



Marfrig Global Foods S.A.

Consolidated and Interim
Quarterly Information (ITR)
At June 30, 2023.

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(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese-language version shall prevail.)

Report on the review of interim financial information

**Grant Thornton Auditores
Independentes Ltda.**

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To the Board of directors and shareholders of
Marfrig Global Foods S.A.
São Paulo – SP

Introduction

We have reviewed the accompanying individual and consolidated interim accounting information of Marfrig Global Foods S.A. (Company), comprised in the Quarterly Information Form for the quarter ended June 30, 2023, comprising the balance sheet as of June 30, 2023 and the respective statements of income and of comprehensive income for the periods of three and six months then ended, and the changes in shareholders' equity and cash flows for the period of six months then ended, including the footnotes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 – Interim Financial Reporting and with international standard IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), such as for the presentation of these information in accordance with the standards issued by the Brazilian Exchange Securities Commission, applicable to the preparation of interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Review scope

We conducted our review in accordance with the Brazilian and International standards on reviews of interim information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). The review of interim information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with audit standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information form referred to above has not been prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of interim financial information, and presented in accordance with the standards issued by the Brazilian Securities Exchange Commission.

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of value added for the period of six months ended June 30, 2023, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures in conjunction with the review of the Company's interim financial information in the order to conclude they are reconciliated to the interim financial information and to the accounting records, as applicable, and whether the structure and content are in accordance with the criteria established in the NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statements of value added were not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

São Paulo, August 14, 2023

Grant Thornton Auditores Independentes Ltda.
CRC 2SP-025.583/O-1



Marcelo Castro Valentini
Accountant CRC 1SP-239.472/O-2

MARFRIG GLOBAL FOODS S.A.

Balance sheet

As at June 30, 2023 and December 31, 2022

(In thousands of Brazilian reais - R\$)

ASSETS

	NE	Parent		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
CURRENT ASSETS					
Cash and cash equivalents	4	70,626	1,719,329	5,628,975	6,403,788
Financial investments and marketable securities	5	1,166,922	1,957,341	12,962,833	16,088,745
Trade accounts receivable	6	2,623,721	1,990,386	5,766,420	6,727,128
Inventories	7	825,825	957,438	11,568,587	12,852,085
Biological assets	8	-	-	3,026,876	3,200,633
Recoverable taxes	9	1,154,737	1,663,007	2,858,520	3,261,989
Prepaid expenses		9,252	2,397	326,038	225,475
Notes receivable	10	554,233	486,618	124,395	60,977
Advances to suppliers		472,591	762,066	735,104	1,172,394
Derivative financial instruments	30	208,111	2,816	481,643	131,127
Dividends receivable	35	-	-	851	-
Other receivables		41,215	40,722	454,866	473,737
		7,127,233	9,582,120	43,935,108	50,598,078
NON-CURRENT ASSETS					
Financial investments and marketable securities	5	-	-	332,262	406,402
Trade accounts receivable	6	-	-	6,122	5,307
Court deposits		51,753	52,889	470,176	510,392
Recoverable taxes	9	4,234,830	3,731,757	9,090,866	8,922,184
Notes receivable	10	6,916,369	7,319,446	4,065	11,692
Restricted cash		-	-	95,474	89,717
Deferred income and social contribution taxes	11	-	-	2,674,581	3,011,971
Derivative financial instruments	30	-	63,835	344,190	74,118
Other receivables		220	272	278,434	352,450
		11,203,172	11,168,199	13,296,170	13,384,233
Biological assets	8	-	-	1,645,664	1,649,133
Investments	12	21,525,008	23,180,993	653,406	701,933
Investment property	13	115,165	111,329	115,165	111,329
Property, plant and equipment	14	4,359,630	4,380,335	44,596,720	46,030,660
Right-of-use assets	15	126,112	134,439	3,271,440	3,216,533
Intangible assets	16	250,691	248,607	19,531,321	20,412,424
		26,376,606	28,055,703	69,813,716	72,122,012
		37,579,778	39,223,902	83,109,886	85,506,245
TOTAL ASSETS		44,707,011	48,806,022	127,044,994	136,104,323

The accompanying notes are an integral part of the individual and consolidated interim financial statements.

MARFRIG GLOBAL FOODS S.A.

Balance sheet

As at June 30, 2023 and December 31, 2022

(In thousands of Brazilian reais - R\$)

LIABILITIES AND EQUITY

	NE	Parent		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
CURRENT LIABILITIES					
Trade accounts payable	17	1,627,720	1,918,016	16,863,692	18,824,682
Accrued payroll and related charges	18	172,943	148,186	1,549,656	2,066,326
Taxes payable	19	228,455	23,128	752,774	673,199
Loans, financing and debentures	20	6,808,575	6,598,771	13,395,572	12,813,280
Advances from customers	21	2,333,071	2,540,988	2,957,338	2,405,785
Lease payable	22	15,252	20,118	905,948	819,547
Notes payable	23	60,187	77,939	219,784	816,905
Provision for contingencies	24	-	-	725,722	867,294
Derivative financial instruments	30	8,043	173,203	377,842	264,544
Dividends payable		-	-	832	756
Other payables		27,510	35,623	670,458	868,262
		11,281,756	11,535,972	38,419,618	40,420,580
NON-CURRENT LIABILITIES					
Deferred income and social contribution taxes	11	370,236	289,446	10,386,223	10,719,659
Trade accounts payable	17	-	-	6,289	7,459
Accrued payroll and related charges	18	-	-	429,305	456,944
Taxes payable	19	59,711	61,394	358,243	417,721
Loans, financing and debentures	20	9,079,561	10,617,698	44,975,711	48,359,511
Lease payable	22	90,514	95,199	2,850,472	2,783,551
Notes payable	23	19,566,272	20,421,137	101,150	117,756
Provision for contingencies	24	205,209	209,891	5,770,182	5,859,743
Derivative financial instruments	30	-	5,425	27,280	183,068
Other payables		-	-	755,162	328,722
		29,371,503	31,700,190	65,660,017	69,234,134
EQUITY					
Share capital	25.1	8,204,391	8,204,391	8,204,391	8,204,391
Capital reserve and treasury shares	25.2	(2,464,134)	(2,434,260)	(2,464,134)	(2,434,260)
Legal reserve	25.3	484,848	484,848	484,848	484,848
Tax incentive reserve	25.4	517,726	517,726	517,726	517,726
Earnings reserve	25.5	4,443,963	4,443,963	4,443,963	4,443,963
Other comprehensive income	25.6	(5,715,784)	(5,646,808)	(5,715,784)	(5,646,808)
Accumulated losses		(1,417,258)	-	(1,417,258)	-
Controlling shareholders' equity		4,053,752	5,569,860	4,053,752	5,569,860
Non-controlling interest		-	-	18,911,607	20,879,749
Total equity		4,053,752	5,569,860	22,965,359	26,449,609
TOTAL LIABILITIES AND EQUITY		44,707,011	48,806,022	127,044,994	136,104,323

The accompanying notes are an integral part of the individual and consolidated interim financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of income

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except earnings per share)

	NE	Parent				Consolidated			
		2nd Quarter 2023	YTD 2023	2nd Quarter 2022	YTD 2022	2nd Quarter 2023	YTD 2023	2nd Quarter 2022	YTD 2022
NET SALES REVENUE	26	3,851,573	7,213,827	4,406,059	8,582,555	32,513,916	64,271,397	34,485,644	56,826,456
Cost of products and goods sold	27	(3,111,088)	(5,987,612)	(3,670,770)	(7,471,841)	(29,455,921)	(58,437,606)	(29,704,160)	(48,562,867)
GROSS PROFIT		740,485	1,226,215	735,289	1,110,714	3,057,995	5,833,791	4,781,484	8,263,589
Operating income (expenses)		(842,539)	(1,549,685)	3,904,083	5,699,757	(3,145,870)	(6,187,765)	689,850	(481,331)
Selling expenses	27	(221,033)	(439,972)	(237,312)	(424,918)	(2,591,305)	(5,201,487)	(2,576,935)	(3,455,565)
General and administrative expenses	27	(112,842)	(176,760)	(51,842)	(96,547)	(534,828)	(1,007,513)	(465,640)	(719,450)
Equity in earnings (losses) of subsidiaries	12	(463,806)	(848,091)	400,971	2,453,128	(15,135)	(29,802)	(16,100)	(32,760)
Other operating income (expenses)		(44,858)	(84,862)	3,792,266	3,768,094	(4,602)	51,037	3,748,525	3,726,444
Net income before financial income (expenses)		(102,054)	(323,470)	4,639,372	6,810,471	(87,875)	(353,974)	5,471,334	7,782,258
Net financial result	28	(445,247)	(838,461)	(928,712)	(2,636,561)	(1,815,375)	(3,338,208)	(2,379,762)	(3,435,641)
Financial income		715,383	1,682,804	650,721	2,982,795	3,008,804	6,006,271	3,151,273	6,412,371
Financial expenses		(1,160,630)	(2,521,265)	(1,579,433)	(5,619,356)	(4,824,179)	(9,344,479)	(5,531,035)	(9,848,012)
Net income (loss) before taxes		(547,301)	(1,161,931)	3,710,660	4,173,910	(1,903,250)	(3,692,182)	3,091,572	4,346,617
INCOME AND SOCIAL CONTRIBUTION TAXES		(237,082)	(255,976)	549,506	195,018	82,520	303,173	777,315	14,673
Current income and social contribution taxes	31	(137,210)	(175,186)	557,621	437,292	(248,312)	(301,009)	205,218	(336,602)
Deferred income and social contribution taxes	31	(99,872)	(80,790)	(8,115)	(242,274)	330,832	604,182	572,097	351,275
NET INCOME (LOSS) FOR THE PERIOD BEFORE EQUITY INTERESTS		(784,383)	(1,417,907)	4,260,166	4,368,928	(1,820,730)	(3,389,009)	3,868,887	4,361,290
Net income (loss) for the period from discontinued operations	3.3	-	-	(5,459)	(5,459)	-	-	(16,408)	(16,408)
Net income (loss) for the period before equity interests		(784,383)	(1,417,907)	4,254,707	4,363,469	(1,820,730)	(3,389,009)	3,852,479	4,344,882
Net income attributable to:									
Controlling interest - continuing operation		(784,383)	(1,417,907)	4,260,166	4,368,928	(784,383)	(1,417,907)	4,260,166	4,368,928
Controlling interest - discontinued operation		-	-	(5,459)	(5,459)	-	-	(5,459)	(5,459)
Controlling interest		(784,383)	(1,417,907)	4,254,707	4,363,469	(784,383)	(1,417,907)	4,254,707	4,363,469
Non-controlling interest - continuing operation		-	-	-	-	(1,036,347)	(1,971,102)	(391,279)	(7,638)
Non-controlling interest - discontinued operation		-	-	-	-	-	-	(10,949)	(10,949)
Non-controlling interest		-	-	-	-	(1,036,347)	(1,971,102)	(402,228)	(18,587)
		(784,383)	(1,417,907)	4,254,707	4,363,469	(1,820,730)	(3,389,009)	3,852,479	4,344,882
Basic earnings (losses) per share - common continuing operation		(1.2333)	(2.2197)	6.2888	6.4493	(1.2333)	(2.2197)	6.2888	6.4493
Basic earnings (losses) per share - common discontinued operation		-	-	(0.0081)	(0.0081)	-	-	(0.0081)	(0.0081)
BASIC EARNINGS (LOSSES) PER SHARE - COMMON	29	(1.2333)	(2.2197)	6.2807	6.4412	(1.2333)	(2.2197)	6.2807	6.4412
Diluted earnings (losses) per share - common continuing operation		(1.2333)	(2.2197)	6.2827	6.4429	(1.2333)	(2.2197)	6.2827	6.4429
Diluted earnings (losses) per share - common discontinued operation		-	-	(0.0081)	(0.0081)	-	-	(0.0081)	(0.0081)
DILUTED EARNINGS (LOSSES) PER SHARE - COMMON	29	(1.2333)	(2.2197)	6.2746	6.4348	(1.2333)	(2.2197)	6.2746	6.4348

The accompanying notes are an integral part of the individual and consolidated interim financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of changes in equity

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except earnings per share)

	Share capital	Capital reserve and treasury shares	Legal reserve	Tax incentive reserve	Earnings reserve	Dividend	Other comprehensive income	Retained earnings	Total	Total non-controlling interest	Total equity
AT DECEMBER 31, 2021	8,204,391	(2,467,506)	276,492	431,064	1,671,852	383,150	(4,582,523)	-	3,916,920	1,654,803	5,571,723
Cumulative translation adjustment and asset valuation adjustment	-	108,970	-	-	-	-	(831,111)	651	(721,490)	(51,331)	(772,821)
Disposal (acquisition) of treasury shares	-	(81,476)	-	-	-	-	-	-	(81,476)	-	(81,476)
Goodwill stock option	-	(2,194)	-	-	-	-	-	-	(2,194)	-	(2,194)
Dividend distribution	-	-	-	-	-	(383,150)	-	-	(383,150)	-	(383,150)
Losses on net investment hedge	-	-	-	-	-	-	(116,507)	-	(116,507)	(233,679)	(350,186)
Actuarial gains on pension plans and post-employment benefits	-	-	-	-	-	-	3,607	-	3,607	7,236	10,843
Addition of non-controlling interest due to business combination	-	-	-	-	-	-	-	-	-	21,268,417	21,268,417
Share-based payment in subsidiary BRF	-	-	-	-	-	-	(4,099)	-	(4,099)	(8,222)	(12,321)
Treasury shares in subsidiary BRF	-	-	-	-	-	-	4,256	-	4,256	8,536	12,792
Net income for the period	-	-	-	-	-	-	-	4,363,469	4,363,469	(18,587)	4,344,882
AT JUNE 30, 2022	8,204,391	(2,442,206)	276,492	431,064	1,671,852	-	(5,526,377)	4,364,120	6,979,336	22,627,173	29,606,509
AT DECEMBER 31, 2022	8,204,391	(2,434,260)	484,848	517,726	4,443,963	-	(5,646,808)	-	5,569,860	20,879,749	26,449,609
Cumulative translation adjustment and asset valuation adjustment	-	127,065	-	-	-	-	(142,400)	649	(14,686)	(112,528)	(127,214)
Disposal (acquisition) of treasury shares	-	(156,209)	-	-	-	-	-	-	(156,209)	-	(156,209)
Goodwill stock option	-	(730)	-	-	-	-	-	-	(730)	-	(730)
Gains on net investment hedge	-	-	-	-	-	-	50,840	-	50,840	101,969	152,809
Gains on net interest hedge	-	-	-	-	-	-	15,843	-	15,843	-	15,843
Actuarial gains on pension plans and post-employment benefits	-	-	-	-	-	-	4,149	-	4,149	8,321	12,470
Share-based payment in subsidiary BRF	-	-	-	-	-	-	1,338	-	1,338	2,683	4,021
Treasury shares in subsidiary BRF	-	-	-	-	-	-	1,254	-	1,254	2,515	3,769
Loss for the period	-	-	-	-	-	-	-	(1,417,907)	(1,417,907)	(1,971,102)	(3,389,009)
AT JUNE 30, 2023	8,204,391	(2,464,134)	484,848	517,726	4,443,963	-	(5,715,784)	(1,417,258)	4,053,752	18,911,607	22,965,359

The accompanying notes are an integral part of the individual and consolidated interim financial statements.



MARFRIG GLOBAL FOODS S.A.

Statement of cash flows

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$)

	Parent		Consolidated	
	YTD 2023	YTD 2022	YTD 2023	YTD 2022
PARENT COMPANY NET INCOME FOR THE PERIOD	(1,417,907)	4,363,469	(1,417,907)	4,363,469
NON-CASH ITEMS	2,126,056	(4,982,133)	5,082,903	881,363
Depreciation and amortization	219,891	213,454	3,445,234	2,082,680
Non-controlling interest	-	-	(1,971,102)	(7,638)
Provision for contingencies	(4,682)	2,238	131,082	117,662
Deferred taxes and tax liabilities	80,790	242,274	(604,182)	(351,275)
Equity in earnings (losses) of subsidiaries	848,091	(2,453,128)	29,802	32,760
Exchange variation on financing	(309,428)	(493,702)	(1,298,873)	1,001,592
Exchange variation on other assets and liabilities	(30,932)	781,567	1,625,213	165,862
Interest expenses on financial debt	1,210,088	601,912	3,184,951	1,441,182
Interest expenses on finance lease	1,543	1,073	109,738	29,805
Cost with issue of financial operations	15,417	12,116	79,357	139,075
Adjustment to present value	110	(108)	527,425	238,466
Expected losses on inventories	(2,509)	(21,579)	(24,519)	(47,855)
Expected earning (losses) on doubtful accounts	1,067	(952)	10,378	(1,600)
Expected earning on non-realization of recoverable taxes	100,000	-	141,649	4,494
Gain on discontinued operation	-	5,459	-	16,408
Revaluation of investment property	(3,836)	(6,405)	(3,837)	(6,405)
Bargain purchase	-	(3,880,949)	-	(3,880,949)
Other non-cash effects	446	14,597	(299,413)	(92,901)
EQUITY CHANGES	(468,339)	1,549,967	(568,424)	(2,103,183)
Trade accounts receivable	(833,197)	1,085,922	485,331	881,284
Inventories	134,122	(81,643)	793,681	(179,500)
Biological assets - current	-	-	107,729	(142,107)
Court deposits	1,136	(620)	(5,746)	(12,832)
Accrued payroll and related charges	24,757	31,764	(468,313)	(801,647)
Trade accounts payable and supplier chain financing	2,947	91,461	(1,231,809)	276,508
Current and deferred taxes	110,574	(557,861)	316,753	(795,012)
Notes receivable and payable	288,927	1,102,709	(234,769)	(890,727)
Derivative financial instruments	(181,484)	(84,920)	(604,920)	208,572
Other assets and liabilities	(16,121)	(36,845)	273,639	(647,722)
CASH FLOW PROVIDED BY OPERATING ACTIVITIES	239,810	931,303	3,096,572	3,141,649
Investments	(144,709)	(15,912)	(19,428)	(465,264)
Acquisition of subsidiary, net of cash	-	-	-	4,462,485
Investments in fixed assets	(193,342)	(411,166)	(1,307,389)	(1,349,562)
Investments in non-current biological assets	-	-	(732,458)	(331,777)
Investments in intangible assets	(50)	(17)	(117,869)	(83,726)
Financial investments and marketable securities	790,419	(3,181,064)	2,743,592	(840,595)
CASH FLOW PROVIDED BY (USED IN) INVESTING ACTIVITIES	452,318	(3,608,159)	566,448	1,391,561
Loans and financing	(2,244,410)	2,103,229	(2,903,497)	2,843,006
Loans obtained	4,780,034	6,909,582	21,565,316	24,829,591
Loans settled	(7,024,444)	(4,806,353)	(24,468,813)	(21,986,585)
Payment of derivatives - fair value hedge	-	-	(407,570)	(29,129)
Leases paid	(11,204)	(10,918)	(481,528)	(253,189)
Treasury shares	(156,209)	(81,476)	(156,209)	(81,476)
Share issuance expenses	-	-	-	(4,709)
Dividends (paid) received in the period	49,167	1,098,337	(59,755)	(1,211,330)
CASH FLOW PROVIDED BY (USED IN) FINANCING ACTIVITIES	(2,362,656)	3,109,172	(4,008,559)	1,263,173
Exchange variation on cash and equivalents	21,825	(1,216)	(429,274)	181,124
CASH FLOW IN THE PERIOD	(1,648,703)	431,100	(774,813)	5,977,507
CASH AND CASH EQUIVALENTS				
Balance at end of the period	70,626	518,449	5,628,975	7,736,989
Balance at beginning of the period	1,719,329	87,349	6,403,788	1,759,482
CHANGE IN THE PERIOD	(1,648,703)	431,100	(774,813)	5,977,507

The accompanying notes are an integral part of the individual and consolidated interim financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of value added

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$)

	Parent		Consolidated	
	YTD 2023	YTD 2022	YTD 2023	YTD 2022
REVENUE	7,723,840	9,265,375	69,094,985	59,847,004
Sales of goods and services	7,723,844	9,263,148	68,512,310	59,505,968
Other revenues	1,063	1,275	593,053	339,436
Expected losses on doubtful accounts	(1,067)	952	(10,378)	1,600
INPUTS PURCHASED FROM THIRD PARTIES (including taxes - ICMS, IPI, PIS and COFINS)	6,154,110	3,936,880	56,763,914	42,966,329
Cost of goods sold and services rendered	4,995,504	6,551,174	47,072,238	38,917,167
Materials, energy, outsourced services and other	1,158,606	1,266,655	9,670,829	7,906,568
Impairment/Recovery of assets	-	-	20,847	23,543
Bargain purchase	-	(3,880,949)	-	(3,880,949)
GROSS VALUE ADDED	1,569,730	5,328,495	12,331,071	16,880,675
Depreciation and amortization	219,891	213,454	3,445,234	2,082,680
NET VALUE CREATED BY THE COMPANY	1,349,839	5,115,041	8,885,837	14,797,995
VALUE ADDED RECEIVED THROUGH TRANSFER	834,713	5,435,923	5,976,469	6,379,375
Equity in earnings (losses) of subsidiaries	(848,091)	2,453,128	(29,802)	(32,760)
Financial income and exchange rate gains	1,682,804	2,982,795	6,006,271	6,412,371
Others	-	-	-	(236)
TOTAL VALUE ADDED TO BE DISTRIBUTED	2,184,552	10,550,964	14,862,306	21,177,370
VALUE ADDED DISTRIBUTION	2,184,552	10,550,964	14,862,306	21,177,370
EMPLOYEES	496,156	403,664	6,172,971	5,079,567
Direct compensation	342,896	307,271	5,151,529	4,516,113
Benefits	127,495	72,678	833,224	462,017
FGTS (severance pay fund)	25,765	23,715	188,218	101,437
TAXES PAYABLE	570,964	154,381	2,466,139	1,743,178
Federal	380,119	(60,344)	722,427	707,699
State	187,630	209,659	1,709,202	1,016,253
Municipal	3,215	5,066	34,510	19,226
VALUE DISTRIBUTED TO PROVIDERS OF CAPITAL	2,535,339	5,629,450	9,612,205	10,009,743
Interest and passive exchange variation	2,521,265	5,619,356	9,344,479	9,848,012
Rentals	14,074	10,094	267,726	161,731
VALUE DISTRIBUTED TO SHAREHOLDERS	(1,417,907)	4,363,469	(3,389,009)	4,344,882
Net income (loss) from operations in the period	(1,417,907)	4,363,469	(1,417,907)	4,363,469
Non-controlling interest	-	-	(1,971,102)	(18,587)

The accompanying notes are an integral part of the individual and consolidated interim financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of comprehensive income

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$)

	Parent				Consolidated			
	2nd quarter 2023	YTD 2023	2nd quarter 2022	YTD 2022	2nd quarter 2023	YTD 2023	2nd quarter 2022	YTD 2022
NET INCOME FOR THE PERIOD	(784,383)	(1,417,907)	4,254,707	4,363,469	(1,820,730)	(3,389,009)	3,852,479	4,344,882
Exchange variation on net investments and balance sheet translation	24,987	(142,400)	26,621	(831,111)	(48,227)	(254,928)	263,411	(882,442)
Gains (losses) on net investment hedge	33,226	50,840	(116,507)	(116,507)	99,867	152,809	(116,507)	(116,507)
Gains on net interest hedge	15,843	15,843	-	-	15,843	15,843	-	-
Actuarial gains on pension plans and post-employment benefits	3,152	4,149	3,607	3,607	9,474	12,470	3,607	3,607
Share-based payment in subsidiary BRF	180	1,338	(4,099)	(4,099)	541	4,021	(4,099)	(4,099)
Treasury shares in subsidiary BRF	1,254	1,254	4,256	4,256	3,769	3,769	4,256	4,256
Total comprehensive income for the period	78,642	(68,976)	(86,122)	(943,854)	81,267	(66,016)	150,668	(995,185)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(705,741)	(1,486,883)	4,168,585	3,419,615	(1,739,463)	(3,455,025)	4,003,147	3,349,697
Attributable to:								
Controlling interest - continuing operation	(705,741)	(1,486,883)	4,174,044	3,425,074	(705,741)	(1,486,883)	4,174,044	3,425,074
Controlling interest - discontinued operation	-	-	(5,459)	(5,459)	-	-	(5,459)	(5,459)
Controlling interest	(705,741)	(1,486,883)	4,168,585	3,419,615	(705,741)	(1,486,883)	4,168,585	3,419,615
Non-controlling interest - continuing operation	-	-	-	-	(1,033,722)	(1,968,142)	(154,489)	(58,969)
Non-controlling interest - discontinued operation	-	-	-	-	-	-	(10,949)	(10,949)
Non-controlling interest	-	-	-	-	(1,033,722)	(1,968,142)	(165,438)	(69,918)

The accompanying notes are an integral part of the individual and consolidated interim financial statements.

São Paulo, August 14, 2023 – Marfrig Global Foods S.A. – Marfrig (B3 Novo Mercado: MRFG3 and Level 1 ADR: MRRTY) announces today its results for the second quarter of 2023 (2Q23). Except where stated otherwise, the following operating and financial information is presented in nominal Brazilian real, in accordance with International Financial Reporting Standards (IFRS), and should be read together with the income statement and notes to the financial statements for the period ended June 30, 2023 filed at the Securities and Exchange Commission of Brazil (CVM).



Base date: 08/10/2023

Market Capitalization:

R\$5.2 billion

Stock Price:

MRFG3 R\$7.88

Shares issued:

660,000,000 shares



Conference Call

Tuesday – August 15, 2023

2:00 p.m, BRT

ri.marfrig.com.br



IR Contacts

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Consolidated Highlights 2Q23

- **Net Revenue** of R\$32.5 billion
- **Adj. EBITDA** of R\$2.3 billion
- **Adj. EBITDA Margin** of 7.1%
- **Operating Cash Flow** – R\$2.4 billion

Operating Highlights 2Q23

NORTH AMERICA OPERATION

- **Net Revenue** of US\$2,938 million
- **Adj. EBITDA** of US\$153.4 million
- **Adj. EBITDA Margin** of 5.2%

SOUTH AMERICA OPERATION

- **Net Revenue** of R\$5,788 million
- **Adj. EBITDA** of R\$578 million
- **Adj. EBITDA Margin** of 10.0%

BRF

- **Net Revenue** of R\$12,161 million
- **Adj. EBITDA** of R\$1,006 million
- **Adj. EBITDA Margin** of 8.3%

Other Highlights

- **Issuance of BRF Shares:** Follow-on in the amount of R\$ 5.4 billion in BRF, entry of a strategic investor and maintenance of Marfrig's stake.
- **Sustainability:** 100% of direct suppliers monitored by satellite. 82% control of indirect suppliers in the Amazon and 71% in the Cerrado.

Message from Management

We are pleased to present another quarter of robust and resilient results, despite the continued complex international scenario for the protein sector, with all our business segments delivering performances above the industry average. Our geographically diversified operations, higher-value product portfolio and experienced executive team once again have proved crucial in delivering:

- Consolidated Net Revenue of R\$32.5 billion;
- Consolidated Adjusted EBITDA of R\$2.3 billion;
- Consolidated Operating Cash Flow of R\$2.4 billion.

We also completed, in this second quarter, our first year leading the Board of Directors of BRF. After one year, we already are seeing positive impacts from streamlining the corporate structure and implementing the BRF+ program, which works to capture value by improving indicators such as yields, food conversion, commercial execution, mortality, losses from expired products or discounts granted on items close to the expiration date, among many others.

With the operational front being addressed by the BRF+ program, the capital structure received an important injection from the largest follow-on offering in Latin America this year, considering all industries and sectors. The primary public offering, completed in July, involved the issue of 600 million new shares and a capital increase of R\$5.4 billion for the company.

The highlight of the operation was the purchase of 10.7% of BRF's share capital by SALIC (The Saudi Agricultural and Livestock Investment Company), a strategic, long-term investor from an equally important region for BRF, the Middle East.

The successful follow-on offering also reaffirmed the trust held by our shareholders and the market in the company's performance into the future.

Meanwhile, at Marfrig, the capital expenditures in organic growth projects made in recent years are reaching maturity and already contributing in all our geographies, including by increasing the share of net revenue coming from branded and higher-value products.

Our Marfrig Green+ plan continues to advance, with adequate management control of the chain of suppliers located in the Amazon and Cerrado biomes. Today, in both biomes, we have reached 100% traceability of direct suppliers and over 70% of indirect suppliers.

As you can see, we remain firmly dedicated to maintaining healthy financial indicators, always guided by the principles of sustainability and creating value for all stakeholders, including the beef production chain, local communities, investors and all Marfrig clients and employees.

In closing, I want to thank our shareholders, clients and suppliers for the trust they have placed in our Company. To our employees, we are profoundly thankful for your immense dedication to an economic activity that is essential to everyone's lives: food production.

