

EARNINGS RELEASE

Barretos, August 9, 2021 – Minerva S.A. (B3: BEEF3 | OTC - Nasdaq International: MRVSY), the South American leader in export of fresh beef and cattle byproducts, which also operates in the processed foods segment, announces today its results for the second quarter of 2021. The financial and operational information herein is presented in BRGAAP and Brazilian reais (R\$), in accordance with International Financial Reporting Standards (IFRS).

2Q21 HIGHLIGHTS

Minerva (BEEF3)

Price on 08/06/21:

R\$8.51

Market cap:

R\$4.7 billion

549,639,467 shares

Free Float:

44.8%

Conference Call

August 10, 2021

Portuguese

10:00 am (Brasília)

9:00 am (US EST)

Phone: +55 (11) 3181-8565

Code: Minerva

English

10:00 am (Brasília)

9:00 am (US EST)

Phone: +1 (844) 204-8942

Code: Minerva

IR Contact:

Edison Ticle

Daniilo Cabrera

Felipe Brindo

Luiza Puoli

Jennifer Capella

Phone: (11) 3074-2444

ri@minervafoods.com

Minerva Foods Commitments ESG



scan or click

- **Net Income** of **R\$116.7** million in 2Q21 and **R\$548.7** million in LTM2Q21;
- In 2Q21, **Free cash flow** after financial expenses, Capex and working capital was **positive for the fourteenth consecutive quarter**, totaling **R\$647** million on a recurring basis and **R\$425** million discounting the negative cash effect of FX hedge. In LTM2Q21, free cash flow totaled **R\$1.4** billion.
- **Financial leverage**, measured by the Net Debt/LTM EBITDA ratio, remained flat, at **2.4x** for the last twelve months ended June 2021, even after the payment of R\$383 million in dividends during the quarter.
- Minerva Foods' **consolidated gross revenue** reached **R\$24.3** billion in LTM2Q21, **28%** higher than in LTM2Q20. In 2Q21, exports accounted for **70%** of revenue, maintaining Minerva Foods' position as the **leading beef exporter in South America**, with a **market share of 20%**;
- **Net revenue** totaled **R\$6.3** billion in 2Q21, **43%** higher than in 2Q20 and **8%** higher than the previous quarter. In LTM2Q21, net revenue totaled **R\$22.9** billion, **28% higher** in the annual comparison.
- **EBITDA** reached **R\$544.9** million in 2Q21, **12%** higher than in 1Q21, with an **EBITDA margin increase of 0.3 p.p.**, reaching **8.7%**. In LTM2Q21, EBITDA totaled **R\$2.2** billion, **8%** higher in the annual comparison, with a **margin of 9.6%**;
- In 2Q21, we announced the **Minerva Foods Commitment to Sustainability**, with an intended investment of R\$1.5 billion towards initiatives that combat the effects of climate change, improve monitoring of the supply chain and provide greater environmental efficiency to operations. Click or scan the **QR Code** on the side for more information;
- Monitoring of indirect supplier farms in the Amazon: We progressed with the integration of the tool Visipec, within our system. The target scheduled for December of this year has been brought forward to August, reaffirming our pioneerism in actions to combat climate change and protect ecosystems.

MESSAGE FROM MANAGEMENT

We ended the first half of 2021, delivering, once again, a solid operational and financial performance, and ratifying Minerva Foods' leadership in beef exports across South America. Even in a challenging scenario, the Company's operational and financial performance reflects the solid pillars of the global beef market. In 2Q21, Minerva Foods recorded net revenue of R\$6.3 billion, EBITDA of R\$544.9 million and net income of R\$116.7 million, while in the semester, EBITDA totaled R\$1.0 billion and net income reached R\$376.2 million, reflecting the financial discipline and operational excellence of Minerva Foods. Another important metric and one of this Management's priorities, the free cash flow, was positive for the fourteenth consecutive quarter, reaching, after the result of the exchange hedge, R\$425 million in 2Q21, R\$734 million in 1H21 and R\$1.4 billion in the last twelve months. I would like to highlight here one of the main pillars of our business model and also one of our main competitive advantages, the geographical diversification of Minerva Foods, which allows us to promptly arbitrate markets, reducing risks and volatility and maximizing our operational efficiency, been a fundamental initiative for the Company's strong performance in recent quarters.

The COVID-19 pandemic is still imposing difficulties on the world economy, but the global beef market is still very active. Asia remains the main driver of demand with almost 50% of consolidated exports, with China the main highlight. In 2Q21, about 36% of our export revenue came from the Chinese market.

Prospects for the second half of the year are increasingly positive, with the global scenario returning to normality and an advancing vaccination schedule that will enable the reopening of economies and support to important segments such as tourism and food service, and thus consolidating an increasingly attractive and strong consumption scenario, not only in the foreign market but also in the domestic market in South America. The global market continues to be based on very solid pillars, with high demand, restricted supply; thus, we believe that the global economic recovery will provide even more opportunities for beef exporters in our continent.

One of the pillars of this management, the solidity of our balance sheet, was once again a highlight of the period. Our leverage at the end of 2Q21, measured as Net Debt/LTM EBITDA, remained stable at 2.4x, reflecting Minerva Foods' risk management model and financial discipline. In addition to maintaining leverage and liquidity at very comfortable levels, the Company is managing liabilities, in which we highlight the conclusion of the redemption of the 2026 Notes, the issuance of R\$1.6 billion in the local market, and more recently, the reopening of the 2031 Notes and the additional issuance of US\$400 million. These are initiatives aimed at extending the debt profile and reducing the cost of Minerva Foods' capital structure.

Other highlight for this quarter is our Innovation area, based on 3 main pillars: (i) advanced data analytics; (ii) e-commerce platform / Marketplace; and (iii) Venture Capital; with the purpose of reducing risks, maximizing opportunities and further advancing the food industry value chain. Regarding Advanced Analytics, we already have a specialized team of 20 professionals and we are evolving projects focused on the maximization of our production matrix and animal disassembly; and also on the optimization of our pricing tools. In addition, our recent Venture Capital initiatives, such as Clara Foods, Shopper and Amyris, are becoming increasingly mature operationally and with excellent prospects for the coming quarters. To conclude, it is worth mentioning that we continue to evolve with the topic, by pursuing external partnerships, such as universities and research centers, in addition to the recent implementation of our Sustainability and Innovation Advisory Board, initiatives that aim to position Minerva Foods as a leader in the discussion of this very relevant and strategic agenda.

The second quarter of 2021 was also an important milestone in the evolution and maturity of our Sustainability agenda, with the disclosure of [Minerva Foods' commitments and targets](#) to fight climate change and protect the environment. We announced seven goals within our sustainability agenda, with initiatives that involve the entire stakeholder chain and expected investments of R\$1.5 billion in initiatives that will be concluded by 2035. It is worth highlighting the anticipation of one of the most challenging goals of our commitment: the integration of the Visipec tool in our internal systems. The target, originally scheduled for December, was finalized in August, and has contributed to maximizing our ability to analyze the risk of indirect supplier farms in the Amazon. This way, Minerva Foods became the first and only company in the sector to materially and effectively address the risk of deforestation in the indirect supply chain in the Amazon biome.

Minerva Foods begins the second half of 2021 with great confidence in the global economic recovery, a scenario that has been consolidating daily as immunization advances. We are aware of the challenges and opportunities that are already emerging with the reopening of markets, and we remain confident in our team's work, in our operational consistency, financial discipline and the respect we have towards our 5 corporate values: **orientation to results, commitment, sustainability, innovation, and recognition**, because we believe this is the best way to create long-term value.

