

INDUSTRY OVERVIEW

4Q20

Barretos, February 24, 2021 – Minerva Foods is the South American leader in beef exports and also operates in the processed foods segment, selling its products to over 100 countries. Currently, the Company has a daily slaughtering capacity of 26,180 head of cattle and a daily beef deboning capacity equivalent to 27,800 head of cattle. Present in Brazil, Paraguay, Argentina, Uruguay and Colombia, Minerva operates 25 slaughter and deboning plants and 3 processing plants.

HIGHLIGHTS BY COUNTRY

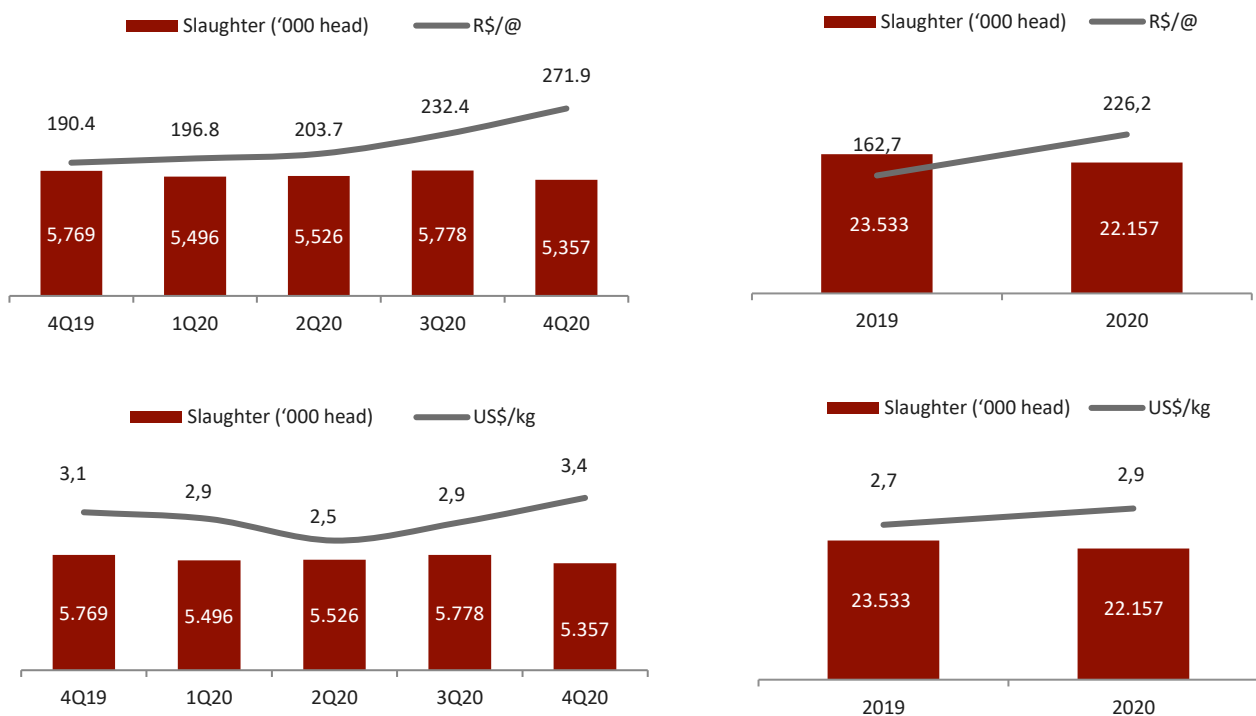
Brazil

Cattle Supply

In 2020, approximately 22.2 million head of cattle were slaughtered in Brazil, a decrease of 6% from 2019. In 4Q20, slaughter volume reached 5.4 million head of cattle.

The *arroba* price (indicator: finished cattle Esalq/BM&F – state of São Paulo) averaged R\$271.9 in 4Q20, impacted by higher domestic consumption in Brazil. Cattle prices in dollars reached US\$3.4/kg, rising 17% over 3Q20 and 10% over 4Q19. In 2020, the arroba price averaged R\$226.2.