Marcos Antonio Molina dos Santos
Chairman of the Board

Select Consolidated Results

R\$ Million	2Q23 ^(1,2)	2Q22	Var. %	1Q23 ⁽¹⁾	Var. %	LTM 2T23 ^(1,2)	LTM 2Q22	Var. %
Net Revenue	32,514	34,486	-5.7%	31,757	2.4%	138,077	104,405	32.3%
North America	14,565	14,471	0.6%	13,419	8.5%	59,004	64,986	-9.2%
South America	5,788	7,113	-18.6%	5,217	10.9%	25,065	26,518	-5.5%
BRF	12,161	12,901	-5.7%	13,121	-7.3%	54,008	12,901	n.a
Adj. EBITDA	2,299	3,983	-42.3%	1,498	53.5%	11,497	15,647	-26.5%
North America	759	1,905	-60.2%	527	41.7%	3,795	12,750	-70.2%
South America	578	678	-14.8%	408	60.7%	2,226	1,603	38.9%
BRF	1,006	1,460	-31.1%	607	65.8%	3,961	1,460	n.a
Adj. EBITDA Margin (%)	7.1%	11.5%	-440 bps	4.7%	240 bps	8.3%	15.0%	-670 bps
North America	5.2%	13.2%	-800 bps	3.9%	130 bps	6.4%	19.6%	-1320 bps
South America	10.0%	9.5%	-50 bps	7.8%	220 bps	8.9%	6.0%	290 bps
BRF	8.3%	11.3%	-400 bps	4.6%	370 bps	7.3%	11.3%	n.a
Net (Loss) Profit	-784	4,255	-118.4%	-634	23.8%	-1,616	6,688	-124.1%
Net Debt (R\$)	39,779	37,699	5.5%	40,223	-1.1%	39,779	37,699	5.5%
Net Debt LTM EBITDA (R\$)	3.50 x	2.00 x	1.50 x	3.50 x	0.50 x	3.50 x	2.00 x	1.50 x
Net Debt LTM EBITDA (US\$)	3.76 x	2.01 x	1.63 x	3.53 x	0.63 x	3.76 x	2.01 x	1.63 x

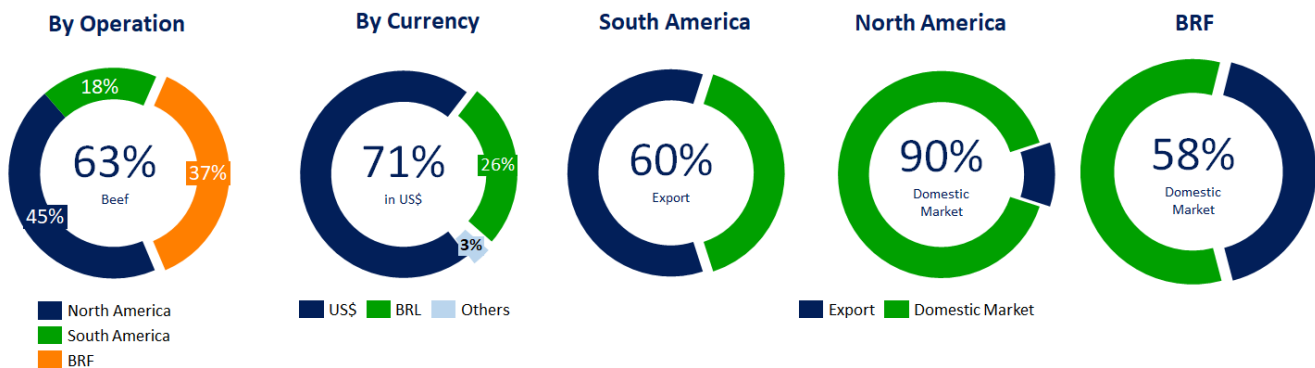
* The calculation of the Consolidated EBITDA^{Adj} considers the values referring to the Corporate, as per Annex I.

(1) As of April 1, 2022, Marfrig Global Foods S.A., in accordance with CPC 15 and CPC 36, will consolidate the balance sheets of BRF S.A. The previous quarters do not include the values of BRF S.A.

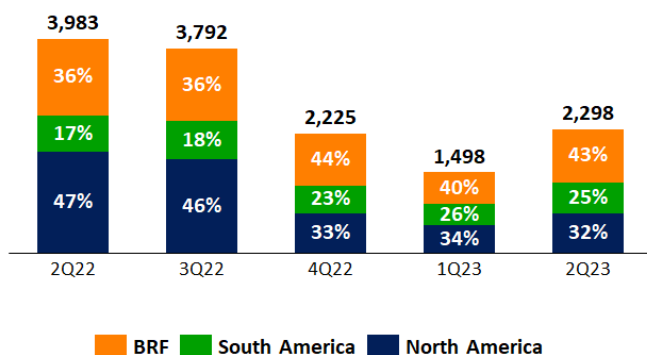
(2) Adjusted with proceeds from the issuance of shares (follow on) by BRF

Key Indicators of Consolidated Results

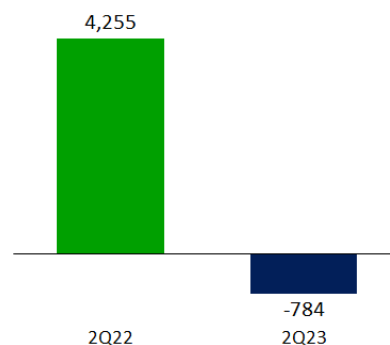
Net Revenue¹:



EBITDA^{Adj} (R\$ Million)



Net Profit (R\$ Million)



(1) As from April 1, 2022, in accordance with CPC 15 and CPC 36, Marfrig Global Foods S.A. consolidates the balance sheets of BRF S.A.

Results by Business Division

North America Operation								
Tons (Thousand)	2Q23	2Q22	Var. %	1Q23	Var. %	LTM 2Q23	LTM 2Q22	Var. %
Total Volume	483	516	-6.4%	466	3.8%	2,007	2,075	-3.3%
Domestic Market	416	452	-7.9%	400	4.1%	1,739	1,810	-3.9%
Export Market	67	65	4.4%	66	2.0%	269	265	1.4%

US\$ Million	2Q23	2Q22	Var. %	1Q23	Var. %	LTM 2Q23	LTM 2Q22	Var. %
Net Revenue	2,938	2,949	-0.4%	2,583	13.7%	11,423	12,383	-7.8%
Domestic Market	2,631	2,578	2.0%	2,314	13.7%	10,189	10,907	-6.6%
Export Market	307	371	-17.2%	269	14.2%	1,233	1,475	-16.4%
COGS	(2,707)	(2,470)	9.6%	(2,405)	12.6%	(10,348)	(9,636)	7.4%
Gross Profit	231	480	-51.7%	178	29.8%	1,075	2,746	-60.8%
Gross Margin (%)	7.9%	16.3%	-840 bps	6.9%	97 bps	9.4%	22.2%	-1276 bps
^{ADJ} EBITDA	153	388	-60.5%	101	51.2%	736	2,413	-70%
^{ADJ} EBITDA Margin (%)	5.2%	13.2%	-800 bps	3.9%	129 bps	6.4%	19.5%	-1305 bps

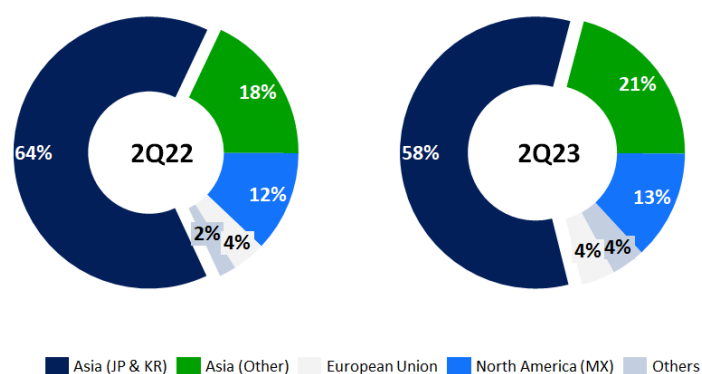
Net Revenue & Volume

The North America Division registered total sales volume in 2Q23 of 483k tons (-6.4% vs. 2Q22). In 2Q23, 86% of sales volume was directed to the domestic market.

Net revenue from the North America Division in 2Q23 was US\$2,938.1 million, down 0.4% from 2Q22. The slight reduction is explained by the lower average export price, which was offset by the 11% increase in average sales price in the domestic market (US\$6,324/t in 2Q23 vs. US\$5,708/t in 2Q22).

In Brazilian real, net revenue was R\$14,565 million.

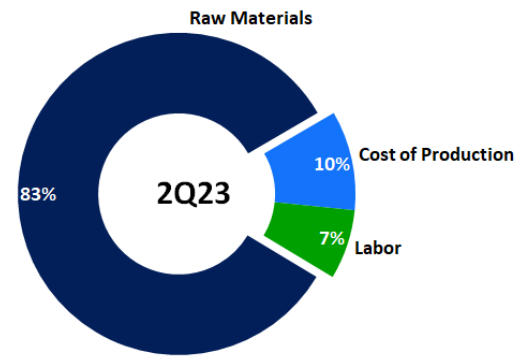
Main Export Destinations
(% of revenue)



Cost of Goods Sold

In 2Q23, cost of goods sold was US\$2,707 million, increasing 9.6% from 2Q22, explained mainly by higher raw material costs, with this factor partially offset by 6.4% reduction in total sales volume.

The average cattle reference price (USDA KS Steer) was US\$174.72/cwt, 26.4% higher than in 2Q22, reflecting the gradual decline in the supply of animals and higher confinement costs.



Gross Income & Gross Margin

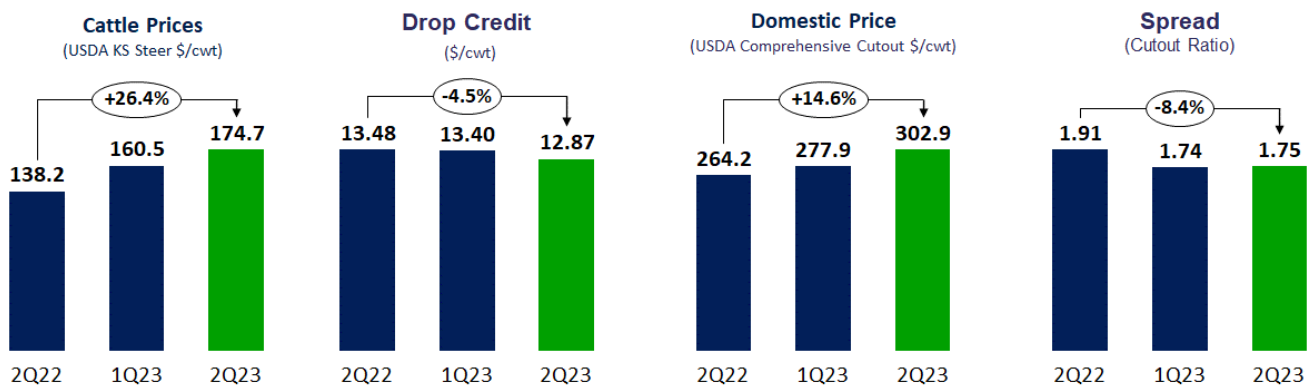
Gross income in 2Q23 was US\$231.0 million, down 51.7% in relation to 2Q22, a period marked by exceptional results. This margin compression is explained by the higher cattle cost combined with lower sales prices for both exports and by-products.

In Brazilian real, gross income was R\$1,146 million.

The gross margin in 2Q23 was 7.9%, lower by around 8 p.p when compared to the margin for the same period of the previous year.

In 2Q23, the market reference price (USDA Comprehensive) averaged US\$302.87/cwt, 14,6% higher than in 2Q22.

In the quarter, drop credit, which includes leather, tallow and other products, decreased 4.5% to US\$12.87/cwt, from US\$13.48/cwt in 2Q22.



Adj. EBITDA & Adj. EBITDA Margin

In 2Q23, Adj. EBITDA came to US\$153 million, down 60.5% on 2Q22. In Brazilian real, Adj. EBITDA was R\$759 million. Adj. EBITDA margin stood at 5.2%, down 8 p.p. from 2Q22, explained by the aforementioned factors.

South America Operation:

Tons (Thousand)	2Q23	2Q22	Var. %	1Q23	Var. %	LTM 2Q23	LTM 2Q22	Var. %
Total Volume	333	357	-6.6%	354	-5.9%	1,447	1,432	-1.05%
Domestic Market	186	218	-14.7%	236	-21.2%	907	908	-3.42%
Export Market	147	139	6.3%	118	24.5%	541	525	1.64%

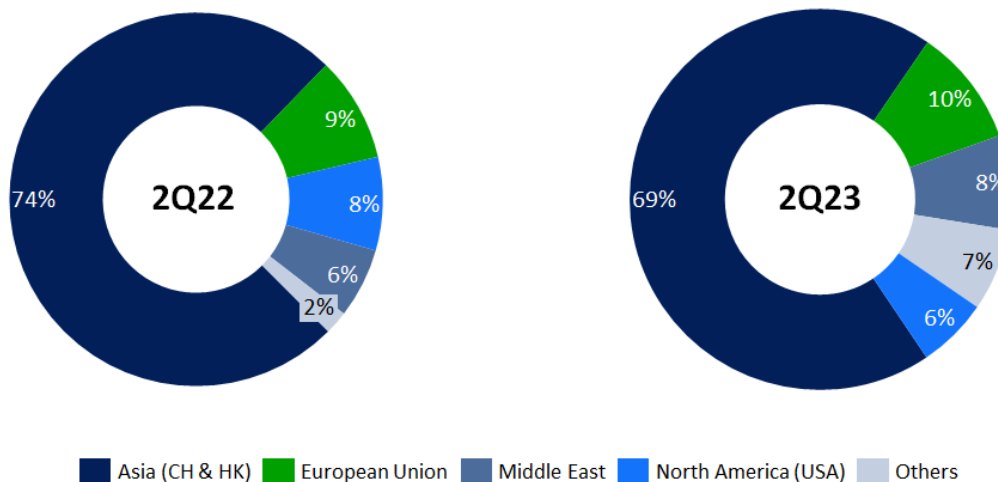
R\$ Million	2Q23	2Q22	Var. %	1Q23	Var. %	LTM 2T23	LTM 2Q22	Var. %
Net Revenue	5,788	7,113	-18.6%	5,217	10.9%	25,065	26,518	-5.5%
Domestic Market	2,318	2,346	-1.2%	2,326	-0.3%	9,982	10,113	-1.3%
Export Market	3,469	4,767	-27.2%	2,891	20.0%	15,083	16,406	-8.1%
COGS	(4,820)	(6,117)	-21.2%	(4,500)	7.1%	(21,337)	(23,743)	-10.1%
Gross Profit	967	996	-2.9%	717	34.9%	3,728	2,775	34.3%
Gross Margin (%)	16.7%	14.0%	270 bps	13.7%	300 bps	14.9%	10.5%	440 bps
ADJ^EEBITDA	578	678	-14.7%	408.3	41.6%	2,226	1,603	38.9%
ADJ^EEBITDA Margin (%)	10.0%	9.5%	50 bps	7.8%	220 bps	8.9%	6.0%	290 bps

Net Revenue & Volume

In 2Q23, the South America Division registered sales volume of 333 ktons, 6.6% lower than in the prior-year quarter.

The division's net revenue was R\$5,788 million, down 18.6% from 2Q22. The revenue decline is explained by the lower average export price (31.5% vs 2Q22) and lower sales volume, and was partially offset by the 15.9% increase in average sales price in the domestic market.

In the first quarter, exports accounted for 60% of the operation's revenue, compared to the 67% in the prior year. Approximately 69% of the operation's total exports came from shipments to China and Hong Kong, compared to 74% in 2Q22.

Export Profile
 (% of net revenue)


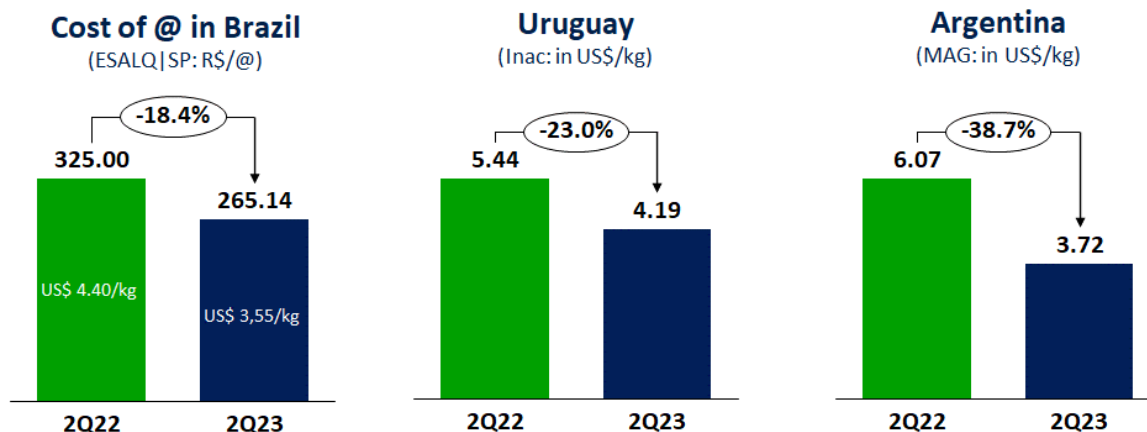
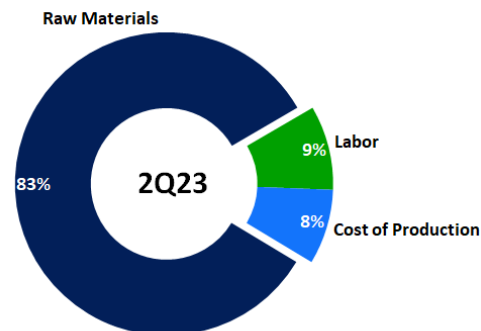
Cost of Goods Sold

Cost of goods sold was R\$4,820 million, down 21.2% from the same period of 2022, explained mainly by the lower cattle cost, mainly in Brazil, and the lower sales volume. Raw material cost corresponded to 83% of total COGS.

In Brazil, the cattle cost (CEPEA arroba price) was R\$265.1/@, decreasing 18.4% from a year earlier. In U.S. dollar, cattle cost decreased 19.3%, from US\$4.40/kg in 2Q22 to US\$3.55/kg in 2Q23.

In Argentina, raw material costs also decreased, to US\$3,72/kg, or 38.7% lower than in the same quarter of 2022.

In Uruguay, cattle prices fell 23.0% from a year earlier (US\$4,19/kg in 2Q23 vs. US\$5.44/kg in 2Q22), according to INAC data.



Gross Income & Gross Margin

In 2Q22, Gross Income from the South America Division was R\$967 million, down 2.9% from 2Q22. Gross margin expanded 16.7% from 14.0% in the prior-year period, explained by lower raw material costs, which compensated the declines in sales volume and in average sales price.

Adj. EBITDA & Adj. EBITDA Margin

In 2Q23, Adj. EBITDA from the South America Division came to R\$578 million, 15% lower on the same quarter last year. Adj. EBITDA margin was 10.0%, approximately 50 bps higher than in the second quarter of 2022.

BRF

Marfrig began reporting the “BRF Segment” as of 2Q22. We present below information net of consolidated intercompany transactions and corresponding to the periods from April 1 to June 30, 2023 and from April 1 to June 30, 2022, making impossible any comparison with last 12 months of each of these periods.

BRF					
Tons (Thousand)	2Q23	2Q22	Var. %	1Q23	Var. %
Total Volume	1,177	1,155	1.9%	1,172	0.4%
Domestic Market	652	680	-4.1%	641	1.7%
Export Market	525	475	10.5%	531	-1.1%

R\$ Milhões	2Q23	2Q22	Var. %	1Q23	Var. %
Net Revenue	12,161	12,902	-5.7%	13,121	-7.3%
Domestic Market	7,014	7,136	-1.7%	6,981	0.5%
Export Market	5,147	5,766	-10.7%	6,141	-16.2%
COGS	(10,676)	(10,919)	-2.2%	(11,448)	-6.7%
Gross Profit	1,486	1,983	-25.1%	1,673	-11.2%
Gross Margin (%)	12.2%	15.4%	-320 bps	12.8%	-47 bps
ADJ^EEBITDA	1,006	1,460	-31.1%	607	65.7%
ADJ^EEBITDA Margin (%)	8.3%	11.3%	-300 bps	4.6%	365 bps

In 2Q23, BRF sales volume came to 1,177ktons, up 1.9% from 2Q22.

Net Revenue came to R\$12,161 million, down 5.7% from 2Q23, and cost of goods sold was R\$10,676 million, down 2.2% from 2Q22.

Consequently, gross income was R\$1,485.7 million, corresponding to gross margin of 12.2%.

In 2Q23, the Adj. EBITDA of BRF was R\$1,006 million, down 31.1% from 2Q22, while Adj. EBITDA margin stood at 8.3%.

Consolidated Results

Consolidated Results

Tons (Thousand)	2Q23 ⁽¹⁾	2Q22 ⁽¹⁾	Var. %	1Q23 ⁽¹⁾	Var. %	LTM 2Q23 ⁽¹⁾	LTM 2Q22 ⁽¹⁾	Var. %
Total Volume	1.993	2.028	-1,70%	1.992	0,06%	8.246	4.662	76,9%
Domestic Market	1.254	1.349	-7,06%	1.277	-1,8%	5.377	3.398	58,3%
Export Market	739	679	8,95%	716	-3,3%	2.869	1.265	126,9%

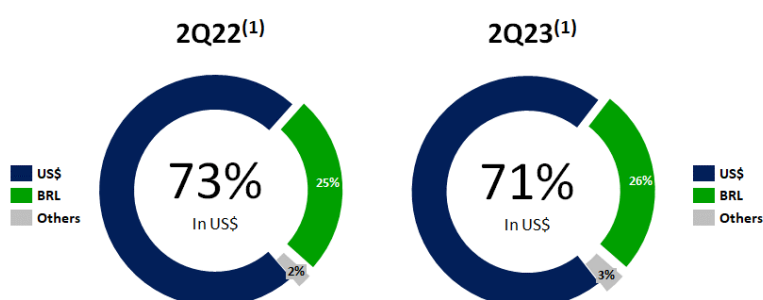
R\$ Million	2Q23 ⁽¹⁾	2Q22 ⁽¹⁾	Var. %	1Q23 ⁽¹⁾	Var. %	LTM 2Q23 ⁽¹⁾	LTM 2Q22 ⁽¹⁾	Var. %
Net Revenue	32,514	34,486	-5.7%	31,757	2.4%	138,077	104,405	32.3%
Domestic Market	22,374	22,131	1.1%	21,328	4.9%	92,403	74,509	24.0%
Export Market	10,140	12,354	-17.9%	10,429	-2.8%	45,674	29,896	52.8%
COGS	(29,456)	(29,704)	-0.8%	(28,982)	1.6%	(122,754)	(85,700)	43.2%
Gross Profit	3,058	4,781	-36.0%	2,776	10.2%	15,323	18,706	-18.1%
Gross Margin (%)	9.4%	13.9%	-446 bps	8.7%	66 bps	11.1%	17.9%	-680 bps
S&GA expenses	(3,126)	(3,043)	2.7%	(3,083)	1.4%	(13,172)	(6,519)	102.1%
Adj. EBITDA	2,299	3,983	-42.3%	1,498	53.5%	9,813	15,647	-37.3%
Adj. EBITDA Margin (%)	7.1%	11.5%	-448 bps	4.7%	235 bps	7.1%	15.0%	-600 bps
Financial Result	(1,815)	(2,380)	-23.7%	(1,523)	19.2%	(6,779)	(6,464)	4.9%
EBT	(1,903)	3,092	N.A	(1,789)	6.4%	(5,261)	9,238	N.A
Taxes	83	777	-89.4%	221	-62.6%	290	(1,113)	N.A
Minority Stake	1,036	391	164.9%	935	10.9%	3,355	(1,420)	N.A
Net Profit (Loss) Attributed to the controller	(784)	4,255	N.A	(634)	23.8%	(1,616)	6,688	N.A

(1) As from April 1, 2022, in accordance with CPC 15 and CPC 36, Marfrig Global Foods S.A. consolidates the balance sheets of BRF S.A. The results of prior quarters do not include any figures of BRF S.A.

Consolidated Net Revenue

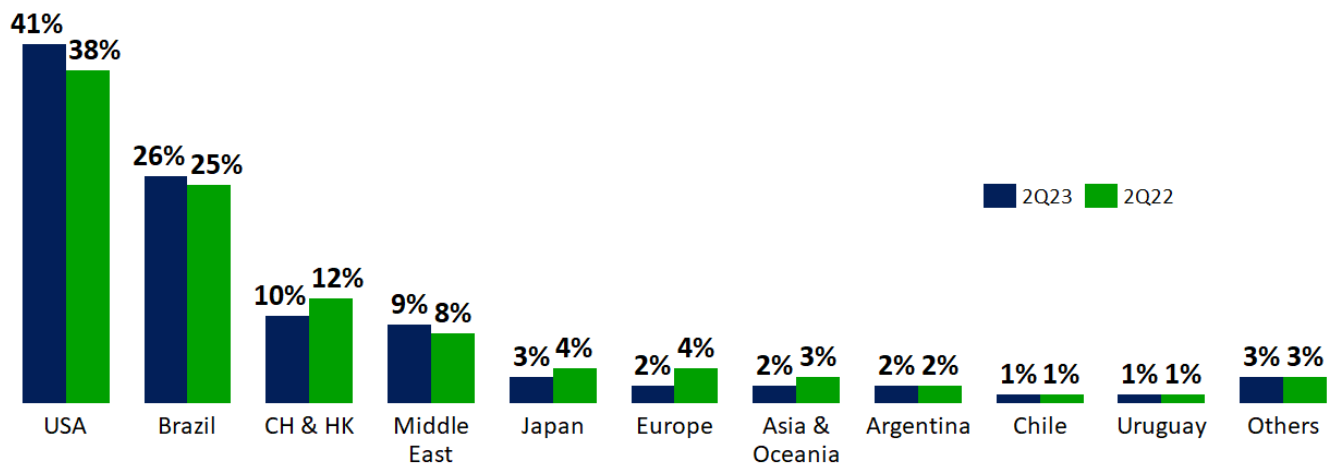
Marfrig's Consolidated Net Revenue in 2Q23 was R\$32,514 million, decreasing 5.7% on 2Q22, mainly explained by the performance of the South America and BRF segments, as explained above.

In 2Q23, net revenue in U.S. dollar and currencies other than the Brazilian real accounted for 74% of total consolidated revenue, corresponding to the sum of the revenues generated by the North America Division and of the exports from South America Division and by the consolidation of BRF's results. From the other perspective, the BRF segment further diversified its revenue sources, resulting in higher revenues in BRL, which accounted for 26% of Consolidated Revenue.



(1) As from April 1, 2022, in accordance with CPC 15 and CPC 36, Marfrig Global Foods S.A. consolidates the balance sheets of BRF S.A. The results of previous quarters do not include BRF's amounts.

Consumer Markets (% of Consolidated Net Revenue)



Marfrig's revenue mix in terms of geographies is distributed across the world's main consumer markets. In 2Q23, the United States accounted for 41% of our consolidated sales and export revenues to China and Hong Kong for 10%, while Brazil accounted for 26%, with the consolidation of BRF's results further diversifying the consumer market profile.

Cost of Goods Sold

Marfrig's cost of goods sold in 2Q23 was R\$29,456 million, decreasing 0.8% from the prior-year quarter, explained mainly by lower raw material costs in the South America segment and by lower sales volume in all operating segments.

Selling, General & Administrative Expenses

Selling, General & Administrative (SG&A) expenses amounted to R\$3,126 million. SG&A expenses as a ratio of net revenue (SGA/NOR) stood at 9.61%, increasing 79 bps from 2Q22, reflecting the higher international freight expenses and inflationary pressures on household incomes.

Selling Expenses came to R\$2,591 million, or 8.0% of Consolidated Net Revenue. Meanwhile, General and Administrative (G&A) expenses were R\$535 million, or 1.6% of net revenue, with this ratio up from last year, mainly explained by higher personnel expenses.

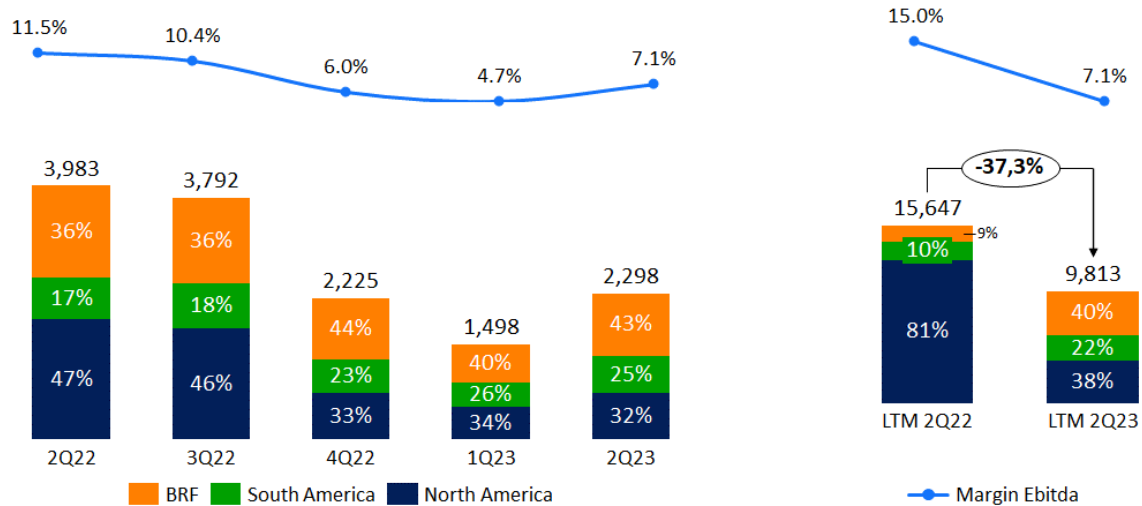
Adj. EBITDA & Adj. EBITDA Margin

In 2Q23, Adj. EBITDA was R\$2,299 million, 42.3% lower than in 2Q22, as explained earlier by the operational performance of the Company's segments.

Adj. EBITDA margin stood at 7.1%, down 4.5 p.p. from 2Q22.

In the quarter, 32% of consolidated Adj. EBITDA came from the North America Division, with the contribution from BRF reaching 43%, given its required consolidation.

ADJEBITDA & Margin (R\$ Million)



Consolidated Financial Result

The consolidated net financial result in 2Q23, excluding the effects from exchange variation, was an expense of R\$1,548 million, up 5.8% on 1Q23, explained by the 19.7% increase in the net interest allowance, which was partially offset by the reduction of 60% in the line other expenses.

Exchange variation was negative R\$267 million, explained by the difference of 5.0% between end-of-period exchange rates (R\$4.82 in 2Q23 vs. R\$5.08 in 1Q23).

The net financial result in 2Q23, considering exchange variation, was an expense of R\$1,815 million.

R\$ Million	2Q23 ⁽¹⁾	2Q22 ⁽¹⁾	Var. %	1Q23 ⁽¹⁾	Var. %	LTM 2Q23 ⁽¹⁾	LTM 2Q22 ⁽¹⁾	Var. %
Net Interest Provisioned	(1,433)	(813)	76.3%	(1,209)	19.7%	(4,199)	(2,270)	85.0%
Other Financial Revenues and Expenses	(115)	(233)	-50.7%	(255)	-54.9%	(839)	(2,208)	-62.0%
FINANCIAL RESULT	(1,548)	(1,046)	47.9%	(1,464)	5.8%	(5,038)	(4,478)	12.5%
Exchange Variation	(267)	(1,333)	-80.0%	(59)	351.0%	(1,741)	(1,985)	-12.3%
NET FINANCIAL RESULT	(1,815)	(2,380)	-23.7%	(1,523)	19.2%	(6,779)	(6,463)	4.9%

(1) As from April 1, 2022, in accordance with CPC 15 and CPC 36, Marfrig Global Foods S.A. consolidates the balance sheets of BRF S.A.

