

minerva
foods



EARNINGS RELEASE 2Q22

**Minerva (BEEF3)**

Price on August 8, 2022: R\$13.56

Market cap: R\$8.2 billion

Shares: 607,283,407

Free Float: 43.3%

Conference Calls

August 11, 2022

Portuguese:

09:00 a.m. (Brasília) 08:00 a.m. (US EST)

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

09:00 a.m. (Brasília) 08:00 a.m. (US EST)

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Earnings Release

Barretos, August 10, 2022 – Minerva S.A. (BM&FBOVESPA: BEEF3 | OTC - Nasdaq International: MRVSY), the South American leader in the export of fresh beef and cattle byproducts, which also operates in the processed foods segment, announces today its results for the second quarter of 2022 (2Q22). The financial and operational information herein is presented in BRGAAP and Brazilian reais (R\$), under International Financial Reporting Standards.

2Q22 Highlights

- The Company's Board of Directors approved the distribution of R\$ 128.1 million as intercalary dividends, totaling earnings of R\$ 0.22 per share. The payment will be made on August 29, 2022, and the Company's shares will be traded "ex-dividends" as of August 18, 2022, including this date. Since 2020, the board has already approved the payment of R\$ 1,1 billion to be distributed as dividends to the shareholders of Minerva Foods.
- In 2Q22, net income reached R\$ 424.7 million, accumulating R\$ 539.3 million in the year, and R\$ 761.9 in the last twelve months ended June 2022.
- Free cash flow in 2Q22, after financial expenses, Capex, and working capital, totaled R\$ 254.7 million on a recurring basis and R\$ 415.7 million after the cash effect of the derivatives. In LTM2Q22, free cash flow totaled R\$ 523.2 million. Since 2020, the Company has accumulated more than R\$ 3.2 billion in free cash flow.
- EBITDA reached an all-time high of R\$ 778.0 million in 2Q22, a significant growth of 42.8% YoY, with an EBITDA margin of 9.2%. Year-to-date EBITDA totaled R\$ 1.4 billion and, in LTM2Q22, reached R\$ 2.8 billion, the highest ever reported by the Company, growing by 27.6% YoY. The LTM2Q22 EBITDA margin was 9.2%.
- In the quarter, consolidated gross revenue reached R\$ 9.0 billion, up by 34.4% in the annual comparison. In the first 6 months of the year, gross revenue was R\$ 16.6 billion, totaling R\$ 32.4 billion in the last twelve months. In 2Q22, exports accounted for 71% of the Company's gross revenue, consolidating our position as the leading beef exporter in South America, with a market share of approximately 20%.
- Minerva's net revenue totaled R\$ 8.5 billion in 2Q22, up by 34.7% over the same period of the previous year. In 1H22, net revenue reached R\$ 15.7 billion, 29.9% higher than in the first half of 2021. In the twelve-month period ended June 2022, net revenue stood at R\$ 30.6 billion.
- Financial leverage in 2Q22, measured by the Net Debt/LTM EBITDA ratio, ended the quarter at 2.3x. It is worth noting that even after distributing dividends, the Company's capital structure remained strong and consistent, with net leverage declining in relation to previous quarters.
- Committed to Sustainability: We have increased our monitoring in South America which includes 90% of direct suppliers in Argentina and more than 40% in Colombia. For the second year running, we have been awarded the Renewable Energy Seal, granted by the Totum Institute, in partnership with the Brazilian Wind Energy Association (ABEEólica) and the Brazilian Clean Energy Association (Abragel), for all our units in Brazil.
- Sustainability Report and Institutional Website: we have always remained focused on the transparency of information regarding the ESG agenda. For the past 11 years, we have annually reported our advances in our Sustainability Reports, releasing in early April, the latest version pertaining to 2021, resulting in becoming, for the second year in a row, the first company in the sector to publish its results. We have also launched a new platform to improve access to our ESG information through the Minerva Foods institutional website.
- Renove Program: launch of a carbon neutral product from Uruguay with emissions offset by the sale of carbon credits generated in a livestock-forest integration project in Uruguay and sold by MyCarbon.

Message from Management

Minerva ended the first half of 2022 delivering solid operating and financial results, which validates the consistency and discipline of our business strategy and consolidates the Company as one of the main players in the global beef protein market. We ended 2Q22 with strong net revenue and EBITDA growth, reaching R\$ 8.5 billion and R\$ 778.0 million, respectively, setting a record performance for the Company. In the first six months of the year, the Company's net revenue totaled R\$ 15.7 billion and EBITDA totaled R\$1.4 billion. In the twelve month period, these lines reached record levels of R\$ 30.6 billion and R\$ 2.8 billion, respectively. As a result of our operational, commercial, and financial execution, we ended the quarter with a net income of R\$ 424.7 million and a free cash flow of R\$ 415.7 million, contributing to the maintenance of our capital structure at very healthy levels, ending 2Q22 with a net leverage of 2.3x, even after distributing R\$ 200.0 million in supplementary dividends in May. Creating value to the shareholder remains a priority, and, reflecting Minerva Foods' recent operational and financial performance, the Board of Directors approved the payment of R\$ 128 million in intercalary dividends, or R\$ 0.22/share, to be paid at the end of August 2022.

Net Revenue
R\$ 8.5 billion

EBITDA
R\$ 778.0 million

Net Income
R\$ 424.7 million

Given the continued volatile scenario in global markets, I would like to emphasize our geographical diversification strategy, one of the main pillars of our business model and that continues to be essential to maintain our profitability, in addition to being an important risk mitigating agent. Minerva Foods' operational footprint, distributed across South America, continues to play a fundamental role in the performance being delivered by the Company, quarter after quarter, reflecting our arbitrage capacity in the global animal protein market, which is always focused on profitability and risk management.

