

MINERVA S.A.

Independent auditors' report

Individual and Consolidated Financial  
statement as of December 31, 2022

MINERVA S.A.

Financial statement Individual and Consolidated  
December 31, 2022

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# EARNINGS RELEASE 4Q22 & 2022

**Minerva (BEEF3)****Price on February 22, 2023:**

R\$ 11.40

**Market cap:** R\$ 6.9 billion**Shares:** 607,283,407**Free Float:** 43.4%**Conference Calls**

February 24, 2023

**Portuguese:**

9:00 a.m. (Brasília) 7:00 a.m. (US EST)

[Webcast](#)**English:**

9:00 a.m. (Brasília) 7:00 a.m. (US EST)

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## Earnings Release

**Barretos, February 23, 2023** – Minerva S.A. (BM&FBOVSPA: BEEF3 | OTC - Nasdaq International: MRVSY), the South American leader in the export of fresh beef and cattle byproducts, which also operates in the processed foods segment, announces today its results for the fourth quarter of 2022 (4Q22) and year of 2022. The financial and operational information herein is presented in BRGAAP and Brazilian reais (R\$), under International Financial Reporting Standards.

### 4Q22 and 2022 Highlights

- Pursuant to our net income allocation policy, which establishes that at least 50% of Net Income shall be distributed whenever the Net Debt/LTM EBITDA ratio is equal to or lower than 2.5x, the Company's Management will submit to the Shareholders' Meeting the payment of additional dividends, in the amount of R\$ 208.6 million, or R\$ 0.36/share. Therefore, a total of R\$ 336.7 million, or R\$ 0.58/share, shall be distributed as earnings for the 2022 fiscal year, reiterating our commitment to generating shareholder value.
- Net income for 2022 totaled R\$ 655.1 million, up by 9.4% from the previous year. In 4Q22, our free cash flow after financial expenses, Capex and working capital, excluding the impacts from the acquisition of ALC (Australian Lamb Company), reached R\$ 268.3 million. Free cash flow totaled R\$ 647.0 million in 2022. The Company has accumulated approximately R\$ 5.0 billion in free cash flow since 2018.
- Consolidated gross revenue reached R\$ 7.3 billion in 4Q22, with exports accounting for 62.4% of this amount. In 2022, gross revenue totaled R\$ 32.9 billion, increasing by 15% from the previous year, with exports reaching approximately 70% of revenues, consolidating our position as the leading beef exporter in South America, with a market share of approximately 20%.
- EBITDA reached R\$ 607.5 million in 4Q22, with an EBITDA margin of 8.9%. In 2022, EBITDA was R\$ 2.8 billion, up by 17.6% YoY, with an EBITDA margin of 9.2%. Adjusted EBITDA, considering the performance of ALC (Australian Lamb Company), totaled R\$ 3.1 billion in the year.
- Net leverage in 4Q22, measured by the Net Debt/LTM EBITDA ratio, was impacted by the disbursement of approximately R\$ 802.9 million for the acquisition of ALC (referring to 10 months of Australian Lamb Company) and its proforma EBITDA of R\$ 262.4 million, ending the year at 2.15x, the lowest level since 2007.
- Fighting illegal deforestation: progress in geomonitoring of direct suppliers in line with the Commitment to Sustainability. In addition to Brazil and Paraguay, where 100% of direct suppliers are already monitored, around 90% of suppliers in Argentina, and over 80% in Colombia have been verified. In Uruguay, a study of local socio-environmental legislation and a geographic diagnosis have been launched to start the monitoring process in that country.
- Renove Program: Publication of the study on the potential to reduce greenhouse gas emissions in livestock production, together with Embrapa and FGV Agro. Carbon neutral meat exports from operations in Brazil and Uruguay, with emissions offset through MyCarbon. Signed technical cooperation agreements with cattle ranchers to identify opportunities to generate carbon credits.
- MyCarbon: Significant participation in the first voluntary market auction held by Saudi Arabia's sovereign wealth fund and signing of a partnership with Mercuria Energy Trading to develop forest conservation projects and generate high-quality carbon credits.
- Institutional: For the third consecutive year, the Company was included in the 2022/2023 portfolio of the Corporate Sustainability Index (ISEB3) and the Carbon Efficient Index (ICO2B3); and for the first time, in the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70). All three indices are listed on the Brazilian stock exchange B3.

## Message from Management

Minerva Foods' performance in 2022 consolidates our leading position in South America and strengthens our corporate strategy as one of the main players in the global animal protein market. We ended the year with record net revenues of R\$ 31.0 billion, an Adjusted EBITDA of R\$ 3.1 billion, and a net income of R\$ 655.1 million. Free cash generation totaled R\$ 647.0 million in the year, totaling approximately R\$ 5.0 billion since 2018, and contributing to the maintenance of a healthy capital structure, with a Net Debt/EBITDA ratio of 2.15x at the end of 2022, even with the impacts from the acquisition of ALC (Australia Lamb Company) at the end of the year.

**Net Revenue**  
R\$ 31.0 billion

**Adjusted EBITDA**  
R\$ 3.1 billion

**Net Income**  
R\$ 655.1 million

The Company maintained, once again, its commitment to create value during 2022, and due to the good operational and financial performance, the Management of Minerva Foods will propose to the Shareholders' Meeting the payment of complementary dividends of R\$ 208.6 million or R\$ 0.36/share. Our total dividend distribution for the 2022 fiscal year reach R\$ 336.7 million or R\$ 0.58 per share, implying in a payout ratio of 50%. It is worth highlighting that in the last three years (2020-2022), the Company distributed R\$ 1.3 billion in proceeds, equivalent to R\$ 2.30/share, and disbursed R\$ 2.8 billion to repurchase shares and Bonds during the period, reinforcing Management's commitment to the creation shareholder value.

Minerva Foods' performance in 2022, in which 69% of consolidated gross revenue were generated from exports, demonstrates the soundness of the international beef market, which remains strong and with great opportunities for South American exporters. The strong balance between supply and demand continues providing opportunities in many different markets, such as Asia, the United States, and the Middle East, which jointly account for nearly 63% of our consolidated exports. Global beef supply continues to be increasingly restricted, a trend that is expected to become even more accentuated given the strong restrictions foreseen for the North American production in the coming years. On the other hand, it is worth highlighting the consistent increase in cattle availability in Brazil, which reflects the resumption of the bovine cycle and is expected to continue in 2023 – 2024. This, along with the climate scenario impacting the global grain production chain, reflected in production costs for substitute proteins such as chicken and pork, should further improve the competitiveness of South American in the international beef market. The combination of these positive factors in our industry, plus the recovery of the Chinese market with the end of the pandemic restrictions, is expected to positively impact demand in coming quarters, in particular for the food service segment. I would also like to highlight our solid performance in the domestic market, with consolidated revenues of R\$ 10.3 billion in 2022, up by 12% YoY despite the difficulties in the macroeconomic scenario in South America. In recent years, our distribution operations focused on more profitable segments, such as food service and niche markets, and we also took initiatives aimed at bringing Minerva Foods and its products closer to the end consumer, expanding our commercial capillarity and maximizing profitability.

Another important highlight for the quarter was the conclusion of the acquisition of ALC (Australia Lamb Company), intensifying our geographic diversification strategy and increasing our arbitration capacity in the global animal protein market, always respecting our commitment to capital discipline and the maintenance of a solid balance sheet. The geographical diversification strategy – one of the main pillars of our business model – continues to play an essential role in maintaining our profitability and in acting as an important risk-mitigation agent. Minerva Foods' operational footprint, distributed across South America and now also in Australia, was crucial for the commercial and financial performance delivered by the Company over the past quarters.

**Free Cash Flow**  
R\$ 647.0 million

**Leverage**  
2.15x

**Dividends**  
R\$ 336.7 million

Even amidst the highly volatile and challenging international market in 2022, we remain firm in our commitment to capital discipline. We ended the year with Net Debt/EBITDA leverage ratio of 2.15x, adjusted for the acquisition of ALC (Australian Lamb Company), the lowest level since 2007 and ratifying our solid balance sheet. Free cash generation, a priority for our Management, was positive at R\$ 268.3 million in the quarter and reached R\$ 647.0 million in the year. Over the last 5 years, Minerva Foods achieved an expressive mark of R\$ 5.0 billion in free cash generation. As a result of our good financial performance, the Company proposes an additional distribution of R\$ 208.6 million in dividends, or R\$ 0.36/share, in line with our strategy to create shareholder value, totaling R\$ 336.7 million in distributed earnings for the 2022 fiscal year.

2022 was also marked by the intensification of our ESG agenda. Our efforts have been guided by the Commitment to Sustainability we assumed in 2021, and we launched initiatives that have maintained us as a benchmark player in the animal protein sector. We advanced in the geomonitoring of our direct supply chain in countries with operations in South America, maintaining our target deadlines, and integrated new solutions for monitoring indirect supplier farms. We achieved, once again, excellent results in third-party audits, such as for the *Termo de Ajustamento de Conduta* (Conduct Adjustment Agreement), recognizing the efficiency of the Company's geomonitoring systems over the past years. Moreover, we remain listed, for the third consecutive year, in the B3 Corporate Sustainability Index (ISE) and in the B3 Carbon Efficient Index (ICO2).

The *Renove Program* continues to advance in fostering the promotion of low-emission livestock, contributing with the achievement of Minerva Foods' goals and in the fight against climate change. Our certified carbon neutral product line is already being exported from Brazil and Uruguay to several countries around the world, providing consumers with a guaranteed sustainable product. MyCarbon is becoming one of the main global players in the carbon credits market. This subsidiary has been signing relevant partnerships and was responsible for selling 20% of all carbon credits traded at the inaugural auction of the voluntary market held by the Saudi Arabia sovereign fund. These results have all been recognized by our stakeholders in external assessments, reinforcing our sustainable positioning and strategy.

As we end the 2022 fiscal year, we take the opportunity to give special thanks for all the effort and dedication made by Minerva Foods' staff, consisting of over 21,000 employees, for the results achieved during the year. We initiate 2023 confident with the excellent opportunities for the global beef industry, reaffirming our geographic diversification strategy and our commitment with capital discipline and ethical and sustainable practices, since we believe this is the way to create long-term value.

**We are Minerva Foods** – a Company committed to the sustainable future of the planet's food.

Fernando Galletti de Queiroz

CEO

## Results Analysis

### Key Consolidated Indicators

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Total slaughter ('000 head)	855.3	890.9	-4.0%	983.9	-13.1%	3,749.3	3,572.2	5.0%
Total sales volume ('000 metric tons)	303.2	288.0	5.3%	323.1	-6.1%	1,223.7	1,161.0	5.4%
Gross Revenue	7,328.3	7,979.8	-8.2%	8,979.7	-18.4%	32,898.0	28,572.3	15.1%
Export Market	4,573.1	5,125.5	-10.8%	6,255.4	-26.9%	22,553.6	19,312.1	16.8%
Domestic Market	2,755.3	2,854.3	-3.5%	2,724.3	1.1%	10,344.3	9,260.2	11.7%
Net Revenue	6,839.2	7,505.9	-8.9%	8,437.7	-18.9%	30,977.8	26,965.4	14.9%
EBITDA	607.5	735.3	-17.4%	806.2	-24.6%	2,837.8	2,413.2	17.6%
EBITDA Margin	8.9%	9.8%	-0.9 p.p.	9.6%	-0.7 p.p.	9.2%	8.9%	0.3 p.p.
*Net Debt / LTM EBITDA (x)	2.15	2.4	-0.3	2.18	0.0	2.15	2.4	-0.2
Net Income (Loss)	-25.7	150.3	n.a.	141.5	n.a.	655.1	598.9	9.4%

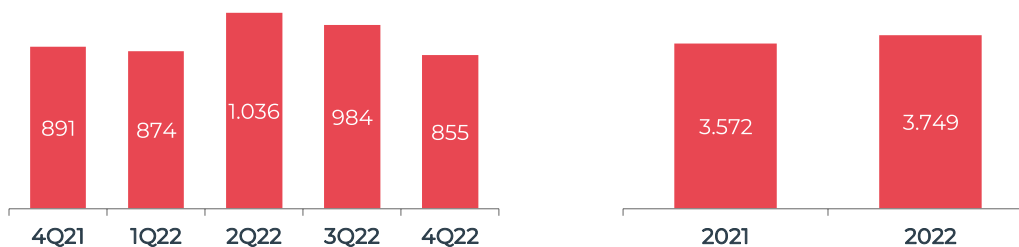
\*Adjusted for the acquisition of ALC (R\$ 262.4 million – 10 months)

## Operational and financial performance

### Slaughter

In 4Q22, the Company's consolidated slaughter totaled 855 thousand head of cattle, and 3.7 million head of cattle for the year, up by 5% from 2021. The annual growth in slaughter volume was boosted by consistent international demand for beef and the rising availability of animals ready for slaughter, especially in Brazil.

Figure 1 and 2 – Consolidated Slaughter



### Gross Revenue

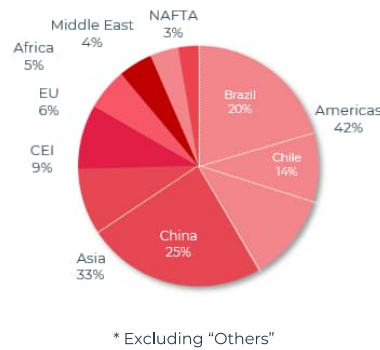
In 4Q22, the Company's consolidated gross revenue reached R\$ 7.3 billion. In the year, gross revenue totaled R\$ 32.9 billion, increasing 15% in the annual comparison.

See the chart below for more details on gross revenue.

Gross Revenue (R\$ million)	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Brazil	3,460.4	3,276.8	5.6%	4,553.2	-24.0%	16,229.7	11,882.5	36.6%
Argentina	734.3	1,282.5	-42.7%	1,445.8	-49.2%	4,388.1	3,921.8	11.9%
Colombia	329.0	413.0	-20.3%	561.2	-41.4%	1,475.5	1,769.5	-16.6%
Paraguay	1,112.3	1,151.1	-3.4%	1,325.8	-16.1%	4,910.6	5,187.0	-5.3%
Uruguay	768.8	1,273.3	-39.6%	623.4	23.3%	3,516.9	4,057.3	-13.3%
Other <sup>(1)</sup>	923.5	583.1	58.4%	470.3	96.4%	2,377.1	1,754.2	35.5%
<b>Total</b>	<b>7,328.4</b>	<b>7,979.8</b>	<b>-8.2%</b>	<b>8,979.7</b>	<b>-18.4%</b>	<b>32,898.0</b>	<b>28,572.3</b>	<b>15.1%</b>

<sup>(1)</sup> Consists of the result from live cattle exports, protein trading, energy trading, resale of third-party products, and Australia's operations.

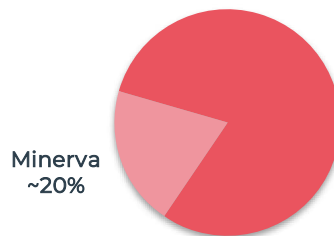
Figure 3 – Breakdown by Gross Revenue in 4Q22



## Exports - Market Share

Minerva Foods remained the leading beef exporter on the continent. Minerva accounted for approximately 20% of South American beef exports in 2022.

Figure 4 – 2022 Market Share



Sources: Minerva, Secex, Penta-transaction, OCIT, INDEC/ICA, and Legiscomex

## Export Market – 62.4% of Gross Revenue in 4Q22 | 68.6% in 2022

Export revenues totaled R\$ 4.6 billion in 4Q22, reaching R\$ 22.6 billion in 2022, up by 16.8% from 2021.

In 4Q22, the Brazil division's performance in the export market resulted in 62.1% of gross revenue and 62.7% of the total volume. As for the ex-Brazil (Argentina, Colombia, Paraguay, and Uruguay) operations, their exports accounted for 68.0% of gross revenue and 63.1% of the total volume. In the year, exports from the Brazil division reached 69.8% of gross revenue and 64.3% of total volume, and ex-Brazil accounted totaled 73.1% of gross revenue and 65.6% of total volume.

Below is a more detailed description of exports share in gross revenue and volume by origin:

Exports (% of Gross Revenue) <sup>(1)</sup>	4Q22	4Q21	3Q22	2022	2021
Brazil	62.1%	62.8%	71.6%	69.8%	63.6%
Ex-Brazil	68.0%	72.1%	72.5%	73.1%	75.8%
<b>Total</b>	<b>62.4%</b>	<b>64.2%</b>	<b>69.7%</b>	<b>68.6%</b>	<b>67.6%</b>

<sup>(1)</sup> Excluding "Others"

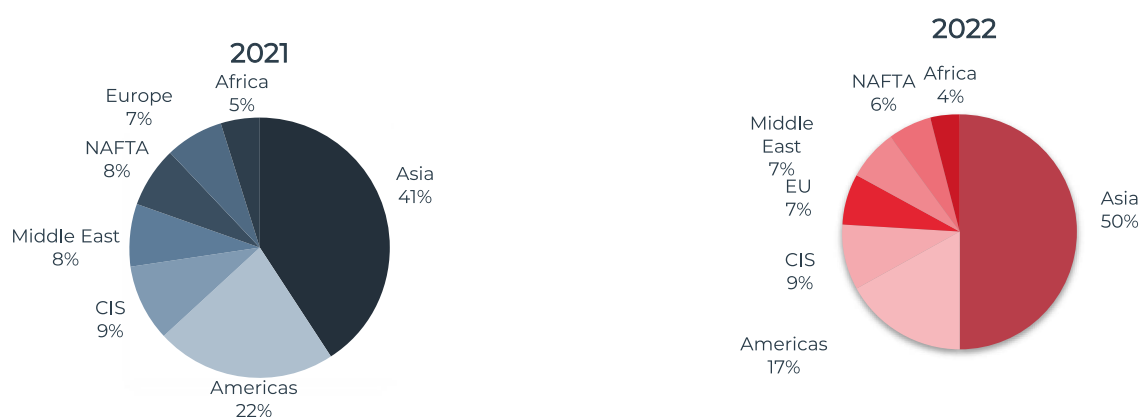
Exports (% of Volume) <sup>(1)</sup>	4Q22	4Q21	3Q22	2022	2021
Brazil	62.7%	60.7%	66.2%	64.3%	60.0%
Ex-Brazil	63.1%	68.9%	65.4%	65.6%	68.8%
<b>Total</b>	<b>62.9%</b>	<b>65.0%</b>	<b>65.9%</b>	<b>64.9%</b>	<b>64.9%</b>

<sup>(1)</sup> Excluding "Others"

**Below is the export revenue evolution by region between 2022 and 2021:**

- **Africa:** The African continent accounted for 4% of exports in 2022, down by 1 p.p. from 2021.
- **Americas:** In 2022, this region was responsible for 17% of total exports, down by 5 p.p. from 2021, remaining as the second main destination of Minerva Foods' exports.
- **Asia:** The Asian continent accounted for 50% of total exports in 2022, growing by 9 p.p. from 2021 and remaining as our main export destination. China accounted for 43% of the Company's exports in the period.
- **CIS (Commonwealth of Independent States):** This region, represented mainly by Russia, was responsible for 9% of our exports in 2022, remaining flat in the annual comparison.
- **Europe:** In 2022, Europe accounted for 7% of the Company's exports in the year, in line with the previous period.
- **NAFTA:** This region was responsible for 6% of exports, down by 2 p.p. in relation to the previous year. It is worth noting that the region continues to be mainly represented by the United States, whose demand for South American beef is expected to increase over the next two years due to a more restricted scenario in the domestic market.
- **Middle East:** The Middle East accounted for 7% of total exports in 2022, remaining flat in relation to 2021.

**Figures 5 and 6 - Breakdown of Export Revenue by Region - Consolidated**



Source: Minerva

**Domestic Market – 37.6% of Gross Revenue in 4Q22 | 31.4% in 2022**

In 4Q22, gross revenue from the domestic market reached R\$ 2.8 billion, growing by 1.1% from the previous quarter and reflecting the seasonality of the period. In 2022, gross revenue from the domestic market totaled R\$ 10.3 billion, up by 11.7% from 2021. The fourth quarter of the year is traditionally characterized by increases in demand due to year-end festivities, summer months and, exceptionally in 2022, the Soccer World Cup Championship, which together contributed to improved domestic demand.

The breakdown of gross revenue, sales volume, and average price is as follows:


Gross Revenue (R\$ million)	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Export Market	4,573.1	5,125.5	-10.8%	6,255.4	-26.9%	22,553.6	19,312.1	16.8%
Domestic Market	2,755.3	2,854.3	-3.5%	2,724.3	1.1%	10,344.4	9,260.2	11.7%
<b>Total</b>	<b>7,328.4</b>	<b>7,979.8</b>	<b>-8.2%</b>	<b>8,979.7</b>	<b>-18.4%</b>	<b>32,898.0</b>	<b>28,572.3</b>	<b>15.1%</b>


Sales Volume ('000 metric tons)	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Export Market	190.6	185.2	2.9%	212.8	-10.4%	794.2	750.3	5.9%
Domestic Market	112.6	102.7	9.6%	110.3	2.0%	429.5	410.7	4.6%
<b>Total</b>	<b>303.2</b>	<b>288.0</b>	<b>5.3%</b>	<b>323.1</b>	<b>-6.1%</b>	<b>1,223.7</b>	<b>1,161.0</b>	<b>5.4%</b>


Average Price	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Export Market (US\$/Kg)	4.6	5.0	-8.0%	5.6	-18.6%	5.5	4.8	15.2%
Domestic Market (R\$/Kg)	24.5	27.8	-11.9%	24.7	-0.9%	24.1	22.5	6.8%
Average dollar (source: Central Bank of Brazil)	5.26	5.58	-5.8%	5.25	0.2%	5.16	5.39	-4.2%


## Breakdown by Origin


A more detailed breakdown of performance by country is provided below:

 Brazil	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	3,460.4	3,276.8	5.6%	4,553.2	-24.0%	16,229.7	11,882.5	36.6%
Sales Volume	154.1	129.2	19.3%	169.6	-9.2%	613.8	481.1	27.6%

 Argentina	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	734.3	1,282.5	-42.7%	1,445.8	-49.2%	4,388.1	3,921.8	11.9%
Sales Volume	42.5	40.9	3.9%	46.6	-8.8%	172.3	163.8	5.2%

 Colombia	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	329.0	413.0	-20.3%	561.2	-41.4%	1,475.5	1,769.5	-16.6%
Sales Volume	19.6	24.0	-18.4%	22.6	-13.3%	72.3	98.8	-26.8%

 Paraguay	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	1,112.3	1,151.1	-3.4%	1,325.8	-16.1%	4,910.6	5,187.0	-5.3%
Sales Volume	56.3	48.7	15.7%	62.0	-9.2%	232.8	247.2	-5.8%

 Uruguay	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	768.8	1,273.3	-39.6%	623.4	23.3%	3,516.9	4,057.3	-13.3%
Sales Volume	30.8	45.3	-31.9%	22.3	38.0%	132.5	170.2	-22.1%

Others	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	923.5	583.1	58.4%	470.3	96.4%	2,377.1	1,754.2	35.5%

## Net Revenue

Minerva Foods' net revenue was R\$ 6.8 billion in the fourth quarter of the year. In 2022, net revenue totaled R\$ 31.0 billion, up by approximately 15% on an annual basis.

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Gross Revenue	7,328.3	7,979.8	-8.2%	8,979.7	-18.4%	32,898.0	28,572.3	15.1%
Deductions and Discounts	-489.2	-473.9	3.2%	-542.0	-9.7%	-1,920.2	-1,606.9	19.5%
<b>Net Revenue</b>	<b>6,839.2</b>	<b>7,505.9</b>	<b>-8.9%</b>	<b>8,437.7</b>	<b>-18.9%</b>	<b>30,977.8</b>	<b>26,965.4</b>	<b>14.9%</b>
% of Gross Revenue	93.32%	94.06%	-0.7 p.p.	94.0%	-0.6 p.p.	94.2%	94.4%	-0.2 p.p.

## Cost of Goods Sold (COGS) and Gross Margin

COGS corresponded to 80.5% of net revenue in 4Q22, implying in a gross margin of 19.5%, up by approximately 1 p.p. in the annual comparison. In 2022, COGS accounted for 81.5% of net revenue, with a gross margin of 18.5%, up by 1.3 p.p. from 2021.

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Net Revenue	6,839.2	7,505.9	-8.9%	8,437.7	-18.9%	30,977.8	26,965.4	14.9%
<b>COGS</b>	<b>-5,504.3</b>	<b>-6,104.4</b>	<b>-9.8%</b>	<b>-6,778.8</b>	<b>-18.8%</b>	<b>-25,240.4</b>	<b>-22,320.3</b>	<b>13.1%</b>
% of Net Revenue	80.5%	81.3%	-0.8 p.p.	80.3%	0.1 p.p.	81.5%	82.8%	-1.3 p.p.
<b>Gross Profit</b>	<b>1,334.9</b>	<b>1,401.5</b>	<b>-4.8%</b>	<b>1,658.8</b>	<b>-19.5%</b>	<b>5,737.4</b>	<b>4,645.0</b>	<b>23.5%</b>
Gross Margin	19.5%	18.7%	0.8 p.p.	19.7%	-0.1 p.p.	18.5%	17.2%	1.3 p.p.

## Selling, General and Administrative Expenses

Selling expenses represented 8.1% of net revenue in 4Q22, while general and administrative expenses corresponded to 4.3% of this line. In 2022, selling expenses accounted for 7.5% of net revenue, mainly impacted by logistics costs such as international freight and fuel, while general and administrative expenses accounted for 3.3%.

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
<b>Selling Expenses</b>	<b>-552.3</b>	<b>-516.9</b>	<b>6.8%</b>	<b>-691.4</b>	<b>-20.1%</b>	<b>-2,333.7</b>	<b>-1,766.6</b>	<b>32.1%</b>
% of Net Revenue	8.1%	6.9%	1.2 p.p.	8.2%	-0.1 p.p.	7.5%	6.6%	1.0 p.p.
<b>G&amp;A Expenses</b>	<b>-295.3</b>	<b>-249.0</b>	<b>18.6%</b>	<b>-256.5</b>	<b>15.2%</b>	<b>-1,026.1</b>	<b>-857.6</b>	<b>19.7%</b>
% of Net Revenue	4.3%	3.3%	1.0 p.p.	3.0%	1.3 p.p.	3.3%	3.2%	0.1 p.p.

## EBITDA

In 4Q22, Minerva Foods' consolidated EBITDA was R\$ 607.5 million, with an EBITDA margin of 8.9%. In 2022, consolidated EBITDA reached R\$ 2.8 billion, up by 17.6% from 2021, with a margin of 9.2%, a 0.3 p.p. growth from the previous year. The Adjusted EBITDA considering the performance of ALC (Australian Lamb Company) in the year totaled R\$ 3,1 bilhões.

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Net Income (Loss)	-25.7	150.3	n.a.	141.5	n.a.	655.1	598.9	9.4%
(+/-) Deferred income tax and social contribution	-39.1	-58.1	-32.7%	39.1	-200.0%	-267.0	-13.3	1,911.4%
(+/-) Financial Result	562.4	542.6	3.7%	523.0	7.5%	2,035.1	1,449.8	40.4%
(+/-) Depreciation and Amortization	109.9	94.9	15.8%	102.7	7.0%	414.5	346.8	19.5%
(+/-) Non-recurring adjustments	0.0	5.6	n.a.	0.0	n.a.	0.0	31.0	n.a.
<b>EBITDA</b>	<b>607.5</b>	<b>735.3</b>	<b>-17.4%</b>	<b>806.2</b>	<b>-24.6%</b>	<b>2,837.8</b>	<b>2,413.2</b>	<b>17.6%</b>
<b>EBITDA Margin</b>	<b>8.9%</b>	<b>9.8%</b>	<b>-0.9 p.p.</b>	<b>9.6%</b>	<b>-0.7 p.p.</b>	<b>9.2%</b>	<b>8.9%</b>	<b>0.3 p.p.</b>

## Financial Result

The net financial result was a negative R\$ 562.4 million in 4Q22, impacted by the financial expenses line, which reflects a higher interest rate and, especially, by a negative impact of R\$ 198.4 million from hedging operations.

It is worth noting that, in line with the risk management policy, the Company has been hedging around 30% of its long-term foreign-currency debt.

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Financial Expenses	-337.4	-267.9	26.0%	-322.7	4.5%	-1,221.4	-1,013.9	20.5%
Financial Revenue	60.2	24.4	147.4%	73.4	-17.9%	185.2	75.0	146.8%
Monetary Adjustment	-0.3	-44.3	-99.3%	-50.6	-99.4%	-155.4	-179.9	-13.6%
FX Variation	49.4	-287.7	n.a.	-42.6	215.9%	2.1	-405.3	n.a.
Other Expenses	-334.3	32.9	n.a.	-180.4	85.3%	-845.5	74.1	n.a.
<b>Financial Result</b>	<b>-562.4</b>	<b>-542.6</b>	<b>3.6%</b>	<b>-523.0</b>	<b>7.5%</b>	<b>-2,035.1</b>	<b>-1,449.9</b>	<b>40.4%</b>
Average Dollar (R\$/US\$)	5.26	5.58	-5.8%	5.25	0.2%	5.16	5.39	-4.2%
Closing Dollar (R\$/US\$)	5.22	5.58	-6.5%	5.41	-3.5%	5.22	5.58	-6.5%
R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
FX Hedge	-198.4	103.0	n.a.	-84.4	135.1%	-464.9	355.1	n.a.
Commodities Hedge	-44.8	-3.1	1,345.2	-20.1	122.9%	-75.7	-67.0	13.0%
Fees, Commissions, and Other	-91.1	-67.0	36.0%	-75.9	20.0%	-304.9	-214.0	42.5%
Financial Expenses	-91.1	-67.0	36.0%	-75.9	20.0%	-304.9	-214.0	42.5%
<b>Total</b>	<b>-334.3</b>	<b>32.9</b>	<b>1,116.1%</b>	<b>-180.4</b>	<b>85.3%</b>	<b>-845.5</b>	<b>74.1</b>	<b>n.a.</b>

## Net Income

Net income for the quarter came in as a loss of R\$ 25.7 million. In 2022, net income was positive by R\$ 655.1 million, 9.4% higher than in 2021.

R\$ million	4Q22	4Q21	Var. (%)	3Q22	Var. (%)	2022	2021	Var. (%)
Net income (loss) before Income Tax and Social Contribution	-64.8	92.2	n.a.	180.5	n.a.	388.1	585.6	-33.7%
Income Tax and Social Contribution	39.1	58.1	-32.7%	-39.1	-200.0%	267.0	13.3	1,911.4%
<b>Net Income</b>	<b>-25.7</b>	<b>150.3</b>	<b>n.a.</b>	<b>141.5</b>	<b>n.a.</b>	<b>655.1</b>	<b>598.9</b>	<b>9.4%</b>
<b>% Net margin</b>	<b>-0.4%</b>	<b>2.0%</b>	<b>-2.4 p.p.</b>	<b>1.7%</b>	<b>-2.1 p.p.</b>	<b>2.1%</b>	<b>2.2%</b>	<b>-0.1 p.p.</b>

## Cash Flow

### Operating Cash Flow

Cash flow from the Company's operating activities was approximately R\$ 1.1 billion in 4Q22. The change in working capital requirements was positive by R\$ 872.0 million, in which we highlight the impact from the consolidation of ALC (Australian Lamb Company), contributing with R\$ 402.0 million. In 2022, operating cash flow totaled R\$ 3.1 billion.

R\$ million	4Q22	4Q21	3Q22	2022
Net Income (Loss)	-25.7	150.3	141.5	655.1
(+) Net Income (Loss) Adjustments	231.7	561.9	630.7	1,601.2
(+) Variation in Working Capital Requirements	872.0	-63.5	338.7	878.4
<b>Operating Cash Flow</b>	<b>1,078.0</b>	<b>648.8</b>	<b>1,110.9</b>	<b>3,134.7</b>

## Free Cash Flow

The Company's Free cash flow after Capex, interest payments and working capital, excluding the acquisition of ALC (Australian Lamb Company), was positive by R\$ 268.3 million in 4Q22.