Net Income (Loss)

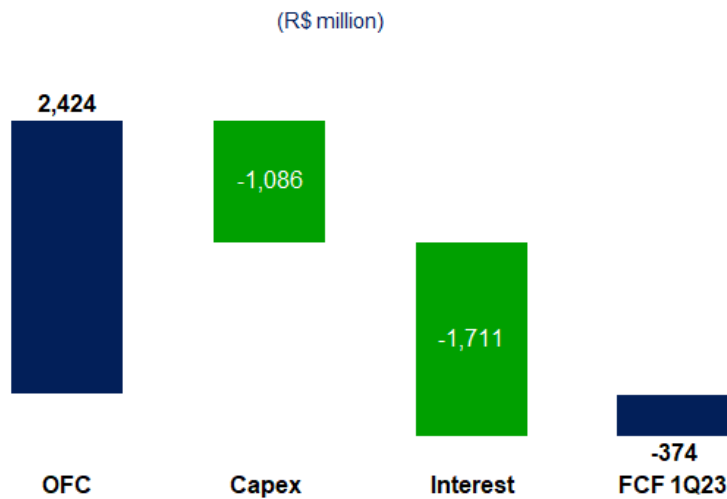
In 2Q23, consolidated net income attributed to the parent company was negative R\$784.4 million, compared to positive R\$4,254 million in 2Q22. Note, however, that the prior-year result was impacted positively by the accounting effect from revaluation of the opening balances of BRF (PPA) on the balance sheet of Marfrig.

Capital Expenditures

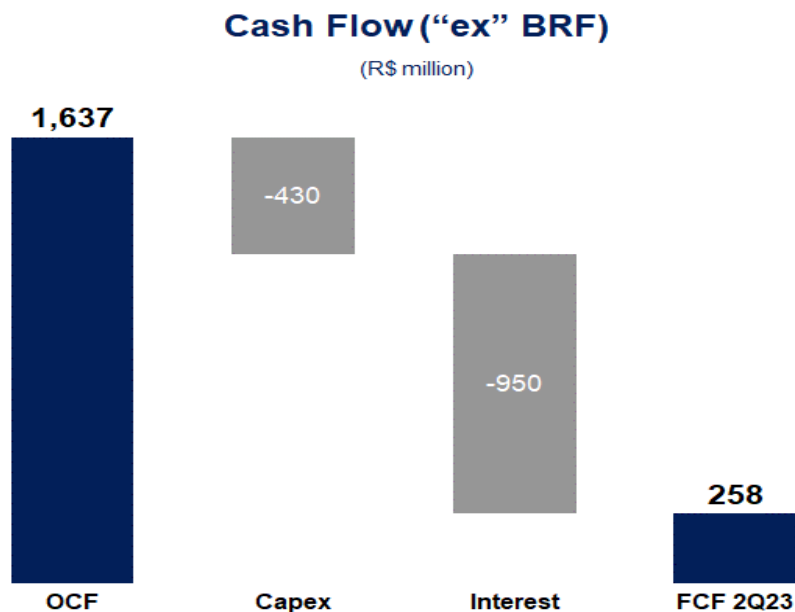
In 2Q23, consolidated investments amounted to R\$1.1 billion, R\$430 million of which refers to recurring investments by Marfrig, i.e., invested in the maintenance of the production infrastructure for its beef operations or in organic growth projects. Investments in maintenance amounted to R\$190 million, while investments in expansion and other projects under development came to R\$240 million.

Cash Flow

In 2Q23, consolidated operating cash flow, already including BRF’s financial information, was positive R\$2,424 million. Investments in the quarter amounted to R\$1,086 million, while financial expenses were R\$1,711 million, resulting in negative free cash flow of R\$374 million.



Marfrig’s main cash flow statements on an individual basis (Marfrig "former" BRF) are shown below:

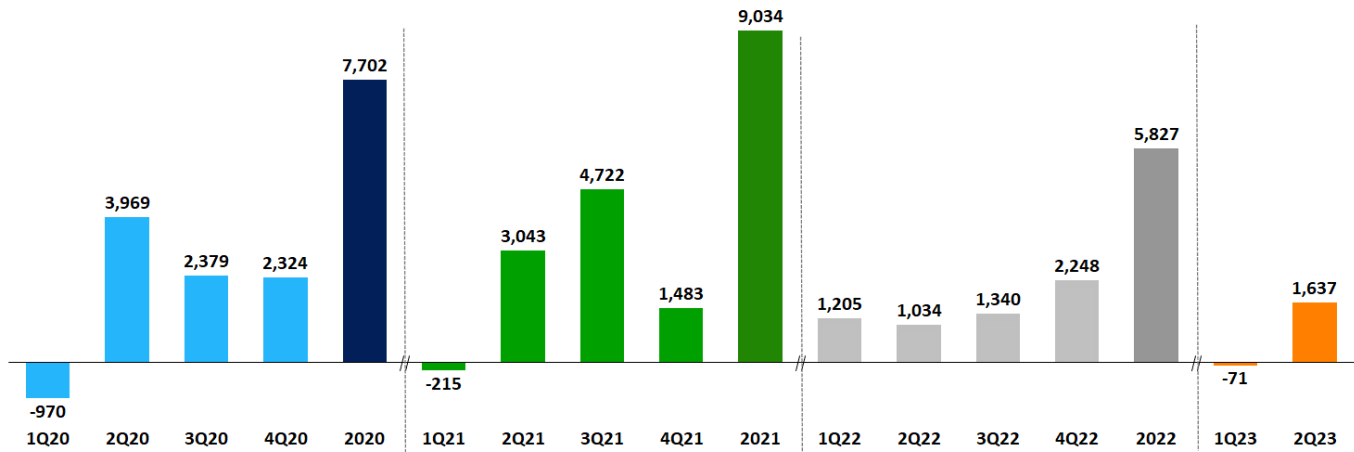


In 2Q23, Marfrig’s operating cash flow, excluding effects from the consolidation of BRF, was positive R\$1,637 million, given the normal trend of a recovery in cash generation, following the effects from expenses with personnel and payroll charges and benefits in the first quarter.

In the quarter, capex amounted to nearly R\$430 million, while debt service costs came to R\$950 million. As a result, recurring free cash flow was positive R\$258 million in 2Q23.

See below historical data for operating cash flow, net of effects from the BRF consolidation:

Operational Cash Flow (R\$ million)
(“Ex” BRF)



Ownership Structure

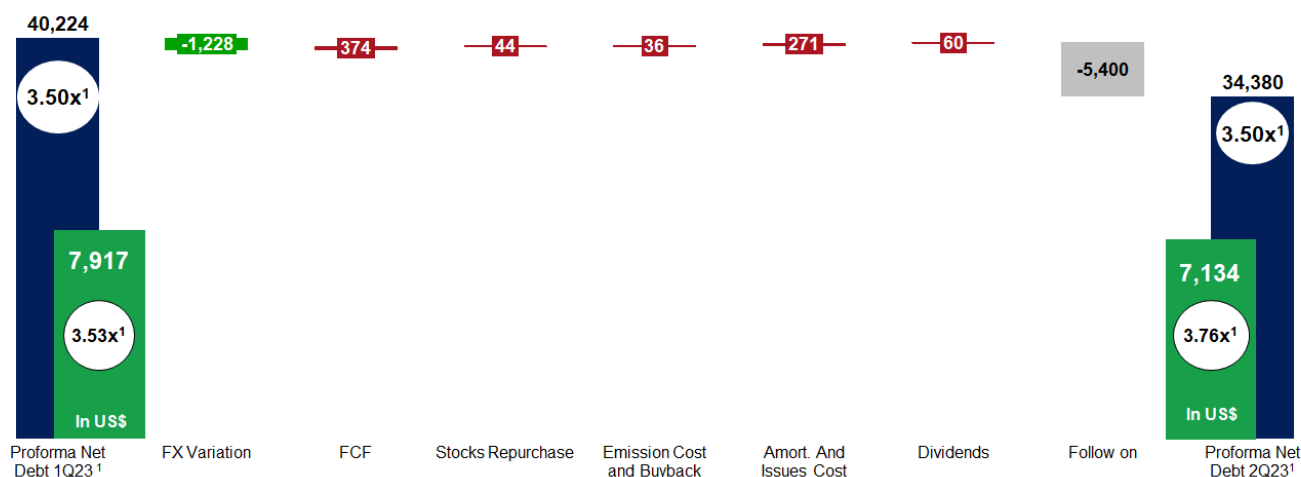
Net Debt

The new profile of Marfrig's debt, which now includes the financial information of BRF, continues to be denominated in large part in U.S. dollar (the portion of liabilities denominated in USD or currencies other than the BRL ended the quarter at 63% of total debt). Therefore, the variations discussed in this section are based on the amounts in U.S. dollar.

Consolidated Net Debt ended 2Q23 at US\$8,254 million or R\$ 39,779 million, a reduction of approximately 1% compared to 1Q23. The pro forma consolidated net debt (adjusted by the capital injection that took place at BRF in early July, in the amount of R\$ 5,400 million) would be R\$ 34,380 million, a reduction of 14.5% compared to the previous quarter.

In 2Q23, approximately US\$60 million of dividends was distributed to the non-controlling shareholders of National Beef.

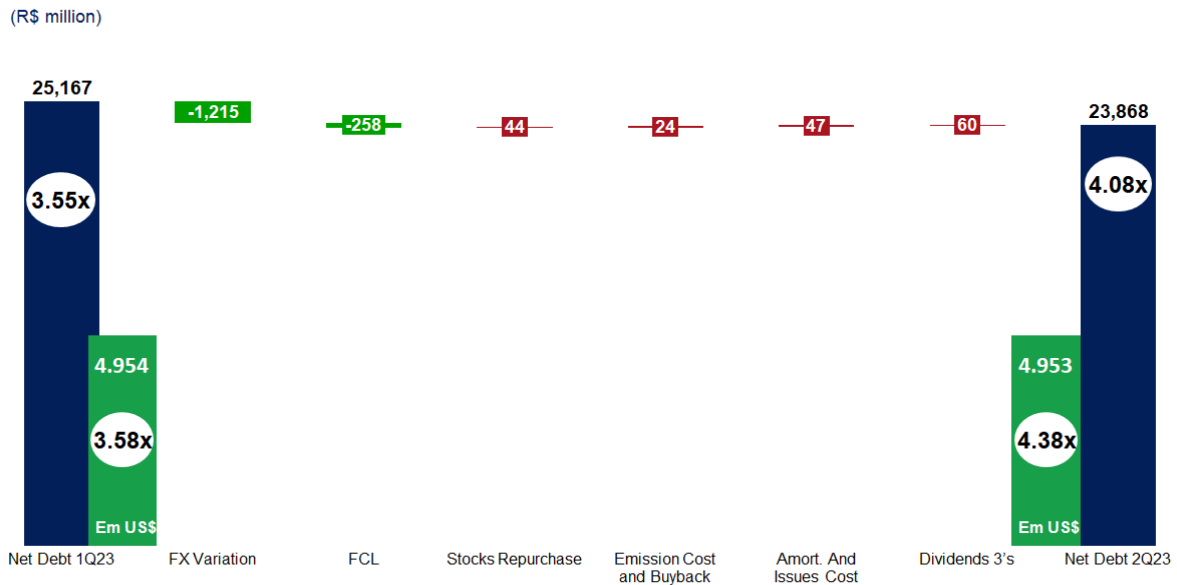
Financial leverage, measured by the ratio of net debt to proforma Adj. EBITDA in the last 12 months, stood at 3.76x in U.S. dollar and 3.50x in Brazilian real.



The net debt of Marfrig (ex-BRF) in Brazilian real was R\$23,868 million, down 5% from 1Q23 (R\$25,167 million), basically due to the combination of positive cash generation and the positive effect from the weaker U.S. dollar on foreign-denominated liabilities. In U.S. dollar, net debt stood at US\$4,953 million, flat with the net debt of US\$4,954 million in 1Q23.

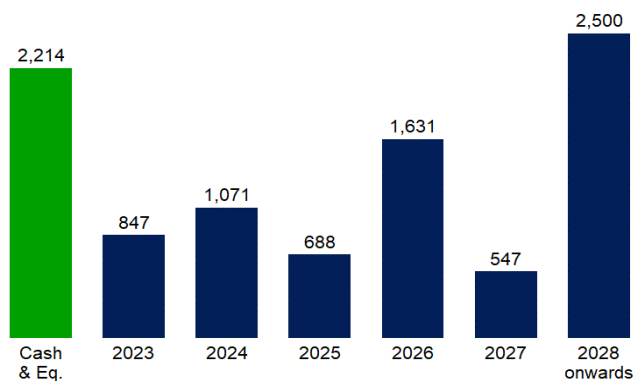
Excluding effects from the consolidation of BRF, financial leverage, measured by the ratio of net debt to Adj. EBITDA in the last 12 months, stood at 4.38x in U.S. dollar and 4.08x in Brazilian real. The increase in financial leverage mainly reflects the substitution of the higher Adjusted EBITDA registered in 2Q22, mainly in the North America Division.

EVOLUTION OF NET DEBT & MARFRIG'S LEVERAGE ("ex" BRF)

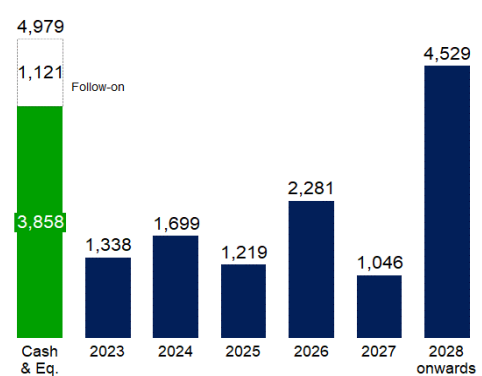


Details of Ownership Capital

CASH POSITION AND DEBT SCHEDULE – MARFRIG “ex” BRF (in millions of US\$)



CASH POSITION AND CONSOLIDATED DEBT SCHEDULE (in millions US\$)



Números Consolidados: A partir de 1 de abril de 2022, a Marfrig, de acordo com as normas CPC 15 e CPC 36, passou a consolidar as Demonstrações Financeiras da BRF S.A. - Exceto quando indicado, as informações apresentadas serão "EX" BRF

R\$ Million	2Q23 ⁽¹⁾	2Q22	Var. %	1Q23 ⁽¹⁾	Var. %
Short Term Debt	13,396	11,109	20.6%	10,496	27.6%
Long Term Debt	44,976	45,456	-1.1%	49,340	-8.8%
Total Gross Debt	58,371	56,565	3.2%	59,835	-2.4%
In Brazilian Reais	35%	33%	2.0 p,p	38%	-3.0 p,p
Foreign currency	65%	67%	-2.0 p,p	62%	3.0 p,p
Cash and financial investments	(18,592)	(18,866)	-1.5%	(19,612)	-5.2%
Net Debt	39,779	37,699	5.5%	40,223	-1.1%
Net Debt LTM EBITDA^{Adj} (R\$)	3.50 x	2.00 x	1.50 x	3.55 x	- 0.05 x
Net Debt LTM EBITDA^{Adj} (US\$)	3.76 x	2.01 x	1.63 x	3.58 x	0.06 x

1 - As from April 1, 2022, in accordance with CPC 15 and CPC 36, Marfrig Global Foods S.A. consolidates the balance sheets of BRF S.A. The results of prior quarters do not include any figures of BRF S.A.

Disclaimer

This material is a presentation of general information about Marfrig Global Foods S.A. and its consolidated subsidiaries (jointly the “Corporation”) on the date hereof. The information is presented in summary form and does not purport to be complete.

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APPENDIX LIST

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APPENDIX I – Income Statement

R\$ Million	2Q23		2Q22		Var.	
	R\$	%ROL	R\$	%ROL	R\$	%
Net Revenue	32,514	100.0%	34,486	100.0%	(1,972)	-5.7%
COGS	(29,456)	-90.6%	(29,704)	-86.1%	248	-0.8%
Gross Profit	3,058	9.4%	4,781	13.9%	(1,723)	-36.0%
SG&A	(3,126)	-9.6%	(3,043)	-8.8%	(84)	2.7%
Commercial	(2,591)	-8.0%	(2,577)	-7.5%	(14)	0.6%
Administratives	(535)	-1.6%	(466)	-1.4%	(69)	14.9%
Adj. EBITDA	2,299	7.1%	3,983	11.5%	(1,684)	-42.3%
Other revenues/expenses	(5)	0.0%	3,749	10.9%	(3,753)	NA
Other Adjustments BRF	(639)	-2.0%	(560)	-1.6%	(79)	14.1%
Equity Account	(15)	0.0%	(16)	0.0%	1	-5.9%
EBITDA	1,640	5.0%	7,155	20.7%	(5,515)	-77.1%
D&A	(1,728)	-5.3%	(1,684)	-4.9%	(44)	2.6%
EBIT	(88)	-0.3%	5,471	15.9%	(5,559)	NA
Financial Results	(1,815)	-5.6%	(2,380)	-6.9%	564	-23.7%
Financial revenues/expenses	(1,548)	-4.8%	(1,046)	-3.0%	(502)	48.0%
Exchange rate variation	(267)	-0.8%	(1,333)	-3.9%	1,066	-80.0%
EBT	(1,903)	-5.9%	3,092	9.0%	(4,995)	NA
Taxes	83	0.3%	777	2.3%	(695)	-89%
Continued Operation - Net Income	(1,821)	-5.6%	3,869	11.2%	(5,690)	NA
Descontinued Operation – Net Income	-	NA	(16)	NA	NA	NA
Total Income	(1,821)	-5.6%	3,853	11.2%	(5,673)	NA
Continued - Minority Stake	1,036	3.2%	391	1.1%	645	164.9%
Descontinued - Minority Stake	-	NA	10.9	NA	NA	NA
Total - Minority Stake	1,036	3.2%	402	1.2%	634	157.7%
Continued - Net Profit (Loss)	(784)	-2.4%	4,260	12.4%	(5,044)	NA
Descontinued - Net Profit (Loss)	-	NA	(5)	NA	NA	NA
Total - Net Profit (Loss)	(784)	-2.4%	4,255	12.3%	(5,039)	NA

P&L – USD x BRL	R\$ 4.95	R\$ 4.92	R\$ 0.03
BS – USD x BRL	R\$ 4.97	R\$ 5.24	-R\$ 0.27

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2 - Cash, Debt and ADJ Ebitda as reported in Marfrig's quarterly information (ITR).

Consolidated Income Statement by Division

2Q23 R\$ Million	North America		South America		BRF		Corporate	
	R\$	%ROL	R\$	%ROL	R\$	%ROL	R\$	%ROL
Net Revenue	14,565	100.0%	5,788	100.0%	12,161	100.0%	-	NA
COGS	(13,419)	-92.1%	(4,820)	-83.3%	(10,676)	-87.8%	(541)	NA
Gross Profit	1,146	7.9%	967	16.7%	1,486	12.2%	(541)	NA
SG&A	(583)	-4.0%	(527)	-9.1%	(1,899)	-15.6%	(117)	NA
Adj. EBITDA	759	5.2%	578	10.0%	1,006	8.3%	(45)	NA

APPENDIX II – Adjusted EBITDA Reconciliation

RECONCILIATION OF ADJUSTED EBITDA	2Q23	2Q22
R\$ Million		
Net Profit / Loss	(784)	4,260
Provision for income and social contribution taxes	(83)	(777)
Non-controlling Interest	(1,036)	(391)
Net Exchange Variation	267	1,333
Net Financial Charges	1,548	1,046
Depreciation & Amortization	1,728	1,684
Equivalence of non-controlled companies	1,640	7,155
EBITDA	15	16
Other Operational Revenues/Expenses	5	(3,749)
Other BRF ^{adj} EBITDA	639	560
EBITDA^{Adj(1,2)}	2,299	3,983

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2 - Cash, Debt and ADJ Ebitda as reported in Marfrig's quarterly information (ITR).

APPENDIX III – Cash Flow

Cash Flow Statement	2Q23	2Q22
R\$ Million		
Controlling Net Income for the period	(784,383)	4,254,707
Non-cash Items	2,620,632	(608,382)
Depreciation and amortization	1,727,605	1,683,515
Non-controlling interest	(1,036,347)	(391,279)
Provision for contingencies	86,511	113,292
Deferred taxes and tax liabilities	(330,832)	(572,097)
Equity in earnings (losses) of subsidiaries	15,135	16,100
Exchange variation on financing	(625,797)	1,872,828
Exchange variation on other assets and liabilities	892,949	(539,460)
Interest expenses on financial debt	1,711,050	929,241
Interest expenses on financial lease	77,246	25,225
Cost with issue of financial operations	35,683	95,520
Leasing adjustment to present value	263,926	238,552
Estimated non-realization of inventories	(49,270)	(36,798)
Estimated losses with doubtful accounts	2,620	(3,025)
Losses due to the reduction in the recoverable value of taxes	141,649	-
Estimated losses with non-realization of recoverable taxes	(140,623)	4,337
Gain on discontinued operation	-	16,408
Revaluation of investment properties	(1)	1
Advantageous Purchase	-	(3,880,949)
Other non-cash effects	(150,872)	(92,901)
Equity Changes	587,342	(1,709,620)
Trade accounts receivable	188,051	146,049
Current inventory and biological assets	843,447	(107,319)
Court deposits	(6,379)	(9,441)
Accrued payroll and related charges	201,878	378,748
Trade accounts payable and supply chain finance	(881,167)	(501,020)
Current and deferred taxes	498,366	(1,276,660)
Notes receivable and payable	(24,339)	(205,794)
Derivative Financial Instruments	(496,096)	208,572
Other assets and liabilities	263,581	(342,755)
Cash flow provided by operating activities	2,423,591	1,936,705
Investments	(14,196)	(35,067)
Cash from acquired subsidiary	-	4,462,485
Investments in fixed and non-current biological assets	(1,003,647)	(1,232,580)
Investments in intangible assets	(68,379)	(82,693)
Financial investments and bonds and securities	662,798	642,277
Cash Flow used in investing activities	(423,424)	3,754,421
Loans and financing	(1,237,126)	(2,438,315)
Loans granted	10,045,763	11,472,835
Loans settled	(11,282,889)	(13,911,150)
Payment of interest rate derivatives – fair value hedge	(267,728)	(29,129)
Leases paid	(271,051)	(204,852)
Treasury shares	(43,641)	(4,206)
Expenses with issue of shares	-	(4,709)
Dividends (subsidiaries)	(59,755)	(854,532)
Cash flow (used in) provided by financing activities	(1,879,301)	(3,535,743)
Exchange variation on cash and equivalents	(266,644)	622,128
Cash flow in the period	(145,778)	2,777,511
Balance at end of period	5,628,975	7,736,989
Balance at start of period	5,774,753	4,959,478
Change in the period	(145,778)	2,777,511

APPENDIX IV – Managerial Cash Flow (Marfrig ex-BRF)

Managerial Cash	2Q22	3Q22	4Q22	1Q23	2Q23
R\$ Million					
Controlling Net Income for the period	4,440.7	471.4	-324.8	-289.5	-332.3
Non-cash Items	-1,639.0	2,149.7	1,762.8	1,339.4	1,699.8
Depreciation and amortization	926.8	954.3	979.0	933.9	947.1
Interest expenses on financial lease and debt	573.9	611.2	747.3	755.6	955.2
Exchange variation on non-cash items	1,159.9	905.3	303.3	-43.8	36.2
Cost with issuing financial transactions	84.5	39.8	24.4	31.8	24.0
Current and deferred taxes	-563.9	-49.0	-36.9	-253.2	-201.6
Non-controlling interes	-109.8	-283.4	-352.1	-255.1	-151.2
Other non-cash effects	-3,710.5	-28.6	97.7	170.1	90.1
(+/-)Working Capital	-9.5	-777.9	1,049.3	172.4	423.9
Trade accounts receivable	416.0	-769.0	1,088.6	-250.8	116.2
Investments in fixed and non-current biological assets	-114.9	-221.5	322.7	-284.8	-71.8
Trade accounts payable and supply chain finance	-310.7	212.6	-362.0	708.0	379.5
(+/-) Other Equity Changes	-1,758.5	-503.1	-239.3	-1,293.7	-154.1
(=) Operating Cash Flow	1,033.7	1,340.1	2,248.0	-71.4	1,637.3
CAPEX	-522.6	-498.2	-748.7	-434.4	-429.7
INTEREST	-569.9	-607.1	-742.7	-750.2	-949.7
(=)Free Cash Flow	-58.8	234.8	756.6	-1,256.0	257.9

ANEXO V – Balance Sheet (R\$ '000)

ASSETS	2Q23 ^(1,2)	4Q22	LIABILITIES	2Q23	4Q22
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and Marketable Securities	18,591,808	22,492,533	Trade accounts payable	16,863,692	18,824,682
Trade accounts receivable	5,766,420	6,727,128	Accrued payroll and related charges	1,549,656	2,066,326
Inventories of goods and merchandise	11,568,587	12,852,085	Taxes payable	752,774	673,199
Biological assets	3,026,876	3,200,633	Loans, financing and debentures	13,395,572	12,813,280
Recoverable taxes	2,858,520	3,261,989	Advances from customers	2,957,338	2,405,785
Prepaid expenses	326,038	225,475	Lease payable	905,948	819,547
Notes receivable	124,395	60,977	Notes payable	219,784	816,905
Advances to suppliers	735,104	1,172,394	Provision for contingencies	725,722	867,294
Derivative Financial Instruments	481,643	131,127	Derivative Financial Instruments	377,842	264,544
Dividends receivable	851	-			
Other receivables	454,866	473,737	Dividends payable	832	756
	43,934,257	50,598,078	Other payables	670,458	868,262
				38,419,618	40,420,580
NON-CURRENT ASSETS			NON-CURRENT LIABILITIES		
Cash and Marketable Securities	332,262	406,402	Trade accounts payable	6,289	10,719,659
Trade accounts receivable	6,122	5,307	Accrued payroll and related charges	429,305	7,459
Court deposits	470,176	510,392	Taxes payable	358,243	456,944
Recoverable taxes	9,090,866	8,922,184	Loans, financing and debentures	44,975,711	417,721
Notes receivable	4,065	11,692	Deferred income and social contribution taxes	10,386,223	48,359,511
Restricted Cash	95,474	-	Lease payable	2,850,472	2,783,551
Deferred income and social contribution taxes	2,674,581	3,011,971	Notes payable	101,150	117,756
Derivative Financial Instruments	344,190	74,118	Provision for contingencies	5,770,182	5,859,743
Other receivables	278,434	352,450	Derivative Financial Instruments	27,280	183,068
	13,296,170	13,384,233	Other	755,162	328,722
				65,660,017	69,234
			EQUITY		
Investments and investment property	768,571	2,351,066	Share Capital	8,204,391	8,204,391
Property, plant and equipment	47,868,160	46,141,989	Capital reserve	(2,464,134)	(2,434,260)
Biological assets	1,645,664	3,216,533	Legal reserve	484,848	484,848
Intangible assets	19,531,321	20,412,424	Fiscal reserve	517,726	517,726
	69,813,716	72,122,012	Fiscal reserve	4,443,963	4,443,963
			Other comprehensive income	(5,715,784)	(5,646,808)
			Accumulated losses	(1,417,258)	-
			Controlling Shareholder's Equity	4,053,752	5,569,860
			Non-controlling interest	18,911,607	20,879,749
			Total Controlling Shareholder's Equity	22,965,359	26,449,609
TOTAL ASSETS	127,044,143	136,104,323	TOTAL LIABILITIES AND EQUITY	127,044,994	136,104,323

1 - As of April 1, 2022, Marfrig Global Foods S.A., in accordance with CPC 15 and CPC 36, will consolidate the balance sheets of BRF S.A. The previous quarters do not include the values of BRF S.A.

2 - Cash, Debt and EbitdaAJ as disclosed by ITR Marfrig.

APPENDIX VI – Exchange Conversion

Currency exchange	2Q23	2Q22	Var. %	1Q23	Var. %	LTM 2Q23	LTM 2Q22	Var. %
Average Dollar (R\$ US\$)	4.95	4.92	0.6%	5.19	-4.6%	5.15	5.24	-1.7%
Closing Dollar (R\$ US\$)	4.82	5.24	-5.2%	5.08	-2.2%	5.16	5.24	-1.5%
Average UYU Peso (UYU US\$)	38.61	40.54	-4.8%	41.04	-5.9%	39.66	42.77	-7.3%
Average ARS Peso (ARS US\$)	232.71	117.95	97.3%	152.59	52.5%	179.67	105.57	70.2%

APPENDIX VII - About Marfrig

Marfrig Global Foods S.A. is the world's second largest beef producer, with operations in the United States, Brazil, Uruguay, Argentina and Chile.

- In the United States, its subsidiary National Beef is the fourth largest beef processor and one of the industry's most efficient companies. The North America operation has three primary processing plants with capacity of 13,100 head/day, which corresponds to over 3.7 million head/year, or roughly 14% of U.S. primary processing capacity.
- In Brazil, Marfrig is the second largest beef processor, with primary processing capacity of 11,300 head/day and annual production capacity of 102,000 tons of beef patties. With brands renowned for their quality, such as Bassi and Montana, Marfrig focuses on the retail and foodservice channels in the domestic market, with its clients including top restaurants and steakhouses.
- In Uruguay, it is the industry's largest company and stands out for producing and selling organic beef and other niche products ("higher value-added").
- In Argentina, in addition to having two primary processing plants and being one of the country's leading exporters, Marfrig is the leading producer and seller of beef patties and sausages and owns two of the region's most valuable and recognized brands (Paty and Vienissima!).
- In Chile, Marfrig is the country's leading beef importer and has a lamb primary processing plant in the Patagonia region, which supplies the largest consumer markets abroad.
- The partnership between Marfrig and Archer-Daniels-Midland Company (ADM) led to the creation of PlantPlus Foods, a joint venture that combines the innovation capacity, operational excellence and global scale of both companies to produce and market plant-based products through retail and foodservice channels in the South American and North American markets.

Country	Slaughter Units	Effective slaughter capacity ('000 heads/day)
NORTH AMERICA OPERATION	3	13.1
USA	3	13.1
SOUTH AMERICA OPERATION	16	16.9
Brazil	10	11.3
Uruguay	4	4.2
Argentina	2	1.4
TOTAL	19	30.0

Processed products: also distributed across the Americas, the further processing business is responsible for producing and developing products such as beef patties, canned beef, meats with sauces, cold cuts, hot dogs and other products.