The horizon for the international beef market remains very promising for Minerva Foods: the unbalanced global beef protein market continues to provide unique opportunities, especially in Asia and the Middle East, but also in premium markets such as the United States and Europe, which together already account for almost 20% of our consolidated exports. This movement is expected to remain strong in the coming periods, due to restrictions on beef production in several relevant markets, such as the United States and Australia which, in addition to the recurring climate problems, is also facing recent health challenges, such as the foot-and-mouth disease outbreak in Indonesia, which threatens the Australian beef industry. I would also like to highlight the positive, and increasingly solid, signs regarding the expanding availability of cattle here in Brazil, reflecting the resumption of the bovine cycle, a trend that is expected to consolidate in the coming months. Therefore, South America, with its pasture-based cattle production matrix, has been expanding its competitiveness even further in the global beef market, especially considering the strong inflationary pressure in the current environment. In this context, Minerva Foods' geographical diversification strategy offers the Company access to 100% of global beef demand, making this one of our key competitive advantages.

Free Cash Flow
R\$ 415.7 million

Leverage
2.3x

Free cash generation, which has always been the Company's priority, reached R\$ 415.7 million in the second quarter of 2022, reflecting Minerva Foods' operational and financial excellence. I would also like to highlight the solidity of our balance sheet, one of the pillars of this management. We ended 2Q22 with a cash balance of R\$ 6.2 billion and with the Net Debt/LTM EBITDA ratio at 2.3x; lower than when compared to previous quarters.

In this 2Q22, we once again achieved important results in our sustainability agenda and led initiatives that reinforce our position as a benchmark in the animal protein sector. Right at the beginning of the quarter, we advanced with the sale of carbon neutral beef from our operation in Uruguay, a process that is entirely certified. Emissions were measured at all stages of the production chain, including the processing and logistics stages, with carbon footprint being audited and certified internationally. Our subsidiary MyCarbon was responsible for marketing the carbon credits to offset emissions. Our planning continues to evolve,

focused on the continuous reduction of carbon emissions, not only at our plants but also at our supplying farms, in line with our goal to achieve Net Zero by 2035.

We also advanced with the expansion of the geographic monitoring of our direct supply farms in Colombia, reaching over 40% of the total and, in Argentina, we already monitor nearly 90% of suppliers. We remain committed and focusing our efforts on the engagement and training of our livestock partners regarding the importance of using the SMGeo Prospec application, launched at the end of last year as an essential tool that supports the monitoring of the beef production chain.

As important recognitions, Minerva Foods was awarded, for the second consecutive year, the Renewable Energy Seal for all its units in Brazil, issued by the Totum Institute, in partnership with the Brazilian Wind Energy Association (ABEEólica) and the Brazilian Association of Clean Energy (Abragel). Furthermore, with the objective of sharing our practices and bringing transparency to our stakeholders regarding our advancements in ESG agenda, we published, at the beginning of April, our 11th Sustainability Report following the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards, as well as the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), positioning us, for the second consecutive year, as the first company in the sector to disclose the results for 2021.

Lastly, we launched a new platform to facilitate access to our ESG data on the Minerva Foods sustainability website, a dashboard where users can gain access to all information and historical database regarding our sustainability metrics and initiatives, increasing transparency on our ESG performance and reinforcing Minerva Foods' commitment, leadership, and pioneering spirit in the sustainability agenda.

We ended the first semester and initiated the second half of the year even more confident in our business model and prepared to take advantage of the opportunities of the global beef market. We remain confident in the work of our team, in our operational consistency and financial discipline, and in the respect we have for our 5 corporate values: results-orientated, commitment, sustainability, innovation and recognition of our employees, as we believe this is the best way to create value for our stakeholders.

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

Fernando Galletti de Queiroz
Chief Executive Officer

Results Analysis

Key Consolidated Indicators

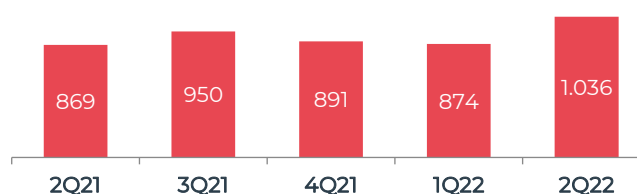
R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Total slaughter ('000 head)	1,035.9	869.0	19.2%	874.2	18.5%	3,751.4	3,403.1	10.2%
Total sales volume ('000 metric tons)	321.7	285.1	12.8%	275.7	16.7%	1,182.9	1,148.7	3.0%
Gross Revenue	8,962.3	6,668.1	34.4%	7,627.6	17.5%	32,384.3	24,271.0	33.4%
Foreign Market	6,365.8	4,662.4	36.5%	5,359.3	18.8%	22,221.5	16,419.2	35.3%
Domestic Market	2,596.5	2,005.7	29.5%	2,268.3	14.5%	10,162.8	7,851.8	29.4%
Net Revenue	8,471.8	6,287.8	34.7%	7,229.2	17.2%	30,575.1	22,931.3	33.3%
EBITDA	778.0	544.9	42.8%	646.0	20.4%	2,807.4	2,200.9	27.6%
EBITDA Margin	9.2%	8.7%	0.5 p.p.	8.9%	0.2 p.p.	9.2%	9.6%	-0.4 p.p.
Net Debt / LTM EBITDA (x)	2.3	2.4	-0.1	2.5	-0.2	2.3	2.4	-0.1
Net Income (Loss)	424.7	116.7	264.0%	114.6	270.6%	761.9	548.7	38.9%

Operational and financial performance

Slaughter

Consolidated slaughter volume totaled 1,036 thousand head of cattle in 2Q22, up by approximately 19% both in YoY and QoQ. In the first six months of the year, slaughter volume totaled 1,910 thousand head of cattle, up by 10.4% over the same period in 2021. The growth in slaughter volume is boosted by strong demand for beef protein in the international market, and greater availability of animals ready for slaughter, especially in Brazil.

