

INDUSTRY OVERVIEW

2Q22

Barretos, August 02, 2022 – 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. The Company currently has a daily slaughtering capacity of 29,350 head of cattle. Present in Brazil, Paraguay, Argentina, Uruguay, and Columbia, Minerva operates 25 cattle slaughter and deboning plants and 3 processing plants. The Company also operates 2 sheep slaughtering plants in Australia.

HIGHLIGHTS BY COUNTRY

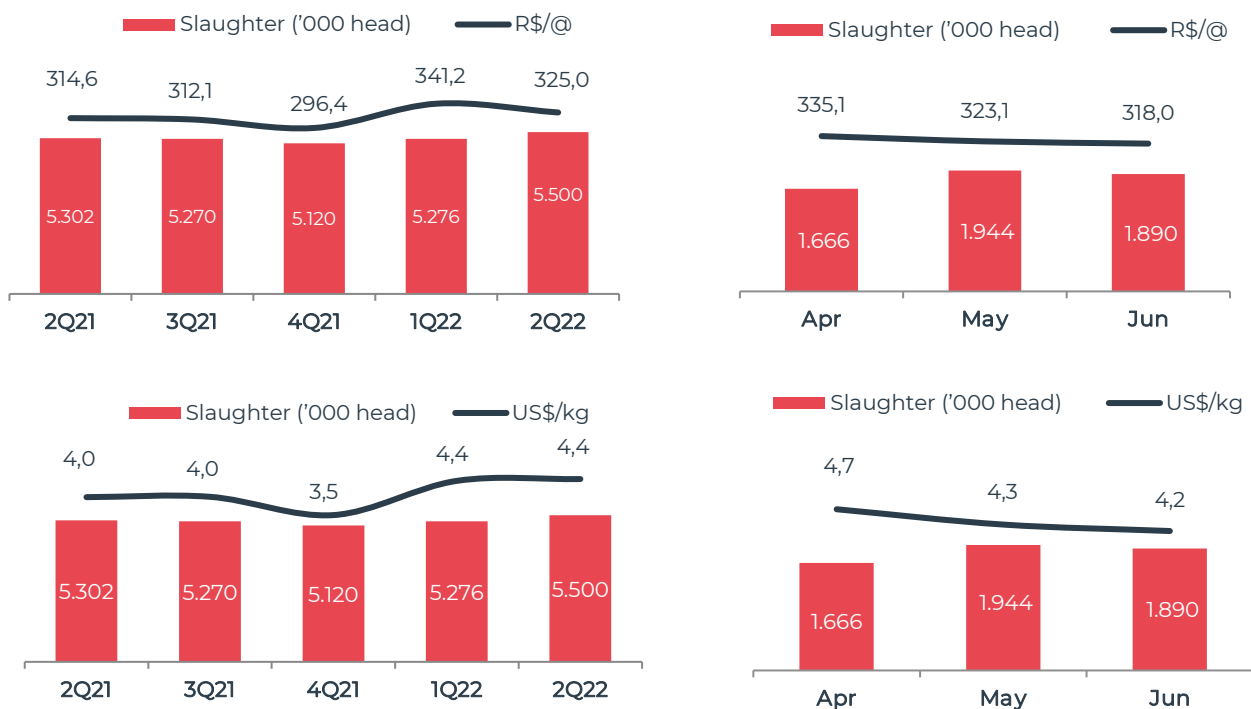
Brazil

Cattle Supply

In 2Q22, approximately 5.5 million head of cattle were slaughtered in Brazil, up by 4% in relation to 1Q22 and 2Q21. It is worth highlighting that this performance reflects the increasing availability of animals ready for slaughter in the Brazilian market.

The arroba price (indicator: Finished Cattle ESALQ/BM&F - state of São Paulo) averaged R\$325.0/@, down by 5% quarter-on-quarter. Average cattle prices in dollars reached US\$4.4/kg in the quarter.

