

INDUSTRY OVERVIEW

1Q23

Barretos, May 08, 2023 – Minerva Foods is the South American leader in beef exports, which also operates in the processed foods segment, selling its products to over 100 countries. The Company currently has a daily slaughtering capacity of 29,350 head of cattle through its presence in Brazil, Paraguay, Argentina, Uruguay, and Columbia. Minerva operates 25 cattle slaughter and deboning plants and 3 processing plants, in addition to 4 sheep plants in Australia.

HIGHLIGHTS BY COUNTRY

Brazil

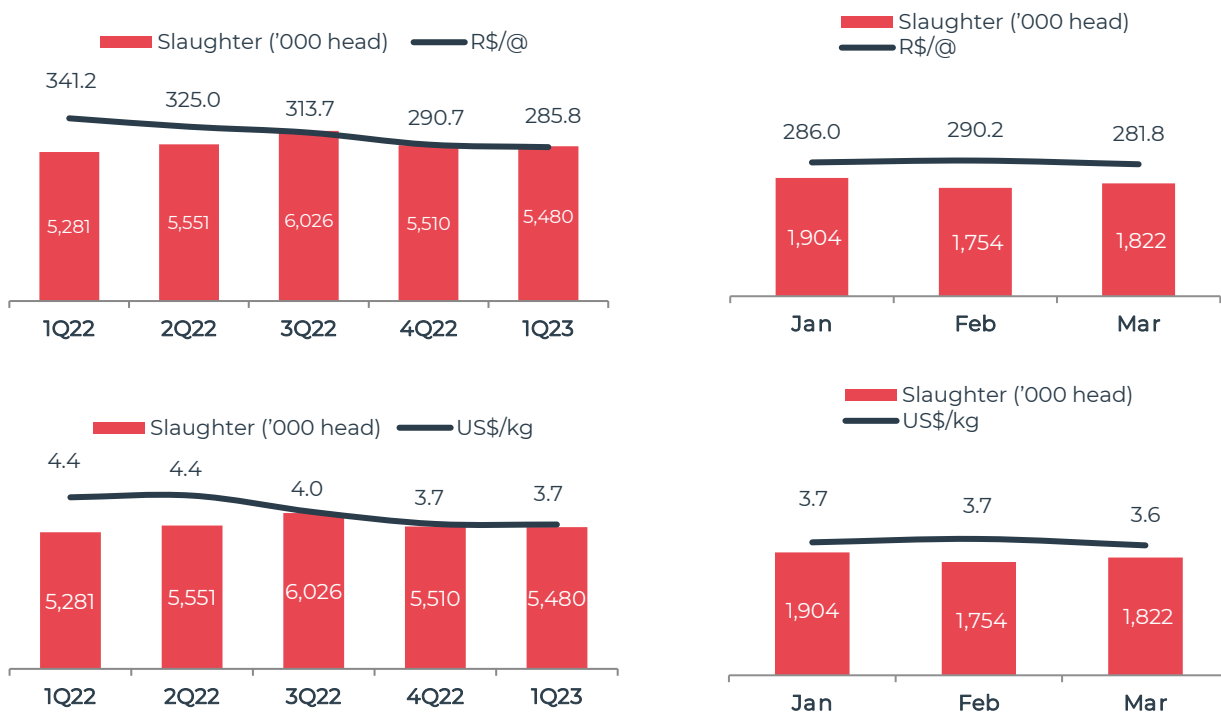
Cattle Supply

In 1Q23, approximately 5.5 million head of cattle were slaughtered in Brazil, flat over 4Q22 and up by 4% year on year.

The arroba price (indicator: Finished Cattle ESALQ/BM&F - state of São Paulo) averaged R\$285.8/@, down by 2% quarter on quarter and by 16% year on year. Average cattle price in USD was US\$3.7/kg, flat over 2Q22 and down by 16% over 1Q22.

The downward trend of cattle prices reinforces the greater availability of cattle ready for slaughter driven by the inversion of the livestock cycle.