The acquisition impacted free cash flow in the quarter, due to: (i) investment of R\$ 802.9 million and, (ii) a positive working capital of R\$ 402.0 million. Therefore, the net impact from the acquisition of ALC (Australian Lamb Company) was R\$ 400.9 million.

In 2022, Minerva Foods' free cash generation reached the mark of R\$ 647.0 million. Excluding the impacts from the acquisition of ALC (Australian Lamb Company), total free cash generation reached R\$ 1.1 billion in 2022.

Considering the last 5 years, that is, since 2018, the Company has accumulated approximately R\$ 5 billion in free cash flow.

R\$ million	4Q22	3Q22	2Q22	1Q22	2022
EBITDA	607.5	806.2	778.0	646.0	2,837.8
CAPEX	-1,091.8	-214.5	-179.0	-172.8	-1,658.1
Financial Result (on a Cash Basis)	-520.0	-394.0	-132.0	-365.0	-1,411.0
Variation in Working Capital Requirements	872.0	338.7	-51.4	-280.8	878.4
<b>Free Cash Flow</b>	<b>-132.4</b>	<b>536.4</b>	<b>415.7</b>	<b>-172.6</b>	<b>647.0</b>

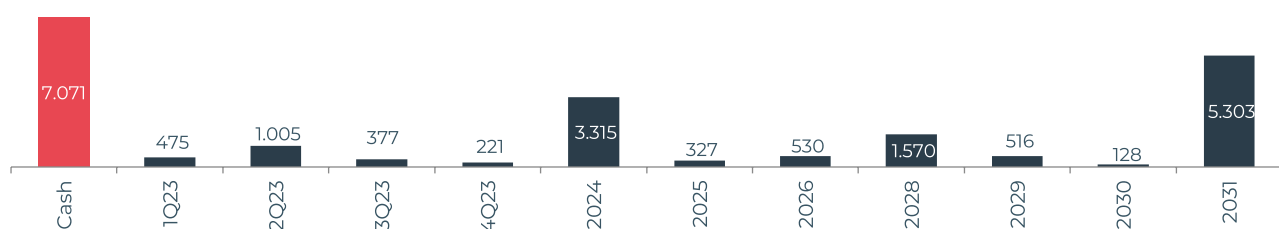
## Capital Structure

At the end of 4Q22, Minerva's cash balance reached R\$ 7.1 billion, which is sufficient to amortize its debt until 2026 and is in line with the Minerva Foods's conservative cash management and capital discipline. On December 31, 2022, nearly 56% of gross debt was pegged to the U.S. dollar and, according to our hedge policy, the Company hedges at least 30% of the long-term FX exposure, protecting its balance sheet at times of high exchange rate volatility. At the end of 4Q22, debt duration was around 4.8 years.

Net leverage, measured by the Net Debt/LTM EBITDA ratio, ended the year at 2.15x and was impacted by the disbursement of approximately R\$ 802.9 million for the acquisition of ALC (Australian Lamb Company) and by its proforma EBITDA of R\$ 262.4 million, as illustrated below, reaching the lowest leverage ratio since 2007.

In 4Q22, and under the commitment to maintaining a less costly and healthier capital structure, we repurchased nearly US\$ 5 million of our 2031 Bonds and approximately US\$ 9 million of our 2028 Bonds. Since the beginning of 2022, we repurchased and canceled over R\$ 1.1 billion of our 2028 and 2031 Bonds. Over the last 3 years, the Company repurchased and canceled approximately R\$ 2.6 billion in debt securities, in line with its commitment to maintaining a balanced, healthy capital structure with a lower risk profile.

Figure 7 – Debt Amortization Schedule on 12/31/2022 (R\$ million)

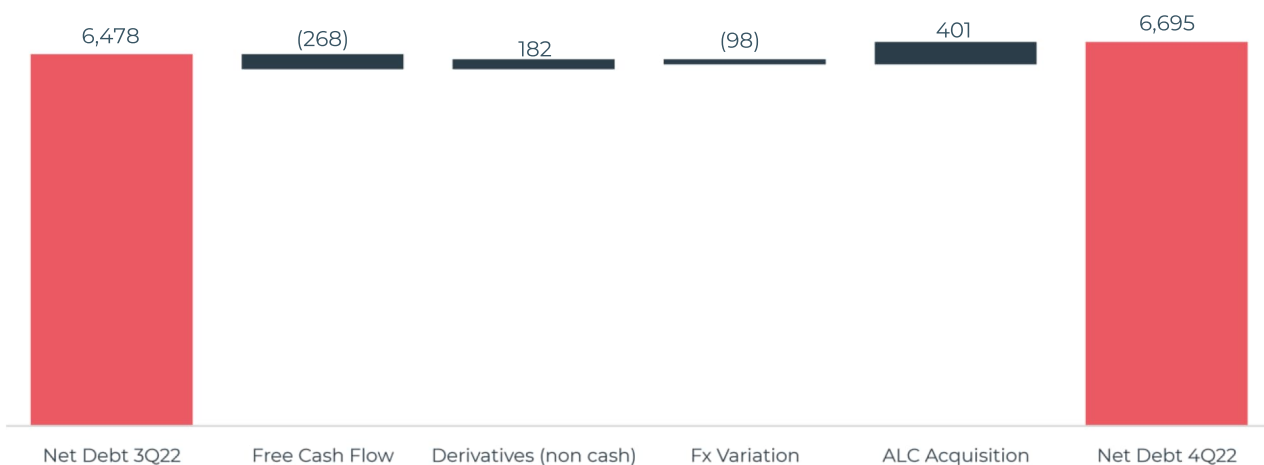


R\$ million	4Q22	4Q21	Chg. (%)	3Q22	Chg. (%)
<b>Short-term Debt</b>	<b>2,077.9</b>	<b>1,488.4</b>	<b>39.6%</b>	<b>2,630.2</b>	<b>-21.0%</b>
% of Short-term Debt	15.1%	11.1%	4.0 p.p.	18.2%	-3.1 p.p.
Local Currency	285.0	233.3	22.2%	704.0	-59.5%
Foreign Currency	1,793.0	1,255.1	42.8%	1,926.3	-6.9%
<b>Long-term Debt</b>	<b>11,688.5</b>	<b>11,916.3</b>	<b>-1.9%</b>	<b>11,813.9</b>	<b>-1.1%</b>
% of Long-term Debt	84.9%	88.9%	-4.0 p.p.	81.8%	3.1 p.p.
Local Currency	5,716.6	3,349.8	70.7%	5,163.8	10.7%
Foreign Currency	5,971.9	8,566.5	-30.3%	6,650.1	-10.2%
<b>Total Debt</b>	<b>13,766.5</b>	<b>13,404.7</b>	<b>2.7%</b>	<b>14,444.1</b>	<b>-4.7%</b>
Local Currency	6,001.6	3,583.1	67.5%	5,867.7	2.3%
Foreign Currency	7,764.9	9,821.6	-20.9%	8,576.4	-9.5%
<b>Cash and Cash Equivalents</b>	<b>-7,071.5</b>	<b>-7,302.0</b>	<b>-3.2%</b>	<b>-7,966.1</b>	<b>-11.2%</b>
<b>Net Debt</b>	<b>6,695.0</b>	<b>6,102.7</b>	<b>9.7%</b>	<b>6,478.0</b>	<b>3.3%</b>
<sup>01</sup> Net Debt/EBITDA (x)	<b>2.15</b>	<b>2.4</b>	<b>-0.3</b>	<b>2.18</b>	<b>-0.1</b>

<sup>01</sup> Adjusted by ALC's 2022 Proforma EBITDA (R\$ 262.4 million – 10 months)

More details on the net debt variations for the last quarter of 2022 are provided below.

**Figure 8 – Net Debt Bridge (R\$ million)**



## Capex

Investments totaled R\$ 1.1 billion in the quarter. Of this total amount, nearly R\$ 103.7 million went to maintenance and R\$ 988.1 million was used for operational expansion projects, in particular for operations outside Brazil, and notably the disbursement of R\$ 802.9 million for the acquisition of ALC (Australian Lamb Company).

See below a breakdown of investments (cash effect) by quarter and in the last twelve months:

R\$ million	4Q22	3Q22	2Q22	1Q22	2022
Maintenance	103.7	118.0	103.8	101.0	426.5
Expansion	988.1	96.5	75.2	71.8	1,231.7
<b>Total</b>	<b>1,091.8</b>	<b>214.5</b>	<b>179.0</b>	<b>172.8</b>	<b>1,658.1</b>

## Value Creation

### Dividends

On August 10, 2022, Minerva Foods' Board of Directors approved the early distribution of dividends in the amount of R\$ 128.1 million, or approximately R\$ 0.22/share, which was paid in the same month. To supplement this early distribution, the Company's Management will propose the Annual Shareholders' Meeting an additional dividends payment of R\$ 208.6 million, or R\$ 0.36 per share. The payout for the 2022 fiscal year is expected to reach R\$ 336.7 million, or R\$ 0.58 per share, as shown below. It is important to mention that our net income allocation policy establishes that whenever the Net Debt/EBITDA leverage ratio is equal to or lower than 2.5x during a fiscal year, at least 50% of Net Income must be distributed.

It is also worth mentioning that information regarding: (i) ex-dividend date; and (ii) payment date will only be informed at the Annual Shareholders' Meeting, which is scheduled for April 18, 2023.

Considering the last three years (2020 – 2022), the Company distributed R\$ 1.3 billion in dividends, equivalent to R\$ 2.30/share, considering the dividends to be payed after the ASM approval in April. In addition, the Company bought back bonds and shares amounting R\$ 2.8 billion in the same period, as shown in figure 13. These initiatives reinforce Minerva Foods' commitment to financial discipline and the creation of shareholder value.

**Figure 9 – Dividends (FY 2020)**

	R\$ million	R\$/share
Interest on Equity*	19.3	0.04
Early Dividends	138.5	0.26
Complementary Dividends	384.3	0.73
<b>Total Dividends</b>	<b>542.1</b>	<b>1.03</b>

**Figure 10 – Dividends (FY 2021)**

	R\$ million	R\$/share
Early Dividends	200.0	0.35
Complementary Dividends	200.0	0.34
<b>Total Dividends</b>	<b>400.0</b>	<b>0.69</b>

**Figure 11 – Dividends (FY 2022)**

	R\$ million	R\$/share
Early Dividends	128.1	0.22
Complementary Dividends	208.6	0.36
<b>Total Dividends</b>	<b>336.7</b>	<b>0.58</b>

**Figure 12 – Total Dividends**

	R\$ million	R\$/share
FY 2020	542.1	1.03
FY 2021	400.0	0.69
FY 2022	336.7	0.58
<b>Total Dividends</b>	<b>1,279</b>	<b>2.30</b>

**Figure 13 – Buyback and Cancellation of Bonds and Shares\*\***

	R\$ million
2020	613
2021	898
2022	1,117
Share Buyback	210
<b>Total</b>	<b>2,838</b>

\*Net proceeds

\*\*R\$/US\$ R\$ 5.22

## ESG

In 2022, Minerva Foods accelerated progress on its ESG agenda. The company led efforts to combat illegal deforestation and climate change in South America, driven by the goal of achieving carbon neutrality by 2035 set out in its Commitment to Sustainability announced in 2021.

### Fighting illegal deforestation

Pioneering efforts to combat illegal deforestation in the value chain had already positioned Minerva Foods as the first company to monitor 100% of direct suppliers in Paraguay by 2021; in Brazil, the company had already monitored 100% of its direct suppliers in all biomes with cattle trade agreements. In 2022, the company made progress in the monitoring of direct suppliers in Colombia, with more than 80% of suppliers being monitored with the aim of reaching 100% by the end of 2023; in Argentina, approximately 90% of suppliers are being monitored with the aim of reaching 100% by the end of 2030; and in Uruguay, the company has launched a study on local socio-environmental legislation and geographical assessment with the aim of analyzing the size of rural properties in different regions of the country and establishing applicable parameters for the geospatial monitoring of its suppliers.

The effectiveness of the Company's geomonitoring system was again demonstrated in the external audits carried out in 2022. Minerva achieved 100% compliance with the TAC of Pará, the only audit supervised by the Federal Public Prosecutor's Office, maintaining one of the best results among major players in the market; it also achieved 100% compliance for the ninth consecutive year with the Public Livestock Commitment signed in 2009, a result verified by *BDO RCS Auditores Independentes*; and finally, it achieved 100% compliance with the third-party audit conducted in Paraguay. All audit reports are public and can be consulted on the company's website.

In 2021, Minerva Foods, aware that efforts to improve traceability in the value chain must be collective, took the next step towards involving rural producers through the transfer of geomonitoring technology. This is the target of the SMGeo Prospec® application, launched in partnership with Niceplanet Geotecnologia, developer of the application. The tool allows rural producers to carry out in-depth research, with access to historical data and socio-environmental compliance analysis, enabling them to map risks prior to commercialization. In 2022, the company focused its efforts on training its suppliers on the importance of using the tool by organizing workshops, field visits by a specialized team, and sending instructional materials, as well as actively participating in working groups to discuss the issue. The company has made progress in engaging rural producers and has distributed more than 800 vouchers for free use of the application.

### Renove Program

Renove, a program to engage cattle ranchers in implementing low-carbon cattle ranching practices, achieved significant results throughout 2022.

This program enabled Minerva Foods to export certified carbon neutral meat products from Brazil and Uruguay to customers in the United States, Spain, Italy and Chile. Partnering ranches, industrial units, and logistics operations had their carbon footprints audited and certified as "CO<sub>2</sub> neutral" by an independent organization with certification systems in over 100 countries. The emissions offset required to neutralize the entire process were traded through MyCarbon. These were carbon credits from tree planting and forest conservation projects.

The Renove program has also made groundbreaking progress in generating and selling carbon credits from the agricultural and livestock sectors in Brazil. In this regard, technical cooperation agreements have been signed with cattle ranchers who supply

mutual interest of both parties in transforming conventional livestock management practices into regenerative practices that increase productivity and eliminate or reduce greenhouse gas (GHG) emissions. These ranches, located in six Brazilian states, are being evaluated in the field by the program's technical team. The goal is to restore degraded grasslands, implement integrated systems - Crop-Livestock-Forestry Integration (ILPF) - and use dietary supplements in animal feed to reduce enteric methane. Partnerships with large-scale input, financing and technological innovation companies committed to the common goal of a highly productive, low-carbon agriculture and livestock sector have been established to enable the implementation of these practices.

As part of the program, Minerva began participating in the Floresta Viva initiative, led by the National Bank for Economic and Social Development (BNDES), for the ecological restoration of Brazil's biomes. Minerva aims to contribute to the restoration of degraded areas in the states of Rondônia, Mato Grosso and Goiás through its participation in this initiative.

Together with Embrapa and FGV Agro, the program published the study "Potential mitigation of greenhouse gas emissions in livestock - Minerva Foods Case Study". The report shows the potential of good practices to contribute to the fight against climate change, by calculating the GHG balance of 23 ranches that supply cattle to the company from various locations and production systems, as measured by the GHG Protocol Agricultural tool.

### **MyCarbon**

Created in 2021, MyCarbon is a subsidiary of Minerva Foods and aims to help companies achieve their greenhouse gas emission neutralization goals through carbon offsetting in a transparent, reliable and sustainable manner. The subsidiary develops high-quality projects and sells carbon credits in accordance with international standards. By 2022, MyCarbon had achieved significant progress.

In a pioneering initiative, MyCarbon assisted the e-commerce company *Meu Minerva* (My Minerva) in achieving carbon neutrality in its operations, becoming the first in the protein segment in Brazil to achieve this milestone. The carbon credits used in the offset were purchased from Amazon forest conservation projects.

MyCarbon was also responsible for 20% of all carbon credits traded in the inaugural voluntary market auction held by Saudi Arabia's sovereign wealth fund. This was the first voluntary carbon market initiative in the region and resulted in the trading of more than one million tons of greenhouse gases in the form of audited and certified carbon credits.

Most recently, in the last quarter of 2022, MyCarbon has partnered with Mercuria Energy Trading, one of the world's largest players in the energy and climate solutions markets, to generate carbon credits from projects in the Amazon. The partnership advances MyCarbon's ambition to create financial opportunities for conservation, accelerate action on climate change, and promote a low-carbon future.

### **Institutional**

At the institutional level, Minerva received important recognition in 2022 for the development of its ESG agenda and for the quality and transparency of its disclosures.

Its 11th annual Sustainability Report (for 2021) was awarded two important international prizes, winning the Best Sustainability Report award, organized by ESG Investing, in the Consumer Goods category, and among the first two places in the Best in the World award, promoted by Hallbars Sustainability Research Organization. Another innovation was to improve user experience with

regard to its ESG information by launching a new platform on the institutional website, facilitating access to indicators and data related to sustainability initiatives.

For the second consecutive year, the Company received the "Renewable Energy" seal issued by the Totum Institute, in partnership with the Brazilian Wind Energy Association (ABEEólica) and the Brazilian Clean Energy Association (Abragel), for all of its operating units in Brazil (Minerva Foods was the first Brazilian company to receive the seal in 2021); also for the second consecutive year, the Company's Corporate Greenhouse Gas Emissions Inventory received the "Gold" seal from the Brazilian GHG Protocol Program.

Among external evaluations, the Carbon Disclosure Project (CDP) analyzed the Company's environmental performance, maintaining its Management Level, achieved in 2021, for all three questionnaires of the project: climate change, forests, and water security. The 2021 results entered Minerva Foods in the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70). For the third consecutive year, the company was also included in the 2022/2023 portfolios of the Corporate Sustainability Index (ISEB3) and the Carbon Efficient Index (ICO2B3), both of the Brazilian Stock Exchange (B3).

## **Transparency**

The company remains committed to sustainability in its value chain, focusing on the eco-efficiency of its operations and the fight against climate change and illegal deforestation in South America.

Relevant information about the progress on this agenda will be published in the earnings releases, Sustainability Reports and institutional website.

## Subsequent Events

### Acquisition of BPU - Breeders and Packers Uruguay

In January, the Company announced the acquisition of Breeders and Packers Uruguay ("BPU Meat"), a subsidiary of NH Foods Groups ("NH Foods"), located in the municipality of Durazno, in Uruguay and one of the most modern meatpacking companies in South America, with a slaughter capacity of 1,200 head/day using the highest technology in the industrial process, producing and exporting beef from Uruguay with the highest quality and sanitary safety levels. The Company will invest US\$ 40 million for the acquisition of BPU Meat.

This is another initiative by Minerva Foods that is in line with its strategy to expand the Company's geographic diversification aiming at mitigating risks and maximizing opportunities in the global animal protein market, always respecting its commitment to financial discipline, sustainability, and the creation of shareholder value.

### Approval to Export to Indonesia

In January 2023, the Company announced that its plant in Janaúba (MG) was approved to export beef to Indonesia, now reaching 6 (six) plants that are qualified for this market: Janaúba (MG), José Bonifácio (SP), Rolim de Moura (RO), Araguaína (TO) Mirassol d'Oeste (MT) and Palmeiras de Goiás (GO), which together have a slaughtering capacity of more than 8,000 heads/day.

With approximately 275 million inhabitants, Indonesia stands out as one of the largest consumer markets for Halal certified beef in the world and has great growth potential. In 2022, Brazil exported 20,500 tons of fresh beef to Indonesia, increasing by 23.5% from the previous year.

### Temporary Suspension of Beef Exports to China

The suspension was due to the confirmation of one case of Atypical Bovine Spongiform Encephalopathy ("BSE"), in the state of Para, in a nine-year-old animal. The samples were sent to a reference laboratory at Alberta, Canada. It is worth mentioning that the suspension is a measure of the sanitary protocol signed between MAPA and the General Administration of Quality Supervision, Inspection and Quarantine of China.

The Company informs that, through its operation in Brazil, it exports to China through the Barretos (SP), Palmeiras de Goiás (GO) and Rolim de Moura (RO) plants. However, will continue to serve Chinese market through 4 slaughter plants, being 3 are in Uruguay and 1 in Argentina, without compromising our market share and our relationship with our customers.

Finally, it is worth highlighting that, since 2015, the World Organization for Animal Health (OIE) has excluded atypical BSE cases from a country's official risk status since this disease can occur spontaneously and sporadically in all bovine populations across the world. Therefore, Minerva believes that, as in the past, this suspension of Brazilian exports shall be temporary and will resume shortly.

## About Minerva S.A.

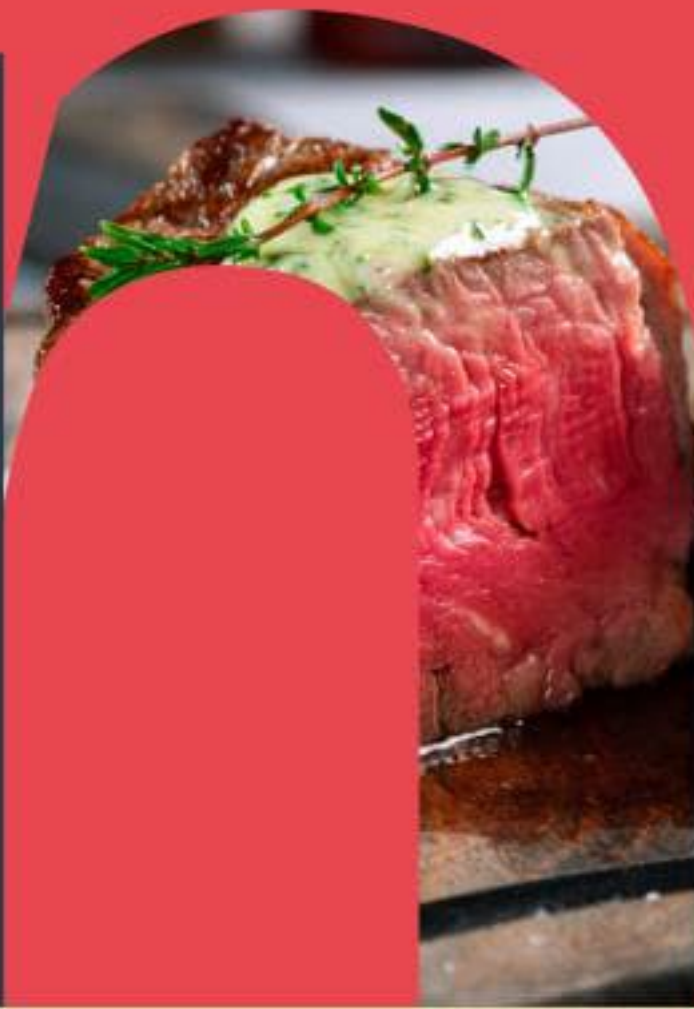
Minerva Foods is the South American leader in beef exports, and also operates in the processed foods segment, selling its products to over 100 countries. Present in Brazil, Paraguay, Argentina, Uruguay, Colombia and Australia, Minerva operates 29 slaughter and deboning plants and three processing plants. During 2022, the Company recorded gross sales revenues of **R\$ 32.9 billion, 15.1% higher** than the gross revenue of 2021.

### Relationship with Auditors

Under CVM Instruction 381/03, we announce that our auditors were not engaged in services other than those related to the external audit in 2021, and in 2022 ended December 31, 2022.

### Statement from Management

Under CVM Instructions, Management declares that it has discussed, reviewed and agreed with the individual and consolidated accounting information for the fiscal year ended December 31, 2022, and the opinions expressed in the independent auditors' review report, hereby authorizing their disclosure.



## APPENDIX 1 - INCOME STATEMENT (CONSOLIDATED)

(R\$ thousand)	4Q22	4Q21	3Q22	2022	2021
<b>Net operating revenue</b>	<b>6,839,176</b>	<b>7,505,928</b>	<b>8,437,666</b>	<b>30,977,769</b>	<b>26,965,360</b>
Cost of goods sold	-5,504,312	-6,104,381	-6,778,821	-25,240,352	-22,320,336
<b>Gross profit</b>	<b>1,334,864</b>	<b>1,401,547</b>	<b>1,658,845</b>	<b>5,737,417</b>	<b>4,645,024</b>
Selling expenses	-552,265	-516,900	-691,370	-2,333,667	-1,766,570
General and administrative expenses	-295,341	-249,005	-256,465	-1,026,128	-857,581
Other operating revenues (expenses)	10,368	-857	-7,453	45,613	14,545
<b>Result before financial expenses</b>	<b>497,626</b>	<b>634,785</b>	<b>703,557</b>	<b>2,423,235</b>	<b>2,035,418</b>
Financial expenses	-337,409	-267,890	-323,745	-1,222,368	-1,013,896
Financial revenue	60,242	24,354	73,380	185,169	75,015
Monetary correction	-293	-44,282	-50,571	-155,446	-179,854
FX variation	49,378	-287,693	-42,617	2,090	-405,287
Other expenses	-334,308	32,940	-179,458	-844,571	74,211
<b>Financial result</b>	<b>-562,390</b>	<b>-542,571</b>	<b>-523,011</b>	<b>-2,035,126</b>	<b>-1,449,811</b>
<b>Income (loss) before taxes</b>	<b>-64,764</b>	<b>92,214</b>	<b>180,546</b>	<b>388,109</b>	<b>585,607</b>
Income and social contribution taxes - current	-26,613	-534	-17,951	-64,808	-64,918
Income and social contribution taxes - deferred	65,693	58,609	-21,111	331,763	78,190
<b>Income (loss) before non-controlling interest</b>	<b>-25,684</b>	<b>150,289</b>	<b>141,484</b>	<b>655,064</b>	<b>598,879</b>
Controlling shareholders	-28,215	150,289	141,484	652,533	598,879
Non-controlling shareholders	2,531	0	0	2,531	0
<b>Profit (loss) for the period</b>	<b>-25,684</b>	<b>150,289</b>	<b>141,484</b>	<b>655,064</b>	<b>598,879</b>

**APPENDIX 2 - BALANCE SHEET (CONSOLIDATED)**

(R\$ thousand)	4Q22	4Q21
<b>ASSETS</b>		
Cash and cash equivalents	7,071,463	7,302,009
Trade receivables	2,487,540	2,598,563
Inventories	1,658,467	2,115,294
Biological assets	434,897	467,960
Taxes recoverable	750,670	805,076
Other receivables	583,682	478,198
<b>Total current assets</b>	<b>12,986,719</b>	<b>13,767,100</b>
Other receivables	146,840	148,165
Taxes recoverable	115,481	106,942
Deferred tax assets	792,811	415,665
Judicial deposits	22,013	22,202
Investments	242,104	199,841
Fixed assets	5,234,666	4,581,352
Intangible assets	1,859,494	828,195
<b>Total non-current assets</b>	<b>8,413,409</b>	<b>6,302,362</b>
<b>Total assets</b>	<b>21,400,128</b>	<b>20,069,462</b>
<b>LIABILITIES</b>		
Loans and financings	2,077,939	1,488,416
Commercial leasing	9,677	10,435
Trade payables	3,519,543	3,724,242
Labor and tax liabilities	373,011	400,727
Other payables	2,149,571	1,614,550
<b>Total current liabilities</b>	<b>8,129,741</b>	<b>7,238,370</b>
Loans and financings	11,688,535	11,916,289
Commercial leasing	28,688	29,272
Labor and tax liabilities	40,147	53,179
Provision for contingencies	58,886	43,377
Accounts payable	11,395	18,524
Deferred tax liabilities	380,241	116,320
<b>Total non-current liabilities</b>	<b>12,207,892</b>	<b>12,176,961</b>
<b>Shareholders' equity</b>		
Share capital	1,619,074	1,616,138
Capital reserves	138,711	118,271
Revaluation reserves	45,970	47,518
Profit reserves	671,267	353,865
Additional dividend proposed	181,314	200,000
Treasury shares	-235,396	-242,768
Other comprehensive income	-1,914,112	-1,438,893
<b>Total shareholders' equity attributed to controlling shareholders</b>	<b>506,828</b>	<b>654,131</b>
Non-controlling interest	555,667	0
<b>Total shareholders' equity</b>	<b>1,062,495</b>	<b>654,131</b>
<b>Total liabilities and shareholders' equity</b>	<b>21,400,128</b>	<b>20,069,462</b>

## APPENDIX 3 – CASH FLOW (CONSOLIDATED)

(R\$ thousand)	4Q22	4Q21	3Q22	2022	2021
<b>Cash flow from operating activities</b>					
Net income (loss)	-25,684	150,289	141,484	655,064	598,879
<b>Adjustments to reconcile net income provided by operating activities:</b>					
Depreciation and amortization	109,881	94,892	102,676	414,525	346,786
Estimated loss with doubtful accounts	2,187	457	382	3,435	7,039
Proceeds from the sale of fixed assets	2,722	1,036	45,901	71,241	4,955
Fair value of biological assets	-7,386	-19,978	7,179	44,438	-40,341
Realization of deferred taxes – temporary differences	-65,693	-58,609	21,111	-331,763	-78,190
Financial charges	337,773	267,890	323,745	1,222,732	1,013,896
FX variation – not realized	-191,217	230,809	79,798	-12,654	543,698
Monetary correction	293	44,282	50,571	155,446	179,854
Provision for contingencies	24,831	1,168	-623	15,509	3,103
Equity instruments granted	18,291	0	0	18,291	0
Trade receivables and other receivables	442,962	130,449	318,098	208,475	-644,620
Inventories	226,156	-263,043	11,513	524,226	-1,117,331
Biological assets	65,600	20,333	-47,902	-11,375	-76,389
Taxes recoverable	132,835	55,726	-37,756	45,867	292,082
Judicial deposits	-456	543	841	189	48
Trade payables	-314,186	181,645	-747	-283,778	1,379,649
Labor and tax liabilities	-66,706	-39,703	14,356	-70,995	69,210
Other payables	385,752	-149,433	80,280	465,819	112,333
<b>Cash flow from operating activities</b>	<b>1,077,955</b>	<b>648,753</b>	<b>1,110,907</b>	<b>3,134,692</b>	<b>2,594,661</b>
<b>Cash flow from investing activities</b>					
Acquisition of subsidiary less cash on acquisition	-802,618	0	0	-802,618	0
Investment acquisition	-42,263	-19,700	0	-42,263	-64,336
Acquisition of intangible assets	-15,286	-12,165	-7,689	-49,672	-36,283
Acquisition of fixed assets	-231,651	-198,902	-206,860	-763,591	-467,902
<b>Cash flow from investing activities</b>	<b>-1,091,818</b>	<b>-230,767</b>	<b>-214,549</b>	<b>-1,658,144</b>	<b>-568,521</b>
<b>Cash flow from financing activities</b>					
Loans and financing raised	1,514,060	1,219,037	2,265,820	5,745,669	7,031,604
Loans and financing settled	-2,087,991	-2,671,452	-1,501,790	-6,923,978	-8,702,320
Commercial leasing	-6,115	-3,181	-2,062	-13,349	-11,137
Capital payment in cash	0	304,383	0	2,936	312,154
Payment of interest on equity	0	0	0	0	-19,240
Payment of dividends	0	-200,000	-128,078	-328,078	-583,441
Non-controlling interest	0	0	14,296	55,357	0
(-) Sale of treasury shares	9,521	0	0	9,521	0
<b>Cash flow from financing activities</b>	<b>-570,525</b>	<b>-1,351,213</b>	<b>648,186</b>	<b>-1,451,922</b>	<b>-1,972,380</b>
FX variation on cash and cash equivalents	-310,298	204,527	218,290	-255,172	856,820
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-894,686</b>	<b>-728,700</b>	<b>1,762,834</b>	<b>-230,546</b>	<b>910,580</b>
Cash and cash equivalents					
Beginning of the period	7,966,149	8,030,709	6,203,315	7,302,009	6,391,429
End of the period	7,071,463	7,302,009	7,966,149	7,071,463	7,302,009
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-894,686</b>	<b>-728,700</b>	<b>1,762,834</b>	<b>-230,546</b>	<b>910,580</b>

**APPENDIX 4 – FOREIGN EXCHANGE**

	4Q22	3Q22	4Q21
(US\$ - Closing)			
<b>Brazil (R\$/US\$)</b>	5.28	5.41	5.44
<b>Paraguay (PYG/US\$)</b>	7,339.50	7,074.70	6,907.00
<b>Uruguay (UYU/US\$)</b>	39.91	41.71	42.94
<b>Argentina (ARS/US\$)</b>	177.13	147.32	98.74
<b>Colombia (COP/US\$)</b>	4,852.50	4,608.75	3,807.80

## INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To  
Shareholders, Advisers and Board of Directors of  
Minerva S.A.  
São Paulo - SP

### Opinion on the individual and consolidated financial statements

We have examined the individual and consolidated financial statements of Minerva S.A. ("Company"), identified as the "Parent company" and "Consolidated", respectively, which comprise the statement of financial position as of December 31, 2022 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the related explanatory notes, including a summary of the main accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the individual and consolidated financial position of Minerva S.A. as of December 31, 2022, the individual and consolidated performance of its operations and their respective individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

### Basis for opinion on the individual and consolidated financial statements

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the following section entitled "Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements." We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles set forth in the Professional Code of Ethics of the Accountant and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to substantiate our opinion.

