MINERVA S.A.

Auditors' review report

Individual and Consolidated Interim Financial Information
For the quarter ended March 31, 2022

MINERVA S.A.

Individual and Consolidated Interim Financial Information
For the quarter ended March 31, 2022

Content

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION

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

Introduction

We have reviewed the individual and consolidated interim financial information of Minerva S.A. ("Company"), identified as the "Parent company" and "Consolidated", respectively, included in the Interim Financial Information Form (ITR) for the quarter ended on March 31, 2022, which comprise the financial position on March 31, 2022 and the related individual and consolidated statements of income, comprehensive income, statement of changes in equity and cash flows for the three-month period then ended, as well as a summary of the significant accounting practices and other notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with CPC 21 (R1) – Interim Financial Reporting and with the International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of these interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standard on Review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that causes us to believe that the individual and consolidated interim financial information included in the Quarterly Financial information – ITR referred to above were not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to Quarterly Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Interim statement of value added, individual and consolidated

The interim financial information referred to above includes the individual and consolidated interim statements of value added (SVA) for the three-month period ended March 31, 2022, prepared under the responsibility of Company's Management and presented as supplementary information for IAS 34 purposes. This information have been subject to review procedures performed in conjunction with the review of the interim financial information to conclude whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 – "Statement of Added Value". Based on our review, nothing has come to our attention that causes us to believe that these individual and consolidated interim statements of value added were not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the individual and consolidated interim financial information taken as a whole.

São Paulo, May 11, 2022.

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

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

MINERVA S.A.

Statements of financial position
In March 31, 2022 and December 31, 2021
(In thousands of Brazilian Reais - R$)

		Parent company		Consolidated	
	Note	03/31/2022	12/31/2021	03/31/2022	31/12/2021
Current					
Cash and cash equivalentes	4	4,249,063	4,894,639	5,289,375	7,302,009
Trade receivables	5	1,230,420	1,251,602	2,352,721	2,598,563
Inventories	6	681,631	654,618	1,880,981	2,115,294
Biological assets	7	362,641	342,334	456,789	467,960
Recoverable taxes	8	401,911	374,157	785,723	805,076
Other receivables	-	236,834	216,644	522,022	478,198
Total current assets		7,162,500	7,733,994	11,287,611	13,767,100
Non-current					
Other receivables	-	125,756	125,232	146,565	148,165
Related parties	9	4,874,123	5,847,272	-	-
Recoverable taxes	8	106,942	106,942	106,942	106,942
Deferred assets	17	720,137	467,739	721,938	415,665
Court deposits	-	15,844	15,626	22,411	22,202
Investments	10	3,935,361	4,389,650	199,841	199,841
Property, plant and equipment	11	2,028,232	1,947,378	4,358,476	4,581,352
Intangible assets	12	321,522	324,572	776,075	828,195
Total non-current assets		12,127,917	13,224,411	6,332,248	6,302,362
Total assets		19,290,417	20,958,405	17,619,859	20,069,462

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

MINERVA S.A.

Statements of financial position
In March 31, 2022 and December 31, 2021
(In thousands of Brazilian Reais - R$)

		Parent company		Consolidated	
	Notas	03/31/2022	12/31/2021	03/31/2022	31/12/2021
Current					
Loans and financing	13	1,600,180	1,547,580	1,421,003	1,488,416
Leases	11.b	8,527	9,265	11,056	10,435
Trade payables	14	2,269,824	2,511,018	3,139,975	3,724,242
Payroll, related charges and taxes payable	15	118,901	122,699	362,879	400,727
Other payables	16	1,236,372	1,306,668	1,507,025	1,614,550
Total current liabilities		5,233,804	5,497,230	6,441,938	7,238,370
Non-current					
Loans and financing	13	9,263,649	9,916,964	10,365,984	11,916,289
Leases	11.b	22,229	23,807	27,361	29,272
Payroll, related charges and taxes payable	15	43,880	45,112	51,234	53,179
Provisions for tax, labor and civil risks	18	25,128	27,959	36,200	43,377
Allowances for investment losses	10	3,267,312	3,472,062	-	-
Related parties	9	948,661	1,321,140	-	-
Other payables	16	-	-	14,031	18,524
Deferred taxes	17	-	-	157,882	116,320
Total non-current liabilities		13,570,859	14,807,044	10,652,692	12,176,961
Equity	19				
Capital stock		1,619,074	1,616,138	1,619,074	1,616,138
Capital reserve		118,271	118,271	118,271	118,271
Revaluation reserve		47,131	47,518	47,131	47,518
Profit reserves		353,865	353,865	353,865	353,865
Additional proposed dividends		200,000	200,000	200,000	200,000
Retained earnings		114,979	-	114,979	-
Treasury shares		(242,768)	(242,768)	(242,768)	(242,768)
Other comprehensive income		(1,724,798)	(1,438,893)	(1,724,798)	(1,438,893)
Total equity attributable to Company's shareholders		485,754	654,131	485,754	654,131
Non-controlling shareholders		-	-	39,475	-
Total equity		485,754	654,131	525,229	654,131
Total liabilities and equity		19,290,417	20,958,405	17,619,859	20,069,462

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

MINERVA S.A.

Statements of income
For the three-month periods ended March 31, 2022 and 2021
(In thousands of Brazilian Reais - R$, except when indicated otherwise)

		Parent company		Consolidated	
	Note	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net operating revenue	21	3,800,149	2,593,431	7,229,165	5,803,374
Cost of sales	-	(2,972,366)	(2,073,028)	(6,003,152)	(4,859,449)
Gross profit		827,783	520,403	1,226,013	943,925
Operating income (expenses):					
Selling expenses	22	(237,964)	(135,051)	(480,226)	(369,526)
General and administrative expenses	22	(110,145)	(89,514)	(230,152)	(179,791)
Other operating income (expenses)	22	4,069	(4,116)	35,374	(2,689)
Equity in earnings of subsidiaries	10	(7,226)	377,825	-	-
Income (loss) before financial income (loss) and taxes		476,517	669,547	551,009	391,919
Financial expenses	23	(651,212)	(177,936)	(690,732)	116,785
Financial revenues	23	17,848	7,787	24,458	13,080
Monetary correction	23	-	-	(41,960)	(47,806)
Exchange rate variation, net	23	19,041	(223,255)	20,607	(203,041)
Net financial result		(614,323)	(393,404)	(687,627)	(120,982)
Income before taxes		(137,806)	276,143	(136,618)	270,937
Income tax and social contribution - current	17	-	-	(12,165)	(9,876)
Income tax and social contribution - deferred	17	252,398	(16,597)	263,375	(1,515)
		252,398	(16,597)	251,210	(11,391)
Net income for the period		114,592	259,546	114,592	259,546
Attributable to:					
Company shareholders		114,592	259,546	114,592	259,546
Non-controlling shareholders		-	-		-
Net income for the period		114,592	259,546	114,592	259,546
Result per share:					
Basic earnings per share - R$	24	0,19614	0,49290	0,19614	0,49290
Basic earnings per share - R$	24	0,19614	0,49290	0,19614	0,49290

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

MINERVA S.A.

Statements of comprehensive income
For the three-month periods ended March 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

	Parent company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net income for the period	114,592	259,546	114,592	259,546
Other comprehensive income to be reclassified to income statement in subsequent period:				
Cumulative translation adjustments	(285,905)	(93,400)	(285,905)	(93,400)
Total other comprehensive income for the period	(171,313)	166,146	(171,313)	166,146
Comprehensive income attributable to:				
Company shareholders	(171,313)	166,146	(171,313)	166,146
Non-controlling shareholders	-	-	-	-
Compreensive income for the period	(171,313)	166,146	(171,313)	166,146

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

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the three-month periods ended March 31, 2022
(In thousands of Brazilian Reais - R$)

				Profit reserves									
	Capital stock	Capital reserve	Revaluation reserve	Legal reserve	Statutory reserve	Earnings retention - Art.196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
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 period	-	-	-	-	-	-	-	114,592	-	-	114,592	-	114,592
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(285,905)	(285,905)	-	(285,905)
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	114,592	-	(285,905)	(171,313)	-	(171,313)
Capital increase	2,936	-	-	-	-	-	-	-	-	-	2,936	-	2,936
Realization of revaluation reserve	-	-	(387)	-	-	-	-	387	-	-	-	-	-
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	39,475	39,475
Balances as of March 30, 2022	1,619,074	118,271	47,131	64,799	170,483	118,583	200,000	114,979	(242,768)	(1,724,798)	485,754	39,475	525,229

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

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated
For the three-month periods ended March 31, 2021
(In thousands of Brazilian Reais - R$)

	Capital stock	Capital reserve	Revaluation reserve	Profit reserves: Legal reserve	Profit reserves: Statutory reserve	Profit reserves: Earnings retention - Art.196	Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
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 period	-	-	-	-	-	-	-	259,546	-	-	259,546	-	259,546
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(93,400)	(93,400)	-	(93,400)
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	259,546	-	(93,400)	166,146	-	166,146
Capital increase	7,618	-	-	-	-	-	-	-	-	-	7,618	-	7,618
Realization of revaluation reserve	-	-	(387)	-	-	-	-	387	-	-	-	-	-
Balances as of March 30, 2021	1,311,602	118,271	48,679	34,855	-	118,583	376,092	259,933	(242,768)	(1,011,411)	1,013,836	-	1,013,836

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

MINERVA S.A.

