

INDUSTRY OVERVIEW

2Q23

Barretos, August 07, 2023 – Minerva Foods is the South American leader in beef exports, which also operates in the processed foods segment, selling its products to over 100 countries. The Company currently has a daily slaughtering capacity of 29,540 head of cattle, being present in Brazil, Paraguay, Argentina, Uruguay, and Colombia. Minerva operates 25 cattle slaughter and deboning plants and 3 processing plants, in addition to 4 sheep plants in Australia.

HIGHLIGHTS BY COUNTRY

Brazil

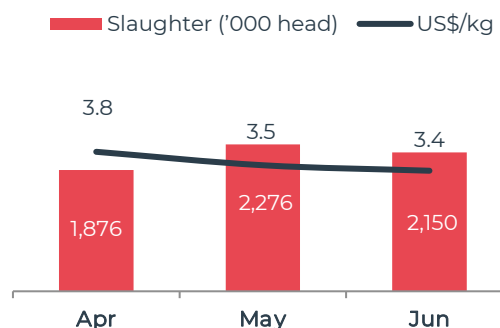
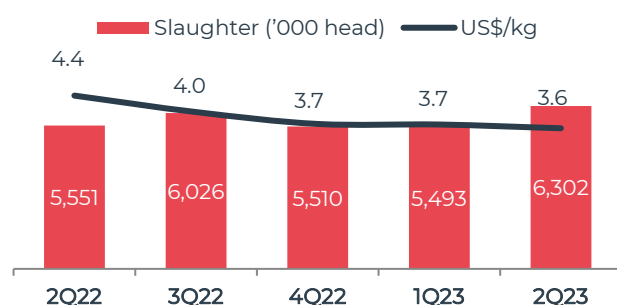
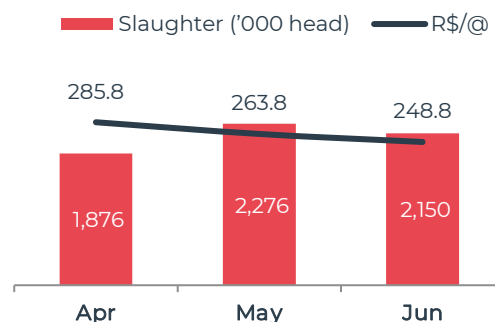
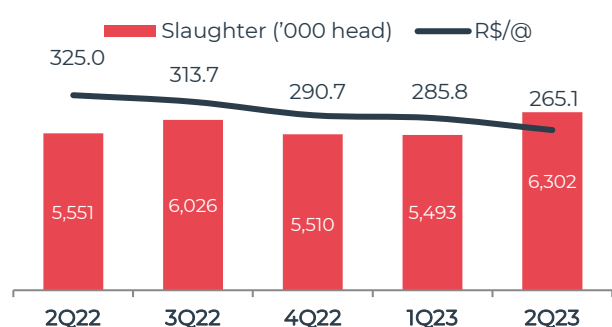
Cattle Supply

In 2Q23, approximately 6.3 million heads of cattle were slaughtered in Brazil, up by 15% quarter on quarter and by 14% year on year.

The arroba price (indicator: Finished Cattle ESALQ/BM&F - state of São Paulo) averaged R\$265.1/@, down by 7% quarter on quarter and by 18% year on year. Average cattle price in USD was US\$3.6/kg, virtually stable quarter on quarter and down by 19% from 2Q22.

The continuous drop in prices reinforces the greater availability of cattle ready for slaughter driven by the inversion of the cattle cycle.

Figures 1, 2, 3, and 4 – Cattle Slaughter and Average Cattle Price – R\$/@ and US\$/kg



