

# EARNINGS RELEASE

**Barretos, November 03, 2020** – Minerva S.A. (BM&FBOVESPA: BEEF3 | OTC - Nasdaq International: MRVSY), the South American leader in the export of fresh beef and cattle byproducts, which also operates in the processed foods segment, announces today its results for the third quarter of 2020 (3Q20). The financial and operational information herein is presented in BRGAAP and Brazilian reais (R\$), in accordance with International Financial Reporting Standards (IFRS).

## 3Q20 HIGHLIGHTS

### Minerva (BEEF3)

Price on 10/30/2020:  
R\$9,97  
Market cap:  
R\$5,467.7 million  
548,418,298 shares  
Free float:  
46.5%

### Conference Call

November 4, 2020

### Portuguese

10:00 a.m. (Brasília)

8:00 a.m. (US EST)

Phone: +55 (11) 2188 0155

Code: Minerva

### English

10:00 a.m. (Brasília)

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- Free cash flow after financial expenses, Capex and working capital was positive for the eleventh consecutive quarter, totaling R\$595.4 million in 3Q20. In LTM3Q20, free cash flow totaled R\$1,968.4 million.
- Net income was R\$58.3 million in 3Q20 and R\$583.0 million year to date. In the 12 months ended September 30, 2020 (LTM3Q20), net income totaled R\$826.6 million.
- Considering the new dividend policy approved by early 2020, the Company decided to anticipate the payment of dividends corresponding to 25% of the accumulated net income for the year, amounting to R\$138,5 million, or R\$ 0,25783 per share. In line with the approved dividend policy, after the 4Q20, the Company will supplement the total amount to be distributed, referring to the total result for the fiscal year ended in 2020, and considering the anticipated payment.
- Financial leverage, measured by the net debt/LTM EBITDA ratio, stood at 2.2x in 3Q20, the lowest level since the beginning of 2008. In U.S. dollars, net leverage closed the quarter at 1.9x.
- Minerva's consolidated gross revenue reached R\$19.7 billion in LTM3Q20, 10% higher than in the 12 months ended September 30, 2019 (LTM3Q19). In 3Q20, Minerva's gross revenue totaled R\$5.4 billion, 14% more than in 3Q19. The Brazilian Industry Division contributed R\$2.6 billion, or 48% of total gross revenue, Athena Foods Division brought in R\$2.4 billion, or 44% of the total in 3Q20. In LTM3Q20, exports accounted for 69% of gross revenue, maintaining Minerva's position as the leading beef exporter in South America, with a market share of approximately 18%.
- Minerva's net revenue reached R\$5.1 billion in 3Q20, 14% higher than in 3Q19. In the 12 months ended September 2020, net revenue came to R\$18.6 billion.
- EBITDA totaled R\$554.2 million in 3Q20, increasing 22% over 3Q19, with an EBITDA margin of 10.8%. In LTM3Q20, EBITDA reached, a record level of R\$2.1 billion, with a margin of 11.5%, 1.9 p.p. higher year on year.

## MESSAGE FROM MANAGEMENT

Minerva's performance in 3Q20 consolidated our position as one of the main players in the global beef market and further confirmed the favorable market scenario and the positive outlook for South American exporters. In 3Q20, Minerva recorded net revenue of R\$5.1 billion, EBITDA of R\$554.2 million and an EBITDA margin of 10.8%. In LTM3Q20, EBITDA was at an all-time high of more than R\$2.1 billion, with an EBITDA margin of 11.5%. Net income totaled R\$58.3 million in 3Q20, R\$583.0 million year to date and R\$826.6 million in the last 12 months. Finally, I would like to emphasize our free cash generation: R\$595.4 million in 3Q20, positive for the eleventh consecutive quarter, reaching R\$1.9 billion year to date and R\$2.0 billion in the last 12 months ended September, reflecting Minerva's financial and operational excellence.

The COVID-19 pandemic continues to create several difficulties for the global economy. Despite this highly complex and volatile scenario, we maintained our liquidity at very comfortable levels and reduced our leverage to a net debt/LTM EBITDA ratio of 2.2x, the lowest since early 2008, thanks to our risk management model, which, together with our capital discipline and conservative cash management, plays an essential role in protecting our balance sheet.

The fundamentals of the beef market remain very attractive to South American exporters: the imbalance between supply and demand continues to provide excellent opportunities for producers in the region, which become more evident with each new market opening, increasing the South American players' access to growing global demand for beef. We must also highlight the still ongoing outbreak of African swine fever in Asian continent and part of Europe, boosting the global demand for beef and maximizing opportunities for beef exporters in South America. Asian appetite for beef continues to rise, with strong demand from China, which accounted for approximately 40% of our consolidated export revenue in the last 12 months. Demand is also growing in other Asian markets, such as Taiwan, Singapore and the Philippines, particularly due to a shortfall in supply from Australia, one of the leading global suppliers.

The outlook for the final months of 2020 remains very positive, as strong international demand, the still ongoing outbreak of the African swine fever and supply problems in other beef exporters, will probably directly benefit South American players. Thanks to its geographical diversification and unique operational footprint on the continent, Minerva is extremely well positioned to maximize business opportunities.

An ever-increasing global demand and one of the cornerstones of management, sustainability also played a prominent role in 3Q20. This quarter, we saw the preliminary results of our initiative with the support of National Wildlife Federation and Wisconsin-Madison University to monitor indirect suppliers, one of the main challenges of our industry. The tests with the VISIPEC tool are preliminary, however quite satisfactory: in a sample of 3,314 suppliers located in the Amazon biome, we reached an impressive 99.9% of compliance of indirect suppliers, a great advance for the Company and an unprecedented achievement for the sector.

We will continue to contribute to the fight against the novel coronavirus, through solidarity actions, donations and support to our communities, clients and employees. More than producing and selling high-quality food, Minerva took a leadership position by living its purpose of always acting with empathy and ethics, based on meritocracy, financial discipline and, mainly, sustainable practices.

Fernando Galletti de Queiroz  
CEO

## RESULTS ANALYSIS

### Key Consolidated Indicators

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Total slaughter ('000 head)	814.2	943.9	-13.7%	752.2	8.2%	3,217.2	3,516.3	-8.5%
Slaughter - Brazil	403.3	485.6	-17.0%	344.1	17.2%	1,557.6	1,740.4	-10.5%
Slaughter - Athena Foods	411.0	458.3	-10.3%	408.1	0.7%	1,659.6	1,775.9	-6.6%
Total sales volume ('000 metric tons)	272.9	312.0	-12.6%	224.1	21.8%	1,041.0	1,155.5	-9.9%
Volume - Brazil	141.9	170.4	-16.7%	110.5	28.4%	536.1	604.5	-11.3%
Volume - Athena Foods	130.9	141.6	-7.6%	113.5	15.3%	504.8	551.1	-8.4%
Gross revenue	5,437.0	4,790.7	13.5%	4,625.0	17.6%	19,660.8	17,960.5	9.5%
Export market	3,712.5	3,266.5	13.7%	3,344.7	11.0%	13,504.9	11,535.8	17.1%
Domestic market	1,724.5	1,524.2	13.1%	1,280.3	34.7%	6,156.0	6,424.7	-4.2%
Net revenue	5,137.1	4,511.2	13.9%	4,399.2	16.8%	18,563.0	16,873.3	10.0%
EBITDA	554.2	454.5	21.9%	590.2	-6.1%	2,129.2	1,610.1	32.2%
EBITDA margin	10.8%	10.1%	0.7 p.p.	13.4%	-2.6 p.p.	11.5%	9.5%	1.9 p.p.
Net debt/LTM EBITDA (x)	2.2	3.8	-1.6	2.6	-0.4	2.2	3.8	-1.6
Net debt/LTM EBITDA (x) - USD	1.9	3.6	-1.7	2.2	0.3	1.9	3.6	-1.7
Net income (loss)	58.3	-82.7	n.a.	253.4	-77.0%	826.6	-319.5	n.a.