### Key audit matter

Key audit matter (KAMs) are those matters that, in our professional judgment, were the most significant in our audit of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion on these individual and consolidated financial statements and therefore, we do not express a separate opinion on these matters.

#### Derivative Financial Instruments

As disclosed in Notes 4 (h) and 26, the Company uses derivative financial instruments to hedge the risks associated with certain financial exposures related to the business, resulting in financial impacts on its individual and consolidated financial statements.

The Company's Management is responsible for monitoring and managing financial risks, evaluating the exposure to interest rate risks, indices of fluctuation in the bovine arroba price and exchange rate existing in the assets, liabilities and operations that are being covered, as a result of different factors, such as, among others, the differences between the contracting dates and the maturity and settlement dates, or differences in spreads on the financial assets and liabilities to be hedged and the spreads corresponding to the differences between the dates of the transactions. Such derivative financial instruments are measured at fair value through valuation methodologies, which take into account professional judgment. The use of different market information and/or valuation methodologies may have a material effect on the estimated fair value amount and, consequently, on the Company's individual and consolidated financial statements. For these reasons, we considered this matter to be significant in our audit, again in the current year.

#### Audit response to the matter

Our audit procedures included, among others:

- The evaluation and understanding of the process, operational controls and risk Management strategies adopted by the Company's management in derivative financial instrument contracts, as well as their measurement and accounting recognition;
- We evaluated the adequacy of the documentation supporting the records, the measurement and the form of recognition of derivative financial instruments in the individual and consolidated financial statements;
- Additionally, we analyzed the methodology and the reasonableness of the main assumptions used by the Company's Management, such as rates, terms, among other information. We also examined the adequacy of disclosures on derivative financial instruments and calculation methodology for measurement and recording in the individual and consolidated financial statements;
- We carry out confirmation procedures with counterparties of derivative contracts in order to confirm the existence, completeness and integrity of operations, as well as confirm the main contractual clauses.

Based on the audit approach and the procedures performed, we understand that the balances presented in the individual and consolidated financial statements by the Company related to the measurement and recognition of derivative financial instruments and the corresponding disclosures are reasonable in the context of the individual and consolidated financial statements, taken together, taken as a whole.

#### Revenue Recognition

According to Explanatory Notes 4 (u) No. 22, the Company's revenues derive essentially from the sales of products to domestic and foreign markets. The Company has significant amounts of revenue recognized for the foreign market, subject to evaluations and judgments in determining the accounting recognition by the Company's Management based on estimates of average delivery terms. Considering the scope of transactions in the foreign market that requires judgment by the Company's management in determining the controls for the identification and measurement of invoiced and undelivered sales at the end of the year, we consider the recognition of sales revenue as one of the main issues of audit again in the current year.

#### Intangible assets with indefinite useful lives (Goodwill) - Impairment

According to Explanatory Notes No. 4 (o) and No. 13, the Company has recorded, on December 31, 2022, goodwill for expected future profitability ("Goodwill") in the amounts of R\$ 259,691 thousand and R\$ 1,060,278 thousand, respectively, parent company and consolidated, resulting from acquisitions of companies, whose recoverable value must be evaluated annually, as required by Technical Pronouncement NBC TG 01 (R4)/IAS 36 - Reduction to the Recoverable Value of Assets.

Determining the recoverable amount of these non-financial assets involves significant judgments in defining the assumptions used in cash flow projections, with a high degree of subjectivity on the part of the Company's Management based on the discounted cash flow method, which considers assumptions such as discount rates, economic growth, inflation projection, among other estimates. In this context, the Company's Management performs impairment test and prepared a specific report on this matter, aiming to comply with the accounting standard. These determinations and measurements are based on assumptions that may change due to future and unexpected conditions, whether due to internal factors, market or macroeconomic conditions, which is why we considered the matter relevant for our audit.

#### Audit response to the matter

Our audit procedures included, among others:

- The understanding and evaluation of the processes and operational controls aimed at the recognition of revenue from sales to the foreign market, as well as the design of relevant internal controls related to the sales process at the end of the year;
- We carry out substantive procedures for product sales through statistical sampling, with the objective of analyzing and validating the recognition and measurement of revenues;
- Additionally, we analyzed the settlement and realization in subsequent periods, in addition to evaluating the average delivery terms used by the Company to estimate the calculation of invoiced and undelivered sales at the end of the year;
- Review of adequate disclosure in the notes to the individual and consolidated financial statements.

Based on the results of the audit procedures performed, we understand that the criteria and assumptions adopted by the Company for the measurement, recognition and disclosure performed are reasonable in the context of the individual and consolidated financial statements taken as a whole.

#### Audit response to the matter

Our audit procedures included, among others:

- Involvement of our internal specialists in corporate finance to evaluate and challenge the cash flow projections of the Cash Generating Units (CGUs), including the comparison with the strategic business plans approved by the Company's Board of Directors;
- We question the main assumptions adopted by Management, such as the long-term growth rates in the projections, comparing them with economic forecasts for the sector, as well as the discount rates used and other macroeconomic conditions;
- Additionally, we compared the recoverable amount calculated based on the discounted cash flows of the CGUs with the respective book values and evaluated the disclosures related to the recoverable amount of goodwill arising from business combinations and other non-financial assets recorded in the individual and consolidated.

Based on the audit approach and procedures performed, we consider that the methodology and assumptions used by the Company to assess the recoverable amount of said assets are reasonable, with the information being properly recognized and presented in the individual and consolidated financial statements taken as a whole.

## Other matters

### Statements of Value Added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2022, prepared under the responsibility of the Company's Executive Board, and presented as supplementary information for IFRS purposes, were subject to jointly executed auditing procedures with the audit of the Company's financial statements. For the purposes of forming our opinion, we assess whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content comply with the criteria set forth in Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria set forth in this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

### Other information accompanying the individual and consolidated financial statements and the auditor's report

The Company's Executive Board is responsible for such other information that includes the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

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

### Responsibilities of Executive Board and those charged with governance by the individual and consolidated financial statements

The Executive Board is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and for such internal control which it has determined as necessary to enable the preparation of financial statements free of material misstatement, whether due to fraud or error.

In the preparation of the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting in the preparation of the financial statements, unless Executive Board either intends to liquidate the Company and its subsidiaries or cease its operations, or has no realistic alternative but to do so.

Those responsible for the governance of the Company and its subsidiaries are those responsible for supervising the process of preparing the individual and consolidated financial statements.

## Responsibilities of the auditor for the audit of the individual and consolidated financial statements

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

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of the internal controls relevant to the audit to plan audit procedures appropriate to the circumstances, but not, in order to express an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Board;
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of financial statements, including disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;

We communicate with those responsible for governance regarding, among others aspects, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we have identified during our work.



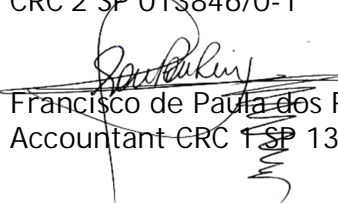
We also provide those responsible for governance with a statement that we have complied with the relevant ethical requirements, including the applicable requirements for independence, and communicate with them all possible relationships or other matters that may reasonably be thought to bear on our independence,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

From the matters communicated with those charged with governance, we determine those matters that we were of the most significance in the audit of the individual and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 23, 2023.



BDO RCS Auditores Independentes SS  
CRC 2 SP 013846/0-1

  
Francisco de Paula dos Reis Junior  
Accountant CRC 1 SP 139168/0-6

# MINERVA S.A.

## Statements of financial position In December 31, 2022 and 2021 (In thousands of Brazilian Reals - R\$)

ASSETS					
	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
<b>Current</b>					
Cash and cash equivalents	5	5,454,408	4,894,639	7,071,463	7,302,009
Trade receivables	6	939,304	1,251,602	2,487,540	2,598,563
Inventories	7	568,418	654,618	1,658,467	2,115,294
Biological assets	8	291,273	342,334	434,897	467,960
Recoverable taxes	9	370,447	374,157	750,670	805,076
Other receivables	-	217,769	216,644	583,682	478,198
<b>Total current assets</b>		<b>7,841,619</b>	<b>7,733,994</b>	<b>12,986,719</b>	<b>13,767,100</b>
<b>Non-current</b>					
Other receivables	-	122,869	125,232	146,840	148,165
Related parties	10	3,770,742	5,847,272	-	-
Recoverable taxes	9	110,472	106,942	115,481	106,942
Deferred assets	18	764,169	467,739	792,811	415,665
Court deposits	-	14,751	15,626	22,013	22,202
Investments	11	5,526,842	4,389,650	242,104	199,841
Property, plant and equipment	12	2,268,218	1,947,378	5,234,666	4,581,352
Intangible assets	13	352,539	324,572	1,859,494	828,195
<b>Total non-current assets</b>		<b>12,930,602</b>	<b>13,224,411</b>	<b>8,413,409</b>	<b>6,302,362</b>
<b>Total assets</b>		<b>20,772,221</b>	<b>20,958,405</b>	<b>21,400,128</b>	<b>20,069,462</b>

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

# MINERVA S.A.

## Statements of financial position In December 31, 2022 and 2021 (In thousands of Brazilian Reals - R\$)

### LIABILITIES AND EQUITY

	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
<b>Current</b>					
Loans and financing	14	1,790,633	1,547,580	2,077,939	1,488,416
Leases	12.b	6,540	9,265	9,677	10,435
Trade payables	15	2,504,315	2,511,018	3,519,543	3,724,242
Payroll, related charges and taxes payable	16	116,306	122,699	373,011	400,727
Other payables	17	1,424,881	1,306,668	2,149,571	1,614,550
<b>Total current liabilities</b>		<b>5,842,675</b>	<b>5,497,230</b>	<b>8,129,741</b>	<b>7,238,370</b>
<b>Non-current</b>					
Loans and financing	14	10,788,701	9,916,964	11,688,535	11,916,289
Leases	12.b	19,603	23,807	28,688	29,272
Payroll, related charges and taxes payable	16	40,147	45,112	40,147	53,179
Provisions for tax, labor and civil risks	19	23,302	27,959	58,886	43,377
Allowances for investment losses	11	2,659,604	3,472,062	-	-
Related parties	10	891,361	1,321,140	-	-
Other payables	17	-	-	11,395	18,524
Deferred taxes	18	-	-	380,241	116,320
<b>Total non-current liabilities</b>		<b>14,422,718</b>	<b>14,807,044</b>	<b>12,207,892</b>	<b>12,176,961</b>
<b>Equity</b>					
	20				
Capital stock		1,619,074	1,616,138	1,619,074	1,616,138
Capital reserve		138,711	118,271	138,711	118,271
Revaluation reserve		45,970	47,518	45,970	47,518
Profit reserves		671,267	353,865	671,267	353,865
Additional proposed dividends		181,314	200,000	181,314	200,000
Treasury shares		(235,396)	(242,768)	(235,396)	(242,768)
Other comprehensive income		(1,914,112)	(1,438,893)	(1,914,112)	(1,438,893)
<b>Total equity attributable to Company's shareholders</b>		<b>506,828</b>	<b>654,131</b>	<b>506,828</b>	<b>654,131</b>
Non-controlling shareholders		-	-	555,667	-
<b>Total equity</b>		<b>506,828</b>	<b>654,131</b>	<b>1,062,495</b>	<b>654,131</b>
<b>Total liabilities and equity</b>		<b>20,772,221</b>	<b>20,958,405</b>	<b>21,400,128</b>	<b>20,069,462</b>

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

# MINERVA S.A.

## Statements of income

For the years ended December 31, 2022 and 2021

(In thousands of Brazilian Reais - R\$, excepted when indicated otherwise)

	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net operating revenue	22	15,780,981	12,113,113	30,977,769	26,965,360
Cost of sales		(12,208,821)	(9,745,007)	(25,240,352)	(22,320,336)
Gross profit		3,572,160	2,368,106	5,737,417	4,645,024
Operating income (expenses):					
Selling expenses	23	(1,078,678)	(676,312)	(2,333,667)	(1,766,570)
General and administrative expenses	23	(548,423)	(432,532)	(1,026,128)	(857,581)
Other operating income (expenses)	23	17,219	1,975	45,613	14,545
Equity in earnings of subsidiaries	11	117,942	799,935	-	-
Income (loss) before financial income (loss) and taxes		2,080,220	2,061,172	2,423,235	2,035,418
Financial expenses	24	(1,922,873)	(1,105,833)	(2,066,939)	(939,685)
Financial revenues	24	152,459	49,605	185,169	75,015
Monetary correction	24	-	-	(155,446)	(179,854)
Exchange rate variation, net	24	46,297	(426,263)	2,090	(405,287)
Net financial result		(1,724,117)	(1,482,491)	(2,035,126)	(1,449,811)
Income before taxes		356,103	578,681	388,109	585,607
Income tax and social contribution - current	18	-	-	(64,808)	(64,918)
Income tax and social contribution - deferred	18	296,430	20,198	331,763	78,190
Net income for the year		652,533	598,879	655,064	598,879
Attributable to:					
Company shareholders		652,533	598,879	652,533	598,879
Non-controlling shareholders		-	-	2,531	-
Net income for the period		652,533	598,879	655,064	598,879
Result per share - R\$:					
Basic earnings per share - R\$	25	1.11557	1.02610	1.11557	1.02610
Diluted earnings per share - R\$	25	1.11557	1.02610	1.11557	1.02610

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

MINERVA S.A.

Statements of comprehensive income  
For the years ended December 31, 2022 and 2021  
(In thousands of Brazilian Reals - R\$)

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net income for the year	652,533	598,879	655,064	598,879
Other comprehensive income to be reclassified to income statement in subsequent period:				
Cumulative translation adjustments	(475,219)	(520,882)	(475,219)	(520,882)
Total comprehensive income, net of taxes	177,314	77,997	179,845	77,997
Comprehensive income attributable to:				
Company shareholders	177,314	77,997	177,314	77,997
Non-controlling shareholders	-	-	2,531	-
Comprehensive income for the year	177,314	77,997	179,845	77,997

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

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated  
For the years ended December 31, 2022 and 2021  
(In thousands of Brazilian Reals - R\$)

	Capital stock	Capital reserve	Revaluation reserve	Profit reserves			Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
				Legal reserve	Statutory reserve	Earnings retention - Art. 196							
Balances as of January 1st, 2022	1,616,138	118,271	47,518	64,799	170,483	118,583	200,000	-	(242,768)	(1,438,893)	654,131	-	654,131
Net income for the year	-	-	-	-	-	-	-	652,533	-	-	652,533	2,531	655,064
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(475,219)	(475,219)	-	(475,219)
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	652,533	-	(475,219)	177,314	2,531	179,845
Capital increase	2,936	-	-	-	-	-	-	-	-	-	2,936	-	2,936
Legal reserve	-	-	-	32,627	-	-	-	(32,627)	-	-	-	-	-
Statutory reserve	-	-	-	-	284,775	-	-	(284,775)	-	-	-	-	-
Equity instruments granted	-	18,292	-	-	-	-	-	-	-	-	18,292	-	18,292
(.) Treasury shares	-	2,148	-	-	-	-	-	-	7,372	-	9,520	-	9,520
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	-	-	-
Payment of proposed additional dividends	-	-	-	-	-	-	(200,000)	-	-	-	(200,000)	-	(200,000)
Interim dividend distribution	-	-	-	-	-	-	-	(128,077)	-	-	(128,077)	-	(128,077)
Mandatory dividends	-	-	-	-	-	-	-	(27,288)	-	-	(27,288)	-	(27,288)
Additional proposed dividend	-	-	-	-	-	-	181,314	(181,314)	-	-	-	-	-
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	553,136	553,136
Balances as of December 31, 2022	1,619,074	138,711	45,970	97,426	455,258	118,583	181,314	-	(235,396)	(1,914,112)	506,828	555,667	1,062,495

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

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated  
For the years ended December 31, 2022 and 2021  
(In thousands of Brazilian Reals - R\$)

	Capital stock	Capital reserve	Revaluation reserve	Profit reserves			Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
				Legal reserve	Statutory reserve	Earnings retention - Art. 196							
Balances as of January 1st, 2021	1,303,984	118,271	49,066	34,855	-	118,583	376,092	-	(242,768)	(918,011)	840,072	-	840,072
Net income for the year	-	-	-	-	-	-	-	598,879	-	-	598,879	-	598,879
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(520,882)	(520,882)	-	(520,882)
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	598,879	-	(520,882)	77,997	-	77,997
Capital increase	312,154	-	-	-	-	-	-	-	-	-	312,154	-	312,154
Legal reserve	-	-	-	29,944	-	-	-	(29,944)	-	-	-	-	-
Statutory reserve	-	-	-	-	170,483	-	-	(170,483)	-	-	-	-	-
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	-	-	-
Payment of proposed additional dividends	-	-	-	-	-	-	(376,092)	-	-	-	(376,092)	-	(376,092)
Interim dividend distribution	-	-	-	-	-	-	-	(200,000)	-	-	(200,000)	-	(200,000)
Additional proposed dividend	-	-	-	-	-	-	200,000	(200,000)	-	-	-	-	-
Balances as of December 31, 2021	1,616,138	118,271	47,518	64,799	170,483	118,583	200,000	-	(242,768)	(1,438,893)	654,131	-	654,131

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

# MINERVA S.A.

## Statements of cash flows - Indirect method For the years ended December 31, 2022 and 2021 (In thousands of Brazilian Reais - R\$)

	Notes	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash flow from operating activities					
Net income for the year		652,533	598,879	655,064	598,879
Adjustments to reconcile net income:					
Depreciation and amortization	12 and 13	205,847	168,450	414,525	346,786
Allowance for expected credit losses	6	2,862	6,819	3,435	7,039
Income on sale of fixed assets		34,207	2,864	71,241	4,955
Fair value of biological assets	8	81,681	(47,767)	44,438	(40,341)
Deferred taxes	18	(296,430)	(20,198)	(331,763)	(78,190)
Equity in earnings of subsidiaries	11	(117,942)	(799,935)	-	-
Finance charges		793,231	745,485	1,222,732	1,013,896
Unrealized exchange rate changes		(9,867)	363,906	(12,654)	543,698
Monetary correction	24	-	-	155,446	179,854
Provision for legal claims	19	(4,657)	(9)	15,509	3,103
Equity instruments granted	20.j	18,291	-	18,291	-
Trade and other receivables		310,674	(461,030)	208,475	(644,620)
Inventories		86,200	(192,811)	524,226	(1,117,331)
Biological assets		(30,620)	(31,346)	(11,375)	(76,389)
Recoverable taxes		180	333,081	45,867	292,082
Court deposits		875	558	189	48
Trade payables		(6,703)	862,208	(283,778)	1,379,649
Payroll, related charges and taxes payable		(11,358)	2,535	(70,995)	69,210
Other payables		90,926	(77,208)	465,819	112,333
Net cash provided from operating activities		1,799,930	1,454,481	3,134,692	2,594,661
Cash flow from investing activities					
Acquisition of investment, net of cash obtained on acquisition			-	(802,618)	-
Additions to investments in subsidiaries and joint ventures		(2,306,927)	(123,749)	(42,263)	(64,336)
Acquisition of intangible assets		(49,260)	(35,995)	(49,672)	(36,283)
Acquisition of property, plant and equipment		(536,782)	(247,122)	(763,591)	(467,902)
Net cash used in investing activities		(2,892,969)	(406,866)	(1,658,144)	(568,521)
Cash flow from financing activities					
Raising of loans and financing		4,205,307	4,425,055	5,745,669	7,031,604
Payments of loans and financing		(3,756,984)	(3,643,278)	(6,923,978)	(8,702,320)
Payments of leases		(9,748)	(10,192)	(13,349)	(11,137)
Related parties		1,646,751	(2,781,578)	-	-
Capital stock increase		2,936	312,154	2,936	312,154
Payment of proposed additional dividends		(200,000)	(383,441)	(200,000)	(383,441)
Distribution of interim dividends		(128,078)	(200,000)	(128,078)	(200,000)
Payment of interest on equity		-	(19,240)	-	(19,240)
Non-controlling shareholders		-	-	55,357	-
Disposal of treasury shares		9,521	-	9,521	-
Net cash provided from (used in) financing activities		1,769,705	(2,300,520)	(1,451,922)	(1,972,380)
Exchange rate changes on cash and cash equivalents		(116,897)	724,789	(255,172)	856,820
Net increase (decrease) in cash and cash equivalents		559,769	(528,116)	(230,546)	910,580
Cash and cash equivalents:					
At the beginning of period		4,894,639	5,422,755	7,302,009	6,391,429
At the end of period		5,454,408	4,894,639	7,071,463	7,302,009
Net increase (decrease) in cash and cash equivalents		559,769	(528,116)	(230,546)	910,580

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

# MINERVA S.A.

## Statement of value added For the years ended December 31, 2022 and 2021 (In thousands of Brazilian Reais - R\$)

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenue	15,286,570	12,062,958	31,191,282	27,906,848
Sales of goods, products and services	15,235,557	12,011,103	31,064,727	27,824,321
Others revenues	51,013	51,855	126,555	82,527
Inputs acquired from third parties (includes taxes amounts - ICMS, IPI, PIS, and COFINS)	(14,234,403)	(11,229,358)	(28,042,015)	(24,897,878)
Cost of products, goods and services sold	(13,040,295)	(10,456,358)	(25,070,699)	(22,567,184)
Materials, electric power, third-party services and other	(1,194,108)	(773,000)	(2,971,316)	(2,330,694)
Gross value added	1,052,167	833,600	3,149,267	3,008,970
Depreciation, amortization and depletion	(205,847)	(168,450)	(414,525)	(346,786)
Net added value generated by the company	846,320	665,150	2,734,742	2,662,184
Net added value by transfer	270,401	849,540	185,169	75,015
Equity in earnings of subsidiaries	117,942	799,935	-	-
Financial income	152,459	49,605	185,169	75,015
Net total added value to be distributed	1,116,721	1,514,690	2,919,911	2,737,199
Distribution of value added	1,116,721	1,514,690	2,919,911	2,737,199
Personnel	310,090	246,568	1,225,024	1,161,093
Taxes, fees and contribution	(359,331)	13,373	240,123	322,493
Capital remuneration from third parties	513,429	655,870	799,700	654,734
Interests	511,799	652,250	791,745	645,257
Rents	1,630	3,620	7,955	9,477
Remuneration of equity capital	652,533	598,879	655,064	598,879
Net income for the year	652,533	598,879	652,533	598,879
Non-controlling interest in retained earnings (consolidation only)	-	-	2,531	-

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

## 1. General information

Minerva S.A. (Company) is a publicly held company listed at the “Novo Mercado” corporate governance segment with shares are traded on “B3” - Bolsa, Brasil, Balcão. The Company’s main activities include the slaughtering of livestock and processing of meat, sale of fresh chilled, frozen and processed meat and the exporting of live cattle.

The Company’s shares are traded on “B3” - Bolsa, Brasil, Balcão, under the ticker symbol “BEEF3” and its Level 1 American Depositary Receipts (ADRs) are traded on the OTC market OTCQX International Premier, a segment of the electronic trading platform operated by the OTC Markets Group Inc., in the United States.

### Parent company

The Company is headquartered at Av. Antônio Manso Bernardes, S/N - Chácara Minerva, in Barretos (SP) and has manufacturing units located in José Bonifácio (SP), Palmeiras de Goiás (GO), Araguaína (TO), Goianésia (GO), Barretos (SP), Campina Verde (MG), Janaúba (MG), Paranatinga (MT), Mirassol D`Oeste (MT) e Rolim de Moura (RO). The distribution centers for the domestic market are located in the cities of Aparecida de Goiânia (GO), Brasília (DF), Cariacica (ES), São Paulo (SP), Araraquara (SP), Belo Horizonte (MG), Maracanaú (CE), Uberlândia (MG) and Cabo de Santo Agostino (PE).

On December 31, 2022, the Company's consolidated industrial park (consolidated) had a daily slaughtering capacity of 29,350 heads and a deboning capacity equivalent to 26,201 heads/day, taking into account the subsidiaries of Athena Foods S.A. (Chile) abroad - in Uruguay (Pulsa S/A and Frigorífico Carrasco S/A), in Colombia (Red. Cárnica S.A.), in Paraguay (Frigomerc S/A) and in Argentina (Pul Argentina S.A. parent company of Swift Argentina S.A.). All plants are compliant with sanitary requirements applicable to exports to countries across the five continents. The Barretos manufacturing unit (SP) has a beef processing line (“cubedbeef” and “roastbeef”), which is mainly intended for exports.

### Direct and indirect subsidiaries

#### Direct subsidiaries located in Brazil

- Minerva Dawn Farms S.A. (Minerva Fine Foods): located in Barretos (SP), this unit started operations in 2009. to produce, in varying scales, and sell beef, pork and poultry products meeting domestic and foreign demand in the “Food Services” segment;

## MINERVA S.A.

Notes to the individual and consolidated financial statements  
For the period ended December 31, 2022 and 2021  
(Amounts in thousands of reais - R\$, unless otherwise stated)

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- CSAP - Companhia Sul Americana de Pecuária S.A.: located in Barretos (SP), this unit started operations in 2014 to mainly engage in livestock and farming, by breeding and selling live cattle, lambs, pigs and other live animals;
- Minerva Comercializadora de Energia Ltda.: located in São Paulo (SP), this unit started operations in 2016 and is mainly engaged in trading and selling electric power;
- Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior: started its activities in 2020 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary MF 92 Ventures LLC;
- MYCarbom3 Ltda.: Created in 2021, it is a subsidiary that aims to support companies in meeting their goals of neutralizing greenhouse gas emissions through carbon offsetting, in a transparent, reliable and sustainable manner. The company develops projects, originates and sells carbon credits, in line with international standards, creating financial opportunities for the preservation of nature, accelerating action to combat climate change and promoting a low-carbon future. In 2021, being headquartered in Brazil, its main activity is the trading of carbon credits; and
- Fundo de Investimento em Quotas de Fundo de Investimentos Multimercado Portifólio 1839: started its activities in 2021 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior;

### Direct foreign subsidiaries:

- Athena Foods S.A.: Based in Santiago, Chile (CL), Athenas Foods S.A. started operations in 2018 primarily to manage equity interests and own assets in Mercosur. The company has the following direct subsidiaries: Pulsa S.A. (UY), Frigorífico Carrasco S.A. (UY), Frigomerc S.A. (PY), Pul Argentina S.A. (AR), Red Cárnica S.A.S (CO), Red Industrial Colombiana S.A.S (CO), and Minerva Foods Chile SPA (CL);
- Lytmer S.A.: located in Montevideo, Uruguay (UY), engaged in selling live cattle to the foreign market and trading food products;
- Friasa S.A.: located in Asunción, Paraguay (PY);
- Minerva Middle East: office located in Lebanon to market and sell the Company's products;
- Minerva Colômbia SAS: Based in Ciénaga de Oro, next to Montería, in the Córdoba region, Colombia, mainly engaged in the sale of livestock to the foreign market;
- Minerva Live Cattle Export SPA: located in Santiago, Chile, primarily engaged in selling live cattle to the foreign market;
- Minerva Meats USA.: located in Chicago (USA), this unit started operations in 2015 and is mainly engaged in trading food products;

Notes to the individual and consolidated financial statements  
For the period ended December 31, 2022 and 2021  
(Amounts in thousands of reais - R\$, unless otherwise stated)

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- Minerva Austrália Holdings PTY Ltd.: Located in Brisbane (Australia), this unit started operations in 2016 and has Minerva Ásia Foods PTY Ltd. as its direct subsidiary;
- Minerva Europe Ltd.: Based in London, England, this unit started operations in 2017 and is mainly engaged in trading food products;
- Minerva Foods FZE: Based in the Arab Emirates, the company started operations in 2020 and is mainly engaged in trading food products;
- Athn Foods Holdings S.A: Started its activities in 2021 and is headquartered in Spain, its main activity is the management of equity interests and the administration of its own assets;
- Fortuna Foods PTE. LTD.: Started its activities in 2021 being headquartered in Singapore, its main activity is the management of equity interests and administration of own assets.

Indirect foreign subsidiaries:

- Pulsa S.A.: meatpacking company acquired in January 2011, located in the Province of Cerro Largo, near the capital Melo, in Uruguay (UY). Engaged in slaughtering and deboning activities, with 85% of its sales intended for the foreign market, primarily the North American and the European markets;
- Frigorífico Canelones S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Pulsa S.A., located in Canelones, Uruguay (UY). Engaged in the cattle slaughtering and deboning and processing of meat, especially fresh chilled and frozen meat for exports;
- Frigorífico Carrasco S.A.: meatpacking company acquired in April 2014, located in Montevideo, Uruguay (UY). Engaged in slaughtering, deboning and processing beef and sheep meat, with approximately 68% of its sales intended for the foreign market;
- Frigomerc S.A.: Meatpacking company acquired in October 2012, located in Asunción, Paraguay (PY), engaged in slaughtering, deboning and processing activities, operating in the domestic and foreign markets;
- BEEF Paraguay S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- Indústria Paraguaya Frigorífica S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- Pul Argentina S.A.: Based in Buenos Aires, Argentina, the company started activities in 2016 and has Swift Argentina S.A. as its direct subsidiary;
- Swift Argentina S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Pul Argentina S.A. located in Buenos Aires (AR) to process and produce meat and sell own and third parties' brands, especially Swift products;

Notes to the individual and consolidated financial statements  
For the period ended December 31, 2022 and 2021  
(Amounts in thousands of reais - R\$, unless otherwise stated)

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- Red. Cárnica SAS: a meatpacking company acquired in July 2015, located in Ciénaga de Oro, near Montería, Córdoba region, in Colombia (CO) having also acquired on August 5, 2020 an industrial plant belonging to Vijagual meatpacking located in Bucaramanga in the department of Santander in Colombia (CO). They operate in slaughter, deboning and processing activities in the domestic and foreign markets;
- Red. Industrial Colombiana SAS: plant acquired in July 2015, located in Ciénaga de Oro, near Montería, in the Córdoba region, Colombia (CO), whose main purpose is the preparation of products for animals, specifically, meat/bone meal, blood and tallow;
- Minerva Foods Chile SPA: Located in Santiago, Chile, primarily engaged in trading and selling the Company's products;
- Minerva Ásia Foods PTY Ltd: this unit is mainly engaged in trading food products;
- MF 92 Ventures LLC: Located in the United States, this unit started operations in 2020 and is mainly engaged in holding investments;
- Minerva Australia PTY Ltd: lamb slaughter house purchased in 2021, located in Esperance and Tammin in Australia. Operates in the slaughter, desisa and processing of lamb meats, acting in the domestic and foreign market;
- Australian Lamb Company Pty Ltd: lamb slaughterhouse acquired in October 2022, located in Sunshine and Colac in Australia. Operates in the slaughter, deboning and processing of lamb meat, operating in the domestic and foreign markets.

#### Cargo transportation

- Transminerva Ltda.: located in Barretos (SP), it is engaged in cargo transportation to support the Company, reducing its freight expenses in Brazil.