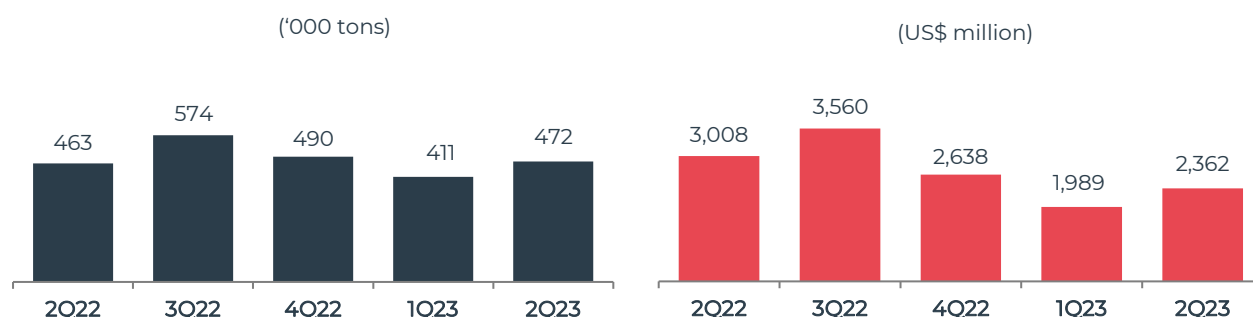
Source: Ministry of Agriculture, Livestock and Supply, CEPEA/ESALQ | Preliminary Slaughter Data

Export Market

In 2Q23, Brazilian beef exports reached 472,000 tons, growing by 18% quarter on quarter. Export revenue reached US\$2.4 billion in 2Q23, up by 19% over 1Q23. The performance in the quarter reflects the resumption of beef exports to China at the end of 1Q23.

In 1H23, exports totaled 883,000 tons. Export revenues reached US\$4.4 billion in the period.

Figures 5 and 6 – Fresh Beef Exports



Source: Ministry of Development, Industry and Foreign Trade | Preliminary Export Data

In 2Q23, the average beef price in USD reached US\$5.0/kg. In BRL, the average price was R\$24.6/kg in the quarter, being virtually flat quarter on quarter.

Figure 7 – Average Fresh Beef Price

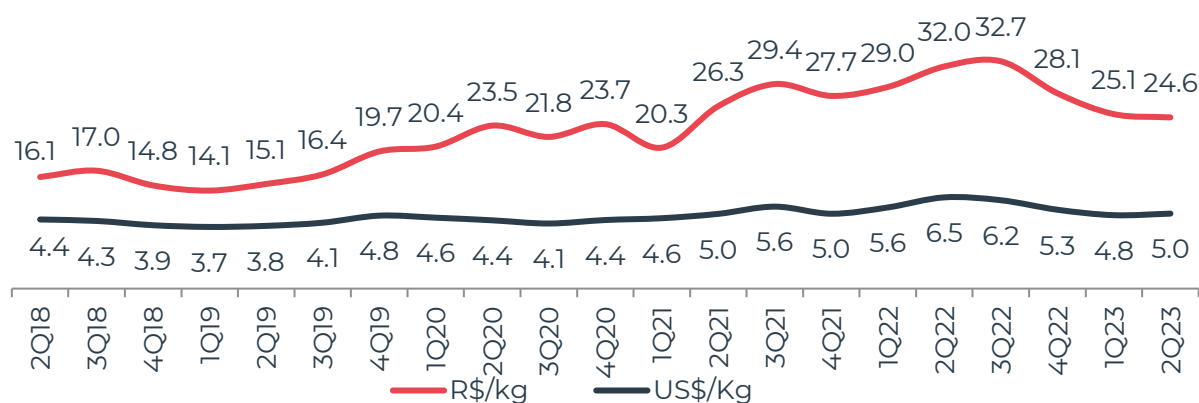
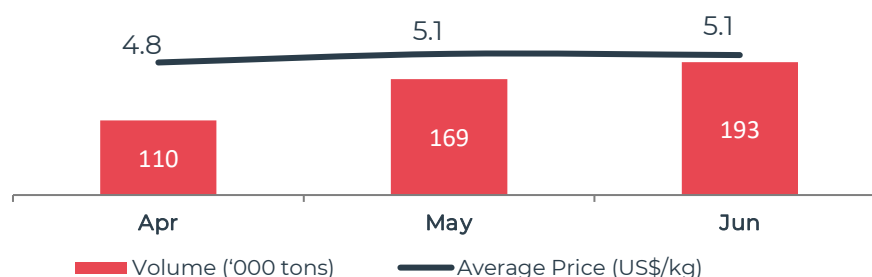