Figure 1 – Consolidated Slaughter



Gross Revenue

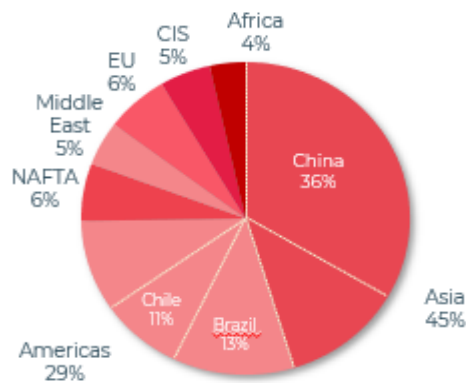
The Company's consolidated gross revenue totaled R\$ 9.0 billion in 2Q22, a strong increase of 34.4% over 2Q21 and 18% higher than in the previous quarter. In 1H22, gross revenue totaled R\$ 16.6 billion, increasing by approximately 30% over 1H21. In the last twelve months ended June 2022, gross revenue stood at R\$ 32.4 billion, increasing by 33,4% in the annual comparison.

See the chart below for more details on gross revenue.

Gross Revenue (R\$ million)	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Brazil	4,261.9	2,921.8	45.9%	3,954.2	7.8%	14,492.6	11,420.5	26.9%
Argentina	1,327.8	657.9	101.8%	880.3	50.8%	4,730.7	2,773.0	70.6%
Colombia	269.6	331.4	-18.6%	315.7	-14.6%	1,608.5	1,358.0	18.4%
Paraguay	1,472.4	1,515.1	-2.8%	1,000.0	47.2%	4,979.8	4,548.7	9.5%
Uruguay	1,162.7	894.4	30.0%	962.0	20.9%	4,541.4	2,597.1	74.9%
Others ⁽¹⁾	467.9	347.5	34.7%	515.5	-9.2%	2,031.3	1,573.8	29.1%
Total	8,962.3	6,668.1	34.4%	7,627.6	17.5%	32,384.3	24,271.0	33.4%

⁽¹⁾ consists of the result from live cattle exports, protein trading, energy trading, resale of third-party products, and Australia operations.

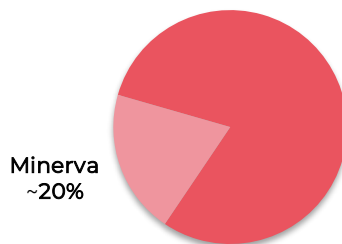
Figure 2 – 2Q22 Brekdown by Gross Revenue



Exports - Market Share

In 2Q22, Minerva Foods remained the leading beef exporter on the continent. The Company accounted for approximately 20% of South American beef exports in the period.

Figure 3 – Market Share 2Q22



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

Export Market – 71.0% of Gross Revenue in 2Q22 | 68.6% in LTM2Q22

Exports generated a revenue of R\$6.4 billion in 2Q22, up by 36.5% over the same period in 2021 and 18.8% higher than in 1Q22. In 1H22, exports reached R\$11.7 billion, up by 33% in relation to the same period of the previous year. In the last twelve months ended June 2022, export revenue totaled R\$22.2 billion, a strong growth of 35.3%.

The improved export market performance was mainly due to strong international demand for beef, especially in the Asian market, which, combined with scarce protein supply benefits South American exporting countries.

The performance of the export market in the Brazil operation accounted for 71% of gross net revenue in 2Q22 and 68% in the last twelve months ended in June. In the ex-Brazil (Argentina, Colombia, Paraguay, and Uruguay) operations, exports accounted for 75% of gross revenue in the quarter as well as in LTM2Q22.

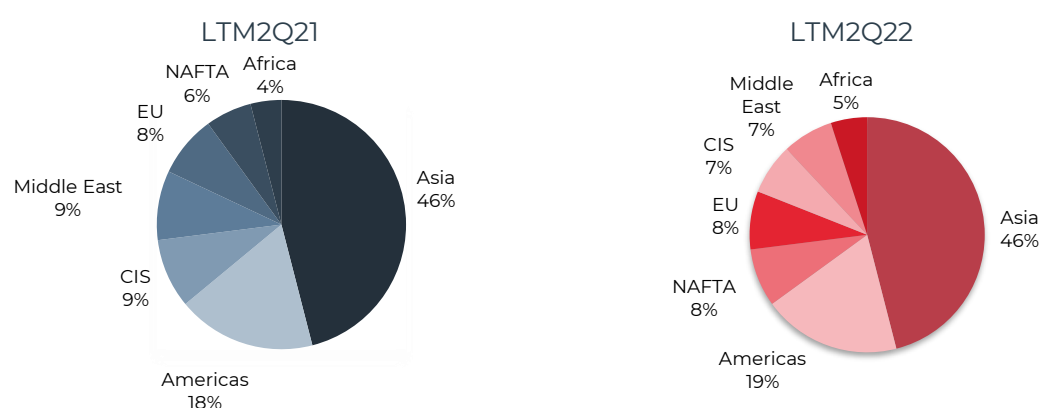
Below is a more detailed description of the representativeness of exports in gross revenue by origin:

Exports (% Gross Revenue)	2Q22	2Q21	1Q22
Brazil	71.3%	64.4%	72.7%
Ex-Brazil	76.1%	78.5%	74.7%
Total	71.0%	69.9%	70.3%

Exports by region between LTM2Q22 and LTM2Q21 were as follows:

- **Africa:** The region accounted for 5% of exports in the last twelve months ended June 2022, and remained virtually flat over LTM2Q21.
- **Americas:** The Americas accounted for 19% of total exports in LTM2Q22, increasing by 1 p.p. over the same period in 2021, being the second main destination of Minerva Foods' exports.
- **Asia:** In LTM2Q22, Asia accounted for 46% of total exports, flat over LTM2Q21 and remaining the main destination for our exports. China accounted for 38% of the Company's exports in the period.
- **CIS (Commonwealth of Independent States):** The Commonwealth of Independent States, represented mainly by Russia, accounted for 7% of exports in LTM2Q22, declining by 2 p.p. in the annual comparison.
- **Europe:** Europe accounted for 8% of our exports in LTM2Q22, in line with the previous period.
- **NAFTA:** NAFTA was responsible for 8% of exports, up by 2 p.p. over LTM2Q21. It is worth noting that the region is mostly represented by the United States, whose demand for South American beef has been increasing.
- **Middle East:** In the last twelve months ended June 2022, the Middle East region accounted for 7% of exports, down by 2 p.p. from LTM2Q21.