Statements of cash flows - Indirect method
For the three-month periods ended March 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

	Parent company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Cash flow from operating activities				
Net income for the period	114,592	259,546	114,592	259,546
Adjustments to reconcile net income:				
Depreciation and amortization	47,880	39,822	94,970	83,064
Allowance for expected credit losses	-	730	455	730
Gains on sale of fixed assets	9,770	186	10,794	1,304
Fair value of biological assets	12,288	(45,027)	12,511	(36,185)
Realization of deferred taxes	(252,398)	16,597	(263,375)	1,515
Equity in earnings (losses) of subsidiaries	7,226	(377,825)	-	-
Finance charges	178,296	162,199	264,580	248,675
Unrealized exchange rate changes	489,309	347,322	893,656	565,478
Monetary correction		-		47,806
Provision for legal claims	(2,831)	(458)	(7,177)	1,977
Trade and other receivables	468	(60,949)	203,163	(610,695)
Inventories	(27,013)	(35,739)	234,313	(347,105)
Biological assets	(32,595)	2,436	(1,340)	(9,980)
Recoverable taxes	(27,754)	(3,596)	19,353	(52,816)
Deferred taxes	-	-	-	-
Court deposits	(218)	1,219	(209)	1,238
Trade payables	(241,194)	(142,794)	(584,267)	128,162
Payroll, related charges and taxes payable	(5,030)	(11,599)	(39,793)	20,994
Other payables	(70,296)	584,148	(112,018)	746,530
Net cash provided from operating activities	200,500	736,218	840,208	1,050,238
Cash flow from investing activities				
Acquisition of investiments	(43,592)	(29,921)	-	(29,000)
Acquisition of intangible assets, net	(1,643)	(1,875)	(1,944)	(1,875)
Acquisition of property, plant and equipment, net	(133,771)	(18,972)	(170,875)	(42,540)
Net cash used in investing activities	(179,006)	(50,768)	(172,819)	(73,415)
Cash flow from financing activities				
Raising of loans and financing	688,464	709,970	765,936	1,157,545
Payments of loans and financing	(1,520,161)	(1,102,846)	(2,917,381)	(2,455,687)
Payments of leases	(2,356)	(2,401)	(2,724)	(2,523)
Related parties	600,670	(563,418)	-	-
Capital stock increase	2,936	7,618	2,936	7,618
Payment of interest on equity	-	(19,240)	-	(19,240)
Non-controlling shareholders	-	-	39,475	-
Net cash used in financing activities	(230,447)	(970,317)	(2,111,758)	(1,312,287)
Exchange rate changes on cash and cash equivalents	(436,623)	352,178	(568,265)	354,167
Net increase (decrease) in cash and cash equivalents	(645,576)	67,311	(2,012,634)	18,703
Cash and cash equivalents:				
At the begining of period	4,894,639	5,422,755	7,302,009	6,391,429
At the end of period	4,249,063	5,490,066	5,289,375	6,410,132
Net increase (decrease) in cash and cash equivalents	(645,576)	67,311	(2,012,634)	18,703

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

MINERVA S.A.

Statement of value added
For the three-month periods ended March 31, 2022 and 2021
(In thousands of Brazilian Reais - R$)

	Parent company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Revenue	3,650,419	2,492,470	7,197,135	5,800,336
Sales of goods, products and services	3,631,799	2,482,525	7,146,503	5,786,235
Other revenue	18,620	9,945	50,632	14,101
Inputs acquired from third parties	(3,436,685)	(2,397,249)	(6,554,037)	(5,262,949)
(includes taxes amounts - ICMS, IPI, PIS, and COFINS)				
Cost of products, goods and services sold	(3,169,456)	(2,247,203)	(5,921,443)	(4,801,760)
Materials, electric power, third-party services and other	(267,229)	(150,046)	(632,594)	(461,189)
Gross value added	213,734	95,221	643,098	537,387
Depreciation, amortization and depletion	(47,880)	(39,822)	(94,970)	(83,064)
Net added value generated by the company	165,854	55,399	548,128	454,323
Net added value by transfer	10,622	385,612	24,458	13,080
Equity in earnings (losses) of subsidiaries	(7,226)	377,825	-	-
Financial income	17,848	7,787	24,458	13,080
Net total added value to be distributed	176,476	441,011	572,586	467,403
Distribution of value added	176,476	441,011	572,586	467,403
Personnel	60,661	50,777	261,591	256,768
Taxes, fees and contribution	(280,591)	27,602	(133,873)	93,978
Capital remuneration from third parties	281,814	103,086	330,276	(142,889)
Interests	280,938	102,410	327,717	(144,600)
Rents	876	676	2,559	1,711
Remuneration of equity capital	114,592	259,546	114,592	259,546
Retained earnings for the period	114,592	259,546	114,592	259,546

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

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), and 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), Taboão da Serra (SP), Cubatão (SP), Santos (SP), Belo Horizonte (MG), Maracanaú (CE), Uberlândia (MG), Cabo de Santo Agostinho (PE), Itajaí (SC) and Caraguatatuba (SP).

As of March 31, 2022, the Company's consolidated industrial park had a daily slaughter capacity of 26,180 heads and a 5,616-ton low cap taking into account Athena Foods S.A. (Chile) – 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., which is the parent 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 intendend 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;

- 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 Colombia SAS: Based in Ciénaga de Oro, next to Montería, in the Córdoba region, Colombia, mainly engaged in the dale 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;

- Minerva Australia Holdings PTY Ltd.: Located in Brisbane (Australia), this unit started operations in 2016 and has Minerva Ásia Foods PTY Ltd. as its direct subsidiary; and
- 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; and
- 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.
- Fortune 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;

- 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; and
- 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.

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$250 million, on that date; and
- Minerva Luxembourg S.A.: located in Luxembourg, incorporated in 2011 for the specific purpose of issuing "Bonds" and receiving financial resources of US$ 350 million and subsequent "Retap" of US$ 100 million in February and March 2012, respectively. Still in the 1st quarter of 2013, it carried out a "bond repurchase offer" operation using the financial resources obtained from the issuance of the 2023 notes of US$ 850 million with interest of 7.75% per year, as well as, in the third quarter of 2014, a "Retap" operation of the 2023 notes of US$ 200 million. During the third quarter of 2016, it made an offer of US$ 1 billion with interest of 6.50% per year, where it rebought the 2023 notes in the amount of US$ 617,874. In the second quarter of 2017, it conducted a "Retap" operation of the 2026 notes of $350 million.

(Amounts in thousands of reais - R$, unless otherwise stated)

During the fourth quarter of 2017, it made an offer of US$ 500 million with interest of 5.875% per year, where it rebought the 2023 notes in the amount of US$ 198,042. During the first quarter of 2021, it made an offer of US$1 billion with interest of 4.375% per year, where it repurchased the 2026 notes in the amount of US$ 911,719. During the fourth quarter of 2021, it rebought and cancelled a portion of the 2028 Notes that were in circulation in the amount of US$ 70,606 that had an interest coupon of 5.875% p.a. During the first quarter of 2022, it repurchase and cancelled a portion of the 2028 Notes that were in circulation in the amount of US$ 89,405 that has an interest coupon of 5.875% p.a. It also rebought and cancelled a portion of the 2031 Notes that were in circulation in the amount of US$ 42,217 that has an interest coupon of 4.375% per year.

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 interim financial information. The equity interest in each subsidiary is as shown below:

	03/31/2022	12/31/2021
Direct subsidiaries		
Minerva Dawn Farms S.A.		
Friasa S/A	100.00%	100.00%
Minerva Overseas I	99.99%	99.99%
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 1839	100.00%	100.00%

(Amounts in thousands of reais - R$, unless otherwise stated)

	03/31/2022	12/31/2021
Indirect subsidiaries		
Frigorifico 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	100.00%	100.00%

Hyperinflationary economy - Argentina

On June 30, 2018, according to an evaluation conducted by different market players, Argentina’s economy was considered hyperinflationary beginning July 01, 2018. The Argentinean peso devaluation and an increase in the overall price level in recent periods resulted in inflation indices exceeding 100% on a three-year cumulative basis.

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 EPIs, testing of employees and community support initiatives related to donations of equipment, food and health and personal hygiene utensils. As of March 31, 2022, there were no significant amounts of expenses related to COVID-19 (R$ 30,992 as of December 31, 2021).

Regarding operations, there was a substantial drop in purchases of the food service segment in Brazil and Europe, which were offset by increases in foreign sales to Asian countries, especially China. The Company's consolidated gross revenue reached R$ 7,627,608 as of March 31, 2022 (R$ 6,109,804 as of March 31, 2021). In 2022, exports reached 70.26% of gross revenue (67.98% as of March 31, 2021), maintaining 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 costly capital structure with a lower risk profile, having reduced indebtedness in the first quarter of 2022.

Despite a scenario of uncertainty resulting from the pandemic, the Company's management prioritized identifying risks, assessing impacts and adapting operations. All our efforts have been directed to ensure the offering of the products, while protecting the collaborators and supporting our customers and suppliers.

The Company continues with the contribution to combating the new Coronavirus, through solidarity actions, donations and support to 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 as of March 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 quarter of 2022 and the year 2021 were marked by significant advances in the ESG agenda. The Company, a sector leader in combating climate change, has committed to society, customers, suppliers, employees and investors, announcing the goal of becoming a carbon neutral company by 2035 (zero net emissions in scopes 1, 2 and 3). The goal is aligned with one of the five values of Minerva Foods Culture – Sustainability.

Our goal is based on public results that prove leadership in monitoring the supply chain in South America and combating illegal deforestation. The Company's commitment to Sustainability is guided by the contribution to a healthy planet and prosperous communities, supporting South American producers in implementing practices that sequester and stockcarbon, protect biodiversity and increase the resilience of their businesses.

The Company will work on 3 major axes to achieve the zero net emissions target by 2035 in scopes 1, 2 and 3:

Scopes 1 and 2 - Environmental Efficiency of operations:

- Reduce the intensity of greenhouse gas emissions by 30% in scopes 1 and 2 by 2030.
- Carbon neutral energy matrix (zero net emissions in scope 2 – target achieved in 2020).

Scope 3 – Combating illegal deforestation through geospatial monitoring of the supply chain:

- Zero illegal deforestation throughout the supply chain (direct and indirect supplier farms) for all countries operating in South America by 2030.
- 100% of the geographic monitoring of direct supplier farms in Paraguay until December 2021 (target reached in December), Colombia in 2023, Uruguay in 2025 and expansion to other South American countries until 2030.
- Monitoring program of indirect supplier farms in all countries of operation in South America until 2030, including:

i. Integration of the Visipec tool in the geographic monitoring system for the Amazon by December 2021 (target reached four months earlier than planned);
ii. Availability of an application to verify indirect supplier farms in Brazil, in partnership with Niceplanet Geotecnologia, until December 2021 (target reached two months earlier than planned).

Scope 3 – Renew Program - low carbon emission in the production chain:

- 50% of beef suppliers participating in the Renew program by 2030.
- Partnership with research institutions to apply a methodology to monitor, report and verify the carbon balance of supplier farms in the countries of operation in South America, with preliminary results expected in 2021 (target reached with the disclosure during the United Nations Conference on Climate Change – COP26).