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

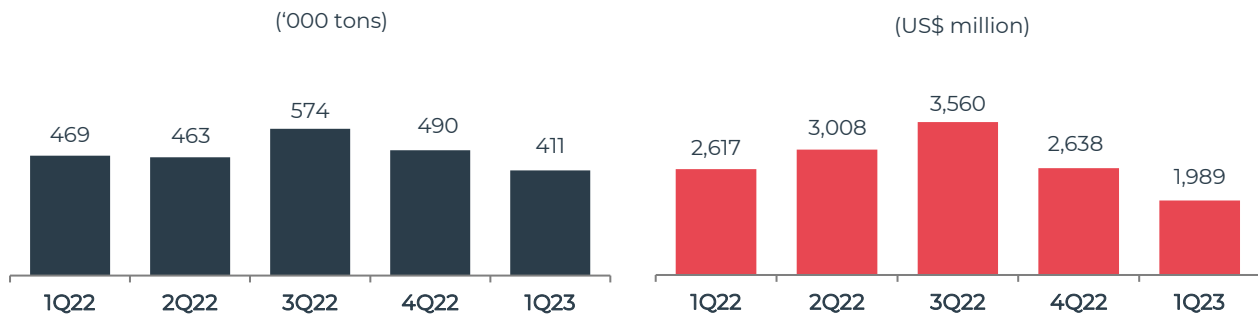


Source: Ministry of Agriculture, Livestock and Supply, CEPEA/ESALQ | 1Q23 Preliminary Slaughter Data

Export Market

Brazilian beef exports reached 411,000 tons in 1Q23. Export revenue reached US\$2.0 billion in 1Q23. The drop in the Brazilian beef export market was due to suspended exports to China between February and March.

Figures 5 and 6 – Fresh Beef Exports



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

In 1Q23, the average beef price in dollars reached US\$4.8/kg. In BRL, the average price was R\$25.1/kg in the quarter.

Figure 7 – Average Fresh Beef Price

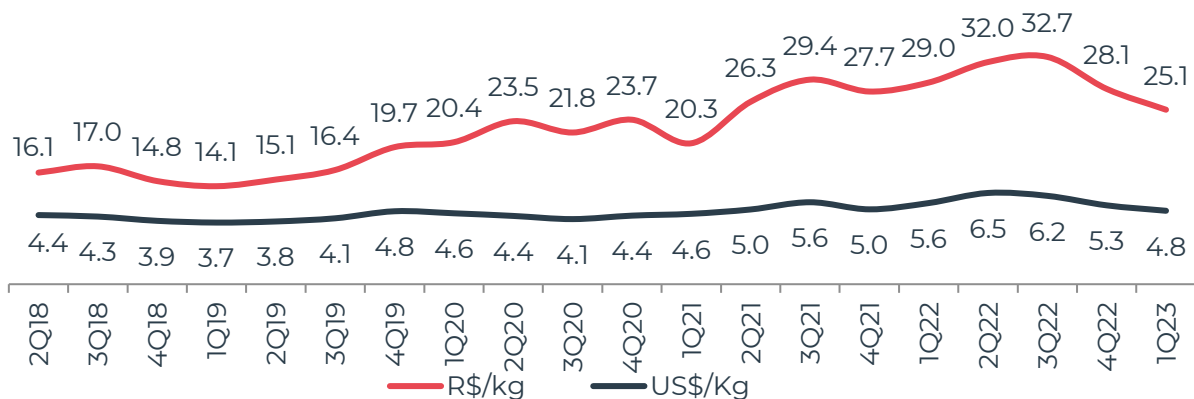
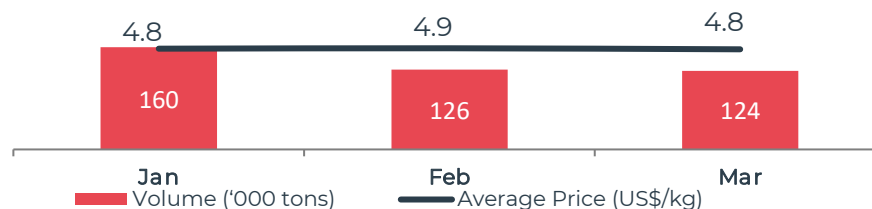