Figure 8 – Brazilian Fresh Beef Exports

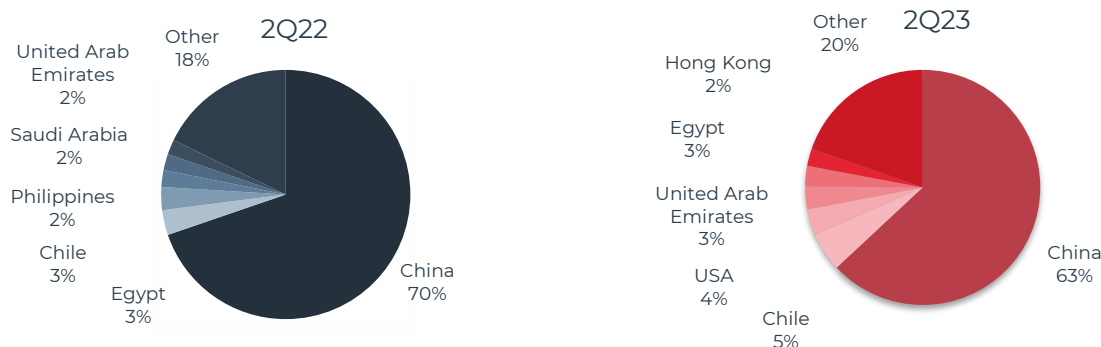


Source: Ministry of Development, Industry, and Foreign Trade

China remained as the main export destination for Brazilian beef in 2Q23, with a 63% market share, down by 7 p.p. year on year. Chile was the second main export destination for Brazilian beef, with 5% of the total,

followed by the USA, with 4%. It is worth noting the rise in exports to the USA, reflecting the negative beef cycle in the country.

Figures 9 and 10 – Export Destinations (% of Revenue)



Source: Ministry of Development, Industry, and Foreign Trade

Domestic Market

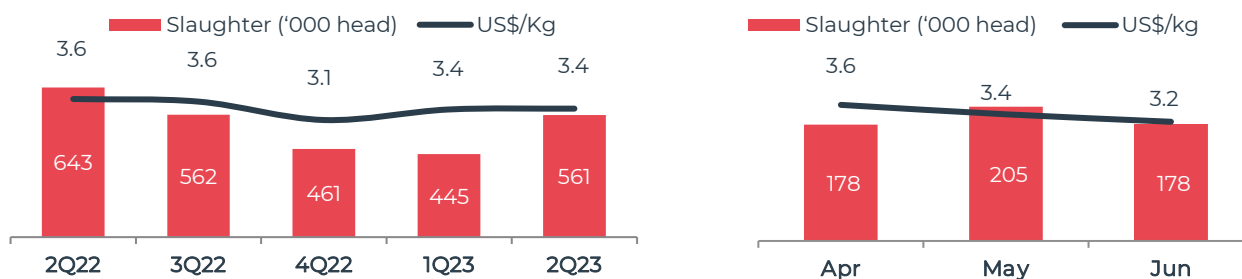
The domestic demand for beef was sluggish in the second quarter, reflecting a seasonal consumption in the period and the macroeconomic uncertainties.

Paraguay

Cattle Supply

In Paraguay, a total of 561,000 head of cattle were slaughtered in 2Q23, a significant rise of 26% quarter on quarter. In the period, average cattle prices were US\$3.4/kg, flat quarter on quarter and down by 7% year on year.

Figures 11 and 12 – Cattle Slaughter and Average Cattle Price



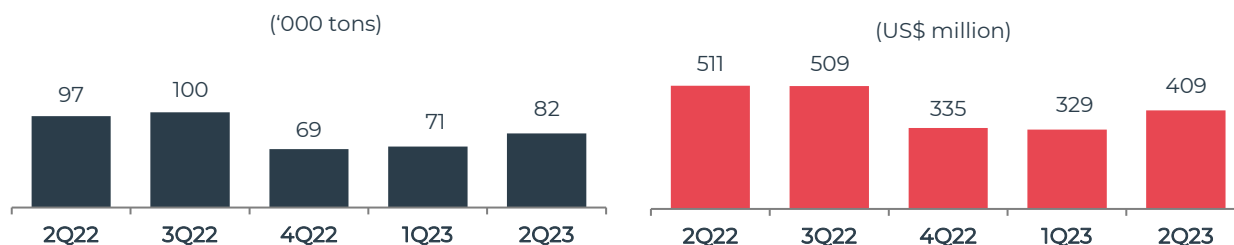
Source: OCIT – Oficina Consultiva y de Investigación Técnica

Export Market

Paraguayan beef exports totaled 82,000 tons in 2Q23, a 15% increase quarter on quarter. The country's export revenue reached US\$409 million in 2Q23, a 24% increase quarter on quarter. In 1H23, Paraguayan exports were 153,000 tons, with export revenues totaling US\$738 million.