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

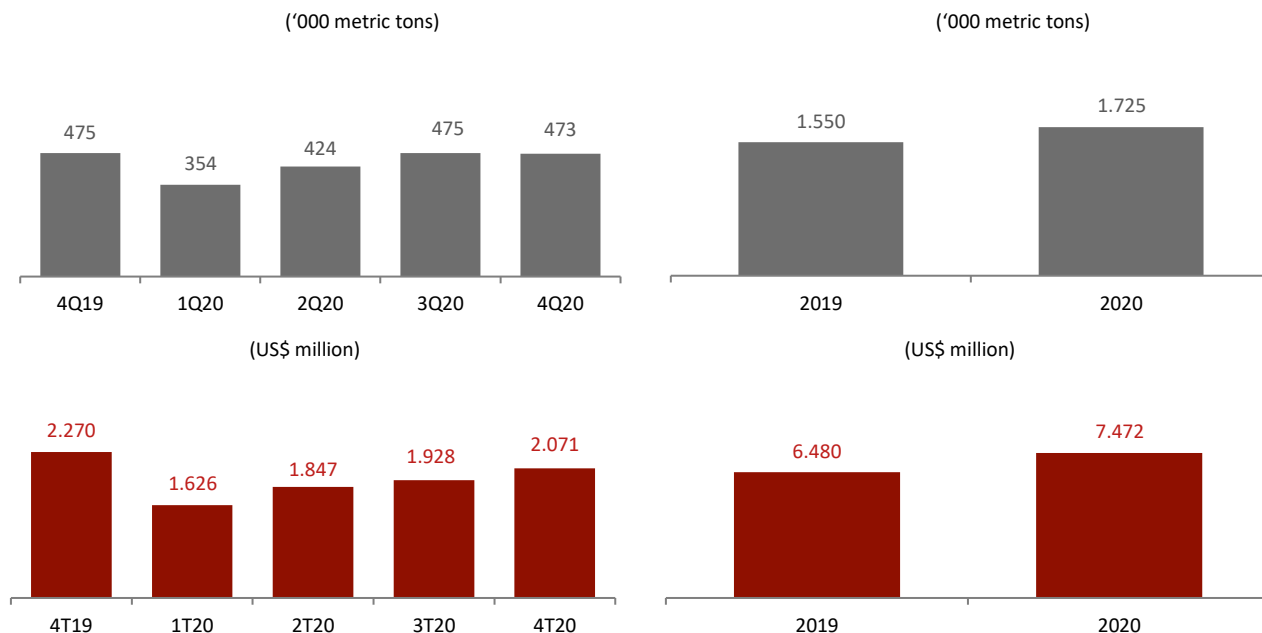


Source: Ministry of Agriculture, Livestock and Supply, CEPEA/ESALQ | 4Q20 Preliminary Slaughter Data

Export market

Brazilian beef exports reached 473,000 metric tons in 4Q20, in line with 3Q20 and 4Q19. In 2020, exports totaled 1.7 million metric tons, 11% more than in 2019. Export revenue reached US\$2.1 billion, 7% more than in 3Q20. In 2020, export volume totaled R\$7.5 billion, moving up 15%. The strong performance of Brazilian exports was fueled by global demand for beef, especially in Asia, led by China (52% increase in revenue).

Figures 5, 6, 7 and 8 – Fresh Beef Exports



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

Beef prices in dollars averaged US\$4.4/kg in 4Q20, 8% higher than in 3Q20. Average beef prices in reais stood at R\$23.7/kg in 4Q20, an increase of 20% over 4Q19.

Figures 9 – Average Fresh Beef Price

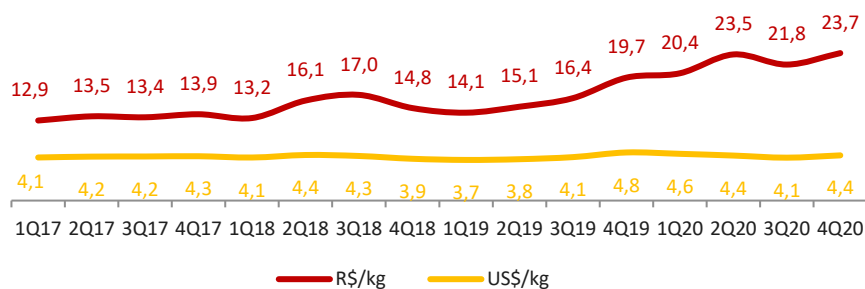
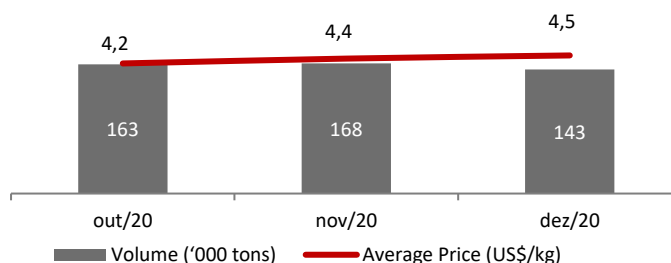