#### Special Purpose Entities (SPE) for fundraising

- Minerva Overseas I: located in the Cayman Islands, it was incorporated in 2006 to issue Bonds and receive the respective financial resources, totaling US\$200 million, in January 2007;
- Minerva Overseas II: Located in the Cayman Islands, it was incorporated in 2010 to issue Bonds and receive the respective financial resources, totaling US\$250 million, on that date;
- Minerva Luxembourg S.A.: located in Luxembourg, incorporated in 2011 for the specific purpose of issuing "Bonds" and receiving financial.

## MINERVA S.A.

### Notes to the individual and consolidated financial statements For the period ended December 31, 2022 and 2021 (Amounts in thousands of reais - R\$, unless otherwise stated)

#### Other subsidiaries in pre-operational stage

- Minerva Log S.A. (logistics).

The direct and indirect subsidiaries mentioned above are included in the Company's individual and consolidated financial statements. The equity interest in each subsidiary is as shown below:

	12/31/2022	12/31/2021
Direct subsidiaries		
Minerva Dawn Farms S.A.	100.00%	100.00%
Friasa S.A.	-	99.99%
Minerva Overseas I	100.00%	100.00%
Minerva Overseas II	100.00%	100.00%
Minerva Middle East	100.00%	100.00%
Transminerva Ltda.	100.00%	100.00%
Minerva Log	100.00%	100.00%
Minerva Colômbia S.A.S	100.00%	100.00%
Lytmer S.A.	100.00%	100.00%
Minerva Luxembourg S.A.	100.00%	100.00%
Minerva Live Cattle Export Spa	100.00%	100.00%
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	100.00%
Minerva Meats USA Inc.	100.00%	100.00%
Minerva Comercializadora de Energia Ltda	100.00%	100.00%
Minerva Australia Holdings PTY Ltd	100.00%	100.00%
Minerva Europe Ltd.	100.00%	100.00%
Minerva Venture Capital Fundo de Investimento em Participações		
Multiestratégicas - Investimento no Exterior	100.00%	100.00%
Minerva Foods FZE	100.00%	100.00%
Athena Foods S.A.	100.00%	100.00%
Athn Foods Holdings S.A.	100.00%	100.00%
Fortuna Foods PTE. LTD.	100.00%	100.00%
Fundo de Investimento em Quotas de Fundo de Investimento		
Multimercado Portifolio 18939	100.00%	100.00%
	12/31/2022	12/31/2021
Indirect subsidiaries		
Frigorífico Carrasco S.A.	100.00%	100.00%
Minerva Foods Chile Spa	100.00%	100.00%
Red Cárnica S.A.S	100.00%	100.00%
Red Industrial Colombiana S.A.S	100.00%	100.00%
Pulsa S.A.	100.00%	100.00%
Frigorífico Canelones S.A.	100.00%	100.00%
Frigomerc S/A	100.00%	100.00%
BEEF Paraguay S.A.	99.99%	99.99%
Industria Paraguaya Frigorífica S.A.	99.99%	99.99%
Pul Argentina S.A.	100.00%	100.00%
Swift Argentina S.A.	99.99%	99.99%
Minerva Ásia Foods PTY Ltd	100.00%	100.00%
MF 92 Ventures LLC	100.00%	100.00%
Minerva Australia PTY Ltd	65.00%	65.00%
Australian Lamb Company Pty Ltd	65.00%	-

#### Hyperinflationary economy - Argentina

On June 30, 2018, according to the assessment carried out by different market participants, the Argentine economy was considered hyperinflationary since July 1, 2018, as a result of the devaluation of the Argentine peso and the increase in the general price level observed in recent periods. For the year ended December 31, 2022, inflation is estimated at around 100%.

In accordance with IAS 29, (CPC 42), non-monetary assets and liabilities, equity and the income statement of subsidiaries operating in a highly inflationary economy must be restated for the changes in the pricing power of the functional currency by applying a general price index.

We concluded that the effects of this hyperinflationary impact, certainly not relevant, arising from our Argentinean subsidiaries, were initially determined on a consistent basis and accounted for in our individual and consolidated financial statements for the year ended December 31, 2018.

#### Covid-19

##### Economic impacts

The pandemic forced the Company to make adjustments to its facilities, as well as to incur some expenses related to the acquisition of PPE, employee testing and community support initiatives, related to donations of equipment, food and health and personal hygiene utensils. Until December 31, 2022, there were no significant amounts of expenses related to COVID-19 (R\$ 30,992 on December 31, 2021).

Regarding operations, there was a substantial drop in purchases from the "food service" segment in Brazil and Europe, which were offset by increases in foreign sales to Asian countries, with emphasis on China. Company reached R\$ 32,897,959 on December 31, 2022 (R\$ 28,572,294 on December 31, 2021). In 2022, exports reached 68.56% of gross revenue (67.59% on December 31, 2021), keeping the Company as the leader in beef exports in South America.

Additionally, the Company remains committed to financial discipline and the search for a less onerous capital structure, with a lower risk profile, having reduced indebtedness in the fourth quarter of 2022.

Despite a scenario of uncertainties resulting from the pandemic, the Company's management prioritized identifying risks, assessing impacts and adapting operations. All our efforts were directed towards ensuring the supply of products, while protecting our employees and supporting our customers and suppliers.

The Company continues to contribute to the fight against the new Coronavirus, through solidarity actions, donations and support for our communities. The Company's Management evaluated, based on the available information, the impacts caused by Covid-19 on the Company's individual and consolidated operations and financial position on December 31, 2022 and concluded that, to date, there are no relevant updates to be disclosed.

#### ESG

The Company's management has carried out all its planning and actions aimed at the continuity of its business, thus assessing that it is able to make all resources available for the continuity of its operations, including evaluating the impacts of COVID-19 and the environmental impacts of its operation and climatic/environmental effects that may impact the Company with structural and non-structural actions aimed at mitigating its effects.

The fourth quarter of 2022 recorded, once again, advances in the ESG agenda, in line with the Commitment to Sustainability announced in 2021. The commitment focused on the environmental pillar 'Dedication to the Planet' has three main axes: environmental efficiency in operations; fight against illegal deforestation; and development of the Renew program, aimed at low carbon emissions in the value chain. All goals are aligned with one of the five values of the Company Culture - Sustainability.

The Company's pioneering spirit in combating illegal deforestation in the supply chain in Latin America was highlighted during this period the advance in geographic monitoring to more than 80% of farms that directly supply operations in Colombia. In Uruguay, the Company continues with a study on local socio-environmental legislation and geographic diagnosis, with the aim of analyzing the size of rural properties in different regions of Uruguayan territory and the applicable parameters for geospatial monitoring. The work has been carried out in collaboration with the local cattle purchasing team and the company Niceplanet Geotecnologia.

The effectiveness of the geomonitoring system used by the Company was once again proven through third-party audits carried out in 2022. In the last quarter, it was disclosed that Minerva Foods achieved 100% compliance with the Conduct Adjustment Term (TAC) of the Pará, the only audit under the supervision of the Federal Public Ministry, maintaining one of the best results among the main players in the market, and also registered 100% compliance in the third third party audit carried out in Paraguay.

In addition, after launching the SMGeo Prospec application at the end of 2021, developed in partnership with Niceplanet Geotecnologia, which gives rural producers access to the same analysis technology on socio-environmental compliance that the industry adopts, the Company focused its efforts on engaging of its direct suppliers and training on the use of the tool during field visits. More than 700 vouchers were distributed free of charge for livestock partners to carry out socio-environmental analyses, encouraging them to verify the compliance of their own suppliers.

The Renove program also advanced, in a pioneering way, in the generation and sale of carbon credits from agriculture in Brazil. To this end, technical cooperation agreements were signed with livestock farmers that supply the Company, confirming the interest of both parties in converting conventional livestock management practices into regenerative practices that increase productivity and remove or reduce greenhouse gas emissions (GHG). The farms, located in six Brazilian states, are being evaluated in the field by the program's technical team, with a view to recovering degraded pasture, implementing integrated systems – Crop-Livestock-Forest Integration (ILPF) – and the use of food additives in animal feed for the reduction of enteric methane. To make the implementation of these practices feasible, partnerships were established with large input, financing and technological innovation companies, committed to this common objective: a highly productive agricultural sector with low carbon emissions.

MINERVA S.A.

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Also within the program, the Company carried out the first export of a certified carbon neutral product from operations in the Brazil, the same had already been in Uruguay. With the inclusion of the 'CO<sub>2</sub> Neutral' seal, granted by an independent organization with certification systems in more than 100 countries, the Company can ensure the compensation of greenhouse gas emissions from the entire meat production process, that is, from farm emissions to industry emissions and all logistics emissions. Furthermore, it is known that just offsetting emissions is not enough. The emissions compensation necessary to neutralize the entire process was transacted by MyCarbon, a subsidiary of the Company, through carbon credits from tree planting and forest preservation projects.

At the institutional level, the Company's environmental performance was analyzed in the Carbon Disclosure Project (CDP) and maintained the management level, reached in 2021, in the three project questionnaires: climate change, forests and water security. The 2021 result included the Company in the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70). For the third consecutive year, the Company was also listed in the 2022/2023 portfolios of the Corporate Sustainability Index (ISEB3) and the Carbon Efficient Index (ICO2B3), both of the Brazilian stock exchange B3.

## 2. Acquisition of shares in companies (Business combination)

### Australian Lamb Company Pty Ltd

On October 20, 2022, its subsidiary Minerva Foods Australia Pty Ltd acquired 100% of the share capital of Australian Lamb Company Pty Ltd, and after the conclusion of the "Due Diligence" on October 31, 2022, it signed the "Purchase Sale of shares", starting to hold control of said company from that date. The Company holds an indirect interest of 65% in this investee, with the remaining 35% belonging to SALIC. Therefore, the Company is responsible for 65% of the consideration described below.

The purchase was completed for the total amount of AUD\$ 400,000 million (equivalent to R\$ 1,344,760 on October 31, 2022), with AUD\$ 5,000 million (equivalent to R\$ 16,809 on October 31, 2022) deducted as capital and following the financial payment schedule.

- 1st Installment - Cash - AUD\$ 283,000 million: paid upon acquisition of the company, which took place on October 20, 2022;
- 2nd Installment - AUD\$72,000 million to be paid in February 2023;
- 3rd Installment - AUD\$40,000 million that will be withheld and released on four dates as shown below:
  - ✓ AUD\$10 million in 2023;
  - ✓ AUD\$10 million in 2024;
  - ✓ AUD\$10 million in 2025; and
  - ✓ AUD\$10 million in 2026.

"Australia Lamb" has a daily slaughtering and deboning capacity of 19,216 heads.

MINERVA S.A.

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The following are the combined balance sheet accounts of Australian Lamb Company Pty Ltd as at 31 October 2022 impacted by the fair value measurement effect:

	<u>Book account</u>	<u>FVA</u>	<u>Fair Value</u>
Current assets			
Cash and cash equivalents	27,550	-	27,550
Trade receivables	198,429	-	198,429
Inventories	67,399	-	67,399
Other receivables	6,616	-	6,616
Non-current assets			
Net fixed assets	225,012	147,789	372,801
Intangibles - Customer Relationship	-	211,800	211,800
Intangibles - Contract with Clients	-	174,819	174,819
Intangible - Relationship Suppliers	-	117,667	117,667
Intangible - Brand	-	67,238	67,238
Intangible - Non-competition	-	3,362	3,362
Current liabilities			
Loans and financing - Current	(884)	-	(884)
Suppliers	(79,079)	-	(79,079)
Labor and tax obligations	(23,833)	-	(23,833)
Other payables	(33,963)	-	(33,963)
Non-current liabilities			
Loans and financing - non-current	(709)	-	(709)
Installment tax obligations	(4,821)	-	(4,821)
Deferred tax liabilities	-	(172,465)	(172,465)
Other payables	(817)	-	(817)
Net Assets	<u>380,900</u>	<u>550,210</u>	<u>931,110</u>

Below we present the calculation of goodwill, on October 31, 2022:

	<u>Fair Value</u>
Consideration - Controller	863,169
Fair Value - Non-controlling	<u>464,783</u>
Total Consideration	1,327,952
(-) Net Assets	(931,110)
Goodwill	<u><u>396,842</u></u>

Fair values were obtained through fair value measurement techniques prepared by an independent specialized company hired to support Management's conclusion, resulting in an adjustment to the fair value of property, plant and equipment of R\$ 147,789, assessed using the cost method, as well as intangible assets in the total amount of R\$574,886, appraised using traditional methods derived from the income approach.

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The non-controlling interest was calculated using the fair value method, which was based on the price paid for the acquisition, which corresponds to the fair value calculated using the discounted cash flow method, on the base date, according to the purchase price allocation report.

Revenue included in the consolidated income statement between 1 November and 31 December 2022 includes the amount of revenue generated by Australia Lamb of R\$ 298,863. ALC also contributed a profit of R\$ 27,664 in the same period.

If Australia Lamb had been consolidated from January 1, 2022, the consolidated income statement would show pro forma net income of R\$ 2,227,092 and pro forma EBITDA of R\$ 322,408. This information on net revenue and income was obtained by simply adding the acquired amounts to the Company's consolidated income and does not represent the actual consolidated amounts for the year.

- ✓ Exchange rate AUD 3.3619 - Ptax of sale (Source Central Bank).

### 3. Basis of preparation

#### Statement of compliance (with IFRSs and CPC standards)

The individual and consolidated financial statements were prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the provisions contained in the Brazilian Corporation Law, rules of the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements of the Accounting Pronouncements Committee ("CPC"), as well as international accounting standards (International Financial Reporting Standards), or "IFRS" issued by the International Accounting Standards Board ("IASB").

The Company's individual and consolidated financial statements are being presented in accordance with Technical Guidance OCPC 07, which deals with the basic requirements for preparation and disclosure to be observed when disclosing the accounting and financial reports, especially those contained in the explanatory notes. Management confirms that all relevant information specific to the individual and consolidated financial statements is being evidenced and that this corresponds to those used in its management.

The presentation of the statement of Added Value (DVA), individual and consolidated, is required by the Brazilian Corporate Law and the accounting practices adopted in Brazil applicable to publicly-held companies, in accordance with CPC 09 - Statement of Added Value. IFRS standards do not require the presentation of this statement. As a result, under IFRS, this statement is presented as supplementary information, without prejudice to the set of individual and consolidated financial statements.

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The individual and consolidated financial statements are presented in Brazilian reais (R\$), which also is the Company's functional currency.

The significant accounting policies adopted in preparing the individual and consolidated financial statements are summarized below. These accounting policies were applied consistently to all years reported, unless stated otherwise.

The individual and consolidated financial statements were approved for issue by the Company's Management on February 23, 2023.

#### 4. Summary of significant accounting policies

##### a) Basis of measurement

The individual and consolidated financial statements have been prepared using historical cost as the basis of value, except for recognized revaluations and for the valuation of certain assets and liabilities such as financial instruments and biological assets, which are measured at fair value.

##### b) Functional and presentation currency

The financial statements of each subsidiary included in the Company's consolidation and those used as a basis for valuing investments using the equity method are prepared using the functional currency of each entity. An entity's functional currency is the currency of the primary economic environment in which it operates.

When defining the functional currency of each of its subsidiaries, Management considered the currency that significantly influences the sales price of its products and services, and the currency in which most of the cost of its production inputs is paid or incurred.

The financial statements are presented in reais (R\$), which is the parent company's functional and presentation currency. All accounting information is presented in thousands of reais, unless otherwise stated.

##### c) Foreign operations

The foreign direct and indirect subsidiaries adopted the following functional currencies for the Financial Statements as of December 31, 2022:

- Guarani currency (Paraguai-PY) - Friasa S.A.;
- US dollar currency (US\$) - Athena Foods S.A., Frigomerc S.A., Pulsa S.A., Frigorífico Carrasco S.A., Lytmer S.A.; Minerva Overseas I, Minerva Overseas II, Minerva Meat USA, Minerva USA LLC, Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior, MF92 Venture LLC e Minerva Luxembourg;
- Currency Pound Sterling (GBP) - Minerva Europe Ltd.;

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- Peso/chilean currency - Minerva Foods Chile SpA e Minerva Live Cattle Export SPA;
- Peso/Colombian currency - Minerva Colômbia S.A.S, Red Cárnica S.A.S e Red Industrial Colombiana S.A.S;
- Australian dollar currency - Minerva Austrália Holdings PTY Ltd.; Minerva Asia Foods PTY Ltd.; Minerva Australia PTY Ltd
- Peso/argentinian - Pul Argentina S.A.
- Euro - Athn Foods Holdings S.A.
- Singapore dollar currency: Fortuna Foods PTE. LTD.

The individual and consolidated financial statements, when applicable, are adjusted to conform to the accounting practices adopted in Brazil and translated into Brazilian reais (R\$) by applying the following procedures:

- Monetary assets and liabilities are translated using the closing rate of the respective currency for the Brazilian real (R\$) at the end of the respective balance sheets;
- In the last balance sheet corresponding to equity translated at the historical exchange rate prevailing at that time and the changes in equity for the current period/year are translated at the historical exchange rates on the dates of the transactions, and the profit earned or loss incurred is translated and accumulated at an average historical monthly exchange rate, as indicated in the topic below;
- Revenues, costs and expenses for the current year are translated and accrued at an average historical monthly exchange rate;
- The changes in foreign exchange balances arising from the items above are recognized in a specific equity account, under "Other comprehensive income":
- The balances of investments, assets and liabilities, revenues and expenses from transactions between "Minerva Group" companies included in the consolidated financial statements are eliminated.

d) Foreign currency-denominated transactions and balances

Transactions and balances in foreign currency, that is, all transactions that are not carried out in the established functional currency, are converted at the historical exchange rate of the dates of each transaction, as determined by CPC 02 (R2) - Effects of changes in exchange rates and conversion of statements.

Assets and liabilities subject to exchange variation are updated at the rates of the respective currencies in force on the last working day of each period presented. Gains and losses arising from changes in investments abroad are recognized directly in the equity in the "other comprehensive results" and recognized in the income statement when such investments are divested, in whole or in part.

Non-monetary items that are measured in terms of historical costs in foreign currency are converted at the exchange rate calculated on the transaction date.

e) Use of estimates and judgment

The preparation of the individual and consolidated financial statements in conformity with IFRS and CPC standards requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions related to accounting estimates are recognized in the year in which estimates are revised and in any affected future periods.

f) Basis of consolidation

Business combinations

Acquisitions completed on or after January 1, 2009

For acquisitions made as of or after January 01, 2009, the Company measured goodwill as the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquired company, less the net recognized value of the identifiable assets and liabilities assumed at fair value, all measured as at the acquisition date.

For each business combination, the Company assesses if it will measure the non-controlling interests at their fair value or based on the proportionate equity interest of the noncontrolling interests on the identifiable net assets determined on the acquisition date.

Transaction costs, whether or not associated to the issuance of debt securities or equity securities, incurred by the Company and its subsidiaries on a business combination, are recognized as expenses as they are incurred.

Subsidiaries and jointly controlled subsidiaries

The subsidiaries' financial statements are included in the consolidated financial statements from the date the inspection starts until the date on which the inspection ceases to exist.

Transactions eliminated in consolidation

Balances and transactions between the companies of the "Group", and any revenues or expenses derived from intragroup transactions, are eliminated in the preparation of consolidated financial statements. Unrealized gains arising from transactions with invested companies registered by equity are eliminated against the investment in proportion to the Company's participation in the investees. Unrealized losses are not eliminated in the same way as unrealized gains are eliminated, but only to the extent that there is no evidence of loss by reduction in recoverable value.

g) Cash and cash equivalents and securities and real estate values

Cash and cash equivalents include cash, bank deposit and accounting applications of immediate liquidity. See Explanatory Note No. 4 for further details of the cash and cash equivalents of the Company and its subsidiaries.

h) Financial instruments

The financial instruments of the Company and its subsidiaries are in accordance with the accounting pronouncement adopted as of January 1, 2018, CPC 48 - Financial Instruments, in which all assets and liabilities are recorded according to their practice.

Financial assets

Financial assets are classified under the following categories: assets measured at amortized cost; fair value through income, or fair value through other comprehensive results. The assets are classified according to the definition of the business model adopted by the Company and the cash flow characteristics of the financial asset.

Recognition and measurement

The Company classifies its financial assets on initial recognition into three categories:

- (i) Assets measured at amortized cost;
  - (ii) Fair value through profit or loss;
  - (iii) Fair value through Other comprehensive income
- Amortized cost: Assets should be measured at amortized cost if both of the following conditions are met: i) the financial asset is held within the business model whose objective is to hold assets in order to collect contractual cash flow; and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company should recognize its interest income, exchange gains and losses, and impairment directly in profit or loss.
  - Fair value through profit or loss: Financial assets should be measured at fair value through profit or loss only if they may not be classified as assets measured at amortized cost or fair value through other comprehensive income. The Company should recognize its interest income, exchange gains and losses, and impairment together with other net profit or loss, directly in profit or loss;

- Fair value through other comprehensive income: Financial assets should be measured at fair value through comprehensive income only if the following conditions are met: i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash when contractual cash flows are collected from the sale of financial assets; and ii) the contractual terms of the financial asset give rise on specified dates to interest on the principal amount outstanding.

Assets measured at fair value through other comprehensive results are classified into two categories: i) debt instruments: interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the result. Other net results are recognized directly in the Company's shareholders' equity, in "Other comprehensive results". In the waiver of recognition, the accumulated result in other comprehensive results is reclassified to the result; or (ii) equity instruments are measured at fair value. Dividends are recognized as gain in income, unless the dividend clearly represents a recovery of part of the cost of the investment.

Other net results are recognized directly in the Company's shareholders' equity, in "other comprehensive results" and are never reclassified to the result.

The fair values of investments with public quotation are based on current purchase prices. If the market for a financial asset (and securities not listed on the Stock Exchange) is not active, the Company establishes fair value through valuation techniques.

These techniques include the use of recent operations contracted with third parties, reference to other instruments that are substantially similar, analysis of discounted cash flows and pricing models of options that make the greatest possible use of information generated by the market and count as little as possible with information generated by the management of the entity itself.

Regular purchases and sales of financial assets are recognized on the trading date, i.e. the date on which the Company undertakes to buy or sell the asset.

- Derecognition of financial assets: financial assets are lowered when the rights to receive cash flows from investments have expired or have been transferred; in the latter case, provided that the Company has significantly transferred all the risks and benefits of the property. If the entity substantially owns all the risks and benefits of ownership of the financial asset, it shall continue to recognize the financial asset.

#### Financial liabilities

Financial liabilities are classified under the following categories: financial liabilities at amortized cost or fair value through income. Management determines the classification of its financial liabilities in the initial recognition.

- Financial liabilities at amortized cost: the Company shall classify all its financial liabilities as amortized cost except financial liabilities classified at fair value through income, passive derivatives and guarantee contracts. Other financial liabilities are measured at the amortized cost amount using the effective interest method. Interest expenses, gains and exchange losses are recognized in the income. The Company has the following non-derivative financial liabilities: loans, financing and debentures and suppliers;
- Financial liabilities at fair value through income: financial liabilities classified in the fair value category through income are financial liabilities held for trading or those designated in the initial recognition. Derivatives are also categorized as held for trading and are thus classified in this category, unless they have been designated as effective hedging instruments. Gains and losses related to financial liabilities classified at fair value through income are recognized in income.
- Derecognition of financial liabilities: financial liabilities are lowered only when it is extinguished, i.e., when the obligation specified in the contract is settled, cancelled or expires. The Company also waives the recognition of a financial liability when terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

#### Offset of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally applicable right to offset the recognized amounts and there is an intention to liquidate them on a net basis, or realize the asset and settle the liability simultaneously.

#### Derivative financial instruments

The fair value of derivative financial instruments is calculated by the Company's treasury based on the information of each contracted transaction and their respective market information on the closing dates of the financial statements, such as interest rate and foreign exchange coupon. Where applicable, such information is compared with the positions informed by the operating tables of each financial institution involved.

Transactions with derivative financial instruments, contracted by the Company and its subsidiaries, are summarized in ox futures contracts, options on ox contracts and non-term purchase forward (NDF), which aim exclusively to minimize the impacts of the oscillation of the price of the bovine ate in the result and the protection against foreign exchange risks associated with positions in the balance sheet plus the cash flows projected in foreign currencies.

#### Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair values at the commencement of the derivative agreement and are subsequently remeasured at fair value, whose changes in fair value are recorded in profit or loss.

Although the Company uses derivatives for hedging purposes, it did not choose the hedge accounting method. This accounting method is optional and, therefore, not mandatory.

#### i) Trade receivables

They are presented to present and realization values, and the receivables of customers in the foreign market are updated based on the exchange rates in force on the date of the individual and consolidated financial statements. Expected Losses with Doubtful Accounts (PECLD) are constituted in an amount considered sufficient by management with the monitoring of overdue credits and duplicates and the risk of not receiving the amounts arising from long-term sales operations.

#### j) Inventories

Inventories are measured at the lowest value between cost and net realisable value, adjusted to market value and by any losses, when applicable. It includes expenses incurred in purchasing inventories, production and processing costs, and other costs incurred in bringing them to their existing locations and conditions.

#### k) Biological assets

Biological assets are measured at fair value less selling expenses at the time of initial recognition and at the end of each period. Changes in fair value are recognized in the profit or loss under cost of goods sold. Agricultural activities, such as increased herd stemming from cattle or cattle feedlot operations and from various agricultural crops, are subject to the determination of their fair values based on the concept of market value "Mark to market - MtM".

l) Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at the historical purchase or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses.

The cost of certain items of the property, was calculated by reference to the revaluation carried out on a date prior to the enactment of Law No. 11,638/2007, in force since January 1, 2008, thus not being necessary at the time to evaluate the deemed cost assigned (Cost).

The cost includes expenses that are directly attributable to the acquisition of an asset. The cost of assets built by the Company itself and its subsidiaries includes the cost of materials and direct labor, any other costs to place the asset on the spot and condition necessary for them to be able to operate in the manner intended by management. Borrowing costs on qualifying assets have been capitalized since January 1, 2009.

The rights that have as object tangible assets intended for the maintenance of the activities of the Company and its subsidiaries, originated from leasing operations, are recorded as a right of use recognizing at the beginning of each operation a fixed asset and a financing liability, and the assets are also subject to depreciation calculated according to the estimated useful lives of the respective assets or lease term.

Gains and losses on disposal of an item of the asset are determined by comparing the proceeds arising from the disposal with the net book value of the asset and are recognized net within other income/expenses in profit or loss.

Depreciation

Depreciation is recognized in the result, based on the linear method based on the estimated useful lives of each part of an asset item, since this method is the closest to reflect the pattern of consumption of future economic benefits incorporated into the asset.

The average useful lives estimated by the Company's Management, supported by technical studies for the current and comparative year are as follows:

	Parent company (annual rate)	Consolidated (annual rate)
Buildings	3.17%	2.61%
Machinery and equipment	8.94%	8.35%
Furniture and fixtures	10.85%	9.40%
Vehicles	7.15%	6.90%
Computer hardware	21.45%	19.17%

The depreciation methods, useful lives, and residual values are updated and revised at a minimum each year end, and any adjustments are recognized as changing accounting estimates.

The balance of the revaluation reserve, as provided by the 11,638/07 and mentioned in Note 20, will be maintained until its full amortization, by full depreciation or disposal of the assets.

m) Leases

Contracts are considered as leases when meeting both of the following conditions:

- An identifiable asset specified explicitly or implicitly. In this case, the supplier does not have the practice of replacing the asset, or the replacement would not bring any economic benefit to the supplier;
- The right to control the use of the asset during the contract. In this case, the Company must have authority to make decisions about the use of the asset and the ability to substantially obtain all economic benefits by using the asset.

The right-of-use asset is initially measured at cost and comprises the initial amount of lease liabilities adjusted for any payment made prior to the commencing of the contract, added to any initial direct cost incurred and cost estimate of disassembly, removal, restoration of the asset at the location where it is located, minus any incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the useful life of the right of use or the end of the lease term.

The lease liability is initially measured at the present value of unmade payments, discounted at the incremental loan rate. The lease liability is subsequently measured at the amortized cost using the effective interest method.

A lessee recognizes a right-of-use asset that represents his right to use the leased asset and a lease liability that represents his obligation to make lease payments. Optional exemptions are available for short-term rentals and low-value items.

n) Intangible

Intangible assets acquired separately are measured in the initial recognition at acquisition cost and subsequently deducted from accumulated amortization and recoverable value losses, where applicable.

Intangible assets with defined useful life are amortized according to their estimated economic useful life and, when indications of loss of their recoverable value are identified, submitted to recoverable value assessment test. Intangible assets with an indefinite useful life are not amortized but are subject to annual test to reduce their recoverable value.

#### Goodwill on acquisition of subsidiaries

Goodwill represents the excess of acquisition cost over the net fair value of assets acquired, liabilities assumed and identifiable contingent liabilities of a subsidiary, jointly-controlled entity, or associate, on the respective acquisition date. Goodwill is recorded as an asset and included in the accounts "Investments accounted for by the equity method", in the parent company, and "Goodwill", in the consolidated.

#### o) Impairment test

##### Financial assets

The Company annually assesses whether there is any objective evidence that determines whether the financial asset or group of financial assets is not recoverable. A financial asset or group of financial assets is considered as non-recoverable when there is an indication of loss of economic value of the asset.

##### Non-financial assets

Management periodically reviews the net book value of the assets, with the objective of evaluating events or changes in economic, operational or technological circumstances that may indicate deterioration or loss of their recoverable value. If such evidence is identified, and it is verified that the net book value exceeds the recoverable value, it is immediately constituted provision for devaluation, adjusting the net book value to its recoverable value.

The recoverable value of an asset, or a given Cash Generating Unit (UCG), is defined as the largest between the value in use and the net selling value.

In estimating the value in use of the asset, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the weighted average cost of capital for the industry in which the cash generating unit operates.

The net selling value is determined, where possible, on the basis of a firm sales contract in a transaction on a commutative basis, between knowledgeable and interested parties, adjusted for expenses attributable to the sale of the asset, or, where there is no firm sales contract, based on the market price, defined in an active market, or the price of the most recent transaction with similar assets.

The following criterion is also applied to assess loss by reduction to recoverable value of specific assets:

Goodwill based on expected future earnings

Loss test by reduction to recoverable goodwill value is done at least annually, or when circumstances indicate loss by devaluation of book value.

Intangible assets with indefinite useful lives

Intangible assets with an indefinite useful life are tested in relation to the loss by reduction to recoverable value at least annually, individually or at the level of the Cash Generating Unit (UCG), as the case may be or when circumstances indicate loss by devaluation of book value.

p) Other current and noncurrent assets and liabilities

An asset is recognized in the balance sheet when it is likely that its future economic benefits will be generated in favor of the Company and its subsidiaries, and its cost or value can be measured safely.

A liability is recognized in the balance sheet when the Company has a legal obligation or constituted as a result of a past event, and an economic resource is likely to be required to liquidate it. They shall be added, where applicable, to the corresponding charges, monetary or exchange variations incurred and adjustments to present value. The provisions are recorded based on the best estimates of the risk involved.

Assets and liabilities are classified as current when their realization or settlement is likely to occur in the next twelve months. Otherwise, they are demonstrated as non-circulating.

q) Adjust the present value of assets and liabilities

Non-current monetary assets and liabilities are adjusted, where relevant, to their present value, and short-term assets, when the effect is considered relevant in relation to individual and consolidated financial statements.

For the calculation of the adjustment to present value, the Company and its subsidiaries consider the amount to be discounted, the dates of realization and settlement based on discount rates that reflect the cost of money in time for the Company and its subsidiaries, which was around a discount rate of 8.1% per year, calculated based on the weighted average cost of capital of the Company and its subsidiaries, as well as the specific risks related to the cash flows scheduled for the financial flows in question.

The terms of receipts and payments of accounts receivable and payable, arising from the operational activities of the Company and its subsidiaries are low, thus resulting in a discount amount considered irrelevant for registration and disclosure, because the cost of generating information exceeds its benefit. For non-current assets and liabilities, where applicable and relevant, they are calculated and recorded.

