</b>	<b>(207,796)</b>	<b>7,265</b>	<b>(6,010)</b>	<b>5</b>	<b>(3,582)</b>	<b>(1,143,048)</b>
		<b>5,220,102</b>	<b>(69,147)</b>	<b>(6,263)</b>	<b>1,064,088</b>	<b>23,431</b>	<b>12,834</b>	<b>6,245,045</b>

(1) Weighted average annual rate.

During the nine-month period ended on September 30, 2021, Management did not identify any event that could indicate an impairment of such assets.



## 15. LOANS AND BORROWINGS

										Parent company
	Charges (p.a.)	Average rate (1)	WAMT (2)	12.31.20	Borrowing	Amortization	Interest paid	Interest accrued	Exchange rate variation	09.30.21
<b>Local currency</b>										
Working capital	Fixed	5.23% (3.25% on 12.31.20)	0.9	368,681	300,000	(363,962)	(11,466)	8,725	-	301,978
Certificate of agribusiness receivables (3)	IPCA	15.58% (10.21% on 12.31.20)	2.2	821,093	-	-	95	100,446	-	921,634
Export credit facility (4)	Fixed / CDI / FX USD	8.82% (3.69% on 12.31.20)	1.2	2,408,697	-	-	(107,941)	84,154	96,642	2,481,552
Debentures	CDI / IPCA	14.36% (8.28% on 12.31.20)	7.6	3,022,005	965,549	-	(143,009)	282,313	-	4,126,858
Fiscal incentives	Fixed	2.40% (2.40% on 12.31.20)	-	44,816	63,700	(82,401)	(627)	647	-	26,135
				6,665,292	1,329,249	(446,363)	(262,948)	476,285	96,642	7,858,157
<b>Foreign currency</b>										
Bonds	Fixed / FX USD and EUR	4.92% (4.91% on 12.31.20)	13.2	12,252,326	-	(312,741)	(642,178)	574,714	491,774	12,363,895
Export credit facility	Fixed / LIBOR / FX USD	8.82% (3.13% on 12.31.20)	1.2	392,636	-	(135,668)	(6,649)	7,625	18,173	276,117
Advances for foreign exchange rate contracts	Fixed / FX USD	1.29%	0.4	-	249,000	-	-	401	9,829	259,230
				12,644,962	249,000	(448,409)	(648,827)	582,740	519,776	12,899,242
				19,310,254	1,578,249	(894,772)	(911,775)	1,059,025	616,418	20,757,399
Current				811,919						2,421,940
Non-current				18,498,335						18,335,459

(1) Weighted average annual rate.

(2) Weighted average maturity in years.

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

(4) The Export Credit Facility was issued in Reais simultaneously and in connection with a foreign exchange rate swap, resulting essentially in a net cash flow in U.S. Dollars. As the transactions are inseparable, both are recorded together under Loans and Borrowings by their amortized cost.

The maturity schedule of the loans and borrowings is presented on note 24.3.

											Consolidated
	Charges (p.a.)	Average rate (1)	WAMT (2)	12.31.20	Borrowing	Business combination (note 1.2)	Amortization	Interest paid	Interest accrued	Exchange rate variation	09.30.21
<b>Local currency</b>											
Working capital	Fixed / CDI	5.36% (3.25% on 12.31.20)	1.0	368,681	300,000	25,950	(364,451)	(11,466)	8,764	-	327,478
Certificate of agribusiness receivables (3)	IPCA	15.58% (10.21% on 12.31.20)	2.2	821,093	-	-	-	95	100,446	-	921,634
Development bank credit lines	TJLP / TLP / IPCA / FINAME	3.13%	6.1	-	-	9,006	(344)	-	14	-	8,676
Debentures	CDI / IPCA	14.36% (8.28% on 12.31.20)	7.6	3,022,005	965,549	-	-	(143,009)	282,313	-	4,126,858
Export credit facility (4)	Fixed / CDI / FX USD	8.40% (3.69% on 12.31.20)	1.2	2,408,697	-	20,456	(524)	(107,941)	84,278	96,641	2,501,607
Fiscal incentives	Fixed	2.40% (2.40% on 12.31.20)	-	44,816	63,700	-	(82,401)	(627)	647	-	26,135
				6,665,292	1,329,249	55,412	(447,720)	(262,948)	476,462	96,641	7,912,388
<b>Foreign currency</b>											
Bonds	Fixed / FX USD and EUR	4.82% (4.81% on 12.31.20)	11.7	14,829,993	-	-	(312,741)	(703,844)	667,042	560,242	15,040,692
Export credit facility	Fixed / LIBOR / FX USD	3.50% (3.13% on 12.31.20)	1.6	392,636	-	30,476	(135,668)	(6,649)	7,807	18,300	306,902
Advances for foreign exchange rate contracts	Fixed / FX USD	1.32%	0.4	-	249,000	2,672	-	-	472	9,840	261,984
Working capital	Fixed / FX TRY and USD	13.64% (10.98% on 12.31.20)	1.8	516,505	252,868	29,555	(84,548)	(48,160)	61,976	(71,560)	656,636
				15,739,134	501,868	62,703	(532,957)	(758,653)	737,297	516,822	16,266,214
				22,404,426	1,831,117	118,115	(980,677)	(1,021,601)	1,213,759	613,463	24,178,602
Current				1,059,984							2,861,250
Non-current				21,344,442							21,317,352

(1) Weighted average annual rate.

(2) Weighted average maturity in years.

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

(4) The Export Credit Facility was issued in Reais simultaneously and in connection with a foreign exchange rate swap, resulting essentially in a net cash flow in U.S. Dollars. As the transactions are inseparable, both are recorded together under Loans and Borrowings by their amortized cost.

On September 30, 2021 and on December 31, 2020 the Company did not have any financial covenant clauses related to its loans and borrowings agreements.

The maturity schedule of the loans and borrowings is presented on note 24.3.

### 15.1. Revolving credit facility

With the purpose of maintaining a prudential and sustainable short-term liquidity position, in line with the adoption of measures to extend its average debt maturity and reduce the cost of debt, on December 27, 2019, the Company retained from Banco do Brasil a revolving credit facility up to the limit of R\$1,500,000 for a period of three years. On October 28, 2020 the Company retained an additional revolving credit facility before Banco do Brasil, up to the limit of R\$1,500,000, for the next three years. The referenced credit facilities can be withdrawn totally or partially, at the Company's will, whenever necessary. As of September 30, 2021, the credit facilities were available, but unused.

### 15.2. Issuance of debentures

On June 02, 2021, 1,000,000 (one million) Debentures were subscribed with a notional value of R\$ 1,000.00 (one thousand Brazilian Reais), in a total amount of R\$1,000,000, in a single series. The Debentures are simple, not convertible into shares, unsecured and for private placement. The Debentures were privately placed with VERT Companhia Securitizadora, to back its sixtieth issuance of Agribusiness Receivables Certificates which were object of public distribution with restricted placement efforts.

Parent company and Consolidated 09.30.21						
Operation	Series	Issue date	Maturity	Rate	Notional	Updated Value
Debenture - 3rd Issue	1st Series	06.02.21	05.14.31	IPCA + 4.78% p.a.	1,000,000	1,018,992

The issuance costs of R\$34,258 are recognized on the statement of income over the term of the debt according to the effective interest rate method.

### 15.3. Senior Notes repurchase offer

During June 2021, the Company made an offer to repurchase its 4.875% Senior Notes due on 2030, in which it repurchased the principal amount equivalent to R\$297,141 (USD59,402). The Company paid the amount of R\$317,532 for the repurchase of these liabilities, amount that includes principal, interest and premium. The Company incurred in financial expenses in the amount of R\$14,114 with the premium paid, R\$2,491 with taxes and R\$3,089 with the write-off of the costs of issuance. The principal outstanding after the repurchase is equivalent to R\$3,454,509 (USD690,598).

### 15.4. Guarantees

	Parent company		Consolidated	
	09.30.21	12.31.20	09.30.21	12.31.20
Total loans and borrowings	20,757,399	19,310,254	24,178,602	22,404,426
Mortgage guarantees	26,135	44,816	44,182	44,816
Related to tax incentives and other	26,135	44,816	44,182	44,816

On September 30, 2021, the amount of bank guarantees contracted by the Company was of R\$556,103 (R\$590,933 as of December 31, 2020) which were offered mainly in litigations involving the Company's use of tax credits. These guarantees have an average cost of 1.93% p.a. (1.95% p.a. as of December 31, 2020).

## 16. TRADE ACCOUNTS PAYABLE

	Parent company		Consolidated	
	09.30.21	12.31.20	09.30.21	12.31.20
Trade accounts payable				
Domestic market				
Third parties	9,098,488	7,596,325	9,216,162	7,611,170
Related parties	28,445	13,100	-	-
Foreign market				
Third parties	913,981	648,960	1,979,481	1,487,206
	10,040,914	8,258,385	11,195,643	9,098,376
(-) Adjustment to present value	(106,169)	(88,373)	(106,447)	(88,389)
	9,934,745	8,170,012	11,089,196	9,009,987
Current	9,922,746	8,156,231	11,077,197	8,996,206
Non-current	11,999	13,781	11,999	13,781

Within the trade accounts payable balance as of September 30, 2021, R\$3,420,609 in the parent company and R\$3,551,550 in the consolidated (R\$2,510,757 in the parent company and R\$2,576,071 in the consolidated as of December 31, 2020) correspond to supply chain finance transactions in which there were no changes in the payment terms and prices negotiated with the suppliers.

## 17. SUPPLY CHAIN FINANCE

	Parent company and Consolidated	
	09.30.21	12.31.20
Supply chain finance		
Domestic market	1,749,226	1,309,167
Foreign market	168,093	165,060
	1,917,319	1,474,227
(-) Adjustment to present value	(28,100)	(21,590)
	1,889,219	1,452,637

The Company has agreements with several financial institutions that allow the suppliers to anticipate their receivables. The suppliers may choose whether to participate and if so, with which institution. The anticipation allows the suppliers to better manage their cash flow needs. This flexibility allows the Company to intensify its commercial relations with the network of suppliers by potentially leveraging benefits such as preference for supply in case of restricted supply, better price conditions and/or more flexible payment terms, among others, without identifiable changes in other commercial conditions. The operations presented in this line item are the ones in which there were changes in the payment terms and prices negotiated with the suppliers.

On September 30, 2021, the discount rates applied to the supply chain finance transactions agreed between our suppliers and the financial institutions in the domestic market were set between 0.54% and 0.74% p.m. (0.38% to 0.47% p.m. on December 31, 2020).

On September 30, 2021, the discount rates applied to the supply chain finance transactions agreed between our suppliers and the financial institutions in the external market were set between 0.18% and 0.38% p.m. (0.18% to 0.40% p.m. on December 31, 2020).

## 18. 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.

### 18.1. 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)	12.31.20	Additions	Disposals	09.30.21
<b>Cost</b>					
Land		45,592	3,429	(1,300)	47,721
Buildings		2,642,544	218,217	(41,943)	2,818,818
Machinery and equipment		112,195	98,353	(98,553)	111,995
Vehicles		201,924	1,811	(1,812)	201,923
Software		74,582	5,214	(64)	79,732
		<b>3,076,837</b>	<b>327,024</b>	<b>(143,672)</b>	<b>3,260,189</b>
<b>Depreciation</b>					
Land	15.67%	(12,376)	(6,428)	488	(18,316)
Buildings	27.22%	(848,016)	(307,105)	31,090	(1,124,031)
Machinery and equipment	67.66%	(107,089)	(46,829)	98,344	(55,574)
Vehicles	27.81%	(57,575)	(41,801)	905	(98,471)
Software	42.19%	(33,048)	(21,216)	64	(54,200)
		<b>(1,058,104)</b>	<b>(423,379)</b>	<b>130,891</b>	<b>(1,350,592)</b>
		<b>2,018,733</b>	<b>(96,355)</b>	<b>(12,781)</b>	<b>1,909,597</b>

(1) Weighted average annual rate.

