



Operator

Good morning, ladies and gentlemen. Welcome to our BRF Earnings Conference Call regarding the Results of the First Quarter of 2025. This conference has been recorded, and replay can be checked on the website of the company ri.brf-global.com. The presentation is also available for download.

Right now, all the participants are connected as listeners. And then we will start our Q&A session, when more instruction will be provided. Before considering continuing, I would like to say that the prospective information has the basis, the beliefs and the administration of BRF, and the current information for the company.

These declarations can involve risks and uncertainties. Bear in mind that we talk about future events. Therefore, depend on circumstances that can or not occur. Investors, analysts and journalists should take into account that events connected to macroeconomic environment, to the segment and other factors, can make the results be materially different compared to the ones that are expressed in the prospective declarations.

Here in this conference, we have Mr. Miguel Gularte, the CEO; and Fábio Mariano, the CFO.

I would like now to pass the floor over to Mr. Miguel, who will start the presentation. Please, Mr. Miguel, you can proceed.

Miguel Gularte

Good morning. I'd like to thank everyone for joining our first quarter 2025 earnings conference call.

We started the year delivering another consistent quarter, with solid results and continued progress on our journey toward greater efficiency and growth. We reported a profit of BRL1.2 billion, twice as much as the same period last year. And our net revenue reached BRL15.5 billion, a 16% increase compared to the first quarter of 2024.

The performance we'll be discussing today marks the best first quarter in BRF's trajectory. Our BRF+ program delivered BRL305 million in efficiency gains during the period and remains a key driver of continuous improvement across all work streams. Efficient management enabled growth through performance improvements, higher utilization of our current assets, allowing us to lay the groundwork for sustainable growth, always with financial discipline and focus on generating value for our shareholders.

I now invite our CFO, Fábio Mariano, to present the quarterly results in detail, and I'll return afterwards for closing remarks on today's presentation.

Fábio Mariano

Good morning to everyone connected. On the first page, I'll highlight the main financial indicators for the first quarter of 2025, starting with the net revenue, which reached BRL15.5 billion, 16% higher than in the same period in 2024. EBITDA was BRL2.8 billion, the best



results in our history for first quarter, 30% higher than the previous year's performance, contributing to a net profit of BRL1.2 billion in the period, double the first quarter of 2024.

Free cash flow performance was approximately BRL1.3 billion or BRL1.8 billion if we eliminate the effect of the acquisition of Addoha Poultry in Saudi Arabia in partnership with PIF. Ending this slide with leverage, we reached 0.54x EBITDA in the last 12 months, with the lowest leverage in history.

The next slide, on Page 4, on the left, shows the historical evolution of gross profit with profitability of 26.3% in the period. We reported a gross profit of more than BRL4 billion. On the right, we can see the evolution of EBITDA and margins, showing stability in operating results.

We will now present the performance by market business segment. Starting with Brazil, we continued to evolve progressively. We achieved an EBITDA margin of 17.1%, volume growth, especially in processed categories and the contribution of fresh cuts to domestic market margins.

On the next page, Number 6, we emphasize our journey of continuous evolution in commercial execution, reflected in greater numerical distribution a new points of sale served.

We also see greater adherence to suggested price and a lower historical level of FIFO discounts. Service levels are still at optimum levels, despite the significant improvements in volumes. We remain attentive to our consumers' needs, and in the frozen food category, especially in ready meals, we launched new items in the My Menu line from Perdigao and Hot Bowls from Sadia.

We also promoted new campaigns and sponsorships, reinforcing the brand's visibility and supporting our consumers's preference.

Now on the next page, we present the international market. We saw healthy margins in the segment with contribution of geographical diversification and new exports permits. EBITDA margin exceeded 19% in the quarter.

On the next slide, we highlight the announcement of the construction of the new process products plant in Saudi Arabia and the growth in volume driven by Ramadan, with an emphasis of gaining market share in processed products.

In Turkey, we continue to focus on increasing the contribution of sales in processed products, which represent around 25% share, helping to mitigate the effects of the greater local supply of fresh chicken. We maintain our market share, leadership with Sadia and Banvit brands in their respective markets.