Fernando Galletti de Queiroz
CEO

RESULTS ANALYSIS

Key Consolidated Indicators

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Total slaughter ('000 head)	869.0	752.2	15.5%	862.0	0.8%	3,403.1	3,346.8	1.7%
Slaughter - Brazil	323.6	344.1	-6.0%	309.8	4.4%	1,421.2	1,640.0	-13.3%
Slaughter - Athena Foods	545.4	408.1	33.6%	552.2	-1.2%	1,981.9	1,706.8	16.1%
Total sales volume ('000 metric tons)	285.1	224.1	27.2%	290.4	-1.8%	1,148.7	1,080.2	6.3%
Volume - Brazil	117.9	110.5	6.7%	115.9	1.7%	519.9	564.6	-7.9%
Volume - Athena Foods	167.2	113.5	47.2%	174.5	-4.2%	628.9	515.6	22.0%
Gross revenue	6,668.1	4,625.0	44.2%	6,109.8	9.1%	24,271.0	19,014.5	27.6%
Export market	4,662.4	3,344.7	39.4%	4,153.4	12.3%	16,419.2	13,058.8	25.7%
Domestic market	2,005.7	1,280.3	56.7%	1,956.4	2.5%	7,851.8	5,955.7	31.8%
Net revenue	6,287.8	4,399.2	42.9%	5,803.4	8.3%	22,931.3	17,937.1	27.8%
EBITDA	544.9	590.2	-7.7%	484.9	12.4%	2,200.9	2,029.5	8.4%
EBITDA margin	8.7%	13.4%	-4.7 p.p.	8.4%	0.3 p.p.	9.6%	11.3%	-1.7 p.p.
Net Debt/LTM EBITDA (x)	2.4	2.6	-0.2	2.4	0.0	2.4	2.6	-0.2
Net income (loss)	116.7	253.4	-54.0%	259.5	-55.0%	548.7	685.5	-20.0%

This quarter, in order to facilitate the analysis and monitoring of Minerva Foods' main operational and financial metrics, we are making available to investors a spreadsheet/database with comparative information since the beginning of 2019. This material is available in the results mailing, on the Minerva Foods IR website and also on the link below.

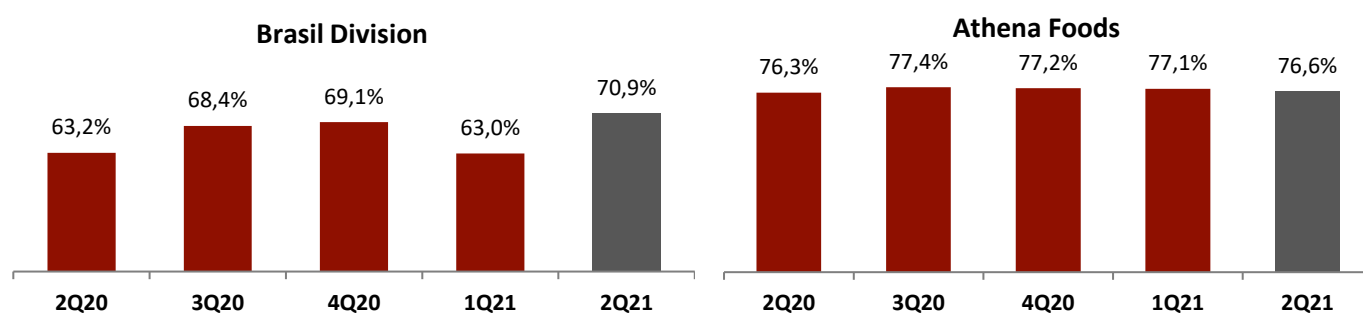
[2Q21 Support Worksheet](#)

Results by Division

Slaughter

Slaughter volume in the Brazil Division came to 323,600 head of cattle in 2Q21, with a capacity utilization rate of 70.9%, while slaughter volume in Athena Foods totaled 545,400 head of cattle, reaching a utilization rate of 76.6%.

Figures 1 and 2 - Installed Capacity Utilization

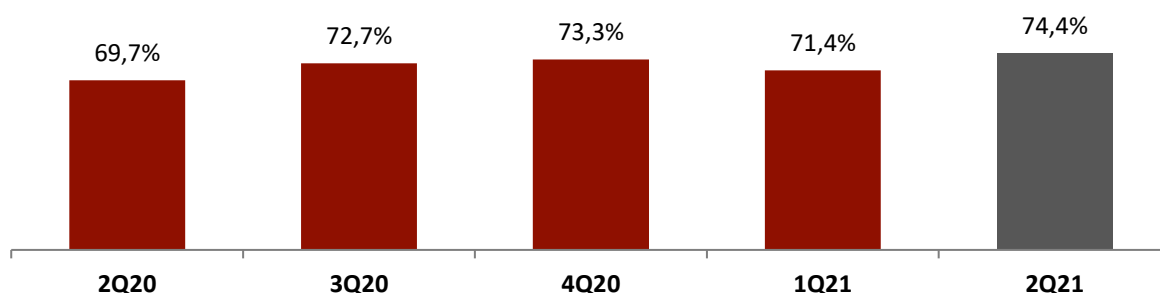


Source: Minerva Foods

MINERVA CONSOLIDATED

Consolidated slaughter volume totaled 869,000 head of cattle in 2Q21, and the capacity utilization rate reached 74.4%, the highest level since the beginning of the pandemic. For analysis purposes, the Company presents the concept of net utilization, that is, reflecting the working days in operation of each of the plants in activity in our industrial park.

Figure 3 - Installed Capacity Utilization - Consolidated



Source: Minerva Foods

Gross Revenue by Division

BRAZIL DIVISION

Gross revenue from the Brazil Division totaled R\$2,921.8 million in 2Q21, up 41.8% over 2Q20 and 8.9% over 1Q21. The Division accounted for 44% of the Company's consolidated gross revenue.

Export Market – 64.4% of Gross Revenue from the Brazil Division in 2Q21

Exports from the Brazil Industry Division generated revenues of R\$1,882.6 million in 2Q21, 25.9% higher in the annual comparison and 9,6% higher than in 1Q21.

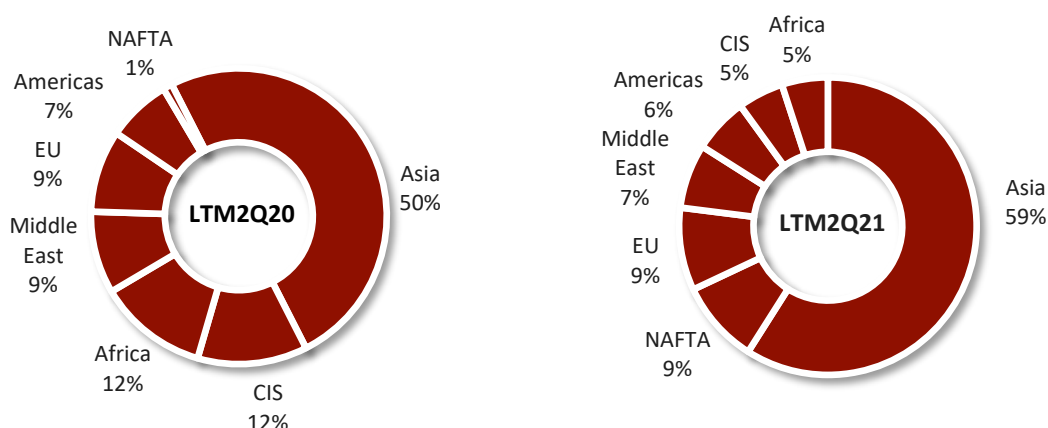
The good performance of the Division's exports reflects the strong global demand for the beef market, mainly in Asia, which increased by 9 p.p. in the annual comparison.

We present below the Brazil Industry Division's exports by region from LTM2Q20 to LTM2Q21:

- » **Africa:** In the last twelve months ended in June 2021, Africa accounted for 5% of the Brazil Industry Division's exports, 7 p.p. lower than the same period in 2020.
- » **Americas:** The Americas accounted for 6% of this division's exports in LTM2Q21, stable in relation to the same period in 2020.
- » **Asia:** Asia accounted for 59% of the Brazil Industry Division's total exports in LTM2Q21, increasing by 9 p.p. over LTM2Q20. China continued to stand out in the region, accounting for approximately 50% of the total exports in the period and maintaining its position as the main destination of the division's exports.
- » **CIS (Commonwealth of Independent States):** The Commonwealth of Independent States, represented mainly by Russia, totaled 5% of the Brazil Industry Division's exports in LTM2Q21, 7 p.p. lower in the annual comparison.
- » **Europe:** Europe accounted for 9% of the Division's exports in LTM2Q21, remaining stable when compared to LTM2Q20.
- » **NAFTA:** NAFTA was responsible for 9% of the Brazil Industry Division's exports in LTM2Q21, increasing 8 p.p. over LTM2Q20, and becoming the second main destination for the Division's exports, mainly due to the reopening of the US market for Brazilian beef in early 2020.