Country	Slaughter Units	Patties production capacity (ktons/year)	Production capacity of other processed products (ktons/year)	Total processed capacity (ktons/year)
NORTH AMERICA OPERATION	5	100	104	204
EUA	5	100	104	204
SOUTH AMERICA OPERATION	8	147	97	244
Brazil	4	102	58	160
Uruguay	1	6	6	12
Argentina	3	39	33	72
TOTAL	13	247	201	448

Marfrig also has 10 distribution centers and sales offices in South America, Europe and Asia. In Uruguay and Chile, Marfrig also has lamb primary processing lines with capacity of 6,500 head/day.

MARFRIG GLOBAL FOODS S.A.

Notes to the individual and consolidated interim financial statements

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except where otherwise indicated)

1. OPERATIONS

Marfrig Global Foods S.A. (“Company” or “Marfrig”) is a multinational corporation operating in the food industry, in the food service, retail and convenience, industrial and export channels in Brazil and around the world. With a production footprint spanning the Americas, it has a diversified and comprehensive portfolio of products and its operations are founded on its commitment to excellence and quality, which has assured its products presence in the world’s largest restaurant chains and supermarkets, as well as homes in nearly 100 countries. The Company’s activities include the production, processing, further processing, sale and distribution of animal-based (beef, pork, lamb, fish and poultry), pastas, margarine, pet food, and plant-based proteins. The Company is domiciled in Brazil and headquartered in the city of São Paulo.

The Company is a publicly held corporation with its shares listed on the Novo Mercado listing segment of the Brazilian Stock Exchange B3 S.A. – Brasil, Bolsa, Balcão (“B3”) under the ticker MRFG3. Because it is listed on the Novo Mercado special corporate governance segment of B3, the Company is subject to arbitration under the Market Arbitration Chamber, pursuant to the arbitration clause in its by-laws. It also trades as a Level I American Depositary Receipt (ADR), under the ticker MRRTY, on the Over-the-Counter (OTC) Market in the United States. Each ADR (USOTC:MRRTY) corresponds to one common share (BOV:MRFG3).

The Company’s stock is also a component of the main performance indicators of Brazil’s Capital Markets, such as the Bovespa Index (Ibovespa, the most important indicator of the average performance of Brazilian stocks). Marfrig stock is also a component of the stock indexes of the Brazilian Stock Exchange: Bovespa Index (IBOV); Value Index (IVBX 2); Agribusiness Index (AGFS - IAGRO); BM&FBOVESPA Broad Brazil Index (IBrA); Brazil Index 100 (IBrX 100); Brazil Index 50 (IBrX 50); Consumption Index (ICON); Corporate Governance Trade Index (IGCT); Special Corporate Governance Stock Index (IGC); Novo Mercado Corporate Governance Index (IGC-NM); Industrial Sector Index (INDX); Special Tag-Along Stock Index (ITAG); Small Cap Index (MLCX); and BM&FBOVESPA Dividend Index (IDIV B3). The Company’s stock is also part of the main sustainability indexes, such as Carbon Efficient Index (ICO2) and the Corporate Sustainability Index (ISE).

2. PRESENTATION AND PREPARATION OF THE INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The Management of the Company approved the issue of these separate and consolidated interim financial statements on August 14, 2023, and warrants that, based on its judgment, all material information is substantiated and corresponds to that used in its management activities.

2.1. Statement of compliance

Consolidated interim financial statements

The Company’s consolidated interim financial statements were prepared and are presented in accordance with accounting practices adopted in Brazil and with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The accounting practices adopted in Brazil include those provided for in Brazilian Corporation Law, the Brazilian Accounting Standards (NBCs) and resolutions and instructions issued by the Securities and Exchange Commission of Brazil (CVM).

The individual and consolidated Statement of Value Added is required under Brazilian Corporation Law and the accounting practices adopted in Brazil applicable to listed companies. IFRS standards do not require said statement. As a result, under IFRS, this statement is being presented as supplementary information, without prejudice to the complete set of interim financial statements.

MARFRIG GLOBAL FOODS S.A.

Notes to the individual and consolidated interim financial statements

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except where otherwise indicated)

Individual interim financial statements

The parent company interim financial statements were prepared based on the accounting practices adopted in Brazil and resolutions issued by CFC and are disclosed jointly with the consolidated financial statements, observing the accounting guidelines based on Brazilian Corporation Law (Federal Law 6,404/76), which include the provisions introduced, amended and revoked by Law 11,638 of December 28, 2007, Law 11,941 of May 27, 2009 (former Provisional Presidential Decree 449 of December 3, 2008) and Law 12,973 of May 13, 2014.

There is no difference between the equity and consolidated income (loss) and the parent's equity and income (loss) disclosed in the individual interim financial statements. Thus, individual and consolidated interim financial statements are being presented in the same document.

2.2. Basis of presentation

The individual (parent company) and consolidated interim financial statements are denominated in Brazilian real (R\$), which is the reporting currency, and all amounts are rounded to thousands of Brazilian real, unless otherwise stated.

The consolidated interim financial statements were prepared on the historical cost basis, unless otherwise stated. Certain assets and financial instruments may be stated at fair value.

The preparation of individual and consolidated interim financial statements in accordance with IFRS and NBCs requires Management to make certain accounting estimates. The areas involving considerable judgment or use of estimates for the individual and consolidated interim financial statements are stated in Note 3.1.

2.3. Foreign currency translation

Functional and reporting currency

The interim financial statements of each consolidated subsidiary and those used as a basis for accounting for investments under the equity method are prepared using the functional currency of each entity.

Under NBC TG 02/R3 (CVM Resolution 640/10) – effect of changes in exchange rates and translation of financial statements, functional currency is the currency of the primary economic environment in which the entity operates. To define the functional currency of each subsidiary, Management considered which currency significantly influences the sale price of their goods and services and the currency in which most of their production input costs are paid or incurred. The consolidated interim financial statements are expressed in Brazilian real (R\$), which is the Company's functional and reporting currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rate at the transaction date. Gains and losses resulting from the difference between the monetary asset and liability balance translation at the end of the period or year and the translation of the transaction balances are recognized in the statement of income. Non-monetary assets and liabilities in foreign currency measured at fair value are translated at the exchange rate on the date on which their fair value is determined and the differences resulting from such translation will be recognized under other comprehensive income on the closing date of each period or fiscal year.

Group companies

The results of operations and the financial position of all consolidated subsidiaries and investments accounted for under the equity method, whose functional currency differs from the reporting currency, are translated from the reporting currency, as follows:

- Asset and liability balances are translated using the exchange rate in effect at the date of the consolidated interim financial statements;
- Statement of income accounts are translated using the monthly average exchange rate, except for subsidiaries located in hyperinflationary economies (closing rate); and
- All differences arising from the foreign currency translation are recognized in equity and in the consolidated statement of comprehensive income under "Cumulative translation adjustment."

3. SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

3.1. Significant accounting practices

The interim financial statements were prepared in accordance with NBC TG 21/R4 (CVM Resolution 673/11) – Interim financial statements, which sets forth the minimum interim accounting information to be reported and the principles of recognition and measurement for complete or condensed interim financial statements. Thus, the quarterly information presented here was prepared based on the accounting policies and estimate calculation methods used while preparing the annual financial statements for the year ended December 31, 2022. There has been no change in said policies and estimate calculation methods.

As allowed by NBC TG 21/R4 (CVM Resolution 673/11), and based on the recommendations contained in Official Letter CVM/SNC/SEP/No. 003/2011, management chose not to report once again the details presented in Note 3 to the financial statements ended December 31, 2022, with the summary of significant accounting practices, to avoid repeating the information already disclosed in its latest annual financial statements. As a result, users must read these interim financial statements together with the annual financial statements for the year ended December 31, 2022, to have a better understanding.

3.2. New standards and interpretations

The Federal Accounting Council, through plenary approval, amended the Brazilian Accounting Standards (NBC) TG 06 (R3) – Leases and NBC TG 26 (R5) – Presentation of Financial Statements, as follows:

NBC TG 06 (R3) – Leases

Addresses the liabilities in a leaseback agreement, effective for periods beginning on or after January 1, 2024.

NBC TG 26 (R5) – Presentation of Financial Statements

Classification of liabilities as current or non-current – this amendment clarifies the aspects to be considered when classifying liabilities as current or non-current, and is effective for periods beginning on or after January 1, 2024.

In January 2022, IASB issued amendments to IAS 1, which clarify the criteria used to determine whether a liability is classified as current or non-current. These amendments explain that the current classification is based on whether, at the end of the reporting period, an entity has the right to defer settlement for at least 12 months.

The amendments also clarify that the “settlement” includes the transfer of cash, goods, services or equity instruments, unless the obligation to transfer cash, goods, services or equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments were originally effective for annual periods beginning on or after January 1, 2023. However, due to the impacts of COVID-19, the effective date was postponed to annual periods beginning on or after January 1, 2024.

The Company will analyze the impacts and applicability of these amendments for the annual period beginning on January 1, 2024.

3.3. Consolidated financial statements

The consolidated financial statements include the accounts of the Company and its subsidiaries, as per the table showing the equity interests of the Company in Note 12.1 – Direct investments of the parent company.

MARFRIG GLOBAL FOODS S.A.

Notes to the individual and consolidated interim financial statements

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except where otherwise indicated)

The table below presents the direct and indirect equity interests included in the individual and consolidated interim financial statements at June 30, 2023:

EQUITY INTEREST

PARENT	CORE ACTIVITY
Marfrig Global Foods S.A.	Processing of products (formed by cattle slaughter facilities in operation, which are also used in beef processing, and for the manufacture of animal nutrition products) and sale of animal-based (beef, pork, lamb, fish and poultry) and plant-based proteins. Located in the States of São Paulo, Mato Grosso, Mato Grosso do Sul, Rondônia, Goiás and Rio Grande do Sul, in addition to Distribution Centers in the States of São Paulo, Rio de Janeiro and Rio Grande do Sul, which are also used for beef processing.
SUBSIDIARIES	CORE ACTIVITY
Maspfen Ltd	Holding company
Pampeano Alimentos S.A	Producer of canned meat and other processed products
Marfrig Overseas Ltd.	Specific purpose entity - SPE
Marfrig Comercializadora de Energia Ltda.	Energy trading and associated services
Inaler S.A.	Processing and marketing of products
Establecimientos Colonia S.A	Processing and marketing of products
Frigorífico Tacuarembó S.A	Processing and marketing of products
Indusol S.A	Specific Purpose Entity - SPE for commission of industry in Uruguay
Prestcott International S.A.	Holding company
Cledinor S.A.	Processing and marketing of products: beef and lamb
Abilun S.A.	Holding company
Dicasold	Marketing and distribution of food products
Marfrig Chile S.A.	Processing and marketing of products
Frigorífico Patagônia S.A.	Processing and marketing of products
Marfrig Paraguay S.A	Holding company
MFG Holdings SAU	Holding company
Quickfood S.A	Processing and marketing of products
Estancias del Sur S.A	Processing and marketing of products
Marfrig Holdings (Europe) B.V	Holding company whose purpose is to raise funds
Marfrig Beef (UK) Limited	Holding company
Weston Importers Ltd.	Trading
MARB Bondco PLC	Holding company whose purpose is to raise funds
MBC Bondco Limited	Holding company whose purpose is to raise funds
Marfrig China Limited Liability Company	Holding company whose purpose is to raise funds
Marfrig Beef International Ltd.	Holding company
MFG US Holdings Limited	Holding company
Marfrig NBM Holdings Ltd.	Holding company
Marfrig US Holdings	Holding company
Beef Holdings Limited	Holding company
COFCO Keystone Supply Chain (H. Kong) Investment Ltd.	Joint venture
COFCO Keystone Supply Chain (China) Investment Ltd.	Joint venture
COFCO Keystone Supply Chain Logistics (China) Ltd.	Joint venture
NBM US Holdings, Inc.	Holding company whose purpose is to raise funds
MF Foods USA LLC.	Marketing of products
Plant Plus Foods, LLC	Joint venture
Plant Plus Foods Brasil Ltda.	Joint venture
Plant Plus Foods Canada Ltda.	Joint venture
Sol Cuisine, Ltd.	Joint venture
VG HilarysEatWell, LCC	Joint venture
National Beef Packing Company, LLC	Processing and marketing of products
Iowa Premium LLC	Processing and marketing of products
National Carriers, Inc.	Transportation
NCI Leasing, Inc	Leasing transportation
National Beef California, LP	Processing and marketing of products
National Beef Japan, Inc.	Marketing of products
National Beef Korea, Ltd.	Marketing of products
Kansas City Steak Company, LLC	DTC Marketing of products
National Elite Transportation LLC	Transportation
National Beef Leathers, LLC	Processing of leather
National Beef de León S. de R.L. de C.V.	Processing of leather
National Beef Ohio	Processing and marketing of products
National Beef aLF, LLC	Holding company
ALF Ventures, LLV	Processing and marketing of products

MARFRIG GLOBAL FOODS S.A.

Notes to the individual and consolidated interim financial statements

Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except where otherwise indicated)

EQUITY INTEREST - CONTINUED	
SUBSIDIARIES	CORE ACTIVITY
BRF S.A.	Processing and marketing of products
BRF GmbH	Holding company
BRF Foods GmbH	Processing, import and sale of products
Al Khan Foodstuff LLC ("AKF") ^(b)	Import, sale and distribution of products
TBQ Foods GmbH	Holding company
Banvit Bandirma Vitaminli	Import, processing and sale of products
Banvit Enerji ve Elektrik Üretim Ltd. Sti.	Energy generation and trading
Nutrinvestments BV	Holding company
Banvit ME FZE ^(d)	Provision of marketing and logistics services
BRF Foods LLC ^(a)	Import, processing and sale of products
BRF Global Company Nigeria Ltd.	Provision of marketing and logistics services
BRF Global Company South Africa Proprietary Ltd.	Provision of administrative, marketing and logistics services
BRF Global GmbH	Holding and trading
BRF Japan KK	Provision of marketing and logistics services, import, export, processing and sale of products
BRF Korea LLC	Provision of marketing and logistics services
BRF Shanghai Management Consulting Co. Ltd.	Provision of consulting and marketing services
BRF Shanghai Trading Co. Ltd.	Import, export and sale of products
BRF Singapore Foods PTE Ltd.	Provision of administrative, marketing and logistics services
Eclipse Holding Cooperatief U.A.	Holding company
Buenos Aires Fortune S.A. ^(a)	Holding company
Eclipse Latam Holdings	Holding company
Perdigão Europe Lda.	Import and export of products and provision of administrative services
ProudFood Lda.	Import and sale of products
Sadia Chile S.A.	Import, export and sale of products
Wellax Food Logistics C.P.A.S.U. Lda. ^(g)	Import and sale of products and provision of administrative services
One Foods Holdings Ltd.	Holding company
Al-Wafi Food Products Factory LLC	Import, export, processing and sale of products
Badi Ltd.	Holding company
Al-Wafi Al-Takamol International for Foods Products	Import and sale of products
Jody Al Sharqiya Food Production Factory LLC	Import and sale of products
BRF Kuwait Food Management Company WLL ^(b)	Import, sale and distribution of products
One Foods Malaysia SDN. BHD. ^(a)	Provision of marketing and logistics services
Federal Foods LLC ^(b)	Import, sale and distribution of products
Federal Foods Qatar ^(b)	Import, sale and distribution of products
Establecimiento Levino Zaccardi y Cia. S.A. ^(f)	Processing and sale of milk derivatives
BRF Energia S.A.	Energy trading
BRF Pet S.A. ^(e)	Processing, sale and distribution of animal feed and nutrition products
Hecosul Alimentos Ltda. ^(e)	Production and sale of animal feed
Hecosul Distribuição Ltda. ^(e)	Import, export, wholesale and retail of animal feed
Hecosul Internacional S.R.L. ^(e)	Production, export, import and sale of animal feed and nutrition products
Hecosul Soluções em Transportes Ltda. ^(e)	Road freight
Mogiana Alimentos S.A. ^(e)	Production, distribution and sale of pet food products
Potengi Holdings S.A. ^(c)	Holding company
PR-SAD Administração de bem próprio S.A.	Asset management
PSA Laboratório Veterinário Ltda.	Veterinary services
Sadia Alimentos S.A.	Holding company
Sadia Uruguay S.A.	Import and sale of products
Vip S.A. Empreendimentos e Participações Imobiliárias	Real estate activity
BRF Investimentos Ltda.	Holding of interests in companies, management of companies and enterprises and management of company-owned assets

^(a) Subsidiaries with dormant operations. Subsidiary BRF is assessing the liquidation of these subsidiaries.

^(b) For these entities, subsidiary BRF has agreements that guarantee total economic rights, except for AKF, for which the economic rights are 99%.

^(c) Subsidiary BRF is an associate of subsidiary AES Brasil Energia S.A.

^(d) On March 21, 2023, subsidiary Banvit ME FZE was dissolved.

^(e) Subsidiary BRF is conducting a bidding process, at an early stage, for the sale of its pet food operation.

^(f) On July 10, 2023, subsidiary BRF dissolved subsidiary Establecimiento Levino Zaccardi y Cia. S.A.

^(g) On July 21, 2023, subsidiary BRF dissolved subsidiary Wellax Food Logistics C.P.A.S.U. Lda.

The interim financial statements of foreign subsidiaries were originally prepared in their local currency, according to the law of each country where the companies are located, and were converted to the accounting practices issued by the International Accounting Standards Board (IASB) using their related functional currencies. These interim financial statements were subsequently translated into Brazilian Reais, using the exchange rate prevailing at the balance sheet date.

MARFRIG GLOBAL FOODS S.A.

Notes to the individual and consolidated interim financial statements

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(In thousands of Brazilian reais - R\$, except where otherwise indicated)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents group is composed of cash and demand deposits, as follows:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and banks	55,436	1,176,341	4,077,742	4,194,071
Cash equivalents	15,190	542,988	1,551,233	2,209,717
	70,626	1,719,329	5,628,975	6,403,788

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents				
Brazilian real	6,689	32,561	139,835	193,568
US dollar	63,567	1,686,201	4,789,178	5,248,541
Euro	370	567	68,882	101,281
Turkish Lira	-	-	63,799	83,339
Saudi Riyal	-	-	197,241	307,440
Other	-	-	370,040	469,619
	70,626	1,719,329	5,628,975	6,403,788

5. FINANCIAL INVESTMENTS AND MARKETABLE SECURITIES

The table below shows the financial investments and marketable and securities by type:

	PMPV ^(a)	Currency	Average interest rate p.a. %	Parent	
				06/30/2023	12/31/2022
Financial investments:					
Bank Deposit Certificates - CDB	-	BRL	13.99%	592,757	583,618
Repurchase and reverse repurchase agreements	-	BRL	12.69%	541,100	1,340,631
Fixed-income securities	-	BRL	14.18%	129	123
Capitalization securities	0.51	BRL	-	1,763	1,763
FIDC ^(b)	1.05	BRL	17.63%	31,173	31,206
Total				1,166,922	1,957,341
Current assets				1,166,922	1,957,341

(a) Weighted average maturity in years.

(b) The average term presented in the FIDC transaction is not linked to the immediate realization of the investment, which can be made by the Company without any financial burden.

MARFRIG GLOBAL FOODS S.A.

Notes to the individual and consolidated interim financial statements Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except where otherwise indicated)

	PMPV ^(a)	Currency	Average interest rate p.a. %	Consolidated	
				06/30/2023	12/31/2022
Financial investments:					
Bank Deposit Certificates - CDB	0.26	BRL	13.70%	4,433,513	4,337,820
Bank Deposit Certificates - CDB	0.08	Paraguayan Guarani	2.55%	2,395	-
Repurchase and reverse repurchase agreements	-	BRL	12.47%	602,449	1,450,595
Fixed-income securities	-	BRL	14.18%	129	123
Capitalization securities	0.51	BRL	-	1,763	1,763
Time deposit ^(b)	0.01	Turkish Lira	41.64%	29,499	22,686
Time deposit ^(b)	0.01	USD	1.39%	7,445,922	9,876,266
Time deposit ^(b)	0.03	South Korean Won	1.95%	75	84
Time deposit ^(b)	-	Paraguayan Guarani	-	-	3,639
Time deposit ^(b)	0.08	Arab Dirham	4.80%	27,661	-
FIDC ^(c)	1.06	BRL	11.87%	46,307	46,711
Total financial investments				12,589,713	15,739,687
Marketable securities					
B3 securities	-	BRL	-	20	20
LTF - Financial Treasury Bill	1.29	BRL	13.65%	388,233	364,543
ADRs securities ^(d)	1.09	USD	-	11,105	11,752
External credit note ^(e)	2.49	AOA	7.55%	306,024	379,145
Total marketable securities				705,382	755,460
Total financial investments and marketable securities				13,295,095	16,495,147
Current assets				12,962,833	16,088,745
Non-current assets				332,262	406,402

(a) Weighted average maturity in years.

(b) Transactions have daily liquidity and can be redeemed at any time.

(c) The average term presented in the FIDC transaction is not linked to the immediate realization of the investment, which can be made by the Company without any financial burden.

(d) Represented by shares of Aleph Farms, Ltd.

(e) Represented by private securities and Angolan Government securities, which are presented net of expected credit losses in the amount of R\$ 12,015. The amounts are mainly denominated in Kwanza (AOA) at a weighted average rate of 11.68%, and investments are indexed to the US Dollar at a weighted average rate of 5.48%.

At June 30, 2023, subsidiary BRF pledged the amount of R\$ 87,327 (R\$ 92,857 at December 31, 2022) as collateral, with no restrictions, for futures contracts traded on the B3, referring to cash and cash equivalents and marketable securities.

6. TRADE ACCOUNTS RECEIVABLE

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade accounts receivable – domestic	163,039	122,245	2,761,222	3,326,660
Third parties	101,743	68,415	2,754,807	3,320,850
Related-party transactions ^(a)	61,296	53,830	6,415	5,810
Trade accounts receivable – foreign	2,460,682	1,868,141	3,011,320	3,405,775
Third parties	130,273	121,300	3,011,320	3,405,775
Related-party transactions ^(a)	2,330,409	1,746,841	-	-
	2,623,721	1,990,386	5,772,542	6,732,435
Amounts not yet due	2,579,915	1,915,654	4,615,503	5,557,492
Amounts overdue:				
From 1 to 30 days	38,247	68,705	1,011,135	892,529
From 31 to 60 days	2,816	464	62,293	134,393
From 61 to 90 days	2,743	5,563	79,108	132,855
More than 90 days	41,574	40,507	650,403	700,948
(-) Present value adjustment	-	-	(17,316)	(24,819)
(-) Expected losses on doubtful accounts	(41,574)	(40,507)	(628,584)	(660,963)
	2,623,721	1,990,386	5,772,542	6,732,435
Current assets	2,623,721	1,990,386	5,766,420	6,727,128
Non-current assets	-	-	6,122	5,307

(a) Trade accounts receivable with related parties are detailed in Note 34 - Related parties.

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The expected loss on doubtful accounts was set up in an amount deemed sufficient by Management to cover any losses on the realization of its receivables, based on the individual and historical analysis of outstanding receivables, which approximate those of receivables overdue for more than 90 days.

Changes in expected losses on doubtful accounts are as follows:

	Parent	Consolidated
Balance at December 31, 2022	(40,507)	(660,963)
Estimate accrued, net	(1,067)	(10,378)
Write-offs	-	5,636
Translation gains (losses)	-	37,121
Balance at June 30, 2023	(41,574)	(628,584)

In June 2014, a receivables backed investment fund (*Fundo de Investimento de Direitos Creditórios - FIDC*) was created to sell a portion of the receivables from the installment sale in the domestic market, in the amount of R\$ 173,000 (principal). At June 30, 2023, invoices negotiated with the fund MRFG amounted to R\$ 163,636.

Through its subsidiary BRF, the Company has insurance for accounts receivable from exports, in the amount of R\$ 958,167.

The Company, through its subsidiary BRF, conducts credit assignments with no right of recourse with Fundo de Investimento em Direitos Creditórios Clientes BRF ("FIDC BRF"), which exclusively operates in acquiring credit rights arising from commercial operations carried out with customers in Brazil. At June 30, 2023, FIDC BRF had an outstanding balance of R\$ 844,405 related to such credit rights, which were written off from the Company's balance sheet at the time of assignment.

7. INVENTORIES

In the period ended June 30, 2023 and year ended December 31, 2022, inventories of finished products were carried at average purchase and/or production cost, as explained below:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Finished products	714,899	850,922	7,971,880	8,185,925
Work in progress	-	-	488,674	550,095
Raw materials	14,267	12,259	1,686,788	2,612,965
Packaging and storeroom supplies	103,950	104,057	1,731,935	1,871,208
(-) Present value adjustment ^(a)	-	-	(171,863)	(205,313)
(-) Expected losses	(7,291)	(9,800)	(138,827)	(162,795)
	825,825	957,438	11,568,587	12,852,085

^(a) This adjustment refers to the balancing entry of initial recording of adjustment to present value of trade accounts payable of subsidiary BRF, which is allocated to costs according to the inventory turnover.

The Company grounds its estimates on historical losses and assessment of subsequent realization (market), as follows:

	Parent	Consolidated
Balance at December 31, 2022	(9,800)	(162,795)
Estimate accrued, net	2,509	24,519
Translation gains (losses)	-	(551)
Balance at June 30, 2023	(7,291)	(138,827)

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During the period ended June 30, 2023, the Company's Management evaluated the expected losses on inventories, and found sufficient the amounts of R\$ 7,291 and R\$ 138,827 for the parent company and consolidated, respectively.

8. BIOLOGICAL ASSETS

In the period ended June 30, 2023 and year ended December 31, 2022, biological assets comprise cattle, poultry, pigs and forestry, as detailed below:

	Consolidated	
	06/30/2023	12/31/2022
Biological assets - cattle	45,913	49,081
Biological assets - poultry	1,149,222	1,274,950
Biological assets - pigs	1,831,741	1,876,602
Biological assets - current	3,026,876	3,200,633
Biological assets - poultry	659,366	688,100
Biological assets - pigs	649,968	613,871
Biological assets - forestry	336,330	347,162
Biological assets - non-current	1,645,664	1,649,133
Total	4,672,540	4,849,766

8.1. Changes in biological assets (current)

	Consolidated			
	Cattle	Poultry	Pigs	Total
Balance at December 31, 2022	49,081	1,274,950	1,876,602	3,200,633
Increase due to acquisitions	35,299	9,185,357	5,314,805	14,535,461
Transfers to inventories	(47,062)	(10,757,679)	(5,487,133)	(16,291,874)
Animal feeding expenses	22,047	-	-	22,047
Decrease due to sales	(7,800)	-	-	(7,800)
Net decrease due to deaths	(577)	-	-	(577)
Changes in fair value less costs to sell	9,500	1,498,047	127,467	1,635,014
Translation gains (losses)	-	(51,453)	-	(51,453)
Losses on conversion	(14,575)	-	-	(14,575)
Balance at June 30, 2023	45,913	1,149,222	1,831,741	3,026,876

8.2. Changes in biological assets (non-current)

	Consolidated			
	Poultry	Pigs	Forestry	Total
Balance at December 31, 2022	688,100	613,871	347,162	1,649,133
Increase due to acquisitions	78,134	276,324	29,783	384,241
Decrease due to sales	-	-	(14,298)	(14,298)
Changes in fair value less costs to sell	419,975	(71,758)	-	348,217
Amortization / depreciation / depletion	(496,858)	(168,469)	(27,974)	(693,301)
Reclassification ^(a)	-	-	1,657	1,657
Translation gains (losses)	(29,985)	-	-	(29,985)
Balance at June 30, 2023	659,366	649,968	336,330	1,645,664

^(a) Amounts reclassified from right-of-use assets.

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At June 30, 2023, the Company has forestry areas pledged as collateral for financing, tax and civil contingencies, in the amount of R\$ 69,695.

9. RECOVERABLE TAXES

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
ICMS and IVA (State VAT)	536,000	651,595	2,843,336	2,895,628
IPI (Excise Tax)	3,161	3,005	1,072,517	1,019,763
INSS (National Social Security Institute)	-	-	364,973	366,236
PIS and COFINS (taxes on sales) credits ^(a)	1,942,512	1,789,864	4,400,337	4,473,021
IRRF, IRPJ and CSLL (taxes on income) recoverable ^(a)	3,094,680	3,042,815	3,500,178	3,506,583
Other	12,739	7,010	180,292	199,609
(-) Impairment	(199,525)	(99,525)	(412,247)	(276,667)
	5,389,567	5,394,764	11,949,386	12,184,173
Current assets	1,154,737	1,663,007	2,858,520	3,261,989
Non-current assets	4,234,830	3,731,757	9,090,866	8,922,184

^(a) In June 2023, subsidiary BRF S.A. used PIS and COFINS tax credits of R\$ 81,334 and IRPJ tax credits of R\$ 105,149 for payment of part of the commitment assumed under the Leniency Agreement, as disclosed in Note 23.

9.1. ICMS and IVA (State VAT)

The credit balance of recoverable ICMS derives from credits taken for ICMS paid on the acquisition of raw, packaging and other materials and inputs, in amounts higher than the debts generated from its sales, since the Company's main credit generating operations are sales to the foreign market, and they are exempt from this tax. The Company has been seeking ways to optimize these balances, when authorized by the State tax authorities, through the sales of ICMS to third parties or for the payment of suppliers of inputs and property, plant and equipment.

In several other jurisdictions outside Brazil, VAT is levied on the Company's ordinary operations with goods and services with expected realization in the short and long terms.

9.2. IPI

The Company recorded tax assets arising from successful outcomes in lawsuits, particularly the premium credit.

9.3. INSS

INSS recoverable refers to differences in social security contributions discussed in court on paid maternity leave, work accident risk, vacation bonus, labor agreements, paid sick leave, and notice of termination.

9.4. PIS and COFINS taxes

Pursuant to Laws 10,637/02, 10,833/03, 10,865/04, 10,925/04, 11,033/04, 12,058/09 and 12,350/10, the Company has noncumulative PIS and COFINS credits on the acquisition of raw materials, packaging and other materials used in goods sold in domestic and foreign markets.

