

CONFERENCE CALL 4Q19 & 2019

February 19th 2020

Minerva Foods



Retrospective & Perspective

ACHIEVEMENT



Complete Integration

Diversified Footprint

Sanitary Controls

Successful Risk Management

FOCUS & STRATEGIES

Operational & Financial Efficiency

Working Capital Management

Human Resources

Focus on Core Business

Better results: less volatile, more predictable

OPPORTUNITIES



Global Players Weaknesses



Technology & Innovation



Sustainability



Emerging Markets Opportunities



Brand, Products & Services

4Q19 & 2019 Highlights

OPERATING AND FINANCIAL HIGHLIGHTS

- **Operating Cash Flow**
 - **4Q19:** R\$ 241.0 million | **2019:** R\$ 1,757.9 million
- **Recurring Free Cash Flow**
 - **4Q19:** R\$ 92.0 million | **2019:** R\$ 787.0 million
- **Gross Revenue 4Q19:** R\$ 5,2 billion | **2019:** R\$ 18,2 billion
 - Brazilian Industry: 51% of gross revenue | Athena Foods: 41% of gross revenue | Trading: 8% of gross revenue
- **Net Revenue**
 - **4Q19:** R\$ 4.9 billion (+5% yoy) | **2019:** R\$ 17.1 billion (+6% yoy)
- **Exports:**
 - **4Q19:** 68% of gross revenue (+19% yoy) | **2019:** 66% of gross revenue (+13% yoy)
- **EBITDA**
 - **4Q19:** R\$ 603.3 million | EBITDA Margin: 12.4%
 - **2019:** R\$ 1.8 billion | EBITDA Margin: 10.2%
- **Net Result: 4Q19:** R\$ 243.6 million | **2019:** R\$ 16.2 million

CAPITAL STRUCTURE

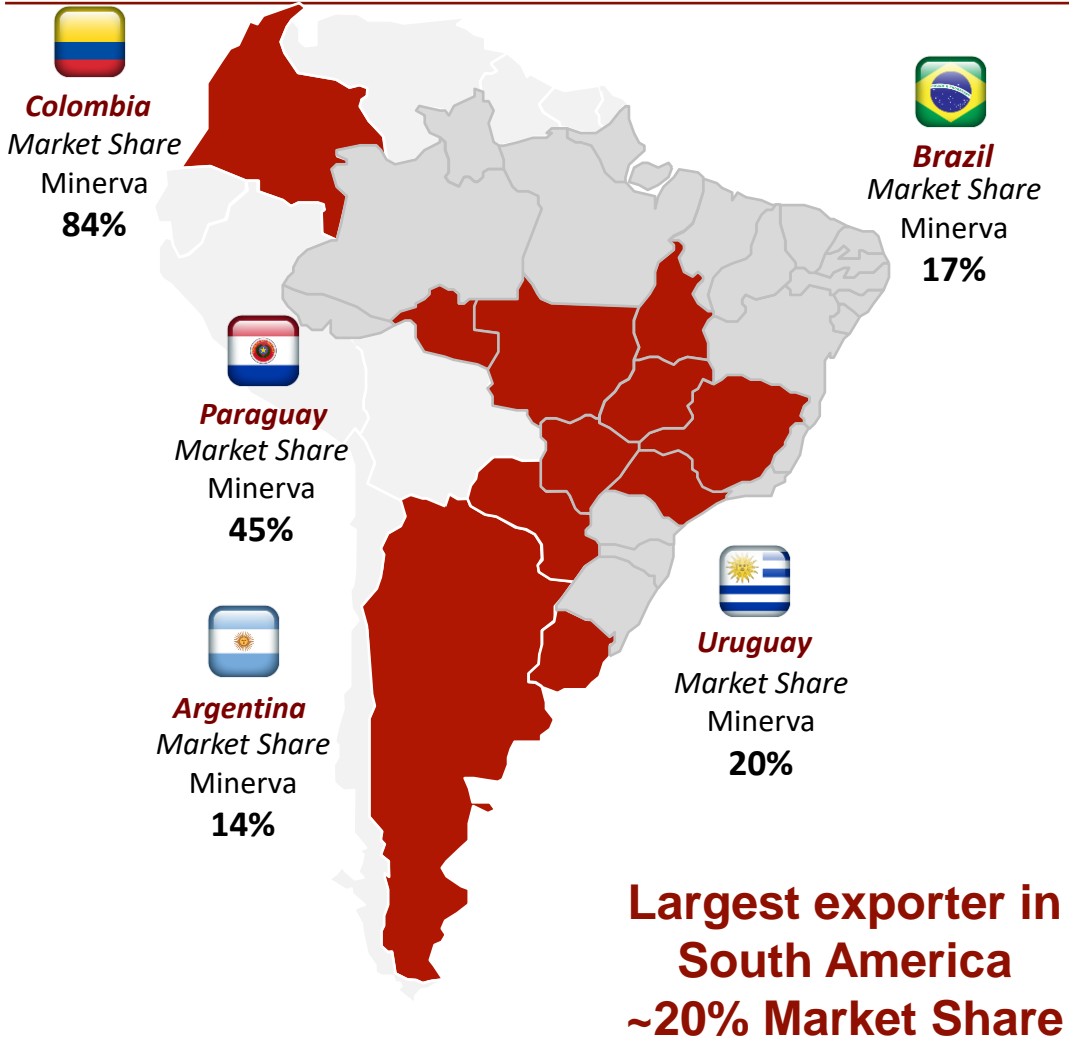
- Leverage measured by Net Debt/EBITDA LTM ratio (considering follow-on proceeds): **2,8x**
- Cash Position: R\$ 4.5 billion
- Debt Duration: 4.6 years