- » **Middle East:** The Middle East accounted for 7% of the Brazil Industry Division's exports in LTM2Q21, 2 p.p. lower than in the same period in 2020.

Figures 4 and 5 - Breakdown of Export Revenue by Region - Brazil



Source: Minerva Foods

Domestic Market – 35.6% of Gross Revenue from the Brazil Division in 2Q21

Domestic gross revenue from the Brazilian Industry Division totaled R\$1,039.2 million in the second quarter of 2021, a strong 84% growth over the same period in 2020 and approximately 8% higher than in 1Q21. The increase in revenue is mainly due to higher prices, confirming the Company's ability to pass on recent increases in cattle acquisition costs also in the domestic market.

We present below a complete breakdown of the Brazil Division:

Gross Revenue (R\$ million)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	1,684.5	1,367.5	23.2%	1,532.8	9.9%	6,522.6	5,678.4	14.9%
Byproducts – EM	179.1	101.4	76.6%	168.0	6.6%	661.6	473.6	39.7%
Processed foods – EM	19.0	26.8	-28.8%	16.6	14.4%	93.4	62.1	50.4%
Subtotal – EM	1,882.6	1,495.7	25.9%	1,717.5	9.6%	7,277.6	6,214.1	17.1%
Fresh beef – DM	640.1	360.0	77.8%	639.5	0.1%	2,705.1	2,044.4	32.3%
Byproducts – DM	307.6	169.7	81.3%	252.7	21.7%	1,112.2	633.0	75.7%
Processed foods – DM	91.5	35.0	161.7%	74.4	23.0%	325.6	241.6	34.8%
Subtotal – DM	1,039.2	564.7	84.0%	966.6	7.5%	4,142.9	2,919.1	41.9%
Total	2,921.8	2,060.4	41.8%	2,684.1	8.9%	11,420.5	9,133.1	25.0%

Volume ('000 metric tons)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	56.9	55.5	2.7%	50.8	12.1%	233.6	264.7	-11.7%
Byproducts – EM	15.8	9.3	70.0%	18.2	-13.4%	82.5	75.3	9.7%
Processed foods – EM	0.5	0.8	-40.0%	0.4	3.8%	2.5	2.1	20.6%
Subtotal – EM	73.2	65.5	11.7%	69.4	5.4%	318.7	342.1	-6.8%
Fresh beef – DM	23.0	19.9	15.4%	27.0	-14.7%	113.7	117.2	-3.0%
Byproducts – DM	17.9	23.1	-22.5%	16.3	10.3%	72.5	90.5	-19.9%
Processed foods – DM	3.8	2.0	92.7%	3.3	16.7%	14.9	14.8	1.0%
Subtotal – DM	44.7	45.0	-0.6%	46.5	-3.8%	201.2	222.5	-9.6%
Total	117.9	110.5	6.7%	115.9	1.7%	519.9	564.6	-7.9%

Average Price – EM (USD/kg)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	5.6	4.6	22.1%	5.5	1.3%	5.2	4.8	8.4%
Byproducts – EM	2.1	2.0	5.8%	1.7	27.2%	1.5	1.4	6.0%
Processed foods – EM	7.8	6.4	20.9%	6.8	14.0%	6.8	6.6	3.9%
Total	4.9	4.2	14.7%	4.5	7.5%	4.2	4.1	4.7%

Average Price – EM (R\$/kg)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	29.6	24.7	20.0%	30.2	-2.0%	27.9	21.5	30.2%
Byproducts – EM	11.4	10.9	3.9%	9.2	23.1%	8.0	6.3	27.4%
Processed foods – EM	41.2	34.7	18.7%	37.4	10.3%	36.6	29.4	24.8%
Total	25.7	22.8	12.7%	24.7	4.0%	22.8	18.2	25.7%

Average Price – DM (R\$/kg)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – DM	27.9	18.1	54.1%	23.7	17.4%	23.8	17.4	36.4%
Byproducts – DM	17.1	7.3	133.8%	15.5	10.3%	15.3	7.0	119.3%
Processed foods – DM	24.0	17.7	35.8%	22.7	5.4%	21.8	16.4	33.4%
Total	23.2	12.5	85.2%	20.8	11.7%	20.6	13.1	57.0%

EM - Export Market, DM – Domestic Market

ATHENA FOODS

Gross revenue from Athena Foods, which comprises the operations of the units in Paraguay, Argentina, Uruguay and Colombia, totaled R\$3,398.9 million in 2Q21, increasing 62% over 2Q20 and 11% higher than in 1Q21. In 2Q21, Athena Foods accounted for 51% of the Company's consolidated gross revenue.

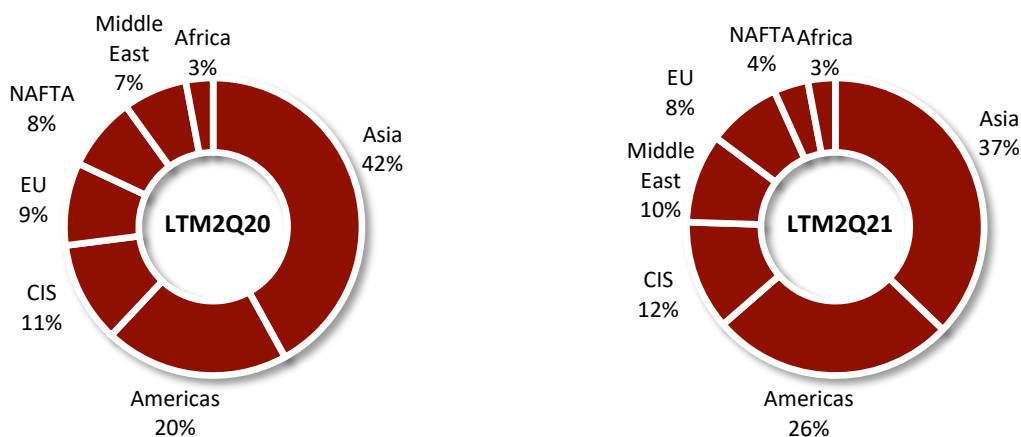
Export Market – 78.5% of Gross Revenue from Athena Foods in 2Q21

Exports from Athena Foods generated revenues of R\$2,668.5 million in 2Q21, a strong growth of 65.1% in the annual comparison and 13,3% higher than in 1Q21.

We present below Athena Foods' export revenue by region from LTM2Q20 to LTM2Q21:

- » **Africa:** Africa accounted for 3% of Athena Foods' exports in LTM2Q21, stable in relation to the same period in 2020.
- » **Americas:** The Americas was responsible for 26% of Athena Foods' exports in the last twelve months ended June 2021, increasing 6 p.p. over LTM2Q20 and maintaining its position as the second largest export destination for Athena Foods.
- » **Asia:** In LTM2Q21, Asia reached 37% of Athena Foods' export market, maintaining its position as the Division's main export destination. China stood out with 28% of Athena Foods' total exports.
- » **CIS (Commonwealth of Independent States):** The Commonwealth of Independent States, represented mainly by Russia, accounted for 12% of Athena Foods' exports in LTM2Q21, virtually stable in the annual comparison.
- » **Europe:** Europe was the destination of 8% of Athena Foods' exports in the period, stable in relation to the same period in 2020.
- » **NAFTA:** NAFTA accounted for 4% of Athena Foods' exports for the last twelve months ended June 2021, 4 p.p. lower than the previous year.
- » **Middle East:** The Middle East accounted for 10% of Athena Foods' exports, increasing 3 p.p. over LTM2Q20.

