MINERVA S.A.
Publicly-held Company
Corporate Taxpayer ID (CNPJ): 67.620.377/0001-14
Company Registry (NIRE): 35.300.344.022 | CVM Code: 02093-1

MATERIAL FACT

Minerva S.A., ("Minerva" or "Company"), leader in the sale of fresh beef in South America, with operations also in the beef processing segment, pursuant to the provisions of article 157, paragraph 4, of Law no. 6,404, dated as December 15th, 1976, as amended ("Brazilian Corporate Law"), and in accordance with CVM Instruction 358, dated as January 3rd, 2002, as amended ("ICVM 358/02"), hereby informs its shareholders and the market in general what follows:

The Board of Directors of the Company, at a meeting held on this date, approved, among other matters, the amendment to the Company's Income Allocation Policy ("Policy"), approved on December 6th, 2018, to, among other changes, provide that, in the fiscal year in which the Company's leverage ratio is 2.5x or less, the Board of Directors must propose to the general shareholders' meeting the payment of dividends, as mandatory dividends and as additional dividends, in an amount corresponding to, at least, 50% of the net income adjusted by the deductions and additions provided for in the Brazilian Corporate Law, in the Company's Bylaws and in the Policy.

Thus, in the fiscal year in which the leverage ratio is equal to or less than 2.5x, the Company will distribute 25% of the adjusted net income as a mandatory dividend and, if the general shareholders' meeting approves the management's proposal, an additional dividend in an amount corresponding to at least another 25% of the adjusted net income.

According to the Policy, the Company's "leverage ratio" will be calculated, at the end of each fiscal year, by dividing the amount of the Company's Net Debt by the Company's EBITDA, calculated based on the consolidated financial statements at the end of the fiscal year, being that:

(i) "Net Debt" means:

a. the sum of all debts incurred by the Company and its subsidiaries, resulting from:

1. cash loans;

2. obligations arising from the issuance of subscription warrants, debentures, notes or other similar instruments;

3. lines of credit, bank acceptance or similar instruments, except for the exchange of letters of credit or bank acceptances, issued due to the exchange of payable trade notes that are not yet due on the date of presentation or, if due, there is a term of 10 (ten) business days for payment;

4. unpaid retention of payment price for goods or services, all the sales obligations, except for the exchange of trade notes arising from the normal course of the Company's activities;

5. tenant obligations in property lease agreements;

6. third-party debts guaranteed by asset liens, regardless of whether such debt is assumed by the Company or not;

7. arising from the hedge contract of the Company and its subsidiaries; and

8. obligations arising from "Minerva Fundo de Investimento em Direitos Creditórios – Crédito Mercantil";

b. subtracted from cash and consolidated available funds and marketable securities, recorded as short-term assets; and

(ii) "EBITDA" means:

a. consolidated net operating revenue;

b. minus the sum of:

1. the consolidated cost of goods and services sold;

2. the consolidated selling expenses and general and administrative expenses;

3. net operating and non-operating profit; and

4. any depreciation or amortization and non-recurring or financial expenses losses, included in the consolidation of costs of goods sold and services provided, selling expenses and general and administrative expenses.

The Company also informs that the Policy, as amended, is effective as of the date hereof and is available for consultation at the Company's Investor Relations Department web page (http://ri.minervafoods.com/) and on the web pages of B3 (www.b3.com.br) and CVM (http://www.cvm.gov.br/).

Barretos, February 18th, 2020

Minerva S.A.
Edison Ticle de Andrade Melo e Souza Filho
Chief Financial and Investor Relations Officer