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 | 2Q22 Preliminary Slaughter Data

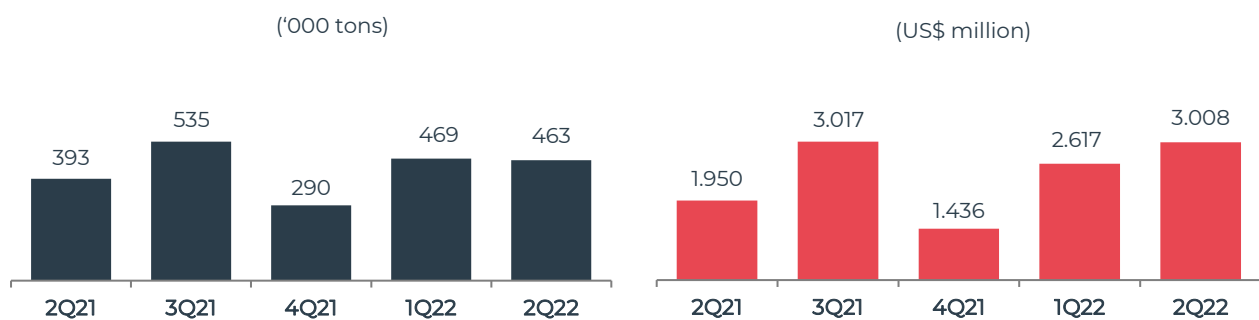
Export Market

In 2Q22, Brazilian beef exports reached 463,000 tons, growing by 18% year-on-year and flat when compared to the previous quarter.

Export revenues reached US\$3.0 billion in 2Q22, a significant increase of 54% compared to the previous year and 15% higher than in 1Q22, driven by the increase in beef prices in the international market.

In the first six months of the year, exports totaled 932,000 tons, a strong 27% growth over 1H21. Export revenues reached R\$5.6 billion in the period, a significant growth of 60% compared to the same period of the previous year.

Figures 5 and 6 – Fresh Beef Exports



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

In 2Q22, the average beef price in dollars reached US\$ 6.5/kg, up by 31% over 2Q21 and 17% higher than in 1Q22. In reais, the average price for the quarter was R\$32.0/kg, up by 22% year-on-year and 10% higher than the previous quarter. As previously mentioned, the increase in price reflects the strong demand in the international market, as well as the imbalance between supply and demand for beef in the global market.

Figure 7 – Average Fresh Beef Price

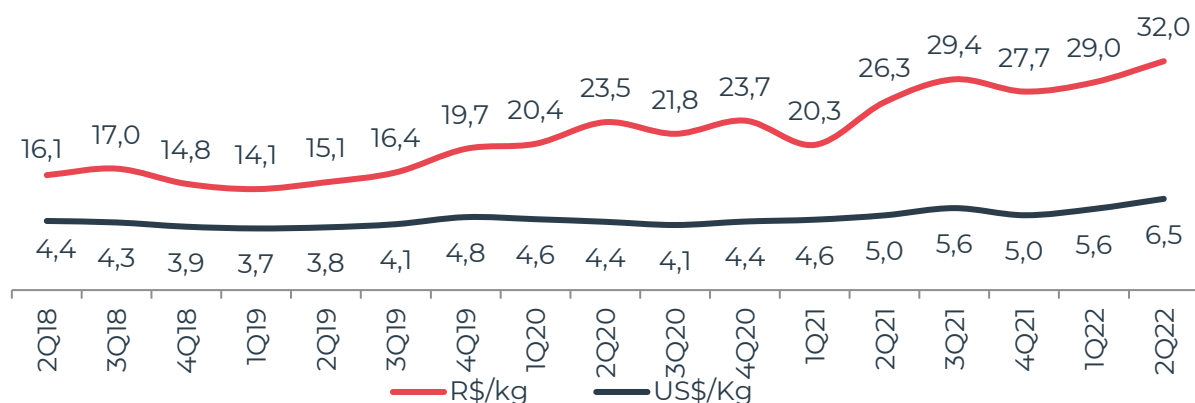
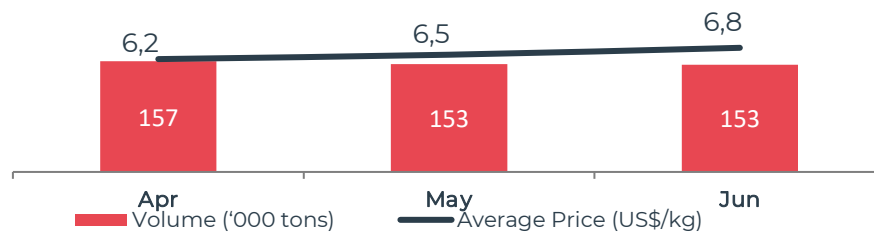