OTHER HIGHLIGHTS

- Conclusion of the Public Offering of Primary and Secondary Distribution: **95 million shares** (80mm primary + 15mm secondary) at **R\$ 13.00**
- Approval of the new Income Allocation Policy

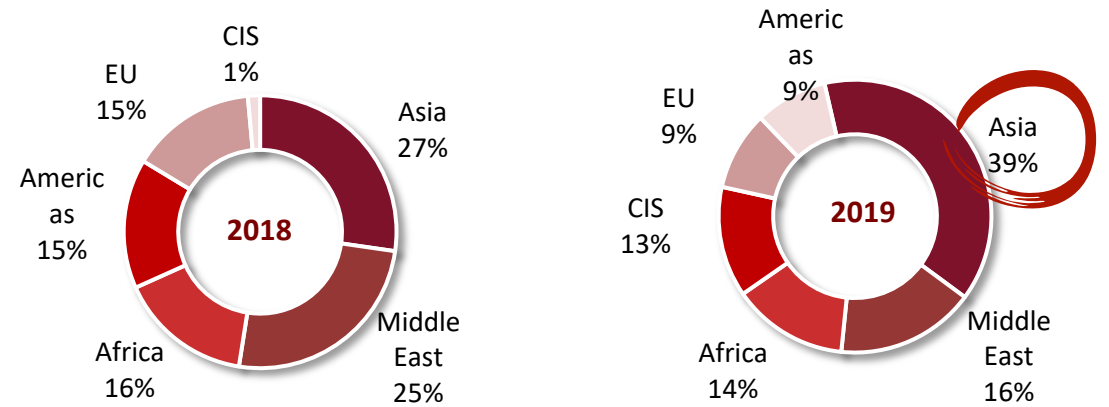
Share of Exports

MARKET SHARE PER COUNTRY - 2019