The pioneering in combating illegal deforestation in the supply chain was highlighted in this first quarter of 2022 the expansion of geographic monitoring for operations in Colombia and Argentina, in December 2021 we ended the expansion to operations in Paraguay with 100% of the direct supplier farms monitored. In Colombia we are already monitoring more than 30% of our direct supplier farms and 90% in Argentina.

Also in 2021, the Company began to provide rural producers throughout Brazil with the same geospatial technology that it uses to monitor its suppliers, through the SMGeo Prospec application, developed by Niceplanet Geotecnologia. In this way, the Company transfers the highest technology, used in its analysis and monitoring systems, to the palm of the hands of ranchers - the same technology that guarantees Minerva Foods expertise in traceability and, successively, the best results among the major players in the audit of the Federal Public Ministry, the main and most reliable third-party verification procedure in the agricultural chain. The app allows rural producers to carry out detailed research, with access to the history and analysis of socio-environmental compliance of farms.

Regarding the Renove program, the first quarter of 2022 brought important advances in support of the implementation of low-emission livestock and the operations of MyCarbon, a company focused on the development and commercialization of carbon credits with the launch of a certified carbon neutral product in Uruguay. The partner farms that participated in the study with Imaflora in 2021 and the country's industrial units had their carbon footprints audited and certified by Preferred by Nature, a non-profit organization that operates in more than 100 countries. The Renove program accompanies farms to support the reduction of emissions in production systems and to include more farms in the certification program. The emissions were offset with carbon credits generated in a livestock integration project - forest in Uruguay and sold by MyCarbon. At MyCarbon, a subsidiary of the Company created in 2021, we began our interaction with Exchange CBL (Chicago) and bought credits for two more projects at Emsurge Market Place to make up our portfolio. In addition, we started contactwith credit tokenization service providers. We also advance in the approximation with actors of the carbon market in the other countries of operation of the Company, preparing the ground for future performance of MyCarbon, through partnerships.

In the institutional context we receive important recognitions. We are one of the Companies listed in the 2021/2022 portfolio of the B3 Corporate Sustainability Index (ISEB3), the fourth sustainability index in the world; we also joined for the second consecutive year the B3 Carbon Efficient Index (ICO2B3) portfolio. The Company also became part of the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70). In addition, we were evaluated by the Forest 500 Ranking as one of the companies in the protein sector that presents the lowest risks of linking with deforestation or potential exposure to supply chains of forest risk commodities. In 2022, Minerva Foods ranks among the top 5 Brazilian companies in sustainability policies, according to the ranking.

Finally, ESG issues remain a priority for Minerva Foods, which published its 11th Sustainability report in the Global Reporting Initiative standard in early April, with the first company in the industry to report the results for 2021 for the second consecutive year. We will maintain this practice as a standard in our communication with the most diverse stakeholders, bringing to our public an up-to-date information about esg events in a holistic and transparent way. This new edition brings new features such as the review of the materiality matrix, implementation of recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and indicators based on the standards of the Global Reporting Iniciative (GRI) and Sustainability Accounting Standards Board (SASB).

Transparency

We will continue to engage with the Sustainability of the Company's value chain in a material way, focused on reducing our carbon footprint, reducing our water footprint and, mainly, combating climate change related to land use conversion. Geographic monitoring of the supply chain is a key path to achieve our goals, so we will continue to invest in the low-carbon program in the production chain – Renove, and in geographic monitoring technologies in the countries where we have operations.

The Company's commitment is demonstrated with material results today, now contributing to the sustainability of our planet.

2. Basis of preparation

Statement of compliance (with IFRSs and CPC standards)

The individual and consolidated interim financial information were prepared in accordance with CPC 21 (Interim Financial Information) and also In accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) 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 interim financial information 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 interim financial information is being evidenced and that these correspond 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 interim financial information.

The individual and consolidated interim financial information 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 interim financial information are summarized below. These accounting policies were applied consistently to all periods reported, unless stated otherwise.

The individual and consolidated interim financial information were approved for issue by the Company's Management on May 11, 2022.

3. Summary of significant accounting policies

a) Basis of measurement

The individual and consolidated interim financial information 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 interim financial information 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 interim financial information 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 Interim Financial Information as of March 31, 2022:

- Guarani currency (Paraguay-PY) – Friasa S.A.;
- Moeda dólar norte americano (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 Multiestrategicas – Investimento no Exterior, MF92 Venture LLC e Minerva Luxembourg;
- Sterling pound (GBP) – Minerva Europe Ltd.;
- Chilean Peso – Minerva Foods Chile SpA and Minerva Live Cattle Export SPA;
- Colombian Peso – Minerva Colombia S.A.S, Red Cárnica S.A.S, and Red Industrial Colombiana S.A.S.;

- Australian Dollar – Minerva Australia Holdings PTY Ltd.; Minerva Asia Foods PTY Ltd.;
- Argentinean Peso – Pul Argentina S.A.; and
- Euro – Athn Foods Holdings S.A.
- Singapore Dollar Currency: Fortuna Foods PTE. LTD.

The individual and consolidated interim financial information, 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 information 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 interim financial information 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 interim financial information 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 interim financial information. 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 asssets on initial recognition into three categories:

i) assets measured at amortized cost;
ii) fair value through profit or loss; or
iii) fair value through other comprehensive income.

- Amortization 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. 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 interim financial information, 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.

j) 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 interim financial information. 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.

k) 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.

l) Biological assets

Biological assets are measured at fair value. Changes in fair value are recognized in the result. 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".

m) 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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 period are as follows:

	Parent company (annual rate)	Consolidated (annual rate)
Buildings	3.01%	2.51%
Machinery and equipment	8.94%	8.60%
Furniture and fixtures	10.86%	9.36%
Vehicles	7.16%	6.91%
Computer hardware	25.01%	22.75%

The depreciation methods, useful lives, and residual values are updated and revised at each period 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 19, will be maintained until its full amortization, by full depreciation or disposal of the assets.

n) 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.

o) 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

The goodwill resulting from the acquisition of subsidiaries is included in the intangible assets in the consolidated interim financial information.

p) Impairment test reduction

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.

q) 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.

r) 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 interim financial information.

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 8.7% 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.

s) 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.

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.

t) 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.

u) 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.

v) Revenue recognition

The Company's revenues 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 by the Company.

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 expects to be entitled, deducted from returns, discounts, rebates and other deductions, if applicable, being recognized as the Company satisfies its performance obligation. The opening of sales revenue is shown in Note 21.

w) Earnings per share

The basic income per share is calculated through the results of the period attributable to the Controlling Shareholders of the Company and the weighted average of the common shares outstanding in the respective period. 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.

x) 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 interim financial information.

y) New and revised standards and interpretations:

During the 2021 and the first 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 Interim Financial Information;

- 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 Interim Financial Information;

- 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 Interim Financial Information; and

- 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 Interim Financial Information.

z) 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 interim financial information according to the accounting practices adopted in Brazil applicable to publicly-held companies, whereas they are considered by IFRS as supplemental financial information, 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

4. Cash and cash equivalents

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

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Cash	246	249	1,942	1,237
Banks - checking accounts	1,932	2,226	706,254	2,090,958
Cash and cash equivalents in foreign currencies	3.428.590	3,981,478	3,430,752	3,983,438
Total	3,430,768	3,983,953	4,138,948	6,075,633
Short-term investments				
In local currency				
Bank Certificates of Deposit (CDB)	185,296	329,655	229,789	365,070
Debentures	571,754	515,649	573,262	556,635
Other financial assets	61,245	65,382	347,376	304,671
Short-term investments	818,295	910,686	1,150,427	1,226,376
Total	4,249,063	4,894,639	5,289,375	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	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Measured at fair value through profit or loss	818,295	910,686	1,150,427	1,226,376
Total	818,295	910,686	1,150,427	1,226,376

5. Trade receivables

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Trade notes - domestic customers	201,151	273,313	699,448	809,043
Trade notes - foreign customers	431,299	241,128	1,687,788	1,831,660
Receivables - related parties	617,627	762,336	-	-
Total	1,250,077	1,276,777	2,387,236	2,640,703
(-) Allowance for expected credit losses	(19,657)	(25,175)	(34,515)	(42,140)
Total	1,230,420	1,251,602	2,352,721	2,598,563

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

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Current	1,122,831	1,190,073	2,049,778	2,348,912
Overdue:				
Up to 30 days	76,547	39,811	203,026	160,261
From 31 to 60 days	3,134	1,240	42,492	23,194
From 61 to 90 days	1,582	509	6,696	2,808
Above 91 days	45,983	45,144	85,244	105,528
Total	1,250,077	1,276,777	2,387,236	2,640,703

(Amounts in thousands of reais - R$, unless otherwise stated)

The movement of expected losses with credits for the period ended March 31, 2022 and for the year ended December 31, 2021 are represented as:

	Parent Company	Consolidated
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	(25,175)	(42,140)
Provisioned credits	-	(455)
Credits recovered	4,636	4,636
Exchange variation	882	3,444
Balances as of March 31, 2022	(19,657)	(34,515)

The Company has a Receivables Investment Fund (FIDC) for sale of part of its domestic receivables, in the amount of R$ 191,152 (as of December 31, 2021, R$ 202,384), without co-obligation or right of return, of which R$ 21,493 (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.

6. Inventories

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Finished products	639,873	617,069	1,671,353	1,885,560
Warehouse and secondary materials	41,758	37,549	209.628	229,734
Total	681,631	654,618	1,880,981	2,115,294

(Amounts in thousands of reais - R$, unless otherwise stated)

7. 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's 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 at December 31, 2021	342,334	467,960
Increase due to acquisitions	75,169	163,105
Decrease due to sales	(42,415)	(154,134)
Net decrease due to births (deaths)	(159)	(2,386)
Conversion adjustment	-	(5,245)
Change in fair value minus estimated selling expenses	(12,288)	(12,511)
Balance as of March 31, 2022	362,641	456,789

As of March 31, 2022, farm animals kept for sale were composed of 55,788 cattle (as of December 31, 2021, 54,229 cattle), the animals kept in feedlot were composed of 19,916 cattle (as of December 31, 2021, 26,901 cattle).