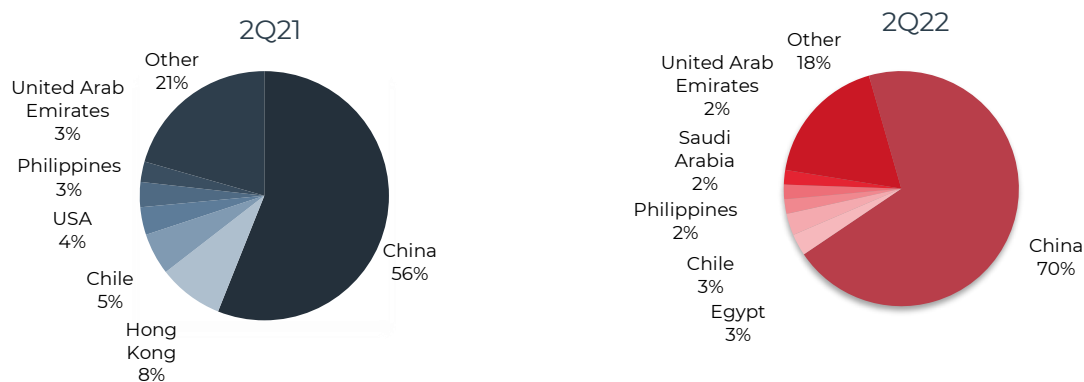
Figure 8 – Brazilian Fresh Beef Exports



Source: Ministry of Development, Industry, and Foreign Trade

China stood out as the main export destination for Brazilian beef in 2Q22, with a 70% market share and a 14 p.p. growth year-on-year. The second main export destination was Egypt and Chile, representing 3% each, followed by the Philippines, with 2% of the Company's beef exports.

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



Source: Ministry of Development, Industry, and Foreign Trade

Domestic Market

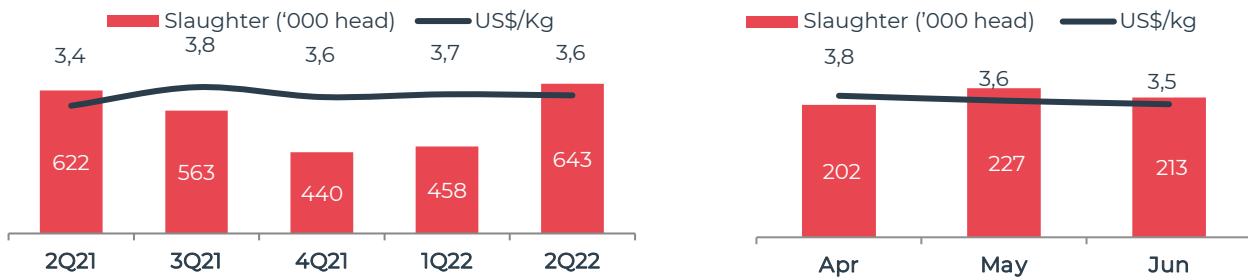
In 2Q22, the Brazilian domestic market remained flat, in line with the seasonality that naturally occurs during the first six months of the year. Furthermore, it is worth noting that the country suffers from a cycle of high inflation that negatively impacts the population's purchasing power.

Paraguay

Cattle Supply

In Paraguay, 643,000 head of cattle were slaughtered in 2Q22, a significant increase of 40% when compared to 1Q22, resulting from the local climate context and a greater availability of animals ready for slaughter. Average cattle prices remained flat at US\$3.6/kg in the period.

