



PORTFOLIO OPTIMIZATION
FOCUS ON VALUE-ADDED

AUGUST 2023



The Transaction

OVERVIEW

- On August [28th], 2023, the Board of Directors of Marfrig Global Foods, in line with its vision of repositioning the company to focus on value-added products, branded meat and processed products, approved the signing of a Purchase Agreement with Minerva Foods for the sale of 11 beef units located in Brazil (including 3 inactive), 1 beef unit in Argentina, 3 beef units in Uruguay and 1 lamb unit in Chile, and 1 Distribution Center in Brazil.
- The total value of the transaction is equivalent to R\$ 7.5 billion, to be paid as below:
 - R\$ 1.5 billion on the signing
 - R\$ 6.0 billion at the closing of the Transaction (with bank guarantees)
- Considering the revenue of the assets sold of R\$ 15.6¹ billion in 2022.
- After the transaction, Marfrig will continue to operate in the beef segment in South America, focusing on the production of value-added products.

NEXT STEPS

- The Closing of the Transaction is subject to the approval of the anti-trust authorities.

Transaction rationale

CONSISTENCY IN STRATEGIC EXECUTION CAPITAL ALLOCATION IN VALUE-ADDED



National Beef:
strategic shift to focus
on **beef protein and
high value-added
products in North
America**

Marfrig becomes the
largest hamburger
producer in the world



Acquisition of Quickfood

Acquisition of the Várzea
Grande complex



Acquisition of
hamburger company
Campo del Tesoro
(Argentina)



Acquisition of
33% of BRF

Inauguration of
world's most
modern hamburger
plant in Bataguassu

Expansion capex on
the industrial
complexes of
Várzea Grande,
Promissão, Tacuarembó
and San Jorge