As of March 31, 2022 and December 31, 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

8. Recoverable taxes

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
PIS – Social Integration Program	62,934	51,312	64,716	52,289
COFINS – Contribution for the Financing of Social Security	199,951	180,079	208,134	184,557
Reintegra (Special tax for exporting companies)	-	-	13,095	19,991
State VAT (ICMS)	97,442	103,504	115,931	120,761
Income tax and social contribution	137,941	135,708	147,260	187,777
VAT	-	-	287,202	235,092
Other recoverable tax	10,585	10,496	56,327	111,551
Total	508,853	481,099	892.665	912.018
Rolling	401,911	374,157	785,723	805,076
Non-rolling	106,942	106,942	106,942	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 2022 and 2023.

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 March 31, 2022, in the amount of R$ 75,386 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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 2022 and 2023 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$ 31,557 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.

9. Related parties

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

	Parent Company	
Intragroup loans	03/31/2022	12/31/2021
Minerva Dawn Farms S.A. (a)	35,660	34,128
Minerva Overseas Ltd (b)	630,986	743,218
Minerva Luxembourg S.A. (c)	3,165,293	3,842,348
Athena S.A. (d)	1,042,184	1,227,578
Total	4,874,123	5,847,272

(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	
Mutual payables	03/31/2022	12/31/2021
Minerva Overseas II (a)	948,659	1,321,138
Minerva Log S.A. (b)	2	2
Total	948,661	1,321,140

(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:

(Amounts in thousands of reais - R$, unless otherwise stated)

	Parent Company		Consolidated	
Payables - Suppliers	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Minerva Dawn Farms S.A.	13,631	5,190	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	4,077	6,434	-	-
Athena S.A.	15,332	35,348	-	-
Lytmer S.A.	-	-	-	-
Minerva Europe Ltd	-	-	-	-
Purchases from other related parties	1,27	8,565	1,267	8,565
Total	34,307	55,537	1,267	8,565

	Parent Company		Consolidated	
Trade receivables	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Minerva Dawn Farms S.A.	3,416	2,315	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	17,698	17,698	-	-
Athena S.A.	66,839	41,515	-	-
Minerva Europe Ltd	-	-	-	-
Minerva Live Cattle Export S.A.	-	11,134	-	-
Minerva Meats USA, INC.	529,674	689,674	-	
Total	617.627	762,336	-	-

	Parent Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Sales revenue				
Minerva Dawn Farms S.A.	3	5	-	-
Minerva Comercializadora de Energia Ltda.	3,922	2,412	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	-	-	-	-
Athena S.A.	5,116	4,281	-	-
Minerva Live Cattle Export S.A.	2,058	-	-	-
Minerva Meats USA, INC.	294,156	134,647	-	-
Total	305,255	141,345	-	-
Purchases				
Minerva Dawn Farms S.A.	16,415	8,550	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	74,307	62,157	-	-
Minerva Comercializadora de Energia Ltda.	4,588	1,893	-	-
Athena S.A.	59,998	82,236	-	-
Total	155,308	154,836	-	-
Cattle purchases:				
Acquisition of other related parties (a)	6,086	7,773	6,086	7,773
Total acquisition of other parties Related	6,086	7,773	6,086	7,773

(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 periods ended March 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

Management Remuneration

On March 31, 2022, the Company counted expenses with remuneration of its key personnel (Board Member, Fiscal Council and Statutory Directors of the Company) in the amount of R$ 5,339 (R$ 7,130 as of March 31, 2021). All remuneration is short-term, as shown below:

	Members 2022	03/31/2022	03/31/2021
Executive Board and Board of Directors and Fiscal	19	5,539	7,130
Total	19	5,539	7,130

The alternate members of the Board of Directors and the Supervisory Board shall be remunerated for each Board meeting at which they attend.

In case of termination of employment contract there are no post-mandate benefits.

(Amounts in thousands of reais - R$, unless otherwise stated)

10. 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	Share of profit (loss) of investees	Balance on 03/31/2022
Goodwill based on expected future earnings		133,667	-	-	-	-	133,667
Minerva Overseas Ltd	100.00%	273,933	-	(41,367)	-	(16)	232,550
Minerva Middle East	100.00%	37	-	-	-	-	37
Minerva Log S.A.	100.00%	22	-	-	-	-	22
Minerva Dawn Farms S.A.	100.00%	56,117	-	-	-	(2,776)	53,341
Minerva Colombia SAS	100.00%	5,070	-	(401)	-	(34)	4,635
Lytmer S.A.	100.00%	29,796	-	(4,468)	-	(439)	24,889
Minerva Live Cattle Export S.A.	100.00%	11,779	-	(938)	-	(365)	10,476
Minerva Meats USA LLC	100.00%	93,630	-	(15,108)	-	7,967	86,489
Minerva Comercializadora de Energia Ltda.	100.00%	105,106	-	-	-	(33,363)	71,743
Minerva Australia Holdings PTY Ltd. (*)	100.00%	122,831	-	(16,339)	38,290	(3,596)	141,186
Minerva Europe Ltd	100.00%	3,536	-	(608)	-	-	2,928
Transminerva Ltda.	100.00%	46	-	-	-	1	47
CSAP - Companhia Sul Americana de Pecuária S.A.	100.00%	10,083	-	-	-	(1,960)	8,123
Athena Foods S.A. (*)	100.00%	3,320,698	-	(414,672)	-	30,676	2,936,702
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior	100.00%	183,065	-	-	-	(70)	182,995
Athn Foods Holdings S.A.	100.00%	171	-	(27)	-	(16)	128
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	-	-	-	62	13,441
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	19,694	-	-	-	(24)	19,670
Investments		4,389650	-	(493,928)	43,592	(3,953)	3,935,361
Minerva Luxembourg S.A.	100.00%	(3,063,558)	-	319,310	-	(3,257)	(2,747,505)
Minerva Overseas Ltd II	100.00%	(408,504)	-	(111,287)	-	(16)	(519,807)
Provision for investment losses		(3,472,062)	-	208,023	43,592	(3,273)	(3,267,312)
Net investments		917,588	-	(285,905)	43,592	(7,226)	668,049

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

(Amounts in thousands of reais - R$, unless otherwise stated)

- Pulsa S.A.: consolidates subsidiary Frigorífico Canelones S.A.;
- Frigomerc S/A.; consolidates subsidiaries BEEF Paraguay S.A. and Industria Paraguaya Frigorífica S.A.;
- Minerva Australia Holdings PTY Ltd.: consolidates subsidiary Minerva Ásia Foods PTY Ltd.
- Pul Argentina S.A.: consolidates subsidiary Swift Argentina S.A.;
- Athena Foods S.A.: consolidates subsidiaries Pulsa S.A., Frigorifíco 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' interim financial information as of March 31, 2022:

	Equity interest	Current assets	Non-current assets	Current liabilites	Non-current liabilites	Equity
Minerva Overseas Ltd.	100.00%	17	863,520	-	630,986	232,551
Minerva Overseas II Ltd.	100.00%	79	948,659	-	1468,545	(5198,07)
Minerva Middle East Ltd.	100.00%	37	-	-	-	37
Minerva Dawn Farms S.A.	100.00%	19,305	79,677	7,950	37,691	53,341
Minerva Luxemburg S.A.	100.00%	539,804	6,796,181	20,014	1,0063,476	(2,747,505)
Friasa S.A.	99.99%	-	-	-	-	-
Transminerva Ltda.	100.00%	72	138	-	163	47
Minerva Log S.A.	100.00%	20	2	-	-	22
Lytmer S.A.	100.00%	26,187	62	1,359	-	24,890
Minerva Colombia SAS	100.00%	4,641	-	6	-	4,635
CSAP - Companhia Sul-Americana de Pecuária S.A.	100.00%	153,884	11,939	145,253	12,447	8,123
Minerva Live Cattle Export Spa	100.00%	11,954	10,050	11,528	-	10,476
Minerva Meats USA LLC	100.00%	692,272	101	605,884	-	86,489
Minerva Comercializadora de Energia Ltda.	100.00%	93,243	-	21,500	-	71,743
Minerva Australia Holdings PTY Ltd.	100.00%	135,972	66,702	19,696	2,317	141,186
Minerva Europe Ltd	100.00%	2,928	-	-	-	2,928
Athena Foods S.A. (*)	100.00%	3,066,494	2,622,951	1,420,735	1,332,008	2,936,702
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas - Investimento no Exterior	100.00%	1,789	202,449	45	-	204,193
Athn Foods Holdings S.A.	100.00%	134	-	6	-	128
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	1,634
Minerva Foods FZE	100.00%	10,658	-	-	-	10,658
Mycarbom 3 Ltda.	100.00%	13,494		53	-	13,441
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	100.00%	1,160	20,195	77	-	21,278
Total		4,775,778	11,622,626	2,254,106	13,547,633	557,190

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

(Amounts in thousands of reais - R$, unless otherwise stated)

- 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.

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

	03/31/2022		03/31/2021	
	Net revenue	Profit (loss) of the period	Net revenue	Profit (loss) of the period
Minerva Overseas Ltd	-	(16)	-	(1)
Minerva Overseas II Ltd	-	(16)	-	(1)
Minerva Dawn Farms S.A.	16,747	(2,776)	7,670	(7,488)
Minerva Luxembourg S.A.	-	(3,255)	-	326,085
Friasa S.A.	-	-	-	-
Transminerva Ltda.	-	1	-	(38)
Minerva Log S.A.	-	-	-	-
Lytmer S.A.	-	(440)	5	(697)
Minerva Colombia SAS	-	(34)	-	(110)
CSAP - Companhia Sul Americana de Pecuária S.A.	84,637	(1,960)	61,182	(10,870)
Minerva Live Cattle Spa	-	(365)	-	209
Minerva Meats USA LLC	509,508	7,967	177,428	(10,215)
Minerva Comercializadora de Energia Ltda.	158,101	(33,364)	82,528	(38,366)
Minerva Australia Holdings PTY Ltd.	109,975	(3,597)	109,742	1,835
Minerva Europe Ltd	-	-	479	(438)
Athena S.A.	3,032,842	30,675	3,081,429	118,005
Minerva Venture Capital Fundo de Investimento em Participações Multiestrategicas – Investimento no Exterior	-	(70)	-	(82)
Athn Foods Holdings S.A.		(16)	-	-
Fortuna Foods PTE. LTD.	-	-	-	-
Minerva FOODS FZE	-	-	-	-
Mycarbom 3 Ltda.	-	62	-	-
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portifólio 1839	-	(24)	-	-
Total	3,911,810	(7,228)	3,520,463	377,828