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



Source: Minerva

Domestic Market – 29.0% of Gross Revenue in 2Q22 | 31.4% in LTM2Q22

In 2Q22, gross revenue from the domestic market reached R\$2.6 billion, increasing by 29.5% over 2Q21 and up by 14.5% over the previous quarter. In LTM2Q22, gross revenue from the domestic market totaled R\$10.2 billion, up by 29.4% over LTM2Q21.

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






Gross Revenue (R\$ Million)	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Foreign Market	6,365.8	4,662.4	36.5%	5,359.3	18.8%	22,221.5	16,419.2	35.3%
Domestic Market	2,596.5	2,005.7	29.5%	2,268.3	14.5%	10,162.9	7,851.8	29.4%
Total	8,962.3	6,668.1	34.4%	7,627.6	17.5%	32,384.3	24,271.0	33.4%

Sales Volume ('000 metric tons)	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Foreign Market	211.4	193.1	9.5%	179.4	17.8%	771.5	736.2	4.8%
Domestic Market	110.3	92.0	19.9%	96.3	14.5%	411.4	412.5	-0.3%
Total	321.7	285.1	12.8%	275.7	16.7%	1,182.9	1,148.7	3.0%

Average Price	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Export Market (US\$/Kg)	6.1	4.6	34.2%	5.7	7.4%	5.5	4.1	32.7%
Domestic Market (R\$/Kg)	23.5	21.8	8.0%	23.6	-0.1%	24.7	19.0	29.8%
Average dollar (source: BACEN)	4.92	5.29	-7.1%	5.24	-6.1%	5.24	5.38	-2.6%

Breakdown by Origin

To increase the disclosure and transparency of the Company's information, a more detailed breakdown of performance by country is provided below:

 Brazil	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	4,261.9	2,921.8	45.9%	3,954.2	7.8%	14,492.6	11,420.5	26.9%
Sales Volume	152.7	117.9	29.5%	137.4	11.1%	537.4	519.9	3.4%
 Argentina	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	1,327.8	657.9	101.8%	880.3	50.8%	4,730.7	2,773.0	70.6%
Sales Volume	44.3	36.1	22.5%	39.0	13.4%	165.4	160.4	3.1%
 Colombia	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	269.6	331.4	-18.6%	315.7	-14.6%	1,608.5	1,358.0	18.4%
Sales Volume	14.2	17.6	-19.5%	16.1	-11.9%	85.0	82.8	2.8%
 Paraguay	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	1,472.4	1,515.1	-2.8%	1,000.0	47.2%	4,979.8	4,548.7	9.5%
Sales Volume	67.7	72.5	-6.7%	46.8	44.6%	224.0	258.4	-13.3%
 Uruguay	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	1,162.7	894.4	30.0%	962.0	20.9%	4,541.4	2,597.1	74.9%
Sales Volume	42.9	41.0	4.8%	36.4	17.9%	171.1	127.3	34.4%
Others	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	467.9	347.5	34.7%	515.5	-9.2%	2,031.3	1,573.7	29.1%

Net Revenue

Minerva Foods' net revenue reached R\$8.5 billion in 2Q22, a strong growth of 34.7% over the same quarter in 2021, and up by 17.2% compared to 1Q22. Year-to-date, net revenue totaled R\$15.7 billion, up by 29.9% over the same period in 2021. In the last twelve months ended June 2022, consolidated net revenue totaled R\$30.6 billion, a strong growth of 33.3% over the same period in 2021, and a record level for the Company.

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Gross Revenue	8,962.3	6,668.1	34.4%	7,627.6	17.5%	32,384.3	24,271.0	33.4%
Deductions and Discounts	-490.6	-380.3	29.0%	-398.4	23.1%	-1,809.2	-1,339.8	35.0%
Net Revenue	8,471.8	6,287.8	34.7%	7,229.2	17.2%	30,575.1	22,931.3	33.3%
% Gross Revenue	94.5%	94.3%	0.2 p.p.	94.8%	-0.2 p.p.	94.4%	94.5%	-0.1 p.p.

Cost of Goods Sold (COGS) and Gross Margin

COGS accounted for 82.1% of net revenue in 2Q22, with a gross margin of 17.9%. In LTM2Q22, COGS accounted for 82.3% of net revenue, with a gross margin of 17.7%.

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Net Revenue	8,471.8	6,287.8	34.7%	7,229.2	17.2%	30,575.1	22,931.3	33.3%
COGS	-6,954.1	-5,244.5	32.6%	-6,003.2	15.8%	-25,173.6	-18,879.0	33.3%
% Net Revenue	82.1%	83.4%	-1.3 p.p.	83.0%	-1.0 p.p.	82.3%	82.3%	0.0 p.p.
Gross Profit	1,517.7	1,043.3	45.5%	1,226.0	23.8%	5,401.5	4,052.3	33.3%
Gross Margin	17.9%	16.6%	1.3 p.p.	17.0%	1.0 p.p.	17.7%	17.7%	0.0 p.p.

Selling, General and Administrative Expenses

In 2Q22, selling expenses accounted for 7.2% of net revenue, while general and administrative expenses accounted for 2.9%. In LTM2Q22, selling expenses represented 6.9% of net revenue, and general and administrative expenses corresponded to 3.1%.