Board of Directors
reaffirms strategic
positioning

2018

2019

2020

2021

2022

2022

2023

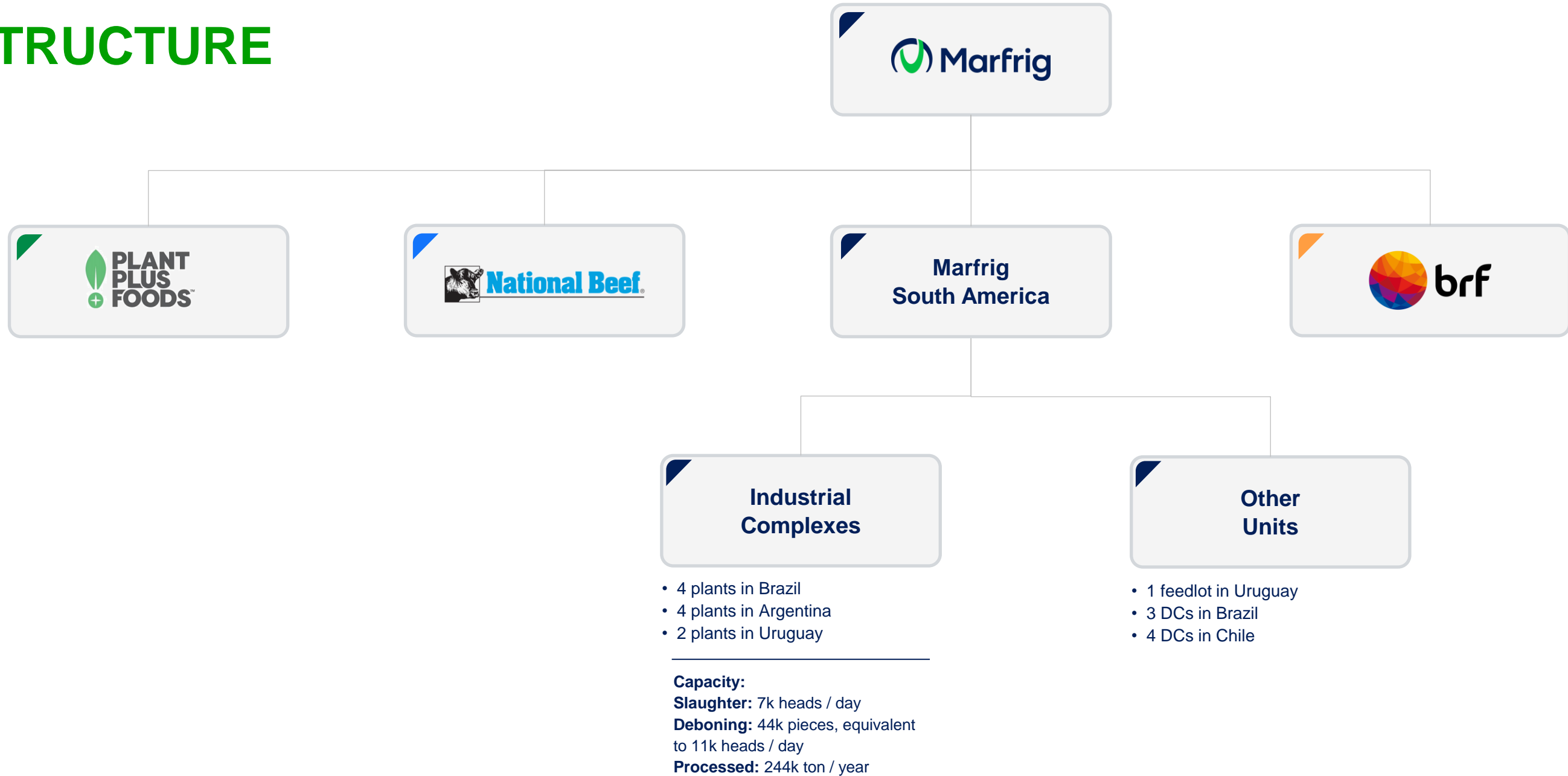
Transaction rationale

PORTFOLIO OPTIMIZATION



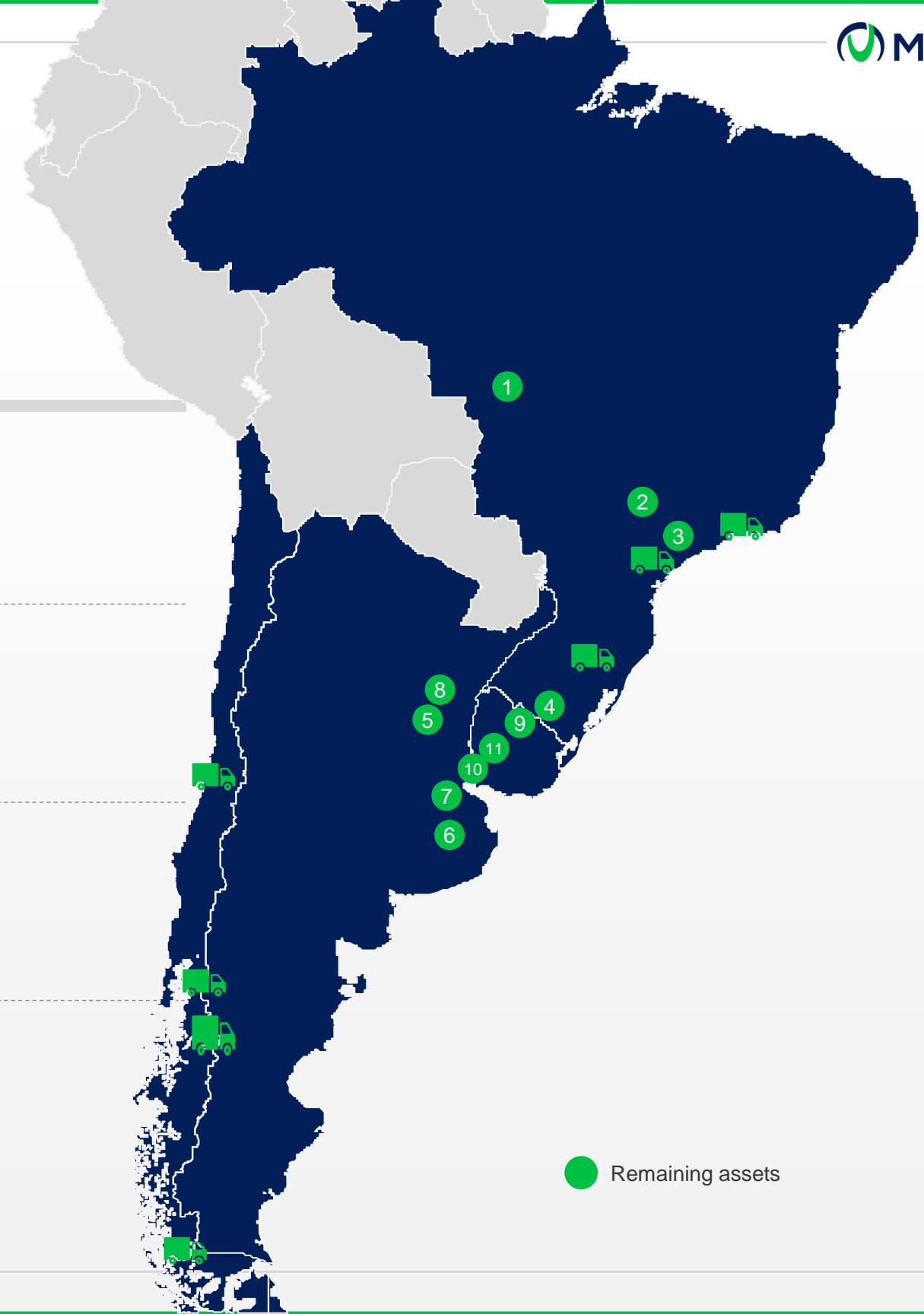
The Transaction

POST TRANSACTION STRUCTURE



GEOGRAPHICAL FOOTPRINT IN SOUTH AMERICA POST TRANSACTION

Country	Assets	Plants
	<ul style="list-style-type: none"> 1 processing plant 3 industrial complexes 3 DCs 	<ul style="list-style-type: none"> 1 Várzea Grande 2 Promissão 3 Bataguassu (hamburger) 4 Pampeano
	<ul style="list-style-type: none"> 1 industrial complex 3 processing plants 	<ul style="list-style-type: none"> 5 San Jorge 6 Campo del Tesoro 7 Baradero 8 Arroyo Seco
	<ul style="list-style-type: none"> 1 processing plants 1 industrial complex 1 feedlot 	<ul style="list-style-type: none"> 9 Tacuarembó 10 Fray Bento 11 Rio Negro
	<ul style="list-style-type: none"> 4 DCs 	



Remaining assets

FOCUS ON BRANDS AND VALUE-ADDED



Largest hamburger producer in the world



National Beef – 4th largest meat processor in the US



Focus on premium brands and markets



Leader in USDA Certified Organic Beef



BRF shareholder



Plant-based production (joint venture with ADM - PlantPlus)

Main Brands



Transaction figures

FOCUS ON VALUE-ADDED BUSINESS

 Marfrig South America

	2018	2022	PROFORMA 2022 POST TRANSACTION
Revenues from value-added	~5%	~19%	~34%
Slaughtering Processing Units	22 4	17 10	4 10
Processed Capacity (kton/year)	126	244	244
Net Revenue (R\$ billion)	12.8	27.6	> 15.8