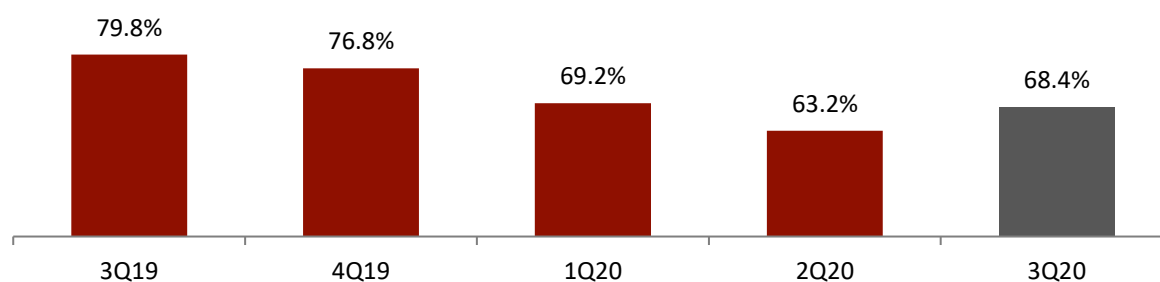
## Results by Division

### Slaughter

#### BRAZILIAN INDUSTRY DIVISION

Slaughter volume at the Brazilian Industry Division came to 403,300 head of cattle in 3Q20, with a capacity utilization rate of 68.4%, up 5.2 p.p. over 2Q20, reflecting adjustments and security measures implemented as a result of the novel coronavirus pandemic.

Figure 1 - Installed Capacity Utilization

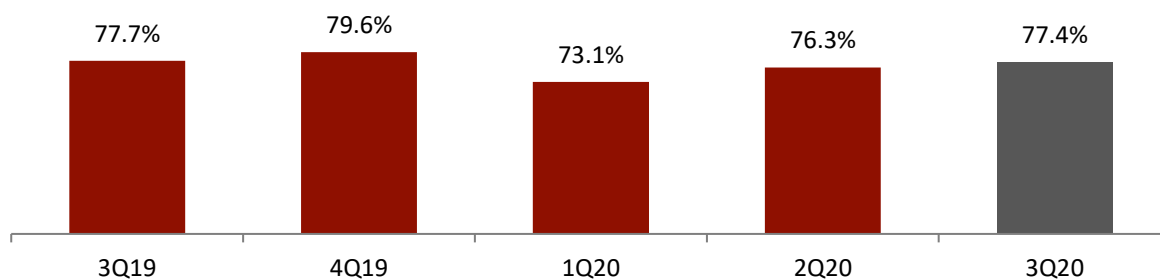


Source: Minerva

**ATHENA FOODS**

Slaughter volume at Athena Foods totaled 411,000 head of cattle in 3Q20, while the capacity utilization rate stood at 77.4%, in line with 3Q19 and approximately 1 p.p. higher than in 2Q20.

**Figure 2 - Installed Capacity Utilization**

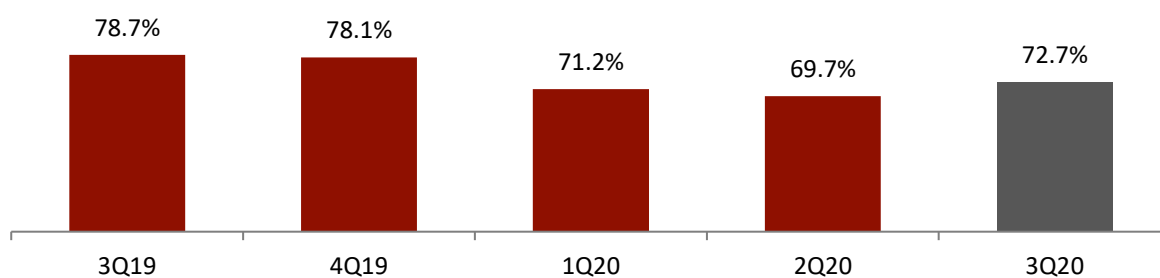


Source: Minerva

**MINERVA CONSOLIDATED**

Consolidated slaughter volume totaled 814,200 head of cattle in 3Q20 and the capacity utilization rate reached 72.7%, so far, the highest level in 2020.

**Figure 3 - Installed Capacity Utilization - Consolidated**



Source: Minerva

## Gross Revenue by Division

### BRAZILIAN INDUSTRY DIVISION

Gross revenue from the Brazilian Industry Division totaled R\$2,627.6 million in 3Q20, up 12.3% over 3Q19 and 27.5% higher than in 2Q20. In LTM3Q20, gross revenue from the Brazilian Industry Division reached R\$9,420.3 million, up 18.7% over LTM3Q19.

### Export Market – 64.8% of Gross Revenue from the Brazilian Industry Division in 3Q20

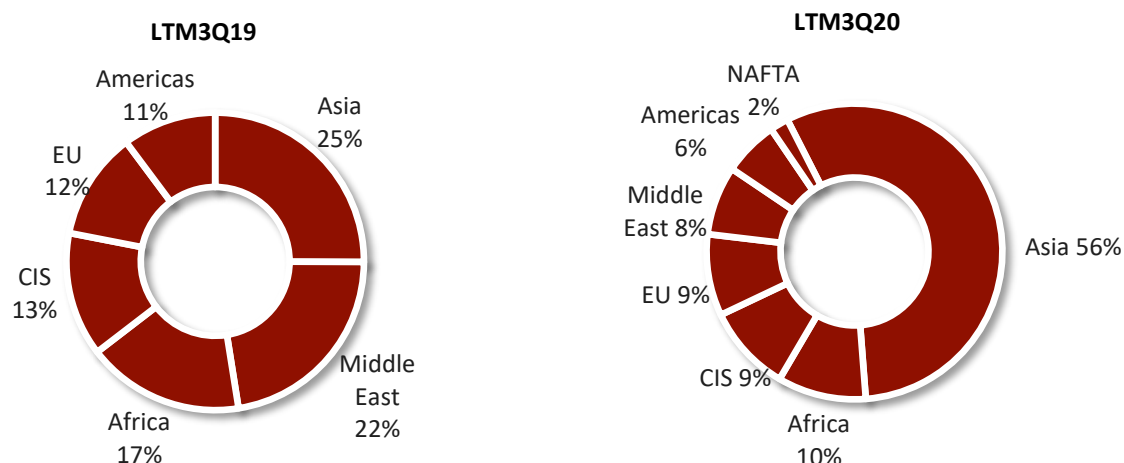
Exports from the Brazilian Industry Division brought in revenue of R\$1,702.8 million in 3Q20, up 9.9% over 3Q19 and 13.8% more than in 2Q20. Export revenue from the Brazilian Industry Division totaled R\$6,366.9 million in LTM3Q20, up 22.8% year on year.

Growing global demand for beef, mainly driven by higher demand from Asia, continues to support the excellent export performance of exports from the Brazilian Industry Division. Asia accounted for around 56% of the Brazilian Industry Division's total export revenue in the last 12 months.

We present below the Brazilian Industry Division's exports by region between LTM3Q19 and LTM3Q20:

- » **Africa:** Africa accounted for 10% of the Brazilian Industry Division's exports in LTM3Q20, down 7 p.p. from LTM3Q19, becoming the second main destination of this division's exports.
- » **Americas:** The Americas' share of this division's exports stood at 6% in LTM3Q20, down 5 p.p. from the same period a year ago.
- » **Asia:** Asia was the destination of 56% of this division's exports in LTM3Q20, a substantial increase of 31 p.p. over LTM3Q19. China stood out, accounting for approximately 43% of this division's exports in the period.
- » **CIS (Commonwealth of Independent States):** The Commonwealth of Independent States, represented mainly by Russia, accounted for 9% of this division's exports in LTM3Q20, 4 p.p. less than in LTM3Q19.
- » **Europe:** Europe was the destination of 9% of this division's exports in LTM3Q20, down 3 p.p. year on year.
- » **NAFTA:** NAFTA accounted for 2% of this division's exports in LTM3Q20, due to the resumption of Brazilian beef exports to the United States in early 2020.
- » **Middle East:** The Middle East was the destination of 8% of this division's exports in LTM3Q20, down 14 p.p. from LTM3Q19, as Southeast Asia absorbed part of the export volume that used to be destined to this region.