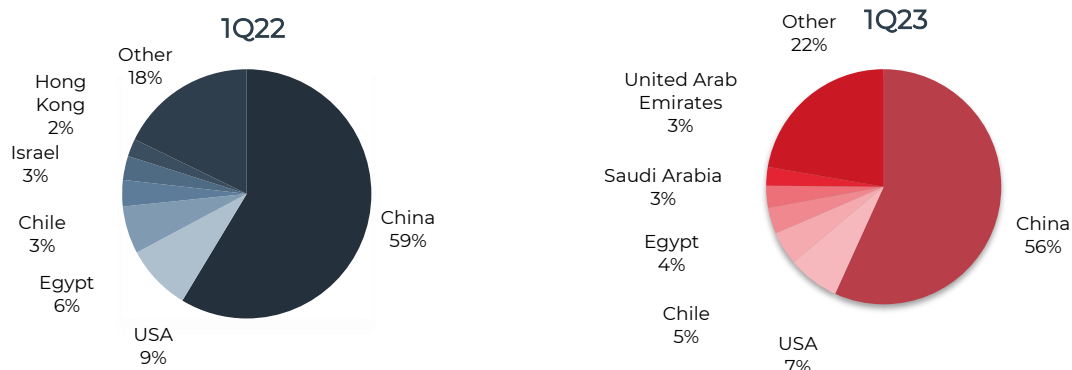
Figure 8 – Brazilian Fresh Beef Exports



Source: Ministry of Development, Industry, and Foreign Trade

Despite the suspension of approximately 30 days, China remained as the main export destination for Brazilian beef in 1Q23, with a 56% market share, down by 3 p.p. year on year. The United States was the second main destination, with 7% of the total, followed by Chile with 5%.

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



Source: Ministry of Development, Industry, and Foreign Trade

Domestic Market

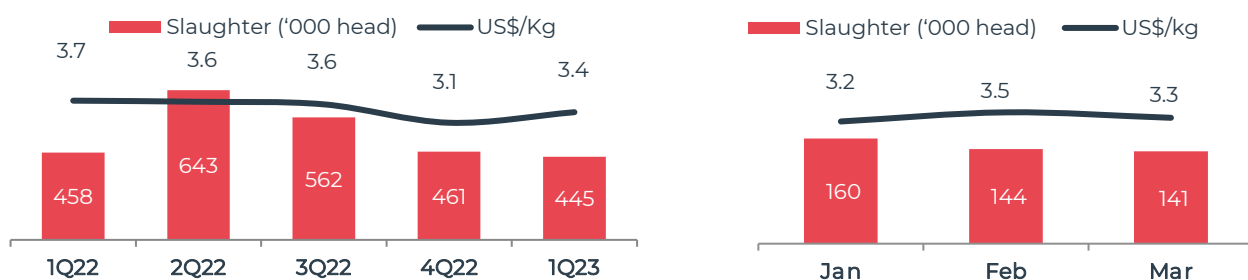
The domestic beef market followed the natural seasonality for the first quarter, which is historically the lowest of the year. Additionally, the continuing shrinkage of macroeconomic indicators impacted the purchase intention of local consumers.

Paraguay

Cattle Supply

In Paraguay, a total of 445,000 head of cattle were slaughtered in 1Q23, down by 3% quarter on quarter and year on year. In the period, average cattle prices were US\$3.4/kg, down by 8% compared to the same period of 2022.

Figures 11 and 12 – Cattle Slaughter and Average Cattle Price



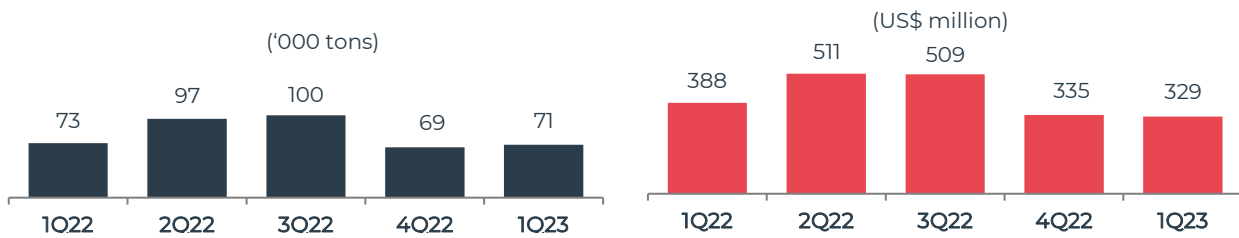
Source: OCIT – Oficina Consultiva y de Investigación Técnica

Export Market

Paraguayan beef exports reached 71,000 tons in 1Q23, virtually flat quarter on quarter and year on year. The country's export revenue reached US\$329 million in 1Q23.