Calculations and analyses are reviewed quarterly and annually.

r) Income tax and social contribution

Income tax and the current and deferred income contribution of the Companies and their subsidiaries located in Brazil are calculated based on the rates of 15%, plus the additional 10% on the taxable income surplus of R\$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the compensation of tax losses and negative basis of social contribution, limited to 30% of the real profit.

The expense of income tax and social contribution comprises current and deferred income taxes. Current tax and deferred tax are recognized in profit or loss, unless they are related to the combination of business, or items directly recognized in equity or other comprehensive results.

Deferred tax is recognized with respect to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets and liabilities in a transaction that is not a business combination and that does not affect either accounting or taxable profit or loss, and differences related to investments in subsidiaries and controlled entities when they are likely not to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax liabilities and assets, and they relate to income taxes imposed by the same tax authority on the same entity subject to taxation.

A deferred income tax and social contribution asset is recognized for tax losses, tax credits, differences in accounting practices (IFRS) and unused deductible temporary differences, when future profits subject to taxation are likely to be available and against which they will be used.

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Deferred income tax and social contribution assets are reviewed at each reporting date and will be reduced to the extent that their realization is no longer likely.

s) Contingent assets and contingent liabilities, and legal obligations

Accounting practices for the registration and disclosure of contingent assets and liabilities and legal obligations are as follows: (i) contingent assets are recognized only when there are real guarantees or favorable judicial decisions, final. Contingent assets with probable successes are only disclosed in an explanatory note; (ii) contingent liabilities are provisioned when losses are assessed as probable, and the amounts involved are measurable with sufficient security.

Contingent liabilities assessed as possible losses are only disclosed in an explanatory note and contingent liabilities assessed as remote losses are not provisioned or disclosed; and (iii) legal obligations are recorded as enforceable, regardless of the assessment of the probabilities of success, for lawsuits in which the Company questioned the unconstitutionality of taxes.

t) Employee benefits

The Company does not have post-employment benefits, such as contribution plans and/or defined benefits. It should be noted that all short-term benefits and paid leave, as well as profit and gratuity sharing are in accordance with the requirements of the respective accounting pronouncements.

u) Revenue recognition

The Company's and its subsidiaries revenues and derive mainly from the sale of products, which are recognized when the performance obligation is met and whose goods are destined to the domestic and foreign markets.

The revenues recognized both in the domestic and foreign markets are subject to evaluations and judgments by the Company's Management in determining its accounting recognition.

Sales revenue is presented net of taxes and discounts on this. Sales taxes are recognized when sales are billed, and sales discounts when known. Product sales revenues are recognized by the value of the consideration to which the Company and its subsidiaries expects to be entitled, deducted from returns, discounts, rebates and other deductions, if applicable, being recognized as the Company and its subsidiaries satisfies its performance obligation. The opening of sales revenue is shown in Note 22.

v) Earnings per share

The basic income per share is calculated through the results of the year attributable to the Controlling Shareholders of the Company and the weighted average of the common shares outstanding in the respective year. The result per diluted share is calculated by means of the said average of the shares in circulation, adjusted by the instruments potentially convertible into shares, with dilutive effect, in the periods presented.

w) Segment reporting

The report by operating segments is presented in a manner consistent with the internal report provided to the Company's Executive Board, responsible for the allocation of resources and performance evaluation by operating segment and strategic decision-making. This information is prepared in a manner consistent with the accounting policies used in the preparation of financial statements.

x) New and revised standards and interpretations:

During the year of 2022, the IASB issued/revised some IFRS standards, which have their adoption for the year 2023 or after, and the Company is evaluating the impacts on its Individual and Consolidated Financial Statements of the adoption of these standards:

During the 2021 and the third quarter of 2022, the IASB issued/revised some IFRS standards, which have its adoption for the year 2022 or later, and the Company is evaluating the impacts on its Interim Financial Information from the adoption of these standards:

- Amendment to IAS 1 standards - Classification of liabilities as Current or Non-current. Clarifies aspects to be considered for the classification of liabilities as Current Liabilities or Non-Current Liabilities. This amendment to the standard is effective for years beginning on or after 01/01/2023. The Company does not expect significant impacts on its Financial Statements;
- Amendment to IAS 1 and Disclosure of Accounting Practices 2 - Disclosure of Accounting Policies: Clarifies aspects to be considered in the disclosure of accounting policies. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;

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- Amendment to IAS 8- Definition of accounting estimates: Clarifies aspects that should be considered when defining accounting estimates. This standard change is effective for fiscal years beginning on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;
- Amendment to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction: Clarifies aspects to be considered in the recognition of deferred taxes assets and liabilities related to taxable temporary differences and deductible temporary differences. This standard change is effective for exercises starting on/or after 1/01/2023. The Company does not expect significant impacts on its Financial Statements;
- Amendment to IFRS 16 - Lease Liabilities in a Sale and Return Lease: Clarifies aspects to be considered for treating an asset transfer as a sale. This rule change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Financial Statements; and
- Amendment to IAS 1 - Non-Current Liabilities with "Covenants": Clarifies aspects of separate classifications in the balance sheet of current and non-current assets and liabilities, establishing presentation based on liquidity when providing reliable and more relevant information. This rule change is effective for fiscal years beginning on/or after 01/01/2024. The Company does not expect significant impacts on its Financial Statements.

y) Statements of value added

The Company prepared the individual and consolidated interim financial information of value added (DVA) in accordance with CPC 09 - Statement of Value Added, which are presented as an integral part of the financial statements according to the accounting practices adopted in Brazil applicable to publicly-held companies, whereas they are considered by IFRS as supplemental financial statements, required as part of the financial statements taken as a whole.

The objective of a statement of value added is to show the wealth created by the Company and its subsidiaries, its distribution to those that contributed to generate such wealth, such as employees, financial institutions, shareholders, government, as well as the undistributed portion of wealth.

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## 5. Cash and cash equivalents

The financial assets of the Company and its subsidiaries are composed as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash	288	249	1,013	1,237
Banks - checking accounts	2,549	2,226	1,195,803	2,090,958
Cash and cash equivalents in foreign currencies	4,021,004	3,981,478	4,037,640	3,983,438
Total	4,023,841	3,983,953	5,234,456	6,075,633
Short-term investments				
In local currency				
Bank Certificates of Deposit (CDB)	656,850	329,655	702,555	365,070
Debentures	753,170	515,649	790,696	556,635
Other financial assets	20,547	65,382	343,756	304,671
Total	1,430,567	910,686	1,837,007	1,226,376
Total	5,454,408	4,894,639	7,071,463	7,302,009

The financial investments of the Company and its subsidiaries were classified according to their characteristics and intention, measured at fair value through profit or loss, which correspond to level 2 of the fair value hierarchy and are briefly demonstrated as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Measured at fair value through profit or loss (Level 2 of the Fair Value Hierarchy)	1,430,567	910,686	1,837,007	1,226,376
Total	1,430,567	910,686	1,837,007	1,226,376

## 6. Trade receivables

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade notes - domestic customers	194,050	273,313	921,245	809,043
Trade notes - foreign customers	400,833	241,128	1,602,146	1,831,660
Receivables - related parties	364,887	762,336	-	-
Total	959,770	1,276,777	2,523,391	2,640,703
(-) Allowance for expected credit losses	(20,466)	(25,175)	(35,851)	(42,140)
Total	939,304	1,251,602	2,487,540	2,598,563

The following are the balances of accounts receivable by maturity age:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current	816,358	1,190,073	2,175,421	2,348,912
Overdue:				
Up to 30 days	61,806	39,811	200,775	160,261
From 31 to 60 days	29,271	1,240	50,281	23,194
From 61 to 90 days	3,756	509	8,379	2,808
Above 91 days	48,579	45,144	88,535	105,528
Total	959,770	1,276,777	2,523,391	2,640,703

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Expected losses are estimated based on historical analyzes and also in relation to the current situation of customers. Expected losses on doubtful accounts, as well as their reversals, are recorded in the statement of income under "Selling expenses". Changes in expected credit losses for the years ended December 31, 2022 and 2021 are represented as follows:

	<u>Parent company</u>	<u>Consolidated</u>
Balances as of January 1, 2021	(30,121)	(50,939)
Provisioned credits	(6,819)	(7,039)
Credits recovered	12,167	17,879
Exchange variation	(402)	(2,041)
Balances as of December 31, 2021	<u>(25,175)</u>	<u>(42,140)</u>
Provisioned credits	(2,862)	(3,435)
Credits recovered	7,192	8,303
Exchange variation	379	1,421
Balances as of December 31, 2022	<u>(20,466)</u>	<u>(35,851)</u>

The Company has a Receivables Investment Fund (FIDC) for sale of part of its domestic receivables, in the amount of R\$ 315,685 (as of December 31, 2021, R\$ 202,384), without co-obligation or right of return, of which R\$ 29,696 (as of December 31, 2021, R\$ 21,015) consisting of subordinated shares.

The percentage of participation and the number of quotas in FIDC refer to the guarantee and limit of risk under the Company's responsibility, which correspond to all subordinated shares paid by the Company with FIDC.

According to CVM circular letter No. 01/2017, for the purpose of filing the definitive sale of receivables, the transferor may not have any management, involvement, or future hit with the overdue FIDC securities, and consequently, exposure to the risks arising from it. In this way, the Company is exposed to the risk of default limited to its subordinated quotas. It is worth noting that, the Company has a very strict credit granting policy, which causes low levels of default, which are verified by the low value of provisioned credits, when compared to sales revenues made by the Company and its subsidiaries.

The Company has no collaterals for past-due trade notes receivable.

## 7. Inventories

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
Finished products	523,551	617,069	1,428,055	1,885,560
Warehouse and secondary materials	44,867	37,549	230,412	229,734
Total	<u>568,418</u>	<u>654,618</u>	<u>1,658,467</u>	<u>2,115,294</u>

Notes to the individual and consolidated financial statements  
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## 8. Biological assets

The Company and its subsidiaries that have cattle activities, such as cattle herd growth arising from the confinement of cattle or grazing cattle operations, are subject to revaluation of its assets, in order to determine their fair value based on the mark to market (MtM) concept, less estimated selling expenses, at least on a quarterly basis, recognizing the effects of such revaluations directly in profit or loss for the years. The measurement of the fair value of biological assets falls within Level 1 of the measurement hierarchy at fair value, in accordance with the hierarchy of CPC 46, as these are assets with prices quoted on the market.

Operations related to the Company and its subsidiaries biological assets are represented by grazing cattle (extensive) and short-term confinement cattle (intensive). The operation is conducted through the acquisition of biological assets for resale, whose mark to market is reliably measured due to the existence of active markets, and are represented as follows:

	Herd	
	Parent company	Consolidated
Balance as of January 1, 2021	263,221	351,230
Increase due to acquisitions	100,894	603,572
Decrease due to sales	(68,746)	(523,229)
Net decrease due to births (deaths)	(803)	(6,655)
Conversion adjustment	-	2,700
Change in fair value minus estimated selling expenses	47,768	40,342
Balance as December 31, 2021	342,334	467,960
Increase due to acquisitions	148,012	635,637
Decrease due to sales	(117,141)	(608,300)
Net decrease due to births (deaths)	(251)	(859)
Conversion adjustment	-	(15,103)
Change in fair value minus estimated selling expenses	(81,681)	(44,438)
Balance as December 31, 2022	291,273	434,897

As of December 31, 2022, farm animals kept for sale were composed of 54,730 cattle (as of December 31, 2021, 54,229 cattle), the animals kept in feedlot were composed of 21,723 cattle (as of December 31, 2021, 26,901 cattle).

As of December 31, 2022 and 2021, the Company did not have any types of biological assets with restricted ownership or data as a guarantee of enforceability, and there were no other risks (financial, commitment and climate) that impacted the Company's biological assets.

Changes in gains and losses in the fair value of biological assets are recognized under "Cost of Goods Sold (COGS)".

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## 9. Recoverable taxes

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
PIS - Social Integration Program Contribuição para o COFINS - Contribution for the Financing of Social Security	92,468	51,312	94,779	52,289
Reintegra (Special tax for exporting companies)	-	-	11,656	19,991
State VAT (ICMS)	91,314	103,504	112,248	120,761
Income tax and social contribution	65,064	135,708	70,242	187,777
VAT	-	-	195,439	235,092
Other recoverable tax	10,483	10,496	149,599	111,551
<b>Total</b>	<b>480,919</b>	<b>481,099</b>	<b>866,151</b>	<b>912,018</b>
Current	370,447	374,157	750,670	805,076
Non-current	110,472	106,942	115,481	106,942

## PIS and COFINS (taxes on revenue)

The credits of PIS and COFINS come from the change in tax legislation, according to Laws no. 10.637/02 and 10.833/03, which established non-cumulation for these taxes, generating credit for exporting companies. On May 30, 2018, the Brazilian Internal Revenue Service (RFB) issued Law No. 13,670, which allowed the compensation of these credits for payment of social security debts, thus significantly reducing the accumulation of credits.

Currently, the Company and its subsidiaries have finalized the inspection by the Brazilian Internal Revenue Service (RFB) of most of the claims for reimbursement of these credits, were duly approved by the Brazilian Internal Revenue Service (RFB), which has generated a significant amount of restitution of these credits, to continue during the years 2023 and 2024.

Based on studies conducted by the Company's Management, regarding the expectation of restitution of said tax credits, part of these current assets were segregated to non-current assets, on December 31, 2022, in the amount of R\$ 81,127 in the parent company and consolidated. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

## State VAT (ICMS)

ICMS credits are caused by the fact that the Company's exports reach values higher than sales in the domestic market, generating credits that, after being approved by the Secretary of State Treasury, are used for the purchase of production materials, and can also be sold to third parties, as provided for in the current legislation.

Of the mentioned creditor balance, a substantial part is in the process of inspection and approval by the Department of Finance of the State of São Paulo, and the Company's Management expects to recover a significant part of these credits during the 2023 and 2024 financial years. Based on the studies carried out by the Company's Management, it was segregated from current assets to non-current assets, a percentage considered sufficient to represent slower processes, which totals the amount of R\$ 29,345 in the parent company and consolidated, of these credits. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

## MINERVA S.A.

### Notes to the individual and consolidated financial statements For the period ended December 31, 2022 and 2021 (Amounts in thousands of reais - R\$, unless otherwise stated)

#### 10. Related parties

Transactions with related parties, carried out under market conditions, are summarized in the tables shown below:

	Parent company	
	12/31/2022	12/31/2021
Related parties receivables		
Minerva Dawn Farms S.A. (a)	-	34,128
Minerva Overseas Ltd (b)	694,899	743,218
Minerva Luxembourg S.A. (c)	1,928,081	3,842,348
Athena S.A. (d)	1,147,762	1,227,578
Total	<u>3,770,742</u>	<u>5,847,272</u>

(a) Working capital loan granted to Minerva Dawn Farms S.A. ;

(b) Loan granted to Minerva Overseas Ltda. to be reimbursed;

(c) Loan granted to Minerva Luxembourg S.A. to be reimbursed; and

(d) Loan granted to Atena S.A., to be reimbursed.

	Parent Company	
	12/31/2022	12/31/2021
Related parties payables		
Minerva Overseas II (a)	891,359	1,321,138
Minerva Log S.A. (b)	2	2
Total	<u>891,361</u>	<u>1,321,140</u>

(a) Loan made by Minerva Overseas II to the parent company; and

(b) Loan made by Minerva Log S.A. to the parent company.

The Company, in understanding the full integration of its operations with its subsidiaries, carries out cash transfer transactions as part of Minerva Group's business plan, always seeking to minimize the cost of its funding.

The other balances and transactions with related parties are presented below:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Payables - Suppliers				
Minerva Dawn Farms S.A.	5,204	5,190	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	1,567	6,434	-	-
Athena S.A.	16,285	35,348	-	-
Acquisition of other related parties	17,265	8,565	28,457	8,565
Total	<u>40,321</u>	<u>55,537</u>	<u>28,457</u>	<u>8,565</u>

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade receivables				
Minerva Dawn Farms S.A.	145	2,315	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	17,733	17,698	-	-
Athena S.A.	106,209	41,515	-	-
Minerva Live Cattle Export S.A.	-	11,134	-	-
Minerva Meats USA, INC.	240,800	689,674	-	-
Total	<u>364,887</u>	<u>762,336</u>	<u>-</u>	<u>-</u>

## MINERVA S.A.

### Notes to the individual and consolidated financial statements For the period ended December 31, 2022 and 2021 (Amounts in thousands of reais - R\$, unless otherwise stated)

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenue				
Minerva Dawn Farms S.A.	774	2,172	-	-
Minerva Comercializadora de Energia Ltda.	5,317	13,657	-	-
Athena S.A.	81,894	23,648	-	-
Minerva Live Cattle Export S.A.	2,058	-	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	9,925	-	-	-
Minerva Meats USA, INC.	748,976	1,194,939	-	-
Total	848,944	1,234,416	-	-
Purchases				
Minerva Dawn Farms S.A.	66,583	44,240	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	314,568	281,173	-	-
Minerva Comercializadora de Energia Ltda.	40,468	11,111	-	-
Minerva Australia Holdings PTY LTD	1,433	-	-	-
Athena S.A.	395,792	330,388	-	-
Total	818,844	666,912	-	-
Cattle purchases:				
Acquisition of other related parties (a)	46.232	103.561	57.447	103.561
Total acquisition of other parties Related	46.232	103.561	57.447	103.561

(a) Balance payable to other related parties, refers to the acquisition of cattle with companies belonging to the Company's shareholders, transactions are carried out on the basis of normal market conditions.

During the year ended December 31, 2022, no provisions were recorded for expected losses on credits, as well as no uncollectible debt expenses related to related party transactions were not recognized.

#### Management Remuneration

On December 31, 2022, the Company recorded expenses with the remuneration of its key personnel (Director of Directors, Audit Committee and Statutory Directors of the Company) in the amount of R\$49,802 (R\$34,256 on December 31, 2021). All remuneration is short-term, as shown below:

	Members 2022	12/31/2022	12/31/2021
Executive Board and Board of Directors and Fiscal	22	49,802	34,256
Total	22	49,802	34,256

Alternate members of the Board of Directors and Audit Committee are compensated for each Board meeting they attend. In case of termination of employment contract there are no post-mandate benefits.

The Company's key personnel also receive share-based compensation, as detailed in note 20 (j). Stock option plan expenses are recognized in income during the vesting period until the shares granted benefit their holders. Expenses in the amount of R\$ 11,245 were recognized, referring to the members of the Executive Board and Board of Directors. During the year ended December 31, 2022, 2,905,144 stock options were granted to Management members, of which 449,994 have a 3-year vesting period and 2,455,150 require 4 years.

## MINERVA S.A.

### Notes to the individual and consolidated interim financial information For the period ended September 30, 2022 (Amounts in thousands of reais - R\$, unless otherwise stated)

#### 11. Investments

The movement of Minerva S.A.'s investments in subsidiaries is shown below:

	Equity interest	Balance on 12/31/2021	Transfers	Translation adjustments	Capital payment	Equity method	Balance on 12/31/2022
Goodwill based on expected future earnings		133,667	-	-	-	-	133,667
Minerva Overseas Ltd	100.00%	273,933	-	(17,810)	-	(19)	256,104
Minerva Middle East	100.00%	37	-	-	-	-	37
Minerva Log S.A.	100.00%	22	-	-	-	-	22
Minerva Dawn Farms S.A.	100.00%	56,117	-	-	46,201	(19,174)	83,144
Minerva Colombia SAS	100.00%	5,070	-	(1,086)	-	(52)	3,932
Lytmer S.A.	100.00%	29,796	-	(2,278)	-	(7,146)	20,372
Minerva Live Cattle Export S.A.	100.00%	11,779	-	(705)	-	479	11,553
Minerva Meats USA LLC	100.00%	93,630	-	(8,585)	111,455	99,254	295,754
Minerva Comercializadora de Energia Ltda.	100.00%	105,106	-	-	-	(49,136)	55,970
Minerva Australia Holdings PTY Ltd. (*)	100.00%	122,831	-	46,742	927,049	4,701	1,101,323
Minerva Europe Ltd	100.00%	3,536	-	(585)	-	-	2,951
Transminerva Ltda.	100.00%	46	-	-	-	106	152
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	10,083	-	-	10,053	36,909	57,045
Athena Foods S.A. (*)	100.00%	3,320,698	-	(122,786)	-	(44,218)	3,153,694
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	100.00%	183,065	-	-	15,939	25,149	224,153
Athn Foods Holdings S.A.	100.00%	171	-	(8)	328	(185)	306
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	-	1,634
Minerva FOODS FZE	100.00%	5,356	-	-	5,302	-	10,658
Mycarbom 3 Ltda.	100.00%	13,379	-	-	79,687	791	93,857
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifolio 1839 Investments	100.00%	19,694	-	-	-	820	20,514
		<u>4,389,650</u>	<u>-</u>	<u>(107,101)</u>	<u>1,196,014</u>	<u>48,279</u>	<u>5,526,842</u>
Minerva Luxembourg S.A.	100.00%	(3,063,558)	-	(50,788)	1,110,914	69,699	(1,933,733)
Minerva Overseas Ltd II	100.00%	(408,504)	-	(317,331)	-	(36)	(725,871)
Provision for investment losses		(3,472,062)	-	(368,119)	1,110,914	69,663	(2,659,604)
Net investments		<u>917,588</u>	<u>-</u>	<u>(475,220)</u>	<u>2,306,928</u>	<u>117,942</u>	<u>2,867,238</u>

(\*) Consolidated information of the following companies (see Explanatory Note no. 1):

- Pulsa S.A.: consolidates subsidiary Frigorífico Canelones S.A.;
- Frigomerc S/A.; consolidates subsidiaries BEEF Paraguay S.A. and Industria Paraguaya Frigorifica S.A.;

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### Notes to the individual and consolidated interim financial information For the period ended September 30, 2022 (Amounts in thousands of reais - R\$, unless otherwise stated)

- Minerva Australia Holdings PTY Ltd.: consolidates subsidiary Minerva Ásia Foods PTY Ltd.; Minerva Australia PTY Ltd. and Australian Lamb Company Pty Ltd.;
- Pul Argentina S.A.: consolidates subsidiary Swift Argentina S.A.;
- Athena Foods S.A.: consolidates subsidiaries Pulsa S.A., Frigorífico Carrasco S.A., Frigomerc S.A, Pul Argentina S.A., Red Cárnica S.A.S., Red Industrial Colombiana S.A.S., and Minerva Foods Chile SPA;
- Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior: consolidates subsidiary MF 92 Ventures LLC.

#### Summary of the subsidiaries' financial statements as of December 31, 2022:

	Participação percentual	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity
Minerva Overseas Ltd.	100.00%	13	950,990	-	694,899	256,104
Minerva Overseas II Ltd.	100.00%	67	891,359	-	1,617,297	(725,871)
Minerva Middle East Ltd.	100.00%	37	-	-	-	37
Minerva Dawn Farms S.A.	100.00%	18,248	74,541	7,714	1,931	83,144
Minerva Luxemburg S.A.	100.00%	275,612	7,110,902	109,411	9,210,837	(1,933,734)
Transminerva Ltda.	100.00%	69	138	-	55	152
Minerva Log S.A.	100.00%	20	2	-	-	22
Lytmer S.A.	100.00%	11,325	10,456	1,409	-	20,372
Minerva Colombia SAS	100.00%	916	3,018	2	-	3,932
CSAP - Companhia Sul-Americana de Pecuária S.A.	100.00%	224,320	25,601	185,585	7,291	57,045
Minerva Live Cattle Export Spa	100.00%	13,263	10,056	11,766	-	11,553
Minerva Meats USA LLC	100.00%	476,201	30,536	209,813	1,170	295,754
Minerva Comercializadora de Energia Ltda.	100.00%	159,401	-	103,440	-	55,961
Minerva Australia Holdings PTY Ltd.	100.00%	821,594	1,503,783	459,027	209,360	1,101,323
Minerva Europe Ltd	100.00%	2,951	-	-	-	2,951
Athena Foods S.A. (*)	100.00%	3,419,712	2,769,827	1,648,072	1,387,773	3,153,694
Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior						
Athn Foods Holdings S.A.	100.00%	1,537	243,848	34	-	245,351
Fortuna Foods PTE. LTD.	100.00%	249	126	69	-	306
Minerva Foods FZE	100.00%	1,634	-	-	-	1,634
Mycarbom 3 Ltda	100.00%	10,658	-	-	-	10,658
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	94,128	53	324	-	93,857
Total		5,533,043	13,646,286	2,736,683	13,130,613	2,756,366

(\*) Consolidated information of the following companies (see Explanatory Note no. 1):

- Athena Foods S.A.: consolidated subsidiaries pulsa S.A., Frigorífico Carrasco S.A., Frigomerc S.A., Pul Argentina S.A., Red Cárnica S.A.S, Red Industrial Colombiana S.A.S and Minerva Foods Chile SPA.

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The following is the results of the subsidiaries that had movements during the years ended December 31, 2022 and 2021:

	12/31/2022		12/31/2021	
	Net revenue	Profit (loss) of the year	Net revenue	Profit (Loss) of the Year
Minerva Overseas Ltd	-	(20)	-	(5)
Minerva Overseas II Ltd	-	(36)	-	(8)
Minerva Dawn Farms S.A.	64,350	(19,174)	42,415	(26,724)
Minerva Luxembourg S.A.	-	69,700	-	332,076
Transminerva Ltda.	-	106	-	88
Minerva Log S.A.	-	-	-	-
Lytmer S.A.	-	(7,147)	5	(8,971)
Minerva Colombia SAS	-	(51)	-	(156)
CSAP - Companhia Sul Americana de Pecuária S.A.	419,406	36,909	313,390	(8,754)
Minerva Live Cattle Spa	-	479	-	1,431
Minerva Meats USA LLC	1,382,255	99,254	948,743	(9,017)
Minerva Comercializadora de Energia Ltda.	570,368	(49,133)	440,660	(140,003)
Minerva Australia Holdings PTY Ltd.	783,417	7,231	464,450	9,044
Minerva Europe Ltd	871	-	1,504	(438)
Athena S.A.	13,743,114	(44,219)	14,563,873	534,997
Minerva Venture Capital Fundo de Investimento em Participações				
Multiestrategicas - Investimento no Exterior	25,461	25,149	116,739	116,215
Athn Foods Holdings S.A.	-	(184)	-	(209)
Fortuna Foods PTE. LTD.	-	-	-	-
Minerva FOODS FZE	-	-	-	-
Mycarbom 3 Ltda	18,569	791	2,055	379
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado				
Portifólio 1839	855	819	-	(6)
Total	<u>17,008,666</u>	<u>120,474</u>	<u>16,893,834</u>	<u>799,939</u>

All amounts are stated as 100% of the subsidiaries' profit (loss).

Investments not eliminated in the consolidated balance, refer to subsidiaries in which the Company does not have corporate control, which corresponds to the amount of R\$ 242,104, which are: Clara Foods Co., Shopper Holdings LLC, Traive INC and Liv Up Limited.

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## 12. Property, plant and equipment

### a) Composition of property, plant and equipment as of December 31, 2022 and 2021\*:

Parent company

Description	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2022 Net amount	12/31/2021 Net amount
Buildings	3.17% p.y.	1,334,320	(290,901)	1,043,419	932,988
Machinery and equipment	8.94% p.y.	1,656,828	(678,478)	978,350	821,149
Furniture and fixtures	10.85% p.y.	18,404	(8,647)	9,757	9,222
Vehicles	7.15% p.y.	23,750	(7,281)	16,469	18,039
Computer hardware	21.45% p.y.	42,020	(21,522)	20,498	17,556
Land	-	78,344	-	78,344	84,031
Construction in progress	-	120,239	-	120,239	56,132
Impairment of assets	-	(21,518)	-	(21,518)	(21,518)
Total	-	<u>3,252,387</u>	<u>(1,006,829)</u>	<u>2,245,558</u>	<u>1,917,599</u>

Consolidated

Description	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2022 Net amount	12/31/2021 Net amount
Buildings	2.61% p.y.	3,044,855	(670,812)	2,374,043	2,203,615
Machinery and equipment	8.35% p.y.	3,444,898	(1,424,033)	2,020,865	1,567,301
Furniture and fixtures	9.40% p.y.	55,922	(16,454)	39,468	36,157
Vehicles	6.90% p.y.	59,028	(33,214)	25,814	20,304
Computer hardware	19.17% p.y.	65,320	(36,771)	28,549	24,520
Land	-	443,757	-	443,757	432,895
Construction in progress	-	289,207	-	289,207	282,283
Impairment of assets	-	(21,518)	-	(21,518)	(21,518)
Total	-	<u>7,381,469</u>	<u>(2,181,284)</u>	<u>5,200,185</u>	<u>4,545,557</u>

(\* ) Property, plant and equipment must be considered by adding the value of the right-of-use asset in Note 12.1. (a).

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Notes to the individual and consolidated interim financial information  
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b) Summary of changes in property, plant and equipment from January 1, 2022 to December 31, 2022

Parent Company	Buildings	Machinery. and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance January 1, 2022	932,988	821,149	9,222	18,039	17,556	84,031	56,132	(21,518)	1,917,599
Additions	3	2,828	6	-	1,390	-	532,555	-	536,782
Transfers	162,870	293,375	2,178	35	8,304	-	(466,762)	-	-
Disposal	(16,756)	(9,839)	(84)	(11)	(144)	(5,687)	(1,686)	-	(34,207)
Depreciation	(35,686)	(129,163)	(1,565)	(1,594)	(6,608)	-	-	-	(174,616)
Balance December 31, 2022	<u>1,043,419</u>	<u>978,350</u>	<u>9,757</u>	<u>16,469</u>	<u>20,498</u>	<u>78,344</u>	<u>120,239</u>	<u>(21,518)</u>	<u>2,245,558</u>
Consolidated	Buildings	Machinery. and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance January 1, 2022	2,203,615	1,567,301	36,157	20,304	24,520	432,895	282,283	(21,518)	4,545,557
Additions	26,739	48,768	6,980	1,384	2,379	2,931	675,813	-	764,994
Additions in business combination	125,735	236,687	67	5,245	2,521	-	1,143	-	371,398
Transfers	202,282	409,786	(21,083)	1,512	8,822	16,699	(618,018)	-	-
Disposal	(52,684)	(14,779)	(5)	(64)	(123)	(1,884)	(1,702)	-	(71,241)
Depreciation	(99,483)	(260,397)	(4,025)	(5,502)	(8,672)	-	-	-	(378,079)
Translation adjustments	(262,935)	(237,341)	17,552	(697)	(898)	(108,687)	(49,164)	-	(642,170)
Monetary correction of balance	230,774	270,840	3,825	3,632	-	101,803	(1,148)	-	609,726
Balance December 31, 2022	<u>2,374,043</u>	<u>2,020,865</u>	<u>39,468</u>	<u>25,814</u>	<u>28,549</u>	<u>443,757</u>	<u>289,207</u>	<u>(21,518)</u>	<u>5,200,185</u>

c) Works and installations in progress

On December 31, 2022, the balance of works and installations in progress refer to the following main projects: Expansion of the rendering plants to improve operational efficiency and meet the most profitable markets, compliance with regulatory standards (NR's), work safety, expansions in the machine room to supply the expansion of the capacity for freezing and storage of finished products, improvements to the refrigeration plants.

d) Allowance for impairment of assets

As required by accounting practices adopted in Brazil and international standards (IFRS), annually the Company evaluates the recoverability of its assets. In this sense, since 2013 the industrial plant of Goianésia (GO), for strategic reasons, has been underutilized. Thus, the analysis of the value of the plant by cash generation was impaired, in this sense it was decided to evaluate the net sales value of sales expenses. Based on evaluation carried out by an independent company, it was identified that this plant has a value higher than its value of realization per sale of R\$ 34,175, being R\$ 21,518 of fixed assets and R\$ 12,657 per expectation for future profitability, which resulted in the registration of provision for recoverable value.

e) Amounts pledged as collateral

Property, plant and equipment items pledged as collateral for borrowings and financing on December 31, 2022, in the amount of R\$ 10,460 (R\$ 39,006 as of December 31, 2021).