Figures 11 and 12 – Cattle Slaughter and Average Cattle Price



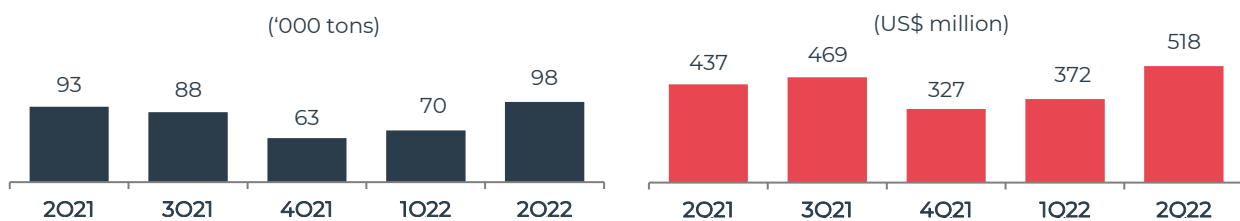
Source: OCIT – Oficina Consultiva y de Investigación Técnica | 2Q22 Preliminary Data

Export Market

In 2Q22, Paraguayan beef exports reached 98,000 tons, up by 39% over 1Q22 and by 5% year-on-year. In the first six months of the year, exports totaled 168,000 tons. The country's export revenue reached US\$518 million in 2Q22 and US\$890 million in 1H22.

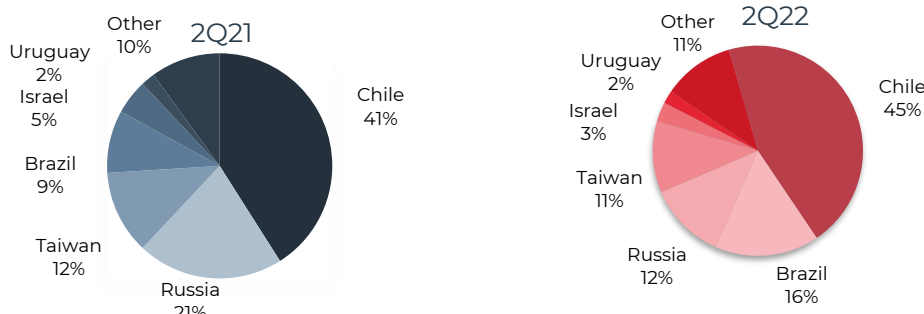
In 2Q22, Chile was the main destination of Paraguayan beef exports, accounting for 45% of total exports, followed by Brazil, with 16%, and Russia, accounting for 12% of Paraguayan exports.

Figures 13 and 14 – Fresh Beef Exports



Source: OCIT – Oficina Consultiva y de Investigación Técnica

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



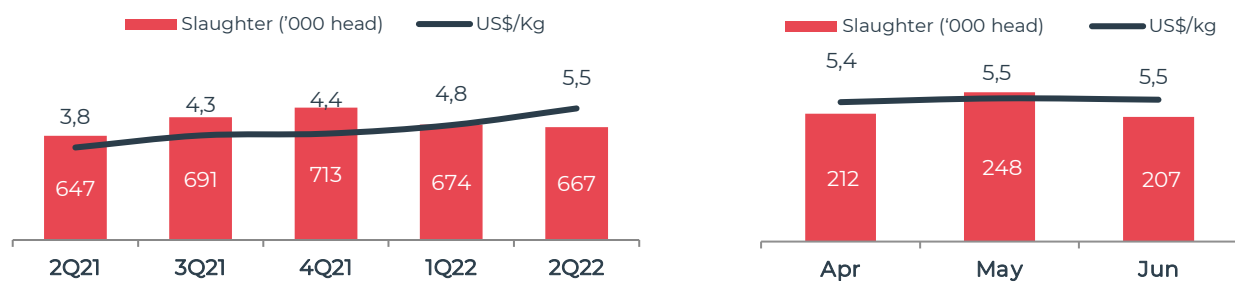
Source: OCIT – Oficina Consultiva y de Investigación Técnica

Uruguay

Cattle Supply

In 2Q22, 667,000 head of cattle were slaughtered in Uruguay, up by 3% over the same period in 2021. Cattle prices averaged at US\$5.5/kg in the period.