Figures 4 and 5 - Breakdown of Export Revenue by Region - Brazil



Source: Minerva

### Domestic Market – 35.2% of Gross Revenue from the Brazilian Industry Division in 3Q20

Domestic gross revenue from the Brazilian Industry Division totaled R\$924.9 million in 3Q20, 17% more than in 3Q19 and a substantial increase of 63.8% over 2Q20. In LTM3Q20, this division’s gross domestic revenue came to R\$3.1 billion, approximately 11% higher year on year.

Substantial growth in this division’s domestic revenue reflects higher beef prices in the domestic market and a seasonal increase in demand in 3Q20.

We present below a complete breakdown of the Brazilian Industry Division:

Gross Revenue (R\$ million)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	1,544.7	1,395.5	10.7%	1,367.5	13.0%	5,827.6	4,611.0	26.4%
Byproducts – EM	131.4	135.6	-3.1%	101.4	29.5%	469.4	500.0	-6.1%
Processed foods – EM	26.7	18.8	41.7%	26.8	-0.3%	69.9	73.4	-4.8%
<b>Subtotal – EM</b>	<b>1,702.8</b>	<b>1,549.9</b>	<b>9.9%</b>	<b>1,495.7</b>	<b>13.8%</b>	<b>6,366.9</b>	<b>5,184.4</b>	<b>22.8%</b>
Fresh beef – DM	620.1	575.4	7.8%	360.0	72.2%	2,089.0	2,038.3	2.5%
Byproducts – DM	237.6	142.4	66.8%	169.7	40.1%	728.2	464.4	56.8%
Processed foods – DM	67.1	72.7	-7.7%	35.0	91.9%	236.1	249.6	-5.4%
<b>Subtotal – DM</b>	<b>924.9</b>	<b>790.6</b>	<b>17.0%</b>	<b>564.7</b>	<b>63.8%</b>	<b>3,053.3</b>	<b>2,752.3</b>	<b>10.9%</b>
<b>Total</b>	<b>2,627.6</b>	<b>2,340.5</b>	<b>12.3%</b>	<b>2,060.4</b>	<b>27.5%</b>	<b>9,420.3</b>	<b>7,936.7</b>	<b>18.7%</b>

Volume ('000 metric tons)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	65.2	75.8	-13.9%	55.5	17.7%	254.2	265.6	-4.3%
Byproducts – EM	21.5	27.7	-22.4%	9.3	131.6%	69.0	98.1	-29.6%
Processed foods – EM	0.8	0.7	7.1%	0.8	0.0%	2.2	3.0	-27.6%
<b>Subtotal – EM</b>	<b>87.5</b>	<b>104.2</b>	<b>-16.0%</b>	<b>65.5</b>	<b>33.6%</b>	<b>325.4</b>	<b>366.7</b>	<b>-11.3%</b>
Fresh beef – DM	30.5	37.9	-19.6%	19.9	53.1%	109.8	137.6	-20.2%
Byproducts – DM	20.5	23.4	-12.7%	23.1	-11.5%	87.6	83.4	5.0%
Processed foods – DM	3.4	4.8	-28.5%	2.0	73.1%	13.4	16.8	-20.2%
<b>Subtotal – DM</b>	<b>54.4</b>	<b>66.2</b>	<b>-17.8%</b>	<b>45.0</b>	<b>20.8%</b>	<b>210.7</b>	<b>237.8</b>	<b>-11.4%</b>
<b>Total</b>	<b>141.9</b>	<b>170.4</b>	<b>-16.7%</b>	<b>110.5</b>	<b>28.4%</b>	<b>536.1</b>	<b>604.5</b>	<b>-11.3%</b>

Average Price – EM (US\$/kg)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	4.4	4.6	-5.1%	4.6	-3.8%	4.7	4.5	5.7%
Byproducts – EM	1.1	1.2	-7.8%	2.0	-44.0%	1.4	1.3	6.8%
Processed foods – EM	6.4	6.6	-2.4%	6.4	-0.1%	6.7	6.3	5.3%
<b>Total</b>	<b>3.6</b>	<b>3.7</b>	<b>-3.4%</b>	<b>4.2</b>	<b>-14.6%</b>	<b>4.0</b>	<b>3.7</b>	<b>10.7%</b>
Average dollar (source: BACEN)	5.37	3.97	35.4%	5.39	-0.2%	4.83	3.87	25.0%

Average Price – EM (R\$/kg)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	23.7	18.4	28.5%	24.7	-4.0%	22.9	17.4	32.0%
Byproducts – EM	6.1	4.9	24.9%	10.9	-44.1%	6.8	5.1	33.4%
Processed foods – EM	34.6	26.2	32.3%	34.7	-0.3%	32.3	24.6	31.5%
<b>Total</b>	<b>19.5</b>	<b>14.9</b>	<b>30.8%</b>	<b>22.8</b>	<b>-14.8%</b>	<b>19.6</b>	<b>14.1</b>	<b>38.4%</b>

Average Price – DM (R\$/kg)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – DM	20.3	15.2	34.1%	18.1	12.5%	19.0	14.8	28.5%
Byproducts – DM	11.6	6.1	91.0%	7.3	58.2%	8.3	5.6	49.3%
Processed foods – DM	19.6	15.2	29.2%	17.7	10.9%	17.6	14.9	18.5%
<b>Total</b>	<b>17.0</b>	<b>11.9</b>	<b>42.3%</b>	<b>12.5</b>	<b>35.6%</b>	<b>14.5</b>	<b>11.6</b>	<b>25.2%</b>

EM - Export Market, DM – Domestic Market

## ATHENA FOODS

Gross revenue from Athena Foods, which comprises the operations of the units in Paraguay, Argentina, Uruguay and Colombia totaled R\$2,393.7 million in 3Q20, 27.7% more than in 3Q19. In the 12 months ended September 2020, gross revenue from this division stood at R\$8,507.6 million, up 16.9% year on year.

### Export Market – 76.1% of Gross Revenue from Athena Foods in 3Q20

Gross export revenue from Athena Foods totaled R\$1,820.5 million in 3Q20, 23.7% more than in 3Q19 and up 12.6% over 2Q20. In the 12 months ended September 2020, export revenue from Athena Foods totaled R\$6,479.7 million, up 18.2% over LTM3Q19.

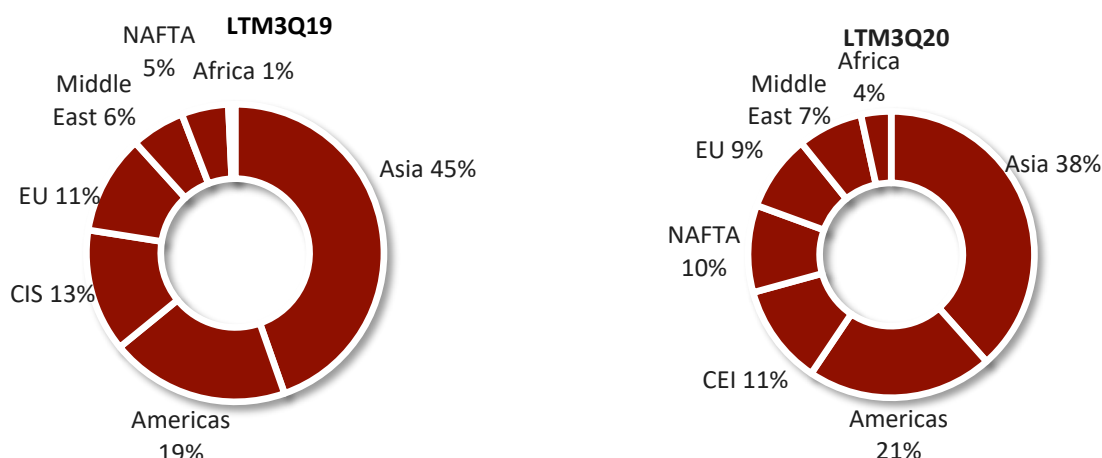
As with the Brazilian Industry Division, the strong export performance of Athena Foods reflected high beef demand from Asia, especially China. Asia was the main destination of this division's exports in LTM3Q20, with 38% of the total. It is also worth noting the growing performance of the U.S. market, which accounted for 10% of export revenue in the last 12 months.