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Selling Expenses	-609.8	-377.9	61.3%	-480.2	27.0%	-2,109.1	-1,456.6	44.8%
% Net Revenue	7.2%	6.0%	1.2 p.p.	6.6%	0.6 p.p.	6.9%	6.4%	0.5 p.p.
G&A Expenses	-244.2	-218.1	12.0%	-230.2	6.1%	-934.0	-737.7	26.6%
% Net Revenue	2.9%	3.5%	-0.6 p.p.	3.2%	-0.3 p.p.	3.1%	3.2%	-0.2 p.p.

EBITDA

Minerva Foods' consolidated EBITDA reached a significant R\$778.0 million in 2Q22, the highest level ever recorded for a second quarter, with growths of 42.8% YoY and 20.4% QoQ. EBITDA margin was 9.2% in 2Q22, up by approximately 50 bps over 2Q21. In the first six months of the year, EBITDA reached R\$1.4 billion, up by 38.3% over 1H21, with an EBITDA margin of 9.1%.

In LTM2Q22, EBITDA totaled R\$2.8 billion, a new record for a 12-month period, corresponding to a growth of 27.6% YoY, with EBITDA margin reaching 9.2%.

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Net Income (Loss)	424.7	116.7	264.0%	114.6	270.6%	761.9	548.7	38.9%
(+/-) Deferred income tax and social contribution	-15.7	21.0	-175.0%	-251.2	-93.7%	-312.6	41.4	-854.3%
(+/-) Financial result	262.1	322.3	-18.7%	687.6	-61.9%	1,956.3	1,261.3	55.1%
(+/-) Depreciation and amortization	107.0	78.7	35.9%	95.0	12.7%	387.0	312.7	23.8%
(+/-) Other expense adjustments	0.0	6.3	-100.0%	0.0	n.a.	14.8	36.8	-59.8%
EBITDA	778.0	544.9	42.8%	646.0	20.4%	2,807.4	2,200.9	27.6%
EBITDA Margin	9.2%	8.7%	0.5 p.p.	8.9%	0.2 p.p.	9.2%	9.6%	-0.4 p.p.

Financial Result

The Company recorded a net financial loss of R\$262.1 million in 2Q22. It is worth noting that, as result of our risk management policy, we recorded a positive result of R\$201.3 million from financial instruments used for FX hedge, which are essential to protect our balance sheet in this scenario of high volatility.

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Financial expenses	-296.6	-234.5	26.5%	-264.6	12.1%	-1,091.9	-1,020.6	7.0%
Financial revenue	27.1	15.2	78.1%	24.5	10.8%	98.3	60.6	62.1%
Monetary correction	-62.6	-45.3	38.3%	-42.0	49.2%	-191.4	-123.7	54.7%
FX variation	-25.3	204.7	-112.3%	20.6	-222.7%	-411.6	302.4	-236.1%
Other Expenses	95.3	-262.4	-136.3%	-426.1	-122.4%	-359.7	-480.1	-25.1%
Financial Result	-262.1	-322.3	-18.7%	-687.6	-61.9%	-1,956.3	-1,261.4	55.1%
Average dollar (R\$/US\$)	4.92	5.29	-7.1%	5.24	-6.1%	5.2	5.38	-2.6%
Closing dollar (R\$/US\$)	5.24	5.00	4.7%	4.74	10.6%	5.2	5.00	4.7%
R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
FX hedge	201.3	-222.4	-190.5%	-383.4	-152.5%	-48.8	-231.7	-78.9%
Commodities hedge	-32.9	2.1	-1666.7%	22.1	-248.9%	-58.8	-33.2	77.1%
Fees, commissions, and other financial expenses	-73.1	-42.1	73.6%	-64.8	12.8%	-252.1	-215.2	17.1%
Total	95.3	-262.4	-136.3%	-426.1	-122.4%	-359.7	-480.1	-25.1%

Net income (loss)

Net income totaled R\$424.7 million in the quarter, growing in both the quarterly and annual comparisons. In 1H22, the Company's net income stood at R\$539.3 million, and, in the last 12 months, net income totaled R\$761.9 million.

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)	LTM2Q22	LTM2Q21	Chg. (%)
Net income (loss) before income and social contribution taxes	408.9	137.6	197.1%	-136.6	-399.3%	449.4	590.1	-23.9%
Income tax and social contribution	15.7	-21.0	-175.0%	251.2	-93.7%	312.6	-41.4	-854.3%
Net Income (Loss)	424.7	116.7	264.0%	114.6	270.6%	761.9	548.7	38.9%
% Net margin	5.0%	1.9%	3.2 p.p.	1.6%	3.4 p.p.	2.49%	2.4%	0.1 p.p.

Cash Flow

Operating Cash Flow

Cash flow from the Company's operating activities was a positive R\$105.6 million in 2Q22. The variation in working capital requirements was negative by R\$51.4 million, mainly impacted by the R\$755.7 million variation in the accounts receivable line. It is worth noting that the trade payables line returned R\$615.4 million to the Company's cash. Year-to-date, operating cash flow reached R\$589.2 million, and, in LTM2Q22, the Company's operating cash flow totaled R\$2.0 billion.

R\$ million	2Q22	2Q21	1Q22	LTM2Q22
Net income (loss)	424.7	116.7	114.6	761.9
(+) Net income (loss) adjustments	-267.6	-39.3	1,006.4	1,844.5
(+) Variation in working capital requirements	-51.4	406.3	-280.8	-599.8
Operating cash flow	105.6	483.6	840.2	2,006.6

Free Cash Flow

The Company's Free cash flow after Capex, interest payments, and working capital, was positive by R\$415.7 million in 2Q22. In 1H22, free cash flow reached R\$243.1 million.

In the last 12 months, free cash flow totaled R\$523.2 million. It is worth noting that the accumulated cash generation in LTM2Q22 does not include the R\$400.00 million in proceeds distributed to Minerva Foods' shareholders over the period.