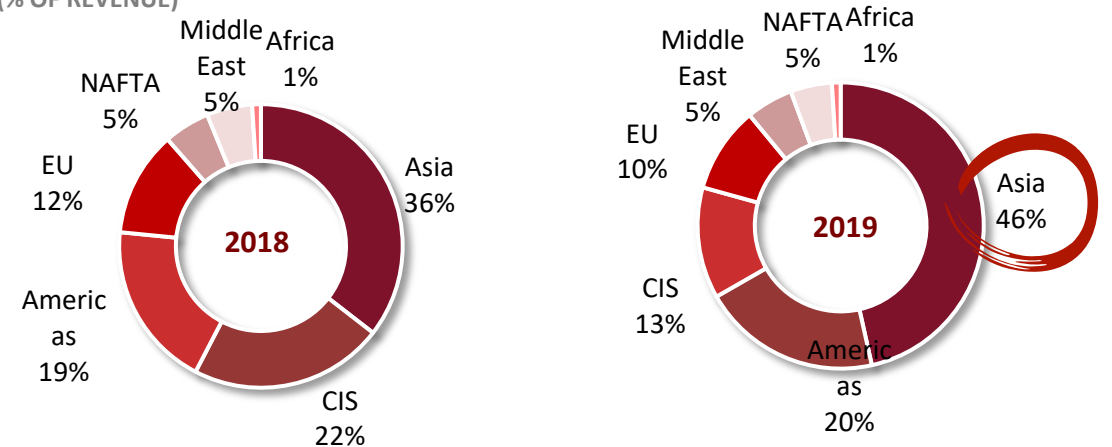
BRAZILIAN DIVISION EXPORTS

(% OF REVENUE)



ATHENA FOODS EXPORTS

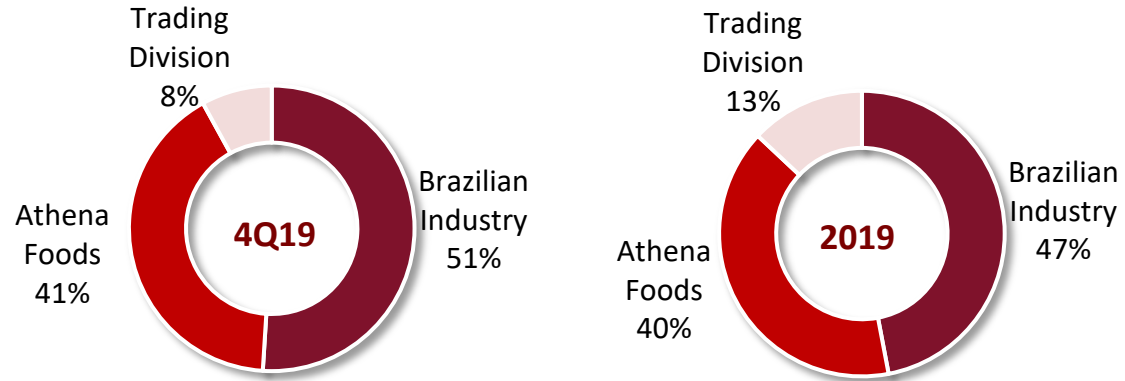
(% OF REVENUE)



Operating and Financial Results

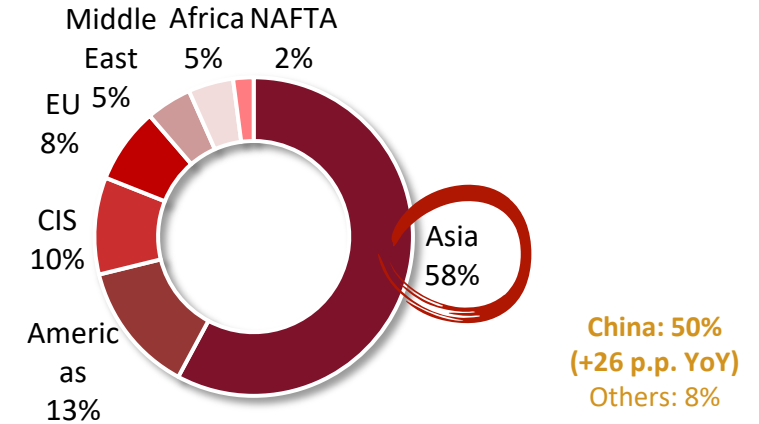
DIVISIONS BREAKDOWN

(% OF GROSS REVENUE)