Figures 6 and 7 – Breakdown of Exports by Region – Athena Foods



Source: Minerva Foods

Domestic Market – 21.5% of Gross Revenue from Athena Foods in 2Q21

In 2Q21, Athena Foods recorded domestic gross revenue of R\$730.4 million, 53.3% higher in the annual comparison and up 2.7% over the previous quarter.

We present below a complete breakdown of Athena Foods:

Gross Revenue (R\$ million)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	2,388.6	1,459.2	63.7%	2,098.3	13.8%	7,736.8	5,561.1	39.1%
Byproducts – EM	277.1	151.3	83.2%	249.1	11.2%	876.8	557.9	57.1%
Processed foods – EM	2.8	5.7	-51.6%	8.6	-67.7%	19.8	11.9	65.7%
Subtotal – EM	2,668.5	1,616.2	65.1%	2,356.0	13.3%	8,633.3	6,130.9	40.8%
Fresh beef – DM	428.7	290.3	47.7%	415.2	3.3%	1,613.7	1,156.2	39.6%
Byproducts – DM	151.1	49.5	205.1%	103.4	46.1%	414.8	189.2	119.3%
Processed foods – DM	150.5	136.7	10.1%	192.3	-21.8%	614.9	512.1	20.1%
Subtotal – DM	730.4	476.5	53.3%	710.9	2.7%	2,643.4	1,857.4	42.3%
Total	3,398.9	2,092.7	62.4%	3,066.9	10.8%	11,276.8	7,988.4	41.2%

Volume ('000 metric tons)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	97.2	64.5	50.9%	86.8	12.1%	332.7	280.0	18.8%
Byproducts – EM	22.5	14.7	52.5%	19.8	13.4%	83.5	71.5	16.8%
Processed foods – EM	0.2	0.4	-47.2%	0.5	-64.4%	1.3	0.9	51.0%
Subtotal – EM	119.9	79.6	50.7%	107.1	11.9%	417.5	352.4	18.5%
Fresh beef – DM	17.7	15.9	11.3%	20.0	-11.6%	74.3	70.2	5.9%
Byproducts – DM	18.9	8.9	110.9%	25.7	-26.6%	83.9	54.2	54.8%
Processed foods – DM	10.7	9.1	17.4%	21.7	-50.6%	53.1	38.8	36.8%
Subtotal – DM	47.3	34.0	39.1%	67.4	-29.9%	211.3	163.2	29.5%
Total	167.2	113.5	47.2%	174.5	-4.2%	628.9	515.6	22.0%

Average Price – EM (US\$/kg)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Fresh beef – EM	4.6	4.2	10.5%	4.4	5.0%	4.3	4.4	-2.5%
Byproducts – EM	2.3	1.9	22.3%	2.3	1.4%	2.0	1.7	12.0%
Processed foods – EM	2.7	2.9	-6.6%	2.9	-6.0%	2.8	3.1	-8.6%
Total	4.2	3.8	11.5%	4.0	4.6%	3.8	3.9	-1.1%
Average dollar (source: BACEN)	5.29	5.39	-1.8%	5.47	-3.3%	5.38	4.48	20.1%

	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Average Price – EM (R\$/kg)								
Fresh beef – EM	24.6	22.6	8.5%	24.2	1.6%	23.3	19.9	17.1%
Byproducts – EM	12.3	10.3	20.1%	12.6	-1.9%	10.5	7.8	34.5%
Processed foods – EM	14.3	15.6	-8.2%	15.7	-9.1%	15.1	13.7	9.7%
Total	22.3	20.3	9.6%	22.0	1.2%	20.7	17.4	18.8%

	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Average Price – DM (R\$/kg)								
Fresh beef – DM	24.2	18.3	32.7%	20.7	16.9%	21.7	16.5	31.7%
Byproducts – DM	8.0	5.5	44.7%	4.0	99.1%	4.9	3.5	41.7%
Processed foods – DM	14.1	15.0	-6.1%	8.9	58.4%	11.6	13.2	-12.2%
Total	15.5	14.0	10.2%	10.5	46.5%	12.5	11.4	9.9%

EM - Export Market, DM – Domestic Market

TRADING DIVISION

Gross revenue from the Trading Division, which consists of the result from live cattle exports, protein trading, energy trading and resale of third-party products, totaled R\$347.5 million in 2Q21.

Export Market – 32.0% of Gross Revenue from the Trading Division in 2Q21

Gross export revenue from the Trading division totaled R\$111.3 million in 2Q21.

Domestic Market – 68.0% of Gross Revenue from the Trading Division in 2Q21

The Trading Division's domestic sales reached R\$236.1 million in 2Q21.

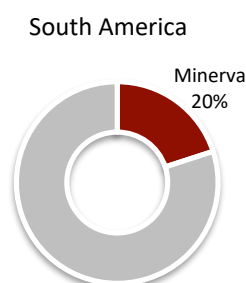
Gross Revenue (R\$ million)	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Trading Gross Revenue	347.5	472.0	-26.4%	358.8	-3.2%	1,573.8	1,893.0	-16.9%
Export market	111.3	232.8	-52.2%	79.9	39.2%	508.3	713.8	-28.8%
Domestic market	236.1	239.2	-1.3%	278.9	-15.3%	1,065.5	1,179.2	-9.6%

Consolidated Results Analysis

Exports - Market Share by country

In the second quarter of 2021, Minerva Foods maintained its leadership and consolidated its position as the leading beef exporter on the continent. The Company's export market share in South America remained at 20%, the same level as in the previous quarter.

Figure 8 – 2Q21 Market Share (% of Revenue)



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

Gross Revenue

Based on the performance of its three divisions (the Brazil Division, Athena Foods and the Trading Division), the Company's consolidated gross revenue came to R\$6,668.1 million in 1Q21, up 44% over 2Q20 9.1% higher than in 1Q21. It is worth noting that Athena Foods accounted for 51% of consolidated gross revenue in 2Q21.

In LTM2Q21, gross revenue reached an all-time high of R\$24.3 billion, an increase of approximately 28% on an annual base.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Gross revenue	6,668.1	4,625.0	44.2%	6,109.8	9.1%	24,271.0	19,014.5	27.6%
Brazil Industry Division	2,921.8	2,060.4	41.8%	2,684.1	8.9%	11,420.7	9,133.1	25.0%
Athena Foods	3,398.9	2,092.7	62.4%	3,066.9	10.8%	11,276.8	7,988.4	41.2%
Trading Division	347.5	472.0	-26.4%	358.8	-3.2%	1,573.5	1,893.0	-16.9%

Net Revenue

The Company's net revenue totaled R\$6,287.8 million in 2Q21, a substantial increase of 43% over the same quarter in 2020 and 8% higher than in 1Q21. In the last twelve months, net revenue reached R\$22.9 billion, corresponding to an annual expansion of nearly 28%.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Gross revenue	6,668.1	4,625.0	44.2%	6,109.8	9.1%	24,271.0	19,014.5	27.6%
Deductions and discounts	-380.3	-225.8	68.4%	-306.4	24.1%	-1,339.8	-1,077.4	24.4%
Net revenue	6,287.8	4,399.2	42.9%	5,803.4	8.3%	22,931.3	17,937.1	27.8%
% Gross revenue	94.3%	95.1%	-0.8 p.p.	95.0%	-0.7 p.p.	94.5%	94.3%	0.1 p.p.