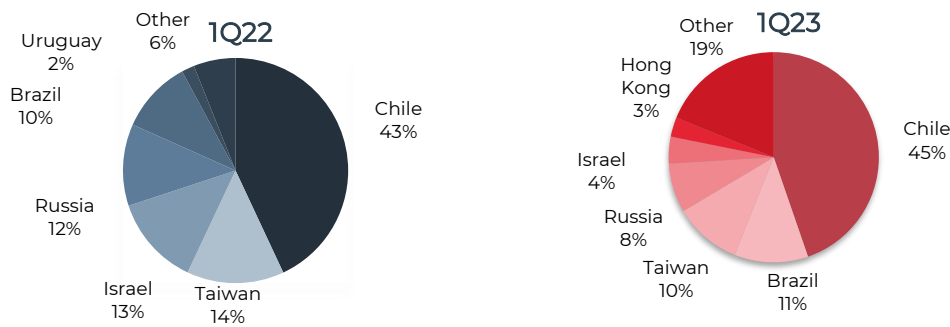
In 1Q23, Chile was the main destination of Paraguayan beef exports, accounting for 45% of total exports, followed by Brazil, with 11%, and Taiwan, accounting for 10% of Paraguayan exports.

Figures 13 and 14 – Fresh Beef Exports



Source: DNA – Direccion Nacional de Aduanas

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



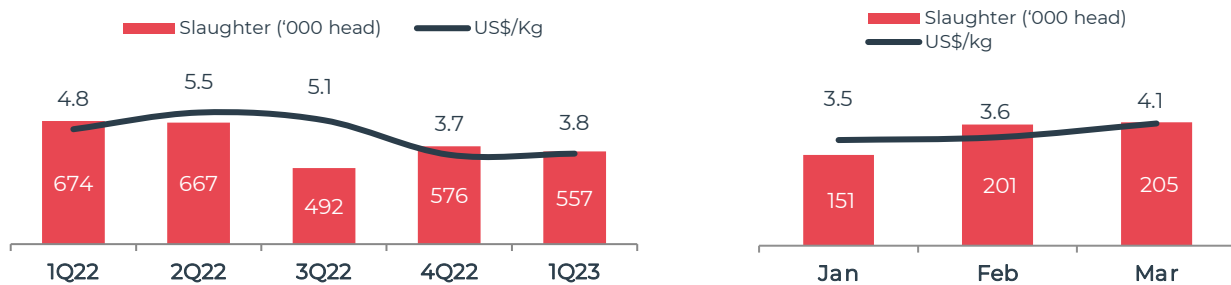
Source: DNA – Direccion Nacional de Aduanas

Uruguay

Cattle Supply

In 1Q23, 557,000 head of cattle were slaughtered in Uruguay. Cattle prices averaged US\$3.8/kg, down by around 21% year on year in 1Q23.