R\$ million	2Q22	1Q22	4Q21	3Q21	LTM2Q22
EBITDA	778.0	646.0	735.3	648.1	2,807.4
CAPEX	-179.0	-172.8	-230.7	-194.9	-777.4
Financial result (on a cash basis)	-132.0	-365.0	-228.0	-182.0	-907.0
Variation in working capital requirements	-51.4	-280.8	-63.5	-204.1	-599.8
Free cash flow	415.7	-172.6	213.1	67.1	523.2

Capital Structure

At the end of the second quarter of 2022, Minerva's cash balance was R\$6.2 billion, which is sufficient to amortize its debt until 2026 and is in line with the Company's conservative cash management and capital discipline. On June 30, 2022, around 68% of gross debt was pegged to the U.S. dollar and, according to our hedge policy, the Company hedges at least 40% of the long-term FX exposure, protecting its balance sheet at times of high exchange rate volatility. Debt duration was around 5.2 years at the end of 2Q22.

Net leverage, measured by the net debt to LTM EBITDA ratio, ended the quarter at 2.3x, lower than in 1Q22. It is worth noting that even with the distribution of additional dividends, in the amount of R\$200.0 million in 2Q22, the Company's net leverage remains flat, and its capital structure continues balanced.

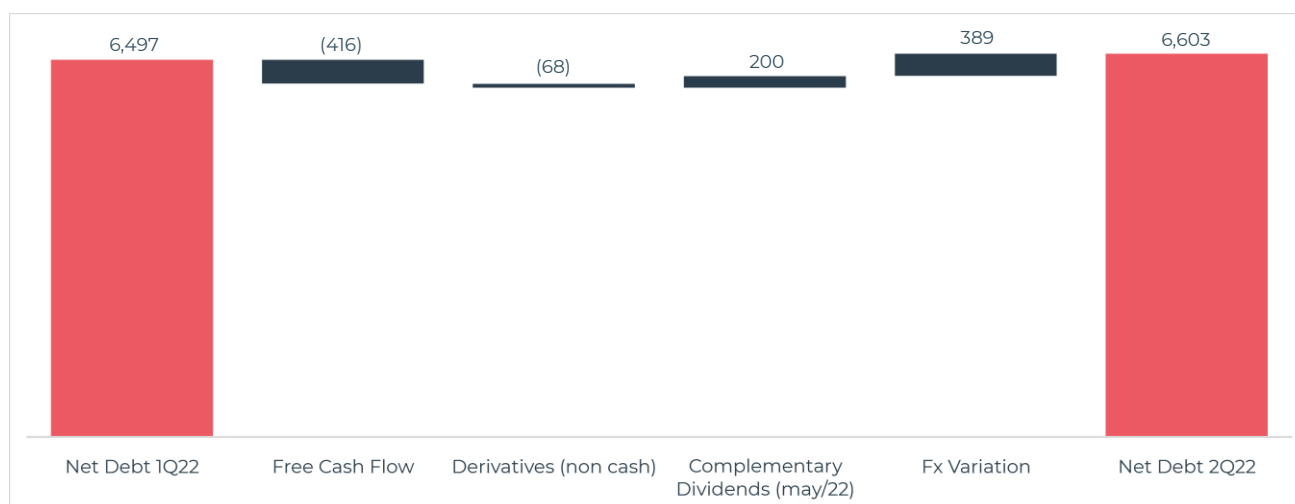
In yet another initiative focused on improving our balance sheet and pursuing a less costly capital structure with a lower risk profile, we repurchased around US\$ 50.0 million of the Notes 2031. Since the beginning of 2022, the Company has already repurchased and canceled approximately US\$200.3 million, approximately US\$1.0 billion related to Notes 2028 and Notes 2031. Also, in the period and aimed at extending the profile of its financial liabilities, with reduction of costs, the Company carried out its 12th Debentures Issue, in the amount of R\$1.5 billion and maturing in 7 years, at a final cost of approximately 113.5% of the CDI.

Figure 6 – Debt Amortization Schedule on 06/30/2022 (R\$ million)

R\$ million	2Q22	2Q21	Chg. (%)	1Q22	Chg. (%)
Short-term Debt	1,939.6	2,255.8	-14.0%	1,421.0	36.5%
% Short-term debt	15.1%	19.4%	-4.2 p.p.	12.1%	3.1 p.p.
Local currency	103.0	618.8	-83.4%	270.6	-62.0%
Foreign currency	1,836.7	1,637.1	12.2%	1,150.4	59.7%
Long-term Debt	10,867.3	9,395.3	15.7%	10,366.0	4.8%
% Long-term debt	84.9%	80.6%	4.2 p.p.	87.9%	-3.1 p.p.
Local currency	4,051.5	3,167.8	27.9%	3,626.2	11.7%
Foreign currency	6,815.8	6,227.6	9.4%	6,739.8	1.1%
Total Debt	12,806.9	11,651.2	9.9%	11,787.0	8.7%
Local currency	4,154.4	3,786.5	9.7%	3,896.9	6.6%
Foreign currency	8,652.5	7,864.6	10.0%	7,890.1	9.7%
Cash and cash equivalents	-6,203.3	-6,342.0	-2.2%	-5,289.4	17.3%
Net Debt	6,603.6	5,309.2	24.4%	6,497.6	1.6%
Net Debt/EBITDA (x)	2.3	2.4	-0.1 p.p.	2.5	-0.2 p.p.

More details on the changes in net debt in the last quarter is provided below.

Figure 7 – Net Debt Bridge (R\$ million)



Capex

In 2Q22, investments totaled R\$ 179.0 million. Of this total amount, nearly R\$ 103.8 million went to maintenance and R\$ 75.2 million to expansion projects.