Cost of Goods Sold (COGS) and Gross Margin

COGS accounted for 83.4% of net revenue in 2Q21, with a gross margin of 16.6% in the period, increasing slightly over the previous quarter, despite the increase in the raw material prices, particularly in Brazil.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Net revenue (R\$M)	6,287.8	4,399.2	42.9%	5,803.4	8.3%	22,931.3	17,937.1	27.8%
COGS (R\$M)	-5,244.5	-3,380.0	55.2%	-4,859.4	7.9%	-18,879.0	-14,263.7	32.4%
% Net revenue	83.4%	76.8%	6.6 p.p.	83.7%	-0.3 p.p.	82.3%	79.5%	2.8 p.p.
Gross profit (R\$M)	1,043.3	1,019.2	2.4%	943.9	10.5%	4,052.3	3,673.4	10.3%
Gross margin	16.6%	23.2%	-6.6 p.p.	16.3%	0.3 p.p.	17.7%	20.5%	-2.8 p.p.

Selling, General and Administrative Expenses

Selling expenses represented 6.0% of net revenue in the quarter, while general and administrative expenses corresponded to 3.5% of net revenue.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Selling expenses	-377.9	-314.1	20.3%	-369.5	2.3%	-1,456.6	-1,254.5	16.1%
% Net revenue	6.0%	7.1%	-1.1 p.p.	6.4%	-0.4 p.p.	6.4%	7.0%	-0.6 p.p.
G&A expenses	-218.1	-197.7	10.3%	-179.8	21.3%	-737.7	-689.0	7.1%
% Net revenue	3.5%	4.5%	-1.0 p.p.	3.1%	0.4 p.p.	3.2%	3.8%	-0.6 p.p.

EBITDA

Consolidated EBITDA reached R\$544.9 million in 2Q21, an increase of 12.4% over 1Q21. The EBITDA margin was 8.7% in the quarter, 0.3 p.p. higher than in 1Q21. In the accumulated of the year EBITDA totaled R\$1,029.8 million.

In the last twelve months, EBITDA came to R\$2.2 billion, an 8.4% increase, with an EBITDA margin of 9.6%.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Net income (loss)	116.7	253.4	-54.0%	259.5	-55.0%	548.7	685.5	-20.0%
(+/-) Deferred income and Social Contrib. taxes	21.0	40.9	-48.8%	11.4	84.1%	41.4	-98.1	-142.2%
(+/-) Financial result	322.3	201.5	60.0%	121.0	166.4%	1,261.3	1,127.1	11.9%
(+/-) Depreciation and amortization	78.7	81.5	-3.4%	83.1	-5.2%	312.7	290.2	7.7%
(+/-) Other expense adjustments	6.3	12.9	-51.1%	9.9	-36.3%	36.8	24.7	48.8%
EBITDA	544.9	590.2	-7.7%	484.9	12.4%	2,200.9	2,029.5	8.4%
EBITDA margin	8.7%	13.4%	-4.7 p.p.	8.4%	0.3 p.p.	9.6%	11.3%	-1.7 p.p.

Financial result

The net financial result was a negative R\$322.3 million in 2Q21. The appreciation of the real against the U.S. dollar had a positive non-cash impact of R\$204.7 million. However, the appreciation of the Real caused a negative impact of R\$222.4 million in the Other Expenses line due to derivative instruments, reflecting our foreign exchange hedge policy.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Financial expenses	-234.5	-249.1	-5.8%	-248.7	-5.7%	-1,020.6	-1,003.9	1.7%
Financial revenue	15.2	19.8	-23.3%	13.1	16.3%	60.6	71.3	-15.0%
Monetary restatement	-45.3	-8.5	435.0%	-47.8	-5.3%	-123.7	-183.5	-32.6%
FX variation	204.7	-147.0	n.a.	-203.0	n.a.	302.4	-980.2	n.a.
Other Expenses	-262.4	183.2	n.a.	365.4	n.a.	-480.1	969.3	n.a.
Financial result	-322.3	-201.5	59.9%	-121.0	166.3%	-1,261.4	-1,127.0	11.9%
Average dollar (R\$/US\$)	5.29	5.39	-1.8%	5.47	-3.3%	5.4	4.48	20.1%
Closing dollar (R\$/US\$)	5.00	5.48	-8.7%	5.70	-12.2%	5.0	5.48	-8.7%

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
FX hedge	-222.4	225.8	n.a.	444.2	n.a.	-231.7	1,196.8	n.a.
Commodities hedge	2.1	0.0	n.a.	-21.1	n.a.	-33.2	-26.9	23.4%
Fees, commissions and other financial expenses	-42.1	-42.6	-1.2%	-57.7	-27.0%	-215.2	-200.6	7.3%
Total	-262.4	183.2	n.a.	365.4	n.a.	-480.1	969.3	n.a.

Net Income (Loss)

In 2Q21, Minerva Foods recorded net income of R\$116.7 million, with a net margin of 1.9%. In the first six month of the year, net income reached R\$376.2 million.

In the last twelve months, net income totaled R\$548.7 million, with a net margin of 2.4%.

R\$ million	2Q21	2Q20	Chg. (%)	1Q21	Chg. (%)	LTM2Q21	LTM2Q20	Chg. (%)
Net income (loss) before income and social contribution taxes	137.6	294.3	-53.2%	270.9	-49.2%	590.1	587.4	0.5%
Income and social contribution taxes	-21.0	-40.9	-48.8%	-11.4	84.1%	-41.4	98.1	-142.2%
Net income (loss)	116.7	253.4	-54.0%	259.5	-55.0%	548.7	685.5	-20.0%
% Net margin	1.9%	5.8%	-3.9 p.p.	4.5%	-2.6 p.p.	2.4%	3.8%	-1.4 p.p.

Cash Flow

Operating Cash Flow

In 2Q21, operating cash flow was positive by R\$483.6 million. The variation in working capital requirements was positive by R\$406.3 million, reflecting the better performance of the suppliers, while net income adjustments were a negative R\$39.3 million. In the first six months, cash flow from operating activities reached R\$1.5 billion.

In the last twelve months, operating cash flow totaled R\$2.3 billion.

R\$ million	2Q21	2Q20	1Q20	LTM2Q21
Net income	116.7	253.4	259.5	548.7
(+) Net income (loss) adjustments	-39.3	659.5	914.4	1,232.9
(+) Variation in working capital requirements	406.3	-201.8	-123.7	547.0
Operating cash flow	483.6	711.2	1,050.2	2,328.5

Free Cash Flow

Free cash flow after Capex, interest payments and working capital came to R\$424.7 million in 2Q21, and the Company recorded positive cash generation for the fourteenth consecutive quarter. In the first six months, free cash flow reached R\$733.9 million and for the last twelve months ended June 2021, free cash flow totaled R\$1.4 billion.

From 2018 to date, the Company generated approximately R\$4.2 billion in free cash flow.

R\$ million	2Q21	1Q21	4Q20	3Q20	LTM2Q21
EBITDA	538.6	475.0	610.5	540.0	2,164.1
CAPEX	-69.5	-73.0	-78.1	-131.1	-351.7
Financial result (on a cash basis)*	-457.0	21.0	-280.0	-319.0	-1,035.0
Variation in working capital requirements	406.3	-123.7	-226.8	491.3	547.1
Recurring free cash flow to equity	424.7	309.2	32.1	595.4	1,361.3

*Including the result of the foreign exchange hedge

Capital Structure

In late June 2021, the Company's cash position was R\$6.3 billion, which is sufficient to amortize its debt through 2028 and is in line with Minerva Foods' conservative cash management and capital discipline. As of June 30, 2021, around 68% of gross debt was denominated in U.S. dollars. However, in accordance with its hedge policy, the Company hedges at least 50% of the long-term FX exposure, protecting its balance sheet at times of exchange rate volatility.

Net leverage, measured by the Net Debt/LTM EBITDA ratio, ended 2Q21 at 2.4x, remaining stable in relation to 1Q21 and reducing by 0.2x in the annual comparison. Since 3Q20, the Company's net leverage indicator has remained stable, despite share buybacks (R\$210 million) and dividend distributions (R\$522 million) and interest on equity (R\$19 million) carried out in this period.