On the right, I present the highlights of the direct export segment. We expanded our business alternatives with two new permits - 12 new permits in 2025, helping to maximize prices. So, there have already been 187 new export permits since 2022. Recently, we completed the acquisition of the processed food plant in China, reinforcing our strategy of added value and local presence.

We also highlight the process made in processed products in Chile and the extension of portfolio with the launch of the Sadia Hamburger, which marks the first in the beef category. I'll end the presentation of the business segments on the next slide with the performance of Ingredients and Pet.



The segment reported BRL76 million in EBITDA and Pet would improve the process by implementing SAP, strengthening the controls and management teams, which allowed us to improve the mapping of the BRF+ Pet levers. In Ingredients, we continue to diversify our products and markets.

Next, I'll share the progress of our efficiency program and also growth presenting in a base 100. On the left, you can see the annual evolution of the feed conversion and yield indicators for poultry and pigs for relevant catches. On the right, we have introduced gains in factory occupancy and volume. So, we have significantly increased volume since 2022.

On page 12, we consolidate the following sustainability highlights, ESG. Consecutive participation in the ESG and Carbon Efficiency Index portfolios, excellent position in the peer ranking among chicken and pork producers, and also in global animal welfare rankings.

We published the 2024 report incorporating our progress in economic, social, and environmental terms. Lastly, we celebrated 13 years of the BRF Institute with the mobilization of more than 40,000 volunteers and social actions carried out in 70 cities. We now present on page 14 the information related to company's capital structure on the chart. On the left, we show the decline in net debt and leverage.

On the right, we can see the debt profile, which remains diversified and long, with no concentration of repayments in the short-term and a fairly comfortable liquidity position.

The next slide shows the free cash flow. The graph shows an operating cash flow for the quarter at BRL3.6 billion, an investment flow of BRL1.5 billion, including the acquisition of Addoha, and a financial flow of BRL0.5 billion, resulting in a free cash flow of BRL1.3 billion.

On Slide 16, we can analyze the involution of net debt in the last period. We reported net debt of BRL6 billion after return on equity versus BRL8.3 billion in the fourth quarter of 2024. The reduction in loans will continue to contribute the lower interest charges in 2025.

I would like to thank the audience and then give the floor to our CEO, Miguel Gularte, for his closing remarks.

Miguel Gularte

Thank you, Fábio. To wrap up our earnings presentation, I'd like to highlight that we delivered a record first quarter EBITDA of BRL2.8 billion. Our investments in sustainable growth and financial discipline allowed us to reach the lowest leverage in BRF's history at 0.64x.

Our BRF+ program is still evolving, keeping the company's key indicators at healthy levels. This quarter, standout metrics included yield, feed conversion, and service level in Brazil. I would like to highlight the progress of our commercial execution, which has been key to strengthening the presence of our products.

At more points of sale across Brazil, additionally, we posted the highest historic growth in volume sold for first quarter, with highlights in processed products and strong margin contributions for our fresh category.

Our performance in international markets was supported by our ongoing market diversification and global expansion strategy, which drove both healthy and profitability and volume growth. This quarter, we secured 12 new export approvals, bringing the total to 187 since 2022.



Our brands remain market leaders in Middle East, with Sadia across GCC countries and Banvit in Turkey. Besides that, our operation in Southern Cone continues to grow steadily with a notable milestone in Chile, where Sadia entered the burger category.

Our global growth and presence strategy is already gaining traction in the first few months of 2025. We concluded the acquisition of processed foods plant in Henan, China, and acquired 26% stake in a Addoha Poultry Company in Saudi Arabia.

We also pronounced the beginning of the construction of a new processed food plant in Jeddah, also in Saudi Arabia, which will boost our regional presence with a focus on higher value-added products. It's important to emphasize that none of these big years would be possible without our people. I would like to acknowledge the progress in employee engagement reflected in the global survey we conducted in the first quarter.