We present below Athena Foods' export revenue by region between LTM3Q19 and LTM3Q20:

- » **Americas:** The Americas remained Athena Foods' second main destination, with 21% of this division's exports in LTM3Q20, up 2 p.p. year on year.
- » **Asia:** Asia remained the main destination of this division's exports in LTM3Q20, with 38% of the total. It is worth noting that China alone accounted for around 32% of Athena Foods' total exports in the period.
- » **CIS (Commonwealth of Independent States):** The Commonwealth of Independent States, represented mainly by Russia, accounted for 11% of this division's exports in LTM3Q20, 2 p.p. less than in LTM3Q19.
- » **Europe:** Exports to Europe represented 9% of this division's exports in LTM3Q20, down 2 p.p. year on year.
- » **NAFTA:** NAFTA accounted for 10% of this division's exports in LTM3Q20, 5 p.p. more than in LTM3Q19, due to an increase in exports to the United States.
- » **Middle East:** The Middle East was the destination of 7% of this division's exports in LTM3Q20, up 1 p.p. over LTM3Q19.
- » **Africa:** The share of Africa in this division's exports stood at 4% in LTM3Q20, 3 p.p. more than in LTM3Q19.



Figures 6 and 7 - Breakdown of Exports by Region – Athena Foods



Source: Minerva

### Domestic Market – 23.9% of Gross Revenue from Athena Foods in 3Q20

Athena Foods recorded domestic gross revenue of R\$573.2 million in 3Q20, an increase of 42.3% over 3Q19 and 20.3% over 2Q20. In the 12 months ended September, revenue reached R\$2.0 billion, up 13% over LTM3Q19.

We present below a complete breakdown of Athena Foods:

Gross Revenue (R\$ million)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	1,650.3	1,342.3	22.9%	1,459.2	13.1%	5,869.1	4,930.4	19.0%
Byproducts – EM	167.7	127.3	31.7%	151.3	10.8%	598.3	544.8	9.8%
Processed foods – EM	2.6	2.1	19.4%	5.7	-55.2%	12.3	7.5	63.6%
<b>Subtotal – EM</b>	<b>1,820.5</b>	<b>1,471.8</b>	<b>23.7%</b>	<b>1,616.2</b>	<b>12.6%</b>	<b>6,479.7</b>	<b>5,482.7</b>	<b>18.2%</b>
Fresh beef – DM	340.0	262.7	29.4%	290.3	17.1%	1,233.5	1,081.2	14.1%
Byproducts – DM	72.2	43.2	67.4%	49.5	45.8%	218.2	175.5	24.3%
Processed foods – DM	161.0	96.8	66.2%	136.7	17.8%	576.2	537.3	7.2%
<b>Subtotal – DM</b>	<b>573.2</b>	<b>402.7</b>	<b>42.3%</b>	<b>476.5</b>	<b>20.3%</b>	<b>2,027.9</b>	<b>1,794.0</b>	<b>13.0%</b>
<b>Total</b>	<b>2,393.7</b>	<b>1,874.5</b>	<b>27.7%</b>	<b>2,092.7</b>	<b>14.4%</b>	<b>8,507.6</b>	<b>7,276.7</b>	<b>16.9%</b>

Volume ('000 metric tons)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	70.7	79.5	-11.2%	64.5	9.6%	271.1	285.8	-5.1%
Byproducts – EM	19.5	17.3	13.2%	14.7	32.5%	73.8	73.1	1.0%
Processed foods – EM	0.1	0.2	-36.6%	0.4	-63.7%	0.8	0.7	12.3%
<b>Subtotal – EM</b>	<b>90.3</b>	<b>97.0</b>	<b>-6.9%</b>	<b>79.6</b>	<b>13.5%</b>	<b>345.7</b>	<b>359.6</b>	<b>-3.9%</b>
Fresh beef – DM	16.5	18.3	-10.3%	15.9	3.5%	68.3	73.5	-7.1%
Byproducts – DM	14.0	16.5	-14.8%	8.9	56.8%	51.8	76.2	-32.1%
Processed foods – DM	10.1	9.8	2.9%	9.1	10.9%	39.1	41.8	-6.5%
<b>Subtotal – DM</b>	<b>40.6</b>	<b>44.6</b>	<b>-9.0%</b>	<b>34.0</b>	<b>19.5%</b>	<b>159.1</b>	<b>191.5</b>	<b>-16.9%</b>
<b>Total</b>	<b>130.9</b>	<b>141.6</b>	<b>-7.6%</b>	<b>113.5</b>	<b>15.3%</b>	<b>504.8</b>	<b>551.1</b>	<b>-8.4%</b>

Average Price – EM (US\$/kg)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	4.3	4.3	2.2%	4.2	3.4%	4.5	4.5	0.4%
Byproducts – EM	1.6	1.9	-14.1%	1.9	-16.2%	1.7	1.9	-13.0%
Processed foods – EM	3.6	2.6	39.0%	2.9	23.7%	3.2	2.8	16.6%
<b>Total</b>	<b>3.7</b>	<b>3.8</b>	<b>-1.9%</b>	<b>3.8</b>	<b>-0.6%</b>	<b>3.9</b>	<b>3.9</b>	<b>-1.6%</b>
Average dollar (source: BACEN)	5.37	3.97	35.4%	5.39	-0.2%	4.83	3.87	25.0%

Average Price – EM (R\$/kg)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – EM	23.4	16.9	38.4%	22.6	3.2%	21.6	17.3	25.5%
Byproducts – EM	8.6	7.4	16.3%	10.3	-16.4%	8.1	7.5	8.8%
Processed foods – EM	19.2	10.2	88.2%	15.6	23.4%	15.6	10.7	45.7%
<b>Total</b>	<b>20.2</b>	<b>15.2</b>	<b>32.8%</b>	<b>20.3</b>	<b>-0.8%</b>	<b>18.7</b>	<b>15.2</b>	<b>22.9%</b>

Average Price – DM (R\$/kg)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Fresh beef – DM	20.7	14.3	44.2%	18.3	13.2%	18.1	14.7	22.8%
Byproducts – DM	5.1	2.6	96.4%	5.5	-7.0%	4.2	2.3	83.0%
Processed foods – DM	15.9	9.9	61.5%	15.0	6.2%	14.7	12.8	14.7%
<b>Total</b>	<b>14.1</b>	<b>9.0</b>	<b>56.5%</b>	<b>14.0</b>	<b>0.7%</b>	<b>12.7</b>	<b>9.4</b>	<b>36.0%</b>

EM - Export Market, DM – Domestic Market

## TRADING DIVISION

Gross revenue from the Trading Division, which consists of the result of the live cattle, protein trading, energy trading and resale of third-party products segments, reached R\$415.6 million in 3Q20. In the 12 months ended September 2020, gross revenue from this division stood at R\$1,732.9 million.

### Export Market – 45.5% of Gross Revenue from the Trading Division in 3Q20

Gross export revenue from the Trading division totaled R\$189.2 million in 3Q20 and R\$658.2 million in LTM3Q20.

### Domestic Market – 54.5% of Gross Revenue from the Trading Division in 3Q20

Domestic sales of the Trading division reached R\$226.4 million in 3Q20 and R\$1,074.7 million in LTM3Q20.