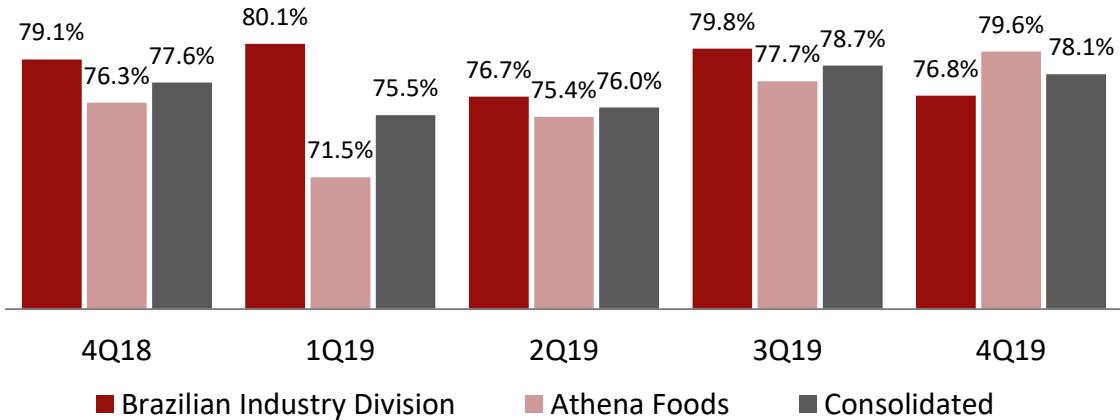


CONSOLIDATED EXPORTS 4Q19

(% OF REVENUE)

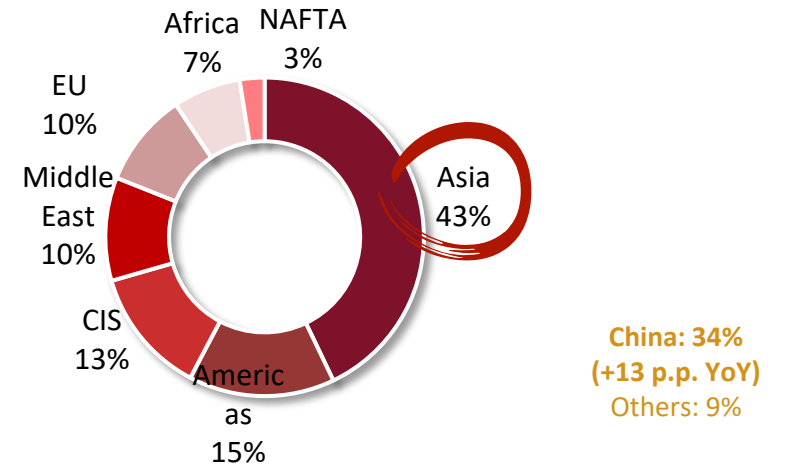


CAPACITY UTILIZATION



CONSOLIDATED EXPORTS – 2019

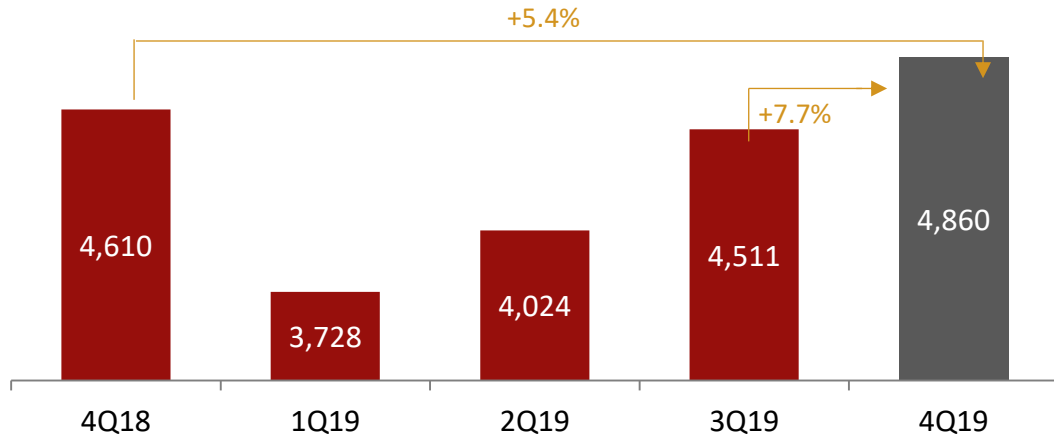
(% OF REVENUE)