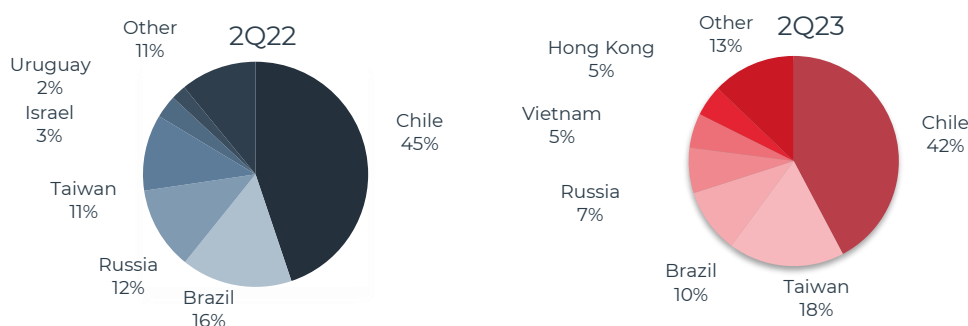
In 2Q23, Chile was the main destination for Paraguayan beef exports, accounting for 42% of total exports, followed by Taiwan, with 18%, and Brazil, accounting for 10% of Paraguayan exports.

Figures 13 and 14 – Fresh Beef Exports



Source: DNA – Direccion Nacional de Aduanas

Figures 15 and 16 – Export Destinations (% of Revenue)



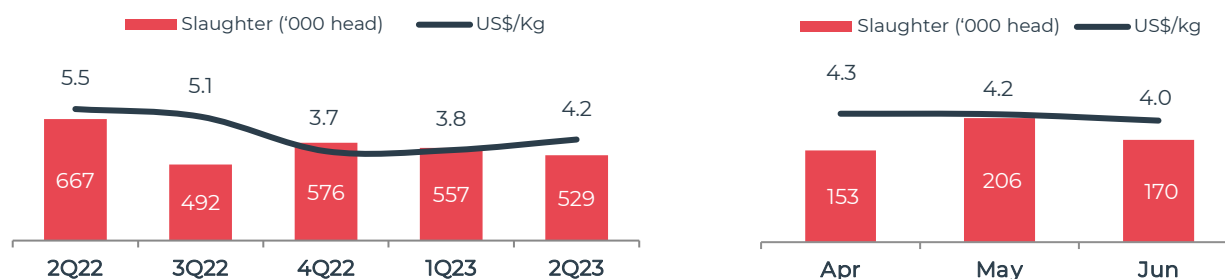
Source: DNA – Direccion Nacional de Aduanas

Uruguay

Cattle Supply

A total 529,000 head of cattle were slaughtered in Uruguay, down by 5% quarter on quarter in 2Q23. Cattle prices averaged US\$4.2/kg, down by around 23% year on year in 2Q23.

Figures 17 and 18 – Cattle Slaughter and Average Cattle Price



Source: INAC

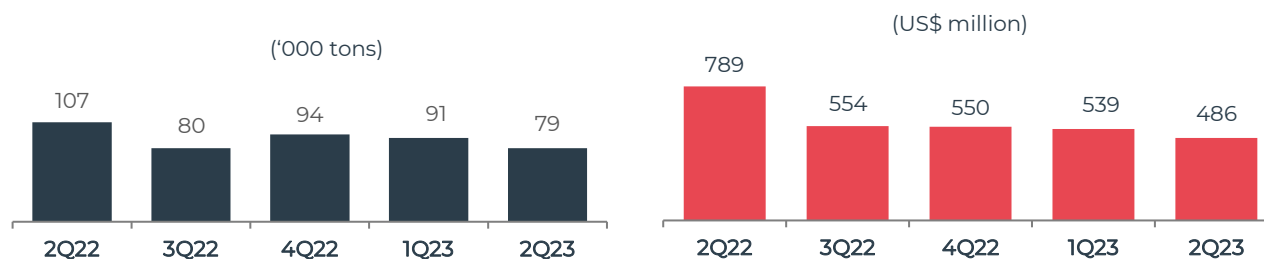
Export Market

Uruguayan beef exports totaled 79,000 tons in 2Q23, reaching export revenues of around US\$486 million.