We reached an employee satisfaction score of 89%, a 4 percentage point increase compared to 2024, keeping us above performance benchmark and reflecting BRF commitment to best-in-class management practice, a source of pride for all of us.

All these factors strengthen confidence in BRF and its growth journey, led by our Chairman and Controlling Shareholder, Marcos Molina, who has been guiding the company's transformation for over three years with a strategy focused on operation efficiency, innovation, and global presence.

I also want to thank our shareholders and the Board of Directors to their support along this journey. Our sincere thanks to our customers, integrator, producers, suppliers, and communities, where we operate for their strong partnership. And finally, a heartfelt thank you to BRfers, more than 100,000 employees for the outstanding quarter we delivered together. We remain focused on building a company that stands out in the market and we're proud to be part of. Thank you all very much.

Q&A Session

Henrique Brustolin – Bradesco BBI

Good morning, Miguel, Fábio. Thank you for taking my questions. Two points that I would like to explore together with you. The first, we talked a little bit about in the call with Marfrig from the incorporation, the avian flu. We saw the news coming out, the communication news from China close to the market for 60 days.

What I would like to hear from you is that we saw over the last few years, Brazil implementing several protocols of regionalization, bilateral agreements, very specific. In some cases of avian flu, not in commercial poultry farms, but things that were negotiated. What I would like to hear a little bit the points that you see with more attention, when we think maybe about the large markets, what possibly do you have in terms of agreement, regionalization, to bring more comfort that should happen and what is a little bit more in doubt depending on the importing market, so we can map out the scenario a little bit. This is the first point.

The second, I would like to hear from you a little bit about growth. Also in the context of the incorporation, we mentioned clearly BRF seems to be a growth vehicle. Your movements over the past few months make it really clear. I would like to hear what else you have seen in terms of opportunities and where you're heading and aiming at and you want to continue advancing and moving forward in terms of growth, not only organically and also inorganically that's been happening. These two points. Thank you.

Miguel Gularte



Henrique, the Ministry of Agriculture with Ordinance 795 created the communication with regionalization of sanitary for the municipality of Montenegro with this focus of avian flu. In the first moment, the ministry regionalizes through communication, makes the communication for the World Health - Animal Health Organization.

In this first measure, preventive closing of some markets, in the case of China, as you mentioned. And as the documents move between the countries and the information flows, you see the regionalization. I would like to remind you then in the case of Newcastle disease, China did the same thing, closed Brazil and then they closed around the Rio Grande do Sul, the municipality.

The period that we just had, we had in Newcastle last year, is that the regionalization from the disease was forecasted in several countries, Saudi Arabia, Algeria, Armenia, Bosnia, Kazakhstan, Cuba, Egypt, Philippines, Georgia, Hong Kong, India, Japan, Jordan, Macedonia, Mauritius Islands, several other countries, Thailand, Ukraine.

All these countries have regionalization forecast in the first moment. So, we're going to see as time passes and information flows, we're going to have two situations. Some countries that were regionalization is already forecast as applying the rule is limited to 10 kilometers radius and other countries working with aspects of states.

So, this is going to be clearer in the next coming days. And there are some countries that are going to close Brazil in the first moment and then in the second moment, study the status as a focus of the county municipality. All this is going to move forward, and we have in terms of experiences that last year, that was, the process was really fast of limiting the radius and determining the focus, the outbreak in one region. And we at BRF, we've been working very much in the past few years in the sense of having contingency plans. So, we have a contingency plan that forecasts alternative markets.

We have 187 new permits in the past three years that we're going to transit with product. And we also have -- we've been taking care of that very closely in keeping strategic inventories in regions, where we have distribution.

This allows two types of situations. First, you keep the clients supplied and in the second moment, you specified your product better and mitigate a little bit of the costs because of some temporary closings. We're working on that. It's too early to say anything, but we are aware that the country has a biosafety that is really strong, a credibility and concept, a reputation that is really strong, and we can transit this situation. We hope to be very fast and agile to move and it's going to be difficult, but I am confident that we're going to make it right and very fast if the markets that are closed are going to be resumed. I'll give to Fábio to answer the second part.