								Consolidated
	Average rate (1)	12.31.20	Additions	Disposals	Transfers	Business combination (note 1.2)	Exchange rate variation	09.30.21
<b>Cost</b>								
Land		48,661	3,761	(1,845)	89,060	-	3,361	142,998
Buildings		2,861,916	397,918	(48,583)	(89,060)	11,693	4,897	3,138,781
Machinery and equipment		112,593	98,353	(98,660)	-	6,481	364	119,131
Vehicles		344,918	46,309	(23,112)	-	2,069	6,622	376,806
Software		74,582	5,213	(64)	-	-	-	79,731
		<b>3,442,670</b>	<b>551,554</b>	<b>(172,264)</b>	<b>-</b>	<b>20,243</b>	<b>15,244</b>	<b>3,857,447</b>
<b>Depreciation</b>								
Land	8.76%	(13,526)	(8,906)	995	(11,335)	-	(430)	(33,202)
Buildings	25.13%	(914,816)	(429,368)	37,712	11,335	(6,957)	(4,418)	(1,306,512)
Machinery and equipment	53.81%	(107,316)	(47,102)	98,415	-	(3,135)	(283)	(59,421)
Vehicles	27.86%	(101,495)	(76,969)	11,807	-	(1,144)	(3,357)	(171,158)
Software	42.22%	(33,048)	(21,216)	64	-	-	-	(54,200)
		<b>(1,170,201)</b>	<b>(583,561)</b>	<b>148,993</b>	<b>-</b>	<b>(11,236)</b>	<b>(8,488)</b>	<b>(1,624,493)</b>
		<b>2,272,469</b>	<b>(32,007)</b>	<b>(23,271)</b>	<b>-</b>	<b>9,007</b>	<b>6,756</b>	<b>2,232,954</b>

(1) Weighted average annual rate.

## 18.2. Lease liabilities

								Parent company
	WAM (1)	12.31.20	Additions	Payments	Interest paid	Interest accrued	Disposals	09.30.21
Land	6.8	35,934	3,429	(4,396)	(3,569)	3,569	(931)	34,036
Buildings	6.8	2,033,405	218,217	(303,135)	(62,500)	111,439	(16,930)	1,980,496
Machinery and equipment	1.5	3,591	98,353	(45,042)	(2,772)	2,772	-	56,902
Vehicles	2.3	152,554	1,811	(41,159)	(8,598)	8,598	(1,081)	112,125
Software	1.5	43,210	5,214	(21,534)	(1,906)	1,906	-	26,890
		<b>2,268,694</b>	<b>327,024</b>	<b>(415,266)</b>	<b>(79,345)</b>	<b>128,284</b>	<b>(18,942)</b>	<b>2,210,449</b>
Current		302,946						367,085
Non-current		1,965,748						1,843,364

(1) Weighted average maturity in years.

	WAM (1)	12.31.20	Additions	Payments	Interest paid	Interest accrued	Disposals	Transfers	Business combination (note 1.2)	Exchange rate variation	Consolidated 09.30.21
Land	4.6	37,868	3,761	(5,256)	(6,360)	6,360	(970)	82,851	-	7,252	125,506
Buildings	1.9	2,195,407	397,918	(402,354)	(84,086)	133,023	(16,994)	(82,851)	6,557	(22,587)	2,124,033
Machinery and equipment	0.9	3,773	98,353	(45,352)	(2,783)	2,783	(34)	-	3,703	97	60,540
Vehicles	1.8	256,423	46,309	(74,416)	(13,893)	13,893	(1,574)	-	886	(9,387)	218,241
Software	1.5	43,210	5,213	(21,533)	(1,906)	1,906	-	-	-	-	26,890
		<b>2,536,681</b>	<b>551,554</b>	<b>(548,911)</b>	<b>(109,028)</b>	<b>157,965</b>	<b>(19,572)</b>	<b>-</b>	<b>11,146</b>	<b>(24,625)</b>	<b>2,555,210</b>
Current		383,162									485,905
Non-current		2,153,519									2,069,305

(1) Weighted average maturity in years.

## 18.3. Lease liabilities maturity schedule

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

	Parent company 09.30.21	Consolidated 09.30.21
<b>Current</b>	<b>367,085</b>	<b>485,905</b>
<b>Non-current</b>	<b>1,843,364</b>	<b>2,069,305</b>
October to December 2022	107,554	132,751
2023	371,292	444,474
2024	300,518	326,767
2025	220,579	234,653
2026 onwards	843,421	930,660
	<b>2,210,449</b>	<b>2,555,210</b>

## 18.4. Incremental borrowing rate

The Company uses nominal incremental borrowing rates to measure its lease liabilities. The nominal and real interest rates are presented below:

Contract Terms	09.30.21		12.31.20	
	Nominal rate % p.a.	Real rate % p.a.	Nominal rate % p.a.	Real rate % p.a.
1 year	4.92%	0.43%	5.69%	1.05%
2 years	4.81%	0.49%	5.96%	2.61%
3 years	6.31%	2.14%	6.80%	2.53%
4 years	7.15%	2.90%	8.50%	4.56%
5 years	9.69%	4.85%	8.98%	4.40%
6 years	10.61%	5.15%	-	-
7 years	10.96%	5.74%	-	-
8 years	-	-	10.47%	5.71%
9 years	-	-	10.75%	5.97%
10 years	-	-	11.39%	6.64%
12 years	9.85%	5.55%	-	-
13 years	-	-	11.68%	7.38%
14 years	-	-	11.84%	7.13%
16 years	12.44%	6.70%	-	-
20 years	12.95%	7.07%	13.26%	9.00%

The nominal rates presented above as of September 30, 2021 refer to the incremental borrowing rates used in contracts recognized in the nine-month period ended on September 30, 2021 and the rates as of December 31, 2020 refer to the rates used in contracts recognized during the year ended on December 31, 2020.

## 18.5. Amounts recognized in the statement of income

The amounts directly recognized in the statement of income presented below relate to items exempt of recognition: low-value assets, short-term leases and leases with variable payments.

	Parent Company 2021		Consolidated 2021	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Variable payments not included in the lease liabilities	15,552	46,402	74,078	226,488
Expenses related to short-term leases	15,670	42,992	42,833	134,928
Expenses related to low-value assets	1,432	2,813	1,432	2,887
	32,654	92,207	118,343	364,303



## 19. SHARE-BASED PAYMENT

The rules of stock options and restricted shares plans granted to executives were disclosed in the financial statements for the year ended December 31, 2020 (note 19).

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

Date		Quantity		Grant (1)
Grant	Vesting date	Shares granted	Outstanding shares	Fair value of the shares
10.01.18	10.01.21	2,311,394	867,956	21.44
06.01.19	06.01.22	674,296	186,424	30.61
07.01.19	07.01.22	1,141,353	267,909	30.61
09.16.19	10.01.22	68,605	20,580	30.61
06.01.20	06.01.23	3,571,736	2,163,272	21.28
07.01.21	07.01.24	2,883,737	2,764,913	28.58
		<b>10,651,121</b>	<b>6,271,054</b>	

(1) Amounts expressed in Brazilian Reais.

The rollforward of the granted options and shares for the nine-month period ended on September 30, 2021, is presented as follows:

	Consolidated
<b>Outstanding options/stocks as of December 31, 2020 (1)</b>	<b>7,873,348</b>
<b>Granted</b>	
Restricted stocks - July 2021	2,883,737
<b>Exercised / Delivered:</b>	
Restricted stocks - grant of June, 2020	(457,939)
Restricted stocks - grant of September, 2019	(18,237)
Restricted stocks - grant of July, 2019	(113,957)
Restricted stocks - grant of June, 2019	(114,271)
<b>Forfeiture (2) :</b>	
Restricted stocks - grant of July, 2021	(118,824)
Restricted stocks - grant of June, 2020	(838,436)
Restricted stocks - grant of July, 2019	(275,372)
Restricted stocks - grant of June, 2019	(113,582)
Restricted stocks - grant of October, 2018	(15,083)
<b>Expired:</b>	
Stock options - grant of May, 2016	(1,145,330)
Stock options - grant of April, 2016	(1,275,000)
<b>Outstanding options/stocks as of September 30, 2021</b>	<b>6,271,054</b>

(1) Includes stock options outstanding on December 31, 2020, as presented in the financial statements for the year of 2020.

(2) 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\$213,825 (R\$223,191 as of December 31, 2020) and in the amount of R\$17,397 under non-current liabilities (R\$21,521 as of December 31, 2020). In the statement of income for the nine-month ended September 30, 2021 the amount recognized as expense was R\$31,392 in the parent company and R\$40,074 in the consolidated (R\$43,263 in the same period of the previous year in the parent company and in the consolidated), and during the three-month period ended on September 30, 2021 the amount recognized as expense was R\$12,014 in the parent company and R\$12,749 in the consolidated (expense of R\$21,239 in the parent company and in the consolidated in the same period of the previous year).

## 20. 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, 2020 (note 20) and have not been changed during the following periods. The actuarial liabilities are presented below:

	Parent company		Consolidated	
	Liabilities		Liabilities	
	09.30.21	12.31.20	09.30.21	12.31.20
Medical assistance	196,283	185,802	196,283	185,802
F.G.T.S. Penalty (1)	294,012	282,229	294,012	282,229
Award for length of service	113,900	108,908	113,900	108,908
Other	62,552	59,854	217,979	199,616
	666,747	636,793	822,174	776,555
Current	114,938	114,938	125,312	125,230
Non-current	551,809	521,855	696,862	651,325

(1) FGTS – Government Severance Indemnity Fund for Employees

The Company estimated costs for pension and post-employment plans for the year of 2021, according to an appraisal report prepared in 2020 by an actuarial expert and recorded in the statement of income for nine-month ended September 30, 2021 against other comprehensive income a gain of R\$11,852 in the parent company and R\$11,729 in consolidated, net of taxes (R\$20,229 in the parent company and R\$20,134 in consolidated in the same period of the previous year) and for the three-month period ended on September 30, 2021 a gain of R\$3,753 in the parent company and R\$3,694 in consolidated, net of taxes (R\$7,194 in the parent company and R\$7,170 in consolidated in the same period of the previous year).

## 21. 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 civil, tax, social security, labor, commercial and other processes.

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

### 21.1. Contingencies with probable losses

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

					Parent company 09.30.21
	Tax	Labor	Civil, commercial and other	Contingent liabilities (1)	Total
Beginning balance	427,166	631,025	342,707	297,097	1,697,995
Additions	157,624	203,374	52,904	-	413,902
Reversals	(67,752)	(109,437)	(53,393)	(194,773)	(425,355)
Payments	(144,276)	(204,947)	(17,335)	-	(366,558)
Interest	52,439	91,194	81,926	-	225,559
Ending balance	425,201	611,209	406,809	102,324	1,545,543
Current					1,046,122
Non-current					499,421

(1) Contingent liabilities recognized at fair value as of the acquisition date, arising from the business combination with Sadia. The reversals in the period refer mainly to the closing of the processes related to ICMS credits in the context of the "Guerra Fiscal" (note 21.2.1 of the 2020 financial statements).

	Tax	Labor	Civil, commercial and other	Contingent liabilities (1)	Total
Beginning balance	427,302	634,706	343,530	297,182	1,702,720
Additions	157,624	204,697	52,977	-	415,298
Business combination (note 1.2)	2,553	1,972	4,725	-	9,250
Reversals	(67,752)	(110,114)	(54,475)	(194,845)	(427,186)
Payments	(144,276)	(204,947)	(17,335)	-	(366,558)
Interest	52,451	91,194	81,942	-	225,587
Exchange rate variation	(16)	(466)	(75)	(13)	(570)
Ending balance	427,886	617,042	411,289	102,324	1,558,541
Current					1,050,188
Non-current					508,353

- (1) Contingent liabilities recognized at fair value as of the acquisition date, arising from the business combination with Sadia. The reversals in the period refer mainly to the closing of the processes related to ICMS credits in the context of the "Guerra Fiscal" (note 21.2.1 of the 2020 financial statements).

## 21.2. Contingencies with possible losses

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 in the 2020 financial statements and on September 30, 2021 had balances of, R\$1,619,032 (R\$1,523,987 on December 31, 2020) for civil risks, R\$315,579 (R\$197,097 on December 31, 2020) for labor risks and R\$13,187,530 (R\$12,536,528 on December 31, 2020) for tax risks, for which only those resulting from the business combination with Sadia have a provision, recorded at the fair value estimated on the date of the business combination, in the amount of R\$102,324 (R\$297,182 as of December 31, 2020).

## 22. EQUITY

### 22.1. Capital stock

On September 30, 2021, the subscribed and paid capital of the Company was R\$12,553,418, which is composed of 812,473,246 common book-entry shares with no par value. The value of the capital stock is net of the public offering expenses of R\$92,947, made on July 22, 2009.