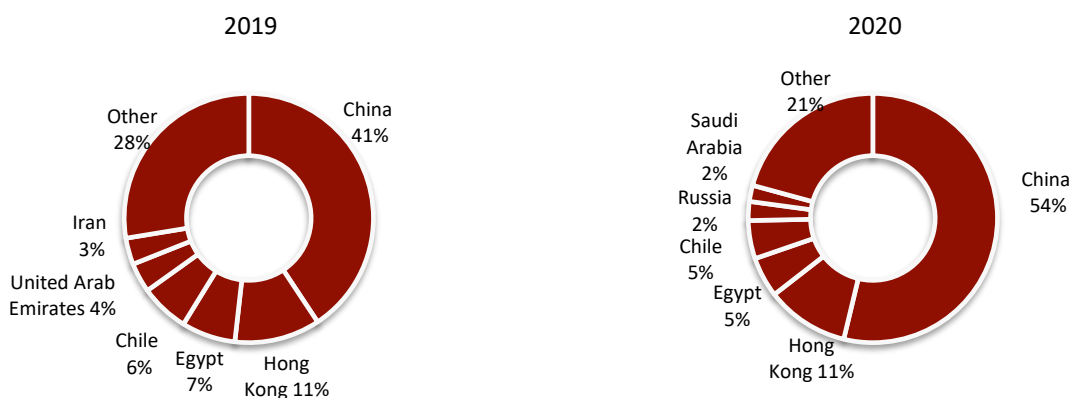
Figure 10 – Brazilian Fresh Beef Exports



Source: Ministry of Development, Industry and Foreign Trade

In 2020, China and Hong Kong continued to be the main destinations of Brazilian beef exports, accounting for 65% of the total, followed by Chile, with 5%. It is worth noting that revenue from exports to China increased 52% over the previous year.

Figures 11 and 12 – Export Destinations (% of Revenue)

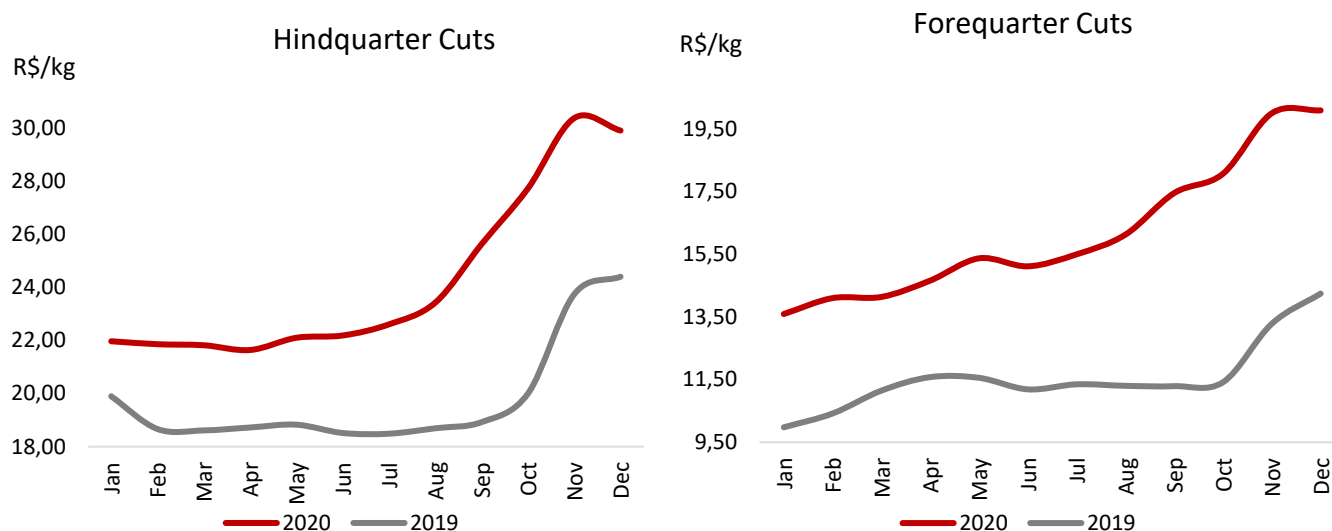


Source: Ministry of Development, Industry and Foreign Trade

Domestic market

In 2020, prices in the Brazilian domestic market were higher than in 2019, as shown in the charts below. This trend was fueled by the emergency aid, due to the novel coronavirus pandemic, which increase the purchasing power of part of the Brazilian population, with a direct impact on demand for food and food prices.