Operating and Financial Results

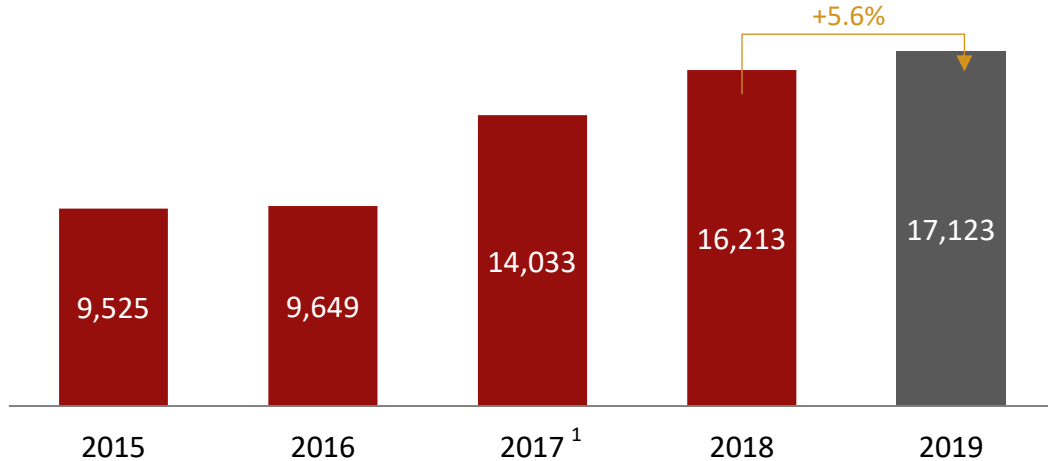
NET REVENUE - QUARTERLY

(R\$ MILLION)



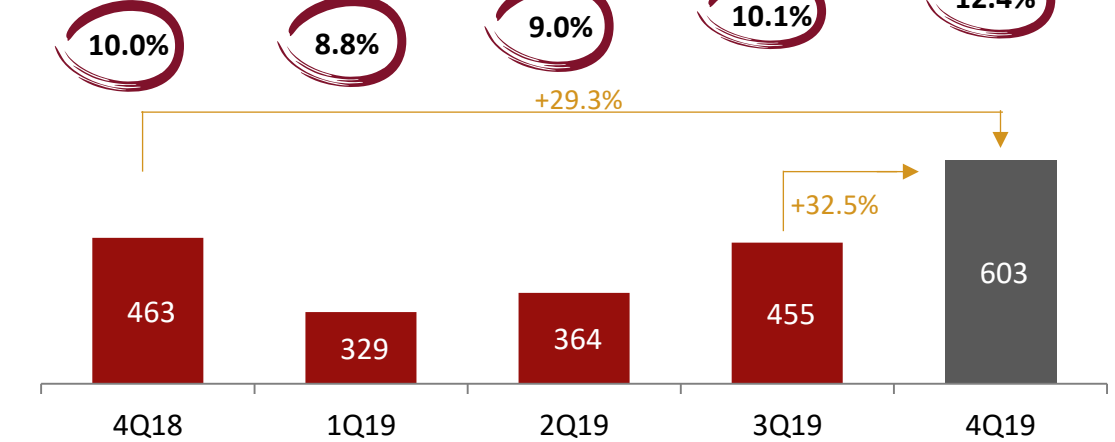
NET REVENUE - YEARLY

(R\$ MILLION)