With the changes provided for by Law 13.670, in August 2018, which permitted the offsetting of social security liabilities using other credits from the taxpayer generated as from said date, the Company started settling its social security liabilities using such credits, successfully using its PIS and COFINS tax credits generated since then.

Furthermore, the Company and the Office of the General Counsel for the National Treasury (PGFN) entered into with an agreement named "Procedural Legal Transaction (NJP) (SEI Procedure 19839.108398/2019-15), in which enabled the offset of these credits for the settlement of tax liabilities, pursuant to Articles 73 and 74 of Federal Law 9,430/96. The balance of the credit is updated by Brazilian basic interest rate (SELIC).

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9.5. IRRF, IRPJ and CSLL recoverable

Refers to withholding of income tax at source on services, marketable securities, prior-year negative balances of income and social contribution taxes and income tax paid abroad on net income made available in Brazil. Income tax paid abroad is payable via the offsetting of income and social contribution taxes calculated on profit for future years and have no time limit.

9.6. Impairment of taxes

Impairment losses were calculated based on the best estimate of realization of the Company's recoverable taxes balances, mainly on PIS and COFINS credits.

In the period ended June 30, 2023, the changes in this item were as follows:

	Parent	Consolidated
Balance at December 31, 2022	(99,525)	(276,667)
Net estimate ^(a)	(100,000)	(141,649)
Transfers ^(b)	-	3,771
Translation gains (losses)	-	2,298
Balance at June 30, 2023	(199,525)	(412,247)

(a) Based on its assessment, the Company concluded that it was necessary to recognize impairment of PIS and COFINS taxes for the period ended June 30, 2023, in the amounts of R\$ 100,000 and R\$ 141,649 for the parent company and consolidated, respectively, considered sufficient to cover any losses on realization of such tax credits.

(b) The amounts are transferred from Recoverable taxes to Other current assets and Other non-current assets upon sale of credits to third parties.

10. NOTES RECEIVABLE

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Related-party transactions ^(a)	7,469,524	7,803,680	31,672	31,841
Sale of poultry farm	-	-	20,745	33,660
Sale of properties	-	-	1,667	6,123
Sale of farm ^(b)	-	-	75,733	-
Adjustment to present value	-	-	(7,158)	(386)
Other notes receivable	1,078	2,384	5,801	1,431
	7,470,602	7,806,064	128,460	72,669
Current assets	554,233	486,618	124,395	60,977
Non-current assets	6,916,369	7,319,446	4,065	11,692

(a) The amount presented in the Parent Company refers mostly to balances resulting from loan transactions with its subsidiaries, as described in Note 34 - Related parties.

(b) The amount results from the sale by subsidiary BRF to Empresa Agropecuária Gasparelli MG Ltda. of the Lindóia Farm, located in the State of Mato Grosso. on March 30, 2023, which is expected to be settled within 2023, when the related deed is transferred.

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11. DEFERRED INCOME AND SOCIAL CONTRIBUTION TAXES

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Income tax	-	-	2,088,241	2,314,863
Social contribution tax	-	-	586,340	697,108
Deferred tax assets	-	-	2,674,581	3,011,971
Income tax	(276,538)	(217,134)	(7,705,583)	(7,946,513)
Social contribution tax	(93,698)	(72,312)	(2,680,640)	(2,773,146)
Deferred tax liabilities	(370,236)	(289,446)	(10,386,223)	(10,719,659)
Total deferred taxes	(370,236)	(289,446)	(7,711,642)	(7,707,688)

Deferred income and social contribution tax assets and liabilities are offset when there is a legal right to offset tax liabilities using tax credits and provided they are related to the same tax authority and legal person.

Credits from deferred tax assets on tax losses and social contribution tax loss carryforwards are booked to the extent that it is probable that future taxable income will be available for use when the effective payment is made and/or said additions and exclusions of temporary differences are realized, which also arise from assets acquired and liabilities assumed on business combinations, based on the assumptions and conditions established in the Company's business model.

The carrying amount of the deferred tax asset is revised periodically and projections, limited to ten years, are revised annually, and if there are relevant factors that modify the projections, they are revised during the Company's fiscal year.

The estimates for assessing the probability of the occurrence or not of future profits for the offsetting of tax credits described above are based on the judgments and assumptions incorporated into the projections. By definition, the resulting accounting estimates rarely are equal to the corresponding actual results (due to uncertainties and the high level of judgment applicable to determining such assumptions and estimates). Therefore, such estimates and assumptions represent significant risk, with the probability of requiring a significant adjustment to the carrying amounts of the assets in the individual and consolidated interim financial statements at the time of the respective assessments.

Note that the projections were based on the assumptions for net income and historical data on the Company's profitability, adjusted by the most recent material information, taking into account the diverse economic scenarios of each market where the Company operates, due to its global and diversified presence in the Americas.

In June 2023, subsidiary BRF S.A. used tax credits arising from tax losses in the amount of R\$ 435,128 for payment of part of the commitment assumed under the Leniency Agreement, as disclosed in Note 23 – Notes payable.

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Based on the above, note that expected realization of "Deferred Tax Assets," based on a technical feasibility study, is as follows:

Year	Consolidated
2023	419,173
2024	93,876
2025	146,703
2026	194,964
2027	254,735
2028 to 2032	1,565,130
	2,674,581

The following table presents the breakdown of deferred taxes:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Assets				
Income tax losses	628,478	709,864	3,455,148	3,822,949
Social contribution tax loss carryforwards	227,248	256,546	1,153,628	1,292,317
Temporary differences	147,803	118,244	1,444,894	1,437,134
Total assets	1,003,529	1,084,654	6,053,670	6,552,400
Liabilities				
Temporary differences	(1,373,765)	(1,374,100)	(13,765,312)	(14,260,088)
Total liabilities	(1,373,765)	(1,374,100)	(13,765,312)	(14,260,088)
Deferred taxes, net	(370,236)	(289,446)	(7,711,642)	(7,707,688)

12. INVESTMENTS

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Interest in subsidiaries and associates	20,807,551	22,408,593	-	-
Goodwill derived from business combinations	696,493	756,358	-	-
Other investments	20,964	16,042	653,406	701,933
	21,525,008	23,180,993	653,406	701,933

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12.1. Direct investments by the parent

Information on investments in subsidiaries at June 30, 2023 is presented below:

	Shares/Units of interest	% interest	Country	Share capital	Equity	Net income (loss) - continuing operation	Equity according to % interest	Total assets	Total liabilities	Non-controlling interest	Net revenue	Interest - net income (loss)	Goodwill
Marfrig Chile S.A.	9,950	99.50	Chile	69,595	224,534	25,147	223,411	412,540	187,995	11	301,671	25,021	-
Inaler S.A.	325,673,004	100.00	Uruguay	44,719	61,132	366	61,132	311,675	250,543	-	438,333	366	105,611
Frigorífico Tacuarembó S.A.	163,448,688	99.96	Uruguay	30,810	90,793	17,009	90,754	846,843	756,050	-	783,754	17,002	157,953
Masplen Ltd	5,050	100.00	Jersey Island	17,790	(128,633)	(22,713)	(128,633)	-	128,633	-	-	(22,713)	46,972
Prestcott International S.A.	15,927,783	100.00	Uruguay	14,082	79,347	15,861	79,347	483,455	404,108	-	504,729	15,861	60,723
Estab. Colonia S.A.	256,562,625	100.00	Uruguay	167,246	186,526	11,445	186,526	502,661	316,135	-	551,608	11,445	325,235
Marfrig Overseas Ltd.	1	100.00	Cayman Islands	-	(758,287)	(105,048)	(758,287)	6,710,385	7,468,672	-	-	(105,048)	-
Marfrig Com. de Energia Ltda	9,999,985	100.00	Brazil	10,000	5,352	(866)	5,352	406,771	401,419	-	27,349	(866)	-
Marfrig Holdings (Europe) B.V	426,842	100.00	Netherlands	2,245,338	3,648,534	40,237	3,648,534	8,796,749	5,148,215	-	-	40,237	-
Marfrig Beef (UK) Limited	2,001	100.00	United Kingdom	1,979,358	3,810,721	124,416	3,810,721	4,608,126	797,405	-	-	124,416	-
Marfrig Beef International Ltd.	2,001	100.00	United Kingdom	938,223	4,989,423	124,485	4,989,423	9,517,965	4,528,542	-	-	124,485	-
Abilun S.A.	400,000	100.00	Uruguay	51	2,464	4,715	2,464	47,199	44,735	-	123,683	4,715	-
MFG Holdings SAU	49,500,000	100.00	Argentina	97,216	177,501	(17,730)	177,501	1,341,190	1,120,495	43,194	1,586,606	(17,730)	-
Quickfood S.A.	4,903,736,137	10.00	Argentina	301,387	425,163	14,981	42,516	1,353,125	927,962	-	1,586,609	1,498	-
Marfrig Paraguay S.A.	301,950,000	99.00	Paraguay	214	15	(15)	15	247	232	-	-	(15)	-
BRF S.A.	360,133,580	33.27	Brazil	12,835,915	25,245,217	(3,191,518)	8,399,083	84,618,126	58,855,121	517,788	25,382,940	(1,061,818)	-

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The changes in investments at June 30, 2023 are shown as follows:

	12/31/2022	Dividends	Capital increase	Other comprehensive income	Equity in earnings (losses) of subsidiaries	Acquisition / (disposal) under common control ^(a)	06/30/2023 ^(b)
Marfrig Chile S.A.	203,375	-	-	(5,131)	25,051	-	223,295
Inaler S.A.	66,185	-	-	(5,420)	367	-	61,132
Frigorífico Tacuarembó S.A.	104,407	(24,749)	-	(6,532)	17,276	-	90,402
Masplen Ltd	(120,763)	-	-	99	(28,907)	-	(149,571)
Prestcott International S.A.	94,980	(26,234)	-	(6,142)	16,222	-	78,826
Estab. Colonia S.A.	189,281	-	-	(15,610)	12,228	-	185,899
Marfrig Overseas Ltd.	(713,152)	-	-	59,913	(105,048)	-	(758,287)
Marfrig Argentina S.A.	(1,996)	-	-	-	-	1,996	-
de Energia Ltda.	(132)	-	6,350	-	(866)	-	5,352
Marfrig Holdings (Europe) B.V	3,908,891	-	-	(300,592)	40,237	-	3,648,536
Marfrig Beef (UK) Limited	3,987,344	-	-	(301,041)	124,416	-	3,810,719
Marfrig Beef International Ltd.	5,266,043	-	-	(401,105)	124,485	-	4,989,423
Abilun S.A.	(2,618)	-	-	366	4,715	-	2,463
MFG Holdings SAU	87,776	-	119,991	(12,799)	(17,650)	-	177,318
Quickfood S.A.	32,785	-	13,332	(6,203)	1,376	1,904	43,194
Marfrig Paraguay S.A.	29	-	-	-	(15)	-	14
Campo Del Tesoro	3,900	-	-	-	-	(3,900)	-
BRF S.A.	9,302,258	-	-	158,556	(1,061,978)	-	8,398,836
Total	22,408,593	(50,983)	139,673	(841,641)	(848,091)	-	20,807,551

^(a) Amounts related to the corporate reorganization in Argentina, for more details see Note 12.2.1. Corporate reorganization in Argentina.

^(b) Refers to the percentage of the Company's interest in its subsidiaries, adjusted by profit on unrealized inventories upon the consolidation of balances.

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12.2. DIRECT INVESTMENTS

12.2.1. CORPORATE REORGANIZATION IN ARGENTINA

On January 1, 2023, the Company decided to start a corporate reorganization for the Group companies Quickfood S.A., Marfrig Argentina S.A. and Campo Del Tesoro S.A., all located in Argentina. The reorganization involves the merger of Marfrig Argentina S.A. and Campo Del Tesoro S.A. into Quickfood S.A. This merger generated a net increase in investment in Quickfood S.A. of ARS 923,143,314 (R\$ 19,040). Out of the total merged amount, the shareholder MFG Holding SAU is entitled to 90%, which is equivalent to ARS 830,828,982 (R\$ 17,136) and Marfrig Global Foods S.A. is entitled to the remaining 10%, equivalent to ARS 92,314,331 (R\$ 1,904).

12.2.2. MFG HOLDING SAU

On March 31, 2023, a capital increase in MFG Holding SAU in the amount of ARS 3,754,980,000 (R\$ 94,123) was approved, from ARS 39,900,000 (R\$ 1,181) to ARS 3,794,880,000 (R\$ 92,213). The capital increase was entirely paid by the parent company Marfrig Global Foods S.A.

On June 27, 2023, a capital increase in MFG Holding SAU in the amount of ARS 1,376,205,036 (R\$ 25,868) was approved, from ARS 3,794,880,000 (R\$ 92,213) to ARS 5,171,085,036 (R\$ 97,216). The capital increase was entirely paid by the parent company Marfrig Global Foods S.A.

12.2.3. QUICKFOOD S.A.

On March 31, 2023, a capital increase in Quickfood S.A. in the amount of ARS 4,172,200,000 (R\$ 104,581) was approved, from ARS 10,329,853,508 (R\$ 274,411) to ARS 14,502,053,508 (R\$ 352,400). The amounts were contributed by the shareholders as follows: ARS 3,754,980,000 (R\$ 94,123) contributed by MFG Holding SAU and ARS 417,220,000 (R\$ 10,458) contributed by Marfrig Global Foods S.A.

On April 3, 2023, the shareholder Marcos Antonio Molina dos Santos made a capital contribution, as approved on March 31, 2023, in the amount of ARS 62,107 (R\$ 117), from ARS 14,502,053,508 (R\$ 352,400) to ARS 14,502,115,615 (R\$ 326,298).

On June 27, 2023, a capital increase in Quickfood S.A. in the amount of ARS 1,529,118,349 (R\$ 28,769) was approved, from ARS 14,502,115,615 (R\$ 326,298) to ARS 16,031,233,964 (R\$ 301,387). The amounts were contributed by the shareholders as follows: ARS 1,376,205,036 (R\$ 25,892) contributed by MFG Holding SAU, ARS 152,894,964 (R\$ 2,874) contributed by Marfrig Global Foods S.A. and ARS 18,349 (R\$ 3) contributed by Marcos Antonio Molina dos Santos.

12.2.4. MARFRIG COMERCIALIZADORA DE ENERGIA LTDA.

On February 24, 2023, the Company decided to increase its capital from R\$ 3,650 to R\$ 10,000, a total increase of R\$ 6,350, through the issue of 6,350,000 million shares, with par value of R\$ 1.00 each, fully subscribed and paid-in by the Company on that date.

12.2.5. BIOMAS PROJECT

On February 28, 2023, the Company made an investment, together with and Vale, in Biomás – Serviços Ambientais, Restauração e Carbono S.A. (“Biomás”), in the amount of R\$ 5,000, under the terms of the respective investment agreements, in view of the fulfillment of all conditions precedent and performance of the closing acts provided for in the respective agreements.

Biomás will operate in the activities of restoration, conservation and preservation of forests in Brazil.

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12.3. INDIRECT INVESTMENTS

12.3.1. PLANTPLUS FOODS BRASIL LTDA.

On March 17, 2023, a capital increase in PlantPlus Foods Brasil Ltda. in the amount of R\$ 5,225 was approved, from R\$ 4,609 to R\$ 9,834. The amounts were contributed by the shareholders as follows: R\$ 5,173 by PlantPlus Foods, LLC, R\$ 36 by Marfrig Global Foods S.A. and R\$ 16 by ADM Investments Limited. A total of 5,225,251 million shares were issued, with par value of R\$ 1.00 each, fully subscribed by the shareholders.

12.3.2. PR_SAD ADMINISTRAÇÃO DE BEM PRÓPRIO S.A.

In the first quarter of 2023, subsidiary BRF decided to make a capital increase in its associate PR_SAD Administração de Bem Próprio S.A., in the amount of R\$ 195, from R\$ 7,314 to R\$ 7,509.

In the second quarter of 2023, subsidiary BRF decided to make a capital increase in its associate PR_SAD Administração de Bem Próprio S.A., in the amount of R\$ 193, from R\$ 7,509 to R\$ 7,702.

13. INVESTMENT PROPERTY

Investment property refers to tanneries and industrial plants that, under the Company's strategy, are held to generate lease income, whose amounts are recognized at fair value.

	Parent and Consolidated		
	Land	Constructions and buildings	Total
Tannery in Promissão	4,233	3,149	7,382
Tannery in Bataguassú	-	42,868	42,868
Plant in Capão do Leão	3,655	44,199	47,854
Plant in Mato Leitão	2,419	14,642	17,061
Net balance at 06/30/2023	10,307	104,858	115,165

Changes in investment properties:

	Parent and Consolidated		
	12/31/2022	Change in fair value	06/30/2023
Tannery in Promissão	6,989	393	7,382
Tannery in Bataguassú	44,837	(1,969)	42,868
Plant in Capão do Leão	43,816	4,038	47,854
Plant in Mato Leitão	15,687	1,374	17,061
Net balance	111,329	3,836	115,165

The fair values are based on market values and reflect the estimated amount at which the property could be negotiated on the appraisal date in an arm's length transaction. The Company reassess its fair value on an annual basis.

14. PROPERTY, PLANT AND EQUIPMENT

The following tables show the weighted average annual depreciation rate determined using the straight-line method and based on the economic useful life of the assets and their balances.

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Changes in property, plant and equipment:

					Parent
					Property, plant and equipment
Description	Land, constructions and buildings	Machinery, equipment, furniture and fixtures	Construction in progress	Other	Total
Average annual depreciation rates	3.79%	14.17%	-	12.22%	
Acquisition cost	4,586,376	1,405,624	203,636	428,433	6,624,069
Accumulated depreciation	(1,176,606)	(774,072)	-	(293,056)	(2,243,734)
Net balance at 12/31/2022	3,409,770	631,552	203,636	135,377	4,380,335
Additions	4,221	47,906	136,180	5,035	193,342
Write-offs	-	(380)	-	(69)	(449)
Transfers	207,107	2	(217,106)	9,997	-
Reclassification ^(a)	-	-	(14,906)	-	(14,906)
Depreciation in the period	(136,605)	(45,830)	-	(16,257)	(198,692)
Net balance at 06/30/2023	3,484,493	633,250	107,804	134,083	4,359,630
Acquisition cost	4,797,704	1,453,110	107,804	442,129	6,800,747
Accumulated depreciation	(1,313,211)	(819,860)	-	(308,046)	(2,441,117)
Net balance at the end of the period	3,484,493	633,250	107,804	134,083	4,359,630

^(a) Amounts reclassified to intangible assets.

					Consolidated
					Property, plant and equipment
Description	Land, constructions and buildings	Machinery, equipment, furniture and fixtures	Construction in progress	Other	Total
Average annual depreciation rates	3.25%	9.85%	-	10.29%	
Acquisition cost	26,909,965	31,032,281	2,932,777	1,047,057	61,922,080
Accumulated depreciation	(5,516,216)	(9,842,140)	-	(533,064)	(15,891,420)
Net balance at 12/31/2022	21,393,749	21,190,141	2,932,777	513,993	46,030,660
Additions	7,970	57,446	1,219,563	22,410	1,307,389
Write-offs	(153,901)	(119,203)	(38)	(586)	(273,728)
Transfers	656,567	894,745	(1,544,891)	(6,421)	-
Reclassification ^(a)	-	(3,039)	(25,767)	2,387	(26,419)
Translation gains (losses)	(232,014)	(229,965)	(145,163)	(28,168)	(635,310)
Depreciation in the period	(443,877)	(1,320,620)	-	(41,375)	(1,805,872)
Net balance at 06/30/2023	21,228,494	20,469,505	2,436,481	462,240	44,596,720
Acquisition cost	27,342,921	31,756,986	2,436,481	1,031,554	62,567,942
Accumulated depreciation	(6,114,427)	(11,287,481)	-	(569,314)	(17,971,222)
Net balance at the end of the period	21,228,494	20,469,505	2,436,481	462,240	44,596,720

^(a) Amounts reclassified to right-of-use assets and intangible assets.

Pursuant to NBC TG 01/R4 (CVM Resolution 639/10) – Impairment of assets, an asset is tested for impairment on an annual basis. The recoverable amount of the asset must be estimated only if there is any indication of impairment.

If any indication of impairment is found, recoverability analysis comprises projecting the profitability and future cash of the Company's business units, which are discounted to present value to identify the degree of recoverability of the asset.

During the period ended June 30, 2023, the carrying amounts of the Company's assets were not greater than the amounts which could be obtained by use or sale.

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The Company and its subsidiaries recorded property, plant and equipment that are fully depreciated and still in operation, as well as temporarily idle items, as follows:

Description	Parent	
	06/30/2023	
	Temporarily idle property, plant and equipment	Property, plant and equipment fully depreciated and still in operation
Land, constructions and buildings	166,682	4,412
Machinery, equipment, furniture and fixtures	32,207	78,413
Other	843	47,191
	199,732	130,016

Description	Consolidated	
	06/30/2023	
	Temporarily idle property, plant and equipment	Property, plant and equipment fully depreciated and still in operation
Land, constructions and buildings	214,548	459,422
Machinery, equipment, furniture and fixtures	90,112	1,226,846
Other	843	140,589
	305,503	1,826,857

15. RIGHT-OF-USE ASSETS

The following tables show the weighted average annual depreciation rate determined using the straight-line method and based on the economic useful life of the assets and their balances. With the adoption of NBC TG 06/R3, assets related to leases are now recognized as right-of-use assets under property, plant and equipment.

Changes in right-of-use assets:

Description	Parent		
	Right-of-use assets		
	Plants	Other	Total
Average annual depreciation rates	7.00%	20.00%	
Acquisition cost	203,099	3,988	207,087
Accumulated depreciation	(70,421)	(2,227)	(72,648)
Net balance at 12/31/2022	132,678	1,761	134,439
Depreciation in the period	(7,975)	(352)	(8,327)
Net balance at 06/30/2023	124,703	1,409	126,112
Acquisition cost	203,099	3,988	207,087
Accumulated depreciation	(78,396)	(2,579)	(80,975)
Net balance at the end of the period	124,703	1,409	126,112

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Description	Consolidated			
	Right-of-use assets			
	Plants	Machinery and equipment	Other	Total
Average annual depreciation rates	13.53%	13.93%	24.19%	
Acquisition cost	4,420,190	742,853	733,434	5,896,477
Accumulated depreciation	(1,915,539)	(397,071)	(367,334)	(2,679,944)
Net balance at 12/31/2022	2,504,651	345,782	366,100	3,216,533
Additions	495,477	154,011	20,329	669,817
Write-offs	(74,649)	(3,470)	(1,684)	(79,803)
Transfers	(4,383)	8,256	(3,873)	-
Reclassification ^(a)	(1,656)	40	724	(892)
Translation gains (losses)	(17,276)	(29,095)	(22,816)	(69,187)
Depreciation in the period	(295,954)	(72,583)	(96,491)	(465,028)
Net balance at 06/30/2023	2,606,210	402,941	262,289	3,271,440
Acquisition cost	4,409,083	834,676	681,937	5,925,696
Accumulated depreciation	(1,802,873)	(431,735)	(419,648)	(2,654,256)
Net balance at the end of the period	2,606,210	402,941	262,289	3,271,440

^(a) Amounts reclassified to biological assets (non-current) and property, plant and equipment.

16. INTANGIBLE ASSETS

Changes in intangible assets for the period ended June 30, 2023 are follows:

	Parent					
	Average amortization rate	Balance at December 31, 2022	Acquisition	Reclassification ^(a)	Amortization	Balance at June 30, 2023
Sales channels	5.50%	177,722	-	-	(8,131)	169,591
Software and licenses	14.38%	16,170	50	14,906	(3,285)	27,841
Trademarks and patents	3.14%	54,715	-	-	(1,456)	53,259
Total		248,607	50	14,906	(12,872)	250,691

^(a) Amounts reclassified from property, plant and equipment.

	Consolidated								
	Average amortization rate	Balance at December 31, 2022	Acquisition	Write-off	Translation gains (losses)	Reclassification ^(a)	Transfers	Amortization	Balance at June 30, 2023
Goodwill	-	1,786,570	-	-	(151,615)	-	-	-	1,634,955
Sales channels	5.50%	177,722	-	-	-	-	-	(8,129)	169,593
Software and licenses	42.53%	289,782	681	(6,519)	(5,594)	25,767	137,634	(107,436)	334,315
Trademarks and patents	1.73%	12,582,866	-	-	(115,286)	-	(2)	(55,041)	12,412,537
Customer relationship	7.31%	2,441,554	-	-	(131,923)	-	1	(160,583)	2,149,049
Supplier relationship	6.81%	3,036,737	-	-	(132,640)	-	-	(142,673)	2,761,424
Non-compete agreements	42.08%	19,927	-	-	1,408	-	-	(7,171)	14,164
Other intangible assets	-	77,266	117,188	-	(1,424)	(113)	(137,633)	-	55,284
Total		20,412,424	117,869	(6,519)	(537,074)	25,654	-	(481,033)	19,531,321

^(a) Amounts reclassified from property, plant and equipment.

The goodwill generated from acquisitions of ownership interests abroad is expressed in the business unit's functional currency and is translated at the closing rate, in accordance with NBC TG 02/R3 (CVM Resolution 540/10) – effects of changes in exchange rates and translation of financial statements.

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17. TRADE ACCOUNTS PAYABLE

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Third parties	1,605,052	1,881,232	17,067,262	19,019,268
Related parties ^(a)	22,668	36,784	11,115	23,000
(-) Present value adjustment	-	-	(208,396)	(210,127)
	1,627,720	1,918,016	16,869,981	18,832,141
Current liabilities	1,627,720	1,918,016	16,863,692	18,824,682
Non-current liabilities	-	-	6,289	7,459

(a) Trade accounts payable with related parties are detailed in Note 34 - Related parties.

The Company has partnerships with several financial institutions that enable suppliers to advance their receivables and, therefore, transfer the right to receive invoiced amounts to financial institutions (“**Supplier chain financing**” or “**Program**”). Suppliers are free to choose whether or not to advance receivables and the institution with which to carry out the operation, without the participation of BRF.

The Program can generate benefits in the commercial relationships of subsidiary BRF and its suppliers, such as preferential supply in cases of restricted supply, better price conditions, among others, with no change to the commercial essence of the relationship.

The invoices included in this Program are payable under the same price and term conditions negotiated with its suppliers, with no additional charges to the Company, and therefore there no changes to the commercial conditions after negotiation and invoicing of the goods or services.

At June 30, 2023, the balance of invoices included in the Supplier chain financing operation is R\$ 5,258,061 (R\$ 5,794,841 in the Consolidated at December 31, 2022).

The Company measures and specifies the adjustment to present value of all its commercial transactions made in installments, specifying financial and operational items.

In order to improve the presentation of the interim financial information, since the interim financial information at March 31, 2023 the Company has grouped the balances of December 31, 2022 maintained in a segregated group of the balance sheet called Trade Accounts Payable - Supplier Chain Financing under the line item “Trade Accounts Payable”, in the amount of R\$ 1,393,137 in the Consolidated.

18. ACCRUED PAYROLL AND RELATED CHARGES

In the period ended June 30, 2023 and year ended December 31, 2022, the balances of payroll and related taxes and social benefits were evaluated, as shown below:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Salaries and payroll charges	168,828	137,171	1,161,696	1,148,494
Bonuses	4,115	11,015	317,508	837,441
Employee benefits	-	-	491,786	521,312
Other	-	-	7,971	16,023
	172,943	148,186	1,978,961	2,523,270
Current liabilities	172,943	148,186	1,549,656	2,066,326
Non-current liabilities	-	-	429,305	456,944

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18.1. Employee benefits

The human resources policy of subsidiary BRF includes offering the following post-employment benefits and other employee benefits, with amounts calculated based on the actuarial cost method and recognized in the financial statements.

	Consolidated	
	06/30/2023	12/31/2022
Healthcare plan	125,446	119,729
FGTS severance pay	63,183	60,657
Seniority bonus	117,277	112,225
Retirement bonus	47,578	45,670
Life insurance	8,871	8,871
Defined benefit	129,431	174,160
	491,786	521,312

19. TAXES PAYABLE

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
State VAT (ICMS) payable	-	-	227,512	274,156
Income and social contribution taxes payable	271,112	57,870	642,390	545,028
Special tax debt installment plans	3,316	10,822	121,590	121,373
Other taxes, fees and contributions payable	13,738	15,830	119,525	150,363
	288,166	84,522	1,111,017	1,090,920
Current liabilities	228,455	23,128	752,774	673,199
Non-current liabilities	59,711	61,394	358,243	417,721

Changes in special installment payment plans are as follows:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Opening balance	10,822	101,812	121,373	101,812
(+) Adhesion to the installment payment program	1,593	-	17,643	-
(+) Inflation adjustment interest	697	7,849	6,164	15,813
(-) Payments / offsets made	(9,796)	(98,839)	(23,590)	(110,296)
Addition through business combination	-	-	-	114,044
Debt balance	3,316	10,822	121,590	121,373

At March 31, 2023, the Company, through its subsidiary BRF, enrolled in the Federal Government's Tax Litigation Reduction Program ("Litígio Zero") for certain lawsuits involving disputes involving PIS and COFINS. The enrollment in this Program generated a reversal of the provision for contingencies in the amount of R\$ 21,176. The amounts included in the Program will be settled as follows: i) 70% paid with the use of tax losses, amounting to R\$ 31,279, and ii) 30% paid in 9 installments, amounting to R\$ 13,405.

On April 27, 2023, the Company, through its subsidiary BRF in its subsidiary Mogiana Alimentos, joined the program for installment payment of ICMS debts in the amount of R\$ 2,644, which will be paid in sixty installments.

On May 8, 2023, the Company joined the program for installment payment of debits due under the Agreement for Direct Collection with Provision of Assistance Services to SESI, the amounts refer to the period from July 2018 to April 2019 and total R\$ 1,593, payments will be made in sixty installments.