Figures 13 and 14 – Forequarter and Hindquarter Cut Prices



Source: Scot Consultoria

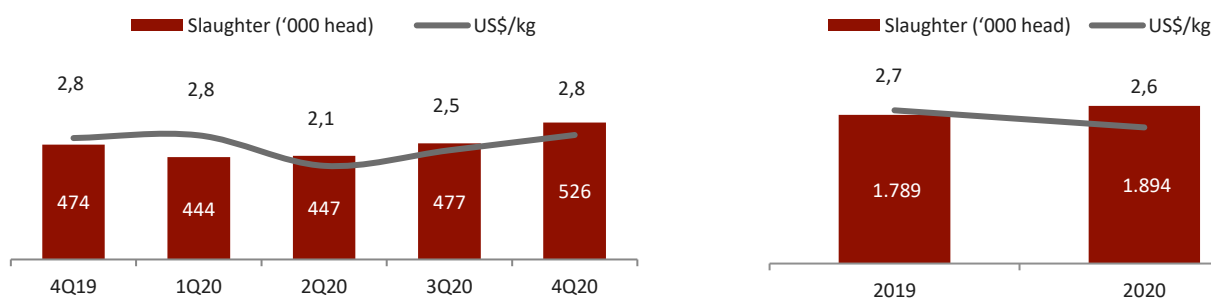
Paraguay

Cattle Supply

In 2020, 1.9 million head of cattle were slaughtered in Paraguay, an increase of around 6% over 2019. In 4Q20, slaughter volume reached 526,000 head, up 10% over 3Q20 and 11% over 4Q19.

Cattle prices averaged US\$2.8/kg in 4Q20, in line with 4Q19.

Figures 15 and 16 – Cattle Slaughter and Average Cattle Price



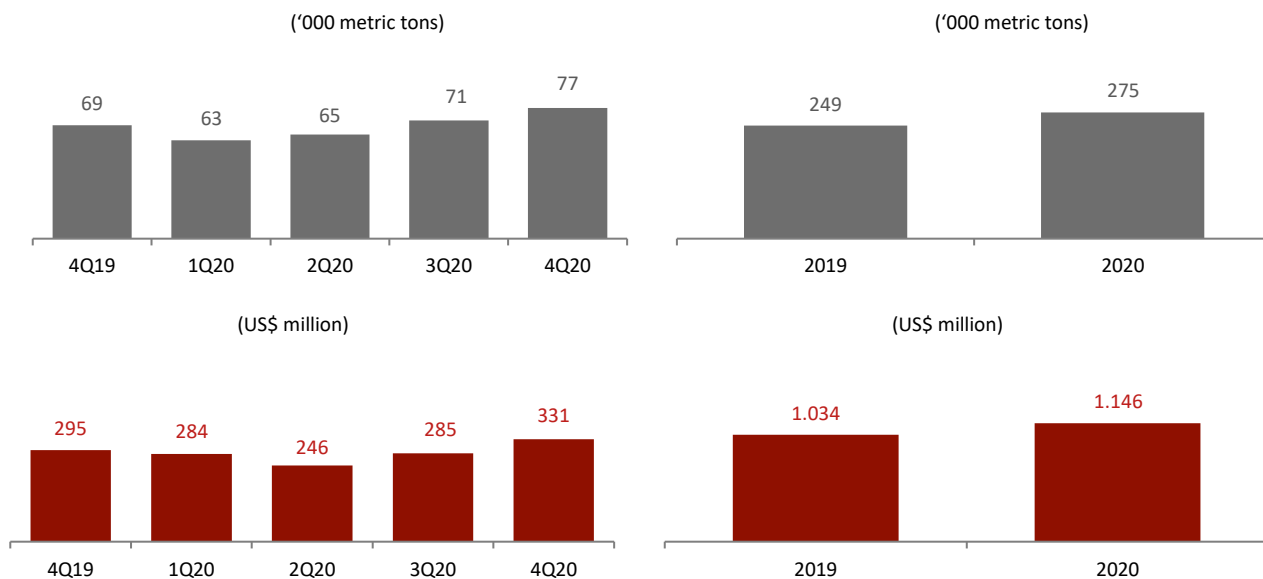
Source: OCIT – Oficina Consultiva y de Investigación Técnica | 4Q20 Preliminary Data