### 12.1. Right to use lease assets and liabilities

As of January 1, 2019, the Company and its subsidiaries adopted initially adopted CPC 06 (R2) / IFRS 16 - Leases, which introduces a single lease model, replacing the concept of classification between operating and financial leasing. This standard replaces existing rental standards, including CPC 06 (R1) / IAS 17 - Leasing Operations and ICPC 03/IFRIC 4, SIC 15 and SIC 27 - Complementary Aspects of Leasing Operations.

The main objective is to define whether there is a lease on the contracts or whether the contract is a service provision.

The Company's Management and its subsidiaries evaluated the impacts of the new standard and opted for the simplified modified retrospective transition approach, without re-presentations of the comparative exercises.

The following criteria were adopted in the initial recognition and measurement of assets and liabilities:

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- Recognition of lease liabilities on the date of initial application for leases previously classified as operating leases. The measurement of leasing liabilities was carried out at the present value of the remaining lease payments; and
- Recognition of right-of-use assets on the date of initial application for leases previously classified as operating leases. The measurement of the right-of-use asset at the amount equivalent to the lease liabilities, adjusted by the value of any advance or accumulated lease payments relating to that lease that has been recognized in the balance sheet immediately prior to the date of initial application.

CPC 06 (R2)/IFRS 16 includes two recognition exemptions for tenants that were applied by the Company and its subsidiaries at the initial adoption on January 1, 2019:

- i. Contracts the remaining term on the date of adoption was equal to or less than 12 months: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease;
- ii. Contracts for which the underlying assets were of low value: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease.

The following table shows the table with a summary of the impacts on the transition and movement of the period ended December 31, 2022.

a) Right of use - Lease

Parent Company	Machinery and equipment					Total
	Buildings		Vehicles	Hardware	Land	
Balance January 1, 2021	21,460	134	13,226	415	3,211	38,446
Additions	483	488	193	297	745	2,206
Disposals	-	-	-	-	-	-
Depreciation	(3,168)	(179)	(6,458)	(687)	(381)	(10,873)
Balances December 31, 2021	18,775	443	6,961	25	3,575	29,779
Additions	122	234	2,463	-	-	2,819
Disposals	-	-	-	-	-	-
Depreciation	(3,364)	(487)	(5,544)	(25)	(518)	(9,938)
Balances December 31, 2022	15,533	190	3,880	-	3,057	22,660

Consolidated	Machinery and equipment					Total
	Buildings		Vehicles	Hardware	Land	
Balances as of January 1, 2021	21,460	134	13,226	415	8,610	43,845
Additions	1,811	776	193	428	745	3,953
Disposals	-	-	-	-	-	-
Depreciation	(3,427)	(350)	(6,458)	(717)	(1,051)	(12,003)
Balances as of December 31, 2021	19,844	560	6,961	126	8,304	35,795
Additions	2,578	234	2,463	14	3,624	8,913
Additions in business combination	1,403	-	-	-	-	1,403
Translation adjustments	76	-	-	-	-	76
Depreciation	(4,187)	(604)	(5,544)	(52)	(1,319)	(11,706)
Balances as of December 31, 2021	19,714	190	3,880	88	10,609	34,481

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## b) Rental liabilities

	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Parent company						
Balances as of January 1, 2021	23,310	3,378	13,779	455	136	41,058
Addition	483	745	193	297	488	2,206
Interest settled in the period (income)	2,134	303	953	36	10	3,436
Payments	(4,684)	(578)	(7,415)	(762)	(189)	(13,628)
Balances as of December 31, 2021	21,243	3,848	7,510	26	445	33,072
Addition	122	-	2,463	-	234	2,819
Interest settled in the period (income)	1,896	322	528	-	28	2,774
Payments	(4,891)	(744)	(6,349)	(26)	(512)	(12,522)
Balances as of December 31, 2022	18,370	3,426	4,152	-	195	26,143
Current liabilities	3,058	466	2,821	-	195	6,540
Non-current liabilities	15,312	2,960	1,331	-	-	19,603
Total of the liabilities	18,370	3,426	4,152	-	195	26,143
Consolidated						
Balances as of January 1, 2021	23,311	9,211	13,779	455	136	46,892
Addition	1,811	745	193	428	776	3,953
Interest settled in the period (income)	2,133	838	953	36	19	3,979
Payments	(4,923)	(1,618)	(7,415)	(794)	(367)	(15,117)
Balances as of January 31, 2021	22,332	9,176	7,510	125	564	39,707
Addition	5,686	3,624	2,463	-	234	12,007
Interest settled in the period (income)	3,588	888	528	498	30	5,532
Payments	(8,113)	(1,949)	(6,349)	(376)	(633)	(17,420)
Translation adjustments	(1,461)	-	-	-	-	(1,461)
Balances as of January 31, 20212	22,032	11,739	4,152	247	195	38,365
Current liabilities	4,790	1,690	2,821	181	195	9,677
Non-current liabilities	17,242	10,049	1,331	66	-	28,688
Total of the liabilities	22,032	11,739	4,152	247	195	38,365

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## 13. Intangible

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Goodwill (a)	259,691	259.691	1.060.278	659.390
Relationship with customers	-	-	223.392	-
Contract with Clients	-	-	184.387	-
Relationship with Suppliers	-	-	124.107	-
Non-Competition Agreement	-	-	3.546	-
Right to use aircraft (a)	1,793	1.793	1.793	1.793
Assignment of right of way (a)	250	250	250	250
Brands and patents	-	-	169.902	102.123
Software	90,805	62.838	91.839	64.639
Total	<u>352,539</u>	<u>324.572</u>	<u>1.859.494</u>	<u>828.195</u>

(a) Intangible assets with an indefinite useful life.

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The movement in the intangible during the period ended December 31, 2022 is shown below:

	Parent company								
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Software	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances January 1, 2022	259,691	1,793	250	62,838	-	-	-	-	324,572
Acquisition	-	-	-	49,260	-	-	-	-	49,260
Amortization	-	-	-	(21,293)	-	-	-	-	(21,293)
Balances as of December 31, 2022	<u>259,691</u>	<u>1,793</u>	<u>250</u>	<u>90,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>352,539</u>

	Consolidated									
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Brands and patents	Softwares	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances January 1, 2022	659,390	1,793	250	102,123	64,639	-	-	-	-	828,195
Acquisition	292	-	-	-	49,381	-	-	-	-	49,673
Amortization	-	-	-	(2,760)	(21,980)	-	-	-	-	(24,740)
Business combination (note 2)	396,842	-	-	67,238	-	211,800	174,819	117,667	3,362	971,728
Translation adjustments	3,754	-	-	(43,074)	(201)	11,592	9,568	6,440	184	(11,736)
Monetary correction of balance	-	-	-	46,375	-	-	-	-	-	46,375
Balances as of December 31, 2022	<u>1,060,278</u>	<u>1,793</u>	<u>250</u>	<u>169,902</u>	<u>91,839</u>	<u>223,392</u>	<u>184,387</u>	<u>124,107</u>	<u>3,546</u>	<u>1,859,494</u>

The Company and its subsidiaries record the amortization of their software, according to the period contractually determined by the "use license", when acquired from third parties or, for the period of use estimated by the Company and its subsidiaries, for software developed internally. As of December 31, 2022, the weighted average amortization rate is 20.92% (21.25% as of December 31, 2021). Other intangible assets with defined useful lives are amortized as follows: (i) brands at a rate of 10.00% per year.; (ii) customer relationship at a rate of 10.00% per year; (iii) contract with customers at a rate of 7.14% p.a.; (iv) relationship with suppliers at a rate of 10.00% per year; and (v) non-compete agreement at a rate of 25.00% per year.

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Goodwill based on expected future profitability

	Consolidated	
	12/31/2022	12/31/2021
In direct subsidiaries:		
Minerva Dawn Farms (MDF) (i)	147,649	147,649
Brascasing Industria e Comércio Ltda. (ii)	74,596	74,596
Athena S.A. (iii)	232,795	248,985
Mato Grosso Bovinos S/A (iv)	73,734	73,734
Other (v)	97,379	97,379
In indirect subsidiaries:		
Australian Lamb Company Pty Ltd	418,561	-
Other (vi)	15,564	17,047
Total	1,060,278	659,390

- (i) In compliance with the precepts defined in CVM Resolution no. 580/09 - CPC 15 (R1), the Company reviewed the calculations of identifiable assets acquired and liabilities assumed at the time of registration at fair value of the acquisition of an additional 30% of the shares representing the share capital of the subsidiary Minerva Dawn Farms (MDF), which was framed as a "combination of business in stages", verifying the need for segregation of capital gains (goodwill) calculated in the initial (provisional) record at fair value of the Company's stake in said transaction, in the total amount of R\$ 188,391 (R\$ 188,391 as of December 31, 2012). As previously described, during the fourth quarter of 2012, the Company acquired a residual stake in 20% of the MDF shares that were held by Dawn Farms, holding 100% of the control of the MDF. On December 31, 2015, it made a provision for the recoverable amount in the amount of R\$ 21,904. On December 31, 2018, it made a provision for the recoverable amount in the amount of R\$ 18,838;
- (ii) In December 2011, the Company acquired 5% of the shares of the company's joint share capital, up to the date of such transaction, Brascasing Comercial Ltda., and now has 55% of the shares representing the share capital of that company, and consequently its control. Because it is an operation framed as a "combination of business in stages", the Company registered its participation and the participation of the shareholders, at their fair value, which led to the record of an added value (goodwill for expectation of future profitability) of R\$ 93,185. After the full acquisition of the Company, the goodwill increased to R\$ 98,094. On December 31, 2015, it made a provision for the recoverable amount in the amount of R\$ 23,498, due to overproduction/supply, with the reduction of world consumption, mainly slowdown by China and the fall in the price of oil, directly impacting markets such as Russia, one of the main markets for its business;
- (iii) On September 30, 2018, the Company transferred its existing industrial investments in Mercosur through capital payment in the subsidiary Athena S.A., thereby transferring the existing goodwill that were registered with the parent company. The investments transferred were Frigomerc S/A, Pulsa S/A, Frigorífico Carrasco and the indirect subsidiary Beef Paraguay S.A. and amounts transferred from goodwill by expectation of profitability future were: Frigorífico Pulsa S/A US\$ 15,396 (As of December 31, 2022 R\$ 80,332); Frigomerc S/A US\$ 15,516 (As of December 31, 2022 R\$ 80,958); Frigorífico Carrasco S.A. US\$ 11,932 (As of December 31, 2022 R\$ 62,258); and the subsidiary Frigomerc S.A. had a direct investment of 100% of the common shares of Beef Paraguay S.A., which had a premium of US\$ 1,773 (As of December 31, 2022 R\$ 9,251) which was transferred indirectly to Athena S.A.;

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- (iv) During the year ended December 31, 2014, the Company incorporated 100% of the voting shares of Mato Grosso Bovinos S.A., through the exchange of 29 million common shares issued by the Company (BEEF3), which occurred on October 1, 2014 through the realization of AGEs (Extraordinary General Meeting) of the two companies, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R\$ 174,278. During the second quarter of 2019, the Company lowered R\$100,545 from goodwill related to the baixa of Várzea Grande, as part of the business combination for the acquisition of the Paranatinga/MT plant, leaving a goodwill balance of R\$ 73,734, as of December 31, 2022;
- (v) During the second quarter of 2013, the Company acquired the remainder of the 8% of the shares of Friasa S/A, which caused a goodwill record of R\$ 7,233, totaling R\$ 9,298 on June 30, 2013. During the first quarter of 2016, the Company acquired 100% of the share capital of the subsidiary Minerva Foods Asia Assessoria Ltda, which occurred on February 5, 2016, 2016, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R\$ 217,000. During the second quarter of 2019, the Company acquired through a business combination the plant located in Paranatinga/MT, which caused a goodwill record of R\$ 87,864;
- (vi) During the second quarter of 2016, through its subsidiary Minerva Australia Holdings Pty Ltd acquired 100% of the share capital of its indirect subsidiary IMTP Pty Ltd, which occurred on July 22, 2016, which led to a goodwill record for expectation of future profitability (goodwill) in the amount of R\$ 15,564 (R\$ 17,416 as of December 31, 2021).
- (vii) During the 4th quarter of 2022, through its subsidiary Minerva Australia Holdings Pty Ltd, it acquired 100% of the share capital of its indirect subsidiary Australia Lamb Company Pty Ltd, which occurred on October 31, 2022, which caused a goodwill record for expected future profitability (goodwill) in the amount of BRL 396,842 (on December 31, 2022 418,561).

As required by accounting practices adopted in Brazil and international standards (IFRS), annually the Company evaluates the recoverability of its assets. As a result of the impairment test, on December 31, 2022, no losses were identified for the Company's Cash Generating Units (UGC).

The Company used the value method in use to perform the impairment test. For all UGCs, 05 years of projection were considered, with no growth in perpetuity, and the financial budgets prepared by the Administration were observed for the beginning of the projection of cash flows (2022). The discount rate applied was 8.1%.

In previous years, the Company recognized impairment losses for some UGCs. In this sense, the industrial plant of Goianésia (GO), a company formerly called "Lord Meat", for strategic reasons, is underutilized and recorded loss by impairment, according to Explanatory Note no. 11. On December 31, 2016 and 2018, the Company recorded a provision for impairment loss for UGC MFF, in the amount of R\$ 21,904 and R\$ 18,838, respectively.

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14. Loans and financing

Type	Financial charges	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Debtentures 7th issue	IPCA + 4.5% p.y.	618,828	577,186	618,828	577,186
Debtentures 8th issue	IPCA (*)	683,299	651,172	683,299	651,172
Debtentures 9th issue	IPCA (*)	723,640	593,330	723,640	593,330
Debtentures 10th issue	IPCA (*)	1,800,613	1,685,644	1,800,613	1,685,644
Debtentures 11th issue	IPCA (*)	381,100	385,023	381,100	385,023
Debtentures 12th issue	IPCA (*) + spread	1,534,428	-	1,534,428	-
Bank credit card (3)	Rate fixed	-	-	-	21,121
Bank credit card (3)	CDI + spread	257,444	360,066	257,444	360,066
NCE (3)	CDI + spread	824,287	356,604	824,287	356,604
IFC (2/3/4)	CDI + spread	-	26,399	-	26,399
Rural Product Note	116% CDI p.y.	853,187	-	853,187	-
Export Credit Bills	Interest of 11.4 % p.y.	209,563	-	209,563	-
Subtotal		7,886,389	4,635,424	7,886,389	4,656,545
Financial instruments of hedge - derivatives	CDI + spread	(1,884,798)	(1,073,457)	(1,884,798)	(1,073,457)
Total		6,001,591	3,561,967	6,001,591	3,583,088
Foreign currency (US dollar)					
ACCs (3)	Interest of 2.20% to 2.8% p.y. + exchange rate variation	279,862	495,214	279,862	495,214
NCE	Interest of 2.22% to 2.51% p.y.	393,536	420,806	393,536	420,806
Senior Unsecured Notes - (3)	Exchange variation + Interest	4,157,567	4,487,925	6,520,486	8,024,658
PPE	Exchange variation + spread	1,415,348	1,875,027	-	-
PPE (3)	Interest of 2.0% p.y. + libor	1,175,818	1,468,810	1,175,818	1,468,810
Secured Loan Agreement (2)	Exchange variation + interest	13,215	15,438	13,215	15,438
Other types (3/5)	Exchange variation + interest	-	-	239,569	257,334
Subtotal		7,435,346	8,763,220	8,622,486	10,682,260
Financial instruments of hedge - derivatives		(857,603)	(860,643)	(857,603)	(860,643)
Total		6,577,743	7,902,577	7,764,883	9,821,617
Total dos empréstimos		12,579,334	11,464,544	13,766,474	13,404,705
Current		1,790,633	1,547,580	2,077,939	1,488,416
Non-current		10,788,701	9,916,964	11,688,535	11,916,289

(\*) Transactions hedged by swap % CDI.

The liability financial instruments of loans and financing at book value approximate fair value, considering that interest rates and market conditions have not changed, except for the Notes issued under Rules 144A and Reg S (Regulation S), considering that there are an active market for these financial instruments.

MINERVA S.A.

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The Company offered the following guarantees to the borrowings:

1. Mortgage;
2. Promissory notes guaranteed by the subsidiaries Minerva Alimentos, Pulsa and Frigomerc;
3. Company surety or guarantee;
4. Guarantee of the subsidiaries Minerva Alimentos, Pulsa and Frigomerc guaranteeing the Company;
5. STLC (*Stand by letter of Credit*) or Corporate Guarantee.

As of December 31, 2022, the noncurrent portion of the Company's (Parent) borrowings and financing matures as follows:

	2024	2025	2026	2027	2028	2029	2030	2031	Total
CCB	250,000	-	-	-	-	-	-	-	250,000
Credit Note to Exportation	66,667	66,667	-	-	-	-	-	-	133,334
Rural Product Note	853,187	-	-	-	-	-	-	-	853,187
Debentures	1,225,425	600,850	556,562	-	1,381,794	1,639,086	230,333	13,586	5,647,636
NCE	685,094	-	-	-	-	-	-	-	685,094
Pre-shipment	2,790,986	-	3,308,022	-	-	-	-	-	6,099,008
Secured loan agreement	1,350	1,405	1,462	1,521	1,583	1,648	1,715	1,231	11,915
Financial instruments of hedge - derivatives	(354,397)	(341,871)	(28,284)	(237,423)	(598,243)	(1,124,921)	(104,014)	(102,320)	(2,891,473)
<b>Total</b>	<b>5,518,312</b>	<b>327,051</b>	<b>3,837,762</b>	<b>(235,902)</b>	<b>785,134</b>	<b>515,813</b>	<b>128,034</b>	<b>(87,503)</b>	<b>10,788,701</b>

As of December 31, 2022, the noncurrent portion of consolidated borrowings and financing matures as follows:

	2024	2025	2026	2027	2028	2029	2030	2031	Total
CCB	250,000	-	-	-	-	-	-	-	250,000
Credit Note to Exportation	66,667	66,667	-	-	-	-	-	-	133,334
Rural Product Note	853,187	-	-	-	-	-	-	-	853,187
Debentures	1,225,425	600,850	556,562	-	1,381,795	1,639,086	230,333	13,586	5,647,637
NCE	685,094	-	-	-	-	-	-	-	685,094
Pre-shipment	587,765	-	-	-	-	-	-	-	587,765
Secured loan agreement	1,350	1,405	1,462	1,521	1,583	1,648	1,715	1,231	11,915
Senior Unsecured Notes	-	-	-	-	784,430	-	-	5,626,646	6,411,076
Financial instruments of hedge - derivatives	(354,397)	(341,871)	(28,284)	(237,423)	(598,243)	(1,124,921)	(104,014)	(102,320)	(2,891,473)
<b>Total</b>	<b>3,315,091</b>	<b>327,051</b>	<b>529,740</b>	<b>(235,902)</b>	<b>1,569,565</b>	<b>515,813</b>	<b>128,034</b>	<b>5,539,143</b>	<b>11,688,535</b>

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Below we detail the main loans and financing of the Company and its subsidiaries as of December 31, 2022, as well as highlighted that it complied on that date with all the restrictive contractual clauses (covenants) shown below in each type of loans and financing:

*International Finance Corporation (IFC)*

In September 2013, IFC and the Company entered into a 10-year financing agreement, in the amount of R\$137,718, disbursed on October 24, 2013. The debt balance on June 30, 2022, was anticipated and settled (as of December 31, 2021 it was R\$26,399), whose interest is calculated using the CDI + Spread, paid semiannually. The debt matures on April 15, 2023.

Debt notes/bonds abroad

On September 20, 2016, the Company concluded the "bonds" representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with due dates for 2023. Through the "early repurchase offer" repurchased US\$617,874 (R\$2,010,562 at that date) of the principal amount of the 2023 Notes, equivalent to approximately 71% of the outstanding 2023 Notes.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2026 (on which interest of 6.50% per year will accrue) and is part of a clear liability management strategy, which aims to constantly improve the Company's cost of debt.

Part of this offer consisted of the payment of a premium to the holders of the bonds, embedded and implicit in the transaction and in the proposed exchange ratios, in the amount of US\$ 40,143 thousand and transaction costs in the amount of US\$ 28,859, totaling a total cost of US\$ 69,002, which will be amortized in the financial expenses account during the term of said Notes 2026.

On February 10, 2017, the Company exercised the early purchase option of its debt securities that bear annual interest of 12.250% and mature in 2022 (Notes 2022). The total amount of this debt was US\$ 105,508 (R\$ 328,710, on that date), the price paid was US\$ 106,125 of the face value, plus interest accrued to date.

In June 2017, the Company concluded the Re-Tap of the note's transaction maturing in September 2026, in the amount of US\$ 350,000 thousand, on which interest of 6.50% per year will accrue (Notes 2026).

On December 19, 2017, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with maturities scheduled for 2023. Through the "offer for early repurchase" repurchased US\$198,042 (R\$605,103 at that date) of the principal amount of the Notes 2023, equivalent to approximately 79% of the outstanding Notes 2023.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2028 (on which interest of 5.875% per year will accrue) and is part of a clear liability management strategy, which aims to constant improvement in the Company's cost of debt.

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Part of this offer consisted of the payment of a premium to the holders of the securities, embedded and implicit in the transaction and proposed exchange ratios, in the amount of US\$ 9,209 and transaction costs in the amount of US\$ 20,271, totaling a total cost of US\$ 29,480, which will be amortized in the financial expenses account during the term of said Notes 2028.

On January 31, 2018, the Company exercised the early purchase option of its debt securities that bear annual interest of 7.75% and mature in 2023 (Notes 2023). The total amount of this debt was US\$ 52,099 (R\$ 164,919 on that date), the price paid was 103,875% of the face value, plus accrued interest to date.

On June 8, 2020, the Company concluded the "bonds" representing debt issued abroad, with maturity scheduled for 2026. Through the "early repurchase offer", US\$ 85,668 (R\$ 464,878 as of that date). On the same date, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028. Through the "offer for early repurchase" US\$ 11,005 (R\$ 59,030 on that date).

In March 2021, the Company, through its subsidiary, Minerva Luxembourg, issued debt securities abroad in the amount of US\$ 1,000,000 (R\$ 5,546,880 at that date). The note is guaranteed by the Company and matures in 2031. Notes issued by Minerva Luxembourg (Bonds 2031) pay biannual coupons at a rate of 4.375% per annum. The Company will provide a guarantee for all the Issuer's obligations, within the scope of said issuance.

At the same time, the Company concluded the "bonds" representing debt issued abroad, with maturity scheduled for 2026. Through the "early repurchase offer", US\$ 911,719 (R\$ 5,021,931 on that date) were repurchased.

In November 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 through the "offer for early repurchase", US\$ 70,606 (R\$ 398,430, at that time) were repurchased.

In December 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US\$ 48,084 (R\$ 268,333) were repurchased, on that date) referring to the 2028 bonds and US\$ 10,735 (R\$ 59,907, on that date) referring to the 2031 bonds.

In March 2022, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "early repurchase offer", US\$ 89,405 (R\$ 423,583 were repurchased, on that date) referring to bonds 2028 and US\$ 42,217 (R\$ 200,016, on that date) referring to bonds 2031.

In July 2022, the Company completed the "offer to repurchase and cancel bonds" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US\$ 12,758 (R\$ 69,850, on that date) for the 2028 bonds and US\$ 55,857 (R\$ 305,817, on that date) for the 2031 bonds.

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The liability related to the Notes, as of December 31, 2022, in the consolidated financial statements, is R\$ 6,520,486 (R\$ 8,024,658 as of December 31, 2021).

The Notes contain provision for the maintenance of a financial covenant through which the debt coverage capacity is measured in relation to EBITDA (net earnings before interest, taxes, depreciation and amortization).

The contractual ratio of both instruments indicates that the level of debt coverage cannot exceed 3.5 times the EBITDA of the last 12 months. For these purposes, it is considered: (I) "Net Debt" - means the sum of the balance of loans and financing, disregarding the exchange rate variations that occurred in the years since the debt was raised, less the sum of: (i) cash and cash equivalents (according to defined below); and (ii) "purges" (as defined below); (II) "Cash and cash equivalents" - means the sum of the balance of the following accounts on the Company's balance sheet: "Cash and cash equivalents" and "Securities"; (III) "Purges" - means a series of exceptions, including, but not limited to, the exchange rate variation since the issuance of the security and/or permitted debts, related to specific operational transactions, totaling US\$ 308,000 thousand. (iv) "EBITDA" - means the amount calculated on the accrual basis over the last 12 months, equal to the sum of net revenues, less: (i) cost of services provided; (ii) administrative expenses, plus: (a) depreciation and amortization expenses, (b) net financial result; (c) equity-accounted earnings; and (d) direct taxes.

It is also worth mentioning that the financial covenants refer to the permission or not to incur new debts, executing all new debts related to refinancing, in addition to a pre-defined amount for working capital lines and investments. Covenants are calculated based on the consolidated financial statements.

i) Level of subordination

As of December 31, 2022, 0.08% of the total debt of the Company and its subsidiaries was guaranteed by real guarantees (0.29% as of December 31, 2021). Any restrictions imposed on the issuer in relation to indebtedness limits and contracting new debts, the distribution of dividends, the sale of assets, the issuance of new securities and the sale of corporate control.

The Notes also have clauses that limit the Company to: (i) new indebtedness if the net debt/EBITDA ratio is greater than 3.75/1.00 and 3.50/1.00, respectively; (ii) the distribution of dividends, in this regard, Minerva undertakes not to make and not to allow its subsidiaries to make the payment of any distribution of dividends or make any distribution of its interest on invested capital held by others other than its subsidiaries (except: (a) dividends or distributions paid to qualified interests of Minerva; and (b) dividends or distributions owed by a subsidiary, on a pro rata basis or a basis more favorable to Minerva; (iii) the change in corporate control ; and (iv) the sale of assets, which can only be carried out by complying with the established requirements, among them, in the case of sale of assets, it is necessary that the sale value is the market value.

#### 7th issue of non-convertible debentures

On November 19, 2019, the Company offered non-convertible debentures in the amount of R\$500,000, maturing on August 15, 2024. The total principal amount is R\$500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 4.50% p.a. The proceeds from this issue were used to lengthen the debt profile and improve the Company's capital structure. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$12,926, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R\$ 618,828 (R\$577,186 as of December 31, 2021).

#### 8th issue of non-convertible debentures

On May 22, 2020, the Company offered non-convertible debentures in the amount of R\$600,000, with the first series maturing on May 13, 2025, in the amount of R\$400,000 and the second series maturing on May 13, 2026 in the amount of 200,000. The total principal amount of the issuances of the first series is R\$ 400,000 and its remuneration corresponds to the IPCA, whereas the principal amount of the issuances of the second series is R\$ 200,000 and its remuneration corresponds to the DI rate.

This funding has a Swap of the % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$ 21,930, recorded in its interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R\$ 683,299 (R\$ 651,172 as of December 31, 2021).

#### 9th issue of non-convertible debentures

On June 12, 2020, the Company offered non-convertible debentures in the amount of R\$600,000, maturing on June 12, 2025. The total principal is R\$600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$14,787, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R\$ 723,640 (R\$593,330 as of December 31, 2021).

#### 10th Issue of non-convertible debentures

On April 15, 2021, the Company offered non-convertible debentures in the amount of R\$1,600,000, maturing on April 12, 2028. The total principal is R\$1,600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 128% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing these debentures, the Company incurred transaction costs in the amount of R\$ 55,389, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R\$ 1,800,613 (R\$1,685,644 as of December 31, 2021).

#### 11th Issue of non-convertible debentures

On October 15, 2021, the Company made an offering of non-convertible debentures in the amount of R\$400,000, maturing on October 15, 2026. The total principal is R\$400,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 100% of CDI. The proceeds from this issue were used to pay the debentures of the first series, on their respective maturity date, issued by the Company within the scope of the 6th Issue, resulting, once carried out, in the lengthening of the Company's indebtedness profile. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$ 22,012, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2022, the amount is R\$ 381,100 (R\$385,023 as of December 31, 2021).

#### 12th Issue of non-convertible debentures

On July 13, 2022, the Company carried out an offering of non-convertible debentures in the amount of R\$1,500,000, maturing on July 12, 2029. The total principal is R\$1,500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 7.2063% per year. Said funding has a Swap of % CDI, in which the final cost of the operation was 113.5% of CDI.

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The funds obtained from this issue were fully and exclusively allocated to its agribusiness activities and relations with rural producers, within the meat industry and trade, in particular through the use of funds in investments, costs and expenses related to production, processing, industrialization, commercialization, purchase, sale, import, export, distribution and/or improvement of (a) cattle, sheep, pigs, poultry and other animals, live or slaughtered, as well as meat, offal, products and derivatives by-products of the same, whether in their natural state, whether manufactured or manipulated in any way or manner, and (b) proteins and food products in general, fresh or prepared, processed or not, for the Brazilian and foreign markets. In the process of issuing said debentures, the Company incurred transaction costs in the amount of R\$43,973, accounted for in its financial statements as a reduction in liabilities, to be amortized over the term of these debentures. On December 31, 2022, the amount is R\$1,534,428.

## 15. Trade payables

	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Domestic suppliers	693,279	868,772	1,653,094	2,044,575
Foreign suppliers	35,005	50,839	102,282	135,232
Agreement suppliers (i)	1,735,710	1,535,870	1,735,710	1,535,870
Related Parties	40,321	55,537	28,457	8.565
Total	<u>2,504,315</u>	<u>2,511,018</u>	<u>3,519,543</u>	<u>3,724,242</u>

## Aging list of trade payables:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current:	2,498,420	2,491,888	3,456,738	3,615,403
Overdue payables:				
Up to 30 days	2,005	14,727	48,963	72,264
From 31 to 60 days	764	428	4,119	5,065
From 61 to 90 days	-	973	188	2,764
Above 90 days	3,126	3,002	9,535	28,746
Total	<u>2,504,315</u>	<u>2,511,018</u>	<u>3,519,543</u>	<u>3,724,242</u>

## (i) Agreement suppliers

"Agreement suppliers" is formed from recurring commercial transactions between the Company and its raw material suppliers. The signed agreements meet the mutual interests in terms of liquidity and working capital of each party, and are signed as a result of possible conjunctural variations in the level of demand and supply of raw materials. From the commercial negotiation between suppliers and the Company, financial liabilities are generated that are part of fundraising programs through the Company's credit lines with financial institutions, which allows suppliers to anticipate receivables in the normal course of purchases made by the Company, with an average financial cost of 1.19% p.m. on December 31, 2022 (0.85% p.m. on December 31, 2021).

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As it preserves business conditions with suppliers, these transactions were evaluated by management and it was concluded that they have commercial characteristics, therefore, the Company maintains these operations classified under "Suppliers".

## 16. Payroll, related charges, and taxes payable

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Payroll and related charges				
Salaries and management fees	503	354	46,444	53,320
Payroll taxes - FGTS and INSS (employees and third parties)	18,153	15,497	19,478	16,715
Accrued vacation/13 <sup>th</sup> salary	56,289	47,702	134,049	124,971
Other wages and charges	17,728	14,292	41,427	33,656
Total payroll	92,673	77,845	241,398	228,662
Taxes payables				
State VAT (ICMS)	9,572	12,164	10,973	12,280
Federal taxes in installments - (i)	45,951	50,915	45,951	59,804
State taxes paid in installments	-	4,196	-	4,196
Income tax (IRPJ)	-	-	51,666	68,160
Social contribution on net income	-	-	-	48
Value added tax (VAT)	-	-	6,611	7,902
Funrural	609	3,172	680	3,292
Other taxes and fees	7,648	19,519	55,879	69,562
Total taxes	63,780	89,966	171,760	225,244
Total geral	156,453	167,811	413,158	453,906
Current	116,306	122,699	373,011	400,727
Non-current	40,147	45,112	40,147	53,179

(i) The Company's federal installments are as follows:

## Special Tax Debt Settlement Program (PERT)

As of December 31, 2022, the outstanding balance in the parent company was R\$ 13,768.