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20. LOANS, FINANCING AND DEBENTURES

					Parent	
Credit facility	Charges (% p.a.)	Weighted average interest rate (p.a.)	Weighted average maturity (years)	06/30/2023	12/31/2022	
Domestic currency:						
NCE/Working capital	CDI	17.78%	0.28	106,233	670,128	
CPR/CCB	CDI	15.47%	2.05	5,647,714	6,079,882	
CRA	CDI / IPCA	14.32%	5.70	5,412,496	5,184,835	
Total domestic currency		14.93%		11,166,443	11,934,845	
Foreign currency:						
NCE/Prepayment (US\$) / ACC (US\$)	Libor + Fixed Rate + SOFR	6.80%	1.30	4,416,312	4,927,762	
Bank loan (US\$)	Fixed Rate + SOFR + FX	5.22%	2.47	305,381	353,862	
Total foreign currency		6.70%		4,721,693	5,281,624	
Total loans, financing and debentures		12.49%		15,888,136	17,216,469	
Current liabilities				6,808,575	6,598,771	
Non-current liabilities				9,079,561	10,617,698	

					Consolidated	
Credit facility	Charges (% p.a.)	Weighted average interest rate (p.a.)	Weighted average maturity (years)	06/30/2023	12/31/2022	
Domestic currency:						
NCE/Working capital	CDI / Fixed	14.63%	3.00	2,301,670	4,692,869	
CPR/CCB	CDI	15.47%	2.05	5,647,714	6,079,882	
CRA	CDI / IPCA	13.58%	4.83	6,479,947	6,184,481	
Tax incentives	Fixed	2.40%	-	59,318	5,286	
Debentures	CDI / IPCA	10.22%	6.22	6,259,317	5,768,475	
Total domestic currency		13.17%		20,747,966	22,730,993	
Foreign currency:						
NCE/Prepayment (US\$) / ACC (US\$)	Libor + Fixed rate + Sofr / Fixed rate + FX	8.46%	2.20	7,572,464	5,218,815	
Bonds (US\$)	Fixed rate + FX / Fixed rate	5.26%	8.37	21,692,010	24,788,824	
Bank loan (US\$)	Fixed rate + Libor / SOFR + FX	6.77%	2.34	5,045,772	6,263,450	
Revolving credit facility	Fixed rate + Libor	6.68%	3.39	2,269,343	1,656,705	
Working Capital	Fixed rate/ Floating rate / Eibor	9.91%	2.01	1,043,728	514,004	
Total foreign currency		6.32%		37,623,317	38,441,798	
Total loans and financing		8.75%		58,371,283	61,172,791	
Current liabilities				13,395,572	12,813,280	
Non-current liabilities				44,975,711	48,359,511	

The changes in loans, financing and debentures are as follows:

Description	12/31/2022	Acquisitions	Loan costs	Payments	Interest	Capitalized interest	Translation gains (losses)	Balance sheet conversion adjustment	06/30/2023
Parent	17,216,469	4,780,034	15,417	(7,024,444)	1,210,088	-	(309,428)	-	15,888,136
Consolidated	61,172,791	21,565,316	79,357	(24,468,813)	3,184,951	35,722	(1,298,873)	(1,899,168)	58,371,283

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The additions and payments presented in the table above include working capital operations.

Loans, financing and debentures fall due as follows:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
2023	3,135,536	6,598,771	6,446,838	12,813,280
2024	4,324,782	2,529,040	8,186,855	6,694,216
2025	2,190,242	1,833,686	5,876,676	5,788,310
2026	1,079,292	1,082,720	10,995,407	10,303,766
2027	1,323,346	1,325,138	5,041,164	3,619,778
2028 onwards	3,834,938	3,847,114	21,824,343	21,953,441
Total	15,888,136	17,216,469	58,371,283	61,172,791

20.1. Bonds (US\$)

On March 10, 2023, the Company repurchased and canceled the total portion equivalent to US\$ 52 million related to the principal of outstanding senior notes (bonds) due in 2026, 2029 and 2031 as follows:

- portion equivalent to principal of US\$ 15 million of the outstanding senior notes issued by NBM US Holdings Inc with remuneration of 7.000% p.a. and due in 2006 ("2026 notes");
- portion equivalent to principal of US\$ 13 million of the outstanding senior notes issued by NBM US Holdings Inc. with remuneration of 6.625% p.a. and due in 2029 ("2029 notes"),
- portion equivalent to principal of US\$ 24 million of the outstanding senior notes issued by MARB BondCo PLC. with remuneration of 3.950% p.a. and due in 2031 ("2031 notes"),

20.2. Guarantees for loans, financing and debentures

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Balance of financing	15,888,136	17,216,469	58,371,283	61,172,791
Guarantees:				
Promissory note	169,596	262,071	169,596	262,071
Bank surety	-	-	59,742	196,675
Surety	146,564	162,770	756,418	805,738
Facilities	-	-	2,501,322	1,667,140
Marketable securities	-	-	102,691	11,814
Letter of credit	365,953	474,894	365,953	474,894
Tax incentives	-	-	59,318	5,286
Corporate guarantee	-	-	482,038	521,219
No guarantees	15,206,023	16,316,734	53,874,205	57,227,954

20.3. Covenants

The Company is party to some loan and financing contracts that contain clauses requiring the maintenance of specific limits of consolidated debt, through covenants.

These covenants set the limit of 4.75x for the ratio of Net Debt to EBITDA in the last 12 months (LTM). Failure to comply therewith could lead creditors to request the early maturity of the Company's debt.

Due to the contractual provisions (carve-out) that allow the exclusion of foreign exchange variation effects from the calculation of leverage ratio (net debt/Adj. EBITDA - LTM), the Company clarifies that based on this methodology, the current leverage ratio (net debt/Adj. EBITDA) stood at 3.94x.

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The leverage ratio is calculated as follows:

	06/30/2023
Consolidated gross debt	58,371,283
(-) Consolidated cash and cash equivalents	18,591,808
Consolidated net debt	39,779,475
Adj. EBITDA in the period ended June 30, 2023	9,812,963
Adj. EBITDA ratio	4.05
Consolidated net debt	39,779,475
(-) Effect from exchange variation (carve-out)	1,107,077
Consolidated adjusted net debt	38,672,398
Leverage ratio	3.94

The Company did not identify any breach of its covenants at June 30, 2023.

21. ADVANCES FROM CUSTOMERS

At June 30, 2023, advances from customers in the parent company amounted to R\$ 2,333,071, of which R\$ 67,105 referring to related parties (R\$ 2,540,988 at December 31, 2022, of which R\$ 487,786 referring to related parties), and in the consolidated this balance was R\$ 2,957,338 (R\$ 2,405,785 at December 31, 2022). Advances from customers refer to amounts received in advance from customers in accordance with the Company's credit policies, the average period for repayment of these advances is 3 months.

22. LEASE PAYABLE

The following table presents the breakdown of lease payable:

				Parent	
Lease	Weighted average interest rate (p.a.)	Weighted average maturity (years)	06/30/2023	12/31/2022	
Plants, facilities and buildings	7.00%	5.6	117,814	128,507	
Other	5.10%	1.8	1,606	2,117	
Interest to incur	-	-	(13,654)	(15,307)	
Total			105,766	115,317	
Current liabilities			15,252	20,118	
Non-current liabilities			90,514	95,199	

				Consolidated	
Lease	Weighted average interest rate (p.a.)	Weighted average maturity (years)	06/30/2023	12/31/2022	
Plants, facilities and buildings	8.80%	3.4	3,094,720	2,915,003	
Software license	11.69%	0.3	651	1,603	
Machinery and equipment	4.59%	3.9	418,787	357,829	
Other	6.07%	2.0	262,065	351,651	
Interest to incur	-	-	(19,803)	(22,988)	
Total			3,756,420	3,603,098	
Current liabilities			905,948	819,547	
Non-current liabilities			2,850,472	2,783,551	

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Financial charges are recognized as financial expenses and recognized based on the real discount rate, according to the remaining period of the agreement.

The following table presents the changes in lease payable:

Description	12/31/2022	Acquisitions	Financial expenses	Payments	Write-offs	Translation gains (losses)	Balance sheet conversion adjustment	Adjustment to present value	06/30/2023
Parent	115,317	-	1,543	(11,204)	-	-	-	110	105,766
Consolidated	3,603,098	669,817	109,738	(481,528)	(78,107)	54	(66,762)	110	3,756,420

The following table presents the maturity schedule of lease agreements:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
2023	7,626	20,118	493,874	819,547
2024	16,899	14,951	782,832	671,467
2025	18,136	13,262	609,119	518,805
2026	15,794	8,689	457,137	396,747
2027	7,785	8,689	375,367	295,251
2028 onwards	39,526	49,608	1,038,091	901,281
Total	105,766	115,317	3,756,420	3,603,098

22.1. Potential right to PIS and COFINS

The Company holds the potential right to recoverable PIS and COFINS taxes embedded in the consideration of certain leases for industrial plants, buildings, machinery and equipment and others. The measurement of the cash flows from the leases did not detail the tax credits, with the potential effects from PIS/COFINS presented in the following table:

Description	Parent		Consolidated	
	Nominal	Adjustment to present value	Nominal	Adjustment to present value
Lease consideration	117,814	104,639	356,289	323,454
Potential PIS / COFINS (9.25%)	10,898	9,679	32,957	29,919

22.2. Inflationary effects

The Company adopted as accounting policy the requirements of NBC TG 06/R3 (CVM Resolution 787/17) to measure and remeasure its right of use, based on discounted cash flow without considering inflation.

Management evaluated the impacts of using nominal flows and concluded that they do not present relevant distortions in the information presented. To ensure the faithful representation of the information with regard to the requirements of NBC TG 06/R3 (CVM Resolution 787/17) and to comply with the orientations of the CVM, the balances of right-of-use assets, depreciation, lease liabilities and financial expenses without inflation, referred to as actual flow, and the estimate of the balances adjusted for inflation in the comparison period, referred to as inflation-adjusted flow, are presented.

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Other assumptions, such as the timetable for the maturity of liabilities and the interest rates used in the calculation, are presented in other items of these notes, while the inflation rates are observable in the market, enabling the users of the interim financial statements to determine the inflation-adjusted flows. The Company used the Broad Consumer Price Index - IPCA (3.16% p.a.) to adjust the balance for inflation.

Right-of-use assets			Lease liabilities		
	Parent	Consolidated		Parent	Consolidated
Real flow	06/30/2023	06/30/2023	Real flow	06/30/2023	06/30/2023
Right-of-use assets	134,439	3,736,468	Lease liabilities	107,309	3,866,158
Depreciation	(8,327)	(465,028)	Financial expenses	(1,543)	(109,738)
Inflation-adjusted flow	Parent	Consolidated	Inflation-adjusted flow	Parent	Consolidated
	06/30/2023	06/30/2023		06/30/2023	06/30/2023
Right-of-use assets	136,548	3,760,571	Lease liabilities	110,352	3,901,214
Depreciation	(8,458)	(467,947)	Financial expenses	(1,567)	(110,423)

23. NOTES PAYABLE

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Notes payable for investments in Brazil ^(a)	53,141	88,567	307,549	334,538
Related parties ^(b)	19,561,772	20,395,963	-	-
Leniency Agreement with CGU and AGU ^(c)	-	-	-	585,577
Other	11,546	14,546	13,385	14,546
	19,626,459	20,499,076	320,934	934,661
Current liabilities	60,187	77,939	219,784	816,905
Non-current liabilities	19,566,272	20,421,137	101,150	117,756

(a) The amount refers primarily to the acquisition of all shares in Mercomar Empreendimentos e Participações Ltda., acquired by the Company in May 2015, with final maturity scheduled for March 2024, and to the acquisition of all shares in Mogiana Alimentos S.A. (acquired by subsidiary BRF in February 2022, with maturity in 6 years).

(b) The amount refers to loans with subsidiaries. A breakdown of the balance can be found in Note 34 Related-party transactions.

(c) As detailed in Note 26.3 to the financial statements at December 31, 2022, on December 28, 2022, subsidiary BRF signed a Leniency Agreement with the Office of the Federal Controller General (CGU) and the Attorney General Office (AGU) and one of the commitments assumed was the payment of R\$ 583,977 to settle the proceedings. In June 2023, said amount, restated according to the contract, was settled as follows: i) 70% referring to tax losses, in the amount of R\$ 435,128; and ii) 30% referring to PIS, COFINS and IRPJ tax credits, in the amount of R\$ 186,483.

24. PROVISION FOR CONTINGENCIES

24.1. Provisions

The Company and its subsidiaries are involved in several labor, tax and civil proceedings, in the ordinary course of business, for which provisions based on legal advisors' estimates have been set up.

The principal information about these proceedings is presented below:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Labor and social security	50,813	48,581	667,835	709,014
Tax	43,512	50,386	4,617,259	4,784,011
Civil	110,884	110,924	1,210,810	1,234,012
	205,209	209,891	6,495,904	6,727,037
Current liabilities	-	-	725,722	867,294
Non-current liabilities	205,209	209,891	5,770,182	5,859,743

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The following table shows the changes in provisions in the period ended June 30, 2023:

	Parent				Consolidated			
	Labor and social security	Tax	Civil	Total	Labor and social security	Tax	Civil	Total
December 31, 2022	48,581	50,386	110,924	209,891	709,014	4,784,011	1,234,012	6,727,037
Addition to provision	15,327	-	-	15,327	263,269	96,280	57,416	416,965
Reversal of provision	-	(6,874)	(40)	(6,914)	(123,722)	(107,478)	(41,432)	(272,632)
Payments	(13,095)	-	-	(13,095)	(157,348)	(153,373)	(31,938)	(342,659)
Translation gains (losses)	-	-	-	-	(23,378)	(2,181)	(7,248)	(32,807)
June 30, 2023	50,813	43,512	110,884	205,209	667,835	4,617,259	1,210,810	6,495,904

24.1.1. Labor and social security

At June 30, 2023, the Company and its subsidiaries are parties to various labor claims. Based on the payment history of the Company and its subsidiaries. In the opinion of Management and legal advisors, the provision is sufficient to cover probable losses. Most of the labor claims filed against the Company and its subsidiaries refer to matters usually questioned in this industry, such as dismissal with cause, preparation time, breaks for personnel who work in refrigerated environments, work accidents, commuting time and ergonomic hazard, among others.

The Company's Management believes no individual labor claim is relevant.

24.1.2. Tax

Based on the opinion of its legal advisors, the Company revised its estimate for unmaterialized tax risks in view of certain processes and legal discussions involving the Administrative Council of Tax Appeals (CARF), in addition to decisions on matters under dispute.

The main discussions refer to disallowances of ICMS arising from the use of ICMS credits on materials for use and consumption, presumed ICMS credit, ICMS tax substitution, ICMS rate differential on seasoned products, disallowance of PIS and COFINS credits on inputs, disallowance of estimated IRPJ/CSLL offset, lack of addition of profits abroad in the calculation of tax and contribution on income, GILRAT and ICMS, and exclusion of ICMS from the PIS and COFINS calculation basis.

Other tax contingencies refer to the payment of social security contributions, INCRA, FUNRURAL, SESI/SENAI/SEBRAE, debts included in REFIS with deposit awaiting consolidation and conversion into payment, debts arising from divergence of accessory obligations, disallowance of presumed IPI credit, Import Tax, IOF, Finsocial and others.

The Company, supported by its legal advisors, considered sufficient the amounts recorded in provision for potential impacts in the event that such risks materialize.

24.1.3. Civil

At June 30, 2023, based on the opinion of legal advisors, Management recognized a provision for lawsuits considered as probable risk of loss. The civil lawsuits of the Company and its subsidiaries typically involve disputes related to commercial agreements, indemnity claims, breach of contract claims, regulatory, environmental and real estate issues, consumer relations, among other matters. The accrued amount is substantially composed of the early termination of the agreement for sponsorship of the Brazilian National Football Teams entered into with the Brazilian Football Confederation (CBF), and reflects the adjustment of the existing risk for inflation.

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24.2. Contingent liabilities

Contingent liabilities, whose likelihood of loss for the Company was defined by its legal advisors as possible and, therefore, are not recognized in the financial statements according to NBC TG 25/R2, are shown below:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Labor and social security	87,394	70,042	294,914	238,526
Tax	1,250,702	1,157,006	11,014,816	10,113,931
Civil	37,975	10,469	1,144,621	1,137,540
	1,376,071	1,237,517	12,454,351	11,489,997

24.2.1. Labor and social security

The labor and social security lawsuits in which the Company and its subsidiaries are parties typically involve issues commonly claimed in the segment, such as dismissal without cause, preparation time, breaks for persons working in refrigerated environments, work accidents, commuting time, ergonomic hazards and others.

24.2.2. Tax

The main tax matters discussed at court that in the opinion of Management and legal advisors are rated as possible losses for the Company and its subsidiaries is presented below.

Federal Taxes and Contributions

The Company was a party to administrative proceedings and court claims filed by the Federal Government, claiming:

- No increase in taxable income and IRPJ/CSLL base for profits earned abroad in calendar year 2007/2009, disallowance of goodwill amortization and non-subjection to tax of interest from loan agreements in force with subsidiaries abroad;
- Disallowance of PIS/COFINS credits for calendar year 2014/2019 used for the offset of taxes;
- Payment of IOF for calendar year 2016 related to checking account agreements executed among the companies of the group;
- Disallowance of PIS and COFINS credits resulting from the non-cumulative system due to divergence regarding the concept of disallowed inputs and use in the production process, as well as the requirement for taxation of revenues related to presumed ICMS credits, differences related to the tax classification of seasoned meats, Decree-Laws 2,445/88 and 2,449/88 (half-yearly), extemporaneous credits and others;
- Refund and offsetting of IRPJ and CSLL tax losses, including as a result of the recognition of a court decision related to Plano Verão and tax assessment notices demanding IRPJ and CSLL related to offsetting of tax losses above the limit of 30% upon the merger of companies;
- Subsidiary BRF was assessed by the Brazilian Federal Revenue Service for alleged failure to pay Income Tax and Social Contribution on profits earned by its subsidiaries abroad. The defenses are supported by the fact that the subsidiaries abroad are exclusively subject to full taxation in the countries in which they are headquartered as a result of treaties to avoid double taxation;
- Non-approval of offsets of presumed IPI credits arising from the acquisition of non-taxed products and intermediate materials; and
- Collection of social security contributions on payroll, profit sharing, GIILRAT for financing special retirement, SAT/RAT, as well as other amounts of various natures.

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State VAT - ICMS

The Company was a party to administrative proceedings and court claims, claiming the following:

- a) Tax Deficiency Notices discussing the collection of ICMS taxes in the state of Goiás related to the disallowance of ICMS tax credits due to noncompliance with accessory obligations, error in the basis for calculation of the value due in ICMS taxes, failure to return credits granted after goods were returned, failure to return ICMS credits on the acquisition of inputs/goods proportionally to disbursements, failure to substantiate exports of goods abroad; and
- b) Disallowance by the States of destination of the goods, of the ICMS credit arising from tax incentives granted by the States of origin unilaterally, without approval of an agreement by the National Council of Fiscal Policy ("CONFAZ"), the so-called "tax war"; non-proof of export; infraction notices from the State of Rio de Janeiro for the period from 2014 to 2018, due to alleged non-compliance with the Term of Agreement (TARE) that provided for a tax benefit; Public Civil Action in Rio de Janeiro regarding the use of tax benefit; and ICMS tax assessment notice in Goiás referring to the exclusion of the credit reversal from the PROTEGE calculation basis; among other lawsuits; The reductions in contingencies related to the tax war are due to the recognition of credits by the States, according to LC 160 and ICMS Agreement 190;

Taxes on Services of Any Nature (ISSQN)

The Company is involved in a lawsuit which claims the collection of local government taxes.

24.2.3. Civil

The civil lawsuits of the Company and its subsidiaries typically involve litigations related to business agreements and others refer mainly to disputes arising from allegations of contractual breach and non-compliance with legal obligations of various natures, such as disputes arising from contracts in general, disputes relating to intellectual property, regulatory, environmental and real estate issues, consumer relations, among other topics.

24.3. Additional information

Repurchase of McKey Korea LLC

The repurchase of McKey Korea LLC (Korean company owned by Keystone Foods) by the Company is currently in the evidentiary stage and testimony of witnesses.

National Beef business

Five class actions and nineteen individual plaintiff actions were filed in the United States, and two class actions in Canada, alleging that the Company and/or its subsidiary, National Beef, with other companies in the industry, colluded to control cattle and meat prices. In all the actions, the court issued decisions that excluded the Company as a defendant and maintained National Beef. National Beef was also notified of a civil investigation by the US Department of Justice and approximately thirty state attorneys regarding the purchase of fed cattle and sale of beef. National Beef is cooperating with the investigations by providing all the requested information.

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25. EQUITY

At June 30, 2023 and December 31, 2022, equity was broken down as follows:

	Note	06/30/2023	12/31/2022
Share capital	25.1	8,204,391	8,204,391
Capital reserves and treasury shares	25.2	(2,464,134)	(2,434,260)
Legal reserve	25.3	484,848	484,848
Tax incentive reserve	25.4	517,726	517,726
Earnings reserve	25.5	4,443,963	4,443,963
Other comprehensive income	25.6	(5,715,784)	(5,646,808)
Accumulated losses		(1,417,258)	-
		4,053,752	5,569,860

25.1. Share capital

Subscribed and paid-in share capital at June 30, 2023 and December 31, 2022 totals R\$ 8,204,391 and is represented by 660,000,000 common shares without par value. At June 30, 2023, 350,480,340 shares, or 53.10% of the Company's capital was held by the controlling shareholders: Marcos Antonio Molina dos Santos, Marcia Aparecida Pascoal Marçal dos Santos and MMS Participações Ltda. (company controlled by Marcos and Marcia, each with a 50% ownership interest), the free float was 309,519,660 shares or 46.90%, of which 22,913,432 shares or 3.47% of the Company's capital were held in treasury and 1,370,076 shares or 0.21% are held by its Board of Directors (BD), Audit Board (AB) and Executive Board (EB).

Common shares	Share capital	
	Balance at June 30, 2023	Balance at December 31, 2022
Controlling shareholders	350,480,340	350,480,340
Total controlling shareholders	350,480,340	350,480,340
Treasury shares	22,913,432	310,192
Shares held by BD, AB and EB	1,370,076	1,227,359
Other outstanding shares	285,236,152	307,982,109
Total free float	309,519,660	309,519,660
Number of shares	660,000,000	660,000,000
Total share capital (R\$ '000)	8,204,391	8,204,391

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25.2. Capital reserve and treasury shares

At June 30, 2023, the balances of the capital reserves and treasury shares were broken down as follows:

Capital reserve and treasury shares	Balance at December 31, 2022	Translation gains (losses)	Acquisition/ (disposal)	Balance at June 30, 2023
Capital reserve				
Goodwill on capital transactions - National Beef	(1,671,812)	127,065	-	(1,544,747)
Goodwill on capital transactions - Tacuarembó	(158)	-	-	(158)
Goodwill on stock option	(17,446)	-	(730)	(18,176)
Common shares	184,800	-	-	184,800
	(1,504,616)	127,065	(730)	(1,378,281)
Treasury shares				
Treasury shares	(929,644)	-	(156,209)	(1,085,853)
	(929,644)	-	(156,209)	(1,085,853)
	(2,434,260)	127,065	(156,939)	(2,464,134)

Capital reserve

The capital reserves reflect the contributions made by shareholders that are directly related to the formation or increase of the capital stock, the changes in the relative interest of the parent company 'in subsidiaries that do not result in the obtainment or loss of control, as well as goodwill on capital transactions.

Treasury shares

At June 30, 2023, the Company held 22,913,432 common shares in treasury, which were booked at the amount of R\$ 162,788, which corresponds to the average cost of R\$ 7.10 per share.

Treasury shares amounted to R\$ 1,085,853, of which R\$ 923,065 refers to treasury shares canceled.

Changes in treasury shares in the year are shown in the table below:

Held in treasury	Number of shares	Amount (R\$ '000)
Balance at December 31, 2022	310,192	6,578
(+) Acquisition - Repurchase program	23,921,800	165,585
(-) Disposal - Stock options	(1,318,560)	(9,375)
Balance at June 30, 2023	22,913,432	162,788

Repurchase program

Shares repurchased were held in treasury for exercise of stock options by the beneficiaries of the Company's Stock Option Plan and/or subsequent cancellation or sale.

On August 11, 2022, the Board of Directors approved a new Repurchase Plan ("Repurchase Plan") for up to 31,000,000 registered, book-entry common shares without par value. The maximum period for effecting the purchase transactions is 18 months, starting on August 11, 2022 and ending on February 10, 2024. In the period ended June 30, 2023, the Company repurchased 23,921,800 shares, for R\$ 165,585.

25.3. Legal reserve

It is 5% (five percent) of the Company's net income, as defined in its bylaws and current legislation. The balance of the legal reserve at June 30, 2023 was R\$ 484,848, remaining the same in relation to December 31, 2022.

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25.4. Tax incentive reserve

The Company benefits from state governments subsidies related to ICMS (State VAT) as follows: Program for Industrial and Commercial Development of the State of Mato Grosso ("PRODEIC"), State Program for Development, Coordination and Quality of the Agribusiness System of Cattle, Sheep and Buffalo ("Agregar-RS Carnes"); Program for Regional Development of the State Council ("CONDER-RO"), such incentives are directly associated to the investment in manufacturing facilities, job generation, economic and social development, and to the harmonious and integrated growth of industrial operations.

The balance of the tax incentive reserve at June 30, 2023 was R\$ 517,726, remaining the same in relation to December 31, 2022.

25.5. Earnings reserve

The balance of the earnings reserve at June 30, 2023 was R\$ 4,443,963, remaining the same in relation to December 31, 2022.

25.6. Other comprehensive income

This account recognizes, before being recorded in the statement of income for the period, translation gains (losses) resulting from the translation of interim financial statements of subsidiaries abroad, whose functional currency differs from that of the Company, the corresponding entries of increases or decreases in the amount attributed to asset and liability items arising from their adjustment to market price on investments in subsidiaries directly and indirectly held by the Company, gains or losses on net investment hedge, actuarial gains or losses on pension plans and post-employment benefits, share-based payment and treasury shares in subsidiaries.

Such accumulated effect will be transferred to the statement of income for the year as gain or loss only upon the disposal or write-off of the investment.

This account also recognized the effects from the adoption of deemed cost and the foreign exchange differences on the translation of loan operations.

At June 30, 2023, the balance of other comprehensive income was broken down as follows:

Other comprehensive income	Balance at December 31, 2022	Effect from exchange variation	Recognition / Realization	Balance at June 30, 2023
Exchange variation on net investments and balance sheet conversion	2,836,499	(742,022)	-	2,094,477
Exchange variation on loan	(9,221,009)	829,802	-	(8,391,207)
Exchange variation on goodwill	791,461	(229,530)	-	561,931
Deemed cost	50,391	-	(650)	49,741
Gains (losses) on net investment hedge	(117,543)	-	50,840	(66,703)
Gains on net interest hedge	-	15,843	-	15,843
Actuarial gains on pension plans and post-employment benefits	13,817	-	4,149	17,966
Share-based payment in subsidiary BRF	(6,266)	-	1,338	(4,928)
Treasury shares in subsidiary BRF	5,842	-	1,254	7,096
	<u>(5,646,808)</u>	<u>(125,907)</u>	<u>56,931</u>	<u>(5,715,784)</u>

25.7. Shareholder compensation

When proposed by the Company, shareholder compensation is paid in the form of dividends and/or interest on capital based on the limits set by law and by the Company's Bylaws.

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26. NET SALES REVENUE

	Parent		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenue from sales of products - domestic market				
Third parties	3,300,207	3,249,714	47,266,449	40,485,800
Related parties	358,446	324,276	4,575	4,305
	3,658,653	3,573,990	47,271,024	40,490,105
Revenue from sales of products - foreign market				
Third parties	207,151	124,011	21,241,286	19,015,862
Related parties	3,858,040	5,565,146	-	-
	4,065,191	5,689,157	21,241,286	19,015,862
Gross operating revenue	7,723,844	9,263,147	68,512,310	59,505,967
Deductions from gross sales				
Taxes on sales	(221,237)	(258,828)	(2,379,439)	(1,517,752)
Returns and discounts	(288,780)	(421,764)	(1,861,474)	(1,161,759)
	(510,017)	(680,592)	(4,240,913)	(2,679,511)
Net sales revenue	7,213,827	8,582,555	64,271,397	56,826,456

The increase in net revenue compared to the previous period is due to the consolidation of the interim financial statements of subsidiary BRF, which was adopted by the Company as of April 1, 2022. Accordingly, the period ended June 30, 2022 only included the consolidation of the balances of subsidiary BRF for the second quarter of 2022.

27. COST AND EXPENSES BY NATURE

The Company has chosen to present the statement of income by function and presents below expenses by nature:

	Parent		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cost of products and goods sold				
Inventory costs	(5,380,024)	(6,906,905)	(50,283,864)	(42,412,179)
Depreciation and amortization	(202,047)	(195,555)	(2,914,128)	(1,732,398)
Employee salaries and benefits	(405,541)	(369,381)	(5,239,614)	(4,418,290)
	(5,987,612)	(7,471,841)	(58,437,606)	(48,562,867)
Selling expenses				
Depreciation and amortization	(1,132)	(934)	(321,450)	(102,701)
Employee salaries and benefits	(33,828)	(29,963)	(929,541)	(542,594)
Freight	(293,492)	(251,926)	(2,803,889)	(1,974,793)
Export expenses	(74,642)	(93,319)	(404,203)	(307,173)
Marketing	(16,767)	(20,804)	(469,151)	(244,356)
Other	(20,111)	(27,972)	(273,253)	(283,948)
	(439,972)	(424,918)	(5,201,487)	(3,455,565)
General and administrative expenses				
Depreciation and amortization	(16,712)	(16,965)	(209,656)	(247,581)
Employee salaries and benefits	(83,567)	(33,236)	(411,165)	(272,118)
Third-party services	(68,616)	(39,489)	(234,867)	(124,783)
Other	(7,865)	(6,857)	(151,825)	(74,968)
	(176,760)	(96,547)	(1,007,513)	(719,450)

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The increase in costs and expenses compared to the previous period is due to the consolidation of the interim financial statements of subsidiary BRF, which was adopted by the Company as of April 1, 2022. Accordingly, the period ended June 30, 2022 only included the consolidation of the balances of subsidiary BRF for the second quarter of 2022.