Export market

Paraguayan beef exports totaled 77,000 metric tons in 4Q20, an increase of 8% over 3Q20 and 11% higher than in 2019. In 2020, exports grew 11%, totaling 275,000 metric tons. Export revenue totaled US\$331 million in 4Q20, up 16% over 3Q20 and 12% over 4Q19. In 2020, export revenue increased 11%, totaling US\$1.1 billion.

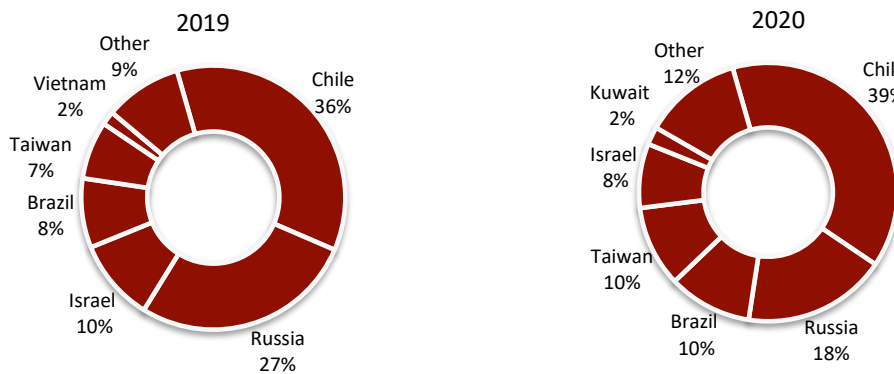
In 2020, Chile continued to be the main destination of Paraguayan exports, accounting for 39% of the total, followed by Russia, with 18%, and Brazil and Taiwan, with 10% each.

Figures 17, 18, 19 and 20 – Fresh Beef Exports



Source: OCIT – Oficina Consultiva y de Investigación Técnica

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



Source: OCIT – Oficina Consultiva y de Investigación Técnica

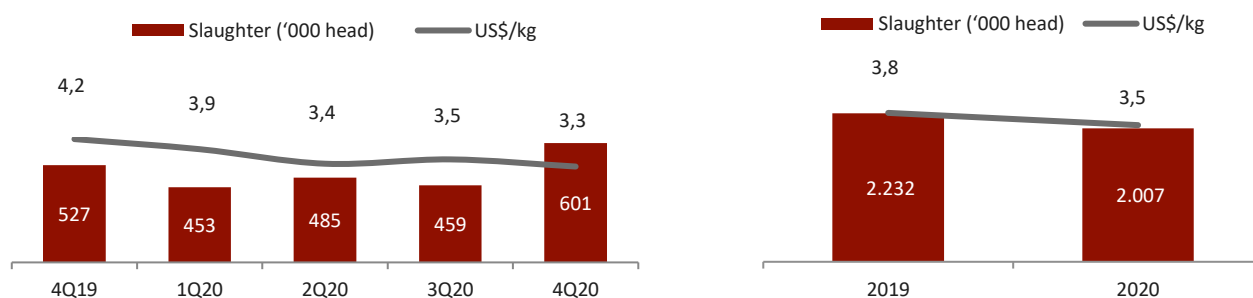
Uruguay

Cattle Supply

In 2020, 2.0 million head of cattle were slaughtered in Uruguay, a decrease of 10% from 2019. In 4Q20, slaughter volume totaled 601,000 head of cattle, an increase of 31% over 3Q20 and 14% over 4Q19.

Cattle prices averaged US\$3.5/kg in 2020, down 8% from 2019. In 4Q20, the average price of cattle was US\$3.3/kg, down 7% from 3Q20 and 22% from 2019.