Fábio Mariano

Good morning. Henrique, you asked about growth. And before looking ahead, I would just like to recover a little bit of the history. We are reporting a growth of revenue growth in the quarter equivalent to 16% in the annual comparison. And when we look at Brazil, the growth is even bigger, 20%. This time, it's very much directed to volume.

So, this is important, because it shows that it's something that we had already been disclosing, our intent to occupy better our industrial assets, and we see many of the production lines, especially those aligned to processed products, that there is a demand forecasted, and we would have to invest to be able to address that. So, we already have investments projected. Most of them already approved and started the execution.



And when they reach maturity, that means the facilities are finished and gradually volumes are flowing to the results of the company, we can then, at maturity, reach an additional growth of 3% to 5%. So, this is the moat of the company, what we've been calling in the new chapter. We are directed to this growth and it has to be oriented to volume growth, not only in the precipitation equation of products, but -- and from the inorganic perspective, we have been already disclosing all these transactions that make sense strategically with this potential of adding more value to our portfolio. And the business combination also is more anchoring this process to happen the way we imagine it should happen.

Leonardo Alencar – XP

Good morning. Thank you so much for the result. I know that there are many things that have been discussed. I would like to focus on this a little bit, thinking of the bird flu, right, and maybe we can take a look at the next steps. I believe that it tends to be smaller than what the market was predicting at first, and I think the diffusion was discussed on the last call.

So, considering that we are pretty much on the half of the second quarter and the first quarter was atypical, let's put it like that, considering the seasonality of consumption in Brazil, we know that they press lots of margin. I know that you have like a difference in terms of mix changing from one quarter to another, but the sequencing price is high, right? And when we think of mix, we could have like a drop in that.

So, if you could comment a little bit, first of all, the domestic demand, right, how are you seeing this, right, considering that the production is still enhancing, right, and then all the other accounts that we have, like, so I believe that we still have a very healthy read in terms of domestic demand. Maybe if you could talk a little bit about that and considering the continuity of the scenario.

And when it comes to exports, maybe you could go back to a topic that was discussed before the aviary flu, which has to do with the tariff. So, the market really reacted to the higher costs in the United States, eventually exporting to some countries, some prices that were higher. China, we've seen some prices increasing. So, if you could provide us with like a general view of this market, what are some of the possibilities for the second quarter, if you could share some of these details, I would like a lot?

Miguel Gularte

Okay. So, on the fourth quarter, it's something that we saw on the first quarter of '25, we saw a supply and an offering demand that was extremely balanced on a market with possibilities of keep demanding and accepting the repositioning of prices. We had a price increase on the first week of January of 2025, and this went very well.

With these adjusted prices adapted to our costs, we were able to experiment with the increase of volume. This is something that was part of our predictions. Another important aspect when we analyze BRF, we see BRF going about their homework, let's put it that way. They increase the productivity of the plants, they improve their commercial service, considering their logistic process. All that allows that considering a heated demand, the company can meet this performance to grow and to meet our customers' needs.

What we've seen, right, and we are in the second month of the quarter, we see this demand price dynamic and it's still absolutely balanced and very active. The pricing capacity is also there. So, we see this price demand that goes from one quarter to now, it looks very similar to what we saw in the first quarter. We are still focusing on enhancing our penetration capillary and client activation.



So, we see a quarter, when it comes to the demand standpoint, when it comes to the domestic market, of course, right? It seems to be very similar to what we saw on the first quarter. When you talk about exports, we can see that rather depressed price in some markets that we've experimented on the second month of the first quarter is now being reverted. There are some geographies that are pricing their imported goods.

Speaking about the tariffs, if you analyze the price track record and volume track record of markets, you clearly see that so far, we haven't seen a big impact in terms of tariffs. When it comes to price demand, if you think of China volume, it's still very stable. If you get China month to month, it's very stable. We don't have like a volume increase or a decrease of volume. There's no price variation as well. So, I believe that we're seeing a stability. I don't see this varying that much.