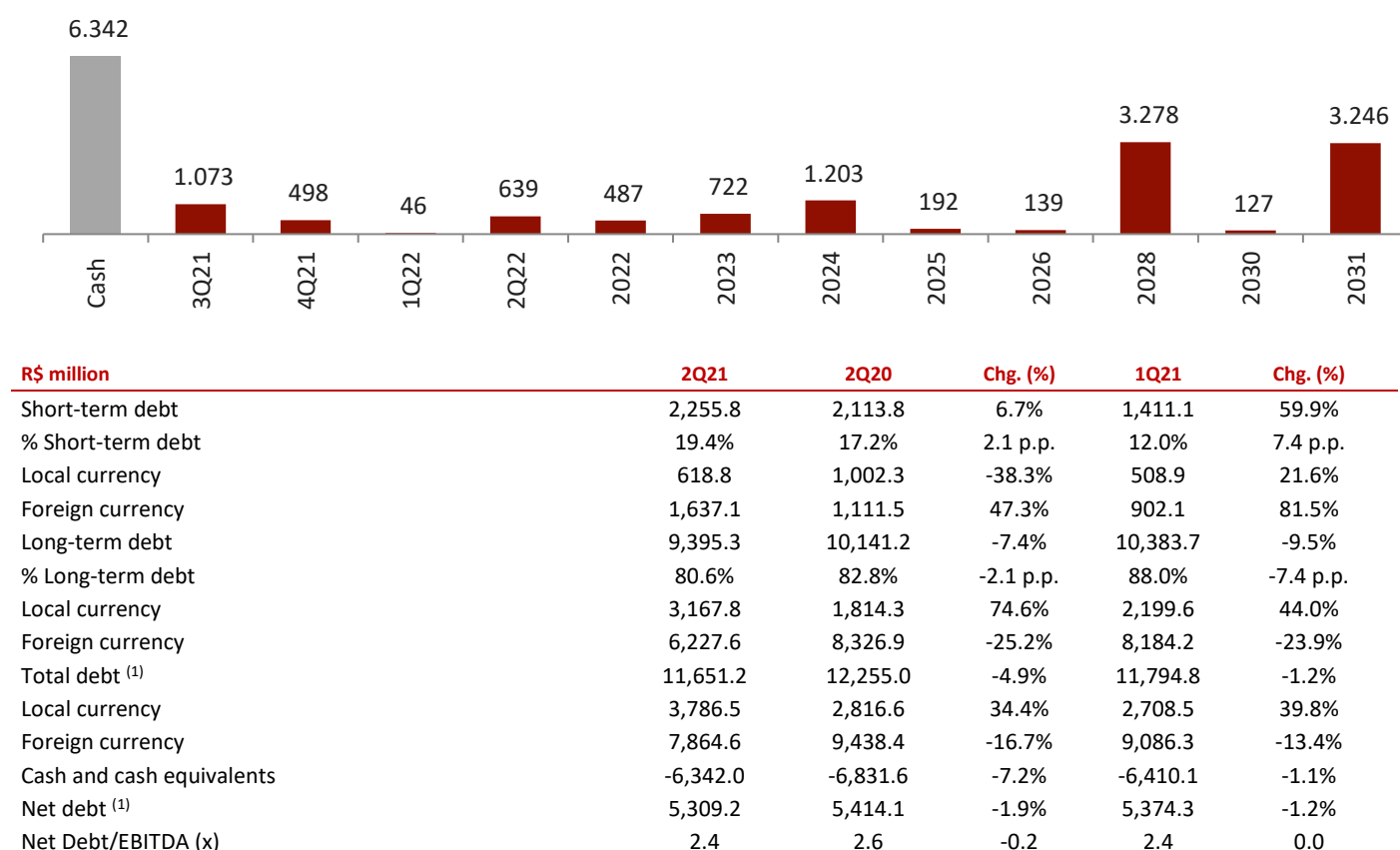
The debt duration was around 6.4 years at the end of 2Q21.

In continuity to the Company's liability management process, Minerva Foods launched, in April, its 10th issue of simple Debentures (CRA), in the amount of R\$1.6 billion, of which the 1st series totaled R\$1.2 billion, due in 7 years, and the 2nd series totaled R\$400 million, due in 10 years, both swapped at a final cost of 128% of the CDI rate.

Also in 2Q21, Minerva Foods concluded the early redemption of all its 2026 Notes, which had an interest coupon of 6.500% p.a. and were settled with the funds raised through the 2031 Notes, issued in March and at a coupon of 4.375%. This transaction allowed the annual cost of this debt, in US dollars, to be reduced by more than 220 bps. In addition, in July, the Company decided to reopen the 2031 Notes with an additional funding of US\$400 million.

Besides maintaining leverage and liquidity at very comfortable levels, Minerva Foods' liability management initiatives seek to lengthen its debt profile and reduce gross debt and the Company's capital structure cost.

Figure 9 – Debt Amortization Schedule on June 30, 2021 (R\$ million)



(1) Net debt includes FIDC subordinated shares totaling R\$10.4 million in 1Q21 and R\$9.4 million in 2Q20.

Capex

Investments totaled R\$69.5 million in 2Q21, of which R\$40.9 million went to maintenance of the industrial units and the remaining R\$28.6 million went to operational capacity expansion. In the first half of the year, investments amounted to R\$142.9, and R\$352.1 million in the last 12 months.

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

R\$ million	2Q21	1Q21	4Q20	3Q20	LTM2Q21
Maintenance	40.9	33.9	60.6	42.2	177.6
Expansion	28.6	39.5	17.5	88.9	174.5
Total	69.5	73.4	78.1	131.1	352.1

ESG

The second quarter of 2021 featured a major milestone for Minerva Foods in regards to sustainability. As an industry leader in the fight against climate change, the Company made a commitment to the public, its customers, suppliers, employees and investors, when it announced its goal of becoming a carbon neutral company (zero net emissions in scopes 1, 2 and 3) by 2035. This goal is in line with one of the five values of the Minerva Foods Culture - Sustainability.

Our goal is based on published results that demonstrate our leadership in monitoring the supply chain in South America and in combating illegal deforestation. Minerva Foods' Commitment to Sustainability is guided by contributing towards a healthier planet and prosperous communities through supporting South American farmers in implementing practices that help to capture and store carbon; protect biodiversity; and increase resilience.

In an effort to achieve its goal of zero net emissions by 2035 in scopes 1, 2 and 3, the Company plans to invest R\$1.5bn in a number of diversified initiatives in 3 major fronts:

1. Environmental Efficiency of Operations:
 - 1.1. Reduce greenhouse gas emission intensity by 30% in scopes 1 and 2 by 2030.
 - 1.2. Carbon neutral energy matrix (zero net emissions in scope 2 - target achieved in 2020).
2. Fighting illegal deforestation via geospatial monitoring of the supply chain:
 - 2.1. Zero illegal deforestation throughout the supply chain for all South American countries of operation by 2030.
 - 2.2. 100% geographic monitoring of direct cattle suppliers in Paraguay by December 2021, in Colombia by 2023, in Uruguay by 2025, and in the rest of the South American countries by 2030.
 - 2.3. A monitoring program of the indirect cattle suppliers throughout the countries of operation in South America by 2030, including:
 - i. Integration of the Visipec tool into the geographic monitoring system for the Amazon by December 2021;
 - ii. In partnership with Niceplanet Geotechnologies, the release of an application designed to verify the indirect cattle suppliers in Brazil by December 2021.

3. 3. Program for low carbon emission in the production chain:

- 3.1. 50% of cattle suppliers participating in the Minerva Foods low carbon program by 2030.
- 3.2. A partnership with research institutions in the application of a methodology aimed at monitoring, reporting, and verifying the carbon balance of cattle suppliers in the South American countries of operation, with initial results expected by 2021.

Monitoring of indirect cattle suppliers in the Brazilian Amazon

The efforts of Minerva Foods in collaboration with civil society organizations, academic institutions and private initiative are based on concrete actions that are applicable today, establishing Minerva Foods as a leader in the fight against illegal deforestation in indirect cattle suppliers in the Brazilian Amazon. In partnership with Friends of the Earth, the National Wildlife Federation and the University of Wisconsin in the United States, the Company has released the results of the monitoring carried out in trials at processing plants located in the States of Mato Grosso and Rondônia and in live cattle export operations in the State of Pará.