Figures 23 and 24 – Cattle Slaughter and Average Cattle Price



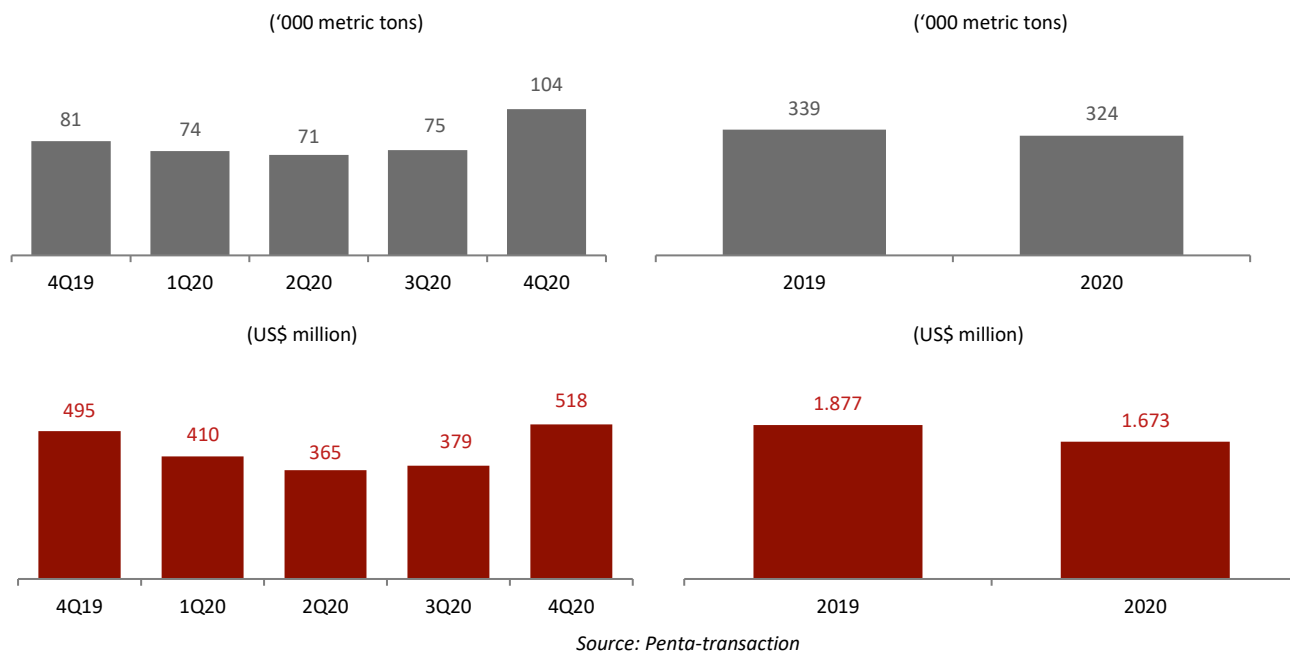
Source: INAC

Export market

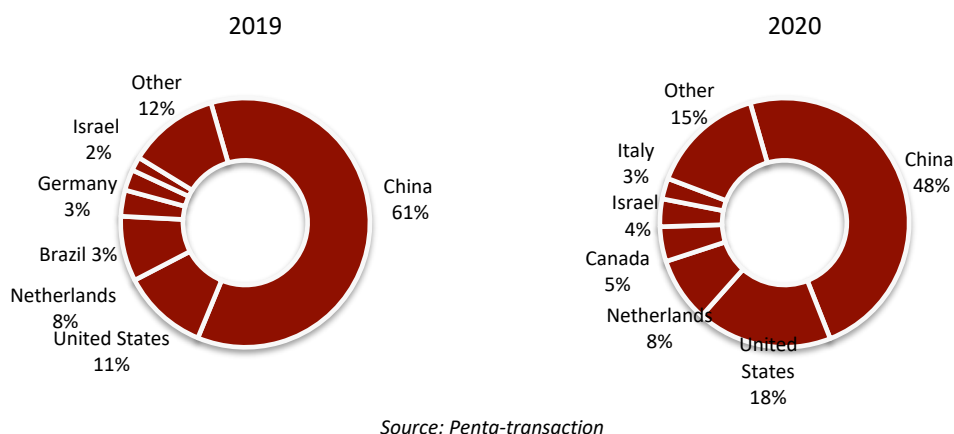
Uruguayan exports totaled 324,000 metric tons in 2020, a decline of approximately 5% from 2019. However, in 4Q20, Uruguayan exports reached 104,000 metric tons, an increase of 39% over 3Q20 and 28% over 4Q19. Export revenue totaled US\$1.7 billion in 2020. In 4Q20, revenue totaled US\$518 million, up 37% over 3Q20 and 5% over 4Q19.