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

(Amounts in thousands of reais - R$, unless otherwise stated)

11. Property, plant and equipment

a) Composition of propert, plant and equipment as of March 31, 2022 and December 31, 2021*

Parent Company

Description	Annual depreciation average rate	Historical cost	Accumulated depreciation	03/31/2022 Net amount	12/31/2021 Net amount
Buildings	3.01% p.y.	1,187,821	(267,494)	920,327	932,988
Machinery and equipment	8.94% p.y.	1,495,053	(584,806)	910,247	821,149
Furniture and fixtures	10.86% p.y..	17,447	(7,468)	9,979	9,222
Vehicles	7.16% p.y.	23,755	(6,126)	17,629	18,039
Computer hardware	25.01% p.y.	36,903	(16,803)	20,100	17,556
Land	-	81,605	-	81,605	84,031
Construction in progress	-	62,499	-	62,499	56,132
Allowance for impairment of assets	-	(21,518)	-	(21,518)	(21,518)
Total		2,883,565	(882,697)	2,000,868	1,917,599

Consolidated

Description	Annual depreciation average rate	Historical cost	Accumulated depreciation	03/31/2022 Liquid	12/31/2021 Liquid
Buildings	2.51% p.y.	2,617,117	(589,564)	2,027,553	2,203,615
Machinery and equipment	8.60% p.y.	2,849,710	(1,258,247)	1,591,463	1,567,301
Furniture and fixtures	9.36% p.y.	65,358	(14,714)	50,644	36,157
Vehicles	6.91% p.y.	49,183	(29,760)	19,423	20,304
Computer hardware	22.75% p.y.	55,748	(29,767)	25,981	24,520
Land	-	393,083	-	393,083	432,895
Construction in progress	-	237,456	-	237,456	282,283
Allowance for impairment of assets	-	(21,518)	-	(21,518)	(21,518)
Total		6,246,137	(1,922,052)	4,324,085	4,545,557

(*) Property, plant and equipment must be considered by adding the value of the right-of-use asset in Note 11.1. (a).

(Amounts in thousands of reais - R$, unless otherwise stated)

b) Summary of changes in property, plant and equipment from January 1, 2022 to March 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	-	1,554	-	-	393	-	131,824	-	133,771
Transfers	2,927	117,617	1,120	20	3,773	-	(125,457)	-	-
Disposal	(7,068)	(276)	-	-	-	(2,426)	-	-	(9,770)
Depreciation	(8,520)	(29,797)	(363)	(430)	(1,622)	-	-	-	(40,732)
Balance March 31, 2022	920,327	910,247	9,979	17,629	20,100	81,605	62,499	(21,518)	2,000,868

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	2,005	5,255	4,212	-	454	-	158,949	-	170,875
Transfers	(8,355)	128,102	15,050	21	3,906	-	(138,724)	-	-
Disposal	(7,918)	(279)	-	(24)	(4)	(2,426)	-	-	(10,651)
Depreciation	(20,761)	(61,714)	(1,701)	(586)	(2,152)	-	-	-	(86,914)
Translation adjustments	(204,103)	(98,233)	(4,131)	(292)	(743)	(63,870)	(65,052)	-	(436,424)
Monetary correction of balance	63,070	51,031	1,057	-	-	26,484	-	-	141,642
Balances March 31, 2022	2,027,553	1,591,463	50,644	19,423	25,981	393,083	237,456	(21,518)	4,324,085

c) Works and installations in progress

As of March 31, 2022, the balances of works and installations in progress refer to the following main projects: expansions of the machine room to supply the expansion of the freezing capacity and storage of finished products and lung camera, compliance with regulatory standards (NR's), environmental and work safety, improvements to improve operational efficiency and service to the most profitable markets, plants and distribution centers.

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 March 31, 2022, in the amount of R$ 10,333 (R$ 39,006 as of December 31, 2021).

11.1. Right to use lease assets and liabilities

As of January 1, 2019, the Company 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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

- 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 March 31, 2022.

a) Right of use - Lease

Parent Company	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Balance January 1, 2021	21,460	3,211	13,226	415	134	38,446
Additions	483	745	193	297	488	2,206
Disposals	-	-	-	-	-	-
Depreciation	(3,198)	(381)	(6,458)	(687)	(179)	(10,873)
Balance December 31 2021	18,775	3,575	6,961	25	443	29,779
Additions	40	-	-	-	-	40
Disposals	-	-	-	-	-	-
Depreciation	(843)	(130)	(1,358)	(25)	(99)	(2,455)
Balance March 31 2022	17,972	3,445	5,603	-	344	27,364

Consolidated	Buildings	Land	Vehicles	Hardware	Machinery and equipment	Total
Balance January 1, 2021	21,460	8,610	13,226	415	134	43,845

(Amounts in thousands of reais - R$, unless otherwise stated)

Additions	1,811	745	193	428	776	3,953
Disposals	-	-	-	-	-	-
Depreciation	(3,427)	(1,051)	(6,458)	(717)	(350)	(12,003)
Balance December 31, 2021	19,844	8,304	6,961	126	560	35,795
Additions	1,391	-	-	43	-	1,434
Disposals	(128)	-	-	(15)	-	(143)
Depreciation	(843)	(298)	(1,358)	(25)	(171)	(2,695)
Balance March 31, 2022	20,264	8,006	5,603	129	389	34,391

b) Rental liabilities

Parent Company	Buildings	Land	Vehicles	Hardwar	Machinery and equipment	Total
Balances as of January 1, 2021	23,310	3,378	13,779	455	136	41,058
Addition	483	745	193	297	488	2,206
Disposals	-	-	-	-	-	-
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	41	-	-	-	-	41
Disposals	-	-	-	-	-	-
Interest settled in the period (income)	499	84	70	-	88	741
Payments	(1,227)	(186)	(1,475)	(26)	(184)	(3,098)
Balances as of March 31, 2022	20,556	3,746	6,105	-	349	30,756
Current liabilities	3,037	438	4,758	-	294	8,527
Non-current liabilities	17,519	3,308	1,347	-	55	22,229
Total	20,556	3,746	6,105	-	349	30,756

Consolidated	Building	Land	Vehicles	Hardware	Machinery and equipment	Total
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
Disposals	-	-	-	-	-	-
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 December 31, 2021	22,332	9,176	7,510	125	564	39,707
Addition	1,392	-	-	43	-	1,435
Disposals	-	-	-	-	-	-
Interest settled in the period (income)	499	210	70	(34)	90	869
Payments	(1,380)	(446)	(1,475)	(34)	(259)	(3,594)
Balances as of March 31, 2022	22,843	8,940	6,105	134	395	38,417
Current liabilities	4,842	1,014	4,758	102	340	11,056
Non-current liabilities	18,001	7,926	1,347	32	55	27,361
Total	22,843	8,940	6,105	134	395	38,417

12. Intangible

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Goodwill (a)	259,691	259,691	620,333	659,390
Right to use aircraft (a)	1,793	1,793	1,793	1,793
Assignment of servitude of passage (a)	250	250	250	250
Trademarks and patents (a)	-	-	92,582	102,123

(Amounts in thousands of reais - R$, unless otherwise stated)

Software	59,788	62,838	61,117	64,639
Total	321,522	324,572	776,075	828,195

(a) Intangible assets with an indefinite useful life.

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

	Parent Company				
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Purchased software	Total
Balances January 1, 2022	259,691	1,793	250	62,838	324,572
Acquisition	-	-	-	1,643	1,643
Amortization	-	-	-	(4,693)	(4,693)
Balances as of March 31, 2022	259,691	1,793	250	59,788	321,522

	Consolidated					
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Brands	Purchased software	Total
Balances January 1, 2022	659,390	1,793	250	102,123	64,639	828,195
Acquisition	292	-	-	-	1,652	1,944
Amortization	-	-	-	(493)	(4,868)	(5,361)
Conversion adjustment	(39,349)	-	-	(21,807)	(306)	(61,462)
Balance sheet monetary correction	-	-	-	12,759	-	12,759
Balance March 31, 2022	620,333	1,793	250	92,582	61,117	776,075

The Company records amortization of its software, only depreciable intangible assets, according to the period determined contra currently by the "license of use", when acquired from third parties or, for the period of use estimated by the Company, for the software developed internally. As of March 31, 2022, the weighted average amortization rate is 20.80% and at December 31, 2021, 21.25%.

Goodwill based on expected future profitability

	Consolidated	
	03/31/2022	12/31/2021
In direct subsidiaries:		
Minerva Dawn Farms (MDF) (i)	147,649	147,649

(Amounts in thousands of reais - R$, unless otherwise stated)

Brascasing Industria e Comércio Ltda. (ii)	74,596	74,596
Athena S.A. (iii)	211,386	248,985
Mato Grosso Bovinos S/A (iv)	73,734	73,734
Others (v)	97,379	97,379
In indirect subsidiaries:		
Other (vi)	15,589	17,047
Total	620,333	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) (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, Frigorifico 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 March 31, 2022 R$ 72,943); Frigomerc S/A US$ 15,516 (As of March 31, 2022 R$ 73,512); Frigorífico Carrasco S.A. US$ 11,932 (As of March 31, 2022 R$ 56,531); 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 March 31, 2022 R$ 8,400) which was transferred indirectly to Athena S.A.;

(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 March 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$ 15,589 (R$ 17,416 as of December 31, 2021).

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, 2021, 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 8.7%.

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.