The Company is authorized to increase the capital stock, irrespective of amendment to the bylaws, up to the limit of 1,000,000,000 (one billion) common book-entry shares with no par value.

#### 22.1.1. Breakdown of capital stock by nature

	Parent company	
	09.30.21	12.31.20
Common shares	812,473,246	812,473,246
Treasury shares	(4,061,680)	(4,766,084)
Outstanding shares	808,411,566	807,707,162

#### 22.1.2. Rollforward of outstanding shares

On September 30, 2021, the quantity of outstanding of shares was 808,411,566, in the period were delivered of 704,404 shares, in accordance with Restricted Share plan of Company.

	Parent company
	Quantity of outstanding of shares
	09.30.21
Shares at the beginning of the period	807,707,162
Delivery of restricted shares	704,404
Shares at the end of the period	808,411,566

## 22.2. Capital reserves and Other equity transactions

The balances of Capital reserves and Other equity transactions were restated for better presentation of the transactions within each line item. In the current presentation, 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").

	Parent company and Consolidated	
	09.30.21	12.31.20
Capital reserves	141,834	141,834
Other equity transactions	(80,313)	246
Share-based payments	213,825	214,711
Acquisition of non-controlling entities	(293,918)	(214,245)
Capital transactions with controlled entities	(220)	(220)
	61,521	142,080

## 22.3. Treasury shares

The Company has 4,061,680 shares held in treasury, with an average cost of R\$26.00 (twenty-six Brazilian Reais) per share, and corresponding market value of R\$110,031, in the period were delivered of 704,404 shares, in accordance with Restricted Share plan of Company.

	Parent company
	Quantity of outstanding of shares
	09.30.21
Shares at the beginning of the period	4,766,084
Delivery of restricted shares	(704,404)
Shares at the end of the period	4,061,680

On September 30, 2021, the Company's Board of Directors approved the Company's share buyback program up to the limit of 3,696,858 (three million, six hundred and ninety-six thousand, eight hundred and fifty-eight) common shares, in a 18-month term. The goal of the program is to comply with the obligations assumed by the Company under the Restricted Stock Plan.

In October 2021, the Company purchased 1,232,300 (one million, two hundred and thirty-two thousand, three hundred) common shares at the cost of R\$27,722.

## 23. EARNINGS (LOSS) PER SHARE

Continued operations				
	2021		2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Basic numerator</b>				
Net earnings (loss) for the period attributable to controlling shareholders	(275,600)	(454,014)	216,791	474,740
<b>Basic denominator</b>				
Common shares	812,473,246	812,473,246	812,473,246	812,473,246
Weighted average number of outstanding shares - basic (except treasury shares)	807,709,278	808,013,781	807,406,368	809,583,921
<b>Net earnings (loss) per share basic - R\$</b>	<b>(0.34)</b>	<b>(0.56)</b>	<b>0.27</b>	<b>0.59</b>
<b>Diluted numerator</b>				
Net earnings (loss) for the period attributable to controlling shareholders	(275,600)	(454,014)	216,791	474,740
<b>Diluted denominator</b>				
Weighted average number of outstanding shares - basic (except treasury shares)	807,709,278	808,013,781	807,406,368	809,583,921
Number of potential shares	-	-	58,332	58,332
Weighted average number of outstanding shares - diluted	807,709,278	808,013,781	807,464,700	809,642,253
<b>Net earnings (loss) per share diluted - R\$</b>	<b>(0.34)</b>	<b>(0.56)</b>	<b>0.27</b>	<b>0.59</b>

	Discontinued operations		Continued and discontinued operations	
	2021		2021	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Basic numerator</b>				
Net earnings (loss) for the exercise attributable to controlling shareholders	(6,516)	(47,802)	(282,116)	(501,816)
<b>Basic denominator</b>				
Common shares	812,473,246	812,473,246	812,473,246	812,473,246
Weighted average number of outstanding shares - basic (except treasury shares)	807,709,278	808,013,781	807,709,278	808,013,781
<b>Net earnings (loss) per share basic - R\$</b>	<b>(0.01)</b>	<b>(0.06)</b>	<b>(0.35)</b>	<b>(0.62)</b>
<b>Diluted numerator</b>				
Net earnings (loss) for the exercise attributable to controlling shareholders	(6,516)	(47,802)	(282,116)	(501,816)
<b>Diluted denominator</b>				
Weighted average number of outstanding shares - basic (except treasury shares)	807,709,278	808,013,781	807,709,278	808,013,781
Number of potential shares	-	-	-	-
Weighted average number of outstanding shares - diluted	807,709,278	808,013,781	807,709,278	808,013,781
<b>Net earnings (loss) per share diluted - R\$</b>	<b>(0.01)</b>	<b>(0.06)</b>	<b>(0.35)</b>	<b>(0.62)</b>

## 24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### 24.1. 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, executing the formal designation of its hedge accounting relations, as disclosed in the financial statements for the year ended on December 31, 2020.

### 24.2. 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, 6 and 24.

On September 30, 2021, the Company held financial investments over R\$100,000 at the following financial institutions: : Banco Bradesco, Banco do Brasil, Banco BTG Pactual, Banco Itaú, Banco Safra, Banco Santander, Banco XP, Caixa Econômica Federal, Citibank, HSBC, J.P. Morgan Chase Bank, T.Garanti Bankasi A.Ş. and

Vakıflar Bankası.

The Company also held derivative contracts with the following financial institutions: Banco Bradesco, Banco do Brasil, Banco Itaú, Banco Santander, Banco Votorantim, Bank of America Merrill Lynch, Banco BNP Paribas, Citibank, Goldman Sachs, J.P. Morgan Chase Bank, Morgan Stanley, Rabobank, T.Garanti Bankası A.Ş. and Banco XP.

### 24.3. Capital management and liquidity risk

As a guideline, the gross debt must be concentrated at long-term. On September 30, 2021, the long-term consolidated gross debt represented 87.51% (93.66% as of December 31, 2020) of the total gross indebtedness, which has an average term higher than nine years.

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

	Consolidated		
			09.30.21
	Current	Non-current	Total
Foreign currency loans and borrowings	(2,334,507)	(13,931,707)	(16,266,214)
Local currency loans and borrowings	(526,743)	(7,385,645)	(7,912,388)
Derivative financial liabilities	(186,147)	(36,077)	(222,224)
Gross debt	(3,047,397)	(21,353,429)	(24,400,826)
Marketable securities and cash and cash equivalents	7,233,026	375,906	7,608,932
Derivative financial assets	83,144	2,139	85,283
Restricted cash	24,529	1	24,530
Net debt			(16,682,081)

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

	Parent company							
	09.30.21							
	Book value	Contractual cash flow	Up to 12 months	Oct - Dec 2022	2023	2024	2025	2026 onwards
Non derivative financial liabilities								
Loans and borrowings	20,757,399	36,408,738	3,323,438	530,504	3,830,521	2,893,452	1,694,080	24,136,743
Principal		24,280,414	2,226,146	400,000	2,839,213	2,054,081	907,058	15,853,916
Interest		12,128,324	1,097,292	130,504	991,308	839,371	787,022	8,282,827
Trade accounts payable	9,934,745	10,040,914	10,028,909	3,272	5,778	2,849	106	-
Supply chain finance	1,889,219	1,917,319	1,917,319	-	-	-	-	-
Lease liabilities	2,210,449	2,799,985	392,230	116,857	431,040	372,775	292,411	1,194,672
Derivative financial liabilities								
Financial instruments designated as cash flow hedge								
Interest rate derivatives	36,077	36,077	-	-	-	-	-	36,077
Currency derivatives	82,654	82,654	82,654	-	-	-	-	-
Commodities derivatives	94,094	94,094	94,094	-	-	-	-	-

								Consolidated 09.30.21
	Book value	Contractual cash flow	Up to 12 months	Oct - Dec 2022	2023	2024	2025	2026 onwards
<b>Non derivative financial liabilities</b>								
Loans and borrowings	24,178,602	39,715,036	3,441,569	530,504	3,948,651	3,011,583	1,812,210	26,970,519
Principal		26,996,059	2,226,146	400,000	2,839,213	2,054,081	907,058	18,569,561
Interest		12,718,977	1,215,423	130,504	1,109,438	957,502	905,152	8,400,958
Trade accounts payable	11,089,196	11,195,643	11,183,638	3,272	5,778	2,849	106	-
Supply chain finance	1,889,219	1,917,319	1,917,319	-	-	-	-	-
Lease liabilities	2,555,210	3,214,065	519,189	144,233	515,998	405,335	311,068	1,318,242
<b>Derivative financial liabilities</b>								
<b>Financial instruments designated as cash flow hedge</b>								
Interest rate derivatives	36,077	36,077	-	-	-	-	-	36,077
Currency derivatives	82,654	82,654	82,654	-	-	-	-	-
Commodities derivatives	94,094	94,094	94,094	-	-	-	-	-
<b>Financial instruments not designated as cash flow hedge</b>								
Currency derivatives	9,399	9,399	9,399	-	-	-	-	-

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

## 24.4. Market risk management

### 24.4.1. Interest rate risk

The indebtedness is essentially linked to fixed coupon (R\$, USD, EUR e TRY), Interbank Deposit Certificate ("CDI"), Broad Consumer Price Index ("IPCA") and London Interbank Offered Rate ("LIBOR"). In situations of adverse market changes that result in an increase in these rates, the cost of floating-rate debt rises and on the other hand, the cost of fixed-rate debt decreases in relative terms.

Regarding the marketable securities, the Company holds, mainly, instruments indexed by the CDI for investments in Brazil and fixed coupon in USD for investments in the foreign market.

The Company's exposure to interest rates can be assessed in notes 5 and 15.

The derivative financial instruments used to hedge the exposure to interest rates as of September 30, 2021 are presented in the table below:

							09.30.21	
							Fair value (R\$)	
Fair value hedge - Derivative instruments	Hedged Object	Maturity	Asset	Liability	Notional		Instrument	Object (1)
<b>Parent company and Consolidated</b>								
Interest rate swap	Debenture - 2nd Issue - 1st series - IPCA + 5.30% p.a	3rd Qtr. 2027	IPCA + 5.30% p.a	CDI + 2.16% p.a.	705,000 BRL		(2,351)	27,316
Interest rate swap	Debenture - 2nd Issue - 2nd series - IPCA + 5.60% p.a	3rd Qtr. 2030	IPCA + 5.60% p.a	CDI + 2.32% p.a.	1,495,000 BRL		(31,528)	71,026
Interest rate swap	Debenture - 3rd Issue - single series - IPCA + 4.78% p.a	2nd Qtr. 2031	IPCA + 4.78% p.a	CDI + 0.60% p.a.	200,000 BRL		(59)	(1,376)
							<b>(33,938)</b>	<b>96,966</b>

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

### 24.4.2. Foreign exchange risk

This 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

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:

	09.30.21	Consolidated 12.31.20
Cash and cash equivalents	1,562,136	2,855,979
Trade accounts receivable	6,567,534	5,765,753
Trade accounts payable	(1,144,743)	(859,790)
Loans and borrowings	(15,274,760)	(14,947,793)
Other assets and liabilities, net	12,934	225,694
<b>Exposure of assets and liabilities in foreign currencies</b>	<b>(8,276,899)</b>	<b>(6,960,157)</b>
Derivative financial instruments (hedge)	7,764,347	6,849,947
<b>Exposure in result, net</b>	<b>(512,552)</b>	<b>(110,210)</b>

The net P&L exposure is mainly composed of the following currencies:

Net P&L Exposure	09.30.21	12.31.20
Argentinian Peso (ARS)	(5,804)	(5,310)
Angolan kwanza (AOA)	263,009	-
Euros (EUR)	(57,530)	112,672
Yen (JPY)	82,372	29,976
Turkish Liras (TRY)	(241,033)	178,906
U.S. Dollars (USD)	(553,566)	(426,454)
<b>Total</b>	<b>(512,552)</b>	<b>(110,210)</b>

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

The derivative financial instruments hired to hedge the foreign currency statement of financial position exposure on September 30, 2021 are not designated as hedge accounting and are set forth below:

							09.30.21
Derivative instruments not designated	Asset	Liability	Maturity	Notional	Exercise rate	Fair value (R\$)	
Parent company							
Non-deliverable forward	EUR	BRL	4th Qtr. 2021	EUR	265,000	6.4336	(8,522)
Non-deliverable forward	USD	BRL	4th Qtr. 2021	USD	715,000	5.4864	12,727
Futures - B3	USD	BRL	4th Qtr. 2021	USD	358,000	5.4672	6,462
Currency swap	USD + 1.29% p.a.	CDI + 0.80% p.a.	1st Qtr. 2022	USD	47,583	-	8,450
							19,117
Subsidiaries							
Non-deliverable forward	EUR	JPY	4th Qtr. 2021	EUR	19,230	130.0080	(877)
Non-deliverable forward	USD	EUR	4th Qtr. 2021	EUR	34,133	1.1719	2,225
Total Consolidated							20,465



## ii. Operating income exposure

The derivative and non-derivative financial instruments designated as cash flow hedges for foreign exchange operating income exposure on September 30, 2021 are set forth below:

							09.30.21
Cash flow hedge - Derivative instruments	Hedged object	Asset	Liability	Maturity	Notional	Designation rate	Fair value
Parent company and consolidated							
Non-deliverable forward	USD Exports	BRL	USD	4th Qtr. 2021	USD 313,000	5.3157	(48,724)
Non-deliverable forward	USD Exports	BRL	USD	1st Qtr. 2022	USD 63,000	5.4348	(8,220)
Non-deliverable forward	USD Exports	BRL	USD	2nd Qtr. 2022	USD 5,000	5.5782	(365)
Collar	USD Exports	BRL	USD	4th Qtr. 2021	USD 44,000	5.5772	3,204
Collar	USD Exports	BRL	USD	1st Qtr. 2022	USD 30,000	5.7162	1,869
Collar	USD Exports	BRL	USD	2nd Qtr. 2022	USD 10,000	5.7125	(187)
							<b>(52,423)</b>

							09.30.21
Cash flow hedge - Non-derivative instruments	Hedged object		Liability	Maturity	Notional	Designation rate	Fair value (1)
Parent company and consolidated							
Bond BRF SA BRFSBZ 5 7/8 (2)	USD Exports		USD	2nd Qtr. 2022	USD 70,928	2.0213	(426,732)
Bond BRF SA BRFSBZ 3.95	USD Exports		USD	2nd Qtr. 2023	USD 150,000	2.0387	(510,105)
							<b>(936,837)</b>

- (1) Corresponds to the effective portion of the hedge result accumulated in Other Comprehensive Income.
- (2) For this instrument, the initial designation was of USD150,000, however there were repurchases with corresponding revocation of the designation in the amounts of USD31,338 at the rate of 3.2408, USD9,350 at the rate of 4.1827, USD27,190 at the rate of 5.1889 e USD11,194 at the rate of 5.5714. The accumulated exchange rate variation of the revoked portions is fixed and reserved in Other Comprehensive Income until the recognition of the hedge object in the second quarter of 2022.

## iii. Investments exposure

The Company holds investments abroad in functional currencies different than the Brazilian Real, which generate currency exposure that affects directly the Company's Equity, in Other Comprehensive Income.

The non-derivative financial instruments designated as net investment hedge instruments on September 30, 2021 are set forth below:

							09.30.21
Net investment hedge - Non-derivative instruments	Object (Investment)	Liability	Maturity	Notional	Rate		Fair value (1)
Parent company and consolidated							
Bond - BRF SA BRFSBZ 4.35	Federal Foods LLC	USD	3rd Qtr. 2026	USD 75,673	3.7649		(127,395)
Bond - BRF SA BRFSBZ 4.35	BRF Al Yasra Food	USD	3rd Qtr. 2026	USD 108,757	3.7649		(169,128)
Bond - BRF SA BRFSBZ 4.35	Al Khan Foodstuff LLC	USD	3rd Qtr. 2026	USD 65,570	3.7649		(109,230)
							<b>(405,753)</b>

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

### 24.4.3. Commodities price risk

The financial instruments designated as cash flow hedges and fair value hedges for the commodities price exposure on September 30, 2021 are set forth below:

							09.30.21
Cash flow hedge - Derivative instruments	Hedged object	Index	Maturity	Quantity	Exercise rate (1)		Fair value
<b>Parent company and consolidated</b>							
Non-deliverable forward - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	4th Qtr. 2021	32,977 ton	417.29		(9,400)
Non-deliverable forward - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	1st Qtr. 2022	85,963 ton	412.66		(21,089)
Non-deliverable forward - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	2nd Qtr. 2022	184,877 ton	395.96		(22,888)
Non-deliverable forward - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	3rd Qtr. 2022	30,946 ton	387.86		(1,943)
Collar - buy	Soybean meal purchase - floating price	Soybean meal - CBOT	4th Qtr. 2021	9,989 ton	421.11		(2,156)
Collar - buy	Soybean purchase - floating price	Soybean - CBOT	4th Qtr. 2021	19,999 ton	458.84		172
Non-deliverable forward - buy	Corn purchase - floating price	Corn - B3	3rd Qtr. 2022	2,025 ton	1,333.16		(33)
Collar - buy	Corn purchase - floating price	Corn - B3	4th Qtr. 2021	13,230 ton	1,587.07		126
Collar - buy	Corn purchase - floating price	Corn - B3	1st Qtr. 2022	17,037 ton	1,683.33		(303)
Collar - buy	Corn purchase - floating price	Corn - B3	2nd Qtr. 2022	7,992 ton	1,616.67		(97)
Collar - buy	Soybean oil purchase - floating price	Soybean oil - CBOT	4th Qtr. 2021	2,994 ton	794.77		7,069
							<b>(50,542)</b>

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

							09.30.21
Cash flow hedge - Derivative instruments	Protection object	Assets	Liabilities	Maturity	Notional	Exercise rate	Fair value (R\$)
<b>Subsidiaries</b>							
Non-deliverable forward	Cost in USD	USD	TRY	4th Qtr. 2021	USD 7,098	8.8251	998
							<b>998</b>

							09.30.21
Fair value hedge - Derivative instruments	Hedged object	Index	Maturity	Quantity	Exercise rate (1)		Fair value
<b>Parent company and consolidated</b>							
Non-deliverable forward - sell	Soybean purchase - fixed price	Soybean - CBOT	1st Qtr. 2022	15,000 ton	503.65		2,956
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	4th Qtr. 2021	179,299 ton	202.24		(8,839)
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	1st Qtr. 2022	63,077 ton	200.41		(4,783)
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	2nd Qtr. 2022	170,790 ton	216.20		59
Non-deliverable forward - sell	Corn purchase - fixed price	Corn - CBOT	3rd Qtr. 2022	39,995 ton	184.67		(5,034)
Corn future - sell	Corn purchase - fixed price	Corn - B3	4th Qtr. 2021	7,803 ton	1,562.51		186
Corn future - sell	Corn purchase - fixed price	Corn - B3	1st Qtr. 2022	104,571 ton	1,631.40		2,488
Corn future - sell	Corn purchase - fixed price	Corn - B3	2nd Qtr. 2022	9,882 ton	1,537.49		124
Corn future - sell	Corn purchase - fixed price	Corn - B3	3rd Qtr. 2022	176,985 ton	1,339.50		1,459
Corn future - sell	Corn purchase - fixed price	Corn - B3	4th Qtr. 2022	14,985 ton	1,350.41		-
Collar - sell	Corn purchase - fixed price	Corn - B3	4th Qtr. 2021	62,910 ton	1,649.32		4,350
Collar - sell	Corn purchase - fixed price	Corn - B3	1st Qtr. 2022	25,380 ton	1,567.91		248
Put - Buy	Corn purchase - fixed price	Corn - B3	4th Qtr. 2021	5,994 ton	1,616.67		583
							<b>(6,203)</b>

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

							09.30.21
Fair value hedge - Derivative instruments	Protection object	Assets	Liabilities	Maturity	Notional	Exercise rate	Fair value
<b>Parent company and consolidated</b>							
Non-deliverable forward	Cost in USD	BRL	USD	4th Qtr. 2021	USD 36,262	5.3508	(5,001)
Non-deliverable forward	Cost in USD	BRL	USD	1st Qtr. 2022	USD 20,196	5.3666	(4,335)
Non-deliverable forward	Cost in USD	BRL	USD	2nd Qtr. 2022	USD 36,924	5.6119	(4,575)
Non-deliverable forward	Cost in USD	BRL	USD	3rd Qtr. 2022	USD 7,386	5.6278	(1,387)
							<b>(15,298)</b>

## 24.5. Effects of hedge instruments on financial information

The effects of financial instruments for hedging exchange rate, commodities price and interest rates in the income for the period, in Other Comprehensive Income and in the financial position are set forth below:

Income for the period							Consolidated
Jul - Sep 2021	Note	Exposure	Hedge accounting	Foreign Exchange	Commodities	Interest Rate	Total
Net Sales				12,349,193	-	-	12,349,193
Derivatives result		Operating Results	Cash flow	40,792	-	-	40,792
<b>Net Revenue</b>	<b>26</b>			<b>12,389,985</b>	<b>-</b>	<b>-</b>	<b>12,389,985</b>
Cost of Sales				-	(9,757,320)	-	(9,757,320)
Derivatives result		Operating Results	Cash flow / Fair value	-	(7,983)	-	(7,983)
<b>Cost of Sales</b>				<b>-</b>	<b>(9,765,303)</b>	<b>-</b>	<b>(9,765,303)</b>
Interests on loans and borrowings				-	-	(361,115)	(361,115)
Interest Rate Derivatives result		Interest expenses	Fair value	-	-	(40,065)	(40,065)
Foreign Exchange variation on assets and liabilities				(625,672)	-	-	(625,672)
Foreign Exchange Derivatives result		Financial Position	Not designated	594,162	-	-	594,162
<b>Effects on Financial Result</b>	<b>28</b>			<b>(31,510)</b>	<b>-</b>	<b>(401,180)</b>	<b>(432,690)</b>
Other Comprehensive Income							Consolidated
Jul - Sep 2021		Exposure	Hedge accounting	Foreign Exchange	Commodities	Interest Rate	Total
Derivative Instruments - current		Operating Results	Cash flow	(183,860)	(169,440)	-	(353,300)
Non-derivative Instruments - current		Operating Results	Cash flow	(31,010)	-	-	(31,010)
Non-derivative Instruments - non-current		Operating Results	Cash flow	(65,580)	-	-	(65,580)
Non-derivative Instruments - non-current		Foreign investments	Net investment	(106,955)	-	-	(106,955)
<b>Other Comprehensive Income (1)</b>				<b>(387,405)</b>	<b>(169,440)</b>	<b>-</b>	<b>(556,845)</b>
Income for the period							Consolidated
Jan - Sep 2021	Note	Exposure	Hedge accounting	Foreign Exchange	Commodities	Interest Rate	Total
Net Sales				34,539,353	-	-	34,539,353
Derivatives result		Operating Results	Cash flow	79,510	-	-	79,510
<b>Net Revenue</b>	<b>26</b>			<b>34,618,863</b>	<b>-</b>	<b>-</b>	<b>34,618,863</b>
Cost of Sales				-	(27,388,645)	-	(27,388,645)
Derivatives result		Operating Results	Cash flow / Fair value	-	(184,594)	-	(184,594)
<b>Cost of Sales</b>				<b>-</b>	<b>(27,573,239)</b>	<b>-</b>	<b>(27,573,239)</b>
Interests on loans and borrowings				-	-	(1,216,925)	(1,216,925)
Interest Rate Derivatives result		Interest expenses	Fair value	-	-	(35,025)	(35,025)
Foreign Exchange variation on assets and liabilities				(359,457)	-	-	(359,457)
Foreign Exchange Derivatives result		Financial Position	Not designated	178,101	-	-	178,101
<b>Effects on Financial Result</b>	<b>28</b>			<b>(181,356)</b>	<b>-</b>	<b>(1,251,950)</b>	<b>(1,433,306)</b>
Other Comprehensive Income							Consolidated
Jan - Sep 2021		Exposure	Hedge accounting	Foreign Exchange	Commodities	Interest Rate	Total
Derivative Instruments - current		Operating Results	Cash flow	(100,366)	(209,373)	-	(309,739)
Non-derivative Instruments - current		Operating Results	Cash flow	(17,214)	-	-	(17,214)
Non-derivative Instruments - non-current		Operating Results	Cash flow	(36,405)	-	-	(36,405)
Non-derivative Instruments - non-current		Foreign investments	Net investment	(61,079)	-	-	(61,079)
<b>Other Comprehensive Income (1)</b>				<b>(215,064)</b>	<b>(209,373)</b>	<b>-</b>	<b>(424,437)</b>

(1) All effects are presented gross of taxes.