Figures 17 and 18 – Cattle Slaughter and Average Cattle Price



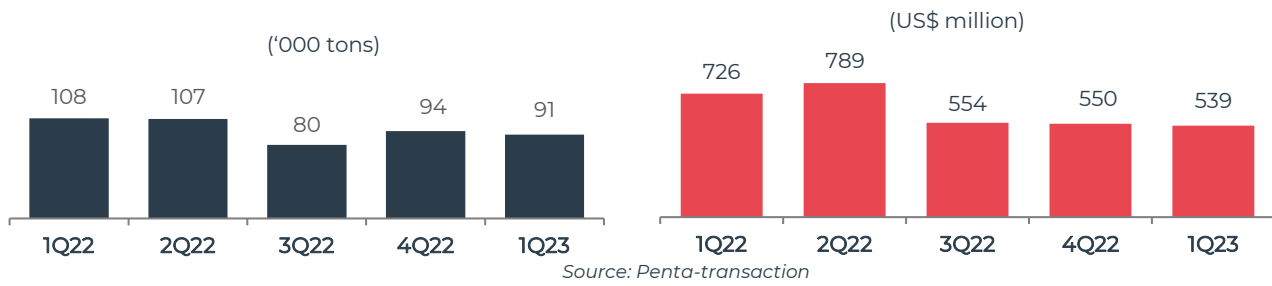
Source: INAC

Export Market

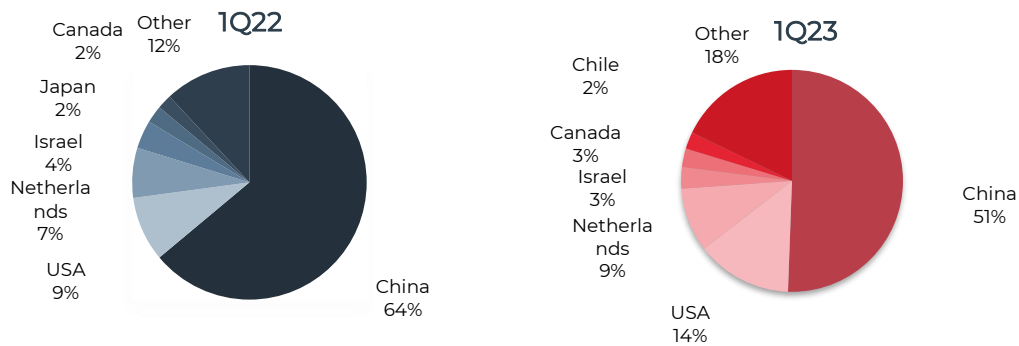
Uruguayan beef exports totaled 91,000 tons in the first quarter of 2023, down by 4% quarter on quarter. The country's export revenue totaled US\$539 million in the quarter.

China remained the main destination for Uruguayan beef, representing 51% of exports, followed by the United States, with 14%, and the Netherlands as the third largest destination, with 9% of total exports.

Figures 19 and 20 – Fresh Beef Exports



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

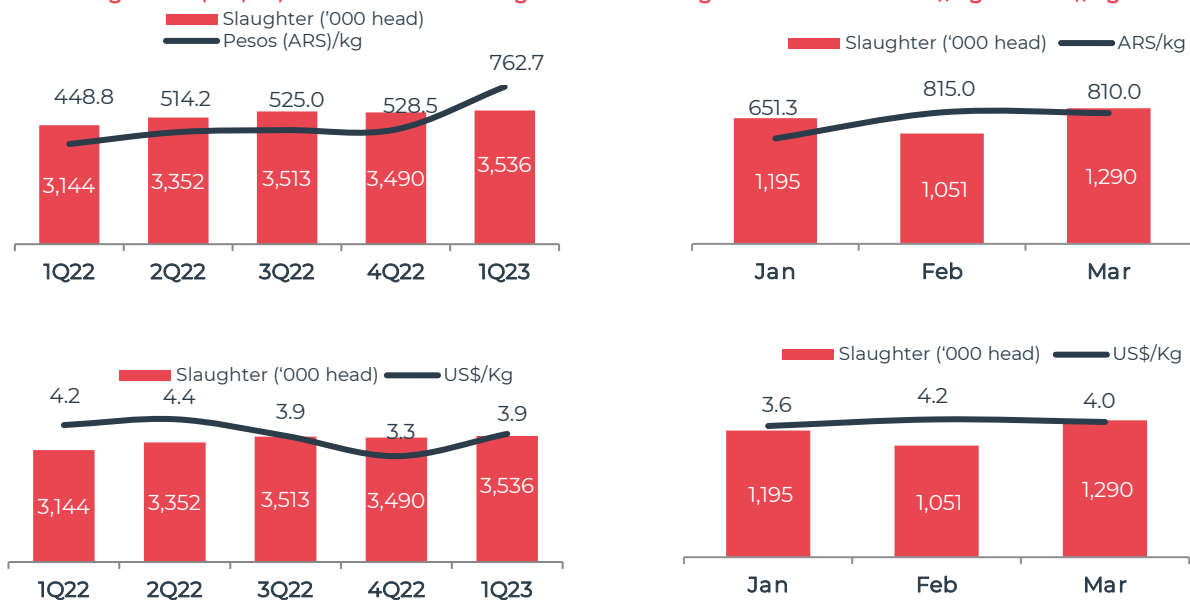


Argentina

Cattle Supply

In 1Q23, cattle slaughter in Argentina totaled 3.5 million head of cattle, up by 12% year on year. The average price of cattle in Argentina reached ARS\$762.7/kg in the period. Average cattle prices in dollars reached US\$3.9/kg, up by 21% quarter on quarter.