(Amounts in thousands of reais - R$, unless otherwise stated)

13. Loans and financing

		Parent Company		Consolidated	
Type	Financial charges	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Debentures 7th issue	IPCA + 4,5% p.y.	598,999	577,186	598,999	577,186
Debentures 8th issue	IPCA (*)	683,600	651,172	683,600	651,172
Debentures 9th issue	IPCA (*)	714,864	593,330	714,864	593,330
Debentures 10th issue	IPCA (*)	1,777,319	1,685,644	1,777,319	1,685,644
Debentures 11th issue	IPCA (*)	380,090	385,023	380,090	385,023
Bank credit card (3)	Rate fixed	-	-	21,496	21,121
Bank credit card (3)	CDI + *spread*	364,573	360,066	364,572	360,066
NCE (3)	CDI + *spread*	664,716	356,604	664,716	356,604
IFC (2/3/4)	CDI + *spread*	-	26,399	-	26,399
Subtotal		5,184,161	4,635,424	5,205,656	4,656,545
Financial instruments	CDI + *spread*	(1,308,795)	(1,073,457)	(1,308,795)	(1,073,457)
Total		3,875,366	3,561,967	3,896,861	3,583,088
Foreign currency (US dollar):					
ACCs (3)	Interest of 2.20% to 2.8% p.y.+ exchange rate variation	422,947	495,214	422,947	495,214
NCE	Interest of 2.22% to 2.51% p.y.	359,405	420,806	359,405	420,806
Senior Unsecured Notes - (3)	Exchange variation + Interest	3,780,343	4,487,925	6,126,692	8,024,658
PPE	Exchange variation + spread	1,619,308	1,875,027	-	-
PPE (3)	Interest of 2.0% p.y. + libor	1,517,161	1,468,810	1,517,161	1,468,810
Secured Loan Agreement (2)	Exchange variation + interest	12,760	15,438	12,760	15,438
Other modes (3/5)	Exchange variation + interest	-	-	174,622	257,334
Subtotal		7,711,924	8,763,220	8,613,587	10,682,260
Financial instruments of protection – derivatives		(723,461)	(860,643)	(723,461)	(860,643)
Total		6,988,463	7,902,577	7,890,126	9,821,617
Total loans and financing		10,863,829	11,464,544	11,786,987	13,404,705
Current		1,600,180	1,547,580	1,421,003	1,488,416
Non-current		9,263,649	9,916,964	10,365,984	11,916,289

(*) Transactions hedged by swap % CDI.

(Amounts in thousands of reais - R$, unless otherwise stated)

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

	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
ACC	142,134	-	-	-	-	-	-	-	-	142,134
CCB	-	250,000	-	-	-	-	-	-	-	250,000
Debentures	-	1186,084	585,695	550,877	-	1,352,753	150,354	225,532	3,099	4,054,394
NCE	463,618	400,000	-	-	-	-	-	-	-	863,618
Pre-shipment	1,236,566	1828,485	-	3,003,765	-	-	-	-	-	6,068,816
Secured loan agreement	887	1,225	1,276	1,327	1381	1,438	1,496	1,536	1,048	11,614
Financial instruments of protection – derivatives	108,908	(402,212)	(410,312)	(152,217)	(340,069)	(86,163)	(653,727)	(96,238)	(94,897)	(2,126,927)
Total	1,952,113	3,263,582	176,659	3,403,752	(338,688)	1,268,028	(501,877)	130,830	(90,750)	9,263,649

(Amounts in thousands of reais - R$, unless otherwise stated)

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

	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
ACC	142,134	-	-	-	-	-	-	-	-	142,134
CCB	-	250,000	-	-	-	-	-	-	-	250,000
Debentures	-	1,186,084	585,695	550,877	-	1,352,753	150,354	225,532	3,099	4,054,394
NCE	463,618	400,000	-	-	-	-	-	-	-	863,618
Pre-shipment	521,158	543,315	-	-	-	-	-	-	-	1,064,473
Secured loan agreement	887	1,225	1,276	1,327	1,381	1,438	1,496	1,536	1,048	11,614
Senior Unsecured Notes	-	-	-	-	-	798,725	-	-	5,307,953	6,106,678
Financial instruments of protection – derivatives	108,908	(402,212)	(410,312)	(152,217)	(340,069)	(86,163)	(653,727)	(96,238)	(94,897)	(2,126,927)
Total	1,236,705	1,978,412	176,659	399,987	(338,688)	2,066,753	(501,877)	130,830	5,217,203	10,365,984

Below we detail the main loans and financing of the Company and its subsidiaries as of March 31, 2022, as well as highlighting 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 March 31, 2022, was anticipated and settled (as of December 31, 2021 it is 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.

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$ 20,271. $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. date)

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.

The liability related to the Notes, as of March 31, 2022, in the consolidated interim financial information, is R$ 6,126,692 (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 periods 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 interim financial information.

i) Level of subordination

As of March 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 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 interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of March 31, 2022, the amount is R$598,999 (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$400,000 and the second series maturing in May 13, 2026 in the amount of 200,000. The total principal amount of the issuances of the first series is R$ 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 % 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 March 31, 2022, the amount is R$683,600 (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 interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of March 31, 2022, the amount is R$714,864 (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 interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of March 31, 2022, the amount is R$1,777,319 (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 interim financial information as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of March 31, 2022, the amount is R$380,090 (R$385,023 as of December 31, 2021).

(Amounts in thousands of reais - R$, unless otherwise stated)

14. Trade payables

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Domestic suppliers	2,179,390	2,404,642	3,022,057	3,580,445
Foreign suppliers	56,127	50,839	116,651	135,232
Related Parties	34,307	55,537	1,267	8,565
Total	2,269,824	2,511,018	3,139,975	3,724,242

Aging list of trade payables:

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Current:	2,262,003	2,491,888	3,108,308	3,615,403
Overdue payables:				
Up to 30 days	2,988	14,727	20,048	72,264
From 31 to 60 days	1,570	428	4,828	5,065
From 61 to 90 days	446	973	1,327	2,764
Above 90 days	2,817	3,002	5,464	28,746
Total	2,269,824	2,511,018	3,139,975	3,724,242

15. Payroll, related charges, and taxes payable

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Payroll and related charges				
Salaries and management fees	517	354	50,018	53,320
Payroll taxes - FGTS and INSS (employees and third parties)	14,097	15,497	15,072	16,715
Accrued vacation/13th salary and related taxes	59,449	47,702	120,436	124,971
Other wages and charges	13,289	14,292	34,436	33,656
Total payroll and related taxes	87,352	77,845	220,462	228,662
Taxes payables				
State VAT (ICMS)	9,118	12,164	9,209	12,280
Federal taxes in installments - (1)	49,683	50,915	57,859	59,804
State taxes paid in installments	2,216	4,196	2,216	4,196
IRPJ (Corporate income tax)	-	-	64,883	68,160
Social contribution on net income	-	-	-	48
Value added tax (VAT)	-	-	6,732	7,902
Funrural	4,027	3,172	4,053	3,292
Other taxes and fees	10,385	19,519	48,699	69,562
Total taxes	75,429	89,966	193,651	225,244
Total geral	162,784	167,811	414,113	453,906
Current	118,901	122,699	362,879	400,727
Non-Current	43,880	45,112	51,234	53,179

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

Special Tax Debt Settlement Program (PERT)

As of March 31, 2022, the outstanding balance in the parent company and consolidated is R$15,297 and R$19,782, respectively.

(Amounts in thousands of reais - R$, unless otherwise stated)

Rural Tax Debt Refinancing Program (PRR)

As of March 31, 2022, in the parent company and consolidated, it is respectively R$34,386 and R$38,077.

16. Other payables

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Advances received (a)	1,169,849	1,267,945	1,347,943	1,466,183
Dividends payable (b)	12	146	12	146
Interest on capital payable (b)	-	4	-	4
Payables - acquisitions (c)	199	199	20,519	26,182
Other operating provisions	66,312	38,374	152,582	140,559
Total	1,236,372	1,306,668	1,521,056	1,633,074
Current	1,236,372	1,306,668	1,507,025	1,614,550
Non current	-	-	14,031	18,524

(a) Amounts received in advance from the Company's customers in accordance with the credit policy defined by Management;
(b) Amounts of interest on equity and mandatory dividends payable;
(c) Amounts payable referring to the acquisitions of the Campina Verde – MG plants R$ 199 (same as of December 31, 2021) and Frigorífico Vijagual S.A. in Colombia R$20,320 (R$25,983 as of December 31, 2021).

17. Deferred taxes

	Parent Company		Consolidated	
Assets	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Tax losses- IRPJ	621,424	436,425	666,708	489,747
Tax loss carryforwards - CSLL	223,713	157,114	223,713	157,114
Total	845,137	593,539	890,421	646,861
Temporary differences – assets				
Provisions for tax, civil and labor risks	8,544	8,355	13,523	14,627
Impairment of assets	7,316	7,316	7,610	7,690
Allowance for expected credit losses	6,684	8,560	6,855	8,778
Other	2,393	2,393	54,727	60,416
Total temporary differences – assets	870,074	620,163	973,136	738,372
Liabilities				
Temporary differences – liabilities				
Unrealized gains on the fair value of biological assets	(53,315)	(57,493)	(53,315)	(57,493)
Business combination	(33,096)	(33,096)	(33,096)	(33,096)
Revaluation reserve	(22,457)	(22,656)	(22,457)	(22,656)
Added value in subsidiaries	-	-	(237,705)	(261,184)
Other temporary deductions	(41,069)	(39,179)	(62,507)	(64,598)
Total temporary differences – liabilities	(149,937)	(152,424)	(409,080)	(439,027)
Total deferred taxes	720,137	467,739	564,056	299,345
Total assets	720,137	467,739	721,938	415,665
Total do liabilities	-	-	(157,882)	(116,320)
Total	720,137	467,739	564,056	299,345

(Amounts in thousands of reais - R$, unless otherwise stated)

17.1. 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 March 31, 2022
Deferred taxes on income and social contribution tax losses	593,539	251,598	-	845,137
Total deferred tax assets	593,539	251,598	-	845,137

	Consolidated				
	Balance on December 31, 2021	Recognized in income (loss)	Realization of deferred taxes	Cumulative translation adjustments	Balance on March 31, 2022
Deferred taxes on income and social contribution tax losses	646,861	251,598	-	(8,038)	890,421
Total deferred tax assets	646,861	251,598	-	(8,038)	890,421

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

The accumulated amount as of March 31, 2022, is R$890,421 (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:

	03/31/2022	
	Parent Company	Consolidated
2022	45,585	48,027
2023	50,160	52,848
2024	84,545	89,075
2025	100,319	105,694
2026 onwards	564,528	594,777
Total	845,137	890,421

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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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