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

R\$ million	2Q22	1Q22	4Q21	3Q21	LTM2Q22
Maintenance	103.8	101.0	97.2	83.7	385.7
Expansion	75.2	71.8	133.5	111.2	391.7
Total	179.0	172.8	230.7	194.9	777.4

Subsequent Events

12th Debenture Issue

On July 20, 2022, the Company concluded the offering of its 12th Issue of Simple Debentures, in the amount of R\$ 1.5 billion, in a single series, maturing in 7 years and yielding NTN-B + 1.03% p.a. The Company chose to swap the index, so the instrument's final cost will be approximately 113.5% of the CDI.

Repurchase & Cancellation of Notes 2028 and Notes 2031

In July, the Company concluded the repurchase and cancellation of another portion of Notes 2028 and Notes 2031, as shown below:

('000)	Coupon	Total
Notes 2028	5.875%	\$12,758
Notes 2031	4.375%	\$55,857

Notes ('000)	2020	2021	2022	Total
2028	\$117,391	\$161,420	\$102,163	\$380,974
2031	-	\$10,735	\$98,074	\$108,809
Total	\$117,391	\$172,155	\$200,237	\$489,783

Interim dividends

On August 10, 2022, the Board of Directors of Minerva Foods approved the distribution of intercalary dividends, totaling R\$ 128.1 million, or approximately R\$ 0.22/share. Shareholders listed in the Company's shareholder base on August 17, 2022, shall be entitled to receive the dividends, respecting the trading of shares carried out until this period, including this date. The Company's shares will be traded 'ex-dividends' as of August 18, 2022, including this date. These dividends will be paid in national currency and in a single installment on August 29, 2022.

ESG

2022 witnessed significant advances in our ESG agenda, consistent with our Commitment to Sustainability announced back in 2021. The commitment, based on the environmental pillar 'Dedication to the Planet', consists of three major aspects: environmental efficiency in operations, combating illegal deforestation, and development of the Renove program. These objectives are designed to achieve low carbon emissions in the value chain. All targets focus on Sustainability, one of the five values of the Minerva Foods Culture.

During the second quarter of 2022, the Company's pioneerism to combat illegal deforestation in the supply chain in Latin America was highlighted by the progress made in the expansion of the geographic monitoring of direct suppliers for the operations in Colombia and Argentina. In Colombia, more than 40% of the direct suppliers are already being monitored, and in Argentina, around 90% are compliant in accordance with the purchasing criteria established by the company for each country. In total, this amounts to more than 33 million hectares being monitored in Brazil, Paraguay, Colombia, and Argentina. In addition, after launching the SMGeo Prospec application at the end of 2021, Minerva Foods continues to focus its efforts on training its suppliers on the importance of using the tool through workshops, field visits and sending out guidance materials. This application was developed by Niceplanet Geotecnologia, which enables rural producers to carry out in-depth research, gain access to historical data, and socioenvironmental compliance analyses of the ranches they plan to purchase from.

During the month of May, advances in the Renove program, in partnership with MyCarbon, have resulted in the first export of a certified carbon-neutral product from operations in Uruguay. My Carbon is a subsidiary aimed at the development and commercialization of carbon credits. With the addition of the CO₂ neutral seal, issued by an independent organization with certification systems in over 100 countries, Minerva Foods can ensure that, throughout all certified meat production stages, emissions have been measured, allowing for offsetting emissions through the use of carbon credits. In addition, it carries out plans to reduce emissions on both the ranch and in the industry.

In yet another active effort, Minerva Foods joined the Floresta Viva program, an initiative led by the National Bank for Economic and Social Development (BNDES) for the ecological restoration of Brazilian biomes. Through this program Minerva Foods hopes to contribute towards the restoration of degraded areas in the states of Rondônia, Mato Grosso and Goiás.

For the second consecutive year, the Company was awarded the Renewable Energy Seal, issued by the Totum Institute, in partnership with the Brazilian Wind Energy Association (ABEEólica) and the Brazilian Clean Energy Association (Abrage), for all of its units in Brazil. We highlight that Minerva Foods was the first Brazilian company to receive, across all of its operations in Brazil, this certification by which it ensures the renewable origin of its energy matrix, and that the energy generating plants have also adopted distinguished practices in regards to social aspects and community relations.

At the institutional level, the Company earned important recognition in April, as it was added to the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70).

To conclude, transparency surrounding ESG continues to be a priority for the Company, which in early April, published its 11^o Sustainability Report with indicators based on the standards of the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Furthermore, in May, the Company innovated a new platform on its website in order to improve the user experience accessing its ESG information. Through this new platform, the user will be able to easily obtain more details on the advances of the Company's Commitment to Sustainability, ESG indicators, answers to frequently asked questions, as well as details on the strategic pillars 'Dedication to the Planet', 'Prosperity of Our People' and 'Product Quality and Respect for Life'.

See the results of the Minerva Foods ESG agenda in detail in our 11^o 2021 Sustainability Report at the link below or via our website at <https://www.minervafoods.com/sustentabilidade#relatorios>. We reiterate our commitment, transparency and focus around actions that contribute to an ever more sustainable planet.

About Minerva S.A.

Minerva Foods is the South American leader in beef exports, and also operates in the processed foods segment, selling its products to over 100 countries. Present in Brazil, Paraguay, Argentina, Uruguay, Colombia and Australia, Minerva operates 27 slaughter and deboning plants and three processing plants. In the last twelve months ended June 30, 2022, the Company recorded gross sales revenue of **R\$ 32.4 billion, 33.4% higher** than in the same period of 2021.

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 2021 and the quarter ended June 30, 2022.

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, 2022 and the opinions expressed in the independent auditors' review report, hereby authorizing their disclosure.