In 2020, China remained the main destination of Uruguayan exports, accounting for 48% of the total, followed by the United States, with 18%.

Figures 25, 26, 27 and 28 – Fresh Beef Exports



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



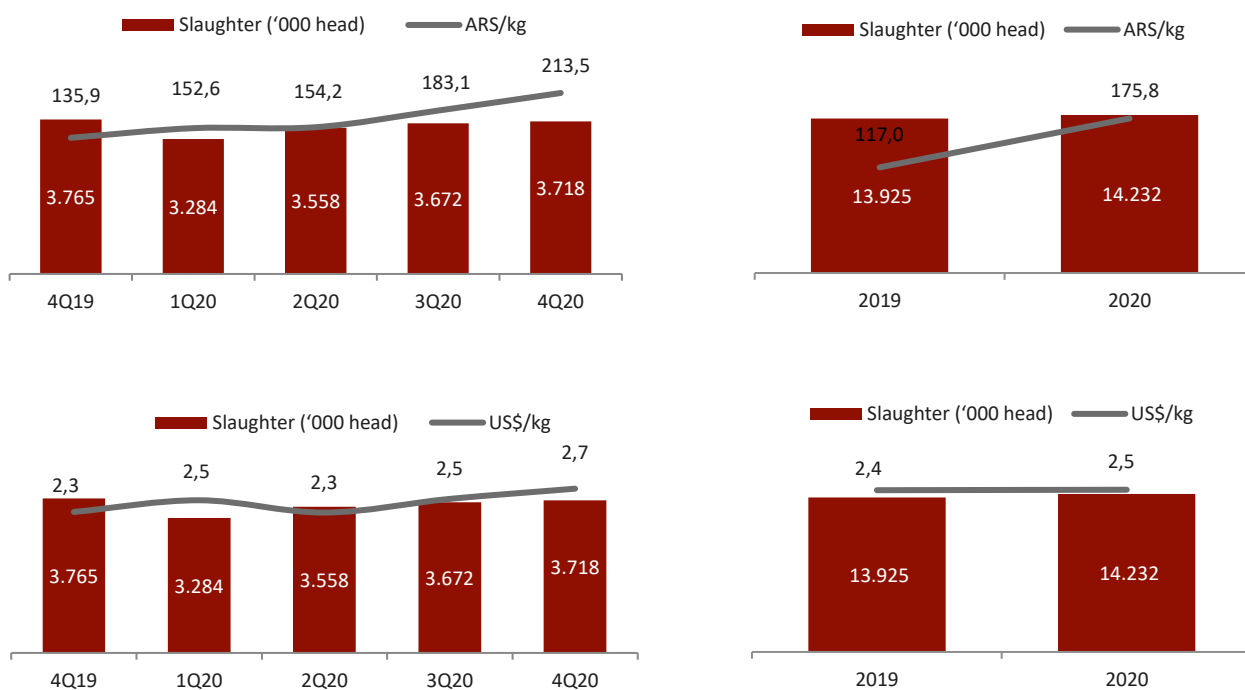
Argentina

Cattle Supply

In 2020, 14.2 million head of cattle were slaughtered in Argentina, an increase of 2% over 2019. In 4Q20, slaughter volume remained flat at 3.7 million head of cattle.

In 2020, the average price of cattle in Argentina reached ARS175.8/kg, up 50% over 2019. In 4Q20, the average price of cattle reached ARS213.5/kg. It is worth noting that a significant increase in prices in Argentine pesos reflects the impact of high inflation in the country. Average cattle prices in dollars remained flat compared to 2019.