	Parent Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Temporary additions				
Sundry provisions	1,141	1,841	33,426	46,200
Fair value of biological assets	507,288	363,987	507,288	363,987
Temporary deductions				
Sundry provisions	(5,517)	(458)	(5,517)	(458)
Depreciation - tax base differences	(5,560)	(5,171)	(5,560)	(5,171)
Fair value of biological assets	(495,000)	(409,015)	(495,000)	(409,515)
Deferred tax base	2,352	(48,816)	34,637	(4,457)
Deferred income tax and social contribution - temporary difference	800	(16,597)	11,777	(1,515)
Realization of deferred income tax and social contribution - temporary difference	-	-	-	-
Deferred income tax and social contribution on tax loss carryforwards	251,598	-	251,598	-
Total deferred income tax and social contribution	252,398	(16,597)	263,375	(1,515)

(Amounts in thousands of reais - R$, unless otherwise stated)

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

	Parent Company				
	Balance on January 01, 2022	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Balance on March 31, 2022
Tax loss	593,539	251,598	-	-	845,137
Provisions for tax, civil and labor risks	8,355	189	-	-	8,544
Other temporary additions	2,393	-	-	-	2,393
Impairment of assets	7,316	-	-	-	7,316
Allowance for expected credit losses	8,560	-	(1,876)	-	6,684
Unrealized gains on the fair value of biological assets	(57,493)	-	4,178	-	(53,315)
Business combination	(33,096)	-	-	-	(33,096)
Revaluation reserve	(22,656)	-	199	-	(22,457)
Added value in subsidiaries	-	-	-	-	-
Other temporary deductions	(39,179)	(1,890)	-	-	(41,069)
Total deferred tax assets	467,739	249,897	2,501	-	720,137

	Consolidated				
	Balance on January 01, 2022	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Balance on March 31, 2022
Tax loss	646,861	251,598	-	(8,038)	890,421
Provisions for tax, civil and labor risks	14,627	189	(346)	(947)	13,523
Other temporary additions	60,416	2,788	-	(8,477)	54,727
Impairment of assets	7,690	-	(24)	(56)	7,610
Allowance for expected credit losses	8,778	-	(1,890)	(33)	6,855
Unrealized gains on the fair value of biological assets	(57,493)	-	4,178	-	(53,315)
Business combination	(33,096)	-	-	-	(33,096)
Revaluation reserve	(22,656)	-	199	-	(22,457)
Added value in subsidiaries	(261,184)	-	-	23,479	(237,705)
Other temporary deductions	(64,598)	(1,890)	143	3,838	(62,507)
Total deferred tax assets	299,345	252,685	2,260	9,766	564,056

(Amounts in thousands of reais - R$, unless otherwise stated)

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	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Income (loss) before taxes	(137,806)	276,143	(136,618)	270,937
Additions				
Temporary differences	1,141	1,841	1,141	1,841
Permanent differences	53,556	76,143	163,608	485,521
Realization of temporary differences	-	-	-	-
Realization of revaluation reserve	-	-	-	-
Effect of the first-time adoption of IFRS	509,582	2,044,184	644,941	2,111,822
Deductions				
Temporary differences	(8,903)	(458)	(8,903)	(458)
Permanent differences	(41,812)	(449,469)	(160,632)	(858,083)
Effect of the first-time adoption of IFRS	(691,010)	(2,561,390)	(736,147)	(2,620,186)
Tax calculation basis	(252,254)	(613,006)	(236,612)	(608,606)
Compensation	-	-	-	-
Tax Calculation basis after loss to be compensated	(252,252)	(613,006)	(236,610)	(608,606)
Income taxes				
Income tax	-	-	(12,157)	(9,570)
Social contribution payable	-	-	(8)	(306)
Current income tax and social contribution expense	-	-	(12,165)	(9,876)
Effective tax rate (%)	0.00%	0.00%	8.90%	(3.6%)

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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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.

18. 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:

	Parent Company		Consolidated	
Provisions	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Provisions for tax risks	-	1,890	19	1,912
Provisions for labor lawsuits	25,128	24,573	34,378	37,314
Provision for civil risks	-	1,496	1,803	4,151
Total	25,128	27,959	36,200	43,377

Parent Company	Labor lawsuits	Civil and Tax lawsuits	Total
Balance on January 31, 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	555	-	555
Provisions reversed in the year	-	(3,386)	(3,386)
Balance on March 31, 2022	25,128	-	25,128

Consolidated	Labor lawsuits	Civil and tax lawsuits	Total
Balance on January 31, 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	685	-	685
Provisions reversed in the year	(2,081)	(3,915)	(5,996)
Translation adjustments for the year	(1,540)	(326)	(1,866)
Balance on March 31, 2022	34,378	1,822	36,200

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 March 31, 2022 there was no significant amount of losses recorded in the parent company and R$1,822 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 March 31, 2022, in the amount of R$25,128 in the parent company and R$34,378 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 March 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$3,739 (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$83,784 (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 March 31, 2022, the amount involved in these proceedings, whose probability of loss is possible, is approximately R$207,192 (R$196,166 as of December 31, 2021).

Other tax, civil and environmental lawsuits

As of March 31, 2022, the Company and its subsidiaries had other tax, civil and environmental proceedings in progress, in the amount of approximately R$72,774, R$8,940 and R$2,854, (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.

19. Equity

a. Capital stock

The Company's subscribed capital as of March 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 BRL 5,898 and BRL 53,813 during 2020, therefore, the balance under "Share Capital" in the interim financial information is BRL 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 one hundred and ninety-five thousand 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, one hundred and ninety-five thousand one hundred and ninety-five) common, nominative, book-entry shares with no par value. With the approval, 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.

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 BRL 63 (sixty-three thousand), representing 11,633 (eleven thousand, six hundred and thirty-three three) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose 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, fifty-four thousand, nine hundred and 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. As of March 31, 2022, the Company's capital reserve is R$118,271 (R$118,271 as of December 31, 2021).

c. Revaluation reserve

The Company appraised its fixed assets in 2003 and 2006. The remaining balance. As of March 31, 2022, of R$47,131 (R$47,518 as of December 31, 2021), net of tax effects.

As mentioned above and in compliance with 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

Calculated at 5% of profit for the year as provided for in article 193 of Law No. 6404/76, up to the limit of 20% of capital. In the year when the balance of the legal reserve, plus the amounts of capital reserves addressed by paragraph 1 of article 182 of Law No. 6.404/76, exceeds 30% of the capital, the allocation of a portion of the profit for the year to the legal reserve will not be mandatory.

e. Earnings retention reserve

The earnings reserve was recorded based on the remaining balance of the profit for the year, after the allocations to the legal reserve and distribution of dividends, and will be used to finance future investments, under article 196 of Law No. 6.404/76.Accumulated retention until March 31, 2022, is R$ 289,066 (R$ 118,583 on December 31, 2020). According to art. 199 of Law No. 6.404/76, the balance of this reserve, plus other earnings reserves, may not exceed the Company’s capital.

(Amounts in thousands of reais - R$, unless otherwise stated)

f. 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.

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	-	-	-	-
Balance on March 31, 2022	23,053,200	242,768	10.53	9.99

g. Dividends and interest on equity

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.

h. Valuation adjustment to equity

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.

i. 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”).

(Amounts in thousands of reais - R$, unless otherwise stated)

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.

20. Segment reporting

Business segments

	Meat		Others		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net revenue	6,713,691	5,444,575	515,474	358,799	7,229,165	5,803,374
Gross profit	524,050	373,620	26,959	18,299	551,009	391,919

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

The Company and its subsidiaries' main business segments are the production and sale of fresh beef and trading.

21. 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	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Revenues from domestic sales	1,230,675	1,116,445	2,268,320	1,956,418
Revenues from foreign sales	2,790,271	1,692,833	5,359,288	4,153,386
Deductions from revenue - taxes and other	(220,797)	(215,847)	(398,443)	(306,430)
Net operating revenue	3,800,149	2,593,431	7,229,165	5,803,374

(Amounts in thousands of reais - R$, unless otherwise stated)

22. Expenses by nature

	Parent Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Classified as				
Selling expenses	(237,964)	(135,051)	(480,226)	(369,526)
General and administrative expenses	(110,145)	(89,514)	(230,152)	(179,791)
Other operating income	4,069	(4,116)	35,374	(2,689)
Total	(344,040)	(228,681)	(675,004)	(552,006)
Expenses by nature				
Variable selling expenses	(212,660)	(116,948)	(454,103)	(368,840)
General administrative and selling expenses	(49,911)	(36,254)	(116,758)	(66,413)
Personnel and commercial expenses	(71,664)	(59,806)	(115,802)	(92,852)
Depreciation and amortization	(13,874)	(11,557)	(23,715)	(21,212)
Other operating income and expenses	4,069	(4,116)	35,374	(2,689)
Total	(344,040)	(228,681)	(675,004)	(552,006)

23. Net financial result

	Parent Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Financial income				
Income from short-term investments	17,848	7,787	24,458	13,080
Total	17,848	7,787	24,458	13,080
Financial expense				
Interest on financing	(211,304)	(162,199)	(264,580)	(248,675)
Other financial expenses/income (i)	(439,908)	(15,737)	(426,152)	365,460
Total	(651,212)	(177,936)	(690,732)	116,785
Exchange rate changes, net	19,041	(223,255)	20,607	(203,041)
Monetary correction of balance	-	-	(41,960)	(47,806)
Net financial result	(614,323)	(393,404)	(687,627)	(120,982)

(i) Refers to the mark-to-market of the Company's financial instruments to hedge against foreign exchange exposure. The variation between the comparative periods is linked to the appreciation/devaluation of the Real against other currencies.