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

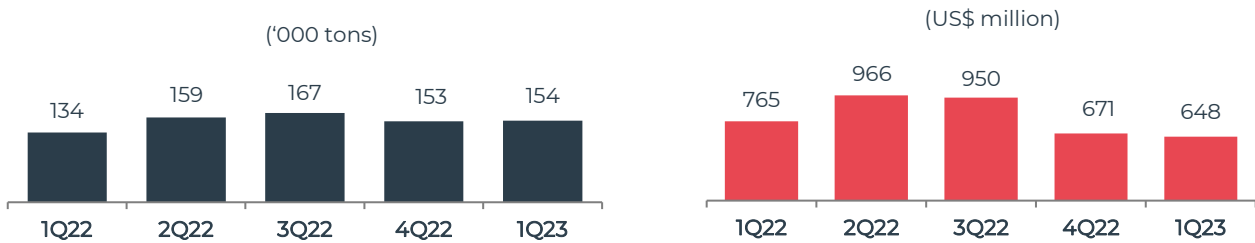


Source: ABC-consorcio

Export Market

In the first quarter of 2023, Argentine exports totaled 154,000 tons, flat quarter on quarter and up by 15% year on year. The country’s export revenue reached US\$648 million in 1Q23, down by 3% quarter on quarter.

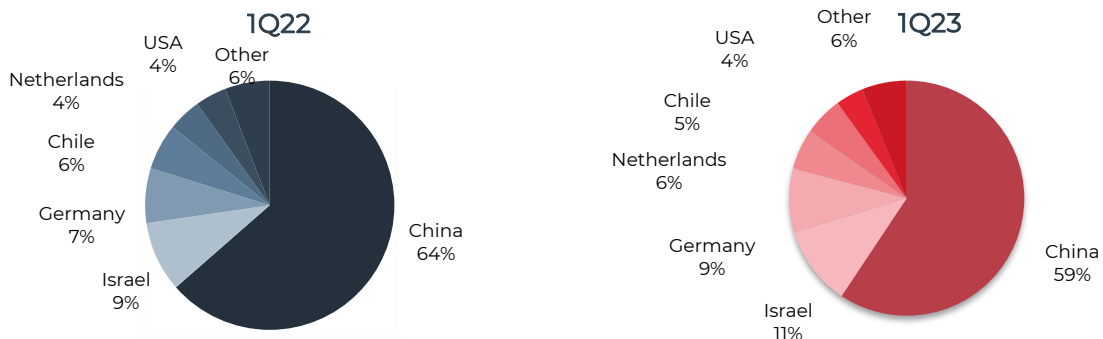
Figures 27 and 28 – Fresh Beef Exports



Source: INDEC

China remained as the main export destination, with 59% of the total amount exported by Argentina in 1Q23. Israel was the second largest export destination, with 11% of the amount, followed by Germany, with 9%, and the Netherlands, Chile, and the USA, accounting for approximately 6%, 5% and 4%, respectively.