China remained the main destination for Uruguayan beef, representing 51% of exports, followed by the United States, with 17%, and the Netherlands as the third largest destination, with 9% of total exports.

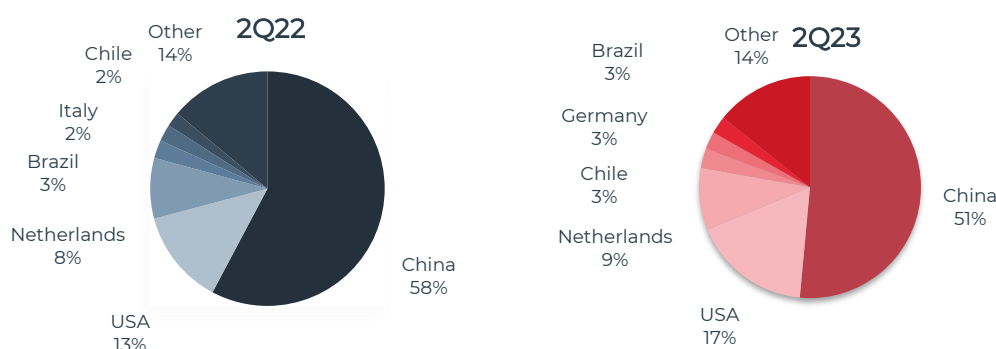
In 1H23, Uruguayan beef exports totaled 170,000 tons, with export revenues of US\$1.0 billion.

Figures 19 and 20 – Fresh Beef Exports



Source: Penta-transaction

Figures 21 and 22 – Export Destinations (% of Revenue)



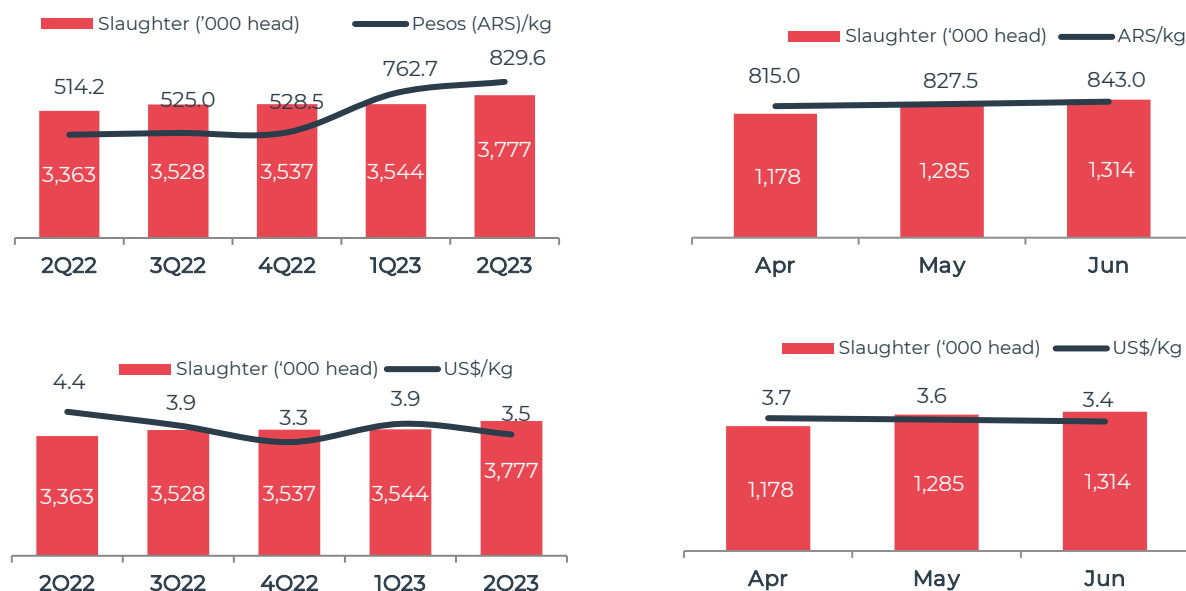
Source: Penta-transaction

Argentina

Cattle Supply

In 2Q23, a total of 3.8 million head of cattle were slaughtered in Argentina, up by 7% quarter on quarter and by 12% year on year. The average price of cattle in Argentina reached ARS\$829.6/kg in 2Q23, up by 9% quarter on quarter. Average cattle prices in USD reached US\$3.5/kg, down by 10% quarter on quarter.