24. Earnings (loss) per share

a) Earnings (loss) per share

The Company's basic earnings per share are calculated by dividing the profit (loss) 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	03/31/2022	03/31/2021
Net income attributable to Company's shareholders	114,592	259,546
Weighted average number of common shares issued (thousands)	607,283	549,621
Weighted average number of treasury shares	(23,053)	(23,053)
Weighted average number of outstanding common shares (thousands)	584,230	526,568
Basic earnings per share - R$	0.19614	0.49290

(Amounts in thousands of reais - R$, unless otherwise stated)

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	03/31/2022	03/31/2021
Net income attributable to Company's owners	114,592	259,546
Weighted average number of outstanding common shares (thousands)	584,230	526,568
Weighted average number of common shares used to calculate basic earnings (loss) per share - thousands	584,230	526,568
Diluted earnings per share - R$	0.19614	0.49290

25. 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:

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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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 year ended March 31, 2022 and December 31, 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 Heading Position

Description	/thousand		Nocional em thousand of R$		Cumulative effect in thousand of R$	
	03/31/22	12/31/21	03/31/22	12/31/21	Amount receivable / (receivable)	Amount payable/ (paid)
Future contracts:	0	0	0	0	0	0
Purchase commitment	0	0	0	0	0	0
DOL (US$)	43,000	1,000	205,847	5,617	0	3,506
Mini Dollar (dol x 0,10)	0	160	0	893	287	0
Other	0	0	0	0	0	0
BGI (arrobas)	233	270	74,747	91,181	5,993	0
Sale commitment	0	0	0	0	0	0
Foreign Currency	0	0	0	0	0	0
Mini Dólar (US$ x 0,10)	0	-1,700	0	9,549	0	0
BGI (arrobas)	372	784	120,847	267,117	2,120	0
Option contracts:	0	0	0	0	0	0
Long position - Compra	0	0	0	0	0	0
Foreign Currency	0	0	0	0	0	0
Other	0	0	0	0	0	0
BGI (arrobas)	0	165	5,800	10,606	0	13,451
Short position - Sale	0	0	0	0	0	0
Foreign Currency	0	0	0	0	0	0
DOL (US$)	0	0	0	0	0	0
Other	1,221	0	5,525	0	0	10,138
BGI (arrobas)	0	0	0	0	0	0
Biddging Purchase - purchase	0	0	0	0	0	0
Foreign Currency	0	0	0	0	0	0
Other	0	0	0	0	6,265	0
BGI (arrobas)	0	0	0	0	0	0
Biddging Purchase - sale	0	0	0	0	0	0
Foreign Currency	0	0	0	0	0	0
Other	0	0	0	0	10,065	0
Term Contracts	0	0	0	0	0	0
Purchese position	0	0	0	0	0	0
NDF (US Dollar)	600,000	600,000	2,842,680	3,348,300	0	475,674
NDF (euro)	0	0	0	0	0	471
Sale position						
NDF (euro)	1,987	3,217	10,444	20,338	1,846	-
NDF (US Dollar)	360,521	750,977	1,708,078	4,190,828	353,192	-

(Amounts in thousands of reais - R$, unless otherwise stated)

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 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 interim financial information, 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 March 31, 2022 and December 31, 2021, under the headings “NDF receivable/payable”, “swap” and “Options receivable” consecutively:

	03/31/2022	12/31/2021
Derivative financial instruments	Mark-to-market	Mark-to-market
Options	275	10,606
Swap	998,033	1,008,076
NDF (EUR+DOL+LIVESTOCK)	1,033,948	915,418
Grand Total	2,032,256	1,934,100

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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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 03/31/2022 Currency		
	Domestic	Foreign	Total
Assets			
Cash	1,942	-	1,942
Banks - checking accounts	448,436	3,688,570	4,137,006
Short-term investments	803,051	347,376	1,150,427
Trade receivables	687,747	1,667,974	2,352,721
Total current assets	1,938,176	5,703,920	7,642,096
Total assets	1,938,176	5,703,920	7,642,096

	Consolidated 03/31/2022 Currency		
	Domestic	Foreign	Total
Liabilities			
Financing – current	392,980	933,352	1,326,332
Trade payables	3,023,324	116,651	3,139,975
Total current	3,416,304	1,050,003	4,466,307
Financing – non-current	4,812,676	7,680,235	12,492,911
Total noncurrent	4,812,676	7,680,235	12,492,911
Total liabilities	8,228,980	8,730,238	16,959,218
Net financial debt	6,290,804	3,026,318	9,317,122
Hedging derivatives – Net position	(1,308,795)	(723,461)	(2,032,256)
Currency position, net	4,982,009	2,302,857	7,284,866

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

Financial Instruments (net)	Long (short) position, net at 03/31/2022	Long (short) position, net at 12/31/2021
Futures contracts - DOL (Dollar)	205,847	(3,039)
Futures contracts - BGI (Finished Cattle)	(46,100)	(175,935)
Options contracts (Dollar, Cattle, Corn and IDI)	11,324	10,606
Swap contracts	998,033	1,008,076
NDF (dollar + EURO + cattle + ARS)	1,124,158	(862,865)
Total net	2,293,261	(23,158)

Financial assets and liabilities are represented in the individual and consolidated interim financial information for the period and year ended, respectively, on March 31, 2022 and December 31, 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.

(Amounts in thousands of reais - R$, unless otherwise stated)

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 March 31, 2022:

Type	Position	Currency	Due date	Notional
NDF	SALE	Dollar	04/25/2022	(267)
NDF	SALE	Dollar	05/02/2022	(349,753)
NDF	SALE	Dollar	06/01/2022	(5,602)
NDF	SALE	Dollar	08/01/2022	(2,500)
NDF	SALE	Dollar	09/01/2022	(2,400)
NDF	PURCHASE	Dollar	06/01/2022	600,000
NDF	SALE	Euro	04/01/2022	(165)
NDF	SALE	Euro	04/04/2022	(66)
NDF	SALE	Euro	04/08/2022	(145)
NDF	SALE	Euro	04/18/2022	(84)
NDF	SALE	Euro	04/25/2022	(586)
NDF	SALE	Euro	05/09/2022	(182)
NDF	SALE	Euro	05/17/2022	(52)
NDF	SALE	Euro	05/24/2022	(172)
NDF	SALE	Euro	06/07/2022	(104)
NDF	SALE	Euro	06/17/2022	(78)
NDF	SALE	Euro	06/23/2022	(245)
NDF	SALE	Euro	07/07/2022	(107)

Credit Risks

The Company is potentially subject to credit risk related to accounts receivable from its customers, which is minimized by the diversification 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 based on the concession of loans to customers with good financial and operational indices.

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 climatic factors, volume of supply, transportation costs, agricultural policies, and others.

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

(Amounts in thousands of reais - R$, unless otherwise stated)

Over the counter (OTC) market	03/31/2022 Fair value
Forward contract purchased	
Notional value (@)	669,787
Futures Contract Price (R$/@)	333
Total R$/1,000	222,719

BM&F Market	03/31/2022 Fair value
Futures Contracts Sold	
Notional value (@)	364,980
Futures Contract Price (R$/@)	336
Total R$/1,000	122,549

d. Demonstration chart of cash sensitivity

The sensitivity analysis charts are intended to separately disclose derivative financial instruments that, in the Company's assessment, 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 March 31, 2022;

- Downward movement: characterizes a drop in prices or risk factors as of March 31, 2022;

- Probable scenario: 6% impact; 12% oscillation scenario; and 18% swing scenario.

Below we present the tables showing the sensitivity of cash, considering only the 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	(2,766)	(5,532)	(8,298)
Cattle	High	Cattle	13,363	26.726	40,089
Net			10,597	21,194	31,791
Hedge Derivatives	High	US Dollar	(86,275)	(172,550)	(258,825)
Invoices + Cash - in US$	High	US Dollar	175,250	350,500	525,751
Net			88,975	177,951	266,926
Hedge Derivatives	High	Euro	(627)	(1,253)	(1,880)
Invoices - in $EUR	High	Euro	1,122	2,244	3,366
Net			495	991	1,486
Hedge derivatives	High	US Dollar	51,175	102,349	153,524
Borrowings in $US	High	US Dollar	(103,208)	(206,415)	(306,623)
Net			(52,033)	(104,066)	(156,099)

- Exchange rate USD 4,7378 – Sales Ptax (Source: Central Bank of Brazil);
- Exchange rate EUR 5,5261 – Sales Ptax (Source: Central Bank of Brazil).

(Amounts in thousands of reais - R$, unless otherwise stated)

Result of the asset protection framework

- Hedge Derivatives x Cattle: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$10,597, while in the scenario with a fluctuation of 12%, a gain of R$21,194 and a fluctuation of 18 %, R$ 31,791 gain;
- Hedge Derivatives x Invoices + Cash in US$: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$88,975, while in the scenario with a fluctuation of 12% of a gain of R$177,951 and the 18% fluctuation of R$266,926 in gain;
- Hedge Derivatives x Invoices + Cash in EUR: In the probable scenario where the market movement is 6%, the Company could incur a gain of R$495, while in the scenario with a fluctuation of 12%, a gain of R$991 and in the fluctuation of 18%, a gain of R$ 1,486.
- Hedge Derivatives and Funding: In the probable scenario where the market movement is 6%, the Company could incur a loss of BRL 52,033, whereas in the scenario with a fluctuation of 12%, a loss of BRL 104,066 and a fluctuation of 18 %, loss of BRL 156,099.

e. Call margin

In stock exchange operations, there is an incidence of 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 cash flow.

As of March 31, 2022, the amounts deposited in margin represented R$60,000.

26. Statements of comprehensive income (loss)

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

	Parent Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Net income for the period	114,592	259,546	114,592	259,546
Cumulative translation adjustments	(285,905)	(93,400)	(285,905)	(93,400)
Total comprehensive income (loss)	(171,313)	166,146	(171,313)	166,146
Comprehensive income (loss) attributable to:				
Company's owners	(171,313)	166,146	(171,313)	166,146
Noncontrolling interests	-	-	-	-
Total comprehensive income (loss)	(171,313)	166,146	(171,313)	166,146

(Amounts in thousands of reais - R$, unless otherwise stated)

27. Insurance

The Company and its subsidiaries adopt an insurance policy that mainly takes into consideration the concentration of risks, the relevance and the replacement value of the assets. The main information on insurance coverage in effect on March 31, 2022 can be shown as follows:

	Type of Coverage	Insured amount
Buildings	Fire and sundry risks	886,690
Facilities, equipment, and inventories	Fire and sundry risks	1,506,081
Company cars and aircraft	Fire and sundry risks	267,720
Overseas transportation	Fire and sundry risks	94,756
Civil liability	Risks in operations	20,519
Total		2,775,766

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 examined by the Company's auditors.

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

28. Events after the reporting period

Complementary Dividends

On May 9, 2022, after approval at the Annual General Meeting of shareholders on April 25, 2022, the Company paid supplementary dividends in the amount of R$200 million or R$0.34 per share, excluding the 23.1 million of treasury shares.

Shared-based compensation

On April 25, 2022, at the Annual General Meeting of shareholders, the creation of the Matching Options Plan was approved, 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), being responsible, among other things, for approving the creation of programs, deciding on participants among the eligible persons and establish the conditions of each grant.

Finally, it should be noted that the Matching Options 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.

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