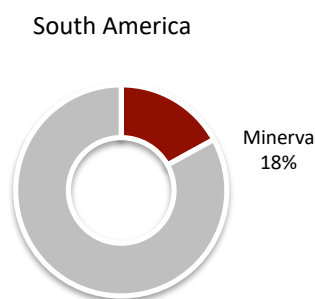
Gross Revenue (R\$ million)	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
<b>Trading gross revenue</b>	<b>415.6</b>	<b>575.7</b>	<b>-27.8%</b>	<b>472.0</b>	<b>-11.9%</b>	<b>1,732.9</b>	<b>2,747.1</b>	<b>-36.9%</b>
Export market	189.2	244.8	-22.7%	232.8	-18.7%	658.2	886.6	-25.8%
Domestic market	226.4	330.9	-31.6%	239.2	-5.3%	1,074.7	1,860.5	-42.2%

## Consolidated Results Analysis

### Exports - Market Share by Country

In the 12 months ended September 2020, Minerva Foods remained the leading beef exporter on the continent. Minerva accounted for approximately 18% of South American beef exports in the period.

Figure 8 – LTM3Q20 Market Share (% of Revenue)



Sources: Minerva, Secex, Penta-transaction, OCIT, INDEC/ICA and Legiscomex

### Gross Revenue

Based on the performance of its three divisions (the Brazilian Industry Division, Athena Foods and the Trading Division), the Company's consolidated gross revenue came to R\$5,437.0 million in 3Q20, up 14% over 3Q19 and 18% higher than in 2Q20. In the 12 months ended September 2020, consolidated gross revenue totaled R\$19,660.8 million, an increase of approximately 10% year on year.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
<b>Gross revenue</b>	<b>5,437.0</b>	<b>4,790.7</b>	<b>13.5%</b>	<b>4,625.0</b>	<b>17.6%</b>	<b>19,660.8</b>	<b>17,960.5</b>	<b>9.5%</b>
Brazilian Industry Division	2,627.6	2,340.5	12.3%	2,060.4	27.5%	9,420.3	7,936.7	18.7%
Athena Foods	2,393.7	1,874.5	27.7%	2,092.7	14.4%	8,507.6	7,276.7	16.9%
Trading Division	415.6	575.7	-27.8%	472.0	-11.9%	1,732.9	2,747.1	-36.9%

### Net Revenue

Consolidated net revenue totaled R\$5,137.1 million in 3Q20, up approximately 14% over 3Q19 and 17% higher than in 2Q20. In LTM3Q20, consolidated net revenue totaled R\$18,563.0 million, up 10% year on year.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Gross revenue	5,437.0	4,790.7	13.5%	4,625.0	17.6%	19,660.8	17,960.5	9.5%
Deductions and discounts	-299.9	-279.5	7.3%	-225.8	32.8%	-1,097.8	-1,087.2	1.0%
<b>Net revenue</b>	<b>5,137.1</b>	<b>4,511.2</b>	<b>13.9%</b>	<b>4,399.2</b>	<b>16.8%</b>	<b>18,563.0</b>	<b>16,873.3</b>	<b>10.0%</b>
% Gross revenue	94.5%	94.2%	0.3 p.p.	95.1%	-0.6 p.p.	94.4%	93.9%	0.5 p.p.

### Cost of Goods Sold (COGS) and Gross Margin

COGS corresponded to 80.4% of net revenue in 3Q20, which implies a gross margin of 19.6%, 1.1 p.p. more than in 3Q19. In LTM3Q20, COGS was equivalent to 79.3% of net revenue and the gross margin stood at 20.7%, up 3.0 p.p. over LTM3Q19.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Net revenue (R\$ million)	5,137.1	4,511.2	13.9%	4,399.2	16.8%	18,563.0	16,873.3	10.0%
<b>COGS (R\$ million)</b>	<b>-4,129.4</b>	<b>-3,674.6</b>	<b>12.4%</b>	<b>-3,380.0</b>	<b>22.2%</b>	<b>-14,718.5</b>	<b>-13,877.0</b>	<b>6.1%</b>
% Net revenue	80.4%	81.5%	-1.1 p.p.	76.8%	3.6 p.p.	79.3%	82.2%	-3.0 p.p.
Gross profit (R\$ million)	1,007.7	836.5	20.5%	1,019.2	-1.1%	3,844.6	2,996.3	28.3%
<b>Gross margin</b>	<b>19.6%</b>	<b>18.5%</b>	<b>1.1 p.p.</b>	<b>23.2%</b>	<b>-3.6 p.p.</b>	<b>20.7%</b>	<b>17.7%</b>	<b>3.0 p.p.</b>

## Selling, General and Administrative Expenses

Selling expenses represented 7.0% of net revenue in 3Q20, while general and administrative expenses corresponded to 3.5% of net revenue. In LTM3Q20, selling expenses represented 7.1% of net revenue, while general and administrative expenses corresponded to 3.9% of net revenue.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
<b>Selling expenses</b>	<b>-361.0</b>	<b>-304.8</b>	<b>18.4%</b>	<b>-314.1</b>	<b>14.9%</b>	<b>-1,310.6</b>	<b>-1,111.6</b>	<b>17.9%</b>
% Net revenue	7.0%	6.8%	0.3 p.p.	7.1%	-0.1 p.p.	7.1%	6.6%	0.5 p.p.
<b>G&amp;A expenses</b>	<b>-181.4</b>	<b>-146.4</b>	<b>23.9%</b>	<b>-197.7</b>	<b>-8.2%</b>	<b>-724.0</b>	<b>-598.6</b>	<b>20.9%</b>
% Net revenue	3.5%	3.2%	0.3 p.p.	4.5%	-1.0 p.p.	3.9%	3.5%	0.4 p.p.

## EBITDA

Consolidated EBITDA reached R\$554.2 million in 3Q20, an increase of approximately 22% over 3Q19. The EBITDA margin stood at 10.8% in 3Q20, around 1 p.p. higher than in 3Q19.

In LTM3Q20, EBITDA totaled R\$2,129.2 million, an all-time high, 32% higher than in LTM3Q19. The EBITDA margin stood at 11.5% in LTM3Q20, 1.9 p.p. more than in LTM3Q19.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Net income (loss)	58.3	-82.7	n.a.	253.4	-77.0%	826.6	-319.5	n.a.
(+/-) Deferred income and social contribution taxes	18.5	8.4	120.3%	40.9	-54.8%	-88.0	34.5	n.a.
(+/-) Financial result	382.2	461.6	-17.2%	201.5	89.7%	1,047.8	1,591.2	-34.2%
(+/-) Asset impairment	0.0	0.0	n.a.	0.0	n.a.	0.0	18.8	-100%
(+/-) Depreciation and amortization	81.0	67.3	20.3%	81.5	-0.6%	303.9	265.5	14.5%
(+/-) Other expense adjustments	14.2	0.0	n.a.	12.9	9.8%	38.9	19.5	99.3%
<b>EBITDA</b>	<b>554.2</b>	<b>454.5</b>	<b>21.9%</b>	<b>590.2</b>	<b>-6.1%</b>	<b>2,129.2</b>	<b>1,610.1</b>	<b>32.2%</b>
<b>EBITDA margin</b>	<b>10.8%</b>	<b>10.1%</b>	<b>0.7 p.p.</b>	<b>13.4%</b>	<b>-2.6 p.p.</b>	<b>11.5%</b>	<b>9.5%</b>	<b>1.9 p.p.</b>