APPENDIX 1 - INCOME STATEMENT (CONSOLIDATED)

(R\$ thousand)	2Q22	2Q21	1Q22
Net operating revenue	8,471,762	6,287,817	7,229,165
Cost of goods sold	-6,954,067	-5,244,526	-6,003,152
Gross profit	1,517,695	1,043,291	1,226,013
Selling expenses	-609,806	-377,946	-480,226
General and administrative expenses	-244,170	-218,100	-230,152
Other operating revenues (expenses)	7,324	12,663	35,374
Result before financial expenses	671,043	459,908	551,009
Financial expenses	-296,634	-234,546	-264,580
Financial revenue	27,089	15,210	24,458
Monetary correction	-62,622	-45,275	-41,960
FX variation	-25,278	204,722	20,607
Other expenses	95,347	-262,382	-426,152
Financial Result	-262,098	-322,271	-687,627
Income (loss) before taxes	408,945	137,637	-136,618
Income and social contribution taxes - current	-8,079	-29,459	-12,165
Income and social contribution taxes - deferred	23,806	8,492	263,375
Income (loss) before non-controlling interest	424,672	116,670	114,592
Controlling shareholders	424,672	116,670	114,592
Profit (loss) for the period	424,672	116,670	114,592

APPENDIX 2 - BALANCE SHEET (CONSOLIDATED)

(R\$ thousand)	2Q22	4Q21
ASSETS		
Cash and cash equivalents	6,203,315	7,302,009
Trade receivables	3,013,530	2,598,563
Inventories	1,828,737	2,115,294
Biological assets	452,388	467,960
Taxes recoverable	845,321	805,076
Other receivables	625,120	478,198
Total current assets	12,968,411	13,767,100
Taxes recoverable	115,909	106,942
Deferred tax assets	730,890	415,665
Other receivables	137,995	148,165
Judicial deposits	22,398	22,202
Investments	199,841	199,841
Fixed assets	4,620,148	4,581,352
Intangible assets	833,024	828,195
Total non-current assets	6,660,205	6,302,362
Total assets	19,628,616	20,069,462
LIABILITIES		
Loans and financings	1,939,648	1,488,416
Commercial leasing	12,531	10,435
Trade payables	3,755,397	3,724,242
Labor and tax liabilities	392,613	400,727
Other payables	1,618,620	1,614,550
Total current liabilities	7,718,809	7,238,370
Loans and financings	10,867,285	11,916,289
Commercial leasing	27,613	29,272
Labor and tax liabilities	42,648	53,179
Provision for contingencies	34,678	43,377
Accounts payable	14,241	18,524
Deferred tax liabilities	184,016	116,320
Total non-current liabilities	11,170,481	12,176,961
Shareholders' Equity		
Share capital	1,619,074	1,616,138
Capital reserves	118,271	118,271
Revaluation reserves	46,744	47,518
Profit reserves	353,865	353,865
Additional dividend proposed	0	200,000
Retained earnings (accumulated losses)	540,038	0
Treasury shares	-242,768	-242,768
Equity valuation adjustments	-1,736,959	-1,438,893
Total shareholders' equity attributed to controlling shareholders	698,265	654,131
Non-controlling interest	41,061	0
Total shareholders' equity	739,326	654,131
Total liabilities and shareholders' equity	19,628,616	20,069,462

APPENDIX 3 – CASH FLOW (CONSOLIDATED)

(R\$ thousand)	2Q22	2Q21	1Q22
Cash flow from operating activities			
Net income (loss)	424,672	116,670	114,592
Adjustments to reconcile net income provided by operating activities:			
Depreciation and amortization	106,998	78,724	94,970
Estimated loss with doubtful accounts	411	3,190	455
Proceeds from the sale of fixed assets	11,824	2,326	10,794
Fair value of biological assets	32,134	-17,217	12,511
Realization of deferred taxes – temporary differences	-23,806	-8,492	-263,375
Financial charges	296,634	234,546	264,580
FX variation – not realized	-794,891	-375,911	893,656
Monetary correction	104,582	45,275	0
Provision for contingencies	-1,522	-1,720	-7,177
Trade receivables and other receivables	-755,748	341,748	203,163
Inventories	52,244	-39,382	234,313
Biological assets	-27,733	-70,413	-1,340
Taxes recoverable	-68,565	-1,998	19,353
Judicial deposits	13	1,287	-209
Trade payables	615,422	344,491	-584,267
Labor and tax liabilities	21,148	-12,095	-39,793
Other payables	111,805	-157,386	-112,018
Cash flow from operating activities	105,622	483,643	840,208
Cash flow from investing activities			
Acquisition of intangible assets	-24,753	-4,553	-1,944
Acquisition of fixed assets	-154,205	-64,898	-170,875
Cash flow from investing activities	-178,958	-69,451	-172,819
Cash flow from financing activities			
Loans and financing raised	1,199,853	2,070,656	765,936
Loans and financing settled	-416,816	-1,894,065	-2,917,381
Lease	-2,448	-2,665	-2,724
Capital payment in cash	0	80	2,936
Payment of dividends	-200,000	-383,441	0
Non-controlling interest	1,586	0	39,475
Cash flow from financing activities	582,175	-209,435	-2,111,758
FX variation on cash and cash equivalents	405,101	-272,936	-568,265
Net increase/decrease in cash and cash equivalents	913,940	-68,179	-2,012,634
Cash and cash equivalents			
Beginning of the period	5,289,375	6,410,132	7,302,009
End of the period	6,203,315	6,341,953	5,289,375
Net increase/decrease in cash and cash equivalents	913,940	-68,179	-2,012,634



APPENDIX 4 – FOREIGN EXCHANGE

	2Q22	1Q22	2Q21
(US\$ - Closing)			
Brazil (R\$/US\$)	5.24	4.74	5.00
Paraguay (PYG/US\$)	6,849.10	6,941.90	6,752.30
Uruguay (UYU/US\$)	39.77	41.14	43.61
Argentina (ARS/US\$)	125.22	111.01	95.72
Colombia (COP/US\$)	4,155.11	3,771.05	3,752.35