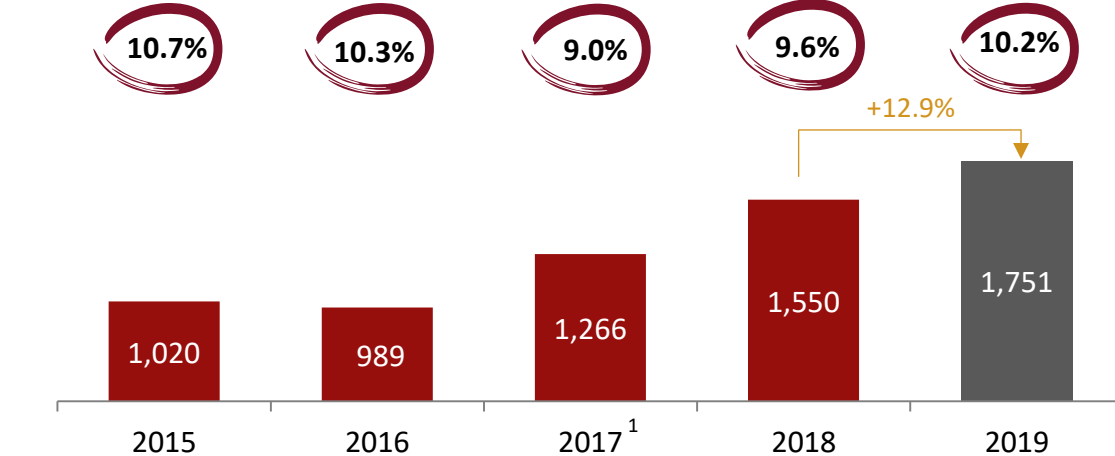
EBITDA & MARGIN EBITDA - QUARTERLY

(R\$ MILLION | %)



EBITDA & MARGIN EBITDA - YEARLY

(R\$ MILLION | %)

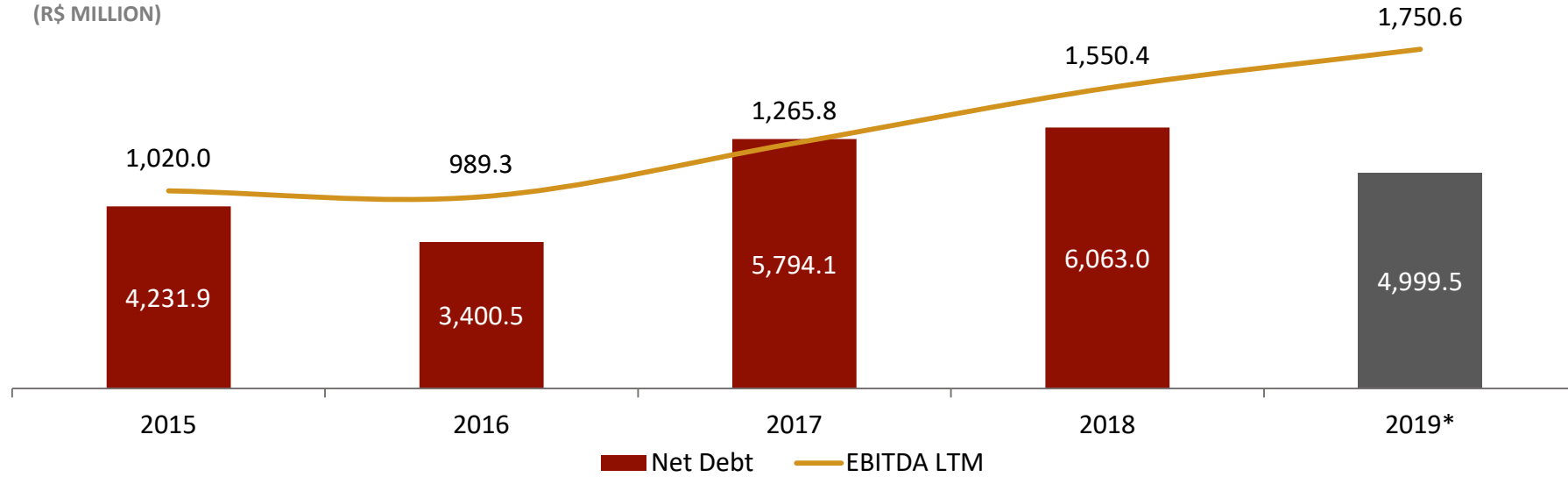


(1) 2017 includes pro-forma net revenue and EBITDA for the plants of the Mercosur assets acquired on August 1, 2017