Figures 17 and 18 – Cattle Slaughter and Average Cattle Price



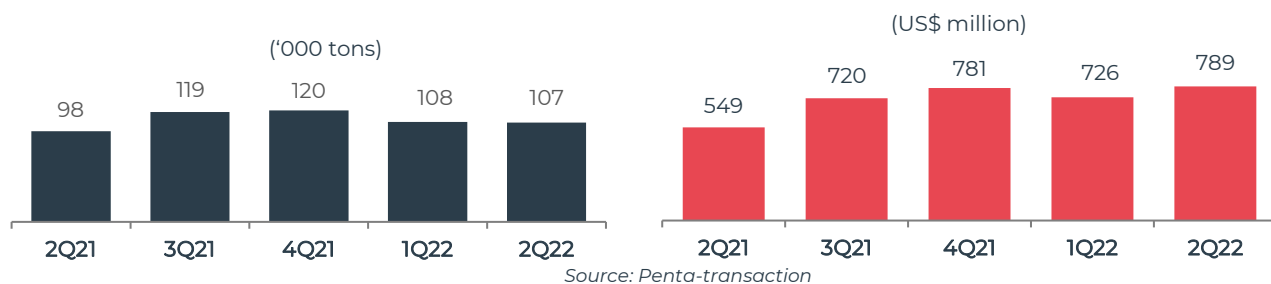
Source: INAC

Export Market

Uruguayan beef exports totaled 107,000 tons in 2Q22, up by 10% over 2Q21 and flat in comparison with the previous quarter. Export revenues reached US\$789 million in 2Q22, a significant 44% growth year-on-year and 9% higher than in 1Q22. In the first six months of the year, Uruguay exported 215,000 tons, up by 14% when compared to the same period in 2021. Revenue reached US\$1.5 billion in the period, up by 50% when compared to 1H21.

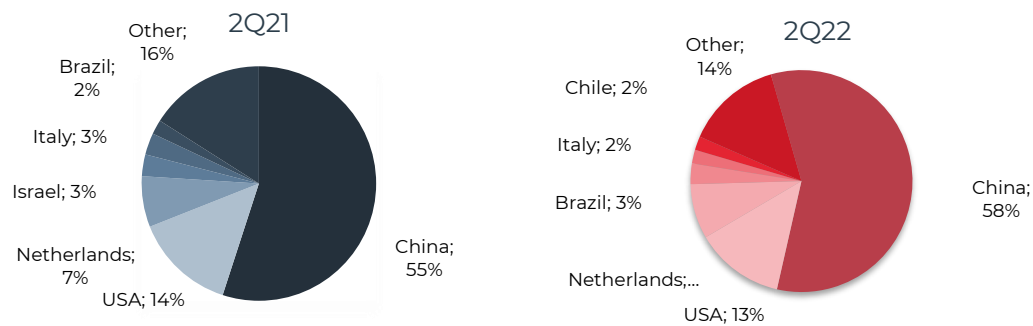
China remained as the main destination for Uruguayan beef, representing 58% of exports, followed by the USA, with 13%, and the Netherlands as the third largest destination, with 8% of total exports.