Figures 23, 24, 25, and 26 – Cattle Slaughter and Average Cattle Price – ARS\$/kg and US\$/kg



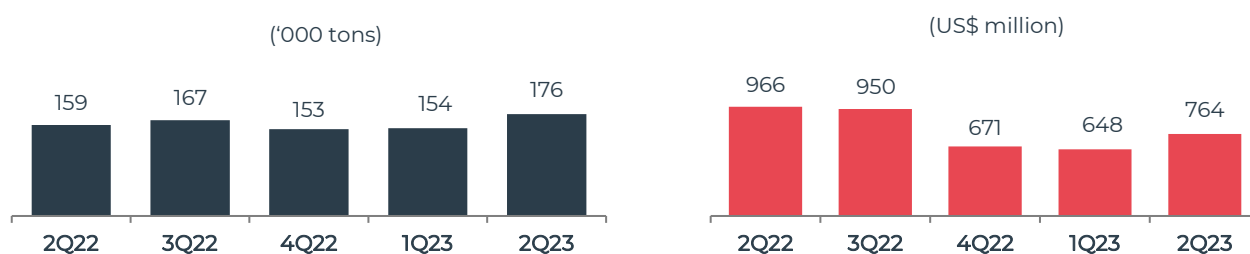
Source: ABC-consorcio

Export Market

In 2Q23, Argentinian beef exports totaled 176,000 tons, up by 14% quarter on quarter and by 10% year on year. The country's export revenue reached US\$764 million in 2Q23, up by 18% quarter on quarter.

Argentinian beef exports totaled 330,000 tons in 1H23, up by 12% year on year. Export revenue totaled US\$1.4 billion in the same period.

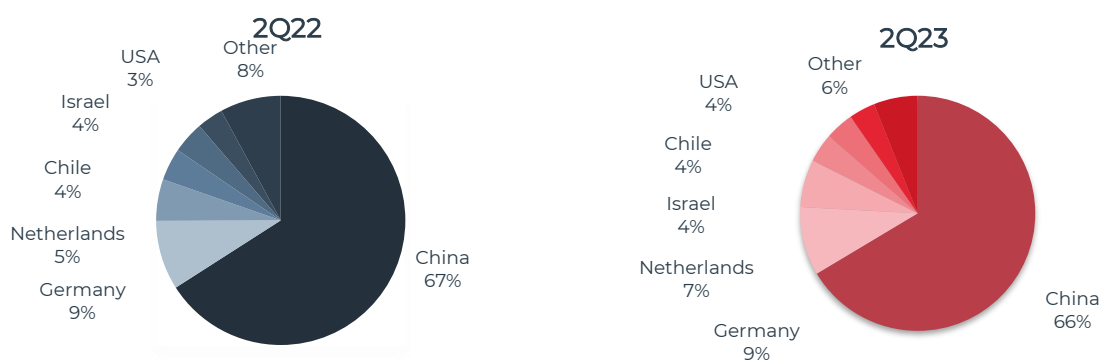
Figures 27 and 28 – Fresh Beef Exports



Source: INDEC | 2Q23 Preliminary Data

China remained as the main export destination, with 66% of the total amount exported by Argentina in 2Q23. Germany was the second largest export destination, with 9% of exports, followed by the Netherlands, with 7%, and then Israel, Chile, and the USA with 4% each.

Figures 29 and 30 – Export Destinations (% of Revenue)



Source: INDEC - Instituto Nacional de Estadística y Censos | 2Q23 Preliminary Data