## Financial result

The net financial result was negative by R\$382.3 million in 3Q20 versus a negative financial result of R\$461.9 million in the 3Q19. The 3Q20 financial result reflects the line of "Other Expenses" which was negative by R\$108.1 million. In the period the "FX Variation" was negative by R\$9.5 million.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Financial expenses	-271.5	-249.7	8.7%	-249.1	9.0%	-1,025.7	-969.9	5.7%
Financial income	20.7	14.4	43.7%	19.8	4.6%	77.6	82.0	-5.3%
Monetary correction	-13.9	-67.1	-79.3%	-8.5	64.0%	-130.3	-113.7	14.6%
FX variation	-9.5	-265.6	-96.4%	-147.0	-93.5%	-724.2	-166.1	336.0%
Other expenses (*)	-108.1	106.0	n.a.	183.2	n.a.	755.2	-423.8	-278.2%
<b>Financial result</b>	<b>-382.3</b>	<b>-461.9</b>	<b>-17.2%</b>	<b>-201.5</b>	<b>89.7%</b>	<b>-1,047.3</b>	<b>-1,591.6</b>	<b>-34.2%</b>
Average dollar (R\$/US\$)	5.37	3.97	35.4%	5.39	-0.2%	4.83	3.87	25.0%
Closing dollar (R\$/US\$)	5.64	4.16	35.5%	5.48	3.0%	5.64	4.16	35.5%
FX hedge	-63.6	165.0	n.a.	225.8	n.a.	968.2	-38.2	n.a.
Commodities hedge	5.0	-1.0	n.a.	0.0	n.a.	-20.9	-45.1	-53.7%
Fees, commissions and other financial expenses	-49.5	-58.0	-14.7%	-42.6	16.2%	-192.1	-340.5	-43.6%
<b>Total</b>	<b>-108.1</b>	<b>106.0</b>	<b>n.a.</b>	<b>183.2</b>	<b>n.a.</b>	<b>755.2</b>	<b>-423.8</b>	<b>n.a.</b>

## Net Income (Loss)

Minerva recorded net income of R\$58.3 million in 3Q20 (versus a net loss of R\$82.7 million in 3Q19), R\$583.0 million year to date and R\$826.6 million in the 12 months ended September 2020.

R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg	LTM3Q20	LTM3Q19	% Chg
Net income (loss) before income and social contribution taxes	76.9	-74.3	n.a.	294.3	-73.9%	738.6	-285.0	n.a.
Income and social contribution taxes	-18.5	-8.4	120.3%	-40.9	-54.8%	88.0	-34.5	n.a.
<b>Net income (loss)</b>	<b>58.3</b>	<b>-82.7</b>	<b>n.a.</b>	<b>253.4</b>	<b>-77.0%</b>	<b>826.6</b>	<b>-319.5</b>	<b>n.a.</b>
<b>% Net margin</b>	<b>1.1%</b>	<b>-1.8%</b>	<b>n.a.</b>	<b>5.8%</b>	<b>-4.6 p.p.</b>	<b>4.5%</b>	<b>-1.9%</b>	<b>n.a.</b>

## Cash Flow

### Operating Cash Flow

Operating cash flow was positive by R\$954.6 million in 3Q20. Net income adjustments amounted to R\$405.0 million, while the variation in working capital requirements was positive by R\$491.3 million.

The main working capital variations refer to the “Receivables” line, which consumed R\$131.1 million, driven by strong export performance, especially in markets that demand longer payment terms. On the other hand, the “Suppliers” line released a substantial R\$795.9 million in cash this quarter and the “Other Payables” line was positive by R\$220.3 million. It is worth noting that this line includes the “Advances from Clients” sub-item, which is directly related to advance payment required based on the clients’ credit profile. In the last 12 months ended September, operating cash flow totaled R\$3,624.8 million.

R\$ million	3Q20	3Q19	2Q20	LTM3Q20
Net income (loss)	58.3	-82.7	253.4	826.6
(+) Net income (loss) adjustments	405.0	622.6	659.5	2,393.3
(+) Variation in working capital requirements	491.3	415.3	-201.8	404.9
<b>Operating cash flow</b>	<b>954.6</b>	<b>955.2</b>	<b>711.2</b>	<b>3,624.8</b>

R\$ million	3Q20	2Q20	Change
Advances from clients	1,878.1	1,712.6	<b>165.5</b>
Other	126.9	72.1	<b>54.8</b>
<b>Other payables</b>	<b>2,005.0</b>	<b>1,784.7</b>	<b>220.3</b>

## Free Cash Flow

Free cash flow after Capex, interest payments and working capital was positive by R\$595.4 million in 3Q20, and the Company recorded positive cash generation for the eleventh consecutive quarter. Free cash flow totaled R\$1,876.4 million year to date, and free cash generation was positive by R\$1,968.4 million in the 12 months ended September 2020.

R\$ million	3Q20	2Q20	1Q20	4Q19	LTM3Q20
EBITDA	540.0	577.3	374.7	598.3	2,090.3
CAPEX	-131.1	-50.0	-95.5	-63.2	-339.8
Financial result (on a cash basis)	-319.0	38.0	371.0	-316.0	-226.0
Variation in working capital requirements	491.3	-201.8	247.5	-132.1	404.9
<b>Free cash flow to equity</b>	<b>581.2</b>	<b>363.5</b>	<b>897.7</b>	<b>87.0</b>	<b>1,929.4</b>
Non-recurring items	14.2	12.9	6.9	5.0	39.0
<b>Recurring free cash flow to equity</b>	<b>595.4</b>	<b>376.4</b>	<b>904.6</b>	<b>92.0</b>	<b>1,968.4</b>

## Capital Structure

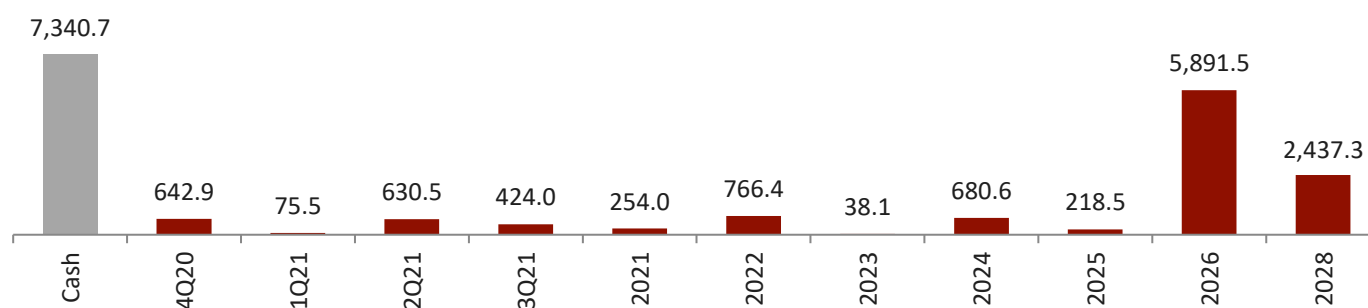
As of 3Q20, Minerva's cash position reached R\$7.3 billion, which is sufficient to amortize its debt through 2025 and is in line with Minerva Foods' conservative cash management and capital discipline. At the end of the quarter, around 79% of gross debt was denominated in U.S. dollars. However, in accordance with its hedge policy, the Company hedges at least 50% of the long-term FX exposure, protecting its balance sheet against exchange rate volatility.

Net leverage, measured by the net debt to LTM EBITDA ratio, closed the quarter at 2.2x, the lowest since the beginning of 2008. In U.S. dollars, leverage stood at 1.9x at the end of 3Q20.

The debt duration stood at around 5.1 years at the end of 3Q20.

At the beginning of October, Fitch and S&P (*Standard & Poor's*) upgraded the Company's credit rating. According to Fitch, Minerva's rating was elevated to "BB" on the international scale and "AA" on the national scale, with a stable outlook. On the S&P report Minerva's rating was elevated to "BB" on the international scale and "brAAA" on the national scale, also with a stable outlook.