Figures 19 and 20 – Fresh Beef Exports



Source: Penta-transaction

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



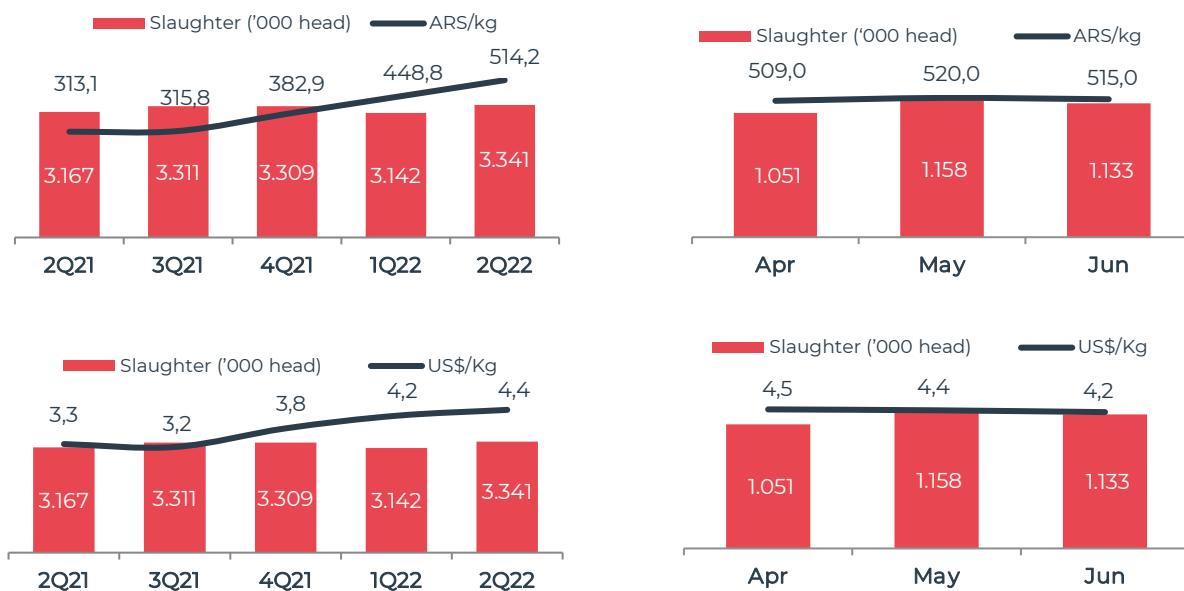
Source: Penta-transaction

Argentina

Cattle Supply

In 2Q22, cattle slaughter in Argentina totaled 3.3 million head of cattle, up by 6% year-on-year and quarter-on-quarter. The average price of cattle in Argentina reached ARS\$514.2/kg in the period. Average cattle prices in dollars remained flat at US\$4.4/kg.

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



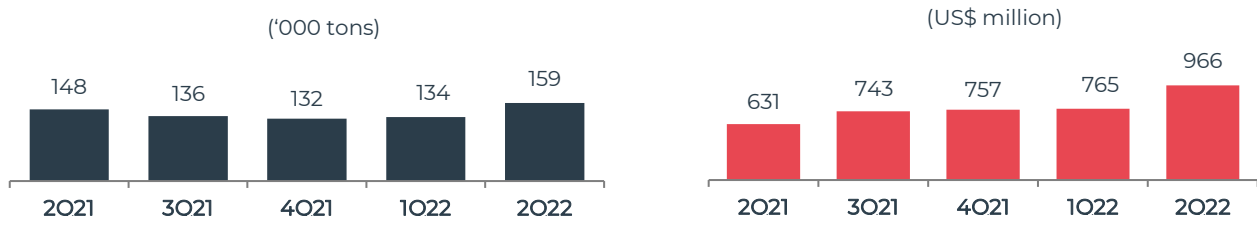
Source: ABC-consorcio

Export Market

Argentine exports totaled 159,000 tons in 2Q22, up by 19% quarter-on-quarter and 7% higher than in 2Q21. Exports revenues reached US\$966 million in 2Q22, increasing by 26% over 1Q22 and a strong 53% growth in relation to the same period in 2021.

In the first six months of 2022, Argentina exported 293,000 tons, flat in the annual comparison. Revenue reached US\$1.7 billion in the period, a significant growth of 40% over 1H21.

Figures 27 and 28 – Fresh Beef Exports



Source: INDEC

China remained as the main export destination, with 67% of the total amount exported by Argentina in 2Q22. Germany was the second largest export destination, with 9% of exports, followed by the Netherlands, with 5%, and then Chile, Israel, and the USA with approximately 4% each.