28. NET FINANCIAL RESULT

The Company's financial income (expenses) is as follows:

	Parent		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Interest received, earnings from marketable securities	46,352	31,547	574,367	365,315
Interest, debentures and lease with financial institutions	(1,024,022)	(623,541)	(3,229,794)	(1,773,524)
Inflation adjustments, bank expenses, amortized cost on debt and other	(201,151)	(262,253)	(356,441)	(64,668)
Loss from securities	-	(1,494,449)	-	(795,309)
Translation gains and losses	340,360	(287,865)	(326,340)	(1,167,455)
Total	(838,461)	(2,636,561)	(3,338,208)	(3,435,641)
Financial income				
Third parties	1,509,657	2,828,306	6,006,271	6,412,371
Related parties	173,147	154,489	-	-
	1,682,804	2,982,795	6,006,271	6,412,371
Financial expenses				
Third parties	(2,185,301)	(5,209,202)	(9,344,479)	(9,848,012)
Related parties	(335,964)	(410,154)	-	-
	(2,521,265)	(5,619,356)	(9,344,479)	(9,848,012)
Total	(838,461)	(2,636,561)	(3,338,208)	(3,435,641)

29. EARNINGS (LOSS) PER SHARE

The following table shows the calculation of basic and diluted earnings (losses) per share for the periods ended June 30, 2023 and 2022 (in thousands, unless otherwise stated):

	06/30/2023	06/30/2022
Income attributable to shareholders	(1,417,907)	4,368,928
Income attributable to shareholders from discontinued operations	-	(5,459)
Income (loss) attributable to shareholders from the Company	(1,417,907)	4,363,469
Weighted average number of shares in the year (units)	660,000,000	691,369,913
Weighted average number of shares held in treasury (units)	(21,223,688)	(13,941,977)
Weighted average number of outstanding common shares (units)	638,776,312	677,427,936
Basic earnings (losses) (in R\$)	(2.2197)	6.4493
Basic loss (in R\$) from discontinued operations	-	(0.0081)
Basic earnings attributable to shareholders from the Company	(2.2197)	6.4412

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	06/30/2023	06/30/2022
Income attributable to shareholders	(1,417,907)	4,368,928
Income attributable to shareholders from discontinued operations	-	(5,459)
Income (loss) attributable to shareholders from the Company	(1,417,907)	4,363,469
Weighted average number of shares in the year (units)	660,000,000	691,369,913
Weighted average number of shares held in treasury (units)	(21,223,688)	(13,941,977)
Number of potential shares	-	675,655
Weighted average number of outstanding common shares (units)	638,776,312	678,103,591
Diluted earnings (losses) (in R\$)	(2.2197)	6.4429
Diluted loss (in R\$) from discontinued operations	-	(0.0081)
Diluted earnings attributable to shareholders from the Company	(2.2197)	6.4348

30. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

30.1. Overview

In their activities the Company and its subsidiaries are subject to market risks related to exchange rate gains (losses), variable income, interest rate and commodities price fluctuations. In order to minimize these risks, the Company has policies and procedures to minimize these exposures and may use hedging instruments, as long as previously approved by the Board of Directors.

Among the Company's guidelines we highlight: monitoring levels of exposure to each market risk; measuring these risks; setting limits for making decisions and using hedging mechanisms, always aiming at minimizing the foreign exchange exposure of its debts, cash flows and interest rates.

The Company shall be represented exclusively by its Officers and Attorney-in-Fact, observing the limitations provided in the Bylaws, and subject to approval of the Board of Directors for acts and transactions in amounts exceeding such limit.

The Company only enters into transactions with derivatives or similar instruments that offer a maximum protection against: foreign currencies interest rates and commodity prices, and also adopts a conservative policy of not entering into transactions that could affect its financial position. The Company does not enter into leveraged transactions with derivatives or similar instruments.

The Company also has a sound financial policy, maintaining a high level of cash balance, cash equivalents and short-term investments. At the same time, the maturity of the Company's long-term indebtedness is distributed in such way that it is not concentrated in any single year.

Assets and liabilities presented in the balance sheet relating to derivative transactions, which are intended for equity hedge, are shown below:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Derivative financial instruments - receivable	208,111	66,651	825,833	205,245
Derivative financial instruments - payable	(8,043)	(178,628)	(405,122)	(447,612)
Total, net	200,068	(111,977)	420,711	(242,367)

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30.2. Financial instruments by category

The Company's financial assets and liabilities are classified as below:

Parent				
Financial assets	Amortized cost		Fair value through	
			Profit or loss and Other comprehensive income	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents	70,626	1,719,329	-	-
Financial investments and marketable securities	1,166,922	1,957,341	-	-
Trade accounts receivable	2,623,721	1,990,386	-	-
Derivative financial instruments ^(a)	-	-	208,111	66,651
Notes receivable - related parties	7,469,524	7,803,680	-	-
Total financial assets	11,330,793	13,470,736	208,111	66,651
Financial liabilities	Amortized cost		Fair value through	
			Profit or loss and Other comprehensive income	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade accounts payable	1,627,720	1,918,016	-	-
Loans, financing and debentures	15,888,136	17,216,469	-	-
Leases payable	105,766	115,317	-	-
Derivative financial instruments ^(a)	-	-	8,043	178,628
Notes payable - investments Brazil	53,141	88,567	-	-
Notes payable - Related parties	19,561,772	20,395,963	-	-
Total financial liabilities	37,236,535	39,734,332	8,043	178,628

^(a) All derivatives are classified as at fair value through profit or loss. However, those designated as hedge accounting instruments also have their effects on Other Comprehensive Income in Equity or in Inventories.

Consolidated				
Financial assets	Amortized cost		Fair value through	
			Profit or loss and Other comprehensive income	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents	5,628,975	6,403,788	-	-
Financial investments and marketable securities	13,295,095	16,495,147	-	-
Trade accounts receivable	5,772,542	6,732,435	-	-
Derivative financial instruments ^(a)	-	-	825,833	205,245
Notes receivable - related parties	31,672	31,841	-	-
Total financial assets	24,728,284	29,663,211	825,833	205,245
Financial liabilities	Amortized cost		Fair value through	
			Profit or loss and Other comprehensive income	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade accounts payable	16,869,981	18,832,141	-	-
Loans, financing and debentures	58,371,283	61,172,791	-	-
Leases payable	3,756,420	3,603,098	-	-
Derivative financial instruments ^(a)	-	-	405,122	447,612
Notes payable - investments Brazil	307,549	334,538	-	-
Total financial liabilities	79,305,233	83,942,568	405,122	447,612

^(b) All derivatives are classified as at fair value through profit or loss. However, those designated as hedge accounting instruments also have their effects on Other Comprehensive Income in, Equity or in Inventories.

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Details of the accounting policies and methods used (including criteria for recognition, measurement bases and criteria for recognition of gains and losses) for each class of financial instruments and equity are presented in Note 3.1.

30.3. Fair value of financial instruments

The method used by the Company to determine market value consists in calculating the future value based on contracted conditions and determining the present value based on market curves obtained from Bloomberg's database, except for futures market derivatives whose fair values are calculated based on the daily adjustments of variations in market prices of commodities and futures acting as counterpart.

According to NBC TG 40/R3 (CVM Resolution 684/12), the Company and its subsidiaries classify the measurement of fair value according to hierarchical levels which reflect the importance of indices used in such measurement, as follows:

Level 1: Prices quoted in (non-adjusted) active market for identical assets and liabilities.

Level 2: Other available information, except those of Level 1, where quoted prices relate to similar assets and liabilities, whether directly, by obtaining prices in active markets, or indirectly, such as valuation techniques using active market data.

Level 3: Indices used for the calculation do not derive from an active market. The Company and its subsidiaries do not have instruments at this measurement level.

Currently, the fair value of all the financial instruments of the Marfrig Group is reliably measured and hence these are classified as level 1 and 2, as shown below:

	Parent		Consolidated	
	Level 1	Level 2	Level 1	Level 2
Current and non-current assets				
Financial investments and marketable securities	-	1,166,922	-	13,295,095
Derivative financial instruments	-	208,111	-	825,833
Current and non-current liabilities				
Derivative financial instruments	(8,043)	-	(8,043)	(397,079)
Total	(8,043)	1,375,033	(8,043)	13,723,849

Management understands that the results obtained with derivative transactions are in line with the risk management strategy adopted by the Company and its subsidiaries.

30.4. Credit risk management

The Company and its subsidiaries are subject to credit risk. Credit risk deals with group's financial losses if a customer or counterpart in a financial instrument fails to comply with contractual obligations, which arise from most receivables.

The Company and its subsidiaries limit their exposure by analyzing credit and managing customer's portfolio, seeking to minimize the economic exposure to a certain customer and/or market that may represent significant losses.

The Global Credit Risk Policy determines the guideline for financial credit risk management based on the following:

- Limit of counterparty's credit risk concentration to 15% of total current assets;
- Investments in solid and prime financial institutions, based on their financial rating; and
- Balance between assets and liabilities.

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Conducted evaluations are based on information flows and follow-up of the volume of purchases in the market. The internal controls cover the assignment of credit limits.

The maximum exposure to credit risk for the Company and its subsidiaries are the trade accounts receivable shown in Note 6, where the value of the effective risk of possible losses is presented as provision for credit risk.

Values subject to credit risk:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents	70,626	1,719,329	5,628,975	6,403,788
Financial investments and marketable securities	1,166,922	1,957,341	13,295,095	16,495,147
Trade accounts receivable	2,623,721	1,990,386	5,772,542	6,732,435
Other receivables	41,435	40,994	733,300	826,187
Total	3,902,704	5,708,050	25,429,912	30,457,557

30.5. Liquidity risk management

Liquidity risk arises from the Company's and its subsidiaries' working capital management and the amortization of the principal and finance charges of debt instruments. This is the risk that the Company and its subsidiaries will find to settle their falling due payables.

The Company and its subsidiaries manage their capital based on parameters to optimize the capital structure focused on liquidity and leverage metrics that enable a return to shareholders over the medium term, consistent with the risks assumed in the transaction.

The main indicator for monitoring is the modified immediate liquidity ratio, which is the ratio between the available funds (cash, cash equivalents, financial investments and marketable securities) and current indebtedness (short term).

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Available funds	1,237,548	3,676,670	18,591,808	22,492,533
Short-term loans and financing	6,808,575	6,598,771	13,395,572	12,813,280
Modified liquidity ratio	0.18	0.56	1.39	1.76

30.6. Market risk management

The Company is exposed to market risks arising from commodity prices, interest rates and exchange rates. For each risk, the Company conducts a continuous management and sensitivity studies presented in this note.

30.7. Interest rate risk

Interest rate risk refers to the Company's risk of incurring economic losses due to negative changes in interest rates. This exposure basically refers to changes in market interest rates which affect the Company's assets and liabilities indexed to the TJLP (Long-Term Interest Rate), LIBOR (London Interbank Offered Rate), SOFR (Secured Overnight Financing Rate) or CDI (interbank deposit rate).

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In order to reduce debt service costs, the Company and its subsidiaries continually monitor market interest rates to assess the need to enter into new derivative contracts to hedge their operations against the risk of fluctuations of these rates.

The interest rate exposure risk of the Company and its subsidiaries at June 30, 2023 and December 31, 2022 is as follows:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Exposure to CDI rate:				
NCE/Working capital	106,233	670,128	4,167,052	4,692,869
CPR/CCB	5,647,714	6,079,882	5,647,714	6,079,882
CRA	5,412,496	5,184,835	6,479,947	6,184,481
Debentures	-	-	6,259,317	5,768,475
(-) CDB-DI (R\$)	(592,757)	(583,618)	(4,435,908)	(4,337,820)
Subtotal	10,573,686	11,351,227	18,118,122	18,387,887
Exposure to LIBOR and SOFR rates:				
NCE/ACC/Prepayment (US\$)	1,273,203	1,482,250	1,273,203	1,615,137
Revolving credit facility (US\$)	-	-	2,269,343	1,656,705
Bank loan (US\$)	147,342	161,330	3,629,471	3,999,692
Subtotal	1,420,545	1,643,580	7,172,017	7,271,534
Total	11,994,231	12,994,807	25,290,139	25,659,421

Derivative financial instruments to hedge against interest rate exposures at June 30, 2023 are presented in the table below:

						Consolidated
Fair value hedge - Derivative instruments	Hedged item	Assets	Liabilities	Notional		06/30/2023 MtM R\$
Interest swap	Debenture - 1 st issuance - 3 rd series - IPCA + 5.50% p.a.	IPCA + 5.50% p.a.	CDI + 0.29% p.a.	400,000	BRL	38,124
Interest swap	Debenture - 2 nd issuance - 1 st series - IPCA + 5.30% p.a.	IPCA + 5.30% p.a.	CDI + 2.20% p.a.	400,000	BRL	37,834
Interest swap	Debenture - 2 nd issuance - 2 nd series - IPCA + 5.60% p.a.	IPCA + 5.60% p.a.	CDI + 2.29% p.a.	595,000	BRL	42,449
Interest swap	Debenture - 3 rd issuance - single series - IPCA + 4.78% p.a.	IPCA + 4.78% p.a.	CDI + 0.12% p.a.	1,000,000	BRL	117,770
Interest swap	Debenture - 1 st issuance - 1 st series - IPCA + 6.83% p.a.	IPCA + 6.83% p.a.	109.32% of CDI	990,000	BRL	93,345
Exchange and interest swap	Debt in USD	VC + 8.00% p.a.	100% of CDI + 2.21% p.a.	89,943	USD	(27,785)
Exchange and interest swap	Debt in USD	VC + 6.32% p.a.	100% of CDI + 1.65% p.a.	130,000	USD	(25,025)
Exchange and interest swap	BRF SA BRFSBZ 4 3/4	VC + 4.75% p.a.	104.48% of CDI	295,363	USD	(195,321)
Interest rate swap	Bank Loan (US\$)	SOFR	Fixed	100,000	USD	8,516
						4,000,306
						89,907

Cash flow hedge

The Company and its subsidiaries designate as cash flow hedge derivative financial instruments for protection of cash flow (swap), exchanging cash flows based on a notional amount, a term and other pre-established conditions and criteria.

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At June 30, 2023, the Company has a swap contract designated as cash flow hedge accounting, measured at fair value (Level 1), i.e., a quotation (unadjusted) in active markets for identical assets or liabilities to which the entity may have access on the measurement date (IPCA x CDI).

						Consolidated
Cash flow hedge - Derivative instruments	Hedged item	Assets	Liabilities	Notional	06/30/2023 MtM R\$	
Interest rate swap	CRA	IPCA	CDI	3,995,579	BRL	205,245
				3,995,579		205,245

30.8. Commodity price risk

Cattle commodities

In its activities, the Company purchases cattle commodity, which is the largest individual component of the beef segment production cost and is subject to certain variables. The price of cattle acquired from third parties is directly related to market conditions, and is influenced by domestic availability and foreign market demand. To reduce the impact of risks on cattle commodity prices, the Company holds cattle in feedlots and trades derivative financial instruments in the futures market, as well as other operations.

The derivative financial instruments used to hedge against cattle commodity price risk at June 30, 2023, which are not designated for hedge accounting, are shown below:

						Consolidated
						06/30/2023
Instrument	Hedged item	Register	Notional US\$	Notional R\$	MtM R\$	
Futures	Fed cattle	B3	(34,418)	(165,867)	(18)	
Futures	Fed cattle	CME	497	2,395	173	
			(33,921)	(163,472)	155	

Corn and soybean meal, grain and oil commodities

The prices of corn and soybean meal, grain and oil are exposed to price risks arising from future purchases. This risk is managed through physical inventories, order balances at a fixed price and through derivative financial instruments.

Limits are established to protect the purchase flow of corn and soybean meal, grain and oil, aimed to reduce the impact of an increase in the price of these raw materials, and include the possible use of derivative instruments or management of inventories.

Subsidiary BRF purchases commodities at prices to be fixed in the futures and spot markets and, to protect such exposure, contracts derivative instruments in an active position (purchase) to fix such prices in advance.

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Derivative financial instruments designated as cash flow hedge accounting to protect against exposure to the price risk of corn and soybean meal, grain and oil commodities to be fixed at June 30, 2023, are shown in the table below:

							Consolidated
							06/30/2023
Cash flow hedge - Derivative instruments	Hedged item	Index	Maturity	Quantity	Price rate ^(a)		MtM R\$
Non-deliverable forward - purchase	Purchases of soybeans - price to be fixed	Soybean grain - CBOT	3 rd quarter 2023	30,000 ton	514.42		(2,345)
Non-deliverable forward - purchase	Purchases of soybeans - price to be fixed	Soybean grain - CBOT	4 th quarter 2023	45,000 ton	504.60		(2,254)
Collar - purchase	Purchases of soybean meal - price to be fixed	Soybean meal - CBOT	3 rd quarter 2023	27,996 ton	476.10		(1,041)
Collar - purchase	Purchases of soybean meal - price to be fixed	Soybean meal - CBOT	4 th quarter 2023	19,997 ton	435.69		(15)
Collar - purchase	Purchases of corn - price to be fixed	Corn - CBOT	3 rd quarter 2023	54,994 ton	241.66		(9,765)
Collar - purchase	Purchases of corn - price to be fixed	Corn - CBOT	4 th quarter 2023	134,995 ton	236.87		(22,925)
Corn futures - purchase	Purchases of corn - price to be fixed	Corn - B3	3 rd quarter 2023	27,189 ton	1,065.96		(634)
Corn futures - purchase	Purchases of corn - price to be fixed	Corn - B3	4 th quarter 2023	141,831 ton	1,299.76		(2,367)
Collar - purchase	Purchases of corn - price to be fixed	Corn - B3	1 st quarter 2024	9,990 ton	1,100.00		(105)
Non-deliverable forward - purchase	Purchases of soybean oil - price to be fixed	Soybean oil - CBOT	3 rd quarter 2023	8,996 ton	1,349.30		(653)
Non-deliverable forward - purchase	Purchases of soybean oil - price to be fixed	Soybean oil - CBOT	4 th quarter 2023	501 ton	1,360.69		(143)
Collar - purchase	Purchases of soybean oil - price to be fixed	Soybean oil - CBOT	3 rd quarter 2023	2,000 ton	1,410.85		(67)
						503,489	(42,314)

^(a) Base price for each commodity in USD/ton, except for Corn – B3, denominated in R\$/ton.

In certain situations, subsidiary BRF makes future purchases of commodities at fixed prices and, to protect such exposure, contracts derivative instruments in a passive position (sale) to maintain the prices of such purchases at market. Derivative financial instruments designated as fair value hedge accounting to hedge exposure to commodity fixed price risk at June 30, 2023 are shown in the table below:

							Consolidated
							06/30/2023
Fair value hedge - Derivative instruments	Hedged item	Index	Maturity	Quantity	Price rate ^(a)		MtM R\$
Non-deliverable forward - sale	Purchases of soybean grain - fixed price	Soybean grain - CBOT	1 st quarter 2024	14,996 ton	481.72		(384)
Non-deliverable forward - sale	Purchases of corn - fixed price	Corn - CBOT	4 th quarter 2023	25,795 ton	217.68		2,787
Non-deliverable forward - sale	Purchases of corn - fixed price	Corn - CBOT	1 st quarter 2024	79,846 ton	224.74		9,414
Non-deliverable forward - sale	Purchases of corn - fixed price	Corn - CBOT	2 nd quarter 2024	3,999 ton	246.88		824
Non-deliverable forward - sale	Purchases of corn - fixed price	Corn - CBOT	3 rd quarter 2024	89,773 ton	214.90		7,689
Corn futures - sale	Purchases of corn - fixed price	Corn - B3	4 th quarter 2023	9,990 ton	1,520.03		1,556
Corn futures - sale	Purchases of corn - fixed price	Corn - B3	1 st quarter 2024	24,300 ton	1,497.95		65
Corn futures - sale	Purchases of corn - fixed price	Corn - B3	3 rd quarter 2024	13,473 ton	1,351.20		-
						262,172	21,951

^(a) Base price for each commodity in USD/ton, except for Corn – B3, denominated in R\$/ton.

30.9. Exchange rate risk

Balance sheet exposure

Exchange rate risk consists of the risk of foreign exchange fluctuations leading the Company and its subsidiaries to incur losses and causing a reduction in the amounts of assets or an increase in the amounts of liabilities.

The Company also has a sound financial policy, maintaining a high level of cash balance and short-term investments with solid financial institutions.

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Assets and liabilities in foreign currency are presented as follows:

Description	06/30/2023	12/31/2022	Parent
			Effects on result Translation gains (losses) 2023
Operating			
Trade accounts receivable	2,460,682	1,868,141	9,122
Imports payable	(10,379)	(17,766)	3,769
Dividends receivable	-	-	(82)
Other	-	-	19
Subtotal	2,450,303	1,850,375	12,828
Financial			
Loans and financing	(4,721,693)	(5,281,624)	309,428
Notes payable and receivable	74,757	39,400	(3,720)
Balance of banks and marketable securities ^(a)	63,938	1,686,768	21,824
Subtotal	(4,582,998)	(3,555,456)	327,532
Total	(2,132,695)	(1,705,081)	340,360
Translation gains			1,360,280
Translation losses			(1,019,920)
Translation gains (losses), net			340,360

^(a) Refers only to banks and marketable securities that generated translation gains (losses).

Description	06/30/2023	12/31/2022	Consolidated
			Effects on result Translation gains (losses) 2023
Operating			
Trade accounts receivable	3,011,320	3,405,775	(418,734)
Imports payable	(2,239,780)	2,914,448	23,598
Dividends receivable	(222)	-	(84)
Other	(785,928)	1,000,819	(841,634)
Subtotal	(14,610)	7,321,042	(1,236,854)
Financial			
Loans and financing	(37,623,317)	(38,441,798)	1,298,875
Notes payable and receivable	(285,513)	7,187	196,446
Balance of banks and marketable securities ^(a)	4,101,691	2,785,781	39,730
Derivative financial instruments	(752,821)	-	(624,537)
Subtotal	(34,559,960)	(35,648,830)	910,514
Total	(34,574,570)	(28,327,788)	(326,340)
Translation gains			4,630,002
Translation losses			(4,956,342)
Translation gains (losses), net			(326,340)

^(a) Refers only to banks and marketable securities that generated translation gains (losses).

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The Company contracted Non-Deliverable Forwards (NDFs) contracts, all of them non-speculative in nature, to minimize the effects of the foreign exchange variation on its exports, as per the breakdown below:

Instrument	Hedged item	Register	Assets	Liabilities	Consolidated	
					Notional	MtM R\$
Operations not designated for hedge accounting						
NDF	FX rate	OTC	USD	GBP	(25,197)	(3,473)
NDF	FX rate	OTC	USD	EUR	(8,935)	(629)
NDF	FX rate	OTC	USD	AUD	(750)	165
NDF	FX rate	OTC	USD	CLP	(4,640)	135
NDF	FX rate	OTC	USD	BRL	210,000	(39,440)
NDF	FX rate	OTC	EUR	BRL	90,000	(20,863)
Futures - B3	FX rate	OTC	USD	BRL	120,500	(8,703)
Swap	FX rate	OTC	USD + 4.35% p.a.	CDI + 0.51% p.a.	115,000	(27,280)
NDF	FX rate	OTC	EUR	TRY	9,400	7,278
NDF	FX rate	OTC	USD	TRY	46,900	27,612
					552,278	(65,198)

Operating income exposure

The objective of managing operating income exposure is to protect revenues and costs indexed to foreign currencies. Subsidiary BRF has internal models for the measurement and monitoring of these risks and contracts hedging instruments, designating the relationships as cash flow hedge accounting.

Subsidiary BRF has more revenues denominated in foreign currency than expenses and, therefore, contracts derivative financial instruments to reduce such exposure. Derivative financial instruments designated as cash flow and fair value hedge accounting to protect the exchange rate exposure of operating income.

At June 30, 2023, the cash flow hedge amounts (derivative instruments) are shown in the table below:

Cash flow hedge - Derivative instruments	Hedged item	Assets	Liabilities	Maturity	Exercise rate	Consolidated		
						Notional	MTM (R\$)	
NDF	Exports in USD	BRL	USD	3 rd quarter 2023	5.5047	USD	64,000	41,681
NDF	Exports in USD	BRL	USD	4 th quarter 2023	5.5384	USD	73,000	45,079
NDF	Exports in USD	BRL	USD	1 st quarter 2024	5.4684	USD	58,000	28,381
NDF	Exports in USD	BRL	USD	2 nd quarter 2024	5.2695	USD	5,000	1,321
Collar	Exports in USD	BRL	USD	3 rd quarter 2023	5.1255	USD	358,000	66,402
Collar	Exports in USD	BRL	USD	4 th quarter 2023	5.1445	USD	40,000	7,312
							598,000	190,176

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The Company concluded that part of its cost related to future physical purchases of commodities in dollars also generates exchange rate exposure, contracting the following derivatives and designating them as fair value hedge. At June 30, 2023, the fair value hedge amounts (derivative instruments) are shown in the table below:

							Consolidated	
							06/30/2023	
Fair value hedge - Derivative instruments	Hedged item	Assets	Liabilities	Maturity	Exercise rate		Notional	MTM (R\$)
NDF	Costs in USD	BRL	USD	4 th quarter 2023	5.2999	USD	5,615	2,145
NDF	Costs in USD	BRL	USD	1 st quarter 2024	5.4134	USD	25,168	10,879
NDF	Costs in USD	BRL	USD	2 nd quarter 2024	5.8548	USD	987	784
NDF	Costs in USD	BRL	USD	3 rd quarter 2024	5.5516	USD	15,333	6,980
							47,103	20,788

Hedging instruments in financial information

On December 16, 2021, the cash flow hedge relationships were discontinued, as the hedging instruments were non-derivative financial instruments (loans) and no longer met the Company's strategy and objectives.

In the period ended June 30, 2023, the Bond BRF SA BRFSBZ 3.95 loan, designated as an export hedging instrument, was settled and the amount of R\$ (548,639), previously accumulated in Other Comprehensive Income, was reclassified to income for the year under the line item "Net Revenue".

Investment exposure

Subsidiary BRF has both investments (net assets) and loans (financial liabilities) denominated in foreign currency. To balance the accounting effects, certain non-derivative financial liabilities are designated as instruments to hedge the exchange rate exposure generated by such investments.

At June 30, 2023, non-derivative financial instruments designated as hedge accounting for net investment are presented in the table below:

							Consolidated	
							06/30/2023	
Net investment hedge - non- derivative instruments	Hedged item (investment)	Liabilities	Maturity	Rate		Notional	MTM R\$ ^(a)	
Bond - BRF SA BRFSBZ 4.35	Federal Foods LLC	USD	3 rd quarter 2026	3.7649	USD ^(b)	75,673	(80,504)	
Bond - BRF SA BRFSBZ 4.35	BRF Kuwait Food Management Company WLL	USD	3 rd quarter 2026	3.7649	USD ^(b)	108,757	(95,518)	
Bond - BRF SA BRFSBZ 4.35	Al Khan Foodstuff LLC	USD	3 rd quarter 2026	3.7649	USD ^(b)	65,570	(68,647)	
Bond - BRF SA BRFSBZ 4.35	BRF Foods GmbH	USD	3 rd quarter 2026	5.1629	USD ^(c)	90,000	34,530	
Bond - BRF SA BRFSBZ 4.35	Al-Wafi Al-Takamol International for Foods Products	USD	3 rd quarter 2026	5.1629	USD ^(c)	40,000	9,647	
							380,000	(200,492)

(a) Corresponds to the effective portion of hedge results accumulated in line item Other comprehensive income.

(b) Designated on August 1, 2019.

(c) Designated on November 1, 2022.

30.10. Sensitivity analysis

The financial instruments, including derivatives, may undergo changes in fair value as a result of the fluctuation of exchange rates, interest rates, price indexes and other variables.

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The analyses of the sensitivity of derivative and non-derivative financial instruments to these variables are presented below:

Selection of risks

At June 30, 2023, the main risks that may affect the value of the Company's financial instruments are:

- a) Exchange rate US\$/R\$; US\$/GBP, US\$/EUR and US\$/AUD;
- b) Exchange rate R\$/TRY, R\$/KRW, R\$/PYG, R\$/AED, R\$/AOA, R\$/CLP;
- c) Floating interest rate LIBOR and SOFR;
- d) Inflation rate IPCA; and
- e) Interest rate CDI and SELIC.

For purposes of the analysis of sensitivity to risks, the Company presents the exposures to currencies as if they were independent, that is, they do not reflect in the exposure to exchange rate the risks of changes in other exchange rates that could be indirectly influenced by it.

Selection of scenarios

The probable scenario of the US dollar-real exchange rate, other emerging currencies and the CDI interest rate considered the scenarios used for the Company's budget plan for 2023. The estimate for the end of 2023 for the US dollar is R\$ 5.20, while the Selic is expected to reach 12.00% p.a. at the end of the period. The Selic rate is used as a reference for the CDI sensitivity analyses.

For LIBOR/SOFR interest rates, Management used the projection of LIBOR of 5.15% disclosed by Global-rates and of SOFR of 5.40% disclosed by Ycharts, consistent with the market curves for 2023.

For the projection of IPCA, the probable scenario of 4.98% considered the Focus report released by the Central Bank of Brazil ("BACEN") on June 30, 2023.

In the sensitivity analysis, variations of 25% and 50% were estimated for each variable for the reasonably possible and possible scenarios, respectively.