Financial Leverage

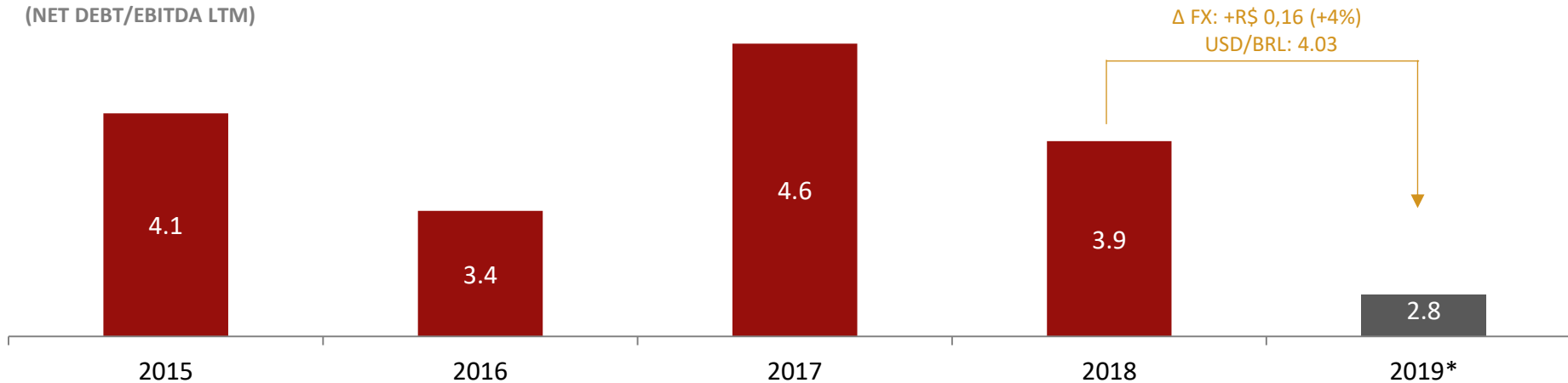
NET DEBT AND EBITDA LTM

(R\$ MILLION)



LEVERAGE (X)

(NET DEBT/EBITDA LTM)



R\$ Million	Dec/19
Gross Debt	10,477.7
Cash and Cash Equivalents	4,469.6
Offering Net Proceeds	999.6
Net Debt	4,999.5
EBITDA LTM	1,750.6
Net Debt / EBITDA LTM	2.8
<i>Outstanding Warrants</i>	<i>779,4</i>

2019* Considering Follow-on net proceeds

Net Result and Operating Cash Flow

ADJUSTED NET PROFIT

R\$ million	4Q19	2019
Net Result	243.6	16.2
Monetary Correction	84.1	173.1
FX Variation (non cash)	-2.8	290.3
FX hedge	85.0	-5.8
Adjusted Net Result Before Taxes	409.9	473.8
Taxes	-166.3	-148.8
Adjusted Net Result After Taxes	243.6	325.0

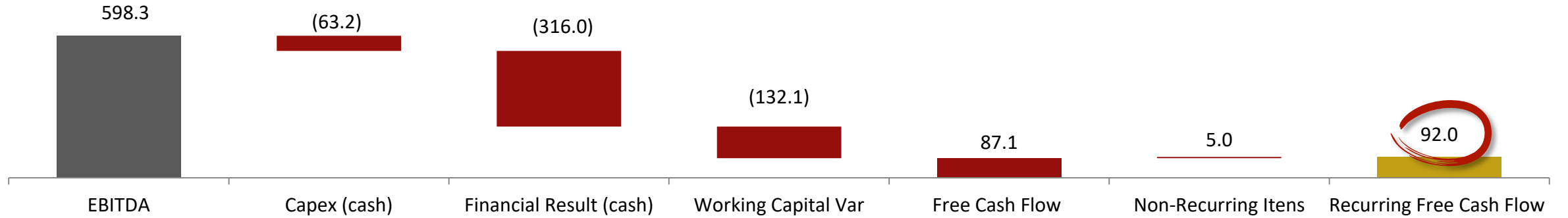
OPERATING CASH FLOW

R\$ million	4Q19	2019
Net Result	243.6	16.2
(+) Net Result Adjustments	129.5	1,370.9
(+) Changes in Working Capital Requirements	-132.1	370.9
Operating Cash Flow	241.0	1,757.9