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



Source: INDEC - Instituto Nacional de Estadística y Censos | 2Q22 Preliminary Data

Domestic Market

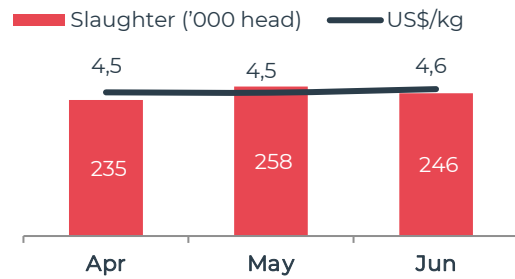
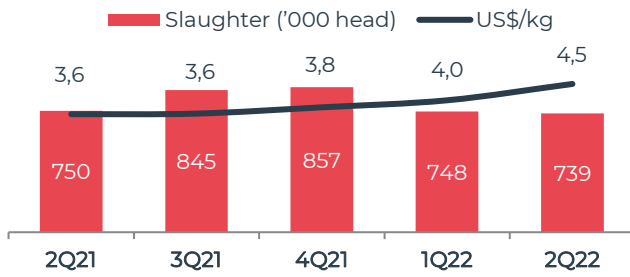
As a result of Argentina’s strong economic and social crisis, purchasing power continues to be negatively impacted, encouraging a shift to lower-valued added products, such as hamburgers, breaded products, sausages and pâtés.

Colombia

Cattle Supply

In 2Q22, a total of 739,000 head of cattle were slaughtered in Colombia, declining slightly compared to the previous quarters. Average cattle prices totaled US\$4.5/kg in 2Q22.

Figures 31 and 32 – Cattle Slaughter and Average Cattle Price



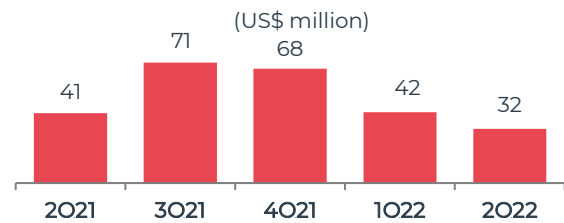
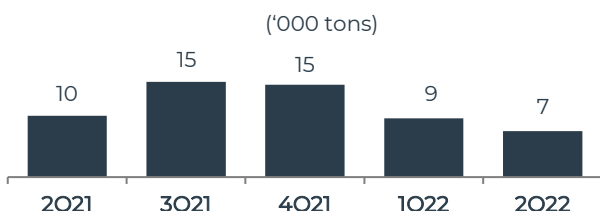
Source: DANE – Departamento Administrativo Nacional de Estadísticas e Feira de Medellin | 2Q22 Preliminary Data

Export Market

Colombia's beef exports reached 7,000 tons in 2Q22, with export revenues of US\$32 million. In the first six months of the year, the country's beef exports reached 17,000 tons, with export revenues of US\$74 million. This movement reflects the commercial and operational restrictions from the Russian market, one of the main export destinations for Colombian beef.

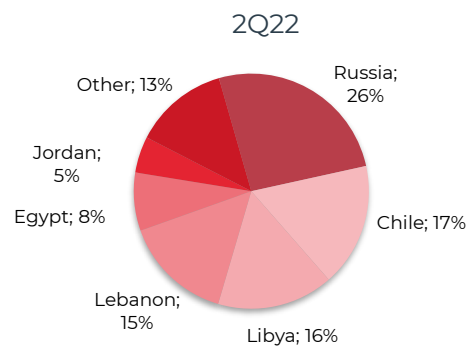
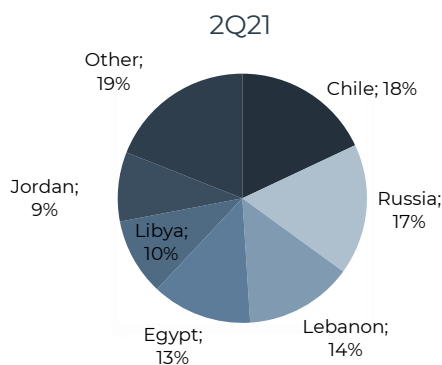
Russia remains the main destination for Colombian beef exports, accounting for 26% of total exports in the quarter, followed by Chile, with a 17% market share, and Libya, with 16%.

Figures 33 and 34 – Fresh Beef Exports



Source: Legiscomex

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



Source: Legiscomex