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The sensitivity values in the table below are for changes in the value of financial instruments under each scenario:

Consolidated				
Exchange rate - US dollar x real				
Instrument	Scenario Exposed amounts	Probable Scenario	Reasonably Possible Scenario 25%	Possible Scenario 50%
Time deposit	7,445,922	588,356	2,596,926	4,605,496
ADRs securities	11,105	877	3,873	6,869
NCE/Prepayment /ACC (US\$)	(7,572,464)	(598,355)	(2,641,060)	(4,683,765)
Bonds (US\$)	(21,692,010)	(1,714,043)	(7,565,557)	(13,417,070)
Bank Loan (US\$)	(5,045,772)	(398,703)	(1,759,822)	(3,120,941)
Revolving Credit Facility	(2,269,343)	(179,317)	(791,482)	(1,403,647)
Working capital	(1,043,728)	(82,473)	(364,023)	(645,573)
NDF BRL X USD	144,576	11,424	50,424	89,424
Exchange rate - other currencies				
Instrument	Scenario Exposed amounts	Probable Scenario	Reasonably Possible Scenario 25%	Possible Scenario 50%
Time deposit - Turkish lira	29,499	2,331	10,288	18,246
Time Deposit - South Korean Won	75	6	26	46
Time Deposit - Arab Dirham	27,661	2,186	9,647	17,109
Bank deposit certificates - CDB - Paraguayan Guarani	2,395	189	835	1,481
External credit note - Angolan Kwanza	306,024	24,181	106,732	189,284
NDF CLP X USD	(22,361)	(1,767)	(7,799)	(13,831)
NDF EUR X USD	(43,055)	(3,402)	(15,016)	(26,630)
NDF GBP X USD	(121,429)	(9,595)	(42,351)	(75,107)
NDF AUD X USD	(3,610)	(285)	(1,259)	(2,233)
Libor / Sofr rate				
Instrument	Scenario Exposed amounts	Probable Scenario	Reasonably Possible Scenario 25%	Possible Scenario 50%
NCE/Prepayment /ACC (US\$) - SOFR	(1,134,992)	(3,482)	(18,796)	(34,109)
NCE/Prepayment /ACC (US\$) - LIBOR	(26,498)	(23)	(365)	(706)
Revolving Credit Facility	(2,269,343)	(2,007)	(31,225)	(60,442)
SWAP SOFR X Fixed rate	481,920	1,479	7,981	14,483
Interest rate - CDI				
Instrument	Scenario Exposed amounts	Probable Scenario	Reasonably Possible Scenario 25%	Possible Scenario 50%
Bank deposit certificate - CDB	592,757	(10,373)	7,261	24,896
Repurchase and reverse repurchase agreements	541,100	(9,469)	6,628	22,726
Fixed income bonds	129	(2)	2	5
Brazilian prize-draw investment bonds	1,763	(31)	22	74
FIDC	31,173	(546)	382	1,309
NCE/Working Capital	(106,233)	1,859	(1,301)	(4,462)
CPR/CCB	(5,647,714)	98,835	(69,184)	(237,204)
Agribusiness Receivables Certificates (CRA)	(1,231,343)	21,548	(15,084)	(51,716)
Interest rate - IPCA				
Instrument	Scenario Exposed amounts	Probable Scenario	Reasonably Possible Scenario 25%	Possible Scenario 50%
Agribusiness Receivables Certificates (CRA)	(4,181,153)	(43,484)	(95,539)	(147,595)
SWAP IPCA X CDI	3,995,579	41,554	91,299	141,044

The interest rate fluctuations do not significantly affect the results of the subsidiary BRF, since BRF's Management opted to maintain fixed rates for a considerable part of its debts. Therefore, the financial instruments pegged to the fixed rate of the subsidiary BRF are not being presented in the sensitivity table above.

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Cattle commodities

The table below shows the sensitivity analysis for the price of cattle commodities. The Company considered scenario I as appreciation of 10% and scenarios II and III as deterioration of 25% and 50% for cattle commodity price volatility, using as reference the closing price at June 30, 2023.

Parity - USDA Price - Cattle - R\$/US\$		Consolidated			
Instrument	Risk	Current scenario	Scenario I	Scenario II	Scenario III
Futures	Increase in fed cattle price	(18)	(2)	5	1
Futures	Increase in fed cattle price	173	17	(44)	(9)
		155	15	(39)	(8)

Corn and soybean meal, grain and oil commodities

The amounts presented below represent the possible impacts (incremental results) of the hedging financial instruments and their respective hedged positions, considering scenarios of appreciation (+10%, +25% and +50%) and deterioration (-10%, -25 % and -50%) of the risk factors listed.

The information used in the preparation of these analyses is based on the position at June 30, 2023. The estimated amounts may differ significantly in relation to the numbers and results to be recorded by the Company. Positive values indicate gains and negative values indicate losses.

Operating result - Exchange		Consolidated					
	Base ^(a)	Scenario					
USD		- 50%	- 25%	- 10%	10%	25%	+50%
USD	4.8192	2.4096	3.6144	4.3373	5.3011	6.0240	7.2288
Cost of products sold		(113,500)	(56,750)	(22,700)	22,700	56,750	113,500
NDF		113,500	56,750	22,700	(22,700)	(56,750)	(113,500)
Net effect		-	-	-	-	-	-
Soybean grain - CBOT	489	244	366	440	537	611	733
Cost of products sold		14,657	7,329	2,931	(2,931)	(7,329)	(14,657)
NDF		(14,657)	(7,329)	(2,931)	2,931	7,329	14,657
Net effect		-	-	-	-	-	-
Soybean meal - CBOT	476	238	357	429	524	595	714
Cost of products sold		11,426	5,713	2,285	(2,285)	(5,713)	(11,426)
Collar		3	-	-	-	-	-
NDF		(3)	-	-	-	-	-
Net effect		11,429	5,713	2,285	(2,285)	(5,713)	(11,426)
Soybean oil - CBOT	1,209	605	907	1,088	1,330	1,512	1,814
Cost of products sold		6,952	3,476	1,390	(1,390)	(3,476)	(6,952)
Collar		(17)	-	-	-	-	-
NDF		(5,734)	(2,867)	(1,147)	1,147	2,867	5,734
Net effect		1,201	609	243	(243)	(609)	(1,218)
Corn - CBOT	223	111	167	200	245	278	334
Cost of products sold		(1,050)	(525)	(210)	210	525	1,050
Collar		(45)	-	-	-	-	-
NDF		22,059	11,030	4,412	(4,412)	(11,030)	(22,059)
Net effect		20,964	10,505	4,202	(4,202)	(10,505)	(21,009)
Corn - B3	1,273	636	955	1,146	1,400	1,591	1,909
Cost of products sold		83,535	41,767	16,707	(16,707)	(41,767)	(83,535)
Futures		(77,177)	(38,588)	(15,435)	15,435	38,588	77,177
Net effect		6,358	3,179	1,272	(1,272)	(3,179)	(6,358)

^(a) Base price for each commodity in USD/ton, except for Corn – B3 denominated in R\$/ton.

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31. INCOME AND SOCIAL CONTRIBUTION TAXES

Income and social contribution taxes were calculated according to prevailing legislation and Federal Law 12,973/14.

Income and social contribution tax calculations and returns, when required, are open to review by tax authorities for varying statutory years in relation to the payment or filing date.

Below are the calculation and reconciliation of income and social contribution taxes in the statement of income for the period ended June 30, 2023:

	Parent		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net income (loss) before taxes	(1,161,932)	4,173,910	(3,692,182)	4,346,617
Income and social contribution taxes - Nominal rate (34%)	395,057	(1,419,129)	1,255,342	(1,477,849)
Adjustments to determine the effective tax rate:				
Taxation on profit of companies abroad	(185,595)	(1,051,306)	(172,552)	(915,337)
Credit of tax paid abroad	78,508	614,395	78,508	614,395
Effect from differences in tax rate of companies abroad	-	-	(579,740)	933,201
Tax losses and social contribution carryforwards from prior years	-	1,173,347	9,948	1,173,364
Tax incentive	20,797	14,004	82,674	31,542
Equity income (loss)	(288,351)	834,064	(10,133)	(11,138)
Other additions / exclusions	(276,392)	29,643	(360,874)	(333,505)
Total	(255,976)	195,018	303,173	14,673
Total current taxes	(175,186)	437,292	(301,009)	(336,602)
Total deferred taxes	(80,790)	(242,274)	604,182	351,275
	(255,976)	195,018	303,173	14,673
Effective tax rate ^(a)	-22%	-5%	8%	0%

^(a) The difference between nominal and effective rate is significantly affected by equity income (loss) in Parent and taxes on profit abroad in Consolidated.

32. SEGMENT REPORTING

The Company established an integrated and geographically diversified business model, which consists of production units located in strategic places, combined with a broad distribution network with access to the world's main channels and consumer markets.

The Company believes that continuous improvement in its internal processes will enable it to further enhance efficiency and cut costs, which, coupled with a result-driven management that is committed to profitable growth, will drive profitability and cash generation.

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The Company defined its segments according to the business activities from which it can earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments, and for which there is individual financial information available. Therefore, the segments managed by the Company are: "Beef - North America", "Beef - South America", "Poultry, Pork and Processed Products – BRF" and "Corporate", as presented below:

	Net revenue		Operating income		Non-current assets	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	12/31/2022
Beef - North America	27.983.880	30.353.581	919.486	3.949.646	6.625.833	6.873.062
Beef - South America	11.004.757	13.571.490	630.352	4.573.759	11.631.801	11.283.288
Poultry, Pork and Processed Products – BRF	25.282.760	12.901.385	(540.803)	140.199	30.326.594	31.350.102
Corporate	-	-	(1.363.009)	(881.346)	34.525.658	35.999.793
Total	64.271.397	56.826.456	(353.974)	7.782.258	83.109.886	85.506.245

33. INSURANCE COVERAGE

The Company's policy is to insure its property, plant and equipment and inventories subject to risk, at amounts deemed sufficient to cover possible losses, taking into consideration the nature of its activities and the insurance advisors' opinion.

Based on the maximum risk weighting, the Company does not have a policy of maintaining insurance policies to protect against lost profits, given the broad geographic distribution of its plants and the fact that its operations can be reorganized in the event that any need arises.

Below is a summary of the amounts insured by the Company:

	Parent		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Buildings and meatpacking facilities	2,791,541	2,791,541	11,532,352	12,418,840
Inventories	620,156	620,156	1,757,569	1,815,133
Third-party warehouse	181,552	181,552	269,622	256,393
Vehicles	35,026	12,800	54,647	35,183
Transportation of goods	1,667,875	82,263	5,685,164	4,372,278
Directors' guarantees	240,960	260,885	563,866	610,619
Civil liability	30,000	30,000	870,801	907,849
Aircraft	270,378	292,736	753,867	816,204
Other	711,619	279,671	735,064	314,958
	6,549,107	4,551,604	22,222,952	21,547,457

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34. RELATED-PARTY TRANSACTIONS

34.1. Related parties to the Parent Company

The following tables, except for transactions with controlling shareholders, show the transactions between the Company and its wholly-owned subsidiaries:

	Parent											
	Outstanding balance											
	Trade accounts receivable		Trade accounts payable		Notes receivable		Notes payable		Advances to suppliers		Advances from customers	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Masplen Ltd	-	-	-	-	1,118	1,114	-	-	-	-	-	-
Pampeano Alimentos S.A.	21,875	21,788	110	3	698,809	936,667	-	-	-	-	-	-
Marfrig Comercializadora de Energia Ltda.	-	-	-	-	1,098	9,764	401,000	3,650	-	-	-	-
Marfrig Overseas Ltd.	-	-	-	-	2,342,245	1,987,280	-	-	-	-	-	-
Marfrig Chile S.A.	8,125	-	-	-	159	113	-	-	-	-	67,076	60,532
Frigorifico Tacuarembó S.A.	-	21	555	1,198	888	-	-	-	-	-	-	-
Inaler S.A.	-	-	-	-	363	-	-	-	-	-	-	-
Prestcott International S.A.	-	-	962	3,732	379	-	-	-	-	-	-	-
Establecimientos Colonia S.A.	959	234	-	-	503	-	-	-	-	-	-	-
Marfrig Holdings (Europe) B.V	-	-	-	-	1,462,663	1,544,477	8,556,290	9,131,415	-	-	-	-
MF Foods	450	957	-	-	-	-	-	-	-	-	-	-
Weston	2,295,999	1,741,512	278	-	1,162,995	1,281,886	10,598,772	11,254,945	-	-	-	427,225
Marfrig Beef International Ltd.	-	-	-	-	1,370,113	1,450,805	-	-	-	-	-	-
Marfrig Beef (UK) Limited	-	-	-	-	-	-	304	318	-	-	-	-
Marb	-	-	-	-	2,140	2,316	5,406	5,635	-	-	-	-
Marfrig NBM Global Holdings	-	-	-	-	109	114	-	-	-	-	-	-
NBM US Holdings, Inc.	-	-	-	-	32,992	178,940	-	-	-	-	-	-
Beef Holdings Limited	-	-	-	-	11,137	11,143	-	-	-	-	-	-
MFG Holdings SAU	-	4,117	-	-	179,046	372,678	-	-	-	-	-	-
Quickfood S.A.	24,876	-	1,160	-	176,302	-	-	-	-	-	-	-
Marfrig Paraguay S.A.	-	-	-	-	215	215	-	-	-	-	-	-
BRF S.A.	33,007	26,234	8,627	11,169	-	-	-	-	-	-	29	29
Plant Plus Foods Brasil Ltda.	6,397	5,698	-	-	9,311	9,236	-	-	-	-	-	-
Marfrig US Holding	-	-	-	-	7	-	-	-	-	-	-	-
Controlling shareholders (a)	-	-	-	-	-	-	15,438	15,438	-	-	-	-
Key management personnel	6	12	415	846	-	-	-	-	-	-	-	-
Other related parties	11	98	10,561	19,836	16,932	16,932	-	-	134,538	491,378	-	-
	2,391,705	1,800,671	22,668	36,784	7,469,524	7,803,680	19,577,210	20,411,401	134,538	491,378	67,105	487,786

(a) The amounts presented as controlling shareholders are recorded under the line item "Other payables".

MARFRIG GLOBAL FOODS S.A.

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	Parent									
	Sales		Costs		Financial income		Financial expenses		Administrative expenses	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
	Recognized as profit or loss									
Masplen Ltd	-	-	-	-	28	9	-	-	-	-
Pampeano Alimentos S.A.	177,642	216,404	(7)	(379)	8,283	8,637	-	-	37,859	32,589
Marfrig Comercializadora de Energia Ltda.	-	-	(30,818)	-	35	108	-	-	1,240	1,040
Marfrig Overseas Ltd.	-	-	-	-	57,579	27,643	-	(3,274)	-	-
Marfrig Argentina S.A.	-	-	-	(6,945)	-	2,525	-	-	-	439
Marfrig Chile S.A.	126,716	75,153	-	-	-	-	-	-	352	376
Frigorífico Tacuarembó S.A.	-	-	(5,823)	(12,454)	-	-	-	-	1,053	933
Inaler S.A.	-	-	(803)	(1,066)	-	-	-	-	428	495
Prestcott International S.A.	-	-	(4,066)	(5,671)	-	-	-	-	449	399
Establecimientos Colonia S.A.	1,469	3,174	(2,856)	(8,433)	-	-	-	-	594	618
Marfrig Holdings (Europe) B.V	-	-	-	-	37,430	84,756	(128,720)	(199,620)	-	-
MF Foods	457	1,447	-	-	-	-	-	-	-	-
Weston	3,695,816	5,482,665	-	-	28,609	13,418	(207,022)	(207,161)	-	-
Marfrig Beef International Ltd.	-	-	-	-	31,642	14,397	-	-	-	-
Marfrig Beef (UK) Limited	-	-	-	-	-	-	(11)	(5)	-	-
Marb	-	-	-	-	-	-	(211)	(94)	-	-
Marfrig NBM Global Holdings	-	-	-	-	4	2	-	-	-	-
NBM US Holdings, Inc.	-	-	-	-	(18)	-	-	-	34,257	32,410
National Beef	-	1,492	(372)	-	-	-	-	-	-	-
Beef Holdings Limited	-	-	-	-	1	1	-	-	-	-
MFG Holdings SAU	-	1,216	(1,159)	-	7,144	2,993	-	-	2,567	982
Quickfood S.A.	33,583	-	(1)	(1,375)	2,410	-	-	-	-	-
Campo Del Tesoro S.A.	-	-	-	-	-	-	-	-	-	161
BRF S.A.	176,246	103,577	(32,542)	(17,913)	-	-	-	-	-	-
Plant Plus Foods Brasil Ltda.	4,450	4,161	-	-	-	-	-	-	-	-
Controlling shareholders	1	16	-	-	-	-	-	-	-	-
Key management personnel	62	59	(3,509)	(4,681)	-	-	-	-	-	-
Other related parties	44	58	(247,094)	(448,802)	-	-	-	-	-	-
	4,216,486	5,889,422	(329,050)	(507,719)	173,147	154,489	(335,964)	(410,154)	78,799	70,442

The nature of related-party transactions between Marfrig Group companies is represented by commercial transactions (purchases and sales) and sending of cash for payment of such transactions, as well as for working capital.

Intercompany transactions (instruments receivable and payable) in Brazil (parent company and subsidiaries) are managed by checking accounts held between the companies based on the centralized cash system managed by the parent company.

Purchases and sales of products are made at market values. No guarantees or estimated losses on doubtful accounts are required. These transactions involve purchase and sale of fresh meat and cattle, poultry and lamb processed products.

Transactions between subsidiaries do not have an impact on the consolidated interim financial statements, given that they are eliminated in consolidation.

34.2. Consolidated related parties

	Consolidated									
	Trade accounts receivable		Trade accounts payable		Notes receivable		Other payables		Advances to suppliers	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
	Outstanding balance									
Controlling shareholders	-	-	-	-	-	-	15,438	15,438	-	-
Key management personnel	6	12	554	3,163	-	-	-	-	-	-
Other related parties	12	100	10,561	19,837	16,932	16,932	-	-	134,538	491,378
PlantPlus Foods LLC	-	-	-	-	5,429	5,673	-	-	-	-
Plant Plus Foods Brasil Ltda.	6,397	5,698	-	-	9,311	9,236	-	-	-	-
	6,415	5,810	11,115	23,000	31,672	31,841	15,438	15,438	134,538	491,378

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	Consolidated			
	Recognized as profit or loss			
	Sales		Costs	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Controlling shareholders	1	16	-	-
Key management personnel	64	70	(3,509)	(4,681)
Other related parties	60	58	(247,094)	(448,802)
Plant Plus Foods Brasil Ltda.	4,450	4,161	-	-
	4,575	4,305	(250,603)	(453,483)

34.3. Controlling shareholders

A suretyship agreement was entered into with the controlling shareholder, MMS Participações Ltda., under which said shareholder guarantees certain obligations of the Company. These transactions were conducted on an arm's length basis and in accordance with internal guidelines formally established by the Company.

34.4. Other related parties

The controlling shareholders own membership interests in other entities that have businesses with Marfrig Group. The aggregate amount of transactions is represented in the table above as "other related parties". Most of transactions refer primarily to sale of animals for slaughter. These transactions are carried out on an arm's length basis, in accordance with internal guidelines formally established by the Company that are periodically verified by the Company's Management to attest their compliance with market conditions.

34.5. Joint ventures

Direct subsidiary BRF and indirect subsidiaries Beef Holdings Limited and NBM US Holdings, Inc. have one joint venture each, which are recognized through the equity method of accounting.

The following table summarizes the main financial information on unconsolidated joint ventures in the interim financial statements, in accordance with NBC TG 18 (R3) (CVM Resolution 696/12) – Investments in associates, subsidiaries and joint ventures.

Parent	Joint venture	% interest	Country	Total assets	Total liabilities	Loss for the period
BRF S.A.	Potengi Holdings S.A.	24%	Brazil	1,132,056	1,135,732	(3,676)
Beef Holdings Limited	COFCO-Keystone Supply Chain	45%	China	143,798	143,800	(2)
NBM US Holdings, Inc.	Plant Plus Foods LLC, Inc.	70%	USA	698,083	739,396	(41,313)
Total				841,881	883,196	(41,315)

35. MANAGEMENT COMPENSATION

As permitted under NBC TG 21/R4 (CVM Resolution 673/11) and based on the recommendations in Official Letter CVM/SNC/SEP/Nº 003/2011, Management chose not to present once again the details in its Notes of Management Compensation and sub-items (Board of Directors, Statutory Officers, Statutory Audit Committee, Audit Board, Stock Option Plan) so as to prevent the repetition of information already reported in the financial statements for the year ended December 31, 2022.

35.1. Consolidated compensation

The compensation of Management and Board members is made up of the compensation of five members of the Board of Directors (the other two opted for not receiving compensation as board members, one of whom is also a member of the Statutory Board of Executive Officers and receives compensation from that body), six members of the Audit Board (three of whom are alternate members) and four officers appointed as per the Company's bylaws.

MARFRIG GLOBAL FOODS S.A.

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The added value of the compensation received by the Company's Management and Board members for their services is defined through market practices, with the participation of the Compensation, Corporate Governance and Human Resources Committee, made up exclusively of members of the Board of Directors and the Executive Board of the Company, one of whom acts as Coordinator of the Committee.

Description	06/30/2023	06/30/2022
Consolidated management compensation	23,012	36,074
Total	23,012	36,074

35.2. STOCK OPTION PLAN

In the period ended June 30, 2023, a total of 250,757 shares were transferred to the Company's Management under the stock option plans.

The changes in options exercised throughout the year are shown in the tables below:

	Total options exercised by month	
	Number of shares exercised	Average market price ^(a) (R\$ per share)
January/23	762	8.29
February/23	-	6.84
March/23	12,222	6.82
April/23	35,937	6.36
May/23	144,083	6.56
June/23	57,753	7.23
Options exercised in 2023	250,757	

^(a) Average monthly price disclosed by B3 S.A. - Brasil, Bolsa, Balcão of Marfrig's common shares, under the ticker MRFG3.

Consolidated changes	2023	2022
(Options)		
Opening balance	468,263	1,366,311
Options exercised	(250,757)	(818,316)
Options canceled and expired	-	(79,732)
Closing balance	217,506	468,263

The expected dilution of ownership interest of current shareholders, when stock options are exercised at the vesting date, up to the limit of shares held in the treasury for this purpose, is 0.03% of all shares at June 30, 2023, as detailed in the table below:

Percentage of Dilution	ESP XIII LP 18-19 Plan	ESP XIV LP 19-20 Plan	Total
Granting date	08/14/2019	11/11/2020	
Unexercised agreements	156,881	60,625	217,506
Treasury shares	-	-	22,913,432
Total shares except treasury stock	-	-	637,086,568
Percentage of dilution	0.02%	0.01%	0.03%

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The Company recognized expenses relating to granting of plans in effect for the period ended June 30, 2023 and year ended December 31, 2022, as detailed in the table below:

Effects from the exercise of options (R\$ '000)	2023	2022
Amount received from disposal of shares - Exercised options	730	2,399
(-) Cost of treasury shares disposed of	(1,789)	(17,518)
Effect on disposal of shares	(1,059)	(15,119)

Due to the exercise of stock options, the Company incurred costs with the sale of treasury shares of R\$ 1,789. At June 30, 2023, the book value of treasury shares was recorded under the Company's equity in the amount of R\$ 162,788 (R\$ 6,578 at December 31, 2022).

The fair value of the options was measured on an indirect basis, according to the Black-Scholes pricing method, based on the following assumptions:

Standard deviation: 29.87%. Volatility is measured taking into consideration the daily prices of the Company's shares traded on the Brazilian stock exchange (B3) under the ticker MRFG3, from 01/01/2023 to 06/30/2023.

Risk-free interest rate: 7.28% p.a. The Company uses as risk-free interest rate the Long-Term Interest Rate (TLP) annualized on calculation date and available on the federal revenue service website: receita.federal.gov.br/orientacao/tributaria/pagamentos-e-parcelamentos/taxa-de-juros-de-longo-prazo-tjlp.

The fair value of options as of June 30, 2023 ranged between a minimum of R\$ 1.08 and a maximum of R\$ 4.36 per share for SPECIAL plans.

Changes to the stock option programs are presented below:

Plans	Granting date	Performance (vesting) period	Option expiration date	Options granted	Vested options	Options exercised in the period	Options exercised and/or canceled in prior periods	Unexercised agreements	Option exercise price
Options Exercised/Canceled in Previous Periods				12,954,382	12,423,243	-	12,486,119	468,263	-
ESP XIII LP 18-19	08/14/2019	03/03/2022	09/02/2022	470,753	470,753	762	469,991	-	R\$ 2.9110
ESP XIII LP 18-19	08/14/2019	03/03/2023	09/02/2023	470,514	470,514	249,995	63,638	156,881	R\$ 2.9110
ESP XIV LP 19-20	11/11/2020	03/03/2022	09/03/2022	30,314	30,314	-	30,314	-	R\$ 6.1857
ESP XIV LP 19-20	11/11/2020	03/03/2023	09/02/2023	30,314	30,314	-	-	30,314	R\$ 6.1857
ESP XIV LP 19-20	11/11/2020	03/03/2024	09/02/2024	30,311	-	-	-	30,311	R\$ 6.1857
Total at	06/30/2023			12,954,382	12,924,071	250,757	12,486,119	217,506	

MARFRIG GLOBAL FOODS S.A.

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(In thousands of Brazilian reais - R\$, except where otherwise indicated)

Plans	Granting date	Market value of unvested options at the end of the period (R\$ '000)	Market value of outstanding vested options at the end of the period (R\$ '000)	Effects in the result of the period in case of recognition (R\$ '000)
ESP XIII LP 18-19	08/14/2019	N/A	N/A	-
ESP XIII LP 18-19	08/14/2019	684	684	658
		684	684	658
ESP XIV LP 19-20	11/11/2020	33	33	28
ESP XIV LP 19-20	11/11/2020	47	-	28
		80	33	56
Total at	06/30/2023	764	717	714

35.3. Direct granting of shares

During the period ended June 30, 2023, 1,067,803 shares were transferred to the Company's Management.

Period	Total shares granted by month
	Number of shares granted
May - 23	731,114
June - 23	336,689
Shares granted - 2023	1,067,803

36. ADDITIONAL INFORMATION OF THE CASH FLOW STATEMENTS

In compliance with items 43 and 44(a) of NBC TG 03/R3 (CVM Resolution 641/10) - Statement of Cash Flows, the following table presents the changes in liabilities from financing activities arising from cash and non-cash flows:

Description	Balance at 12/31/2022	Non-cash change			Balance at 06/30/2023
		Cash flow	Exchange rate fluctuation	Other ^(a)	
Loans, financing and debentures	17,216,469	(2,244,410)	(309,428)	1,225,505	15,888,136
Lease payable	115,317	(11,204)	-	1,653	105,766
Capital reserves and treasury shares	(2,434,260)	(156,209)	127,065	(730)	(2,464,134)
Financial investments and marketable securities	1,957,341	(790,419)	-	-	1,166,922
	16,854,867	(3,202,242)	(182,363)	1,226,428	14,696,690

(a) The amounts presented under other for loans, financing, debentures and leases payable refer to interest expenses incurred, cost with issue of financial operations and adjustment to present value of lease in the period.

MARFRIG GLOBAL FOODS S.A.

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Periods ended June 30, 2023 and 2022

(In thousands of Brazilian reais - R\$, except where otherwise indicated)

Description	Balance at 12/31/2022	Cash flow	Non-cash change			Consolidated
			New contracts	Exchange rate fluctuation	Other ^(a)	Balance at 06/30/2023
Non-controlling interest	20,879,749	(59,755)	-	(52,773)	(1,855,614)	18,911,607
Loans, financing and debentures	61,172,791	(2,903,497)	-	(3,198,041)	3,300,030	58,371,283
Lease payable	3,603,098	(481,528)	669,817	(66,708)	31,741	3,756,420
Capital reserves and treasury shares	(2,434,260)	(156,209)	-	127,065	(730)	(2,464,134)
Financial investments and marketable securities	16,495,147	(2,743,592)	-	(456,460)	-	13,295,095
	99,716,525	(6,344,581)	669,817	(3,646,917)	1,475,427	91,870,271

^(a) The amounts presented under other for loans, financing, debentures and leases payable refer to interest expenses incurred, cost of issuing financial operations and adjustment to present value of lease, in the period and for non-controlling interest refers to the amount attributed to the income or loss for the period.

37. EVENTS AFTER THE REPORTING PERIOD

Capital increase in subsidiary

The Ordinary General Meeting ("OGM") held on July 3, 2023 approved a change to the authorization limit for capital increase in BRF S.A., from the current 1,325,000,000 common shares to 1,825,000,000 common shares.

Under the Offering and in the context of the Investment Commitments, the Company acquired 200,323,582 shares, totaling 560,457,162 shares, with its interest increasing from 33.27% to 33.31% on that date. All the new shares are common, registered, book-entry, with no par value and free and clear from any liens or encumbrances, with a unit price of R\$ 9.

Agribusiness Receivables Certificates

On July 13, 2023, the Company approved the 13th issuance of simple, non-convertible, unsecured debentures for private placement, in up to 3 series, in the initial amount of R\$ 900,000,000.00, which may reach R\$ 1,125,000,000.00.

Within the scope of the public offer for the distribution of agribusiness receivables certificates of the 273rd issue of the Issuer, in 3 (three) series, with a nominal unit value, on the date of issue, of R\$ 1,000.00, totaling the amount total of BRL 1,125,000,000.00, backed by agribusiness credit rights ("CRA"), represented by non-convertible, unsecured debentures, without additional personal guarantee (private placement). The bookbuilding procedure was concluded by the Coordinators on August 07, 2023.

Capital increase

On August 14, 2023, the Board of Directors approved an increase in the Company's share capital, for private subscription, through the issuance of at least 208,044,383 common shares and a maximum of 300,000,000 common shares, all book-entry and without par value, by the Company ("Shares"), within the authorized capital limit, as provided for in article 6 of the Company's bylaws ("Bylaws"), at the issue price of R\$ 7.21 per Share, equivalent to the average quotation of the last 60 (sixty) days, totaling at least R\$ 1,500,000,001.43 ("Minimum Subscription") and a maximum of R\$ 2,163,000,000.00 ("Maximum Subscription"), and the total amount of the Capital Increase will be allocated to the Company's share capital account, under the terms described below ("Capital Increase").

The holders of shares issued by the Company may exercise their respective preemptive rights for the subscription of new shares, being able to subscribe or assign such rights for third parties to do so, within a period of 30 (thirty) days, starting on the 18th of August 2023 (inclusive) and ending on September 18, 2023 (inclusive), in the percentage of 44.40162910465% on the number of shares issued by the Company held by the respective shareholder on the Cutoff Date. The shares issued by the Company will be traded ex-preemptive rights as of August 18, 2023 (inclusive).

* * *

Statement of Executive Officers on the Financial Statements

Statement of Executive Officers on the Financial Statements

In compliance with the provisions of CVM Instruction 80 of March 29, 2022, as amended, the Board of Executive Officers declares that it has discussed, reviewed and agreed to the financial statements related to the second quarter of 2023 fiscal year.

Sao Paulo, August 14, 2022.

Executive Officers:

Rui Mendonça Júnior
Chief Executive Officer

Tang David
Chief Administrative and Financial and IR

Heraldo Geres
Chief Legal Officer

Rodrigo Marçal Filho
Executive Officer

Statement of Executive Officers on the Independent Auditors Report

Statement of Executive Officers on the Independent Auditors Report

In compliance with the provisions of CVM Instruction 80 of March 29, 2022, as amended, the Board of Executive Officers declares that it has discussed, reviewed, and agreed with the opinions expressed in the Independent Auditors Report on the financial statements related to the second quarter of 2023 fiscal year.

Sao Paulo, August 14, 2023.

Executive Officers:

Rui Mendonça Júnior
Chief Executive Officer

Tang David
Chief Administrative and Financial and IR

Heraldo Geres
Chief Legal Officer

Rodrigo Marçal Filho
Executive Officer