Statement of financial position							Consolidated
09.30.21	Note	Exposure	Hedge accounting	Foreign Exchange	Commodities	Interest Rate	Total
Designated derivatives		Operating Results	Cash flow / Fair value	(66,723)	(56,745)	(33,938)	(157,406)
Not designated derivatives		Financial Position	Not designated	20,465	-	-	20,465
<b>Asset / (Liability) net</b>				<b>(46,258)</b>	<b>(56,745)</b>	<b>(33,938)</b>	<b>(136,941)</b>
Derivative Instruments - current (2)		Operating Results	Cash flow	(52,423)	(38,067)	-	(90,490)
Non-derivative instruments - current		Operating Results	Cash flow	(426,732)	-	-	(426,732)
Non-derivative instruments - non-current		Operating Results	Cash flow	(510,105)	-	-	(510,105)
Non-derivative Instruments - non-current		Foreign investments	Net investment	(405,753)	-	-	(405,753)
<b>Other Comprehensive Income (1)</b>				<b>(1,395,013)</b>	<b>(38,067)</b>	<b>-</b>	<b>(1,433,080)</b>
Derivatives result		Operating Results	Cash flow / Fair value	-	538,512	-	538,512
<b>Inventories</b>	<b>7</b>			<b>-</b>	<b>538,512</b>	<b>-</b>	<b>538,512</b>

(1) All effects are presented gross of taxes.

(2) Includes R\$(2,192) related to the time value of the foreign exchange option contracts, and R\$(234) related to the time value of the commodity options contracts.

Statement of financial position							Consolidated
12.31.20	Note	Exposure	Hedge accounting	Foreign Exchange	Commodities	Interest Rate	Total
Designated derivatives		Operating Results	Cash flow / Fair value	95,558	(144,057)	-	(48,499)
Not designated derivatives		Financial Position	Not designated	55,442	-	(14,649)	40,793
<b>Asset / (Liability) net</b>				<b>151,000</b>	<b>(144,057)</b>	<b>(14,649)</b>	<b>(7,706)</b>
Derivative Instruments - current		Operating Results	Cash flow	47,942	171,306	-	219,248
Non-derivative instruments - non-current		Operating Results	Cash flow	(883,218)	-	-	(883,218)
Non-derivative Instruments - non-current		Foreign investments	Net investment	(344,674)	-	-	(344,674)
<b>Other Comprehensive Income</b>				<b>(1,179,950)</b>	<b>171,306</b>	<b>-</b>	<b>(1,008,644)</b>
Derivatives result		Operating Results	Cash flow / Fair value	-	442,398	-	442,398
<b>Inventories</b>	<b>7</b>			<b>-</b>	<b>442,398</b>	<b>-</b>	<b>442,398</b>

In the statement of cash flows, the effect of the derivative financial instruments designated as hedge accounting is presented in the line item in which the hedged object is recorded. For the instruments not designated, the effects are presented in the Derivative Financial Instruments line item.

Summarized financial position of derivative financial instruments:

	Parent company		Consolidated	
	09.30.21	12.31.20	09.30.21	12.31.20
<b>Assets</b>				
<b>Designated as hedge accounting</b>				
Currency derivatives	14,933	177,208	15,931	177,208
Commodities derivatives	37,349	125,304	37,349	125,304
Interest rate derivatives	2,139	-	2,139	-
<b>Not designated as hedge accounting</b>				
Currency derivatives	27,639	59,037	29,864	75,478
	<b>82,060</b>	<b>361,549</b>	<b>85,283</b>	<b>377,990</b>
Current assets	79,921	361,315	83,144	377,756
Non-current assets	2,139	234	2,139	234
<b>Liabilities</b>				
<b>Designated as hedge accounting</b>				
Currency derivatives	(82,654)	(81,650)	(82,654)	(81,650)
Commodities derivatives	(94,094)	(269,361)	(94,094)	(269,361)
Interest rate derivatives	(36,077)	-	(36,077)	-
<b>Not designated as hedge accounting</b>				
Currency derivatives	(8,522)	(13,610)	(9,399)	(20,036)
Interest rate derivatives	-	(14,649)	-	(14,649)
	<b>(221,347)</b>	<b>(379,270)</b>	<b>(222,224)</b>	<b>(385,696)</b>
Current liabilities	(185,270)	(378,543)	(186,147)	(384,969)
Non-current liabilities	(36,077)	(727)	(36,077)	(727)

## 24.6. Sensitivity analysis

The Management understands 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 September 30, 2021, which has been described in the items above. The future results may diverge significantly of the estimated values if the reality presents different than the assumptions used. Positive values indicate gains and negative values indicate losses.

Exchange rate - Balance	Scenario						
	Base	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
USD	5.4394	2.7197	4.0796	4.8955	5.9833	6.7993	8.1591
Monetary Assets and Liabilities		3,433,220	1,716,610	686,644	(686,644)	(1,716,610)	(3,433,220)
Derivative Instruments - Not designated		(3,156,437)	(1,578,218)	(631,287)	631,287	1,578,218	3,156,437
<b>Net effect</b>		<b>276,783</b>	<b>138,392</b>	<b>55,357</b>	<b>(55,357)</b>	<b>(138,392)</b>	<b>(276,783)</b>
EUR	6.2983	3.1492	4.7237	5.6685	6.9281	7.8729	9.4475
Monetary Assets and Liabilities		820,571	410,286	164,114	(164,114)	(410,286)	(820,571)
Derivative Instruments - Not designated		(786,712)	(393,356)	(157,342)	157,342	393,356	786,712
<b>Net effect</b>		<b>33,859</b>	<b>16,930</b>	<b>6,772</b>	<b>(6,772)</b>	<b>(16,930)</b>	<b>(33,859)</b>
JPY	0.0488	0.0244	0.0366	0.0439	0.0537	0.0610	0.0732
Monetary Assets and Liabilities		(102,161)	(51,080)	(20,432)	20,432	51,080	102,161
Derivative Instruments - Not designated		60,975	30,488	12,195	(12,195)	(30,488)	(60,975)
<b>Net effect</b>		<b>(41,186)</b>	<b>(20,592)</b>	<b>(8,237)</b>	<b>8,237</b>	<b>20,592</b>	<b>41,186</b>
TRY	0.6124	0.3062	0.4593	0.5512	0.6736	0.7655	0.9186
Monetary Assets and Liabilities		120,516	60,258	24,103	(24,103)	(60,258)	(120,516)
<b>Net effect</b>		<b>120,516</b>	<b>60,258</b>	<b>24,103</b>	<b>(24,103)</b>	<b>(60,258)</b>	<b>(120,516)</b>
AOA	0.0091	0.0045	0.0068	0.0082	0.0100	0.0113	0.0136
Monetary Assets and Liabilities		(131,504)	(65,752)	(26,301)	26,301	65,752	131,504
<b>Net effect</b>		<b>(131,504)</b>	<b>(65,752)</b>	<b>(26,301)</b>	<b>26,301</b>	<b>65,752</b>	<b>131,504</b>

Exchange rate - Operating results	Scenario						
	Base	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
USD	5.4394	2.7197	4.0796	4.8955	5.9833	6.7993	8.1591
Revenue in USD		(1,865,518)	(932,759)	(373,104)	373,104	932,759	1,865,518
NDF		1,036,206	518,103	207,241	(207,241)	(518,103)	(1,036,206)
Collar		222,657	108,429	39,893	(23,342)	(88,388)	(202,615)
Loans - Designated		600,858	300,429	120,172	(120,172)	(300,429)	(600,858)
<b>Net effect</b>		<b>(5,797)</b>	<b>(5,798)</b>	<b>(5,798)</b>	<b>22,349</b>	<b>25,839</b>	<b>25,839</b>

Exchange rate - Operating results	Scenario						
	Base	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
USD	5.4394	2.7197	4.0796	4.8955	5.9833	6.7993	8.1591
Cost of Sales		(274,059)	(137,030)	(54,812)	54,812	137,030	274,059
NDF		274,059	137,030	54,812	(54,812)	(137,030)	(274,059)
Net effect		-	-	-	-	-	-

Operating results - Commodities	Scenario						
	Base (1)	- 50%	- 25%	- 10%	+ 10%	+ 25%	+ 50%
Soy Grain - CBOT	464	232	348	418	510	580	696
Cost of Sales		1,160	580	232	(232)	(580)	(1,160)
Collar		(4,139)	(1,832)	(447)	554	1,938	4,246
NDF		3,505	1,753	701	(701)	(1,753)	(3,505)
Net effect		526	501	486	(379)	(395)	(419)
Soybean Meal - CBOT	371	185	278	334	408	464	556
Cost of Sales		63,940	31,970	12,788	(12,788)	(31,970)	(63,940)
Collar		(1,810)	(905)	(362)	238	537	1,369
NDF		(62,130)	(31,065)	(12,426)	12,426	31,065	62,130
Net effect		-	-	-	(124)	(368)	(441)
Soybean Oil - CBOT	1,294	647	970	1,165	1,423	1,617	1,941
Cost of Sales		1,937	968	387	(387)	(968)	(1,937)
Collar		(1,547)	(968)	(387)	387	968	1,937
Net effect		390	-	-	-	-	-
Corn - CBOT	213	107	160	192	235	267	320
Cost of Sales		(48,318)	(24,159)	(9,664)	9,664	24,159	48,318
NDF		48,318	24,159	9,664	(9,664)	(24,159)	(48,318)
Net effect		-	-	-	-	-	-
Corn - B3	1,445	722	1,084	1,300	1,589	1,806	2,167
Cost of Sales		(266,037)	(133,018)	(53,207)	53,207	133,018	266,037
Collar		40,052	20,741	9,025	(5,087)	(13,216)	(32,528)
NDF		219,671	109,835	43,934	(43,934)	(109,835)	(219,671)
Put		4,594	2,297	919	(502)	(502)	(502)
Net effect		(1,720)	(145)	671	3,684	9,465	13,336

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

## 24.7. Financial instruments by category

		Parent company 09.30.21	
	Amortized cost	Fair value through profit and loss	Total
<b>Assets</b>			
Cash and bank	91,449	-	91,449
Cash equivalents	-	4,139,986	4,139,986
Marketable securities	-	333,859	333,859
Restricted cash	24,530	-	24,530
Trade accounts receivable	8,430,975	315,657	8,746,632
Other receivables	76,476	-	76,476
Derivatives not designated	-	27,639	27,639
Derivatives designated as hedge accounting (1)	-	54,421	54,421
<b>Liabilities</b>			
Trade accounts payable	(9,934,745)	-	(9,934,745)
Supply chain finance	(1,889,219)	-	(1,889,219)
Loans and borrowings (2)	(18,361,285)	(2,396,114)	(20,757,399)
Derivatives not designated	-	(8,522)	(8,522)
Derivatives designated as hedge accounting (1)	-	(212,825)	(212,825)
	<b>(21,561,819)</b>	<b>2,254,101</b>	<b>(19,307,718)</b>

- (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 the 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.