Domestic Market

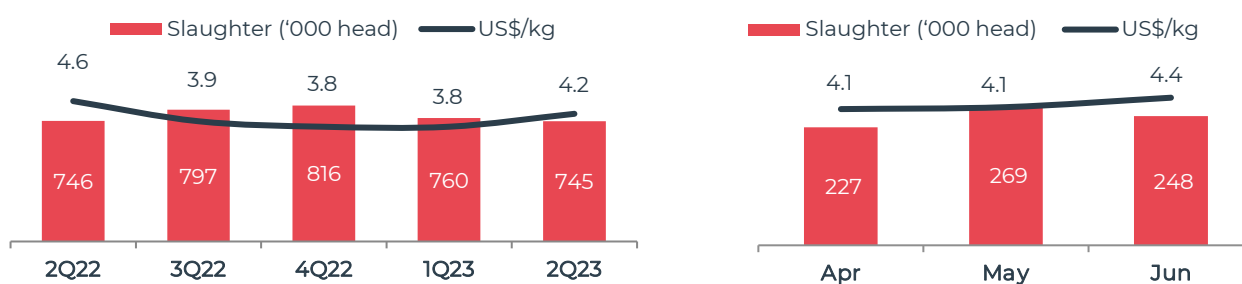
Amid an economic crisis, the beef market in Argentina continues to be impacted by the local population's purchasing power, thereby restricting the consumption of fresh beef in the domestic market.

Colombia

Cattle Supply

In 2Q23, a total of 745,000 head of cattle were slaughtered in Colombia, stable compared to previous periods. Cattle prices averaged US\$4.2/kg in 2Q23, up by 11% quarter on quarter and down by 9% year on year.

Figures 31 and 32 – Cattle Slaughter and Average Cattle Price



Source: DANE – Departamento Administrativo Nacional de Estadísticas e Feira de Medellín | 2Q23 Preliminary Data

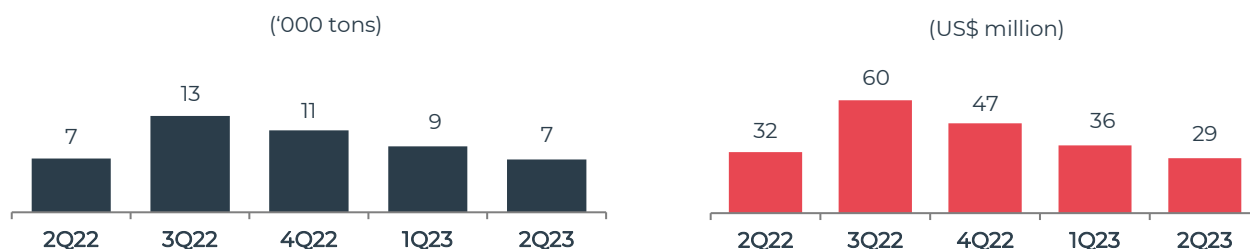
Export Market

Colombian beef exports reached 7,000 tons in 2Q23, with export revenues of US\$29 million.

In 1H23, Colombian beef exports totaled 16,000 tons, stable compared to the same period of 2022, with export revenues of US\$65 million.

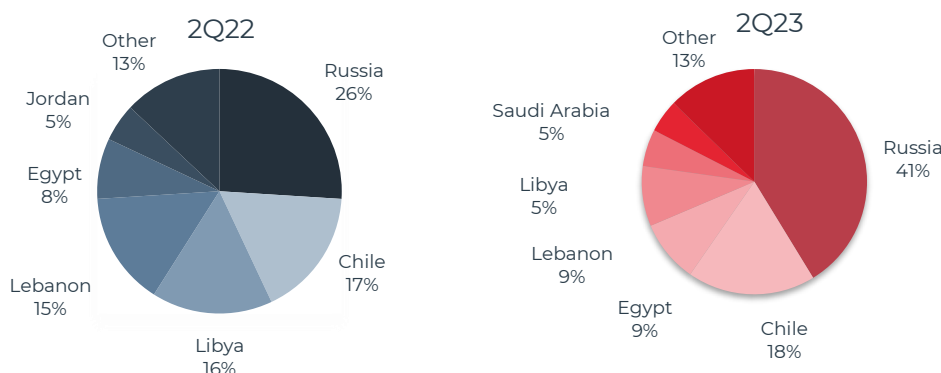
Russia remains the main destination for Colombian beef exports, accounting for 41% of total exports in the quarter, followed by Chile, with a 18% market share. The third main destination for Colombian beef exports was Egypt, with 9% of the total.