**Figure 9 – Debt Amortization Schedule on 9/30/2020.**  
(R\$ million)



R\$ million	3Q20	3Q19	% Chg	2Q20	% Chg
Short-term debt	1,772.9	2,026.8	-12.5%	2,113.8	-16.1%
% Short-term debt	14.7%	20.8%	-6.1 p.p.	17.2%	-2.5 p.p.
Local currency	726.8	768.5	-5.4%	1,002.3	-27.5%
Foreign currency	1,046.2	1,258.3	-16.9%	1,111.5	-5.9%
Long-term debt	10,286.3	7,732.3	33.0%	10,141.2	1.4%
% Long-term debt	85.3%	79.2%	6.1 p.p.	82.8%	2.5 p.p.
Local currency	1,907.8	859.4	122.0%	1,814.3	5.2%
Foreign currency	8,378.6	6,872.9	21.9%	8,326.9	0.6%
Total debt <sup>(1)</sup>	12,059.3	9,759.1	23.6%	12,255.0	-1.6%
Local currency	2,634.5	1,627.9	61.8%	2,816.6	-6.5%
Foreign currency	9,424.7	8,131.1	15.9%	9,438.4	-0.1%
Cash and cash equivalents	-7,340.7	-3,614.2	103.1%	-6,831.6	7.5%
Net debt <sup>(1)</sup>	4,709.3	6,137.4	-23.3%	5,414.1	-13.0%
Net debt/EBITDA (x)	2.2	3.8	-1.6	2.6	-0.4
Net debt/ EBITDA (x) - USD	1.9	3.6	-1.7	2.2	0.3

(1) Net debt includes FIDC subordinated shares totaling R\$9.3 million in 3Q20, R\$7.4 million in 3Q19 and R\$9.4 million in 2Q20.

## Capex

Investments totaled R\$131.1 million in 3Q20, of which R\$42.2 million went to maintenance of some of the Company's operating units and R\$88.9 million to expansion. The highlight in expansion's investments was the acquisition of the Vijagual plant in Colombia, accounting for approximately R\$ 75 million this quarter. In the last twelve months ended in September 2020, investments totaled R\$ 339.8 million.

See below a breakdown of investments (cash effect) by quarter in the last 12 months:

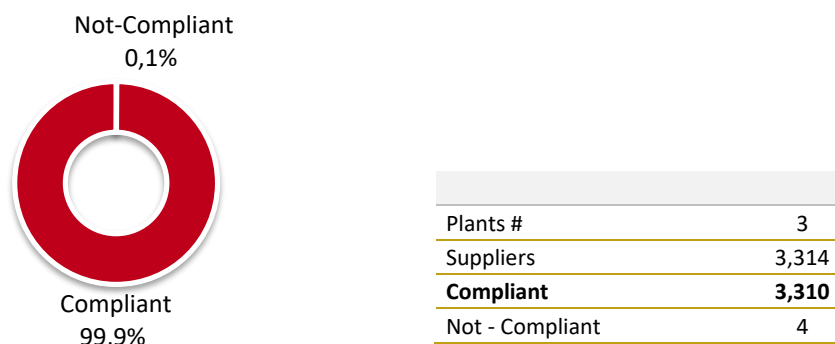
R\$ million	3Q20	2Q20	1Q20	4Q19	LTM3Q20
Maintenance	42.2	40.7	46.2	49.7	178.8
Expansion	88.9	9.3	49.3	13.5	161.0
<b>Total</b>	<b>131.1</b>	<b>50.0</b>	<b>95.5</b>	<b>63.2</b>	<b>339.8</b>

## ESG

### VISIPEC

Through a partnership with National Wildlife Federation and Wisconsin-Madison University, Minerva Foods is a pioneer in tests with the VISIPEC tool to monitor indirect suppliers in the Amazon, and focusing on risk assessment and development of alternatives for supplier qualification. Recently, the Company collected tests preliminary results in 3 of our plants, nearby the Amazon biome, located in the states of Mato Grosso and Rondônia. The preliminary results are very positive, attesting compliance for 99.9% of the 3,314 properties evaluated and identified as potential indirect suppliers, in line with the criteria established by the Indirect Supplier Working Group.

Figure 10 – Indirect suppliers



The VISIPEC tool is a Minerva Foods’s initiative together with several players in the beef chain in Brazil, aiming to provide greater transparency and security in the cattle origination process.

It is worth mentioning that the use of this tool by Minerva Foods is a pioneering and unprecedented initiative in the South American beef industry. Over the next few months, the Company will continue testing, seeking to expand the sample, and will keep all stakeholders informed about the results.

**Climate Change and Greenhouse Gas Emissions**

In September, the Brazilian GHG Protocol Program, an initiative led by *Fundação Getúlio Vargas (FGV)*, published its report with the GHG inventories for the 2019 evaluation cycle.

Minerva’s results stood out as it substantially reduced GHG emissions (-41%) compared to 2018. Focusing on investing in best practices for treatment of industrial effluents, energy efficiency programs, fuel consumption reduction and data management, the Company tangibly demonstrates its contributions related to climate change.

In addition to the best results among large companies in the audit of the Federal Prosecution Office against deforestation in the Amazon, Minerva was also a highlight in the reduction of emissions in industrial operations.



## Subsequent Events

### Capital Increase as a Result of the Exercise of Subscription Warrants

	10/15/2020
Capital stock	R\$1,363,642,441.55
Issued shares	548,418,298
Outstanding warrants	59,377,557
Exercise price	6.42
Estimated capital increase (by 2021)	R\$381,203,916
Total shares issued after exercise	607,795,855

### Risk Notes Updates

On October 7, Minerva had its risk rating assigned by Fitch Ratings to “BB” on the international scale and to “AA” on the national scale, with a stable outlook. According to the report published by Fitch, the rating improvement reflects Minerva’s lower leverage level and solid business profile, as result of Minerva's consistent free cash flow and strong liquidity position.

On October 15, Minerva had its risk rating assigned by the S&P agency (Standard & Poor’s) elevated to “BB” on the international scale and to “brAAA” on the national scale, with a stable outlook. According to the report published by S&P, the improvement reflects Minerva’s strong liquidity position, the continuation of the leverage reduction path and the improvement of Minerva's capital structure.

### Clara Foods

On October 28, the Company announced its first investment from the venture capital area, created earlier this year. The Investment was made in Clara Foods, a start-up based on United States.

Minerva’s venture capital initiative, is a recently created investment vehicle that will be focused on start-ups and tech companies with highly innovative skills, strictly related to Minerva’s value chain (alternative proteins, logistic, livestock, agritech and food retail), with long-term potential to enhance synergies, leverage our capabilities and unlock unique opportunities, such as Clara Foods. In line with the pronounced strategy, Minerva is investing USD 4 million in Clara Foods.

### Anticipate Payment Dividends

On November 03, the Company’ Board of the Directors decided to anticipate the payment of dividends corresponding to R\$138,5 million, or R\$ 0,25783 per share related to the accumulated net income for the year to date. Company’ shares will trade ex-dividends from November 09 on. The dividends will be paid on November 13.

## About Minerva S.A.

Minerva Foods is the South American leader in beef exports, which also operates in the processed foods segment, selling its products to over 100 countries. Present in Brazil, Paraguay, Argentina, Uruguay and Colombia, Minerva operates 25 slaughter and deboning plants and 3 processing plants. In the 12 months ended September 30, 2020, the Company recorded gross sales revenue of R\$19.7 billion, 9% more than in the same period a year ago.

### *Relationship with Auditors*

In accordance with CVM Instruction 381/03, we announce that our auditors did not provide services other than those related to the external audit in 2018, 2019 and in the first nine months of 2020.

### *Statement from Management*

In compliance with CVM Instructions, Management declares that it has discussed, reviewed and agreed with the individual and consolidated accounting information related to the fiscal year ended September 30, 2020, and the opinions expressed in the independent auditors' review report, hereby authorizing their disclosure.