		Parent company 12.31.20	
	Amortized cost	Fair value through profit and loss	Total
<b>Assets</b>			
Cash and bank	118,307	-	118,307
Cash equivalents	-	3,757,832	3,757,832
Marketable securities	-	327,559	327,559
Restricted cash	24,358	-	24,358
Trade accounts receivable	4,906,964	310,265	5,217,229
Other receivables	86,404	-	86,404
Derivatives not designated	-	59,037	59,037
Derivatives designated as hedge accounting	-	302,512	302,512
<b>Liabilities</b>			
Trade accounts payable	(8,170,012)	-	(8,170,012)
Supply chain finance	(1,452,637)	-	(1,452,637)
Loans and borrowings	(19,310,254)	-	(19,310,254)
Derivatives not designated	-	(28,259)	(28,259)
Derivatives designated as hedge accounting	-	(351,011)	(351,011)
	<b>(23,796,870)</b>	<b>4,377,935</b>	<b>(19,418,935)</b>

				Consolidated 09.30.21
	Amortized cost	Fair value through other comprehensive income Equity instruments	Fair value through profit and loss	Total
<b>Assets</b>				
Cash and bank	2,203,097	-	-	2,203,097
Cash equivalents	-	-	4,686,747	4,686,747
Marketable securities	347,650	13,290	358,148	719,088
Restricted cash	24,530	-	-	24,530
Trade accounts receivable	3,236,504	-	315,657	3,552,161
Other receivables	76,476	-	-	76,476
Derivatives not designated	-	-	29,864	29,864
Derivatives designated as hedge accounting (1)	-	-	55,419	55,419
<b>Liabilities</b>				
Trade accounts payable	(11,089,196)	-	-	(11,089,196)
Supply chain finance	(1,889,219)	-	-	(1,889,219)
Loans and borrowings (2)	(21,782,488)	-	(2,396,114)	(24,178,602)
Derivatives not designated	-	-	(9,399)	(9,399)
Derivatives designated as hedge accounting (1)	-	-	(212,825)	(212,825)
Written option- business combination	-	-	(471,738)	(471,738)
	<b>(28,872,646)</b>	<b>13,290</b>	<b>2,355,759</b>	<b>(26,503,597)</b>

- (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 the 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 12.31.20
	Amortized cost	Fair value through other comprehensive income Equity instruments	Fair value through profit and loss	Total
<b>Assets</b>				
Cash and bank	2,439,072	-	-	2,439,072
Cash equivalents	-	-	5,137,553	5,137,553
Marketable securities	287,504	42,029	329,202	658,735
Restricted cash	24,358	-	-	24,358
Trade accounts receivable	3,789,616	-	310,265	4,099,881
Other receivables	86,404	-	-	86,404
Derivatives not designated	-	-	75,478	75,478
Derivatives designated as hedge accounting	-	-	302,512	302,512
<b>Liabilities</b>				
Trade accounts payable	(9,009,987)	-	-	(9,009,987)
Supply chain finance	(1,452,637)	-	-	(1,452,637)
Loans and borrowings	(22,404,426)	-	-	(22,404,426)
Derivatives not designated	-	-	(34,685)	(34,685)
Derivatives designated as hedge accounting	-	-	(351,011)	(351,011)
Written option- business combination	-	-	(185,401)	(185,401)
	<b>(26,240,096)</b>	<b>42,029</b>	<b>5,583,913</b>	<b>(20,614,154)</b>



## 24.8. 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 has a financial liability arising from a put option written in the context of a business combination.

The table below presents the overall classification of financial instruments measured at fair value by measurement hierarchy. For the nine-month period ended on September 30, 2021, there were no changes among the 3 levels of hierarchy.

	09.30.21			Parent company		
	Level 1	Level 2	Total	Level 1	Level 2	Total
<b>Financial Assets</b>						
<b>Fair value through profit and loss</b>						
Savings account and overnight	76,221	-	76,221	102,336	-	102,336
Bank deposit certificates	-	4,059,645	4,059,645	-	3,650,812	3,650,812
Financial treasury bills	318,893	-	318,893	312,515	-	312,515
Investment funds	19,086	-	19,086	19,728	-	19,728
Trade accounts receivable	-	315,657	315,657	-	310,265	310,265
Derivatives	-	82,060	82,060	-	361,549	361,549
<b>Financial Liabilities</b>						
<b>Fair value through profit and loss</b>						
Derivatives	-	(221,347)	(221,347)	-	(379,270)	(379,270)
Loans and borrowings	-	(2,396,114)	(2,396,114)	-	-	-
	414,200	1,839,901	2,254,101	434,579	3,943,356	4,377,935

	09.30.21				Consolidated			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
<b>Fair value through other comprehensive income</b>								
Stocks	13,290	-	-	13,290	42,029	-	-	42,029
<b>Fair value through profit and loss</b>								
Savings account and overnight	600,449	-	-	600,449	1,220,232	-	-	1,220,232
Term deposits	-	-	-	-	250,189	-	-	250,189
Bank deposit certificates	-	4,082,178	-	4,082,178	-	3,662,448	-	3,662,448
Financial treasury bills	318,893	-	-	318,893	312,515	-	-	312,515
Investment funds	43,375	-	-	43,375	21,371	-	-	21,371
Trade accounts receivable	-	315,657	-	315,657	-	310,265	-	310,265
Derivatives	-	85,283	-	85,283	-	377,990	-	377,990
<b>Financial Liabilities</b>								
<b>Fair value through profit and loss</b>								
Derivatives	-	(222,224)	-	(222,224)	-	(385,696)	-	(385,696)
Loans and borrowings	-	(2,396,114)	-	(2,396,114)	-	-	-	-
Written option– business combination	-	-	(471,738)	(471,738)	-	-	(185,401)	(185,401)
	976,007	1,864,780	(471,738)	2,369,049	1,846,336	3,965,007	(185,401)	5,625,942

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			
				09.30.21		12.31.20	
	Currency	Maturity	Book value	Fair value	Book value	Fair value	
BRF S.A.							
BRF SA BRFSBZ 5 7/8	USD	2022	(392,757)	(405,968)	(367,714)	(389,611)	
BRF SA BRFSBZ 4 3/4	USD	2024	(1,633,188)	(1,726,110)	(1,538,086)	(1,659,891)	
BRF SA BRFSBZ 3.95	USD	2023	(1,283,410)	(1,329,486)	(1,207,468)	(1,275,598)	
BRF SA BRFSBZ 2 3/4	EUR	2022	(1,060,043)	(1,072,548)	(1,081,404)	(1,105,478)	
BRF SA BRFSBZ 4 7/8	USD	2030	(3,760,174)	(3,817,461)	(3,951,539)	(4,333,054)	
BRF SA BRFSBZ 5 3/4	USD	2050	(4,234,323)	(4,182,534)	(4,106,115)	(4,705,851)	
Debenture - 1st Issue	BRL	2026	(815,842)	(817,075)	(771,138)	(778,016)	
Debenture - 2nd Issue	BRL	2030	(2,292,024)	(2,297,006)	(2,250,867)	(2,225,796)	
Debenture - 3rd Issue	BRL	2031	(1,018,992)	(882,766)	-	-	
Parent company			(16,490,753)	(16,530,954)	(15,274,331)	(16,473,295)	
BRF GmbH							
BRF SA BRFSBZ 4.35	USD	2026	(2,676,797)	(2,813,142)	(2,577,667)	(2,779,574)	
Consolidated			(19,167,550)	(19,344,096)	(17,851,998)	(19,252,869)	

### 24.8.1. Level 3 measurement

The Company holds a financial liability arising from a put option written in the context of a business combination. This option gives the non-controlling shareholder the right to sell its equity stake in the subsidiary for an amount equivalent, in Turkish Liras, to a multiple of the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of the economic group of this subsidiary in the last 12 months prior to the exercise. The exercise period is comprised of the six-month period beginning on May 25, 2021. This liability is measured at the present value of redemption amount using internal assumptions regarding the results of that economic group.

The effects of the subsequent measurement resulted in a loss in financial results of R\$278,618 in the nine-month ended on September 30, 2021 (gain of R\$533,774 in the same period of the prior year) and a loss of R\$352,790 for the three-month period ended on September 30, 2021 (gain of R\$143,421 in the same period of the prior year), as per note 28.

## 25. 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:

- » Poultry: production and sale of whole poultry and in-natura cuts.
- » Pork and others: production and sale of in-natura 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 for each reportable operating segment is set forth below:

	2021		Consolidated 2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Net sales</b>				
<b>Brazil</b>				
In-natura	1,634,165	4,380,670	1,251,395	3,601,927
Poultry	1,255,312	3,324,314	907,235	2,670,960
Pork and other	378,853	1,056,356	344,160	930,967
Processed	4,740,367	13,167,042	4,032,656	10,966,468
Other sales	17,509	54,550	7,654	21,321
	6,392,041	17,602,262	5,291,705	14,589,716
<b>International</b>				
In-natura	4,642,946	13,250,947	3,635,187	10,651,454
Poultry	4,047,027	11,291,729	3,016,452	8,994,799
Pork and other	595,919	1,959,218	618,735	1,656,655
Processed	758,768	2,162,453	589,996	1,664,171
Other sales	46,992	284,362	84,187	216,733
	5,448,706	15,697,762	4,309,370	12,532,358
<b>Other segments</b>	549,238	1,318,839	341,516	873,508
	12,389,985	34,618,863	9,942,591	27,995,582

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

	2021		Consolidated 2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Brazil	515,846	1,015,749	566,784	1,282,928
International	113,515	569,495	200,302	868,636
Other segments	105,017	282,076	62,496	122,654
<b>Sub total</b>	734,378	1,867,320	829,582	2,274,218
Corporate	(3,898)	71,393	(85,505)	(388,275)
	730,480	1,938,713	744,077	1,885,943

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

	2021		Consolidated 2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Corporate</b>				
Expenses COVID-19 (1)	(23,386)	(48,382)	(40,568)	(66,828)
Investigations involving the Company (note 1.5)	(412)	(8,554)	(4,027)	(28,099)
Expenses with demobilization	(634)	(3,654)	(5,034)	(5,034)
Impairment and result in the sale of investments	52,557	76,147	-	(6,763)
Reversal/(provision) for tax and civil contingencies	(35,230)	39,695	(5,350)	(65,239)
Results with sale and disposal of fixed assets	4,173	16,258	(5,544)	(11,531)
Results with disposal of businesses	-	-	(26,943)	(26,943)
Agreement - Class Action	-	-	-	(204,436)
Arbitration reversal	-	-	-	14,520
Restructuring plan	-	-	-	13
Other	(966)	(117)	1,961	12,065
	(3,898)	71,393	(85,505)	(388,275)

(1) Mainly comprised of donations in Brazil, consultants and expenses with health and safety, which are not associated with the business segments.

No customer individually or in aggregate (economic group) accounted for more than 5% of net sales for the nine-month period ended on September 30, 2021 and 2020.

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:

	Goodwill		Trademarks		Consolidated Total	
	09.30.21	12.31.20	09.30.21	12.31.20	09.30.21	12.31.20
Brazil	1,151,498	1,151,498	982,478	982,478	2,133,976	2,133,976
International	1,868,105	1,784,079	323,485	345,260	2,191,590	2,129,339
Other segments	1,011,828	-	298	-	1,012,126	-
	4,031,431	2,935,577	1,306,261	1,327,738	5,337,692	4,263,315

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.

## 26. NET SALES

	Parent company				Consolidated			
	2021		2020		2021		2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Gross sales</b>								
Brazil	7,916,297	21,802,401	6,512,264	18,018,393	7,916,297	21,802,401	6,512,264	18,018,393
International	4,262,740	11,868,422	2,607,278	7,359,010	5,839,915	16,826,837	4,636,072	13,440,650
Other segments	483,392	1,273,498	364,659	930,702	625,962	1,473,572	378,246	968,825
	12,662,429	34,944,321	9,484,201	26,308,105	14,382,174	40,102,810	11,526,582	32,427,868
<b>Sales deductions</b>								
Brazil	(1,524,256)	(4,200,139)	(1,220,558)	(3,428,677)	(1,524,256)	(4,200,139)	(1,220,559)	(3,428,677)
International	(11,130)	(21,887)	(24,632)	(73,278)	(391,209)	(1,129,075)	(326,702)	(908,292)
Other segments	(44,315)	(116,861)	(34,512)	(89,197)	(76,724)	(154,733)	(36,730)	(95,317)
	(1,579,701)	(4,338,887)	(1,279,702)	(3,591,152)	(1,992,189)	(5,483,947)	(1,583,991)	(4,432,286)
<b>Net sales</b>								
Brazil	6,392,041	17,602,262	5,291,706	14,589,716	6,392,041	17,602,262	5,291,705	14,589,716
International	4,251,610	11,846,535	2,582,646	7,285,732	5,448,706	15,697,762	4,309,370	12,532,358
Other segments	439,077	1,156,637	330,147	841,505	549,238	1,318,839	341,516	873,508
	11,082,728	30,605,434	8,204,499	22,716,953	12,389,985	34,618,863	9,942,591	27,995,582

## 27. OTHER OPERATING INCOME (EXPENSES), NET

	Parent company				Consolidated			
	2021		2020		2021		2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Recovery of expenses (1)	16,137	85,350	83,074	317,726	16,136	85,372	83,114	318,172
Provision reversal	805	805	1,756	72,381	809	809	1,756	72,381
Scrap sales	3,222	9,076	3,072	8,506	3,317	9,273	3,111	8,672
Provision for civil and tax risks	(31,998)	42,974	(13,298)	(78,569)	(32,202)	42,518	(13,719)	(79,238)
Other employees benefits	(8,225)	(22,637)	(6,862)	(22,512)	(8,225)	(22,637)	(6,862)	(22,512)
Insurance claims costs	(17,279)	(28,805)	(2,008)	(7,485)	(16,741)	(28,023)	(877)	(3,394)
Gains (losses) on the disposal of non-financial assets	9,487	16,790	(13,399)	(15,778)	53,761	89,775	(16,874)	(24,026)
Employee participation and bonuses	(35,097)	(49,624)	(41,127)	(162,526)	(36,200)	(65,255)	(41,678)	(159,669)
Demobilization expenses	521	(2,472)	(8,705)	(14,569)	(634)	(3,654)	(8,534)	(14,790)
Expected credit losses in other receivables	1,831	742	32	(3,153)	1,831	742	32	(3,125)
Other (2)	(6,093)	(17,499)	(1,286)	(176,882)	(3,451)	(5,339)	(12,662)	(205,664)
	(66,689)	34,700	1,249	(82,861)	(21,599)	103,581	(13,193)	(113,193)

- (1) Includes recovery of PIS and COFINS taxes on inputs in the amount of R\$27,280 and effects of the final decision related to the exclusion of ICMS from the PIS and COFINS calculation basis of Batávia and UP! Alimentos Ltda. in the amount of R\$40,501 (note 9.1) for the nine-month period ended on September 30, 2021 (R\$295,593 of recovery of PIS and COFINS taxes on inputs in the same period of previous year).
- (2) Includes expenditures with investigations (note 1.5) and in 2020 expenses with class action agreement.