When you take a look at the feedstock, right, protein or the cattle protein, right, it's back to stability. Nowadays, we have a very good stability. We see the scenario without alteration, at least when it comes to the short-term.

Guilherme Palhares - Santander

Good morning, Miguel, Fábio, everybody. Two brief questions. I'd like to take the prior question about exportation and take the opportunity that we had two questions about the deals, Saudi Arabia. I'd like to hear a little bit more of your perspective with this acquisition and now starting the operation there. It's a market that obviously in this consolidation stage and the vision of 2030.

I'd like to hear from you your perspective in this sense. And another point, Miguel is, you mentioned about efficiency, and we've had it for the BRF+ two years. If you could share with us today, given this need of a little bit more investment, where we are in terms of capability usage and processing and poultry farms and if there is a bigger need, what is in transformation then an increase of volume? Thank you.

Miguel Gularte

Guilherme, answering the first part of your question, we see the investments that we have made, they are perfectly aligned with the demand and opportunities, market opportunities. If you look at the SECEX bulletin to the first part of 2025, you see Mena performing exportation above Asia, 151,000 tons average month and against 136,900 in Asia.

So, we have Mena working, operating well in terms of demand. We opened yesterday our Henan plant in China, extremely modern plant with the capacity production that is very high, over 80,000 tons, allowing us to use the place and use the commercial opportunities that are going to come up very much aligned. We already have a process, an agreement to supply major networks of local fast food. This is going to work anchoring production and profitability for the company in the mid and short-term.

On the other hand, we are going to open next year the Jeddah plant, this plant extremely modern that is going to work as a productive hub for the region, allowing BRF to capitalize and also capitalize the Sadia brand, extremely reputed and distinct in the region. We follow and continue doing. I understand we have made excellent choice. We continue doing that and this allows us to take these opportunities. In the first moment, we have had a major focus on the organic growth CAPEX of enjoying these bottlenecks that we had in production.

This is starting to be behind. Company has the capacity to grow organically. In the pipeline, we already have strategic investments that are going to allow us the trail, the growth trail is constant and consistent. The company continue performing and taking opportunities.



As I said in the prior answers, when you have 187 new permits, all this productive effort and plant effort turns into business opportunities that you capture. But still, we have opportunities that are anchored in a solid performance in the local market.

Our leadership with the strong brands in Brazil service has a very tangible base to project growth - good growth for the company.

Fábio Mariano

Hi, Guilherme. I'm going to add to the second part of the question. You mentioned efficiency and we reported in this quarter over BRL300 million in capturing, additional captures. And you are correct, we have been talking about this topic, about efficiency over quite a few years. And what I have to tell you is that in the company, we're not happy yet with the results.

We are happy with what we have obtained so far, but we still see opportunities. So, we see in some of our locations, we have room, so we can evolve even better with the field indicators, with industry indicators, yielding, even the commercial relationship, we see room for improvement in execution. And this is also valid for logistic service levels.

This is going to continue being a journey to be trailed for continuous improvement. We have also mentioned in the expansion -- in the call about volume expansion. This has allowed us to speed up the idle parts in our factories. And this is - we are investing in capacity. It's important to report that we have capacity to grow without major investments. But we have to think in the mid and long run. And for that, we have an oriented plan for three, four years. And we have been in some lines, and the demand is going to go over our capacity.

So, talking about some investments, some of them have been approved, under execution. And from there on, in addition to the growth plan that we have in the company, this is going to add additional capacity between 3% to 5% with this project reach maturity.

So, the motto for growth doesn't mean that we are not going to be guided, focused on and allocated resources that are unproportional in the growth journey - in the efficiency journey, sorry. This continues as one of the pillars for the strategy of the company.

Guilherme Palhares – Santander

Perfect, Fábio. If you could clarify a little bit, 3% to 5%, you comment, we're talking about Pantel or necessarily this is only volume, because you could have an improvement in mortality and other questions involved.

Fábio Mariano

I'm talking about finished product, which is already a consequence of Pantel in the field of its capacity of slaughtering and post-industrialization.