Consolidated Adjusted EBITDA Margin	5.5%	8.4%	> 10%

Transaction figures

MARFRIG SOUTH AMERICA

SENSITIVITY ANALYSIS OF THE OPERATIONS

		Revenue (R\$ bn / year)				
EBITDA (R\$ bn / year)		20.0	21.0	22.0	23.0	24.0
EBITDA margin (%)	10%	2.0	2.1	2.2	2.3	2.4
	11%	2.2	2.3	2.4	2.5	2.6
	12%	2.4	2.5	2.6	2.8	2.9
	13%	2.6	2.7	2.9	3.0	3.1
	14%	2.8	2.9	3.1	3.2	3.4

CONSOLIDATED GLOBAL FOOTPRINT AND MULTIPROTEIN

Proforma Consolidated Net Revenue of R\$ 130 billion in 2022



EUA

- 3 slaughter units
- 5 processing units
- Commercial office



BRAZIL (Headquarter)

- 3 industrial complexes
- 1 processing plant
- 3 distribution centers
- Commercial office
- 38 Production facilities
- 28 Distribution centers / 25 Transit Points
- 4 Animal Feed Plants



URUGUAY

- 1 industrial complex
- 1 processing unit
- 1 feedlot
- Commercial office
- Commercial office



CHILE

- 4 distribution centers
- Commercial office
- Commercial office



ARGENTINA

- 1 industrial complex
- 3 processing units
- Commercial office



PARAGUAY

- 1 production facilities
- Commercial office



SOUTH AFRICA

- Administrative office

UNITED KINGDOM



Commercial office

ASIA



- 3 Commercial offices
- Commercial offices
- 13 Transit Points



AUSTRIA

- Administrative office



MIDDLE EAST

- Commercial Office
- 2 production facilities
- 11 distribution centers



TURKEY

- 3 production facilities
- 19 distribution centers
- 3 Administrative Offices
- 3 Animal Feed Plants

- Beef
- Other proteins - BRF



 **Marfrig**