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



Source: INDEC - Instituto Nacional de Estadística y Censos

Domestic Market

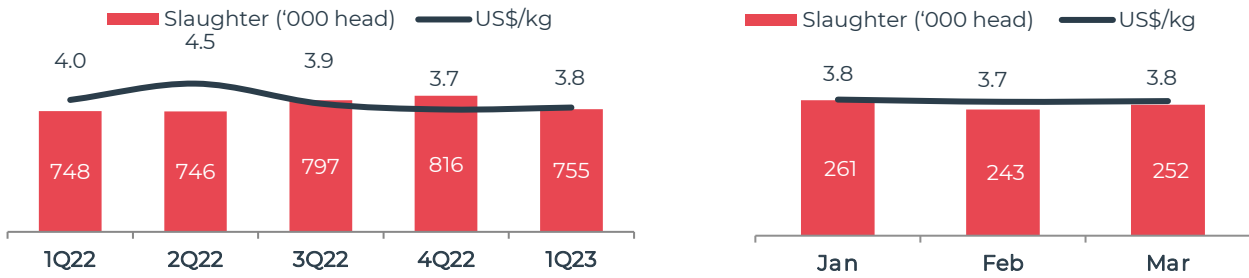
The domestic beef market in Argentina was once again affected by the economic crisis the country is facing, with an impact on the purchasing power of the local population and a consequent reduction in beef consumption in the domestic market.

Colombia

Cattle Supply

In 1Q23, a total of 755,000 head of cattle were slaughtered in Colombia, down by 7% quarter on quarter and flat year on year. Average cattle prices totaled US\$3.8/kg in 1Q23.

Figures 31 and 32 – Cattle Slaughter and Average Cattle Price



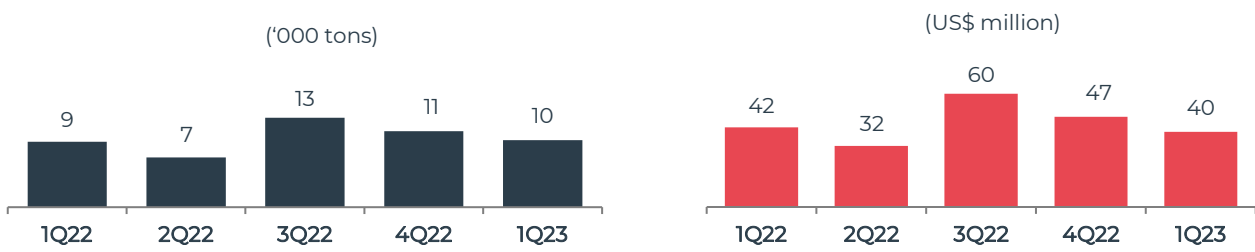
Source: DANE – Departamento Administrativo Nacional de Estadísticas e Feira de Medellín | 1Q23 Preliminary Data

Export Market

Colombian beef exports reached 10 thousand tons in 1Q23, up by 3% year on year, with export revenues of US\$40 million.

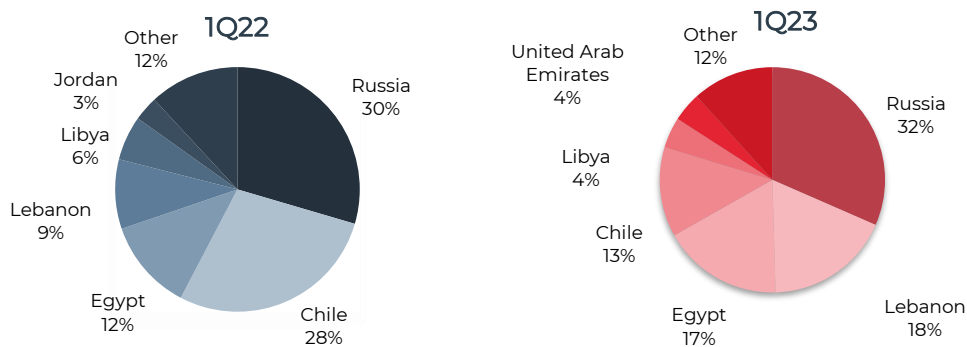
Russia remains the main destination for Colombian beef exports, accounting for 32% of total exports in the quarter, followed by Libya, with a 18% market share, and Egypt as the third largest destination, with 13% of the Colombian exports.