## 28. FINANCIAL INCOME (EXPENSES), NET

	Note	Parent company				Consolidated			
		2021		2020		2021		2020	
		Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Financial income</b>									
Interest on cash and cash equivalents	4	33,626	74,030	27,069	80,916	46,831	104,195	34,938	85,967
Income with marketable securities	5	4,141	8,419	1,707	23,628	14,082	32,100	6,530	51,917
Fair value through other comprehensive income		-	-	-	-	-	-	84	538
Fair value through profit and loss		3,856	7,843	1,588	7,648	3,888	7,884	1,588	7,304
Amortized cost		285	576	119	15,980	10,194	24,216	4,858	44,075
Interest on recoverable taxes (1)	9	60,848	172,770	18,690	98,946	60,908	172,869	18,723	99,063
Interest on other assets		11,721	30,558	12,138	29,223	11,985	31,119	12,511	30,466
		110,336	285,777	59,604	232,713	133,806	340,283	72,702	267,413
<b>Financial expenses</b>									
Interests on loans and borrowings	15	(307,126)	(1,062,148)	(447,266)	(997,730)	(361,115)	(1,216,925)	(490,955)	(1,122,525)
Interest with related parties	30	(99,841)	(256,588)	(80,833)	(262,159)	-	-	-	-
Interest on contingencies	21	(64,696)	(185,584)	(25,004)	(110,581)	(64,696)	(185,584)	(25,004)	(110,581)
Interest on leases	18	(42,509)	(128,282)	(46,628)	(141,889)	(48,555)	(165,536)	(50,829)	(154,692)
Interest on actuarial liabilities		(9,984)	(29,952)	(9,303)	(27,890)	(11,181)	(33,810)	(10,178)	(30,541)
Interest on other liabilities		4,117	3,831	4,032	9,392	2,278	1,927	4,030	9,414
Written option - Business combination	24.8.1	-	-	-	-	(352,790)	(278,618)	143,421	533,774
Adjustment to present value	6 and 16	(168,525)	(455,019)	(109,511)	(290,979)	(170,911)	(457,011)	(109,760)	(291,258)
Other		(27,055)	(78,926)	(35,253)	(120,553)	(40,219)	(135,321)	(52,391)	(161,170)
		(715,619)	(2,192,668)	(749,766)	(1,942,389)	(1,047,189)	(2,470,878)	(591,666)	(1,327,579)
<b>Monetary, exchange and derivative results, net</b>									
Exchange rate variation on monetary assets and liabilities		(1,656,614)	(822,234)	(605,899)	(6,725,955)	(625,672)	(359,457)	4,420	(1,529,314)
Derivative results		547,414	131,173	61,179	1,329,719	554,097	143,076	78,125	1,356,289
		(1,109,200)	(691,061)	(544,720)	(5,396,236)	(71,575)	(216,381)	82,545	(173,025)
		(1,714,483)	(2,597,952)	(1,234,882)	(7,105,912)	(984,958)	(2,346,976)	(436,419)	(1,233,191)

- (1) For the nine-month period ended on September 30, 2021, the effect includes the final decision related to the exclusion of ICMS from the PIS and COFINS calculation basis from Batávia and UP! Alimentos Ltda. (note 9) in the amount of R\$50,434 (null in the same period of the previous year).

## 29. STATEMENT OF INCOME BY NATURE

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

	Parent company				Consolidated			
	2021		2020		2021		2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
<b>Costs of sales</b>								
Raw materials and supplies (1)	6,534,525	17,836,496	4,498,527	12,637,782	7,370,370	20,634,986	5,417,106	15,140,087
Salaries and employees benefits	1,082,313	3,147,431	1,041,424	2,955,676	1,106,742	3,210,703	1,060,402	3,007,577
Depreciation	488,834	1,410,371	424,617	1,259,721	529,589	1,537,582	466,876	1,379,928
Amortization	16,160	55,031	24,739	51,128	32,106	103,626	40,500	98,083
Other	706,751	2,050,110	632,010	1,728,805	726,496	2,086,342	613,249	1,793,580
	8,828,583	24,499,439	6,621,317	18,633,112	9,765,303	27,573,239	7,598,133	21,419,255
<b>Sales expenses</b>								
Indirect and direct logistics expenses	749,253	1,969,731	525,863	1,588,941	835,633	2,251,726	619,365	1,827,774
Marketing	128,563	361,337	102,510	306,182	166,046	482,650	137,473	427,706
Salaries and employees benefits	272,974	789,555	276,608	793,694	362,960	1,059,427	363,920	1,035,654
Depreciation	45,277	138,793	37,073	105,694	81,781	273,804	49,703	160,816
Amortization	16,314	57,742	20,194	49,232	21,971	76,121	27,454	70,166
Other	124,170	368,367	97,474	306,327	179,370	481,171	168,554	489,576
	1,336,551	3,685,525	1,059,722	3,150,070	1,647,761	4,624,899	1,366,469	4,011,692
<b>Administrative expenses</b>								
Salaries and employees benefits	54,632	163,106	54,782	145,502	92,080	276,389	91,931	247,770
Fees	14,977	39,801	12,387	41,600	14,977	39,801	12,387	41,600
Depreciation	5,099	22,252	8,547	23,030	8,176	34,882	13,917	35,544
Amortization	6,793	28,695	12,168	26,413	7,212	30,278	13,255	28,968
Other	69,600	123,100	62,916	124,145	99,262	192,616	85,858	196,491
	151,101	376,954	150,800	360,690	221,707	573,966	217,348	550,373

- (1) Includes recoveries of PIS and COFINS taxes on inputs and export credits in the amount of R\$43,817 for the nine-month period ended on September 30, 2021 (null in the same period of the previous year).

The Company incurred in expenses with internal research and development of new products of R\$30,840 for the nine-month period ended on September 30, 2021 in the parent company and in the consolidated (R\$48,228 in

the parent company and in the consolidated in the same period of the prior year) and R\$10,385 for the three-month period ended on September 30, 2021 in the parent company and in the consolidated (R\$17,041 in the parent company and in the consolidated in the same period of the prior year).

### 30. RELATED PARTIES

In the normal course of business, rights and obligations arise between related parties, resulting from transactions of sale and purchase of products, as well as from financial operations.

The Company holds a Related Parties Transactions Policy, which was reviewed and approved by the Board of Directors and applies to all subsidiaries of the group.

The policy mentioned above provides the conditions that must be observed for the realization of a transaction between related parties, as well as establishes approval hierarchies according to the value and nature of the transactions involved. The policy also foresees situations of conflict of interests and how they must be conducted.

In May and June 2021, Marfrig Global Foods S.A. ("Marfrig") acquired common shares issued by BRF S.A., achieving 31.66% of participation in the Company's capital stock. With such participation, Marfrig is able to exercise significant influence over BRF S.A., becoming a related party. On October 20, 2021, the Administrative Council for Economic Defense's Court (*Tribunal do Conselho Administrativo de Defesa Econômica* – CADE) confirmed the approval without restrictions of the acquisition by Marfrig of a corporate interest in the Company's capital stock. The transactions and balances with Marfrig and its subsidiaries during the period are presented below.

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

	Parent company											
	Accounts receivable		Dividends and interest on shareholders' equity	Loans		Trade accounts payable		Advance for future capital increase	Other rights		Advances and other liabilities	
	09.30.21	12.31.20		09.30.21	12.31.20	09.30.21	12.31.20		09.30.21	12.31.20	09.30.21	12.31.20
Banvit	-	-	-	-	-	-	-	-	365	190	-	-
BRF Energia S.A.	-	-	-	-	-	(28,445)	(13,063)	-	-	-	-	-
BRF Foods GmbH	617,240	799,571	-	-	-	-	-	-	104	54	(59)	(56)
BRF Foods LLC	-	-	-	-	-	-	-	-	-	501	-	(2)
BRF Global GmbH	7,165,231	2,319,292	-	-	-	-	-	-	-	-	(12,426,727)	(7,095,587)
BRF GmbH	-	-	-	-	-	-	-	-	107	995	(1,823,678)	(1,845,759)
BRF Pet S.A.	3,311	6,228	-	-	-	-	(37)	918,675	552	480	-	-
Establecimiento Levino Zaccardi y Cia. S.A.	-	-	-	340	315	-	-	-	-	-	-	-
Federal Foods	-	-	-	-	-	-	-	-	-	-	(504)	-
Joody Al Sharqiya Food Production Factory LLC	-	-	-	-	-	-	-	-	50	-	-	-
Sadia Alimentos S.A.	-	-	-	-	-	-	-	-	-	-	(4,224)	(3,069)
Sadia Chile S.A.	143,994	114,742	-	-	-	-	-	-	4	3	-	-
Sadia International Ltd.	-	-	-	-	-	-	-	-	-	-	-	(18,990)
Sadia Uruguay S.A.	4,925	5,743	-	-	-	-	-	-	-	-	(40,777)	(38,823)
VIP S.A. Empreendimentos e Partic. Imob.	-	-	10	-	-	-	-	-	-	-	-	-
Marfrig Global Foods S.A.	4,813	-	-	-	-	(21,708)	-	-	-	-	-	-
Quickfood S.A.	12,184	-	-	-	-	-	-	-	-	-	-	-
Marfrig Alimentos S.A.	99	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7,951,797</b>	<b>3,245,576</b>	<b>10</b>	<b>340</b>	<b>315</b>	<b>(50,153)</b>	<b>(13,100)</b>	<b>918,675</b>	<b>1,182</b>	<b>2,223</b>	<b>(14,295,969)</b>	<b>(9,002,286)</b>

- (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
	09.30.21	09.30.21
Marfrig Global Foods S.A.	4,813	(21,708)
Marfrig Chile S.A.	610	-
Quickfood S.A.	12,184	-
Marfrig Alimentos S.A.	99	-
<b>Total</b>	<b>17,706</b>	<b>(21,708)</b>



	Sales				Financial results, net				Purchases				Parent company
	2021		2020		2021		2020		2021		2020		
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep	
BRF Energia S.A.	-	-	-	-	-	-	-	-	(99,627)	(169,145)	(55,791)	(187,251)	
BRF Foods GmbH	71,773	179,113	45,742	139,104	-	-	-	-	-	-	-	-	
BRF Global GmbH	3,905,988	11,029,983	2,721,865	8,029,171	(98,922)	(254,526)	(63,810)	(211,716)	-	-	-	-	
BRF Pet S.A.	3,954	9,742	1,650	4,137	-	-	-	-	-	-	(4)	(62)	
Estabelecimento Levino Zaccardi y Cia. S.A.	-	-	-	-	3	10	4	10	-	-	-	-	
Perdigão International Ltd.	-	-	-	-	-	-	(16,498)	(48,377)	-	-	-	-	
Sadia Alimentos S.A.	-	-	-	-	(35)	(119)	(44)	(405)	-	-	-	-	
Sadia Chile S.A.	45,307	129,213	31,762	111,280	-	-	-	-	-	-	-	-	
Sadia Uruguay S.A.	16,345	47,705	14,790	35,504	(887)	(1,953)	(485)	(1,671)	-	-	-	-	
Marfrig Global Foods S.A. (1)	12,982	20,925	-	-	-	-	-	-	(80,986)	(130,861)	-	-	
Marfrig Chile S.A. (1)	-	1,376	-	-	-	-	-	-	-	-	-	-	
Quickfood S.A. (1)	19,207	19,207	-	-	-	-	-	-	-	-	-	-	
Marfrig Alimentos S.A. (1)	139	139	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>4,075,695</b>	<b>11,437,403</b>	<b>2,815,809</b>	<b>8,319,196</b>	<b>(99,841)</b>	<b>(256,588)</b>	<b>(80,833)</b>	<b>(262,159)</b>	<b>(180,613)</b>	<b>(300,006)</b>	<b>(55,795)</b>	<b>(187,313)</b>	

(1) The period ranges from May 21, 2021 to September 30, 2021.