Figures 31, 32, 33 and 34 – Cattle Slaughter and Average Cattle Price – ARS/kg and US\$/kg

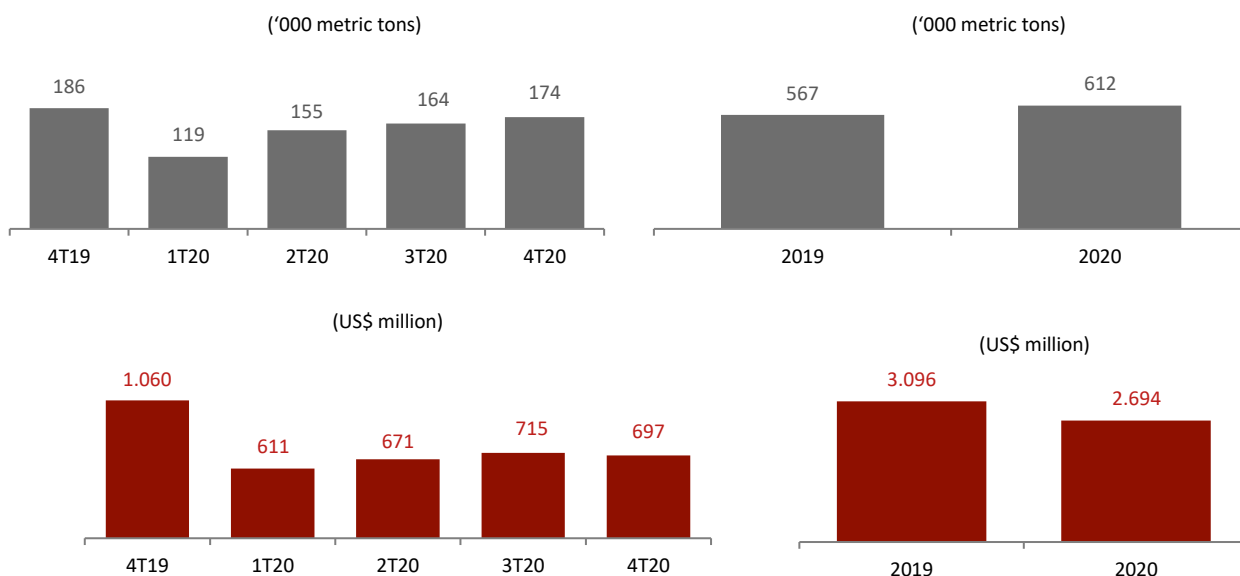


Source: ABC Consortium | 4Q20 Preliminary Data

Export market

Argentina exported 612,000 metric tons of beef in 2020, 8% more than in 2019. In 4Q20, export volume totaled 174,000 metric tons, 6% more than in 3Q20. Export revenue totaled US\$2.7 billion in 2020 and US\$697 million in 4Q20.

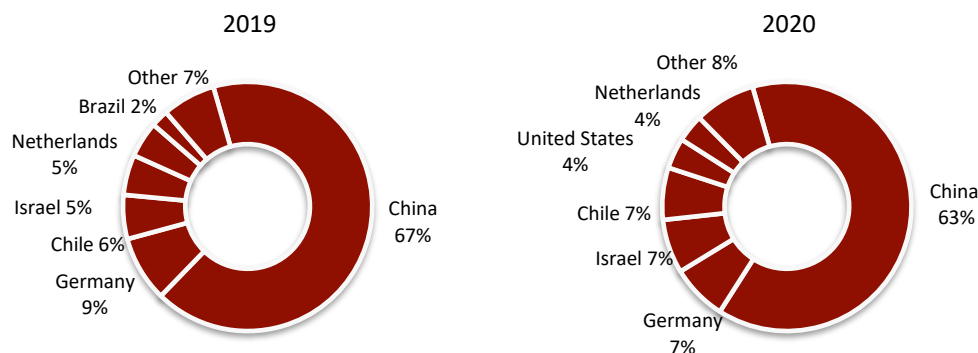
Figures 35, 36, 37 and 38 – Fresh Beef Exports



Source: IPCVA – Instituto de Promoción de La Carne Vacuna Argentina | 4Q20 Preliminary Data

In 2020, the main destination of Argentine exports was China, which accounted for 63% of the total, followed by Germany, Israel and Chile, with 7% each.

Figures 39 and 40 – Export Destinations (% of Revenue)



Source: INDEC - Instituto Nacional de Estadística y Censos | 4Q20 Preliminary Data

Domestic market

In 2020, the Argentine domestic market continued to suffer the consequences of the serious economic crisis the country has been facing in recent years, in addition to the social and economic effects of the coronavirus pandemic. Thus, domestic market consumption continued to be affected by migration from beef to lower-value-added products, such as processed foods.