Figures 33 and 34 – Fresh Beef Exports



Source: Legiscomex

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



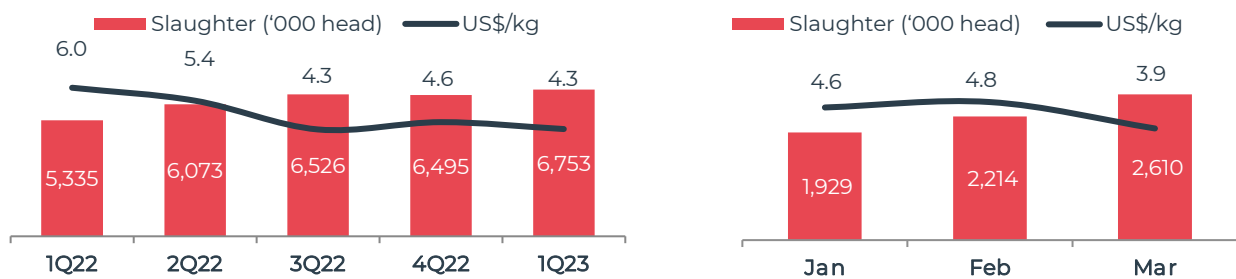
Source: Legiscomex

Australia

Sheep Supply

In 1Q23, a total of 6.8 million head of sheep were slaughtered in Australia, up by 4% quarter on quarter and by 27% year on year. Average sheep prices were US\$4.3/kg in 1Q23, down by 6% quarter on quarter and by 28% year on year.

Figures 37 and 38 – Sheep Slaughter and Average Price

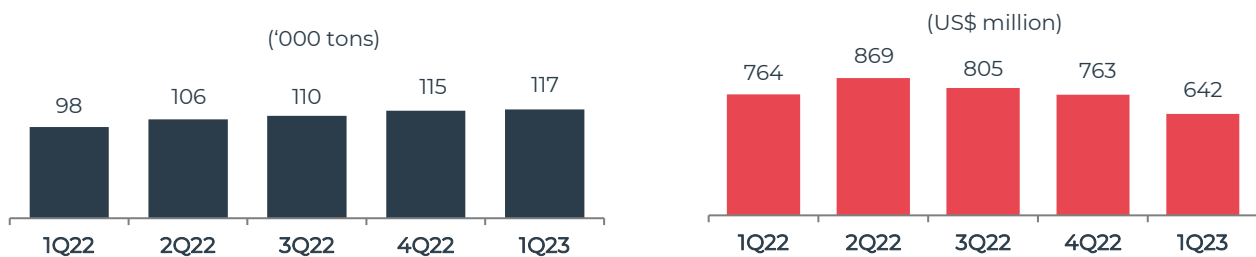


Source: MLA – Meat & Livestock Australia

Export Market

Australian sheep meat exports reached 117 thousand tons in 1Q23, up by 1% quarter on quarter and by 20% year on year, with export revenues of US\$642 million.

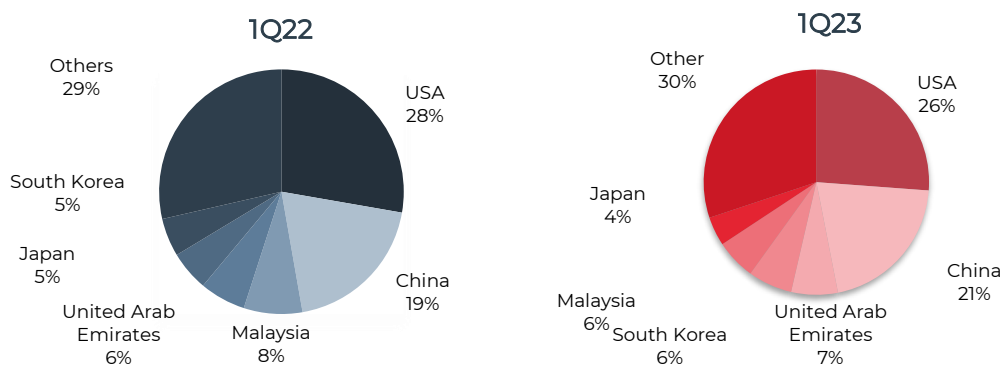
Figures 39 and 40 – Fresh Sheep Meat Exports



Source: TDM – Trade Data Monitor and DAFF – Department of Agriculture, Fisheries and Forestry | 1Q23 Preliminary Data

The United States remained the main destination for Australian sheep meat exports, accounting for 26% of total exports in the quarter, followed by China, with a 21% market share, and the United Arab Emirates as the third largest destination, with 7% of the Australian exports.

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



Source: TDM – Trade Data Monitor