	Consolidated			
	Sales		Purchases	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Marfrig Global Foods S.A. (1)	12,982	20,925	(96,907)	(151,437)
Marfrig Chile S.A. (1)	899	3,055	-	-
Quickfood S.A. (1)	19,207	19,207	-	-
Marfrig Alimentos S.A. (1)	139	139	(54,530)	(54,530)
<b>Total</b>	<b>33,227</b>	<b>43,326</b>	<b>(151,437)</b>	<b>(205,967)</b>

(1) The period ranges from May 21, 2021 to September 30, 2021.

The subsidiaries of the Company enter into loan agreements pursuant its cash management strategy. As of September 30, 2021, the balance of these transactions was R\$2,458,346 (R\$2,116,463 as of December 31, 2020) with a weighted average rate of 3.94% p.a. (3.01% p.a. as of December 31, 2020).

The Company has made contributions related to the post-employment benefit plans of its employees to BRF Previdência, which holds these plans (note 20). Additionally, the Company leased properties owned by BRF Previdência, and for the nine-month period ended on September 30, 2021 the total amount of lease payments was R\$15,410 (R\$14,646 in the same period of the prior year) for the three-month period ended on September 30, 2021, the total amount of lease payments was R\$5,202 (R\$4,882 in the same period of the prior 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.

### 30.1. Management remuneration

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

	Consolidated			
	2021		2020	
	Jul - Sep	Jan - Sep	Jul - Sep	Jan - Sep
Salary and profit sharing	14,930	46,117	14,064	49,669
Short-term benefits (1)	76	500	680	2,291
Private pension	282	872	304	1,200
Termination benefits	200	1,698	2,104	6,507
Share-based payment	7,668	21,854	5,561	13,955
	<b>23,156</b>	<b>71,041</b>	<b>22,713</b>	<b>73,622</b>

(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\$19,484 for the nine-month period ended on September 30, 2021 (R\$15,739 in the same period of the prior year) and R\$6,257 for the three-month period ended on September 30, 2021 (R\$6,304 in the same period of the prior year).



## 31. 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 09.30.21	Consolidated 09.30.21
Current	5,148,786	5,508,563
Non-current	1,704,417	1,996,385
October to December 2022	271,445	425,407
2023	613,764	704,311
2024	250,841	289,910
2025	165,488	173,878
2026 onwards	402,879	402,879
	<b>6,853,203</b>	<b>7,504,948</b>

## 32. TRANSACTIONS THAT DO NOT INVOLVE CASH

The following transactions did not involve cash or cash equivalents during the nine-month period ended on September 30, 2021:

- (i) Capitalized loan interest: as referred in note 13.
- (ii) Addition of lease by right-of-use assets and respective lease liability: in the nine-month period ended on September 30, 2021 amounted to R\$327,024 in the parent company and R\$551,554 in the consolidated (R\$202,832 in the parent company and R\$268,520 in the same period of the prior year) and in the three-month period ended on September 30, 2021, amounted to R\$131,195 in the parent company and R\$172,979 in the consolidated (R\$31,163 in the parent company and R\$40,920 in the same period of the prior year).

### 33. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved and the issuance authorized by the Board of Directors on November 10, 2021.

#### BOARD OF DIRECTORS

Chairman (Independent)	Pedro Pullen Parente
Vice-Chairman (Independent)	Augusto Marques da Cruz Filho
Independent Member	Dan Ioschpe
Independent Member	Flavia Buarque de Almeida
Independent Member	Flavia Maria Bittencourt
Non-Independent Member	Ivandr� Motiel da Silva
Independent Member	Jos� Luiz Os�rio de Almeida Filho
Independent Member	Luiz Fernando Furlan
Independent Member	Marcelo Feriozzi Bacci
Independent Member	Roberto Rodrigues

#### FISCAL COUNCIL

Chairman	Att�lio Guaspari
Member	Andr� Vicentini
Member	Maria Paula Soares Aranha

#### AUDIT AND INTEGRITY COMMITTEE

Committee Coordinator (Independent)	Augusto Marques da Cruz Filho
Non-Independent Member	Ivandr� Motiel da Silva
Independent Member	Marcelo Feriozzi Bacci
External Member	Jer�nimo Antunes
External Member	Valmir Pedro Rossi

#### BOARD OF EXECUTIVE OFFICERS

Global Chief Executive Officer	Lorival Nogueira Luz J�nior
Chief Financial and Investor Relations Officer	Carlos Alberto Bezerra de Moura
Vice-President of People, Services and Technology	Alessandro Rosa Bonorino
Vice-President of Institutional Relations and Sustainability	Grazielle Tallia Parenti
Vice-President of Integrated Planning and Logistics	Leonardo Campo Dallorto
Vice-President of New Business	Marcel Sacco
Vice-President of Brazil Market	Sidney Rog�rio Manzano
Vice-President of Operations and Procurement	Vin�cius Guimarães Barbosa

Marcos Roberto Badollato  
Accounting Director

Heitor Carpigiani de Paula  
Accountant – CRC 1SP336262/O-4

## COMENTARY ABOUT THE BEHAVIOR OF THE COMPANY'S PROJECTIONS

On December 08, 2020, the management disclosed certain estimates and expectations in connection with the Company for the next ten years, including the following projections:

(a) Expectation to make investments of, approximately, R\$ 55 billion within the next ten years, setting up a prudent net financial leverage limit (ratio between net debt and Adjusted EBITDA of the 12 prior months) up to three times;

(b) Period between 2021 and 2023: expectation to achieve a net revenue of approximately R\$ 65 billion, with a growing EBITDA twice the size in comparison to the current one, considering the last 12 months ended September 30, 2020;

(c) Period between 2024 and 2026: growth expectation of the net revenue and of the EBITDA of approximately 2,5 times in relation to the current levels, considering the last 12 months ended September 30, 2020 and a revenue growth of more than 60% in the Brazilian market;

(d) Period between 2027 and 2030: expectation to reach a net revenue of more than R\$ 100 billion and an EBITDA growth of more than 3,5 times in relation to the current level, considering the last 12 months ended September 30, 2020, consistent EBITDA Margins above 15%, net margin of approximately 6% and return on invested capital ("ROIC") of approximately 16%.

The projections disclosed above are mere forecast and reflect the current management's expectation in relation to BRF's future. Nevertheless, these projections depend on certain factors and market conditions that escape the Company's control and, therefore, may differ in relation to numbers and results that will be effectively recorded by the Company.

## BREAKDOWN OF THE CAPITAL BY OWNER (NOT REVIEWED)

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

	09.30.21		12.31.20	
Shareholders	Quantity	%	Quantity	%
<b>Major shareholders</b>				
Marfrig Global Food S.A.	257,267,671	31.66	Not available (2)	
Fundação Petrobras de Seguridade Social - Petros (1)	56,947,828	7.01	92,716,266	11.41
Caixa de Previd. dos Func. do Banco do Brasil (1)	49,837,752	6.13	74,856,852	9.21
Kapitalo Investimentos Ltda.	40,784,398	5.02	Not available (2)	
<b>Management</b>				
Board of Directors	6,306,302	0.78	6,865,302	0.84
Executives	843,756	0.10	605,902	0.07
Treasury shares	4,061,680	0.50	4,766,084	0.59
Other	396,423,859	48.80	632,662,840	77.88
	<b>812,473,246</b>	<b>100.00</b>	<b>812,473,246</b>	<b>100.00</b>

(1) The pension funds are controlled by employees that participate in the respective entities.

(2) Information not available, as participation is less than 5%.

The Company is bound to arbitration in the Market Arbitration Chamber, as established by the arbitration clause in the by-laws.



## INDEPENDENT AUDITORS' REPORT ON REVIEW OF 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") contained in the Quarterly Information Form - ITR for the quarter ended September 30, 2021, which comprises the statement of financial position as of September 30, 2021 and the respective statements of income (loss) and comprehensive income (loss) for the three and nine-month periods then ended and changes in equity and cash flows for the nine-month period then ended, including the explanatory notes.

The Company's management is responsible for the preparation of this individual and consolidated interim financial information in accordance with Technical Pronouncement CPC 21 (R1) - *Demonstração Intermediária* and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of this information in accordance with standards issued by the *Comissão de Valores Mobiliários - CVM*, applicable to the preparation of Quarterly Information Form - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of review

We conducted our review in accordance with the Brazilian and International standards on review engagements of interim financial information (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial 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 auditing 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 accompanying individual and consolidated interim financial information included in the Quarterly Information Form - ITR referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, issued by IASB, applicable to the preparation of Quarterly Information Form - ITR, and presented in accordance with the standards issued by the *Comissão de Valores Mobiliários - CVM*.

### Emphasis of matter

We draw attention to explanatory note 1.5 to the interim financial information, individual and consolidated, which describe the investigations concluded by United States Government authorities and the ongoing investigations conducted by Brazilian Government authorities involving the Company, as well as their current and potential developments. In the current stage of the ongoing investigations, it is not possible to determine the potential financial and non-financial impacts on the Company resulting from them and their potential developments and, consequently, to record potential losses which could have a material adverse effect on the Company's financial position, results of operations and cash flows in the future. Our conclusion is not qualified in respect of these matters.

### Other matters - Statements of Value Added

The interim financial information mentioned above includes Statements of Value Added, individual and consolidated, for the nine-month period ended September 30, 2021, prepared under the responsibility of the Company's management, presented as supplementary information for the purposes of IAS 34. These statements were submitted to review procedures together with the review of the Quarterly Information, with the objective of concluding whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - Statement of Added Value. Based on our review, nothing has come to our attention that causes us to believe that it has not been prepared, in all material respects, in accordance with the criteria defined in this Pronouncement and consistent with the individual and consolidated interim financial information taken as a whole.

São Paulo, November 10, 2021

KPMG Auditores Independentes Ltda.  
CRC 2SP014428/O-6  
Original report in Portuguese signed by

Fabian Junqueira Sousa  
Accountant CRC 1SP235639/O-0

## 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 nine-month period ended on September 30, 2021, the Management Report and the review report issued without modification by KPMG Auditores Independentes.

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, November 10, 2021.

Augusto Marques da Cruz Filho  
Coordinator (Independent)

Ivandr  Motiel da Silva  
Non-Independent member

Marcelo Feriozzi Bacci  
Independent member

Jer nimo Antunes  
External member

Valmir Pedro Rossi  
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 nine-month period ended on September 30, 2021, and
- (ii) reviewed, discussed and agreed with the opinions expressed in the audit report issued by KPMG Auditores Independentes for the Company's interim financial information for the nine-month period ended on September 30, 2021.

São Paulo, November 10, 2021.

Lorival Nogueira Luz Júnior  
Global Chief Executive Officer

Carlos Alberto Bezerra de Moura  
Chief Financial and Investor Relations Officer

Alessandro Rosa Bonorino  
Vice-President of People, Services and Technology

Grazielle Tallia Parenti  
Vice-President of Institutional Relations and Sustainability

Leonardo Campo Dallorto  
Vice-President of Integrated Planning and Logistics

Marcel Sacco  
Vice-President of New Business

Sidney Rogério Manzano  
Vice-President of Brazil Market

Vinícius Guimarães Barbosa  
Vice-President of Operations and Procurement