Free Cash Flow

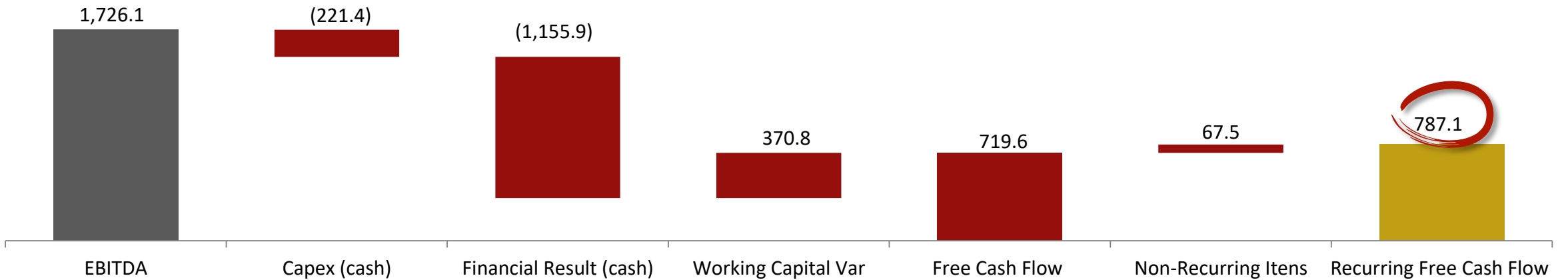
FREE CASH FLOW 4Q19

(R\$ MILLION)



FREE CASH FLOW 2019

(R\$ MILLION)



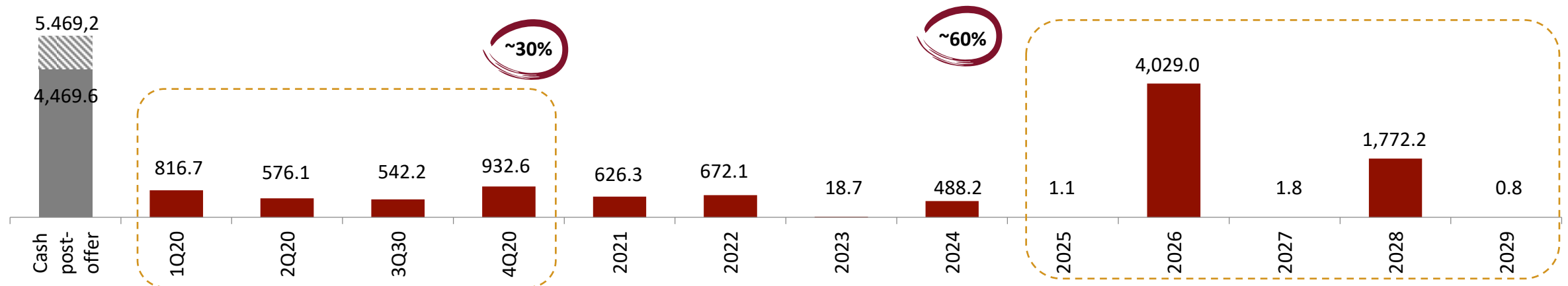
Capital Structure

HIGHLIGHTS

- Leverage measured by Net Debt / EBITDA LTM ratio (considering follow-on proceeds): **2,8x**
- Cash Position: R\$ 4.5 billion
- At the end of December approximately 77% of total debt was indexed to the dollar variation
 - According to the Company hedging policy, at least 50% of long-term FX exposure is hedged
- Debt Duration: 4.6 years

DEBT AMORTIZATION SCHEDULE – POST-OFFER

(R\$ MILLION - FOLLOW ON PROCEEDS INCLUDED)



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Investor Relations

Edison Ticle

Danilo Cabrera

Kelly Barna

Matheus Oliveira

Luiza Puoli

Email: ri@minervafoods.com

Phone: +55 11 3074-2444

www.minervafoods.com/ir