## APPENDIX 1 - INCOME STATEMENT (CONSOLIDATED)

(R\$ thousand)	3Q20	3Q19	2Q20
Revenue from domestic sales	1,724,488	1,524,230	1,280,336
Revenue from exports	3,712,548	3,266,478	3,344,713
<b>Gross sales revenue</b>	<b>5,437,036</b>	<b>4,790,708</b>	<b>4,625,049</b>
Revenue deductions – taxes and other	-299,929	-279,525	-225,847
<b>Net operating revenue</b>	<b>5,137,107</b>	<b>4,511,183</b>	<b>4,399,202</b>
Cost of goods sold	-4,129,434	-3,674,648	-3,379,964
<b>Gross profit</b>	<b>1,007,673</b>	<b>836,535</b>	<b>1,019,238</b>
Selling expenses	-360,956	-304,843	-314,134
General and administrative expenses	-181,367	-146,402	-197,668
Other operating revenues (expenses)	-6,261	1,928	-11,623
<b>Result before financial expenses</b>	<b>459,089</b>	<b>387,218</b>	<b>495,813</b>
Financial expenses	-271,498	-249,685	-249,116
Financial income	20,746	14,441	19,839
Monetary correction	-13,878	-67,105	-8,463
FX variation	-9,521	-265,556	-146,970
Other expenses	-108,083	106,351	183,246
<b>Financial result</b>	<b>-382,234</b>	<b>-461,554</b>	<b>-201,464</b>
<b>Result before taxes</b>	<b>76,855</b>	<b>-74,336</b>	<b>294,349</b>
Income and social contribution taxes - current	-21,225	-58,217	-32,507
Income and social contribution taxes - deferred	2,715	49,816	-8,428
<b>Result before non-controlling interest</b>	<b>58,345</b>	<b>-82,737</b>	<b>253,414</b>
Controlling shareholders	58,345	-82,737	253,414
<b>Net income (loss)</b>	<b>58,345</b>	<b>-82,737</b>	<b>253,414</b>

## APPENDIX 2 - BALANCE SHEET (CONSOLIDATED)

(R\$ thousand)	3Q20	4Q19
<b>ASSETS</b>		
Cash and cash equivalents	7,340,651	4,469,687
Accounts receivable from clients	2,102,335	1,778,214
Inventories	1,114,034	714,565
Biological assets	392,499	235,773
Taxes recoverable	972,997	763,227
Other receivables	486,230	307,818
<b>Total current assets</b>	<b>12,408,746</b>	<b>8,269,284</b>
Taxes recoverable	179,387	179,387
Deferred tax assets	416,776	426,386
Other receivables	15,554	13,348
Judicial deposits	19,026	24,550
Fixed assets	4,251,488	3,632,800
Intangible assets	809,768	687,982
<b>Total non-current assets</b>	<b>5,691,999</b>	<b>4,964,453</b>
<b>Total assets</b>	<b>18,100,745</b>	<b>13,233,737</b>
<b>LIABILITIES</b>		
Loans and financing	1,772,948	2,867,602
Commercial leasing	10,075	6,990
Suppliers	2,183,131	1,362,369
Labor and tax liabilities	329,627	330,265
Other payables	1,971,323	1,060,774
<b>Total current liabilities</b>	<b>6,267,104</b>	<b>5,628,000</b>
Loans and financing	10,286,309	7,610,124
Commercial leasing	37,923	39,457
Labor and tax liabilities	62,187	64,776
Provision for contingencies	42,310	38,272
Accounts payable	33,634	1,753
Deferred tax liabilities	152,304	133,017
<b>Total non-current liabilities</b>	<b>10,614,667</b>	<b>7,887,399</b>
<b>Shareholders' equity</b>		
Capital stock	1,303,901	282,017
Capital reserves	118,271	118,271
Revaluation reserves	49,453	50,614
Accumulated profit (loss)	584,125	-380,210
Treasury shares	-32,695	-32,695
Equity valuation adjustments	-804,081	-319,659
<b>Total shareholders' equity attributed to controlling shareholders</b>	<b>1,218,974</b>	<b>-281,662</b>
<b>Total shareholders' equity</b>	<b>1,218,974</b>	<b>-281,662</b>
<b>Total liabilities and shareholders' equity</b>	<b>18,100,745</b>	<b>13,233,737</b>

## APPENDIX 3 – CASH FLOW (CONSOLIDATED)

(R\$ thousand)	3Q20	3Q19	2Q20
<b>Cash flow from operating activities</b>			
Net income (loss)	58,345	-82,737	253,414
<b>Reconciliation of net income to net cash provided by operating activities:</b>			
Depreciation and amortization	80,959	67,303	81,471
Estimated loss on doubtful accounts	7,786	1,083	9,005
Proceeds from the sale of fixed assets	1,480	175	13
Fair value of biological assets	-60,281	5,530	-3,382
Realization of deferred taxes – temporary differences	-2,715	-49,816	8,428
Financial charges	271,498	249,685	249,116
FX variation – not realized	90,577	282,095	306,648
Monetary correction	13,878	67,105	8,463
Provision for contingencies	1,809	-569	-218
Accounts receivable from clients and other receivables	-131,150	2,146	-83,689
Inventories	-238,001	23,449	-86,986
Biological assets	-23,261	-28,293	-32,166
Taxes recoverable	-97,421	-26,666	-80,239
Judicial deposits	1,999	172	2,019
Suppliers	795,878	187,979	115,388
Labor and tax liabilities	-37,036	31,435	-4,085
Other payables	220,250	225,095	-32,004
<b>Cash flow from operating activities</b>	<b>954,594</b>	<b>955,171</b>	<b>711,196</b>
<b>Cash flow from investing activities</b>			
Acquisition of intangible assets	-20,318	-1,134	-2,601
Acquisition of fixed assets	-110,733	-60,797	-47,424
<b>Cash flow from investing activities</b>	<b>-131,051</b>	<b>-61,931</b>	<b>-50,025</b>
<b>Cash flow from financing activities</b>			
Loans and financing raised	973,390	1,578,425	1,459,160
Loans and financing settled	-1,726,962	-1,830,671	-1,720,023
Commercial leasing	-1,838	-1,494	-4,745
Capital payment in cash	397,625	419	5,547
Treasury shares	0	2,240	0
(-) Transition cost in the issue of shares	0	0	-4,003
<b>Cash flow from financing activities</b>	<b>-357,785</b>	<b>-251,081</b>	<b>-264,064</b>
FX variation on cash and cash equivalents	43,332	-115,901	118,468
<b>Net increase/decrease in cash and cash equivalents</b>	<b>509,090</b>	<b>526,258</b>	<b>515,575</b>
Cash and cash equivalents			
Beginning of period	6,831,561	3,087,912	6,315,986
End of period	7,340,651	3,614,170	6,831,561
<b>Net increase/decrease in cash and cash equivalents</b>	<b>509,090</b>	<b>526,258</b>	<b>515,575</b>

## APPENDIX 4 – ATHENA FOODS' INCOME STATEMENT (US\$)

Athena Foods' gross revenue totaled US\$438.5 million in 3Q20, 12.9% higher than in 2Q20.

EBITDA amounted to US\$51.1 million in 3Q20, with an EBITDA margin of 12.1%, up 16.7% and 0.4 p.p., respectively, over 2Q20.

Athena Foods' EBITDA for the year totaled US \$ 126.9 million, with a 10.6% EBITDA margin.

Net income was US\$37.6 million in the period, an upturn of 46.9% over 2Q20 and an impressive increase of 337% over 3Q19. For the year, Athena Foods' net profit totals \$ 83.7 million.

### EBITDA - Athena Foods

EBITDA (US\$ million)	3Q20	2Q20	% Chg	3Q19	% Chg
Gross revenue	438.5	388.5	12.9%	456.2	-3.9%
EBITDA	51.1	43.8	16.7%	43.1	18.6%
EBITDA margin (%)	12.1%	11.7%	0.4 p.p.	9.8%	2.3 p.p.
Net income	37.6	25.6	46.9%	8.6	337.2%

**APPENDIX 5 – EXCHANGE RATE**

	3Q20	3Q19	2Q20
(USD- Closing)			
<b>Brazil (BRL/USD)</b>	5.64	4.16	5.48
<b>Paraguay (PYG/USD)</b>	6,990.20	6,387.10	6,817.50
<b>Uruguay (UYU/USD)</b>	42.55	36.86	42.20
<b>Argentina (ARS/USD)</b>	76.18	57.33	70.46
<b>Colombia (COP/USD)</b>	3,829.18	3,451.73	3,757.75