Figures 33 and 34 – Fresh Beef Exports



Source: Legiscomex | 2Q23 Preliminary Data

Figures 35 and 36 – Export Destinations (% of Revenue)



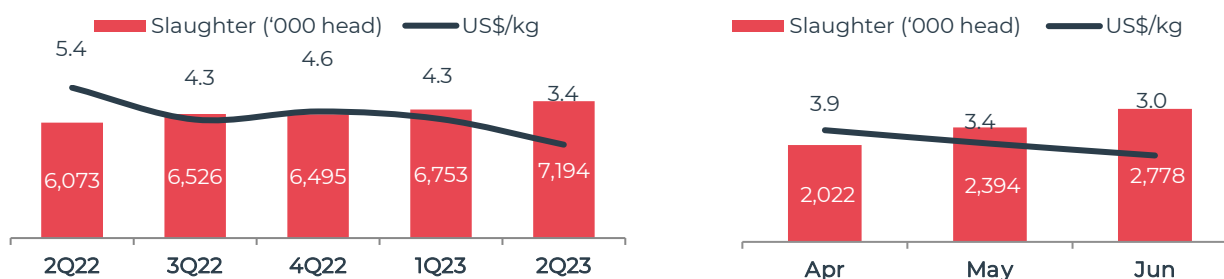
Source: Legiscomex | 2Q23 Preliminary Data

Australia

Sheep Supply

In 2Q23, a total of 7.2 million head of sheep were slaughtered in Australia, up by 7% quarter on quarter and by 18% year on year. Average sheep prices were US\$3.4/kg in 2Q23, down by 21% quarter on quarter and by 38% year on year, reflecting the strong availability of sheep.

Figures 37 and 38 – Sheep Slaughter and Average Price



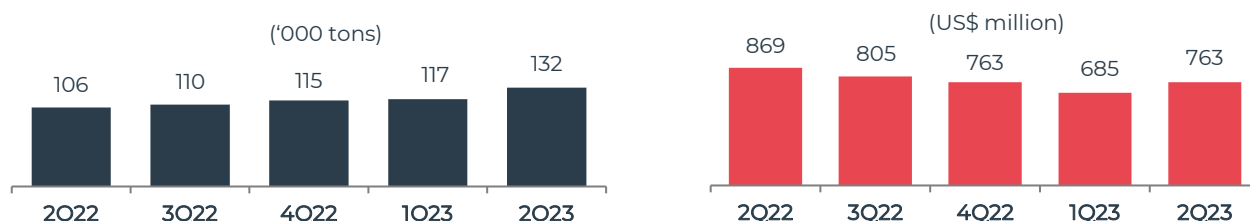
Source: MLA – Meat & Livestock Australia

Export Market

Australian sheep meat exports reached 132 thousand tons in 2Q23, up by 13% quarter on quarter and by 25% year on year, with export revenues of US\$763 million, an 11% increase over the previous quarter.

In 1H23, Australian sheep meat exports totaled 249,000 tons, up by 22% compared to the same period of last year.

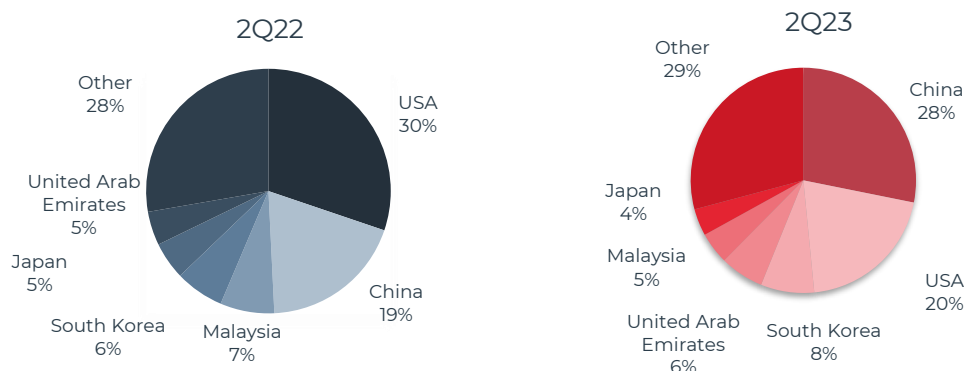
Figures 39 and 40 – Fresh Sheep Meat Exports



Source: TDM – Trade Data Monitor and DAFF – Department of Agriculture, Fisheries and Forestry | 2Q23 Preliminary Data

China was the main destination for Australian sheep meat exports, accounting for 28% of total exports in the quarter, followed by the USA, with a 20% market share, and South Korea was the third main destination, with 8% of the Australian sheep meat exports.

Figures 41 and 42 – Export Destinations (% of Revenue)



Source: TDM – Trade Data Monitor