Visipec is a traceability tool developed by the University of Wisconsin in partnership with the National Wildlife Federation. It performs a risk assessment by cross-referencing public databases and linking the direct and indirect suppliers, thereby significantly improving the decision-making process at Minerva Foods. The indirect cattle suppliers were evaluated according to the criteria for best practices established by the Working Group for Indirect Suppliers (Grupo de Trabalho de Fornecedores Indiretos - GTFI), a multistakeholder initiative of which Minerva Foods is a participant. For more information, please visit <https://www.visipec.com> and <https://gtfi.org.br/>.

The results are motivating and reinforce the pioneering spirit of Minerva Foods in Sustainability.

99.8% of direct cattle supply farms to processing plants in Mato Grosso and Rondônia are in compliance with the best practices established by the GTFI and, therefore, in compliance with deforestation monitoring for tier 1 indirect cattle supply farms of Minerva Foods. There were 7,725 indirect cattle suppliers that were verified for 2,995 direct suppliers, resulting in a ratio of 2.5 indirect suppliers for each direct supplier. For further information, view the Visipec & Minerva Foods Timeline below.

Minerva Foods has become the first and only company in the sector to integrate the risk analysis tool into its monitoring system, thanks to its innovative trials with Visipec. We will achieve our goal of system integration for the monitoring of indirect cattle suppliers four months earlier than expected, from our target date of December 2021, the deadline stated in our commitment, to August of this year. We are confident that with a lot of hard work and cooperation, we can utilize Visipec as a risk analysis tool to achieve our goal of zero illegal deforestation throughout the supply chain by 2030. This is a testament to our commitment to climate change and ecosystem protection.

As of August 2021, the Visipec tool has been fully integrated into our system to support the risk analysis of indirect suppliers in the Amazon. It is apt and valid for use in all states of the Brazilian Amazon based on the availability of public information for Visipec's technical feasibility.

Geospatial monitoring in Paraguay and Colombia

The progress we have achieved in geospatial monitoring of the supply chain in our South American operations goes hand in hand with the Minerva Foods Commitment to Sustainability. In Paraguay, during 2Q21, we were able to monitor 80% of our purchases and we remain on track to achieve our goal of geospatially monitoring 100% of our direct suppliers by December. For the operations in Colombia, we recently completed a study of the environmental and land legislation regarding geospatial monitoring. In addition, we began a geographic diagnosis by means of buffer

zones in order to analyze the size of the rural areas across the different regions of Colombia as well as the applicable parameters required for geospatial monitoring. This is being carried out with the help of the cattle purchasing team and Niceplanet Geotechnologies.

Low carbon emission program in the production chain

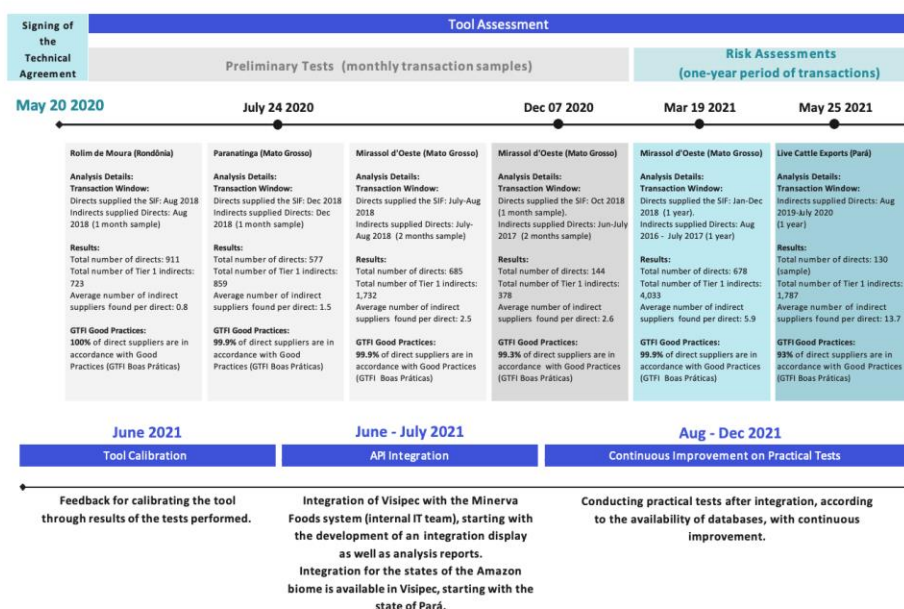
During the second quarter of 2021, the Low carbon emission program was launched through several pilot projects in all countries of operation: Argentina, Brazil, Colombia, Paraguay, and Uruguay. More than 50 cattle suppliers were involved in the monitoring and verification of agricultural emissions. In partnership with leading research institutes - including Embrapa and Imaflora in Brazil, and the International Center for Tropical Agriculture in Colombia; our program aims to support suppliers in implementing carbon sequestration practices that will generate multiple benefits including increased productivity and efficiency, greater resilience, and the protection of biodiversity. During 2Q21, our field team received training in partnership with Embrapa Solos on how to perform soil sampling and data was collected from the farms that are involved in the pilot project across all countries of operation in South America.

Our work in primary data collection, analysis, and the use of scientific methodologies for calculating the carbon balance of our cattle suppliers will continue. We understand that a farm that is technically skilled, profitable, and environmentally responsible, has a unique opportunity to extend its role in providing quality food to the world to the opportunity of helping in the fight against climate change by adopting practices that sequester and store carbon. We remain committed to our goal of presenting the carbon balance results of more than 50 properties which represent different production systems and different regions throughout South America. We are confident that the scientific research on agricultural production within the Minerva supply chain, as well as the use of primary data that represents the profile of our agricultural partners, will be instrumental in achieving recognition for the sustainable practices implemented in our value chain. Additionally, it has the potential to open new business opportunities with importer countries as well as opportunities in the growing market of carbon credits.

Transparency

Learn more about the ESG results for Minerva Foods in our 10^o 2020 Sustainability Report by clicking on the [link](#) or by visiting our website at www.minervafoods.com. We reiterate our stance in operating with results by applying our efforts today towards the sustainability of our planet.

Pioneerism in indirect risk assessment



Note: For all tests performed, data is only available at the property level of information, as available in public databases. Visipec is in compliance with all data protection laws.



Opportunities

- Measure and monitor compliance of direct suppliers with the GTFI Good Practices to map the possible risks of the indirect supplier chain.
- Identify patterns of behavior and potential sources of issues in order to support preventive actions.
- Obtain information in order to positively highlight producer sustainable practices and anticipate market demands.
- Support greater security and transparency for the Brazilian cattle supply chain.
- Improve the traceability and monitoring of deforestation in the Amazon.

Learn more:

Good Practices and GTFI: gtfi.org.br

Visipec: <http://www.visipec.com/>

Visipec FAQ: [Frequently Asked Questions \(EN\)](#); [Perguntas Frequentes \(PT\)](#)

Visipec Technical Collaboration:



Subsequent Events

Capital Increase as a Result of the Exercise of Warrants

	July 15, 2021
Capital stock	R\$1,371,449,571.94
Issued shares	549,639,467
Outstanding warrants	58,156,388
Exercise price	R\$5.39
Estimated capital increase (until dec/2021)	R\$313,462,931
Total shares issued after exercise	607,795,855

Liability Management

Reopening of the 2031 Notes

On July 6, 2021, the Company concluded the pricing for new debt bonds (2031 Notes), at an interest rate of 4.375% p.a. and an additional 2031 maturity (originally issued in March 2021), in the aggregate amount of \$400 million ("Additional Notes"). The operation was rated "BB" in foreign currency by Standard & Poors ("S&P") and Fitch Ratings. The Additional Notes issued are part of Minerva Foods' liability management process, whose goal is to lengthen the Company's debt profile and reduce the cost of the Company's capital structure, and will be used in the prepayment of Company debt and general uses.