## Rural Tax Debt Refinancing Program (PRR)

As of December 31, 2022, the outstanding balance in the parent company was R\$ 32,182.

## 17. Other payables

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Advances received (a)	1,373,099	1,267,945	1,660,706	1,466,183
Dividends payable (b)	27,307	146	27,307	146
Interest on capital payable (b)	-	4	-	4
Payables - acquisitions (c)	-	199	365,525	26,182
Other operating provisions	24,475	38,374	107,429	140,559
Total	1,424,881	1,306,668	2,160,966	1,633,074
Current	1,424,881	1,306,668	2,149,571	1,614,550
Non-current	-	-	11,395	18,524

(a) Amounts received in advance from the Company's customers in accordance with the credit policy defined by Management;

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- (b) Amounts of interest on equity and mandatory dividends payable;  
(c) Amounts payable for the acquisition of the plants in Campina Verde - MG settled during the 3rd quarter of 2022 (on December 31, 2021 R\$199); Frigorífico Vijagual S.A. in Colombia R\$17,578 (R\$25,983 as of December 31, 2021); and, Australian Lamb Company Ltd. R\$347,947.

## 18. Deferred taxes

Assets	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Tax losses - IRPJ	640,449	436,425	715,539	489,747
Negative basis of social contribution	230,562	157,114	230,562	157,114
Total	871,011	593,539	946,101	646,861
Temporary differences - assets				
Provisions for tax, civil and labor risks	7,924	8,355	12,996	14,627
Impairment of assets	7,316	7,316	7,519	7,690
Allowance for expected credit losses	6,958	8,560	7,047	8,778
Other	2,393	2,393	52,148	60,416
Total temporary differences - assets	895,602	620,163	1,025,811	738,372
Liabilities				
Temporary differences - liabilities				
Unrealized gains on the fair value of biological assets	(29,721)	(57,493)	(29,721)	(57,493)
Business combination	(33,096)	(33,096)	(33,096)	(33,096)
Revaluation reserve	(21,860)	(22,656)	(21,860)	(22,656)
Added value in subsidiaries	-	-	(460,191)	(261,184)
Other temporary deductions	(46,756)	(39,179)	(68,373)	(64,598)
Total temporary differences - liabilities	(131,433)	(152,424)	(613,241)	(439,027)
Total deferred taxes:				
Total deferred taxes assets	764,169	467,739	792,811	415,665
Total deferred taxes liabilities	-	-	(380,241)	(116,320)
Total	764,169	467,739	412,570	299,345

## 18.1. Composition of income tax and social contribution on deferred net income

Below, we present the movement of tax credits on tax loss carryforwards and negative basis of social contribution:

	Parent Company			
	Balance on December 31, 2021	Recognized in income (loss)	Realization of deferred taxes	Balance on December 31, 2022
Deferred taxes on income and social contribution tax losses	593,539	277,472	-	871,011
Total deferred tax assets	593,539	277,472	-	871,011

	Consolidated				
	Balance on December 31, 2021	Recognized in income (loss)	Realization of deferred taxes	Cumulative translation adjustments	Balance on December 31, 2022
Deferred taxes on income and social contribution tax losses	646,861	328,837	(26,984)	(2,613)	946,101
Total deferred tax assets	646,861	328,837	(26,984)	(2,613)	946,101

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Deferred tax assets arising from tax losses and negative basis of social contribution were recognized for the year from December 31, 2021 to December 31, 2022 in the consolidated.

The accumulated amount as of December 31, 2022, is R\$946.101 (as of December 31, 2021 it is R\$646,861). The decision of the Management of the Company and its subsidiaries to record the aforementioned deferred tax assets, on tax losses and negative basis of social contribution, was based on the business plan and the internal budget and financial projections prepared by the management, in which they are reviewed at least annually.

The projections of these realizations presented the following expectations of realization of said deferred tax assets:

	12/31/2022	
	Parent company	Consolidated
2024	79,669	86,537
2025	80,952	87,931
2026	56,998	61,912
2027	92,822	100,824
2028 onwards	560,570	608,897
Total	<u>871,011</u>	<u>946,101</u>

The Company expects to realize the temporary differences in Income Tax and Social Contribution within a maximum of 10 years.

We emphasize that these technical studies that supported the decision to record or maintain deferred tax assets on tax losses and negative basis of social contribution were duly reviewed and approved at meetings of the Board of Directors.

The effects of changes in deferred taxes on income for the years are as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Temporary additions				
Sundry provisions	6,788	12,068	6,788	182,633
Fair value of biological assets	1,658,539	1,825,856	1,658,539	1,825,856
Temporary deductions				
Sundry provisions	(10,423)	(14,677)	(57,576)	(14,677)
Depreciation - tax basis differences	(22,287)	(21,510)	(22,287)	(21,510)
Fair value of biological assets	(1,576,859)	(1,873,622)	(1,576,859)	(1,873,622)
Deferred tax basis	<u>55,758</u>	<u>(71,885)</u>	<u>8,605</u>	<u>(98,680)</u>
Deferred income tax and social contribution - Temporary difference	18,958	(24,441)	2,926	33,551
Deferred income tax and social contribution	<u>277,472</u>	<u>44,639</u>	<u>328,837</u>	<u>44,639</u>
Total deferred income tax and social contribution	<u>296,430</u>	<u>20,198</u>	<u>331,763</u>	<u>78,190</u>

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Below, we present the movement of deferred tax taxes, related to tax loss carryforwards and temporary differences as follows:

	Parent company				Balance as of December 31, 2022
	Balance on January 01, 2022	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	
Tax loss	593,539	277,472	-	-	871,011
Provisions for tax, civil and labor risks	8,355	300	(731)	-	7,924
Other temporary additions	2,393	-	-	-	2,393
Impairment of assets	7,316	-	-	-	7,316
Allowance for expected credit losses	8,560	528	(2,130)	-	6,958
Unrealized gains on the fair value of biological assets	(57,493)	-	27,772	-	(29,721)
Business combination	(33,096)	-	-	-	(33,096)
Revaluation reserve	(22,656)	-	796	-	(21,860)
Added value in subsidiaries	-	-	-	-	-
Other temporary deductions	(39,179)	(7,577)	-	-	(46,756)
Total deferred tax assets	467,739	270,723	25,707	-	764,169

	Consolidated				Balance as of December 31, 2022
	Balance on January 01, 2022	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	
Tax loss	646,861	328,837	(26,984)	(2,613)	946,101
Provisions for tax, civil and labor risks	14,627	921	(2,133)	(419)	12,996
Other temporary additions	60,416	16,695	-	(24,963)	52,148
Impairment of assets	7,690	-	(128)	(43)	7,519
Allowance for expected credit losses	8,778	528	(2,234)	(25)	7,047
Unrealized gains on the fair value of biological assets	(57,493)	-	27,772	-	(29,721)
Business combination	(33,096)	-	-	-	(33,096)
Revaluation reserve	(22,656)	-	796	-	(21,860)
Added value in subsidiaries	(261,184)	(181,905)	-	(17,102)	(460,191)
Other temporary deductions	(64,598)	(13,200)	6,134	3,291	(68,373)
Total deferred tax assets	299,345	151,876	3,223	(41,874)	412,570

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## a) Current - payable

Income tax and social contribution are calculated and recorded based on taxable income, including tax incentives that are recognized as taxes are paid and considering the rates provided for by current tax legislation.

## b) Reconciliation of income tax and social contribution balances and expenses

The provisioned balance and the result of taxes levied on income are as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Income before taxes	356,103	578,681	388,109	585,607
Additions				
Temporary differences	6,788	12,068	6,788	12,068
Permanent differences	261,697	313,532	784,570	1,465,061
Effect of the first-time adoption of IFRS	5,355,589	6,087,746	5,580,704	6,318,246
Deductions				
Temporary differences	(13,809)	(14,677)	(13,809)	(14,677)
Permanent differences	(386,748)	(1,146,734)	(925,104)	(2,194,933)
Effect of the first-time adoption of IFRS	(6,104,498)	(7,020,994)	(6,366,856)	(7,244,068)
Tax calculation basis	(524,878)	(1,190,378)	(545,598)	(1,072,696)
Compensações				
Tax Calculation basis after loss to be compensated	(524,878)	(1,190,378)	(545,598)	(1,072,696)
Income taxes on the income				
Income tax	-	-	(64,704)	(64,870)
Social contribution payable	-	-	(104)	(48)
Income taxes - current	-	-	(64,808)	(64,918)
Effective tax rate (%)	0.00%	0.00%	16.40%	11.09%

Income tax and social contribution on profit were calculated in accordance with current legislation, in accordance with current legislation, read Law No. 12,973/2014.

The calculations of income tax and social contribution on profit and their respective declarations, when required, are subject to review by the tax authorities for years and varying periods in relation to the respective date of payment or delivery of the income declaration.

Based on studies and projections made for the following years and considering the limits established by current legislation, the Company's Management expects the existing tax credits to be realized within a maximum period of ten years.

Accounting net income is not directly related to taxable income for income tax and social contribution due to differences between accounting criteria and the relevant tax legislation. Therefore, we recommend that the evolution of the realization of tax credits arising from tax losses, negative basis and temporary differences are not taken as an indication of future net profits.

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## 19. Provisions for tax, labor and civil procedural risks

## Summaries of contingent liabilities

The Company and its subsidiaries are parties to several lawsuits that are part of the normal course of their business, for which provisions were set up based on the estimates of their legal advisors and the best estimates of their Management. The main information of these processes is represented as follows:

Provisions	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Provisions for tax risks	-	1,890	-	1,912
Provisions for labor lawsuits	23,302	24,573	32,331	37,314
Provision for civil risks	-	1,496	26,555	4,151
<b>Total</b>	<b>23,302</b>	<b>27,959</b>	<b>58,886</b>	<b>43,377</b>

Parent Company	Labor lawsuits	Civil and Tax lawsuits	Total
Balance on January 01, 2021	24,582	3,386	27,968
Provisions recognized in the year	1,774	-	1,774
Provisions reversed in the year	(1,783)	-	(1,783)
Balance on December 31, 2021	24,573	3,386	27,959
Provisions recognized in the year	881	-	881
Provisions reversed in the year	(2,152)	(3,386)	(5,538)
Balance on December 31, 2022	23,302	-	23,302

Consolidated	Labor lawsuits	Civil and tax lawsuits	Total
Balance on January 01, 2021	36,018	4,256	40,274
Provisions recognized in the year	2,565	2,264	4,829
Provisions reversed in the year	(1,870)	(350)	(2,220)
Translation adjustments for the year	601	(107)	494
Balance on December 31, 2021	37,314	6,063	43,377
Provisions recognized in the year	1,749	24,746	26,495
Provisions reversed in the year	(5,900)	(3,929)	(9,829)
Translation adjustments for the year	(832)	(375)	(1,157)
Balance on December 31, 2022	32,331	26,555	58,886

## Civil and tax risks

They refer to the questioning about the constitutionality of the use of reduced rates on gross revenues and also to the tax discussion about the lack of collection of tax on export revenue, whose estimate is probable of loss, as of December 31, 2022 there was no significant amount of losses recorded in the parent company and R\$26,555 in the consolidated, (R\$3,386 in the parent company and R\$6,063 in the consolidated, as of December 31, 2021).

## Labor lawsuits

Most of these labor claims involve overtime, commuting time, health hazard premium and mandatory thermal comfort breaks. Based on the opinion of the legal counsel that handles these lawsuits and Management's experience in similar cases, provisions were recognized for labor lawsuits assessed as probable loss which. As of December 31, 2022, in the amount of R\$23,302 in the parent company and R\$32,331 in the consolidated, (R\$24,573 in the parent company and R\$37,314 in the consolidated, as of December 31, 2021).

Other lawsuits (possible loss expectation)

Labor and social security

As of December 31, 2022, the Company and its subsidiaries had other labor lawsuits (Public Civil Actions) and social security lawsuits in progress, in the amount of approximately R\$3,579 (R\$3,646 as of December 31, 2021), whose probability loss is possible, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Senar

In March 2003, the Company filed Writs of Mandamus to suspend the enforceability of the retention and transfer of Senar. In order to avoid and lose the right to demand contributions from Senar, the INSS has issued several tax notices against the Company to date. The updated amount involved in these notifications, whose probability of loss is possible based on the opinion of the Company's legal advisors, is approximately R\$79,340 (R\$74,005 as of December 31, 2021). Such proceedings involve a significant degree of uncertainty about the future prognosis of certain matters, the discussions of which have been ongoing for some time in the judicial spheres.

State VAT (ICMS)

The Company has some tax assessment notices referring to the divergence in the calculation memory on the basis of ICMS and ICMS-ST, applying the reduction to its operations in the states of Minas Gerais, São Paulo and Goiás. As of December 31, 2022, the amount involved in these proceedings, whose probability of loss is possible, is approximately R\$202,223 (R\$196,166 as of December 31, 2021).

Other tax, civil and environmental lawsuits

As of December 31, 2022, the Company and its subsidiaries had other tax, civil and environmental proceedings in progress, in the amount of approximately R\$98,594, R\$21,978 and R\$4,312, (R\$67,078, R\$8,408 and R\$ 2,136 on December 31, 2021) respectively, whose materialization, in the opinion of the legal advisors, is a possible loss, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Decision of the Federal Supreme Court (STF) on res judicata in tax matters

On February 8, 2023, the Federal Supreme Court (STF) ruled on Items 881 - Extraordinary Appeal No. 949,297 and 885 - Extraordinary Appeal No. 955,227.

The Plenary of the Federal Supreme Court unanimously concluded that judicial decisions taken in a final "res judicata" manner in favor of taxpayers lose their effects if, afterwards, the Supreme Court has a different understanding on the subject. That is, if years ago a company obtained authorization from the Court to stop paying any tax, this permission will expire if, and when, the STF decides otherwise.

Management assessed with its internal legal advisors the possible impacts of this STF decision and concluded that the decision, based on management's assessment supported by its legal advisors, and in line with CPC 25/IAS 37 Provisions, Contingent Liabilities and Contingent Assets and CPC 24/IAS 10 Subsequent Events, does not result in impacts on its individual and consolidated financial statements as of December 31, 2022.

## 20. Equity

### a. Capital stock

The Company's subscribed capital, as of December 31, 2022, is represented by the amount of R\$1,678,785 (R\$1,675,849 as of December 31, 2021), represented by 607,283,407 (606,700,828 as of December 31, 2021). December 2021) common, book-entry shares, without par value, all free and clear of any liens or encumbrances. During 2016, there were expenses on the issuance of new shares in the amount of R\$5,898 and of R\$53,813 during 2020, therefore, the balance under the heading "Share Capital" in the financial statements is R\$1,619.074.

In the first quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of R\$ 7,659 (seven million, six hundred and fifty-nine thousand), representing 1,195,195 (one million and one hundred and ninety-five thousand and one hundred and ninety-five) common, registered, book-entry shares with no par value. With the ratification, the capital stock rose from R\$1,363,695, representing 548,426,499 shares, to R\$1,371,354, representing 549,621,694 common shares.

In the second quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 67 (sixty-seven thousand), representing 1,195,195 (one million and one hundred and ninety-five thousand one hundred and ninety-five) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose from R\$1,371,354, representing 549,621,694 shares, to R\$1,371,421, representing 549,634,220 common shares.

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In the third quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of R\$ 63 (sixty-three thousand), representing 11,633 (eleven thousand, six hundred and thirty-three) common, nominative, book-entry shares with no par value. With the ratification, the share capital increased from R\$1,371,421, representing 549,634,220 shares, to R\$1,371,484, representing 549,645,853 common shares.

In the fourth quarter of 2021, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 304,365 (three hundred four million, three hundred and sixty-five thousand), representing 57,054,975 (fifty-seven million and fifty-four thousand and nine hundred seventy-five) common, registered, book-entry shares with no par value. With the ratification, the capital stock rose from R\$1,371,484, representing 549,645,853 shares, to R\$1,675,849, representing 606,700,828 common shares.

In the first quarter of 2022, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 2,936 (two million, nine hundred and thirty-six thousand), representing 582,579 (five hundred and eighty-two thousand five hundred and seventy-nine) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose from R\$1,675,849, representing 606,700,828 shares, to R\$1,678,785, representing 607,283,407 common shares.

b. Capital reserve

Capital reserves are made up of amounts received by the Company and which do not pass through the income statement as revenue, as they refer to amounts intended to reinforce its capital, without having as a counterpart any effort by the Company in terms of delivery of goods or provision of services. They also reflect the results of the disposal of September shares that were held in treasury, which totaled R\$2,148, as well as the effects of the grant of shares, within the scope of the Company's share plan, in the amount of R\$11,245, at the end of 2022. On December 31, 2022, the Company's capital reserve is R\$138,711 (R\$118,271 as of December 31, 2021).

c. Revaluation reserve

The Company carried out a revaluation of the assets comprising its property, plant and equipment, in 2003 and 2006. The remaining balance. As of December 31, 2022, of R\$45,970 (R\$47,518 as of December 31, 2021), net of tax effects.

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As previously mentioned, and in accordance with the provisions of Law No. 11,638 of 2007, the Company opted to maintain the revaluation reserve constituted until December 31, 2007, until its complete realization, which must occur through depreciation or disposal of the revalued assets.

d. Legal reserve

It is constituted at the rate of 5% of the calculated net income and fiscal year, pursuant to art. 193 of Law 6,404/76, up to the limit of 20% of the capital stock. In the year in which the balance of the legal reserve, plus the amounts of capital reserves referred to in § 1 of art. 182 of Law No. 6,404/76 exceeds 30% of the capital stock, the allocation of part of the net income for the year to the legal reserve will not be mandatory.

e. Statutory reserve

The statutory reserve comes from the remaining balance of net income after all the Company's allocations. The amount on December 31, 2022 was R\$455,258 (R\$170,483 on December 31, 2021).

f. Earnings retention reserve

This profit reserve was constituted based on the remaining balance of net income after the allocations for the constitution of the legal reserve and distribution of dividends, with the objective of application in future investments, pursuant to article 196 of Law 6,404/76. The retention accumulated until December 31, 2022 is R\$118,583 (R\$118,583 as of December 31, 2021). According to art. 199 of Law 6,404/76, the balance of this reserve, plus the other profit reserves, cannot exceed the Company's capital stock.

g. Treasury shares

On October 2, 2020, the Company's Board of Directors approved a share buyback program, in accordance with article 19, item XVI of the Company's Bylaws, § 1 of article 30 of Law No. 6,404 of December 15 of 1976, as amended ("Corporate Law"), CVM Instruction No. 567, of September 17, 2015 ("ICVM 567/15") and other applicable rules, effective for eighteen (18) months from October 5, 2020, ending on April 4, 2022, for the application of the Company's profits and/or available reserves for the acquisition, in a single operation or in a series of operations, of up to 20,000,000 (twenty million ) of common shares issued by the Company, to be held in treasury, canceled or sold.

On this effective date of the new plan, the Company held 3,150,000 (three million, one hundred and fifty thousand) common, nominative, book-entry shares with no par value in treasury, as well as 259,351,910 (two hundred and fifty and nine million, three hundred and fifty-one thousand, nine hundred and ten) common, nominative, book-entry shares with no par value, issued by the Company.

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Trading under the buyback program will be supported by the global amount:

- (a) profit and capital reserves, excluding the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve; and
- (b) the realized income for the current year, excluding the amounts to be allocated to the formation of the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve and the payment of the dividend mandatory.

The following shows the movement of treasury shares:

	Number	Amount (R\$)	Average Cost (R\$)	Average market value
Balance on January 31, 2021	23,053,200	242,768	10,53	10,18
Share buyback	-	-	-	-
Disposal of shares	-	-	-	-
Balance on December 31, 2021	23,053,200	242,768	10,53	9,80
Share buyback	-	-	-	-
Disposal of shares	700,000	7,372	10,53	13,60
Balance on December 31, 2022	<u>22,353,200</u>	<u>235,396</u>	<u>10,53</u>	<u>12,60</u>

h. Dividendos e juros sobre o capital próprio

The Company's Bylaws determine the distribution of a mandatory minimum dividend of 25% of the result, adjusted in accordance with the law.

In the year in which the Company's Leverage Ratio is equal to or less than 2.5x (two and a half times), the Board of Directors will submit to the General Meeting a proposal for the payment of an additional dividend to the mandatory corresponding to at least 25% (twenty-five percent) of the annual net income adjusted by the deductions and additions provided for in the Company's income allocation policy.

On August 10, 2022, the Company's Board of Directors approved the distribution of interim dividends to shareholders, in the total amount of R\$128.1 million or R\$0.2192204451 per common share issued by the Company, disregarding shares in treasury, with payment made in national currency, in a single installment, on August 29, 2022. The persons registered as shareholders of the Company on the base date of August 17, 2022 were entitled to the declared dividend, respecting the negotiations carried out up to and including that date. The Company's shares were traded "ex-dividends" as of August 18, 2022, inclusive.

On December 31, 2022, after the deductions established by the bylaws and in compliance with the Company's dividend policy, the calculation base for the payment of mandatory dividends in the amount of R\$ 621,454 was obtained, which resulted in a dividend amount of payable of R\$155,364, of which the amount of R\$128,075 had already been paid on August 29, 2022 through interim dividends and a mandatory dividend payable of R\$27,289 was constituted. Additionally, the Company's Board of Directors proposed the payment of an additional proposed dividend of R\$181,314 for approval at the ordinary general meeting. The final amount of mandatory dividends and proposed additional dividend represents 51.6% of reported net income for the year.

i. Ajuste de avaliação patrimonial

Pursuant to CPC 02 (R2)/IAS 21 - Effects of changes in exchange rates and conversion of financial statements for the period/year, changes in instruments (direct and reflex) in foreign currency and which are valued by the equity method are basically recorded. (MEP).

In accordance with CPC 37 (R1)/IFRS 1 - Initial Adoption of International Accounting Standards, due to the effectiveness of CPC 02 (R2) before the date of initial adoption, first-time adopters of IFRS must reset the balances of exchange variation of investments recorded in shareholders' equity (under the accrued conversion adjustments item) transferring them to retained earnings or losses (under the earnings reserve item), as well as disclosing the earnings distribution policy applicable to such balances. It should be noted that the Company does not compute these adjustments for profit distribution.

j. Stock option plan

Within the scope of the Plan, executives, members of the Board of Directors, statutory and non-statutory directors, managers, supervisors, employees and employees of the Company and its subsidiaries are eligible to receive stock options key in the development of the business of the Company and its subsidiaries, as they may be chosen by the Company's Board of Directors or a special committee created to manage the Plan to receive the options ("Participants").

The Company's Board of Directors or the Committee, as the case may be, may create Stock Option Programs, which will include the specific conditions regarding the Participants, the total number of shares of the Company object of the grant, the division of the grant into lots and the respective rules specific to each lot, including the exercise price and terms for exercising the option ("Programs").

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The Option Agreements and Programs shall also provide that, in the event of the Participant's Termination during the restriction period, the Company may, at its sole discretion, repurchase all the shares held by the Participant subject to the restriction period, for the amount of R\$ 0.01 per share, under the terms of the Plan.

On April 25, 2022, the Ordinary General Meeting of shareholders approved the creation of the Matching Options Plan, which is part of the context of updating and improving the Company's compensation strategy, with a view to optimizing the alternatives available to compose the structure of incentives for administrators, employees, collaborators, service providers or other holders of strategic positions in the Company.

The Matching Options Plan offers potential eligible beneficiaries the option of voluntarily joining the Plan and its programs, following the model for granting purchase options. In summary, the Matching Options Plan governs minimum investments in the Company by the Participants, through the acquisition of shares issued by the Company, which may be linked to the granting of options, by the Company to the participant, that guarantee the right to acquire, in the future, a certain number of shares issued by the Company.

It should be noted that the Matching Options Plan will be managed by the Board of Directors (which may appoint a committee to advise it, delegating powers to this administration), and it is responsible, among other things, to approve the creation of programs, decide participants among the eligible persons and establish the conditions of each grant.

Finally, it is noted that the Matching Option Plan defines the granting limit, establishing that a maximum number of options may be granted that give participants the right to acquire a maximum number of shares equivalent to 3% (three percent) of the total number of shares issued by the Company, on a fully diluted basis, pursuant to the Matching Option Plan.

In the year ended December 31, 2022, stock options were granted to beneficiaries. A total of 4,774,522 stock options were granted, each granting the right to convert into 1 (one) common share of the Company, after the vesting period. Of the total grants, 449,994 of the options granted to employees require a period of 3 years of service (vesting period), with the remaining 4,324,528 requiring a period of 4 years. The options will mature annually, that is, they can be exercised by the beneficiary within 60 days of each anniversary year. The exercise price of the granted options is R\$0.01 per share to be acquired. Regarding these grants, in the year ended December 31, 2022, expenses in the amount of R\$ 18,292 were recognized in the caption "General and administrative expenses" with the corresponding entry in "Capital reserve".

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Stock options have the following expiration dates:

Number of options Expiration date:

- 1,231,124: June 13, 2023;
- 1,231,124: June 13, 2024;
- 1,231,127: June 13, 2025;
- 1,081,147: June 13, 2026.

The weighted average fair value of the options granted during the year, determined based on the Black-Scholes valuation model, was R\$12.67 per option. The main assumptions follow: weighted average share price of R\$13.15; volatility of 33.76%; dividend yield of 1.5%; expected life of the option of 3 and 4 years; 12% annual risk-free rate. Volatility is measured by the standard deviation of continuously compounded stock returns based on statistical analysis of daily stock prices over the past 5 years.

## 21. Segment reporting

### Business segments

	Meat		Others		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net revenue	28,600,632	25,211,146	2,377,137	1,754,214	30,977,769	26,965,360
Gross profit	2,322,682	1,941,568	100,553	93,850	2,423,235	2,035,418

There are no revenues from transactions with a single external customer that represent 10% or more of total revenues.

The Company's Management defined the reportable operating segments based on the reports used to make strategic decisions. As of 2021, the Company changed its management structure, and the information by segments began to be prepared considering the business segments the production and sale of fresh meat and trading.

#### Meat

The meat division refers to the production of frozen and chilled beef from the slaughter of cattle (which are purchased from cattle ranchers) in the countries where it has operations (Brazil, Paraguay, Uruguay, Colombia and Argentina). Additionally, the Company produces slaughter by-products, such as hides, offal, among others. The products are sold both in the internal markets of these countries and in the foreign market.

#### Others

The Others division, which corresponds to less than 10% of the consolidated, consists of the Company's subsidiaries that provide services for the sale of food products, called "Trading".

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22. Net operating revenue

The Company presents the explanatory note of net operating revenue in accordance with CPC 47 - Revenue from Contracts with Customers, as per item 112, disclosing the reconciliation of gross taxable revenue and other control accounts.

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenues from domestic sales	5,566,528	4,826,319	10,344,339	9,260,170
Revenues from foreign sales	11,188,548	8,186,026	22,553,620	19,312,124
Deductions from revenue - taxes and other	(974,095)	(899,232)	(1,920,190)	(1,606,934)
Net operating revenue	<u>15,780,981</u>	<u>12,113,113</u>	<u>30,977,769</u>	<u>26,965,360</u>

23. Expenses by nature

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Classified as				
Selling expenses	(1,078,678)	(676,312)	(2,333,667)	(1,766,570)
General and administrative expenses	(548,423)	(432,532)	(1,026,128)	(857,581)
Other operating income	17,219	1,975	45,613	14,545
Total	<u>(1,609,882)</u>	<u>(1,106,869)</u>	<u>(3,314,182)</u>	<u>(2,609,606)</u>
Expenses by nature				
Variable selling expenses	(973,309)	(593,047)	(2,196,691)	(1,660,449)
General administrative and selling expenses	(237,262)	(180,756)	(515,194)	(446,666)
Personnel and commercial expenses	(356,555)	(285,399)	(546,122)	(431,189)
Depreciation and amortization	(59,975)	(49,642)	(101,788)	(85,848)
Other operating income and expenses	17,219	1,975	45,613	14,546
Total	<u>(1,609,882)</u>	<u>(1,106,869)</u>	<u>(3,314,182)</u>	<u>(2,609,606)</u>

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24. Net financial result

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial income				
Income from short-term investments	152,459	49,605	185,169	75,015
Total	152,459	49,605	185,169	75,015
Financial expense				
Interest on financing	(1,011,187)	(752,045)	(1,221,368)	(1,013,896)
Other financial expenses/income (i)	(911,686)	(353,788)	(845,571)	74,211
Total	(1,922,873)	(1,105,833)	(2,066,939)	(939,685)
Exchange rate changes, net	46,297	(426,263)	2,090	(405,287)
Monetary correction of balance (ii)	-	-	(155,446)	(179,854)
Net financial result	<u>(1,724,117)</u>	<u>(1,482,491)</u>	<u>(2,035,126)</u>	<u>(1,449,811)</u>

- (i) Refers to the mark-to-market of the Company and its subsidiaries financial instruments to hedge against foreign exchange exposure. The variation between the comparative years is linked to the appreciation/devaluation of the Real against other currencies; and
- (ii) Refers to the monetary correction of a hyperinflationary economy, in this case, Argentina, and in accordance with accounting standards, gains and losses in the net monetary position must be included in income and disclosed separately.

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## 25. Earnings per share

## a) Earnings per share

The Company's basic earnings per share are calculated by dividing the net income attributable to the Company's shareholders by the weighted average number of common shares issued during the period, excluding common shares purchased by the Company and held as treasury shares:

Basic	12/31/2022	12/31/2021
Net income attributable to Company's shareholders	652,533	598,879
Weighted average number of common shares issued (thousands)	607,283	606,701
Weighted average number of treasury shares	(22,353)	(23,053)
Weighted average number of outstanding common shares (thousands)	584,930	583,648
Basic earnings per share - R\$	1.11557	1.02610

## b) Diluted earnings per share of the Company

The Company's diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding, assuming the conversion of all potential common shares that would cause dilution. The Company has only one category of potential common shares that would cause dilution:

Diluted	12/31/2022	12/31/2021
Net income attributable to Company's owners	652,533	598,879
Weighted average number of outstanding common shares (thousands)	584,930	583,648
Weighted average number of common shares used to calculate basic earnings (loss) per share - thousands	584,930	583,648
Diluted earnings per share - R\$	1.11557	1.02610

## 26. Risk management and financial instruments

The Company's operations are exposed to market risks, mainly in relation to changes in exchange and interest rates, credit and price risks in the purchase of cattle. In its investment management policy, the Company provides for the use of derivative financial instruments to hedge against these risk factors.

Additionally, the Company may also contract derivative financial instruments in order to implement operational and financial strategies defined by the Executive Board and duly approved by the Board of Directors.

Market risk management is carried out through the application of two models, namely: calculation of Value at Risk (VaR) and calculation of impacts through the application of stress scenarios. In the case of VaR, Management uses two different models: Parametric VaR and Monte Carlo Simulation VaR. It is noteworthy that risk monitoring is constant, being calculated at least twice a day.

It is worth mentioning that the Company does not use exotic derivatives and does not have any such instrument in its portfolio.

a. Policy on the treasury's hedging transactions

The management of the Company's hedge policy is the responsibility of the Treasury Department and follows the decisions taken by the Risk Committee, which is composed of members of the Company's Executive Board and employees.

Supervision and monitoring of compliance with the guidelines outlined by the hedge policy are the responsibility of the Executive Risk Management, subordinated to the Presidency and the Risk Committee.

The Company's hedging policy is approved by its Board of Directors and takes into account its two main risk factors: exchange rate and live cattle.

I. Currency hedging policy

The exchange hedge policy aims to protect the Company from currency fluctuations, divided into two segments:

(i) Flow

Flow hedging strategies are discussed daily in the Markets Committee.

The purpose of the flow hedge is to guarantee the Company's operating income and protect its flow of currencies other than the Brazilian Real, with a horizon of up to one year.

Financial instruments available in the market can be used to carry out these hedges, such as: futures dollar transactions on B3, NDFs, funding in foreign currency, options and inflow of funds in dollars.