About Minerva S.A.

Minerva Foods is the South American leader in beef exports, which also operates in the processed foods segment, selling its products to over 100 countries. Present in Brazil, Paraguay, Argentina, Uruguay and Colombia, Minerva Foods operates 25 slaughter and deboning plants and 3 processing plants. In the 12 months ended June 30, 2021, the Company recorded gross sales revenue of R\$24.3 billion, 28% more than in the same period a year ago.

Relationship with Auditors

In accordance with CVM Instruction 381/03, we announce that our auditors did not provide services other than those related to the external audit in 2019, 2020 and the quarter ended June 30, 2021.

Statement from Management

In compliance with CVM Instructions, Management declares that it has discussed, reviewed and agreed with the individual and consolidated accounting information related to the fiscal year ended June 30, 2021 and the opinions expressed in the independent auditors' review report, hereby authorizing their disclosure.

APPENDIX 1 - INCOME STATEMENT (CONSOLIDATED)

(R\$ thousand)	2Q21	2Q20	1Q21
Revenue from domestic sales	2,005,729	1,280,336	1,956,418
Revenue from exports	4,662,394	3,344,713	4,153,386
Gross sales revenue	6,668,123	4,625,049	6,109,804
Revenue deductions – taxes and other	-380,306	-225,847	-306,430
Net operating revenue	6,287,817	4,399,202	5,803,374
Cost of goods sold	-5,244,526	-3,379,964	-4,859,449
Gross profit	1,043,291	1,019,238	943,925
Selling expenses	-377,946	-314,134	-369,526
General and administrative expenses	-218,100	-197,668	-179,791
Other operating revenues (expenses)	12,663	-11,623	-2,689
Result before financial expenses	459,908	495,813	391,919
Financial expenses	-234,546	-249,116	-248,675
Financial revenue	15,210	19,839	13,080
Monetary restatement	-45,275	-8,463	-47,806
FX variation	204,722	-146,970	-203,041
Other expenses	-262,382	183,246	365,460
Financial result	-322,271	-201,464	-120,982
Income (loss) before taxes	137,637	294,349	270,937
Income and social contribution taxes - current	-29,459	-32,507	-9,876
Income and social contribution taxes - deferred	8,492	-8,428	-1,515
Income (loss) before non-controlling interest	116,670	253,414	259,546
Controlling shareholders	116,670	253,414	259,546
Net income (loss)	116,670	253,414	259,546

APPENDIX 2 - BALANCE SHEET (CONSOLIDATED)

(R\$ thousand)	2Q21	4Q20
ASSETS		
Cash and cash equivalents	6,341,953	6,391,429
Trade receivables	2,309,650	2,143,997
Inventories	1,384,450	997,963
Biological assets	485,025	351,230
Taxes recoverable	1,066,629	1,011,815
Other receivables	473,812	389,879
Total current assets	12,061,519	11,286,313
Taxes recoverable	192,285	192,285
Deferred tax assets	428,449	448,832
Other receivables	68,910	53,469
Judicial deposits	19,725	22,250
Investments	50,450	21,374
Fixed assets	4,044,254	4,122,509
Intangible assets	762,074	776,219
Total non-current assets	5,566,147	5,636,938
Total assets	17,627,666	16,923,251
LIABILITIES		
Loans and financing	2,255,827	2,199,564
Commercial leasing	10,164	10,280
Suppliers	2,817,246	2,344,593
Labor and tax liabilities	336,873	324,990
Other payables	2,084,020	1,516,235
Total current liabilities	7,504,130	6,395,662
Loans and financing	9,395,345	9,372,474
Commercial leasing	32,257	36,611
Labor and tax liabilities	56,722	59,706
Provision for contingencies	40,531	40,274
Accounts payable	25,865	31,095
Deferred tax liabilities	149,891	147,357
Total non-current liabilities	9,700,611	9,687,517
Shareholders' equity		
Capital stock	1,311,682	1,303,984
Capital reserves	118,271	118,271
Revaluation reserves	48,292	49,066
Profit reserves	153,438	153,438
Additional dividend proposed	0	376,092
Accumulated profit (loss)	376,990	0
Treasury shares	-242,768	-242,768
Equity valuation adjustments	-1,342,980	-918,011
Total shareholders' equity attributed to controlling shareholders	422,925	840,072
Total shareholders' equity	422,925	840,072
Total liabilities and shareholders' equity	17,627,666	16,923,251

APPENDIX 3 – CASH FLOW (CONSOLIDATED)

(R\$ thousand)	2Q21	2Q20	1Q21
Cash flow from operating activities			
Net income (loss)	116,670	253,414	259,546
Adjustments to reconcile net income provided by operating activities:			
Depreciation and amortization	78,724	81,471	83,064
Estimated loss on doubtful accounts	3,190	9,005	730
Proceeds from the sale of fixed assets	2,326	13	1,304
Fair value of biological assets	-17,217	-3,382	-36,185
Realization of deferred taxes – temporary differences	-8,492	8,428	1,515
Financial charges	234,546	249,116	248,675
FX variation – not realized	-375,911	306,648	565,478
Monetary restatement	45,275	8,463	47,806
Provision for contingencies	-1,720	-218	1,977
Trade receivables and other receivables	341,748	-83,689	-610,695
Inventories	-39,382	-86,986	-347,105
Biological assets	-70,413	-32,166	-9,980
Taxes recoverable	-1,998	-80,239	-52,816
Judicial deposits	1,287	2,019	1,238
Trade payables	344,491	115,388	128,162
Labor and tax liabilities	-12,095	-4,085	20,994
Other payables	-157,386	-32,004	746,530
Cash flow from operating activities	483,643	711,196	1,050,238
Cash flow from investing activities			
Investment acquisition	0	0	-29,000
Acquisition of intangible assets	-4,553	-2,601	-1,875
Acquisition of fixed assets	-64,898	-47,424	-42,540
Cash flow from investing activities	-69,451	-50,025	-73,415
Cash flow from financing activities			
Loans and financing raised	2,070,656	1,459,160	1,157,545
Loans and financing settled	-1,894,065	-1,720,023	-2,455,687
Commercial leasing	-2,665	-4,745	-2,523
Capital payment in cash	80	5,547	7,618
Interest on Equity	0	0	-19,240
Dividends	-383.441	0	0
(-) Transition cost in the issue of shares	0	-4,003	0
Cash flow from financing activities	-209,435	-264,064	-1,312,287
FX variation on cash and cash equivalents	-272,936	118,468	354,167
Net increase/decrease in cash and cash equivalents	-68,179	515,575	18,703
Cash and cash equivalents			
Beginning of period	6,410,132	6,315,986	6,391,429
End of period	6,341,953	6,831,561	6,410,132
Net increase/decrease in cash and cash equivalents	-68,179	515,575	18,703

APPENDIX 4 – ATHENA FOODS (US\$)

In the second quarter of 2021, Athena Foods' gross revenue totaled US\$681.5 million, increasing 19.9% over the first quarter of 2021 and 75.4% higher than the same period in 2020. In the first half of the year the division's total gross revenues reached US\$1.3 billion, and in the last 12 months reached US\$2.2 billion.

US\$ million	2Q21	2Q20	1Q21	LTM2T21
Argentina	145.5	122.6	129.6	550.5
Chile	24.6	3.9	11.0	61.4
Colombia	60.2	26.6	73.9	245.0
Paraguay	285.9	136.5	218.9	856.1
Uruguay	165.3	98.9	135.3	473.0
Total Athena Foods	681.5	388.5	568.6	2,186.0

APPENDIX 5 – EXCHANGE RATE

	2Q21	1Q21	2Q20
(US\$ - Closing)			
Brazil (R\$/US\$)	5.00	5.63	5.48
Paraguay (PYG/US\$)	6,752.30	6,311.10	6,817.50
Uruguay (UYU/US\$)	43.61	44.22	42.20
Argentina (ARS/US\$)	95.72	91.99	70.46
Colombia (COP/US\$)	3,752.35	3,704.37	3,757.75