(ii) Balance sheet

The balance sheet hedge is discussed monthly at the Board of Directors' meeting.

The balance sheet hedge policy aims to protect the Company from its long-term foreign currency indebtedness.

Balance sheet exposure is the flow of US dollar-denominated debt with a maturity of more than one year.

Financial instruments available in the market can be used, such as: cash retention in US dollars, bond repurchase, NDFs, futures contracts on B3, swaps and options.

II. Cattle hedging policy

The cattle hedge policy aims to minimize the impacts of the bovine arroba price fluctuation on the Company's results. The policy is divided into two topics:

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## i) Cattle forward contracts

With the objective of guaranteeing raw material, mainly for the bovine off-season period, the Company buys cattle for future delivery and uses B3 to sell future contracts, minimizing the directional risk of bovine arroba.

Live cattle instruments available on the market can be used, such as: live cattle futures contracts on B3 and options on live cattle futures contracts on B3.

## ii) Hedging of meat sold

In order to guarantee the cost of the raw material used in the production of meat, the Company uses the "B3" to purchase futures contracts, minimizing the directional risk of the bovine arroba and locking its operating margin obtained in the act of selling the beef.

Live cattle instruments available on the market may be used, such as: live cattle futures contracts on "B3" and options on live cattle futures contracts on "B3".

## Statements of derivative positions

The tables showing the positions in derivative financial instruments were prepared in order to present those contracted by the Company in the period and years ended December 31, 2022 and 2021, respectively, according to their purpose (equity protection and other purposes), which fall into Level 2 of the fair value measurement hierarchy, in accordance with the hierarchy of CPC 46:

**Asset hedge position**

Description	/ Thousand		Nocional in R\$ thousand		Cumulative effect in R\$/ thousand	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	Amount receivable / (received)	Amount payable / (paid)
<b>Future contracts:</b>	-	-	-	-	-	-
<i>Purchase commitment</i>	-	-	-	-	-	-
DOL (US\$)	17,500	1,000	92,904	5,617	-	2,506
Mini Dólar (dol x 0.10)	3,120	160	16,345	893	550.3	-
Other	-	-	-	-	-	-
BGI (arrobos)	1	270	190	91,181	-	14,812
<i>Sales commitment</i>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US\$)	2,500	-	13,044	-	456	-
Mini Dólar (US\$ x 0,10)	(1,800)	(1,700)	9,583	9,549	-	40
BGI (arrobos)	457	784	131,918	267,117	3,279	-
<b>Option contracts:</b>	-	-	-	-	-	-
<i>Long Position - Purchase</i>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobos)	-	165	-	10,606	-	2,851
<i>Short position - Sale</i>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobos)	330	-	500	-	-	4,802
<i>Bidding purchase - Purchase</i>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobos)	-	-	-	-	3,383	-
<i>Bidding purchase - Sale</i>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arrobos)	-	-	-	-	3,429	-
<b>Terms contracts:</b>	-	-	-	-	-	-
<i>Long Position - Purchase</i>	-	-	-	-	-	-
NDF (dólar)	550,000	600,000	2,869,735	3,348,300	-	135,431
NDF (clp)	3,589	-	18,729	-	-	-
<i>Short Position - Sale</i>	-	-	-	-	-	-
NDF (boz2)	2,466	-	2,383	-	-	1,184
NDF (euro)	456	3,217	2,538	20,338	116	-
NDF (dólar)	375,704	750,977	1,960,310	4,190,828	53,377	-
NDF (cop)	46,000	-	240,014	-	-	13,205

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The reference values are those that represent the base value, that is, the starting value, contracting the operation, for calculating positions and market value.

Fair values were calculated as follows:

- USD futures contracts: the US dollar futures contracts traded on the BM&F have a value of U\$ 50,000 (fifty thousand US dollars) per notional contract and daily adjustment, the fair value is calculated through the product of the "notional" in dollar by the reference dollar for the contract disclosed by B3;
- Finished cattle futures contracts (BGI): Live cattle futures contracts traded on B3 have a value of 330 arrobas, the fair value is calculated through the product of the "notional" in reais per arroba by the reference value for the contract disclosed by B3;
- Short Position Forward Contracts - NDF (Euro): contracts are carried out on the over-the-counter market, therefore they do not have standardization and daily adjustment, their fair value is calculated through the product of the notional value traded and the market rate in force on the date, if loaded to maturity, the PTAX EURO sale published by the Central Bank will be used;
- Short Position Forward Contracts - NDF (Dollar): The contracts are carried out on the "over-the-counter" market, so they do not have standardization and daily adjustment, their fair value is calculated through the product of the notional value traded and the market rate in force on the date, if carried to maturity, the PTAX 800 will be used, sale announced by the Central Bank.

Fair values were estimated at the closing date of the financial statements, based on "relevant market information". Changes in assumptions and changes in financial market operations may significantly affect the estimates presented.

The mark-to-market of open over-the-counter (OTC) NDF operations, swaps and options on B3 - "Bolsa - Brasil - Balcão" is accounted for in equity accounts. As of December 31, 2022 and 2021, under the headings "NDF receivable/payable", "swap" and "Options receivable" consecutively:

	12/31/2022	12/31/2021
	<u>Mark-to-market</u>	<u>Mark-to-market</u>
Derivative financial instruments		
Options	500	10,606
Swap	1,732,571	1,008,076
NDF (EUR+DOL+LIVESTOCK)	1,009,330	915,418
Grand Total	<u>2,742,401</u>	<u>1,934,100</u>

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b. Currency and interest rate risks

The exchange rate and interest rate risk on loans and financing, financial investments, accounts receivable in foreign currencies arising from exports, investments in foreign currency and other obligations denominated in foreign currency are managed through the use of derivative financial instruments traded on exchanges, or over-the-counter operations such as swaps, Non Deliverable Forwards (NDFs) and options.

In the table below, we present the Company's consolidated equity position, specifically related to its financial assets and liabilities, divided by currency and foreign exchange exposure, allowing the visualization of the net position of assets and liabilities by currency, compared with the net position of derivative financial instruments intended to protect and manage the risk of foreign exchange exposure:

	Consolidated 12/31/2022 Currency		
	Domestic	Foreign	Total
<b>Assets</b>			
Cash	1,013	-	1,013
Bank accounts	714,490	4,518,953	5,233,443
Short-term investments	1,493,251	343,756	1,837,007
Trade receivables	906,238	1,581,302	2,487,540
Total current assets	3,114,992	6,444,011	9,559,003
<b>Total Assets</b>	<b>3,114,992</b>	<b>6,444,011</b>	<b>9,559,003</b>
	Consolidated 12/31/2022 Currency		
	Domestic	Foreign	Total
<b>Liabilities</b>			
Financing - current	317,138	1,611,729	1,928,867
Suppliers	3,417,261	102,282	3,519,543
Total current	3,734,399	1,714,011	5,448,410
Financing - non-current	7,569,251	7,010,757	14,580,008
Total non-current	7,569,251	7,010,757	14,580,008
<b>Total Liabilities</b>	<b>11,303,650</b>	<b>8,724,768</b>	<b>20,028,418</b>
Net financial debt	8,188,658	2,280,757	10,469,415
Hedging derivatives - Net position	(1,884,798)	(857,603)	(2,742,401)
<b>Currency position, net</b>	<b>6,303,860</b>	<b>1,423,154</b>	<b>7,727,014</b>

The net notional position of derivative financial instruments is composed as follows:

	Long (short) position, net at 12/31/2022	Long (short) position, net at 12/31/2021
Financial Instruments (net)		
Futures contracts - DOL (Dollar)	86,621	(3,039)
Futures contracts - BGI (Finished Cattle)	(131,728)	(175,935)
Options contracts (Dollar, Cattle, Corn and IDI)	500	10,606
Swap contracts	1,732,571	1,008,076
NDF (dollar + EURO + cattle + COP + CLP)	683,218	(862,865)
<b>Total liquido</b>	<b>2,371,182</b>	<b>(23,157)</b>

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Financial assets and liabilities are represented in the individual and consolidated financial statements for the period and year ended, respectively, on December 31, 2022 and 2021 at approximate market values, with the respective income and expenses being appropriated and are presented on these dates in accordance with their expectation of realization or settlement.

It should be noted that the amounts related to export orders (firm sales commitments) refer to approved customer orders not yet invoiced (therefore not accounted for), but which are already protected from the risk of foreign currency variation (dollar or other currency foreign exchange) by derivative financial instruments.

The following are the NDF contracts owned by the Company and in force on December 31, 2022:

Type	Position	Currency	Maturity	Notional
NDF	PURCHASE	DOL	01/02/2023	27,500
NDF	PURCHASE	DOL	01/19/2023	500
NDF	SALE	DOL	02/01/2023	(302,704)
NDF	VENDA	DOL	02/22/2023	(835)
NDF	PURCHASE	DOL	03/01/2023	453,000
NDF	SALE	DOL	04/03/2023	(1,216)
NDF	SALE	DOL	05/02/2023	(1,617)
NDF	SALE	DOL	06/01/2023	(332)
NDF	SALE	EUR	02/06/2023	(68)
NDF	SALE	EUR	02/10/2023	(97)
NDF	SALE	EUR	02/13/2023	(79)
NDF	SALE	EUR	02/22/2023	(115)
NDF	SALE	EUR	03/06/2023	(98)
NDF	SALE	COP	02/23/2023	(39,000)
NDF	SALE	COP	03/01/2023	(7,000)
NDF	SALE	BOH3	02/22/2023	(13)
NDF	SALE	BOH3	02/28/2023	(25)
NDF	PURCHASE	CLP	01/30/2023	257
NDF	PURCHASE	CLP	02/09/2023	514
NDF	PURCHASE	CLP	02/10/2023	1,544
NDF	PURCHASE	CLP	02/14/2023	385
NDF	PURCHASE	CLP	02/15/2023	640
NDF	PURCHASE	CLP	02/27/2023	250

### Credit Risks

The Company is potentially subject to credit risk related to accounts receivable from its customers, minimized by the dispersion of the customer portfolio, given that the Company does not have a customer or business group that represents more than 10% of its revenue and is subject to concession of loans to customers with good financial and operational ratios.

#### c. Price risks in the purchase of cattle

The Company's line of business is exposed to the volatility of cattle prices, the main raw material, whose variation results from factors beyond Management's control, such as weather factors, supply volume, transportation costs, agricultural policies and others.

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The Company, in accordance with its inventory policy, maintains its strategy for managing this risk, acting in physical control, which includes advance purchases, confinement of cattle and entering into future settlement contracts (over-the-counter and exchange), which guarantee the realization of their stocks at a certain price level:

Over the counter (OTC) market	12/31/2022
Forward contract purchased	Fair value
Notional value (@)	265,038
Futures Contract Price (R\$/@)	304
Total R\$/1,000	<u>80,700</u>
BM&F Market	12/31/2022
Futures Contracts Sold	Fair value
Notional value (@)	215,160
Futures Contract Price (R\$/@)	300
Total R\$/1,000	<u>64,633</u>

d. Demonstration chart of cash sensitivity

The purpose of the sensitivity analysis demonstrative tables is to disclose, in a segregated manner, the derivative financial instruments that, in the Company's opinion, are intended to protect against exposure to risks. These financial instruments are grouped according to the risk factor they are intended to protect (price, exchange rate, credit risk, etc.).

The scenarios were calculated with the following assumptions:

- Upward movement: characterizes an increase in prices or risk factors on December 31, 2022;
- Downward movement: characterizes a drop in prices or risk factors on December 31, 2022;
- Probable scenario: impact of 6%; Scenario oscillation of 12%; and 18% oscillation scenario.

Below, we present the cash sensitivity charts, considering only positions in derivative financial instruments and their impacts on cash:

Transaction	Movement	Risk	Probable scenario 6% fluctuation	Possible scenario 12% fluctuation	Remote scenario 18% fluctuation
Hedge Derivatives	High	Cattle	(7,904)	(15,807)	(23,711)
Cattle	High	Cattle	4,842	9,684	14,526
Net			(3,062)	(6,123)	(9,185)
Hedge Derivatives	High	Dollar	(117,012)	(234,023)	(351,035)
Invoices + cash - in \$US	High	Dollar	164,056	328,112	492,168
Net			47,044	94,089	141,133
Hedge Derivatives	High	Euro	(152)	(305)	(457)
Invoices - in \$EUR	High	Euro	2,432	4,864	7,295
Net			2.279	4,559	6,838
Hedge Derivatives	High	Dollar	34,850	69,701	104,551
Borrowings in \$US	High	Dollar	(87,694)	(175,388)	(263,081)
Net			(52,844)	(105,687)	(158,531)

Notes to the individual and consolidated interim financial information  
 For the years ended December 31, 2022 and 2021  
 (Amounts in thousands of reais - R\$, unless otherwise stated)

- Exchange rate USD 5.2177 - Sale Ptax (Source: Central Bank of Brazil);
- Exchange rate EUR 5.5694 - Sales Ptax (Source: Central Bank of Brazil).

Result of the asset protection framework

- Derivatives Hedge x Cattle: In the probable scenario where the market movement is 6%, the Company could incur a loss of R\$ 3,062, already in the scenario with 12% oscillation of R\$ 6,123 of loss and in the 18% oscillation loss of R\$9,185;
- Derivatives Hedge x Invoices + Cash in US\$: In the probable scenario where the market movement is 6%, the Company could incur a gain of R\$47,044, already in the scenario with a 12% oscillation of R\$94,089 of gain and in the 18% oscillation of R\$ 141,133 of gain;
- Derivatives Hedge x Invoices + Cash in EUR: In the probable scenario where the market movement is 6%, the Company could incur a gain of R\$2,279, already in the scenario with a 12% oscillation of R\$4,559 of gain and in the oscillation of 18% of R\$ 6,838 of gain.
- Derivatives Hedge and Funding: In the probable scenario where the market movement is 6%, the Company could incur a loss of R\$52,844, already in the scenario with oscillation of 12%, loss of R\$105,687, and in the oscillation of 18 %, loss of R\$ 158,531.

e. Call margin

In exchange operations, there is the incidence of guarantee margin calls, and to cover margin calls, the Company uses public and private fixed income securities, such as CDBs, belonging to its portfolio, thus mitigating impacts on its flow Of box.

On December 31, 2022, the amounts deposited in margin represented R\$ 60,000.

27. Statements of comprehensive income (loss)

In compliance with the provisions of CPC 26 (R1) (IAS 1) - Presentation of individual and consolidated financial statements, the Company shows below the change in comprehensive income for the years ended December 31, 2022 and 2021:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net income for the period	652,533	598,879	655,064	598,879
Cumulative translation adjustments	(475,219)	(520,882)	(475,219)	(520,882)
Total comprehensive income	177,314	77,997	179,845	77,997
Comprehensive income (loss) attributable to:				
Company's owners	177,314	77,997	177,314	77,997
Noncontrolling interests	-	-	2,531	-
Total comprehensive income	177,314	77,997	179,845	77,997

Notes to the individual and consolidated interim financial information  
 For the years ended December 31, 2022 and 2021  
 (Amounts in thousands of reais - R\$, unless otherwise stated)

## 28. Insurance

The Company and its subsidiaries adopt an insurance policy that mainly takes into account the risk concentration, relevance and replacement value of assets. The main information on insurance coverage in force on December 31, 2022 can be demonstrated as follows:

Description	Type of Coverage	Insured amount
Buildings	Fire and sundry risks	912,092
Facilities, equipment, and inventories	Fire and sundry risks	1,468,875
Company cars and aircraft	Fire and sundry risks	294,678
Overseas transportation	Fire and sundry risks	104,354
Civil liability	Risks in operations	41,742
Total		<u>2,821,741</u>

The Company and its subsidiaries maintain coverage for all products transported in Brazil and abroad. The risk assumptions adopted, given their nature, are not part of the audit scope and, consequently, were not reviewed by the Company's auditors.

The Company has building property insurance for all its factories and distribution centers.

## 29. Events after the reporting period

## Acquisition of BPU - Breeders and Packers Uruguay

In January 2023, the subsidiary ATHN Foods announced the acquisition of Breeders and Packers Uruguay ("BPU Meat"), a subsidiary of NH Foods Groups ("NH Foods"), located in the city of Durazno in Uruguay, one of the most modern slaughterhouses in beef from South America, with a slaughtering capacity of 1,200 head/day and using the latest technology in the industrial process, produces and exports beef from Uruguay with the highest levels of quality and health safety. For the acquisition of BPU Meat, the Company will invest US\$ 40 million.

## Enabling Exports to Indonesia

In January 2023, the Company announced the authorization of the Janaúba (MG) plant to export beef to the Indonesian market, thus, the Company now has 6 (six) plants qualified for this market: Janaúba (MG), José Bonifácio (SP), Rolim de Moura (RO), Araguaína (TO), Mirassol d'Oeste (MT) and Palmeiras de Goiás (GO), combined, have a total slaughtering capacity of more than 8 thousand head/day.

With approximately 275 million inhabitants, Indonesia stands out as one of the largest consumer markets for Halal meat in the world, and with enormous potential for growth. In 2022, Brazil exported 20.5 thousand tons of beef to Indonesia, an increase of 23.5% compared to the previous year.

### Temporary Suspension of Exports to China

The suspension was due to the confirmation of 1 case of Bovine Spongiform Encephalopathy, in the state of Pará, in a 9-year-old animal. The samples were sent to the institution's reference laboratory in Alberta, Canada, which will be able to confirm whether the case is atypical. It is worth mentioning that the suspension is a health protocol signed between MAPA and the General Administration of Quality Supervision, Inspection and Quarantine of China.

The Company informs that, through its operation in Brazil, it exports to China through its units in Barretos (SP), Palmeiras de Goiás (GO) and Rolim de Moura (RO). However, the Company will continue to meet Chinese demand through 4 slaughter plants, 3 in Uruguay and 1 in Argentina, without compromising our market share and the relationship with our customers.

Finally, it is important to point out that since 2015, the World Organization for Animal Health (OIE) excludes the occurrence of cases of atypical BSE for the purpose of recognizing the country's official risk status, and the disease can occur spontaneously and sporadically in all cattle populations in the world. As a result, the Company believes that, as in previous periods, the suspension of Brazilian exports is temporary and should be resumed in a short period of time.

**MINERVA S.A.**

*Publicly-held Company*

National Corporate Taxpayer's Register (CNPJ) No. 67.620.377/0001-14

Business Registration (NIRE) 35.300.344.022 – Brazilian Securities

Commission (CVM) 02093-1

**Minutes of the Meeting of the Fiscal Council**

**Held on February 23, 2023**

- 1. Date, time, and place:** Held on February 23, 2023, at 3:00 p.m., at the administrative office of Minerva S.A. ("Company"), located in the City of São Paulo, State of São Paulo, at Rua Leopoldo Couto de Magalhães Júnior, 758, 8º andar, cj. 82, Itaim Bibi, Zip Code (CEP) 04542-000;
- 2. Board:** Dorival Antonio Bianchi - **Chairman**; Franklin Saldanha Neiva Filho - **Secretary**.
- 3. Call Notice:** Call notice was made pursuant to item 6.3 of the Bylaws of the Company's Audit Committee.
- 4. Attendance:** All members of the Company's Audit Committee.
- 5. Agenda:** The members of the Company's Audit Committee met to: **(i)** examine, discuss and opine about the Technical Feasibility Study for Accomplishment of the Company's Deferred Tax Assets; and **(ii)** examine and opine on the Company's individual and consolidated financial statements, accompanied by the respective explanatory notes and the independent auditors' report, for the fiscal year ending December 31, 2022.
- 6. Resolutions:** After discussing the matters on the agenda, the members of the Company's Audit Committee, without any restrictions and by unanimous vote, resolve:
  - 6.1.** To opine favorably in relation to the technical feasibility study prepared with the purpose of substantiating the expected generation of future taxable profits that allow the accomplishment of deferred tax assets recorded in the Company, as per copy that is filed at the Company's principal place of business.
  - 6.2.** To opine favorably on the Company's individual and consolidated financial

statements, accompanied by the respective explanatory notes and the independent auditors' report, referring to the fiscal year ending December 31, 2022, to be submitted to the Company's general meeting, as per copy that is filed at the Company's principal place of business.

7. **Closing:** There being no further business to be discussed, the Meeting was adjourned, these Minutes were drawn up, read, found in order, and then signed by all those present. São Paulo, February 23, 2023. **Board:** Dorival Antonio Bianchi – Chairman; Franklin Saldanha Neiva Filho - Secretary. **Members of the Audit Committee present:** Dorival Antonio Bianchi; Luiz Manoel Gomes Júnior and Franklin Saldanha Neiva Filho.

I hereby certify that this is a true copy of the minutes drawn up in Book No. 4 of the Minutes of the Company's Audit Committee Meeting on pages 8 to 10.

São Paulo, February 23, 2023.

**Board:**

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**Dorival Antonio Bianchi**

Chairman

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**Franklin Saldanha Neiva  
Filho**

Secretary

**MINERVA S.A.**

*Publicly-held Company*

National Corporate Taxpayers' Register (CNPJ) No. 67.620.377/0001-14

NIRE No. 35.300.344.022 | CVM No. 20931

**Minutes of the Meeting of the Audit Committee  
Held on February 23, 2023**

**Exhibit I**

**AUDIT COMMITTEE OPINION**

“The Audit Committee of **MINERVA S.A.** (“Company”), within its legal and statutory powers and responsibilities, at a meeting held on February 23, 2023, at the Company’s administrative office, located in the City of São Paulo, State of São Paulo, at Rua Leopoldo Couto de Magalhães Júnior, No. 758, 8º andar, cj. 82, Itaim Bibi, CEP 04542-000, conducted the examination and analysis of (i) the Company’s individual and consolidated financial statements, together with the respective explanatory notes and the independent auditors’ report, for the fiscal year ending December 31, 2022. Based on the examinations conducted and the explanations provided by management, the Audit Committee expressed a favorable opinion on the Company’s individual and consolidated financial statements.

São Paulo, February 23, 2023.

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**Dorival Antonio Bianchi**

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**Luiz Manoel Gomes Júnior**

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**Franklin Saldana Neiva Filho**

**MINERVA S.A.**

*Publicly-held Company*

National Corporate Taxpayer's Register (CNPJ/ME) No. 67.620.377/0001-14  
State Registration Identification Number (NIRE) 35.300.344.022 – Brazilian  
Securities and Exchange Commission (CVM) No. 02093-1

**Minutes of the Meeting of the Statutory Audit Committee  
held on February 22, 2023**

- 1. Date, Time and Place:** Held on February 22, 2023, at 08:00 a.m., via videoconference.
- 2. Board:** José Luiz Rêgo Glaser – Coordinator; Eduardo Luiz Rota – Secretary.
- 3. Call Notice:** Call waived due to the totality of members in attendance, pursuant to item 5.5.1 of the Operating Agreement.
- 4. Attendance:** All the members of the Committee were in attendance, and Messrs. Alexandre Valeriano, Edison Ticle de Andrade Melo, Vitor Bonfim, Francisco Reis (Partner – BDO Auditors), Luiz Tenório (Partner – BDO Auditors) and Mmes. Ana Carolina Bastos Pereira and Flávia Regina Ribeiro da Silva Villa, as guests.
- 5. Agenda:** The Committee members met to discuss and resolve internally on the following agenda: **5.1.** Analyze and issue an opinion on the Company's individual and consolidated financial statements for the fiscal year 2022; and **5.2.** Analyze and approve the summary annual report of the Statutory Audit Committee.
- 6. Discussions and resolutions:** After discussion and analysis of the matter on the agenda, the members of the Statutory Audit Committee resolved by unanimous vote, without reservations and/or caveats:
  - 6.1.** Make a favorable statement, pursuant to article 2.1., item II, of the Operating Agreement, to the Financial Statements as of December 31, 2022, recommending its full approval by the Board of Directors.
  - 6.2.** Approve the summary annual report of the Audit Committee, pursuant to article 2.1., item XXIII, of the Operating Agreement, according to the document that is filed at the Company's registered office and will be disclosed to the market in due course.

7. **Closing and Drawing-Up of the Minutes:** There being no further business to discuss, the Coordinator offered the floor to anyone wishing to speak and, as no one did, the meeting was closed and adjourned for the time required for these minutes to be drawn up, which, once the meeting was reopened, were read, approved and signed by all those in attendance. **Place and Date:** São Paulo, February 22, 2023. **Board:** (sgd) José Luiz Rêgo Glaser, Chairman; Eduardo Luiz Rota, Secretary. **Members of the Statutory Audit Committee in Attendance:** José Luiz Rêgo Glaser, Eduardo Luiz Rota and Fabricio La Gamba.

São Paulo, February 22, 2023.

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José Luiz Rêgo Glaser  
**Chairman**

Eduardo Luiz Rota  
**Secretary**

*Signature Page of the Meeting of Minerva S.A. Statutory Audit Committee held  
on 02/22/2023 at 08:00 a.m.*

**Members of the Statutory Audit Committee:**

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**José Luiz Rêgo Glaser**

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**Eduardo Luiz Rota**

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**Fabrizio La Gamba**

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Barretors, February 22, 2023

To the  
Board of Directors of  
**MINERVA S.A.**

As part of the duties of the Statutory Audit Committee (**Audit Committee**) of **MINERVA S.A.** or **Company**, we inform, in this **report**, the main matters monitored by this Audit Committee regarding the preparation and disclosure of the financial statements as of **December 31, 2022**, as well as other activities carried out by the Audit Committee to date. It should be noted that said Audit Committee was created on April 25, 2022, through an amendment to the Company's Articles of Incorporation, approved at the Annual and Special Members' Meeting held on said date.

## **1. Initial information**

**MINERVA S.A.**'s Audit Committee is a statutory advisory body directly linked to the Board of Directors. It is composed of an independent member of the Board of Directors, who acts as Coordinator of the Audit Committee. The other members are Audit Committee experts. The members of the Audit Committee are appointed by the Board of Directors every two years and take into account the criteria provided for in the legislation, in its operating agreement and regulations applicable to the best international practices.

The Audit Committee of **MINERVA S.A.** is, on the date hereof, composed of the following members:

- José Luiz Rêgo Glaser | **Coordinator of the Audit Committee**
- Eduardo Rota | **Member of the Audit Committee**
- Fabricio La Gamba | **Member of the Audit Committee**

## **2. Duties and Responsibilities**

The Management of **MINERVA S.A.** is responsible for defining and implementing processes and procedures for collecting data necessary for the preparation of financial statements, in compliance with corporate law, accounting practices adopted in Brazil and the relevant regulations issued by the Brazilian Securities and Exchange Commission.

Management is also responsible for the internal control processes, policies and procedures that ensure the protection of assets, the timely recognition of liabilities and the elimination or reduction, to adequate levels, of the Company's risk factors.

The Executive Board is responsible for supervising, among other activities, the Company's internal control, compliance and corporate risk environments. Additionally, it is responsible for providing information that supports the activities of the Audit Committee of **MINERVA S.A.**

The duties of the Internal Audit comprise the assessment of the quality of **MINERVA S.A.**'s internal control systems and compliance with policies and procedures defined by Management, including those adopted in the preparation of financial reports.

The Independent Audit is responsible for examining the financial statements with a view to issuing a report on their adherence to applicable rules. As a result of its work, the independent audit issues a report with recommendations on accounting procedures and internal controls, in addition to reports on the special quarterly reviews for purposes of meeting the requirements of the Securities and Exchange Commission.

The roles and responsibilities of the Audit Committee are described in its Operating Agreement, which contemplate the duties defined in CVM Instruction 509/11.

The Audit Committee grounds its judgment and forms its opinions considering the information received from Management on information systems, financial statements and internal controls, the results of the Internal Audit and Compliance work, which comprise the effectiveness of internal controls, as well as the work carried out by the Independent Auditors.

### **3. Activities of the Audit Committee**

As provided for in its Articles of Incorporation, through the amendment approved at the Annual Members' Meeting - AGO held on April 25, 2022, the Company established its Audit Committee on that date. During the fiscal year 2022, such Audit Committee

held at least bimonthly meetings with members of the Company's Executive Board and Executive Management Board and with the independent auditors responsible for reviewing the interim financial statements – ITR (06/30/2022; and 09/30/2022) and financial statements as of 12/31/2022, in addition to other interlocutors.

### **3.1. Meetings with the Executive Board and Management**

The Audit Committee met with Executive Officers, Executive Managers and their respective teams to discuss the structures, the operation of the respective areas, their work processes, any deficiencies in the control systems and improvement plans.

Among the matters that demanded more attention from the Audit Committee, the following stand out:

- a) Approval of the annual calendar of meetings for the fiscal year 2022.
- b) Presentation of the Work Plan for the Controls, Risks, and Compliance areas for the fiscal year 2022.
- c) Monitoring of the process of preparing and reviewing the financial statements of **MINERVA S.A.**, through meetings with the managers and independent auditors to discuss the interim financial statements (ITR) and the Company's financial statements, for the fiscal year ended December 31, 2022;
- d) Monitoring of the points of attention and recommendations arising from the work of the independent audit, as well as monitoring the measures adopted (action plans) by Management. It should be noted that the formal report of the independent auditors on improvements in internal controls will be issued by the end of March 2023;
- e) Monitoring of the Compliance program, the proposed plan and activities carried out throughout the year by the Company;
- f) Monitoring of the internal control system regarding its effectiveness and improvement processes, assessment of the year's work plan and the respective policies related to the matter.

### **3.2. Internal Audit**

The internal audit work carried out during the fiscal year 2022 was conducted by the Company's internal audit team. It should be noted that the mapping of the Company's internal controls and processes are not restricted to those work performed by the internal audit team.

Below we present the main activities carried out by the Audit Committee with the Company's internal audit and Compliance team:

- Presentations on the structure of professionals in the internal audit and compliance teams;
- Presentations on the work performed during 2022, which focused on the internal audit, in the following main areas:
  - Physical Inventories;
  - Supply;
  - Freight
  - Other occasional jobs.
- Definition of criteria for improving the Company's risk matrix, aiming to improve the direction of internal audit and Compliance work. Additionally, the need to define indicators (KPI) for monitoring risks was discussed; and
- In addition to the aforementioned activities, the Audit Committee held occasional meetings to analyze reports issued by the internal audit and Compliance team, initiated discussions on the ESG work carried out by the Company, among other activities.

The Audit Committee understands that the procedures adopted to maintain the effectiveness of the internal control and risk management processes are being handled by the Company and are in the process of improvement.

### **3.3. Independent Audit**

The Audit Committee met with the independent auditors – BDO, to obtain information on the policy of maintaining independence in the performance of the work and decide on the absence of conflicts of interest in other works other than the Audit of financial statements requested to them by the Executive Board.

It was also discussed: the audit risk analysis carried out by BDO, the planning of the work aimed at establishing the nature, timing and extent of the main selected audit procedures, as well as the possible points of attention identified and how they would be treated in the audit work.

At the end of the work of each special review of the interim financial statements (ITR) performed throughout 2022 (disregarding the closing of 03/31/22 - prior to the establishment of the Audit Committee), the main aspects and conclusions on the reviews carried out by the independent auditors were discussed. At the beginning of the preliminary and final audit work on 12/31/2022, the audit risk areas, the main

procedures to be applied and the respective conclusions were discussed again at specific meetings.

All topics considered relevant were addressed, for purposes of assessing the potential risks involving the financial statements and the mitigation of such risks through audit and control procedures.

The Audit Committee carried out the formal assessment of the independent audit with a satisfactory conclusion, including with regard to its independence.

#### **4. Conclusion**

Having duly considered the responsibilities and natural limitations arising from the scope of its activities, the Statutory Audit Committee of **MINERVA S.A.** believes that all relevant issues made known to it by the work carried out and described in this report are adequately disclosed in the Management Report and in the audited individual and consolidated financial statements, relative to December 31, 2022, recommending its approval by the Board of Directors.

Regards,

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José Luiz Rêgo Glaser  
**Coordinator – Audit Committee**  
**Member of the Board of Directors**

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Eduardo Luiz Rota  
**Audit Committee**

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Fabricio La Gamba  
**Audit Committee**